Tony Kennon, Mayor
Jeff Boyd, Chairman Pro-Tem
Annette Mitchell, Council
Jerry Johnson, Council
Jeff Silvers, Council
Joni Blalock, Council

Ford Handley, City Administrator
Renee Eberly, City Clerk
Jamie Logan, City Attorney

REGULAR CITY COUNCIL MEETING AGENDA

I. Call to Order

II. Invocation

III. Pledge of Allegiance

IV. Roll Call

V. Consideration of Agenda

VI. Consideration of Previous Minutes

1. Regular Council Meeting 05/20/2025
2. Committee of the Whole 05/20/2025

VII. Reports of Officers/Committees

1. Notice of Election posted.

VIII. Auditing of Accounts

IX. Presentation(s)

X. Recognitions

1. Certificate of Recognition for the Sons and Daughters of the American Revolution, who are commemorating the 250th anniversary of the founding of the American Army and the Battle of Bunker Hill.

XI. Unfinished Business

Miscellaneous

Resolutions

1. Resolution establishing fees and operational policies for the Orange Beach Shooting Complex.

Ordinances

XII. New Business

Miscellaneous

1. Approval of 2023 Audited Financial Statements.

2. Approval of a Restaurant Retail Liquor License Application A J Enterprises, L.L.C., for Mama Lotties Pub and Grill at 25405 Perdido Beach Boulevard, Suite 25.

Resolutions

1. Resolution appointing J. Martin Pitts to the Construction Board of Adjustment and Appeals.

2. Resolution authorizing the expenditure of funds received from opioid litigation settlements for the purchase of automated external defibrillators.

3. Resolution authorizing the purchase of Automated External Defibrillators (AEDs) for the Fire Department through Sourcewell from GoRescue Brands, Inc., in the amount of $287,604.25.

4. Resolution authorizing a franchise for BCC Waste Solutions, LLC, to remove and dispose of commercial solid waste and to remove and transport construction and demolition debris.

5. Resolution authorizing a waiver of fees for the Coastal Art Center for the Orange Beach Shooting Team's 2025 Awards Banquet.

6. Resolution authorizing the execution of an amendment to the performance contract awarded to Tennis Professional Natalie van Blerk.

7. Resolution authorizing a donation to the Alabama District Attorneys Association.

Public Hearings

1. Public hearing for an ordinance amending Ordinance No. 172, the Zoning Ordinance, Case No. 0607-PUDA-25, Oasis at Orange Beach (formerly Phoenix West II) PUD Modification, Signage Amendment.

Ordinances

1. First Reading - Ordinance amending Ordinance No. 172, the Zoning Ordinance, Case No. 0607-PUDA-25, Oasis at Orange Beach (formerly Phoenix West II) PUD Modification, Signage Amendment.

XIII. Public Comments

XIV. Adjourn

MINUTES OF
REGULAR COUNCIL MEETING
ORANGE BEACH CITY COUNCIL
MAY 20, 2025 – 5:00 P.M.
CITY HALL – COUNCIL CHAMBERS

I. CALL TO ORDER Mayor Tony Kennon called the meeting to order at 5:01 P.M.

II. INVOCATION Pastor Jerry Peebles, Canal Road Baptist Church

III. PLEDGE OF ALLEGIANCE Marina Hammit & Kaitlynn Robertson

IV. ROLL CALL

Present: Councilmember Jeff Silvers
Councilmember Jerry Johnson
Councilmember Annette Mitchell
Councilmember Jeff Boyd
Mayor Tony Kennon

Absent: Councilmember Joni Blalock

V. CONSIDERATION OF AGENDA

Motion made (Silvers/Mitchell) to approve the agenda as written. Vote unanimous in favor.

Work Session	04/15/2025
Regular Council Meeting	04/15/2025
Committee of the Whole	04/15/2025

The reading was waived and minutes were approved as written.

VI. REPORTS OF OFFICERS/COMMITTEES

1.	City Administrator – Ford Handley	No report.
2.	Director, Public Works – Tim Tucker	No report.
3.	Director, Community Development – Adam Roberson	No report.
4.	Chief, Police Department – Steve Brown	No report.
5.	Chief, Fire Department – Jeff Smith	No report.
6.	City Clerk – Renee Eberly	No report.
7.	Director, Finance – Ford Handley	No report.
8.	Parks & Recreation – Nicole Ard	No report.
9.	Director, Utilities – Jeff Hartley	No report.
10.	Director, Coastal Resources – Phillip West	No report.
11.	Librarian, Public Library – Meagan Bing	No report.
12.	Director, Municipal Court – Pam Davis	No report.
13.	Director, Expect Excellence – Ford Handley	No report.

14. Mayor/Council

Councilmember Mitchell thanked Kutter's Grounds Maintenance for their donation of 50 palm trees.

Councilmember Boyd reminded the public that the red snapper fishing season opens this Friday, May 23, 2025.

Councilmember Silvers praised the construction progress and look of the Veterans Memorial.

VII. AUDITING OF ACCOUNTS

Motion made (Mitchell/Silvers) to certify that cash requirements with no related interests are within budget and appropriate for payment. Vote revealed: Silvers, aye; Johnson, aye; Mitchell, aye; Boyd, aye; Kennon, aye. **Motion passed. (5-0).**

Motion made (Mitchell/Boyd) to certify that cash requirements with related interests in Swift Supply are within budget and appropriate for payment. Vote revealed: Silvers, abstain; Johnson, aye; Mitchell, aye; Boyd, aye; Kennon, aye. **Motion passed. (4-0-1).**

VIII. PRESENTATIONS

IX. RECOGNITIONS

X. UNFINISHED BUSINESS

Ordinances

1. Second Reading – Ordinance amending Ordinance No. 172, the Zoning Ordinance, Case No. 0410-ZT-25, Zoning Text Amendment, Article 4, Wetlands Density and Minimum Setbacks. **Motion made (Silvers/Boyd) to postpone consideration indefinitely.** Roll call vote revealed: Silvers, aye; Johnson, aye; Mitchell, aye; Boyd, aye; Kennon, aye. **Motion passed. (5-0).**

XI. NEW BUSINESS

Miscellaneous

1. Approval of a Restaurant Retail Liquor License Application by Tee off at the Wharf Incorporated for Tee Off at the Wharf at 4619 Main Street, Space A101. **Motion made (Mitchell/Boyd) to approve the liquor license.** Vote unanimous in favor. **Motion passed.**

Resolutions

1. Resolution authorizing a temporary portable building at 22801 Canal Road for Friendship Materials, LLC, dba Fulcrum Earth & Stone. **Motion made (Silvers/Boyd) to adopt the resolution.** Vote unanimous in favor. **Motion passed.**
2. Resolution authorizing the purchase of an access control system for the Police Department through State Bid from Vision Security Technologies Inc. in the amount of $59,228.57. **Motion made (Silvers/Blalock) to adopt the resolution.** Vote unanimous in favor. **Motion passed.**
3. Resolution authorizing the purchase of a video surveillance system for the Police Department through State Bid from Vision Security Technologies Inc. in the amount of $63,057.15. **Motion made (Silvers/Mitchell) to adopt the resolution.** Vote unanimous in favor. **Motion passed.**
4. Resolution authorizing execution of a software service agreement with Southern Software, Inc., for inmate records and jail management. **Motion made (Silvers/Boyd) to adopt the resolution.** Vote unanimous in favor. **Motion passed.**
5. Resolution establishing fees and operational policies for the Orange Beach Shooting Complex. **Motion made (Johnson/Silvers) to adopt the resolution. Motion made (Mitchell/Boyd) to amend the motion to postpone consideration for one month.** Vote unanimous in favor. **Motion passed. Motion made (Mitchell/Silvers) to approve the motion as amended to postpone consideration of the resolution for one month.** Vote unanimous in favor. **Motion passed.**

6. Resolution authorizing the execution of a mutual aid agreement for law enforcement and other public safety services with the City of Bay Minette, Alabama. **Motion made (Johnson/Mitchell) to adopt the resolution.** Vote unanimous in favor. **Motion passed.**
7. Resolution authorizing the execution of a mutual aid agreement for law enforcement and other public safety services with Coastal Alabama Community College. **Motion made (Silvers/Boyd) to adopt the resolution.** Vote unanimous in favor. **Motion passed.**
8. Resolution awarding Assistant Police Chief Robert Howard his duty weapons and badge as part of his retirement benefits. **Motion made (Silvers/Mitchell) to adopt the resolution.** Vote unanimous in favor. **Motion passed.**
9. Resolution awarding Officer Kenneth Clouse his duty weapons and badge as part of his retirement benefits. **Motion made (Johnson/Mitchell) to adopt the resolution.** Vote unanimous in favor. **Motion passed.**
10. Resolution amending the Employees Pay Plan/Job Listing to add the positions of Industrial Maintenance Electrician and Senior Human Resources Generalist. **Motion made (Boyd/Johnson) to adopt the resolution.** Vote unanimous in favor. **Motion passed.**
11. Resolution awarding the proposal for a Strategic and Comprehensive Plan contractor. **Motion made (Silvers/Johnson) to postpone consideration until the next council meeting on June 3, 2025.** Vote unanimous in favor. **Motion passed.**
12. Resolution authorizing the execution of an agreement with the Pensacola and Perdido Bays Estuary Program for marine debris volunteer project coordination, trash removal, and coastal vegetation planting. **Motion made (Silvers/Johnson) to adopt the resolution.** Vote unanimous in favor. **Motion passed.**
13. Resolution authorizing the purchase of a Dump Truck for the Utilities Department through the National Joint Purchasing Alliance from Empire Truck Sales, LLC, in the amount of $128,500. **Motion made (Silvers/Mitchell) to adopt the resolution.** Vote unanimous in favor. **Motion passed.**
14. Resolution authorizing the execution of a task order with Foth Infrastructure & Environment, LLC, to perform engineered beach annual monitoring in the amount of $54,800. **Motion made (Mitchell/Johnson) to adopt the resolution.** Vote unanimous in favor. **Motion passed.**
15. Resolution authorizing execution of professional services agreements with Alicia Arrington for special needs aide services for the Expect Excellence Program. **Motion made (Mitchell/Boyd) to adopt the resolution.** Vote unanimous in favor. **Motion passed.**
16. Resolution approving the submission of the 2024 Municipal Water Pollution Prevention (MWPP) Annual Report. **Motion made (Silvers/Johnson) to adopt the resolution.** Vote unanimous in favor. **Motion passed.**

Public Hearings

1. Public hearing for an ordinance amending Ordinance No. 172, the Zoning Ordinance, Case No. 0502-CU-25, Bayside Garages at Orange Beach.

   Griffin Powell, City Planner, presented the request by Lucido Engineering & Surveying LLC, on behalf of Steven Carter, for conditional use approval to construct an enclosed self-storage facility consisting of one building covering 15,840 square feet and containing 12 units. The property is located at 24701 Pelican Place.

   Councilmember Silvers quested the width of the buffer between the property and the Broken Sound neighborhood. Staff explained that the buffer meets requirements and that a chain link fence will also be erected.

Mayor Kennon stated to the audience that the self-storage facility proposed is, in his opinion, of minimal noise and impact compared to what could be built by-right on that property.

Councilmember Silvers confirmed with Vince Lucido, Lucido Engineering & Surveying LLC, that the drainage for the project meets the standard for a 100-year flood event, which is over and above the 25-year flood event requirement. Mr. Lucido responded in the affirmative.

Council, Mayor, and staff discussed communications with the Alabama State Park on possible diversion of rainfall to the surrounding state park lands.

Ken Shepherd, resident of Wood Glen Lot 42, spoke in concern about drainage issues in his neighborhood. Upon questioning by the Council, he stated that he purchased his property in February, knew that there has been problems with drainage, and has been hoping that the city would find a solution. He made some suggestions for possible solutions. Chris Pappas, City Engineer, explained the complexity of the environmental situation and why certain suggestions have been deemed to be ineffective.

Mr. Shepherd also asked for a new traffic signal on Canal Road at Lauder Lane. Mayor and Council explained the denial by ALDOT (Alabama Department of Transportation), but stated that other solutions, like relocation of existing traffic signals and/or extending service roads, are being considered.

Kim Parsons, Wood Glen HOA, spoke on the neighborhood's concerns about drainage issues.

David Parsons, Wood Glen resident, theorized that drainage issues may be further exacerbated by the golf cart path.

Mayor Kennon closed by saying that the ideal solution will be to obtain State Park permission to divert drainage runoff towards the state park lands.

There being no further comments, the public hearing was adjourned.

Ordinances

1. First Reading – Ordinance amending Ordinance No. 172, the Zoning Ordinance, Case No. 0502-CU-25, Bayside Garages at Orange Beach. **Motion made (Silvers/Mitchell) for unanimous consent to suspend the rules to allow for immediate consideration of this ordinance.** Roll call vote revealed: Silvers, aye; Johnson, aye; Mitchell, aye; Boyd, aye; Kennon, aye. **Motion passed. (5-0). Motion made (Silvers/Johnson) to adopt the ordinance. Motion made (Boyd/Mitchell) to amend the motion to adopt the ordinance contingent upon the stormwater management system being designed to provide detention through a 100-year flood event.** Roll call vote revealed: Silvers, aye; Johnson, aye; Mitchell, aye; Boyd, aye; Kennon, aye. **Motion passed. (5-0). Motion made (Boyd/Silvers) to adopt the ordinance as amended.** Roll call vote revealed: Silvers, aye; Johnson, aye; Mitchell, aye; Boyd, aye; Kennon, aye. **Motion passed. (5-0).**

2. First Reading – Ordinance accepting ownership of the Bear Point Cemetery and amending the Code of Ordinances to establish a new chapter entitled, "Municipal Cemetery." **Motion made (Silvers/Johnson) for unanimous consent to suspend the rules to allow for immediate consideration of this ordinance.** Roll call vote revealed: Silvers, aye; Johnson, aye; Mitchell, aye; Boyd, aye; Kennon, aye. **Motion passed. (5-0). Motion made (Silvers/Boyd) to adopt the ordinance.** Roll call vote revealed: Silvers, aye; Johnson, aye; Mitchell, aye; Boyd, aye; Kennon, aye. **Motion passed. (5-0).**

3. First Reading – Ordinance declaring City-owned real property as unneeded for municipal purposes and authorizing the execution of a real estate purchase agreement with The Wharf Landing, LLC. **Motion made (Boyd/Johnson) for unanimous consent to suspend the rules to allow for immediate consideration of this ordinance.** Roll call vote revealed: Silvers, aye; Johnson, aye; Mitchell, aye; Boyd, aye; Kennon, aye. **Motion passed. (5-0). Motion**

made (Mitchell/Boyd) to adopt the ordinance. Roll call vote revealed: Silvers, aye; Johnson, aye; Mitchell, aye; Boyd, aye; Kennon, aye. **Motion passed. (5-0).**

4. First Reading – Ordinance establishing a temporary moratorium on development of or within 15 feet of wetlands and utilization of wetland acreage in density calculations. **Motion made (Silvers/Mitchell) for unanimous consent to suspend the rules to allow for immediate consideration of this ordinance.** Roll call vote revealed: Silvers, aye; Johnson, aye; Mitchell, aye; Boyd, aye; Kennon, aye. **Motion passed. (5-0). Motion made (Silvers/Mitchell) to adopt the ordinance.** Roll call vote revealed: Silvers, aye; Johnson, aye; Mitchell, aye; Boyd, aye; Kennon, aye. **Motion passed. (5-0).**

XIII. PUBLIC COMMENTS

None

XIV. ADJOURN

There being no further business to come before the council, motion made (Mitchell/Boyd) to adjourn. Vote unanimous in favor.

Time: 6:15 P.M.

APPROVED this the 17th day of June, 2025.

_____
Renee Eberly
City Clerk

MINUTES OF
COMMITTEE OF THE WHOLE MEETING
ORANGE BEACH CITY COUNCIL
MAY 20, 2025 – 6:15 P.M.
CITY HALL – COUNCIL CHAMBERS

The Orange Beach City Council met to review potential items for the June 3, 2025, agenda.

The following members were present:

Councilmember Jeff Silvers
Councilmember Jerry Johnson
Councilmember Annette Mitchell
Councilmember Jeff Boyd
Mayor Tony Kennon

The following members were absent:

Councilmember Joni Blalock

The following items were discussed:

1. Resolution authorizing the execution of an installation, operation, and maintenance agreement with the Alabama Department of Transportation for a new traffic control signal on State Highway 180 at Wharf Parkway East.
2. Resolution authorizing a franchise for CrozzzzCabz, Inc., to operate a taxi service within the city limits and police jurisdiction of the City of Orange Beach.
3. Resolution authorizing a franchise renewal for "A" Ms. Mary Taxi Service LLC, dba A-1 Ms. Mary Taxi Service) to operate a taxi service within the city limits and police jurisdiction of the City of Orange Beach.
4. Set a public hearing date for an ordinance amending Ordinance No. 172, the Zoning Ordinance, Case No. 0607-PUDA-25, Oasis at Orange Beach (formerly Phoenix West II) PUD Modification, Signage Amendment. Public hearing set for June 17, 2025.

Public Comments:

1. Councilmember Boyd asked staff to communicate to the Sand in my Boots Festival showrunners that shuttles need to run more than 30 minutes past the end of the concerts.
2. Councilmember Boyd asked staff to look into improving mosquito control. City Administrator Ford Handley responded that he is aware of the issue and is looking into it.
3. Amy Crawford, SunMed Modern Wellness, had previously appeared before Council to request revising the City Code to allow the selling of beverages containing hemp extracted THC. Council had decided to wait to see how the State would regulate the industry. Now that the 2025 regular session of the Alabama Legislature has concluded, Ms. Crawford has returned to request that the City Council loosen city regulations to match what State Law will allow. Councilmember Boyd asked Ms. Crawford to bring a summary of the most recent state legislation so that city officials and staff can evaluate the request. Roger Crawford, spouse and co-owner of SunMed Modern Wellness, also spoke in support of the request.

There being no further business, the meeting adjourned.

Time: 6:27 P.M.

APPROVED this 17th day of June, 2025.

_____
Renee Eberly
City Clerk

NOTICE OF ELECTION

Notice is hereby given that on **Tuesday, August 26, 2025**, an election for the purpose of electing a Mayor and City Council for the City of Orange Beach, Alabama, will be held, and that all registered and qualified electors of the state, who reside within the corporate limits of the City of Orange Beach, and have resided therein for 30 days or more immediately preceding the date of such election, and who are qualified to vote in the county precinct which embraces and covers that part of the corporate limits of the municipality in which the elector resides, will be authorized to participate in said election.

Offices to be filled:

MAYOR
COUNCIL PLACE #1
COUNCIL PLACE #2
COUNCIL PLACE #3
COUNCIL PLACE #4
COUNCIL PLACE #5

The polls will be open at the Orange Beach Event Center, 4671 Wharf Parkway, at 7:00 A.M. and remain open continuously until 7:00 P.M. on August 26, 2025. If necessary, a run-off election will be held on Tuesday, September 23, 2025.

Any qualified elector who will have resided within the city, for a period of at least 90 days on August 26, 2025, may qualify to run for office by filing the appropriate forms and paying the appropriate fees as set by Ordinance No. 369 ($50 for Mayor and $40 for Councilmembers).

Statement of Candidacy and other necessary documents may be obtained from and returned to Renee Eberly, City Clerk, at City Hall, 4099 Orange Beach Boulevard. **The City Clerk will accept Statements of Candidacy beginning at 8:00 A.M. on Tuesday, June 10, 2025, and ending at 5:00 P.M. on Tuesday, June 24, 2025. No Statement of Candidacy for this election will be accepted before or after these dates and times.**

Posted the 10th day of June, 2025.

Tony Kennon, Mayor

ATTEST:

Renee Eberly, City Clerk

The City Clerk of the City of Orange Beach, Alabama hereby certifies that the foregoing **NOTICE OF ELECTION** was posted on **06/10/2025** in the following three (3) public places:
Orange Beach City Hall
Orange Beach Post Office
Orange Beach Public Library

Renee Eberly, City Clerk

CITY OF ORANGE BEACH CORPORATE SEAL ALABAMA

From the Governing Body of the

CITY OF ORANGE BEACH, ALABAMA

Certificate of Recognition

Whereas, the Sons and Daughters of the American Revolution are Commemorating the 250th Anniversary of the Founding of the American Army and the Battle of Bunker Hill; and

Whereas, on June 14, 1775, less than two months after the battles of Lexington and Concord, which forced the British Army to retreat to Boston, the Second Continental Congress passed a resolution to raise troops from Virginia, Pennsylvania and Maryland to join the New England Army, besieging Boston. The New England Army was adopted by Congress as part of a national military force which would serve under the authority of the Continental Congress. It was called the Continental Army and this was the first national institution of the United States.; and

Whereas, the Continental Congress then appointed Virginian George Washington as commander in chief of the American military forces, a position he held through the eight years of the American War of Independence; and

Whereas, on the night of 16/17 June, units from Massachusetts, Connecticut and New Hampshire, under command of Generals Isreal Putnam, Artemus War and Colonel William Prescott crossed the narrow neck of the Charlestown peninsula, across the bay from Boston, and quietly built a redoubt and line of field fortifications using local walls and fences along a low ridge called Breed's Hill at the base of Bunker Hill; and

Whereas, when morning came the British responded by placing the Americans under heavy artillery fire from Royal Navy vessels and from artillery emplaced in Boston. An assault force of 2,300 British soldiers under command of General William Howe was rowed to the Charlestown peninsula to drive the American forces out. When encountering American fire from soldiers in Charlestown, the British Army commander General Gage ordered the British artillery to fire incendiary rounds into Charlestown which destroyed the entire town; and

Whereas, the British assault force attacked the American defense line, manned by approximately 3,500 soldiers twice in the afternoon of 17 June and were repulsed with heavy losses. In the third assault at 5PM the British finally took the redoubt and cracked the American defenses only because the Americans were low on ammunition. The American forces withdrew in good order under heavy artillery fire. British losses were massive. Fifty percent of the assault force were killed or wounded, over 1,000 men. In three hours, a quarter of the British Army officers in North America were out of action. American losses were 400 killed, wounded or captured. Though technically a British victory, British commanders were shocked that American amateur soldiers could inflict such losses on regular troops. British commanders said, "One more such victory and we are undone". American morale soared at the fact that their militia soldiers could effectively face British regulars in battle; and

Now, therefore, the events of 14 and 17 June were pivotal events in the founding of the American nation. The City of Orange Beach commends the Sons of the American Revolution and the Daughters of the American Revolution for their efforts in marking these great events with proper ceremony in our city. The City of Orange Beach also commends and encourages the efforts of the SAR and DAR to educate and inform the public of the history of the American Revolution

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Seal of the City of Orange Beach, Alabama this 17th day of June 2025.

Tony Kennon, Mayor

REGULAR CITY COUNCIL MEETING
JUNE 17, 2025

Departments: City Clerk

Description of Topic: Resolution establishing fees and operational policies for the Orange Beach Shooting Complex.

Background/Description:

Action Options/Recommendation:

Source of Funding (if applicable):

ATTACHMENTS:

1. 05-20-25 25-xxx Establish Fees Adopt Policies Shooting Complex

RESOLUTION NO. 25-xxx

A RESOLUTION ESTABLISHING FEES AND OPERATIONAL POLICIES FOR THE ORANGE BEACH SHOOTING COMPLEX

FINDINGS:

1. The City of Orange Beach has recently constructed a shooting complex, located within the city limits of the City of Orange Beach, Alabama, which houses multiple areas each designed for the use of specific types of firearms and/or specific firearm activities.
2. The shooting complex is overseen by a team of employees from the Coastal Resources Department and the Police Department, each department having respective oversight of separate areas of the shooting facility. As such, policies & procedures and fee schedules for each area of the shooting facility may vary depending on use, public access, and needs of the City.
3. The Orange Beach City Council finds it to be in the best interest of the City of Orange Beach to adopt the schedule of fees and operational policies for the City of Orange Beach Shooting Complex.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ORANGE BEACH, ALABAMA, AS FOLLOWS:

1. That the schedule of fees for the use of the Orange Beach Shooting Complex is hereby established as follows:

   ANNUAL MEMBERSHIPS:

   Resident Single Membership: $125
   Resident Family Membership: $125 + $25/additional family member
   Non-Resident Single Membership: $200
   Non-Resident Family Membership $200 + $25/additional family member

   Family Memberships include two people who are legally married to each other, or a single parent, and their children through the age of eighteen (18). College students are allowed under the Family Membership with proof of valid college ID.

   DAY USE: $15/day for non-members

   In addition to membership cost, the Trap and Skeet Ranges fees shall be as follows:

   TRAP AND SKEET RANGE:

   Resident: $12.00 per round
   Non-Resident: $15.00 per round
   OBMHS Trap and Skeet Team: $5.00 per round

   Discounted pricing for the OBMHS Trap and Skeet Team only applies during official team practice.

2. That the Mayor is hereby authorized to grant exceptions to the Fee Schedule for local civic organizations. The Council hereby determines an exception under this clause serves a public purpose in promoting events open to the general public and enhancing community spirit and growth;
3. That the Mayor is hereby authorized to assign the duties and title of Director of the Orange Beach Shooting Complex to a full time employee of the City of Orange Beach. The Director is hereby authorized to establish rules and policies for the Orange Beach Shooting Complex pursuant hereto;

4. That the Director of the Orange Beach Shooting Complex shall work in conjunction with the Chief of Police and the Coastal Resources Director, and/or their respective designees, to maintain safe and efficient operation of each individual range located at the Shooting Complex. The Chief of Police or his/her designee shall oversee operation of the Pistol Range and the Full Movement Rifle Range, while the Coastal Resources Director or his/her designee shall oversee the Fixed Station Rifle Range and the Trap and Skeet Range. All other areas of the Shooting Complex shall be maintained in conjunction between the two Departments with approval of the Director; and

5. That this resolution shall become effective immediately upon adoption.

ADOPTED THIS 17th DAY OF JUNE, 2025.

_____
Renee Eberly
City Clerk

C E R T I F I C A T E

I, Renee Eberly, City Clerk of the City of Orange Beach, Alabama, do hereby certify that the foregoing is a true and correct copy of Resolution No. 25-xxx, which was duly and legally adopted at a regular meeting of the City Council on June 17, 2025.

_____
City Clerk

REGULAR CITY COUNCIL MEETING
JUNE 17, 2025

Departments: City Clerk

Description of Topic: Approval of 2023 Audited Financial Statements.

Background/Description:

Action Options/Recommendation:

Source of Funding (if applicable):

ATTACHMENTS:
1. 2023 Final Audit Letter
2. 2023 Final Audit Report

Jackson & Smith
CPAs

25051 Canal Road, 2nd Floor
Post Office Box 1616
Orange Beach, AL 36561
251-979-8878 Office
251-929-4200 Fax

13700 Perdido Key Drive
Unit B-224
Perdido Key, FL 32507
850-619-9256 Office
www.jacksonsmithcpa.com

To the Honorable Mayor and Members of the City Council

City of Orange Beach, Alabama

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Orange Beach, Alabama as of and for the year ended December 31, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the City of Orange Beach, Alabama's system of internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Orange Beach, Alabama's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Orange Beach, Alabama's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiencies in internal control to be material weaknesses:

Condition: Lack of controls over the year-end financial reporting process over nonrecurring transactions, including initiation, authorization, recording, and processing of journal entries into the general ledger; and recording nonrecurring adjustments to the financial statements.

Criteria: Internal controls should be in place to provide reasonable assurance that non-routine accruals and receivables are correctly recorded.

Effect: CONDITION 1 > Revenues for cost reimbursement grants are recognized when the related expenditure is made, rather than when the City receives the funding. The 2023 grant revenues were not accrued and recognized as revenue to match the related 2023 grant expenditures. As a result, receivables and revenues were materially understated prior to adjustment.

Recommendations: The finance department should coordinate closely with the grant administrator during the year end closing process to identify grant expenditures eligible for reimbursement and adjust the general ledger accordingly.

