

City of Gulf Shores, Alabama

ANNUAL FINANCIAL BUDGET

For Fiscal Year Ending December 31, 2022

Prepared by: Finance and Administrative Services Department



*Sunset at Handicap Accessible Gulf Place
Photo By Cindy King
September 30, 2021*



www.gulfshoresal.gov

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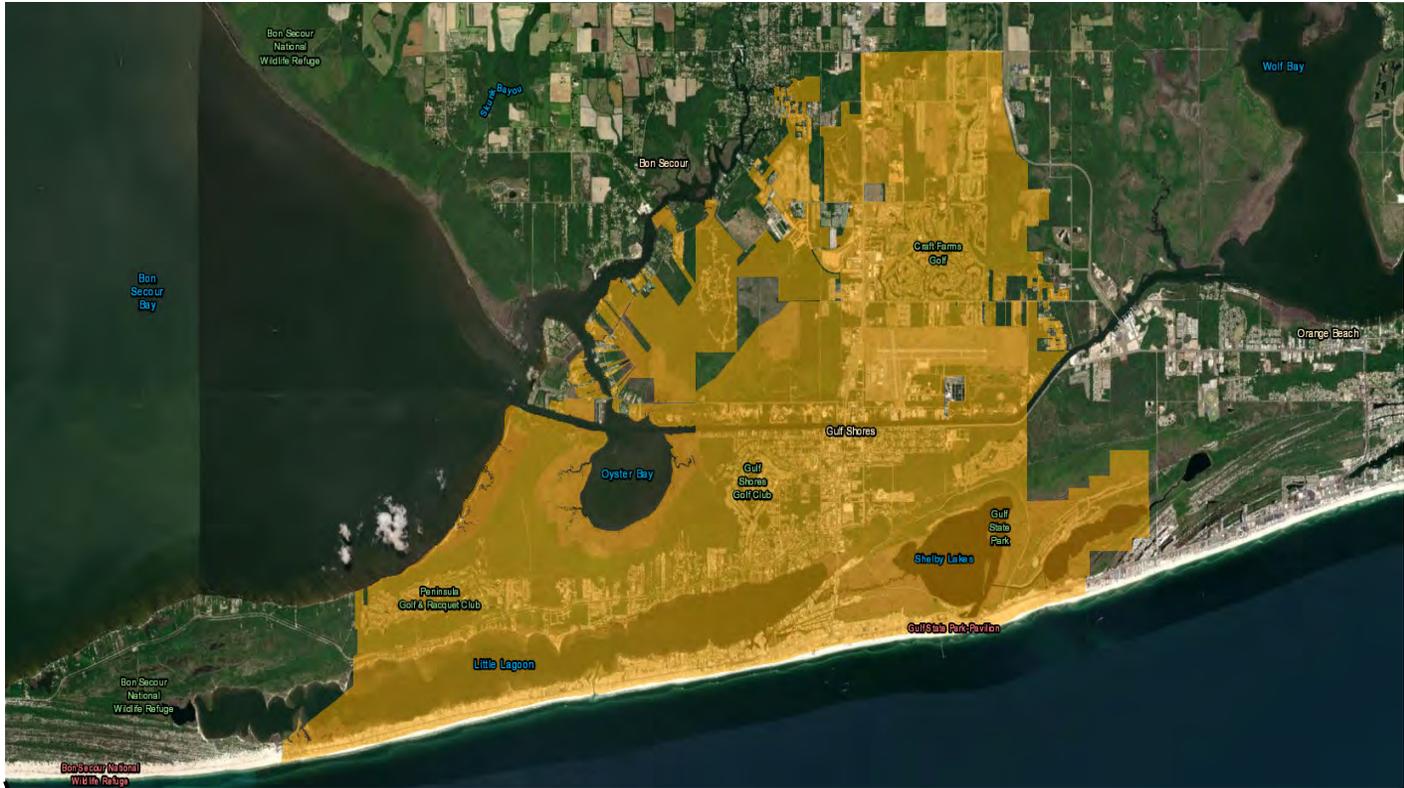
City of Gulf Shores, Alabama Mayor and Council



Left to Right Standing: Joe Garris, Stephen E. Jones, Jason Dyken, Gary Sinak
Left to Right Seated: Philip Harris, Robert Craft, Mayor

City of Gulf Shores, Alabama

With Major Highway Locator Map

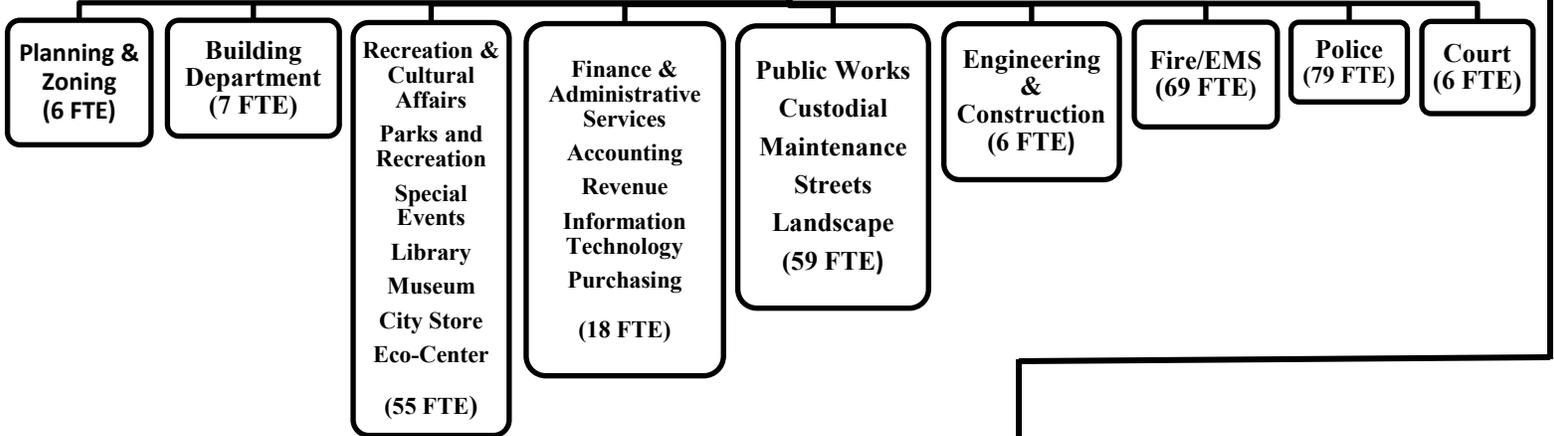
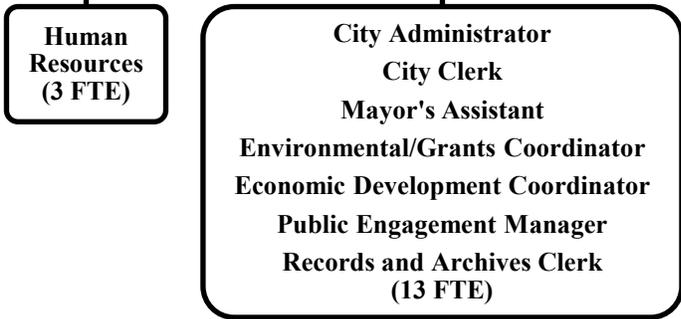


City Employees

323 Full Time Employees
41 Part Time Employees
34 Seasonal Employees

Contractors

Long's
Premiere Staffing
Loxley CWC Inmates
Youth Sports Officials
Aerobics Instructors
SPARC Counselors
Baldwin County Sheriff's
Interns





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Gulf Shores
Alabama**

For the Fiscal Year Beginning

January 01, 2021

Christopher P. Morill

Executive Director

DISTINGUISHED BUDGET PRESENTATION AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Gulf Shores, Alabama for its annual budget for the fiscal year beginning January 1, 2021 for the budget document created by the City. In order to receive the award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

The Distinguished Budget Presentation Award is valid for one year only. Our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

RESOLUTION NO.
A RESOLUTION ADOPTING
CITY OF GULF SHORES
2022 BUDGET

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GULF SHORES, ALABAMA, WHILE IN REGULAR SESSION ON December 13th, 2021 as follows:

Section 1. That the City of Gulf Shores 2022 Budget be adopted for the City of Gulf Shores, Alabama, for Fiscal Year 2022 beginning January 1, 2022 and ending December 31, 2022.

GENERAL FUND BUDGET SUMMARY 2022
(JANUARY 1, 2022 THROUGH DECEMBER 31, 2022)

TOTAL REVENUES GENERAL FUND \$51,865,874

EXPENDITURES:

Executive	\$ 1,852,062	
Human Resources	764,806	
Finance & Administrative Svcs	3,605,466	
Municipal Court	498,774	
Police	8,184,241	
Fire & EMS	7,062,382	
Planning & Development	735,612	
Building	696,129	
Recreation & Cultural Affairs	468,393	
Events & Programs	858,374	
Library	700,486	
Recreation-Rec & Wellness	2,528,671	
Recreation-Sportsplex	1,259,090	
Recreation-Parks	601,225	
Recreation-Eco Center	75,660	
Recreation-City Store	195,803	
Recreation-City School Landscape	224,671	
Public Works:		
General Services	415,262	
Public Facilities-Custodial	577,602	
Public Facilities-Landscaping	990,497	
Streets	2,856,020	
Maintenance	1,228,236	
Engineering & Construction	762,815	
Airport Authority	177,675	
Outside Agencies	<u>932,981</u>	
SUBTOTAL OPERATIONS		\$38,252,933
Capital Outlay		
Finance & Admin	10,000	
Police – Capital Outlay	637,900	
Fire – Capital Outlay	250,000	
Building – Capital Outlay	40,500	
Recreation Sportsplex	64,500	
Recreation Parks	50,000	
Engineering	65,000	
Public Works Capital:		
Landscaping	60,000	

Custodial	37,500
Maintenance	37,500
Streets	<u>1,279,000</u>

SUBTOTAL CAPITAL	\$2,531,900	
Operating Transfers Out	<u>\$9,649,230</u>	
Total General Fund Expenses		<u>\$50,434,063</u>
Budget Carry Forward General Fund		<u>\$ 1,431,811</u>

**OTHER FUND BUDGET SUMMARY 2022
(JANUARY 1, 2022 THROUGH DECEMBER 31, 2022)**

REVENUE EXPENDITURE

Police & Fire Related Grants

Police and Fire	567,000		
Transfer to General		527,000	
Muni Court Exps		35,000	
SUBTOTAL			<u>562,000</u>
Budget Carry Forward Police & Fire			\$ 5,000

Impact Fees Fund

Impact Fees Revenue	1,599,400		
Recreation		643,000	
Public Works		750,000	
Police		106,400	
Fire		<u>100,000</u>	
SUBTOTAL			<u>\$1,599,400</u>
Budget Carry Forward Impact Fees			\$0

Nontaxable Line of Credit

Match/Bond Proceeds	4,610,000		
Capital Outlay Projects		4,610,000	<u>\$4,610,000</u>
Budget Carry Forward Nontaxable			\$0

Beach Restoration & Projects Fund

Transfer from 2% Lodging Tax	710,020		
Recycling Revenue	20,000		
Parking Fees	<u>650,000</u>		
SUBTOTAL	1,380,020		
Police		386,576	
Fire – Beach		737,382	
Public Works – Streets		250,771	
Capital Outlay		<u>311,800</u>	
Total Beach Restoration & Projects			<u>\$1,686,529</u>
Budget Carry Forward Beach R & P			\$(306,509)

Capital Improvements Fund

Match Proceeds	4,240,000		
SUBTOTAL	4,240,000		
Capital Outlay Projects		4,200,000	
General Fund Transfer		<u>40,000</u>	<u>\$4,240,000</u>
	3,110,426		\$0

Storm Damage Fund

FEMA Reimbursement			
AEMA Reimbursement	903,204		
ARPA funds/COVID-19	629,878		
Transfer from General Fund	23,078		
Storm Damage Expense		<u>5,418,000</u>	<u>\$5,418,000</u>
Budget Carry Forward Storm Damage			<u>\$(751,414)</u>

Taxable Warrant Fund

Proceeds from 2020E Taxable	7,432,052		
Grants & Developer Matches	<u>24,074,937</u>		
SUBTOTAL Revenue	31,529,989		
Gulf Coast Center for Ecotourism		5,700,000	
Transportation Projects BUILD		23,278,532	
Little Lagoon Restoration Project		<u>2,551,457</u>	
SUBTOTAL Expense			<u>\$31,529,989</u>
			<u>\$0</u>

Debt Service Fund

Transfers/Interest	8,916,152		
Bond Payments		8,916,152	<u>\$8,916,152</u>
			<u>\$0</u>

Public Education Building Authority Fund (Revenue Only)

Budget Carryforward Public Ed	610,850		\$0
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Total All Funds Revenue 109,985,871
Total All Funds Expense 108,996,133

Budget Carry Forward:

General Fund Budget	\$1,431,811
Police & Fire Related Grant Fund	5,000
Beach Restoration & Projects Fund	(306,509)
Storm Damage Fund	(751,414)
Public Education Building Authority	<u>610,850</u>
Budget Carry Forward	<u><u>\$989,738</u></u>

Section 2. That this Resolution shall become effective upon its adoption.

ADOPTED this 13th day of December, 2021.


 Robert Craft, Mayor


 Wanda Parris, MMC



CERTIFICATE

Wanda Parris, MMC, City Clerk of the City of Gulf Shores, Alabama, do hereby certify that the foregoing is a true and correct copy of Resolution No. 6494-21 (prepared by City Clerk), which Resolution was adopted at a regular meeting of the City Council on December 13, 2021.


 City Clerk



November 8, 2021

The Honorable Mayor, Members of the City Council
and the Citizens of the City of Gulf Shores, Alabama

RE: 2022 BUDGET MESSAGE

On behalf of the City of Gulf Shores government staff, we are pleased to deliver the Fiscal Year 2022 Budget for the City of Gulf Shores, Alabama for the period beginning January 1, 2022 and ending December 31, 2022. The annual budget is a policy document which sets the financial course for the City and defines the service priorities provided to the community. The budget presented is a culmination of months of efforts to balance available resources so to implement the City Council's updated Strategic Plan, which in turn implements the Mayor and Council adopted Gulf Shores Vision 2025 for Sustainability. While 2021 has been a stressful year due to COVID-19 issues, the City is resilient and continues to thrive and meet the ongoing challenges.

Vision

In the year 2025, the City of Gulf Shores will be the most desirable small town destination community in the South in which to live, visit, retire and invest. This will be due to its enduring, wholesome, low-key and pleasurable lifestyle amidst its restorative and vibrant natural surroundings and thriving economy. The City's commitment to Vision 2025 has been reinforced with the events of 2021.

Vision 2025 – Core Values

The City intends to prioritize allocation of its resources based on these core values:

- We protect and enhance the quality of life for our residents, visitors and retirees
- We protect and preserve our unique natural resources
- We honor the family-centric and safety-oriented tradition
- We maintain a relaxed, no-hassle environment
- We support a clear culture of Southern hospitality
- We enhance the sense of place
- We embed sustainability into the fabric of the community
- We promote economic prosperity in a business-friendly atmosphere
- We boost competition in the market place unaccepting of the status quo
- We commit to excellence and the highest quality standards

2021 Successes:

Reserves – General Fund Reserves maintained at amounts in excess of the 70% target.

Debt – No new debt was issued in 2021. The City continues to maintain an Aa2 rating with Moody’s and an AA+ ratings with Standard and Poor’s (S&P) rating agency.

Airport Authority – In 2021 the Airport Authority completed the sixth year of operating on a self-sustaining basis. Other significant Airport Authority 2021 accomplishments were:

- 2021 as with 2020 was a challenging year for the Authority with the aftermath of Hurricane Sally, and the continuing Pandemic. Though the airport was up and operational within 24 hours after the storm, Authority staff dealt with repairs associated with Sally. With the aid of FEMA, insurance, a number of federal cares act grants, and a strong Lessee base, the Authority’s cash balances actually increased over 2020 by \$150,000 in operating funds and \$478,000 in capital funds as a result of reimbursement of tower expenses from Cares Act 1.
- In 2021 the Authority continued operation on a self-sustaining basis which included reimbursement to the City of Gulf Shores for full reimbursement of all airport personnel costs and maintenance costs. This year’s operating surplus is expected at \$167,000. The airport operating fund surplus account was increased to \$702,000 which is almost 17 months’ worth of the annual operating budget.
- Obtained a \$23,000 grant from FAA for reimbursement of airport operating costs as result of CARES Act funding and have in progress another grant offer of \$59,000 underway.
- Prepared direct presentations and met with airline officials at Frontier, Allegiant, Sun Country, and Contour Airlines. Received Letters of Intent to start service from Elite and Sun Country and currently in bi-weekly meetings with a third carrier on terminal status.
- Nearing completion of new \$6.1 million air traffic control tower scheduled for federal commissioning in November.
- The Airport Authority was selected as host for the 2021 Annual Conference of the Aviation Council of Alabama which was conducted in October this year at the Lodge at Gulf State Park. Over 300 federal, state and airport officials attended.
- Entered into new land leases for hangar developments with:
 - Allen Air
 - Layton Hangar
 - Alabama Skyway
 - Joiner & Byars
 - Legal Air Properties
 - Leases represent a total of 48,236 square feet of new facilities.

- Received National Excellence in Training Award for the second time in three years from the American Association of Airport Executives.

Beach Operations and Recycling Program – 2021 Beach Operations continue to be successful and instrumental in keeping our beaches clean. This is the sixth year of implementing the Leave Only Footprint Ordinance and it has changed the culture of our visitors leaving personal belongings behind on the beach and has drastically reduced the amount of litter on our beaches. City crews continue to work with Fish and Wildlife Environmental programs to help protect nesting Sea Turtles. Eliminating challenges for Sea Turtles and removing all debris nightly has proven to be a positive impact on nesting turtles.

Recycling efforts in the City of Gulf Shores have significantly increased the amount of material diverted from the landfill over the last several years, and the City remains committed to waste reduction, litter abatement, and increasing the amount of material that is recycled in our community.

Gulf Shores Recycling Data (Tons of Material/Year):

	2015	2016	2017	2018	2019	2020
Residential Recycling	328	460	495	525	600	380
Commercial Recycling	220	240	290	310	290	260
GS Recycling Center	90	110	160	190	200	220
Leave Only Footprints	60	60	130	130	120	110
Total	698	871	1,045	1155	1210	970

The City-wide residential recycling participation rate is currently 38%. The City is committed to increasing participation through public outreach and education, as well as working with community partners including Gulf Shores City Schools, Coastal Alabama Business Chamber, and the Gulf Coast Center for Ecotourism & Sustainability. The City is also exploring opportunities to expand regional recycling capacity in partnership with Baldwin County and ADEM that will make Gulf Shores a more sustainable, environmentally friendly community.

Benefit Cost Controls – For the 2021 year the City had 77% of all City-insured employees (215) and 56% of their spouses (101 total) participate in the City’s wellness program by having the annual health assessments in November 2020. Symbol Health has reported that during the first 9 months of the Employee Health Clinic operations for 2021, 89% of the City employees, 70% of their spouses and 45% of their dependents utilized the clinic producing a total of 1,189 clinic visits. These “redirected” visits resulted in a total savings of \$148,625 to the City’s health plan had these same visits been billed through normal venues.

City Fitness Centers: Noteworthy in 2021 were large-scale renovations to the Bodenhamer Center lobby, including new membership service and lounge areas, dedicated fitness equipment and multi-

purpose group fitness rooms, in addition to innovative, well attended programs and events such as the Haunted Hustle 5k, Purely Paddle, Fitness on the Green, and Sunset Yoga at Gulf Place.

Economic Development – Commercial construction permits for valuations totaling \$27 million were issued for FY 2020. The Gulf Shores Airport Authority completed an air traffic control tower and are working on a commercial flight terminal at Jack Edwards National Airport to further efforts to establish regional commercial flights to and from Gulf Shores.

Education - Gulf Shores City Schools completed its second year as the first independent city school system in Baldwin County in 2021. The City budgeted and appropriated \$4.2 million in 2021 for the construction of 6 additional elementary school classrooms and 2 STEM labs which are scheduled to be completed February 2022 to help accommodate elementary school student growth. There are currently 2,337 students in the Gulf Shores City School System. Additionally the second high school gym and locker room expansion was completed to better accommodate expanded sports teams.



Fire and Medical/Fire Rescue – In summer 2021, construction was completed on the new South Baldwin Regional Medical Center Freestanding Emergency Department. The \$22 million Freestanding Emergency Department opened July 23 and is located off Highway 59 adjacent to Jack Edwards National Airport in Gulf Shores.

The 14,400 square-foot facility provides a helipad, nine private patient rooms, imaging and laboratory services and is open 24 hours a day, seven days a week to serve patients who experience medical emergencies. Ambulances are able to stop at the FED and save a 30 to 40 minute drive to the nearest medical center in Foley.

The addition of the Freestanding Emergency Department is completing another step in the City’s Vision 2025 for Sustainability, which includes providing leading-edge healthcare opportunities for residents and visitors.

Emergency healthcare experienced physicians, registered nurses and other patient care providers will staff the center. Direct access to the facility for patients and ambulance services will be provided through the construction of a new signalized intersection on Highway 59 at 34th Avenue and via a new roadway accessible from Cotton Creek Drive.

More than 30 new jobs were created to serve patients at the new center, including registered nurses and lab, imaging, admitting and environmental services staff.

Gulf Shores new Freestanding Emergency Department (FED) is pictured below



Information Technology – In an effort to enhance citywide security, we have provided additional fiber optic connectivity to Wade Ward Nature Park for the future installment of security cameras at that location. Additionally, we increased the number of surveillance cameras at the Bodenhamer Recreation Center to preserve a superior level of safety and security for all patrons.

We continue to find ways to improve our “work from home”, or “remote” working environment for City staff. We also continue to enhance our solution for the streaming of public meetings for City staff, the City Council, Planning Commission members, and the Gulf Shores City School Board members, allowing residents and visitors to remain aware and involved while adhering to any social distancing and/or “safer at home” recommendations.

Recreation Capital Improvement Projects – Major capital improvement projects for recreation were undertaken in 2021 that will benefit the City residents. Pictures of the recreation capital improvement projects are shown on the following pages:

Beach Playground Shade Structures



Meyer Park Shade Structures





Lagoon Pass Boardwalk

Transportation – In 2021 the City completed:

- **Coastal Gateway Boulevard** (formally County Road 8 east) capacity improvement which included widening from two lanes to four lanes, sidewalks, bike lanes, and a signalized intersection at the Foley Beach Express
- **New Medical Village road and signalization improvements** to support the South Baldwin Regional Medical Center freestanding emergency department.
- **Phase 1 of the Beach Walking District** that provided new sidewalks, drainage and parking improvements to the beach area shopping district.
- **Lagoon Park Rasmussen trail and boardwalk** connection expanding and connecting recreation access from Sandpiper Lane, West Lagoon Drive to Lagoon Pass Beaches.
- Completed the **Fort Morgan trail improvements** from Callaway Road west to Peninsula Boulevard
- Completed safety improvements in conjunction with ALDOT paving of Fort Morgan Road.

Beach Walking District Progress



Fort Morgan Road Access Management and Fort Morgan Trail Improvements



Medical Village new road and improvements



2022 Priorities & Issues:

The City's bond rating of Aa2 was noted November 7, 2019 in Moody's Rating Agency Annual Comment Report and by Standard & Poor's (S&P) April 2018 Ratings Direct Report as AA+/Stable. The Council continues to pay off short term debt as quickly as possible. Rebound of Sales, Lodging Tax, and Building Permit Collections in 2021 following the beach closure in 2020 has enabled the City to remain very secure financially.

Short-term expenditure issues impacting the City budget in 2022 were the issuance of new debt in 2020 causing debt service to increase from \$7.1 million to \$8.1 million primarily for school improvement projects. Continued designation of \$2 million for Gulf Shores City School System expenses advances the City's Progressive Education initiative. The City anticipates receiving reimbursement from FEMA for debris removal and other damages relating to Hurricane Sally.

Department Heads were informed in the Budget Preparation Instructions that any new positions or initiatives will need to be covered from internally generated savings due to the increased debt cost and the ongoing school system support commitments.

General Fund Reserves – The Fiscal Year 2022 Budget proposes to budget \$35.2 million to continue to fund a 70% Reserve to address concerns about FEMA's ability to respond to future incidents. Of the 70% General Fund Reserve, 35% will be maintained as a stabilization reserve to enable the city to withstand fluctuations in tourism revenue streams, address any potential unfunded pension liability of the City to the Retirement Systems of Alabama (RSA), and to provide a stabilized fiscal environment to maintain and enhance bond ratings allowing the city to borrow at competitive rates. The other 35% of the General Fund Reserve is for beach replenishment should it be necessary in the event of a weather-related emergency or disaster. The 2021 Budget proposes an operations decrease of \$3.7 million or -27.33%.

The Operations decrease is primarily due to a reduction of \$4 million transfer to the Special Revenues Lodging Tax Fund from 2021.

Airport Authority:

- Issue RFQs for a public/private partnership for air terminal construction and commercial service operations.
- Work on grants acquisition, design, and construction of new aircraft rescue and firefighting station.
- Commission new tower and establish Class D (controlled) airspace for the area.
- Install new approach path indicator lights on all four runways utilizing state 50/50 grant.
- Complete crack sealing project on all taxiways and ramps with FAA/State grant participation.
- Complete rebranding effort and announce new airport identity, logos, and marketing campaign.
- Work with Tellus on potential new hangar developments totaling over 48,000 additional square feet of hangar space.

City School System – The Fiscal Year 2022 Budget proposes to allocate another \$2 million City appropriation towards operation of a Gulf Shores City School System and budget the remaining funds to complete construction of the elementary school’s 6 classrooms and 2 STEM labs addition currently underway. Enhancing education was identified as a top priority in Vision 2025. New school facilities are in the planning stage to support continued student enrollment growth and provide collaborative learning environments at existing and future school campuses as identified in Gulf Shores City School’s “The Next Wave” master plan.

Capital Improvement Program – Vehicles and equipment (rolling stock) have been budgeted in accordance with the vehicle replacement policy guidelines. Ten police vehicles with mileage in excess of 115,000 will be replaced and three vehicles for new officers will be added. Police Impact Fees will offset the expense of two of the 13 budgeted vehicles. Street Resurfacing funds of \$1,100,000 are budgeted with \$750,000 of the resurfacing funds coming from Impact Fees. Vehicles/equipment of \$1,129,000 are budgeted for Public Works in the General Fund. Recreation and Cultural Affairs improvements will be paid with \$643,000 of Recreation Impact Fees.

Economic Development - Continue to prioritize new economic development opportunities in the City's Medical Campus, the Gulf Beach District and Waterway Village District by identifying potential public-private partnerships and development opportunities in the area. Continue to actively support the Gulf Shores City School System to enhance educational opportunities and encourage residential relocation. Expand on the initial workforce development partnership with the City of Mobile and the University of South Alabama to include more employers throughout the region. Continue working with the Alabama Department of Transportation, Federal Aviation Administration and the Gulf Shores Airport Authority to advance the goal of constructing a new eastern roadway connection from the Business and Aviation Park to the Beach Express.

Information Technology – Continue to manage and enhance network security layers and solutions citywide, ensuring safe use of City technology systems for the employees, residents, and business owners. Expand fiber backbone to areas throughout the city. Actively recruit and continue to seek Franchisee(s) to expand and enhance internet services for commercial and residential users throughout the City.

Recreation / Beach Projects - Upgrades and renovations to City properties are budgeted to benefit both residents and visitors:

- Architectural design and bid documents for a new Coastal Gateway Community Park to better serve our residents north of the Intracoastal Waterway - \$900,000
- Beach renourishment - \$4,937,000 (FEMA reimbursed \$3,110,426 / AEMA reimbursed \$903,204)
- 6th Street beach access improvements - \$159,000 (ACAMP \$50,000 grant)
- Bodenhamer ADA Pool lift - \$10,000
- Scissor Lift - \$15,000
- Kids Park Improvements - \$100,000
- Bodenhamer Parking Lot - \$150,000
- Pickleball Courts - \$298,000
- Branding/Wayfinding - \$40,000
- Activity Center Chairs - \$30,000

RESTORE Grant Funded Projects – The following are RESTORE Grant (100% Reimbursable) funded projects in 2022 totaling \$9,996,457:

- NFWF Oyster Bay and Bon Secour Wetland Restoration \$875,000
- Little Lagoon Restoration \$2,551,457
- Gulf Coast Center for Ecotourism Improvements \$5,700,000
- Laguna Cove Protection Project \$870,000

Public Safety Capital Projects– Numerous public safety capital purchases totaling \$5,331,000 are planned for 2022 including:

- Architectural design and bid documents for a New Justice Center to replace the 38-year old police department and city jail to address severe space deficiencies and provide a secure, modernized facility to support police and municipal court \$3,880,000 design
- 200 Clubhouse Wind Retrofit & Police Generator \$331,000 HMGP 80% reimbursable
- New Fire Training Tower and Teaching Facility \$720,000
- Remodeling and fortification of the former Oyster Bay volunteer fire station on County Road 6 \$400,000

Transportation projects- The following transportation projects totaling \$21,077,485 are proposed to be budgeted and completed and / or begin in 2022 include:

- Beach Boulevard Improvements – Highway 182 \$200,000
- BUILD - Pedestrian Bridge construction \$5,810,748
- BUILD - Hwy 59 Widening construction \$3,880,065
- BUILD – County Road 6 West \$130,930
- RESTORE - Waterway East Extension \$6,718,476
- RESTORE - East Canal Realignment \$342,266
- 4th Street Bridge & 1 Pedestrian Bridge \$80,000
- CGB to CR 6 Connector Road \$215,000
- Waterway West Boulevard \$3,550,000
- West 4th Ave Roadway Improvements \$150,000

The following new or expanded City services which are proposed in the FY 2022 budget:

- **Full-time City ambulance crew to supplement the existing Medstar private ambulance service**
- **Full-time drainage maintenance and improvements division**
- **Full-time, dedicated GSPD traffic enforcement patrol**
- **Full time City tree protection and enforcement**
- **Staffing and operation of the new Gulf Shores Eco-Center**

Specifically the additional Positions recommended (Net 19 Full-time) for 2022 include:

- **Police** – Three new Police Officers are recommended to adequately meet additional demands.
- **Fire** – One Deputy Fire Marshall, five fire fighters/paramedics and four fire fighters/EMTs are recommended.
- **Public Works** – Three Equipment Operator 1s to handle drainage issues in the City.
- **Eco-Center** – One Manager and one Maintenance Supervisor recommended.
- **Planning and Zoning** – One City Arborist to assist with tree surveys city-wide

Personnel Expenses – While the City continues to maintain personnel costs at 56% of budget, which is customarily between 60 to 75% for localities, the FY2022 budget proposes to provide funding consistent with our pay philosophy of 90 to 125% of market to remain competitive for quality employees with our neighboring cities. Our FY 2022 Budget proposes to budget \$378,040 for merit increases of 1.5% for above average to 2.5% for highest performing City employees at their anniversary dates in 2022 and \$582,684 for a 3% Wage Index Adjustment effective the first full pay period in January, 2022 for employees scoring satisfactory on their 2021 performance reviews.

- **Health Insurance:** Maintain City’s health plan current split plan distribution of 85/15 split (approximately 85% City employer expense, 15% employee). Total cost \$117,261 with a breakout for City \$99,672 and for Employees \$17,589.
- **Prescription Coverage:** Finally, in order to maintain overall health care benefits, we implemented a Dispense as Written (DAW) program to control pharmaceutical costs in 2021.

Budget Adoption

This budget was formally adopted by the City Council on December 13th, 2021 and establishes a fiscal plan for the City’s Fiscal Year, January 1 to December 31, 2022. The budget provides for the policies and goals of the Council as discussed during planning retreats conducted in prior years when preparing the strategic plan. Due to COVID-19 uncertainty, strategic plan meetings have not yet been held in 2021, and may be held prior to year-end.

Budget Preparation began on July 20th and was finalized with adoption of the 2022 Budget by Council December 13th, 2021. The Finance Committee met regularly during the year to review ongoing 2021 Budget expenditures compared to budget, progress towards achieving set revenue targets, and accomplishment of the City’s Financial Goals formally adopted in 2010 and updated annually beginning with the 2015 Budget. The City Council maintained its General Fund Reserves of 70% at the close of Fiscal Year 2020 and is projected to close 2021 at an excess of 70% reserves. The 2022 Budget reserve target is 70% of revenues to address concerns about FEMA’s ability to respond to future incidents. The Financial Policy provides for reserve levels to enable the City to provide for continuity of operations during emergencies and disasters. A complete copy of the 2022 updated Financial Policy adopted is included later in this budget document.

Budget Preparation Instructions given to Department Heads July 20th, 2021 at the start of the budget process provided guidelines consistent with the adopted Financial Policies. Budget Expenditure Requests for 2022, should not exceed 2021 budgeted amounts, since the City hired additional firefighters in 2021 that were only partial year funded, additional debt service requirements for new debt issued in 2020, and continuing allocations for the City School System.

A narrative of activities, services or functions carried out by the organizational units was requested in the Budget Preparation Instructions. Budgets needed to be consistent with the overall strategic plan adopted by the Mayor and Council. The purpose of the linkage was to confirm that Departments and Council were on the same page with no conflicting priorities. Departments were asked to specifically provide objective measures of progress toward accomplishing the Department’s mission as well as goals and objectives for units and programs. Strategies and priorities needed to be linked with the City Councils’ adopted Strategic Plan.

The Financial Summaries Section of the 2022 Budget Book contains details of City operations on a department-by-department, fund-by-fund basis. A table of Personnel by Department for the past three years is in the Financial Summaries Section as well. Each department section includes an organizational

chart, departmental function, major accomplishments for the current year and goals and objectives for 2022. Also included by department are historical, current, and future financial data and staffing by department.

All Operating Funds are adopted during the annual budget process. Total anticipated revenues and other funding sources available must equal or exceed total estimated expenditures for each fund. The legal level of budgetary control is the department level, with the Council being the only body authorized to make amendments to the budget. Revisions that alter the total expenditures of any department or fund must be approved by the Mayor and City Council.

During the course of the year, Budget Amendments are done to ensure the Council is aware of and approve expenditures beyond the original budgeted amount. Typically these over budget expenditures are the result of a change in Council priorities or departmental needs following the adoption of the budget. Interdepartmental transfers are done by budget amendment if an expenditure line is projected to go over \$5,000 of the original budget, or if a department is projected to go over the total amount originally budgeted. An explanation of the change in the budgeted amount is provided in the backup for the amendment. The last budget amendment of the year includes redistribution of the health insurance based on year-to-date actual departmental expenses since the City is self-insured and has a cap for total health insurance expenditures annually. For 2021, two budget amendments are projected to be done.

Current Fiscal Condition

At the close of 2021, the City is projected to exceed the overall financial reserve target of 70% of budget or \$36.3 million comprised of \$18.16 million for the General Fund and \$18.16 million for Beach Reserves. Sales Tax collections through September 2021 of \$16.4 million already exceed prior year total collections due to April COVID-19 beach closures in 2020. Lodging Tax collections of \$18 million also exceed the prior year total collections of \$13.9 million.

The City continues to maintain its economic stability, even more so with the increase in activity due to Hurricane Sally hitting September 16th, 2021 and despite the decrease in the national economic activity. Increased exposure of the area will lead more tourists coming from all over the United States rather than traveling to more exotic far away locations due to COVID-19 related restrictions. The City will continue to expand the tourist base with recruitment of sports tourism once the COVID-19 Pandemic is contained which is described in more detail in the following section. Winter tourists from northern locales returned in fall 2020 and winter 2021 despite Hurricane Sally related damages at the Gulf State Park Campground. The Music and other local festivals were cancelled in 2021 due to COVID-19. Revenue projections do not include increases at past rates of recent growth, but are tempered to reflect the possibility that growth at recent rates may not continue at a sustained level.

Economic Diversification Efforts Associated with the Adopted Vision Plan

The Waterway Village District was established in 2013 to encompass property along the Intracoastal Waterway to provide a new entertainment/shopping/business district north of the beach area. Acme Oyster House, Big Beach Brewing Company and several other small businesses have opened since that

time and the district is now home to art festivals and events like the Waterway Village Zydeco and Crawfish Festival. The boundaries of the Waterway Village district were expanded in 2021 due to increased interest from the business community to be part of this emerging commercial district.

In 2018, Auburn University completed construction of a 24,000 square foot educational complex which includes a veterinary surgery center and Cooperative Extension Service office off Coastal Gateway Boulevard and the Foley Beach Express. A new education campus is planned to be built across from the Auburn University complex which will include a new Gulf Shores High School and opportunities for Coastal Alabama Community College, the University of South Alabama and other higher education partners to expand their presence in the community.

A new 12 court Pickleball Complex is budgeted for completion in 2022 to accommodate the exponential growth in the sport's popularity. The facility will be located at the Gulf Shores Sportsplex within close proximity to the quickly growing population in the north Gulf Shores city limits. Sized appropriately to provide ample opportunity for Gulf Shores residents, the complex will also provide a venue to attract additional traveling pickleball players and will host pickleball tournaments, further enhancing the economic impact derived from sports tourism.

The City's timely capital investments in the Sportsplex Track & Field facilities have proven to be a key strategy in implementing Vision 2025's economic, geographic and seasonal diversification priorities. As such, the City will continue to host the Alabama State High School Track Championship and the Alabama Independent School Association (AISA) State Track Championship through 2026, attracting 5,000 plus athletes and spectators annually. The City has also had a longstanding relationship with the NAIA, hosting their National Outdoor Track & Field Championship since 2015 with the current contract extending through 2022. Due to the City's dedication and commitment to environmental stewardship, the Gulf Shores Sportsplex has been awarded the Sports Turf Managers Association's Environmentally Responsible Facility Certification.

A ribbon cutting for the new Free Standing Emergency Department (FED) constructed and operated by South Baldwin Regional Medical Center took place on July 23, 2021. This new state of the art emergency room located on State Hwy. 59 near Jack Edwards National Airport will significantly reduce the time to get critically injured or ill people to the hospital emergency room in Foley, saving lives. In addition to the lifesaving benefit, the FED will act as a catalyst to attract additional medical businesses and services to the developing Medical Village which is located on 32 acres of recently acquired City property adjacent to the FED.

STRATEGIC PLANNING

The Mayor and Council formally adopted the Small Town, Big Beach Vision 2025 for Sustainability in June 2014. A five year Strategic Plan was developed to provide a detailed "game plan" to begin implementing the Council's Vision and was formally adopted by the City Council on October 27, 2014 and was updated by the Council on November 14th, 2016. The purpose of the Strategic Plan includes:

- Strategic Plan Outcomes (5 year goals) for each of the 5 Critical Actions of Focus within Vision 2025
- Strategic Plan Strategies for future Council policy and direction to staff for achieving the listed Outcomes
- The adopted Strategic Plan would update/replace the Council adopted 2007 Strategic Plan
- Bond rating agencies consider City Council adopted Strategic Plans, and subsequent budgeting that implements the adopted plan, a critical element in the City’s bond rating.

The Strategic Plan 2015 – 2019 Laying the Foundation for 2025 is included in its entirety and updated for progress to date as follows:

MISSION STATEMENT

The City of Gulf Shores is committed to meeting and exceeding the needs and expectations of our residents, visitors and businesses. We are committed to preserving our city’s family-friendly, small-town, safe atmosphere and beautiful natural surroundings, while providing the infrastructure and amenities necessary to support a sustainable, vibrant economy.

VISION 2025

In the year 2025, the City of Gulf Shores will be the most desirable small town destination community in the South in which to live, visit, retire and invest. This will be due to its enduring, wholesome, low-key and pleasurable lifestyle amidst its restorative and vibrant natural surroundings and thriving economy.

VISION 2025 – CORE VALUES

The City intends to prioritize allocation of its resources based on these core values:

- We protect and enhance the quality of life for our residents, visitors and retirees.
- We protect and preserve our unique natural resources.
- We honor the family-centric and safety-oriented tradition.
- We maintain a relaxed, no-hassle environment.
- We support a clear culture of Southern hospitality.
- We enhance the sense of place.
- We embed sustainability into the fabric of the community.
- We promote economic prosperity in a business-friendly atmosphere.
- We boost competition in the market place unaccepting of the status quo.
- We commit to excellence and the highest quality standards.

VISION 2025 – KEY STRATEGIES AND PRIORITIES

In order to prioritize actions for implementation, we present the following key strategies.

ENVIRONMENTAL STEWARDSHIP

- The responsible use and protection of the natural environment through conservation and sustainable practices will preserve Gulf Shores’ balance with nature.

- Environmental education should be expanded in our community to promote responsible stewardship of natural resources and steps to live more sustainably.

WELL-ORGANIZED INFRASTRUCTURE

- The design of new roadways, air services and waterways as well as the enhancement of existing transportation routes are essential.
- Architecture of utilities including water, fiber, electricity, sewage and other public services is imperative.

ECONOMIC, GEOGRAPHIC AND SEASONAL DIVERSIFICATION

- Foster a long-term relationship amongst ecology, technology and economy, promoting the equitable sharing of resources and reducing conflicts.
- Because the tourism-related sector is so dominant, things we do that help or hurt this sector will have a far greater effect on our economy than what happens in other sectors.
- Additionally, becoming less beach-dependent and investing in infrastructure that encourages the long-term growth of other business sectors will help diversify and stabilize the overall economy.

SUSTAINABILITY

- Infrastructures that promote a natural balance, preserve biodiversity and protect our valued natural resources are solutions that benefit the land and community now and for future generations.
- Health and wellness of a community correlate to the health of a community's economy.
- Standards of excellence in service to meet and exceed the needs of the community and its safety must be upheld.

PROSPERITY

- Strategies should take into account impacts across all business sectors and strive to strengthen the relationship between small town and big beach.
- To protect the quality of life for all residents and the high-value experience for our visitors, hospitality, retirement and businesses independent of these sectors, must be able to prosper.
- Thoughtful investment in our community will attract more investment.

LEADING EDGE HEALTHCARE

- Enhanced healthcare services contribute to the well-being and safety of the community and contribute to the economy.

PROGRESSIVE EDUCATION

- Quality education is a critical necessity for any prosperous community to attract educated professionals as well as feed our economy from within with targeted and nationally-recognized programs and facilities.

COMMUNITY PLANNING

- New development and revitalization of buildings and infrastructure will enhance sense of place and quality of life.
- Ongoing and consistent enforcement of zoning and building codes and regulations will protect the health, safety and welfare of our residents and businesses.
- Infrastructure and transportation improvements will focus on creating bike-and pedestrian-friendly corridors as well as public green spaces.

MEDICAL – VISION 2025

We have a responsibility to provide direct access to quality wellness services and emergency care to our citizens and visitors. Encouraging quality public health serves the needs of our citizens and helps to foster retiree and visitor recruitment and retention.

PROPOSAL: The city supports the development of a prestigious medical facility invested in people, patient and family-centered care, medical discovery and education. The complex, located within the coastal Alabama region, will be impressive in scope, innovation and medical specialties.

- We must provide prompt access to our medical facilities; the difference between seconds and minutes is critical. The proposed location would provide this access for our community and would promote geographic diversification by redistributing traffic away from Highway 59.
- This state-of-the-art facility and its services would ensure our residents and visitors have access to innovative treatment specific to their needs.
- Studies have shown a direct connection between improving a community’s health and improving its economy.
- Access to quality healthcare affects our ability to attract and retain employers, families and retirees. It is important to provide the necessary resources to successfully implement workplace and community wellness programs to help improve productivity and reduce health spending.
- This medical facility would provide an opportunity to create partnerships to strengthen our education ecosystem and diversify our economy by offering residency and other academic programs.

MEDICAL – STRATEGIC PLAN OUTCOMES

In 2021, a new regional healthcare facility was completed to serve the Alabama Gulf Coast. The development of this new facility will be the culmination of an ongoing regional cooperative effort.

In 2021, leading-edge programs were established for maintaining the independence and quality of life for adults and their families. Additionally, the City will ensure the coordination of services for advocating, educating, coordinating and implementing programs and services for older adults.

In 2021, emergency health care facilities became more accessible and provided expanded superior level services to residents and visitors.

MEDICAL – STRATEGIC PLAN STRATEGIES

1. The City worked to develop a regional partnership to support the new regional healthcare facility to serve the Alabama Gulf Coast.
2. The City took a lead role in facilitating the programming and development of the new regional healthcare facility.
3. The City has taken a proactive role in targeting new economic development opportunities that will help to support and enhance services provided by the new hospital.
4. The City improved vehicular access points to and from the Baldwin Beach Express in the following ways:
 - a. Coastal Gateway Boulevard (renamed Coastal Gateway in 2018) was accepted as a City roadway
 - b. An at-grade/signalized intersection was completed at Coastal Gateway
 - c. County Road 4/Cotton Creek Bridge improvements were completed
 - d. Improvements to Roscoe Road were completed and subsequently accepted as a City roadway
5. The City will promote and encourage the development of additional assisted and independent living facilities in Gulf Shores by:
 - a. Reviewing and analyzing current and future demand for assisted living facilities
 - b. Reviewing appropriate zoning and zoning regulations to encourage development
 - c. Reviewing and analyzing economic development impacts of assisted living facilities
6. The City takes a leading role to encourage the development of local medical workforce training and supporting academic programs at the City's new education campus.
7. The City continuously monitors trends within the retiree population including:
 - a. Inflow/outflow of retiree population
 - b. Pension income being spent in Gulf Shores from areas outside of the City Limits
8. The City analyzes current and planned senior citizen locations (Oyster Bay Village, The Haven, etc.) to develop improved transportation options to and from healthcare centers.
9. The City fosters the development of a Chamber Business Certification program to encourage local shops and restaurants to become age-friendly by implementing age-friendly hours, discounts and other incentives.
10. The City conducts an annual Town Hall Meeting to gather input from senior citizens on current challenges and improvements that can be explored.
11. The City will help to develop and implement an education program to encourage the development of Aging in Place housing.
12. The City advocated for the development and expansion of emergency health care facilities to provide residents and visitors more access to superior level services and to accommodate future growth.

MEDICAL – Accomplishments

1. In 2018, the City bought the former Sacred Heart Medical Facility for a potential free standing Emergency Department and Hospital. The City negotiated and secured tenants to operate a freestanding Emergency Department as well as expanded medical office space for specialists.
2. In 2019, the City partnered with AirMedCare Network to provide ground and air ambulance transport coverage from within Baldwin County to all Gulf Shores residents. This program eliminated virtually all out-of-pocket expenses for ambulance transport for residents.
3. In 2019, construction began on a new 140,000 square foot independent and assisted living facility called Seagrass Village. The village was completed in June, 2021 and offers 71 independent living units, 8 individual living cottages and 50 assisted living units.
4. The Freestanding Emergency Department was completed summer 2021.

EDUCATION – VISION 2025

Exposure to advanced levels of education and curriculum supports sustainable economic development by providing our community with a perpetual and attractive workforce.

PROPOSAL: The city and its partners will build a first-rate academic campus incorporating a powerful dual-enrollment model proven to promote access to higher education. The campus will feature a leading-edge design incorporating the latest technology into a new high school and a new additional Coastal Alabama Community College location, complete with on campus housing and student life activities. This innovative campus will encourage affiliations with four-year universities to complete the higher education model by offering bachelor's and master's programs.

