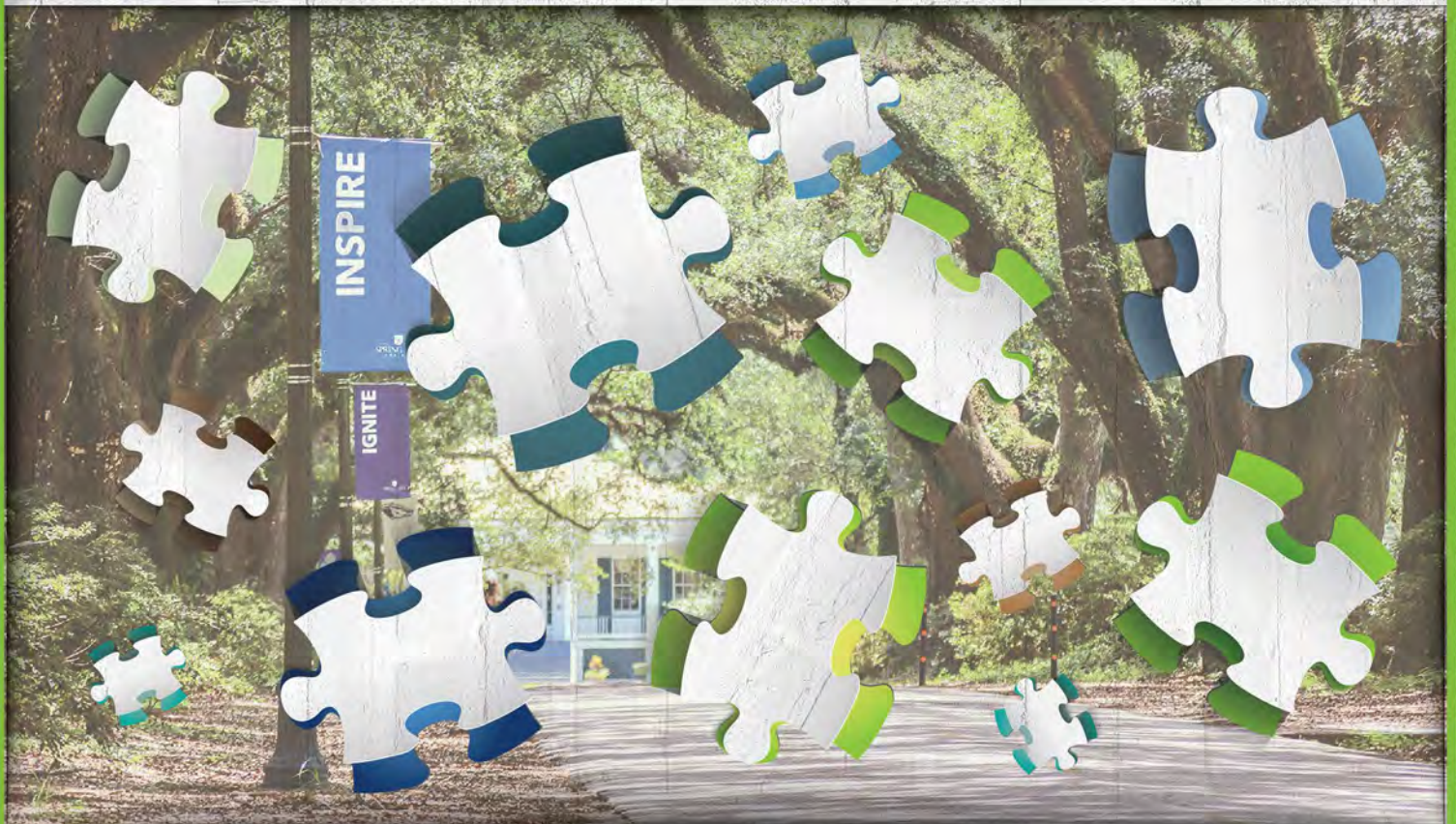


CITY OF MOBILE, ALABAMA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

2021

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021



WILLIAM S. STIMPSON, MAYOR
ROBERT HOLT, EXECUTIVE DIRECTOR OF FINANCE
REBECCA B. CHRISTIAN, COMPTROLLER



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PART I: INTRODUCTORY SECTION



PART I: INTRODUCTORY SECTION

Picture on the prior page courtesy of the Mobile Fire-Rescue Department.





February 28, 2022

TO THE CITIZENS OF
THE CITY OF MOBILE, ALABAMA:

Enclosed is the Annual Comprehensive Financial Report (ACFR) of the City of Mobile, Alabama (the City) for the fiscal year ended September 30, 2021. The ACFR 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



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. The United States Census Bureau's 2020 Decennial Census reported that there were 187,041 people residing within the City limits of Mobile and that there were 414,809 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.

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 Sports and Entertainment Complex) 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.



www.mobile.org



The Board of Water and Sewer Commissioners of the City of Mobile, Mobile Housing Board, Mobile Airport Authority, Mobile Museum Board, Mobile Board of Health, Mobile Emergency Management, Mobile Personnel Board, Mobile Metro Jail, the Juvenile Court and Youth Center, and South Alabama Regional Planning Commission 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.



Pictured above: Cory Penn (District 1), Ben Reynolds (District 4), Gina Gregory (District 7), William S. Stimpson (Mayor), C.J. Small (District 3), William Carroll (District 2), Joel Daves (District 5), and Scott Jones (District 6).

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 fiscal year 2021, the City began to see a strong recovery from the difficulties that began with the COVID-19 pandemic. Aided by Federal stimulus funding, as well as a change in personal spending and lifestyle habits, and a record high tax revenue, the City experienced one of its strongest years in its history.

In addition to our revenue growth, our cost centers outperformed our budgeted targets, which also contributed greatly to our performance. Managing our costs and borrowing has continued to result in a strong financial condition for the City providing flexibility to address long term challenges facing Mobile. Our General Fund surplus has put us in a position to proceed with new capital initiatives in the years ahead that will have a lasting impact on the City.

In fiscal year 2022, we initiated one of our most significant investments in the City's future. In October 2021, we contributed \$30 million to our efforts to relocate our regional airport in west Mobile to the Brookley Complex near downtown. This project is now underway, and we are confident that it will enhance the future economic development of the City by promoting more air travel to and from Mobile.

Fiscal year 2022 is starting out well. For the first three months, General Fund revenues were \$67.8 million, compared to a budget of \$58.4 million. Despite this strong start, there are issues of concern which we will be monitoring. Inflation is currently at 7% the highest level in 40 years. This is also contributing to the Federal Reserve decision to consider an increase in interest rates in the near term. GDP which finished the year at 5.8 % is expected to return to more normal levels in the range of 2.9%. The City will be monitoring the effects of these changes as the year progresses.

The City currently has approximately \$100 million in ongoing capital project funding across multiple funding sources including the Capital Improvements Fund, the Four-cent Gasoline Tax, Mobile County Pay-As-You-Go funds, Alabama Municipal Trust funds, the Tax Increment Fund, and others.

Additionally, the City currently is currently managing approximately \$164 million in grant awards with an additional \$10 million in matching funds. These grants are awarded from a variety of sources including federal and state agencies, private entities, and other local funding.

