



**City of Fairhope**

**Fairhope, Alabama**

**Budget for Fiscal Year**

**October 1, 2015 – September 30, 2016**



August 31, 2015

Timothy M. Kant, A.C.M.O.  
*Mayor*

*Council Members*

Kevin G. Boone

Diana J. Brewer

Jack Burrell, C.M.O.

Michael A. Ford, A.C.M.O.

Richard A. Mueller, Sr.

Lisa A. Hanks, M.M.C.  
*City Clerk*

Deborah A. Smith, C.P.A.  
*City Treasurer*

FROM: Mayor Timothy M. Kant  
TO: Fairhope City Council  
DATE: August 31, 2015  
RE: Budget Highlights

In the enclosed notebook, you will find the figures for each City department for the 2015-16 FYE.

2% cost of living increase for City employee

Capital expenditures in the general fund are \$1,984,661. Also, capital project fund expenditures are \$8.2 million.

City Public Utilities will have capital upgrades of \$2,843,566. This includes \$1.8 million for system upgrades with \$1 million to purchase vehicles and equipment.

\$2,050,000 of the sales tax revenue will be used for capital projects and \$2 million for debt reduction.

This year the total budget for general government and city utilities is \$62,564,304 total revenue and \$57,989,086 in total expenses, with a surplus of \$4,575,218.

If you would like further explanation or have questions about the budget, please feel free to call me or stop by my office.

161 North Section Street

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Fairhope, Alabama 36533

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## City of Fairhope Budget FYE 2015

<u>General Fund/Income</u>	<u>Budget 2015</u>	<u>Budget 2016</u>
Property Taxes	4,470,000	4,780,000
Local Taxes	7,821,100	8,190,100
Licenses and Permits	3,014,500	3,144,500
Fines and Forfeitures	320,000	280,000
Special Services	40,800	40,800
Golf Revenues	1,140,540	1,121,000
State of Alabama	202,200	181,000
Interests and Rents	223,500	295,500
Charges and Services	4,669,000	5,513,000
Recreation Income	392,000	418,000
Other Income	<u>112,500</u>	<u>171,500</u>
<b>Total Revenue:</b>	22,406,140	24,135,400
Transfers from Utilities	<u>1,826,575</u>	<u>3,417,969</u>
<b>Total Revenue and Transfers:</b>	<b>24,232,715</b>	<b>27,553,369</b>
<u>Expenses</u>		
General Administrative	8,607,269	8,093,005
Police	4,408,455	4,895,365
Fire	373,426	435,680
Recreation	1,254,934	1,461,016
Adult Recreation/Special Services	689,432	742,615
Street	2,291,808	2,356,041
Sanitation	1,884,237	1,982,253
Golf – Clubhouse	676,041	589,806
Golf - Grounds	452,189	557,826
Staff Agencies/Appropriations	1,215,732	1,331,600
Debt Service	<u>981,146</u>	<u>1,014,172</u>
<b>Total Expense:</b>	<b><u>22,834,669</u></b>	<b><u>23,459,377</u></b>
Net Income:	1,398,046	4,093,992
<b>Sales Tax Revenues</b>		
Transfer to Capital Projects	0	2,050,000
Debt Reduction	<u>1,300,000</u>	<u>2,000,000</u>
<b>Excess Revenue over Expenses:</b>	<b>98,046</b>	<b>43,992</b>

## City of Fairhope Utilities Summary FYE 2016

<b><u>Utility Revenue Income</u></b>	<b><u>Budget 2015</u></b>	<b><u>Budget 2016</u></b>
Gas Fund	7,562,052	7,634,300
Electric Fund	20,998,505	20,413,225
Water Fund	6,212,113	6,355,379
Sewer Fund	<u>3,952,000</u>	<u>4,026,000</u>
Total Revenue:	<b>38,724,670</b>	<b>38,428,904</b>
<b><u>Utility Expenses</u></b>		
Gas Fund	5,143,737	5,614,970
Electric Fund	17,710,144	17,127,945
Water Fund	3,473,462	3,973,709
Sewer Fund	<u>3,448,885</u>	<u>3,763,085</u>
<b>Total Expenses:</b>	<b>29,776,228</b>	<b>30,479,709</b>
<b>Transfers:</b>	<u>1,826,575</u>	<u>3,417,969</u>
<b>Net Earnings:</b>	<b>7,121,867</b>	<b>4,531,226</b>

### Utilities Cash Flow Requirements

	<b>Gas Fund</b>	<b>Electric Fund</b>	<b>Water &amp; Sewer Fund</b>	<b>Total</b>
Net Earnings	992,505	2,024,191	1,514,530	4,531,226
Debt Payments	(34,244)	(1,224,874)	(817,322)	(2,076,440)
Depreciation	377,000	704,000	1,015,400	2,096,400
Capitalized Labor	(150,000)	(275,000)	(56,605)	(481,605)
Vehicles/Equipment	(469,568)	(260,332)	(264,666)	(994,566)
Sys Upgrades/Cap Proj	<u>(281,667)</u>	<u>(623,666)</u>	<u>(943,667)</u>	<u>(1,849,000)</u>
Excess (Deficit) Cash	434,026	344,319	447,670	1,226,015

# Capital Upgrades/Purchases/Repair & Maintenance/Additional Outside Services

## **General Government**

### General-Professional Services

1. Performing Arts	\$30,000
2. Safety-Plus	\$18,600
3. South Coast Engineers-Beach Management	\$15,000
4. Master Plan for Volanta Park	\$40,000
<b>Total</b>	<b>\$103,600</b>

