



Pelham

Budget
Book
Fiscal Year 2022





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Pelham

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INTRODUCTORY INFORMATION



Pelham

OFFICERS AND OFFICIALS



MAYOR AND CITY COUNCIL

- Gary Waters Mayor
- Maurice Mercer Place 4, Council President
- David Coram Place 1, Council President Pro Tempore
- Larry Palmer Place 2, Council Person
- Rick Wash Place 3, Council Person
- Mildred Lanier Place 5, Council Person

ADMINISTRATIVE STAFF

Gretchen DiFante City Manager
Brooke Jenkins..... Executive Assistant, City Manager & Economic Development
Paula Holly Executive Assistant, Mayor
Tom Seale City Clerk/Treasurer
Jenny Gray Accounting Manager
Michael Simon..... Director, Economic Development
Tracy Hill Director, Human Resources
Ainsley Allison Communications & Branding Manager
Dell Ann Holly IT Manager
Andre` Bittas..... Director, Development Services & Public Works
Angie Brown Building Official
Pat Cheatwood..... Police Chief
Jennifer Bridwell Court Clerk
Mike Reid Fire Chief
Mary Campbell Director, Library
Hal Brown..... Director, Ballantrae Golf
D Tyrell McGirt Director, Parks & Recreation
Chaney Mills..... Director, Pelham Racquet Club
Steve St. John Interim Administrator, Pelham Civic Complex & Ice Arena

PELHAM TODAY



POPULATION
24,318

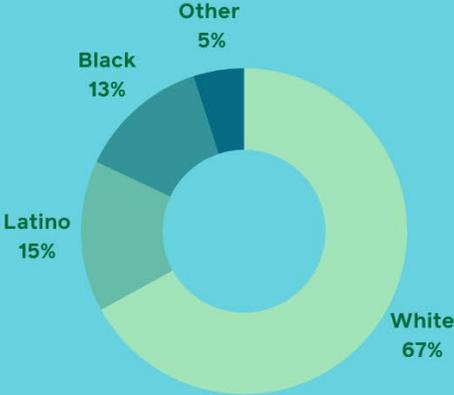
This represents an increase of almost 14% since 2010.



83.6%

Owner-Occupied Housing Units

RACIAL/ETHNIC BREAKDOWN



MEDIAN HOUSEHOLD INCOME

\$80,510

in 2019 dollars

MEDIAN HOME VALUE

\$189,000



BUDGET CALENDAR

- June 11 - Finance Department completes the books through May 2021.
- June 23 - Finance Department prepares budget packets and worksheets and forwards to each department.
- June 25 - Human Resources sends salary and benefits calculations to departments.
- July 9 - Finance Department completes the books through June 2021.
- July 9 – Department budgets to City Manager, Accounting Manager and City Clerk/ Treasurer.
- July 12 – July 26 – Department Heads work through budgets with City Manager, Accounting Manager, and City Clerk/ Treasurer.
- July 26 – August 9 – Department Heads present to Council.
- August 23 – Proposed budget completed by staff.
- August 30 – Proposed budget to Finance Committee.
- September 7 – Proposed budget to City Council for consideration.
- September 20 – City Council scheduled to vote on Proposed FY2022 budget.
- October 1 – FY2022 begins.

BUDGET INTRODUCTION

The City provides many services to its residents and businesses in order to create a positive quality of life for all those living, working and visiting our City, and to attract new investors to the City. These services are very expensive, and the prioritization and funding processes requires the coordinated efforts of the City Council, Mayor, City Manager and all members of management. The City receives funds from a variety of sources and constitutes its revenue. Spending for public services is termed expenditures.

It is the responsibility of the City Manager to propose the budget to the City Council and Mayor, outline revenues and services they believe the City should provide and the cost to provide those services. The City Manager is required by law to provide a balanced budget. In order to do this, City Management must make difficult choices and establish priorities. Several factors go into setting those priorities, including critical infrastructure needs, citizen priorities (made known through various sources; including the City's Comprehensive Plan adopted in February 2020), City Council priorities and financial limitations.

The City Council is involved in the budget process before the City Manager presents the recommended budget. Councilors hear from the department heads about their priorities and have an opportunity to ask questions of every department head at the Budget Workshops. The City Manager then presents the proposed budget to the Council Finance Committee which is made up of two Council members. Next, the manager presents the proposed budget to the entire Council, and the Council votes on whether to adopt the budget. The adopted budget becomes the City's spending law and financial roadmap for the year.

The City's fiscal year runs October 1 through September 30. The term FY2022 signifies the period between these dates.

The City's budget includes financial information from both the General Fund and the City's Proprietary Funds. The following provides a brief overview of these funds as they pertain to the City's budget.

General Fund

The General Fund is the principal operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is used to account for most of the day-to-day operations of the City, which are financed from sales tax, property tax, and other general revenues. There can be only one General Fund.

Proprietary Funds

There are two types of proprietary funds. The first are enterprise funds or “separate business funds.” The City of Pelham maintains several separate “businesses units.” These include our Water and Sewer Departments, Garbage Collection Operations, Pelham Civic Complex and Ice Arena, Ballantrae Golf Course and the Pelham Racquet Club. These City operations are financed and operated in a manner similar to private enterprise. User charges and impact fees recover costs of providing services to the public. The Pelham City Council operates its water, sewer and garbage funds in this manner; however, the other city operations listed above draw upon general fund revenues to make up for the cost of operations over revenue collected. These three entities have a large indirect impact on the City’s total revenue. This is commonly called “economic impact,” which simply means users of these facilities travel from outside the City of Pelham (from other cities, states and countries) and spend money on gas, food and entertainment; thus supporting our local economy and therefore our general fund revenue. For this reason, City leaders must make a decision to supplement the shortfall in the “bottom line” of these operations with monies from the general fund.

The second type of proprietary funds are Internal Service Funds. They are used to account for the financing of services and supplies by one City department to another on a cost-reimbursement basis.

Where Does the Money Come From?

It is appropriate to start with a look at where the City's money comes from.

The City's General Fund accounts for 72% of its total revenue - about \$51 million. The City's Proprietary Funds, which consist of charges for services, account for an additional \$19 million.

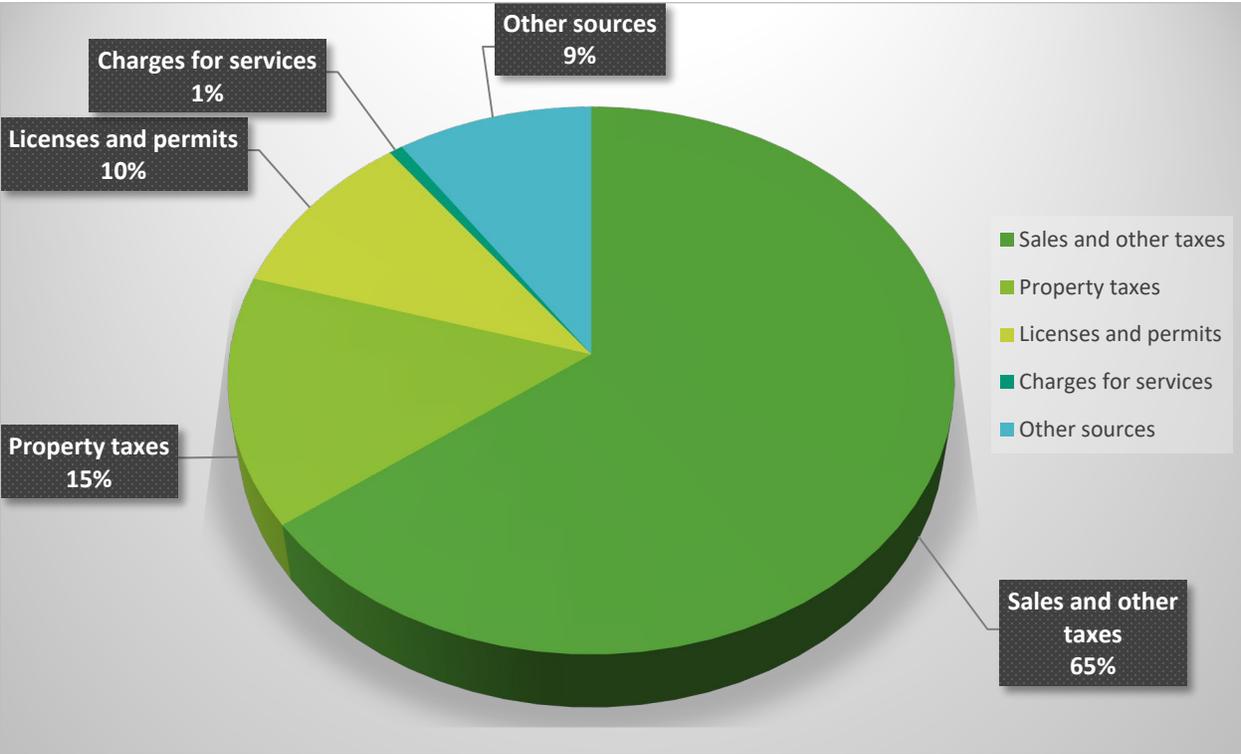
The General Fund

Sales and Use Taxes account for 64.9% or \$33.2 million.

Property Taxes account for about 14.7%, which is about \$7.5 million.

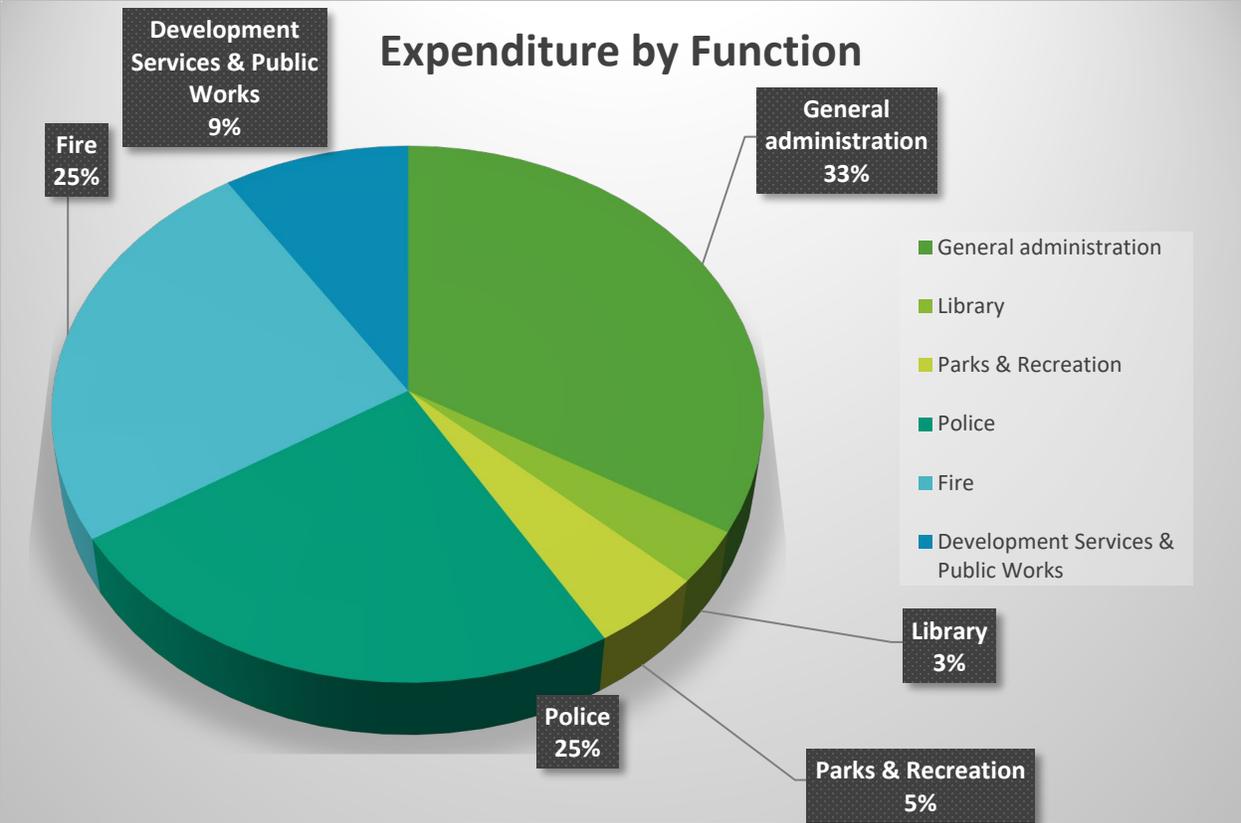
Business Licenses and Permits account for about 10.1% or \$5.2 million.

The remaining 10.3% comes from fines and forfeitures, charges for service, other sources and interest income.



Where does the money go?

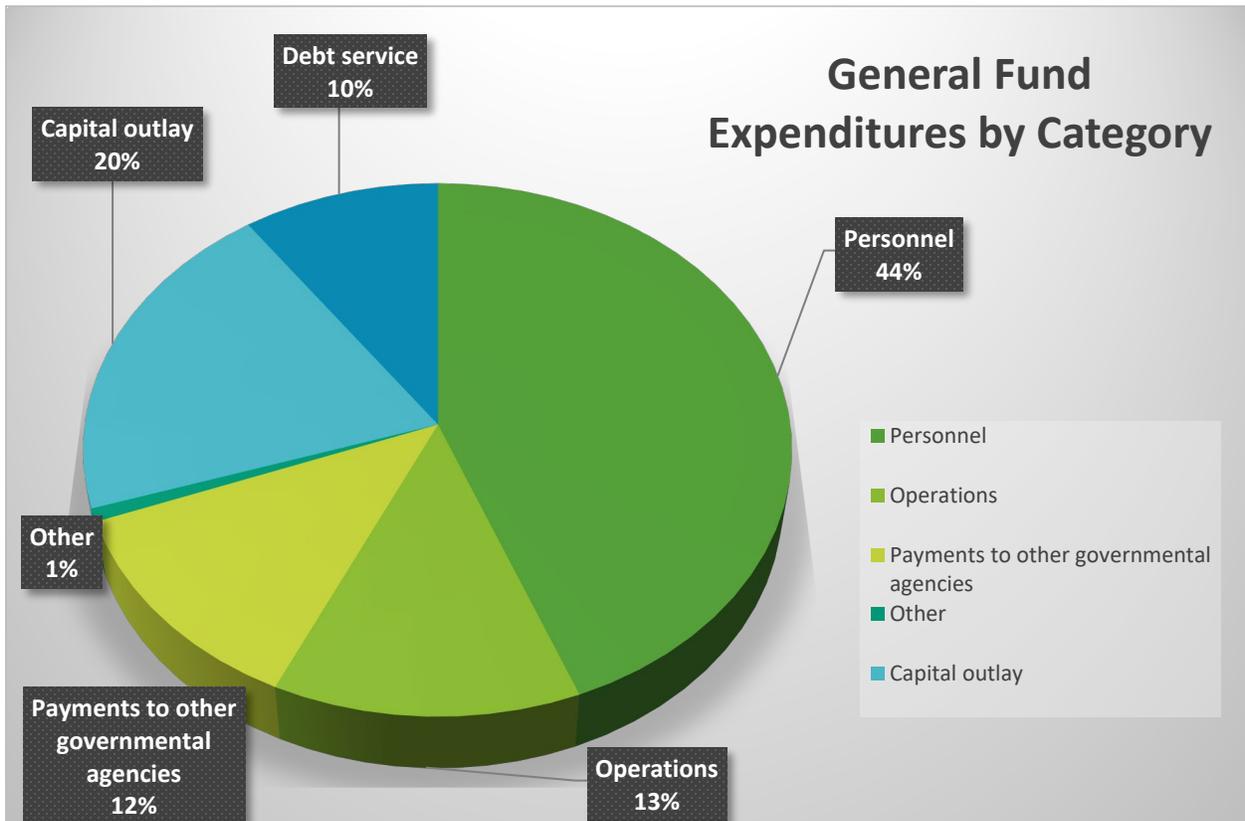
Below is a general breakdown of spending by department for the General Fund FY2022 proposed budget.



General administration includes costs for the City Council, Mayor, City Manager, Finance, Information Technology, Human Resources and the City Attorney.

Development Services and Public Works (DSPW) includes Streets, Landscape and Facilities Maintenance, Engineering and the Building and Zoning Department.

The chart below provides a general breakdown of spending by category for the General Fund FY2022 proposed budget.



Municipalities with public safety operations typically have a greater overall percentage of personnel costs than does a private business. Industry best practice recommends keeping personnel costs below 50% of total expenses. The cost of most City services are paid for from revenues received during the year. Some projects are not affordable with current year revenue alone, such as a new building, expensive roads or utility improvements. The City can fund those projects by borrowing funds and/or taking funds from reserves (discussed later).

When the City borrows money, it repays it with funds from future revenue. City leaders make a commitment to repay loans with interest, often over a twenty- or thirty-year period. Therefore, the City's budget, although it is a one-year plan, must consider financial events over a much longer period.

Long-term Planning

The budget cannot be solely about providing public services to improve Pelham's quality of life in the budget year, as it must plan for future improvements. Many positive aspects of life in Pelham develop slowly and require the combined efforts of city, state, and federal governments, businesses, and citizens. City leaders plan ahead for these things, and those plans are reflected in the current budget.

Money with "Strings Attached"

Some city revenue has "strings attached," which is commonly referred to as earmarked. Earmarked revenue can only be spent for specific purposes. The restrictions are usually made by city, state, or federal law.

Reserves for a Rainy Day

The City, like most responsible people and organizations, has a "rainy day fund" or money set aside to help the City continue to provide services and fulfill commitments when the amount of revenue is not adequate. These funds help protect against budget risk. The budget refers to these as financial reserves and fund balance reserves. Some of those reserves are available to spend as council wishes (unassigned) and others are earmarked for specific purposes.

As a further responsible and practical management practice, the City also keeps cash reserves in mind during long term capital planning. Having cash reserves provides more financial stability and creates greater confidence amongst the public and city lenders.

Financial Accountability and Transparency

City leaders are accountable to the public for the money spent by the City. To assist in understanding the city's financial activities, this budget, along with the City financial reports are intended to disclose financial resources available to the City and outline how those resources will be spent at the most practical level.

The City is a complex financial organization. All of the information contained in this budget document is intended to educate and promote accountability and transparency.

