

City of Gulf Shores, Alabama

ANNUAL FINANCIAL BUDGET

For Fiscal Year Ending December 31, 2014

Prepared by: Finance and Administrative Services Department



Heron taking flight at the Gulf Shores Public Beach



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CITY OF GULF SHORES, ALABAMA
2014 Budget
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CITY OF GULF SHORES, ALABAMA

2014 Budget

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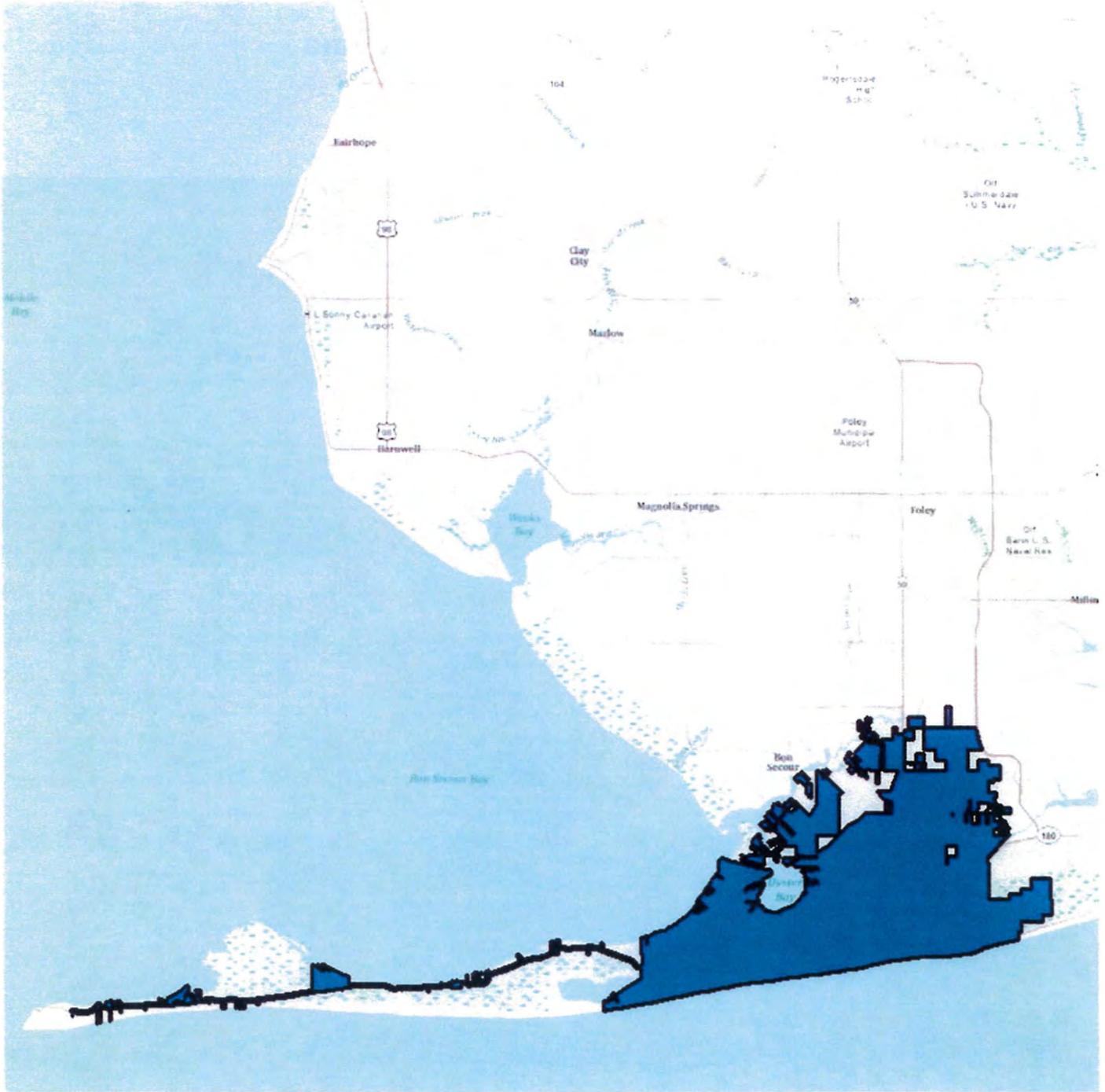
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**City of Gulf Shores, Alabama
Mayor and Council**

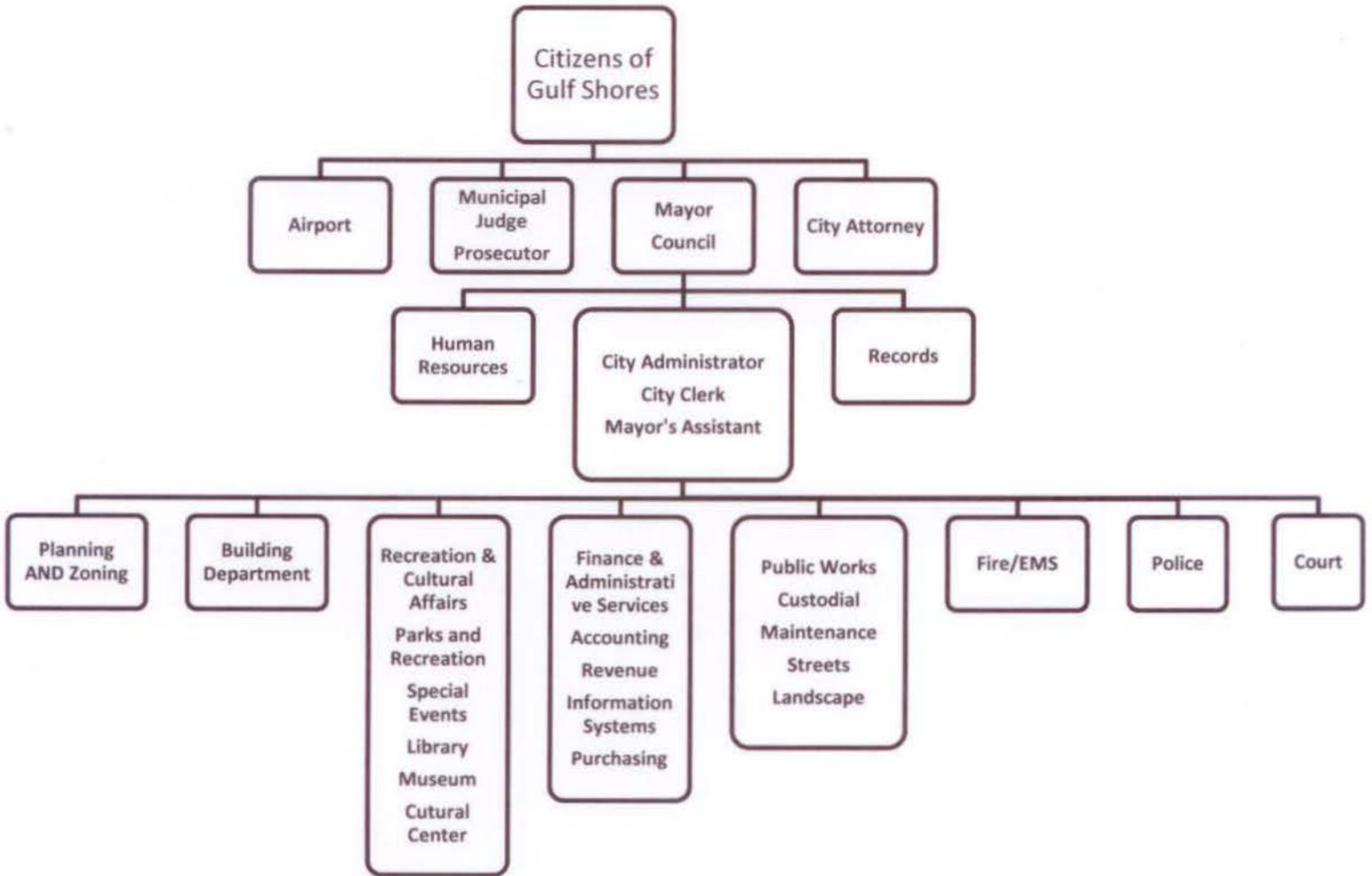


Left to Right Standing: Jason Dyken, Philip Harris, Joe Garris, Stephen E. Jones
Left to Right Seated: Carolyn M. Doughty, Robert Craft, Mayor

**CITY OF GULF SHORES, ALABAMA MAP
with Major Highway Locator Map**



Gulf Shores, Alabama





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Gulf Shores
Alabama**

For the Fiscal Year Beginning

January 1, 2013

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, 2013 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. 5324-13

A RESOLUTION ADOPTING
CITY OF GULF SHORES
2014 BUDGET

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GULF SHORES, ALABAMA, WHILE IN RESCHEDULED REGULAR SESSION ON December 16, 2013 as follows:

Section 1. That the City of Gulf Shores 2014 Budget be adopted for the City of Gulf Shores, Alabama, for Fiscal Year 2014 beginning January 1, 2014 and ending December 31, 2014.

GENERAL FUND BUDGET SUMMARY 2014
(JANUARY 1, 2014 THROUGH DECEMBER 31, 2014)

TOTAL REVENUES GENERAL FUND		\$31,952,742
<u>EXPENDITURES:</u>		
Executive	\$ 886,296	
Human Resources	230,208	
Finance & Administrative Svcs	2,424,845	
Municipal Court	298,533	
Police	4,592,798	
Fire & EMS	3,437,280	
Community Development	439,641	
Building	493,961	
Recreation & Cultural Affairs	138,135	
Special Events & Programs	814,972	
Library	548,796	
Recreation-Bodenhamer	1,590,437	
Recreation-Sportsplex	944,236	
Recreation-Parks	457,258	
Recreation-Beach	433,650	
Recreation-Cultural Center	454,582	
Public Works:		
General Services	606,533	
Public Facilities-Custodial	463,026	
Public Facilities-Landscaping	648,364	
Streets	1,840,798	
Maintenance	1,217,907	
Airport Authority	110,946	
Outside Agencies	<u>145,000</u>	
	SUBTOTAL	\$23,218,202
Capital Outlay		
Fire - Capital Outlay	525,000	
Building - Capital Outlay	84,500	
Public Works:		
Public Facilities-Landscaping	30,000	
Maintenance	16,000	
	SUBTOTAL	655,500
Operating Transfers Out		<u>7,886,039</u>
Total General Fund Expenses		\$31,759,741
Budget Carry Forward General Fund		\$ 193,001

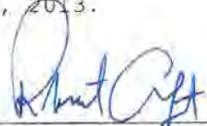
**OTHER FUND BUDGET SUMMARY 2013
(JANUARY 1, 2014 THROUGH DECEMBER 31, 2014)**

REVENUE EXPENDITURE

Special Revenue		
2% Lodging Tax Revenue	2,601,000	
Transfer to General Fund		1,800,000
Transfer to Beach Reserves		<u>801,000</u>
SUBTOTAL		2,601,000
Police & Fire Related Grants		
Police and Fire	434,000	
Transfer to General		434,000
Impact Fees Fund		
Impact Fees Revenue	909,272	
Parks and Recreation		326,272
Fire		50,000
Police		33,000
Street Resurfacing		<u>500,000</u>
SUBTOTAL		909,272
Capital Improvements Fund		
Match Proceeds	1,277,000	
Transfer from General	<u>673,000</u>	
SUBTOTAL	1,950,000	
Capital Outlay Projects		1,950,000
Storm Damage Fund		
BP Grants	888,554	
Capital Outlay Projects		888,554
Debt Service Fund		
Transfers/Rent	4,797,012	
Bond Payments		4,797,012
Total All Funds Revenue	43,532,580	
Total All Funds Expense	43,339,579	
General Fund Budget Carry Forward	193,001	

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

ADOPTED this 16th day of December, 2013.


Robert Craft, Mayor

ATTEST:


Wanda Parris, MMC
City Clerk



December 17, 2013

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

RE: 2014 BUDGET MESSAGE

On behalf of the City of Gulf Shores government staff, I am pleased to deliver the Fiscal Year 2014 Budget for the City of Gulf Shores, Alabama for the period beginning January 1, 2014 and ending December 31, 2014. 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 while implementing the City Council's adopted Strategic Plan and Vision of:

Vision

"A clean, attractive, safe, friendly, family oriented, beachside community, with an excellent quality of life for all residents and visitors, with a protected environment and a year round sustainable economy"

Mission

"The City of Gulf Shores is dedicated to protecting the qualities which have made us a great beachside community while we continuously strive to become even better"

Goals

Business Development - Facilitate an environment for sustained economic growth for both existing and new businesses

Community Services - Provide quality services that meet the needs of our residents and visitors

Sustainable Growth – Promote quality growth and development in our community

Quality of Life – Provide educational, recreational, and cultural opportunities

Leadership – Foster strong community leaders who are responsive to all residents

2013 Successes:

Department Expenditure Management – All departments operated within FY 2013 budget.

Reserves – Increased General Fund Reserves to 50% from the budgeted target of 45%

Debt – Successfully paid off 2003-C General Obligation Warrant beach improvements debt

Employee Pay – City Council continued to fund employee salary adjustments to maintain its goal of a pay philosophy that structures compensation @ 90% of market for “apprentice” levels (new hires), @ 95% of market after successfully completing 1 year probationary work, and ultimately setting the maximum @ 125% of market giving room for performance increases for those employees that merit them including:

- Employee pay brought to 95% of market over a 3 year period at a cost of \$1.92 million
- At the end of 2013 currently there are 38.5% of employees at 100% of market
- All employees not on probationary status pay maintained at 95% of market with 2.1% Wage Index Adjustment
- Commitment to retirement funding at same employee level even despite RSA rates being increased by 2.01%.

Benefit Cost Controls – Employee wellness program expanded with City Wellness Coach offering nutrition and exercise guidance. The Mayor challenged departments to focus on wellness by competing in a mini-triathlon. All departments participated with 44 total participants either on relay teams or individually participating. Eleven employees completed the entire mini-triathlon.

Capital Improvement Management System – CIP tracking report developed and provided monthly to the Council reporting construction scheduling, progress, and expenditure details.

Rental Licensing – City Code updated to require emergency contacts for each rental unit be identified in conjunction with license applications, monthly reporting of lodging tax detail by unit, to provide a systematic way to track Vacation Rentals by Owners and building and fire code safety inspections for units.

Waterway District – Through a combination of BP grants, private funding, and City general funds, the City began its South Waterway District parking lot and streetscapes construction. Lucy B Goode Restaurant opened adjacent to the existing Lulu’s Restaurant in the North Waterway District and the City successfully recruited Acme Oyster House Restaurant in the South Waterway District that is currently under construction.

Economic Development – Commercial construction permits totaling \$9.9 million were issued in FY 2013. City staff also developed a new economic development page on the City website that provides information on both available City sites and buildings for economic development recruitment.

Jack Edwards Airport – Agreement put in place to provide City staff that reports to the Airport Authority to manage and operate the airport in lieu of annual subsidy payment. Additional goals of the agreement include increased economic development at the Airport Business and Industrial Park and within the Airport.

Police Database – Completed installation and implementation of the new police Spillman software system for dramatically enhanced policing capabilities, reporting, and tracking. The Police will be able to serve the community in a way they have never been able to before due to the ability of the Spillman software to track and discern patterns.

2014 Priorities:

General Fund Reserves – The City Council increased its General Fund Reserves from 45% to 50% at the close of Fiscal Year 2013. The Fiscal Year 2014 proposes to fund a 50% Reserve and plan to increase reserves by 5% annually to address concerns about FEMA ability to respond to future incidents.

Transportation – An increasing concern of the Mayor and City Council is City-wide traffic congestion that affects the quality of life for our residents, the enjoyment of our tourists, and the ability to continue to attract new economic development. The FY 2014 budget submitted provides funding to either match State grants or fund ourselves the following transportation projects:

- Cotton Creek Drive upgrades for increased capacity
- Continue to annually fund street resurfacing at \$500,000
- Traffic signal controls/cameras to increase Level of Service on Highway 59
- Matching funds for grant applications for 20th Street Extension
- Matching funds for grants approved for 8 foot sidewalks and handicapped pedestrian access for Highway 59.

In addition to these transportation projects, the 2014 budget proposes a new capital project manager position to provide full time staffing / management of all capital construction projects including transportation.

Personnel Expenses – While the City continues to maintain personnel costs at 55% of budget, which is customarily between 60 to 75% for localities, the FY2014 budget proposes to provide funding consistent with our pay philosophy of 90 -125% of market to remain competitive for quality employees with our neighboring cities. Our FY 2014 Budget proposes to budget \$333,000 for the following:

A market adjustment of 1.1% based on wage index in January for all City employees performing satisfactorily.

The final phase funding employee salary adjustments to maintain our 90-95-120% pay philosophy with a January one-time pay adjustment for those employees performing

satisfactory that have been with the City 4 years or longer not yet at 100% of market. The City's pay philosophy is to pay new employees at 90% of market. With successful completion of one year of service, employees are brought to 95% of market. The top range of the pay scale is 120% of market.

Merit increases of 1.5% to 2.5% for highest performing City employees at their anniversary dates in 2014.

Debt – Continue to reduce outstanding debt in 2014

Beach Operations – We have budgeted to return approximately \$1.8 million of lodging funds annually to reimburse the General Fund for beach related expenses.

Cultural Center - Personnel and operations expense budgeted at \$449,452 to begin full operation of the recently purchased Grace Fellowship Church on County Road 6 including a new Cultural Center Programs and Events Supervisor and 2 new Cultural Center Temporary Programs Assistants. We have also budgeted a new Facility Maintenance Technician in the Public Works Department to support the Cultural Center.

Rental Inspection Program - Two new Building Inspectors (Certified Property Code Inspectors) including vehicles and equipment have been budgeted in the Building Department to support the City's newly adopted rental unit inspection requirements.

Jack Edwards Airport – We have budgeted an Airport Authority Manager and Airport Administrative Assistant II to support the Agreement put in place to provide City staff that reports to the Airport Authority to manage and operate the airport and eliminated the \$96,000 annual subsidy payment.

Healthcare Reform – Due to Federal health care reform scheduled to affect City employees January 1, 2014, position adjustments are being proposed in the Recreation and Cultural Affairs Department that include 6 additional full time positions and the elimination of part time hours and other operational expenses to support these additions.

Budget Adoption

This budget was formally adopted by the City Council on December 16th 2013 and establishes a fiscal plan for the City's Fiscal Year January 1 to December 31, 2014. The budget provides for the policies and goals of the Council as discussed during planning retreats conducted throughout the year.

Budget Preparation began in mid-August and was finalized with adoption of the 2014 Budget by Council December 16th, 2013. The Finance Committee met regularly during the year to review ongoing 2013 Budget expenditures compared to budget, progress towards achieving set revenue targets, and accomplishment of the City's Financial Goals formally adopted in 2010. The City Council increased its General Fund Reserves from 45% to 50% at the close of Fiscal Year 2013 and

the Fiscal Year 2014 Budget proposes to fund a 50% reserve and plan to increase reserves by 5% annually to address concerns about FEMA ability to respond to future incidents. The Financial Policy provided for reserve levels to enable the City to provide for continuity of operations during emergencies and disasters. A complete copy of the 2010 Financial Policy adopted is included later in this budget document.

Budget Preparation Instructions given to Department Heads in August at the start of the budget process provided guidelines consistent with the adopted Financial Policies. Budget Expenditure Requests for 2014, as a general rule, should not exceed 2013 budgeted amounts, since the City continued to absorb a wage index adjustment of 2.1%, increased pension costs as well as the full cost of implementation of a pay for performance plan in November, 2012.

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 community goals/initiatives set by the Mayor and Council. The purpose of the linkage was to confirm departments and Council were on the same page with no conflicting objectives. Departments were asked to provide objective measures of progress toward accomplishing the department's mission as well as goals and objectives for specific units and programs. Objectives and measures needed to be linked with City Council's adopted Strategic Plan.

The Financial Summaries Section of the 2014 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 2014. Also included by department are historical, current, and future financial data and staffing by department.

Current Fiscal Condition

At the close of 2013, the City exceeded the overall financial reserve target of 45% of budget or \$14.6 million comprised of \$8.1 million for the General Fund and \$6.5 million for Beach Reserves. Sales Tax collections for 2013 exceeded by 6% record levels of the prior boom year. Lodging Tax collections were the highest recorded reaching 5% greater than the record 2012 year. Lodging Tax growth can be attributed to enhanced Vacation Rental By Owners (VRBO) collections and return of room rates to market level, rather than discounted as occurred in 2010. Business License collections almost reached the level of the peak year of 2007 due to construction levels increasing.

Economic Diversification Efforts

The BP Oil Spill significantly changed the City's planning processes and forced the City to look at enhanced revenue producing options such as Music Festivals to (re)attract tourists to the Gulf Coast. A local music festival that began in 2010 launched the City into the national music spotlight with top

entertainment figures performing. The festival provides a much needed boost to the pre-summer tourist season lodging and sales tax revenues. In 2013, the Mayor and Council ordered an Economic Impact Study for the Hangout Music Festival. The Hangout Music Festival Economic Impact Study found that:

- The Hangout Music Festival has grown from a small upstart concert into a nationally renowned music event with a far-reaching domestic and global audience
- Reported 2013 Festival media coverage reached an estimated 564 million viewers worldwide
- Total economic impact of the Hangout Music Festival is \$31 million of purchases of goods and services and 518 full time equivalent numbers of jobs.

Enhanced efforts to diversify the local economy began in 2011 with recruitment of high tech companies not solely dependent on the tourist industry. The Airport Business and Industrial Park is anticipated to expand with support industries for the growing local aviation industry due to Air Bus relocating to Mobile, Alabama and will continue to recruit high tech companies. Construction of a dry dock basin on the southern edge of the Airport Business Park and on the Intracoastal Waterway for yacht servicing for Saunders Yachtworks was completed in 2012.

A Waterway Village District was established in 2013 to encompass property along the Intracoastal Waterway. A new restaurant called Lucy B Goode opened adjacent to the existing Lulu's Restaurant in the North Waterway District in 2013. In 2013, the City successfully recruited Acme Oyster House Restaurant in the South Waterway District and construction of the facility should be completed in 2014. The Waterway Village District is designed to provide a new entertainment/shopping/business district north of the beach area.

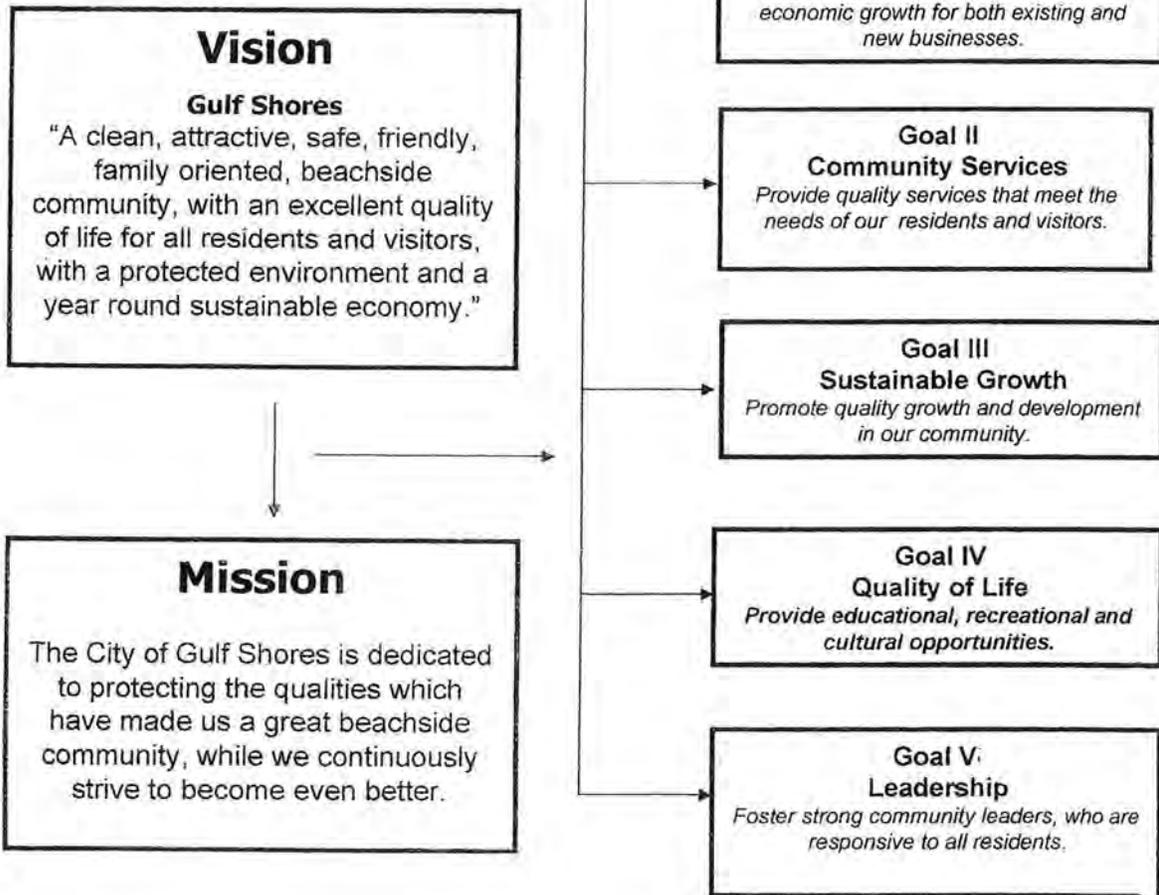
The City has expanded its tourist base with athletic events. The City successfully hosted major softball, baseball, and soccer events in conjunction with the local Sports Commission, including United States Specialty Sports Association (USSSA) Global World Series for baseball and softball. The City hosted the Alabama High School Athletic Association (AHSAA) State Track Meet and Regional Softball Championship. The City also has hosted annually since 2011 the National Association of Intercollegiate Athletics (NAIA) National Softball Championships. Starting in 2014 the City will host the NAIA National Track Championships. The National Sand Volleyball Championship was held in Gulf Shores for the first time in 2012 and again in 2013 further enhancing the City's name recognition. The National Sand Volleyball Championships will also be held in Gulf Shores in 2014 and 2015.

STRATEGIC PLANNING

The City of Gulf Shores developed a Strategic Plan in 2007 outlining six overall goals. The Strategic Plan development occurred post Hurricane Ivan and reflected the City's recovery efforts and strategic directions. Work on the Strategic Plan continued in 2013 and the 2014 Budget continues facilitation of the Strategic Plan administered by the Mayor. The Strategic Plan is shown on the next page.

Gulf Shores

Strategic Direction



Council Retreats

One council retreat and two planning sessions were held in 2013 to discuss progress towards City goals and define further steps needed to achieve goals. At the February 1, 2013 Council Retreat with Mayor, Council, and Department Heads, the primary topics for discussion in line with the City Wide Goals set in 2007 were:

Vacation Destination (**Goal 1 – Business Development/Goal 5 – Leadership**)
Retiree Market (**Goal 3 – Sustainable Growth**)
Family Relocation (**Goal 2 Community Services/Goal 4 – Quality of Life**)
Business Relocation (**Goal 1 – Business Development**)
Identifying Landmines (**Goal 5 – Leadership**)
Mission Statement (**Goal 5 – Leadership**)
Vision Statement (**Goal 5 – Leadership**)

At the February 1, 2013 council retreat meeting, four different checklists of the City were collected:

- Department strengths and weaknesses were submitted by department
- A Mission Statement for the next four years by Department was submitted
- A Mission Statement for the City was submitted
- Department Heads rated every other department in the City on a scale of 1 to 5 with 2 and less being poor and 5 being great.

At the June 13, 2013 Council Planning Session goals and strategies were discussed for our support for the State Park concerning a facility of mutual interest (**Goal 5 Leadership**). Issues regarding subdivision development (**Goal 3 – Sustainable Growth**), Tattoo Parlor Zoning (**Goal 4 – Quality of Life**), and economic development (**Goal 3 – Sustainable Growth**) were also discussed.

The Council Planning Session of July 11, 2013 topics were:

Proposed Rental Unit Inspection Program – (**Goal 2 – Community Services**)
ALDOT Responsive Traffic Signal Plan – (**Goal 3 – Sustainable Growth**)
Revised Rental License Ordinance Draft – (**Goal 5 – Leadership**)
Proposed Purchase of County Road 6 Property - (**Goal 2 – Community Services**)
Hangout Music Festival Impact Study Update – (**Goal 1 – Business Development**)
Traffic Signal at East 22nd Avenue – (**Goal 3 – Sustainable Growth**)

Short-Term Goals/Factors Impacting Budget Development

Since the BP Oil Spill Disaster, the City has been in a tenuous recovery mode; 2013 continued with a strong recovery trend. BP fines to be made available through the Restore Act distribution still have not occurred. The City went through the bond rating process in 2012 and as a result of critiques received focused on paying off short term debt as quickly as possible. The City continues to await a final court decision concerning the Fort Morgan Annexation which could possibly reduce the City budget size by approximately two percent.

SUMMARY OF THE FISCAL YEAR 2014 BUDGET

Significant Budget Items and Trends

At the monthly November Finance Committee and in early December, 2013 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 Capital Plan was presented to the Finance Committee Members at the August Finance Committee Meeting.

