

FY 2025 |



# BUDGET PRESENTATION BOOK



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A path apart.

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# INTRODUCTION



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# ELECTED LEADERS



Gary W. Waters  
Mayor



Maurice Mercer  
City Council President



David Coram  
City Council Place 1



Chad Leverett  
City Council Place 2



Rick Wash  
City Council Place 3

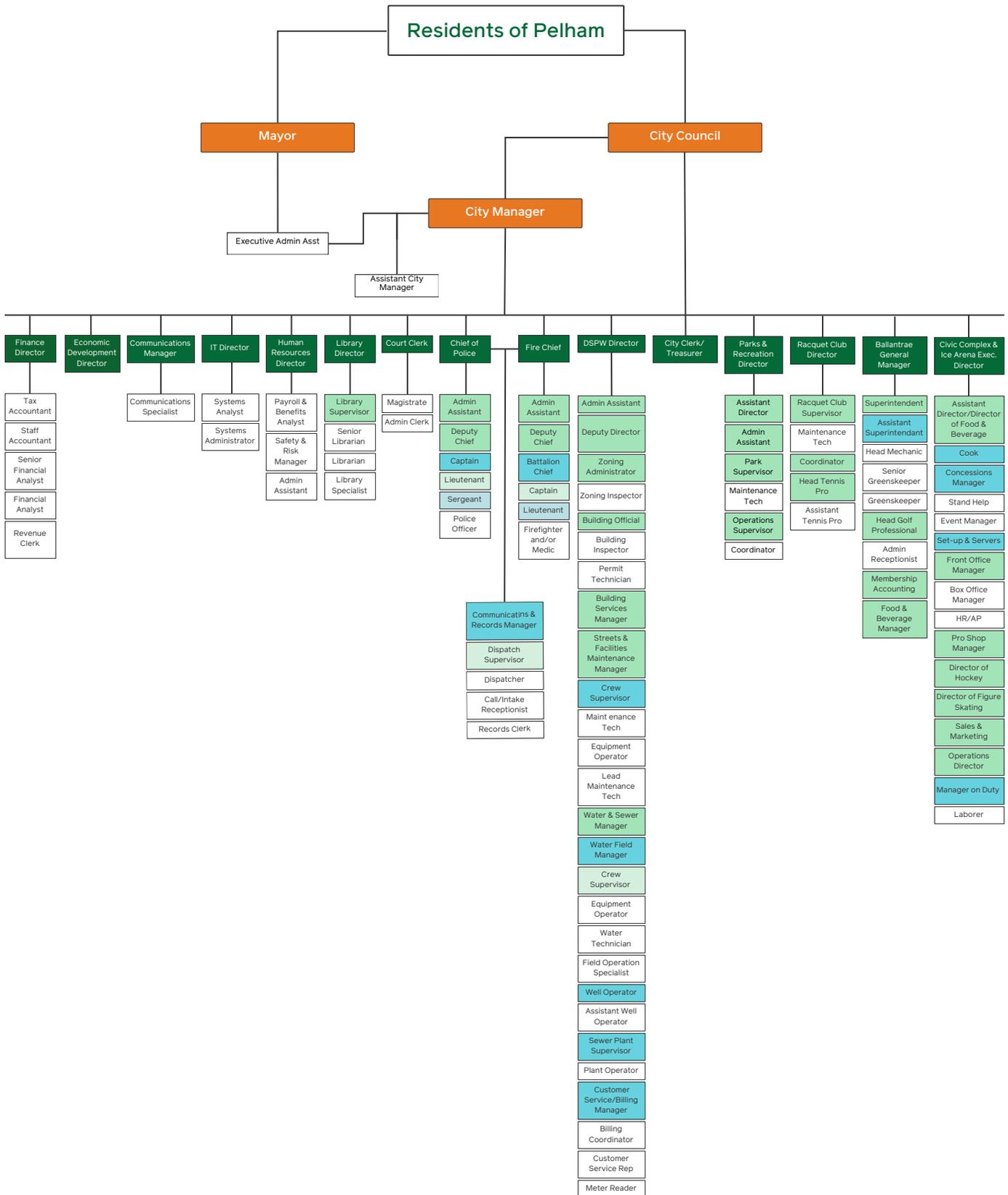


Michael Harris  
City Council Place 5

# CITY STAFF LEADERSHIP

Gretchen DiFante	City Manager
Justin Smith	Assistant City Manager
Ainsley Allison	Communications & Branding Manager
Andre` Bittas	Development Services & Public Works Director
Jennifer Bridwell	Court Clerk
Hal Brown	Ballantrae Golf Club General Manager
Mary Campbell	Library Director
Brian Cooper	Parks & Recreation Director
Chuck Crocker	Information Technology Director
Seth Greenberg	Pelham Civic Complex & Ice Arena Executive Director
Tracy Hill	Human Resources Director
Chaney Mills	Pelham Racquet Club Director
Mike Reid	Fire Chief
Tom Seale	City Clerk/Treasurer
Michael Simon	Economic Development Director
Brent Sugg	Chief of Police
Jamie Wagner	Finance Director

# ORGANIZATIONAL CHART



# PELHAM AT A GLANCE

Pelham is home to Oak Mountain State Park, Alabama's largest. With 11,584 acres, visitors enjoy fishing, swimming, hiking, mountain biking, golfing, wildlife attractions, and so much more. In addition to Oak Mountain, Pelham offers a diverse mix of recreational and entertainment options. Oak Mountain Amphitheater draws in Grammy-award-winning bands and musicians from around the country. The Pelham Civic Complex & Ice Arena is home to The Birmingham Bulls, a Southern Professional Hockey League team, and the Magic City Soccer Club, the latest addition to the National Indoor Soccer League. The Pelham Racquet Club hosts an annual United States Tennis Association Pro Circuit women's tournament that attracts top players from around the world. Ballantrae Golf Club is a favorite for both residents and visitors amongst public golf courses in Birmingham. Pelham's municipal parks and recreational offerings are unmatched. The Greenway Trail connects our city in a way no other city can claim. Our Pelham City Park complex features a tennis center, recreation center, outdoor basketball and sand volleyball courts, a splash pad, baseball, softball, football fields, and a dog park.

Pelham has experienced significant economic growth in recent years, making it an attractive location for businesses of all sizes. The city has a diverse economy, with thriving industries in healthcare, education, retail, and hospitality. While Pelham's population of 24,000 allows us to retain our small-town feel, we have two exits off Interstate 65, offering convenient and easy access to Birmingham, Atlanta, and the beautiful beaches of South Alabama. Our scenic neighborhoods offer a retreat from the busy world. It's a wonderful place to call home and a great place to visit.

Incorporated in

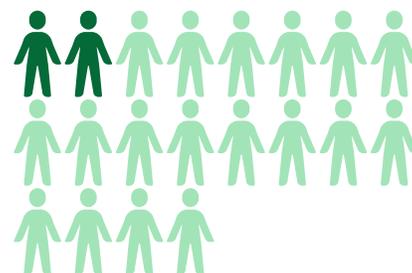
1964

38.3  
square miles

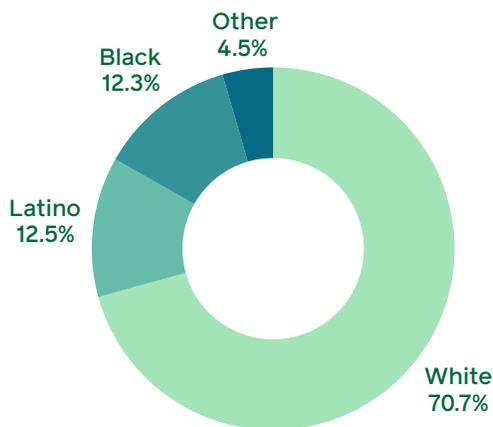
POPULATION

25,412

A 4.8% increase from  
2020



## RACIAL/ETHNIC BREAKDOWN



84%

Owner-occupied housing units

\$215,700

Median home value (2017-2021)

MEDIAN HOUSEHOLD  
INCOME **\$94,108**

In 2022 dollars



EMPLOYMENT  
RATE **67.1%**



# BUDGET INTRODUCTION

The City provides several services for residents and businesses to enhance the quality of life for those living, working, and visiting the City. The quality of public services also helps to attract investment. These services are expensive, and the prioritization and funding processes require the coordinated efforts of the City Council, Mayor, City Manager, and all members of management. The City receives funds from various sources, which constitutes its revenue. The costs for public services are termed expenditures.

The City Manager is responsible for recommending a balanced budget to the City Council and Mayor. To inform the budget, the City Council sets the direction for the City and establishes priorities. The City Manager recommends a budget after thorough analysis to ensure consistency with the priorities established by the Council. Several factors go into setting those priorities, including critical infrastructure needs, citizen input (most recently garnered through a comprehensive plan, citizen surveys, and a park and recreation master plan), 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, Finance Director, and Director of Development Services then present the proposed budget to the Council Finance Committee, which consists of two Council members. Next, the City Manager and Finance Director present 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 operational roadmap for the year.

The City's fiscal year (FY) runs from October 1 through September 30, and FY 2025 signifies the period between these dates. The City's budget includes financial information from the Governmental Funds and the City's Proprietary Funds. The following provides a brief overview of these funds as they pertain to the City's budget.

## Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Governmental funds are classified into five fund types: general, special revenue, capital projects, debt service, and permanent funds.

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

Special Revenue Funds account for and report the proceeds of specific revenue sources restricted or committed to expenditure for purposes other than debt service or capital projects.

Capital project funds account for and report financial resources restricted, committed, or assigned to expenditure for capital outlays, including the acquisition of new and investment in existing facilities and other capital assets. The financing for capital project funds comes from several different sources, including general obligation bonds, grants from the state and federal government, and appropriations from the general or special revenue funds.

## 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 "business units." These include Water and Sewer Departments, Garbage Collection Operations, Pelham Civic Complex & Ice Arena, Ballantrae Golf Club, and the Pelham Racquet Club. These City operations are financed and operated similarly to private enterprise. User charges and impact fees recover the 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 significant indirect impact on the City's total revenue. This is commonly called 'economic impact,' which 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, the City supplements the shortfall in the "bottom line" of these operations with monies from the general fund.

The second type of proprietary fund is an Internal Service Fund. They account for financing services and supplies from one City department to another on a cost-reimbursement basis.

# BUDGET INTRODUCTION

## Where does the money come from?

### The General Fund

The City has multiple revenue sources to support operations, capital projects, and capital outlays. Sales and use taxes are the largest revenue source in the City's General Fund, providing 70% (\$44.5 million) of revenue. The total sales tax rate for purchases made within the City is 10%, which includes 4% appropriated to the State, 5% to the City, and 1% to Shelby County.

The second largest revenue source for the General Fund is Property Taxes, which provided 16% (\$10.2 million) of revenue. The third largest revenue source is Business Licenses and Permits, which provided 9% (\$5.4 million) of revenue. The remaining 6% comes from fines and forfeitures, charges for service, other sources, and interest income.

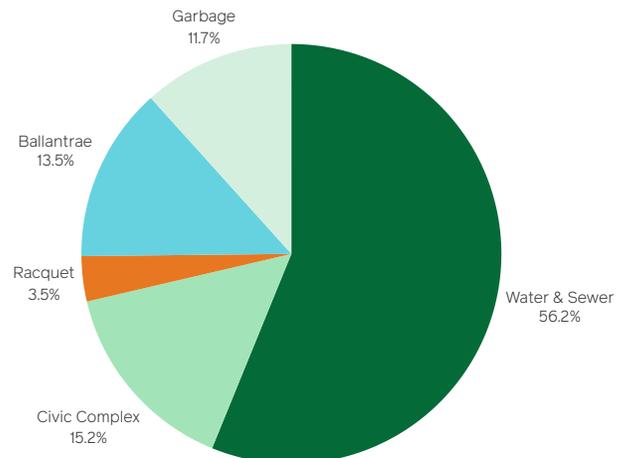
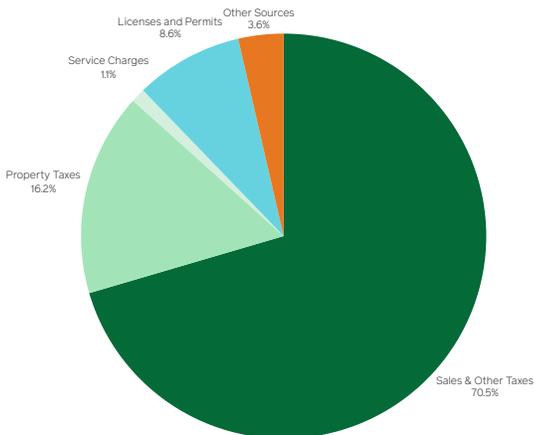
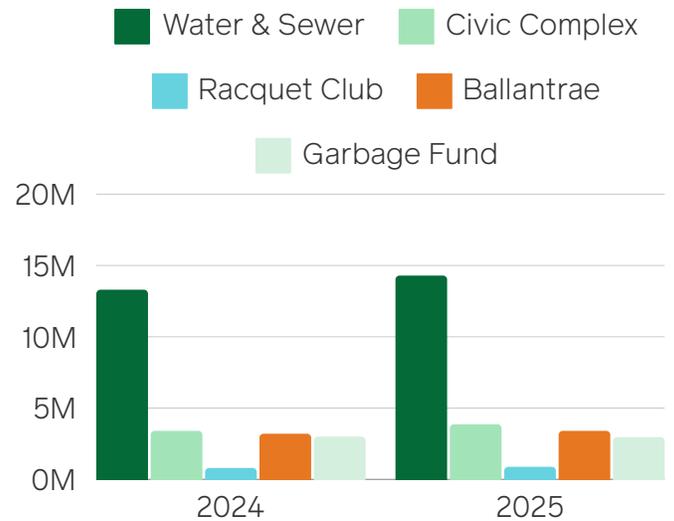
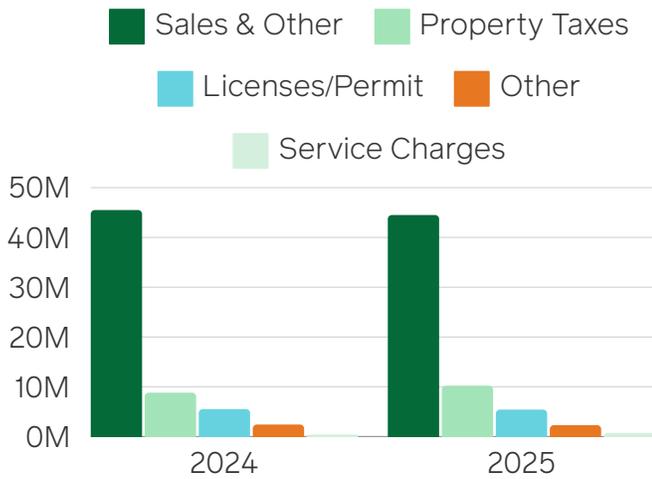
### Proprietary Funds

Water and Sewer revenues are generated primarily by service charges and tap fees determined by the City Council.

Most revenues for the Pelham Racquet Club and Ballantrae Golf Club come from lessons, memberships, and customer fees.

The Pelham Civic Complex & Ice Arena derives its revenues from rentals, food and beverage sales, and events.

The Garbage Fund collects its earnings from billing customers. This money is then transferred to the Cahaba Solid Waste Disposal Authority.



# BUDGET INTRODUCTION

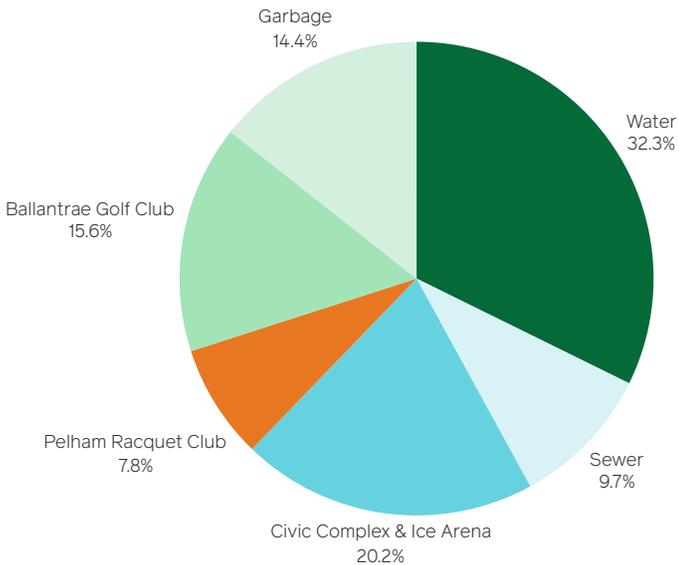
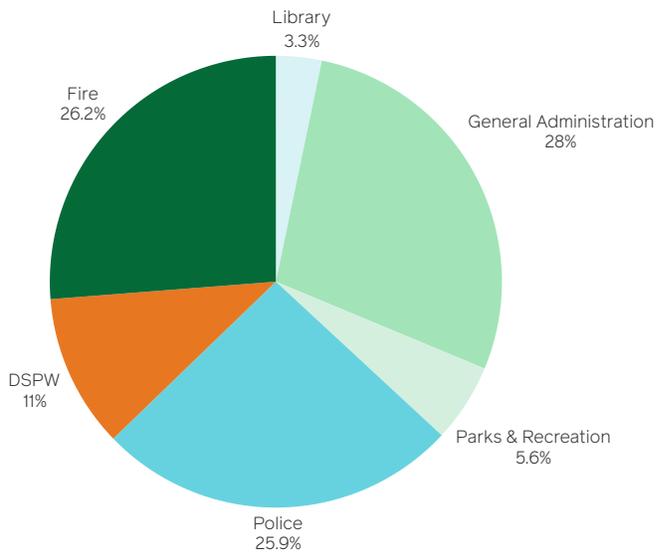
## Where does the money go?

### The General Fund

Once the government collects taxes and other revenues, the resources must be spent effectively to provide essential services to citizens and businesses. The General Fund finances the regular day-to-day operations of the City; therefore, it is the primary focus of this section.

This chart (right) provides a general breakdown of operating expenses by function for the General Fund's proposed budget. Governmental function means any regulatory, legislative, permitting, zoning, enforcement (including police power), licensing, or other tasks that the City is authorized or required to perform in its capacity as a municipality in accordance with applicable laws.

General administration includes costs for the City Council, Mayor, City Manager, Finance, Information Technology, Human Resources, Court, Communications and Branding, Economic Development, City Clerk, and the City Attorney. The education tax payment to Pelham Board of Education is accounted for in general administration. Development Services and Public Works (DSPW) includes Streets, Landscape and Facilities Maintenance, Engineering, and the Building and Zoning Department.



### The Proprietary Funds

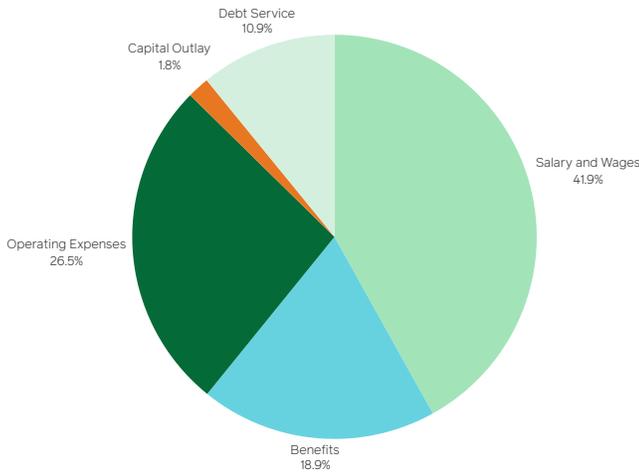
Enterprise or proprietary funds are accounting and reporting entities for a business-type activity separate from the taxpayer-supported General Fund and involve a municipal service supported wholly or primarily by user fees. The independent accounting and reporting of such an entity allow the City to balance the service's specific costs, which typically involve the maintenance of capital infrastructure, with the revenues generated from the related user fees. Resources of an enterprise fund cannot be diverted to other unrelated uses.

General management of all enterprise operations is provided by the City Manager's office, along with more specific administrative services from the Development Services and Public Works (DSPW) (for Water, Sewer, and Garbage operations) and the Directors (for Recreation operations). This permits the City to better track the revenues and expenditures of the recreation operations and gives the Directors more flexibility in adding or changing program offerings. The chart (left) is a general breakdown of operating expenses by Enterprise Fund for the proposed budget.

# BUDGET INTRODUCTION

The charts below provide a general breakdown of spending by category for the proposed budget. The City uses the revenue it receives to provide a variety of services to the community. The residents of Pelham expect superior service and accountability for their tax dollars. Therefore, the City has created a budget that provides high-quality services in a manner that is cost-effective and respects the tax dollars we collect.

## General Fund Expenditures by Category



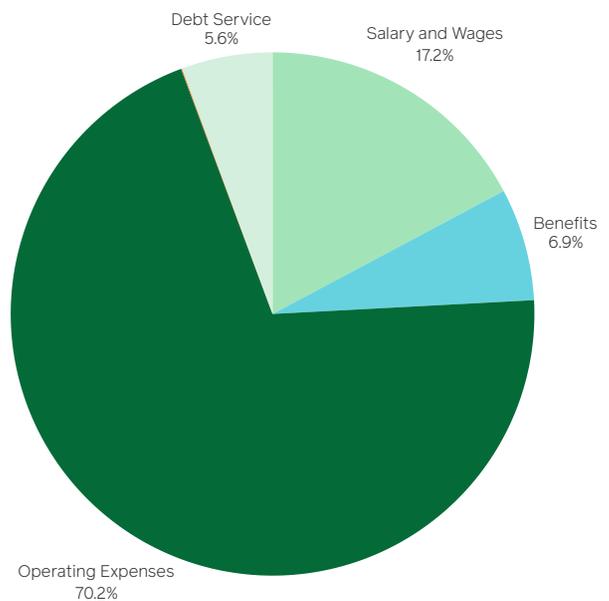
The budget is designed to achieve the key goals outlined by the City Council as reflected in the comprehensive plan and input from the citizen survey. Among those goals are to maintain current service levels, enhance infrastructure, and retain a talented workforce. To ensure Pelham stays competitive in recruiting and retaining employees, the City budgeted for a 3% cost of living raise.

The City's annual revenues are typically not adequate to finance all the expenditures proposed and approved by the City Council. Expenses that benefit citizens long-term generally have significant costs, and it is reasonable to spread those costs over several years. Some projects, such as a new building, extensive road construction, or utility improvements, are not affordable with current year revenue alone.

The City can fund those projects by borrowing and/or taking funds from reserves (discussed later). Financing allows the City to spread costs associated with large projects over many years, keeping the annual expenditures related to these projects affordable.

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

## Proprietary Funds Expenditures by Category



# BUDGET INTRODUCTION

## Long-term Planning

The budget can be about more than just providing public services to improve Pelham's quality of life each fiscal year. 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 for these things, which are reflected in the current budget.

## Money with "Strings Attached"

Some city revenue has "strings attached," 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

Like most responsible people and organizations, the City has a "rainy day fund," or money set aside to help the City continue providing services and fulfilling commitments when revenue is inadequate. These funds help protect against budget risk. The budget refers to these as financial reserves and fund balance reserves. Some reserves are available to spend as the Council wishes (unassigned), and others are earmarked by federal and/or state laws for specific purposes.

As a further responsible and practical management practice, the City also keeps cash reserves in mind during long-term capital planning. Cash reserves provide more financial stability and create greater confidence among the public and city leaders.

## 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 and the City's 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 the information in this budget document is intended to educate and promote accountability and transparency.

Like most industries, government budgeting and accounting have a professional organization governed by best practices. That organization is the Government Finance Officers Association (GFOA) for government finance. The City became a member of GFOA in 2018 and is working towards adopting industry best practices. For more information, visit [www.gfoa.org](http://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](http://www.gasb.org).

## Capital Projects Fund

The Capital Projects Fund provides funding for property acquisition, infrastructure improvements, and capital improvements. The City knows that capital improvements made in the areas of recreation and infrastructure will make Pelham a desirable place to live and work and encourage private development in the local economy. Projects appearing in the Capital Projects Fund are paid for through various funding sources, including the General Fund, current and planned borrowings, other city funds, grant funds, development agreement funds, or water and sewer funds. Among other information, a capital budget should identify the method of financing each recommended expenditure.

Capital Project Funds are used for the various departments' capital outlays for projects for which the amount expended is significantly large enough to create disparities when comparing departmental expenditures over several years. By accounting for large dollar capital projects within this fund, multi-year expenditure comparisons of departmental operations are more clearly "apples to apples." Some capital will remain part of the departmental expenditures within the city operating funds. These capital items are usually everyday items such as vehicles and equipment needed to complete daily tasks. The expenditures are generally not of a long-term project nature.

## Budget Monitoring

The City Manager, Finance Director, and budget staff monitor revenues and expenditures monthly during the fiscal year and review progress on departmental initiatives. The City Manager holds department heads accountable for their department's overall budgetary performance. Careful budget administration typically results in changes to fund balances that are better than budgeted.

# BUDGET SNAPSHOT

	FY 2024 BUDGET PROJECTION	FY 2025 REVISED BUDGET
<b>Revenues</b>		
Taxes		
Sales tax	44,795,852	43,722,126
Property tax	8,852,984	10,238,186
Motor Vehicle/Gas tax	529,508	529,508
Other tax	206,402	254,254
Licenses and permits	5,489,759	5,433,300
Fines and forfeitures	360,175	305,000
Charges for services	23,785,617	25,771,379
Interest income	1,866,765	1,924,351
Other	9,164,486	2,436,276
<b>Total revenues</b>	<b>95,051,547</b>	<b>90,614,381</b>
<b>Expenditures</b>		
General administration		
Administrative	-	-
City Manager	392,805	542,906
Mayor	264,115	82,144
City Council	149,972	163,732
Court	735,584	903,765
IT	2,119,777	2,425,598
Human Resources	1,859,761	2,085,208
Finance	964,538	946,508
Economic Development	836,262	747,328
Communications & Branding	378,473	542,095
City Clerk	5,440,548	4,832,750
Library	1,420,361	1,547,675
Parks & Recreation	2,845,770	2,658,949
Police	11,434,236	12,259,096
Fire	11,394,621	12,427,569
DSPW	4,372,650	5,205,632
Water & Sewer Fund	8,782,188	9,129,464
Civic Complex & Ice Arena	4,026,755	4,384,158
Racquet Club	1,683,044	1,699,421
Ballantrae Golf	3,265,249	3,387,237
Pelham Garbage	3,119,396	3,119,396
	<b>65,486,106</b>	<b>69,090,630</b>
<b>Revenues less expenditures</b>	<b>29,565,441</b>	<b>21,523,750</b>

# BUDGET SNAPSHOT

	FY 2024 BUDGET PROJECTION	FY 2025 REVISED BUDGET
Capital Outlay (Bond Projects Added)	81,899,021	18,763,053
Debt service	-	-
Principal retirement	4,722,838	5,208,765
Interest	2,108,028	1,990,473
Total capital outlay and debt expenditures	88,729,888	25,962,292
Excess (deficiency) of revenues over (under) expenditures	(59,164,447)	(4,438,541)
<b>Other financing sources (uses)</b>		
Committed Fund Balance	-	(2,898,000)
Proceeds from Other Financing	30,828	1,000
Interfund Capital Transfer (In/Out)	25,831,324	1,083,000
Interfund Operating Transfer (In/Out)	1,390,789	897,181
Total other financing sources (uses)	27,252,941	(916,819)
Net change	(31,911,506)	(5,355,361)

## Special Revenue

Use of Committed Reserve Funds or Special Revenue will be noted throughout the budget book as it relates to a direct expense. Additional information regarding Committed Reserve Funds and Special Revenue Funds is provided in this Budget Book's Funds & Departmental Detail Section.

# MESSAGE FROM THE CITY MANAGER

Honorable City Council Members,

It is my privilege to present the proposed FY 2025 budget for your consideration.

This year has been one of waiting for so many things. After all the work done to secure the largest federal railroad grant in the nation, we are still waiting on the next steps from the federal government. After the excitement of finally securing the funding for HWY 261, we are still waiting for the courts to go through the condemnation process for at least 20 properties so the project can begin. We are waiting to hear about our FEMA buyout grant and are still hoping this fall will bring us an answer. After all the approvals for the next phase of the Pelham Greenway Trail, we made it through the unwieldy number of steps required for federal funding, and we are still facing environmental delays. I'm sure the public must feel the government moves at a snail's pace, and I can assure the public that to the staff, it certainly seems like that. Things move so quickly when the city finances its projects and doesn't have to perform work outside of the land owned by the city. However, when we need to rely on state or federal funding and perform work in someone else's right of way (be it ALDOT, Alabama Power, or a private business), progress seems to drag.