Like most industries, government budgeting and accounting has a professional organization and is governed by best practices. For government finance, that organization is the Government Finance Officers Association (GFOA). The City became a member of GFOA in 2018, and is working towards adopting industry best practices. For more information, visit www.gfoa.org. In addition, the City is audited each year by a third party auditor and is accountable to the Governmental Accounting Standards Board (GASB). For more information, visit www.gasb.org

BUDGET SNAPSHOT

	BUDGET SNAPSHOT			
	FY2020 Actual	FY2020 REVISED BUDGET APPROVED	Projected 2021 FINAL	FY2022 BUDGET REQUESTS
Revenues				
Taxes				
Sales tax	28,968,810	28,380,830	32,858,845	32,555,550
Property tax	6,776,322	6,730,000	7,067,217	7,538,894
Motor Vehicle/Gas tax	541,862	550,000	449,247	534,496
Other tax	121,196	65,500	270,719	89,990
Licenses and permits	4,943,101	4,766,850	4,827,157	5,181,564
Fines and forfeitures	1,020,502	338,884	313,071	311,321
Charges for services	18,429,492	18,917,183	17,963,246	19,755,186
Interest income	1,846,905	245,325	1,365,864	1,088,110
Other	1,853,260	818,347	1,938,431	3,501,070
Total revenues	64,501,450	60,812,919	67,053,797	70,556,181
Expenditures				
General administration				
Administrative	8,925,258	6,155,295	10,500,813	11,275,619
Human Resources	406,655	498,719	536,902	582,118
Court	867,496	582,518	209,731	161,471
IT	583,445	726,403	968,219	1,054,473
Covid 19	223,999	246,778	149,291	-
Library	1,077,743	1,075,192	1,166,045	1,274,427
Parks & Recreation	1,443,634	1,546,432	1,745,567	1,839,665
Police	8,379,922	9,165,513	9,079,026	9,630,707
Fire	8,567,278	8,756,967	9,041,039	9,656,514
Public works	-	-	-	-
Building	503,403	498,908	468,947	574,735
Engineering	392,675	741,750	125,502	125,002
Facilities Maintenance & Public Works	2,404,564	2,510,305	2,765,842	2,887,180
Garage	-	-	-	-
Water & Sewer Fund	6,624,549	6,789,544	6,611,450	6,955,250
Civic Complex & Ice Arena	2,811,033	3,130,947	3,000,128	3,809,973
Racquet Club	1,007,609	1,076,653	1,119,015	1,322,554
Ballantrae Golf	2,189,167	2,115,702	2,309,807	2,384,779
Pelham Garbage	1,409,472	1,400,000	1,298,746	1,400,000
	47,817,902	47,017,626	51,096,070	54,934,467
Revenues less expenditures	16,683,548	13,795,293	15,957,727	15,621,714
Capital outlay	3,894,781	4,153,924	29,483,189	16,828,571
Debt service				
Principal retirement	5,482,017	5,464,675	5,013,152	6,541,678
Interest	2,073,954	1,933,137	2,095,517	2,406,556
Issuance cost	-	-	290,284	-
Total capital outlay and debt expenditures	11,450,752	11,551,736	36,882,142	25,776,805
Excess (deficiency) of revenues over (under) expenditures	5,232,796	2,243,557	(20,924,415)	(10,155,091)

BUDGET SNAPSHOT

(continued)

Other financing sources (uses)				
Proceeds from sale of capital assets	1,027,642	1,040,705	1,213,670	1,715,000
Capital contributions	547,468	-	-	-
Issuance of Warrants	-	-	58,323,827	-
Payments to Warrant Escrow	-	-	(22,280,319)	-
Premiums from Issuance of Warrants	-	-	2,923,630	-
Due to (from) General Fund	-	-	-	1,250,000
Interfund transfers out	-	-	1,680,162	383,000
Total other financing sources (uses)				
Net change	6,807,906	3,284,262	20,936,555	(6,807,091)
Warrants Payable Funding	-	-	-	4,805,355
Prior Year Unencumbered Fund Balance	-	-	-	1,276,855
Capital Project Carryovers - FY2021 Budget	-	-	-	1,019,691
	6,807,906	3,284,262	20,936,555	294,810

BUDGET MESSAGE

Honorable City Council Members,

It is my honor to present for your consideration the proposed FY2022 budget. FY2021 presented a unique set of challenges as we continue to manage amidst a pandemic, and for the first time in most of our careers, we activated our Emergency Operations Command twice in two weeks due to weather emergencies. Unfortunately a tornado hit Pelham in March leaving a trail of destruction in its wake. However, we were very fortunate that, despite the destruction, there were no significant injuries or loss of life. Our street department, fire and police crews worked around the clock for weeks to ensure our residents and visitors were safe and our infrastructure was repaired.

FY2021 saw the largest sales tax revenue in the City's history. This came as a surprise to many, and we joined local governments all over the country wondering when the tides would change. While the economic predictors remain strong, we are proposing conservative growth in sales and use tax revenues.

For the first time in decades, the City also went through a mid-year budget process, and we remained conservative in our approach to both revenue projections and expenses. Interruptions in the supply chain of most manufactured goods hurt our ability to complete (and even begin) some of our capital projects, and in some cases, the ability to order necessary items for operations. This result has led us to request of Council to carryover select capital projects as well as the designated funding from the FY2021 budget.

This budget represents the last year we will use the cash accounting method. It also represents the last year we will budget using our old software and our 27 Excel spreadsheets. I can assure you that none of us who work on the budget will miss either of those things. Our ERP team has rebuilt the chart of accounts from the ground floor, and I look forward to working with the department heads to drill down on expenses and determine where we can improve our budgeting practices.

The following pages make up the City Manager's Budget Message which provides an overview of priorities and reasoning used to estimate revenues and expenses for the upcoming budget year.

As you are aware, there is a great deal of work that goes into developing a budget. Fortunately, we have an experienced and talented group of leaders who bring their collective decades of management to make recommendations about operations for which they are the experts. I would like to extend a special thanks to Jenny Gray, who took time away from her role as ERP Project Manager to ensure the budget financials and all the charts were updated and accurate, Our City Clerk Tom Seale for sharing his knowledge and willingness to help, Phil Brashier, for the excellent analysis he provided all year on

sales tax revenues, Brooke Jenkins, who worked tirelessly to support the team, and to Megan Freeman and Ainsley Allison who jumped in when needed.

Thank you for your leadership and for your support during a very difficult year for the City as we experienced much loss. Reflecting on the life of Officer Juan Gomez will forever remind us to take time to see the needs of others as we strive to serve them. Remembering Chief Don Green will remind us of the continued importance to serve our community even after we retire.

Speaking on behalf of the staff, we have appreciated this Council's willingness to tackle difficult situations and work together to be expedient and decisive. We have a lot of catch-up work to do and a lot of work coming our way. The staff and I appreciate the continued support of the Mayor, City Council and the Citizens of Pelham we are privileged to serve.

Sincerely,

Gretchen DiFante

City Manager

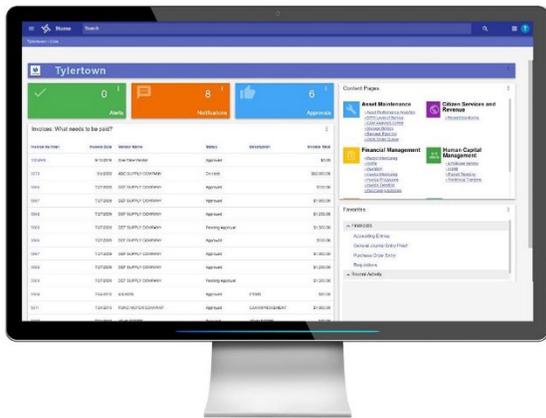
Budget Priorities

Continue to Prioritize Work Funded with City Warrants

The City had its AAA Bond Rating affirmed by S&P and went to market to refinance the school district debt and obtain warrants for funding numerous large capital projects that will improve city facilities and critical infrastructure and support economic development. A list of the FY22 projects funded by those warrants can be found in the Capital and Debt tab of this book.



Enterprise Resource Planning (ERP)



In March 2021, the City entered into a contract with Tyler Technologies to purchase its Munis software. The City is implementing the finance module with go-live set for January 2022. The finance team put in a tremendous number of hours in 2021 and documented all finance processes using best practices as recommended by the Government Finance Officers Association (GFOA). The team also rebuilt the chart of accounts from the ground up. Having an organized and systematic Chart

of Accounts lays the foundation for efficient and effective financial management and reporting that will serve the City well for years to come. The Human Resources Module will go-live in April with the Revenue Module set to kick off in April.

- Jenny Gray Finance
- Allison Gailey Finance
- Phil Brashier Finance
- Megan Freeman Finance
- Michael Roux Fire
- Joey Pitts Police
- Brooke Jenkins Administration

Human Resources Module

- Tracy Hill HR
- Jeremy Swenson HR
- Candy Porter HR
- Michael Roux Fire

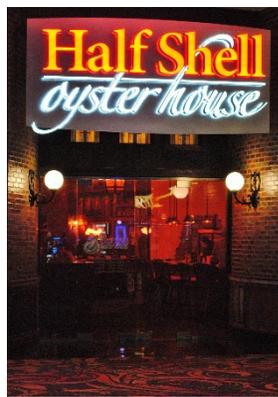
Transition the Civic Complex and Ice Arena to a Professional Management Company for Operations and Marketing

For the first time in the City's history, the Civic Complex and Ice Arena will be managed by a company with the resources to provide the level of operational oversight and marketing support needed for a facility of this nature. While a budget was created for this proprietary fund, as VenuWorks hires its team and spins up its operations, new opportunities will be presented to the City for consideration. City and VenuWorks management will be closely evaluating expenses and revenues each month. VenuWorks has provided guidance during the final quarter of FY21, and the City made a management change to a contract manager. As a result, the scheduling, cleanliness and overall customer communication have greatly improved in a short timeframe.

Support Critical Economic Development Projects

The City has three main projects that will have a significant impact on economic development:

- Campus 124 – The first tenants opened for business in FY21, and Half Shell Oyster has announced it will open in FY22.
- The Canopy – The Canopy plans for development were submitted to the City in early September and has announced that Taco Mac will join the development.
- Oak Mountain Trail Development – This new development off Highway 52, which is still in the Master Planning stage, will feature Tractor Supply and include a hotel and at least one sit-down restaurant.



Move to New Solid Waste Vendor

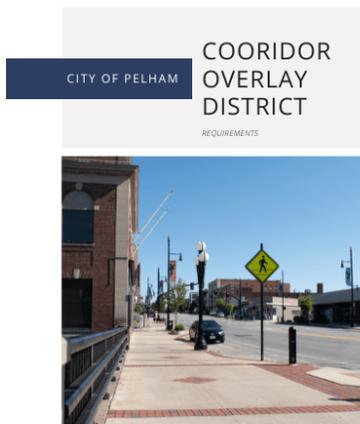
The City made the decision to join the Cahaba Solid Waste Authority in a proactive move to get ahead of the increasing problems facing the solid waste collection industry. In August 2021, the Authority selected AmWaste as its contractual vendor. The City Council

will be able to choose services from a variety of options. Due to the operational issues plaguing the current vendor, Waste Management, Pelham has elected to cancel that contract two years early and will move to services by AmWaste on January 1, 2022.

Utilize American Rescue Act Funding

Pelham was in a unique position with ARPA funds in that the City as a whole met revenue loss thresholds for ARPA qualifications, and we met those with our three proprietary funds: Ballantrae Golf, Pelham Racquet Club and the Civic Complex and Ice Arena. Many of the projects eligible for funding were already designated for funding with the City's recent bond issuance. City Management is recommending qualifying capital projects be funded through ARPA. In addition, there are specific equipment and technology for public safety operations and park and recreation that qualify for those funds. By using ARPA funds for those qualifying operational expenses, the City can free up the resources to fully fund the site work for the Oak Mountain Trail project site. A full list the recommendations for ARPA funds can be found in the Addendum on Appendix B on page 88.

Continue Integrated Focus on Zoning Violations



During FY21, the City began a major initiative from the City's comprehensive plan, Plan Pelham. Zoning, Building and Code forces came together with the City Court Clerk to create a process that offers consistency in improving the look of Highway 31. For the first time in the City's history, after two warnings, violators are going to city court, and the court judge is imposing fines and other actions if necessary. With only two court dates completed, Highway 31 is already looking much better. In addition, the City was able to come one step closer to shutting down an illegal housing situation which had become an increasing public safety issue. While there

are tweaks needed to the process, the addition of a zoning inspector will help address the volume of violations around the City.

Improved Citizen Communication through Request Tracker

The targeted communication to encourage citizens to use the City's Request Tracker has been effective with an 87% increase in requests made by the public from FY20 to FY21.



Baseline Measurement of Citizen Satisfaction



Included in this budget is a citizen survey. City management is recommending working with the CTI Institute, a national leader in market research for local government organizations. The CTI Institute has worked with local governments since 1982, and its clients in Alabama include Trussville, Auburn, Vestavia Hills, Mountain Brook and

Enterprise. The survey will allow us to obtain a baseline measurement and will be used to inform budget priorities each year.

New Branding Rollout

The Council approved the City’s new branding in August 2021, and we will develop related branding for Ballantrae, Pelham Racquet Club and the Civic Complex and Ice Arena as well as appropriate branding for other city departments. The cost of development and the branding roll out are included in the budget.

Continued Investment in City Facilities

Pelham’s rapid expansion over three decades led to multiple priorities to support its residential and commercial growth. During this time, city facilities maintenance took a back seat to other critical needs.

In FY2020, the City Council approved the City’s first multi-year capital plan designed to catch up and keep up with much needed facilities maintenance and improvement. The

Facilities Improvement and Maintenance Plan (FIMP) prioritizes projects over the next five years and outlines the funds needed from the operational and special revenue funds to finance the FIMP over that time period. Council will approve the funding of projects each year, and an annual evaluation will allow staff to update the plan ensuring it remains a valuable planning tool.

FY 2021 Proposed Budget Overview

Revenue Projections for Major Categories:

The City's sales tax revenues, property tax revenues, and business license and permit fees make up approximately 96% of the General Fund total revenue. As such, City management obtained necessary data pertaining to each of these sources to be used in projecting General Fund revenues for FY2022.

Sales and Use Tax

At end of third quarter 2021, we are estimating an overall growth in sales and use tax of more than 10% between FY20 and 21. These sales numbers reflect the large increase in building materials and grocery sales that began at the outset of the pandemic. We took two primary sources of data in consideration when estimating sales taxes for next year. First, we looked at the sales and use tax history for Pelham since FY2017 (See Table I Below), showing the annual average increase of 3.75%. The second set of data used was the analysis provided by a variety of financial agencies which are forecasting an average increase of 3.45% in the GDP (Table II next page). City management is recommending a conservative approach to estimating our sales and use tax revenues for FY2022. With the COVID-19 Delta variant numbers continuing to climb and hospitalization numbers still on the rise, management recommends budgeting a 1% decrease over FY21.

Total Sales/Use Taxes	Year	Change
\$ 25,152,959.13	FY2017	
\$ 26,338,478.11	FY2018	4.71%
\$ 26,505,173.22	FY2019	0.63%
\$ 26,683,910.73	FY2020	0.67%
\$ 29,536,337.79	FY2021 Estimated	10.69%
Average Growth		4.18%
Total with all Tax Revenue		
\$ 26,961,900.21	FY2017	
\$ 28,157,706.59	FY2018	4.44%
\$ 28,328,237.53	FY2019	0.61%
\$ 28,191,548.23	FY2020	-0.48%
\$ 31,138,481.66	FY2021 Estimated	10.45%
Average Growth		3.75%

Reporting Agency	GDP Growth Forecast 2022
International Monetary Fund	4.90%
Congressional Budget Office	2.00%
Federal Reserve Bank of Philadelphia	3.70%
Wall Street Journal	3.20%
Wells Fargo	5.30%
Culverhouse	1.60%
Average	3.45%
High	4.90%
Low	2.50%
City Recommendation for FY2022	
Sales and Use	-1%
Lodging	12%

Property Tax (Ad Valorem)

Property taxes are collected and estimated by Shelby County. We reflect that number in our annual budget. Based on the numbers provided, we are budgeting nearly a 9% increase in this revenue source.

Motor Vehicle/Gas Tax

Motor vehicle/mobile home tax is collected by Shelby County on motor vehicles and manufactured homes. The numbers provided by the County show a 6% increase in this revenue source.

Business Licenses and Permit Fees

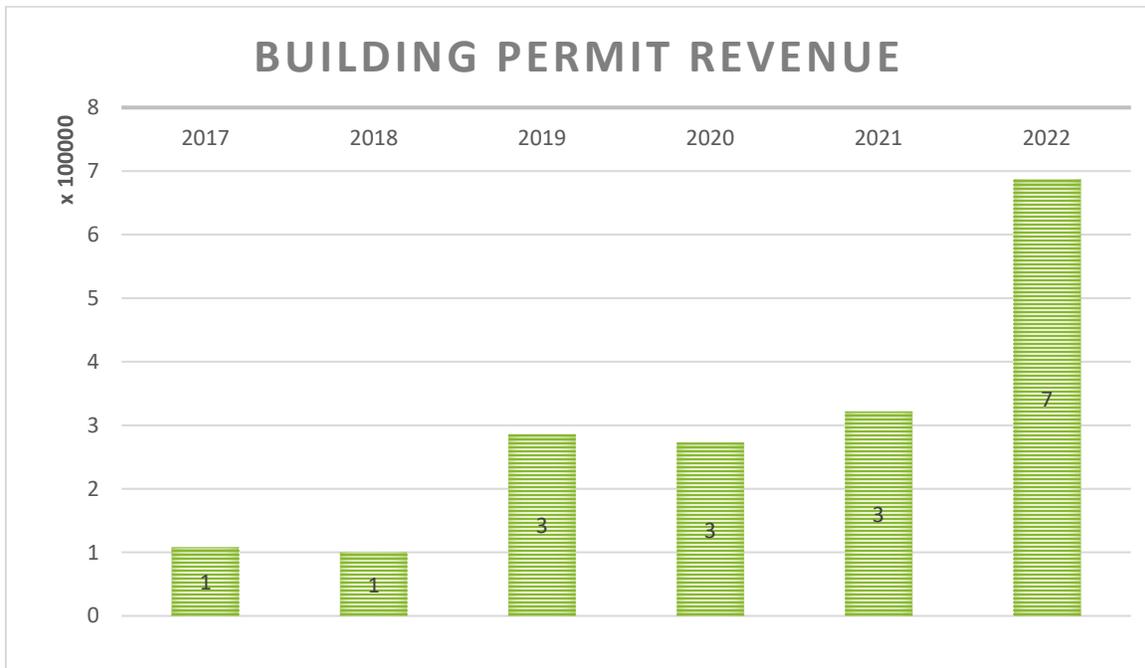
Licenses and Permits

Business Licenses

City management is recommending a 5% increase in business license revenue over FY2021. The City had a slight decrease from FY2020 due to a reduction in utility license fees. With the uncertainty over the pandemic and how it will impact work-from-home, we want to remain conservative in this area.

Building Permits and Inspections

Our new building official began in January 2020 and Council approved the addition of a second building inspector in 2021. Over the past year, the department has developed a fast track permitting system, increased zoning enforcement and instituted 6-day/week permit compliance checks. As a result, building and permit revenue rose 18% from 2020 to 2021. With total building permits up 25% from FY2019 and a 30% increase in annual inspections over the same time period along with a slight increase in permit fees that took effect in May 2021. The City is budgeting an additional increase of 52% in this revenue source.



Total FY22 General Fund revenues are projected to increase overall by 3.6% over FY21 projections.

Expenditure Projections Highlights

The City's personnel expenditures (salaries and benefits) comprise approximately 45% of the total General Fund expenditures, well within industry standards of keeping that expense category under 50%. The following factors were considered in projecting salary and benefit expenditures for the FY2021 budget:

New Positions/ Position Movement

After putting all unfilled positions on hold for the majority of 2020, there were three new positions filled in FY2021, an administrative assistant in human resources, a well operator in the water department and the director of economic development in administration (the latter position sat unfilled for three years). This budget recommends the addition of four new positions outlined below:

- Public Works – administrative assistant. This is the second time this position is proposed in the annual budget. The promotion of the citizen request tracker has been very successful and resulted in an approximate increase of 33% in work orders for public works. Through August 2021, the public works department has processed the following number of work orders:
 - Streets and sidewalks 2126
 - Animal control 459
 - Street lights and signs 235
 - Internal requests 214
 - Facilities maintenance 122

The administrative position will help improve customer service by providing timely response to requests of the department, being available to the public and helping to manage an ever-growing schedule.