### IT Department/Computer Budget

1. Police Department Laptops	\$15,000
2. Police Department Radios	\$158,441
3. Police Department Consoles	\$139,867
4. Police Department GPS	\$38,347
5. Tablets for City Council	\$5,000
6. Munis Support	\$41,166
<b>Total</b>	<b>\$397,821</b>

## Police Department

1. Five (5) Police Vehicles	\$217,000
2. Capital Corrections Improvements	\$25,000
3. Jail Plumbing Repair	\$7,500
4. A/C Duck Cleaning	\$7,500
5. Supplies-Bullet Proof Vests, Tasers, Flashlights, Intoxication Meters	\$33,900
6. General Maintenance (painting & repairs to station)	\$10,000
7. Dispatch Area Upgrades	\$11,000
<b>Total</b>	<b>\$311,900</b>

## Fire Department

1. New Fire Hose	\$10,000
2. Fire Fighting Gear	\$15,000
3. Cascade System	\$40,000
<b>Total</b>	<b>\$65,000</b>

## Building Department

1. One (1) Pick-up Truck	\$25,000
<b>Total</b>	<b>\$25,000</b>

### Meter Department

1. One (1) Pick-up Truck	\$20,000
2. Drive Up Window	\$10,000
<b>Total</b>	<b>\$30,000</b>

### Public Works-Street Department

1. One (1) Ton Truck replace 515	\$37,000
2. One (1) ¾ Ton Truck replace 592	\$34,000
3. Trailer	\$1,500
4. Sign Machine	\$8,000
5. Sweeper Parking Deck	\$37,000
6. Barricade Trailers	\$4,500
7. Barricades	\$55,200
<b>Total</b>	<b>\$177,200</b>

### Public Works-Sanitation Department

1. Garbage Truck	\$220,000
2. Recycle Single Source (4,000 Cans)	\$168,000
3. Trailer 40'	\$80,000
<b>Total</b>	<b>\$468,000</b>

### Recreation Department

1. Utility Vehicle/Spray Rig	\$22,000
2. Zero Turn Mower	\$14,000
3. Buy Lease Reel Mower	\$13,330
4. Spare Reels/Rebuild	\$14,000
5. Basketball Goals	\$7,000
6. Paint Machine	\$3,500
7. 2 Reel Mowers/Buy golf course lease	\$30,000
8. Buy lease for Two (2) Gators	\$11,213
9. Buy lease for field rake	\$3,947
<b>Total</b>	<b>\$118,990</b>

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### Adult Recreation/Special Services Department

#### Civic Center

1. Appliance Upgrades	\$15,000
2. A/C for Council Chamber	\$35,000
3. Fire Alarm	\$10,000
4. Hood Service	\$4,000
<b>Total</b>	<b>\$64,000</b>

### **Nix Center**

1. Window Repairs	\$5,000
2. Chairs	\$18,000
3. Roof Vents	\$3,500
4. Hood Service	\$4,000

**Total** \$30,500

### **Welcome Center**

1. New Roof	\$10,000
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**Total** \$10,000

### **Rotary Youth Club**

1. Roof Seal	\$25,000
2. A/C Replacement	\$10,000

**Total** \$35,000

### **Recreation Center & Pool**

1. Fitness Equipment	\$15,000
2. Pool/Rec Center Furniture	\$5,000
3. A/C Repairs and Replace	\$40,000

**Total** \$60,000

### **Golf Department - Golf Grounds**

1. Replace Pump at hole #18	\$6,000
2. Pump Building/Restroom Repairs	\$10,000
3. Hitting Mats	\$3,000

**Total** \$19,000

### **Golf Department-Club House**

1. Carpet, Repairs, tables & chairs	\$16,500
2. Convention Oven	\$3,900
3. Electric Fryer	\$1,250

**Total** \$21,650

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## Library

1. Maintenance	\$12,000
2. A/C Balancing	\$15,000
3. Stucco Repair	\$15,000
4. Font Walk Entrance	\$5,000
<b>Total</b>	<b>\$47,000</b>

**City of Fairhope General Fund Capital Total** **\$1,984,661**

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## Utilities

### Electric Department

1. Bucket Truck	\$165,000
2. 2 Switches	\$40,000
3. Sond for Boring Machine	\$16,000
4. Transformer Slab/Building	\$60,000
5. Greeno Road Street Light	\$180,000
6. Soccer Field Lighting	\$300,000
<b>Total</b>	<b>\$761,000</b>

### Gas Department

1. Pipe Replacement/Extensions	\$195,000
2. Trencher	\$125,000
3. Ordorizer Upgrade	\$25,000
4. Buy Out Lease Backhoe	\$38,733
5. Lease New Backhoe	\$20,000
6. Welding Machine	\$6,500
7. One (1) Pick-up Truck	\$20,000
8. Payne Pipeline Service	\$18,000
9. Munis	\$200,000
<b>Total</b>	<b>\$648,233</b>

### Water/Sewer Department

1. Buy Lease Backhoe	\$38,733
2. Lease New Backhoe	\$20,000
3. New/Repair Lines/Meters	\$250,000
4. Sewer Line Rehab	\$400,000
5. Manhold Rehab	\$150,000
6. Scada for Lift Stations	\$146,600
7. New Lines	\$100,000
<b>Total</b>	<b>\$1,105,333</b>