ECONOMIC CONDITION

Mobile continues to have a diverse economy that provides growth and an improving standard of living for its citizens. There is a strong manufacturing base and higher education opportunities for both citizens and others from within the state and beyond. Our medical services are key to the well being of the City and provide not only high-quality health care but employment opportunities as well.

The City of Mobile has recovered from several disasters over the past two years. In 2020, Mobile suffered the effects of both Hurricane Sally and Hurricane Zeta. Damage from each was significant. However, with the efforts of the City's Public Works and Public Safety Departments along with its recovery partners, FEMA, and many other support firms, the City returned to normal operations in short order.



Much more damaging was COVID-19. Like many cities across the country, Mobile suffered from the pandemic, particularly in the areas of tourism, entertainment, and the hotel and restaurant community. Universities, schools, and medical facilities were also impacted by the virus. The lives of many were changed certainly in the short term, but also in the long term as the virus has lingered for two years. This has forced businesses and individuals to change their way of life.

One area in particular that began to see a strong turnaround was tourism. As the City began to adjust to a new normal and people began to seek a return to more traditional activities, tourism began to see a very strong recovery. In the twelve months ending in November 2021, hotel occupancy increased to 63.8% vs. 53.8 % in 2020. More remarkable was the increase over 2019 which ended at 61.1%. Lodging tax for the fiscal year was a record at \$9.436 million, compared to \$8.8 million in 2019.

The outlook for the coming year is cautiously optimistic. We are expecting an increase in conventions, and we are planning for a return of the Carnival Cruise Ship in March 2022. Like many cities, Mobile is still faced with rebuilding a hospitality workforce that has not yet recovered. Finally, we are looking forward to the start of Africatown tourism with the Heritage House opening and the introduction of the film, “Surviving Clotilda,” the story of the last slave ship to enter the US.

Alabama Port Authority

One of the fastest growing and most influential organizations within the City is the Port of Mobile. With a 3600-acre footprint, the Port has a far-reaching influence not only in Mobile but throughout the Southeastern United States. Currently, the Port employs 480 people but also has a significant indirect impact on the area in general. The Alabama Port Authority generates 150,447 direct and indirect jobs and contributes \$559 million in direct and indirect tax revenue. Its total economic value is \$25.4 billion. The local economic impact provided by the Port is 39,414 direct and indirect jobs and \$3.2 billion in local economic value. Over the past year, despite the impact of COVID, the port has registered a 21% growth in container shipments and a 138% increase in rail intermodal shipments.

The Port of Mobile serves a variety of key markets. These include iron and steel, forest products, coal, and grain. This year saw a growth of 20% in steel imports and exports through the port with forest products growing 13%.

The Port of Alabama continues to invest in its future. There is a \$1.87 billion investment plan over the next 15-20 years. Some of these projects include \$366 million toward widening and deepening the port making it the only port in the Gulf region with a 50-foot-deep channel. This will allow the world’s largest ships access to the port. There is also ongoing railroad infrastructure and container expansion at the Port as well as the building of an intermodal transfer operation on a 272-acre site in Montgomery. Each of these projects will further expand the reach of distribution from Mobile.



Austal USA

Shipbuilding has long been an active industry in Mobile dating back over 100 years. One of the most significant contributors to the shipbuilding industry and the Mobile economy has been the addition of Austal USA. An Australian based company, Austal USA has specialized in the manufacture of aluminum ships through assembly lines with modular construction efficiencies. Since 1999, the company has grown from 199 employees to more than 3000.

In the past 12 years, the company has delivered 15 Littoral Combat Ships (LCS) and 12 Expeditionary Fast Transport (EPF) ships. Currently, the company has under construction 5 LCS ships and 3 EPF ships.

In 2021, the company completed construction of the USS Mobile (LCS 26) for the United States Navy (pictured above). This year, the company also broke ground on a new production facility for steel ships that will begin operations in 2022. In the same year, the company received an award for steel-hulled towing, salvage, and rescue ships for the U.S. Navy. Also notable about this effort was the agreement with SSAB, a Mobile area steel producer with Headquarters in Mobile. SSAB will provide steel plates for the ship production. These latest initiatives will provide more economic opportunity to Mobile and its citizens.



SSAB



SSAB is one of the largest North American producers of steel plate and coil. Its Americas division headquarters is located in Mobile with a key production facility located just north of Mobile in Axis, Alabama. The company employs 90 corporate people at its headquarters in downtown Mobile and 675 full time employees in nearby Axis.

SSAB specializes in the production of high-quality steel for use in the energy, construction, agriculture, and transportation industries. Its product is 100 % recyclable and produced from 94 % recycled products. The Axis mill is one of the worlds most advanced steel mills and currently expanding its production capabilities. As

mentioned above, SSAB has entered into a key supply agreement with Austal Shipbuilding to provide high quality plate for U.S. Navy's steel-hulled towing, salvage, and rescue ships.



Airbus USA

Airbus has been a long-time resident of Mobile and a key contributor to its economic growth. It is currently home to three Airbus business units including U.S. Space and Defense at the Mobile Regional Airport, and the Airbus Engineering Center Mobile and the U.S. Manufacturing Facility both at Brookley Field. The manufacturing facility is one of the largest business units in Mobile employing nearly 1200 people, 90% residing in coastal Alabama. Airbus builds two commercial aircraft programs, the A220, a 108-160 passenger single-aisle aircraft, and the high-demand A320 mid-range single-aisle aircraft that can accommodate between 125-240 passengers.

Airbus has a backlog of nearly 7000 planes worldwide, with the majority of those orders being the popular A320. Our Mobile manufacturing facility builds and delivers five A320s a month and will soon increase that rate to six in March. Airbus established its commercial line in Mobile in 2013. Later this year, they will deliver their 300th aircraft built in Mobile. Airbus, Mobile is the largest Airbus manufacturing facility outside of Europe.



On January 31, 2021, Lockheed Martin announced that the LMXT (pictured left), their offering for the U.S. Air Force's KC-Y "Bridge Tanker" program competition, will initially be produced as an A330 airliner to be manufactured at Airbus' Mobile facility. The A330 commercial aircraft will then be converted into the LMXT tanker at Lockheed Martin Aeronautics' Marietta, GA facility. The City is hopeful that Lockheed Martin's LMXT proposal will be selected by the Air Force.

South Alabama Logistics Park (SALP)

One of the newest economic development efforts currently underway in the Mobile area is the South Alabama Logistics Park (SALP). The Park is located on 1300 acres and will market the site to regional, national and international companies. The objective will be to build warehouses and businesses to take advantage of the east-west, north-south interstate system, the City's 5 class-one railroads as well as the Port of Mobile.

At the present time, construction of the Park is well underway and ahead of schedule with phase one almost 50% complete. This includes approximately 2 miles of road, drainage, water mains, and sewer and gas lines as well as power for 2 million square feet of buildings. The project is on track to open this summer ahead of schedule.



The current construction encompasses three active sites. Two are currently under construction with another scheduled to break ground later this summer. The total expenditure is approximately \$70 million.

Currently the site has approved two projects with a third scheduled for Board review in February. When complete Mobile will have a world class distribution center capable of serving the southeast and beyond.

