

City of Mobile, Alabama



CAFR

Comprehensive Annual Financial Report

Fiscal Year Ended September 30, 2020

William S. Stimpson, Mayor
Celia H. Sapp, Interim Executive Director of Finance
Rebecca B. Christian, Comptroller



TABLE OF CONTENTS

	PAGES
I. INTRODUCTORY SECTION	
Transmittal Letter	i – xi
GFOA Certificate of Achievement	xii
Organization Chart	xiii
List of Principal Officials	xiv
Map of City	xv
II. FINANCIAL SECTION	
Independent Auditor's Report	1 – 2
A. MANAGEMENT'S DISCUSSION AND ANALYSIS	3 – 20
B. BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Position	21
Statement of Activities	22 – 23
Fund Financial Statements	
Governmental Fund Financial Statements	
Balance Sheet	24
Reconciliation of the Balance Sheet to the Statement of Net Position	25
Statement of Revenues, Expenditures and Changes in Fund Balances	26
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	27
Proprietary Fund Financial Statements	
Statement of Net Position	28 – 29
Statement of Revenues, Expenses, and Changes in Net Position	30 – 31
Statement of Cash Flows	32 – 33
Component Units Financial Statements	
Statement of Net Position	34
Statement of Activities	35 – 36
Notes to the Financial Statements	37 – 101



C. REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN THE MD&A

General Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	102 – 104
General Fund - Notes to the Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	105
Schedule of Changes in the Net Pension Liability and Related Ratios – Employees’ Retirement System of Alabama	106
Schedule of Employer Contributions – Employees’ Retirement System of Alabama	107
Schedule of Changes in the Net Pension Liability and Related Ratios – Police and Firefighters Retirement Plan	108
Schedule of Employer Contributions – Police and Firefighters Retirement Plan	109
Schedule of Changes in the Net Pension Liability and Related Ratios – Transit Workers Pension Plan	110
Schedule of Employer Contributions – Transit Workers Pension Plan	111 – 112
Schedule of Changes in the Total OPEB Liability and Related Ratios	113

D. COMBINING FINANCIAL STATEMENTS

Combining Balance Sheet - Nonmajor Governmental Funds Summary by Fund Type	114
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Governmental Funds Summary by Fund Type	115
Nonmajor Capital Projects Funds	
Combining Balance Sheet	116 – 117
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	118 – 119
Nonmajor Debt Service Funds	
Combining Balance Sheet	120 – 121
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	122 – 123
Nonmajor Special Revenue Funds	
Combining Balance Sheet	124 – 125
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	126 – 127
Nonmajor Enterprise Funds	
Combining Statement of Net Position	128 – 129
Combining Statement of Revenues, Expenses, and Changes in Net Position	130 – 131
Combining Statement of Cash Flows	132 – 133



Internal Service Funds

Combining Statement of Net Position	134
Combining Statement of Revenues, Expenses and Changes in Net Position	135
Combining Statement of Cash Flows	136

E. OTHER SUPPLEMENTARY INFORMATION**General Fund**

Schedule of Revenues and Other Financing Sources (Uses)	
Budget and Actual (Budgetary Basis)	137 – 138

Long-Term Debt

Schedule of Bonds, Warrants, and Notes Payable	139 – 140
--	-----------

III. STATISTICAL SECTION

Net Position by Component	141 – 142
Changes in Net Position	143 – 146
Fund Balances of Governmental Funds	147 – 148
Changes in Fund Balances of Governmental Funds	149 – 150
Governmental Activities Tax Revenue by Source	151 – 152
Value of Taxable Sales	153
Sales Tax Rates Direct and Overlapping Governments	154 – 155
Principal General Sales Taxpayers	156
Assessed Value and Estimated Actual Value of Taxable Property	157
Property Tax Rates Direct and Overlapping Governments	158
Principal Property Taxpayers	159
Property Tax Levies and Collections	160
Ratios of Outstanding Debt by Type	161
Ratios of General Bonded Debt Outstanding	162
Direct and Overlapping Government Debt	163
Legal Debt Margin Information	164 – 165
Demographic and Economic Statistics	166
Principal Employers	167
Full-Time Equivalent City Government Employees by Function	168
Capital Asset Statistics by Function	169
Operating Indicators by Function	170 – 175





THIS PAGE INTENTIONALLY LEFT BLANK

PART I: INTRODUCTORY SECTION



PART I: INTRODUCTORY SECTION

Picture on the prior page shows the Mobile Fire-Rescue Department staff at the Training Center.





February 12, 2021

TO THE CITIZENS OF
THE CITY OF MOBILE, ALABAMA:

Enclosed is the Comprehensive Annual Financial Report (CAFR) of the City of Mobile, Alabama (the City) for the fiscal year ended September 30, 2020. The CAFR is provided to give detailed information about the financial position and activities of the City to its citizens, City Council, City staff and other readers.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City of Mobile management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the City as a whole and the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Alabama state law requires an annual audit of the City's financial statements by independent certified public accountants who must conduct the audit in accordance with generally accepted auditing standards. The accounting firm of Wilkins Miller, LLC conducted the audit and their report on the City's basic financial statements is included herein. The City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 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). The audit is underway and the separately issued Single Audit Report will be available for review at the Federal Audit Clearinghouse.

Management's discussion and analysis (the MD&A) immediately follows the independent auditors' report. It provides a narrative introduction, overview and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

PROFILE OF THE CITY



Photo by Tad Denson

Three-hundred-year-old historic Mobile is the county seat of Mobile County and is located in the southwestern section of Alabama, at the head of Mobile Bay, thirty-one miles from the Gulf of Mexico.

The city covers an area of 188.5 square miles including 148.2 and 40.3 square miles of land and water respectively. In 2019, the United States Census Bureau estimated that there were 188,720 people residing within the city limits of Mobile and that there were 413,210 people in Mobile County. Mobile is the third largest metropolitan statistical area in Alabama.

The City of Mobile, Alabama (the City) was incorporated on January 20, 1814, under the provisions of Act 1911, No. 281, page 330; Code 1940. The City operates under a Mayor and seven-member council form of government, with the council members elected by district. Responsibility for day-to-day operations of the City rests with the Mayor. Various City Council committees also work closely with the Mayor and department heads.



www.mobile.org



This report includes all funds of the City. The City provides a full range of services. These services include police and fire protection; the construction and maintenance of highways, streets and infrastructure; and recreational activities and cultural events. The Mobile Public Library, the Public Parks and Recreation Board (Ladd - Peebles Stadium) and the Solid Waste Disposal Authority have met the criteria to be included in the report as discretely presented component units and are separately presented in the report. The Board of Water and Sewer Commissioners of the City of Mobile, Mobile Housing Board, Mobile Airport Authority, Mobile Board of Health, Mobile Emergency Management, Mobile Personnel Board, and Juvenile Court and Youth Center are excluded from this report. Additional information on all of these entities can be found in the notes to the financial statements (See Note 2).

Policymaking and legislative authority are vested in a seven-member city council which is, among other things, responsible for passing local ordinances, adopting budgets, appointing committees and board members of related organizations, and approving the appointment of executive directors of the City. All executive powers of the City are vested in the Mayor. The Mayor is the head of the executive and administrative branches of City government. The Mayor is responsible for carrying out certain ordinances of the City Council, supervising the operation of the City and appointing executive directors. The Mayor and Council members are elected to four-year terms. All council members are elected from within their respective districts.



The annual budget serves as the foundation for the City’s financial planning and control. The Mayor is required to submit a balanced budget proposal to the City Council for most of the City’s departments and funds by August 20 of each fiscal year. The Council, after public comment and evaluation, adopts the budget by September 20, prior to the beginning of the fiscal year on October 1.



The City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. Activities of the general fund are included in the annual appropriated budget. Project-length financial plans are adopted for the capital projects funds. The comparison between the project-length basis budget to actual expenditures for the year is not meaningful and, therefore, is not presented. The level of budgetary control is on the departmental level within an individual fund for legal and administrative control. Unencumbered amounts lapse at year-end in the general fund.

FINANCIAL CONDITION

During the last seven years, the City has concentrated on improving its financial profile, with an emphasis on building and maintaining a healthy cash reserve and reducing its long-term debt and unfunded liabilities.

Fiscal Year 2014 began with a negative \$4.3 million unassigned fund balance in the General Fund. Successive operating surpluses have repaid the General Fund and resulted in an unassigned fund balance of \$83,532,824 as of September 30, 2020 while allowing for funding of a robust capital improvements program.

Mobile has approximately \$200.8 million in long-term debt outstanding from bonds, warrants, and notes payable. This is a 34% reduction in indebtedness in 8 years. Over the last five years, most of the City's bond issues have been refinanced to take advantage of lower interest rates while taking care not to lengthen payment terms or borrow any "new money."

ECONOMIC CONDITION

Manufacturing, higher education and medical services continue to be driving factors for the economy of Mobile.

Airbus Group SE, the European aerospace company, recently established a major presence in the Mobile area. Airbus' A320 family jetliner assembly facility in Mobile is the company's first production site in America. This facility commenced aircraft assembly in July 2015 and delivered its first completed aircraft – an A321 – in April 2016 to U.S. customer JetBlue. By 2019, the facility had achieved the Airbus goal of delivering five aircraft per month to its customers. The \$600-million, 53-acre facility, located in Mobile Aeroplex at Brookley, manufactures and assembles the A319, A320 and A321 aircraft, all part of the Airbus A320 family. The facility is expected to employ up to 1,000 full-time workers when at full capacity.

On July 1, 2018, Airbus acquired a majority interest in a partnership with Bombardier, Inc. to build medium range 100 to 150-seat airplanes in its newly named A220 series. Airbus broke ground on an assembly line for the A220 in January 2019 and delivered its first aircraft to Delta Airlines in October 2020.



The Mobile A320 family and the A220 assembly lines build on an already strong presence of Airbus in Mobile. This presence also includes an engineering center at the Mobile Aeroplex at Brookley that employs more than 200 engineers and support staff, as well as Airbus' North America military customer services operation near the Mobile Regional Airport.

*Airbus final assembly line
Brookley Aeroplex, Mobile
Photo by Tad Denson and
courtesy of Airbus*



Downtown Mobile has seen significant development in recent years, including the opening of the Battle House Renaissance Hotel (238 rooms) and the RSA Battle House office tower (433,000 rentable square-foot) and the relocation by Canfor Southern Pine, a Canadian forestry products company, of its U.S. headquarters to downtown Mobile. Additionally, the ongoing and planned multifamily housing investments in downtown Mobile are expected to increase the residential population of downtown by 33%, helping the City create a more vibrant, 24/7 economy in the area.

Other recent economic development successes include (1) Amazon, which opened a 350,000 square-foot sortation center in the Mobile area that is expected to employ more than 360 part-time employees and an additional 1,000 seasonal employees; and (2) Wal-Mart, which opened a \$135,000,000, 2.5 million-square-foot direct import distribution center in Mobile. The Wal-Mart distribution facility stocks the company's other distribution centers along the central Gulf coast and is expected to create 550 new jobs. In 2019, Continental Motors completed construction of a 275,000 square-foot manufacturing facility for the production of piston and turbine engines for light aircraft. This \$75 million retention and expansion project continues the more than 50-year presence of Continental Motors in Mobile.

Austal USA in Mobile has been commissioned by the US Navy to build fourteen ships under a Spearhead-class Expeditionary Fast Transport (EPF) vessel contract. Twelve EPF vessels have been delivered. Austal has also constructed and delivered thirteen 127-meter littoral combat ships (LCS) to the Navy, with contracts in place to build four more.

In connection with the EPF and LCS contracts, Austal employs over 4,000 workers in its Mobile shipyard.





*Austal USA, Mobile
photo courtesy Austal USA*

Economic stability is brought to Mobile with medical centers such as Infirmary Health Systems, Providence Hospital and Springhill Medical Center, together employing approximately 7,800.

The economic future of the City has been brightened by two recent announcements concerning the Brookley Aeroplex located in downtown Mobile. In August 2020, the Mobile Airport Authority unveiled its plan to move commercial passenger traffic from the western edge of the City to Brookley with the construction of a new terminal. This will reverse the present condition in which 55% of the people who should use Mobile airports do not because of excessive travel times.

In December 2020, the City announced an agreement to purchase 300 waterfront acres on the western shore of Mobile Bay east of the Brookley Aeroplex. Half of the land is reserved for economic development, with 100 acres devoted to aerospace, including possible support of the airport and location of supply chain vendors to Brookley-based industries such as Airbus and Continental. See Note 20 for additional detail.

EDUCATION AND CULTURE

Mobile is home to the University of South Alabama which is currently educating more than 14,000 students in more than 100 academic programs. Founded in 1963, South’s 1,200-acre campus has been transformed over the past decade with new facilities. South’s health care facilities provide economic stability to Mobile through the employment of approximately 4,000 people. USA Health is also a training ground for future physicians and healthcare professionals.

*University of South Alabama
Moulton Tower and Alumni Plaza
Photo by John Adams
USA Photographer*



Mobile area colleges and universities also include Spring Hill College, Bishop State Community College, University of Mobile, and others.

The City is also home to a wide variety of historical and cultural attractions. The Mobile Museum of Art includes a permanent collection of over 10,000 works of fine and decorative arts from America, Asia, and Europe. This collection spans periods from classical antiquity to the present day.



Mobile Museum of Art

The GulfQuest National Maritime Museum of the Gulf of Mexico offers immersive experiences in an array of maritime topics including early settlements and trade routes, marine commerce and shipbuilding, ship navigation and communication, offshore oil/gas platforms, and more.



*GulfQuest National Maritime
Museum of the Gulf of Mexico
Photo by Tad Denson*

Mobile is also home to the historic Saenger Theater, Mobile Opera, Mobile Symphony, Mobile Ballet, Museum of Mobile, the Playhouse in the Park, the USS Alabama Battleship Memorial Park and many others.



Saenger Theater

Mobile is home to the oldest annual Mardi Gras celebration in the United States. For weeks each year, the streets of downtown Mobile are filled with the sights and sounds of live marching bands, brilliant-colored floats and crowds of parade goers that is Mardi Gras in Mobile. While these activities will not take place for the 2021 season due to health concerns associated with the COVID-19 pandemic, Mardi Gras will return in full force for 2022.



MANAGEMENT OF CITY RESOURCES

A significant factor in assessing the economic health of the City of Mobile and the City's finances is the credit rating assigned by credit rating agencies because of their in-depth review of economic conditions and City financial performance.

In 2014, however, both Moody's Investor Service and Standard & Poors downgraded the City's ratings due to a rapid deterioration in general fund liquidity and reserves during fiscal 2012 and 2013. As of the dates of the downgrades, neither service was aware of the change in the City management and of the adoption of an amended 2014 budget.

In 2016, Moody's revised its "negative" outlook to "stable" on the City's Aa2 rating and Standard & Poors raised its rating from A+ to AA-. The services cited an improving financial position due to new budgeting practices, financial flexibility and operating surpluses and reserves.

The City has maintained its Aa2 and AA- ratings for FY 2020.

RELEVANT FINANCIAL POLICIES

In order to ensure future stability in its credit ratings, the City administration adopted a reserve policy for its general fund. This policy is intended to provide resources that might be necessary to meet unexpected financial pressures due to natural or manmade disasters or recessionary decreases in consumer-based tax revenues.

The City's reserve policy requires the funding of an unassigned fund balance equal to 16.66% of budgeted general fund revenues for the immediately preceding fiscal year. The current balance indicated by this policy is approximately \$41.1 million, a level that was exceeded in fiscal year 2020.

City management is responsible for establishing and maintaining internal control designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met.

The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of Federal and State awards, the City also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. These internal controls are subject to periodic evaluation by the City.

As a part of the City's Single Audit, tests are made to determine the adequacy of internal controls, including those portions related to Federal awards. Tests are also performed to evaluate the City's compliance with federal awards.



Cash temporarily idle during the fiscal year was invested in government securities and bank certificates of deposit. The City’s investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by Federal Depository Insurance or collateralized. The deposits that were not insured by Federal Depository Insurance were covered under the Security for Alabama Funds Enhancement (SAFE) program. Each of the banks holding the City’s deposits is a certified participant in the SAFE program. Through the SAFE program, all public funds are protected through a collateral pool administered by the Alabama State Treasury.

The City is self-insured for claims and judgments, general liability and general automobile liability. These liabilities were estimated to be approximately \$825,698, reduced by \$150,000 pre-funded with the third-party claims administrator, at September 30, 2020. This liability was accounted for in the Liability Insurance Internal Service Fund. Claim settlement and loss expenses are accrued in this fund for estimated reported claims. Past experience indicates that incurred but not reported claims, in aggregate, do not represent a material amount and, therefore, have not been accrued at year-end.

The City is self-insured for workers' compensation claims, up to \$750,000 per accident/claim, to include medical expenses and indemnity payments to the injured worker. The city is fully insured over the \$750,000 self-insured retention, through the Municipal Workers Compensation Fund (MWCF). The City contracts with a third-party administrator for claims administration of claims that occurred prior to participation in MWCF on January 1, 2017. These liabilities were estimated to be approximately \$22.3 million at September 30, 2020 and are accounted for in the Government-wide financial statements.

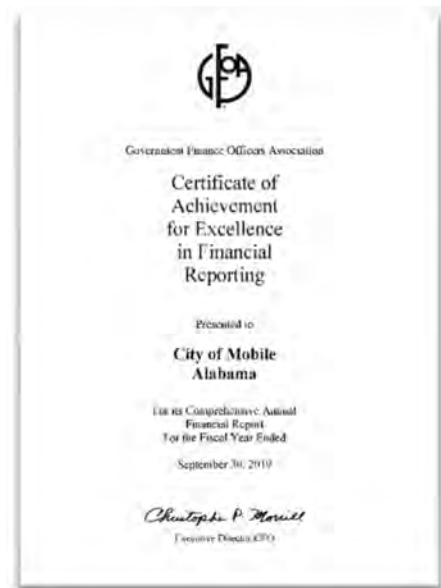
The liability for employee health insurance claims of approximately \$1.9 million is reported in the Employee Health Plan Fund (Internal Service Fund).

The cost of providing benefits to City retirees is a significant commitment of current and future resources. The City pays 100% of benefit costs after employee contributions and plan earnings. The City has met all its obligations and incorporated the effect of expected benefit cost increases in making annual budget decisions. During Fiscal Year 2016, City management made modifications to its employee health plan and to its separate retiree health plans to lessen the impact to the City of rising costs.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its September 30, 2019 comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program’s requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.



The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department and especially the efforts of Rebecca Christian, Comptroller. Each member of the department has my sincere appreciation for the contributions made in preparation of this report. My sincere appreciation is also extended to our independent auditors, Wilkins Miller, LLC, for their cooperation and technical guidance.

This letter was written by our dear friend and colleague, Paul Wesch. Unfortunately, we lost Paul in December 2020 before he had the opportunity to leave his signature here. We will forever miss Paul and his enormous contributions to improving city government, which will have a lasting impact on our city for many years to come. We will go forward knowing that we are all better people for having the opportunity to have worked with Paul Wesch. The city of Mobile is a better place because of his service, and we believe he fully expects us to fulfill the vision that was cast 7 years ago.

Sincerely,



Celia H. Sapp, CPA
Interim Executive Director of Finance





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Mobile
Alabama**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morill

Executive Director/CEO



City of Mobile Organizational Chart

City of Mobile Citizens

Mayor
Sandy Stimpson

City Council
Council District 1 – Fred Richardson, Jr
Council District 2 – Levon C. Manzie
Council District 3 – C.J. Small
Council District 4 – John C. Williams
Council District 5 – Joel Daves
Council District 6 – Bess Rich
Council District 7 – Gina Gregory

City Clerk
Lisa Lambert

Archives

Mail Room

City Attorney
Ricardo Woods

Legal Dept
Florence Kessler

Civil

Criminal

Municipal Court
Debbie McGowin

**External Affairs
Executive Director**
George Talbot

Community Engagement
Anitra Henderson

Film Office
Eva Golson

Communications
Jennifer Zoghby

311
Terrance Smith

**Finance
Executive Director**
Paul Wesch *

Comptroller
Rebecca Christian

Accounting

Treasury

Grant Management

Procurement
Don Rose

Purchasing

Supplier Diversity

Neighborhood Development
James Roberts

Municipal Enforcement

Community & Housing Development

Information Technology
Scott Kearney

Municipal Information Technology

GIS

Transportation and Maritime
Joe Snowden

Cruise Terminal

Gulf Quest

**** Contract Management**

Build Mobile
Shayla Beaco

Planning and Zoning

Historic

Build Mobile Services

Permitting

Inspections

ROW & Land Disturbance

Human Resources
Leslie Rey

Revenue
Gwen Hall

**Public Safety
Executive Director**
James Barber

Police
Chief Lawrence Battiste

Chief of Staff

Chief of Operations

Investigative Services

Support Services

East Field Operations

West Field Operations

Cyber Intelligence

Fire Rescue
Chief Mark Sealy

Chief of Staff

Chief of Operations

Emergency Medical Services

Support

Training

**Public Works
Executive Director**
James DeLapp

Program & Project Management

Program Management

Project Management

CIP Management

Parks and Recreation
Shonnda Smith

Parks

Recreation

Azalea City Golf Course

Mobile Tennis Centers

Special Events

Real Estate Asset Management
Brad Christensen

Architectural Engineering

Facility Maintenance

Real Estate

Building Services

City Engineer
Nick Amberger

Engineering

Traffic Engineering

Electrical

Environmental

Public Services
John Peavy

Trash / Garbage & Litter

Public Services Maintenance

Urban Forestry

Fleet / Motor Pool

Boards and Commissions Appointed by Mayor:

- Mobile Housing Authority: 5 of 5 appointments
- Industrial Development Board: 8 of 8 appointments
- Mobile Airport Authority: 5 of 5 appointments
- Mobile Planning Commission: 12 of 13 appointments
- Metropolitan Planning Organization: 2 of 16 appointments

Boards and Commissions Appointed by Council:

- Advisory Commission on Disabled
- Architectural Review Board
- Board of Adjustment
- Citizens' Budget and Finance Advisory Committee
- Citizens' Park and Recreation Advisory Committee
- Civic Center Board
- Codes Advisory Committee
- Commercial Development Authority
- Downtown Redevelopment Commission
- Historic Development Commission
- Historic Preservation Authority
- History Museum
- Human Relations Commission
- Keep Mobile Beautiful
- Ladd-Peebles Stadium Board
- Mobile Conventions and Visitors Board
- Mobile Museum of Art
- Old Dauphin Way Review Board
- Police Citizens Advisory Council
- Public Library Board
- Solid Waste Authority
- South Alabama Regional Planning Commission
- Tree Commission
- Water and Sewer Commissioners
- Youth Council

*** Finance Direct Reports**

- Capital Projects Administration – Relya Mallory
- Deputy Finance – Celia Sapp
- Police/Fire Pension – Mary Berg
- Risk Management – Daniel Davis
- Mobile Museum of Art – Deborah Velders

**** Contract Management**

- Civic Center
- Convention Center
- Downtown Parking
- Mobile Sports Authority
- Saenger
- Visit Mobile
- WAVE Transit



William S. Stimpson
Mayor

City Council



District 2
Levon C. Manzie
President



District 3
C.J. Small
Vice-President



District 1
Fredrick D. Richardson, Jr.



District 4
John C. Williams



District 5
Joel Daves



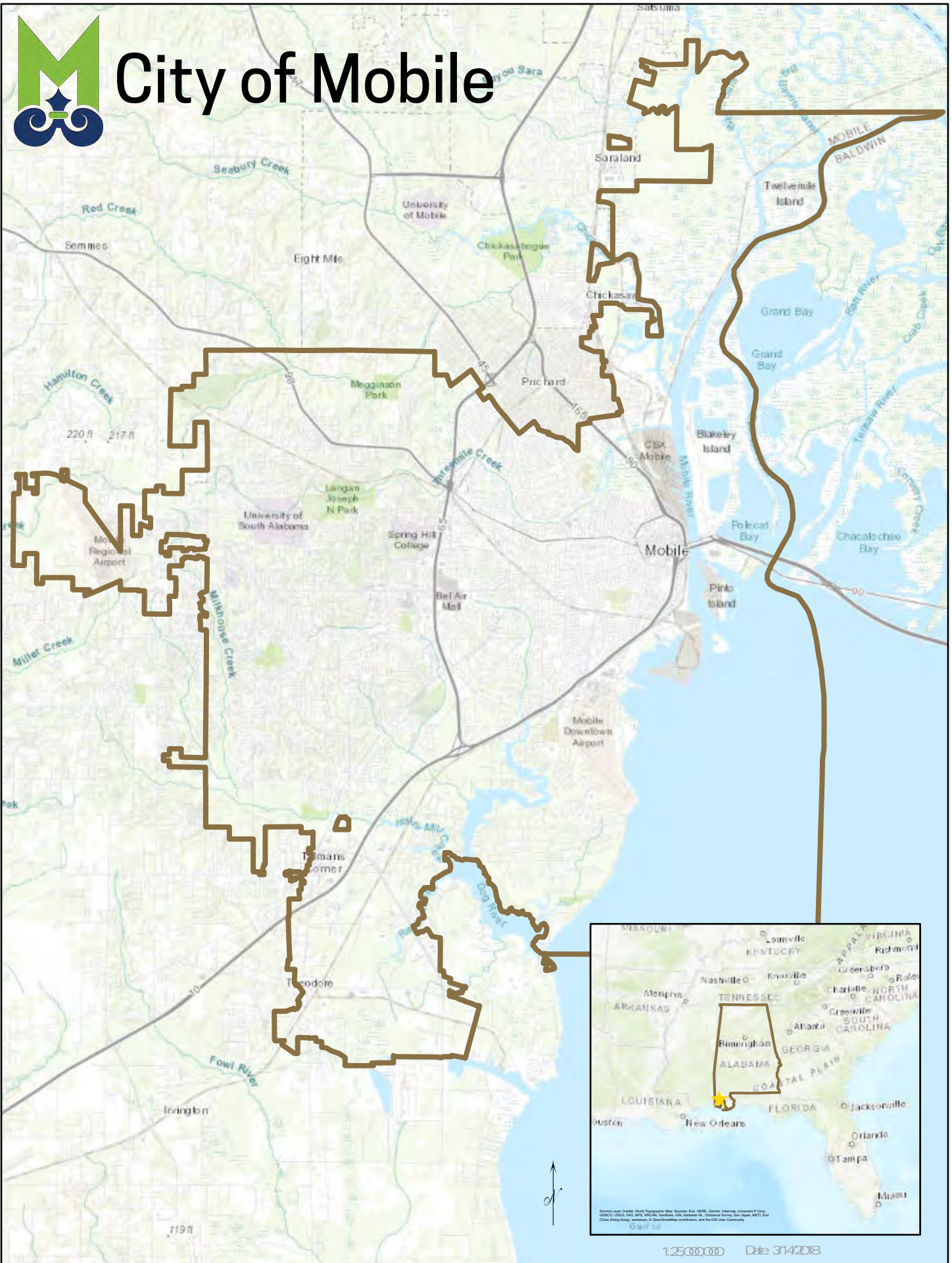
District 6
Bess Rich



District 7
Gina Gregory



City of Mobile



PART II: FINANCIAL SECTION



PART II: FINANCIAL SECTION

Picture on the prior page features downtown Mobile





wilkinsmiller.com

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the City Council of
the City of Mobile, Alabama
Mobile, Alabama

Report on the Financial Statements

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 Mobile, Alabama (the City), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of WAVE Transit System, the Mobile Public Library, and the Public Park and Recreation Board which represent 1.62 percent, 0.46 percent, and 0.14 percent, respectively, of the assets, 2.66 percent, (0.01) percent, and 0.30 percent, respectively, of the net position, and 2.14 percent, 2.45 percent, and 0.37 percent, respectively, of the revenues of the City. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for WAVE Transit System, the Mobile Public Library, and the Public Park and Recreation Board, is based solely on the reports of the other auditors. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, 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 Mobile, Alabama as of September 30, 2020, 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.

Wilkins Miller LLC

Certified Public Accountants + Advisors

41 West Interstate 65 Service Rd. North, Suite 400 Mobile, Alabama 36608 | P.O. Box 70047 Mobile, Alabama 36670 | 251.410.6700 fax: 251.410.6799
56 South Section Street Fairhope, Alabama 36532 | 5 Dauphin Street, Suite 100 Mobile, Alabama 36602

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (MD&A) and Required Supplementary Information other than MD&A, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Mobile, Alabama's basic financial statements. The Introductory Section, Combining Financial Statements, Other Supplementary Information, and Statistical Section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining Financial Statements and Other Supplementary Information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 by us and the other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory Section and Statistical Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 12, 2021 on our consideration of the City of Mobile, 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 Mobile, 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 the City of Mobile, Alabama's internal control over financial reporting and compliance.

Willms Miller, LLC

Mobile, Alabama
February 12, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS



MANAGEMENT'S DISCUSSION AND ANALYSIS

Picture on the prior page features children playing with the giant lite bright in the installation of “FOR CHILDREN 2020” at the Mobile Museum of Art in December 2019.



MANAGEMENT’S DISCUSSION AND ANALYSIS

This section of the City of Mobile’s Comprehensive Annual Financial Report (CAFR) presents City management’s discussion and analysis of the City’s financial performance during the fiscal year that ended on September 30, 2020 and a comparison to the prior year. Please read this in conjunction with the City’s financial statements, which follow this section, and the additional information furnished in the letter of transmittal, which can be found in the introductory section of the CAFR.

Table of Contents

- Financial Highlights3
- Understanding the Financial Statements4
- Major Revenues and Expenses.....8
- Condensed Financial Information10
- Individual Fund Analysis16
- General Fund Budgetary Highlights.....18
- Capital Asset and Long-term Debt Activity.....18
- Economic Factors19
- Contacting the City.....20

FINANCIAL HIGHLIGHTS

NET POSITION

The assets and deferred outflows of the City of Mobile exceeded its liabilities and deferred inflows at the close of the fiscal year by \$494.3 million (net position). Of this amount the City had a deficit in unrestricted net position of \$143.3 million offset by \$32.6 million in restricted net position and \$605.0 million in net investment in capital assets.

CHANGE IN NET POSITION

The City’s total net position increased \$77.2 million, or 18.5% because of this year’s operations. Net position of governmental activities increased \$71.1 million, or 21.5%, and net position of business-type activities increased \$6.0 million, or 6.9%.

GOVERNMENTAL FUNDS

At the close of the current fiscal year, the City’s governmental funds reported a combined fund balance of \$185.7 million. This was an increase of \$14.7 million or 8.6% from the prior year.

At the end of the current fiscal year, total fund balance for the General Fund was \$90.6 million, an increase of \$22.2 million (32.5%) from the prior year. This is due to unbudgeted growth in tax revenues along with cost savings across departments.

MAJOR REVENUE SOURCES

Sales and use tax, the City’s single largest revenue source, increased \$10.7 million or 5.2% from the prior year primarily due to economic growth over the prior year.

OTHER SIGNIFICANT EVENTS

The City issued the 2020 G.O. Refunding Warrants during the fiscal year. See Note 9 for additional information.

- General Obligation Refunding Warrants, Series 2020 were issued in the principal amount of \$5,220,000 to refund the City’s outstanding General Obligation Recovery Zone Economic Development Warrants, Series 2009C.



UNDERSTANDING THE FINANCIAL STATEMENTS

Three questions are the focal points of the financial data in this report:

1. **Near-term financing:** Will the government be able to pay its bills (both expected and unexpected) on time?
2. **Financial position:** Is the government's financial health improving or deteriorating?
3. **Economic condition:** Is it likely that today's financial position will improve or deteriorate?

To assist the reader in answering these questions, the City's financial statements consist of four parts: management's discussion and analysis (this section), the basic financial statements, the narrative notes to the financial statements and the required supplementary information. The basic financial statements include two kinds of statements that present different views of the City's finances: government-wide and fund statements.

GOVERNMENT-WIDE STATEMENTS

The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status.

These statements are designed to provide a broad overview of the City's finances, in a manner similar to a private-sector business. All of the City's activities are reported in the government-wide statements.

FUND STATEMENTS

The remaining statements are fund financial statements that focus on individual elements of the City government, reporting the City's operations in more detail than the government-wide statements.

The fund statements focus on accountability of resources versus the government-wide financial statements' focus on the ability to meet financial

obligations. The fund statements include governmental and proprietary funds.

GOVERNMENTAL FUND statements tell how general government services like public safety were financed in the short-term as well as what remains for future spending.

Governmental funds focus primarily on the sources, uses and balances of current financial resources and often have a budgetary focus. Thus, the governmental fund statements provide a detailed short-term view that helps to determine whether there are more or less financial resources that can be spent in the near future to finance the City's programs.

PROPRIETARY FUND statements offer short and long-term financial information about the activities the government operates like businesses such as the WAVE Transit.

Proprietary funds focus on the determination of financial position, operating income, changes in net position (or cost recovery), and cash flows. The proprietary fund category includes enterprise and internal service funds. **ENTERPRISE FUNDS** are used in situations where a fund provides services primarily to external customers. **INTERNAL SERVICE FUNDS** are designed to function on a cost-reimbursement basis primarily providing benefits to other funds, departments or agencies of the City.

NOTES

The financial statements also include narrative notes that explain some of the information in the financial statements and provide more detailed data.

To assess the overall economic health of the City, additional non-financial factors, such as changes in the City's tax base, planning and zoning actions, and the condition of the City's roads and other infrastructure should be considered.



COMPREHENSIVE ANNUAL FINANCIAL REPORT			
INTRODUCTORY SECTION			
FINANCIAL SECTION			
FINANCIAL SECTION	Management’s Discussion and Analysis (MD&A)		
	<i>Summary</i> ←————→ <i>Detail</i>		
	Government-wide Financial Statements	Fund Financial Statements	
	Statement of net position	Governmental Funds	Proprietary Funds
		Balance sheet	Statement of net position
	Statement of activities	Statement of revenues, expenditures, and changes in fund balances	Statement of revenues, expenses, and changes in fund net position
			Statement of cash flows
	Notes to the financial statements		
	Required supplementary information other than the MD&A		
	Information on individual nonmajor funds and other supplementary information		
STATISTICAL SECTION			

GOVERNMENT-WIDE STATEMENTS

The Statement of Net Position and the Statement of Activities, (pages 21-23) provide information about the activities of the City as a whole and present a longer-term view of the City's finances.

One of the most important questions asked about the City's finances is "Is the City as a whole better off or worse off as a result of the year's activities?" The government-wide statements report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets, liabilities, deferred outflows and deferred inflows using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These statements report the City's net position and changes in it. You can think of the City's net position (the difference between assets and deferred outflows less liabilities and deferred inflows) as one way to measure the City's financial health, or financial

position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the City's tax bases and the condition of the City's drainage systems and roads, to assess the overall health of the City.

In the government-wide statements, we divide the City into three kinds of activities: governmental, business-type, and component units.

GOVERNMENTAL ACTIVITIES

Most of the City's basic services are reported here, including the police, fire, public works, parks and recreation departments and general administration. Sales taxes, business license fees, property taxes, franchise fees, and state and federal grants finance most of these activities. Governmental activities include all governmental funds and internal service funds.



BUSINESS-TYPE ACTIVITIES

The City charges a fee to customers to help it cover all or most of the cost of certain services provided. Business-type activities include all of the City's enterprise funds.

COMPONENT UNITS

The City includes three separate legal entities in its report: Mobile Public Library, The Public Park and Recreation Board (Ladd-Peebles Stadium), and the Solid Waste Disposal Authority. More comprehensive information about these component units can be found in Note 2.

FUND STATEMENTS

Fund financial statements start on page 24. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. The fund financial statements provide detailed information about the most significant funds – not the City as a whole.

Some funds are required to be established by State law and by bond covenants. However, the City Council established many other funds to help control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants received from the Department of Justice and the Department of Housing and Urban Development). Major funds are separately reported while all others are combined into a single, aggregated presentation.

Individual fund data for nonmajor funds is provided in the form of combining statements in a later section of this report. The City's two kinds of funds, governmental and proprietary, use different accounting approaches.

GOVERNMENTAL FUNDS

Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be

converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a separate reconciliation following each fund's respective financial statement.

PROPRIETARY FUNDS

When the City charges customers for the services it provides, whether to outside customers or to other units of the City, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds. We use internal service funds (the other component of proprietary funds) to report activities that provide supplies and services for the City's other programs and activities - such as the City's Motor Pool. Because internal service funds primarily serve governmental functions, they are included within the governmental activities of the government-wide financial statements.



NOTES TO THE FINANCIAL STATEMENTS

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-

wide and fund financial statements. The notes to the financial statements start on page 37.

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's general fund budget.

A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget starting on page 102.

	GOVERNMENT-WIDE STATEMENTS	FUND STATEMENTS	
		GOVERNMENTAL FUNDS	PROPRIETARY FUNDS
SCOPE	Entire City government and the City's component units	The activities of the City that are not proprietary, such as police, fire, and public works	Activities the City operates similar to private businesses such as WAVE Transit, Civic Center, Convention Center, and Saenger Theater
REQUIRED FINANCIAL STATEMENTS	1. Statement of net position 2. Statement of activities	1. Balance sheet 2. Statement of revenues, expenditures, and changes in fund balance	1. Statement of net position 2. Statement of revenues, expenses, and changes in net position 3. Statement of cash flows
ACCOUNTING BASIS AND MEASUREMENT FOCUS	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
TYPE OF ASSET/ LIABILITY	All assets, deferred inflows, liabilities, and deferred outflows, both financial and capital, short-term and long-term	Only assets and deferred inflows expected to be used up and liabilities and deferred outflows that come due during the year or soon thereafter; no capital assets or long-term debt included	All assets, deferred inflows, liabilities, and deferred outflows, both financial and capital, short-term and long-term
TYPE OF INFLOW/ OUTFLOW	All revenue and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year and expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenue and expenses during the year, regardless of when cash is received or paid



MAJOR REVENUES AND EXPENSES

The subsequent section “Condensed Financial Information” contains high-level summaries of City financial activities. This section contains explanations of the various categories of revenues and expenses reported in the condensed Statement of Activities.

GOVERNMENT-WIDE REVENUES

GENERAL REVENUES

Tax revenue is the largest portion of revenue reported by the City. The majority of the tax revenue is deposited into the General Fund, the City’s largest operating fund. Significant tax revenue is also reported in the Capital Improvement Fund and is utilized to fund the City’s capital improvements and enhancements. Tax revenue is also reported in the Convention Center Fund.

General revenues also include investment earnings, transfers between activities, and other miscellaneous revenues not related to specific programs.

PROGRAM REVENUES

Program revenues include three categories of revenues: charges for services, operating grants and contributions and capital grants and contributions.

CHARGES FOR SERVICES

Charges for services in governmental activities includes licenses, permits, inspections, franchise fees, public safety fines and fees, certain parking and lease revenues, and recreation fees.

Business-type charges for services include the user fees reported in enterprise funds related to facility rentals, ticket sales, parking fees, sales revenue, and other miscellaneous revenues.

OPERATING GRANTS AND CONTRIBUTIONS

Operating grants and contributions include the revenue from the federal, state, and other grants which are not restricted for capital uses.

CAPITAL GRANTS AND CONTRIBUTIONS

Grant revenue is reported as a “capital grant” only if it is restricted solely to the acquisition, construction, or improvement of the City’s capital assets. Otherwise, the grant revenue is reported as an “operating grant.” This category of revenue also includes donations of capital assets including adopted streets.

GOVERNMENT-WIDE EXPENSES

GOVERNMENTAL ACTIVITIES

GENERAL GOVERNMENT

General government expenses relate to centralized functions affecting most departments of the City. These services provide an administrative support system through which the goals and objectives of other City programs are attained. The mayor’s office, city council, city clerk, information technology, and legal are some of the departments that provide these services.

CULTURE AND RECREATION

Culture and recreation programs focus resources on recreational and cultural amenities, ensuring that citizens and visitors can explore the cultural traditions, art and history of the City and take advantage of outdoor recreational opportunities. City museums, parks and community centers are some of the departments included.



ECONOMIC DEVELOPMENT

Economic development programs invest public resources to create opportunities and outreach for citizens. Civic engagement, the film office, and special events are some of the departments included.

ENGINEERING, DEVELOPMENT AND BUILD MOBILE

Engineering, development and Build Mobile includes programs which are responsible for the operational support for engineering, architectural engineering, real-estate management, neighborhood development, and for ensuring the fair and equitable administration of codes, ordinances and plans.

FINANCE

The finance function's responsibilities include the management of an adequate system of internal controls and accounting systems, accounts payable, accounts receivable, payroll, human resources, tax and license collections, budgeting, and pension management.

PUBLIC SAFETY

The purpose of the public safety function is to improve the safety of all citizens through community partnerships, crime prevention and the protection of life, health, and property. The municipal court and animal shelter are also included in this function.

PUBLIC WORKS

Public Works is responsible for street repair, landfills, the municipal garage, litter and recycling, solid waste, traffic engineering, and trash collection.

INTEREST ON LONG-TERM DEBT

Interest expense is the result of City incurred debt used to finance its capital programs. Most long-term financing of the City was provided by the issuance of general obligation debt.

BUSINESS-TYPE ACTIVITIES

AZALEA CITY GOLF COURSE

The Azalea City Golf Course is responsible for planning, maintaining and managing the City's municipal golf course by providing a physically

attractive and challenging golf recreational facility and related services for citizens of all ages.

CIVIC CENTER

This fund is used to account for the operations of the Mobile Civic Center which include activities such as sporting events, social events, musical performances, and theatrical performances.

CONVENTION CENTER

This fund is used to account for the operations of the Mobile Convention Center which includes activities such as business conventions and social events.

CRUISE TERMINAL

The cruise terminal features a two-story 66,000 square foot terminal, state of the art security and an attached parking deck. Carnival Cruise Line currently operates from the cruise terminal with destinations to the western Caribbean and the Panama Canal.

EMERGENCY MEDICAL SERVICES

The EMS Division is comprised of board-certified paramedics that are assigned to advanced life support transport units. These units are stocked with the most advanced prehospital medical equipment and pharmaceuticals available. These personnel are also certified as Firefighters and are used in a dual role capacity greatly improving the efficiency of our emergency service system.

MOBILE TENNIS CENTER

The tennis center is responsible for the management of one of the largest public tennis facilities including tournaments, clinics and lessons.

NEIGHBORHOOD RENEWAL PROGRAM

This fund is used to account for the operations of the Neighborhood Renewal Program which derives most of its income from the sale of real property inventory.

PARKING GARAGE

This fund is used to account for the operations of the Municipal Parking Garage which is rented to the general public on a daily basis.



SAENGER THEATER

This fund is used to account for the operations of the Saenger Theater which include activities such as social events, musical performances, and theatrical performances.

WAVE TRANSIT SYSTEM

The WAVE Transit System is responsible for providing a safe, reliable, public transportation system to the Mobile area.

CONDENSED FINANCIAL INFORMATION

As year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the City as a whole.

The City's net position at fiscal year-end is \$494.3 million. This is a \$77.2 million increase over last year's adjusted net position. The following table provides a summary of the City's net position.

**CITY OF MOBILE, ALABAMA
Net Position
September 30, 2020 and 2019
(amounts expressed in thousands)**

	Governmental		Business-Type		Total		Amount Change	% Change
	2020	2019	2020	2019	2020	2019		
Assets								
Current and other assets	\$241,343	\$211,833	\$24,989	\$19,182	\$266,332	\$231,015	\$35,317	15.29%
Capital assets(net)	723,825	692,494	80,771	83,219	804,596	775,713	28,883	3.72%
Total assets	965,168	904,327	105,760	102,401	1,070,928	1,006,728	64,200	6.38%
Total deferred outflows	93,354	56,350	5,208	4,164	98,562	60,514	38,048	62.87%
Total assets and deferred outflows	1,058,522	960,677	110,968	106,565	1,169,490	1,067,242	102,248	9.58%
Liabilities								
Current and other liabilities	76,232	60,969	2,774	4,165	79,006	65,134	13,872	21.30%
Long-term liabilities	532,541	503,188	9,845	9,050	542,386	512,238	30,148	5.89%
Total liabilities	608,773	564,157	12,619	13,215	621,392	577,372	44,020	7.62%
Total deferred inflows	48,322	66,213	5,432	6,469	53,754	72,682	(18,928)	(26.04%)
Total liabilities and deferred inflows	657,095	630,370	18,051	19,684	675,146	650,054	25,092	3.86%
Net Position								
Net investment in capital assets	524,266	478,292	80,771	83,219	605,037	561,511	43,526	7.75%
Restricted	32,622	30,379	-	-	32,622	30,379	2,243	7.38%
Unrestricted	(155,461)	(178,364)	12,146	3,662	(143,315)	(174,702)	31,387	(17.97%)
Total net position	\$401,427	\$330,307	\$92,917	\$86,881	\$494,344	\$417,188	\$77,156	18.49%



NET POSITION

NET INVESTMENT IN CAPITAL ASSETS

The largest portion of the City's net position (122.4%) reflects its investment in capital assets (e.g., land, buildings, infrastructure, equipment, etc.) less any related debt used to acquire those assets that are still outstanding, excluding any unspent proceeds of the debt issued. The City uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

RESTRICTED

An additional portion of the City's net position (6.6%) represents resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted net position may normally be used to meet the City's ongoing obligations to citizens and creditors.

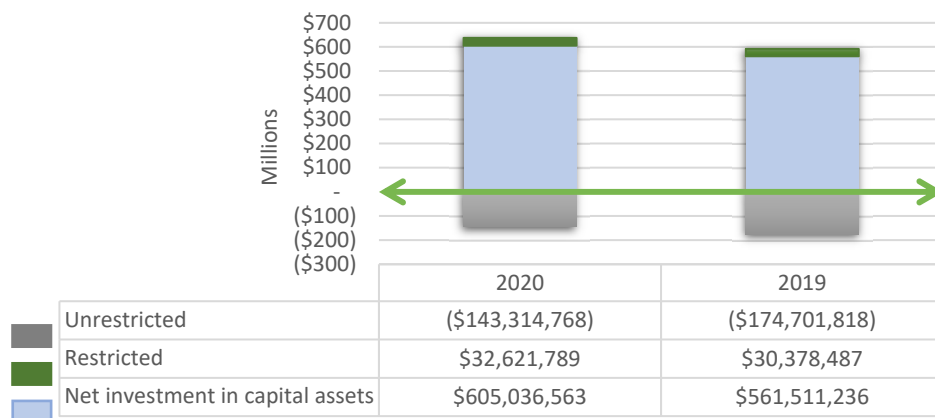
UNRESTRICTED

At the end of the current fiscal year unrestricted net position has a deficit balance of \$143.3 million for governmental activities. This deficit arose mainly

because of the way the City is required to account for its other post-employment benefits (OPEB) and pension liabilities. The City has elected to fund its OPEB obligation on a pay as you go basis. Therefore, the City was required to record the total OPEB liability of \$178.6 million as actuarially determined. An additional \$146.6 million of the deficit can be attributed to the Net Pension Liability on the Statement of Net Position. These two substantial liabilities reduce the amount of unrestricted net position by \$325.2 million.

The unrestricted net position for business-type activities has a balance of \$12.1 million which is a \$8.5 million increase from the prior year. This increase is due primarily to the following:

- A \$5.5 million increase in the unrestricted net position of the Convention Center was related primarily to reduced debt service expenditures and increases in tax and other revenues.
- A \$2.1 million increase in the unrestricted net position of the WAVE Transit System primarily related to an increase in operating revenues and state and federal assistance.
- Other less significant changes in net position in other enterprise funds.