**Information Technology (IT) Department**

1. Hard Drive Storage	\$175,000
2. Trimble	\$12,000
3. Security Audit	\$24,000
<b>Total</b>	<b>\$211,000</b>

**Utilities Buildings**

1. A/C Unit for Warehouse	\$7,000
2. Roof Coating for Warehouse	\$20,000
3. Two (2) Post Lift for Mechanic Shop	\$9,000
4. Four (4) Post Lift for Mechanic Shop	\$28,000
5. Foam Seal Ceiling for Mechanic Shop	\$25,000
6. Extend Building for Mechanic Shop	\$34,000
7. Four (4) Rolling Lift Stands for Mechanic Shop	\$35,000
<b>Total</b>	<b>\$158,000</b>

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**City of Fairhope Utilities Capital Total** **\$2,883,566**

**City of Fairhope General Fund & Utilities Capital Total** **\$4,868,227**

# City of Fairhope Budget FYE 2016

## **Revenues**

### **Property Taxes**

	<b><u>Budget 2015</u></b>	<b><u>Budget 2016</u></b>
Real Estate Taxes	3,900,000	4,180,000
Automobile Taxes	<u>570,000</u>	<u>600,000</u>
<b>Total Property Taxes:</b>	<b>4,470,000</b>	<b>4,780,000</b>

### **Local Taxes**

Sales Tax	6,600,000	6,935,000
Beer Tax	300,000	300,000
Wine Tax	59,000	50,000
Liquor Tax	105,000	115,000
Dog Tag Tax	100	100
Cigarette Tax	135,000	140,000
Lodging Tax	<u>622,000</u>	<u>650,000</u>
<b>Total Local Taxes:</b>	<b>7,821,100</b>	<b>8,190,100</b>

### **Licenses & Permits**

Business and Liquor Licenses	1,840,000	1,962,000
Parade Permit Fees	7,500	7,500
Building Permits	465,000	500,000
Inspection Fees	180,000	200,000
Building Fines	10,000	10,000
Re-zoning Applications	5,000	5,000
Insurance Co. Franchises	282,000	233,000
Cable TV Franchise	225,000	225,000
Franchise fees-City property	<u>0</u>	<u>2,000</u>
<b>Total Licenses and Permits:</b>	<b>3,014,500</b>	<b>3,144,500</b>

### **Fines & Forfeitures**

Fines and Forfeitures	<u>320,000</u>	<u>280,000</u>
<b>Total Fines and Forfeitures:</b>	<b>320,000</b>	<b>280,000</b>

**Special Services**

**Budget 2015**

**Budget 2016**

Memberships	29,000	29,000
Dance Revenue	8,000	8,000
Instruction	800	800
Miscellaneous Revenue	<u>3,000</u>	<u>3,000</u>
<b>Total Adult Recreation/Special Services:</b>	<b>40,800</b>	<b>40,800</b>

**Golf Department**

Memberships	216,300	200,000
Green Fees	208,440	200,000
Cart Rentals	390,000	390,000
Pro Shop Sales	127,000	120,000
Pro Shop Sales-Custom	20,000	30,000
Driving Range	46,000	45,000
Beverage Sales	57,500	60,000
Food Sales	71,000	71,000
Handicap Fees	<u>4,300</u>	<u>5,000</u>
<b>Total Golf Department:</b>	<b>1,140,540</b>	<b>1,121,000</b>

**State of Alabama**

State Liquor Tax	8,500	7,000
State Sales Tax – ABC Store	36,000	36,000
Motor Vehicle Licenses	4,200	4,500
Oil Production Privilege Tax	3,500	3,500
Alabama Trust Fund Receipts	<u>150,000</u>	<u>130,000</u>
<b>Total State of Alabama:</b>	<b>202,200</b>	<b>181,000</b>

**Interests & Rents**

	<b><u>Budget 2015</u></b>	<b><u>Budget 2016</u></b>
Interest-Bank Deposits	35,000	90,000
Municipal Pier Lease	10,000	10,000
Fishing Dock Stall Rent	9,500	10,000
Fish/Ice House Building	0	3,000
Rent – Faulkner	36,000	36,000
Rent – Eastern Shore Marine	30,000	48,000
Rent – University of South Alabama	1,000	1,500
Rent – Fairhope Civic Center	65,000	55,000
Rent – James P. Nix Center	25,000	30,000
Rent – Park/Sidewalk Areas	12,000	12,000
<b>Total Interest &amp; Rents:</b>	<b>223,500</b>	<b>295,500</b>

**Charges for Service**

Sanitation Collection	1,470,000	1,518,000
Subdivision Fees	70,000	70,000
Utility Collection Fees	540,000	1,061,000
Utility Administration Services	2,589,000	2,864,000
<b>Total Charges for Service:</b>	<b>4,669,000</b>	<b>5,513,000</b>

**Recreation Department Income**

Gym Memberships/Passes	320,000	330,000
Pool Memberships	55,000	60,000
Summer Camp	12,000	16,000
Miscellaneous	5,000	12,000
<b>Total Recreation Income:</b>	<b>392,000</b>	<b>418,000</b>

**Other Revenue**

Beach Revenue	25,000	25,000
Sale – Recycle Paper	20,000	10,000
Sale – Trash Cans	1,000	1,000
Sale – Recycle Miscellaneous & Plastics	15,000	15,000
Severance Tax – Gas & Oil	20,000	20,000