- This new campus and its location will support geographic diversity and the county school system's efforts to resolve overcrowding and traffic issues with our current school campus.
- This education model presents an opportunity to create nationally-recognized programs in ecology, maritime, culinary, hospitality and college preparatory specialties. These programs will enhance the education of our youth and will develop a skilled workforce to propel our local economy.
- The strategic collaboration between the City, Coastal Alabama Community College and four-year institutions will provide our citizens with a direct and affordable path to a four-year degree or vocational career without ever having to leave our community.
- Enhancing our quality of education, along with developing partnerships with respected colleges and universities, will serve as an attraction for residential retention and relocation.
- The presence of a college or university nearby will add to the cultural offerings of our area and will stimulate education industry investment and economic diversity.
- On-campus student housing can be utilized for seasonal workforce housing.
- Having a superlative education facility located in a vacation destination will support economic development by attracting educational and business conferences to bolster our shoulder season tourism.
- The reputation of providing world-class education will be invaluable for enhancing our community pride and perception.

EDUCATION – OUTCOMES

In 2017, the City of Gulf Shores supported a resolution forming a separate City School Board and City School System to include a City High School, Middle School and Elementary School in Gulf Shores. By 2021, the City School System has operated independently for two years.

By 2023, the first phase of the new education campus will open with a new Coastal Alabama High School and an additional Coastal Alabama Community College campus that will offer specialized dual-enrollment and vocational career programs focused on the skilled workforce development needs of the local economy.

Over the next 4 years, the construction of the Alabama Gulf Coast Center for Higher Education will be announced. The Center will be located on the Gulf Shores education campus and will provide the community with a direct and affordable path to bachelor's and master's degree programs.

EDUCATION – STRATEGIC PLAN STRATEGIES

1. The City assembled the acreage necessary to support the development of an innovative education campus that will include a new Gulf Shores High School, an additional Coastal Alabama Community College campus that will offer specialized dual-enrollment and vocational career programs and the Alabama Gulf Coast Center for Higher Education that will offer degree programs from the University of South Alabama, the University of Alabama, Auburn University and other four-year institutions.
2. The City coordinated efforts to provide the infrastructure and funding sources necessary to support the development of the new education campus including:
 - a. County Road 8 (Coastal Gateway Boulevard) acceptance as a City roadway
 - b. An at grade/signalized intersection completed at Coastal Gateway
 - c. Multi-party partnership to finance the development of the new education campus
3. The City will facilitate the development and appointment of an educational campus Planning and Development Committee with representatives from Gulf Shores City Schools, Coastal Alabama Community College, the University of South Alabama, the University of Alabama and other interested four-year institutions.
4. The City will seek a public-private partnership for the development of on-campus dormitories to serve as student housing.
5. The City will establish and appoint the Alabama Gulf Coast Educational Advisory Committee to facilitate the development of specialized workforce training programs, the ongoing review of workforce training needs for education campus partners and to encourage continued advanced educational opportunities within the Digital Renaissance initiative and Learning for Life academies.

EDUCATION – Accomplishments

1. The City Council appointed a Public Education Building Authority (PEBA) to assist in providing tax exempt bond financing for new and improved education facilities in 2016. The PEBA approved bond funding for the new Auburn Vet Facility and Campus in 2017 and construction was completed in 2018.
2. The City Council assembled approximately 225 acres at the intersection of Coastal Gateway Boulevard and the Foley Beach Express for a public education facility recruitment and location. Construction was completed in 2018 on the new Auburn University Vet Facility educational complex adjacent to the planned Coastal Alabama Center for Education Excellence campus.
3. The Mayor appointed and worked with a primary and secondary public school task force to assist the City in separating from the Baldwin County Board of Education to provide new and expanded public school facilities to meet current and future needs.
4. In 2018, the 24,000-square-foot Auburn University Educational Complex opened. The complex offers veterinary care, aviation instruction, research administration and Alabama Extension support for the region.
5. In 2019, Gulf Shores City Schools officially began as the first independent city school system in Baldwin County. The City completed over \$8 million in renovations and improvements to the school campuses to enhance safety, security, vehicle and pedestrian circulation, and the overall learning environment for the school system's 2,200 students. In 2020, \$17 million was secured for additional City School System campus improvements.

WATERWAY DISTRICT – VISION 2025

A vibrant Waterway District will create a unique sense of community and place that engages citizens and guests in an enriched experience of the local landscape, economy and culture.

ACHIEVEMENT: Waterway Village has taken shape along the Intracoastal Waterway. The walkable waterfront district connects north and south sides of the Intracoastal Waterway and the east and west sides of Highway 59.

Its pedestrian-friendly design will feature quaint streets with tree-lined sidewalks, inviting seating areas, decorative lamp posts and a waterfront boardwalk offering a year-round destination for dining, shopping, arts and entertainment. The proposed plan received the ALAPA 2014 Outstanding Planning Award.

- Pedestrian-friendly Waterway District has been established with several thriving businesses for five years now.
- The Waterway District will provide a lively destination and unique “sense of place” where locals and visitors can gather to experience a different side of Gulf Shores. Water taxis, shrimp boats, fresh seafood and produce markets, retail shops, restaurants, art galleries, music and entertainment will create a lively area to enjoy.
- The district will enhance our community’s resiliency and geographic diversification by providing a new economic hub in an area away from the beach that has proven to recover quickly after storms.
- The Waterway District attracts private enterprise investment as it becomes a hotspot for arts, culture and entertainment.
- The area’s pedestrian-friendly design helps to stimulate our local economy by providing residents and visitors easier access to local businesses.
- Form-based zoning will entice investment in the area as it allows for flexibility in land use and development within the district.
- The Gulf Shores Business and Aviation Park’s available sites and buildings and its future expansion provide additional opportunities to diversify our economy with both aviation and non-aviation business recruitment that is complementary to our quality of life and tourism economy.
- Significant marketing efforts are underway targeting aircraft maintenance, overhaul and repair services to add to an already diverse mix of seafood, environmental and service industries located in the park.
- The airport’s proximity to the Waterway District, combined with potential future connections to the Baldwin Beach Express, provides new opportunities for economic growth capacity and community-based economic development.
- Saunders Yachtworks, a high-end yacht service company located on the Intracoastal Waterway near the Business and Aviation Park, has proven to be a significant contributor to the area’s non-tourism economy and serves as an example of the potential business opportunities presented along this corridor.

WATERWAY DISTRICT – OUTCOMES

The City will facilitate additional public–private development opportunities for the revitalization and continued development of properties within Waterway Village.

Over the next 2 years, the City will work with the Army Corps of Engineers and property owners to facilitate the construction of a boardwalk and bulkhead along the Intracoastal Waterway to better control erosion along the banks of the canal and to provide a new linear park for residents and visitors to enjoy.

By 2023, the City will construct a new roadway extension linking the Business and Aviation Park and Waterway East Boulevard to Cotton Creek Drive and the Foley Beach Express.

Over the next 2 years, the City will work with the Gulf Shores Airport Authority, Federal Aviation Administration and other aviation partners to offer regional charter flight services, facilitate the construction of an air traffic control tower and study the feasibility of a commercial flight terminal at Jack Edwards National Airport.

WATERWAY DISTRICT – STRATEGIC PLAN STRATEGIES

1. The City will work to strengthen its relationship with Waterway Village business owners and will explore the possibilities of developing a special tax district to support new capital improvements and marketing for the area.
2. The City will continue to encourage public-private partnerships for the adaptive reuse and revitalization of properties within Waterway Village South.
3. The City will provide support for special events and programs to help attract residents and tourists to Waterway Village.
4. The City will encourage development and redevelopment within Waterway Village North by completing streetscape and destination identity signage improvements.
5. The City will explore opportunities to construct a new roadway connecting Waterway East Boulevard and the Business and Aviation Park to Cotton Creek Drive to provide new economic development opportunities in the area.
6. The City will evaluate and assist with long-term public parking needs to stimulate desired development and redevelopment within the district.
7. The City will identify and recruit targeted industries to create a more diversified and sustainable economy.
8. The City will establish and implement effective economic development strategies to encourage development within the Business and Aviation Park.
9. The City will seek Army Corps of Engineers approval for a linear park that will include a bulkhead and boardwalk along the Intracoastal Waterway. Pending approval, the City will research grants and available financial programs to fund the development, operation and maintenance of the park.
10. The City will support the extension of East 20th Avenue to connect with Canal Road to create a quainter and more pedestrian-friendly area surrounding Waterway Village South.

WATERWAY VILLAGE – Accomplishments

1. In 2019 the City fostered the creation of the Waterway Village Merchant’s Association to encourage long-term growth of the District’s business sector.

2. BUILD Grants have been awarded for the purpose of providing better transportation solutions and new economic development opportunities on both the north and south sides of Waterway Village.
3. City staff have organized a business advisory group of Waterway Village business owners for better communication, coordination and continued expansion of events and activities aimed at growing the district.
4. Successfully recruited the area's first craft brewery, Big Beach Brewing Company, which opened in October 2016.
5. In 2015, the Business and Aviation Park was designated as an Alabama Advantage Site and new master plan and zoning ordinances were updated to help attract new, targeted economic development prospects that will result in more diversified economic growth and additional jobs within the city.
6. In 2018, the City and Baldwin County Economic Development Alliance successfully recruited Resicum International to relocate its corporate headquarters and construct an aerospace MRO facility at Jack Edwards National Airport.
7. In 2021, the City completed construction on the final phase of the Commerce Drive loop within the Business and Aviation Park. This roadway and utility expansion provides access to over 40 acres of industrial property bordering Jack Edwards National Airport.
8. In 2021, the Gulf Shores Airport Authority broke ground on an air traffic control tower and commercial flight terminal at Jack Edwards National Airport to further efforts to establish regional commercial flights to and from Gulf Shores.

GULF STATE PARK – VISION 2025

Enhancement of Gulf State Park will foster a synergistic and sustainable relationship amongst the park's habitats, ecology and economy by promoting the equitable sharing and protecting of resources.

PROPOSAL:

1. Proper and sustainable enhancement and protection of state park land will attract outdoor enthusiasts, photographers, academics and conservationists to appreciate our distinct bionetwork. The opportunity to be immersed in our unique surroundings will help to inspire the conservation and preservation of our environment.
2. The City will support projects to provide better access from the Baldwin Beach Express to the beach in an effort to help connect visitors to Gulf State Park.
3. Environmental improvements include an environmental research and education facility for Alabama students, trail development and enhancement in the park, dune restoration along the park's beachfront and the establishment of a coastal ecosystems interpretive center.
 - Improved roadway connections to the beach will resolve major traffic obstacles and is a primary facilitator in our ability to develop economic diversification.
 - Reconstruction of the lodge and conference center stimulates tourism and strengthens opportunities for a year-round, stable coastal economy by supporting local jobs and introducing a new market of conference attending visitors to our area. Construction on the lodge and conference center began in 2016 and was completed in 2018.

- Enhancements in the Gulf State Park will invite locals and visitors to become ambassadors for the Alabama Gulf Coast. RESTORE Grant funds were received by the Gulf State Park for an interpretive learning center.
- The opportunity to work with Jean-Michel Cousteau’s Ocean Futures Society would align the City with a prestigious international initiative in the field of environmental development and preservation, enhancing the City’s ecological and educational reputation in the market.
- Strategies to develop educational opportunities include outdoor classrooms to be utilized by our forthcoming academic campus, as well as students from throughout the nation, public excursions for visitors, coastal training and professional development.

GULF STATE PARK – STRATEGIC PLAN OUTCOMES

Over the next 5 years, the City of Gulf Shores will support and partner with the Gulf State Park to provide environmental improvements within the park, including an environmental research and education facility, new trail development and dune restoration, and the establishment of a coastal ecosystems interpretive center.

The City of Gulf Shores assisted and supported the Gulf State Park in the reconstruction of the Gulf State Park Lodge and Conference Center. The Gulf State Park Lodge and Conference Center construction was completed in 2018.

Over the next 5 years, the City of Gulf Shores will support transportation projects to provide improved access from the Baldwin Beach Express and the city’s tourist areas to the Lodge and Conference Center.

GULF STATE PARK – STRATEGIC PLAN STRATEGIES

1. The City will advocate the development of local environmental programs and initiatives to help support environmental improvement projects within Gulf State Park.
2. The City supported the Governor’s goals and efforts for the Gulf State Park Lodge and Conference Center.
3. The City secured a partnership with the Jean – Michel Cousteau’s Ocean Futures Society to establish world-class environmental education programs within the State Park.
4. The City continues the development and support of improved, safer bike and pedestrian access into and throughout the State Park.
5. The City will evaluate the feasibility of developing a trolley and other public transit options to provide improved access to and from the State Park.
6. The City supported projects to improve vehicular access to the Lodge and Conference Center including, but not limited to:
 - a. The installation of an adaptive traffic signalization stretching from north Gulf Shores along Highway 59 to Beach Boulevard
 - b. The construction of a new bridge across the Intracoastal Waterway
 - c. The development of the proposed East Beach Boulevard bypass

GULF STATE PARK – Accomplishments

1. The State of Alabama completed construction of a 350 room Hilton-branded lodge, 180 seat restaurant and 40,000 square foot conference facility that opened fall 2018.

2. Over 9 miles of new pedestrian- and bike-friendly trails are currently being completed within Gulf State Park.
3. Installation and programming of Highway 59 adaptive traffic signalization was completed in 2015.
4. The City completed new 8-foot sidewalks and access management along both sides of Highway 59 from Fort Morgan Road to Beach Boulevard in 2017. These projects combined are projected to increase traffic capacity on Highway 59 by 18%.
5. A new Master Plan for Gulf State Park was completed in 2016 which identified new and enhanced facilities and programs for residents and visitors to enjoy.

GULF BEACH DISTRICT – VISION 2025

The construction of a walkable, energetic beachfront district will attract tourism, stimulate local business, and encourage business and residential relocation.

PROPOSAL:

1. Revitalize our beachfront with the development of a quaint, landscaped boulevard that will reroute tourism traffic further from the coastline.
2. Design and construct a contemporary beachfront that is pedestrian and bike-friendly with access to beachfront dining, shopping and entertainment.
3. Connect the Gulf Beach District to Waterway Village with a pedestrian and bike-friendly route.
 - This plan will rejuvenate the face of our community by enriching the experience to live, work, play and connect at the beach.
 - A captivating and engaging beachfront will further instill pride with residents that love to live here and visitors that love to visit here, creating an elevated reputation of the community.
 - The new Gulf Beach District takes maximum advantage of the entire half mile of city-owned beachfront.
 - A pedestrian-friendly beachfront reinforces the community “sense of place,” providing a walkable community that is welcoming, safe and accessible.
 - Storm damage recovery is lessened by rerouting major roadways farther north from the coastline.
 - Walkable communities, including sidewalks and bike paths, are proven to increase property value and contribute to the local economy.
 - The diversion of traffic from the beach along with the development of walkable, pedestrian-friendly corridors and the introduction of beach shuttles anticipates the desires of the population and positions Gulf Shores as a progressive beachfront community.

GULF BEACH DISTRICT – STRATEGIC PLAN OUTCOMES

In 2017, the City of Gulf Shores considered new and updated zoning regulations that support the desired scale and development for a walkable beachfront.

Over the last six years, the City of Gulf Shores has provided new public facilities, including new and improved beach access to enhance the numerous public beach areas throughout Gulf Shores.

In 2019, the City of Gulf Shores completed new, enhanced pedestrian and bicycle improvements along Hwy 182 from West 4th St. to West Lagoon Ave to foster a more walkable tourist destination that provides safe pedestrian access to dining, shopping and entertainment.

In 2019, the City of Gulf Shores completed the last phase of the Gulf Place Revitalization Project which transformed the city’s most iconic stretch of beachfront and stimulated economic development within the Gulf Beach District by providing a more welcoming, accessible, pedestrian- and bike-friendly environment.

In 2021, the City of Gulf Shores completed new, safer pedestrian and bicycle pathways from West Lagoon Ave to Little Lagoon Park.

In 2022, the City of Gulf Shores will complete pedestrian, landscaping, transportation and parking improvements within the Gulf Beach Walking District.

Over the next 4 years, the City of Gulf Shores will encourage public-private partnerships to facilitate increased economic development throughout the Gulf Beach District.

GULF BEACH DISTRICT – STRATEGIC PLAN STRATEGIES

1. The City has completed and will continue to implement improved pedestrian and bicycle-friendly routes to connect the Gulf Beach District to various areas of the city including, but not limited to:
 - a. Gulf Beach District to the Waterway District (completed)
 - b. Gulf Beach District to the Gulf State Park Lodge and Conference Center (completed)
 - c. Gulf Beach District to destinations north of the Intracoastal Waterway
2. The City will research the feasibility of the development of a trolley and other public transit options to improve access to and from the Gulf State Park Lodge and Conference Center, Waterway Village and other locations throughout the city.
3. The City has completed and will continue to implement pedestrian-friendly beachfront improvements that take advantage of the numerous public beach areas and provides a welcoming, safe and accessible environment.
4. The City will review and implement appropriate zoning revisions to ensure all new developments or redevelopments are of the appropriate size and scale to enhance its established Small Town, Big Beach brand.
5. The City will encourage small business growth within the Gulf Beach District by completing the Gulf Place Revitalization Project, providing additional public parking and other infrastructure improvements.

GULF BEACH DISTRICT – Accomplishments

1. In 2015, the Beach Litter Program was implemented by the City Council which established enforcement protocols, clean up/recycling operations and a beach enforcement officer program.
2. In 2016, the City of Gulf Shores partnered with the City of Orange Beach, Gulf Shores and Orange Beach Tourism and the Gulf State Park to develop and implement the “Leave Only Footprints” ordinance which requires the removal of all items from the beach daily. This program resulted in cleaner, safer and more environmentally-friendly beaches for residents and visitors to enjoy. The City secured grants and constructed new beach access facilities at West 10th and West 12th Streets. Also in 2016, the City Council adopted a new Gulf Place Master Plan and the first phase of construction was completed.

3. In 2019, the City of Gulf Shores completed the last phase of the Gulf Place Revitalization.
4. In 2019, the City partnered with ALDOT and the Gulf State Park to implement transportation improvements to better accommodate eastbound traffic (currently 22% of all traffic utilizes the W.C. Holmes Bridge) to the State Park and Orange Beach.
5. In 2019, the City secured grants and partnerships with ALDOT to provide 4 miles of new 8' sidewalks and 5' bike lanes, 8 new signalized pedestrian crosswalks and 1.5 miles of landscaped medians along Beach Boulevard from Gulf State Park to West Lagoon Drive. Work was completed in conjunction with ALDOT resurfacing in winter 2019.

SUMMARY OF THE FISCAL YEAR 2022 BUDGET

Significant Budget Items and Trends

At the October 20th, 2021 Finance Committee meeting, the City of Gulf Shores budget was presented to the Council by Department with a breakout of Fixed Personnel and Operations Costs, Additional Personnel, and Capital Requests that contained many of the items on the Ten Year Capital Plan. A Ten Year Transportation Capital Plan was presented to the Finance Committee Members at the July 14th, 2021 Finance Committee meeting.

Employee Pay Adjustments - In the 2022 Budget, \$378,040 in City General funds were set aside for merit increases based on annual review of either a 2.5% increase for exceptional employees or a 1.5% increase for above average performing employees. Also in the 2022 Budget, \$582,684 was set aside for a Wage Index Adjustment effective the first full pay period in 2022 for employees with ratings of satisfactory on their 2021 Performance Appraisal Review (PAR).

A summary of the recommended personnel changes for the Adopted 2022 Budget are a net 19 new full-time positions:

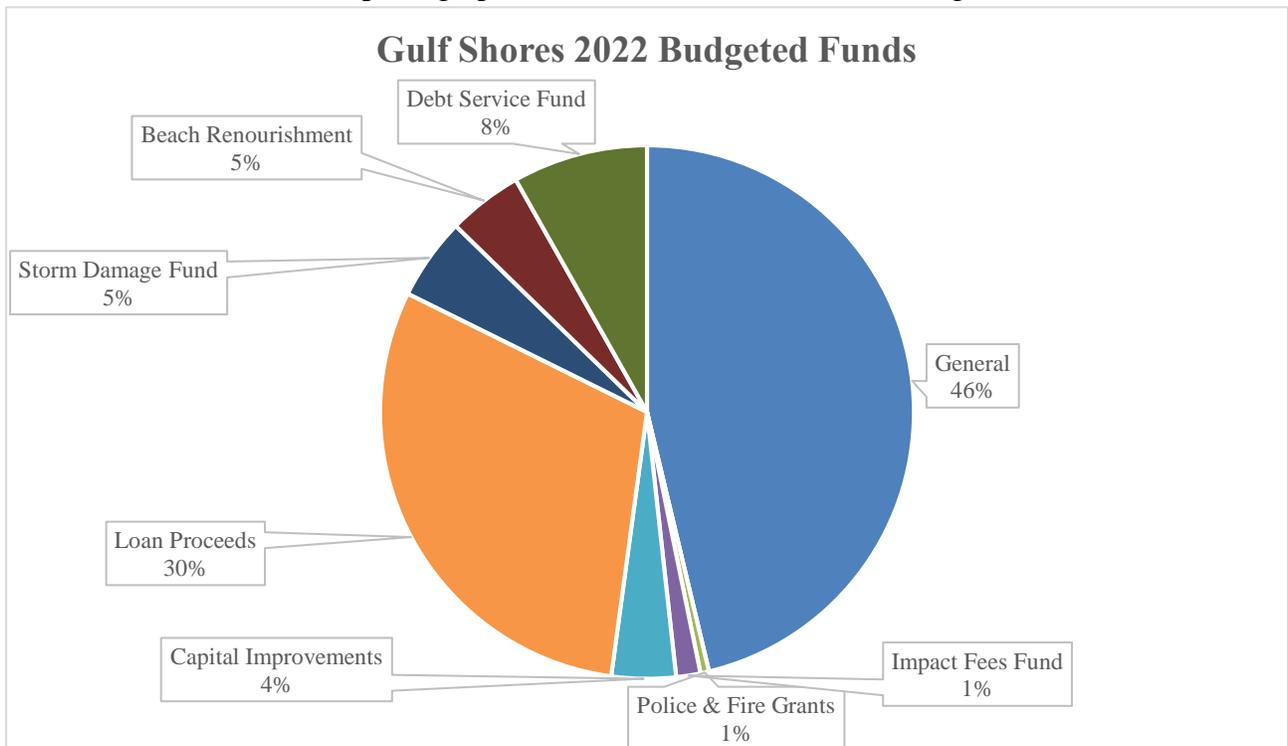
- Three Police Officers**
- One Deputy Fire Marshall**
- Five Fire Fighters/Paramedics**
- Four Fire Fighters/EMTs**
- Three Equipment Operator I**
- One Eco Center Manager**
- One Eco Center Maintenance Supervisor**
- One City Arborist**

Fund Structure

The Adopted All Funds Budget for Fiscal Year 2022 is \$108,996,134. This represents a net increase of \$10,379,791 or 10.53% from the Amended Fiscal Year 2021 Budget of \$98,616,373. General Fund Expenses increased by 2.09% or \$1,033,576. A synopsis of the total All Funds Budget appropriated is as follows:

	Amended Budget 2021	Adopted Budget 2022	Increase (Decrease)	% Change
General	49,400,488	50,434,064	1,033,576	2.09%
Special Revenue	4,032,428	0	-4,032,428	-100%
Police & Fire Grants	521,000	562,000	41,000	7.87%
Impact Fees Fund	1,728,600	1,599,400	-129,200	-7.47%
Beach Restoration & Projects	1,576,698	1,686,529	109,831	6.97%
Capital Improvements Fund	4,230,000	4,240,000	10,000	.24%
Storm Damage Fund	3,030,000	5,418,000	2,388,000	78.81%
Capital Projects Taxable	16,323,279	31,529,989	15,206,710	93.16%
Debt Service Fund	8,472,314	8,916,152	443,838	5.24%
Capital Projects Non-Taxable	9,301,566	4,610,000	-4,691,566	-50.44%
Total	<u>98,616,373</u>	<u>\$108,996,134</u>	<u>\$10,379,761</u>	10.53%

Fund Relationship - A graphic view of the 2022 All Funds Budget is as follows:



Financial Policies

The City's 2010 Adopted Financial Policy was updated October 2021 and is included at the end of the 2022 Budget document. Additionally the City adopted an Investment Policy in 2019 and is included at the end of the 2022 document following the Financial Policy. The updated Financial Policies formalize the plan to maintain reserves (fund balance) at 70% of budgeted expenditures. While ambitious, the Finance Committee thinks the 70% fund balance goal can be maintained given the growth anticipated for the City. Strong fund reserves are needed due to the possibility of a weather-related event and to offset any potential pension liability. A minimum of two months operating reserves of approximately \$7.25 million are needed as well as \$1.25 million per week to pay for contract debris removal based on the last major storm the City had (plus inflation estimate of 25% over the sixteen year period since Hurricane Ivan occurred). Following the last major weather event it took almost two months for receipt of any federal assistance. On September 16th Hurricane Sally, a Category 2 hurricane, hit Gulf Shores. Preliminary Damage estimates for Hurricane Sally were \$14.5 million. The City took steps to be prepared in the event federal assistance is slow to be received following a storm and is poised to easily front the payments with its lines of credit until the federal and state matches are received.

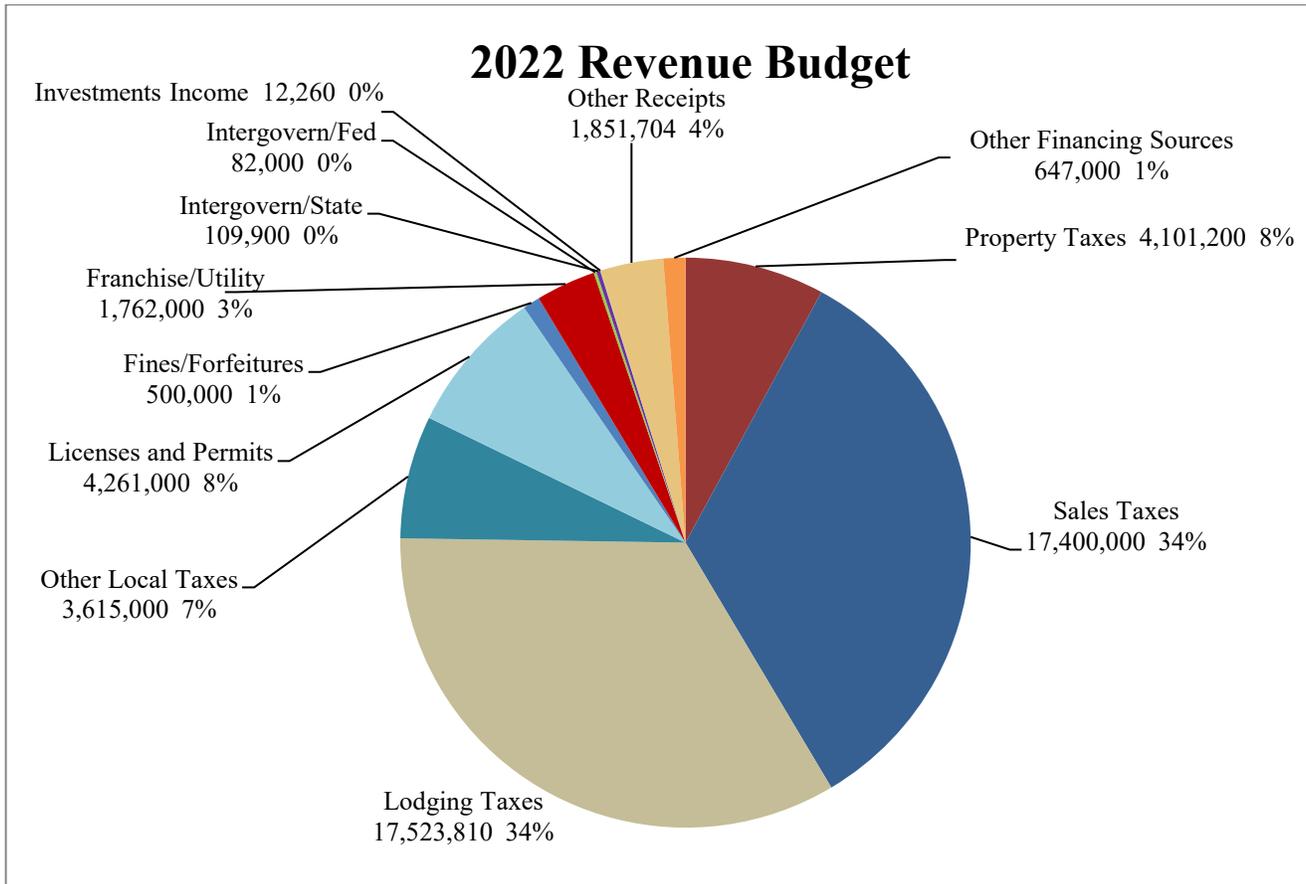
The Finance Committee in 2013 requested a longer term look at revenues, expenses and reserve funds in line with the 10 year Capital Plan. Revenue, expense and reserve fund trend projections were updated in 2021 for a 10 year period with assumptions for growth more heavily weighted towards growth close to current experience at 3.7% to 2030 based on growth projections closer to recent experience. Personnel expenses were also projected to grow at 3%, Operations at 2%, rolling stock Capital 2% and Debt Service based on actual debt schedules. Expense projections are in line with the City's conservative spending patterns.

Annually the Finance Committee reviews the 10 year Revenue, Expenses and Reserve funds usage projections. Modifications are made as needed and various debt scenarios are included in the projections to see how the debt would impact reserve funding and whether the established 70% annual reserve target increase can be maintained. In 2022 the Debt Service Fund is 19.1% of total funds. In 2022 current debt service levels increased by \$444,838. In early 2020 the City issued term debt for 2012-C debt eligible for refinancing, to fund the City School Improvements and further advance education goals of the Vision 2025 Strategic Plan, and to pay down the 2016-B Line of Credit used primarily for Gulf Place Improvements. No new debt was issued in 2021. The taxable Line of Credit (LOC) was used to pay for Hurricane Sally debris removal expenses. In September 2021, the LOC was paid down with funds received in excess of projections due to additional tourists in the area sheltering during the pandemic.

Revenue Trends

The City of Gulf Shores General Funds Revenues are as follows and shown in a pie graph on the next page:

	Revenue Budget 2022	% of Budget
Property Taxes	4,101,200	7.9%
Sales Taxes	17,400,000	33.5%
Lodging Taxes	17,523,810	33.8%
Other Local Taxes	3,615,000	7.0%
Licenses and Permits	4,261,000	8.2%
Fines/Forfeitures	500,000	1.0%
Franchise/Utility	1,762,000	3.4%
Intergovern/State	82,000	.2%
Intergovern/Fed	109,900	.2%
Investments Income	12,260	.0%
Other Receipts	1,851,704	3.6%
Other Financing Sources	<u>647,000</u>	1.2%
Total	51,865,874	



Property, Sales, Lodging, and Other Local Taxes comprise 82.2% (13.2% more than 2021) of the total General Fund Revenues and are very dependent on tourism income. The beaches are beautiful and with rebounds from COVID-19 and reconstruction due to Hurricane Sally, the City continues to experience tremendous revenue growth.

Revenue projections are based on trend analysis of prior years' receipts with recurring and non-recurring factors impacting revenue growth taken into consideration. City Revenues, due to tourism, are highly cyclical and are charted by month for the past five years with a projection made that takes into account prior years actual with an emphasis on current market trends heavily impacting the final projection.

Long-Range Financial Planning

The Finance Committee regularly reviews projections for City Revenue, Expenditures and Reserve Fund balance in order to prepare for future years' budgets. Revenues are projected for ten years based on the latest data available for local economic trends. Out years revenues are projected at 4% for 2023 and 4% growth per year thereafter. Expenditure growth is projected on a conservative basis as the revenue projections at an average 2% annually. Debt Service, as a percentage of total Revenues and Expenditures, is also projected for ten years within a range acceptable to the Finance Committee. Reserves are planned to remain at or above a target level of 70% of expenditures. At the end of this document, the updated Financial Policy for 2022 is included and includes planned allocations of reserves.

Detailed analysis of Debt Service by issue are presented to the Finance Committee during the year. Graphs are updated showing debt service expenditures by year until retirement, as well as total outstanding principal balance by year at year end. Currently, the longest debt service is scheduled to be retired in 2040.

Each year, the ten year capital plan is updated. Capital plans for rolling stock and equipment for the upcoming fiscal year are based on City-wide need, and funding is determined by the annual allocation set aside for capital purchases. City Department Heads were asked to create an out year budget along with their budget for 2022 in order to identify future funding needs. Capital Outlays were requested for a ten year period beginning in 2022, and in July the City Department Heads collaborated on the Ten Year Capital Outlay Plan reviewed by the Finance Committee. Ongoing maintenance costs for vehicles and equipment were considered prior to recommendation for replacement.

Capital Expenditures

Capital Outlay for equipment, vehicles, a City signage program, transportation and City facility improvements were included in the Ten Year Capital Outlay Plan for 2022, enabling the City to replace worn out equipment and vehicles with less ongoing maintenance costs as well as maintain City assets. Cost savings on maintenance of older vehicles and equipment will offset some of the expense in 2022. Capital asset thresholds for the City are shown on the next page:

Land	\$ 5,000
Buildings/Improvements	\$100,000
Emergency/Fire/Police Vehicles and Equipment	\$ 15,000
Other Vehicles and Equipment	\$ 10,000
Parks and Recreational Facilities	\$ 50,000
Office Equipment	\$ 5,000

In the City's Financial Statements, depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets estimated useful lives using the straight-line method of depreciation. The range of estimated useful life by type of assets is:

Infrastructure	30-40 years
Buildings	25-40 years
Building improvements	20-30 years
Machinery and equipment	5-15 years
Furniture and fixtures	3-15 years

CONCLUSION

In conclusion, the programs outlined in the following pages of this budget document are attainable and reasonable. Sincere appreciation goes to all the Department Heads for the careful effort put forth in composing their departmental budget(s).

Respectfully submitted,

Steve Griffin, City Administrator

Cynthia King, Director Finance & Administrative Services

Basis of Budgeting

Governmental funds are reported using a current financial resources measurement focus and are budgeted using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual: i.e., when they become both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. A one-year availability period is used for recognition of all other Governmental Fund revenues. The revenues subject to accrual are property taxes, franchise fees, utility equivalents, licenses, charges for service, interest income, grants and intergovernmental revenues. Sales taxes collected and held by the state at year end on behalf of the government are also recognized as revenues. All other governmental fund revenues are recognized when received. Expenditures are recorded when the related fund liability is incurred, as under accrual accounting. The basis of budgeting is the same as reported in the entity’s audited financial statements with the exceptions of depreciation which is not budgeted, but recognized when audited and encumbrances, which are recorded during the year and closed out prior to year-end.

Budget versus Actual

	Budget	Actual
Revenues	Same	Same
Expenses * except for Encumbrances voided at 12/31	Same	Same
Encumbrances Voided at 12/31	\$3,149,384	\$95,325
Depreciation- PEBA Fund	\$0	\$221,205

All about Gulf Shores, Alabama

Government

- The Town of Gulf Shores was incorporated on February 12, 1957 and became a city on April 18, 1985.
- The affairs of Gulf Shores, Alabama are conducted by a Mayor and a Council consisting of five members.
- The daily operations of the city are run by the City Administrator responsible to the Mayor and Council.

More Facts

- Gulf Shores is a world-class all-seasons resort area on the white sandy beaches of the southern tip of Baldwin County, Alabama on the warm waters of the Gulf of Mexico.
- Gulf State Park is 6,500 acres of land partially located in Gulf Shores with 27 miles of paved trails for hiking and biking. The park includes 2.5 miles of white sand beaches, a 496 site campground, plus both fresh and saltwater fishing and swimming.
- The tourist boom in Alabama came in the early 1970s following the construction of Interstate 65, sparking development.

Geographic Characteristics of Gulf Shores, Alabama

	Square Miles	Climate	Topography
Land Area	28.28 Square Miles		
Water Area	4.85 Square Miles		
Average Annual Temperature		69 Degrees	
Average Annual Rainfall		61.57 Inches	
Elevation			8 Feet
Land Use Type	Dev Status	LU Type %	
AGRICULTURAL		4.52%	
COMMERCIAL	DEVELOPED	6.20%	
COMMERCIAL	UNDEVELOPED	6.45%	
INDUSTRIAL	DEVELOPED	3.97%	
INDUSTRIAL	UNDEVELOPED	2.42%	
MIXED USE	DEVELOPED	12.39%	
MIXED USE	UNDEVELOPED	6.47%	
MULTI FAMILY	DEVELOPED	3.18%	
MULTI FAMILY	UNDEVELOPED	0.86%	
OPEN SPACE		26.35%	
RESIDENTIAL	DEVELOPED	23.82%	
RESIDENTIAL	UNDEVELOPED	3.37%	
		100.00%	

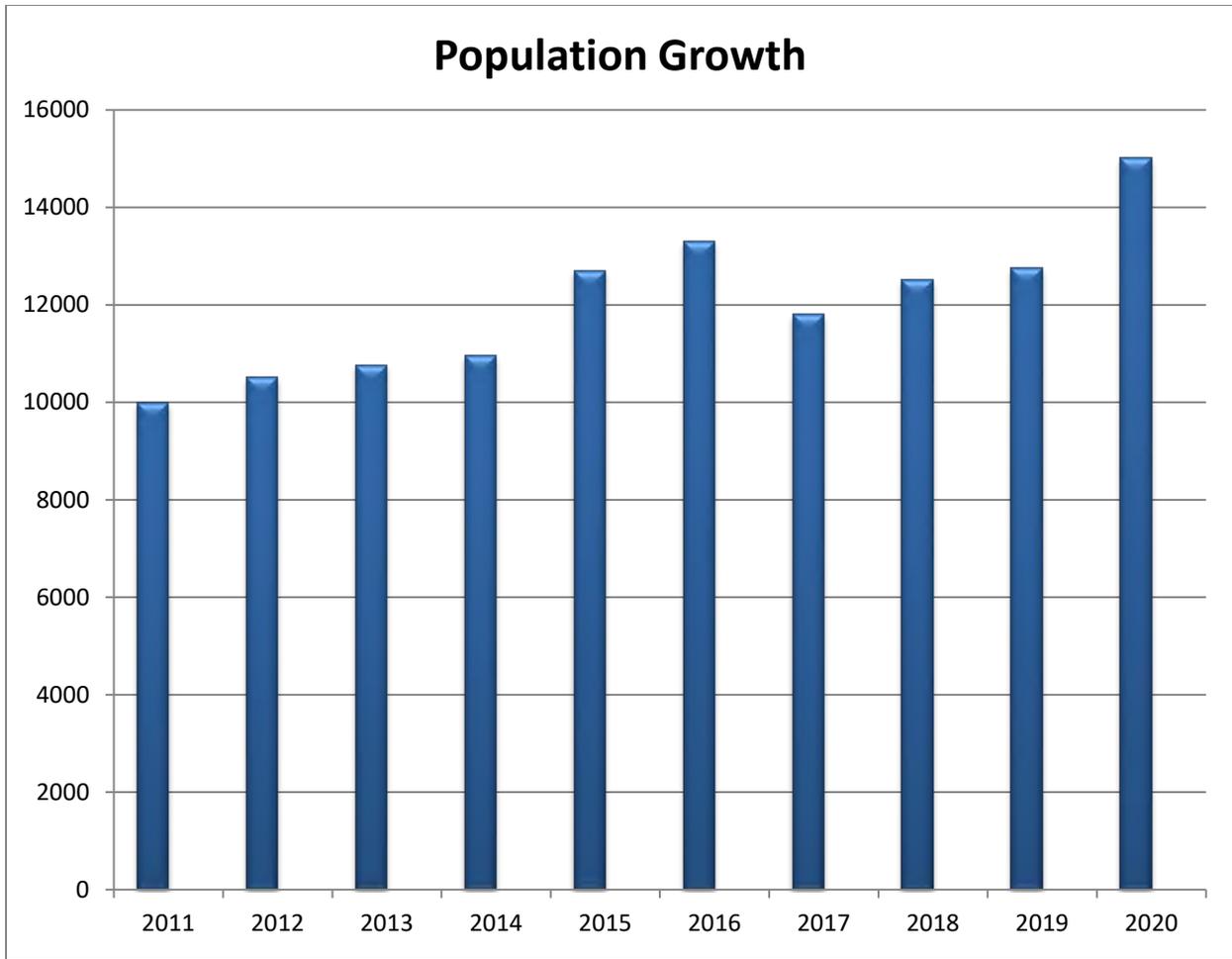
Demographics

Age, Race & Gender Composition	
White	98.4%
Hispanic	2.9%
Black	.3%
Asian	.9%
Female	55.7%
Male	44.3%
Age Under 5 Years	2.8%
Age 18 Years & Over	85.6%
Age 65 Years & Over	23.7%
Median Age is 49.6 Years*	

The table above depicts information related to the population of Gulf Shores, Alabama.

Figures based on US Census Bureau Quick Facts as of July 1, 2019.

*Median Age from Data USA



Source: US Census Bureau Population Estimates, 2011 through 2020

Gulf Shores, Alabama population has increased by 50% during the past ten years.

The 2020 population estimate of 15,014 is 17.7 percent more than the 2019 estimate of 12,757.

Economic Highlights

Top Ten Employers in Gulf Shores, Alabama

	Employer	Total Employees	FT	PT
1	The Hangout	636	235	401
2	City of Gulf Shores	345	283	37
3	Wal-Mart	330	245	45
4	Gulf Shores City Schools	271	245	12
5	Lulus Landing	269	122	123
6	Waterville	240	9	229
7	The Lodge at Gulf Shores	237	178	35
8	Rouse's Enterprises	205	205	0
9	Publix Alabama	152	85	67
10	Gulf State Park	115	95	20

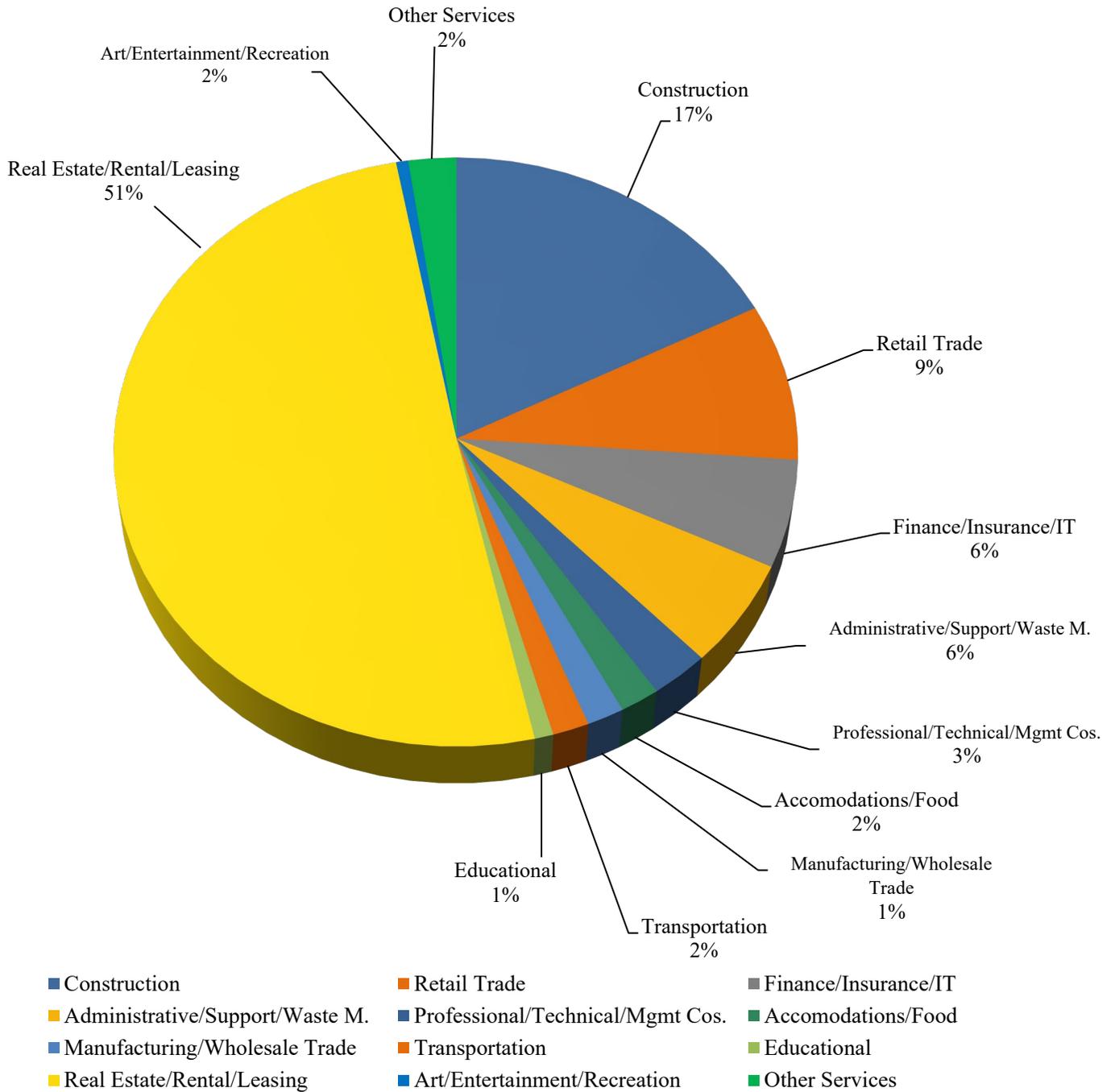
Gulf Shores licensed 8,893 businesses in 2021

**Per Capita Income within Gulf Shores in 2019
was 9% higher than the United States level.**

	2019
United States	\$34,103
Gulf Shores	\$37,108

Source: US Census Bureau Quick Facts

Gulf Shores, Alabama Business Profile



Just the Facts

Housing Statistics

Current units from Planning Department 10/13/2021:

Single Family Units	5,620
Condos	6,868
Multi Dwelling Units / Apartments	1,440
Other (duplex, townhome, mobile home)	448
Total	14,376

Owner-Occupied 56%

Seasonal, Recreational or Occasional Use 6,000

Source: US Census Bureau Quick Facts

Owned Homes, Apartments and Condos

Average Household Size	2.11
Median Value of Occupied Units	\$243,100

Rented Homes, Apartments and Condos

Median Monthly Rent Asked for Vacant Units	\$1,086
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Service Statistics:

The chart below describes several of the services provided in Gulf Shores, Alabama.