- Information Technology – technology assistant. FY2020 saw the purchase of additional desktops and increasing server capacity to accommodate those employees who needed the ability to work from home. The reliance on technology is particularly evident in the police department as license plate readers, electronic traffic control devices and various recording technology have been added to help deter and fight crime. In addition, the City is implementing an enterprise resource planning software system and the need to protect our technology infrastructure from attacks are continuously escalating.
- Finance Director – the duties of this position have been unassigned for four years, and there is no dedicated leadership position in finance. With a budget the size of Pelham's, the finance department needs strong leadership and technical expertise in this area.
- Park Sports Supervisor - The Park has added additional youth sports programs (volleyball, wrestling, soccer, co-ed flag football) along with several new programs for families and individuals and is requesting a supervisor in this area with full responsibility of administering and evaluating all sports programming.

Cost of Living Adjustment

- We are recommending a 3% cost of living increase in the salary budget. City employees did not receive a COLA in 2021 (the city's largest revenue-producing year in its history). In looking at surrounding cities, all but one are recommending COLA increases of at least 3%. When we do implement the compensation plan, this increase in COLA will also narrow recommended salary adjustments.

Employee Benefits

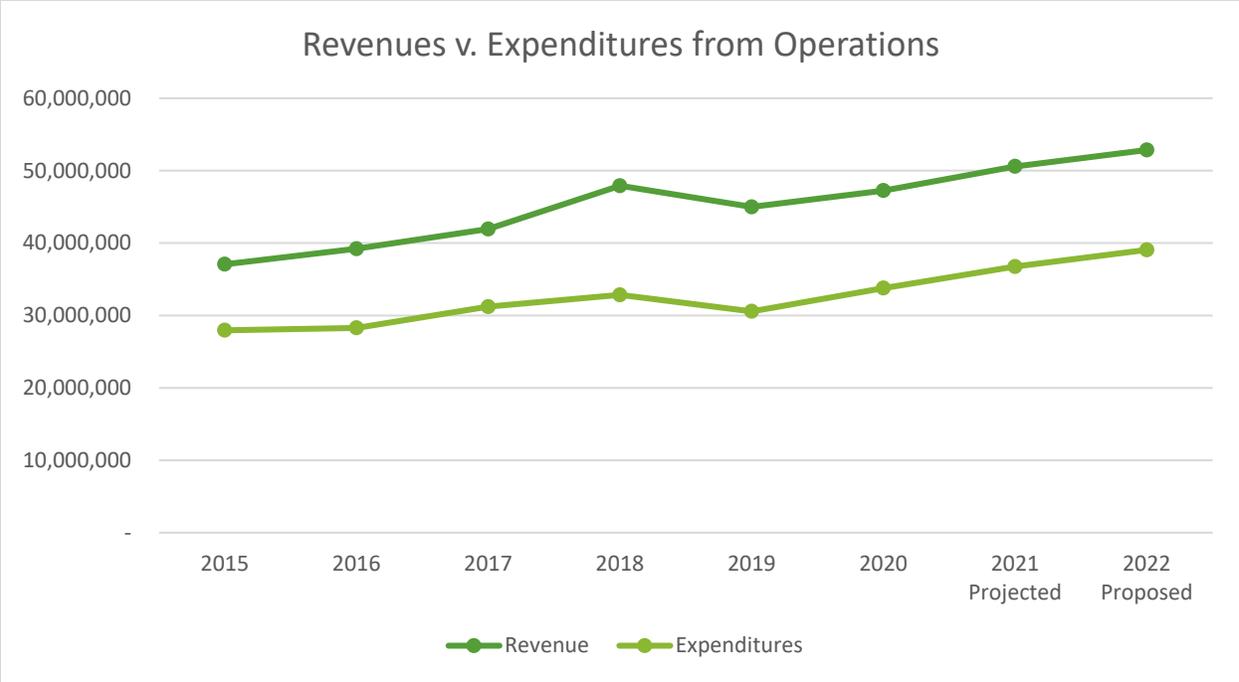
- The Local Government Health Insurance Program increases are the second-highest we've seen in a decade. For the past six years the adjustments to the health premiums have averaged 4.6% - this year we have a 7% climb. The last time the family contribution was increased was in 2017 and it was only \$5, (\$169.38 to \$174.46). The next was in 2013 and it was \$12 (\$157.38 to \$169.38). We convened our employee benefits team to help us craft a solution, and we are recommending a 90-10 percent city/employee split for single coverage and a 70/30 percent city/employee split for family coverage. This will result in a \$50 per month rate for employees electing single coverage, and \$28 per month for employees electing family coverage.

Vacation Buy Back

- The budget includes a vacation buy-back opportunity for employees. This is budgeted at \$140,000 (an average of the last three years with a 20% projected increase).

The City's operations expenditures (supplies, repairs and maintenance, program expenditures, etc.) comprise approximately 13% of the total General Fund expenditures. The City's projections are based on historical trends and on the needs of each department as communicated through budget meetings with the Council and City management.

The correlation of revenues versus expenditures is one of the most important trends monitored by city management when crafting the annual budget. The correlation between total revenues and the total personnel and operations expenditures over the past six years is illustrated below.



FY2022 General Fund expenditures are projected to increase by 6.3% over the FY2021 projected final amount.

FUNDS & DEPARTMENT DETAIL



Pelham

FUND DESCRIPTIONS AND STRUCTURE

General Fund

The General Fund is the principal operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is used to account for most of the day-to-day operations of the City, which are financed from sales tax, property tax, and other general revenues.

Enterprise Funds

Enterprise funds (also known as Proprietary Funds) are generally used to account for services for which the City charges customers (both internal and external). The City of Pelham has the following enterprise funds:

- Pelham Water & Sewer Fund
- Pelham Civic Complex & Ice Arena
- Pelham Racquet Club
- Ballantrae Golf Fund
- Pelham Garbage Fund

General Fund Budget Summary

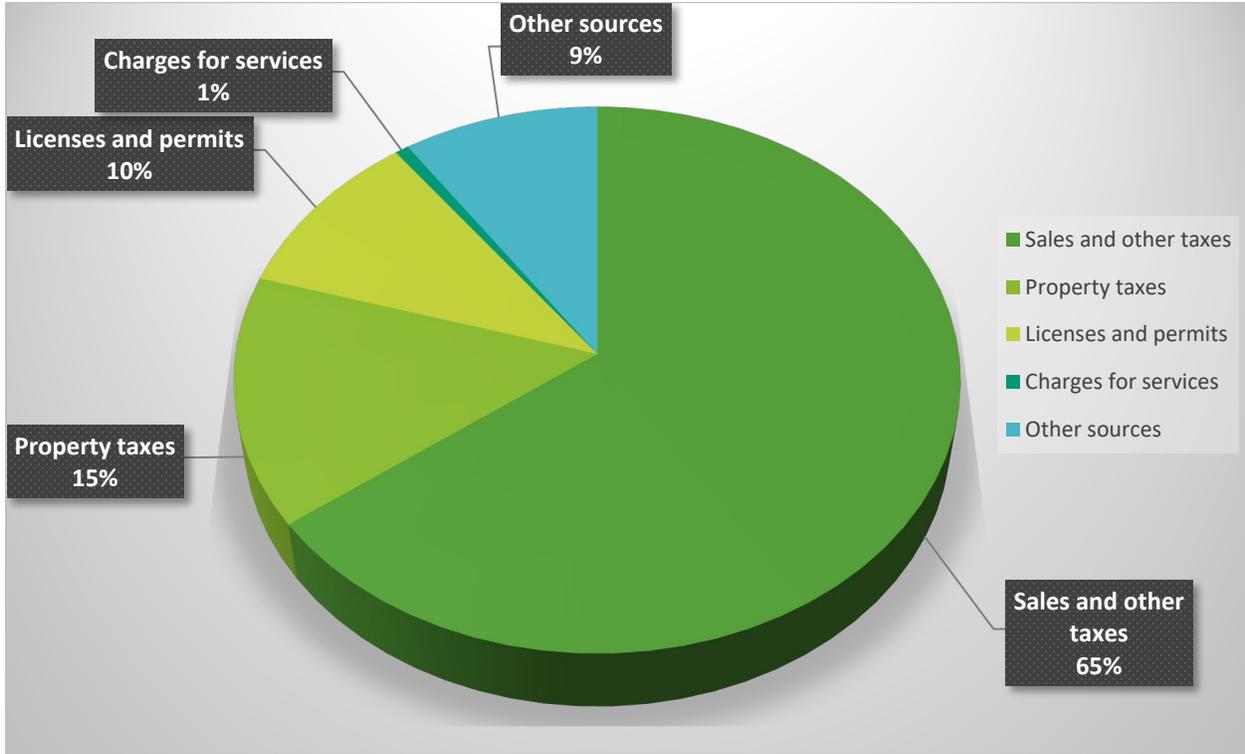
	General Fund			
	FY2020 Actual	FY2020 REVISED BUDGET APPROVED	Projected 2021 FINAL	FY2022 BUDGET REQUESTS
Revenues				
Taxes				
Sales tax	28,968,810	28,380,830	32,858,845	32,555,550
Property tax	6,776,322	6,730,000	7,067,217	7,538,894
Motor Vehicle/Gas tax	541,862	550,000	449,247	534,496
Other tax	121,196	65,500	270,719	89,990
Licenses and permits	4,943,101	4,766,850	4,827,157	5,181,564
Fines and forfeitures	1,020,502	338,884	313,071	311,321
Charges for services	168,183	276,079	290,063	342,800
Interest income	1,835,965	237,000	1,356,651	1,080,060
Other	1,829,260	794,347	1,938,431	3,501,070
Total revenues	46,205,201	42,139,490	49,371,401	51,135,745
Expenditures				
General administration				
Administrative	8,925,258	6,155,295	10,500,813	11,275,619
Human Resources	406,655	498,719	536,902	582,118
Court	867,496	582,518	209,731	161,471
IT	583,445	726,403	968,219	1,054,473
Covid 19	223,999	246,778	149,291	-
Library	1,077,743	1,075,192	1,166,045	1,274,427
Parks & Recreation	1,443,634	1,546,432	1,745,567	1,839,665
Police	8,379,922	9,165,513	9,079,026	9,630,707
Fire	8,567,278	8,756,967	9,041,039	9,656,514
Public works				
Building	503,403	498,908	468,947	574,735
Engineering	392,675	741,750	125,502	125,002
Facilities Maintenance & Public Works	2,404,564	2,510,305	2,765,842	2,887,180
Garage	-	-	-	-
Water & Sewer Fund	-	-	-	-
Civic Complex & Ice Arena	-	-	-	-
Racquet Club	-	-	-	-
Ballantrae Golf	-	-	-	-
Pelham Garbage	-	-	-	-
	33,776,072	32,504,780	36,756,924	39,061,911
Revenues less expenditures	12,429,129	9,634,710	12,614,477	12,073,834
Capital outlay	3,894,781	1,994,892	25,768,527	11,242,091
Debt service				
Principal retirement	2,360,957	2,398,956	2,784,407	3,731,449
Interest	1,821,249	1,812,141	1,680,127	1,755,217
Issuance cost	-	-	290,284	-
Total capital outlay and debt expenditures	8,076,987	6,205,989	30,523,345	16,728,757
Excess (deficiency) of revenues over (under) expenditures	4,352,142	3,428,721	(17,908,868)	(4,654,923)

General Fund Budget Summary (continued)

Other financing sources (uses)				
Proceeds from sale of capital assets	1,033,700	1,030,000	1,208,670	1,715,000
Capital contributions	-	-	-	-
Issuance of Warrants	-	-	39,271,588	-
Payments to Warrant Escrow	-	-	(22,280,319)	-
Premiums from Issuance of Warrants	-	-	2,923,630	-
Due to (from) General Fund	-	-	-	-
Interfund transfers out	(2,798,715)	(2,851,305)	(530,929)	(2,590,313)
Total other financing sources (uses)				
Net change	2,587,127	1,607,416	2,683,772	(5,530,236)
Warrants Payable Funding	-	-	-	4,805,355
Prior Year Unencumbered Fund Balance	-	-	-	-
Capital Project Carryovers - FY2021 Budget	-	-	-	1,019,691
	2,587,127	1,607,416	2,683,772	294,810

General Fund Revenue Projections

FY2022



Revenue	FY2021 Projected		FY2022 Proposed	
	Amount	Percentage	Amount	Percentage
Sales and other taxes	33,578,811	68.01%	33,180,036	64.89%
Property taxes	7,067,217	14.31%	7,538,894	14.74%
Licenses and permits	4,827,157	9.78%	5,181,564	10.13%
Charges for services	290,063	0.59%	342,800	0.67%
Other sources	3,608,153	7.31%	4,892,451	9.57%
Total Revenues	49,371,401		51,135,745	

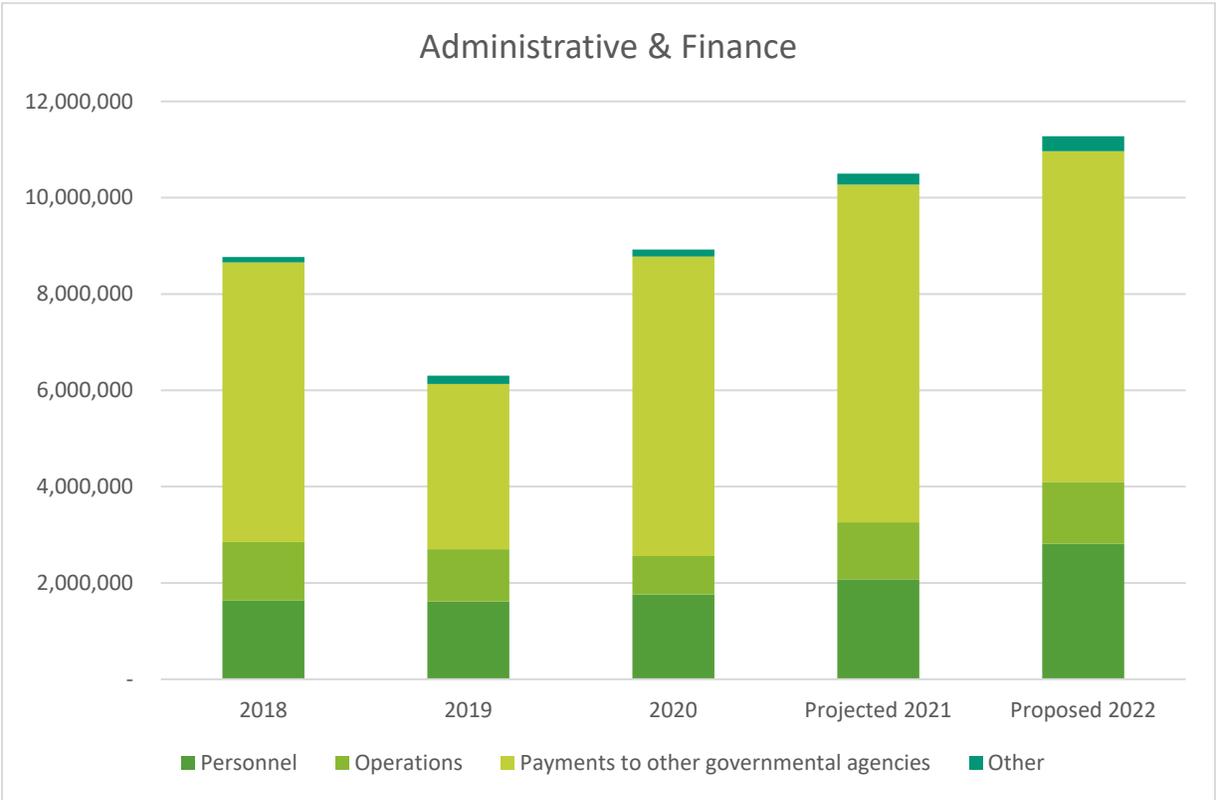
Administrative and Finance Functions

The Administrative functions consist of the City Council, Office of the Mayor, Office of the City Manager, the City Attorney and the City Clerk. The City Council serves as the City's Legislative Branch of government while the Mayor and City Manager make up the Executive Branch charged with overseeing all City operations.

The Finance department provides timely financial data to appointed and elected officials, city personnel and citizens. The department also oversees the collection of revenues and ensures financial compliance.

Functions of the Administrative and Finance Department include but are not limited to:

- Responding to calls and requests from citizens.
- Preparation of agendas and other documents for City Council meetings and follow up.
- Performing centralized accounting functions including cash receipts, cash disbursements, and account reconciliations.
- Maintaining and presenting accurate and timely financial data.
- Performing debt management functions.
- Maintaining the City's accounting records.
- Preparing and presenting the annual budget.
- Evaluating all contracts.
- Working to bring in new development to the City and negotiate agreements.
- Supporting all departments with needed information.
- Researching and providing best practice recommendations.
- Serving as the primary point of contact for the City attorney and all potential and current litigation.
- Responsible to administer the City's FOIA program.
- Ensuring all procedures and practices are consistent with applicable laws.



Expenditures:	2018	2019	2020	Projected 2021	Proposed 2022
Personnel	1,639,916	1,614,980	1,762,889	2,075,760	2,812,789
Operations	1,207,231	1,085,518	793,723	1,182,554	1,284,009
Payments to other governmental agencies	5,809,999	3,432,807	6,220,552	7,015,149	6,868,622
Other	112,946	171,988	148,094	227,350	310,199
	8,770,092	6,305,293	8,925,258	10,500,813	11,275,619

Note: The proposed \$140,000 vacation buyback is included in the administrative personnel budget. As those funds are drawn down, they will be assigned to the appropriate department. Another \$75,000 in estimated unemployment payments (due to COVID-19) is also included in the administrative budget.

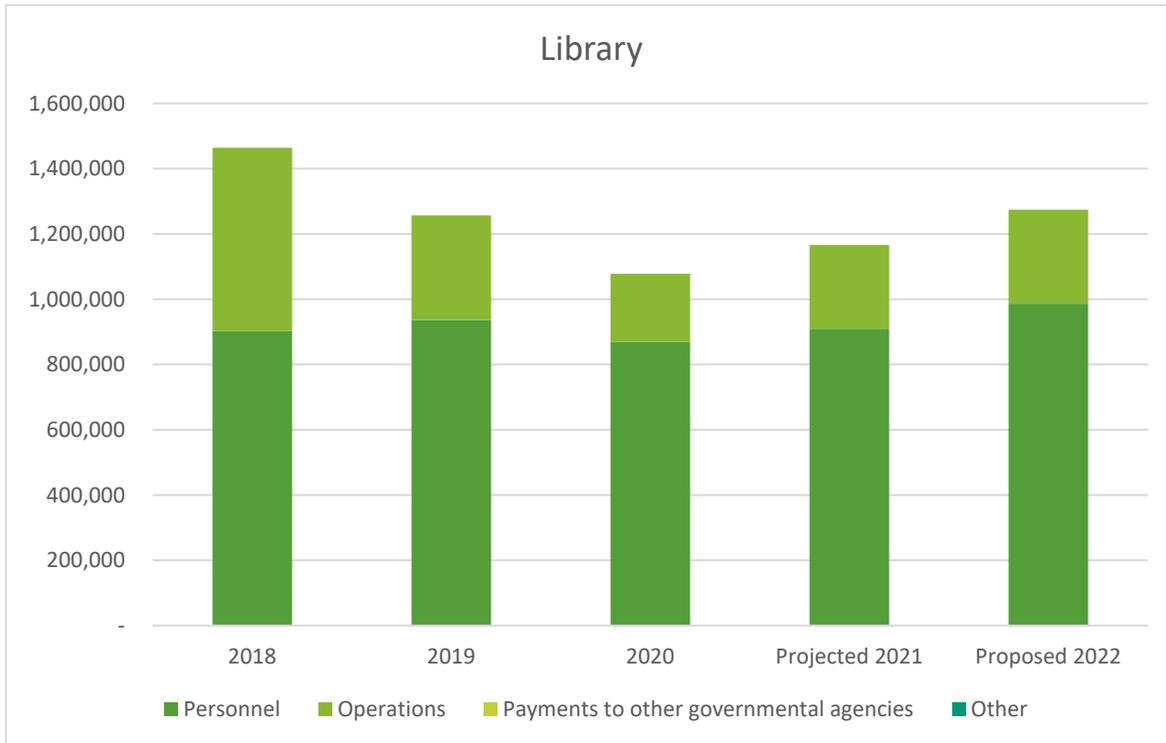
Library

The Pelham Public Library provides information resources and activities for all ages and at all life stages. While the Library has operated for many years, in 2018, the City constructed a new state-of-the-art Library located next to Pelham Middle School and the City's new Parks and Recreation Center. The two-story facility houses materials for rentals and also offers study and meeting rooms, a children's and teen's area, two outdoor patios and a maker-space.