CITY OF MOBILE, ALABAMA
Changes in Net Position
For the years ended September 30, 2020 and 2019
(amounts expressed in thousands)

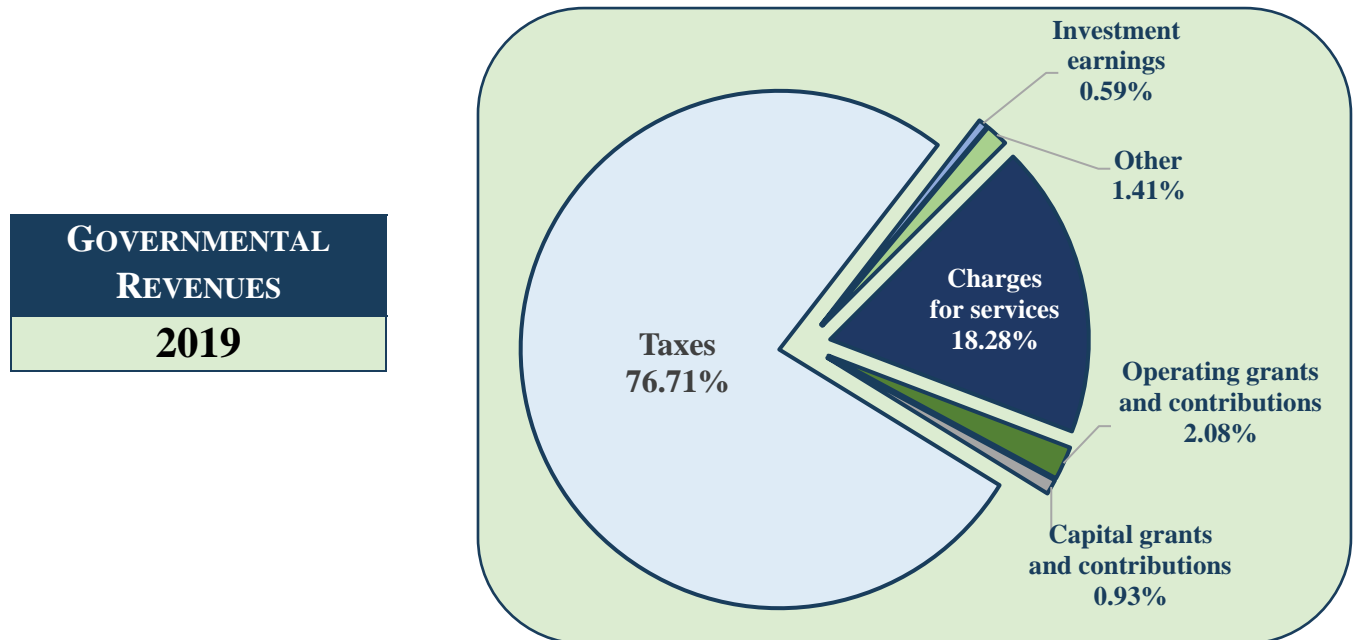
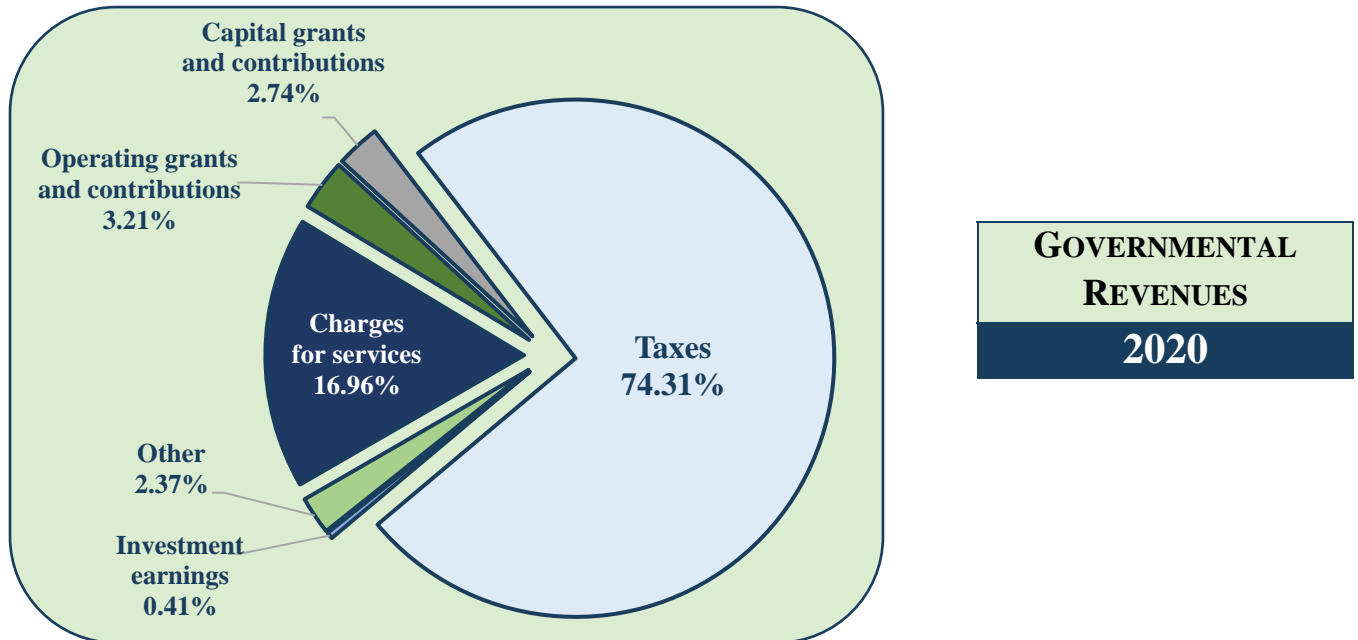
	Governmental		Business-Type		Total		Amount Change	% Change
	2020	2019	2020	2019	2020	2019		
REVENUES								
Program revenues								
Charges for services	\$60,287	\$60,444	\$11,465	\$18,913	\$71,752	\$79,357	(\$7,605)	(9.58%)
Operating grants and contributions	11,405	6,876	6,778	3,116	18,183	9,992	8,191	81.98%
Capital grants and contributions	9,729	3,064	1,220	2,541	10,949	5,605	5,344	95.34%
General revenues								
Taxes	264,170	253,619	11,985	11,778	276,155	265,397	10,758	4.05%
Investment earnings	1,475	1,964	9	13	1,484	1,977	(493)	(24.94%)
Other	8,454	4,661	20	-	8,474	4,661	3,813	81.81%
Total revenues	355,520	330,628	31,477	36,361	386,997	366,989	20,008	5.45%
EXPENSES								
Governmental activities								
General government	63,001	58,345	-	-	63,001	58,345	4,656	7.98%
Culture and recreation	22,996	26,093	-	-	22,996	26,093	(3,097)	(11.87%)
Economic development	1,164	1,084	-	-	1,164	1,084	80	7.38%
Engineering, development and Build Mobile	14,609	15,028	-	-	14,609	15,028	(419)	(2.79%)
Finance	5,771	5,741	-	-	5,771	5,741	30	0.52%
Public safety	124,830	113,057	-	-	124,830	113,057	11,773	10.41%
Public works	33,243	34,175	-	-	33,243	34,175	(932)	(2.73%)
Interest on long-term debt	7,875	7,547	-	-	7,875	7,547	328	4.35%
Business-Type activities								
Azalea City Golf Course	-	-	1,646	1,762	1,646	1,762	(116)	(6.58%)
Civic Center	-	-	3,264	3,762	3,264	3,762	(498)	(13.24%)
Convention Center	-	-	8,425	10,232	8,425	10,232	(1,807)	(17.66%)
Cruise Terminal	-	-	2,080	3,125	2,080	3,125	(1,045)	(33.44%)
Emergency Medical Services	-	-	6,785	7,187	6,785	7,187	(402)	(5.59%)
Mobile Tennis Center	-	-	960	940	960	940	20	2.13%
Neighborhood Renewal Program	-	-	34	35	34	35	(1)	(2.86%)
Parking Garage	-	-	225	266	225	266	(41)	(15.41%)
Saenger Theater	-	-	1,066	1,755	1,066	1,755	(689)	(39.26%)
WAVE Transit System	-	-	11,867	11,705	11,867	11,705	162	1.38%
Total expenses	273,489	261,070	36,352	40,769	309,841	301,839	8,002	2.65%
Change in net position before transfers	82,031	69,558	(4,875)	(4,408)	77,156	65,150	12,006	18.43%
Transfers	(10,911)	(8,169)	10,911	8,169	-	-	-	-
Change in net position	71,120	61,389	6,036	3,761	77,156	65,150	12,006	18.43%
Net position - beginning	330,307	268,918	86,881	83,120	417,188	352,038	65,150	18.51%
Net position - ending	\$401,427	\$330,307	\$92,917	\$86,881	\$494,344	\$417,188	\$77,156	18.49%

Graphic presentations of selected data from the summary tables follow to assist in the analysis of the City's activities.



GOVERNMENTAL REVENUES

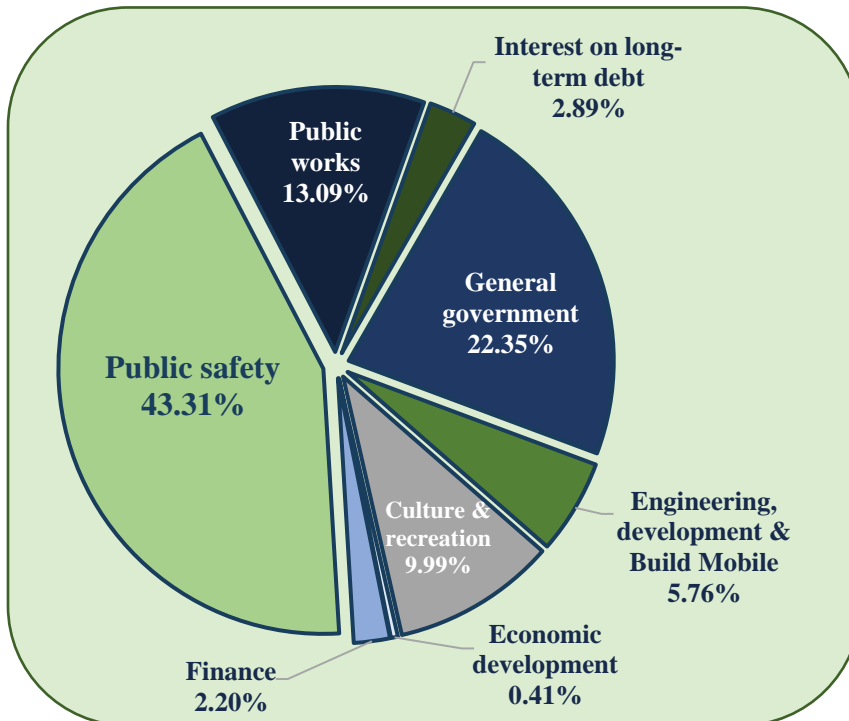
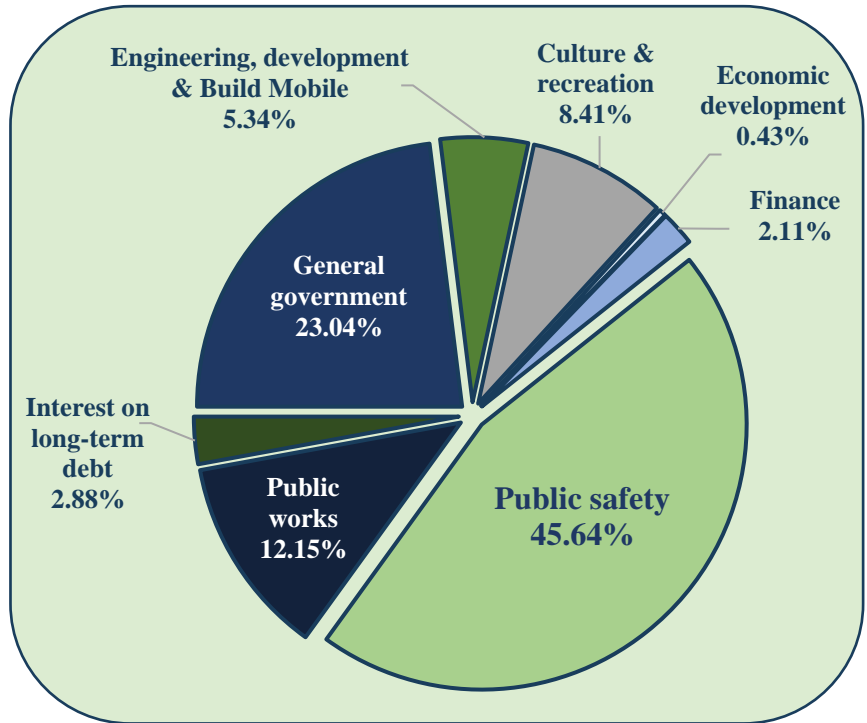
As graphically portrayed below, the City is heavily reliant on taxes to support governmental operations. Taxes provided 74.31% and 76.71% of the City's total governmental revenues in fiscal years 2020 and 2019, respectively.



GOVERNMENTAL FUNCTIONAL EXPENSES

As graphically portrayed below, the City's largest category of governmental functional expenses is public safety which includes police, fire, animal shelter, and municipal court expenses. Public safety accounted for 45.64% and 43.31% of the City's total governmental functional expenses in fiscal years 2020 and 2019, respectively.

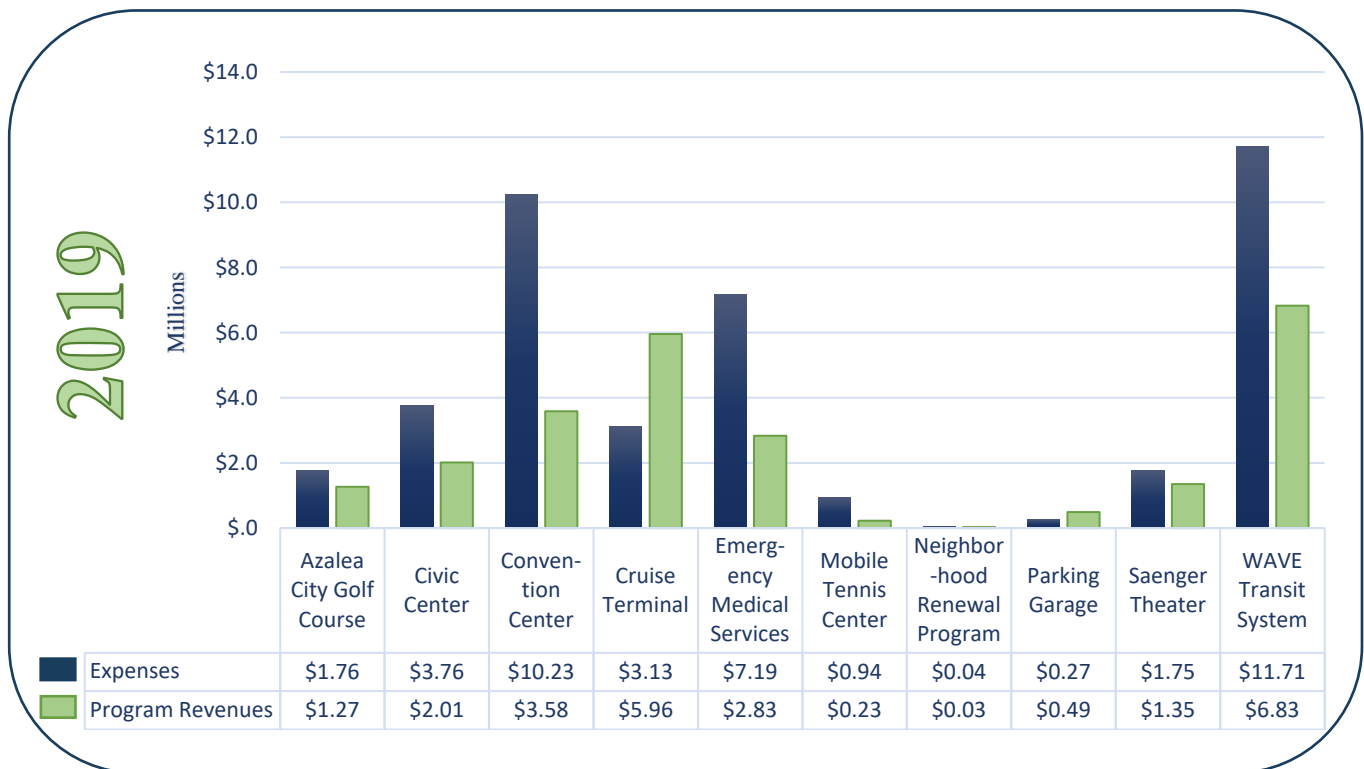
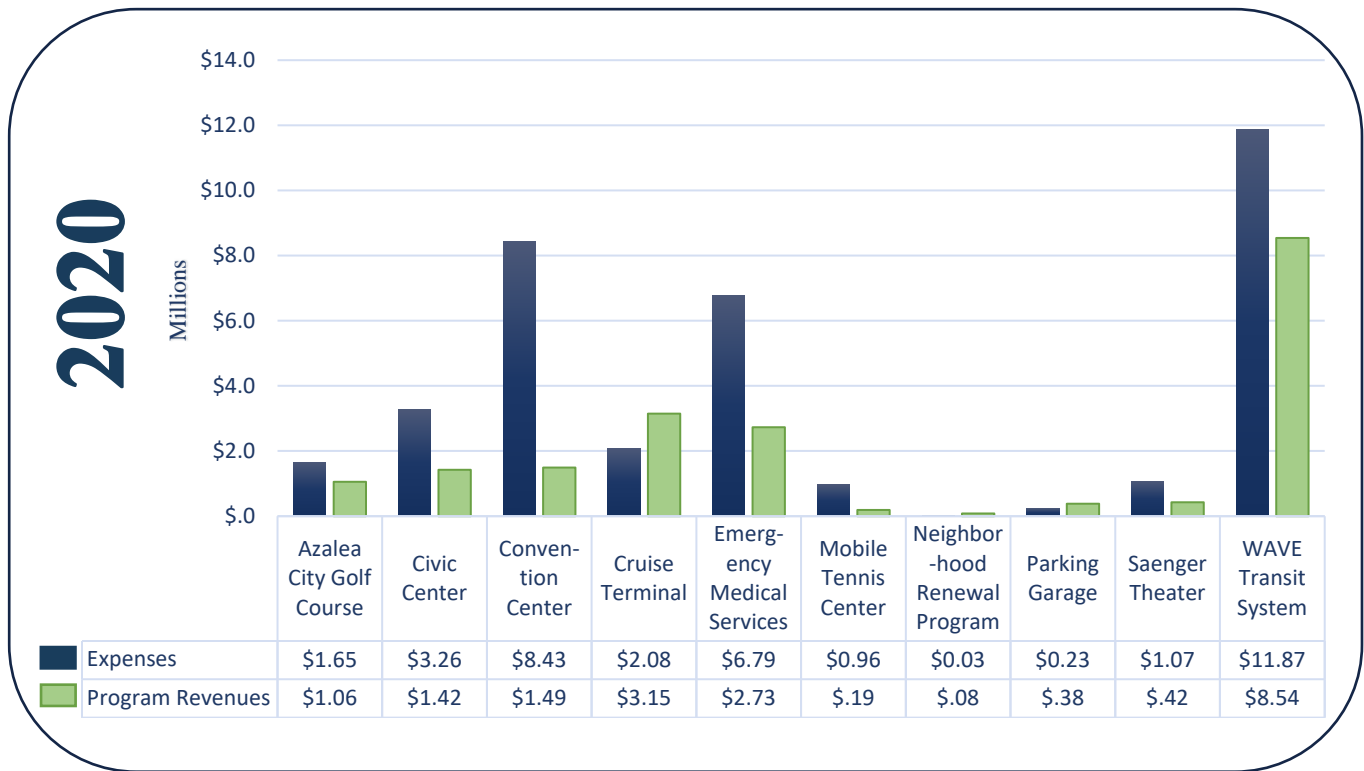
2020



2019



**BUSINESS-TYPE ACTIVITIES
PROGRAM REVENUES VS. EXPENSES**



STATEMENT OF ACTIVITIES COMPARISON

GOVERNMENTAL ACTIVITIES

Governmental activities increased the City's net position by \$71.1 million. The key elements of this change are as follows:

- Excess expenses over revenue for governmental activities amounted to \$192.1 million dollars. This amount is exclusive of tax revenue, investment earnings and transfers which are considered general revenues.
- Investment earnings amounted to \$1.5 million which was a decrease of \$0.5 million from the prior year.
- Tax revenues amounted to \$264.2 million which was an increase of 10.6 million (4.2%) over the prior year and was due primarily to stable economic conditions.
- Other revenue amounted to \$8.5 million.
- Net transfers out of governmental activities totaled \$10.9 million.

Governmental activity expenses increased by \$12.4 million (4.8%) from the prior year. For the government-wide full accrual statements, capital outlay expenses were eliminated, and capital assets

were reported. City management made intentional efforts to control costs in governmental activities.

BUSINESS-TYPE ACTIVITIES

Business-type activities increased the City's total net position by \$6.0 million. Business-type activities are shown comparing costs to revenues generated by related services. The cruise terminal, convention center and parking garage business-type activities are self-supporting with user charges and other revenues designed to recover costs.

The civic center, golf course, emergency medical services, tennis center, Saenger theater and WAVE transit provided services with user charges that did not recover costs in the current year.

The convention center receives a portion of the room and food tax by ordinance to help cover their expenses.

The civic center, golf course, emergency medical services, tennis center, Saenger theater, and WAVE transit activities required subsidization by the City.

INDIVIDUAL FUND ANALYSIS

GOVERNMENTAL FUNDS

The focus of the City's governmental funds is to provide information on short-term inflows, outflows, and balances of expendable resources. Such information is useful in comparing the City's resources at the end of the year with upcoming financing requirements. Governmental funds reported ending fund balance of \$185.7 million, of which \$83.5 million is unassigned. The nonspendable fund balance is \$3.1 million and stems from inventory and prepaid expenses. Restricted fund balance is \$20.7 million and

comprises funds with constraints based on restrictions imposed by outside parties or constitutional provisions. Committed fund balance is \$13.3 million and comprises funds with constraints imposed by formal action of the City Council. Finally, assigned fund balance is \$65.1 million and comprises funds constrained by the City's intent to be used for a specific purpose (primarily capital improvements).



The total ending fund balances of governmental funds show a \$14.7 million increase from the prior year. This is due to a \$22.2 million increase in the fund balance of the General Fund, a decrease of \$10.3 million in the Capital Improvements Fund, and a \$2.7 million increase in nonmajor governmental funds. The increase in the General Fund is primarily due to increased tax revenues related to economic growth and cost savings in departments. The decrease in the Capital Improvements Fund relates to increased expenditures for capital projects. Changes in nonmajor governmental funds relate primarily to debt service and grant activity.

MAJOR GOVERNMENTAL FUNDS

The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The fund balance in the General Fund increased by approximately \$22.2 million. See General Fund Budgetary Highlights and the preceding paragraph for more information.

The Capital Improvements Fund has an ending fund balance of \$59.6 million which includes a net decrease of \$10.3 million. This change is primarily due to increased expenditures for capital projects.

PROPRIETARY FUNDS

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status.

ENTERPRISE FUNDS

The City's enterprise funds consist of the Alabama Cruise Terminal, the Mobile Civic Center, the Municipal Parking Garage, the Azalea City Golf Course, Emergency Medical Services, Mobile Convention Center, the Mobile Tennis Center, Neighborhood Renewal Program, Saenger Theater and WAVE Transit.

The total net position of the Enterprise Funds increased by \$6.0 million during the current fiscal year. See the prior discussion of changes in Business-Type activities for details on this change.

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost-reimbursement basis.

The City's three internal service funds include the Motor Pool Fund, Employee Health Fund, and Liability Insurance Fund. The net position of these funds increased by \$2.9 million from the prior year, primarily due to increases in the inter-departmental charges for motor pool rentals.



GENERAL FUND BUDGETARY HIGHLIGHTS

The excess of General Fund revenues over expenditures (excluding other financing sources and uses) on a budgetary basis during the year was \$31.0 million. See Required Supplementary Information for more detailed information on the General Fund Budget.

The following are the main components of the excess:

- Tax revenues exceeded expected budgeted amounts by \$11.8 million.
- Investment income exceeded expected budgeted amounts by \$0.2 million due to increased investment activity and higher earnings on idle cash during the year.

- Departmental expenditures were under budget by \$18.9 million. This was due primarily to cost savings in departments and cost centers during the year.
- Non-departmental expenditures, which include mandated activities, joint ventures, agencies, employee cost, and state and federal projects, etc., were under budget by \$1.0 million.
- Total revenues were approximately \$11.1 million over budget while total expenditures were \$19.9 million under budget.

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

CAPITAL ASSETS

As of September 30, 2020, the City's net investment in capital assets for governmental and business-type activities was \$524.3 million and \$80.8 million, respectively, a total increase of \$43.5 million from 2019 for the City as a whole.

The City's Capital Improvements Fund had commitments for capital expenditures totaling \$28.3 million at year end. See Note 7 for additional information about changes in capital assets during the fiscal year.

CITY OF MOBILE, ALABAMA
Comparative Statement of Capital Assets
September 30, 2020 and 2019
 (amounts expressed in thousands)

	Governmental		Business-Type		Total		Amount Change	% Change
	2020	2019	2020	2019	2020	2019		
Non-depreciable capital assets								
Land	\$27,377	\$27,375	\$11,053	\$10,987	\$38,430	\$38,362	\$ 68	0.18%
Construction-in-progress	107,318	64,774	-	-	107,318	64,774	42,544	65.68%
Intangible assets	4,886	4,842	-	-	4,886	4,842	44	0.91%
Total non-depreciable capital assets	139,581	96,991	11,053	10,987	150,634	107,978	42,656	39.50%
Depreciable capital assets								
Buildings	143,859	143,859	126,463	125,940	270,322	269,799	523	0.19%
Improvements	134,653	132,035	18,339	18,317	152,992	150,352	2,640	1.76%
Vehicular	85,856	79,370	12,551	13,580	98,407	92,950	5,457	5.87%
Other equipment	47,455	48,202	6,322	5,925	53,777	54,127	(350)	(0.65%)
Infrastructure	569,987	567,381	-	-	569,987	567,381	2,606	0.46%
Total depreciable capital assets	981,810	970,847	163,675	163,762	1,145,485	1,134,609	10,876	0.96%
Less: accumulated depreciation	397,567	375,344	93,957	91,530	491,524	466,874	24,650	5.28%
Total depreciable capital assets, net	584,243	595,503	69,718	72,232	653,961	667,735	(13,774)	(2.06%)
Total capital assets, net	\$723,824	\$692,494	\$80,771	\$83,219	\$804,595	\$775,713	\$28,882	3.72%



LONG-TERM DEBT

As of September 30, 2020, the City had \$200.8 million of long-term debt outstanding, including bonds and warrants payable and notes payable. In the current fiscal year, the City retired principal on long-term debt (bonds, warrants, and notes) in the amount of \$15.7 million. Interest payments on long-term debt totaled \$7.9 million. More information on long-term debt activity can be found in the Notes to the Financial Statements in Note 8 - Long Term Debt.

The City's underlying debt rating is now AA- for S&P Global Ratings (formerly Standard & Poor's Financial Services LLC) and Aa2 for Moody's Investor Services. Under current State of Alabama statutes, the City's general obligation bonded debt issuances are subject to a legal limitation based on 20 percent of total assessed value of real and personal property. As of September 30, 2020, the City's permissible debt limit exceeded actual debt by approximately \$574.2 million.

**CITY OF MOBILE, ALABAMA
Outstanding Long-Term Debt
September 30, 2020 and 2019
(amounts expressed in thousands)**

	Governmental		Business-Type		Total		Amount Change	% Change
	2020	2019	2020	2019	2020	2019		
Bonds and warrants, net	\$198,495	\$214,671	\$ -	\$ -	\$198,495	\$214,671	(\$16,176)	(7.54%)
Notes payable	2,325	2,985	-	-	2,325	2,985	(660)	(22.11%)
Total long-term debt	\$200,820	\$217,656	\$ -	\$ -	\$200,820	\$217,656	(\$16,836)	(7.74%)

ECONOMIC FACTORS

A temporary one-cent sales tax was implemented November 1, 2012 and remained in effect until September 30, 2018. In February 2018, the temporary one-cent sales tax was extended through September 30, 2023.

In November 2016, Carnival Cruise Lines returned to the Mobile cruise terminal for operation of Caribbean cruises. The 2,056 passenger Carnival Fantasy offers four-day cruises to Cozumel and five-day excursions to Cozumel and Costa Maya or Progreso.

With the onset of the COVID-19 pandemic and in compliance with recommendations for the cruise industry promulgated by the Centers for Disease Control, Carnival Cruise Lines has suspended operations. While a return to Mobile is in Carnival's plans, it is not anticipated that cruises will return to Mobile before late Spring 2021.

In September 2015, Airbus completed construction of a \$600 million aircraft assembly plant in Mobile at the Brookley Aeroplex where it will employ approximately 1,000 full-time workers at full capacity, and production has achieved the Airbus goal of delivering five aircraft per month to its customers.

On July 1, 2018, Airbus acquired a majority ownership in a joint venture with Bombardier which will entail construction of a second aircraft assembly plant at the Brookley Aeroplex for the production of a newly named A220 Series narrow body aircraft for United States customers. Construction of the facility commenced in January 2019 and Airbus delivered its first A220 aircraft to Delta Airlines in October 2020.



Austal USA in Mobile has been commissioned by the US Navy to build fourteen ships under a Spearhead-class Expeditionary Fast Transport (EPF) vessel contract. Twelve EPF vessels have been delivered. Austal has also constructed and delivered thirteen 127-

meter littoral combat ships (LCS) to the Navy, with four more under construction. In connection with the EPF and LCS contracts, Austal employs over 4,000 workers in its Mobile shipyard.

CONTACTING THE CITY

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives.

If you have questions about this report or need any additional financial information, please contact the Executive Director of Finance's office at 205 Government Street, Suite 530, Mobile, Alabama. This report is also available online at www.cityofmobile.org.



Celia H. Sapp, CPA
Interim Executive Director of Finance



BASIC FINANCIAL STATEMENTS



BASIC FINANCIAL STATEMENTS

Pictures on the prior page feature the City's Public Works Department



CITY OF MOBILE, ALABAMA
Statement of Net Position
September 30, 2020

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets:				
Cash, equity in pooled cash and investments	\$ 188,797,342	\$ 21,433,101	\$ 210,230,443	\$ 4,645,134
Restricted cash	82,864	-	82,864	500,000
Receivables, net	49,523,938	3,011,566	52,535,504	102,007
Inventory & prepaid expenses	3,065,953	417,525	3,483,478	107,086
Internal balances	(127,247)	127,247	-	-
Total current assets	<u>241,342,850</u>	<u>24,989,439</u>	<u>266,332,289</u>	<u>5,354,227</u>
Noncurrent assets:				
Investments	-	-	-	404,872
Non-depreciable capital assets	139,581,429	11,053,226	150,634,655	248,225
Depreciable capital assets, net	584,243,016	69,717,445	653,960,461	761,669
Net pension asset	-	-	-	6,696
Total noncurrent assets	<u>723,824,445</u>	<u>80,770,671</u>	<u>804,595,116</u>	<u>1,421,462</u>
Total assets	<u>965,167,295</u>	<u>105,760,110</u>	<u>1,070,927,405</u>	<u>6,775,689</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amounts on refundings	2,370,979	-	2,370,979	-
Deferred pension outflows	58,548,505	5,208,409	63,756,914	621,329
Deferred OPEB outflows	32,434,815	-	32,434,815	-
Total deferred outflows of resources	<u>93,354,299</u>	<u>5,208,409</u>	<u>98,562,708</u>	<u>621,329</u>
Total assets and deferred outflows of resources	<u>1,058,521,594</u>	<u>110,968,519</u>	<u>1,169,490,113</u>	<u>7,397,018</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	24,349,176	1,369,204	25,718,380	633,358
Pension employer contributions payable	19,773,294	656,633	20,429,927	-
Unearned revenue	10,174,834	612,969	10,787,803	17,501
Bonds and warrants payable, current portion	16,195,000	-	16,195,000	-
Notes payable, current portion	665,000	-	665,000	-
Compensated absences, current portion	1,865,359	135,313	2,000,672	34,075
Insurance claims, current portion	3,150,620	-	3,150,620	-
Landfill postclosure liability, current portion	58,345	-	58,345	-
Total current liabilities	<u>76,231,628</u>	<u>2,774,119</u>	<u>79,005,747</u>	<u>684,934</u>
Noncurrent liabilities:				
Bonds and warrants payable, long-term portion	182,300,482	-	182,300,482	-
Notes payable, long-term portion	1,660,000	-	1,660,000	-
Compensated absences, long-term portion	10,757,081	372,252	11,129,333	502,814
Self-insured liability - legal, long-term portion	675,698	-	675,698	-
Insurance claims, long-term portion	21,017,592	-	21,017,592	-
Landfill postclosure liability, long-term portion	401,544	-	401,544	-
Net pension liability	137,130,265	9,473,112	146,603,377	3,775,393
Postemployment benefits	178,598,607	-	178,598,607	-
Total noncurrent liabilities	<u>532,541,269</u>	<u>9,845,364</u>	<u>542,386,633</u>	<u>4,278,207</u>
Total liabilities	<u>608,772,897</u>	<u>12,619,483</u>	<u>621,392,380</u>	<u>4,963,141</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred service concession arrangement receipts	-	3,354,592	3,354,592	-
Deferred pension inflows	8,438,365	2,077,275	10,515,640	944,310
Deferred OPEB inflows	39,883,917	-	39,883,917	-
Total deferred inflows of resources	<u>48,322,282</u>	<u>5,431,867</u>	<u>53,754,149</u>	<u>944,310</u>
Total liabilities and deferred inflows of resources	<u>657,095,179</u>	<u>18,051,350</u>	<u>675,146,529</u>	<u>5,907,451</u>
NET POSITION				
Net investment in capital assets	524,265,892	80,770,671	605,036,563	1,009,894
Restricted for:				
Capital projects	11,291,046	-	11,291,046	-
Debt service	405,307	-	405,307	-
Economic development	11,927,083	-	11,927,083	-
Grant programs	7,673,500	-	7,673,500	500,000
Storm water management	1,324,853	-	1,324,853	-
Unrestricted	(155,461,266)	12,146,498	(143,314,768)	(20,327)
Total net position	<u>\$ 401,426,415</u>	<u>\$ 92,917,169</u>	<u>\$ 494,343,584</u>	<u>\$ 1,489,567</u>

See Accompanying Notes to the Financial Statements

CITY OF MOBILE, ALABAMA
Statement of Activities
For the Year Ended September 30, 2020

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 63,000,678	\$ 52,942,764	\$ 7,694,485	\$ -
Culture and recreation	22,995,726	349,077	37,449	-
Economic development	1,163,957	-	-	1,878,551
Engineering, development & Build Mobile	14,608,855	1,755,172	117,149	7,653,459
Finance	5,771,251	-	-	-
Public safety	124,830,422	5,225,899	3,555,524	-
Public works	33,243,048	14,240	-	196,651
Interest on long-term debt	7,874,855	-	-	-
Total governmental activities	<u>273,488,792</u>	<u>60,287,152</u>	<u>11,404,607</u>	<u>9,728,661</u>
Business-type activities:				
Azalea City Golf Course	1,645,790	1,054,498	578	-
Civic Center	3,263,936	1,421,044	-	-
Convention Center	8,425,129	1,492,930	-	-
Cruise Terminal	2,080,009	3,147,294	-	-
Emergency Medical Services	6,785,296	2,671,217	56,416	-
Mobile Tennis Center	960,185	189,515	-	-
Neighborhood Renewal Program	34,357	82,819	-	-
Parking Garage	225,036	380,410	-	-
Saenger Theater	1,066,242	424,623	-	-
Wave Transit System	11,846,910	601,070	6,721,459	1,219,810
Total business-type activities	<u>36,332,890</u>	<u>11,465,420</u>	<u>6,778,453</u>	<u>1,219,810</u>
Total primary government	<u>\$ 309,821,682</u>	<u>\$ 71,752,572</u>	<u>\$ 18,183,060</u>	<u>\$ 10,948,471</u>
Component units:				
Mobile Public Library	\$ 8,633,108	\$ 215,632	\$ 312,739	\$ 4,769
Public Park and Recreation Board	971,021	794,744	-	500,000
Solid Waste Disposal Authority	2,377,809	-	2,325,246	-
Total component units	<u>\$ 11,981,938</u>	<u>\$ 1,010,376</u>	<u>\$ 2,637,985</u>	<u>\$ 504,769</u>

General revenues:

Real and personal property tax
Sales tax
Gasoline tax
Room tax
Beer and liquor tax
Rental and leasing tax
Cigarette stamp tax
Other tobacco tax
Financial excise tax
Other tax revenue
Grants and contributions not restricted to specific programs
Investment income
Other
Payments from local governments
Transfers
Total general revenues, special items, and transfers
Change in net position
Net position - beginning
Net position - ending

See Accompanying Notes to the Financial Statements

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Units
Governmental Activities	Business-type Activities	Total	
\$ (2,363,429)	\$ -	\$ (2,363,429)	\$ -
(22,609,200)	-	(22,609,200)	-
714,594	-	714,594	-
(5,083,075)	-	(5,083,075)	-
(5,771,251)	-	(5,771,251)	-
(116,048,999)	-	(116,048,999)	-
(33,032,157)	-	(33,032,157)	-
(7,874,855)	-	(7,874,855)	-
<u>(192,068,372)</u>	<u>-</u>	<u>(192,068,372)</u>	<u>-</u>
-	(590,714)	(590,714)	-
-	(1,842,892)	(1,842,892)	-
-	(6,932,199)	(6,932,199)	-
-	1,067,285	1,067,285	-
-	(4,057,663)	(4,057,663)	-
-	(770,670)	(770,670)	-
-	48,462	48,462	-
-	155,374	155,374	-
-	(641,619)	(641,619)	-
-	(3,304,571)	(3,304,571)	-
-	(16,869,207)	(16,869,207)	-
<u>(192,068,372)</u>	<u>(16,869,207)</u>	<u>(208,937,579)</u>	<u>-</u>
-	-	-	(8,099,968)
-	-	-	323,723
-	-	-	(52,563)
-	-	-	<u>(7,828,808)</u>
22,593,559	-	22,593,559	-
205,191,803	10,140,903	215,332,706	-
11,072,017	-	11,072,017	-
5,467,713	1,844,040	7,311,753	-
2,330,339	-	2,330,339	-
10,343,709	-	10,343,709	-
1,450,373	-	1,450,373	-
915,762	-	915,762	-
2,143,592	-	2,143,592	-
2,660,691	-	2,660,691	-
-	-	-	413,627
1,475,245	9,679	1,484,924	131,336
8,453,833	-	8,453,833	-
-	-	-	8,956,793
<u>(10,911,150)</u>	<u>10,911,150</u>	<u>-</u>	<u>-</u>
<u>263,187,486</u>	<u>22,905,772</u>	<u>286,093,258</u>	<u>9,501,756</u>
71,119,114	6,036,565	77,155,679	1,672,948
330,307,301	86,880,604	417,187,905	(183,381)
<u>\$ 401,426,415</u>	<u>\$ 92,917,169</u>	<u>\$ 494,343,584</u>	<u>\$ 1,489,567</u>



THIS PAGE INTENTIONALLY LEFT BLANK

GOVERNMENTAL FUNDS



GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions of the City are financed.

General Fund

Capital Improvements Fund

Pictures on the prior page feature the Mobile Parks and Recreation Department's AARP FitLot ribbon cutting at James Seals Park in November 2019



CITY OF MOBILE, ALABAMA
Balance Sheet
Governmental Funds
September 30, 2020

	General Fund	Capital Improvements Fund	Total Nonmajor Funds	Total Governmental Funds
ASSETS				
Cash, equity in pooled cash and investments	\$ 84,012,850	\$ 59,326,279	\$ 29,415,833	\$ 172,754,962
Restricted cash	-	-	82,864	82,864
Receivables, net	25,880,275	10,025,362	13,158,188	49,063,825
Due from other funds	65,000	-	1,170,393	1,235,393
Inventory & prepaids	3,065,953	-	-	3,065,953
Total assets	<u>\$ 113,024,078</u>	<u>\$ 69,351,641</u>	<u>\$ 43,827,278</u>	<u>\$ 226,202,997</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ 13,042,166	\$ 3,383,948	\$ 3,651,192	\$ 20,077,306
Pension employer contributions payable	6,703,532	-	40,674	6,744,206
Unearned revenue	337,334	6,362,478	3,475,022	10,174,834
Due to other funds	192,247	-	1,170,393	1,362,640
Compensated absences - terminated employees	310,893	-	-	310,893
Insurance claims payable	211,570	-	-	211,570
Escrowed funds liability	1,619,267	-	1,005	1,620,272
Total liabilities	<u>22,417,009</u>	<u>9,746,426</u>	<u>8,338,286</u>	<u>40,501,721</u>
FUND BALANCES (DEFICITS)				
Nonspendable	3,065,953	-	-	3,065,953
Restricted	-	-	20,654,624	20,654,624
Committed	-	-	13,306,909	13,306,909
Assigned	4,008,292	59,605,215	1,527,459	65,140,966
Unassigned	83,532,824	-	-	83,532,824
Total fund balances (deficits)	<u>90,607,069</u>	<u>59,605,215</u>	<u>35,488,992</u>	<u>185,701,276</u>
Total liabilities and fund balances (deficits)	<u>\$ 113,024,078</u>	<u>\$ 69,351,641</u>	<u>\$ 43,827,278</u>	<u>\$ 226,202,997</u>

See Accompanying Notes to the Financial Statements

CITY OF MOBILE, ALABAMA
Reconciliation of Balance Sheet
to the Statement of Net Position
September 30, 2020

Fund balances of governmental funds		\$ 185,701,276
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.</p>		
Capital assets - governmental activities	1,036,259,148	
Less accumulated depreciation	(347,556,561)	
		688,702,587
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.</p>		
Bonds and warrants payable	(198,495,482)	
Notes payable	(2,325,000)	
Deferred amounts on refundings	2,370,979	
		(198,449,503)
<p>Other long-term items not reported in governmental funds:</p>		
Accrued interest payable	(884,370)	
Pension employer contributions payable	(13,028,167)	
Compensated absences	(12,311,547)	
Insurance claims payable	(22,075,442)	
Landfill postclosure liability	(459,889)	
Net pension liability	(137,130,265)	
Deferred pension outflows	58,548,505	
Deferred pension inflows	(8,438,365)	
Total OPEB liability	(178,598,607)	
Deferred OPEB inflows	(39,883,917)	
Deferred OPEB outflows	32,434,815	
Note receivable	220,000	
		(321,607,249)
<p>Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities.</p>		
		47,079,304
Net position of governmental activities		\$ 401,426,415

See Accompanying Notes to the Financial Statements

CITY OF MOBILE, ALABAMA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2020

	General Fund	Capital Improvements Fund	Total Nonmajor Funds	Total Governmental Funds
REVENUES				
Taxes	\$ 205,438,702	\$ 47,144,630	\$ 11,586,226	\$ 264,169,558
Licenses and permits	39,101,459	3,263,279	-	42,364,738
Intergovernmental	42,858	-	-	42,858
Charges for services	7,100,964	35,715	9,400	7,146,079
Fines and forfeitures	1,775,996	-	533,248	2,309,244
State and federal assistance	58,048	-	21,024,247	21,082,295
Investment income	1,327,118	-	148,129	1,475,247
Other revenue	384,148	8,286,190	6,878	8,677,216
Total revenues	<u>255,229,293</u>	<u>58,729,814</u>	<u>33,308,128</u>	<u>347,267,235</u>
EXPENDITURES				
Current:				
General government	11,342,005	-	7,352,597	18,694,602
Culture and recreation	13,047,850	-	23,043	13,070,893
Economic development	1,087,901	-	-	1,087,901
Engineering, development & Build Mobile	13,217,965	-	6,996,427	20,214,392
Finance	5,396,733	-	-	5,396,733
Public safety	104,478,933	-	4,376,439	108,855,372
Public works	26,591,153	-	4,443,932	31,035,085
Non-departmental	48,737,152	-	-	48,737,152
Debt service:				
Administrative charges	-	11,524	51	11,575
Bond issuance costs	-	-	135,484	135,484
Interest	7,265	-	7,523,053	7,530,318
Principal retirement	100,000	-	15,599,000	15,699,000
Capital outlay:				
Capital outlay	-	49,543,881	4,147,800	53,691,681
Total expenditures	<u>224,006,957</u>	<u>49,555,405</u>	<u>50,597,826</u>	<u>324,160,188</u>
Excess (deficiency) of revenues over expenditures	<u>31,222,336</u>	<u>9,174,409</u>	<u>(17,289,698)</u>	<u>23,107,047</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from disposal of assets	25,283	5,262	-	30,545
Refunding debt issued	-	-	5,220,000	5,220,000
Payment to refunding bond escrow agent	-	-	(6,463,692)	(6,463,692)
Premium (discount) on debt issued	-	-	1,379,176	1,379,176
Transfers in	8,743,321	2,415,143	25,475,927	36,634,391
Transfers out	(17,772,006)	(21,853,204)	(5,599,379)	(45,224,589)
Total other financing sources (uses)	<u>(9,003,402)</u>	<u>(19,432,799)</u>	<u>20,012,032</u>	<u>(8,424,169)</u>
Net change in fund balances	22,218,934	(10,258,390)	2,722,334	14,682,878
Fund balances - beginning	68,388,135	69,863,605	32,766,658	171,018,398
Fund balances - ending	<u>\$ 90,607,069</u>	<u>\$ 59,605,215</u>	<u>\$ 35,488,992</u>	<u>\$ 185,701,276</u>

See Accompanying Notes to the Financial Statements

CITY OF MOBILE, ALABAMA
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances to the Statement of Activities
For the Year Ended September 30, 2020

Net change in fund balances - total governmental funds	\$ 14,682,878
--	---------------

Amounts reported for governmental activities in the statement of net position are different because:

Governmental funds report the acquisition of capital assets as expenditures.

However, in the statement of activities, the cost of those assets are capitalized and depreciated over their useful lives.

Expenditures for capital assets	49,894,382	
Less depreciation expense	(21,301,042)	
Contributions of capital assets are not reported as income in governmental funds	44,130	
Capital assets transferred from (to) business-type activities	98,674	
Gain (loss) on disposal of capital assets	(193,536)	
		28,542,608

Proceeds from debt obligations provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal payments - bonds and warrants payable	15,039,000	
Principal payments - notes payable	660,000	
Amortization of deferred amounts on refundings	(1,607,976)	
Amortization of current year bond premium	1,305,357	
Capital-related debt issued	(5,220,000)	
Payment to refunding bond escrow agent	6,463,692	
Premium on bonds issued	(1,379,176)	
		15,260,897

Some expenses reported in the statement of activities do not require the use of current resources and, therefore, are not reported as expenditures in the governmental funds.

Change in long-term compensated absences	27,841	
Change in long-term insurance claims	682,302	
Change in landfill post-closure liability	56,101	
Change in accrued interest	105,140	
Change in pension employer contributions payable	(1,405,196)	
Change in net pension liability	(8,443,508)	
Change in deferred pension inflows	7,338,850	
Change in deferred pension outflows	10,848,305	
Change in total OPEB liability	(37,655,725)	
Change in deferred OPEB inflows	10,551,301	
Change in deferred OPEB outflows	27,729,877	
Change in long-term notes receivable	(100,000)	
		9,735,288

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is reported with governmental activities.

2,897,443

Change in net position of governmental activities	\$ 71,119,114
---	---------------

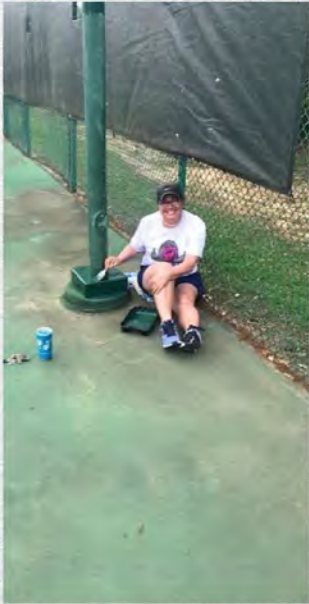
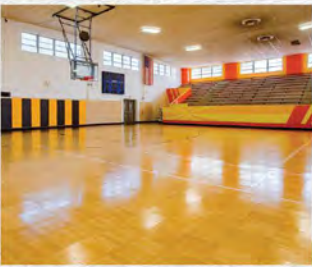
See Accompanying Notes to the Financial Statements



PARKS & RECREATION



*Accomplishments
During COVID-19*



Proprietary funds are used to account for the City's ongoing organizations and activities which are similar to those often found in the private sector.

**Mobile Civic Center
WAVE Transit System
Mobile Convention Center
Municipal Parking Garage
Emergency Medical Services**

Pictures on the prior page feature the accomplishments of the Parks and Recreation Department during COVID-19 which required new and innovative ways of serving the community.