Public Safety 2021	
Fire Protection	Police Protection
Fire Stations.....4	Primary Patrol Districts 3
Sworn Employees.....51	Sworn Employees 55
Civilian Employees.....1	Civilian Employees.....22
Beach Division Seasonal...34	

Park, Recreation & Cultural Affairs	
Developed Park Properties	
Neighborhood Parks.....2	Community Park.....1
Regional Parks.....2	Sports Park.....1
Skateboard Park.....1	Dog Park.....1
Special Use Parks.....4	
Special Use Facilities	
Auditorium..... 1	Civic Center.....1
Library..... 1	Museum.....1
Community House 1	Adult Activity Center1
Recreational Facilities	
Recreation Centers2	Gymnasiums.....2
Swimming Pools2	Play Grounds..3
Lighted Tennis Courts..... 18	Multi-Purpose Fields.....5
Baseball/Softball Fields 13	Football Stadium1

Beach Volleyball Courts	4	Outdoor Basketball Courts..	3
Horseshoe Pits.....	10	Bocce Ball Court.....	2
Boat Launches.....	3	Shade Structures.....	6
Trails (miles)			
Multi-Use Paths.....	18	Bike Lanes.....	9.8
Sidewalks.....	37.5	Combination Paths.....	4

Highways and Streets	
Miles of Streets Maintained	89.9
Streetlights.....	2,617
Traffic Signals.....	27

Educational System			
Elementary School	1	Private Elementary School...	1
Middle School.....	1	Private Middle School.....	1
High School.....	1	Private High School.....	1
Day School (ages 2-5).....	3	Private Day School (2-5).....	1
Community College	1		
Historic Sites			
Fort Morgan			
Knob Hill – Historic Marker			
Camp Withers – Historic Marker			
Callaway Home – Registered Historic Home			

For More Information

Additional community data is available on pages 160 and 161. If you would like more information about Gulf Shores, Alabama, please visit the Gulf Shores website at www.gulfshoresal.gov, or call the City of Gulf Shores at 251.968.1120.

CITY OF GULF SHORES, ALABAMA
FINANCIAL SUMMARIES
FISCAL YEAR 2022

City of Gulf Shores, Alabama Budget 2022

Fund/Department Cross Reference Table

Department/Division	FUND					
	General	Special Revenues	Police & Fire Grants	Impact Fees	Beach Fund	Debt Service Fund
Executive	X					
Human Resources	X					
Finance & Administrative Services	X					
Municipal Court	X	X				
Police	X	X	X	X	X	
Fire & EMS	X		X	X	X	
Planning & Zoning	X					
Building	X					
Recreation & Cultural Affairs	X			X		
Events & Programs	X			X		
Library	X			X		
Recreation - Rec & Wellness	X			X		
Recreation - Sportsplex	X			X		
Recreation - Parks	X			X		
Recreation - Eco Center	X					
Rec - School Grounds Maintenance	X					
City Store	X					
Public Works - General Services	X			X		
Public Works - Custodial	X					
Public Works - Landscaping	X					
Public Works - Streets	X			X	X	
Public Works - Maintenance	X					
Engineering	X					
Appropriations	X					
Transfers Out						X

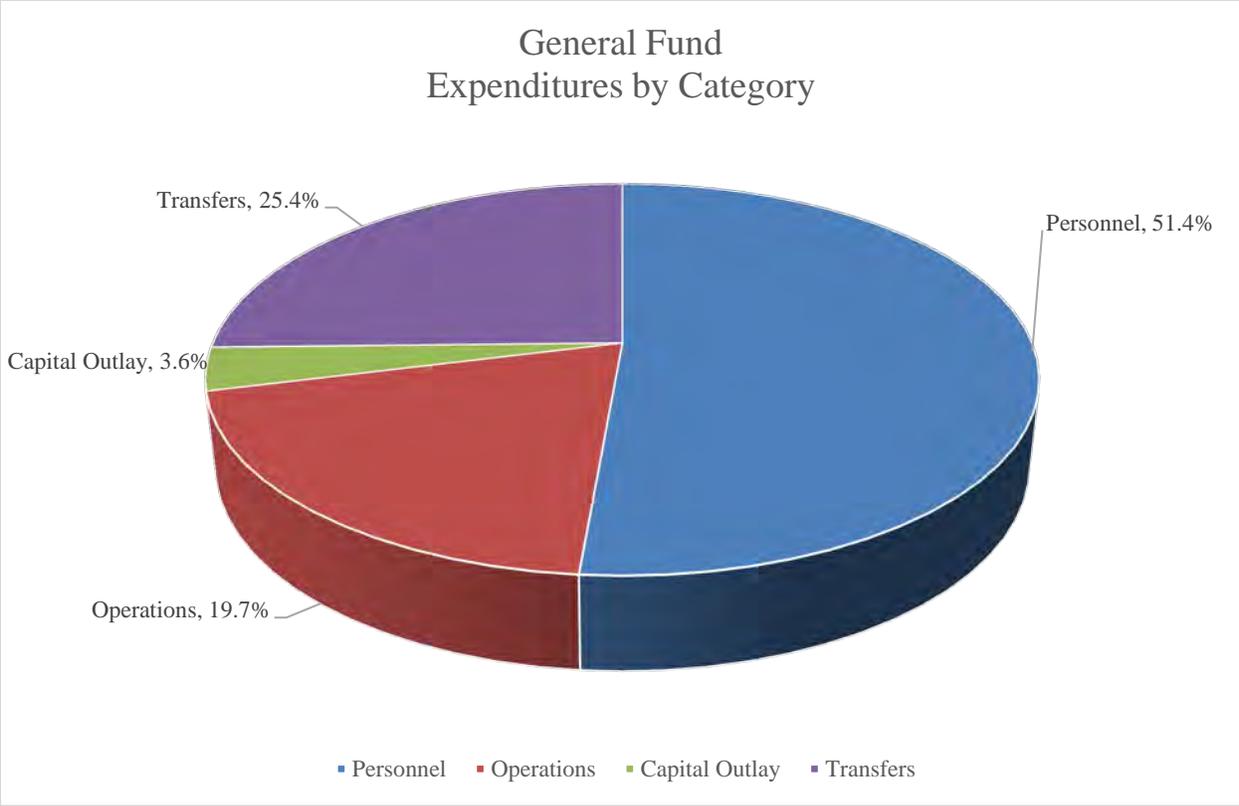
Fund Description

A fund is a fiscal and accounting entity with a self-balancing set of accounts that records all financial resources and liabilities which are segregated for a specific purpose, activity or objective. For 2022, the City of Gulf Shores has the following funds: General, Special Revenue, Police & Fire Related Grants, Impact Fees, Beach Restoration & Projects, Capital Improvements Fund, Storm Damage Fund, Non-Taxable Lines of Credit, Taxable Warrant Fund, 2018 GO Warrants Fund, and Debt Service. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Transfers out of the General Fund to the Debt Service Fund are used to retire outstanding City debt. Transfers from the Designated Taxes Fund to the General Fund are used to pay for legally restricted specific purposes for Police and Fire grants. Transfers from the Impact Fees to the General Fund are used to offset Police, Fire, Recreation and Public Works Capital purchases. City fund definitions and purpose are in the following sections.

GENERAL FUND

The General Fund is a governmental fund as are all the City funds with the exception of the Beach Restoration and Projects Fund. The General Fund expenses provide services to the City population and represents expenditures for governmental services normally associated with government (i.e. public safety, streets, parks, recreation facilities). General Fund revenues consist of approximately 82% Taxes and 8% Licenses and Permits. A little over half (51.4%) of the General Fund expenditures are related to salaries. Transfers for Debt Service makes up 17.2% of the General Fund Budget and is used to pay for bond improvements. Other designated transfers for Lodging Tax related to Beach Activities comprise 8.12 % of the General Fund Expenditures. In 2020 the school system repaid an \$870,000 loan with interest made from the City's taxable line of credit in 2019 and paid \$482,479 on a "due-to" the General Fund of \$582,479 that was established for expense needs exceeding \$4 million (\$2 million budgeted for both 2018 and 2019). Total school system expenses represented 4% of the General Fund expenses in 2020. In 2021, another \$2 million representing 4% of the General Fund for school expenses has been budgeted. Operational costs comprise 19.7% of the General Fund expenditures and Capital is 3.6% of the General Fund Expenditures. Capital Outlays in the General Fund Building Department are related to Alabama Department of Environmental Management (ADEM) expenditures.

The General Fund expenditures by Category are shown on the graph on the next page.



Fund Balance: Cash reserves are sufficient to maintain solid financial strength for future years. In 2019 additional funds of \$3 million were added to the reserves. The City is in compliance with the City’s updated City Financial Policy adopted in 2020 with the passage of the 2021 budget. The 2020 City Financial Policy requires a General Fund cash reserve equal to seventy percent for 2021. General Revenue fund reserves in 2021 will comprise 35% of the General Fund Operating Budget and a Beach Reserve equivalent to 35% of the General Fund Budget. In 2020 the City was able to maintain 70% of the General Fund target level of reserves needed of \$18,197,373 (35%) and to the Beach Reserves \$18,197,373 (35%) in order to sustain operations during fluctuations of the revenue streams. Total reserve funds target for 2021 is \$34,443,298 or 70% of the General Fund Budget expenses of \$49,204,712.

SPECIAL REVENUES

Special Revenues Governmental Funds represent 2% of city-wide Lodging Tax collections set aside to offset beach restoration and recycling expenses. The Special Revenues paid off a bond issue in 2013 for beach restoration costs. Special Revenue Funds are not shown separately in the City’s audited financial statements but are included as part of the General Funds. In May 2018 an additional 2% city-wide Lodging Tax was enacted to offset debt borrowed in 2018 for transportation projects.

Special Revenues, other than the Lodging Tax Collections, are operating funds used to account for the proceeds of specific revenue sources that are legally restricted to be spent for specific purposes.

POLICE & FIRE GRANTS

Operating funds used to account for the proceeds of specific revenue sources that are legally restricted and are to be used for specific purposes. Grants are Governmental Funds shown under Program Revenues as Operating Grants and Contributions in the audited Financial Statements.

IMPACT FEES

Impact Fees Governmental Funds are imposed on property developers for new infrastructure that must be built or increased due to new developments. The Fees are shown under the heading Capital Grants and Contributions in the audited Financial Statements.

BEACH RESTORATION & PROJECTS FUND

The Beach Restoration and Projects Enterprise Fund is used for the annual monitoring and tilling for the beach re-nourishment project. In 2021 continued objectives included a beach and city-wide recycling program, as well as police enforcement, enhanced beach safety program and restoration efforts. Initial capital funding for the beach recycling and enforcement efforts was provided from transfers from the 2% Lodging Tax Special Revenues Fund and in 2018, Beach Parking Revenues were added to the Beach Restoration & Projects Fund. In 2019 Lifeguard services were moved from the General Fund to the Beach Restoration Fund and became a subset of the Fire Department. Beginning in 2022, a transfer from the General Fund will provide funding for operations, payroll and capital needed for the beach recycling and enforcement efforts.

CAPITAL IMPROVEMENTS FUND

The Capital Improvements Fund had not been utilized since 2015, as bond funds and lines of credit had been largely used to fund such projects. In 2019 the City opted to house the \$15 million 2019-C line of credit proceeds in this fund. The line may be used to fund capital expenses related to the newly-formed Gulf Shores City School System as well as other City capital needs. In 2020 the City elected to obtain long-term debt in the amount of \$17 million for the City School System. This paid off the current amount drawn on the 2019-C line (\$8.6 million), while leaving a reserve of \$8.3 million for future school capital projects. A rate modification for the line was granted, reducing the interest rate from 3.75% to 1.95%. Once all of the long-term debt is exhausted, the City will begin drawing on the 2020-F line of credit in the amount of \$15 million.

TAXABLE WARRANT FUND

The Taxable Warrant Fund was created for the 2016-B GO 10-year line of credit that was primarily used for the Gulf Place Revitalization Project. In 2020 the City secured long term debt for \$10 million to pay off the 2016-B line, while using the remaining \$2.9 million for other projects. In 2020 the City was granted a rate modification on the line, bringing the interest rate down from

2.85% to 1.98%. Additionally we were given a temporary principal increase from \$13 million to \$19.5 million to fund Hurricane Sally debris removal efforts until receiving reimbursement from FEMA. The line is now referred to as the 2020-E line of credit. This fund is also used to procure land or fund improvements to real estate ventures that will be public-private partnerships.

2018-A & B GO WARRANT FUNDS

The 2018-A GO Warrant is a 20 year term debt used to pay down the 2014 GO Warrant Fund, purchase capital equipment and fund improvements to road infrastructure throughout the City. Capital improvements funds are used for projects such as state transportation projects that require a City match. These improvements should reduce the operational costs for repair and maintenance in 2020 and future years and significantly improve traffic flow in and around the City. The 2018-B GO Warrant Fund is a 15 year term debt used to pay down the 2014 and 2016-B GO Warrant Funds.

DEBT SERVICE FUND

The Debt Service Fund is used to record principal and interest payments on debt which include bond issues, general obligation warrants with banks, notes payable, and lease/purchases. The expense for Fiscal Agent Fees for bond issues is also recorded in this fund. Funding for most payments is provided by a transfer from the General Fund.

Debt

A constitutional debt limit of 20% of the assessed value of the property within the city limits is in place for the City of Gulf Shores. Assessed property values for 2021 of \$818,167,820 were received from the Baldwin County Revenue Commissioner’s Office, which would result in a debt limit of \$163,633,564. Our current debt limit is \$158,023,492 which is based on 2020 assessed property values of \$790,117,460. Current debt obligations are \$80 million. Projected 2022 Debt Service will constitute 9.5% of total fund expenditures and 17.1% of General Fund Expenditures (transfers for debt service). Due to reliance on tourist revenue streams that are highly cyclical, debt service funds that have to be set aside limits funds available for operations.

All of the long-term debt owed by the City of Gulf Shores is in the form of General Obligation Warrants. General Obligation Warrants are tax supported. The reporting entity's long-term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities. City debt limits for the past five years are shown in the following chart:

Fiscal Year	Assessed Value	Debt Limit %	Debt Limit \$	Total Debt
2021	818,167,820	20%	163,633,564	80,532,132
2020	790,117,460	20%	158,023,492	85,905,243
2019	734,155,980	20%	146,831,196	74,930,871
2018	668,109,200	20%	133,621,840	68,065,000
2017	616,090,320	20%	123,218,064	40,490,886

As of December 31, 2021 the governmental long term debt consisted of the following:

General Obligation (GO) Warrants:

2020-A GO Warrant – Issue amount \$9,000,000

The 2020-A GO Warrant at 1.57% refinanced \$9 million 2012-C Warrants at various higher interest rates. The debt will be paid off by 2025. The outstanding debt balance at the end of 2021 will be \$8,950,000. Debt Service amount due in 2022 is \$2,305,515; 2023 amount due is \$2,316,525.

2020-B GO Warrant – Issue amount \$17,000,000

The 2020-B GO Warrant is \$17 million nontaxable term debt at 2.21% interest for 20 years. The 2020-B GO Warrant paid down \$8,661,320 of the 2019-C School Line of Credit at 3.75% to 2026 and \$8,338,680 in remaining proceeds will be used for City School improvements. The outstanding debt balance at the end of 2021 will be \$16,314,850. Debt Service amount due in 2022 is \$1,060,848; 2023 amount due is \$1,060,852.

2020-C GO Warrant – Issue amount \$10,000,000

The 2020-C GO Warrant is \$10 million taxable term debt at 2.79% interest for 20 years. The 2020-C GO Warrant paid down the 2016-B Taxable Line of Credit at 2.85% maturing in 2026. The outstanding debt was used for Gulf Place land and improvements, Gulf Coast Center for Ecotourism, Medical facility/land and HVAC unit as well as funds for a \$1 million payment to the Zoo and a \$2 million pension liability payment. The outstanding debt balance at the end of 2021 will be \$9,619,830. Debt Service amount due in 2022 is \$659,174; 2023 amount due is \$659,170.

2020-D GO Warrant - Line of Credit available \$9,800,000

The 2020-D GO Warrant is available for capital public and municipal purposes within the City, including in the wake of a natural disaster, such as a hurricane. To date we have not used any proceeds available on the line. We will make debt service payments in 2022. The line will be utilized for renovating a fire station, developing a new City park, constructing a new fire training facility and other various transportation projects. The line matures October 31, 2025.

2020-E GO Warrants - Line of Credit available \$13,500,000

The 2020-E GO Warrants proceeds are being used to fund public-private projects, including a free standing emergency medical facility and the Gulf Coast Center for Ecotourism. The line also funded all Hurricane Sally related expenses for the City while awaiting reimbursement from FEMA. Projected expenses include land acquisition, transportation efforts as well as public and pedestrian access improvement; many of which will be grant-reimbursable. Non-capital storm related expenses may also be used from the line. We anticipate 2022 Debt Service payments of \$267,000 for interest to be repaid from the General Fund. The line matures June 15, 2026. Additional principal payments may be made when funds are available and approved by the Finance Committee. In 2021 an advance principal payment of \$14,920,000 was made to pay off the line of credit. This line was formerly referred to as 2016-B GO.

2020-F GO Warrant – Line of Credit available \$15,000,000

The 2019-C GO Warrant proceeds were used to fund the Gulf Shores City School System capital needs and improvements to school buildings acquired during the 2019 separation agreement. Expenses included transportation improvements, security enhancements, deferred maintenance and information technology and hardware. We anticipate 2022 interest-only Debt Service payments at \$39,000 since the 2020-B GO Warrant term debt issued for school improvements have not yet all been spent. The line matures March 15, 2026. A modification to the line and a lower rate was granted in 2020. At that time, the 2019-C line became the 2020-F GO Warrant line of credit.

2018-A and 2018-B GO Warrants – Issue Amount \$37,080,000

The 2018-A and 2018-B GO Warrants provided funds for capital vehicle and equipment purchases and various grant matches for transportation projects. Proceeds also paid off \$6 million on the 2014 GO line of credit and \$10.3 million on the 2016-B line of credit. The Aggregate Debt Service (Principal and Interest) owed on the issue is \$45,537,500 and is repaid from the General Fund. Debt Service amount due in 2022 is \$3,068,638; 2023 amount due is \$3,063,688.

2017-A GO Warrants – Issue Amount \$7,500,000

The 2017-A GO Warrants refunded the remainder of the 2008-A GO Warrants, as well as paid down \$3.8 million on the 2014 GO line of credit. The Aggregate Debt Service (Principal and Interest) owed on the issue is \$5,217,718 and is repaid from the General Fund. Debt Service amount due in 2022 is \$870,311; amount due in 2023 is \$870,029.

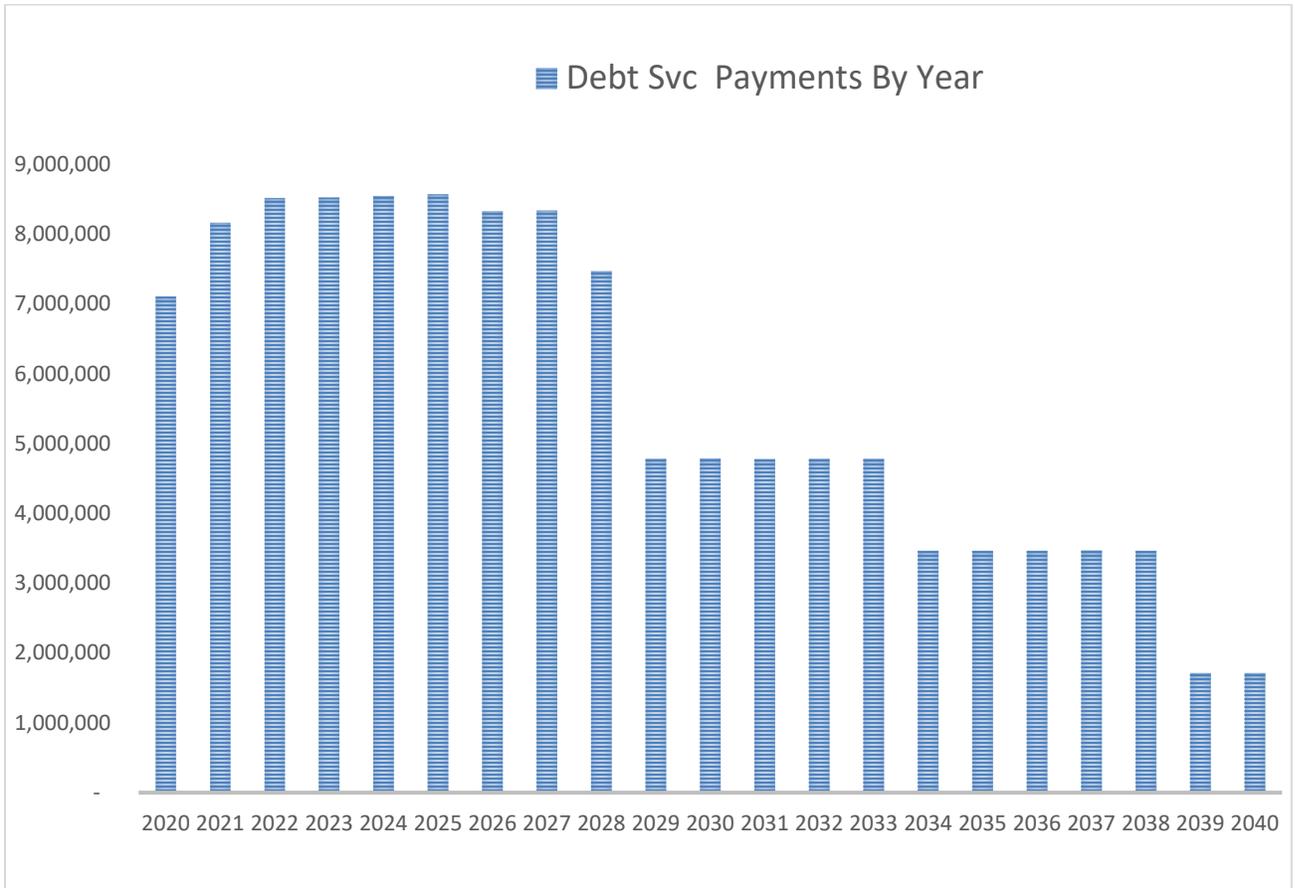
2015 GO Warrants – Issue Amount \$8,830,000

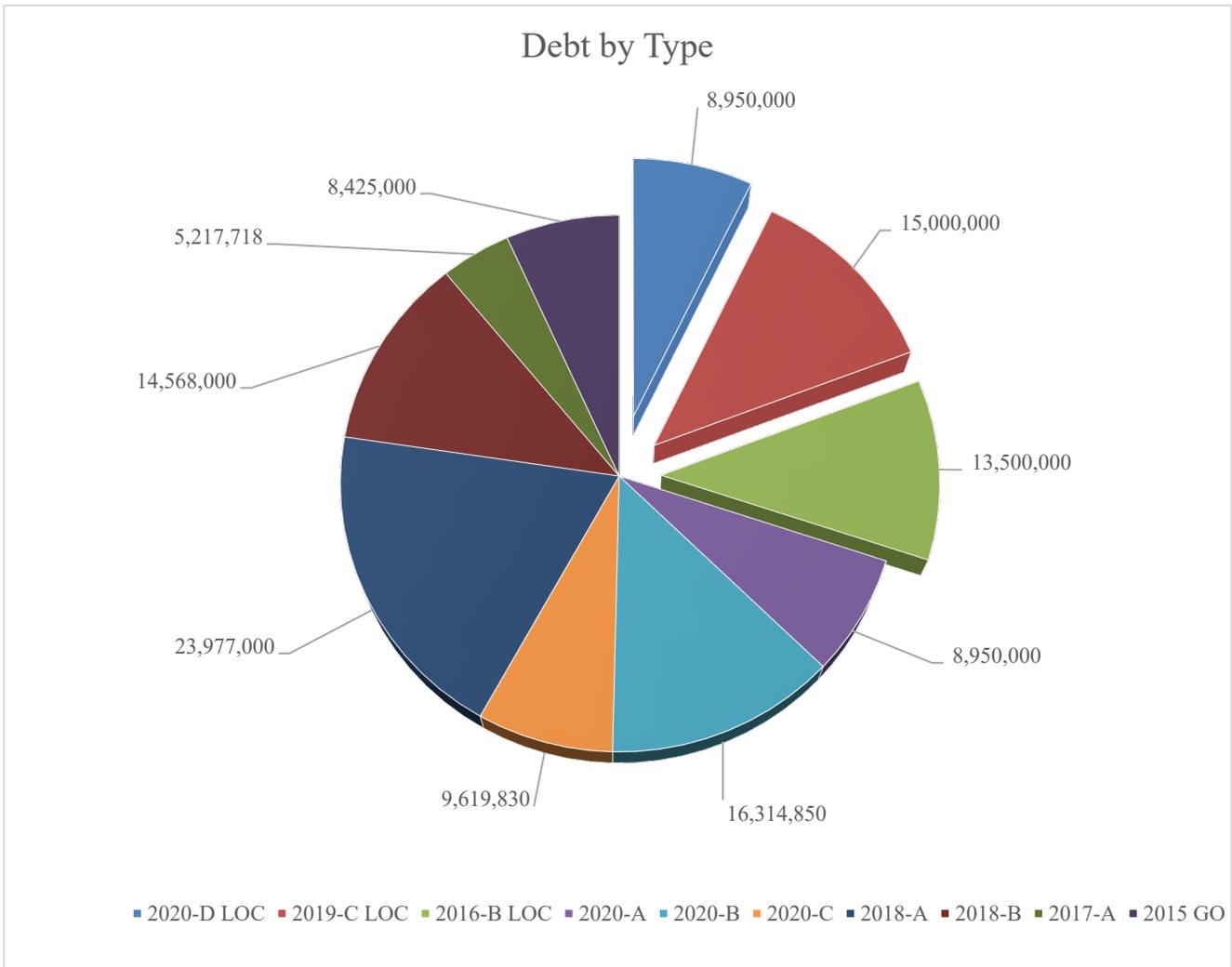
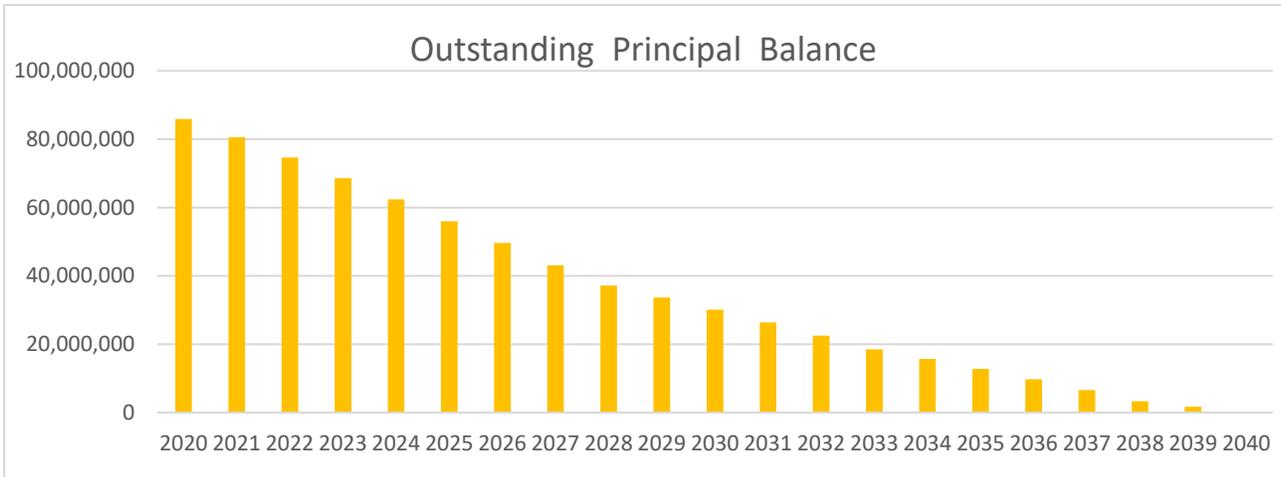
The 2015 GO Warrants refunded a portion of the 2008-A GO Warrants. The Aggregate Debt Service (Principal and Interest) owed on the issue is \$10,272,650 and is repaid from the General Fund. Debt Service amount due in 2022 is \$553,490; 2023 amount due is \$553,790.

Debt service payments by year are as follows as of December 31st, 2021:

	Principal	Interest	Total
2022	5,883,672	2,634,304	8,517,596
2023	6,040,410	2,483,643	8,524,053
2024	6,218,360	2,328,711	8,547,071
2025	6,402,457	2,166,744	8,569,201
2026	6,327,997	1,998,850	8,326,847
2027	6,564,756	1,772,773	8,337,529
2028	5,934,370	1,537,242	7,471,612
2029	3,469,870	1,316,442	4,786,312
2030	3,596,130	1,193,316	4,789,446

2031	3,718,150	1,064,720	4,782,870
2032	3,855,960	930,770	4,786,730
2033	3,994,570	790,806	4,785,376
2034	2,824,020	644,762	3,468,782
2035	2,929,300	540,972	3,470,272
2036	3,035,460	432,818	3,468,278
2037	3,152,500	320,274	3,472,774
2038	3,265,460	202,818	3,468,278
2039	1,639,350	80,678	1,720,028
2040	1,679,250	40,830	1,720,080
Total	80,532,132	22,481,471	103,013,603





The chart above shows the amount of debt by type. The 3 Lines of Credit are shown in the pulled out pie slices and represent 30.7% or \$38.3 million of the total debt of \$124.5 million.

City of Gulf Shores, Alabama 2022 Budget Calendar

Date	Action
June 15, 2021	Departments send submissions to build Ten Year Capital Outlay Plan. Departments view the other departments' needs and collaborated on how best to meet city-wide needs within designated resources. Finance Committee received Ten Year Capital Plan and 2022 Capital Budget Requests at the July 14th Finance Committee meeting.
July 14, 2021	Revenue estimates, Capital requests, 10-Year Capital update to Finance Committee.
July 20, 2021	Budget Preparation Instructions sent to Department Heads requested not to exceed 2021 budgeted amounts in total by Department due to annualizing positions funded in 2021, to continue to provide funds for the City School System, and pay additional debt service on \$40 million issued in 2018 and 2020 debt issues. General Fund Budget requests should be consistent with the Vision 2025 Key Strategies and Priorities set by the Mayor and Council. Departments were asked for objective measures of progress toward accomplishing the department's mission as well as goals and objectives for specific units and programs. Objectives and measures need to be linked and outcome related.
September 24, 2021	Budget Requests due to Finance & Administrative Services Director. Requests compiled with recommendations for meeting needs with revenue sources.
September 27 to October 15, 2021	City Administrator 2022 Budget recommendation prepared for Mayor and Council.
October 21, 2021	Finance Committee reviews Budget Message and Budget Book draft
November 15, 2021	Committee of the Whole (COW) meeting for full Council review
December 13, 2021	Council Adoption of 2022 Budget

CITY OF GULF SHORES, ALABAMA
FINANCIAL SUMMARIES
TABLES AND GRAPHS
FISCAL YEAR 2022

TABLE 1
CITY OF GULF SHORES, ALABAMA
CITY WIDE ADOPTED BUDGET
FISCAL YEAR 2022

	Actual 2019	Actual 2020	Amended 2021	Adopted 2022	Dollar Change 2021 to 2022	Percent Change 2021 to 2022
REVENUES						
General Fund	46,403,765	42,859,907	51,873,362	51,785,874	(87,488)	-0.2%
Special Revenue Funds:						
2% Lodging Tax	4,035,613	3,977,399	4,006,500	0	(4,006,500)	-100.0%
Designated Taxes	568,251	608,750	521,000	567,000	46,000	8.8%
Impact Fees	1,371,173	1,579,816	1,733,100	1,599,400	(133,700)	-7.7%
Library Board Fund	345	0	0	0	0	n/a
Capital Projects Funds:					0	n/a
Beach Restoration	806,498	614,911	670,000	670,020	20	0.0%
Non-Taxable Lines of Credit	452,792	0	0	0	0	n/a
Taxable Warrant Fund	0	403,017	8,847,719	24,106,937	15,259,218	172.5%
2018 GO Warrant	212,400	360,815	990,376	0	(990,376)	-100.0%
Capital Projects Funds	3,641	45,320	30,000	40,000	10,000	33.3%
Storm Damage	0	8,775,442	551,000	4,643,507	4,092,507	742.7%
Debt Service	1,384	822	0	0	0	n/a
TOTAL REVENUES	<u>53,855,862</u>	<u>59,226,199</u>	<u>69,223,057</u>	<u>83,412,738</u>	<u>14,189,681</u>	<u>20.5%</u>
EXPENDITURES						
General Fund	38,501,402	34,742,533	36,901,096	40,784,833	3,883,737	10.5%
Special Revenue Funds:						
2% Lodging Tax	0	0	0	0	0	n/a
Designated Taxes	288,148	34,552	34,000	35,000	1,000	2.9%
Impact Fees	820,054	1,591,710	1,728,600	1,599,400	(129,200)	-7.5%
Library Board Fund	0	0	0	0	0	n/a
Capital Projects Funds:						
Beach Restoration	1,399,184	1,367,826	1,576,698	1,686,529	109,831	7.0%
Non-Taxable Lines of Credit	862,127	0	0	4,610,000	4,610,000	n/a
Taxable Warrant Fund	9,310,811	5,553,093	13,844,279	31,529,989	17,685,710	127.7%
2018 GO Warrant	5,902,993	9,895,969	9,231,566	0	(9,231,566)	-100.0%
Capital Projects Funds	0	15	4,200,000	4,200,000	0	0.0%
Storm Damage	28,598	11,614,929	3,030,000	5,418,000	2,388,000	78.8%
Debt Service	8,174,891	7,231,730	8,472,314	8,916,152	443,838	n/a
TOTAL EXPENDITURES	<u>65,288,208</u>	<u>72,032,357</u>	<u>79,018,553</u>	<u>98,779,903</u>	<u>19,761,350</u>	<u>25.0%</u>
Excess of Revenues over						
Total Expenditures	<u>(11,432,346)</u>	<u>(12,806,158)</u>	<u>(9,795,496)</u>	<u>(15,367,165)</u>	<u>(5,571,669)</u>	<u>56.9%</u>
OTHER FINANCING						
Issuance of Debt	18,598,823	46,450,186	15,862,018	7,423,052	(8,438,966)	-53.2%
Current debt refunding		(26,698,823)				
Bond Premium	0	0	0	0	0	n/a
Bond Discount	0	0	0	0	0	n/a
Proceeds from sale capital assets	85,449	28,937	80,000	80,000	0	0.0%
Transfers In	12,765,608	37,721,253	15,593,820	10,216,230	(5,377,590)	-34.5%
Transfers Out	(12,765,608)	(37,721,253)	(15,593,820)	(10,216,230)	5,377,590	-34.5%
Total Other Financing Uses	<u>18,684,272</u>	<u>19,780,300</u>	<u>15,942,018</u>	<u>7,503,052</u>	<u>(8,438,966)</u>	<u>-52.9%</u>
Net Change in Fund Balance	<u>7,251,926</u>	<u>6,974,142</u>	<u>6,146,522</u>	<u>(7,864,113)</u>	<u>(14,010,635)</u>	<u>-227.9%</u>
Fund Balances - Beginning	<u>59,682,640</u>	<u>66,934,566</u>	<u>73,908,708</u>	<u>80,055,230</u>	<u>6,146,522</u>	<u>8.3%</u>
Fund Balances - Ending	<u>66,934,566</u>	<u>73,908,708</u>	<u>80,055,230</u>	<u>72,191,117</u>	<u>(7,864,113)</u>	<u>-9.8%</u>

GRAPH 1
CITY OF GULF SHORES, ALABAMA
CITY WIDE ADOPTED BUDGET
FISCAL YEAR 2022

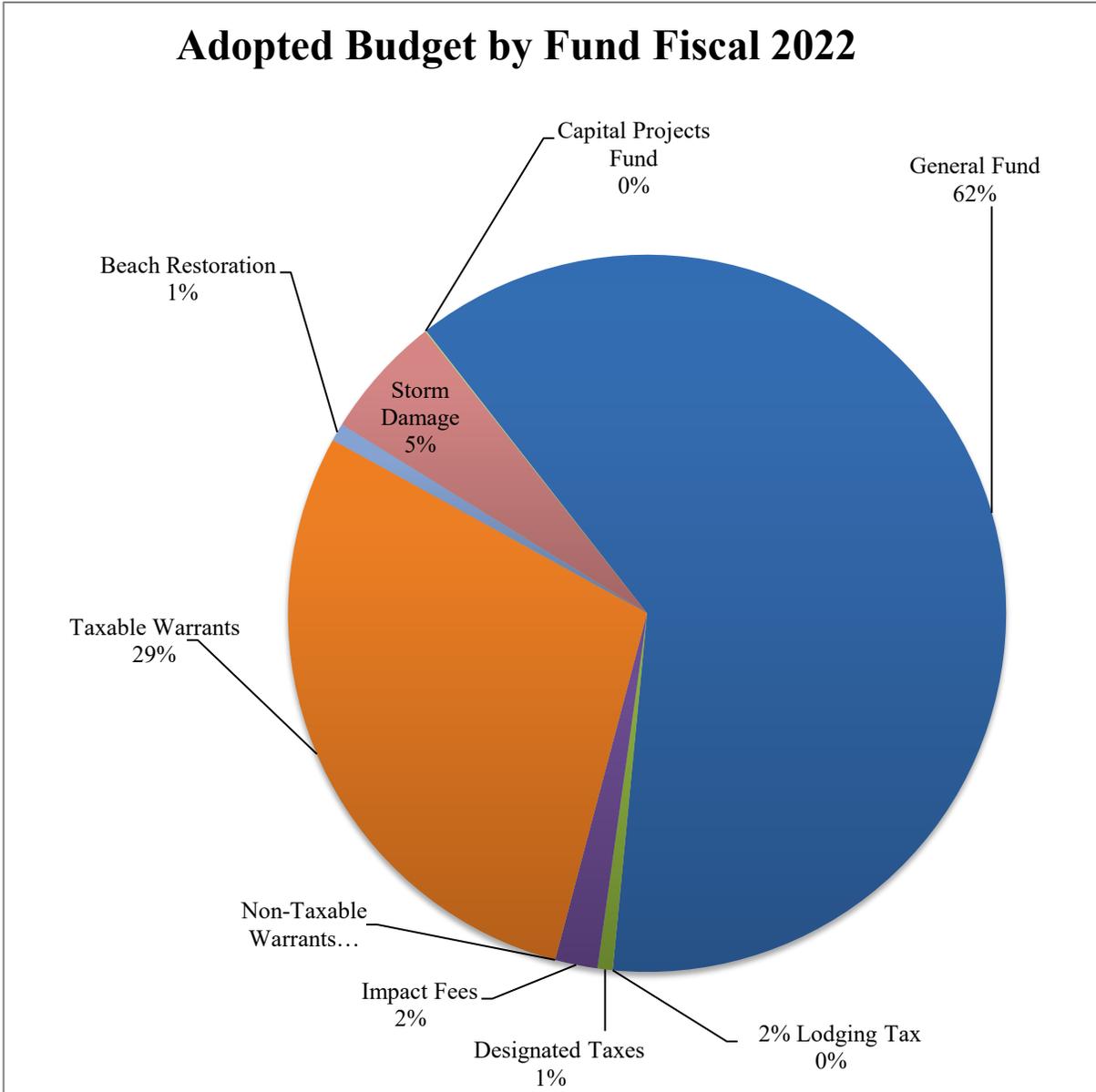


TABLE 2
CITY OF GULF SHORES, ALABAMA
GENERAL FUND ADOPTED BUDGET
FISCAL YEAR 2022

	Actual 2019	Actual 2020	Amended 2021	Adopted 2022	Dollar Change 2021 to 2022	Percent Change 2021 to 2022
REVENUES						
Property Taxes	3,521,657	3,807,136	3,974,000	4,101,200	127,200	3.20%
Sales Taxes	16,390,420	16,518,877	16,500,000	17,400,000	900,000	5.45%
Lodging Taxes	10,165,705	9,878,668	14,000,000	17,523,810	3,523,810	25.17%
Other Local Taxes	3,538,571	3,952,217	3,090,000	3,615,000	525,000	16.99%
Licenses and Permits	4,088,484	4,538,687	3,873,000	4,261,000	388,000	10.02%
Fines/Forfeitures	485,660	384,382	500,000	500,000	0	0.00%
Franchise/Utility	1,756,512	1,442,306	1,462,000	1,762,000	300,000	20.52%
Intergovern/Fed	484,356	398,277	120,093	109,900	(10,193)	-8.49%
Intergovern/State	3,677,291	458,257	159,900	82,000	(77,900)	-48.72%
Investments Income	296,910	288,018	145,250	12,260	(132,990)	-91.56%
Other Receipts	1,998,199	1,193,082	8,049,119	2,418,704	(5,630,415)	-69.95%
TOTAL REVENUES	46,403,765	42,859,907	51,873,362	51,785,874	(87,488)	-0.17%
EXPENDITURES						
Executive	1,661,917	1,496,384	1,864,877	1,852,062	(12,815)	-0.69%
Human Resources	637,771	612,098	751,128	764,806	13,678	1.82%
Finance & Administrative Services	2,657,522	2,985,554	3,361,159	3,615,466	254,307	7.57%
Municipal Court	462,119	457,005	473,220	498,774	25,554	5.40%
Police	6,371,388	7,020,856	7,949,897	8,822,141	872,244	10.97%
Fire & EMS	5,216,182	5,297,209	5,950,766	7,312,382	1,361,616	22.88%
Planning & Zoning	530,647	633,608	617,407	735,612	118,205	19.15%
Building	646,180	672,816	702,816	736,629	33,813	4.81%
Recreation & Cultural Affairs	433,428	474,316	455,678	468,393	12,715	2.79%
Events & Programs	768,599	596,719	758,853	858,374	99,521	13.11%
Library	619,856	758,117	695,711	700,486	4,775	0.69%
Recreation - Bodenhamer	2,185,818	2,108,553	2,303,865	2,528,671	224,806	9.76%
Recreation - Sportsplex	1,284,713	980,537	1,306,588	1,323,590	17,002	1.30%
Recreation - Parks	560,651	624,208	628,114	651,225	23,111	3.68%
Recreation - Grounds Maint School	127,226	232,807	199,596	224,671	25,075	12.56%
Recreation - Eco Center	0	0	0	75,660	75,660	n/a
City Store	185,017	187,521	185,069	195,803	10,734	5.80%
Public Works - General Services	911,579	408,969	394,076	415,262	21,186	5.38%
Public Works - Custodial	524,507	567,389	612,245	615,102	2,857	0.47%
Public Works - Landscaping	974,080	1,001,017	1,056,242	1,050,497	(5,745)	-0.54%
Public Works - Streets	3,234,773	3,137,456	3,256,806	4,135,020	878,214	26.97%
Public Works - Maintenance	1,313,850	1,157,348	1,328,196	1,265,736	(62,460)	-4.70%
Engineering & Construction	415	675,286	888,759	827,815	(60,944)	-6.86%
Airport	371	729	161,336	177,675	16,339	10.13%
Appropriations	3,548,574	2,648,531	998,692	932,981	(65,711)	-6.58%
Capital Outlay (Land)	3,644,219	7,500	0	0	0	n/a
TOTAL EXPENDITURES	38,501,402	34,742,533	36,901,096	40,784,833	3,883,737	10.52%
OTHER FINANCING SOURCES						
Proceeds from the sale of capital assets	85,449	28,937	80,000	80,000	0	0.00%
Operating Transfers In	3,234,417	14,662,896	6,325,408	567,000	(5,758,408)	-91.04%
Operating Transfers Out	(8,193,281)	(10,769,002)	(8,495,392)	(9,649,230)	(1,153,838)	13.58%
Total Other Financing Sources	(4,873,415)	3,922,831	(2,089,984)	(9,002,230)	(6,912,246)	330.73%
Net Change in Fund Balance	3,028,948	12,040,205	12,882,282	1,998,811	(10,883,471)	-84.48%
Prior Period Adjustment						
Fund Balances - Beginning	36,624,453	39,653,401	51,693,606	64,575,888	12,882,282	24.92%
Fund Balances - Ending	39,653,401	51,693,606	64,575,888	66,574,699	1,998,811	3.10%

GRAPH 2
CITY OF GULF SHORES, ALABAMA
CITY WIDE ADOPTED BUDGET
FISCAL YEAR 2022

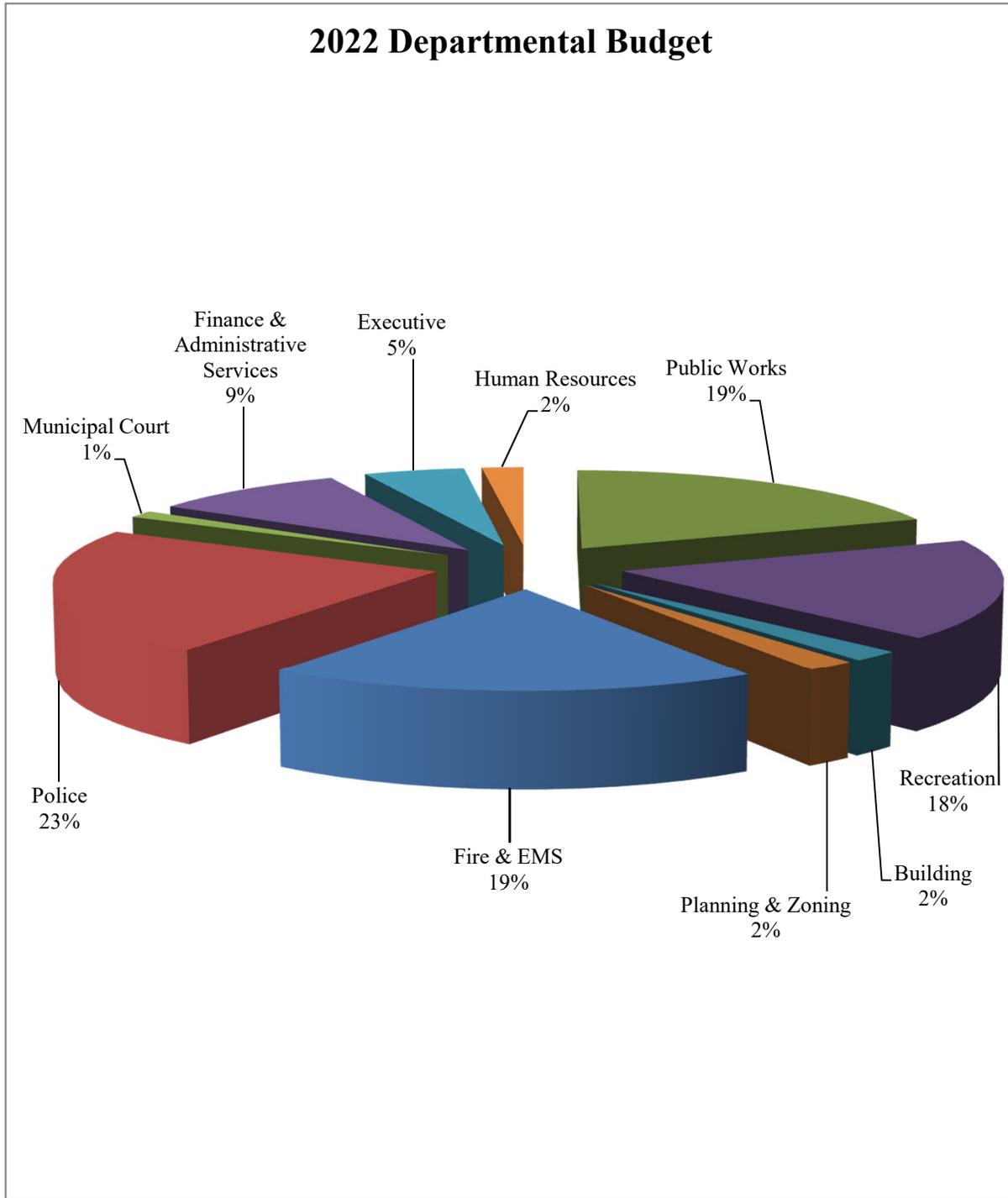
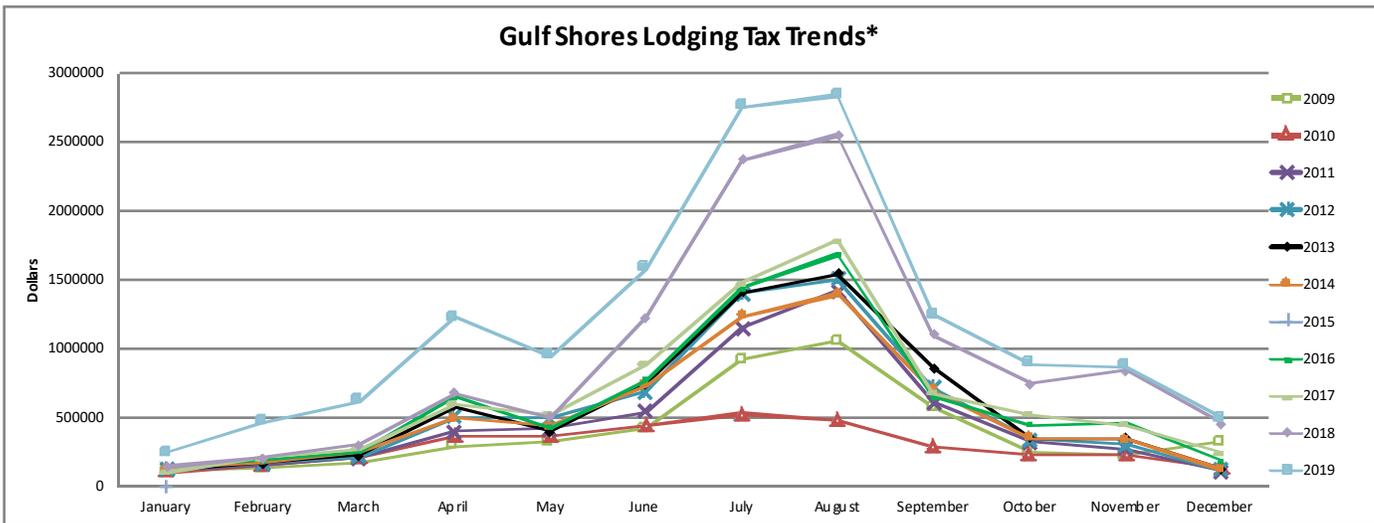


TABLE 3
CITY OF GULF SHORES, ALABAMA
SPECIAL REVENUE FUND
LODGING TAX ADOPTED BUDGET*
FISCAL YEAR 2022

	Actual 2019	Actual 2020	Amended 2021	Adopted 2022	Dollar Change 2021 to 2022	Percent Change 2021 to 2022
REVENUES						
Taxes:						
Lodging Tax 2% Beach	4,032,916	3,974,196	4,004,000	0	(4,004,000)	-100%
Interest Income	2,697	3,203	2,500	0	(2,500)	n/a
Total Revenue	4,035,613	3,977,399	4,006,500	0	(4,006,500)	-100%
EXPENDITURES						
Current:						
General government	0	0	0	0	0	0%
Total general government	0	0	0	0	0	0%
Excess of Revenues over Total Expenditures	4,035,613	3,977,399	4,006,500	0	(3,977,399)	-100%
OTHER FINANCING USES						
Transfers Out	(3,290,050)	(3,972,428)	(4,032,428)	0	3,972,428	-100%
Total Other Financing Uses	(3,290,050)	(3,972,428)	(4,032,428)	0	3,972,428	-100%
Net Change in Fund Balance	745,563	4,971	(25,928)	0	(4,971)	0%
Fund Balances - Beginning	2,264,836	3,010,399	3,015,370	2,989,442	(20,957)	-1%
Fund Balances - Ending	\$ 3,010,399	3,015,370	2,989,442	2,989,442	(25,928)	-1%



*2010 Lodging Tax Losses due to BP Oil Spill. 2018 includes a 28.5% increase in Lodging Tax rate.
 Finance Committee stopped transfer from General Fund of 2% of Lodging Tax in 2021.

