

STATE OF ALABAMA) (:
COUNTY OF BALDWIN) (

The City Council met in a Work Session
at 4:30 p.m., Fairhope Municipal Complex Council Chamber,
161 North Section Street, Fairhope, Alabama 36532,
on Monday, 8 June 2026.

Present were Council President Pro Tempore Jack Burrell, Councilmembers: Joshua Gammon, Jay Robinson, and Andrea Booth, City Attorney Marcus E. McDowell, and City Clerk Lisa A. Hanks. Council President Jimmy Conyers and Mayor Sherry Sullivan were absent.

Council President Pro Tempore Burrell called the meeting to order at 4:00 p.m.

The following topics were discussed:

- The first item on the Agenda was First Tee Gulf Coast presentation by Golf Pro Bobby Hall and Marty Stanovich, President and CEO of First Tee. This program is to promote junior golfers. Mr. Stanovich said they are a non-profit organization who uses the First Tee Nine Core Values: honesty, integrity, sportsmanship, respect, confidence, responsibility, perseverance, courtesy, and judgment. He said Judge Snedeker called him about First Tee; and mentioned they look at safety first and risk management.

Council President Pro Tempore Burrell questioned what is required of the City of Fairhope and the Quail Creek Golf Course. Mr. Stanovich replied we will work with staff and the Golf Pro. Coaches were questioned regarding pay; and the answer was some are paid and some are volunteers.

- The Presentation of the FY26 Mid-Year Financial Review was presented by City Treasurer Kim Creech; and she answered any questions if needed. (See attached Power Point Presentation titled "Financial Reports Six Months ended March 31, 2026")
- The next Agenda Item was the Discussion of the Proposed Ordinance to Establish the Service Territory for New Connections to the City of Fairhope's Sanitary Sewer Wastewater System and to repeal Resolutions No. 4950-23 and 4986-24. Utility Engineer Noel Berry and Attorney Chris Williams explained the Ordinance with inside and outside territory. Council President Pro Tempore Burrell said we can undo what we have adopted if we need to. Councilmember Robinson said we should lock in and not have any exceptions.

Planning Director Hunter Simmons commented we are not changing density or territory at this time. Mr. Williams said it defines what is inside and outside the City Limits. Mr. Berry explained what would be allowed; and said we will put the Territory Map on the website and mark "proposed." The consensus of the City Council was to move forward with the Territory Ordinance and Map.

- Councilmember Gammon said he missed the Tree Committee and has no other meeting updates.

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- Councilmember Robinson stated the Fairhope Historic Preservation Commission received notice that the City of Fairhope now is a Certified Local Government after resubmission of our application and newly amended ordinance.
- Councilmember Booth gave a shout out to Public Works Director John Thomas and his Staff for their cleanup after the storm.
- Councilmember Burrell said the Fairhope Airport Authority meeting is tomorrow night.
- Utility Engineer Noel Berry addressed the City Council regarding Agenda Items No. 6, No. 7, No. 8, and No. 9; and answered any questions if needed. The consensus of the City Council was to make the effective date August 1, 2026 for all new or unpaid applications.
- Councilmember Robinson addressed the City Council regarding Agenda Item No. 5; and answered any questions if needed. He commented that a Recreation Board member applied for a Franchise Agreement to teach tennis lessons. He said that the Recreation Board was not comfortable making a recommendation to the City Council for a couple of reasons: 1) conflict of interest and 2) not enough information and did not know the content of Tennis Professional Tomas Catar's agreement with the City. Councilmember Robinson said Mr. Catar does teach tennis lessons to that age group.

Councilmember Robinson commented that one other person has a Franchise Agreement at the request of Mr. Catar. He said nothing is preventing us to grant the Franchise Agreement for teaching lessons and training.

Council President Pro Tempore Burrell said this is making a profit using public property; and we had disputes with soccer coaches and softball coaches, and multiple people using public property for profit. Councilmember Robinson said we are supposed to get 20 percent on gross revenues and who determines the fees – the franchisees. He asked the City Council to talk with Mr. Catar, Ms Matzenger, and the Recreation Board.