	<u>Budget 2015</u>	<u>Budget 2016</u>
Sale of Fixed Assets	0	20,000
Brick Memorials	500	500
Historical District Revenue	5,000	5,000
Misc. Income	0	45,000
Reimbursement for Special Events	<u>26,000</u>	<u>30,000</u>
<b>Total Other Revenue:</b>	<b>112,500</b>	<b>171,500</b>
<b>Total Revenue from Government Funds:</b>	<b>22,406,140</b>	<b>24,135,400</b>
<b><u>Transfer of utility funds</u></b>		
Gas Fund	1,326,575	1,026,825
Electric Fund	500,000	1,261,089
Water Fund	<u>0</u>	<u>1,130,055</u>
<b>Total Transfer from utilities:</b>	<b><u>1,826,575</u></b>	<b><u>3,417,969</u></b>
<b>Total Revenue</b>		
<b>(Government &amp; Utility Transfers):</b>	<b>24,232,715</b>	<b>27,553,369</b>

# Expenses

## General Administrative Expenses

## Budget 2015

## Budget 2016

Salary - Mayor	30,000	30,000
Salaries – Council	37,200	37,200
Salaries – Administrative	1,226,893	1,239,090
Salary/Fee – City Attorney	24,000	24,000
Salaries – Judge & Court Clerk	115,577	123,814
Salaries –Mechanics & Janitor	292,235	323,705
Salaries – Building & Zoning	642,407	731,013
Salaries – Beach Labor	5,853	5,976
Salaries – Revenue Department	588,496	611,452
Employee Payroll Taxes	224,587	237,102
Employee Retirement	256,826	278,433
Employee Medical Insurance	2,696,895	1,935,000
Retired Employee Medical Cost	250,000	414,000
Casualty/Workers Compensation Insurance	950,000	805,000
Training/School/Travel	65,000	75,000
Trustee Fees	2,000	2,000
Audit & Accounting	22,000	22,000
Legal Fees	275,000	250,000
Professional Services	165,000	103,600
City Computer Expense	126,000	181,000
Office Supplies	25,000	25,000
Postage	6,000	6,000
General Supplies	45,000	45,000
General Maintenance	75,000	100,000
Library Building Maintenance/Equipment	30,000	40,000
Dues, Memberships & Subscriptions	20,000	25,000
Equipment & Vehicle Repair	11,000	11,000
Uniforms	1,000	1,000
Purchases – Vehicles & Equipment	122,000	85,000
Credit Card Processing Fees	22,000	28,000
Bank Fees	500	500
Printing	5,000	5,000
Lease on Credit Card Terminals	1,200	1,000
Recording Fees Paid	100	120
Colony Rent	12,000	12,500
Publications Newspapers	5,000	7,500
Election Expense	2,000	15,000
Memorial Bricks	500	1,000
Historical District Expense	10,000	5,000

	<u>Budget 2015</u>	<u>Budget 2016</u>
County Prisoner Expense	12,000	12,000
Fisherman's Wharf Maintenance	20,000	58,000
City Hall Maintenance	5,000	5,000
Beach Repairs & Maintenance	25,000	25,000
Court Supplies & Expense	10,000	10,000
Sales Tax Collection Fees	146,000	140,000
<b>Total General Administrative:</b>	<b>8,607,269</b>	<b>8,093,005</b>
<b><u>Police Department</u></b>		
Salaries	3,062,553	3,249,634
Overtime Special Events	26,000	30,000
Employee Payroll Taxes	236,274	248,597
Employee Retirement	275,018	298,579
Training/School/Travel	15,000	30,000
Professional Services	5,000	15,000
Office Supplies	5,000	16,000
General Supplies	32,500	70,000
General Maintenance	9,000	42,500
Gasoline & Oil	115,000	100,000
Equipment & Vehicle Repair	50,000	40,000
Uniforms	16,000	19,000
Purchases - Vehicles & Equipment	454,110	586,555
NCIC Data System	17,000	17,000
Corrections Capital Improvements	15,000	32,500
Jail Expense	75,000	100,000
	<b>4,408,455</b>	<b>4,895,365</b>
<b><u>Fire Department</u></b>		
Salaries	134,517	141,345
Fire Call Payments	52,500	52,500
Employee Payroll Taxes	10,291	10,813
Employee Retirement	12,618	14,021
Firemen Physicals	1,000	1,000
General Supplies	20,000	45,000
General Maintenance	30,000	30,000
Gasoline & Oil	26,500	20,000
Equipment & Vehicle Repair	65,000	80,000
Uniforms	1,000	1,000
Purchases - Vehicles & Equipment	20,000	40,000
	<b>373,426</b>	<b>435,680</b>

**Recreation Department**

	<b><u>Budget 2015</u></b>	<b><u>Budget 2016</u></b>
Salaries	805,980	919,130
Employee Payroll Taxes	61,657	70,313
Employee Retirement	39,297	50,082
General Supplies	130,000	150,000
General Maintenance	52,000	57,000
Gasoline & Oil	15,000	13,000
Equipment & Vehicle Repair	15,000	20,000
Uniforms	3,000	2,500
Purchases - Vehicles & Equipment	66,000	117,990
Capital Improvements	67,000	61,000
	<b>1,254,934</b>	<b>1,461,016</b>

**Adult Recreation/Special Services**

Salaries	458,240	477,624
Employee Payroll Taxes	34,734	36,217
Employee Retirement	35,258	38,774
General Maintenance	60,000	68,500
Purchases - Vehicles & Equipment	68,000	78,000
Welcome Center Maintenance	2,000	12,000
Kitchen Supplies	3,500	3,500
Special Programs	1,000	1,000
Dance Expense	8,000	8,000
Golf Expense	1,000	1,000
Office Expense	14,500	14,500
Shuttle Bus Expense	2,000	2,500
Other Expenses	1,200	1,000
	<b>689,432</b>	<b>742,615</b>