Still, we remain focused and move on to the next dozen projects, knowing that if we halt forward progress, we stop progress in our city for our citizens. A couple of weeks ago, at about 5:30 p.m., I was sitting in my office with four department heads, and one of them remarked that in their previous city, all employees were in their cars by 5:00 p.m. This leader continued to say that in Pelham, we never seem to stop working to make things better, and we never seem to stop striving to be better. This statement took me aback, and I became concerned that we might be working people too hard. I replied that this person must be exhausted by the environment at Pelham, to which they replied, "No, I love it!" It's incredibly rewarding to look for ways to strive for excellence and improve what we do daily. It's truly the icing on the cake to have the opportunity to recruit, hire, and work with others who share that passion.

So, while we continue to wait for progress on some things, this year, we saw Park 124 open, watched our new police chief tackle some major issues with patience, steadfastness, and humor, and had the privilege of observing that department change to become a place where training, integrity and a commitment to excellence are finally rewarded. We have seen our fire department prepare for EMS transport with the same determined concern for the safety of our citizens they put into all they do. We have watched Chuck Crocker, who we worked so hard to recruit, build the team he promised he would as he brought technology in-house. I ran into one of the employees Chuck recently recruited from the City of Tuscaloosa, where Chuck was the previous IT Director. When I asked this employee why he commuted from the other side of Northport every day to work in Pelham, he replied that Chuck was the best leader and manager he ever had. When Chuck told him about the environment in Pelham, he knew he wanted to join the Pelham team.

We also completed the consolidation of maintenance, something I have wanted to do since my first year as your manager. As it turns out, one of our most senior employees, Grant Sasser (yes, he started when he was ten), was asked to lead that initiative, and he agreed. There are only a few people, if any, I have come to know throughout my career who could take three separate departments with three very different cultures, put them together, quickly build trust, and make it work. Grant Sasser is that guy. Actually, Pelham is full of people like Chuck and Grant, and I wish the residents could get to know each of them. They are a group of people dedicated to excellence, dedicated to service, and dedicated to others. They are true public servants. We are creating a culture where employees are vulnerable, accept responsibility for mistakes, and work hard to improve.

We are starting our Pelham University this upcoming year with customer service training. Our goal is that every employee takes personal responsibility for delighting our customers, whether in one's job description or not. I can't wait to see all the ideas employees come up with to improve our service in every area.

A great organization starts at the top, and Mayor Waters and each of you set that standard and make it easy for us to do our job. Thank you for your investment in Pelham and its staff.

The following pages comprise the City Manager's message, which provides an overview of priorities and reasoning used to estimate revenues and expenses for the upcoming budget year.

# BUDGET PRIORITIES

## Citizen Survey Priorities

In 2022, the City conducted its first Citizen Satisfaction Survey to inform budgeting priorities. The survey allowed us to obtain a baseline measurement of our residents' perceptions and has been used to inform budget priorities for the third consecutive year. To further commit to the voice of the resident's importance in the budget, the 2025 city manager's budget reflects the cost of conducting the City's second citizen survey. The Council has concentrated on ensuring the budget's top priorities are aligned with the wants and needs of the residents. The top priorities from the 2022 survey were stormwater management, traffic congestion, and road and facilities maintenance. These priorities are evident throughout the FY 2023 and 2024 budgets, and the FY 2025 continues that focus as outlined in the budget priorities below and on the following pages.

## Traffic Management

The City continues to upgrade traffic signals by utilizing two programs. The state's Regional Traffic Operations Program (RTOP) allowed Pelham to take advantage of grant funds to upgrade signals addressing traffic congestion and safety. Imaging and thermal detection technology was installed at 12 intersections to improve signal timing and synchronization. This technology replaces in-ground loops, which are more complex and costly to repair and maintain. These cameras can count traffic, allowing us to know how long cars wait to make turns or sit at red lights. Having this data enables us to alter timing to improve traffic flow. The sales tax increase allowed the Council to double the number of intersections receiving this upgrade in FY 2024. This technology has also been installed on CR-52. The signals installed west of I-65 are controlled by RTOP, and the City controls signals east of I-65. In the FY 2025 budget, the remainder of the signals on US-31 will receive this new technology to complete the remaining intersections.

## Emergency Medical Transport

After thoroughly evaluating all possible scenarios to improve emergency transport services, the City Council approved in-house emergency transport services following Shelby County's announcement that it would fund three ambulances for Pelham. As we prepare to bring on emergency transport, our paramedics carry blood, conduct pre-hospital ultrasound, and perform rapid sequence intubation, making Pelham Fire Department the #1 critical paramedic service in the state, and our CPR resuscitation rate is at 54%. In comparison, the national average is 24.9%.

Pelham will expand its automatic aid agreements with Alabaster, Helena, Chelsea, and Hoover to ensure the most timely ambulance services are available to our citizens. As hospital wait times continue to increase, leaving ambulances and paramedics held up at hospital emergency rooms and unavailable to respond to calls, Pelham is leading the initiative to engage with local partners for results. Groups of multi-jurisdictional leaders will meet collectively with hospital administrators to discuss wait times and provide quarterly reports insisting on continuous improvement. We are also implementing priority dispatching, so we don't require an ambulance to start for every call, no matter the situation.



# BUDGET PRIORITIES

## Technology in the City

At the end of FY 2024, the City transitioned from externally managed IT services to a professional in-house team. Bringing technology management in-house helps us become more responsive and improves systems security. In August of 2024, the City hired a public safety technology expert to perform the duties formerly accomplished by a police lieutenant and a fire department battalion chief. While that additional cost shows up in the IT budget, the resources have been freed up in public safety, allowing these public safety professionals to devote 100% of their time to police, fire, and EMS duties.

The IT budget also took on the cost of GIS, which was formerly in the DSPW budget, and hired a seasoned professional to manage the Munis relationship and ERP system, ensuring the City continues to make the most of its \$1 million investment in an integrated system utilizing data and best practices to make sound management decisions.

## The Results of Continued Investment in Infrastructure

The FY 2024 budget saw investments in Ballantrae's golf cart paths, bunkers, and expanded and enclosed outdoor patio areas. The City is thrilled to report that for the first time, revenues at Ballantrae fully cover operations as Ballantrae continues to break records for rounds played and maintains a membership waiting list. The FY 2025 budget includes minor repairs on course roofs and storage areas, which will complete the renovation of Ballantrae.

Pelham Racquet Club (PRC) was recognized by the United States Tennis Association as a 2024 Outstanding Facility Award winner for its excellent maintenance, aesthetics, amenities, and participation in grassroots tennis programs. Following a major renovation in FY 2024, the PRC completes its infrastructure improvements with the replacement of the last portion of the floor.

While the FY 2025 budget does not include capital expenses for the Civic Complex & Ice Arena, recent investments include the new HVAC systems and ice plant, which will result in improved ice quality and reduced utility costs. The City's management company partner, Venuworks, continues to reduce the supplement needed from the City's general fund while adding events like the professional rodeo and extreme ice racing. In addition, attendance in public skating sessions has nearly tripled while participation in hockey and figure skating programs for all ages is on the rise.

## Annual Expenses

The City Council continues its commitment to use funds from the sales tax increase to complete \$1.25 million in annual paving projects. This is up from a previous annual commitment of \$500,000. The FY 2025 budget also reflects the annual commitments to ADA sidewalk compliance and drainage infrastructure improvements.

Projects new to this budget include two new rain gauges along the creek to more effectively monitor creek levels, especially during storm conditions. The parking lot just west of the Pelham Civic Complex & Ice Arena will also be paved with sidewalks and lighting installed. The Pelham Greenway Trail from Campus 124 to the Pelham Civic Complex & Ice Arena parking lot is slated for completion in FY 2025, ensuring the safety of pedestrians and cyclists.



# BUDGET PRIORITIES

## Investment in Our Parks

The City Council directed the City Manager to try to complete the fourth major project in the park over two years. In FY 2024, the City opened the new playground beside the splash pad and restrooms on the north side of City Park, which were constructed in FY 2023. The FY 2025 budget has design work for a batting cage facility and entrance to the baseball complex, along with paving and new restrooms. The second project is to convert the large grass baseball diamond into a multi-use three-field synthetic turf area. This budget includes the design of both projects, which are projected to cost nearly \$4 million. The City Council directed \$2 million from revenues to be placed into the existing Parks & Recreation Reserve Fund. Along with the nearly \$1 million already in the fund, at least one of the baseball complex projects can be fully funded with significant savings towards the cost of the second project.

This budget also covers the construction of two extra pavilions at the splash pad. Birthday parties in the pavilion quickly became popular, and the two additional spaces will enable more residents to hold parties in the park.

Two additional pickleball courts, solar lighting and a combination pavilion/restroom facility are to be installed at the Pelham Senior Center.

Other park expenses in the FY 2025 budget include the purchase of a six-seat golf cart to transport those needing assistance at the growing number of public events in the park.

In wrapping up the next investments in our parks, paving, ADA-compliant sidewalks, and wayfinding signage will enhance safety and provide better connectivity when traveling between facilities.

## Pelham Public Library

The library will install a more functional and ADA-friendly front desk. As with the park, library programs continue to grow in number and attendance, and the City is continuously looking for ways to make residents and visitors feel more welcome and comfortable.

## Pelham University

The budget has funds to support starting Pelham University, an umbrella under which we will place all employee training. We'll kick off with customer service training for half of our workforce in FY 2025. Every employee will receive 18 hours of intensive customer service training led by the Auburn University Government and Economic Development Institute as a new offering by the Alabama City and County Management Association. We want to build on our culture of excellence, acknowledgment and ownership of mistakes, and determination to improve all we do for every customer, whether it's in our job description or not. We look forward to seeing the improvements our employees come up with simply by being encouraged and receiving some investment in skill building.



# BUDGET PRIORITIES

## Investment in City Staff

The City Council believes investment in city staff is important to attracting and retaining the best and the brightest. Just as in the private sector, competition for excellent employees is fierce, and the City Council asked the City Manager to complete a compensation study. Like all professional compensation studies, the City's began with an analysis of the job descriptions to ensure the duties in the job description were illustrative of those duties performed by the employee. The City contracted with Human Resource Management (HRM) to perform a study that looks at job descriptions (not titles) and compares them to similar jobs in like organizations. HRM purchases the same studies used by organizations in the private sector, and Pelham employees are benchmarked against government jobs in organizations in our area of the state, with cities with a similar number of employees, and in some cases, are benchmarked against private sector jobs with organizations of similar size. For example, engineering is a highly competitive field with very few engineers working in the public sector, and we have to benchmark against the private sector to recruit an engineer from either a private company or another government entity.

## Goal of 50th Percentile

The Pelham City Council's goal with compensation over the past ten years is for all non-public safety employees to be in the 50th percentile (P50) of the market, with public safety employees in the 80th percentile. While the City is not quite there, we are down to only ten positions still below P50. When the city first started this process, we had 27 positions below P50, and we have made significant progress in this area.



## Total Compensation

Salary is just one factor of total compensation, and the City Council directed the City Manager to look at the possibility of the City contributing more towards employee healthcare premiums, citing one Shelby County city that is paying 95% of healthcare premiums. After thorough research into multiple cities across the state as well as polling cities to see what managers, administrators, and mayors were proposing for cost of living adjustments and benefits, the manager recommended a 5% increase in healthcare premiums paid by the City, which with an expected 5% increase in those premiums, would leave employees paying what they paid the previous year. The City Manager pointed out that while another city pays 95% of healthcare premiums, it is well below the 50th percentile of the market in almost all of its salaries. The manager did not advise taking on more than the additional 5% for premiums unless the City Council wanted to adjust its salary goals. This proposed budget reflects that recommendation.

## Cost of Living Adjustment

We recommend a 3% cost of living adjustment in the salary budget. While the cost of living is significantly higher, with the compensation study, the HR director pointed out that the salaries were aged forward to January. In learning that most of the surrounding cities were giving at least a 3% COLA beginning October 2024, this budget proposes a 3% COLA beginning in January 2025. City management believes this approach will help the city remain competitive with total compensation.



# MESSAGE FROM THE CITY MANAGER

In closing, I must remind you of the tremendous amount of work to develop a budget of this size and scope. 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. As we see so many government entities struggling with communication, transparency, and trust, I want to extend a special thanks to the Pelham team, which works tirelessly each day to do what is right for our citizens. I wish every citizen could attend a staff meeting and see firsthand the group of excellent professionals managing your city. We are so fortunate to have a mayor and a council who believe in fiscal conservatism and understand that we have to invest in infrastructure, equipment, technology, and people to be excellent.

I want to extend a special thank you to our Director of Development Services and Public Works, Andre Bittas, who has managed millions of dollars in capital projects with wisdom and expertise, especially during a time when planning and purchasing for projects is so difficult. To our Finance Director, Jamie Wagner, who came to us from another city just two years ago and walked into the middle of a financial software implementation and still manages to continuously analyze all we do to make it more efficient and just plain better. Jamie is joined by an excellent group of professionals in the Finance Department who do what is necessary to make our budget process easier, more efficient, and more transparent each year. I want to thank our tax accountant, Phil Brashier, who is continuously studying our revenues as well as national and state financial trends to provide excellent information that leads to thoughtful revenue estimates, as well as Allison Gailey and Megan Freeman, our accounting professionals who stop what they are doing to respond to dozens of questions throughout the budget process and who provide coaching with unwavering patience and a smile, and to Tammy Walker and Becky Wallace who keep things in finance moving so the team can focus on the budget.

I would also like to thank Candy Porter, the hardest working, most talented benefits and payroll professional I have ever had the pleasure of working with, and our Communications Manager, Ainsley Allison, who always manages to make all our chaos look good.

On behalf of the entire city staff, I'd like to thank Mayor Gary Waters for his unyielding support and for reminding us that this is the Best of Times and the City Council for its vision and leadership. Great things are happening in Pelham, and being in this together is always a privilege.

Sincerely,



City Manager



# FUNDS & DEPARTMENT DETAIL



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A path apart.

# PROPOSED FY 2025 BUDGET OVERVIEW

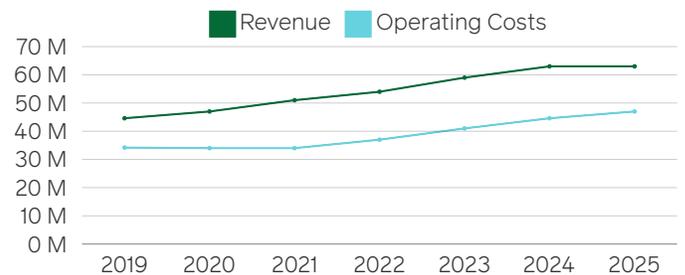
The Government Finance Officers Association has issued a best practice for adopting a structurally balanced budget, described as a budget where recurring revenues are sufficient to cover recurring expenditures. City Management has worked diligently to provide a structurally balanced budget while addressing the City's infrastructure needs with a conservative and sustainable plan. In the General Fund overview, you will see planned drawdowns of fund balance for FY 2025, mainly due to proposed capital projects. Also, as has been our practice, our revenue projections continue to be appropriately conservative while our expenditure projections are realistic.

Department heads must justify all budget requests, specifying the expected cost savings, additional operating and maintenance expenses, and budgetary impact. Proposals are submitted through the City's financial software. Additional electronic forms and supporting documentation for capital improvement projects and capital outlay may be required. Each department proposes initiatives based on the Council's priorities and on carrying out the priorities established through the Citizen Survey. Similar to budget requests, these initiatives are submitted electronically. Each department's mission, major functions, and initiatives are outlined in this document. Upon receipt of the departmental budget requests, the City Manager, with assistance from the budget team, develops a proposed budget and presents it to the City Council. During budget work sessions, the City Manager and staff offer an overview of the current year's achievements and financial status, as well as the proposed budget and initiatives for the upcoming year. All work sessions are open to the public.

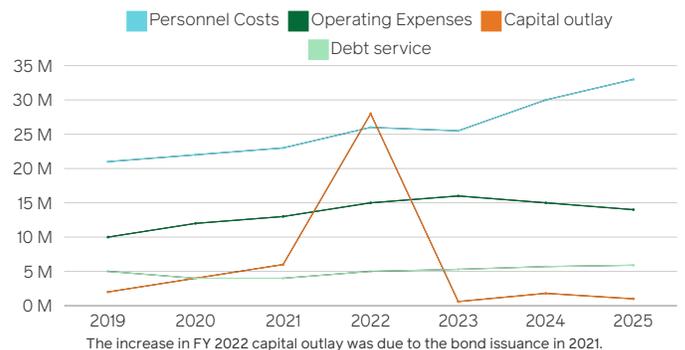
This budget represents the continuing commitment of our City government to deliver superior services while striving toward excellence in efficiency and taxpayer value. The budget reflects the Council's priorities and tradition of fiscal discipline, input from the citizens we serve, and the City's historically conservative management policies. Fiscal sustainability in the face of a slow national economic recovery due to some of the lasting impacts of the pandemic and other economic conditions, such as the potential for a recession, are key factors in our budgeting strategy. As demonstrated during FY 2020, when the pandemic began, management can quickly pivot to respond to significant economic fluctuations while continuing to ensure the delivery of essential services.

## General Fund Highlights

The recording, maintaining, and reporting of all past fiscal transactions is the starting point of revenue projections. A detailed history of all revenue transactions is preserved for all funds. The City's financial software records and tracks financial transactions and provides the foundation for analysis and reporting completed by staff and management during budget development. The budget document is the final product of hours of analysis, discussion, and review of the revenue projections. The Finance Department develops revenue projections for the upcoming budget year, incorporating historical revenue trends, current economic information, and legislation that may affect revenue sources. These trends and any relevant notations are analyzed by looking at year-over-year changes and yearly cycles of collection and billing. This analysis establishes a baseline reviewed with data that might directly affect the revenue line item. Along with trend analysis, consultation with multiple functional area experts occurs continuously. Some functional areas include other City business units or departments, such as Planning Services, Economic Development, Inspection Services, and Public Safety.



This year, consideration of Pelham's past economic growth has been made; however, there is some uncertainty surrounding the economy and inflation. In response to this uncertainty, revenue projections remain conservative for the upcoming year. The Finance Director determines the initial revenue estimates, considering the information, documents and figures outlined above. Other knowledgeable staff review this initial estimate before the final projections are sent to the City Manager for review.

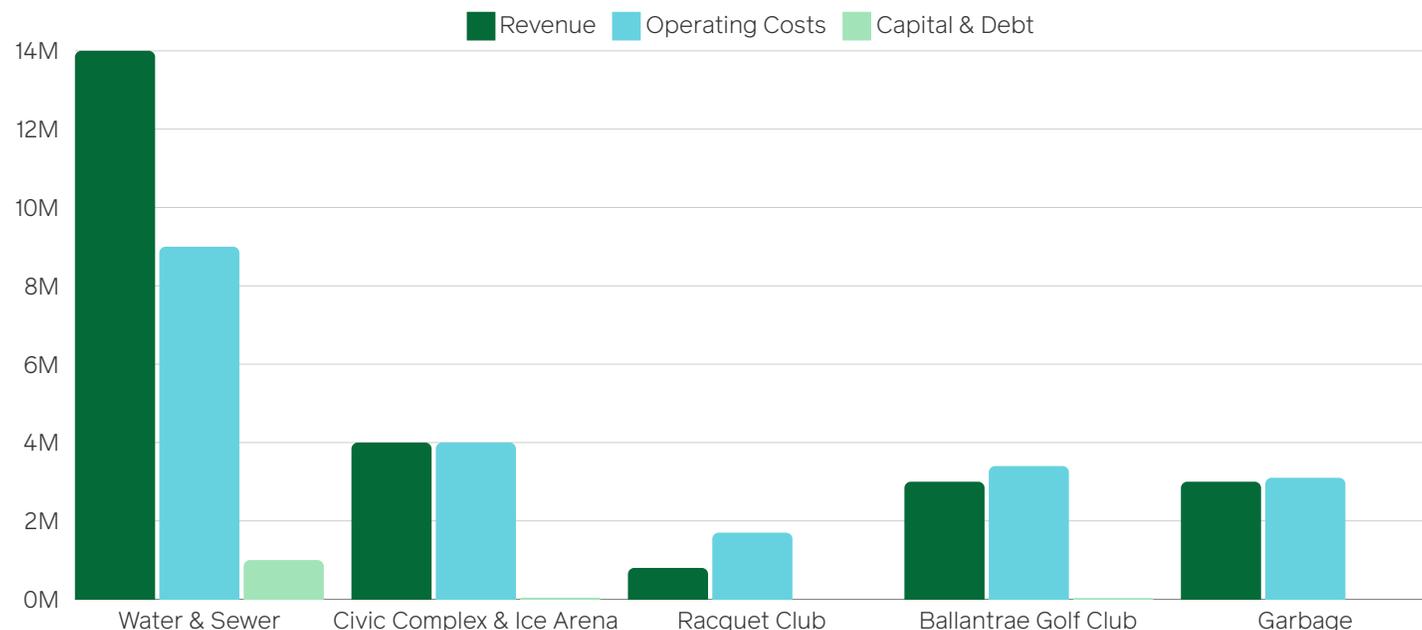


# PROPOSED FY 2025 BUDGET OVERVIEW

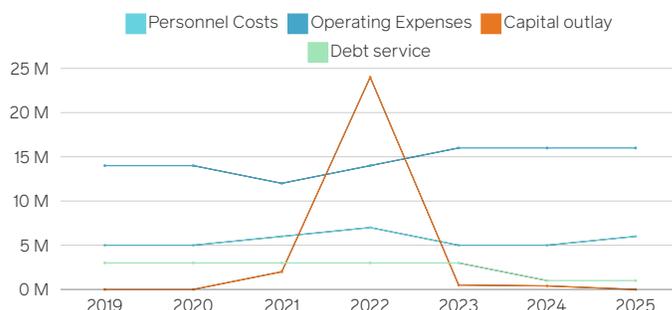
The City Manager reviews these revenue and fund balance projections to determine if any adjustments to previously set budget goals need to be made. The personnel budget is handled as a collaboration between the Human Resources Director and the Finance Director. It includes items such as new positions, reclassification requests, and any new service initiatives. All budget segments are assembled and balanced to the revenue forecasts. For a more in-depth analysis of General Fund expenditure trend data, see the General Fund page in the Fund Summaries portion of the budget.

## Enterprise Fund Highlights

An enterprise fund is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows the City to demonstrate to the public the portion of the total costs of a service that is recovered through user charges and the part subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery (direct, indirect, and capital costs) are identified.



This allows the City to recover total service costs through user fees if it chooses. Enterprise accounting also enables the City to reserve the "surplus" or unrestricted net assets generated by the operation of the enterprise rather than closing it out to the general fund at year-end. The user fees or rates have been set to maintain operations, and replace aging infrastructure. As a fiscally responsible City with long term strategies, Pelham will continue to evaluate rates and user fees to ensure that reserves will be available.



Program revenues for the recreational enterprise funds have returned stronger than before the pandemic. Increased expenses are corresponding to the need for additional inventory to meet demand. General maintenance and operations supplies have incurred the most significant cost increase due to inflation and supply chain disruptions. For further analysis of the Enterprise Fund expenditures, please take a look at the Enterprise Fund pages in the Fund Summaries section of this budget.

# GENERAL FUND SUMMARY

	General Fund	Capital Projects	Summary Total
<b>Revenues</b>			
Taxes			
Sales tax	43,722,126	-	43,722,126
Property tax	10,238,186	-	10,238,186
Motor Vehicle/Gas tax	529,508	-	529,508
Other tax	254,254	-	254,254
Licenses and permits	5,433,300	-	5,433,300
Fines and forfeitures	305,000	-	305,000
Charges for services	716,615	-	716,615
Interest income	1,550,000	-	1,550,000
Other	421,680	2,000,000	2,421,680
<b>Total revenues</b>	<b>63,170,669</b>	<b>2,000,000</b>	<b>65,170,669</b>
<b>Expenditures</b>			
General administration			
Administrative	-	-	-
City Manager	542,906	-	542,906
Mayor	82,144	-	82,144
City Council	163,732	-	163,732
Court	903,765	-	903,765
IT	2,425,598	-	2,425,598
Human Resources	2,085,208	-	2,085,208
Finance	946,508	-	946,508
Economic Development	747,328	-	747,328
Communications & Branding	542,095	-	542,095
City Clerk	4,832,750	-	4,832,750
Library	1,547,675	-	1,547,675
Parks & Recreation	2,658,949	-	2,658,949
Police	12,259,096	-	12,259,096
Fire	12,427,569	-	12,427,569
DSPW	5,205,632	-	5,205,632
Water & Sewer Fund	-	-	-
Civic Complex & Ice Arena	-	-	-
Racquet Club	-	-	-
Ballantrae Golf	-	-	-
Pelham Garbage	-	-	-
	47,370,953	-	47,370,953
<b>Revenues less expenditures</b>	<b>15,799,716</b>	<b>2,000,000</b>	<b>17,799,716</b>
Capital Outlay	950,677	17,799,376	18,750,053
Debt service	-	-	-
Principal retirement	4,463,295	-	4,463,295
Interest	1,441,000	-	1,441,000
<b>Total capital outlay and debt expenditures</b>	<b>6,854,973</b>	<b>17,799,376</b>	<b>24,654,349</b>
Excess (deficiency) of revenues over (under) expenditures	8,944,743	(15,799,376)	(6,854,633)
<b>Other financing sources (uses)</b>			
Committed Fund Balance	(2,898,000)	-	(2,898,000)
Proceeds from Other Financing	-	-	-
Interfund Capital Transfer (In/Out)	(5,397,971)	15,799,376	10,401,405
Interfund Operating Transfer (In/Out)	(645,518)	-	(645,518)
<b>Total other financing sources (uses)</b>	<b>(8,941,490)</b>	<b>15,799,376</b>	<b>6,857,886</b>
<b>Net change</b>	<b>3,254</b>	<b>-</b>	<b>3,254</b>

# GENERAL FUND SUMMARY

## Change in Fund Balance

The City’s approach to determining the level of fund balance to be maintained in the City’s General Fund is two-fold: 1) a solid fiscal administration and budget monitoring process that enables a timely management response to changing economic conditions and 2) commitment to a level of sales and use taxes and fee and fine schedules that support the cost and provision of services, infrastructure, and facilities as well as provide a sufficient reserve. The City adopted financial policies in 2007, ensuring it would maintain Unrestricted General Fund Reserves with a target balance of four months of General Fund Operating Expenses. According to the last audited financial statements, the City has continued to exceed the target balance, and the proposed budget has a conservative approach to ensure the City is stable during uncertain economic periods. Maintaining substantial reserves is a strategy that has worked well over the years. This approach helped to mitigate the effects of the 2008 recession and the COVID-19 pandemic. City management will continue to evaluate the need for infrastructure improvements while ensuring operating reserves are available to continue the exceptional service provided by departments citywide. The City issued bonds for capital improvements in FY 2021, which inflated the fund balance, but that balance will begin to regulate as the earmarked projects are completed.

	Audited Actuals		Projected	Proposed
	FY2022	FY2023	FY2024	FY2025
<b>Beginning Fund Balance</b>	<b>93,948,260</b>	<b>89,728,093</b>	<b>89,059,403</b>	<b>68,991,497</b>
Revenues	57,978,101	61,025,215	62,662,656	63,170,669
Other Financing Sources (OFS)	2,236,779	3,425,326	2,462,179	897,181
<b>Total Revenues &amp; OFS</b>	<b>60,214,880</b>	<b>64,450,541</b>	<b>65,124,835</b>	<b>64,067,850</b>
Expenditures	58,572,248	49,745,457	52,084,040	54,225,926
Other Financing Uses (OFU)	5,862,799	15,373,774	33,108,701	6,940,671
<b>Total Expenditures &amp; OFU</b>	<b>64,435,047</b>	<b>65,119,231</b>	<b>85,192,741</b>	<b>61,166,597</b>
<b>Excess Revenues &amp; OFS over Expenditures &amp; OFU</b>	<b>(4,220,167)</b>	<b>(668,690)</b>	<b>(20,067,906)</b>	<b>2,901,253</b>
<b>Net Ending Fund Balance</b>	<b>89,728,093</b>	<b>89,059,403</b>	<b>68,991,497</b>	<b>71,892,750</b>

## Committed Reserve Funds

The City Council approved five resolutions at the end of FY 2021 to commit a portion of the excess revenue over expenditures to reserve funds for specified purposes. Committing reserves is a comprehensive management tool that ensures funds are available when anticipated future expenditures become due. Below is a chart detailing using a portion of those funds in the proposed budget. The City has committed to purchasing a pumper truck and ladder truck in FY 2028 for \$2,820,220. The City plans to add \$750,000 to vehicle reserves and \$2,400,000 to park reserves and use \$252,000 to design two park projects.