EDUCATION AND CULTURE

Mobile is home to the University of South Alabama which is currently educating nearly 14,000 students in more than 125 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.

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



*University of South Alabama, Shelby Hall
Photo by John Adams, USA Photographer*



Mobile Museum of Art

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.

GulfQuest National Maritime Museum

GulfQuest 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's Ocean Planet Theater is pictured to the right.



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** (pictured below) and many others.



*USS Alabama Battleship
Memorial Park*

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.



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, both Moody's Investor Service and S&P Global 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.

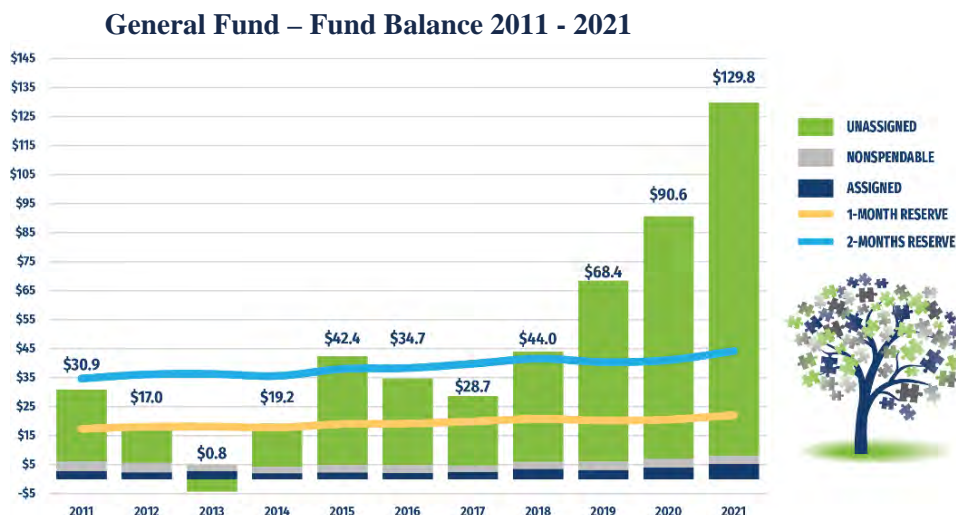
In 2016, Moody's revised its "negative" outlook to "stable" on the City's Aa2 rating and S&P Global raised its rating from A+ to AA-. The services cited an improving financial position due to new budgeting practices, financial flexibility and operating surpluses and reserves.

On December 7, 2021, S&P Global announced that they were raising the City's long-term rating from AA- to AA. Their report cited the City's long-term trend of improved financial and economic metrics and a very strong debt profile. The report also stated that S&P based its decision on the City's "consistent budgetary performance that allowed it to build up its available reserves to very strong levels over the past several years." The City has maintained its Aa2 rating from Moody's Investor Service for FY 2021.

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 \$44.2 million, a level that was exceeded in fiscal year 2021.



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 \$518,198, reduced by \$150,000 pre-funded with the third-party claims administrator, at September 30, 2021. 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 \$23.6 million at September 30, 2021 and are accounted for in the Government-wide financial statements.

The liability for employee health insurance claims of approximately \$2.1 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.

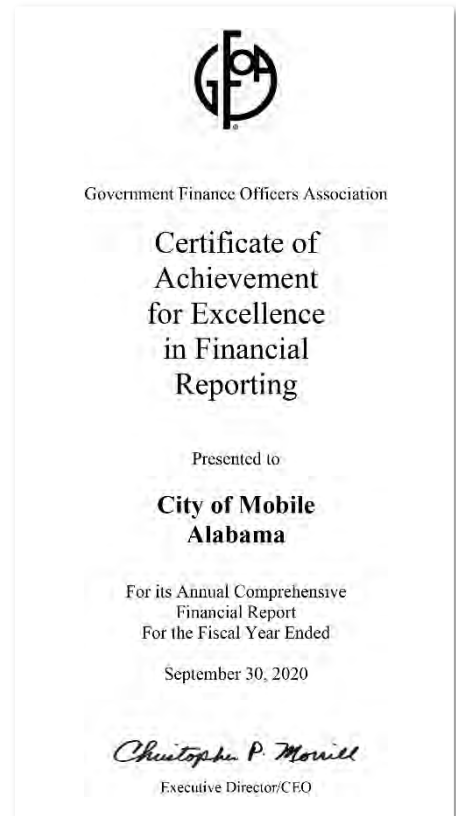


AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its September 30, 2020 annual comprehensive 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 annual comprehensive 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 annual comprehensive financial report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in preparation of this report. Our sincere appreciation is also extended to our independent auditors, Wilkins Miller, LLC, for their cooperation and technical guidance.