**Public Works -Street Department**

Salaries	1,326,236	1,342,860
Employee Payroll Taxes	101,457	102,729
Employee Retirement	118,415	126,253
General Supplies	50,000	50,000
Gasoline & Oil	155,000	110,000
Equipment & Vehicle Repair	95,000	100,000
Uniforms	14,000	14,000
Purchases - Vehicles & Equipment	102,700	177,200
Equipment Rental	3,000	3,000
Street Material & Landscaping	276,000	280,000
Sidewalks	50,000	50,000
	<b>2,291,808</b>	<b>2,356,041</b>



**Public Works -Sanitation Department**

	<b><u>Budget 2015</u></b>	<b><u>Budget 2016</u></b>
Salaries	793,229	838,459
Employee Payroll Taxes	57,689	61,149
Employee Retirement	67,819	74,144
General Supplies	36,000	36,000
Gasoline & Oil	170,000	120,000
Equipment & Vehicle Repair	125,000	125,000
Uniforms	6,000	6,000
Purchases - Vehicles & Equipment	370,000	300,000
Landfill Charges	240,000	245,000
Landfill Maintenance	8,500	8,500
Purchases-Recycle Bins	10,000	168,000
	<b><u>1,884,237</u></b>	<b><u>1,982,253</u></b>

**Golf Department –Grounds**

Salaries-Grounds	294,189	324,740
Employee Payroll Taxes	0	24,843
Employee Retirement	0	26,493
Professional Services	24,000	24,000
General Supplies	90,000	93,000
General Maintenance	6,000	7,500
Gasoline & Oil	18,000	15,000
Equipment & Vehicle Repair	20,000	25,000
Uniforms	0	1,250
Purchases Vehicles & Equipment	0	16,000
	<b><u>452,189</u></b>	<b><u>557,826</u></b>

**Golf Department –Clubhouse**

Salaries-Clubhouse	324,932	331,771
Employee Payroll Taxes	47,363	25,380
Employee Retirement	39,346	15,754
Supplies - Grill	2,000	4,000
Supplies-Clubhouse	5,000	5,000
Uniforms	2,500	1,250
Purchases Vehicles & Equipment	85,900	21,650
Advertising & Promotion	7,000	7,000
Purchases – Beer & Wine	25,000	28,000
Purchases-Food	45,000	45,000
Cost-Pro Shop Sales	70,000	80,000
Pro Shop - Custom Orders	22,000	25,000
	<b><u>676,041</u></b>	<b><u>589,806</u></b>

**Staff Agencies & Appropriations**

	<b><u>Budget 2015</u></b>	<b><u>Budget 2016</u></b>
Public Library*	714,100	814,600
The Haven	65,000	65,000
Airport Authority	20,000	20,000
Airport – Debt Service	392,632	408,000
Baldwin County Transit Hub	<u>24,000</u>	<u>24,000</u>
	<b>1,215,732</b>	<b>1,331,600</b>

**Debt Services**

Lease Purchase	122,075	154,112
Transfers - Debt Service Fund	859,071	860,060
Debt Reduction	<u>0</u>	<u>2,000,000</u>
	<b>981,146</b>	<b>3,014,172</b>

**Restricted Sales Tax Revenue**

Transfers to Capital Projects Fund	<u>1,300,000</u>	<u>2,050,000</u>
	<b>1,300,000</b>	<b>2,050,000</b>

**Total Expenses from Government Funds: 24,134,669 27,509,377**

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**Ending Net Balance: 98,046 43,992**

**\*Public Library Breakdown**

	<b><u>Budget 2015</u></b>	<b><u>Budget 2016</u></b>
Original Appropriation	714,100	744,100
	\$30,000 increase (4.20% increase)	
Medical Insurance		48,500
Workmans Comp Insurance		10,000
Maintenance/Carpet Cleaning Etc.	<u>714,100</u>	<u>12,000</u>
	<b>714,100</b>	<b>814,600</b>

## City of Fairhope Budget FYE 2016

<b><u>Gas Fund- Revenues</u></b>	<b><u>Budget 2015</u></b>	<b><u>Budget 2016</u></b>
Sale of Natural Gas	6,025,752	6,025,000
Sale of N.G. - Joint Line	1,527,000	1,600,000
Interest Earned	5,300	5,300
Miscellaneous Revenue	3,000	3,000
Community Development Revenue	<u>1,000</u>	<u>1,000</u>
<b>Total Operating Revenue:</b>	<b>7,562,052</b>	<b>7,634,300</b>
<b><u>Gas Fund- Operating Expenses</u></b>		
Purchase Power-Natural Gas	2,129,310	2,005,000
Collection Costs/Revenue Department	123,000	242,000
Administrative Costs	877,000	955,000
Salaries	512,481	534,219
Payroll Taxes	50,680	52,343
Retirement Expense	60,265	65,890
Insurance Employees Group	0	252,000
Employee Retirement Medical Insurance	75,000	101,000
Casualty/Workers Compensation Insurance	60,000	50,000
Training/School/Travel	9,000	9,000
Trustee Fees	1,000	1,000
Audit & Accounting	14,500	14,500
Legal Fees	10,000	10,000
Professional Services	24,500	24,500
Office Supplies	1,500	1,500
Postage	36,000	36,000
Operating Supplies	40,000	40,000
Maintenance - Buildings	15,000	15,000
Maintenance - Plant	75,000	75,000
Dues-Memberships-Subscription	20,000	20,000
Gasoline and Oil	53,000	53,000
Maintenance - Vehicles & Equipment	40,000	40,000
Uniforms	4,000	4,000
Community Development Projects	417,802	492,319
Depreciation	350,000	377,000
Interest	32,000	32,000
Rental-Other	18,000	18,000
Bond Issue Expense	1,700	1,700
Electricity	3,000	3,000
Dist of Joint Revenue	54,000	54,000
Daphne 3% Revenue Tax	5,000	5,000
Spanish Fort Franchise Tax	25,000	25,000
APSC Inspection Fee	<u>6,000</u>	<u>6,000</u>
<b>Total Expenses:</b>	<b>5,143,738</b>	<b>5,614,970</b>