Employee Pay Adjustments - Pay for Performance training was conducted by an outside consultant in 2011 and was implemented November, 2012. The financial impact for 2012 of the Pay for Performance Adjustments was fully annualized in the 2013 Budget. In the 2014 Budget, \$333,000 in City General funds was set aside for the following pay adjustments:

- Bring employees employed as of December 2010 to 100% of market
- A Wage Index Adjustment of 1.1% effective January 1, 2014
- Based on 2014 annual review either a 2.5% increase for exceptional employees or a 1.5% increase for above average performing employees

A summary of the recommended personnel changes for the Adopted 2014 Budget is 7 new full-time, 2 temporary and 6 reclassified part-time to full-time positions.

- **Cultural Center Programs and Events Supervisor**
- **Cultural Center Temporary Programs Assistant (2)**
- **Building Inspectors (2) for Rental Inspection Program**
- **Construction Manager for Public Works (Contact Position)**
- **Public Works Facility Maintenance Technician for Cultural Center**
- **Airport Authority Manager and Administrative Assistant II**
- **Additionally, six reclassifications from part-time to full-time were approved for Recreation & Cultural Affairs.**

Business Units and Return on Investment

In working with Department Directors as part of their capital and operational budget submissions, a recurring theme evolved concerning our collective consideration of what projects and programs provided a “return on investment” for future City economic development or contributed the most to support the excellent quality of life for our citizens. During FY 2014, new reports will be developed and provided similar to the tracking of the return on investments of various recreation programs, whereby the evaluation of costs versus rates that had been implemented by the Finance Committee in FY2013. Additionally, we wanted to better measure revenue vs. expenditures that support our operations for other departments. The FY 2014 budget submission includes the following:

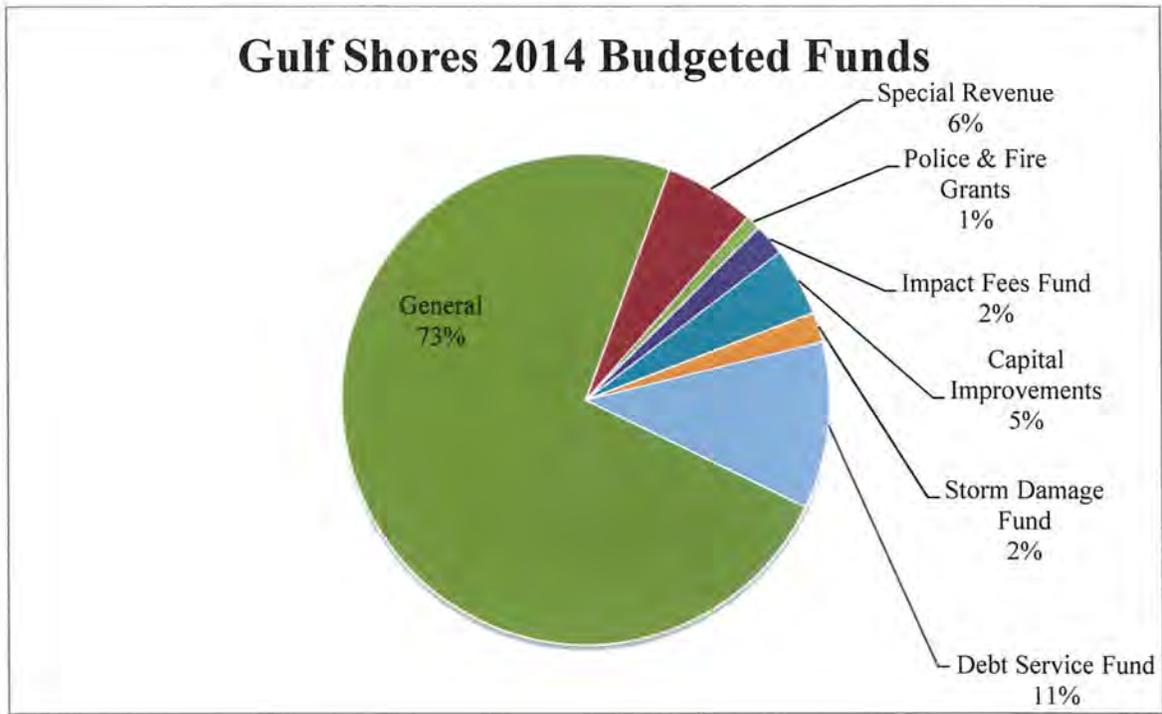
- The Bodenhamer Center budgeted as a stand-alone business unit by reassigning special events staff / operations previously charged to the Center to the Special Events Division.
- The Cultural Arts Center is being budgeted as its own business unit
- Capital funding of Waterway Village South improvements to support new economic development

Fund Structure

The Adopted All Funds Budget for Fiscal Year 2014 is \$43,532,580. This represents a net decrease of \$10,127,711 or -18.9% from the Amended Fiscal Year 2013 Budget of \$53,660,291. A synopsis of the total All Funds Budget appropriated is as follows:

	Amended Budget 2013	Adopted Budget 2014	Increase (Decrease)	% Change
General	32,524,701	31,952,742	(571,959)	-1.8%
Special Revenue	2,521,000	2,601,000	80,000	3.2%
Police & Fire Grants	496,500	434,000	(62,500)	-12.6%
Impact Fees Fund	578,092	909,272	331,180	57.3%
Bond Proceeds	8,300,415	0	(8,300,415)	-100%
Beach Renourishment	1,052,001	0	(1,052,001)	-100%
Capital Improvements Fund	0	1,950,000	1,950,000	n/a
Storm Damage Fund	1,903,182	888,554	(1,014,628)	-53.3%
Debt Service Fund	6,284,400	4,797,012	(1,487,388)	-23.7%
Total	<u>\$53,660,291</u>	<u>\$43,532,580</u>	<u>(\$10,127,711)</u>	-18.9%

Fund Relationship - A graphic view of the 2014 All Funds Budget is as follows:



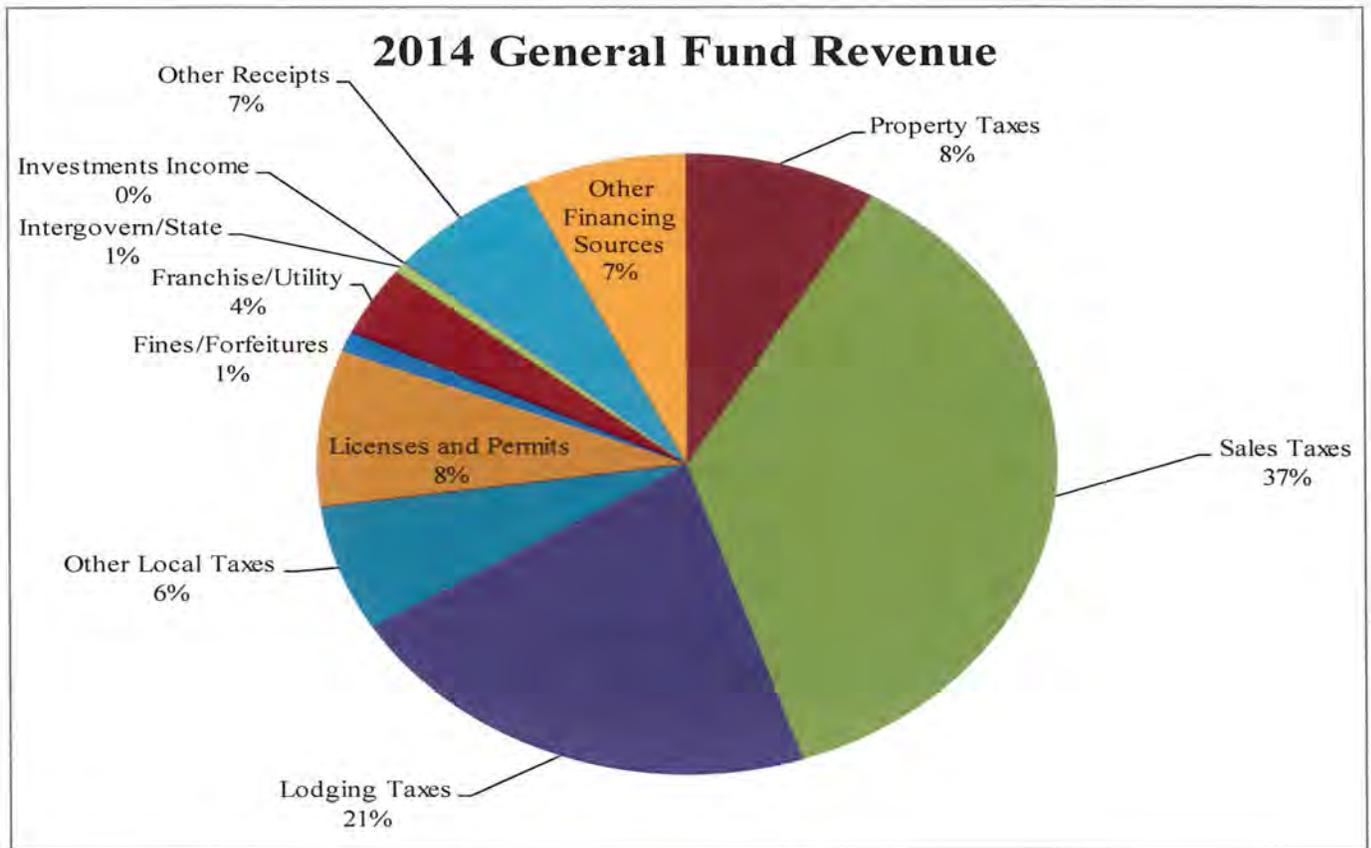
Financial Policies

The City’s 2010 Adopted Financial Policy was adopted March 8, 2010 and is included at the end of the 2012 Budget document.

Revenue Trends

The City of Gulf Shores General Funds Revenues are as follows:

	Budget 2014	% of Budget
Property Taxes	\$ 2,672,576	8.3%
Sales Taxes	11,700,000	36.6%
Lodging Taxes	6,800,000	21.3%
Other Local Taxes	2,090,000	6.5%
Licenses and Permits	2,592,000	8.1%
Fines/Forfeitures	340,000	1.0%
Franchise/Utilities	1,172,100	3.7%
Intergovernmental/State	181,900	0.6%
Investments Income	15,000	0.0%
Other Receipts	2,102,166	6.5%
Other Financing Sources	<u>2,287,000</u>	7.2%
Total	\$ 31,952,742	



Property, Sales, Lodging, and Other Local Taxes comprise 72% of the total General Fund Revenues and are highly dependent on tourism income. The beaches are beautiful and with several concerts and sporting events held in 2013, the City continued to rebound from the devastating BP Oil Spill Disaster.

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

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,

licenses, charges for service, interest income 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. 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.

Long-Range Financial Planning

City Department Heads were asked to create an out year budget along with their budget for 2014 in order to identify future funding needs. Capital Outlays were requested for a ten year period beginning in 2014 and the City Department Heads collaborated on the Ten Year Capital Outlay Plan reviewed by the Finance Committee.

Capital Expenditures

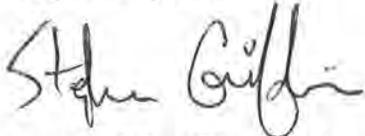
Capital Outlay for equipment, vehicles, and a city signage program were included in the Ten Year Capital Outlay Plan for a ten year period in 2014, enabling the City to replace worn out equipment and vehicles with less ongoing maintenance costs. Cost savings on maintenance of older vehicles and equipment will offset some of the expense in 2014.

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).

This budget continues to show the sound fiscal policy established by the Mayor and Council. We also expect to maintain a healthy fund balance of \$17,574,008 or 55% of the General Fund Adopted Budget Revenues of \$31,952,742.

Respectfully submitted,



Steve Griffin, City Administrator



Cynthia King, Director Finance & Administrative Services

Just the Facts

All about Gulf Shores, Alabama

Just the Facts

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 6,000 acres of land partially located in Gulf Shores with 20 miles of paved trails for hiking and biking.
- The tourist boom in Alabama came in the early 1970s following the construction of Interstate 65, sparking development.

Geographic Characteristics of Gulf Shores, Alabama

	<u>Square Miles</u>	<u>Climate</u>	<u>Topography</u>
Land Area	27.8 Sq/Miles		
Water Area	4.76 Sq/Miles		
Average Annual Temperature		66 Degrees	
Average Annual Rainfall		66.2 Inches	
Elevation			8 Feet

Just the Facts

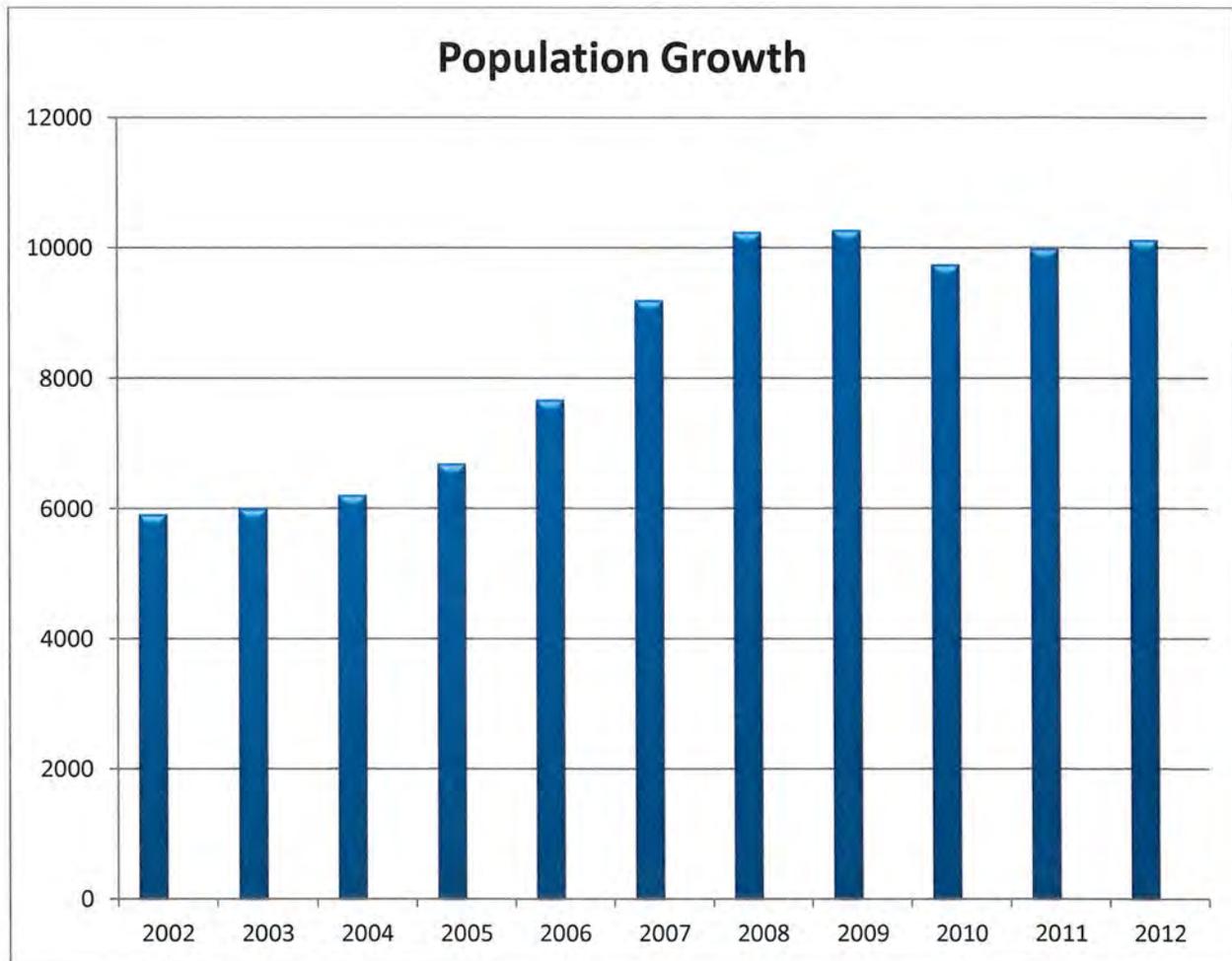
Demographics

Age, Race & Gender Composition	
White	93.4%
Hispanic	4.0%
Black	1.5%
American Indian	.5%
Asian	.9%
Female	50.6%
Male	49.4%
Age Under 5 Years	5.4%
Age 18 years & Over	18.3%
Age 65 years & Over	17.2%
Median Age is 42 years	

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

Figures on based on US Census Bureau Quick Facts estimates for 2012

Just the Facts



Source: US Census Bureau Population Estimates, 2002 through 2012

Gulf Shores, Alabama almost doubled its population during the past ten years.

Just the Facts

Economic Highlights

Top Ten Employers in Gulf Shores, Alabama

	Employer	# of Employees
1	LuLu's	365
2	Waterville	347
3	Beach Club	275
4	City of Gulf Shores	269
5	Brett Robinson	265
6	Gulf Shores Public Schools	241
7	Kaiser	240
8	Wal-Mart	220
9	Original Oyster House	175
10	Target	110

Gulf Shores issued 9,795 licensed businesses in 2013

**Per Capita Income within Gulf Shores in 2011
was higher than the United States level.**

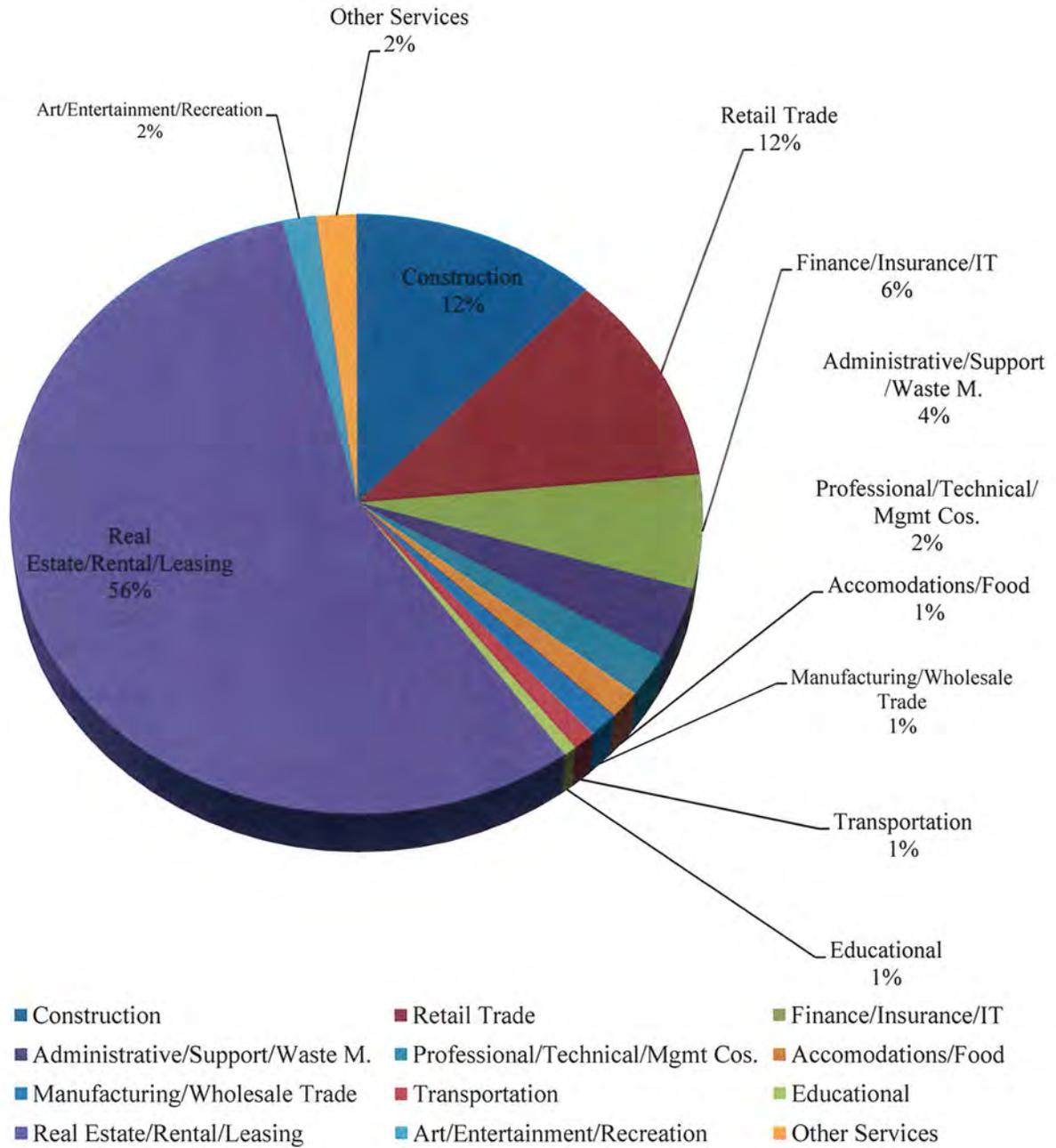
2011

United States \$27,915

Gulf Shores \$29,516

Source: US Census Bureau

Gulf Shores, Alabama Business Profile



Just the Facts

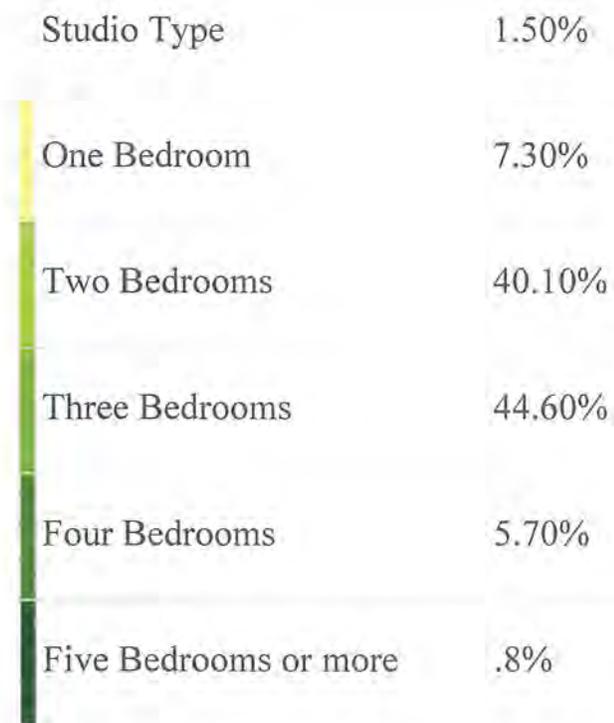
Housing Statistics

Number of Housing Units	11,075
Owner-Occupied	4,051
Seasonal, recreational or occasional use	5,654
Other vacant housing units	1,370

Source: US Census Bureau 2007-2011 American Community Survey

Housing Size

Housing Units by Size



Just the Facts

Owned Homes, Apartments and Condos

Average Household Size	2.22
Median year structure was built	2000
Median Value of occupied units	\$223,200
Median Price asked for vacant units	\$302,080

Rented Homes, Apartments and Condos

Average Household Size	2.44
Median year structure was built	2000
Median Monthly Rent asked for vacant units	\$870

Service Statistics:

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

Public Safety 2013	
Fire Protection	Police Protection
Fire Stations.....4	Primary Patrol Districts.....3*
Sworn Employees.....42	Sworn Employees.....43
Civilian Employees.....1	Civilian Employees.....17
*Tourist Season includes a 4 th district	

Just the Facts

Park, Recreation & Cultural Affairs

City Park Properties.....	8	Auditorium.....	1
Recreation Center.....	1	Gymnasiums.....	2
Sportsplex.....	1	Cultural Center.....	1
Lighted Tennis Courts.....	18		
Multi-Purpose Fields.....	5		
Football Stadium.....	1		
Swimming Pool.....	1		
Play Grounds.....	2		
Beach Volleyball Courts.....	4		
Picnic Areas.....	6		
Civic Center.....	1		
Library.....	1		
Boat Launching Facilities.....	2		
Baseball/Softball Fields.....	13		
Museum.....	1		
Community House.....	1		
Adult Activity Center.....	1		
Outdoor Basketball Courts.....	3		
Horseshoe Pits.....	10		
Dog Park.....	1		
Bocce Ball Courts.....	2		

Just the Facts

Highways and Streets

Miles of Streets Maintained.....70

Streetlights.....2,248

Traffic Signals.....24

Educational System

Elementary School..... 1

Middle School.....1

High School.....1

Day School (ages 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

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 2014

City of Gulf Shores, Alabama Budget 2014

Fund/Department Cross Reference Table

Department/Division	FUND					
	General	Special Revenues	Police & Fire Grants	Impact Fees	Bond Proceeds	Debt Service Fund
Executive	X					
Human Resources	X					
Finance & Administrative Services	X					
Municipal Court	X					
Police	X		X	X		
Fire & EMS	X		X	X		
Community Development	X					
Building	X					
Recreation & Cultural Affairs	X			X		
Special Events & Programs	X					
Library	X					
Recreation - Bodenhamer	X					
Recreation - Sportsplex	X			X		
Recreation - Parks	X			X		
Recreation - Beach	X			X		
Recreation - Cultural Center	X			X		
Public Works - General Services	X					
Public Works - Custodial	X					
Public Works - Landscaping	X			X		
Public Works - Streets	X			X		
Public Works - Maintenance	X			X		
Appropriations	X	X				
Transfers Out						X

Fund Description

A fund is a fiscal and accounting entity with a self-balancing set of accounts recording all financial resources and liabilities which are segregated for a specific purpose, activity or objective. For 2014 the City of Gulf Shores has the following funds: General, Special Revenue, Police & Fire Related Grants, Impact Fees, Capital Improvement Funds, Storm Damage 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. City fund definitions and purpose are in the following sections.

GENERAL 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 73% Taxes and 8.1% Licenses and Permits. Over half (55%) of the General Fund expenditures are related to salaries. Transfers for Debt Service makes up 15% of the General Fund Budget and is used to pay for bond improvements. Other designated transfers for Lodging Tax related to Beach Activities comprise 10% of the General Fund Expenditures. Operational costs comprise another 18% of the General Fund expenditures and Capital is 2% of the General Fund Expenditures. Capital Outlays in the General Fund Building Department are related to Alabama Department of Environmental Management (ADEM) expenditures.

Fund Balance: Cash reserves are sufficient to maintain solid financial strength for future years. In 2012 the City added \$920,989 to the reserves due to a prior year adjustment of \$1.3 million related to inventory of houses for a litigation settlement and an increase in transfers for debt service (-\$390,887). For 2013 additional funds of \$2.2 million are projected to be added to the reserves. The City is in compliance with the City's Financial Policy adopted in 2010. The 2010 City Financial Policy requires a General Fund cash reserve equal to twenty-five (25%) of the General Fund Operating Budget and a Beach Reserve equivalent to twenty (20%) of the General Fund Budget. In 2014 the City should be able to maintain the General Fund level of reserves needed of \$7,988,186 and to the Beach Reserves \$6,390,548 in order to sustain operations during fluctuations of the revenue streams. Total reserve funds target for 2014 is \$17,112,829.

SPECIAL REVENUES

Special Revenues represent 2% of City wide Lodging Tax collections set aside to offset beach restoration 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.

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 shown under Program Revenues as Operating Grants and Contributions in the audited Financial Statements.

IMPACT FEES

Impact Fees 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.

CAPITAL IMPROVEMENTS FUND

The Capital Improvements Funds is used for the acquisition and construction of major capital equipment and facilities. Capital Improvements Funds are used for capital projects such as state transportation projects that require a city match. These significant capital investments for improvements to road infrastructure should reduce the operational costs for repair and maintenance in 2014 and future years and significantly improve traffic flow in and around the City. The City developed in 2013 a Ten Year Capital plan that should enable ongoing routine and maintenance costs to be kept at a minimal level without spikes for maintaining equipment beyond its normal life cycle. A copy of the Ten Year Capital Plan is included on page 57 at the end of this section. All uses of bond funds for 2014 are shown on page 56.

STORM DAMAGE FUND

Funds from BP for grants for Equipment and Capital Outlay Projects are in the Storm Damage Fund. In 2014 the BP Capital Outlay Project is the Waterway Village parking area and streetscapes enhancements.

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. Payments on the 2005-C G. O. Warrant that provided funds to purchase the Pinnacle Mall property are funded by: the City's share of Property Taxes or payments in lieu of taxes paid by the developer/owner to Baldwin

County; Sales and Use Taxes paid to the City by the merchants located in the mall; and rent paid to the City by the developer/owner.

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. Gulf Shores debt limit is \$93,653,748 million based on 2012 assessed value of \$468,268,740. Assessed property values for 2013 of \$478,341,860 were received from the Baldwin County Revenue Commissioner’s Office which would result in a debt limit of \$95,668,372. Current debt obligations are \$49 million. Debt Service constitutes 15% of total all funds expenditures. Dedicated revenue streams offset 30 per cent of the debt service for land acquisition related to Pelican Place Mall. Sales Tax collections from Pelican Place mall are dedicated to pay the debt for Pelican Place Mall. 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 entities 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
2013	478,341,860	20%	\$ 95,668,372	\$38,877,200
2012	468,268,740	20%	93,653,748	46,055,063
2011	487,433,672	20%	97,486,672	44,882,575
2010	524,154,540	20%	104,830,890	47,830,566
2009	653,336,040	20%	127,067,208	51,425,824

As of December 31, 2013 the governmental long term debt consisted of the following:

General Obligation (GO) Warrants:

2012 C and 2012 D GO Warrants – Issue amount \$19,645,000

The 2012 C and D O Warrants refunded the City’s outstanding Series 2004 and Series 2006-B Warrants and provided funds for capital improvements in the City including parking property purchase, streetscape improvements, way finding signage, building improvements, road repair and equipment purchases.