Sincerely,

Robert Holt
Executive Director of Finance

Rebecca B. Christian, CPA, CGMA
Comptroller





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

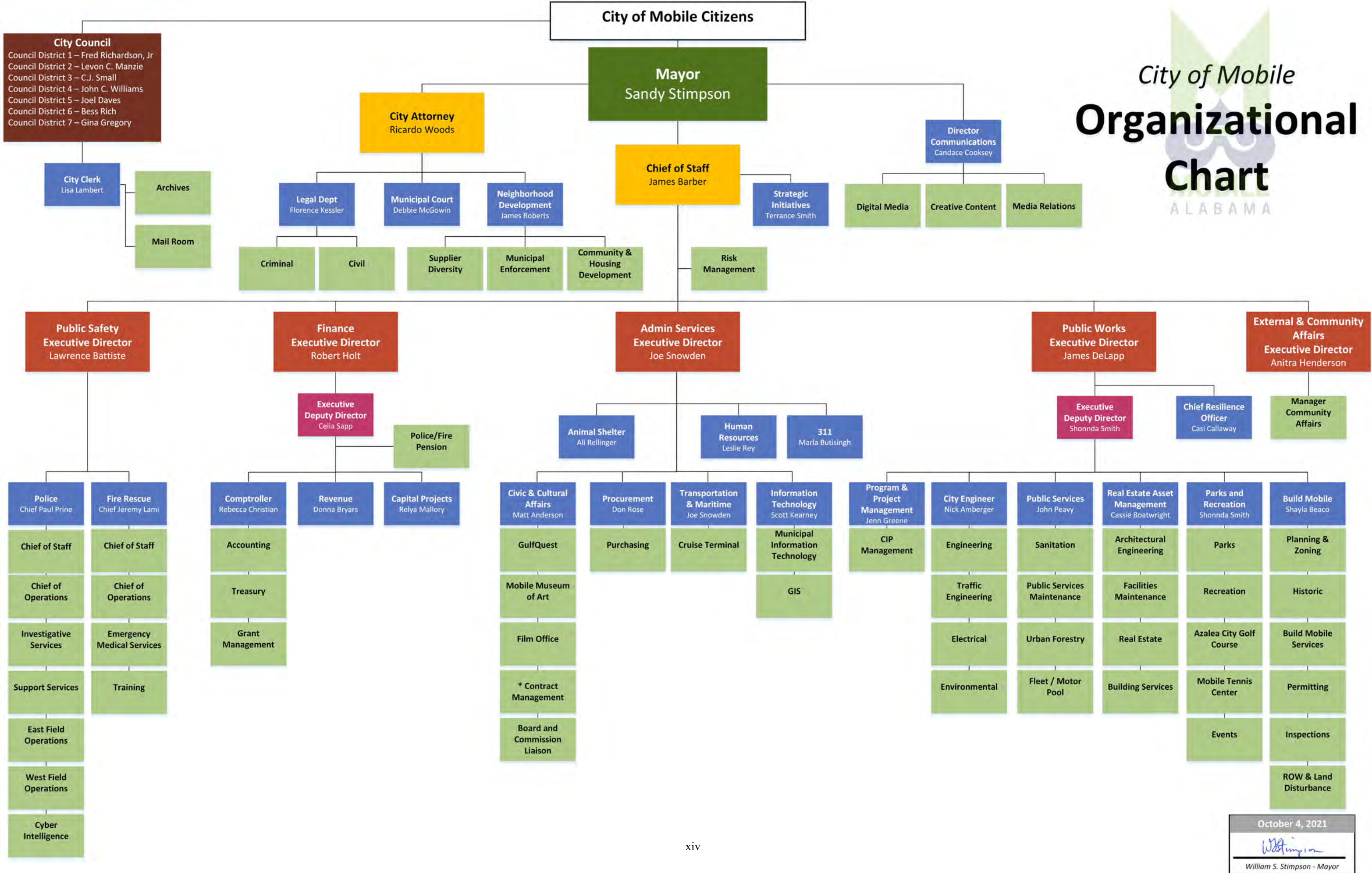
Presented to

**City of Mobile
Alabama**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Executive Director/CEO



PRINCIPAL OFFICIALS



William S. Stimpson
Mayor

City Council



District 3
C.J. Small
President



District 7
Gina Gregory
Vice-President



District 1
Cory Penn



District 2
William Carroll



District 4
Ben Reynolds



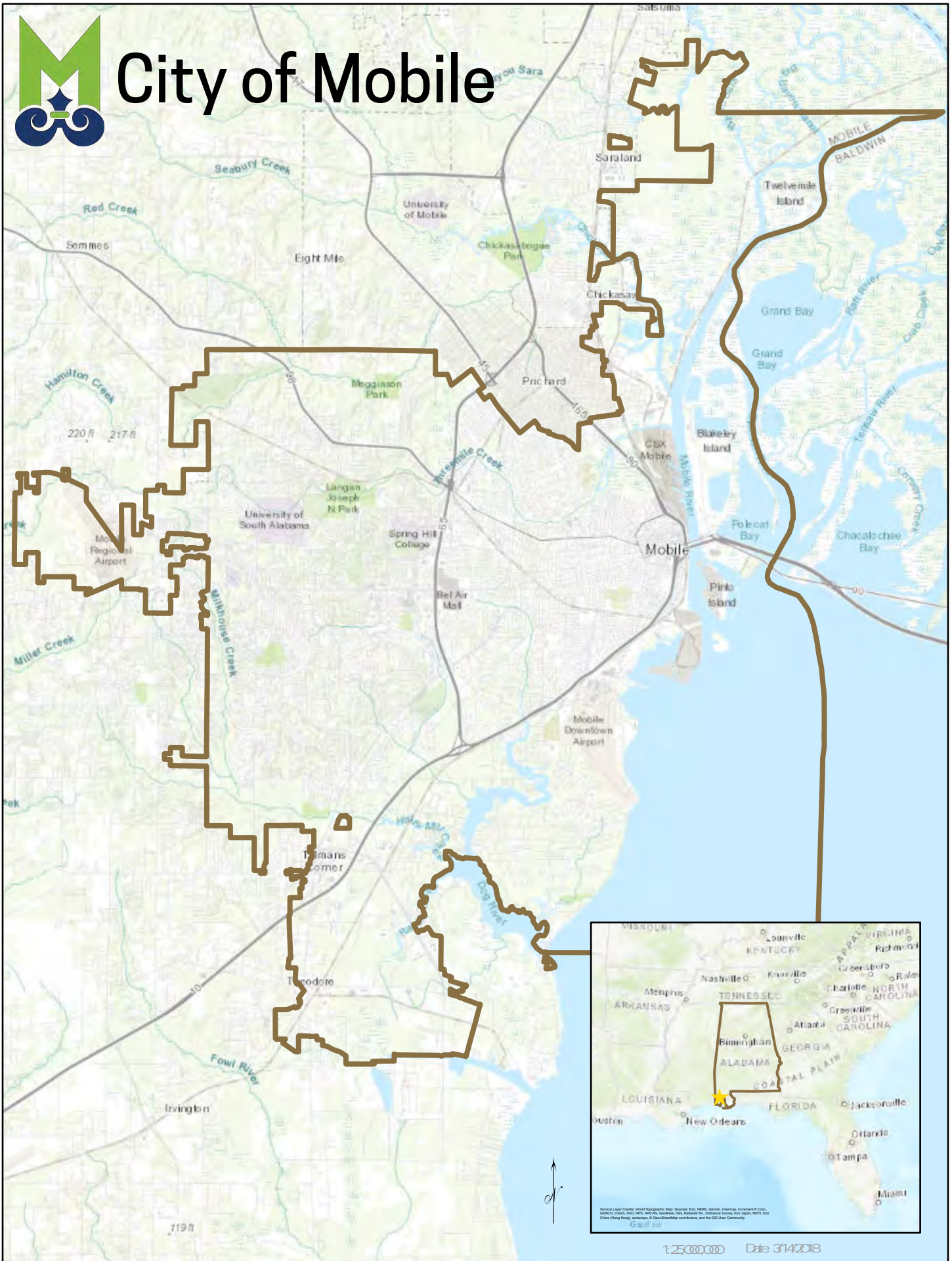
District 5
Joel Daves



District 6
Scott Jones



City of Mobile



PART II: FINANCIAL SECTION



PART II: FINANCIAL SECTION

Picture on the prior page features musicians performing at LODA Artwalk.





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, 2021, 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 1.60 percent, 0.53 percent, and 0.16 percent, respectively, of the assets, 2.45 percent, 0.17 percent, and 0.29 percent, respectively, of the net position, and 1.61 percent, 2.03 percent, and 0.26 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, 2021, 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 28, 2022 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.

Willens Miller, LLC

Mobile, Alabama
February 28, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS



MANAGEMENT'S DISCUSSION AND ANALYSIS

Picture on the prior page features infrastructure improvements on Ann Street.



MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Mobile's Annual Comprehensive Financial Report (ACFR) presents City management's discussion and analysis of the City's financial performance during the fiscal year that ended on September 30, 2021 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 ACFR.

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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 \$632.5 million (net position). Of this amount the City had a deficit in unrestricted net position of \$62.4 million offset by \$38.5 million in restricted net position and \$656.4 million in net investment in capital assets.

CHANGE IN NET POSITION

The City's total net position increased \$138.1 million, or 27.9% because of this year's operations. Net position of governmental activities increased \$145.2 million, or 36.2%, and net position of business-type activities decreased \$7.0 million, or (7.6%).

GOVERNMENTAL FUNDS

At the close of the current fiscal year, the City's governmental funds reported a combined fund balance of \$264.4 million. This was an increase of \$78.7 million or 42.4% from the prior year. This increase is largely the result of an unanticipated \$41.8 million increase in tax revenues from the prior year. Total revenues increased \$77.9 million while total expenditures increased \$26.0 million.