Committed Reserve Fund Description	Current Account Balance	Remaining FY2024 Budget	Estimated FY2024 Year-End Balance	Proposed FY2025 Budget	Estimated FY2025 Year-End Balance
Capital Reserve for Replacement of City Vehicles	\$3,088,265	(\$440,223)	\$2,648,042	\$750,000	\$3,398,042
Capital Reserve for the City’s Information Technology System and Equipment	\$620,337	(\$366,914)	\$253,423		\$253,423
Capital Reserve for the City’s Parks & Recreation Facilities	\$999,419	(\$66,785)	\$932,634	\$2,148,000	\$3,080,634
Emergency Response Reserve	\$1,000,000		\$1,000,000		\$1,000,000
Emergency Reserve for City Facilities & Infrastructure	\$991,996	(\$86,811)	\$905,185		\$905,185

# GENERAL FUND REVENUE PROJECTIONS

## Revenue Projections for Major Categories

The Finance Department's Revenue Office administers the collection of all City Council-levied (including some associated State) taxes and fees except for ad valorem (property) taxes, which are collected by the county as provided by State law, and fees that are collected by individual City departments for services or fines. The City's sales tax, property tax, business license, and permit fees make up approximately 94% of the General Fund's total revenue. As such, the Finance Department obtained necessary data about each source to be used in projecting General Fund revenues for FY 2025. The City Manager's review ensures that relevant factors known at the chief executive level are considered in projecting the revenue sources for the fiscal year's operations.

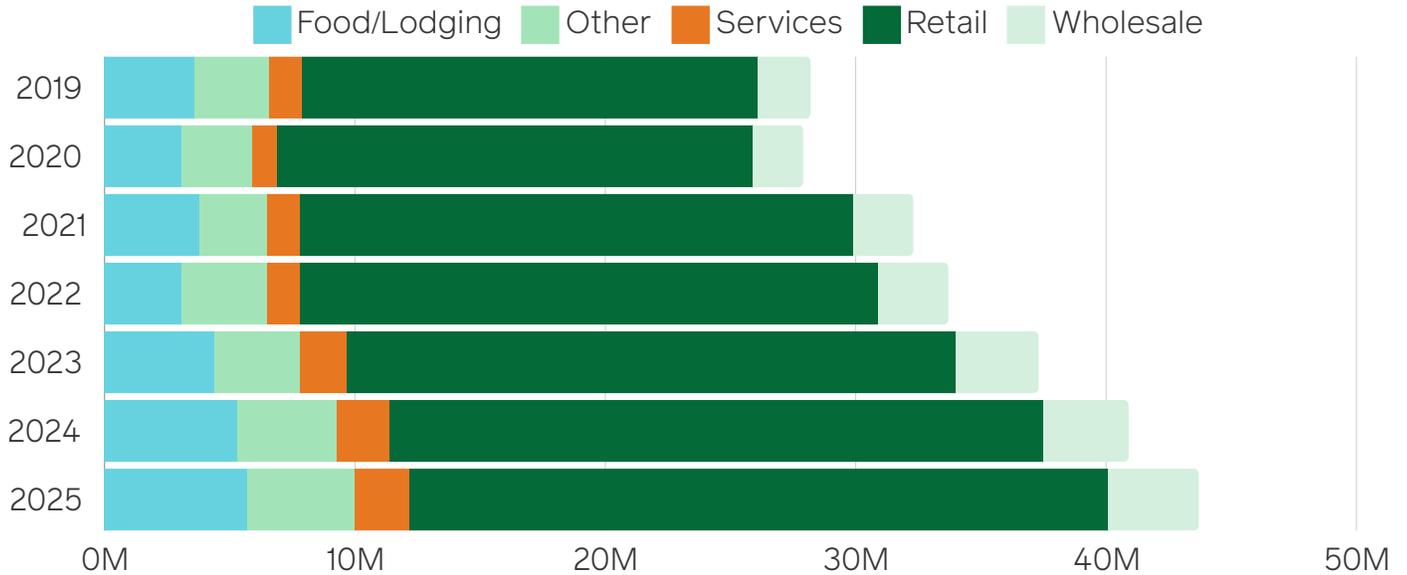
Top 10 Revenue Generators
Walmart Stores East, LP
Publix Alabama, LLC
Home Depot USA, INC
Donohoo Auto, LLC
Driver's Way, LLC
Mi Pueblo Supermarket, LLC
Med Center Cars, INC
American Wallzone Supply ,LLC
Birmingham Auto Acquisitions, INC
Chick-Fil-A, Inc.

Reporting Agency	GDP Growth Forecast 2025
International Monetary Fund	1.9%
Congressional Budget Office	2%
Federal Reserve Bank of Philadelphia	1.9%
Wells Fargo	2.1%
Culverhouse	1.6%
Average	1.9%
High	2.5%
Low	1
City Recommendation for FY 2025	0%

### Sales and Use Tax

Sales tax revenue has shown remarkable growth over the last few years in spite of high interest rates and record inflation. Economic indicators show that we can expect consumer spending to decline thanks to a softening job market and uncertainty surrounding the November elections. It is generally expected that the economy will show no to minimal growth for the 4th quarter of 2024, then begin picking up speed in the 2nd or 3rd quarter of 2025. Because it is impossible to predict with certainty when or by how much the economy will pick up, city management is recommending budgeted revenues equal to expected 2024 actual revenues, or no growth for the coming year. The above table shows the 2025 GDP predictions from five respected industry organizations, which predict an average 1.9% growth in GDP, mostly in the 2nd half of the year. The chart on the left shows a list of our top 10 taxpayers, and a chart showing revenues by business type can be seen on the next page.

# GENERAL FUND REVENUE PROJECTIONS

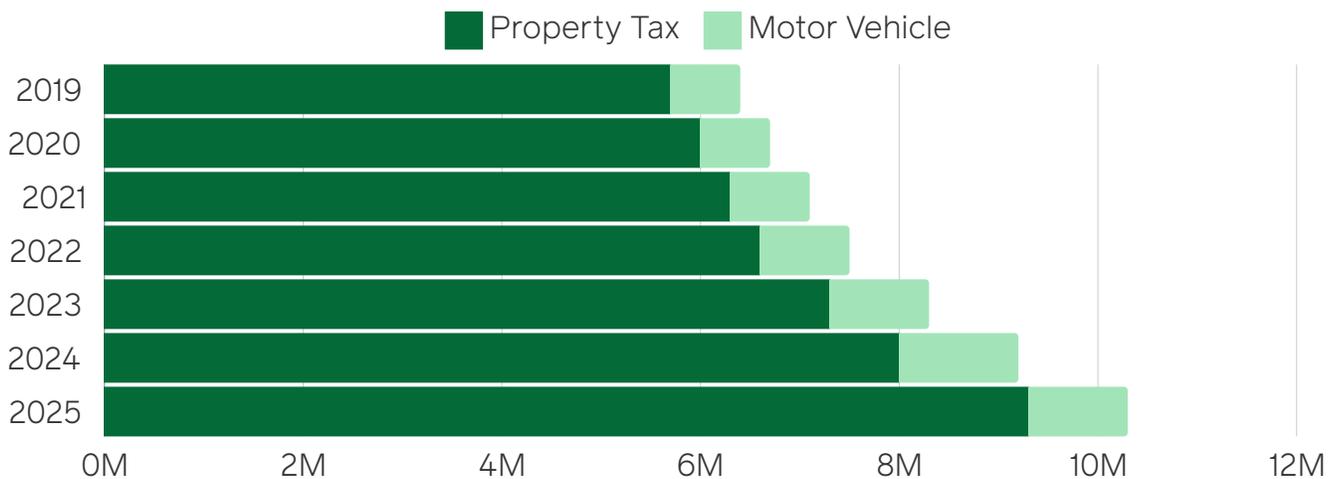


## Property Tax (Ad Valorem)

Alabama Property Taxes are some of the lowest in the nation, historically making property tax revenues a smaller portion of total revenue than they would be for other states. Property taxes are typically the most stable source of City revenues. There has been no change in the Pelham millage rates over the past decade, so the changes in property tax revenues are primarily driven by new construction and the property's assessed value within the City. The City's reputation for high quality of life and a highly acclaimed City school system continues to drive property values upward, contributing to a solid tax base through growth in existing real estate values. Because the Alabama Legislature recently passed a law capping property tax increases, many properties have been revalued, leading to higher property tax revenues than normal. Property taxes are collected and estimated by Shelby County, which is projecting a 13% increase over FY 2024.

## Motor Vehicle License Tax

Motor vehicle/mobile home tax is collected by Shelby County on motor vehicles and manufactured homes. We are estimating a 3% decrease from last year.



# GENERAL FUND REVENUE PROJECTIONS

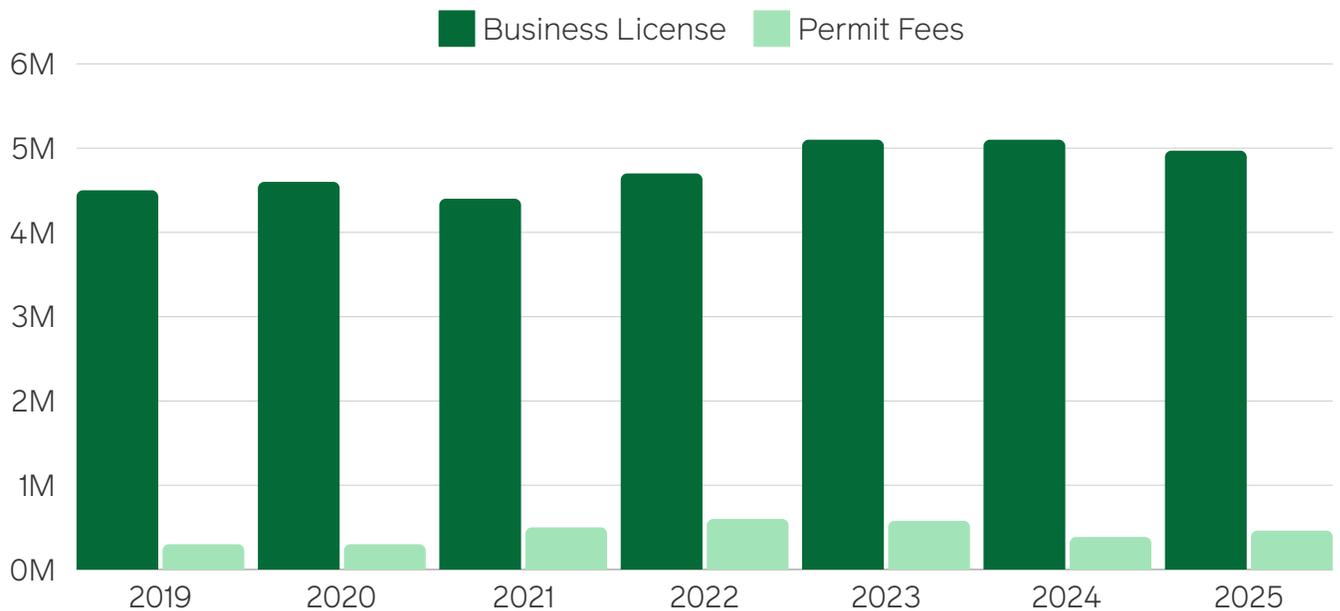
## Business Licenses and Permit Fees

### Business Licenses

City ordinance requires that each business obtain a license annually before conducting business operations within the city. This category includes general business license fees, residential and commercial rental fees, and fees related to contractors doing business inside city limits. The assessed business license fee is usually dependent upon the nature of the business and the amount of its previous year's gross receipts, though there are some business types that just pay a flat fee. Typically, variations in this revenue source reflect changes in the prior year's economic conditions, the number of businesses conducting operations in Pelham, the success of individual businesses, and the Finance Department's business license enforcement efforts. Most business license fees are collected in January and February each year. City management recommends a 1.4% increase in business license revenue from FY 2024. Except for those set by state law, business license fees are calculated as a percentage of the business's gross receipts for the prior calendar year. This revenue source is a lagging indicator, and economic effects are realized the following year. While business licenses are calculated on previous years' gross receipts, city management expects the uncertainty surrounding the election and the slowing economy to impact the issuing of new licenses.

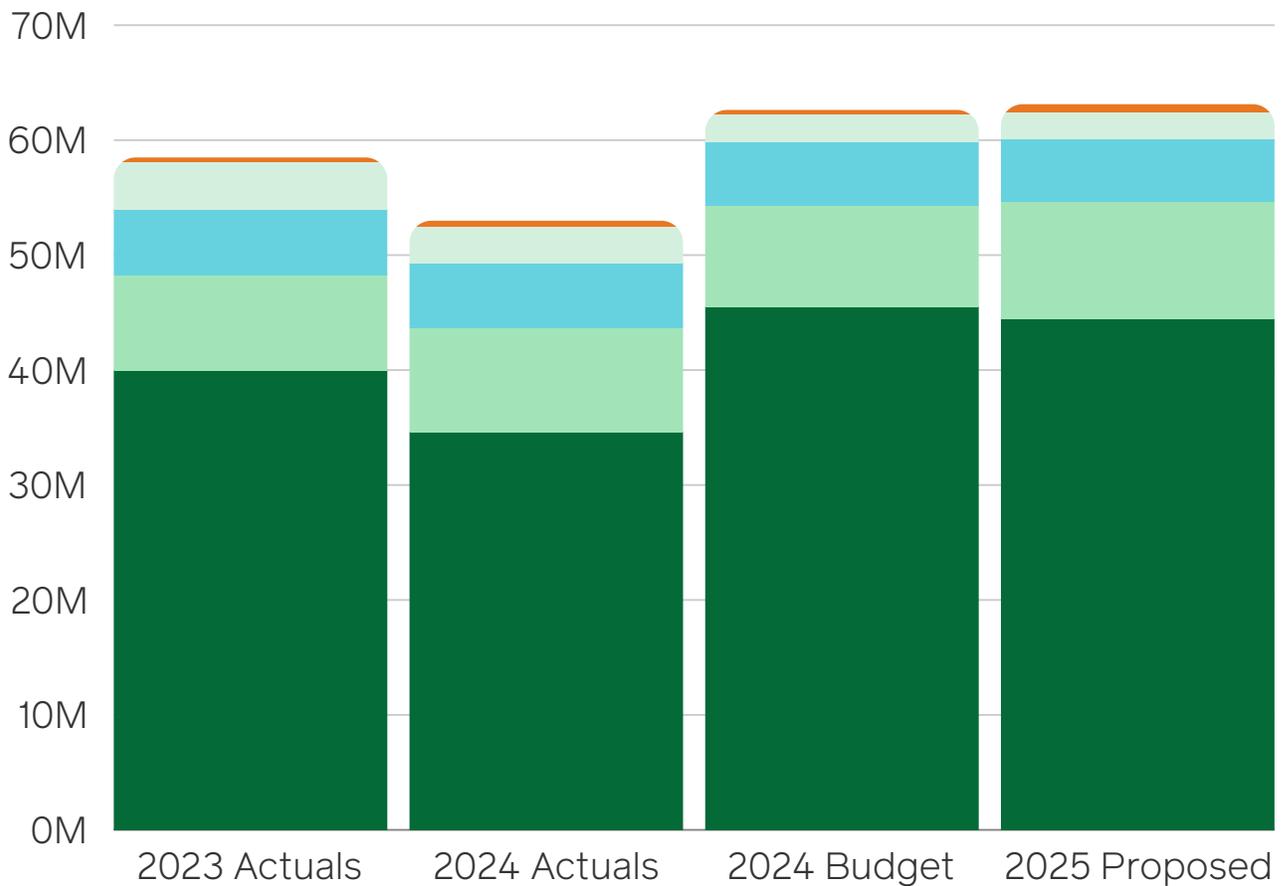
### Building Permits and Inspections

The city has hired additional personnel to assist in compliance and enforcement with both building and zoning and has increased cooperation with Pelham City Court to manage non-compliance. Permit revenue exploded while the Canopy was being built, but with that complete revenue had been receding back to normal levels in the 2024 budget year. The high interest rates of recent years have made building projects more expensive and has caused further decreases in this revenue stream. In planning for the 2025 budget year, the weakening of the economy is expected to further impact permit revenues until interest rates start falling and the economy picks back up.



# GENERAL FUND REVENUE PROJECTIONS

	Expenditure Types	2023 Actuals	2024 Actuals	2024 Budget	2025 Proposed
■	Sales & Other	40,077,301	34,598,517	45,531,762	44,505,888
■	Property Taxes	8,278,522	9,124,743	8,852,984	10,238,186
■	Licenses/Permit	5,695,189	5,617,346	5,489,759	5,433,300
■	Other	4,148,454	3,155,884	2,397,188	2,276,680
■	Service Charges	383,271	496,610	390,964	716,615
		<b>58,582,738</b>	<b>52,993,101</b>	<b>62,662,656</b>	<b>63,170,669</b>



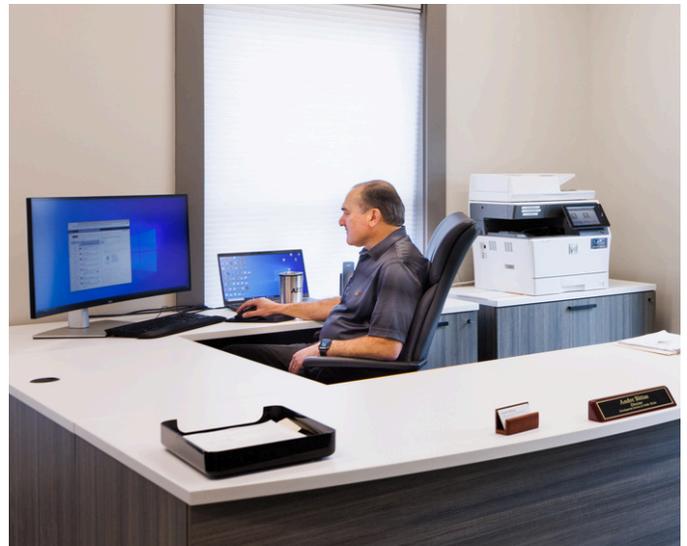
# CITY MANAGER'S OFFICE

The City Council sets the overall vision of the City and sets the priorities through the annual budget. In addition, the Council sets the ordinances, which become the City's local law. The City Manager is responsible for the overall operation and supervision of the governmental functions in the City and serves as the City's Chief Administrative Officer. The City Manager is also responsible for ensuring adherence to all laws set by Council. The City Manager conducts the performance evaluations of all department heads and is responsible for working with each department to set goals to fulfill the overall vision set by the City Council. The City Manager receives direction from and reports to the City Council.

Functions of the City Manager's Office include but are not limited to:

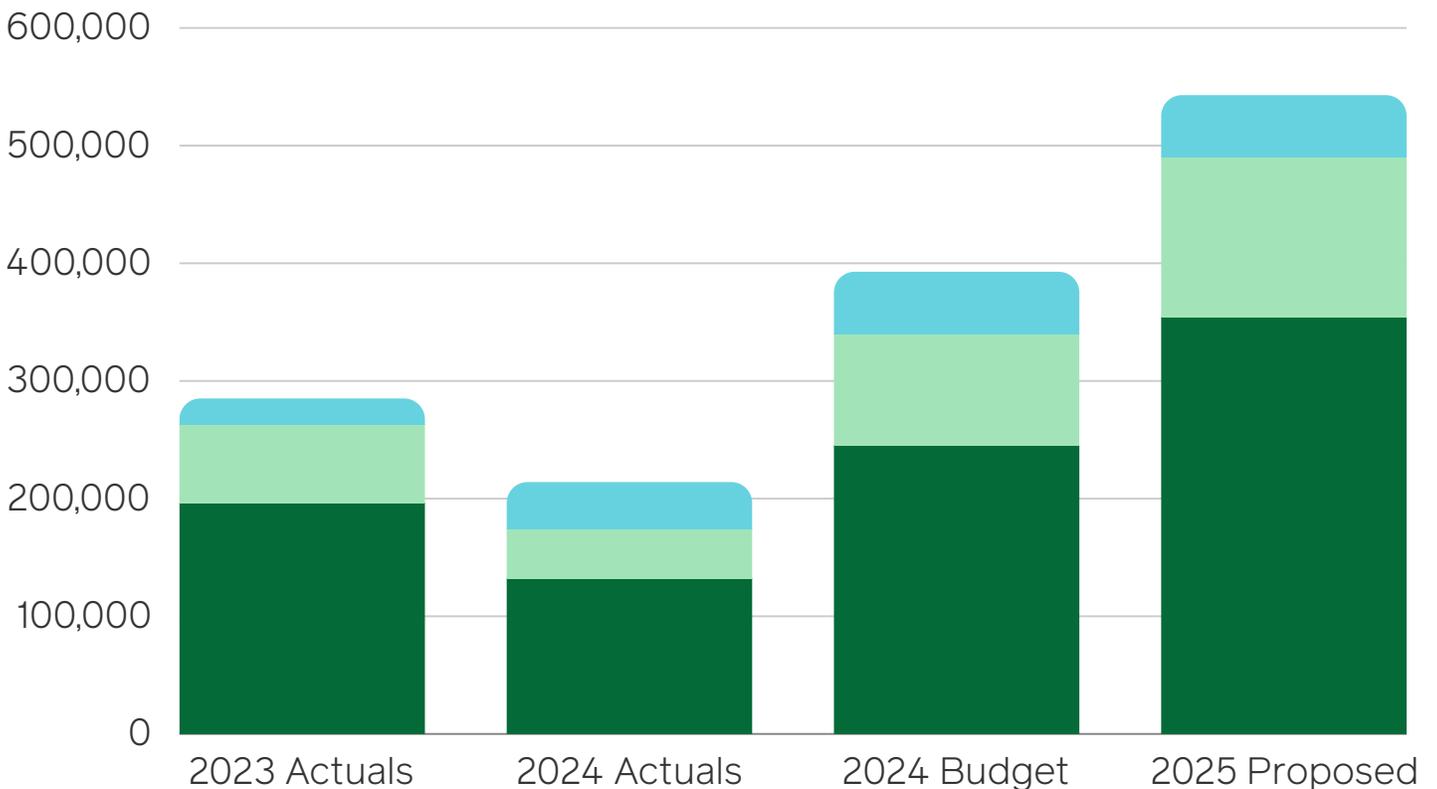
- Managing and coordinating the day-to-day administrative operations of the City, including approval of operating procedures based on policies set by the City Council
- Responding to calls and requests from citizens
- Ensuring the development and execution of the municipality's long-term plans and annual budget.
- Directing and supervising department heads
- Carrying out the policies and programs determined by the elected City Council
- Serving as a policy advisor to the City Council and Mayor on federal, state, and local laws and regulations and the City's administrative procedures
- Monitoring and overseeing the enforcement of all laws and ordinances of the City
- Monitoring the overall fiscal activity of the City to ensure compliance with established budgets and keeping the Mayor and Council fully informed about the City's financial condition
- Serving as the appointing authority for hiring and removing Civil Service employees within legal limitations
- Recommending to the City Council any changes or amendments to the City code that may be beneficial for the efficient and legal operation of the business and affairs of the City
- Originating ideas for improvements in all City procedures and organizations to enhance services and/or reduce costs
- Making and executing lawful contracts on behalf of the City after approval by the City Council
- Managing projects within the City.

The increase shown in the city manager's budget is due to a full year of expenses for an assistant city manager and executive assistant who is shared with the mayor. The cost for the citizen survey is also included for FY 2025.



# CITY MANAGER'S OFFICE

	Expenditure Types	2023 Actuals	2024 Actuals	2024 Budget	2025 Proposed
■	Salary & Wages	196,592	131,626	245,087	354,497
■	Benefits	66,718	43,065	94,882	135,889
■	Operating Expenses	21,793	39,371	52,836	52,520
■	Capital Outlay	-	-	-	-
■	Debt Services	-	-	-	-
■	Other Financial Uses	-	-	-	-
		<b>285,103</b>	<b>214,062</b>	<b>392,805</b>	<b>542,906</b>



# MAYOR'S OFFICE

Pelham operates under a Mayor/Council Government with a City Manager by ordinance. The Mayor serves as the policy head of the City and appoints the Fire Chief and Police Chief with City Council approval. The Mayor works as a team with the City Council, City Manager, and the City of Pelham employees to provide the public with:

- A safe community in which to live and work
- Services delivered courteously and professionally
- Fiscal responsibility with accountability
- Convenient opportunities for recreation

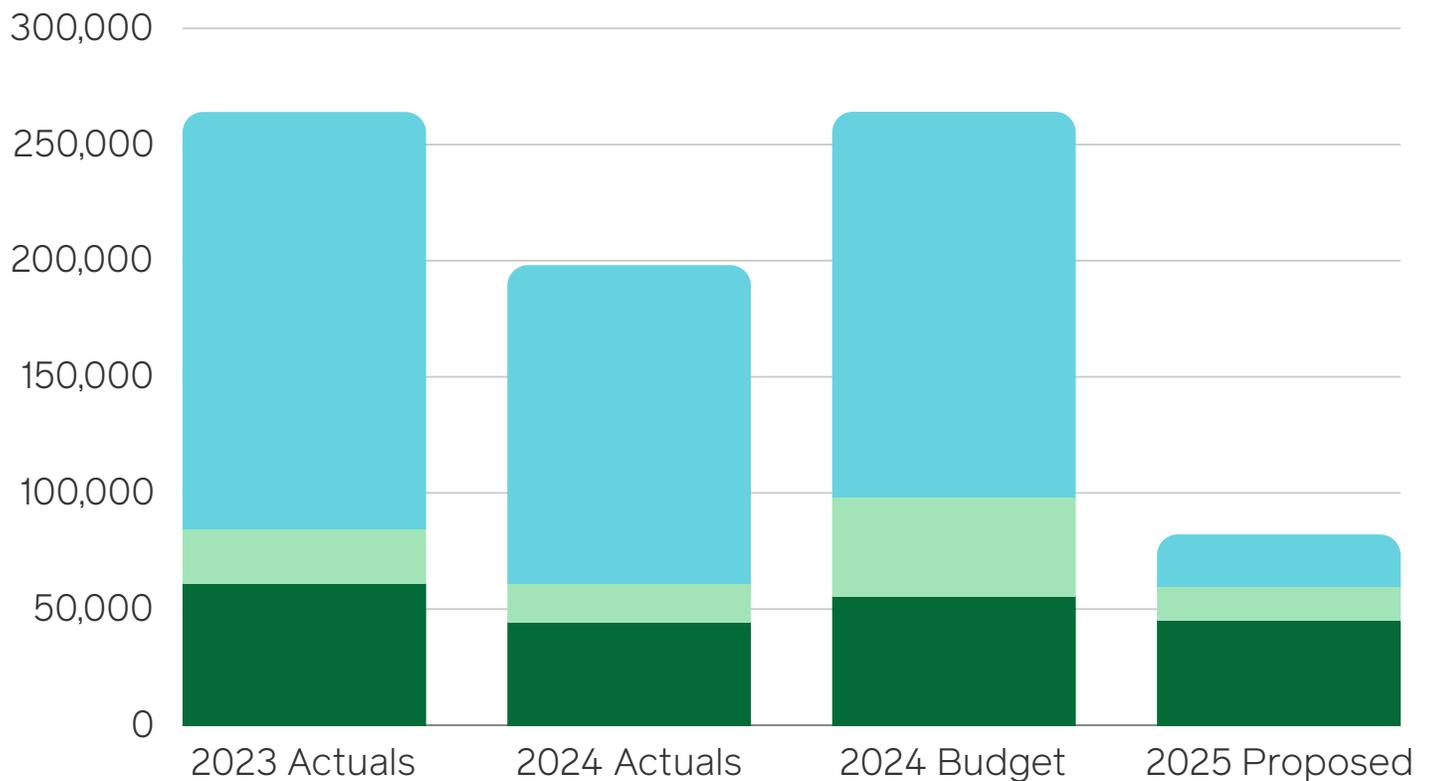
Functions of the Office of The Mayor include but are not limited to:

- Responding to calls and requests from citizens
- Advocating with county, state, national, and neighboring elected officials and offices, ensuring the City's needs are communicated to other government entities
- Serving as the Chairman of the Pelham Water Authority.
- Serving on the Planning and Zoning Commission
- Appointing all members of the Planning and Zoning Commission
- Advocating and planning community events (i.e., Fire on the Water, Pelham Palooza, Shred and E-recycle event, etc.)
- Working alongside the City Manager to inform residents and businesses about city development, revised laws, and community events
- Welcoming local businesses during ribbon cuttings and other opportunities
- Promoting the City's brand to residents, businesses, and visitors
- Supporting and providing guidance and counsel to the City Manager
- Executing lawful contracts on behalf of the City Council.
- Representing the City in real estate closings and legal mediation
- Declaring City Proclamations as the Mayor determines is beneficial to the public good



# MAYOR'S OFFICE

	Expenditure Types	2023 Actuals	2024 Actuals	2024 Budget	2025 Proposed
■	Salary & Wages	61,179	44,209	55,604	45,000
■	Benefits	23,517	16,759	42,481	14,884
■	Operating Expenses	179,349	137,122	166,030	22,260
■	Capital Outlay	-	-	-	-
■	Debt Services	-	-	-	-
■	Other Financial Uses	-	-	-	-
		<b>264,045</b>	<b>198,090</b>	<b>264,115</b>	<b>82,144</b>



# CITY COUNCIL

This Council has had another busy year! Please look at the chart to the right that includes the number of resolutions approved by the Pelham City Council over the past five years.

