

MAYOR'S REPORT ON THE STATE OF THE TOWN

As we come to the end of a fiscal year and the second administration I believe it's appropriate to give you a report on the state of the Town.

First of all, many thanks to everyone who has participated in the process that has brought us to where we are today, seven years later after incorporation. For a young town we have experienced some unusual events and managed them with a high degree of success. We together have accomplished much and have raised awareness of the things yet to be accomplished.

We began as a town on June 10, 2009 with \$17,000 in the bank, money donated by you, the citizens of the community. The first year was very lean financially – we operated on your donated \$17,000 and a \$50,000 line of credit. That was the year of establishing streams of revenue and adopting the documents required by law for the operation of the town. It was also the time when the Planning Commission, Zoning Board of Adjustment and various committees were established.

From the beginning of incorporation partnerships were formed with other municipalities, non-profit agencies and Baldwin County. Baldwin County, especially, has been and is a good friend to the town. Commissioner Gruber gave \$5000 from his contingency fund to assist with remodel of the building that became town hall. The commissioners approved agreement with the town to administer the town's land use and zoning ordinance, which includes the oversight and inspection of new construction in the town. They also approved assistance from their Planning Department senior staff to advise the town during the development of the land use ordinance, which is patterned after the Baldwin County ordinance. That close relationship continues to the present time. I never hesitate to pick up the phone and call a Baldwin County Department Manager to ask for advice or assistance, knowing that I will be well received.

The City of Orange Beach is a strong ally and was a close partner during the awful months of the Oil Spill, as was Baldwin County and the State Legislators. It was also in the first year after incorporation when the Deep Water Horizon Explosion occurred, only 8 months after the council took office. With the council working closely together we weathered that event and were able to implement a very effective mitigation plan, thanks to the receipt of funds awarded by BP via Governor Riley. It is with funds remaining from that award that we have monies reallocated for the purchase of property, the construction of a boat launch and the repurpose of the town's storage building into a meeting facility. Those reallocations were approved because they have a connection to the Deep Water Horizon Incident. (The storage building was built to house the oil spill materials and the boat launch property purchase and construction is eligible because of citizen's loss of use of the waterways during the spill.)

Today the town is debt free and financially sound. When the 2014 Flood occurred there were sufficient funds to pay the town's share of the cost of recovery. FEMA and the State of Alabama assisted in the recovery and paid approximately 90% of the cost.

Our tax base is modest due to minimal sales tax. Citizens pay only 4 mils property tax, the lowest rate of any municipality in Baldwin County. Revenue comes from several sources – property taxes that you pay, franchise fees from Riviera and Mediacom, business licenses, shared state taxes and sales tax. A modest income means we run a tight budget. Of course, we pay our town clerk and attorney but all others who perform the day to day operational tasks, including mayor, council members, and committee members, receive no pay. In fact, it costs them to serve the town as they pay their own expenses incurred by travel.

The last financial report presented to the council showed the following balances:

- general fund - \$241,391.51
- shared taxes - \$62,359.60
- reallocated grant funds (BP) - \$916,613.22 (The grants have been accepted by the council, therefore these funds are committed for their designated projects which are, purchase of property and construction of a boat launch and repurpose of the storage building to a meeting facility)

\$110,000 of the 2015/16 Budget is designated for resurface of County Road 97 from Riggs Street to where it intersects with Magnolia Street. Monies for this project may be taken from the general fund and/or the shared tax funds. Hopefully this project will begin within the next two months.

During the seven years of incorporation the town has grown from a “blank slate” to having in place the town's supporting documents required by law for the operation of the town. There are funds available to mow and maintain town property and rights of ways. The town has received grants for the development of a Master Plan (completed) and a Storm Water Management Plan (presently in progress). It has weathered and mitigated the largest oil spill to ever affect the Gulf Coast and a flood of historic proportions. It has assumed responsibility by law for maintenance and improvement of its streets and has paid in full the mortgage on town hall. These are the major accomplishments in which many of you have participated. You have served the community well and faithfully in 62 positions on the Council, Planning Commission, Zoning Board of Adjustment and Committees. There are no words to adequately thank you for your commitment and service. You are the best!

As my time in office comes to an end I wish you all good health and happiness. I'll still be around doing my part to be a good neighbor and a good volunteer in the community.

God bless us all and God bless Perdido Beach.