



**PHENIX CITY**

*Alabama*

# **2019 STATE OF THE CITY ADDRESS**

January 17, 2019 • 6 p.m., EST

Martin-Idle Hour Park Comm. Center





## 2016-2020 City Council & Administration



**Eddie N. Lowe**  
Mayor



**Dr. R. Griff Gordy**  
At Large



**Steve Bailey**  
District 1



**Vickey Carter Johnson**  
District 2



**Arthur L. Day, Jr.**  
Mayor Pro Tem / District 3



**Wallace B. Hunter**  
City Manager



**Melony Lee**  
City Clerk



# Department Heads

|                             |                              |                                     |                         |
|-----------------------------|------------------------------|-------------------------------------|-------------------------|
| Building Department:        | <i>Gil Griffith</i>          | Information Technology:             | <i>Mike Bauer</i>       |
| Economic Development:       | <i>Shaun Culligan</i>        | Library:                            | <i>Michele Kilday</i>   |
| Engineering & Public Works: | <i>Angel Moore</i>           | Municipal Court:                    | <i>Ruby White</i>       |
| Finance:                    | <i>Labrita King Copeland</i> | Parks & Recreation/Golf:            | <i>Todd Hughes</i>      |
| Fire / Rescue:              | <i>Kristin Kennedy</i>       | Police Department:                  | <i>Raymond J. Smith</i> |
| Human Resources:            | <i>Stephanie Chastain</i>    | Utilities / Assistant City Manager: | <i>Stephen C. Smith</i> |



# Legal Appointments

## **Municipal Court Judges**

Honorable Judge Greg Waldrep

Honorable Judge F. Patrick Loftin

## **City Attorneys**

James P. Graham

Jim McKoon

Chan Gamble



# Financial Statement

## General Fund Balance Sheet: December 31, 2014 – December 31, 2018

|                            | 12/31/2014          | 12/31/2015          | 12/31/2016         | 12/31/2017          | 12/31/2018          |
|----------------------------|---------------------|---------------------|--------------------|---------------------|---------------------|
| <b>ASSETS</b>              |                     |                     |                    |                     |                     |
| Cash & Cash Equivalents    | \$8,061,137         | \$8,464,514         | \$5,297,079        | \$10,965,917        | \$10,344,424        |
| <b>Receivables:</b>        |                     |                     |                    |                     |                     |
| Accounts Receivable        | \$47,299            | \$78,850            | \$107,813          | \$594,376           | \$557,676           |
| Due from Other Funds       | \$177,587           | \$176,707           | \$215,568          | \$558,138           | \$875,234           |
| Due from Other Governments | \$1,943             | \$19,059            | \$39,891           | \$25,720            | \$8,143             |
| Taxes Receivable           | \$1,740,359         | \$1,925,932         | \$2,010,344        | \$1,863,828         | \$2,021,250         |
| Inventory                  | \$124,233           | \$86,028            | \$164,061          | \$107,569           | \$95,938            |
| Prepaid Expenses           | \$247,322           | \$262,711           | \$288,705          | \$311,269           | \$298,838           |
| <b>TOTAL ASSETS</b>        | <b>\$10,399,881</b> | <b>\$11,013,800</b> | <b>\$8,123,461</b> | <b>\$14,426,817</b> | <b>\$14,201,504</b> |



# Financial Statement

## General Fund Balance Sheet: December 31, 2014 – December 31, 2018

| ...cont'd                              | 12/31/2014         | 12/31/2015         | 12/31/2016         | 12/31/2017         | 12/31/2018         |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>LIABILITIES &amp; FUND BALANCES</b> |                    |                    |                    |                    |                    |
| <b>Liabilities:</b>                    |                    |                    |                    |                    |                    |
| Accounts Payable                       | \$66,991           | \$207,802          | \$550,583          | \$633,701          | \$28,227           |
| Accrued Expenses                       | \$739,653          | \$766,801          | \$900,507          | \$372,542          | \$330,988          |
| Due to Other Funds                     | \$64,665           | \$136,696          | \$253,620          | \$208,612          | \$384,429          |
| Funds Held in Trust                    | \$130,398          | \$90,362           | \$93,168           | \$67,916           | \$71,161           |
| Due to Other Governments               | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               |
| Deferred Revenue                       | \$354,442          | \$565,722          | \$541,364          | \$307,955          | \$411,721          |
| <b>TOTAL LIABILITIES</b>               | <b>\$1,356,150</b> | <b>\$1,767,384</b> | <b>\$2,339,243</b> | <b>\$1,620,726</b> | <b>\$1,226,526</b> |