**Gas Fund**

**Budget 2015**

**Budget 2016**

**Earnings from Operations**

2,418,314

2,019,330

Transfers to General Fund

1,326,575

1,026,825

**Net Earnings:**

**1,091,739**

**992,505**

## City of Fairhope Budget FYE 2016

<u>Electric Fund- Revenue</u>	<u>Budget 2015</u>	<u>Budget 2016</u>
Sale of Electric Energy	20,645,280	20,070,000
Revenue Late Charges	220,000	210,000
Pole Rental - Telephone Company	27,000	27,000
Pole Rental - Cable T.V.	44,000	44,000
Pole Rental - Riviera	425	425
Temp Service Charges	800	800
Interest Earned	5,000	5,000
Miscellaneous Revenue	30,000	30,000
Connection Fees	25,000	25,000
Community Development Revenue	1,000	1,000
<b>Total Revenue:</b>	<b>20,998,505</b>	<b>20,413,225</b>

### Electric Fund- Operating

Purchase Power-Electric	12,672,275	11,871,000
Collection Costs/Revenue Department	85,000	162,000
Administrative Costs	851,000	955,000
Salaries	842,239	825,765
Payroll Taxes	85,469	84,209
Retirement Expense	102,128	106,621
Insurance Employee Group	0	132,000
Employee Retirement Medical Insurance	30,000	9,300
Casualty/Workers Compensation Insurance	165,000	157,000
Training/School/Travel	24,000	24,000
Trustee Fees	1,000	1,000
Audit & Accounting	15,000	15,000
Legal Fees	2,500	2,500
Professional Services	30,000	30,000
Office Supplies	1,000	1,000
Postage	37,000	37,000
Operating Supplies	175,000	175,000
Maintenance - Buildings	10,000	10,000
Maintenance - Plant	200,000	200,000
Dues, Memberships & Subscriptions	4,000	4,000
Miscellaneous	2,000	2,000
Bad Debts	100,000	100,000
Gasoline and Oil	65,000	40,000
Maintenance - Vehicles & Equipment	55,000	55,000

	<u><b>Budget 2015</b></u>	<u><b>Budget 2016</b></u>
Uniforms	7,500	7,500
Community Development Projects	118,333	62,350
Depreciation	675,000	704,000
Interest	97,500	97,500
Rental-Other	1,500	1,500
Bond Issue Expense	4,200	4,200
Credit Card Processing Fees	55,000	55,000
Bank Fees	85,000	85,000
Lease on credit card terminals	1,500	1,500
Utilities for City use	<u>1,110,000</u>	<u>1,110,000</u>
<b>Total Operating Expenses:</b>	<b>17,710,144</b>	<b>17,127,945</b>
<b>Earnings from Operations:</b>	3,288,361	3,285,280
Transfers to General Fund	<u>500,000</u>	<u>1,261,089</u>
<b>Net Earnings:</b>	<b>2,788,361</b>	<b>2,024,191</b>

# City of Fairhope Budget FYE 2016

## Water Fund

<u>Water Department-Revenue</u>	<u>Budget 2015</u>	<u>Budget 2016</u>
Water Sales	5,614,113	5,663,379
Telephone Companies Antenna Rental	140,000	120,000
Interest Earned	7,000	1,000
Connection Fees	450,000	570,000
Community Development Revenue	1,000	1,000
<b>Total Operating Revenue:</b>	<b>6,212,113</b>	<b>6,355,379</b>

## Water Department - Expenses

Purchase Power-Electric	325,000	325,000
Collection Costs/Revenue Department	212,000	417,000
Administrative Costs	523,000	620,000
Salaries	494,227	528,406
Payroll Taxes	40,723	43,338
Retirement Expense	46,049	49,990
Insurance Employee Group	0	84,000
Employee Retirement Medical Insurance	40,000	94,000
Casualty/Workers Compensation Insurance	70,000	70,000
Training/School/Travel	6,500	6,500
Trustee Fees	6,000	6,000
Audit & Accounting	14,000	14,000
Legal Fees	5,000	5,000
Professional Services	18,000	18,000
Office Supplies	1,000	1,000
Postage	25,000	25,000
Operating Supplies	36,000	36,000
Maintenance - Buildings	10,000	10,000
Maintenance - Plant	200,000	200,000
Telephone	179,145	164,145
Dues, Memberships & Subscriptions	4,000	4,000
Gasoline and Oil	50,000	40,000
Maintenance - Vehicles & Equipment	35,000	35,000
Uniforms	5,000	5,000
Community Development Projects	259,818	277,331