Views of responsible officials and planned corrective action plan: The City will establish procedures over year end grant revenue recording as suggested by the auditors.

This communication is intended solely for the information and use of management the City Council, and others within the City of Orange Beach, Alabama, and is not intended to be, and should not be, used by anyone other than these specified parties.

Jackson & Smith

Jackson & Smith CPA Group, PC
Orange Beach, Alabama
June 13, 2025

Jason B. Jackson, CPA/ABV
jason@jacksonsmithcpa.com

Jeffrey K. Smith, CPA
jeff@jacksonsmithcpa.com

THE CITY OF ORANGE BEACH, ALABAMA

FINANCIAL STATEMENTS

DECEMBER 31, 2023

THE CITY OF ORANGE BEACH, ALABAMA
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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Orange Beach, Alabama

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Orange Beach, Alabama, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City of Orange Beach, Alabama's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Orange Beach, Alabama, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Orange Beach, Alabama and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Orange Beach, Alabama's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Orange Beach, Alabama's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Orange Beach, Alabama's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of employer contributions, and schedule of changes in the net pension liability on 3 through 10 and 47 through 50 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Orange Beach, Alabama's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 13, 2025, on our consideration of the City of Orange Beach, Alabama's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Orange Beach, Alabama's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Orange Beach, Alabama's internal control over financial reporting and compliance.

Jackson & Smith CPA Group, PC
Orange Beach, Alabama
June 13, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

Management's Discussion and Analysis

Overview of the Financial Statements

The City's basic financial statements are comprised of three components:

1) Government-wide Financial Statements
2) Fund Financial Statements
3) Notes to the Financial Statements

This Financial Report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The Government-wide financial statements provide a broad overview of the City of Orange Beach's finances. The presentation is in a manner similar to a private sector business.

The Statement of Net Position provides information on all the City's assets and liabilities. The difference between the two is reported as net position. Over time, changes (increases or decreases) in net position may provide a useful indicator of the City's overall financial condition.

The Statement of Activities provides information on how the City's net position changed during the fiscal year.

Fund Financial Statements

A fund is a group of related accounts used to maintain control over resources that have been segregated for specific objectives or activities. The City of Orange Beach, Alabama uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund Financial Statements report the City's operations in more detail than the Government-wide Financial Statements. All of the funds of the City are governmental or proprietary.

Governmental Funds

Governmental funds provide information which may be useful in evaluating and determining a government's near-term financing requirements. The financial statements focus on near-term inflows and outflows of spendable resources. Readers of the financial statements may better understand the long-term impact of the government's near-term financial decisions.

Proprietary Funds

The City of Orange Beach maintains five enterprise funds: Refuse Fund, Sewer Fund, Event Center Fund, Arts Center Fund, and the Baldwin County Bridge Company Fund. Enterprise funds report the same functions presented in business-type activities in the Government-wide financial statements.

Discretely Presented Component Units

The Orange Beach Board of Education is a discretely presented component unit of the primary government of the City of Orange Beach, Alabama.

Notes to the Basic Financial Statements

The notes provide additional information and are essential to the full understanding of the data in the Government-wide and Fund Financial Statements.

Government-wide Financial Analysis

As previously noted, over time net position may serve as a useful indicator of a government's financial condition. At the close of Fiscal Year 2023 on December 31, 2023, the City of Orange Beach's assets exceeded its liabilities by $184,819,690 whereas at the close of Fiscal Year 2022 on December 31, 2022, the City of Orange Beach's assets exceeded its liabilities by $164,930,072. A portion of the City's net position reflects its investment in capital assets (property, plant, and equipment), less debt outstanding that was used for acquisition. These assets are used to provide services to the citizens and are not available for future spending. Since the capital assets cannot be used to liquidate the outstanding debt, resources needed to repay the debt must be provided from other sources.

Overall Analysis

Table 1 below presents the City's Condensed Statement of Net Position as of December 31, 2023 and December 31, 2022 and is derived from the Government-wide Statement of Net Position. Table 2 below presents the City's Condensed Statement of Activities as of December 31, 2023 and December 31, 2022 and is derived from the Statement of Activities.

Table 1 - Condensed Statement of Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government		Total Component Units
	2022	2023	2022	2023	2022	2023	2023
Current and other assets	$ 135,386,917	$ 154,196,550	$ 4,341,707	$ 4,014,101	$ 139,728,624	$ 158,210,651	$ 6,007,298
Capital assets	125,742,746	137,523,892	29,411,868	27,906,646	155,154,614	165,430,538	83,089,155
Total assets	261,129,663	291,720,442	33,753,575	31,920,747	294,883,238	323,641,189	89,096,453
Deferred outflows of resources	10,422,538	9,450,076	876,107	766,594	11,298,645	10,216,670	21,667,670
Other liabilities	9,883,125	9,279,627	2,169,393	2,102,574	12,052,518	11,382,201	1,658,875
Long-term liabilities	115,366,232	125,359,044	13,423,635	11,586,336	128,789,867	136,945,380	19,299,364
Total liabilities	125,249,357	134,638,671	15,593,028	13,688,910	140,842,385	148,327,581	20,958,239
Deferred inflows of resources	351,135	661,669	58,291	48,919	409,426	710,588	5,643,405
Invested in capital assets Net of related debt	21,392,573	24,635,694	14,176,868	14,521,646	35,569,441	39,157,340	83,089,155
Restricted	39,853,169	36,477,095	-	-	39,853,169	36,477,095	1,130,895
Unrestricted	84,705,967	104,757,389	4,801,495	4,427,866	89,507,462	109,185,255	(57,571)
Total net position	$ 145,951,709	$ 165,870,178	$ 18,978,363	$ 18,949,512	$ 164,930,072	$ 184,819,690	$ 84,162,479

Financial highlights for the City of Orange Beach as a whole as they relate to the Statement of Net Position for the fiscal year ended December 31, 2023 and December 31, 2022 include the following:

The assets of the City exceeded its liabilities (net assets) at the close of the fiscal year ended December 31, 2023 by $165,870,178 and at the close of the fiscal year ended December 31, 2022 by $145,951,709 for Governmental Activities and by $18,949,512 and $18,978,363 (respectively for each year end) for Business-Type Activities. Net capital assets increased by $11,781,146 from 2022 to 2023 for Governmental Activities and decreased by $1,505,222 from 2022 to 2023 for Business-Type Activities. Long-term liabilities increased from 2022 to 2023 for Governmental Activities by $9,992,812 and decreased by $1,837,299 for Business-Type Activities. Unrestricted net position increased from 2022 to 2023 by $20,051,422 and decreased by $373,629 for Governmental Activities and Business-Type Activities, respectively. Restricted net position decreased by $3,376,074 from 2022 to 2023 for Governmental Activities.

Overall Analysis (continued)

Table 2 - Condensed Statement of Activities

	Governmental Activities		Business-Type Activities		Total Primary Government		Total Component Units
	2022	2023	2022	2023	2022	2023	2023
PRIMARY GOVERNMENT:							
Revenues							
Charges for services	$ 9,380,244	$ 9,726,417	$ 13,262,515	$ 13,076,779	$ 22,642,759	$ 22,803,196	$ 3,496,851
Operating grants and contributions	2,540,054	310,214	-	-	2,540,054	310,214	2,612,018
Capital grants and contributions	984,594	5,161,908	5,581,204	343,796	6,565,798	5,505,704	911,817
General revenues							
Taxes	63,204,334	71,975,233	-	-	63,204,334	71,975,233	10,396,153
Investment earnings (losses)	607,927	3,002,764	(13,085)	224,299	594,842	3,227,063	-
Reimbursed expenses	333,612	212,114	-	-	333,612	212,114	-
Miscellaneous	426,691	627,460	25,424	22,045	452,115	649,505	3,087,071
Gain on disposal of assets	38,129	76,671	-	-	38,129	76,671	-
Appropriations from the City	-	-	-	-	-	-	54,390,215
Donated assets	-	-	-	-	-	-	44,125,104
Total revenues	77,515,585	91,092,781	18,856,058	13,666,919	96,371,643	104,759,700	119,019,229
Expenses							
General government	61,081,369	22,016,748	-	-	61,081,369	22,016,748	-
Municipal court	524,184	539,247	-	-	524,184	539,247	-
Finance	1,230,500	1,232,490	-	-	1,230,500	1,232,490	-
Police	8,502,459	10,055,176	-	-	8,502,459	10,055,176	-
Corrections	912,471	887,473	-	-	912,471	887,473	-
Communications	675,823	826,116	-	-	675,823	826,116	-
Fire	10,945,520	11,912,134	-	-	10,945,520	11,912,134	-
Public works	4,807,316	4,975,596	-	-	4,807,316	4,975,596	-
Landscape	2,126,742	2,208,382	-	-	2,126,742	2,208,382	-
Parks &recreation	3,837,956	5,578,525	-	-	3,837,956	5,578,525	-
Library	730,603	735,728	-	-	730,603	735,728	-
Community development	1,615,576	1,633,841	-	-	1,615,576	1,633,841	-
Coastal resources	2,764,204	2,605,757	-	-	2,764,204	2,605,757	-
Recreation center	1,039,319	1,319,996	-	-	1,039,319	1,319,996	-
Performing arts	486,465	497,198	-	-	486,465	497,198	-
Expect Excellence	2,210,466	2,349,151	-	-	2,210,466	2,349,151	-
Interest on long-term debt	2,698,544	3,412,236	-	-	2,698,544	3,412,236	-
Sewer fund	-	-	6,951,780	6,541,752	6,951,780	6,541,752	-
Refuse fund	-	-	3,532,089	3,723,156	3,532,089	3,723,156	-
Events Center fund	-	-	674,774	745,996	674,774	745,996	-
Arts Center fund	-	-	1,049,046	1,073,384	1,049,046	1,073,384	-
Total expenses	106,189,517	72,785,794	12,207,689	12,084,288	118,397,206	84,870,082	-
COMPONENT UNIT:							
Expenses							
Orange Beach Board of Education	-	-	-	-	-	-	34,856,750
Increase (decrease) in net position before transfers	(28,673,932)	18,306,987	6,648,369	1,582,631	(22,025,563)	19,889,618	84,162,479
Transfers	2,753,376	1,611,482	(2,753,376)	(1,611,482)	-	-	-
Change in net position	(25,920,556)	19,918,469	3,894,993	(28,851)	(22,025,563)	19,889,618	84,162,479
Net position - beginning	171,872,265	145,951,709	15,083,370	18,978,363	186,955,635	164,930,072	-
Net position - ending	$ 145,951,709	$ 165,870,178	$ 18,978,363	$ 18,949,512	$ 164,930,072	$ 184,819,690	$ 84,162,479

Financial highlights for the City of Orange Beach as a whole as they relate to the Statement of Activities for the fiscal year ended December 31, 2023 and December 31, 2022 include the following:

The City's total net position increased during the current year by $19,889,618 and decreased during the previous year by $22,025,563. Net position of Governmental Activities increased during the current year by $19,918,469 and decreased during the previous year by $25,920,556. Net position of Business-Type Activities decreased during the current year by $28,851 and increased in the previous year by $3,894,993.

Financial Analysis of the Government's Funds

The City of Orange Beach uses fund accounting to ensure and demonstrate compliance with finance related requirements. Funds that experienced significant changes in Fund Balance during the year are as follows:

Governmental Funds

At the close of the current year, the City's Governmental Funds showed a combined ending fund balance of $149,509,755 as compared to $130,399,661 at the end of the previous fiscal year with $110,089,887 unassigned compared to $86,657,681 reported as unassigned fund balance in the prior year. The remaining reserved amount of $39,419,868 for fiscal year end 2023 is $312,067 nonspendable, $36,072,213 restricted, $2,708,912 committed, and $326,676 assigned as compared to the fiscal year ended 2022 reserved amount of $43,741,980, $280,465 nonspendable, $40,488,943 restricted, $2,670,014 committed, and $302,558 assigned.

Proprietary Funds

As of the close of the current fiscal year the City's Proprietary Funds reported total net position of $18,949,512 compared to $18,978,362 at the end of fiscal year 2022.

Budget Variances in the General Fund

The City Council did not revise the original adopted General Fund budget. The actual expenditures of the General Fund were $28,632,692 under the budgeted amounts. This mainly resulted from budgeted capital projects that did not commence during the year. Actual revenues were $14,940,852 over the budgeted amounts. Local taxes exceeded budget by $12,602,695 as the Council continued to budget conservatively, yet tourist numbers continued to exceed expectations. Refer to the budgetary comparison schedule for the General Fund in the other RSI section of the Financial Report.

Capital Asset Activity

At December 31, 2023, the City of Orange Beach reported net capital assets of $137,523,892 and $27,906,646 from Governmental Activities and Business-Type Activities, respectively. At December 31, 2022, the City of Orange Beach reported net capital assets of $125,742,746 and $29,411,868 from Governmental Activities and Business-Type Activities, respectively.

GASB No. 34 requires the City to report and depreciate new infrastructure assets effective with the beginning of the fiscal year ending September 30, 2003. Infrastructure assets include roads, bridges, underground pipes (other than utilities), traffic signals, etc. The City's capitalization threshold for infrastructure is $500,000. The City of Orange Beach does not have infrastructure that exceeds the capitalization threshold.

Refer to **Note 10** to the financial statements for additional information on capital assets.

Long-Term Debt Activity

At December 31, 2023, the City of Orange Beach reported long-term debt of $125,359,044 and $11,586,336 from Governmental Activities and Business-Type Activities, respectively. At December 31, 2022, the City of Orange Beach reported long-term debt of $115,366,232 and $13,423,635 from Governmental Activities and Business-Type Activities, respectively.

Refer to **Note 5** to the financial statements for additional information on long-term debt activity.

Future Events Impacting the City's Financial Condition

The City of Orange Beach faces several factors that will impact the City's financial and fiscal condition next year and beyond:

1) The City has a 30-year option to purchase the Foley Beach Express Bridge. The City made annual $1.2 million payments to the bridge company from 2003-2013. The 2013 payment ended the 10-year outlay. In exchange, the City receives a per car royalty for 30 years. If the City does not exercise the option to purchase in year 30, the per car royalty payment extends for a second 30-year period. In 2022, negotiations broke down between the Alabama Department of Transportation (ALDOT) and the owners of the Foley Beach Express Bridge, aka the Baldwin County Bridge Company, owned by DIF Capital Partners. Several years of planning by ALDOT to construct a new bridge just west of the Foley Beach Express Toll Bridge came to fruition with the letting of the project in late 2022. The Baldwin County Bridge Company filed suit shortly thereafter and construction was halted in mid-2023, pending the outcome of the lawsuit. The City of Orange Beach is working to maintain its financial position via the existing contract and protection of the value of the contract and future revenues, working to secure controlled tolls for residents of local municipalities and within Baldwin County to assist with local movement and workforce attraction, and guaranteeing improved flow and volume capacity on an expanded toll bridge and toll facility.

2) In 2004, the City entered into a 15-year agreement with AIG Baker for the development of "The Wharf," a mixed-use commercial development on Canal Road. The City has committed one-half of the sales and lodging taxes collected from the project for public improvements associated with the project. The tax reimbursement portion of the agreement began in 2011; however, the City renegotiated a $1 million escrow account to build up before any tax payments are shared. Along with this renegotiation the City acquired a one-acre tract of land on a prime corner lot. In 2012, The Wharf came into new ownership and aggressively attracted new investment. A Springhill Suites by Marriott opened in 2016 with 132 rooms along with a restaurant adjacent to the city-owned Orange Beach Event Center. In 2019, the City swapped land with the Wharf obtaining land next to the Art Center and the Public Library for a corner piece of land at the Wharf. The City also extended original term of the Wharf Warrant for 10 years to December 31, 2035.

3) In 2005, the City purchased 80 acres of land north of the Intracoastal Waterway on the Beach Express for the development of the Orange Beach Commerce Park. The City sold 20 acres to Baldwin Electric Membership Cooperative, 20.42 acres to Columbia Southern University, and an approximate 3 acres to VDL Holdings, LLC. Approximately 17 acres consists of undevelopable wetlands. The City has listed the remaining 19+ acres for sale or lease.

4) In May 2009, the Governor of Alabama signed legislation that allowed the construction of the Gulf State Park's Hotel and Conference Center in Gulf Shores. Construction of the 350-room "The Lodge at Gulf State Park, a Hilton Hotel," began in spring of 2016 and opened in fall of 2018. This addition to the Gulf State Park has generated revenue for the entire Alabama State Park System and resulted in a positive economic impact across the Alabama Gulf Coast including Orange Beach. Gulf State Park has also made significant improvements over its 6,150 acres, including the expansion of its trails system to more than 30 miles and the addition of two pedestrian overpasses crossing the busy beach highway; upgrades to its fishing pier, beach pavilion and campground; the opening of the new Interpretive Center, which was certified as a Living Building of which there are less than 20 in the world; the cottages on Lake Shelby, which were part of the now-retired National Geographic's Unique Lodges of the World program; and a new learning campus, which opened in the summer of 2019. Construction on the Gulf Coast Center for Ecotourism & Sustainability began in 2022 and is expected to open in the fall of 2024.

5) The City continues to explore the feasibility of the Wolf Bay Bridge Project. In 2011, the City paid off a loan for $3.45 million and now holds title to several acres of property, which will eventually serve as the southern landing for a future bridge at the intersection of State Highways 161 and 180. In 2018, the City Council authorized task orders to begin the design and permitting process for the new span over Wolf Bay, which continued in 2019. The future bridge will aid in evacuations during tropical events, the improvement of public safety and introduce positive economic development opportunities for long-term financial stability beyond the City's vulnerable coastline opening up thousands of undeveloped acres for new economic impact. As of year-end 2022, the city's consultant was still awaiting the U.S. Army Corps of Engineers permit for the Wolf Bay Bridge project. At present, the city has no immediate plans to construct the bridge but the permits will be good for up to 10 years.

6) In 2017, the City Council approved a 2% lodging tax increase, effective May 1, 2018, with revenue specifically funding infrastructure projects, including the completion of the widening of Canal Road to five lanes, which has provided a significant improvement with traffic flow on and off the island.

7) In March 2022, the Orange Beach City Council made the bold leap to begin the process of forming the city's own school system, breaking away from the Baldwin County School System. Thanks to the drive and determination of city officials and the community, the State of Alabama's newest independent city school system was established on July 1, 2022. Going from one of many cities in a 32,000-student county system to a locally operated city system with about 1,100 students, the opportunity to create excellence became a reality. With a local school board appointed by the city, the control, mission, vision and daily operation now best fits the personality of the community. Residents will receive top quality education and extracurricular activities for minimum tax investment due to a strong tourism economy driving much of the funding via lodging and sales tax. The split from the county system came on the heels of the completion of the $26 million Orange Beach Middle/High School, which opened in August 2020 and is housed on 40 acres of prime real estate the City donated. The City also committed to fund a Performing Arts Center, which opened in the fall of 2021 with 710 seats holding numerous performances and meetings. The facility now serves as a hallmark venue for performing arts on the Gulf Coast. As part of the formation of the city system, the city had to purchase all school buildings in the city from the county system. As anticipated, the opening of the City's first-ever middle/high school and then the formation of a City School System resulted in an influx of new families and a rise in property values.

8) In April 2022, the City Council approved a 3% lodging tax increase with 2% effective on May 1, 2023 and 1% effective on Sept. 1, 2023. The increase is expected to bring in $12 million in additional annual revenue. Part of the revenue will go toward funding the new Orange Beach City School System and the remainder is designated for capital improvements in the city.

9) The City maintains a permanent reserve fund for the general fund and the sewer utility fund. The City continues to add to the balance annually with a goal of maintaining close to one year general fund operations. The reserve fund was utilized and depleted down related to expenses of Hurricane Sally cleanup and operations. With FEMA reimbursement the funds are being replenished as such reimbursement is received. The city continues to work to get maximum reimbursement of approved cleanup costs.

10) In May 2021, the South Baldwin Regional Medical Center freestanding emergency department opened in Gulf Shores on Hwy. 59. The $15 million freestanding ER is located on 11 acres owned by the City of Gulf Shores. The City of Orange Beach worked in partnership with the City of Gulf Shores on this regional freestanding ER along with goals of regional healthcare improvements through the Gulf Coast Healthcare Authority, as well as locally through the Orange Beach Healthcare Authority. In its first years of operation the 14,000-square-foot emergency medical facility provided substantial relief to the SBRMC emergency room in Foley and saw strong usage in its 7 day per week operation with patients and cases.

11) In 2022, the City Council moved ahead with a plan to upgrade and lease the City of Orange Beach Medical Arts Building to Southern Rapid Care to further improve medical services in the city.

12) The Council continues to be conservative in its budgeting, spending, and debt management. These conservative philosophies resulted in Moody's upgrading the bond rating for the City of Orange Beach to Aa1 in Spring of 2018. In September of 2020, S&P Global Ratings reaffirmed the City of Orange Beach's AA+ bond rating, which remains.

13) In February 2021, a 2021 warrant issue of $50 million was approved by the City Council to go toward capital projects throughout the City. In March of 2022, the City approved an additional $50 million warrant for expenses related to the new school system. A 2022 warrant of $25 million was approved to be used on an as-needed basis for capital projects in the City. The City has the ability to borrow upwards of $300 million and still be in excellent standing.

14) On April 20, 2010, the BP/Deepwater Horizon oil derrick explosion occurred in the Gulf of Mexico. The well continued to uncontrollably leak oil for approximately 90 days. National media coverage of the unprecedented man-made disaster and its potential to harm the Gulf Coast environment, negatively impacted tourism for the summer of 2010. A final settlement for lost revenues was reached with BP in 2016, resulting in a net payment to the City of $10 million. In June of 2012, the U.S. Congress passed the RESTORE Act that directs fines and penalties directly attributed to the quantity of oil spilled into the Gulf of Mexico. The RESTORE Act specifically directs 80% of these fines to go to the five Gulf States. Alabama and its two coastal counties were estimated to receive, at minimum, $1 billion to be reinvested in environmental and economic restoration projects such as infrastructure. In 2016, the Alabama Legislature under the guidance of then Governor Robert Bentley "reallocated" the majority of restoration funds to statewide general fund shortfalls instead of investing as planned in future infrastructure in Mobile and Baldwin Counties. Orange Beach is currently included in remaining funds allocated to Baldwin County highway projects that will increase traffic capacity in the city.

Projects funded by BP-related penalties include upgrading the City's northern sewer main, widening and improving capacity on Canal Road East, filtration and water quality improvements to various canals and channels near Cotton Bayou, the construction of a Gulf Coast Engineering Research Station (in partnership with Auburn University), expansion of the Orange Beach Wildlife Rehabilitation Center and essential repairs to the Alabama Point seawall. The funding for the majority of the City's RESTORE projects has been approved and allocated at the time of each grant initiation.

15) A 2005 warrant issue used for the last comprehensive beach renourishment project, and a 2007A issue used to establish the City's permanent reserve fund were scheduled to be paid off in 2016; however, the council structured the new issues to pay off in 2020 and to pay interest only until 2015. During 2005, an additional 1 cent sales tax was instituted to essentially provide for the 2005 issue's debt service payments. It was also to pay for needed drainage projects and to provide for reserve funds. The 1 cent tax was scheduled to end in 2015; however, the Council extended the 1 cent sales tax for 10 years until March 31, 2025.

16) Wharf built and opened a 28,000-square-foot conference center in 2008. In April 2011, the City purchased the Wharf Conference Center for $1.6 million, gaining immediate equity in the asset. Renamed the Orange Beach Event Center at The Wharf, the City is aggressively recruiting trade shows, conferences, meetings, concerts and more to bring attendees to town to fill room nights in the City. Since is opening in 2016, the 132-room Marriott Springhill Suites hotel on The Wharf site has increased usage at the Event Center, which is adjacent to the hotel. Rentals continue to be strong in the facility.

17) In April 2012, the Baldwin County Commission purchased approximately 2,400 acres, known as the South Alabama Mega Site, close to Interstate 65 to market to potential industrial prospects. In 2022, Novelis Inc., an Atlanta-based aluminum producer, announced plans for a $2.5 billion aluminum recycling and rolling plant on the Mega Site in Bay Minette. The factory will be able to produce 600 kilotons of aluminum per year. More than half is destined for beverage cans, and most of the rest for the automotive market. The Novelis plant "will be the first fully integrated aluminum mill built in the U.S. in 40 years," the company said. This project is an economic boon for Baldwin County as a whole, including Orange Beach. Novelis expects to be operational by mid-2025.

18) The Alabama Gulf Coast Reef and Restoration Foundation successfully sank a 271-foot retired coastal freighter "The LuLu" 17 nautical miles off the coast of Orange Beach in May 2013 and additional underwater structures and near-shore reefs have been created for scuba-diving enthusiasts since that time. In June 2018, a 250-foot vessel named "The New Venture" was sunk about 20 nautical miles south of Orange Beach. These underwater attractions are a boon for the Alabama Gulf Coast tourism industry and tap into the lucrative scuba-diving destination market. Understanding the potential, the City helped sponsor a community-driven project that added structures to a near-shore reef and continues to support the creation of new reefs in Alabama waters. The "Southern Heritage" a 50-foot shrimp boat was sank in May 2020 as an Eagle Scout project led by Garrett Ard with the city funding $10,000 of the total $25,000 project costs continuing in reef development and investment.

19) The City recently saw the opening of several properties including Phoenix Orange Beach and Phoenix Orange Beach 2, which added near 300 units. Phoenix Gulf Towers I and II will be Orange Beach's newest resort development with the first tower opening in 2023. Each tower offers 112 units. Overall, commercial and residential construction permits continue to rise substantially. Assessed property value in the City of Orange Beach now exceeds $1.4 billion leading the Baldwin County Tax Assessor data.

20) Diversification of the tourism market continues as more sporting events such as youth baseball/softball tournaments, marathons, soccer and volleyball come to the area. These athletic-oriented events documented over 133,000 room nights on the entire Gulf Coast in 2023 with an estimated economic impact of $93 million. These events are building on off-season months in attracting visitors. The City continues to invest in its sports facilities to attract and retain events, such as upgraded baseball/softball fields for USSSA tournaments, new sand volleyball courts, and vastly upgraded baseball and softball fields for Orange Beach High School to seat hundreds of spectators each. The City also hosts the NAIA Women's National Soccer Championship in December annually providing a strong off-season economic impact.

21) The City of Foley issued a $25 million bond to construct 16 soccer fields along with a 90,000-square-foot indoor competition facility, which opened in late 2017 and is anchored by a hotel and a major entertainment/amusement park complex located on the Beach Express known as OWA. This entire complex is attracting visitors year round and hosting new sporting events that cannot currently be held in south Baldwin County due to the lack of flat fields such as lacrosse, 7-on-7 football and large soccer tournaments, etc. This activity is expected to continue to generate new room nights for visitors who will choose to stay in Orange Beach just 9 miles south.

22) The Poarch Band of Creek Indians has constructed the OWA development and started with an initial investment of $260 million. OWA, stands for "Big Water" in the Creek Indians language. It is located along the Foley Beach Express at County Road 20. While the Alabama Gulf Coast already hosts 8 million visitors each year, OWA is expected to bring in an additional 1 million visitors annually once the project is built out. Phase 1 of OWA, includes a 150-room hotel, retail and dining spaces, amusement park and lake, which opened in late summer 2017 and is now called Tropical Falls. In 2019, Phase II began as a $100 million investment of an indoor waterpark and outdoor wave pool, which opened in late 2022, a 200-room hotel, a condominium complex, and a resort level RV park, which is under construction. When complete, total investment in the development is projected to top $500 million. The 520-acre OWA development is adjacent to the City of Foley's $40 million sports tourism complex. Overall, the OWA development is expected to generate close to 3,500 jobs.

23) The City continues to make key property acquisitions related to future expansion of city services and public safety improvements. Acquiring necessary parcels of land with buildable, dry acreage is key in securing such land for future public facilities and growth.

