City of Gulf Shores, Alabama

ANNUAL FINANCIAL BUDGET

For Fiscal Year Ending December 31, 2023

Prepared by: Finance and Administrative Services Department



Little Lagoon at Mo's Landing
Gulf Shores, AL

CITY OF GULF SHORES™ ALABAMA

www.gulfshoresal.gov

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City of Gulf Shores, Alabama
2023 Budget

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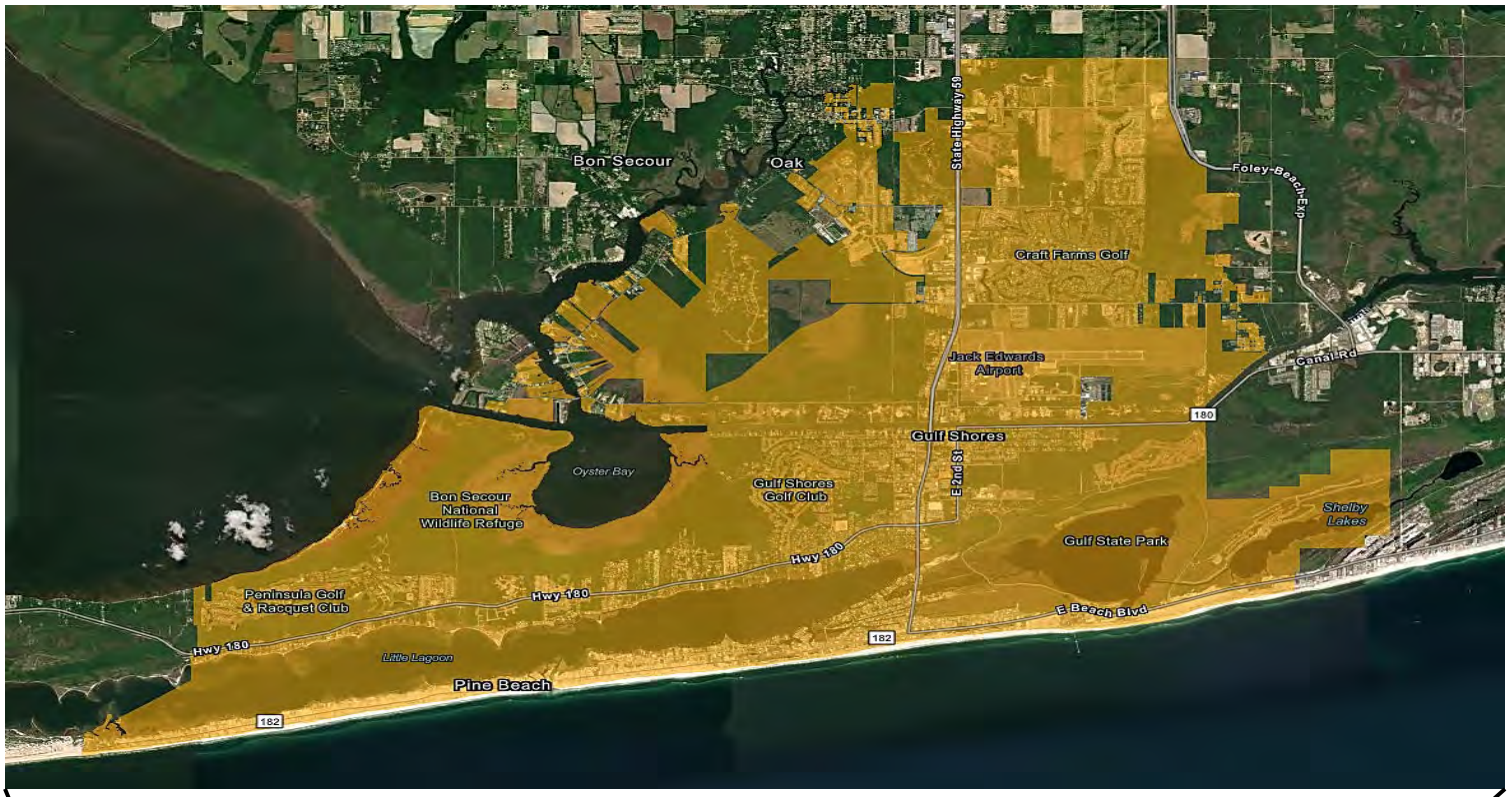
City of Gulf Shores, Alabama
Mayor and Council



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

City of Gulf Shores, Alabama

With Major Highway Locator Map





City Employees

324 Full Time Employees
43 Part Time Employees
34 Seasonal Employees

Contractors

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

City of Gulf Shores Citizens

Airport

Municipal Judge Prosecutor



City Attorney

Human Resources (3 FTE)

City Administrator
City Clerk
Mayor's Assistant
Environmental/Grants Coordinator
Economic Development Coordinator
Public Engagement Manager
Records and Archives Clerk
(13 FTE)

Planning & Zoning (7 FTE)

Building Department (6 FTE)

Recreation & Cultural Affairs
Parks and Recreation
Special Events
Library
Museum
City Store
(53 FTE)

Finance & Administrative Services
Accounting
Revenue
Information Technology
Purchasing
(18 FTE)

Public Works
Custodial
Maintenance
Streets
Landscape
Recycle & Sanitation
(59 FTE)

Engineering & Construction (6 FTE)

Fire/EMS (70 FTE)

Police (80 FTE)

Court (6 FTE)

Gulf Shores Boards & Commissions

Beautification Board
Bicycle and Pedestrian Advisory Committee
Board of Zoning Adjustments
Building Board of Adjustments and Appeals
Alabama Gulf Coast Chamber of Commerce
Gulf Shores Orange Beach Tourism Board
Library Advisory Board
Board of Education
Personnel Board
Planning Commission
Public Education Building Authority
Public Parks and Recreation Board
Gulf Shores Utilities Board
Gulf Shores Health Advisory Committee



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Gulf Shores
Alabama

For the Fiscal Year Beginning

January 01, 2022

Christopher P. Morrill

Executive Director

DISTINGUISHED BUDGET PRESENTATION AWARD

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to City of Gulf Shores, Alabama for its Annual Budget for the fiscal year beginning January 1, 2022. In order to receive the award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communication device.

The award is valid for one year only. We believe 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. 6613 -22

A RESOLUTION ADOPTING
CITY OF GULF SHORES
2023 BUDGET

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GULF SHORES, ALABAMA, WHILE IN REGULAR SESSION ON November 14th, 2022 as follows:

Section 1. That the City of Gulf Shores 2023 Budget be adopted for the City of Gulf Shores, Alabama, for Fiscal Year 2023 beginning January 1, 2023 and ending December 31, 2023.

GENERAL FUND BUDGET SUMMARY 2023
(JANUARY 1, 2023 THROUGH DECEMBER 31, 2023)

TOTAL REVENUES GENERAL FUND		$65,726,738
EXPENDITURES:		
Executive	$ 2,034,956	
Human Resources	841,440	
Finance & Administrative Svcs	3,759,482	
Municipal Court	547,321	
Police	8,525,490	
Fire & EMS	7,416,565	
Planning & Development	932,370	
Building	637,219	
Recreation & Cultural Affairs	432,833	
Events & Programs	891,829	
Library	724,217	
Recreation-Rec & Wellness	2,572,594	
Recreation-Sportsplex	1,328,244	
Recreation-Parks	611,957	
Recreation-City Store	198,763	
Recreation–City School Landscape	256,022	
Public Works:		
General Services	501,609	
Public Facilities-Custodial	592,543	
Public Facilities-Landscaping	1,014,645	
Streets	2,267,333	
Maintenance	1,243,521	
Recycle & Sanitation	581,480	
Engineering & Construction	788,919	
Airport Authority	265,268	
Outside Agencies	942,126	
SUBTOTAL OPERATIONS		$39,908,746
Capital Outlay		
Executive	125,000	
Police – Capital Outlay	988,800	
Fire – Capital Outlay	1,245,000	
Building – Capital Outlay	42,550	
Recreation Rec & Wellness	16,500	
Recreation Sportsplex	154,000	
Recreation Parks	30,000	
Engineering	40,000	

Public Works Capital:			
Recycle & Sanitation	183,274		
Streets	916,000		
SUBTOTAL CAPITAL		$3,741,124	
Operating Transfers Out		$19,277,583	
Total General Fund Expenses			$62,927,453
Budget Carry Forward General Fund			$ 2,799,285

OTHER FUND BUDGET SUMMARY 2023
(JANUARY 1, 2023 THROUGH DECEMBER 31, 2023)

	REVENUE	EXPENDITURE	
Police & Fire Related Grants			
Police and Fire	595,000		
Transfer to General		555,000	
Muni Court Exps		35,000	
SUBTOTAL			590,000
Budget Carry Forward Police & Fire			$ 5,000
Impact Fees Fund			
Impact Fees Revenue	1,551,000		
Recreation		535,000	
Public Works		750,000	
Police		129,000	
Fire		137,000	
SUBTOTAL			$1,551,000
Budget Carry Forward Impact Fees			$0
Nontaxable Line of Credit			
Match/Bond Proceeds	7,764,548		
Capital Outlay Projects		7,764,548	$7,764,548
Budget Carry Forward Nontaxable			$0
Beach Restoration & Projects Fund			
Transfer from General Fund	710,000		
Recycling Revenue	35,000		
Parking Fees	650,020		
SUBTOTAL	1,395,020		
Police		388,135	
Fire – Beach		810,801	
Public Works – Streets		244,156	
Capital Outlay		138,000	
Total Beach Restoration & Projects			$1,581,092
Budget Carry Forward Beach R & P			$(186,072)
Capital Improvements Fund			
Interest	2,754,844		
Proceeds from 2022A GO Warrant	30,459,181		
SUBTOTAL	33,214,025		

Capital Outlay Projects		30,459,181	
General Fund Transfer		2,754,844	$33,214,025
			$0
Storm Damage Fund			
FEMA Reimbursement	3,119,357		
AEMA Reimbursement	772,719		
Transfer from General Fund	23,078		
SUBTOTAL	$3,915,154		
Storm Damage Expense			$6,277,027
Budget Carry Forward Storm Damage			$(2,361,873)
Taxable Warrant Fund			
Proceeds from 2020E Taxable	15,198,648		
Grants & Developer Matches	30,555,913		
SUBTOTAL Revenue	48,116,434		
Gulf Coast Center for Ecotourism		11,404,178	
Transportation Projects BUILD		35,487,256	
Little Lagoon Restoration Project		1,225,000	
SUBTOTAL Expense			$48,116,434
			$0
Debt Service Fund			
Transfers/Interest	18,544,505		
Bond Payments		18,544,505	$18,544,505
			$0
Public Education Building Authority Fund (Revenue Only)	609,850		
Budget Carryforward Public Ed			$0
Total All Funds Revenue	**181,432,274**		
Total All Funds Expense	**180,566,084**		

Budget Carry Forward:	
General Fund Budget	$ 2,799,285
Police & Fire Related Grant Fund	5,000
Beach Restoration & Projects Fund	(186,072)
Storm Damage Fund	(2,361,873)
Public Education Building Authority	609,850
Budget Carry Forward	**$866,190**

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

ADOPTED this 14th day of November, 2022.

CITY OF GULF SHORES CORPORATE SEAL GULF SHORES, ALABAMA

Robert Craft, Mayor

Wanda Parris, MMC
City Clerk

November 7, 2022

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

RE: 2023 BUDGET MESSAGE

On behalf of the City of Gulf Shores government staff, we are pleased to deliver the Fiscal Year 2023 Budget for the City of Gulf Shores, Alabama for the period beginning January 1, 2023 and ending December 31, 2023. The annual budget is a policy document which sets the financial course for the City and defines the service priorities provided to the community. The budget presented is a culmination of months of efforts to balance available resources so to implement the City Council's updated Strategic Plan, which in turn implements the Mayor and Council adopted Gulf Shores Vision 2025 for Sustainability. While 2022 has been a stressful year due to supply chain and inflation issues, the City is resilient and continues to thrive and meet the ongoing challenges.

Vision

In the year 2025, the City of Gulf Shores will be the most desirable small town destination community in the South in which to live, visit, retire and invest. This will be due to its enduring, wholesome, low-key and pleasurable lifestyle amidst its restorative and vibrant natural surroundings and thriving economy. The City's commitment to Vision 2025 has been reinforced with the events of 2022.

Vision 2025 – Core Values

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

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

2022 Successes:

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

Debt – The City issued $150 million debt for a new high school and improvements to the existing campus. The City also issued debt of $47 million for a new Justice Center, a park off Coastal Gateway Boulevard, and Fire

Station improvements. The City continues to maintain an Aa2 rating with Moody's and an AA+ rating with Standard and Poor's (S&P) rating agency.

Airport Authority – In 2022 the Airport Authority will complete the seventh year of operating on a self-sustaining basis which includes reimbursing the City of Gulf Shores for all airport personnel and maintenance costs. Other significant Airport Authority 2022 accomplishments are:

- Completed and commissioned new $6.6 million air traffic control tower facility. Received national award from American Association of Airport Executives for "Architectural Project of the Year" for design and innovations performed for one of the first towers commissioned under the new FAA Program.



GULF SHORES INTERNATIONAL AIRPORT JACK EDWARDS FIELD

- Completed RFQ process and selected TBI/Vinci Airports of Paris, France as privatization partner to construct, manage and operate a new airline terminal and related facilities. TBI/Vinci proposed $24,000,000 of improvements which will start with provision of interim facilities (to be in place March 1, 2023) until a permanent terminal can be completed.
- Obtained $250,000 in contributions from air service stakeholders' group to create air service marketing/subsidy program. Brought in Gateway Initiative to manage the program.
- Applied for and was awarded $500,000 grant from the "Small Community Air Service Development Program" of the U. S. Department of Transportation to go to marketing fund bringing total to $750,000. Received letters of support from Elite and Sun Country Airlines.
- Obtained FAA and state grants of $844,970 for replacement of Taxiway "A" lighting system and new airport wind direction indicator.
- Obtained state grant of $100,341 for new precision approach path indicators on all four runways, and completed project. Awaiting FAA flight check for commissioning of new system.
- Completed crack sealing remarking project utilizing $134,950 FAA grant.
- Obtained FAA grant through the new Airport Infrastructure Program of $295,000 for replacement of vehicle gates, software, and security enhancements for perimeter fencing.
- Entered into new land leases for hangar developments representing a total of 42,000 square feet of new facilities.
- Completed rebranding program effort and launched new name/logo shown above.

Beach Operations and Recycling Program – In 2022, the City's dedicated Public Works team has worked tirelessly to keep the beaches free of trash, litter and debris. The Public Works Department is driven by a goal to protect our environment and preserve the City's resources for generations to come. City crews continue to work alongside Fish and Wildlife Environmental programs to help protect the vulnerable Sea Turtle population. Our goal is to ensure that Sea Turtles, and all other wildlife, are able to continue to nest safely on our beaches, without interruptions or obstacles. The Public Works Department's dedication to the *Leave Only Footprints* Ordinance has made a substantial impact on the overall quality of the City's beaches to better serve our guests, locals, and wildlife alike.

The City-wide residential recycling participation rate is currently 71.27%. This percentage was generated by dividing the number of residents with Republic Services accounts (i.e. residents with trash pickup service) by the number of residents with Republic Services recycle carts (residents with both trash pickup and recycle services). Additionally the City of Gulf Shores will continue to work alongside our Marketing and Public Engagement personnel to increase participation city-wide and raise awareness of the positive effects of recycling.

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

	2015	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
Residential Recycling	328	460	495	525	600	380	520
Commercial Recycling	220	240	290	310	290	260	300
GS Recycling Center	90	110	160	190	200	220	420
Leave Only Footprints	60	60	130	130	120	110	240
Total	**698**	**870**	**1,075**	**1155**	**1210**	**970**	**1,480**



The City is excited to continue to educate our citizens on the importance of recycling and promote sustainable tourism and lifestyles within our community, with a special focus on City Schools and improving recycling education. Our partners include Gulf Shores City Schools, Coastal Alabama Business Chamber and the Gulf Coast Center for Ecotourism & Sustainability. The City looks forward to ADEM's proposed recycling facility that will allow more material to be taken in than ever before. This new facility would allow Gulf Shores to surpass current recycling goals by increasing processing capacity limits.

Benefit Cost Controls – For the 2022 year the City had 73% of all City-insured employees (213) and 62% of their spouses (111 total) participate in the City's wellness program by having the annual health assessments in November 2021. Symbol Health has reported that during the first 6 months of the Employee Health Clinic operations for 2022, 96% of the City employees, 77% of their spouses and 57% of their dependents utilized the clinic producing a total of 1,796 clinic visits. These "redirected" visits resulted in a total savings of $115,034 to the City's health plan had these same visits been billed through normal venues.

City Fitness Centers: Noteworthy in 2022 was the reopening of the Studio Fitness operation at the Cultural Center. Improvements were unveiled to include a fully functional cardio fitness area with 12 pieces of equipment, an expanded fitness classroom space for indoor cycling, and a dedicated TRX class space. Daily pass sales to all fitness facilities also resumed from an extended hiatus to offer more flexible options to our community participants. Innovative wellness programs were well attended with notable highlights including the Haunted Hustle, Purely Paddle, Camp Inside Out, Sore on the Shore, Take Time Tuesday, Cardio Tennis, Rec Pursuit, and free community fitness challenges.

Economic Development – Commercial construction permits for valuations totaling $37.26 million were issued for FY 2021. Commercial construction permits for valuations totaling $44.7 million are projected to be issued in FY 2022.

Education - Gulf Shores City Schools completed its third year as the first independent city school system in Baldwin County in 2022. The City budgeted and appropriated $10.55 million in 2022 for existing City School improvements including $3.975 million for design of a new high school off Coastal Gateway Boulevard and

renovations of the existing campus. The new Science, Technology, Engineering, Arts and Math (STEAM) Collaborative Learning Center provides a student-centered, experienced-based learning atmosphere by integrating low and high-tech teaching styles into the educational philosophy. It features six new flexible classrooms, two fully-equipped STEAM labs, break-out spaces, outdoor learning areas and three aquariums. Every space in the center was designed to be utilized for learning purposes - even the hallways! Ultimately, the STEAM Colloborative Learning Center provides a vision into the future of learning in Gulf Shores City Schools. The elementary school's STEAM lab was completed for the 2022-2023 school year. There are currently 2,415 students in the Gulf Shores City School System.

GULF SHORES
CITY SCHOOLS

Fire and Medical/Fire Rescue – Certified 396 CPR students for the general public and 20 for the Gulf Shores City School staff. Pediatric Advanced Life Support taught to 14 Resident Doctors at South Baldwin Regional Medical Center, and issued 43 certifications for Stop the Bleed.

Full-time City ambulance crew to supplement the existing Medstar private ambulance service began in 2022. Contracted with a private billing service, to provide billing services for the department. Placed an emphasis on medical training for staff. In 2022, 13 firefighters completed the Paramedic program and an additional 4 are in class now.

As part of the Beach SAFE campaign, a Beach Safety placemat was created for children to color while they are in local restaurants. Many establishments have joined in on this effort and are using the mats.

Beach Rescue working with the Convention and Visitors Bureau and Orange Beach Surf Rescue created a BEach SAFE campaign which included the development of a Beach Safety Survey. Lifeguards in Gulf Shores and Orange Beach have completed over 3,000 to date. Plans are to use the survey information to better target areas with Beach Safety materials. Lifeguards have made 110 rescues and 19,864 preventative actions this year.

A new Fire training facility is being built on West 36th Ave. Six firefighters completed the physically and mentally challenging Alabama Smoke Diver Course.

Information Technology – Added surveillance cameras at all Gulf Shores Fire Rescue stations for enhanced safety and security of staff and property. Successfully removed/replaced 99% of all remaining Windows 7 PCs on the network. Implemented a new time and attendance solution with no-touch clocks to mitigate the spread of germs and aid in the protection of employees against COVID. Upgraded ten Library Lab computers for public use.

Geographic Information Systems: Created Wetland GIS app for City staff with National Wetland Inventory data and City Zoning, Flood Zones, and other data. Modified Police Department GIS update model to incorporate new format used by Baldwin County 911. Reformatted City Zoning, Zoning Overlays, and Future Land Use maps and updated data online. Analyzed GIS data for multifamily zones by development status and wetland impact.

Formatted data and maps for preliminary scopes for watershed analysis, landfill elevation data, and transportation plans by City Engineer and consultants. Created an online tool for Recreation Department software for City Limits determination by address. Created speed limits map and data by ordinance and online mapping data. Added data layers to City GIS on City Services and regulations by street and zoning districts.

Public Works Drainage Maintenance Crew: The City of Gulf Shores Streets Department has worked to complete over 19,590 linear feet of drainage maintenance. The drainage maintenance crew has focused on providing drainage upkeep in all quadrants of the City. For example, drainage maintenance was completed in 25 new areas that were not seen on last year's maintenance list. The drainage work completed by the Streets Department consists of annual/routine maintenance as well as addressing concerns of residents. In addition to ditch maintenance, the Streets Department mows approximately 43,000 linear feet of vegetation per year and has spent around $10,000 on erosion control and hydro seeding as of October, 2022. The Public Works Department hopes to continue expanding its drainage crew and equipment to better serve a growing population by completing both preventative and restorative projects throughout the City.

Recreation Capital Improvement Projects – Major capital improvement projects for recreation were undertaken in 2022 that will benefit the City residents. Pictures of the recreation capital improvement projects are shown on the following pages:

Civic Center Parking Lot Lighting



New Pickleball Courts and West 6th Street Beach Access Improvements are underway and should be completed by year end.

Transportation – In 2022 the City completed Phase 1 of the Beach Walking District that provided new sidewalks, drainage and parking improvements to the beach area shopping district.

2023 Priorities & Issues:

The City's bond rating of Aa2 was noted November 7, 2019 in Moody's Rating Agency Annual Comment Report and by Standard & Poor's (S&P) April 2018 Ratings Direct Report as AA+/Stable. The Council continues to pay off short term debt as quickly as possible. The continued rebound of Sales, Lodging Tax, and Building Permit Collections in 2022 has enabled the City to remain very secure financially.

Short-term expenditure issues impacting the City budget in 2022 were the issuance of new debt causing debt service to increase from $8.5 million to $18.5 million primarily for school improvement projects. Continued designation of $2 million for Gulf Shores City School Board Expenses advances the City's Progressive Education initiative. The City anticipates receiving reimbursement from AEMA for debris removal and other damages relating to Hurricane Sally once the projects are closed.

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

General Fund Reserves – The Fiscal Year 2023 Budget proposes to budget $46 million to continue to fund a 70% Reserve to address concerns about FEMA's ability to respond to future incidents. Of the 70% General Fund Reserve, half will be maintained as a stabilization reserve to enable the city to withstand fluctuations in tourism revenue streams, address any potential unfunded pension liability of the City to the Retirement Systems of Alabama (RSA), and to provide a stabilized fiscal environment to maintain and enhance bond ratings allowing the city to borrow at competitive rates. The other half of the General Fund Reserve is for beach replenishment should it be necessary in the event of a weather- related emergency or disaster. The 2023 Budget proposes an operations increase of $165,040 or 1.57%. The operations increase is reasonable given the current inflationary environment.

Airport Authority:



- Completion of interim commercial air terminal.
- Acquire air service to serve the airport with multiple destinations.
- Move forward with engineering design of new Airport Aircraft Rescue and Firefighting facility.
- Acquire new firefighting apparatus for the airport.
- Complete transition to commercial airport.
- Complete long-term agreement with TBI/Vinci for construction of new permanent air terminal located on commercial apron.
- Obtain grant for Phase II of security improvements and various other projects.

City School System – The Fiscal Year 2023 Budget proposes to allocate another $2 million City appropriation towards operation of a Gulf Shores City School Board and budget the remaining funds to complete the existing campus renovations and design the new high school. Enhancing education was identified as a top priority in Vision 2025. New school facilities are in the planning stage to support continued student enrollment growth and provide collaborative learning environments at existing and future school campuses as identified in Gulf Shores City School's "The Next Wave" master plan.

Capital Improvement Program – Vehicles and equipment (rolling stock) have been budgeted in accordance with the vehicle replacement policy guidelines. Nine police vehicles with mileage in excess of 115,000 will be replaced and one vehicle for the new Civilian Investigator will be added. Police Impact Fees will offset the

expense of two of the 10 budgeted vehicles. Street Resurfacing funds of $1,200,000 are budgeted with $750,000 of the resurfacing funds coming from Impact Fees. Vehicles/equipment of $429,274 are budgeted for Public Works in the General Fund. Recreation and Cultural Affairs improvements will be paid with $200,500 General Funds and $535,000 of Recreation Impact Fees.

Economic Development - Continue to prioritize new economic development opportunities in the Medical Village, the Gulf Beach District and Waterway Village District by identifying potential public-private partnerships and development opportunities in the area. Continue to actively support the Gulf Shores City School System to enhance educational opportunities and encourage residential relocation. Continue working with the Gulf Shores Airport Authority and other agencies to attract commercial air service to Gulf Shores International Airport and construct roadway connections to the Business and Aviation Park.

Going Green Initiative: The Public Works Department created a new Recycle and Sanitation Division in 2023 by moving eleven personnel from the Streets Division. The new Recycle and Sanitation Division will maintain operations at the Recycle Center as well as trash/recycle operations at various other locations such as the beach, Elementary and High Schools, the State Park, major events, and other City locations. A major goal of the division is to improve participation in city-wide recycling by spreading knowledge and resources to the community with a special focus on City Schools and improving recycling education. Continuing the City's "Going Green" initiative, the Executive office is adding an electric vehicle for the Eco Center and five electric vehicle charging stations.

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

- Architectural design and bid documents for a new Coastal Gateway Community Park to better serve our residents north of the Intracoastal Waterway - $600,000
- Beach renourishment - $5,796,027 (FEMA/AEMA reimbursed $3,892,076)
- Beach Access Replacement - $300,000 (DCNR $50,000; City $250,000)
- Tennis Court LED Lights - $495,000
- Bodenhamer Parking Lot - $495,000 (Impact Fees)
- Branding/Wayfinding - $40,000 (Impact Fees)
- Fire Beach Replacement UTVs/Jet Skis $67,000
- Benches for Beach $20,000

RESTORE Grant Funded Projects – The following are RESTORE Grant (100% Reimbursable) funded projects in 2023 totaling $13,153,498:

- NFWF Oyster Bay and Bon Secour Wetland Restoration $154,320
- Little Lagoon Restoration $1,225,000
- Gulf Coast Center for Ecotourism Improvements $11,104,178
- Laguna Cove Protection Project $670,000

Public Safety Capital Projects– Numerous public safety capital purchases totaling $6,000,548 are planned for 2023 including:

- Architectural design and bid documents for a New Justice Center to replace the 39-year old police department and city jail to address severe space deficiencies and provide a secure, modernized facility to support police and municipal court $4,469,548 design
- 200 Clubhouse Wind Retrofit & Police Generator $331,000 HMGP 80% reimbursable
- New Fire Training Tower and Teaching Facility $1,000,000
- Remodeling and fortification of the former Oyster Bay volunteer fire station on County Road 6 $200,000

Transportation projects- The following transportation projects totaling $35,362,936 are proposed to be budgeted and completed and / or begun in 2023 include:

- Beach Boulevard Improvements – Highway 182 $200,000
- BUILD – Medical Village Phase 2 Signal $300,000
- BUILD - Pedestrian Bridge construction $8,921,183
- BUILD - Hwy 59 Widening construction $5,373,638
- BUILD – County Road 6 West $314,227
- RESTORE - Waterway East Extension $12,283,813
- RESTORE - East Canal Realignment $765,075
- 4th Street Bridge & 1 Pedestrian Bridge $500,000
- CGB to CR 6 Connector Road $1,800,000
- Waterway West Boulevard $3,550,000
- Walking District Parking/Streetscape $1,105,000
- Fort Morgan Road Access Management $250,000



Personnel Expenses – While the City continues to maintain personnel costs at 46.3% of budget, which is customarily between 60 to 75% for localities, we need to be careful with managing these costs but balance continuing investment in our recruitment and retention of excellent employees.

Current employees

324 full time / 77 part time

- $920,000 for a 4 % Wage Index adjustment to continue our pay philosophy of 90-135% market and remain competitive.

- $440,283 to continue merit based performance plan of 1.5% pay increases for employees at their anniversary dates that are rated above average and 2.5% for employees rated highest performing employees.

- $300,000 increase projected for health insurance (propose to continue 85% City / 15% employee increase split)

- $70,000 new life scan program offering for all full time employees that is currently now offered to police and fire (currently $575 per employee)

New Positions recommended 2023:

- 1 Police Civilian Investigator; 1 part-time Special Operations & Training Officer

- 1 Planning Manager Position
- 1 Fire and Rescue Training Officer / Risk Manager; 1 New Management Analyst position, abolishing Admin Assistant position
- 1 Airport Administrative Analyst

Budget Adoption

This budget was formally adopted by the City Council on November 14th, 2022 and establishes a fiscal plan for the City's Fiscal Year, January 1 to December 31, 2023. The budget provides for the policies and goals of the Council as discussed during planning retreats conducted in prior years when preparing the strategic plan.

Budget Preparation began on July 20th and was finalized with adoption of the 2023 Budget by Council November 14th, 2022. The Finance Committee met regularly during the year to review ongoing 2022 Budget expenditures compared to budget, progress towards achieving set revenue targets, and accomplishment of the City's Financial Goals formally adopted in 2010 and updated annually beginning with the 2015 Budget. The City Council maintained its General Fund Reserves of 70% at the close of Fiscal Year 2021 and is projected to close 2022 at an excess of 70% reserves. The 2023 Budget reserve target is 70% of revenues to address concerns about FEMA's ability to respond to future incidents. The Financial Policy provides for reserve levels to enable the City to provide for continuity of operations during emergencies and disasters. A complete copy of the 2023 updated Financial Policy adopted is included later in this budget document.

Budget Preparation Instructions were given to Department Heads July 20th, 2022 at the start of the budget process provided guidelines consistent with the adopted Financial Policies. Budget Expenditure Requests for 2023, should not exceed 2022 budgeted amounts, since the City hired additional staff in 2022 that were only partial year funded and additional debt service requirements for new debt issued in 2022 and along with continuing allocations for the City School system.

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

The Financial Summaries Section of the 2023 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 2023. Also included by department are historical, current, and future financial data and staffing by department.

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

During the course of the year, Budget Amendments are done to ensure the Council is aware of and approve expenditures beyond the original budgeted amount. Typically these over budget expenditures are the result of a change in Council priorities or departmental needs following the adoption of the budget. Interdepartmental transfers are done by budget amendment if an expenditure line is projected to go over $5,000 of the original budget, or if a department is projected to go over the total amount originally budgeted. An explanation of the change in the budgeted amount is provided in the backup for the amendment. The last budget amendment of the year includes redistribution of the health insurance based on year-to-date actual departmental expenses since the City is self-insured and has a cap for total health insurance expenditures annually. For 2022, two budget amendments are projected to be done.

Current Fiscal Condition

At the close of 2022, the City is projected to exceed the overall financial reserve target of 70% of budget or $38.6 million comprised of $19.3 million for the General Fund and $19.3 million for Beach Reserves. Sales Tax collections through August 2022 of $16.2 million exceed prior year to date total collections by 12%. Lodging Tax collections of $17.33 million exceed the prior year to date total collections by 12%.

The City continues to maintain its economic stability, even more so with the turbulence in national economic activity. Increased exposure of the area continues to lead more tourists coming from all over the United States. The City will continue to expand the tourist base with recruitment of more sports tourism and is described in more detail in the following section. Winter tourists from northern locales returned in fall 2021 and winter 2022. The Music and other local festivals cancelled in 2021 were held in 2022. Revenue projections do not include increases at past rates of recent growth, but are tempered to reflect the possibility that growth at recent rates may not continue at a sustained level.

Economic Diversification Efforts Associated with the Adopted Vision Plan

The Waterway Village District was established in 2013 to encompass property along the Intracoastal Waterway to provide a new entertainment/shopping/business district north of the beach area. Acme Oyster House, Big Beach Brewing Company and several other small businesses have opened since that time and the district is now home to art festivals and events like the Waterway Village Zydeco and Crawfish Festival. The boundaries of the Waterway Village district were expanded in 2021 due to increased interest from the business community to be part of this emerging commercial district.

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

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

The City's timely capital investments in the Sportsplex Track & Field facilities have proven to be a key strategy in implementing Vision 2025's economic, geographic and seasonal diversification priorities. As such, the City

will continue to host the Alabama State High School Track Championship and the Alabama Independent School Association (AISA) State Track Championship through 2026, attracting 6,000 plus athletes and spectators annually. Due to the City's dedication and commitment to environmental stewardship, the Gulf Shores Sportsplex has once again been awarded the Sports Turf Managers Association's Environmentally Responsible Facility Certification.

The Free Standing Emergency Department (FED) constructed and operated by South Baldwin Regional Medical Center has been open since 2021. This new state of the art emergency room located on State Hwy. 59 near the Gulf Shores International Airport significantly reduces the time to get critically injured or ill people to the hospital emergency room in Foley, in turn saving lives. In addition to the lifesaving benefit, the FED acts as a catalyst to attract additional medical businesses and services to the developing Medical Village which is located on 32 acres of recently acquired City property adjacent to the FED.

STRATEGIC PLANNING

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

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

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

MISSION STATEMENT

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

VISION 2025

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

VISION 2025 – CORE VALUES

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

- We protect and enhance the quality of life for our residents, visitors and retirees.
- We protect and preserve our unique natural resources.
- We honor the family-centric and safety-oriented tradition.

- We maintain a relaxed, no-hassle environment.
- We support a clear culture of Southern hospitality.
- We enhance the sense of place.
- We embed sustainability into the fabric of the community.
- We promote economic prosperity in a business-friendly atmosphere.
- We boost competition in the market place unaccepting of the status quo.
- We commit to excellence and the highest quality standards.



VISION 2025 – KEY STRATEGIES AND PRIORITIES

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

ENVIRONMENTAL STEWARDSHIP

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

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

WELL-ORGANIZED INFRASTRUCTURE

• The design of new roadways, air services and waterways as well as the enhancement of existing transportation routes are essential.

• Architecture of utilities including water, fiber, electricity, sewage and other public services are imperative.

ECONOMIC, GEOGRAPHIC AND SEASONAL DIVERSIFICATION

• Foster a long-term relationship amongst ecology, technology and economy, promoting the equitable sharing of resources and reducing conflicts.

• Because the tourism-related sector is so dominant, things we do that help or hurt this sector will have a far greater effect on our economy than what happens in other sectors.

• Additionally, becoming less beach-dependent and investing in infrastructure that encourages the long-term growth of other business sectors will help diversify and stabilize the overall economy.

SUSTAINABILITY

• Infrastructures that promote a natural balance, preserve biodiversity and protect our valued natural resources are solutions that benefit the land and community now and for future generations.

• Health and wellness of a community correlate to the health of a community's economy.

• Standards of excellence in service to meet and exceed the needs of the community and its safety must be upheld.

PROSPERITY

• Strategies should take into account impacts across all business sectors and strive to strengthen the relationship between small town and big beach.

• To protect the quality of life for all residents and the high-value experience for our visitors, hospitality, retirement and businesses independent of these sectors, must be able to prosper.

• Thoughtful investment in our community will attract more investment.

LEADING EDGE HEALTHCARE

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

PROGRESSIVE EDUCATION

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

COMMUNITY PLANNING

• New development and revitalization of buildings and infrastructure will enhance sense of place and quality of life.

• Ongoing and consistent enforcement of zoning and building codes and regulations will protect the health, safety and welfare of our residents and businesses.

• Infrastructure and transportation improvements will focus on creating bike-and pedestrian-friendly corridors as well as public green spaces.

MEDICAL – VISION 2025

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

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

• We must provide prompt access to our medical facilities; the difference between seconds and minutes is critical. The proposed location would provide this access for our community and would promote geographic diversification by redistributing traffic away from Highway 59.

• This state-of-the-art facility and its services would ensure our residents and visitors have access to innovative treatment specific to their needs.

• Studies have shown a direct connection between improving a community's health and improving its economy.

• Access to quality healthcare affects our ability to attract and retain employers, families and retirees. It is important to provide the necessary resources to successfully implement workplace and community wellness programs to help improve productivity and reduce health spending.

• This medical facility would provide an opportunity to create partnerships to strengthen our education ecosystem and diversify our economy by offering residency and other academic programs.

MEDICAL – STRATEGIC PLAN OUTCOMES

In 2022, the City provided funds for additional paramedics for an ambulance crew to supplement the existing Medstar private ambulance service.

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

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

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

MEDICAL – STRATEGIC PLAN STRATEGIES

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

12. The City advocated for the development and expansion of emergency health care facilities to provide residents and visitors more access to superior level services and to accommodate future growth.

MEDICAL – Accomplishments

1. In 2018 the City bought the former Sacred Heart Medical Facility for a potential free standing Emergency Department and Hospital. The City negotiated and secured tenants to operate a freestanding Emergency Department as well as expanded medical office space for specialists.
2. In 2019 the City partnered with AirMedCare Network to provide ground and air ambulance transport coverage from within Baldwin County to all Gulf Shores residents. This program eliminated virtually all out-of-pocket expenses for ambulance transport for residents.
3. In 2019 construction began on a new 140,000 square foot independent and assisted living facility called Seagrass Village. The village was completed in June 2021 and offers 71 independent living units, 8 individual living cottages and 50 assisted living units.
4. In 2021 the Freestanding Emergency Department was completed.
5. In 2022 the City hired additional paramedic staff for an ambulance crew to supplement the existing private ambulance service.

EDUCATION – VISION 2025

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

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

• This new campus and its location will support geographic diversity and the county school system's efforts to resolve overcrowding and traffic issues with our current school campus.

• This education model presents an opportunity to create nationally-recognized programs in ecology, maritime, culinary, hospitality and college preparatory specialties. These programs will enhance the education of our youth and will develop a skilled workforce to propel our local economy.

• The strategic collaboration between the City and Coastal Alabama Community College and four-year institutions will provide our citizens with a direct and affordable path to a four-year degree or vocational career without ever having to leave our community.

• Enhancing our quality of education, along with developing partnerships with respected colleges and universities, will serve as an attraction for residential retention and relocation.

• The presence of a college or university nearby will add to the cultural offerings of our area and will stimulate education industry investment and economic diversity.

• On-campus student housing can be utilized for seasonal workforce housing.

• Having a superlative education facility located in a vacation destination will support economic development by attracting educational and business conferences to bolster our shoulder season tourism.

• The reputation of providing world-class education will be invaluable for enhancing our community pride and perception.