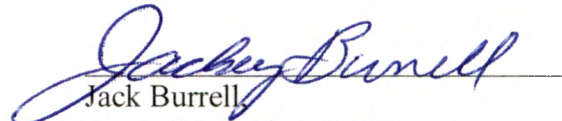
- Planning Director Hunter Simmons stated that the Zoning Ordinance amendments will be in nine separate ordinances; and public hearings will be held on July 13, 2026 and the ordinances introduced. He said final adoption of the ordinances not needing more tweaks will be on July 27, 2026.
- City Engineer Richard Johnson addressed the City Council regarding Agenda Items No. 10, and No. 11; and answered any questions if needed. Council President Pro Tempore Burrell questioned Parker Road sidewalks. Mr. Johnson said the clock is ticking and they should be here this week.
- Public Works Director John Thomas addressed the City Council regarding Agenda Item No. 12; and answered any questions if needed.

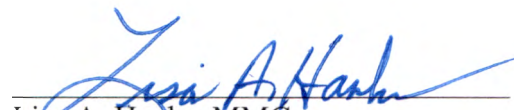
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- Community Affairs Director Paige Crawford addressed the City Council regarding Agenda Items No. 14 and No. 15; and answered any questions needed. She said we are celebrating the 250th Anniversary of America and will have several events: Movie in the Park will be "The Sandlot." She mentioned all of the Red, White, and Blue Decorations around the City.
- Electric Superintendent Ben Patterson addressed the City Council regarding Agenda Item No. 13; and answered any questions if needed.

There being no further business to come before the City Council, the meeting was duly adjourned at 5:58 p.m.


Jack Burrell
Council President Pro Tempore


Lisa A. Hanks, MMC
City Clerk



City of Fairhope City Council Meeting June 8, 2026

Summary

Financial Reports

Six Months Ended

March 31, 2026





Cash Balances

	March 31, 2026	March 31, 2025	March 31, 2024
General Fund	38,173,031	35,534,097	36,576,922
Gas Department	11,244,385	13,522,987	13,872,466
Electric Department	6,153,192	8,330,103	7,351,003
Water/Wastewater Dept	10,867,266	18,307,530	1,624,990
Sanitation	206,294	597,687	140,825
Motor Fuel/Rebuild AL Funds	579,045	571,414	520,729
Impact Fees Fund	4,894,072	3,830,069	2,857,658
Capital Project Fund	3,470,749	2,713,359	2,250,505
Municipal Capital Improvements Fund	1,168,790	928,004	681,910
Prepaid Medical Ins	619,897	484,723	1,223,142
Other Funds	2,850,314	281,744	892,946
<u>Total</u>	<u>79,796,696</u>	<u>85,101,717</u>	<u>67,993,096</u>