24) Impactful economic event – Hurricane Sally: On September 16, 2020, Hurricane Sally made a direct impact on Orange Beach, Alabama at almost Category 3 strength. The storm grew in intensity in its final hours of approach which had caused no mandatory evacuation. Moving at only 1mph, Sally deposited 30 inches of rainfall along with sustained winds near 110mph for hours. The damage and devastation was broad with severe impacts on marine-related structures such as docks and marinas, vessels and the charter fishing and tour boat industry based in Orange Beach. Flooding was severe throughout the city. The city set very aggressive goals of cleanup and restoration which by end of the calendar year 2020 was met and by spring break of the following tourist season around 90% operation was back in force.

25) On Thursday April, 18, 2024, Governor Kay Ivey, Orange Beach Mayor Tony Kennon and the Baldwin County Bridge Company on Wednesday announced the signing of an agreement for the state to purchase the Foley Beach Express Bridge in Orange Beach. When the transaction is finalized, the Alabama Department of Transportation (ALDOT) will operate the Beach Express Bridge toll free, initially carrying southbound and northbound traffic. ALDOT's construction of the Intracoastal Waterway Bridge will continue, with completion expected in Spring or early Summer 2026. Upon completion, the Beach Express Bridge will be converted to carry northbound traffic and the new ALDOT bridge will carry southbound traffic – creating "one-way pairs," parallel paired bridges to move traffic more efficiently to and from Alabama's beaches. Under the terms reached by the parties, ALDOT will pay $57 million to Baldwin County Bridge Company for the bridge and $3 million to the City of Orange Beach for local road improvements. In addition, ALDOT will commit to pursue widening Canal Road to five lanes between the new parallel bridges and an intersection improvement at the State Route 161/180 intersection in Orange Beach. Both projects were already included in the ALDOT's State Transportation Improvement Program for 2024-2027. These agreements will terminate Baldwin County Bridge Company's contract with the City of Orange Beach.

26) Recent Quality of Life investments:

    a. Opening of the Coastal Arts Center of Orange Beach - $2.5 million includes a 10,000-square-foot, two-story art gallery, children's studio, Hot Shop, Clay Studio and campus improvements that upgraded parking and driveways.

    b. Orange Beach Seawall Park at Alabama Point – Over $500,000 invested to reopen a popular fishing spot for residents and visitors located on state property adjacent to Perdido Pass bridge.

    c. Sidewalk investments – Over $1 million invested in recent years to improve neighborhood connectivity, recreational opportunities and connection through Gulf State Park to the City of Gulf Shores. Funds used in matching of trail and sidewalk grants where available.

    d. The City of Orange Beach purchased near 4 acres of beachfront property with approximately 400 linear feet along the Gulf of Mexico with usage of 800 linear feet total by the adjacent development of CoastAL restaurant for a public citizen beach. The City investment of $13 million provides the first-ever, city-owned citizen beach access with parking in the city's history. The first phase of the restaurant, as well as city beach parking, opened in December 2022.

BASIC FINANCIAL STATEMENTS

GOVERNMENT – WIDE FINANCIAL STATEMENTS

THE CITY OF ORANGE BEACH, ALABAMA
STATEMENT OF NET POSITION
DECEMBER 31, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Totals	Orange Beach Board of Education
ASSETS				
Current assets:				
Cash and cash equivalents	$ 100,421,841	$ 6,970,363	$ 107,392,204	$ 4,103,819
Accounts receivable - net	10,334,739	436,737	10,771,476	1,833,446
Internal balances	8,314,526	(8,314,526)	-	-
Prepaids	312,067	-	312,067	70,033
Restricted assets:				
Cash and cash equivalents	34,813,377	4,921,527	39,734,904	-
Capital assets:				
Non-depreciable	99,413,973	502,236	99,916,209	8,235,619
Depreciable (net)	38,109,919	27,404,410	65,514,329	74,853,536
TOTAL ASSETS	291,720,442	31,920,747	323,641,189	89,096,453
DEFERRED OUTFLOWS OF RESOURCES				
Deferred employer pension contributions	694,731	-	694,731	1,226,822
Deferred pension losses	8,311,550	-	8,311,550	13,797,000
Deferred OPEB losses and employer contributions	-	-	-	6,643,848
Defeasance cost (net)	443,795	766,594	1,210,389	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	9,450,076	766,594	10,216,670	21,667,670
LIABILITIES				
Current liabilities:				
Accounts payable	$ 2,574,585	$ 22,867	$ 2,597,452	$ 433,044
Accrued expenses	1,655,023	77,947	1,732,970	1,208,788
Accrued interest payable	757,622	54,755	812,377	-
Long-term liabilities:				
Due within one year:				
Compensated absences	600,446	92,005	692,451	17,043
Bonds payable	3,691,951	1,855,000	5,546,951	-
Due in more than one year:				
Net pension liability	15,853,114	-	15,853,114	19,231,191
Compensated absences	309,683	56,336	366,019	68,173
Bonds payable	109,196,247	11,530,000	120,726,247	-
TOTAL LIABILITIES	134,638,671	13,688,910	148,327,581	20,958,239
DEFERRED INFLOWS OF RESOURCES				
Deferred pension gains	204,482	-	204,482	430,000
Deferred OPEB gains	-	-	-	5,213,405
Unearned revenue	457,187	48,919	506,106	-
TOTAL DEFERRED INFLOWS OF RESOURCES	661,669	48,919	710,588	5,643,405
NET POSITION				
Invested in capital assets, net of related debt	24,635,694	14,521,646	39,157,340	83,089,155
Restricted:				
Capital projects	33,768,183	-	33,768,183	654,096
Education	-	-	-	476,799
Emergencies	2,708,912	-	2,708,912	-
Unrestricted	104,757,389	4,427,866	109,185,255	(57,571)
TOTAL NET POSITION	$ 165,870,178	$ 18,949,512	$ 184,819,690	$ 84,162,479

The accompanying notes are an integral part of the financial statements.[11]

THE CITY OF ORANGE BEACH, ALABAMA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Unit: Orange Beach Board of Education
PRIMARY GOVERNMENT								
Governmental activities:								
General government	$ 22,016,748	$ 422,322	$ -	$ 1,934,416	$ (19,660,010)		$ (19,660,010)	
Court	539,247	76,483	-	-	(462,764)		(462,764)	
Finance	1,232,490	3,772,097	-	-	2,539,607		2,539,607	
Police	10,055,176	462,384	-	-	(9,592,792)		(9,592,792)	
Corrections	887,473	-	-	-	(887,473)		(887,473)	
Communications	826,116	-	-	-	(826,116)		(826,116)	
Fire	11,912,134	1,528,846	-	-	(10,383,288)		(10,383,288)	
Public works	4,975,596	-	-	3,227,492	(1,748,104)		(1,748,104)	
Landscape	2,208,382	-	-	-	(2,208,382)		(2,208,382)	
Parks and recreation	5,578,525	1,969,335	-	-	(3,609,190)		(3,609,190)	
Library	735,728	32,013	26,636	-	(677,079)		(677,079)	
Community development	1,633,841	1,262,937	37,950	-	(332,954)		(332,954)	
Coastal resources	2,605,757	-	245,628	-	(2,360,129)		(2,360,129)	
Recreation center	1,319,996	-	-	-	(1,319,996)		(1,319,996)	
Performing arts	497,198	200,000	-	-	(297,198)		(297,198)	
Expect Excellence	2,349,151	-	-	-	(2,349,151)		(2,349,151)	
Interest on long-term debt	3,412,236	-	-	-	(3,412,236)		(3,412,236)	
Total governmental activities (See Note 1)	72,785,794	9,726,417	310,214	5,161,908	(57,587,255)		(57,587,255)	
Business-type activities:								
Sewer	6,541,752	7,627,574	-	343,796	-	1,429,618	1,429,618	
Refuse	3,723,156	2,874,242	-	-	-	(848,914)	(848,914)	
Events Center	745,996	142,734	-	-	-	(603,262)	(603,262)	
Baldwin County Bridge Company (BCBC)	-	1,718,360	-	-	-	1,718,360	1,718,360	
Arts Center	1,073,384	713,869	-	-	-	(359,515)	(359,515)	
Total business-type activities	12,084,288	13,076,779	-	343,796	-	1,336,287	1,336,287	
Total primary government	$ 84,870,082	$ 22,803,196	$ 310,214	$ 5,505,704	$ (57,587,255)	$ 1,336,287	$ (56,250,968)	
COMPONENT UNIT								
Orange Beach Board of Education	$ 34,856,750	$ 3,496,851	$ 2,612,018	$ 911,817				$ (27,836,064)
General revenues:								
Property taxes					7,173,264	-	7,173,264	6,362,819
Local taxes					39,169,616	-	39,169,616	11,028
Franchise taxes					1,759,480	-	1,759,480	
State taxes					989,274	-	989,274	
Sales taxes					22,883,599	-	22,883,599	4,022,306
Unrestricted investment earnings (losses)					3,002,764	224,299	3,227,063	
Reimbursed expenses					212,114	-	212,114	
Miscellaneous					627,460	22,045	649,505	3,087,071
Gain on disposal of assets					76,671	-	76,671	
Transfers					1,611,482	(1,611,482)	-	
Appropriations from the City of Orange Beach					-	-	-	54,390,215
Donated assets					-	-	-	44,125,104
Total general revenues, special items and transfers					77,505,724	(1,365,138)	76,140,586	111,998,543
Change in net position					19,918,469	(28,851)	19,889,618	84,162,479
Net position - beginning					145,951,709	18,978,363	164,930,072	-
Net position - ending					$ 165,870,178	$ 18,949,512	$ 184,819,690	$ 84,162,479

The accompanying notes are an integral part of the financial statements.

FUND FINANCIAL STATEMENTS

THE CITY OF ORANGE BEACH, ALABAMA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	General	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	$ 100,071,406	$ 350,435	$ 100,421,841
Restricted cash and cash equivalents	32,414,643	2,398,734	34,813,377
Accounts receivable - net	10,204,954	129,785	10,334,739
Due from other funds	8,540,941	-	8,540,941
Prepaid expenses	312,067	-	312,067
TOTAL ASSETS	$ 151,544,011	$ 2,878,954	$ 154,422,965
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	2,574,585	-	2,574,585
Due to other funds	-	226,415	226,415
Accrued expenses	1,533,945	21,833	1,555,778
Appearance bonds	65,700	-	65,700
Performance bonds	33,545	-	33,545
Total liabilities	4,207,775	248,248	4,456,023
Deferred inflows of resources:			
Unearned revenue	457,187	-	457,187
Fund balances:			
Nonspendable	312,067	-	312,067
Spendable:			
Restricted	33,768,183	2,304,030	36,072,213
Committed	2,708,912	-	2,708,912
Assigned	-	326,676	326,676
Unassigned	110,089,887	-	110,089,887
Total fund balances	146,879,049	2,630,706	149,509,755
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 151,544,011	$ 2,878,954	$ 154,422,965

The accompanying notes are an integral part of the financial statements.

THE CITY OF ORANGE BEACH, ALABAMA
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2023

Fund balances - total governmental funds		$ 149,509,755
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	176,047,741	
Less: accumulated depreciation	(38,523,849)	137,523,892
Certain deferred outflows of resources used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Deferred employer pension contributions	694,731	
Deferred pension losses	8,311,550	
Loss on advance refunding	880,250	
Less: accumulated amortization	(436,455)	9,450,076
Certain deferred inflows of resources used in governmental activities are not financial uses and therefore are not reported in the governmental funds.		
Deferred pension gains	(204,482)	(204,482)
Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds.		
Governmental bonds payable	(105,141,217)	
Premium on bonds issued	(9,860,674)	
Discount on bonds issued	42,033	
Accumulated amortization of premium/discount	2,071,660	
Net pension liability	(15,853,114)	
Compensated absences	(910,129)	(129,651,441)
Accrued interest payable on debt in the governmental funds is susceptible to full accrual on the entity wide basis.		
Accrued interest payable		(757,622)
Net position of governmental activities		$ 165,870,178

The accompanying notes are an integral part of the financial statements.

THE CITY OF ORANGE BEACH, ALABAMA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	General	Other Governmental Funds	Total Governmental Funds
REVENUES			
Property taxes	$ 7,173,264	$ -	$ 7,173,264
Intergovernmental:			
State tax	266,782	643,472	910,254
Local tax	63,812,695	-	63,812,695
Grants	5,445,486	15,050	5,460,536
Reimbursements	212,114	-	212,114
Other licenses, permits and fees	5,671,961	2,352	5,674,313
Fines and forfeitures	431,503	34,039	465,542
Charges for services	2,440,641	-	2,440,641
Rent	156,667	-	156,667
Investment earnings	2,929,081	73,683	3,002,764
Contracts	942,282	-	942,282
Miscellaneous	672,386	137,577	809,963
TOTAL REVENUES	90,154,862	906,173	91,061,035
EXPENDITURES			
General government	10,736,477	-	10,736,477
Coastal resources	2,540,812	-	2,540,812
Court	537,961	-	537,961
Finance	1,224,312	-	1,224,312
Police	9,039,321	-	9,039,321
Corrections	885,154	-	885,154
Community development	1,600,213	-	1,600,213
Communications	750,361	-	750,361
Fire	9,956,537	-	9,956,537
Public works	3,427,828	-	3,427,828
Landscape	2,184,042	-	2,184,042
Parks and recreation	2,040,831	-	2,040,831
Performing arts	496,227	-	496,227
Recreation center	1,013,902	-	1,013,902
Expect Excellence	2,342,971	-	2,342,971
Library	-	701,861	701,861
Capital improvements	29,583,729	-	29,583,729
Debt service:			
Principal payments	-	3,598,783	3,598,783
Interest and other	-	3,464,003	3,464,003
TOTAL EXPENDITURES	78,360,678	7,764,647	86,125,325
Excess (deficiency) of revenues over expenditures	11,794,184	(6,858,474)	4,935,710
OTHER FINANCING SOURCES (USES)			
Proceeds from disposal of assets	62,902	-	62,902
Proceeds from debt issue	12,500,000	-	12,500,000
Transfers in	3,905,366	7,747,028	11,652,394
Transfers out	(9,353,906)	(687,006)	(10,040,912)
TOTAL OTHER FINANCING SOURCES (USES)	7,114,362	7,060,022	14,174,384
NET CHANGE IN FUND BALANCES	18,908,546	201,548	19,110,094
FUND BALANCES - BEGINNING	127,970,503	2,429,158	130,399,661
FUND BALANCES - ENDING	$ 146,879,049	$ 2,630,706	$ 149,509,755

The accompanying notes are an integral part of the financial statements.

THE CITY OF ORANGE BEACH, ALABAMA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL ACTIVITIES
TO THE CHANGES IN NET POSITION ON THE STATEMENT OF ACTIVITIES
DECEMBER 31, 2023

Net change in fund balances		$ 19,110,094
Governmental funds report capital improvements as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Expenditures for capital assets	16,119,494	
Less: book value of disposed assets	(31,154)	
Less: current year depreciation	(4,307,195)	11,781,145
Bond proceeds provide current financial resources to governmental funds, but issuing debt increase long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Proceeds of 2022B GO Debt issue	(12,500,000)	
Bond premium/discount amortization	363,192	
Principal payments	3,598,783	(8,538,025)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Decrease in interest accrued on long term debt	51,767	
Increase in compensated absences	(115,073)	
Decrease in deferred pension losses	(972,461)	
Decrease in deferred pension gains	101,088	
Increase in net pension liability	(1,500,066)	(2,434,745)
Change in net position of governmental activities		$ 19,918,469

The accompanying notes are an integral part of the financial statements.

THE CITY OF ORANGE BEACH, ALABAMA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2023

	Sewer	Other Proprietary Funds	Total Proprietary Funds
ASSETS			
Current assets			
Cash and cash equivalents	$ 6,781,947	$ 188,416	$ 6,970,363
Restricted cash and cash equivalents	4,921,527	-	4,921,527
Accounts receivable - net	417,810	18,927	436,737
Due from other funds	-	4,634	4,634
Total current assets	$ 12,121,284	$ 211,977	$ 12,333,261
Noncurrent assets			
Capital assets:			
Land	343,588	158,648	502,236
Buildings	1,712,671	3,820,517	5,533,188
Sewer plant	28,763,756	-	28,763,756
Vehicles and equipment	3,441,913	1,620,271	5,062,184
Distribution and collection system	19,826,467	-	19,826,467
Less: Accumulated depreciation	(29,243,724)	(2,537,461)	(31,781,185)
Total noncurrent assets	24,844,671	3,061,975	27,906,646
TOTAL ASSETS	36,965,955	3,273,952	40,239,907
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized loss on refunding - net	766,594	-	766,594
LIABILITIES			
Current labilities			
Accounts payable	$ 8,541	$ 14,326	$ 22,867
Due to other funds	4,928,388	3,390,772	8,319,160
Accrued expenses	48,839	29,108	77,947
Accrued compensated absences	57,042	34,963	92,005
Accrued interest payable	54,755	-	54,755
Current portion of bonds payable	1,855,000	-	1,855,000
Total current liabilities	6,952,565	3,469,169	10,421,734
Noncurrent labilities			
Accrued compensated absences	39,781	16,555	56,336
Series 2020 G.O. Sewer Warrant - net	11,530,000	-	11,530,000
Total noncurrent liabilities	11,569,781	16,555	11,586,336
TOTAL LIABILITIES	18,522,346	3,485,724	22,008,070
DEFERRED INFLOWS OF RESOURCES			
Unearned revenue	48,919	-	48,919
NET POSITION			
Invested in capital assets, net of related debt	11,459,671	3,061,975	14,521,646
Unrestricted	7,701,613	(3,273,747)	4,427,866
TOTAL NET POSITION	$ 19,161,284	$ (211,772)	$ 18,949,512

The accompanying notes are an integral part of the financial statements.

THE CITY OF ORANGE BEACH, ALABAMA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Sewer	Other Proprietary Funds	Total Proprietary Funds
OPERATING REVENUES			
Charges for services	$ 7,627,575	$ 5,172,430	$12,800,005
Miscellaneous income	3,000	24,505	27,505
Merchandise sales	-	300,208	300,208
TOTAL OPERATING REVENUES	7,630,575	5,497,143	13,127,718
COST OF GOODS SOLD	-	180,172	180,172
GROSS PROFIT	7,630,575	5,316,971	12,947,546
OPERATING EXPENSES			
Salaries, wages and employee benefits	2,330,498	1,608,917	3,939,415
Contractual services	77,103	2,804,679	2,881,782
Utilities	1,152,460	130,358	1,282,818
Repairs and maintenance	581,567	342,032	923,599
Other supplies and expenses	376,544	254,458	631,002
Bad debt expense	26,338	-	26,338
Bond premium amortization	109,513	-	109,513
Depreciation	1,736,261	250,814	1,987,075
TOTAL OPERATING EXPENSES	6,390,284	5,391,258	11,781,542
OPERATING INCOME (LOSS)	1,240,291	(74,287)	1,166,004
NON-OPERATING REVENUES (EXPENSES)			
Interest income	222,921	1,378	224,299
Interest expense	(151,467)	-	(151,467)
Capital grants	343,796	-	343,796
TOTAL NON-OPERATING REVENUES (EXPENSES)	415,250	1,378	416,628
INCOME (LOSS) BEFORE TRANSFERS	1,655,541	(72,909)	1,582,632
TRANSFERS IN (OUT)	(4,390,479)	2,778,997	(1,611,482)
CHANGE IN NET POSITION	(2,734,938)	2,706,088	(28,850)
NET POSITION - BEGINNING	21,896,222	(2,917,860)	18,978,362
NET POSITION - ENDING	$19,161,284	$ (211,772)	$18,949,512

The accompanying notes are an integral part of the financial statements.

THE CITY OF ORANGE BEACH, ALABAMA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Sewer	Other Proprietary Funds	Total Proprietary Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	$ 9,628,414	$ 5,501,810	$15,130,224
Payments to employees for services	(2,308,023)	(1,588,769)	(3,896,792)
Payments to suppliers of goods & services	(2,279,440)	(3,712,001)	(5,991,441)
Payments from (to) other funds	35,828	(2,906,914)	(2,871,086)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	5,076,779	(2,705,874)	2,370,905
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers to other funds	(4,390,479)	2,778,997	(1,611,482)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Interest income	222,921	1,378	224,299
Decrease in restricted cash	(43,179)	-	(43,179)
Capital grants	343,796	-	343,796
Principal repayments for capital purposes	(1,850,000)	-	(1,850,000)
Interest paid on capital debt	(156,142)	-	(156,142)
Acquisition of property and equipment	(481,851)	-	(481,851)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(1,964,455)	1,378	(1,963,077)
NET INCREASE (DECREASE) IN CASH	(1,278,155)	74,501	(1,203,654)
CASH & EQUIVALENTS - BEG. OF YEAR	8,060,102	113,915	8,174,017
CASH & EQUIVALENTS - END OF YEAR	$ 6,781,947	$ 188,416	$ 6,970,363
Operating income (loss)	$ 1,240,291	$ (74,287)	$ 1,166,004
Adjustments to reconcile operating income to net cash provided (used) by operating activities			
Depreciation	1,736,261	250,814	1,987,075
Amortization	109,513	-	109,513
(Increase) decrease in:			
Accounts receivable	2,033,550	4,667	2,038,217
Due to other funds	35,828	(2,906,914)	(2,871,086)
Increase (decrease) in:			
Accounts payable	(91,767)	(302)	(92,069)
Accrued payroll	22,475	20,148	42,623
Deferred revenue	(9,372)	-	(9,372)
Total adjustments	3,836,488	(2,631,587)	1,204,901
Net cash provided (used) by operating activities	$ 5,076,779	$ (2,705,874)	$ 2,370,905

Supplemental Disclosures
Noncash Investing and Financing Activities: NONE

The accompanying notes are an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. GENERAL STATEMENT

The City of Orange Beach, Alabama, (the "City"), was incorporated on August 1, 1984, under the applicable laws of the State of Alabama. The City operates under a Mayor-Council form of government and provides the following services to its citizens: Police, Fire and Paramedic services, Street maintenance, Culture-Recreation, Public Improvements, Planning and Zoning, Building Inspection and other general administrative services.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally Accepted Accounting Principles (GAAP) for local governments includes those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units and by the Financial Accounting Standards Board (when applicable). As allowed in Section P80 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, the City has elected not to apply Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee of Accounting Procedure issued after November 30, 1989. The more significant accounting policies of the City are described below.

B. FINANCIAL REPORTING ENTITY

The City's basic financial statements include the accounts of all City operations. The criteria for including organizations as component units within the City's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the City holds the corporate powers of the organization
- the City appoints a voting majority of the organization's board
- the City is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the City
- there is fiscal dependency by the organization on the City

Based on these criteria, this report includes financial statements of the funds required to account for those financial activities for which the City has the ability to influence and control through its legislative processes.

Component Units

The Orange Beach Board of Education is a separate legal entity that is included as a component unit in the financial reporting entity. It is included as a result of being financially accountable and fiscally dependent. The entity does not provide services entirely or almost entirely to the City, nor does it exclusively benefit the City, therefore they do not meet the criterion for blending, and must be discretely presented in the basic financial statements of the primary government. The Orange Beach Board of Education does not have substantially the same governing body as the City. The component unit has elected to report on a September 30th year end, whereas the City reports on a December 31st year end. Generally accepted accounting principles allow the presentation of these component units as part of the reporting entity if the component unit's year end falls within the year end of the primary government. Significant interfund transfers and borrowing between the City and the component units that occur from October 1 to December 31 each year will be disclosed in a note, if applicable. Separately issued audited financial statements of the Orange Beach Board of Education can be obtained from the Board.

Excluded from the financial statements of the City are the following boards or agencies for which a lack of influence, dependency and control exist: The Business and Industrial Development Board of the City of Orange Beach, Alabama, the Orange Beach Water, Sewer and Fire Protection Authority and the Orange Beach Volunteer Fire Department. These boards and agencies are governed by their own Boards of Directors, prepare and adopt an annual operating budget which is not influenced by the City, have the authority to issue debt which is not an obligation of the City and are not secured by City revenues, have responsibility for any operating deficits which they may incur and must fund any deficits through prior years' surplus or other financing sources.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. BASIS OF PRESENTATION

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the activities of the City. The effect of interfund activity, within the governmental and business-type activities columns, has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include I) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

FUND FINANCIAL STATEMENTS:

The City segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental and proprietary activities. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The City has presented the following major governmental funds:

General Fund -

The General Fund is the main operating fund of the City. It is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

Proprietary Funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position and cash flow. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources are included on the Statement of Net Position. The City has presented the following major proprietary funds:

Sewer Utility System -

Sewer Utility System Fund is used to account for the provision of sewer services to the residents of the City. Activities of the fund include administration, operations and maintenance of the sewer system and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for sewer debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the fund.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. BASIS OF PRESENTATION (continued)

FUND FINANCIAL STATEMENTS (continued)

The following discretely presented component unit is presented as a major fund:

Orange Beach Board of Education -

This fund accounts for all operating revenues and expenditures of the Orange Beach Board School System. This governmental fund does not provide services entirely to the primary government, nor does it primarily benefit the primary government. The governing board is not the same as the City.

Additionally, the City's non-major funds are:

Governmental Funds:

Special Revenue Funds -

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Library Fund -

The Library fund is used to record the daily operating functions of the library. The library fund is a component unit of the city presented with the other governmental funds since its revenue primarily consists of appropriations from the city's general fund.

Debt Service Fund -

The Debt Service Fund is used to account for the accumulation of financial resources for the payment of principal, interest and related costs on general long-term debt paid primarily from taxes levied by the City. The fund balance of the Debt Service Fund is reserved to signify the amounts that are restricted exclusively for debt service expenditures.

Proprietary Funds:

Refuse Collection -

Refuse Collection Fund is used to account for operations of solid waste collection and disposal services. All costs are financed through charges to refuse customers.

Events Center Fund -

Events Center Fund is used to account for the operations of the events center operation. All costs are financed through charges to customers.

Arts Center Fund -

Arts Center Fund is used to account for the operations of the coastal arts center. All costs are financed through charges to customers.

Baldwin County Bridge Company (BCBC) Fund -

BCBC Fund is used to account for the transactions between the City and American Roads as described in Note 12.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets, liabilities (whether current or non-current), deferred inflows of resources, and deferred outflows of resources are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total position. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled sewer services which are accrued. Expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for recognition of all other Governmental Fund revenues. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

The revenues susceptible to accrual are property taxes, franchise fees, charges for services, interest income and intergovernmental revenues. Taxes collected and held by the state at year end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received.

E. BUDGETARY CONTROL

As set forth in the City Charter, the City of Orange Beach, Alabama, adopts an annual budget for the General Fund, Special Revenue Fund, Refuse Fund (an Enterprise Fund), and the Sewer System Utility Fund (an Enterprise Fund). The annual budget for the funds is prepared on the cash and expenditure/encumbrances basis. Revenues and expenditures are budgeted in the year receipt and payment is expected. The Debt Service Fund budget is prepared to provide funding for general obligation debt service when liabilities are due for payment. The budget to actual comparison in the general purpose financial statements is presented on this basis. The City may transfer budgeted amounts between line items with the approval of the City Council. The City Council can amend the budget during the year as needed to reflect any changes in its programs or services arising during the budget period. The Enterprise funds do not require a budget comparison. All annual appropriations lapse at year-end except for on- going projects which are budgeted for the following fiscal year.

The City follows these procedures in establishing the budgetary data presented in the financial statements:

1. During the months of October and November, the Mayor and City Administrator meet with the Department heads to discuss a proposed budget for that department for the coming year commencing January 1st.

2. The Mayor then drafts a budget for all funds, which include proposed expenditures and the proposed means for financing them.

3. On or about December 1st, the Mayor presents to the Council the proposed budget. Prior to January 1st, the budget is legally enacted through passage of a resolution.

4. The City Council may amend the budget through resolutions as needed, provided adequate funds are available at the time of amendment. The City reviews its budget at mid-year and at other times as needs and circumstances dictate.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. BUDGETARY CONTROL (continued)

The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund presents a comparison of budgetary data to actual results. The General Fund utilizes the same basis of accounting for both budgetary purposes and actual results.

