



City of Fairhope
Fairhope, Alabama

Budget for Fiscal Year
October 1, 2012 – September 30, 2013



October 12, 2012

FROM: Mayor Timothy M. Kant

TO: Fairhope City Council

DATE: October 12, 2012

RE: Budget Highlights

In the enclosed notebook, you will find my figures from each City department for the 2012-13 FYE.

Each City employee will receive a 3 % cost of living increase. This will be the first pay increase for City employees since 2008.

Capital expenditures in the general fund are \$937,022 and in the utility funds totaling \$4,792,695. In addition, there will be \$1.6 million in expansion and improvements to the utility system.

Transfers from the utility funds were decreased by \$1 million. This is based on transferring 50% of the utility profits.

The 1 cent sales tax will not be placed in the reserve budget this year. The \$2.4 million dollars of income will pay-off the library debt and pay-off the loan used to resurface the streets.

The enclosed expenses are \$1 million less than last year's budget.

Cash flow will be tight this year, due to the fact that the City will install a new city-wide computer system. For this reason, I have only budgeted \$110,000 in each utility to fund community development projects.

A total of \$450,000 from the impact fee money will be used to begin construction of the soccer complex at Manley Road. The Police Department's budget includes 4 new officers and 6 new police cars. This includes 2 officers currently at the academy and 2 new officers. The Fairhope Public Library's budget will be increased by 5%.

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

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City of Fairhope Budget FYE 2013

<u>General Fund/Income</u>	<u>Budget 2012</u>	<u>Budget 2013</u>
Property Taxes	4,740,000	4,534,960
Local Taxes	5,765,090	6,074,060
Licenses and Permits	2,343,140	2,618,500
Fines and Forfeitures	275,000	320,000
Special Services	38,400	39,800
Golf Revenues	1,091,028	1,084,400
State of Alabama	302,500	189,200
U.S. Government	125,000	0
Interests and Rents	238,500	229,800
Charges and Services	4,874,250	4,644,000
Recreation Income	391,704	362,840
Other Income	<u>234,250</u>	<u>146,850</u>
Total Revenue:	20,418,862	20,244,410
Transfers from Utilities	<u>4,902,949</u>	<u>3,910,214</u>
Total Revenue and Transfers:	25,321,811	24,154,624
<u>Expenses</u>		
General Administrative	8,096,790	7,388,429
Police	4,544,245	4,164,800
Fire	427,676	361,728
Recreation	1,133,212	1,125,101
Adult Recreation/Special Services	817,436	678,560
Street	2,228,362	2,228,449
Sanitation	1,635,221	1,865,569
Golf	992,136	1,103,911
Staff Agencies/Appropriations	970,124	1,162,000
Debt Service	1,961,230	1,506,081
Other Expenditures/Transfers	<u>90,000</u>	<u>69,000</u>
Total Expense:	<u>22,896,432</u>	<u>21,653,628</u>
Net Income/Expense	2,425,379	2,500,996
Sales Tax Revenues		
Transfer to Reserves	2,375,000	0
Pay Off Debt	<u>0</u>	<u>2,420,451</u>
Excess Revenue over Expenses:	50,379	80,545

City of Fairhope Utilities Budget Summary FYE 2013

<u>Utility Revenue Income</u>	<u>Budget 2012</u>	<u>Budget 2013</u>
Gas Fund	8,382,847	7,707,410
Electric Fund	20,847,135	19,993,277
Water Fund	6,686,878	6,798,750
Sewer Fund	<u>3,654,851</u>	<u>3,790,000</u>
Total Revenue:	39,571,711	38,289,437
<u>Utility Expenses</u>		
Gas Fund	5,999,583	5,638,528
Electric Fund	16,972,437	17,110,732
Water Fund	3,751,794	4,029,749
Sewer Fund	<u>3,505,260</u>	<u>3,588,406</u>
Total Expenses:	30,229,074	30,367,415
Transfers:	<u>4,902,949</u>	<u>3,910,214</u>
Net Earnings:	4,439,688	4,011,808

Utilities Cash Flow Requirements

	Gas Fund	Electric Fund	Water & Sewer Fund	Total
Net Earnings	1,034,441	1,441,273	1,536,094	4,011,808
Debt Payments	(52,435)	(127,123)	(972,022)	(1,151,580)
Depreciation	299,242	663,910	937,753	1,900,905
Capitalized Labor	(169,572)	(287,690)	(58,514)	(515,776)
Vehicles/ Equipment	(969,025)	(198,000)	(283,000)	(1,450,025)
Capital Projects	(135,000)	(345,000)	(2,837,695)	(3,317,695)
System Upgrades	(275,000)	(680,000)	(500,000)	(1,455,000)
Cash - Bond Issue	<u>300,000</u>	<u>0</u>	<u>2,200,000</u>	<u>2,500,000</u>
Excess (Deficit) Cash	32,651	467,371	22,616	422,638

City of Fairhope Budget - Fiscal Year Ending 2013

CAPITAL PURCHASES BUDGET 2013- GENERAL FUND - ADMINISTRATIVE

Computer Capital Purchases			
Park Camera System	6,500		
Garage Camera System	14,000		
Meter Department Truck	18,000		
IT Truck	18,000		
Building Department Truck	18,000		
	<hr/>		
DEPARTMENT TOTAL	74,500		74,500