Tax Revenues continue to improve

Sales Tax

- FY2025 increased 4.4% over FY2024
- 6 Months Ended 3/31/2026 increased 1.8%

Simplified Seller Use Tax; AKA: Amazon Tax

- FY2025 increased 13.1% over FY2024
- 6 Months Ended 3/31/2026 increased 11.6%

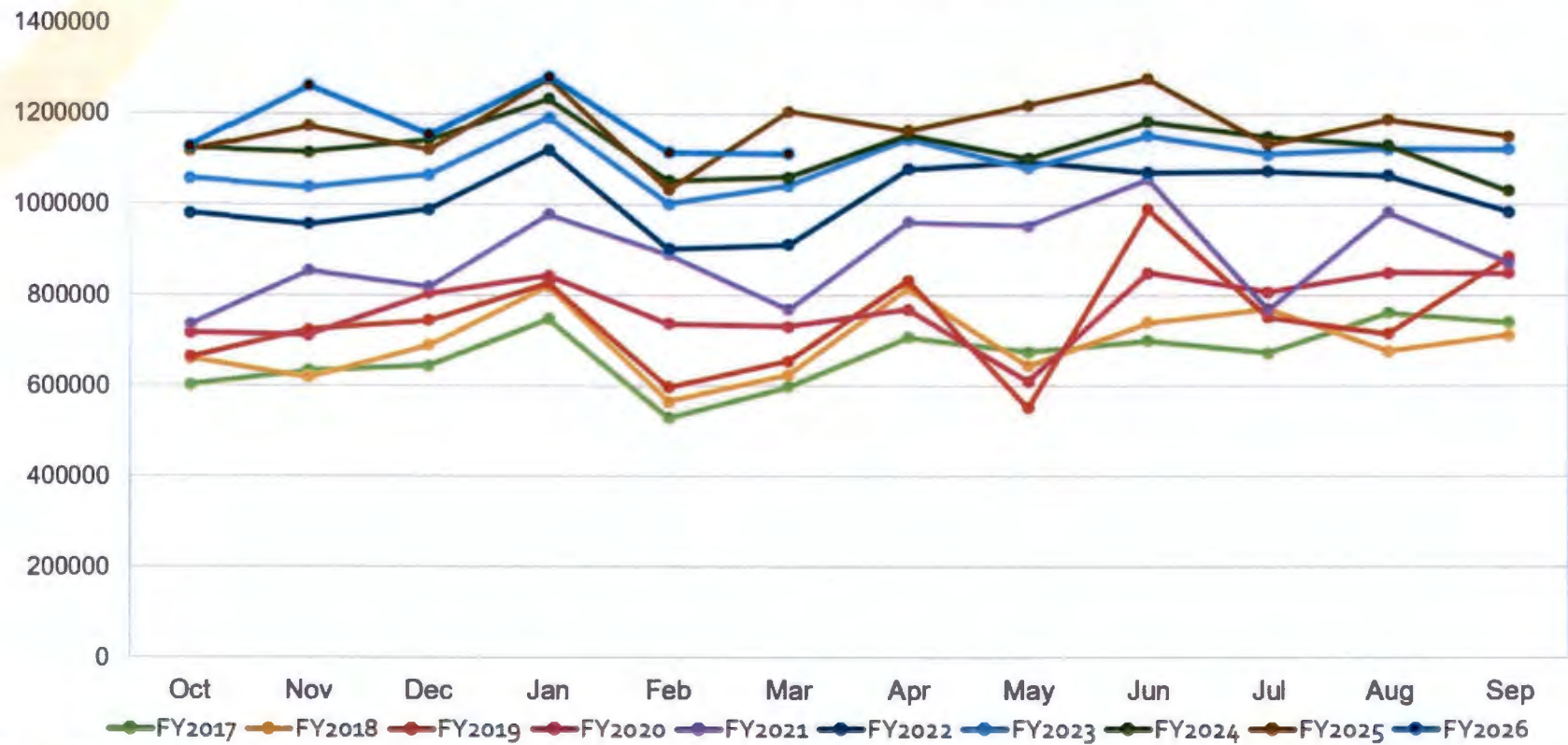
Lodging Tax

- FY2025 increased 10.2% over FY2024
- 6 Months Ended 3/31/2026 increased 18.2%

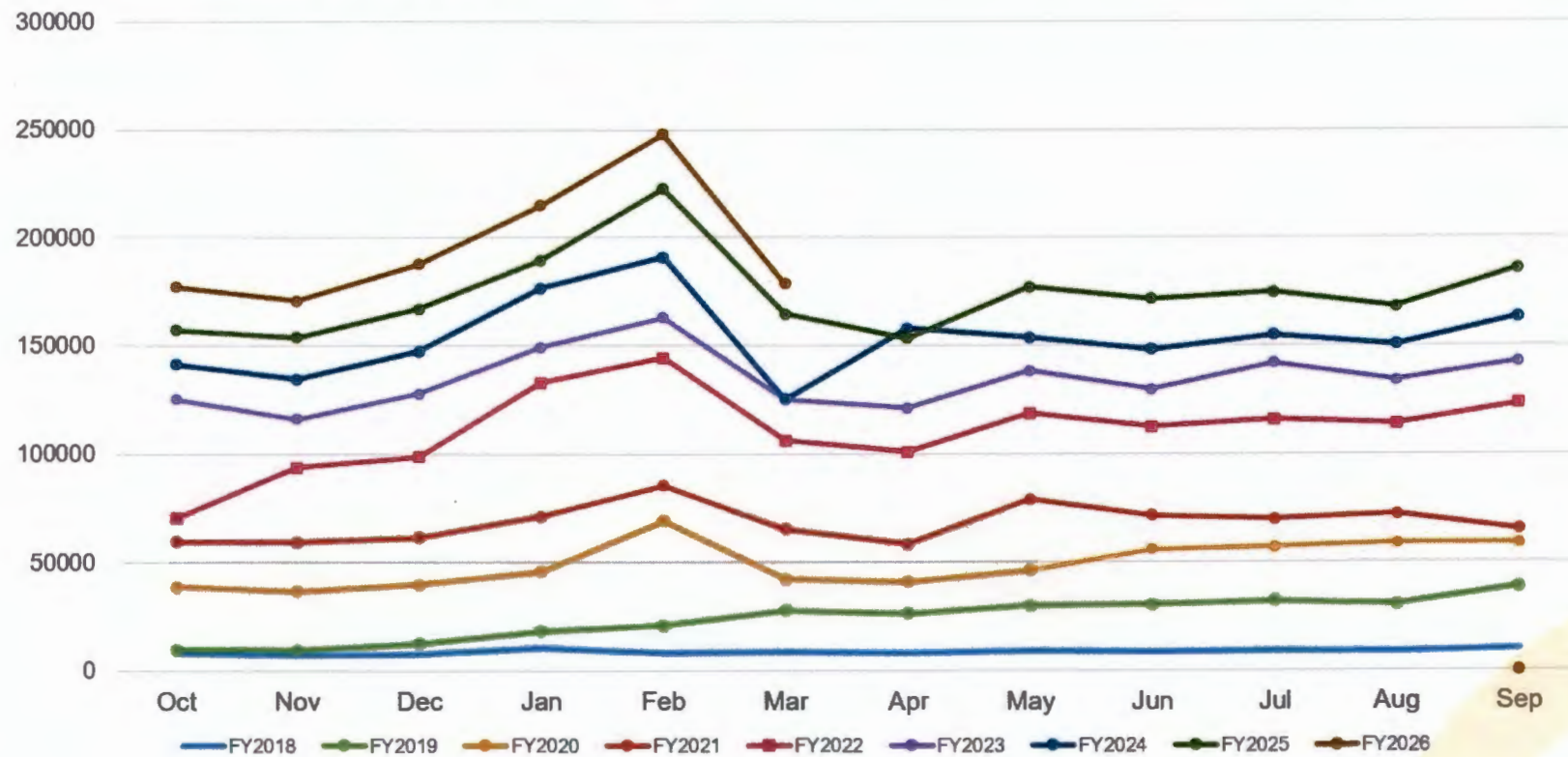
Revenues



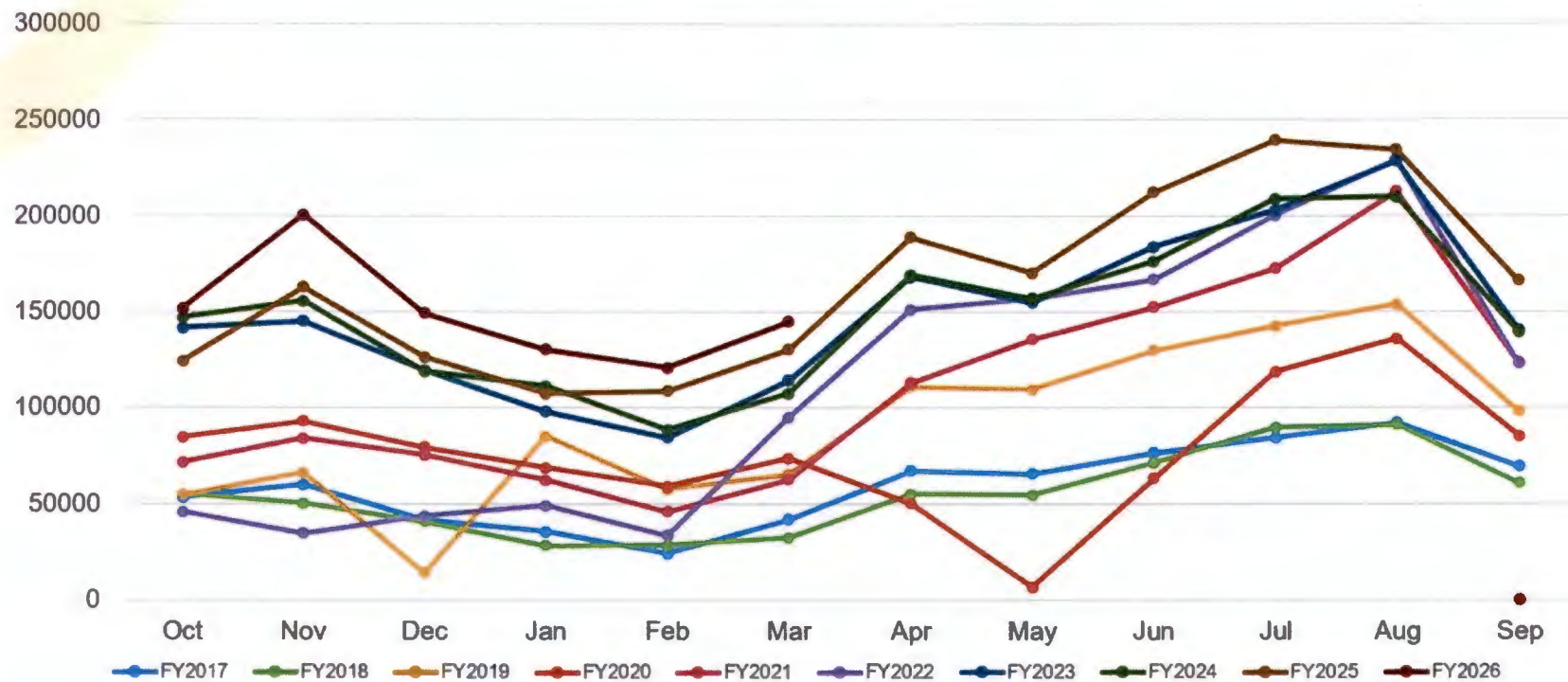
Sales Tax Revenue



Simplified Seller Use Tax