Functions of the Library include but are not limited to:



- Develop a collection that reflects the interest of its patrons.
- Provide residents and other visitors with reliable information.
- Provide resources and programs that contribute to an informed and engaged community.
- Provide patrons with access to high quality technology.



Expenditures:	2018	2019	2020	Projected 2021	Proposed 2022
Personnel	902,484	936,781	868,809	909,765	986,452
Operations	561,556	319,804	208,934	256,280	287,975
Payments to other governmental agencies	-	-	-	-	-
Other	-	-	-	-	-
	1,464,040	1,256,585	1,077,743	1,166,045	1,274,427

Note: The Library relocated to its new facility in FY2018.

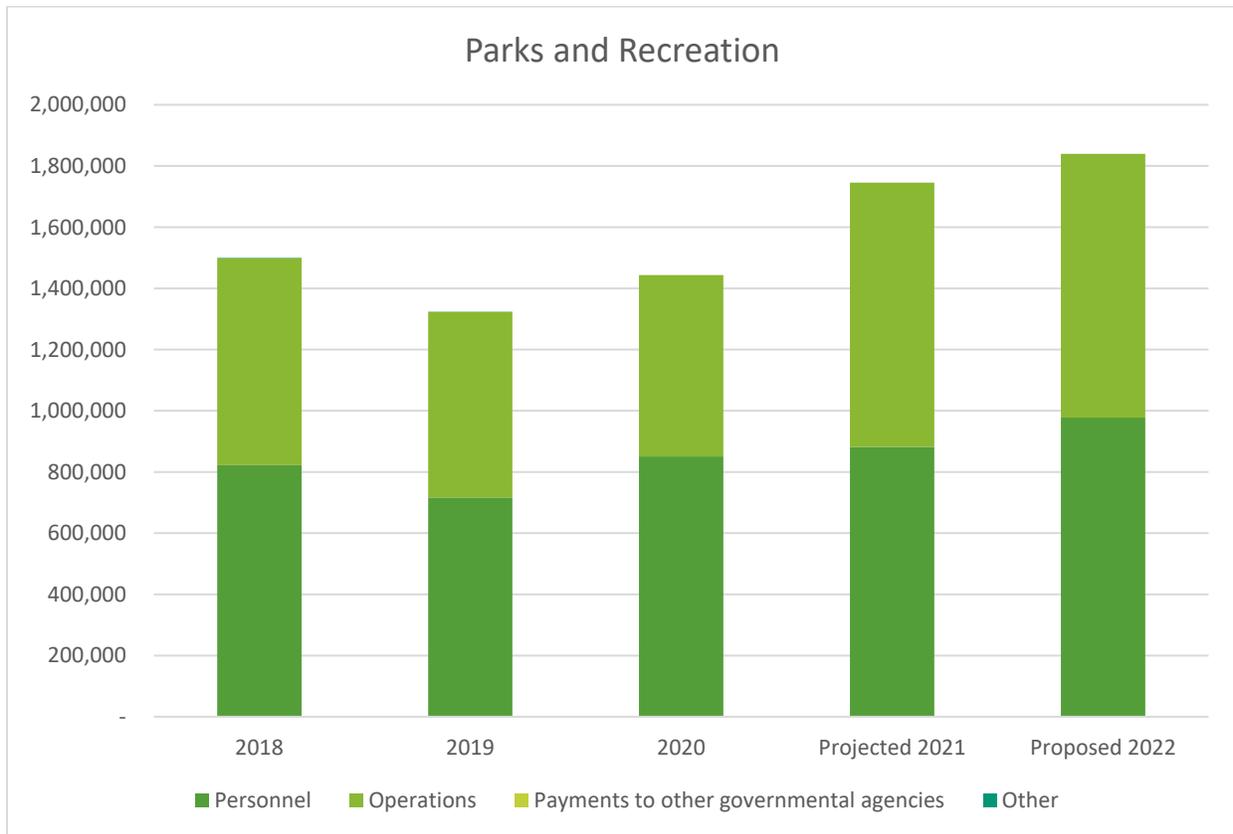
Parks and Recreation

The Pelham Parks and Recreation Department provides athletic opportunities for children and adults, recreational and leisure activities for all citizens and maintains the City's athletic and recreation facilities and infrastructure. In 2018, the City constructed a beautiful recreation center with indoor track, exercise room, multi-purpose room, conference room, large gymnasium and locker facilities. In 2019, the department, in a joint venture with Shelby County, opened four sand volleyball courts and outdoor basketball and pickle ball courts. In 2020, the first phase of the Pelham Greenway Trail was opened in the City Park. A Park Master Plan was completed in 2021 with the resulting Park Improvement Plan that will recommend priority projects for every city park, inform priority projects and provide a roadmap to implement the vision outlined in the master plan.



Functions of the Parks and Recreation Department include but are not limited to:

- Provide safe and affordable activities for all ages and all life stages.
- Maintain recreation facilities.
- Promote and host sporting events and recreational activities within the City.
- Maintain the City's parks and recreational trails.
- Keep the City's recreational offerings current with best industry practices and applicable to the changing and growing needs of the community.



Expenditures:	2018	2019	2020	Projected 2021	Proposed 2022
Personnel	822,044	716,754	850,988	881,782	977,850
Operations	677,248	606,479	592,646	863,785	861,815
Payments to other governmental agencies	-	-	-	-	-
Other	896	166	-	-	-
	1,500,188	1,323,399	1,443,634	1,745,567	1,839,665

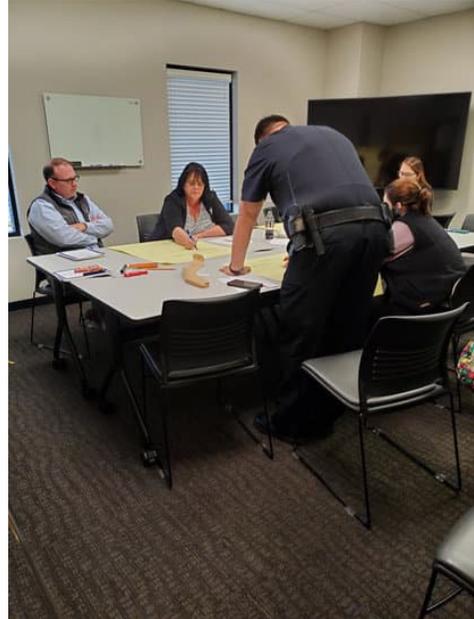
Note: The City constructed its Pelham Recreation Center facility in FY2018.

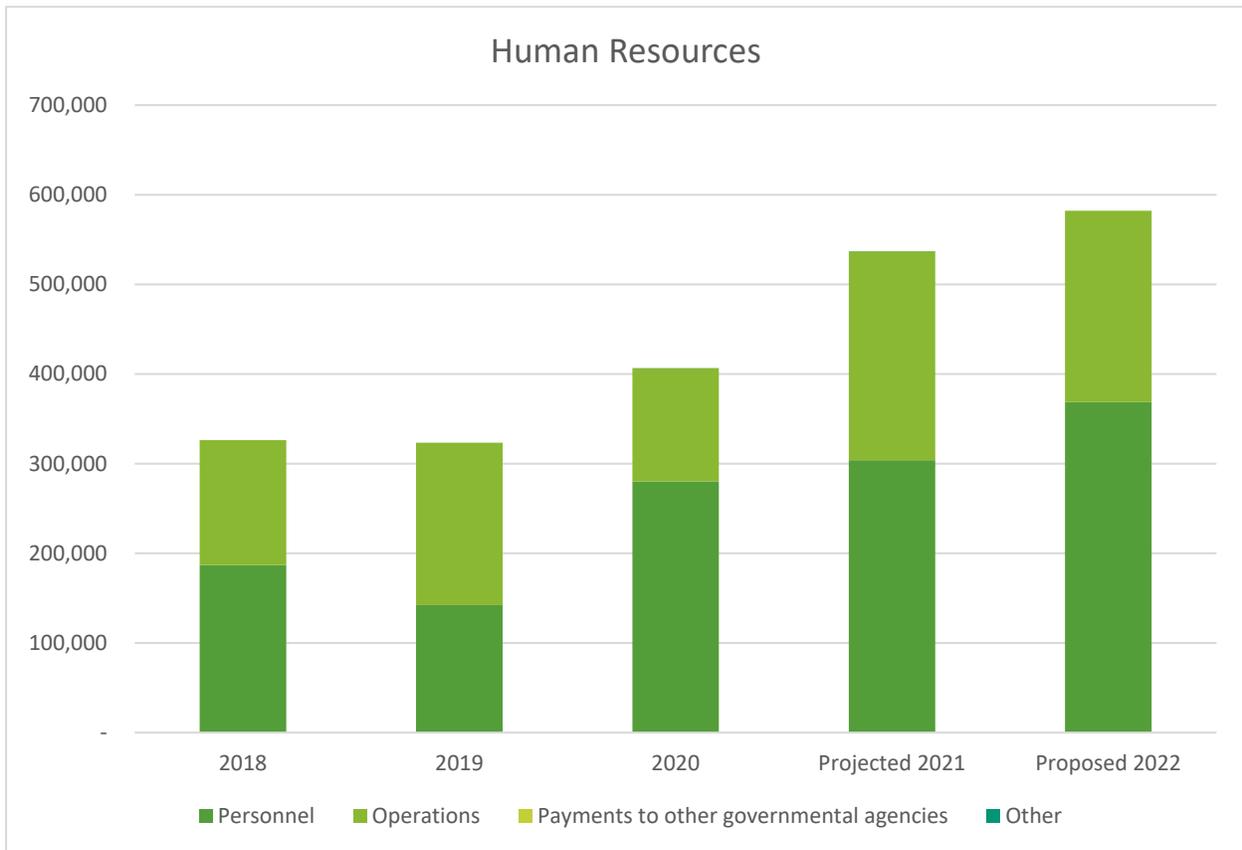
Human Resources

The Human Resources Department recruits and serves the needs of the City's employees. The department handles the administration of compensation and benefits, maintains job descriptions, administers testing, and develops training and coaching programs. In addition, the department is charged with ensuring compliance with applicable laws and with the City's Civil Service Act.

Functions of the Human Resources Department include but are not limited to:

- Coordinate and manage competitive employee compensation and benefits.
- Recruit, screen, and onboard new employees.
- Coordinate training and continuing education and development across all city departments.
- Consult and assist employees with human resource and personnel issues.
- Assist retirees with post-retirement benefit issues.
- Administer the City's Employee Safety Program.





Expenditures:	2018	2019	2020	Projected 2021	Proposed 2022
Personnel	186,909	142,123	280,228	303,795	368,655
Operations	139,339	181,234	126,205	233,060	213,463
Payments to other governmental agencies	-	-	-	-	-
Other	-	-	222	47	-
	326,248	323,357	406,655	536,902	582,118

Note: The Human Resource Director position was vacant the entirety of FY2018 and was filled in July 2019.

In addition, the Safety Manager position was vacant the entirety of FY2019.

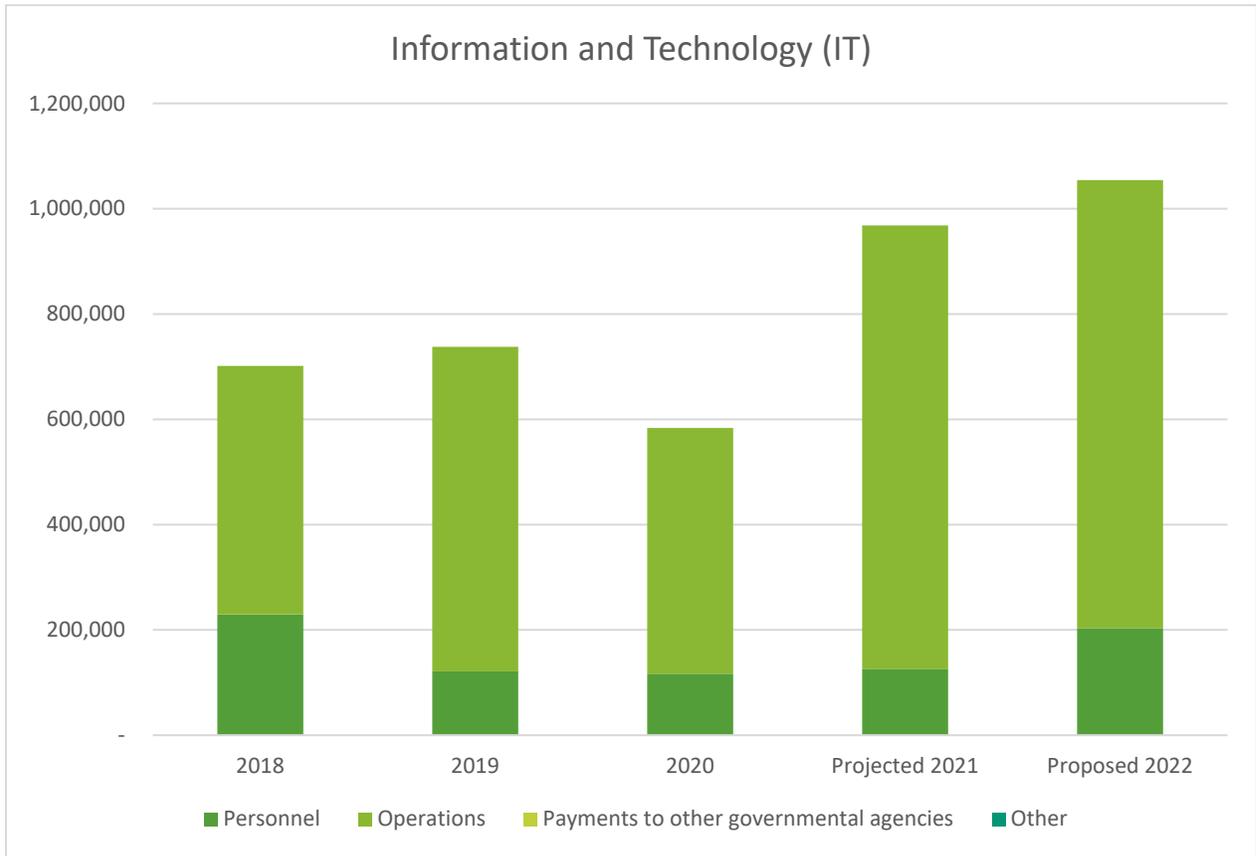
The increases in operational expenses in FY21 were due to the consulting fees for the compensation plan and increased legal fees for litigation. The budget for legal fees in FY22 remains high with FY21 originally budgeted at \$51,000 and amended at mid-year to \$148,000. The projections for legal expenses for FY22 are \$107,500.

Information Technology

The Information Technology (IT) department facilitates reliable, timely, and easy access to information for employees and the City's residents, business owners and visitors. The IT department leverages technology to create access to better information and more efficient processes within the City.

Functions of the IT department include but are not limited to:

- Provide technical assistance, training, coaching and recommendations to all city personnel on all technology concerns.
- Operate a reliable voice, data, and radio communications infrastructure.
- Facilitate interdepartmental and community access to relevant information.
- Provide City employees with efficient and cost-effective technology.
- Provide reliable data backup and disaster recovery systems to minimize any system downtime.
- Ensure the technology infrastructure is secure and the City's data is protected.



Expenditures:	2018	2019	2020	Projected 2021	Proposed 2022
Personnel	229,344	121,196	116,630	126,200	203,353
Operations	472,023	616,642	466,815	842,019	851,120
Payments to other governmental agencies	-	-	-	-	-
Other	-	-	-	-	-
	701,367	737,838	583,445	968,219	1,054,473

Note: In FY2018, the GIS Manager was included in the departmental budget for Information Technology.

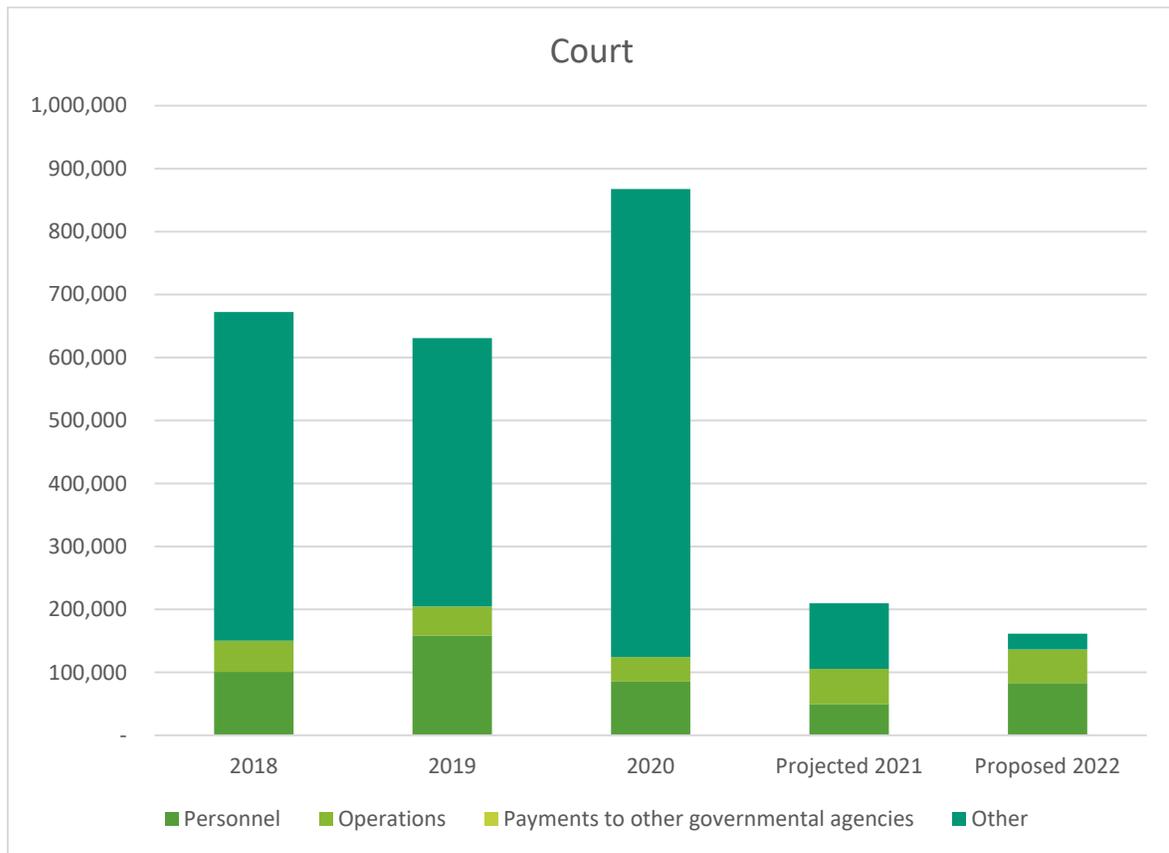
Municipal Court

The Pelham Municipal Court handles misdemeanor cases – traffic and non-traffic. Pelham Municipal Court exercises jurisdiction over all prosecutions for violations of traffic offenses, municipal ordinances, and state misdemeanors adopted by the Code of Ordinances.