CAPITAL PURCHASES BUDGET 2013 - POLICE DEPARTMENT

Computer Capital Purchases			
Police Building Camera	12,000		
CAD Hardware Upgrade	20,000		
6 Police Cars/Equipment	202,000		
	<hr/>		
DEPARTMENT TOTAL	234,000		234,000
Funding provided by Operating Revenues	184,000		
2 new police cars partially funded by Impact Fees	50,000		
	<hr/>		
	234,000		

CAPITAL PURCHASES BUDGET 2013 - FIRE DEPARTMENT

King Cap Work Truck	21,000		
Airpack Bottle Replacement	19,000		
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DEPARTMENT TOTAL	40,000		40,000

CAPITAL PURCHASES BUDGET 2013 - RECREATION DEPARTMENT

Zero Turn Mower	12,700		
2 Small Pickups at 18,000	36,000		
Pull Behind Mower - Barnwell	4,250		
Plaster/Paint Baby Pool	45,000		
Recreation Center - Replace Equipment	15,000		
A/C Units Concession-Softball, Soccer	12,000		
	<hr/>		
DEPARTMENT TOTAL	124,950		124,950

CAPITAL PURCHASES BUDGET 2013 - ADULT REC./ SPECIAL SERVICES

A/C Council	25,000		
Roof Repairs	10,000		
Exterior Door Replacement	10,000		
Welcome Center Restroom redo	30,000		
	<hr/>		
DEPARTMENT TOTAL	75,000		75,000

CAPITAL PURCHASES BUDGET 2013 - PUBLIC WORKS - STREET DEPT.

Out Front Mowers -2 at 22,000	44,000		
Construction Department Truck - F250	21,000		
Convert 454 to Leaf Truck	7,500		
	<hr/>		
DEPARTMENT TOTAL	72,500		72,500

CAPITAL PURCHASES BUDGET 2013 - PUBLIC WORKS - SANITATION DEPT.

International 7400 (548) Refurbish	137,277		
White Used Tractor Autocar	60,000		
Refuse Trailer	70,000		
Garbage Cans	11,000		
	<hr/>		
DEPARTMENT TOTAL	278,277		278,277

CAPITAL PURCHASES BUDGET 2013 - GOLF DEPARTMENT

200 Gallon Sprayer with 20-30 Ft. Boom	31,000		
Driving Range Ball Picker	4,000		
Driving Range Ball Washer	2,795		
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DEPARTMENT TOTAL	37,795		37,795

General Fund Total Capital Purchase Budget		<hr/>	937,022
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City of Fairhope Budget - Fiscal Year Ending 2013

CAPITAL PURCHASES BUDGET 2013 - GAS DEPARTMENT

Vehicles and Equipment			
Capital Computer Equipment			
Server		28,333	
Switch/VoIP		91,667	
Munis System		500,000	
Large Boring Machine		255,000	
Pick-up Truck		70,000	
Department Head Vehicle		24,000	
		<hr/>	
		969,000	
SCADA Capital Purchases		25,000	
Construction on System			
Lower 2-6" High Pressure Gas Lines on ROW		25,000	
Cast Iron Replacement-Fruit and Nut Section		25,000	
Retifier Station-Daphne/Stapleton		50,000	
Pole Barn for Boring Machine-Vacuums		35,000	
		<hr/>	
		135,000	
	DEPARTMENT TOTAL	1,129,000	1,129,000

CAPITAL PURCHASES BUDGET 2013 - ELECTRIC DEPARTMENT

Vehicles and Equipment			
Capital Computer Equipment			
Server		28,333	
Switch/VoIP		91,667	
Generator at Warehouse		30,000	
		<hr/>	
		150,000	
SCADA Capital Purchases (RTAC's, Metering)		48,000	
Construction on System			
Reconductor Transmission Line for Loading		345,000	
		<hr/>	
		345,000	
	DEPARTMENT TOTAL	543,000	543,000

CAPITAL PURCHASES BUDGET 2013 - WATER DEPARTMENT

Vehicles and Equipment			
Capital Computer Equipment			
Server		28,333	
Switch/VoIP		91,667	
Department Head Vehicle		24,000	
Water Department Service Truck		29,000	
Waste Water Department Service Truck		35,000	
		<hr/>	
		208,000	
SCADA Capital Purchases		75,000	
Construction on System			
Paint Water Tower		487,695	
Waste Water Treatment-From Bond Issue		2,000,000	
Electronic Wate Meters		350,000	
		<hr/>	
		2,837,695	
	DEPARTMENT TOTAL	3,120,695	3,120,695
	Utilities Total Capital Purchase Budget		<hr/> <hr/>
			4,792,695

City of Fairhope Budget FYE 2013

Revenues

Property Taxes

	<u>Budget 2012</u>	<u>Budget 2013</u>
Real Estate Taxes	4,260,000	4,032,960
Automobile Taxes	<u>480,000</u>	<u>502,000</u>
Total Property Taxes:	4,740,000	4,534,960