Pictures clockwise from top left corner:

- Programming staff organized virtual concerts - this picture featuring “Yeah, Probably”
- Tennic Center grounds and flower beds were landscaped
- Facilities, equipment, and vehicles were cleaned and sanitized
- Nearly 100 tennis, basketball, and pickleball courts were resurfaced and painted
- Stadium light poles were painted
- Replaced sod and completed irrigation update project at the Azalea City Golf Course
- Community center staff hand made masks for all employees
- Harmon (featured in picture), Dotch, Figures, Hillsdale, Hope, Seals, and Sullivan Community Centers had new gym floors installed





THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF MOBILE, ALABAMA
Statement of Net Position
Proprietary Funds
September 30, 2020

	Business-type Activities		
	Mobile Civic Center	WAVE Transit System	Mobile Convention Center
ASSETS			
Current assets:			
Cash, equity in pooled cash and investments	\$ 308,736	\$ 190,316	\$ 17,613,224
Receivables, net	47,025	10,910	1,041,770
Due from other funds	-	192,247	-
Inventory & prepaids	52,829	161,253	77,052
Total current assets	<u>408,590</u>	<u>554,726</u>	<u>18,732,046</u>
Noncurrent assets:			
Non-depreciable capital assets	224,350	2,475,871	4,999,575
Depreciable capital assets, net	4,791,997	14,475,895	29,678,346
Total noncurrent assets	<u>5,016,347</u>	<u>16,951,766</u>	<u>34,677,921</u>
Total assets	<u>5,424,937</u>	<u>17,506,492</u>	<u>53,409,967</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension outflows	-	895,909	-
Total deferred outflows of resources	<u>-</u>	<u>895,909</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>5,424,937</u>	<u>18,402,401</u>	<u>53,409,967</u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	245,970	192,445	324,847
Pension employer contributions payable	-	-	-
Unearned revenue	189,200	2,251	45,692
Due to other funds	-	65,000	-
Compensated absences - terminated employees	-	135,313	-
Insurance claims payable	-	-	-
Total current liabilities	<u>435,170</u>	<u>395,009</u>	<u>370,539</u>
Noncurrent liabilities:			
Compensated absences - terminated employees	-	372,252	-
Self-insured legal liability	-	-	-
Net pension liability	-	2,836,447	-
Total noncurrent liabilities	<u>-</u>	<u>3,208,699</u>	<u>-</u>
Total liabilities	<u>435,170</u>	<u>3,603,708</u>	<u>370,539</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred service concession arrangement receipts	-	-	-
Deferred pension inflows	-	1,607,461	-
Total deferred inflows of resources	<u>-</u>	<u>1,607,461</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>435,170</u>	<u>5,211,169</u>	<u>370,539</u>
NET POSITION			
Net investment in capital assets	5,016,347	16,951,766	34,677,921
Unrestricted	(26,580)	(3,760,534)	18,361,507
Total net position	<u>\$ 4,989,767</u>	<u>\$ 13,191,232</u>	<u>\$ 53,039,428</u>

See Accompanying Notes to the Financial Statements

Business-type Activities				Governmental
Municipal Parking Garage	Emergency Medical Services	Total Nonmajor Enterprises Funds	Total Enterprise Funds	Internal Service Funds
\$ 599,280	\$ 19,687	\$ 2,701,858	\$ 21,433,101	\$ 16,042,380
236,158	1,625,055	50,648	3,011,566	240,113
-	-	-	192,247	-
-	-	126,391	417,525	-
835,438	1,644,742	2,878,897	25,054,439	16,282,493
1,895,790	-	1,457,640	11,053,226	-
2,402,921	296,288	18,071,998	69,717,445	35,121,858
4,298,711	296,288	19,529,638	80,770,671	35,121,858
5,134,149	1,941,030	22,408,535	105,825,110	51,404,351
-	4,312,500	-	5,208,409	-
-	4,312,500	-	5,208,409	-
5,134,149	6,253,530	22,408,535	111,033,519	51,404,351
14,097	361,006	230,839	1,369,204	1,767,228
-	645,271	11,362	656,633	921
-	360	375,466	612,969	-
-	-	-	65,000	-
-	-	-	135,313	-
-	-	-	-	1,881,200
14,097	1,006,637	617,667	2,839,119	3,649,349
-	-	-	372,252	-
-	-	-	-	675,698
-	6,636,665	-	9,473,112	-
-	6,636,665	-	9,845,364	675,698
14,097	7,643,302	617,667	12,684,483	4,325,047
3,354,592	-	-	3,354,592	-
-	469,814	-	2,077,275	-
3,354,592	469,814	-	5,431,867	-
3,368,689	8,113,116	617,667	18,116,350	4,325,047
4,298,711	296,288	19,529,638	80,770,671	35,121,858
(2,533,251)	(2,155,874)	2,261,230	12,146,498	11,957,446
\$ 1,765,460	\$ (1,859,586)	\$ 21,790,868	\$ 92,917,169	\$ 47,079,304

CITY OF MOBILE, ALABAMA
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended September 30, 2020

	Business-type Activities		
	Mobile Civic Center	WAVE Transit System	Mobile Convention Center
OPERATING REVENUES			
Charges for services	\$ 507,641	\$ 451,275	\$ 449,804
Internal charges	-	-	-
Employee contributions	-	-	-
Facility rent	257,571	-	392,130
Sales revenue	-	-	-
Parking fees	205,127	-	74,277
Concessions	289,152	-	479,823
Other revenue	161,553	149,795	96,896
Total operating revenues	<u>1,421,044</u>	<u>601,070</u>	<u>1,492,930</u>
OPERATING EXPENSES			
Personnel services	1,842,552	7,295,422	2,419,216
Commodities	58,051	1,516,515	64,232
Utilities	634,268	147,924	457,446
Professional and technical	252,712	547,643	3,116,001
Maintenance and repairs	7,365	-	45,579
Printing and reproduction	2,580	-	66
Insurance payments	98,593	646,901	59,542
Event expenses	35,446	-	51,034
Cost of goods sold	-	-	-
Increase in provision for self-insurance loss	-	-	-
Other charges	79,327	183,850	824,203
Depreciation	253,042	1,528,845	1,387,810
Total operating expenses	<u>3,263,936</u>	<u>11,867,100</u>	<u>8,425,129</u>
Operating income (loss)	<u>(1,842,892)</u>	<u>(11,266,030)</u>	<u>(6,932,199)</u>
NONOPERATING REVENUES (EXPENSES)			
Taxes	-	-	11,984,943
State and federal assistance	-	6,721,459	-
Investment income	-	5,075	-
Damaged vehicles reimbursement	-	-	-
Gain (loss) from disposal of assets	-	20,190	-
Total nonoperating revenues (expenses)	<u>-</u>	<u>6,746,724</u>	<u>11,984,943</u>
Income (loss) before contributions and transfers	<u>(1,842,892)</u>	<u>(4,519,306)</u>	<u>5,052,744</u>
Capital grants and contributions	-	1,219,810	-
Transfers in	1,520,073	5,408,321	-
Transfers out	-	-	(873,947)
Transfer of capital assets	-	-	-
Change in net position	<u>(322,819)</u>	<u>2,108,825</u>	<u>4,178,797</u>
Total net position - beginning	5,312,586	11,082,407	48,860,631
Total net position - ending	<u>\$ 4,989,767</u>	<u>\$ 13,191,232</u>	<u>\$ 53,039,428</u>

See Accompanying Notes to the Financial Statements

Business-type Activities				Governmental
Municipal	Emergency	Total Nonmajor	Total	Internal
Parking Garage	Medical Services	Enterprises Funds	Enterprise Funds	Service Funds
\$ 38,552	\$ 2,671,217	\$ 2,679,599	\$ 6,798,088	\$ 1,435,588
-	-	-	-	35,913,786
-	-	-	-	7,319,978
341,858	-	108,678	1,100,237	-
-	-	188,164	188,164	-
-	-	1,758,005	2,037,409	-
-	-	60,914	829,889	-
-	-	103,389	511,633	-
<u>380,410</u>	<u>2,671,217</u>	<u>4,898,749</u>	<u>11,465,420</u>	<u>44,669,352</u>
-	5,239,920	2,569,550	19,366,660	185,393
-	516,224	328,273	2,483,295	3,669,192
-	36,345	629,230	1,905,213	41,743
9,295	203,018	647,099	4,775,768	3,036,246
-	148,609	149,854	351,407	-
-	25	6,370	9,041	7,067
-	-	79,015	884,051	25,096,933
-	-	-	86,480	-
-	-	130,634	130,634	-
-	-	-	-	378,898
14,097	605,635	441,979	2,149,091	1,078,661
201,644	35,520	816,004	4,222,865	5,808,664
<u>225,036</u>	<u>6,785,296</u>	<u>5,798,008</u>	<u>36,364,505</u>	<u>39,302,797</u>
<u>155,374</u>	<u>(4,114,079)</u>	<u>(899,259)</u>	<u>(24,899,085)</u>	<u>5,366,555</u>
-	-	-	11,984,943	-
-	56,416	578	6,778,453	-
4,604	-	-	9,679	-
-	-	-	-	39,935
-	-	11,425	31,615	(89,421)
<u>4,604</u>	<u>56,416</u>	<u>12,003</u>	<u>18,804,690</u>	<u>(49,486)</u>
159,978	(4,057,663)	(887,256)	(6,094,395)	5,317,069
-	-	-	1,219,810	-
-	4,978,541	1,876,836	13,783,771	3,580,374
(300,000)	-	(1,600,000)	(2,773,947)	(6,000,000)
-	(98,674)	-	(98,674)	-
(140,022)	822,204	(610,420)	6,036,565	2,897,443
1,905,482	(2,681,790)	22,401,288	86,880,604	44,181,861
<u>\$ 1,765,460</u>	<u>\$ (1,859,586)</u>	<u>\$ 21,790,868</u>	<u>\$ 92,917,169</u>	<u>\$ 47,079,304</u>

CITY OF MOBILE, ALABAMA
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2020

	Business-type Activities		
	Mobile	WAVE	Mobile
	Civic Center	Transit System	Convention Center
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers and users	\$ 507,641	\$ 638,144	\$ 449,804
Cash received from sales revenue	-	-	-
Cash received from internal billings	-	-	-
Cash received from employee contributions	-	-	-
Cash received from facility & other rent	299,284	-	465,642
Cash received from parking fees	205,127	-	74,277
Cash received from concessions	289,152	-	479,823
Cash received from miscellaneous	37,745	-	96,896
Cash payments for operating expenses	(1,307,493)	(3,142,890)	(4,803,360)
Cash payments for insurance claims	-	-	-
Cash payments for internal services	(23,121)	-	(17,798)
Cash payments to employees for services	(1,842,552)	(7,922,631)	(2,419,216)
Net cash provided (used) by operating activities	<u>(1,834,217)</u>	<u>(10,427,377)</u>	<u>(5,673,932)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Taxes	-	-	11,957,892
Non-capital grants and contributions	-	6,721,459	-
Transfers in from other funds	1,520,073	5,339,637	-
Transfers out to other funds	-	(1,603,039)	(873,947)
Net cash provided (used) by noncapital financing activities	<u>1,520,073</u>	<u>10,458,057</u>	<u>11,083,945</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	-	(1,524,762)	(50,126)
Proceeds from sale of capital assets	-	20,193	-
Reimbursement for damaged vehicles	-	-	-
Capital grants and contributions	-	1,524,762	-
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>20,193</u>	<u>(50,126)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income received	-	5,075	-
Net cash provided (used) by investing activities	<u>-</u>	<u>5,075</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(314,144)	55,948	5,359,887
Balances - beginning of year	622,880	134,368	12,253,337
Balances - end of the year	<u>\$ 308,736</u>	<u>\$ 190,316</u>	<u>\$ 17,613,224</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (1,842,892)	\$ (11,266,030)	\$ (6,932,199)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	253,042	1,528,845	1,387,810
Non-cash items included in operating income	-	(229,189)	-
Changes in assets and liabilities:			
Accounts payable	(159,622)	(132,817)	(211,071)
Accounts receivable	41,713	37,074	99,856
Self-insurance liabilities	-	-	-
Insurance claims payable	-	-	-
Compensated absences	-	5,762	-
Inventory and prepaids	(2,650)	32,760	8,016
Salary and benefits payable	-	(144,708)	-
Pension contribution payable	-	(259,074)	-
Advance collections	(123,808)	-	(26,344)
Net cash provided (used) by operating activities	<u>\$ (1,834,217)</u>	<u>\$ (10,427,377)</u>	<u>\$ (5,673,932)</u>

See Accompanying Notes to the Financial Statements

Business-type Activities				Governmental
Municipal	Emergency	Total Nonmajor	Total	Internal
Parking Garage	Medical Services	Enterprises Funds	Enterprise Funds	Service Funds
\$ -	\$ 2,775,647	\$ 2,722,418	\$ 7,093,654	\$ 1,451,439
-	-	102,345	102,345	-
-	-	-	-	35,913,786
-	-	-	-	7,319,978
363,624	-	102,295	1,230,845	-
-	-	1,758,005	2,037,409	-
-	-	60,914	829,889	-
-	-	60,468	195,109	-
(44,551)	(1,088,217)	(2,734,413)	(13,120,924)	(7,416,938)
-	-	-	-	(24,825,454)
-	(1,070,423)	(215,693)	(1,327,035)	-
-	(5,484,661)	(2,362,475)	(20,031,535)	(183,444)
<u>319,073</u>	<u>(4,867,654)</u>	<u>(506,136)</u>	<u>(22,990,243)</u>	<u>12,259,367</u>
-	-	-	11,957,892	-
-	56,416	578	6,778,453	-
-	4,978,541	1,876,836	13,715,087	3,580,374
(300,000)	-	(1,600,000)	(4,376,986)	(6,000,000)
<u>(300,000)</u>	<u>5,034,957</u>	<u>277,414</u>	<u>28,074,446</u>	<u>(2,419,626)</u>
-	(147,616)	(163,382)	(1,885,886)	(9,094,299)
-	-	23,925	44,118	408,567
-	-	-	-	38,691
-	-	-	1,524,762	-
-	<u>(147,616)</u>	<u>(139,457)</u>	<u>(317,006)</u>	<u>(8,647,041)</u>
4,604	-	-	9,679	-
4,604	-	-	9,679	-
23,677	19,687	(368,179)	4,776,876	1,192,700
575,603	-	3,070,037	16,656,225	14,849,680
<u>\$ 599,280</u>	<u>\$ 19,687</u>	<u>\$ 2,701,858</u>	<u>\$ 21,433,101</u>	<u>\$ 16,042,380</u>
\$ 155,374	\$ (4,114,079)	\$ (899,259)	\$ (24,899,085)	\$ 5,366,555
201,644	35,520	816,004	4,222,865	5,808,664
-	(936,198)	-	(1,165,387)	-
(21,159)	48,631	(352,535)	(828,573)	511,605
85,255	104,136	(49,383)	318,651	15,851
-	-	-	-	365,698
-	-	-	-	189,045
-	-	-	5,762	-
-	-	18,327	56,453	-
-	(5,959)	6,792	(143,875)	1,949
-	-	-	(259,074)	-
(102,041)	295	(46,082)	(297,980)	-
<u>\$ 319,073</u>	<u>\$ (4,867,654)</u>	<u>\$ (506,136)</u>	<u>\$ (22,990,243)</u>	<u>\$ 12,259,367</u>



THIS PAGE INTENTIONALLY LEFT BLANK

COMPONENT UNITS



Component Units are separate legal entities from the primary government and are governed by separate boards. The discretely presented component units have a financial benefit or burden relationship to the primary government.

Financial accountability for component units as defined by GASB Statement No. 61 does not imply that the City is legally responsible for the obligations of the discretely presented component units. See Note 2 for further details.

Mobile Public Library
The Public Park and Recreation Board
(Ladd-Peebles Stadium)
Solid Waste Disposal Authority

Picture on the prior page is from the January 2020 Senior Bowl held at Ladd-Peebles Stadium



CITY OF MOBILE, ALABAMA
Statement of Net Position
Combining Component Units
September 30, 2020

	Mobile Public Library	Public Park and Recreation Board	Solid Waste Disposal Authority	Total
ASSETS				
Current assets:				
Cash, equity in pooled cash and investments	\$ 4,517,837	\$ 127,297	\$ -	\$ 4,645,134
Restricted cash - capital purchases	-	500,000	-	500,000
Receivables, net	8,464	93,543	-	102,007
Inventories and prepaid expenses	75,972	31,114	-	107,086
Total current assets	<u>4,602,273</u>	<u>751,954</u>	<u>-</u>	<u>5,354,227</u>
Noncurrent assets:				
Investments	-	404,872	-	404,872
Land	-	-	248,225	248,225
Buildings	-	1,175,919	-	1,175,919
Vehicular equipment	140,144	-	-	140,144
Other equipment	3,984,462	726,489	-	4,710,951
Accumulated depreciation	(3,751,619)	(1,513,726)	-	(5,265,345)
Net pension asset	-	6,696	-	6,696
Total noncurrent assets	<u>372,987</u>	<u>800,250</u>	<u>248,225</u>	<u>1,421,462</u>
Total assets	<u>4,975,260</u>	<u>1,552,204</u>	<u>248,225</u>	<u>6,775,689</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pension outflows	611,101	10,228	-	621,329
Total deferred outflows of resources	<u>611,101</u>	<u>10,228</u>	<u>-</u>	<u>621,329</u>
Total assets and deferred outflows of resources	<u>5,586,361</u>	<u>1,562,432</u>	<u>248,225</u>	<u>7,397,018</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	386,319	31,559	215,480	633,358
Unearned revenue	-	17,501	-	17,501
Compensated absences, current portion	34,075	-	-	34,075
Total current liabilities	<u>420,394</u>	<u>49,060</u>	<u>215,480</u>	<u>684,934</u>
Noncurrent liabilities:				
Compensated absences, long-term portion	502,814	-	-	502,814
Net pension liability	3,775,393	-	-	3,775,393
Total noncurrent liabilities	<u>4,278,207</u>	<u>-</u>	<u>-</u>	<u>4,278,207</u>
Total liabilities	<u>4,698,601</u>	<u>49,060</u>	<u>215,480</u>	<u>4,963,141</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred pension inflows	909,400	34,910	-	944,310
Total deferred inflows of resources	<u>909,400</u>	<u>34,910</u>	<u>-</u>	<u>944,310</u>
Total liabilities and deferred inflows of resources	<u>5,608,001</u>	<u>83,970</u>	<u>215,480</u>	<u>5,907,451</u>
NET POSITION				
Net investment in capital assets	372,987	388,682	248,225	1,009,894
Restricted for:				
Grant programs	-	500,000	-	500,000
Unrestricted	(394,627)	589,780	(215,480)	(20,327)
Total net position	<u>\$ (21,640)</u>	<u>\$ 1,478,462</u>	<u>\$ 32,745</u>	<u>\$ 1,489,567</u>

See Accompanying Notes to the Financial Statements

CITY OF MOBILE, ALABAMA
Statement of Activities
Combining Component Units
For the Year Ended September 30, 2020

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Mobile Public Library				
Culture and recreation	\$ 8,633,108	\$ 215,632	\$ 312,739	\$ 4,769
Total Mobile Public Library	8,633,108	215,632	312,739	4,769
Public Park and Recreation Board				
Culture and recreation	971,021	794,744	-	500,000
Total Public Park and Recreation Board	971,021	794,744	-	500,000
Solid Waste Disposal Authority				
Public works	2,377,809	-	2,325,246	-
Total Solid Waste Disposal Authority	2,377,809	-	2,325,246	-
Total component units:	\$ 11,981,938	\$ 1,010,376	\$ 2,637,985	\$ 504,769

General revenues:

- Grants and contributions not restricted to specific programs
- Investment earnings
- Payments from local governments
- Total general revenues and transfers
- Change in net position
- Net position - beginning
- Net position - ending

See Accompanying Notes to the Financial Statements

Net (Expense) Revenue and Changes in Net Position			
Mobile Public Library	Public Park and Recreation Board	Solid Waste Disposal Authority	Total
\$ (8,099,968)	\$ -	\$ -	\$ (8,099,968)
(8,099,968)	-	-	(8,099,968)
-	323,723	-	323,723
-	323,723	-	323,723
-	-	(52,563)	(52,563)
-	-	(52,563)	(52,563)
(8,099,968)	323,723	(52,563)	(7,828,808)
413,627	-	-	413,627
126,464	4,872	-	131,336
8,756,793	200,000	-	8,956,793
9,296,884	204,872	-	9,501,756
1,196,916	528,595	(52,563)	1,672,948
(1,218,556)	949,867	85,308	(183,381)
\$ (21,640)	\$ 1,478,462	\$ 32,745	\$ 1,489,567



THIS PAGE INTENTIONALLY LEFT BLANK

NOTES TO THE FINANCIAL STATEMENTS



NOTES TO THE FINANCIAL STATEMENTS

Pictures on the prior page are from the City's "Days of Service" where, led by Mayor Stimpson, City employees and volunteers pick up litter, clean parks, and survey dump sites.

During the January 2020 Day of Service, a total of 3,223 pounds of debris and 132 tires were collected. Employees from every city department participated along with volunteers from partner organizations and neighborhood residents who joined in the effort.



NOTES TO THE FINANCIAL STATEMENTS**INDEX**

Note 1	Summary of Significant Accounting Policies	38
Note 2	Organization and Reporting Entity	54
Note 3	Cash, Equity in Pooled Cash and Investments	57
Note 4	Receivables	59
Note 5	Interfund Transfers	60
Note 6	Interfund Receivables and Payables	61
Note 7	Capital Assets	61
Note 8	Long-Term Debt	67
Note 9	Debt Issuance, Refunding & Defeasance	69
Note 10	Retirement Plans and Other Employee Benefits	70
Note 11	Restricted Net Position	93
Note 12	Service Concession Arrangement	94
Note 13	Commitments and Contingencies	94
Note 14	Risk Management	95
Note 15	Fund Deficits of Nonmajor Funds	96
Note 16	Municipal Solid Waste Landfills	96
Note 17	Tax Abatements	97
Note 18	Fund Balance – Governmental Funds	98
Note 19	Reclassification	99
Note 20	Subsequent Events	99



NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Mobile, Alabama (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) applicable to municipal governments as promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative literature.

The more significant of the government's accounting policies are described below.

Basis of Presentation - Government-wide and Fund Accounting

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. The emphasis is on either the City as a whole or major individual funds. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reflected using the economic resources measurement focus and full accrual basis of accounting, which incorporates long-term assets and receivables, long-term debt and obligations, and deferred outflows and deferred inflows of resources. The City generally first uses restricted assets for expenses incurred for which both restricted and unrestricted assets are available. The City may defer the use of restricted assets based on a review of the specific transaction.

The government-wide Statement of Activities is also presented using the economic resources measurement focus and full accrual basis of accounting and reflects both the gross and net cost per functional category (public works, public safety, etc.) which are otherwise being supported by general government revenues (taxes, licenses and permits, etc.). The Statement of Activities reduces gross expenses, including depreciation, by related program revenues (charges for services, operating and capital grants, and contributions). The program revenues must be directly associated with a function or a business-type activity. Direct expenses are those that are clearly identifiable with a specific function or segment. Direct expenses are not eliminated from the various functional categories. The City does not allocate indirect expenses. Eliminations have been made to minimize the double-counting of internal activities. Interfund services provided and used are not eliminated in the process of consolidation. The operating grants and contributions column includes operating-specific and discretionary (either operating or capital) grants while the capital grants and contributions column reflects grants restricted for capital purposes.

The governmental fund financial statements are presented using a current financial resources measurement focus and on the modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide financial statements' governmental activities column, a reconciliation is presented which briefly explains the adjustments necessary to reconcile the governmental fund financial statements to the government-wide financial statements' governmental activities column.

This reporting model provides information on the City as a whole and the fund financial statements, including the major individual funds of the governmental and business-type categories, as well as the component units. Each presentation provides valuable information that can be analyzed and compared (between years and between governments) to enhance the usefulness of the information.



In the fund financial statements, the City's accounting records are organized and operated on a fund basis. A fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on the specific activities or attaining certain objectives, in accordance with special regulations, restrictions or limitations.

The types of funds used in accounting for the financial operations of the City and their nature and purpose are as follows:

Governmental Funds - Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is based upon determination of changes in financial position, rather than upon net income determination. The following are the City's governmental funds:

General Fund - The General Fund is the general operating fund of the City and is considered a major governmental fund. All general tax revenue and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The general operating expenditures, fixed charges and capital improvement costs that are not paid through other funds, are paid from the General Fund.

Capital Projects Funds - These funds are used to account for financial resources for the acquisition or construction of major capital facilities (other than those financed by proprietary fund types). Capital Projects Funds used by the City are as follows:

- Capital Improvements – This fund is considered a major governmental fund and is used to provide for necessary capital improvements and is financed by a portion of the sales tax.
- Municipal Government Capital Improvements – This fund is used for several projects including the Mobile Regional Senior Community Center and various building maintenance projects.
- Flood Management Escrow – This fund is used to hold funds collected from developers to help defray the cost of future drainage in an area. This fund was established by ordinance passed by the City Council.
- 2000 Capital Projects – This fund is used to provide for improvements to the City's parks and recreational facilities and for storm water drainage and sewer improvements.
- 2012 General Obligation Private Placement Capital Equipment – This fund is used to purchase police, fire and public service equipment.
- 2020 General Obligation Warrants – This fund is used in coordination with 2020 General Obligation Warrants to refund the remaining 2009C General Obligation ARRA Capital Taxable Warrants.



Debt Service Funds - These funds are nonmajor governmental funds used to account for assets held for the repayment of principal and interest on the City's outstanding bond issues. None of the Debt Service Funds are considered major governmental funds. Debt service funds used by the City are as follows:

- Bank Service Charges - Various Issues - This fund is used to pay agent and trustee fees for defeased debt.
- 2009C General Obligation ARRA Capital Taxable Warrants - This fund is used to service the debt outstanding on the General Obligation Recovery Zone Economic Development Warrants, Series 2009C (Taxable).
- 2011 General Obligation Private Placement Warrants - This fund is used to service the debt outstanding on the General Obligation Private Placement Warrants, Series 2011.
- 2012 General Obligation Private Placement Warrants - This fund is used to service the debt outstanding on the General Obligation Private Placement Warrants, Series 2012.
- 2016 General Obligation Refunding Warrants - This fund is used to service the debt outstanding on the General Obligation Refunding Warrants, Series 2016.
- 2016C General Obligation Taxable Warrants - This fund is used to service the debt outstanding on the General Obligation Taxable Warrants, Series 2016C.
- 2017A General Obligation Warrants - This fund is used to service the debt outstanding on the General Obligation Warrants, Series 2017A.
- 2017B General Obligation Warrants - This fund is used to service the debt outstanding on the General Obligation Warrants, Series 2017B.
- 2017C General Obligation Warrants - This fund is used to service the debt outstanding on the General Obligation Warrants, Series 2017C.
- 2017D General Obligation Warrants - This fund is used to service the debt outstanding on the General Obligation Warrants, Series 2017D.
- 2018A General Obligation Refunding Warrants – This fund is used to service the debt outstanding on the General Obligation Refunding Warrants, Series 2018A.
- 2019 GulfQuest Note Payable – This fund is used to service the debt outstanding on the GulfQuest note payable.



Special Revenue Funds - The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than for major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action. None of the Special Revenue Funds are considered major governmental funds. Special Revenue Funds used by the City are as follows:

- Tax Increment Fund - This fund is used to account for revenues generated by tax collections under the Tax Increment Financing Plan and used to pay for redevelopment projects in the downtown area.
- Four-cent Gasoline Tax (Maintenance) - This fund accounts for tax revenues to be used to pay for street resurfacing.
- Five-cent Gasoline Tax (Roadway Maintenance) - This fund accounts for tax revenues to be used to pay the cost of construction, improvement, maintenance and supervision of highways, bridges and streets, including the retirement of bonds for the payment of which such revenues have been or may hereafter be pledged.
- Seven-cent Gasoline Tax (Roadway Maintenance) - This fund accounts for tax revenues to be used to pay the cost of electricity for streetlights and the cost of operating the concrete and storm sewer maintenance, street sweeping, street repair, ditch cleaning, pipe-laying and heavy equipment departments.
- Fuel Inspection Fees - This fund accounts for a special inspection fee levied by the State of Alabama to be used for street improvements and City planning purposes.
- Economic Development Escrow - This fund is used to account for activities funded by recaptured funds from refinanced second mortgages for economic development planning.
- Drug Enforcement Fund - This fund is used to account for federal, state, and local equitable sharing funds which are required to be segregated and used for a law enforcement purpose.
- Municipal Court Judicial Administration Fund - This fund is used to account for activities funded by dedicated revenues established by State statute which are required to be used for the judicial administration of the Municipal Court.
- Storm Water Fund – This fund is used to account for activities funded by dedicated revenues established by local ordinance which levied a storm water fee to be used for storm water management activities.
- Rebuild Alabama Fund – This fund is used to account for motor fuel tax revenues established by State statute which are required to be used for the maintenance, improvement, replacement, and construction of roads and bridges.
- General Activities Grants - This fund is used to account for activities funded by federal, state, local, and private grants received which are not related to public safety or received from the U.S. Department of Housing and Urban Development.
- Revitalizing Broad Street Grants - This fund is used to account for activities funded by federal, state, local, and private grants received which are related to the Revitalizing Broad Street project.
- Hurricane Sally Grants - This fund is used to account for activities funded by federal, state, local, and private grants received which are related to the Hurricane Sally disaster in September 2020.



- Public Safety Grants - This fund is used to account for public safety related activities funded by federal, state, local, and private grants.
- Housing and Urban Development Grants - This fund is used to account for activities funded by grants from the U.S. Department of Housing and Urban Development.

Proprietary Funds - Proprietary funds are used to account for the City's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is based upon determination of net income. Revenues are recognized in the period in which they are earned, and expenses are recognized in the period incurred. Operating revenues for proprietary operations generally result from producing or providing goods and services. Operating expenses for these operations include all costs related to providing the goods or services. All other revenue and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

Enterprise Funds - The City has the following enterprise funds to account for activities whose operations are financed and operated in a manner similar to private business operations where the intent of the City is that the costs of providing goods or services to the general public on a continuing basis is financed or recovered primarily through user charges. The City has determined that periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, and accountability.

- Mobile Civic Center - This major enterprise fund is used to account for the operations of the Mobile Civic Center which include activities such as sporting events, social events, musical performances, and theatrical performances.
- WAVE Transit System - This major enterprise fund is used to account for the operations of the City's public transportation system which derives most of its income from passenger fare revenues and various government subsidies.
- Mobile Convention Center - This major enterprise fund is used to account for the operations of the Mobile Convention Center which includes activities such as business conventions and social events.
- Municipal Parking Garage - This major enterprise fund is used to account for the operations of the Municipal Parking Garage which is rented to the general public on a daily basis.
- Emergency Medical Services (Firemedics) - This major enterprise fund is used to account for the operations of the firemedics division of the Mobile Fire-Rescue Department which provides pre-hospital/basic and advanced life support management of acute illness or injury through aggressive field stabilization and rapid transport to the appropriate medical facility; and offers support services to other divisions of the Mobile Fire-Rescue Department.
- Alabama Cruise Terminal – This fund is used to account for the operations of the Alabama Cruise Terminal, a cruise ship homeport, which includes an arrival and departure terminal facility and secured parking facilities.
- Saenger Theater - This fund is used to account for the operations of the Saenger Theater which include activities such as social events, musical performances, and theatrical performances.
- Mobile Tennis Center - This fund is used to account for the operations of the Copeland-Cox Tennis Center which derives most of its income from tennis court rentals.



- Azalea City Golf Course - This fund is used to account for the operations of the Azalea City Golf Course which derives revenues from course and cart rental.
- Neighborhood Renewal Program - This fund is used to account for the operations of the Neighborhood Renewal Program which derives most of its income from the sale of real property inventory.

Internal Service Funds - These funds are used to account for the financing of goods or services provided to other departments or agencies of the City, or to other governments, on a cost reimbursement basis. The internal service funds are included in governmental activities for government-wide reporting purposes. The excess revenue or expenses for the funds are allocated to the appropriate functional activity (governmental activities). Excess amounts have not been allocated to any business-type activity since these amounts would be insignificant. The City's internal service funds are as follows:

- Motor Pool Fund - This fund is used to account for vehicles and equipment provided and maintained by the Motor Pool for other departments of the City.
- Employee Health Plan Fund - This fund is used to account for assets held by the City for the payment of health insurance claims.
- Liability Insurance Fund - This fund is used to account for automobile and general liability claims and expenses paid for other departments of the City.

Basis of Accounting - Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Estimates - The preparation of financial statements in conformity with GAAP requires the use of certain estimates by management. Actual results could differ from those estimates.

Uncertainty due to COVID-19 – On March 11, 2020, the World Health Organization declared the novel strain of the coronavirus (COVID-19) a pandemic. In response, the City has implemented several significant changes to operations for the second half of fiscal year 2020 and to the start of fiscal year 2021. In light of public health orders mandated by the Office of the Governor, many employees were allowed to telework to reduce the number of staff within our facilities. Safety protocols were implemented to reduce the spread of this disease. Citizens were encouraged to take advantage of the City's online service options across multiple departments. The safety and health of our employees as well as the public that we serve is of great importance. The City remains committed to its purpose and ensuring that adequate internal controls over financial transactions and reporting were maintained.

The COVID-19 pandemic is disrupting supply chains and affecting production and services across a range of industries, including but not limited to tourism and travel. The City has experienced declines in selected taxes and other revenues related to this industry. Additionally, the City has seen declines in investment earnings and certain charges for services. The extent of the ongoing impact of COVID-19 on the City's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on our citizens, employees, and vendors and economical mitigation measures to be taken by federal and state government, all of which remain uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact the City's future financial condition or results of operations is uncertain and cannot be estimated.



Government-wide Financial Statements

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used. Revenues, expenses, gains, losses, assets, liabilities, and deferred inflows and deferred outflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Fund Financial Statements

Governmental Funds

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become both "measurable and available" to finance current expenditures. Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities (the City considers revenue available if it is collected within 60 days after year end). Selective sales and use taxes are considered available and measurable when the underlying exchange has occurred (i.e., September sales taxes are recorded as revenue in September even though the taxpayers remit the taxes in October) and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable, and their validity seems certain.

Property taxes are recognized as revenue when the enforceable legal claim has occurred.

Grant revenues (non-exchange transactions) are recognized when all eligibility requirements have been met and the resources are available. In regard to grant funding, available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year.

Other revenues, including licenses and permits, certain charges for services, and miscellaneous revenues, are recognized when measurable, usually when cash is received.

Expenditures (including capital outlay) are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on general long-term debt are exceptions to this rule and are recognized when due. Also, expenditures related to insurance claims, employee pension liabilities, compensated absences and sinking funds are recognized when payable from expendable available financial resources.

Proprietary Funds

Proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when a liability is incurred, regardless of the timing of related cash flows.



Budgets and Budgetary Accounting - The City follows these procedures in establishing the budgetary data presented in the accompanying financial statements:

- Prior to August 20, the Mayor submits to the City Council a proposed current revenue and expenditure budget for the general operations of the City government for the fiscal year beginning October 1, which constitutes the General Fund Budget, a Capital Budget and a budget message. By law, expenditures may not exceed revenues and surplus available, if any.
- A public hearing is held to obtain final taxpayer input, and necessary revisions are made not later than September 20. If for any reason the City Council fails to adopt the general fund budget on or before such day, the general fund budget of the current fiscal year shall be the general fund budget for the ensuing year, until such time as a newly revised budget shall be adopted by the City Council and, until such time, it shall have full force and effect to the same extent as if the same had been adopted by the City Council.
- The budget is adopted by a majority vote of the City Council, and any required revenue measures are legally enacted through passage of an ordinance.
- Changes or amendments to budgeted expenditures of the City at the departmental and fund level must be approved by the City Council.
- Departmental expenditures may not legally exceed budgetary appropriations for the General Fund. Accordingly, the legal level of budgetary control is established within the General Fund at the departmental level. Management may amend the budget at the object level within departments without City Council approval. All unencumbered balances lapse at year-end.

Revenue Recognition - Ad valorem taxes are assessed on property valuations and statutory liens are attached to such properties as of October 1st each year. These taxes are due October 1st, but do not become delinquent until December 31st, after which penalty fees are levied. If taxes and penalties are not paid by June 30th of the following year, the property is then sold for taxes due and remittance is made at this time by the Mobile County Revenue Commissioner to the City of Mobile. All tax levies are collected and remitted to the City of Mobile by the end of the City's fiscal year; consequently, the financial statements do not have accounts receivable or allowance for uncollected tax levies.

Other material revenues which are susceptible to accrual include sales and use taxes, interest income, state-shared revenues, and federal and state assistance. Revenues which are not both available and measurable and are thus not susceptible to accrual include property taxes, franchise fees, and business licenses.

Unearned Revenue - Unearned revenue primarily consists of advanced payments from expenditure-driven grants and advanced sales of tickets for events which have not yet occurred.

Encumbrances - Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditures of monies are recorded to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary control in the General Fund and Capital Projects Funds.

Encumbrances outstanding at year-end for specific purposes are included within restricted, committed, or assigned fund balance as appropriate. For budgetary purposes, current year encumbrances are treated as expenditures and any unencumbered balances lapse at year-end. Encumbrances have been recorded in the General Fund and Capital Projects Funds.



Pooled Cash and Investments - Pooled cash and investments is an internal cash and investment pool which consist of cash, government securities, certificates of deposit, and repurchase agreements. Cash balances and the requirements of all funds are considered in determining the amount to be invested. Interest earned on pooled cash and investments is recorded as General Fund revenue and allocated between funds based upon balances (see Note 3).

The City reports its money market investments and investments in short-term debt securities that have remaining maturities of one year or less at cost, which approximates fair value. The City's long-term investments are stated at fair value. For securities traded on a major exchange, market values are reported at their most recent sales prices. The method and frequency of pricing assets not traded on major exchanges varies depending on the type of assets. Investments for which quotations are not readily available are valued at their fair value as provided by the investment custodians under the direction of City management.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Investment income includes the City's gains and losses on investments bought and sold as well as held during the year.

Inventories - All City inventories are maintained using the consumption method where items are purchased for inventory and charged to the budgetary accounts as the items are consumed. Inventories held by the General Fund consist principally of traffic engineering, municipal garage, public buildings, electrical, mechanical maintenance, public works, police and fire department supplies. Inventories are stated at average or weighted average cost. Appropriate allowances have been recorded for obsolete and surplus items.

Interfund Transactions - On fund financial statements, receivables and payables resulting from outstanding balances from transactions between funds are classified as "due from other funds" and "due to other funds" (See Note 6). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." The flow of cash or goods from one fund to another without a requirement for repayment is reported as an interfund transfer. Interfund transfers are reported as other financing sources/uses in governmental funds (See Note 5). In proprietary funds, they are reported as "transfers in" and "transfers out" after "income before contributions and transfers." The government-wide statements eliminate interfund transfers and receivables/payables as reported within the segregated governmental activities and business-type activities columns. Only transfers and receivables/payables between the two columns appear in the government-wide financial statements, which zero in total. Interfund services provided and used are not eliminated in the process of consolidation.

Capital Assets - The accounting treatment for capital assets depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-wide Financial Statements

In the government-wide financial statements, capital assets are valued at historical cost, or estimated historical cost if actual is unavailable. Donated capital assets are reported at acquisition value. The City capitalizes assets with a unit cost of \$5,000 or more as purchase and construction outlays occur.

Infrastructure has been capitalized retroactively to 1980 using estimated historical costs.



Intangible assets are those that lack physical substance, are non-financial in nature and have initial useful lives extending beyond a single reporting period. In accordance with GASB Statement No. 51, the City began capitalizing and reporting intangible assets in the fiscal year ended September 30, 2010. Those intangible assets consist of easements with indefinite useful lives and are not amortized. The easements were valued based on fair value associated with land. According to Statement 51, retroactive reporting of intangible assets considered to have indefinite useful lives as of the effective date of the statement, is not required but is permitted. The City elected not to retroactively report such assets.

Depreciation is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' useful lives using the straight-line method of depreciation.

The range of estimated useful lives by type of asset is as follows:

<u>Types of Assets</u>	<u>Estimated Useful Life</u>
Buildings	25-60 years
Improvements other than buildings	20 years
Infrastructure (Drainage, Streets, Bridges, Sidewalks and Docking)	50 years
Infrastructure (Utilities and Landscaping)	25 years
Other equipment	5-10 years
Vehicular equipment	3-15 years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide financial statements.

Bond Discounts, Premiums and Issuance Costs - In the government-wide financial statements, bond discounts and premiums are deferred and amortized over the term of the bonds using the bonds outstanding method which approximates the effective interest method. Bond discounts/premiums are presented as a reduction/addition to the face amount of the bonds and warrants payable. Bond issuance costs are treated as period costs in the year of issue except for the portion, if any, related to prepaid insurance costs. Prepaid insurance costs are reported as an asset and recognized as an expense over the duration of the related debt.

In the governmental funds, bond discounts, premiums and issuance costs are treated as period costs in the year of issue.

Compensated Absences - The GASB requires that accrued liabilities for future vacations and sick leave be recorded if, (1) the employees' rights to receive compensation are attributable to services already rendered, and (2) it is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement. The liability for these compensated absences is recorded as long-term debt in the government-wide financial statements.



The current portion of this debt is estimated based on historical trends. In the enterprise funds, the compensated absences liability is presented in the statement of net position classified as current and noncurrent. In the governmental fund financial statements, amounts that would normally be paid with expendable available financial resources once the liability has matured, for example those resulting from employee resignations and retirements, are recorded in the General Fund, and the amounts considered noncurrent are not reported in the fund financial statements. Amounts paid or payable within 60 days are deemed to be payable from expendable financial resources.

Equity Classifications

Government-wide Financial Statements

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

- Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds and 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) the City's own laws through its enabling legislation and other provisions of its laws and regulations (See Note 11).
- Unrestricted net position - All other net position which does not meet the definition of "net investment in capital assets" or "restricted."

When an expenditure qualifies to be used from more than one equity classification identified above, it is the City's policy to use restricted resources before unrestricted resources.

Fund Financial Statements

On December 13, 2011, The City Council of the City of Mobile adopted Resolution 60-609 to establish a Fund Balance Policy consistent with the Governmental Accounting Standards Board Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions*.

The fund equity of the governmental fund financial statements is classified as fund balance.

The reporting categories and descriptions for fund balance in governmental funds within the guidance from GASB Statement No. 54 are as follows:

- Nonspendable Fund Balance - Inventory, prepaid items and other similar assets not in a spendable form that are contractually required to be maintained intact are classified as nonspendable fund balance.
- Restricted Fund Balance - Assets that are constrained by externally imposed restrictions, or by law through constitutional provisions or enabling legislation.
- Committed Fund Balance - Amounts formally designated by City Council through equally binding ordinances or resolutions for a specific purpose that cannot be used for another purpose unless the City Council formally changes the use.



- Assigned Fund Balance - Amounts constrained by City Council or the Executive Director of Finance for a specific purpose normally through the appropriations process in establishing and amending budgets. Furthermore, funds in special revenue and capital projects funds are by their nature assigned to the purpose for which the resources are collected. The policy used by the governing body to authorize the assignment of fund balance was passed by the City Council in Resolution 60-609 on December 13, 2011.
- Unassigned Fund Balance - Amounts that may be used for any governmental purpose. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

When an expenditure qualifies to be used from more than one fund balance classification identified above, it is the City's policy to use resources in the following order: restricted, committed, assigned, and then unassigned.

The fund equity of the proprietary fund financial statements is classified in the same manner as the government-wide financial statements.

Statement of Cash Flows - For the purposes of the Statement of Cash Flows for the proprietary funds, management considers cash and all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Pensions & Other Postemployment Benefits - Refer to Note 10 for additional information on Pensions and OPEB.

Employees' Retirement System of Alabama 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 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 Comprehensive Annual Financial Report.

Police and Firefighters Retirement Plan financial statements are prepared on the accrual basis of accounting. Plan member contributions to the plan are recognized when due and the employer has made a formal commitment to provide contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Plan investments are stated at fair value as provided by the Custodian, Wells Fargo Bank.

Transit Workers Pension Plan financial statements are prepared on the accrual basis of accounting. Plan member contributions to the plan are recognized when due and the employer has made a formal commitment to provide contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The plan's investments are stated at fair value. When available, fair value is determined by quoted market price. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. The plan's assets are held in trust by Regions Trust.



Other Postemployment Benefits (OPEB) refers to the benefits, other than pensions, that the City provides as part of an employee's retirement benefits. The City recognizes OPEB using the accrual basis of accounting, recognizing total OPEB liability in the financial statements based on the actuarial present value of projected benefit payments. Changes in the OPEB liability during the year are recorded as OPEB expense, with deferred outflows of resources being recorded for employer contributions made subsequent to the measurement date.

Adoption of new GASB pronouncements:

GASB Statement No. 92, Omnibus

Issued February 2020, this Statement is intended to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The Statement clarifies the requirements related to the effective date of GASB Statement 87, *Leases*, and Implementation Guide 2019-3, *Leases*. Further, the Statement addresses reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit plan. The Statement also addresses the applicability of GASB Statements 73 and 74 to reporting assets accumulated for postemployment benefits.

Statement No. 92 also addresses the applicability of certain requirements of GASB Statement 84 to postemployment benefit arrangements. The Statement also addresses the measurement of liabilities (and assets) related to asset retirement obligations in a government acquisition. The Statement addresses reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers. The Statement addresses references to nonrecurring fair value measurements of assets or liabilities in authoritative literature. The Statement also addresses terminology used to refer to derivative instruments.

The requirements related to the effective date of GASB Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance (effective the current fiscal year).

The requirements as described below were postponed for one year under the provisions of GASB Statement No. 95 and will be effective for periods beginning after June 15, 2021 (originally June 15, 2020). These requirements will be implemented in the Fiscal Year Ending September 30, 2022.

- The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74
- The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities
- The requirements related to the measurement of liabilities (and assets, if any) associated with asset retirement obligations in a government acquisition

GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance

Issued May 2020, this Statement is intended to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic by postponing the effective dates of certain provisions in GASB Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, or later. The provisions of GASB Statements No. 83, 84, 88, 89, 90, 91, 92, 93, and Implementation Guides No. 2017-3, 2018-1, 2019-1, and 2019-2 are postponed for one year. The provisions of GASB Statement No. 87 and Implementation Guide 2019-3 are postponed by eighteen months.



GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans

Issued June 2020, this Statement changes how a primary government would treat certain factors for financial accountability consideration within the scope of potential component unit determination, changes the applicability of the financial burden criterion in paragraph 7 of GASB Statement No. 84, and changes the provisions for accounting and reporting for Internal Revenue Code Section 457 deferred compensation plans.

The requirements in paragraph 4 applying to defined contribution pensions, defined contribution OPEB plans and other employee benefit plans and paragraph 5 of the Statement are effective immediately (effective for the current fiscal year). The requirements in paragraphs 6 – 9 and all other requirements of the Statement are effective for fiscal years beginning after June 15, 2021 (Fiscal Year Ending September 30, 2022).

Future adoption of GASB pronouncements that have been issued but are not yet effective at September 30, 2020:

GASB Statement No. 84, Fiduciary Activities

Issued January 2017, this Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

The requirements of this Statement were postponed for one year under the provisions of GASB Statement No. 95 and are now effective for reporting periods beginning after December 15, 2019 (originally December 15, 2018). These requirements will be implemented in the Fiscal Year Ending September 30, 2021.

GASB Statement No. 87, Leases

Issued June 2017, this Statement is intended to increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

The requirements of this Statement were postponed for eighteen months under the provisions of GASB Statement No. 95 and are now effective for reporting periods beginning after June 15, 2021 (originally December 15, 2019) and will be implemented in the Fiscal Year Ending September 30, 2022.

GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period

Issued June 2018, this statement is intended to (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period.



The requirements of this Statement were postponed for one year under the provisions of GASB Statement No. 95 and are now effective for reporting periods beginning after December 15, 2020 (originally December 15, 2019). These requirements will be implemented in the Fiscal Year Ending September 30, 2022.

GASB Statement No. 90, *Majority Equity Interests—an amendment of GASB Statements No. 14 & No. 61*

Issued August 2018, this statement is intended to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment.

The requirements of this Statement were postponed for one year under the provisions of GASB Statement No. 95 and are now effective for reporting periods beginning after December 15, 2019 (originally December 15, 2018). These requirements will be implemented in the Fiscal Year Ending September 30, 2021.

GASB Statement No. 91, *Conduit Debt Obligations*

Issued May 2019, this Statement is intended to improve consistency in accounting and financial reporting for conduit debt obligations by providing a single method of reporting conduit debt obligations by issuers. The Statement clarifies the existing definition of a conduit debt obligation; establishes that a conduit debt obligation is not a liability of an issuer; establishes standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improves required note disclosures.

The requirements of this Statement were postponed for one year under the provisions of GASB Statement No. 95 and are now effective for reporting periods beginning after December 15, 2021 (originally December 15, 2020). These requirements will be implemented in the Fiscal Year Ending September 30, 2023.

GASB Statement No. 92, *Omnibus* (continued)

As discussed previously, the requirements of this standard as described below were postponed for one year under the provisions of GASB Statement No. 95 and will be effective for periods beginning after June 15, 2021 (originally June 15, 2020). These requirements will be implemented in the Fiscal Year Ending September 30, 2022.

- The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74
- The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities
- The requirements related to the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition



GASB Statement No. 93, Replacement of Interbank Offered Rates

Issued March 2020, this Statement is intended to address the accounting and financial reporting implications that arise from the replacement of an interbank offered rate (IBOR). It achieves the objectives by providing accounting relief and clarifying guidance for certain situations where derivative instruments are affected by replacement of an IBOR or the reference rate within the agreements, replaces the London Interbank Offered Rate (LIBOR) with secured overnight financing rate (SOFR) and the effective (U.S.) federal funds rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap, clarifies the definition of reference rate as used in accounting guidance, and provides exceptions to the lease modification guidance in GASB Statement 87 for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments are made.

The requirements of this Statement were postponed for one year under the provisions of GASB Statement No. 95 and are now effective as described below.

- Requirements of Paragraph 11b are effective for reporting periods ending after December 31, 2021
- Requirements of Paragraphs 13 and 14 are effective for fiscal years beginning after June 15, 2021 (originally June 15, 2020)
- All other requirements except those of Paragraph 11b, 13 and 14 are effective for reporting periods beginning after June 15, 2020

GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements

Issued March 2020, this Statement is intended to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPP's) and providing guidance for accounting and financial reporting for availability payment arrangements (APA's). The Statement establishes the definitions of PPP's and APA's and provides uniform guidance on accounting and financial reporting for transactions that meet those definitions including requiring governments to report assets and liabilities related to PPP's consistently and disclose important information about PPP transactions. The Statement also provides clarifying guidance on how certain aspects of the structure of APA's should be accounted for. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022 (Fiscal Year Ending September 30, 2023).

GASB Statement No. 96, Subscription-Based Information Technology Arrangements

Issued May 2020, this Statement provides guidance on accounting and financial reporting for subscription-based information technology arrangements (SBITA's) for governments. The Statement defines SBITA's, establishes that SBITA's result in intangible assets and corresponding subscription liabilities, provides capitalization criteria for outlays other than subscription payments including SBITA implementation costs, and requires certain note disclosures. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022 (Fiscal Year Ending September 30, 2023).

GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans

As discussed previously, the requirements in paragraph 4 applying to defined contribution pensions, defined contribution OPEB plans and other employee benefit plans and paragraph 5 of the Statement are effective immediately (effective for the current fiscal year). The requirements in paragraphs 6 – 9 and all other requirements of the Statement are effective for fiscal years beginning after June 15, 2021 (Fiscal Year Ending September 30, 2022).



The City of Mobile will implement the new GASB pronouncements in the fiscal year no later than the required effective date. The City is currently evaluating the financial impact, if any, the above listed new GASB pronouncements will have on or in issuing its financial statements.

NOTE 2 - ORGANIZATION AND REPORTING ENTITY

Organization

The City of Mobile, Alabama was incorporated on January 20, 1814 under the provisions of Act 1911, No. 281, page 330; Code 1940. The City operates under a mayor-council form of government. The City engages in a comprehensive range of municipal services, including public safety, street and drainage, sanitation, health and social services, culture and recreation, public improvements, public transportation, planning and zoning, and general administrative services.

Reporting Entity

As required by GAAP, these financial statements present the primary government (the City) and its discretely presented component units. Each discretely presented component unit has a September 30 fiscal year-end. These component units are reported in a separate column(s) in the government-wide financial statements to emphasize that they are separate legal entities from the primary government and are governed by separate boards. The discretely presented component units have a financial benefit or burden relationship to the primary government. Financial accountability for component units as defined by GASB Statement No. 61 does not imply that the City is legally responsible for the obligations of the discretely presented component units.

Discretely Presented Component Units

- **Mobile Public Library** - The Library is an agency or instrumentality of the City of Mobile. All the members of the board of the Library are appointed by the City Council. The Library's other sources of revenue come from State and Federal financial assistance, other municipalities, and Mobile County and user fees. Complete financial statements of the library can be obtained directly from their administrative office at:

Mobile Public Library
700 Government Street
Mobile, AL 36602

- **The Public Park and Recreation Board (Ladd - Peebles Sports and Entertainment Complex)** - The City appropriates funds to the Public Park and Recreation Board (the Board) for operational and capital outlay purposes. All the members of the Board are appointed by the City Council. The Board's other sources of revenue come from the rental of Ladd – Peebles Sports and Entertainment Complex (formerly Ladd-Peebles Stadium) to third parties. Complete financial statements of the Public Park and Recreation Board can be obtained directly from their administrative offices as provided below.

The Public Park and Recreation Board
(Ladd-Peebles Sports and Entertainment Complex)
P.O. Box 66721
Mobile, Alabama 36660



- **The Solid Waste Disposal Authority** – The Solid Waste Disposal Authority was incorporated on May 7, 1985. As authorized by Ordinance 65-002, the City of Mobile conveyed to the Authority by statutory warranty deed dated July 28, 1993, its landfills, equipment used to operate the landfills, and the City solid waste stream. By agreement dated March 29, 1994, between the Authority and the City of Mobile, the City agreed to pay the Authority a tipping fee for each ton of solid waste delivered by the City to the landfill and the Hickory Street Transfer Station, and the Authority agreed to remit to the City the royalties, in the amount of 5% of the gross revenue received from solid waste deposited at the landfill, paid to the Authority by the contractor operating the landfill.

The City is authorized by State statute, ALA CODE Sec 11-89A-15(a), to lend or donate money to the Authority to perform services on behalf of the City. As so authorized, the City pays on a voluntary basis the incidental expenses of the Authority out of the general fund. The contractor that operates the Chastang landfill accepts waste from other sources. The landfill is not devoted exclusively to the waste stream of the City of Mobile. All the members of the Board are appointed by the City Council. The Authority does not issue separate financial statements.

Related Organizations

The City's officials are also responsible for appointing the members of the boards of other organizations. However, the City has no financial burden or benefit from these organizations, nor does it have the power to impose their will upon the members of their boards. Therefore, these organizations are not considered component units of the City.

The City's related organizations are as follows:

- **Board of Water and Sewer Commissioners of the City of Mobile (BWSC)** – BWSC is a separate governmental unit granted independent authority by the State of Alabama General Statutes. All five board members are appointed by the City Council. BWSC can issue its own debt, and its operations are financed through water and sewer usage fees.
- **Mobile Housing Board** - The Mayor appoints members to the governing board and can remove members for cause. The Mobile Housing Board has complete legislative and administrative authority. The Housing Board's primary revenues come from rents and monies received from the Federal government.
- **Mobile Airport Authority** - The Mayor appoints members to the governing board and can remove members for cause. The Mobile Airport Authority has complete legislative and administrative authority and can issue its own debt. Its operations are financed through aviation revenues and monies received from the Federal government.
- **Mobile Museum Board** – The City Council appoints members to the governing board. The Mobile Museum Board has separate administrative authority for the History Museum of Mobile. The Mobile Museum Board establishes the rates for revenues derived from admissions and facility rentals, and, at its discretion, utilizes said funds to further the purposes of the Board.



Joint Ventures

The City is a participant with other local governments in joint ventures to operate the following organizations:

- **Mobile County Board of Health** - The Mayor and the City Council do not appoint the board members for the Mobile County Board of Health. The City is legally required to contribute financial support to the Mobile County Board of Health on an annual basis. The City contributed \$600,000 to the Mobile County Board of Health during the fiscal year ended September 30, 2020. The Mobile County Board of Health receives contributions from other municipalities included within Mobile County as well as from Mobile County. Of the contributing entities, not one entity has unilateral control over the operations of the Mobile County Board of Health. In addition, the Mobile County Board of Health receives State and Federal financial assistance. The City has no equity interest in the Mobile County Board of Health. Complete financial statements for the Mobile County Board of Health may be obtained from their administrative office at 251 North Bayou Street, Mobile, Alabama 36601.
- **Mobile County Emergency Management Agency** - The board members for Mobile County Emergency Management Agency are the mayors for the municipalities in Mobile County and the President of the Mobile County Commission or their appointees. The City is legally required to contribute financial support to Mobile County Emergency Management Agency on an annual basis. The City contributed \$648,037 to Mobile County Emergency Management Agency during the fiscal year ended September 30, 2020. Mobile County Emergency Management Agency receives contributions from other municipalities included within Mobile County as well as State and Federal financial assistance. The City has no equity interest in Mobile County Emergency Management Agency. Complete financial statements for Mobile County Emergency Management may be obtained from their administrative office at 348 North McGregor Avenue, Mobile, Alabama 36618.
- **Mobile County Personnel Board** - The five board members are appointed by a supervisory committee. The supervisory committee consists of the mayors for all cities in Mobile County, the County Sheriff, the County License Commissioner, the County Revenue Commissioner and various county judges. The City is legally required to contribute financial support to the Mobile County Personnel Board on an annual basis. The City contributed \$1,359,315 to the Mobile County Personnel Board during the fiscal year ended September 30, 2020. The Mobile County Personnel Board also receives contributions from all municipalities included within Mobile County as well as from Mobile County. The City has no equity interest in the Mobile County Personnel Board. Complete financial statements for the Mobile County Personnel Board may be obtained from their administrative office at P.O. Box 66794, Mobile, Alabama 36660-1794.
- **Mobile Metro Jail** – The City entered into an agreement with Mobile County to share the costs of a joint jail facility. The City has agreed to pay 35% of the operational costs of the joint jail facility. The City contributed \$10,363,174 to Mobile County during the fiscal year ended September 30, 2020 for the Mobile Metro Jail.
- **Juvenile Court and James T. Strickland Youth Center** - An act was adopted by the Alabama Legislature in 1919 which directs the City to pay one-half of all expenses for the Juvenile Court and James T. Strickland Youth Center within thirty days after receiving the bill. During the fiscal year ended September 30, 2020, the City contributed \$3,372,524 to the Juvenile Court and Youth Center. It is funded by Mobile County, the City of Mobile, the Alabama Department of Youth Services and various grants from the State of Alabama.