City Council continues to work tirelessly to set priorities and direct funds to facilities that have been neglected for some time. In addition, in FY 2022, the City Council prioritized a Citizen Satisfaction Survey to help determine citizen priorities and to inform the Council's decision-making. Another survey is planned for FY 2025.

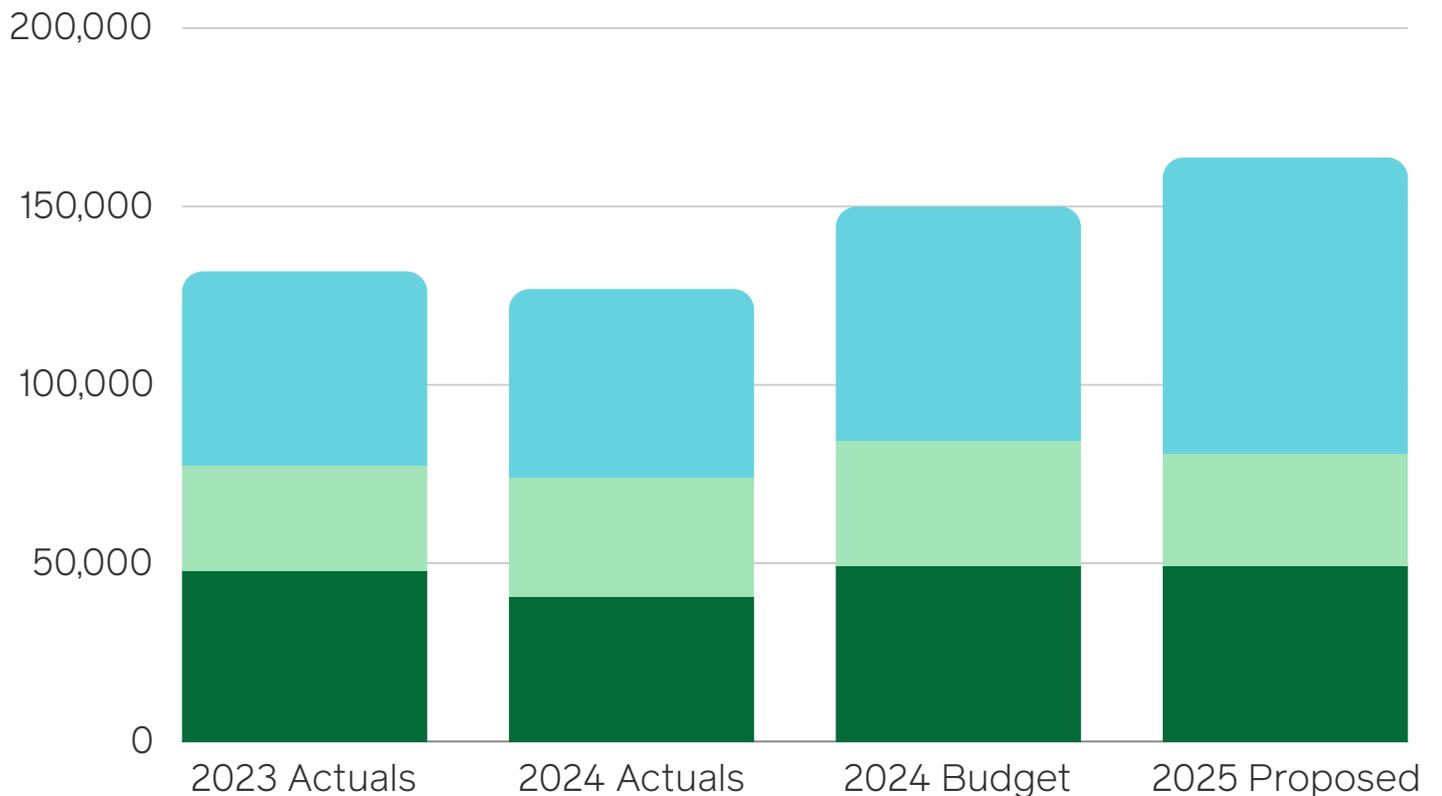
- Functions of the City Council include but are not limited to:
- Forming the City's legislative branch of government and establishing the vision, laws, policies, and priorities of the City of Pelham
  - Approving an annual budget
  - Attending work sessions and council meetings to conduct city business
  - Submitting letters of support and/or passing resolutions to communicate City needs to other local, state, regional, and federal government entities
  - Appointing a City Manager, City Clerk, City Attorney, and City Prosecutor
  - Providing an annual evaluation to the City Manager

Year	Resolutions Passed
2019	147
2020	128
2021	194
2022	234
2023	260
2024	164 (YTD)



# CITY COUNCIL

	Expenditure Types	2023 Actuals	2024 Actuals	2024 Budget	2025 Proposed
■	Salary & Wages	47,951	40,669	49,200	49,200
■	Benefits	29,468	33,301	35,097	31,657
■	Operating Expenses	54,386	52,880	65,675	82,875
■	Capital Outlay	-	-	-	-
■	Debt Services	-	-	-	-
■	Other Financial Uses	-	-	-	-
		<b>131,805</b>	<b>126,850</b>	<b>149,972</b>	<b>163,732</b>



# PELHAM MUNICIPAL COURT

Pelham Municipal Court strives to serve the public by resolving matters brought before the court in the interest of justice in a fair and timely manner. The court's vision is to compel, encourage, and assist citizens in becoming law-abiding, productive, successful members of society.

Pelham Municipal Court is the judicial branch of the city government and interprets the meaning of laws, applies laws to individual cases, and ensures the protection of individual civil liberties.

The purpose of the Pelham Municipal Court is to provide a fair, impartial, and efficient process whereby city ordinances and misdemeanor complaints are adjudicated. Its mission is to provide the best quality service to the citizens of Pelham and those who visit.

The Office of the Clerk of the Court processes and houses all records from official court proceedings within the City of Pelham. The Clerk of Court receives, records, and disburses all fines and court costs paid to the Municipal Court.

Magistrates manage cases and dockets, conduct hearings, set bonds, hear pleas, and adjudicate cases, among other things. Their work is essential to crime control, due process, and rehabilitation of individuals in the criminal justice system.

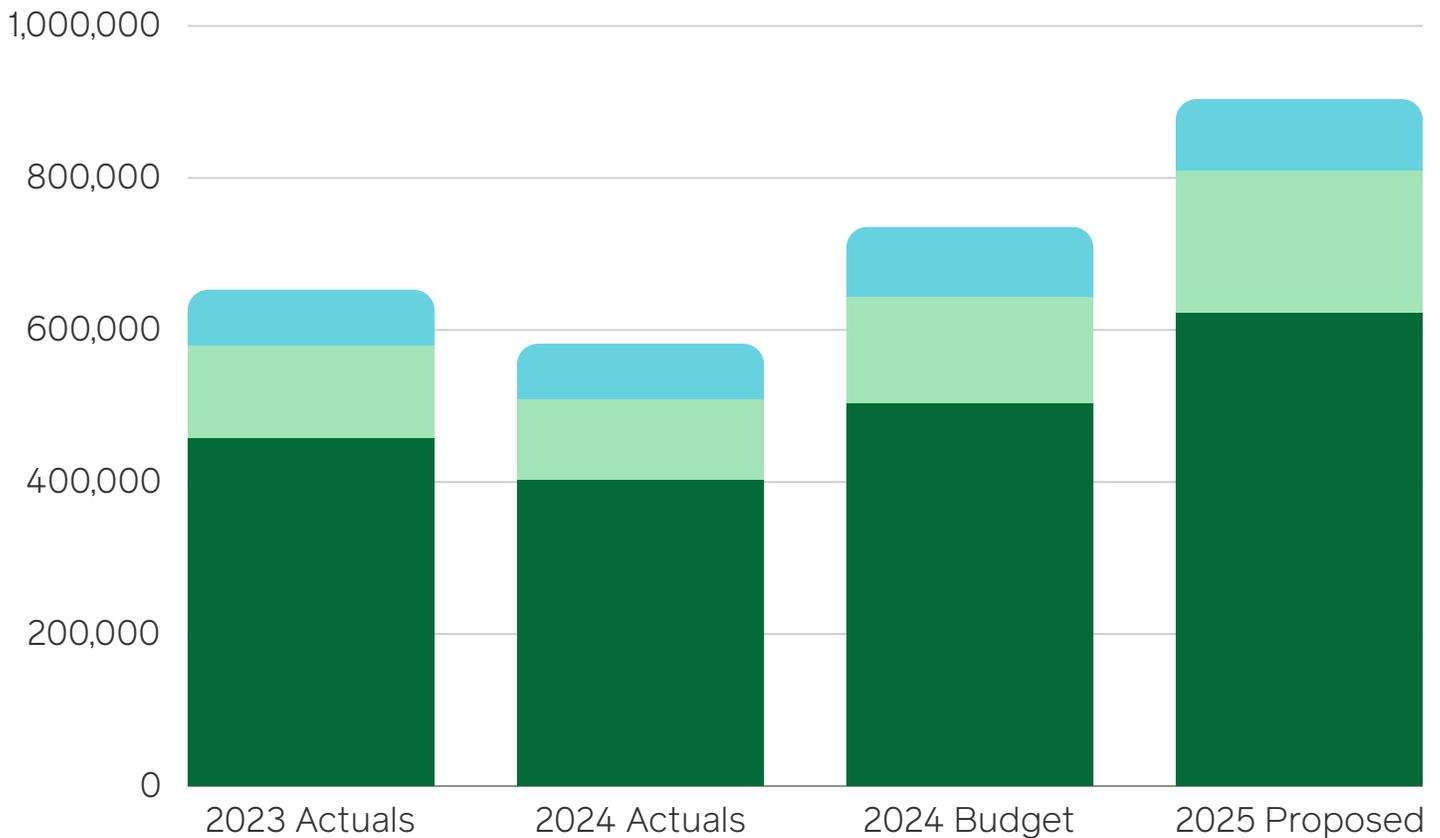
Functions of the Municipal Court include but are not limited to:

- Conducting probable cause hearings and issue arrest warrants for violations of municipal ordinances, violations, and misdemeanors
- Processing payments and legal correspondence
- Conducting arraignment dockets and trials
- Overseeing the provisions of probation, including the collection of fines, rehabilitation, and counseling



# PELHAM MUNICIPAL COURT

	Expenditure Types	2023 Actuals	2024 Actuals	2024 Budget	2025 Proposed
■	Salary & Wages	458,909	403,922	503,879	622,994
■	Benefits	121,515	106,079	140,739	187,252
■	Operating Expenses	72,598	71,937	90,966	93,519
■	Capital Outlay	-	-	-	-
■	Debt Services	-	-	-	-
■	Other Financial Uses	-	-	-	-
		<b>653,022</b>	<b>581,938</b>	<b>735,584</b>	<b>903,765</b>



# INFORMATION TECHNOLOGY

The Information Technology Department provides leadership, governance, management and support of modern information technology systems to promote efficient and effective government. It seeks to promote innovation in all that we do.

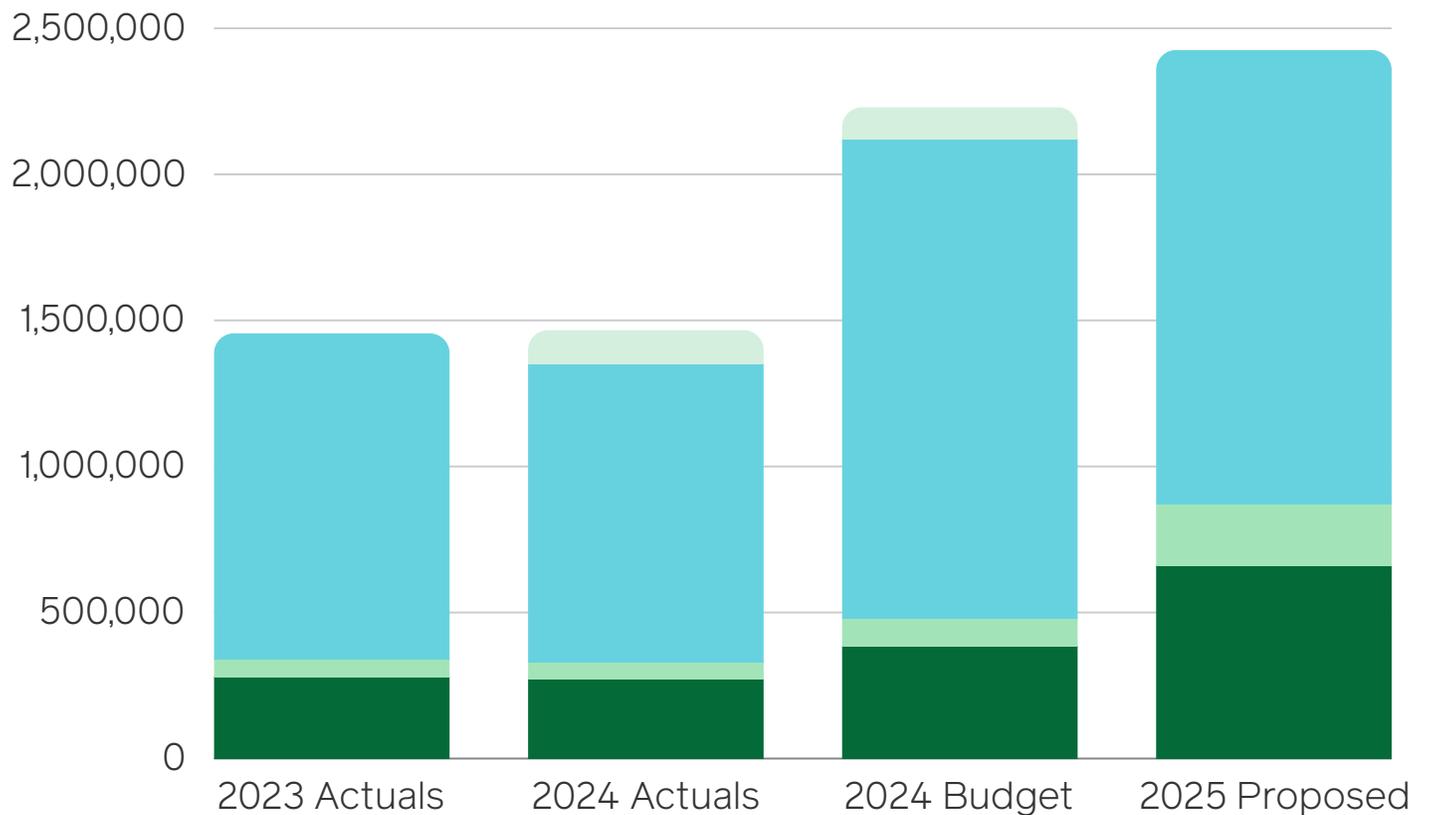
IT responsibilities include but are not limited to the following:

- Monitoring and maintaining technical infrastructure
- Serving our employees as customers by assisting with all technology concerns
- Maintaining a formal service desk system to log and manage our support services
- Providing oversight and best practices for all technology efforts
- Maintaining an authoritative Geographic Information System (GIS) that provides operational efficiency and decision-making support
- Supporting cybersecurity efforts as well as disaster recovery to help ensure the continuity of government services



# INFORMATION TECHNOLOGY

	Expenditure Types	2023 Actuals	2024 Actuals	2024 Budget	2025 Proposed
■	Salary & Wages	280,337	270,885	383,855	660,845
■	Benefits	60,300	58,733	96,515	211,215
■	Operating Expenses	1,115,038	1,020,011	1,639,407	1,553,538
■	Capital Outlay	-	116,918	109,773	-
■	Debt Services	-	-	-	-
■	Other Financial Uses	-	-	-	-
		<b>1,455,675</b>	<b>1,466,547</b>	<b>2,229,550</b>	<b>2,425,598</b>



# 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, manages and maintains the personnel records of all City employees, coordinates and manages employee benefits, processes payroll, and develops training and coaching programs. HR is committed to seeking and employing the best-qualified personnel for all departments and attracting, developing, and retaining a diverse and productive workforce. In addition, the department is charged with ensuring compliance with applicable laws and the City's Civil Service Act.

The future of local government human resources will see a more significant shift from manual documentation and record keeping of job applicants and new hire paperwork to digital management using applicant tracking software (ATS). Such cloud-based solutions allow local municipality and human resource managers to recruit, identify, hire, and onboard higher-quality talent without manual document management.

The City provides equal employment opportunities to all employees and applicants for employment and prohibits discrimination and harassment of any type without regard to race, color, religion, age, sex, national origin, disability status, genetics, protected veteran status, or any other characteristic protected by federal, state or local laws. The HR Department strives to maintain an environment that treats employees with courtesy and respect while promoting professionalism and accountability, making the City of Pelham a very desirable place to work for people who are dedicated to serving this community and protecting the City and its employees from losses due to injuries, accidents, and liability claims.

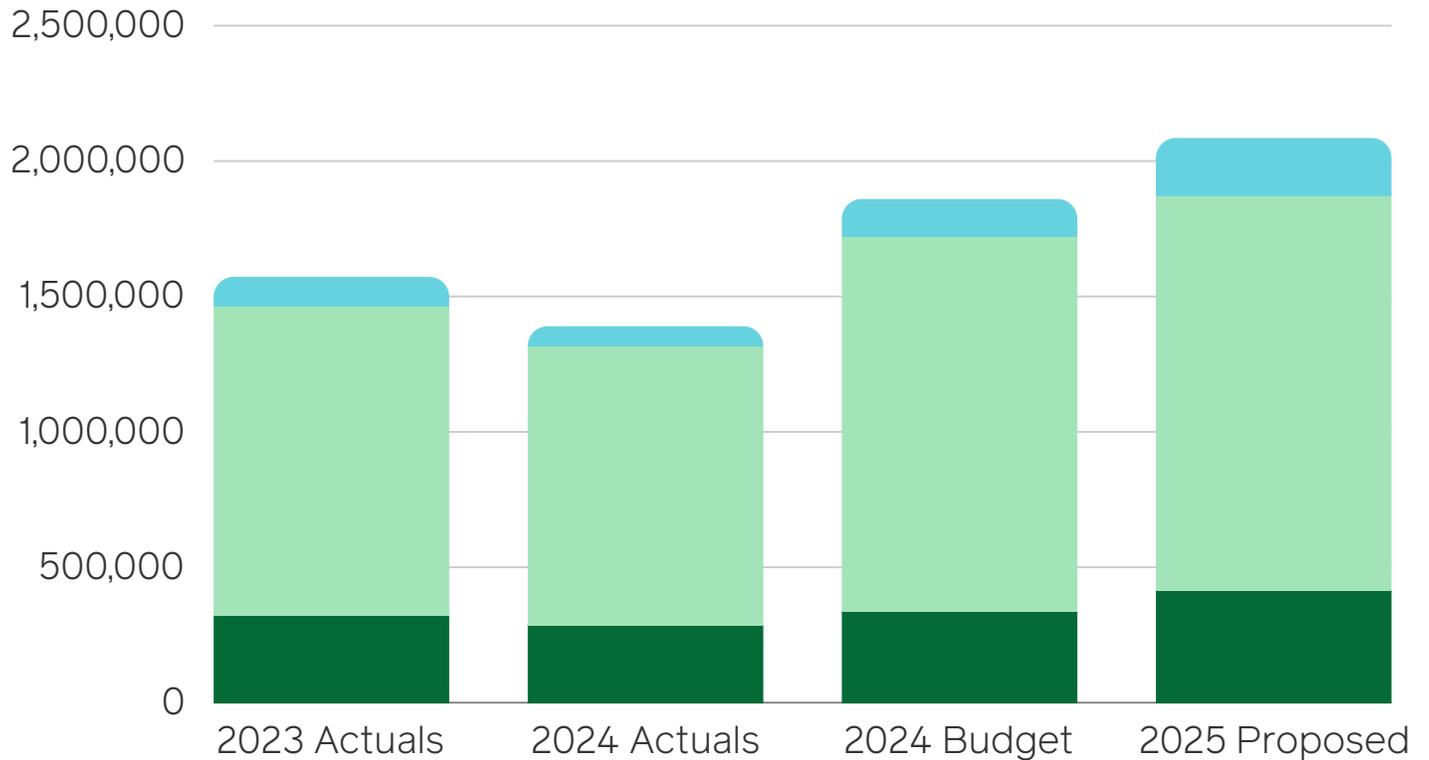
Functions of the Human Resources Department include but are not limited to:

- Coordinating and managing competitive employee compensation and benefits
- Recruiting, screening, and onboarding new employees.
- Coordinating training and continuing education and development across all city departments
- Consulting and assisting employees with human resource and personnel issues
- Assisting retirees with post-retirement benefit issues.
- Administering the City's Employee Safety Program
- Providing counsel to the Mayor, City Manager, and Department Heads regarding department policies and disciplinary actions to limit liability
- Working with the City Manager and Department Heads to recommend and provide appropriate organizational development needs



# HUMAN RESOURCES

	Expenditure Types	2023 Actuals	2024 Actuals	2024 Budget	2025 Proposed
■	Salary & Wages	321,968	285,100	337,701	415,420
■	Benefits	1,142,641	1,032,195	1,382,944	1,455,143
■	Operating Expenses	107,693	72,834	139,116	214,645
■	Capital Outlay	-	-	-	-
■	Debt Services	-	-	-	-
■	Other Financial Uses	-	-	-	-
		<b>1,572,302</b>	<b>1,390,129</b>	<b>1,859,761</b>	<b>2,085,208</b>



# FINANCE DEPARTMENT

The mission of the Finance Department is to foster a sense of cooperation with both the City of Pelham departments and customers of the City of Pelham in carrying out receipting, expending, and accounting for City funds. Under the direction of the Finance Director, the Department issues business licenses, administers revenue collection, and pays bills incurred by City Departments. The revenue division fairly and impartially applies all laws and regulations for collecting various taxes and fees due to the City.

The Finance Department is responsible for the fiscal management of the City of Pelham through measuring and reporting on the financial position, financial stability, liquidity, and growth, projecting and managing revenues, projecting and monitoring expenditures, and planning for the City's short and long-term financial needs. The Finance Department provides monthly and annual reports to the City Manager detailing expenses, budgetary compliance, and the collection of revenues.

Additionally, the Finance Department is responsible for the administration, direction, and coordination of the City's financial services. The Department's goal is to deliver reliable management information to other departments to assist in achieving their goals and objectives and increase their services' efficiency and effectiveness. The Department also serves the needs of the Mayor, City Manager, City Council, and the general public. It operates under established management principles and adheres to generally accepted accounting principles (GAAP).

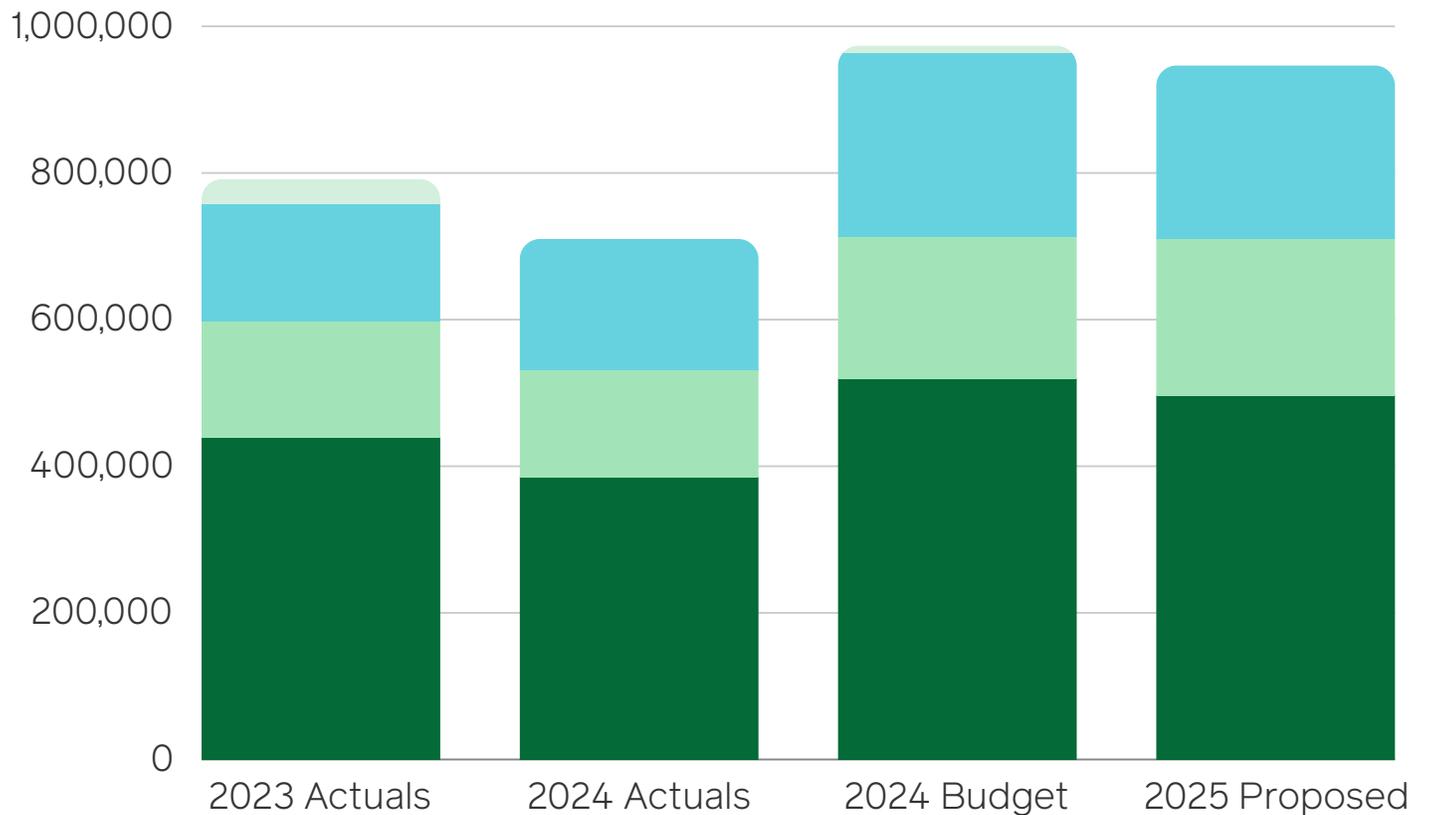
Functions of the Finance Department include but are not limited to:

- Providing accurate, complete, and timely information regarding the City's financial condition and transactions to internal and external customers of the City
- Executing procedures for the timely payment of all properly documented City liabilities, which ensures compliance with all legal requirements
- Maintaining a commitment to a high level of personal productivity and a continuous pursuit of improving the Department's procedures and achieving significant personal satisfaction in the staff's professional roles
- Maintaining knowledge of current laws, regulations, and requirements through active participation in professional organizations and maintaining related professional certifications. This knowledge will be used to administer the laws, regulations, and requirements efficiently and equitably



# FINANCE DEPARTMENT

	Expenditure Types	2023 Actuals	2024 Actuals	2024 Budget	2025 Proposed
■	Salary & Wages	439,484	385,568	519,229	496,088
■	Benefits	158,126	145,746	193,536	214,575
■	Operating Expenses	159,799	178,622	251,772	235,845
■	Capital Outlay	34,006	-	8,878	-
■	Debt Services	-	-	-	-
■	Other Financial Uses	-	-	-	-
		<b>791,415</b>	<b>709,936</b>	<b>973,415</b>	<b>946,508</b>



# ECONOMIC DEVELOPMENT

The Economic Development Director coordinates the City's economic development activities and administers the City's economic development program, including prospect development, industry contacts, and negotiation with industry representatives to encourage business development in the City of Pelham. The Economic Development Director reports to the City Manager under the Administrative Department and serves as the secretary (ex officio) of any development organizations within the City as permitted by law (i.e., CDA, IDB).