Functions of the Court department include but are not limited to:

- Conduct probable cause hearings and issue arrest warrants for violations of municipal ordinances and state misdemeanors adopted by the Code of Ordinances.
- Process payments for fines and court costs.
- Conduct trials for necessary cases.
- Oversee the provisions of probation services, including the collection of fines, rehabilitation, and counseling administered by a third-party probation provider.





Expenditures:	2018	2019	2020	Projected 2021	Proposed 2022
Personnel	100,838	158,594	85,545	49,890	83,190
Operations	49,551	46,043	38,898	55,726	53,281
Payments to other governmental agencies	-	-	-	-	-
Other	521,813	426,230	743,053	104,115	25,000
	672,202	630,867	867,496	209,731	161,471

Note: Salaries for the Municipal Court are reimbursed from the Municipal Corrections and Municipal Admin Special Revenue Funds. The amount of the reimbursement is dependent upon availability of funds in those accounts.

The Courts collect amounts on behalf of other agencies. Prior to FY21, when those funds were collected, they were recorded as revenues and subsequent payments to the agencies were recorded as expenditures. In FY21, the City began recording the collected amounts in a liability account and the subsequent payments reduced the liability. Those pass-through transactions are no longer recorded as City revenue or expenditures.

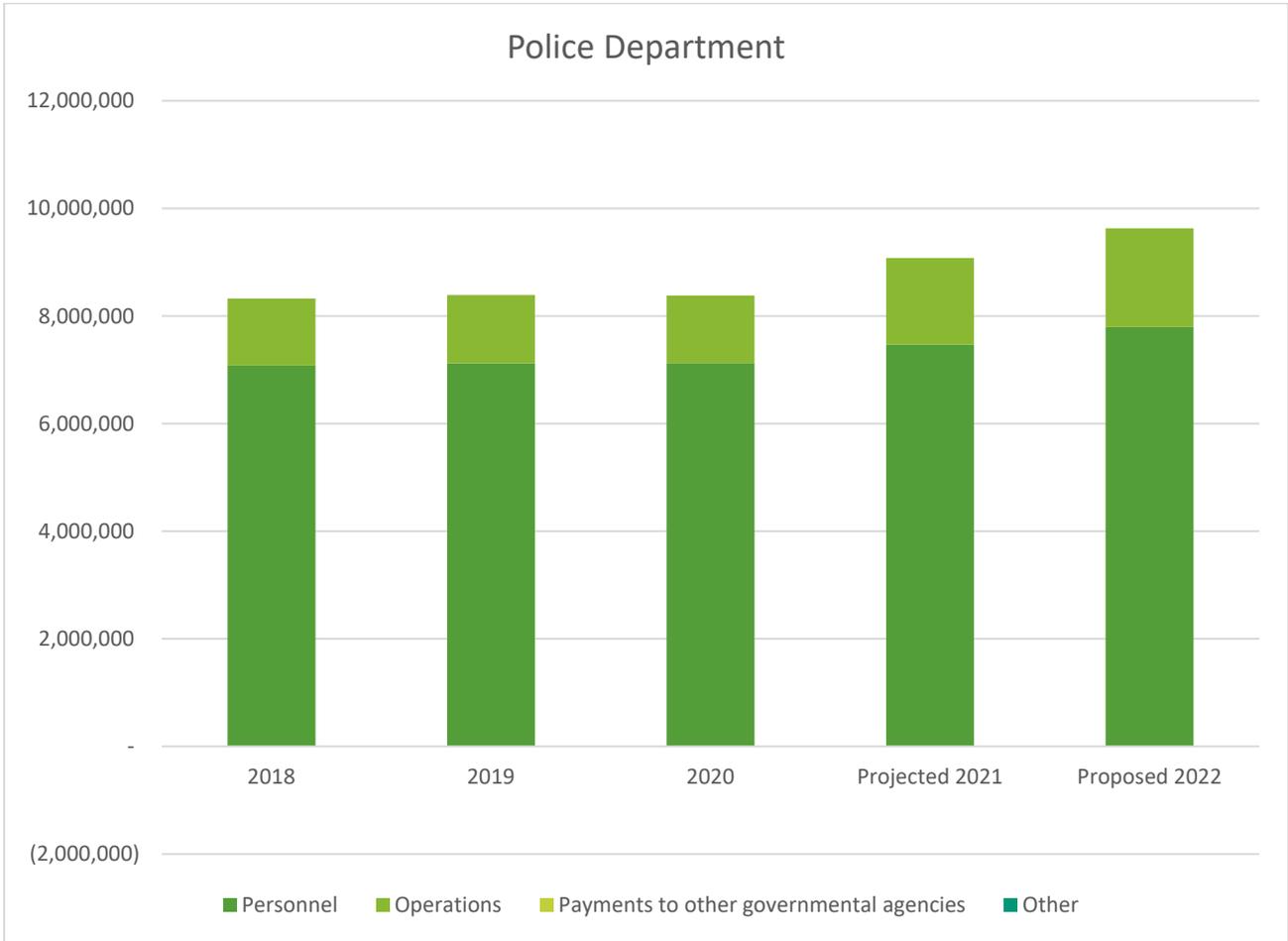
Police

The Pelham Police Department strives to make the City of Pelham a safe place to live, work and visit. The department employs highly trained, vigilant and dedicated police officers and Emergency 911 operators and serves the business owners, residents and visitors of the City with a high level of professionalism. The Police Department utilizes progressive training and technology and partners with the community to operate without bias and within the framework of the US Constitution.



Functions of the Police Department include but are not limited to:

- Provide police patrol throughout the City.
 - Provide immediate response to all emergency calls for service.
 - Provide dispatch of emergency 911 calls.
 - Provide high quality, efficient and effective investigative operations.
- Partner with other agencies to increase collective information that leads to improved safety for the City of Pelham.
 - Provide crime prevention programs to maintain the sense of security in the community.
 - Ensure safe and secure schools through school resource officers (SROs).



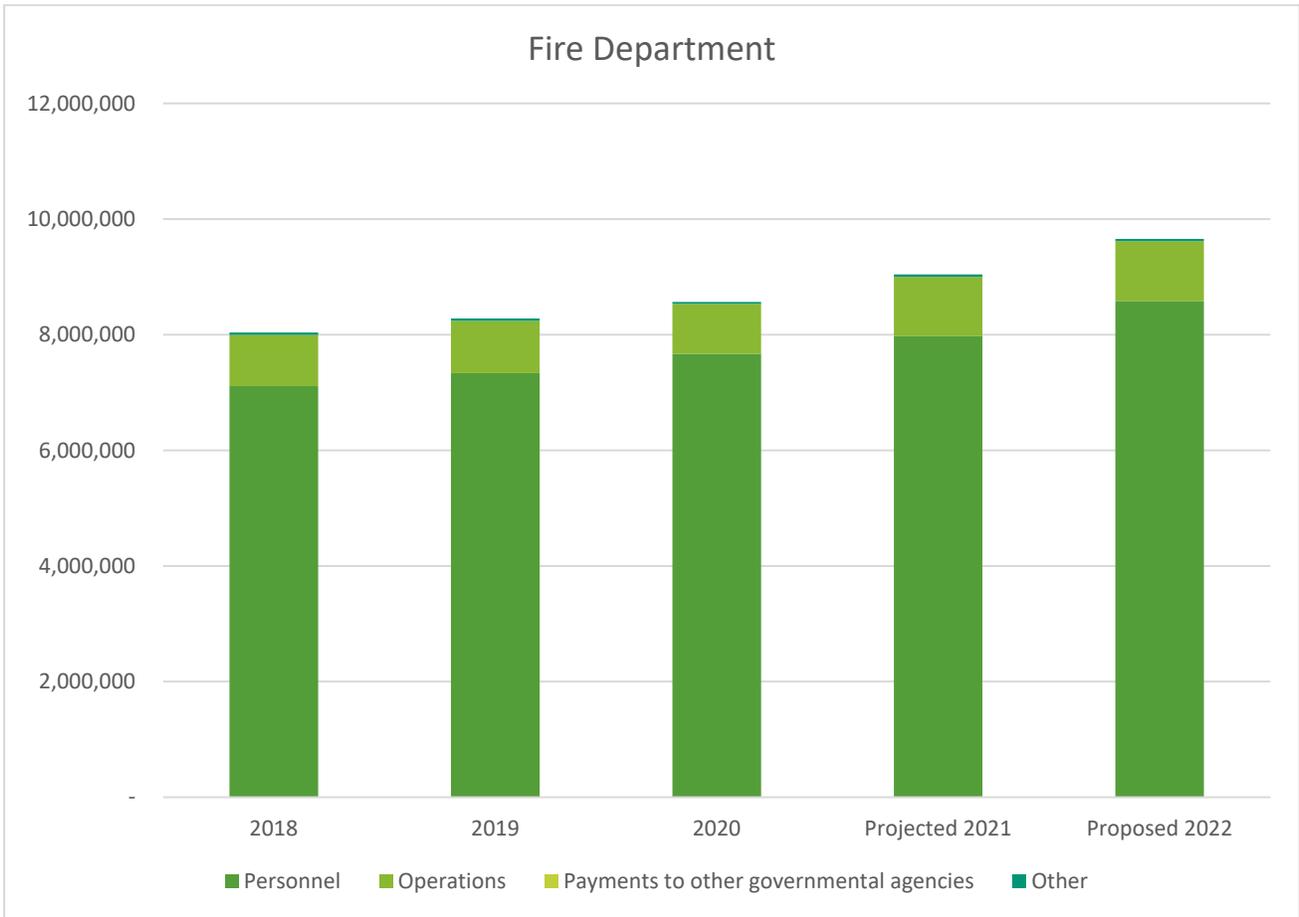
Expenditures:	2018	2019	2020	Projected 2021	Proposed 2022
Personnel	7,080,210	7,123,700	7,126,018	7,466,487	7,794,112
Operations	1,245,714	1,265,297	1,253,904	1,612,539	1,836,595
Payments to other governmental agencies	-	-	-	-	-
Other	-	(11)	-	-	-
	8,325,924	8,388,986	8,379,922	9,079,026	9,630,707

Fire

The Pelham Fire Department is a full-time career fire department serving the City of Pelham. The department operates out of five firehouses and a training and drill field facility. The department provides advanced life support medical care, fire suppression services, fire prevention services, technical rescue services, and a wide variety of community risk reduction programs.

Functions of the Fire department include but are not limited to:

- Provide immediate response to all fire and EMS calls.
- Provide emergency medical services.
- Provide technical rescue services.
- Provide community paramedic services.
- Provide building fire code inspections for all new construction.
- Provide fire prevention inspections for City businesses.



Expenditures:	2018	2019	2020	Projected 2021	Proposed 2022
Personnel	7,109,567	7,336,480	7,667,919	7,974,899	8,583,351
Operations	887,617	903,579	864,256	1,025,640	1,033,413
Payments to other governmental agencies	-	-	-	-	-
Other	40,215	39,793	35,103	40,500	39,750
	8,037,399	8,279,852	8,567,278	9,041,039	9,656,514

Note: The GIS Director, City Engineer, and building services department were included in the Fire department budget in FY 2017. The proposed FY22 budget allocates dispatch expenses between Fire and Police for the first time. Previously all dispatch expenses were allocated 100% to the Police budget.

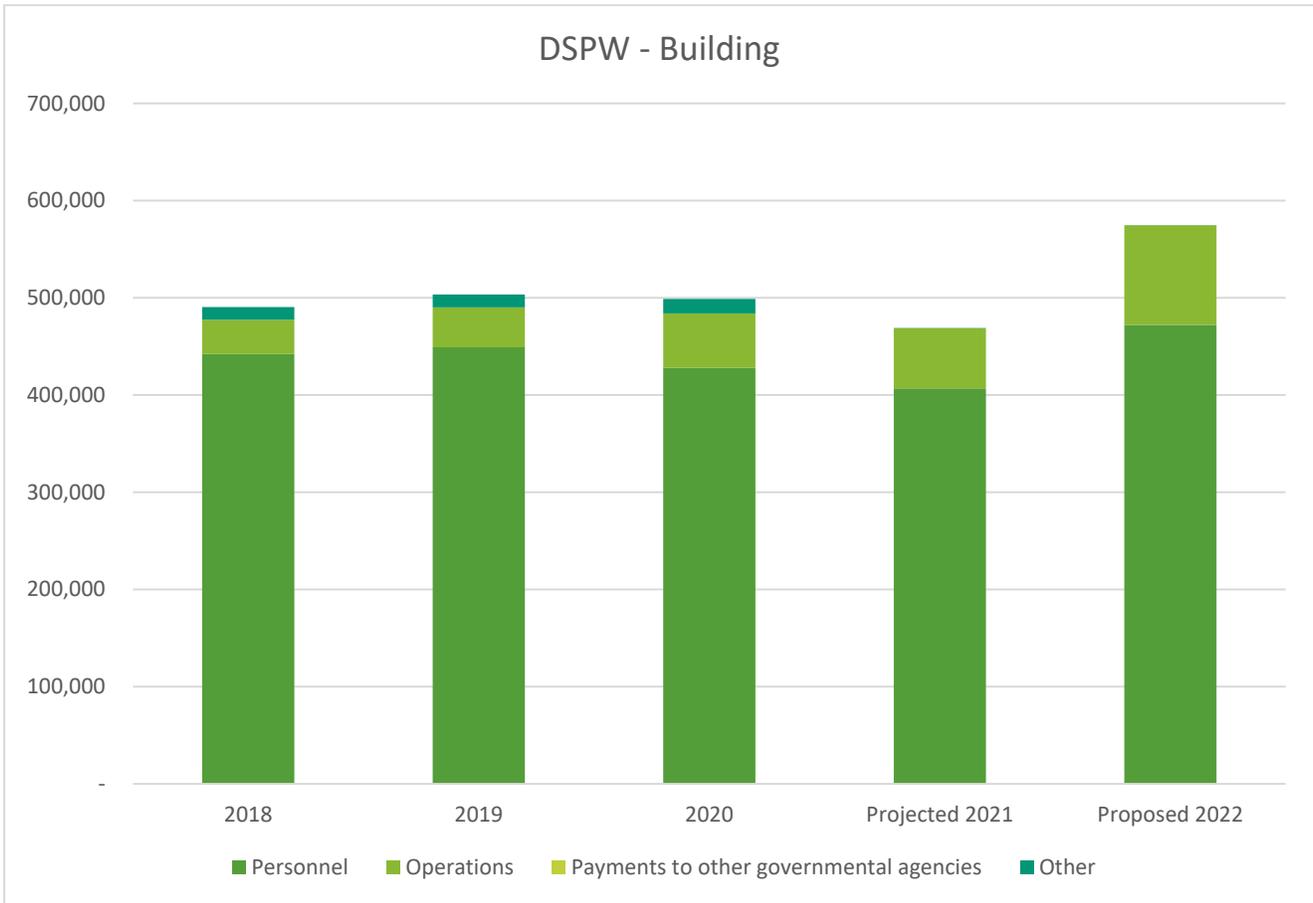
Building Services

The Building Services Department oversees residential, commercial and governmental construction within the City. The department administers building permits, oversees building inspections and works with the police department to address code enforcement issues. The department also monitors development in the City and recognizes and acts upon recommended changes in City Zoning Ordinances and is charged with ensuring adherence to local Zoning Ordinances.

Functions of the Building Services Department include but are not limited to:

- Review, administer, and communicate building and zoning regulations and guidelines within the City.
- Work closely with potential and existing businesses to ensure the development process is efficient and effective.
- Administer the building permit process.
- Administer the building inspection process.
- Provide plan reviews.
- Working in conjunction with the Police and Fire Departments and the Court Clerk, ensures compliance with the City's Building and Zoning Ordinances.





Expenditures:	2018	2019	2020	Projected 2021	Proposed 2022
Personnel	442,155	449,073	428,021	406,811	472,167
Operations	35,203	41,076	55,887	61,773	102,443
Payments to other governmental agencies	-	-	-	-	-
Other	13,234	13,254	15,000	363	125
	490,592	503,403	498,908	468,947	574,735

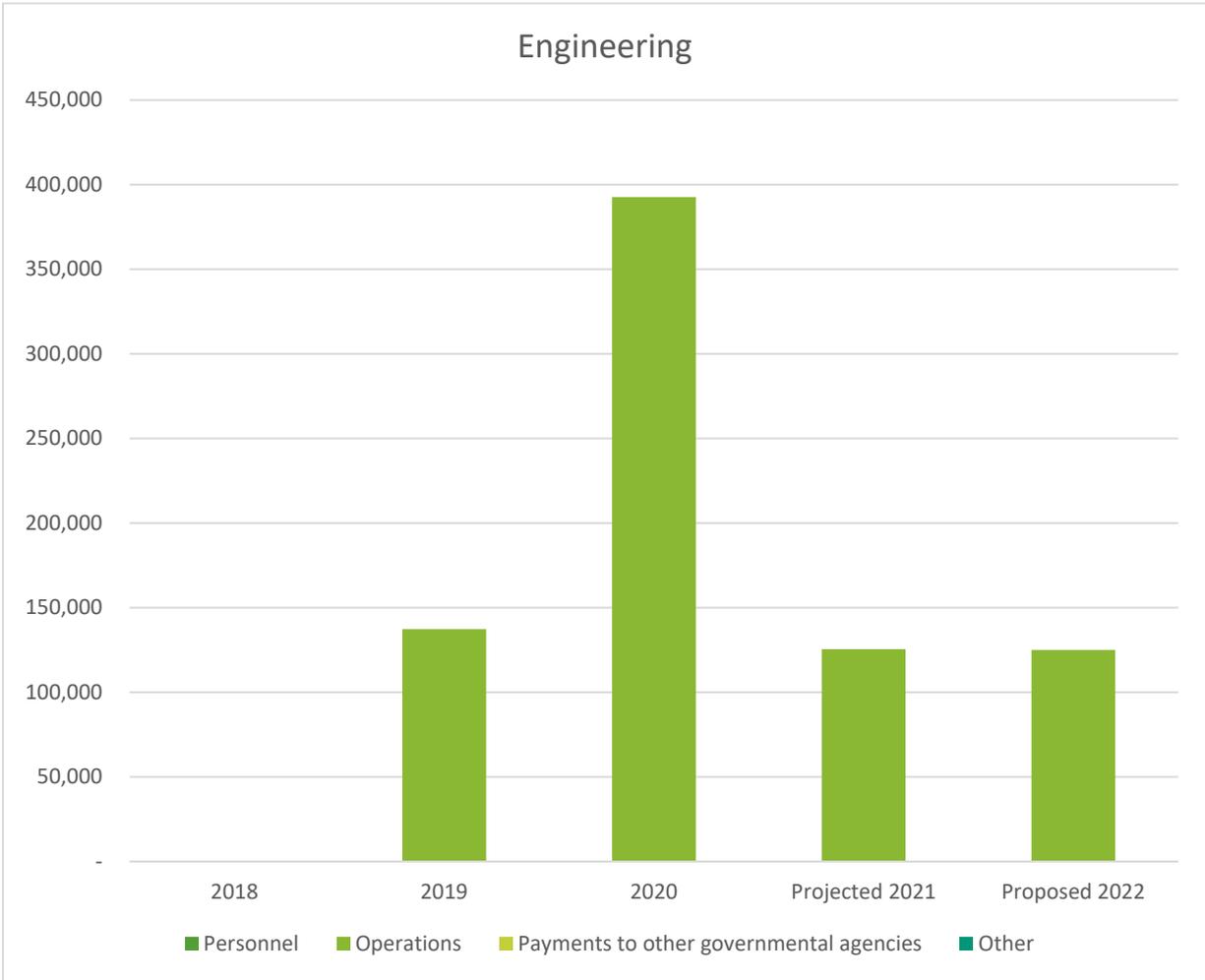
Note: The Building Services Department was included in the Fire Department budget in FY2017.