- South Alabama Regional Planning Commission** – Act No. 1126, Acts of Alabama 1969, as amended by Act No. 692, Acts of Alabama 1973, and Act No. 85-757, Acts of Alabama, established the South Alabama Regional Planning Commission on September 13, 1969. The Commission is comprised of 32 representative members of the Baldwin, Escambia, and Mobile County Commissions and the municipalities therein. The Board members, including the Mayor of the City of Mobile, are appointed by each of the various participating agencies. During the year ended September 30, 2020, the City contributed \$383,792 to the South Alabama Regional Planning Commission. Funding is provided by the 32 member governments including Mobile County and the City of Mobile, as well as various grants from the federal government and the State of Alabama.

NOTE 3 - CASH, EQUITY IN POOLED CASH AND INVESTMENTS

Deposits

Cash balances available for investment by most City funds are maintained in pooled cash and investment accounts to improve investment opportunities. The equity in pooled cash and investment balances in the accompanying financial statements represents the undivided interest of each respective fund in pooled accounts.

Included as deposits are bank accounts and certificates of deposit. Each of the banks holding the City's unrestricted cash deposits, as well as those of the Component Units, is a certified participant in the Security for Alabama Funds Enhancement (SAFE) program. Funds covered by the SAFE program are protected through a collateral pool administered by the Alabama State Treasury.

The City's primary government deposits and City's restricted cash were fully insured or collateralized at September 30, 2020. At year-end, the carrying amount of the City's cash and cash equivalent deposits was \$185,388,034 and the bank balance was \$185,435,979. Of the total bank balance, \$3,901,342 was covered by Federal Depository Insurance and \$181,364,331 was covered under the SAFE program. The City also held investments totaling \$24,925,273 (plus \$55,269 of accrued interest receivable) detailed further on the next page.

Investments

The City is restricted by State statute to investments in U.S. Government Treasury and Agency securities, certificates of deposit and money market accounts, repurchase agreements and reverse repurchase agreements, banker's acceptances and commercial paper. In each case, all funds must be fully insured or collateralized by the pledge of securities. Securities allowed as collateral include U.S. Government Treasury and Agency securities, State of Alabama Obligations and City of Mobile Obligations.

As of September 30, 2020, the City had the following investments held in a custodial trust account or repurchase agreement:

Investment Category	Investment Maturities (Fair Value)			Total Fair Value
	Less than 1 Year	1 to 2 Years	2 to 3 Years	
US Treasury	\$ 2,675,503	\$ 2,100,112	\$ 492,871	\$ 5,268,486
Federal Agency	1,746,110	1,783,500	4,554,197	8,083,807
Certificates of Deposit	460,198	2,054,174	-	2,514,372
Repurchase Agreement	9,113,877	-	-	9,113,877
Total Fair Value*	\$ 13,995,688	\$ 5,937,786	\$ 5,047,068	\$ 24,980,542

*Includes accrued interest receivable totaling \$55,269



Fair Value of Financial Instruments

Governmental Accounting Standards Board Statement No. 72, *Fair Value Measurement and Application* (GASB Statement No. 72), established a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement. The three levels of the fair value hierarchy under GASB Statement No. 72 are described below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City can access at the measurement date.
- Level 2 Inputs other than quotes prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.
- Level 3 Inputs to the valuation methodology are unobservable.

The following table sets forth by level, within the fair value hierarchy, the City’s assets at fair value as of September 30, 2020:

Investment Category	Assets at Fair Value			
	Level 1	Level 2	Level 3	Total
US Treasury	\$ -	\$ 5,268,486	\$ -	\$ 5,268,486
Federal Agency	-	8,083,807	-	8,083,807
Certificates of Deposit	-	2,514,372	-	2,514,372
Repurchase Agreement	-	9,113,877	-	9,113,877
Total Fair Value	\$ -	\$ 24,980,542	\$ -	\$ 24,980,542

**Includes accrued interest receivable totaling \$55,269*

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies since September 30, 2019.

- US Treasury, Federal Agency Securities, Repurchase Agreements and Certificates of Deposit are valued based on market transactions involving similar assets traded in active markets.

The valuation methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the City believes these valuation methods are appropriate and consistent, the use of different methods or assumptions to determine the fair value of a certain financial instrument could result in a different fair value measurement at the reporting date.

Credit Risk and Concentration of Credit Risk

Based on the City's investment policy, the City invests public funds not required for immediate day-to-day operations in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforms to all state statutes and City Council resolutions governing the investment of public funds. Investment shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.



As of September 30, 2020, the City's investments in money market accounts are under the SAFE program. Investments are exposed to custodial credit risk if the securities are uninsured and unregistered and are either held by the counterparty, or by the counterparty's trust department or agent but not in the City's name. Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer due to the failure of a security lender or backer. Such risks are mitigated through the City's Investment Policy which states the following.

The City will minimize credit risk by:

- Limiting investments to the safest types of securities
- Pre-qualifying the financial institutions, broker/dealers; intermediaries, and advisers with which the City will do business
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized

The City will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations
- Investing operating funds primarily in shorter-term securities

To minimize the concentration of credit risk the investments shall be diversified by:

- Limiting investments to avoid over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities)
- Limiting investment in securities that have higher credit risks
- Investing in securities with varying maturities
- Continuously investing a portion of the portfolio in readily available funds such as interest-bearing demand deposits to ensure that appropriate liquidity is maintained to meet ongoing obligations.

To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than three (3) years from the date of purchase or in accordance with state and local statutes and ordinances, whichever is more restrictive.

NOTE 4 - RECEIVABLES

Receivables at September 30, 2020, consist of the following:

	Governmental Activities	Business-Type Activities	Total Primary Government
Receivables			
Taxes	\$ 28,165,366	\$ 998,412	\$ 29,163,778
Customers and other	4,261,419	4,615,780	8,877,199
Other governmental units	19,893,123	-	19,893,123
Gross receivables	<u>52,319,908</u>	<u>5,614,192</u>	<u>57,934,100</u>
Allowance for uncollectibles	(2,795,970)	(2,602,626)	(5,398,596)
Net receivables	<u>\$ 49,523,938</u>	<u>\$ 3,011,566</u>	<u>\$ 52,535,504</u>

Substantially all receivables are due in fiscal year 2021.



NOTE 5 - INTERFUND TRANSFERS

Transfers within the reporting entity are substantially for the purposes of subsidizing operating functions. Additional transfers may be made for funding capital projects and asset acquisitions and maintaining debt service. Resources are accumulated in certain funds to support and simplify the administration of various projects or programs, including capital and grant projects. Interfund transfers for the year ended September 30, 2020, are as detailed in the following schedule:

	Transfers In	Transfers Out
Major Governmental Funds		
General Fund		
Capital Improvements Fund	\$ -	\$ 125,276
Other Governmental Funds	843,321	782,585
Internal Service Funds	6,000,000	3,580,374
Mobile Civic Center	-	1,520,073
WAVE Transit	-	4,908,321
Emergency Medical Services	-	4,978,541
Municipal Parking Garage	300,000	-
Other Enterprise Funds	1,600,000	1,876,836
Total General Fund	<u>8,743,321</u>	<u>17,772,006</u>
Capital Improvements Fund		
General Fund	125,276	-
Other Governmental Funds	1,611,335	21,353,204
WAVE Transit	-	500,000
Mobile Convention Center	678,532	-
Total Capital Improvements Fund	<u>2,415,143</u>	<u>21,853,204</u>
Other Governmental Funds		
General Fund	782,585	843,321
Capital Improvements Fund	21,353,204	1,611,335
Other Governmental Funds	3,144,723	3,144,723
Mobile Convention Center	195,415	-
Total Other Governmental Funds	<u>25,475,927</u>	<u>5,599,379</u>
Internal Service Funds		
General Fund	3,580,374	6,000,000
Total Internal Service Funds	<u>3,580,374</u>	<u>6,000,000</u>
Major Enterprise Funds		
Mobile Civic Center		
General Fund	1,520,073	-
Total Mobile Civic Center	<u>1,520,073</u>	<u>-</u>
Mobile Convention Center		
Capital Improvements Fund	-	678,532
Other Governmental Funds	-	195,415
Total Mobile Convention Center	<u>-</u>	<u>873,947</u>
WAVE Transit		
General Fund	4,908,321	-
Capital Improvements Fund	500,000	-
Total WAVE Transit	<u>5,408,321</u>	<u>-</u>
Emergency Medical Services		
General Fund	4,978,541	-
Total Emergency Medical Services	<u>4,978,541</u>	<u>-</u>
Parking Garage		
General Fund	-	300,000
Total Parking Garage	<u>-</u>	<u>300,000</u>
Other Enterprise Funds		
General Fund	1,876,836	1,600,000
Total Other Enterprise Fund	<u>1,876,836</u>	<u>1,600,000</u>
Total Transfers	<u>\$ 53,998,536</u>	<u>\$ 53,998,536</u>



NOTE 6 - INTERFUND RECEIVABLES AND PAYABLES

Generally, outstanding balances between funds reported as "due from/to other funds" include subsidy commitments to the WAVE Transit outstanding at year-end and other short-term pooled cash advances and miscellaneous receivables/payables between funds. Interfund receivables and payables at September 30, 2020, are detailed in the following schedule.

	Due From Other Funds	Due To Other Funds
Major Governmental Funds		
General Fund		
WAVE Transit	\$ 192,247	\$ 65,000
Total General Fund	<u>192,247</u>	<u>65,000</u>
Other Governmental Funds		
Other Governmental Funds	<u>1,170,393</u>	<u>1,170,393</u>
Total Other Governmental Funds	<u>1,170,393</u>	<u>1,170,393</u>
Major Enterprise Funds		
WAVE Transit		
General Fund	<u>65,000</u>	<u>192,247</u>
Total WAVE Transit	<u>65,000</u>	<u>192,247</u>
Total Interfund Balances	<u>\$ 1,427,640</u>	<u>\$ 1,427,640</u>

Substantially all interfund balances are expected to be repaid within one year.

NOTE 7 - CAPITAL ASSETS

Governmental Activities

The following is a summary of changes in capital assets for the year ended September 30, 2020:

	Balance, Beginning	Additions	Deductions	Balance, Ending
Capital assets, not depreciated				
Land	\$ 27,375,079	\$ 1,871	\$ -	\$ 27,376,950
Construction in progress	64,773,795	47,954,528	5,410,047	107,318,276
Intangible assets	4,842,074	44,129	-	4,886,203
Subtotal	<u>96,990,948</u>	<u>48,000,528</u>	<u>5,410,047</u>	<u>139,581,429</u>
Capital assets, depreciated				
Buildings	143,858,672	-	-	143,858,672
Improvements other than buildings	132,034,554	2,618,841	-	134,653,395
Vehicular equipment	79,369,638	10,135,382	3,648,925	85,856,095
Other equipment	48,202,466	1,193,223	1,941,535	47,454,154
Infrastructure	567,382,238	2,605,961	-	569,988,199
Subtotal	<u>970,847,568</u>	<u>16,553,407</u>	<u>5,590,460</u>	<u>981,810,515</u>
Accumulated Depreciation				
Buildings	42,432,937	2,907,666	-	45,340,603
Improvements other than buildings	74,842,610	5,011,711	-	79,854,321
Vehicular equipment	42,563,141	6,075,830	3,150,937	45,488,034
Other equipment	37,945,785	1,466,091	1,741,825	37,670,051
Infrastructure	177,559,852	11,654,638	-	189,214,490
Subtotal	<u>375,344,325</u>	<u>27,115,936</u>	<u>4,892,762</u>	<u>397,567,499</u>
Depreciable capital assets, net	<u>595,503,243</u>	<u>(10,562,529)</u>	<u>697,698</u>	<u>584,243,016</u>
Total capital assets, net	<u>\$ 692,494,191</u>	<u>\$ 37,437,999</u>	<u>\$ 6,107,745</u>	<u>\$ 723,824,445</u>



Construction in progress consists of the following:

Asset	Project	Balance, 09/30/2019	Additions	Deductions	Balance, 09/30/2020
79248	PARKS - HERNDON PARK IMPRV	2,515,267	83,340	-	2,598,607
79255	CITY SHARE - ZEIGLER BLVD	1,284,987	3,604,641	-	4,889,628
79256	RESURF 4CT GAS TAX PROJECT	12,099,769	165,847	-	12,265,616
79259	MPO MCGREGOR AVE - WIDENING	470,175	524,558	-	994,733
79286	PARKS - MARDI GRAS PARK	3,108,827	53,048	-	3,161,875
79287	PARKS - LYONS PARK IMPROVEMENT	94,130	88,527	-	182,657
79296	POLICE-200 GOVERNMENT ST PURCH & RENOV	790,047	-	-	790,047
79456	CITYWIDE STORM DRAINS	263,551	-	-	263,551
79458	MPO - DAUPHIN ST - SAGE	7,183	-	-	7,183
79470	PKS-MIMS-RENOVATIONS & REPAIRS	107,323	90,818	-	198,141
79472	LADD STADIUM RENOVATIONS & REPAIRS	556,782	-	556,782	-
79474	ARCHITECTURAL ENGINEERING PROJECTS	126,386	33,983	-	160,369
79475	PKS-FIGURES PARK IMPRV	226,208	74	-	226,282
79478	CDBG 2014 - AFRICAN AMERICAN ARCHIVES	57,259	-	-	57,259
79500	PARKS-SULLIVAN PARK IMPRV	179,693	-	-	179,693
79503	PARKS-HILLSDALE COM CTR-DISTRICT 7	232,791	91,721	-	324,512
79505	STORMWATER-MISC BRIDGE IMPRV	21,895	-	21,895	-
79506	TRAFFIC CALMING DEVICES PROG	43,964	2,387	-	46,351
79507	TIF WATER ST STREET LIGHTS & SIDEWALKS	675,052	2,927	-	677,979
79509	2017 CITYWIDE ADA ASSESSMENTS	99,984	9,000	-	108,984
79510	SAENGER- RENOVATIONS & REPAIRS	148,228	58,540	-	206,768
79512	PARKS-MEDAL OF HONOR PARK PROJ	392,760	777,804	-	1,170,564
79513	CS-ZEIGLER-CODY TO SCHILLINGER	167,000	1,817,759	-	1,984,759
79514	PARKS-LAKE DR TRICENTENNIAL PARK IMPR	109,234	17,327	-	126,561
79516	PARKS-RICKARBY PARK IMPRV	294,670	83,306	-	377,976
79519	PARKS-TRINITY GARDEN PK IMP-DIST 1	279,625	98,266	-	377,891
79528	SPRINGHILL FIRE STATION (MCGREGOR)	116,699	2,156,793	-	2,273,492
79530	GUS REHM/CRICHTON FIRE STATION	3,002,467	33,000	-	3,035,467
79532	POLICE HEADQUARTERS UPGRADES	81,551	129,266	-	210,817
79533	PARKS-AARON PARK IMPRV	493,451	1,808	-	495,259
79535	PARKS-MCNALLY PARK IMPRV	96,199	-	96,199	-
79536	PARKS-FRY PARK IMPRV	97,783	5,428	103,211	-
79540	PKS-NEW PARK-THEODORE AREA	273,952	-	-	273,952
79542	PARKS-UNITY POINT IMPRV	29,058	-	-	29,058
79546	TRINITY GARDENS-DITCH ENCLOSURES	1,590,189	1,204,448	-	2,794,637
79552	PARKS-HELEN WOODS PARK IMPROV	218,957	5,680	-	224,637
79553	PARKS-TAYLOR PARK IMPRV	50,272	400	-	50,672
79556	PARK - STOTTS RENOVATION & REPAIRS	17,644	415,334	-	432,978
79558	WEST REGIONAL LIBRARY IMPROVEMENT	254,328	31,057	-	285,385
79562	PARKS-PLATEAU WELCOME CENTER	-	8,100	-	8,100
79563	MILL STREET PARK IMPRV	101,402	-	-	101,402
79567	BROAD ST IMPRV-TIGER	429,612	-	-	429,612
79568	ED-WESTWOOD PLAZA	157,406	-	-	157,406
79571	DRAINAGE-FLORIDA ST AT DOHM ST	2,383,518	367,978	-	2,751,496
79576	PARKS-CRAWFORD PARK IMPRV	250,854	87,771	-	338,625
79577	PARKS-HARMON RECREATION CENTER	494,544	2,524	-	497,068
79578	PARKS-SPRINGHILL RECREATION CENTER	111,149	1,995	-	113,144
79587	LIGHTING GREYSTONE FACILITY	73,264	2,098	75,362	-
79588	DRAINAGE-GREENWICH AT DOGWOOD	256,438	10,482	266,920	-
79589	DRAINAGE-ESLAVA CREEK IMPRV	356,313	203,302	-	559,615
79591	GOVERNMENT ST REBUILD	6,755	10,576	-	17,331
79593	MCGREGOR SIDEWALKS-OLD SHELL TO DAU	1,322,918	291,791	-	1,614,709
79594	TURNING RAIDUS-AIRPORT BLVD	25,000	10,223	-	35,223
79595	SIGNAL IMPRV AIRPORT & SAGE	619,794	39,192	-	658,986
79597	CROSSWALK-SEMINOLE & AIRPORT	35,005	8,000	-	43,005



Asset	Project	Balance, 09/30/2019	Additions	Deductions	Balance, 09/30/2020
79607	PARK-LANGAN PK-COPELAND-COX TENNIS	504,679	51,607	-	556,286
79615	PARK-COPELAND COX TENNIS CENTER	241,942	-	-	241,942
79616	EXPLOREUM RENOVATION & REPAIRS	96,105	-	96,105	-
79620	DAUPHIN ISLAND PARKWAY	9,367	-	-	9,367
79621	CRUISE TERMINAL-EQUIPMENT & MISC	2,027,397	26,609	-	2,054,006
79637	WATER ST STRIPING/SIGNALS	536,785	-	-	536,785
79644	PARKS-DOG RIVER PARK IMPROVEMENT	597,759	399,926	-	997,685
79647	MUSEUM OF ARTS IMPROV	233,123	75,923	-	309,046
79648	MOORER/SPRINGHILL LIBRARY	14,460	20,476	-	34,936
79649	MOBILE GREENWAY INITIATIVE	1,130,078	151,426	-	1,281,504
79650	2017 TRAFFIC SIGNAL INTX IMPROV	30,642	-	-	30,642
79651	2017 TRAFFIC SIGNAL MISC IMPROV	-	7,970	-	7,970
79652	UNIVERSITY BLVD-USA PED SIGNAL IMP	19,595	-	19,595	-
79654	DAUPHIN ISLAND PARK SIDEWALKS	11,370	-	-	11,370
79655	TRAFFIC ENG-BIKE SAFETY	14,778	13,978	-	28,756
79715	DISTRICT 1 INROAD DETECTION LOOP RP	19,697	14,079	-	33,776
79716	DISTRICT 2 INROAD DETECTION LOOP RP	38,199	9,286	-	47,485
79717	DISTRICT 3 INROAD DETECTION LOOP RP	11,805	-	-	11,805
79718	DISTRICT 4 INROAD DETECTION LOOP RP	27,236	18,140	-	45,376
79719	DISTRICT 5 INROAD DETECTION LOOP RP	18,142	-	18,142	-
79720	DISTRICT 6 INROAD DETECTION LOOP RP	7,267	-	7,267	-
79721	DISTRICT 7 INROAD DETECTION LOOP RP	1,450	-	1,450	-
79722	DISTRICT 1 PARK REPAIR PROJECTS	14,200	3,000	-	17,200
79724	DISTRICT 3 PARK REPAIR PROJECTS	20,490	-	-	20,490
79725	DISTRICT 4 PARK REPAIR PROJECTS	7,400	-	-	7,400
79726	DISTRICT 5 PARK REPAIR PROJECTS	12,343	-	-	12,343
79728	DISTRICT 7 PARK REPAIR PROJECTS	37,955	579	-	38,534
79745	DISTRICT 1 SIDEWALK REPAIRS & MAINT	294,506	-	-	294,506
79746	DISTRICT 2 SIDEWALK REPAIRS & MAINT	1,052,249	-	-	1,052,249
79747	DISTRICT 3 SIDEWALK REPAIRS & MAINT	292,248	-	-	292,248
79748	DISTRICT 4 SIDEWALK REPAIRS & MAINT	405,484	-	-	405,484
79749	DISTRICT 5 SIDEWALK REPAIRS & MAINT	353,656	-	-	353,656
79750	DISTRICT 6 SIDEWALK REPAIRS & MAINT	712,714	-	-	712,714
79751	DISTRICT 7 SIDEWALK REPAIRS & MAINT	410,939	-	-	410,939
79752	DISTRICT 1 STREET LIGHT IMPROVEMENT	54,389	11,997	-	66,386
79754	DISTRICT 3 STREET LIGHT IMPROVEMENT	44,372	-	44,372	-
79758	DISTRICT 7 STREET LIGHT IMPROVEMENT	43,227	-	43,227	-
79759	CITYWIDE STREET LIGHT IMPRV	48,135	24,817	-	72,952
79976	LAFAYETTE HEIGHTS PARK IMPRV	3,300	175,224	-	178,524
79978	PROPERTY- ZEIGLER RD	362,916	-	-	362,916
79979	PARKS-WOODCOCK TSAC FACILITY IMPROV	54,061	-	-	54,061
79980	PARKS - WESTSIDE IMPRV	5,700	-	-	5,700
79981	LAVRETTA PARK IMPRV	12,101	-	12,101	-
79982	TRIMMIER PARK IMPRV	118,306	362,710	-	481,016
79985	2016 SIDEWALK REVITILIZATION	46,359	31,085	-	77,444
79986	HOPE COMMUNITY CENTER IMPRV	100,733	143,290	-	244,023
79987	MATTHEWS PARK IMPRV	60,462	279,885	-	340,347
79988	WALSH PARK IMPROVEMENTS	97,505	-	97,505	-
79989	COTTAGE HILL AT MILK HOUSE	15,400	7,000	-	22,400
79990	TRINITY GARDENS DRAINAGE IMPRV	121,252	-	-	121,252
79991	ARC ROAD IMPRV	66,022	149,784	-	215,806
79992	DARWOOD & HARBOR DR DRAINAGE	266,711	264,118	-	530,829
79993	BOLTONS BRANCH-DAVIDSON TO MONTLIMAR	81,000	-	-	81,000
79995	WOODCOCK CREEK WEST BRANCH	85,587	-	-	85,587
79996	EAST DRIVE AT 12 MILE CREEK	218,791	39,398	-	258,189
79997	GLENWOOD ST REHABILITATION	54,776	-	54,776	-
79998	ST. LOUIS ST STREETSCAPES	276,930	44,205	-	321,135
79999	TEXAS ST REBUILD, ANN TO BROAD	170,921	31,057	-	201,978



Asset	Project	Balance, 09/30/2019	Additions	Deductions	Balance, 09/30/2020
80000	2018 SIDEWALKS	30,300	-	-	30,300
80002	2018 DRAINAGE MISC GROUP A	756,011	363,988	-	1,119,999
80003	2018 CITYWIDE DRAINAGE PROJECT	739,394	326,596	-	1,065,990
80004	2018 CITYWAIDE RESURFACING	3,596,579	642,228	-	4,238,807
80026	TAP SIDEWALK PROJECT- DIP	109,944	646	-	110,590
80027	TAP SIDEWALK - BIT & SPUR	243,575	-	-	243,575
80028	2016 CRUISE TERMINAL REPAIRS	2,457,275	-	-	2,457,275
80034	TIGER - COMPLETE STREETS IMPRV	336,482	6,503,466	-	6,839,948
80039	CDBG 2015 - BALTIMORE ST REHAB	207,091	28,695	-	235,786
80351	2018 BRIDGES & CULVERTS	472,046	-	472,046	-
80352	PK-JAMES SEALS PARK NEW PAVILION	76,326	43,810	120,136	-
80353	PARKS-MEDAL OF HONOR SOCCER LIGHTING	299,731	906,899	-	1,206,630
80354	PARKS-MEDAL OF HONOR SPLASH PAD	941,775	166,932	-	1,108,707
80355	SPRINGHILL/MOORER BR LIBRARY IMPRV	170,790	-	-	170,790
80356	AIRPORT BLVD-MEDIAN MODIFICATIONS	17,450	650	-	18,100
80358	2018 CITYWIDE GUARD RAILS	101,272	-	101,272	-
80360	CIP SOFTWARE SYSTEM IMPL & TRAINING	157,240	-	-	157,240
80361	HACKMEYER PK MASTER PLAN & IMPV	38,625	596,593	-	635,218
80363	CHURCH ST CEMETERY WALL REPAIRS	198,039	-	-	198,039
80364	MPL ADMIN BUILDING EXTERIOR REPAIRS	180,098	-	180,098	-
80365	COOPER RIVERSIDE PARK FLOATING DOCK	136,778	54,903	-	191,681
80366	ARCHED WALL REPAIRS TELECOM BLDG	57,333	12,602	-	69,935
80368	2018 MISC MINOR SIGNAL IMPRV	9,424	3,145	-	12,569
80373	CDBG16-SIDEWALKS & CROSSWALKS	266,921	-	-	266,921
80392	CUSTOM POLICE PATROL BOAT	228,071	116,929	345,000	-
80446	D1 TAP 17 OLD SHELL UNION-DURANT	22,430	402	-	22,832
80447	WATER STREET STRIPING & RESRF PH2	1,150,472	-	-	1,150,472
80448	MLK BASKETBALL COURT PROJECT	81,884	111,493	-	193,377
80449	KIDD PARK IMPRV	34,530	366,023	-	400,553
80450	ALDOT DAUPHIN ST WIDENING	293,237	127,355	-	420,592
80451	2018 PAYGO GROUP A	471,530	4,083,083	-	4,554,613
80452	2018 PAYGO GROUP B	229,941	3,779,095	-	4,009,036
80453	2018 PAYGO N MCGREGOR TO OLD SHELL	35,103	6,199	-	41,302
80454	PARKS-MEMORIAL PARK MASTER PL & IMP	17,226	259,119	-	276,345
80455	LANGAN PARK RESTROOM RENOV	15,445	76,862	-	92,307
80456	PARK-HOWARD JOHNSON	2,875	85,510	-	88,385
80457	2019 DRAINAGE GROUP D	56,740	228,394	-	285,134
80458	2019 DRAINAGE GROUP E	53,723	1,293,751	-	1,347,474
80459	2019 DRAINAGE GROUP A	9,000	26,000	-	35,000
80460	AIRPORT BLVD-WILLIAMS TO HOUSTON	47,078	29,329	-	76,407
80461	2019 OSR TAP PARKWAY-UNIVERSITY	24,303	7,192	-	31,495
80462	BALTIMORE ST REHAB-ANN TO BROAD	55,000	1,401,504	-	1,456,504
80463	PAYGO HILLCREST RD RESURF	716,780	93,804	-	810,584
80465	HILLCREST/COTTAGE HILL SIGNAL UPGRA	15,489	4,411	-	19,900
80466	2019 TENNIS CENTER LED LIGHTING	5,713	241,922	247,635	-
80467	AZALEA CITY GOLF IRRIGATION SYSTEM	1,402	88,595	-	89,997
80469	LANGAN PARK-RESTROOM RENOVATIONS	16,323	203,266	-	219,589
80470	MEDAL OF HONOR-GYMNASTICS CENTER IM	31,975	10,790	-	42,765
80471	CHILLER REPLACEMENT-850 ST ANTHONY MPD	18,196	189,520	-	207,716
80472	ANIMAL SHELTER KENNEL ROOF ENCLOS.	18,180	-	-	18,180
80473	BAUMHAUER-RANDLE PK-SITE AMENITY	12,144	187,000	-	199,144
80477	AZALEA CITY GOLF COURSE LANDSCAPING	8,283	249,617	-	257,900
80478	TIF AWARD LIGHT/POLES PURCHASES	191,829	73,600	-	265,429
80480	NEW PUBLIC SAFETY FACILITY	24,200	-	-	24,200
80549	2018 UPGRADE DOWNTOWN PARKING EQUIP	266,578	-	-	266,578
80550	GULF COAST EXPLOREUM -RE-ROOFING	7,160	458,150	-	465,310
80551	2019 CITYWIDE SIDEWALK REPAIRS	96,128	1,142,705	-	1,238,833
80609	2020 PIERCE ENFORCER, 4 DR FULL TILT, PU	-	560,278	-	560,278



Asset	Project	Balance, 09/30/2019	Additions	Deductions	Balance, 09/30/2020
80682	CAPITAL PROJECT-LADD PEEBLE STADIUM	-	339,294	-	339,294
80683	SAENGER THEATER ENVIR REMEDIATION	-	723,657	723,657	-
80684	ARTHUR R OUTLAW CONV CENTER-ROOF	-	881,560	-	881,560
80685	2019 BRIDGE AND CULVERT REPAIRS	-	433,085	-	433,085
80686	LADD-PEEBLES STAD-WLK/BIKE TRAIL	-	70,387	-	70,387
80688	I-65 AND I-10 LIGHT IMPROVEMENTS	-	231,892	-	231,892
80690	PARK-SEALS REC CENTER RENOV	-	3,750	-	3,750
80691	BATTERY HEIGHTS LIGHTING	-	15,857	-	15,857
80692	HALLS MILL & DEMOTROPOLIS RDWY IMPR	-	15,915	-	15,915
80693	LITTLE FLOWER AVE ROADWAY REPAIRS	-	217,787	-	217,787
80695	FIRE STATION #22 (TAPIA) -ROOFING	-	87,854	-	87,854
80696	TRAFFIC SAFETY IMPROVEMENTS	-	128,320	-	128,320
80699	FIRE TRAINING FACILITY TRANSFORMER	-	41,700	-	41,700
80700	PARKWAY SENIOR CTR - IMPRVMT	-	103,523	-	103,523
80701	GYM FLOORING-SEALS/HARMON COMM CTR	-	199,320	-	199,320
80703	2020 CITYWIDE RESURFACING PROGRAM	-	836,809	-	836,809
80818	PARKS-SPANISH PLAZA IMPROV	-	315,875	-	315,875
80819	GRELOT ROAD BEAUTIFICATION PROJ	-	14,939	-	14,939
80820	RICHARDS DAR HOUSE IMPROV	-	5,836	-	5,836
80821	JAMES M. SEALS/SUL PK SPLASH PAD	-	22,686	22,686	-
80843	2020 PIERCE ENFORCER, 4 DR FULL TILT, PU	-	560,278	-	560,278
80885	ST. JOSEPH TWO-WAY PROJ	-	10,067	-	10,067
80887	CRUISE TERMINAL PARKING DECK REPRS	-	174,227	-	174,227
80891	2019 DRAINAGE-GROUP B	-	35,280	-	35,280
80892	2019 DRAINAGE GROUP C	-	108,944	-	108,944
80893	MCRAE AVE DRAINAGE PH 2	-	16,000	-	16,000
80894	2019 DRAINAGE GROUP F	-	46,912	-	46,912
80895	HILLSDALE DRAINAGE & RDWAY REHAB	-	23,574	-	23,574
80896	PARKS-LAUN PARK	-	52,260	-	52,260
80897	PARKS MITTERNIGHT PARK	-	2,101	-	2,101
80898	PARKS-GYM FLOORING FIGURES & DOTCH	-	218,650	-	218,650
80899	ST STEPHENS RD IMPROV	-	88,152	-	88,152
80900	2019 SIGNAL IMPRO UPHAM	-	3,000	-	3,000
80901	2019 AIRPORT BLVD SIGNAL IMP	-	22,465	-	22,465
80902	PINTO PASS BRIDGE REPLACEMENT	-	1,545,211	1,545,211	-
80903	COTTAGE HILL BRIDGE/MILKHOUSE	-	45,867	-	45,867
80904	NEWHOUSE PARK & REC CTR IMPRV	-	2,231	-	2,231
80905	HURTELL ST. ARMORY-WALLS&WINDOWS RE	-	268	-	268
80906	LADD PEBBLES STAD-TRANSFORMER REPLC	-	31,007	31,007	-
80907	FIRE TRAIN CTR REHAB RESONANT DEMONST	-	14,459	-	14,459
80908	FACILITY UPGRADE/ADEM COMPLIANCE	-	6,538	-	6,538
80909	IRRIGATION SYSTEM AUTOMATION	-	7,200	-	7,200
80910	HURTEL STREET ARMORY-RE-ROOFING	-	330	-	330
80911	CONVENTION CENTER BRIDGE REPAIRS	-	982	-	982
80912	2019 TENNIS CENTER PORTABLE COURTS	-	106,390	106,390	-
80913	PW FACILITIES-EMERGENCY GENERATORS	-	350	-	350
		<u>\$ 64,773,795</u>	<u>\$ 47,954,528</u>	<u>\$ 5,410,047</u>	<u>\$ 107,318,276</u>



Depreciation expense was charged to governmental activities as follows:

Governmental Function	Depreciation Expense
General government	\$ 17,171,679
Economic development	12,772
Public safety	4,537,591
Public works	2,519,204
Engineering, development & Build Mobile	323,639
Culture & recreation	2,536,229
Finance	14,822
Total depreciation expense	<u>\$ 27,115,936</u>

Business-type Activities

The following is a summary of changes in capital assets for the year ended September 30, 2020:

	Balance, Beginning	Additions	Deductions	Balance, Ending
Capital assets, not depreciated				
Land	\$ 10,987,273	\$ 65,953	\$ -	\$ 11,053,226
Subtotal	<u>10,987,273</u>	<u>65,953</u>	<u>-</u>	<u>11,053,226</u>
Capital assets, depreciated				
Buildings	125,939,557	523,026	-	126,462,583
Improvements other than buildings	18,316,516	22,449	-	18,338,965
Vehicular equipment	13,580,236	495,338	1,524,667	12,550,907
Other equipment	5,925,312	779,120	382,284	6,322,148
Subtotal	<u>163,761,621</u>	<u>1,819,933</u>	<u>1,906,951</u>	<u>163,674,603</u>
Accumulated Depreciation				
Buildings	64,743,477	2,371,443	-	67,114,920
Improvements other than buildings	12,832,873	505,476	-	13,338,349
Vehicular equipment	9,482,006	878,892	1,500,245	8,860,653
Other equipment	4,471,712	467,054	295,530	4,643,236
Subtotal	<u>91,530,068</u>	<u>4,222,865</u>	<u>1,795,775</u>	<u>93,957,158</u>
Depreciable capital assets, net	<u>72,231,553</u>	<u>(2,402,932)</u>	<u>111,176</u>	<u>69,717,445</u>
Total capital assets, net	<u>\$ 83,218,826</u>	<u>\$ (2,336,979)</u>	<u>\$ 111,176</u>	<u>\$ 80,770,671</u>

Approximately \$4.3 million (cost of \$12.0 million and accumulated depreciation of \$7.7 million) of the Municipal Parking Garage property is leased to others as of September 30, 2020. (See Note 12)

Depreciation expense was charged to business-type activities as follows:

Fund	Depreciation Expense
Civic center	\$ 253,042
Convention center	1,387,810
Cruise terminal	400,570
WAVE transit	1,528,845
Parking garage	201,644
Emergency medical services	35,520
Golf course	221,347
Tennis center	4,928
Saenger theater	189,159
Total depreciation expense	<u>\$ 4,222,865</u>



NOTE 8 - LONG-TERM DEBT

Outstanding Debt

The general and limited obligation bonds/warrants and notes of the City include the following at September 30, 2020:

Bond/Warrant	Principal Balance
\$13,715,000; 2011 General Obligation Private Placement Warrants; due annually with interest payable semi-annually 2.84% per annum; maturing February 12, 2026	\$ 3,510,000
\$39,402,000; 2016 General Obligation Refunding Warrants; due annually with interest payable semi-annually at rates ranging from 4.50% to 5.00% per annum; maturing February 15, 2030	36,819,000
\$17,735,000; 2016C General Obligation Warrants, Taxable; due annually with interest payable semi-annually at rates ranging from 5.40% to 5.50% per annum, maturing February 15, 2030	15,690,000
\$64,610,000; 2017A General Obligation Warrants, Tax-Exempt; due annually with interest payable semi-annually at rates ranging from 3.00% to 5.00% per annum, maturing February 15, 2030	52,110,000
\$4,430,000; 2017B General Obligation Warrants, Tax-Exempt; due annually with interest payable semi-annually at rates ranging from 3.00% to 4.00% per annum, maturing February 15, 2023	2,325,000
\$48,770,000; 2017D General Obligation Warrants, Taxable; due annually with interest payable semi-annually at rates ranging from 2.40% to 3.12% per annum, maturing February 15, 2028	48,770,000
\$24,350,000; 2018A General Obligation Warrants; due annually with interest payable semi-annually at 5.00% per annum, maturing February 15, 2028	24,350,000
\$5,220,000; 2020 General Obligation Warrants; due annually with interest payable semi-annually at 5.00% per annum, maturing February 15, 2030	5,220,000
Total bonds/warrants payable	<u>\$ 188,794,000</u>

Note Payable	Principal Balance
\$1,275,000; note payable to Bank of New York Mellon, annual principal payments ranging from \$40,000 to \$115,000 through August 2022, semi-annual interest payments ranging from 0.57% to 2.45%	\$ 220,000
\$2,695,000; note payable to Bank of New York Mellon, annual principal payments ranging from \$105,000 to \$200,000 through August 2025, semi-annual interest payments at 2.70%	905,000
\$2,000,000; note payable to Hancock Whitney Bank, annual principal payments of \$400,000 through December 2022, no related interest payments.	1,200,000
Total notes payable	<u>\$ 2,325,000</u>



The principal maturities and related interest requirements for the bonds, warrants and notes payable for the next five fiscal years and thereafter are as follows:

Bonds/Warrants Payable			
Fiscal Year Ending September 30	Governmental Activities		
	Principal	Interest	Total
2021	\$ 16,195,000	\$ 6,736,674	\$ 22,931,674
2022	16,987,000	6,165,203	23,152,203
2023	18,314,000	5,644,223	23,958,223
2024	18,267,000	5,074,279	23,341,279
2025	18,943,000	4,413,041	23,356,041
2026-2030	100,088,000	10,752,164	110,840,164
Subtotals	188,794,000	38,785,584	227,579,584
Plus: Bond premium	9,701,482	(9,701,482)	-
Totals	<u>\$ 198,495,482</u>	<u>\$ 29,084,102</u>	<u>\$ 227,579,584</u>

Notes Payable			
Fiscal Year Ending September 30	Governmental Activities		
	Principal	Interest	Total
2021	\$ 665,000	\$ 29,115	\$ 694,115
2022	685,000	22,536	707,536
2023	585,000	15,389	600,389
2024	190,000	10,545	200,545
2025	200,000	5,476	205,476
Totals	<u>\$ 2,325,000</u>	<u>\$ 83,061</u>	<u>\$ 2,408,061</u>

Please see the following page for a schedule of the changes in long-term liabilities reported in the Statement of Net Position.



The following is a summary of the changes in long-term liabilities reported in the Statement of Net Position for the year ended September 30, 2020:

	Balance, October 1, 2019	Additions	Deductions	Balance, September 30, 2020	Due Within One Year
<u>Governmental Activities</u>					
General & limited obligation bonds/ warrants	\$205,043,000	\$ 5,220,000	\$21,469,000	\$188,794,000	\$16,195,000
Plus: Bond premium	9,627,663	1,379,176	1,305,357	9,701,482	-
Total general & limited obligation bonds/ warrants	214,670,663	6,599,176	22,774,357	198,495,482	16,195,000
Notes payable	2,985,000	-	660,000	2,325,000	665,000
Compensated absences	12,636,923	1,850,876	1,865,359	12,622,440	1,865,359
Self-insured legal liability	310,000	1,213,070	847,372	675,698	-
Insurance claims	24,878,240	24,559,864	25,269,892	24,168,212	3,150,620
Landfill postclosure liability	515,990	-	56,101	459,889	58,345
OPEB liability	140,942,882	45,259,437	7,603,712	178,598,607	-
Net pension liability	128,686,758	41,954,064	33,510,557	137,130,265	-
Total governmental activities	525,626,456	121,436,487	92,587,350	554,475,593	21,934,324
<u>Business-type Activities</u>					
Compensated absences	501,802	564,270	558,507	507,565	135,313
Net pension liability	8,659,105	3,122,300	2,308,293	9,473,112	-
Total business-type activities	9,160,907	3,686,570	2,866,800	9,980,677	135,313
Total primary government	\$534,787,363	\$125,123,057	\$95,454,150	\$564,456,270	\$22,069,637

Repayment of principal and interest maturities is made from sales and use taxes. Also, for governmental activities, compensated absences, pension obligations, and net other postemployment benefit obligations are generally liquidated by the general fund.

Under State law, the City's legal debt may not exceed 20% of the total assessed value of real and personal property within the City. At September 30, 2020, the permissible debt limit exceeded actual debt by approximately \$574.2 million.

NOTE 9 – DEBT ISSUANCE, REFUNDING & DEFEASANCE

2020 General Obligation Refunding Warrants

Series 2020 General Obligation Warrants (the “Series 2020 Warrants”) were issued for \$5,220,000 on August 17, 2020 with interest of 5.00 percent per annum maturing on February 15, 2030. The Series 2020 Warrants were issued at a premium of \$1,379,176 less costs of issuance and underwriter’s discount totaling \$130,100. Net proceeds were \$6,469,076. The 2020 Warrants resulted in a deposit to the trust escrow fund totaling \$6,463,692.



The Series 2020 Warrants were issued to refund the outstanding portion of the General Obligation Recovery Zone Economic Development Warrants, Series 2009C, which were outstanding in the aggregate principal amount of \$6,430,000 at the time of refunding.

To effect the refunding of the Refunded 2009C Warrants, the City and Regions Bank, Birmingham, Alabama, entered into an escrow trust agreement simultaneously with the issuance of the Series 2020 Warrants. The City established an irrevocable trust fund for the benefit of the holders of the Refunded 2009C Warrants and deposited therein a portion of the proceeds of the Series 2020 Warrants. The Refunded 2009C Warrants were called for redemption and payment on September 16, 2020 at a redemption price equal to the principal amount of the Refunded 2009C Warrants plus accrued interest.

The net effect of the issuance of the Series 2020 Warrants was a decrease in total debt service of \$871,654 in gross savings, or \$758,899 in present value savings.

NOTE 10 - RETIREMENT PLANS & OTHER EMPLOYEE BENEFITS

The City contributes to four retirement plans covering substantially all its employees. Contributions by the City to the plans during the year are summarized as follows:

Plan	Contributions
Employees' Retirement System of Alabama (ERS)	\$ 4,815,271
Police and Firefighters Retirement Plan (PFFRP)	22,139,615
Transit Workers Pension Plan (TWPP)	600,000
General Municipal Employee Pension Trust Fund (GMEPTF)	8,460
Total	<u>\$ 27,563,346</u>

The City has an agreement and declaration of trust with First Transit, Inc. (the contracted transit operator), which contractually obligates the City (as plan sponsor) to reimburse the contracted transit operator for payment of any pension plan or other employee benefits, specifically as it relates to the Transit Workers Pension Plan.

Aggregate information on all plans is summarized below and provided in further detail in the following sections.

	ERSA	PFFRP	TWPP	GMEPTF	Total
Total Pension Liability	\$219,815,067	\$295,269,830	\$18,129,144	\$ -	\$533,214,041
Plan Fiduciary Net Position	<u>159,006,463</u>	<u>212,311,504</u>	<u>15,292,697</u>	-	<u>386,610,664</u>
Net Pension Liability	<u>\$ 60,808,604</u>	<u>\$ 82,958,326</u>	<u>\$ 2,836,447</u>	\$ -	<u>\$146,603,377</u>
Deferred Outflows of Resources	\$ 8,954,749	\$ 53,906,256	\$ 895,909	\$ -	\$ 63,756,914
Deferred Inflows of Resources	3,035,507	5,872,672	1,607,461	-	10,515,640
Pension Expense/Expenditures	6,276,500	10,437,139	370,811	8,460	17,092,910



Employees' Retirement System of Alabama

General Plan Information

All the City's employees, other than sworn police and certified fire-rescue employees, participate in the Employees' Retirement System of Alabama.

Plan description. The Employees' Retirement System of Alabama (ERS), an agent multiple-employer plan, was established October 1, 1945 under the provisions of Act 515 of the Legislature of 1945 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. The ERS Board of Control consists of 13 trustees. The Plan is administered by 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.

The ERS Board of Control consists of 13 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. Six 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 public agency each of whom is an active beneficiary of ERS.
 - b. Two vested active state employees.
 - c. Two vested active employees of an employer participating in ERS pursuant to *Code of Alabama, 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.

City members are classified as Tier 1 or Tier 2 employees with different benefits and contribution rates. Employees having any ERS service prior to January 1, 2013 are classified as Tier 1 participants. Employees hired on or after January 1, 2013 with no previous creditable retirement service are classified as Tier 2 participants. The Tier 2 benefit classification was established by Act 377 of the Legislature of 2012.

Tier 1 and Tier 2 participants vest after 10 years of creditable service. Vesting means the member has earned enough service credit to be eligible for a lifetime retirement benefit. Members have a vested status in the ERS after accumulating 10 years of creditable service. Members cannot convert unused sick leave to retirement credit in order to meet the minimum 10 years of service required for vesting.



For Tier 1 participants, a member attaining the earlier of age 60 with 10 years of creditable service or after completing 25 or more creditable years of service (regardless of age) are entitled to an annual retirement benefit, payable monthly for life. While members may not convert sick leave to qualify for the 10-year requirement for vesting, eligible members may convert unused sick leave days to service credit to meet the minimum requirement of 25 years of service for retirement. 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 are allowed 2.0125% of their average final compensation (highest 3 of the last 10 years) for each year of service.

For Tier 2 participants, a member is eligible to retire the first day of the month following attainment of age 62 with 10 years of creditable service and are entitled to an annual retirement benefit, payable monthly for life. Members can only retire on the first day of any month they are eligible. 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, Tier 2 members of the ERS are allowed 1.65% of their average final compensation (highest 5 of the last 10 years) for each year of service.

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 are calculated and paid to the beneficiary on the member's age, service credit, employment status and eligibility for retirement.

Membership. The ERS serves approximately 909 local participating employers. These participating employers include 297 cities, 65 counties, and 511 other public entities. City of Mobile ERS membership as of September 30, 2019 consisted of:

Category	Members
Retired members or their beneficiaries	
currently receiving benefits	803
Vested inactive members	36
Non-vested inactive members	152
Active members	1,050
Post-DROP retired members still in active service	8
Total	2,049

Contributions. City Tier 1 employees participating in the Plan are required to contribute 5% of their earnable compensation to the Plan. Tier 2 employees participating in the Plan are required to contribute 6% of their earnable compensation to the Plan. Earnable compensation cannot exceed 120% of base pay for Tier 1 and 125% of base pay for Tier 2 participants. Member contributions are not accessible to the employee unless he or she should terminate employment and apply for a refund of contributions and eligible interest.

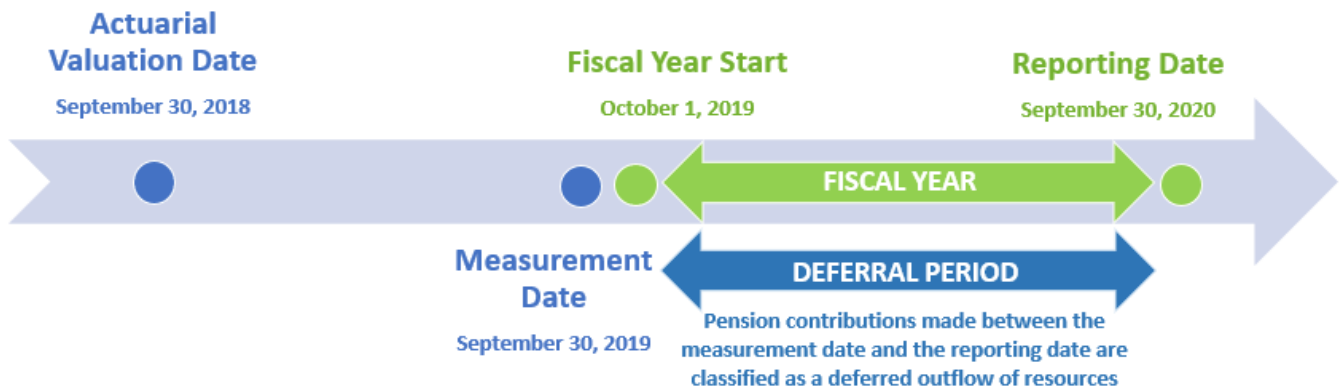
The ERS establishes rates based upon an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with additional amounts to finance any unfunded accrued liability, the preretirement death benefit and administrative expenses of the Plan. For the year ended September 30, 2020, the City's average active employee contribution rate was 5.33% percent of covered payroll, and the City's average contribution rate to fund the normal and accrued liability costs was 10.80% of covered payroll.



The City's contractually required contribution rate for Tier 1 employer contributions during fiscal 2020 were based on 11.49% of pensionable pay. Tier 2 employer contributions during fiscal 2020 were based on 9.19% of pensionable pay. These required contribution rates are based upon the actuarial valuation dated September 30, 2017, 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 contributions to the Plan in fiscal year 2020 amounted to \$7,186,223 of which \$4,815,271 and \$2,370,952 were made by the City of Mobile and its employees, respectively.

Net Pension Liability



The City's net pension liability was measured as of September 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2018 rolled forward to September 30, 2019 using standard roll-forward techniques shown in the following table:

Roll-Forward of the Total Pension Liability	Expected	Actual
Total pension liability as of September 30, 2018 (a)	\$ 216,976,876	\$ 215,422,110
Discount rate (b)	7.70%	7.70%
Entry Age Normal Cost for		
October 1, 2018 - September 30, 2019 (c)	3,541,786	3,541,786
Transfers among employers (d)	-	45,900
Actual Benefit Payments and Refunds		
for October 1, 2018 - September 30, 2019 (e)	<u>(15,197,141)</u>	<u>(15,197,141)</u>
Total Pension Liability as of September 30, 2019		
[(a) x (1+(b))] + (c) + (d) + [(e) x (1 + 0.5*(b))]	<u>\$ 221,443,651</u>	<u>\$ 219,815,067</u>
Difference between Expected and Actual Experience		\$ (1,628,584)
Less: Liability Transferred for Immediate Recognition		<u>45,900</u>
Experience (Gain)/Loss (i) = (g) - (h)		\$ (1,674,484)



Actuarial assumptions. The total pension liability as of September 30, 2020 was based on the September 30, 2018 actuarial valuation and was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry Age
Amortization method	Level percent closed
Remaining amortization period	28.7 years
Asset valuation method	Five-year smoothed market
Inflation	2.75%
Salary increases	3.25% - 5.00%
Investment rate of return	7.70%, net of pension plan investment expense

Mortality rates were based on the sex distinct RP-2000 Blue Collar Mortality Table Projected with Scale BB to 2020 with an adjustment of 125% at all ages for males and 120% for females ages 78 and older. The rates of mortality for the period after disability retirement are according to the sex distinct RP-2000 Disabled Retiree Mortality Table Projected with Scale BB to 2020 with an adjustment of 130% at all ages for females.