2008 A GO Warrants – Issue Amount \$17,050,000

The following projects were funded by the proceeds of this issue: purchase property, two buildings,

and renovation of buildings, for the City Hall Annex. The Annex is located on Clubhouse Drive across the street from the existing City Hall. The Annex provided much needed additional space for the Municipal Court offices and court chambers, administrative offices for the Police Department, and offices for the Community Development and Building Departments. Additional projects completed with the bond issue proceeds were: renovation of the existing City Hall building; Meyer Park Improvements; and various other capital expenditures to renovate and improve existing City assets.

In addition to providing funds for capital projects, the 2008-A issue refunded two existing bond issues: the unrefunded portion of the 1996 G. O. Warrant and the 1998-C G. O. Warrant. Aggregate Debt Service (Principal and Interest) owed on the issue is \$22,372,309 and is repaid from the General Fund. Debt Service amount due in 2014 is \$1,418,572; 2015 amount due is \$1,429,523.

2006 A GO Warrants – Issue Amount \$2,465,000

Debt Service Refunding for 2005 C and 2006 B warrants paid from General Fund revenues. Aggregate Debt Service (Principal and Interest) owed on the issue is \$2,908,395. 2014 amount due \$126,340; for 2015 debt service is also \$126,340.

2005 C GO Warrants – Issue Amount \$11,560,000

Proceeds were used Colonial Properties Project for Pelican Place Mall and debt service is repaid by Sales Taxes from the mall. Aggregate Debt Service (Principal and Interest) owed on the issue is \$3,584,268. 2014 amount due \$1,793,165; for 2015 amount due is \$1,791,103.

2002 GO Warrants – Issue Amount \$5,355,000

Faulkner State College debt paid by Faulkner State College. Aggregate Debt Service (Principal and Interest) owed on the issue is \$167,120. 2014 amount due is \$167,120.

Notes leases payable:

\$115,944 Lease Payable for 3 Reel Mowers for the Recreation Department, annual payments of \$28,986 with final payment due November 2015.

\$75,503 Lease Payable to Kansas State Bank for Exercise Equipment, dated in 2012, due in monthly installments of \$2,357 with final payment due December 2014.

Debt service payments by year are as follows:

Debt Service Payments by Year

	Principal	Interest	Total
2014	3,288,205	1,401,774	4,689,979
2015	3,248,995	1,280,092	4,529,087
2016	2,540,000	1,022,671	3,562,671
2017	2,585,000	960,531	3,545,531
2018	2,095,000	891,631	2,986,631
2019	2,170,000	821,390	2,991,390
2020	2,240,000	746,010	2,986,010
2021	2,530,000	690,970	3,220,970
2022	2,380,000	620,375	3,000,375
2023	2,435,000	564,906	2,999,906
2024	2,505,000	252,257	2,757,257
2025	2,565,000	440,868	3,005,868
2026	2,640,000	373,275	3,013,275
2027	2,765,000	254,475	3,019,475
2028	2,890,000	130,050	3,020,050
Total	38,877,200	10,451,275	49,328,475

**City of Gulf Shores, Alabama
2014 Budget Calendar**

Date	Action
February 1, 2013	Council retreat with Mayor, Council, and Department Heads to discuss progress towards City goals and define further steps needed to achieve goals.
June 13 & July 11, 2013	Council Planning Sessions for discussion of goals and strategies; distribution to departments.
August 6, 2013	Budget Preparation Instructions sent to Department Heads with request to not exceed 2013 budgeted amounts in total by Department. Departments were asked to look for ways to reduce expenses to offset increased pension costs. The General Fund Budget requests should be consistent with and pursuant to the overall community goals/initiatives set by the Mayor and Council. Objectives and measures needed to be linked and outcome related.
July 25th and August 14th, 2013	Department Heads meet to build Ten Year Capital Outlay Plan. Two meetings were held and departments heard the other departments needs and collaborated on how best to meet city wide needs with limited resources. Final meeting recapped all requests to be included in the 2014 Budget. Finance committee received Ten Year Capital Plan and 2014 Capital Budget Requests at August 28th Finance Committee meeting.
October 1, 2013	Budget Requests due to Finance & Administrative Services Director. Requests were compiled with recommendations for meeting needs with revenue sources.
November 20, 2013	Finance Committee reviews Budget Requests including Budget Message, General Fund revenue and expense projections, position and Capital requests. Strategy for budget review agreed upon with Finance Committee.
November 22, 2013	Department Heads with significant budget changes presented budget requests to Mayor and City Administrator and responded to questions.
November 26th, 2013	Public Works, Recreation & Cultural Affairs Directors review personnel requests with City Administrator.
December 4th, 2013	Finance Committee and other Council Members review revised Budget Message, personnel recommendations, and Budget recommendations.
December 16th, 2013	Committee of the Whole (COW) meeting for full Council review - Council Adoption of 2014 Budget

CITY OF GULF SHORES, ALABAMA
FINANCIAL SUMMARIES
TABLES AND GRAPHS
FISCAL YEAR 2014

TABLE 1
CITY OF GULF SHORES, ALABAMA
CITY WIDE ADOPTED BUDGET
FISCAL YEAR 2014

	Actual 2011	Actual 2012	Amended 2013	Adopted 2014	Dollar Change 2013 to 2014	Percent Change 2013 to 2014
REVENUES						
General Fund	30,155,345	23,861,479	29,625,492	29,683,742	58,250	0.20%
Special Revenue Funds:						
2% Lodging Tax	2,317,123	2,640,821	2,521,000	2,601,000	80,000	3.17%
Designated Taxes	348,950	386,026	496,500	434,000	(62,500)	-12.59%
Impact Fees	96,180	280,175	578,092	909,272	331,180	57.29%
Library Board Fund	9,380	2,974	0	0	0	
Capital Projects Funds:					0	
Beach Restoration	0	5				
2006 GO Warrant	205	0	0	0	0	
2008 GO Warrant	77,931	148,487	4,013,419	0	(4,013,419)	-100.00%
2012 Refunding		88	4,286,996	0	(4,286,996)	-100.00%
Capital Improvements			0	1,950,000	1,950,000	n/a
Grants	2,731,210	2,955,767	0	0	0	
Storm Damage	265,164	6,012,709	1,577,673	888,554	(689,119)	-43.68%
Debt Service	1,883,874	1,949,267	243,883	4,797,012	4,553,129	1866.93%
TOTAL REVENUES	37,885,362	38,237,798	43,343,055	41,263,580	(2,079,475)	-5%
EXPENDITURES						
General Fund	24,952,533	22,517,434	23,464,873	23,873,702	408,829	1.74%
Special Revenue Funds:						
2% Lodging Tax	0	0	0	0	0	n/a
Designated Taxes	10,000	104	0	35,000	35,000	n/a
Impact Fees	56,464	159,962	578,092	909,272	331,180	57.29%
Library Board Fund	4,697	3,307	0	0	0	
Capital Projects Funds:					0	
Beach Restoration	0	57,095				
2006 GO Warrant	671,324	0	0	0	0	
2008 GO Warrant	425,550	2,916,698	4,013,419	0	(4,013,419)	-100.00%
2012 Refunding		16	4,286,996	0	(4,286,996)	-100.00%
Capital Improvements			0	1,950,000		
Grants	2,729,803	2,871,654			0	
Storm Damage	254,529	7,019,879	1,753,244	888,554	(864,690)	-49.32%
Debt Service	6,262,264	25,459,085	6,284,400	4,797,012	(1,487,388)	-23.67%
TOTAL EXPENSES	35,367,164	61,005,234	40,381,024	32,453,540	(7,927,484)	-19.63%
Excess of Revenues over Total Expenditures	2,518,198	(22,767,436)	2,962,031	8,810,040	5,848,009	197%
OTHER FINANCING						
Bond Issue net		22,871,761				
Installment Loan Proceeds	1,204,825	0	0	0	-	
Transfers in	4,662,044	26,061,441	10,215,835	2,269,000	(7,946,835)	-77.79%
Transfers out	(4,662,044)	(26,061,441)	(10,956,729)	(10,886,039)	70,690	-0.65%
Total Other Financing Uses	1,204,825	22,871,761	(740,894)	(8,617,039)	(7,876,145)	1063%
Net Change in Fund Balance	3,723,023	104,325	2,221,137	193,001	(2,028,136)	-91%
Prior Period Adjustment		1,311,876				
Fund Balances - Beginning	23,595,791	27,318,814	28,735,015	30,956,152	2,221,137	8%
Fund Balances - Ending	\$ 27,318,814	\$ 28,735,015	\$ 30,956,152	\$ 31,149,153	\$ 193,001	1%

GRAPH 1
CITY OF GULF SHORES, ALABAMA
CITY WIDE ADOPTED BUDGET
FISCAL YEAR 2014

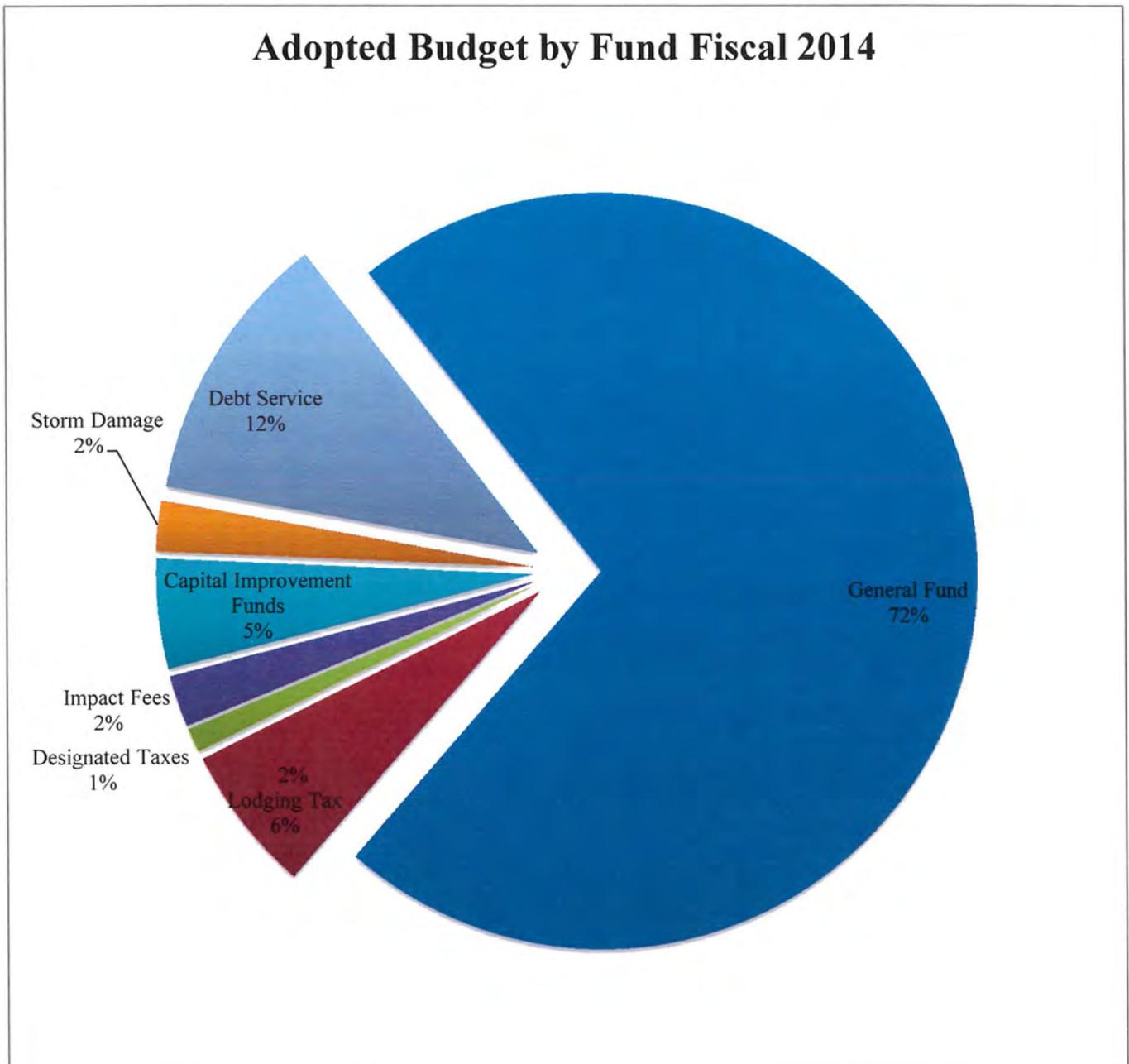


TABLE 2
CITY OF GULF SHORES, ALABAMA
GENERAL FUND ADOPTED BUDGET
FISCAL YEAR 2014

	Actual 2011	Actual 2012	Amended 2013	Adopted 2014	Dollar Change 2013 to 2014	Percent Change 2013 to 2014
REVENUES						
Property Taxes	3,397,284	2,461,738	2,468,300	2,672,576	204,276	8%
Sales Taxes	8,973,388	11,318,308	11,144,000	11,700,000	556,000	5%
Lodging Taxes	3,423,151	2,293,307	6,800,000	6,800,000	0	0%
Other Local Taxes	2,159,936	2,033,288	2,184,000	2,090,000	(94,000)	-4%
Licenses and Permits	1,885,421	2,229,453	2,440,500	2,592,000	151,500	6%
Fines/Forfeitures	309,520	338,470	370,000	340,000	(30,000)	-8%
Franchise/Utility	1,172,815	1,162,351	1,194,550	1,172,100	(22,450)	-2%
Intergovern/Fed	505,936	27,893	0	0	0	n/a
Intergovern/State	176,844	212,566	191,900	181,900	(10,000)	-5%
Investments Income	26,062	18,952	15,000	15,000	0	0%
Other Receipts	1,722,665	1,763,817	2,275,388	2,102,166	(173,222)	-8%
BP Lost Revenues/Settlement	6,402,323	1,336	0	0	0	n/a
Other Financing Sources	0	0	691,791	18,000	(673,791)	-97%
TOTAL REVENUES	30,155,345	23,861,479	29,775,429	29,683,742	(91,687)	0%
EXPENDITURES						
Executive	571,689	887,552	945,412	886,296	(59,116)	-6%
Human Resources	0	0	0	230,208		
Finance & Administrative Services	2,353,921	1,997,350	2,516,790	2,424,845	(91,945)	-4%
Municipal Court	320,136	323,015	342,003	298,533	(43,470)	-13%
Police	3,817,726	4,098,826	4,387,751	4,592,798	205,047	5%
Fire & EMS	3,311,662	3,243,879	3,322,363	3,437,280	114,917	3%
Community Development	314,369	391,652	425,881	439,641	13,760	3%
Building	306,997	451,822	351,797	493,961	142,164	40%
Recreation & Cultural Affairs	114,508	150,191	127,987	138,135	10,148	8%
Special Events & Programs	649,438	721,779	824,600	814,972	(9,628)	-1%
Library	410,382	489,662	550,805	548,796	(2,009)	0%
Recreation - Bodenhamer	1,562,923	1,538,138	1,663,338	1,590,437	(72,901)	-4%
Recreation - Sportsplex	726,171	885,108	906,880	944,236	37,356	4%
Recreation - Parks	347,234	421,750	422,997	457,258	34,261	8%
Recreation - Beach	378,511	377,997	382,427	433,650	51,223	13%
Cultural Center	0	0	0	454,582	454,582	n/a
Public Works - General Services	451,258	535,359	503,616	606,533	102,917	20%
Public Works - Custodial	457,791	422,153	520,182	463,026	(57,156)	-11%
Public Works - Landscaping	584,410	623,404	650,597	648,364	(2,233)	0%
Public Works - Streets	1,675,834	1,950,244	2,397,141	1,840,798	(556,343)	-23%
Public Works - Maintenance	974,204	1,076,380	2,384,951	1,217,907	(1,167,044)	-49%
Airport	0	0	20,000	110,946	90,946	455%
Appropriations	233,974	1,148,747	200,000	145,000	(55,000)	-28%
Litigation Settlement	3,800,455	15,374	0	0	0	n/a
Capital Outlay	1,588,940	767,052	693,854	655,500	(38,354)	-6%
TOTAL EXPENDITURES	24,952,533	22,517,434	24,541,372	23,873,702	(667,670)	-3%
OTHER FINANCING SOURCES						
Installment Loan Proceeds/Borrowed	1,204,825	5,371,169	0	0	0	n/a
Operating Transfers In	310,000	1,502,419	2,749,272	2,269,000	(480,272)	-17%
Operating Transfers Out	(2,769,086)	(8,608,520)	(6,838,692)	(7,886,039)	(1,047,347)	15%
Total Other Financing Sources	(1,254,261)	(1,734,932)	(4,089,420)	(5,617,039)	(1,527,619)	37%
Net Change in Fund Balance	3,948,551	(390,887)	1,144,637	193,001	(951,636)	-83%
Prior Period Adjustment		1,311,876				
Fund Balances - Beginning	13,735,069	17,683,620	18,604,609	19,749,246	1,144,637	6%
Fund Balances - Ending	\$ 17,683,620	\$ 18,604,609	\$ 19,749,246	\$ 19,942,247	\$ 193,001	1%

GRAPH 2
CITY OF GULF SHORES, ALABAMA
CITY WIDE ADOPTED BUDGET
FISCAL YEAR 2014

2014 Departmental Budget

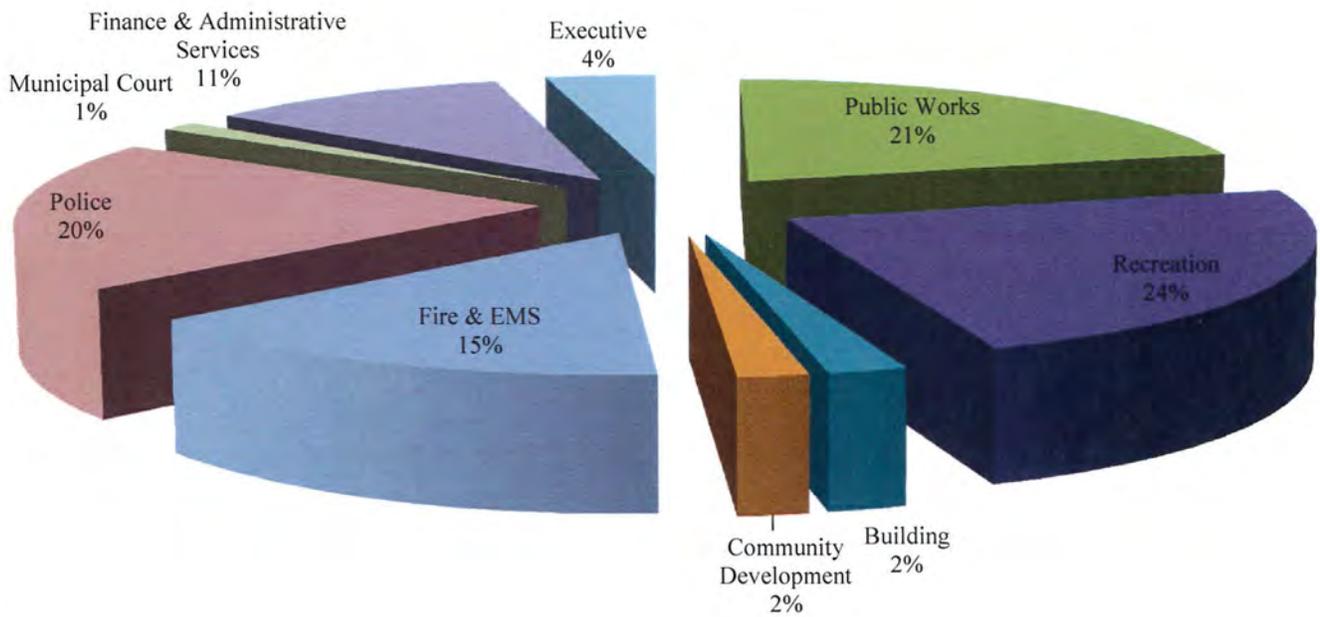
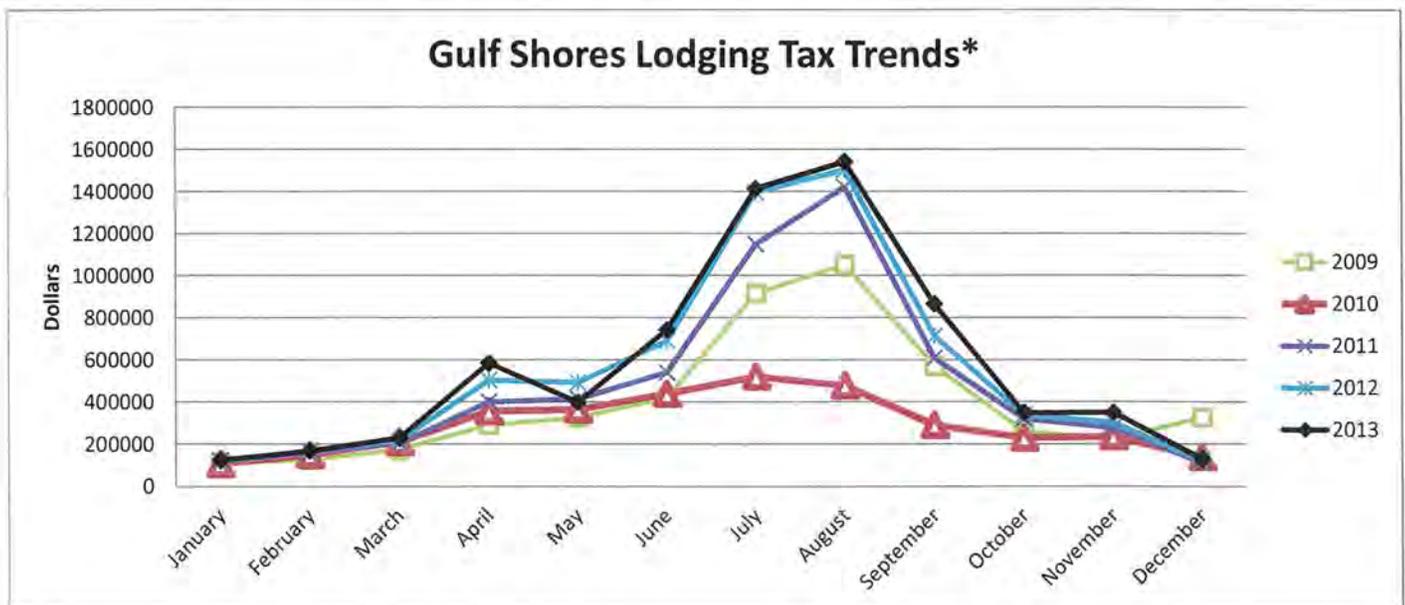


TABLE 3
CITY OF GULF SHORES, ALABAMA
SPECIAL REVENUE FUND
LODGING TAX ADOPTED BUDGET
FISCAL YEAR 2014

	Actual 2011	Actual 2012	Amended 2013	Adopted 2014	Dollar Change 2013 to 2014	Percent Change 2013 to 2014
REVENUES						
Taxes:						
Lodging Tax 2% Beach	2,315,474	2,419,000	2,520,000	2,600,000	80,000	3%
Interest Income	1,649	1,000	1,000	1,000	0	0%
Total Revenue	<u>2,317,123</u>	<u>2,420,000</u>	<u>2,521,000</u>	<u>2,601,000</u>	<u>80,000</u>	<u>3%</u>
EXPENDITURES						
Current:						
General government	0	0	0	0	0	n/a
Total general government	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>-</u>	<u>n/a</u>
Excess of Revenues over Total Expenditures	<u>2,317,123</u>	<u>2,420,000</u>	<u>2,521,000</u>	<u>2,601,000</u>	<u>80,000</u>	<u>3%</u>
OTHER FINANCING USES						
Transfers out	(1,582,958)	(2,420,000)	(2,521,000)	(2,601,000)	(80,000)	3%
Total Other Financing Uses	<u>(1,582,958)</u>	<u>(2,420,000)</u>	<u>(2,521,000)</u>	<u>(2,601,000)</u>	<u>(80,000)</u>	<u>3%</u>
Net Change in Fund Balance	<u>734,165</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Fund Balances - Beginning	827,033	1,561,198	1,561,198	1,561,198	0	
Fund Balances - Ending	<u>\$1,561,198</u>	<u>\$1,561,198</u>	<u>\$1,561,198</u>	<u>\$1,561,198</u>	<u>0</u>	



*2010 Lodging Tax Losses due to BP Oil Spill

**TABLE 4
CITY OF GULF SHORES, ALABAMA
SPECIAL REVENUE FUND
DESIGNATED TAXES
ADOPTED BUDGET
FISCAL YEAR 2014**

	Actual 2011	Actual 2012	Amended 2013	Adopted 2014	Dollar Change 2013 to 2014	Percent Change 2013 to 2014
REVENUES						
Taxes:						
Intergovernmental:						
State of Alabama	348,575	386,026	496,500	434,000	-62,500	-13%
Interest Income	375	0	0	0	0	n/a
Total Revenue	<u>348,950</u>	<u>386,026</u>	<u>496,500</u>	<u>434,000</u>	<u>-62,500</u>	<u>-13%</u>
EXPENDITURES						
Current:						
General government	10,000	104	0	0	0	n/a
Total general government	<u>10,000</u>	<u>104</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>n/a</u>
Excess of Revenues over Total Expenditures	<u>338,950</u>	<u>385,922</u>	<u>496,500</u>	<u>434,000</u>	<u>-62,500</u>	<u>-13%</u>
OTHER FINANCING USES						
Transfers out	<u>(310,000)</u>	<u>(413,000)</u>	<u>(496,500)</u>	<u>(434,000)</u>	<u>62,500</u>	<u>-13%</u>
Total Other Financing Uses	<u>(310,000)</u>	<u>(413,000)</u>	<u>(496,500)</u>	<u>(434,000)</u>	<u>62,500</u>	<u>(0)</u>
Net Change in Fund Balance	<u>28,950</u>	<u>(27,078)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>n/a</u>
Fund Balances - Beginning	<u>68,165</u>	<u>97,115</u>	<u>70,037</u>	<u>70,037</u>	<u>0</u>	<u>0%</u>
Fund Balances - Ending	<u>\$ 97,115</u>	<u>\$ 70,037</u>	<u>\$ 70,037</u>	<u>\$ 70,037</u>	<u>0</u>	<u>0%</u>

**TABLE 5
CITY OF GULF SHORES, ALABAMA
SPECIAL REVENUE FUND
IMPACT FEES
ADOPTED BUDGET
FISCAL YEAR 2014**

	Actual 2011	Actual 2012	Amended 2013	Adopted 2014	Dollar Change 2013 to 2014	Percent Change 2013 to 2014
REVENUES						
Impact Fees	96,108	280,032	578,092	909,272	331,180	57%
Interest Income	72	143	0	0	0	n/a
Total Revenue	<u>96,180</u>	<u>280,175</u>	<u>578,092</u>	<u>909,272</u>	<u>331,180</u>	<u>57%</u>
EXPENDITURES						
Current Operating:						
Fire	53,184	2,201	0	0	0	n/a
Recreation	3,280	0	13,850	0	(13,850)	-100%
Police	0	0	0	0	0	n/a
Public Works	0	0	0	0	0	n/a
Total Current	<u>56,464</u>	<u>2,201</u>	<u>13,850</u>	<u>0</u>	<u>(13,850)</u>	<u>-100%</u>
Capital Outlay						
Fire	0	0	0	50,000	50,000	n/a
Recreation	0	114,895	231,242	326,272	95,030	41%
Police	0	42,866	33,000	33,000	0	0%
Public Works	0	0	300,000	500,000	200,000	67%
Total Capital Outlay	<u>0</u>	<u>157,761</u>	<u>564,242</u>	<u>909,272</u>	<u>345,030</u>	<u>61%</u>
Total Expenditures	<u>56,464</u>	<u>159,962</u>	<u>578,092</u>	<u>909,272</u>	<u>331,180</u>	<u>-64%</u>
Excess of Revenues over Total Expenditures	<u>39,716</u>	<u>120,213</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>n/a</u>
OTHER FINANCING USES						
Transfers	0	0	0	0	0	n/a
Total Other Financing Uses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>n/a</u>
Net Change in Fund Balance	39,716	120,213	0	0	0	n/a
Fund Balances - Beginning	<u>228,101</u>	<u>267,817</u>	<u>388,030</u>	<u>388,030</u>	<u>0</u>	<u>0%</u>
Fund Balances - Ending	<u>\$267,817</u>	<u>\$388,030</u>	<u>\$388,030</u>	<u>\$388,030</u>	<u>0</u>	<u>0%</u>

