

COLONY MAKES REPORT OF 1955 ACTIVITIES

FINANCIAL STATEMENT 1955

RECEIPTS

Rent	\$ 79,695.58
Penalty	644.12
Lease Fees	103.00
Oil Lease	3,710.00
Miscellaneous Sales	315.00
Bond Redemption	3,000.00
Corporation Interest	232.50
Library Interest	93.00
Membership Fees	180.00
Lease Bonus	50.00
Tax Refunds	203.67
Miscellaneous	85.50
	\$ 88,332.37

Cash on Hand,
January 1, 1955 17,758.24

\$106,090.61

DISBURSEMENTS

Taxes Paid for Lessees:	
General Property	\$ 35,259.43
Car and Truck	3,303.58
Poll Taxes	77.03
Corporation Land and Property Taxes	6,089.52
City Business License	150.00
Income Taxes	849.50
Social Security Taxes	159.00
Salaries	9,321.00
Office Expenses	1,906.70
Lands and Highways	32,403.04
Library Maintenance	1,942.03
Library Interest	79.25
Cemetery Maintenance	400.00
Civic Contributions	393.00
Miscellaneous Refunds	185.42
Corporation Investments	3,000.00
Land Purchase	2,900.00
Office Equipment	1,217.84
Membership Redemption	50.00
Organic School	3,625.25
	\$103,311.59

Cash on Hand,
December 31, 1955 2,779.02

\$106,090.61

SECRETARY'S REPORT

Mr. President and Fellow Members: Happily this year your secretary can report another year of accelerated activity in the progress of our Colony. All departments with but one exception, show increased achievement. The exception was in our decreased ability to satisfy the demand for Colony land. Our failure there was due to an exhaustion of available supply. In this condition we have all known must be faced sooner or later. Unhappily there is little we can do to remedy that situation but you may be assured every reasonable measure will be taken to alleviate its effects.

We hope that our detailed reports of the various departments will be of interest not only to you and your members but also to our many non-member lessees and neighbors. New interest in the Colony and its operations is essential to its continued existence. We believe these reports carry convincing evidence of the Colony's value to the community and of its potential value to the fundamental purposes of society.

RENTS

Total rent charges for 1955 amounted to \$77,659.05. Rent

THE FAIRHOPE COURIER. FAIRHOPE, AL

MARCH 1, 1956

charges were distributed as follows: on urban municipal land, \$66,411.44; on non-municipal urban land \$2,679.03 and on rural or country land, \$8,568.58. All of the non-municipal urban land is in the Magnolia Beach section. Of the 96% rent accounts listed all but fifty had paid their 1955 rent charges in full before the end of the year. This good payment record of our lessees accounts for the \$79,695.58 of 1955 rent collections heading our financial statement.

As anticipated in our 1954 report rent charges for 1955 were only slightly more than for 1954. With the exception of only one minor sectional rate increase the street frontage rates on urban lands and acre rates on country lands from which rental charges are calculated were the same in 1955 as in 1954. Since no new lands were opened for lease during the year there was no increase from that source.

Rent charges for 1956 will be the same as for 1955 with the exception of increases on existing leaseholds on Fairhope and Ingleside Avenues now having additional street frontage on newly opened Johnson, Berglin and Call Streets. Another exception will be the increase resulting from a rate increase on Liberty and Pecan Street in the Magnolia Beach section as a result of the added benefit provided by the paving of those streets.

LAND TRANSACTIONS

APPLICATIONS — Due to the fact that as previously reported the Colony had exhausted its immediate supply of available land with which to satisfy an increasing number of applicants, only five new applications for land could be approved. This was probably the smallest number of approved land applications since the founding of the Colony in 1895. Four of the successful applicants started building immediately after securing possession and are now domiciled in their own comfortable homes. The remaining one hopes to build this year.

SURRENDERS — Only one surrender was received in 1955. After leasing the lot the lessee decided it was in a location not suited to the type of improvement he had planned.

FORFEITURES — Two leases were forfeited in 1955. One was for the more common cause, non-payment of rent. The other was a result of the lessee's violation of his agreement as set forth in the "Application for Land." In making the application for a lease the applicant declares: "I agree that I will neither ask nor accept a 'bonus' for the transfer of an unimproved leasehold and that the proved attempt to do so shall be cause for forfeiture of my lease to such unimproved land." These forfeitures made possible two of the approved applications herein reported.