EDUCATION – OUTCOMES

In 2017 the City of Gulf Shores supported a resolution forming a separate City School Board and City School System to include a City High School, Middle School and Elementary School in Gulf Shores. By 2022, the City School system has operated independently for three years.

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

Over the next 3 years, the construction of the Alabama Gulf Coast Center for Higher Education will be completed. The Center will be located on the Gulf Shores education campus and will provide the community with a direct and affordable path to bachelor's and master's degree programs.

EDUCATION – STRATEGIC PLAN STRATEGIES

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

EDUCATION – Accomplishments

1. The City Council appointed a Public Education Building Authority (PEBA) to assist in providing tax exempt bond financing for new and improved education facilities in 2016. The PEBA approved bond funding for the new Auburn Vet Facility and Campus in 2017 and construction was completed in 2018.

2. The City Council assembled approximately 225 acres at the intersection of Coastal Gateway Boulevard and the Foley Beach Express for a public education facility recruitment and location. Construction was completed in 2018 on the new Auburn University Vet Facility educational complex adjacent to the planned Coastal Alabama Center for Education Excellence campus.
3. The Mayor appointed and worked with a primary and secondary public school task force to assist the City in separating from the Baldwin County Board of Education to provide new and expanded public school facilities to meet current and future needs.
4. In 2018 the 24,000-square-foot Auburn University Educational Complex opened. The complex offers veterinary care, aviation instruction, research administration and Alabama Extension support for the region.
5. In 2019 Gulf Shores City Schools officially began as the first independent city school system in Baldwin County. The City completed over $8 million in renovations and improvements to the school campuses to enhance safety, security, vehicle and pedestrian circulation, and the overall learning environment for the school system's 2,200 students. **I**n 2020 $17 million was secured for additional City School System campus improvements. In 2022 $150 million was secured for the existing City school campus improvements and for the new high school campus.

WATERWAY DISTRICT – VISION 2025

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

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

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

• Pedestrian-friendly Waterway District established with several thriving businesses for six years now.

• The Waterway District will provide a lively destination and unique "sense of place" where locals and visitors can gather to experience a different side of Gulf Shores. Water taxis, shrimp boats, fresh seafood and produce markets, retail shops, restaurants, art galleries, music and entertainment will create a lively area to enjoy.

• The district will enhance our community's resiliency and geographic diversification by providing a new economic hub in an area away from the beach that has proven to recover quickly after storms.

• The Waterway District attracts private enterprise investment as it becomes a hotspot for arts, culture and entertainment.

• The area's pedestrian-friendly design helps to stimulate our local economy by providing residents and visitors easier access to local businesses.

• Form-based zoning will entice investment in the area as it allows for flexibility in land use and development within the district.

• The Gulf Shores Business and Aviation Park's available sites and buildings and its future expansion provide additional opportunities to diversify our economy with both aviation and non-aviation business recruitment that is complementary to our quality of life and tourism economy.

• Significant marketing efforts are underway targeting aircraft maintenance, overhaul and repair services to add to an already diverse mix of seafood, environmental and service industries located in the park.

• The airport's proximity to the Waterway District, combined with potential future connections to the Baldwin Beach Express, provides new opportunities for economic growth capacity and community-based economic development.

• Saunders Yachtworks, a high-end yacht service company located on the Intracoastal Waterway near the Business and Aviation Park, has proved to be a significant contributor to the area's non-tourism economy and serves as an example of the potential business opportunities presented along this corridor.

WATERWAY DISTRICT – OUTCOMES

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

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

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

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

WATERWAY DISTRICT – STRATEGIC PLAN STRATEGIES

1. The City will work to strengthen its relationship with Waterway Village business owners and will explore the possibilities of developing a special tax district to support new capital improvements and marketing for the area.
2. The City will continue to encourage public-private partnerships for the adaptive reuse and revitalization of properties within Waterway Village South.
3. The City will provide support for special events and programs to help attract residents and tourists to Waterway Village.
4. The City will encourage development and redevelopment within Waterway Village North by completing streetscape and destination identity signage improvements.
5. The City will explore opportunities to construct a new roadway connecting Waterway East Boulevard and the Business and Aviation Park to Cotton Creek Drive to provide new economic development opportunities in the area.

6. The City will evaluate and assist with long term public parking needs to stimulate desired development and redevelopment within the district.
7. The City will identify and recruit targeted industries to create a more diversified and sustainable economy.
8. The City will establish and implement effective economic development strategies to encourage development within the Business and Aviation Park.
9. The City will seek Army Corps of Engineers approval for a linear park that will include a bulkhead and boardwalk along the Intracoastal Waterway. Pending approval, the City will research grants and available financial programs to fund the development, operation and maintenance of the park.
10. The City will support the extension of East 20th Avenue to connect with Canal Road to create a quainter and more pedestrian-friendly area surrounding Waterway Village South.

WATERWAY VILLAGE – Accomplishments

1. In 2019 the City fostered the creation of the Waterway Village Merchant's Association to encourage long-term growth of the District's business sector.
2. BUILD Grants have been awarded for the purpose of providing better transportation solutions and new economic development opportunities on both the north and south sides of Waterway Village.
3. City staff have organized a business advisory group of Waterway Village business owners for better communication, coordination and continued expansion of events and activities aimed at growing the district.
4. Successfully recruited the area's first craft brewery, Big Beach Brewing Company, which opened in October 2016.
5. In 2015 the Business and Aviation Park was designated as an Alabama Advantage Site and new master plan and zoning ordinances were updated to help attract new, targeted economic development prospects that will result in more diversified economic growth and additional jobs within the city.
6. In 2018 the City and Baldwin County Economic Development Alliance successfully recruited Resicum International to relocate its corporate headquarters and construct an aerospace MRO facility at Jack Edwards National Airport.
7. In 2021 the City completed construction on the final phase of the Commerce Drive loop within the Business and Aviation Park. This roadway and utility expansion provides access to over 40 acres of industrial property bordering Jack Edwards National Airport and renamed the airport the Gulf Shores International Airport.
8. In 2021 the Gulf Shores Airport Authority broke ground on an air traffic control tower and commercial flight terminal at Gulf Shores International Airport to further efforts to establish regional commercial flights to and from Gulf Shores.
9. In 2022 The Gulf Shores Airport Authority entered into a public-private partnership with TBI/Vinci Airports for the construction and operation of interim and permanent passenger terminal facilities to accommodate commercial air service at Gulf Shores International Airport.

GULF STATE PARK – VISION 2025

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

PROPOSAL:

1. Proper and sustainable enhancement and protection of state park land will attract outdoor enthusiasts, photographers, academics and conservationists to appreciate our distinct bionetwork. The opportunity to be immersed in our unique surroundings will help to inspire the conservation and preservation of our environment.

2. The City will support projects to provide better access from the Baldwin Beach Express to the beach in an effort to help connect visitors to Gulf State Park.

3. Environmental improvements include an environmental research and education facility for Alabama students, trail development and enhancement in the park, dune restoration along the park's beachfront and the establishment of a coastal ecosystems interpretive center.

• Improved roadway connections to the beach will resolve major traffic obstacles and is a primary facilitator in our ability to develop economic diversification.

• Reconstruction of the lodge and conference center stimulates tourism and strengthens opportunities for a year-round, stable coastal economy by supporting local jobs and introducing a new market of conference attending visitors to our area. Construction on the lodge and conference center began in 2016 and was completed in 2018.

• Enhancements in the Gulf State Park will invite locals and visitors to become ambassadors for the Alabama Gulf Coast. RESTORE Grant funds were received by the Gulf State Park for an interpretive learning center.

• The opportunity to work with Jean-Michel Cousteau's Ocean Futures Society would align the City with a prestigious international initiative in the field of environmental development and preservation, enhancing the City's ecological and educational reputation in the market.

• Strategies to develop educational opportunities include outdoor classrooms to be utilized by our forthcoming academic campus, as well as students from throughout the nation, public excursions for visitors, coastal training and professional development.

GULF STATE PARK – STRATEGIC PLAN OUTCOMES

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

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

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

GULF STATE PARK – STRATEGIC PLAN STRATEGIES

1. The City will advocate the development of local environmental programs and initiatives to help support environmental improvement projects within Gulf State Park.

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

GULF STATE PARK – Accomplishments

1. The State of Alabama completed construction of a 350 room Hilton-branded lodge, 180 seat restaurant and 40,000 square foot conference facility.
2. Over 9 miles of new pedestrian- and bike-friendly trails were completed within Gulf State Park.
3. Installation and programming of Highway 59 adaptive traffic signalization was completed in 2015.
4. The City completed new 8-foot sidewalks and access management along both sides of Highway 59 from Fort Morgan Road to Beach Boulevard in 2017. These projects combined are projected to increase traffic capacity on Highway 59 by 18%.
5. A new Master Plan for Gulf State Park was completed in 2016 which identified new and enhanced facilities and programs for residents and visitors to enjoy.

GULF BEACH DISTRICT – VISION 2025

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

PROPOSAL:

1. Revitalize our beachfront with the development of a quaint, landscaped boulevard that will reroute tourism traffic further from the coastline.

2. Design and construct a contemporary beachfront that is pedestrian and bike-friendly with access to beachfront dining, shopping and entertainment.

3. Connect the Gulf Beach District to Waterway Village with a pedestrian and bike-friendly route.

• This plan will rejuvenate the face of our community by enriching the experience to live, work, play and connect at the beach.

• A captivating and engaging beachfront will further instill pride with residents that love to live here and visitors that love to visit here, creating an elevated reputation of the community.

• The new Gulf Beach District takes maximum advantage of the entire half mile of city-owned beachfront.

• A pedestrian-friendly beachfront reinforces the community "sense of place," providing a walkable community that is welcoming, safe and accessible.

• Storm damage recovery is lessened by rerouting major roadways farther north from the coastline.

• Walkable communities, including sidewalks and bike paths, are proven to increase property value and contribute to the local economy.

• The diversion of traffic from the beach along with the development of walkable, pedestrian-friendly corridors and the introduction of beach shuttles anticipates the desires of the population and positions Gulf Shores as a progressive beachfront community.

GULF BEACH DISTRICT – STRATEGIC PLAN OUTCOMES

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

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

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

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

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

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

Over the next 3 years the City of Gulf Shores will encourage public-private partnerships to facilitate increased economic development throughout the Gulf Beach District.

GULF BEACH DISTRICT – STRATEGIC PLAN STRATEGIES

1. The City has completed and will continue to implement improved pedestrian and bicycle-friendly routes to connect the Gulf Beach District to various areas of the city including, but not limited to:
    a. Gulf Beach District to the Waterway District (completed)
    b. Gulf Beach District to the Gulf State Park Lodge and Conference Center (completed)
    c. Gulf Beach District to destinations north of the Intracoastal Waterway
2. The City will research the feasibility of the development of a trolley and other public transit options to improve access to and from the Gulf State Park Lodge and Conference Center, Waterway Village and other locations throughout the city.
3. The City has completed and will continue to implement pedestrian-friendly beachfront improvements that take advantage of the numerous public beach areas and provides a welcoming, safe and accessible environment.

4. The City will review and implement appropriate zoning revisions to ensure all new developments or redevelopments are of the appropriate size and scale to enhance its established Small Town, Big Beach brand.
5. The City will encourage small business growth within the Gulf Beach District by completing the Gulf Place Revitalization Project, providing additional public parking and other infrastructure improvements.

GULF BEACH DISTRICT – Accomplishments

1. In 2015 the Beach Litter Program was implemented by the City Council which established enforcement protocols, clean up/recycling operations and a beach enforcement officer program.
2. In 2016 the City of Gulf Shores partnered with the City of Orange Beach, Gulf Shores and Orange Beach Tourism and the Gulf State Park to develop and implement the "Leave Only Footprints" ordinance which requires the removal of all items from the beach daily. This program resulted in cleaner, safer and more environmentally-friendly beaches for residents and visitors to enjoy. The City secured grants and constructed new beach access facilities at West 10th and West 12th Streets. Also in 2016, the City Council adopted a new Gulf Place Master Plan and the first phase of construction is completed.
3. In 2019 the City of Gulf Shores completed the last phase of the Gulf Place Revitalization.
4. In 2019 the City partnered with ALDOT and the Gulf State Park to implement transportation improvements to better accommodate eastbound traffic (currently 22% of all traffic utilizes the W.C. Holmes Bridge) to the State Park and Orange Beach.
5. In 2019 the City secured grants and partnerships with ALDOT to provide 4 miles of new 8' sidewalks and 5' bike lanes, 8 new signalized pedestrian crosswalks and 1.5 miles of landscaped medians along Beach Boulevard from Gulf State Park to West Lagoon Drive. Work was completed in conjunction with ALDOT resurfacing in winter 2019.
6. In 2022 permits were issued for a new hotel with conference room space to be built on Beach Boulevard.

SUMMARY OF THE FISCAL YEAR 2023 BUDGET
Significant Budget Items and Trends

At the October 19th, 2022 Finance Committee meeting, the City of Gulf Shores budget was presented to the Council by Department with a breakout of Fixed Personnel and Operations Costs, Additional Personnel, and Capital Requests that contained many of the items on the Ten Year Capital Plan. A Ten Year Transportation Capital Plan was presented to the Finance Committee Members at the August 24th, 2022 Finance Committee meeting. At the September 21st Finance Committee meeting personnel requests for 2023 were considered.

Employee Pay Adjustments - In the 2023 Budget, $440,283 in City General funds were set aside for merit increases based on annual review of either a 2.5% increase for exceptional employees or a 1.5% increase for above average performing employees. Also in the 2023 Budget, $920,000 was set aside for a Wage Index Adjustment of 4% effective the first full pay period in 2023 for employees with ratings of satisfactory on their 2022 Performance Appraisal Review (PAR).

A summary of the recommended personnel changes for the Adopted 2023 Budget are a net 4 new full-time positions and one part-time position:

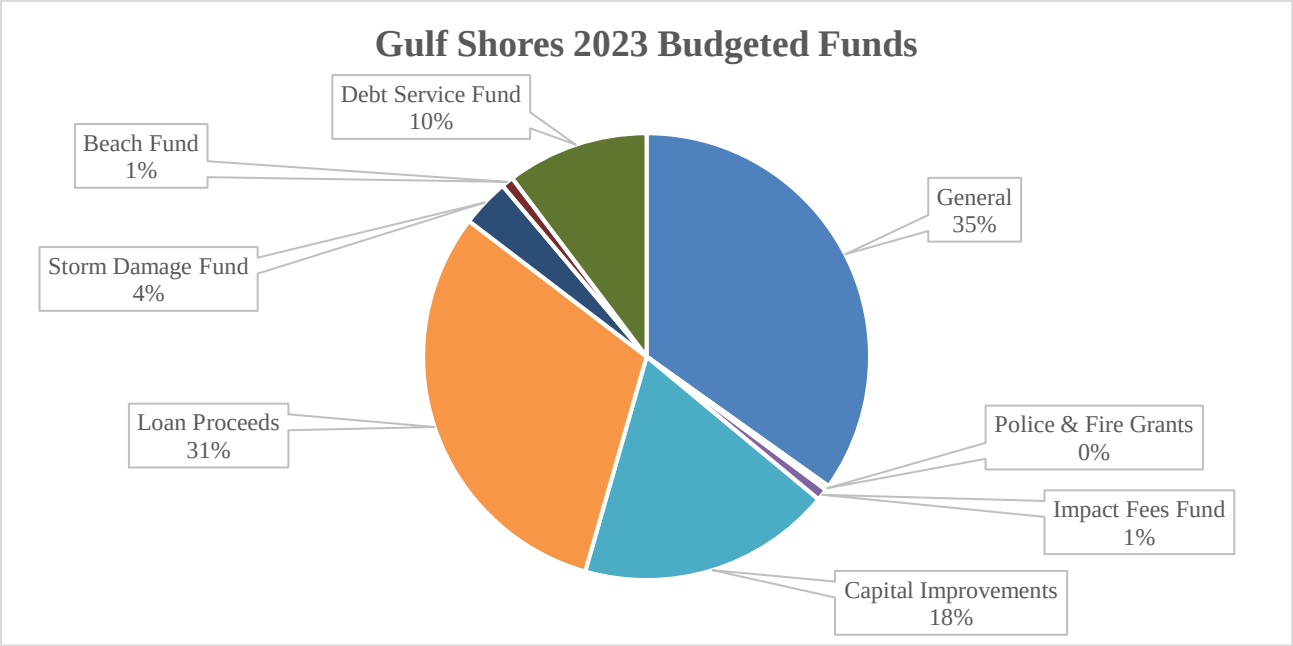
One Civilian Investigator Police
One part-time Special Operations & Training Officer Police
One Fire and Rescue Training Officer; 1 New Fire Management Analyst position, abolishing Administrative Assistant Position
One Planning Manager
One Administrative Analyst Airport

Fund Structure

The Adopted All Funds Budget for Fiscal Year 2023 is $180,566,084. This represents a net increase of $39,339,311 or 27.86% from the Amended Fiscal Year 2022 Budget of $141,226,773. General Fund Expenses increased by 4.29% or $2,588,325. A synopsis of the total All Funds Budget appropriated is as follows:

	Amended Budget 2022	Adopted Budget 2023	Increase (Decrease)	% Change
General	60,339,128	62,927,454	2,588,325	4.29%
Special Revenue	200,000	0	-200,000	-100.00%
Police & Fire Grants	562,000	590,000	28,000	4.98%
Impact Fees Fund	2,675,900	1,551,000	-1,124,900	-42.04%
Beach Restoration & Projects	1,722,529	1,581,092	-141,437	-8.21%
Capital Improvements Fund	14,016,075	33,214,025	19,197,850	136.97%
Storm Damage Fund	5,418,000	6,277,027	859,027	15.86%
Capital Projects Taxable	31,711,989	48,116,434	16,404,445	51.73%
Debt Service Fund	18,121,152	18,544,505	423,353	2.34%
Capital Projects Non-Taxable	5,560,000	7,764,548	2,204,548	39.65%
2018 GO Warrants	900,000	0	-900,000	-100.00%
Total	$ 141,226,773	$180,566,084	$39,339,311	27.86%

Fund Relationship - A graphic view of the 2023 All Funds Budget is as follows:



Financial Policies

The City's 2010 Adopted Financial Policy was updated October 2022 and is included at the end of the 2023 Budget document. Additionally the City adopted an Investment Policy in 2019 and is included at the end of the 2023 document following the Financial Policy. The updated Financial Policies plan to maintain reserves (fund balance) at 70% of budgeted expenditures. While ambitious, the Finance Committee thinks the 70% fund balance goal can be maintained given the growth anticipated for the City. Strong fund reserves are needed due to the possibility of a weather-related event and to offset any potential pension liability. A minimum of two months operating reserves of approximately $7.3 million are needed as well as $1.3 million per week to pay for contract debris removal based on the last major storm the City had (plus inflation estimate of 30% over the eighteen year period since Hurricane Ivan occurred). Following the last major weather event it took almost two months for receipt of any federal assistance. On September 16th, 2020, Hurricane Sally, a Category 2 hurricane, hit Gulf Shores. Preliminary Damage estimates for Hurricane Sally were $14.5 million. The City took steps to be prepared in the event federal assistance is slow to be received following a storm and is poised to easily front the payments with its lines of credit until the federal and state matches are received.

The Finance Committee in 2013 requested a longer term look at revenues, expense and reserve funds in line with the 10 year Capital Plan. Revenues, expense and reserve fund trends projections were updated in 2022 for a 10 year period with assumptions for growth more heavily weighted towards growth close to current experience at 3% to 2032 based on growth projections closer to recent experience. Personnel expenses were also projected to grow at 3%, Operations at 2%, rolling stock Capital 2% and Debt Service based on actual debt schedules. Expense projections are in line with the City's conservative spending patterns.

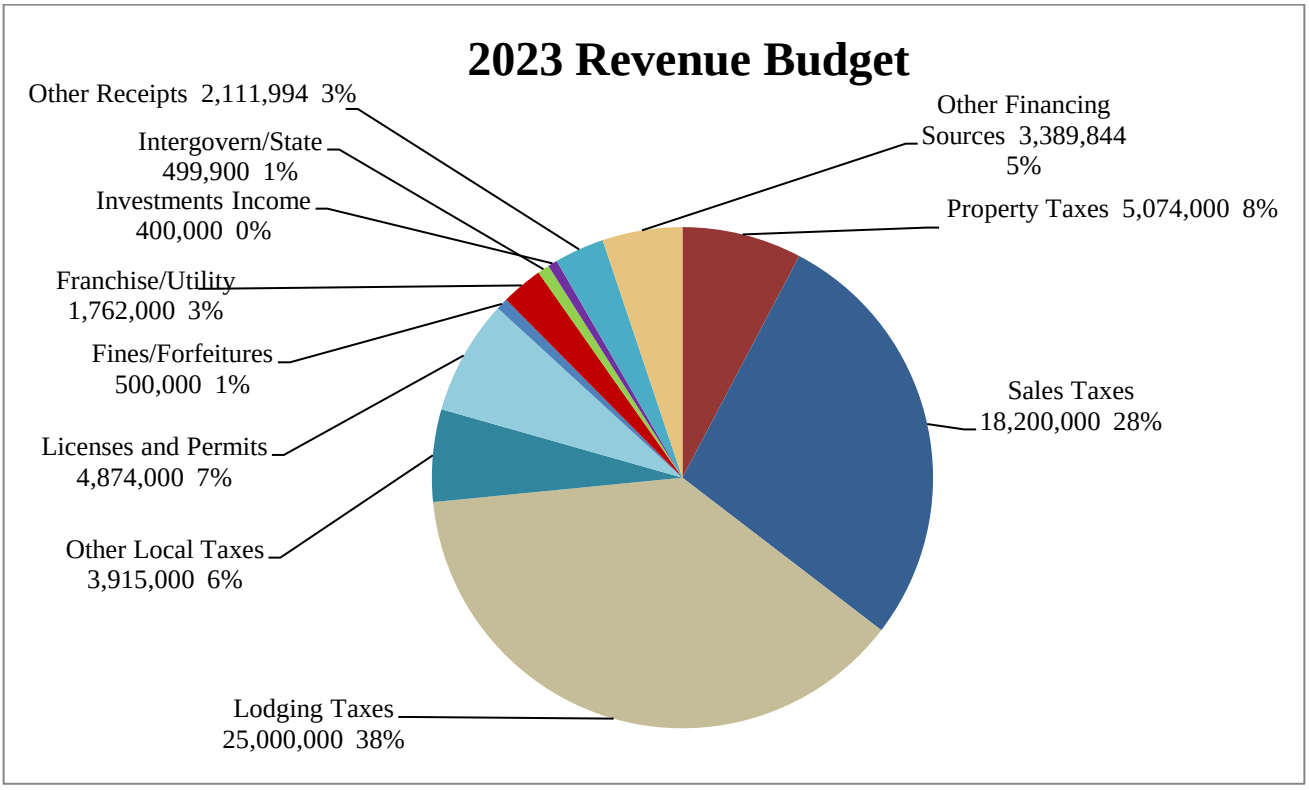
Annually the Finance Committee reviews the 10 year Revenue, Expense and Reserve funds usage projections. Modifications are made as needed and various debt scenarios are included in the projections to see how the debt would impact reserve funding and whether the established 70% annual reserve target increase can be maintained. In 2023 the Debt Service Fund is 30.6% of the General Fund. In 2023 current debt service levels increased by $10

levels increased by $10 million. In early 2022 the City issued $150 million term debt for City School Improvements at the existing campus as well as the planned high school campus to further advance Education goals of the Vision 2025 Strategic Plan. Also in early 2022, the City issued $47 million nontaxable borrowed funds for a new Justice Center, a City Park off Coastal Gateway and for Fire Station/Training Tower improvements.

Revenue Trends

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

	Revenue Budget 2023	**% of Budget**
Property Taxes	5,074,000	7.7%
Sales Taxes	18,200,000	27.7%
Lodging Taxes	25,000,000	38.0%
Other Local Taxes	3,915,000	6.0%
Licenses and Permits	4,874,000	7.4%
Fines/Forfeitures	500,000	.8%
Franchise/Utility	1,762,000	2.7%
Intergovernmental/State	499,900	.8%
Investments Income	400,000	.6%
Other Receipts	2,111,994	3.2%
Other Financing Sources	3,389,844	5.1%
Total	**65,726,738**	100%



Property, Sales, Lodging, and Other Local Taxes comprise 79% of the total General Fund Revenues and are very dependent on tourism income. The beaches are beautiful and with rebounds from COVID-19 and reconstruction due to Hurricane Sally, the City continues to experience tremendous revenue growth.

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

Long-Range Financial Planning

The Finance Committee regularly reviews projections for City Revenue, Expenditures and Reserve Fund balance in order to prepare for future years' budgets. Revenues are projected for ten years based on the latest data available for local economic trends. Out years revenues are projected at 7% for 2024, 4% for 2025 and 4% growth per year thereafter. Expenditure growth is projected on a conservative basis as the revenue projections are at an average 3% annually. Debt Service, as a percentage of total Revenues and Expenditures, is also projected for ten years within a range acceptable to the Finance Committee. Reserves are planned to remain at or above a target level of 70% of expenditures.

Detailed analysis of Debt Service by issue are presented to the Finance Committee during the year. Graphs are updated showing debt service expenditures by year until retirement, as well as total outstanding principal balance by year at year end. Currently the longest debt service is scheduled to be retired in 2042.

Each year the ten year capital plan is updated. Capital plans for rolling stock and equipment for the upcoming fiscal year are based on City-wide need, and funding is determined by the annual allocation set aside for capital purchases. City Department Heads were asked to create an out year budget along with their budget for 2023 in order to identify future funding needs. Capital Outlays were requested for a ten year period beginning in 2023, and in July the Department Heads completed on the Ten Year Capital Outlay Plan reviewed by the Finance Committee. Ongoing maintenance costs for vehicles and equipment were considered prior to recommendation for replacement.

Capital Expenditures

Capital Outlay for equipment, vehicles, a City signage program, transportation and City facility improvements were included in the Ten Year Capital Outlay Plan for 2023, enabling the City to replace worn out equipment and vehicles with less ongoing maintenance costs as well as maintain City assets. Cost savings on maintenance of older vehicles and equipment will offset some of the expense in 2023. Capital asset thresholds for the City are shown on the next page:

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

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

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

CONCLUSION

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

Respectfully submitted,

Steve Griffin, City Administrator

Cynthia King, Director Finance & Administrative Services

Basis of Budgeting

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

Budget versus Actual

	Budget	Actual
Revenues	Same	Same
Expenses * except for Encumbrances voided at 12/31	Same	Same
Encumbrances Voided at 12/31	$690,636	$400,972
Depreciation- PEBA Fund	$0	$229,095

All about Gulf Shores, Alabama

Government

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

More Facts

- Gulf Shores is a world-class all-seasons resort area on the white sandy beaches of the southern tip of Baldwin County, Alabama on the warm waters of the Gulf of Mexico.
- Gulf State Park is 6,150 acres of land partially located in Gulf Shores with 28 miles of paved trails for hiking and biking. The park includes 2.5 miles of white sand beaches, a 496 site campground, plus both fresh and saltwater fishing and swimming.
- The tourist boom in Alabama came in the early 1970s following the construction of Interstate 65, sparking development.

Geographic Characteristics of Gulf Shores, Alabama

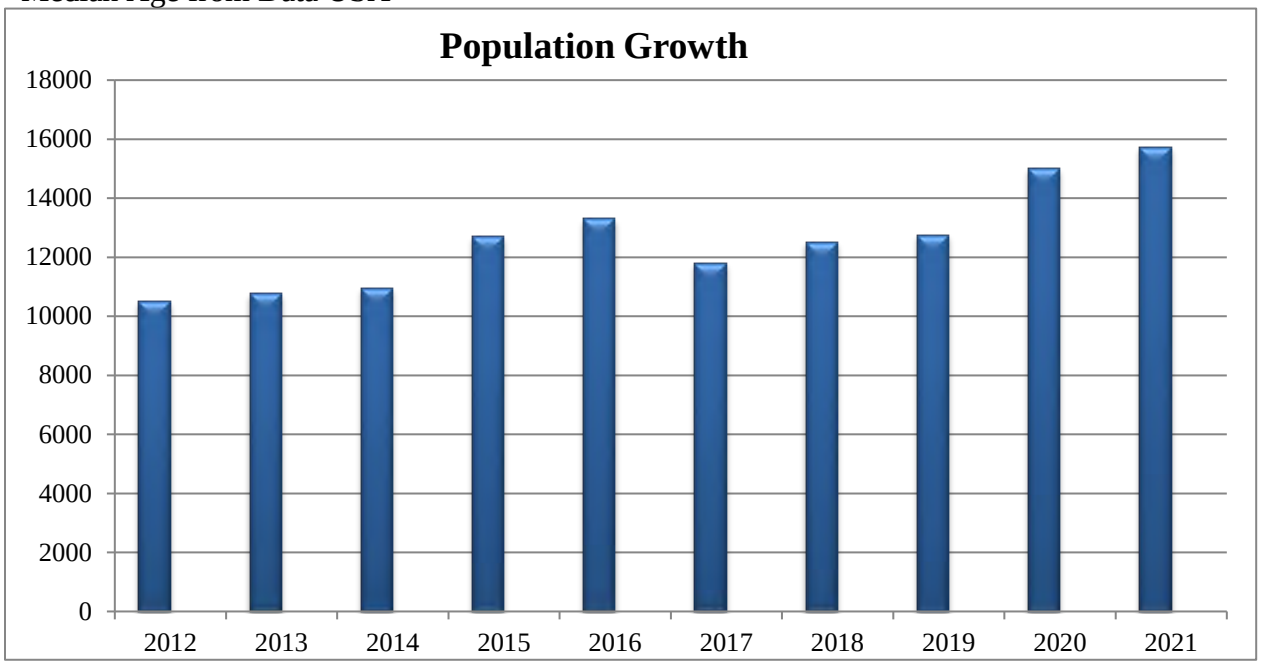
	Square Miles	Climate	Topography
Land Area	28.28 Square Miles		
Water Area	4.76 Square Miles		
Average Annual Temperature		69 Degrees	
Average Annual Rainfall		61.57 Inches	
Elevation			8 Feet

Land Use Type	Dev Status	LU Type %
AGRICULTURAL		4.52%
COMMERCIAL	DEVELOPED	6.25%
COMMERCIAL	UNDEVELOPED	6.40%
INDUSTRIAL	DEVELOPED	3.97%
INDUSTRIAL	UNDEVELOPED	2.42%
MIXED USE	DEVELOPED	12.48%
MIXED USE	UNDEVELOPED	6.35%
MULTI FAMILY	DEVELOPED	3.24%
MULTI FAMILY	UNDEVELOPED	0.86%
OPEN SPACE		26.33%
RESIDENTIAL	DEVELOPED	24.00%
RESIDENTIAL	UNDEVELOPED	3.18%
		100.00%

Demographics

Age, Race & Gender Composition	
White	93.5%
Hispanic	4.3%
Black	.3%
Asian	1.8%
Female	54%
Male	46%
Persons Under 5 Years	1.5%
Persons under 18 Years	12.3%
Persons 65 Years & Over	23.6%
2022 Median Age is 50.6 Years*	

The table above depicts information related to the population of Gulf Shores, Alabama.
Figures based on US Census Bureau Quick Facts as of July 1, 2021.
*Median Age from Data USA



Source: US Census Bureau Population Estimates, 2012 through 2021

Gulf Shores, Alabama population has increased by 43% during the past ten years.

The 2021 population estimate of 15,736 is 4.8 percent more than the 2020 estimate of 15,014.

Economic Highlights

Top Ten Employers in Gulf Shores, Alabama

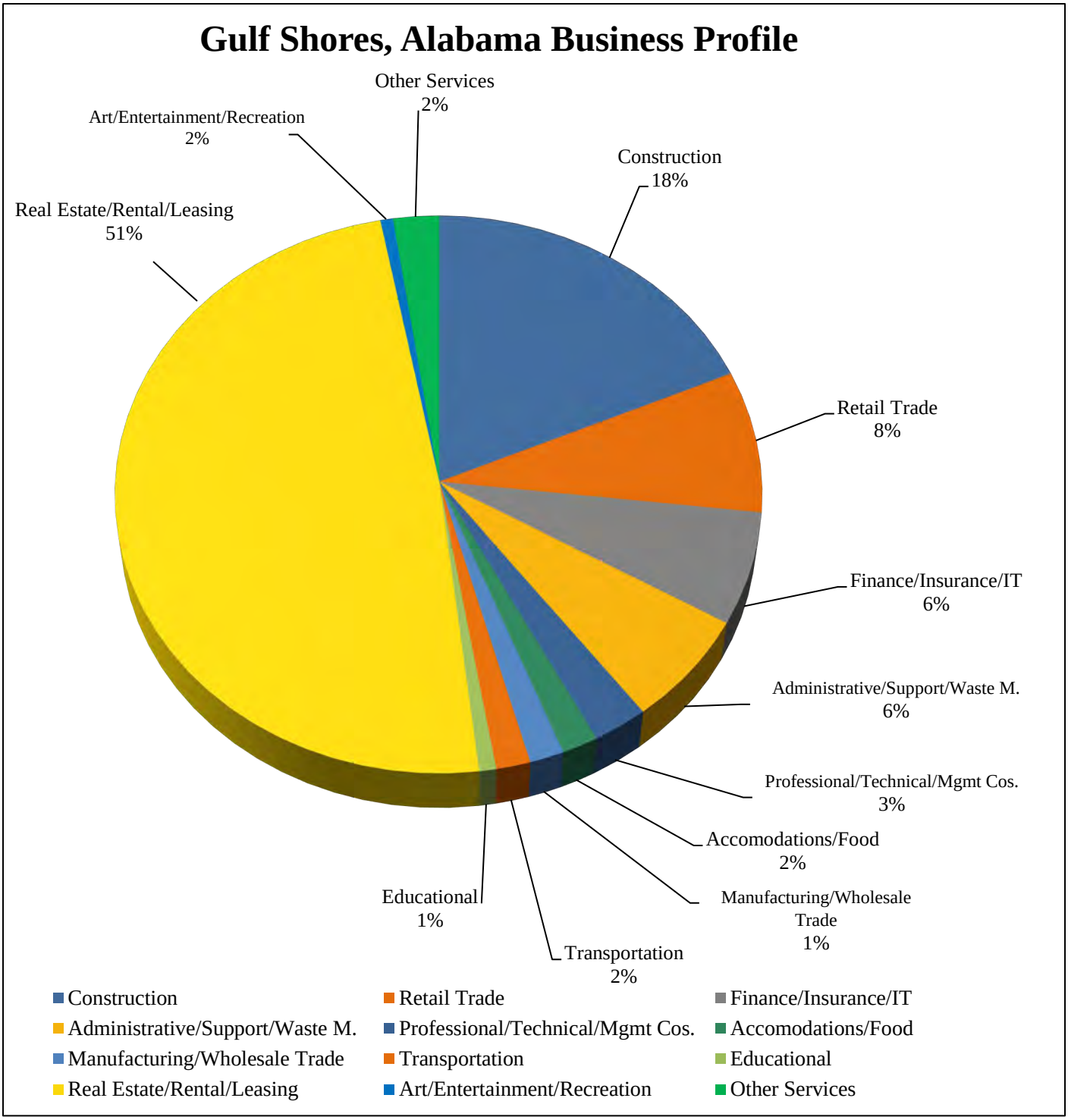
	Employer	Total Employees	FT	PT
1	The Hangout	600	245	355
2	City of Gulf Shores	328	284	44
3	Wal-Mart	305	255	50
4	Gulf Shores City Schools	265	245	20
5	Lulus Landing	250	135	115
6	Waterville	225	10	215
7	The Lodge at Gulf Shores	215	185	30
8	Rouse's Enterprises	200	200	0
9	Publix Alabama	135	80	55
10	Gulf State Park	108	90	18

Gulf Shores licensed 9,443 businesses in 2022

Per Capita Income within Gulf Shores in 2020 was 1.7% lower than the United States level.