The actuarial assumptions used in the actuarial valuation as of September 30, 2018, were based on the results of an investigation of the economic and demographic experience for the ERS based upon participant data as of September 30, 2015. The Board of Control accepted and approved these changes in September 2016, which became effective at the beginning of fiscal year 2016.

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:

	Target Allocation	Long-Term Expected Rate of Return*
Fixed income	17.00%	4.40%
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 stocks	12.00%	9.50%
International emerging market stocks	3.00%	11.00%
Alternatives	10.00%	10.10%
Real estate	10.00%	7.50%
Cash	3.00%	1.50%
Total	<u>100.00%</u>	

**Includes assumed rate of inflation of 2.75%*



Discount rate. The discount rate used to measure the total pension liability was the long-term rate of return, 7.70%. 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

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at 9/30/2018	\$ 216,976,876	\$ 162,595,119	\$ 54,381,757
Changes for the year:			
Service cost	3,541,786	-	3,541,786
Interest	16,122,130	-	16,122,130
Changes in assumptions	-	-	-
Differences between expected and actual experience	(1,674,484)	-	(1,674,484)
Contributions-employer	-	5,103,256	(5,103,256)
Contributions-employee	-	2,382,617	(2,382,617)
Net investment income	-	4,076,712	(4,076,712)
Benefit payments, including refunds of employee contributions	(15,197,141)	(15,197,141)	-
Administrative expense	-	-	-
Transfers among employers	45,900	45,900	-
Net changes	2,838,191	(3,588,656)	6,426,847
Balances at 9/30/2019	\$ 219,815,067	\$ 159,006,463	\$ 60,808,604

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 7.70%, 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 (6.70%) or 1-percentage-point higher (8.70%) than the current rate (dollar amounts in thousands):

	1% Decrease (6.70%)	Current Discount Rate (7.70%)	1% Increase (8.70%)
Net Pension Liability	\$83,206,268	\$60,808,604	\$41,689,506



Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in the separately issued RSA Comprehensive Annual Financial Report for the fiscal year ended September 30, 2019. The supporting actuarial information is included in the GASB Statement No. 68 Report for the ERS prepared as of September 30, 2019.

The auditor’s report dated August 27, 2020, 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 <http://www.rsa-al.gov/index.php/employers/financial-reports/gasb-68-reports>.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2020 the City recognized pension expense (income) of \$6,276,500.

Components of pension expense are as follows:	
Service cost	\$ 3,541,786
Interest on the total pension liability	16,122,130
Current-period benefit changes	-
Expensed portion of the current-period difference between expected and actual experience	(341,731)
Expensed portion of current-period changes of assumptions	-
Member contributions	(2,382,617)
Projected earnings on plan investments	(12,224,707)
Expensed portion of current-period differences between actual and projected earnings on plan investments	1,629,599
Transfers among employers	-
Recognition of beginning deferred outflows as pension expense	1,545,021
Recognition of beginning deferred inflows as pension expense	(1,612,981)
Pension Expense (Income)	<u>\$ 6,276,500</u>

At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to ERS pension of the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 715,045	\$ 3,035,507
Changes of assumptions or other inputs	1,909,668	-
Net difference between projected and actual earnings on pension plan investments	1,680,031	-
Employer contributions subsequent to the measurement date*	4,650,005	-
Total	<u>\$ 8,954,749</u>	<u>\$ 3,035,507</u>

**Employer contributions made from 10/01/2019-09/30/2020, related to normal and accrued liability components of employer rate net of any refunds or error service payments. These amounts will be recognized in 2021 as a reduction of the net pension liability.*



Other amounts reported as deferred outflows of resources and deferred inflows of resources to ERS pension will be recognized in pension expense as follows:

Year ended September 30	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
2021	\$ 689,081	\$ 1,113,326	\$(424,245)
2022	610,301	1,000,413	(390,112)
2023	1,375,763	614,208	761,555
2024	1,629,599	307,560	1,322,039
2025	-	-	-
Thereafter	-	-	-
	\$ 4,304,744	\$ 3,035,507	\$1,269,237

Police and Firefighters Retirement Plan

General Plan Information

Plan description. The Police and Firefighters Retirement Plan (PFFRP) is a single-employer defined benefit pension plan. The Plan was established by an Act of the Alabama State Legislature (the Act) on September 2, 1964. Every member of the police and fire departments of the City, except for civilian employees hired on or after April 15, 1985, certain civilian employees hired before April 15, 1985, and certain policemen and firemen who elected not to participate during a temporary period of discretionary participation, participates in the PFFRP.

The responsibilities for general administration of the Plan are entrusted to a Board of Trustees made up of three elected police officers, three elected firefighters, the Executive Director of Financial Services for the City of Mobile and two members appointed by the governing body of the City of Mobile. The Plan's assets are held in trust by Wells Fargo Bank. Plan benefit provisions were established and may be amended by the Plan's Board of Trustees subject to approval by the City of Mobile City Council. Cost of living adjustments may be provided by the Plan's Board of Trustees after consultation with its actuary and other advisors. Contribution requirements were established and may be amended subject to approval by the Board of Trustees and the City of Mobile City Council. Certain administrative functions are performed by the City. Those employees are not compensated by the Plan nor are they members of the Plan.

The City may terminate the Plan with consent of the majority of the participants for any reason at any time. In the case of termination, the rights of the participants to their benefits as of the date of termination, to the extent then funded or protected by law, if greater, shall be non-forfeitable.

The PFFRP issues a stand-alone financial report which may be obtained by contacting the Mobile Police and Firefighters' Retirement Plan Board at Post Office Box 1827, Mobile, AL 36633-1827.

Benefits provided. Participants in the PFFRP are entitled to certain benefits depending upon whether sufficient assets are in the fund to cover the benefits. The Plan provides for retirement, disability, and death benefits. Also, the Plan provides for certain types of benefits including a Deferred Retirement Option Plan (DROP).

Retirement. The Plan provides that a participant, who was hired prior to March 28, 1990, with at least 20 years of service (the last 10 years of service being without a break in service exceeding one year) and who has attained 50 years of age, may retire and receive a monthly payment equal to 2.5% of his or her final average salary (average of the highest salary for 36 months of the previous ten years of service) multiplied by the number of years in service and divided by twelve. The benefit, however, cannot exceed 75% of the participant's final average salary.



The Plan provides that a participant, who was hired on or after March 28, 1990, with 20 years of service (the last 10 years of service being without a break in service exceeding one year) and who has attained 55 years of age, may retire and receive a monthly payment equal to 2.5% of his or her final average salary (average of the highest salary for 60 months of the previous ten years of service) multiplied by the first 20 years of service, and 2.25% of his or her final average salary for years of service in excess of 20 years. The benefit, however, is not to exceed 72.5% of the participant's final average salary.

DROP. Effective October 1, 1997, the Plan was amended to provide for the addition of a Deferred Retirement Option Plan (DROP). The DROP program is available for participants who are eligible for retirement and who wish to continue their respective jobs with the police or fire departments. Those retirees who elect the DROP will have their monthly retirement benefits accumulated in a DROP account. DROP accounts earn a rate of interest that is based on the actual investment return of the fund for the prior Plan year, less two percent, if the return is at least equal to the assumed investment return.

Disability. If a participating member of the police or fire department who has at least 15 years of service becomes permanently physically or mentally disabled other than while performing his or her duties as a uniformed officer by reason other than hypertension, heart disease, respiratory disease, AIDS, hepatitis, or cancer, he or she shall receive a monthly disability benefit equal to 2.5% of his or her final salary multiplied by his or her years of service, but not more than 60% of his or her final salary. If any participant becomes permanently physically or mentally disabled while performing his or her duties as a uniformed officer other than due to hypertension, heart disease, respiratory disease, AIDS, hepatitis, or cancer; or, any participant who has completed three years of service as a uniformed officer becomes permanently physically or mentally disabled due to hypertension, heart disease, respiratory disease, AIDS, hepatitis, or cancer, the participant shall receive a monthly disability benefit equal to 45% of his or her final salary at the time the participant became disabled. However, any participant who can demonstrate to the Board of Trustees that he or she is totally disabled from gainful employment, he or she shall receive a disability benefit equal to 60% of his or her final salary at the time the participant became disabled.

Other. Whenever the employment of a participant of the Plan is terminated other than by reason of death or disability after completion of 15 years of service (the last ten years without a break in service exceeding one year), he or she shall receive a pension beginning on the first day following the latest of his or her termination of employment or on his or her 65th birthday. If a participant terminates employment prior to 15 years of service for causes other than death or disability, he or she will receive a refund of his or her contributions excluding interest.

Death. Whenever the employment of a participant is terminated by death before eligibility for pension benefits has been established, the contributions of such participant to the Plan shall be refunded in a lump sum plus up to \$5,000 in matching benefits, without interest, to the named beneficiary on file with the Plan secretary. If a participant who is eligible for a retirement benefit dies prior to his or her annuity starting date, his or her eligible family members shall receive a benefit equal to the greater of, (1) the benefit they would have received had the participant met the requirements of the Plan, as the case may be, retired or terminated employment on the day preceding his or her death and begun to receive his or her benefit in accordance with the 50% survivor's benefit, or (2) in a single lump sum equal to the lesser of twice the participant's contributions to the Plan plus \$5,000.

Contributions. The Act requires that employees who have earned less than 30 years of service contribute to the fund 8% of their basic salary, as defined by the Plan. Employer contributions are actuarially determined. The City is required to contribute an amount each plan year which, when added to the member contributions and other contributions for that plan year, is equal to the actuarially determined contribution for that plan year. The City's contribution is determined as of each October 1 and the contribution must be made within 18 months of that October 1. Also contributed by the City are 5% of certain Municipal Court fines and 2% of the gross fire insurance premiums collected on policies which cover property within the City of Mobile limits and its police jurisdiction. These receipts are included in employer contributions. The City reimburses the PFFRP for the liability for the pre-retirement lump sum death benefit equal to a match of the employee contributions up to \$5,000.

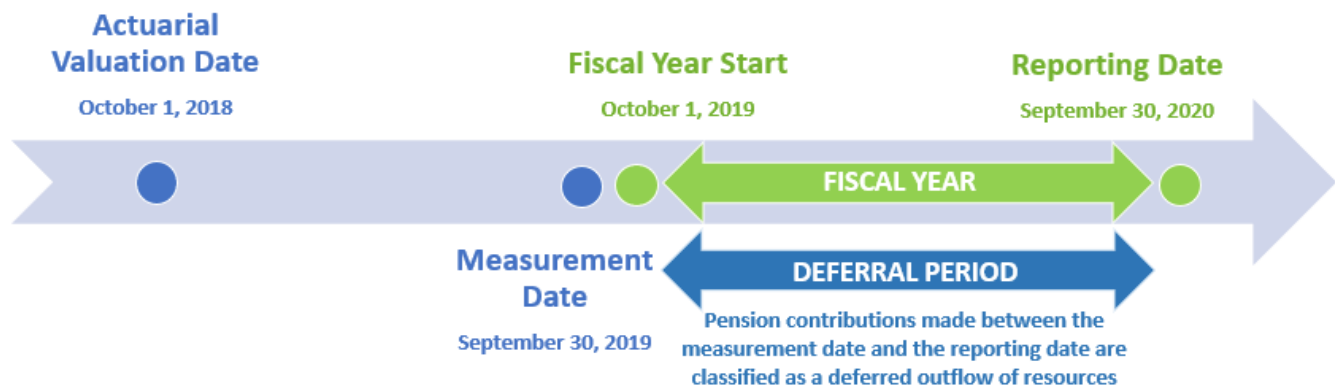


For the year ended September 30, 2020, the City's active employee contribution rate was 8.0 percent of covered payroll, and the City's average contribution rate to fund the normal and accrued liability costs was 50.5 percent of covered payroll. Total contributions to the Plan during fiscal year 2020 amounted to \$25,539,843 of which \$22,139,615 and \$3,400,228 were made by the City of Mobile and its employees, respectively. Future contributions from the employer and employees are assumed to be made as legally required.

Membership. Participation in the Plan as of October 1, 2019, according to the latest actuarial valuations, was comprised of the following:

Category	Members
Retired members or their beneficiaries currently receiving benefits	726
Vested terminated employees	29
Active employees	936
Total	1,691

Net Pension Liability



The City's net pension liability was measured as of September 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2018 rolled forward to September 30, 2019 using the following actuarial assumptions, applied to all periods included in the measurement.

Actuarial assumptions:

Discount rate	7.32% per annum
Investment rate of return, net of pension plan investment expense, including inflation	7.32% per annum
Inflation	2.25%
Salary increases	3.00% per annum
Cost-of-living increases	2.50% per annum
<i>(only for those who retired during the period October 1, 1977 through April 14, 1985)</i>	

The actuarial assumptions used in the October 1, 2018 valuations were based on results of an actuarial experience study for the period October 1, 2008 through September 30, 2018.



The discount rate used to measure the total pension liability was 7.32 percent. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rates and the member rate. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Mortality rates were based on the sex-distinct rates set forth in the RP-2000 Blue Collar Mortality Table, with full generational improvements in mortality using Scale AA, as published by the Internal Revenue Service (IRS) for purposes of Internal Revenue Code (IRC) section 430.

For retirement, 25% of eligible participants are assumed to retire at age 50, 20% are assumed to retire at each of ages 51 and 52, 22% are assumed to retire at age 53, 33% are assumed to retire at age 54, 35% are assumed to retire at age 55, 30% are assumed to retire at age 56, 25% are assumed to retire at age 57, 20% are assumed to retire at age 58, 15% are assumed to retire at age 59, 20% are assumed to retire at each of ages 60 and 61, and 100% of participants are assumed to retire at age 62.

Assumed employment termination is based on age, ranging from 7.07% at age 20 to 0.00% at age 50; assumed disability is based on age, ranging from 0.19% at age 30 to 0.67% at age 65.

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each 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.

Best estimates of arithmetic real rates of return for each major asset class are as follows:

	Target Allocation	Long-Term Expected Rate of Return
Broad equity markets	5.00%	6.01%
Domestic large cap equity	28.00%	6.91%
Domestic mid cap equity	9.50%	8.91%
Domestic small cap equity	9.50%	5.01%
International equity	10.00%	3.31%
Domestic fixed equity	25.00%	0.81%
Alternative investments	13.00%	7.51%
Total	<u>100.00%</u>	5.07%



Changes in Net Pension Liability

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at 9/30/2018	\$ 283,177,474	\$ 202,411,170	\$ 80,766,304
Changes for the year:			
Service cost	1,389,633	-	1,389,633
Expected interest growth	20,170,527	14,966,427	5,204,100
Unexpected investment income	-	(9,236,177)	9,236,177
Demographic experience	10,438,083	-	10,438,083
Contributions-employer	-	20,699,025	(20,699,025)
Contributions-employee	-	3,384,100	(3,384,100)
Benefit payments, including refunds of employee contributions	(19,905,887)	(19,905,887)	-
Administrative expense	-	(7,154)	7,154
Changes in benefit terms	-	-	-
Assumption changes	-	-	-
Net changes	12,092,356	9,900,334	2,192,022
Balances at 9/30/2019	\$ 295,269,830	\$ 212,311,504	\$ 82,958,326

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 7.32%, 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 (6.32%) or 1-percentage point higher (8.32%) than the current rate:

	1% Decrease (6.32%)	Current Discount Rate (7.32%)	1% Increase (8.32%)
Net Pension Liability	\$119,505,462	\$82,958,326	\$53,210,321

Pension plan fiduciary net position. Detailed information about the Plan's fiduciary net position is available in the separately issued annual financial report. The Plan's fiduciary net position has been determined on the same basis used by the Plan and is equal to the market value of assets calculated under the accrual basis of accounting.



Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2020 the City recognized pension expense (income) of \$10,437,139.

Components of pension expense are as follows:	
Service cost	\$ 1,389,633
Expected interest growth	5,204,100
Investment gain/loss	3,144,859
Demographic gain/loss	2,698,512
Employee contributions	(3,384,100)
Benefit payments and refunds	-
Administrative expenses	7,154
Changes in benefit terms	-
Changes in assumptions or other inputs	1,376,981
Pension Expense (Income)	<u>\$ 10,437,139</u>

At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to PFFRP of the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 16,460,061	\$ 1,092,056
Changes of assumptions or other inputs	7,917,638	-
Net difference between projected and actual earnings on pension plan investments	7,388,942	4,780,616
Employer contributions subsequent to the measurement date*	<u>22,139,615</u>	<u>-</u>
Total	<u>\$ 53,906,256</u>	<u>\$ 5,872,672</u>

**Employer contributions made from 10/01/2019-09/30/2020, related to normal and accrued liability components of employer rate net of any refunds or error service payments. This amount will be recognized in 2021 as a reduction of the net pension liability.*

Other amounts reported as deferred outflows of resources and deferred inflows of resources to PFFRP pension will be recognized in pension expense as follows:

Year ended September 30	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
2021	\$ 6,039,028	\$ 2,413,322	\$ 3,625,706
2022	6,039,028	2,174,045	3,864,983
2023	6,039,028	542,149	5,496,879
2024	6,039,030	116,300	5,922,730
2025	3,896,477	116,300	3,780,177
Thereafter	<u>3,714,050</u>	<u>510,556</u>	<u>3,203,494</u>
	<u>\$ 31,766,641</u>	<u>\$ 5,872,672</u>	<u>\$ 25,893,969</u>



General Municipal Employee Pension Trust Fund - In 1968, a significant curtailment with respect to participation in the GMEPTF occurred, the effect of which rendered the Plan virtually inactive. Participation in the pension fund by City employees hired after 1968 was ended. Eligible employees in 1968 could elect participation in the Employees' Retirement System of Alabama plus some combination of benefits under the GMEPTF.

The pension fund was insolvent at the date of the change in the Plan. The City plans to fund benefits under the GMEPTF as they become due.

At September 30, 2020, the Fund had no assets; accordingly, the City will pay benefits as needed from the General Fund. Annually, the City reviews the Plan for significant changes in actuarial assumptions. As a result of such a review as of September 30, 2020, the City has determined that an actuarial update is not required due to the discontinuance of participation in the Plan, stable actuarial assumptions, the annual diminishment of the estimated pension liability resulting from benefit payments, the relative insignificance and immateriality of the Plan to the financial position and results of operation of the City. Benefits paid by the City under the GMEPTF during the year ended September 30, 2020 were \$8,460.

Transit Workers Pension Plan

General Plan Information

Plan description. The Plan was adopted in June 2003, retroactively effective to July 1, 2002 which contractually obligated the City (as Plan sponsor) to reimburse the contracted transit operator for the payment of any pension plan or other employee benefits. The Transit Workers Pension Plan (TWPP) is a single-employer defined benefit pension plan established to provide pension benefits to participants, retired participants and beneficiaries that are equivalent to those benefits that were previously offered under the Employees Retirement Systems of Alabama (ERS).

The TWPP covers employees of the contracted transit operator (former employees of the City) and was established under the Urban Mass Transportation Act, specifically 49 U.S.C. section 1609, which requires provisions for the preservation of rights, privileges and benefits, including the continuation of pension rights and benefits. All full-time employees of the contracted transit operator, other than the general manager, are eligible to participate in the Plan. The plan year begins July 1 and ends June 30.

The responsibilities for general administration of the Plan are entrusted to an independent Board of Trustees. The Plan's assets are held in trust by Regions Trust. The Board of Trustees may terminate the Plan at any time for any reason, provided that such termination is permitted by State law. Upon termination of the Plan or the complete termination of contributions to the Plan, the rights of all participants to benefits accrued to the date of such termination or discontinuance to the extent funded shall be non-forfeitable.

The TWPP issues a stand-alone financial report which may be obtained by contacting the Board of Trustees of the TWPP at 1224 West 1-65 Service Road South, Mobile, AL 36609.

Benefits provided. The Plan provides retirement benefits as well as death and disability benefits. Members vest after 5 years of service. Employees attaining the earlier of age 60 or completing 25 or more creditable years of service (regardless of age) are entitled to an annual retirement benefit, payable monthly for life. Participants receive credited service for all periods of full-time covered employment as well as for the period during which the participant was a member of the ERS, including periods of purchased creditable service under the ERS, as well as for the period beginning with the date the participant was no longer an active member of ERS and ending on June 30, 2002.



Members receive payments based on 2.0125% of average monthly compensation (best 3 of the last 10 years) multiplied by credited service, offset by the monthly accrued benefit payable from the ERS and attributable to service recognized as credited service under the Plan. The Plan permits early retirement at the age of 60 upon completion of 5 years of creditable service.

Active employees who become disabled receive disability benefits which are calculated in the same manner as that used for service retirement benefits. These benefits are paid until the earlier of death or recovery from disability. If an active employee dies, his or her designated beneficiary receives payments, not to exceed the balance of his or her vested contributions plus the member's annual earnings from the previous fiscal year at date of death. The beneficiary has the option of receiving an initial lump sum or to receive monthly payments until the designated amount is paid in full.

If a member's employment is terminated before the member is eligible for any other benefits under the Plan, the member shall receive a single lump sum payment equal to accumulated contributions plus interest credited at 4% per year compounded annually (for participants who have earned less than five years of credited service), or a monthly accrued benefit payable at normal retirement age calculated in the same manner as that used for service retirement benefits (for participants who have earned at least five years of credited service).

No changes were made to the benefit terms from the prior measurement date.

Contributions. The City of Mobile is required to contribute at an actuarially determined amount each plan year. The City's contribution is determined as of each July 1. At a minimum, the City will make such contributions as are necessary to fund the Plan in accordance with the minimum funding standards set forth in Internal Revenue Code section 412 as if the Plan were otherwise subject to such funding standards and in accordance with any other applicable State law. The normal cost has been increased by \$30,000 per year to finance the administrative expenses of the Plan. Employees participating in the Plan are required to contribute 5% of their earnings to the Plan. Employer and employee contribution requirements may be amended by Ordinance of the City of Mobile City Council.

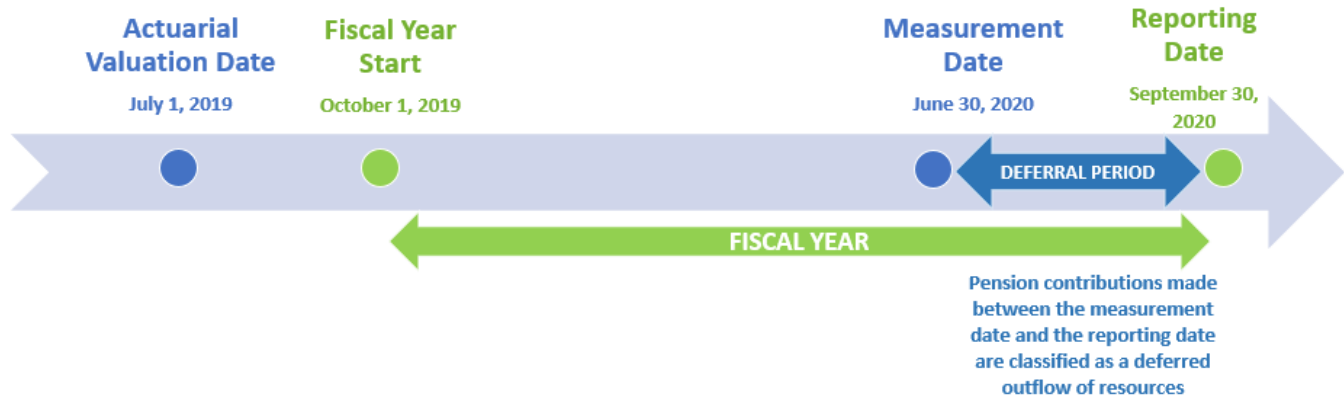
For the year ended September 30, 2020, the City's active employee contribution rate was 5% of covered payroll, and the City's average contribution rate to fund the normal and accrued liability costs was 16.73% of covered payroll. Total contributions to the pension plan during plan fiscal year 2020 amounted to \$834,896 of which \$600,000 and \$234,896 were made by the City of Mobile and the Wave Transit employees respectively. Future contributions from the employer and employees are assumed to be made as legally required.

Membership. Participation in the Plan as of July 1, 2019, according to the latest actuarial valuations, was comprised of the following:

Category	Members
Retired members or their beneficiaries	
currently receiving benefits	48
Vested terminated employees	9
Active employees	106
Total	163



Net Pension Liability



The City's net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

Measurement date	June 30, 2020
Actuarial valuation date	July 1, 2019
Discount rate	5.26%
Inflation	2.00%
Salary increases	4.00%
Investment rate of return	5.07%
Cost-of-living increases	None assumed
Other decrements	Assumed employment termination is based on the Scale 255 table; assumed disability is based on the Wyatt 1985 Disability Study (Class 2).
Changes	No assumptions were changed since the prior measurement date.

The discount rate used to measure the total pension liability was 5.26 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. 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.

Mortality rates were based on sex-distinct rates set forth in the RP-2000 Mortality Table for annuitants, projected to the valuation year by Scale AA, as published by the Internal Revenue Service (IRS) for purposes of Internal Revenue Code (IRC) section 430; future generational improvements in mortality have not been reflected.

Retirement has been assumed to occur at normal retirement age.

The long-term expected rate of return on Plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each 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.



Best estimates of weighted arithmetic real rates of return for each major asset class are as follows:

	Target Allocation	Long-Term Expected Rate of Return
International developed equity	12.95%	4.50%
International emerging equity	6.48%	6.50%
U.S. large cap equity	32.35%	4.00%
U.S. mid cap equity	6.48%	4.50%
U.S. small cap equity	6.48%	4.50%
Foreign bond	3.48%	0.00%
High yield bond	3.48%	3.00%
U.S. core fixed income	22.24%	1.25%
U.S. short term bond	5.56%	0.00%
Cash	0.50%	0.00%
Total	<u>100.00%</u>	3.26%

Changes in Net Pension Liability

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at 6/30/2019:	\$ 16,830,431	\$ 14,632,629	\$ 2,197,802
Changes for the year:			
Service cost	793,361	-	793,361
Interest	907,205	771,593	135,612
Differences between expected and actual experience	313,969	(185,363)	499,332
Contributions-employer	-	600,000	(600,000)
Contributions-employee	-	234,896	(234,896)
Benefit payments, including refunds of employee contributions	(715,822)	(715,822)	-
Administrative expense	-	(45,236)	45,236
Changes in benefit terms	-	-	-
Assumption changes	-	-	-
Net changes	<u>1,298,713</u>	<u>660,068</u>	<u>638,645</u>
Balances at 6/30/2020:	<u>\$ 18,129,144</u>	<u>\$ 15,292,697</u>	<u>\$ 2,836,447</u>

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 5.26%, 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 (4.26%) or 1-percentage point higher (6.26%) than the current rate:

	1% Decrease (4.26%)	Current Discount Rate (5.26%)	1% Increase (6.26%)
Net Pension Liability	\$ 5,262,444	\$ 2,836,447	\$ 834,872



Pension Plan fiduciary net position. The Plan issues a stand-alone financial report each year, which contains information about the Plan's fiduciary net position. The Plan's fiduciary net position has been determined on the same basis used by the Plan and is equal to the market value of assets calculated under the accrual basis of accounting. This report is available to the public at the Plan's administrative office: Human Resources Department, The Wave Transit System, 1224 West I-65 Service Road South, Mobile, AL 36609, (251) 344-6600.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2020 the City recognized pension expense (income) of \$370,811.

Components of pension expense are as follows:	
Service cost	\$ 793,361
Expected interest growth	135,612
Investment gain/loss	(96,858)
Demographic gain/loss	18,830
Employee contributions	(234,896)
Administrative expenses	45,236
Changes in benefit terms	-
Changes in assumptions or other inputs	(290,474)
Pension Expense (Income)	<u>\$ 370,811</u>

At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to TWPP of the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Balance as of September 30, 2019	\$ 769,998	\$ 2,349,384
Amortization payments	(373,421)	(741,923)
Prior year employer contributions paid subsequent to the measurement date (07/01/19-09/30/19)	(150,000)	-
Investment gain/loss	185,363	-
Demographic gain/loss	313,969	-
Changes in assumptions or other inputs	-	-
Employer contributions subsequent to the measurement date*	150,000	-
Balance as of September 30, 2020	<u>\$ 895,909</u>	<u>\$ 1,607,461</u>

**Employer contributions made from 07/01/2020-09/30/2020, related to normal and accrued liability components of employer rate net of any refunds or error service payments. This amount will be recognized in 2021 as a reduction of the net pension liability.*



Other amounts reported as deferred outflows of resources and deferred inflows of resources to TWPP pension will be recognized in pension expense as follows:

Year ended September 30	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
2021	\$ 283,431	\$ 741,921	\$ (458,490)
2022	266,162	617,861	(351,699)
2023	158,425	223,734	(65,309)
2024	37,891	23,945	13,946
	<u>\$ 745,909</u>	<u>\$ 1,607,461</u>	<u>\$ (861,552)</u>

Other Post-Employment Benefits (OPEB)

General Plan Information

The City provides post-employment health care coverage, including dental benefits, and life insurance, as allowed by Alabama state laws, to eligible individuals in a single-employer arrangement on a pay-as-you-go basis. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The City of Mobile Management Committee has the authority to establish and amend eligible benefit terms and contribution requirements at its sole discretion.

Health and Dental. Health and Dental plan claims for active employees, dependents, and non-Medicare eligible retirees are fully self-funded and are administered by Blue Cross Blue Shield of Alabama. Such claims for Medicare-eligible retirees are fully-insured and covered under a Medicare Advantage Plan administered by Humana.

Life Insurance. With respect to retirees who participate in the health and dental plan, life insurance is equal to \$6,000 for former employees and \$2,000 for each covered dependent and is a fully-insured benefit provided by an insurance company selected periodically by the City. With respect to disabled employees for the first 12 months of disability prior to age 65, life insurance is equal to the lesser of two times annual salary or \$75,000.

Eligible Individuals. Eligible individuals include all regular, full-time employees of the City, not Medicare-eligible, who were hired prior to 2015 and their spouses and dependent children who are covered on the date of the employee's retirement, disability, or death, as applicable. General employees must be age 60 with at least 10 years of service with the City out of the last 12 years of employment or any age with at least 25 years of service, of which at least the last 10 years were in active employment with the City and at least 20 years were under the Mobile County Merit System. Alternatively, general employees with at least 10 years of service who become eligible for a disability pension under the Retirement System of Alabama (RSA) will also be eligible for coverage. Police and fire employees must be age 50 (if hired prior to March 28, 1990) or age 55 (otherwise) with at least 20 years of service or must become eligible for a disability pension from the Police and Firefighters Retirement Plan.

Alternatively, police and fire employees who terminate their employment prior to retirement, but who have earned at least 20 years of service, will also be eligible for coverage, provided they pay the COBRA premium during the deferral period prior to their retirement. All other employees who terminate their employment are eligible for COBRA coverage. Spouses of deceased employees or retirees are also eligible for COBRA coverage prior to age 65.



Membership.

Category	Members
Inactive employees and beneficiaries currently receiving benefits	1,196
Active employees	1,263
Total	2,459

Contributions. Retirees must pay the required monthly contribution for either single or family coverage, as applicable. During fiscal year 2020, retirees have been assumed to make monthly contributions equal to \$94 for single coverage and \$267 for family coverage. COBRA contributions for retirees for the same period have been assumed to be \$475 per month for single coverage and \$1,234 per month for single plus spouse coverage. If eligible, dependents of deceased retirees may pay the monthly retiree contribution rate for up to 12 months after the retiree's death but must pay the monthly COBRA premium thereafter as well as dependents of active employees who either have earned at least 10 years of service or die in the line of duty. All other terminated employees and dependents must pay the COBRA premium for continued coverage.

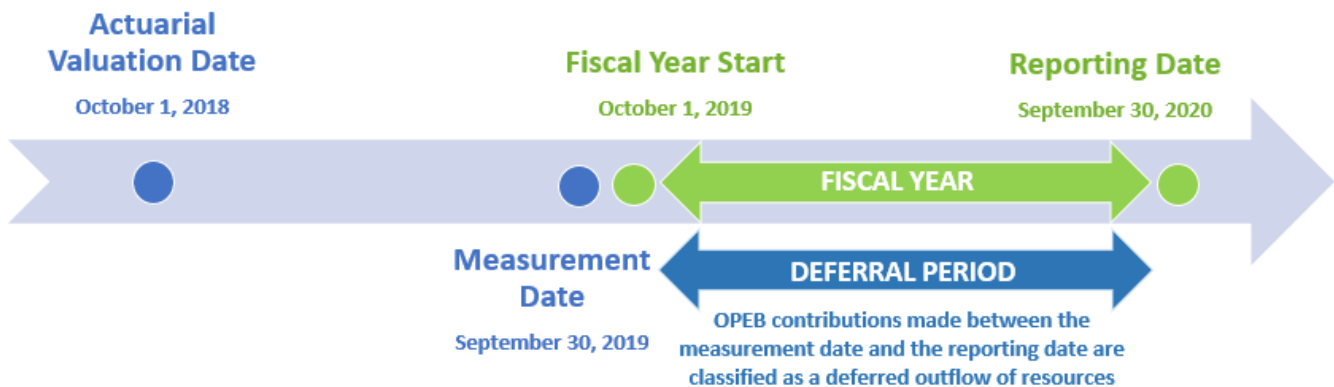
The City establishes rates based on an annual valuation made by an independent consultant. The City's policy is to use the Blue Cross Blue Shield projected cost to develop the funding rates which in turn set the employee/retiree and other agency/COBRA monthly premium rates.

For Medicare-eligible retirees, the Medicare Advantage Plan is fully-insured and underwritten by Humana. The 2020 Medicare Advantage Plan rate is \$187.58. The City also funds the cost of non-Medicare dependents for this group.

The cost of retiree health care, dental care and life insurance benefits is recognized as an expenditure as claims are paid. For fiscal year 2020, those retiree-related costs totaled approximately \$4,016,237 and the liability for incurred and not paid claims totaled \$1,776,300.

Total contributions to the Plan in fiscal year 2020 amounted to \$6,363,266 of which \$4,016,237 and \$2,347,029 were made by the City of Mobile and its employees, respectively.

Total OPEB Liability



The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions:

Actuarial assumptions:

Valuation date	October 1, 2018
Measurement date	September 30, 2019
Discount rate	3.58%, used to discount all future benefit payments and is based on the 20-year municipal bond index
Salary increases	3.00% per annum
Cost-of-living increases	Prior to age 65, retiree contributions and health insurance claims have been assumed to increase in accordance with the healthcare cost trend rates; the subsidy provided to Medicare-eligible retirees has not been assumed to increase; dental claims and administrative expenses have been assumed to increase at the rate of 3.00% per year
Healthcare cost trend rates	7.00% for the 2018/19 fiscal year downgraded by 0.50% per year to 5.00% for the 2022/23 and later fiscal years
Age-related morbidity	Healthcare costs are assumed to increase at the rate of 3.50% for each year of age
Per capita claim cost	Healthcare claims are assumed to be \$8,854.10 for a 62-year old participant during the period October 1, 2018 through September 30, 2019; dental claims are assumed to be \$250 for each individual during the period October 1, 2018 through September 30, 2019; the healthcare claims amount was developed based on actual retiree claims experience, the dental claims amount was developed based on plan experience for all participants.
Administrative expenses	Administrative expenses are assumed to be \$250 for each participant for the period October 1, 2018 through September 30, 2019
Mortality basis	Sex-distinct rates set forth in the PUB-2010 Mortality Table (without income adjustments) for general and public safety employees, with full generational improvements in mortality using Scale MP-2017; all pre-retirement deaths for public safety employees are assumed to be service-related.
Retirement	With respect to public safety employees, 25% are assumed to retire at each of ages 50 and 57, 20% are assumed to retire at each of ages 51, 52, 58, 60, and 61, 22% are assumed to retire at age 53, 33% are assumed to retire at age 54, 35% are assumed to retire at age 55, 30% are assumed to retire at age 56, 15% are assumed to retire at age 59, and 100% are assumed to retire at age 62; with respect to general employees, 2.5% are assumed to retire at each of ages 50 through 54, 5% are assumed to retire at ages 55 through 59, 10% are assumed to retire at each of ages 60 and 61, 25% are assumed to retire at ages 62 through 64, and 100% are assumed to retire at age 65.
Other decrements	Assumed employment termination is based on the Scale 155 table; assumed disability is based on the Wyatt 1985 Disability Study (Class 4 rates were used for public safety employees and Class 1 rates were used for all other employees).
Health coverage election	100% of eligible employees are assumed to elect medical coverage for themselves upon retirement or disability; public safety employees who terminate their service after 20 years of employment other than for retirement or disability are assumed to continue coverage for life; all other employees who terminate their service other than for retirement or disability are assumed to continue coverage for one year; of those electing coverage, 75% of males and 25% of females are assumed to elect coverage for their spouses until three years after the retiree's death but not after age 65.



Spouses and dependents Husbands are assumed to be three years older than wives; retirees are not assumed to have any dependent children.

COBRA Future healthcare coverage provided solely pursuant to COBRA was not included in the OPEB valuation; because the COBRA premium is determined periodically based on plan experience, the COBRA premium to be paid by the participant is assumed to fully cover the cost of providing healthcare coverage during the relevant period.

Changes Since the prior measurement date, the discount rate was decreased from 3.64% per annum to 3.58% per annum, the per capita healthcare claims cost at age 62 for the 2018/19 fiscal year decreased from \$9,200.00 to \$8,854.10, and per capita administrative expenses for the 2018/19 fiscal year were increased from \$231.75 to \$250.00.

Changes in the Total OPEB Liability

Changes in Total OPEB Liability	Total OPEB Liability (a)
Balance at 9/30/2018:	\$ 140,942,882
Changes for the year:	
Service cost	5,166,672
Expected interest growth	5,095,812
Unexpected investment income	-
Demographic experience	33,881,899
Contributions-employer	-
Contributions-employee	-
Benefit payments, including refunds of employee contributions	(7,603,712)
Administrative expense	-
Changes in benefit terms	-
Assumption changes	1,115,054
Net changes	<u>37,655,725</u>
Balance at 9/30/2019:	<u>\$ 178,598,607</u>

Sensitivity of the total OPEB liability to changes in the discount rate. The following table presents the City's total OPEB liability calculated using the discount rate of 3.58%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.58%) or 1-percentage point higher (4.58%) than the current rate:

	1% Decrease (2.58%)	Current Discount Rate (3.58%)	1% Increase (4.58%)
Total OPEB Liability	\$ 198,868,359	\$ 178,598,607	\$ 161,312,381



Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following table presents the City's total OPEB liability calculated using the healthcare cost trend rates (7.50% downgraded by 0.50% per year to 5.00%) as well as what the total OPEB liability would be if it were calculated using discount rates that are 1-percentage point lower or 1-percentage point higher than the current rates:

	1% Decrease	Current Healthcare Cost Trend Rates (7.50% graded down to 5.0%)	1% Increase
Total OPEB Liability	\$ 164,891,996	\$ 178,598,607	\$ 194,728,643

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2020, the City recognized OPEB expense (income) of (\$1,314,154).

Components of OPEB expense (income) are as follows:	
Service Cost	\$ 5,166,672
Expected interest growth	5,095,812
Investment gain/loss	-
Demographic gain/loss	(2,396,232)
Employee contributions	-
Benefit payments & refunds	(7,603,712)
Administrative expenses	-
Changes in benefit terms	-
Changes in assumptions or other inputs	(1,576,694)
OPEB Expense (Income)	<u>\$ (1,314,154)</u>

At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB of the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Balance as of September 30, 2018	\$ -	\$ 50,435,218
Amortization payments	(6,578,375)	(10,551,301)
Investment gain/loss	-	-
Demographic gain/loss	33,881,899	-
Changes in assumptions or other inputs	1,115,054	-
Employer contributions subsequent to the measurement date*	4,016,237	-
Balance as of September 30, 2019	<u>\$ 32,434,815</u>	<u>\$ 39,883,917</u>

*Employer contributions made from 10/01/2019-09/30/2020, This amount will be recognized in 2021 as a reduction of the total OPEB liability.



Other amounts reported as deferred outflows of resources and deferred inflows of resources to OPEB plan will be recognized as an expense as follows:

Year ended September 30:	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
2021	\$ 6,578,375	\$ 10,551,301	\$ (3,972,926)
2022	6,578,375	10,551,301	(3,972,926)
2023	6,578,375	10,551,301	(3,972,926)
2024	6,578,375	8,230,014	(1,651,639)
2025	2,105,078	-	2,105,078
	<u>\$ 28,418,578</u>	<u>\$ 39,883,917</u>	<u>\$ (11,465,339)</u>

Deferred Compensation Plans

The City offers its employees a choice of two deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, available to all City employees, permit them to defer a portion of their salary until future years. One of the plans is administered by a nongovernmental third party and the other by the Retirement Systems of Alabama. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the individuals who participate in the deferred compensation plan and are not subject to the claims of the City's general creditors.

NOTE 11 - RESTRICTED NET POSITION

The following is a summary of the restricted net position at September 30, 2020:

Activity	Restricted By	Amount
Capital Projects	Enabling Legislation	\$ 3,967,587
Capital Projects	Legal Restriction	7,323,459
Debt Service	Legal Restriction	405,307
Economic Development	Enabling Legislation	11,927,083
Grant Programs	Grant Agreements	7,673,500
Storm Water Management	Enabling Legislation	1,324,853
		<u>\$32,621,789</u>



NOTE 12 - SERVICE CONCESSION ARRANGEMENTParking Garage

The City is lessor of a parking garage under a lease agreement effective August 17, 2004 for an initial term of 49 years. The lessee may, at its option, extend the initial term of the lease for two additional periods. The first extension shall be for a term of 15 years on the same terms and conditions of the initial term by giving written notice to the City at least 60 days prior to the end of the initial term. The second extension shall be for a term of 12 years and 2 days, terminating on August 19, 2080 on the same terms and conditions of the initial term by giving written notice to the City at least 60 days prior to the end of the first extension term.

This agreement meets the definition of a service concession arrangement under GASB Statement No. 60. The unamortized balance of the \$5,000,000 initial base payment at September 30, 2020 was \$3,354,592. This amount is reported as a deferred inflow of resources related to deferred service concession arrangement receipts in the Enterprise Funds - Municipal Parking Garage fund.

The lessee paid a base amount of \$5,000,000 which constituted payment in full of all base rent due under the lease for the lease term; therefore, the base rental amount is being recognized as revenue over a period of 49 years. The lease allows the lessee to pay all expenses associated with the operation of the parking garage from rentals received. A percentage of the balance remaining after payment of these expenses is to be remitted to the City at the end of each lease year commencing on October 1 of each year. Rental income of \$341,858 for fiscal year 2020 is included in the Enterprise Funds - Municipal Parking Garage fund. Also see Note 7 for additional information relating to leased property.

NOTE 13 - COMMITMENTS AND CONTINGENCIESJoint Governmental Complex

On June 26, 1990, the City entered into an operating lease with the County of Mobile (the County) to lease space in a joint governmental complex. By agreement in April 2018, the City and County agreed to set the monthly rate for rent and expenses at \$55,000 per month effective as of January 2018. The agreement extended until September 30, 2020. Lease payments for fiscal year 2020 were \$660,000. By agreement in December 2020, the City and County agreed to set the monthly rate for rent and expenses at \$125,000 per month effective October 2020 through September 2025.

Self-Insured Liability - Legal

The City of Mobile is a defendant in various suits and has been notified of claims against it, said suits and claims arising from alleged defects in sidewalks, streets, public drainage facilities and other public ways, or arising from alleged negligent operation of motor vehicles and other alleged tortuous misconduct on the part of City employees.

The City attorney has reviewed these claims and lawsuits to evaluate the likelihood of an unfavorable outcome to the City and to arrive at an estimate, if any, of the amount or range of potential loss to the City. Because of such review, the various claims and lawsuits have been categorized into "probable", "reasonably possible" and "remote" contingencies.

According to the City attorney, loss contingencies categorized as "probable" totaled \$825,698. Consequently, the City has accrued this amount at September 30, 2020. Loss contingencies categorized as "reasonably possible" range between \$0 and \$5,800,000.



The City has pre-funded \$150,000 towards this loss contingency liability with the third-party claims administrator and has recorded this as a reduction of the related liability.

Governmental Funds Encumbrances

Encumbrances for the year ended September 30, 2020 are disclosed for each major fund and for all other governmental funds in the aggregate.

Governmental Funds Encumbrances	Amount
Major Governmental Funds:	
General Fund	\$ 2,500,188
Capital Improvements Fund	28,267,450
Governmental Funds - Nonmajor	14,783,829
Total Governmental Funds Encumbrances	<u>\$45,551,467</u>

NOTE 14 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The claim liabilities are reported if information prior to issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

The City is self-insured for claims and judgments, general liability, and auto liability up to \$1,000,000 per incident/claim. The City utilizes insurance coverages over the \$1,000,000 self-insured retention with commercial insurance carriers up to certain limits as set in the coverages. As more fully discussed in Note 13, the City has determined and recorded an estimate of \$825,698 for loss contingencies relating to claims and judgments, reduced by \$150,000 pre-funded with the third-party claims administrator. Claim settlement and loss expenses are accrued for estimated reported claims. Experience indicates that incurred but not reported claims, in aggregate, do not represent a material amount and, therefore, have not been accrued at year-end.

The City is self-insured for workers' compensation claims, up to \$750,000 per accident/claim, to include medical expenses and indemnity payments to the injured worker. The city is fully insured over the \$750,000 self-insured retention, through the Municipal Workers Compensation Fund (MWCF). The City contracts with a third-party administrator for claims administration of claims that occurred prior to participation in MWCF on January 1, 2017. The estimated liability for workers' compensation claims as of September 30, 2020 is \$22,287,012.

The City is also self-insured for employee health insurance claims. The liability for employee health insurance claims includes an estimated amount for claims that have been incurred but have not been reported. The present value of the estimated liability for employee health claims as of September 30, 2020 is \$1,881,200.



The schedule below presents the changes in claims liabilities for the past two years for the City's self-insured liabilities:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
Claims and judgments, general liability and general and automotive liability				
2018-2019	\$ 638,228	\$ 363,560	\$ 691,788	\$ 310,000
2019-2020	310,000	1,213,070	847,372	675,698
Employee Health				
2018-2019	2,006,700	22,852,824	22,991,524	1,868,000
2019-2020	1,868,000	22,636,055	22,622,855	1,881,200
Workers' Compensation				
2018-2019	21,437,095	4,514,665	2,941,520	23,010,240
2019-2020	23,010,240	1,923,809	2,647,037	22,287,012

NOTE 15 - FUND DEFICITS OF NONMAJOR FUNDS

The following nonmajor funds had deficits in net position/fund balance of at September 30, 2020.

Internal Service Funds	
Liability Insurance	<u>\$ (817,565)</u>

NOTE 16 - MUNICIPAL SOLID WASTE LANDFILLS

The City has in operation two solid waste landfills. The responsibility for annual operation and future closure and postclosure care costs of the Chastang landfill has been transferred to another entity, the Solid Waste Disposal Authority. At September 30, 2020, the City believes that this entity is financially capable of meeting the closure and postclosure care obligations when they are due. Accordingly, a liability for such future costs has not been established.

The City owns a second landfill site which has reached full capacity. State and federal laws and regulations require the City to perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. The \$459,889 reported in the Statement of Net Position as a landfill postclosure liability at September 30, 2020 represents the estimated current cost of all postclosure care. However, due to changes in technology, laws or regulations, these costs may change in the future.



NOTE 17 – TAX ABATEMENTS

The City periodically enters into economic development incentive agreements with entities that propose to locate businesses within the City, or expand businesses within the City, which are expected to provide a stimulus to the City's economy and tax base. The City typically expects to experience increased local economic and commercial development because of the agreements.

The City enters into tax abatement agreements on an individual basis. These abatement agreements require approval by the Mayor and City Council and are authorized by Amendment 772 of the Constitution of Alabama. There are no specific criteria by which such agreements are evaluated. Rather, the Mayor and City Council, exercising authority granted to them by law, and weighing the projected abated taxes against the potential benefit to the City because of the agreement, conclude if the proposed tax abatement agreement would be sufficiently advantageous to the City to warrant approval.

Generally, the agreements provide for a rebate of sales and use taxes paid to the City according to formulas contained in the agreements. The total amount of taxes rebated under such agreements during fiscal year 2020 was \$4,217,191.

The agreements typically provide for the suspension of rebates or for the repayment to the City of the rebated amounts if the entity ceases to operate its business for a certain length of time or fails to produce a certain level of employment.

In the past, the City has abated sales and use taxes without the provision for the initial payment and subsequent rebate of such taxes. These agreements did not establish a required reporting mechanism for the City to receive information on the amount of taxes abated. Therefore, the City is unable to estimate the amount of taxes abated under these existing agreements. However, the City is implementing reporting requirements to comply with GASB Statement No. 77 in future abatement agreements.

Occasionally, the City will agree to provide assistance with contractual lease obligations of certain abatees under tax abatement agreements. The amount of such remaining obligations is \$525,000.

Tax Abatement Agreements of Other Entities**Industrial Development Board of the City of Mobile, AL**

Generally, the Industrial Development Board of the City of Mobile, AL (IDB) has the authority to abate City construction-related sales and use transaction taxes and the non-educational portion of ad-valorem taxes for qualified applicants. The Board is comprised of thirteen members appointed by the Mayor of the City of Mobile. The City does not collect its own ad-valorem taxes. The Mobile County Revenue Commissioner is responsible for such collection. Such abatements are authorized under the Code of Alabama Section 40-9B-4.

The information presented below regarding tax abatements of the Industrial Development Board of the City of Mobile has been compiled after reasonable attempts to obtain the required information. The City makes no representation that this information is correct or complete.

The gross amount of foregone City ad-valorem taxes during the 2020 fiscal year due to tax abatement agreements was \$663,105.



Mobile County Industrial Development Authority

Generally, the Mobile County Industrial Development Authority (IDA) has the authority to abate City construction-related sales and use transaction taxes and the non-educational portion of ad-valorem taxes for qualified applicants. The members of the Board are appointed by the Mobile County Commission. The City does not collect its own ad-valorem taxes. The Mobile County Revenue Commissioner is responsible for such collection. Such abatements are authorized under the Code of Alabama Section 40-9B-4.

There were no records of foregone ad-valorem taxes abated during the 2020 fiscal year identified due to agreements authorized by the Mobile County IDA.