F. CASH AND INVESTMENTS

For the purpose of the Statement of Net Position, "cash and cash equivalents" includes all demand deposits, savings accounts, and short-term investments with original or remaining maturities of three months or less when purchased. For purposes of the proprietary fund statement of cash flows, "cash and cash equivalents" include all demand and savings accounts, and short-term investments with an original maturity of three months or less.

The City has $48,509,584 invested in the JP Morgan 100% U.S. Treasury Securities Money Market Fund #677 as of December 31, 2023. The fund invests solely in debt securities of the U.S. Treasury, including Treasury bills, bonds and notes. These investments carry different interest rates, maturities and issue dates.

G. RECEIVABLES

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivables balances for the governmental activities include property taxes, local taxes and franchise taxes. Major proprietary receivables include amounts due on the Baldwin County Bridge agreement and sewer fees.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as franchise tax, grants and other similar intergovernmental revenue that are usually both measurable and available. Nonexchange transactions collectible but not available are not deferred in the fund financial statements in accordance with modified accrual but are deferred in the government-wide statements in accordance with accrual basis. The interest earned is recorded when earned, only if paid within 60 days since they would be considered both measurable and available.

H. PREPAID ITEMS

Prepaid balances are for payments made by the City in the current year to provide services occurring in the subsequent fiscal year, and the reserve for prepaid items has been recorded to signify that a portion of fund balance is not available for other subsequent expenditures.

I. INVENTORY

Inventory is valued at the lower of cost (first-in, first-out) or market. Inventory consists of gasoline and diesel fuel and merchandise held in the general fund.

J. INTERFUND RECEIVABLES AND PAYABLES

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

K. TRANSACTIONS BETWEEN FUNDS

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both Governmental and Proprietary Funds.

L. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. CAPITAL ASSETS

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

GASB No 34 requires the City to report and depreciate new infrastructure assets effective with the beginning of the fiscal year ending September 30, 2003. Infrastructure assets include roads, bridges, underground pipes (other than utilities), traffic signals, etc. The City's capitalization threshold for infrastructure is $500,000. During 2007, the City assessed the condition of the roads, sidewalk, and other infrastructure. The City of Orange Beach, Alabama does not have infrastructure that exceeds the capitalization threshold.

Assets capitalized, not including infrastructure assets, have varying capitalization thresholds depending on the asset type. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives and capitalization thresholds are as follows:

	Useful Life	Capitalization Threshold Before 2/5/19	Capitalization Threshold After 2/5/19
Buildings	35-50 years	$ 100,000	$ 100,000
Building improvements	20-30 years	100,000	100,000
Machinery, vehicles and equipment	5-15 years	7,500	15,000
Furniture and fixtures	3-15 years	7,500	15,000
Land	n/a	7,500	10,000

Sewer Utility System Fund

During 2007, The City began constructing a new wastewater treatment plant. The new plant was completed and put on-line on April 8, 2011. The final cost of the project was $28,071,590. The costs of the various items of land, buildings, plant, collection system and other equipment and vehicles were allocated based on actual costs of the various components of the system. Additions to the system during the year are recorded at cost or, if contributed property, at the estimated fair value at the time of contribution. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized. The sale or disposal of property and equipment is recorded by removing cost and accumulated depreciation from the accounts and charging the resulting gain or loss to operations.

Refuse Collection Fund, Arts Center Fund, Events Center Fund

Additions to the fund during the year are recorded at cost or, if contributed property, at the estimated fair value at the time of contribution. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized. The sale or disposal of property and equipment is recorded by removing cost and accumulated depreciation from the accounts and charging the resulting gain or loss to operations.

N. ACCUMULATED COMPENSATED ABSENCES

It is the City's policy to permit employees to accumulate earned but unused vacation which will be paid to City workers when they terminate employment or will be used in future years by the employees. In governmental funds and enterprise funds, the cost of this leave time is recognized based on the Administration's estimate of the total value which will be taken in the coming fiscal period and is recorded as a liability in the General Fund.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. PROPERTY TAXES

All ad valorem taxes levied by the State, County and the City are assessed and collected by the Tax Collector of Baldwin County, Alabama. The Baldwin County tax calendar requires the Tax Assessor to assess and attach taxes as enforceable liens on property as of September 30, and taxes are due October I through December 31 of each year. Property taxes not paid by January l, are considered as delinquent. Tax collections received by the County Tax Collector are remitted to the City on a monthly basis. All amounts paid to the City within the bill paying period are included in revenues. The City currently assesses 4 mills on property within the City Limits. The Council has the authority to increase property taxes at its discretion, within certain statutory limits.

P. NATURE AND PURPOSE OF RESERVATIONS AND DESIGNATIONS OF FUND BALANCE

Government Wide Level Financial Statements

Equity is classified as net position and displayed in three components:

- Invested in capital assets, net of related debt consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net position consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position consists of all other net position that do not meet the definition of “restricted" or "invested in capital assets, net of related debt."

Fund Level Financial Statements

In accordance with Government Accounts Standards Board 54, Fund Balance Reporting and Governmental Fund Type Definitions, the Bureau classifies governmental fund balance as follows:

a) Non-spendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.

b) Restricted - includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

c) Committed - includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority and does not lapse at year-end.

d) Assigned - includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted nor committed. The policy established by the City pursuant to which the authorization to assign fund balance to a specific purpose is given for the Finance Committee to approve, followed by Council action to accept and the Mayor's signature to authorize.

e) Unassigned - includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories and negative fund balances in other governmental funds.

The City commits fund balance through council action, the government highest level of decision-making authority. Formal Council action in a form of a resolution is required to establish, modify, or rescind a fund balance commitment is needed.

The City does not have an established policy regarding use of unrestricted fund balance when both restricted and unrestricted fund balance are available. However, the City does consider committed amount would be reduced first, followed by any assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the City's unrestricted fund balance classifications are used.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. NATURE AND PURPOSE OF RESERVATIONS AND DESIGNATIONS OF FUND BALANCE (continued)

A schedule of fund balances is as follows:

	General Fund	Debt Service Fund	Special Revenue Fund	Library Fund	Total Governmental Funds
Fund Balances:					
Nonspendable:					
Prepaid expenses	$ 312,067	$ -	$ -	$ -	$ 312,067
Restricted for:					
Grants	4,732,643	-	-	-	4,732,643
Municipal court	150,163	-	-	-	150,163
Debt service	3,929	1,330,107	-	-	1,334,036
Capital outlay	28,881,448	-	973,923	-	29,855,371
Committed to:					
Emergencies	2,708,912	-	-	-	2,708,912
Assigned to:					
Library	-	-	-	326,676	326,676
Unassigned:	110,089,887	-	-	-	110,089,887
Total Fund Balance:	$ 146,879,049	$ 1,330,107	$ 973,923	$ 326,676	$ 149,509,755

Q. CAPITALIZED INTEREST

Interest costs on debt are capitalized when incurred by proprietary funds where the proceeds are used to finance the construction of assets.

R. ACCUMULATED DEFICIT

At December 31, 2023, the Events Center Fund had accumulated deficit of $749,333. It is anticipated that the Events Center Fund will continue to be financed by the General Fund.

S. NET POSITION

Net position represents the difference between assets plus deferred outflow of resources and liabilities plus deferred inflow of resources. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

NOTE 2 – CASH AND RESTRICTED CASH

A detail of cash as of December 31, 2023 is as follows:

	Governmental-type Funds	Business-type Funds
Cash on hand	$ 3,905	$ 100
Cash in banks		
Operations	100,417,936	6,970,263
Reserved- Disaster	2,708,912	118,005
Reserved- Capital projects	29,701,802	2,981,761
Reserved- Special revenues	1,068,627	-
Reserved- Debt service	1,334,036	1,821,761
	$ 135,235,218	$ 11,891,890

NOTE 3 – CREDIT RISK

The City's deposits at year end were held by facial institutions that participate in the State of Alabama's Security of Alabama Funds Enhancement (SAFE) Program. The SAFE program was established by the Alabama legislature and is governed by the provisions contained in the Code of Alabama 1975, Sections 41-14A-l through 41-14A-14. Under the SAFE Program all public funds are protected through the collateral pool administered by the Alabama State Treasurer's Office under this program, financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that financial institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Depository Insurance Corporation (FDIC). If the securities pledged failed to produce adequate funds, every institution participating in the pool would share the liability for the remaining balance.

At December 31, 2023 the carrying amount of the City's deposits, including Certificates of Deposit, was $147,123,108 and the bank balance was $151,238,329. These deposits are held in accounts insured by the Federal Deposit Insurance Corporation, FDIC. Amounts in excess of FDIC coverage are further secured by a pledge of securities from various institutions to the Alabama State Treasurer Office in accordance with the Security for Alabama Funds Enhancement, SAFE, Act.

NOTE 4 – RETIREMENT PLAN

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Employees' Retirement System of Alabama (the Plan or ERS) financial statements are prepared using the economic resources measurement focus and accrual basis of accounting. Contributions are recognized as revenues when earned, pursuant to the plan requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Expenses are recognized when the corresponding liability is incurred, regardless of when the payment is made. Investments are reported at fair value. Financial statements are prepared in accordance with the requirements of the Governmental Accounting Standards Board (GASB). Under these requirements, the Plan is considered a component unit of the State of Alabama and is included in the State's Annual Comprehensive Financial Report.

B. GENERAL INFORMATION ABOUT THE PENSION PLAN

Plan description. The ERS, an agent multiple-employer public employee retirement plan, was established as of October 1, 1945, pursuant to the *Code of Alabama 1975, Title 36, Chapter 27* (Act 515 of the Legislature of 1945). The purpose of the ERS is to provide retirement allowances and other specified benefits for state employees, State Police, and, on an elective basis, to all cities, counties, towns, and quasi-public organizations. The responsibility for the general administration and operation of ERS is vested in its Board of Control which consists of 15 trustees. Act 390 of the Legislature of 2021 created two additional representatives to the ERS Board of Control Effective October 1, 2021. The Plan is administered by the Retirement Systems of Alabama (RSA). The *Code of Alabama 1975, Title 36, Chapter 27* grants the authority to establish and amend the benefit terms to the ERS Board of Control. The Plan issues a publicly available financial report that can be obtained at www.rsa-al.gov.

NOTE 4 – RETIREMENT PLAN (continued)

B. GENERAL INFORMATION ABOUT THE PENSION PLAN (continued)

The ERS Board of Control consists of 15 trustees as follows:

1) The Governor, ex officio.
2) The State Treasurer, ex officio.
3) The State Personnel Director, ex officio.
4) The State Director of Finance, ex officio.
5) Three vested members of ERS appointed by the Governor for a term of four years, no two of whom are from the same department of state government nor from any department of which an ex officio trustee is the head.
6) Eight members of ERS who are elected by members from the same category of ERS for a term of four years as follows:
    a. Two retired members with one from the ranks of retired state employees and one from the ranks of retired employees of a city, county, or a public agency each of whom is an active beneficiary of ERS.
    b. Two vested active state employees.
    c. One vested active employee of a participating municipality or city in ERS pursuant to the *Code of Alabama 1975, Section 36-27-6*.
    d. One vested active employee of a participating county in ERS pursuant to the *Code of Alabama 1975, Section 36-27-6*.
    e. One vested active employee or retiree of a participating employer in ERS pursuant to the *Code of Alabama 1975, Section 36-27-6*.
    f. One vested active employee of a participating employer other than a municipality, city or county in ERS pursuant to the *Code of Alabama 1975, Section 36-27-6*.

Benefits provided. State law establishes retirement benefits as well as death and disability benefits and any ad hoc increase in postretirement benefits for the ERS. Benefits for ERS members vest after 10 years of creditable service. State employees who retire after age 60 (52 for State Police) with 10 years or more of creditable service or with 25 years of service (regardless of age) are entitled to an annual retirement benefit, payable monthly for life. Local employees who retire after age 60 with 10 years or more of creditable service or with 25 or 30 years of service (regardless of age), depending on the particular entity's election, are entitled to an annual retirement benefit, payable monthly for life. Service and disability retirement benefits are based on a guaranteed minimum or a formula method, with the member receiving payment under the method that yields the highest monthly benefit. Under the formula method, members of the ERS (except State Police) are allowed 2.0125% of their average final compensation (highest 3 of the last 10 years) for each year of service. State Police are allowed 2.875% for each year of State Police service in computing the formula method.

Act 377 of the Legislature of 2012 established a new tier of benefits (Tier 2) for members hired on or after January 1, 2013. Tier 2 ERS members are eligible for retirement after age 62 (56 for State Police) with 10 years or more of creditable service and are entitled to an annual retirement benefit, payable monthly for life. Service and disability retirement benefits are based on a formula method. Under the formula method, Tier 2 members of the ERS (except State Police) are allowed 1.65% of their average final compensation (highest 5 of the last 10 years) for each year of service up to 80% of their average final compensation. State Police are allowed 2.375% for each year of State Police service in computing the formula method.

Members are eligible for disability retirement if they have 10 years of credible service, are currently in-service, and determined by the RSA Medical Board to be permanently incapacitated from further performance of duty. Preretirement death benefits equal to the annual earnable compensation of the member as reported to the Plan for the preceding year ending September 30 are paid to the beneficiary.

Act 132 of the Legislature of 2019 allowed employers who participate in the ERS pursuant to *Code of Alabama 1975, Section 36-27-6* to provide Tier 1 retirement benefits to their Tier 2 members. Tier 2 members of employers adopting Act 2019-132 will contribute 7.5% of earnable compensation for regular employees and 8.5% for firefighters and law enforcement officers. A total of 608 employers adopted Act 2019-132 as of September 30, 2023.

Act 316 of the Legislature of 2019 allows employees at the time of retirement to receive a partial lump sum (PLOP) distribution as a single payment not to exceed the sum of 24 months of the maximum monthly retirement allowance the member could receive. This option may be selected in addition to the election of another retirement allowance option at a reduced amount based upon the amount of partial lump sum distribution selected.

NOTE 4 – RETIREMENT PLAN (continued)

B. GENERAL INFORMATION ABOUT THE PENSION PLAN (continued)

The ERS serves approximately 886 local participating employers. The ERS membership includes approximately 108,890 participants. As of September 30, 2023, the City's membership consisted of:

Retired members or their beneficiaries currently receiving benefits	76
Vested inactive members	13
Non-vested inactive members	81
Active members	454
Post-DROP retired members still in active service	-
Total	624

Contributions: Covered members of the ERS contributed 5% of earnable compensation to the ERS as required by statute until September 30, 2011. From October 1, 2011, to September 30, 2012, covered members of the ERS were required by statute to contribute 7.25% of earnable compensation. Effective October 1, 2012, covered members of the ERS are required by statute to contribute 7.50% of earnable compensation. Certified law enforcement, correctional officers, and firefighters of the ERS contributed 6% of earnable compensation as required by statute until September 30, 2011. From October 1, 2011, to September 30, 2012, certified law enforcement, correctional officers, and firefighters of the ERS were required by statute to contribute 8.25% of earnable compensation. Effective October 1, 2012, certified law enforcement, correctional officers, and firefighters of the ERS are required by statute to contribute 8.50% of earnable compensation. State Police of the ERS contribute 10% of earnable compensation.

Employers participating in the ERS pursuant to *Code of Alabama 1975, Section 36-27-6* were not required by statute to increase covered member contribution rates but were provided the opportunity to do so through Act 2011-676. By adopting Act 2011-676, Tier 1 regular members' contribution rates increased from 5% to 7.5% of earnable compensation and Tier 1 certified law enforcement, correctional officers', and firefighters' member contribution rates increased from 6% to 8.5% of earnable compensation.

Tier 2 covered members of the ERS contribute 6% of earnable compensation to the ERS as required by statute. Tier 2 certified law enforcement, correctional officers, and firefighters of the ERS are required by statute to contribute 7% of earnable compensation. Tier 2 State Police members of the ERS contribute 10% of earnable compensation. These contributions rates are the same for Tier 2 covered members of ERS local participating employers.

The ERS establishes rates based upon an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year with additional amounts to finance any unfunded accrued liability, the preretirement death benefit, and administrative expenses of the Plan. For the year ended December 31, 2023, the City's active employee contribution rate was 5.15% of covered employee payroll, and the City's average contribution rate to fund the normal and accrued liability costs was 4.85% of covered employee payroll.

The City's contractually required contribution rate for the year ended September 30, 2023 was 6.23% of pensionable pay for Tier 1 employees, and 3.27% of pensionable pay for Tier 2 employees. These required contribution rates are based upon the actuarial valuation dated September 30, 2023, a percent of annual pensionable payroll, and actuarially determined as an amount that, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, with an additional amount to finance any unfunded accrued liability. Total employer contributions to the pension plan from the City were $1,156,216 for the year ended December 31, 2023.

C. NET PENSION LIABILITY

The City's net pension liability was measured as of September 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2022 rolled forward to September 30, 2023 using standard roll-forward techniques as shown in the following table:

NOTE 4 – RETIREMENT PLAN (continued)

C. NET PENSION LIABILITY (continued)

	Expected	Actual Before Plan Changes	Actual After Plan Changes
(a) TPL as of September 30, 2022	$ 61,248,327	$ 64,880,014	$ 64,880,014
(b) Discount rate	7.45%	7.45%	7.45%
(c) Entry age normal cost for the period October 1, 2022 - September 30, 2023	2,411,821	2,411,821	2,411,821
(d) Transfers among employees	-	162,208	162,208
(e) Actual benefit payments and refunds for the period October 1 2022 -September 30, 2023	(2,148,481)	(2,148,481)	(2,148,481)
(f) TPL as of September 30, 2023 = [(a) x (1 + (b))] + (c) + (d) + [(e) x (1 + 0.5 x (b))]	$ 65,994,636	$ 70,059,092	$ 70,059,092
(g) Difference between expected and actual		$ 4,064,456	
(h) Less liability transferred for immediate recognition		162,208	
(i) Difference between Expected and Actual - Experience (gain) / loss = (g) - (h)		$ 3,902,248	
(j) Difference between Actual TPL Before and After Plan Changes - Benefit Change (gain) / loss			$ -

Actuarial assumptions: The total pension liability as of September 30, 2023 was determined based on the annual actuarial funding valuation report prepared as of September 30, 2021. The key actuarial assumptions are summarized below:

Inflation	2.50%
Salary increases	3.25%-6.00%
Investment rate of return*	7.45%, including inflation

* Net of pension plan investment expense

Mortality rates were based on the Pub-2010 Below-Median Tables, projected generationally using the MP-2020 scale, which is adjusted by 66-2/3% beginning with year 2019:

Group	Membership Table	Set Forward (+)/ Setback (-)	Adjustment to Rates
Non-FLC Service Retirees	General Healthy Below Median	Male: +2, Female: +2	Male: 90% ages < 65, 96% ages >= 65 Female: 96% all ages
FLC/State Police Service Retirees	Public Safety Healthy Below Median	Male: +1, Female: none	None
Beneficiaries	Contingent Survivor Below Median	Male: +2, Female: +2	None
Non-FLC Disabled Retirees	General Disability	Male: +7, Female: +3	None
FLC/State Police Disabled Retirees	Public Safety Disability	Male: +7, Female: none	None

The actuarial assumptions used in the September 30, 2022 valuation were based on the results of an actuarial experience study for the period October 1, 2016 – September 30, 2021.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of geometric real rates of return for each major asset class are as follows:

NOTE 4 – RETIREMENT PLAN (continued)

C. NET PENSION LIABILITY (continued)

	Target Allocation	Long-Term Expected Rate of Return*
Fixed income	15.00%	2.80%
U.S. large stocks	32.00%	8.00%
U.S. mid stocks	9.00%	10.00%
U.S. small stocks	4.00%	11.00%
International developed market stock	12.00%	9.50%
International emerging market stocks	3.00%	11.00%
Alternative	10.00%	9.00%
Real estate	10.00%	6.50%
Cash equivalents	5.00%	1.50%
Total	100.00%	

* Inclues assumed rate of inflation of 2.00%.

Discount rate: The discount rate used to measure the total pension liability was the long-term rate of return, 7.45%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the employer contributions will be made in accordance with the funding policy adopted by the ERS Board of Control. Based on those assumptions, components of the pension plan's fiduciary net position were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at September 30, 2022	$ 61,248,327	$ 46,895,279	$ 14,353,048
Changes for the year:			
Service cost	2,411,821	-	2,411,821
Interest	4,482,969	-	4,482,969
Changes of benefit terms	-	-	-
Changes of assumptions	-	-	-
Difference between expected and actual experience	3,902,248	-	3,902,248
Contributions - employer	-	1,311,868	(1,311,868)
Contributions - employee	-	1,822,435	(1,822,435)
Net investment income	-	6,162,669	(6,162,669)
Benefit payments, including refunds of employee contributions	(2,148,481)	(2,148,481)	-
Administrative expense	-	-	-
Transfers amoung employees	162,208	162,208	-
Net changes	8,810,765	7,310,699	1,500,066
Balance at September 30, 2023	$ 70,059,092	$ 54,205,978	$ 15,853,114

Sensitivity of the net pension liability to changes in the discount rate: The following table presents the City's net pension liability calculated using the discount rate of 7.45%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.45%) or 1-percentage-point higher (8.45%) than the current rate:

NOTE 4 – RETIREMENT PLAN (continued)

D. PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

	1% Decrease (6.45%)	Current Discount (7.45%)	1% Increase (8.45%)
Plan's Net Pension Liability	$ 25,626,305	$ 15,853,114	$ 7,777,859

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued RSA Comprehensive Annual Report for the fiscal year ended September 30, 2023. The supporting actuarial information is included in the GASB Statement No. 68 Report for the ERS prepared as of September 30, 2023. The auditor's report dated August 19, 2022 on the Schedule of Changes in Fiduciary Net Position by Employer and accompanying notes is also available. The additional financial and actuarial information is available at www.rsa-al.gov.

For the year ended December 31, 2023, the City recognized pension expense of $3,815,197. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions of the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 4,611,697	$ 204,482
Changes of assumptions	1,652,624	-
Net difference between projected and actual earnings on plan investments	2,047,229	-
Employer contributions subsequent to the measurement date	694,731	-
Total	$ 9,006,281	$ 204,482

Amounts reported as deferred outflows of resources and deferred inflows of resources to pensions will be recognized in pension expense as follows:

Year Ended December 31:	
2024	$ 1,659,081
2025	1,515,686
2026	2,675,378
2027	515,259
2028	919,104
Thereafter	822,560

Details of the deferred inflows and outflows of resources are displayed in the following three tables:

NOTE 4 – RETIREMENT PLAN (continued)

D. PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (continued)

Collective Deferred Outflows and Inflows between Expected and Actual Experience

Year	Initial Balance of Losses / Deferred Outflow	Initial Balance of Gains / Deferred Inflow	Amort. Period	Beginning Balance: Deferred Outflows (a)	Beginning Balance: Deferred Inflows (b)	Losses / Deferred Outflows (c)	Gains / Deferred Inflows (d)	Amounts Recog. In Pension Expense / Deferred Outflow (e)	Amounts Recog. In Pension Expense / Deferred Inflow (f)	Ending Balance: Deferred Outflows (a) + (c) - (e)	Ending Balance: Deferred Inflows (b) + (d) - (f)
2023	$ 3,902,248	$ -	7.5	$ -	$ -	$ 3,902,248	$ -	$ 520,300	$ -	$ 3,381,948	$ -
2022	533,386	-	7.6	463,204	-	-	-	70,182	-	393,022	-
2021	1,077,245	-	7.7	797,441	-	-	-	139,902	-	657,539	-
2020	-	291,520	7.5	-	174,913	-	-	-	38,869	-	136,044
2019	130,650	-	8.0	65,326	-	-	-	16,331	-	48,995	-
2018	518,534	-	8.0	194,449	-	-	-	64,817	-	129,632	-
2017	-	503,971	8.1	-	130,657	-	-	-	62,219	-	68,438
2016	23,081	-	8.2	3,376	-	-	-	2,815	-	561	-
2015	920,209	-	8.2	22,441	-	-	-	22,441	-	-	-
Total				$ 1,546,237	$ 305,570	$ 3,902,248	$ -			$ 4,611,697	$ 204,482

NOTE 4 – RETIREMENT PLAN (continued)

D. PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (continued)

Collective Deferred Outflows and Inflows for Differences from Assumption Changes

				Beginning Balance						Ending Balance	
Year	Initial Balance of Losses / Deferred Outflow	Initial Balance of Gains / Deferred Inflow	Amort. Period	Deferred Outflows (a)	Deferred Inflows (b)	Losses / Deferred Outflows (c)	Gains / Deferred Inflows (d)	Amounts Recog. In Pension Expense / Deferred Outflow (e)	Amounts Recog. In Pension Expense / Deferred Inflow (f)	Deferred Outflows (a) + (c) - (e)	Deferred Inflows (b) + (d) - (f)
2023	$ -	$ -	7.5	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2022	-	-	7.6	-	-	-	-	-	-	-	-
2021	2,537,576	-	7.7	1,878,466	-	-	-	329,555	-	1,548,911	-
2020	-	291,520	7.5	-	-	-	-	-	-	-	-
2019	-	-	8.0	-	-	-	-	-	-	-	-
2018	258,582	-	8.0	96,967	-	-	-	32,323	-	64,644	-
2017	-	503,971	8.1	-	-	-	-	-	-	-	-
2016	1,601,749	-	8.2	234,404	-	-	-	195,335	-	39,069	-
Total				$ 2,209,837	$ -	$ -	$ -			$ 1,652,624	$ -

NOTE 4 – RETIREMENT PLAN (continued)

D. PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (continued)

Collective Deferred Outflows and Inflows for Differences in Investment Experience

				Beginning Balance						Ending Balance	
Year	Initial Balance of Losses / Deferred Outflow	Initial Balance of Gains / Deferred Inflow	Amort. Period	Deferred Outflows (a)	Deferred Inflows (b)	Losses / Deferred Outflows (c)	Gains / Deferred Inflows (d)	Amounts Recog. In Pension Expense / Deferred Outflow (e)	Amounts Recog. In Pension Expense / Deferred Inflow (f)	Deferred Outflows (a) + (c) - (e)	Deferred Inflows (b) + (d) - (f)
2023	$ -	$ 2,626,207	5.0	$ -	$ -	$ -	$ 2,626,207	$ -	$ 525,241	$ -	$ 2,100,966
2022	10,816,076	-	5.0	8,652,861	-	-	-	2,163,215	-	6,489,646	-
2021	-	6,253,030	5.0	-	3,751,818	-	-	-	1,250,606	-	2,501,212
2020	798,809	-	5.0	319,523	-	-	-	159,762	-	159,761	-
2019	1,993,569	-	5.0	398,713	-	-	-	398,713	-	-	-
2018	-	525,801	5.0	-	-	-	-	-	-	-	-
Total				$ 9,371,097	$ 3,751,818	$ -	$ 2,626,207			$ 6,649,407	$ 4,602,178
								Net difference between projected and actual earnings on investments		$ 2,047,229	

NOTE 5 – LONG TERM DEBT

General Fund

General Obligation Warrants

At December 31, 2023, governmental long-term debt consisted of the following individual issues:

On February 1, 2021, the City issued a General Obligation Warrant, in the amount of 41,395,000 to Bank of New York. The Warrant is payable in annual installments varying from $117,000 to $1,641,750 principal plus interest with an average coupon of 3.996% beginning February 1, 2022 with a final payment on August 1, 2041.

On June 1, 2022, the City issued a General Obligation Warrant in the amount of $50,000,000 to Regions Capital Advantage, Inc. The Warrant is payable in annual installments varying from $44,343 to $3,660,615 principal plus interest with an average coupon of 3.080% beginning June 1, 2023 with a final payment on June 1, 2042.

On June 1, 2022, the City issued a General Obligation Warrant B in the amount of $25,000,000 to Regions Capital Advantage, Inc. The City is making monthly principal draws of $1,041,667 beginning July 1, 2022 and ending June 1, 2024, with principal drawn not to exceed $25,000,000. Interest only installments due until June 1, 2025, at which time principal and interest due in annual installments through June 1, 2042. Variable interest with average coupon of 2.990%.