**TABLE 4
CITY OF GULF SHORES, ALABAMA
SPECIAL REVENUE FUND
DESIGNATED TAXES
ADOPTED BUDGET
FISCAL YEAR 2022**

	<u>Actual 2019</u>	<u>Actual 2020</u>	<u>Amended 2021</u>	<u>Adopted 2022</u>	<u>Dollar Change 2021 to 2022</u>	<u>Percent Change 2021 to 2022</u>
REVENUES						
Taxes:						
Intergovernmental:						
State of Alabama	566,771	608,144	521,000	567,000	46,000	9%
Interest Income	<u>1,480</u>	<u>606</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>n/a</u>
Total Revenue	<u>568,251</u>	<u>608,750</u>	<u>521,000</u>	<u>567,000</u>	<u>46,000</u>	<u>9%</u>
EXPENDITURES						
Current:						
General Government	<u>288,148</u>	<u>34,552</u>	<u>34,000</u>	<u>35,000</u>	<u>1,000</u>	<u>3%</u>
Total General Government	<u>288,148</u>	<u>34,552</u>	<u>34,000</u>	<u>35,000</u>	<u>1,000</u>	<u>3%</u>
Excess of Revenues over						
Total Expenditures	<u>280,103</u>	<u>574,198</u>	<u>487,000</u>	<u>532,000</u>	<u>45,000</u>	<u>9%</u>
OTHER FINANCING USES						
Transfers Out	<u>(490,000)</u>	<u>(554,000)</u>	<u>(487,000)</u>	<u>(527,000)</u>	<u>(40,000)</u>	<u>8%</u>
Total Other Financing Uses	<u>(490,000)</u>	<u>(554,000)</u>	<u>(487,000)</u>	<u>(527,000)</u>	<u>(40,000)</u>	<u>8%</u>
Net Change in Fund Balance	<u>(209,897)</u>	<u>20,198</u>	<u>0</u>	<u>5,000</u>	<u>5,000</u>	<u>n/a</u>
Fund Balances - Beginning	<u>464,317</u>	<u>254,420</u>	<u>274,618</u>	<u>274,618</u>	<u>0</u>	<u>0%</u>
Fund Balances - Ending	<u>\$254,420</u>	<u>274,618</u>	<u>274,618</u>	<u>279,618</u>	<u>5,000</u>	<u>2%</u>

TABLE 5
CITY OF GULF SHORES, ALABAMA
SPECIAL REVENUE FUND
IMPACT FEES
ADOPTED BUDGET
FISCAL YEAR 2022

	Actual 2019	Actual 2020	Amended 2021	Adopted 2022	Dollar Change 2021 to 2022	Percent Change 2021 to 2022
REVENUES						
Impact Fees	1,363,358	1,575,778	1,728,600	1,598,500	(130,100)	-8%
Interest Income	7,815	4,038	4,500	900	(3,600)	-80%
Total Revenue	1,371,173	1,579,816	1,733,100	1,599,400	(133,700)	-8%
EXPENDITURES						
Capital Outlay						
Fire	94,157	196,486	113,000	100,000	(96,486)	-12%
Recreation	334,145	663,544	702,000	643,000	(20,544)	-8%
Police	91,752	81,702	103,600	106,400	24,698	3%
Public Works	300,000	649,978	810,000	750,000	100,022	-7%
Total Capital Outlay	820,054	1,591,710	1,728,600	1,599,400	7,690	-7%
Total Expenditures	820,054	1,591,710	1,728,600	1,599,400	7,690	-7%
Excess of Revenues over Total Expenditures	551,119	(11,894)	4,500	0	11,894	-100%
OTHER FINANCING USES						
Transfers to other funds	0	0	0	0	0	n/a
Total Other Financing Uses	0	0	0	0	0	n/a
Net Change in Fund Balance	551,119	(11,894)	4,500	-	11,894	-100%
Fund Balances-Beginning(restated)	872,105	1,423,224	1,411,330	1,415,830	(7,394)	0%
Fund Balances - Ending	\$ 1,423,224	1,411,330	1,415,830	1,415,830	4,500	0%

TABLE 6
CITY OF GULF SHORES, ALABAMA
CAPITAL IMPROVEMENT FUND
BEACH RESTORATION AND PROJECTS FUND
ADOPTED BUDGET
FISCAL YEAR 2022

	Actual 2019	Actual 2020	Amended 2021	Adopted 2022	Dollar Change 2021 to 2022	Percent Change 2021 to 2022
REVENUES						
Interest Income	410	413	0	0	0	n/a
ADEM Recycling Grant	136,484	0	0	0	0	n/a
Parking Fees	635,359	0	650,000	650,020	20	0%
Other	34,245	614,498	20,000	20,000	0	0%
Total Revenue	806,498	614,911	670,000	670,020	20	0%
EXPENDITURES						
Current Operating:						
Executive	50,000	0	0	0	0	n/a
Police	233,718	368,479	383,096	386,576	3,480	1%
Fire Beach	643,593	665,030	781,026	737,382	(43,644)	-6%
Public Works	307,574	334,317	247,576	250,771	3,195	1%
Total Current	1,234,885	1,367,826	1,411,698	1,374,729	(36,969)	-3%
Capital Outlay						
Police	19,516	0	32,000	69,000	37,000	116%
Fire Beach	98,745	0	40,000	122,500	82,500	206%
Public Works	45,693	0	30,000	42,300	12,300	41%
Dune Enhancement	275	0	3,000	3,000	0	0%
Beach Monitoring	0	0	60,000	63,000	3,000	5%
Total Capital Outlay	164,229	0	165,000	299,800	134,800	82%
Beach Restoration						
Miscellaneous (Trapping)	70	0	0	12,000	12,000	n/a
Total Expenditures	1,399,184	1,367,826	1,576,698	1,686,529	109,831	7%
Excess of Revenues over						
Total Expenditures	(592,686)	(752,915)	(906,698)	(1,016,509)	(109,811)	12%
OTHER FINANCING USES						
Transfers In from Other Funds	575,772	650,020	710,020	710,000	(20)	0%
Total Other Financing Uses	575,772	650,020	710,020	710,000	(20)	0%
Net Change in Fund Balance	(16,914)	(102,895)	(196,678)	(306,509)	(109,831)	56%
Fund Balances - Beginning	(74,614)	(91,528)	(194,423)	(391,101)	(196,678)	101%
Fund Balances - Ending	(91,528)	(194,423)	(391,101)	(697,610)	(306,509)	78%

**TABLE 7
CITY OF GULF SHORES, ALABAMA
CAPITAL PROJECTS FUND
ADOPTED BUDGET
FISCAL YEAR 2022**

	Actual 2019	Actual 2020	Amended 2021	Adopted 2022	Dollar Change 2021 to 2022	Percent Change 2021 to 2022
REVENUES						
Interest Income	3,441	15,120	0	0	0	n/a
Other	200	30,200	30,000	40,000	10,000	33%
Total Revenues	3,641	45,320	30,000	40,000	10,000	33%
EXPENDITURES						
Miscellaneous(2020)	0	15	4,200,000	4,200,000	0	0%
Total Expenditures	0	15	4,200,000	4,200,000	0	0%
OTHER FINANCING SOURCES						
Proceeds from Long Term Debt	8,598,823	17,040,000	3,100,000	4,200,000	1,100,000	35%
Transfers Out	(30,000)	(8,691,320)	(30,000)	(40,000)	(10,000)	33%
Total Other Financing Sources	8,568,823	8,348,680	3,070,000	4,160,000	1,090,000	36%
Net Change in Fund Balances	8,572,464	8,393,985	(1,100,000)	0	1,100,000	-100%
Fund Balance - Beginning	(129,131)	8,443,333	16,837,318	15,737,318	(1,100,000)	-7%
Fund Balance - Ending	8,443,333	16,837,318	15,737,318	15,737,318	0	0%

TABLE 8
CITY OF GULF SHORES, ALABAMA
STORM DAMAGE CAPITAL PROJECTS FUND
ADOPTED BUDGET
FISCAL YEAR 2022

	Actual 2019	Actual 2020	Amended 2021	Adopted 2022	Dollar Change 2021 to 2022	Percent Change 2021 to 2022
REVENUES						
Intergovernmental Grants						
State of Alabama	0	0	0	903,204	903,204	n/a
Federal Government	0	7,311,056	51,000	3,740,303	3,689,303	7234%
Grants	0	627,210	0	0	0	n/a
Other Receipts	0	837,176	500,000	0	(500,000)	-100%
Interest Income	0	0	0	0	0	n/a
Total Revenues	<u>0</u>	<u>8,775,442</u>	<u>551,000</u>	<u>4,643,507</u>	<u>4,092,507</u>	<u>743%</u>
EXPENDITURES						
Debris Removal	0	10,442,686	410,000	0	(410,000)	-100%
Emergency Protective Measures	0	310,401	0	0	0	n/a
Public Buildings & Contents	0	16,521	375,000	0	(375,000)	-100%
Parks, Recreation & Other	28,598	57,466	150,000	4,937,000	4,787,000	3191%
Roads & Bridges	0	190,935	210,000	0	(210,000)	-100%
Direct Admin Costs	0	99,835	0	0	0	n/a
Insured Repairs	0	0	1,885,000	0	(1,885,000)	-100%
Hazard Mitigation	0	0	0	481,000	0	n/a
COVID-19	0	497,085	0	0	0	n/a
Total Expenditures	<u>28,598</u>	<u>11,614,929</u>	<u>3,030,000</u>	<u>5,418,000</u>	<u>1,907,000</u>	<u>79%</u>
OTHER FINANCING SOURCES (USES)						
Transfer from Other Funds	<u>23,078</u>	<u>1,668,030</u>	<u>23,078</u>	<u>23,078</u>	<u>0</u>	<u>0%</u>
Total Other Financing Uses	<u>23,078</u>	<u>1,668,030</u>	<u>23,078</u>	<u>23,078</u>	<u>0</u>	<u>0%</u>
Net Change in Fund Balance	<u>(5,520)</u>	<u>(1,171,457)</u>	<u>(2,455,922)</u>	<u>(751,415)</u>	<u>1,704,507</u>	<u>-69%</u>
Fund Balance - Beginning	<u>(96,028)</u>	<u>(101,547)</u>	<u>(1,273,004)</u>	<u>(3,728,926)</u>	<u>(2,455,922)</u>	<u>193%</u>
Fund Balance - Ending	<u>(101,547)</u>	<u>(1,273,004)</u>	<u>(3,728,926)</u>	<u>(4,480,341)</u>	<u>(751,415)</u>	<u>20%</u>

TABLE 9
CITY OF GULF SHORES, ALABAMA
DEBT SERVICE FUND
ADOPTED BUDGET
FISCAL YEAR 2022

	Actual 2019	Actual 2020	Amended 2021	Adopted 2022	Dollar Change 2021 to 2022	Percent Change 2021 to 2022
REVENUES						
Interest	1,384	822	0	0	0	n/a
Total Revenues	1,384	822	0	0	0	n/a
EXPENDITURES						
Appropriations	0	362,808	0	0	0	n/a
Principal	5,581,156	30,998,740	5,458,569	5,883,672	5,883,672	n/a
Interest	2,589,636	2,565,537	3,006,670	3,030,155	3,030,155	n/a
Miscellaneous	4,099	3,468	7,075	2,325	(4,750)	n/a
Total Expenses	8,174,891	33,930,553	8,472,314	8,916,152	8,909,077	n/a
Excess of Revenues over Total Expenditures	(8,173,507)	(33,929,731)	(8,472,314)	(8,916,152)	(443,838)	n/a
OTHER FINANCING SOURCES (USES)						
Bond Issue Proceeds	0	19,000,000	0	0	0	n/a
Transfers Out	0	(2,905,704)	0	0	0	n/a
Transfers In	8,172,898	17,834,793	8,542,314	8,916,152	373,838	4%
Total Other Financing Uses	8,172,898	33,929,089	8,542,314	8,916,152	373,838	n/a
Net Change in Fund Balan	(609)	(642)	70,000	0	(70,000)	n/a
Fund Balances-Beginning	1,260	651	9	70,009	70,000	781250%
Fund Balances - Ending	\$ 651	\$ 9	\$ 70,009	\$ 70,009	0	0%

TABLE 10
CITY OF GULF SHORES, ALABAMA
CAPITAL IMPROVEMENT FUND
NON-TAXABLE LINES OF CREDIT
ADOPTED BUDGET
FISCAL YEAR 2022

	Actual 2019	Actual 2020	Amended 2021	Adopted 2022	Dollar Change 2021 to 2022	Percent Change 2021 to 2022
REVENUES						
Grants Requiring Matching Funds						
Grants	452,792	0	0	0	0	0%
Interest Income	0	0	0	0	0	0%
Total Revenues	<u>452,792</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
EXPENDITURES						
Miscellaneous	79	0	0	0	0	0%
Operations						
ADECA-LWCF Little Lagoon	0	0	0	0	0	0%
ALDOT Sidewalk Grants	0	0	0	0	0	0%
Rec Trail Fort Morgan Fairway	0	0	0	0	0	0%
West 12th Street Public Access	0	0	0	0	0	0%
Capital Outlay Projects						
Fire & EMS	862,048	0	0	0	0	0%
Rec & Cultural Affairs (Park)	0	0	0	900,000	900,000	n/a
Public Works	0	0	0	0	0	0%
W 10th St Public Access	0	0	0	0	0	0%
ALDOT Adaptive Signals	0	0	0	0	0	0%
Hwy 182 Improvements	0	0	0	0	0	0%
Capital Outlay	0	0	0	3,710,000	3,710,000	n/a
Total Expenditures	<u>862,127</u>	<u>0</u>	<u>0</u>	<u>4,610,000</u>	<u>4,610,000</u>	<u>0%</u>
OTHER FINANCING SOURCES						
Bond Proceeds	0	0	0	4,610,000	4,610,000	n/a
Transfers In	450,677	0	0	0	0	0%
Transfers Out	0	(1,279,100)	0	0	0	n/a
Total Other Financing Sources	<u>450,677</u>	<u>(1,279,100)</u>	<u>0</u>	<u>4,610,000</u>	<u>13,830,000</u>	<u>n/a</u>
Net Change in Fund Balances	<u>41,342</u>	<u>(1,279,100)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>n/a</u>
Fund Balance - Beginning	<u>1,237,758</u>	<u>1,279,100</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
Fund Balance - Ending	<u>1,279,100</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>

TABLE 11
CITY OF GULF SHORES, ALABAMA
CAPITAL IMPROVEMENT FUND
TAXABLE WARRANT FUND
ADOPTED BUDGET
FISCAL YEAR 2022

	Actual 2019	Actual 2020	Amended 2021	Adopted 2022	Dollar Change 2021 to 2022	Percent Change 2021 to 2022
REVENUES						
Grant Funds	0	397,136	7,132,719	21,885,783	14,753,064	207%
Interest Income	0	5,881	0	0	0	n/a
Other	0	0	1,715,000	2,221,154	506,154	30%
Total Revenues	<u>0</u>	<u>403,017</u>	<u>8,847,719</u>	<u>24,106,937</u>	<u>15,259,218</u>	<u>172%</u>
EXPENDITURES						
Administrative	140	34,473	12,000	0	(12,000)	-100%
Operations						
Executive Contract/Consulting	95,135	0	0	0	0	n/a
Gulf Coast Ctr for Ecotourism Ops	298,431	150,000	180,000	0	(180,000)	-100%
Public Works	16,927	0	0	0	0	n/a
Capital Outlay Projects	0	0	0	0	0	n/a
Medical Facility Improvements Gulf	229,987	1,654,638	4,042,132	0	(4,042,132)	-100%
Coast Ctr for Ecotourism Outside	380	334,258	3,500,000	5,700,000	2,200,000	63%
Agencies	0	3,000,000	0	0	0	n/a
County Road 6 Improvements	0	0	0	130,930	130,930	n/a
Waterway East	0	324,220	553,377	6,718,476	6,165,099	1114%
ALDOT Capacity Project (Canal Rd.)	0	0	395,614	342,266	(53,348)	-13%
BUILD Grant Hwy 59 & Ped Bridge	0	0	908,437	9,690,813	8,782,376	967%
Land & Improvements	6,299,311	55,378	2,370,000	6,396,047	4,026,047	170%
Little Lagoon Restoration Project	0	0	1,882,719	2,551,457	668,738	36%
Executive Improvements Gulf Pl	2,370,500	126	0	0	0	n/a
Total Expenditures	<u>9,310,811</u>	<u>5,553,093</u>	<u>13,844,279</u>	<u>31,529,989</u>	<u>17,685,710</u>	<u>128%</u>
OTHER FINANCING SOURCES						
Bond Proceeds	10,000,000	10,410,000	7,475,560	7,423,052	(52,508)	-1%
Transfer from Debt Service Fund	0	2,905,514	0	0	0	n/a
Transfer from 2018-B GO	308,767	0	0	0	0	n/a
Transfer to General Funds	0	(9,370,198)	(2,479,000)	0	2,479,000	-100%
Total Other Financing Sources	<u>10,308,767</u>	<u>3,945,316</u>	<u>4,996,560</u>	<u>7,423,052</u>	<u>2,426,492</u>	<u>88%</u>
Net Change in Fund Balances	<u>997,956</u>	<u>(1,204,760)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>n/a</u>
Fund Balance - Beginning	<u>(133,156)</u>	<u>864,800</u>	<u>(339,960)</u>	<u>(339,960)</u>	<u>0</u>	<u>0%</u>
Fund Balance - Ending	<u>864,800</u>	<u>(339,960)</u>	<u>(339,960)</u>	<u>(339,960)</u>	<u>0</u>	<u>0%</u>

TABLE 12
CITY OF GULF SHORES, ALABAMA
CAPITAL IMPROVEMENT FUND
2018 GO WARRANT
ADOPTED BUDGET
FISCAL YEAR 2022

	Actual 2019	Actual 2020	Amended 2021	Adopted 2022	Dollar Change 2021 to 2022	Percent Change 2021 to 2022
REVENUES						
Grants Requiring Matching Funds	54,366	185,353	895,376	0	(895,376)	-100%
Interest Income	158,034	175,462	95,000	0	(95,000)	-100%
Other	0	0	0	0	0	n/a
Total Revenues	212,400	360,815	990,376	0	(990,376)	-100%
EXPENDITURES						
Administrative	0	0	0	0	0	n/a
Operations						
Executive Contract/Professional Services	387,753	0	20,000	0	(20,000)	-100%
Capital Outlay Projects						
Fire Capital Outlay Vehicle	0	0	1,850,000	0	(1,850,000)	-100%
Business & Aviation Park	1,192,984	118,391	0	0	0	n/a
Transportation Improvements/Land	4,322,256	9,777,578	7,361,566	0	(7,361,566)	-100%
Bond Issuance Costs	0	0	0	0	0	n/a
Total Expenditures	5,902,993	9,895,969	9,231,566	0	(9,231,566)	-100%
OTHER FINANCING SOURCES						
Bond Proceeds	0	0	8,386,458	0	(8,386,458)	-100%
Bond Premium	0	0	0	0	0	n/a
Bond Discount	0	0	0	0	0	n/a
Transfers Out	0	(179,501)	0	0	0	n/a
Transfer to 2014 GO Fund	(450,677)	0	0	0	0	n/a
Transfer to 2016-B Fund	(308,767)	0	0	0	0	n/a
Transfer to General Fund	(137)	0	0	0	0	n/a
Transfer to Debt Service Fund	(2,695)	0	(70,000)	0	70,000	-100%
Total Other Financing Sources	(762,276)	(179,501)	8,316,458	0	(8,316,458)	-76%
Net Change in Fund Balances	(6,452,869)	(9,714,655)	75,268	0	(75,268)	-100%
Fund Balance - Beginning	18,628,494	12,175,625	2,460,970	2,460,970	0	0%
Fund Balance - Ending	12,175,625	2,460,970	2,536,238	2,460,970	(75,268)	-3%

CITY OF GULF SHORES
FUND BALANCE

In 2010 the City adopted a formal Financial Policy with reserve targets established. Since 2010, the City General Fund Balance data is as follows:

Year	Fund Balance	% of Total Expenditures*	Change in Fund Balance
2010	\$13,735,069	45%	\$ 150,784
2011	\$17,683,620	50%	\$ 3,948,551
2012	\$18,604,609	50%	\$ 920,989
2013	\$20,994,052	54%	\$ 2,389,443
2014	\$22,399,386	66%	\$ 1,405,334
2015	\$24,005,631	71%	\$ 1,606,245
2016	\$26,455,361	78%	\$ 2,449,730
2017	\$29,169,603	76%	\$ 2,714,240
2018	\$36,624,645	73%	\$ 7,455,042
2019	\$39,653,592	80%	\$ 3,028,947
2020	\$51,693,606	98%	\$ 12,040,014
2021	\$55,500,000	100%	\$ 3,806,394 **Estimated

In 2020 the City added \$12,040,014 to its reserves, which brought total reserves to 98% of expenditures including debt service. In 2021 reserves are projected to add \$3,806,394 bringing the General Fund balance total to 100% of expenditures of \$49,400,488. For 2022 we also expect to maintain a healthy fund balance of \$55.5 million or 110% of the General Fund Adopted Budget Expenses of \$50,424,064. The total General Fund expenses for 2022 increased \$1,033,576 or 2% from the 2021 Amended Budget. Appropriations decreased by \$65,711 in 2022 or -6.6% reflecting reduced expenses for the NCAA Volleyball Tournament. Debt Service and Transfers expenses for 2022 increased by \$1,153,838 or 13.6% from 2021 Debt Service Expense. Capital expenses increased by \$870,606 or 52.4% in 2021. Personnel and Operations expense increased by \$990,868 or -2.5% from 2021.

*Expenditures are net bond re-financing(s)

**Estimated as of 10/15/2021

Fund Balance

The City of Gulf Shores adopted a financial policy as of March 8, 2010, setting a fund balance of 45% of the General Fund. In 2013, the Finance Committee chose to increase the fund balance by 5% annually beginning in 2014 and capped at 70% in 2018. On February 7, 2019 the City of Gulf Shores adopted Banking and Financial Investment Policies. The updated City of Gulf Shores Financial Policy and Banking and Investment Policies are included at the end of the budget document. The Fund Balance target for 2022 is 70% of General Fund Revenues. Of the total General Fund Balance target, General Fund Reserves comprise half of the fund balance and Beach Reserves comprise the remainder. General Fund Operating reserves are two-thirds of the non-Beach Reserves and Operating reserves are the other one-third. The table below shows changes in the reserve amounts from 2019 to 2020 actual, 2021 year to date and 2022 Budgeted Reserves. The City currently has reserve funds well in excess of its 70% target.

General Fund Reserves	2019 Actual (Audited)	2020 Actual (Audited)	2021 Year to Date	2022 Budget
Operating	\$13,224,473	\$17,317,358	\$18,486,702	\$12,101,916
Stabilization	<u>6,602,323</u>	<u>8,529,445</u>	<u>9,229,493</u>	<u>6,051,140</u>
Subtotal General Fund	\$19,826,796	\$25,846,803	\$27,716,195	\$18,153,056
Beach Reserves	<u>19,826,796</u>	<u>25,846,803</u>	<u>27,716,195</u>	<u>18,153,056</u>
Grand Total All Reserves	\$39,653,592	\$51,693,606	\$55,432,390	\$36,306,112

Major Revenue Sources

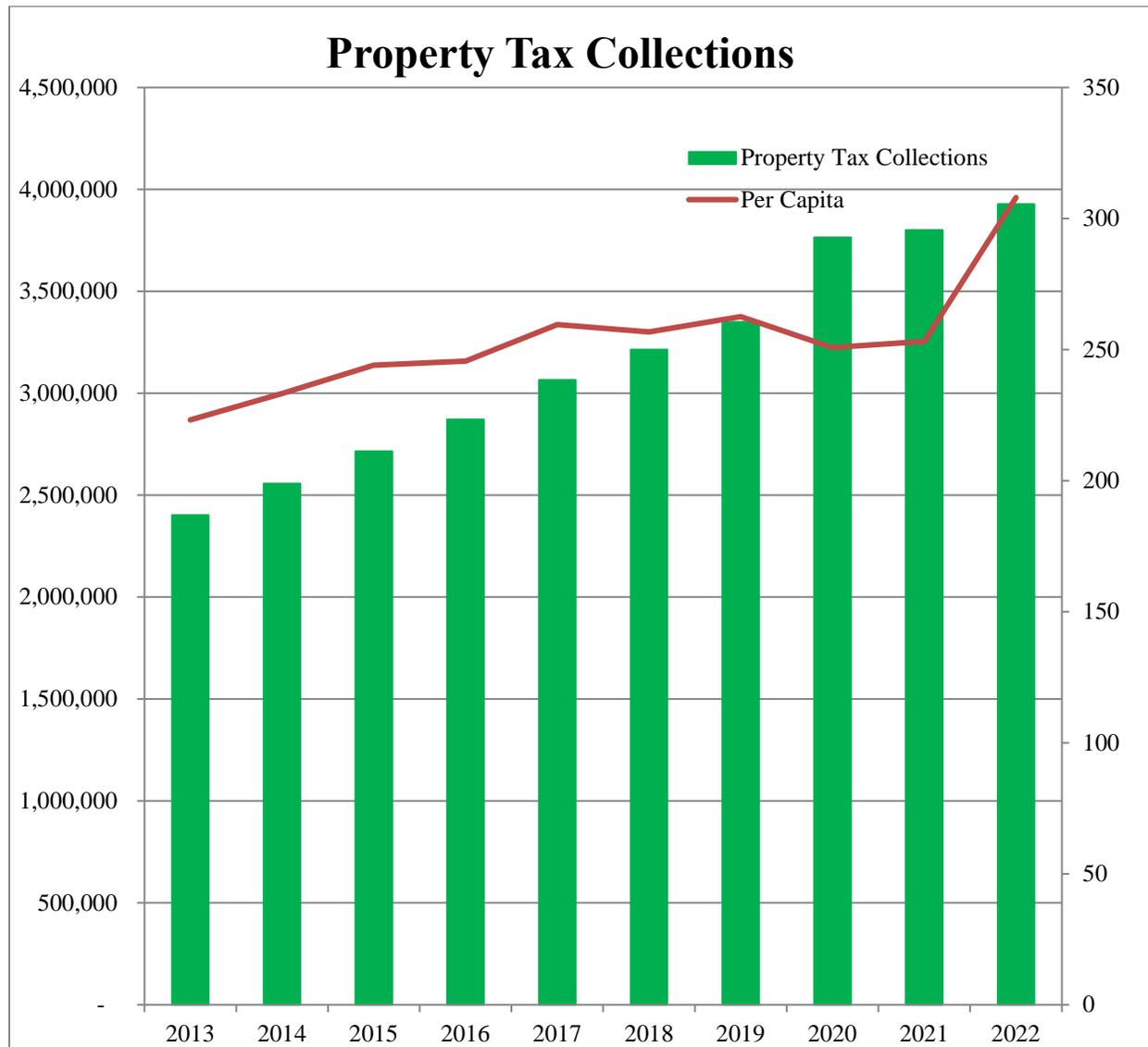
The City of Gulf Shores General Fund has four major funding sources that comprise approximately 77% of the General Fund. Shown below is a summary of the four major General Fund revenue sources and the percentage of the total General Fund Revenues for 2019 Actual, 2020 Actual, 2021 Actual Year to Date, and 2022 Budget:

Revenue Type	2019 Actual	% of Total	2020 Actual	% of Total	2021 Actual Year to Date	% of Total	2022 Budget
Property	\$3,521,657	7%	\$3,764,219	6%	\$1,605,116	3%	\$3,927,200
Sales	16,390,420	31%	16,341,629	26%	16,381,884	32%	17,400,000
Lodging	10,165,705	27%	9,894,903	22%	17,964,390	35%	17,523,810
Business Licenses	<u>4,088,484</u>	7%	<u>4,079,218</u>	6%	<u>4,042,272</u>	8%	<u>4,000,000</u>
Subtotal	\$34,166,266	71%	\$34,079,968	60%	\$39,993,662	77%	\$48,251,010

Since the four major funding sources comprise approximately 77% of the General Fund, the Finance Committee focuses on those revenue streams at their regular meetings and for budget estimation purposes. Underlying assumptions for the revenue estimates and significant revenue trends are described by each of the major revenue types shown on the following pages. For 2022 the four funds comprise 93% of the General Fund projected revenues.

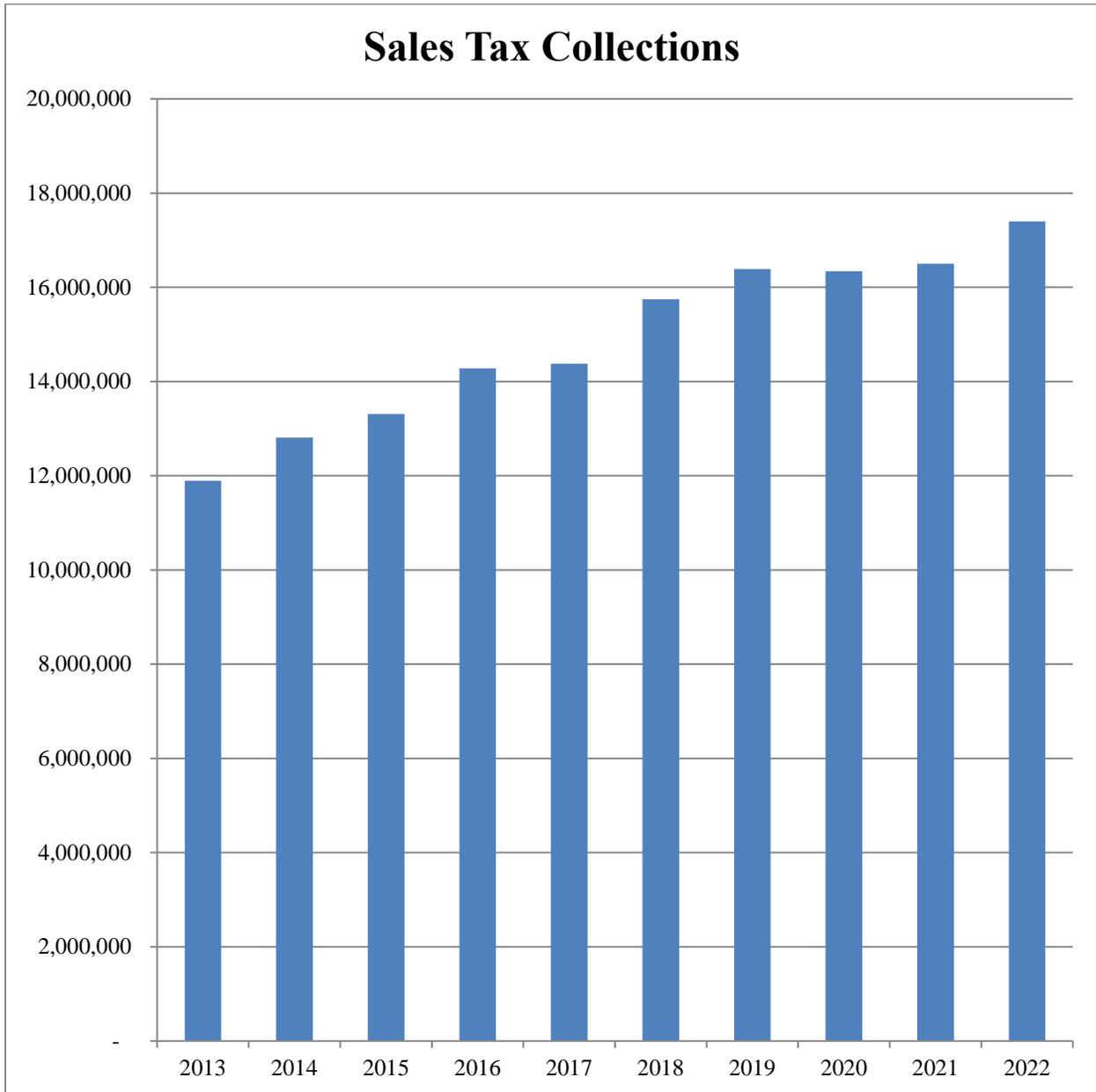
PROPERTY TAX

Gulf Shores collects 5 mills property tax on all property within the City. The property tax rates in Alabama have been lower historically than those in other states, while sales tax rates are higher. Property Tax collection projections are based on the assessed value of all property in the City as determined by the Baldwin County Revenue Commissioner. The bulk of property taxes is collected in January each year. Assessed values for property taxes have been slowly increasing since 2013 due to market recovery and new construction. Property tax collections for the past nine years and 2022 budget are shown in the graph below. Property Tax collections for 2022 are based on the updated tax digest the County Revenue Commissioner sent in August 2021.



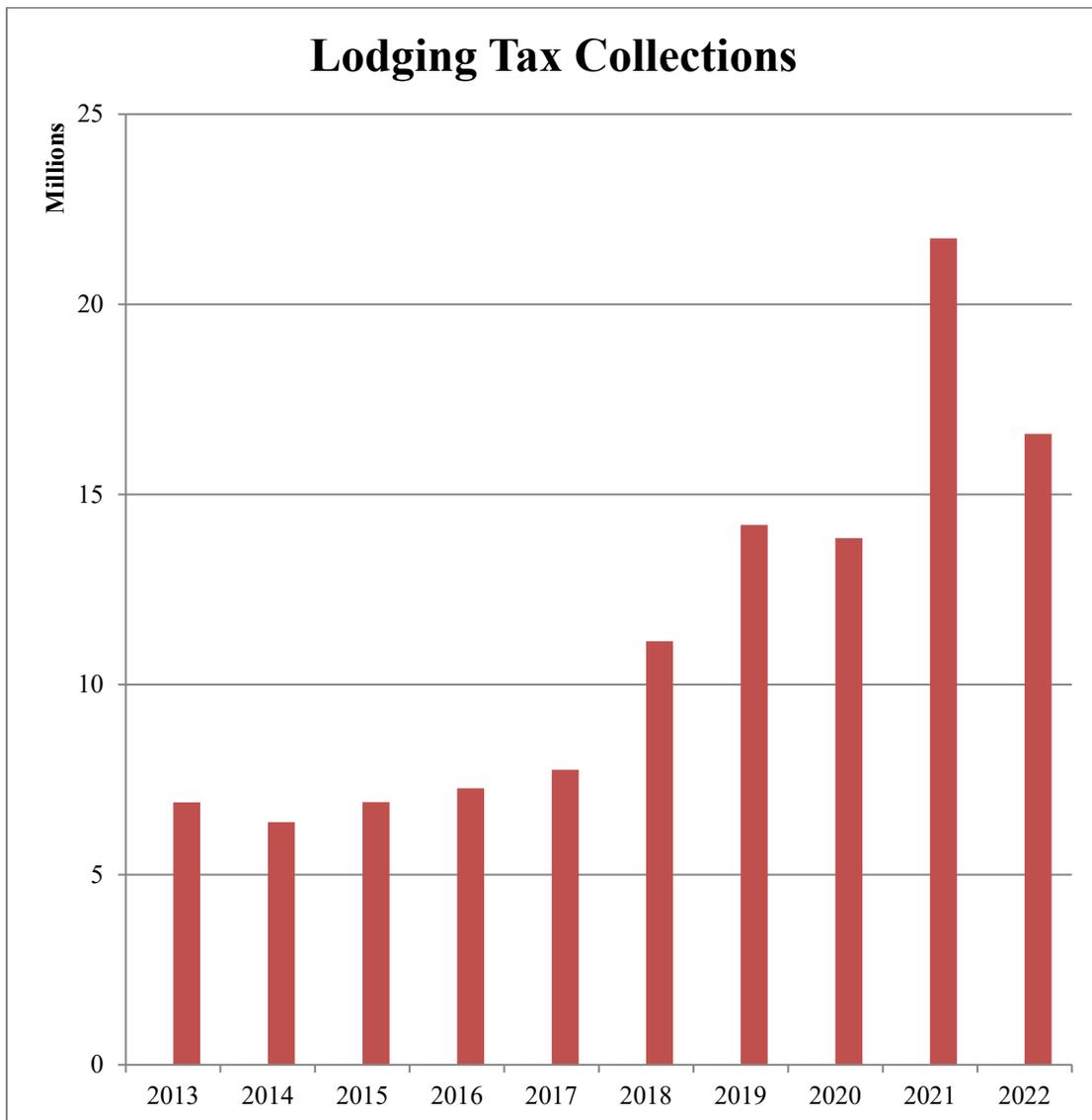
SALES TAX

Sales Taxes of 10% are collected on all purchases in the City. The City's portion of the 10% total Sales Tax collected is 3%, Baldwin County's portion is 3%, and the State portion is 4%. Due to the city having a high rate of tourism during the spring and summer, the majority of Sales Tax collections occur during those months. For 2022 an increase of 5.45% is projected based on the 2021 rebound of Sales Tax Collections following COVID-19 related losses. Trend lines for the past eight years and 2021 and 2022 Budgets are shown in the graph below. The ten year average annual growth rate for sales taxes is 7%.



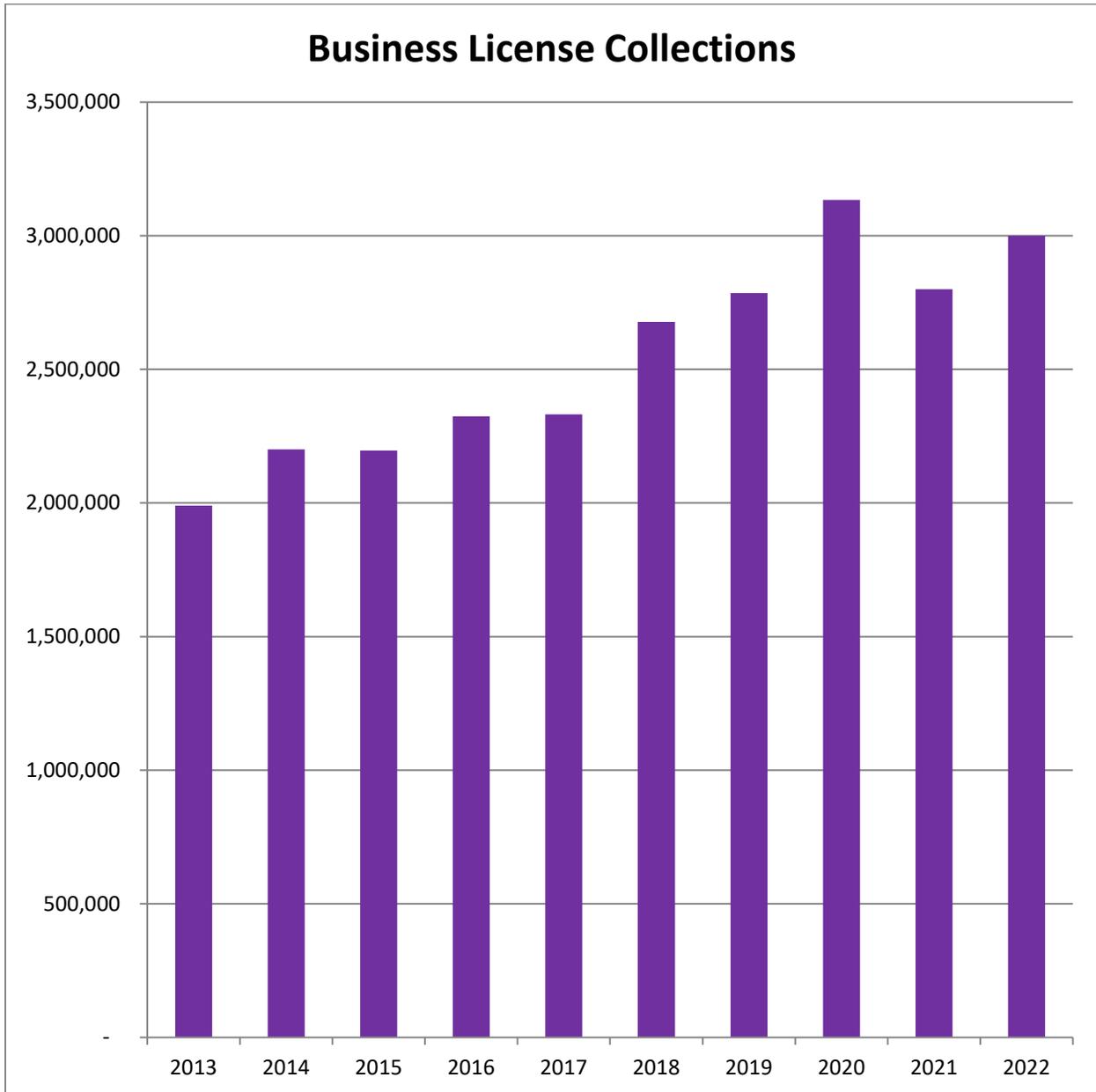
LODGING TAX

Lodging Tax was increased by 2% effective May 2018 to offset the capital cost of transportation improvements. The City's portion of the 13% Lodging Tax collections will be 7%, the Alabama Gulf Coast Convention and Visitor's Bureau portion remains at 2%, and the State portion remains at 4%. Lodging Tax collections are highly cyclical, following the same tourist trend lines as Sales Tax collections. A factor contributing to the Lodging Tax collection increase is enhanced collection efforts of Vacation Rental By Owner (VRBO) properties. Lodging Taxes declined for 2014, due to de-annexation of 1,500 businesses. The City entered a Voluntary Collections Agreement with Airbnb effective November 2018 and The Gulf State Park Lodge and Conference Center opened in November 2018. Lodging taxes for 2020 were down 2% compared to 2019 due to COVID-19 related beach closures in April 2020. Lodging Tax Collections for 2021 year to date are up 51% over 2019 due to an increase in tourism as well as rental rates being increased.



BUSINESS LICENSE

Business Licenses are renewable in January and vary depending on the type of business and gross receipts. Business License revenue collections for 2021 year-to-date are up 9% from 2020 business license collections primarily due to an increase in businesses working in the area following Hurricane Sally. Business license amounts are based on prior year gross receipts. Business License collections for the past eight years and 2021 and 2022 budgeted are shown in the graph below. The ten year annual growth rate has averaged 7%.



CITY OF GULF SHORES, ALABAMA
Fiscal Year 2022 Budget
CAPITAL OUTLAY

The City Department Heads developed a ten year capital plan in 2013 that enabled old equipment and vehicles to be replaced in a systematic, orderly fashion keeping ongoing maintenance costs down. Repairs and enhancements to existing infrastructure were also approved further defraying maintenance costs. A list of Capital Outlay totaling \$2,181,900 in City Capital General funds requested and approved for 2022 are below along with the estimated recurring annual cost to operate.