**TABLE 6
CITY OF GULF SHORES, ALABAMA
CAPITAL IMPROVEMENT FUND
BOND PROCEEDS 2008 A
ADOPTED BUDGET
FISCAL YEAR 2014**

	Actual 2011	Actual 2012	Amended 2013	Adopted 2014	Dollar Change 2013 to 2014	Percent Change 2013 to 2014
REVENUES						
Bond Proceeds	0	0	2,947,449	0	(2,947,449)	-100%
State Match	17,406	146,070	1,065,970	0	(1,065,970)	-100%
Interest Income	60,525	2,417	0	0	0	n/a
Total Revenue	<u>77,931</u>	<u>148,487</u>	<u>4,013,419</u>	<u>0</u>	<u>(4,013,419)</u>	<u>-100%</u>
EXPENDITURES						
Capital Outlay	425,550	2,916,698	4,013,419	0	(4,013,419)	-100%
Total Expenditures	<u>425,550</u>	<u>2,916,698</u>	<u>4,013,419</u>	<u>0</u>	<u>(4,013,419)</u>	<u>38%</u>
Excess of Revenues over						
Total Expenditures	<u>(347,619)</u>	<u>(2,768,211)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>n/a</u>
OTHER FINANCING USES						
Transfers	0	1,016	0	0	0	n/a
Total Other Financing Uses	<u>0</u>	<u>1,016</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>n/a</u>
Net Change in Fund Balance	<u>(347,619)</u>	<u>(2,767,195)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>n/a</u>
Fund Balances - Beginning	<u>5,820,785</u>	<u>5,473,166</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>n/a</u>
Fund Balances - Ending	<u>\$ 5,473,166</u>	<u>\$ 2,705,971</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>n/a</u>

All remaining 2008A Bond proceeds were used in 2013 for Capital Projects

TABLE 7
CITY OF GULF SHORES, ALABAMA
CAPITAL IMPROVEMENT FUND
ADOPTED BUDGET
FISCAL YEAR 2014

	Actual 2011	Actual 2012	Amended 2013	Adopted 2014	Dollar Change 2013 to 2014	Percent Change 2013 to 2014
REVENUES						
Grants requiring matching funds						
ALDOT Projects	0	0	0	1,277,000	1,277,000	n/a
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,277,000</u>	<u>1,277,000</u>	<u>n/a</u>
EXPENDITURES						
Capital Outlay Projects						
ALDOT Sidewalks Handicap Access	0	0	0	210,000	210,000	n/a
ALDOT Sidewalks 8 Feet Wide	0	0	0	610,000	610,000	n/a
ALDOT Adaptive Signs	0	0	0	940,000	940,000	n/a
ALDOT ATRIP West 4th St Bridge	0	0	0	190,000	190,000	n/a
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,950,000</u>	<u>1,950,000</u>	<u>n/a</u>
OTHER FINANCING SOURCES						
Transfer from General Funds	0	0	0	673,000	673,000	n/a
Total Other Financing Sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>673,000</u>	<u>673,000</u>	<u>n/a</u>
Net Change in Fund Balances	0	0	0	0	0	n/a
Fund Balance, beginning	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>n/a</u>
Fund Balance, ending	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>n/a</u>

TABLE 8
CITY OF GULF SHORES, ALABAMA
STORM DAMAGE FUND
ADOPTED BUDGET
FISCAL YEAR 2014

	Actual 2011	Actual 2012	Amended 2013	Adopted 2014	Dollar Change 2013 to 2014	Percent Change 2013 to 2014
REVENUES						
Intergovernmental Grants						
State of Alabama	73,058	747,339	174,491	0	(174,491)	-100%
Federal Government	189,958	5,264,909	0	0	0	n/a
BP Grant(s)	0	0	1,403,182	858,554	(544,628)	-39%
Interest Income	2,146	461	0	0	0	n/a
Total Revenues	<u>265,162</u>	<u>6,012,709</u>	<u>1,577,673</u>	<u>858,554</u>	<u>(719,119)</u>	<u>-46%</u>
EXPENDITURES						
Emergency Protective Measures	(7,980)	121,785	0	0	0	n/a
Engineering & Construction	70,421	1,301,457	0	0	0	n/a
Buildings & Equipment	0	0	683,245	358,554	(324,691)	-48%
Parks, Recreation & Other	192,086	5,595,218	70,000 #	0	(70,000)	-100%
Waterway Development District	0	0	1,000,000	500,000	(500,000)	-50%
Debris Removal	0	1,419	0	0	0	n/a
Total Expenditures	<u>254,527</u>	<u>7,019,879</u>	<u>1,753,245</u>	<u>858,554</u>	<u>(894,691)</u>	<u>-51%</u>
OTHER FINANCING SOURCES (USES)						
Transfer out Other Funds (General)	0	0	(149,937)	0	149,937	-100%
Transfer from Other Funds	37,991	1,007,631	325,509	0	(325,509)	-100%
Total Other Financing Uses	<u>37,991</u>	<u>1,007,631</u>	<u>175,572</u>	<u>0</u>	<u>(325,509)</u>	<u>-100%</u>
Net Change in Fund Balance	<u>48,626</u>	<u>461</u>	<u>0</u>	<u>0</u>	<u>(149,937)</u>	<u>n/a</u>
Fund Balance, beginning	<u>(33,215)</u>	<u>15,411</u>	<u>15,872</u>	<u>15,872</u>	<u>0</u>	<u>0%</u>
Fund Balance, ending	<u>15,411</u>	<u>15,872</u>	<u>15,872</u>	<u>15,872</u>	<u>0</u>	<u>0%</u>

TABLE 9
CITY OF GULF SHORES, ALABAMA
DEBT SERVICE FUND
ADOPTED BUDGET
FISCAL YEAR 2014

	Actual 2011	Actual 2012	Amended 2013	Adopted 2014	Dollar Change 2013 TO 2014	Percent Change 2013 TO 2014
REVENUES						
Property Taxes	46,774	0	0	0	0	n/a
Local Taxes	1,513,202	0	0	0	0	n/a
Rent Income	323,746	218,977	243,883	120,000	24,906	11%
Interest	152	12,731	0	0	(12,731)	-100%
Total Revenues	<u>1,883,874</u>	<u>231,708</u>	<u>243,883</u>	<u>120,000</u>	<u>12,175</u>	<u>5%</u>
EXPENDITURES						
Principal and Interest	6,255,714	25,454,532	6,278,900	4,792,512	(19,175,632)	-75%
Miscellaneous	6,550	4,553	5,500	4,500	947	21%
Total Expenses	<u>6,262,264</u>	<u>25,459,085</u>	<u>6,284,400</u>	<u>4,797,012</u>	<u>(19,174,685)</u>	<u>-75%</u>
Excess of Revenues over Total Expenditures	<u>(4,378,390)</u>	<u>(25,227,377)</u>	<u>(6,040,517)</u>	<u>(4,677,012)</u>	<u>19,186,860</u>	<u>-76%</u>
OTHER FINANCING SOURCES (USES)						
Transfers In	4,314,052	25,210,849	6,040,517	4,677,012	(19,170,332)	-76%
Transfers Out	0	0	0	0	0	n/a
Total Other Financing	<u>4,314,052</u>	<u>25,210,849</u>	<u>6,040,517</u>	<u>4,677,012</u>	<u>(19,170,332)</u>	<u>484%</u>
Net change in fund balances	(64,338)	(16,528)	0	0	16,528	
Fund Balances - Beginning	<u>2,266,764</u>	<u>2,202,426</u>	<u>2,185,898</u>	<u>2,185,898</u>	<u>(16,528)</u>	<u>-1%</u>
Fund Balances - Ending	<u>\$2,202,426</u>	<u>\$ 2,185,898</u>	<u>\$ 2,185,898</u>	<u>\$ 2,185,898</u>	<u>0</u>	<u>0%</u>

Fund Balance

The City of Gulf Shores adopted financial policy as of March 8, 2010 set a fund balance of 45% of the General Fund. In 2013, the Finance Committee chose to increase the fund balance by 5% annually. Of the total General Fund Balance target, Beach Fund Reserves comprise 20% of the fund balance, and General Fund Operating/Stabilization comprise the remainder. General Fund Operating reserves are 2/3rds of the non-Beach Reserves and Operating reserves are the other 1/3. The table below shows changes in the reserve amounts from 2011 to 2013 actual year to date and 2014 Budgeted Reserves.

General Fund Reserves	2011 Actual	2012 Actual	2013 Actual	2014 Budget
Operating	\$ 3,028,516	\$ 4,980,325	\$ 6,537,465	\$ 7,492,918
Stabilization	2,000,000	2,407,500	3,219,945	3,690,542
Subtotal General Fund	\$ 5,028,516	\$ 7,387,825	\$ 9,757,410	\$ 11,183,460
Beach Reserves	6,060,000	5,665,000	6,504,940	6,390,548
Grand Total All Reserves	\$11,088,516	\$13,052,825	\$16,262,350	17,574,008

Major Revenue Sources

The City of Gulf Shores General Fund has four major funding sources that comprise approximately 80% of the General Fund. Shown below is a summary of the four major General Fund revenue sources (also includes BP Lost Revenue reimbursement for Lodging and Sales Taxes not received for 2011 due to the BP Oil Spill) and the percentage of the total General Fund Revenues for 2011 Actual, 2012 Actual, 2013 Actual year to date, and 2014 Budget:

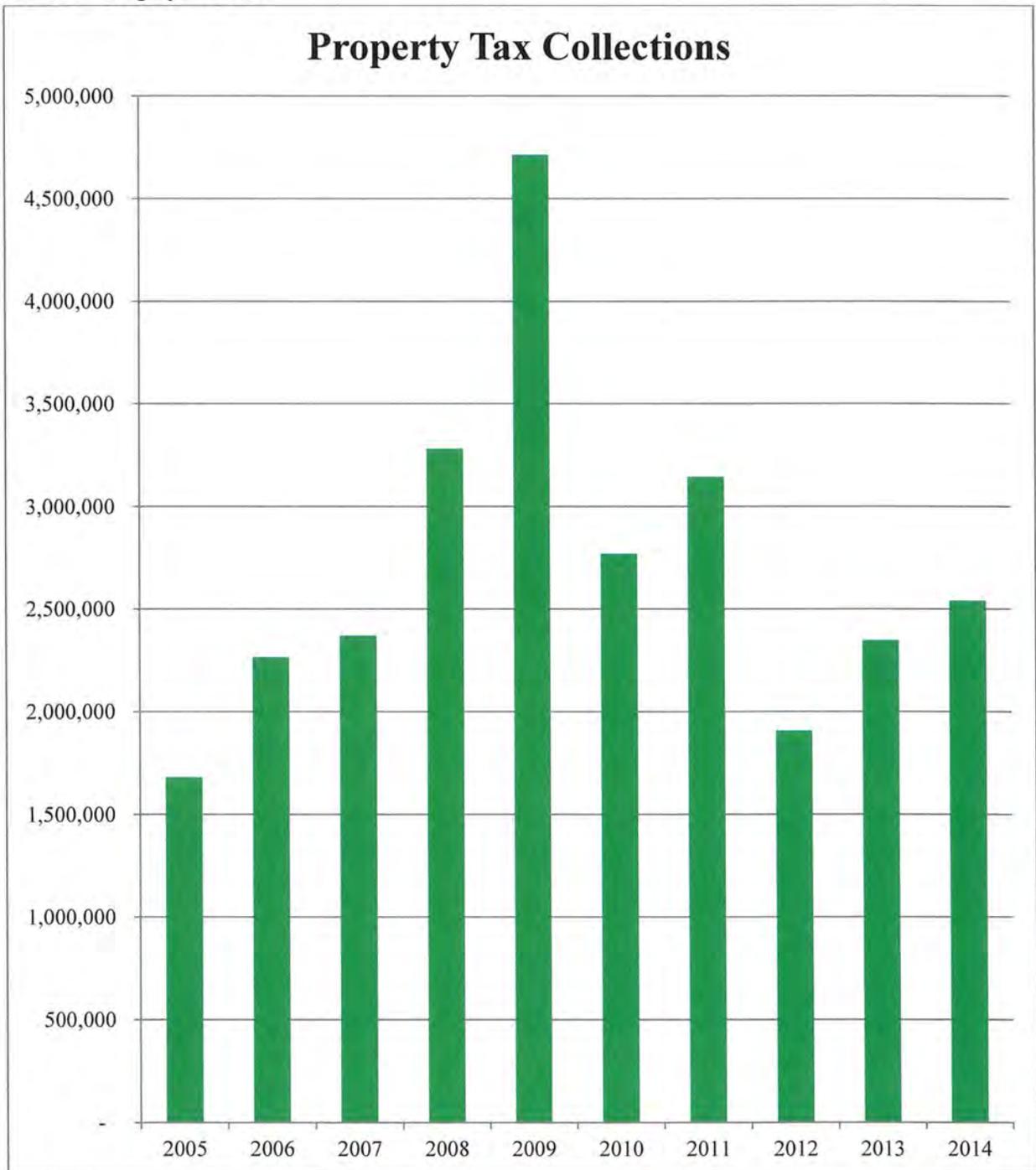
Revenue Type	2011 Actual	% of Total	2012 Actual	% of Total	2013 Actual Year to Date	% of Total	2014 Budget
Property	\$ 3,397,284	11%	\$ 2,461,738	10%	\$ 2,022,858	10%	2,535,576
Sales	8,973,388	30%	9,600,749	40%	9,633,970	46%	9,958,000
Lodging*	3,423,151	11%	3,972,410	17%	4,257,446	20%	4,200,000
Business Licenses	1,684,002	6%	1,883,850	8%	1,982,800	9%	2,000,000
BP Lost Revenue	6,402,323	21%	1,336	0%	0		
Subtotal	\$ 23,880,148	79%	\$ 17,920,083	75%	\$17,897,074	85%	\$18,693,576

*Lodging Tax actual for 2011 60% of total collections; 40% is for Beach Renourishment.

Since the four major funding sources comprise approximately 80% of the General Fund, the Finance Committee focuses on those revenue streams at their regular meetings and for budget estimation purposes. Underlying assumption for the revenue estimates and significant revenue trends are described by each of the major revenue types are shown on the following pages. For 2014 the four funds comprise 78% of the General Fund projected revenues.

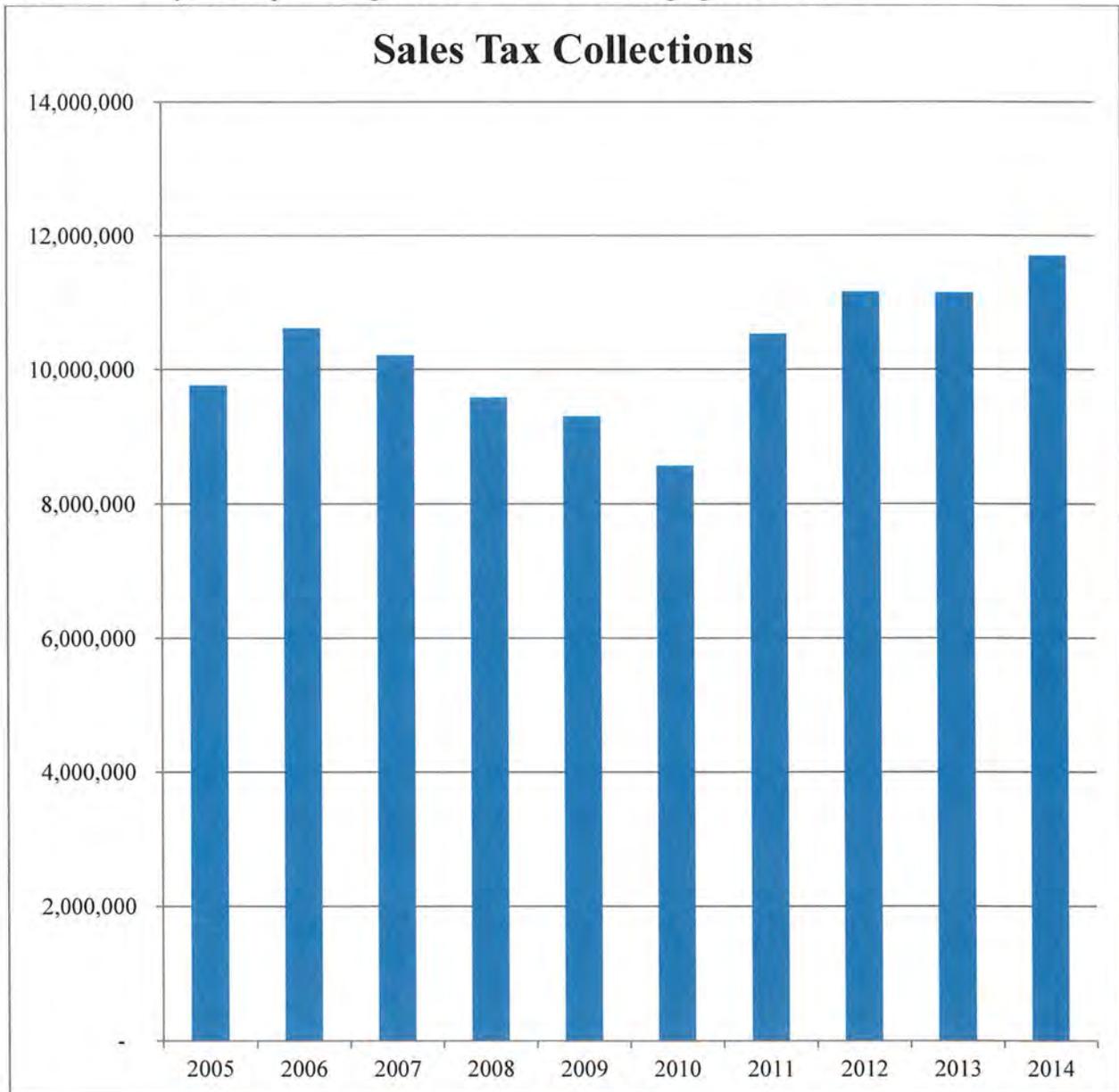
PROPERTY TAX

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 are collected in January each year. Assessed values for property taxes in general have declined slightly in recent years due to some foreclosures and market demand. Property tax collections for the past nine years and 2014 budget are shown in the graph below.



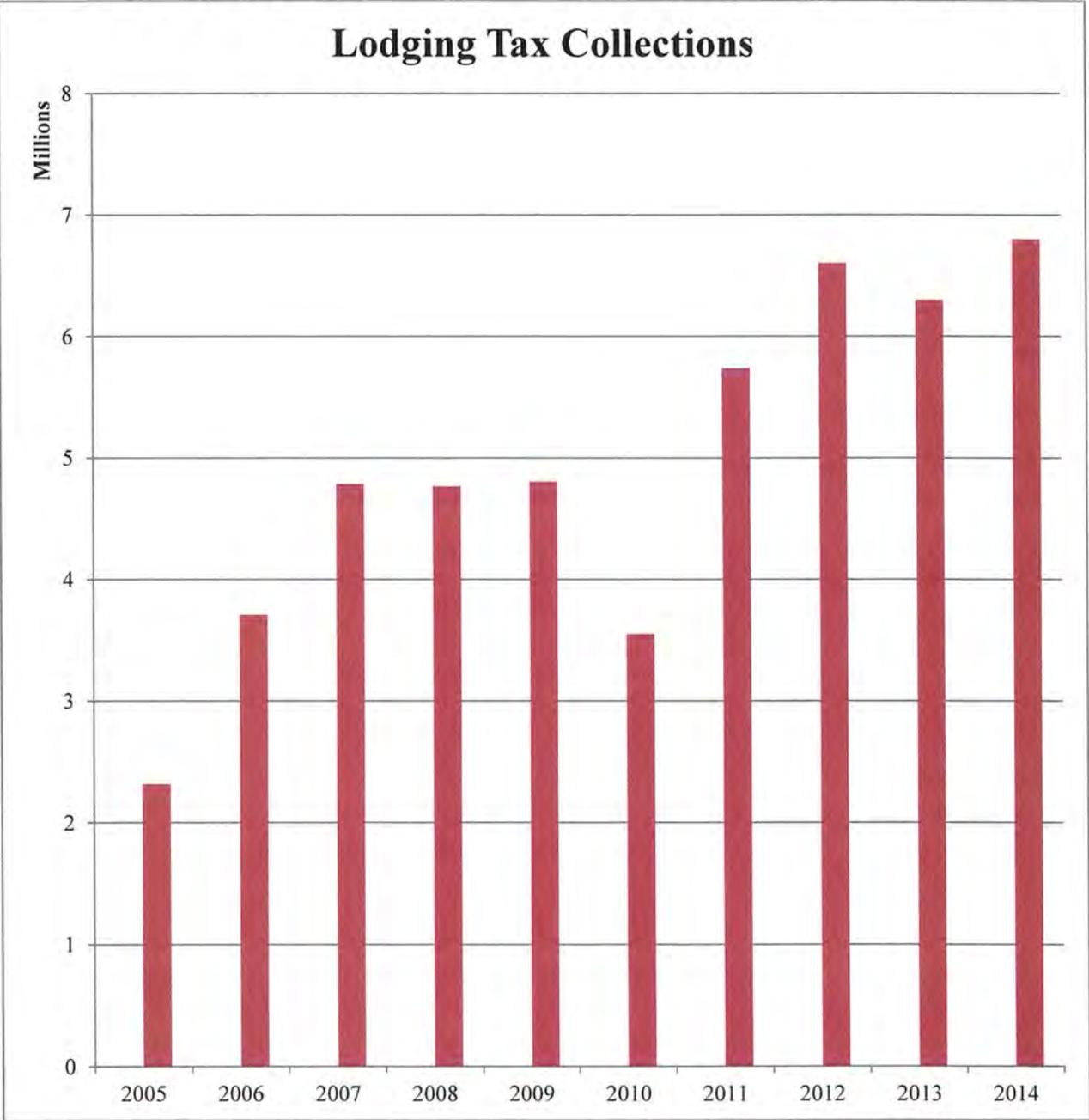
SALES TAX

Sales Taxes of 10% are collected on all purchases in the City. The City 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. Sales Taxes for 2013 (through November) are higher than 2012; making 2013 the highest sales tax collection year ever at 6% higher than the former highest year collections of 2012. Much of the tremendous growth in Sales Taxes is due to the increased rental of the recently constructed Pelican Place Mall and tourists returning following the BP Oil Spill. A 5% increase in Sales Tax is projected for 2014, reflecting increased tourism. Trend lines for the past nine years and 2014 Budget are shown in the graph below. The ten year compounded growth rate for sales and lodging taxes is 8%.



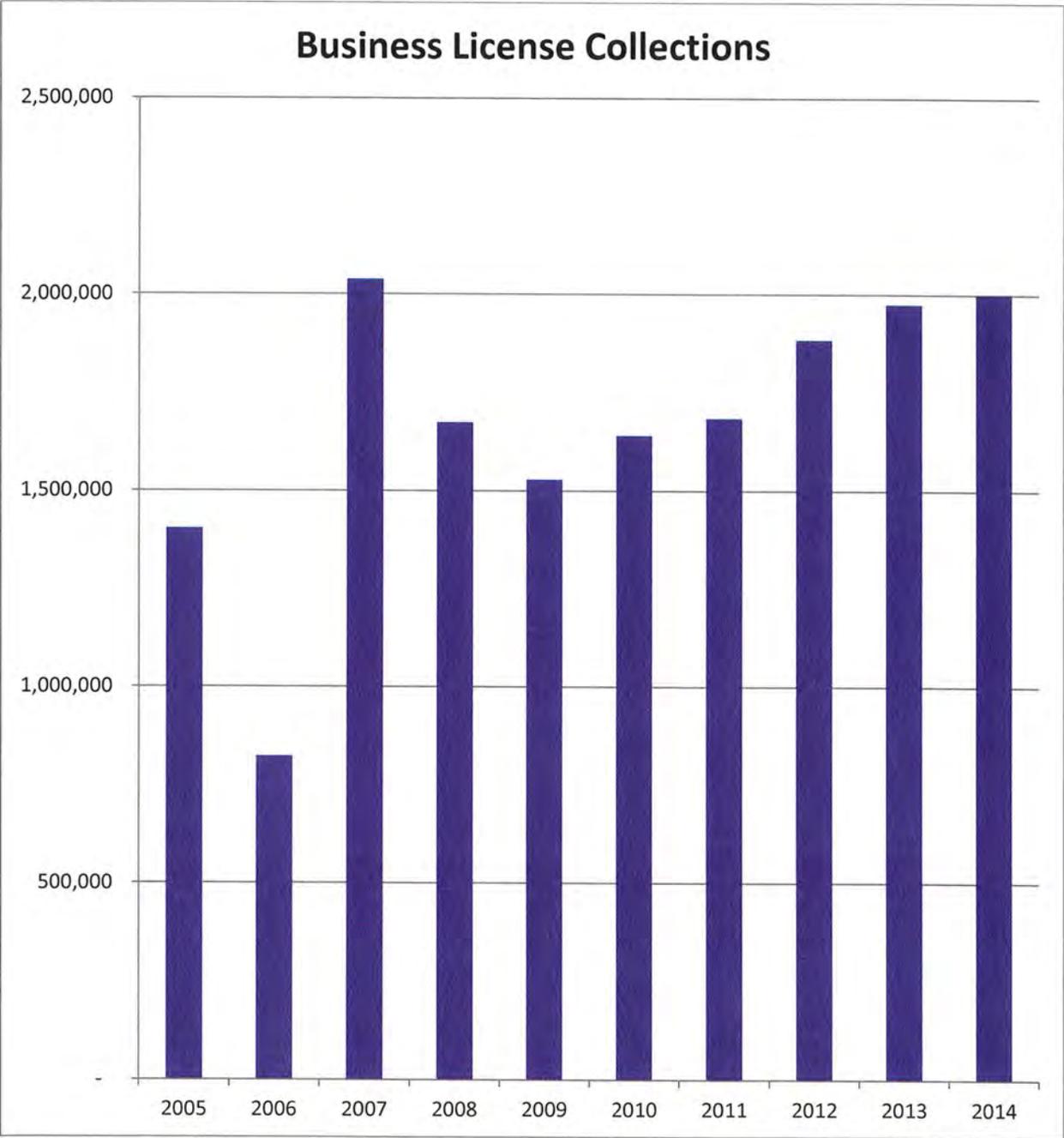
LODGING TAX

Lodging Taxes of 11% are collected on all short-term property rental in the City. The City portion of the 11% Lodging Tax collections is 5%, Baldwin County’s portion is 2% and the State portion is 4%. Lodging Tax collections are highly cyclical, following the same tourist trend lines as Sales Tax collections. A major factor contributing to the Lodging Tax collection increase is enhanced collection efforts of Vacation Rental By Owner (VRBO) properties. Lodging Tax collections for 2013 are 5% higher than 2012 (the last highest collection year). Lodging Taxes are projected to remain steady for 2014, due to fluctuations in room rates. As more visitors are exposed to the area, more return. Several events of national significance occurred in 2012 including the National Sand Volleyball Championship.



BUSINESS LICENSE

Business License are renewable in January and vary depending on the type of business and gross receipts. 2011 much of the increase was due to increased Vacation Rental by Owner (VRBO) licenses for owners of rental condo units not previously holding a business license. For 2014 Business License revenue collections are projected to be 1.27% greater than 2013 due to the increased number of vendor related businesses for festivals and special events. Business License collections for the past nine years and 2014 budgeted are shown in the graph below. The ten year compounded growth rate is 8%.



Capital Outlay 2014

The City Department Heads developed a ten year capital plan in 2013 that will enable 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 \$2,235,772 in General Funds match funds approved for 2014 are below. Items begun in 2013 but not completed will be included in the first 2014 budget amendment.