Sewer Fund

General Obligation Warrants

At December 31, 2023, the long-term debt for the proprietary fund consisted of the following individual issues:

On October 17, 2020, the City issued $15,660,000 of its Series 2020 General Obligation Sewer Warrants for the partial refunding of the previous Series 2012 General Obligation Sewer Warrants. The warrant is payable in annual installments varying from $100,000 to $1,990,000 principal plus interest from .235% - 1.564% beginning February 1, 2021 with a final payment on February 1, 2030.

NOTE 5 – LONG TERM DEBT (continued)

General Obligation Warrants for governmental activities of the City were comprised of the following at December 31, 2023:

$41,395,000 General Obligation Warrants Series 2021 dated February 1, 2021, principal and interest due in annual installments varying from $117,000 to $1,641,750 through August 1, 2041; variable interest rate with average coupon of 3.996%.	$ 38,545,000
$50,000,000 General Obligation Warrants Series 2022 A dated June 1, 2022, principal and interest due in annual installments varying from $44,343 to $3,660,615 through June 1, 2042; variable interest rate with average coupon of 3.080%.	47,846,217
$25,000,000 General Obligation Warrants Series 2022 B dated June 1, 2022, with the City making monthly principal draws of $1,041,667 beginning July 1, 2022 and ending June 1, 2024, with principal drawn not to exceed $25,000,000 aggregate. Interest only installments due until June 1, 2025, at which time principal and interest due in annual installments through June 1, 2042. Variable interest with average coupon of 2.990%.	18,750,000
Unamortized bond premium / discount (net)	7,746,981
TOTAL WARRANTS AND NOTES OUTSTANDING	112,888,198
Compensated absences	910,129
Net pension liability	15,853,114
TOTAL GENERAL LONG-TERM DEBT	$ 129,651,441

General Obligation and Revenue Warrants for business-type activities of the City were comprised of the following at December 31, 2023:

$15,660,000 General Obligations Sewer Warrants Series 2020 dated October 17, 2020, principal and interest due in annual installments varying from $100,000 to $1,990,000 through February 1, 2030; variable interest rate from .235% to 1.564%; issued in 2020 to partially refund the 2012 Warrants.	$ 13,385,000
TOTAL WARRANTS AND NOTES OUTSTANDING	13,385,000
Compensated absences	148,341
TOTAL BUSINESS-TYPE ACTIVITY DEBT	$ 13,533,341

NOTE 5 – LONG TERM DEBT (continued)

The annual aggregate maturities, including principal and interest, for the years subsequent to December 31, 2023, are as follows:

Year Ending December 31,	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2024	$ 3,691,951	$ 3,351,382	$ 7,043,333	$ 1,855,000	$ 152,082	$ 2,007,082
2025	5,006,311	3,582,959	8,589,270	1,865,000	140,117	2,005,117
2026	5,118,757	3,414,666	8,533,423	1,885,000	126,037	2,011,037
2027	5,237,004	3,242,362	8,479,366	1,905,000	108,054	2,013,054
2028	5,361,062	3,065,821	8,426,883	1,930,000	86,070	2,016,070
2029 and thereafter	80,726,132	21,671,021	102,397,153	3,945,000	90,868	4,035,868
Unamortized bond discount / premium	7,746,981	-	7,746,981	-	-	-
Total	$ 112,888,198	$ 38,328,211	$ 151,216,409	$ 13,385,000	$ 703,228	$ 14,088,228

Changes in General Long-Term Debt during the year were as follows:

Obligation	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Bonds payable:					
February 1, 2021, G.O. Warrants, Series 2021	$ 39,990,000	$ -	$ (1,445,000)	$ 38,545,000	$ 1,505,000
June 1, 2022, G.O. Warrants, Series 2022 A	50,000,000	-	(2,153,783)	47,846,217	2,186,951
June 1, 2022, G.O. Warrants, Series 2022 B	6,250,000	12,500,000	-	18,750,000	-
Unamortized bond premium / discount (net)	8,110,173	-	(363,192)	7,746,981	-
Total bonds payable	104,350,173	12,500,000	(3,961,975)	112,888,198	3,691,951
Other long-term liabilities:					
Compensated absences	795,056	115,073	-	910,129	600,446
Net pension liability	14,353,048	1,500,066	-	15,853,114	-
Total other long-term liabilities	15,148,104	1,615,139	-	16,763,243	600,446
Governmental activities long-term liabilities	$119,498,277	$ 14,115,139	$ (3,961,975)	$ 129,651,441	$ 4,292,397

NOTE 5 – LONG TERM DEBT (continued)

Changes in Business-Type Long Term Debt during the year were as follows:

Obligation	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Business-type activities:					
Bonds payable:					
October 17, 2020 G.O. Sewer Warrants, Series 2020	$ 15,235,000	$ -	$ (1,850,000)	$ 13,385,000	$ 1,855,000
Unamortized bond premium / discount (net)	-	-	-	-	-
Total bonds payable	15,235,000	-	(1,850,000)	13,385,000	1,855,000
Other long-term liabilities:					
Compensated absences	117,034	31,307	-	148,341	92,005
Total other long-term liabilities	117,034	31,307	-	148,341	92,005
Business-type activities long-term liabilities	$ 15,352,034	$ 31,307	$ (1,850,000)	$ 13,533,341	$ 1,947,005

NOTE 6 – DEFEASANCE OF DEBT

On February 1, 2013, $9,780,000 million in general obligation bonds with an average interest rate of 2.11% were issued to advance refund $9,105,000 of outstanding bonds with an average interest rate of 4.22%. The net proceeds of $10,032,143 (after payment of $142,030 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the bonds and loans. As a result, the bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements. This refunding decreases total debt service payments over the next 11 years by almost $611,228 resulting in an economic gain (difference between the present values of the debt services payments on the old and new debt and cash exchanged) of $500,454.

On October 27, 2020, $15,660,000 million in Sewer Fund general obligation bonds with an average interest rate of 1.20% were issued to advance refund $14,430,000 of outstanding bonds with an average interest rate of 3.87%. The net proceeds of $15,451,767 (after payment of $208,233 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the bonds and loans. As a result, the bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements. This refunding decreases total debt service payments over the next 10 years by $1,049,838 resulting in an economic gain (difference between the present values of the debt services payments on the old and new debt and cash exchanged) of $996,504.

NOTE 7 – OPERATING LEASES

Post Office Lease

On August 26, 1994, the City entered into a 20-year operating lease with the United States Postal Service, USPS. USPS is leasing the building constructed by the City which was designed for use as a post office. The lease has no purchase options, no residual value and maintenance lies with the USPS. The following schedule details the lease revenues accruing to the City during the initial lease period and the renewal periods outlined in the lease document:

Term	Monthly Rental	Yearly Rental
4/20/15 - 4/19/20	$ 1,667	$ 20,000
4/20/20 - 4/19/25	1,667	20,000

Medical Arts Building

The City entered into an agreement with various doctors and medical facilities to rent space in the Medical Arts Building. The following schedule details the lease revenues accruing to the City outlined in the lease documents:

Term	Monthly Rental	Yearly Rental
1/1/23 - 1/1/32	$ 10,000	$ 120,000

NOTE 8 – BRETT ROBINSON AGREEMENT

On January 27, 2014, the City signed a release and settlement agreement with Brett Real Estate, Robinson Development Co., Inc., Phoenix West II LLC., and Brett/Robinson Gulf Corporation (collectively referred to as the BR Parties) regarding impact fees for the development of Phoenix West II Condominium Association, Inc. that were never paid. The BR Parties entered into a promissory note with the City for $1,532,242 to be paid in 120 monthly installments of $15,239 beginning in March of 2015 with interest thereon of 3% per annum in lieu of the impact fees.

NOTE 9 – PRIOR PERIOD ADJUSTMENT

During 2023, the City identified an error in the prior year's financial statements for the Sewer Fund and Business-type Activities. Construction costs of $5,581,204 for a sewer main were incorrectly recorded as operating expenses instead of being capitalized as construction in progress. The result of the correction of this error is a $5,581,204 increase in beginning Sewer Fund Balance, beginning Business-type Activities Net Position, beginning Sewer Fund capital assets, and beginning Business-type Activities Capital Assets.

NOTE 10 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The following is detail of the interfund receivables and payables on the combined balance sheet of the City as of December 31, 2023:

	Due To	
Due From	General Fund	Refuse Fund
General Fund	$ -	$ -
Special Revenue Fund	224,489	-
Debt Service Fund	-	-
Refuse Fund	20,837	-
BCBC Fund	-	-
Sewer Fund	4,923,754	4,634
Event Center Fund	1,856,258	-
Library Fund	1,926	-
Art Center Fund	1,513,677	-
Total	$ 8,540,941	$ 4,634

The above balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund transfers during the year ended December 31, 2023 were as follows:

	Transfers In						
Transfers Out	General Fund	Library Fund	Events Center Fund	Arts Center Fund	Refuse Fund	Debt Service Fund	Total
General Fund	$ -	$ 683,508	$ 923,029	$ 312,707	$ 371,142	$ 7,063,520	$ 9,353,906
BCBC Fund	1,718,360	-	-	-	-	-	1,718,360
Special Revenue Fund	687,006	-	-	-	-	-	687,006
Sewer Fund	1,500,000	-	-	-	2,890,479	-	4,390,479
Total	$ 3,905,366	$ 683,508	$ 923,029	$ 312,707	$ 3,261,621	$ 7,063,520	$ 16,149,751

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 11 – CAPITAL ASSETS

Capital asset activity for governmental and business-type activities for the year ended December 31, 2023 was as follows:

	Beginning Balance	Additions	Disposals & Reclassifications	Ending Balance
Governmental actities:				
Non depreciable assets:				
Land & improvements	$ 69,601,241	$ 1,079,766	$ -	$ 70,681,007
Construction in progress	17,007,404	11,725,562	-	28,732,966
Depreciable assets:				
Buildings & improvements	33,832,599	2,221,820	(101,813)	35,952,606
Infrastructure	15,178,169	-	-	15,178,169
Equipment & vehicles	24,368,015	1,092,346	(439,084)	25,021,277
Total historical cost of assets:	159,987,428	16,119,494	(540,897)	175,566,025
Less accumulated depreciation for:				
Buildings & improvements	14,478,501	1,195,546	(98,314)	15,575,733
Infrastructure	2,813,941	234,664	-	3,048,605
Equipment & vehicles	16,952,240	2,876,985	(411,430)	19,417,795
Total accumulated depreciation:	34,244,682	4,307,195	(509,744)	38,042,133
Governmental activities capital assets, net:	$ 125,742,746	$ 11,812,299	$ (31,153)	$ 137,523,892

Depreciation expense was charged to governmental functions as follows:	
Administration	$ 248,528
Finance	2,322
Police	834,111
Fire	1,374,570
Public works	617,691
Parks & recrecation	1,167,429
Library	33,867
Community development	28,677
Total depreciation expense:	$ 4,307,195

	Beginning Balance	Additions	Disposals & Reclassifications	Ending Balance
Business-type actities:				
Non depreciable assets:				
Land & improvements	$ 502,236	$ -	$ -	$ 502,236
Construction in progress	7,293,877	481,851	(7,775,728)	-
Depreciable assets:				
Buildings & improvements	32,824,417	1,712,671	-	34,537,088
Equipment	2,461,250	-	(24,677)	2,436,573
Vehicles	2,385,465	-	-	2,385,465
Distribution & collection systems	13,763,412	6,063,057	-	19,826,469
Total historical cost of assets:	59,230,657	8,257,579	(7,800,405)	59,687,831
Less accumulated depreciation for:				
Buildings & improvements	11,682,487	168,671	-	11,851,158
Equipment	2,003,145	261,870	(24,677)	2,240,338
Vehicles	1,786,972	165,749	-	1,952,721
Distribution & collection systems	14,346,183	1,390,785	-	15,736,968
Total accumulated depreciation:	29,818,787	1,987,075	(24,677)	31,781,185
Business-type activities capital assets, net:	$ 29,411,870	$ 6,270,504	$ (7,775,728)	$ 27,906,646

NOTE 11 – CAPITAL ASSETS (continued)

Capital asset activity for the discretely presented component unit, the Orange Beach Board of Education for the year ended September 30, 2023 was as follows:

	Beginning Balance	Additions	Disposals & Reclassifications	Ending Balance
Governmental actities:				
Non depreciable assets:				
Construction in progress	$ -	$ 8,235,620	$ -	$ 8,235,620
Depreciable assets:				
Buildings & improvements	-	63,620,356	-	63,620,356
Equipment	-	17,539,241	-	17,539,241
Total historical cost of assets:	-	89,395,217	-	89,395,217
Less accumulated depreciation for:				
Buildings & improvements	-	2,040,742	-	2,040,742
Equipment	-	4,265,320	-	4,265,320
Total accumulated depreciation:	-	6,306,062	-	6,306,062
Governmental activities capital assets, net:	$ -	$ 83,089,155	$ -	$ 83,089,155

NOTE 12 – THE BALDWIN COUNTY BRIDGE COMPANY PROJECT

On April 15, 2004, the City of Orange Beach (City) entered into the "Bridge Option, Easement and Annexation Agreement" with The Baldwin County Bridge Company, LLC (BCBC). BCBC owns and operates a toll bridge, toll facility and related roadways which span the Intracoastal Waterway within and near the current corporate limits of the City. BCBC has agreed to grant the City an option to purchase the Bridge, to grant the City an easement for the usage of the Bridge for certain limited purposes, to petition for annexation of the BCBC property into the City, to make a per vehicle payment to the City, to grant the City an option to purchase various parcels of real estate located adjacent to the Bridge, and to expand the Bridge under certain circumstances. The City has agreed to annex the BCBC property into the City, to execute certain access restrictions on the City Property, to become bound by an Access Management Plan, and to make ten annual installment advances to the BCBC in the amount of $1,200,000 for a total of $12,000,000. The first advance of $1,200,000 was made on April 21, 2004 and the final advance was made in 2013.

The BCBC will repay the above amount monthly based on a Variable Traffic Fee formula as described in the following table:

Annual Car Count	Rate per Vehicle
0 - 2,000,000	$ 0.10
2,000,001 - 3,000,000	0.21
3,000,001 - 4,000,000	0.36
4,000,000 +	0.46

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NOTE 12 – THE BALDWIN COUNTY BRIDGE COMPANY PROJECT (continued)

Based on the above payments from the City and the above repayment schedule from BCBC, the BCBC shall never be obligated to pay Variable Traffic Fees in a cumulative amount to exceed $12,000,000. If at any time during the term of the agreement, BCBC shall have paid Traffic Fees equal to the $12,000,000, or if, prior to January 1, 2015, BCBC shall pay to the City an amount equal to the difference between the Traffic Fees paid to the City and $12,000,000, then the payment obligations of the BCBC under the above mentioned agreement shall immediately terminate (the "Termination Event").

Upon the first to occur of (i) the Termination Event, or (ii) January 1, 2015 and continuing through December 31, 2033, the BCBC shall pay to the City Fixed Traffic Fees in the amount of $0.30 per Vehicle Usage.

For the year ended December 31, 2023, the City received payments from American Roads totaling $1,718,360 for the twelve months the agreement was in effect, based on fixed fee of $.30 per vehicle.

On Thursday April, 18, 2024, Governor Kay Ivey, Orange Beach Mayor Tony Kennon and the Baldwin County Bridge Company on Wednesday announced the signing of an agreement for the state to purchase the Foley Beach Express Bridge in Orange Beach. When the transaction is finalized, the Alabama Department of Transportation (ALDOT) will operate the Beach Express Bridge toll free, initially carrying southbound and northbound traffic. ALDOT's construction of the Intracoastal Waterway Bridge will continue, with completion expected in Spring or early Summer 2026. Upon completion, the Beach Express Bridge will be converted to carry northbound traffic and the new ALDOT bridge will carry southbound traffic – creating "one-way pairs," parallel paired bridges to move traffic more efficiently to and from Alabama's beaches. Under the terms reached by the parties, ALDOT will pay $57 million to Baldwin County Bridge Company for the bridge and $3 million to the City of Orange Beach for local road improvements. In addition, ALDOT will commit to pursue widening Canal Road to five lanes between the new parallel bridges and an intersection improvement at the State Route 161/180 intersection in Orange Beach. Both projects were already included in the ALDOT's State Transportation Improvement Program for 2024-2027. These agreements will terminate Baldwin County Bridge Company's contract with the City of Orange Beach.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

On July 12, 2004, the City of Orange Beach entered into a Development Agreement known as "The Wharf' with AIG Baker Development, LLC. The purpose of the agreement is to develop seven tracts of real property that Baker has under contract for long-term leasehold interests. The property will be developed conceptually in two distinct manners, the Commercial Development and the Public Land. During 2012, "The Wharf' was purchased by Wharf Retail Properties LLC.

The City will issue non-recourse limited-obligation warrant to AIG Baker in the amount of $25,000,000 bearing an interest rate of 3.5%, or the rate at which AIG Baker is able to obtain for its construction financing, for the purchase of the Public Land. This amount will be amortized over 15 years and will be paid monthly. The funds to pay the warrant will be provided exclusively by ½ of all tax revenues (defined as sales tax or lodging tax) levied by the City on the businesses. AIG Baker will remit sales and lodging tax to the City. The developer will also make payments-in-lieu of taxes for the amounts that would have been assessed on the property. The commencement date of this transaction shall be the date upon which the Deed and the Assignment of Leasehold Interest are executed and delivered. The agreement was amended on April 10, 2010 requiring that AIG Baker to set up an escrow account to satisfy the Bridge Security Agreement.

The City is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The City obtains coverage from municipal insurance companies and effectively manages risk through various employee education and prevention programs. The policy premiums are based on estimated annual payroll. The premiums are adjusted retrospectively based on actual annual payroll.

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements by the grantor agency for expenditures disallowed under the terms of the grant. The City is currently not under audit by any grantor agencies.

NOTE 13 – COMMITMENTS AND CONTINGENCIES (continued)

The City is party to various legal proceedings, which normally occur in the course of governmental operations. The financial statements do not include accrual or provisions for loss contingencies that may result from these proceedings.

Construction, engineering, and design contracts for material commitments at December 31, 2023 are as follows:

Contractor/Engineer	Project	Resolution Number	Contract Amount Including Change Orders	Approximate Expenditures Incurred To Date	Approximate Balance of Contract
Rolin Construction	Trail Maintenance Shop & Wildlife Center	23-208	$ 730,600	$ 123,975	$ 606,625
Dobson Sheet Metal Roofing	Recreation Center Roof and Soffit Replacement	23-191	791,000	271,762	519,238
Rolin Construction	Football Field Turf Installation	23-206	1,293,135	791,830	501,305
Rolin Construction	Baseball Field Turf Insallation & Dugouts	23-154	1,310,000	1,221,605	88,395
Rolin Construction	Softball/Baseball Field House	23-215	1,777,000	-	1,777,000
Rolin Construction	City Hall Addition	23-126	1,734,000	842,406	891,594
John G. Walton	Canal Road Improvements	22-134	7,603,690	5,433,960	2,169,730
The Green-Simmons Company	Community Center Addition & Roof Replacement	23-207	472,000	-	472,000

NOTE 14 – SUBSEQUENT EVENTS

Subsequent events were evaluated from January 1, 2023 through the financial statement issuance date, June 13, 2025.

REQUIRED SUPPLEMENTARY INFORMATION

THE CITY OF ORANGE BEACH, ALABAMA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final	(Budgetary Basis)	Over/(Under)
RESOURCES (INFLOWS)				
Property taxes	$ 5,500,000	$ 5,500,000	$ 7,173,264	$ 1,673,264
Intergovernmental:				
State tax	106,000	106,000	266,782	160,782
Local tax	51,210,000	51,210,000	63,812,695	12,602,695
Grants	9,583,636	9,583,636	5,445,486	(4,138,150)
Personnel service reimbursement	141,000	141,000	212,114	71,114
Other licenses, permits and fees	4,543,000	4,543,000	5,671,961	1,128,961
Fines and forfeitures	511,000	511,000	431,503	(79,497)
Charges for services	1,792,474	1,792,474	2,440,641	648,167
Rent	150,000	150,000	156,667	6,667
Investment earnings	450,000	450,000	2,929,081	2,479,081
Contracts	855,000	855,000	942,282	87,282
Miscellaneous	371,900	371,900	672,386	300,486
AMOUNTS AVAILABLE FOR APPROPRIATION	75,214,010	75,214,010	90,154,862	14,940,852
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
General government	14,323,326	14,323,326	10,736,477	(3,586,849)
Coastal resources	2,642,983	2,642,983	2,540,812	(102,171)
Court	512,269	512,269	537,961	25,692
Finance	1,167,743	1,167,743	1,224,312	56,569
Police	8,290,995	8,290,995	9,039,321	748,326
Corrections	945,270	945,270	885,154	(60,116)
Community development	1,569,994	1,569,994	1,600,213	30,219
Communications	662,594	662,594	750,361	87,767
Fire	8,873,282	8,873,282	9,956,537	1,083,255
Public works	3,192,335	3,192,335	3,427,828	235,493
Landscape	2,016,772	2,016,772	2,184,042	167,270
Parks and recreation	2,183,606	2,183,606	2,040,831	(142,775)
Performing arts	496,647	496,647	496,227	(420)
Recreation center	994,027	994,027	1,013,902	19,875
Expect Excellence	2,279,847	2,279,847	2,342,971	63,124
Capital improvements	56,841,680	56,841,680	29,583,729	(27,257,951)
TOTAL CHARGES TO APPROPRIATIONS	106,993,370	106,993,370	78,360,678	(28,632,692)
EXCESS OF AMOUNTS AVAILABLE FOR OVER CHARGES TO APPROPRIATIONS	(31,779,360)	(31,779,360)	11,794,184	43,573,544
OTHER FINANCING SOURCES (USES)				
Proceeds from disposal of assets	50,000	50,000	62,902	12,902
Proceeds from debt issue	-	-	12,500,000	12,500,000
Transfers in	3,507,000	3,507,000	3,905,366	398,366
Transfers out	(11,412,961)	(11,412,961)	(9,353,906)	2,059,055
TOTAL OTHER FINANCING (USES)	(7,855,961)	(7,855,961)	7,114,362	14,970,323
STATUTORY REVENUE REDUCTION	(6,849,890)	(6,849,890)	-	6,849,890
EXCESS (DEFICIENCY) OF RESOURCES OVER CHARGES TO APPROPRIATIONS	(46,485,211)	(46,485,211)	18,908,546	65,393,757
FUND BALANCES - BEGINNING	127,970,503	127,970,503	127,970,503	-
FUND BALANCES - ENDING	$81,485,292	$81,485,292	$ 146,879,049	$ 65,393,757

The accompanying notes are an integral part of the financial statements.

THE CITY OF ORANGE BEACH, ALABAMA
SEWER FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2023

	Original	Final	Actual Amounts (Budgetary Basis)	Variance With Final Budget Over/(Under)
OPERATING REVENUES				
Charges for services	$ 7,745,000	$ 7,745,000	$ 7,627,575	$ (117,425)
Miscellaneous income	5,000	5,000	3,000	(2,000)
TOTAL OPERATING REVENUES	7,750,000	7,750,000	7,630,575	(119,425)
OPERATING EXPENSES				
Salaries, wages and employee benefits	1,818,054	1,818,054	2,330,498	512,444
Contractual services	50,000	50,000	77,103	27,103
Utilities	1,086,000	1,086,000	1,152,460	66,460
Repairs and maintenance	5,835,000	5,835,000	581,567	(5,253,433)
Other supplies and expenses	492,000	492,000	376,544	(115,456)
Bad debt expense	-	-	26,338	26,338
Bond premium amortization	-	-	109,513	109,513
Depreciation	-	-	1,736,261	1,736,261
TOTAL OPERATING EXPENSES	9,281,054	9,281,054	6,390,284	(2,890,770)
OPERATING INCOME (LOSS)	(1,531,054)	(1,531,054)	1,240,291	2,771,345
NON-OPERATING REVENUES (EXPENSES)				
Interest income	100,000	100,000	222,921	122,921
Interest expense	-	-	(151,467)	(151,467)
Capital grants	-	-	343,796	343,796
TOTAL NON-OPERATING REVENUES (EXPENSES)	100,000	100,000	415,250	315,250
INCOME (LOSS) BEFORE TRANSFERS	(1,431,054)	(1,431,054)	1,655,541	3,086,595
TRANSFERS IN (OUT)	-	-	(4,390,479)	(4,390,479)
CHANGE IN NET POSITION	(1,431,054)	(1,431,054)	(2,734,938)	(1,303,884)
NET POSITION - BEGINNING	21,896,222	21,896,222	21,896,222	-
NET POSITION - ENDING	$20,465,168	$20,465,168	$ 19,161,284	$ (1,303,884)

The accompanying notes are an integral part of the financial statements.

THE CITY OF ORANGE BEACH, ALABAMA
SCHEDULE OF EMPLOYER CONTRIBUTIONS TO THE RETIREMENT SYSTEMS OF ALABAMA
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contributions	$ 1,364,027	$ 1,171,841	$ 1,084,916	$ 1,007,589	$ 912,787	$ 860,452	$ 746,774	$ 850,584	$ 800,331
Contributions in relation to the actuarially determined contribution	1,364,027	1,171,841	1,084,916	1,007,589	912,787	860,452	746,774	850,584	800,331
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	26,700,542	23,825,603	21,843,594	20,898,846	18,487,298	17,100,269	14,999,922	14,393,677	13,508,477
Contributions as a percentage of covered payroll	5.11%	4.92%	4.97%	4.82%	4.94%	5.03%	4.98%	5.91%	5.92%

Notes to Schedule

Actuarially determined contribution rates are calculated as of September 30, three years prior to the end of the fiscal year in which contributions are reported. Contributions for fiscal year 2023 were based on the September 30, 2020 and September 30, 2021 actuarial valuations.

Methods and assumptions used to determine contribution rates for the period January 1, 2023 to September 30, 2023:

Actuarial cost method	Entry age
Amortization method	Level percent closed
Remaining amortization period	14.9 years
Asset valuation method	Five year smoothed market
Inflation	2.75%
Salary increases	3.25% - 5.00% including inflation
Investment rate of return	7.70%, net of pension plan investment expense, including inflation

Methods and assumptions used to determine contribution rates for the period October 1, 2023 to December 31, 2023:

Actuarial cost method	Entry age
Amortization method	Level percent closed
Remaining amortization period	16 years
Asset valuation method	Five year smoothed market
Inflation	2.50%
Salary increases	3.25% - 6.00% including inflation
Investment rate of return	7.45%, net of pension plan investment expense, including inflation

The accompanying notes are an integral part of the financial statements.