# Financial Statement

## General Fund Balance Sheet: December 31, 2014 – December 31, 2018

| <i>...cont'd</i>                             | 12/31/2014          | 12/31/2015          | 12/31/2016         | 12/31/2017          | 12/31/2018          |
|--|---------------------|---------------------|--------------------|---------------------|---------------------|
| Reserved                                     | \$519,575           | \$515,075           | \$522,575          | \$519,575           | \$519,575           |
| Unreserved                                   | \$8,524,156         | \$8,731,341         | \$5,261,644        | \$10,746,072        | \$12,455,403        |
| <b>TOTAL FUND BALANCES</b>                   | <b>\$9,043,731</b>  | <b>\$9,246,416</b>  | <b>\$5,784,218</b> | <b>\$12,806,091</b> | <b>\$12,974,978</b> |
| <b>TOTAL LIABILITIES &amp; FUND BALANCES</b> | <b>\$10,399,881</b> | <b>\$11,013,800</b> | <b>\$8,123,461</b> | <b>\$14,426,817</b> | <b>\$14,201,504</b> |

|                        | 12/31/2014   | 12/31/2015   | 12/31/2016   | 12/31/2017   | 12/31/2018   |
|------------------------|--------------|--------------|--------------|--------------|--------------|
| ANNUAL BUDGET          | \$34,478,799 | \$37,429,426 | \$37,781,681 | \$37,363,622 | \$37,650,929 |
| OPERATING DAYS RESERVE | 110          | 107          | 78           | 141          | 125          |



# Financial Statement

## Debt Service Stress Test Total Debt Service 2014-2018

|  | 2014                | 2015                | 2016                | 2017                | 2018                |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Beginning Cash on Hand<br>(Debt Service Reserve) | \$6,043,468         | \$6,356,455         | \$6,848,308         | \$6,958,983         | \$6,374,878         |
| 7 Mil Property Tax                               | \$1,940,210         | \$1,990,518         | \$2,148,934         | \$2,146,350         | \$2,116,645         |
| 9% Lodging Tax                                   | \$641,471           | \$903,126           | \$972,840           | \$1,106,867         | \$1,018,326         |
| Sales Tax  | \$1,850,000         | \$1,791,550         | \$1,750,000         | \$1,619,000         | \$1,247,550         |
| Business Licenses (Residential Renters)          | \$430,684           | \$432,201           | \$433,395           | \$696,423           | \$413,187           |
| 3 & 4 Mil Tax                                    | \$2,093,174         | \$2,130,648         | \$2,225,800         | \$2,300,000         | \$2,281,458         |
| Utility Revenues                                 | \$3,213,367         | \$3,807,856         | \$3,555,801         | \$3,554,908         | \$3,827,754         |
| Net Operating Income                             | \$107,453           | \$91,698            | \$153,463           | \$260,326           | \$711,136           |
| <b>TOTAL</b>                                     | <b>\$16,321,841</b> | <b>\$17,506,067</b> | <b>\$18,090,557</b> | <b>\$18,642,857</b> | <b>\$17,990,934</b> |