TRANSFERS — Ninety-nine

transfers of leasehold interests were approved. Thirteen were interfamily or partnership transac-

tions to their legatees. In these no cash consideration was involved and no estimate made of the value. Reported considerations for the remaining eighty-six amounted to \$651,047.00.

Seventy-two of the transfers were urban properties on which there were building improvements, sixty-nine residences and three business buildings. There were six vacant city lots, partially improved. Eight were country leaseholds, though only two could be classed as farm property.

All of the residences built for sale were disposed of by the builders before the end of the year. These and new houses built by lessees will account for thirty-six new properties placed on the 1956 assessment roll.

LANDS AND HIGHWAYS

The major achievement in the Lands and Highways department was the completion of the streets in the Golf Course Subdivision. There, some 2200 feet of new streets have been provided. The quality of street improvement furnished is the highest the Colony has initially supplied. The twenty-four foot center strip of plant mix asphalt paving is flanked on either side by a two foot wide concrete curb retainer of the mountable-type. The mountable curb has the advantage of giving the lot developer full freedom in locating his entrance drive.

With a view to avoiding so far as possible, the cutting of the pavement sewer service connections extending from the main in the center of the road to a point free of the paving were installed prior to the paving of the streets. Water and gas mains are located between the curb and the property lines. Where house service lines for water and gas must cross the street it is anticipated that such service lines can be jacked or jetted under the pavement to the other side.

The opening of these streets has made available land with street frontage sufficient to provide thirty-seven lots of ample size for the presently popular ranch type house. There is good prospect of an active demand for the lots made available and at the rates fixed by the council the annual rental return should amount to nearly \$2,000.00.

Another such improvement was the paving of Liberty and Pecan Streets in the Magnolia Beach Section. The Liberty Street paving is complete with concrete curb and gutter extending from Pecan St. on the North to Fig St. on the South. Liberty St. formerly 1st Avenue, was originally platted by the Magnolia Beach Development Co., as a forty foot street but after the Colony acquired the land on either side from Pecan to Fig St., it increased the width of that section to sixty feet. This made it possible for the Colony to provide it with the same width of pave-

ment used on the Golf Course streets.

The Pecan Street paving extends from Church St. on the East to Pomelo St. on the West. On this street the Colony owns none of the land on the North side and only part of that on the South side and the right of way is only forty feet wide as originally platted. Because of the narrower right of way it was necessary to reduce the width of the asphalt paved strip to twenty feet. Also on Pecan St. the private owners were unwilling to pay the additional cost of concrete curbs except at the street intersections where it was required by the City as a condition to its approval of the project. As a result concrete curb and gutter is provided as a pavement retainer only where the street abuts land owned by the Colony.

A concrete sidewalk was provided by the Colony along the East side of Church Street South from De La Mare Street to the Junior High School playground. An additional paving improvement was the paving of the parking area on the north side of Fairhope Ave.,

in front of the fine new Boone-Huffman office building. All of these projects were completed and paid for during the year and account of the major part of the considerable increase in that department's expenditures as shown in the financial statement.

We did add to our land holdings in 1955. A five acre lot abutting the North line of our Block forty-five, Division four, on the West side of Blue Island Ave., was purchased from Mr. and Mrs. Donald B. Jones. None of this land will be available for development until Blue Island Ave. is opened to the North from Fairhope Ave. Another purchase was the Bell land on the West side of Church St. abutting on the North line of our Block five Division one. It has a frontage on Church St. of 209 feet, more or less and lies directly in front of a strip of land owned by the Colony to which it can be added. This land will require some correction of drainage before it can be brought to suitable use.

ASSESSED VALUATIONS

The County assessor's records show that the 1955 assessment val-

ues of the Colony and those who occupy its lands increased from a 1954 total of \$1,543,960 to a 1955 total of \$1,664,020, an increase of 7.78 per cent as compared with last year's 6.14 per cent increase. The assessment values for all of Baldwin County, exclusive of public utility values, increased from a 1954 total of \$25,248,260 to a 1955 total of \$27,372,800, an increase of 8.41 per cent.

In the City of Fairhope Colony assessment values increased from a 1954 total of \$1,372,380 to a 1955 total of \$1,481,360, an increase of 7.94 per cent. The assessed values for the entire City, exclusive of public utility assessed values increased from a 1954 to

\$2,479,770, an increase of 7.91 per cent. Of the \$181,790 increase in the City as a whole the Colony's increase accounted for \$108,980, 59.95 per cent.