	<b><u>Budget 2015</u></b>	<b><u>Budget 2016</u></b>
Depreciation	430,000	457,000
Interest	245,000	245,000
Rental-Other	30,000	30,000
Bond Issue Expense	13,000	13,000
Chemicals & Testing	<u>150,000</u>	<u>150,000</u>
<b>Total Expenses:</b>	<b>3,473,462</b>	<b>3,973,709</b>
<b>Earnings from Operations:</b>	2,738,651	2,381,670
Transfers to General Fund	<u>0</u>	<u>1,130,055</u>
<b>Net Earnings:</b>	<b>2,738,651</b>	<b>1,251,615</b>



## City of Fairhope Budget FYE 2016

<u>Wastewater Department -Revenue</u>	<u>Budget 2015</u>	<u>Budget 2016</u>
Revenue Sewer Charges	3,630,000	3,704,000
Interest Earned	2,000	2,000
Connection Fees	320,000	320,000
<b>Total Revenue:</b>	<b>3,952,000</b>	<b>4,026,000</b>
<u>Wastewater Department-Expenses</u>		
Purchase Power-Electric	465,000	465,000
Collection Costs/Revenue Department	120,000	240,000
Administrative Costs	338,000	334,000
Salaries	502,978	563,322
Payroll Taxes	39,893	44,509
Retirement Expense	48,915	55,753
Insurance Employee Group	0	75,000
Employee Retirement Medical Insurance	25,000	48,000
Casualty/Workers Compensation Insurance	50,000	50,000
Training/School/Travel	3,000	3,000
Trustee Fees	1,000	1,000
Audit & Accounting	7,500	7,500
Legal Fees	5,000	5,000
Professional Services	11,600	11,600
Office Supplies	1,500	1,500
Postage	14,000	14,000
Operating Supplies	15,000	15,000
Maintenance - Buildings	20,000	20,000
Maintenance - Plant	400,000	400,000
Dues, Memberships & Subscriptions	1,500	1,500
Gasoline and Oil	28,000	28,000
Maintenance - Vehicles & Equipment	20,000	20,000
Uniforms	4,000	4,000
Depreciation	530,000	558,400
Interest	450,000	450,000
Rental-Other	4,000	4,000
Bond Issue Expense	20,000	20,000
Chemicals & Testing	315,000	315,000
Point Clear Properties Fees	8,000	8,000
<b>Total Expenses:</b>	<b>3,448,886</b>	<b>3,763,085</b>
<b>Earnings from Operations:</b>	<b>503,114</b>	<b>262,915</b>

## City of Fairhope Budget FYE 2016

### Gas Tax Fund-Revenue

	<u>Budget 2015</u>	<u>Budget 2016</u>
2% Petroleum Inspect. Fee	7,000	7,000
7% Gas Excise Tax	40,000	40,000
4% Gas Excise Tax	24,000	24,000
5% Gas Excise Tax	13,000	14,000
<b>Total Revenues:</b>	84,000	85,000

### Gas Tax Fund-Expense

Street Material/Construction Costs	40,000	40,000
Transfers to CP – Street repairs	0	120,000
<b>Total Expenditures</b>	40,000	160,000
Net Income Over (Under Expenditures)	44,000	(75,000)

### Cash

Gas Tax Funds starting balance @ 10/1/2015	\$103,846
Gas Tax Funds ending balance @ 9/30/2016	\$28,846

## City of Fairhope Budget FYE 2016

### Capital Projects Fund-Revenues

	<u>Budget 2015</u>	<u>Budget 2016</u>
Troyer Boothe - REIMB	38,000	0
Grant Income	585,634	819,451
Interest Earned	1,000	1,000
Transfer from General Fund	1,300,000	2,050,000
Transfers from Impact Fee	600,000	300,000
NRCS Income	0	403,840
Transfers from Gas Tax	0	120,000
<b>Total Income:</b>	<b>2,524,634</b>	<b>3,694,291</b>

### Capital Projects Fund-Expenses

April '14 Flood Event	98,800	0
Special Recreation Projects	14,000	0
Troyer Boothe Ext Project	38,000	0
Community Park Project	95,000	0
North Beach upgrades		50,000
City wide street resurfacing/miscellaneous paving		1,500,000
Golf Paths		50,000
ATRIP Roundabout 13 & 48	265,540	304,693
ATRIP Resurfacing Fhope Ave.-181 to Bancroft	900,000	1,038,280
NRCS-Woodlands	0	300,568
NRCS-Sewer Plant	0	237,885
TAP-Rock Creek Trail	0	700,000
BRATS Hub Transit Shelter		30,000
Manley Road Soccer	3,000,000	3,500,000
Quail Creek Sidewalks	100,000	0
Drainage Improvements	100,000	100,000
Major's Field Press box	30,000	50,000
Pier Restrooms	25,000	0
Tennis Courts	300,000	300,000
Boys & Girls Club	0	32,000
Bicycle & Pedestrian Grant	0	20,000
Irrigation System for Golf Course	655,000	0
<b>Total Expenditures:</b>	<b>5,621,340</b>	<b>8,213,426</b>
Net Income Over (Under Expenses)	(3,096,706)	(4,519,135)

### Cash

Capital Projects starting balance @ 10/1/2015		\$5,860,608
Capital Project ending balance @ 9/30/2016		\$1,341,473

## City of Fairhope Budget FYE 2016

<u>Impact Fee Fund-Revenues</u>	<u>Budget 2015</u>	<u>Budget 2016</u>
Police	15,000	15,000
Fire	86,000	86,000
Transportation	100,000	100,000
Recreation	250,000	250,000
Impact Fee Income	1,000	1,000
<b>Total Income:</b>	<b>452,000</b>	<b>452,000</b>