Capital Outlay Approved 2014

General Funds	City Amount
Fire Ladder Truck	\$500,000
Fire Command Truck	25,000
Building Vehicles for new Inspectors	24,000
Building ACAMP funds	60,500
Public Works – Landscaping for City Signage	30,000
Public Works – Maintenance Nitrogen Tire Machine	8,500
Public Works – Maintenance Tire Changing Machine	<u>7,500</u>
Subtotal General Funds	\$ 655,500

Transfer from General to Capital Improvements Fund

	City \$'s	Total Project
Grant – ALDOT Adaptive Signals	\$ 376,000	940,000
Grant – ATRIP W. 4 th Street Bridge Replacement	38,000	190,000
Grant - ALDOT Sidewalks Handicap Access	50,000	210,000
Grant – ALDOT 8 feet wide sidewalks	<u>210,000</u>	<u>610,000</u>
Subtotal General Transfer	\$ 674,000	\$1,950,000

Impact Fees

Recreation:

Hurdles for Track	\$ 30,000
Shade Pavilions at 5-Plex	30,000
Picnic Pavilion Repairs (Beach)	25,000
Sims Bleachers	30,272
Track Storage Building	25,000
Replacement AED's (3)	6,000
Javelin Throw/Hammer Toss	80,000
Cultural Center Renovations	<u>100,000</u>

Subtotal Recreation \$ 326,272

Fire: Halmotro Tool Set	\$ 32,000
Replacement Equipment	<u>18,000</u>
Subtotal Fire	50,000

Police – 1 vehicle	\$ 30,000
Public Works Street Resurfacing	<u>\$500,000</u>
Subtotal Impact Fees	\$906,272

Ten Year Capital Plan

City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2014

Suggested
funding source

Department	Description	Priority		2014	2015	2016	2017
EXECUTIVE	Replace 2004 Chevy Impala (75,000 mi)						30,000
	Replace 2006 Chevy Malibu (56,471 mi)						
	Replace 2006 Chevy Malibu (35,843 mi)						
	Subtotal Executive						30,000
CDD	Branding/Wayfinding-Expansion			313,250	361,733	350,000	
	Premise Inspector Truck-Replace						
	Subtotal CDD			313,250	361,733	350,000	-
FIRE	Replace Response Vehicles					35,000	140,000
	Refurbish Ladder Truck Maint 2014	1	General Funds	500,000			
	Ladder Truck Paint			25,000			
	Replace Fire Engine	1			375,000	375,000	
	Replace Ambulance						
	Replace Utility Truck						
	Replace Halmotro Tool Set			32,000		32,000	
	New Airport Fire Truck Expans.		Bond			90,000	
	Ladder Service						
	Replace Brush Trucks	2			90,000		
	Polaris ATV		ADEM	20,000			
	Replace Thermal Imagers x 2					24,000	
	Air Bag Rescue Set					30,000	
	SCBA Air Compressor						100,000
Replace Cardia Defibrulators						200,000	
Airport Fire Station					2,000,000		
	Subtotal FIRE			577,000	465,000	2,586,000	440,000
POLICE	Justice Center - Expansion			100,000	500,000	19,000,000	
	Replace Vehicles	1		213,000	216,000	219,000	219,000
	Range - Steel Building/Firing R.		Bond	50,000	50,000		
	CID Annex Generator		HMGP Isaac	75,000			
	Patrol Boat upgrade						
Repalce Beach ATV	1		45,000				
	Subtotal POLICE			483,000	766,000	19,219,000	219,000
PUBLIC WKS	Street Resurfacing - Maintenance	1	Impact Fees	500,000	500,000	500,000	500,000
	Landscape Renovations - Maint	5		30,000	30,000	30,000	30,000
	4th Street Bridge - Maintenance	1	ATRIP \$400K			60,000	
	Windmill Bridge - Maintenance						100,000
	Road/Sidewalk Maintenance	1		100,000	100,000	100,000	100,000
	Waterway Village Improvements		BPWwayGrant 2013	500,000	500,000		
	DOT Projects/Storm W Study	1	Bond/ADEM Coast	300,000			
Vehicles	Replace Vehicles	3	BP Grant '10	100,000	100,000	100,000	100,000
Large Equip.	Excavator		BP Grant '10				
	Street Sweeper		BP Grant '10				
	Bobcat						35,000
	Backhoe						90,000
	Bucket truck (Grant/Cap '13)		BP Gant '10/Bond			95,000	
	Knuckle Boom	2		160,000	160,000	160,000	
	100 HP Tractor		BP Grant '10				
	Beach Rake		BP Grant '10				
	Skid Steer						

City of Gulf Shores
 Capital Improvement Program
 Ten Year Plan beginning 2014

2018	2019	2020	2021	2022	2023	2024
25,000						
25,000						
		20,000				
-	-	20,000	-	-	-	-
375,000	800,000	375,000	375,000	800,000	150,000	
32,000					150,000	
		20,000				400,000
					20,000	
407,000	800,000	395,000	375,000	800,000	320,000	400,000
221,000	221,000	224,000	224,000	227,000	227,000	227,000
					75,000	
221,000	221,000	224,000	224,000	227,000	227,000	227,000
500,000	500,000	500,000	500,000	500,000	500,000	500,000
30,000	30,000	30,000	30,000	30,000	30,000	30,000
100,000	100,000	100,000	100,000	100,000	100,000	100,000
100,000	100,000	100,000	100,000	100,000	100,000	100,000
125,000					125,000	
150,000						150,000
	65,000				35,000	
	90,000					
					95,000	
	160,000	160,000	160,000			160,000
55,000					55,000	
50,000					50,000	
		60,000				

City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2014

Department	Description	Priority	Suggested funding source	2014	2015	2016
PUBLIC WKS	Lowboy Tractor					
	Civic Center Generator		HMGP requests	50,000		
	Rec Center Generator		HMGP requests		38,000	
	Portable Generator		HMGP requests		38,000	
	Fire Sation 1 Generator		HMGP requests	38,000		
	Fire Station 2 Generator		HMGP requests		38,000	
Small Equip.	50 HP Tractor		BP Grant '10			
	UTV	5	ADEM/BP	12,000	12,000	12,000
	Zero Turn Mower	3				51,000
	Bush Hog	4		10,000		
	Ditch Witch	5		30,000		
Miscellaneous	Wash Rack (1)		BP Grant			
	Moxley Cabinet Property Purchase	5			300,000	
	Subtotal PUBLIC W			1,830,000	1,816,000	1,108,000
RECREATION						
Vehicles	Tahoe				40,000	
	15 Passenger Van	5			52,000	
	Honda Big Reds	7	BP	35,000		35,000
	Beach Patrol Pickup	8	BP 2010 Grant	40,000		
	Replace Vehicles	1		29,000	58,000	29,000
	Concession Carts	4		10,000	10,000	
	People Mover Cart	6		10,000	10,000	
	Utility Vehicles	3	BP	13,000	26,000	
	Workman HD	2		15,000		
Large Equipment	50hp Tracter	1		35,000		
	Jet Skis				24,000	
	Spray Rig				44,000	
	Reel Mowers (3) Lease					156,000
	5 gang rotary mower	2		65,000		
	Deck Mower				33,000	
	Zero Turn Mowers				48,000	48,000
	Material Hauler (topdressing)	5		29,000		
	Dump Trailer	3		16,000		
	Soil Reliever	4		28,500		
Small Equipment	Airway Slicer				12,000	
	Beach Rescue Boards				15,000	
	Ice Maker - Beach	3	Impact Fees	5,000		
	Christmas Decorations	4	Operational	25,000	15,000	15,000
	Light Pole Banners	4		36,000	24,000	24,000
	Weigh Room Equipment		Bond		95,000	
	Gymnasium Roll-up curtain				15,000	
	Adjustible Basketball Goals					30,000
	Sims Park Bleachers				30,000	30,000
Infrastructure	Walk in Freezer at Sportsplex			15,000		
	Tennis Court Resurface-Hard					
	Tennis Court Resurface-Soft					
	Tennis Court Landscape				25,000	
	Recreation Center Expansion					

City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2014

Suggested
funding source

Department	Description	Priority		2014	2015	2016
	Gym Plexiglass Replacement	1	R&M Rec	12,500		
	Bodenhamer pool/pool area renov.	1		275,000		
	New Splash Park					350,000
	New Outdoor Pool					
	Library Renovation				150,000	
	Sims Park Parking Lot					
	Beach Picnic Pavillions - Repair	2	R&M Beach	25,000		
	Beach Boardwalk Lighting					60,000
	Beach Boardwalk-Replace	4				200,000
	Bathhouse at West 10th				600,000	
	Resurface Rec Center Lot	5		60,000	30,000	
	New Kitchen Floor/Cabinets at AAC				35,000	
	Civic Center Renovation				675,000	
	Sims Park landscape/Irrigation					
	Batting Cages Sportsplex				25,000	
	Moe's Landing Improvements		NERDA		100,000	
	Meyer Park Irrigation	4			30,000	
	Meyer Park Fencing	4			20,000	
	Parking lot lights / bollards at CC	2			55,000	
	Resurface Civic Center Lot	3	PW resurfacing	60,000		
	Track and Field Storage Building					
	Track Improvements		Impact Fees			
	5 each 20x20 Pavillions		Impact Fees		100,000	
	2 each 20x40 Pavillions		Impact Fees	60,000		
	Playground at 5-plex		Impact Fees	45,000		
	Football Field Renovation				100,000	
Recreation	Infrastructure					
	Dog Park Pavillion/ground cover	3		18,000		
	Wade Ward Park Boardwalk Repairs		Possible NERDA		250,000	
	Canal Park Pier Replacement					
Miscellaneous	Grace Fellowship Church		100K Impact Fees	400,000		
	Concession/Cooking/Umpire Bldg				150,000	
	Football/Baseball/Softball Stadium Expansion					
	Soccer Complex					650,000
	Gulf Place Upgrades		NRDA/Restore			15,000,000
	Lagoon Pass Park Upgrades		NRDA/Restore			1,500,000
	Subtotal RECREATION			1,362,000	2,896,000	18,127,000
IT Division of Finance and Administration						
Priority 1	SAN Upgrade (Critical)			125,000		20,000
Priority 2	Cisco Call Manager Priority 2				56,000	
Priority 1	Citizenserve Software (LS Database)			29,000	18,000	18,000
Priority2	Physical Server Replacements				22,000	60,000
	Cisco 4506 Core Upgrade			-	98,000	
Priority 3	Cisco ISE Server				14,000	
Priority	GOV Clarity Software			15,000	12,000	12,000
Priority 3 PW	Trimble GPS Units				21,000	
Priority 5	Laserfiche Software				32,000	10,000
Priority 2	Fire Supression System			12,000		
Priority 3	Workstations City Wide			60,000	60,000	60,000
	Spillman Server					
	Additional Backup Space (Data Domain)					40,000
	Replacement Network Gear				30,000	
	Subtotal IT Division			241,000	363,000	220,000

City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2014

Department	Description	Priority	Suggested funding source		
			2014	2015	2016
GRAND TOTAL ALL DEPARTMENTS			4,904,250	6,667,733	41,610,000
By potential funding source:					
	ADEM		32,000	12,000	
	ADEM Coastal		300,000		
	BP		717,000	500,000	
	Hazard Mitigation		88,000	114,000	
	Impact Fees Rec		105,000	150,000	150,000
	Impact Fees PW		500,000	500,000	130,000
	NERDA		-	350,000	16,500,000
	Bond or Bank Financ		100,000	2,671,733	22,445,000
	Coca-Cola				
	Subtotal Other Funds		1,842,000	4,297,733	39,225,000
	City Funds		3,062,250	2,370,000	2,385,000

The Capital Improvements Program is a ten-year plan for the acquisition, construction, expansion or rehabilitation of infrastructure and capital assets. Not all of the 2014 requested items are included in the approved budget, but may be included in a later amendment. Capital projects may:

- 1) occur over multiple years
- 2) require funding with debt
- 3) be contingent upon receipt of grant funds
- 4) require asset acquisition over an extended period of time
- 5) require schedule replacement or maintenance.

The Capital Improvements Program for 2014 includes \$655,500 from City General Funds; a transfer of \$674,000 from the General Fund to the Capital Improvements Fund for Road Infrastructure match and \$906, 272 for expenditures from Impact Fees.

City of Gulf Shores
 Capital Improvement Program
 Ten Year Plan beginning 2014

2017	2018	2019	2020	2021	2022	2023	2024
4,297,000	3,558,000	3,531,000	8,029,000	1,766,000	2,060,000	1,938,000	1,994,000
2,100,000	1,275,000	900,000	6,000,000				
2,100,000	1,275,000	900,000	6,000,000	-	-	-	-
2,197,000	2,283,000	2,631,000	2,029,000	1,766,000	2,060,000	1,938,000	1,994,000

City of Gulf Shores Revenue Projections and Reserve Funds Usage projected 2014

	Budget growth assumption	-2%	3%	4%	4%	4%	4%	5%	5%	5%	5%
Total Revenues as amended (1)	\$ 32,524,701	\$ 31,952,742	\$ 32,911,324	\$ 34,227,777	\$ 35,596,888	\$ 37,020,764	\$ 38,501,594	\$ 40,426,674	\$ 42,448,008	\$ 44,570,408	\$ 46,798,929
Reserve Amount 12/9/13 with AEMA, Storm Damage ref	\$ 17,612,829	\$ 17,112,829	\$ 15,953,815	\$ 13,790,186	\$ 12,994,313	\$ 12,053,580	\$ 11,585,747	\$ 10,765,155	\$ 10,571,943	\$ 10,386,771	\$ 10,128,194
Items to be paid from the Reserve Fund Balance by year:	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Set aside for Ft. Morgan Annexation	(2)	500,000									
School Upgrade - \$900,000 over 4 years	(3)	236,977	181,977	181,976							
Equipment(Police)/Fire/City Radios repay loan from PNC at 1.08%	(4)	276,546	276,546	184,364							
Total Potential use of Reserve Funds		500,000	458,523	366,340	-						
Reserve Balance after Potential Use		17,112,829	17,112,829	15,587,475	13,790,186	12,994,313	12,053,580	11,585,747	10,765,155	10,571,943	10,386,771
Reserves Target		16,262,351	17,574,008	18,101,228	17,113,889	17,798,444	18,510,382	19,250,797	20,213,337	21,224,004	22,285,204
Debt Service Reduction in payments - capital outlays*			(1,356,714)	(1,997,289)	(995,873)	(1,140,733)	(667,833)	(1,020,592)	(393,212)	(385,172)	(458,577)
Return to Reserves (Revenue - Expenses)		-	197,700	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Reserve Balance with Returns to the Reserves		17,112,829	15,953,815	13,790,186	12,994,313	12,053,580	11,585,747	10,765,155	10,571,943	10,386,771	9,991,587
Reserves as % of Budget		53%	50%	42%							

- (1) Revenue growth from 2002 to 2012 averaged 8%; 2013 Revenues includes \$1.8 million 2% transfer from Lodging Tax
- (2) Max lookback 3 yrs from filing; 2 from tax payment
- (3) \$387,757 pd in 2012; 3 years of payments; already paid in 2013, not included with total; budgeted in 2014
- (4) PNC \$800K Loan 7/23/12- payments estimated at \$276,546 annually to 2015; payment already made in 2013; budgeted in 2014

*Assumes Justice Center Debt Service begins in 2016 at \$1 million per year until 2018 to go to \$1.2 million per year;
 Capital Outlay \$1 million per year to 2020, then \$1.1 million to 2022, then \$1.2 million in 2022.
 AEMA portion approximately \$800,000; Storm Damage Fund to repay General \$574,491 total. Add \$1.8 million for Lodging Tax return to General

CITY OF GULF SHORES, ALABAMA

DEPARTMENT INFORMATION

FISCAL YEAR 2014

City of Gulf Shores, Alabama
2014 Annual Budget
Personnel - All General Fund

Fund	Department	2012	2012	2013	2013	2014	2014
		Full time	Part time	Full time	Part time	Full time	Part time
General	Executive	10	-	10	-	10	-
	Human Resources	-	-	-	-	2	1
	Finance & Administrative Services	17	2	18	2	16	1
	Municipal Court	3	2	3	2	3	2
	Police	58	1	60	-	60	-
	Fire & EMS	43	-	43	-	43	-
	Community Development	4	-	4	-	4	-
	Building	4	-	4	-	6	-
	Recreation & Cultural Affairs	1	-	1	-	1	-
	Special Events & Programs	6	4	7	4	6	3
	Library	7	4	8	3	8	3
	Recreation - Bodenhamer	10	32	10	30	11	24
	Recreation - Sportsplex	7	7	6	7	7	2
	Recreation - Parks	5	-	6	-	6	-
	Recreation - Beach	1	13	1	13	1	13
	Recreation- Cultural Center	-	-	-	-	6	2
	Public Works - General Services	6	1	6	2	7	2
	Public Works - Custodial	7	-	8	-	8	-
	Public Works - Landscaping	9	-	9	-	9	-
	Public Works - Streets	17	-	17	-	17	-
	Public Works - Maintenance	10	-	10	-	11	-
	Airport Authority	-	-	-	-	2	-
	Total	225	66	231	63	244	53

PT = Part-time

New Full time Positions Approved 2014

Building	2 Building Inspectors
Recreation - Cultural Center	Programs & Events Supervisor
Public Works - General Services	Construction Manager
Public Works - Maintenance	Facility Maintenance Technician
Airport Authority	Manager and Administrative Assistant II

Reclassifications from Part Time to Full Time Approved 2014

Recreation - Bodenhamer Center	Lifeguard II
Recreation - Sportsplex	Customer Service Representative
Recreation - Cultural Center	Programs Assistants (4)

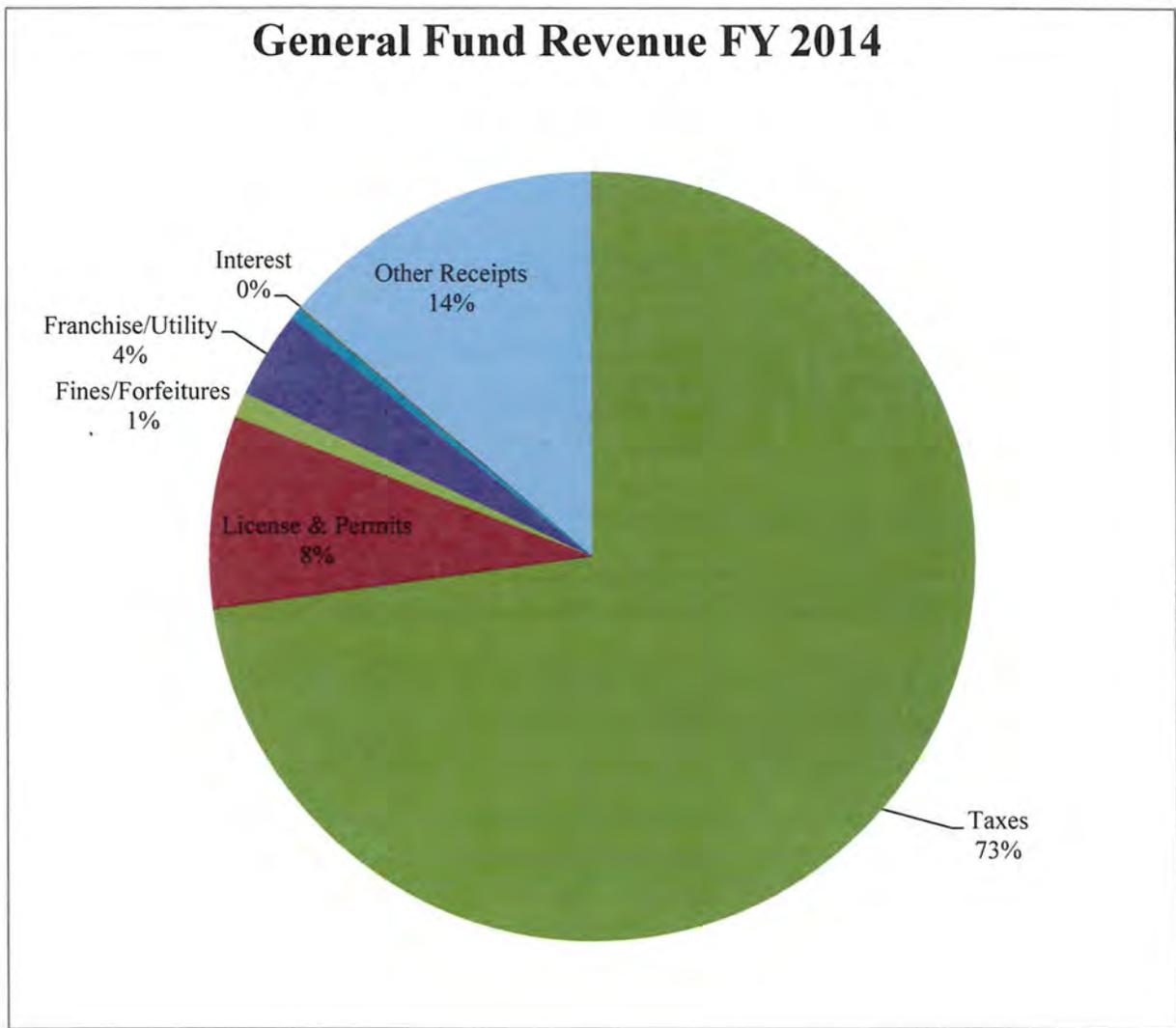
**CITY OF GULF SHORES, ALABAMA
EXPENDITURES BY CATEGORY
BUDGET YEAR ENDING DECEMBER 31, 2014**

Department	Personnel	Operations	Capital Outlay	Debt Service	Transfers	Total
General Fund:						
Executive	497,796	388,500				886,296
Human Resources	186,504	43,704				230,208
Finance & Administrative Services	1,460,698	964,147				2,424,845
Municipal Court	286,933	11,600				298,533
Police	3,955,798	637,000				4,592,798
Fire & EMS	2,949,680	487,600	525,000			3,962,280
Community Development	313,441	126,200				439,641
Building	445,286	48,675	84,500			578,461
Recreation & Cultural Affairs	120,235	17,900				138,135
Special Events & Programs	423,422	391,550				814,972
Library	449,131	99,665				548,796
Recreation - Bodenhamer	1,126,554	463,883				1,590,437
Recreation - Sportsplex	547,252	396,984				944,236
Recreation - Parks	289,067	168,191				457,258
Recreation - Beach	254,040	179,610				433,650
Recreation - Cultural Center	285,902	168,680				454,582
Public Works - General Services	547,083	59,450				606,533
Public Works - Custodial	385,226	77,800				463,026
Public Works - Landscaping	504,164	144,200	30,000			678,364
Public Works - Streets	986,998	853,800				1,840,798
Public Works - Maintenance	680,807	537,100	16,000			1,233,907
Airport Authority	110,946					110,946
Appropriations	0	145,000				145,000
Transfers Out	0	0			7,886,039	7,886,039
General Fund Totals	<u>16,806,963</u>	<u>6,411,239</u>	<u>655,500</u>	<u>0</u>	<u>7,886,039</u>	<u>31,759,741</u>
Other Funds:						
Special Revenue						
2% Lodging Tax - Transfer Out					2,601,000	2,601,000
Designated Taxes - Transfer to GF					434,000	434,000
Impact Fees			909,272			909,272
Capital Projects Funds			1,950,000			1,950,000
Storm Damage Fund			888,554			888,554
Debt Service				4,797,012		4,797,012
Subtotal Other Funds	<u>0</u>	<u>0</u>	<u>3,747,826</u>	<u>4,797,012</u>	<u>3,035,000</u>	<u>11,579,838</u>
Grand Total	<u>16,806,963</u>	<u>6,411,239</u>	<u>4,403,326</u>	<u>4,797,012</u>	<u>10,921,039</u>	<u>43,339,579</u>
Total Expenditures						<u>\$ 43,339,579</u>

The City of Gulf Shores, Alabama

General Fund Budget Summary

GENERAL FUND REVENUE	2011 Actual	2012 Actual	2013 Budget	2014 Council Adopted	% of Total General Fund
Taxes	21,168,720	18,106,641	22,096,300	23,262,576	73%
License & Permits	2,024,500	2,229,453	2,231,500	2,592,000	8%
Fines/Forfeitures	265,000	338,470	285,000	340,000	1%
Franchise/Utility	1,274,100	1,162,351	1,187,300	1,172,100	4%
Intergovernmental	705,000	240,459	-	181,900	1%
Interest	108,000	18,952	15,000	15,000	0%
Other Receipts	1,403,710	1,765,153	2,701,810	4,389,166	14%
Budget Carryforward	1,503,325	920,989	-	-	0%
Total General Fund Revenues	28,452,355	24,782,468	28,516,910	31,952,742	100%



CITY OF GULF SHORES, ALABAMA

DEPARTMENT DETAIL

FISCAL YEAR 2014

The City of Gulf Shores, Alabama
Fiscal Year 2014 Budget

	2011 Actual	2012 Actual	2013 Amended Budget*	2014 Council Adopted	% Change 2013 to 2014	2015 Projected
EXECUTIVE						
Expenditures						
Personnel	496,265	486,623	520,911	497,796	-4%	519,925
Operations	73,500	69,722	421,500	388,500	-8%	361,500
Capital Outlay	-	587,240	3,000			
Executive Total	569,765	1,143,585	945,411	886,296	-6%	881,425

*Legal Fees, Professional Services, Contract & Consulting expense moved from Finance & Admin Department

Executive Personnel

	2011 Actual	2012 Actual	2013 Budget	2014 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
Records & Archives Clerk	1	1	1	1
Administrative Assistant	1	1	1	1
Total Personnel:	10	10	10	10

Executive Department Functions:

The Executive Department provides experienced leadership to manage a dynamic, complex and growing community at a cost that is affordable to local taxpayers without contributing unduly to demands for government expenditures. To this end, the Executive Department works to govern by adopting appropriate legislation, policy and program directions. The Executive Department strongly advocates for open government with a priority to provide community services and be highly responsive to citizen/customer needs and concerns. Effective delivery of this mandate requires a proactive approach, strategic planning, and the commitment to focus on long range goals. This function is provided by the Executive Department which is comprised of the Office of the Mayor, City Administrator, City Council, City Clerk and administrative support staff. The Executive Department is the focal point in setting direction for the operation of citywide departments and coordinating and planning its activities to ensure that the City meets its short and long term goals to maintain a clean, attractive, safe, friendly, family oriented, beachside community with an excellent quality of life for all residents and visitors with a protected environment and a year round sustainable economy.

Major Accomplishments:

City Clerk

- Obtained Master Municipal Clerk Certification
- Implemented use of CivicPlus Agenda site

Administrative Assistant

- Scanning of terminated Personnel files with placement on external harddrive.
- Updated Electronic Records Management Program
- Scan and archive 2011 Building Elevation Certificates

Department: Executive Major Accomplishments Continued

Administrative Assistant City Clerk

Completed Year 2 of City Clerk Certification Training
Provided assistance to Mayor, City Administrator and City Clerk

City Goal V Leadership - Foster strong community leaders, who are responsive to all residents

Goals:

City Clerk:

Continue training Administrative Assistant to backup City Clerk; Finalize obtaining Master Municipal Clerk Certification

Objectives:

Maximize organizational effectiveness
Weekly instruction using Muniagenda
Attend certification classes; Network with City Clerks statewide

Administrative Assistant

Continue scanning of terminated personnel files
Archive 2011 Building Elevation Certificates
Prepare update to Municode docs for online publication.

Scan '00 - '02 terminated personnel records to external harddrive; Scan and archive 2012 Building Elevation Certificates; Refine Electronic Records Management Program

Administrative Assistant City Clerk

Attend Year 3 of Certified Municipal Clerk Training.

Attend CMC Classes @ Univ of Alabama
Maximize organizational efficiency

**EXECUTIVE DEPARTMENT
ORGANIZATIONAL CHART**



**The City of Gulf Shores, Alabama
Fiscal Year 2014 Budget**

	2011	2012	2013	2014	% Change	2015
Human Resources	Actual	Actual	Amended Budget	Council Adopted*	2013 to 2014	Projected
Expenditures						
Personnel	-	-	-	186,504	n/a	190,234
Operations	-	-	-	43,704	n/a	45,015
Capital Outlay	-	-	-			
Human Resources Total	-	-	-	230,208	n/a	235,249

*Human Resources expense moved from Finance & Admin Department for 2014

Human Resources Personnel

	2011	2012	2013	2014
Positions	Actual	Actual	Budget	Adopted
Human Resources Officer	1	1	1	1
Payroll & Benefits Specialist	1	1	1	1
Admin. Asst. II (Part-time)	1	1	1	1
Total Personnel:	3	3	3	3

Human Resources Department Functions:

The mission of Human Resources is to maintain a fair, equitable, and positive work environment for all of the City's most valuable resources...its employees. The department oversees the functions of classification and compensation, employee benefits, recruitment, testing, discipline, training, worker's compensation and payroll. We also assist management with the development and implementation of the City's personnel policies and procedures, ensuring compliance with all applicable Federal and State Laws.

Major Accomplishments:

Received the Bronze Award for Risk Management from Millennium Risk Managers. (HR)

City Goal V Leadership - Human Resources Goals/Objectives

Goals:

Reduce City Insurance Cost Include a clinic for employees & dependants to use as part of City Wellness program. Work with Safety Coordinator on a employee safety program. Create a Safety Manual.

Update employee handbook Review current policies and laws pertaining to employment. Update Substance Abuse Policy.

**HUMAN RESOURCES DEPARTMENT
ORGANIZATIONAL CHART**



The City of Gulf Shores, Alabama
Fiscal Year 2014 Budget

FINANCE AND ADMINISTRATIVE SERVICES	2011	2012	2013	2014	% Change	2015
	Actual	Actual	Amended Budget*	Council Adopted	2013 to 2014	Projected
Expenditures						
Personnel	1,453,331	1,323,279	1,605,559	1,460,698	-9%	1,489,912
Operations	1,183,829	1,022,821	955,731	964,147	1%	973,788
Capital Outlay	-	158,721	-	-	n/a	
Finance & Admin Total	2,637,160	2,504,821	2,561,290	2,424,845	-5%	2,463,700

Finance & Administrative Services Personnel

Positions	2011	2012	2013	2014
	Actual	Actual	Budget	Adopted
Director	1	1	1	1
Accountant	1	1	1	1
Accounting Supervisor	1	1	1	1
Financial Tech I	2	2	2	2
Financial Tech II	2	2	2	1
Financial Tech III	0	0	0	1
Revenue Tech	0	0	0	1
Purchasing Officer	1	1	1	1
Purchasing Tech	1	1	1	1
Revenue Auditor	1	1	1	0
Revenue Supervisor	1	1	1	1
Human Resources Officer	1	1	1	0
Payroll & Benefits Specialist	1	1	1	0
GIS Coordinator	1	1	1	1
Information Technology Officer	1	1	1	1
Network Administrator	1	1	1	1
Webmaster	1	1	1	1
Admin Asst. II (Part-time)	1	1	1	0
Financial Tech II (Part-time)	1	1	1	1
Admin Asst. I	0	0	1	1
Total Personnel	19	19	20	17

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-support for City leaders. The department oversees long range strategic planning and provides City leadership, City departments, and the public with timely and accurate information, while assuring clarity and accountability.

Major Accomplishments:

Received GFOA Certificate of Recognition for Budget Preparation for 2013 Budget Document.