Local Taxes

Sales Tax	2,375,000	2,473,500
Sales Tax – Restricted	2,375,000	2,473,500
Beer Tax	270,000	283,000
Wine Tax	37,000	44,000
Liquor Tax	78,000	98,000
Dog Tag Tax	90	60
Cigarette Tax	130,000	127,000
Lodging Tax	<u>500,000</u>	<u>575,000</u>
Total Local Taxes:	5,765,090	6,074,060

Licenses & Permits

Business and Liquor Licenses	1,600,000	1,725,000
Parade Permit Fees	7,500	7,500
Building Permits	250,000	350,000
Inspection Fees	125,000	139,000
Building Fines	6,000	6,000
Re-zoning Applications	2,000	2,000
Insurance Co. Franchises	170,000	189,000
Cable TV Franchise	171,200	200,000
Franchise fees-City property	<u>11,440</u>	<u>0</u>
Total Licenses and Permits:	2,343,140	2,618,500

Fines & Forfeitures

Fines and Forfeitures	275,000	320,000
Alarm Fees	<u>0</u>	<u>0</u>
Total Fines and Forfeitures:	275,000	320,000

<u>Special Services</u>	<u>Budget 2012</u>	<u>Budget 2013</u>
Memberships	23,400	29,000
Dance Revenue	9,000	7,000
Instruction	1,200	800
Miscellaneous Revenue	4,800	3,000
Total Adult Recreation/Special Services:	38,400	39,800

Golf Department

Memberships	264,090	180,000
Green Fees	196,000	180,700
Cart Rentals	429,081	394,000
Pro Shop Sales	124,860	126,000
Pro Shop Sales-Custom	30,000	36,000
Driving Range	36,997	36,000
Beverage Sales	0	53,200
Food Sales	0	73,700
Golf Franchise Fee	6,000	0
Handicap Fees	4,000	4,800
Total Golf Department:	1,091,028	1,084,400

State of Alabama

State Liquor Tax	800	6,200
State Sales Tax – ABC Store	45,000	36,000
Financial Institution Excise Tax	20,000	10,000
Motor Vehicle Licenses	5,000	4,000
Oil Production Privilege Tax	1,700	3,000
Alabama Trust Fund Receipts	80,000	80,000
Grants – Misc. Youth Baseball	150,000	50,000
Total State of Alabama:	302,500	189,200

U.S. Government

DEA Fund Grants	0	
Grants-Federal Trail	125,000	0
Total U.S. Government:	125,000	0

Interests & Rents

	<u>Budget 2012</u>	<u>Budget 2013</u>
Interest-Bank Deposits	65,000	57,000
Municipal Pier Lease	12,000	12,000
Rent – Fairhope Cotton Farm	0	1,300
Fishing Dock Stall Rent	12,000	10,500
Rent – Faulkner	36,000	37,000
Rent – Eastern Shore Marine	20,000	24,000
Rent – University of South Alabama	1,000	1,000
Rent – Fairhope Civic Center	56,500	57,000
Rent – James P. Nix Center	24,500	18,000
Rent – Park/Sidewalk Areas	<u>11,500</u>	<u>12,000</u>
Total Interest & Rents:	238,500	229,800

Charges for Service

Sanitation Collection	1,390,000	1,404,000
Dog Pound	2,250	0
Subdivision Fees	2,000	10,000
Utility Collection Fees	830,000	830,000
Utility Administration Services	2,400,000	2,400,000
Impact Fees	<u>250,000</u>	<u>0</u>
Total Charges for Service:	4,874,250	4,644,000

Recreation Department Income

Gym Memberships/Passes	344,704	312,000
Pool Memberships	40,000	40,000
Summer Camp	13,000	7,840
Miscellaneous	<u>4,000</u>	<u>3,000</u>
Total Recreation Income:	391,704	362,840

Other Revenue

Beach Revenue	20,000	20,500
Sale – Recycle Paper	60,000	46,000
Sale – Recycle Containers	900	50
Sale – Recycle Cans	5,000	8,000
Sale – Trash Cans	1,500	1,700
Sale – Recycle Miscellaneous & Plastics	18,000	17,000
Severance Tax – Gas & Oil	50,000	25,500

	<u>Budget 2012</u>	<u>Budget 2013</u>
Sale of Fixed Assets	0	0
Brick Memorials	500	600
Donations	0	0
Qualifying Fees	750	0
Historical District Revenue	7,500	7,500
Tree Fund Donations	100	0
Miscellaneous Income	0	0
Loan Proceeds	0	0
Lib Board Payment on Loan	70,000	0
Community Grants	0	0
Youth Baseball Contribution (New Account)	0	20,000
Total Other Revenue:	<u>234,250</u>	<u>146,850</u>
 Total Revenue from Government Funds:	 20,418,862	 20,244,410
 <u>Transfer of utility funds</u>		
Gas Fund	1,307,573	1,034,441
Electric Fund	2,122,271	1,441,273
Water Fund	1,473,105	1,434,500
<u>20,000</u>		
Total Transfer from utilities:	<u>4,902,949</u>	<u>3,910,214</u>
 Total Revenue (Government & Utility):	 25,321,811	 24,154,624