2022 Capital Equipment Budgeted from General Funds

Department	Description	Department Request	Recommendation	Annual Cost to Operate
Finance & Admin	IT Furniture & Equipment: Ceiling Tiles, flooring	25,000	10,000	100
Finance & Admin	Fiber Optic Improvements Citywide**	30,000	30,000	300
Community Development	City Arborist Truck	30,000	-	-
Building	Vehicle/Equipment ADEM funded**	36,000	40,500	1,418
Police	Replace 13 Vehicles, (2 Impact Fees)	610,400	610,400	6,104
Police	Patrol Boat	200,000	-	-
Police	Drone (Asset Forfeiture Funds)	50,000	40,000	400
Police	BearCat Armored Vehicle (Asset Forfeiture Funds)	280,000	-	-
Police	Replace Command Vehicle Mast Cameras	17,500	17,500	175
Police	Patrol K9	19,000	10,000	1,000
Fire & EMS	New vehicle for new Inspector position	135,000	45,000	450
Fire & EMS	Replace Ambulance	750,000	-	-
Fire & EMS	New Airport Fire Truck Expansion	65,000	-	-
Fire & EMS	700 mhz Handheld Radios	390,000	-	-
Fire & EMS	Replace Cardio Defibrillators (22)	65,000	35,000	350
Fire & EMS	Fire Station Alerting System Stations 1,2 & 3	100,000	100,000	1,000
Fire & EMS	Backup Generators Stations 2,3 and 4	70,000	70,000	700
Fire & EMS	Fire Rescue Boat	260,000	-	-
Rec Sportsplex	Replace UTV	14,000	14,000	140
Rec Sportsplex	Turbine Blower	8,000	8,000	200
Rec Sportsplex	Vicon Spreader	30,000	30,000	750
Rec Sportsplex	Zero Turn Mowers	12,500	12,500	313
Rec Sportsplex/School	Reel Mower - Equipment Lease for 4 mowers**	48,000	52,000	1,300
Rec Parks	Replace Vehicle	37,500	37,500	938
Rec Parks	Zero Turn Mowers	25,000	12,500	313
Rec Events	Christmas Decorations	50,000	50,000	500
Rec	Rec Sports Youth Football Helmets	15,000	-	-
Rec	Mobile Retail Unit	35,000	-	-
Public Works	Replace 4 trucks - 2 Streets, 1 Custodial & 1 Maintenance	150,000	150,000	1,250
Public Works Streets	Knuckle Boom replace	333,000	333,000	3,750
Public Works Streets	100 HP Tractor	105,000	80,000	3,750
Public Works	Side/Brush Cutter	140,000	140,000	2,000
Public Works	Zero Turn Mower 4	36,000	36,000	3,500
Public Works Landscape	Tree Spade	-	60,000	1,500
Public Works Streets	Rubber Trac Excavator	130,000	95,000	900
Public Works Streets	Dump Truck	120,000	130,000	2,375
Public Works Streets	Heavy Equipment Overload Trailer	30,000	30,000	3,250
Public Works Streets	Grading Equipment	10,000	10,000	750
Engineering	Replace Vehicle	35,000	35,000	250
Engineering	Survey Equipment for inspections/drainage	30,000	30,000	875
Engineering	Civic Center Chiller System	80,000	-	-
Engineering	Street Resurfacing*	350,000	350,000	2,500
Total General Fund Capital Outlay		4,442,900	2,181,900	36,807
* \$750,000 additional Resurfacing is charged to Impact Fees				
**Not included in the total Capital Outlay (Operational)			522,000	
Subtotal General Fund Capital & Lease/other Operations			2,703,900	

2022 Capital Equipment & Improvements Budgeted from Impact Fees

		Dept Request	Recommendation	Annual operate cost
Fire	Replace Holmatro Tool Set	40,000	40,000	400
Fire	Polaris ATV	20,000	20,000	200
Fire	Replacement Equipment	20,000	20,000	200
Fire	Replace Cardio Defibrillators (10)	-	20,000	200
Police	Two Replacement Vehicles	159,600	106,400	1,064
Police	Pick Up Truck 2500 (Pull Patrol Boat)	55,000	-	-
Recreation	Branding/Wayfinding	40,000	40,000	400
Rec & Wellness	ADA Pool Lift	10,000	10,000	100
Rec & Wellness	Portable Personnel Lift	15,000	15,000	75
Rec & Wellness	Kids Park Playground Replacement	100,000	100,000	1,000
Rec & Wellness	Outdoor Fitness Equipment	25,000	-	-
Rec & Wellness	Bodenhamer Parking Lot	150,000	150,000	1,500
Rec & Wellness	Cultural Center lighting & indoor/outdoor kitchens	130,000	-	-

Rec & Wellness	Civic Center Improvements - Parking lot lighting	50,000	-	-
Recreation	Pickleball Courts	-	298,000	2,980
Recreation	Activity Center Chairs	30,000	30,000	300
Engineering	Street Resurfacing Construction	750,000	750,000	3,750
Total IMPACT FEES Capital Outlay		1,594,600	1,599,400	12,169

2022 Capital Budgeted for Beach Fund 37 Capital Improvements

		Dept Request	Recommendation	Annual operate cost
Police Beach	ATVs replace	45,000	45,000	225
Police Beach	Parking Pay Stations	120,000	24,000	120
Fire Beach	Replace Response Vehicles	45,000	45,000	225
Fire Beach	5 UTVs	72,000	77,500	388
Fire Beach	Building Repairs re-paint the inside of beach building	10,000	-	-
Fire Beach	Lifeguard Towers repair/replace	140,000	-	-
Public Works Beach	UTV for beach & recycling equipment	30,300	30,300	152
Public Works Beach	Trailer - Recycle Center	12,000	12,000	60
Engineering	Monitoring - Beach Renourishment/Dune Enhancement	63,000	78,000	390
Total BEACH Fund Capital Outlay		537,300	311,800	1,559

2022 Capital Budgeted for City School Improvements Fund 38 Capital Improvements

Public Works/Schools	City School Improvements	4,200,000	4,200,000	n/a*
*Maintenance will be a City School System expense				
Total City School Improvements Fund 38 Capital Improvements		4,200,000	4,200,000	-

2022 Capital Budgeted for Storm Damage Fund 39 Capital Improvements

		Dept Request	Recommendation	City	Federal/Other
Engineering	200 Clubhouse Wind Retrofit & Police Generator	331,000	331,000	66,200	
Engineering	West 4th Ave Roadway Improvements	150,000	150,000	30,000	
Engineering	Beach Renourishment	4,937,000	4,937,000	1,353,893	3,583,107
		5,418,000	5,418,000	1,450,093	3,967,907

2022 Capital Projects Budgeted in Borrowed LOC NonTaxable Funds, Fund 40

		Department Request	Recommendation	City Funds	Annual Maintenance
Recreation	Community Park Development	1,200,000	300,000	300,000	3,000
Fire	Oyster Bay Fire Station renovation	830,000	400,000	400,000	4,000
Fire & EMS	Fire Training Center	600,000	720,000	720,000	7,200
Engineering	4th Street Bridge & 1 Ped Bridge	80,000	80,000	80,000	-
Engineering	Beach Access Replacement	200,000	200,000	200,000	-
Engineering	Beach Blvd Improvements - Highway 182	200,000	200,000	200,000	2,000
Police	Justice Center Design*	1,500,000	2,710,000	2,710,000	27,100
Total CAPITAL IMPROVEMENTS FUND		4,610,000	4,610,000	4,610,000	43,300

2022 Capital Improvement Budgeted in LOC Taxable Borrowed Funds, Fund 42

		Department Request	Total	City Funds	Annual Maintenance
Engineering	BUILD - County Road 6 West	130,930	130,930	130,930	655
Engineering	RESTORE- Waterway East Extension	8,707,950	6,718,476	-	672
Engineering	RESTORE - East Canal Realignment	342,266	342,266	342,266	342
Engineering	BUILD - Hwy 59 Widening	3,880,065	3,880,065	-	1,940
Engineering	BUILD - Pedestrian Bridge	5,810,748	5,810,748	-	2,905
Engineering	Walking District Parking/Streetscape	886,047	886,047	886,047	443
Engineering	CGB to CR 6 Connector Road	215,000	215,000	215,000	108
Engineering	Waterway West	3,550,000	3,550,000	3,550,000	1,775
Subtotal Taxable Borrowed Funds		23,523,006	21,533,532	5,124,243	8,840

2022 RESTORE GRANT Funded projects (100% Reimbursable), Fund 42

		Dept Request	Recommendation
Executive	NFWF Oyster Bay Restoration	125,000	875,000
Executive	Little Lagoon Restoration	1,651,457	2,551,457
Engineering	Gulf Coast Center for Ecotourism Improvements**	5,700,000	5,550,000
Engineering	Laguna Cove Protection Project	870,000	870,000
Subtotal 100% Reimbursable Taxable Borrowed Funds		8,346,457	9,846,457

Total All Capital

General Funds	4,442,900	2,181,900
Impact Fees	1,594,600	1,599,400
Beach Funds	537,300	311,800
Capital Improvements Borrowed Funds	19,082,790	11,184,336
School Improvement Funds	4,200,000	4,200,000
Restore Funds	8,346,457	9,846,457
Total City Capital Expense	38,204,047	29,323,893

ALDOT/ADECA/DCNR/FEMA Other Match total 20,417,696

Total All Capital Revenue Sources 49,741,589

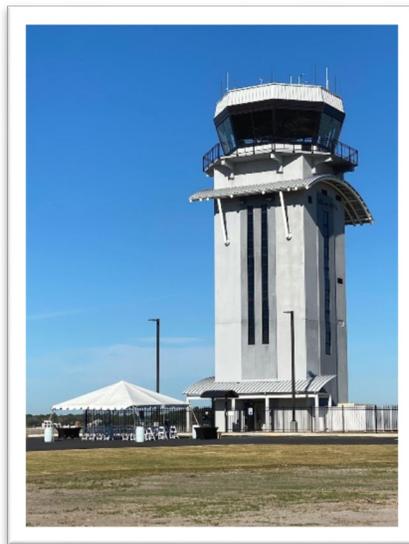
City Capital Expense-School Improvement Funds + Operations 46,023,089

*Justice Center Design reduced by \$1.17 million to \$2.71 million to agree to Council Resolution expense total

**Gulf Coast Center for Ecotourism Improvements reduced by \$150K to \$5.55 million to cover Ecotourism Center Operating Costs



Meyer Park and Gulf Place Playground Shade Structures



Airport Tower



Beach Walking District Improvements

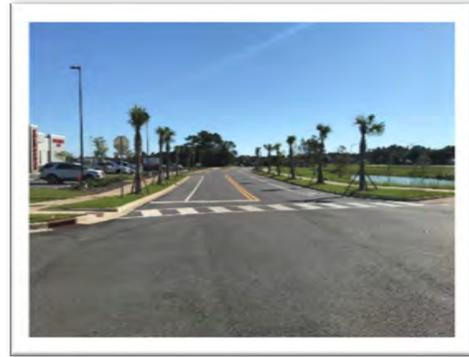
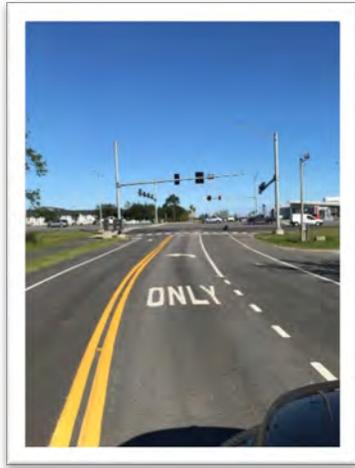


Coastal Gateway Improvements



New Equipment & Vehicles





Medical Village



Lagoon Pass Park Boardwalk



Fort Morgan Trail Improvements



Beach Walking District Progress

Ten Year Capital Plan

**City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2022**

Department	Description	Priority	Suggested Fund Source	2022	2023
EXECUTIVE	NFWF Oyster Bay Restoration Fund 42 2021		100% NFWF	875,000	125,000
	Little Lagoon Restoration Fund 42 2021		100% Restore	2,551,457	2,079,171
	Subtotal EXECUTIVE			3,426,457	2,204,171
BUILDING	Vehicles/Equipment		ADEM \$42K budget	40,500	
	Subtotal BUILDING			40,500	
CDD	City Arborist Truck		General Fund		
	Subtotal CDD				
FIRE	Replace Response Vehicles	1	Impact Fees	45,000	45,000
	New vehicle for new Chief of Staff				
	Ladder Truck				
	Replace Fire Engine				
	Replace Ambulance				383,000
	Replace Utility Truck				150,000
	Replace Rescue Truck 2010				
	Replace Holmatro Tool Set	1	Impact Fees	40,000	40,000
	New Airport Fire Truck Expans.		Bond		50,000
	700 mhz Handheld Radios	1	General Fund		390,000
	Polaris ATV	1	Impact Fees	20,000	20,000
	Replacement Equipment	1	Impact Fees	20,000	20,000
	Replace Thermal Imagers x 2				40,000
	SCBA Air Compressor				150,000
	Air Bag Rescue Set				
	Replace Cardio Defibrulators (22)		General Fund	35,000	
	Replace Cardio Defibrulators (10)		Impact Fees	20,000	
	Fire Station 5 (Coastal Gateway)				200,000
	Airport Fire Station				
	43-879-80911 Oyster Bay Fire Station Purchase		Borrowed Funds 40		
	43-879-80873 Oyster Bay Station 4 Design		Borrowed Funds 40	-	
Oyster Bay Station 4 Remodel		Borrowed Funds 40	400,000		
Fire Training Center		General Fund	720,000	600,000	
Station 2 Paint/Refresh/Flooring					
Fire Station Alerting System			100,000		
Backup Generators			70,000		
Fire/Rescue Boat		PSG/ ADEM		260,000	
Beach Rescue					
Replace Response Vehicles		Beach Fund	45,000		
Replace UTVs		Beach Fund	77,500	18,000	
Monitoring-Beach Renourishment/Dune Enhance		Beach Fund			
Replace Jet skis		Beach Fund		45,000	
Lifeguard Towers Repair/replace		Beach Fund		10,000	
Subtotal FIRE			1,592,500	2,421,000	
POLICE	Justice Center - Expansion				
	Replace Vehicles (8)	1	General \$105K	610,400	366,100
	Replacement Vehicle (2)	1	Impact Fees	106,400	159,300
	Pick Up Truck 2500 (Pull Patrol Boat)				55,000
	License Plate Readers	3			
	Justice Center Design	1		2,710,000	14,060,000
	MCC 7500 model consoles				
	Lap Top Computers for Patrol Cars				40,000
	Replace all Portable & Mobile Radios				
	Replace Command Vehicle Mast Camera			17,500	
	Replace Sierra Wireless Routers				
	Drone		Asset Forfeiture funds	40,000	
	Patrol In-Car Cameras				
	Patrol Boat				200,000
	Beach new vehicle (Community Service Officer)		Beach Fund		
	Beach ATVs		Beach Fund	45,000	
	Parking Pay Stations			24,000	
BearCat Armored Vehicle		Asset Forfeiture funds			
Jail Metal Detector				17,000	
Replace Jail Finger Print LiveScan					
Patrol K9			10,000		
Bomb K9				9,500	
Subtotal POLICE			3,563,300	1,551,900	

**City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2022**

2024	2025	2026	2027	2028	2029	2030	2031
125,000	125,000						
761,867	422,029						
886,867	547,029						
45,000			200,000	95,000		95,000	
1,407,000	1,465,000			1,600,000			
	150,000					175,000	
		550,000			50,000	50,000	
			20,000	20,000	20,000		20,000
20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
						150,000	
			75,000			400,000	
200,000	1,100,000	1,100,000					
2,200,000							
	65,000						
	45,000				50,000	50,000	
72,000	18,000	72,000	18,000	72,000	18,000	72,000	18,000
		38000					
10,000	10,000	10,200	10,404	10,612	10,824	11,041	11,262
3,954,000	2,893,000	1,790,200	343,404	1,817,612	168,824	1,023,041	69,262
316,800	316,800	538,000	538,000	383,600	328,800	385,000	330,000
158,400	158,000	215,200	161,400	164,400	164,400	165,000	165,000
				55,000			
14,060,000							
292,000	292,000	292,000	50,000		45,000		
		400,000		60,000			
45,000			50,000			55,000	300,000
50,000		55,000		60,000		65,000	150,000
					40,000		
	10,000	10,000	10,000			11,000	
						11,000	
14,922,200	766,800	1,510,200	799,400	723,000	578,200	692,000	945,000

**City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2022**

Department	Description	Priority	Suggested Fund Source	2022	2023
ENGINEERING	Streets Resurfacing	9	General Fund	1,100,000	1,100,000
43-879-65530	Beach Blvd Improvements Hwy 182	8		200,000	75,000
42-879-65535	RESTORE- Waterway East Extension	3	Design 100% City	6,718,476	7,412,092
42-879-65540	RESTORE - East Canal Realignment	4		342,266	5,779,665
42-501-81000	BUILD - Medical Village Phase 1	1			
42-501-81000	BUILD - Medical Village Phase 2	2			
40-879-65560	BUILD - Pedestrian Bridge	5		5,810,748	7,634,640
40-879-65555	BUILD - Hwy 59 Widening	6		3,880,065	4,231,663
40-879-65520	BUILD - County Road 6 West			130,930	190,782
42-879-80911	Ft Morgan Rd Access Management				
	W 20th Avenue / W 1st St Intersection				
40-879-65540	Walking District Parking/Streetscape	7		886,047	2,037,484
42-879-80911	4th Street Bridge & 1 Ped Bridge	11		80,000	500,000
42-879-80911	Beach Access Replacement	10		200,000	200,000
	Fort Morgan Trail Phase II LBC		Borrowed/Grant Funds		
	CGB to CR 6 Connector Road			215,000	1,558,000
	Waterway West			3,550,000	10,000,000
	Windmill Ridge Road & Ped Bridge				100,000
Vehicles	Replacement Vehicles			35,000	38,000
Large Equipment	Survey Equipment for inspections/drainage			30,000	
	City Hall EIFs Replacement				325,000
	Library Roof Replacement				465,000
	Tennis Court LED Lights				5,000,000
	Beach Renourishment			4,937,000	
	Beach Renourishment - Annual survey & monitor		Beach Fund	78,000	
	West 4th Ave Roadway Improvements			150,000	123,000
	200 Clubhouse Wind Retrofit			206,000	200,000
	200 Clubhouse Police Generator			125,000	
			Subtotal	28,674,532	46,970,326
			City funds estimate	7,014,336	27,613,607
					City fu
PUBLIC WKS					
	Rec Center Boiler System Repair	1			
	Rec Center Controls Upgrade	3			
	Rec Center Potable Water Storage Tank	2			
Vehicles	Replace Vehicles/Equipment	3		150,000	153,000
Large Equip.	Excavator				126,000
	Street Sweeper				135,000
	Street Sweeper (Pickup Truck Mounted)				
	Dump Truck (16YD)				
	Double-Sided VMS (1)				17,000
	Backhoe replacement				
	Bucket truck	5			
	Knuckle Boom 2	1		333,000	166,500
	100 HP Tractor			80,000	
	Tree Spade (Landscaping)			60,000	
	Belly Broom				
	Beach Rake replacement		Beach Funds		70,000
	Side/Brush Cutter			140,000	
	Semi Truck (pulls lowboy trailer)	6			
	Generator				100,000
	UTV for beach & Recycling Equipment	4		30,300	30,603
	Trailer - Recycle Center		Beach Funds	12,000	
	Zero Turn Mower 4			36,000	36,500
	Ditch Witch				
	Chipper for debris removal/storms				
	Grass Aerator				9,000
	Floor Cleaner				10,000
	Rubber Trac Excavator			95,000	
	Dump Truck			130,000	
	Heavy Equipment Overload Trailer			30,000	
	Grading Equipment			10,000	
	Subtotal PUBLIC WORKS			1,106,300	853,603

**City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2022**

2024	2025	2026	2027	2028	2029	2030	2031
1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,111,000	1,111,000
5,779,655	498,233						
1,286,542 1,067,277 2,927,294	1,712,266						
500,000 100,000	500,000						
4,371,000 2,000,000 45,000	150,000 3,371,000					150,000	
375,000 165,000			40,000	130,000	42,000	50,000	
19,716,768 11,706,748 nds needed 2022-25	7,331,499 6,979,499 53,314,190	1,100,000 1,100,000	1,140,000	1,230,000	1,142,000	1,311,000	1,111,000
156,060	159,181	162,365	165,612	168,924	172,303	175,749	176,300
40,000 50,000 18,000		19,000	145,000	135,000 45,000 60,000 20,000		21,000	
160,000 168,165 55,000	150,000 169,847	171,545 60,000 75,000	165,000 173,261	174,993 110,000	176,743 65,000 80,000	160,000 170,000 178,511	181,000
30,909 13,000	60000 31,218	130,000 31,530 14,000	31,846	32,164 15,000	160,000 32,486	32,811 16,000	33,200
37,000 40,000	37,500	38,000 12,000	38,500	39,000	39,500 45,000 70,000	40,000	40,500
768,134	607,746	713,440	719,218	800,082	841,032	794,070	431,000

**City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2022**

Department	Description	Priority	Suggested Fund Source	2022	2023
RECREATION	Branding/Wayfinding			40,000	20,000
	r Replace Vehicles			37,500	37,500
	Utility Vehicle (School)				
	n People Mover (Electric)				17,000
	r Replace Utility Vehicle			14,000	
	r 50hp Tractor with Turf Tires				
	r Spray Rig		Impact Fees		50,000
	Replace 5 gang rotary mower				
	r Reel Mowers (4) Lease; one addl 2022 for school		Operational	52,000	52,000
	r Grand Stand Mowers		General Fund		20,000
	r Zero Turn Mowers(s) 1 Spts Plx, 1 Parks			25,000	
	r Vicon Spreader		General Fund	30,000	
	r Field Rakes				30,000
	r Turbine Blower			8,000	
	Floor Scrubber				
	r ADA Pool Lift			10,000	
	r Portable Personnel Lift			15,000	
	Shade Tents				
	m Tennis Court Resurface-Hard				
	m Tennis Court Resurface-Soft				
	e Sims Park Backstop/Concrete Pads				40,000
	r Kids Park Playground Replacement			100,000	100,000
	r/n Outdoor Fitness Equipment				25,000
	Bodenhamer Gym Repairs				60,000
	e Recreation Center North				
	m Bodenhamer Interior Repairs		Impact Fees		
	m Bodenhamer Parking Lot			150,000	495,000
	e Civic Center Improvements				8,000
	m Mo's Landing Improvements				30,000
	Meyer Park Shade Sail Structures				
m Sportsplex Painting				100,000	
m Outdoor Track Resurfacing				1,000,000	
r Fitness Equipment					
r City Decorations			50,000	50,000	
Digital Sign @ Hwy 59					
e Cultural Center Auditorium					
Tennis Center/Pool House Flooring					
Portable Ball Field Fence					
Waterway Village Improvements				65,000	
n Mobile Retail Unit					
Community Park Development			300,000	600,000	
Pickleball Courts		\$300K GCCVB	298,000		
r Activity Center Chairs			30,000		
Subtotal 2020				1,159,500	2,799,500
Cousteau Capital		100% Restore	5,550,000	2,000,000	
e Gulf Place Upgrades					
Laguna Cove Protection Project Restore Grants			870,000		
Subtotal RECREATION				7,579,500	4,799,500
FINANCE & A. IT DIVISION	Dell Isilon Storage Device	2	Capital Lease		
	Cisco Call Manager	2	Operational		
	Wireless LAN Upgrade Project	1	Capital		
	Nimble/HPE Storage Expansion	1	Capital		
	Cisco 4506 Core Upgrade	2	Capital		
	New paint and flooring for IT office downstairs	2	Capital		
	GIS Operational Line	1	Operational		
	IT Command Trailer for Events	1	Capital		
	Citywide Audi/Video Upgrades	2	Capital	10,000	

**City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2022**

2024	2025	2026	2027	2028	2029	2030	2031
40,000	20,000	20,000	20,000	20,000	20,000	20,000	
38,000		80,000	40,000	40,000	80,000	40,000	
	16,000					16,000	
32,000	16,000		34,000				
	67,000			70,000			
52,000	52,000	57,200	57,200	57,200	57,200	62,920	62,920
27,000				22,000 30,000			
30,000						30,000	
	10,000				15,000	12,000	
	15,000	120,000				15,000	
	80,000				90,000	140,000	
	25,000						
65,000							
495,000							
				100,000			
			125,000				
50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
65,000			50,000				
5,000,000	5,000,000						
	50,000						
5,894,000	5,401,000	327,200	376,200	389,200	312,200	385,920	112,920
5,894,000	5,401,000	327,200	376,200	389,200	312,200	385,920	112,920
60,000			60,000			60,000	
45,000	75,000		53,000			60,000	
98,000					98,000		

**City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2022**

Department	Description	Priority	Suggested Fund Source	2022	2023
F&A Continued	Fiber Optic Improvements Citywide	1	Operational	30,000	30,000
	Subtotal IT DIVISION			40,000	30,000
GRAND TOTAL ALL DEPARTMENTS				46,023,089	58,830,500
	By potential funding source:		Capital Only		
			ADEM	40,500	
			FEMA/ADEM	3,967,907	3,887,230
			ALDOT RESTORE	6,718,476	11,013,474
			BUILD	9,690,813	7,240,168
			ATRIP 2		923,077
			FAA Grant		180,000
			ADECA Ft.Morgan trail 50%		
			DCNR Lagoon Pass		
			TAP TAPAA-TA19(924)	533,000	
	Durham Development - total \$1.2 million parking spaces fee			-	
	Waterway East - Mattei Donation (1/2 of non-grant cost)				
	Medical Complex - South Baldwin Contribution				
			Impact Fees Fire	100,000	
			Impact Fees Police	106,400	
			Impact Fees Rec	643,000	
			Impact Fees PW	750,000	
			Beach Funds	311,800	
			NRDA/ 10 yr LOC		
			Restore/NFWF	9,846,457	4,204,171
			Bond/Bank LOC	11,144,336	27,613,607
			Subtotal Other Funds	43,852,689	55,061,727
			City General Funds	2,170,400	3,768,773
			Operational General	522,000	
			General Fund Capital vehicles/equipment	2,141,400	
			ADEM	40,500	
			FEMA/ADEM	3,967,907	3,887,230
			ALDOT RESTORE/BUILD/FAA	16,942,289	19,356,719
			Developer Contributions	40,000	-
			2016 10 Yr LOC		
			Line of Credit Non taxable Borrowed Funds	10,611,336	27,613,607
			Restore/NFWF Funds	9,846,457	4,204,171
			Impact Fees	1,599,400	
			Beach Recycling	311,800	
			All Major projects total	46,023,089	
			All Major projects total w/out operations & Restore		-

**City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2022**

2024	2025	2026	2027	2028	2029	2030	2031
30,000	20,000	20,000	10,000	10,000	10,000	10,000	10,000
233,000	95,000	20,000	123,000	10,000	108,000	130,000	10,000
46,374,969	17,642,074	5,461,040	3,501,222	4,969,894	3,150,256	4,336,031	2,679,182
4,224,000	352,000						
1,575,251							
230,769							
1,980,000							
886,867	547,029						
11,706,748	6,979,499						
20,603,635	7,878,528	-	-				
25,771,334	9,763,546	5,461,040	3,501,222	4,969,894	3,150,256	4,336,031	2,679,182

8,010,020	352,000
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11,706,748	6,979,499
886,867	547,029

City of Gulf Shores Revenue, Expense and Reserve Funds Usage projected 2022

	Amended 2021 Budget	Debt % of Budget	2022	Debt % of Budget	2023	Debt % of 4% Budget	2024	Debt % of 4% Budget	2025	Debt % of 4% Budget
Total Revenue (1)	51,873,362	16%	51,865,874	16%	53,940,509	16%	56,098,129	15%	58,342,054	15%
Total Expense	49,400,488	0%	50,434,064	2%	51,442,745	2%	52,305,886	2%	53,168,547	2%
Prior Year Debt	(9,151,829)		(8,472,392)		(8,523,301)		(8,528,053)		(8,515,157)	
Current Year Debt	8,472,392	17%	8,523,301	17%	8,528,053	16%	8,515,157	16%	8,574,291	16%
Growth % net of debt		0%		2%	858,389	2%	875,557	2%	893,068	2%
Estimated Annual Expenses	49,400,488		50,434,064		52,305,886		53,168,547		54,120,749	
Reserve Amount 12/31/20	54,266,814	110%	56,739,688	113%	58,171,498	113%	59,806,121	114%	62,735,703	118%
Reserve Balance *	54,266,814		56,739,688		58,171,498		59,806,121		62,735,703	
Return to Reserves (Revenue - Expenses)	2,472,874		1,431,810		1,634,623		2,929,582		4,221,306	
Reserve Balance with return to Reserves	56,739,688		58,171,498		59,806,121		62,735,703		66,957,009	
Reserves Target % of Expenses	34,580,342	70%	35,303,845	70%	36,614,120	70%	37,217,983	70%	37,884,524	70%
Cash Reserves as % of Budget Expense	115%		115%		116%		120%		126%	
Cash Reserves as % of Budget Revenue	109%		112%		111%		112%		115%	

(1) Revenue growth from 2011 to 2020 averaged 6.7% without the 2018 Lodging Tax increase of 2%

*Beginning 2021 reserve amount is from 2020 audit.

The City of Gulf Shores Revenue, Expense and Reserve funds are projected from 2021 to 2031 in the spreadsheet above. Revenue was budgeted to not increase in 2021 and increase in 2022 only 2% reflecting a general slowing projected in the national economy due to the continuing effects of COVID-19. Actual Lodging Tax collections are up \$3.3 million for the 2021 year-to-date due to the beach closure in April and part of May 2020 because of COVID-19, causing revenues to appear to be substantially larger in 2021.

Revenue is projected to grow .9% in 2022 due to the 3% Lodging Tax increase beginning September 2022. Four percent growth is projected for 2023 to 2031. Expenses net of debt service are projected to grow conservatively at 2% to 2028 and at 3% from 2028 to 2031. A decline in total expenses in 2029 may occur with the payoff of long term debt issues occurring in 2028. Debt service is estimated at between \$4.8 and \$8.6 million annually, which may increase depending whether long term debt is issued in 2022. Provision is made in 2022 for \$2,531,900 in rolling stock and major capital repair expense. Reserve targets are 70% in 2021 and will be maintained at that level for the near future. Reserves in 2020 were 90% of revenues and 114% of expenses.

The Forecast only included the General Fund of the City of Gulf Shores, since all the other funds are dependent on the General Fund either by transfer or repayment of borrowed funds. By 2023, it is estimated that the \$2 million annual subsidy to the Gulf Shores City School System will no longer be needed and the City School System should have enough revenues

City of Gulf Shores Revenue, Expense and Reserve Funds Usage projected 2022

	Debt		Debt		Debt		Debt		Debt		Debt	
	2026	% of 4% Budget	2027	% of 4% Budget	2028	% of 4% Budget	2029	% of 4% Budget	2030	% of 4% Budget	2031	% of 4% Budget
Total Revenue	60,675,737	14%	63,102,766	13%	65,626,877	11%	68,251,952	7%	70,982,030	7%	73,821,311	6%
Total Expense	54,120,749	2%	54,788,234	1%	55,729,140	2%	56,283,743	1%	55,062,687	-2%	56,573,992	3%
Prior Year Debt	(8,574,291)		(8,330,847)		(8,342,605)		(7,475,612)		(4,790,313)		(4,793,446)	
Current Year Debt	8,330,847	15%	8,342,605	15%	7,475,612	13%	4,790,313	9%	4,793,446	8%	4,786,869	8%
Growth % net of debt	910,929	2%	929,148	2%	1,421,596	3%	1,464,244	3%	1,508,171	3%	1,553,416	3%
Est. Annual Expenses	54,788,234		55,729,140		56,283,743		55,062,687		56,573,992		58,120,831	
Estimated Reserves	66,957,009	124%	72,844,512	133%	80,218,139	144%	89,561,273	159%	102,750,537	187%	117,158,576	207%
Reserve Balance	66,957,009		72,844,512		80,218,139		89,561,273		102,750,537		117,158,576	
Return to Reserves	5,887,503		7,373,627		9,343,134		13,189,264		14,408,038		15,700,480	
Reserve Balance with return to Reserves	72,844,512		80,218,139		89,561,273		102,750,537		117,158,576		132,859,056	
Target % of Expenses	38,351,764	70%	39,010,398	70%	39,398,620	70%	38,543,881	70%	39,601,794	70%	40,684,582	70%
% of Budget Expense	135%		146%		161%		183%		213%		235%	
% of Budget Revenue	120%		127%		136%		151%		165%		180%	

CITY OF GULF SHORES, ALABAMA
DEPARTMENTAL INFORMATION
FISCAL YEAR 2022

**City of Gulf Shores, Alabama
2022 Annual Budget
Personnel - All General Fund**

Fund	Department	2020	2020	2021	2021	2022	2022
		Full time	Part time	Full time	Part time	Full time	Part time
General	Executive	13	0	13	0	13	0
	Human Resources	3	0	3	0	3	0
	Finance & Administrative Services	18	1	18	1	18	1
	Municipal Court	6	0	6	0	6	0
	Police	71	0	76	1	79	1
	Fire & EMS	55	34	59	43	69	43
	Planning And Zoning	5	0	5	0	6	0
	Building	7	0	7	0	7	0
	Recreation & Cultural Affairs	3	0	3	0	3	0
	Events & Programs	4	4	6	2	6	2
	Library	8	2	8	3	8	3
	Recreation - Bodenhamer	20	20	20	20	20	20
	Recreation - Sportsplex	7	0	7	0	7	1
	Recreation - Parks	6	1	6	1	6	0
	Recreation - School Landscaping	2	0	2	0	2	0
	Eco-Center	0	0	0	0	2	0
	Recreation - City Store	1	3	1	3	1	3
	Public Works - General Services	5	0	5	0	5	0
	Public Works - Custodial	9	0	9	0	9	0
	Public Works - Landscaping	10	0	10	0	10	0
	Public Works - Streets	20	0	23	0	26	0
	Public Works - Maintenance	9	0	9	0	9	0
	Engineering	6	1	6	1	6	1
	Airport Authority	2	0	2	0	2	0
	Total	290	66	304	75	323	75

New Full Time Positions Approved 2022

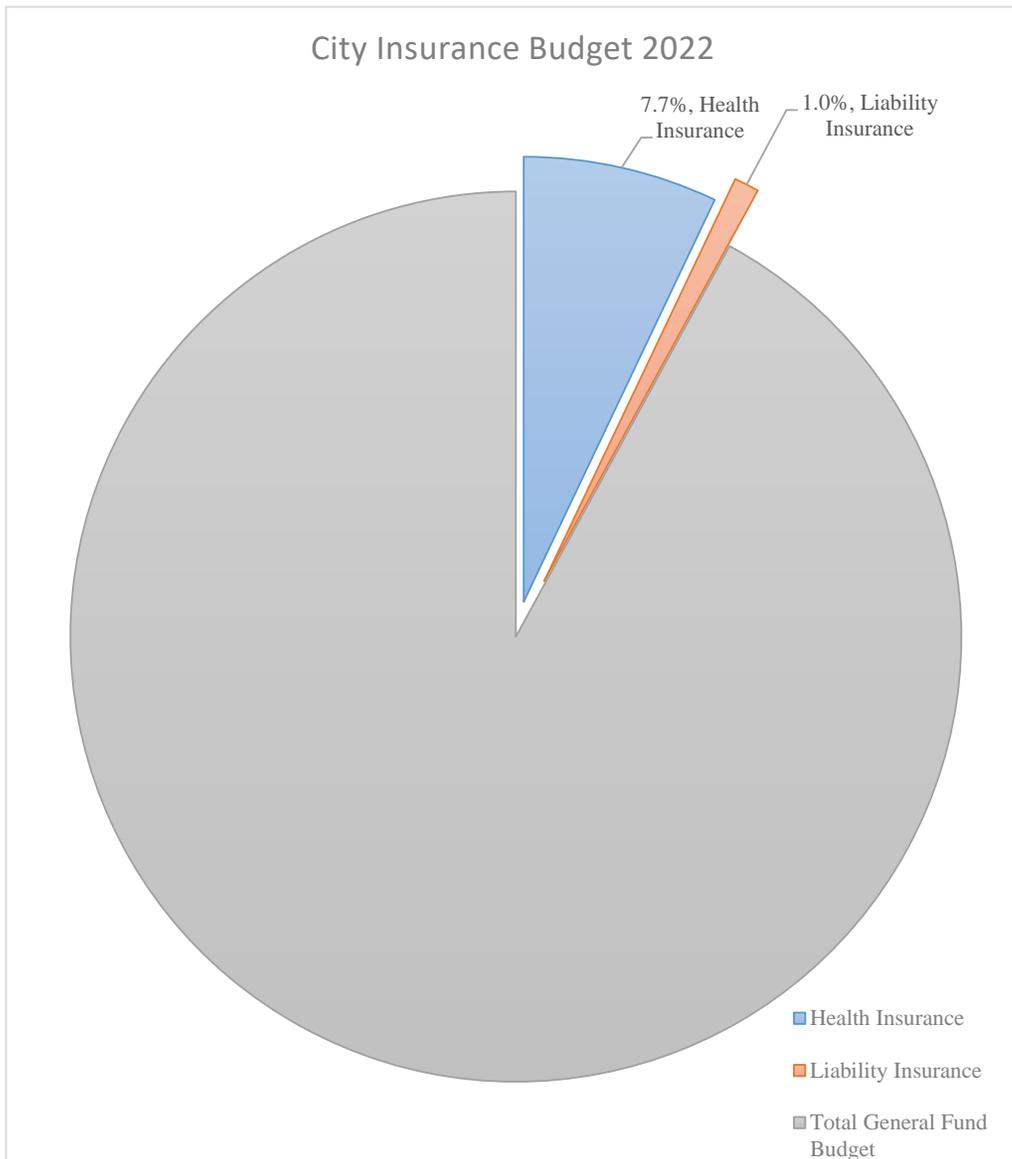
City Arborist	1
Equipment Operator I	3
Deputy Fire Marshall	1
FF/Paramedic - (5)	5
FF/EMT - (4)	4
Eco Center Maint Supv	1
Eco Center Manager	1
Police Officers (3)	3
Total Approved	19

CITY OF GULF SHORES, ALABAMA
EXPENDITURES BY CATEGORY
BUDGET YEAR ENDING DECEMBER 31, 2022

Department	Personnel	Operations	Capital Outlay	Debt Service	Transfers	Total
General Fund:						
Executive	1,164,087	687,975	-			1,852,062
Human Resources	641,262	123,544	-			764,806
Finance & Administrative Services	1,533,527	2,071,939	10,000			3,615,466
Municipal Court	485,484	13,290	-			498,774
Police	7,047,340	1,136,901	637,900			8,822,141
Fire & EMS	6,161,342	901,040	250,000			7,312,382
Planning & Zoning	655,371	80,241	-			735,612
Building	639,679	56,450	40,500			736,629
Recreation & Cultural Affairs	410,451	57,942	-			468,393
Events & Programs	475,050	383,324	-			858,374
Library	595,866	104,620	-			700,486
Recreation - Rec & Wellness	1,982,573	546,098	-			2,528,671
Recreation - Sportsplex	783,630	475,460	64,500			1,323,590
Recreation - Parks	432,512	168,713	50,000			651,225
Rec- School Ground Maintenance	156,149	68,522	-			224,671
Eco-Center	64,520	11,140	-			75,660
City Store	115,093	80,710	-			195,803
Public Works - General Services	401,712	13,550	-			415,262
Public Works - Custodial	492,852	84,750	37,500			615,102
Public Works - Landscaping	801,097	189,400	60,000			1,050,497
Public Works - Streets	1,647,020	1,209,000	1,279,000			4,135,020
Public Works - Maintenance	756,836	471,400	37,500			1,265,736
Engineering	646,465	116,350	65,000			827,815
Airport Authority	177,675					177,675
Appropriations	0	932,981				932,981
Transfers Out	0	0			9,649,230	9,649,230
General Fund Totals	<u>28,267,593</u>	<u>9,985,340</u>	<u>2,531,900</u>	<u>0</u>	<u>9,649,230</u>	<u>50,434,063</u>
% of Total	56.0%	19.8%	5.0%		19.1%	
Other Funds:						
Special Revenue						
Designated Taxes		35,000			527,000	562,000
Impact Fees		100,000	1,499,400			1,599,400
Beach Restoration & Projects	1,059,929	315,100	311,500			1,686,529
Capital Improvements-Fund 38 Trans			4,200,000		40,000	4,240,000
Storm Damage Fund			481,000		4,937,000	5,418,000
Capital Projects Taxable (Fund 42)			31,529,989			31,529,989
Capital Projects NonTax (Fund 40)			4,610,000			4,610,000
Debt Service				8,916,152		8,916,152
Subtotal Other Funds	<u>1,059,929</u>	<u>450,100</u>	<u>42,631,889</u>	<u>8,916,152</u>	<u>5,504,000</u>	<u>58,562,070</u>
Grand Total	<u>29,327,522</u>	<u>10,435,440</u>	<u>45,163,789</u>	<u>8,916,152</u>	<u>15,153,230</u>	<u>108,996,133</u>
				Total Expenditures		<u>\$ 108,996,133</u>

City Insurance Budget 2022

	Budget 2022	% of Total Budget
Health Insurance	\$3,866,316	7.7%
Liability Insurance	\$496,000	1.0%
Total General Fund Budget	\$50,434,063	



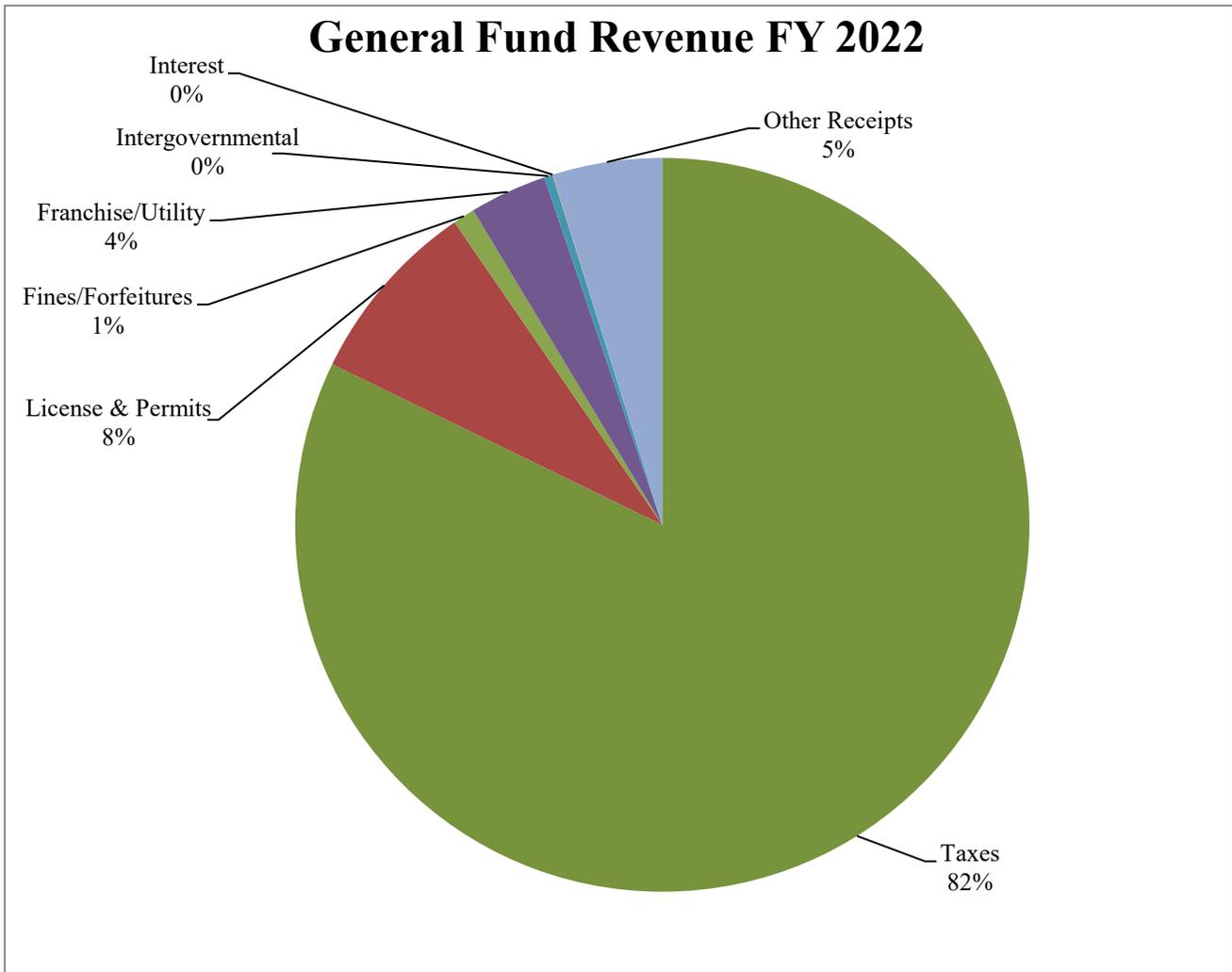
Health Insurance is included in the Personnel expense for each departmental budget.

Liability Insurance is included in the Finance & Administrative Services budget as an operations expense.

The City of Gulf Shores, Alabama

General Fund Budget Summary

GENERAL FUND REVENUE	2019 Actual	2020 Actual	2021 Amended Budget	2022 Council Adopted	% of Total General Fund
Taxes	\$ 37,649,269	\$ 38,131,093	37,564,000	\$ 42,640,010	82%
License & Permits	4,088,484	4,625,850	3,873,000	4,261,000	8%
Fines/Forfeitures	485,860	384,382	500,000	500,000	1%
Franchise/Utility	1,756,512	1,442,306	1,462,000	1,762,000	3%
Intergovernmental	4,161,647	856,534	279,993	191,900	0%
Interest	296,910	288,018	145,250	12,260	0%
Other Receipts	5,318,065	15,797,748	8,049,119	2,498,704	5%
Total General Fund Revenues	\$ 53,756,747	\$ 61,525,931	\$ 51,873,362	\$ 51,865,874	100%



The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget

	2019	2020	2021	2022	% Change	2023
	Actual	Actual	Amended Budget	Council Adopted	2021 to 2022	Projected
EXECUTIVE						
Expenditures						
Personnel	961,099	945,411	1,108,402	1,164,087	5%	1,152,141
Operations	700,817	550,972	756,475	687,975	-9%	756,475
Capital Outlay	3,644,220	7,500	0	0	n/a	0
Executive Total	5,306,136	1,503,883	1,864,877	1,852,062	-1%	1,908,616

Executive Personnel

	2019	2020	2021	2022
	Actual	Actual	Budget	Adopted
Positions				
Mayor	1	1	1	1
Council Members	5	5	5	5
City Administrator	1	1	1	1
City Clerk	1	1	1	1
Economic Dev Coordinator	1	1	1	1
Environmental Grants Coordinator	1	1	1	1
Public Engagement Manager	0	0	1	1
Records & Archives Clerk	1	1	1	1
Asst. Admin/City Clerk	1	1	1	1
Total Personnel	12	12	13	13

Executive Department Functions:

Mayor and City Council

The Mayor and Council were elected in 2020 to serve a full term of four years beginning on November 2, 2020. In April, 2021 the Alabama Legislature passed Act #2021-157 that extended the term of most Alabama City Council's by one year in an effort to minimize the impact on election training, staffing and voters during the Presidential election. The Council's new term will now end one year later in November, 2025.