Lodging Tax



Revenues

General Fund	6 Months Ended 3/31/2025	6 Months Ended 3/31/2026	FY2026 Budget	Percent Remaining
Property Taxes	11,116,331	10,396,583	11,950,707	7.00%
Local Taxes	7,984,611	7,671,446	19,094,104	58.20%
Licenses and Permits	5,079,361	4,546,777	6,389,602	20.50%
Court Revenue	70,874	110,723	210,000	66.30%
Inter-Governmental	138,467	154,418	380,231	63.60%
Interest and Rents	602,382	667,086	997,656	39.60%
Adult Recreation	19,849	16,685	32,300	38.50%
Recreation	309,034	309,034	604,360	53.90%
Fairhope Docks	278,911	224,584	881,852	73.80%
Golf	715,416	709,118	1,417,900	49.50%
Other	3,213,814	8,582,850	15,040,882	42.90%
<u>Total</u>	<u>28,020,268</u>	<u>34,819,799</u>	<u>56,999,594</u>	<u>38.90%</u>



General Fund Revenue & Expenditures

	6 Months Ended 3/31/2025	6 Months Ended 3/31/2026	FY2026 Budget	Percent Remaining
Revenues	28,020,268	34,819,799	56,999,594	38.90%
Expenses	<u>20,942,628</u>	<u>25,775,639</u>	<u>56,999,594</u>	54.70%
Excess Revenue over Expenses	6,967,609	9,044,160	0	