THE CITY OF ORANGE BEACH, ALABAMA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability										
Service cost	$ 2,411,821	$ 2,080,539	$ 1,786,762	$ 1,469,240	$ 1,425,842	$ 1,317,681	$ 1,245,314	$ 1,213,069	$ 1,168,947	$ 1,090,244
Interest	4,482,969	4,144,028	3,710,888	3,418,855	3,155,678	2,877,895	2,676,913	2,401,553	2,113,138	1,915,434
Changes of benefit terms	-	53,157	-	1,243,089	-	-	-	-	-	-
Difference between expected and actual experience	3,902,248	533,386	1,077,245	(291,520)	130,650	518,534	(503,971)	23,081	920,209	-
Changes of assumptions	-	-	2,537,576	-	-	258,582	-	1,601,749	-	-
Benefit payments, including refunds of employee contributions	(2,148,481)	(2,125,506)	(1,717,068)	(1,343,369)	(1,337,845)	(1,160,003)	(853,462)	(641,884)	(552,344)	(516,402)
Transfers among employers	162,208	(124,566)	239,995	(516,798)	46,310	124,934	181,799	29,622	-	-
Net change in total pension liability	8,810,765	4,561,038	7,635,398	3,979,497	3,420,635	3,937,623	2,746,593	4,627,190	3,649,950	2,489,276
Total pension liability - beginning	61,248,327	56,687,289	49,051,891	45,072,394	41,651,759	37,714,136	34,967,543	30,340,353	26,690,403	24,201,127
Total pension liability - ending (a)	$70,059,092	$61,248,327	$56,687,289	$49,051,891	$45,072,394	$41,651,759	$37,714,136	$34,967,543	$30,340,353	$26,690,403
Plan fiduciary net position										
Contributions - employer	$ 1,311,868	$ 1,199,000	$ 1,089,725	$ 921,337	$ 849,129	$ 786,837	$ 804,848	$ 806,700	$ 801,525	$ 782,020
Contributions - member	1,822,435	1,627,070	1,341,292	1,141,547	1,011,541	1,013,613	862,030	773,424	728,225	703,936
Net investment income	6,162,669	(6,834,652)	9,572,104	2,298,731	997,451	3,233,903	3,866,396	2,700,298	297,551	2,552,678
Benefit payments, including refunds of employee contributions	(2,148,481)	(2,125,506)	(1,717,068)	(1,343,369)	(1,337,845)	(1,160,003)	(853,462)	(641,884)	(552,344)	(516,402)
Transfers among employers	162,208	(124,566)	239,995	(516,798)	46,310	124,934	181,799	29,622	327,982	231,356
Net change in plan fiduciary net position	7,310,699	(6,258,654)	10,526,048	2,501,448	1,566,586	3,999,284	4,861,611	3,668,160	1,602,939	3,753,588
Plan net position - beginning	46,895,279	53,153,933	42,627,885	40,126,437	38,559,851	34,560,567	29,698,956	26,030,796	24,427,857	20,674,269
Plan net position - ending (b)	$54,205,978	$46,895,279	$53,153,933	$42,627,885	$40,126,437	$38,559,851	$34,560,567	$29,698,956	$26,030,796	$24,427,857
Net pension liability - ending (a) - (b)	$15,853,114	$14,353,048	$ 3,533,356	$ 6,424,006	$ 4,945,957	$ 3,091,908	$ 3,153,569	$ 5,268,587	$ 4,309,557	$ 2,262,546
Plan fiduciary net position as a percentage of the total pension liability	77.37%	76.57%	93.77%	86.90%	89.03%	92.58%	91.64%	84.93%	85.80%	91.52%
Covered payroll	26,700,542	23,825,603	21,843,594	20,898,846	18,487,298	17,100,269	14,999,922	14,393,677	13,508,477	13,175,276
Net pension liability as a percentage of covered payroll	59.37%	60.24%	16.18%	30.74%	26.75%	18.08%	21.02%	36.60%	31.90%	17.17%

The accompanying notes are an integral part of the financial statements.

OTHER SUPPLEMENTARY INFORMATION

THE CITY OF ORANGE BEACH, ALABAMA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	Special Revenues	Debt Service	Library	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	$ -	$ -	$ 350,435	$ 350,435
Restricted cash and cash equivalents	1,068,627	1,330,107	-	2,398,734
Accounts receivable - net	129,785	-	-	129,785
TOTAL ASSETS	$ 1,198,412	$ 1,330,107	$ 350,435	$ 2,878,954
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Due to other funds	224,489	-	1,926	226,415
Accrued expenses	-	-	21,833	21,833
Total liabilities	224,489	-	23,759	248,248
Fund balances:				
Nonspendable	-	-	-	-
Spendable:				
Restricted	973,923	1,330,107	-	2,304,030
Committed	-	-	-	-
Assigned	-	-	326,676	326,676
Unassigned	-	-	-	-
Total fund balances	973,923	1,330,107	326,676	2,630,706
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 1,198,412	$ 1,330,107	$ 350,435	$ 2,878,954

The accompanying notes are an integral part of the financial statements.

THE CITY OF ORANGE BEACH, ALABAMA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Special Revenues	Debt Service	Library	Total Governmental Funds
REVENUES				
Intergovernmental:				
State tax	$ 643,472	-	$ -	$ 643,472
Grants	-	-	15,050	15,050
Other licenses, permits and fees	2,352	-	-	2,352
Fines and forfeitures	34,039	-	-	34,039
Investment earnings	12,067	52,660	8,956	73,683
Miscellaneous	119,112	-	18,465	137,577
TOTAL REVENUES	811,042	52,660	42,471	906,173
EXPENDITURES				
Library	-	-	701,861	701,861
Debt service:				
Principal payments	-	3,598,783	-	3,598,783
Interest and other	-	3,464,003	-	3,464,003
TOTAL EXPENDITURES	-	7,062,786	701,861	7,764,647
Excess (deficiency) of revenues over expenditures	811,042	(7,010,126)	(659,390)	(6,858,474)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	7,063,520	683,508	7,747,028
Transfers out	(687,006)	-	-	(687,006)
TOTAL OTHER FINANCING SOURCES (USES)	(687,006)	7,063,520	683,508	7,060,022
NET CHANGE IN FUND BALANCES	124,036	53,394	24,118	201,548
FUND BALANCES - BEGINNING	849,887	1,276,713	302,558	2,429,158
FUND BALANCES - ENDING	$ 973,923	$ 1,330,107	$ 326,676	$ 2,630,706

The accompanying notes are an integral part of the financial statements.

THE CITY OF ORANGE BEACH, ALABAMA
STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
DECEMBER 31, 2023

	Refuse	Events Center	BCBC	Arts Center	Total Nonmajor Proprietary Funds
ASSETS					
Current assets					
Cash and cash equivalents	$ -	$ -	$ -	$ 188,416	$ 188,416
Accounts receivable - net	18,927	-	-	-	18,927
Due from other funds	4,634	-	-	-	4,634
Total current assets	$ 23,561	$ -	$ -	$ 188,416	$ 211,977
Noncurrent assets					
Capital assets:					
Land	-	158,648	-	-	158,648
Buildings	-	1,667,976	-	2,152,541	3,820,517
Vehicles and equipment	1,462,537	76,104	-	81,630	1,620,271
Less: Accumulated depreciation	(1,342,068)	(773,059)	-	(422,334)	(2,537,461)
Total noncurrent assets	120,469	1,129,669	-	1,811,837	3,061,975
TOTAL ASSETS	144,030	1,129,669	-	2,000,253	3,273,952
LIABILITIES					
Current labilities					
Accounts payable	11,870	1,139	-	1,317	14,326
Due to other funds	20,837	1,856,258	-	1,513,677	3,390,772
Accrued expenses	10,037	7,834	-	11,237	29,108
Accrued compensated absences	12,317	9,057	-	13,589	34,963
Total current liabilities	55,061	1,874,288	-	1,539,820	3,469,169
Noncurrent labilities					
Accrued compensated absences	3,812	4,714	-	8,029	16,555
Total noncurrent liabilities	3,812	4,714	-	8,029	16,555
TOTAL LIABILITIES	58,873	1,879,002	-	1,547,849	3,485,724
NET POSITION					
Invested in capital assets, net of related debt	120,469	1,129,669	-	1,811,837	3,061,975
Unrestricted	(35,312)	(1,879,002)	-	(1,359,433)	(3,273,747)
TOTAL NET POSITION	$ 85,157	$ (749,333)	$ -	$ 452,404	$ (211,772)

The accompanying notes are an integral part of the financial statements.

THE CITY OF ORANGE BEACH, ALABAMA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Refuse	Events Center	BCBC	Arts Center	Total Nonmajor Proprietary Funds
OPERATING REVENUES					
Charges for services	$ 2,874,241	$ 142,735	$ 1,718,360	$ 437,094	$ 5,172,430
Miscellaneous income	19,045	-	-	5,460	24,505
Merchandise sales	-	-	-	300,208	300,208
TOTAL OPERATING REVENUES	2,893,286	142,735	1,718,360	742,762	5,497,143
COST OF GOODS SOLD	-	-	-	180,172	180,172
GROSS PROFIT	2,893,286	142,735	1,718,360	562,590	5,316,971
OPERATING EXPENSES					
Salaries, wages and employee benefits	571,815	394,691	-	642,411	1,608,917
Contractual services	2,750,694	1,019	-	52,966	2,804,679
Utilities	4,965	74,064	-	51,329	130,358
Repairs and maintenance	137,228	177,888	-	26,916	342,032
Other supplies and expenses	128,364	41,946	-	84,148	254,458
Depreciation	130,090	56,388	-	64,336	250,814
TOTAL OPERATING EXPENSES	3,723,156	745,996	-	922,106	5,391,258
OPERATING INCOME (LOSS)	(829,870)	(603,261)	1,718,360	(359,516)	(74,287)
NON-OPERATING REVENUES (EXPENSES)					
Interest income	-	-	-	1,378	1,378
INCOME (LOSS) BEFORE TRANSFERS	(829,870)	(603,261)	1,718,360	(358,138)	(72,909)
TRANSFERS IN (OUT)	3,261,621	923,029	(1,718,360)	312,707	2,778,997
CHANGE IN NET POSITION	2,431,751	319,768	-	(45,431)	2,706,088
NET POSITION - BEGINNING	(2,346,594)	(1,069,101)	-	497,835	(2,917,860)
NET POSITION - ENDING	$ 85,157	$ (749,333)	$ -	$ 452,404	$ (211,772)

The accompanying notes are an integral part of the financial statements.

THE CITY OF ORANGE BEACH, ALABAMA
STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Refuse	Events Center	BCBC	Arts Center	Total Nonmajor Proprietary Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	$ 2,897,954	$ 142,734	$ 1,718,360	$ 742,762	$ 5,501,810
Payments to employees for services	(569,877)	(391,787)	-	(627,105)	(1,588,769)
Payments to suppliers of goods & services	(3,022,266)	(293,806)	-	(395,929)	(3,712,001)
Payments from (to) other funds	(2,567,432)	(380,170)	-	40,688	(2,906,914)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(3,261,621)	(923,029)	1,718,360	(239,584)	(2,705,874)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers to other funds	3,261,621	923,029	(1,718,360)	312,707	2,778,997
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Interest income	-	-	-	1,378	1,378
NET INCREASE IN CASH	-	-	-	74,501	74,501
CASH & EQUIVALENTS AT BEGINNING OF YEAR	-	-	-	113,915	113,915
CASH & EQUIVALENTS AT END OF YEAR	$ -	$ -	$ -	$ 188,416	$ 188,416
Operating income (loss)	$ (829,870)	$ (603,261)	$ 1,718,360	$ (359,516)	$ (74,287)
Adjustments to reconcile operating income to net cash provided (used) by operating activities					
Depreciation	130,090	56,388	-	64,336	250,814
(Increase) decrease in:					
Accounts receivable	4,667	-	-	-	4,667
Due to other funds	(2,567,432)	(380,170)	-	40,688	(2,906,914)
Increase (decrease) in:					
Accounts payable	(1,014)	1,110	-	(398)	(302)
Accrued payroll	1,938	2,904	-	15,306	20,148
Total adjustments	(2,431,751)	(319,768)	-	119,932	(2,631,587)
Net cash provided (used) by operating activities	$ (3,261,621)	$ (923,029)	$ 1,718,360	$ (239,584)	$ (2,705,874)

Supplemental Disclosures
Noncash Investing and Financing Activities: NONE

The accompanying notes are an integral part of the financial statements.

COMPLIANCE AND INTERNAL CONTROL SECTION

Jackson & Smith CPAs

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and Members of the City Council
City of Orange Beach, Alabama

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Orange Beach, Alabama, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City of Orange Beach, Alabama's basic financial statements and have issued our report thereon dated June 13, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Orange Beach, Alabama's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Orange Beach, Alabama's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Orange Beach, Alabama's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings as item 2023-1 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Orange Beach, Alabama's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Jason B. Jackson, CPA/ABV
jason@jacksonsmithcpa.com

Jeffrey K. Smith, CPA
jeff@jacksonsmithcpa.com

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Jackson & Smith CPA Group, PC
Orange Beach, Alabama
June 13, 2025

FINDING – INTERNAL CONTROL OVER FINANCIAL REPORTING

Significant control deficiencies in internal control reportable under *Generally Accepted Auditing Standards*, which are material weaknesses:

2023-1

Condition: Ineffective controls over the year-end financial reporting process over nonrecurring transactions, including initiation, authorization, recording, and processing of journal entries into the general ledger; and recording nonrecurring adjustments to the financial statements.

Criteria: Internal controls should be in place to provide reasonable assurance that non-routine accruals and receivables are correctly recorded.

Effect: CONDITION 1 > Revenues for cost reimbursement grants are recognized when the related expenditure is made, rather than when the City receives the funding. The 2023 grant revenues were not accrued and recognized as revenue to match the related 2023 grant expenditures. As a result, receivables and revenues were materially understated prior to adjustment.

Recommendations: The finance department should coordinate closely with the grant administrator during the year end closing process to identify grant expenditures eligible for reimbursement and adjust the general ledger accordingly.

Views of responsible officials and planned corrective action plan: The City will establish procedures over year end grant revenue recording as suggested by the auditors.

Jackson & Smith CPAs

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Mayor and Members of the City Council
City of Orange Beach, Alabama

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Orange Beach, Alabama's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City of Orange Beach, Alabama's major federal programs for the year ended December 31, 2023. The City of Orange Beach, Alabama's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Orange Beach, Alabama complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Orange Beach, Alabama and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Orange Beach, Alabama's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City of Orange Beach, Alabama's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Orange Beach, Alabama's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Orange Beach, Alabama's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Orange Beach, Alabama's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Orange Beach, Alabama's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Orange Beach, Alabama's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Jackson & Smith CPA Group, PC
Orange Beach, Alabama
June 13, 2025

THE CITY OF ORANGE BEACH, ALABAMA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Expenditures
U.S. Department of Homeland Security		
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	$ 1,096,723
U.S. Department of the Interior		
GoMESA	15.435	176,936
Gulf Coast Ecosystem Restoration Council (RESTORE Council)		
Passed Through Alabama Department of Conservation and Natural Resources		
Gulf Coast Ecosystem Restoration Council Oil Spill Impact Program	87.052	3,697,270
Total Federal Awards		$ 4,970,929

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying schedule of Federal Awards is presented based on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related liability is incurred. In applying the susceptible-to-accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of such revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to the purpose of expenditure and substantially irrevocable; i.e., revocable only for failure to comply with prescribed compliance requirements, such as with equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criteria.

For purposes of the SEFA, federal awards include all grants, contracts, and similar agreements entered into directly with the federal government and other pass-through entities. The City has obtained Catalog of Federal Domestic Assistance (CFDA) numbers to ensure that all programs have been identified in the SEFA. CFDA numbers have been appropriately listed by applicable programs.

Indirect Cost Rate

The City has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

THE CITY OF ORANGE BEACH, ALABAMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023

SECTION I – SUMMARY OF AUDITORS' RESULTS:

Financial Statements

Type of auditors' report issued:	Unmodified Opinion			
Internal control over financial reporting: Material weakness(es) identified?	X	Yes		No
Significant deficiency(ies) identified that are not considered to be material weakness(es)?		Yes	X	None reported
Noncompliance material to financial statements noted?		Yes	X	No

Federal Awards

Internal control over major program: Material weakness(es) identified?		Yes	X	No
Significant deficiency(ies) identified that are not considered to be material weakness(es)?		Yes	X	None reported
Type of auditors' report issued on compliance for major program:	Unmodified Opinion			
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Part 200.516(a)?		Yes	X	No

Identification of Major Programs

Federal CFDA Number	Federal Program or Cluster
97.036	Disaster Grants - Public Assistance
87.052	Gulf Coast Ecosystem Restoration Council Oil Spill Impact Program

Dollar threshold used to disinguish between type A and type B programs:	$750,000			
Auditee qualified as low-risk auditee?		Yes	X	No

SECTION II – FINANCIAL STATEMENT FINDINGS:

2023-1

Condition: Ineffective controls over the year-end financial reporting process over nonrecurring transactions, including initiation, authorization, recording, and processing of journal entries into the general ledger; and recording nonrecurring adjustments to the financial statements.

Criteria: Internal controls should be in place to provide reasonable assurance that non-routine accruals and receivables are correctly recorded.

Effect: CONDITION 1 > Revenues for cost reimbursement grants are recognized when the related expenditure is made, rather than when the City receives the funding. The 2023 grant revenues were not accrued and recognized as revenue to match the related 2023 grant expenditures. As a result, receivables and revenues were materially understated prior to adjustment.

Recommendations: The finance department should coordinate closely with the grant administrator during the year end closing process to identify grant expenditures eligible for reimbursement and adjust the general ledger accordingly.

Views of responsible officials and planned corrective action plan: The City will establish procedures over year end grant revenue recording as suggested by the auditors.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS:

No matters were reportable.

REGULAR CITY COUNCIL MEETING
JUNE 17, 2025

Departments: City Clerk

Description of Topic: Approval of a Restaurant Retail Liquor License Application A J Enterprises, L.L.C., for Mama Lotties Pub and Grill at 25405 Perdido Beach Boulevard, Suite 25.

Background/Description:

Action Options/Recommendation:

Source of Funding (if applicable):

ATTACHMENTS:

1. 2025.06.17 ABC Application - Mama Lotties Pub and Grill

STATE OF ALABAMA
ALCOHOLIC BEVERAGE CONTROL BOARD
ALCOHOL LICENSE APPLICATION
Confirmation Number: 20250610141827989

Type License: 020 - RESTAURANT RETAIL LIQUOR **State:** $300.00 **County:** $440.00

Type License: **State:** **County:**

Trade Name: MAMA LOTTIES PUB AND GRILL **Filing Fee:** $50.00

Applicant: AJ ENTERPRISES LLC **Transfer Fee:**

Location Address: 25405 PERDIDO BEACH BLVD; SUITE 25 ORANGE BEACH, AL 36561

Mailing Address: 2408 WEST 4TH STREET GULF SHORES, AL 36542

County: BALDWIN **Tobacco sales:** NO **Tobacco Vending Machines:**

Product Type: **Type Ownership:** LLC

Book, Page, or Document info: 361-915

Do you sell Draft Beer?:

Date Incorporated: 05/10/2016 **State incorporated:** AL **County Incorporated:** BALDWIN

Date of Authority: 05/10/2016

Federal Tax ID: 72-1398001 **Alabama State Sales Tax ID:** SLS020014590

Name:	Title:	Date and Place of Birth:	Residence Address:
ADAM ANDREW JOSEPH 6968075 - AL	OWNER	05/04/1972 PENSACOLA	389 CLUBHOUSE DR GULF SHORES, AL 36542
ALBERT ANDREW JOSEPH 2372689 - AL	OWNER	02/08/1947 BIRMINGHAM	2408 W 4TH STREET GULF SHORES, AL 36542

Has applicant complied with financial responsibility ABC RR 20-X-5-.14? YES
Does ABC have any actions pending against the current licensee? NO
Has anyone, including manager or applicant, had a Federal/State permit or license suspended or revoked? NO
Has a liquor, wine, malt or brewed license for these premises ever been denied, suspended, or revoked? NO
Are the applicant(s) named above, the only person(s), in any manner interested in the business sought to be licensed? YES
Are any of the applicants, whether individual, member of a partnership or association, or officers and directors of a corporation itself, in any manner monetarily interested, either directly or indirectly, in the profits of any other class of business regulated under authority of this act? NO
Does applicant own or control, directly or indirectly, hold lien against any real or personal property which is rented, leased or used in the conduct of business by the holder of any vinous, malt or brewed beverage, or distilled liquors permit or license issued under authority of this act? NO
Is applicant receiving, either directly or indirectly, any loan, credit, money, or the equivalent thereof from or through a subsidiary or affiliate or other licensee, or from any firm, association or corporation operating under or regulated by the authority of this act? NO

Contact Person: ALBERT ANDREW JOSEPH **Home Phone:** 251-609-3202
Business Phone: 251-403-0828 **Cell Phone:**
Fax: **E-mail:** ALJOS47@YAHOO.COM

PREVIOUS LICENSE INFORMATION:
Trade Name:
Applicant:

Previous License Number(s)
License 1:
License 2:

STATE OF ALABAMA
ALCOHOLIC BEVERAGE CONTROL BOARD
ALCOHOL LICENSE APPLICATION
Confirmation Number: 20250610141827989

If applicant is leasing the property, is a copy of the lease agreement attached? YES
Name of Property owner/lessor and phone number: GULF VIEW LTD 954-531-6831
What is lessors primary business? REAL ESTATE
Is lessor involved in any way with the alcoholic beverage business? NO
Is there any further interest, or connection with, the licensee's business by the lessor? NO

Will the business require an age restriction for all patrons/customers to be 21 years of age or older? NO
Does the premise have a fully equipped kitchen? YES
Is the business used to habitually and principally provide food to the public? YES
Does the establishment have restroom facilities? YES
Is the premise equipped with services and facilities for on premises consumption of alcoholic beverages? YES

Will the business be operated primarily as a package store? NO
Building Dimensions Square Footage: 3000 Display Square Footage:
Building seating capacity: 90 Does Licensed premises include a patio area? NO
License Structure: SHOPPING CENTER License covers: OTHER
Number of licenses in the vicinity: 0 Nearest: 0
Nearest school: Nearest church: Nearest residence: 0 blocks
Location is within: CITY LIMITS Police protection: CITY

Has any person(s) with any interest, including manager, whether as sole applicant, officer, member, or partner been charged (whether convicted or not) of any law violation(s)? NO

Name:	Violation & Date:	Arresting Agency:	Disposition:

STATE OF ALABAMA
ALCOHOLIC BEVERAGE CONTROL BOARD
ALCOHOL LICENSE APPLICATION
Confirmation Number: 20250610141827989

Initial each	Signature page
af	In reference to law violations, I attest to the truthfulness of the responses given within the application.
af	In reference to the Lease/property ownership, I attest to the truthfulness of the responses given within the application.
af	In reference to ACT No. 80-529, I understand that if my application is denied or discontinued, I will not be refunded the filing fee required by this application.
af	In reference to Special Retail or Special Events retail license, Wine Festival and Wine Festival Participant Licenses, and Food or Beverage Truck Licenses, I agree to comply with all applicable laws and regulations concerning this class of license, and to observe the special terms and conditions as indicated within the application.
af	In reference to the Club Application information, I attest to the truthfulness of the responses given within the application.
af	In reference to the transfer of license/location, I attest to the truthfulness of the information listed on the attached transfer agreement.
af	In accordance with Alabama Rules & Regulations 20-X-5-.01(4), any social security number disclosed under this regulation shall be used for the purpose of investigation or verification by the ABC Board and shall not be a matter of public record.
af	The undersigned agree, if a license is issued as herein applied for, to comply at all times with and to fully observe all the provisions of the Alabama Alcoholic Beverage Control Act, as appears in Code of Alabama, Title 28, and all laws of the State of Alabama relative to the handling of alcoholic beverages. The undersigned, if issued a license as herein requested, further agrees to obey all rules and regulations promulgated by the board relative to all alcoholic beverages received in this State. The undersigned, if issued a license as herein requested, also agrees to allow and hereby invites duly authorized agents of the Alabama Alcoholic Beverage Control Board and any duly commissioned law enforcement officer of the State, County or Municipality in which the license premises are located to enter and search without a warrant the licensed premises or any building owned or occupied by him or her in connection with said licensed premises. The undersigned hereby understands that he or she violate any provisions of the aforementioned laws his or her license shall be subject to revocation and no license can be again issued to said licensee for a period of one year. The undersigned further understands and agrees that no changes in the manner of operation and no deletion or discontinuance of any services or facilities as described in this application will be allowed without written approval of the proper governing body and the Alabama Alcoholic Beverage Control Board.
af	I hereby swear and affirm that I have read the application and all statements therein and facts set forth are true and correct, and that the applicant is the only person interested in the business for which the license is required.

Applicant Name (print): Albert Joseph

Signature of Applicant: Albert Joseph

Notary Name (print): Dorothy Watson Cordell

Notary Signature: Dorothy Watson Cordell Commission expires: 10/23/28

Application Taken: **App. Inv. Completed:** **Forwarded to District Office:**
Submitted to Local Government: **Received from Local Government:**
Received in District Office: **Reviewed by Supervisor:** **Forwarded to Central Office:**

STATE OF ALABAMA
ALCOHOLIC BEVERAGE CONTROL BOARD
ALCOHOL LICENSE APPLICATION
Confirmation Number: 20250610141827989

Private Clubs / Special Retail / Special Events / Wine Festival or Wine Festival Participants licenses ONLY

Private Club
Does the club charge and collect dues from elected members?
Number of paid up members:
Are meetings regularly held?
How often?
Is business conducted through officers regularly elected?
Are members admitted by written application, investigation, and ballot?
Has Agent verified membership applications for each member listed?
Has at least 10% of members listed been confirmed and highlighted? Agent's Initials:
For what purpose is the club organized?
Does the property used, as well as the advantages, belong to all the members?
Do the operations of the club benefit any individual member(s), officer(s), director(s), agent(s), or employee(s) of the club rather than to benefit of the entire membership?

Special Retail
Is it for 30 days or less?
More than 30 days?

Franchisee or Concessionaire of above?
Other valid responsible organization:
Explanation:

Special Events / Special Retail (7 days or less)
Starting Date: Ending Date:
Special terms and conditions for special event/special retail:

Wine Festival / Wine Festival Participant licenses (5 Days or Less)
Starting Date: Ending Date:
Special terms and conditions for special event/special retail:

Other Explanations
License Covers: SUITE 25 ONLY

Receipt Confirmation Page

Receipt Confirmation Number: 20250610141827989

Application Payment Confirmation Number: 110153254

Payment Summary	
Payment Item	**Fee**
Application Fee for License 020	$50.00
Total Amount to be Charged	$50.00

License Payment Confirmation Number:

Payment Summary			
Payment Item	**County Fee**	**State Fee**	**Total Fee**
020 - RESTAURANT RETAIL LIQUOR	$440.00	$300.00	$740.00
			$0.00
Total Amount to be Charged	$440.00	$300.00	$740.00

Application Type

Application Type: APPLICATION

Applicant Information

License Type 1: 020 - RESTAURANT RETAIL LIQUOR
License Type 2:
License County: BALDWIN
Business Type: LLC
Trade Name: **MAMA LOTTIES PUB AND GRILL**
Applicant Name: **AJ ENTERPRISES LLC**
Location Address: 25405 PERDIDO BEACH BLVD; SUITE 25
ORANGE BEACH, AL 36561

Mailing Address: 2408 WEST 4TH STREET
GULF SHORES, AL 36542

Contact Person: ALBERT ANDREW JOSEPH
Contact Home Phone: 251-609-3202
Contact Business Phone: 251-403-0828
Contact Fax:
Contact Cell Phone:
Contact Email Address:
Contact Web Address:
Contact Relationship to Applicant: OWNER

REGULAR CITY COUNCIL MEETING
JUNE 17, 2025

Departments: City Clerk

Description of Topic: Resolution appointing J. Martin Pitts to the Construction Board of Adjustment and Appeals.

Background/Description:

Action Options/Recommendation:

Source of Funding (if applicable):

ATTACHMENTS:

1. 06-17-25 25-xxx Appoint Construction Board Adjustment Appeals Pitts

RESOLUTION NO. 25-xxx

A RESOLUTION APPOINTING J. MARTIN PITTS TO THE CONSTRUCTION BOARD OF ADJUSTMENT AND APPEALS

FINDINGS:

1. The term of Construction Board of Adjustment and Appeals member Michael Davis is set to expire.
2. The Building Official has recommended that J. Martin Pitts be appointed to fill the vacancy on the Construction Board of Adjustment and Appeals.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ORANGE BEACH, ALABAMA, AS FOLLOWS:

1. That J. Martin Pitts be and is hereby appointed to serve on the Construction Board of Adjustment and Appeals for a five year term which ends June 2030;
2. That it be reaffirmed that the following persons have been appointed to the Board of Adjustment for the terms set out below:

Area of Expertise	Name	Term Length	Term Expiration Date
Design Professional (Architect) / Superintendent	Sted McCollough	5 Years	June 2029
Design Professional (Structural)	J. Martin Pitts	5 Years	June 2030
Design Prof. (Mechanical/Plumbing) / Contractor	Russ Hart	4 Years	June 2026
Electrical Engineer / Contractor	Jon Townsend	4 Years	June 2026
Fire Protection Engineer / Contractor	Vince McCoy	4 Years	June 2027
Alternate	Greg Kennedy	4 Years	June 2027
Alternate	Jeff Silvers	5 Years	June 2028

3. That this Resolution shall become effective upon its adoption.

ADOPTED THIS 17th DAY OF JUNE, 2025.