NOTE 18 – FUND BALANCE – GOVERNMENTAL FUNDS

The following schedule presents the fund balances of governmental funds by category of classification:

	General Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable				
Inventory	\$ 3,047,309	\$ -	\$ -	\$ 3,047,309
Prepaid items	18,644	-	-	18,644
Restricted				
Capital Projects	-	-	7,321,482	7,321,482
Debt Service	-	-	405,307	405,307
Grants	-	-	7,673,500	7,673,500
Law Enforcement	-	-	1,260,694	1,260,694
Road and Bridge Construction	-	-	1,259,730	1,259,730
Road and Bridge Repair	-	-	2,733,911	2,733,911
Committed				
Flood Management	-	-	85,288	85,288
Storm Water	-	-	1,324,853	1,324,853
Tax Increment Program	-	-	11,896,768	11,896,768
Assigned				
Athletic Fund	115,136	-	-	115,136
Capital Improvements	-	59,605,215	-	59,605,215
Designated and Donated	1,392,968	-	-	1,392,968
Economic Development	-	-	30,315	30,315
General Fund Encumbrances	2,500,188	-	-	2,500,188
Municipal Court	-	-	1,497,144	1,497,144
Unassigned	83,532,824	-	-	83,532,824
Total	<u>\$ 90,607,069</u>	<u>\$ 59,605,215</u>	<u>\$ 35,488,992</u>	<u>\$ 185,701,276</u>



NOTE 19 – RECLASSIFICATIONFund Financial Statements - Grant Related Special Revenue Funds

During the current year, the City determined that certain grant related activities which were previously reported in the “General Activities Grants” Special Revenue Fund are most appropriately reported in a separate “Broad Street Revitalization Grants” Special Revenue Fund to allow for multi-year comparability, accountability, and consistency in financial reporting.

The total net effect of this change on the beginning restricted fund balance was a \$2,965,921 reduction in the “General Activities Grants” Special Revenue Fund and an increase in the “Broad Street Revitalization Grants” Special Revenue Fund.

NOTE 20 – SUBSEQUENT EVENTS**Purchase of “Brookley by the Bay” Property**

On December 17, 2020, the City, partnered with the State of Alabama, purchased approximately 300 acres of land commonly known as “Brookley by the Bay”. The property lies along the western shore of Mobile Bay to the east of the Brookley Aeroplex. It is made up of multiple parcels owned by the University of South Alabama Foundation.

Waterfront Property (150 acres)

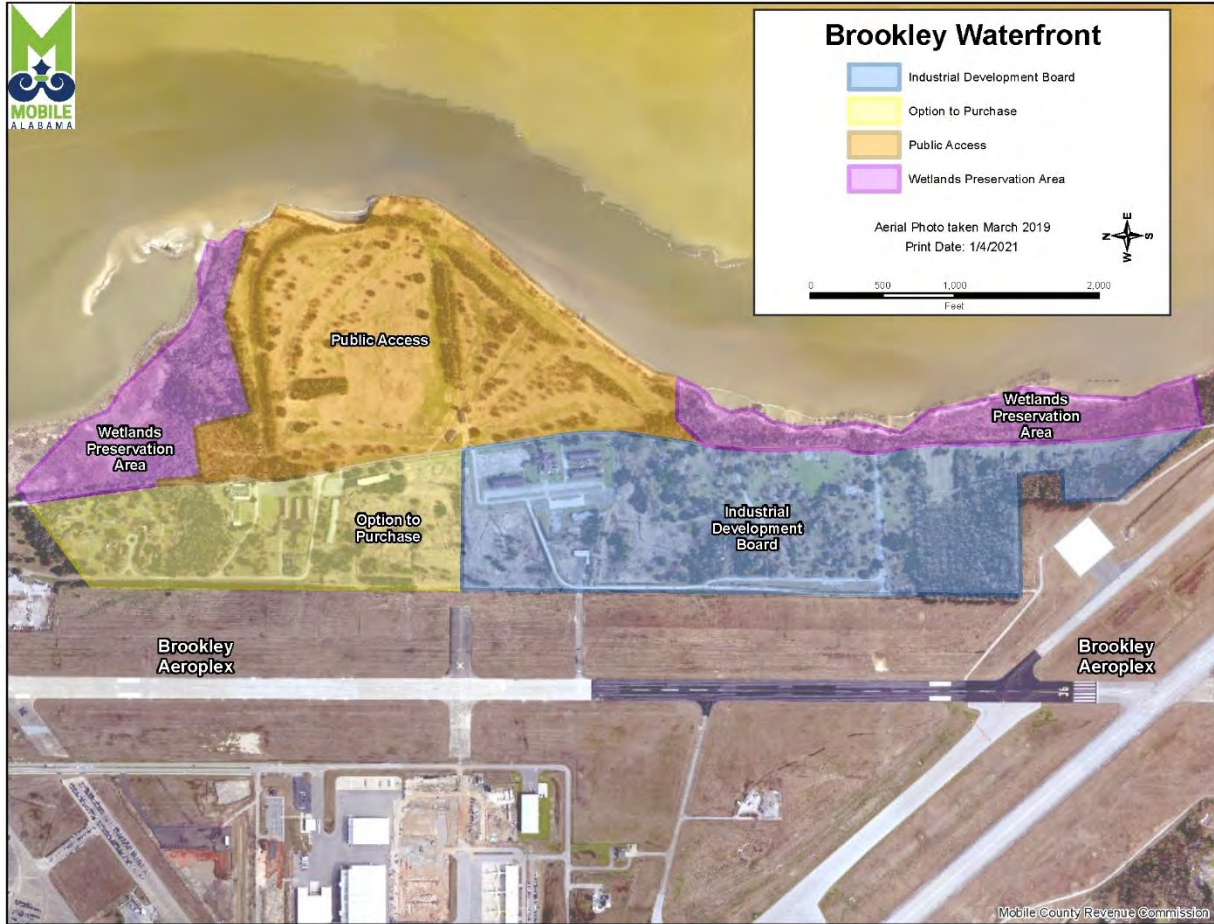
Approximately 50 acres of coastal wetlands will be purchased with \$2 million of National Fish and Wildlife Foundation (NFWF) funding from the State of Alabama. An additional 100 acres at the site of the old Brookley Center will be purchased with \$16 million from GOMESA — a federal oil revenue sharing program set up to benefit coastal communities.

Economic Development (100 -150 acres)

Approximately 100 acres will be purchased with \$15 million from the Governor’s Economic Development Fund. This parcel will be developed into an industrial park that will serve the aerospace supply chain at the Brookley Aeroplex. The City of Mobile will also maintain an option to purchase the remaining 50-acre parcel for the next five years for \$9 million.

See the following page for a map of the property.





Employees' Retirement System of Alabama Conversion of Tier II to Tier I

On May 8, 2019, the Alabama Legislature passed and the Governor signed into law the Retirement Systems of Alabama (RSA) Act 2019-132 that provides a one-time opportunity for participating local governments to provide Tier I retirement benefits to Tier II members.

On September 8, 2020, the Mobile City Council adopted Resolution 60-659-2020 in which the City elected to provide Tier I retirement benefits to its Tier II members.

Change in Contributions and Benefits

As a result, Tier II member contributions will increase from 6% to 7.5% of their earnable compensation, as required by Act 2019-132. Additionally, the City elected not to increase the member contribution rates of 5% of their earnable compensation.



The effects of this election on Tier II member benefits are as follows:

	Tier II (Prior to 10/01/2020)	Tier II (Effective 10/01/2020)
Date of Employment	On or after January 1, 2013	On or after January 1, 2013
Member Contribution Rate	6.0%	7.5%
Retirement Eligibility	Age 62 with at least 10 years of service	<ul style="list-style-type: none"> • 25 years of service at any age; or, • Age 60 with at least 10 years of service
Retirement Factor	1.650% per year of service	2.0125% per year of service

There are no changes to the Tier I member benefits.

Financial Impacts of the Change

Unfunded Accrued Actuarial Liability (UAAL)

Upon the effective date of the change, there will be an immediate increase in the UAAL totaling \$949,387 related to the conversion of Tier II employees’ prior years of service to Tier I service. This amount will be amortized over a 15-year period as a percentage of total payroll for all employees.

Change in Contribution Rates

The Tier II member contribution rate will increase from 6.0% to 7.5% upon the effective date of the change. All existing Tier I member contributions will remain at 5.0%.

The increase in normal costs of this change is funded through the increased member contributions for Tier II members, and an increase in the employer contribution rate for Tier II members.



REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN THE MD&A



REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN THE MD&A

Pictures on the prior page feature before and after pictures of houses rehabilitated under the City's blight program.



RSI -- GENERAL FUND BUDGET TO ACTUAL



Required Supplementary Information

**Schedule of Revenues, Expenditures, and Changes
in Fund Balances Budget and Actual - General Fund**

**Notes to the Schedule of Revenues, Expenditures,
and Changes in Fund Balances - Budget and Actual
- General Fund**

Pictures on the prior page feature before and after pictures of the rehabilitation of Little Flower Avenue, a project managed by the City Engineering Department.



CITY OF MOBILE, ALABAMA
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 193,616,434	\$ 193,616,434	\$ 205,438,702	\$ 11,822,268
Licenses and permits	37,671,257	37,671,257	39,101,459	1,430,202
Intergovernmental	54,044	54,044	42,858	(11,186)
Charges for services	9,294,432	9,294,432	7,100,964	(2,193,468)
Fines and forfeitures	2,038,405	2,038,405	1,775,996	(262,409)
State and federal assistance	218,797	218,797	58,048	(160,749)
Investment income	1,088,735	1,088,735	1,327,118	238,383
Other revenue	126,146	126,146	384,148	258,002
Total revenues	<u>244,108,250</u>	<u>244,108,250</u>	<u>255,229,293</u>	<u>11,121,043</u>
EXPENDITURES				
Current:				
General government				
311	406,229	406,272	362,047	44,225
Archives	371,737	372,054	249,214	122,840
City clerk	715,038	716,462	688,568	27,894
City council	898,626	901,942	623,672	278,270
City council discretionary funds	444,500	319,224	319,265	(41)
City hall overhead	3,808,000	3,808,455	3,038,718	769,737
Communications and external affairs	491,972	495,912	371,700	124,212
Geographical information systems	707,773	718,011	595,259	122,752
Information technology	3,638,260	3,691,136	3,018,006	673,130
Legal	1,868,581	1,872,906	1,672,585	200,321
Mail room	101,877	106,624	79,738	26,886
Mayor's office	491,548	497,061	381,140	115,921
Mayor's office discretionary funds	25,000	25,000	3,600	21,400
Total general government	<u>13,969,141</u>	<u>13,931,059</u>	<u>11,403,512</u>	<u>2,527,547</u>
Culture and recreation				
Aquatics	359,263	359,263	3,703	355,560
Athletics	574,550	573,295	408,753	164,542
Cemeteries	65,638	68,538	62,633	5,905
Community centers	1,925,770	1,963,526	1,509,807	453,719
GulfQuest Maritime Museum	1,475,055	1,476,767	961,343	515,424
Mobile Museum of Art	2,278,143	2,283,007	1,984,440	298,567
Parks maintenance	3,921,259	4,271,997	3,765,669	506,328
Parks operations	2,344,730	2,321,730	2,285,949	35,781
Programming	548,796	544,113	369,441	174,672
Recreation administration	443,193	471,829	460,937	10,892
SAIL	177,443	176,393	109,681	66,712
Senior and community center	555,874	559,500	485,134	74,366
Special activities	970,738	971,431	672,603	298,828
Total culture and recreation	<u>15,640,452</u>	<u>16,041,389</u>	<u>13,080,093</u>	<u>2,961,296</u>
Economic development				
Civic affairs	158,701	160,994	61,514	99,480
Community engagement	299,610	299,610	177,119	122,491
Mobile film office	266,742	266,830	232,398	34,432
Special events	912,327	958,094	775,589	182,505
Total economic development	<u>1,637,380</u>	<u>1,685,528</u>	<u>1,246,620</u>	<u>438,908</u>

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Engineering, development and Build Mobile				
Architectural engineering	1,425,150	1,428,390	1,090,393	337,997
Build Mobile executive administration	525,581	530,205	289,523	240,682
Build Mobile services	150,421	154,321	129,095	25,226
Building services	483,987	483,987	492,452	(8,465)
Engineering	2,150,001	2,093,716	1,644,414	449,302
Facility maintenance	4,342,150	4,349,630	3,822,612	527,018
Historic development	392,884	393,602	239,064	154,538
Inspection services	1,569,083	1,571,741	1,383,480	188,261
Municipal enforcement	1,332,117	1,340,082	1,267,959	72,123
Neighborhood development	192,412	192,412	160,499	31,913
Permitting	549,185	549,755	389,487	160,268
Planning and zoning	1,049,532	1,049,964	767,804	282,160
Real estate	259,131	259,155	242,724	16,431
Real estate asset management	320,963	320,966	284,009	36,957
ROW & land disturbance	1,207,180	1,207,180	976,363	230,817
Senior planning director	-	61,000	-	61,000
Total engineering, development and Build Mobile	15,949,777	15,986,106	13,179,878	2,806,228
Public safety				
Fire	36,015,539	36,342,646	34,183,088	2,159,558
Mobile metro jail	9,600,000	9,600,000	10,363,174	(763,174)
Municipal court	2,950,547	2,951,088	2,763,106	187,982
Police	57,938,352	58,196,381	57,038,022	1,158,359
Public safety administration	382,057	382,132	339,607	42,525
Total public safety	106,886,495	107,472,247	104,686,997	2,785,250
Finance				
Accounting	1,228,898	1,233,509	1,076,525	156,984
Finance administration	726,155	726,481	671,295	55,186
Human resources	909,065	912,104	813,381	98,723
Police and fire pension administration	248,410	248,747	164,894	83,853
Procurement	889,167	899,180	686,820	212,360
Revenue	2,133,916	2,136,965	1,713,521	423,444
Treasury	325,009	325,009	281,821	43,188
Total finance	6,460,620	6,481,995	5,408,257	1,073,738
Public works				
Electrical	2,386,266	2,392,107	2,130,706	261,401
Fleet management-garage	3,854,899	4,052,220	2,850,190	1,202,030
Forestry	1,373,750	1,442,603	1,167,349	275,254
Major projects	641,896	702,896	449,049	253,847
Public service maintenance	10,906,037	10,838,966	8,132,891	2,706,075
Public services administration	2,571,390	2,709,183	2,241,400	467,783
Public works executive administration	337,231	337,847	243,915	93,932
Traffic engineering	1,755,055	1,757,137	1,614,879	142,258
Trash	8,930,351	8,935,845	7,999,375	936,470
Total public works	32,756,875	33,168,804	26,829,754	6,339,050
Total departmental	193,300,740	194,767,128	175,835,111	18,932,017

(Continued)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Non-departmental				
Reserve for retirement	2,000,000	2,000,000	1,831,780	168,220
Board of health	600,000	600,000	600,000	-
Juvenile court and youth center	3,350,000	3,350,000	3,372,524	(22,524)
Personnel board	1,386,226	1,386,226	1,359,315	26,911
Board of equalization	7,152	7,152	7,142	10
Emergency management	648,037	648,037	648,037	-
Mobile legislative delegation	3,655	3,655	3,616	39
Public library	7,021,420	7,021,420	7,021,420	-
Solid waste disposal authority	2,371,435	2,371,435	2,325,246	46,189
Employee education	100,000	100,000	124,510	(24,510)
Employees' pension	147,420	147,420	96,724	50,696
Police and firefighter's retirement	14,100,000	14,100,000	13,700,827	399,173
Retired employees insurance	6,802,610	6,802,610	6,711,437	91,173
Unemployment compensation	80,725	80,725	40,979	39,746
Worker's compensation	3,370,780	3,370,780	3,482,263	(111,483)
Athletic fund	-	-	2,483	(2,483)
Contingency reserve	943	500,943	54,523	446,420
Dues	519,768	519,768	356,956	162,812
Parking	471,765	471,765	267,772	203,993
Performance contracts/organizations	3,936,256	3,936,256	3,942,645	(6,389)
Property insurance	1,800,000	1,800,000	2,336,455	(536,455)
13th Circuit Judicial	500,000	500,000	377,763	122,237
Miscellaneous	-	-	72,735	(72,735)
Total non-departmental	49,218,192	49,718,192	48,737,152	981,040
Total current	242,518,932	244,485,320	224,572,263	19,913,057
Debt service:				
Interest	9,051	9,051	7,265	1,786
Principal retirement	95,000	95,000	100,000	(5,000)
Total debt service	104,051	104,051	107,265	(3,214)
Capital outlay:				
Capital outlay	-	-	-	-
Total capital outlay	-	-	-	-
Total expenditures	242,622,983	244,589,371	224,679,528	19,909,843
Excess (deficiency) of revenues over expenditures	1,485,267	(481,121)	30,549,765	31,030,886
OTHER FINANCING SOURCES (USES)				
Proceeds from disposal of assets	6,868	6,868	25,283	18,415
Transfers in	12,614,303	12,614,303	8,743,321	(3,870,982)
Transfers out	(17,250,117)	(17,375,393)	(17,772,006)	(396,613)
Total other financing sources (uses)	(4,628,946)	(4,754,222)	(9,003,402)	(4,249,180)
Net change in fund balances	\$ (3,143,679)	\$ (5,235,343)	21,546,363	\$ 26,781,706
Fund balances - beginning			66,560,518	
Fund balances - ending			\$ 88,106,881	
ADJUSTMENTS				
Adjustments necessary to convert the results of operations at the end of the year on the budget basis to the modified accrual basis are as follows:				
Excess (deficiency) of revenues/other financing sources over expenditures/other financing uses			\$ 21,546,363	
Encumbrances outstanding at September 30, 2020			2,500,188	
Encumbrances outstanding at September 30, 2019			(1,827,617)	
Net change in fund balance per the statement of revenues, expenditures, and changes in fund balances - governmental funds			\$ 22,218,934	

(Concluded)

NOTE 1 - BUDGET RECONCILIATION

The reported budgetary data represents the final appropriated budget after amendments adopted by the City Council. An appropriated budget was legally adopted for the General Fund on the same modified accrual basis used to present actual revenue and expenditures, except, for budgetary purposes, current year encumbrances are treated as expenditures. The following is a summary of the reconciliation of generally accepted accounting principles (GAAP) expenditures to budgetary expenditures for the fiscal year ended September 30, 2020:

GAAP expenditures	\$ 224,006,957
Encumbrances at:	
September 30, 2020	2,500,188
September 30, 2019	(1,827,617)
Budgetary expenditures	<u>\$ 224,679,528</u>

For the fiscal year ended September 30, 2020, general fund budgetary appropriations exceeded total expenditures by \$19,909,843.

NOTE 2 - FUND BALANCE

Following is a reconciliation of the General Fund's fund balance - budgetary basis to fund balance - GAAP basis:

Fund balance - budgetary basis at September 30, 2020	\$ 88,106,881
Add encumbrances:	
Function:	
General government	158,269
Culture and recreation	437,794
Economic development	207,912
Engineering, development & Build Mobile	62,710
Finance	37,696
Public safety	906,787
Public works	689,020
Total encumbrances	<u>2,500,188</u>
Fund balance - GAAP basis at September 30, 2020	<u>\$ 90,607,069</u>

NOTE 3 - BUDGET AMENDMENTS

The City makes various amendments to the adopted budget throughout the fiscal year. In FY 2020, the most significant of those amendments were:

- Budget adjustments due to changes in prior year encumbrance carryforward.
- Adjustment per Resolution 09-323-2020 dated May 5, 2020 to appropriate an additional \$500,000 for COVID-19 relief under the IGNITE Mobile grant program for high-risk businesses.



REQUIRED SUPPLEMENTARY INFORMATION – PENSION & OPEB PLANS

Mobile

Museum

of

Art



Employees’ Retirement System of Alabama

Schedule of Changes in the Net Pension Liability and Related Ratios

Schedule of Employer Contributions

Police and Firefighters Retirement Plan

Schedule of Changes in the Net Pension Liability and Related Ratios

Schedule of Employer Contributions

Transit Workers Pension Plan

Schedule of Changes in the Net Pension Liability and Related Ratios

Schedule of Employer Contributions

OPEB Plan

Schedule of Changes in the Total OPEB Liability and Related Ratios

Pictures on the prior page feature events of the Mobile Museum of Art during the year. Pictures from top left to bottom right:

- October 2019 – Casey Downing Jr.’s “Centrifugal II” is unveiled in the traffic circle at McGregor and Museum Drive, a partnership with the City of Mobile and the Village of Spring Hill
- September 2020 – Curator of Adult Education Angie King and Curator of Contemporary Art Stan Hackney discuss the arrangement of collection exhibition, “ALL AMERICAN: From the Collection”
- August 2020 - City Council members visit special exhibition “FOR CHILDREN” with MMofA Director and MMofA board members
- September 2020 – MMofA works with local filmmaker Joseph Brennan and local potter Susie Bowman to create an educational video tour about clay for Mobile County Public Schools
- Summer 2020 – MMofA Art Educator repairs N95 masks for Mobile Fire and Rescue Department to use during COVID-19



CITY OF MOBILE, ALABAMA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY
AND RELATED RATIOS
EMPLOYEES' RETIREMENT SYSTEM OF ALABAMA
Last 10 Fiscal Years Ending September 30*

	2019	2018	2017	2016	2015	2014
Total pension liability						
Service cost	\$ 3,541,786	\$ 3,634,759	\$ 3,655,533	\$ 3,871,747	\$ 3,700,746	\$ 3,797,860
Interest	16,122,130	15,861,923	15,708,733	15,255,262	14,994,981	14,582,730
Differences between expected and actual experience	(1,674,484)	(879,640)	(2,510,319)	2,621,825	(1,994,818)	-
Changes of assumptions	-	1,023,929	-	4,749,471	-	-
Benefit payments, including refunds of employee contributions	(15,197,141)	(14,927,353)	(15,135,319)	(13,379,634)	(13,515,159)	(12,939,756)
Transfers among employers	45,900	129,613	154,026	(238,266)	-	-
Net change in total pension liability	2,838,191	4,843,231	1,872,654	12,880,405	3,185,750	5,440,834
Total pension liability - beginning	216,976,876	212,133,645	210,260,991	197,380,586	194,194,836	188,754,002
Total pension liability - ending (a)	\$ 219,815,067	\$ 216,976,876	\$ 212,133,645	\$ 210,260,991	\$ 197,380,586	\$ 194,194,836
Plan fiduciary net position						
Contributions - employer	\$ 5,103,256	\$ 4,522,472	\$ 4,719,340	\$ 4,790,583	\$ 4,996,104	\$ 4,682,549
Contributions - member	2,382,617	2,470,473	2,438,330	2,383,150	2,362,148	2,266,801
Net investment income	4,076,712	14,103,627	18,184,736	13,786,336	1,660,751	15,642,316
Benefit payments, including refunds of employee contributions	(15,197,141)	(14,927,353)	(15,135,319)	(13,379,634)	(13,515,159)	(12,939,756)
Transfers among employers	45,900	129,613	154,026	(238,266)	50,472	46,811
Net change in plan fiduciary net position	(3,588,656)	6,298,832	10,361,113	7,342,169	(4,445,684)	9,698,721
Plan net position - beginning	162,595,119	156,296,287	145,935,174	138,593,005	143,038,689	133,339,968
Plan net position - ending (b)	\$ 159,006,463	\$ 162,595,119	\$ 156,296,287	\$ 145,935,174	\$ 138,593,005	\$ 143,038,689
Net pension liability (asset) - ending (a) - (b)	\$ 60,808,604	\$ 54,381,757	\$ 55,837,358	\$ 64,325,817	\$ 58,787,581	\$ 51,156,147
Plan fiduciary net position as a percentage of the total pension liability	72.34%	74.94%	73.68%	69.41%	70.22%	73.66%
Covered payroll	\$ 43,531,867	\$ 44,134,252	\$ 45,753,761	\$ 46,861,508	\$ 47,096,079	\$ 45,476,596
Net pension liability (asset) as a percentage of covered payroll	139.69%	123.22%	122.04%	137.27%	124.82%	112.49%

* Until a full 10-year trend is compiled, the City will present information for those years for which the information is available. Ultimately, ten years of data will be presented.

CITY OF MOBILE, ALABAMA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
EMPLOYEES' RETIREMENT SYSTEM OF ALABAMA
Last 10 Fiscal Years Ending September 30*

	2020	2019	2018	2017	2016	2015
Actuarially determined contribution**	\$ 5,020,630	\$ 5,103,256	\$ 4,522,472	\$ 4,719,340	\$ 4,790,583	\$ 4,996,104
Contributions in relation to the actuarially determined contribution**	<u>5,020,630</u>	<u>5,103,256</u>	<u>4,522,472</u>	<u>4,719,340</u>	<u>4,790,583</u>	<u>4,996,104</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	46,484,106	43,531,867	44,134,252	45,753,761	46,861,508	47,096,079
Contributions as a percentage of covered payroll	10.80%	11.72%	10.25%	10.31%	10.22%	10.61%

* Until a full 10-year trend is compiled, the City will present information for those years for which the information is available. Ultimately, ten years of data will be presented.

** The actuarially determined contribution is the amount of employer contributions related to normal and accrued liability components of employer rate net of any refunds or error service payments. The Schedule of Employer Contributions is based on the 12 month period of the underlying financial statement.

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 2020 were based on the September 30, 2017 actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age
Amortization method	Level percent closed
Remaining amortization period	28.7 years
Asset valuation method	Five year smoothed market
Inflation	2.750%
Salary increases	3.250 - 5.000%, including inflation
Investment rate of return	7.75%, net of pension plan investment expense, including inflation

CITY OF MOBILE, ALABAMA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY
AND RELATED RATIOS
POLICE AND FIREFIGHTERS RETIREMENT PLAN
Last 10 Fiscal Years Ending September 30*

	2019	2018	2017	2016	2015	2014
Total pension liability						
Service cost	\$ 1,389,633	\$ 1,405,646	\$ 1,576,326	\$ 1,414,553	\$ 1,501,441	\$ 1,542,522
Interest	20,170,527	19,275,199	18,546,963	18,550,878	18,407,492	18,287,147
Demographic experience	10,438,083	1,267,621	9,154,812	(1,557,256)	1,341,073	-
Changes of assumptions	-	10,671,600	-	-	-	-
Benefit Payments, including refunds of employee contributions	(19,905,887)	(20,299,667)	(19,059,277)	(18,335,869)	(19,657,648)	(17,958,800)
Net change in total pension liability	12,092,356	12,320,399	10,218,824	72,306	1,592,358	1,870,869
Total pension liability - beginning	283,177,474	270,857,075	260,638,251	260,565,945	258,973,587	257,102,718
Total pension liability - ending (a)	\$ 295,269,830	\$ 283,177,474	\$ 270,857,075	\$ 260,638,251	\$ 260,565,945	\$ 258,973,587
Plan fiduciary net position						
Contributions - employer	\$ 20,699,025	\$ 18,717,733	\$ 19,977,104	\$ 19,701,943	\$ 16,354,458	\$ 14,950,855
Contributions - member	3,384,100	3,279,235	3,306,936	2,995,750	2,969,379	2,945,173
Net investment income	5,730,250	15,731,328	20,075,805	11,927,721	(6,881,722)	10,307,058
Benefit payments, including refunds of employee contributions	(19,905,887)	(20,299,667)	(19,059,277)	(18,335,869)	(19,657,648)	(18,186,135)
Administrative expenses	(7,154)	(9,118)	(49,685)	(18,061)	(4,989)	(110,549)
Net change in plan fiduciary net position	9,900,334	17,419,511	24,250,883	16,271,484	(7,220,522)	9,906,402
Plan net position - beginning	202,411,170	184,991,659	160,740,776	144,469,292	151,689,814	141,783,412
Plan net position - ending (b)	\$ 212,311,504	\$ 202,411,170	\$ 184,991,659	\$ 160,740,776	\$ 144,469,292	\$ 151,689,814
Net pension liability (asset) - ending (a) - (b)	\$ 82,958,326	\$ 80,766,304	\$ 85,865,416	\$ 99,897,475	\$ 116,096,653	\$ 107,283,773
Plan fiduciary net position as a percentage of the total pension liability	71.90%	71.48%	68.30%	61.67%	55.44%	58.57%
Covered payroll	\$ 39,958,343	\$ 40,740,794	\$ 39,003,598	\$ 36,451,544	\$ 35,887,574	\$ 36,010,184
Net pension liability (asset) as a percentage of covered payroll	207.61%	198.24%	220.15%	274.06%	323.50%	297.93%

* Until a full 10-year trend is compiled, the City will present information for those years for which the information is available. Ultimately, ten years of data will be presented.

CITY OF MOBILE, ALABAMA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE AND FIREFIGHTERS RETIREMENT PLAN
Last 10 Fiscal Years Ending September 30*

	2020	2019	2018	2017	2016	2015
Actuarially determined contribution**	\$ 22,139,615	\$ 20,699,025	\$ 18,717,733	\$ 19,977,104	\$ 19,701,944	\$ 16,354,458
Contributions in relation to the actuarially determined contribution**	<u>22,139,615</u>	<u>20,699,025</u>	<u>18,717,733</u>	<u>19,977,104</u>	<u>19,701,944</u>	<u>16,354,458</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	43,864,792	39,958,343	40,740,794	39,003,598	36,451,544	35,887,574
Contributions as a percentage of covered payroll	50.47%	51.80%	45.94%	51.22%	54.05%	45.57%

* Until a full 10-year trend is compiled, the City will present information for those years for which the information is available. Ultimately, ten years of data will be presented.

** The actuarially determined contribution is the amount of employer contributions related to normal and accrued liability components of employer rate net of any refunds or error service payments. The Schedule of Employer Contributions is based on the 12 month period of the underlying financial statement.

NOTES TO SCHEDULE

Contributions for fiscal year 2020 were based on the October 1, 2019 actuarial valuation.

Actuarially determined contribution rates are calculated as of September 30 that is 12 months prior to the beginning of the fiscal year for which the contributions are reported. No assumptions or methods were changed since the completion of the previous valuation.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Projected unit credit
Amortization method	Level dollar, closed
Remaining amortization period	30 years
Asset valuation method	Open 5-year smoothed market
Inflation	2.50%
Salary increases	3.00% per annum
Investment rate of return	7.00%, net of pension plan investment expense, including inflation.
Mortality rates	Sex-distinct rates set forth in RP-2000 Blue Collar Mortality Table, with full generational improvements in mortality using Scale AA

CITY OF MOBILE, ALABAMA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY
AND RELATED RATIOS
TRANSIT WORKERS PENSION PLAN
Last 10 Fiscal Years Ending June 30*

	2020	2019	2018	2017	2016	2015
Total pension liability						
Service cost	\$ 793,361	\$ 841,709	\$ 891,442	\$ 850,659	\$ 855,623	\$ 916,967
Interest	907,205	925,643	794,830	732,175	710,345	605,268
Differences between expected and actual experience	313,969	(355,413)	(276,445)	156,090	(760,649)	1,197,488
Changes of assumptions	-	(1,217,845)	29,946	-	26,156	(94,322)
Benefit Payments, including refunds of employee contributions	(715,822)	(450,715)	(487,357)	(421,768)	(340,857)	(316,249)
Net change in total pension liability	<u>1,298,713</u>	<u>(256,621)</u>	<u>952,416</u>	<u>1,317,156</u>	<u>490,618</u>	<u>2,309,152</u>
Total pension liability - beginning	<u>16,830,431</u>	<u>17,087,052</u>	<u>16,134,636</u>	<u>14,817,480</u>	<u>14,326,862</u>	<u>12,017,710</u>
Total pension liability - ending (a)	<u>\$ 18,129,144</u>	<u>\$ 16,830,431</u>	<u>\$ 17,087,052</u>	<u>\$ 16,134,636</u>	<u>\$ 14,817,480</u>	<u>\$ 14,326,862</u>
Plan fiduciary net position						
Contributions - employer	\$ 600,000	\$ 659,074	\$ 592,745	\$ 457,063	\$ 280,573	\$ 404,160
Contributions - member	234,896	228,368	225,283	231,011	227,928	218,400
Net investment income	586,230	957,336	942,711	910,131	173,650	228,476
Benefit payments, including refunds of employee contributions	(715,822)	(450,715)	(487,357)	(421,768)	(340,857)	(318,619)
Administrative expenses	(45,236)	(32,388)	(29,651)	(28,080)	(19,280)	(17,915)
Net change in plan fiduciary net position	<u>660,068</u>	<u>1,361,675</u>	<u>1,243,731</u>	<u>1,148,357</u>	<u>322,014</u>	<u>514,502</u>
Plan net position - beginning	<u>14,632,629</u>	<u>13,270,954</u>	<u>12,027,223</u>	<u>10,878,866</u>	<u>10,556,852</u>	<u>10,042,350</u>
Plan net position - ending (b)	<u>\$ 15,292,697</u>	<u>\$ 14,632,629</u>	<u>\$ 13,270,954</u>	<u>\$ 12,027,223</u>	<u>\$ 10,878,866</u>	<u>\$ 10,556,852</u>
Net pension liability (asset) - ending (a) - (b)	\$ 2,836,447	\$ 2,197,802	\$ 3,816,098	\$ 4,107,413	\$ 3,938,614	\$ 3,770,010
Plan fiduciary net position as a percentage of the total pension liability	84.35%	86.94%	77.67%	74.54%	73.42%	73.69%
Covered payroll	\$ 3,586,198	\$ 3,874,236	\$ 3,657,154	\$ 3,578,494	\$ 3,624,022	\$ 3,891,061
Net pension liability (asset) as a percentage of covered payroll	79.09%	56.73%	104.35%	114.78%	108.68%	96.89%

* Until a full 10-year trend is compiled, the City will present information for those years for which the information is available. Ultimately, ten years of data will be presented.

CITY OF MOBILE, ALABAMA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TRANSIT WORKERS PENSION PLAN
Last 10 Fiscal Years Ending June 30

	2020	2019	2018	2017
Actuarially determined contribution**	\$ 526,946	\$ 659,074	\$ 592,745	\$ 457,063
Contributions in relation to the actuarially determined contribution*	<u>600,000</u>	<u>659,074</u>	<u>592,745</u>	<u>457,063</u>
Contribution deficiency (excess)	<u>\$ (73,054)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	3,586,198	3,874,236	3,657,154	3,578,494
Contributions as a percentage of covered payroll	16.73%	17.01%	16.21%	12.77%

** Amount of employer contributions related to normal and accrued liability components of employer rate net of any refunds or error service payments.

NOTES TO SCHEDULE

Contributions for fiscal year 2020 were based on the July 1, 2019 actuarial valuation.

Actuarially determined contribution rates are calculated as of June 30 that is 12 months prior to the beginning of the fiscal year for which the contributions are reported.

Since the last valuation, the segment rates were changed from 3.74%, 5.35% and 6.11%, with an equivalent rate of 5.07% to 3.64%, 5.21%, and 5.94%, respectively with an equivalent rate of 5.10%.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Projected unit credit
Amortization method	Level percentage, closed
Remaining amortization period	30 years
Asset valuation method	Market value
Cost of living adjustments	None
Salary increases	4.00% per annum
Investment rate of return	5.26%, net of pension plan investment expense, including inflation.
Mortality rates	Sex distinct rates set forth in the RP-2000 Mortality Table for annuitants, projected to 2019 by Scale AA, as published by the Internal Revenue Service (IRS) for purposes of Internal Revenue Code (IRC) section 430, future generational improvements in mortality have not been reflected.

2016	2015	2014	2013	2012	2011
\$ 280,573	\$ 404,160	\$ 785,105	\$ 580,620	\$ 1,319,178	\$ 861,901
280,573	404,160	785,105	580,620	1,319,178	861,901
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,624,022	3,891,061	3,679,642	3,650,777	3,681,811	3,671,711
7.74%	10.39%	21.34%	15.90%	35.83%	23.47%

CITY OF MOBILE, ALABAMA
Schedule of Required Supplementary Information
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY
AND RELATED RATIOS
Last 10 Fiscal Years Ending September 30*

	2019	2018	2017
Total OPEB liability			
Service cost	\$ 5,166,672	\$ 5,529,861	\$ 6,848,282
Expected interest growth	5,095,812	7,141,084	5,332,451
Differences between expected and actual experience	33,881,899	(50,661,758)	-
Changes of assumptions	1,115,054	(10,324,761)	-
Benefit Payments, including refunds of employee contributions	<u>(7,603,712)</u>	<u>(2,765,878)</u>	<u>(7,454,141)</u>
Net change in total OPEB liability	37,655,725	(51,081,452)	4,726,592
Total OPEB liability - beginning	<u>140,942,882</u>	<u>192,024,334</u>	<u>187,297,742</u>
Total OPEB liability - ending	<u><u>\$ 178,598,607</u></u>	<u><u>\$ 140,942,882</u></u>	<u><u>\$ 192,024,334</u></u>
Covered payroll**	\$ 87,840,861	\$ 86,002,849	\$ 85,810,180
Net OPEB liability (asset) as a percentage of covered payroll	203.32%	163.88%	223.78%

* Until a full 10-year trend is compiled, the City will present information for those years for which the information is available. Ultimately, ten years of data will be presented.

**Covered payroll includes the base pay of all employees eligible to participate in the plan.

Note: There are no assets in a trust compliant with GASB Statement No. 73 or Statement No. 75.

NOTES TO SCHEDULE

Changes of assumptions: There were a number of changes in the actuarial assumptions. Some of these assumption changes have significantly affected the liability amount. Key items to note regarding actuarial assumptions include:

- The discount rate was increased from 3.64% per annum to 3.58% per annum.
- The per capital healthcare claims cost at age 62 for the 2018/19 fiscal year was decreased from \$9,200 to \$8,854.10.
- The per capital administrative expenses for the 2018/19 fiscal year were increased from \$231.75 to \$250.00.

GOVERNMENTAL FUNDS – NONMAJOR



GOVERNMENTAL FUNDS – NONMAJOR

Capital Projects Funds - These funds are used to account for financial resources for the acquisition or construction of major capital facilities (other than those financed by proprietary fund types).

Debt Service Funds - These funds are used to account for assets held for the repayment of principal and interest on the City's outstanding bond issues.

Special Revenue Funds - These funds are used to account for the proceeds of specific revenue sources (other than for major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

Picture on the prior page features downtown Mobile courtesy of The Admiral Hotel



COMBINING FINANCIAL STATEMENTS



COMBINING FINANCIAL STATEMENTS

Picture on the prior page features the Mobile Convention Center looking across the Mobile River to the Austal USA's ship manufacturing facility.



CITY OF MOBILE, ALABAMA
Combining Balance Sheet
Nonmajor Governmental Funds
Summary by Fund Type
September 30, 2020

	Capital Projects Funds	Debt Service Funds	Special Revenue Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash, equity in pooled cash and investments	\$ 7,323,957	\$ 405,256	\$ 21,686,620	\$ 29,415,833
Restricted cash	82,813	51	-	82,864
Receivables, net	-	-	13,158,188	13,158,188
Due from other funds	-	-	1,170,393	1,170,393
Total assets	<u>\$ 7,406,770</u>	<u>\$ 405,307</u>	<u>\$ 36,015,201</u>	<u>\$ 43,827,278</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 3,651,192	\$ 3,651,192
Pension employer contributions payable	-	-	40,674	40,674
Unearned revenue	-	-	3,475,022	3,475,022
Due to other funds	-	-	1,170,393	1,170,393
Escrowed funds liability	-	-	1,005	1,005
Total liabilities	<u>-</u>	<u>-</u>	<u>8,338,286</u>	<u>8,338,286</u>
FUND BALANCES				
Restricted				
Capital projects	7,321,482	-	-	7,321,482
Debt service	-	405,307	-	405,307
Grants	-	-	7,673,500	7,673,500
Law enforcement	-	-	1,260,694	1,260,694
Road and bridge construction	-	-	1,259,730	1,259,730
Road and bridge repair	-	-	2,733,911	2,733,911
Committed				
Flood management	85,288	-	-	85,288
Storm water	-	-	1,324,853	1,324,853
Tax increment program	-	-	11,896,768	11,896,768
Assigned				
Economic development	-	-	30,315	30,315
Municipal court	-	-	1,497,144	1,497,144
Total fund balances	<u>7,406,770</u>	<u>405,307</u>	<u>27,676,915</u>	<u>35,488,992</u>
Total liabilities and fund balances	<u>\$ 7,406,770</u>	<u>\$ 405,307</u>	<u>\$ 36,015,201</u>	<u>\$ 43,827,278</u>

CITY OF MOBILE, ALABAMA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Summary by Fund Type
For the Year Ended September 30, 2020

	Capital Projects Funds	Debt Service Funds	Special Revenue Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ -	\$ -	\$ 11,586,226	\$ 11,586,226
Charges for services	-	-	9,400	9,400
Fines and forfeitures	-	-	533,248	533,248
State and federal assistance	1,878,551	-	19,145,696	21,024,247
Investment income	30,377	21,526	96,226	148,129
Other revenue	-	-	6,878	6,878
Total revenues	<u>1,908,928</u>	<u>21,526</u>	<u>31,377,674</u>	<u>33,308,128</u>
EXPENDITURES				
Current:				
General government	-	-	7,352,597	7,352,597
Culture and recreation	-	-	23,043	23,043
Engineering, development & Build Mobile	-	-	6,996,427	6,996,427
Public safety	-	-	4,376,439	4,376,439
Public works	-	-	4,443,932	4,443,932
Debt service:				
Administrative charges	-	51	-	51
Bond issuance costs	135,484	-	-	135,484
Interest	-	7,495,143	27,910	7,523,053
Principal retirement	-	15,439,000	160,000	15,599,000
Capital outlay:				
Capital outlay	-	-	4,147,800	4,147,800
Total expenditures	<u>135,484</u>	<u>22,934,194</u>	<u>27,528,148</u>	<u>50,597,826</u>
Excess (deficiency) of revenues over expenditures	<u>1,773,444</u>	<u>(22,912,668)</u>	<u>3,849,526</u>	<u>(17,289,698)</u>
OTHER FINANCING SOURCES (USES)				
Refunding debt issued	5,220,000	-	-	5,220,000
Payment to refunding bond escrow agent	(6,463,692)	-	-	(6,463,692)
Premium on debt issued	1,379,176	-	-	1,379,176
Transfers in	-	22,301,841	3,174,086	25,475,927
Transfers out	(1,200,304)	(45)	(4,399,030)	(5,599,379)
Total other financing sources (uses)	<u>(1,064,820)</u>	<u>22,301,796</u>	<u>(1,224,944)</u>	<u>20,012,032</u>
Net change in fund balances	708,624	(610,872)	2,624,582	2,722,334
Fund balances - beginning	6,698,146	1,016,179	25,052,333	32,766,658
Fund balances - ending	<u>\$ 7,406,770</u>	<u>\$ 405,307</u>	<u>\$ 27,676,915</u>	<u>\$ 35,488,992</u>

CAPITAL PROJECT FUNDS – NONMAJOR



CAPITAL PROJECT FUNDS – NONMAJOR

Municipal Government Capital Improvements

Flood Management Escrow

2000 Capital Projects

2012 General Obligation Private Placement Capital Equipment

2020 General Obligation Warrants

Pictures on the prior page feature the 1927 Saenger Theater before and after recent renovations.





THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF MOBILE, ALABAMA
Combining Balance Sheet
Nonmajor Capital Projects Funds
September 30, 2020

	Municipal Government Capital Improvements	Flood Management Escrow	2000 Capital Projects
ASSETS			
Cash, equity in pooled cash and investments	\$ 7,238,171	\$ 85,288	\$ 498
Restricted cash - capital purchases	-	-	-
Total assets	<u>\$ 7,238,171</u>	<u>\$ 85,288</u>	<u>\$ 498</u>
LIABILITIES			
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCES			
Restricted			
Capital projects	7,238,171	-	498
Committed			
Flood management	-	85,288	-
Total fund balances	<u>7,238,171</u>	<u>85,288</u>	<u>498</u>
Total liabilities and fund balances	<u>\$ 7,238,171</u>	<u>\$ 85,288</u>	<u>\$ 498</u>

2012 G.O. Private Placement Capital Equipment	2020 G.O. Warrants	Total Nonmajor Capital Projects Funds
\$ -	\$ -	\$ 7,323,957
82,813	-	82,813
<u>\$ 82,813</u>	<u>\$ -</u>	<u>\$ 7,406,770</u>
\$ -	\$ -	\$ -
82,813	-	7,321,482
-	-	85,288
<u>82,813</u>	<u>-</u>	<u>7,406,770</u>
<u>\$ 82,813</u>	<u>\$ -</u>	<u>\$ 7,406,770</u>

CITY OF MOBILE, ALABAMA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended September 30, 2020

	Municipal Government Capital Improvements	Flood Management Escrow	2000 Capital Projects
REVENUES			
State and federal assistance	\$ 1,878,551	\$ -	\$ -
Investment income	29,957	374	2
Total revenues	<u>1,908,508</u>	<u>374</u>	<u>2</u>
EXPENDITURES			
Debt service:			
Bond issuance costs	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>1,908,508</u>	<u>374</u>	<u>2</u>
OTHER FINANCING SOURCES (USES)			
Refunding debt issued	-	-	-
Payment to refunding bond escrow agent	-	-	-
Premium on debt issued	-	-	-
Transfers out	(1,200,304)	-	-
Total other financing sources (uses)	<u>(1,200,304)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	708,204	374	2
Fund balances - beginning	6,529,967	84,914	496
Fund balances - ending	<u>\$ 7,238,171</u>	<u>\$ 85,288</u>	<u>\$ 498</u>

2012 G.O. Private Placement Capital Equipment	2020 G.O. Warrants	Total Nonmajor Capital Projects Funds
\$ -	\$ -	\$ 1,878,551
44	-	30,377
<u>44</u>	<u>-</u>	<u>1,908,928</u>
-	135,484	135,484
-	135,484	135,484
<u>44</u>	<u>(135,484)</u>	<u>1,773,444</u>
-	5,220,000	5,220,000
-	(6,463,692)	(6,463,692)
-	1,379,176	1,379,176
-	-	(1,200,304)
<u>-</u>	<u>135,484</u>	<u>(1,064,820)</u>
44	-	708,624
82,769	-	6,698,146
<u>\$ 82,813</u>	<u>\$ -</u>	<u>\$ 7,406,770</u>



THIS PAGE INTENTIONALLY LEFT BLANK

DEBT SERVICE FUNDS – NONMAJOR



DEBT SERVICE FUNDS – NONMAJOR

Bank Service Charges – Various Issues

2009C General Obligation ARRA Capital Taxable Warrants

2011 General Obligation Private Placement Warrants

2012 General Obligation Private Placement Warrants

2016 General Obligation Refunding Warrants

2016C General Obligation Taxable Warrants

2017A General Obligation Warrants

2017B General Obligation Warrants

2017C General Obligation Warrants

2017D General Obligation Warrants

2018A General Obligation Refunding Warrants

2019 GulfQuest Note Payable

Pictures on the prior page feature the City's new 34-foot patrol boat named "Guardian" which will be used to fight crime on the port, guard against terrorism and participate in search-and-rescue efforts. This \$367,000 police vessel was purchased in FY 2020 with funds awarded by the Department of Homeland Security FEMA Security Grant.





THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF MOBILE, ALABAMA
Combining Balance Sheet
Nonmajor Debt Service Funds
September 30, 2020

	Bank Serv Chgs-Var Issues	2009C G.O. ARRA Cap Taxable Warrants	2011 G.O. Priv Place Warrants	2012 G.O. Priv Place Warrants	2016 G.O. Refunding Warrants	2016C G.O. Taxable Warrants
ASSETS						
Cash, equity in pooled cash and investments	\$ 131,474	\$ 3	\$ -	\$ -	\$ 6,635	\$ 5,512
Restricted cash - debt service	-	-	35	16	-	-
Total assets	<u>\$ 131,474</u>	<u>\$ 3</u>	<u>\$ 35</u>	<u>\$ 16</u>	<u>\$ 6,635</u>	<u>\$ 5,512</u>
LIABILITIES						
Total liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES						
Restricted						
Debt service	131,474	3	35	16	6,635	5,512
Total fund balances	<u>131,474</u>	<u>3</u>	<u>35</u>	<u>16</u>	<u>6,635</u>	<u>5,512</u>
Total liabilities and fund balances	<u>\$ 131,474</u>	<u>\$ 3</u>	<u>\$ 35</u>	<u>\$ 16</u>	<u>\$ 6,635</u>	<u>\$ 5,512</u>

2017A G.O. Warrants	2017B G.O. Warrants	2017C G.O. Warrants	2017D G.O. Warrants	2018A G.O. Refunding Warrants	2019 GulfQuest Note Payable	Total Nonmajor Debt Service Funds
\$ 15,043	\$ 15,706	\$ 5,658	\$ 265	\$ 224,960	\$ -	\$ 405,256
-	-	-	-	-	-	51
<u>\$ 15,043</u>	<u>\$ 15,706</u>	<u>\$ 5,658</u>	<u>\$ 265</u>	<u>\$ 224,960</u>	<u>\$ -</u>	<u>\$ 405,307</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15,043	15,706	5,658	265	224,960	-	405,307
15,043	15,706	5,658	265	224,960	-	405,307
<u>\$ 15,043</u>	<u>\$ 15,706</u>	<u>\$ 5,658</u>	<u>\$ 265</u>	<u>\$ 224,960</u>	<u>\$ -</u>	<u>\$ 405,307</u>

CITY OF MOBILE, ALABAMA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended September 30, 2020

	Bank Serv Chgs-Var Issues	2009C G.O. ARRA Cap Taxable Warrants	2011 G.O. Priv Place Warrants	2012 G.O. Priv Place Warrants	2016 G.O. Refunding Warrants	2016C G.O. Taxable Warrants
REVENUES						
Investment income	\$ 605	\$ 102	\$ -	\$ -	\$ 1,525	\$ 2,572
Total revenues	605	102	-	-	1,525	2,572
EXPENDITURES						
Debt service:						
Administrative charges	-	-	51	-	-	-
Interest	-	391,223	124,498	-	958,909	531,356
Principal retirement	-	-	1,595,000	-	409,000	1,330,000
Total expenditures	-	391,223	1,719,549	-	1,367,909	1,861,356
Excess (deficiency) of revenues over expenditures	605	(391,121)	(1,719,549)	-	(1,366,384)	(1,858,784)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	391,047	1,719,543	-	1,367,909	1,850,676
Transfers out	(45)	-	-	-	-	-
Total other financing sources (uses)	(45)	391,047	1,719,543	-	1,367,909	1,850,676
Net change in fund balances	560	(74)	(6)	-	1,525	(8,108)
Fund balances - beginning	130,914	77	41	16	5,110	13,620
Fund balances - ending	\$ 131,474	\$ 3	\$ 35	\$ 16	\$ 6,635	\$ 5,512

2017A G.O. Warrants	2017B G.O. Warrants	2017C G.O. Warrants	2017D G.O. Warrants	2018A G.O. Refunding Warrants	2019 GulfQuest Note Payable	Total Nonmajor Debt Service Funds
\$ 12,308	\$ 68	\$ -	\$ -	\$ 4,346	\$ -	\$ 21,526
<u>12,308</u>	<u>68</u>	<u>-</u>	<u>-</u>	<u>4,346</u>	<u>-</u>	<u>21,526</u>
-	-	-	-	-	-	51
2,669,156	103,694	114,493	1,384,493	1,217,321	-	7,495,143
6,405,000	720,000	4,580,000	-	-	400,000	15,439,000
<u>9,074,156</u>	<u>823,694</u>	<u>4,694,493</u>	<u>1,384,493</u>	<u>1,217,321</u>	<u>400,000</u>	<u>22,934,194</u>
<u>(9,061,848)</u>	<u>(823,626)</u>	<u>(4,694,493)</u>	<u>(1,384,493)</u>	<u>(1,212,975)</u>	<u>(400,000)</u>	<u>(22,912,668)</u>
9,066,045	823,694	4,694,493	1,379,762	608,672	400,000	22,301,841
-	-	-	-	-	-	(45)
<u>9,066,045</u>	<u>823,694</u>	<u>4,694,493</u>	<u>1,379,762</u>	<u>608,672</u>	<u>400,000</u>	<u>22,301,796</u>
4,197	68	-	(4,731)	(604,303)	-	(610,872)
10,846	15,638	5,658	4,996	829,263	-	1,016,179
<u>\$ 15,043</u>	<u>\$ 15,706</u>	<u>\$ 5,658</u>	<u>\$ 265</u>	<u>\$ 224,960</u>	<u>\$ -</u>	<u>\$ 405,307</u>



THIS PAGE INTENTIONALLY LEFT BLANK

SPECIAL REVENUE FUNDS – NONMAJOR



Heroes Saluting Heroes



SPECIAL REVENUE FUNDS – NONMAJOR

Tax Increment Fund
Four-cent Gasoline Tax
Five-cent Gasoline Tax
Seven-cent Gasoline Tax
Fuel Inspection Fees
Economic Development Escrow
Drug Enforcement Fund
Municipal Court Judicial Administration Fund
Storm Water Fund
Rebuild Alabama Fund
General Activities Grants
Revitalizing Broad Street Grants
Hurricane Sally Grants
Public Safety Grants
Housing and Urban Development Grants

Pictures on the prior page feature Mobile-Fire Rescue first responders saluting healthcare workers at Providence Hospital in April 2020 during the COVID-19 pandemic.





THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF MOBILE, ALABAMA
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2020

	Tax Increment Fund	Four-Cent Maintenance	Five-Cent Roadway Maintenance	Seven-Cent Roadway Maintenance	Fuel Inspection Fees	Economic Development Escrow	Drug Enforcement Fund
ASSETS							
Cash, equity in pooled cash and investments	\$ 11,896,768	\$ 2,589,657	\$ 430,372	\$ -	\$ -	\$ 30,315	\$ 1,261,194
Receivables, net	-	118,199	58,255	203,895	7,190	-	-
Due from other funds	-	-	-	-	-	-	-
Total assets	<u>\$ 11,896,768</u>	<u>\$ 2,707,856</u>	<u>\$ 488,627</u>	<u>\$ 203,895</u>	<u>\$ 7,190</u>	<u>\$ 30,315</u>	<u>\$ 1,261,194</u>
LIABILITIES							
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ 185,030	\$ -	\$ -	\$ 500
Pension employer contributions payable	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Escrowed funds liability	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>185,030</u>	<u>-</u>	<u>-</u>	<u>500</u>
FUND BALANCES							
Restricted							
Grants	-	-	-	-	-	-	-
Law enforcement	-	-	-	-	-	-	1,260,694
Road and bridge construction	-	-	488,627	-	-	-	-
Road and bridge repair	-	2,707,856	-	18,865	7,190	-	-
Committed							
Storm water	-	-	-	-	-	-	-
Tax increment program	11,896,768	-	-	-	-	-	-
Assigned							
Economic development	-	-	-	-	-	30,315	-
Municipal court	-	-	-	-	-	-	-
Total fund balances	<u>11,896,768</u>	<u>2,707,856</u>	<u>488,627</u>	<u>18,865</u>	<u>7,190</u>	<u>30,315</u>	<u>1,260,694</u>
Total liabilities and fund balances	<u>\$ 11,896,768</u>	<u>\$ 2,707,856</u>	<u>\$ 488,627</u>	<u>\$ 203,895</u>	<u>\$ 7,190</u>	<u>\$ 30,315</u>	<u>\$ 1,261,194</u>

Municipal Court Judicial Admin	Storm Water Fund	Rebuild Alabama Fund	General Activities Grants	Revitalizing Broad Street Grants	Hurricane Sally Grants	Public Safety Grants	Housing and Urban Development Grants	Total Nonmajor Special Revenue Funds
\$ 1,513,725	\$ 1,324,680	\$ 702,605	\$ 1,589,307	\$ -	\$ -	\$ 347,997	\$ -	\$ 21,686,620
-	603	68,498	2,043,023	6,375,250	1,898,408	1,510,233	874,634	13,158,188
-	-	-	1,170,393	-	-	-	-	1,170,393
<u>\$ 1,513,725</u>	<u>\$ 1,325,283</u>	<u>\$ 771,103</u>	<u>\$ 4,802,723</u>	<u>\$ 6,375,250</u>	<u>\$ 1,898,408</u>	<u>\$ 1,858,230</u>	<u>\$ 874,634</u>	<u>\$ 36,015,201</u>
\$ 14,648	\$ 430	\$ -	\$ 28,673	\$ 1,254,068	\$ 1,834,508	\$ 161,035	\$ 172,300	\$ 3,651,192
1,933	-	-	2,038	-	-	32,351	4,352	40,674
-	-	-	3,421,749	-	-	53,273	-	3,475,022
-	-	-	-	777,023	63,900	-	329,470	1,170,393
-	-	-	-	-	-	-	1,005	1,005
<u>16,581</u>	<u>430</u>	<u>-</u>	<u>3,452,460</u>	<u>2,031,091</u>	<u>1,898,408</u>	<u>246,659</u>	<u>507,127</u>	<u>8,338,286</u>
-	-	-	1,350,263	4,344,159	-	1,611,571	367,507	7,673,500
-	-	-	-	-	-	-	-	1,260,694
-	-	771,103	-	-	-	-	-	1,259,730
-	-	-	-	-	-	-	-	2,733,911
-	1,324,853	-	-	-	-	-	-	1,324,853
-	-	-	-	-	-	-	-	11,896,768
-	-	-	-	-	-	-	-	30,315
1,497,144	-	-	-	-	-	-	-	1,497,144
<u>1,497,144</u>	<u>1,324,853</u>	<u>771,103</u>	<u>1,350,263</u>	<u>4,344,159</u>	<u>-</u>	<u>1,611,571</u>	<u>367,507</u>	<u>27,676,915</u>
<u>\$ 1,513,725</u>	<u>\$ 1,325,283</u>	<u>\$ 771,103</u>	<u>\$ 4,802,723</u>	<u>\$ 6,375,250</u>	<u>\$ 1,898,408</u>	<u>\$ 1,858,230</u>	<u>\$ 874,634</u>	<u>\$ 36,015,201</u>

CITY OF MOBILE, ALABAMA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended September 30, 2020

	Tax Increment Fund	Four-Cent Maintenance	Five-Cent Roadway Maintenance	Seven-Cent Roadway Maintenance	Fuel Inspection Fees	Economic Development Escrow	Drug Enforcement Fund
REVENUES							
Taxes	\$ 4,234,464	\$ 1,309,365	\$ 645,543	\$ 2,259,400	\$ 80,865	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	300,959
State and federal assistance	-	-	-	-	-	-	-
Investment income	81,402	-	-	-	-	133	6,447
Other revenue	-	-	-	-	-	36	-
Total revenues	<u>4,315,866</u>	<u>1,309,365</u>	<u>645,543</u>	<u>2,259,400</u>	<u>80,865</u>	<u>169</u>	<u>307,406</u>
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Engineering, development & Build Mobile	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	309,542
Public works	-	-	-	2,530,682	-	-	-
Debt service:							
Interest	-	-	-	-	-	-	-
Principal retirement	-	-	-	-	-	-	-
Capital outlay:							
Capital outlay	4,147,800	-	-	-	-	-	-
Total expenditures	<u>4,147,800</u>	<u>-</u>	<u>-</u>	<u>2,530,682</u>	<u>-</u>	<u>-</u>	<u>309,542</u>
Excess (deficiency) of revenues over expenditures	<u>168,066</u>	<u>1,309,365</u>	<u>645,543</u>	<u>(271,282)</u>	<u>80,865</u>	<u>169</u>	<u>(2,136)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	472,586	-	-	594,642
Transfers out	(624,760)	(1,150,815)	(600,000)	(162,273)	(81,048)	-	-
Total other financing sources (uses)	<u>(624,760)</u>	<u>(1,150,815)</u>	<u>(600,000)</u>	<u>310,313</u>	<u>(81,048)</u>	<u>-</u>	<u>594,642</u>
Net change in fund balances	(456,694)	158,550	45,543	39,031	(183)	169	592,506
Fund balances - beginning	12,353,462	2,549,306	443,084	(20,166)	7,373	30,146	668,188
Reclassification to beginning fund balance	-	-	-	-	-	-	-
Updated fund balance - beginning	<u>12,353,462</u>	<u>2,549,306</u>	<u>443,084</u>	<u>(20,166)</u>	<u>7,373</u>	<u>30,146</u>	<u>668,188</u>
Fund balances - ending	<u>\$ 11,896,768</u>	<u>\$ 2,707,856</u>	<u>\$ 488,627</u>	<u>\$ 18,865</u>	<u>\$ 7,190</u>	<u>\$ 30,315</u>	<u>\$ 1,260,694</u>

Municipal Court Judicial Admin	Storm Water Fund	Rebuild Alabama Fund	General Activities Grants	Revitalizing Broad Street Grants	Hurricane Sally Grants	Public Safety Grants	Housing and Urban Development Grants	Total Nonmajor Special Revenue Funds
\$ -	\$ 2,285,486	\$ 771,103	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,586,226
-	-	-	-	-	-	9,400	-	9,400
232,289	-	-	-	-	-	-	-	533,248
-	-	-	2,423,020	7,653,459	1,898,408	3,548,682	3,622,127	19,145,696
-	-	-	8,244	-	-	-	-	96,226
-	-	-	-	-	-	6,842	-	6,878
232,289	2,285,486	771,103	2,431,264	7,653,459	1,898,408	3,564,924	3,622,127	31,377,674
-	-	-	2,161,034	-	1,898,408	-	3,293,155	7,352,597
-	-	-	23,043	-	-	-	-	23,043
-	-	-	188,206	6,808,221	-	-	-	6,996,427
384,656	-	-	-	-	-	3,682,241	-	4,376,439
-	1,722,599	-	190,651	-	-	-	-	4,443,932
-	-	-	-	-	-	-	27,910	27,910
-	-	-	-	-	-	-	160,000	160,000
-	-	-	-	-	-	-	-	4,147,800
384,656	1,722,599	-	2,562,934	6,808,221	1,898,408	3,682,241	3,481,065	27,528,148
(152,367)	562,887	771,103	(131,670)	845,238	-	(117,317)	141,062	3,849,526
-	-	-	188,366	533,000	-	1,046,876	338,616	3,174,086
-	-	-	-	-	-	(1,441,518)	(338,616)	(4,399,030)
-	-	-	188,366	533,000	-	(394,642)	-	(1,224,944)
(152,367)	562,887	771,103	56,696	1,378,238	-	(511,959)	141,062	2,624,582
1,649,511	761,966	-	4,259,488	-	-	2,123,530	226,445	25,052,333
-	-	-	(2,965,921)	2,965,921	-	-	-	-
1,649,511	761,966	-	1,293,567	2,965,921	-	2,123,530	226,445	25,052,333
\$ 1,497,144	\$ 1,324,853	\$ 771,103	\$ 1,350,263	\$ 4,344,159	\$ -	\$ 1,611,571	\$ 367,507	\$ 27,676,915



THIS PAGE INTENTIONALLY LEFT BLANK

ENTERPRISE FUNDS – NONMAJOR



Enterprise funds account for activities whose operations are financed and operated in a manner similar to private business operations - where the intent of the City is that the costs of providing goods or services to the general public on a continuing basis is financed or recovered primarily through user charges.

**Alabama Cruise Terminal
Azalea City Golf Course
Mobile Tennis Center
Saenger Theater
Neighborhood Renewal Program**

Pictures on the prior page feature the October 2019 Fire and Life Expo





THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF MOBILE, ALABAMA
Combining Statement of Net Position
Nonmajor Enterprise Funds
September 30, 2020

	Alabama Cruise Terminal	Saenger Theater	Mobile Tennis Center
ASSETS			
Current assets:			
Cash, equity in pooled cash and investments	\$ 1,459,146	\$ 482,659	\$ 1,281
Receivables, net	-	10,648	-
Inventory & prepaids	-	33,340	-
Total current assets	<u>1,459,146</u>	<u>526,647</u>	<u>1,281</u>
Noncurrent assets:			
Non-depreciable capital assets	-	-	-
Depreciable capital assets, net	14,527,468	1,896,569	72,987
Total noncurrent assets	<u>14,527,468</u>	<u>1,896,569</u>	<u>72,987</u>
Total assets	<u>15,986,614</u>	<u>2,423,216</u>	<u>74,268</u>
DEFERRED OUTFLOWS OF RESOURCES			
Total deferred outflows of resources	-	-	-
Total assets and deferred outflows of resources	<u>15,986,614</u>	<u>2,423,216</u>	<u>74,268</u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	61,925	73,702	52,701
Pension employer contributions payable	2,853	-	3,439
Unearned revenue	-	375,466	-
Total liabilities	<u>64,778</u>	<u>449,168</u>	<u>56,140</u>
DEFERRED INFLOWS OF RESOURCES			
Total deferred inflows of resources	-	-	-
Total liabilities and deferred inflows of resources	<u>64,778</u>	<u>449,168</u>	<u>56,140</u>
NET POSITION			
Net investment in capital assets	14,527,468	1,896,569	72,987
Unrestricted	1,394,368	77,479	(54,859)
Total net position	<u>\$ 15,921,836</u>	<u>\$ 1,974,048</u>	<u>\$ 18,128</u>

Azalea City Golf Course	Neighborhood Renewal Program	Total Nonmajor Enterprise Funds
\$ 7,157	\$ 751,615	\$ 2,701,858
-	40,000	50,648
47,125	45,926	126,391
<u>54,282</u>	<u>837,541</u>	<u>2,878,897</u>
1,457,640	-	1,457,640
1,574,974	-	18,071,998
<u>3,032,614</u>	<u>-</u>	<u>19,529,638</u>
<u>3,086,896</u>	<u>837,541</u>	<u>22,408,535</u>
-	-	-
<u>3,086,896</u>	<u>837,541</u>	<u>22,408,535</u>
42,511	-	230,839
5,070	-	11,362
-	-	375,466
<u>47,581</u>	<u>-</u>	<u>617,667</u>
-	-	-
<u>47,581</u>	<u>-</u>	<u>617,667</u>
3,032,614	-	19,529,638
6,701	837,541	2,261,230
<u>\$ 3,039,315</u>	<u>\$ 837,541</u>	<u>\$ 21,790,868</u>

CITY OF MOBILE, ALABAMA
Combining Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended September 30, 2020

	Alabama Cruise Terminal	Saenger Theater	Mobile Tennis Center
OPERATING REVENUES			
Charges for services	\$ 1,373,400	\$ 174,923	\$ 179,149
Facility rent	8,250	100,428	-
Sales revenue	-	-	3,000
Parking fees	1,758,005	-	-
Concessions	-	59,756	1,158
Other revenue	7,639	89,516	6,208
Total operating revenues	<u>3,147,294</u>	<u>424,623</u>	<u>189,515</u>
OPERATING EXPENSES			
Personnel services	536,807	555,510	586,477
Commodities	28,257	19,135	87,663
Utilities	237,619	245,000	62,183
Professional and technical	508,143	7,742	116,122
Maintenance and repairs	88,957	1,158	48,087
Printing and reproduction	3,062	433	2,129
Insurance payments	-	18,416	-
Cost of goods sold	-	-	-
Other charges	276,594	29,689	52,596
Depreciation	400,570	189,159	4,928
Total operating expenses	<u>2,080,009</u>	<u>1,066,242</u>	<u>960,185</u>
Operating income (loss)	<u>1,067,285</u>	<u>(641,619)</u>	<u>(770,670)</u>
NONOPERATING REVENUES			
State and federal assistance	-	-	-
Gain from disposal of assets	-	-	-
Total nonoperating revenues	<u>-</u>	<u>-</u>	<u>-</u>
Income (loss) before contributions and transfers	1,067,285	(641,619)	(770,670)
Transfers in	-	543,584	755,147
Transfers out	(1,600,000)	-	-
Change in net position	(532,715)	(98,035)	(15,523)
Total net position - beginning	16,454,551	2,072,083	33,651
Total net position - ending	<u>\$ 15,921,836</u>	<u>\$ 1,974,048</u>	<u>\$ 18,128</u>

Azalea City Golf Course	Neighborhood Renewal Program	Total Nonmajor Enterprise Funds
\$ 952,127	\$ -	\$ 2,679,599
-	-	108,678
102,345	82,819	188,164
-	-	1,758,005
-	-	60,914
26	-	103,389
<u>1,054,498</u>	<u>82,819</u>	<u>4,898,749</u>
890,756	-	2,569,550
193,218	-	328,273
84,428	-	629,230
8,455	6,637	647,099
11,652	-	149,854
746	-	6,370
60,599	-	79,015
102,914	27,720	130,634
83,100	-	441,979
221,347	-	816,004
<u>1,657,215</u>	<u>34,357</u>	<u>5,798,008</u>
<u>(602,717)</u>	<u>48,462</u>	<u>(899,259)</u>
578	-	578
11,425	-	11,425
<u>12,003</u>	<u>-</u>	<u>12,003</u>
(590,714)	48,462	(887,256)
578,105	-	1,876,836
-	-	(1,600,000)
(12,609)	48,462	(610,420)
3,051,924	789,079	22,401,288
<u>\$ 3,039,315</u>	<u>\$ 837,541</u>	<u>\$ 21,790,868</u>

CITY OF MOBILE, ALABAMA
Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended September 30, 2020

	Alabama Cruise Terminal	Saenger Theater	Mobile Tennis Center
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers and users	\$ 1,373,400	\$ 174,923	\$ 179,149
Cash received from sales revenue	-	-	-
Cash received from facility & other rent	8,250	91,045	3,000
Cash received from parking fees	1,758,005	-	-
Cash received from concessions	-	59,756	1,158
Cash received from miscellaneous	7,639	43,434	9,369
Cash payments for operating expenses	(1,350,153)	(419,744)	(355,813)
Cash payments for internal services	(30,178)	-	(55,111)
Cash payments to employees for services	(511,377)	(555,510)	(525,229)
Net cash provided (used) by operating activities	<u>1,255,586</u>	<u>(606,096)</u>	<u>(743,477)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Non-capital grants and contributions	-	-	-
Transfers in from other funds	-	543,584	755,147
Transfers out to other funds	(1,600,000)	-	-
Net cash provided (used) by noncapital financing activities	<u>(1,600,000)</u>	<u>543,584</u>	<u>755,147</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	-	-	(10,989)
Proceeds from sale of capital assets	-	-	-
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>-</u>	<u>(10,989)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Net cash provided (used) by investing activities	<u>-</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(344,414)	(62,512)	681
Balances - beginning of year	1,803,560	545,171	600
Balances - end of the year	<u>\$ 1,459,146</u>	<u>\$ 482,659</u>	<u>\$ 1,281</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 1,067,285	\$ (641,619)	\$ (770,670)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	400,570	189,159	4,928
Changes in assets and liabilities:			
Accounts payable	(207,521)	(86,727)	12,048
Accounts receivable	-	(9,383)	-
Inventory and prepaids	-	(11,444)	-
Salary and benefits payable	(4,748)	-	10,217
Advance collections	-	(46,082)	-
Net cash provided (used) by operating activities	<u>\$ 1,255,586</u>	<u>\$ (606,096)</u>	<u>\$ (743,477)</u>

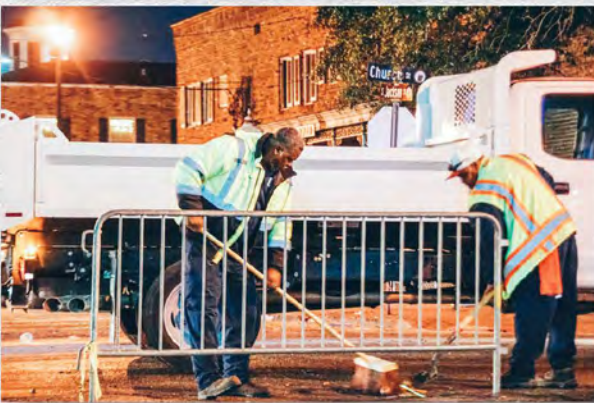
Azalea City Golf Course	Neighborhood Renewal Program	Total Nonmajor Enterprise Funds
\$ 952,127	\$ 42,819	\$ 2,722,418
102,345	-	102,345
-	-	102,295
-	-	1,758,005
-	-	60,914
26	-	60,468
(597,893)	(10,810)	(2,734,413)
(130,404)	-	(215,693)
(770,359)	-	(2,362,475)
<u>(444,158)</u>	<u>32,009</u>	<u>(506,136)</u>
578	-	578
578,105	-	1,876,836
-	-	(1,600,000)
<u>578,683</u>	<u>-</u>	<u>277,414</u>
(152,393)	-	(163,382)
23,925	-	23,925
<u>(128,468)</u>	<u>-</u>	<u>(139,457)</u>
-	-	-
6,057	32,009	(368,179)
1,100	719,606	3,070,037
<u>\$ 7,157</u>	<u>\$ 751,615</u>	<u>\$ 2,701,858</u>
\$ (602,717)	\$ 48,462	\$ (899,259)
221,347	-	816,004
(69,958)	(377)	(352,535)
-	(40,000)	(49,383)
5,847	23,924	18,327
1,323	-	6,792
-	-	(46,082)
<u>\$ (444,158)</u>	<u>\$ 32,009</u>	<u>\$ (506,136)</u>



THIS PAGE INTENTIONALLY LEFT BLANK



Mardi Gras Behind the Scenes



INTERNAL SERVICE FUNDS

Internal Service funds are used to account for the financing of goods or services provided to other departments or agencies of the City, or to other governments, on a cost reimbursement basis.

Motor Pool Fund

Liability Insurance Fund

Employee Health Plan Fund

Pictures on the prior page feature some of the many City employees working behind the scenes to make Mobile's Mardi Gras safe, fun, and clean every year.

While these activities will not take place for the 2021 season due to health concerns associated with the COVID-19 pandemic, Mardi Gras will return in full force for 2022.



CITY OF MOBILE, ALABAMA
Combining Statement of Net Position
Internal Service Funds
September 30, 2020

	Motor Pool	Employee Health Plan	Liability Insurance	Total Internal Service Funds
ASSETS				
Current assets:				
Cash, equity in pooled cash and investments	\$ 3,953,803	\$ 12,001,135	\$ 87,442	\$ 16,042,380
Receivables, net	24,685	215,428	-	240,113
Total current assets	<u>3,978,488</u>	<u>12,216,563</u>	<u>87,442</u>	<u>16,282,493</u>
Noncurrent assets:				
Depreciable capital assets, net	35,121,858	-	-	35,121,858
Total noncurrent assets	<u>35,121,858</u>	<u>-</u>	<u>-</u>	<u>35,121,858</u>
Total assets	<u>39,100,346</u>	<u>12,216,563</u>	<u>87,442</u>	<u>51,404,351</u>
DEFERRED OUTFLOWS OF RESOURCES				
Total deferred outflows of resources	-	-	-	-
Total assets and deferred outflows of resources	<u>39,100,346</u>	<u>12,216,563</u>	<u>87,442</u>	<u>51,404,351</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	277,289	1,260,630	229,309	1,767,228
Pension employer contributions payable	921	-	-	921
Insurance claims payable	-	1,881,200	-	1,881,200
Total current liabilities	<u>278,210</u>	<u>3,141,830</u>	<u>229,309</u>	<u>3,649,349</u>
Noncurrent liabilities:				
Self-insured legal liability	-	-	675,698	675,698
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>675,698</u>	<u>675,698</u>
Total liabilities	<u>278,210</u>	<u>3,141,830</u>	<u>905,007</u>	<u>4,325,047</u>
DEFERRED INFLOWS OF RESOURCES				
Total deferred inflows of resources	-	-	-	-
Total liabilities and deferred inflows of resources	<u>278,210</u>	<u>3,141,830</u>	<u>905,007</u>	<u>4,325,047</u>
NET POSITION				
Net investment in capital assets	35,121,858	-	-	35,121,858
Unrestricted	3,700,278	9,074,733	(817,565)	11,957,446
Total net position	<u>\$ 38,822,136</u>	<u>\$ 9,074,733</u>	<u>\$ (817,565)</u>	<u>\$ 47,079,304</u>

CITY OF MOBILE, ALABAMA
Combining Statement of Revenues, Expenditures, and Changes in Net Position
Internal Service Funds
For the Year Ended September 30, 2020

	Motor Pool	Employee Health Plan	Liability Insurance	Total Internal Service Funds
OPERATING REVENUES				
Charges for services	\$ 20,002	\$ 1,415,586	\$ -	\$ 1,435,588
Internal charges	13,741,001	22,172,785	-	35,913,786
Employee contributions	-	7,319,978	-	7,319,978
Total operating revenues	<u>13,761,003</u>	<u>30,908,349</u>	<u>-</u>	<u>44,669,352</u>
OPERATING EXPENSES				
Personnel services	185,393	-	-	185,393
Commodities	3,669,192	-	-	3,669,192
Utilities	41,743	-	-	41,743
Professional and technical	11,634	87,390	2,937,222	3,036,246
Printing and reproduction	-	7,067	-	7,067
Insurance payments	-	25,096,933	-	25,096,933
Increase in provision for self-insurance loss	-	13,200	365,698	378,898
Other charges	220,064	11,238	847,359	1,078,661
Depreciation	5,808,664	-	-	5,808,664
Total operating expenses	<u>9,936,690</u>	<u>25,215,828</u>	<u>4,150,279</u>	<u>39,302,797</u>
Operating income (loss)	<u>3,824,313</u>	<u>5,692,521</u>	<u>(4,150,279)</u>	<u>5,366,555</u>
NONOPERATING REVENUES (EXPENSES)				
Damaged vehicles reimbursement	39,935	-	-	39,935
Gain (loss) from disposal of assets	(89,421)	-	-	(89,421)
Total nonoperating revenues (expenses)	<u>(49,486)</u>	<u>-</u>	<u>-</u>	<u>(49,486)</u>
Income (loss) before contributions and transfers	3,774,827	5,692,521	(4,150,279)	5,317,069
Transfers in	-	-	3,580,374	3,580,374
Transfers out	-	(6,000,000)	-	(6,000,000)
Change in net position	3,774,827	(307,479)	(569,905)	2,897,443
Total net position - beginning	35,047,309	9,382,212	(247,660)	44,181,861
Total net position - ending	<u>\$ 38,822,136</u>	<u>\$ 9,074,733</u>	<u>\$ (817,565)</u>	<u>\$ 47,079,304</u>

CITY OF MOBILE, ALABAMA
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2020

	Motor Pool	Employee Health Plan	Liability Insurance	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers and users	\$ 20,002	\$ 1,431,437	\$ -	\$ 1,451,439
Cash received from internal billings	13,741,001	22,172,785	-	35,913,786
Cash received from employee contributions	-	7,319,978	-	7,319,978
Cash payments for operating expenses	(3,731,301)	(105,694)	(3,579,943)	(7,416,938)
Cash payments for insurance claims	-	(24,825,454)	-	(24,825,454)
Cash payments to employees for services	(183,444)	-	-	(183,444)
Net cash provided (used) by operating activities	<u>9,846,258</u>	<u>5,993,052</u>	<u>(3,579,943)</u>	<u>12,259,367</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in from other funds	-	-	3,580,374	3,580,374
Transfers out to other funds	-	(6,000,000)	-	(6,000,000)
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>(6,000,000)</u>	<u>3,580,374</u>	<u>(2,419,626)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(9,094,299)	-	-	(9,094,299)
Proceeds from sale of capital assets	408,567	-	-	408,567
Reimbursement for damaged vehicles	38,691	-	-	38,691
Net cash used by capital and related financing activities	<u>(8,647,041)</u>	<u>-</u>	<u>-</u>	<u>(8,647,041)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Net cash provided (used) by investing activities	-	-	-	-
Net increase (decrease) in cash and cash equivalents	1,199,217	(6,948)	431	1,192,700
Balances - beginning of year	2,754,586	12,008,083	87,011	14,849,680
Balances - end of the year	<u>\$ 3,953,803</u>	<u>\$ 12,001,135</u>	<u>\$ 87,442</u>	<u>\$ 16,042,380</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 3,824,313	\$ 5,692,521	\$ (4,150,279)	\$ 5,366,555
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	5,808,664	-	-	5,808,664
Changes in assets and liabilities:				
Accounts payable	211,332	271,480	28,793	511,605
Accounts receivable	-	15,851	-	15,851
Self-insurance liabilities	-	-	365,698	365,698
Insurance claims payable	-	13,200	175,845	189,045
Salary and benefits payable	1,949	-	-	1,949
Net cash provided (used) by operating activities	<u>\$ 9,846,258</u>	<u>\$ 5,993,052</u>	<u>\$ (3,579,943)</u>	<u>\$ 12,259,367</u>



THIS PAGE INTENTIONALLY LEFT BLANK

OTHER SUPPLEMENTARY INFORMATION



General Fund Revenues and Other Financing Sources (Uses)

Schedule of Bonds, Warrants, and Notes Payable

Picture on the prior page features the GulfQuest National Maritime Museum





THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF MOBILE, ALABAMA
General Fund
Schedule of Revenues and Other Financing Sources (Uses)
Budget and Actual (Budgetary Basis)
For the Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
REVENUES				
Taxes				
Property				
Real estate	\$ 16,687,373	\$ 16,687,373	\$ 16,760,992	\$ 73,619
Motor vehicle	1,605,647	1,605,647	1,598,103	(7,544)
Sales and use				
Sales tax - City	139,236,859	139,236,859	146,008,796	6,771,937
Sales tax - Police Jurisdiction	8,894,597	8,894,597	10,904,488	2,009,891
Sellers use tax	4,846,897	4,846,897	7,762,215	2,915,318
Lease/rental - City	6,323,397	6,323,397	6,650,777	327,380
Lease/rental - Police Jurisdiction	275,328	275,328	333,498	58,170
Room tax - City	4,706,308	4,706,308	3,259,981	(1,446,327)
Room tax - Police Jurisdiction	14,518	14,518	19,590	5,072
Motor vehicle rental - City	1,485,238	1,485,238	1,244,120	(241,118)
Motor vehicle rental - Police Jurisdiction	1,967	1,967	-	(1,967)
Selective sales and use				
Motor fuel				
Regular - City	2,581,589	2,581,589	2,467,428	(114,161)
Regular - Police Jurisdiction	829,551	829,551	953,383	123,832
County equalization	317,582	317,582	260,059	(57,523)
Alcoholic beverages				
Liquor - City	715,375	715,375	767,613	52,238
Liquor - Police Jurisdiction	41,801	41,801	37,649	(4,152)
Liquor - ABC Board	221,578	221,578	300,530	78,952
Table Wine	214,194	214,194	207,710	(6,484)
Beer	1,178,419	1,178,419	1,016,838	(161,581)
Other				
Cigarette stamp tax	1,156,163	1,156,163	1,450,373	294,210
Other tobacco tax - City	865,137	865,137	880,588	15,451
Other tobacco tax - Police Jurisdiction	121,882	121,882	35,174	(86,708)
Business privilege tax	291,651	291,651	291,466	(185)
Other tax revenue	1,003,383	1,003,383	2,227,331	1,223,948
Total taxes	<u>193,616,434</u>	<u>193,616,434</u>	<u>205,438,702</u>	<u>11,822,268</u>
Licenses and permits				
Business licenses - City	34,789,430	34,789,430	36,022,701	1,233,271
Business licenses - Police Jurisdiction	2,007,366	2,007,366	2,181,897	174,531
Motor vehicle licenses	638,337	638,337	695,545	57,208
Dog licenses	10,174	10,174	3,944	(6,230)
Alarm ordinance permits	225,950	225,950	197,372	(28,578)
Total licenses and permits	<u>37,671,257</u>	<u>37,671,257</u>	<u>39,101,459</u>	<u>1,430,202</u>
Intergovernmental				
Alcoholic Beverage Control Board	54,044	54,044	42,858	(11,186)
Total intergovernmental	<u>54,044</u>	<u>54,044</u>	<u>42,858</u>	<u>(11,186)</u>
Charges for services				
Health				
Lot cleaning	44,447	44,447	38,311	(6,136)
Building demolition fee	58,360	58,360	77,587	19,227
Animal shelter	14,524	14,524	18,493	3,969
Recycling Fees	12,055	12,055	14,240	2,185
Public safety				
Inspection	1,468,035	1,468,035	1,385,933	(82,102)
Fire plan review fee	68,340	68,340	55,473	(12,867)
Police and fire	1,635,732	1,635,732	1,887,341	251,609
Engineering	1,086,790	1,086,790	360,775	(726,015)
Parking meter and management fees	923,412	923,412	335,398	(588,014)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Charges for services (continued)				
Property rental	274,208	274,208	145,733	(128,475)
Franchise fees - miscellaneous	3,263,431	3,263,431	2,567,707	(695,724)
Parks and recreation fees	135,547	135,547	77,727	(57,820)
Vacation of ROW fee	-	-	7,465	7,465
Other	309,551	309,551	128,781	(180,770)
Total charges for services	<u>9,294,432</u>	<u>9,294,432</u>	<u>7,100,964</u>	<u>(2,193,468)</u>
Fines and forfeitures				
Municipal offense fines	6,198	6,198	2,824	(3,374)
Police fines	517,538	517,538	415,227	(102,311)
Driver's education	173,643	173,643	82,203	(91,440)
Bond forfeitures	70,133	70,133	112,579	42,446
Court costs	195,449	195,449	164,613	(30,836)
DA Restitution Unit collection fees	68,431	68,431	64,049	(4,382)
Corrections fund	573,394	573,394	488,124	(85,270)
Alarm ordinance fines	24,650	24,650	200	(24,450)
Municipal court administrative fee	124,072	124,072	108,206	(15,866)
Probation fees	284,897	284,897	337,971	53,074
Total fines and forfeitures	<u>2,038,405</u>	<u>2,038,405</u>	<u>1,775,996</u>	<u>(262,409)</u>
State and federal assistance	<u>218,797</u>	<u>218,797</u>	<u>58,048</u>	<u>(160,749)</u>
Investment income				
Investment of idle funds	834,774	834,774	988,462	153,688
Interest on investments	241,362	241,362	326,947	85,585
Dividend income	12,599	12,599	11,709	(890)
Total investment income	<u>1,088,735</u>	<u>1,088,735</u>	<u>1,327,118</u>	<u>238,383</u>
Other revenue				
Athletic fund	-	-	41,686	41,686
Miscellaneous	126,146	126,146	342,462	216,316
Total other revenue	<u>126,146</u>	<u>126,146</u>	<u>384,148</u>	<u>258,002</u>
Total revenues	<u>\$ 244,108,250</u>	<u>\$ 244,108,250</u>	<u>\$ 255,229,293</u>	<u>\$ 11,121,043</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from disposal of assets	6,868	6,868	25,283	18,415
Operating transfers in				
From 5-cent Gasoline Tax Special Revenue Fund	600,000	600,000	600,000	-
From 7-cent Gasoline Tax Special Revenue Fund	500,000	500,000	162,273	(337,727)
From Fuel Inspection Fees Special Revenue Fund	214,303	214,303	81,048	(133,255)
From Cruise Terminal Fund	5,000,000	5,000,000	1,600,000	(3,400,000)
From Health Plan Internal Service Fund	6,000,000	6,000,000	6,000,000	-
From Municipal Parking Garage Fund	300,000	300,000	300,000	-
Total operating transfers in	<u>12,614,303</u>	<u>12,614,303</u>	<u>8,743,321</u>	<u>(3,870,982)</u>
Operating transfers out				
To Capital Improvement Fund	-	125,276	125,276	-
To 7-Cent Roadway Maintenance Fund	900,000	900,000	472,586	(427,414)
To Grant Administration Funds	310,000	310,000	310,000	-
To Civic Center Enterprise Fund	1,245,512	1,245,512	1,520,073	274,561
To WAVE Transit Enterprise Fund	5,668,477	5,668,477	4,908,321	(760,156)
To Emergency Medical Services Enterprise Fund	5,365,459	5,365,459	4,978,541	(386,918)
To Tennis Center Enterprise Fund	866,455	866,455	755,147	(111,308)
To Saenger Theater Enterprise Fund	100,000	100,000	543,584	443,584
To Azalea City Golf Course Enterprise Fund	418,358	418,358	578,105	159,747
To Liability Insurance Internal Service Fund	2,375,856	2,375,856	3,580,373	1,204,517
Total operating transfers out	<u>17,250,117</u>	<u>17,375,393</u>	<u>17,772,006</u>	<u>396,613</u>
Total other financing sources (uses)	<u>\$ (4,628,946)</u>	<u>\$ (4,754,222)</u>	<u>\$ (9,003,402)</u>	<u>\$ (4,249,180)</u>

CITY OF MOBILE, ALABAMA
Schedule of Bonds, Warrants, and Notes Payable
For the year ended September 30, 2020

	Interest Rates Percent	Interest Payment Dates	Issue Dates	Final Maturity Date	Serial Payments
2009C General Obligation Recovery Zone Economic Development Warrants	6.085%	2/15-8/15	12/9/09	2/15/30	Semi-annual interest payments with a lump sum principal payment in the amount of \$6,430,000
2011 General Obligation Private Placement Warrants	2.84%	2/15-8/15	7/20/11	2/15/26	Semi-annual interest payments with annual principal payments ranging from \$640,000 to \$2,040,000
2016 General Obligation Refunding Warrants	4.5-5.0%	2/15-8/15	2/11/16	2/15/30	Semi-annual interest payments with semi- annual principal payments ranging from \$29,979 to \$521,595
2016C General Obligation Warrants, Taxable	5.4-5.5%	2/15-8/15	12/29/16	2/15/30	Semi-annual interest payments with semi- annual principal payments ranging from \$715,000 to \$1,825,000
2017A General Obligation Warrants, Tax-Exempt	3.0-5.0%	2/15-8/15	2/15/17	2/15/30	Semi-annual interest payments with semi- annual principal payments ranging from \$6,095,000 to \$8,250,000
2017B General Obligation Warrants, Tax-Exempt	3.0-4.0%	2/15-8/15	2/15/17	2/15/23	Semi-annual interest payments with semi- annual principal payments ranging from \$685,000 to \$805,000
2017C General Obligation Warrants, Tax-Exempt	5.0%	2/15-8/15	12/6/17	2/15/20	Semi-annual interest payments with semi- annual principal payments ranging from \$4,355,000 to \$4,580,000
2017D General Obligation Warrants, Taxable	2.4-3.12%	2/15-8/15	12/6/17	2/15/28	Semi-annual interest payments with semi- annual principal payments ranging from \$3,715,000 to \$8,745,000 beginning in February 2022
2018A General Obligation Warrants	5.0%	2/15-8/15	12/20/18	2/15/30	Semi-annual interest payments with semi- annual principal payments ranging from \$2,490,000 to \$8,715,000 beginning in February 2021
2020 General Obligation Warrants	5.0%	2/15-8/15	8/17/20	2/15/30	Semi-annual interest payments with a single principal payment of \$5,220,000 on February 15, 2030
Note payable to Bank of New York Mellon (Fort Conde)	0.57-2.45%	2/1-8/1	6/30/04	8/1/22	Semi-annual interest payments with annual principal payments ranging from \$40,000 to \$115,000
Note payable to Bank of New York Mellon (Library)	2.70%	2/1-8/1	9/14/06	8/1/25	Semi-annual interest payments with annual principal payments ranging from \$105,000 to \$200,000
Note payable to Hancock Whitney Bank (GulfQuest)	0.00%	n/a	7/31/19	12/31/22	Annual principal payments of \$400,000

TOTAL

Original Amount of Issue	Balance September 30, 2019	Year Ended September 30, 2020 Issued	Year Ended September 30, 2020 Refunded	Year Ended September 30, 2020 Retired	Balance September 30, 2020	Interest for Year Ended September 2020
\$ 6,430,000	\$ 6,430,000	\$ -	\$ 6,430,000	\$ -	\$ -	\$ 391,223
13,715,000	5,105,000	-	-	1,595,000	3,510,000	124,498
39,402,000	37,228,000	-	-	409,000	36,819,000	958,909
17,735,000	17,020,000	-	-	1,330,000	15,690,000	531,356
64,610,000	58,515,000	-	-	6,405,000	52,110,000	2,669,156
4,430,000	3,045,000	-	-	720,000	2,325,000	103,694
8,935,000	4,580,000	-	-	4,580,000	-	114,493
48,770,000	48,770,000	-	-	-	48,770,000	1,384,493
24,350,000	24,350,000	-	-	-	24,350,000	1,217,321
5,220,000	-	5,220,000	-	-	5,220,000	-
1,275,000	320,000	-	-	100,000	220,000	7,265
2,695,000	1,065,000	-	-	160,000	905,000	27,910
2,000,000	1,600,000	-	-	400,000	1,200,000	-
\$ 239,567,000	\$ 208,028,000	\$ 5,220,000	\$ 6,430,000	\$ 15,699,000	\$ 191,119,000	\$ 7,530,318

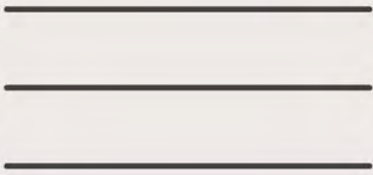


THIS PAGE INTENTIONALLY LEFT BLANK

PART III: STATISTICAL SECTION



*Greetings
from
Mobile!*



PART III: STATISTICAL SECTION

Picture on the prior page features downtown Mobile



STATISTICAL SECTION

This part of the City of Mobile's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	
<i>These schedules contain trend information to help the reader understand how the government's financial performance and wellbeing have changed over time.</i>	141
Revenue Capacity	
<i>These schedules contain information to help the reader assess the government's local resources.</i>	151
Debt Capacity	
<i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	161
Demographic and Economic Information	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	166
Operating Information	
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	169

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.



CITY OF MOBILE, ALABAMA
Net Position by Component
Last 10 Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2020	2019	2018	2017
Governmental activities				
Net investment in capital assets	\$ 524,265,892	\$ 478,292,410	\$ 463,460,102	\$ 466,796,768
Restricted	32,621,789	30,378,487	28,640,056	25,668,707
Unrestricted	<u>(155,461,266)</u>	<u>(178,363,596)</u>	<u>(223,182,102)</u>	<u>(298,582,917)</u>
Total governmental net position	<u>\$ 401,426,415</u>	<u>\$ 330,307,301</u>	<u>\$ 268,918,056</u>	<u>\$ 193,882,558</u>
Business-type activities				
Net investment in capital assets	\$ 80,770,671	\$ 83,218,826	\$ 83,820,996	\$ 86,872,399
Unrestricted	<u>12,146,498</u>	<u>3,661,778</u>	<u>(700,561)</u>	<u>1,545,787</u>
Total business-type net position	<u>\$ 92,917,169</u>	<u>\$ 86,880,604</u>	<u>\$ 83,120,435</u>	<u>\$ 88,418,186</u>
Primary governmental				
Net investment in capital assets	\$ 605,036,563	\$ 561,511,236	\$ 547,281,098	\$ 553,669,167
Restricted	32,621,789	30,378,487	28,640,056	25,668,707
Unrestricted	<u>(143,314,768)</u>	<u>(174,701,818)</u>	<u>(223,882,663)</u>	<u>(297,037,130)</u>
Total primary governmental net position	<u>\$ 494,343,584</u>	<u>\$ 417,187,905</u>	<u>\$ 352,038,491</u>	<u>\$ 282,300,744</u>

Fiscal Year					
2016	2015	2014	2013	2012	2011
\$ 417,251,471	\$ 401,397,005	\$ 372,032,993	\$ 366,741,756	\$ 360,178,198	\$ 350,323,247
24,152,958	21,295,974	95,217,446	93,283,087	97,600,533	95,803,612
<u>(278,066,055)</u>	<u>(282,832,642)</u>	<u>(161,252,000)</u>	<u>(157,937,778)</u>	<u>(126,055,943)</u>	<u>(90,121,806)</u>
<u>\$ 163,338,374</u>	<u>\$ 139,860,337</u>	<u>\$ 305,998,439</u>	<u>\$ 302,087,065</u>	<u>\$ 331,722,788</u>	<u>\$ 356,005,053</u>
\$ 90,229,705	\$ 92,885,644	\$ 97,964,060	\$ 101,563,121	\$ 101,478,517	\$ 102,867,788
458,089	(1,914,572)	6,820,494	10,284,211	4,634,952	6,145,132
<u>\$ 90,687,794</u>	<u>\$ 90,971,072</u>	<u>\$ 104,784,554</u>	<u>\$ 111,847,332</u>	<u>\$ 106,113,469</u>	<u>\$ 109,012,920</u>
\$ 507,481,176	\$ 494,282,649	\$ 469,997,053	\$ 468,304,877	\$ 461,656,715	\$ 453,191,035
24,152,958	21,295,974	95,217,446	93,283,087	97,600,533	95,803,612
<u>(277,607,966)</u>	<u>(284,747,214)</u>	<u>(154,431,506)</u>	<u>(147,653,567)</u>	<u>(121,420,991)</u>	<u>(83,976,674)</u>
<u>\$ 254,026,168</u>	<u>\$ 230,831,409</u>	<u>\$ 410,782,993</u>	<u>\$ 413,934,397</u>	<u>\$ 437,836,257</u>	<u>\$ 465,017,973</u>

CITY OF MOBILE, ALABAMA
Changes in Net Position
Last 10 Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2020	2019	2018	2017
Expenses				
Governmental activities				
General government	\$ 63,000,678	\$ 58,344,738	\$ 49,876,175	\$ 57,338,003
Culture and recreation	22,995,726	26,093,105	24,667,442	25,120,318
Economic development	1,163,957	1,084,321	933,158	1,128,267
Engineering, development & Build Mobile	14,608,855	15,028,296	15,460,518	15,477,038
Finance	5,771,251	5,741,105	6,324,506	6,184,239
Public safety	124,830,422	113,057,091	117,810,593	118,270,320
Public works	33,243,048	34,174,619	38,135,993	36,948,205
Interest on long-term debt	7,874,855	7,546,824	8,015,023	10,956,824
Total governmental activities expenses	<u>273,488,792</u>	<u>261,070,099</u>	<u>261,223,408</u>	<u>271,423,214</u>
Business-type activities:				
Azalea City Golf Course	1,645,790	1,762,244	1,642,458	1,595,699
Civic Center	3,263,936	3,762,093	3,644,260	3,539,260
Convention Center	8,425,129	10,231,659	8,671,027	8,433,850
Cruise Terminal	2,080,009	3,125,480	2,929,012	2,610,198
Emergency Medical Services	6,785,296	7,187,148	13,452,009	5,163,686
Mobile Tennis Center	960,185	939,773	865,150	793,795
Neighborhood Renewal Program	34,357	35,171	82,219	10,560
Parking Garage	225,036	265,725	228,529	234,118
Saenger Theater	1,066,242	1,754,621	1,538,821	1,009,011
Wave Transit System	11,867,100	11,705,465	12,083,817	11,645,426
Total business-type activities expenses	<u>36,353,080</u>	<u>40,769,379</u>	<u>45,137,302</u>	<u>35,035,603</u>
Total primary government expenses	<u>\$ 309,841,872</u>	<u>\$ 301,839,478</u>	<u>\$ 306,360,710</u>	<u>\$ 306,458,817</u>
Program revenues				
Governmental activities				
Charges for services				
General government	52,942,764	52,019,172	49,800,454	49,688,127
Culture and recreation	349,077	257,254	228,072	281,967
Engineering, development & Build Mobile	1,755,172	2,410,813	2,417,052	1,922,408
Public safety	5,225,899	5,737,922	3,884,100	4,547,998
Public works	14,240	18,799	7,255	33,027
Operating grants and contributions	11,404,607	6,875,901	7,089,334	6,659,324
Capital grants and contributions	9,728,661	3,063,779	1,714,304	2,928,157
Total governmental activities program revenues	<u>81,420,420</u>	<u>70,383,640</u>	<u>65,140,571</u>	<u>66,061,008</u>
Business-type activities:				
Charges for services				
Azalea City Golf Course	1,054,498	1,266,633	1,223,954	1,263,235
Civic Center	1,421,044	2,010,607	2,087,435	1,891,198
Convention Center	1,492,930	3,582,654	2,634,263	2,318,069
Cruise Terminal	3,147,294	5,957,076	6,307,190	5,312,115
Emergency Medical Services	2,671,217	2,830,979	9,974,678	3,696,227
Mobile Tennis Center	189,515	226,868	201,261	246,033
Neighborhood Renewal/Affordable Homes Program	82,819	25,921	28,198	11,181
Parking Garage	380,410	491,096	432,563	390,964
Saenger Theater	424,623	1,350,082	1,292,985	715,930
Wave Transit System	601,070	1,171,135	968,036	1,015,020
Operating grants and contributions	6,778,453	3,115,987	3,753,467	1,937,095
Capital grants and contributions	1,219,810	2,540,947	546,292	270,091
Total business-type activities program revenues	<u>19,463,683</u>	<u>24,569,985</u>	<u>29,450,322</u>	<u>19,067,158</u>
Total primary government program revenues	<u>\$ 100,884,103</u>	<u>\$ 94,953,625</u>	<u>\$ 94,590,893</u>	<u>\$ 85,128,166</u>
Net (Expense) Revenue				
Government activities	\$ (192,068,372)	\$ (190,686,459)	\$ (196,082,837)	\$ (205,362,206)
Business-type activities	(16,889,397)	(16,199,394)	(15,686,980)	(15,968,445)
Total primary government net expense	<u>\$ (208,957,769)</u>	<u>\$ (206,885,853)</u>	<u>\$ (211,769,817)</u>	<u>\$ (221,330,651)</u>