# Financial Statement

## Debt Service Stress Test Total Debt Service 2014-2018

|   | 2014           | 2015           | 2016           | 2017           | 2018           |
|---|----------------|----------------|----------------|----------------|----------------|
| Net General Debt  | \$64,388,104   | \$64,590,632   | \$62,219,632   | \$60,725,000   | \$68,124,408   |
| Self-Supporting Debt  | \$103,746,896  | \$102,959,368  | \$90,891,003   | \$93,835,635   | \$87,665,592   |
| Total General Debt  | \$168,135,000  | \$167,550,000  | \$153,110,635  | \$154,560,635  | \$154,560,635  |
| Annual Debt Service   | \$11,480,188   | \$10,087,721   | \$11,594,361   | \$11,707,986   | \$11,678,120   |
| <b>COVERAGE RATIO</b>   | <b>142.16%</b> | <b>173.52%</b> | <b>156.01%</b> | <b>159.23%</b> | <b>154.06%</b> |
|   |                |                |                |                |                |
| Should Interest Rates Increase to 6% - Annual Debt Service Would Be | \$14,900,600   | \$14,548,000   | \$14,236,638   | \$13,203,638   | \$12,998,638   |
|   |                |                |                |                |                |
| <b>STRESS TEST COVERAGE RATIO</b>                                   | <b>109.52%</b> | <b>120.32%</b> | <b>127.06%</b> | <b>141.19%</b> | <b>128.52%</b> |



# Credit Rating

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# S&P Global

The City of Phenix City continues to maintain its "AA-/Stable" Credit Rating as rated by Standard & Poor's, September, 2018.



# Credit Rating

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## S&P Global

Standard and Poor's credit rating assessment points:

- Strong management, with good financial policies and practices
- Very strong budgetary flexibility
- Very strong liquidity, with total government available cash at 24.2% of total governmental fund expenditures
- Overall, the city's market value grew by 3.3% over the past year to \$1.6 billion in 2017
- A higher rating would likely follow a significant expansion of the economic base



# MPO & ATRIP Projects

## MPO Projects

| PROJECT   | DESCRIPTION   | TOTAL ESTIMATED COST |                |                | STATUS                  |
|---|---|----------------------|----------------|----------------|-------------------------|
|   |   | CITY COST            | FEDERAL COST   | TOTAL COST     |                         |
| STPPC-5713 () Reference No. 100060115 & 100060116 | 5th Street South Resurfacing and Improvements from Seale Road to US 431 | \$324,843.40         | \$1,163,865.60 | \$1,488,709    | Under Construction      |
| STPPC-5714 () Reference No. 100063080 & 100063082 | Resurface Brickyard Road from Dillingham Street to State Docks Road     | \$280,583.04         | \$1,122,332.16 | \$1,402,915.20 | Preliminary Engineering |
| STPPC-5714 () Reference No. 100063085 & 100063086 | Resurface Brickyard Road from State Docks Road to City Limits           | \$98,400             | \$393,600.00   | \$492,000      | Preliminary Engineering |
| STPPC-5714 () Reference No. 100063087 & 100063088 | Resurface South Railroad Street from Beginning to Stadium Drive         | \$212,550            | \$850,200.00   | \$1,062,750    | Preliminary Engineering |
| STPPC-5714 () Reference No. 100063089 & 100063090 | Resurface South Railroad Street from Stadium Drive to Summerville Road  | \$173,000            | \$692,000.00   | \$865,000      | Preliminary Engineering |
| STPPC-4117 () Reference No. 100067423 & 100067424 | Resurface Melanie Lane from Summerville Road to Riverchase Drive        | \$85,000             | \$340,000      | \$425,000      | Upcoming                |
| <i>...cont'd</i>                                  |   |                      |                |                |                         |