	2020
United States	**$35,384**
Gulf Shores	**$34,792**

Source: US Census Bureau Quick Facts July 1, 2021


Gulf Shores, Alabama Business Profile
Other Services 2%
Art/Entertainment/Recreation 2%
Construction 18%
Real Estate/Rental/Leasing 51%
Retail Trade 8%
Finance/Insurance/IT 6%
Administrative/Support/Waste M. 6%
Professional/Technical/Mgmt Cos. 3%
Accomodations/Food 2%
Manufacturing/Wholesale Trade 1%
Transportation 2%
Educational 1%
Construction
Retail Trade
Finance/Insurance/IT
Administrative/Support/Waste M.
Professional/Technical/Mgmt Cos.
Accomodations/Food
Manufacturing/Wholesale Trade
Transportation
Educational
Real Estate/Rental/Leasing
Art/Entertainment/Recreation
Other Services

Housing Statistics

Current units from Planning Department 8/10/2022:

Single Family Units	6,027
Condos	6,898
Multi Dwelling Units / Apartments	1,440
Other (duplex, townhome, mobile home)	450
Total	**14,815**

Owner-Occupied	57.9%
Seasonal, Recreational or Occasional Use	8,578

Source: US Census Bureau Quick Facts

Owned Homes, Apartments and Condos

Average Household Size	2.07
Median Value of Occupied Units	$254,500

Rented Homes, Apartments and Condos

Median Monthly Rent Asked for Vacant Units	$1,102

Service Statistics:

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

Public Safety 2022

Fire Protection		Police Protection	
Fire Stations	4		
Lifeguard Station	1	Primary Patrol Districts	3
Sworn Employees	67	Sworn Employees	55
Civilian Employees	21	Civilian Employees	25
Beach Division Seasonal	34		

Park, Recreation & Cultural Affairs

Developed Park Properties

Neighborhood Parks	2.	Community Park	1
Regional Parks	2	Sports Park	1
Skateboard Park	1	Dog Park	1
Special Use Parks	4		

Special Use Facilities

Auditorium	1	Civic Center	1
Library	1	Museum	1
Adult Activity Center	1		

Recreational Facilities

Recreation Centers	2	Gymnasiums	2
Swimming Pools	2	Play Grounds	3
Hard Tennis Courts (Lighted)	12	Pickleball Courts(Lighted)	12
Soft Tennis Courts (Lighted)	6	Multi-Purpose Fields	5

Baseball/Softball Fields 13	Football Stadium.....1
Beach Volleyball Courts.....6	Outdoor Basketball Courts…….3
Horseshoe Pits.....10	Bocce Ball Court…….....2
Boat Launches.....3	Shade Structures…….....6
Trails (miles)	
Multi-Use Paths……..…..18	Bike Lanes……10.96
Sidewalks……..……...38.26	Combination Paths……..4

Highways and Streets

Miles of Streets Maintained……..…90.5

Streetlights 2,670

Traffic Signals.....27

Educational System

Elementary School 1	Private Elementary School…1
Middle School.....1	Private Middle School……...1
High School 1	Private High School……...1
Day School (ages 2-5).....3	Private Day School (2-5)…...1
Community College 1	

Historic Sites

Callaway Home – Registered Historic Home	Fort Morgan
Camp Withers – Historic Marker	Knob Hill – Historic Marker

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 2023

City of Gulf Shores, Alabama Budget 2023

Fund/Department Cross Reference Table

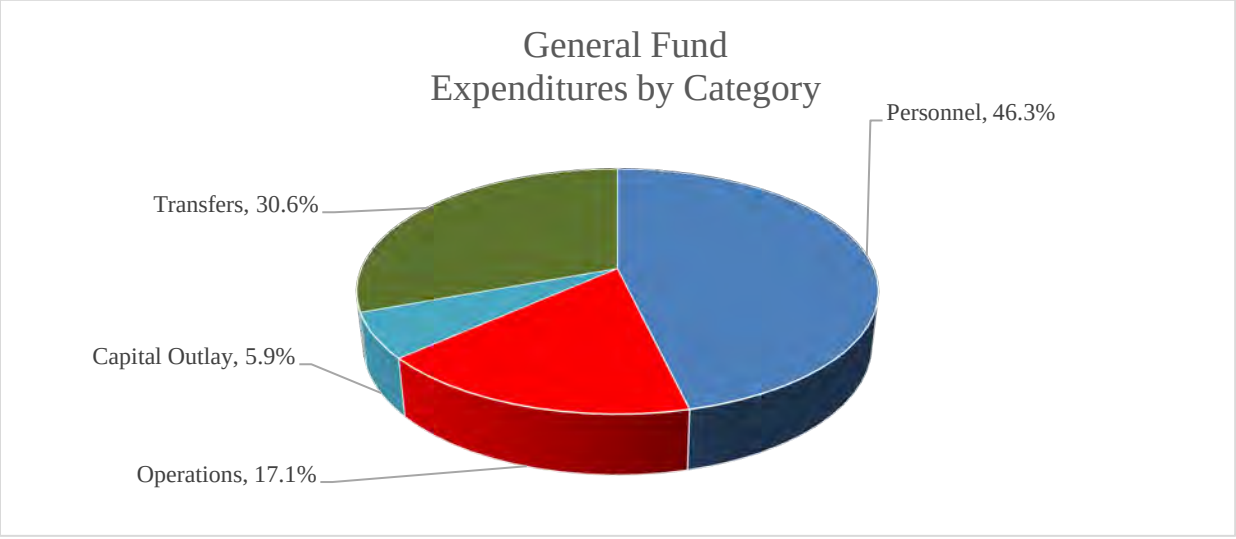
Department/Division	FUND					
	General	Special Revenues	Police & Fire Grants	Impact Fees	Beach Fund	Debt Service Fund
Executive	**X**					
Human Resources	**X**					
Finance & Administrative Services	**X**					
Municipal Court	**X**	**X**				
Police	**X**	**X**	**X**	**X**	**X**	
Fire & EMS	**X**		**X**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

Fund Description

A fund is a fiscal and accounting entity with a self-balancing set of accounts that records all financial resources and liabilities which are segregated for a specific purpose, activity or objective. For 2023 the City of Gulf Shores has the following funds: General, Police & Fire Related Grants, Impact Fees, Beach Restoration & Projects, Capital Improvements Fund, Storm Damage Fund, Non-Taxable Warrant Fund, Taxable Warrant 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 is a governmental fund, as are all the City funds with the exception of the Beach Restoration and Projects Fund. The General Fund expenses provide services to the City population and represents expenditures for governmental services normally associated with government (i.e. public safety, streets, parks, recreation facilities). General Fund revenues consist of approximately 79% Taxes and 7% Licenses and Permits. Less than half (46.3%) of the General Fund expenditures are related to salaries. Transfers for Debt Service make up 30.6% of the General Fund Budget and is used to pay for transportation and school improvements. In 2023 another $2 million, representing 3.2%, of the General Fund for school expenses has been budgeted. Operational costs comprise 17.1% of the General Fund expenditures and Capital is 5.9% of the General Fund Expenditures. Capital Outlays in the General Fund Building Department are related to Alabama Department of Environmental Management (ADEM) expenditures. General Fund expenditures by Category are shown in the following graph.



Fund Balance: Cash reserves are sufficient to maintain solid financial strength for future years. In 2020 additional funds of $12 million were added to the reserves – well in excess of the City's reserve target. In 2021 the fund balance was reduced by $5,243,442 for advance debt payments. The City is in compliance with the City's updated City Financial Policy adopted in 2021 with the passage of the 2022 budget. The 2021 City Financial Policy requires a General Fund cash reserve equal to seventy percent for 2022. General Revenue fund reserves in 2022 will comprise 35% of the General Fund Operating Budget and a Beach Reserve equivalent to 35% of the General Fund Budget. In 2021 the City was able to maintain 70% of the General Fund target level of reserves needed of $23,225,082 (35%) and to the Beach Reserves $23,225,082 (35%) in order to sustain operations during fluctuations of the revenue streams. Total reserve funds target for 2023 is $46,008,717 million or 70% of the General Fund Budget revenues of $65,726,738.

SPECIAL REVENUES

Special Revenues Governmental Funds represent 2% of city-wide Lodging Tax collections set aside to offset beach restoration and recycling expenses. The Special Revenues paid off a bond issue in 2013 for beach restoration costs. In 2021 the City stopped making the transfer of Lodging Tax to the Special Revenue Fund. These figures will remain in tables for historical reference.

POLICE & FIRE GRANTS

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

IMPACT FEES

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

BEACH RESTORATION & PROJECTS FUND

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

Beginning in 2022, a transfer from the General Fund provided funding for operations, payroll and capital needed for the beach recycling and enforcement efforts.

CAPITAL IMPROVEMENTS FUND

The Capital Improvements Fund is used to account for financial resources to be used for the acquisition and construction of major capital facilities (other than those financed by proprietary funds). In 2020 the City elected to obtain long-term debt in the amount of $17 million for the City School System. This paid off the amount drawn on the 2019-C line ($8.6 million), while leaving a reserve of $8.3 million for school capital projects. A rate modification for the line was granted, reducing the interest rate from 3.75% to 1.95% on the 2020-F $15 million line of credit. The 2020-F line of credit was closed with the issuance of the 2022-B nontaxable $47 million loan.

NON-TAXABLE WARRANT FUND

The Non-Taxable Warrant Fund consists of two sources. The 2020-D line of credit for $9.8 million at 1.99% for 5 years will be utilized for transportation projects throughout the city. The 2022-B warrant is a 20 year issue for $47 million at 2.4%. Current plans include a Justice Center, Fire training facility and a park on Coastal Gateway Boulevard to serve our residents to the north.

TAXABLE WARRANT FUND

The Taxable Warrant Fund was created for the 2016-B GO 10-year line of credit that was primarily used for the Gulf Place Revitalization Project. In 2020 the City secured long term debt for $10 million to pay off the 2016-B line, while using the remaining $2.9 million for other projects. In 2020 the City was granted a rate modification on the line, bringing the interest rate down from 2.85% to 1.98%. Additionally we were given a temporary principal increase from $13 million to $19.5 million to fund Hurricane Sally debris removal efforts until receiving reimbursement from FEMA. The line is now referred to as the 2020-E line of credit. The funds borrowed for Hurricane Sally were repaid in 2021. This fund is also used to procure land or fund improvements to real estate ventures that will be public-private partnerships.

2018-A & B GO WARRANT FUNDS

The 2018-A GO Warrant is a 20 year term debt used to pay down the 2014 GO Warrant Fund, purchase capital equipment and fund improvements to road infrastructure throughout the City. The 2018-B GO Warrant Fund is a 15 year term debt used to pay down the 2014 and 2016-B GO Warrant Funds. All funds have been used but the figures will remain in the tables for reference.

DEBT SERVICE FUND

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

Debt

A constitutional debt limit of 20% of the assessed value of the property within the city limits is in place for the City of Gulf Shores. Assessed property values for 2022 of $1,020,593,160 were received from the Baldwin County Revenue Commissioner's Office, which would result in a debt limit of $204,118,632. Our current debt limit is $163,633,564 which is based on 2021 assessed property values of $818,167,820. Debt obligations at the end of 2022 of $121,648,460 are subject to the debt limitation. School debt of $165,614,560 is not subject to the 20% debt limitation. Projected 2023 Debt Service will constitute 12.5% of total fund expenditures and 30.8% of General Fund Expenditures (transfers for debt service). Due to reliance on tourist revenue streams that are highly cyclical, debt service funds that have to be set aside limits funds available for operations.

All of the long-term debt owed by the City of Gulf Shores is in the form of General Obligation Warrants, which 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
2022	1,020,593,160	20%	204,118,632	134,517,282
2021	818,167,820	20%	163,633,564	80,532,132
2020	790,117,460	20%	158,023,492	85,905,243
2019	734,155,980	20%	146,831,196	74,930,871
2018	668,109,200	20%	133,621,840	68,065,000

As of December 31, 2022 the governmental long term debt consisted of the following:

General Obligation (GO) Warrants:

2022-A GO Warrant – Issue amount $150,000,000

The 2022-A GO is $150 million nontaxable debt at 2.34% for 20 years. The debt was issued to build a new high school and for existing campus improvements. The outstanding debt balance at the end of 2022 will be $150 million. Debt Service amount due in 2023 is $9,410,151; 2024 amount due is $9,403,924.

2022-B GO Warrant – Issue amount $47,000,000

The 2022-B GO Warrant is $47 million nontaxable debt at 2.4% for 20 years. The debt was issued to build a new Justice Center and City Park off Coastal Gateway. The outstanding debt balance at the end of 2022 will be $47 million. Only interest payments will be due on the line for the first 3 years following issuance.

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

The 2020-A GO Warrant at 1.57% refinanced $9 million 2012-C Warrants at various higher interest rates. The debt will be paid off by 2025. The outstanding debt balance at the end of 2022 will be $6,785,000. Debt Service amount due in 2023 is $2,316,525; 2024 amount due is $2,331,828.

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

The 2020-B GO Warrant is $17 million nontaxable term debt at 2.21% interest for 20 years. The 2020-B GO Warrant paid down $8,661,320 of the 2019-C School Line of Credit at 3.75% to 2026 and $8,338,680 in remaining proceeds will used for City School improvements. The outstanding debt balance at the end of 2022 will be $15,614,560. Debt Service amount due in 2023 is $1,060,852; 2024 amount due is $1,060,854.

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

The 2020-C GO Warrant is $10 million taxable term debt at 2.79% interest for 20 years. The 2020-C GO Warrant paid down the 2016-B Taxable Line of Credit at 2.85% to 2026 outstanding debt used for Gulf Place land and improvements, Gulf Coast Center for Ecotourism, Medical facility/land and HVAC unit as well as funds for a $1 million payment to the Zoo and $2 million pension liability payment. The outstanding debt balance at the end of 2022 will be $9,229,050. Debt Service amount due in 2023 is $659,170; 2024 amount due is $659,174.

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

The 2020-D GO Warrant is available for capital public and municipal purposes within the City, including in the wake of a natural disaster, such as a hurricane. To date we have not used any proceeds available on the line, but will begin drawing funds soon. The line will be utilized for various transportation projects. The line matures October 31, 2025.

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

The 2020-E GO Warrants proceeds are being used to fund public-private projects, including a free standing emergency medical facility and the Gulf Coast Center for Ecotourism. The line also funded all Hurricane Sally-related expenses for the City while awaiting reimbursement from FEMA. Projected expenses include land acquisition, transportation efforts as well as public and pedestrian access improvement; many of which will be grant-reimbursable. Non-capital storm related expenses may also be used from the line. In 2022 to date Debt Service payments of $3.7 million for principal and interest have been repaid from the General Fund. The line matures June 15, 2026. Additional principal payments may be made when funds are available and approved by the Finance Committee.

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

The 2018-A and 2018-B GO Warrants provided funds for capital vehicle and equipment purchases and various grant matches for transportation projects. Proceeds also paid off $6 million on the 2014-GO line of credit and $10.3 million on the 2016-B line of credit. The Aggregate Debt Service

(Principal and Interest) owed on the issue is $42,468,866 and is repaid from the General Fund. Debt Service amount due in 2023 is $3,068,688; 2024 amount due is $3,061,238.

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

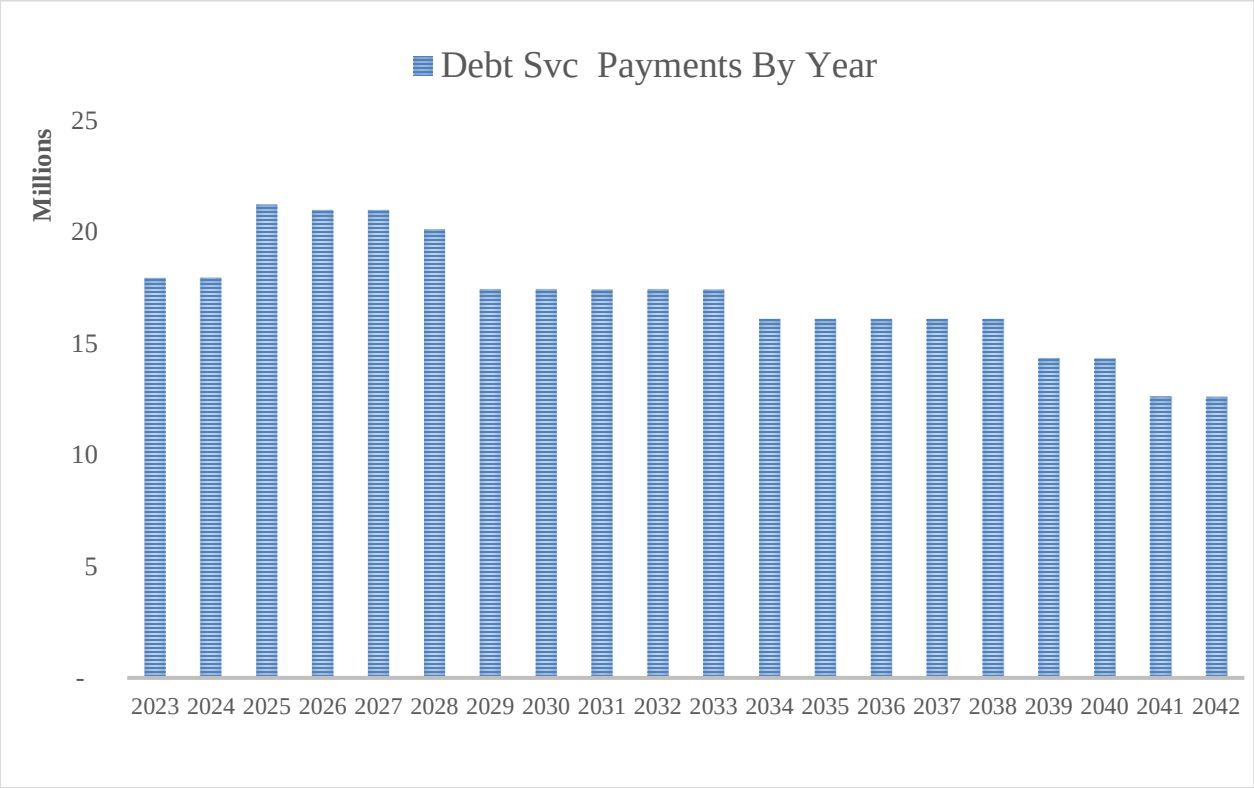
The 2017-A GO Warrants refunded the remainder of the 2008-A GO Warrants, as well as paid down $3.8 million on the 2014-GO line of credit. The Aggregate Debt Service (Principal and Interest) owed on the issue is $4,347,407 and is repaid from the General Fund. Debt Service amount due in 2023 is $870,029; amount due in 2024 is $868,494.

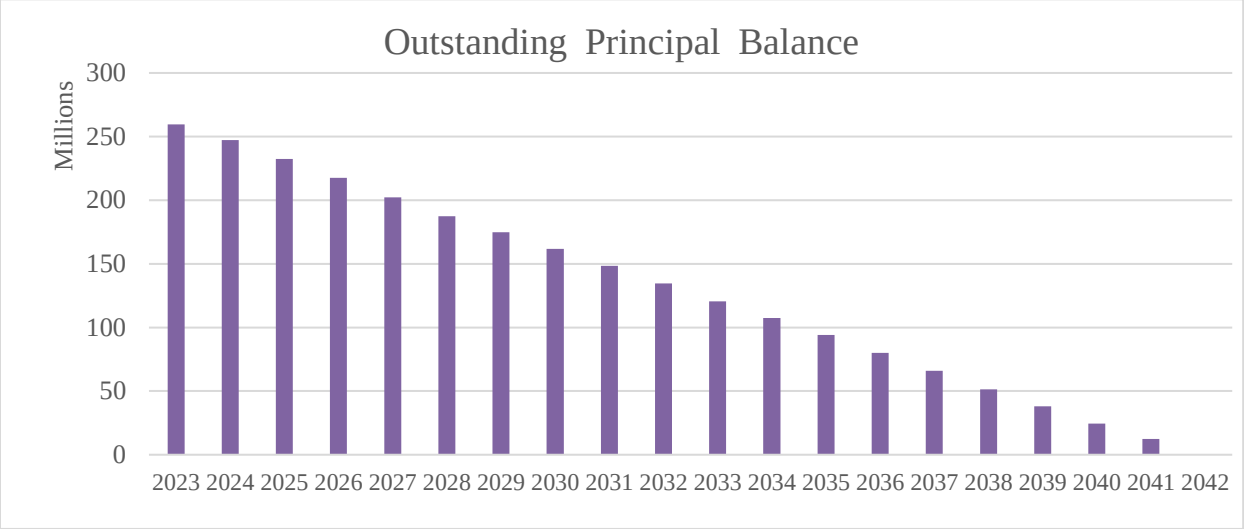
2015 GO Warrants – Issue Amount $8,830,000

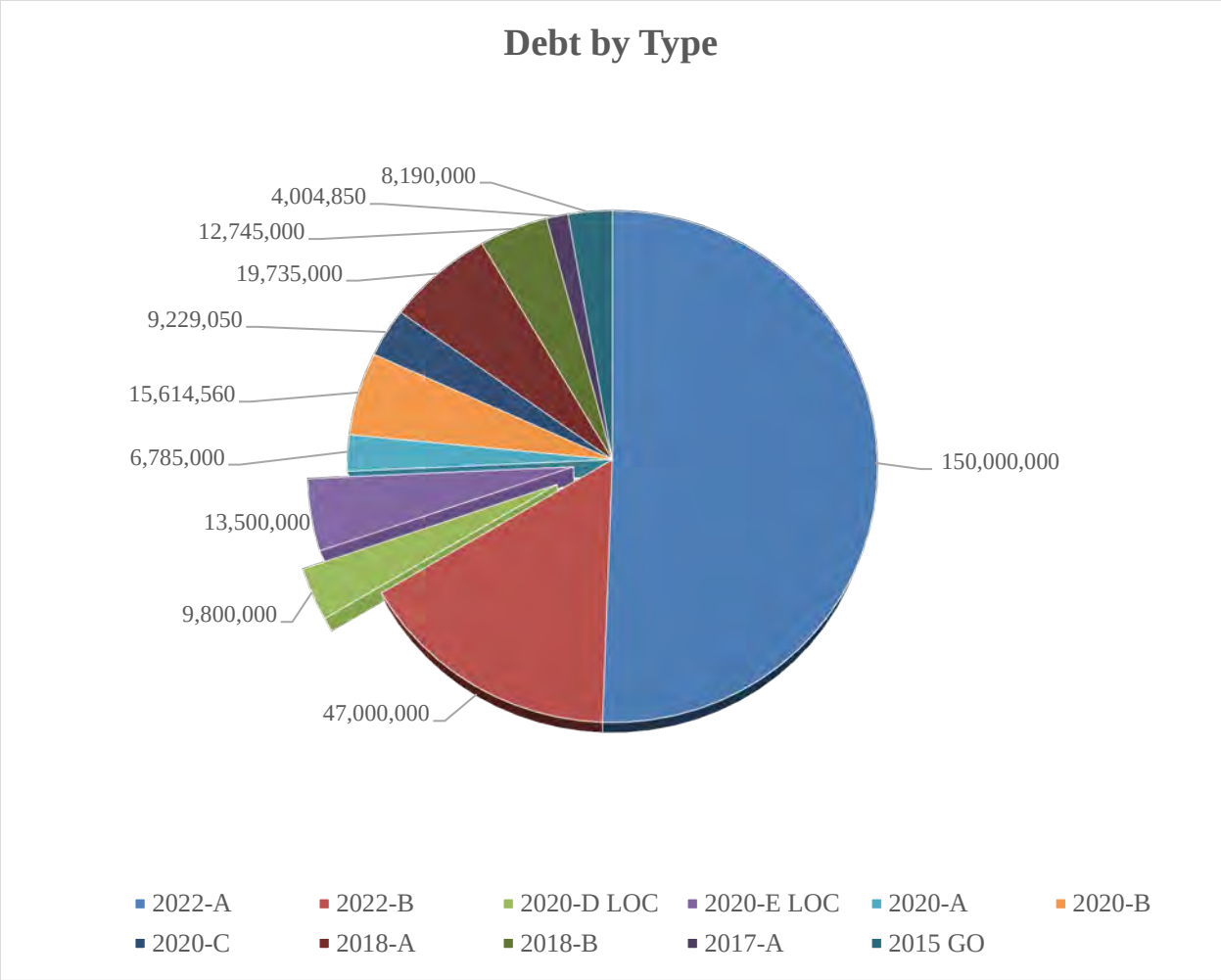
The 2015 GO Warrants refunded a portion of the 2008-A GO Warrants. The Aggregate Debt Service (Principal and Interest) owed on the issue is $9,719,160 and is repaid from the General Fund. Debt Service amount due in 2023 is $553,790; 2024 amount due is $563,990.

Debt service payments by year are as follows as of December 31st, 2022:

	Principal	Interest	Total
2023	12,010,410	5,922,260	17,932,670
2024	12,323,360	5,626,141	17,949,501
2025	14,770,875	6,448,119	21,218,994
2026	14,892,164	6,081,745	20,973,909
2027	15,330,983	5,652,525	20,983,508
2028	14,908,907	5,209,042	20,117,949
2029	12,653,996	4,775,060	17,429,056
2030	12,996,155	4,433,756	17,429,911
2031	13,340,415	4,081,837	17,422,252
2032	13,706,840	3,719,272	17,426,112
2033	14,075,471	3,345,308	17,420,779
2034	13,141,383	2,959,787	16,101,170
2035	13,489,599	2,610,891	16,100,490
2036	13,845,206	2,251,850	16,097,056
2037	14,218,240	1,882,485	16,100,725
2038	14,593,778	1,502,120	16,095,898
2039	13,231,868	1,110,885	14,342,753
2040	13,542,628	795,661	14,338,289
2041	12,145,939	472,957	12,618,896
2042	12,430,243	184,428	12,614,671
Total	**271,648,460**	**69,066,125**	**340,714,585**


Debt Svc Payments By Year
Millions
25
20
15
10
5
-
2023 2024 2025 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035 2036 2037 2038 2039 2040 2041 2042


Outstanding Principal Balance
Millions
300
250
200
150
100
50
0
2023 2024 2025 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035 2036 2037 2038 2039 2040 2041 2042



The chart above shows the amount of debt by type. The 2 Lines of Credit are shown in the extracted pie slices and represent 7.9% or $23.3 million of the total debt of $294.9 million principal owed.

City of Gulf Shores, Alabama
2023 Budget Calendar

Date	Action
July 7, 2022	Departments send submissions to build Ten Year Capital Outlay Plan. Departments view the other departments' needs and collaborated on how best to meet city-wide needs within designated resources. Finance Committee received Ten Year Capital Plan and 2023 Capital Budget Requests at the July 20th Finance Committee meeting.
July 20, 2022	Budget Preparation Instructions sent to Department Heads requested not to exceed 2022 budgeted amounts in total by Department due to annualizing positions funded in 2022, to continue to provide funds for the City School System, and pay additional debt service on $197 million issued in 2022. General Fund Budget requests should be consistent with the Vision 2025 Key Strategies and Priorities set by the Mayor and Council. Departments were asked for objective measures of progress toward accomplishing the department's mission as well as goals and objectives for specific units and programs. Objectives and measures need to be linked and outcome related.
August 24, 2022	Revenue estimates, Capital requests, 10-Year Capital update to Finance Committee.
September 21, 2022	Personnel recommendations to Finance Committee
September 23, 2022	Budget Requests due to Finance & Administrative Services Director. Requests compiled with recommendations for meeting needs with revenue sources.
September 26 to October 14, 2022	City Administrator 2023 Budget recommendation prepared for Mayor and Council.
October 19, 2022	Finance Committee reviews Budget Message and Budget Book draft
November 7, 2022	Committee of the Whole (COW) meeting for full Council review
November 14, 2022	Council Adoption of 2023 Budget

CITY OF GULF SHORES, ALABAMA

FINANCIAL SUMMARIES

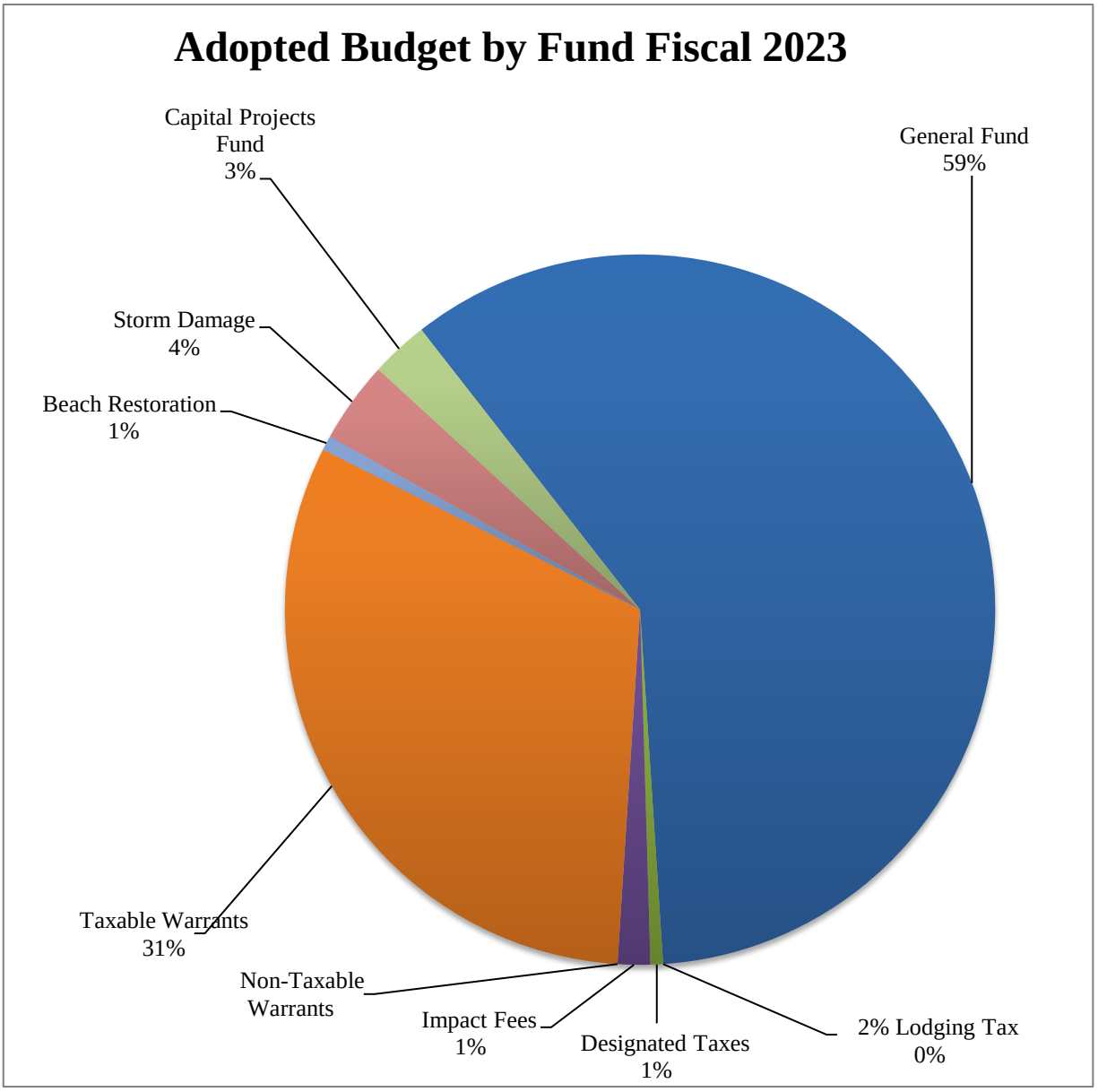
TABLES AND GRAPHS

FISCAL YEAR 2023

TABLE 1
CITY OF GULF SHORES, ALABAMA
CITY WIDE ADOPTED BUDGET
FISCAL YEAR 2023

	Actual 2020	Actual 2021	Amended 2022	Adopted 2023	Dollar Change 2022 to 2023	Percent Change 2022 to 2023
REVENUES						
General Fund	42,859,907	59,515,203	60,882,813	62,336,894	1,454,081	2.4%
Special Revenue Funds:						
2% Lodging Tax	3,977,399	2,184,122	0	0	0	n/a
Designated Taxes	608,750	708,927	567,000	595,000	28,000	4.9%
Impact Fees	1,579,816	1,987,249	2,675,900	1,551,000	(1,124,900)	-42.0%
Library Board Fund	0	15	0	0	0	n/a
Capital Projects Funds:						
Beach Restoration	614,911	872,033	670,020	685,020	15,000	2.2%
Non-Taxable Lines of Credit	0	0	0	0	0	n/a
Taxable Warrant Fund	403,017	1,484,235	24,106,937	32,917,786	8,810,849	36.5%
2018 GO Warrant	360,815	854,417	0	0	0	n/a
Capital Projects Funds	45,320	6,371	2,676,873	2,754,844	77,971	2.9%
Storm Damage	8,775,442	2,700,257	4,643,507	3,892,078	(751,429)	-16.2%
Debt Service	822	42	0	0	0	n/a
TOTAL REVENUES	59,226,199	70,312,871	96,223,050	104,732,622	8,509,572	8.8%
EXPENDITURES						
General Fund	34,742,533	38,511,138	41,484,898	43,649,871	2,164,973	5.2%
Special Revenue Funds:						
2% Lodging Tax	0	0	0	0	0	n/a
Designated Taxes	34,552	0	35,000	35,000	0	0.0%
Impact Fees	1,591,710	1,056,276	2,675,900	1,551,000	(1,124,900)	-42.0%
Library Board Fund	0	0	0	0	0	n/a
Capital Projects Funds:						
Beach Restoration	1,367,826	1,579,279	1,722,529	1,581,092	(141,437)	-8.2%
Non-Taxable Lines of Credit	0	0	5,560,000	7,764,548	2,204,548	39.7%
Taxable Warrant Fund	5,553,093	7,510,826	31,711,989	48,116,434	16,404,445	51.7%
2018 GO Warrant	9,895,969	6,460,419	0	0	0	n/a
Capital Projects Funds	15	685,000	11,339,202	30,459,181	19,119,979	168.6%
Storm Damage	11,614,929	2,121,224	5,418,000	6,277,027	859,027	15.9%
Debt Service	7,231,730	23,383,552	18,121,152	18,544,505	423,353	2.3%
TOTAL EXPENDITURES	72,032,357	81,307,714	118,068,670	157,978,658	39,909,988	33.8%
Excess of Revenues over Total Expenditures	(12,806,158)	(10,994,843)	(21,845,620)	(53,246,036)	(31,400,416)	143.7%
OTHER FINANCING						
Issuance of Debt	46,450,186	6,970,000	163,040,746	22,963,196	(140,077,550)	-85.9%
Warrant proceeds	0	0	0	30,459,181		
Current debt refunding	(26,698,823)	0	0	0	0	n/a
Proceeds from sale capital assets	28,937	154,073	80,000	80,000	0	0.0%
Transfers In	37,721,253	30,343,653	23,158,103	22,587,427	(570,676)	-2.5%
Transfers Out	(37,721,253)	(30,343,653)	(23,158,103)	(22,587,427)	570,676	-2.5%
Total Other Financing Uses	19,780,300	7,124,073	163,120,746	53,502,377	(140,077,550)	-67.2%
Net Change in Fund Balance	6,974,142	(3,870,770)	141,275,126	256,341	(141,018,785)	-99.8%
Fund Balances - Beginning	66,934,568	73,908,710	70,037,940	211,313,066	141,275,126	201.7%
Fund Balances - Ending	73,908,710	70,037,940	211,313,066	211,569,407	256,341	0.1%

GRAPH 1
CITY OF GULF SHORES, ALABAMA
CITY WIDE ADOPTED BUDGET
FISCAL YEAR 2023



CITY OF GULF SHORES, ALABAMA
GENERAL FUND ADOPTED BUDGET
FISCAL YEAR 2023

	Actual 2020	Actual 2021	Amended 2022	Adopted 2023	Dollar Change 2022 to 2023	Percent Change 2022 to 2023
REVENUES						
Property Taxes	3,807,136	3,853,836	4,101,200	5,074,000	972,800	23.72%
Sales Taxes	16,518,877	21,392,413	21,400,000	18,200,000	(3,200,000)	-14.95%
Lodging Taxes	9,878,668	21,691,007	21,523,810	25,000,000	3,476,190	16.15%
Other Local Taxes	3,952,217	2,932,736	4,415,000	3,915,000	(500,000)	-11.33%
Licenses and Permits	4,538,687	4,815,540	4,785,000	4,874,000	89,000	1.86%
Fines/Forfeitures	384,382	483,847	500,000	500,000	0	0.00%
Franchise/Utility	1,442,306	1,579,748	1,762,000	1,762,000	0	0.00%
Intergovern/Fed	398,277	194,257	82,000	0	(82,000)	-100.00%
Intergovern/State	458,257	501,972	124,380	499,900	375,520	301.91%
Investments Income	288,018	138,290	12,260	400,000	387,740	3162.64%
Other Receipts	1,193,082	1,931,557	2,177,163	2,111,994	(65,169)	-2.99%
TOTAL REVENUES	42,859,907	59,515,203	60,882,813	62,336,894	1,454,081	2.39%
EXPENDITURES						
Executive	1,496,384	1,660,518	1,932,062	2,159,956	227,894	11.80%
Human Resources	612,098	670,743	844,806	841,440	(3,366)	-0.40%
Finance & Administrative Services	2,985,554	3,056,465	3,585,466	3,759,483	174,017	4.85%
Municipal Court	457,005	496,632	498,774	547,321	48,547	9.73%
Police	7,020,856	7,660,675	8,832,141	9,514,290	682,149	7.72%
Fire & EMS	5,297,209	5,813,836	7,304,382	8,661,565	1,357,183	18.58%
Planning & Zoning	633,608	581,683	735,612	932,370	196,758	26.75%
Building	672,816	675,943	736,629	679,769	(56,860)	-7.72%
Recreation & Cultural Affairs	474,316	461,094	492,393	432,833	(59,560)	-12.10%
Events & Programs	596,719	753,050	926,374	891,829	(34,545)	-3.73%
Library	758,117	809,570	734,966	724,217	(10,749)	-1.46%
Recreation - Bodenhamer	2,108,553	2,322,094	2,622,416	2,589,094	(33,322)	-1.27%
Recreation - Sportsplex	980,537	1,253,368	1,374,090	1,482,244	108,154	7.87%
Recreation - Parks	624,208	546,108	641,225	641,957	732	0.11%
Recreation - Grounds Maint School	232,807	188,242	219,171	256,022	36,851	16.81%
Recreation - Eco Center	0	1,407	0	0	0	n/a
City Store	187,521	217,140	195,803	198,763	2,960	1.51%
Public Works - General Services	408,969	422,000	563,762	501,609	(62,153)	-11.02%
Public Works - Custodial	567,389	532,533	577,602	592,543	14,941	2.59%
Public Works - Landscaping	1,001,017	1,223,349	1,138,546	1,014,645	(123,901)	-10.88%
Public Works - Streets	3,137,456	3,342,885	4,375,212	3,183,333	(1,191,879)	-27.24%
Public Works - Maintenance	1,157,348	1,330,645	1,249,995	1,243,521	(6,474)	-0.52%
Public Works - Recycle & Sanitation	0	0	0	764,754	764,754	n/a
Engineering & Construction	675,286	823,992	792,815	828,919	36,104	4.55%
Airport	729	603	177,675	265,268	87,593	49.30%
Appropriations	2,648,531	1,109,648	932,981	942,126	9,145	0.98%
Capital Outlay (Land)	7,500	2,556,915	0	0	0	n/a
TOTAL EXPENDITURES	34,742,533	38,511,138	41,484,898	43,649,871	2,973,760	5.22%
OTHER FINANCING SOURCES						
Proceeds from the sale of capital assets	28,937	154,073	80,000	80,000	0	0.00%
Operating Transfers In	14,662,896	1,537,000	2,963,873	3,309,844	345,971	11.67%
Operating Transfers Out	(10,769,002)	(27,938,580)	(18,854,230)	(19,277,583)	(423,353)	2.25%
Total Other Financing Sources	3,922,831	(26,247,507)	(15,810,357)	(15,887,739)	(77,382)	0.49%
Net Change in Fund Balance	12,040,205	(5,243,442)	3,587,558	2,799,284	(788,274)	-21.97%
Prior Period Adjustment						
Fund Balances - Beginning	39,653,401	51,693,607	46,450,165	50,037,723	3,587,558	7.72%
Fund Balances - Ending	51,693,607	46,450,165	50,037,723	52,837,007	2,799,284	5.59%