Engineering

The Engineering Department provides engineering oversight within the City and aids building services in overseeing residential, commercial and governmental construction to ensure compliance with laws, regulations, and City ordinances.

Functions of the Engineering Department include but are not limited to:

- Review, administer, and communicate regulations and guidelines within the City.
- Monitor and advise the City on infrastructure and capital improvements needs within the City.
- Working alongside the Building Official, respond to the needs of the Planning and Zoning Commission.
- Manages the City's Municipal Separate Storm Sewer System Program (MS4).
- Provides varying levels of project management on all public works capital projects.



Expenditures:	2018	2019	2020	Projected 2021	Proposed 2022
Personnel	-	-	-	-	-
Operations	-	137,364	392,675	125,502	125,002
Payments to other governmental agencies	-	-	-	-	-
Other	-	-	-	-	-
	-	137,364	392,675	125,502	125,002

Note: The Engineering Department was included in the Fire Department budget in FY2017. The City also records legal and professional expenditures for outside consulting services pertaining to the City's engineering within this function. The city engineer personnel expenses are in the Facilities Maintenance and Public Works budget.

Facilities Maintenance and Public Works

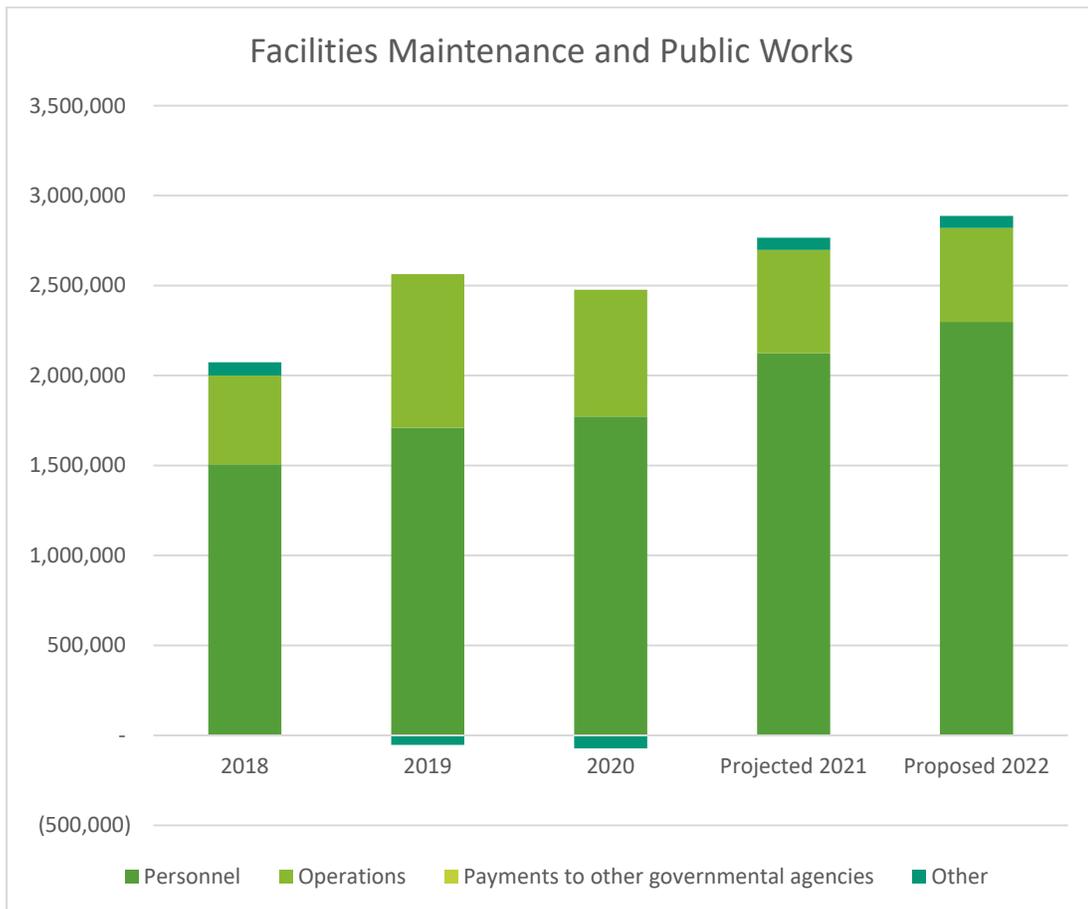
The Facilities Maintenance and Public Works Department seeks to provide services and improved quality of life through maintaining City property and infrastructure. The facilities



maintenance function services various facilities, and the public works function services the City's streets and public right of ways. This includes street improvements, sidewalk and drainage system, installation and maintenance of traffic controls and street signs.

Functions of Facilities Maintenance and Public Works include but are not limited to:

- Provide technical assistance to the Mayor, City Manager, City Council, and other City departments.
- Maintain streets, ditches, storm water drains and pipes, and sidewalks with the City of Pelham.
- Provide maintenance on City facilities and manage maintenance projects.
- Maintain right-of-way, street lights, and traffic signs within the City.
- Perform minor road and sidewalk repairs.
- Perform landscape maintenance and beautification services at many of the City facilities and along the public right of ways.



Expenditures:	2018	2019	2020	Projected 2021	Proposed 2022
Personnel	1,507,243	1,709,918	1,772,221	2,123,252	2,298,259
Operations	493,448	853,810	704,443	575,234	521,565
Payments to other governmental agencies	-	-	-	-	-
Other	73,455	(52,881)	(72,100)	67,356	67,356
	2,074,146	2,510,847	2,404,564	2,765,842	2,887,180

Note: The Facilities Maintenance Manager was added at the end of FY2020. Personnel costs for the GIS Director were transferred from the Fire Department in 2018 and the City Engineer personnel costs were added when the City Engineer was hired in 2020. The negative “other” expenditures in 2019 and 2020 reflect payments from the City’s garbage fund to cover costs of brush removal and landfill charges.

Enterprise Fund Budget Summary

	Proprietary Funds			
	FY2020 Actual	FY2021 AMENDED BUDGET	Projected 2021 FINAL	FY2022 BUDGET REQUESTS
Revenues				
Taxes				
Sales tax	-	-	-	-
Property tax	-	-	-	-
Motor Vehicle/Gas tax	-	-	-	-
Other tax	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	18,261,309	17,984,911	17,673,183	19,412,386
Interest income	10,940	8,200	9,213	8,050
Other	24,000	-	-	-
Total revenues	18,296,249	17,993,111	17,682,396	19,420,436
Expenditures				
General administration				
Administrative	-	-	-	-
Human Resources	-	-	-	-
Court	-	-	-	-
IT	-	-	-	-
Covid 19	-	-	-	-
Library	-	-	-	-
Parks & Recreation	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Public works				
Building	-	-	-	-
Engineering	-	-	-	-
Facilities Maintenance & Public Works	-	-	-	-
Garage	-	-	-	-
Water & Sewer Fund	6,624,549	6,611,789	6,611,450	6,955,250
Civic Complex & Ice Arena	2,811,033	3,074,039	3,000,128	3,809,973
Racquet Club	1,007,609	1,199,446	1,119,015	1,322,554
Ballantrae Golf	2,189,167	2,268,481	2,309,807	2,384,779
Pelham Garbage	1,409,472	1,380,000	1,298,746	1,400,000
	14,041,830	14,533,755	14,339,146	15,872,556
Revenues less expenditures	4,254,419	3,459,356	3,343,250	3,547,880
Capital outlay	-	4,240,526	3,714,662	5,586,480
Debt service				
Principal retirement	3,121,060	2,228,745	2,228,745	2,810,229
Interest	252,705	415,390	415,390	651,339
Issuance cost	-	-	-	-
Total capital outlay and debt expenditures	3,373,765	6,884,661	6,358,797	9,048,048
Excess (deficiency) of revenues over (under) expenditures	880,654	(3,425,305)	(3,015,547)	(5,500,168)

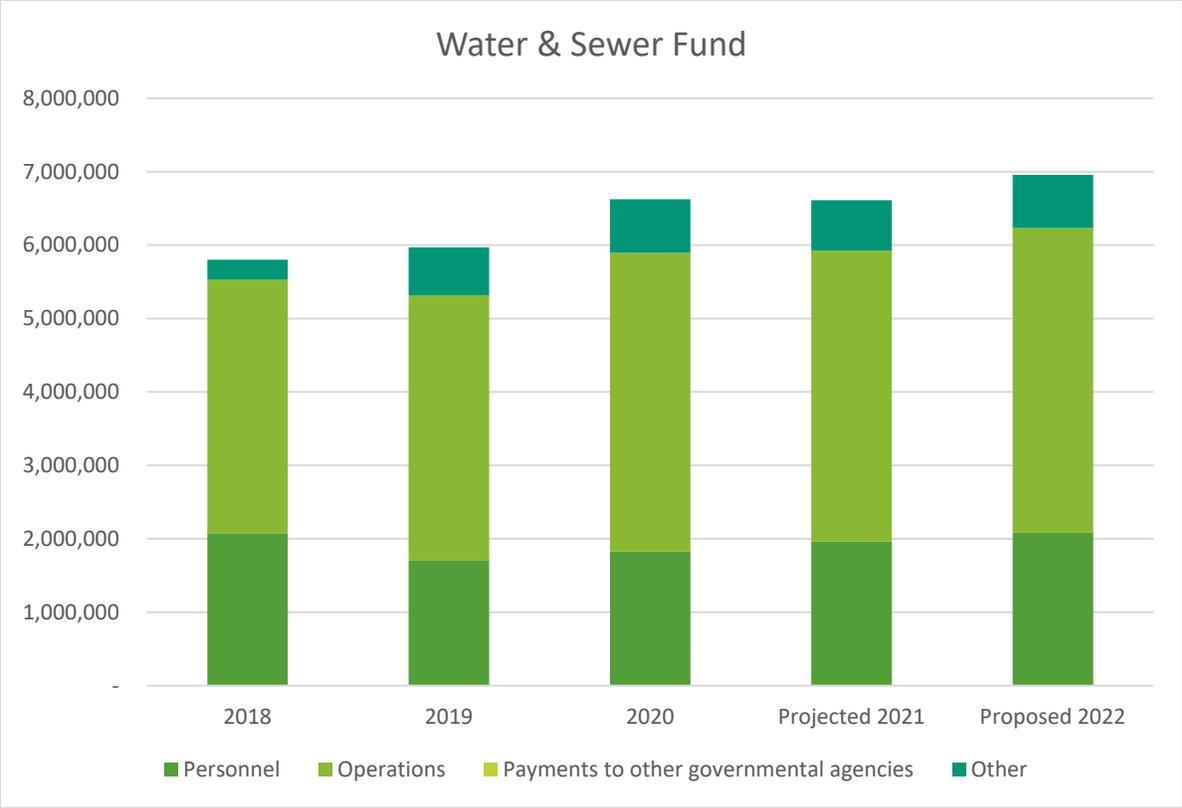
Enterprise Fund Budget Summary (continued)

Other financing sources (uses)				
Proceeds from sale of capital assets	(6,058)	5,000	5,000	-
Capital contributions	547,468	-	-	-
Issuance of Warrants	-	19,052,239	19,052,239	-
Payments to Warrant Escrow	-	-	-	-
Premiums from Issuance of Warrants	-	-	-	-
Due to (from) General Fund	-	-	-	1,250,000
Interfund transfers out	2,798,715	2,370,091	2,211,091	2,973,313
Total other financing sources (uses)				
Net change	4,220,779	18,002,025	18,252,783	(1,276,855)
Warrants Payable Funding	-	-	-	-
Prior Year Unencumbered Fund Balance	-	-	-	1,276,855
Capital Project Carryovers - FY2021 Budget	-	-	-	-
	4,220,779	18,002,025	18,252,783	-

Water & Sewer Fund

Pelham Water and Wastewater Departments are dedicated to providing our customers with safe, high quality water and reliable service. Improvements are continuously being made to all aspects of the water and sewer systems to ensure a safe and adequate supply of water to our growing community. The Water and Sewer Departments are responsible to meet or exceed all standards set by the Alabama Department of Environmental Management (ADEM) and the United States Environmental Protection Agency (EPA). Annual water quality reports are available at Pelham City Hall and can also be found on the City's website under Water Quality Reports.

It is important for the City to regularly measure the cost of providing water and sewer services and adjust fees accordingly. A fee review is scheduled for FY22.



Expenditures:	2018	2019	2020	Projected 2021	Proposed 2022
Personnel	2,076,020	1,703,976	1,827,015	1,961,221	2,082,509
Operations	3,451,800	3,612,565	4,066,338	3,963,902	4,149,747
Payments to other governmental agencies	-	-	-	-	-
Other	272,937	654,401	731,196	686,327	722,994
	5,800,757	5,970,942	6,624,549	6,611,450	6,955,250

Pelham Civic Complex and Ice Arena

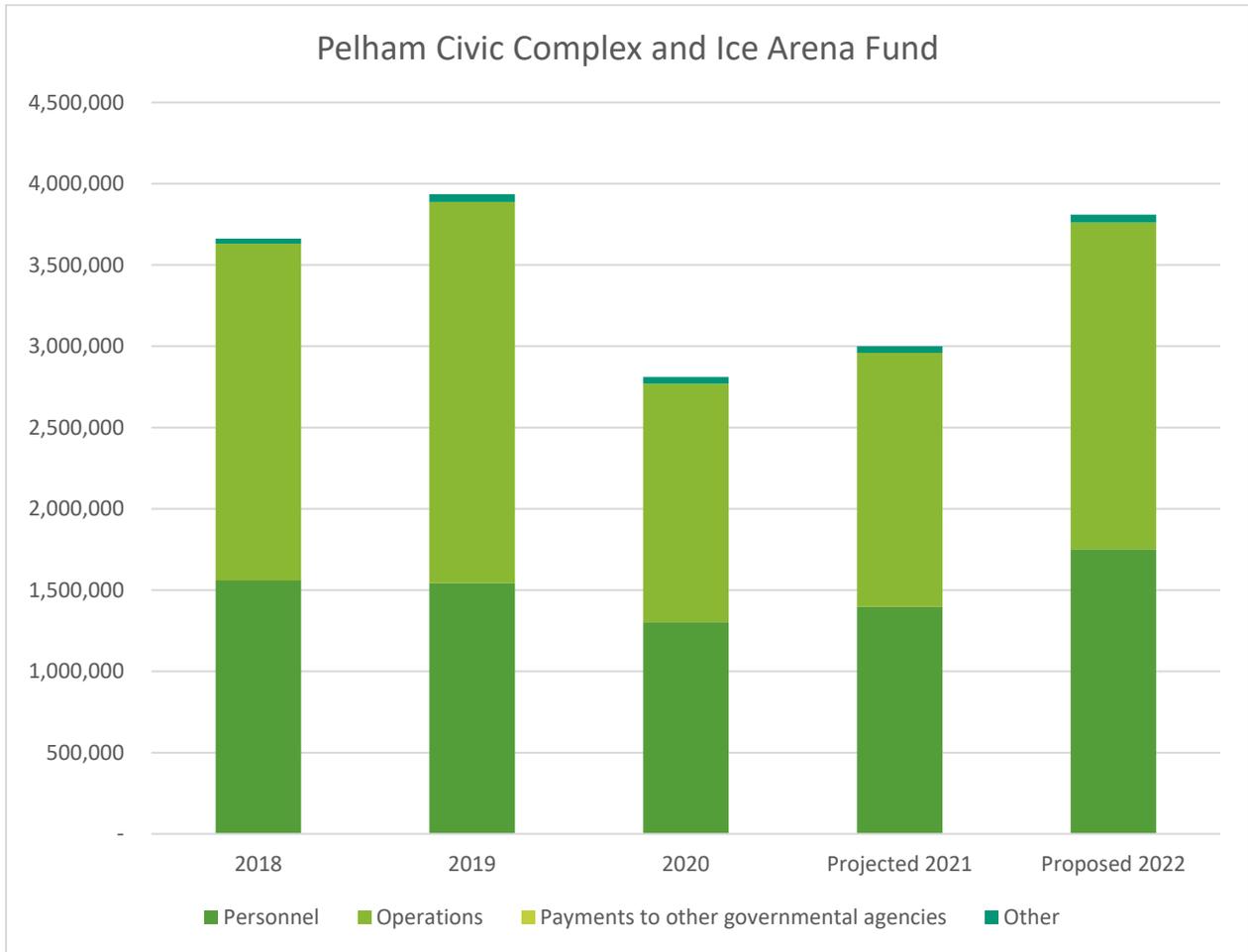
The Pelham Civic Complex and Ice Arena (PCC) houses two National Hockey League-sized rinks which hosts more than 27,000 ice skaters each year – from beginners to seasoned professionals. The arena is home to the Birmingham Bulls and has the capability of adapting to host a variety of events. Seating capacity is 4,000 and the floor space is 30,000 square feet. The Banquet Hall offers meeting rooms and conference space.

City Council has agreed to contract with VenuWorks beginning FY22 to manage all operations and marketing for the facility. In addition, the Civic Complex will manage all food service and concessions at the City Park and at the Pelham Racquet Club.

Major functions include but are not limited to the following:



- Hosting ice arena events such as Broomball and Magic City Theatre on Ice.
- Serving as the home of the Birmingham Bulls Hockey Team.
- Maintaining a pro shop for figure skaters, hockey players and fans.
- Running concessions for events of all sizes.
- Offering figure skating and hockey lessons for athletes from beginners to professionals.
- Offering safe and fun public skating available to the public.
- Hosting a variety of events all year long.