Expenses

<u>General Administrative Expenses</u>	<u>Budget 2012</u>	<u>Budget 2013</u>
Salary - Mayor	60,000	30,000
Salaries – Council	40,900	37,200
Salaries – Administrative	1,288,047	1,209,613
Salary/Fee – City Attorney	24,000	24,000
Salaries – Judge & Court Clerk	98,682	89,910
Salaries –Mechanics & Janitor	267,020	262,206
Salaries – Building & Zoning	558,458	633,296
Salaries – Beach Labor	6,504	5,394
Salaries – Revenue Department	546,331	577,851
Employee Payroll Taxes	245,348	217,451
Employee Retirement	291,588	235,614
Employee Medical Insurance	2,299,766	2,445,095
Retired Employee Medical Cost	471,127	225,000
Casualty/Workers Compensation Insurance	211,049	230,000
Training/School/Travel	71,000	68,000
Trustee Fees	3,500	3,500
Audit & Accounting	40,000	40,000
Legal Fees	500,000	375,000
Professional Services	45,000	45,000
City Computer Expense	192,136	40,000
Office Supplies	25,000	25,000
Postage	5,100	5,000
General Supplies	40,000	62,500
General Maintenance	25,000	40,000
Telephone	48,000	53,400
Dues, Memberships & Subscriptions	14,633	29,500
Equipment & Vehicle Repair	5,000	8,000
Uniforms	1,000	1,000
Purchases – Vehicles & Equipment	94,000	74,500
Credit Card Processing Fees	18,000	18,000
Bank Fees	1,500	1,500
Printing	2,400	7,900
Lease on Credit Card Terminals	1,200	1,300
Recording Fees Paid	100	200
Colony Rent	9,800	10,000
Publications Newspapers	6,700	4,500
Election Expense	26,000	1,500
Memorial Bricks	500	500
Historical District Expense	3,350	6,000

	<u>Budget 2012</u>	<u>Budget 2013</u>
County Prisoner Expense	8,000	10,500
Fisherman's Wharf Maintenance	15,000	10,000
City Hall Maintenance	5,000	5,000
Beach Repairs & Maintenance	37,000	18,000
Court Supplies & Expense	9,000	10,800
Greeno Road Pilot Program	18,000	0
Grant Expenditures	225,851	0
NRCS Grant Exp	100,000	0
Youth Baseball Grant Expense	30,000	100,000
Sales Tax Collection Fees	61,200	89,700
Total General Administrative:	8,096,790	7,388,430

Police Department

Salaries	3,200,909	2,945,834
Employee Payroll Taxes	248,238	225,356
Employee Retirement	300,596	248,869
Casualty/Workers Compensation Insurance	140,252	140,500
Training/School/Travel	46,000	20,000
Professional Services	5,000	12,000
City Computer Expense	45,552	27,000
Office Supplies	10,512	6,200
General Supplies	75,000	34,000
General Maintenance	9,996	9,500
Gasoline & Oil	110,000	140,000
Equipment & Vehicle Repair	46,000	53,000
Uniforms	23,770	13,000
Purchases - Vehicles & Equipment	167,420	184,000
NCIC Data System	15,000	15,540
Jail Expense	100,000	90,000
	4,544,245	4,164,799

Fire Department

Salaries	117,553	115,703
Fire Call Payments	75,000	48,550
Employee Payroll Taxes	9,168	8,851
Employee Retirement	11,395	10,124
Casualty/Workers Compensation Insurance	27,704	25,000
Training/Travel	2,000	0
Firemen Physicals	2,600	2,000
General Supplies	20,000	20,000
General Maintenance	29,000	17,000
Gasoline & Oil	18,756	23,500

	<u>Budget 2012</u>	<u>Budget 2013</u>
Equipment & Vehicle Repair	50,000	50,000
Uniforms	500	1,000
Purchases - Vehicles & Equipment	64,000	40,000
	<u>427,676</u>	<u>361,728</u>

Recreation Department

Salaries	677,229	661,506
Employee Payroll Taxes	58,617	50,605
Employee Retirement	36,627	34,040
Casualty/Workers Compensation Insurance	40,239	40,500
General Supplies	98,000	116,000
General Maintenance	40,000	54,000
Gasoline & Oil	14,000	16,000
Equipment & Vehicle Repair	15,000	25,000
Uniforms	3,000	2,500
Purchases - Vehicles & Equipment	44,500	97,950
Capital Improvements	106,000	27,000
	<u>1,133,212</u>	<u>1,125,101</u>

Adult Recreation/Special Services

Salaries	411,199	441,943
Employee Payroll Taxes	32,811	33,588
Employee Retirement	32,099	29,729
Casualty/Workers Compensation Insurance	5,407	7,500
General Maintenance	66,000	54,000
Purchases - Vehicles & Equipment	190,000	75,000
Welcome Center Maintenance	15,000	1,000
Kitchen Supplies	11,200	3,500
Special Programs	6,100	2,000
Dance Expense	10,900	8,200
Golf Expense	1,020	900
Office Expense	15,150	15,000
Food & Drink	1,150	100
Shuttle Bus Expense	4,400	2,600
Other Expenses	15,000	3,500
	<u>817,436</u>	<u>678,560</u>