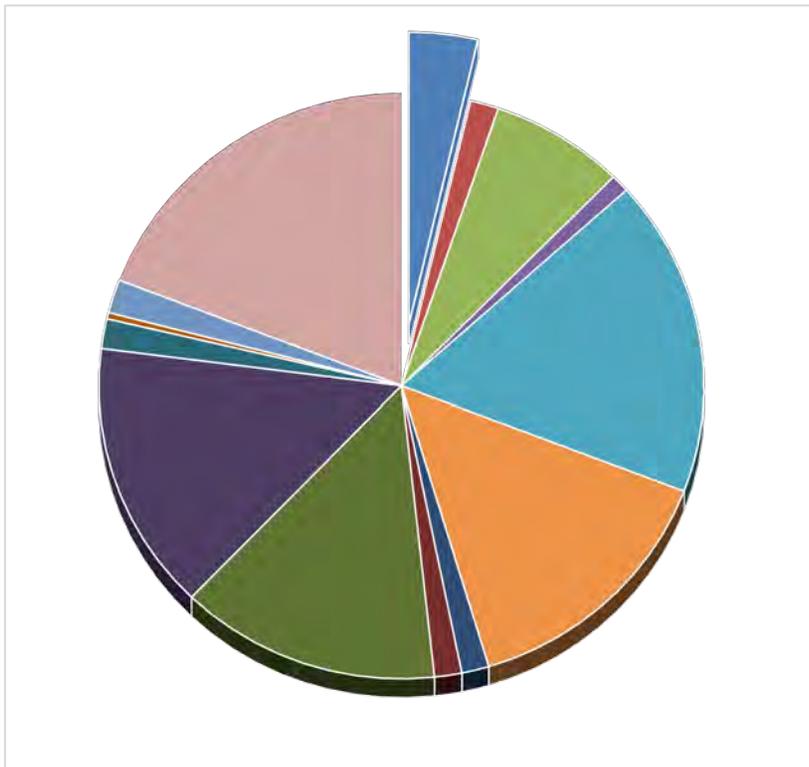
The City's Vision 2025 Plan for Sustainability focuses on five core values: Medical, Education, Gulf State Park, Waterway District, and Gulf Beach District. Every project, grant, budget, policy and decision centers on enhancing and advancing at least one of the core values as noted in the adoption of the Ordinances below.

City Clerk

The goal of the City Clerk's office is to accurately record all official actions of the governing body. The City Clerk is keeper of the official city seal. The City Clerk's office maintains, indexes, and preserves all official city documents. The Clerk's office prepares meeting notices and agendas, resolutions and ordinances, advertises bids, receives all claims filed against the city; updates and distributes supplements to the City Code of Ordinances; conducts impartial municipal elections, and provides notary and multiple miscellaneous services to citizens, elected officials, city departments and outside organizations.

Executive Staff:

Continue to provide outstanding professional service and support to the Mayor, Council, City Administrator and internal staff while offering excellent customer service to citizens through good communication, technology and transparent reporting.



Expenditure Budget 2022
 \$ 1,852,062
 3.7%
of General Government

General Government Expenditure Budget: \$50,434,063

Economic Development Coordinator:

Completed construction of a new air traffic control tower at Jack Edwards National Airport which will help facilitate commercial flight opportunities.

Completed construction of South Baldwin Regional Medical Center’s new Freestanding Emergency Department to enhance the quality and availability of emergency medical services in our community.

Completed a target market analysis to identify the market potential for various land uses citywide and within priority development areas such as the Medical Village, Waterway Village and Gulf Beach District.

Completed a funding and development agreement with Coastal Resort Properties LP to provide critical right-of-way and funding for the extension of Waterway East Boulevard.

Completed a Campus and Facilities Master Plan with Gulf Shores City Schools to identify capital needs for existing and future school campuses.

Environmental/Grants Coordinator: Continue to work with other departments to implement grant funded projects from RESTORE, NFWF, NRDA, BUILD, etc. Manage restoration projects including the RESTORE-funded Little Lagoon Restoration Project and the NFWF-funded Oyster Bay Wetland Restoration. Work with the Department of Recreation and Cultural Affairs, Gulf Shores City Schools, and the Gulf Coast Center for Ecotourism & Sustainability to develop and establish environmental stewardship programs as part of the City’s RESTORE-funded Eco Center project. Continue to develop and pursue grant funding from state and federal agencies for environmental and infrastructure projects. Continue to represent the City on environmental issues to regional entities.

Department: Executive - Major Accomplishments:

Mayor and Council authorized core value projects:

- Amend Code - Adopt 2021 International Building Codes and Supplemental Requirements **(Building)**
- Amend Code - Adopt Tree Protection Ordinance **(Building)**
- Amend Code - Lower Speed Limits on Certain Streets **(Transportation)**
- Amend Code - Regulate Rented Motorcycles and Motor-Drive Cycles **(Transportation)**
- Accept Bid - \$1.8M - Medical Village Access Improvements Phase 1B **(Medical)**
- Accept Bid - \$1M - Enhance Beach Walking District **(Gulf Beach District)**
- Accept Bid - City Wide Drainage Maintenance Project **(Environmental)**
- Authorize Purchase of Real Property - 7.47 acre ROW for future road construction **(Major Street Plan)**
- Authorize Continuance of Mayor Council Form of Government through 2030 **(Legislative)**
- Authorized BUILD Grant and RESTORE Grant Transportation Projects Contracts (\$7.8M) **(Environmental)**
- Accepted FAA Grant for construction of Air Traffic Control Tower Facility (\$5.3M) **(Airport)**
- NFWF Grant - Funding for Bon Secour/Oyster Bay Wetland Restoration **(Environmental)**

Executive Office

	2019	2020	2021	2022
	Actual	Actual	Actual	Target
Goals				
City Council Agenda dispatch packages available by deadline	99%	99%	99%	100%
Ordinances processed	39	23	38	25
Resolutions processed	107	78	95	80

The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget

	2019 Actual	2020 Actual	2021 Amended Budget	2022 Council Adopted	% Change 2021 to 2022	2023 Projected
HUMAN RESOURCES						
Expenditures						
Personnel	515,357	529,620	618,484	641,262	4%	621,715
Operations	122,414	82,478	132,644	123,544	-7%	132,644
Capital Outlay	0	0	0	0	n/a	0
Human Resources Total	637,771	612,098	751,128	764,806	2%	754,359

Human Resources Personnel

	2019 Actual	2020 Actual	2021 Budget	2022 Adopted
Positions				
Human Resources Officer	1	1	1	1
Payroll & Benefits Specialist	1	1	1	1
Admin. Asst. II (Full-time)	1	1	1	1
Total Personnel	3	3	3	3

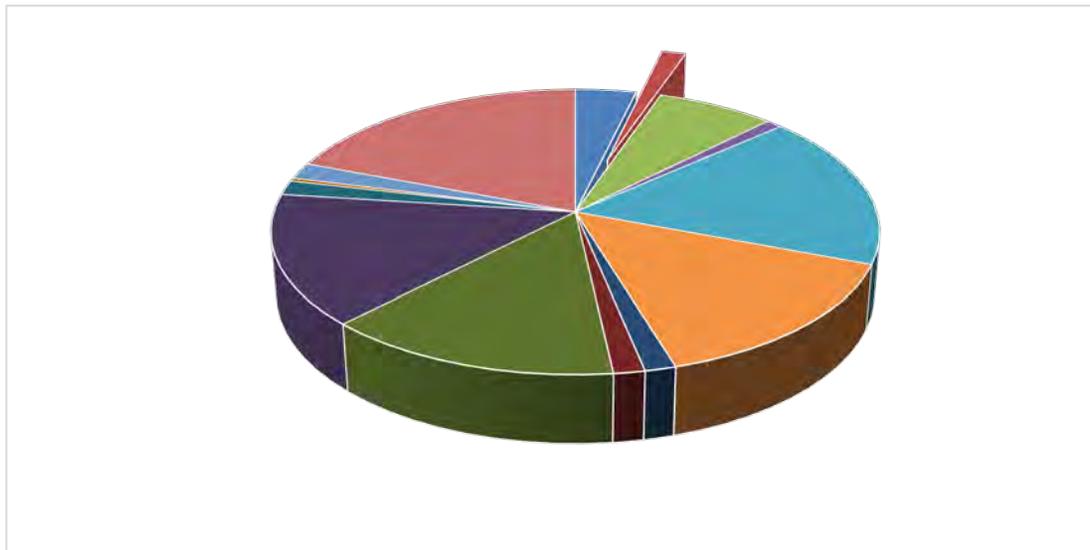
Human Resources Department Functions:

The Human Resources Department's main function is the administration of the City's compensation and benefits strategy in order to attract and retain the best qualified applicants for the job. The department's functions also include job analysis and classification, recruitment, testing, and developing training programs. The department works with management in the development and implementation of policies and procedures in order to be in compliance with all applicable Federal and State laws so as to maintain a fair, equitable and positive work environment for our employees. The department also oversees and manages the City's wellness program and Symbol Clinic.

Expenditure Budget 2022

\$ 764,806

1.5% of General Government



General Government Expenditure Budget: \$50,434,063

Major Accomplishments:	2020 Actual	2021 Budget	2022 Target
Increased Employee Participation in Wellness Program	78%	77%	80%
Implemented Slavin Compensation Study	100%	Maintain	Expand
Improved Tier 2 RSA benefits by offering Tier 1 Benefits	100%	Maintain	Maintain

Vision 2025 Core Value: We commit to excellence and the highest quality of standards

Strategy: Sustainability

We commit to the health and wellness of the community's economy by committing to the health and safety of our employees by establishing programs and training to ensure a healthy workforce.

Goals:

Maintain Symbol Wellness Point System to promote participation in the program.

Safety Program Implementation to include utilizing new software for city-wide web based training.

Reduce workers compensation cost by participating in the Triage Nurse Program establish by Millennium.

Objectives:	2020 Actual	2021 Budget	2022 Target
Quarterly Reports from Millennium on Work Comp injuries to establish safety needs, utilize Triage Nurse Program to reduce workers compensation cost.	25%	75%	85%
Implement new software program for City-wide web-based safety training.	25%	75%	100%
Create Employee Safety Manual and Checklist Documents to be implemented after approval of Council	25%	100%	Maintain
Work with Symbol on creation of reports to measure outcomes and cost effective programs. Implement points and reward system by offering goal oriented safety	50%	75%	80%

The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget

FINANCE AND ADMINISTRATIVE SERVICES	2019	2020	2021	2022	% Change	2023
	Actual	Actual	Amended Budget	Council Adopted	2021 to 2022	Projected
Expenditures						
Personnel	1,451,075	1,476,838	1,497,870	1,533,527	2%	1,521,103
Operations	1,206,223	1,478,778	1,853,189	2,071,939	12%	2,043,104
Capital Outlay	223	29,937	10,000	10,000	0%	10,000
Finance & Admin Total	2,657,521	2,985,553	3,361,059	3,615,466	8%	3,574,207

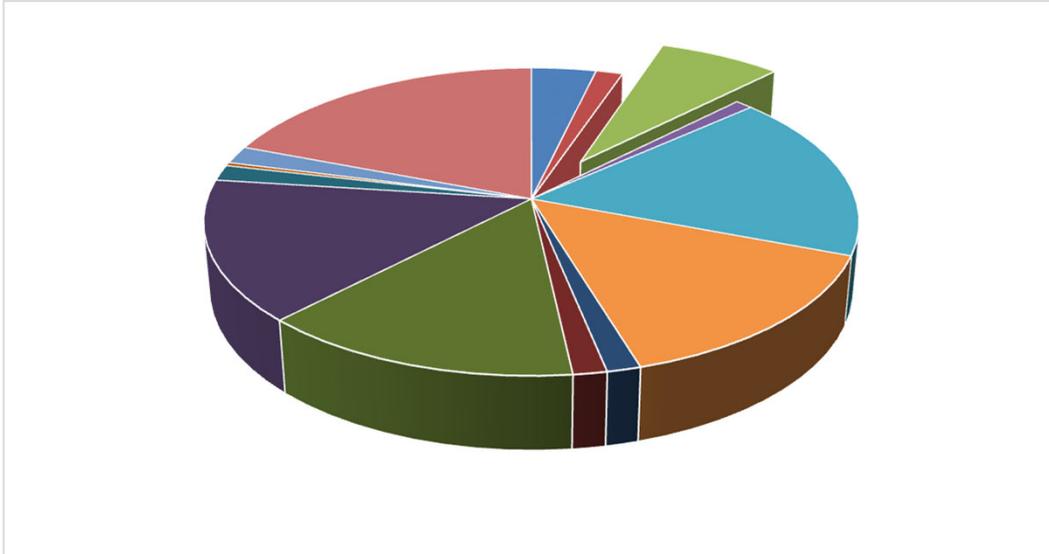
Finance & Administrative Services Personnel

Positions	2019	2020	2021	2022
	Actual	Actual	Budget	Adopted
Director	1	1	1	1
Accountant	1	1	1	1
Accounting Supervisor	1	1	1	0
Financial Tech I	1	1	1	1
Financial Tech II	2	2	1	1
Financial Tech III	0	0	1	1
Finance Manager	0	0	0	1
Revenue Division Coordinator	1	1	1	1
Revenue Tech	1	1	1	1
Purchasing Officer	1	1	1	1
Purchasing Tech	1	1	1	1
Revenue Supervisor	1	1	1	1
GIS Coordinator	1	1	1	1
Information Tech Officer	1	1	1	1
Information Systems Supervisor	1	1	1	1
Network Administrator	1	1	1	0
Network Architect	0	0	0	1
Systems Administrator	1	1	1	1
Information Tech Technician	1	1	1	1
Accountant (Part-time)	1	1	1	1
Admin Asst. I	1	1	1	1
Total Personnel	19	19	19	19

Finance and Administrative Services Function:

The Finance and Administration Department's purpose is to manage the fiscal affairs and administrative responsibilities of the City of Gulf Shores and to provide effective decision-making support for City leaders. The department incorporates long range strategic planning into the budget and audit documents and provides City leadership, City departments, and the public with timely and accurate information, while assuring clarity and accountability.

Expenditure Budget 2022
 \$ 3,615,466
 7.2% of General Government



General Government Expenditure Budget: \$50,434,063

Core Value: We commit to excellence and the highest quality standards

Major Accomplishments:

	2020 Actual	2021 Budget
Submit prior to start of fiscal (calendar) year City Budget for consideration for GFOA Certificate of Recognition for Budget Preparation and achieve award.	Submitted 12/04/2019 Received	Submitted 11/16/2020 Received
Submit within 6 months of year end the Annual Financial Report for consideration for the Certificate of Achievement for Excellence in Financial Reporting.	Submitted 06/26/2020 Not received	Goal 10/31/2021
Maintain or improve City's current bond rating at AA+.	Maintain	Maintain
IT - City-wide surveillance camera expansion for increased security.	Expanded	Maintain
IT - Refresh network switches city-wide for enhanced speeds and data to and from internal network and throughout information systems.	n/a	n/a
IT - Network Security enhancements to strenghten security posture and insight City-Wide.	n/a	Implement
Maintain reserves at percentage of revenue as set by Council.	81%	70%

Finance and Administration Continued

Vision 2025 Key Strategy: Sustainability-Standards of excellence in service meet and exceed community needs

Goals:

Maintain customer-focused service environment that exceeds the expectations of our community and citizens.

Continue to add to the existing fiber to include outlying facilities/locations to enhance citywide network.

Submit 2021 Annual Financial Report for Government Finance Officer's Association (GFOA) Certificate of Excellence in Financial Reporting Award and submit 2022 Budget for GFOA Distinguished Budget Presentation Award.

Continue to pursue strategies to ensure short-term rental licensing and lodging tax compliance.

Objectives:	2020 Actual	2021 Budget	2022 Target
Increase fiber backbone to encompass any new City locations and facilities. Fiber was run to the Wade Ward Nature Walk area in 2021.	31	33	Maintain
Currently one hundred ninety five (195) cameras are installed throughout municipal facilities/locations. New cameras were installed both indoor and outdoor at the Bodenhamer Recreation Center in 2021.	190	195	Expand
Ensure all GFOA criteria are met to qualify for GFOA awards in order to provide greater financial transparency, enhance bond ratings and be able to borrow funds at lower interest rates to accomplish Vision 2025 goals.	Met	Met	Goal
Rental Licenses Issued	4,470	4,500	4,500

The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget

	2019	2020	2021	2022	% Change	2023
	Actual	Actual	Amended Budget	Council Adopted	2021 to 2022	Projected
MUNICIPAL COURT						
Expenditures						
Personnel	448,623	448,623	459,930	485,484	6%	484,391
Operations	13,495	13,495	13,290	13,290	0%	13,290
Capital Outlay	0	0	0	0	n/a	0
Municipal Court Total	462,118	462,118	473,220	498,774	5%	497,681

Municipal Court Personnel

	2019	2020	2021	2022
	Actual	Actual	Budget	Adopted
Positions				
Municipal Court Judge	1	1	1	1
Municipal Court Prosecutor	1	1	1	1
Municipal Court Administrator	1	1	1	1
Court Magistrate	3	3	3	3
Total Personnel	6	6	6	6

Municipal Court Functions:

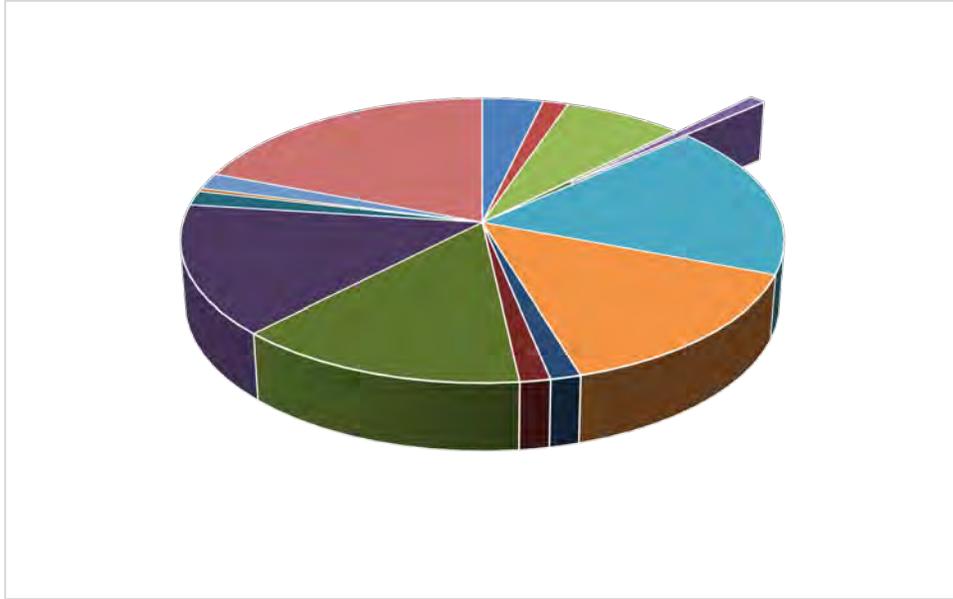
Municipal Court Judge: The Municipal Court Judge resides over the Municipal Court Clerk and Magistrate(s), and hears any cases brought before the Gulf Shores Municipal Court. Appointed and approved by the Mayor and City Council. The position of Municipal Court Judge is created by the Code of Alabama and directed by the Supreme Court and the Administrative Office of Courts. A Municipal Judge must be an attorney.

Municipal Court Prosecutor: The Municipal Court Prosecutor is appointed by the Mayor to represent the Executive Branch of the City in the Prosecution of those charged with violating Municipal Code Violations and the Code of Alabama in the Municipal Court and upon Appeal to the Circuit Court of Baldwin County. A Municipal Prosecutor must be an attorney.

Municipal Court Clerk: The Municipal Court Clerk is responsible for the Administration of the Municipal Court and its Records, Finances and Employees. Also, as Magistrate, accepts fine payments, holds Probable Cause Hearings, and issues Warrants. Additionally the Municipal Court Clerk holds initial Appearance/Bond Hearings with incarcerated defendants. As Administrative Law Judge, will also conduct hearings of appeals from the final decisions of the City of Gulf Shores' Chief Revenue Officer relating to business licenses and taxation.

Municipal Court Magistrate: The Municipal Court Magistrate accepts fine payments, holds Probable Cause Hearings, and issues Warrants. Additionally, the Municipal Court Magistrate holds initial Appearance/Bond Hearings with incarcerated defendants, as well as manages the clerical duties of the case files in the Court.

Expenditure Budget 2022
\$ 498,774
1% of General Government



General Government Expenditure Budget: \$50,434,063

Department: Municipal Court

Major Accomplishments:

An active Plea in Absentia program allowing Plea Agreements to be handled through Mail and Email and the addition of Kiosks in the Police Department lobby and continuing expansion of online capabilities is helping alleviate crowded dockets which is necessary in providing alternatives and making social distancing more easily accomplished, thus reducing the size of court dockets and reduced alias warrants for failing to appear by issuing letters of explanation and guilty/waiver packets at defendant's initial appearance hearings. Also, by the use of credit and debit cards to expedite payment processing both in person and online.

Goals:

Investigating establishment of remote hearings utilizing programs and hardware to allow an expanded ability to accomplish required interaction with Defendants and Prisoners electronically.

Continued improvement of caseload management to avoid large dockets which reduces overtime and need for more Court sessions and eases the complications of Social Distancing requirements.

Ongoing effort to reduce inmate population with use of Court payment monitoring, rehabilitation treatment opportunities, and alternative sentencing and continued use of the PreTrial Intervention program.

Continuing to work with IT and the Court software providers to put in place an electronic parking ticket citation system, expanded online payment options, and electronic check-in procedures for PTI program.

Municipal Court Continued

	2020 Actual	2021 Budget	2022 Projection
Key Measures			
Total Criminal Processes handled by 4 Magistrates from 9/9/2020 to 09/9/2021 (not including Bond Hearings per arrest or window/phone interactions and Parking Tickets.)	11,230	11,785	12,500
Cost per process based on Total Court budget for year of report that includes Judge and Prosecution Salaries as well as Operating costs. Covid increased costs per process.	\$41.15	\$38.36	\$37.86
Average Revenue per Criminal Process based on Revenue Collected for period .9/09/2020 to 9/09/2021 (\$988,860) for 2021 and \$1,200,000 projected for 2022.	\$57.67	\$83.91	\$96.00



The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget

	2019	2020	2021	2022	% Change	2023
	Actual	Actual	Amended Budget	Council Adopted	2021 to 2022	Projected
POLICE						
Expenditures						
Personnel	5,443,365	6,027,954	6,323,963	7,047,340	11%	6,733,499
Operations	746,751	732,303	998,150	1,136,901	14%	1,031,450
Capital Outlay	181,272	260,599	627,784	637,900	2%	0
Police Total	6,371,388	7,020,856	7,949,897	8,822,141	11%	7,764,949

Police Personnel

	2019	2020	2021	2022	
	Actual	Actual	Budget	Adopted	
Positions					
Police Chief	1	1	1	1	
Deputy Chief	1	1	1	1	
Lieutenant	3	3	3	3	
Investigator Command Sargeant	1	1	1	1	
Investigator	5	5	5	4	
Special Operations Command Srgt	1	1	1	1	
Narcotics Investigator	2	2	2	0	
School Resource Officer	3	3	3	2	
Investigations/Sgt	0	0	0	2	
SRO/Sergeant	2	2	2	1	
Special Operations/Sergeant	1	1	1	1	
Fleet/Property R Command Srgt	1	1	1	1	
Patrol Command Sergeant	4	4	4	4	
Patrol Sergeant	4	4	4	4	
K9 Officer	3	3	3	4	
Patrol Officer	18	18	20	25	
Communication Officer	7	7	9	9	
Communications/IT Supervisor	1	1	1	1	
Detention Supervisor	1	1	1	1	
Detention Officer	8	8	8	8	
Administrative Assistant II	1	1	1	1	
Administrative Supervisor	1	1	1	1	
Community Service Officers	2	2	3	3	Beach Funding
Part Time Positions:					
Administrative Coordinator	0	0	1	1	
Total Personnel	71	71	77	80	

Police Department Functions

The Gulf Shores Police Department has three major divisions to provide the community and visitors with service and protection. Responsibilities are evenly divided so services can be provided in the most effective manner.

Mission Statement

To Serve, Protect, and enhance the quality of life for residents and guests in the City of Gulf Shores.

To be a model law enforcement agency viewed internally and externally as professional, enthusiastic, trustworthy and at the forefront of the police profession.

Organizational Values

We dedicate ourselves to these values with the goal of providing excellent services and programs to meet the current and future needs of our community. We value the assets within our organization by providing training and development opportunities. We look to the future and allocate resources in conjunction with ever-expanding growth of the community.

1. Integrity
2. Respect
3. Service
4. Teamwork

Goals

Goals are established by the Chief of Police and extend to all agency levels, becoming increasingly more specific. Provided below is a list of general goals shared on a continuous basis throughout GSPD. More specific goals are stated on an annual basis in alignment with the fiscal year budget.

1. Protect life and property
2. Respond to calls for service
3. Protect constitutional guarantees
4. Proactively enforce the law
5. Prevent crime
6. Promote traffic safety
7. Investigate crime
8. Assist in prosecution
9. Promote community partnerships
10. Solve problems
11. Maintain public confidence in the police department



Expenditure Budget 2022

17.5% of General Government

General Government Expenditure

Budget: \$50,434,063

Major Accomplishments

The City of Gulf Shores enjoys a low crime rate. Crimes against persons are an extremely low occurrence. Our goal as an organization is to be both professional and proactive.

	2018	2019	2020	2021	2022
	Actual	Actual	Actual	YTD	Predicted
Drug Arrests	588	464	242	278	306

Beginning January 2021, all law enforcement agencies changed the way that they report crime statistics. The UCR Program retired the SRS (Summary Reporting System) and transitioned to a NIBRS-only data collection. NIBRS (National Incident-Based System) can provide more useful statistics to promote constructive discussion, measured planning, and informed policing. Due to this fact, the comparison in statistics from 2020 and earlier years will not correlate with 2021 and forward. Not only does NIBRS look at all of the offenses within an incident, but it also looks at many more offenses than the traditional SRS does. NIBRS collects data for 52 offenses, plus 10 additional offenses for which only arrests are reported. SRS counts limited data for 10 offenses and 20 additional crimes for which only arrests are reported.

	2018	2019	2020	2021	2022
	Actual	Actual	Actual	YTD	Predicted
Part 1 Crimes	539	588	431	145	475

	2018	2019	2020	2021	2022
	Actual	Actual	Actual	YTD	Predicted
Total of all crimes	3,299	3,243	2,828	2,110	3,120

	2018	2019	2020	2021	2022
	Actual	Actual	Actual	YTD	Predicted
Percentage of Part 1 Crimes as Compared to Total Crimes	16%	16%	15%	7%	10%

	2018	2019	2020	2021	2022
	Actual	Actual	Actual	YTD	Predicted
Total Calls for Service	19,748	17,890	18,866	11,173	20,750

	2018	2019	2020	2021	2022
	Actual	Actual	Actual	YTD	Predicted
Communications Processed	33,829	32,229	31,032	21,145	34,150

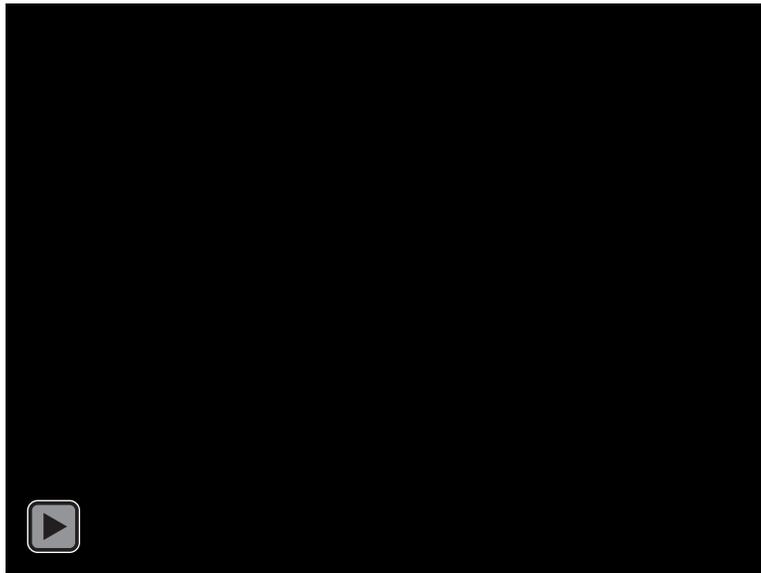
GSPD average response times decreased from 6:47 to 6:13 in FY 2020.

	2018	2019	2020	2021	2022
	Actual	Actual	Actual	YTD	Predicted
Average Response Time	6:57	6:47	6:13	6:32	6:27

Future Outlook- Personnel

The Police Department operates with an authorized total sworn staff. For a variety of reasons, it is rare that we are ever fully staffed. We have additional officers to work at our schools and to protect our most precious and vulnerable. As we go forward it will become necessary to add additional sworn and non-sworn personnel.

Police Recruitment Video



The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget

	2019	2020	2021	2022	% Change	2023
FIRE	Actual	Actual	Amended Budget	Council Adopted	2021 to 2022	Projected
Expenditures						
Personnel	4,256,131	4,589,255	5,021,166	6,161,342	23%	5,196,073
Operations	523,237	635,964	857,600	901,040	5%	857,600
Capital Outlay	436,815	53,990	72,000	250,000	247%	0
Fire Total	5,216,183	5,279,209	5,950,766	7,312,382	23%	6,053,673

Fire Personnel

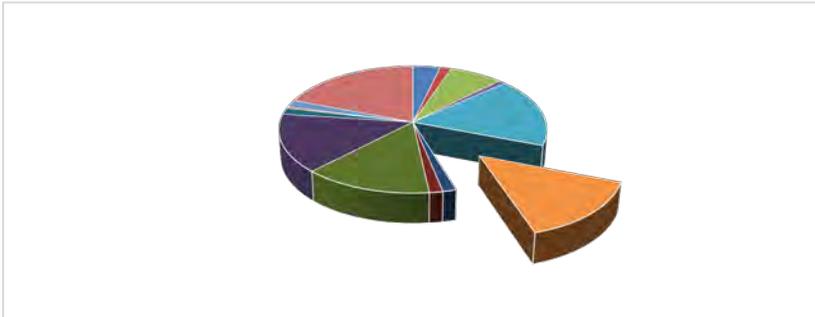
	2019	2020	2021	2022	
Positions	Actual	Actual	Budget*	Adopted	
Fire Chief	1	1	1	1	
Deputy Chief	1	1	0	0	
Chief of Staff	0	0	1	1	
Chief of Operations	0	0	1	1	
Fire Marshal	1	1	1	1	
Deputy Fire Marshal	0	0	0	1	
Battalion Chief	4	4	4	4	
Lieutenant	15	15	12	12	
Fire Logistics Officer	0	0	1	1	
Fire Education Officer	0	0	1	1	
Fire EMS Officer	0	0	0	1	
Beach Safety Lieutenant	0	0	2	2	
Firefighter/Paramedic	14	14	14	28	
Firefighter/EMT	18	18	20	14	*6 from FEMA Grant
Admin Assistant	1	1	1	1	
Firefighter/EMT (PT)	0	0	4	4	
Firefighter/Paramedic (PT)	0	0	5	5	
Seasonal Lifeguards	30	30	30	30	*Beach Fund
Beach Rangers	4	4	4	4	*Beach Fund Seasonal
Total Personnel	89	89	102	112	

*Amendment 1 2021 for 3 firefighters 1/2 year

Fire Department Functions:

An I.S.O. Class 1 all-hazards emergency agency operating from four fire stations providing services and programs tailored to the needs of our citizens and guests. Beyond calls to 911, we offer Community Risk Reduction activities, Aircraft Rescue Firefighting, Beach Rescue Lifeguards and wildlife rescue. We operate the Emergency Services Academy in our High School by assigning one Lieutenant as a fulltime teacher, preparing students for employment in Public Safety upon graduation.

CORE Value: *We Protect and enhance the quality of life for our residents, visitors and retirees.*



Expenditure Budget 2022
 \$ 7,312,382
 14.5% of General Government

General Government Expenditure Budget: \$50,434,063

Department: Fire & Emergency Services

Major Accomplishments:

Vision 2025 Key Strategy, Community Planning-Infrastructure:

1. Remodel Oyster Bay fire station on Oak Road West to serve North Gulf Shores
2. Install back up generators and station alerting in all fire stations.
3. Build new training facilities to replace current facility

Vision 2025 Key Strategy, Community Planning-Safety & Welfare

1. Staffing additional apparatus to reduce response times and provide excellent customer service, in addition this apparatus will assist in I.S.O. credit for man power.
2. Continue operations at City School System; USLA, EMR, Fire Prevention

Vision 2025 Key Strategy, Leading Edge Healthcare:

1. Create an EMS Officer position to help with training of personnel and to incorporate billing for medical treatment and transport.
2. Maintain Public/Private partnership agreement with the AirMedCare Network to provide residents living within the City of Gulf Shores Corporate Limits prepaid membership for the ground ambulance- and helicopter/air emergency transport through the AirMedCare Network Municipal Site membership. Significantly reducing catastrophic financial risk for our Citizens due to emergency transport.
3. Encourage personnel to obtain Paramedic and Critical Care Paramedic certifications.

Vision 2025 Key Strategy, Education:

1. Lieutenant to head the Fire and Emergency Services Academy at Gulf Shores High School.
2. Promote and encourage personnel to attend professional development courses.

Vision 2025 Key Strategy, Environmental Stewardship:

1. Work in close partnership with the State Forestry Division to help mitigate urban interface situations within the Gulf State Park.

Department: Fire & Emergency Services Continued

2. Through our Community Risk Reduction program we will provide information to the residents in regard to Burn Bans to help prevent accidental brush fires and property damage.

Goals:

Vision 2025 Key Strategy, Community Planning-Infrastructure:

1. Renovate Oyster Bay Fire Station on Oak Road West to improve operations while meeting community design standards.
2. I.S.O. grading maintained in 2022. The City has committed to maintaining this rating and the benefit it provides to our citizens and business partners.

Key Indicators	2021 Actual	2022 Budget	2023 Projected
911 Calls for Service			
EMS Incidents	1911	2400	2448
Fire Incidents	1498	1200	1224
Total Incidents	3409	3600	3672
Department average response time. (Dispatch to arrival)	0:05:54	0:06:00	0:06:00
<i>*01/01/2021-9/1/2021</i>			

Vision 2025 Key Strategy: Community Planning-Safety & Welfare

Fire Science Academy- High School

Certified as Volunteer Firefighters	0	15	15
Certified in CPR	160	190	190
Certified in First Aid	125	157	157
Certified in Emergency Responder	30	30	30
Certified as Pool Lifeguard	4	15	20
Certified as USLA Lifeguard	0	20	25

Vision 2025 Action 2: Education

Community Outreach

CPR cards	150	250	250
First Aid cards	150	150	150
Child Seats installed	15	20	20
Fire Extinguisher Training	25	15	20
Fire Prevention outreach visits	120	120	120

Vision 2025 Key Strategy: Community Planning-Safety & Welfare

Vision 2025 Key Strategy, Community Planning-Infrastructure:

1. We currently have twelve lifeguard towers spanning the beach. Moving forward, we would like to have lifeguards at all city beach access points. Currently there are only two that do not have coverage.

Vision 2025 Key Strategy, Community Planning-Safety & Welfare:

1. Replace the following under the ten year Capital Improvement Plan: five UTVs for beach response and one emergency response vehicle for a Beach Rescue supervisor.

Vision 2025 Key Strategy, Leading Edge Healthcare:

1. We began the Lifeguard Academy at the Gulf Shores High School in 2020. The class currently has 9 students this semester, and scheduled to have 26 in the Spring Semester. This course will cover Surf Beach and American Red Cross Lifeguarding.

2. We are expanding the Junior Lifeguard Academy. During the summer of 2021, we had to turn participants away due to staffing the program.

Vision 2025 Key Strategy, Education:

1. Currently there is a Lifeguard Academy at the Gulf Shores High School. In the future, we would like to hire a full-time lifeguard that would oversee this program as well as the Junior Lifeguard Academy. These two programs will enhance overall safety and knowledge of the young people in our community as well as recruitment for employment.

Vision 2025 Key Strategy, Environmental Stewardship:

1. Beach Rescue responds to and handles the wildlife calls within the city limits. We have partnered with the Orange Beach Wildlife Center so that in the event we are unable to respond their staff can ensure that the animals are being treated. With more than 100 birds taken to the Wildlife Center this year for treatment, we provided expired fluids to them that they can use but that is all.



The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget

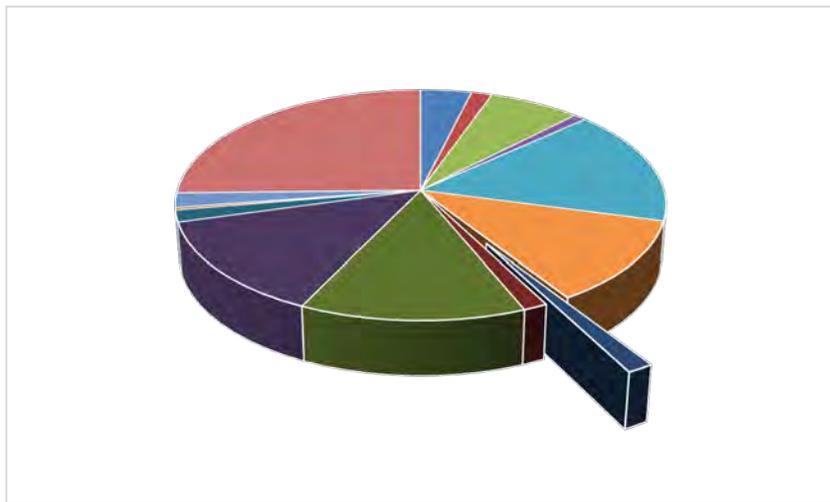
	2019 Actual	2020 Actual	2021 Amended Budget	2022 Council Adopted	% Change 2021 to 2022	2023 Projected
PLANNING & ZONING						
Expenditures						
Personnel	464,335	549,539	537,166	655,371	22%	551,782
Operations	66,312	58,819	80,241	80,241	0%	80,241
Capital Outlay	0	25,250	0	0	n/a	0
Planning & Zoning Total	530,647	633,608	617,407	735,612	19%	632,023

Planning & Zoning Personnel

	2019 Actual	2020 Actual	2021 Budget	2022 Adopted
Positions				
Director	1	1	1	1
Zoning Administrator	1	1	1	1
City Arborist	0	0	0	1
Planner I	1	1	1	1
Code Enforcement Officer	1	1	1	1
Administrative Assistant	1	1	1	1
Total Personnel	5	5	5	6

Planning & Zoning Department Functions:

The Planning and Zoning Department develops and implements plans and policies that help the city grow in a manner that is orderly, dynamic, and sustainable. In developing and administering policies and regulations, Planning & Zoning strives to achieve a cohesive land development pattern, promote high quality design, and keep Gulf Shores clean and attractive -- all of which enhance quality of life. The Department strives to make Gulf Shores a place that is inviting for everyone, and where people and businesses can thrive.



Expenditure Budget 2022
 \$ 735,612
 1.5% of General Government

General Government Expenditure Budget: \$50,434,063

2021 Major Accomplishments:

Waterway Village North Master Plan. The Vision 2025 Plan outlines 5 actions for the growth of Gulf Shores. Action Item #4 is the development of a vibrant waterway district along the Intracoastal Waterway. While the area south of the ICW has experienced the majority of new investment within the Waterway Village Overlay District in recent years, development interest in properties on the north side of the ICW increased significantly in 2021. In order to balance private development goals and infrastructure needs within the district, staff held a week-long charrette to develop a conceptual master plan for the area. Throughout the week, staff and leaders met with developers and property owners in the district to literally develop a road map for the future. The plan will be used to guide future development in the area and plan for the necessary infrastructure to support the development.

Coastal Gateway Community Park. Protecting the quality of life for residents is one of the key strategies of the Vision 2025 Plan. The Parks and Recreation Master Plan recommends a "well-placed" community park in north Gulf Shores. Planning and Zoning staff has assisted the Recreation & Cultural Affairs Department in developing a master plan for a new community park located on the south side of Coastal Gateway Boulevard to service residents in North Gulf Shores. P&Z staff developed several concepts for the park and assisted with developing and implementing a public input program that was utilized to assure that the final plan would meet the needs of the growing community.

Coastal Gateway Elementary School Concept. The Vision 2025 Plan identifies a quality education as a critical necessity to attract educated professionals as well as feed our economy from within with targeted and nationally-recognized programs and facilities. Providing a world-class education will be invaluable for enhancing our community pride and perception. In order to prepare for the future needs of residents, the City set aside a 40-acre tract of land located along Coastal Gateway Boulevard for a future elementary school and park site. As part of a planning and budgeting exercise for the community park, staff also developed concepts for a future elementary school on the site. Through pro-active planning and design, the City will be able to develop the park in phases while maintaining the land necessary for the potential elementary school.

Major Street Plan Adoption and Implementation. One of the Key Priorities in the Vision 2025 Plan is to develop well-organized infrastructure. The Plan calls for the design of new roadways, air services and waterways as well as the enhancement of existing transportation routes. 2021 marked the first year that the City of Gulf Shores benefited from the adoption of a Major Street Plan. The Major Street Plan serves as a city-wide guide to transportation needs (new and improved streets.) The Major Street Plan is a street improvement plan that mitigates current and future street deficiencies, increases mobility, creates a safe and efficient street system for the City and establishes priorities for implementation of the plan. Planning and Zoning staff has achieved several accomplishments this year that implement the Major Street Plan. They include the following.

- 1. Highway 59 Future Cross-sections.** Staff developed long-term cross-sections for HWY 59, south of the Holmes Bridge. Cross-sections include wider sidewalks, street trees, and grade-separated cycle track.
- 2. East North/South Connector.** The Major Street Plan identifies the need for a two-lane roadway from James Road to County Road 6. This roadway will relieve Alabama Highway 59 of some local traffic. Staff developed plans and cross-sections for the new roadway and worked with property owners to acquire the ROW necessary to construct the northern segment of the roadway.
- 3. West North/South Connector.** The Major Street Plan identifies the need for a two-lane roadway from County Road 10 West to Waterway West. This roadway will provide traffic relief for Alabama Highway 59 and provide development access. Staff developed a roadway framework throughout the community located on the west side of HWY 59 to enhance the planned North/South Connector and worked with property owners to dedicate ROW to begin to implement the roadway network.

Waterway Village Parking Plan. As one of the five Action areas identified in the Vision 2025 Plan, the area's pedestrian-friendly design is expected to help stimulate the local economy by providing residents and visitors easier access to local businesses. One of the key components of both walk-ability easy access to retail and restaurants is the availability of on-street parking. Staff developed plans and cross-sections for E 2nd Street within Waterway Village to illustrate opportunities for on-street parking. This parking is an essential development incentive in the district, and portions of the parking will now be constructed as components of the BUILD and RESTORE projects.

Tree Protection Ordinance Rewrite. The Future Land Use Plan component of the Vision 2025 Plan promotes sustainable development that conserves and enhances the unique qualities of Gulf Shores and that considers environmental impacts in order to protect our way of life. In close collaboration with the Beautification Board and the Building Department, Planning and Zoning staff drafted a new Tree Protection Ordinance that was approved by the Mayor and Council. The updated ordinance added standards for the protection of Heritage and Protected Trees, clarified standards and process for obtaining a tree removal permit, and expanded tree protection to all single family lots. Planning and Zoning has requested a City Arborist position in order to work with property owners to enforce the new ordinance.

Draft Bicycle & Pedestrian Master Plan Update. Developing infrastructure and transportation improvements that focus on bike-and pedestrian-friendly corridors as well as public green spaces is a Key Strategy of the Vision 2025 Plan. Planning and Zoning staff began working with the Bicycle Advisory Committee in 2021 to develop an update to the Bicycle and Pedestrian Master Plan. The Plan is used to plan, prioritize, and facilitate the construction and maintenance of bicycle and pedestrian facilities throughout the City of Gulf Shores. Staff will continue to work with the Bicycle Advisory Committee through 2022 to update the plan which was originally adopted in 2015.

Gulf Shores City Schools Master Plan Project. "The Next Wave" is a master planning, programming and conceptual design process that will shape the future of our city school system. Progressive Education is one of the Key Priorities of the Vision 2025 Plan. Planning and Zoning staff has assisted in developing this master plan for the future of our schools.

Amended Article 11 of the Zoning Ordinance. The purpose of the amendment that was adopted in January of 2021 was to allow Mobile Food Units to operate on private property within the City of Gulf Shores in approved locations. The ordinance included application, site, and operation standards for mobile food units.

Amended Article 6 of the Zoning Ordinance. Maintaining and enhancing the physical qualities of the City is an overarching consideration of the Vision 2025 Future Land Use Plan. The text amendment provides options for garage setbacks and orientation that help minimize the impacts of garages and parked cars on the pedestrian environment in new subdivisions.

Amended Article 17 of the Zoning Ordinance. This text amendment resolved a discrepancy between the Zoning Ordinance and the Board of Zoning Adjustment bylaws. It clarified that a variance granted by the Board shall lapse after a year if no permit has been issued toward the development of the project.

Amended Article 3 of the Zoning Ordinance. Enforcement of the most up-to-date zoning and building codes and regulations in order to protect the health, safety and welfare of residents and businesses is one of the Key Strategies of the Vision 2025 Plan. This text amendment allows the city to apply current standards to new development by limiting site plan approval period to two years. It also establishes a one-time extension of site plan approval for projects that meet the most current standards.

Provided **design and planning** guidance on unique **long-range planning** issues specific to particular locations within the city. Prepared and presented design plans for: BUILD Grant, RESTORE Grant, Medical Village, Waterway Village, parks, and schools.

Provided **conceptual design** assistance to applicants on **current planning** projects. Prepared and presented design plans for: Colony Park Estates Subdivision, Raley Farms Subdivision, Callaway North Subdivision, Lost Dunes Cottage Subdivision, proposed Resortments mixed housing development at HWY 59 and Oak Road, County Road 6 trailer park redevelopment plan, R-4 Waterway West courtyard housing concept, and Sandy Toes Cottage Subdivision.

2021 Planning & Zoning Department Goals:

Continually improve the digital plan review process to improve efficiency so 100% of applications are processed and meet the one-month review timeline goal.

Manage growth through updated plans, policies, and regulations that balance growth with existing and planned infrastructure.

Foster a relationship with the development community that yields new site plans, subdivisions, and developments that reinforce the character of our community.

Assist other city departments and local partners in developing plans that protect the quality of life for all residents and the high-value experience for our visitors, hospitality, retirement and businesses.

Program Activities and Workload Measures	2019 Actual	2020 Actual	2021 Actual	2022 Target
Community Meetings	0	0	6	4
Small Area Plans Completed	0	0	1	2
Land Use Plan Updates	0	2	7	4
Current Planning Re/Designs	0	8	9	8
Long-range Designs/Concepts	0	7	8	8
Rezoning	5	2	5	6
Site Plans	18	11	18	16
Variances	6	8	6	4
Conditional Use Permits	0	2	6	4
Preliminary Subdivision Plats	4	3	6	4
Final Subdivision Plats	12	6	10	12
Zoning Text Amendments Initiated	2	6	7	4
Zoning Text Amendments completed	1	4	7	4
Rental Licenses	553	550	886	650
Business Licenses	191	200	216	220
Building Permits	332	340	528	350
Land Disturbance Permits	7	18	22	20
Fence Permits		40	15	40
Total Code Enforcement Cases	317	330	353	325
Cases Open	15	87	29	90
Cases Closed	299	316	324	320
Citations Written	19	36	94	60
Arrests	4	6	24	3
Court Appearances	19	23	94	15
Tree Permits			30	60
Annexations			5	10

	2021	2022
	Actual	Target
Zoning Verifications	26	25
Small Cell Towers	14	20
Cell Tower Modifications	11	10

Objectives:

Community Planning -- Complete Core Values, Goals and Objectives, Implementation Strategies, and Implementation Matrix for 2035 Vision Plan.