At the end of the current fiscal year, total fund balance for the General Fund was \$129.8 million, an increase of \$39.2 million (43.3%) from the prior year. This is due to unbudgeted growth in tax revenues as described in the prior paragraph along with unbudgeted cost savings across departments.

MAJOR REVENUE SOURCES

Sales and use tax, the City's single largest revenue source, increased \$31.4 million or 15.3% from the prior year primarily due to economic growth over the prior year.

OTHER SIGNIFICANT EVENTS

In May 2021, the City received its first of two allocations of funding awarded under the American Rescue Plan Act. This initial receipt totaling \$29.1 million will be followed by a second allocation of the same amount in May 2022. Uses of the funds are restricted by the provisions of the Act and guidance issued by the U.S. Department of Treasury. Additional information on the City's planned uses of the ARP funds can be found online at <https://www.cityofmobile.org/people-first-plan/>.



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.



ANNUAL COMPREHENSIVE 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 Sports and Entertainment Complex), 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 U.S. Department of Justice and the U.S. 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 39.

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 101.

	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 outflows expected to be used up and liabilities and deferred inflows that come due during the year or soon thereafter; no capital assets or long-term debt included	All assets, deferred outflows, liabilities, and deferred inflows, 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.

MUNICIPAL 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 \$632.5 million. This is a \$138.1 million increase over last year's net position. The following table provides a summary of the City's net position.

CITY OF MOBILE, ALABAMA

Net Position

September 30, 2021 and 2020

(amounts expressed in thousands)

	Governmental		Business-Type		Total		Amount	%
	2021	2020	2021	2020	2021	2020	Change	Change
Assets								
Current and other assets	\$333,703	\$241,343	\$18,295	\$24,989	\$351,998	\$266,332	\$85,666	32.17%
Net pension asset	-	-	88	-	88	-	88	100.00%
Capital assets(net)	759,965	723,825	80,081	80,771	840,046	804,596	35,450	4.41%
Total assets	1,093,668	965,168	98,464	105,760	1,192,132	1,070,928	121,204	11.32%
Total deferred outflows	99,105	93,354	4,323	5,208	103,428	98,562	4,866	4.94%
Total assets and deferred outflows	1,192,773	1,058,522	102,787	110,968	1,295,560	1,169,490	126,070	10.78%
Liabilities								
Current and other liabilities	90,232	76,232	4,338	2,774	94,570	79,006	15,564	19.70%
Long-term liabilities	490,162	532,541	5,410	9,845	495,572	542,386	(46,814)	(8.63%)
Total liabilities	580,394	608,773	9,748	12,619	590,142	621,392	(31,250)	(5.03%)
Total deferred inflows	65,785	48,322	7,165	5,432	72,950	53,754	19,196	35.71%
Total liabilities and deferred inflows	646,179	657,095	16,913	18,051	663,092	675,146	(12,054)	(1.79%)
Net Position								
Net investment in capital assets	576,332	524,266	80,081	80,771	656,413	605,037	51,376	8.49%
Restricted	38,477	32,622	-	-	38,477	32,622	5,855	17.95%
Unrestricted	(68,215)	(155,461)	5,793	12,146	(62,422)	(143,315)	80,893	(56.44%)
Total net position	\$546,594	\$401,427	\$85,874	\$92,917	\$632,468	\$494,344	\$138,124	27.94%



NET POSITION

NET INVESTMENT IN CAPITAL ASSETS

The largest portion of the City's net position (103.8%) 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 (6.1%) 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.

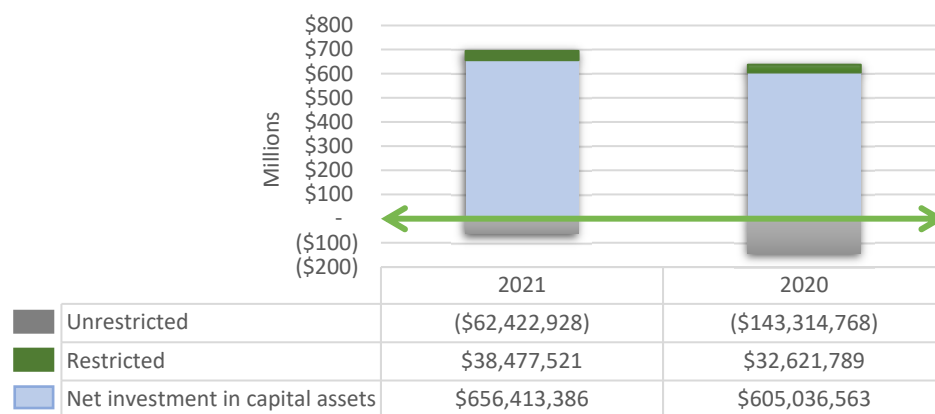
UNRESTRICTED

At the end of the current fiscal year unrestricted net position has a deficit balance of \$68.2 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 \$165.6 million as actuarially determined. An additional \$131.2 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 \$296.8 million.

The unrestricted net position for business-type activities has a balance of \$5.8 million which is a \$6.4 million decrease from the prior year. This decrease is due primarily to the following:

- A \$8.8 million decrease in the unrestricted net position of the Convention Center was related primarily to budgeted transfers to other funds.
- A \$1.6 million increase in the unrestricted net position of Emergency Medical Services primarily related to a decrease in net pension liability.
- 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, 2021 and 2020
(amounts expressed in thousands)