Public Works -Street Department

Salaries	1,215,138	1,168,707
Employee Payroll Taxes	76,080	89,406
Employee Retirement	82,097	101,736
Casualty/Workers Compensation Insurance	115,047	115,100

	<u>Budget 2012</u>	<u>Budget 2013</u>
General Supplies	88,000	68,000
General Maintenance	34,000	6,000
Gasoline & Oil	185,000	245,000
Equipment & Vehicle Repair	90,000	98,000
Uniforms	5,000	3,000
Purchases - Vehicles & Equipment	111,500	72,500
Equipment Rental	4,500	1,000
Street Material & Landscaping	200,000	210,000
Sidewalks	22,000	50,000
	<u>2,228,362</u>	<u>2,228,449</u>

Public Works -Sanitation Department

Salaries	796,006	797,995
Employee Payroll Taxes	61,783	55,061
Employee Retirement	77,604	61,668
Casualty/Workers Compensation Insurance	59,828	62,000
General Supplies	64,000	24,000
Gasoline & Oil	75,000	88,000
Equipment & Vehicle Repair	100,000	200,000
Uniforms	3,000	6,000
Purchases - Vehicles & Equipment	58,000	278,277
Landfill Charges	313,000	287,568
Landfill Maintenance	12,000	2,000
Purchases-Recycle Bins	15,000	3,000
	<u>1,635,221</u>	<u>1,865,569</u>

Golf Department

Salaries-Grounds	241,758	281,342
Salaries-Clubhouse	217,630	282,724
Employee Payroll Taxes	36,062	43,151
Employee Retirement	33,164	38,998
Casualty/Workers Compensation Insurance	22,966	23,000
Professional Services	35,000	25,000
General Supplies	110,000	85,000
Supplies-Clubhouse	4,000	8,000
General Maintenance	7,000	8,400
Gasoline & Oil	15,000	15,000
Equipment & Vehicle Repair	31,056	25,000
Uniforms	1,000	1,000
Purchases Vehicles & Equipment	76,500	37,795
Advertising & Promotion	17,000	7,000
Purchases – Beer & Wine	0	32,000

City of Fairhope Budget - Fiscal Year Ending 2013

CAPITAL PURCHASES BUDGET 2013- GENERAL FUND - ADMINISTRATIVE

Computer Capital Purchases	
Park Camera System	6,500
Garage Camera System	14,000
Meter Department Truck	18,000
IT Truck	18,000
Building Department Truck	18,000
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DEPARTMENT TOTAL	74,500

City of Fairhope Budget - Fiscal Year Ending 2013

CAPITAL PURCHASES BUDGET 2013 - POLICE DEPARTMENT

Computer Capital Purchases	
Police Building Camera	12,000
CAD Hardware Upgrade	20,000
6 Police Cars/Equipment	202,000
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2 new police cars partially funded by Impact Fees	50,000
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CAPITAL PURCHASES BUDGET 2013 - FIRE DEPARTMENT

King Cap Work Truck	21,000
Airpack Bottle Replacement	19,000
DEPARTMENT TOTAL	<u>40,000</u>

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CAPITAL PURCHASES BUDGET 2013 - RECREATION DEPARTMENT

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2 Small Pickups at 18,000	36,000
Pull Behind Mower - Barnwell	4,250
Plaster/Paint Baby Pool	45,000
Recreation Center - Replace Equipment	15,000
A/C Units Concession-Softball, Soccer	12,000
DEPARTMENT TOTAL	<u>124,950</u>

City of Fairhope Budget - Fiscal Year Ending 2013

CAPITAL PURCHASES BUDGET 2013 - ADULT REC./ SPECIAL SERVICES

A/C Council	25,000
Roof Repairs	10,000
Exterior Door Replacement	10,000
Welcome Center Restroom redo	30,000
DEPARTMENT TOTAL	<u>75,000</u>

City of Fairhope Budget - Fiscal Year Ending 2013

CAPITAL PURCHASES BUDGET 2013 - PUBLIC WORKS - STREET DEPT.

Out Front Mowers -2 at 22,000	44,000
Construction Department Truck - F250	21,000
Convert 454 to Leaf Truck	7,500
DEPARTMENT TOTAL	<u>72,500</u>

CAPITAL PURCHASES BUDGET 2013 - PUBLIC WORKS - SANITATION DEPT.

International 7400 (548) Refurbish	137,277
White Used Tractor Autocar	60,000
Refuse Trailer	70,000
Garbage Cans	11,000
DEPARTMENT TOTAL	<u>278,277</u>

City of Fairhope Budget - Fiscal Year Ending 2013

CAPITAL PURCHASES BUDGET 2013 - GOLF DEPARTMENT

200 Gallon Sprayer with 20-30 Ft. Boom	31,000
Driving Range Ball Picker	4,000
Driving Range Ball Washer	2,795
DEPARTMENT TOTAL	<hr/> 37,795

City of Fairhope Budget FYE 2013

Gas Tax Fund-Revenue

	<u>Budget 2012</u>	<u>Budget 2013</u>
2% Petroleum Inspect. Fee	7,000	7,100
7% Gas Excise Tax	41,000	42,000
4% Gas Excise Tax	24,000	24,500
5% Gas Excise Tax	13,000	13,900
Interest Earned	<u>100</u>	<u>0</u>
	85,100	87,500