Community Planning -- Apply for and obtain Silver Bicycle Friendly Community status from the League of American Bicyclists.

Environmental Stewardship -- Work with City Arborist to improve Tree Removal Permit process in an effort to better enforce the Tree Protection Regulations.

Community Planning -- Develop a Growth Management Strategy. The strategy should include working with property owners to "right-size" zoning for properties that are overszoned; prioritizing and planning for areas of annexation; identifying infrastructure deficiencies; and utilizing zoning to control density and intensity of undeveloped and underdeveloped properties.

Community Planning and Leading Edge Healthcare -- Building on the City-wide Market Study, develop detailed "Small Area Plans" for the identified Focus Areas of Beach Area, Medical Village, and Waterway Village.

Community Planning -- Continue update to the Bicycle and Pedestrian Master Plan. Cross-sections developed during this effort should be used to update the Major Street Plan and Subdivision Regulations.

The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget

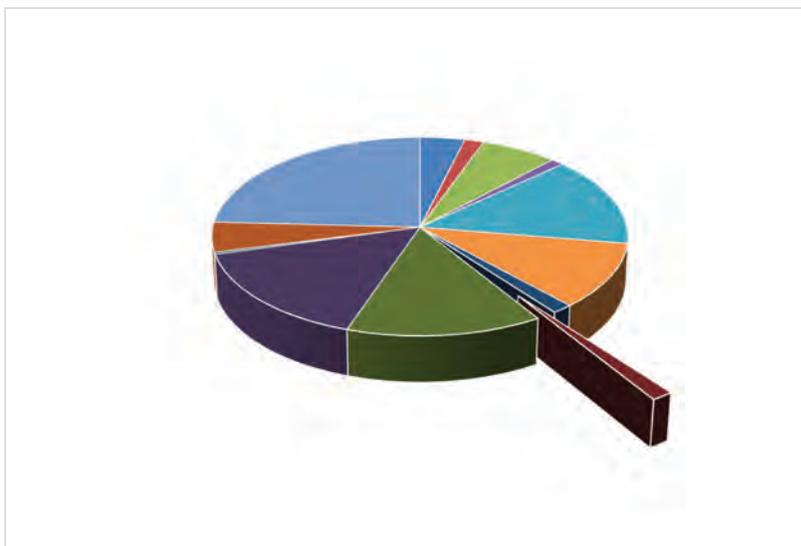
	2019 Actual	2020 Actual	2021 Amended Budget	2022 Council Adopted	% Change 2021 to 2022	2023 Projected
BUILDING						
Expenditures						
Personnel	527,776	593,395	605,866	639,679	6%	634,363
Operations	45,660	40,471	60,950	56,450	-7%	60,950
Capital Outlay	72,744	38,950	36,000	40,500	13%	36,000
Building Total	646,180	672,816	702,816	736,629	5%	731,313

Building Personnel

	2019 Actual	2020 Actual	2021 Budget	2022 Adopted
Positions				
Building Official	1	1	1	1
Inspectors	5	5	5	5
Permit Clerk	1	1	1	1
Total Personnel	7	7	7	7

Building Department Functions:

The Building Department is responsible for ensuring all construction projects within the corporate and police jurisdictions are in compliance with the City's adopted codes and ordinances relating to Building, Plumbing, Electrical, Mechanical, Gas; compliance with the Flood Damage Prevention Ordinance for National Flood Insurance Protection regulations; compliance with Federal and State Agencies including US Army Corp of Engineers, US Fish and Wildlife, Alabama Department of Environmental Management and Alabama Department of Conservation and Natural Resources.



Expenditure Budget 2022
 \$ 736,629
 1.5% of General Government

Major Accomplishments:

The City of Gulf Shores adopted the 2021 International Codes in 2021 making our City one of the first in Alabama to do so. The City was able to maintain a Community Rating System (CRS) level 8 in 2020, saving our flood insurance policy holders 10% on their premiums. This code adoption has also required structures be built to the Gold Level for Fortified Housing, allowing our homeowners to receive additional savings on wind insurance. The City of Gulf Shores, in conjunction with Baldwin County, lead the nation in Gold Fortified Housing. The effects of these Standards were proven after Hurricane Sally. There was less damage to those structures built to the Fortified Standards. The Building Department has gone completely paperless for inspections and reporting. Our software system has been updated to allow plan reviews and resubmittals. *The enforcement of these regulations helps ensure a more sustainable, resilient community.*

The Building Department effectively performs safety inspections for ALL short term rental units/structures. *This allows our owners and visitors a safer environment to live and visit.*

Department: Building Goals:	2020 Actual	2021 Budget	2022 Target
Continue the safety inspections for all rental units within the Corporate limits and Police Jurisdiction creating a safer environment for our tourists.	Completed inspections	begin 3rd phase	start the process anew
Reestablish the Gulf Coast Chapter of the International Code Officials	COVID cancelled all meetings	no meetings	reestablish

Objectives:

Establish the Code Officials Group to create a more consistent enforcement throughout the entire County.
 Create a data base to allow the City to coordinate meetings and inspections with Rental Management Properties.
 Enforce up to date codes to ensure a sustainable community.

Key Indicators	FY 19 Actual	FY 20 Actual	FY 21 YTD *	FY 22 Projected
Annual Inspections	6,246	5,785	5,792	6,250
Residential New Construction Permits	259	322	317	315
Commercial New Construction Permits	52	42	23	35
Commercial Electrical Permits	97	79	57	85
Residential Electrical Permits	471	521	444	460
Commercial Plumbing Permits	37	29	15	30
Residential Plumbing Permits	271	365	291	315
Commercial Mechanical Permits	61	55	36	60
Residential Mechanical Permits	479	755	458	600
Rental Inspections**	4,830	801	1,514	4,500
Key Measures	FY 19 Actual	FY 20 Actual	FY 21 YTD *	FY 22 Projected
Inspections Performed on Day Requested	98%	98%	99%	99%
Residential Plans Reviewed Within 2 Weeks	85%	85%	95%	95%
Commercial Plans Reviewed Within 4 Weeks	80%	80%	90%	90%
Safety Inspections Performed As Required	80%	80%	80%	90%
Annual Revenues	FY 19 Actual	FY 20 Actual	FY 21 YTD *	FY 22 Projected
Annual Revenues Collected	\$ 880,832	\$ 1,415,000	\$ 1,008,810	\$ 1,200,000

* YTD Totals Represent Figures from January through September 2021

**Rental Inspections delayed in 2020 due to COVID and Hurricane Sally

Recreation & Cultural Affairs Department Function

The Recreation & Cultural Affairs Department serves to support Vision 2025 and assists in the delivery of the City's mission through the provision of high quality park and recreation services, and public information.

Mission Statement

The Gulf Shores Recreation & Cultural Affairs Department enriches lives and fosters harmony within the community through area-wide leisure services targeted to improve healthy lifestyles, educational and recreational opportunities, public participation, and environmental and economical stewardship.

The Department is comprised of the following areas:

Recreation Division: The Recreation Division is responsible for the day to day operation of the David L. Bodenhamer Recreation Center and Gulf Shores Cultural Center which are membership and/or daily fee-based community centers that receive over 390,000 visits annually. These facilities serve as hubs for all recreational athletics and wellness, and house City of Gulf Shores Recreation Division staff offices. Both recreation complexes offer a wide variety of recreational activities including fitness center, indoor pool, racquet ball, gymnasium, tennis, pickle ball and indoor track. Additionally youth and adult programming including educational, creative and cultural arts classes, and life-long learning opportunities are offered.

Parks & Facilities Division: The Parks & Facilities Division is responsible for the upkeep and maintenance of all parks, sports fields and related facilities as well as the landscape maintenance of City Hall, the Municipal Annex, Library, Museum, Civic Center, Activity Center, Police and Fire Departments and the Gulf Shores City School System facilities. In addition, this Division manages the sports tourism tournament operations.

Programs & Events Division: The Events Division is responsible for City events including parades and festivals, managing the rental facilities, programming which takes place at various locations, and fostering equitable partnerships with like-wise organizations to enhance local arts, culture and entertainment. The City Store is an important part of this Division and provides an outlet for City service information and the opportunity for the public to obtain "Small Town, Big Beach" City merchandise which reinforces and enhances our brand.

Library & Museum Division: The Thomas B. Norton Public Library offers residents and visitors a wealth of useful services, helpful resources, and, of course, books. Also included is free Wi-Fi, library cards free for anyone with picture ID and valid mailing address, photocopying, printing, faxing, notary services and public internet access computers. The Gulf Shores Museum offers new and permanent exhibits as well as seasonal programs and events. Admission is free to the public.

Marketing & Communications: This area is responsible for the coordination of City-Wide Identification and Brand Identity, and manages the City website and social media. Additionally, this area coordinates with the Public Information Officer to release information to the media related to City message and develops contacts and relationships with media representatives to create opportunities for keeping the City and its services in front of the public and community.

Eco-Center Division: The Eco-Center Division is responsible for the day-to-day **operations** of the Gulf Coast Eco-Center which serves to support ecotourism and environmental education in the Gulf Coast region as part of the Alabama Gulf Coast Recovery Council's Multi-year Implementation Plan. In addition, the division develops and facilitates sustainability initiatives and coordinates efforts with environmental education and tourism related entities, including Jean-Michel Cousteau's Ocean Futures Society, to promote sustainable tourism and raise environmental awareness.

**The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget**

RECREATION & CULTURAL AFFAIRS	2019 Actual	2020 Actual	2021 Amended Budget	2022 Council Adopted	% Change 2021 to 2022	2023 Projected
Expenditures						
Personnel	400,023	434,808	399,836	410,451	3%	413,649
Operations	33,405	39,507	55,842	57,942	4%	55,842
Capital Outlay/Signage	0	0	0	0	n/a	0
RCA Total	433,428	474,315	455,678	468,393	3%	469,491

Recreation & Cultural Affairs Personnel

	2019 Actual	2020 Actual	2021 Budget	2022 Adopted
Positions				
Director	1	1	1	1
Assistant Director	1	1	1	1
Marketing & Com. Coordinat	1	1	1	1
Total Personnel	3	3	3	3

Major Accomplishments:

1. Engaged citizens in community park planning and design. *(Community Planning)*
2. City Council adopted a Facility Use Agreement with Gulf Shores City Schools *(Sustainability)*
3. Reinvisioned City website to increase public access. *(Prosperity)*
4. Assisted with City School athletic facility renovations. *(Community Planning)*
5. Negotiated a 5-year AHSAA Track & Field Championship extension. *(Prosperity)*

Goals:

Performance Measures:	Units	2020 Actual	2021 Budget	2022 Target
Park & Rec Master Plan	Status	Implement	Implement	Review
Recreation Memberships	Each	5,942	6,800	6,800
Facility Contacts	Each	211,367	500,000	500,000
Programs Offered	Each	430	450	450
Events Hosted	Each	15	45	45
Parkland Maintained	Acres	220	260	290
City Website Visits	Each	1,051,656	700,000	1,200,000
Citizens Satisfied w/ Services	%	85%	88%	88%

Objectives:

1. Develop community park construction plans. *(Community Planning)*
2. Constuction the sportplex pickleball facility. *(Community Planning)*
2. Increase civic knowledge of citizen benefits through staregic digital media outreach *(Prosperity)*
3. Hire Gulf Shores Eco-Center staff *(CommunityPlanning)*
4. Maintain equitable partnerships with GS School System superintendent, coaches and programs. *(Prosperity)*
5. Expand departmental recycling program plan in support of the City-wide recycling inniative. *(Environmental Stewardship)*

The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget

RECREATION	2019	2020	2021	2022	% Change	2023
EVENTS	Actual	Actual	Amended Budget	Council Adopted	2021 to 2022	Projected
Expenditures						
Personnel	376,930	385,905	448,129	475,050	6%	466,949
Operations	391,669	210,814	310,724	383,324	23%	312,724
Capital Outlay	0	0	0	0	0%	0
Events Total	768,599	596,719	758,853	858,374	13%	779,673

Events Personnel

	2019	2020	2021	2022
Positions	Actual	Actual	Budget	Adopted
Events Manager	1	1	1	1
Programs & Events Tech	1	1	1	1
Rental Supervisor	1	1	1	1
Event Supervisor	1	1	1	1
Program Assistant II	1	1	2	2
Programs Assistants (PT)	4	4	2	2
Total Personnel	9	8	8	8

Major Accomplishments:

1. Partnered with Chamber of Commerce and local vendors to enhance free community events (*Prosperity*)
2. Added Summer Music Series at Meyer Park (*Enhance Sense of Place*)
3. Produced Santa's Ride through the City in response to COVID-19 (*Enhance Sense of Place*)
4. Renovated Auditorium at Cultural Center to include energy efficient systems and lighting (*Environmental Stewardship*)
5. Procured CVB grant funding to offset community event costs (*Sustainability*)

Goals:

		2020	2021	2022
	Units	Actual	Budget	Target
Community Events Produced	Each	15	44	44
Facility Rentals	Each	997	1,750	1,650
Citizens Satisfied w/ Events	%	80%	85%	85%

Objectives:

1. Enhance holiday decorations City-wide (*Enhance Sense of Place*)
2. Develop and implement a permit review and recommendation committee. (*Prosperity*)
3. Research and develop a public/private partnership program to enhance events and attract sponsorship (*Prosperity*)

The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget

	2019	2020	2021	2022	% Change	2023
RECREATION	Actual	Actual	Amended Budget	Council Adopted	2021 to 2022	Projected
LIBRARY						
Expenditures						
Personnel	536,371	686,048	594,136	595,866	0%	611,432
Operations	83,485	72,069	101,575	104,620	3%	100,390
Capital Outlay	0	0	0	0	0%	0
Library Total	619,856	758,117	695,711	700,486	1%	711,822

Library Personnel

	2019	2020	2021	2022
Positions	Actual	Actual	Budget	Adopted
Managing Librarian	1	1	1	1
Library Assistant Senior	4	4	4	4
Library Assistant	1	1	1	1
Reference Librarian	1	1	1	1
Museum Coordinator	1	1	1	1
Programs Assistant (PT)	1	1	1	1
Library Assistant (PT)	2	2	2	2
Total Personnel	11	11	11	11

Major Accomplishments:

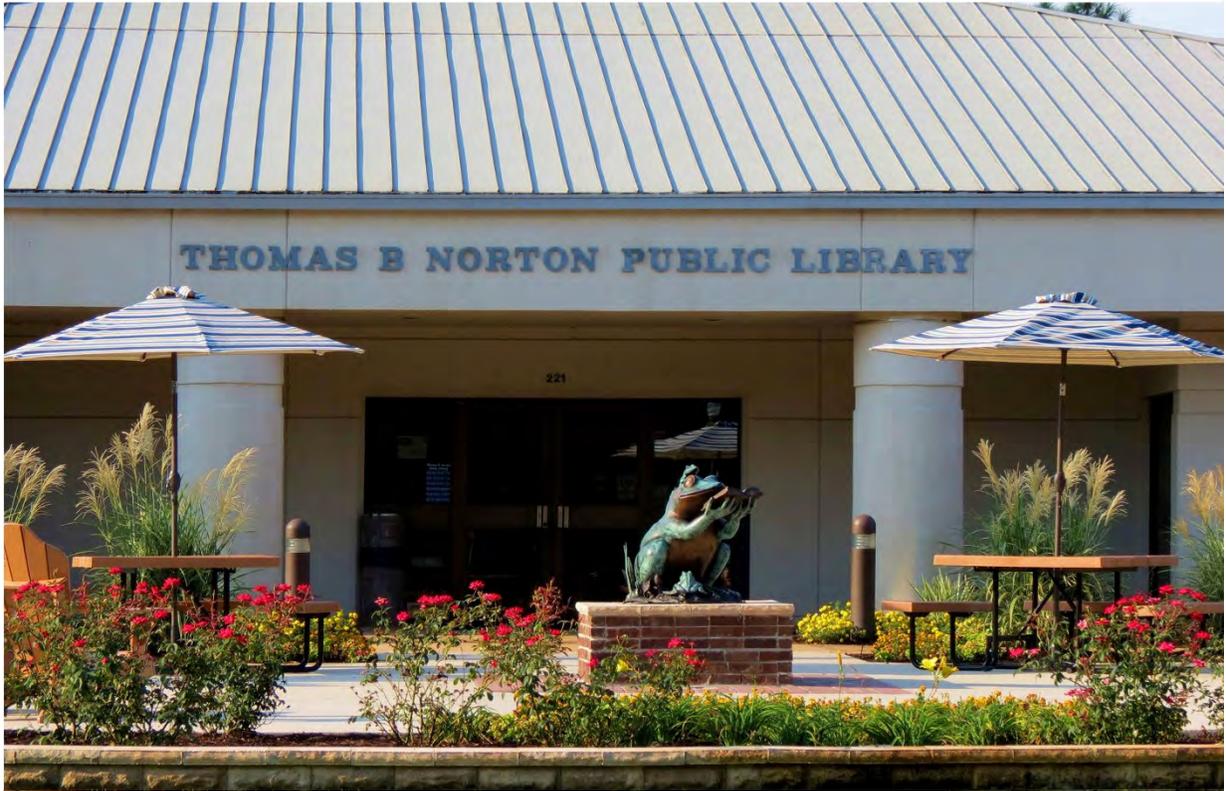
1. Created a system of virtual programming to continue outreach despite limitations of COVID-19, including storytimes, booktalks, crafts, and reference services (*Progressive Education*)
2. Managing Librarian served on Executive Council of Alabama Library Association (*Progressive Education*)
3. Maintained Alabama State Association's Gold Standard Library Award. (*Sustainability*)
4. Hosted traveling exhibit at the museum from Troy University. (*Enhance the sense of place*)

Goals:

		2020	2021	2022
	Units	Actual	Budget	Target
Library Visits	Each	22,353	45,000	45,000
Museum Visits	Each	2,847	n/a	5,000
Public Computers Sessions	Each	5,101	14,000	10,000
Digital Materials Accessed	Each	118,503	96,000	120,000
Programs Offered	Each	114	400	125
Meeting Room Rentals	Each	80	280	150
AL Gold Star Standard Award	Maintain	Yes	Yes	Yes

Objectives:

1. Develop a marketing concept to promote online library services & local history. (*Prosperity*)
2. Participate in local archaeological research efforts for the benefit of the City. (*Sustainability*)
3. Host a traveling museum exhibit. (*Progressive Education*)
4. Collaborate with Gulf Shores City Schools to produce additional youth programming. (*Progressive Education*)



The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget

	2019	2020	2021	2022	% Change	2023
RECREATION	Actual	Actual	Amended Budget	Council Adopted	2021 to 2022	Projected
REC & WELLNESS						
Expenditures						
Personnel	1,708,548	1,654,135	1,781,947	1,982,573	11%	1,904,730
Operations	477,271	348,892	507,918	546,098	8%	507,918
Capital Outlay	0	105,526	14,000	0	n/a	0
Rec & Wellness Total	2,185,819	2,108,553	2,303,865	2,528,671	10%	2,412,648

Rec & Wellness Personnel

	2019	2020	2021	2022
Positions	Actual	Actual	Budget	Adopted
Recreation Manager	1	1	1	1
Maintenance Worker, Senior	1	1	1	1
Athletic Coordinator, Sports	1	1	1	1
Athletic Coordinator, Tennis	1	1	1	1
Athletic Coordinator, Fitness	1	1	1	1
Athletic Coordinator, Aquatics	1	1	1	1
Lifeguard II	2	2	2	2
Administrative Asst II	1	1	1	1
Fitness Attendants	1	1	1	1
Customer Service Supervisor	1	1	1	1
Customer Service Rep	4	4	4	4
Recreation Supervisor	1	1	1	1
Programs Coordinator	1	1	1	1
Programs Assistant	2	3	3	3
Recreation Assistant (PT)	3	3	3	3
Lifeguards (PT)	12	12	12	12
Customer Service Rep (PT)	5	5	5	5
Programs Asst (PT)	2	0	0	0
Total Personnel	41	40	40	40

Major Accomplishments:

1. Renovated recreation center lobby to maximize the functionality and enhance services (*Community Planning*)
2. Maintained recreation center operations during COVID-19 mandates and restrictions (*Sustainability*)
3. Conducted a safe summer camp program for over 130 local children (*Prosperity*)
4. Expanded outdoor programming opportunities for residents promoting physical health and mental well-being (*Leading Edge Healthcare*)
5. Installed a Trane building automation system at the Bodenhamer Recreation Center integrating systems and maximizing energy efficiency – (*Environmental Stewardship*)
6. Established multiple partnerships with the GS City School System in athletics, special programs, and aquatics that present cohesive, high-quality program opportunities for our local youth (*Prosperity*)

Goals:

		2020	2021	2022
	Units	Actual	Budget	Target
Recreation Memberships Facility Visits	Each	5,942	6,800	6,800
Programs Offered Volunteers Recruited	Each	175,000 est.	390,000	390,000
Citizens Satisfied w/ Services	Each	316	441	450
	Each	206	250	250
	%	85%	85%	85%

Objectives:

1. Resume popular programs and operations that have been suspended due to COVID-19. (*Prosperity*)
2. Maintain safe operating practices and pandemic prevention protocols. (*Sustainability*)
3. Perform routine patron/participant surveys (*Prosperity*)
4. Develop and test programming that fosters mentorship between youth and adults (*Sustainability*)
5. Expand at risk youth, teen & family programs (*Prosperity*)

The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget

	2019	2020	2021	2022	% Change	2023
RECREATION	Actual	Actual	Amended Budget	Council Adopted	2021 to 2022	Projected
SPORTSPLEX						
Expenditure						
Personnel	690,122	661,103	764,588	783,630	2%	774,034
Operations	456,875	319,434	455,000	475,460	4%	456,600
Capital Outlay	137,717	0	87,000	64,500	-26%	97,000
Sportsplex Total	1,284,714	980,537	1,306,588	1,323,590	1%	1,327,634

Sportsplex Personnel

	2019	2020	2021	2022
Positions	Actual	Actual	Budget	Adopted
Manager	1	1	1	1
Crew Leader	1	1	2	2
Grounds Worker Senior	1	1	0	0
Grounds Worker	3	3	3	3
Concessions Supervisor	1	1	1	1
Total Personnel	7	7	7	7

Major Accomplishments:

1. Installed backstop netting and renovated varsity baseball and softball fields (*Community Planning*)
2. Resurfaced triplejump runway (*Sustainability*)
3. Relocated and installed new hammer cage (*Sustainability*)
4. Maintained strong partnerships with local, regional and national stakeholders and advised Sport Tourism representatives on potential athletic opportunities and current limitations (*Prosperity*)

Goals:

		2020	2021	2022
	Units	Actual	Budget	Target
Parkland Maintained	Acres	98	98	98
Nat. Championships Hosted	Each	0	1	1
State Championships Hosted	Each	1	2	2
Tournaments Hosted	Each	27	28	27
High School Games Hosted	Each	70	70	70

Objectives:

1. Maintain STMA Environmental Facility Certification (*Environmental Stewardship*)
2. Develop a maintenance plan for the Sportplex Pickleball Facility (*Sustainability*)
3. Host GSHS Boys and Girls Varsity and JV Soccer games (*Prosperity*)

The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget

RECREATION	2019	2020	2021	2022	% Change	
PARKS	Actual	Actual	Amended Budget	Council Adopted	2021 to 2022	2023 Projected
Expenditures						
Personnel	381,845	382,604	423,701	432,512	2%	435,520
Operations	161,933	144,653	167,413	168,713	1%	168,213
Capital Outlay	16,873	96,951	37,000	50,000	n/a	57,500
Parks Total	560,651	624,208	628,114	651,225	4%	661,233

Parks Personnel

	2019	2020	2021	2022
Positions	Actual	Actual	Budget	Adopted
Crew Leader	1	1	1	1
Grounds Worker Senior	1	1	1	1
Grounds Worker	4	4	4	4
Recreation Assistant (PT)	1	1	1	1
Total Personnel	7	7	7	7

Major Accomplishments:

1. Installed Meyer Park playground shade structure. *(Community Planning)*
2. Installed new pedestrian sidewalk at Sims Park. *(Community Planning)*
3. Expanded city-wide recycling efforts at all park properties. *(Environmental Stewardship)*
4. Installed new benches at the Gulf Shores Dog Park *(Community Planning)*

Goals:

		2020	2021	2022
	Units	Actual	Budget	Target
Parkland Maintained	Acres	118	125	125
Nat. Championships Hosted	Each	1	1	1
State Championships Hosted	Each	2	2	2
Tournaments Hosted	Each	27	28	27
High School Games Hosted	Each	70	70	70

Objectives:

1. Assist community park design and development. *(Community Planning)*
2. Enhance Kids Park playground. *(Community Planning)*
3. Expand Park-wide recycling efforts. *(Environmental Stewardship)*

**The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget**

CITY SCHOOL BOARD LANDSCAPING	2019	2020	2021 Amended Budget	2022 Council Adopted	% Change 2021 to 2022	2023 Projected
Expenditures						
Personnel	71,458	162,624	144,074	156,149	8%	155,138
Operations	19,989	47,159	55,522	68,522	23%	68,022
Capital Outlay	35,779	23,023	0	0	n/a	16,000
Parks Total	127,226	232,806	199,596	224,671	13%	239,160

Parks Personnel

	2019	2020	2021 Amended Budget	2022 Adopted Budget
Positions	Actual	Actual	Budget	Budget
Landscape Crew Leader	1	1	1	1
Landscape Ground Worker	1	1	1	1
Total Personnel	2	2	2	2

Major Accomplishments:

1. Improved athletic training fields and facilities (*Progressive Education*)

Goals:

		2020	2021	2022
	Units	Actual	Budget	Target
Landscape Maintained	Acres	44	44	44
Wells Maintained	Each	3	3	3
Irrigation Systems	Each	3	3	3

Objectives:

1. Maintain strong partnership with GSCS maintenance staff (*Prosperity*)
2. Review maintenance management plan (*Sustainability*)

The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget

CITY STORE	2019 Actual	2020 Actual	2021 Amended Budget	2022 Council Adopted	% Change 2021 to 2022	2023 Projected
Expenditures						
Personnel	91,604	99,482	108,509	115,093	6%	113,993
Operations	93,413	88,039	76,560	80,710	5%	76,560
Capital Outlay	0	0	0	0	n/a	0
CITY STORE Total	185,017	187,521	185,069	195,803	6%	190,553

CITY STORE Personnel

	2019 Actual	2020 Actual	2021 Budget	2022 Adopted
Positions				
Retail Operator Coordinator	1	1	1	1
Program Assistant <20 hrs.week	3	3	3	3
Total Personnel	4	4	4	4

Major Accomplishments:

1. Greeted over 11,000 City Store visitors (*Enhance the sense of place*)
2. Introduced new merchandise line including Waterway Village and GSFD apparel (*Prosperity*)
3. Converted all marketing materials to digital format (*Environmental Stewardship*)

Goal:

		2020 Actual	2021 Budget	2022 Target
On-Site Store Visits	Units	11,167	14,500	12,000
Sales - counter	Units	3,053	4,500	4,000
Sales - web-based	Units	243	200	250
Available Products	Units	88	110	88
City Store Website Visits	Units	12,889	14,000	14,000

Objectives:

1. Increase City Store presence at area community events (*Prosperky*)
2. Increase store revenues to offset expenses (*Sustainability*)
3. Analyze and identify proper product placement per location (*Prosperky*)
4. Coordinate with Revenue Department to implement an inventory barcode system (*Sustainability*)

The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget

	2019	2020	2021	2022	% Change	2023
Eco-Center	Actual	Actual	Amended Budget	Council Adopted	2021 to 2022	Projected
Expenditures						
Personnel				64,520	n/a	165,939
Operations				11,140	n/a	6,850
Capital Outlay				0	n/a	0
Eco-Center	0	0	0	75,660	n/a	172,789

Eco-Center Personnel

	2019	2020	2021	2022
Positions	Actual	Actual	Amended Budget	Adopted Budget
Maintenance Supervisor				1
Manager				1
Total Personnel	0	0	0	2

Major Accomplishments: None since the division will start operating in 2022

Goals and Objectives: None yet

Public Works Department Functions:

Fiscal Year 2022 Budget

The Public Works Department provides beachside trash/recycling services as well as maintains the City’s numerous public facilities, municipal buildings, public beaches, landscaping, City streets, City rights-of-way, City vehicles, equipment and the City’s stormwater systems. Public Works is comprised of Custodial, Landscaping, Maintenance, Streets and General Services Divisions.

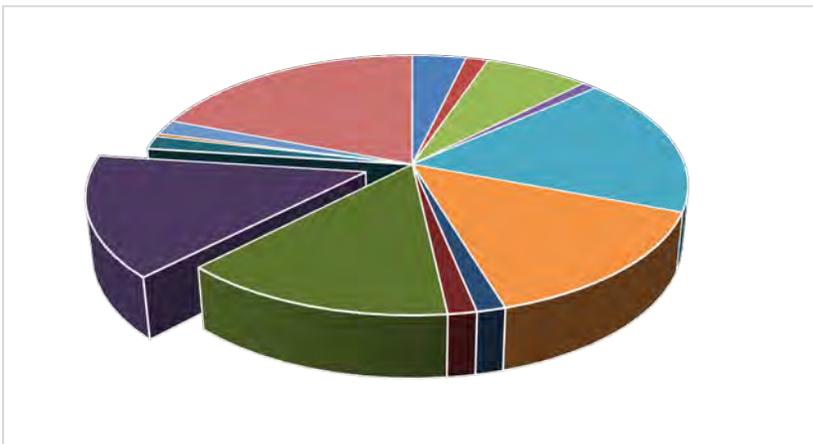
The General Services Division oversees the daily operations of the Department, beachside trash and City-wide recycling programs and logistical support for large City-sponsored events. In addition, the General Services Division provides critical information to our citizens related to trash collection, residential garbage collection, recycling and other utility information.

The Custodial Division has the task of keeping our municipal buildings clean and safe. Additionally, they work hard in maintaining the cleanliness of all of our public beach facilities. The Custodial Division also provides critical support to other departments for large City-sponsored events including sporting events, concerts and group rentals.

The Landscape Division designs, installs and maintains all landscaping in the rights-of-way and at all City facilities. In addition, the Landscape Division designs and installs irrigation and landscaping for all municipal facilities. They also sponsor the Green Industry/Environmental Science Academy at the High School.

The Street Division's daily tasks include beachside trash/recycling collection, rights-of-way mowing, sign repair and maintenance, pothole repair, drainage maintenance, yard debris pickup, mosquito control, new culvert installations on single family residents, grading parking lots and dirt roads, litter pick up on the rights-of-way, and street and beach sweeping. Thanks to the Streets Department our roadways are clean, parking areas are accessible, and our beaches are beautiful.

The Maintenance Division is responsible for both the new construction and remodeling of City facilities, monitoring and maintaining the daily mechanical operations that encompass all City buildings, vehicles and equipment. They are the force that keeps our City facilities running smoothly so that we can serve the public in the best way possible.



Expenditure Budget 2022
\$ 7,481,617
14.8% of General Government

General Government Expenditure Budget: \$50,434,063

The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget

	2019	2020	2021	2022	% Change
PUBLIC WORKS	Actual	Actual	Amended Budget	Council Adopted	2021 to 2022
GENERAL SERVICES					
Expenditures					
Personnel	831,325	392,188	380,526	401,712	6%
Operations	46,772	16,781	13,550	13,550	0%
Capital Outlay	33,482	0	0	0	0%
PW General Services Total	911,579	408,969	394,076	415,262	5%

Public Works General Services Personnel

	2019	2020	2021	2022	
Positions	Actual	Actual	Budget	Adopted	
Director	1	1	1	1	
Assistant Director	1	0	0	0	
Inspector	1	0	0	0	Moved to Engineering
Administrative Analyst	0	1	1	1	
Administrative Assistant I	2	1	1	1	1 Moved to Engineering
Administrative Assistant III	1	1	1	1	
Administrative Assistant (PT)	1	0	0	0	Moved to Engineering
Courier	1	1	1	1	
Construction Mgr.	1	0	0	0	Moved to Engineering
Transportation Techs	2	0	0	0	Moved to Engineering
Total Personnel	11	5	5	5	

Major Accomplishments:

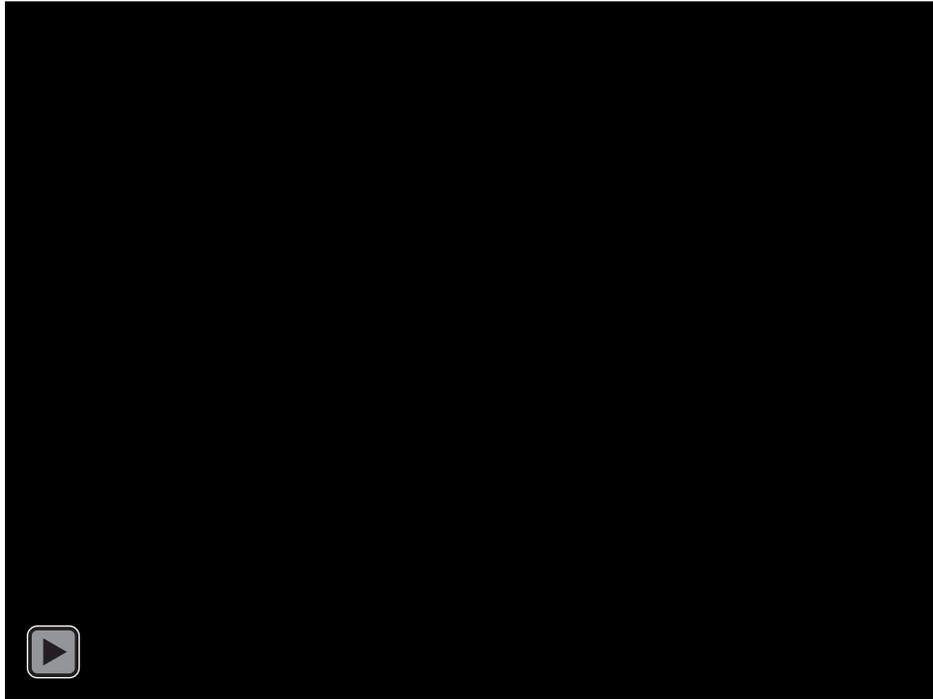
1. Completed new High School Gym Project and working on new Elementary STEAM Lab
2. Continue to work with citizens on drainage issues to help alleviate problem areas.
3. Continue to work with Fish and Wildlife and Sea Turtle Patrol to keep our beaches clean and clutter free.
4. Our recycling efforts have vastly improved and continue to serve the citizens of our environmental need.

Goals:	Units	2020 Actual	2021 Budget	2022 Target
Materials Recycled	Tons	380	704	1,100
Streets Maintained	Miles	84.22	85.78	89.90
Special Events Support	Hours	50	1,080	1,100
Sidewalk Repairs	Linear Feet	1,368	500	550
Street Sweeping	Miles	4198	2461	2700

Objectives:

We will continue to assist each of our Divisions and remove obstacles so they can easily serve the citizens and visitors of the city.

Gulf Shores Public Works Department
Public Beach Cleaning



The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget

	2019	2020	2021	2022	% Change	2023
PUBLIC WORKS	Actual	Actual	Amended Budget	Council Adopted	2021 to 2022	Projected
CUSTODIAL						
Expenditures						
Personnel	435,546	462,666	497,495	492,852	-1%	494,968
Operations	88,961	74,133	84,750	84,750	0%	84,750
Capital Outlay	0	30,590	30,000	37,500	25%	48,250
PW Custodial Total	524,507	567,389	612,245	615,102	0%	627,968

Public Works Custodial Personnel

	2019	2020	2021	2022
	Actual	Actual	Budget	Adopted
Positions				
Supervisor	1	1	1	1
Facility Maintenance Worker	6	6	6	6
Facility Maintenance Worker Sr	2	2	2	2
Total Personnel	9	9	9	9

Major Accomplishments:

1. Enhanced the efficiency of disinfectant practices with electrostatic sprayers and training.
2. Provided hand sanitizing stations in every location City wide.
3. Provided cleaning and disinfection services for all City departments and events.

Goals:	Units	2020 Actual	2021 Budget	2022 Target	
Reduced Paper Towel Usage	Cases	140	110	100	
Reduced Disinfectant Chemical Usage	Gallons	116	88	85	
City Events Supported	Each	5	45	60	
Work Orders Completed				33	New item

Objectives:

1. Continue education, training, and implementation of "Green" products and chemicals to minimize environmental impacts.
2. Enhance quality of life for our visitors and residents through clean, safe and sanitary facilities.
3. Provide support facility services for all City functions, events, and departments in an environmentally responsible manner.

The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget

PUBLIC WORKS	2019	2020	2021	2022	% Change	2023
LANDSCAPE	Actual	Actual	Amended Budget	Council Adopted	2021 to 2022	Projected
Expenditures						
Personnel	686,402	688,962	776,842	801,097	3%	796,584
Operations	176,782	179,997	189,400	189,400	0%	189,400
Capital Outlay	110,896	132,058	90,000	60,000	-33%	47,250
PW Landscape Total	974,080	1,001,017	1,056,242	1,050,497	-1%	1,033,234

Public Works Landscape Personnel

	2019	2020	2021	2022
Positions	Actual	Actual	Budget	Adopted
Supervisor-Horticulture	1	1	1	1
Crew Leader	1	1	1	1
Landscape Worker Senior	4	4	4	4
Landscape Worker	4	4	4	4
Total Personnel	10	10	10	10

Major Accomplishments:

1. Install landscaping and irrigation at new Gulf Shores High School Multipurpose Gymnasium.
2. Install landscaping and irrigation along median of Coastal Gateway Blvd.
3. Install landscaping along median of Fort Morgan Rd.
4. Increase mowing route (four man, five day route) to improve the appearance of the city.
5. A Composting and Mulching Plan was designed.
6. Installed a Tree Farm at Gulf Shores High School for the Green Industry / Environmental Science Academy.

Goals:	Units	2020 Actual	2021 Budget	2022 Target
Annuals Planted	Each	43,000	45,000	45,000
Multi-Use Trails Maintained	Miles	17.50	23.00	23.00
Landscape Beds Maintained	SF	121,500	122,000	122,000
New Trees Planted	Each	200	-	100

Objectives:

1. To continue to enhance the quality of life and sustainability of the community by improving the landscaping and utilizing low-impact design methods.
2. Develop a reforestation plan to reintroduce native trees back to the area, along with the development of an Urban & Community Forestry Management Plan for the care and maintenance of all trees throughout the city.
3. Develop a Tree Farm at the High School to support education through the Green Industry/Environmental Science Academy to educate students about Arboriculture and supply trees for the public.
4. Establish the compost & mulch program for the reuse of green waste collected through Public Works.

The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget

PUBLIC WORKS	2019	2020	2021	2022	% Change	2023
STREETS	Actual	Actual	Amended Budget	Council Adopted	2021 to 2022	Projected
Expenditures						
Personnel	1,448,502	1,331,212	1,538,470	1,647,020	7%	1,481,484
Operations	1,166,913	1,140,770	1,215,865	1,209,000	-1%	1,209,000
Capital Outlay	619,358	665,474	502,510	1,279,000	155%	608,250
PW Streets Total	3,234,773	3,137,456	3,256,845	4,135,020	27%	3,298,734

Public Works Streets Personnel

	2019	2020	2021	2022	
Positions	Actual	Actual	Budget	Adopted	
Supervisor-Streets	1	1	1	1	
Crew Leader	1	1	1	1	
Detail Maintenance Worker	1	1	1	0	
Equipment Oper I	7	7	8	11	add 3 OPI
Equipment Oper II	3	3	6	7	
Equipment Oper III	5	5	4	4	
Recycle/Oper I	2	2	2	2	(2 Beach Funds)
Total Personnel	20	20	23	26	

Major Accomplishments:

1. Maintained an acceptable level of City services during an unprecedented medical event that constantly reduced City employee support and eliminated the contract labor force.
2. Coordinated with the City contractor and provided removal and disposal of hurricane Sally debris.
3. Repair and/or replacement of 1000 plus City signs and traffic control devices after Sally.
4. Beach sand removal from public access, boardwalk and parking areas during three tropical events.
5. Grounds maintenance for 900 Acres of Airport and Industrial Park facilities.
6. Drainage improvements and expansion for Gulf Shores City School, STEAM Learning Center.

Goals:	Units	2020 Actual	2021 Budget	2022 Target	
Drainage Ditches Cleaned	Linear Feet	2,678	20,821	40,000	
Yard Debris Collected	Cubic Yards	38,345	52,639	63,000	
Potholes Paved	Tons Asphalt	33	49	55	
Mosquito Spraying	Acres	72,000	54,200	65,000	
Sign Replacement	Each	190	173	175	New Item

Objectives:

1. Drainage improvements and expansion through additional crew and equipment.
2. Expand curbside debris removal to accommodate the increase of households.
3. Maintain ROW mowing, tree trimming, litter/trash removal, mosquito program, recycle program and beach.
4. Provide safety/skills training for all Streets operators.

The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget

	2019	2020	2021	2022	% Change	2023
PUBLIC WORKS MAINTENANCE	Actual	Actual	Amended Budget	Council Adopted	2021 to 2022	Projected
Expenditures						
Personnel	700,928	718,655	715,296	756,836	6%	744,384
Operations	612,922	438,693	612,900	471,400	-23%	451,400
Capital Outlay	0	0	0	37,500	n/a	38,250
PW Maintenance Total	1,313,850	1,157,348	1,328,196	1,265,736	-5%	1,234,034

Public Works Maintenance Personnel

	2019	2020	2021	2022
Positions	Actual	Actual	Budget	Adopted
Supervisor Maintenance	1	1	1	1
Facility Maintenance Tech	3	3	3	3
Vehicle/Equipment Mechanic	2	2	2	2
Facility Maint Senior	1	1	1	1
Vehicle Maintenance Tech Sr	1	1	1	1
Fleet Manager	1	1	1	1
Total Personnel	9	9	9	9

Major Accomplishments:

1. Improved efficiency by performing more in-house repairs on vehicles with diagnostic equipment.
2. Improved quality of life for citizens and visitors by installing decorative LED lighting along pathways
3. Helped with the remodeling of public spaces at the Bodenhamer Center.
4. Improved sustainability by installing automatic light switches and replacing standard lights with LEDs.
5. Constructed 2 new Lifeguard stands for Fire and Rescue.
6. Improved HVAC systems by performing more in-house repairs and new installs.
7. Painted the Board of Education Building.
8. Assisted with the remodel of the High School Field House.
9. Constructed multiple privacy fences along Coastal Gateway Boulevard Project.
10. Upgraded controls for the HVAC systems for the Rec Center.
11. New Boiler system installed at the Rec Center.

		2020	2021	2022
Goals:	Units	Actual	Budget	Target
Energy Savings w/LED & Auto Switches	Dollars	12,500	13,392	20,000
LED Lights Installed	Each	1,500	3,198	3,300
Auto-Switches Installed	Each	62	20	35
Work Orders Completed	Each	1,950	1,334	1,800

Objectives:

Continue to improve quality of life for citizens and employees by remodeling existing City facilities while improving sustainability with energy saving retrofits.

Engineering Department Functions:

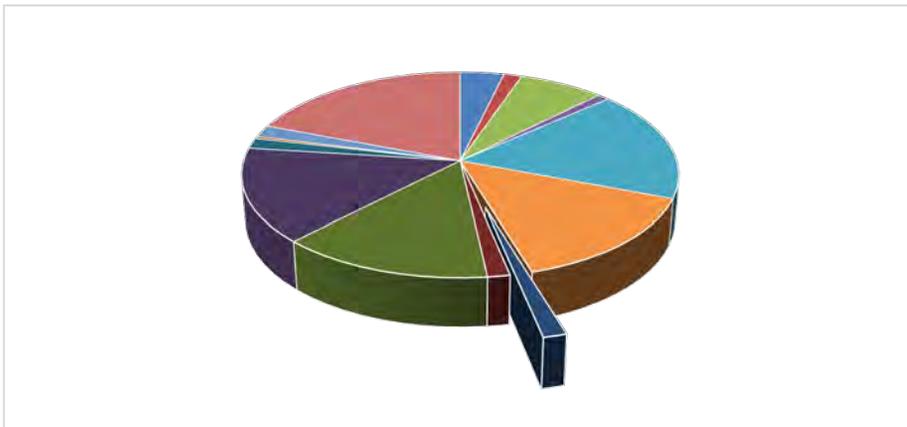
Fiscal Year 2022 Budget

The Engineering Department provides civil engineering services for the City, assists Community Development by providing engineering reviews and civil inspections for all commercial, multi-family and residential developments, administers municipal capital improvement projects, and maintains all of the traffic control systems within the corporate limits.

The Engineering Department develops short-term & long-term infrastructure improvements to keep up with growth, oversees beach renourishments, performs occasional in-house engineering design, provides civil engineering plan reviews for commercial, multi-family and residential developments, and administers Land Disturbing and Utility Permits. Engineering also develops and administers the City Franchises for commercial and residential waste. In addition, the administrative staff provides critical information to our citizens related to traffic, stormwater, trash collection, residential garbage collection, recycling and other utility information.

The Construction Division administers municipal capital improvement projects. Construction works with the City Engineer/officials/staff and residents to develop capital improvement projects and budgets for adoption in the 10-Year Capital Improvement Plan. Once adopted, Construction coordinates with architects/engineers/staff to develop plans/specifications, selects a contractor, and implements the project. During project construction, they oversee and administer all construction-related purchasing, invoicing, and inspections. Construction also provides inspections of commercial, multi-family and residential developments.

The Transportation Division maintains all of the traffic control systems within the corporate limits. They work with the City Engineer and ALDOT to calibrate and repair the numerous traffic control systems within the corporate limits to insure they operate at optimal efficiency. Transportation also provides critical traffic count and level of service data to the City Engineer to assist with infrastructure planning and economic development.



Expenditure Budget 2022
\$ 827,815
1.6% of General Government

General Government Expenditure Budget: \$50,434,063

**The City of Gulf Shores, Alabama
Fiscal Year 2022 Budget**

	2019	2020	2021	2022	% Change	2023
	Actual	Actual	Amended Budget	Council Adopted	2021 to 2022	Projected
ENGINEERING						
Expenditures						
Personnel	0	570,791	604,109	646,465	107%	627,495
Operations	0	104,495	129,650	116,350	90%	126,550
Capital Outlay	0	0	155,000	65,000	42%	40,000
PW Engineering Total	0	675,286	888,759	827,815	93%	794,045

Public Works Engineering Personnel

	2019	2020	2021	2022
Positions	Actual	Actual	Budget	Adopted
City Engineer	0	1	1	1
Inspector	0	1	1	1
Administrative Assistant III	0	1	1	1
Administrative Assistant (PT)	0	1	1	1
Construction Mgr.	0	1	1	1
Transportation Tech Senior	0	0	1	1
Transportation Techs	0	2	1	1
Total Personnel	0	7	7	7

Major Accomplishments:

1. Continued implementation of Vision 2025 with the completion of Medical Village Phase I and Medical Village Phase II.
2. Completed construction of Beach Walking District Phase I to promote walkability to improve physical health and reduce carbon pollution by minimizing vehicular usage.
3. Constructed bike lanes along West Fairway Avenue to connect community to Ft. Morgan Trail.
4. Installed playground shade sails at Meyer Park and Gulf Place to promote year-round physical exercise for children.