# MPO & ATRIP Projects

## MPO Projects

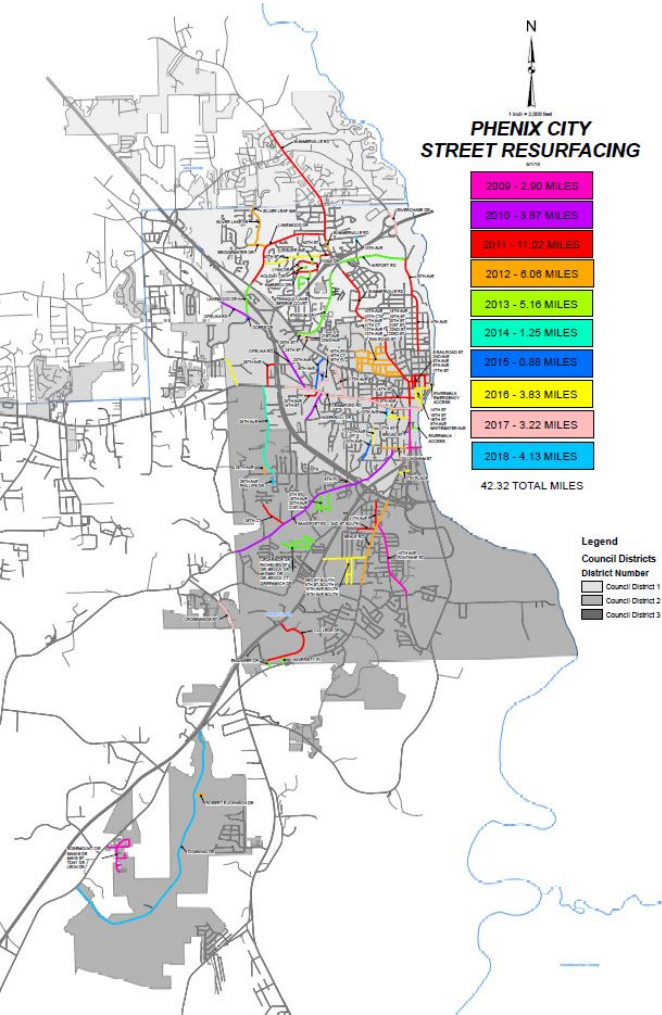
| ...cont'd  |  |                       |                       |                       |          |
|--|--|-----------------------|-----------------------|-----------------------|----------|
| PROJECT  | DESCRIPTION  | TOTAL ESTIMATED COST  |                       |                       | STATUS   |
|  |  | CITY COST             | FEDERAL COST          | TOTAL COST            |          |
| STPPC-5717 ( ) Reference No. 100067443 & 100067444             | Resurface Seale Road from US Hwy 431 to bridge at US Hwy 280 | \$85,000              | \$265,680             | \$332,100             | Upcoming |
| STPPC-5717 ( ) Reference No. 100067445 & 100067446             | Resurface 16th Ave from US Hwy 280 to 13th Place             | \$106,000             | \$424,000             | \$530,000             | Upcoming |
| STPPC-5717 ( ) Reference No. 100067447 & 100067448 & 100067449 | Seale Road Bridge Replacement                                | \$104,000             | \$416,000             | \$520,000             | Upcoming |
| <b>TOTAL</b>   |  | <b>\$1,450,796.44</b> | <b>\$5,667,677.76</b> | <b>\$7,118,474.20</b> |          |



# MPO & ATRIP Projects

## ATRIP Projects

| PROJECT   | DESCRIPTION   | TOTAL ESTIMATED COST |                       |                    | STATUS          |
|---|---|----------------------|-----------------------|--------------------|-----------------|
|   |   | CITY COST            | FEDERAL COST          | TOTAL COST         |                 |
| Opelika Road Bridge Replacement / Cutrate Road Improvements | Replace Bridge over Mill Creek on Opelika Road. Remove Bridge on Cutrate Road and realign intersection. | \$143,508.40         | \$1,291,575.60        | \$1,435,084        | ROW Acquisition |
| <b>TOTAL</b>  |   | <b>\$143,508.40</b>  | <b>\$1,291,575.60</b> | <b>\$1,435,084</b> |                 |



# City Infrastructure Projects

Local Street Resurfacing

**2015-2018**

**Total Miles: 12.06**

**Total Cost: \$1,985,142.02**



# City Infrastructure Projects

## Completed Engineering / Public Works Projects

| No.                | PROJECT DESCRIPTION  | STATUS   | COST                |
|--------------------|--|----------|---------------------|
| 1                  | St. Andrews Drainage Pipe Replacment                       | Complete | \$239,521.30        |
| 2                  | Phase I - ADA Ramp Improvements (39 Ramps Installed)       | Complete | \$58,902.75         |
| 3                  | Lakewood Emergency Slope Repair                            | Complete | \$33,631.47         |
| 4                  | Brickyard Road Pipe Replacement (608 Linear Feet Replaced) | Complete | \$147,955.79        |
| 5                  | Idle Hour Park Emergency Drainage Repair                   | Complete | \$29,026.65         |
| <b>TOTAL COST:</b> |  |          | <b>\$509,037.96</b> |