Gas Tax Fund-Expense

Bank and Other Fees	100	0
Street Material/Construction Costs	<u>80,000</u>	<u>80,000</u>
Total Expenditures	<u>80,100</u>	<u>80,000</u>
Net Income Over (Under Expenditures)	5,000	7,500

Gas Tax Projects

Drainage Improvements	40,000
Road Construction & Maintenance	40,000

Cash

7 cent & 2% Checking	45,271
4 cent & 5% Checking	<u>171,684</u>
Total Cash:	216,956

City of Fairhope Budget FYE 2013

Capital Projects Fund-Revenues

	<u>Budget 2012</u>	<u>Budget 2013</u>
Line of Credit for Paving '12	500,000	0
Grant Income - ALDOT	360,000	0
Interest Earned	100	0
Transfer From General Fund	90,000	69,000
Total Income:	950,100	69,000

Capital Projects Fund-Expenses

Special Recreation Projects	177,000	69,000
2011-2012 Paving Projects	500,000	0
ALDOT Sidewalk	450,000	0
Total Expenditures:	1,127,000	69,000
Net Income Over (Under Expenditures)	(176,900)	0

Capital Projects

Veteran's Memorial	50,000
Theatre 98-Roof	19,000
	69,000

Cash

Checking Account	14,919
2011 Street Improvement – Checking	203
BP Oil Spill Cost Reimbursement	429,005
Total Cash:	444,127

City of Fairhope FYE 2013

<u>Impact Fee Fund-Revenues</u>	<u>Budget 2012</u>	<u>Budget 2013</u>
Impact Fee Income	250,000	250,000
Interest Earned	<u>0</u>	<u>0</u>
Total Income:	250,000	250,000
<u>Impact Fee Fund-Expenses</u>		
Police	0	50,000
Fire	0	0
Transportation	0	232,365
Recreation	<u>101,354</u>	<u>450,000</u>
Total Expenditures:	<u>101,354</u>	<u>732,365</u>
Net Income Over (Under Expenditures)	148,646	(482,365)

<u>Impact Fee Projects</u>	
Fairhope Avenue Improvements	232,365
Manley Road Soccer Complex	<u>450,000</u>
	682,365

<u>Impact Fee Balances as of 9/30/2012</u>	
Police	58,338
Fire	71,960
Transportation	232,365
Recreation	<u>458,946</u>
	821,609

City of Fairhope Budget FYE 2013

<u>Gas Fund- Revenues</u>	<u>Budget 2012</u>	<u>Budget 2013</u>
Sale of Natural Gas	6,416,147	6,299,542
Sale of N.G. - Joint Line	1,944,000	1,385,182
Interest Earned	13,800	10,000
Miscellaneous Revenue	8,900	8,900
Community Development Revenue	<u>0</u>	<u>3,786</u>
Total Operating Revenue:	8,382,847	7,707,410

<u>Gas Fund- Operating Expenses</u>		
Purchase Power-Natural Gas	2,925,000	2,463,303
Collection Costs/Revenue Department	191,000	191,000
Administrative Costs	800,000	800,000
Salaries	591,819	626,958
Payroll Taxes	56,231	60,904
Retirement Expense	71,272	67,946
Employees Medical Insurance	180,013	275,271
Employee Retirement Medical Insurance	36,711	15,930
Casualty/Workers Compensation Insurance	71,687	68,000
Training/School/Travel	18,000	7,000
Trustee Fees	1,850	1,500
Audit & Accounting	16,000	12,500
Legal Fees	12,000	6,500
Professional Services	48,000	28,000
City Computer Expense	28,800	22,000
Office Supplies	3,600	3,000
Postage	36,000	36,000
Operating Supplies	54,000	56,000
Maintenance - Buildings	10,800	10,000
Maintenance - Plant	102,000	100,000
Telephone	16,800	26,400
Dues-Memberships-Subscription	36,000	32,000
Gasoline and Oil	42,000	53,000
Maintenance - Vehicles & Equipment	42,000	40,000
Uniforms	4,200	4,000
Community Development Projects	153,000	193,175
Depreciation	300,000	299,242
Interest	39,600	36,000
Rental-Other	6,000	6,000
Bond Issue Expense	1,600	1,400

	<u>Budget 2012</u>	<u>Budget 2013</u>
Electricity	1,800	2,500
Dist of Joint Revenue	54,000	54,000
Daphne 3% Revenue Tax	6,000	3,000
Spanish Fort Franchise Tax	36,000	30,000
APSC Inspection Fee	<u>5,800</u>	<u>6,000</u>
Total Expenses:	5,999,583	5,638,528

Gas Fund

Earnings from Operations	2,383,264	2,068,881
Transfers to General Fund	<u>1,307,573</u>	<u>1,034,441</u>
Net Earnings:	1,075,691	1,034,440