Fiscal Year					
2016	2015	2014	2013	2012	2011
\$ 71,077,484	\$ 71,599,115	\$ 78,626,293	\$ 89,601,242	\$ 74,952,084	\$ 82,670,334
24,346,459	25,423,325	24,192,649	24,345,756	23,928,393	25,262,720
1,058,324	1,339,289	1,175,960	1,271,271	975,841	1,299,046
15,562,782	-	-	-	-	-
5,792,949	5,905,306	5,886,971	5,313,958	5,325,800	5,509,037
108,777,473	102,625,577	115,054,082	116,799,647	109,210,514	108,344,311
32,182,584	39,454,462	41,782,266	41,980,768	42,860,205	43,316,969
12,523,734	13,222,630	14,123,164	14,531,680	14,880,418	15,119,170
<u>271,321,789</u>	<u>259,569,704</u>	<u>280,841,385</u>	<u>293,844,322</u>	<u>272,133,255</u>	<u>281,521,587</u>
1,602,676	1,573,881	1,533,543	1,545,563	1,428,306	1,619,823
3,794,184	3,675,513	3,581,709	3,562,838	3,523,551	3,758,785
9,078,055	8,543,558	9,674,772	8,525,656	8,415,212	9,800,672
1,092,752	1,028,171	1,143,905	1,303,494	1,045,826	3,689,985
5,796,418	5,392,697	7,477,075	6,795,760	6,385,225	6,113,101
761,823	781,819	707,450	639,725	602,193	612,999
11,467	14,334	18,987	1,408	25,141	16,710
237,596	239,667	285,324	228,298	280,776	251,674
881,566	843,474	889,736	259,127	-	-
12,169,978	11,857,903	12,134,216	11,551,094	12,369,217	11,579,865
<u>35,426,515</u>	<u>33,951,017</u>	<u>37,446,717</u>	<u>34,412,963</u>	<u>34,075,447</u>	<u>37,443,614</u>
<u>\$ 306,748,304</u>	<u>\$ 293,520,721</u>	<u>\$ 318,288,102</u>	<u>\$ 328,257,285</u>	<u>\$ 306,208,702</u>	<u>\$ 318,965,201</u>
50,160,158	50,060,635	51,222,299	48,203,217	48,142,712	49,664,462
302,707	525,844	437,059	525,468	458,196	412,487
1,601,395	-	-	-	-	-
4,505,318	5,141,753	5,841,687	6,282,468	5,652,106	5,769,616
-	562,397	430,550	654,746	296,647	306,793
9,029,824	6,158,691	6,937,239	9,032,116	5,984,128	5,595,180
3,518,998	19,279,163	2,525,315	5,105,011	14,496,855	6,957,112
<u>69,118,400</u>	<u>81,728,483</u>	<u>67,394,149</u>	<u>69,803,026</u>	<u>75,030,644</u>	<u>68,705,650</u>
1,275,404	1,304,713	1,344,965	1,339,025	1,348,748	1,341,283
2,367,738	2,028,805	2,031,222	1,960,052	1,938,375	2,188,484
2,588,337	2,122,764	2,204,743	1,969,680	1,902,004	3,231,603
141,063	346,635	206,892	771,780	291,867	5,709,263
3,882,158	4,227,342	2,189,244	2,149,941	2,927,822	2,794,810
260,707	270,386	261,450	214,030	211,361	214,112
100,278	28,287	53,884	-	-	71,967
402,268	405,092	400,957	410,482	414,799	417,518
566,731	530,969	542,724	200,270	-	-
1,048,474	1,164,788	1,136,104	1,115,896	984,645	1,021,023
3,308,904	3,502,088	3,412,216	2,910,578	2,429,300	354,918
1,157,458	488,423	848,317	1,275,691	4,142,259	4,233,881
<u>17,099,520</u>	<u>16,420,292</u>	<u>14,632,718</u>	<u>14,317,425</u>	<u>16,591,180</u>	<u>21,578,862</u>
<u>\$ 86,217,920</u>	<u>\$ 98,148,775</u>	<u>\$ 82,026,867</u>	<u>\$ 84,120,451</u>	<u>\$ 91,621,824</u>	<u>\$ 90,284,512</u>
\$ (202,203,389)	\$ (177,841,221)	\$ (213,447,236)	\$ (224,041,296)	\$ (197,102,611)	\$ (212,815,937)
<u>(18,326,995)</u>	<u>(17,530,725)</u>	<u>(22,813,999)</u>	<u>(20,095,538)</u>	<u>(17,484,267)</u>	<u>(15,864,752)</u>
<u>\$ (220,530,384)</u>	<u>\$ (195,371,946)</u>	<u>\$ (236,261,235)</u>	<u>\$ (244,136,834)</u>	<u>\$ (214,586,878)</u>	<u>\$ (228,680,689)</u>

(Continued)

	Fiscal Year			
	2020	2019	2018	2017
General Revenues and Other Changes in Net Position				
Governmental activities				
Real and personal property tax	22,593,559	22,310,001	21,800,271	21,054,534
Sales tax	205,191,803	194,772,154	186,851,875	179,364,687
Gasoline tax	11,072,017	10,475,804	10,497,553	10,535,475
Room tax	5,467,713	7,071,430	6,984,611	6,366,006
Beer and liquor tax	2,330,339	2,306,577	2,165,235	2,111,186
Rental and leasing tax	10,343,709	10,572,006	9,536,273	9,342,202
Cigarette stamp tax	1,450,373	1,370,651	1,429,212	1,727,163
Other tobacco tax	915,762	859,699	727,337	453,701
Financial excise tax	2,143,592	1,221,786	905,789	746,838
Other tax revenue	2,660,691	2,659,021	375,176	372,052
Grants and contributions not restricted to a specific program	-	-	-	-
Investment earnings	1,475,245	1,964,497	513,561	204,090
Other	8,453,833	4,660,755	2,667,025	3,723,468
Capital contributions	-	-	-	-
Transfers	(10,911,150)	(8,168,677)	1,390,034	(1,885,988)
Total governmental activities	263,187,486	252,075,704	245,843,952	234,115,414
Business-type activities:				
Sales tax	10,140,903	9,874,297	9,874,297	9,874,297
Room tax	1,844,040	1,903,676	1,903,676	1,903,676
Investment earnings	9,679	12,913	1,290	1,936
Other	20,190	-	-	32,941
Transfers	10,911,150	8,168,677	(1,390,034)	1,885,988
Total business-type activities	22,925,962	19,959,563	10,389,229	13,698,838
Total primary government	\$ 286,113,448	\$ 272,035,267	\$ 256,233,181	\$ 247,814,252
Change in Net Position				
Government activities	\$ 71,119,114	\$ 61,389,245	\$ 49,761,115	\$ 28,753,208
Business-type activities	6,036,565	3,760,169	(5,297,751)	(2,269,607)
Total primary government	\$ 77,155,679	\$ 65,149,414	\$ 44,463,364	\$ 26,483,601

(Continued)

Fiscal Year					
2016	2015	2014	2013	2012	2011
19,241,503	18,293,200	17,130,837	16,364,039	16,262,921	16,093,899
179,817,467	178,536,073	171,549,434	163,725,091	133,215,345	163,405,226
10,471,152	10,113,784	9,474,098	9,499,092	9,680,455	10,115,711
5,916,535	5,653,761	5,389,031	5,182,775	5,003,180	5,092,514
2,154,493	2,100,653	2,025,855	2,078,693	2,031,634	2,005,816
9,465,186	9,220,699	8,497,843	8,015,194	6,309,404	6,080,474
1,701,496	1,743,039	1,815,029	1,993,093	2,200,090	2,234,211
452,886	480,735	442,344	432,831	411,392	459,774
560,580	382,673	399,417	363,317	147,964	77,098
357,022	418,363	366,789	87,364	71,835	114,016
-	-	348,437	-	-	-
135,751	63,943	72,025	94,013	283,034	337,496
9,633,119	6,901,008	7,500,929	1,766,581	1,409,680	3,122,939
-	-	-	-	-	-
(5,284,854)	(3,885,039)	(4,969,603)	(15,212,065)	(4,206,588)	(3,686,887)
<u>234,622,336</u>	<u>230,022,892</u>	<u>220,042,465</u>	<u>194,390,018</u>	<u>172,820,346</u>	<u>205,452,287</u>
9,995,087	9,660,595	8,985,838	8,894,386	8,715,107	8,395,672
1,965,763	1,879,914	1,790,951	1,722,185	1,662,898	1,685,196
1,954	1,690	4,829	763	223	4,576
340	-	-	-	-	17,708
5,284,854	3,885,039	4,969,603	15,212,065	4,206,588	3,686,887
<u>17,247,998</u>	<u>15,427,238</u>	<u>15,751,221</u>	<u>25,829,399</u>	<u>14,584,816</u>	<u>13,790,039</u>
<u>\$ 251,870,334</u>	<u>\$ 245,450,130</u>	<u>\$ 235,793,686</u>	<u>\$ 220,219,417</u>	<u>\$ 187,405,162</u>	<u>\$ 219,242,326</u>
\$ 32,418,947	\$ 52,181,671	\$ 6,595,229	\$ (29,651,278)	\$ (24,282,265)	\$ (7,363,650)
(1,078,997)	(2,103,487)	(7,062,778)	5,733,861	(2,899,451)	(2,074,713)
<u>\$ 31,339,950</u>	<u>\$ 50,078,184</u>	<u>\$ (467,549)</u>	<u>\$ (23,917,417)</u>	<u>\$ (27,181,716)</u>	<u>\$ (9,438,363)</u>

(Concluded)

CITY OF MOBILE, ALABAMA
Fund Balances of Governmental Funds
Last 10 Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2020	2019	2018	2017
General Fund				
Nonspendable				
Inventory	\$ 3,047,309	\$ 3,028,287	\$ 2,493,996	\$ 2,232,695
Prepaid items	18,644	15,616	15,616	19,164
Long-term receivables	-	-	-	-
Restricted				
Grants	-	-	-	-
Law Enforcement	-	-	-	-
Assigned				
Athletic Fund	115,136	75,592	89,048	60,817
Designated and Donated Funds	1,392,968	1,289,803	1,224,313	1,159,818
General Fund Encumbrances	2,500,188	1,827,618	2,247,767	1,276,727
Municipal Court	-	-	-	-
Unassigned	83,532,824	62,151,219	37,935,527	23,909,739
Total general fund	<u>90,607,069</u>	<u>68,388,135</u>	<u>44,006,267</u>	<u>28,658,960</u>
All other governmental funds				
Restricted				
Capital Projects	7,321,482	6,613,232	6,719,870	5,847,704
Debt Service	405,307	1,016,179	153,275	126,125
Grants	7,673,500	6,609,463	6,618,812	5,894,771
Law Enforcement	1,260,694	668,188	671,583	750,303
Road and Bridge Construction	1,259,730	443,084	349,971	268,386
Road and Bridge Repair	2,733,911	2,536,513	2,013,442	2,301,816
Committed				
Capital Improvements Fund	-	-	-	-
Flood Management	85,288	84,914	84,054	84,012
Storm Water	1,324,853	761,966	2,090	-
Strategic Plan Fund	-	-	-	-
Tax Increment Program	11,896,768	12,353,462	12,964,945	11,645,923
Assigned				
Capital Improvements Fund	59,605,215	69,863,605	66,559,834	58,617,483
Economic Development	30,315	30,146	29,843	29,654
Municipal Court	1,497,144	1,649,511	1,622,628	1,435,698
Strategic Plan Fund	-	-	-	-
Unassigned	-	-	-	-
Total other governmental funds	<u>95,094,207</u>	<u>102,630,263</u>	<u>97,790,347</u>	<u>87,001,875</u>
Total governmental funds	<u>\$ 185,701,276</u>	<u>\$ 171,018,398</u>	<u>\$ 141,796,614</u>	<u>\$ 115,660,835</u>

Fiscal Year					
2016	2015	2014	2013	2012	2011
\$ 2,781,282	\$ 2,602,208	\$ 2,301,354	\$ 2,241,159	\$ 2,389,694	\$ 2,244,640
10,000	10,000	10,000	10,000	10,000	10,000
-	-	-	-	865,000	1,125,000
-	-	-	1,993,528	2,169,963	3,826,585
-	-	-	475,460	678,883	720,801
64,832	67,643	51,475	67,165	55,037	78,452
1,117,574	1,018,844	931,962	871,274	918,911	1,038,806
964,058	1,238,624	1,008,876	924,907	875,537	898,836
-	-	-	970,725	505,817	788,521
29,753,581	37,421,124	14,926,335	(4,296,200)	11,371,036	24,722,193
34,691,327	42,358,443	19,230,002	3,258,018	19,839,878	35,453,834
6,762,073	11,237,290	13,874,911	17,425,661	21,696,088	32,088,514
131,469	382,829	719,022	221,605	4,516,268	3,986,450
5,632,013	1,897,365	1,930,590	-	-	-
168,455	336,459	384,466	-	-	-
186,373	110,735	56,852	291,265	264,644	230,890
2,356,683	1,460,134	1,058,928	582,849	2,860,505	2,240,173
-	-	-	-	3,672,116	-
83,970	83,928	83,886	83,844	83,802	83,760
-	-	-	-	-	-
-	-	-	-	81,402	-
9,709,410	10,365,142	8,497,657	7,078,953	7,269,987	5,662,283
59,340,935	33,049,858	34,231,012	35,653,503	22,312,616	23,539,946
28,460	27,043	31,777	37,390	36,028	34,268
1,465,380	1,348,629	1,250,286	-	-	-
-	10,154,041	9,026,591	8,577,907	6,422,154	6,893,258
-	-	(11,221)	(6,593)	-	(6,599)
85,865,221	70,453,453	71,134,757	69,946,384	69,215,610	74,752,943
\$ 120,556,548	\$ 112,811,896	\$ 90,364,759	\$ 73,204,402	\$ 89,055,488	\$ 110,206,777

CITY OF MOBILE, ALABAMA
Changes in Fund Balances of Governmental Funds
Last 10 Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2020	2019	2018	2017
REVENUES				
Taxes	\$ 264,169,558	\$ 253,619,129	\$ 241,273,331	\$ 232,073,844
Licenses and permits	42,364,738	41,117,581	39,373,694	39,508,966
Intergovernmental	42,858	-	54,044	49,639
Charges for services	7,146,079	7,767,474	6,640,209	6,471,076
Fines and forfeitures	2,309,244	2,995,401	2,365,701	3,013,765
State and federal assistance	21,082,295	9,545,250	8,776,025	9,419,670
Investment income	1,475,247	1,964,497	513,563	204,091
Other revenue	8,677,216	4,482,822	2,842,577	2,994,613
Assessments	-	-	-	-
Total revenues	<u>347,267,235</u>	<u>321,492,154</u>	<u>301,839,144</u>	<u>293,735,664</u>
EXPENDITURES				
Current:				
General government	18,694,602	15,593,547	15,387,108	16,961,736
Culture and recreation	13,070,893	13,467,966	13,301,743	13,650,736
Economic development	1,087,901	1,079,241	794,389	961,702
Engineering, development & Build Mobile	20,214,392	14,053,800	13,157,307	15,182,785
Finance	5,396,733	5,331,326	5,385,038	5,315,082
Public safety	108,855,372	98,771,084	94,288,756	94,207,836
Public works	31,035,085	31,547,770	30,050,984	29,796,292
Non-departmental	48,737,152	45,986,566	49,413,177	46,774,160
Debt service:				
Administrative charges	11,575	15,541	13,146	32,785
Bond issuance costs	135,484	240,155	385,276	623,165
Interest	7,530,318	7,756,516	8,535,967	10,553,333
Principal retirement	15,699,000	14,513,000	14,718,000	16,629,465
Interest reimbursement	-	(500,068)	(746,881)	(248,168)
Capital outlay:				
Capital outlay	53,691,681	37,169,790	32,426,531	43,972,849
Total expenditures	<u>324,160,188</u>	<u>285,026,234</u>	<u>277,110,541</u>	<u>294,413,758</u>
Excess (deficiency) of revenues over expenditures	<u>23,107,047</u>	<u>36,465,920</u>	<u>24,728,603</u>	<u>(678,094)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from disposal of assets	30,545	51,103	7,722	433,754
Capital/refunding-related debt issued	5,220,000	24,350,000	57,705,000	86,775,000
Payment to refunding bond escrow agent	(6,463,692)	(27,337,395)	(57,858,848)	(95,724,264)
Premium (discount) on debt issued	1,379,176	3,223,002	539,124	9,572,429
Transfers in	36,634,391	40,933,304	41,734,459	46,987,427
Transfers out	(45,224,589)	(48,464,150)	(40,720,281)	(52,261,965)
Insurance recoveries	-	-	-	-
Total other financing sources (uses)	<u>(8,424,169)</u>	<u>(7,244,136)</u>	<u>1,407,176</u>	<u>(4,217,619)</u>
Net change in fund balances	14,682,878	29,221,784	26,135,779	(4,895,713)
Fund balances - beginning	171,018,398	141,796,614	115,660,835	120,556,548
Adjustments to beginning net position	-	-	-	-
Fund balances - ending	<u>\$ 185,701,276</u>	<u>\$ 171,018,398</u>	<u>\$ 141,796,614</u>	<u>\$ 115,660,835</u>
Debt service as a percentage of noncapital expenditures	8.47%	8.48%	8.92%	10.35%

Fiscal Year					
2016	2015	2014	2013	2012	2011
\$ 230,138,319	\$ 226,942,982	\$ 217,090,677	\$ 207,741,489	\$ 175,115,820	\$ 207,431,270
39,959,958	39,165,570	39,525,926	36,532,107	36,427,112	35,853,964
79,906	102,817	65,645	137,740	443,642	245,581
6,875,124	7,398,861	8,466,724	8,723,683	8,260,051	8,559,708
3,102,723	3,777,807	4,386,729	4,548,189	4,365,667	4,468,316
12,439,232	8,475,079	9,149,146	13,594,457	20,151,236	12,530,527
138,428	63,943	72,025	94,013	283,035	324,573
9,718,968	8,541,969	7,559,519	1,987,282	1,418,460	7,297,106
-	-	3,944	-	-	526
<u>302,452,658</u>	<u>294,469,028</u>	<u>286,320,335</u>	<u>273,358,960</u>	<u>246,465,023</u>	<u>276,711,571</u>
18,941,344	21,472,111	21,625,859	16,795,637	16,672,894	17,319,848
13,499,894	14,495,544	13,321,383	13,475,345	13,396,491	14,293,565
939,655	1,175,456	854,155	832,668	801,029	943,489
13,456,972	-	-	-	-	-
5,052,016	5,149,172	5,028,125	4,542,960	4,672,001	4,703,808
87,812,807	84,996,189	82,499,697	83,692,248	79,899,320	78,453,950
25,173,163	33,094,011	34,013,827	32,913,792	34,990,667	36,523,540
43,683,515	40,008,437	46,861,160	57,085,851	59,413,866	51,280,489
71,203	90,122	-	-	-	-
141,408	-	-	10,529	-	57,750
12,204,125	13,309,190	13,533,770	13,934,349	14,268,697	14,692,483
14,935,138	14,479,688	12,132,976	11,952,149	8,749,175	7,301,694
(248,425)	(746,147)	-	-	-	-
<u>44,608,499</u>	<u>29,059,563</u>	<u>23,893,432</u>	<u>33,359,798</u>	<u>21,907,267</u>	<u>32,327,433</u>
<u>280,271,314</u>	<u>256,583,336</u>	<u>253,764,384</u>	<u>268,595,326</u>	<u>254,771,407</u>	<u>257,898,049</u>
<u>22,181,344</u>	<u>37,885,692</u>	<u>32,555,951</u>	<u>4,763,634</u>	<u>(8,306,384)</u>	<u>18,813,522</u>
29,921	50,384	7,124	18,121	13,123	16,822
39,402,000	-	-	5,100,000	-	15,334,069
(39,260,592)	-	-	-	-	(10,657,242)
-	-	-	-	-	-
85,940,776	39,374,477	54,390,241	39,264,957	30,456,574	28,985,202
(100,548,803)	(54,863,410)	(69,792,959)	(61,044,043)	(43,314,602)	(39,249,373)
-	-	-	-	-	1,559
<u>(14,436,698)</u>	<u>(15,438,549)</u>	<u>(15,395,594)</u>	<u>(16,660,965)</u>	<u>(12,844,905)</u>	<u>(5,568,963)</u>
7,744,646	22,447,143	17,160,357	(11,897,331)	(21,151,289)	13,244,559
112,811,902	90,364,759	73,204,402	89,055,488	110,206,777	96,962,218
-	-	-	(3,953,755)	-	-
<u>\$ 120,556,548</u>	<u>\$ 112,811,902</u>	<u>\$ 90,364,759</u>	<u>\$ 73,204,402</u>	<u>\$ 89,055,488</u>	<u>\$ 110,206,777</u>
11.06%	11.58%	10.99%	10.68%	10.31%	9.80%

CITY OF MOBILE, ALABAMA
Governmental Activities Tax Revenue by Source
Last 10 Fiscal Years
(accrual basis of accounting)

<u>Fiscal Year</u>	<u>Property Taxes</u>	<u>Sales Tax</u>	<u>Motor Fuels Tax</u>	<u>Room Tax</u>	<u>Alcoholic Beverage Tax</u>
2020	\$ 22,593,559	\$ 205,191,803	\$ 11,072,017	\$ 5,467,713	\$ 2,330,339
2019	22,310,001	194,772,154	10,475,804	7,071,430	2,306,577
2018	21,800,271	186,851,875	10,497,553	6,984,611	2,165,235
2017	21,054,534	179,364,687	10,535,475	6,366,006	2,111,186
2016	19,241,503	179,817,467	10,471,152	5,916,535	2,154,493
2015	18,293,200	178,536,073	10,113,784	5,653,761	2,100,653
2014	17,130,837	171,549,434	9,474,098	5,389,031	2,025,855
2013	16,364,039	163,725,091	9,499,092	5,182,775	2,078,693
2012	16,262,921	133,215,345	9,680,455	5,003,180	2,031,634
2011	16,093,899	163,405,226	10,115,711	5,092,514	2,005,816

<u>Rental and Leasing Tax</u>	<u>Tobacco Tax</u>	<u>Financial Excise Tax</u>	<u>Other Taxes</u>	<u>Total</u>
\$ 10,343,709	\$ 2,366,135	\$ 2,143,592	\$ 2,660,691	\$ 264,169,558
10,572,006	2,230,350	1,221,786	2,659,021	253,619,129
9,536,273	2,156,549	905,789	375,176	241,273,332
9,342,202	2,180,864	746,838	372,052	232,073,844
9,465,186	2,154,382	560,580	357,022	230,138,320
9,220,699	2,223,774	382,673	418,363	226,942,980
8,497,843	2,257,373	399,417	366,789	217,090,677
8,015,194	2,425,924	363,317	87,364	207,741,489
6,309,404	2,611,482	147,964	71,835	175,334,220
6,080,474	2,693,985	77,098	114,016	205,678,739



THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF MOBILE, ALABAMA
Value of Taxable Sales
Last 10 Fiscal Years

<u>Fiscal Year</u>	<u>Value of Taxable Sales General Sales Tax (in millions)</u>	<u>Direct Tax Rate General Sales Tax</u>
2020	4,458	5.0%
2019	3,819	5.0%
2018	3,709	5.0%
2017	3,569	5.0%
2016	3,582	5.0%
2015	3,540	5.0%
2014	3,386	5.0%
2013	3,302	5.0%
2012	3,309	4.0%
2011	3,190	5.0%

CITY OF MOBILE, ALABAMA
Sales Tax Rates
Direct and Overlapping¹ Governments
Last 10 Fiscal Years

Fiscal Year	City of Mobile					City of Mobile Police Jurisdiction ²				
	General	Auto	Farm Machinery	Manuf. Machinery	Vending	General	Auto	Farm Machinery	Manuf. Machinery	Vending
2020	5.00%	2.25%	2.25%	2.25%	5.00%	2.50%	1.13%	1.13%	1.13%	2.50%
2019	5.00%	2.25%	2.25%	2.25%	5.00%	2.50%	1.13%	1.13%	1.13%	2.50%
2018	5.00%	2.25%	2.25%	2.25%	5.00%	2.50%	1.13%	1.13%	1.13%	2.50%
2017	5.00%	2.25%	2.25%	2.25%	5.00%	2.50%	1.13%	1.13%	1.13%	2.50%
2016	5.00%	2.25%	2.25%	2.25%	5.00%	2.50%	1.13%	1.13%	1.13%	2.50%
2015	5.00%	2.25%	2.25%	2.25%	5.00%	2.50%	1.13%	1.13%	1.13%	2.50%
2014	5.00%	2.25%	2.25%	2.25%	5.00%	2.50%	1.13%	1.13%	1.13%	2.50%
2013	5.00%	2.25%	2.25%	2.25%	5.00%	2.50%	1.13%	1.13%	1.13%	2.50%
2012	4.00%	2.00%	2.00%	2.00%	4.00%	2.00%	1.00%	1.00%	1.00%	2.00%
2011	5.00%	2.25%	2.25%	2.25%	5.00%	2.50%	1.13%	1.13%	1.13%	2.50%

Source: Alabama Department of Revenue

¹ Overlapping rates are those of local and county governments that apply to sales in common geographical areas.

² The City collects sales and use tax revenues on sales made within the City of Mobile Police Jurisdiction, located outside of the City's limits and within Mobile County.

Overlapping Rates

Mobile County					Total Direct and Overlapping Rates				
General	Auto	Farm Machinery	Manuf. Machinery	Vending	General	Auto	Farm Machinery	Manuf. Machinery	Vending
1.00%	0.50%	1.00%	1.00%	1.00%	6.00%	2.75%	3.25%	3.25%	6.00%
1.00%	0.50%	1.00%	1.00%	1.00%	6.00%	2.75%	3.25%	3.25%	6.00%
1.00%	0.50%	1.00%	1.00%	1.00%	6.00%	2.75%	3.25%	3.25%	6.00%
1.00%	0.50%	1.00%	1.00%	1.00%	6.00%	2.75%	3.25%	3.25%	6.00%
1.00%	0.50%	1.00%	1.00%	1.00%	6.00%	2.75%	3.25%	3.25%	6.00%
1.00%	0.50%	1.00%	1.00%	1.00%	6.00%	2.75%	3.25%	3.25%	6.00%
1.00%	0.50%	1.00%	1.00%	1.00%	6.00%	2.75%	3.25%	3.25%	6.00%
1.00%	0.50%	1.00%	1.00%	1.00%	6.00%	2.75%	3.25%	3.25%	6.00%
1.00%	0.50%	1.00%	1.00%	1.00%	5.00%	2.50%	3.00%	3.00%	5.00%
1.00%	0.50%	1.00%	1.00%	1.00%	6.00%	2.75%	3.25%	3.25%	6.00%



THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF MOBILE, ALABAMA
Principal General Sales Taxpayers
Current and Nine Years Ago

Taxpayer	2020		2011	
	Rank	Percentage of Total Taxable Sales	Rank	Percentage of Total Taxable Sales
Wal-Mart #866	1	3.44%	1	3.81%
Wal-Mart #853	2	3.10%	2	3.41%
Costco Wholesale #1192	3	2.52%		
Wal-Mart #991	4	2.18%	3	2.84%
Sams Wholesale Club	5	2.04%	4	2.72%
Lowe's of West Mobile # 549	6	1.51%	8	1.22%
Lowe's of Mobile #212	7	1.45%	9	1.21%
Lowe's Home Centers LLC	8	1.42%	7	1.23%
Wal-Mart #4581	9	1.30%		
Home Depot #865	10	1.17%		
Target			5	1.63%
Best Buy			6	1.41%
Academy Sports			10	1.21%
Totals		20.13%		20.69%

Source: City of Mobile Revenue Data

CITY OF MOBILE, ALABAMA
Assessed Value and Estimated Actual Value of Taxable Property
Last 10 Fiscal Years

Fiscal Year Ended September 30	Real Property		Personal Property		Less:	Total	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed
	Residential Property	Commercial Property	Motor Vehicles	Other	Tax Exempt Real Property	Total Taxable Assessed Value			Value ¹ as a Percentage of Actual Value
2020	\$ 614,561,360	\$ 2,260,519,060	\$ 268,913,440	\$ 509,636,760	\$ 75,030,720	\$ 3,578,599,900	7 mills	\$ 20,642,671,967	17.70%
2019	593,028,380	1,575,900,720	266,181,900	484,226,860	71,890,680	2,847,447,180	7 mills	16,720,643,033	17.46%
2018	588,884,300	1,563,921,620	264,967,900	474,224,840	70,163,120	2,821,835,540	7 mills	16,546,851,700	17.48%
2017	580,403,320	1,492,664,200	278,917,000	425,021,480	68,186,400	2,708,819,600	7 mills	15,843,326,033	17.53%
2016	585,088,500	1,521,698,920	294,187,320	415,461,340	68,384,340	2,748,051,740	7 mills	13,296,813,733	21.18%
2015	549,530,640	1,325,990,140	273,833,900	415,303,220	63,448,440	2,501,209,460	7 mills	12,386,604,367	20.71%
2014	560,883,060	1,296,432,480	264,068,220	403,555,900	64,934,380	2,460,005,280	7 mills	12,248,615,700	20.61%
2013	573,073,000	1,186,268,840	246,207,860	377,729,020	65,237,120	2,318,041,600	7 mills	11,558,176,033	20.62%
2012	595,089,140	1,162,088,560	246,543,060	337,826,540	65,707,640	2,275,839,660	7 mills	11,745,392,267	19.94%
2011	617,121,080	1,161,670,420	242,401,100	325,864,220	69,067,800	2,277,989,020	7 mills	11,852,034,147	19.80%

Source: Mobile County Revenue Commissioner

Note: Property in the county is reassessed annually. Estimated actual value is calculated by dividing assessed value by those percentages.

¹ Includes tax-exempt property.

CITY OF MOBILE, ALABAMA
Property Tax Rates
Direct and Overlapping¹ Governments
Last 10 Fiscal Years

Fiscal Year	Overlapping Rates			Total Direct & Overlapping Rates
	City of Mobile Total City Millage	Mobile County Total County Millage	Mobile County School District Total School Millage	
2020	7	16	29.5	52.5
2019	7	16	29.5	52.5
2018	7	16	29.5	52.5
2017	7	16	29.5	52.5
2016	7	16	29.5	52.5
2015	7	16	29.5	52.5
2014	7	16	29.5	52.5
2013	7	16	29.5	52.5
2012	7	16	29.5	52.5
2011	7	16	29.5	52.5

Source: Mobile County Revenue Commissioner

¹ Overlapping rates are those of local and county governments that apply to property owners within the City of Mobile.

CITY OF MOBILE, ALABAMA
Principal Property Taxpayers
Current and Nine Years Ago

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Alabama Power Company	\$ 78,063,160	1	2.18%	\$ 266,945,380	2	5.21%
Florida Gas Transmission Co	56,245,060	2	1.57%	71,913,960	5	4.85%
Kimberly-Clark Corporation	45,261,040	3	1.26%	86,319,820	3	6.14%
Shell Chemical Company	37,034,560	4	1.03%			
UOP LLC	25,188,620	5	0.70%			
RPI Bel Air Mall LLC	23,918,040	6	0.67%	22,647,180	10	6.35%
Spire Gulf Inc (form. Mobile Gas)	20,770,740	7	0.58%	33,852,500	8	5.75%
Austal USA LLC	16,845,480	8	0.47%			
Cole Mt Mobile LLC Delaware LLC	9,786,100	9	0.27%			
Comcast of Alabama Inc	9,310,600	10	0.26%			
ThyssenKruppp Steel				948,478,200	1	2.45%
Gulfstream Natural Gas				73,000,000	4	4.85%
Thomas Properties LLC				43,544,740	6	4.85%
Bell South Telecomm Inc				34,340,400	7	5.81%
Southeast Supply Header				32,000,000	9	4.85%
Totals	<u>\$ 322,423,400</u>		<u>9.01%</u>	<u>\$ 1,613,042,180</u>		<u>3.63%</u>

Source: Mobile County Revenue Commissioner

Note: Principal property taxpayers presented for 2020 are those property taxpayers in the City of Mobile. Principal property taxpayers presented for 2011 are those for the County as a whole as the information for the City-only taxpayers was not available

CITY OF MOBILE, ALABAMA
Property Tax Levies and Collections
Last 10 Fiscal Years

<u>Fiscal Year Ended September 30</u>	<u>Total Tax Levy for Fiscal Year</u>	<u>Amount Collected within the Fiscal Year of the Levy</u>	<u>Percentage of Levy</u>	<u>Collection in Subsequent Years</u>	<u>Total Amount Collected to Date</u>	<u>Percentage of Levy</u>
2020	\$ 17,818,772	\$ 14,978,910	84.06	\$ -	14,978,910	84.06
2019	15,978,465	14,803,387	92.65	51,992	14,855,379	92.97
2018	15,507,788	14,461,659	93.25	46,102	14,507,761	93.55
2017	14,897,506	13,787,899	92.55	92,555	13,880,454	93.17
2016	14,964,480	10,218,795	68.29	2,677,700	12,896,495	86.18
2015	13,956,359	12,438,912	89.13	1,501,950	13,940,862	99.89
2014	13,686,098	11,036,067	80.64	2,060,535	13,096,602	95.69
2013	12,891,691	8,770,478	68.03	2,745,152	11,515,630	89.33
2012	12,999,487	8,826,780	67.90	3,486,486	12,313,266	94.72
2011	13,024,255	12,302,822	94.46	-	12,302,822	94.46

Source: Mobile County Revenue Commissioner

* Data not available

CITY OF MOBILE, ALABAMA
Ratios of Outstanding Debt by Type
Last 10 Fiscal Years

Fiscal Year	Governmental Activities				Business Type Activities		Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	General Obligation Bonds	Limited Obligation Bonds	Notes Payable	Capital Leases	Capital Leases				
2020	\$ 198,495,482	\$ -	\$ 2,325,000	\$ -	\$ -	\$ -	\$ 200,820,482	*	484
2019	214,670,663	-	2,985,000	-	-	-	217,655,663	1.38%	526
2018	229,342,047	-	1,635,000	-	-	-	230,977,047	1.46%	557
2017	243,512,416	-	2,010,000	-	-	-	245,522,416	1.60%	593
2016	251,195,546	4,670,000	2,495,000	492,519	-	-	258,853,065	1.76%	624
2015	270,283,046	5,925,000	2,950,000	1,473,283	-	-	280,631,329	1.87%	676
2014	272,617,145	6,505,000	3,380,000	2,424,244	-	-	284,926,389	2.09%	686
2013	282,547,567	7,050,000	3,785,000	3,346,323	184,751	-	296,913,641	2.18%	717
2012	298,261,879	7,570,000	4,170,000	4,240,411	362,090	-	314,604,380	2.32%	760
2011	298,290,945	8,070,000	4,730,000	5,287,794	532,314	-	316,911,053	2.35%	766

* Data not available

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹ See the Schedule of Demographic and Economic Statistics for personal income and population data.

CITY OF MOBILE, ALABAMA
Ratios of General Bonded Debt Outstanding
Last 10 Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value ¹ of Property	Per Capita ²
2020	\$ 198,495,482	\$ 405,307	\$ 198,090,175	0.96%	478
2019	214,670,663	1,016,179	213,654,484	1.28%	516
2018	229,342,047	153,181	229,188,866	1.39%	553
2017	243,512,416	126,125	243,386,291	1.54%	588
2016	251,195,546	131,469	251,064,077	1.89%	605
2015	270,283,046	382,829	269,900,217	2.18%	650
2014	272,617,145	719,022	271,898,123	2.22%	655
2013	282,547,567	221,605	282,325,962	2.44%	682
2012	298,261,879	4,516,268	293,745,611	2.50%	710
2011	298,290,945	3,986,450	294,304,495	2.48%	712

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹ See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value of data.

² Population data can be found in the Schedule of Demographic and Economic Statistics.

* Data not available



THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF MOBILE, ALABAMA
Direct and Overlapping Government Debt
as of September 30, 2020

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable ¹	Estimated Share of Overlapping Debt
Debt Repaid with Property taxes: County	\$ 452,663,562	53%	\$ 239,911,688
Subtotal, overlapping debt			<u>239,911,688</u>
City of Mobile direct debt	200,820,482	100%	<u>200,820,482</u>
Total direct and overlapping debt			<u><u>\$ 440,732,170</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Mobile County Revenue Commissioner's Office. Debt outstanding data provided by the County and Mobile County Public School System.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Mobile. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and therefore responsible for repaying the debt, of each overlapping government.

¹ The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

CITY OF MOBILE, ALABAMA
Legal Debt Margin Information
Last 10 Fiscal Years

	Fiscal Year			
	2020	2019	2018	2017
Debt Limit	\$ 730,726,124	\$ 583,867,572	\$ 578,399,732	\$ 555,401,200
Less: Total net debt applicable to limit	<u>156,548,693</u>	<u>156,612,878</u>	<u>188,977,819</u>	<u>201,023,028</u>
Legal debt margin	<u>\$ 574,177,431</u>	<u>\$ 427,254,694</u>	<u>\$ 389,421,913</u>	<u>\$ 354,378,172</u>
Total net debt applicable to the limit as a percentage of debt limit	21.4%	26.8%	32.7%	36.2%

Legal Debt Margin Calculation for Fiscal Year 2019:

Assessed value of real property, September 30, 2020	\$ 2,875,080,420
Assessed value of personal property, September 30, 2020	<u>778,550,200</u>
Total assessed value	3,653,630,620
Debt Limit (20% of total assessed value)	730,726,124
Less: Total net debt applicable to limit	<u>156,548,693</u>
Legal debt margin	<u>\$ 574,177,431</u>

Note: Under state finance law, the City of Mobile's outstanding general obligation debt should not exceed 20 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds. Amounts exclude general obligation warrants applicable to drainage improvements.

Fiscal Year					
2016	2015	2014	2013	2012	2011
\$ 563,287,216	\$ 512,931,580	\$ 504,987,932	\$ 476,702,224	\$ 468,309,460	\$ 469,411,364
217,182,815	222,506,693	235,615,896	243,221,226	249,936,851	260,122,205
<u>\$ 346,104,401</u>	<u>\$ 290,424,887</u>	<u>\$ 269,372,036</u>	<u>\$ 233,480,998</u>	<u>\$ 218,372,609</u>	<u>\$ 209,289,159</u>
38.6%	43.4%	46.7%	51.0%	53.4%	55.4%



THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF MOBILE, ALABAMA
Demographic and Economic Statistics
Last 10 Fiscal Years

Fiscal Year	Population	Personal Income (in millions)	Per Capita Personal Income	Median Age	Education Level in Years of Formal Schooling	Public School Enrollment	Unemployment Rate
2020	414,659	*	*	37.6	High School Graduate	53,967	9.3%
2019	413,757	15,823	38,243	37.3	High School Graduate	55,126	3.0%
2018	414,328	15,823	38,243	37.3	High School Graduate	56,628	4.5%
2017	413,955	15,353	35,951	37.5	High School Graduate	58,537	4.3%
2016	414,836	14,684	35,348	37.0	High School Graduate	59,550	6.9%
2015	415,395	14,983	35,348	37.1	High School Graduate	59,031	7.2%
2014	415,123	13,601	32,631	37.0	High School Graduate	59,216	7.5%
2013	414,079	13,599	32,843	37.0	High School Graduate	59,582	7.4%
2012	413,936	13,565	32,771	37.2	High School Graduate	59,821	8.7%
2011	413,462	13,500	32,651	37.1	High School Graduate	60,946	10.4%

* Data not available

Source: Mobile Chamber of Commerce

Note: All statistical data presented above are for the County of Mobile as the City of Mobile comprises the majority of the county

CITY OF MOBILE, ALABAMA
Principal Employers
Current Year and Nine Years Ago

Taxpayer	2020			2011		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Mobile County Public School System	7,500	1	4.22%	7,795	1	4.58%
USA School and Medical Facilities	6,000	2	3.18%	5,300	3	3.12%
Infirmiry Health Systems	5,750	3	3.05%	5,460	2	3.21%
Austal USA	4,000	4	2.12%	2,500	5	1.47%
City of Mobile	2,100	5	1.11%	2,100	7	1.23%
CPSI	2,000	6	1.06%			
County of Mobile	1,670	7	0.89%	1,460	9	0.86%
AM/NS Calvert	1,600	8	0.85%			
Providence Hospital	1,480	9	0.78%	2,350	6	1.38%
AltaPointe	1,450	10	0.77%			
Wal Mart				2,920	4	1.72%
ST Aerospace Mobile				1,500	8	0.88%
Spring Hill Medical Center				1,320	10	0.78%
Totals	<u>33,550</u>		<u>18.03%</u>	<u>32,705</u>		<u>19.23%</u>

Source: Mobile Chamber of Commerce

Note: Employee counts from the Mobile Chamber of Commerce are estimates and those counts for the City of Mobile will not match the full-time equivalent employee counts on the subsequent page.

CITY OF MOBILE, ALABAMA
Full-Time Equivalent City Government Employees by Function
Last 10 Fiscal Years

Function	Full-time Equivalent Employees as of September 30									
	2020	2019	2018*	2017	2016	2015	2014	2013	2012	2011
General government	84	83	96	96	100	185	203	223	195	197
Culture and recreation	228	197	213	253	336	378	485	414	383	306
Economic development	11	10	8	27	14	12	13	12	12	13
Engineering, development, and Build Mobile	183	186	183	112	210	-	-	-	-	-
Finance	78	74	79	82	85	93	96	91	91	96
Public safety	1,094	1,097	1,093	1,206	1,242	1,333	1,399	1,288	1,546	1,374
Public works	328	323	325	520	423	540	541	569	564	581
Cruise Terminal	7	8	8	2	4	-	-	-	-	-
Firemedics	71	74	77	89	73	71	93	73	74	71
Golf course	17	17	18	13	19	20	26	22	26	21
Motor Pool	4	3	2	3	3	3	3	3	2	3
Tennis center	13	11	11	7	12	12	17	10	13	8
Total	2,118	2,083	2,113	2,410	2,521	2,647	2,876	2,705	2,906	2,670

Source: City Payroll Department

*More accurate method of calculating FTE equivalents implemented in 2018.

CITY OF MOBILE, ALABAMA
Capital Asset Statistics by Function
Last 10 Fiscal Years

Function	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Streets and Highways										
Paved	1,287.5	1,272.1	1,272.2	1,271.7	1,268.1	1,267.7	1,267.7	1,267.7	1,267.2	1,264.4
Unimproved	15.3	15.4	15.5	15.5	18.9	18.9	18.9	19.6	19.8	21.8
Traffic Signals	312	312	310	310	316	317	316	316	315	453
Street Lights	6,500	6,500	5,835	5,528	5,200	5,200	5,200	5,200	5,200	5,200
Public Safety										
Police Precincts and Mini-Precincts	5	5	5	5	6	6	7	8	8	9
Fire Stations	20	20	20	20	20	20	21	21	21	20
Culture and Recreation										
Parks	77	77	69	69	69	68	68**	92	93	95
Parks Acreage	1,400	1,400	1,294	1,294	1,294	1,294	1,294	1,754	1,754	1,754
Swimming Pools	4	4	6	6	6	6	6	6	6	5
Wading Pools	6	6	9	9	9	9	9	6	5	*
Spray Grounds	5	5	5	5	5	4	3	3	3	*
Tennis Courts	95	95	93	93	93	93	93	93	97	92
Community Centers	18	18	18	18	18	14	14	14	15	15
Senior Centers	3	3	3	3	3	3	3	4	*	*
Motor Pool										
Sanitation Collection Trucks	27	28	27	27	30	35	36	37	38	37

* Information not available

** Method for reporting has changed.

Source: Various City Departments



THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF MOBILE, ALABAMA
Operating Indicators by Function
Last 10 Fiscal Years

Function	2020	2019	2018	2017
General Government				
Information Technology				
Buildings with computer equipment	199	202	197	194
Miles of fiber	201	192	188	185
Wireless sites	10	11	29	29
Computer user accounts	2,366	2,306	3,108	3,436
Email accounts	2,668	1,796	1,819	1,932
Voicemail accounts	1,897	1,649	1,479	1,482
Computers/printers supported	3,527	3,237	3,388	3,375
Servers supported	123	133	107	95
City phone extensions	1,605	1,688	2,791	2,802
Broadband Data Cards	162	192	171	70
Software Applications Supported	446	435	430	430
MIT Help Desk Cases	6,553	7,702	6,294	9,552
Cell Phones	292	376	388	485
Telecom Help Desk Requests	697	373	675	1,284
Mobile 311				
Calls	99,616	91,338	99,064	97,485
SROs created	78,040	52,133	55,396	54,594
Culture and Recreation				
Mobile Public Library				
Items circulated	990,555	1,553,075	1,554,685	1,603,430
Customer visits	468,697	1,089,704	1,108,338	1,251,244
Engineering, development & Build Mobile				
Build Mobile				
Service request orders	6,113	9,494	11,721	13,677
Municipal offense tickets	1,051	1,023	1,192	1,215
Inspections/investigations	86,820	83,367	82,890	60,003
Plan reviews	2,685	2,765	2,797	2,833
Plan reviews - Right of Way	3,261	3,431	2,100	2,451
Complete nuisance abatement cases	170	214	173	118
Complete weed abatement cases	488	596	500	840
Removal of trees	615	183	400	456
Trimming removal	3,176	1,939	1,500	1,526
Stump removal	39	53	60	60
Mobile Historic Development Commission				
Applications reviewed	370	441	375	372
Certificates issued	302	373	368	316
Applications heard by review board	66	68	46	52
Applications denied	2	2	7	2

2016	2015	2014	2013	2012	2011
194	190	185	184	181	180
185	850	825	825	825	825
29	25	22	18	30	27
3,436	3,250	3,222	3,000	2,934	2,850
1,932	2,400	2,369	2,458	2,320	2,050
1,482	1,466	1,461	1,541	1,547	1,738
3,375	3,098	3,098	3,163	2,537	2,450
95	99	99	95	115	75
2,802	2,724	2,756	2,730	2,724	2,426
70	72	63	88	89	110
430	426	426	420	409	409
9,552	9,195	10,126	10,016	10,270	9,450
485	393	372	385	365	333
1,284	1,759	1,473	1,809	2,028	2,132
96,805	96,450	110,776	115,594	115,398	109,681
57,886	54,313	56,559	60,512	60,916	59,725
1,659,247	1,670,662	1,702,092	1,798,526	1,899,180	1,871,251
1,375,573	1,410,099	1,447,113	1,439,398	1,369,945	1,417,588
18,808	13,534	18,806	17,043	16,819	14,546
1,369	1,516	1,634	2,221	2,557	1,875
51,374	62,057	65,763	63,407	63,213	82,961
2,729	5,196	7,453	8,043	5,363	4,303
2,444	2,489	2,587	2,574	2,401	2,628
84	125	77	44	49	151
622	340	320	340	320	680
524	369	395	395	458	467
4,114	4,560	4,307	5,691	5,611	4,556
204	181	102	125	222	196
382	400	412	430	449	471
349	393	410	344	374	448
27	58	64	86	75	93
3	7	2	12	6	5

CITY OF MOBILE, ALABAMA
Operating Indicators by Function
Last 10 Fiscal Years

Function	2020	2019	2018	2017
Public Safety				
Mobile Police Department				
Crime Incidents:				
Murder (or Non-Neg Manslaughter)	34	32	29	45
Murder Domestic	2	4	7	6
Negligent Manslaughter	2	1	1	-
Forcible Rape	150	161	155	119
Carjacking	22	22	36	33
Robbery	139	280	352	439
Aggravated Assault	1,226	1,175	1,283	1,335
Burglary	1,650	2,228	2,820	3,142
Larceny	6,643	8,002	9,058	9,583
Vehicle Theft	914	914	1,345	1,380
Arson	7	16	35	71
Simple Assault	7,351	2,826	3,113	3,163
Sex Offenses	102	94	104	103
Narcotic Laws	1,665	1,590	1,120	1,024
Weapons Offence	630	504	506	434
Forgery-Counterfeiting	173	276	323	260
D.U.I.	304	349	291	298
All Other Offenses	26,726	24,942	29,762	30,160
Total Tickets				
Following too close	36	43	43	41
Run red light	893	930	651	763
Run stop sign	531	781	315	537
Speeding	3,515	3,806	5,170	5,816
Speeding in school zone	8	44	102	14
Mobile Fire Rescue Department				
Total calls answered	42,187	35,389	38,149	37,658
Inspections	2,556	2,915	1,481	795
Plans reviewed	1,317	1,586	943	428
Permits issued	1,006	984	857	517
Mobile Municipal Court				
Domestic violence cases	1,274	1,395	1,279	1,232
Environmental cases	370	1,437	1,167	1,472
Traffic cases	19,631	24,804	21,020	24,874
Criminal cases	4,771	5,972	4,882	5,318
Finance				
Human Resources				
Medical claims	212	176	194	205
Indemnity claims	26	31	28	25

2016	2015	2014	2013	2012	2011
44	23	26	29	27	25
*	1	4	-	3	7
*	-	2	-	1	-
78	136	146**	29	52	43
*	10	12	17	23	24
459	427	431	452	526	622
1,165	1,225	1,136	1,272	879	999
2,621	2,275	2,878	2,828	3,119	3,844
8,834	8,367	8,824	9,384	9,213	9,030
850	623	727	742	611	783
*	47	56	42	61	53
*	2,067	2,134	2,140	2,349	3,818
*	131	120	123	174	138
*	1,429	2,148	3,897	3,077	2,333
*	230	274	440	458	382
*	315	226	325	337	401
*	422	448	405	388	459
*	26,888	26,606	29,750	31,953	31,748
65	51	79	66	105	66
820	904	1,654	1,585	1,623	1,766
473	802	1,156	1,248	1,592	1,336
7,320	8,589	12,551	11,854	11,774	9,807
24	319	557	512	415	320
38,832	35,619	33,486	31,906	31,529	32,858
812	1,064	1,339	5,731	4,010	9,762
771	317	698	792	432	889
846	414	415	1,037	372	963
1,130	1,305	2,704	1,520	1,670	1,590
1,765	2,246	4,092	2,720	4,061	3,709
29,365	33,644	67,096	52,622	55,030	56,149
5,495	5,632	12,714	8,797	9,645	10,548
207	234	221	262	251	274
31	35	31	42	37	49

CITY OF MOBILE, ALABAMA
Operating Indicators by Function
Last 10 Fiscal Years

Function	2020	2019	2018	2017
Public works				
Flood control				
Debris removed (cubic yards)	24,611	12,830	2,838	1,076
Work on ditches (miles)	35	31	25	16
Administration				
Disciplinary actions processed	110	72	51	88
Claims/reports processed	69	51	74	153
Concrete and sidewalk repair				
Concrete poured	185	300	278	1,003
Repairs	540	500	546	253
Replacements	-	-	-	2
Right-of-way maintenance				
Material hauled (cubic yards)	710	26,094	25,163	20,474
Material used (cubic yards)	350	13,088	6,143	8,105
Repairs	175	239	281	200
Asphalt street repair				
Asphalt used (tons)	551	633	500	540
Repairs	10,517	10,163	8,388	10,018
Street Sweeping				
Miles sweeper swept	16,458	21,177	12,043	11,634
Debris removed (cubic yards)	14,672	16,486	10,599	12,091
Water used (gallons)	359,136	513,070	140,250	208,749
Dredge				
Material dredged/removed (cubic yards)	*	*	*	15,000
Storm drain and heavy equipment				
Drains cleaned	6,040	4,409	3,047	2,553
Material hauled (cubic yards)	12,193	2,870	1,920	1,520
Solid waste				
Waste removal (tons)	59,224	41,573	47,756	54,536
Other waste removal (tons)	-	14	108	141
Special events (tons)	387	528	217	314
Carcass removal	1,139	1,217	937	1,126
Trash division				
Trash picked up	213,990	188,486	190,315	200,816
Pay pile loads	880	937	604	1,034
Environmental Response Crew				
Collections (gallons)	1,706	901	951	1,709
Other Collections (yards)	-	-	-	-
Cleaned (feet)	-	8,415	7,010	5,190

* Data not available

** Method for reporting has changed.

Source: Various City Departments

2016	2015	2014	2013	2012	2011
9,620	10,153	6,582	5,642	6,000	6,645
19	16	13	17	18	13
209	208	171	191	225	379
171	153	122	189	118	111
1,330	1,341	1,743	3,198	1,575	2,452
480	378	595	500	451	650
1	2	3	5	10	8
19,952	16,765	27,609	28,985	33,200	23,568
5,503	4,304	14,265	17,700	13,165	5,590
179	54	156	157	277	214
860	727	1,112	1,071	1,233	1,088
13,325	14,382	18,096	16,725	21,711	14,451
10,372	11,324	19,252	31,003	26,336	15,902
13,715	14,460	17,944	19,142	16,947	15,716
208,620	144,123	211,500	242,500	269,640	220,750
32,456	17,272	23,147	29,508	7,920	13,745
3,885	1,686	3,884	2,797	3,423	4,186
615	1,275	2,730	7,824	3,481	4,176
57,976	55,413	53,125	52,615	54,269	54,513
436	414	318	305	291	110
400	350	345	330	315	240
1,158	1,200	3,650	3,617	3,610	3,947
199,331	192,281	164,200	171,260	173,820	189,960
1,104	778	680	542	349	570
1,447	1,772	1,499	1,215	2,954	734
-	-	-	-	-	-
5,251	6,478	25,928	29,666	27,852	28,080



THIS PAGE INTENTIONALLY LEFT BLANK