GFOA Certificate of Achievement for Excellence in Financial Reporting award received for the 2012 Comprehensive Annual Financial Report (CAFR) - third consecutive year award received.

Adopted Taxi Ordinance. Enhanced collectio process resulted in 100% collections of 2013 license renewals. (Rev)

Lowered cost of vendor solicitation and increased competitive pricing for bids by converting from physical mail

Department: Finance and Administrative Services
Goals and Objectives Continued

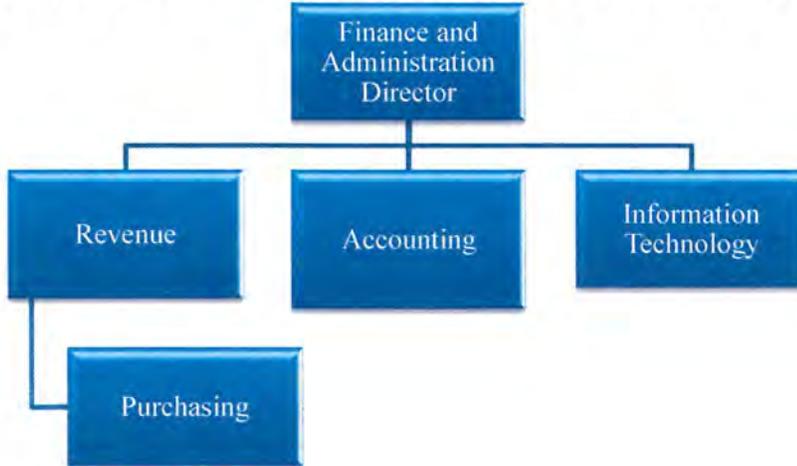
Goals:

Submit 2014 Budget for the Government
Finance Officer's Association (GFOA)
Distinguished Budget Presentation Award

Objectives:

Include supporting schedules
Ensure all GFOA criteria are met

FINANCE AND ADMINISTRATION ORGANIZATIONAL CHART



The City of Gulf Shores, Alabama
Fiscal Year 2014 Budget

MUNICIPAL COURT			2013	2014	% Change	
	2011 Actual	2012 Actual*	Amended Budget	Council Adopted	2013 to 2014	2015 Projected
Expenditures						
Personnel	278,326	309,588	329,073	286,933	-13%	292,672
Operations	13,230	13,426	12,930	11,600	-10%	11,948
Total	291,556	323,014	342,003	298,533	-13%	304,620

* Increase due to required replacement of three computers in Court by IT Department in 2012.

Municipal Court Personnel

	2011 Actual	2012 Actual	2013 Budget	2014 Adopted
Positions				
Municipal Court Judge	1	1	1	1
City Prosecutor	1	1	1	1
Court Clerk/Magistrate	1	1	1	1
Court Magistrate	2	2	2	2
Total Personnel	5	5	5	5

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 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.

Major Accomplishments:

Court software provider preparing system for integration with online credit company for payments.

Increased on-time payments reduced the size of Court Dockets, reduced Alias warrants for failing to appear by issuing letters of explanation and Guilty/Waiver packets at Defendant's Initial Appearance Hearings.

Implemented a COGS citation allowing officers and personnel to cite offenders without incarceration. Current Court software prepared for "E-Ticket" program when and if entire program established.

Department: Municipal Court- Goals and Objectives Continued:

City Goal II Community Services Provide quality services that meet the need of residents and visitors

Goals:

Completion of online payment system and charge card usages system to facilitate defendant's payments, increase collections and therefore decrease dockets.

Caseload Management to avoid large dockets, reducing overtime and need for more Court sessions.

E-Tickets. Traffic Tickets electronically generated by Officers and uploaded directly to Police and Court records to save data entry time and provide immediate record of issuance.

Reduction of inmate population to reduce overhead to operate the jail is always a priority.

Creation of a Pretrial Diversion program to aid in reduction of jail sentencing.

Objectives:

Working with Accounting, Revenue, IT and Software provider to establish system. Incorporate information and system into website with notices and information directly to Defendants.

Use of online payments. Use of Guilty/Waivers to allow defendants to plead by mail when approved. Use of website and instructional forms and handouts to communicate the process and expedite dispositions.

Working with Court software provider and Court is ready to implement when initiated. Police need printers and software to initiate system.

Use of Judicial Corrections Services when available to collect unpaid fines. Liberal credit for time served programs to expedite release based on work and cooperation during incarceration.

Developing an Ordinance for review and to present to the Council for Consideration.

MUNICIPAL COURT ORGANIZATIONAL CHART



The City of Gulf Shores, Alabama
Fiscal Year 2014 Budget

POLICE			2013	2014	% Change	
	2011	2012	Amended	Council	2013 to	2015
	Actual	Actual	Budget	Adopted	2014	Projected
Expenditures						
Personnel	3,348,957	3,548,781	3,755,751	3,955,798	5%	3,995,356
Operations	423,158	516,308	632,000	637,000	1%	632,000
Capital Outlay	505,936	-	570,354	-	-100%	-
Total	4,278,051	4,065,089	4,958,105	4,592,798	-7%	4,627,356

Police Personnel

	2011	2012	2013	2014
Position	Actual	Actual	Budget	Adopted
Police Chief	1	1	1	1
Deputy Chief	1	1	1	1
Lieutenant	3	3	3	3
Investigator Sergeant	1	1	1	1
Investigator Corporal	2	1	0	0
Investigator	1	3	3	3
Juvenile Investigator Cpl.	1	1	1	1
Narcotics Corporal	1	0	0	0
Narcotics Investigator	1	2	3	3
School Resource Officer	1	1	1	1
Community Resource Officer	0	0	0	1
Patrol Sergeant	4	4	4	4
Patrol Corporal	3	3	3	3
K9 Corporal	1	1	1	1
K9 Officer	1	3	3	3
Patrol Officer	17	16	18	16
Communication Officer	6	6	6	6
Detention Supervisor	0	0	1	1
Detention Officer	4	4	6	8
Animal Control Officer	1	1	1	1
Administrative Assistant I	1	1	1	1
Administrative Supervisor	1	1	1	1
 Part Time Positions:				
Emergency Management Advisor	1	1	1	0
Total Personnel	53	55	60	60

Police Department Functions:

Mission Statement -- The Mission Statement of the Gulf Shores Police Department is a brief statement which indicates why the organization exists. The Mission Statement sets the direction for the entire Police Department. The mission of the Gulf Shores Police Department is:

To Serve, Protect, and Enhance quality of life.

Vision Statement -- The Vision Statement of the Gulf Shores Police Department is a brief statement of where the organization is going, where we want to be:

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

Department Goals -- Goals establish direction for achievement in a function or program. Goals begin at the department level where they are established by the Chief of Police; they extend to all management levels, becoming increasingly more specific. Provided below is a list of general goals shared on a continuous basis. 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. Maintain Order
4. Protect Constitutional Guarantees
5. Proactively Enforce the Law
6. Prevent Crime
7. Promote Traffic Safety
8. Investigate Crime
9. Assist in Prosecution
10. Promote Community Partnerships
11. Solve Problems
12. Maintain Public Confidence in the Police Department

Organizational Values -- Our values are the heart and soul of how we operate. We dedicate ourselves to these values with the goal of providing excellent services and programs to meet the needs of our community and those within our organization. They guide our actions and serve as the framework for the decisions and contributions we make every day - at every level.

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

Management Principles -- Management Principles describe how we go about planning, organizing, directing, staffing, coordinating, reporting, and budgeting so that we can accomplish our mission. They are our guidelines for mission accomplishment. It is the responsibility of every Police Department supervisor and manager to continuously practice these principles.

1. Partnerships
2. Professionalism
3. Service
4. Support
5. Cooperation
6. Participation
7. Empowerment
8. Proactive
9. Teamwork
10. Recognition
11. Encouragement

Police Department Major Accomplishments:

In 2013 the department continued planning for a new public safety facility. GSPD also began the implementation of the Spillman Software system which will greatly enhance our efficiency ability and ability

Recruiting and hiring well qualified personnel throughout the organization was a priority this year. During the testing process for patrol officer positions more than 115 persons from 14 states applied for positions with GSPD.

The department worked with Management Partners to create a staffing study for the agency as record growth and increased tourism continues. This objective study will provide a road map for the appropriate growth of the agency.

Several members completed dive training as the department prepares to have a fully functional marine unit dive team.

A second School Resource Officer was added and now covers the Middle and Elementary Schools.

**City Goal II Community Services Provide quality services that meet the need of residents and visitors
Police Goals and Objectives:**

The largest percentage of the Gulf Shores Police Department budget is personnel - our people. In Gulf Shores this is money well spent. Our officers and civilian staff are dedicated professionals, serving this city around the clock, each and every day.

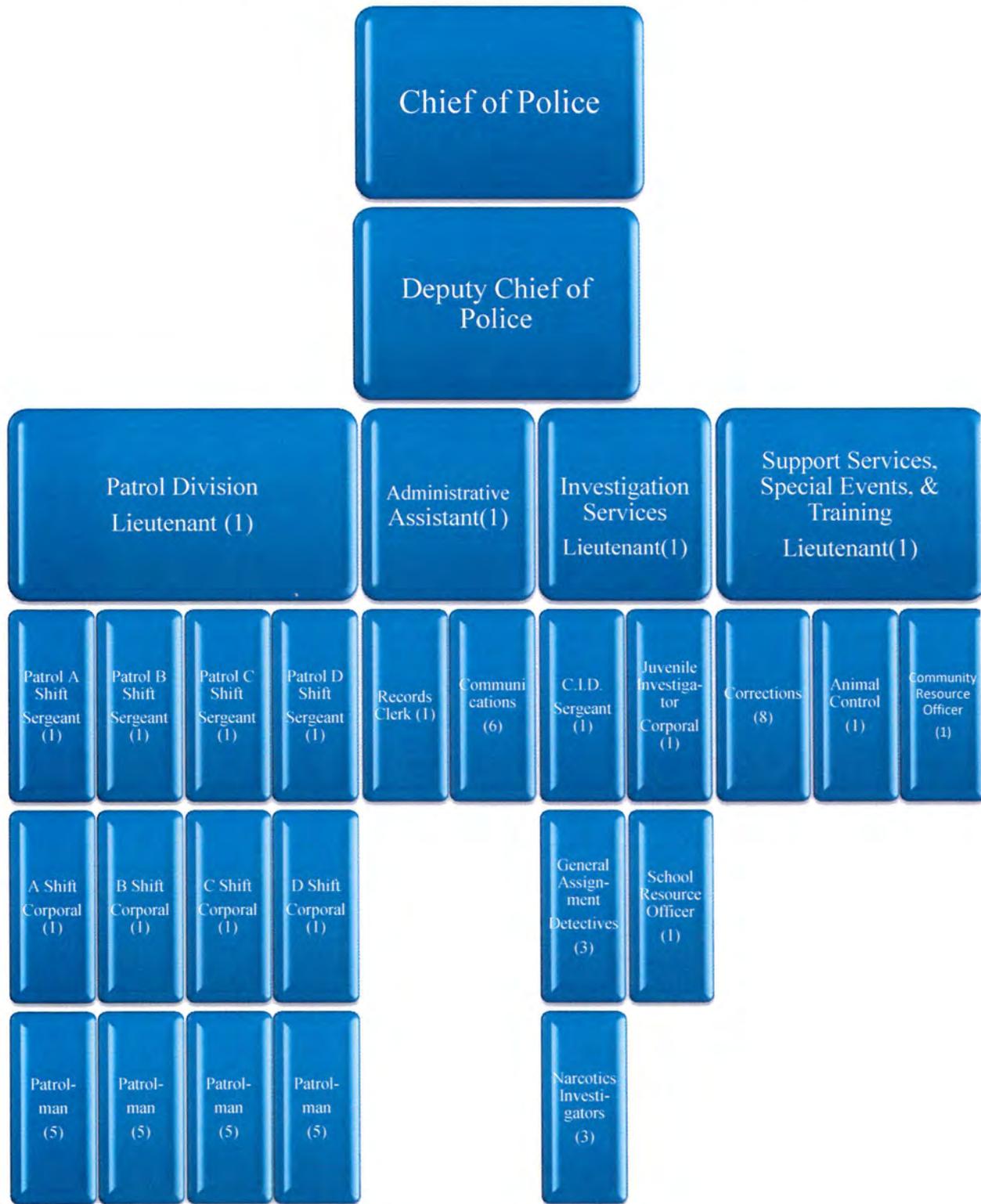
Even with limited resources, they have made it their mission that this beautiful community will continue to be one of the safest anywhere. They do this through prevention, partnerships and a proactive attitude.

- Our Goals: **P**revent, reduce and disrupt crime.
- R**ecruit, train and develop our people.
- I**nitiate timely and open communication.
- D**evelop and implement solutions to improve traffic safety.
- E**ffectively use innovation and technology.

Capital / Equipment

Planning and design of the new public safety facility will continue. Fleet vehicles will continue to be replaced and updated as appropriate.

POLICE DEPARTMENT ORGANIZATIONAL CHART



**The City of Gulf Shores, Alabama
Fiscal Year 2014 Budget**

FIRE	2011	2012	2013	2014	% Change	2015
	Actual	Actual	Amended Budget	Council Adopted	2013 to 2014	Projected
Expenditures						
Personnel	2,851,185	2,857,397	2,885,263	2,949,680	2%	3,008,674
Operations	349,305	386,483	412,100	487,600	18%	487,600
Capital Outlay	89,897	0	0	525,000		
Total	3,290,387	3,243,880	3,297,363	3,962,280	20%	3,496,274

Fire Personnel

Position	2011 Actual	2012 Actual	2013 Budget	2014 Adopted
Fire Chief	1	1	1	1
Deputy Chief	1	1	1	1
Fire Marshal	0	1	1	1
Battalion Chief	0	3	3	3
Captain	3	0	0	0
Lieutenant	3	10	10	10
Firefighter/Paramedic	9	10	10	8
Firefighter/EMT	24	16	16	18
Admin Assistant	1	1	1	1
Total Personnel	42	43	43	43

Fire Department Functions:

Gulf Shores Fire Rescue is tasked with the responsibility of keeping our citizens, vacationers, visitors, and city employees, which includes our department, safe. We address problems which arise from fire, Emergency Medical Service, or any hazard that would cause harm. Many times a direct approach is required: putting water on the fire, extracting injured persons from vehicle accidents, resuscitating breathless and no pulse victims, etc. Other situations require an indirect approach: fire prevention education, reviewing building construction plans, fire inspections, public safety education, CPR classes, etc. We provide mutual aid when requested from neighboring agencies, community assists, and work with other city departments when needed. Ongoing training and education provide the department with current skill experiences necessary to keep our department proficient, up to date on protocols, and ready to serve our customers.

Major Accomplishments:

1. Completed station 1 building project. Maintained control over expenditures keeping project on budget
2. Completed ISO survey, awaiting score
3. Meet goal by completing Blue Card Command and Control training
4. Completed large scale disaster exercise at the Airport. First of its type in the Nation
5. Training division built aircraft fire training module, used during regional exercise
6. Went 90% paperless by using Apple products i.e. iPads, iPhones
7. Increase accountability of medical supplies by moving into Station 1
8. Our CPR out reach taught 560 individuals in CPR/First Aid. (as of 10/1/2013)

Fire Department Continued

City Goal II Community Services Provide quality services that meet the need of residents and visitors

Goals:

Inventory control

Become American Heart Association CTC/Initiate AED program, train majority of employees in basic CPR

Create state of the art Sprinkler/Fire Alarm Lab. This would rival Colorado State and the National Fire Academy. This will be unique to Gulf Shores allowing one of a kind training here, drawing in out of town guests for training.

Bad weather classroom trainer. Designed to simulate a storm hitting your home. The learning portion focusses on planning and preparation

Objectives:

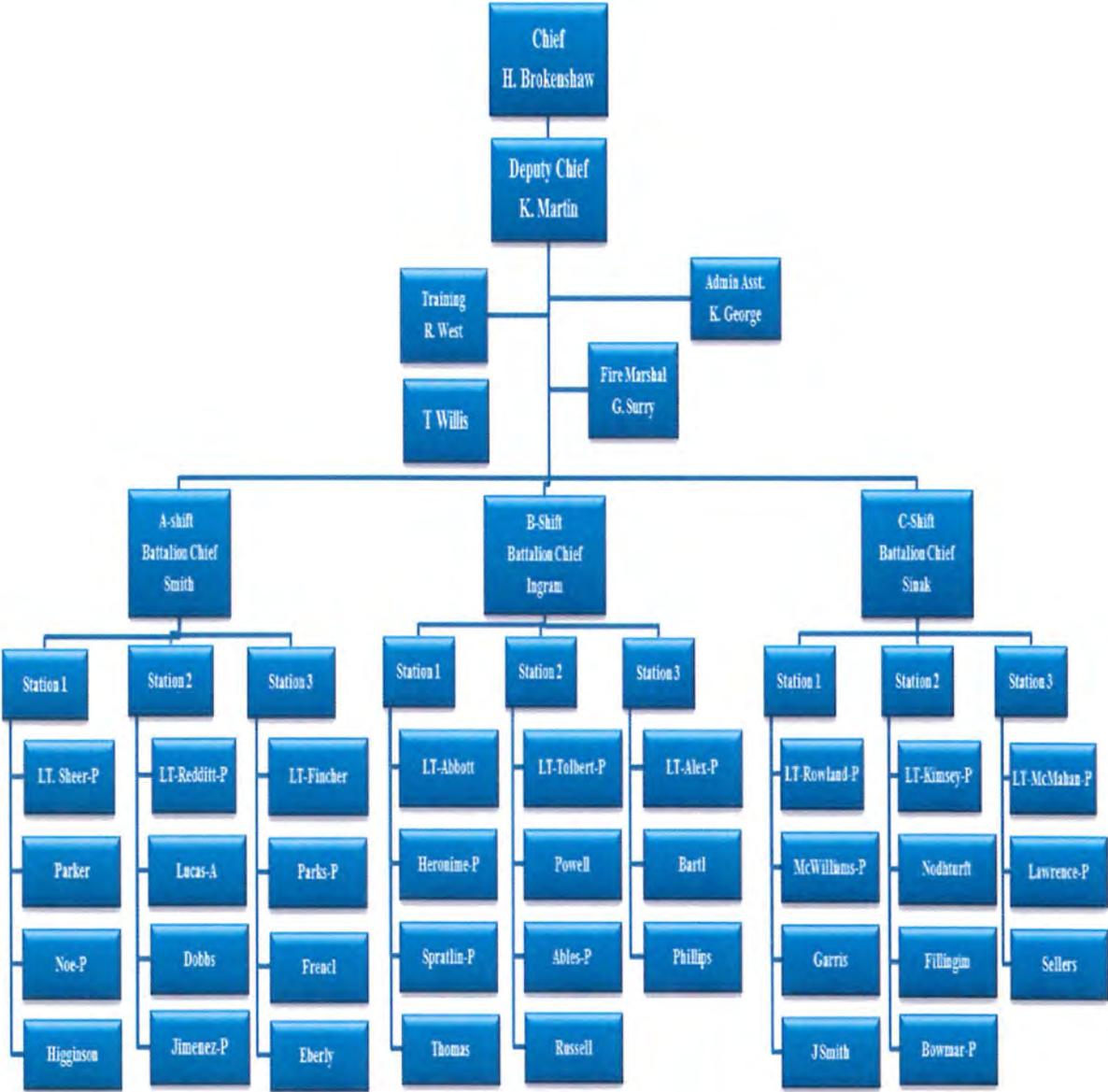
Initiate and create database for centralized inventory
Review systems that allow employee participation in tracking consumption

Setup employee CPR classes; Complete application process for AHA
Engage local business to coordinate location list for all AEDs to become a Heart Safe City

Partner with local sprinkler contractor
Partner with Fire Alarm contractors
Install system in our classroom

Utilize computer and sound system
Coordinate with Meteorologist
Create program outline and then run course through Alabama EMA

FIRE DEPARTMENT ORGANIZATIONAL CHART



**The City of Gulf Shores, Alabama
Fiscal Year 2014 Budget**

PLANNING AND ZONING	2011 Actual	2012 Actual	2013 Amended Budget	2014 Council Adopted	% Change 2013 to 2014	2015 Projected
Expenditures						
Personnel	271,789	336,255	315,681	313,441	-1%	316,575
Operations	50,719	55,397	110,200	126,200	15%	127,462
Total	322,508	391,652	425,881	439,641	3%	444,037

Planning and Zoning Personnel

Position	2011 Actual	2012 Actual	2013 Budget	2014 Adopted
Director	1	1	1	1
Planner I	1	1	1	1
Code Enforcement Officer	1	1	1	1
Administrative Assistant	1	1	1	1
Total Personnel	4	4	4	4

Planning & Zoning Department Functions:

The Planning and Zoning Department administers the regulations set forth by the City's Zoning Ordinance, Subdivision Regulations, Land Use Plan, and Code of Ordinances. The Department is charged with guiding customers through the planning and zoning processes and helping citizens stay informed of development activity. In administering these codes, Planning & Zoning strives to achieve a cohesive land development pattern and keep our city clean and attractive.

Major Accomplishments:

Selected sign fabricator for installation of Wayfinding Signage plan

Completed \$1.14 Million Alabama Dune Restoration Project (NERDA Early Restoration Project)

Completed \$29,000 Coastal Planning Grant for development of regional stormwater management plan and ICW waterfront pedestrian pathway plan

Obtained \$400,000 Transportation Alternatives Program Grant from ALDOT for 8' wide sidewalks along east & west sides of Highway 59

Completed update of Land Use Plan

Completed East 24th Avenue Master Plan Design in Waterway Village District

**PLANNING AND
ZONING CONTINUED**

City Goal I Business Development -Facilitate an environment for sustained economic growth

City Goal III Sustainable Growth- Promote quality Growth and development in community

Goals & Objectives:

Complete Phases I and II of the Wayfinding Signage Fabrication and Installation Plan

Update Subdivision Regulations

Update, Adopt and Implement the Pedestrian and Bicycle Master Plan

Develop Master Plan for the Redesign of Gulf Place & Lagoon Passs Public Parks

Develop a plan and application digital archival process

Work with other Departments to fully implement Citizenserve software



**The City of Gulf Shores, Alabama
Fiscal Year 2014 Budget**

BUILDING	2011	2012	2013	2014	% Change	2015
	Actual	Actual	Amended Budget	Council Adopted	2013 to 2014	Projected
Expenditures						
Personnel	281,834	281,668	307,922	445,286	45%	449,739
Operations	42,068	50,433	43,875	48,675	11%	43,875
Capital Outlay	27,677	119,721	50,500	84,500	67%	50,500
Total	351,579	451,822	402,297	578,461	44%	493,614

Building Personnel

Position	2011	2012	2013	2014
	Actual	Actual	Budget	Adopted
Building Official	1	1	1	1
Inspectors	2	2	2	4
Administrative Assistant II	1	1	1	1
Total Personnel	4	4	4	6

Building Department Functions:

The Building Department serves multiple purposes within the City. This department issues all building, electrical, mechanical, and plumbing permits for all construction, including new, additions, repairs, and alterations to help ensure the construction is built to the adopted building codes. The department is also delegated by the Alabama Department of Environmental Management to enforce the Division 8, Coastal Regulations. We monitor the beach for construction activities, and ensure the beach front is in compliance with these regulations. The Building Department is responsible for administering the requirements of the National Flood Insurance Program for the City. We ensure new structures and existing structures remain in compliance with the City's Flood Damage Prevention Ordinance. This ensures the citizens get the best flood rates available to our area.

Major Accomplishments:

The Gulf Coast Code Officials of the International Code Council was awarded the Chapter of the Year for 2012; The City's Building Official, Brandan Franklin was the President of the local Chapter

The City's Community Rating System Classification was lowered from an 9 to 8 saving 15% on flood insurance premiums within the entire city and police jurisdiction

Continue to better the City's Hurricane Preparedness Plan

Held a Hurricane Expo with over 25 vendors and several hundred citizens attending

City Goal III Sustainable Growth- Promote quality Growth and development in community

Goals:

Create a workable plan for the many incidents which may occur in our city

Obtain more inspector certifications

BUILDING DEPARTMENT ORGANIZATIONAL CHART



**The City of Gulf Shores, Alabama
Fiscal Year 2014 Budget**

RECREATION & CULTURAL AFFAIRS	2011	2012	2013	2014	% Change	2015
	Actual	Actual	Amended Budget	Council Adopted	2013 to 2014	2015 Projected
Expenditures						
Personnel	112,292	129,834	117,387	120,235	2%	121,437
Operations	9,594	20,357	10,600	17,900	69%	10,600
Capital Outlay/Signage	0	0	0	-	n/a	
Total	121,886	150,191	127,987	138,135	8%	132,037

Recreation & Cultural Affairs Personnel

	2011	2012	2013	2014
	Actual	Actual	Budget	Adopted
Position				
Director	1	1	1	1
Total Personnel	1	1	1	1

Major Accomplishments:

- Successfully launched new City of Gulf Shores Logo
- Successfully managed National and Regional sporting events
- Filled the Recreation Manager's position with exceptional hire, thus completing the R&CA management team
- Performed PIO functions for Hurricane Isaac and other critical City issues.
- Further enhanced public relations and Communications

City Goal IV Quality of Life - Provide educational, recreational and cultural opportunities

Goals:	Objectives:
Improved budget management	Accountability within divisions by division managers Knowledge of budget detail
Operations	Modify City event application process to allow for the reimbursement of services by applicants.
Public Relations/Awareness	Re-brand City with new logo as budgets allow Launch New City Website Add changeable message reader board on Highway 59 Coordinate with other communities, CVB and Chamber
Citizen outreach (understand what our communities needs/wants are)	Surveys and/or focus groups Advisory committees of varying demographics e.g.: teen board
Revenue production	Increase revenue through capturing of fees and revised pricing strategy Increase usage of facilities through continued partnerships with sports associations, sports commission etc.

RECREATION AND CULTURAL AFFAIRS ORGANIZATIONAL CHART



**The City of Gulf Shores, Alabama
Fiscal Year 2014 Budget**

SPECIAL EVENTS & PROGRAMS	2011	2012	2013	2014	% Change	2015
	Actual	Actual	Amended Budget	Council Adopted	2013 to 2014	Projected
Expenditures						
Personnel	393,057	375,185	441,175	423,422	-4%	427,656
Operations	355,917	346,594	383,174	391,550	2%	395,466
Capital Outlay	0	0	0	-	n/a	0
Total	748,974	721,779	824,349	814,972	-1%	823,122

Special Events & Programs Personnel

Position	2011	2012	2013	2014
	Actual	Actual	Budget	Adopted
Prgrams & Events Manager	1	1	1	1
Programs & Events Supervisor	0	1	1	1
Events Coordinator (part time)	0	2	2	1
Rental Specialist	1	1	1	1
Civic Center Technician	1	1	1	1
Museum Administrator	1	0	0	0
Marketing & Communications	0	0	1	1
Programs Assistants (part time)	4	4	4	3
Total Personnel	8	10	11	9

Major Accomplishments:

- Completed renovation of the Activity Center including new chairs, appliances, audio visual equipment, and signage
- Reached a larger demographic of citizens by hosting multiple Music at Meyer Park events
- Coordinated with the State to produce a successful 4th of July fireworks display
- Revised rental contract details and fees to be more customer service friendly and streamline structure of rentals
- Secured new ticket sales software for more user friendly and customer service procedure streamlining revenue tracking
- Implemented credit cards for rentals
- Increased marketing for programs & events utilizing social media, Hwy 59 signage, website, constant contact, e mail blast, better quality posters, fliers and signage
- Participated in LEAN Government exercise to streamline the work order process
- Improved tracking of rental revenue and usages by utilizing Peak software POS
- Implemented new key pick up drop off system for rental of unmanned facilities
- Doubled the participation in the Christmas Parade
- Successfully hosted the AHSAA State Track meet

City Goal IV Quality of Life - Provide educational, recreational and cultural opporutnities

Goals:

Expand and enhance programming and events

Objectives:

Increase quality of events and performances
Enter into Co-operative relationships with local and state arts council groups to support the growth of cultural events and programs offered to youth and adults

Special Events and Programs Continued

Goals:

Expand and enhance programming and events

Maximize use of all rental facilities

Volunteer Program

Objectives:

Focus on the wants and needs of senior adults to stay on the forefront of providing programming which exceeds expectations

Ensure aesthetics, service, equipment and supplies remain at the highest and best standard to support quality events at all facilities.