General Fund Expenses

Department	6 Months Ended 3/31/2025	6 Months Ended 3/31/2026	FY2026 Budget	Percent Remaining
General Government	1,656,407	1,716,571	3,485,056	50.70%
Elected Officials	132,196	168,915	331,789	49.10%
Planning	582,919	573,180	1,623,534	64.70%
Building	609,366	565,243	1,359,877	58.40%
Judicial	152,042	169,009	337,486	49.90%
Police	4,210,763	4,651,484	10,362,084	55.10%
Information Technology	615,270	721,447	1,650,951	56.30%
Human Resources	253,281	290,889	724,955	59.90%
Revenue	425,201	450,274	959,796	53.10%
Meter	326,179	330,215	731,719	54.90%
Fire	428,692	476,748	3,829,032	87.50%
Economic & Community Development	411,127	436,618	1,176,634	62.90%
Recreation	3,012,757	2,037,311	6,658,785	69.40%



General Fund Expenses

Department	6 Months Ended 3/31/2025	6 Months Ended 3/31/2026	FY2026 Budget	Percent Remaining
Civic Center	148,075	155,874	531,753	70.70%
Museum/Welcome Center	95,876	149,527	753,913	80.20%
Adult Recreation/Special Service	337,837	231,747	995,940	76.70%
Marina/Harbor	212,959	440,228	1,753,842	74.90%
Streets Department	4,444,573	3,816,634	8,483,569	55.00%
Fleet Maintenance	722,365	543,043	1,189,613	54.40%
Golf Department	925,481	1,048,216	2,640,530	60.30%
Non-Departmental Facilities	140,699	136,781	816,830	83.30%
Staff Agencies & Appropriation	744,600	707,245	1,494,251	52.70%
Other Expenditures	500,000	325,000	5,007,655	93.50%
Airport Grants	<u>-146,697</u>	<u>5,633,440</u>	<u>100,000</u>	<u>-5533.4%</u>
<u>Totals</u>	<u>20,941,968</u>	<u>25,775,639</u>	<u>56,999,594</u>	<u>54.80%</u>



General Fund Capital

Capital	6 Months Ended 3/31/2025	6 Months Ended 3/31/2026	FY2026 Budget	Percent Remaining
Vehicles & Equipment	843,690	562,427	4,716,812	88.10%
Capital Improvements	1,380,958	670,128	5,555,471	87.90%



General Fund's Salaries

	6 Months Ended 3/31/2025	6 Months Ended 3/31/2026	FY2026 Budget	Percent Remaining
General Govt Administration	688,137	730,169	1,579,599	53.80%
Elected Officials	65,638	69,078	164,200	57.90%
Planning	285,484	335,770	837,067	59.90%
Building	310,253	313,311	747,622	58.10%
Judicial	105,345	109,177	231,668	52.90%
Police	2,441,703	2,472,170	5,453,998	54.60%
Information Technology	186,581	193,856	462,987	58.10%
Human Resources	155,081	170,621	380,820	55.20%
Revenue	282,435	288,930	644,353	55.20%
Meter	205,144	202,293	461,369	56.20%
Fire	121,213	127,903	273,816	53.30%



General Fund's Salaries

	6 Months Ended 3/31/2025	6 Months Ended 3/31/2026	FY2026 Budget	Percent Remaining
Economic & Community Development	81,415	121,648	277,644	56.20%
Recreation	666,751	742,059	2,155,439	65.60%
Civic Center	85,469	86,853	188,708	54.00%
Museum/Welcome Center	55,408	55,473	125,852	55.90%
Adult Recreation	105,818	115,497	261,632	55.90%
Marina/Harbor	71,663	72,613	164,802	55.90%
Street	1,564,145	1,626,137	3,597,546	54.80%
Fleet Maintenance	266,673	272,719	662,883	58.90%
Golf Clubhouse	202,739	218,304	566,026	61.40%
Golf Grounds	211,560	219,383	562,771	61.00%
<u>Totals</u>	<u>8,158,655</u>	<u>8,543,963</u>	<u>19,800,802</u>	<u>56.90%</u>



Utilities





Natural Gas

	6 Months Ended 3/31/2025	6 Months Ended 3/31/2026	FY2026 Budget	Percent Remaining
Revenues	5,980,861	6,417,023	16,436,227	61.00%
Expenses	<u>4,590,315</u>	<u>8,212,988</u>	16,986,227	51.60%
Net Income	1,390,546	(1,795,965)		