_____
Renee Eberly
City Clerk

C E R T I F I C A T E

I, Renee Eberly, City Clerk of the City of Orange Beach, Alabama, do hereby certify that the foregoing is a true and correct copy of Resolution No. 25-xxx, which was duly and legally adopted at a regular meeting of the City Council on June 17, 2025.

_____
City Clerk

REGULAR CITY COUNCIL MEETING
JUNE 17, 2025

Departments: City Clerk

Description of Topic: Resolution authorizing the expenditure of funds received from opioid litigation settlements for the purchase of automated external defibrillators.

Background/Description:

Action Options/Recommendation:

Source of Funding (if applicable):

ATTACHMENTS:

1. 06-17-25 25-xxx Authorize Expenditure Opioid Litigation Settlement Funds AEDs

RESOLUTION NO. 25-xxx

A RESOLUTION AUTHORIZING THE EXPENDITURE OF FUNDS RECEIVED FROM OPIOID LITIGATION SETTLEMENTS FOR THE PURCHASE OF AUTOMATED EXTERNAL DEFIBRILLATORS

FINDINGS:

1. The City of Orange Beach has joined the State of Alabama and other local governments as a participant in numerous opioid settlement agreements and sign-on agreements pursuant to Resolution No. 23-032 dated March 1, 2023; Resolution No. 24-087 dated May 7, 2024; and Resolution No. 24-146 dated July 16, 2024.
2. Funds distributed as a result of those Settlement Agreements must be expended on equipment, programming, or other resources which have been proven to aid in the abatement of the ongoing opioid crisis which is the core of the litigation from which these Settlements have arisen.
3. The City of Orange Beach wishes to utilize these funds to purchase automated external defibrillators (hereinafter "AED's") from GoRescue Brands, Inc. Necessary AED accessories (cases, pads, battery packs, etc.) and 5 years of equipment maintenance and program management are included with the purchase of AED's from GoRescue Brands, Inc.
4. The Fire Chief has received a quote for the above-mentioned goods and services from GoRescue Brands, Inc., in the amount of Two Hundred Eighty Seven Thousand Six Hundred and Four Dollars and Twenty Five Cents ($287,604.25).
5. It has been determined by outside counsel and the City's Legal Department that the purchase of AED's in the above amount is an allowable expenditure under the conditions of all Opioid Litigation Settlement Agreements the City has entered into.
6. The Orange Beach City Council finds it to be in the best interest of the City of Orange Beach to authorize the expenditure of funds received as a part of Opioid Litigation Settlements for the purchase of AED's to be utilized and distributed via the Orange Beach Fire/Rescue Department.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ORANGE BEACH, ALABAMA, AS FOLLOWS:

1. That the City Finance Director is authorized to expend funds accrued through the City's participation in various Opioid Settlement Agreements and Sign-On Agreements in the amount of Two Hundred Eighty Seven Thousand Six Hundred and Four Dollars and Twenty Five Cents ($287,604.25) for the purchase of automated external defibrillators as approved resolution of this Council herewith; and
2. That this resolution shall become effective immediately upon adoption.

ADOPTED THIS 17th DAY OF JUNE, 2025.

_____
Renee Eberly
City Clerk

C E R T I F I C A T E

I, Renee Eberly, City Clerk of the City of Orange Beach, Alabama, do hereby certify that the foregoing is a true and correct copy of Resolution No. 25-xxx, which was duly and legally adopted at a regular meeting of the City Council on June 17, 2025.

_____
City Clerk

REGULAR CITY COUNCIL MEETING
JUNE 17, 2025

Departments: City Clerk

Description of Topic: Resolution authorizing the purchase of Automated External Defibrillators (AEDs) for the Fire Department through Sourcewell from GoRescue Brands, Inc., in the amount of $287,604.25.

Background/Description:

Action Options/Recommendation:

Source of Funding (if applicable):

ATTACHMENTS:

1. 06-17-25 25-xxx Authorize Purchase Fire AEDs Sourcewell
2. 2025.05.27 Quote - Fire - GoRescue Zoll AEDs

RESOLUTION NO. 25-xxx

A RESOLUTION AUTHORIZING THE PURCHASE OF AUTOMATED EXTERNAL DEFIBRILLATORS (AEDS) FOR THE FIRE DEPARTMENT THROUGH SOURCEWELL FROM GORESCUE BRANDS, INC. IN THE AMOUNT OF $287,604.25

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ORANGE BEACH, ALABAMA, AS FOLLOWS:

1. That the City Council for the City of Orange Beach, Alabama, hereby authorizes the purchase of Automated External Defibrillators (AEDs) for the Fire Department through Sourcewell, approved by the State of Alabama and the Public Examiners Office, in the amount of $287,604.25;
2. That the Mayor is hereby authorized to approve payment to GoRescue Brands, Inc., in the amount of $287,604.25 for 72 Zoll Automated External Defibrillators with accessories, per Quote No. 20250506-081201922 dated May 6, 2025;
3. That the equipment as described in this Resolution is to be used only for official business of the City of Orange Beach; and
4. That this Resolution shall become effective upon its adoption.

ADOPTED THIS 17th DAY OF JUNE, 2025.

_____
Renee Eberly
City Clerk

C E R T I F I C A T E

I, Renee Eberly, City Clerk of the City of Orange Beach, Alabama, do hereby certify that the foregoing is a true and correct copy of Resolution No. 25-xxx, which was duly and legally adopted at a regular meeting of the City Council on June 17, 2025.

_____
City Clerk

GoRescue™
a family of lifesaving brands

City of Orange Beach (OBFD): ZOLL AED 3

Quote created: May 6, 2025 Reference: 20250506-081201922

Jeremy White
jwhite@orangebeachal.gov
251-981-6166

Sourcewell Contract #041823 ZLL

Sourcewell Member - City of Orange Beach / #83360

Alison Collins - National Sales Director GoRescue Brands, Inc. | A Family of Lifesaving Brands

Products & Services

Item & Description	SKU	Quantity	Unit Price	Total
ZOLL AED3 FULLY AUTOMATIC ENGLISH FULLY AUTOMATIC W/CPR UNI PADZ FREE PREMIUM AED RESPONSE KIT FREE "AED INSIDE" WINDOW/WALL DECAL FREE AED INSPECTION TAG FREE PHYSICIAN'S PRESCIRPTION	8511-001102-01	72	$1,850.00	$133,200.00
AED RESCUE KIT	WAP-3034	72	$0.00	$0.00

Item & Description	SKU	Quantity	Unit Price	Total
PLUSTRAC5, PROGRAM MGMT, NA, 5 YR, AED	8000-1111-01	97	$441.15	$42,791.55
ZOLL - AED 3 - CPR UNI-PADZ CPR UNI-PADZ III UNIVERSAL (ADULT/PEDIATRIC) ELECTRODES (5 YR SHELF LIFE)	8900-000280-01	20	$167.28	$3,345.60
ZOLL - AED 3 - TRAINER ZOLL AED 3 TRAINER, ENGLISH AHA	8028-000001-01	5	$640.42	$3,202.10
AED PRO, SEMI AUTO ONLY, NO BATTERY, VOICE, LCD,ENGLISH	90110402499991010	25	$3,604.00	$90,100.00
ZOLL - CPR STAT-PADZ CPR STAT-PADZ ELECTRODES, SINGLE PAIR	8900-0402	25	$77.90	$1,947.50
ZOLL - PEDIATRIC PADS PEDIATRIC PADS II ELECTRODES - ONE PAIR	8900-0810-01	25	$95.94	$2,398.50
ZOLL AED PRO ECG CABLE AAMI	8000-0838	25	$159.90	$3,997.50
ZOLL - AED PRO - BATTERY PACK	8000-0860-01	25	$159.90	$3,997.50
ZOLL AED PRO SOFT CARRY CASE	8000-0810-01	25	$104.96	$2,624.00
SHIPPING AND TAXES - SALES TAX TO BE DETERMINED UNLESS TAX EXEMPT - SHIPPING COST WILL BE DETERMINED ONCE ORDER HAS PROCESSED		1	$0.00	$0.00

One-time subtotal	$287,604.25
Total	$287,604.25

This quote expires on June 5, 2025

Purchase terms

Net 30

Questions? Contact me

Alison Collins
National Sales Director
alison@gorescue.com
(205) 216-3365

GoRescue Brands, Inc. | A Family of Lifesaving Brands
211 Summit Parkway Suite 100
Birmingham AL 35209-4742
United States

REGULAR CITY COUNCIL MEETING
JUNE 17, 2025

Departments: City Clerk

Description of Topic: Resolution authorizing a franchise for BCC Waste Solutions, LLC, to remove and dispose of commercial solid waste and to remove and transport construction and demolition debris.

Background/Description:

Action Options/Recommendation:

Source of Funding (if applicable):

ATTACHMENTS:

1. 06-17-25 25-xxx Authorize Franchise Solid Waste BCC Waste Solutions
2. 2025.05.27 Franchise Renewal - Solid Waste - BCC Waste Solutions_public

RESOLUTION NO. 25-xxx

A RESOLUTION AUTHORIZING A FRANCHISE FOR BCC WASTE SOLUTIONS, LLC TO REMOVE AND DISPOSE OF COMMERCIAL SOLID WASTE AND TO REMOVE AND TRANSPORT CONSTRUCTION AND DEMOLITION DEBRIS

FINDINGS:

1. BCC Waste Solutions, LLC, a limited liability company registered to do business in the State of Alabama, has made application for a non-exclusive franchise for the use of city streets to remove and dispose of commercial solid waste and to remove and transport construction and demolition debris from construction projects.
2. The City of Orange Beach is willing to grant a non-exclusive franchise on the terms and conditions set out in the attached Franchise Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ORANGE BEACH, ALABAMA, AS FOLLOWS:

1. That the Council authorizes the Mayor and City Clerk to execute and attest, respectively, the attached franchise agreement by and between the City of Orange Beach and BCC Waste Solutions, LLC, subject to final review by the City Attorney; and
2. BCC Waste Solutions, LLC, within 30 days, shall file its acceptance of the terms of the franchise in the form attached.

ADOPTED THIS 17th DAY OF JUNE, 2025.

_____
Renee Eberly
City Clerk

C E R T I F I C A T E

I, Renee Eberly, City Clerk of the City of Orange Beach, Alabama, do hereby certify that the foregoing is a true and correct copy of Resolution No. 25-xxx, which was duly and legally adopted at a regular meeting of the City Council on June 17, 2025.

_____
City Clerk

**FRANCHISE AGREEMENT AUTHORIZING
BCC WASTE SOLUTIONS, LLC
TO COLLECT COMMERCIAL SOLID WASTE AND CONSTRUCTION DEBRIS
IN THE CITY AND ITS POLICE JURISDICTION**

SECTION 1 -Non-Exclusive Franchise Granted

The City of Orange Beach hereby grants to **BCC WASTE SOLUTIONS, LLC** (hereinafter called the Franchisee) a non-exclusive franchise to use of streets and public places for the collection and disposal of Commercial Solid Waste and the removal and transportation of Construction and Demolition Debris, under the terms and conditions hereinafter set out.

SECTION 2 - Definitions

As used in this franchise, the following terms shall have the meaning assigned as follows:

ADMINISTRATOR shall mean the City Administrator of Orange Beach or his/her designee.

APPROVED CONTAINER shall mean an enclosed container usually constructed of metal with a close fitting cover or doors with a capacity in excess of one (1) cubic yard, approved by the County Health Department which is used to store large volumes of Solid Waste for collection.

BUSINESS shall mean all commercial establishments, including, but not limited to motels, hotels, recreational vehicle rental space(s), stores, office buildings, irrespective of the form of ownership, restaurants, service stations and garages, laundry and cleaning establishments, industrial establishments and all other places not classified as "residential premises" or a "residential unit" that produce or accumulate solid waste, including adjacent unimproved property.

CITY shall mean the City of Orange Beach, a political subdivision of the State of Alabama.

COLLECTION shall mean the act of removing material from a construction or demolition site.

COLLECTOR shall mean **BCC Waste Solutions, LLC**, the entity authorized by this ordinance to engage in the collection and transportation of Construction and Demolition Debris.

COMMERCIAL DEMOLITION DEBRIS shall mean material from a construction or demolition site mixed with other types of solid waste. This debris shall be handled as Business and not Residential.

COMMERCIAL SOLID WASTE shall mean garbage, rubbish, yard waste or trash, clean debris, "white" goods, construction and demolition waste or other discarded material or refuse, other than Residential.

CONSTRUCTION AND DEMOLITION DEBRIS shall mean materials generally considered to be not water soluble and non-hazardous in nature, including, but not limited to steel, glass, brick, concrete, asphalt roofing materials, pipe, gypsum wallboard, and lumber, from a construction or demolition project and including rocks, soils, tree remains, trees (all diameters), and other vegetative matter which normally results from land clearing operations. Mixing of Construction and Demolition Debris with other types of Solid Waste, including material from a construction or demolition site which is not from the actual construction or destruction of a structure, will cause it to be classified as Commercial Demolition Debris.

COUNCIL shall mean the City Council of the City of Orange Beach, Alabama.

CUSTOMER shall mean any person or persons, firm, corporation or association who/which contracts with the Collector for collection and disposal of Commercial Solid Waste and/or Construction and Demolition Debris for a fee.

DISPOSAL FACILITY shall mean the Magnolia Landfill located in the County, or if not available, to any other Solid Waste Facility or Solid Waste Management Facility designated as a RCRA Subtitle D site or one operating under Subtitle D regulations in Alabama, Mississippi or Florida.

HAZARDOUS WASTE shall mean Solid Waste, or a combination of Solid Wastes, which, because of its quantity, concentration, or physical, chemical, or infectious characteristics, may cause or significantly contribute to, an increase in mortality or an increase in serious irreversible or incapacitating reversible illness or may pose a substantial present or potential hazard to human health or the environment when improperly transported, disposed of, stored, treated, or otherwise managed and including any materials specifically designated by state or federal agencies.

HOUSEHOLD WASTE shall mean any combination of refuse usual to housekeeping and generated solely by residents in the ordinary course of residential occupancy of a premises, excluding major appliances, such as stoves and refrigerators, furniture, automobile bodies and parts, tires, household and yard appliances, and other bulky items not suitable for proper confinement in the garbage receptacle.

PUTRESCIBLE WASTE shall mean food waste or garbage that will rot or decay producing foul odors or attract vectors. Putrescible waste includes containers that are contaminated by such waste.

RESIDENTIAL WASTE shall mean Garbage, Rubbish, and Recyclable Materials resulting from the normal housekeeping activities of a Residential Unit.

SOLID WASTE shall mean Garbage, Rubbish, Yard Waste or Trash, Clean Debris, "White" Goods, Construction and Demolition Waste or other discarded material or refuse.

SPECIAL WASTES shall mean Solid Waste that requires special handling and management, including, but not limited to, whole tires, used oil, lead acid batteries, and Biological Wastes.

WHITE GOODS shall mean refrigerators, ranges, water heaters, freezers and other large appliances.

YARD WASTE shall mean material resulting from landscape maintenance, including but not limited to grass clippings, leaves, twigs, small trees (6" diameter or less), etc., and material not resulting from land-clearing operations.

SECTION 3 - Service Undertaking

The Franchisee shall offer services solely for the collection and disposal of Commercial Solid Waste and Construction and Demolition Debris to persons located within the corporate limits of the City and its police jurisdiction. Upon request, a Franchisee shall provide to the City's Finance Department, a listing of customers, service location, frequency of pickup and types of service provided, as well as, franchisee telephone numbers and contact personnel.

SECTION 4 - Equipment

Franchisee shall utilize such trucks or other collection equipment and/or vehicles necessary and approved by the City's Public Works Director for the collection and disposal of Commercial Solid Waste. Vehicles utilized by Franchisee shall be so covered, secured or sealed that there will be no loss during haulage to cause littering of streets and highways, or cause a nuisance or hazard to the public health. Franchisee shall utilize an adequate number of collection vehicles and/or equipment based on number of customers and solid waste generated. In the event the City in its discretion determines that an adequate number or type of vehicles or equipment is not being utilized by Franchisee, it shall so notify Franchisee in writing. All vehicles or equipment utilized by Franchisee shall be maintained in a safe and clean operating condition, and the City at its convenience may inspect such vehicles or equipment from time to time. The collection containers provided by Franchisee shall be maintained by Franchisee in good repair and in a sanitary condition.

SECTION 5 - Frequency of Collection

Franchisee shall begin and complete scheduled collections of Commercial Solid Waste and Construction and Demolition Debris at a time that shall be mutually agreed between Customer and Franchisee. Collection containers provided by Franchisee shall be in a sanitary condition and equipped so that contents will not fall out.

SECTION 6 - Compliance with Collection and Disposal Laws and Regulations

Franchisee shall dispose of all solid waste collected by it in accordance with all applicable federal, state, county, and municipal laws, ordinances, rules and regulations pertaining to the collection of disposal of such waste material. Specifically, but without limitation, such waste shall be disposed of only in a disposal facility duly licensed and permitted by all governmental entities and agencies having jurisdiction with respect to such site and Franchisee shall comply with all reporting requirements of all governmental entities and agencies having jurisdiction. Upon request, Franchisee shall provide the City with copies of any and all such reports.

SECTION 7 - Books and Records of Franchisee

The books and records of Franchisee relevant to its collection and disposal services in the service area shall be available for inspection or audit by the City during the hours of 8:00 a.m. to 4:00 p.m. Monday through Friday, legal holidays excepted. If such books and records are not regularly maintained by Franchisee within the corporate limits of the City, Franchisee shall present such books and records for inspection or audit at the Municipal Complex upon twenty-four (24) hours oral or written demand for inspection or audit. In addition, upon request, Franchisee shall provide to the City a customer listing, frequency of collection, quantity of waste collected, and any other necessary reports or documentation, to meet ADEM reporting requirements.

The accounting system utilized by the Franchisee shall be in accordance with generally accepted accounting principles. Franchisee shall provide the City with an acceptable detailed annual operating statement or consolidated operating statement within forty-five (45) days after the end of each of Franchisee's fiscal year during the term of this Franchise.

SECTION 8 - Cause for Cancellation

The City shall have the right to cancel this Franchise for cause, including, without limitation, insufficiency or irregularity of services, financial irregularities, violation of governmental law, ordinance, rule or regulation, or other misfeasance, malfeasance, or nonfeasance in the provision of services under this Franchise or breach of the terms and conditions herein. In the event the City believes cause for termination exists, it will give written notice to Franchisee of the basis on which it believes cause for termination exists and will give Franchisee an opportunity to appear before a regular or special meeting of the Municipal Council to present any evidence or explanation of the existence of cause for termination. Following such presentation, the City may elect to terminate this Franchise, may elect to continue this Franchise, either as written or under probationary conditions, or may elect such other action as may be in the best interest of the City. Franchisee shall be given written notice of the action of the Council, and no termination shall become effective earlier than thirty (30) days following the giving of such notice.

SECTION 9 - Indemnification

The Franchisee shall indemnify and hold the City, its elected and appointed officials, officers, agents, servants, and employees harmless from any and all claims or demands (including reasonable attorneys fees) of whatever kind or character arising directly or indirectly, proximately or remotely, from the operation of solid waste collection activities by Franchisee.

SECTION 10 - No Assignment or Transfer

This Franchise nor the rights of Franchisee hereunder may not be sold, assigned, pledged or transferred in whole or in part by Franchisee. In this regard, the sale, transfer, or conveyance of more than fifty percent (50%) of the shares of voting stock of Franchisee to any one person or entity shall be considered an assignment.

SECTION 11 - Insurance

Franchisee, as a condition under this document, shall furnish and maintain comprehensive general liability insurance coverage in coverage amount not less than $2,000,000, single limit, under a policy issued by an

insurer acceptable to the City. Such policy shall be in a form satisfactory to the City and shall name the City as additional insured against any liability for personal injury, death, or property damage arising directly or indirectly from the collection or disposal services to be performed by Franchisee. Any lapse in the coverage required in this paragraph shall result in an automatic and immediate suspension of the franchise rights granted Franchisee hereunder. Franchisee shall provide acceptable documentation to the City of Workers Compensation Insurance.

SECTION 12 - Nonexclusivity

The franchise rights granted hereunder shall be non-exclusive, and the City may at any time and from time to time award similar franchise rights to other persons or entities. This Franchise is the grant of a non-exclusive franchise pursuant to Section 220 of the Constitution of Alabama.

SECTION 13 - No Agency

Franchisee shall be an independent contractor and not the agent of the City for any purpose. The City assumes no responsibility for the collection of fees or other debts owed to Franchisee.

SECTION 14 - Term

This franchise shall become effective upon its adoption by the City Council and when Franchisee files its acceptance, attached hereto as Exhibit A, and furnishes proof that it has complied with all of the terms of this Franchise. This Franchise shall expire, unless sooner terminated or extended in writing after the approval of the City, on December 31, 2026.

SECTION 15 - Consideration for Franchise Rights

As consideration for the franchise rights granted hereunder and unless and until increased or amended as provided in this paragraph, Franchisee shall pay to the City an annual franchise fee equal to three percent (3%) of Franchisee's gross receipts from charges for services rendered pursuant to this Franchise. Such franchise fee shall be paid to the City every three (3) months, with the first payment being due and payable three (3) months from the effective date of this Franchise. A late charge equal to ten percent (10%) of the amount due every three (3) months shall be assessed for each one to thirty-day (1-30) period said franchise fee is not paid after its due date.

The City reserves the right from time to time and at any time during the term of this Franchise to amend the terms hereof, to increase the amount of the franchise fee, to impose a franchise fee obligation in a set amount or to otherwise alter or amend the franchise fee obligation of Franchisee hereunder; provided, however, that Franchisee shall be given written notice of any such alteration or amendment and such alteration or amendment shall not take effect sooner than the date that is sixty (60) days after the date on which the notice is delivered to Franchisee or the first anniversary date of the effective date of this Franchise occurring after the giving of notice, whichever date is later. In the event of notification of an increase of the franchise fee hereunder or the imposition of a fee based on a percentage of Franchisee's receipts, Franchisee may elect in writing prior to the effective date of the franchise fee increase or amendment to terminate this Franchise as of the effective date of the franchise fee increase or amendment, in which case all rights and privileges of Franchisee shall terminate as of such date.

SECTION 16 - Permit Submittal

Copies of all applications for permits from board or agencies of the County, State, or Federal government having jurisdiction over any activities of the Franchisee in relation to this Franchisee shall be provided to the City at the time of their submittal to the governing agency.

SECTION 17 - Complete Franchise

This Franchise sets out the complete conditions with respect to the subject matter hereof and may not be amended except in a writing whose execution by the City has been approved by Ordinance or formal resolution of the Municipal Council.

SECTION 18 - **Compliance with ADEM and other State Reporting Requirements**

The City is required to quarterly and annually submit full cost accounting of solid waste collections, etc., to the Baldwin County Commission and the Alabama Department of Environmental Management (ADEM). Franchisee shall submit all required and requested full cost accounting reports to the County Commission and ADEM by the requested deadline dates. Copies of these reports will be submitted simultaneously to the City, along with a full listing of all customer accounts.

SECTION 19 - **Severability Clause**

The provisions of this Ordinance are hereby declared to be severable. In the event any provision hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of this Ordinance.

_____
Tony Kennon, Mayor

ATTEST:

_____
Renee Eberly, City Clerk

_____
BCC WASTE SOLUTIONS, LLC
Franchisee

By: _____

Its: _____

ACCEPTANCE OF A FRANCHISE
IN THE CITY OF ORANGE BEACH, ALABAMA

RECITALS:

1. The City of Orange Beach, Alabama ("City") by action of its City Council on June 17, 2025, adopted Resolution No. 25-xxx ("Resolution") approving a non-exclusive franchise for the use of the public streets to remove and dispose of commercial solid waste and to remove and transport construction and demolition debris under the terms and conditions set out in the Franchise Agreement for BCC Waste Solutions, LLC ("Provider").
2. This Resolution requires the Provider to accept the terms of the Resolution in a form and substance acceptable to the City.

NOW, THEREFORE, pursuant to the terms and requirements of the Resolution, and in consideration of the City's approval of the Franchise, Provider accepts the Franchise and makes the following representations and warranties to the City:

1. Provider is authorized to do business in Alabama and has full power, authority, and legal capacity to execute, deliver, and perform this Acceptance and perform the terms and conditions of the Franchise;
2. All actions necessary to authorize the execution and delivery of this Acceptance and the performance of the Franchise, have been duly authorized;
3. Provider has carefully read the terms and conditions of the Franchise and accepts all of the terms and conditions imposed thereunder, and agrees to abide by the same;
4. Provider acknowledges by acceptance of the Franchise that it has not been induced to accept the Franchise by reason of any promise, verbal or written, by or on behalf of the City, or by any third person, regarding any term or condition of the Franchise not expressed therein;
5. The Provider agrees to comply with all of the terms and conditions of the City's Ordinances and other laws and rules applicable to Providers' business;
6. Provider will immediately notify the City if it be engages in an activity that is neither contemplated nor authorized under the terms of the Agreement; and
7. Concurrent with this acceptance of the Agreement, Provider agrees to perform the following tasks within thirty (30) days of the adoption of the Resolution and any necessary publication, unless another date is specified in the Agreement:
    A. Pay all required application fees required under the terms of the Agreement;
    B. Pay the costs of any necessary publication;
    C. File a certificate of insurance as required under the terms of the Agreement; and
    D. Acquire a business license from the City of Orange Beach.

Failure to perform all such actions within a timely manner shall be deemed to be a rejection and repudiation of the Franchise Agreement.

Dated: _____

_____
BCC WASTE SOLUTIONS, LLC

By: _____

Its: _____

#
$

CITY of ORANGE BEACH
FRANCHISE APPLICATION

☐ NEW
☑ RENEWAL

Business Name BCC Waste Solutions, LLC

Applicant's Name Hunter Swanay

Mailing Address 13040 Underwood Rd. Summerdale Al 36580

Physical Address Office same

Telephone 251-239-5509 E-Mail hunter@bccwastesolutions.com

Type of Franchise Requested Renewal

Owner/Officers	Address	DOB
Hunter Swanay	7219 Wyngate Ct. Mobile Al 36695	4/15/1987

$250.00 NON-REFUNDABLE APPLICATION FEE SHALL BE PAID WITH APPLICATION

Completed App. 5/2/25
DATE PAID 5/5/25
Received

1. Attach a copy of proof of insurance showing City of Orange Beach as additional insured.
2. Attach a financial statement showing in detail applicant's current financial condition.

Applicant agrees to pay all costs and expenses incurred by the City in preparation of the Franchise agreement and the enactment of the enabling ordinance, to include attorney's fees for drafting of the Franchise agreement.

APPLICANT UNDERSTANDS THAT THE FILING OF THIS APPLICATION DOES NOT, IN ITSELF, CONSTITUTE AUTHORITY TO OPERATE AND WILL SUBMIT SUCH ADDITIONAL INFORMATION IN CONNECTION WITH THIS APPLICATION AS THE COUNCIL MAY REQUIRE.