City of Fairhope Budget - Fiscal Year Ending 2013

CAPITAL PURCHASES BUDGET 2013 - GAS DEPARTMENT

Vehicles and Equipment

Capital Computer Equipment

Server	28,333
Switch/VolP	91,667
Munis System	500,000
Large Boring Machine	255,000
Pick-up Truck	70,000
Department Head Vehicle	24,000
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	969,000

SCADA Capital Purchases

25,000

Construction on System

Lower 2-6" High Pressure Gas Lines on ROW	25,000
Cast Iron Replacement-Fruit and Nut Section	25,000
Retifier Station-Daphne/Stapleton	50,000
Pole Barn for Boring Machine-Vacuums	35,000
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	135,000

DEPARTMENT TOTAL

1,129,000

City of Fairhope Budget FYE 2013

<u>Electric Fund- Revenue</u>	<u>Budget 2012</u>	<u>Budget 2013</u>
Sale of Electric Energy	20,431,174	19,658,720
Revenue Late Charges	270,000	204,000
Pole Rental - Telephone Company	20,757	25,000
Pole Rental - Cable T.V.	27,486	38,000
Pole Rental - Riviera	426	426
Temp Service Charges	1,200	925
Interest Earned	18,000	6,206
Sale of Assets	0	0
Miscellaneous Revenue	54,996	30,000
Connection Fees	21,996	30,000
Community Development Revenue	1,100	0
Total Revenue:	20,847,135	19,993,277

<u>Electric Fund- Operating</u>		
Purchase Power-Electric	11,849,989	12,034,311
Collection Costs/Revenue Department	133,000	133,000
Administrative Costs	800,000	800,000
Salaries	775,826	694,321
Payroll Taxes	72,642	75,094
Retirement Expense	92,488	84,176
Employees Medical Insurance	203,716	305,816
Employee Retirement Medical Insurance	43,655	19,000
Casualty/Workers Compensation Insurance	142,909	143,000
Training/School/Travel	15,200	16,000
Trustee Fees	1,488	1,500
Audit & Accounting	15,532	14,000
Legal Fees	10,000	5,000
Professional Services	30,000	30,000
City Computer	30,000	25,000
Office Supplies	4,200	3,000
Postage	38,400	36,000
Operating Supplies	158,300	150,000
Mechanic Shop Supplies	48,000	2,500
Maintenance - Buildings	5,400	6,000
Maintenance - Plant	300,000	300,000
Telephone	18,000	30,000
Dues, Memberships & Subscriptions	1,500	3,000
Miscellaneous	3,000	0

	<u>Budget 2012</u>	<u>Budget 2013</u>
Bad Debts	90,000	150,000
Gasoline and Oil	36,000	36,000
Maintenance - Vehicles & Equipment	46,000	5,000
Uniforms	17,140	18,000
Community Development Projects	153,000	110,000
Depreciation	579,996	663,910
Interest	90,632	72,000
Rental-Other	6,000	6,000
Bond Issue Expense	3,804	3,804
Credit Card Processing Fees	15,600	46,000
Bank Fees	0	13,000
Lease on credit card terminals	1,020	1,300
Utilities for City use	1,075,000	1,075,000
Grant 2010	65,000	0
Total Operating Expenses:	<u>16,972,437</u>	<u>17,110,732</u>
Earnings from Operations:	3,874,698	2,882,546
Transfers to General Fund	<u>2,122,271</u>	<u>1,441,273</u>
Net Earnings:	1,752,427	1,441,272

City of Fairhope Budget - Fiscal Year Ending 2013

CAPITAL PURCHASES BUDGET 2013 - ELECTRIC DEPARTMENT

Vehicles and Equipment	
Capital Computer Equipment	
Server	28,333
Switch/VoIP	91,667
Generator at Warehouse	30,000
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	150,000
SCADA Capital Purchases (RTAC's, Metering)	48,000
Construction on System	
Reconductor Transmission Line for Loading	345,000
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	345,000
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DEPARTMENT TOTAL	543,000

City of Fairhope Budget FYE 2013

Water Fund

<u>Water Department-Revenue</u>	<u>Budget 2012</u>	<u>Budget 2013</u>
Water Sales	6,207,834	6,199,950
Telephone Companies Antenna Rental	144,000	144,000
Interest Earned	7,000	4,800
Miscellaneous Revenue	800	0
Connection Fees	286,000	450,000
Community Development Revenue	41,244	0
Total Operating Revenue:	6,686,878	6,798,750

Water Department - Expenses

Purchase Power-Electric	331,000	330,000
Collection Costs/Revenue Department	323,000	323,000
Administrative Costs	530,000	530,000
Salaries	616,134	572,116
Payroll Taxes	50,462	46,201
Retirement Expense	61,446	51,987
Employees Medical Insurance	149,599	125,145
Employee Retirement Medical Insurance	40,000	59,311
Casualty/Workers Compensation Insurance	81,143	82,000
Training/School/Travel	5,500	7,000
Trustee Fees	5,000	5,000
Audit & Accounting	7,800	9,000
Legal Fees	3,600	5,000
Professional Services	15,700	16,000
City Computer Expense	15,000	15,000
Office Supplies	2,050	2,000
Postage	22,800	25,000
Operating Supplies	28,000	35,000
Maintenance - Buildings	8,500	5,000
Maintenance - Plant	255,036	275,000
Telephone	26,024	30,000
Dues, Memberships & Subscriptions	3,000	4,000
Gasoline and Oil	38,000	50,000
Maintenance - Vehicles & Equipment	40,000	35,000
Uniforms	4,000	6,000
Community Development Projects	153,000	397,000