⚙ Note: FY2026 Budget includes \$6,467,877 in Revenue Rollover for Capital Projects

Capital	6 Months Ended 3/31/2025	6 Months Ended 3/31/2026	FY2026 Budget	Percent Remaining
Vehicles & Equipment	192,208	0	47,500	100.00%
Capital System Improvements	67,729	3,329,677	7,618,140	56.30%



Electric

	6 Months Ended 3/31/2025	6 Months Ended 3/31/2026	FY2026 Budget	Percent Remaining
Revenues	10,326,963	9,931,601	30,442,065	67.40%
Expenses	<u>9,410,115</u>	<u>10,497,845</u>	31,542,065	66.70%
Net Income	916,848	(566,244)		

⚙️ Note: FY2026 Budget includes \$6,140,890 in Revenue Rollover for Capital Projects

Capital	6 Months Ended 3/31/2025	6 Months Ended 3/31/2026	FY2026 Budget	Percent Remaining
Vehicles & Equipment	762,604	270,753	687,765	60.60%
Capital System Improvements	255,864	1,467,771	6,886,675	78.70%





Water



	6 Months Ended 3/31/2025	6 Months Ended 3/31/2026	FY2026 Budget	Percent Remaining
Revenues	5,768,176	6,554,295	37,375,280	82.50%
Expenses	<u>6,031,389</u>	<u>7,577,061</u>	38,475,280	80.30%
Net Income	(263,213)	(1,022,766)		

☀ Note: FY2026 Budget Revenue includes loan proceeds of \$25,486,280 for Capital Projects

Capital	6 Months Ended 3/31/2025	6 Months Ended 3/31/2026	FY2026 Budget	Percent Remaining
Vehicles & Equipment	580,959	18,183	352,000	94.80%
System Improvements - Water Wells	1,368,996	753,030	11,765,000	93.60%
Capital System Improvements	279,304	2,124,223	15,070,000	85.90%

Wastewater

	6 Months Ended 3/31/2025	6 Months Ended 3/31/2026	FY2026 Budget	Percent Remaining
Revenues	5,129,986	5,208,897	32,803,423	84.10%
Expenses	<u>5,058,536</u>	<u>7,094,102</u>	33,903,423	79.10%
Net Income	71,450	1,885,205		

☀ Note: FY2026 Budgeted Revenue includes loan proceeds of \$22,575,423 for Capital Projects

Capital	6 Months Ended 3/31/2025	6 Months Ended 3/31/2026	FY2026 Budget	Percent Remaining
Vehicles & Equipment	135,494	144,558	515,999	72.00%
System Improvements- Collection	1,095,167	3,125,932	17,094,558	81.70%
System Improvements- Lift Stations	244,114	394,455	5,072,000	92.20%





Sanitation

	6 Months Ended 3/31/2025	6 Months Ended 3/31/2026	FY2026 Budget	Percent Remaining
Revenues	2,167,338	2,209,374	4,902,015	54.90%
Expenses	<u>1,930,900</u>	<u>2,503,941</u>	5,252,015	52.30%
Net Income	236,438	(294,567)		

☀ Note: FY2026 Revenue includes rate increases from \$23.00 to \$25.00 per month

Capital	6 Months Ended 3/31/2025	6 Months Ended 3/31/2026	FY2026 Budget	Percent Remaining
Vehicles & Equipment	17,361	450,332	883,511	49.90%
Capital Improvements	0	0	165,000	100.00%



Utility's Salaries

	6 Months Ended 3/31/2025	6 Months Ended 3/31/2026	FY2026 Budget	Percent Remaining
Natural Gas	729,002	725,362	1,740,495	58.30%
Electric	898,327	949,019	2,336,306	59.40%
Water	756,698	942,014	1,942,920	51.50%
Wastewater	596,868	780,851	1,750,095	55.40%
Sanitation	697,451	761,789	1,565,042	51.30%