Goals:	Units	2020 Actual	2021 Budget	2022 Target
Transportation Improvements	Dollars	\$12,849,045	\$7,454,560	\$22,813,532
Sidewalks Constructed	Linear Feet	19,200	15,890	40,770
Streets Resurfaced	Miles	5.97	2.20	6.00

Objectives:

To achieve Vision 2025 goals by the continued implementation of transportation improvements and enhance the quality of life for residents through the construction of public facilities.

**CITY OF GULF SHORES, ALABAMA
EXPENDITURES BY CATEGORY
PROJECTED BUDGET YEAR ENDING DECEMBER 31, 2023**

Department	Personnel	Operations	Capital	Debt Service	Transfers	Total
General Fund:						
Executive	1,152,141	756,475	-			1,908,616
Human Resources	621,715	132,644				754,359
Finance & Administrative Services	1,521,103	2,043,104	10,000			3,574,207
Municipal Court	484,391	13,290				497,681
Police	6,733,499	1,031,450	-			7,764,949
Fire & EMS	5,196,073	857,600	-			6,053,673
Planning and Zoning	551,782	80,241	-			632,023
Building	634,363	60,950	36,000			731,313
Recreation & Cultural Affairs	413,649	55,842	-			469,491
Special Events & Programs	466,949	312,724	-			779,673
Library	611,432	100,390	-			711,822
RCA - Bodenhamer	1,904,730	507,918	-			2,412,648
RCA - Sportsplex	774,034	456,600	97,000			1,327,634
RCA - Parks	435,520	168,213	57,500			661,233
RCA - School Landscaping	155,138	68,022	16,000			239,160
RCA - Eco Center	165,939	6,850	-			172,789
RCA - City Store	113,993	76,560	-			190,553
Public Works - General Services	398,345	13,550	500			412,395
Public Works - Custodial	494,968	84,750	48,250			627,968
Public Works - Landscaping	796,584	189,400	47,250			1,033,234
Public Works - Streets	1,481,484	1,209,000	608,250			3,298,734
Public Works - Maintenance	744,384	451,400	38,250			1,234,034
Engineering	627,495	126,550	40,000			794,045
Airport Authority	176,119					176,119
Appropriations		918,488				918,488
Transfers Out					9,654,982	9,654,982
General Fund Totals	<u>26,655,828</u>	<u>9,722,011</u>	<u>999,000</u>	<u>0</u>	<u>9,654,982</u>	<u>47,031,821</u>
% of Total	57%	21%	2%		21%	
Other Funds:						
Special Revenue						
Designated Taxes		35,000			527,000	562,000
Impact Fees			2,161,400			2,161,400
Beach Restoration & Projects	1,036,786	321,000	180,600			1,538,386
Capital Improvements-Fund 38 Trans					40,000	40,000
Storm Damage Fund		323,000	5,000,000			5,323,000
Capital Projects Taxable (Fund 42)			41,507,707			41,507,707
Capital Projects NonTax (Fund 40)			1,240,000			1,240,000
Debt Service		2,000	1,423,820		7,496,084	8,921,904
Subtotal Other Funds	<u>1,036,786</u>	<u>681,000</u>	<u>51,513,527</u>	<u>-</u>	<u>8,063,084</u>	<u>61,294,397</u>
Grand Total	<u>27,692,614</u>	<u>10,403,011</u>	<u>52,512,527</u>	<u>-</u>	<u>17,718,066</u>	<u>108,326,218</u>

Schedule 1
City of Gulf Shores
Operating Indicators by Function/Program

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General government										
Building permits issued	566	589	657	610	586	782	896	1,295	998	1,879
Building inspections conducted	1,263	1,570	1,951	2,172	2,337	3,098	3,914	6,246	7,602	5,783
Business Licenses issued	10,016	10,281	10,562	7,164	7,551	7,974	8,392	8,555	8,658	8,741
Police										
Physical arrests	1,527	1,387	1,602	1,280	1,510	2,048	1,879	1,831	970	994
Traffic violations	1,641	1,824	1,997	1,500	1,595	2,029	2,058	2,124	1,539	1,021
Officers	41	43	43	43	45	47	47	50	50	51
Fire										
Emergency responses	2,790	2,785	2,972	2,903	3,073	3,146	3,149	3,297	3,090	3,335
Fires extinguished	70	92	92	64	72	83	54	63	72	71
Inspections*	920	1,071	1,200	1,800	1,800	1,975	1,950	1,650	2,110	1,160
Full time staff	43	43	43	43	43	44	46	48	55	56
Seasonal Lifeguards / Rangers	0	0	0	0	0	0	0	0	34	34
Volunteer Firefighters	8	8	8	8	8	10	4	0	0	0
Engineering										
Street resurfacing (linear feet)	-	-	10,560	3,455	12,270	8,200	8,100	5,510	8,960	31,500
Sidewalks (linear feet)						1,600	10,760	3,265	4,950	267
Bike Lanes (linear feet)**						780	2,800	40,800	11,800	19,200

*2014 increase due to better data collection and the 2014 Inspection Ordinance

**2018 includes improved bike lanes on Beach Boulevard; 2020 includes Coastal Gateway Blvd, West Lagoon Ave and West 2nd Street

Schedule 2
City of Gulf Shores
Capital Asset Statistics by Function/Program
Past Ten Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Stations	1	1	1	1	1	1	1	1	1	2
Fire Stations	4	4	4	4	4	4	4	5	5	5
Parks and recreation										
Football/Track Stadium	1	1	1	1	1	1	1	1	1	1
Softball/Baseball fields	15	15	15	15	15	15	15	15	15	15
Soccer field	1	1	1	1	1	1	1	1	1	1
Parks	8	8	8	8	8	8	8	8	8	8
Tennis Courts	18	18	18	18	18	18	18	18	18	18
Basketball Courts	2	2	2	3	3	5	5	5	5	5
Swimming Pool	1	1	1	1	1	1	1	1	1	1
Gymnasium	1	1	2	2	2	2	2	2	2	2
Transit - minibusses	5	5	5	5	5	5	5	3	3	3
Public Works										
Maintained Streets (miles)	67.22	69.27	69.27	74	74	75.67	84.22	84.22	85.78	89.9
Traffic Signals	24	24	24	24	24	24	24	25	25	27
Streetlights	2,234	2,234	2,234	2,234	2,234	2,403	2,403	2,449	2,422	2,617

Schedule 3
City of Gulf Shores
Population

Census Year	City of Gulf Shores
1960	356
1970	909
1980	1349
1990	3261
2000	5044
2010	9741
2011	9982
2012	10118
2013	10765
2014	10963
2015	11131
2016	11689
2017	11809
2018	12517
2019	12757
2020	15014

Per Capita Income

	<u>1979</u>	<u>1989</u>	<u>1999</u>	<u>2010</u>	<u>2019</u>
Gulf Shores	7,761	17,414	24,356	28,522	37,108
State of Alabama	5,894	11,486	18,189	22,984	27,928

Median Family Income

	<u>1989</u>	<u>1999</u>	<u>2010</u>	<u>2019</u>
Gulf Shores	34,257	51,862	45,801	53,476
State of Alabama	28,688	41,657	42,081	50,536

Source: United States Bureau of the Census Quick Facts

Schedule 4
Unemployment Rates

	<u>2013</u>	<u>2014</u>	<u>2016</u>	<u>2018</u>	<u>2020</u>
Baldwin County	5.80%	6.10%	5.40%	3.60%	5.60%
Alabama	6.44%	6.80%	5.98%	3.90%	6.00%

Source: Alabama Department of Labor - data not available for the City of Gulf Shores, only Baldwin County
Average unemployment estimates for 2020

**Schedule 5
City of Gulf Shores
Principal Employers**

Top Ten		Total	Full-Time	Part-Time
<u>Rank</u>	<u>Employer</u>	<u>Employees</u>		
1	The Hangout	636	235	401
2	City of Gulf Shores	345	283	37
3	Wal-Mart	330	245	45
4	Gulf Shores City Schools	271	245	12
5	Lulus Landing	269	122	123
6	Waterville	240	9	229
7	The Lodge at Gulf Shores	237	178	35
8	Rouse's Enterprises	205	205	0
9	Publix Alabama	152	85	67

Schedule 6
City of Gulf Shores
Property Tax Levies and Collections (Unaudited)
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Year	Taxable Property Assessed Valuation	Current Collections	Subsequent Collections	Total Collections	Percent Parcels Paid
2020	3,931,508	790,117,460	3,930,206	0	3,930,206	99.76%
2019	3,658,541	734,155,980	3,652,684	3,970	3,656,654	99.82%
2018	3,327,805	668,109,200	3,326,030	171	3,326,201	99.90%
2017	3,074,056	616,090,320	3,071,391	1,596	3,072,987	99.84%
2016	2,822,072	566,085,720	2,820,939	380	2,821,319	99.84%
2015	2,666,050	534,967,860	2,664,330	466	2,664,796	99.75%
2014	2,491,031	499,994,940	2,487,820	1,389	2,489,209	99.72%
2013	2,390,195	478,341,860	2,385,827	1,288	2,387,115	99.66%
2012	2,335,949	468,268,740	2,330,828	1,173	2,332,001	99.72%
2011	2,443,936	487,433,360	2,432,011	4,275	2,436,286	99.44%

	Levy Rate
State of Alabama	6.5 mills
City of Gulf Shores	5 mills
Baldwin County:	
General	5 mills
Schools	9 mills
Roads and Bridges	2.5 mills
Special School District	3 mills
Fire	1.5 mills
Health	.5 mills
Total	33 Mills

**Schedule 7
City of Gulf Shores
Principal Property Taxpayers
Current Year and Ten Years Ago**

<u>Taxpayer</u>	2021			2011		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
100 Emerald Greens LLC UC Funds	\$ 9,006,780	1	1.23%			
Mid America Apartments LP	6,774,760	2	0.92%			
Baldwin Co Electric	6,488,960	3	0.88%	4,316,100	3	0.68%
Villas at Bon Secour	3,675,580	4	0.50%			
21300 Sweetwater LLC	3,621,660	5	0.49%			
BFG SRID Gulf Shores Propco IV LLC	3,171,500	6	0.43%			
RCG-Gulf Shores LLC	3,110,840	7	0.42%			
Walmart Real Estate Business Trust	2,942,920	8	0.40%	2,865,260	6	0.45%
Regency Place LLC	2,717,920	9	0.37%			
Beach Place Development LLC	2,639,120	10	0.36%	2,251,580	7	0.35%
Gulf Shores Multi Family Partners				6,145,260	1	0.97%
The Links at Gulf Shores				4,583,680	2	0.72%
The Links at Gulf Shores LP				4,029,540	4	0.63%
TA Colonial Traditions LLC				3,075,920	5	0.48%
Howard Resort Inns Inc				2,041,460	8	0.32%
Gulf Telephone Company				1,957,100	9	0.31%
Vision Bank				1,896,840	10	0.30%
Total Assessment (All GS)	\$ 734,155,980		6.01%	\$ 635,336,040		5.22%

Source: Baldwin County Revenue Commissioner's Office.

**CITY OF GULF SHORES
FINANCIAL POLICIES
NOVEMBER 2021**

FINANCIAL PLANNING POLICIES

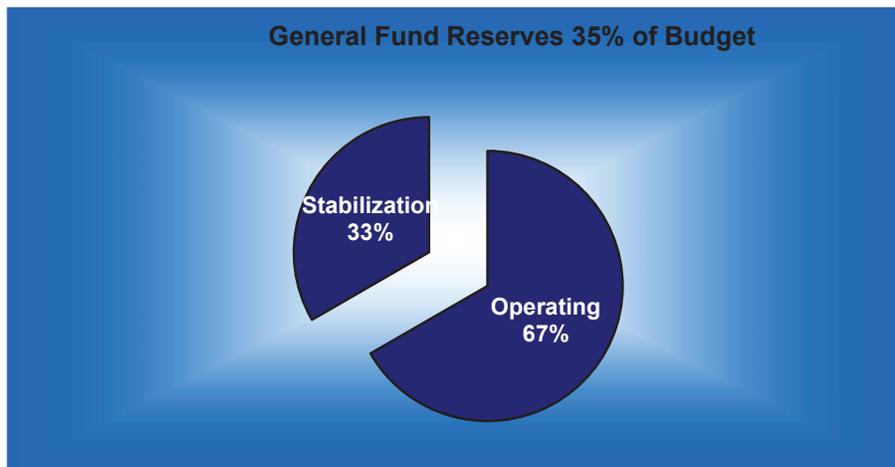
The City of Gulf Shores Financial Policies are updated annually for ongoing relevance and adherence to mandates. On a weekly basis cash reports to reserve targets are generated to ensure reserve targets are being met. The cash reports targets are updated with any budget amendment change.

Fund Balance Reserve Account – Stabilization and Operating Funds

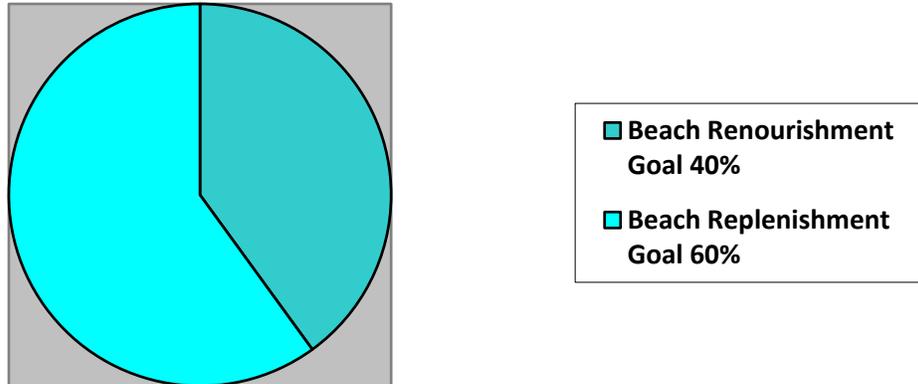
The City of Gulf Shores will build through prudent financial management a cash reserve equal to thirty-five percent of the General Fund Operating Budget. The General Fund Stabilization Reserve will enable the city to withstand fluctuations in tourism revenue streams related to the nearby travel industry and provide a stabilized fiscal environment to maintain and enhance bond ratings allowing the city to borrow at competitive rates. Of the thirty-five percent General Fund reserves, two-thirds will be maintained as an Operating Reserve to enable the City to continue operations in the event of an emergency or disaster until other funds may be received. The long term impacts of having Financial Policies are ability to withstand natural or man-made disasters, borrow for needed infrastructure repair/improvements at better rates and make the community a more attractive place to live and visit with adequate public safety personnel and equipment.

The City of Gulf Shores will maintain risk management reserves to provide for liabilities incurred for workers' compensation claims, other retained employee benefits, and claims not otherwise addressed in this policy statement. It is the policy of the City to maintain a General Fund Reserve at a minimum of 35% of General Fund Expenditures in order to offset fluctuations in revenue streams related to the tourist industry. Additionally, the General Fund balance protects the City from having to reduce service levels or raise taxes and fees due to temporary revenue shortfalls, economic downturns or unpredicted one-time expenditures for emergencies or disasters. For 2022 the total General Fund Reserves target is \$17,648,422 equivalent to thirty-five percent of the \$50,434,064 budget. Operating reserves target for 2022 is \$12,353,895 (2/3 of target) and Stabilization Funds target is \$5,294,526 (1/3).

Beach Replenishment Reserve Fund target of thirty-five percent of the General Fund budget for 2021 would be \$17,648,422.



Beach Reserves Goal 35% of Budget



Operating/Capital Expenditure Accountability

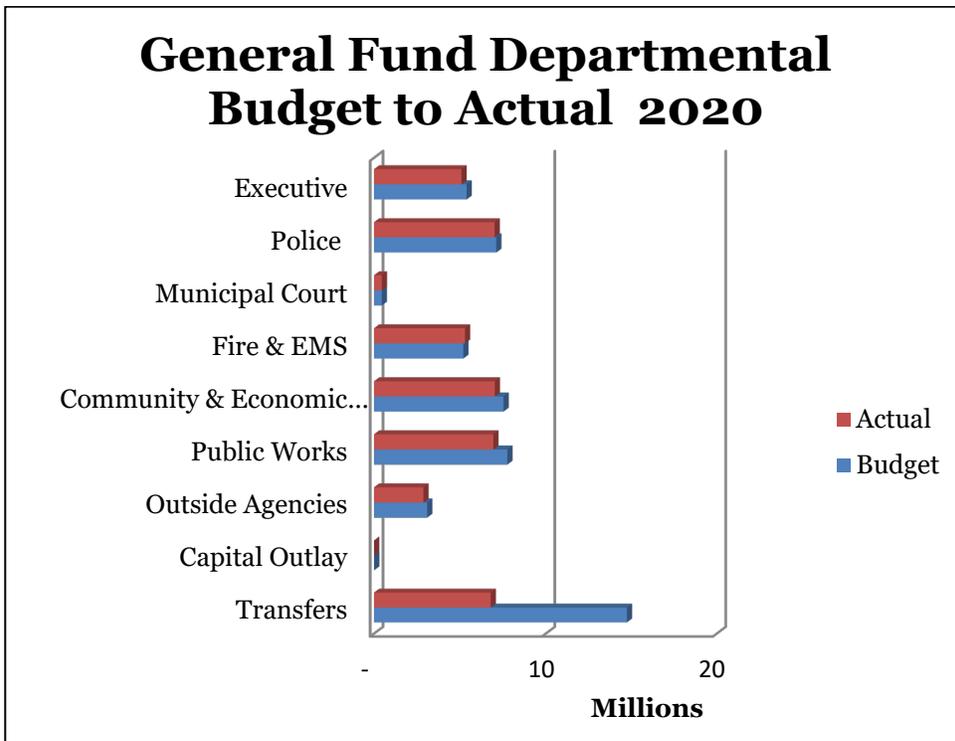
Actual expenditures to budget are compared on a monthly basis. The City Council Finance Committee receives a summary report quarterly of revenues and expenditures compared to budget and the City Administrator receives a detailed report monthly. Department heads are responsible for monitoring their own division(s) budget(s) and should notify the City Administrator should their departments be in jeopardy of overspending budgeted funds. Justification may be made or, due to unforeseen emergencies/contingencies, amendments to the budget will be prepared for City Council consideration. Departmental heads with budgets overspent at the end of the year will be counseled by the City Administrator to take action to prevent future over-expenditures from occurring. The City Administrator informs the Council of measures taken by the departments.

The City of Gulf Shores major expenditures for the most recent fiscal year distribution by category are: Public Safety (Police, Fire and Court) 31% of expenditures; Operating Transfers for Debt Service at 16%; Outside Agencies 7%; Public Works at 17%; Community & Economic Affairs 17%; and Executive 12%.

The following table and graph are expenditures by category compared to budget for the most recent fiscal year end 2020.

General Fund Departmental Budget to Actual 2020

	<u>Budget</u>	<u>Actual</u>	<u>% of total expense</u>
Transfers	14,722,709	6,794,807	16%
Capital Outlay	10,000	7,500	0%
Outside Agencies	3,097,481	2,881,337	7%
Public Works	7,764,377	6,948,195	17%
Community & Economic Affairs	7,541,668	7,036,394	17%
Fire & EMS	5,200,384	5,297,206	13%
Municipal Court	452,108	457,006	1%
Police	7,119,647	7,020,857	17%
Executive	<u>5,391,540</u>	<u>5,094,038</u>	12%
Total	<u>51,299,914</u>	<u>41,537,340</u>	100%

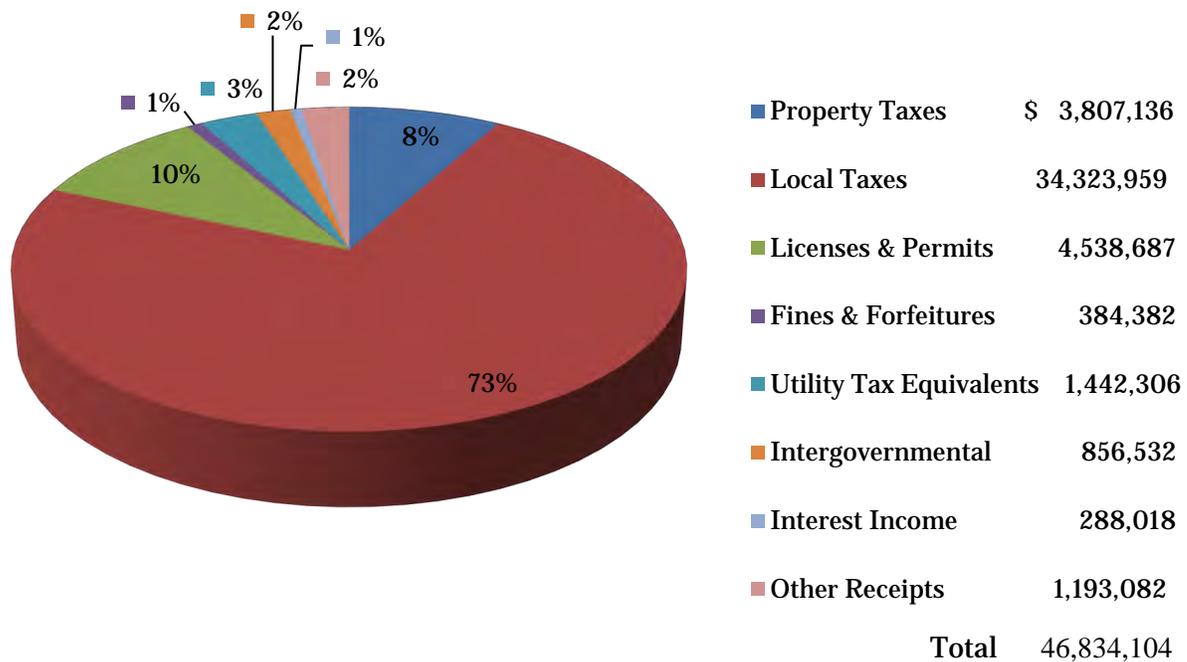


REVENUE POLICIES

Revenue Diversification

The City of Gulf Shores has a wide variety of revenue streams that supply the City's General Fund and other operations. The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in other fund accounts. Property taxes comprise approximately seven percent of General Fund revenues. Local Taxes are sixty-three percent of General Fund Revenues. Licenses and Permits are eight percent of General Fund Revenues. Other City tax revenues include Fines/Forfeiture at one percent; Business License Fees and Permits at eight percent; Intergovernmental Income at ten percent; and Other Receipts/Financing Sources at five percent. The City of Gulf Shores is dependent on local taxes primarily from tourism as the main source of revenue. If a downturn is experienced in one area, contingency plans will be implemented to reduce revenues and increase transfers from permissible funding sources until funding levels have stabilized. The graph that follows shows revenue collections by type for the most recent fiscal year 2020.

Governmental Revenue Sources for Fiscal Year 2020



The City of Gulf Shores has no other major governmental funds other than the General Fund.

The City of Gulf Shores had one enterprise fund, the Beach Fund, in 2020. The City also had two proprietary fund type discretely presented component units: Jack Edwards National Airport Fund and the Airport Authority are discretely presented component units of the primary government of the City of Gulf Shores. Two non-major governmental funds exist for the City of Gulf Shores: Special Revenue and Capital Projects Funds. The Impact Fees Special Revenue Funds account for revenue sources that are legally restricted to expenditures for specific purposes. The Capital Projects Funds account for the acquisition and construction of major capital facilities other than those financed by the General Fund.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Fees and Charges

Inspection, Recreation, Police Fees and Charges are implemented to help offset the burden to the General Fund for services provided. Building Inspection Fees and Permits have been gradually increased in recent years in order to bring the City more up-to-date with neighboring jurisdictions fees and permit charges. Recreation fees are collected to help offset staff and operating expenses. Other fees are charged as permissible by state statute to cover copy and employee expenses.

EXPENDITURE POLICIES

Debt Capacity, Issuance, and Management

There are currently debt service payments in the General Fund Budget for General Obligation Bonds outstanding. There is a state statutory debt limitation of 20% on the amount of General Obligation Bonds which could, upon voter approval, be issued in the future. Future bond issues will rely on dedicated revenue streams from the project itself to cover. The City will utilize various excise taxes and sources other than property taxes to make such contract payments. For 2021 City debt service is budgeted at 8% of total expenditures and 17.6% of General Fund expenditures.

Debt issues should, generally, be scheduled to level annual debt service requirements so that cash flow requirements are generally level and borrowing costs are minimized. The City will constantly seek to maintain and improve its municipal bond ratings issued by the appropriate nationally recognized rating agencies in New York City. With each debt offering and annually as required, the City will disclose its financial position and fiscal management policies to such rating agencies and the applicable municipal bond insurance companies.

On April 3, 2018 Standard and Poor's Ratings Services confirmed its rating of Gulf Shores' general obligation (GO) debt as 'AA+/Stable'. The rating reflected Standard and Poor's assessment of the City's strong economy, management, budgetary performance with very strong flexibility and liquidity, which has helped maintain and improved fund balance levels. General fund reserves above 50% of expenditures have been recognized for the past several years. On November 8, 2019 Moody's Rating Agency also provided a credit overview of the City stating the credit position for Gulf Shores is very strong, and the City's Aa2 rating slightly exceeds the median rating of Aa3 for US cities.

A summary of the City’s bond ratings for outstanding long-term General Obligations (G.O.) is as follows:

	<u>BOND RATING</u>		
	Final Payment	Moody’s	S&P
2006-B G.O. Warrant	12/15/2025	Aa2	AA+/Stable
2008-A G.O. Warrant	12/15/2028	Aa2	AA+/Stable
2012-D G.O. Warrant	12/15/2021	Aa2	AA+/Stable
2017-A G.O. Warrant	12/15/2027	Aa2	AA+/Stable
2018-A G.O. Warrant	12/15/2038	Aa2	AA+/Stable
2018-B G.O. Warrant	12/15/2033	Aa2	AA+/Stable

The City issued term debt in 2020 through a bank and the debt has not been rated by any rating agency. In addition to the outstanding GO Warrants, the City has three lines of credit consisting of a nontaxable \$9.8 million line issued in 2020 for five years (ends October 2025), a taxable \$13.5 million line issued in 2016 for ten years, and a \$15 million line issued in 2019 for five years.

Debt Capacity

The 2020 Census established that the City's population exceeded 15,014, which means that the City is now subject to the debt limitation provisions of the Alabama Constitution applicable to municipalities with populations over 6,000. Section 225 of the Constitution of Alabama, as amended, exempts from the debt limit several categories of indebtedness, including: (i) temporary loans, to be paid in one year, made in anticipation of the collection of taxes and not exceeding one-fourth of the general revenues; (ii) bonds or other obligations already issued, or which may hereafter be issued, for the purpose of acquiring, providing or constructing school houses, waterworks and sewers; and (iii) obligations incurred and bonds issued for street or sidewalk improvements, where the costs of the same, in whole or in part, is to be assessed against the property abutting said improvements. Further, under existing law, the amount of any indebtedness chargeable against the constitutional debt limit is reduced by the amount of any escrow or sinking fund held for the payment of such indebtedness.

The total assessed value of the property according to the Baldwin County Revenue Commissioner’s Office in the City as assessed for City taxation as of 8/1/2021, was \$818,167,820 resulting in a debt limit of \$163,633,564.

The City’s total principal amount of long term indebtedness at December 31, 2021, will be \$80,532,132. Based on the debt limit of \$163,633,564, the City could hereafter issue up to approximately \$83,101,432 of indebtedness, subject to the constitutional debt limitation. The maximum indebtedness subject to the constitutional debt limitation will increase (or decrease) with any corresponding increase (or decrease) in the assessed valuation of the City. Based on the 2020 population of the City of 15,014, the annual G.O. long term debt per capita for outstanding debt is \$6,577. The G.O. Debt per capita number is down significantly from the 2009 Original Financial Policy annual debt per capita amount of \$10,136. The 2009 debt per capita amount was based on \$51 million in debt and 9,741 population size from the 2000 census. Through cost saving measures enacted by Council and a determination to reduce debt, the debt per capita has been reduced tremendously in the past twelve years.

Use of One-time and Unpredictable Revenues

Revenues that are unique to a particular year and considered one-time are not used for ongoing expenditures. Rather, the income is restored to the General Fund balance to cover any potential future revenue shortfalls. Only major revenue sources that are steady in nature and non-fluctuating are used for budgetary purposes.

Balanced Budget

The City of Gulf Shores will finance all current ongoing expenditures with current recurring revenues. One-time revenue can be used to increase the undesignated fund balance, pay down outstanding short-term debt or be used for one-time capital expenses without impacting service levels. The City of Gulf Shores makes every effort to avoid budgetary procedures that balance current expenditures through the obligation of future resources. Any year-end surplus should be directed to the undesignated fund balance and not be used to finance recurring expenses in the following fiscal year with the exception of one time capital purchases. All unencumbered operating budget appropriations lapse at year-end. Should it be determined that actual revenues may be less than the adopted budget, the elected body will be notified immediately, procedures put in place to reduce expenditures and a plan implemented to cover the potential loss in revenues. The elected body will also be notified if a deviation from a balanced operating budget is planned.

All Operating Funds are adopted during the annual budget process. Total anticipated revenues and other funding sources available must equal or exceed total estimated expenditures for each fund. The legal level of budgetary control is the department level, with the Council being the only body authorized to make amendments to the budget. Revisions that alter the total expenditures of any department or fund must be approved by the Mayor and City Council. Budgets for the governmental funds are adopted on a basis consistent with Generally Accepted Accounting Principles in the United States of America. Annual appropriated budgets are legally adopted for the General Fund, each Special Revenue Fund and each Enterprise Fund. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Budget Policies

Expenditures may not exceed the total budget for any department within a fund. Department heads and management personnel are directed to operate within budget limitations. Transfers between departments or funds or an increase in departmental appropriations or authorized positions shall require the approval of the elected body.

Enterprise Fund budgets will be self-supporting. Rates charged within such Enterprise budgets will be examined annually to determine their self-sufficiency. Every effort will be made to plan for long term price adjustments by suppliers of goods and services to the Enterprise funds.

In 2016 the Finance Committee established a guideline for all personnel expenses including benefits not to exceed 60% of the General Fund Budget. For 2022 personnel expenses are budgeted at 56% of the General Fund Budget.

The City of Gulf Shores will maintain a budgetary control system and will prepare on a monthly basis a summary report comparing actual revenues, expenditures and encumbrances with budgeted amounts.

The City of Gulf Shores will comply with all state laws applicable to budget hearings, public notices, public inspections, and budget adoption.

LONG-RANGE PLANNING

Capital Improvements

The operating budget will provide for adequate maintenance of capital equipment and facilities. Capital improvements should be financed from current revenues, but may be financed by debt instruments that provide for a payback period that does not exceed the life of the improvement. Once the City has borrowed for such improvements, debt service becomes a current expense to be covered by recurring revenue.

A ten year Capital Improvement Plan for Capital Outlay expenditures greater than \$5,000 will be submitted by each department during the budget process. A ten year Capital Improvement Program that determines the cash needs for Capital Projects will be submitted to the Finance Committee and the elected body for approval to determine future cash needs. Once the ten year Capital Improvement Program is approved by the Finance Committee, every effort will be made to budget for capital expenditures within the outlined program. Modifications to the ten year Capital Improvement Program will be submitted to the elected body on an annual basis.

The City will seek public and private grants, and other sources of revenue to fund projects included in the Capital Improvement Program.

CASH MANAGEMENT POLICY

Funds for day to day operations, payroll, accounts payable and other immediate cash needs are maintained in Depository accounts. Holding accounts are maintained for investments not needed on an immediate basis. Maturity scheduling is timed according to anticipated needs. Maturity limitations depend on whether the funds being invested are considered short or long term funds.

Cash and Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. The City of Gulf Shores considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Deposits and Investments

State statutes authorize the City to invest in obligations of the U.S. Government and agencies of corporations of the U.S. Government; obligations of any state; obligations of any political subdivision of any state; certificates of deposit or time deposits of any national state bank or savings and loan which have deposits insured by the FDIC or FSLIC; prime bankers acceptances; and repurchase agreements.

Deposits are insured by the FDIC up to \$250,000. Funds in excess of \$250,000 are secured by the Alabama State Treasurer's Security for Alabama Funds (SAFE) Program, or are invested in Treasury Notes and/or Bills which are direct obligations of the United States and are not required to be secured by the FDIC or the SAFE Program.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair values.

Short-Term Inter fund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as "transfers to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

ASSET INVENTORY

On an annual basis, all major capital assets are inventoried and the condition of the asset is assessed. Inventory is valued at cost, using the first-in, first-out method. The cost of governmental fund type inventory is recorded as an expenditure when consumed rather than when purchased. Prepaid items are accounted for using the consumption method. A prepaid item is recognized when cash expenditure is made for goods or services that were purchased for consumption, but not consumed as of December 31.

Capital Asset schedules are prepared for the Annual Financial Report with the disposition of assets noted along with depreciation schedules for major capital items. The City of Gulf Shores undertakes and maintains an on-going viable Capital Outlay Program yearly because these costs in total are usually the heaviest in any budget document and the ongoing financial commitment is required to maximize the public's benefit. Proper scheduling of Capital Outlay, as well as level appropriation (i.e., an equal dollar allocation each fiscal year), prevents excessive costs in any one budget year. Capital Outlay appropriations help to maintain the current level of service, updates equipment/service standards and needs, and increases productivity in the work assignment areas.

Banking and Investment Policies

On February 27, 2019 the City of Gulf Shores adopted Banking and Investment Policies as follows to direct the financial affairs of the City of Gulf Shores, Alabama:

Scope of Policy:

This policy applies to all funds or financial resources which are vested under the responsibility of the City Council **ONLY**. These policies do not govern funds that are managed under separate City entities and those not under the privy of the Gulf Shores City Council.

BANKING POLICIES

It is the policy of the Gulf Shores City Council to appoint depositories for the safekeeping of public funds under its discretion and control.

Designation of Depositories:

Financial Institutions which are a “Qualified Public Depository” (QPD) in the Security for Alabama Funds Enhancement (SAFE) Program as defined in Title 41, Chapter 14A, Code of Alabama 1975, and are designated as eligible depositories for funds under the discretion and control of the Gulf Shores City Council.

Banking Services

Banking services covers day to day services that the City requires to conduct financial operations. This includes but not limited to: bank accounts for deposits and withdrawals, sweep accounts, on-line banking, direct deposit for payroll, timely bank statements, local accessibility to institution, etc.

Banking Services doesn't include funds available for investment and short or long term borrowing.

Certificates of Deposit

Certificate of Deposits (CD) are purchased with funds available for investment and will be bid on an ongoing basis **as maturities become available** among financial institutions that are a QPD in the Safe Program and participate in the quoting process. The City will seek, as it is able, to maintain deposits at various institutions in amounts not in excess of FDIC limits.

INVESTMENT POLICIES

It is the policy of the Gulf Shores City Council to invest public funds in a manner, which will obtain an optimal or reasonable rate of return while meeting the cash-flow demands of expenditures approved through the budgetary process. Also, this policy is intended to ensure adherence to all State and local statutes governing the investment of funds. This policy sets forth the investment program for the Gulf Shores City Council and the guidelines to be followed in achieving its objective.

Designation of Investment Management:

The authority to manage the investment program is derived from State statute, local law and these investment policies. Management responsibility for the investment program, including the selection of investments, and transfer and use of such funds for the purchase or deposit therefore is hereby delegated to the Finance and Administration Director.

Ethics and Conflict of Interest:

The Finance and Administration Director and other City employees that may be involved in the investment function shall refrain from personal activity that could conflict with the proper management of the investment program, or that could impair their ability to make impartial investment decisions. The Finance and Administration Director or other City employees involved in the investment program shall disclose to the City Council any material financial interest in financial institutions that conduct business with the City and shall further disclose any personal investment positions that could be related to the performance of the City of Gulf Shores. The Finance and Administration Director and any other employee of the City that is involved in the decision process of the investment program shall comply with the Code of Alabama, 1975, Title 36, Chapter 25. All individuals involved in the decision-making process shall file Statement of Economic Interest with The Alabama Ethics Commission.

Objectives:

The objectives of the Gulf Shores City Council's investment policy are as follows: protection of the principal, proper cash flow, and optimal rate of return on investment vehicles. The City's Investment Portfolio shall be maintained, keeping all three of these objectives in mind. All investment purchase decisions shall take into considerations these three objectives in each and every decision.

1. The Protection of Principal shall be the top objective in the City's investment program. Protection of principal shall be controlled by investing in those investments that are only authorized by State and local law, which constitute some of the safest type of securities available in the market place. Most importantly, market risk on principal due to maturity dates and interest rates must be the primary focus in determining the investment portfolio diversification.
2. Proper Cash Flow shall be based upon the cash needs as projected through cash management analysis and monitoring. An investment may be liquidated prior to maturity to meet unanticipated cash needs and to re-deploy resources into other investment vehicles expected to outperform the current holdings.
3. Optimal Returns on investments is the third objective once principal safeguards and projected cash needs are established. The investment portfolio shall contain those investments only authorized by State and local law. Such authorized investments shall be purchased with the highest yield available within the constraints outlined in Objective 1 and 2 outlined above.

Investment Strategies:

The Gulf Shores City Council generally invests funds with the intent to hold to maturity. Investment portfolios shall consist of investments that are based on State and local law and are consistent with the objectives outlined above. Funds designated for immediate expenditure shall be passively invested to allow for liquidity in order to pay for upcoming obligations. Funds that are available for obligations that are not immediate should be invested on a structured laddered basis dependent on market conditions. The City's investment program shall utilize investment strategies based upon the unique characteristics of certain fund types and individual funds (i.e. operational, special, capital, debt)

Due Professional Care:

Investments shall be made with professional judgment and due care that would be exhibited by a person of prudence, discretion and intelligence under the same prevailing circumstances. Investment portfolios should be based upon income production and not speculation.

Authorized Investments:

The Gulf Shores City Council's authority to invest City funds is granted under the Code of Alabama, 1975, Title 11, Chapter 81, Section 19 and Title 11, Chapter 81, Section 21.

Maximum Maturities:

No investment shall be purchased with maturity greater than three (3) years without direct prior approval of the Gulf Shores City Council.

Credit Quality

The City will seek investments guaranteed by the federal government and deposits in accordance with the SAFE program and within the limits of FDIC insurance when available. Any investments outside of these parameters must be approved by the City Council.

Standard Operations:

The Finance and Administration Director is responsible for overseeing the daily operations in relation to the management of the City's investment portfolio. The Finance and Administration Director may assign staff members to assist in managing the overall program. With the passage of each annual fiscal year budget, the Finance and Administration Director will establish an overall annual investment strategy based upon the City's current financial position and the established fiscal plan for the upcoming year. The Finance and Administration Director, on a monthly basis, will review the status of the investment program and its portfolio and determine whether changes are required in its overall annual plan due unanticipated changes in immediate or near future cash needs.

Defining Terms

Glossary

A

Accrual: A method of accounting that recognizes income when earned and expenses when incurred regardless of when cash is received or disbursed.

ADEM: Alabama Department of Environmental Management. Lead Alabama State Agency for environmental issues.

Adopted Budget: Appropriation of funds approved by the governing body at the beginning of each fiscal year.

Ad Valorem Tax: Tax levied on the assessed value of real and personal property.

ALDOT – Alabama Department of Transportation

Amended Budget: The original adopted budget plus any amendments passed as of a certain date.

Appraised Value: The anticipated fair market value of property.

Appropriation: A legislative act authorizing the expenditure of a designated amount of public funds for a specific purpose.

Assessed Value: The value placed on property as a basis for levying taxes.

B

Balanced Budget: A budget in which revenues are equal to expenditures.

Baldwin County Economic Development Alliance – “BCEDA” Alliance that assisted the airport in securing the relocation of Resicum/AeroPro to Gulf Shores.

Bond: A certificate of debt issued by a government to finance a capital expenditure or other liability, in which payment of the original investment plus interest is guaranteed by a specified future date.

Bond Rating: A system of appraising and rating the investment value of individual bond issues.

Budget: A financial plan of operation for a given period consisting of an estimate of proposed expenditures and revenues.

Budget Amendment: The increase, decrease, or transfer of appropriation requiring the approval of the governing body.

Budget Calendar: The schedule of key dates which the city follows in the preparation, adoption, and administration of the budget.

Defining Terms

Glossary

Budget Message: A general discussion of the proposed budget, presented in writing as part of the budget document. The message explains current budget issues compared to recent financial history and presents recommendations made by the governing body and City Administrator.

Business Where You Beach – Part of a BCEDA re-branding effort to create an effective advertising campaign to encourage new industry to move to Gulf Shores.

Budget Resolution: The official enactment by the Mayor and Council authorizing the appropriation of revenues for specified purposes, functions, or activities during the fiscal year.

C

Capital Assets: Capital items of a long-term character which are intended to be held or used, such as land, buildings, improvements, machinery and equipment.

Capital Budget: A financial plan of proposed capital expenditures and the means of financing.

Capital Expenditures: Expenses or expenditures for non-consumable items or projects that have a useful life of one year or more and a unit cost of \$5,000 or more.

Capital Improvement Fund: Accounts for the acquisition and construction of major capital facilities.

Capital Improvement Program (CIP): A multi-year plan used to identify new and/or additional capital items or projects. The CIP threshold is \$5,000 or more per unit cost.

Capital Outlay: Expenditures for the acquisition of capital assets.

Cash Reserves: An account used to indicate that a portion of fund equity is legally restricted for a specific purpose or not available for appropriation or subsequent spending.

D

Debt Limit: The maximum amount of debt that can be legally incurred.

Debt Service: Costs associated with the interest, principal, or other expense payments related to bond issues or capital leases.

Depreciation: Allocating the cost of a tangible asset over its useful life.

Disbursement: Funds paid out for goods or services received which results in a decrease in net financial resources; also referred to as an expenditure or expense.

Dispense as Written (DAW): Requires generic prescriptions unless medical provider writes otherwise.

Defining Terms

Glossary

E

EMS: Emergency Medical Services – provided by the Fire Department.

Encumbrance: Funds that have been committed for disbursement for a specific purpose.

Enterprise Fund: Separate accounting and financial reporting for municipal services for which a fee is charged in exchange for goods or services.

Expenditures: Decreases in net financial resources. Expenditures include current operating expenses requiring use of the net current assets, debt service, or capital outlays.

Expenses: Outflows or obligations of assets from delivering or producing goods, rendering services or carrying out other activities that constitute the entity's ongoing major or central operations.

F

FED: Freestanding Emergency Department (FED) serves patients who experience medical emergencies.

Fines & Forfeitures: Revenue received from court bond forfeitures and authorized fines such as library and parking violation fines.

Fiscal Year: The twelve month period for which an organization plans the use of its funds. Gulf Shores fiscal year is the same as the calendar year – January 1 to December 31st.

Fixed Asset: Capital items of a long-term character which are intended to be held or used, such as land, buildings, improvements, machinery and equipment.

Franchise/Utility Tax: A tax based upon a legal agreement between Gulf Shores and another entity (often a private company) to provide a service or product in the community.

Fund: A fiscal and accounting entity with self-balancing set of accounts recording all financial resources and liabilities which are segregated for a specific purpose, activity or objective.

Fund Balance: The difference between total revenues and total expenditures since the fund was created. Fund balance can be designated (reserved for a specific purpose) and/or undesignated (available to be used with proper authorization).

G

GAAP: Generally Accepted Accounting Principles – guidelines to financial accounting and reporting which set uniform minimum standards for accepted accounting practices.

Defining Terms

Glossary

GFOA: Government Finance Officers Association. Internationally recognized association headquartered in Chicago, Illinois, with awards programs for audit and budget programs meeting set criteria.

GO Warrant: General Obligation Warrant (or bond). Debt payments are made from the General Fund Tax Collections.

General Fund: A fund used to account for financial resources and liabilities except those which are required to be accounted for in another fund.

Goal: A statement that describes the purpose toward which an endeavor is directed, such as a target or target area.

Governmental Fund: A fund category used to account for government's governmental-type activities. This category includes four fund types: general fund, special revenue fund, debt service fund, and a capital projects fund.

Grant: A contribution of assets from one organization to another to support a particular function or purpose.

H

Homestead Exemption: A tax relief whereby state law permits local governments to exempt a dollar amount or percentage of the appraised value of the qualifying resident.

Hurricane Sally: A Category 2 Hurricane which made landfall in Gulf Shores, Alabama predawn September 16, 2020 causing over \$14 million in damages.

I

Infrastructure: The basic facilities, equipment, and installations needed for the functioning of a system or organization (e.g. roads, bridges, water/sewer lines, public buildings).

Insurance Services Office: The Insurance Services Office (ISO) scores fire departments on how they are doing against its organization's standards to determine property insurance costs.

Interest Income: Revenue generated from city investments.

J

Jack Edwards National Airport – “JKA” Gulf Shores Airport located off Highway 59 and operated by the Airport Authority of the City of Gulf Shores.

L

Leave Only Footprints Campaign – Implemented by Ordinance in 2015 to change the culture of visitors leaving personal belongings behind on the beach. The program has drastically changed the amount of litter on City beaches.

Defining Terms

Glossary

Licenses and Permits: Fees collected for the issuance of licenses and permits such as business licenses and building permits.

Line of Credit (LOC): Non-term debt either taxable (may involve funding from a non-governmental source or non-capital expenses such as debris removal) or non-taxable (used for capital projects strictly for the public).

M

Major Fund: Funds whose revenues, expenditures/expenses, assets or liabilities are at least 10 percent of the total for their fund category (governmental or enterprise) and 5 percent of the aggregate of all governmental and enterprise funds in total.

Millage Rate: The property tax rate set by the County in Alabama per each \$1,000 of property.

Modified Accrual Basis: The basis of accounting under which transactions are recognized when they become both measurable and available.

N

NFWF – National Fish and Wildlife Federation. NFWF will provide funding to purchase wetland areas in the City for preservation.

O

Objective: A defined outcome following accomplishment of an established goal.

Operating Budget: Plans of current expenditures and the proposed means to finance. The operating budget contains appropriations for such expenditures as supplies, training, utilities, fuel, repair and maintenance, rentals and leases, and capital outlay.

Operating Expenses: Costs associated with the non-capitalized materials and services required in the daily operation of service delivery such as office supplies, maintenance supplies, professional services, and rental fees.

P

PT: Part-time employees working less than 32 hours per week normally.

PW: Public Works Department consisting of Custodial, Landscaping, Streets, Maintenance and General Services.

Penalties and Interest: Fees collected for violations or delinquent payments.

Personnel Expense: Costs associated with wages, salaries, retirement and other fringe benefits for city employees.

Defining Terms

Glossary

R

Reserves: Monies set aside and restricted for a specific purpose. Any unspent reserves revert back to the appropriate Fund Balance at year end.

Revenue: Income which represents an increase in governmental fund type net current assets.

Revenue Bond: A certificate of debt issued by a government in which the payment of the original investment plus interest is guaranteed by specific revenues generated by the project financed.

S

SPARC: Strengthening Potential through Art, Recreation and Culture

Special Revenue: A governmental fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for a specific purpose such as the Impact Fees fund.

T

Tax Digest: A listing of all property owners within the city, their property's assessed value, and amount of taxes due.

W

Warrant: A certificate of debt issued by a government to finance a capital expenditure of other liability, in which payment of the original investment plus interest is guaranteed by a specified future date.