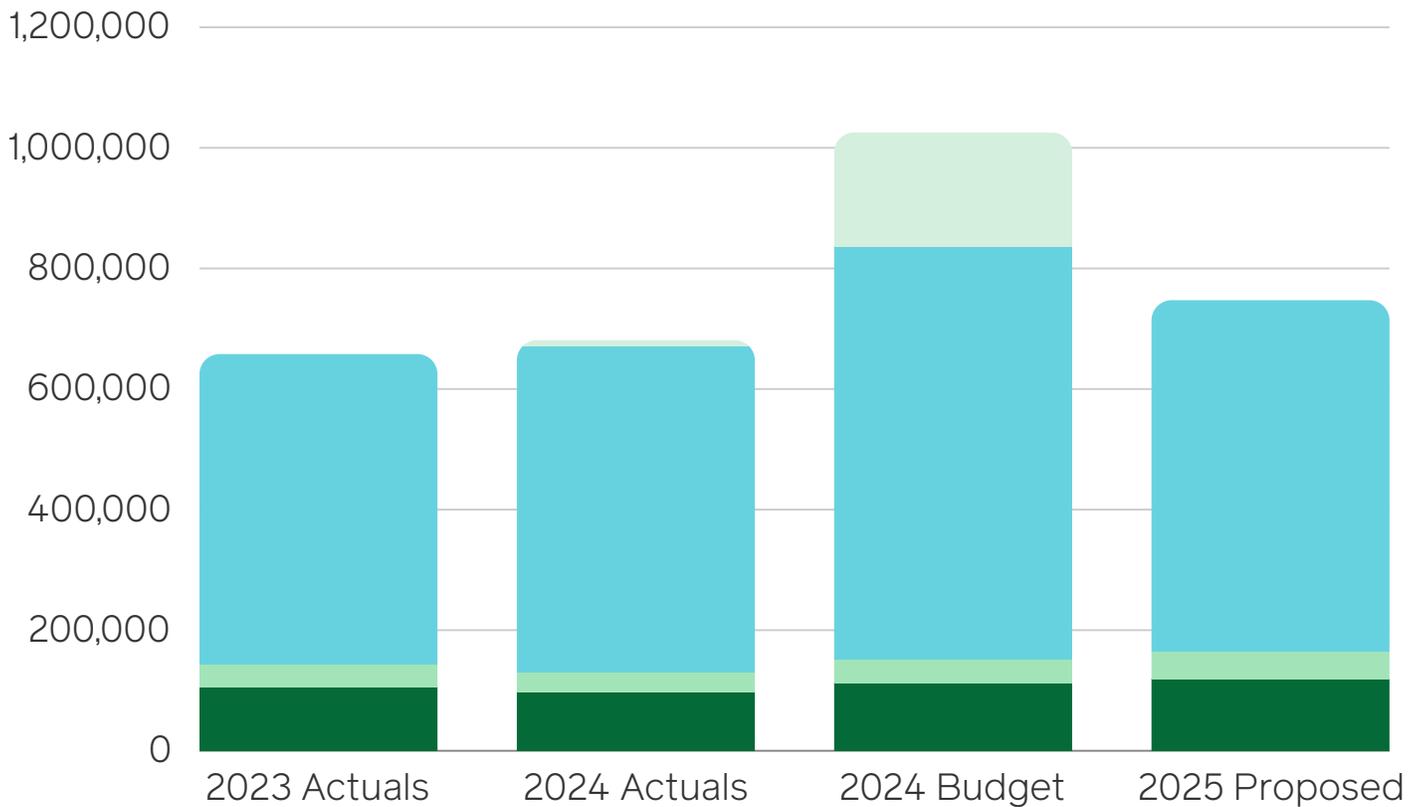
Functions include but are not limited to:

- Responding to calls and requests from citizens
- Answering questions from prospective business partners on available properties in the city, as well as zoning policies and processes as requested or as necessary to make business decisions
- Recruiting commercial and industrial business developers through targeted marketing and meeting with developers, brokers, retailers, and other businesses to encourage business development opportunities in the City of Pelham
- Partnering with the City's Communications Manager to inform the residents of impending strategies or activities that may impact the Pelham community
- Assisting the Communications Manager with messaging relevant to Pelham businesses and economic development, updating media platforms, and delivering presentations to the City Council as well as private or public partners to encourage local business development
- Leading negotiations on business partnerships or development agreements for commercial and industrial business development in the City, which may include tax abatement options or similar business development incentives
- Monitoring agreements for compliance with state, local, and/or federal regulations and working with the City's finance department to ensure compliance with agreements
- Developing and recommending incentive programs to aid in developer and tenant recruitment
- Serving as co-leader of the Implementation Team for Comprehensive Plan
- Researching, developing, and distributing economic development data and reports
- Preparing and maintaining updated statistical data on related business and industry



# ECONOMIC DEVELOPMENT

	Expenditure Types	2023 Actuals	2024 Actuals	2024 Budget	2025 Proposed
■	Salary & Wages	106,614	96,897	113,066	119,744
■	Benefits	36,341	33,828	39,336	45,337
■	Operating Expenses	515,048	540,062	683,860	582,247
■	Capital Outlay	-	10,232	189,250	
■	Debt Services	-	-	-	-
■	Other Financial Uses	-	-	-	-
		<b>658,003</b>	<b>681,019</b>	<b>1,025,512</b>	<b>747,328</b>



# COMMUNICATIONS & BRANDING

The Communications & Branding Department oversees the City's daily release of information, public relations, marketing, and compliance with the City's brand standards and story. The Communications & Branding Manager reports to the City Manager and serves as the City's Public Information Officer. Communications Specialists are responsible for the day-to-day marketing and public relations efforts, including fostering positive relationships with community members and organizations and promoting community activities and programs. The five primary communications vehicles used to accomplish these responsibilities are the City's websites, social media, the Pelham 311 app, a quarterly magazine, and two monthly e-newsletters.

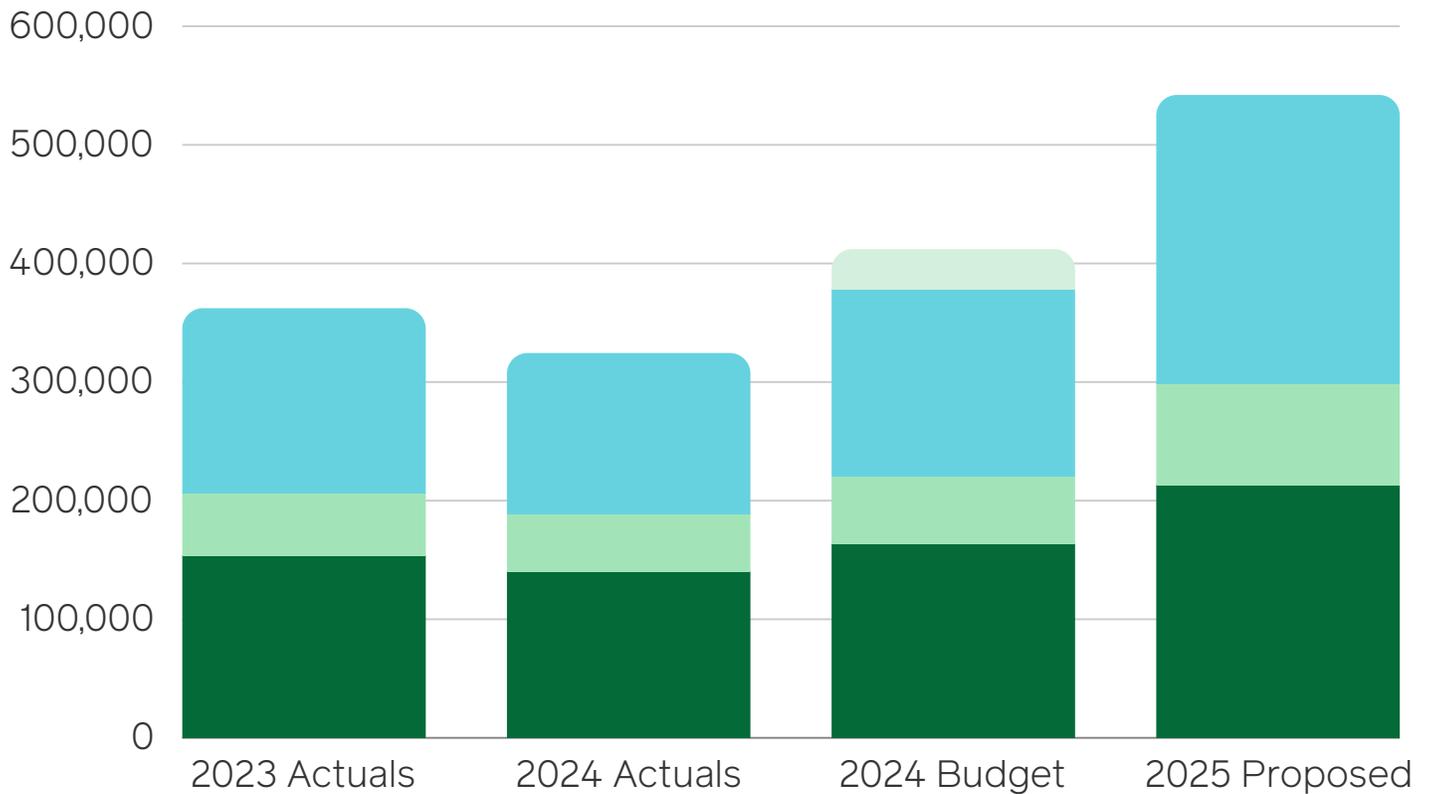
Functions include but are not limited to:

- Promoting the City to internal and external customers
- Monitoring social, economic, political, and industry trends to proactively make appropriate recommendations regarding communications strategies in response to identified trends
- Managing all public relations activities for the City, including website and social media management, brand and reputation management, marketing materials development, attending/photographing and writing about significant events, video/audio/print messaging, maintaining current fact sheets, community outreach, media relations, event planning, etc
- Fielding media inquiries and pitch stories to the media
- Compiling and formatting talking points and key documents for marketing, public relations, community outreach functions, and internal communications
- Handling crisis communication



# COMMUNICATIONS & BRANDING

	Expenditure Types	2023 Actuals	2024 Actuals	2024 Budget	2025 Proposed
■	Salary & Wages	153,615	139,765	163,636	212,995
■	Benefits	52,579	49,020	57,070	86,036
■	Operating Expenses	156,074	135,712	157,767	243,064
■	Capital Outlay	-	-	33,602	-
■	Debt Services	-	-	-	-
■	Other Financial Uses	-	-	-	-
		<b>362,268</b>	<b>324,497</b>	<b>412,075</b>	<b>542,095</b>



# CITY CLERK/TREASURER

The Office of the City Clerk/Treasurer is integral to local government. It performs many functions in various areas, including, but not limited to, customer service, office management, administration, public relations, and finance. Citizens expect the proper execution and operation of government to truly serve the people's needs, and City Clerks are there to record the proceedings of the municipal government to ensure that its legal processes are properly executed.

The City Clerk/Treasurer prepares ordinances and resolutions, attends all meetings of the Pelham City Council, and records in the minutes an accurate description of the actions of the governing body. The City Clerk/Treasurer serves as custodian of the rules, ordinances, resolutions, and minutes of the City Council, municipal lawsuits, subdivision bonds, and other permanent records of the City. Additional responsibilities include processing municipal bids and contracts, updating the Code of Ordinances, managing records for the City, and accessing public records. The City Clerk/Treasurer is the Election Manager in charge of all municipal elections.

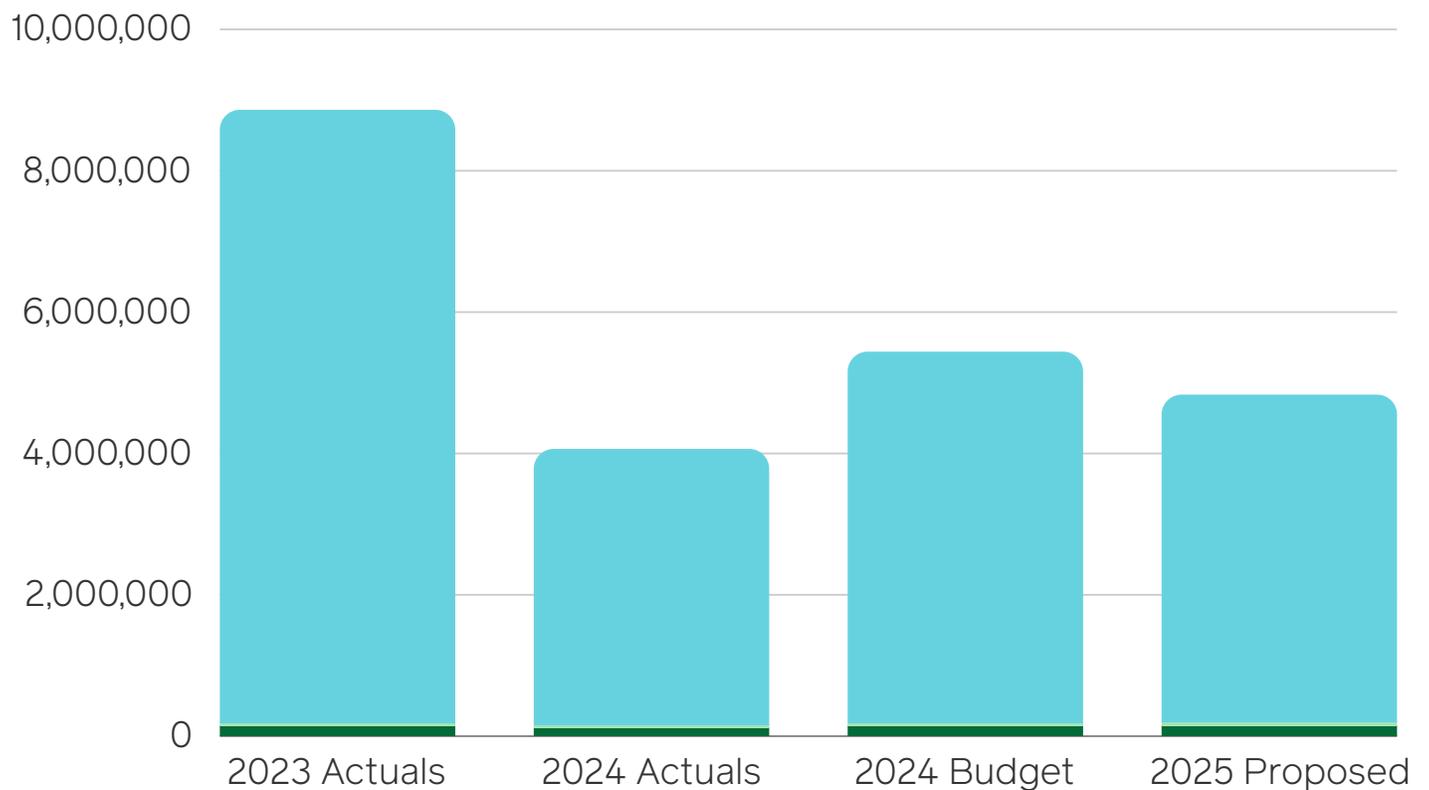
Functions of the Administrative – City Clerk/Treasurer include but are not limited to:

- Administering the City's debt service; working with bond counsel and financial advisors about the City's current and future debt service
- Preparing monthly debt service reports included in monthly financials from the City Manager
- Assisting the municipal government via administrative duties defined by the Code of Alabama for City Clerk/Treasurer
- Serving as the City Treasurer and executing applicable documents on behalf of the City
- Responding to calls and requests from citizens, City administration, and staff
- Coordinating and maintaining relationships with the City's banking partners with respect to its deposit account
- Preparing council meeting and work session agendas with the Mayor, City Manager, and City Council
- Preparing and developing resolutions and ordinances with the City Manager and other applicable city employees, City officials, and external resources
- Attending and recording minutes of regular and special council meetings and work sessions
- Managing and directing municipal elections
- Overseeing City bids, Requests for Proposals (RFP), and related activities; maintaining vendors' bid book and answering vendors' questions
- Certifying exempt or reduced utility fee applications each year
- Coordinating with the City Attorney on all lawsuits filed against the City
- Supervising the sale of City surplus property, equipment, and inventory
- Administering, coordinating, monitoring, and evaluating the City's liability insurance coverages



# CITY CLERK/TREASURER

	Expenditure Types	2023 Actuals	2024 Actuals	2024 Budget	2025 Proposed
■	Salary & Wages	140,301	118,500	144,671	149,421
■	Benefits	44,506	38,863	46,928	53,515
■	Operating Expenses	8,677,452	3,907,229	5,248,949	4,629,814
■	Capital Outlay	-	-	-	-
■	Debt Services	-	-	-	-
■	Other Financial Uses	-	-	-	-
		<b>8,862,259</b>	<b>4,064,592</b>	<b>5,440,548</b>	<b>4,832,750</b>



# PELHAM PUBLIC LIBRARY

The Pelham Public Library is a central gathering place where the community may engage with one another and the universe of ideas. The library commits to serving a diverse community of people of all ages, abilities, and backgrounds. We provide the community with materials and programming for educational, cultural, and recreational purposes, affordable access to technologies, reliable information (both print and digital), access to diverse resources, and helpful staff. The Pelham Public Library is a certified Gold Level library and sensory-certified facility through Kulture City.

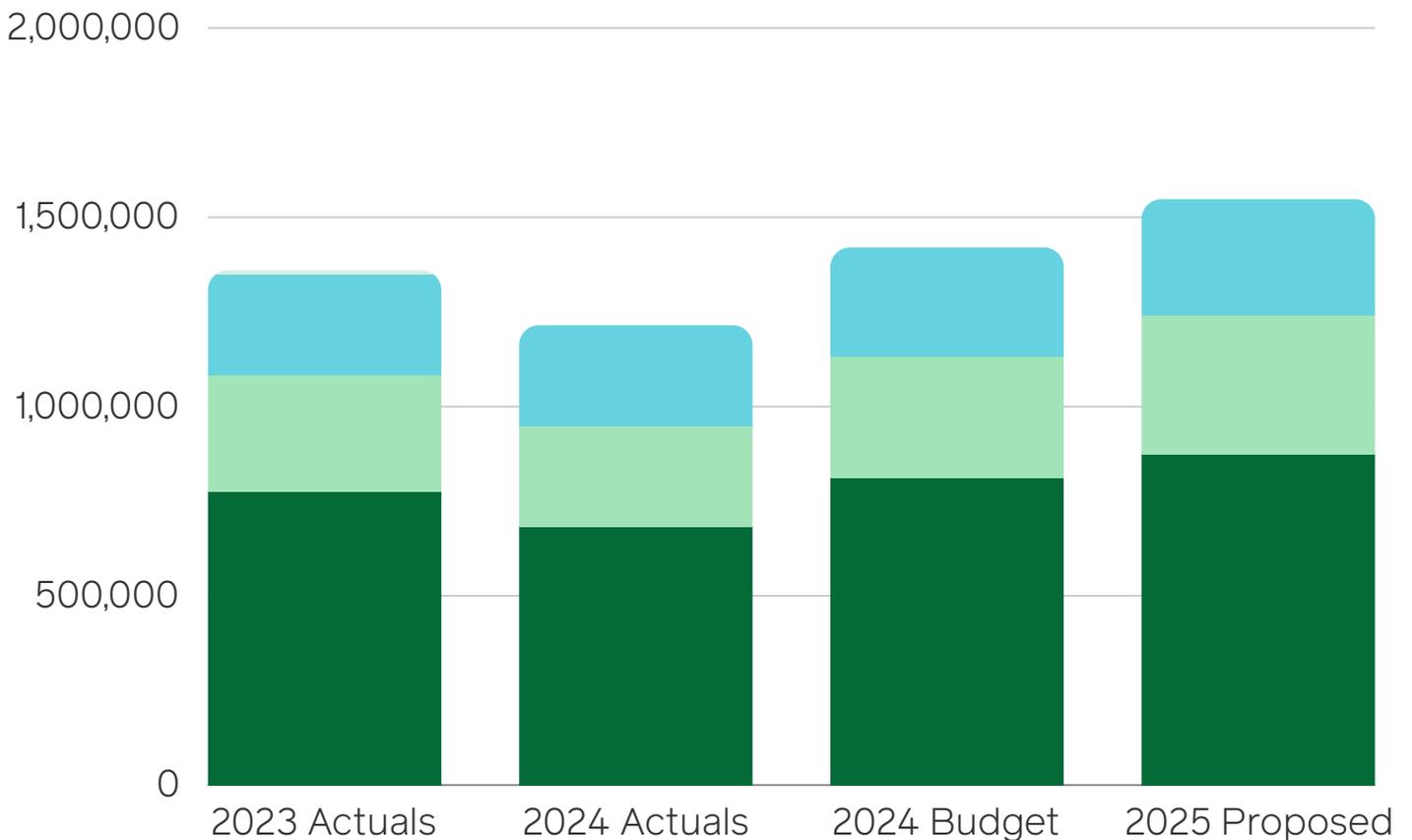
Functions of the Pelham Public Library include but are not limited to:

- Developing a collection that reflects the community's interests, needs, and diversity
- Providing residents and other visitors with access to reliable information and information professionals (librarians) to assist them
- Providing resources and programs contributing to a literate, informed, and engaged community
- Providing patrons with access to high-quality technology as well as professionals to assist in the use of technology
- Providing residents, students, and visitors with a safe and welcoming community hub



# PELHAM PUBLIC LIBRARY

	Expenditure Types	2023 Actuals	2024 Actuals	2024 Budget	2025 Proposed
■	Salary & Wages	775,814	681,869	811,478	874,067
■	Benefits	306,691	266,077	320,375	367,727
■	Operating Expenses	267,285	266,797	288,508	305,881
■	Capital Outlay	10,106	-	-	-
■	Debt Services	-	-	-	-
■	Other Financial Uses	-	-	-	-
		<b>1,359,896</b>	<b>1,214,743</b>	<b>1,420,361</b>	<b>1,547,675</b>



# PARKS & RECREATION

The Pelham Parks & Recreation Department is a comprehensive recreational program that provides recreational and leisure programs for all ages in the community.

Parks and recreation have three values that make them essential services to communities:

- Economic Value
- Health and Environmental benefits
- Social Importance

Just as water, sewer, and public safety are considered essential public services, parks are vitally important to maintaining and establishing the quality of life in a community while also ensuring the health of families and youth, as well as contributing to the economic and environmental well-being of a community and a region.

No communities pride themselves on their quality of life, promote themselves as a desirable location for businesses to relocate, or maintain that they are environmental stewards of their natural resources without such communities having a robust, active system of parks and recreation programs for public use and enjoyment.

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

- Providing safe and affordable activities for all ages and all life stages.
- Maintaining recreation facilities, fields, and green space.
- Promoting and hosting sporting events and community events for the community.
- Maintaining the City's parks and recreational trails.
- Keeping the City's recreational offerings current with best industry practices and applicable to the changing and growing needs of the community.



## Capital Outlay

The Parks & Recreation Department is requesting \$92,500 to purchase bleachers and portable fencing for City Park, replace aging fitness equipment, and a six-seat golf cart to use as a shuttle for guests at special events.

# PARKS & RECREATION

	Expenditure Types	2023 Actuals	2024 Actuals	2024 Budget	2025 Proposed
■	Salary & Wages	921,908	848,612	1,082,564	892,312
■	Benefits	330,294	293,059	389,100	312,066
■	Operating Expenses	985,609	1,161,921	1,374,107	1,454,571
■	Capital Outlay	51,901	52,149	52,149	92,500
■	Debt Services	-	-	-	9,121
■	Other Financial Uses	-	-	-	-
		<b>2,289,712</b>	<b>2,355,741</b>	<b>2,897,920</b>	<b>2,760,570</b>



# PELHAM POLICE DEPARTMENT

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 City's business owners, residents, and visitors with high 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.

The Pelham Police Department is a modern, progressive, full-service municipal law enforcement agency dedicated to providing superior police services to its community.

To accomplish our mission, we are committed to:

- The preservation of human life
- Crime prevention and suppression
- Investigation of crimes
- Apprehension of offenders
- Crime reduction
- Law enforcement
- The movement of traffic and people
- Investigation of traffic accidents
- Maintenance of public order
- Provision of emergency services
- Provision of general public service
- Protection of the community's constitutional rights
- Community Outreach

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

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



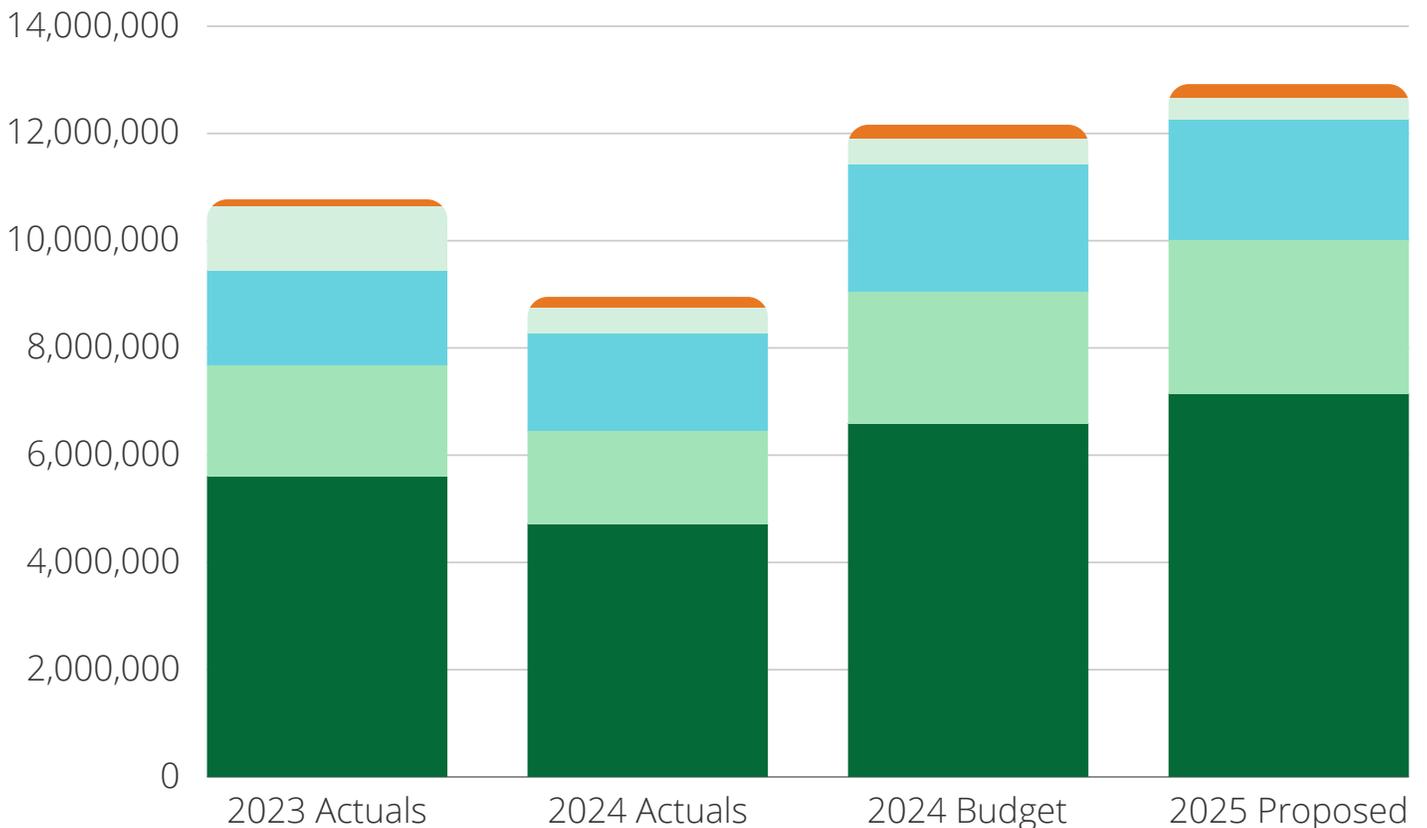
## Capital Outlay

- \$85,000 for interior painting
- \$301,179 for vehicles & upfitting
- \$27,500 for Traffic Unit motorcycle

The Police Department has a total amount of \$208,148 in debt service expenditure for capital leases that are reported under debt service in our financials.

# PELHAM POLICE DEPARTMENT

	Expenditure Types	2023 Actuals	2024 Actuals	2024 Budget	2025 Proposed
■	Salary & Wages	5,601,259	4,715,135	6,597,563	7,146,184
■	Benefits	2,090,267	1,747,781	2,467,724	2,883,367
■	Operating Expenses	1,756,881	1,818,200	2,368,949	2,229,545
■	Capital Outlay	1,204,183	481,221	481,255	413,679
■	Debt Services	118,295	190,648	247,344	247,762
■	Other Financial Uses	-	-	-	-
		<b>10,770,885</b>	<b>8,952,985</b>	<b>12,162,835</b>	<b>12,920,537</b>



# PELHAM FIRE DEPARTMENT

The Pelham Fire Department is a full-time career fire department serving the City of Pelham. The department operates out of five fire stations 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 various community risk reduction programs. In January 2025, the department will begin EMS Transport Services.

The men and women of the Pelham Fire Department strive for excellence in all that they provide for Pelham's citizens and visitors. Our mission statement is "We are committed to meet the needs of our citizens; to conduct ourselves as professionals, with compassion and efficiency." Pelham Fire Department prides itself on meeting the needs of the citizens and being on the cutting edge of new and innovative techniques in all aspects of its jobs.

The Pelham Fire Department provides fire and emergency medical services and technical rescue services in rope rescue, confined space rescue, hazardous materials response, and dive rescue and recovery. We also have a Community Paramedic Program, a Smoke Detector Program, and a very active Fire Prevention Education Program. We are constantly seeking to provide the highest level of service.