	<u>Budget 2012</u>	<u>Budget 2013</u>
Depreciation	450,000	421,989
Interest	215,000	313,000
Rental-Other	40,800	40,000
Bond Issue Expense	18,000	10,000
Bank Fees	200	0
Chemicals & Testing	212,000	200,000
Point Clear Properties Fees	0	4,000
Total Expenses:	<u>3,751,794</u>	<u>4,029,749</u>
Earnings from Operations:	2,935,084	2,769,001
Transfers to General Fund	<u>1,473,105</u>	<u>1,434,500</u>
Net Earnings:	1,461,979	1,334,501

City of Fairhope Budget FYE 2013

<u>Wastewater Department -Revenue</u>	<u>Budget 2012</u>	<u>Budget 2013</u>
Revenue Sewer Charges	3,446,851	3,560,000
Interest Earned	4,600	2,000
Connection Fees	<u>203,400</u>	<u>228,000</u>
Total Revenue:	3,654,851	3,790,000
<u>Wastewater Department-Expenses</u>		
Purchase Power-Electric	414,000	435,000
Collection Costs/Revenue Department	183,000	183,000
Administrative Costs	280,000	280,000
Salaries	483,683	403,406
Payroll Taxes	37,738	32,873
Retirement Expense	45,039	36,741
Employees Medical Insurance	102,838	90,768
Employee Retirement Medical Insurance	21,416	31,755
Casualty/Workers Compensation Insurance	41,531	45,000
Training/School/Travel	4,000	4,000
Trustee Fees	4,400	1,400
Audit & Accounting	5,600	5,000
Legal Fees	34,000	8,000
Professional Services	12,040	10,000
City Computer Expense	9,912	9,000
Office Supplies	1,664	1,500
Postage	16,464	13,000
Operating Supplies	16,105	16,000
Maintenance - Buildings	6,000	6,000
Maintenance - Plant	450,000	485,000
Dues, Memberships & Subscriptions	1,250	1,500
Gasoline and Oil	28,000	28,000
Maintenance - Vehicles & Equipment	25,080	25,000
Uniforms	3,500	6,000
Depreciation	500,000	515,764
Interest	425,000	575,000
Rental-Other	5,000	2,000
Bond Issue Expense	16,000	14,698
Chemicals & Testing	332,000	315,000
Point Clear Properties Fees	<u>0</u>	<u>8,000</u>
Total Expenses:	3,505,260	3,588,406
Earnings from Operations:	149,591	201,594

City of Fairhope Budget - Fiscal Year Ending 2013

CAPITAL PURCHASES BUDGET 2013 - WATER DEPARTMENT

Vehicles and Equipment	
Capital Computer Equipment	
Server	28,333
Switch/VoIP	91,667
Department Head Vehicle	24,000
Water Department Service Truck	29,000
Waste Water Department Service Truck	35,000
	<hr/>
	208,000
SCADA Capital Purchases	75,000
Construction on System	
Paint Water Tower	487,695
Waste Water Treatment-From Bond Issue	2,000,000
Electronic Wate Meters	350,000
	<hr/>
	2,837,695
	<hr/>
DEPARTMENT TOTAL	3,120,695

CITY OF FAIRHOPE

10/1/2012 Recap

- I. City was self-insured for health insurance
 - City paid \$2,445,623 in claims
 - City paid \$401,855 in Stop Loss health insurance premiums covering \$667,849 in claims
 - City saved approximately \$300,000 with conversion to self-insurance

- II. Dental coverage was optional to employees
 - Family dental rate increased \$7 for fiscal year 2013
 - Single dental rate increased \$3 for fiscal year 2013

- III. Discounts and Cost Sharing
 - Blue Cross Networks negotiated discounts of \$3,040,866
 - Employees paid copays, deductibles and coinsurance of \$408,178 (14.3% of total paid)

- IV. The Premium medicines deductible rate remained unchanged at \$40 per Prescription.

- V. Recommended funding rates for the City for fiscal year 2013 are:
 - Employee Health \$500.48
 - Family Health \$1,229.45
 - Cobra Employee Health \$510.49
 - Cobra Family Health \$1,254.04

Full-Time New Hire Positions

	<u>Hourly</u>	<u>Annual</u>
Human Resource Coordinator	16.82	35,000
Police Officer	18.72	38,938
Police Officer	18.72	38,938
Laborer-Recreation Dept.	10.50	21,840
Laborer-Recreation Dept.	10.50	21,840
*Day Manager-Recreation Dept.	15.00	31,200

*Creating full-time position form current part-time position

Part-Time New Hire Positions

	<u>Hourly</u>	<u>Annual</u>
Tennis Attendant	8.06	7,962
Tennis Attendant	8.06	7,962
Groundsman-Golf Course	10.00	9,880
Groundsman-Golf Course	10.00	9,880
Rental Facilities Assistant – Nix Center	15.00	14,820