Expenditures:	2018	2019	2020	Projected 2021	Proposed 2022
Personnel	1,559,824	1,542,555	1,303,680	1,397,159	1,751,244
Operations	2,071,001	2,344,465	1,465,762	1,562,667	2,009,829
Payments to other governmental agencies	-	-	-	-	-
Other	30,987	48,211	41,591	40,302	48,900
	3,661,812	3,935,231	2,811,033	3,000,128	3,809,973

Ballantrae Golf Club

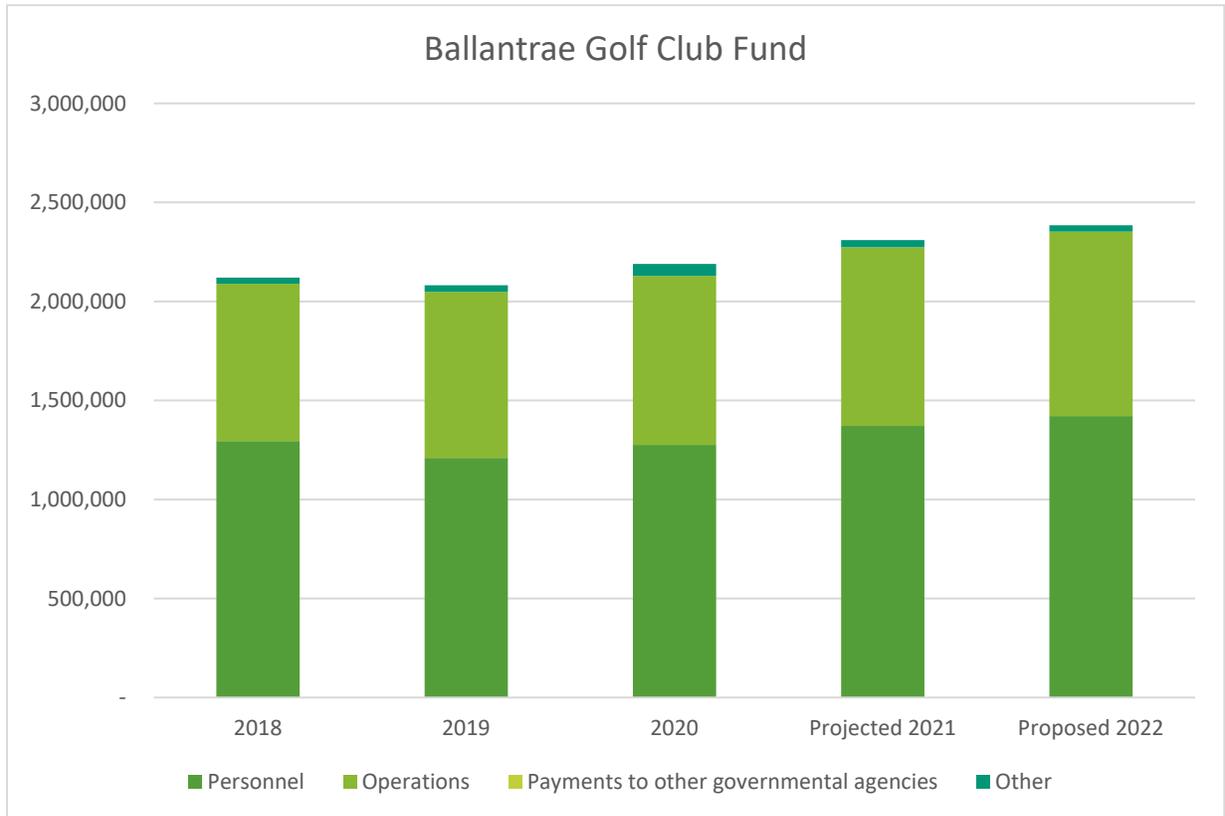
Ballantrae is a semi-private golf course. Designed by Bob Cupp, the links style course meanders through a scenic valley, surrounded by gorgeous southern woodlands and breathtaking views. In addition to offering a challenging and fun 18-hole golf course, Ballantrae also offers golf instruction, a Pro Shop, Fireside Grille, Clubhouse, Conference Room and Practice Facility. To aid in the course's control of geese, in 2020 Ballantrae hired Driver, a German Shorthair Pointer, who helps to keep the course free from unwanted geese while enthusiastically welcoming all non-flyers to the course.



In 2021, Ballantrae experienced record golf rounds and saw its first ever waiting list.

Major functions of Ballantrae Golf Club include, but are not limited to:

- Provide a beautifully maintained, safe and friendly golfing experience for members and the public.
- Provide excellent golf instructions by certified pros.
- Offer a high quality grille menu for golfers and for those visiting our community.
- Manage a high quality golf shop with inventory our customers need and want.
- Offer special events for our members and for the public.



Expenditures:	2018	2019	2020	Projected 2021	Proposed 2022
Personnel	1,295,099	1,210,102	1,275,944	1,371,674	1,421,835
Operations	795,023	838,428	853,076	901,907	930,744
Payments to other governmental agencies	-	-	-	-	-
Other	30,564	33,381	60,147	36,226	32,200
	2,120,686	2,081,911	2,189,167	2,309,807	2,384,779

Pelham Racquet Club

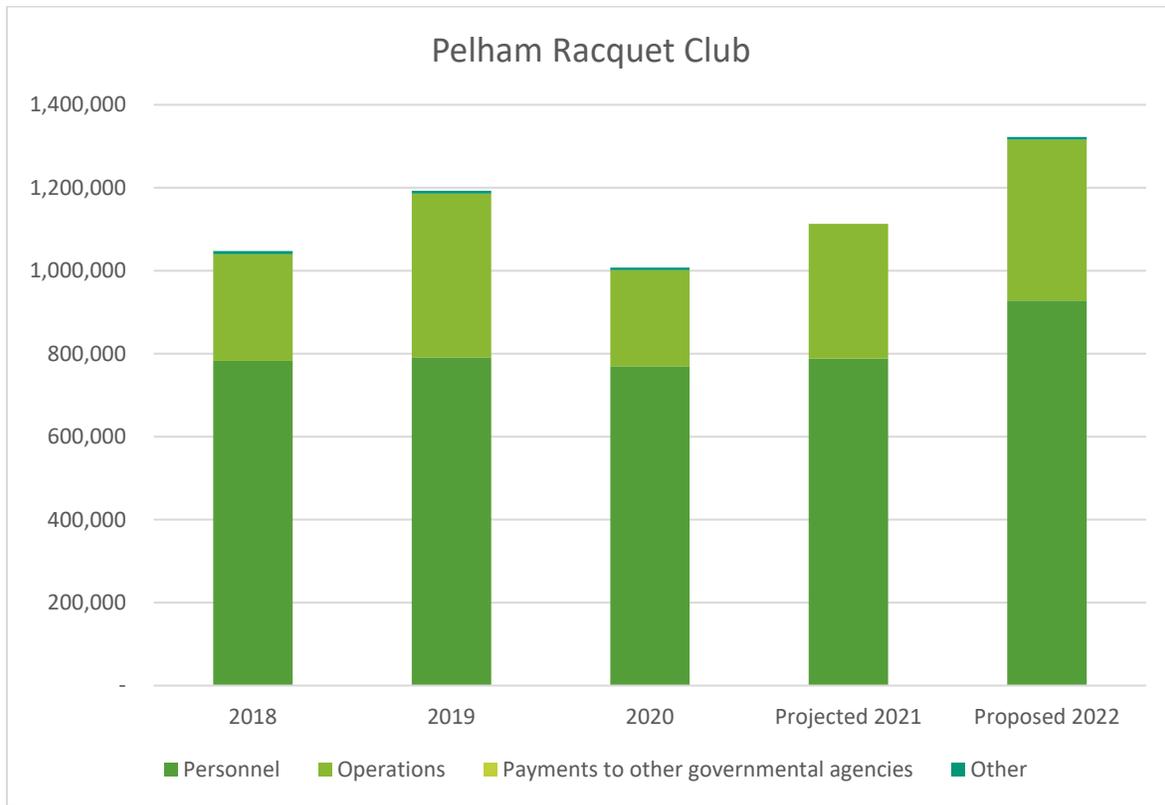
The Pelham Racquet Club is the largest public clay court facility in the state, offering 20 clay courts and 5 hard courts all lighted with above tournament grade lighting. The entire facility is beautifully landscaped on three tiers providing function and visibility to all courts. The club offers memberships and league play for members of the general public. In addition, the club hosts several professional tournaments.



Since reopening after the COVID-19 shutdown, play and tournaments at this facility have not slowed down.

The functions of the Racquet Club include but are not limited to:

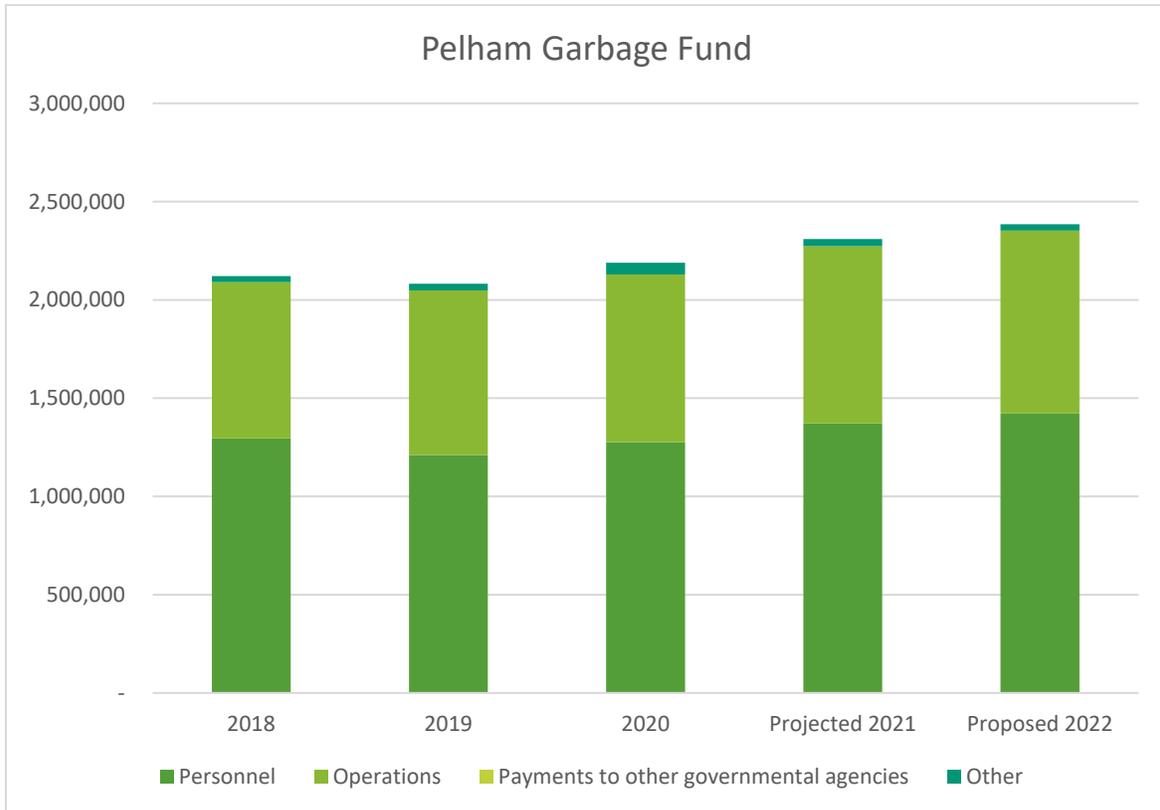
- Tennis lessons with USTA licensed professionals – serving the needs of beginners through professionals.
- Professional tournaments throughout the year.
- Adult league play.
- Racquet stringing.
- Pro shop.
- Regular social events.



Expenditures:	2018	2019	2020	Projected 2021	Proposed 2022
Personnel	782,788	791,207	769,747	788,729	928,252
Operations	257,090	394,712	231,571	324,272	387,502
Payments to other governmental agencies	-	-	-	-	-
Other	7,489	7,058	6,291	-	6,800
	1,047,367	1,192,977	1,007,609	1,113,001	1,322,554

Pelham Garbage Fund

The Pelham Garbage Fund provides residential garbage services. It consists of revenues collected for charges for services. Expenses consist of payments to a third party for collection of the garbage.



Expenditures:	2018	2019	2020	Projected 2021	Proposed 2022
Personnel	-	-	-	-	-
Operations	-	-	-	-	-
Payments to other governmental agencies	-	-	-	-	-
Other	1,250,350	1,265,089	1,409,472	1,298,746	1,400,000
	1,250,350	1,265,089	1,409,472	1,298,746	1,400,000

OTHER FUNDS



Pelham

OTHER FUNDS

Special Revenue Funds

The City's Special Revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted for specific purposes.

Four and Five Cent Gas Tax Fund

The Four and Five Cent Gas Tax Fund is the City's proportionate share of the State four cent and five cent gasoline taxes as determined by the City's population based on the last decennial census. Four and Five Cent Gas Tax funds can be used for repair and resurfacing of roads, storm drains and bridges, including engineering, provided such improvements lie within the right-of-way of a public road, paving a dirt road, and may include salaries for such repairs and improvements.

Seven Cent Gas Tax and Petroleum Inspection Fee Fund

The Seven Cent Gas Tax and Petroleum Inspection Fee Fund is the City's proportionate share of the State seven cent gasoline tax and petroleum inspection fees as determined by the City's population based on the last decennial census. Seven Cent Gas Tax and Petroleum Inspection Fee funds can be used for street signs, drainage improvements, new curbs and gutters, to repair, maintain, and construct ditches and culverts along street rights-of-way, to improve, maintain and repair streets, and for removing objects interfering with traffic.

Motor Vehicle License Fund

The Motor Vehicle License Fund is the City's portion of the Motor Vehicle License fee collected by Shelby County, Alabama and remitted monthly to the City of Pelham. Motor Vehicle License funds can be used for the maintenance and repair of traffic lights, a portion of the monthly street light utility bill, and for street and crosswalk striping.

Ten Cent Gas Tax Fund

The Ten Cent Gas Tax Fund is the City's portion of funds generated from the Rebuild Alabama Act passed in Spring 2019. The funds are distributed primarily based on population and are remitted at least twice per month. Gas Tax will be fully implemented in 2021. Ten Cent Gas Tax funds can be used for the following:

1. The maintenance, improvement, replacement, and construction of roads and bridges;
2. Matching funds for federal road or bridge projects;
3. Debt repayment for road and bridge projects; or
4. Joint road and bridge projects with one or more municipalities and/or counties.

The Ten Cent Gas Tax funds CANNOT be used for:

1. Salaries, benefits, or any other form of compensation for county, municipal, or contract employees or officials except as included as project costs and subject to audit by the Examiners of Public Accounts;
2. The purchase, lease, or maintenance of equipment, other than equipment purchased and permanently installed as part of a road or bridge project;
3. The maintenance and construction of public buildings or other structures that are not integral to the system of roads or bridges.

Library Board Fund

The City's Library Board Fund consist of funds collected for fines for overdue books and materials and for book sales. The Library Board funds can be used for the support of the Pelham Library through the purchase of books, materials, travel, training, grant matches, programs with authors and special programs with the schools.

Library State Aid Fund

The City's Library State Aid Fund consist of funds distributed quarterly by the Alabama Public Library Service. State Aid Rules and Regulations define allowable expenditures from these funds.

Police Vault Property Fund

The City's Police Vault Property Fund is made up of funds confiscated during the commission of a crime and/or through investigation by the Pelham Police Department. The confiscated funds are released through a court order following the disposition of a case. Funds are transferred to either the City's State or Federal Forfeiture accounts, at which time the funds must be used for law enforcement purposes.

Police Federal Forfeiture Fund

The City's Police Federal Forfeiture Fund are the result of the forfeiture of assets in federal law enforcement cases. The confiscated funds are released through a court order following the disposition of a federal law enforcement case. The Police Federal Forfeiture funds must be used for law enforcement purposes.

Police State Forfeiture Fund

The City's Police State Forfeiture Fund are the result of the forfeiture of assets in state law enforcement cases. The confiscated funds are released through a court order following the disposition of a state law enforcement case. The Police State Forfeiture funds must be used for law enforcement purposes.

City of Pelham 911 Fund

The City of Pelham 911 Fund consists of funds collected and remitted monthly by telecommunications carriers to Shelby County 911. A portion of the collections (\$12,000) is remitted monthly to Pelham. The City of Pelham 911 funds can be used to support emergency communications services in the City of Pelham.

Fair Trial Tax Fund

The City's Fair Trial Tax Fund revenues consist of a portion of municipal traffic ticket fines, less attorney's fees. The City's Fair Trial Tax funds are used to pay for the City Court public defender. Any balance remaining after paying the City Court public defender must be remitted to the State of Alabama on a monthly basis.

Municipal Corrections Fund

The City's Municipal Corrections Fund revenues are generated from a portion of municipal traffic ticket fines. Municipal Corrections funds can be used exclusively

for the operation and maintenance of the municipal jail or any court complex. Expenditures for the Police Department are not permitted.

Municipal Administration Court Fee Fund

The City's Municipal Administration Court Fee Fund revenues are generated by collecting ten dollars per case for Non-Traffic Misdemeanor/Municipal Ordinance Cases. Municipal Administration Court Fee funds are expended by the Presiding Municipal Judge and/or Municipal Court Clerk for the operation of the municipal court.

Municipal Court Training Fee Fund

The City's Municipal Court Training Fee Fund revenues are generated by collecting two dollars per case for Non-Traffic Misdemeanor/Municipal Ordinance Cases. Municipal Court Training Fee funds can only be used for training expenditures for Court personnel.

Capital Improvement Fund

The City's Capital Improvement Fund consists of earnings from the investment of funds in the County and Municipal Government Capital (Oil and Gas Trust Fund) Improvement Fund. Capital Improvement funds are reserved to assist in the restoration and improvement of municipal government buildings, roads, streets and other facilities and to promote the health, safety and public welfare of the citizens of the State of Alabama and/or the City of Pelham, which includes construction, additions and renovations to public buildings.

CAPITAL & DEBT



Pelham

CAPITAL PROJECTS



Pelham

General Fund Capital Projects

The City's General Fund FY2022 includes the following capital items:

Annual Paving

This budget reflects annual paving projects for FY2022. The paving schedule is an included Addendum.

Budgeted amount: \$500,000

Wayfinding for Park

Wayfinding signage will be added throughout the parks so that visitors will be able to easily locate their park destination.

Budgeted amount: \$33,000

Depot Exterior Improvements

The interior of the Depot was refurbished in FY21, and exterior improvements including the replacement of siding will be completed in FY22.

Budget amount: \$33,000

County Highway 11 Improvements

The Traffic Safety Study from FY21 outlines several recommendations to improve safety along the Highway 11 corridor. With Shelby County partnership and approval, those improvements are targeted for completion in FY22.

Budget amount: \$500,000

Blueberry Hill

The Street Department began hauling brush to this location and periodic chipping operations. This initiative has increased the inflow of brush to Blueberry Hill, and these funds will allow the City to improve the access to this area.

Budget amount: \$40,000

Additional Trail Lighting

This initiative will allow for additional trail lighting at the Bearden Road Trailhead and Pelham Dog Park.

Budget amount: \$100,000

Oak Mountain Trail Property Improvements



This project will result in reducing the height of the hill along Highway 65, raising the site approximately 500 feet and getting site pads ready for future development.

Budget amount: \$1,442,000

Construction on Fire Station 3

This project is scheduled for completion by the end of the calendar year.

Budget amount: \$1,185,000

Gateway Improvements

With the new branding ready, we can begin concept design and signage for the City's gateways.

Budget amount: \$250,000

ADS (Advantage Drainage System) Pipe Replacement used for Stormwater Drainage

This is an annual on-going replacement project.

Budget amount: \$20,000

PROWAG-ADA

This is an on-going project to convert sidewalks and/or ramps to ADA compliance.

Budget amount: \$30,000

Phase 3 and 4 of the Greenway Trail

This represents the City's portion of the next phases of the trail.

Budget amount: \$149,619

Pelham City Hall

City Hall Renovation design and bidding is completed. Construction will begin in FY22. While the full renovation cost will be utilized over two fiscal years, the total is presented in this budget.

Budget amount: \$4,400,355

Magistrate Office Expansion

The purpose of this project is to create an office space for the City Court Judge.

Budget amount: \$16,000

Campus 124 Park

The development agreement between the City and Campus 124 calls for the City to own, design, install and maintain a 3-mile City Park at the Campus. Highlights of the park will include space for live performances, open green space, gathering spaces and walking trail.