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

- Providing immediate response to all fire and EMS calls
- Providing technical rescue services
- Providing community paramedic services
- Providing building fire code inspections for all new construction
- Providing fire prevention inspections for City businesses
- Providing fire prevention education for citizens of all ages
- Providing fire suppression services
- Providing emergency medical response and transportation services
- Providing public education
- Performing vehicle extrication
- Performing surface and underwater rescue
- Performing confined space/high-angle rescue
- Performing trench rescue
- Performing hazardous materials mitigation



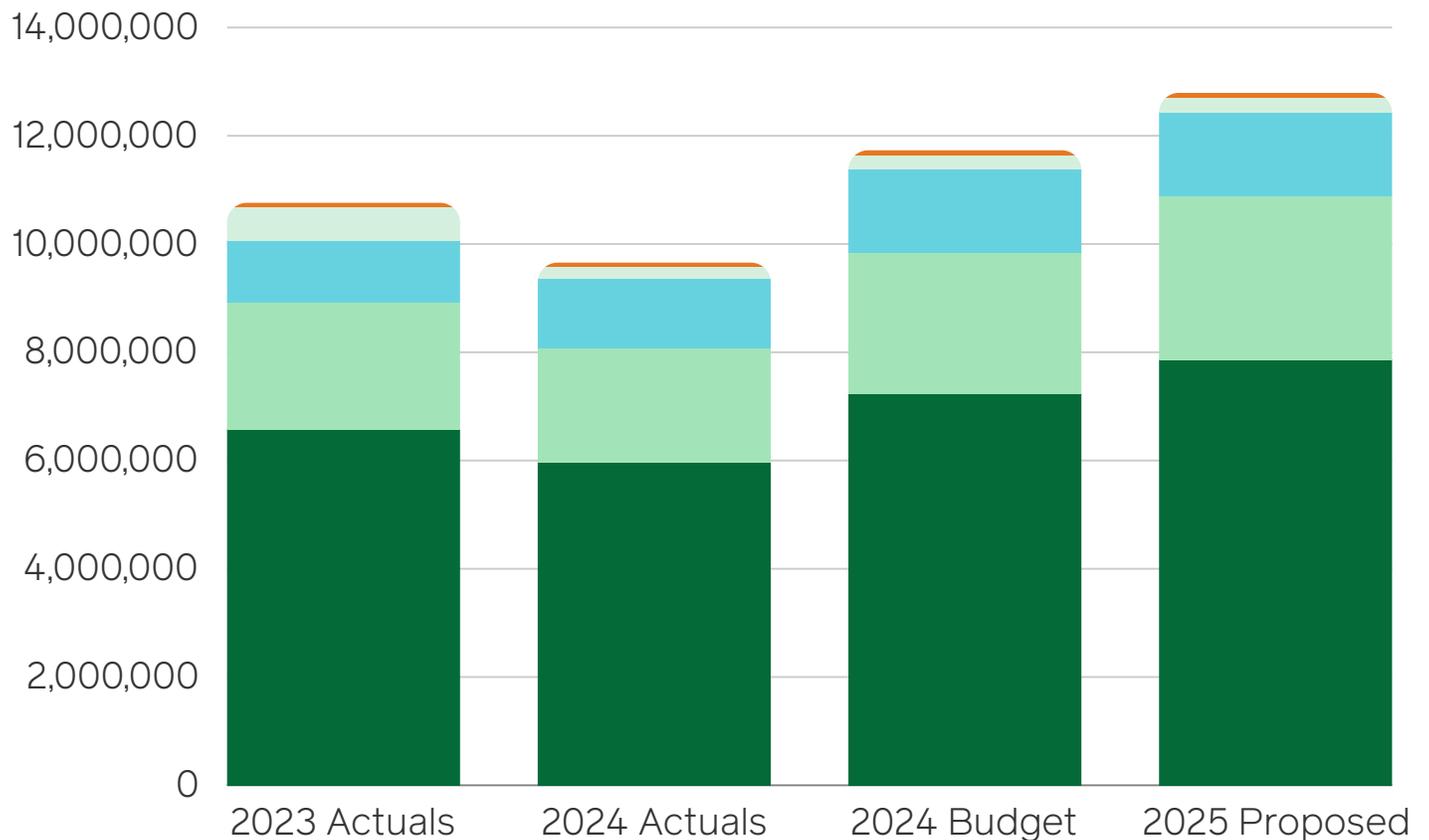
## Capital Outlay

- \$80,000 for Lucas Devices used for EMS Transportation Services
- \$18,000 for a Hamilton Ventilator for EMS Transportation Services
- \$37,800 for Station 1 & 2 Bunk Room Lockers
- 16,966 for Station 2 Gear Lockers to replace wooden lockers
- \$45,000 for 10% match to replace SCBA's through AFG Grant
- \$78,032 for Radios & Voice Amps

The Fire Department has a total amount of \$89,124.26 in debt service expenditure for capital leases that are reported under debt service in our financials.

# PELHAM FIRE DEPARTMENT

	Expenditure Types	2023 Actuals	2024 Actuals	2024 Budget	2025 Proposed
■	Salary & Wages	6,572,101	5,959,279	7,242,480	7,857,433
■	Benefits	2,351,500	2,118,759	2,602,884	3,038,313
■	Operating Expenses	1,141,097	1,282,449	1,549,257	1,531,822
■	Capital Outlay	621,566	221,041	249,862	275,798
■	Debt Services	74,724	74,724	87,499	89,125
■	Other Financial Uses	-	-	-	-
		<b>10,760,988</b>	<b>9,656,252</b>	<b>11,731,982</b>	<b>12,792,491</b>



# DSPW

The Development Services and Public Works Department oversees residential, commercial, and governmental construction within the City, provides services, and improves the quality of life through maintaining City property and infrastructure as well as provides engineering oversight within the City, aids building services in overseeing residential, commercial, and governmental construction to ensure compliance with laws, regulations, and City ordinances.

The Building Department reviews plans and issues building permits, performs building inspections, and works with the police department to address code enforcement issues. The Planning and Zoning Department monitors development in the City, recognizes and acts upon recommended changes in City Zoning Ordinances, and is charged with ensuring adherence to local Zoning Ordinances. The facilities maintenance function is responsible for the maintenance and repairs of city-owned facilities, and the public works function maintains the city's streets and public rights. This includes street improvements, sidewalk and drainage systems, and installation and maintenance of traffic controls and street signs. The engineering function serves to aid in designing, constructing, and maintaining public infrastructure as well as reviewing developments within the city.

Functions of the Development Services and Public Works Department include but are not limited to:

- Reviewing, administering, and communicating building and zoning regulations and guidelines within the City
- Working closely with potential and existing businesses to ensure the development process is efficient and effective
- Administering the building permit and inspection process
- Providing plan reviews
- Working in conjunction with the Police and Fire Departments, the Court Clerk, and Finance Director to ensure compliance with the City's Building and Zoning Ordinances
- Providing technical assistance to the Mayor, City Manager, City Council, and other City departments
- Maintaining streets, ditches, stormwater drains and pipes, and sidewalks with the City of Pelham
- Providing and managing maintenance on City facilities
- Maintaining right-of-way, street lights, and traffic signs within the City
- Performing minor road and sidewalk repairs
- Performing landscape maintenance and beautification services at many of the City facilities and along the public right of ways

- Monitoring and advising the City on infrastructure and capital improvement needs within the City
- Working alongside the Building Official, responding to the needs of the Planning and Zoning Commission
- Managing the City's Municipal Separate Storm Sewer System Program (MS4) and floodplain program
- Providing varying levels of project management on all public works capital projects

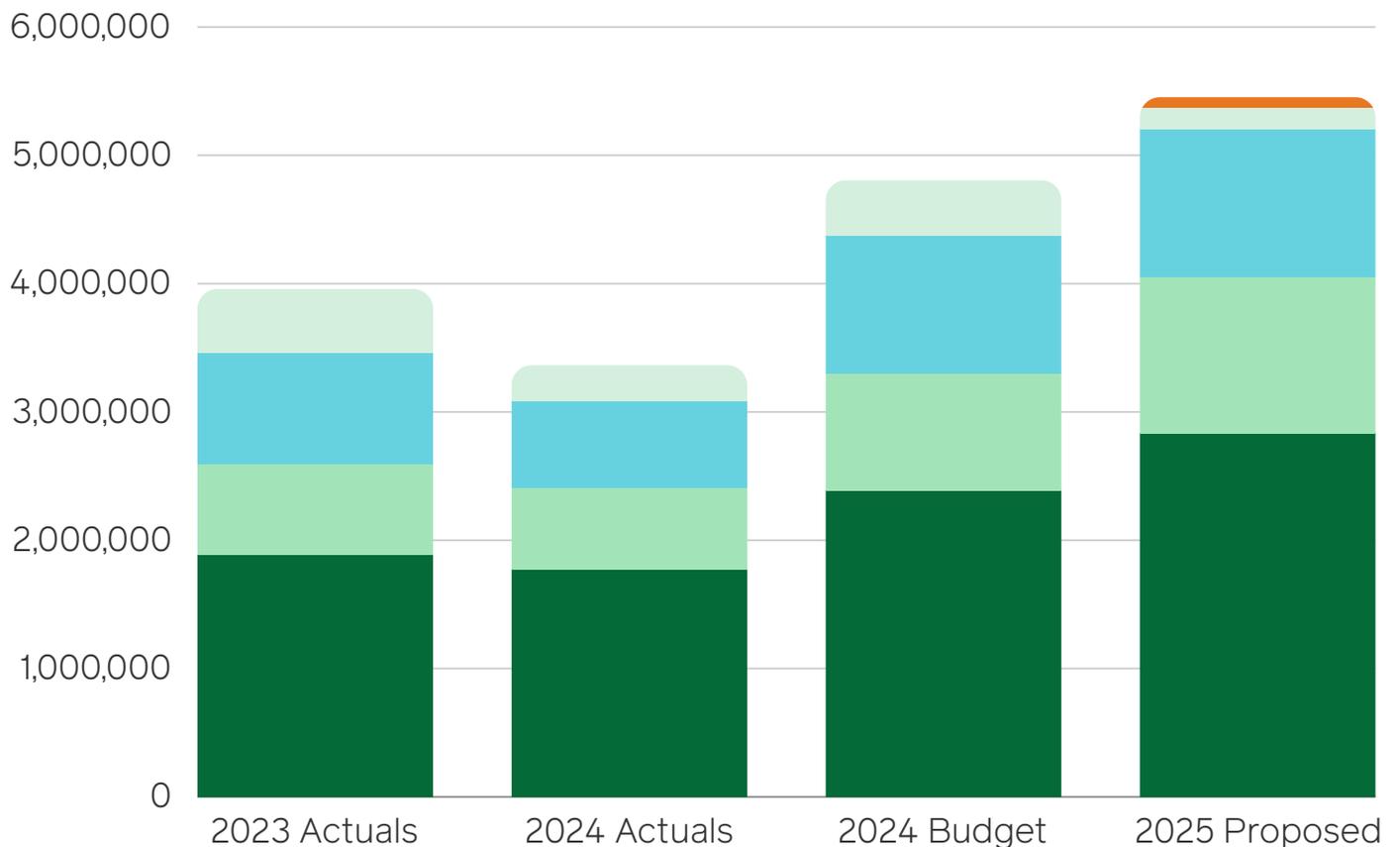


## Capital Outlay

The Development Services and Public Works department is requesting a total of \$168,700 to purchase a F550 Flatbed Truck, various lawn equipment, a trailer and a concrete saw.

# DSPW

	Expenditure Types	2023 Actuals	2024 Actuals	2024 Budget	2025 Proposed
■	Salary & Wages	1,888,567	1,711,747	2,388,205	2,831,362
■	Benefits	705,479	636,271	911,131	1,221,898
■	Operating Expenses	870,821	674,825	1,073,314	1,152,372
■	Capital Outlay	493,300	281,228	432,478	168,700
■	Debt Services	-	-	-	78,703
■	Other Financial Uses	-	-	-	-
		<b>3,958,167</b>	<b>3,304,071</b>	<b>4,805,128</b>	<b>5,453,035</b>





# ENTERPRISE FUNDS SUMMARY



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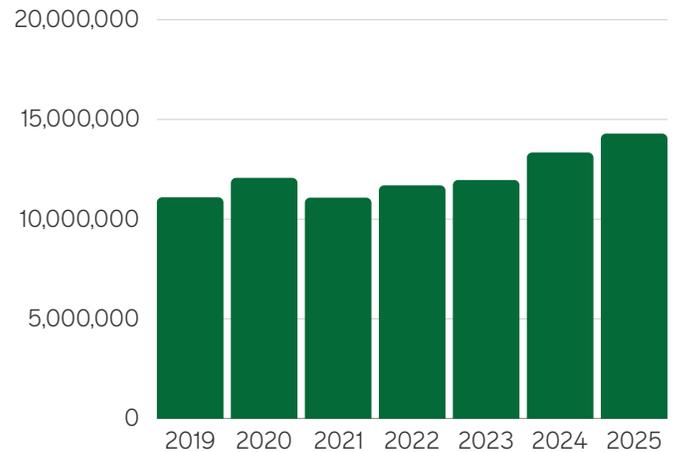
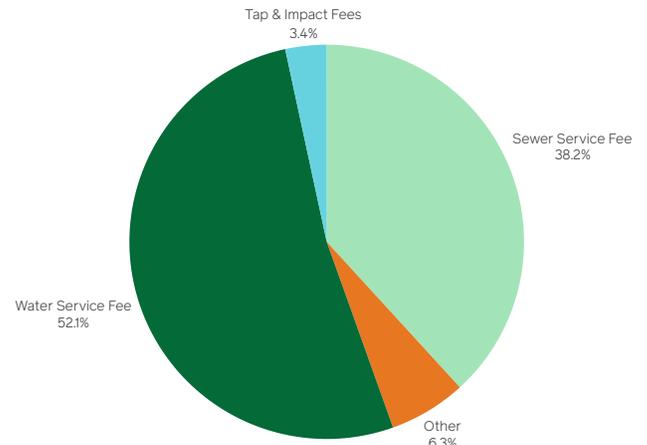
# ENTERPRISE FUND BUDGET SUMMARY

	Water & Sewer	Complex	Racquet	Golf	Trash	Summary Total
<b>Revenues</b>						
Taxes						
Sales tax						-
Property tax						-
Motor Vehicle/Gas tax						-
Other tax						-
Licenses and permits						-
Fines and forfeitures						-
Charges for services	13,935,442	3,864,809	880,850	3,415,118	2,958,545	25,054,764
Interest income	350,000	-	3,500	10,000	10,851	374,351
Other	4,596	-	-	10,000	-	14,596
<b>Total revenues</b>	<b>14,290,038</b>	<b>3,864,809</b>	<b>884,350</b>	<b>3,435,118</b>	<b>2,969,396</b>	<b>25,443,711</b>
<b>Expenditures</b>						
General administration						-
Administrative						-
City Manager						-
Mayor						-
City Council						-
Court						-
IT						-
Human Resources						-
Finance						-
Economic Development						-
Communications & Branding						-
City Clerk						-
Library						-
Parks & Recreation						-
Police						-
Fire						-
Public works						-
Water & Sewer Fund	9,129,464					9,129,464
Civic Complex & Ice Arena		4,384,158				4,384,158
Racquet Club			1,699,421			1,699,421
Ballantrae Golf				3,387,237		3,387,237
Pelham Garbage					3,119,396	3,119,396
	<u>9,129,464</u>	<u>4,384,158</u>	<u>1,699,421</u>	<u>3,387,237</u>	<u>3,119,396</u>	<u>21,719,677</u>
<b>Revenues less expenditures</b>	<b>5,160,574</b>	<b>(519,349)</b>	<b>(815,071)</b>	<b>47,881</b>	<b>(150,000)</b>	<b>3,724,034</b>
Capital Outlay	-	-	13,000	-	-	13,000
Debt service						-
Principal retirement	704,622	24,509	-	16,339	-	745,470
Interest	513,190	21,770	-	14,513	-	549,473
<b>Total capital outlay and debt expenditures</b>	<b>1,217,812</b>	<b>46,279</b>	<b>13,000</b>	<b>30,852</b>	<b>-</b>	<b>1,307,943</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>3,942,762</b>	<b>(565,628)</b>	<b>(828,071)</b>	<b>17,029</b>	<b>(150,000)</b>	<b>2,416,091</b>
<b>Other financing sources (uses)</b>						
Proceeds from sale of capital assets	-	-	1,000	-	-	1,000
Committed Fund Balance						-
Interfund Capital Transfers (In)	-	-	45,000	75,971	-	120,971
Interfund Capital Transfers (Out)	(9,301,376)	-	(45,000)	(93,000)	-	(9,439,376)
Interfund Operating Transfers (In)	-	565,628	827,071	-	150,000	1,542,699
Interfund Operating Transfers (Out)	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(9,301,376)</b>	<b>565,628</b>	<b>828,071</b>	<b>(17,029)</b>	<b>150,000</b>	<b>(7,774,705)</b>
<b>Net change in Fund Balance</b>	<b>(5,358,614)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,358,614)</b>

# WATER & SEWER FUND

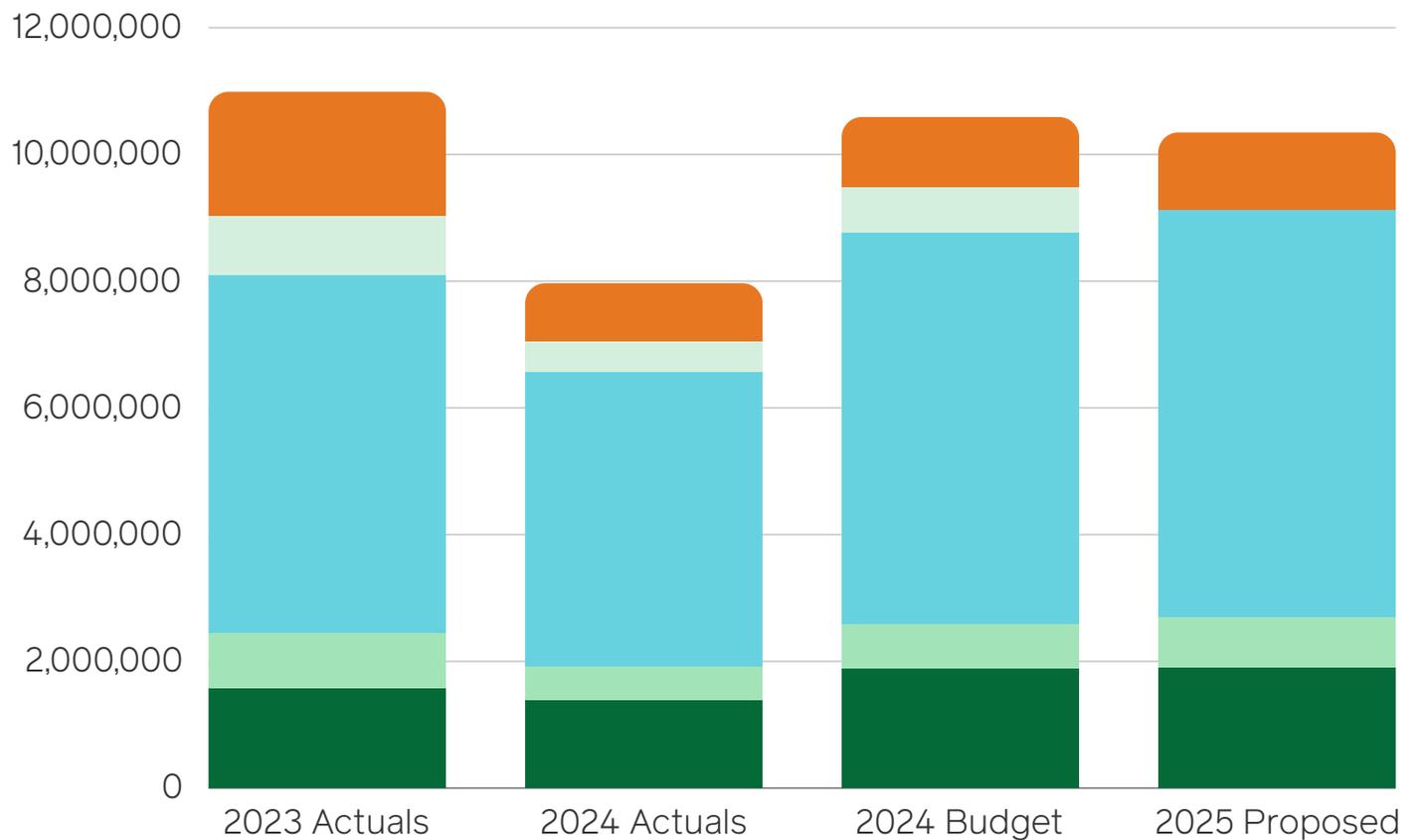
Pelham Water and Wastewater Departments are dedicated to providing our customers with safe, high-quality water and reliable service. Improvements are continuously being made to all aspects of the water and sewer systems to ensure a safe and reliable water supply to our growing community. The Water and Sewer Departments must meet or exceed all standards of 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 on the City's website under Water Quality Reports.

It is vital for the City to regularly measure the cost of providing water and sewer services and adjust fees accordingly. New water and sewer rates were adopted in FY 2023.



# WATER & SEWER FUND

	Expenditure Types	2023 Actuals	2024 Actuals	2024 Budget	2025 Proposed
■	Salary & Wages	1,584,596	1,393,624	1,885,786	1,908,245
■	Benefits	875,846	524,174	713,921	791,486
■	Operating Expenses	5,635,960	4,662,125	6,170,481	6,429,733
■	Capital Outlay	942,958	470,944	720,278	-
■	Debt Services	1,949,674	916,607	1,099,875	1,217,812
■	Other Financial Uses				
		<b>10,989,034</b>	<b>7,967,474</b>	<b>10,590,341</b>	<b>10,347,276</b>

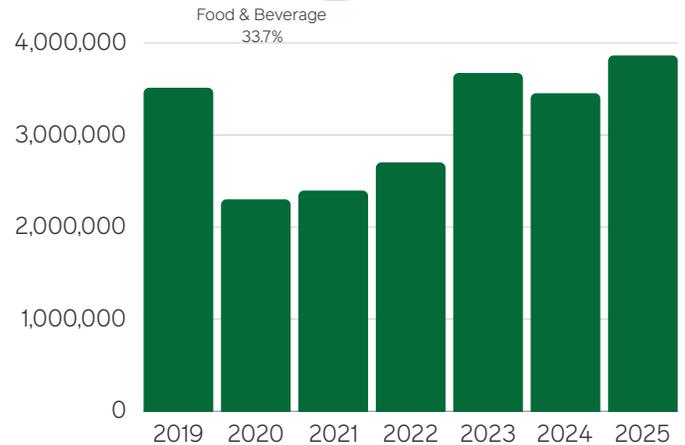
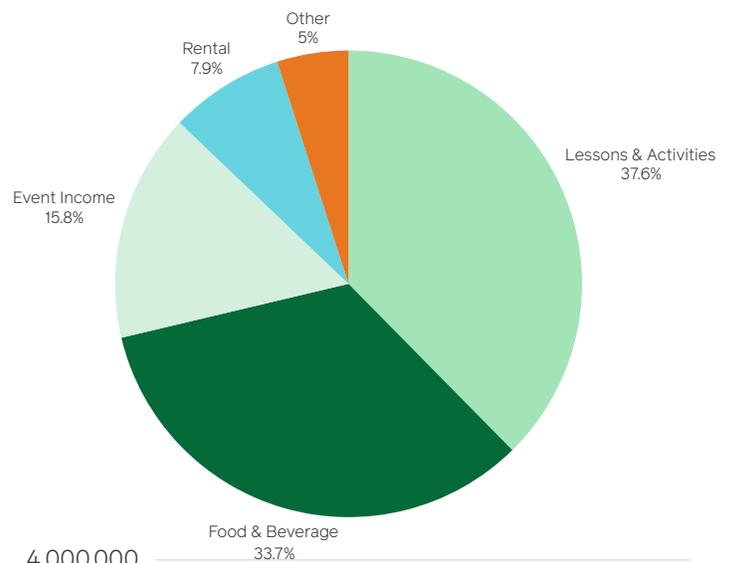


# CIVIC COMPLEX & ICE ARENA

The Pelham Civic Complex & Ice Arena features two National Hockey League-sized rinks (the main arena seats approximately 4,000), a banquet/conference space, offices, locker rooms, catering, commissary/kitchen, storage, mechanical and pre-function spaces. Ice-related activities form the bulk of usage at the facility, which hosts more than 27,000 ice skaters each year, from beginners to seasoned professionals. The main arena is home to the Birmingham Bulls and has 317,000 square feet of floor space with the capability of adapting to host a variety of events.

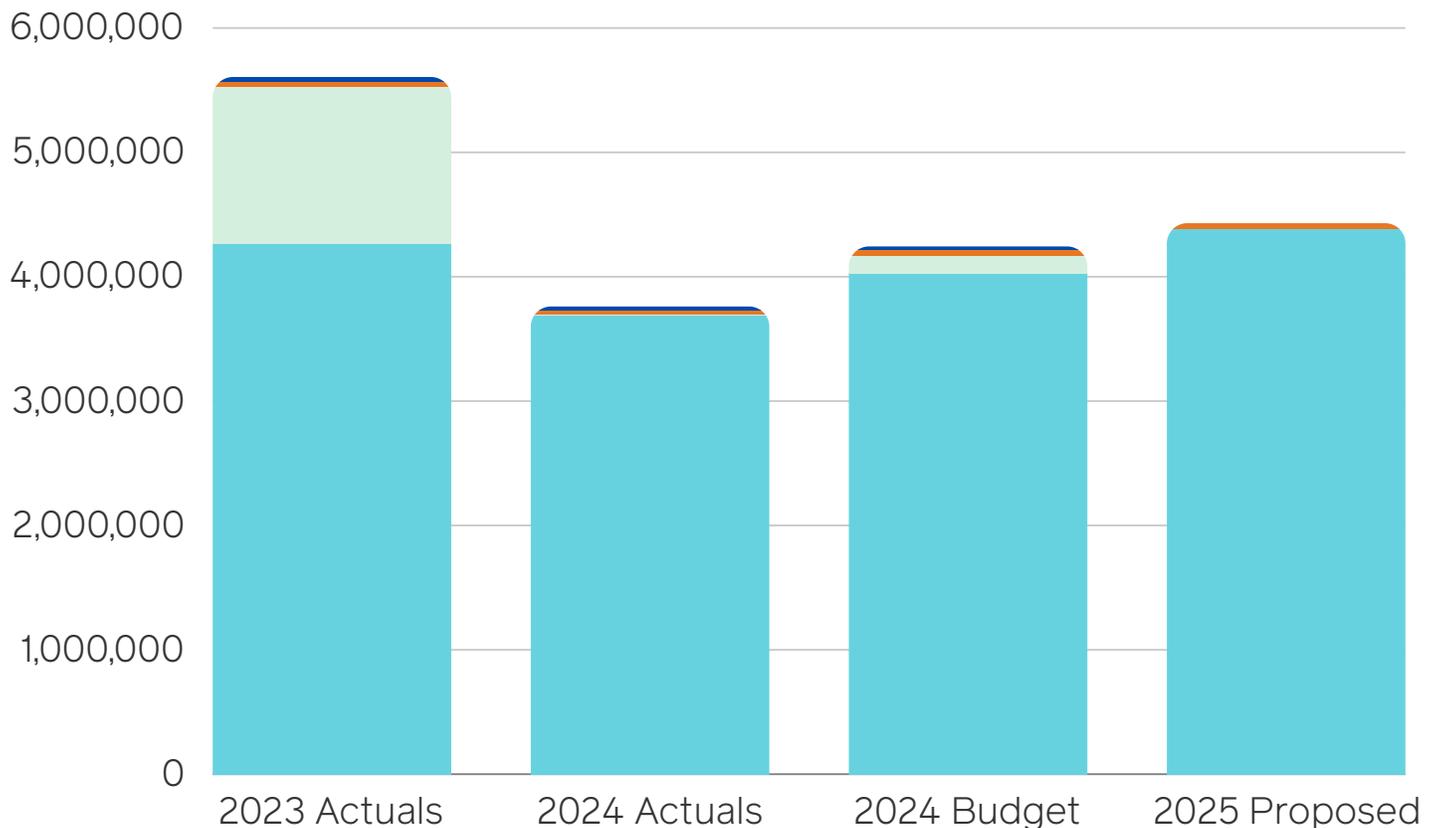
Major functions include but are not limited to the following:

- Hosting ice arena events such as national, regional, and local figure skating exhibitions and competitions, youth and adult hockey tournaments and league play, seasonal camps for all abilities, roller hockey, and broomball
- Serving as the home of the Southern Professional Hockey League’s Birmingham Bulls Hockey Team
- Serving as the home of the University of Alabama D1 and D3 Collegiate Club Hockey, Birmingham Bulls Youth Hockey, Southern Elite Hockey, Pensacola Youth Ice Flyers Travel Hockey, Pelham Youth Hockey, Pelham Skate School, Multiple Adult Hockey Leagues, Birmingham Figure Skating Club, Magic City Theatre on Ice, and UAB Collegiate Skating
- Maintaining a Pro Shop for figure skaters, hockey players, and fans
- Running concessions for events of all sizes
- Home to the Pelham Skate School, Aspire Academy, and Pelham Hockey Development Academy, 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, from small meetings to large conferences, banquets, receptions, weddings, birthday parties, and graduations
- Providing full-service ticketing, box office, and event marketing services



# CIVIC COMPLEX & ICE ARENA

	Expenditure Types	2023 Actuals	2024 Actuals	2024 Budget	2025 Proposed
■	Salary & Wages	-	-	-	-
■	Benefits	-	-	-	-
■	Operating Expenses	4,265,515	3,691,028	4,026,755	4,384,158
■	Capital Outlay	1,265,322	4,988	14,447	-
■	Debt Services	36,843	38,883	46,658	46,279
■	Other Financial Uses	38,615	25,840	25,840	-
		<b>5,606,295</b>	<b>3,760,739</b>	<b>4,113,700</b>	<b>4,430,437</b>



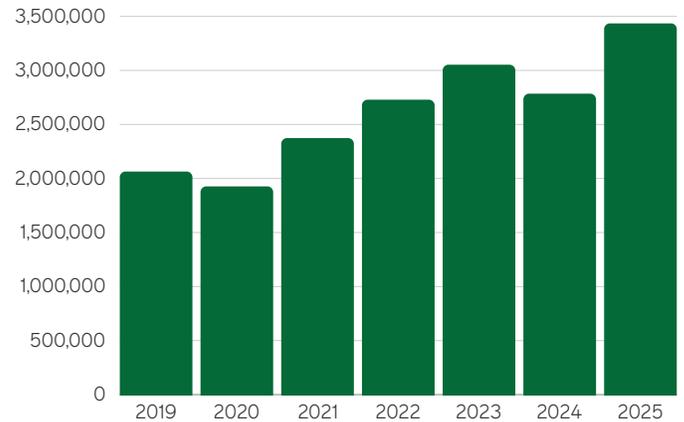
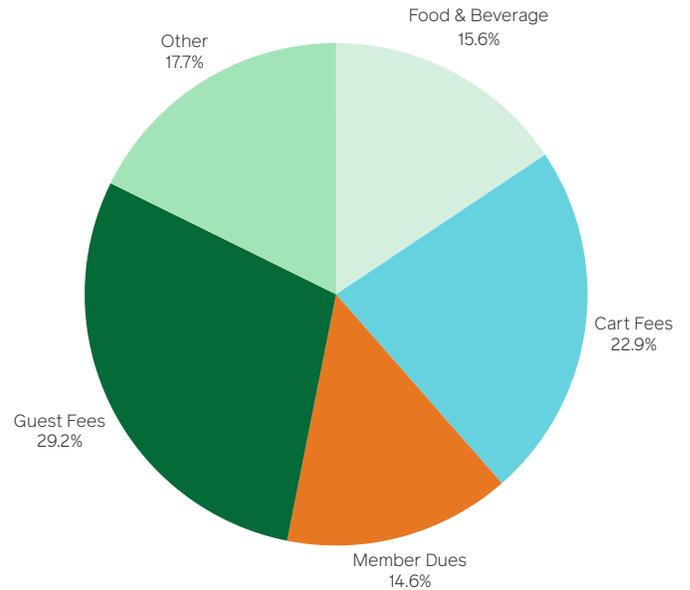
# BALLANTRAE GOLF CLUB

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, the Fireside Grille, a Clubhouse, a Conference Room, and a Practice Facility. Ballantrae provides a fun experience to all who frequent the facility which is open to the public with memberships available.