GRAPH 2
CITY OF GULF SHORES, ALABAMA
CITY WIDE ADOPTED BUDGET
FISCAL YEAR 2023

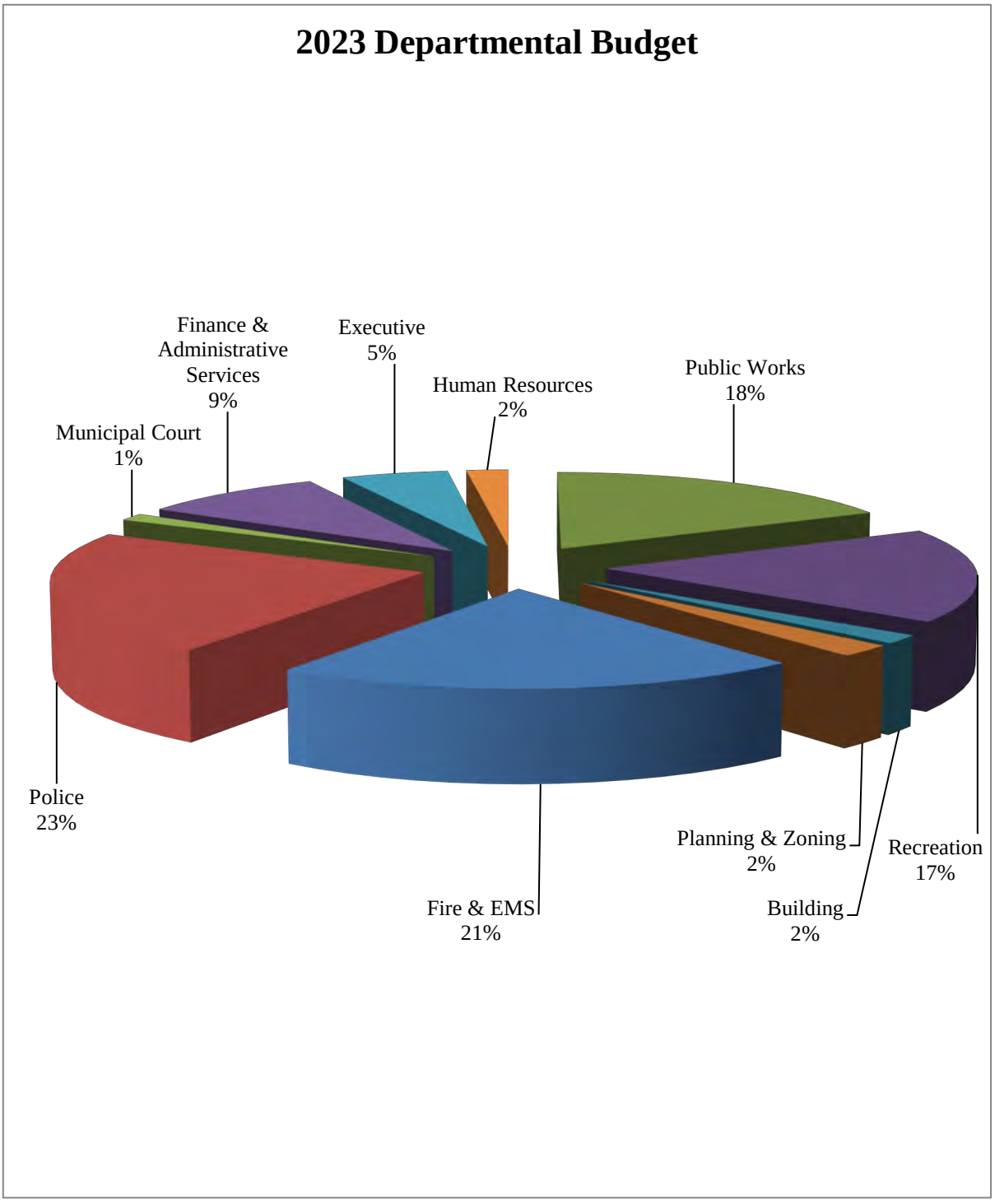
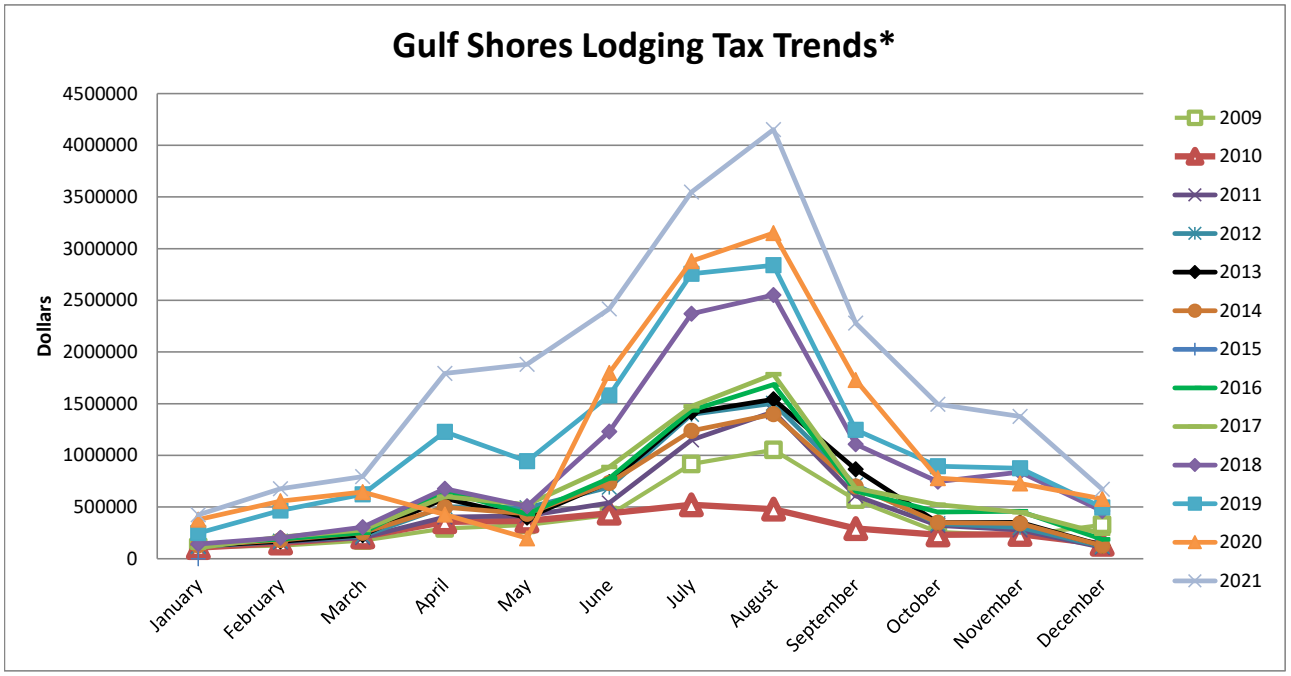


TABLE 3
CITY OF GULF SHORES, ALABAMA
SPECIAL REVENUE FUND
LODGING TAX ADOPTED BUDGET*
FISCAL YEAR 2023

	Actual 2020	Actual 2021	Amended 2022	Adopted 2023	Dollar Change 2022 to 2023	Percent Change 2022 to 2023
REVENUES						
Taxes:						
Lodging Tax 2% Beach	3,974,196	0	0	0	0	n/a
Interest Income	3,203	2,347	0	0	0	n/a
Total Revenue	3,977,399	2,347	0	0	0	n/a
EXPENDITURES						
Current:						
General government	0	0	0	0	0	n/a
Total general government	0	0	0	0	0	n/a
Excess of Revenues over Total Expenditures	3,977,399	2,347	0	0	0	n/a
OTHER FINANCING USES						
Transfers In	0	2,181,775	0	0		
Transfers Out	(3,972,428)	(798,020)	(200,000)	0	200,000	n/a
Total Other Financing Uses	(3,972,428)	1,383,755	(200,000)	0	200,000	n/a
Net Change in Fund Balance	4,971	1,386,102	(200,000)	0	200,000	n/a
Fund Balances - Beginning	3,010,399	3,015,369	4,401,471	4,201,471	(200,000)	-5%
Fund Balances - Ending	3,015,369	4,401,471	4,201,471	4,201,471	0	0%



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

TABLE 4
CITY OF GULF SHORES, ALABAMA
SPECIAL REVENUE FUND
DESIGNATED TAXES
ADOPTED BUDGET
FISCAL YEAR 2023

	Actual 2020	Actual 2021	Amended 2022	Adopted 2023	Dollar Change 2022 to 2023	Percent Change 2022 to 2023
REVENUES						
Taxes:						
Intergovernmental:						
State of Alabama	608,144	708,605	567,000	595,000	28,000	5%
Interest Income	606	322	0	0	0	n/a
Total Revenue	608,750	708,927	567,000	595,000	28,000	5%
EXPENDITURES						
Current:						
General Government	34,552	0	35,000	35,000	0	0%
Total General Government	34,552	0	35,000	35,000	0	0%
Excess of Revenues over Total Expenditures	574,198	708,927	532,000	560,000	28,000	5%
OTHER FINANCING USES						
Transfers Out	(554,000)	(537,000)	(527,000)	(555,000)	-28,000	5%
Total Other Financing Uses	(554,000)	(537,000)	(527,000)	(555,000)	-28,000	5%
Net Change in Fund Balance	20,198	171,927	5,000	5,000	0	0%
Fund Balances - Beginning	254,420	274,618	446,545	451,545	0	1%
Fund Balances - Ending	274,618	446,545	451,545	456,545	5,000	1%

TABLE 5
CITY OF GULF SHORES, ALABAMA
SPECIAL REVENUE FUND
IMPACT FEES
ADOPTED BUDGET
FISCAL YEAR 2023

	Actual 2020	Actual 2021	Amended 2022	Adopted 2023	Dollar Change 2022 to 2023	Percent Change 2022 to 2023
REVENUES						
Impact Fees	1,575,778	1,985,359	2,284,000	1,543,215	(740,785)	-32%
Miscellaneous Revenue	0	0	391,000		(391,000)	-100%
Interest Income	4,038	1,890	900	7,785	6,885	765%
Total Revenue	1,579,816	1,987,249	2,675,900	1,551,000	(1,124,900)	-42%
EXPENDITURES						
Capital Outlay						
Fire	196,486	76,157	135,000	137,000	2,000	1%
Recreation	663,544	667,098	1,125,000	535,000	(590,000)	-52%
Police	81,702	102,504	106,400	129,000	22,600	21%
Public Works	649,978	210,517	1,309,500	750,000	(559,500)	-43%
Total Capital Outlay	1,591,710	1,056,276	2,675,900	1,551,000	(1,124,900)	-42%
Total Expenditures	1,591,710	1,056,276	2,675,900	1,551,000	(1,124,900)	-42%
Excess of Revenues over Total Expenditures	(11,894)	930,973	0	0	0	n/a
OTHER FINANCING USES						
Transfers to other funds	0	0	0	0	0	n/a
Total Other Financing Uses	0	0	0	0	0	n/a
Net Change in Fund Balance	(11,894)	930,973	0	0	0	n/a
Fund Balances-Beginning(restated)	1,423,224	1,411,330	2,342,303	2,342,303	0	0%
Fund Balances - Ending	1,411,330	2,342,303	2,342,303	2,342,303	0	0%

TABLE 6
CITY OF GULF SHORES, ALABAMA
CAPITAL IMPROVEMENT FUND
BEACH RESTORATION AND PROJECTS FUND
ADOPTED BUDGET
FISCAL YEAR 2023

	Actual 2020	Actual 2021	Amended 2022	Adopted 2023	Dollar Change 2022 to 2023	Percent Change 2022 to 2023
REVENUES						
Interest Income	413	229	0	0	0	n/a
ADEM Recycling Grant	0	0	0	35,000	35,000	n/a
Parking Fees	0	812,392	650,020	650,020	0	0%
Other	614,498	59,412	20,000	0	(20,000)	-100%
Total Revenue	614,911	872,033	670,020	685,020	15,000	2%
EXPENDITURES						
Current Operating:						
Police	368,479	409,723	401,576	388,135	(13,441)	-3%
Fire Beach	665,030	711,165	737,382	810,801	73,419	10%
Public Works	334,317	308,064	260,771	244,156	(16,615)	-6%
Total Current	1,367,826	1,428,952	1,399,729	1,443,092	43,363	3%
Capital Outlay						
Police	0	33,415	69,000	0	(69,000)	-100%
Fire Beach	0	51,437	129,500	67,000	(62,500)	-48%
Public Works	0	29,145	46,300	56,000	9,700	21%
Dune Enhancement	0	0	3,000	3,000	0	0%
Beach Monitoring	0	36,330	63,000	0	(63,000)	-100%
Total Capital Outlay	0	150,327	310,800	126,000	(184,800)	-59%
Beach Restoration						
Miscellaneous (Trapping)	0	0	12,000	12,000	0	0%
Total Expenditures	1,367,826	1,579,279	1,722,529	1,581,092	(141,437)	-8%
Excess of Revenues over Total Expenditures	(752,915)	(707,246)	(1,052,509)	(896,072)	156,437	-15%
OTHER FINANCING USES						
Transfers In from Other Funds	650,020	1,098,020	910,000	710,000	(200,000)	-22%
Total Other Financing Uses	650,020	1,098,020	910,000	710,000	(200,000)	-22%
Net Change in Fund Balance	(102,895)	390,774	(142,509)	(186,072)	(43,563)	31%
Fund Balances - Beginning	(91,529)	(194,424)	196,350	53,841	(142,509)	-73%
Fund Balances - Ending	(194,424)	196,350	53,841	(132,231)	(186,072)	-346%

TABLE 7
CITY OF GULF SHORES, ALABAMA
CAPITAL PROJECTS FUND
ADOPTED BUDGET
FISCAL YEAR 2023

	Actual 2020	Actual 2021		Amended 2022	Adopted 2023	Dollar Change 2022 to 2023	Percent Change 2022 to 2023
REVENUES							
Interest Income	15,120	6,371		2,436,873	2,754,844	317,971	13%
Other	30,200	0		240,000	0	(240,000)	-100%
Total Revenues	45,320	6,371		2,676,873	2,754,844	77,971	3%
EXPENDITURES							
City School System Appropriation	0	685,000		700,290	0	(700,290)	-100%
High School Construction	0	0		4,063,094	25,424,344	21,361,250	526%
City School Improvements	15	0		6,575,818	5,034,837	(1,540,981)	-23%
Total Expenditures	15	685,000	#	11,339,202	30,459,181	19,119,979	169%
OTHER FINANCING SOURCES							
Proceeds from Long Term Debt	17,040,000	0		150,775,694	30,459,181	(120,316,513)	-80%
Transfers Out	(8,691,320)	0		(2,676,873)	(2,754,844)	(77,971)	3%
Total Other Financing Sources	8,348,680	0		148,098,821	27,704,337	(120,394,484)	-81%
Net Change in Fund Balances	8,393,985	(678,629)		139,436,492	0	(139,436,492)	-100%
Fund Balance - Beginning	8,443,333	16,837,318		16,158,689	155,595,181	139,436,492	863%
Fund Balance - Ending	16,837,318	16,158,689		155,595,181	155,595,181	0	0%

TABLE 8
CITY OF GULF SHORES, ALABAMA
STORM DAMAGE CAPITAL PROJECTS FUND
ADOPTED BUDGET
FISCAL YEAR 2023

	Actual 2020	Actual 2021	Amended 2022	Adopted 2023	Dollar Change 2022 to 2023	Percent Change 2022 to 2023
REVENUES						
Intergovernmental Grants						
State of Alabama	0	0	903,204	772,720	(130,484)	-14%
Federal Government	7,311,056	1,868,230	3,740,303	3,119,358	(620,945)	-17%
Grants	627,210	0	0	0	0	n/a
Other Receipts	837,176	832,027	0	0	0	n/a
Interest Income	0	0	0	0	0	n/a
Total Revenues	8,775,442	2,700,257	4,643,507	3,892,078	(751,429)	-16%
EXPENDITURES						
Debris Removal	10,442,686	268,491	0	0	0	n/a
Emergency Protective Measures	310,401	1,221	0	0	0	n/a
Public Buldings & Contents	16,521	(5,311)	0	0	0	n/a
Parks, Recreation & Other	57,466	72,252	4,937,000	5,796,027	859,027	17%
Roads & Bridges	190,935	0	0	0	0	n/a
Direct Admin Costs	99,835	462,183	0	0	0	n/a
Insured Repairs	0	1,256,171	0	0	0	n/a
Hazard Mitigation	0	29,637	481,000	481,000	0	0%
COVID-19	497,085	36,580	0	0	(36,580)	n/a
Total Expenditures	11,614,929	2,121,224	5,418,000	6,277,027	822,447	16%
OTHER FINANCING SOURCES (USES)						
Transfer from Other Funds	1,668,030	25,001	23,078	23,078	0	0%
Total Other Financing Uses	1,668,030	25,001	23,078	23,078	0	0%
Net Change in Fund Balance	(1,171,457)	604,034	(751,415)	(2,361,871)	(1,610,456)	214%
Fund Balance - Beginning	(101,547)	(1,273,003)	(668,969)	(1,420,384)	(751,415)	112%
Fund Balance - Ending	(1,273,003)	(668,969)	(1,420,384)	(3,782,255)	(2,361,871)	166%

TABLE 9
CITY OF GULF SHORES, ALABAMA
DEBT SERVICE FUND
ADOPTED BUDGET
FISCAL YEAR 2023

	Actual 2020	Actual 2021	Amended 2022	Adopted 2023	Dollar Change 2022 to 2023	Percent Change 2022 to 2023
REVENUES						
Interest	822	42	0	0	0	n/a
Total Revenues	822	42	0	0	0	n/a
EXPENDITURES						
Appropriations	362,808	0	0		0	n/a
Principal	30,998,740	20,393,519	13,333,672	12,125,860	(1,207,812)	-9%
Interest	2,565,537	2,987,360	4,785,155	6,410,645	1,625,490	34%
Miscellaneous	3,468	2,673	2,325	8,000	5,675	244%
Total Expenses	33,930,553	23,383,552	18,121,152	18,544,505	423,353	2%
Excess of Revenues over Total Expenditures	(33,929,731)	(23,383,510)	(18,121,152)	(18,544,505)	(423,353)	2%
OTHER FINANCING SOURCES (USES)						
Bond Issue Proceeds	19,000,000	0	0	0	0	n/a
Transfers Out	(2,905,704)	0	0	0	0	n/a
Transfers In	17,834,793	23,383,532	18,121,152	18,544,505	423,353	2%
Total Other Financing Uses	33,929,089	23,383,532	18,121,152	18,544,505	423,353	2%
Net Change in Fund Balance	(642)	22	0	0	0	n/a
Fund Balances-Beginning	651	9	31	31	0	0%
Fund Balances - Ending	$ 9	$ 31	$ 31	$ 31	0	0%

TABLE 10
CITY OF GULF SHORES, ALABAMA
CAPITAL IMPROVEMENT FUND
NON-TAXABLE LINES OF CREDIT
ADOPTED BUDGET
FISCAL YEAR 2023

	Actual 2020	Actual 2021	Amended 2022	Adopted 2023	Dollar Change 2022 to 2023	Percent Change 2022 to 2023
REVENUES						
Grants Requiring Matching Funds						
Grants	0	0	0	0	0	n/a
Interest Income	0	0	0	0	0	n/a
Total Revenues	0	0	0	0	0	n/a
EXPENDITURES						
Miscellaneous	0	0	50,000	0	(50,000)	-100%
Capital Outlay Projects						
Fire & EMS	0	0	0		0	n/a
Rec & Cultural Affairs (Park)	0	0	300,000	1,095,000	795,000	265%
6th Street Public Access	0	0	0	300,000	300,000	n/a
Justice Center	0	0	0	4,469,548	4,469,548	n/a
Hwy 182 Improvements	0	0	0	200,000	200,000	n/a
West 4th Street Bridge	0	0	0	500,000	500,000	n/a
Buildings	0	0	400,000	200,000	(200,000)	n/a
Land & Improvements	0	0	4,810,000	1,000,000	(3,810,000)	-79%
Total Expenditures	0	0	5,560,000	7,764,548	2,204,548	40%
OTHER FINANCING SOURCES						
Warrant Proceeds	0	0	4,660,000	7,764,548	4,660,000	67%
Transfers In	0	100	900,000	0	899,900	-100%
Transfers Out	(1,279,100)	0	0	0	0	n/a
Total Other Financing Sources	(1,279,100)	100	5,560,000	7,764,548	5,559,900	40%
Net Change in Fund Balances	(1,279,100)	100	0	0	0	n/a
Fund Balance - Beginning	1,279,100	0	100	100	0	0%
Fund Balance - Ending	0	100	100	100	0	0%

TABLE 11
CITY OF GULF SHORES, ALABAMA
CAPITAL IMPROVEMENT FUND
TAXABLE WARRANT FUND
ADOPTED BUDGET
FISCAL YEAR 2023

	Actual 2020	Actual 2021	Amended 2022	Adopted 2023	Dollar Change 2022 to 2023	Percent Change 2022 to 2023
REVENUES						
Grant Funds	397,136	784,235	21,885,783	32,917,786	11,032,003	50%
Interest Income	5,881	0	0	0	0	n/a
Other	0	700,000	2,221,154	0	(2,221,154)	-100%
Total Revenues	403,017	1,484,235	24,106,937	32,917,786	8,810,849	37%
EXPENDITURES						
Administrative	34,473	(2,166)	0	0	0	n/a
Operations						
Executive Contract/Consulting S	0	0	0	0	0	n/a
Gulf Coast Ctr for Ecotourism Ops	150,000	150,000	300,000	300,000	0	0%
Capital Outlay Projects:						
Medical Facility Improvements	1,654,638	3,768,284	32,000	300,000	268,000	838%
Gulf Coast Ctr for Ecotourism	334,258	680,063	5,550,000	11,104,178	5,554,178	100%
Outside Agencies	3,000,000	0	0	0	0	n/a
Ft Morgan Road Access Management	0	0	0	250,000	250,000	n/a
Waterway West	0	0	0	3,550,000	3,550,000	n/a
County Road 6 Improvements	0	0	130,930	2,114,227	1,983,297	1515%
Waterway East	324,220	524,181	6,718,476	12,283,813	5,565,337	83%
ALDOT Capacity Project (Canal Rd.)	0	145,234	342,266	765,074	422,808	124%
Beach Walking District	0	0	0	1,105,000	1,105,000	n/a
BUILD Grant Hwy 59 & Ped Bridge	0	1,660,972	9,690,813	14,294,822	4,604,009	48%
Land & Improvements	55,378	584,134	6,396,047	824,320	(5,571,727)	-87%
Little Lagoon Restoration Project	0	0	2,551,457	1,225,000	(1,326,457)	-52%
Gulf Place Redesign	126	124	0	0	0	n/a
Total Expenditures	5,553,093	7,510,826	31,711,989	48,116,434	16,404,445	52%
OTHER FINANCING SOURCES						
Warrant Proceeds	10,410,000	6,970,000	7,605,052	15,198,648	7,593,596	100%
Transfer from Debt Service Fund	2,905,514	0	0	0	0	n/a
Transfer from Sidewalk/Bikeway	0	0	240,000	0	(240,000)	-100%
Transfer to General Funds	(9,370,198)	(1,000,000)	0	0	0	n/a
Total Other Financing Sources	3,945,316	5,970,000	7,845,052	15,198,648	7,353,596	94%
Net Change in Fund Balances	(1,204,760)	(56,591)	240,000	0	(240,000)	-100%
Fund Balance - Beginning	1,671,744	466,985	410,394	650,394	240,000	58%
Fund Balance - Ending	466,985	410,394	650,394	650,394	0	0%

TABLE 12
CITY OF GULF SHORES, ALABAMA
CAPITAL IMPROVEMENT FUND
2018 GO WARRANT
ADOPTED BUDGET
FISCAL YEAR 2023

	Actual 2020	Actual 2021	Amended 2022	Adopted 2023	Dollar Change 2022 to 2023	Percent Change 2022 to 2023
REVENUES						
Grants Requiring Matching Funds	185,353	644,549	0	0	0	n/a
Interest Income	175,462	15,649	0	0	0	n/a
Other	0	194,219	0	0	0	n/a
Total Revenues	360,815	854,417	0	0	0	n/a
EXPENDITURES						
Administrative	0	0	0	0	0	n/a
Operations						
Executive Contract/Professional Services	0	0	0	0	0	n/a
Capital Outlay Projects						
Fire Capital Outlay Vehicle	0	1,833,769	0	0	0	n/a
Business & Aviation Park	118,391	0	0	0	0	n/a
Transportation Improvements/Land	9,777,578	4,626,650	0	0	0	n/a
Bond Issuance Costs	0	0	0	0	0	n/a
Total Expenditures	9,895,969	6,460,419	0	0	0	n/a
OTHER FINANCING SOURCES						
Bond Proceeds	0	0	0	0	0	n/a
Bond Premium	0	0	0	0	0	n/a
Bond Discount	0	0	0	0	0	n/a
Transfers In	0	4,300,000	0	0	0	n/a
Transfers Out	(179,501)	0	0	0	0	n/a
Transfer to NonTaxable GO Warrant Fund	0	0	(900,000)	0	900,000	-100%
Transfer to 2016-B Fund	0	0	0	0	0	n/a
Transfer to General Fund	0	0	0	0	0	n/a
Transfer to Debt Service Fund	0	(70,053)	0	0	0	n/a
Total Other Financing Sources	(179,501)	4,229,947	(900,000)	0	900,000	-100%
Net Change in Fund Balances	(9,714,655)	(1,376,055)	(900,000)	0	900,000	-100%
Fund Balance - Beginning	12,175,625	2,460,969	1,084,914	184,914	(900,000)	-83%
Fund Balance - Ending	2,460,969	1,084,914	184,914	184,914	0	0%

CITY OF GULF SHORES

FUND BALANCE

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

Year	Fund Balance	% of Total Expenditures	% of Total Revenue	Change in Fund Balance
2010	$13,735,069	55%	55%	$ 157,472
2011	$17,683,620	64%	56%	$ 3,948,551
2012	$18,604,609	60%	61%	$ 920,989
2013	$20,994,052	83%	76%	$ 2,389,443
2014	$22,305,980	77%	74%	$ 1,405,334
2015	$24,005,631	83%	78%	$ 1,699,651
2016	$26,455,361	80%	74%	$ 2,449,730
2017	$29,169,601	79%	75%	$ 2,714,238
2018	$36,624,646	108%	88%	$ 7,455,042
2019	$39,653,592	85%	80%	$ 3,028,947
2020	$51,693,606	114%	90%	$ 12,040,205
2021	$46,450,165	70%	76%	$(5,243,442)
2022	$49,000,000	81%	77%	$ 2,549,835*

In 2021 the City reduced reserves by $5,234,442, which brought total reserves to 70% of expenditures including debt service. In 2022 reserves are projected to add $2,549,835 bringing the General Fund balance total to 77% of estimated revenues of $63,926,686 and 81% of estimated expenditures of $60,339,129. For 2023 we also expect to maintain a healthy fund balance of $46 million or 70% of the General Fund Adopted Budget Revenues of $65,726,738 and 73% of General Fund Adopted Expenses. The total General Fund expenses for 2023 increased $2,588,325 or 4.3% from the 2022 Amended Budget. Debt Service and Transfers expenses for 2023 increased by $423,353 or 2.25% from 2022 Debt Service Expense. Capital expenses increased by $1,083,283 or 40.76% in 2023. Personnel and Operations expense increased by $1,081,689 or 2.8% from 2022.

*Estimated as of 10/19/22.

Fund Balance

The City of Gulf Shores adopted a financial policy as of March 8, 2010, setting a fund balance of 45% of the General Fund. In 2013, the Finance Committee chose to increase the fund balance by 5% annually beginning in 2014 and capped at 70% in 2018. On February 7, 2019 the City of Gulf Shores adopted Banking and Financial Investment Policies. The updated City of Gulf Shores Financial Policy and Banking and Investment Policies are included at the end of the budget document. The Fund Balance target for 2023 is 70% of General Fund Revenues. Of the total General Fund Balance target, Beach Reserves comprise half of the fund balance and Operating Reserves comprise the remainder. The table below shows changes in the reserve amounts from 2020 to 2021 actual, 2022 year to date and 2023 Budgeted Reserves. The City currently has reserve funds well in excess of its 70% target of $44,748,680 thru Amendment 2.

General Fund Reserves	2020 Actual (Audited)	2021 Actual (Audited)	2022 Year to Date	2023 Budget
Operating	$17,317,358	$15,467,905	$12,863,528	$15,334,705
Stabilization	8,529,445	7,757,178	6,430,799	7,669,653
Subtotal General Fund	$25,846,803	$23,225,083	$19,294,327	$23,004,358
Beach Reserves	25,846,803	23,225,082	37,183,045	23,004,358
Grand Total All Reserves	**$51,693,606**	**$46,450,165**	**$56,477,372**	**$46,008,716**

Major Revenue Sources

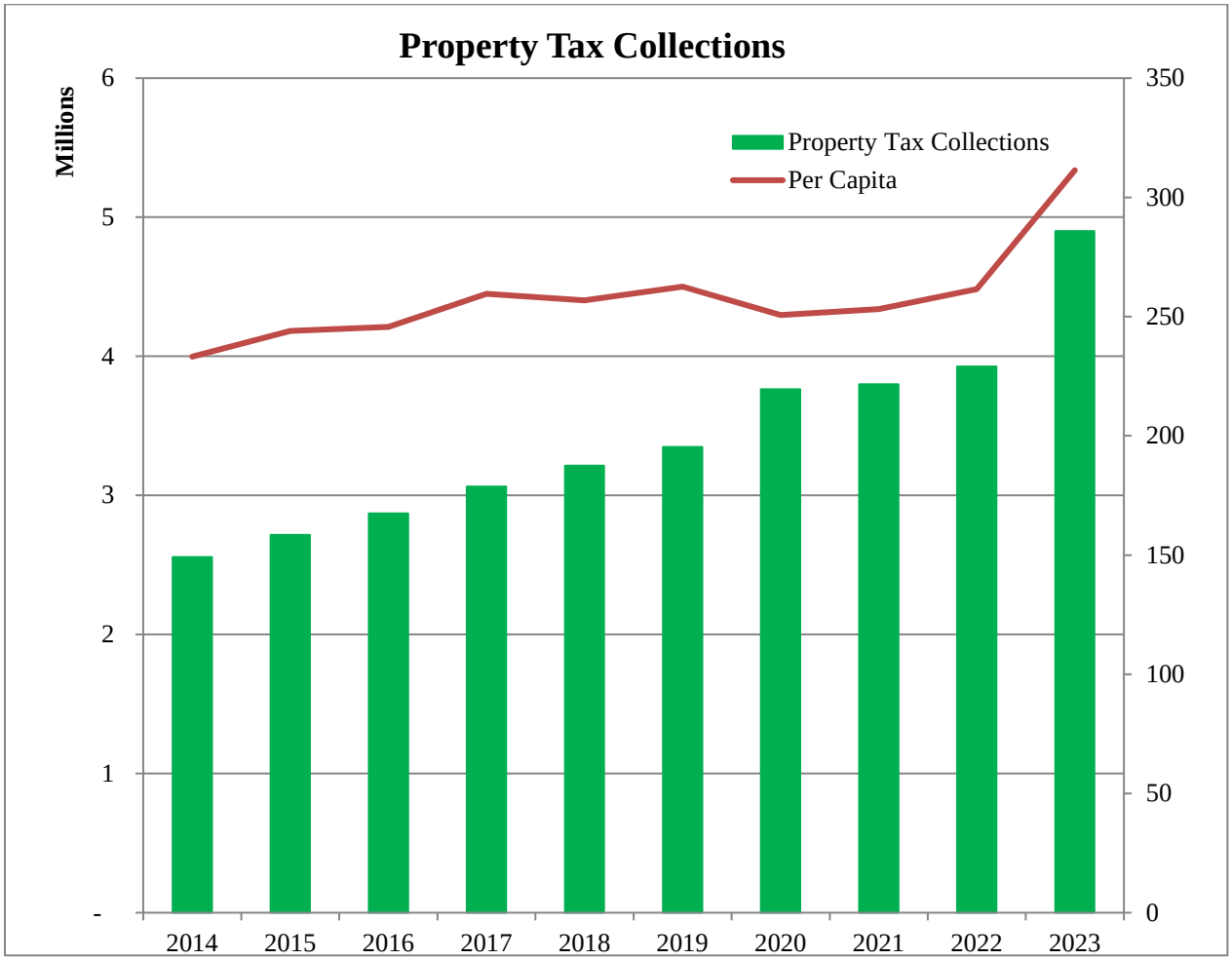
The City of Gulf Shores General Fund has four major funding sources that comprise approximately 81% of the General Fund. Shown below is a summary of the four major General Fund revenue sources and the percentage of the total General Fund Revenues for 2020 Actual, 2021 Actual, 2022 Actual Year to Date, and 2023 Budget:

Revenue Type	2020 Actual	% of Total	2021 Actual	% of Total	2022 Actual Year to Date	% of Total	2023 Budget
Property	$3,764,219	6%	$3,853,836	6%	$1,637,928	3%	$4,900,000
Sales	16,341,629	26%	21,392,413	35%	18,151,116	34%	18,200,000
Lodging	9,894,903	22%	21,691,007	35%	19,352,357	37%	25,000,000
Business Licenses	4,079,218	6%	3,155,603	5%	3,568,354	7%	3,700,000
Subtotal	**$34,079,968**	**60%**	**$50,092,859**	**81%**	**$42,709,755**	**81%**	**$51,800,000**

Since the four major funding sources comprise approximately 81% of the General Fund, the Finance Committee focuses on those revenue streams at their regular meetings and for budget estimation purposes. Underlying assumptions for the revenue estimates and significant revenue trends are described by each of the major revenue types shown on the following pages. For 2023 the four funds comprise 79% of the General Fund projected revenues of $65,726,738.

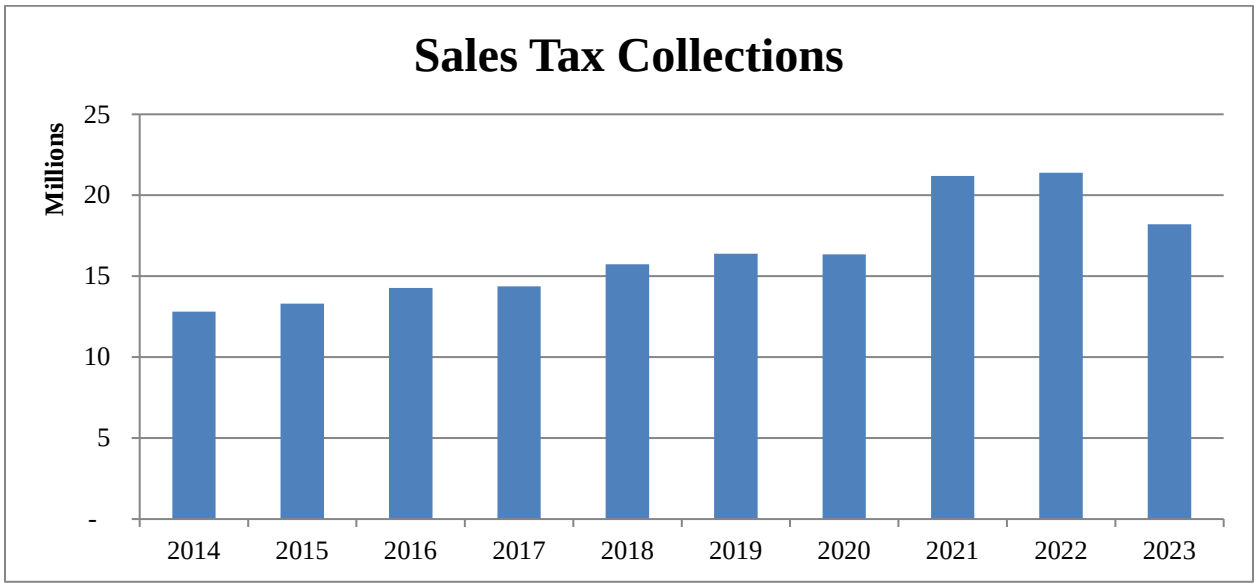
PROPERTY TAX

Gulf Shores collects 5 mills property tax on all property within the City. The property tax rates in Alabama have been lower historically than those in other states, while sales tax rates are higher. Property Tax collection projections are based on the assessed value of all property in the City as determined by the Baldwin County Revenue Commissioner. The bulk of property taxes is collected in January each year. Assessed values for property taxes have been increasing since 2013 due to market recovery and new construction. Property tax collections for the past nine years and 2023 budget are shown in the graph below. Property Tax collections for 2023 are based on the updated tax digest the County Revenue Commissioner sent in August 2022.



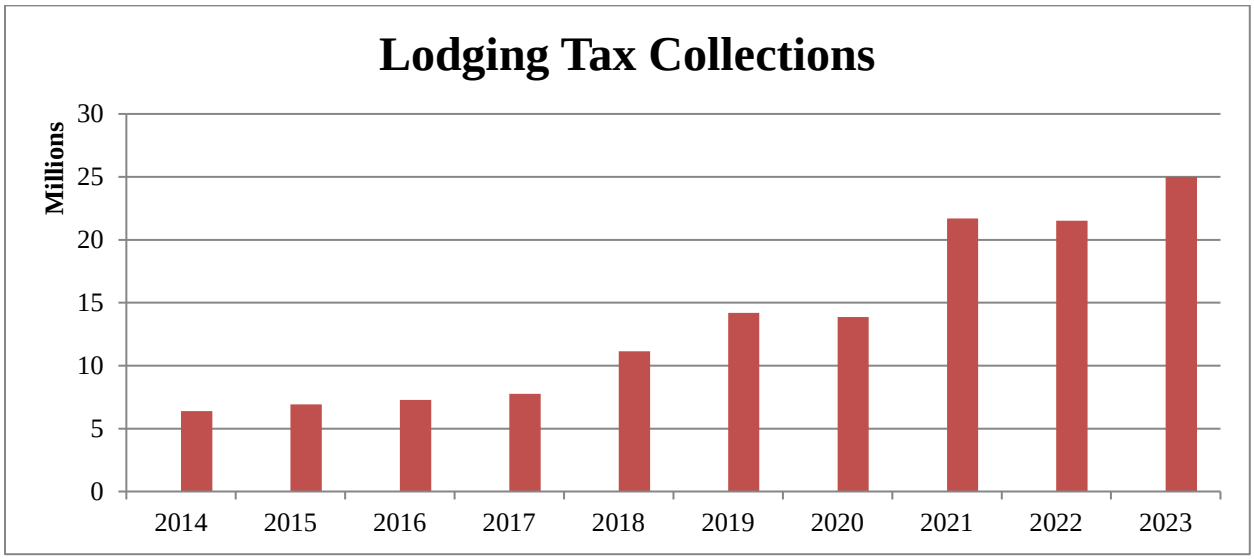
SALES TAX

Sales Taxes of 10% are collected on all purchases in the City. The City's portion of the 10% total Sales Tax collected is 3%, Baldwin County's portion is 3%, and the State portion is 4%. Due to the city having a high rate of tourism during the spring and summer, the majority of Sales Tax collections occur during those months. For 2023 a decrease of 15% from 2022 budget is projected based on the 2022 Sales Tax year-to-date collections increase of 12% following 2021 COVID-19 related losses. The projected decline is to conservatively budget for potential downturns. Trend lines for the past eight years and 2022 and 2023 Budgets are shown in the following graph. The ten year average annual growth rate for sales taxes is 8%.