Budget amount: \$250,000

Enterprise Resource Planning System (ERP)

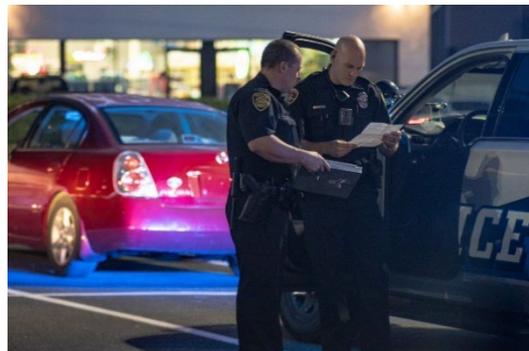
The City's plan is to go-live with Finance in January 2022 and go-live with HR in April 2022. Implementation for the Revenue and Land Management modules will begin in FY22.

Budget amount: \$764,917

Upgraded Technology for Police Department

These funds allow the police department to add technology in the following areas:

- (1) Closed Circuit television for building security.
- (2) Two additional message boards to aid with traffic safety.
- (3) FARO Reconstruction Instrument to aid in crash reconstruction and evidence collection.
- (4) JAMAR Radar Systems allows the department to collect data without an officer spending valuable time at the site. With the data collected, the department can decide if there is a problem and how to address it.
- (5) Flock cameras able to capture vehicles traveling up to 100 MPH and up to 75 ft. away—day and night.



Budget amount: \$297,251

Police Parking Lot Addition

This lot addition will allow for parking for those attending Court.

Budget amount: \$40,000

Fire Department AutoPulse Units

These allow every fire apparatus to be equipped with a life-saving resuscitation system.

Budget amount: \$30,000

Equipment for Public Works

These funds will allow the public works department to add the equipment outlined below:

1. Asphalt hotbox – will keep small quantities of asphalt at the appropriate temperature allowing the department to improve applications for pot holes and other small street imperfections.
2. John Deere Mower
3. Materials Bin for the Street Department to keep materials dry and organized for easier access.

Budget amount: \$115,000

Vehicles

Vehicles are scheduled for purchase in the following departments (1) PD – 5 police vehicles; (2) IT – Director vehicle, (3) DSPW – one truck for the additional zoning inspector in the building department and one dump bed truck in public works, and (4) Fire – one administrative vehicle.

Budget amount: \$360,859

Facilities Improvement and Maintenance Plan (FIMP)

The FIMP represents the five year capital project and funding plan for all City-owned facilities. During FY2019, the City engaged a consulting firm to perform an audit of the City's facilities to determine necessary building and building equipment improvements. City management reviewed the reports provided by the consultants and used the results to compile an extensive list of improvements needed for City facilities. The City will fund the improvements on an annual basis.

Budget amount: \$685,090

Enterprise Fund Capital Projects

The City’s Enterprise Fund budget for FY2022 includes the following capital items:

Water and Sewer Fund

The Water and Sewer fund has numerous ongoing improvement projects to both the Water system and Sewer system. In addition, the Water and Sewer Fund will purchase vehicles and equipment for use in operations. Those projects, vehicles and equipment include the following:

WATER:

Description	Proposed Budget
Water	
Operator Office Renovations	96,000
CSR Upgrades	33,000
Rate Review	5,000
PVC Water Main Replacement	500,000
Steel Tank Inspection	10,000
Leak Survey	25,000
SCADA Integration	50,000
Annual Meter Purchases	25,000
General Mapping/Surveying	10,000
Well SCADA Battery Upgrades	3,000
City Hall Campus Water Main	125,000
Heather Ridge Meter Upgrades	10,000
Small Vac Trailer	30,000
Department Vehicles	76,000
Genset and Welder	5,000
Crew Truck	75,000
Material/Equipment Pole Barn	25,000
LED Light Tower	15,000
Skid Steer	68,000
Total Water	1,186,000

SEWER:

Sewer		
ROW Clearing		25,000
Southgate Lift Station		330,000
Rate Review		7,500
Lift Station Remediation		620,000
Grit and Grease		850,000
In Plant SCADA Upgrades		50,000
Jet Truck		280,000
Service Truck		38,000
Total Sewer		2,200,500
Total Water & Sewer		3,386,500

Pelham Civic Complex and Ice Arena

The Pelham Civic Complex and Ice Arena budget for FY2022 includes amounts for façade improvements, additional parking and multiple upgrades to the banquet hall area of the facility. These amounts consist of the following:

Description	Proposed Budget
Civic Complex	
Civic Complex Fascade Improvements	750,000
Banquet Hall Restroom Renovations	100,000
Banquet Room Carpeting	60,000
Painting	125,000
Civic Complex Drop Ceiling	125,190
LED Lighting Upgrades	41,730
Property Purchase	110,000
Additional Parking - West	40,000
Total Civic Complex	1,351,920

Pelham Racquet Club

The Pelham Racquet Club budget includes capital projects for walkway lighting improvements, lobby conceptual design and the re-surfacing of the four hard courts. The amounts included are as follows:

Racquet Club		
Walkway Lighting Upgrades		40,000
Conceptual Design - Racquet Club Lobby		7,500
Hard Court Resurfacing		30,560
Total Racquet Club		78,060

Ballantrae Golf Club

The Ballantrae Golf Club budget includes capital projects for improvement on Hole 18, Clubhouse grill improvements and Clubhouse building improvements. The amounts included are as follows:

Ballantrae Golf		
Hole 18 Bridge		20,000
Ballantrae Clubhouse Grill Entrance Improvements		50,000
Ballantrae Golf Club Improvements		700,000
Total Golf Club		770,000

Capital projects and capital asset additions for the Enterprise Funds total a budgeted amount of \$5,586,480.

City management recommends funding the FY2022 proposed General Fund capital projects and capital outlay as follows:

CAPITAL PROJECTS & FUNDING SOURCES

Description	Proposed Budget	Original Funding Source	Proposed Funding Amount
Parks & Rec			
Campus 124 Park	250,000	Encumbered Fund Balance - FY2021 C/O	(250,000)
Wayfinding for Park	33,000	ARPA	(33,000)
Depot Exterior Improvements	33,000	Cap Impr	(33,000)
	316,000		
Building			
Vehicle - Inspections	31,234	Excess in Revenues over Expenditures	(31,234)
	31,234		
Engineering			
Gateway Improvements	250,000	Encumbered Fund Balance - FY2021 C/O	(125,000)
		Cap impr	(125,000)
City Hall	3,620,355	Warrant Series 2021-A	(3,620,355)
	780,000	ARPA	(780,000)
Phase 3 and 4 Trails	149,619	Excess in Revenues over Expenditures	(149,619)
2022 Annual Paving	500,000	ARPA	(500,000)
Drainage Improvements	20,000	7 Cent	(10,000)
		4 & 5 cent gas tax	(10,000)
PROWAG - ADA	30,000	Excess in Revenues over Expenditures	(30,000)
FIMP	685,090	Excess in Revenues over Expenditures	(685,090)
Highway 11 Safety Improvements	500,000	Excess in Revenues over Expenditures	(500,000)
Blueberry Hill Access Improvements	40,000	7 Cent	(40,000)
Greenspace Improvements	100,000	Encumbered Fund Balance - FY2021 C/O	(100,000)
Oak Mountain Trail Property Improvements	1,442,000	Excess in Revenues over Expenditures	(1,442,000)
	8,117,064		
Police Department			
CCTV Upgrades	136,000	Encumbered Fund Balance - FY2021 C/O	(136,000)
4 Patrol Tahoes @ \$34,980 each, 1 Admin Silverado 1500 @ \$31,705 each	171,625	Excess in Revenues over Expenditures	(171,625)
Message Boards (2)	22,939	ARPA	(22,939)
FARO Reconstruction Instrument	59,912	ARPA	(59,912)
JAMAR Radar Systems (2)	9,400	ARPA	(9,400)
New Flock Cameras (25)	69,000	ARPA	(69,000)
Parking Lot Addition (Parking spaces in front of the PD building \$40,000)	40,000	Cap Impr	(40,000)
	508,876		
Court Department			
Magistrate Office Expansion	16,000	Cap Impr	(16,000)

IT Department			
ERP System - Finance/HCM/Rev Remainder	408,691	Encumbered Fund Balance - FY2021 C/O	(408,691)
ERP System - Land Management	356,226	Excess in Revenues over Expenditures	(356,226)
Vehicle - IT Director	38,000	Excess in Revenues over Expenditures	(38,000)
	802,917		
Fire Department			
Fire Station 3 - Construction	1,185,000	Warrant Series 2021-A	(1,185,000)
Two Autopulse Units	30,000	ARPA	(30,000)
Vehicle - Battallion 90	45,000	Excess in Revenues over Expenditures	(45,000)
	1,260,000		
Public Works			
Asphalt Hot Box	30,000	Trash Fund	(30,000)
John Deere Mower	25,000	Trash Fund	(25,000)
Materials Bin	20,000	Trash Fund	(20,000)
Dump Bed Truck	75,000	Trash Fund	(75,000)
Fencing	20,000	Cap Impr	(20,000)
Rear Gate Install	20,000	Cap Impr	(20,000)
	190,000		
Total Capital Outlay (Summary Budget)	11,242,091		

Water and Sewer Fund capital projects and capital asset additions will be recovered through user fees and through the issuance of the Sewer Revolving Fund debt as proposed by the Director of Development Services and Public Works. The capital projects and capital asset additions for the remaining Enterprise Funds (Pelham Civic Complex and Ice Arena, Pelham Racquet Club, and Ballantrae Golf Club) will be funded through transfers from the General Fund.

DEBT SERVICE



Pelham

Debt Service

The City has the following debt for which payments have been budgeted for FY2021.

Series 2013-B

Series 2013-B was issued to refund Series 2003, for which proceeds were used for construction of the Golf Course with a portion of the proceeds going to the General Fund.

Series 2013-B General Obligation Warrants, dated August 8, 2013, are due in semi-annual payments through August 8, 2023, bearing an interest rate of 1.92%.

Series 2013-C

Series 2013-C was issued to refund Series 2005, for which proceeds were used for construction of the police and court building.

Series 2013-C General Obligation Warrants, dated August 8, 2013, are due in semi-annual payments through August 8, 2029, bearing an interest rate of 2.47%.

Series 2014

The Series 2014 Warrants were issued and transferred to the Pelham City School Board. The City has a note receivable from the School Board pertaining to the debt.

Series 2014 General Obligation Warrants, dated August 13, 2014, are due in semi-annual payments through February 1, 2035, bearing interest rates of 3.00% to 5.00%.

NOTE: A portion of the Series 2014 warrants were refunding during March 2021.

Series 2015

The Series 2015 Warrants were issued and transferred to the Pelham City School Board. The City has a note receivable from the School Board pertaining to the debt.

Series 2016 Warrants, dated December 30, 2015, are due in annual payments through February 1, 2040, bearing interest rates of 2.00% to 5.00%.

NOTE: A portion of the Series 2015 warrants were refunding during March 2021.

Series 2016

Series 2016 was issued to refund Series 2006-A and 2006-B, for which proceeds were used for construction of the Racquet Club, with a portion of the proceeds going to the Water & Sewer Fund and to the General Fund.

Series 2016 General Obligation Warrants, dated August 19, 2016, due in semi-annual payments through November 1, 2022, bearing interest rates of 3.00% to 5.00%.

Series 2021-A

The Series 2021-A Warrants were issued to be used to fund various capital projects within the City and to be used for Water & Sewer system improvements.

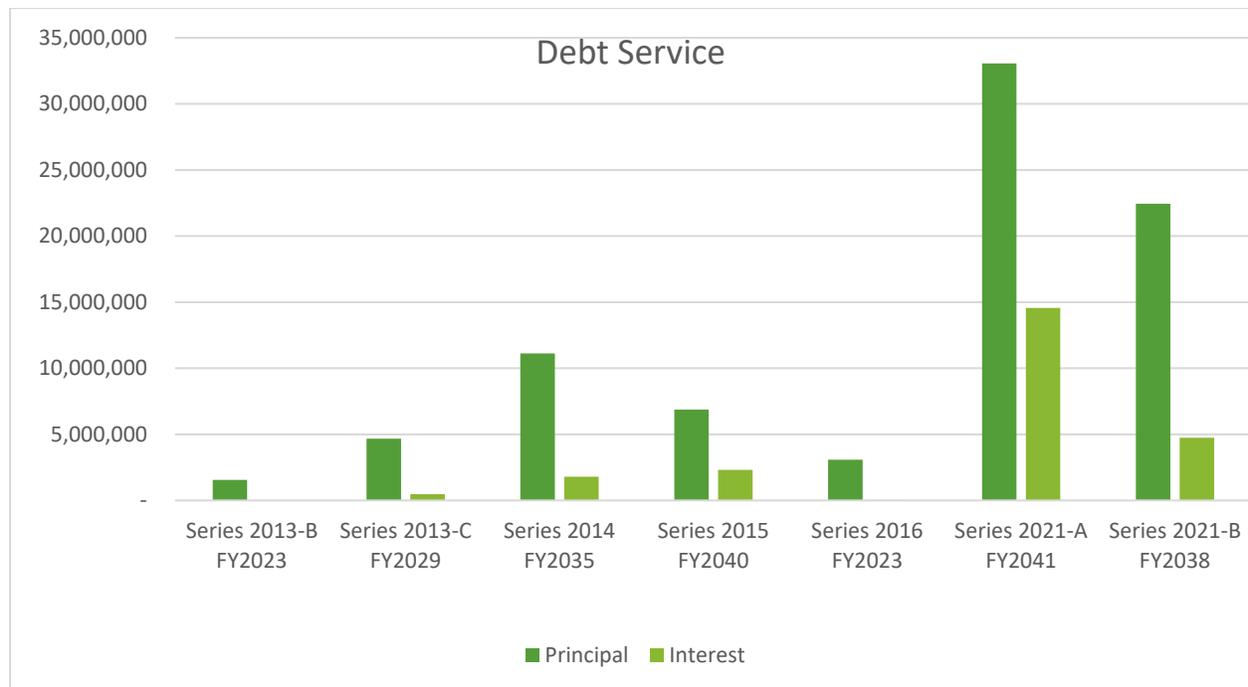
Series 2021-A General Obligation Warrants, dated March 23, 2021, are due in semi-annual payments through February 1, 2041, bearing interest rates of 3.00% to 4.00%.

Series 2021-B

The Series 2021-B Warrants were issued and transferred to the Pelham City School Board. The City has a note receivable from the School Board pertaining to the debt.

Series 2021-B Warrants, dated March 23, 2021, are due in annual payments through February 1, 2038, bearing interest rates of .2% to 3.2%.

The City’s current debt service with respect to warrants payable is as follows:



	Principal	Interest
Series 2013-B FY2023	1,552,638	29,985
Series 2013-C FY2029	4,668,678	476,116
Series 2014 FY2035	11,120,000	1,800,275
Series 2015 FY2040	6,880,000	2,310,656
Series 2016 FY2023	3,089,999	43,548
Series 2021-A FY2041	33,055,000	14,569,299
Series 2021-B FY2038	22,445,000	4,739,804
	82,811,315	23,969,683

The City’s current debt service by fund is as follows:

General Fund	Principal	Interest	Maturity Date
Series 2013-B	313,903	6,062	2023
Series 2013-C	4,668,678	476,116	2029
Series 2014	11,120,000	1,800,275	2029
Series 2015	6,880,000	2,310,656	2030
Series 2016	292,295	4,119	2023
Series 2021-A	16,826,589	7,416,476	2041
Series 2021-B	22,445,000	4,739,804	2038
	62,546,465	16,753,508	
Water & Sewer	Principal	Interest	Maturity Date
Series 2016	2,498,543	35,213	2023
Series 2021-A	15,156,804	6,680,503	2041
	17,655,347	6,715,716	
Golf	Principal	Interest	Maturity Date
2013-B	1,238,735	23,923	2023
Series 2021-A	428,643	188,928	2041
	1,667,378	212,851	
Civic Complex	Principal	Interest	Maturity Date
Series 2021-A	642,964	283,392	2041
	642,964	283,392	
Racquet Club	Principal	Interest	Maturity Date
Series 2016	299,161	4,216	2023
	299,161	4,216	

In addition to Warrants payable, the City has a capital lease agreement to finance cost associated with radio equipment upgrades for the Police Department (P25). The budget includes \$317,000 for current year principal and interest amounts due for the lease payment.

APPENDIX



Pelham

APPENDIX A

Road Resurfacing Project

Pelham FY2022 Resurfacing			
<i>Streets</i>	<i>Miles</i>	<i>Feet</i>	<i>Amount</i>
Cedar Cover Drive	0.32	1700	\$42,854
Cedar Cover Lane	0.32	1700	\$42,854
David Drive	0.44	2300	\$57,979
Elizabeth Drive	0.61	3200	\$80,667
Havenview Drive	0.09	500	\$12,604
Heather Ridge Drive	0.49	2587	\$65,214
High Crest Road	0.42	2200	\$55,458
Oak Forest Drive	0.3	1564	\$39,426
Oak Forest Trail	0.14	716	\$18,049
Oak Forest Way	0.21	1105	\$27,855
Whitetail Run	0.15	800	\$20,167
	<i>Tons</i>	<i>Feet</i>	<i>Amount</i>
High Hampton Drive (Undercut, Patch 130 Tons), Resurf	130 Tons	500	\$22,750
High Hampton Lane (Undercut, Patch 75 Tons, Resurf)	75 Tons	275	\$13,125
	TOTAL		<u>\$499,002</u>

APPENDIX B

ARPA Funding Uses

General Fund		
Wayfinding for Park	33,000	Capital
City Hall Renovation	780,000	Capital
2022 Annual Paving	500,000	Capital
Message Boards (2)	22,939	Capital
FARO Reconstruction Instrument	59,912	Capital
JAMAR Radar Systems (2)	9,400	Capital
New Flock Cameras (25)	69,000	Capital
(2) Autopulse CPR Devices	30,000	Capital
PTZ and LPR Cameras (GL 422711)	122,000	Operating
Bulletproof Vests (45) (GL424011)	27,450	Operating
Uniforms (424011)	55,000	Operating
EMS Supplies and Training Equipment (GL 433521)	55,000	Operating
Firehouse Software (GL 422821)	16,550	Operating
Turnout Gear - 20 Sets (GL424521)	66,000	Operating
Uniforms (424021)	34,987	Operating
Activenet Software - Parks (GL 422703)	35,000	Operating
Permanent Pickleball Lines on Court (411003)	8,000	Operating
Concrete Floor Refinishing (411003)	3,000	Operating
Countertop (ADA Compliant) - Senior Center	2,000	Operating
Civic Complex		
Banquet Hall Restroom Renovations	100,000	Capital
Banquet Room Carpeting	60,000	Capital
Wallpaper Removal and Wall Repair and Painting	125,000	Capital
Civic Complex Drop Ceiling	125,190	Capital
LED Lighting Upgrades	41,730	Capital
Additional Parking - West	40,000	Capital
Racquet Club		
Walkway Lighting Upgrades	40,000	Capital
Conceptual Design - Racquet Club Lobby	7,500	Capital
Hard Court Resurfacing	30,560	Capital
Ballantrae Golf		
Hole 18 Bridge	20,000	Capital
Clubhouse Grill Entrance Improvements	50,000	Capital
Clubhouse Building Improvements	270,000	Capital
Total	<u>2,839,218</u>	

NOTES



Pelham



Pelham



Pelham