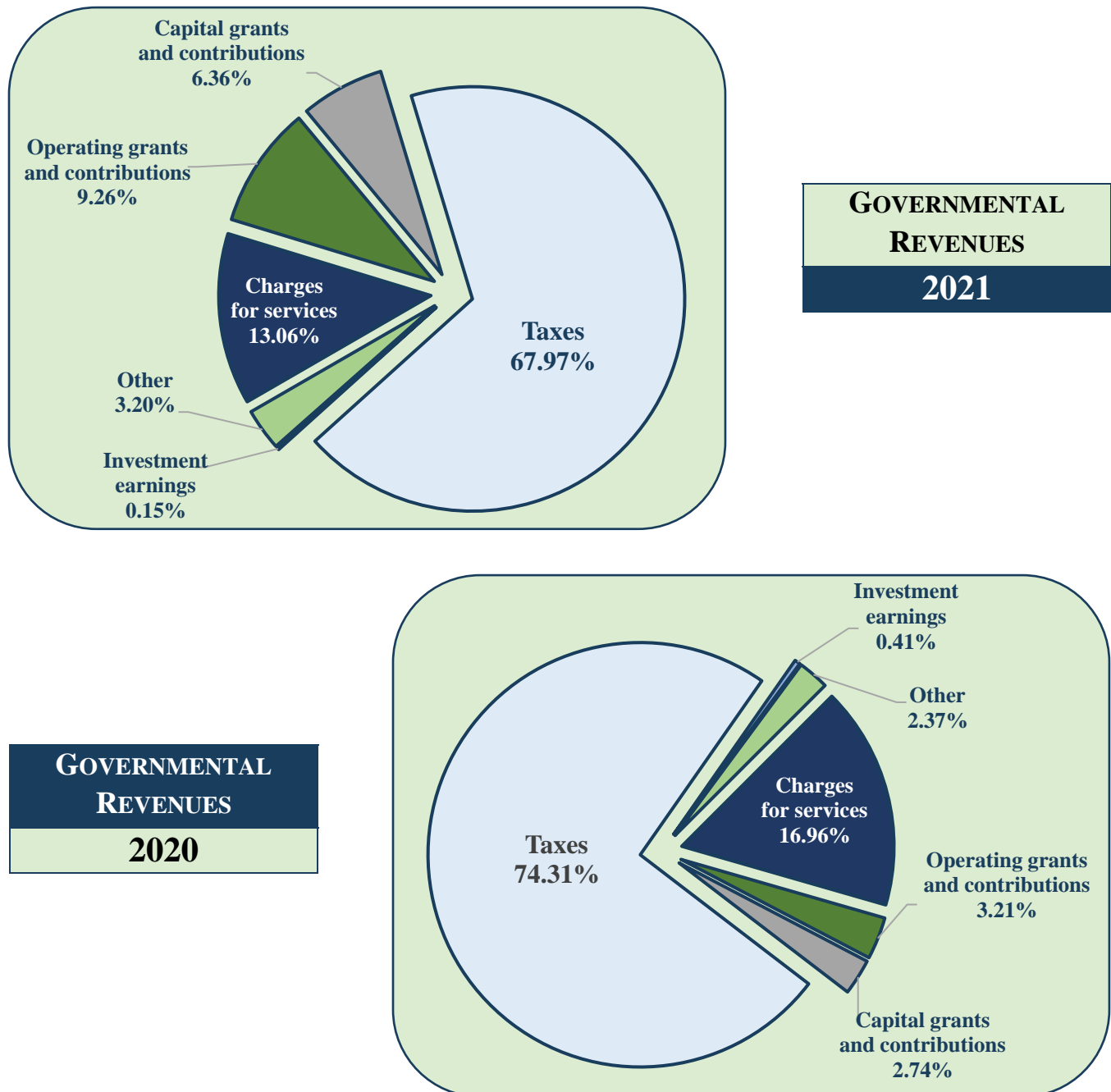
	Governmental		Business-Type		Total		Amount	%
	2021	2020	2021	2020	2021	2020	Change	Change
REVENUES								
Program revenues								
Charges for services	\$58,767	\$60,287	\$8,835	\$11,465	\$67,602	\$71,752	\$(4,150)	(5.78%)
Operating grants and contributions	41,693	11,405	5,532	6,778	47,225	18,183	29,042	159.72%
Capital grants and contributions	28,612	9,729	2,642	1,220	31,254	10,949	20,305	185.45%
General revenues								
Taxes	305,951	264,170	11,594	11,985	317,545	276,155	41,390	14.99%
Investment earnings	682	1,475	11	9	693	1,484	(791)	(53.30%)
Other	14,417	8,454	29	-	14,446	8,454	5,992	70.88%
Total revenues	450,122	355,520	28,643	31,457	478,765	386,977	91,788	23.72%
EXPENSES								
Governmental activities								
General government	87,542	63,001	-	-	87,542	63,001	24,541	38.95%
Culture and recreation	23,475	22,996	-	-	23,475	22,996	479	2.08%
Economic development	1,425	1,164	-	-	1,425	1,164	261	22.42%
Engineering, development and Build Mobile	20,846	14,609	-	-	20,846	14,609	6,237	42.69%
Finance	6,399	5,771	-	-	6,399	5,771	628	10.88%
Public safety	120,262	124,830	-	-	120,262	124,830	(4,568)	(3.66%)
Public works	37,777	33,243	-	-	37,777	33,243	4,534	13.64%
Interest on long-term debt	5,929	7,875	-	-	5,929	7,875	(1,946)	(24.71%)
Business-Type activities								
Azalea City Golf Course	-	-	1,788	1,646	1,788	1,646	142	8.63%
Civic Center	-	-	3,047	3,264	3,047	3,264	(217)	(6.65%)
Convention Center	-	-	9,021	8,425	9,021	8,425	596	7.07%
Cruise Terminal	-	-	1,523	2,080	1,523	2,080	(557)	(26.78%)
Emergency Medical Services	-	-	7,504	6,785	7,504	6,785	719	10.60%
Mobile Tennis Center	-	-	1,330	960	1,330	960	370	38.54%
Neighborhood Renewal Program	-	-	11	34	11	34	(23)	(67.65%)
Parking Garage	-	-	247	225	247	225	22	9.78%
Saenger Theater	-	-	1,113	1,066	1,113	1,066	47	4.41%
WAVE Transit System	-	-	11,402	11,847	11,402	11,847	(445)	(3.76%)
Total expenses	303,655	273,489	36,986	36,332	340,641	309,821	30,820	9.95%
Change in net position before transfers	146,467	82,031	(8,343)	(4,875)	138,124	77,156	60,968	79.02%
Transfers	(1,300)	(10,911)	1,300	10,911	-	-	-	-
Change in net position	145,167	71,120	(7,043)	6,036	138,124	77,156	60,968	79.02%
Net position - beginning	401,427	330,307	92,917	86,881	494,344	417,188	77,156	18.49%
Net position - ending	\$546,594	\$401,427	\$85,874	\$92,917	\$632,468	\$494,344	\$138,124	27.94%