<u>Impact Fee Fund-Expenses</u>		
Fire	86,000	0
Transportation	0	100,000
Recreation	600,000	200,000
<b>Total Expenditures:</b>	<b>686,000</b>	<b>300,000</b>
Net Income Over (Under Expenditures)	<b>(234,000)</b>	<b>152,000</b>

### Impact Fee Projects

ATRIP Roundabout	100,000
Soccer	200,000
	<b>300,000</b>

### **Impact Fee beginning balance @ 10/1/2015**

Recreation	\$66,533
Fire	\$305,625
Police	\$169,017
Transportation	\$246,389
	<b>\$787,564</b>

### **Impact Fee ending balance @ 9/30/2016**

Recreation	\$116,577
Fire	\$392,030
Police	\$184,253
Transportation	\$246,704
	<b>\$939,564</b>

## Community Development 2016

	<u>2014-15</u>	<u>2015-16</u>
Mobile Bay NEP	\$5,000	\$5,000
Baldwin County Trailblazers	\$5,000	\$5,000
Veteran's Cemetery		\$3,000
Senior Bowl		\$35,000
Care House		\$5,000
Ecumenical Ministries	\$10,000	\$10,000
Eastern Shore Chamber of Commerce	\$6,000	\$6,000
Education Advisory Committee	\$350,000	\$345,000
Optimist Club/Dogwood Trail Program	\$2,000	\$2,000
Fairhope Film Festival	\$10,000	\$10,000
Rotary Youth Club	\$55,000	\$55,000
Misc Golf (FIS, Booster, FEEF)	\$7,500	\$7,500
Pirate Booster	\$35,000	\$35,000
Lighthouse Domestic Violence Shelter	\$2,000	\$2,000
Easter Shore Art Center	\$20,000	\$20,000
Downtown Fairhope Business Association	\$20,000	\$20,000
Baldwin County Economy Development Business Alliance	\$15,000	\$15,000
Thomas Hospital	\$50,000	\$50,000
<hr/>		
<b>TOTAL AMOUNT PROPOSED:</b>	<b>\$592,500</b>	<b>\$630,500</b>

## Information Technology - Capital Purchases

<b>Hard Drive Storage</b>	<b>\$175,000.00</b>
Volanta/Fairhoppers Park/Bluff/Pier Wifi	\$36,000.00
SCADA Miners for SCADA	\$117,800.00
CradlePoints for SCADA	\$28,800.00
PD Laptops	\$15,000.00
Trimble	\$12,000.00
Police Mobile Radios	\$158,441.40
Police Dispatch Consoles	\$139,867.53
Police GPS	\$38,347.00
Security Audit	\$24,000.00
Tablets for Council (requested by Brewer)	\$5,000.00

**General Fund Debt @ 10/1/2015**

GOW 2007	\$6,230,000
GOW 2011	<u>\$3,106,616</u>
	<b>\$9,336,616</b>

Debt Reduction	\$503,560
Extra Payment	\$2,000,000

Total General Fund Debt as of Sept. 30, 2016	<b><u>\$6,833,056</u></b>
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**Utility Debt @ 10/1/2015**

URW 2009	\$630,000
URW 2011	\$14,370,000
GOW 2011	\$143,000
GOW 2013	\$4,600,000
URW 2015	<u>\$1,780,000</u>
	<b>\$21,523,000</b>

Debt Reduction	\$2,076,440
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Total Utility Debt as of Sept. 30, 2016	<b><u>\$19,446,560</u></b>
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<b>Total City Debt</b>	<b><u>\$26,279,616</u></b>
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## City of Fairhope 2016 Salary Budget

	<u>2015 Salary</u>	<u>2016 Salary</u>	
Mayor	\$30,000	\$30,000	
Council	\$37,200	\$37,200	
General	\$1,226,893	\$1,239,090	
Judicial	\$115,577	\$123,814	
Mechanics/Janitors	\$292,235	\$323,705	
Planning/Zoning	\$642,407	\$731,013	
Beach	\$5,853	\$5,976	
Revenue	\$588,496	\$611,452	
Police	\$3,062,553	\$3,249,634	
Fire	\$134,517	\$141,345	
Recreation	\$734,391	\$844,144	
Rec-Summer	\$71,589	\$74,987	
Adult Rec	\$458,240	\$477,624	
Streets	\$1,326,236	\$1,342,860	
Sanitation	\$793,229	\$838,459	
Golf - Grounds	\$294,189	\$324,740	
Golf Club House	\$324,932	\$331,771	
Gas	\$512,481	\$534,219	
Electric	\$842,239	\$825,765	
Water	\$494,227	\$528,406	
Sewer	\$502,978	\$563,322	
<b>Total</b>	<b>\$12,490,462</b>	<b>\$13,179,526</b>	<b>5.52% Increase</b>



**New Hires for 2016**

	<b><u>Hourly</u></b>	<b><u>Annual</u></b>
Assistant Maintenance Technician	15.92	33,114
Beach Officer	10.00	20,800
Station Control Officer	17.00	35,609
Electrician	15.92	33,114
Gardener I	11.92	24,794
GPS Technician – Water Department – P/T	12.00	11,856
Park Maintenance Worker I – Recreation	12.81	26,645
Park Maintenance Worker I – Recreation	12.81	26,645
Tennis Professional	19.23	40,000