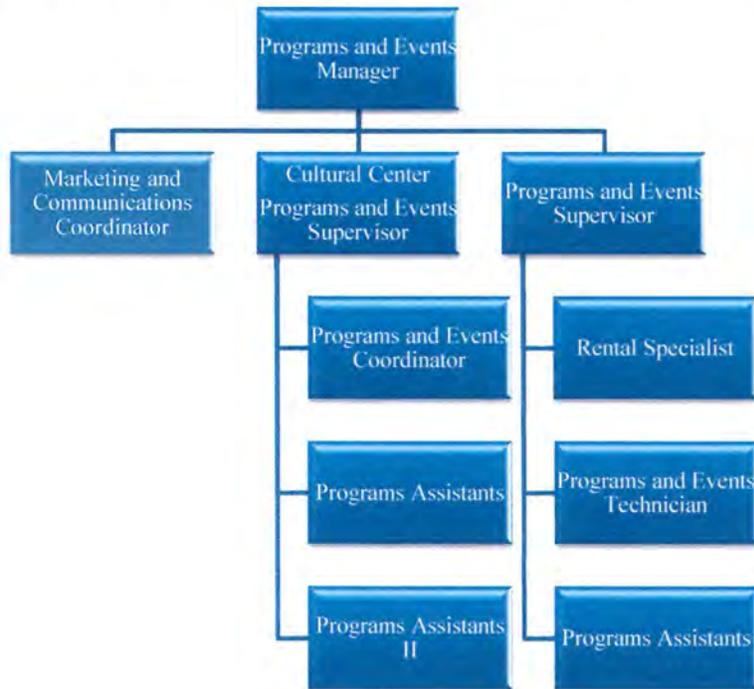
Community, business, civic, and citizen outreach to promote rental and use of facilities

Develop volunteer program to serve the needs of the city

RECREATION/SPECIAL EVENTS ORGANIZATIONAL CHART



SPECIAL EVENTS AND PROGRAMS DIVISION ORGANIZATIONAL CHART



**The City of Gulf Shores, Alabama
Fiscal Year 2014 Budget**

LIBRARY			2013	2014	% Change	
	2011	2012	Amended	Council	2013 to	2015
	Actual	Actual	Budget	Adopted	2014	Projected
Expenditures						
Personnel	364,979	400,023	435,440	449,131	3%	458,114
Operations	84,019	89,639	115,365	99,665	-14%	100,365
Total	448,998	489,662	550,805	548,796	0%	558,479

Library Personnel

	2011	2012	2013	2014
Position	Actual	Actual	Budget	Adopted
Managing Librarian	1	1	1	1
Library Assistant Senior	4	4	4	4
Library Assistant	0	0	1	1
Reference Librarian	1	1	1	1
Museum Coordinator	0	1	1	1
Part-Time:				
Programs Assistant	1	1	1	1
Library Assistant	3	3	2	2
Total Personnel:	10	11	11	11

Mission Statement:

The mission of the Thomas B. Norton Public Library is to acquire, organize, and provide access to a carefully selected collection of materials and services for the people of Gulf Shores and its visitors. The library service will aid the community in fulfilling educational, social, cultural, and recreational needs. The library staff will provide courteous and helpful service to all people.

Major Accomplishments:

Recognized as Alabama's only Gold Star Library by Alabama Library Association for 2013. Managing Librarian, Wendy Congiardo, appointed Vice-Chair of Public Library Director's Council of Alabama. Children's Librarian, Amy Maliska presented with Intellectual Freedom Award at state convention. Children's Librarian completed Master's in Library and Information Studies. Supported other staff development through Hospitality 101, Webinars, and other face-to-face classes. Key employees participated in City Website project.

Fundraising Efforts:

1. Library Services and Technology Act/ Alabama Public Library Service Grant
Alabama Library Association Grant for Library School Tuition for Amy Maliska- \$2000
 2. Friends of the Library Book and Bake Sale- raised \$6,024
 3. Missouri Snowbirds Trivia Contest- raised \$5,000 for the Friends of the Library
- Provided funding for five employees and Steve Jones to attend State Library Convention.
Provided funding for four employees to attend State Museum Convention.
Provided funding for Museum Administrator to attend National State and Local History Convention.

Library Major Accomplishments Continued:

Partner with Recreation/Tennis Center to provide painting classes for adults
Books at the Beach-providing free books and information at the public beach
Partner with the Police Department for National Night Out

Ongoing Programming:

Information Literacy Series featuring computer basics, job search skills, database search, and online research, and e-reader classes for the public and staff
After School Program for recreation center children.
Book Club for Adults. Art Camp for kids. Story-time outreach to local daycare facilities.
Summer Reading Program and weekly pre-school story-time.
Christmas Open House at the library and museum.
Winter Film Series at the library and museum.
Revolving Local Artist Showcase display using library spaces.
Young Adult Summer Reading Program-Partnered with the museum to offer activities for age group
Coffee Talks-Opportunities for authors to come talk
Outreach Classes regarding the Alabama Virtual Library and emerging technology for groups outside the library including Faulkner, Gulf Shores High School, and Civic Groups
Technology training for other city employees to bolster confidence and improve skills, upon request

City Goal IV Quality of Life - Provide educational, recreational and cultural opportunities

Goals:

To provide excellent service to the public through a well-trained staff.

To provide outstanding library services for children and students.

To provide exceptional library services to adults.

To provide exceptional library services to adults.

To provide patrons with improved access to technology.

Objectives:

Provide funding for 3 to 4 staff members to attend the Alabama Library Association Convention.
Support training through Webinars and other online services at little detriment to the budget. Provide funding for Museum Administrator attend genealogy & archival technologies training. Ensure every employee has at least one training opportunity.
Support educational goals for Youth Services and Technical services staff members currently pursuing degrees. Achieve Gold Star Standards Award as indicated by ALLA.
Build children's and young adult programming with museum.
Continue story times off-site at local daycares. Continue the Homework Help program with students from the rec. center.
Expand outreach efforts to Faulkner State campus and students to encourage utilization of library facilities.
Museum and Library programming for children and students.
Support reference services through web-based training opportunities and pertinent workshops. Maintain extensive review and weeding of adult materials, including fiction and nonfiction, according to accepted standards. Sustain the development of combined Museum and Library programming.
Apply for a State Level Standards Award.
Boost the activities of and participation in the Adult Book Club.
Foster interdepartmental programming to increase utilization of programs by specific demographics.
Continue to review and update web-based resources available to library patrons both in the library and at home.

Library Goals and Objectives Continued

Goals:

To pursue supplemental funding to promote goals I-IV.

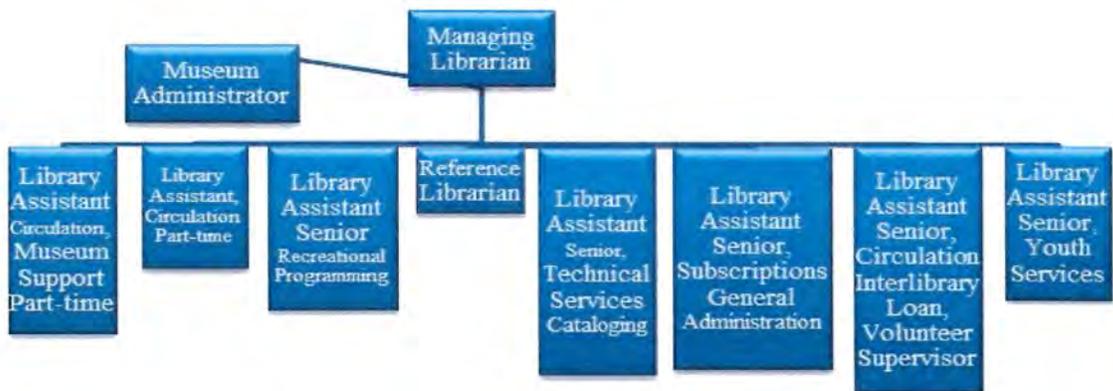
Objectives:

- Enlarge offering of eBooks for patrons to download.
- Continue to provide workshops for the public on the use of e-readers and other emerging technological devices.
- Analyze the need for interactive digital displays in the Museum and install where needed.
- Review the needs created by the establishment of new goals and approach Friends of the Library group to fund specific projects.
- Participate in Trivia Night sponsored by Missouri Snowbird Club.

RECREATION & CULTURAL AFFAIRS ORGANIZATIONAL CHART



LIBRARY ORGANIZATIONAL CHART



**The City of Gulf Shores, Alabama
Fiscal Year 2014 Budget**

RECREATION BODENHAMER CENTER	2011	2012	2013	2014	% Change	2015
	Actual	Actual	Amended Budget	Council Adopted	2013 to 2014	Projected
Expenditures						
Personnel	910,582	1,113,944	1,194,671	1,126,554	-6%	1,137,820
Operations	448,941	424,194	468,667	463,883	-1%	468,667
Capital Outlay	0	0	0	0	n/a	0
Total	1,359,523	1,538,138	1,663,338	1,590,437	-4%	1,606,487

Bodenhamer Personnel

Position	2011	2012	2013	2014
	Actual	Actual	Budget	Adopted
Recreation Manager	0	1	1	1
Center Supervisor	1	0	0	0
Maintenance Worker, Senior	1	1	1	1
Maintenance Worker	1	1	1	1
Athletic Coordinator, Sports	1	1	1	1
Athletic Coordinator, Tennis	1	1	1	1
Athletic Coordinator, Aquatics	1	1	1	1
Lifeguard II	2	2	1	2
Administrative Asst II	0	1	1	1
Fitness Attendants	1	1	1	1
Customer Service	0	0	1	1
Total Personnel:	9	10	10	11
Recreation Assistant (part time)	8	10	9	9
Life Guards (part time)	10	10	10	9
Customer Service Rep. (part time)	5	5	4	4
Programs Assistants (part time)	0	5	5	0
Fitness Assistants (part time)	2	2	2	2
Total Part Time Personnel	25	32	30	24

Major Accomplishments

Implemented successful personal training program. Increased revenue, program participation and visits to rec center
 Improved facility with state-of-the-art cardio equipment
 Renovated pool aesthetics and function with new bullnose tiles, lounge chairs, umbrellas, picnic tables, lane lines and backstroke flags.
 Doubled participation of Junior Tennis tournaments from 2011 with 9 state rankings
 Increased participation in all 3 sports seasons, Spring / Fall / Winter
 Successful implementation in Athletic Inclement Weather Hotline
 Held successful membership drive
 Increased swim lessons by 62%, Pool usage by 14.5%, and swim team by 16% since 2011
 Minimized non payment of program fees by implementing monthly statements and enforcing rules for not allowing participation in programs with an outstanding debt.

Recreation Bodenhamer Center Continued

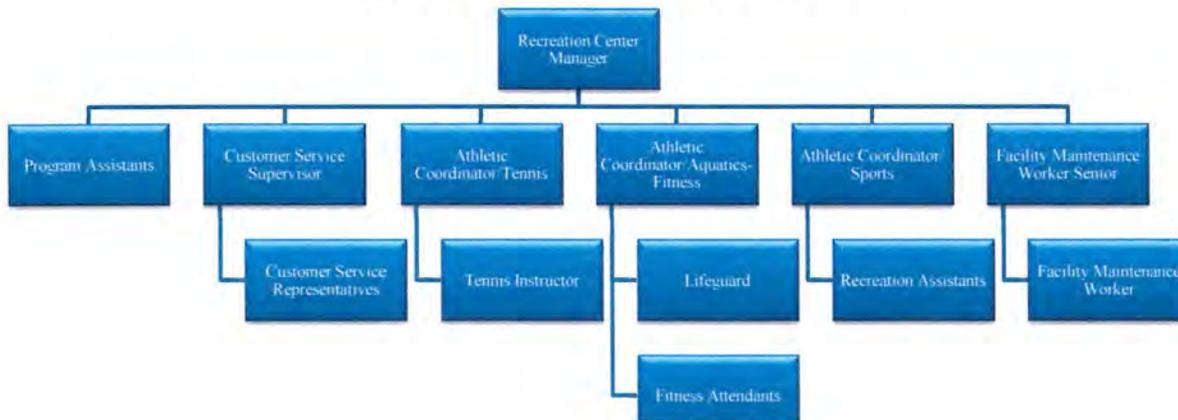
City Goal IV Quality of Life - Provide educational, recreational and cultural opportunities

Goals:	Objectives:
Increase Memberships and Revenues	Add value through expanded opportunities to participate Hold membership drive; offer more membership amenities Increase membership satisfaction through customer service Restructure fees to maximize and simplify Create recreation center and tennis pro-shops
Improve facilities	Renovate and enhance facilities Continue to clean, repair and maintain facilities Utilize more environmentally friendly fixtures
Expand the tennis offering	Increase hours of operation to include nights and weekend hours Increase organized play opportunities for patrons Promote through clinics and tournaments Offer more special programs at tennis facility
Enhance athletic programming	Implement an online program evaluation process for parents/coaches/players to complete Explore volunteer coach and parent youth sport education programs

RECREATION & CULTURAL AFFAIRS ORGANIZATIONAL CHART



RECREATION ORGANIZATIONAL CHART



**The City of Gulf Shores, Alabama
Fiscal Year 2014 Budget**

RECREATION SPORTSPLEX

	2011 Actual	2012 Actual	2013 Amended Budget	2014 Council Adopted	% Change 2013 to 2014	2015 Projected
Expenditures						
Personnel	408,540	538,401	559,310	547,252	-2%	558,197
Operations	317,631	346,707	347,570	396,984	14%	347,570
Capital Outlay	0	0	73,000	-		
Total	726,171	885,108	979,880	944,236	-4%	905,767

Sportsplex Personnel

Position	2011 Actual	2012 Actual	2013 Budget	2014 Adopted
Manager	0	1	1	1
Crew Leader	1	1	1	1
Grounds Worker Senior	1	1	1	1
Sports Turf Specialist	1	0	0	0
Customer Service Rep	0	0	0	1
Grounds Worker	3	4	3	3
Total Personnel	6	7	6	7

Recreation Assistants (part time)	7	7	7	2
Total Part Time Personnel	7	7	7	2

Major Accomplishments: (Same for Sportsplex and Recreation)

Successfully hosted major softball, baseball, and soccer events in conjunction with the Sports Commission, including USSSA Global World Series.

Successfully hosted the NAIA National Softball Championships in 2011

Successfully hosted the AHSAA State Track Meet and Regional Softball Championship

City Goal IV Quality of Life - Provide educational, recreational and cultural opportunities

Goals:

Expand the usage of the facilities to increase revenue and exposure to the area

Enhance the landscaping and maintenance of the parks and City facilities

Objectives:

Continue efforts with the Sports Commission
Improve our service to the patrons

Expand maintenance duties of parks division

Organizational Chart Note: The Sportsplex and Parks & Facilities have the same org chart that will be shown on the next page.

**The City of Gulf Shores, Alabama
Fiscal Year 2014 Budget**

RECREATION PARKS	2011	2012	2013	2014	% Change	2015 Projected
	Actual	Actual	Amended Budget	Council Adopted	2013 to 2014	
Expenditures						
Personnel	234,083	247,892	273,251	289,067	6%	291,958
Operations	113,441	126,885	149,746	168,191	12%	168,191
Capital Outlay	0	46,973	0	0		0
Total	347,524	421,750	422,997	457,258	8%	460,149

Parks Personnel

	2011	2012	2013	2014
Position	Actual	Actual	Budget	Adopted
Manager	1	0	0	0
Crew Leader	1	1	1	1
Grounds Worker	4	4	5	5
Total Personnel	6	5	6	6

Major Accomplishments:

- Built a new fence and pad for the dumpster at Sims park
- Improved Meyer Park horse shoe pits
- Added Grass to the old parking lot next to the Rec center
- Added new bridge and enlarged dog park
- Renovated the football fields at high

City Goal II Provide quality services that meet the needs of our residents and visitors

Goals/Objectives

Proactively monitor facilities for safety. Enhance the landscaping and maintenance of the parks/facilities.

PARKS & FACILITIES ORGANIZATIONAL CHART



**The City of Gulf Shores, Alabama
Fiscal Year 2014 Budget**

RECREATION BEACH

	2011 Actual	2012 Actual	2013 Amended Budget	2014 Council Adopted	% Change 2013 to 2014	2015 Projected
Expenditures						
Personnel	224,840	215,868	224,311	254,040	13%	256,580
Operations	153,671	162,129	158,116	179,610	14%	158,115
Capital Outlay	0	0	0	-		
Total	378,511	377,997	382,427	433,650	13%	414,695

Beach Personnel

Position	2011 Actual	2012 Actual	2013 Budget	2014 Adopted
Beach Safety Supervisor	1	1	1	1
Lifeguard II-part time	1	1	0	0
Lifeguards (seasonal)	12	12	13	13
Total Personnel	14	14	14	14

Major Accomplishments:

- Division became Nationally Certified through the United States Lifesaving Association
- Became Nationally recognized by training and assisting agencies such as National Weather Service Police and Fire agencies throughout the United States
- Successfully managed/operated paid beach parking by maintaining/repairing collection machines.
- Collected and deposited revenues without discrepancies
- Operated within budget requirements set by City administration
- Successfully enforced ordinances related to Beaches, Boats and Waterways

City Goal II Provide quality services that meet the needs of our residents and visitors

Goals:

Maintain a standard of professionalism

Continue to provide and exceed safety and security for residents and visitors

Research service that would provide additional revenues for RCA, Beach Patrol and City

Work with other City departments to better improve facilities and beach experience

Objectives:

Additional and higher training standards
Encourage higher education
Encourage personal development

Increased patrols
Additional manpower and equipment
Additional training for employees

Additional pay stations
Permitting fees
Ordinance fines and fees

Updating facilities and grounds
Improve way finding signage
Maintain a clean, safe beach by interdepartmental cooperation

BEACH



**The City of Gulf Shores, Alabama
Fiscal Year 2014 Budget**

	2011	2012	2013	2014	% Change	2015
Cultural Center	Actual	Actual	Amended Budget	Council Adopted*	2013 to 2014	Projected
Expenditures						
Personnel	0	0	0	285,902	n/a	288,761
Operations	0	0	0	168,680	n/a	118,680
Capital Outlay	0	0	0			
Cultural Center	0	0	0	454,582	n/a	407,441

Cultural Center Personnel

	2011	2012	2013	2014
Positions	Actual	Actual	Budget	Adopted
Programs & Events Supervisor	0	0	0	1
Events Coordinator	0	0	0	1
Programs Asst	0	0	0	3
Programs Asst. II	0	0	0	1
Programs Asst (part time)	0	0	0	2
Total Personnel:	0	0	0	8

Cultural Center Functions:

To enhance the recreational and cultural services we provide to our community by expanding our youth outreach efforts and offering additional fitness classes, senior activities, athletics and cultural arts programs.

Major Accomplishments:

Grace Fellowship Church and approximately ten acres property acquired for use as a City Cultural Center.

Goals

Develop use of new Cultural Center

Objectives

- Develop a long term plan with annual goals and one overall vision for the Cultural Center with a mission statement.
- Define rental areas for use, amenities, and rates.
- Research regional and national programming options for youth, adults, and seniors.
- Research existing area culture and educational opportunities that could be grown via the new center.
- Hire and train staff for programming.
- Build infrastructure and refine facilities to support programming.

Cultural Center Goals and Objectives Continued

Goals

Develop use of new Cultural Center

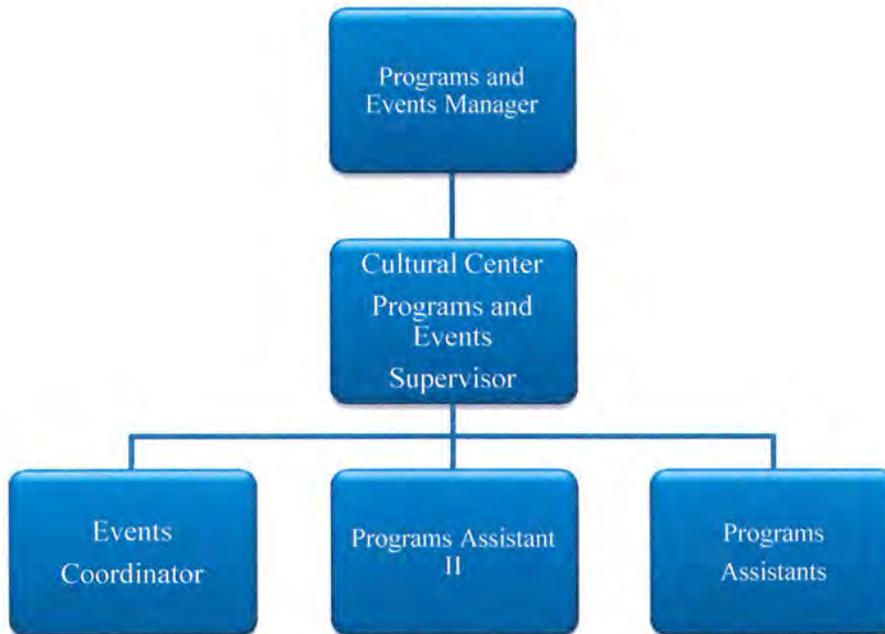
Objectives

Collaborate with Gulf Coast Arts Alliance to develop classes, exhibits and events.

Form focus groups and advisory boards to help identify the content and direction of programming.

Create good practices for measuring the succes of programs getting input from the participants and the community.

**Cultural Center
Organizational Chart**



Public Works Department Functions:

The Public Works Department maintains the City's numerous public facilities, municipal buildings, public beaches, landscaping, City streets, City right-of-way, City vehicles and equipment and the City's stormwater systems. In addition, Public Works administers all municipal capital improvement projects, as well as reviews all commercial developments, multi-family developments and major subdivisions. The Department has five divisions including Custodial, Landscaping, Maintenance, Streets and General Services.

The General Services Division provides Public Works related administrative, inspection, and engineering services for the City. In addition, the General Services Division provides critical information to our citizens related to trash collection, residential garbage collection, recycling and other utility information.

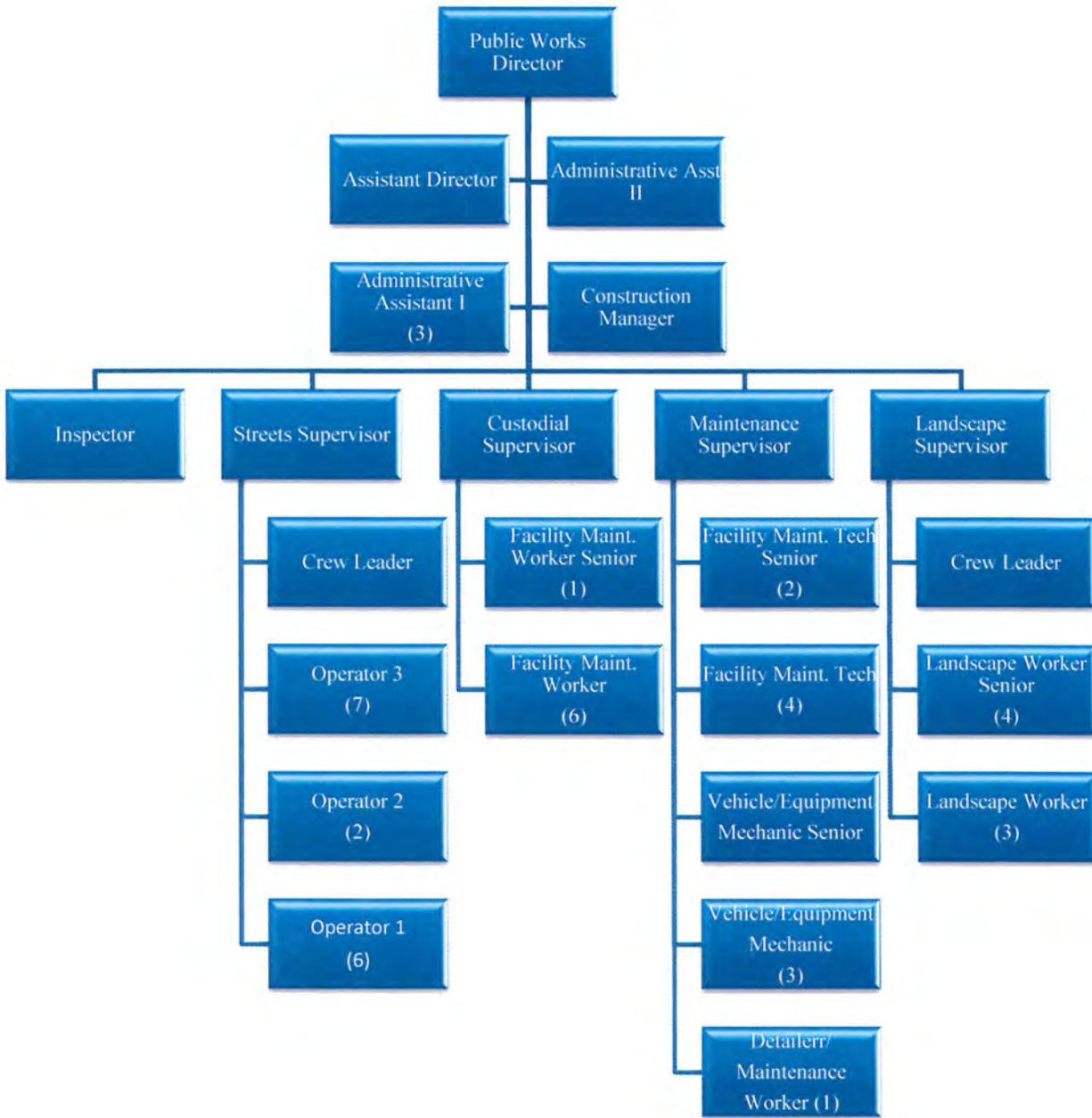
The Custodial Division has the task of keeping our municipal buildings clean. Additionally, they work hard in maintaining the cleanliness of all of our public beach facilities. The Custodial Division also provides critical support to other departments for large City-sponsored events including sporting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

The Landscape Division designs, installs and maintains all landscaping in the right-of-way and at all City facilities. In addition, the Landscape Division designs and installs irrigation and landscaping for many municipal projects including the new Annex, Gulf Place and the various City facilities. They also recently renovated a greenhouse for the local high school.

The Street Division takes on a variety of daily tasks including all right-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 right-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, and monitoring and repairing traffic signals throughout the City. They are the force that keeps our City facilities running smoothly so that we can serve the public in the best way possible.

PUBLIC WORKS ORGANIZATIONAL CHART



**The City of Gulf Shores, Alabama
Fiscal Year 2014 Budget**

PUBLIC WORKS GENERAL SERVICES	2011	2012	2013	2014	% Change	2015
	Actual	Actual	Amended Budget	Council Adopted	2013 to 2014	Projected
Expenditures						
Personnel	397,033	484,378	442,666	547,083	24%	552,554
Operations	54,225	50,981	60,950	59,450	-2%	59,450
Capital Outlay	-	46,974				
Total	451,258	582,333	503,616	606,533	20%	612,004

Public Works General Services Personnel

Position	2011	2012	2013	2014
	Actual	Actual	Budget	Adopted
Director	1	1	1	1
Assistant Director	1	1	1	1
Inspector	1	1	1	1
Administrative Assistant	3	3	2	2
Part-Time Admin. Assistant	1	1	2	2
Courier	0	0	1	1
Construction Mgr (contract)	0	0	0	1
Total Personnel	7	7	8	9

Major Accomplishments:

Completed numerous City capital projects including Fire Station 1, Sims Park Concession Stand, Meyer Park Basketball Courts, Streets resurfacing, 5th/7th Drainage, Rec Center/Civic Center Roof, Tennis Court Refurbishing, Craft Farms North Sinkholes.

Worked with developers of ACME, Zaxby's, Mojo's and others to attract new businesses.
Executed several ALDOT Grants to improve the trail systems and traffic flow within the City.
Sponsored the Horticulture and Construction Academy at Gulf Shores High School, and rebuilt their Greenhouse.
Developed plans and started construction on the Waterway District.

City Goal II Provide quality services that meet the needs of our residents and visitors

Goals:

Continue to Improve Staff efficiency through defined tasks and work schedules.

Continue annual infrastructure repairs.

Further utilize contract labor to minimize full-time staffing needs.

Objectives:

Implement SOP's for department tasks and train accordingly.

Implement Resurfacing and Drainage projects

Hire contract labor to supplement full time staff.

Public Works Goals and Objectives continued

Goals:

Improve traffic flow on Hwy 59.

Work with Foley, Orange Beach, County and ALDOT to develop regional traffic programs.

Develop business opportunities through infrastructure improvements.

Develop long-term infrastructure programs for Gulf Place and Little Lagoon.

Objectives:

Implement Adaptive Signals and Access Management to improve Hwy 59 Traffic.

Develop an alternate north/south corridor to Hwy 59.

Continue to develop the Waterway District and Industrial Park.

Work with Staff and Architects to develop master plan and begin phased implementation.

**The City of Gulf Shores, Alabama
Fiscal Year 2014 Budget**

PUBLIC WORKS CUSTODIAL	2011	2012	2013	2014	% Change	2015
	Actual	Actual	Amended Budget	Council Adopted	2013 to 2014	Projected
Expenditures						
Personnel	393,668	353,712	447,182	385,226	-14%	392,931
Operations	64,123	68,441	73,000	77,800	7%	70,000
Capital Outlay				-		
Total	457,791	422,153	520,182	463,026	-11%	462,931

Public Works Custodial Personnel

Position	2011	2012	2013	2014
	Actual	Actual	Budget	Adopted
Supervisor	1	1	1	1
Facility Maintenance Worker	4	4	6	6
Facility Maintenance Worker, Senior	2	2	1	1
Total Personnel	7	7	8	8

Major Accomplishments:

- Maintaining facilities during approximately 60 special events with no complaints from residents or visitors.
- Day to day upkeep of facilities.
- Being an approachable face for the residents and visitors, to answer questions about events and facility locations.
- Getting all work orders and detailed punch lists completed in a timely manner.
- Keeping all equipment in good working condition. Stayed within budget for the year.
- Keeping a positive attitude through hard work and long hours.