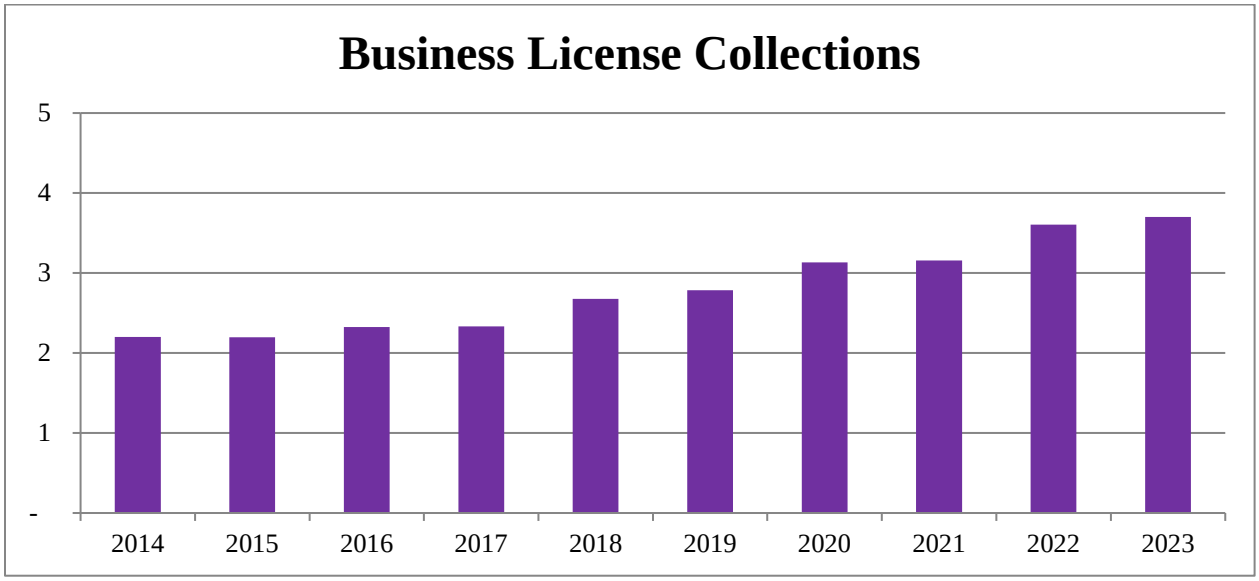
LODGING TAX

Lodging Tax was increased by 2% effective September 2022 to offset City capital improvements cost. The City's portion of the 15% Lodging Tax collections will be 9%, the Alabama Gulf Coast Convention and Visitor's Bureau portion remains at 2%, and the State portion remains at 4%. Lodging Tax collections are highly cyclical, following the same tourist trend lines as Sales Tax collections. A factor contributing to the Lodging Tax collection increase is enhanced collection efforts of Vacation Rental By Owner (VRBO) properties. The City entered a Voluntary Collections Agreement with Airbnb effective November 2018 and The Gulf State Park Lodge and Conference Center opened in November 2018. Lodging taxes for 2021 were up 57% compared to 2020 due to COVID-19 related beach closures in April 2020. Lodging Tax Collections for 2022 year to date are up 12% over 2021 due to an increase in tourism as well as rental rates being increased. The Lodging Tax will be increased another 1% effective September 2023.



BUSINESS LICENSE

Business Licenses are renewable in January and vary depending on the type of business and gross receipts. Business License revenue collections for 2022 year-to-date are up 14% from 2021 business license collections primarily due to an increase in gross receipts following 2021 COVID-19 related declines. Business license amounts are based on prior year gross receipts. Business License collections for the past eight years, 2022 year-to-date and 2023 budgeted are shown in the graph below. The ten year annual growth rate has averaged 7%.



CITY OF GULF SHORES, ALABAMA
Fiscal Year 2023 Budget
CAPITAL OUTLAY

The City Department Heads developed a ten year capital plan in 2013 that enabled old equipment and vehicles to be replaced in a systematic, orderly fashion keeping ongoing maintenance costs down. Repairs and enhancements to existing infrastructure were also approved further defraying maintenance costs. A list of Capital Outlay totaling $3,248,574 in City Capital General funds approved for 2023 are below along with the estimated recurring annual cost to operate.

2023 Capital Equipment Budgeted General Funds			**Annual Cost**
Department	**Description**	**Approved**	**to Operate**
Executive	Electric Vehicle for Eco Center	75,000	750
Executive	Public EV Charging Stations	50,000	500
Finance & Admin	*Security Cameras at Sportsple***	*20,000*	200
Finance & Admin	*Nimble/HPE Storage Expansion***	*60,000*	600
Finance & Admin	*Golf Cart for IT Use***	*12,000*	120
Finance & Admin	*Fiber Optic Improvements Citywide***	*50,000*	500
Building	*Vehicle/Equipment ADEM funded*	*42,550*	1,489
Police	Replace 7 Vehicles; 1 new	495,000	17,325
Police	Patrol Boat	438,800	10,970
Police	Pickup Truck for Patrol Boat	55,000	550
Fire & EMS	Replace Ambulance	383,000	13,405
Fire & EMS	New Training Officer vehicle	65,000	2,275
Fire & EMS	700 mhz Handheld Radios	750,000	7,500
Fire & EMS	Replacement Equipment	30,000	300
Fire & EMS	LUCAS Devices	17,000	170
Rec Sportsplex	Replace UTV	33,000	1,155
Rec Sportsplex	Spray Rig	25,000	625
Rec Parks/Sportsplex	Grand Stand Mowers	30,000	750
Rec Parks/Sportsplex	Field Rakes	30,000	750
Rec Splex/School	*Reel Mower - Equip Lease 4 mowers***	*52,000*	1,300
Rec Sportsplex	Ice Machine - Concessions	14,000	350
Rec Bodenhamer	Pool Vacuum	16,500	413
Rec Events	*Christmas Decorations*	*50,000*	500
Rec Sportsplex	Outdoor Track Resurfacing	52,000	520
Public Works Streets	Backhoe Replacement	155,000	1,550
Public Works Recycle	Knuckle Boom replace	183,274	6,415
Public Works Streets	Zero Turn Mower 4	35,000	875
Public Works Streets	Right-of-way mowers 4	56,000	1,400
Public Works Streets	Event Bike Rack & Trailer	220,000	5,500
Engineering	Replace Vehicle	40,000	1,400
Engineering	*Street Resurfacing**	*450,000*	2,500
	Total General Fund Capital Outlay #	**3,248,574**	**82,656**

Capital Outlay 2023 Continued

* $750,000 additional Resurfacing is charged to Impact Fees

**Not included in the total Capital Outlay (Operational or ADEM)	***694,000***	
Subtotal General Fund Capital & Lease/other Ops	**3,942,574**	

2023 Capital Equipment & Improvements Impact Fees

		Approved	Annual Cost to Operate
Fire	Replace Holmatro Tool Set	40,000	400
Fire	Polaris ATV	22,000	220
Fire	Airbag Rescue Set	40,000	1,000
Fire	LUCAS Devices	35,000	350
Police	Two Replacement Vehicles	129,000	4,515
Recreation	Branding/Wayfinding	40,000	0
Recreation	Bodenhamer Parking Lot	495,000	0
Engineering	*Street Resurfacing Construction*	*750,000*	*3,750*
	Total IMPACT FEES Capital Outlay	**1,551,000**	**10,235**

2023 Beach Fund 37 Capital Improvements

		Approved	Annual Cost to Operate
Fire Beach	Replacement UTVs	22,000	110
Fire Beach	Replacement Jet Skis	45,000	1,125
Public Works Beach	Benches for Beach	20,000	200
Public Works Beach	UTV for beach & recycling equipment	36,000	180
	Total BEACH Fund Capital Outlay	**123,000**	**1,615**

2023 Fund 38 Capital Improvements

City School	New High School & Old Campus	30,459,181	n/a*
*Maintenance will be a City School System expense			
	Total Fund 38 Capital Improvements	**30,459,181**	**-**

2023 Storm Damage Fund 39 Capital Improvements		**Approved**	**City**	**Federal/Other**
Engineering	200 Clubhouse Wind Retrofit & Generator	331,000	66,200	264,800
Engineering	West 4th Ave Roadway Improvements	150,000	30,000	120,000
Engineering	Beach Renourishment	5,796,027	2,288,750	3,507,277
	Total CAPITAL IMPROVEMENTS FUND 39	**6,277,027**	**2,384,950**	**3,892,077**

2023 Capital Borrowed LOC NonTaxable Funds, Fund 40

		Approved	City Funds	Annual Maintenance
Recreation	Community Park Development	600,000	600,000	6,000
Recreation	Tennis Court LED Lights	495,000	495,000	4,950
Fire	Oyster Bay Fire Station renovation	200,000	200,000	2,000
Fire & EMS	Fire Training Center	1,000,000	1,000,000	10,000
Engineering	4th Street Bridge & 1 Ped Bridge	500,000	500,000	-

Capital Outlay 2023 Continued

Engineering	DCNR-Beach Access Replacement	300,000	250,000	-
Engineering	Beach Blvd Improvements - Highway 182	200,000	200,000	2,000
Police	Justice Center	4,469,548	4,469,548	44,695
	Total NonTaxable Funds, Fund 40	**7,764,548**	**7,714,548**	**69,645**

2023 Capital LOC Taxable Borrowed Funds, Fund 42

		Approved	**City Funds**	**Annual Maintenance**
Engineering	RESTORE- Waterway East Extension	12,283,813	473,287	1,228
Engineering	RESTORE - East Canal Realignment	765,075	765,075	765
Engineering	BUILD - Medical Village Ph2 (signal)	300,000	300,000	150
Engineering	BUILD - Hwy 59 Widening	5,373,638	1,389,792	2,687
Engineering	BUILD - Pedestrian Bridge	8,921,183	4,951,267	4,461
Engineering	BUILD - County Road 6 West	314,227	314,227	157
Engineering	Walking District Parking/Streetscape	1,105,000	1,105,000	553
Engineering	Fort Morgan Road Access Management	250,000	250,000	125
Engineering	CGB to CR 6 Connector Road	1,800,000	1,800,000	900
Engineering	Waterway West	3,550,000	3,550,000	1,775
	Subtotal Taxable Borrowed Funds	**34,662,936**	**14,898,648**	**12,800**

2023 RESTORE projects (100% Grant), Fund 42		**Approved**
Executive	NFWF Oyster Bay Restoration	154,320
Executive	Little Lagoon Restoration	1,225,000
Engineering	Cousteau Capital	11,104,178
Engineering	Laguna Cove Protection Project	670,000
	Subtotal 100% Reimbursable Taxable Borrowed Funds	**13,153,498**
	Total All Capital	**97,282,314**
	General Funds	3,248,574
	Impact Fees	1,551,000
	Beach Funds	123,000
	Capital Improvements Borrowed Funds	24,998,146
	School Improvement Funds	30,459,181
	Restore Funds	13,153,498
	Total City Capital Expense	**73,533,399**
	Federal/State/Dev Contributions Other Match total	23,748,915
	Total All Capital Revenue Sources	**97,282,314**
	City Capital Expense Improvement Funds + Operations	67,517,133

New Equipment & Vehicles



Excavator and Drop Deck Trailer



2 Kubota Mowers



Ford F-250



Big John Tree Spade



Petersen Knuckleboom Truck



Kubota UTV

New Equipment & Vehicles



Recycle Trailer



Polaris Ranger - Beach



Polaris Ranger



F-150 - Beach



6 Police Tahoes



"Flex" - New Police K-9



New Civic Center Parking Lot Lights

City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2023

Department	Description	Priority	Funding Source	2023	2024
EXECUTIVE	NFWF Oyster Bay Restoration Fund 42 2021		100% NFWF	154,320	154,320
	Little Lagoon Restoration Fund 42 2021		100% Restore	1,225,000	1,225,000
	Electric Vehicle for Eco Center			75,000	
	Public EV Charging Stations			50,000	
	Subtotal EXECUTIVE			**1,504,320**	**1,379,320**
BUILDING	Vehicles/Equipment		ADEM	42,550	42,550
CDD	City Arborist Truck		General Fund		
FIRE	Replace Response Vehicles/ 1 new 2023	1	General Fund	65,000	65,000
	Ladder Truck				1,407,000
	Replace Fire Engine				
	Replace Ambulance	1	General Fund	383,000	
	Replace Utility Truck	2			150,000
	Replace Rescue Truck 2010				
	Replace Holmatro Tool Set	1	Impact Fees	40,000	
	New Airport Fire Truck Expans.		Borrowed Funds		1,000,000
	700 mhz Handheld Radios	1	General Fund	750,000	
	Polaris ATV	1	Impact Fees	22,000	
	Replacement Equipment	1		30,000	20,000
	Replace Thermal Imagers x 2				
	SCBA Air Compressor				150,000
	Air Bag Rescue Set	1	Impact Fees	40,000	
	Replace Cardio Defibulators (22)				
	LUCAS Devices	1		35,000	
	Backup Generators	3			50,000
	Fire/Rescue Boat	3	PSG/ ADEM		350,000
Beach Rescue	Replace Response Vehicles		Beach Fund		55,000
	Replace UTVs	1	Beach Fund	22,000	88,000
	LUCAS Device	1		17,000	
	Replace Jet skis	1	Beach Fund	45,000	
	Subtotal FIRE			**1,449,000**	**3,335,000**
POLICE	Replace Vehicles (7); 1 new	1	General $105K	495,000	465,100
	Replacement Vehicle (2)	1	Impact Fees	129,000	132,900
	Pick Up Truck 2500 (Pull Patrol Boat)	1		55,000	
	License Plate Readers				
	Lap Top Computers for Patrol Cars	2			50,000
	Replace all Portable & Mobile Radios				292,000
	Replace Sierra Wireless Routers				
	Drone				
	Body Cameras				110,000
	Patrol In-Car Cameras				
	Patrol Boat/Trailer/Emergency Package	1		438,800	
	Beach new vehicle(Community Service Officer)		Beach Fund		45,000
	Beach ATVs		Beach Fund		50,000
r	Parking Pay Stations				
	Jail Metal Detector	3			17,000
	Replace Jail Finger Print LiveScan				
	Crime-lite Camera System	2			31,000
	Polygraph Instrument/Exam Chair/Computer				
	Patrol K9				
	Bomb K9	2			9,500
	Subtotal POLICE			**1,117,800**	**1,202,500**

City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2023

2025	2026	2027	2028	2029	2030	2031	2032
154,320 1,225,000	154,320 1,225,000						
1,379,320	**1,379,320**	-					
40,000							
65,000		200,000	120,000		95,000	70,000	150,000
722,400	795,000			1,750,000			
150,000	750,000			50,000	175,000 50,000		
22,000 20,000 40,000	20,000	22,000 20,000	22,000 20,000	22,000 20,000	20,000	22,000 20,000	20,000
		75,000			150,000 400,000		
60,000 65,000							
	65,000	65,000		65,000		70,000	70,000
22,000	88,000	22,000	88,000	22,000	88,000	22,000	88,000
	45000			45,000			45,000
1,166,400	**1,763,000**	**404,000**	**250,000**	**1,974,000**	**978,000**	**204,000**	**373,000**
479,000	538,000	538,000	554,000	554,000	571,000	571,000	588,100
158,000	163,000	163,000	164,400	164,400	170,000	170,000	175,100
			55,000		60,000		
292,000	292,000	60,000	139,500 50,000			70,000	
390,000		50,000			55,000		150,000 425,000
	55,000		60,000	40,000	65,000	150,000	
14,000 10,000	10,000	10,000			11,000 11,000		
1,343,000	**1,058,000**	**821,000**	**1,022,900**	**758,400**	**943,000**	**961,000**	**1,338,200**

City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2023

Department	Description	Priority	Funding Source	2023	2024
ENGINEERIN(	Streets Resurfacing		General Fund	1,200,000	1,200,000
40-879-80911	Beach Blvd Improvements Hwy 182			200,000	75,000
42-879-65535	RESTORE- Waterway East Extension		Design 100% City	12,283,813	5,136,444
42-879-65540	RESTORE - East Canal Realignment			765,075	5,780,445
42-501-81000	BUILD - Medical Village Phase 2	4		300,000	
42-879-65560	BUILD - Pedestrian Bridge			8,921,183	8,179,161
42-879-65555	BUILD - Hwy 59 Widening			5,373,638	5,373,638
42-879-65520	BUILD - County Road 6 West			314,227	2,931,037
42-879-80911	Ft Morgan Rd Access Management	3		250,000	
	W 20th Avenue / W 1st St Intersection				
42-879-80911	Walking District Parking/Streetscape			1,105,000	1,105,000
40-879-80911	4th Street Bridge & 1 Ped Bridge	5		500,000	500,000
	Fort Morgan Trail Phase II LBC				
42-879-80911	CGB to CR 6 Connector Road			1,800,000	1,725,000
42-879-80911	Waterway West	1		3,550,000	5,000,000
	Windmill Ridge Road & Ped Bridge				1,100,000
Vehicles	Replacement Vehicles			40,000	45,000
Buildings	City Hall EIFs Replacement				
	City Hall Annex Renovation				
	Library Roof Replacement				350,000
ADEM/FEMA	Beach Renourishment			5,796,027	
39-819-81710	Beach Renourishment-Annual survey & monitor		Beach Fund		55,000
	West 4th Ave Roadway Improvements			150,000	123,000
	200 Clubhouse Wind Retrofit			206,000	200,000
	200 Clubhouse Police Generator			125,000	
Fire	Fire Station 5 (Coastal Gateway)				
	Airport Fire Station			-	400,000
	Oyster Bay Station 4 Design				
40-879-80873	Oyster Bay Station 4 (Remodel/New)	6	Borrowed Funds	200,000	1,250,000
40-879-80911	Fire Training Center	2	General Fund	1,000,000	
Police	Justice Center Design		40-879-80911	4,469,548	20,009,620
Parks&Rec	Cousteau Capital 42-501-89000		100% Restore	11,104,178	
42-879-80911	Laguna Cove Protection Project Restore Grants			670,000	
m	Bodenhamer Parking Lot			495,000	
e	Pickleball Courts		$300K GCCVB		**250,000**
40-879-80911	Beach Access Replacement	10		300,000	200,000
	Tennis Court LED Lights			495,000	185,000
	Subtotal ENGINEERING			**61,613,689**	**61,173,345**
			Subtotal	61,613,689	61,173,345
			City funds estimate	**18,728,599**	**19,222,680**
				City funds needed 2023-25	
CITY	High School Constrution (New Campus)	1	2022A $150 million	25,424,344	64,244,506
SCHOOLS	City School Improvements (Old Campus)	1	38-879-85000	5,034,837	
	Subtotal CITY SCHOOLS			**30,459,181**	**64,244,506**
PUBLIC WKS	Event Bike Rack & Trailer	3		220,000	
Vehicles	Replace Vehicles/Equipment	2			170,000
	Electric Truck & Charging Station	3			100,000
	Excavator				
	Street Sweeper	2			200,000
	Street Sweeper (Pickup Truck Mounted)				55,000
	Dump Truck (16YD)				85,000

City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2023

2025	2026	2027	2028	2029	2030	2031	2032
1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
5,780,445							
1,716,009							
1,105,000	**700,000**						
150,000 1,725,000 5,000,000 1,000,000	3,450,000				150,000		
45,000	45,000	50,000	130,000	50,000	50,000	60,000	60,000
450,000	200,000						
56,650	58,350	60,100	61,903	63,760	65,673	67,643	69,672
200,000 1,600,000 1,250,000	1,250,000 -	1,250,000					
6,669,873	100,000						
200,000		200,000		200,000		200,000	
28,147,977	**7,003,350**	**2,760,100**	**1,391,903**	**1,513,760**	**1,465,673**	**1,527,643**	**1,329,672**
28,147,977 **12,127,604** **50,078,883**	7,003,350 **5,524,030**	2,760,100 **2,760,100**	1,391,903 **1,391,903**	1,513,760 **1,513,760**	1,465,673 **1,465,673**	1,527,643 **1,527,643**	1,329,672 **1,329,672**
42,852,100 **42,852,100**							
173,400 155,000	176,868	180,405	184,013	187,694	191,448 175,000	195,277	199,182
		225,000	45,000 100,000			250,000	115,000

City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2023

Department	Description	Priority	Funding Source	2023	2024
PUBLIC WKS	VMS (1)	2			22,000
(Continued)	Backhoe replacement	1		155,000	
	Bucket truck				180,000
	Knuckle Boom 2	1		183,274	185,107
	100 HP Tractor				110,000
	Tree Spade (Landscaping)				
	Belly Broom				
	Beach Rake replacement	2	Beach Funds		75,000
	Side/Brush Cutter				
	Semi Truck (pulls lowboy trailer)				
	Generator	3			
	UTV for beach & Recycling Equipment	1		36,000	36,360
	Trailer - Recycle Center		Beach Funds		13,000
	Zero Turn Mowers	1		35,000	35,500
	Right of Way Mowers (4)			56,000	56,000
	Ditch Witch				40,000
	Chipper for debris removal/storms				
	Grasshooper Multi-use Landcape Maint. Equip	**2**			40,000
	Floor Cleaner				10,000
	Rubber Trac Excavator				
	Dump Truck				
	Benches Beach			20,000	
	Subtotal PUBLIC WORKS			**705,274**	**1,412,967**
RECREATION	Branding/Wayfinding	1		40,000	40,000
r	Replace Vehicles				40,000
n	Skid Steer				76,000
r	Utility Vehicle (School)				33,000
n	Deep Tine Core Aerifier				41,000
r	Replace Utility Vehicle	1		33,000	
r	50hp Tractor with Turf Tires				
r	Spray Rig	1		25,000	
r	5 gang rotary mower				
r	Reel Mowers (4) Lease		Operational	52,000	52,000
r	Grand Stand Mowers	1		30,000	
r	Zero Turn Mowers(s) 1 Spts Plx, 1 Parks				27,000
r	Vicon Spreader				
r	Field Rakes	1		30,000	30,000
r	Ice Machine - Concessions	1		14,000	
r	Turbine Blower				
r	Floor Scrubber				
r	ADA Pool Lift				
r	Portable Personnel Lift				
r	Shade Tents				
m	Tennis Court Resurface-Hard				
m	Tennis Court Resurface-Soft				
e	Sims Park Backstop/Concrete Pads				40,000
	Outdoor Fitness Equipment				
	Bodenhamer Gym Repairs				
	Pool Vacuum	**1**		16,500	
	Bodenhamer Storage Expansion				15,000
	Outdoor Recreation Program Equipment	1			25,000

City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2023

2025	2026	2027	2028	2029	2030	2031	2032
24,000	26,000	28,000	30,000	32,000		36,000	38,000
					180,000		
		200,000			220,000		
186,958	188,827	190,716	192,623	194,549	196,495	198,459	200,444
		135,000			160,000		
							125,000
75,000				85,000			
	80,000			85,000			90,000
	155,000				175,000		
				160,000			
60,000		60,000			60,000		
36,724	37,091	37,462	37,836	38,215	38,597	38,983	39,373
	14,000		15,000		16,000		18,000
36,000	36,500	37,000	37,500	38,000	38,500	39,000	39,500
56,000							
				45,000			
				70,000			
			50,000				60,000
		12,000			14,000		
		125,000					155,000
					150,000		
803,081	**714,286**	**1,230,583**	**691,973**	**935,458**	**1,615,039**	**757,719**	**1,079,499**
60,000	40,000	40,000	40,000	40,000	40,000		
	40,000		40,000	80,000	40,000	40,000	80,000
					35,000		
					70,000		
			70,000				
				65,000			
67,000							
52,000	57,200	57,200	57,200	57,200	62,920	62,920	62,920
	32000			35,000			
		27,000	30,000				31,000
					32,000		
						35,000	35,000
					12,000		
10,000					12,000		
				15,000			
15,000					15,000		
	120,000				140,000		
80,000				90,000			
25,000							
60,000							

City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2023

Department	Description	Priority	Funding Source	2023	2024
RECREATION	Cultural Center Ice Machine	2			7,000
(Continued)	Civic Center Improvements				30,000
	Mo's Landing Improvements	2			40,000
m	Sportsplex Painting				100,000
e	Varsity Baseball/Softball Batting Cage Impr.	2			70,000
m	Outdoor Track Resurfacing	1		52,000	
r	Strength/Weight Equipment				250,000
r	City Decorations	2		50,000	50,000
m	Cultural Center				65,000
n	Storage Warehouse				285,000
r	Portable Ball Field Fence				50,000
e	Community Park Development	1		600,000	**5,000,000**
m	Activity Center Improvements				88,500
r	Activity Center Chairs				
	Subtotal RECREATION			**942,500**	**6,454,500**
FINANCE & A.	Network Host Additions/Expansions	1	Capital		65,000
IT DIVISION	Cisco Call Manager	2	Operational		60,000
	Security Cameras at Sportsplex		Capital	20,000	
	Wireless LAN Upgrade Project	1	Capital		
	Nimble/HPE Storage Expansion	1	Capital	60,000	
	Cisco 4506 Core Upgrade	1	Capital		
	Network Firewall Upgrade/Replacement	1	Capital		
	Golf Cart for IT Use	2	Operational	12,000	
	Citywide Audi/Video Upgrades	2	Operational		10,000
F&A Continued	Fiber Optic Improvements Citywide	1	Operational	50,000	50,000
	Subtotal IT DIVISION			**142,000**	**185,000**
GRAND TOTAL ALL DEPARTMENTS				**97,976,314**	**139,429,688**
	By potential funding source:		ADEM	42,550	42,550
			FEMA/ADEM	3,892,076	258,400
			ALDOT RESTORE	11,368,421	10,072,342
			BUILD	6,953,762	6,622,935
			ATRIP 2	1,000,000	1,000,000
			FAA Grant	-	1,330,000
			DCNR Beach Access	50,000	
			Waterway East - Mattei Donation (1/2 of non-grant cost)	442,105	107,368
			Impact Fees Fire	137,000	150,000
			Impact Fees Police	129,000	132,900
			Impact Fees Rec	535,000	550,000
			Impact Fees PW	750,000	750,000
			Beach Funds	103,000	404,360
			Restore/NFWF	13,153,498	1,379,320
			Bond/Bank LOC	18,728,599	22,486,787
			City School Projects funded with 2022 A $150 million loan	30,459,181	64,244,506
			2022 $47 million loan	6,269,548	26,259,620
			Subtotal Other Funds	94,013,740	135,791,088
			City General Funds	**3,962,574**	**3,638,600**
TOTAL BY FUNDING TYPE			Operational General	694,000	672,000
			General Fund Capital vehicles/equipment	3,248,574	2,966,600
			ADEM	42,550	42,550

City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2023

2025	2026	2027	2028	2029	2030	2031	2032
22,000	20,000			100,000			
1,000,000							
50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
5,000,000							
22,000							50,000
6,463,000	**359,200**	**174,200**	**287,200**	**532,200**	**508,920**	**187,920**	**308,920**
				65,000			
		60,000			60,000		
			75,000				
		60,000			60,000		
98,000				98,000			
			90,000				
				15,000			
50,000	40,000	40,000	40,000	30,000	30,000	30,000	30,000
148,000	**40,000**	**160,000**	**205,000**	**208,000**	**150,000**	**30,000**	**30,000**
82,342,878	**12,317,156**	**5,549,883**	**3,848,976**	**5,921,818**	**5,660,632**	**3,668,282**	**4,459,291**
5,335,500							
-							
-							
1,520,000							
1,379,320	1,379,320						
6,443,284							
12,919,873	100,000						
27,597,977	1,479,320	-					
54,744,901	**10,837,836**	**5,549,883**	**3,848,976**	**5,921,818**	**5,660,632**	**3,668,282**	**4,459,291**

City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2023

Department	Description	Priority	Funding Source	2023	2024
			FEMA/ADEM	3,892,076	258,400
			ALDOT RESTORE/BUILD/FAA	19,372,183	19,025,277
			Developer Contributions	442,105	107,368
			Line of Credit Non taxable Borrowed Funds	24,998,147	48,746,407
			Restore/NFWF Funds	13,153,498	1,379,320
			Impact Fees	1,551,000	1,582,900
			Beach Recycling	123,000	404,360
			All Major projects total	67,517,133	75,185,182
			City School Projects funded with 2022 A $150 million loan	30,459,181	64,244,506
			Total All City Capital & City School Projects	**97,976,314**	**139,429,688**

City of Gulf Shores
Capital Improvement Program
Ten Year Plan beginning 2023

2025	2026	2027	2028	2029	2030	2031	2032
6,855,500							
6,443,284							
1,379,320	1,379,320						

City of Gulf Shores Revenue, Expense and Reserve Funds Usage projected 2023

numbers are shown in thousands

Year, % Change	Amended 2022	%	2023	%	2024	%	2025	%	2026**	%
Total Revenue **(1)**	**63,927**	1%	**65,727**	2.8%	**70,232**	7%	**73,041**	4%	**75,963**	4%
Total Expense	42,218	2%	44,383	5.1%	45,605	2.8%	46,973	3%	48,382	3%
Prior Year Debt	10,104		(10,671)		(18,545)		(18,562)		(21,219)	
Current Yr Debt, % of Expense	10,671	**18%**	18,545	**29%**	18,562	**29%**	21,219	**31%**	22,694	**32%**
Addl LOC Prncpal paid	7,450	30%								
Growth % net of debt									967	2%
Estimated Annual Expenses	**60,339**		**62,927**		**64,167**		**68,192**		**72,043**	
Reserve Amount prior year	46,450		50,038		52,837		58,902		63,751	
Reserve Balance *	46,450		50,038		52,837		58,902		63,751	
Revenue-Expenses	3,588		2,799		6,065		4,849		3,920	
Reserve Balance with return to Reserves	50,038		52,837		58,902		63,751		67,671	
Reserves Target %	**44,749**	70%	**46,009**	70%	**49,162**	70%	**51,129**	70%	**53,174**	70%
Cash Reserves % of Expense	83%		84%		92%		93%		94%	
Cash Reserves % of Revenue	78%		80%		84%		87%		89%	

(1) Revenue growth from 2012 to 2021 averaged 5.7% without the 2018 Lodging Tax increase of 2%

*Beginning 2022 reserve amount is from 2021 audit.

The City of Gulf Shores Revenue, Expense and Reserve funds are projected from 2022 to 2032 in the spreadsheet above. Revenue is budgeted to increase one percent in 2022 and increase in 2023 2.8% reflecting inflation. Actual Lodging Tax collections are up $1.44 million or 8% for 2022 year-to-date over 2021 due to increase in rental rates.

Revenue is projected to grow 2.8% in 2023 due to the 2% Lodging Tax increase beginning September 2022. Seven percent growth is projected for 2024 due to an additional 1% Lodging Tax increase (total 3% increase) in September 2023. Four percent growth is projected 2025 to 2032. Expenses net of debt service are projected to grow conservatively at 5.1% due to inflation in 2023; 2.8% 2024; 3% in 2025, 2% in 2026 and 2027 then 3% from 2028 to 2031. A decline in total expenses in 2029 may occur with the payoff of long term debt issues occuring in 2028. Debt service is estimated at between $18.5 and $22.7 million annually, which may increase depending on whether advance payments on the City's Lines of Credit (LOC) are made. Provision is made in 2022 for $3,228,274 in rolling stock and major capital repair expense. Reserve targets are seventy percent of expenditures. Reserves in 2021 were 73% of revenues and 70% of expenses.

The Forecast only included the General Fund of the City of Gulf Shores, since all the other funds are dependent on the General Fund either by transfer or repayment of borrowed funds.

City of Gulf Shores Revenue, Expense and Reserve Funds Usage projected 2023

numbers are shown in thousands

	2027	%	2028	%	2029	%	2030	%	2031	%	2032	%
Total Revenue	**79,001**	4%	**82,161**	4%	**85,448**	4%	**88,866**	4%	**92,420**	4%	**96,117**	4%
Total Expense	49,834	3%	51,329	3%	52,869	3%	54,455	3%	56,088	3%	57,771	3%
Prior Year Debt	(22,694)		(22,704)		(21,838)		(19,149)		(19,150)		(19,142)	
Current Year Debt	22,704	31%	21,838	29%	19,149	26%	19,150	25%	19,142	25%	19,146	24%
Growth % net of debt	996	2%	1,539	3%	1,585	3%	1,633	3%	1,682	3%	1,733	3%
Est. Annual Expenses	**73,533**		**74,706**		**73,603**		**75,238**		**76,913**		**78,650**	
Estimated Reserves	67,671		73,138		80,594		92,439		106,067		121,575	
Reserve Balance	67,671		73,138		80,594		92,439		106,067		121,575	
Return to Reserves	5,468		7,456		11,845		13,628		15,508		17,468	
Reserve Balance with return to Reserves	73,138		80,594		92,439		106,067		121,575		139,043	
Reserves Target %	**55,301**	70%	**57,513**	70%	**59,814**	70%	**62,206**	70%	**64,694**	70%	**67,282**	70%
% of Budget Expense	99%		108%		126%		141%		158%		177%	
% of Budget Revenue	93%		98%		108%		119%		132%		145%	

**Year 2026 assumes $25 million debt issued for balance on LOC's once ended; 3.25% interest, payments $1.72 annually

CITY OF GULF SHORES, ALABAMA

DEPARTMENTAL INFORMATION

FISCAL YEAR 2023

City of Gulf Shores, Alabama
2023 Annual Budget
Personnel - All General Fund

General Fund Department	2021 Full time	2021 Part time	2022 Full time	2022 Part time	2023 Full time	2023 Part time
Executive	13	0	13	0	13	0
Human Resources	3	0	3	0	3	0
Finance & Administrative Services	18	1	18	1	18	1
Municipal Court	6	0	6	0	6	0
Police	76	1	79	2	80	3
Fire & EMS	59	43	69	43	70	43
Planning And Zoning	5	0	6	0	7	0
Building*	7	0	6	0	6	0
Recreation & Cultural Affairs	3	0	3	0	3	0
Events & Programs	6	2	6	2	6	2
Library	8	3	8	3	8	3
Recreation - Bodenhamer	20	20	20	20	20	20
Recreation - Sportsplex	7	0	7	0	8	0
Recreation - Parks	6	1	6	1	5	1
Recreation - School Landscaping	2	0	2	0	2	0
Eco-Center	0	0	2	0	0	0
Recreation - City Store	1	3	1	3	1	3
Public Works - General Services	5	0	5	0	5	0
Public Works - Custodial	9	0	9	0	9	0
Public Works - Landscaping	10	0	10	0	10	0
Public Works - Streets	23	0	26	0	15	0
Public Works - Recycling&Sanitation	0	0	0	0	11	0
Public Works - Maintenance	9	0	9	0	9	0
Engineering	6	1	6	1	6	1
Airport Authority	2	0	2	0	3	0
Total	**304**	**75**	**322**	**76**	**324**	**77**

Positions Approved 2023

New Full Time

1 Police Civilian Investigator
1 Planning Manager Position
1 Fire and Rescue Training Officer / Risk Manager
1 Airport Administrative Analyst

New Part Time

1 part-time Special Operations & Training Officer

*****In 2022 two Building Inspector positions eliminated and Plans Examiner position added in Building

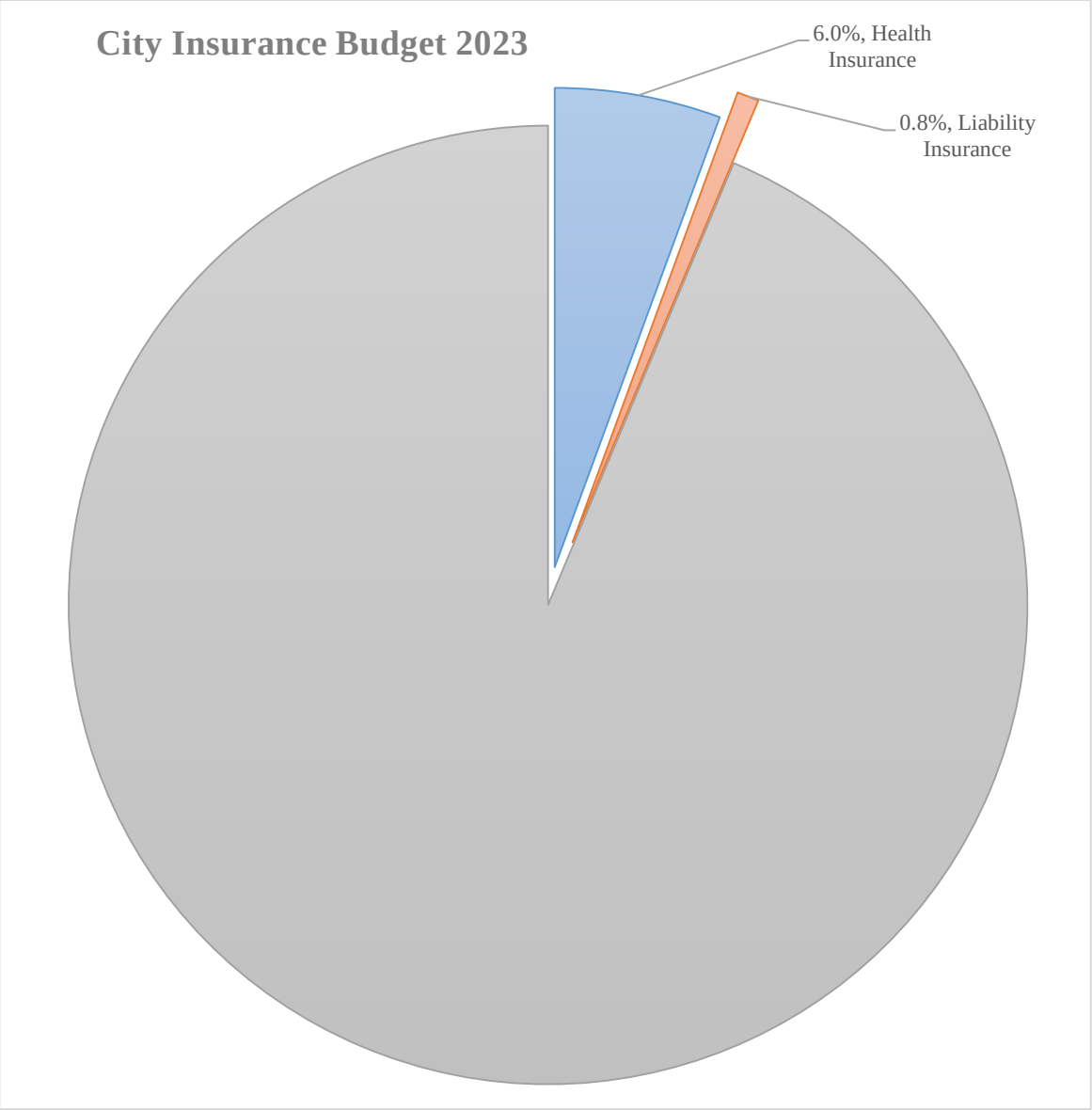
CITY OF GULF SHORES, ALABAMA
EXPENDITURES BY CATEGORY
BUDGET YEAR ENDING DECEMBER 31, 2023