## Upcoming Engineering / Public Works Projects

| No. | PROJECT DESCRIPTION                                       | STATUS                  |
|-----|---|-------------------------|
| 1   | Brickyard Road Pipe Replacement (224 Linear Feet of Pipe) | Under Construction      |
| 2   | Phase II - ADA Ramp Improvements                          | Under Construction      |
| 3   | Landfill Expansion  | Preliminary Engineering |
| 4   | Saddlebrook Subdivision Drainage Improvements             | Under Construction      |
| 5   | Hickory Heights Subdivision                               | Preliminary Engineering |
| 6   | St. Andrews Storm Pipe Replacement                        | Preliminary Engineering |





# City Infrastructure Projects

## Utilities – Capital Projects

| No.                | PROJECT DESCRIPTION  | STATUS      | COST               |
|--------------------|--|-------------|--------------------|
| 1                  | Riverchase Drive Force Main  | Complete    | \$506,000          |
| 2                  | Riverwalk Trailhead Bathroom   | Complete    | \$5,900            |
| 3                  | Summerville Road Water Pressure Project                              | Complete    | \$89,900           |
| 4                  | Water Filtration Plant SCADA Upgrade                                 | Complete    | \$39,000           |
| 5                  | Raw Water Pump Replacement   | Complete    | \$52,500           |
| 6                  | Industrial Park LS SCADA Installation                                | Complete    | \$16,400           |
| 7                  | Spencer Recreation Center Splash Pad Water Line & Meter Installation | Complete    | \$3,400            |
| 8                  | 26th Street & 5th Avenue Water Main Project                          | In Progress | \$6,700            |
| 9                  | Stormwater Infiltration Reduction & Collection System Improvements   | In Progress | \$150,000          |
| 10                 | Brandywine PS SCADA Upgrade  | In Progress | \$10,000           |
| 11                 | Oil / Grit Separators  | In Progress | \$1,000            |
| 12                 | Digester 3 Rehabilitation  | In Progress | \$1,204,000        |
| 13                 | Lee Road 236 (Auburn Road) Sanitary Relocation                       | In Review   |                    |
| <b>TOTAL COST:</b> |  |             | <b>\$2,084,800</b> |



# Proposed Utility Rate Changes

## Current / Approved Water Rates

| GALLONS   | CURRENT RATES | APPROVED FOR APRIL 1, 2019 | INCREASE |
|-----------|---------------|----------------------------|----------|
| 3,000     | \$3.95        | \$4.18                     | 5.82%    |
| 12,000    | \$3.77        | \$3.99                     | 5.84%    |
| 35,000    | \$3.46        | \$3.66                     | 5.78%    |
| 100,000   | \$2.96        | \$3.13                     | 5.74%    |
| 350,000   | \$2.67        | \$2.83                     | 5.99%    |
| 500,000   | \$2.54        | \$2.68                     | 5.51%    |
| 1,000,000 | \$2.38        | \$2.52                     | 5.88%    |

Rates are per 1,000 gallons

## Proposed Water Rates

| GALLONS | PROPOSED RESIDENTIAL / COMMERCIAL RATES | PROPOSED INDUSTRIAL RATES | PROPOSED WHOLESALE RATES |
|---------|---|---------------------------|--------------------------|
| 0-3,000 | \$4.18                                  | \$4.18                    | \$4.18                   |
| 3,001+  | \$3.99                                  | \$2.67                    | \$2.27                   |

Rates are per 1,000 gallons

- The typical residential customer will not be affected by the proposed rates, as they do not differ from the April 1, 2019 approved rates
- Only customers who use more than 15,000 gallons per month will notice an increase
- These changes are being proposed due to the environmental guidelines that are being mandated by the state