City Goal II Provide quality services that meet the needs of our residents and visitors

Goals	Objectives
To maintain the same standard of excellence as the previous year with no complaints from residents or visitors.	Be on time. Communicate with each other. Communicate with other departments.
To handle added workload in our department.	Get new employees Work as a team. Go to supervisor with concerns or problems.
To stay within budget	Be economical with supplies. Maintain vehicles. Maintain equipment.
Be available for unexpected events. Help out in other areas.	Communicate with other departments. Try to stay informed of upcoming events. Keep a positive attitude within your department.
Try to keep a positive attitude and outlook.	Communicate with each other.

**The City of Gulf Shores, Alabama
Fiscal Year 2014 Budget**

PUBLIC WORKS			2013	2014	% Change	
LANDSCAPE	2011	2012	Amended	Council	2013 to	2015
	Actual	Actual	Budget	Adopted	2014	Projected
Expenditures						
Personnel	450,492	492,874	510,397	504,164	-1%	509,206
Operations	133,918	130,530	140,200	144,200	3%	145,642
Capital Outlay				30,000	n/a	
Total	584,410	623,404	650,597	678,364	4%	654,848

Public Works Landscape Personnel

	2011	2012	2013	2014
Position	Actual	Actual	Budget	Adopted
Supervisor-Horticulture	1	1	1	1
Crew Leader	1	1	1	1
Landscape Wkr Senior	1	1	2	3
Landscape Worker	6	6	5	4
Total Personnel	9	9	9	9

Major Accomplishments:

Re-landscape Pool House at Sims Park: Includes installing new irrigation for hanging baskets and adding new plants and mulch.

Re- landscape High School Entrance; includes planting palms, decorative ballards, installing irrigation, sod and install pavers in one island.

Landscape Fire Station 1; installing irrigation, building deck on east side of building, adding a concrete court yard in front of building, adding pavers, planting palms, ornamentals and annuals.

Greenhouse at Middle School became operational with the installation of irrigation, fans and planting tables.

First Season of Annuals in Greenhouse completed first season of growing our own annuals in greenhouse (working with Career Academy.)

City Goal II Provide quality services that meet the needs of our residents and visitors

Goals:

Sims Park Concession

Overflow Parking West Beach

Bike Trail Fort Morgan Road

Business bed Renovation and Landscaping on Hwy.59

New Greenhouse at High School

Landscaping projects for Waterway Village

Objectives:

Add palm trees and ornamentals at new Concession Stand at Sims Park.

Add palms and ornamentals around perimeter; also add decorative ballards around grass line to prevent vehicles from parking on grass.

Add rest stations and landscaping along bike trail and remove underbrush on Fort Morgan Road.

Re-landscape business beds along Hwy. 59 S for new signage Also re-landscape ROW along Hwy. 59 South

Install new greenhouse at high school for Career Academy at High School and Middle School.

Add landscaping to Waterway Village and Gulf Place.

**The City of Gulf Shores, Alabama
Fiscal Year 2014 Budget**

PUBLIC WORKS			2013	2014	% Change	
STREETS	2011	2012	Amended	Council	2013 to	2015
	Actual	Actual	Budget	Adopted	2014	Projected
Expenditures						
Personnel	838,622	923,873	960,941	986,998	3%	996,868
Operations	4,619,943	1,188,690	750,200	853,800	14%	739,200
Capital Outlay	-	156,081	665,000	-	-100%	-
Total	5,458,565	2,268,644	2,376,141	1,840,798	-23%	1,736,068

Public Works Streets Personnel

	2011	2012	2013	2014
Position	Actual	Actual	Actual	Adopted
Supervisor-Streets	1	1	1	1
Crew Leader	1	1	1	1
Equipment Oper I	4	3	5	7
Equipment Oper II	5	4	3	3
Equipment Oper III	9	8	7	5
Total Personnel	20	17	17	17

Major Accomplishments:

City wide drainage maintenance and repair.	City wide street maintenance and sweeping.
City wide sign maintenance and repair.	City wide debris removal.
City wide mosquito control.	City wide ROW maintenance and mowing.
City wide litter control.	City wide support for all events.
Beach parking & sand maintenance/repairs/litter & trash control.	
City wide streets traffic/barricade control.	Emergency response, traffic, beach, drainage, airport.

City Goal II Provide quality services that meet the needs of our residents and visitors

Goals:

- Improve and maintain drainage City wide.
- Improve and maintain City streets.
- Update and maintain City signage.
- Streamline debris removal
- Maintain State & County approved mosquito control.
- Improve and expand ROW maintenance (mowing).
- Improve & expand ROW litter control.
- Improve beach maintenance.

Objectives:

- Expand & upgrade equipment/personnel to meet growing demands.
- Expand & upgrade to standards.
- Train personnel to meet requirements.
- Improve public service & education.
- Improve & update training.
- Expand to meet growing demand.
- Expand to meet growing demand.
- Expand to meet growing demand.

Public Works Streets Continued

Goals

Maintain event support.

Improve and update City wide street traffic and barricade control

Develop better working relations with ALL City departments.

Improve working relations with the Public.

Objectives

Update equipment & train personnel.

Improve communication.

Expand & train personnel.

Communication.

Serve the Community.

**The City of Gulf Shores, Alabama
Fiscal Year 2014 Budget**

PUBLIC WORKS MAINTENANCE	2011 Actual	2012 Actual	2013 Budget	2014 Council Adopted	% Change 2013 to 2014	2015 Projected
Expenditures						
Personnel	600,751	584,126	604,251	680,807	13%	694,423
Operations	373,453	492,254	450,700	537,100	19%	537,100
Capital Outlay	0	0	230,000	16,000	-93%	0
Total	974,204	1,076,380	1,284,951	1,233,907	-4%	1,231,523

Public Works Maintenance Personnel

	2011 Actual	2012 Actual	2013 Actual	2014 Adopted
Position				
Supervisor Maintenance	1	1	1	1
Facility Maintenance Technician	5	6	4	4
Vehicle/Equipment Mechanic	3	3	4	4
Detailer/Maintenance Worker	0	0	1	1
Facility Maint Tech (cultural ctr)	0	0	0	1
Total Personnel	9	10	10	11

Major Accomplishments:

The Maintenance division has successfully undertaken/completed several large renovation projects.

We have worked closely with General Services and Police to improve traffic flow during tourist season.

We have added a mechanic to keep up with the increased demands of vehicle/equipment repairs.

City Goal II Provide quality services that meet the needs of our residents and visitors

Goals:

To maintain the quality of facilities.

Implement more energy saving programs.

Continue to support major City functions.

Develop an "in house" AC repair team.

Objectives:

Perform renovations and expedite repairs.

Explore and test new energy saving innovations.

Make permanent improvements to infrastructure to support events.

Train and certify staff in proper AC repair/maintenance.

CITY OF GULF SHORES, ALABAMA
EXPENDITURES BY CATEGORY
PROJECTED BUDGET YEAR ENDING DECEMBER 31, 2015

Department	Personnel	Operations	Capital	Debt Service	Transfers	Total
General Fund:						
REVENUES						31,380,764
Executive	519,925	361,500				881,425
Human Resources	190,234	45,015				235,249
Finance & Administrative Services	1,489,912	973,788				2,463,700
Municipal Court	292,672	11,948				304,620
Police	3,995,356	632,000				4,627,356
Fire & EMS	3,008,674	487,600				3,496,274
Community Development	316,575	127,462				444,037
Building	449,739	43,875				493,614
Recreation & Cultural Affairs	121,437	10,600				132,037
Special Events & Programs	427,656	395,466				823,122
Library	458,114	100,365				558,479
Recreation - Bodenhamer	1,137,820	468,667				1,606,487
Recreation - Sportsplex	558,197	347,570				905,767
Recreation - Parks	291,958	168,191				460,149
Recreation - Beach	256,580	158,115				414,695
Recreation - Cultural Center	288,761	118,680				407,441
Public Works - General Services	552,554	59,450				612,004
Public Works - Custodial	392,931	70,000				462,931
Public Works - Landscaping	509,206	145,642				654,848
Public Works - Streets	996,868	739,200				1,736,068
Public Works - Maintenance	694,423	537,100				1,231,523
Airport Authority	113,165					113,165
Appropriations		145,000				145,000
Transfers Out					8,086,039	8,086,039
General Fund Totals	<u>17,062,755</u>	<u>6,147,234</u>	<u>0</u>	<u>0</u>	<u>8,086,039</u>	<u>31,296,029</u>
Other Funds:						
Special Revenue						
2% Lodging Tax - Transfer Out					2,627,010	2,627,010
Designated Taxes - Transfer to GF					438,340	438,340
Impact Fees			400,000			400,000
Capital Projects Funds			1,316,213			
Debt Service				4,531,486		4,531,486
Subtotal Other Funds	<u>0</u>	<u>0</u>	<u>1,716,213</u>	<u>4,531,486</u>	<u>3,065,350</u>	<u>7,996,836</u>
Grand Total	<u>17,062,755</u>	<u>6,147,234</u>	<u>1,716,213</u>	<u>4,531,486</u>	<u>11,151,389</u>	<u>39,292,865</u>

Forecast Summary:

Personnel and Operating expenses are projected to increase nominally from 2014 to 2015. Debt Service is projected to decline in 2015 by 5.5%. Other Funds Capital expenses may decline in 2015 by \$2 million, partially due to use of Impact Fees in 2014.

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General government										
Building permits issued	812	1,984	1,771	872	572	459	422	385	566	589
Building inspections conducted	5,406	8,774	9,902	8,222	3,172	1,763	1,065	1,016	1,263	1,570
Business Licenses issued*	-	-	3,901	8,677	7,566	7,083	7,491	7,554	10,016	10,281
Police										
Physical arrests	1,008	1,092	1,249	1,529	1,558	1,604	1,423	1,394	1,527	1,387
Traffic violations	1,830	2,180	1,603	1,726	2,008	1,858	1,268	1,484	1,641	1,824
Officers	28	30	32	36	35	40	39	39	41	43
Fire										
Emergency responses*	-	-	-	-	-	2,108	2,280	2,307	2,790	2,785
Fires extinguished*	-	-	-	-	-	59	52	30	70	92
Inspections*	-	-	-	-	-	413	335	467	920	1,071
Full time staff*	15	17	17	24	36	48	39	42	43	43
Part time staff*	-	-	-	-	-	6	-	-	-	-
Volunteer Firefighters*	-	-	-	-	-	17	17	8	8	8
Public Works										
Street resurfacing (linear feet)*	26,323	17,779	-	50,020	-	12,491	-	19,380	-	-

*Information not available for prior years

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

Function/Program	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	3	3	3	3	4	4	4	4	4	4
Parks and recreation*										
Football/Track Stadium						1	1	1	1	1
Softball fields						2	2	2	2	2
Baseball fields						13	13	13	13	13
Soccer field						1	1	1	1	1
Parks						8	8	8	8	8
Tennis Courts						18	18	18	18	18
Basketball Courts						2	2	2	2	2
Swimming Pool						1	1	1	1	1
Gymnasium						1	1	1	1	1
Transit - minibusses						5	5	5	5	5
Public Works										
Maintained Streets (miles)	58.8	58.8	60.8	61.9	62.9	63	64	65.05	67.22	69.27
Traffic Signals*						24	24	24	24	24
Streetlights*						2,201	2,201	2,234	2,234	2,234

*Information not available for the prior years

Schedule 3
City of Gulf Shores
Population

Census Year	City of Gulf Shores
1960	356
1970	909
1980	1,349
1990	3,261
2000	5,044
2010	9,741
2011	9,982

Per Capita Income

	1979	1989	1999	2010	2011
Gulf Shores	7,761	17,414	24,356	28,522	29,516
State of Alabama	5,894	11,486	18,189	22,984	23,483

Median Family Income

	1989	1999	2010	2011
Gulf Shores	34,257	51,862	45,801	47,262
State of Alabama	28,688	41,657	42,081	42,934

Source: United States Bureau of the Census Quick Facts

Schedule 4
Unemployment Rates

	2011
Baldwin County	8.10%
Alabama	9.00%

Source: Alabama Department of Industrial Relations - data not available for the City of Gulf Shores, only Baldwin County

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

TOP TEN

Rank	Employer	Employees
1	Lulu's	365
2	Waterville	347
3	Beach Club	275
4	City of Gulf Shores	269
5	Brett Robinson	265
6	G.S. Public Schools	241
7	Kaiser	240
8	Wal-Mart	220
9	Original Oyster House	175
10	Target	110

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*
2002	1,274,208	254,841,558
2003	1,628,063	325,612,672
2004	1,669,678	333,935,681
2005	2,391,170	478,235,060
2006	3,135,189	627,037,700
2007	4,331,916	866,383,116
2008	3,773,216	754,643,100
2009	3,176,680	635,336,040
2010	2,620,773	524,154,540
2011	2,437,167	487,433,360

	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

*8% Decline in property tax base due to County adjusted valuations.

Property taxes are collected by Baldwin County. As of publication date, information for collections, subsequent years adjustments, and total collections to date requested but not yet received from Baldwin County

Schedule 7
City of Gulf Shores
Principal Property Tax Payers
Current Year and Ten Years Ago

Taxpayer	2012			2002		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Baldwin County EMC	\$ 4,991,640	1	18.10%	\$ 5,035,040	1	22.97%
The Links at Gulf Shores	4,624,560	2	16.77%	-		-
Colonial Realty Limited Partnership	3,209,780	3	11.64%			
Wal-Mart Real Estate Business	2,773,760	4	10.06%			-
Target Corporation	2,396,580	5	8.69%			
Beach Place Development	2,253,940	6	8.17%			-
Howard Resort Inns, Inc.	1,951,820	7	7.08%			-
Alcort Gulf Shores LLC	1,831,360	8	6.64%			-
Gulf Telephone Company	1,808,700	9	6.56%			-
Seawind Development Co. LLC	1,729,440	10	6.27%			
Lighthouse Motel Inc	-		-	3,505,680	2	15.99%
Inn at Gulf Shores Ltd.	-		-	2,378,700	3	10.85%
Craft Development Corporation	-		-	2,183,480	4	9.96%
Howard Resort Inns, Inc.	-		-	1,789,500	5	8.16%
Honours-Peninsula Golf Club LLC	-		-	1,572,040	6	7.17%
Meyer Properties, Inc.	-		-	1,536,060	7	7.01%
Tri-Tel LLC	-		-	1,412,420	8	6.44%
E & J Realty Co.	-		-	1,282,260	9	5.85%
Gulf Market Development Co.	-		-	1,228,020	10	5.60%
Total	\$ 27,571,580		100.00%	\$ 21,923,200		100.00%

Source: Baldwin County Revenue Commissioner's Office.

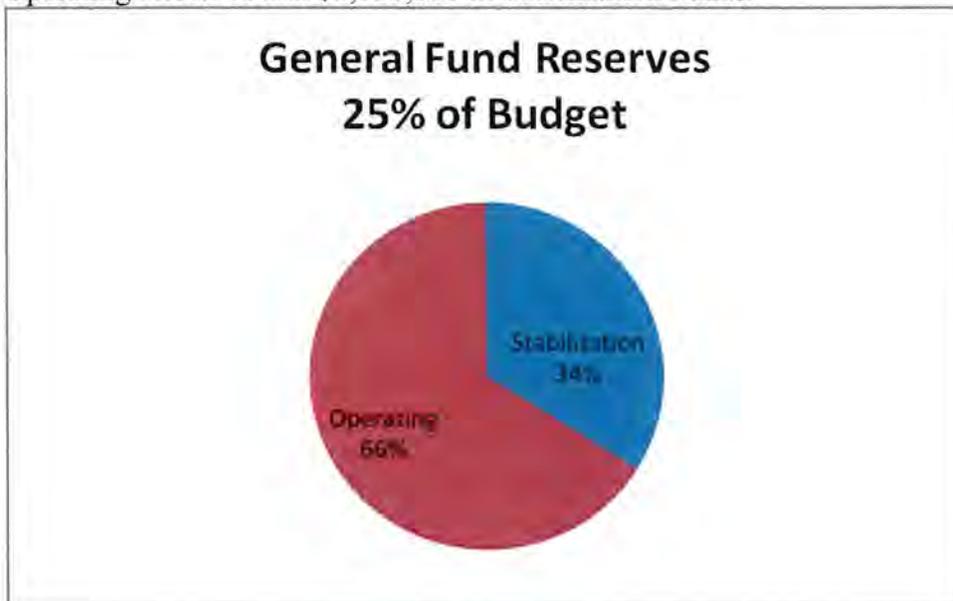
**CITY OF GULF SHORES
FINANCIAL POLICIES
FEBRUARY 2010**

FINANCIAL PLANNING POLICIES

Fund Balance Reserve Account – Stabilization Funds

The City of Gulf Shores will build through prudent financial management a cash reserve equal to twenty-five per cent 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 twenty-five per cent 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 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 15% of General Fund Expenditures with a target of 25% 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 2010 the total General Fund Reserves target is \$6,250,000, equivalent to twenty-five percent of a \$25,000,000 budget. Currently there are \$4,125,000 in Operating Reserves and \$2,125,000 in Stabilization Funds.



A Beach Replenishment Reserve Fund target of twenty-percent of the General Fund budget for 2010 would be five million. Currently \$3,000,000 is in the General Fund (Emergency Public Safety Reserves). An additional \$2,000,000 will be added to the Beach Replenishment Reserve Fund as the funds can be designated.



Operating/Capital Expenditure Accountability

Actual expenditures to budget are compared on a monthly basis. The City Council Finance Committee receives a summary report of revenues and expenditures compared to budget and the City Administrator receives a detailed report quarterly. 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.

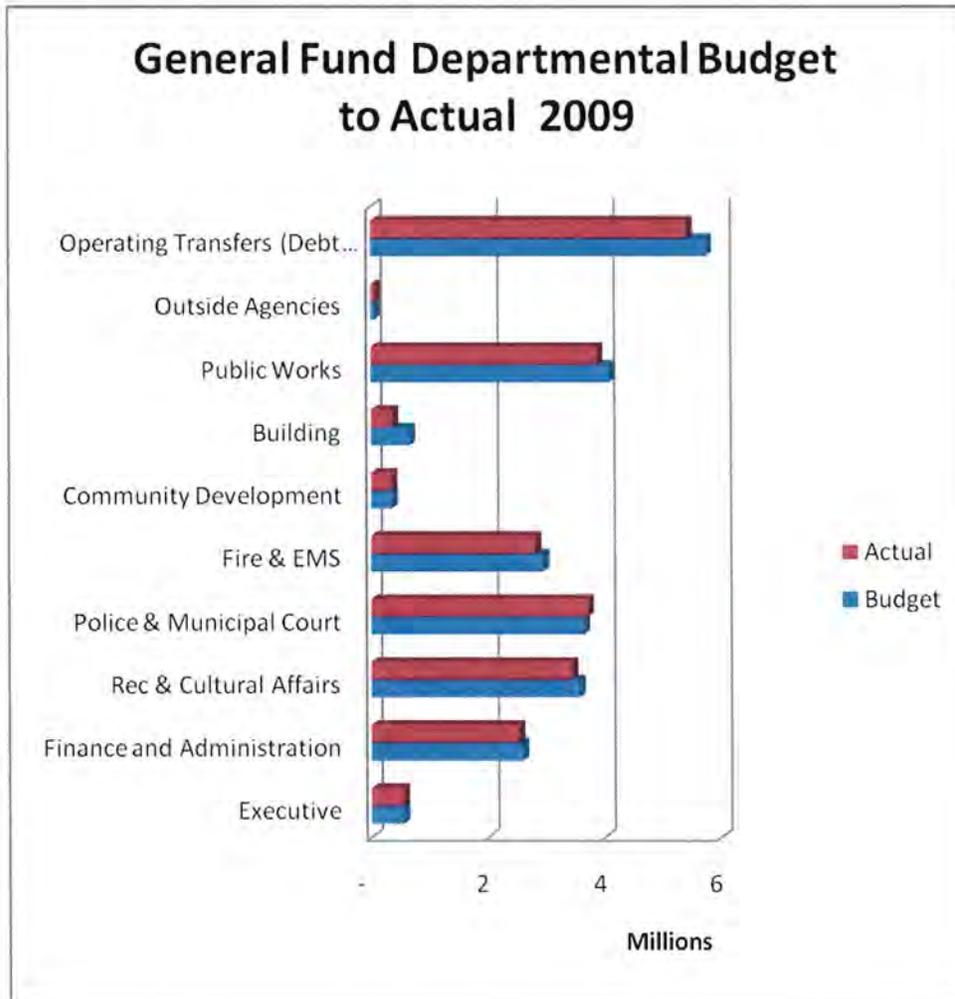
The City of Gulf Shores major expenditures for the most recent fiscal year distribution by category are: Public Safety (Police, Fire and Court) 28% of expenditures; Operating Transfers for Debt Service at 23%; Public Works at 17%; Recreation and Cultural Affairs 15%; and City Hall (Executive, Finance and Administration) at 13%. Building and Community Development comprise 2% of General Fund expense.

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

General Fund Departmental Budget to Actual 2009

	Budget	Actual	% of total
Executive	548,640	539,886	2%
Finance and Administration	2,595,840	2,530,653	11%
Rec & Cultural Affairs	3,568,240	3,440,117	15%
Police & Municipal Court	3,643,590	3,712,077	16%
Fire & EMS	2,955,650	2,812,996	12%
Community Development	360,070	349,747	2%
Building	652,310	364,808	2%
Public Works	4,087,870	3,876,132	17%
Outside Agencies	61,000	61,000	0%
Operating Transfers (Debt Service)	5,754,990	5,419,108	23%
Total	24,228,200	23,106,524	

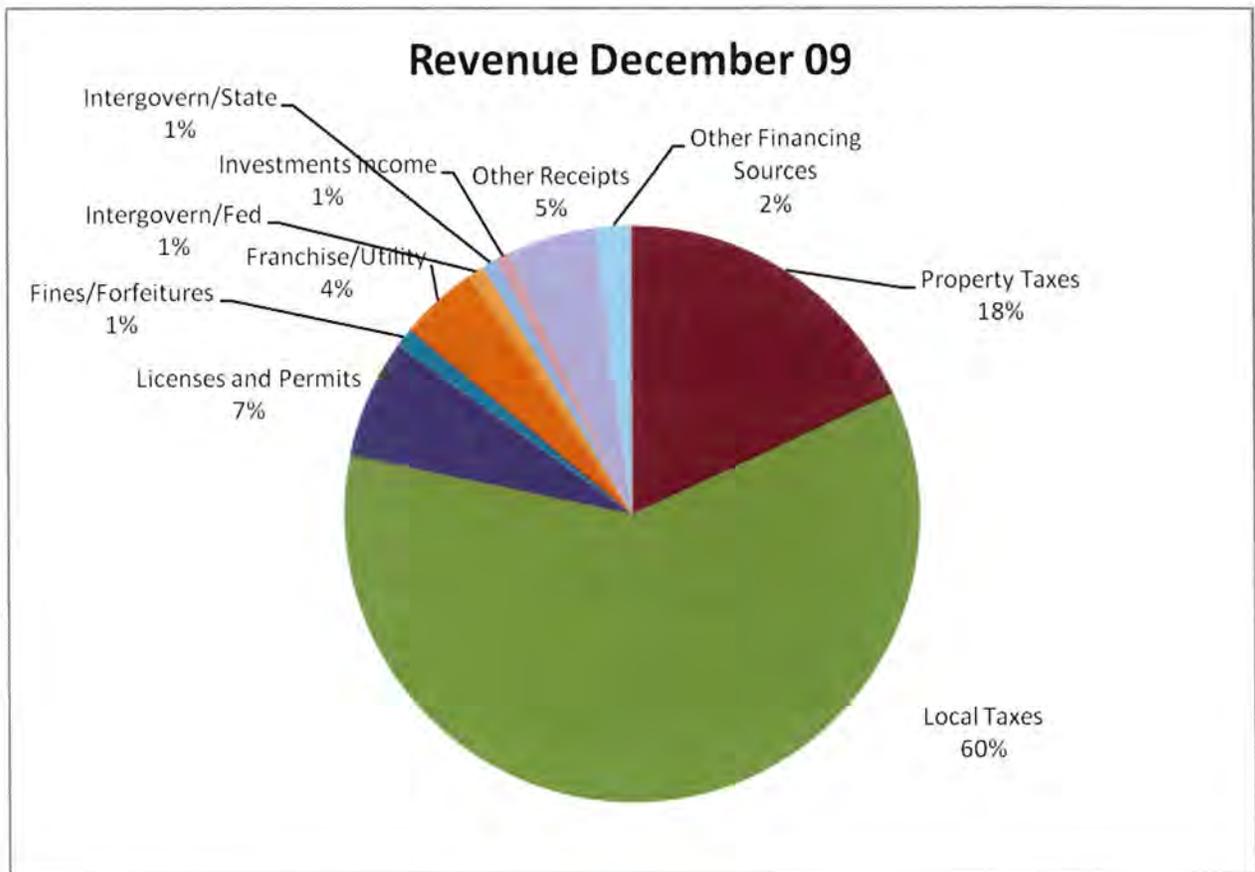
General Fund Departmental Budget to Actual 2009



REVENUE POLICIES

Revenue Diversification

The City of Gulf Shores has a wide variety of revenue streams that fund City General 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 eighteen per cent of General fund revenues. Local Taxes are about sixty-two per cent of General Fund Revenues. Licenses and Permits are roughly seven per cent of General Fund Revenues and Investment Income accounts for another one to two percent of General Fund Revenues. Other City tax revenues include Fines/Forfeiture at one per cent; Business License Fees at six per cent; Intergovernmental Income at two per cent; and Other Receipts/Financing Sources at seven per cent. The City of Gulf Shores is heavily 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.



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

The City of Gulf Shores has no major enterprise funds. 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 expenditure 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 currently outstanding. There is a statutory or charter debt limitation 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 taxed to make such contract payments.

Bond 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 bond 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.

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
1998-A G.O. Warrant	11/15/2012	*
2000-B G.O. Warrant	11/15/2015	Aaa/A1
2002-G G.O. Warrant	9/30/2014	Aaa
2003-C G.O. Warrant	7/1/2013	Aaa

City of Gulf Shores Bonds Continued

BOND RATING

	Final Payment	Moody's
2004 G.O. Warrant	8/1/2021	Aaa
2005-B G.O. Warrant	8/10/2010	*
2005-C G.O. Warrant	12/15/2015	Aaa/A1
2006-A G.O. Warrant	12/15/2017	Aaa/A1
2006-B G.O. Warrant	12/15/2025	Aaa/A1
2008-A G.O. Warrant	12/15/2028	Aaa/A1
2008-B G. O. Warrant	5/15/2011	

*Not rated

Debt Capacity

The Constitution of Alabama provides that municipalities having a population of 6,000 or less may not become indebted in an amount in excess of twenty percent (20%) of the assessed value of the property situated therein, except for the construction of or purchase of waterworks, gas or electric lighting plants or sewerage, or for the improvement of streets, for which purposes an additional indebtedness not exceeding three percentum may be created; provided this limitation does not affect (a) temporary loans to be paid within one year, made in anticipation of the collection of taxes, not exceeding one-fourth of the annual revenues of the city, (b) indebtedness incurred for the purpose of acquiring, providing or constructing sanitary or storm water sewers or street or sidewalk improvements, the cost of which, in whole or part, is to be assessed against the property drained, served or benefited by such sewers or abutting such improvements or (c) indebtedness incurred for the purpose of acquiring, providing or constructing school houses, provided that there shall be pledged for payment of the principal of and interest on such obligations a tax which the governing body of such municipality, shall have determined, upon the basis of the revenues from such tax, will be sufficient to pay said principal of and interest at their respective maturities. Additionally, the chargeable indebtedness is, under State law, reduced by the amount of sinking funds held for payment thereof.

The total assessed value of the property according to the Baldwin County Revenue Commissioner's Office in the City as assessed for City taxation for December 31, 2009 was \$653,336,040 resulting in a debt limit of \$127,067,208.

The City's total principal amount of indebtedness at December 31, 2009 was \$51,126,031. Based on the debt limit of \$127,067,208, the City could hereafter issue up to approximately \$75,941,177 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 2000 population of the City of 5,044 the annual G.O. Debt per capita for outstanding debt is \$10,136.

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 on-going expenditures with current recurring revenues. One-time revenue can be used to increase the undesignated fund balance or be used for one-time 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. 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 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 accounting principles generally accepted 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.

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 pay back 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 five year Capital Improvement Plan for Capital Outlay expenditures greater than \$5,000 will be submitted by each department during the budget process. A five year Capital Improvement Program that determines the cash needs for Capital Projects will be submitted to the Planning Commission and the elected body for approval to determine cash future cash needs. Once the five year Capital Improvement Program is adopted by the elected body, every effort will be made to budget for capital expenditures within the outlined program. Modifications to the 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 through December 31, 2013. 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 Interfund 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 interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due 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 a 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 Comprehensive Annual Financial Report with the disposition of acquired or disposed 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 leveled 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.

Defining Terms

Glossary

A

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.

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

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.

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.

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.

Defining Terms

Glossary

C

CAFR: Comprehensive Annual Financial Report – a report compiled annually which provides audited detailed information on an organization’s financial status.

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.

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.

E

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

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

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.

Defining Terms

Glossary

F

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.

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.

Defining Terms

Glossary

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.

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).

Interest Income: Revenue generated from city investments.

J

K

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

M

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

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.

Defining Terms

Glossary

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.

Q

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

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.

U

V

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.

X

Y

Z