Department	Personnel	Operations	Capital Outlay	Debt Service	Transfers	Total
General Fund:						
Executive	1,197,481	837,475	125,000			2,159,956
Human Resources	720,392	121,048	-			841,440
Finance & Administration	1,569,220	2,190,262	-			3,759,482
Municipal Court	533,971	13,350	-			547,321
Police	7,245,489	1,280,001	988,800			9,514,290
Fire & EMS	6,390,225	1,026,340	1,245,000			8,661,565
Planning & Zoning	750,070	182,300	-			932,370
Building	574,519	62,700	42,550			679,769
Recreation & Cultural Affairs	361,853	70,980	-			432,833
Events & Programs	490,099	401,730	-			891,829
Library	622,237	101,980	-			724,217
Recreation - Rec & Wellness	2,015,421	557,173	16,500			2,589,094
Recreation - Sportsplex	777,784	550,460	154,000			1,482,244
Recreation - Parks	437,744	174,213	30,000			641,957
Rec-School Ground Maint.	175,900	80,122	-			256,022
City Store	117,053	81,710	-			198,763
Public Works-General Services	419,279	82,330	-			501,609
Public Works-Custodial	507,793	84,750	-			592,543
Public Works-Landscaping	829,025	185,620	-			1,014,645
Public Works-Streets	1,481,813	785,520	916,000			3,183,333
Public Works-Maintenance	772,121	471,400	-			1,243,521
PWorks-Recycle&Sanitation	220,000	361,480	183,274			764,754
Engineering	659,969	128,950	40,000			828,919
Airport Authority	265,268					265,268
Appropriations	0	942,126				942,126
Transfers Out	0	0			19,277,583	19,277,583
General Fund Totals	29,134,726	10,774,020	3,741,124	0	19,277,583	62,927,453
% of Total	46.3%	17.1%	5.9%		30.6%	
Other Funds:						
Special Revenue						
Designated Taxes		35,000			555,000	590,000
Impact Fees		137,000	1,414,000			1,551,000
Beach Restoration & Projects	1,107,792	350,300	123,000			1,581,092
Capital Improvements-Fund 38			30,459,181		2,754,844	33,214,025
Storm Damage Fund		481,000	5,796,027			6,277,027
Capital Projects Taxable Fund 42		300,000	47,816,434			48,116,434
Capital Projects NonTax Fund 40			7,764,548			7,764,548
Debt Service				18,544,505		18,544,505
Subtotal Other Funds	1,107,792	1,303,300	93,373,190	18,544,505	3,309,844	117,638,631
Grand Total	**30,242,518**	**12,077,320**	**97,114,314**	**18,544,505**	**22,587,427**	**180,566,084**

Total Expenditures **$ 180,566,084**

City Insurance Budget 2023

	Budget 2023	% of Total Budget
Health Insurance	**$3,758,277**	6.0%
Liability Insurance	**$496,000**	0.8%
Total General Fund Budget	**$62,927,453**	



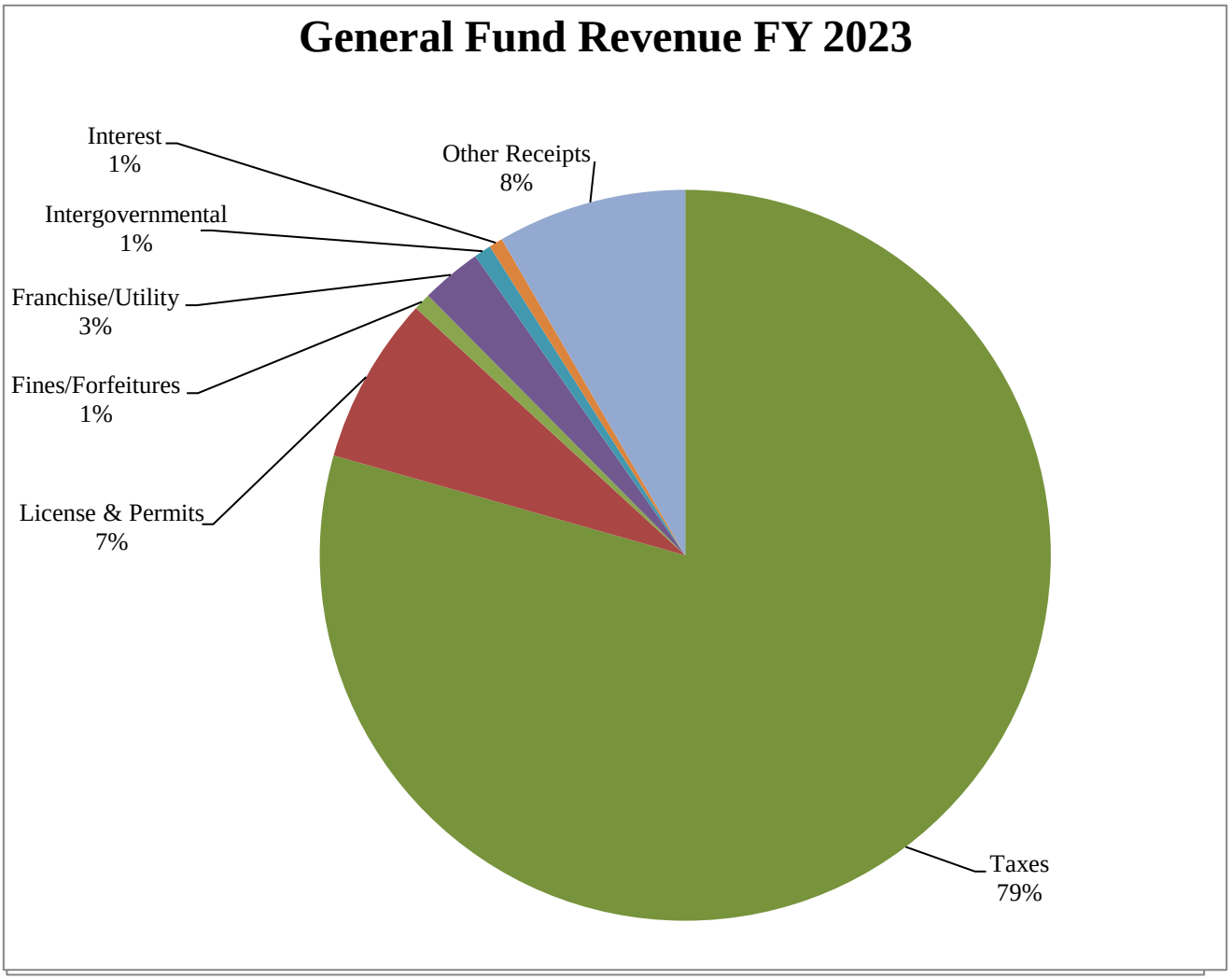
Health Insurance is included in the Personnel expense for each departmental budget.

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

The City of Gulf Shores, Alabama

General Fund Budget Summary

GENERAL FUND REVENUE	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% of Total General Fund
Taxes	$ 38,131,093	$ 52,051,767	$ 51,440,010	$ 52,189,000	79%
License & Permits	4,625,850	4,815,540	4,785,000	4,874,000	7%
Fines/Forfeitures	384,382	483,847	500,000	500,000	1%
Franchise/Utility	1,442,306	1,579,748	1,762,000	1,762,000	3%
Intergovernmental	856,534	696,229	388,839	499,900	1%
Interest	288,018	138,290	12,260	400,000	1%
Other Receipts	15,797,748	3,622,630	5,038,577	5,501,838	8%
Total General Fund Revenues	$ 61,525,931	$ 63,388,051	$ 63,926,686	$ 65,726,738	100%



The City of Gulf Shores, Alabama
Fiscal Year 2023 Budget

EXECUTIVE	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	2024 Projected
Expenditures						
Personnel	945,411	1,122,972	1,244,087	1,197,481	-4%	**1,200,142**
Operations	550,972	537,546	687,975	837,475	22%	**687,475**
Capital Outlay	7,500	2,556,915	0	125,000	n/a	**0**
Executive Total	**1,503,883**	**4,217,433**	**1,932,062**	**2,159,956**	**12%**	**1,887,617**

Executive Personnel

Positions	2020 Actual	2021 Actual	2022 Amended	2023 Adopted
Mayor	1	1	1	1
Council Members	5	5	5	5
City Administrator	1	1	1	1
City Clerk	1	1	1	1
Economic Dev Coordinator	1	1	1	1
Environmental Grants Coordinator	1	1	1	1
Public Engagement Manager	0	1	1	1
Records & Archives Clerk	1	1	1	1
Asst. Admin/City Clerk	1	1	1	1
Total Personnel	**12**	**13**	**13**	**13**

Executive Department Functions:

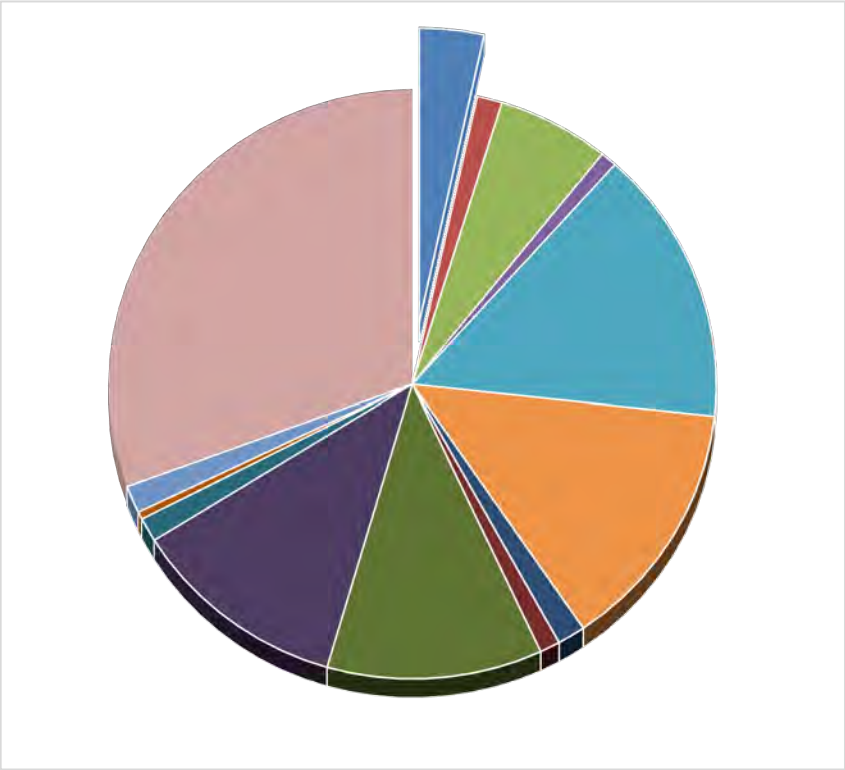
Mayor's Office

One of the primary goals of the Mayor's Office is to provide the citizens of Gulf Shores the opportunity to participate in local government. The Executive office works to enhance public relations, provide quality services, respond to citizens' requests, improve the quality of life and facilitate growth and development throughout the city.

City Council

The City Council serves as the governing body of the City, exercising legislative powers and representing the interests of the citizens in policy formulation and adoption of an annual budget. It is the goal of the Council to promote the health, comfort, infrastructure development, economic development, safety and general welfare of the City. The Council enacts laws that govern the citizens of Gulf Shores by adopting ordinances and resolutions. The Council also conducts public hearings to seek citizens input regarding certain issues, such as zoning, issuance of alcoholic beverage licenses, community development projects, etc. They make appointments to various boards that advise and assist in conducting municipal functions.

EXECUTIVE Office Continued



Expenditure Budget 2023
$ 2,159,956
3.4%
of General Government

Economic Development Coordinator:
Worked with a private development group to revive the former Bon Secour Marina as the centerpiece of a new mixed-use development.

Completed on-street parking, sidewalks and streetscape improvements within the Gulf Beach District to enhance development opportunities in the area.

Began construction on the extension of Waterway East Boulevard which will provide a new roadway connection between Highway 59 and Cotton Creek Drive and create significant waterfront development opportunities on the northern shore of the Intracoastal Waterway.

Continue a close partnership with Gulf Shores City Schools to begin the implementation of their Campus and Facilities Master Plan.

Collaborated with the Gateway Initiative, Coastal Alabama Business Chamber, South Baldwin Chamber, and Gulf Shores and Orange Beach Tourism to build support for a new regional workforce development campus.

EXECUTIVE Office Continued

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

Department: Executive - Major Accomplishments:
Mayor and Council authorized core value projects:
Amend Code - Adopt Garbage, Trash, Junk and Weeds Regulations **(Planning & Zoning**)

Amend Code - Adopt Building Permit Fee Schedule **(Building)**

Authorize Contract for Construction Design of Gulf Shores City Schools **(Education)**

Authorize Contract for Project Management of Construction of Gulf Shores City Schools (**Education**)

Authorize Professional Services Contract for Architectural Services and Project Management for Police Justice Center **(Public Safety)**

Authorize Contract for Construction of Gulf Coast Center for Ecotourism & Sustainability Project **(Environmental)**
Approved Agreement between Airport Authority and TBIAM for the Development and Operation of a New Terminal Facility **(Transportation)**

Amend Code - Strengthen Tree Protection Ordinance (**Environmental**)

Amend Code - Continue to Operate Mayor-Council Form of Government until 2030 Federal Decennial Census **(Government)**

Executive Office	**2021 Actual**	**2022 Budget**	**2023 Target**
Goals			
City Council Agenda dispatch packages available by deadline	100%	100%	100%
Ordinances processed	42	28	25
Resolutions processed	127	101	80

The City of Gulf Shores, Alabama
Fiscal Year 2023 Budget

HUMAN RESOURCES	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	2024 Projected
Expenditures						
Personnel	529,620	574,069	721,262	720,392	0%	743,327
Operations	82,478	96,674	123,544	121,048	-2%	124,184
Capital Outlay	0	0	0	0	n/a	0
Human Resources Total	**612,098**	**670,743**	**844,806**	**841,440**	0%	867,511

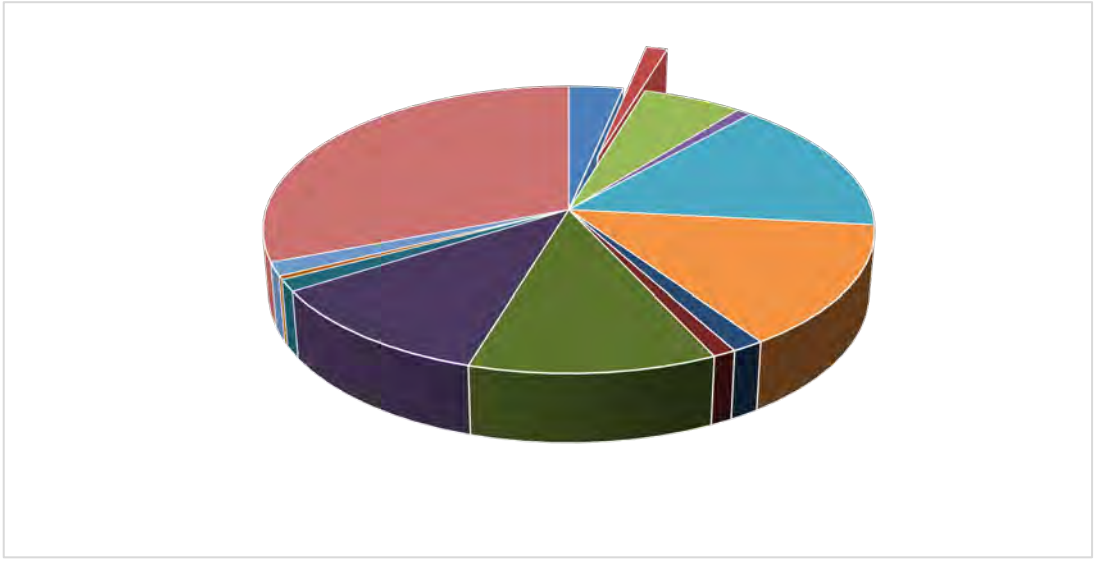
Human Resources Personnel

Positions	2020 Actual	2021 Actual	2022 Amended	2023 Adopted
Human Resources Officer	1	1	1	1
Payroll & Benefits Specialist	1	1	1	1
Admin. Asst. II (Full-time)	1	1	1	1
Total Personnel	**3**	**3**	**3**	**3**

Human Resources Department Functions:

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

Expenditure Budget 2023
$ 841,440
1.3% of General Government



Major Accomplishments:	**2021 Actual**	**2022 Budget**	**2023 Target**
City Employee Handbook Completed; Council Approved	90%	Completed	Maintain
Increased Employee Participation in Wellness Program	78%	73%	78%
Implemented Slavin Compensation Study	100%	Maintain	Expand
Improved Tier 2 RSA benefits by offering Tier 1 Benefits	100%	Maintain	Maintain

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

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

Goals:

Maintain Symbol Wellness Point System to promote participation in the program.
Safety Program Implementation to include utilizing new software for city-wide web based training.
Reduce workers compensation cost by participating in the Triage Nurse Program established by Millennium.

Objectives:	**2021 Actual**	**2022 Budget**	**2023 Target**
Quarterly Reports from Millennium on Work Comp injuries to establish safety needs, utilize Triage Nurse Program to reduce workers compensation cost.	75%	85%	100%
Implement new software program for City-wide web-based safety training.	75%	75%	100%
Create Employee Safety Manual and Checklist Documents to be implemented after approval of Council	100%	Maintain	Expand
Work with Symbol on creation of reports to measure outcomes and cost effective programs.	90%	100%	Expand
Implement points and reward system by offering goal oriented safety programs.	75%	100%	Maintain

The City of Gulf Shores, Alabama
Fiscal Year 2023 Budget

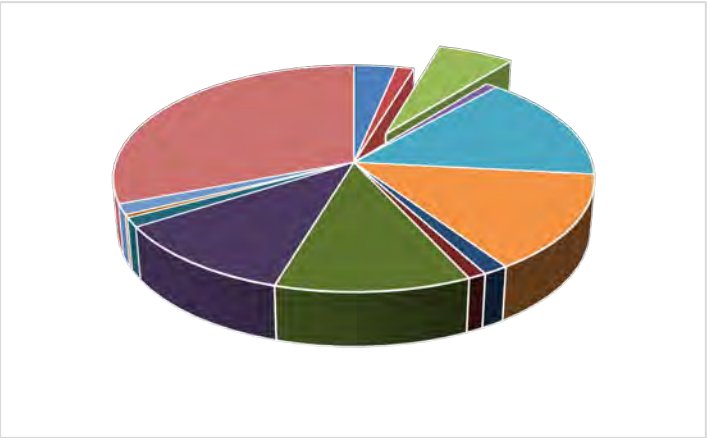
FINANCE AND ADMINISTRATIVE SERVICES	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	**2024 Projected**
Expenditures						
Personnel	1,476,838	1,519,829	1,503,527	1,569,220	4%	**1,584,871**
Operations	1,478,778	1,533,741	2,071,939	2,190,262	6%	**2,190,463**
Capital Outlay	29,937	2,895	10,000	0	-100%	**0**
Finance & Admin Total	**2,985,553**	**3,056,465**	**3,585,466**	**3,759,482**	5%	**3,775,334**

Finance & Administrative Services Personnel

Positions	2020 Actual	2021 Actual	2022 Amended	2023 Adopted
Director	1	1	1	1
Accountant	1	1	1	1
Accounting Supervisor	1	1	0	0
Financial Tech I	1	1	1	1
Financial Tech II	1	1	1	1
Financial Tech III	1	1	1	1
Finance Manager	0	0	1	1
Revenue Division Coordinator	1	1	1	1
Revenue Tech	1	1	1	1
Purchasing Officer	1	1	1	1
Purchasing Tech	1	1	1	1
Revenue Supervisor	1	1	1	1
GIS Coordinator	1	1	1	1
Information Tech Officer	1	1	1	1
Information Systems Supervisor	1	1	1	1
Network Administrator	1	1	0	0
Network Architect	0	0	1	1
Systems Administrator	1	1	1	1
Information Tech Technician	1	1	1	1
Accountant (Part-time)	1	1	1	1
Admin Asst. I	1	1	1	1
Total Personnel	**19**	**19**	**19**	**19**

Finance and Administrative Services Function:

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



Expenditure Budget 2023
$ 3,759,482
6% of General Government

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

Major Accomplishments:

	2021 Actual	**2022 Budget**	**2023 Target**
Submit City Budget to GFOA for Distinguished Budget Presentation Award within 30 days of budget adoption.	Submitted 11/16/2020 Received	Submitted 12/16/2021 Received	Goal 11/23/2022
Submit within 6 months of year end the Annual Financial Report for the Certificate of Achievement for Excellence Award and the Popular Annual Financial Report for the Popular Annual Financial Reporting Award.	Submitted 2020 Audit 10/28/2021 Received	Submitted 2021 Audit 7/29/2022	Goal 2022 Audit 6/30/2023
Maintain reserves at percentage of revenue as set by Council.	73%	70%	70%
IT - City-wide surveillance camera expansion for increased security.	Expanded	Expanded	Expand
IT - Refresh network switches city-wide for enhanced speeds and data to and from internal network and throughout information systems.	n/a	Started	Complete
IT - Network Security enhancements to strenghten security posture and insight City-Wide.	n/a	Implement	Maintain

FINANCE AND ADMINISTRATIVE SERVICES DEPARTMENT continued

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

Goals:

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

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

Submit 2022 Annual Financial Report for Government Finance Officer's Association (GFOA) Certificate of Excellence in Financial Reporting Award, submit 2022 Popular Annual Financial Report Award and submit 2023 Budget for GFOA Distinguished Budget Presentation Award. Maintain Triple Crown winner status.

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

Objectives:	**2021 Actual**	**2022 Budget**	**2023 Target**
Enhance fiber backbone Citywide to include direct fiber runs to facilities and remove daisy-chain connections. This provides more stable and efficient network continuity for all locations.	33	Enhanced	Maintain
Currently one hundred ninety five (195) cameras are installed throughout municipal facilities/locations. Cameras were added to all Fire Stations in 2022.	195	208	Expand
Ensure all GFOA criteria is met to qualify for GFOA awards in order to provide greater financial transparency, enhance bond ratings and be able to borrow funds at lower interest rates to accomplish Vision 2025 goals.	Met	Met	Goal
Rental Licenses Issued	4,524	4,752	4,800

The City of Gulf Shores, Alabama
Fiscal Year 2023 Budget

MUNICIPAL COURT	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	2024 Projected
Expenditures						
Personnel	448,623	486,275	485,484	533,971	10%	**538,109**
Operations	13,495	10,355	13,290	13,350	0%	**13,350**
Capital Outlay	0	0	0	0	n/a	**0**
Municipal Court Total	**462,118**	**496,630**	**498,774**	**547,321**	10%	**551,459**

Municipal Court Personnel

Positions	2020 Actual	2021 Actual	2022 Amended	2023 Adopted
Municipal Court Judge	1	1	1	1
Municipal Court Prosecutor	1	1	1	1
Municipal Court Administrator	1	1	1	1
Court Magistrate	3	3	3	3
Total Personnel	**6**	**6**	**6**	**6**

Municipal Court Functions:

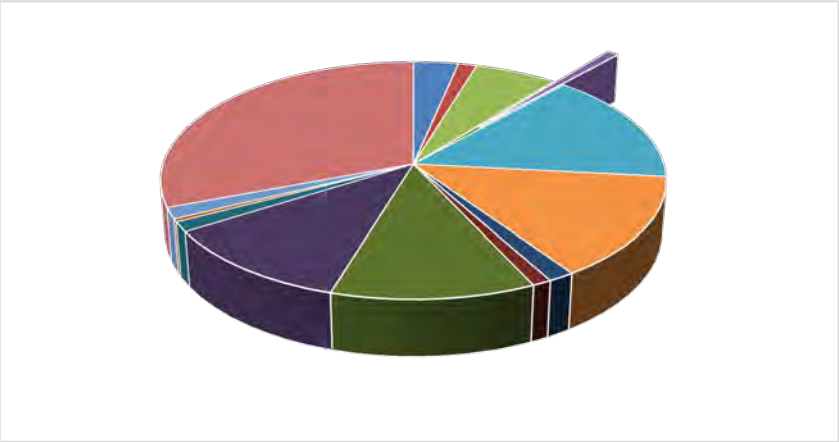
Municipal Court Judge: The Municipal Court Judge resides over the Municipal Court Clerk and Magistrate(s), and hears any cases brought before the Gulf Shores Municipal Court. Appointed and approved by the Mayor and City Council. The position of Municipal Court Judge is created by the Code of Alabama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

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

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

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

MUNICIPAL COURT contnued



Expenditure Budget 2023
$ 547,321
.9% of General Government

Major Accomplishments:

1. A new Electronic Parking Ticket program and devices have been successfully purchased and activated giving real time electronic issuance and recording of citations at the Public Beach.
2. An active Plea in Absentia program allowing Plea Agreements to be handled through Mail and Email and the addition of Kiosks in the Police Department lobby and continuing expansion of online capabilities is helping alleviate crowded dockets which is necessary in providing alternatives, thus reducing the size of court dockets and reduced alias warrants for failing to appear by issuing letters of explanation and guilty/waiver packets at defendant's initial appearance hearings.

Goals:

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

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

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

Working with Architects, Police and City Staff to develop plans and needs for a new Justice Center.

Key Measures	**2021 Actual**	**2022 Budget**	**2023 Target**
Total Criminal Processes handled by 4 Magistrates from 9/9/2021 to 09/9/2022 (not including Bond Hearings per arrest or window/phone interactions and Parking Tickets.)	11,230	11,785	12,500
Cost per process based on Total Court budget for year of report that includes Judge and Prosecution Salaries as well as Operating costs.	$41.15	$42.35	$42.56
Average Revenue per Criminal Process based on Revenue Collected for period 9/09/2021 to 9/09/2022 ($1,170,025) for 2022 and $1,400,000 projected for 2023.	$57.67	$99.28	$112.00

The City of Gulf Shores, Alabama
Fiscal Year 2023 Budget

POLICE	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	**2024 Projected**
Expenditures						
Personnel	6,027,954	6,155,393	6,977,340	7,245,489	4%	**7,248,234**
Operations	732,303	852,492	1,206,901	1,280,001	6%	**1,256,650**
Capital Outlay	260,599	652,788	647,900	988,800	53%	**1,051,000**
Police Total	**7,020,856**	**7,660,673**	**8,832,141**	**9,514,290**	8%	**9,555,884**

Police Personnel Positions	2020 Actual	2021 Actual	2022 Amended	2023 Adopted	
Police Chief	1	1	1	1	
Deputy Chief	1	1	1	1	
Lieutenant	3	3	3	3	
Investigator Command Sergeant	1	1	0	0	
Investigatior Sergeant	0	0	1	1	
Investigator	5	5	4	4	
Special Operations Command Sgt	1	1	0	0	
Special Operations Sergeant	1	1	1	1	
Special Operations Officer	0	0	1	1	
Narcotics Sergeant	0	0	1	1	
Narcotics Investigator	2	2	1	1	
School Resource Officer	3	3	3	3	
SRO/Sergeant	2	2	1	1	
Fleet/Property Room Command Sgt	1	1	1	1	
Patrol Command Sergeant	4	4	4	4	
Patrol Sergeant	3	3	3	3	
Patrol K9 Sergeant	1	1	1	1	
K9 Officer	3	3	3	3	
Patrol Officer	18	20	24	24	
Communication Officer	7	9	9	9	
Communications Supervisor	1	1	1	1	
IT Coordinator	0	0	1	1	
Detention Supervisor	1	1	1	1	
Detention Officer	8	8	8	8	
Administrative Assistant II	1	1	1	1	
Administrative Supervisor	1	1	1	1	
Community Service Officers	2	3	3	3	Beach Funding
Crime Scene Tech / Evidence	0	0	0	1	
Part Time Positions:					
Administrative Coordinator	0	1	1	1	
Special Operations/Training Officer	0	0	0	1	
Patrol Officer	0	0	1	1	
Total Personnel	**71**	**77**	**81**	**83**	

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

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

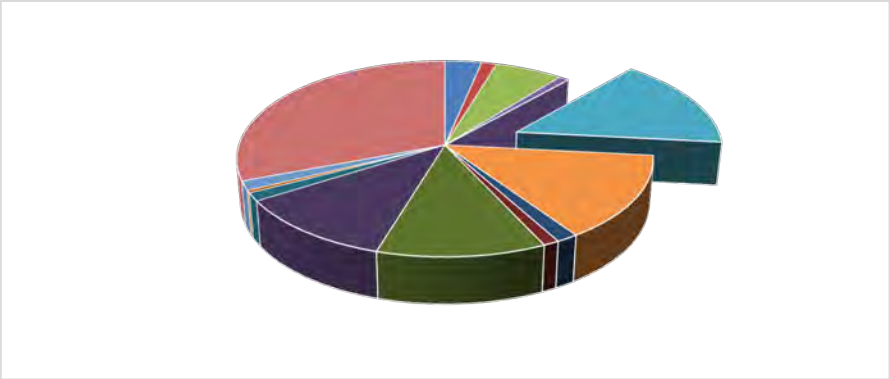
To be a model law enforcement agency viewed internally and externally as professional, enthusiastic, trustworthy and at the forefront of the police profession.

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

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

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

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



Expenditure Budget 2023

$ 9,514,290

15.2% of General Government

Major Accomplishments

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

	2021 Actual	**2022** YTD	**2023** Predicted
Drug Arrests	**441**	**216**	**306**

	2021 Actual	**2022** YTD	**2023** Predicted
Group A Offenses	**554**	**725**	**797**
Total of all crimes	**3,245**	**2,617**	**2,920**
% Group A Offenses toTotal Crime	**17%**	**27%**	**27%**
Total Calls for Service	**16,146**	**12,628**	**14,531**
Communications Processed	**31,120**	**24,911**	**31,432**

GSPD average response times decreased from 5:45 to 5:18 in FY 2021.

	2021 Actual	**2022** YTD	**2023** Predicted
Average Response Time	**5:18**	**5:04**	**5:10**

Future Outlook- Personnel

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

The City of Gulf Shores, Alabama
Fiscal Year 2023 Budget

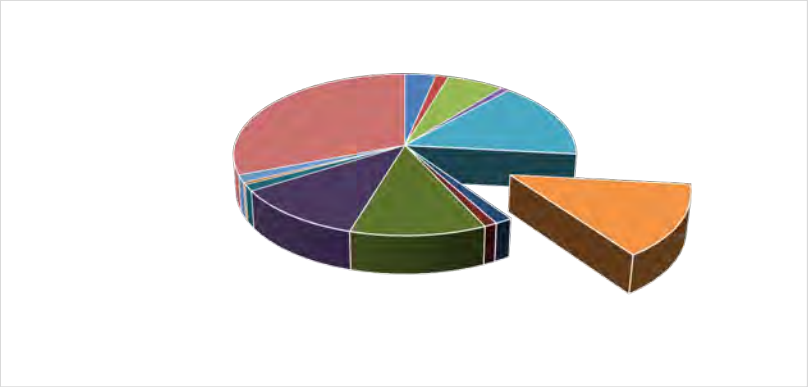
FIRE	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	2024 Projected
Expenditures						
Personnel	4,589,255	4,891,648	6,066,342	6,390,225	5%	**6,395,917**
Operations	635,964	852,723	921,040	1,026,340	11%	**901,040**
Capital Outlay	53,990	69,463	317,000	1,245,000	293%	**2,211,000**
Fire Total	**5,279,209**	**5,813,834**	**7,304,382**	**8,661,565**	19%	**9,507,957**

Fire Personnel Positions	2020 Actual	2021 Actual	2022 Amended	2023 Adopted	
Fire Chief	1	1	1	1	
Deputy Chief	1	0	0	0	
Chief of Staff	0	1	1	1	
Chief of Operations	0	1	1	1	
Fire Marshal	1	1	1	1	
Training Chief	0	0	0	1	
Fire Inspector	0	0	1	1	
Battalion Chief	3	3	3	3	
Beach Safety Chief	1	1	1	1	
Lieutenant	15	12	12	15	
Fire Logistics Officer	0	1	1	1	
Fire Education Officer	0	1	1	1	
Fire EMS Officer	0	0	1	1	
Beach Safety Lt.	0	2	2	2	
Firefighter/Paramedic	14	14	24	26	
Firefighter/EMT	18	20	18	13	
Admin Assistant	1	1	1	0	
Management Analyst	0	0	0	1	
Firefighter/EMT (PT)	0	4	4	4	
Firefighter/Par.(PT)	0	5	5	5	
Seasonal Lifeguards	30	30	30	30	*Beach Fund
Beach Rangers	4	4	4	4	*Beach Fund Seasonal
Total Personnel	**89**	**102**	**112**	**113**	

Fire Department Functions:

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

FIRE DEPARTMENT continued



Expenditure Budget 2023
$ 8,661,565
13.8% of General Government

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

Major Accomplishments:

Vision 2025 Key Strategy, Community Planning-Infrastructure:

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

Vision 2025 Key Strategy, Community Planning-Safety & Welfare

1. Staffing additional apparatus to reduce response times and provide excellent customer service, in addition this apparatus will assist in I.S.O credit for man power.
2. Continue operations at City School System. USLA, EMR, Fire Prevention
3. With the creation of the BEach SAFE program, we have distributed over 17,000 coloring mats to local restaurants for kids. This provides vital beach safety information for the child and parents.

Vision 2025 Key Strategy, Leading Edge Healthcare:

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

Vision 2025 Key Strategy, Education:

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

Vision 2025 Key Strategy, Environmental Stewardship:

1. Work in close partnership with the State Forestry Division to help mitigate urban interface situations within the Gulf State Park.
2. Through our Community Risk Reduction program we will provide information to the residents in regard to Burn Bans to help prevent accidental brush fires and property damage.

Goals:

Vision 2025 Key Strategy, Community Planning-Infrastructure:

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

Key Indicators	**2021 Actual**	**2022 Budget**	**2023 Projected**
911 Calls for Service			
EMS Incidents	2,400	2,440	2,489
Fire Incidents	1,200	1,217	1,241
Total Incidents	3,600	3,657	3,730
Average response time. (Dispatch to arrival)	0:05:54	0:05:46	0:05:45

**01/01/2022-9/1/2022*

Vision 2025 Key Strategy: Community Planning-Safety & Welfare

Fire Science Academy- High School			
Certified as Volunteer Firefighters	15	0	0
Certified in CPR	190	227	250
Certified in First Aid	157	198	200
Certified in Emergency Responder	30	30	30
Certified as Pool Lifeguard	15	4	10
Certified as USLA Lifeguard	4	2	6

Vision 2025 Action 2: Education

Community Outreach			
CPR cards	250	206	250
First Aid cards	150	71	150
Child Seats installed	15	20	20
Community Risk Reduction**	0	18,000	22,000
Fire Prevention out reach visits	1200	3000	4000

Vision 2025 Key Strategy: Community Planning-Safety & Welfare

Vision 2025 Key Strategy, Community Planning-Infrastructure:
1. We currently have twelve lifeguard towers spanning the beach. Moving forward, we would like to have lifeguards at all city beach access points. Currently there are only two that do not have coverage.

Vision 2025 Key Strategy, Community Planning-Safety & Welfare:
1. Replace the following under the ten year Capital Improvement Plan: one UTV for beach response and replace the current ambulance for response and transportation of residents.

Vision 2025 Key Strategy, Leading Edge Healthcare:
1. We began the Lifeguard Academy at the Gulf Shores High School in 2020. The class currently has 12 students this semester; this course will not be offered in the Spring Semester this year. This course will cover Surf Beach and American Red Cross Lifeguarding.
2. We are continuing to encourage our staff to obtain their paramedic license so that we can continue to provide the residents and city guests with the best medical care we can. In 2022, we had 10 firefighters complete this program and in 2023 we will have an additional seven become paramedics.
3. The purchase of three additional LUCAS Devices for emergency response vehicles to help increase the resuscitation in cardiac arrest patients. These devices are in our Capital Improvement Plan and allow for greater patient care for our communities.

Vision 2025 Key Strategy, Education:
1. Currently there is a Lifeguard Academy at the Gulf Shores High School. In the future, we would like to hire a full-time lifeguard that would oversee this program as well as the Junior Lifeguard Academy. These two programs will enhance overall safety and knowledge of the young people in our community as well as recruitment for employment.
2. The Fire Inspector that was hired in 2022 continues to work within the Gulf Shores City Schools teaching Fire Prevention to the children. In 2022, there were approximately 1,500 children reached.

Vision 2025 Key Strategy, Environmental Stewardship:
1. Beach Rescue responds to and handles the wildlife calls within the city limits. We have partnered with the Orange Beach Wildlife Center so that in the event we are unable to respond, their staff can ensure that the animals are being treated. With more than 150 birds taken to the Wildlife Center this year for treatment, we provided expired fluids to them that they can use but that is all.



Download Budget, then Click arrow to the left to see Gulf Shores Fire in action.