# Utility Rate Comparisons

## Water

| WATER              | PHENIX CITY | AUBURN  | SMITHS  | COLUMBUS |
|--------------------|-------------|---------|---------|----------|
| Minimum            | \$12.54     | \$15.75 | \$19.75 | \$14.60  |
| 5,000 Gallon Usage | \$20.52     | \$24.09 | \$34.00 | \$19.32  |
| Percent Comparison |             | 117.40% | 165.69% | 94.15%   |

## Sewer

| SEWER              | PHENIX CITY | AUBURN  | SMITHS  | COLUMBUS |
|--------------------|-------------|---------|---------|----------|
| Minimum            | \$12.75     | \$14.81 | \$16.96 | \$18.00  |
| 5,000 Gallon Usage | \$21.25     | \$24.70 | \$37.08 | \$27.14  |
| Percent Comparison |             | 116.24% | 174.49% | 127.72%  |

## Combined Water & Sewer

| WATER & SEWER      | PHENIX CITY | AUBURN  | SMITHS  | COLUMBUS |
|--------------------|-------------|---------|---------|----------|
| Minimum            | \$25.29     | \$30.56 | \$36.71 | \$32.60  |
| 5,000 Gallon Usage | \$41.77     | \$48.79 | \$71.08 | \$46.46  |
| Percent Comparison |             | 116.81% | 170.17% | 111.23%  |



# City Infrastructure Projects

## UTILITIES

### US 280 Water Crossing



# City Infrastructure Projects

## UTILITIES

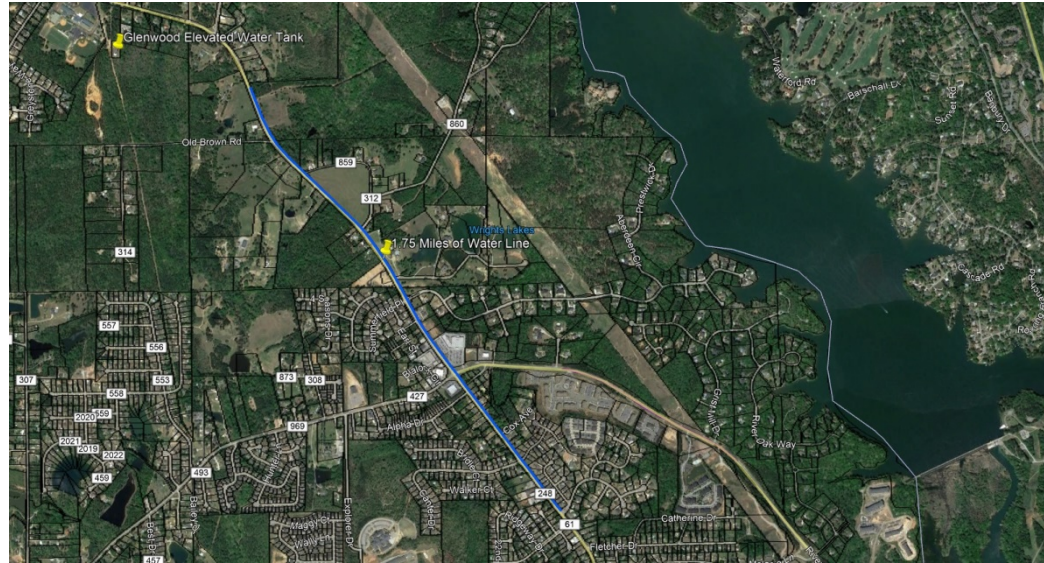
### Summerville Road Sanitary Extension



# City Infrastructure Projects

## UTILITIES

### Summerville Road Water Extension





# City Infrastructure Projects

## UTILITIES

### 26<sup>th</sup> Street Water Main Replacement



# City Infrastructure Projects

## UTILITIES

### Sanitary Main Replacement *Between 6<sup>th</sup> & 7<sup>th</sup> Avenues*







# City Infrastructure Projects

## UTILITIES

### Water & Sanitary Relocation

*Opelika Rd. & Cutrate Rd.*





# City Infrastructure Projects

## UTILITIES

### Wastewater Treatment Plant Digester 3 Rehabilitation



## Wastewater Treatment Plant Digester 3 Rehabilitation



### Wastewater Collection System Improvements



# Commercial Development

## Phenix City Retail Project Update

### Villages at Crosswinds

A 22-acre development at the corner of HWY 431S and HWY 165. This is a 40,000-square-foot, grocery-anchored (Renfro's Market) center with additional inline retail, multiple outparcels, and a hotel site.