We consider these figures to be of particular significance. Fairhope had its birth on Colony land. At the present time the Colony land occupies approximately one

fourth of the land within the municipal boundaries of the City of Fairhope. Although the Colony has been most generous in providing land from its small area for streets, parks and other public use the people of Fairhope have largely depended upon the Colony to supply them with land on which they might build their community of homes and business institutions.

Is it not significant that after sixty-one years the Colony, on its approximately one-fourth of the area should be supplying the City with about three-fifths of its property tax revenue? On the map of Baldwin County the Colony land appears as a very very small fraction of Baldwin's broad acres yet in 1955 the Colony accounted for almost one-sixteenth of the county's assessed values exclusive of public utilities.

INVESTMENTS

Our savings investments remained unchanged at a total of \$8,000.00. The United States "G" bonds reported last year to be maturing in 1955 were invested in saving certificates of the Baldwin County

Savings & Loan Association.

MEMBERSHIP

Three new members were added to our membership roll in 1955. M. O. Berglin was the first to be

enrolled and is now actively serving the Colony as its treasurer and superintendent of Finance and Insurance, having been elected to that position at the February election of officers. Another new member is Bruce Evans, Jr. who has been employed in our office as cashier and bookkeeper since July 1954. The third is Charles A. Kinney, a long time lessee and winter resident of Fairhope.

In May our former treasurer, Fred Chapin Jr., lost his long and valiant fight against physical ailments that had kept him bedridden for more than a year. Another loss, but one we have hopes

may not be permanent, was suffered when R. L. Rockwell and Mrs. Rockwell went to Costa Rica. Mr. Rockwell was a highly valued member of our Executive Council for many years and conducted Henry George study classes both in his home and at the Organic School. Happily his son R. Lucier Rockwell filled his position in both capacities.

COMMENTS

Rent collections continued to improve in 1955. The excess of current collections over current charges amounted to more than \$2,000.00.

While some of this excess must be charged to advance payments on rent most of it went to the reduction of lessees' delinquent rent accounts. Our good showing in the collection department reflects the generally favorable economic status of our lessees. An increasing number of these are employed in substantial industrial and commercial institutions. The regular pay checks enable them to pay their rent charges promptly. Another factor in promoting current payment of rent to the Colony is its present practice of making direct payment to the tax collector of the property tax obligations of those lessees who have paid their Colony rent in full before the end of the year.

The general property taxes of Colony lessees for which the Colony is liable, increased in 1955 by slightly more than \$2,000.00. The quality of the buildings now being built on Colony land is generally better and more expensive than were many of the earlier years, resulting in higher assessed valuations. Lessees' car and truck taxes, the receipts for which were allowed as rent credits or refunded to the lessee owners decreased some. This decrease was not due to any decrease in numbers but to the graduated decline in assessed values.

In 1955 the lessee to the oil and mineral rights on our country lands made his annual payment of \$3,710.00, maintaining his lease in force for another year, the fourth and the longest any such lease on Colony land has been maintained in force. The discovery of oil in the Pollard field accounted for the initiating of the present lease and now the discovery at Citronelle is probably responsible for continuing that interest.

In 1955 we made long needed alterations in the use of our office space and valuable additions to our office equipment. The partitions were removed to give us a single large office. This has made equally accessible to the public both the secretary's and the cashier's departments. Some additional improvements are yet needed to add to the office appearance as well as its utility and it is hoped that we will be in position to report further progress next year.

New desks and desk chairs were purchased for the secretary and cashier. The new desks are not only better suited to the needs but present a considerably more favorable appearance. An improvement in our Lessees' accounts system was effected by replacing the cumbersome looseleaf ledger with a ledger card and tray system. Adding greatly to the protection of our current records and leases was the purchase of a heavily insulated

filing cabinet. All current ledger accounts and case are kept in this cabinet for greater protection than does safe. Adding appreciably comfort of the office for those having business Colony was the installation of an air conditioner.

Confidence in the stability of our Colony and the security of our lessees is afforded by the and distribution of mortgages negotiated by our agents to mortgage were by the Executive Council. Baldwin County Savings Association secured the majority of the business but lessees also found favor with First Federal Savings & Association of Mobile, First National and the National Banks of Mobile and National Insurance as well as with a number of individuals and with the Administration.

For the year 1955 our officers are as follows: Dyson, Vice-President, Secretary, C. A. G. Gurner, M. O. Berglin, Supervisor of Highways, Marvin Supt. Public Service, R. Supt. Public Health, and Trustees, A. H. and O. Stimpson and Lillian