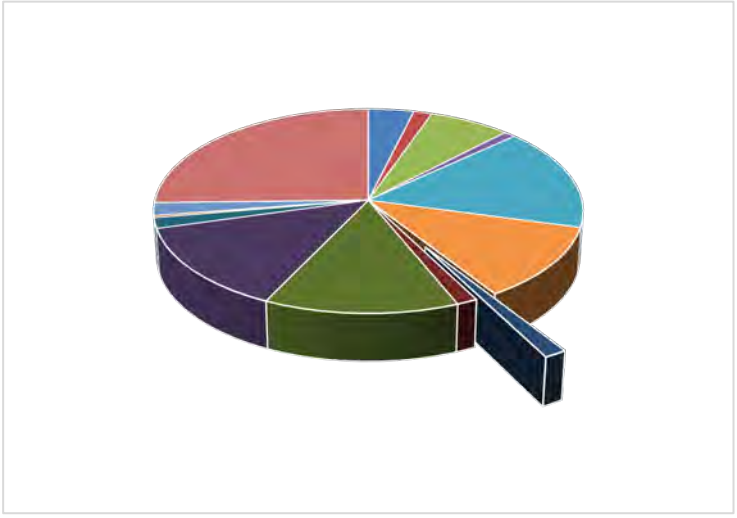
The City of Gulf Shores, Alabama
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PLANNING & ZONING	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	2024 Projected
Expenditures						
Personnel	549,539	529774	655,371	750,070	14%	750,335
Operations	58,819	51908	80,241	182,300	127%	182,300
Capital Outlay	25,250	0	0	0	n/a	0
Planning & Zoning Total	**633,608**	**581,682**	**735,612**	**932,370**	27%	932,635

Planning & Zoning Personnel

Positions	2020 Actual	2021 Actual	2022 Budget	2023 Adopted
Director	1	1	1	1
Current Planning Manager	0	0	0	1
Zoning Administrator	1	1	1	1
City Arborist	0	0	1	1
Planner I	1	1	1	1
Code Enforcement Officer	1	1	1	1
Administrative Assistant	1	1	1	1
Total Personnel	**5**	**5**	**6**	**7**

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



Expenditure Budget 2023
$ 932,370
1.5% of General Government

PLANNING AND ZONING continued

2022 Major Accomplishments:

Initiated RESOLUTION NO. 6519-22. The Specific Use Regulations for Multiple-family and Townhouse developments were not implementing the design recommendations of the City's Land Use Plan. Planning and Zoning staff advised the City Council to place a 180-day pause on the acceptance of all applications for site plan review of any Townhouse or Multiple-family Dwelling projects proposed to be located within the City of Gulf Shores in order to make amendments to Article 11-3, Townhouses, and Article 11-21 Multiple-Family Developments of the Zoning Ordinance. This pause in acceptance of site plans allowed staff the opportunity to draft changes to the Zoning Ordinance in order to implements recommendations of the adopted Land Use Plan.

Amended Article 11-3. Townhouses. The Specific Use Regulations for Townhouses were not implementing the design recommendations of the City's Land Use Plan. Planning and Zoning staff successfully drafted new regulations to require individual Townhouse Dwellings to be located on individual lots, applied the Open Space; Access, Circulation and Parking; Site Design; and Infrastructure Impact Mitigation Regulations within Article 11-21. Applied Architectural Regulations of Article 16-1 F. to Townhouses. The Zoning text amendment was ultimately adopted by the City Council.

Replaced Article 11-21. Multiple-family Dwellings. Enforcement of the most up-to-date zoning and building codes and regulations in order to protect the health, safety and welfare of residents and businesses is one of the Key Strategies of the Vision 2025 Plan. The Specific Use Regulations for Multiple-family Dwelling Uses were not implementing the design recommendations of the City's Land Use Plan. Planning and Zoning staff successfully drafted new regulations that modified this section to implement the City's Land Use Plan recommendations as they relate Physical Context; Blocks and Streets; Access, Circulation and Parking; Open Space; Mixture of Housing Types; and Site Design. The amendment also requires Development Mitigation Plans for all Multi-family projects greater than two acres and all Townhouse projects greater than five acres. Development Mitigation Plans shall include Traffic Impact and Utility Impact Studies, and require the completion of mitigation measures prior to the issuance of an Occupancy Permit. The Zoning text amendment was adopted.

Amended Article 16-1 F. Architectural Restrictions. Maintaining and enhancing the physical qualities of the City is an overarching consideration of the Vision 2025 Future Land Use Plan. The Specific Use Regulations for Multiple-family Dwelling Uses were not implementing the design recommendations of the City's Land Use Plan. Planning and Zoning staff successfully drafted new regulations to modify this section to update Multiple-family Dwelling and Townhouse Architectural Regulations. The amendment modified the allowable building materials, added building disposition standards for Multiple-family Developments and added vertical and horizontal massing and modulation, and fenestration standards for Multiple-family Developments.

Amended Section 2-2. Policies of the Subdivision Regulations. Planning and Zoning staff drafted an amendment to the Subdivision Regulations to add requirements for Townhouse subdivisions and Multiple-family Dwelling developments. These changes synced the Subdivision Regulations with the newly-adopted Zoning Ordinance changes in order to clarify the subdivison process for multi-family and townhouse developments.

Amended the The Future Land Use Map. The Land Use Plan is intended to evolve and grow in response to changes in public values and to market and physical conditions. The Plan is amended to achieve Vision 2025's comprehensive vision for the community. The Future Land Use Map is used as a guide for making recommendations to the City Council on zoning requests. Planning and Zoning staff had the Plan amended where the zoning of properties conflicted with the Future Land Use designation. Specific areas of the Future Land Use Map which were updated are as follows:
1. Hwy 59 Frontage North of Target – Residential Medium to Commercial/Mixed
2. W 2nd Street West of Midtown Gulf Shores – Residential Medium to Commercial/Mixed

PLANNING AND ZONING continued

3. Gulf Shores City School
4. West of Hwy 59 and North of
5. Alamo Circle – Residential
6. Northshore St. – Residential
7. Colonial Traditions and Jasmine
8. 3000 Block West Beach
9. Ft. Morgan Road/ Bon Secour

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

Require Complete Applications. Planning and Zoning staff modified the Planning & Zoning Application acceptance procedure to require in-person application submittals. This change was made in an effort to accept only complete applications and reject incomplete applications. Rejecting incomplete applications frees up staff time to perform actual plan reviews.

Amended the Fee Schedule found within Chapter 7, Section 7-4 of the Code of Ordinances. The primary reason for the proposed modifications to the City's Fee Schedule was the adoption of Ordinance 2072, Townhouse and Multiple-family Dwelling Uses Zoning Text Amendment. This Zoning Text Amendment requires the submission of a Traffic Impact Study to mitigate the impacts of multiple-family and townhouse developments on public streets. An additional reason for the proposed Fee Schedule amendment is that the schedule has not been updated since 2016. City staff performed a complete review of the Fee Schedule to make sure the City's fees are equitable and are comparable to other jurisdictions within Baldwin County.

Major Street Plan Implementation. One of the Key Priorities in the Vision 2025 Plan is to develop well-organized infrastructure. Planning and Zoning staff works throughout the year to implement the adopted Major Street Plan. Staff successfully negotiated the dedication of a north/south connector road identified on the Major Street Plan, unimproved vacant property and wetlands as a vacation of right-of-way fee for the vacation of 6.12 acres of unimproved and unopened public rights-of-way within the Legendary Marina development. The right-of-way fee included:
1. The dedication of proposed public right-of-way owned by GCOF Bon Secour, LLC, with the appraised value of $110,000, 2. An in-kind donation from Aventura 2017, LLC of 169.28 acres of wetlands and 6.43 acres of uplands with the appraised value of $703,000.

Amended Chapter 14, Garbage, Trash, Junk and Weeds, of the Code of Ordinances. Maintaining and enhancing the physical qualities of the City is an overarching consideration of the Vision 2025 Future Land Use Plan. Planning and Zoning staff amended Chapter 14 of the Code of Ordinances to clarify exemptions for "natural state lots" and created and expedited process for City abatement of overgrown properties. Abatement process was reduced from 30 to 7 days and clearly established the City may maintain overgrown properties at owner expense.

Subdivision Regulations Amendments. Enforcement of the most up-to-date zoning and building codes and regulations in order to protect the health, safety and welfare of residents and businesses is one of the Key Strategies of the Vision 2025 Plan. Planning and Zoning staff completed two additional amendments to the Subdivision Regulations in 2022.

They are as follows:

1. Article 4-4.B., Preliminary Plat Submittal Requirements, to require subdivision plats to note that the setbacks will comply with the underlying zoning instead of graphically illustrating the setbacks on subdivision plats; and
2. Article 4-4.E., Effective Period of Preliminary Plat Approval, to add a process for extending preliminary plat approval. The amendment provided preliminary plats a total of 3 years to begin and complete construction, otherwise the approval expires The amendment also formalized the Preliminary Subdivision Plat extension process.

BZA Success. One of the Core Values of the Vision 2025 Plan is to "protect and enhance the quality of life for our residents." When a new sewage sludge pond was constructed adjacent to an existing single family subdivision Planning and Zoning staff issues a Cease and Desist Letter. The owner of the pond appealed staff's determination to the Board of Zoning Adjustment. The Board of Zoning Adjustment upheld City staff's classification of a new "sludge pond" as an Expansion of a Nonconforming Use and the use as an Essential Services Facility at the Baldwin County Sewer Service facility located at 16763 State Highway 180.

Zoning Interpretation Letters. In implementing the Vision 2025 Plan's Core Values to provide "consistent enforcement of zoning and building codes and regulations to protect the health, safety and welfare of our residents" and to "protect and enhance the quality of life for our residents," Planning and Zoning staff made two Zoning Interpretations for how maximum density regulations apply to Mixed Use Developments and for the definition of the word "treatment" as related to the word's use in Article 11-5, Home Occupations, of the Zoning Ordinance.

Hired Joel Potter as the first City Arborist. One of the Core Values of the Vision 2025 Plan is to "promote a natural balance, preserve biodiversity and protect our valued natural resources." A primary job responsibility of the City Arborist is to implement Tree Protection Regulations and serve as a community resource for tree preservation and maintenance efforts. The City Arborist duties also include reviewing landscaping plans for new developments, making recommendations for revisions to the city's code for governing protected trees and preferred street trees, and ensuring private property maintenance standards are sustained throughout the community.

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

Provided **conceptual design** assistance to applicants on **current planning** projects. Prepared and presented design plans for:

1. Oyster Bay Townhomes
2. Callaway North Conservation Subdivision
3. County Road 6 Multi-family
4. Frith Bait Shop redevelopment
5. Frank Malone Property
6. ICC Marine concept
7. Midtown Gulf Shores redesign
8. Rouse's outparcel concept
9. Uptown Plaza redevelopment
10. Jerry O-brien mixed use concept
11. Phoenix 2 Restaurant concept
12. Gulf Shores Flats concept
13. Christian Services Center concept
14. Jim Brown ICW concepts
15. Shimmering Sands Multi-family concept

2023 Planning & Zoning Department Goals:

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

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

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

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

Program Activities and Workload Measures				
		2021	**2022**	**2023**
Long-range Planning		**Actual**	**Budget**	**Target**
Community Meetings		6	4	6
Small Area Plans Completed		1	2	2
Land Use Plan Updates		7	9	10
Long-range Designs/Concepts		8	6	8
Zoning Text Amendments Initiated		**7**	4	4
Zoning Text Amendments completed		**7**	4	4
Sub. Reg. Amendments		**2**	3	5
Current Planning				
Current Planning Re/Designs		9	15	15
Rezonings		**5**	5	6
Site Plans		**18**	19	24
Administrative Site Plans			14	15
Conditional Use Permits		**6**	8	8
Preliminary Subdivision Plats		**6**	6	6
Final Subdivision Plats		**10**	14	16
Annexations		**5**	13	15
Codes Administration				
Zoning				
Zoning Variances		**6**	4	4
Zoning Appeals			2	2
Rental Licenses		**886**	654	650
Business Licenses		**216**	130	220
Building Permits		**528**	568	450
Land Disturbance Permits		**22**	20	20
Fence Permits		**15**	38	40
Sign Permits			51	50

Program Activities and Workload Measures				
		2021	2022	2023
		Actual	Budget	Target
Code of Ordinances				
Tree Removal Permits		**30**	80	100
Zoning Verifications		**26**	18	20
Small Cell Towers		**14**	3	5
Cell Tower Modifications		**11**	5	5
Code Enforcement				
Total Code Enforcement Cases		**353**	368	350
Cases Open		**29**	19	90
Cases Closed		**324**	349	320
Citations Written		**94**	66	60
Arrests		**24**	10	5
Court Appearances		**94**	26	15

Objectives:

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

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

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

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

Community Planning and Action 5: Gulf Beach District -- Using Embassy Suites mixed use project as precedent, Update Beach Area Zoning to allow similar desired projects "By Right" without the need for Zoning Modifications.

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

The City of Gulf Shores, Alabama
Fiscal Year 2023 Budget

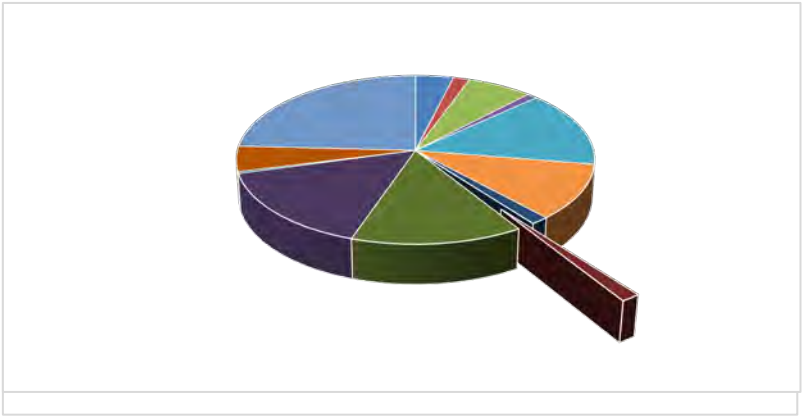
BUILDING	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	2024 Projected
Expenditures						
Personnel	593,395	581,299	639,679	574,519	-10%	582,917
Operations	40,471	53,922	56,450	62,700	11%	56,450
Capital Outlay	38,950	40,722	40,500	42,550	5%	40,500
Building Total	**672,816**	**675,943**	**736,629**	**679,769**	-8%	679,867

Building Personnel

Positions	2020 Actual	2021 Actual	2022 Budget	2023 Adopted
Building Official	1	1	1	1
Inspectors	5	5	3	3
Plans Examiner	0	0	1	1
Permit Clerk	1	1	1	1
Total Personnel	**7**	**7**	**6**	**6**

Building Department Functions:

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



Expenditure Budget 2023

$ 679,769

1.1% of General Government

Major Accomplishments:

The City of Gulf Shores continues to be one of the leading municipalities by adopting the most up to date code editions, the 2021 International Codes. The City recieved a Building Code Effectiveness Grading of 4 for both residential and commercial construction from the ISO. This code adoption has also required structures be built to the Gold Level for Fortified Housing, allowing our homeowners to receive additional savings on wind insurance. The City of Gulf Shores, in conjunction with Baldwin County, lead the nation in Gold Fortified

BUILDING DEPARTMENT Continued

Housing. The effects of these Standards were proven after Hurricane Sally. There was less damage to those structures built to the Fortified Standards. The Building Department has gone completely paperless for inspections and reporting. Our software system has been updated to allow plan reviews and resubmittals. ***The enforcement of these regulations helps ensure a more sustainable, resilient community.***

The Building Department effectively performs safety inspections for ALL short term rental units/structures. We have developed an online calendar enabling the scheduling of rental inspections. ***This allows our owners and visitors a safer environment to live and visit.***

Department: Building **Goals:**	**2021** **Actual**	**2022** **Budget**	**2023** **Target**
Continue the safety inspections for all rental units within the Corporate limits and Police Jurisdiction creating a safer environment for our tourists.	Completed inspections	begin 3rd phase	start the process anew
Compete with other code official organizations from the State to become the Chapter of the Year for 2023.	COVID cancelled all meetings	Organization has been reestablished	win chapter of the year

Objectives:

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

Key Indicators	**FY 21 Actual**	**FY 22 Budget**	**FY 23 Projected**
Annual Inspections	6,015	5,850	4,400
Residential New Construction Permits	467	320	256
Commercial New Construction Permits	15	12	8
Commercial Electrical Permits	35	25	20
Residential Electrical Permits	432	430	260
Commercial Plumbing Permits	17	12	10
Residential Plumbing Permits	402	320	260
Commercial Mechanical Permits	21	12	10
Residential Mechanical Permits	325	330	265
Rental Inspections**	1,158	2,500	2,000
Key Measures	**FY 21 Actual**	**FY 22 Budget**	**FY 23 Projected**
Inspections Performed on Day Requested	99%	99%	99%
Residential Plans Reviewed Within 2 Weeks	95%	95%	95%
Commercial Plans Reviewed Within 4 Weeks	90%	90%	90%
Safety Inspections Performed As Required	90%	90%	90%
Annual Revenues	**FY 21 Actual**	**FY 22 Budget**	**FY 23 Projected**
Annual Revenues Collected	$1,700,000	$ 1,600,000	$ 1,000,000

Recreation & Cultural Affairs Department Function
Fiscal Year 2023 Budget

The Recreation & Cultural Affairs Department serves to support Vision 2025 and assists in the delivery of the City's mission by providing high quality park and recreation facilities and services. Communicating with residents and visitors, engaging their input through the timely release of public information, continues to be a focus.

Mission Statement

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

The Department is comprised of the following areas:

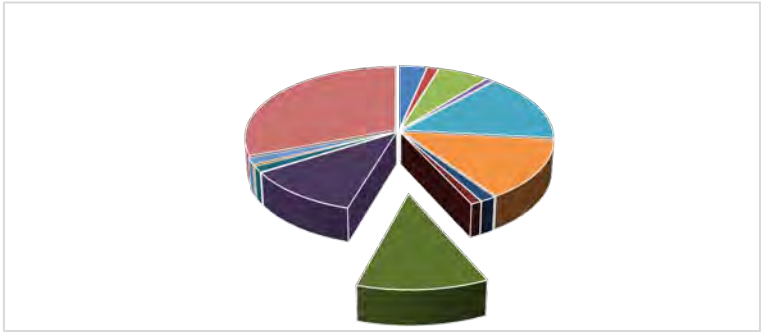
Recreation Division: The Recreation Division is responsible for the day to day operation of the David L. Bodenhamer Recreation Center and Gulf Shores Cultural Center which are membership and/or daily fee-based community centers that receive over 390,000 visits annually. These facilities serve as hubs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

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

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

Library & Museum Division: The Thomas B. Norton Public Library offers residents and visitors a wealth of useful services, helpful resources, and, of course, books and digital media content. Services include free public Wi-Fi, free library cards to anyone with a picture ID and valid mailing address, photocopy, printing, faxing, and notary services, and a robust computer lab with public internet access. The Gulf Shores Museum offers rotating and permanent exhibits as well as seasonal programs and events. Admission is free to the public.

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



Expenditure Budget 2023
$ 7,216,959
11.5% of General Government

The City of Gulf Shores, Alabama
Fiscal Year 2023 Budget

RECREATION & CULTURAL AFFAIRS	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	**2024 Projected**
Expenditures						
Personnel	434,808	414,001	410,451	361,853	-12%	**374,787**
Operations	39,507	47,092	81,942	70,980	-13%	**70,980**
Capital Outlay/Signage	0	0	0	0	n/a	**0**
RCA Total	**474,315**	**461,093**	**492,393**	**432,833**	-12%	**445,767**

Recreation & Cultural Affairs Personnel

Positions	2020 Actual	2021 Actual	2022 Budget	2023 Adopted
Director	1	1	1	1
Assistant Director	1	1	0	0
Management Analyst	0	0	1	1
Marketing & Com. Coordinator	1	1	1	1
Total Personnel	**3**	**3**	**3**	**3**

Major Accomplishments:

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

Goals:

Performance Measures:	**2021 Actual**	**2022 Budget**	**2023 Target**
Recreation Memberships	4,600	5,000	5,500
Facility Visits	350,000	410,500	440,500
Events Hosted	160	320	230
Parkland Maintained (acres)	270	275	275
City Website Visits	729,900	1,200,000	1,200,000

Objectives:

1. Develop community park construction plans. ***(Community Planning)***
2. Construction of the sportplex pickleball facility. ***(Community Planning)***
3. Increase civic knowledge of citizen benefits through strategic digital media outreach ***(Prosperity)***
4. Maintain equitable partnerships with GS School System superintendent, coaches and programs. ***(Prosperi***
5. Expand departmental recycling program plan in support of the City-wide recycling initiative. ***(Environmental Stewardship)***

The City of Gulf Shores, Alabama
Fiscal Year 2023 Budget

RECREATION EVENTS	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	2024 Projected
Expenditures						
Personnel	385,905	430,698	475,050	490,099	3%	**484,776**
Operations	210,814	322,352	451,324	401,730	-11%	**421,199**
Capital Outlay	0	0	0		0%	**0**
Events Total	**596,719**	**753,050**	**926,374**	**891,829**	-4%	**905,975**

Events Personnel

Positions	2020 Actual	2021 Actual	2022 Budget	2023 Adopted
Events Manager	1	1	1	1
Programs & Events Tech	1	1	1	1
Rental Supervisor	1	1	1	1
Event Supervisor	1	1	1	1
Program Assistant II	1	2	2	2
Programs Assistants (PT)	4	2	2	2
Total Personnel	**9**	**8**	**8**	**8**

Major Accomplishments:

1. Enhanced Christmas decorations City wide ***(Enhanced Sense of Place)***
2. Procured GSOB Tourism Grant Funding $25,000 to offset community event cost ***(Sustainability)***
3. Relocated Waterway Village Zydeco & Crawfish Festival which vastly improved the event **(*Enhance Sense of Place*)**
4. Replaced Civic Center parking lot lights with LED technology to improve energy efficiency **(*Environmental Stewardship)***

Goals:	**2021 Actual**	**2022 Budget**	**2023 Target**
Community Events Produced	28	33	44
Facility Usage	1,755	1,944	1,700

Objectives:

1. Offer winter entertainment to reach a different demographic. Enhance the experience by adding food and beverage to events ***(Enhance Sense of Place)***
2. Develop and implement a permit review and recommendation committee. ***(Prosperity)***
3. Research and develop a public/private partnership program to enhance events and attract sponsorship ***(Prosperity)***

The City of Gulf Shores, Alabama
Fiscal Year 2023 Budget

RECREATION **LIBRARY**	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	**2024** **Projected**
Expenditures						
Personnel	686,048	726,514	605,866	622,237	3%	**617,273**
Operations	72,069	83,056	129,100	101,980	-21%	**102,930**
Capital Outlay	0	0	0	0	0%	**0**
Library Total	**758,117**	**809,570**	**734,966**	**724,217**	-1%	**720,203**

Library Personnel

Positions	2020 Actual	2021 Actual	2022 Budget	2023 Adopted
Managing Librarian	1	1	1	1
Library Assistant Senior	4	4	4	4
Library Assistant	1	1	1	1
Reference Librarian	1	1	1	1
Museum Coordinator	1	1	1	1
Programs Assistant (PT)	1	1	1	1
Library Assistant (PT)	2	2	2	2
Total Personnel	**11**	**11**	**11**	**11**

Major Accomplishments:

1. Implemented outreach to the teachers and librarians of all three Gulf Shores City Schools, as well as, South Baldwin Christian Academy, highlighting our resources and enabling library card sign up for teachers and students. ***(Progressive Education)***
2. Expanded youth services programming to include 3 off-site story times every week and a library/museum Summer Reading Program 2022 that reached 2,223 adults and children, while also adding STEAM programming, Robotics Camp, Wizarding Wednesdays, and LEGO club. ***(Enhance the Sense of Place and Progressive Education)***
3. Managing Librarian served on Executive Council of Alabama Library Association, representing all the libraries in our area at the state level as Member-at-Large South. ***(Sustainability)***
4. Maintained Alabama Library Association's Gold Standard Library Award. ***(Sustainability)***
5. Oversaw placement of a Turtle Tracks installation created by Gulf Shores High School AP classes commemorating the Vietnam conflict at the museum. Unveiled the turtle as part of an event recognizing Veteran's Day. ***(Enhance the Sense of Place and Progressive Education)***
6. Museum served as a venue and hosted a live music event for the Frank Brown Songwriter's Festival. ***(Enhance the Sense of Place)***
7. Supported local archaeological efforts by purchasing open access to Dr. Gregory Waslekoy's article about our local Ancient Canoe Canal from the Journal of Field Archaeology. Made the article available on the museum website and has been promoted through the City's Facebook page and newsletter. ***(Enhance the Sense of Place)***

LIBRARY continued

Goals:	**2021 Actual**	**2022 Budget**	**2023 Target**
Library Visits	32,285	41,998	45,000
Museum Visits	2,119	4,560	4,500
Public Computers Sessions	4,937	5,404	5,500
Item Check-outs (physical/digital)	103,674	114,948	120,000
Programs Offered (physical/virtual)	136	189	190
Meeting Room Rentals	275	405	425
AL Gold Star Standard Award	Yes	Yes	Yes
Library/Museum Website Visits	24,984	34,383	35,000

Objectives:

1. Continue marketing efforts to promote library services & local history. ***(Prosperity)***
2. Participate in local archaeological research efforts for the benefit of the City. ***(Sustainability)***
3. Host a local event highlighting a museum exhibit. ***(Progressive Education)***
4. Continue to collaborate with Gulf Shores City Schools and South Baldwin Academy to maintain outreach and offer additional youth programming. ***(Progressive Education)***



The City of Gulf Shores, Alabama
Fiscal Year 2023 Budget

RECREATION **REC & WELLNESS**	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	**2024** **Projected**
Expenditures						
Personnel	1,654,135	1,887,440	2,076,318	2,015,421	-3%	**2,031,835**
Operations	348,892	422,937	546,098	557,173	2%	**571,684**
Capital Outlay	105,526	11,716	0	16,500	n/a	**0**
Rec & Wellness Total	**2,108,553**	**2,322,093**	**2,622,416**	**2,589,094**	-1%	**2,603,519**

Rec & Wellness Personnel

Positions	2020 Actual	2021 Actual	2022 Budget	2023 Adopted
Recreation Manager	1	1	1	1
Maintenance Worker, Senior	1	1	1	1
Athletic Coordinator, Sports	1	1	1	1
Athletic Coordinator, Tennis	1	1	1	1
Athletic Coordinator, Fitness	1	1	1	1
Athletic Coordinator, Aquatics	1	1	1	1
Lifeguard II	2	2	2	2
Administrative Asst II	1	1	1	1
Fitness Attendants	1	1	1	1
Customer Service Supervisor	1	1	1	1
Customer Service Rep	4	4	4	4
Recreation Supervisor	1	1	1	1
Programs Coordinator	1	1	1	1
Programs Assistant	3	3	3	3
Recreation Assistant (PT)	3	3	3	3
Lifeguards (PT)	12	12	12	12
Customer Service Rep (PT)	5	5	5	5
Programs Asst (PT)	0	0	0	0
Total Personnel	**40**	**40**	**40**	**40**

Major Accomplishments:

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

RECREATION & WELLNESS continued

Goals:	**2021 Actual**	**2022 Budget**	**2023 Target**
Recreation Memberships	4,600	5,000	5,500
Facility Visits	300,000	350,000	375,000
Youth Rec Sports Participants	878	950	1000

Objectives:

1. Resume popular programs and operations that have been suspended due to COVID-19. **(*Prosperity)***

2. Maintain safe operating practices and pandemic prevention protocols.***(Sustainability)***

3. Perform routine patron/participant surveys ***(Prosperity)***

4. Develop and test programming that fosters mentorship between youth and adults ***(Sustainability)***

5. Expand at risk youth, teen & family programs ***(Prosperity)***





The City of Gulf Shores, Alabama
Fiscal Year 2023 Budget

RECREATION SPORTSPLEX	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	**2024 Projected**
Expenditure						
Personnel	661,103	684,020	783,630	777,784	-1%	**799,426**
Operations	319,434	489,147	525,960	550,460	5%	**558,460**
Capital Outlay	0	80,200	64,500	154,000	139%	**0**
Sportsplex Total	**980,537**	**1,253,367**	**1,374,090**	**1,482,244**	8%	**1,357,886**

Sportsplex Personnel

Positions	2020 Actual	2021 Actual	2022 Budget	2023 Adopted
Manager	1	1	1	1
Crew Leader	1	2	2	2
Grounds Worker Senior	1	0	0	0
Grounds Worker	3	3	3	4
Concessions Supervisor	1	1	1	1
Total Personnel	**7**	**7**	**7**	**8**

Major Accomplishments:

1. Purchased and cleared an additional 7 acres adjacent to the SportsPlex for future development ***(Community Planning)***
2. Upgraded the existing Gulf Shores High School Baseball and Softball dugouts ***(Prosperity)***
3. Constructed 12 court pickleball complex at the SportsPlex ***(Prosperity)***
4. Maintained strong partnerships with local, regional and national stakeholders and advised Sport Tourism representatives on potential athletic opportunities and current limitations ***(Prosperity)***

Goals:	**2021 Actual**	**2022 Budget**	**2023 Target**
Parkland Maintained (acres)	98	105	105
Nat. Championships Hosted	1	1	1
State Championships Hosted	2	2	2
Tournaments Hosted	25	28	30
High School Games Hosted	70	70	70

Objectives:

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

The City of Gulf Shores, Alabama
Fiscal Year 2023 Budget

RECREATION PARKS	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	2024 Projected
Expenditures						
Personnel	382,604	372,660	432,512	437,744	1%	**423,526**
Operations	144,653	138,278	158,713	174,213	10%	**174,213**
Capital Outlay	96,951	35,170	50,000	30,000	n/a	**0**
Parks Total	**624,208**	**546,108**	**641,225**	**641,957**	**0%**	**597,739**

Parks Personnel

Positions	2020 Actual	2021 Actual	2022 Budget	2023 Adopted
Crew Leader	1	1	1	1
Grounds Worker Senior	1	1	1	1
Grounds Worker	4	4	4	3
Recreation Assistant (PT)	1	1	1	1
Total Personnel	**7**	**7**	**7**	**6**

Major Accomplishments:

1. Installed new LED lighting on the softball field at Sims Park. ***(Community Planning)***

2. Installed and replaced older portions of the kids park playground. ***(Community Planning)***

3. Expanded city-wide recycling efforts at all park properties. ***(Environmental Stewardship)***

4. Installed new fence and repaired older fencing at the Gulf Shores Dog Park ***(Community Planning)***

Goals:	**2021 Actual**	**2022 Budget**	**2023 Target**
Parkland Maintained (acres)	125	125	125
Nat. Championships Hosted	1	1	1
State Championships Hosted	2	2	2
Tournaments Hosted	28	27	27
High School Games Hosted	70	70	70

Objectives:

1. Assist community park design and development. ***(Community Planning)***

2. Enhance Kids Park playground. ***(Community Planning)***

3. Expand Park-wide recycling efforts. ***(Environmental Stewardship)***

The City of Gulf Shores, Alabama
Fiscal Year 2023 Budget

CITY SCHOOL BOARD LANDSCAPING	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	2024 Projected
Expenditures						
Personnel	162,624	136,622	156,149	175,900	13%	**175,986**
Operations	47,159	51,620	63,022	80,122	27%	**80,122**
Capital Outlay	23,023	0	0	0	n/a	**0**
Parks Total	**232,806**	**188,242**	**219,171**	**256,022**	**17%**	**256,108**

Parks Personnel

Positions	2020 Actual	2021 Actual	2022 Budget	2023 Adopted
Landscape Crew Leader	1	1	1	1
Landscape Ground Worker	1	1	1	1
Total Personnel	**2**	**2**	**2**	**2**

Major Accomplishments:

1. Upgraded irrigation for 3 new solar panel stations at the high school and middle school ***(Progressive Education)***
2. Opened a new STEAM building at the elementary school ***(Progressive Education)***
3. Updated irrigation and landscape ***(Sustainability)***

Goals:	**2021 Actual**	**2022 Budget**	**2023 Target**
Landscape Maintained (acres)	44	44	44
Wells Maintained	3	3	3
Irrigation Systems	3	3	3

Objectives:

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

The City of Gulf Shores, Alabama
Fiscal Year 2023 Budget

CITY STORE	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	2024 Projected
Expenditures						
Personnel	99,482	99,479	115,093	117,053	2%	115,734
Operations	88,039	117,661	80,710	81,710	1%	81,660
Capital Outlay	0	0	0	0	n/a	0
CITY STORE Total	**187,521**	**217,140**	**195,803**	**198,763**	2%	197,394

CITY STORE Personnel

Positions	2020 Actual	2021 Actual	2022 Budget	2023 Adopted
Retail Operator Coordinator	1	1	1	1
Program Assistant <20 hrs.week	3	3	3	3
Total Personnel	**4**	**4**	**4**	**4**

Major Accomplishments:

1. Greeted over 14,000 City Store visitors ***(Enhance Sense of Place*)**
2. Introduced new merchandise line including locally made items and Mapisart custom products ***(Prosperity*)**
3. Implemented barcode system for more accurate inventory control **(*Sustainability)***
4. Expanded City Store presence at GSHS Homecoming, Haunted Hustle, and tennis tournaments ***(Prosperity)***

Goal:	**2021 Actual**	**2022 Budget**	**2023 Target**
On-Site Store Visits	14,587	14,000	14,000
Sales - counter	3,875	4,550	4,000
Sales - web-based	261	150	250
Available Products	81	89	90
City Store Website Visits	12,081	10,339	14,000

Objectives:

1. Increase City Store at area community events ***(Prosperity)***
2. Increase store revenues to offset expenses ***(Sustainability)***
3. Analyze and identify proper product placement per location ***(Prosperity)***
4. Develop a marketing plan to include video of local makers who have items for sale in the store ***(Enhance Sense of Place)***

Public Works Department Functions:
Fiscal Year 2023 Budget

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

To better serve the needs of a growing community, the Public Works Department is excited to announce that it will be splitting its current Streets Division into 2 separate Divisions.

The NEW Recycle and Sanitation Division will help the City of Gulf Shores be a steward for the environment and amplify the voice and vision of the City's "Green" initiative. The Recycle and Sanitation Division will be responsible for recycle operations, which includes educating the City about the benefits of recycling and providing resources to residents with the goal of improving the City's recycling initiatives and reporting methods. The Recycle and Sanitation Division will also be responsible for debris-pickup routes, street sweeping, litter patrol and the oversight of the *Leave Only Footprints* Ordinance. Overall, as the City grows, The Public Works Department is working to help citizens reduce their environmental footprint. By creating a specialized Division for Recycle and Sanitation, the City can continue to lead by example and showcase the City of Gulf Shores' passion for ecotourism (responsible travel that conserves the environment, sustains the well-being of the local people, and boosts interpretation and education, as cited on ecotourism.org)

The Street Division's daily tasks will now include addressing drainage issues, mosquito control, City-wide mowing, special projects/events, signs, traffic control, pot holes and other street-related tasks. The Streets Division will now be able to adequately balance time and resources with a condensed list of responsibilities reflected in this change. As the City continues to grow each year, the Streets Division will be better equipped to tackle all street-related concerns.

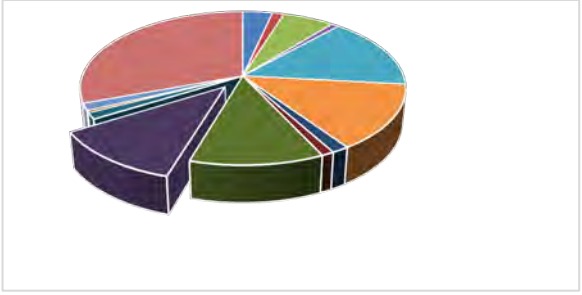
The General Services Division oversees the daily operations of the Department, beachside trash and City-wide recycling programs and logistical support for large City-sponsored events. In addition, the General Services Division provides critical information to our citizens related to trash collection,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

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

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

The 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.

Expenditure Budget 2023
$ 7,300,405
11.3% of General Government



The City of Gulf Shores, Alabama
Fiscal Year 2023 Budget

PUBLIC WORKS GENERAL SERVICES	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	**2024 Projected**
Expenditures						
Personnel	392,188	409,279	416,712	419,279	1%	**422,321**
Operations	16,781	12,720	147,050	82,330	-44%	**78,550**
Capital Outlay	0	0	0	0	0%	**0**
PW General Services Total	**408,969**	**421,999**	**563,762**	**501,609**	-11%	**500,871**

Public Works General Services Personnel

Positions	2020 Actual	2021 Actual	2022 Budget	2023 Adopted
Director	1	1	1	1
Administrative Analyst	1	1	1	1
Administrative Assistant I	1	1	1	1
Administrative Assistant III	1	1	1	1
Courier	1	1	1	1
Total Personnel	**5**	**5**	**5**	**5**

Major Accomplishments:

1) Completed the Elementary STEAM LAB in time for the 2022 school year. ***(Education)***
2) Worked throughout the year to project our environmentally-responsible goals and message to the public, such as by presenting recycle tips and statistics to schools and other groups. ***(Education)***
3) Continued to support the Leave Only Footprints Ordinance. By doing so, the City has been able to provide the best experience for residents and visitors, and provide a safe, interruption-free environment for marine life and preserve the natural environment. ***(Environmental Stewardship)***

Goals:	**Units**	**2021 Actual**	**2022 Budget**	**2023 Target**
Materials Recycled	Tons	1,460	1,752	2,102
Streets Maintained	Miles	89.90	107.88	129.46
Special Events Support	Hours	224	269	323
Sidewalk Repairs	Linear Feet	418	501	601
Street Sweeping	Miles	2923	3507.6	4209.12

Objectives:

Public Works will continue to serve residents, visitors, and the environment alike by responding to concerns and continuously looking for ways to improve the quality of life for all. Public Works will continue to expand to better serve a growing population and the environment simultaneously.