Rounds of golf and membership are both at an all-time high at Ballantrae. We are on pace once again to set a new yearly rounds record reaching almost 43,000 rounds of golf played. In addition, membership is full with 200 members and 30 on the waiting list to join.

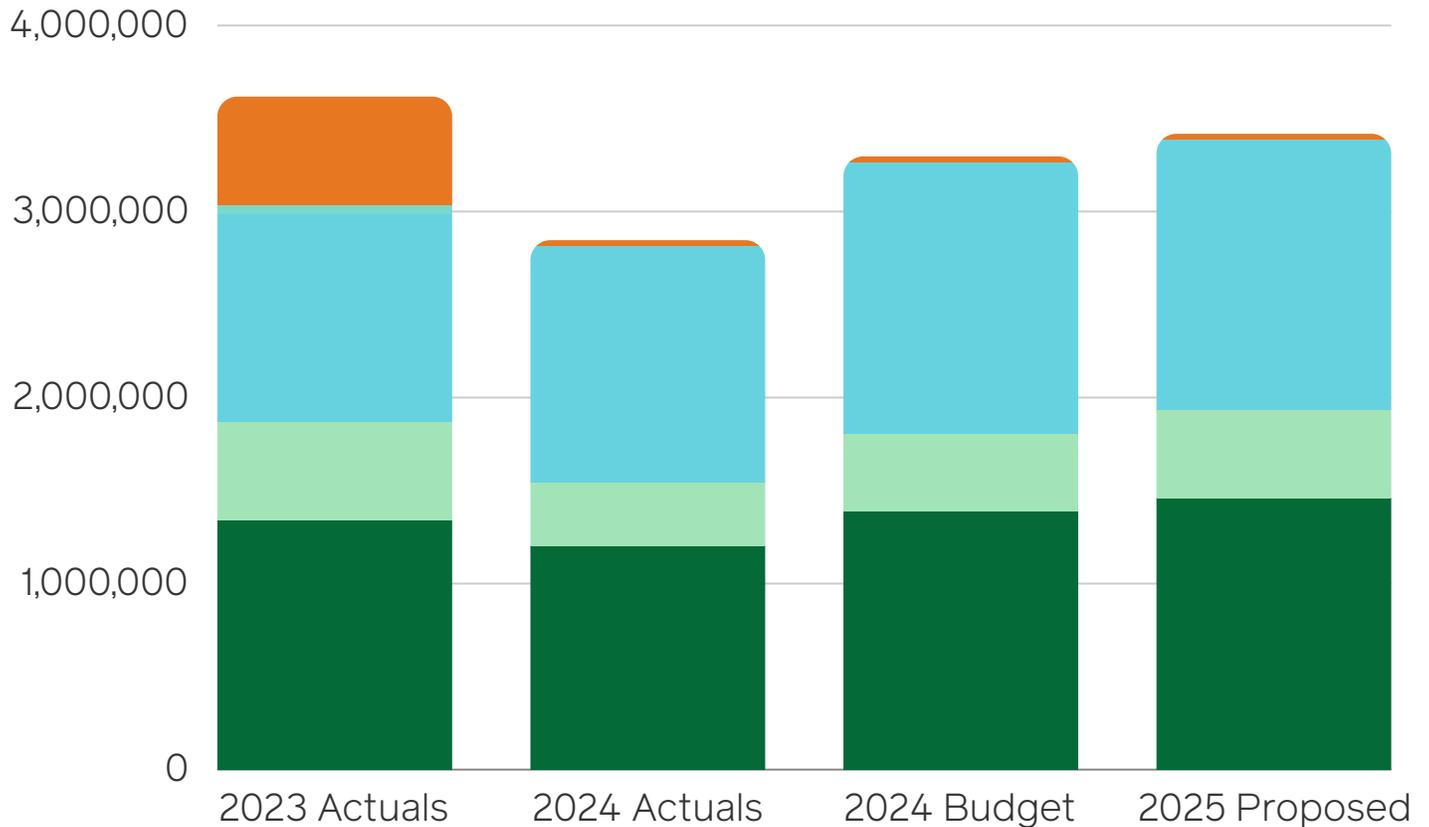
Major functions of Ballantrae Golf Club include, but are not limited to:

- Providing a beautifully maintained, safe, and friendly golfing experience for members and the public
- Providing the highest level of customer service to members and guests
- Offer special events for our members and the public.
- Providing excellent golf instructions by certified pros
- Offering a high-quality grille menu for golfers and for those visiting our community
- Managing a high-quality golf shop with inventory our customers need and want



# BALLANTRAE GOLF CLUB

	Expenditure Types	2023 Actuals	2024 Actuals	2024 Budget	2025 Proposed
■	Salary & Wages	1,343,491	1,205,412	1,392,928	1,460,285
■	Benefits	527,300	340,243	411,758	474,448
■	Operating Expenses	1,115,277	1,274,452	1,460,564	1,452,504
■	Capital Outlay	52,000	-	-	-
■	Debt Services	579,677	25,922	31,105	30,852
■	Other Financial Uses	-	-	-	-
		<b>3,617,745</b>	<b>2,846,029</b>	<b>3,296,355</b>	<b>3,418,089</b>



# PELHAM RACQUET CLUB

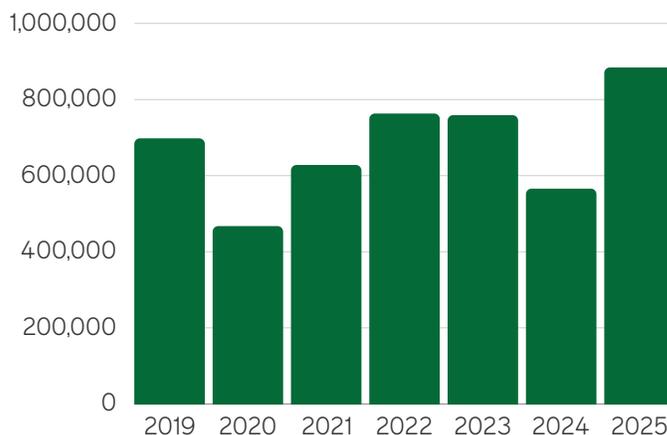
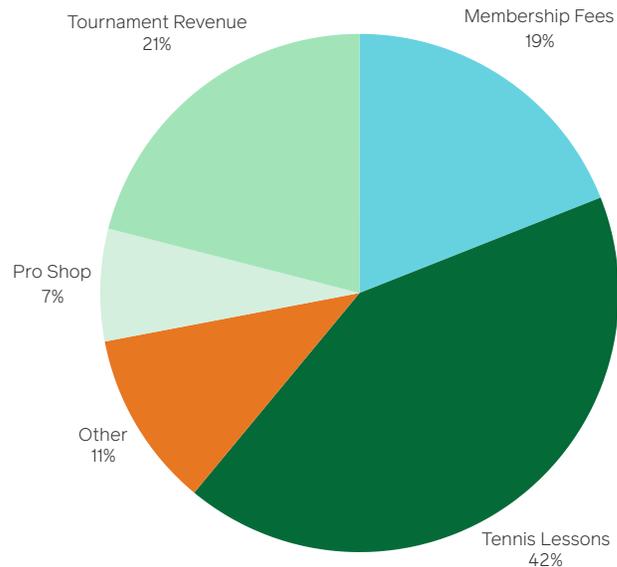
The Pelham Racquet Club is one of the largest public clay court facilities in the state, offering 20 clay courts and 5 hard courts all lighted with above tournament-grade lighting. The entire facility is beautifully landscaped on three tiers providing function and visibility to all courts. The club offers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

The facility hosts more than a dozen tournaments per year, including the Pelham Racquet Club Women's \$60,000 Pro Classic, which features participants from 27 nations. In addition to tournaments, lessons, league play, clinics, and socials are offered year-round.

The Club also has a Pro Shop and stringing services available on-site.

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

- Offering tennis lessons with USTA licensed professionals, serving the needs of beginners through professionals
- Hosting professional tournaments throughout the year
- Offering adult and junior league play
- Offering racquet stringing
- Offering a wide variety of tennis apparel and accessories in the Pro Shop
- Hosting regular social events



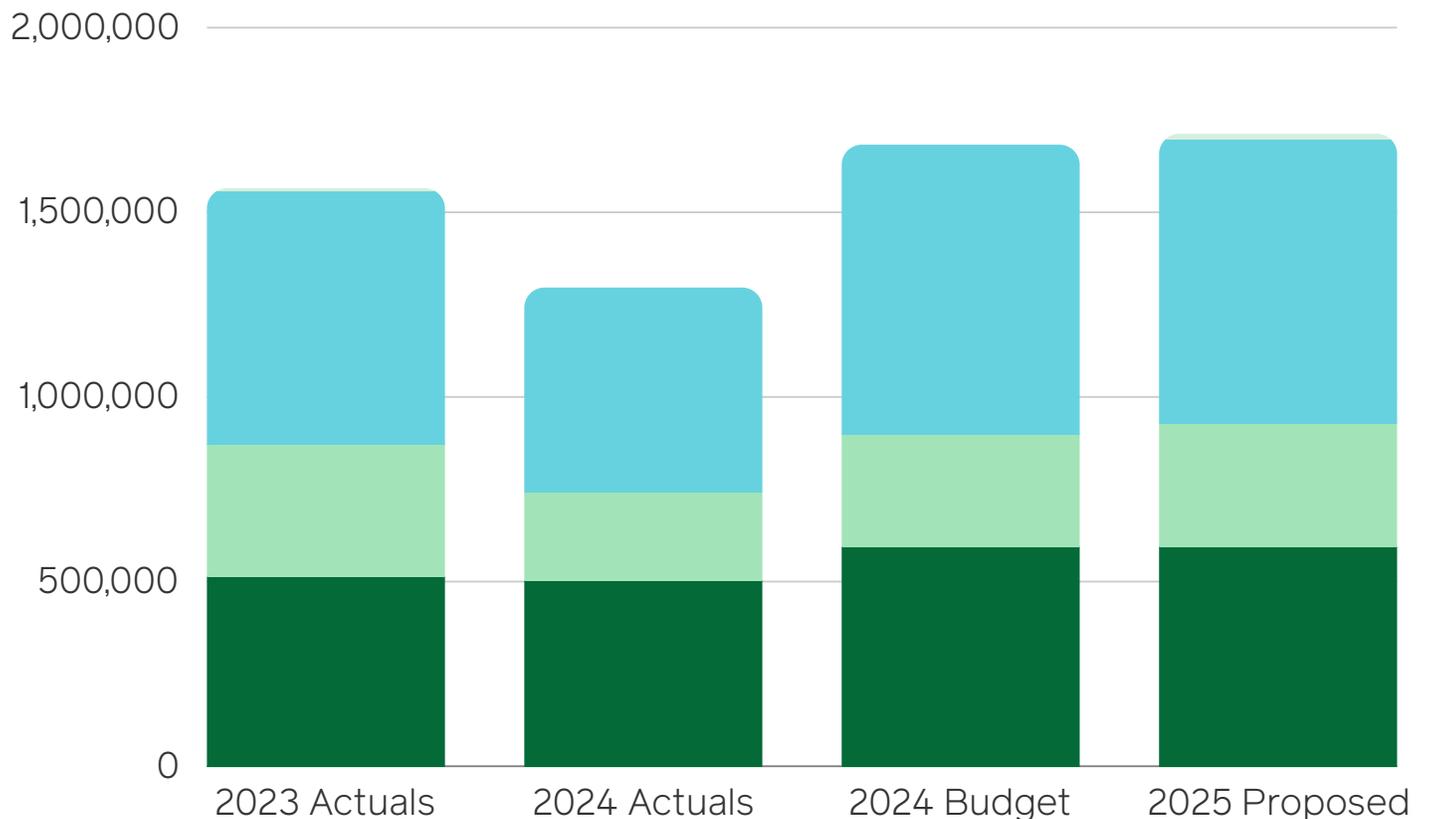
## Capital Outlay

The Pelham Racquet Club is requesting a total amount of \$13,000 for a golf cart.



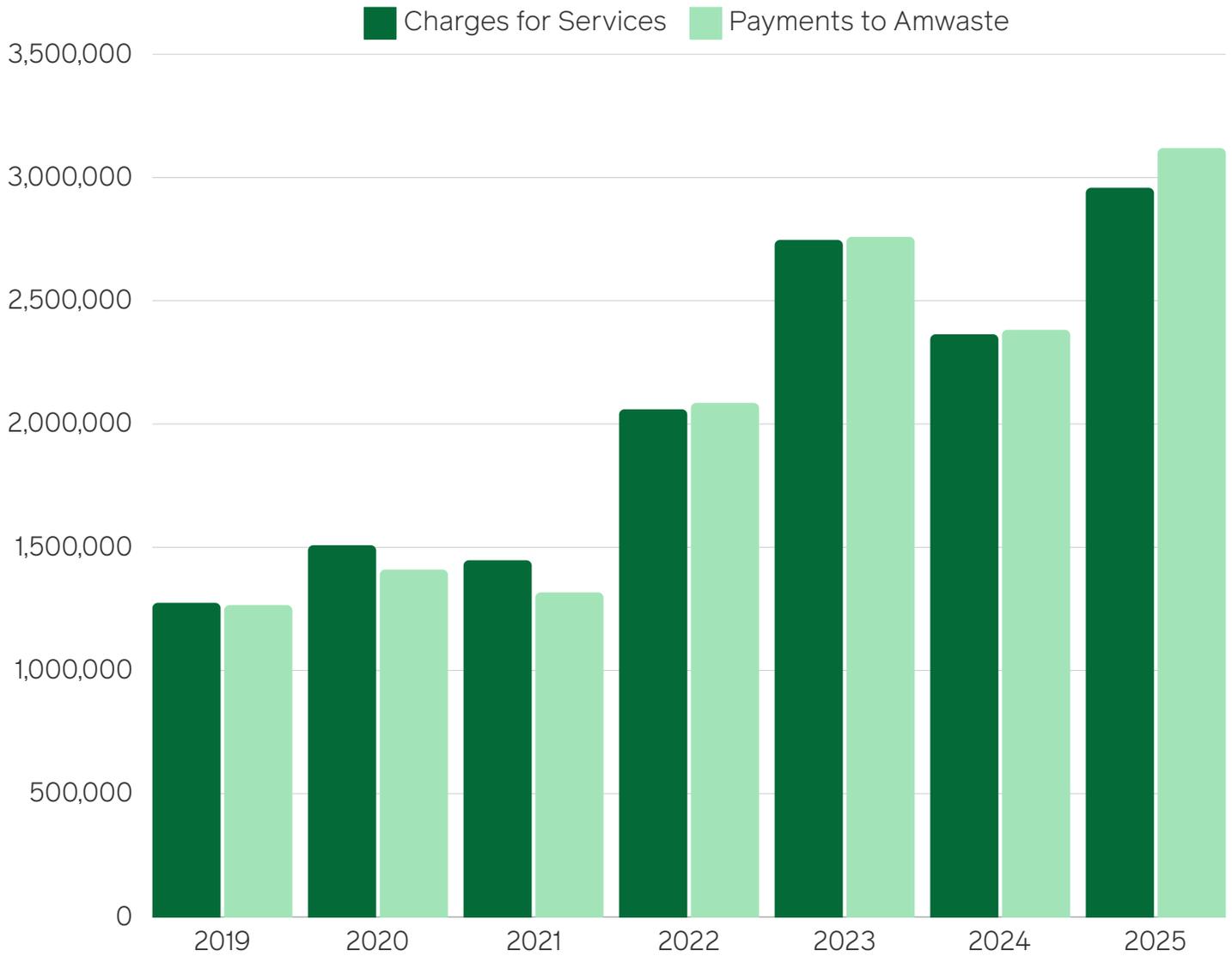
# PELHAM RACQUET CLUB

	Expenditure Types	2023 Actuals	2024 Actuals	2024 Budget	2025 Proposed
■	Salary & Wages	513,684	502,724	592,901	595,317
■	Benefits	358,649	239,836	306,881	333,593
■	Operating Expenses	686,372	553,627	783,262	770,511
■	Capital Outlay	6,300	-	-	13,000
■	Debt Services				-
■	Other Financial Uses	-	-	-	-
		<b>1,565,005</b>	<b>1,296,187</b>	<b>1,683,044</b>	<b>1,712,421</b>



# 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 the collection of garbage.





# OTHER FUNDS



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# 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's 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 the 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's 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.

### Library State Aid Fund

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

## 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 the Spring of 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 CAN NOT be used for:

1. Salaries, benefits, or any other form of compensation for the 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.

## 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.

## Library Board Fund

The City's Library Board Fund consists 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.

# OTHER 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 is 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 is 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.

## 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 monthly.

## 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.

Account Description	Estimated FY2024 Ending Balance	Projected FY2025 Income	Proposed FY2025 Transfers	Estimated FY2025 Ending Balance	Proposed Uses for Transfers to General Fund & Capital Project Fund
Capital Improvement	\$606,736	\$260,603	\$(600,000)	\$267,338	Annual Resurfacing
10 Cent Gas Tax	\$38,446	\$215,481	\$(250,000)	\$3,927	Annual Resurfacing
Motor Vehicle Gas Tax	\$78,905	\$135,099	\$(200,000)	\$14,004	Traffic Signal Upgrades
Municipal Corrections	\$35,331	\$417,139	\$(451,066)	\$1,404	Court Salary Reimbursements
Municipal Admin Fee	\$249,020	\$78,681	\$(213,049)	\$114,652	Court Salary Reimbursements
Fair Trial Tax	\$9,559	\$45,038	\$(42,374)	\$12,223	Court Salary Reimbursements
Police 911	\$46,695	\$143,170	\$(138,192)	\$51,674	Dispatcher Salary Reimbursements



# CAPITAL PROJECTS & DEBT SERVICE



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# CAPITAL PROJECT HIGHLIGHTS

Department	Project	Project No.	Phase					
			Pre Design	Design	Bid/Award	Construction	Complete	Inactive
<b>Court</b>	Courtroom Improvements	1323003					X	
<b>Fire</b>	Fire Station 1 Improvements	3023001					X	
	Fire Station No. 3 - Exit Traffic L	3023003				X		
	Fire Station No. 1 Bldg Envelop	3023006						X
	Fire Station No. 5 HVAC	3023007	X					
<b>Police</b>	Police Department - Roof Replacemen	3523003					X	
<b>Public Works</b>	Fencing	5023009					X	
	City Hall Campus Master Plan	5023007						X
<b>Engineering</b>	Drainage Improvements	5323009	X					
	Stormwater Mapping	5323012				X		
	City Hall	5323014					X	
	Highway 261 Widening	5323017		X				
	The Canopy	5323018					X	
	Amphitheater Road Widening	5323019					X	
	RTOP Traffic Signal Repairs	5323020					X	
	US 31 Lighting	5323021		X				
	Oak Mtn Trail - ALDOT Dirt Payment	5323022.1				X		X
	Highway 52 Widening Flyover	5323027	X					
	Pelham Resurfacing FY2024	5324001				X		
	PRoWag/ADA - Annual	5324002					X	
	Annual Drainage Improvements	5324003				X		
	City Facilities Maintenance & Upgra	5324004				X		
	Amphitheater Road Crosswalks	5324005					X	
	Holland Lakes Drainage Improvements	5324009.1						X
<b>Parks N Rec</b>	Campus 124 Park	6023001					X	
	Phase 3 and 4 Trails	6023002.1		X				
	Greenway Trail Extension	6023002.2		X				
	Tennis Center Improvements	6023004					X	
	Tennis Center Court Improvements	6023006				X		
	City Park Monument Sign	6023007			X			X
	City Park Playground	6023011					X	
	Parking Lot Paving at Splash Pad	6024001				X		
	Fun Go Holler - Restrooms	6024003	X					
	City Park Plaza Development	6123001						
<b>Library</b>	Public Space - Library Development	6123001.1	X					
	Library - Street Parking	6124001.1	X					
	Pelham Park Blvd Curb Cut	6124001.2	X					
<b>Civic Complex</b>	Civic Complex - FAÇADE Improvements	6223001					X	
	Civic Complex - Parking Lot	6223002					X	
	Civic Complex FFE	6223004					X	
	Civic Complex - Turbochiller	6223006				X		
	Civic Complex - FY23 HVAC Improvements W	6223008				X		
	Civic Complex Improvements	6224001		X				
<b>Golf</b>	Ballantrae Golf Clubhouse Improvements	6323001					X	
	Ballantrae Golf Restroom - Roofs	6324002	X					
	Ballantrae Starter Building Roof	6324003	X					
<b>Racquet Club</b>	Racquet Club Lobby Reconfiguration	6423001				X		

# CAPITAL PROJECT HIGHLIGHTS

<b>Water</b>	Annual PVC Replacement	7123004.1					X	
	Hwy 11 PVC Replacement	7123004.2					X	
	I-65 Crossing at Tank Farm PVC Replacement	7123004.3					X	
	King Valley Drive	7123004.4					X	
	Ridge Drive	7123004.5	X					
	SCADA Integration	7123006				X		
	Ballantrae Backup	7123008					X	
	Water Shop Improvements	7123009					X	
	Material/Equipment Pole Barn	7123010					X	
	Heather Ridge Well	7123012					X	
	Campbell Ridge Well	7123014				X		
	Well House Improvements	7124002				X		
	King Valley Road - Phase 2	7124004.1				X		
	Aaron Road/Kristen Circle	7124004.2				X		
	Hwy 361/CR35 to Eagle Cv/Dogwood C	7124004.3				X		
	INDUSTRIAL PARK DRIVE TURN LANE EXT	7124004.4				X		
	Tank Maintenance	7124006		X				
<b>Sewer</b>	Lift Station Remediation - LS B	7223004.1	X					
	Lift Station Remediation - Stratfor	7223004.2				X		
	Lift Station Remediation - LS F Pip	7223004.3		X				
	Lift Station Remediation - Business	7223004.4				X		
	SCADA Integration	7223006				X		
	Southgate Lift Station	7223007					X	
	WWTP Influent Screen Rehabilitation	7223008.2				X		
	WWTP Blower Replacement	7223008.3	X					
	WWTP Filter Equipment Replacement	7223008.4				X		
	WWTP Clarifier Rebuilds	7223008.5					X	
	WWTP Oxidation Ditch Rotor Replacme	7223008.6						X
	WWTP RAS Pumps	7223008.7		X				
	WWTP Chemical Feed Equipment	7223008.9	X					
	SSES Rehab - Phase 3	7223009.5				X		
UV System Replacement	7224008.2	X						
SSES -TVI FY24	7224009.1					X		
<b>Total Project</b>	<b>80</b>							

# CAPITAL PROJECT HIGHLIGHTS

City management recommends funding the following capital projects and capital outlay as follows:

## FY 2025 General Fund: New Projects

### Traffic Signal Upgrades

Upgrade traffic signal loops to thermal imaging cameras at ten intersections.

*Budgeted amount: \$550,000*

Funding Sources: Special Revenue - Motor Vehicle Tax and General Fund transfer

### Pelham Resurfacing FY 2025

Annual city-wide resurfacing.

*Budget amount: \$1,250,000*

Funding Sources: Special Revenue - 10 Cent Gas Tax, Special Revenue - Capital Improvement Fund, and General Fund transfer

### PROWag/ADA - Annual

Annual ADA improvements on City Rights of Way.

*Budget amount: \$100,000*

Funding Sources: General Fund transfer

### Drainage Improvements at City Park

Drainage improvements behind the football press box.

*Budget amount: \$60,000*

Funding Sources: General Fund transfer

### Rain Gauges - Hwy 11/ Ballantrae

Purchase of four new rain gauges as part of the MS4 program.

*Budget amount: \$30,000*

Funding Sources: General Fund transfer

### CC/Trail Parking Lot - Phase 2 Paving & Sidewalks

Paving of parking lot, sidewalks, and light relocation.

*Budget amount: \$800,000*

Funding Sources: General Fund transfer

### Building Wayfinding and Signage

City Wide buildings and wayfinding.

*Budget amount: \$100,000*

Funding Sources: General Fund Transfer

### US 31 Lighting - Additional Funds

City Hall to 119 lighting Hwy 31 Corridor.

*Budget amount: 1,100,000*

Funding Source: General Fund transfer

### Sidewalk Extension

Construct additional sidewalk for ADA accessibility at City Park main parking lot.

*Budgeted amount: \$30,000*

Funding Sources: General Fund transfer

### Bishop Creek/Buck Creek Automatic Gauging

Replace gauge at Police Training Area.

*Budgeted amount: \$30,000*

Funding Sources: General Fund transfer

### Library Front Desk

Redesign the front circulation desk to be more user-friendly and ADA compliant.

*Budget amount: \$50,000*

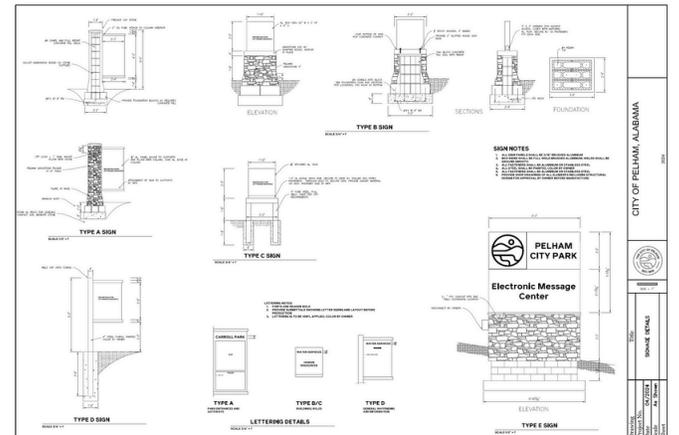
Funding Source: General Fund transfer

### Pavilion Construction

Add 2 new pavilions next to playground and splashpad to accommodate high demand for party space reservations.

*Budget amount: \$100,000*

Funding Source: General Fund transfer



# CAPITAL PROJECT HIGHLIGHTS

## FY 2025 General Fund: New Projects

### **Soccer/Hockey Rink**

Construct a multi-purpose soccer/street hockey rink.