727.520.8181  
www.aerophoto.com

Crosswinds at Phenix City

Image # 06  
Date 01.05.19

# Commercial Development

## Phenix City Retail Project Update

### Crawford Crossing

Redevelopment of an existing shopping center at the most trafficked corner in the city.

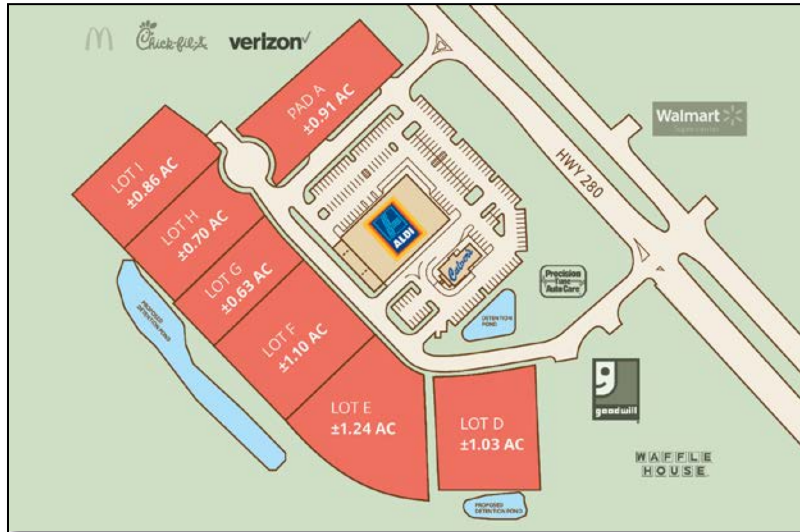


# Commercial Development

## Phenix City Retail Project Update

### Halpern Enterprises Site #2

A proposed 19-acre site on HWY 280N to be developed with multiple national retailers. ALDI grocery store and Culver's restaurant are the first two to join the development.



# Commercial Development

## Phenix City Retail Project

### Highway 80 Development

A proposed 14-acre site on HWY 80 to be developed with multiple national retailers, office space, and other service amenities.





# Commercial Development

## Phenix City Retail Project Update

Coming Soon



### Halpern Enterprises Site #1

Redevelopment of an existing shopping center. Added Aspen Dental, T-Mobile, and Moe's Southwest Grill to the center.





# Industrial Development

2018 Activity

| Year Granted | Company               | NAICS Code | New or Expanding | Jobs | Investment     |
|--------------|-----------------------|------------|------------------|------|----------------|
| 2018         | Vectorply Corporation | 313210     | Expanding        | 48   | \$15,200,000** |
| 2018         | Johns Mansville       | 327210     | Expanding        | 0    | \$24,000,000** |
| 2018         | Logan Machine Works   | 332710     | Expanding        | 4    | \$575,000      |
| 2018         | The Game              | 423910     | Expanding        | 27   | \$400,000      |

**2018 Announced Industrial Project Total: \$40,175,000 and 79 jobs**

*\*\* Investment Amounts are based on the Company's good-faith projected investments at the start of each project and some job counts may be after a multi-year ramp-up period.*



# Community Enhancements

Completed & Upcoming Community Enhancements

## Meadowlane Park Splash Pad

*Completed 2018*





# Community Enhancements

## Completed & Upcoming Community Enhancements

### **2019 Cal Ripken 10 y/o World Series** *Coming 2019*

The Babe Ruth League has chosen Phenix City to host the country's top teams at the Idle Hour Sports Complex for the 2019 Cal Ripken World Series in August.





# Citizen Responsibility

## Stay Informed

Attend Public Meetings

Visit our city website & like our Facebook page!

Always remember to contact your City Council representative when needed. They are your best resource.