The City of Gulf Shores, Alabama
Fiscal Year 2023 Budget

PUBLIC WORKS CUSTODIAL	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	**2024 Projected**
Expenditures						
Personnel	462,666	417,995	492,852	507,793	3%	**493,145**
Operations	74,133	87,976	84,750	84,750	0%	**84,750**
Capital Outlay	30,590	26,561	0	0	n/a	**67,800**
PW Custodial Total	**567,389**	**532,532**	**577,602**	**592,543**	3%	**645,695**

Public Works Custodial Personnel

Positions	2020 Actual	2021 Actual	2022 Budget	2023 Adopted
Supervisor	1	1	1	1
Facility Maintenance Worker	6	6	6	6
Facility Maintenance Worker Sr	2	2	2	2
Total Personnel	**9**	**9**	**9**	**9**

Major Accomplishments:

1) Provided cleaning and disinfection services for all City departments and events. ***(Sustainability)***
2) Pressure washed the Sacred Heart building. ***(Sustainability)***
3) Cleaned light globes around outside administrative building. ***(Sustainability)***
4) Implemented carpet buffing detail. ***(Sustainability)***
5) Pressure washed Tennis Center building and sidewalks. ***(Sustainability)***

Goals:	**Units**	**2021 Actual**	**2022 Budget**	**2023 Target**
Reduced Paper Towel Usage	Cases	206	165	132
Reduced Disinfectant Chemical	Gallons	215	172	137
City Events Supported	Each	46	55	66
Work Orders Completed		30	36	43

Objectives:

Focus on sustainability. This includes using less paper towel products and chemical disinfectants and products that have a negative impact on the environment. ***(Environmental Sustainability)***

Continue to support City events to serve citizens and visitors. By doing so, the Custodial Department can provide a clean environment for all to enjoy. ***(Environmental Sustainability)***

Enhance the overall quality of life for visitors and residents through clean, safe, and sanitary facilities. ***(Sustainability)***

The City of Gulf Shores, Alabama
Fiscal Year 2023 Budget

PUBLIC WORKS LANDSCAPE	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	**2024 Projected**
Expenditures						
Personnel	688,962	947,078	801,097	829,025	3%	**841,358**
Operations	179,997	193,358	212,400	185,620	-13%	**189,400**
Capital Outlay	132,058	82,912	125,049	0	-100%	**110,000**
PW Landscape Total	**1,001,017**	**1,223,348**	**1,138,546**	**1,014,645**	-11%	**1,140,758**

Public Works Landscape Personnel

Positions	2020 Actual	2021 Actual	2022 Budget	2023 Adopted
Supervisor-Horticulture	1	1	1	1
Crew Leader	1	1	1	1
Landscape Worker Senior	4	4	4	4
Landscape Worker 2	0	0	0	1
Landscape Worker	4	4	4	3
Total Personnel	**10**	**10**	**10**	**10**

Major Accomplishments:

1) Installed landscaping and irrigation at new Gulf Shores Schools STEAM Lab. ***(Education)***
2) Installed sod and irrigation at new Pickle Ball courts at the Sportsplex. ***(Community Planning)***
3) Constructed a new Greenhouse at the Public Works Landscape Shop. ***(Community Planning)***
4) Installed two additional swings to the Fort Morgan Bike Trail. ***(Community Planning)***

Goals:	**Units**	**2021 Actual**	**2022 Budget**	**2023 Target**
Annuals Planted	Each	43,000	45,000	47,000
Multi-Use Trails Maintained	Miles	23	28	33
Landscape Beds Maintained	SF	121,500	145,800	174,960
New Trees Planted	Each	200	240	288

Objectives:

Continue to promote the use of “Green” landscape products and continue to adopt environmentally-responsible practices. ***(Environmental Stewardship)***

Continue to focus on care and upkeep of native trees, as well as all other trees, in the City by working closely with new City Arborist, Joel Potter. ***(Environmental Stewardship)***

Continue to enhance the quality of life and sustainability of the community by improving the landscaping throughout the City, and utilizing low-impact design methods. ***(Community Planning)***

The City of Gulf Shores, Alabama
Fiscal Year 2023 Budget

PUBLIC WORKS RECYCLE & SANITATION	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	2024 Projected
Expenditures						
Personnel	0	0	0	220,000	n/a	220,000
Operations	0	0	0	361,480	n/a	360,480
Capital Outlay	0	0	0	183,274	n/a	572,907
PW Recycle and Sanitation Total	**0**	**0**	**0**	**764,754**	n/a	1,153,387

Public Works Recycle and Sanitation Personnel

Positions	2020 Actual	2021 Actual	2022 Budget	2023 Adopted
Supervisor-Recycle and Sanitation	0	0	0	1
Equipment Oper I	0	0	0	4
Equipment Oper II	0	0	0	3
Equipment Oper III	0	0	0	2
Senior Operator	0	0	0	1
Total Personnel				**11**

Goals:	**Units**	**2021 Actual**	**2022 Budget**	**2023 Target**
Educational Events/Opportunities	Number of Events	New Division 2023		10
Yard Debris Collected	Tons			52,450
Streets Swept	Miles			4,209
Mosquitos Sprayed	Acres			78,192
Collected	Tons			240

Objectives:

1. Maintain operations at Recycle Center as well as trash/recycle operations at various other locations such as the beach, Elementary and High Schools, the State Park, major events, and other various City locations. ***(Sustainability)***
2. Collect and record up-to-date recycle statistics and improving current reporting methods. ***(Sustainability)***
3. Spread knowledge and resources to community with the goal of improving participation in city-wide recycling, with a special focus on City Schools and improving recycling education. ***(Education)***
4. Schedule and maintain City Knuckleboom Truck (Debris Pickup) routes, as well as picking up trash collected by Beach Patrol as part of the *Leave Only Footprints Ordinance*, and disposing/recycling those materials. ***(Environmental Stewardship)***

The City of Gulf Shores, Alabama
Fiscal Year 2023 Budget

PUBLIC WORKS **STREETS**	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	**2024 Projected**
Expenditures						
Personnel	1,331,212	1,494,196	1,717,020	1,481,813	-14%	**1,494,504**
Operations	1,140,770	1,361,959	1,322,800	785,520	-41%	**818,520**
Capital Outlay	665,474	486,730	1,335,392	916,000	-31%	**963,800**
PW Streets Total	**3,137,456**	**3,342,885**	**4,375,212**	**3,183,333**	-27%	**3,276,824**

Public Works Streets Personnel

Positions	2020 Actual	2021 Actual	2022 Budget	2023 Adopted	
Supervisor-Streets	1	1	1	1	
Crew Leader	1	1	1	0	
Detail Maintenance Worker	1	1	0	0	
Equipment Oper I	7	8	11	7	(See Recycle/Sanitation)
Equipment Oper II	3	6	7	3	(See Recycle/Sanitation)
Equipment Oper III	5	4	4	4	(See Recycle/Sanitation)
Recycle/Oper I	2	2	2	0	(See Recycle/Sanitation)
Total Personnel	**20**	**23**	**26**	**15**	

Major Accomplishments:

1) Addressed drainage, mowing, and other concerns amidst facing the challenge of a labor force shortage.
2) Worked with Planning and Zoning Department to remedy overgrown lots and work to improve presentation of lawns throughout the City.
3) Thus far in 2022, 32,000 linear feet of ditches have been repaired.
5) The Blackwell project was taken on and completed at a large cost savings (verses contracting it out).
6) Maintained Airport mowing and drainage work (750 acres).

Goals:	**Units**	**2021 Actual**	**2022 Budget**	**2023 Target**
Drainage Ditches Cleaned	Linear Feet	31,581	37,897	45,477
Yard Debris Collected	Cubic Yards	36,424	43,709	52,450
Potholes Paved	Tons Asphalt	68	82	99
Mosquito Spraying	Acres	54,300	65,160	78,192
Sign Replacement	Each	121	145	174

Objectives:

Continue to serve citizens by addressing drainage, mowing, litter/trash removal services, recycle center operations and beach trash removal operations.
Continue to expand curbside debris removal services to accommodate a growing City population.
Continue to provide training to employees and expand empoloyee skillset to better serve the Community.

The City of Gulf Shores, Alabama
Fiscal Year 2023 Budget

PUBLIC WORKS MAINTENANCE	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	2024 Projected
Expenditures						
Personnel	718,655	726,576	756,836	772,121	2%	**776,100**
Operations	438,693	604,068	455,659	471,400	3%	**471,400**
Capital Outlay	0	0	37,500	0	n/a	**57,800**
PW Maintenance Total	**1,157,348**	**1,330,644**	**1,249,995**	**1,243,521**	-1%	**1,305,300**

Public Works Maintenance Personnel

Positions	2020 Actual	2021 Actual	2022 Budget	2023 Adopted
Supervisor Maintenance	1	1	1	1
Facility Maintenance Tech	3	3	3	3
Vehicle/Equipment Mechanic	2	2	2	2
Facility Maintenance Senior	1	1	1	1
Vehicle Maintenance Tech Sr	1	1	1	1
Fleet Manager	1	1	1	1
Total Personnel	**9**	**9**	**9**	**9**

Major Accomplishments:

1) Converted ball field from standard 1500-watt metal halide fixtures to energy saving LED fixtures. ***(Sustainability)***

2) Replaced and painted all rusted and damaged doors at the sportsplex and 5 Plex for enhanced appearance and performance. ***(Sustainability)***

3) Replaced engine in maintenance truck, unit #7004 in house. This in-house repair benefited the City by providing over $10,000 in cost savings. ***(Prosperity)***

Goals:	**Units**	**2021 Actual**	**2022 Budget**	**2023 Target**
Energy Savings w/LED/switches	Dollars	12,689	15,227	18,272
LED Lights Installed	Each	4,771	5,725	6,870
Auto-Switches Installed	Each	30	10	10
Work Orders Completed	Each	1,295	1,554	1,865

Objectives:

Continue to work to increase efficiency at all City facilities while working to adopt eco-friendly practices and finding solutions to maintenance problems. By doing such, the City's facilities will better serve the Community's needs, provide cost savings, and allow the City to decrease its environmental footprint. ***(Environmental Stewardship)***

The Maintenance Division plans to install smart thermostats in all of the buildings to provide cost savings and conserve and reduce energy used. ***(Environmental Stewardship)***

Engineering Department Functions:

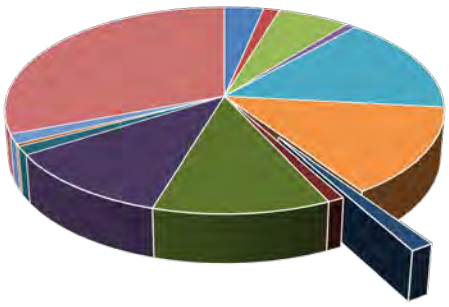
Fiscal Year 2023 Budget

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

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

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

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



Expenditure Budget 2023

$ 828,919

1.3% of General Government

ENGINEERING	2020 Actual	2021 Actual	2022 Amended Budget	2023 Council Adopted	% Change 2022 to 2023	**2024 Projected**
Expenditures						
Personnel	570,791	570,468	646,465	659,969	102%	**659,793**
Operations	104,495	125,683	116,350	128,950	111%	**128,950**
Capital Outlay	0	127,840	30,000	40,000	133%	**0**
PW Engineering Total	**675,286**	**823,991**	**792,815**	**828,919**	105%	**788,743**

Public Works Engineering Personnel

Positions	2020 Actual	2021 Actual	2022 Budget	2023 Adopted
City Engineer	1	1	1	1
Inspector	1	1	1	1
Administrative Assistant III	1	1	1	1
Administrative Assistant (PT)	1	1	1	1
Construction Mgr.	1	1	1	1
Transportation Tech Senior	0	1	1	1
Transportation Techs	2	1	1	1
Total Personnel	7	7	**7**	7

Major Accomplishments:

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

Goals:	**Units**	**2021 Actual**	**2022 Budget**	**2023 Target**
Transportation Improvements	Dollars	$7,518,542	$21,733,532	$35,312,936
Sidewalks Constructed	Linear Feet	4,030	9,800	16,545
Streets Resurfaced	Miles	1.80	4.87	5.60
Bike Lane Constructed	Linear Feet	6,100	3,200	12,245

Objectives:

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

CITY OF GULF SHORES, ALABAMA
EXPENDITURES BY CATEGORY
PROJECTED BUDGET YEAR ENDING DECEMBER 31, 2024

Department	Personnel	Operations	Capital	Debt Service	Transfers	Total
General Fund:						
Executive	1,200,142	687,475	-			1,887,617
Human Resources	743,327	124,184				867,511
Finance & Administration	1,584,871	2,190,463	-			3,775,334
Municipal Court	538,109	13,350				551,459
Police	7,248,234	1,256,650	1,051,000			9,555,884
Fire & EMS	6,395,917	901,040	2,211,000			9,507,957
Planning and Zoning	750,335	182,300	-			932,635
Building	582,917	56,450	40,500			679,867
Recreation & Cultural Affairs	374,787	70,980	-			445,767
Special Events & Programs	484,776	421,199	-			905,975
Library	617,273	102,930	-			720,203
RCA - Bodenhamer	2,031,835	571,684	-			2,603,519
RCA - Sportsplex	799,426	558,460	-			1,357,886
RCA - Parks	423,526	174,213	-			597,739
RCA - School Landscaping	175,986	80,122	-			256,108
RCA - City Store	115,734	81,660	-			197,394
Public Works - General Services	422,321	78,550	-			500,871
Public Works - Custodial	493,145	84,750	67,800			645,695
Public Works - Landscaping	841,358	189,400	110,000			1,140,758
Public Works - Streets	1,494,504	818,520	963,800			3,276,824
Public Works - Maintenance	776,100	471,400	57,800			1,305,300
PWorks-Recycle&Sanitation	220,000	360,480	572,907			1,153,387
Engineering	659,793	128,950	-			788,743
Airport Authority	265,268					265,268
Appropriations		952,138				952,138
Transfers Out					19,295,322	19,295,322
General Fund Totals	29,239,682	10,557,348	5,074,807	0	19,295,322	64,167,159
% of Total	46%	16%	8%		30%	
Other Funds:						
Special Revenue						
Designated Taxes		35,000			555,000	590,000
Impact Fees		150,000	1,429,000			1,579,000
Beach Restoration & Projects	1,074,881	317,200	284,360			1,676,441
Capital Improvements-Fund 38			64,244,506		2,609,526	66,854,032
Storm Damage Fund		323,000	-			323,000
Capital Projects Taxable Fund 42		300,000	36,610,043			36,910,043
Capital Projects NonTax Fund 40			29,444,620			29,444,620
Debt Service				18,562,244		18,562,244
Subtotal Other Funds	1,074,881	1,125,200	132,012,529	18,562,244	3,164,526	155,939,380
Grand Total	**30,314,563**	**11,682,548**	**137,087,336**	**18,562,244**	**22,459,848**	**220,106,539**

Forecast Summary:

Personnel expenses are projected to increase .23% from 2022 to 2023 due to wages rising due to inflation. Operating Expenses are projected to decrease by 2.2% in 2023 due to stabilization in fuel prices. Debt Service will increase in 2024 by $17,739 based on the debt schedule adjusted with 2022 new school debt added. Capital expenses are projected to be $137 million based on the 10 year capital plan, primarily funded with borrowed funds.

Pages 94 and 95 contain the City of Gulf Shores Revenue, Expense and Reserve Funds usage projected from 2022 to 2032. An increase of $1.8 million in General Fund revenues is projected for 2023 due to a Lodging Tax increase of 2% in September 2022 and 1% in September 2023. Seven percent is projected for 2024, and four percent is projected for 2025 to 2032. Expenses net of debt service are projected to grow at 2% through 2028 and at 3% through 2032. Debt service is estimated at between $18.5 to $22.7 million annually, which may increase depending on the amount of long term debt issued in 2025 and 2026. Reserve targets are 70% cash reserves to be maintained through 2032. The reserve projection is conservative as the City has currently reached reserves at 70% of General Fund Expenditures.

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government										
Building permits issued	589	657	610	586	782	896	1,295	998	1,879	2,131
Building inspections conducted	1,570	1,951	2,172	2,337	3,098	3,914	6,246	7,602	5,783	7,590
Business Licenses issued	10,281	10,562	7,164	7,551	7,974	8,392	8,555	8,658	8,741	9,175
Police										
Physical arrests	1,387	1,602	1,280	1,510	2,048	1,879	1,831	970	994	1,455
Traffic violations	1,824	1,997	1,500	1,595	2,029	2,058	2,124	1,539	1,021	1,652
Officers	43	43	43	45	47	47	50	50	51	52
Fire										
Emergency responses	2,785	2,972	2,903	3,073	3,146	3,149	3,297	3,090	3,335	3,357
Fires extinguished	92	92	64	72	83	54	63	72	71	78
Inspections*	1,071	1,200	1,800	1,800	1,975	1,950	1,650	2,110	1,160	681
Full time staff	43	43	43	43	44	46	48	55	56	58
Seasonal Lifeguards / Rangers	0	0	0	0	0	0	0	34	34	34
Volunteer Firefighters	8	8	8	8	10	4	0	0	0	0
Engineering										
Street resurfacing (linear feet)	-	10,560	3,455	12,270	8,200	8,100	5,510	8,960	31,500	9,500
Sidewalks (linear feet)					1,600	10,760	3,265	4,950	267	4,030
Bike Lanes (linear feet)**					780	2,800	40,800	11,800	19,200	6,100

*2014 increase due to better data collection and the 2014 Inpection Ordinance
**2018 includes improved bike lanes on Beach Boulevard; 2020 includes Coastal Gateway Blvd, West Lagoon Ave and West 2nd Street

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

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Stations	1	1	1	1	1	1	1	1	2	2
Fire Stations	4	4	4	4	4	4	5	5	5	5
Parks and recreation										
Football/Track Stadium	1	1	1	1	1	1	1	1	1	1
Softball/Baseball fields	15	15	15	15	15	15	15	15	15	15
Soccer field	1	1	1	1	1	1	1	1	1	1
Parks	8	8	8	8	8	8	8	8	8	8
Tennis Courts	18	18	18	18	18	18	18	18	18	18
Basketball Courts	2	2	3	3	5	5	5	5	5	5
Swimming Pool	1	1	1	1	1	1	1	1	1	1
Gymnasium	1	2	2	2	2	2	2	2	2	2
Transit - minibusses	5	5	5	5	5	5	3	3	3	3
Public Works										
Maintained Streets (miles)	69.27	69.27	74	74	75.67	84.22	84.22	85.78	89.9	90.5
Traffic Signals	24	24	24	24	24	24	25	25	27	27
Streetlights	2,234	2,234	2,234	2,234	2,403	2,403	2,449	2,422	2,617	2,670

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
2012	10,118
2013	10,765
2014	10,963
2015	11,131
2016	11,689
2017	11,809
2018	12,517
2019	12,757
2020	15,014
2021	15,736

Per Capita Income

	1979	1989	1999	2010	2019	2020
Gulf Shores	7,761	17,414	24,356	28,522	37,108	34,792
State of Alabama	5,894	11,486	18,189	22,984	27,928	28,934

Median Family Income

	1989	1999	2010	2019	2020
Gulf Shores	34,257	51,862	45,801	53,476	53,209
State of Alabama	28,688	41,657	42,081	50,536	52,035

Source: United States Bureau of the Census Quick Facts

Schedule 4
Unemployment Rates

	2013	2014	2016	2018	2020	2021
Baldwin County	5.80%	6.10%	5.40%	3.60%	5.60%	2.70%
Alabama	6.44%	6.80%	5.98%	3.90%	6.00%	3.10%

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

Schedule 5
City of Gulf Shores
Principal Employers

Top Ten Rank	Employer	Total Employees	Full-Time	Part-Time
1	The Hangout	600	245	355
2	City of Gulf Shores	328	284	44
3	Wal-Mart	305	255	50
4	Gulf Shores City Schools	265	245	20
5	Lulu's Gulf Shores	250	135	115
6	Waterville	225	10	215
7	The Lodge at Gulf Shores	215	185	30
8	Rouse’s Enterprises	200	200	0
9	Publix Alabama	135	80	55
10	Gulf State Park	108	90	18

*Employee numbers as reported on City business licenses, and City of Gulf Shores and City Schools from respective HR departments.

Schedule 6

City of Gulf Shores

Property Tax Levies and Collections (Unaudited)

Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Year	Taxable Property Assessed Valuation	Current Collections	Subsequent Collections	Total Collections	Percent Parcels Paid
2021	4,077,256	790,117,460	4,042,137	0	4,042,137	99.76%
2020	3,931,508	818,167,820	3,930,206	97	3,930,303	99.76%
2019	3,658,541	734,155,980	3,652,684	3,992	3,656,676	99.82%
2018	3,327,805	668,109,200	3,326,030	339	3,326,369	99.90%
2017	3,074,056	616,090,320	3,071,391	1,606	3,072,997	99.84%
2016	2,822,072	566,085,720	2,820,939	380	2,821,319	99.84%
2015	2,666,050	534,967,860	2,664,330	466	2,664,796	99.75%
2014	2,491,031	499,994,940	2,487,820	1,389	2,489,209	99.72%
2013	2,390,195	478,341,860	2,385,827	1,288	2,387,115	99.66%
2012	2,335,949	468,268,740	2,330,828	1,173	2,332,001	99.72%

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

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

	2022			2012		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
100 Emerald Greens LLC UC Funds	$ 9,374,840	1	1.28%			
Mid America Apartments LP	8,899,760	2	1.21%			
Baldwin Co Electric	6,737,480	3	0.92%	4,991,640	2	0.79%
Regency Place LLC	6,486,560	4	0.88%			
21300 Sweetwater LLC	4,889,880	5	0.67%			
Villas at Bon Secour	4,661,520	6	0.63%			
BFG SRID Gulf Shores Propco IV LLC	4,292,520	7	0.58%			
Summer Trace Gulf Shores LLC	3,273,540	8	0.45%			
RCG-Gulf Shores LLC	3,072,600	9	0.42%			
East Beach Partners LLC	3,048,180	10	0.42%	-		0.00%
The Links at Gulf Shores				4,624,560	3	0.73%
The Links at Gulf Shores LP				4,004,180	4	0.63%
Colonial Realty Limited Partnership				3,209,780	5	0.51%
Walmart Real Estate Business Trust				2,773,760	6	0.44%
Target Corporation				2,396,580	7	0.38%
Beach Place Development LLC				2,253,940	8	0.35%
Howard Resort Inns Inc				2,034,140	9	0.32%
Alcurt Gulf Shores LLC				1,831,360	10	0.29%
Seawind Development Co LLC				11,909,700	1	1.87%
Total Assessment (All GS)	$ 734,155,980		7.46%	$ 635,336,040		6.30%

Source: Baldwin County Revenue Commissioner's Office.

CITY OF GULF SHORES
FINANCIAL POLICIES
NOVEMBER 2022

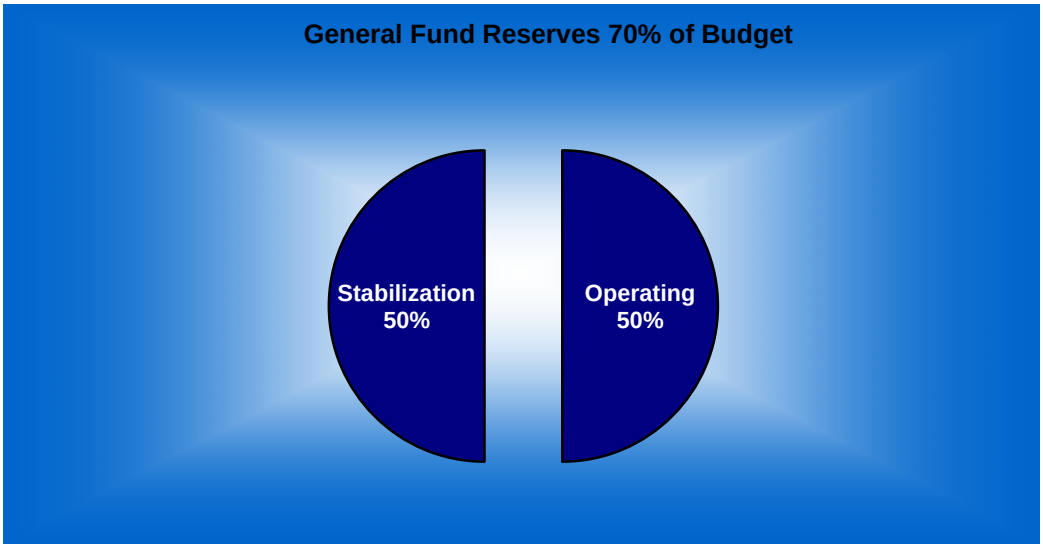
FINANCIAL PLANNING POLICIES

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

Fund Balance Reserve Account – Stabilization and Operating Funds

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

The City of Gulf Shores will maintain risk management reserves to provide for liabilities incurred for workers' compensation claims, other retained employee benefits, and claims not otherwise addressed in this policy statement. It is the policy of the City to maintain a General Fund Reserve at a minimum of 70% of General Fund Expenditures in order to offset fluctuations in revenue streams related to the tourist industry, for beach renourishment and to cover the pension liability. 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 2023 the total General Fund Reserves target is $46 million equivalent to seventy percent of the $65.726 million budget. Operating reserves target for 2023 is $23 million (1/2 of target) and Stabilization Funds target is $23 million.



Operating/Capital Expenditure Accountability

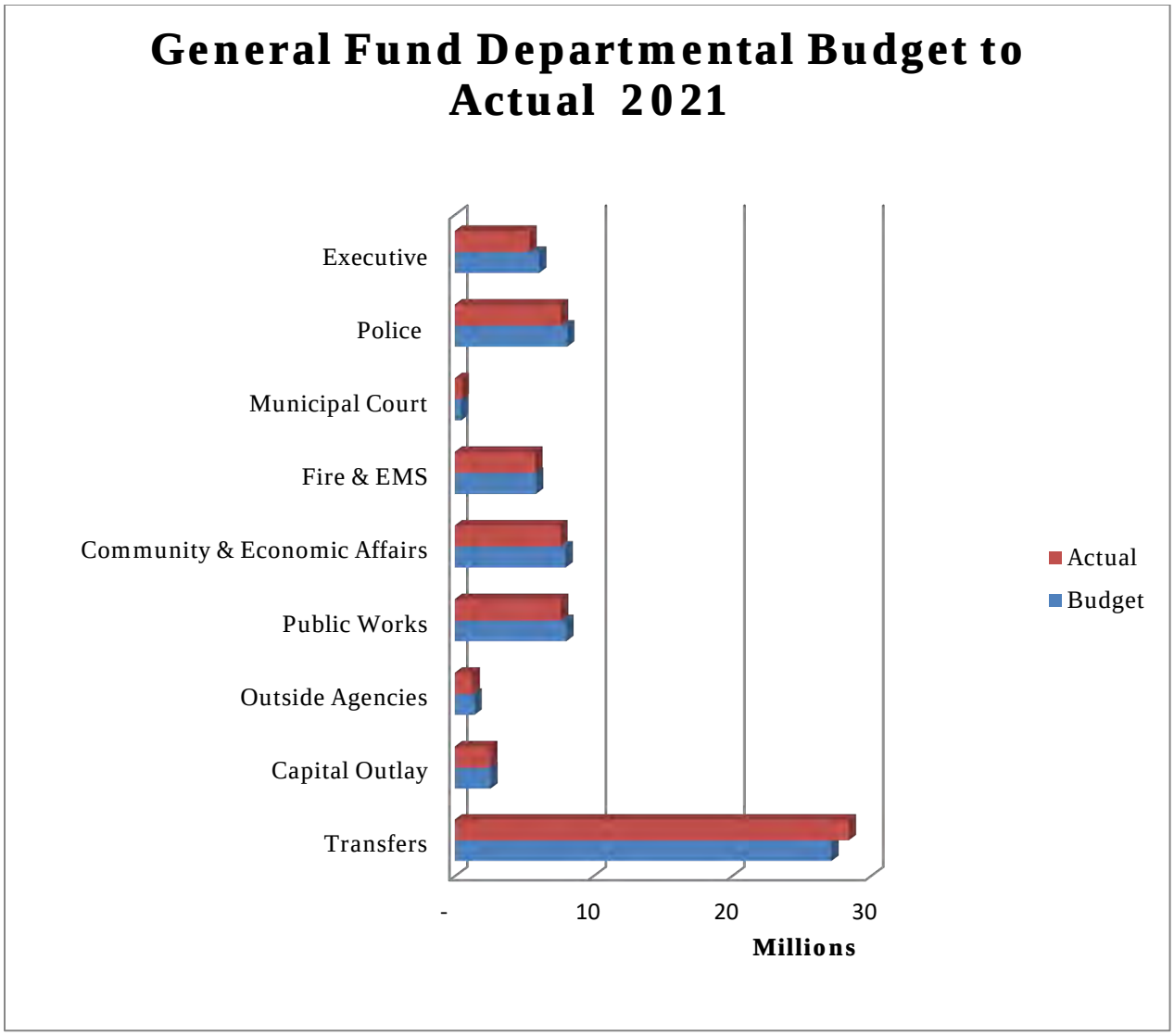
Actual expenditures to budget are compared on a monthly basis. The City Council Finance Committee receives a summary report quarterly of revenues and expenditures compared to budget and the City Administrator receives a detailed report monthly. Department heads are responsible for monitoring their own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

The City of Gulf Shores major expenditures for the most recent fiscal year distribution by category are: Public Safety (Police, Fire and Court) 21% of expenditures; Operating Transfers for Debt Service at 43%; Outside Agencies 2%; Public Works at 11%; Community & Economic Affairs 11%; and Executive 8%.

The following table and graph are expenditures by category compared to budget for the most recent fiscal year end 2021.

General Fund Departmental Budget to Actual 2021

	Budget	Actual	% of total expense
Transfers	27,177,707	28,429,282	43%
Capital Outlay	2,579,000	2,556,915	4%
Outside Agencies	1,422,471	1,297,890	2%
Public Works	8,046,279	7,676,007	11%
Community & Economic Affairs	7,995,101	7,621,457	11%
Fire & EMS	5,861,766	5,813,836	9%
Municipal Court	473,220	496,632	1%
Police	8,112,451	7,660,675	11%
Executive	6,089,664	5,387,726	8%
Total	67,757,659	66,940,240	100%

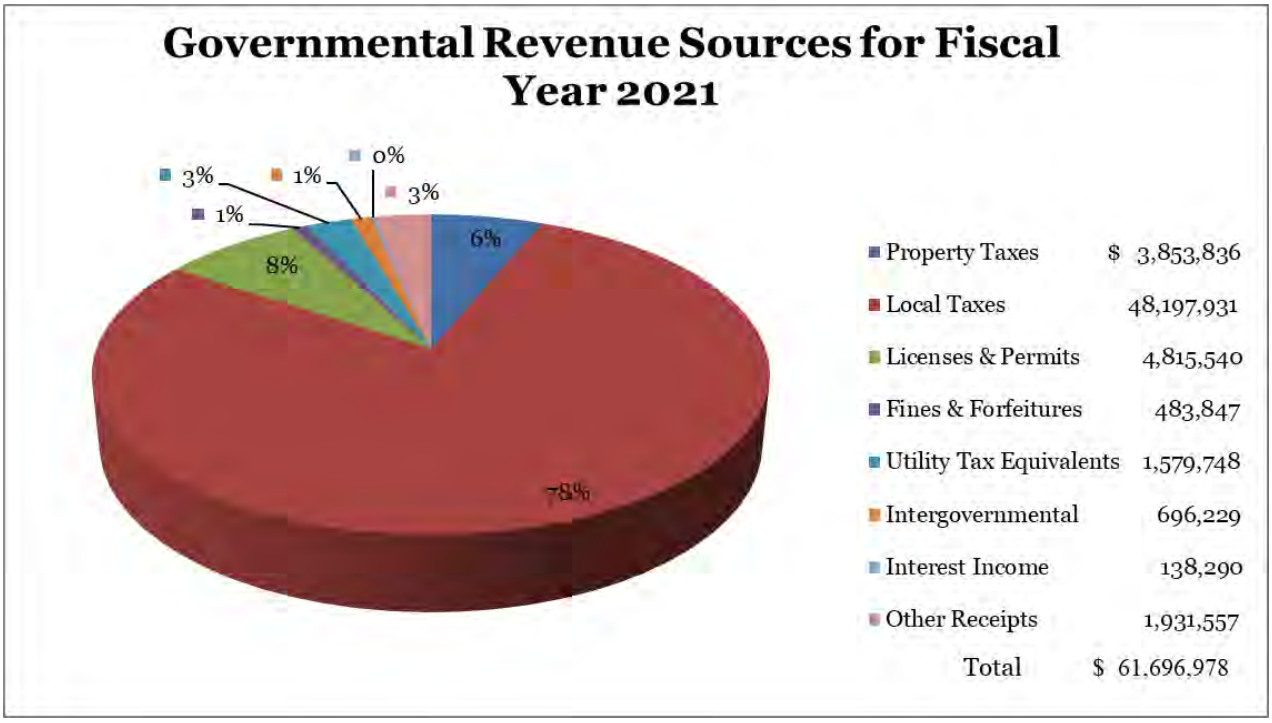


REVENUE POLICIES

Revenue Diversification

The City of Gulf Shores has a wide variety of revenue streams that supply the City's General Fund and other operations. The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in other fund accounts. Property taxes comprise approximately six percent of General Fund revenues. Local Taxes are seventy-eight percent of General Fund Revenues. Licenses and Permits are eight percent of General Fund Revenues. Other City tax revenues include Fines/Forfeiture at one percent; Business License Fees and Permits at eight percent; Intergovernmental Income at one percent; and Other Receipts/Financing Sources at three percent. The City of Gulf Shores is dependent on local taxes primarily from tourism as the main source of revenue. If a downturn is experienced in one area, contingency plans will be implemented to reduce revenues and increase

transfers from permissible funding sources until funding levels have stabilized. The graph that follows shows revenue collections by type for the most recent fiscal year 2021.



The City of Gulf Shores has two other major governmental funds other than the General Fund: the Debt Service Fund and the Capital Improvements Capital Projects Fund.

The City had one proprietary fund type which was the Public Education Building Authority Enterprise Fund. The City had two discretely presented component units: the Airport Authority which includes all operations of the Gulf Shores International Airport and the Gulf Shores City Schools Board of Education are discretely presented component units of the primary government of the City of Gulf Shores. Two non-major governmental funds exist for the City of Gulf Shores: Special Revenue and Capital Projects Funds. The Impact Fees Special Revenue Funds account for revenue sources that are legally restricted to expenditures for specific purposes. The Capital Projects Funds account for the acquisition and construction of major capital facilities and improvements.

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 may be increased periodically 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 Warrants outstanding. There is a state statutory debt limitation of 20% on the amount of General Obligation Warrants which could, upon voter approval, be issued in the future. Future bond issues will rely on dedicated revenue streams from the project itself to cover. The City will utilize various excise taxes and sources other than property taxes to make such contract payments. For 2023 City debt service is budgeted at 12.5% of total expenditures and 30.8% of General Fund expenditures.

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

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

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

		BOND RATING	
	Final Payment	**Moody's**	**S&P**
2017-A G.O. Warrant	12/15/2027	Aa2	AA+/Stable
2018-A G.O. Warrant	12/15/2038	Aa2	AA+/Stable
2018-B G.O. Warrant	12/15/2033	Aa2	AA+/Stable

In addition to the outstanding GO Warrants, the City has two lines of credit consisting of a nontaxable $9.8 million line issued in 2020 for five years (ends October 2025) and a taxable $13.5 million line issued in 2016 for ten years.

Debt Capacity

The 2020 Census established that the City's population exceeded 15,014, which means that the City is now subject to the debt limitation provisions of the Alabama Constitution applicable to

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

The total assessed value of the property according to the Baldwin County Revenue Commissioner's Office in the City as assessed for City taxation as of August 1, 2022, was $1,020,593,160 resulting in a debt limit of $204,118,632.

The City's total principal amount of long term indebtedness at December 31, 2022, will be $271,648,460 of which $144,948,460 (includes $23.3 million in LOCs) is subject to the 20% constitutional debt limit. Based on the debt limit of $204,118,632 the City could hereafter issue up to approximately $59,170,172 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 2021 population of the City of 15,736, the annual G.O. long term debt per capita for outstanding debt is $17,263. Excluding school related debt, the debt per capita rate is $8,174. The G.O. Debt per capita number excluding school debt is down significantly from the 2009 Original Financial Policy annual debt per capita amount of $10,136. The 2009 debt per capita amount was based on $51 million in debt and 9,741 population size from the 2000 census.

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

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

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

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

In 2016 the Finance Committee established a guideline for all personnel expenses including benefits not to exceed 60% of the General Fund Budget. For 2023 personnel expenses are budgeted at 46.6% of the General Fund Budget.

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

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

LONG-RANGE PLANNING

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

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

for capital expenditures within the outlined program. Modifications to the ten year Capital Improvement Program will be submitted to the elected body on an annual basis.

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

CASH MANAGEMENT POLICY

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

Cash and Cash Equivalents

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

Deposits and Investments

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

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

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

Short-Term Inter fund Receivables/Payables

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

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

ASSET INVENTORY

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

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

Banking and Investment Policies

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

Scope of Policy:

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

BANKING POLICIES

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

Designation of Depositories:

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

Banking Services

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

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

Certificates of Deposit

Certificate of Deposits (CD) are purchased with funds available for investment and will be bid on an ongoing basis **as maturities become available** among financial institutions that are a QPD in the Safe Program and participate in the quoting process. The City will seek, as it is able, to maintain deposits at various local institutions.

INVESTMENT POLICIES

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

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

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

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

1. The Protection of Principal shall be the top objective in the City's investment program. Protection of principal shall be controlled by investing in those investments that are only authorized by State and local law, which constitute some of the safest type of

securities available in the market place. Most importantly, market risk on principal due to maturity dates and interest rates must be the primary focus in determining the investment portfolio diversification.

2. Proper Cash Flow shall be based upon the cash needs as projected through cash management analysis and monitoring. An investment may be liquidated prior to maturity to meet unanticipated cash needs and to re-deploy resources into other investment vehicles expected to outperform the current holdings.

3. Optimal Returns on investments is the third objective once principal safeguards and projected cash needs are established. The investment portfolio shall contain those investments only authorized by State and local law. Such authorized investments shall be purchased with the highest yield available within the constraints outlined in Objective 1 and 2 outlined above.

Investment Strategies:

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

Due Professional Care:

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

Authorized Investments:

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

Maximum Maturities:

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

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

Standard Operations:

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

Defining Terms

Glossary

A

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

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

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

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

ALDOT: Alabama Department of Transportation

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

Annual Financial Report: A report compiled annually which provides audited detailed information on an organization's financial status.

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 place on property as a basis for levying taxes.

Audit: Official inspection of the City's accounts by an independent accounting firm.

B

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

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

Bond: A certificate of debt issued by a government to finance a capital expenditure of 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.

Defining Terms

Glossary

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.

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

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

C

CARES: The Coronavirus Aid, Relief, and Economic Security (CARES) Act (2020) and the Coronavirus Response and Consolidated Appropriations Act (2021) provided direct economic assistance for American workers, families, small businesses, and industries. The CARES Act implemented a variety of programs to address issues related to the onset of the COVID-19 pandemic.

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.

Defining Terms

Glossary

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

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

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

E

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

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

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

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

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

F

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

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

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

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

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

Full-time equivalent: A measure of 40 hours per week used to calculate the equivalent number of full-time employees the City has in a given year. It allows the City to unify all types of employees to understand how its payroll would look like from a full-time perspective.

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.

Defining Terms

Glossary

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.

Gulf Shores International Airport: The City's Airport located off Highway 59 and operated by the Airport Authority of the City of Gulf Shores.

H

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

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

I

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

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

Interest Income: Revenue generated from city investments.

Defining Terms

Glossary

L

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

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

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

M

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

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

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

N

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

O

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

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

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

P

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

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

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

Defining Terms

Glossary

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

R

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

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

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

S

SPARC: Strengthening Potential through Art, Recreation and Culture.

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

T

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

W

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