*Budget amount: \$225,000*

Funding Source: General Fund transfer

### **Senior Center Outdoor Improvements**

Add two new pickleball courts, solar lighting, and a pavilion/restroom combination facility.

*Budget amount: \$150,000*

Funding Source: General Fund transfer

### **Turf Baseball Field #3 (Design)**

Convert baseball field #3 from 1 grass/clay field to 3 synthetic turf fields.

*Budget amount: \$126,000*

Funding Source: Committed Reserves for the City's Park & Recreation Facilities

### **Batting Cage/Restroom Addition Facility (Design)**

Design and construct a batting cage facility at the entrance to City Park baseball fields.

*Budget amount: \$126,000*

Funding Source: Committed Reserves for the City's Park & Recreation Facilities

### **Highway 52 Widening/Flyover - Additional Funds**

Widening of Highway 52.

*Budget amount: \$2,500,000*

Funding Source: Grant and General Fund transfer

### **Grant Matching**

This money will be used as seed money to set up a Grant fund.

*Budget amount: 1,000,000*

Funding Source: General Fund transfer



# CAPITAL PROJECT HIGHLIGHTS

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 & Ice Arena, Pelham Racquet Club, and Ballantrae Golf Club) will be funded through transfers from the General Fund or Special Revenue Funds. City management recommends funding the remaining following capital projects and capital outlay as follows:

## FY 2025 Sewer Department: New Projects

### **Electric Gate at the back of WWTP**

Install an automatic gate at the back of WWTP.  
*Budget amount: \$50,000*

### **Lift Station Remediation - KOA Lift Station Pump**

Annual lift station upgrades and maintenance.  
*Budget amount: \$328,000*

### **Lift Station Remediation - LS P (Dry Prime)**

Annual lift station upgrades and maintenance.  
*Budget amount: \$273,851*

### **SSES Rehab - Phase 4A - CIPP**

Ongoing remediation of sanitary sewer collections system.  
*Budget amount: \$1,000,000*

### **UV System Replacement**

Construction in FY 2025 based on design decisions in FY 2024.  
*Budget amount: \$1,040,000*

### **WWTP Gate Modifications**

Gate modifications at the WWTP.  
*Budget amount: \$200,000*

### **Lift Station Remediation F - Additional Funds**

Annual lift station upgrades and maintenance.  
*Budget amount: \$795,300*

### **Lift Station Remediation - LS B - Additional Funds**

Annual lift station upgrades and maintenance.  
*Budget amount: \$328,500*

### **WWTP Blower Replacement - Additional Funds**

Install of Equipment for WWTP.  
*Budget amount: \$500,000*

## FY 2025 Water Department: New Projects

### **CR 52 Tank Painting and Logo**

Update to CR 52 tank painting and new logo update.  
*Budget amount: \$100,000*

### **Electric Gate at back entrance of Water Shop**

Install automatic gate at the back entrance of City Hall campus near Water Shop.  
*Budget amount: \$50,000*

### **Chandalar Lane PVC Replacement**

Annual PVC water main replacement in water system.  
*Budget amount: \$455,000*

### **Creekview Drive PVC Replacement**

Annual PVC water main replacement in water system.  
*Budget amount: \$1,073,800*

### **Crosscreek Trail PVC Replacement**

Annual PVC water main replacement in water system.  
*Budget amount: \$1,528,800*

### **Hamilton Road PVC Replacement**

Annual PVC water main replacement in water system.  
*Budget amount: \$564,200*

### **Heather Ridge Electrical Upgrades**

Replacement of electrical panels in well house.  
*Budget amount: \$225,000*

### **High Ridge Electrical Upgrades**

New underground power service to replace overhead service and site lighting replacement.  
*Budget amount: \$15,000*

### **CR 35 Phase II (Eagle Cove to State Park Roundabout) PVC Replacement**

Annual PVC water main replacement in the water system.  
*Budget amount: \$214,514*

### **Indian Crest Tank Backup Line**

Add redundancy to water system at Indian Crest Tank.  
*Budget amount: \$339,411*

# CAPITAL PROJECT HIGHLIGHTS

## **Oak Mountain Meter House Improvements**

Interior painting of meter house.

*Budget amount: \$75,000*

## **Snowflake Building Modifications**

Improve storage space usage for Christmas decorations.

*Budget amount: \$30,000*

## **Tank Maintenance**

Annual tank inspections; CR 52 Tank and MMI #1 Tank

*Budget amount: \$15,000*

## **FY 2025 Pelham Racquet Club: New Projects**

### **Concrete Porch Repair**

Repairing of the Porch at the Racquet Club.

*Budget amount: \$45,000*

Funding Source: General Fund transfer

## **FY 2025 Ballantrae Golf Club: New Projects**

### **Ballantrae Clubhouse Interior Renovations**

Relocation of storage areas for expanded operations.

*Budget amount: \$60,000*

Funding Source: General Fund transfer

### **Ballantrae Golf Course Bathroom - 2 Roofs**

Replace end-of-life roofing - 2 buildings.

*Budget amount: \$21,500*

Funding Source: General Fund transfer

### **Ballantrae Starter Building Roof**

Replace end-of-life roofing.

*Budget amount: \$11,500*

Funding Source: General Fund transfer



# ACTIVE CAPITAL PROJECTS

## General Fund

### **Drainage Improvements**

Implement priority recommendations from the drainage study.

*Budget amount: \$2,284,518*

Funding Source: ARPA funds and General Fund transfer

### **Highway 261 Widening - Grant Match**

ALDOT/Helena/Hoover/Pelham/County agreement: local share

*Budget amount: \$675,000*

Funding Source: Grant and General Fund transfer

### **US 31 Lighting**

Replacement of Hwy 31 corridor lighting.

*Budget amount: \$6,479,014*

Funding Source: Bond proceeds

### **Gateway Improvements**

Signage, landscaping, and site improvements.

*Budget amount: \$632,350*

Funding Source: General Fund transfer

### **Fire Station No. 5 HVAC**

Upgrades to Station 5 HVAC units.

*Budget amount: 17,200*

Funding Sources: General Fund transfer

### **City Park Plaza Development**

Development of City Park Plaza.

*Budget amount: \$50,000*

Funding Source: General Fund Transfer

### **Highway 52 Widening/Flyover**

Widening of Highway 52.

*Budget amount: \$2,958,710*

Funding Sources: Grant and General Fund transfer

### **Annual Drainage Improvements**

City-wide drainage improvements

*Budget amount: \$555,716*

Funding Source: Special revenue - 7 Cent Gas Tax, and General Fund transfer

### **Greenway Trail Extension**

Trail section construction from Campus 124 Park to Amphitheater Road.

*Budget amount: \$1,149,311*

Funding Source: Bond proceeds

### **Tennis Center Improvements**

Tennis center upgrades - lighting, fencing, and resurfacing. Eligible for an additional USTA grant up to \$30,000 to replace fencing

*Budget amount: \$151,305*

Funding Source: Grant and General Fund transfer

### **Holland Lakes Drainage Improvements**

Drainage improvements in Holland Lakes Neighborhood.

*Budget amount: \$375,000*

Funding Sources: ARPA/Draining Improvement Reserve

### **Library - Street Parking**

Eleven additional street parking spaces.

*Budget amount: \$209,000*

Funding Sources: General Fund transfer

### **Pelham Park Blvd Curb Cut**

Part of Library property development.

*Budget amount: \$100,000*

Funding Source: General Fund transfer

### **Phase 3 and 4 Trails - Grant Match**

Trail section design from City Park to Campus 124 Park.

*Budget amount: \$8,169,507*

Funding Sources: Grant and General Fund transfer

### **Stormwater Mapping**

Storm sewer network mapping to support drainage maintenance and planning.

*Budget amount: \$150,000*

Funding Source: ARPA

# ACTIVE CAPITAL PROJECTS

## Sewer Fund

### **Business Center Lift Station**

Annual lift station upgrades and maintenance.

*Budget amount: \$603,500*

### **SCADA Integration - Phase 1**

Upgrades to plant control systems at the sewer plant.

*Budget amount: \$150,000*

### **SSES TVI - FY 2024**

Ongoing remediation of the sanitary sewer collection system.

*Budget amount: \$130,813*

### **SSES Rehab - Phase 3**

Ongoing remediation of the sanitary sewer collection system.

*Budget amount: \$2,397,589*

### **Misc Waste Water Treatment Plan Improvements**

Annual WWTP Upgrades and Maintenance

*Budget amount: \$1,500,000*

Projects under Misc WWTP Improvements are:

- Clarifier Rebuild
- Filter Equipment Replacement
- Chemical Feed Equipment - Dewatering Building
- Influent Screen Rehab
- Oxidation Ditch Rotor Replacement
- RAS Pumps

## Water Fund

### **Aaron Road/ Kristen Circle**

Annual PVC water main replacement in the water system.

*Budget amount: \$795,600*

### **Campbell Ridge Well**

Pump inspections and maintenance.

*Budget amount: \$108,011*

### **Hwy 361/CR35 to Eagle Cv/Dogwood Circle**

Annual PVC water main replacement in the water system.

*Budget amount: \$1,996,000*

### **Industrial Park Drive Turn Lane Exit**

Annual PVC water main replacement in the water system.

*Budget amount: \$493,785*

### **King Valley Road - Phase 2**

Annual PVC water main replacement in the water system.

*Budget amount: \$492,033*

### **Ridge Drive**

Annual PVC water main replacement in the water system..

*Budget amount: \$866,775*

### **SCADA Integration**

Upgrades to water system control and monitoring system

*Budget amount: \$150,000*

### **Well House Improvements**

Improvement to the well house roof repairs, door hardware, and lighting upgrades.

*Budget amount:\$50,000*

## Civic Complex & Ice Arena

### **Civic Complex Improvements**

Roof Repairs, Insulation, Electrical Design, and A/V Upgrades.

*Budget amount: \$394,926*

Funding Source: General Fund transfer

### **Civic Complex - FFE**

Replacement of meeting rooms and lobby furnishings for the Civic Complex.

*Budget amount: \$66,500*

Funding Sources: General Fund transfer

### **Civic Complex - Turbochiller**

Replacement of Ice Plant for rinks.

*Budget amount: \$3,255,569*

Funding Source: Funds Allocated to FIMP

### **Civic Complex - HVAC Improvements**

HVAC replacement for building.

*Budget amount: \$2,986,659*

Funding Source: Special Revenue - Capital Imp. Fund and General Fund transfers

# DEBT SERVICE

The City has the following debt for which payments have been budgeted for FY 2025.

## Series 2013-C

Series 2013-C was issued to refund Series 2005, for which proceeds were used for the 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 refunded 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 refunded during March 2021.*

## 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 and 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 following capital projects are funded through Tax Exempt General Obligation Warrants series 2021-A.

Pelham City Hall	\$3,620,355
Fire Station No. 3	\$3,007,404
Fire Apparatus (x2)	\$1,300,404
US 31 Lighting	\$3,000,000
The Canopy - Infrastructure Improvements	\$535,000
Amphitheater Road Signalized Crosswalk	\$15,000
Amphitheater Road Widening & Improvements	\$3,00,000
Oak Mountain Drive Overlay/Paving	\$50,000
Greenway Trail Extension (Campus 124 to The Canopy)	\$1,150,000
Water & Sewer Infrastructure Improvements	\$12,680,000
Water Mains/Lines - PVC Replacement	\$5,000,000
Civic Complex & Ice Arena Facade Improvements	\$750,000
Land Acquisition for Civic Complex & Ice Arena Parking	\$750,000
Ballantrae Golf Club Clubhouse Improvements	\$500,000
Miscellaneous	\$3,200,000
<b>*TOTAL NOT TO EXCEED*</b>	<b>\$38,557,759</b>

# DEBT SERVICE

The City's outstanding debt service with the respect to warrants payable by each fund is as follows:

General Fund	Principal	Interest	Maturity Date
Series 2013-C	3,005,885	189,302	2029
Series 2021-A	10,803,454	4,027,616	2041
	13,809,339	4,216,918	

Pelham BOE	Principal	Interest	Maturity Date
Series 2014	7,555,000	825,225	2030
Series 2015	5,375,000	1,580,334	2040
Series 2021-B	21,440,000	3,486,989	2038
	34,370,000	5,892,548	

City-CO-OP	Principal	Interest	Maturity Date
Series 2021-A	4,205,831	1,567,969	2041
	4,205,831	1,567,969	

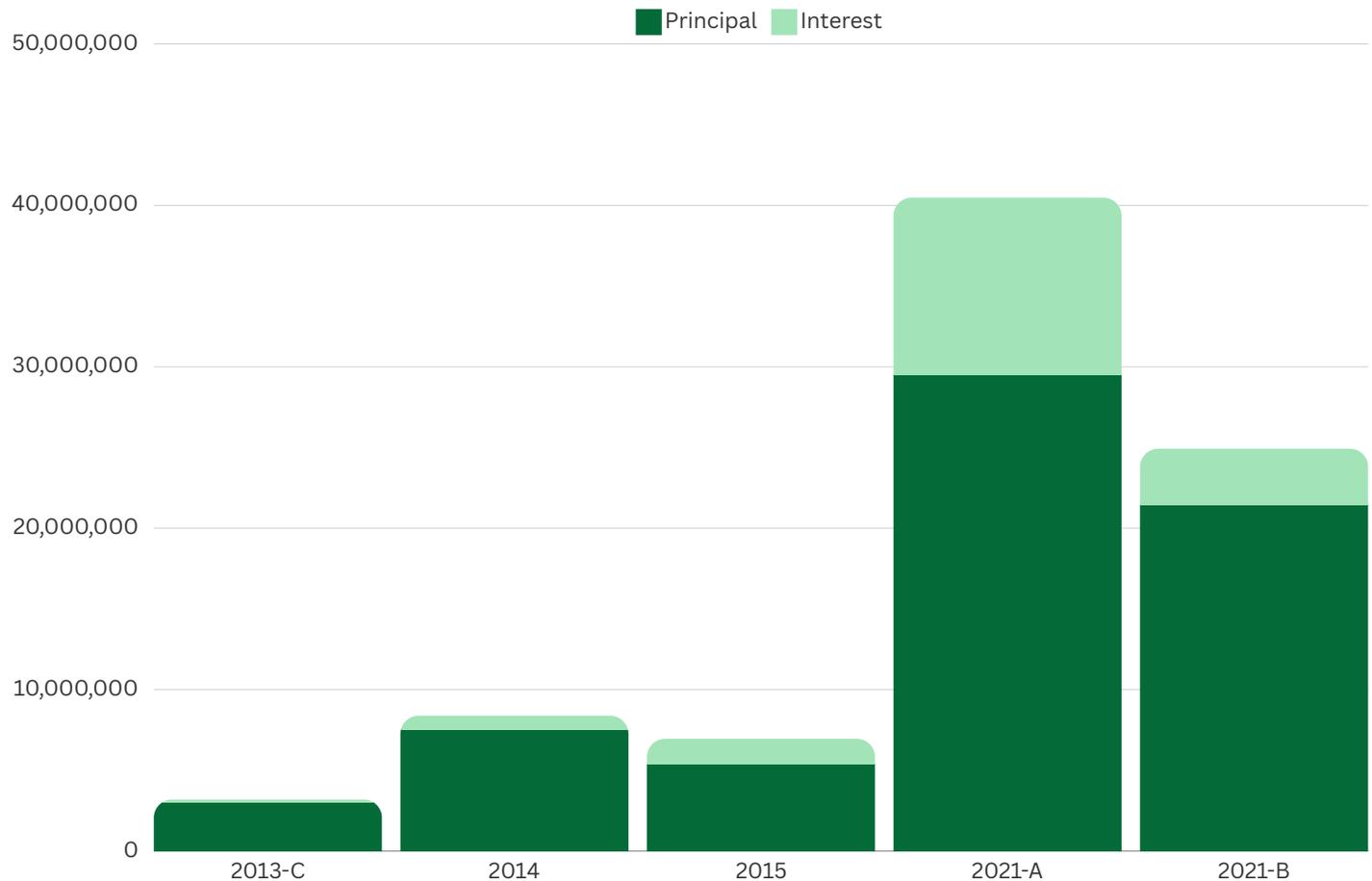
Water & Sewer	Principal	Interest	Maturity Date
Series 2021-A	13,519,842	5,040,308	2041
	13,519,842	5,040,308	

# DEBT SERVICE

The City's outstanding debt service with the respect to warrants payable by each fund is as follows:

Civic Complex	Principal	Interest	Maturity Date
Series 2021-A	573,522	213,814	2041
	573,522	213,814	

Golf	Principal	Interest	Maturity Date
Series 2021-A	382,350	142,543	2041
	382,350	142,543	



# DEBT SERVICE

The City's current proposed FY 2025 principal and interest cost by each fund is as follows:

General Fund	Principal	Interest	Maturity Date
Series 2013-C	582,185	67,684	2029
Series 2021-A	461,670	410,080	2041
	1,043,855	477,764	

Pelham Board of Education	Principal	Interest	Maturity Date
Series 2014	1,290,000	220,200	2030
Series 2015	1,185,000	169,631	2040
Series 2021-B	340,000	413,758	2038
	2,815,000	803,589	

City-CO-OP	Principal	Interest	Maturity Date
Series 2021-A	179,730	159,646	2041
	179,730	159,646	

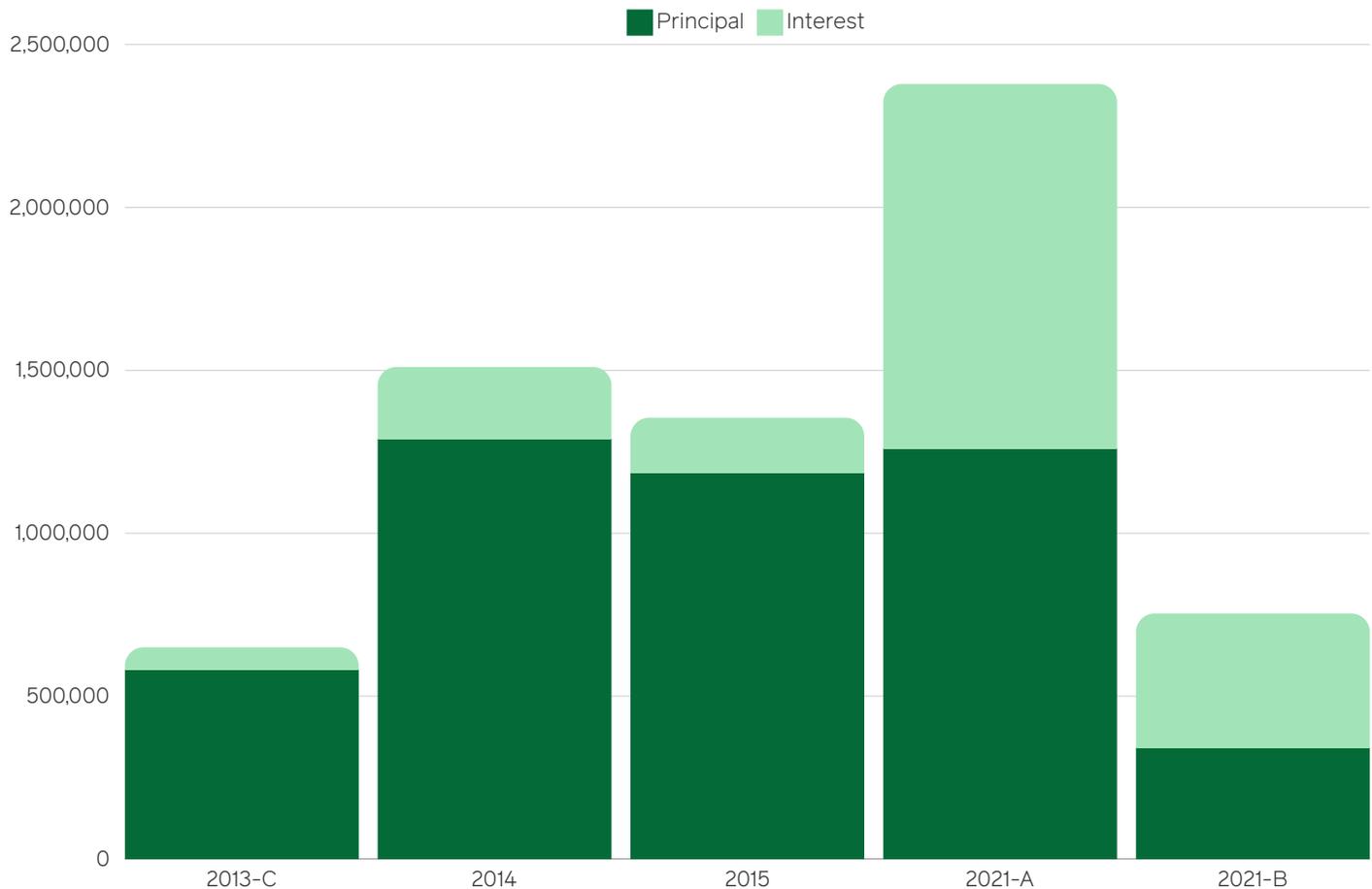
Water & Sewer	Principal	Interest	Maturity Date
Series 2021-A	577,752	513,190	2041
	577,752	513,190	

# DEBT SERVICE

The City's current proposed FY 2025 principal and interest cost by each fund is as follows:

Civic Complex	Principal	Interest	Maturity Date
Series 2021-A	24,509	21,770	2041
	24,509	21,770	

Golf	Principal	Interest	Maturity Date
Series 2021-A	16,339	14,513	2041
	16,339	14,514	





# APPENDIX



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A path apart.

# BUDGET POLICIES

## ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS

The City reports account receivables at net realizable value. Management determines the allowance for doubtful accounts based on historical losses and current economic conditions. On a continuing basis, management analyzes delinquent receivables and once these receivables are determined to be uncollectible, they are written off through a charge against an existing allowance or through bad debt expense.

## ACCOUNTS PAYABLE

The City records all obligations of funds before the issuance of orders for goods and services to ensure effective budgetary control over expenditures. The City shall pay all legal obligations promptly upon the receipt of original billings which have been generated by the party providing the goods or performing the service. The Finance Department maintains documentation of all City payments in an easily retrievable manner to facilitate the resolution of accounts payable issues as well as the completion of the City's annual audit. The Finance Department is responsible for developing detailed procedures and deadlines for the processing of the City's accounts payable, providing training to City staff concerning accounts payable procedures, and notifying City staff of accounts payable deadlines.

## BASIS OF BUDGETING

Pelham's budget is developed based on generally accepted accounting principles (GAAP) for the governmental fund types. The modified accrual basis of accounting is used to project revenues and appropriations for the governmental funds: General, Special Revenue, and Debt Service funds. The City has no primary revenue sources that are treated as being susceptible to accrual. The City does not accrue property or sales taxes because those revenue sources are budgeted to finance the fiscal year in which they are scheduled to be received. Each fiscal year's budget and financial statements include twelve months' revenue from these sources. The City accrues grants receivable for the amounts expended from reimbursable-type grants.

For the proprietary funds, a hybrid approach is used for the budget. The full accrual basis of accounting (revenues are recognized when earned) is used for estimating revenues. However, for greater control over Enterprise Fund expenses, the full accrual basis (expenses recognized when incurred) is modified: in addition to the full accrual basis expenses, including amortization and depreciation, capital outlays and any debt service principal payments are included as budgeted expenses. The basis of accounting used for budgeting is the same as the basis used for accounting and financial reporting for all funds, with the exception of the inclusion of capital outlay and debt service principal expenses in proprietary funds' budgets.

## CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets (streets, roads, sidewalks, and similar items) are reported in the government-wide financial statements and the fund financial statements for proprietary funds. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life over five years. Capital assets purchased or acquired are carried at historical cost or estimated historical cost.

Donated or contributed capital assets are recorded at their estimated fair value on the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' useful lives are charged to operations as incurred. Improvements that materially extend the useful life of an asset are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Depreciation of capital assets is computed using the straight-line method over the following estimated useful lives: building and improvements, 20 to 40 years; Water and Sewer Systems, 30 to 40 years; machinery and equipment, 5 to 25 years; improvements, 20 years; and infrastructure, 25 to 50 years. Depreciation is provided in the proprietary funds in amounts sufficient to relate the cost of the depreciable assets to operations over their estimated service lives on a straight-line basis.

# BUDGET POLICIES

The City shall maintain a detailed listing of capital assets that identifies the cost and location of each capital asset. Department heads shall be responsible for all capital assets assigned to their respective departments. Transfers of capital assets from one department or division to another shall be reported to the Finance Department immediately upon transfer. Missing and surplus capital assets shall be reported to the finance department. Surplus capital assets shall be disposed of per State law and optimize City resources. All surplus capital assets shall be approved by the City Council before disposal of the capital asset. Department heads are responsible for maintaining a list of items for surplus for their respective department. Surplus requests should be submitted to the City Clerk's office promptly to allow their inclusion on the agenda of a regularly scheduled City Council meeting.

## CAPITAL LEASING

Capital leasing may be used for the acquisition of equipment items with an expected useful life of three years or longer and a purchase price of more than \$250,000 with the approval of the City Manager upon the request of the department head for whose department the equipment purchase is proposed. Debt service expenditures (including principal, interest, and any related administrative capital leases will be budgeted in the department for which the equipment was purchased.

## CONTRACTS MANAGEMENT

City contracts may be executed only by the Mayor or City Manager. Prior to the execution of City contracts, the proposed contract document shall be reviewed by the City Attorney and City Clerk and may be reviewed by other City staff, as deemed appropriate. Originals of all executed contracts shall be routed to the City Clerk for filing. Copies of executed contracts shall be routed to affected City departments and other offices, as appropriate. The Finance Department shall be responsible for establishing detailed procedures for tracking contract payments, including payments of retainage, and shall assign contract codes for managing contracts via the City's financial management software. The City Attorney shall address legal issues that may arise in connection with contract management.

## DONATIONS TO THE CITY

Donations include gifts and reimbursement to the City from citizens or business entities. Any donation to the city at large and/or a city department must be accompanied by a letter from the entity the award was received from as to the purpose/designation of the monies, properties, etc. The City Manager or Mayor shall be authorized to accept or reject offers of donated money, equipment, and in-kind donations to City Departments or to the City in general. Donated money will be expended for general purposes within the department or specified purposes, if agreed upon with the donor, as one-time supplements to the department's operating budget.

## EMPLOYEE BENEFITS MANAGEMENT

In an effort to recruit and retain well-qualified employees, the City shall strive to provide competitive compensation and a comprehensive benefits package. Employee benefit programs shall be designed to meet the needs of employees. Periodically, the City shall conduct a salary and benefits study to help ensure that the City retains its competitive position in the employment market. Close attention shall be paid to the design of the City's compensation structure and employee benefits plan to ensure that wages and benefits are attractive to current and potential future employees, that benefit costs are manageable, and that the overall performance of the organization meets the expectations of City management officials and City Council. The City will seek to provide competitive compensation and benefits to employees while also providing the best value possible to taxpayers.

## FUNDING REQUESTS FROM THE CITY

Pursuant to Resolution 2023-09-05-03 passed by the Pelham City Council on September 5, 2023, organizations requesting funding must complete a funding request form and return it to the City Clerk at P. O. Box 1419, Pelham, AL 35124 or via email by June 1st of each year for consideration in the upcoming budget. This includes requests for in-kind services. Please note that public funds cannot be used to support private industry events.

# BUDGET POLICIES

## INVENTORY

Inventory consists of various pro-shop merchandise, food and beverage supplies, as well as water and sewer supplies and is stated at the lower of cost, as determined by the first-in, first-out (FIFO) method, or net realizable value. Inventories of materials and supplies shall be controlled through the use of physical controls and inventory procedures that account for the receipt and issuance of inventory items. Periodic counts of inventory items should be completed by staff members a minimum of once annually.

## INTERFUND TRANSFERS, RECEIVABLES, AND PAYABLES

During the normal course of operations, the City has numerous transactions between funds to provide services, construct assets, and service debt. These receivables and payables are classified as "Due to/from other funds" as they are all short-term in nature. These amounts have been eliminated on the government-wide financial statements, except for amounts outstanding between the General Fund and business-type activities.

Routine transfers of resources between City funds that are not intended to be repaid are classified separately from revenues and expenditures. Such inter-fund operating transfers are identified as "Interfund transfers in/(out)" in the accompanying financial statements.

## PREPAID EXPENSES

Prepaid balances are for payments made by the City in the current year to provide goods or services occurring in the subsequent fiscal year. Expenditures are recorded as prepaid expenses in order to more closely match their recognition as expenses with the periods in which they are actually consumed. An example of a prepaid expense is insurance, which is frequently paid in advance for multiple future periods; an entity initially records this expenditure as a prepaid expense (an asset) and then charges it to expense over the usage period. Another item commonly found in the prepaid expenses account is prepaid services billed on a quarterly or annual frequency. The department is responsible for properly identifying and marking an expense as prepaid before the request for payment is submitted to the Finance Department.