Applicant Signature _____ Date 1/20/2023

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 5/21/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Acentria Insurance - Pensacola 104 W Romana St Pensacola FL 32502 License#: L100460	CONTACT NAME: Jared Armstrong PHONE (A/C, No, Ext): 8504242725 FAX (A/C, No): 850-497-6515 E-MAIL ADDRESS: Jared.armstrong@acentria.com
INSURED BALDCON-01 BCC Waste Solutions, LLC Baldwin Container Company, LLC 13040 Underwood Road Summerdale AL 36580	INSURER(S) AFFORDING COVERAGE — NAIC # INSURER A : Imperium Insurance Company — 35408 INSURER B : Houston Specialty Insurance Company — 12936 INSURER C : StarStone Specialty Insurance Company — 44776 INSURER D : Endurance American Specialty Insurance Company — 41718 INSURER E : The Ohio Casualty Insurance Company — 24074 INSURER F : Navigators Specialty Insurance Company — 36056

COVERAGES **CERTIFICATE NUMBER:** 1459170690 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
B	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC OTHER:			ECAP6HSGL00024802	5/5/2024	8/1/2025	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG -	$ 1,000,000 $ 100,000 $ 5,000 $ 1,000,000 $ 2,000,000 $ 2,000,000 $
A	AUTOMOBILE LIABILITY ANY AUTO OWNED AUTOS ONLY X SCHEDULED AUTOS X HIRED AUTOS ONLY X NON-OWNED AUTOS ONLY			ECAP611CCA00024802	5/5/2024	8/1/2025	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) Deductible	$ 1,000,000 $ $ $ $ 1,000
C D	X UMBRELLA LIAB X OCCUR X EXCESS LIAB CLAIMS-MADE DED RETENTION $			78174N253ALI EXT30071062101	5/5/2025 5/5/2025	5/5/2026 8/1/2025	EACH OCCURRENCE AGGREGATE	$ 3,000,000 $ 3,000,000 $
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		ECAP6IICWC00027402	8/1/2024	8/1/2025	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
E F	Equipment Floater Contractors Pollution			BMO64769598 NY25ECPX01126NC	5/5/2025 5/5/2025	5/5/2026 5/5/2026	Scheduled Equipment General Aggregate Each Occurrence	$614,917 $2,000,000 $1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Certificate of Insurance is provided as evidence of coverage for the operations of the insured only.

CERTIFICATE HOLDER

City of Orange Beach
PO Box 458
Orange Beach AL 36561

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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REGULAR CITY COUNCIL MEETING
JUNE 17, 2025

Departments: City Clerk

Description of Topic: Resolution authorizing a waiver of fees for the Coastal Art Center for the Orange Beach Shooting Team's 2025 Awards Banquet.

Background/Description:

Action Options/Recommendation:

Source of Funding (if applicable):

ATTACHMENTS:
1. 06-17-25 25-xxx Waive Fee Art Center Shooting Team

RESOLUTION NO. 25-xxx

A RESOLUTION AUTHORIZING A WAIVER OF FEES FOR THE COASTAL ART CENTER FOR THE ORANGE BEACH SHOOTING TEAM'S 2025 AWARDS BANQUET

FINDINGS:

1. The City of Orange Beach, Alabama, is a strong supporter of every aspect of the City School System including all arts, academics, and athletic ventures. Orange Beach Middle and High School students make up the future of our City and, as such, supporting them benefits the entire City.
2. The Orange Beach Shooting Team, comprised of Orange Beach Middle and High School students, has finished their season with strong participation and excellence exemplified by their final finish winning multiple categories in the State Championship Tournament.
3. The Shooting Team would like to hold a banquet to honor the excellence of the Team and the individuals participating. The City Council would like to allow the Team to hold their annual banquet at the Orange Beach Coastal Art Center.
4. The City Council has determined that allowing the Shooting Team to use the Coastal Art Center at no charge serves a public benefit by providing support to City School System activities and the residents of the City; and further thereby creating a sense of public morale which is in the best interest of the City of Orange Beach, Alabama.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ORANGE BEACH, ALABAMA, AS FOLLOWS:

1. That the City Council, having determined that it serves a public purpose and is in the best interest of the City, hereby authorizes the Coastal Art Center Director to waive the rental fee for the Orange Beach Shooting Team to use the Art Center on June 26, 2025; and
2. That this Resolution shall become effective upon its adoption.

ADOPTED THIS 17th DAY OF JUNE, 2025.

_____
Renee Eberly
City Clerk

C E R T I F I C A T E

I, Renee Eberly, City Clerk of the City of Orange Beach, Alabama, do hereby certify that the foregoing is a true and correct copy of Resolution No. 25-xxx, which was duly and legally adopted at a regular meeting of the City Council on June 17, 2025.

_____
City Clerk

REGULAR CITY COUNCIL MEETING
JUNE 17, 2025

Departments: City Clerk

Description of Topic: Resolution authorizing the execution of an amendment to the performance contract awarded to Tennis Professional Natalie van Blerk.

Background/Description:

Action Options/Recommendation:

Source of Funding (if applicable):

ATTACHMENTS:

1. 06-17-25 25-xxx Authorize Performance Contract Amendment Tennis Pro Natalie van Blerk
2. 2025.06.16 Performance Contract Amendment Natalie van Blerk Tennis

RESOLUTION NO. 25-xxx

A RESOLUTION AUTHORIZING THE EXECUTION OF AN AMENDMENT TO THE PERFORMANCE CONTRACT AWARDED TO TENNIS PROFESSIONAL NATALIE VAN BLERK

FINDINGS:

1. The City Council awarded the contract for Tennis Professional Services to Natalie van Blerk and authorized execution and attestation of such by the Mayor and City Clerk, respectively, by Resolution No. 25-080 on April 2, 2025.
2. The contract has been executed by both parties and its term commenced on April 3, 2025.
3. It has been recommended by the Parks and Recreation Director, and agreed by the Contractor, that Section 3(b) of the contract with Natalie van Blerk be amended to provide for payment of special programming.
4. Having reviewed the attached amendment to the contract, the City Council agrees it is in the best interest of the City of Orange Beach to amend Section 3(b) of the contract awarded to Natalie van Blerk for Tennis Professional Services.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ORANGE BEACH, ALABAMA, AS FOLLOWS:

1. That the Mayor and City Clerk are hereby authorize to execute and attest, respectively, the amendment in substantially the form and of substantially the content now before the City Council as an attachment hereto, between the City of Orange Beach, Alabama, and Natalie van Blerk, as an act for and on behalf of the City of Orange Beach, subject to final approval by the City Attorney; and
2. That this Resolution shall become effective immediately upon its adoption.

ADOPTED THIS 17th DAY OF JUNE, 2025.

_____
Renee Eberly
City Clerk

C E R T I F I C A T E

I, Renee Eberly, City Clerk of the City of Orange Beach, Alabama, do hereby certify that the foregoing is a true and correct copy of Resolution No. 25-xxx, which was duly and legally adopted at a regular meeting of the City Council on June 17, 2025.

_____
City Clerk

AMENDMENT TO PERFORMANCE CONTRACT

THIS AMENDMENT (this "Amendment"), dated effective as of the 17th day of June, 2025, is made and entered into by and among NATALIE VAN BLERK (hereinafter referred to as "Contractor") and the CITY OF ORANGE BEACH, ALABAMA, a municipality organized and existing under the laws of the State of Alabama (hereinafter referred to as "City").

WHEREAS, The City Council awarded the contract for Tennis Professional Services to Contractor and authorized execution and attestation of such by the Mayor and City Clerk, respectively, by Resolution No. 2025-080 on April 2, 2025;

WHEREAS, The contract has been executed by both parties and its term commenced on April 3, 2025;

WHEREAS, It has been recommended by the City's Parks and Recreation Director, and agreed by the Contractor, that Section 3(b) of the contract with Contractor be amended to provide for payment of certain approved programming.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein set forth, and other good and valuable consideration, the receipt, adequacy, and sufficiency of which are hereby acknowledged by the parties, the parties hereby covenant and agree as follows:

1. Section 3 of the subject Performance Contract shall be amended to add the following:
    b. For specific special programming approved in advance by the City Administrator and the Parks and Recreation Director, the Contractor shall charge each session participant the amount of $10.00 (ten dollars) per session. In the event session participation does not provide for Contractor's regular hourly rate, City shall pay such amount to provide for payment of the Contractor's regular hourly rate.
2. This Amendment shall not alter, amend, or make null and void any other provisions listed within the original Performance Contract dated April 3, 2025. All other provisions shall remain in full force and effect until expiration on April 2, 2026 subject to any other mutually agreed amendments.

IN WITNESS WHEREOF, the undersigned have caused this Amendment to Performance Contract to be executed by their duly authorized officers and/or representatives, to be effective the day and year first above written.

NATALIE VAN BLERK

By:_____

CITY OF ORANGE BEACH, ALABAMA

By:_____
Tony Kennon, Mayor

REGULAR CITY COUNCIL MEETING
JUNE 17, 2025

Departments: City Clerk

Description of Topic: Resolution authorizing a donation to the Alabama District Attorneys Association.

Background/Description:

Action Options/Recommendation:

Source of Funding (if applicable):

ATTACHMENTS:

1. 06-17-25 25-xxx Authorize Donation Alabama District Attorneys Association ADAA

RESOLUTION NO. 25-xxx

A RESOLUTION AUTHORIZING A DONATION TO THE ALABAMA DISTRICT ATTORNEYS ASSOCIATION

FINDINGS:

1. The Baldwin County District Attorney's office is responsible for prosecuting felony, juvenile, and misdemeanor criminal cases within Baldwin County. This includes the screening of cases, their presentation to the Grand Jury, trial preparation, and presentation of evidence in Circuit and District Courts for cases arising out of the City of Orange Beach.
2. The Alabama District Attorneys Association (hereinafter the "ADAA") is a statewide organization comprised of all 42 District Attorneys in Alabama and provides resources and assistance to District Attorneys' offices across the state.
3. The ADAA is hosting its annual conference event on June 30, 2025, and has requested assistance in obtaining items for their silent auction.
4. The ADAA supports initiatives for which the City is authorized to appropriate and expend funds pursuant to Alabama Code Chapter 11, Section 47. Donating items of value from the City serves a public purpose as funds raised are utilized for the benefit of City residents.
5. Donating an item for the ADAA's Annual Conference silent auction furthers an additional public purpose by encouraging community support of local organizations and enhancing the general welfare of the community.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ORANGE BEACH, ALABAMA, AS FOLLOWS:

1. That the City shall provide goods and services to be auctioned as a part of the ADAA silent auction as follows: one Coastal Arts Center gift shop item, one Coastal Arts Center voucher (one instructional class), and two Golf Center vouchers (4 rounds of golf); and
2. That this Resolution shall become effective upon its adoption.

ADOPTED THIS 17th DAY OF JUNE, 2025.

_____
Renee Eberly
City Clerk

C E R T I F I C A T E

I, Renee Eberly, City Clerk of the City of Orange Beach, Alabama, do hereby certify that the foregoing is a true and correct copy of Resolution No. 25-xxx, which was duly and legally adopted at a regular meeting of the City Council on June 17, 2025.

_____
City Clerk

REGULAR CITY COUNCIL MEETING
JUNE 17, 2025

Departments: Community Development

Description of Topic: Public hearing for an ordinance amending Ordinance No. 172, the Zoning Ordinance, Case No. 0607-PUDA-25, Oasis at Orange Beach (formerly Phoenix West II) PUD Modification, Signage Amendment.

Background/Description: Modern Signs, on behalf of The Oasis at Orange Beach, requests approval of a minor amendment to the Phoenix West II PUD Master Plan to allow a double-sided freestanding sign (160 square feet total, 80 square feet per side) at the main entrance of its property located at 23450 Perdido Beach Boulevard.

Action Options/Recommendation:

Source of Funding (if applicable):

ATTACHMENTS:

1. 0607-PUDA-25 Oasis at Orange Beach Phoenix West II Sign - Staff Memo
2. 0607-PUDA-25 Oasis at Orange Beach Phoenix West II Sign - Site Plan
3. 0607-PUDA-25 Oasis at Orange Beach Phoenix West II Sign - Application
4. 0607-PUDA-25 Oasis at Orange Beach Phoenix West II Sign - Sign Elevations

PLANNING & ZONING
COMMUNITY DEVELOPMENT DEPARTMENT
P.O. BOX 2432
ORANGE BEACH, ALABAMA 36561

Memorandum

TO: Mayor Kennon
City Council

FROM: Griffin Powell, City Planner

CC: Sherri Descalzo, Planning Coordinator
Renee Eberly, City Clerk
Ford Handley, City Administrator
Jamie Logan, City Attorney
Adam Roberson, Community Development Director/Building Official

DATE: June 17, 2025

SUBJECT: **Case No. 0607-PUDA-25**
Phoenix West II PUD Modification – The Oasis at Orange Beach Signage

1. Modern Signs, on behalf of The Oasis at Orange Beach, requests approval of a minor amendment to the Phoenix West II Planned Unit Development (PUD) Master Plan to allow a double-sided freestanding sign (160 square feet total, 80 square feet per side) at the main entrance of its property located at 23450 Perdido Beach Boulevard.

2. In 2005, Phoenix West II was approved as a multi-family residential development with a 31-story tower and 358 units on 9 acres.

3. In 2023, a restaurant and grilling pavilion were approved for the condominium. The facilities are for the use of the tenants and guests of the condominium and are not open to the public.

4. For residential developments, Section 15.0804, a. 1. of the zoning ordinance permits one free standing sign per entrance with not more than 80 square feet of total sign face per sign equally divided among not more than four sign faces. No single sign face can exceed 40 square feet.

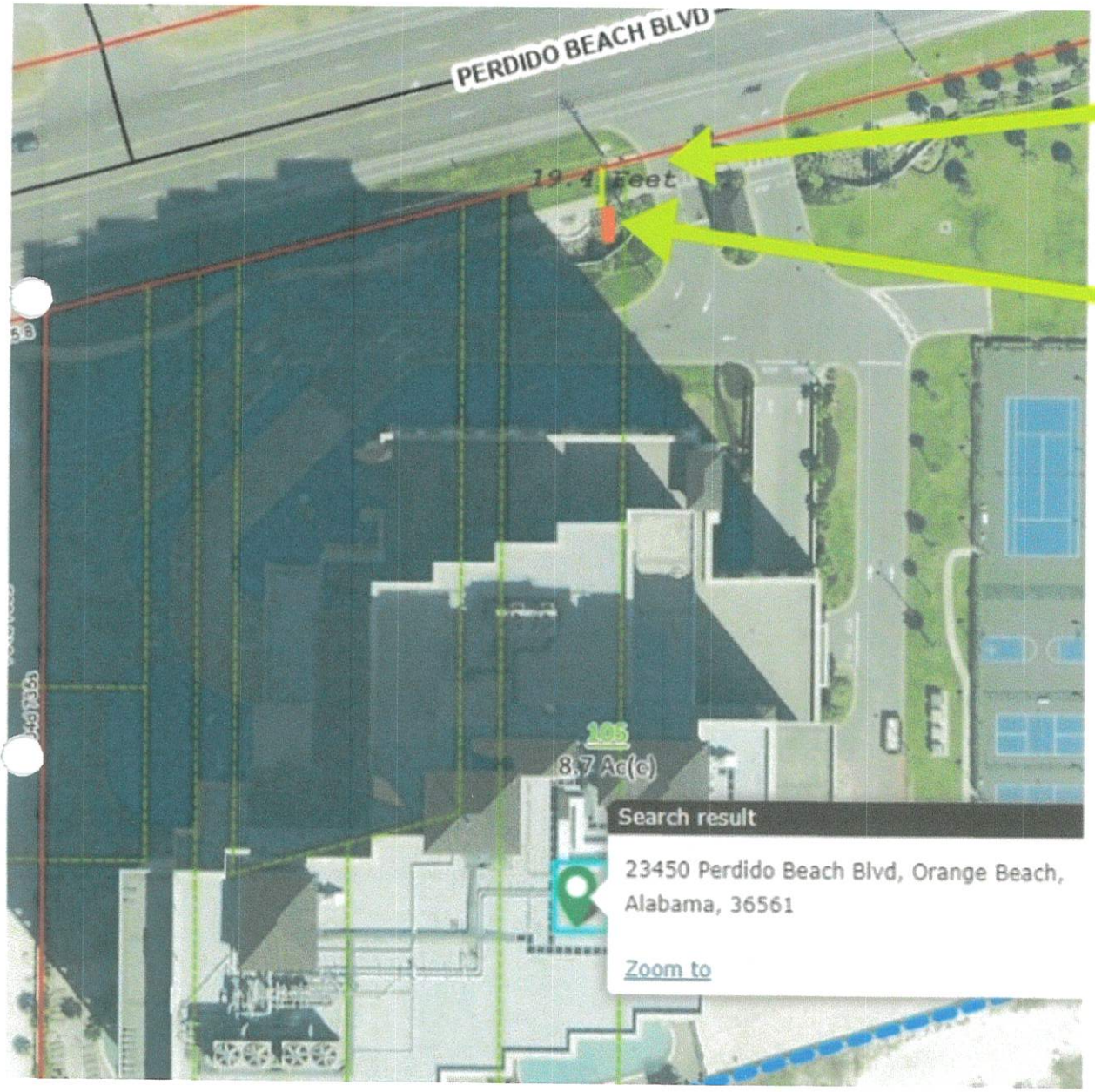
5. The applicant proposes a double-sided freestanding sign at The Oasis' sole driveway onto Perdido Beach Boulevard. Each sign face will have a total area covering 80 square

feet with the top 40 square feet being the permanent sign and the bottom 40 square feet being an electronic changeable copy sign. The total sign face area for this sign will be 160 square feet.

6. The proposed double-sided freestanding sign conflicts with the signage guidelines for residential developments as stated in Section 15.0804, a. 1. as follows:
   - The single sign face area will be 80 square feet, which exceeds the 40 square feet allowed for residential developments.
   - The total sign face area will be 160 square feet, which exceeds the 80 square feet allowed for residential developments.

7. To note, the proposed double-sided freestanding sign will be less than the maximum signage requirements for commercial developments, which is 200 square feet of total sign face area and 100 square feet sign face area for a single side.

8. With the approval of this request, The Oasis at Orange Beach will be allowed to have a double-sided freestanding sign with a total sign face area of 160 square feet and each side having a sign face area of 80 square feet (40 square feet permanent sign and 40 square feet electronic changeable copy sign).



SIGN SETBACK 19.4 feet OFF OF R.O.W.

PROPOSED 80 SQUARE FOOT MONUMENT SIGN LOCATION.

THE OASIS
23450 Perdido Beach Blvd
Orange Beach, AL. 36561

RECEIVED
MAY 12 2025
O.B. COMMUNITY DEV.

City of Orange Beach
COMMUNITY DEVELOPMENT DEPARTMENT
P.O. Box 2432
Orange Beach, AL 36561
251.981.2610 Fax 251.981.3725
http://www.cityoforangebeach.com

DEVELOPMENT PERMIT APPLICATION

To be completed by Community Development Department Staff

APPLICATION DATA

Application #: 0607-PUDA-25

Total Fees Paid: ~~$~~ 250.00

Check Number: 5206

Phoenix West II

TYPE OF APPLICATION

___ Administrative Site Plan Review
___ Site Plan Review
___ Preliminary/Final Minor Subdivision Approval
___ Preliminary Major Subdivision Approval
___ Final Major Subdivision Approval
___ Rezoning
___ Preliminary PUD Approval
___ Final PUD Approval
___ PUD Modification
___ Temporary Portable Building

RECEIVED
MAY 12 2025
O.B. COMMUNITY DEV.

NAME OF PROJECT: The Oasis at Orange Beach

PROJECT DESCRIPTION: ***(Provide Brief Description of Proposed Development, Subdivision, Rezoning, Portable Building, or Special Event; To include lot sizes, square footage of building coverage, number of lots, proposed land uses, number of units, number of buildings, a project narrative, etc.; if more space is needed attach a separate page)***

PUD Modification to allow an 80' freestanding sign at the main entrance to the property. Proposed Pylon Sign to include 40' of LED sign to inform property owners & guests of announcements & important information at the property.

PROPERTY INFORMATION: * Signs are within the allowable square footage in Sign Ordinance for commercial business.

Address: 23450 Perdido Beach Blvd. Tax Parcel #(s): _____
Orange Beach, AL. 36561

Existing Use: _____ Zoning: _____ PPIN #(s) _____

APPLICANT INFORMATION:

Name: Ricky Armstrong/Modern Signs Contact Person: Ricky Armstrong
Address: 869-A Commerce Dr. Gulf Shores, AL. 36542
Phone #: (251) 209-2229 Fax #: (_____) _____ Email: ricky@modernsigns.com

OWNER INFORMATION:

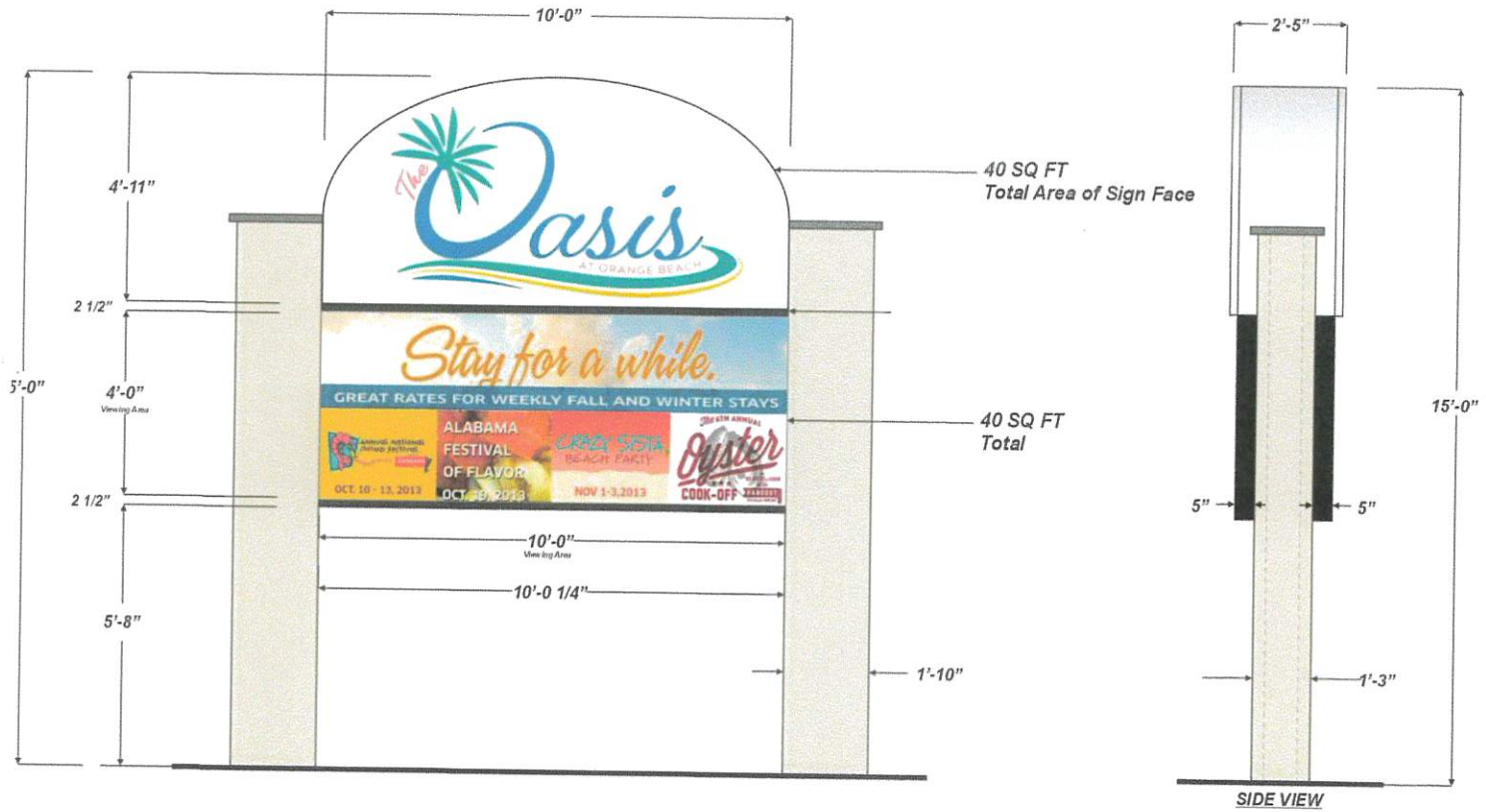
Name: The Oasis at Orange Beach Contact Person: Buddy Trahan
Address: 23450 Perdido Beach Blvd
Phone #: (832) 506-2575 Fax #: (_____) _____ Email: trahan.buddy@gmail.com

Signature (Applicant): _____ Date: _____

Signature (Owner): BT Buddy Trahan (Mar 10, 2025 22:32 CDT) Date: 10/03/2025

Revised 02-06-2013

Pylon / EMC OPTION - 1.1



Specifications

MANUFACTURE AND INSTALL ONE DOUBLE FACE LIGHTED PYLON SIGN WITH FULL COLOR DIGITAL SIGN. THE ID WILL BE INTERNALLY ILLUMINATED WITH FLAT ALUMINUM FACES AND ROUTED OUT LOGO. THE LOGO WILL BE BACKED WITH TRANSLUCENT VINYL OVERLAID ACRYLIC, THE "AT ORANGE BEACH" LETTERS WILL BE NON-LIGHTED VINYL APPLIED TO THE CABINET SURFACE. THE FULL COLOR DIGITAL SIGN WILL HAVE THE CAPABILITY TO DISPLAY PHOTOS, GRAPHICS AND TEXT. THE SIGNS WILL BE SUPPORTED BY TWO STEEL POLES WITH POLE COVERS.

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MODERN SIGNS LLC
VISUAL MEDIA

Phone: 251-209-8680 Fax: 251-980-2230
Email: rarmstrong@gulftel.com
P.O. Box 874 Orange Beach, AL 36561

Project Information

Client: The Oasis

Location: Orange Beach, AL

File: TheOasis-PylEMC - 1.1

Scale: 1/4" = 1'-0"

Notes:

Date / Description

10 / 2 / 2024

11 / 7 / 2024 - Add Sq Ft Info

ELECTRICAL IS 120 VOLT

Client Approval

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☐ Approved ☐ Approved as Noted

Name

Date

Notes

RECEIVED
MAY 12
O.B. COMMUNITY DEV.

REGULAR CITY COUNCIL MEETING
JUNE 17, 2025

Departments: City Clerk

Description of Topic: First Reading - Ordinance amending Ordinance No. 172, the Zoning Ordinance, Case No. 0607-PUDA-25, Oasis at Orange Beach (formerly Phoenix West II) PUD Modification, Signage Amendment.

Background/Description:

Action Options/Recommendation:

Source of Funding (if applicable):

ATTACHMENTS:

1. 2025-xxxx Amd 172 0607-PUDA-25 Oasis at Orange Beach Phoenix West II Sign

ORDINANCE NO. 2025-xxxx

**AN ORDINANCE FURTHER AMENDING ORDINANCE NO. 172,
CITY OF ORANGE BEACH ZONING ORDINANCE,
PHOENIX WEST II PLANNED UNIT DEVELOPMENT
THE OASIS AT ORANGE BEACH SIGNAGE
MINOR MODIFICATION
(#0607-PUDA-25)**

FINDINGS:

1. The City Council of the City of Orange has held the required Public Hearing after the required public advertisement period concerning the proposed amendment.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ORANGE BEACH, ALABAMA, AS FOLLOWS:

1. That the Zoning Ordinance of the City of Orange Beach as previously amended is hereby further amended to allow a minor modification to the Phoenix West II PUD to allow a double-sided freestanding sign (160 square feet total, 80 square feet per side) at the main entrance of its property located at 23450 Perdido Beach Boulevard, pursuant to the application #0607-PUDA-25 on file with the Department of Community Development;
2. That all ordinances or parts of ordinances in conflict are, to the extent of such conflict, repealed; and
3. That this Ordinance shall become effective immediately upon its adoption and publication as required by law.

ADOPTED THIS 17th DAY OF JUNE, 2025.

_____
Renee Eberly
City Clerk

The City Clerk of the City of Orange Beach, Alabama hereby certifies that the foregoing **ORDINANCE 2025-xxxx** was posted on _____ in the following three (3) public places:
Orange Beach City Hall _____
Orange Beach Post Office _____
Orange Beach Public Library _____

_____
Renee Eberly, City Clerk