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



GOVERNMENTAL REVENUES

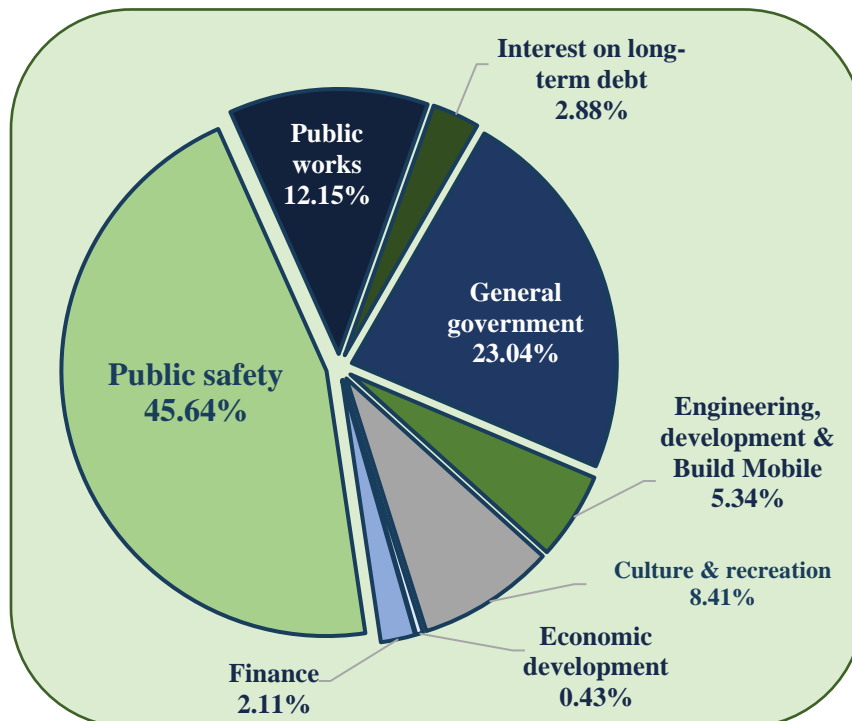
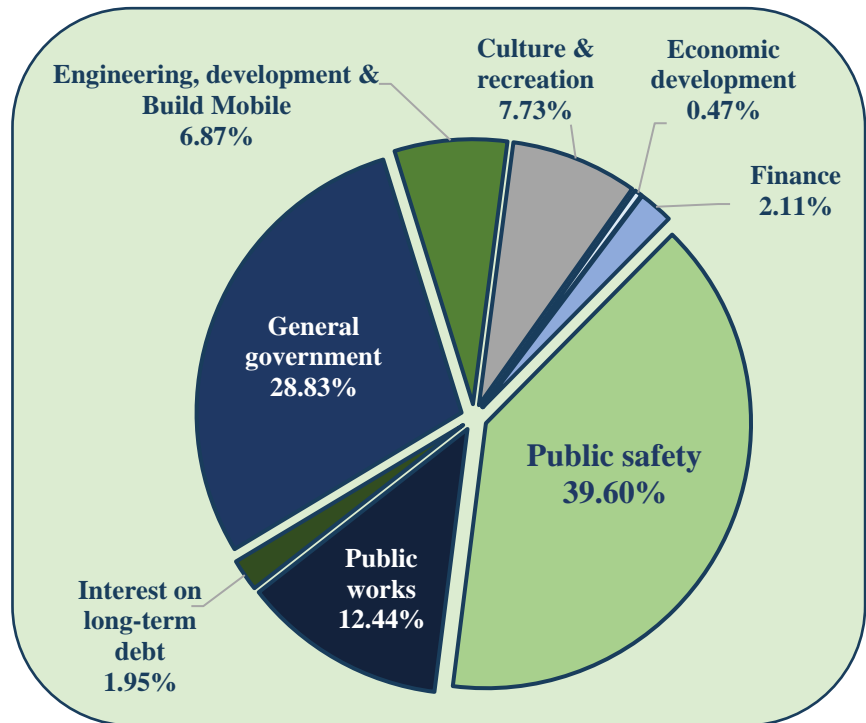
As graphically portrayed below, the City is heavily reliant on taxes to support governmental operations. Taxes provided 67.97% and 74.31% of the City's total governmental revenues in fiscal years 2021 and 2020, respectively.



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, jail, and municipal court expenses. Public safety accounted for 39.60% and 45.64% of the City's total governmental functional expenses in fiscal years 2021 and 2020, respectively.

2021

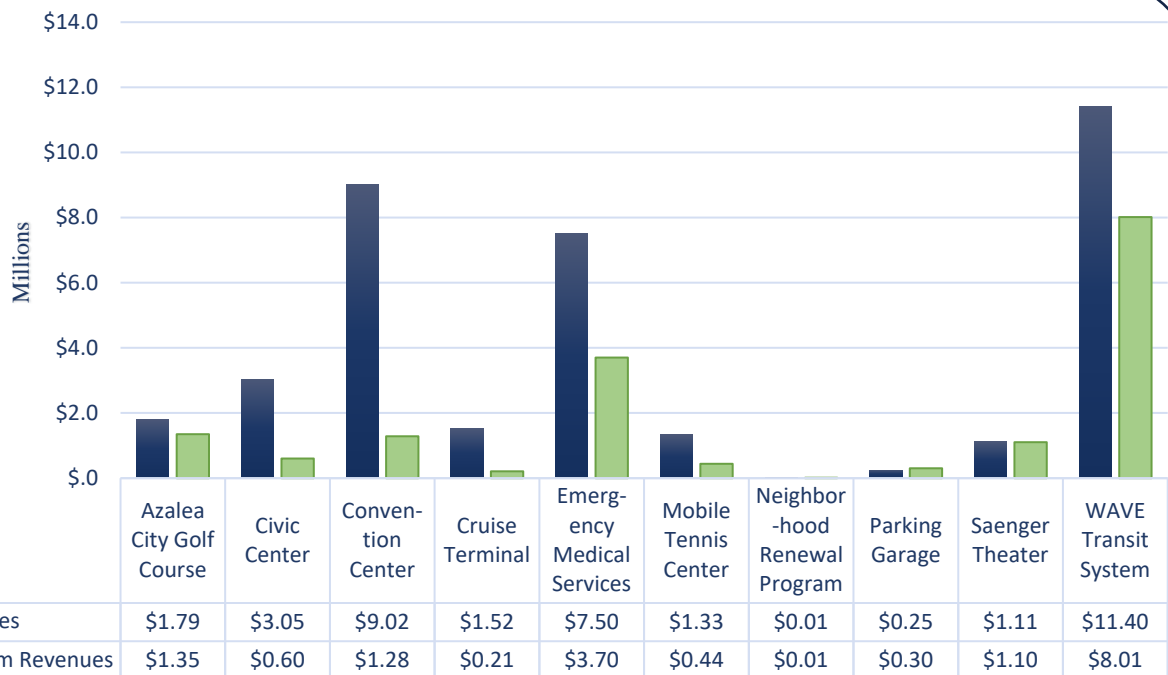


2020

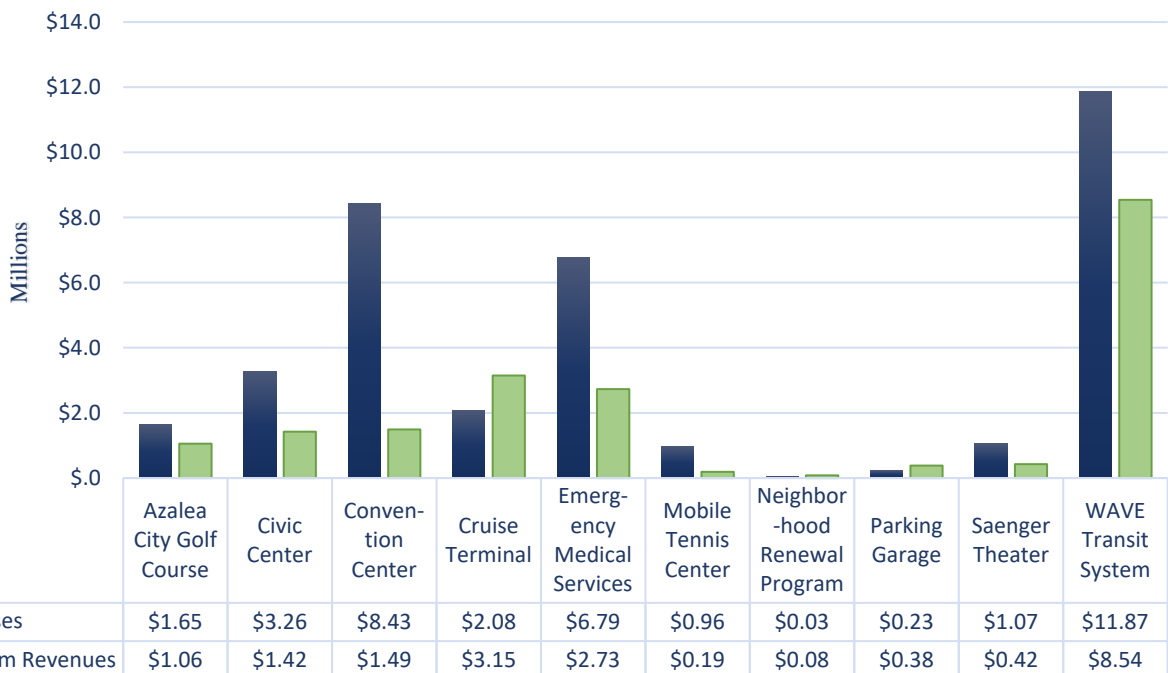


BUSINESS-TYPE ACTIVITIES PROGRAM REVENUES VS. EXPENSES

2021



2020



STATEMENT OF ACTIVITIES COMPARISON

GOVERNMENTAL ACTIVITIES

Governmental activities increased the City's net position by \$145.2 million. The key elements of this change are as follows:

- Excess expenses over revenue for governmental activities amounted to \$174.6 million dollars. This amount is exclusive of tax revenue, investment earnings and transfers which are considered general revenues.
- Investment earnings amounted to \$0.7 million which was a decrease of \$0.8 million from the prior year.
- Tax revenues amounted to \$306.0 million which was an increase of 41.8 million (15.8%) over the prior year and was due primarily to increased sales taxes.
- Other revenue amounted to \$14.4 million.
- Net transfers out of governmental activities totaled \$1.3 million.

Governmental activity total revenues increased \$94.6 million (26.6%) while expenses increased \$30.2 million (11.0%) from the prior year. The increase in revenues resulted from: the increase in tax revenues described above, \$17.1 million in capital asset contributions, and a \$31.9 million increase in state and federal assistance revenue largely related to grants funded in response to COVID-19 and Hurricanes Sally and Zeta.

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 decreased the City's total net position by \$7.0 million. Business-type activities are shown comparing costs to revenues generated by related services. The convention center, parking garage, and neighborhood renewal program business-type activities are self-supporting with user charges and other revenues designed to recover costs.

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

The convention center receives a portion of the room and sales tax to help cover its expenses. However, in the current year, the convention center decreased business-type net position by \$10.1 million, primarily due to transfers out to other funds.

The WAVE transit increased business-type net position by \$2.4 million, primarily due to a \$1.4 million increase in capital grants and contributions and a \$0.6 million decrease in operating expenses.

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 \$264.4 million, of which \$121.7 million is unassigned.



The nonspendable fund balance is \$2.8 million and stems from inventory and prepaid expenses. Restricted fund balance is \$20.8 million and comprises funds with constraints based on restrictions imposed by outside parties or constitutional provisions. Committed fund balance is \$17.7 million and comprises funds with constraints imposed by formal action of the City Council. Finally, assigned fund balance is \$101.3 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 \$78.7 million increase from the prior year. This is due to a \$39.2 million increase in the fund balance of the General Fund, an increase of \$35.0 million in the Capital Improvements Fund, a \$0.8 million decrease in Revitalizing Broad Street Grants Fund, a \$0.3 million increase in Hurricane Sally Grants Fund, and a \$4.9 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 increase in the

Capital Improvements Fund relates to a \$6.8 million increase in revenues, a \$6.7 million decrease in capital outlay expenditures, and a net increase of \$31.8 million in transfers into the fund. 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 \$39.2 million. See General Fund Budgetary Highlights and the preceding paragraph for more information.

The Capital Improvements Fund has an ending fund balance of \$94.6 million which includes a net increase of \$35.0 million. See the discussion above for the primary causes of the change.

The Revitalizing Broad Street, Hurricane Sally, and American Rescue Plan Grant Funds have a combined ending fund balance of \$3.9 million which relates to the timing of grant expenditures and receipts for the related programs.

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 decreased by \$7.0 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 decreased by \$0.5 million from the prior year, primarily due to increases in expenditures related to insurance payments and other operating costs.



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 \$64.8 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 \$39.2 million. See prior discussion related to governmental activities for additional information.
- Departmental expenditures were under budget by \$15.8 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 over budget by \$0.1 million.
- Total revenues were approximately \$41.8 million over budget while total expenditures were \$15.7 million under budget.

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

CAPITAL ASSETS

As of September 30, 2021, the City's net investment in capital assets for governmental and business-type activities was \$576.3 million and \$80.1 million, respectively, a total increase of \$51.4 million from 2020 for the City as a whole.

The City's Capital Improvements Fund had commitments for capital expenditures totaling \$48.2 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, 2021 and 2020 (amounts expressed in thousands)

	Governmental		Business-Type		Total		Amount Change	% Change
	2021	2020	2021	2020	2021	2020		
Non-depreciable capital assets								
Land	\$ 44,633	\$ 27,377	\$ 10,995	\$ 11,053	\$55,628	\$38,430	\$17,198	44.75%
Construction-in-progress	111,706	107,318	-	-	111,706	107,318	4,388	4.09%
Intangible assets	4,928	4,886	-	-	4,928	4,886	42	0.86%
Total non-depreciable capital assets	161,267	139,581	10,995	11,053	172,262	150,634	21,628	14.36%
Depreciable capital assets								
Buildings	143,746	143,859	126,442	126,463	270,188	270,322	(134)	(0.05%)
Improvements	146,215	134,653	18,390	18,339	164,605	152,992	11,613	7.59%
Vehicular	88,677	85,856	13,228	12,551	101,905	98,407	3,498	3.55%
Other equipment	49,438	47,455	5,608	6,322	55,046	53,777	1,269	2.36%
Infrastructure	592,468	569,987	-	-	592,468	569,987	22,481	3.94%
Total depreciable capital assets	1,020,544	981,810	163,668	163,675	1,184,212	1,145,485	38,727	3.38%
Less: accumulated depreciation	421,846	397,567	94,582	93,957	516,428	491,524	24,904	5.07%
Total depreciable capital assets, net	598,698	584,243	69,086	69,718	667,784	653,961	13,823	2.11%
Total capital assets, net	\$759,965	\$723,824	\$80,081	\$80,771	\$840,046	\$804,595	\$35,451	4.41%



LONG-TERM DEBT

As of September 30, 2021, the City had \$182.9 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 \$16.9 million. Interest payments on long-term debt totaled \$5.9 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 AA for S&P Global Ratings 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, 2021, the City's permissible debt limit exceeded actual debt by approximately \$629.9 million.

CITY OF MOBILE, ALABAMA

Outstanding Long-Term Debt

September 30, 2021 and 2020

(amounts expressed in thousands)

	Governmental		Business-Type		Total		Amount Change	% Change
	2021	2020	2021	2020	2021	2020		
Bonds and warrants, net	\$181,270	\$198,495	\$ -	\$ -	\$181,270	\$198,495	(\$17,225)	(8.68%)
Notes payable	1,660	2,325	-	-	1,660	2,325	(665)	(28.60%)
Total long-term debt	\$182,930	\$200,820	\$ -	\$ -	\$182,930	\$200,820	(\$17,890)	(8.91%)

ECONOMIC FACTORS

A temporary one-cent sales tax was implemented November 1, 2012 and has been extended through September 30, 2023.

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 suspended operations. Cruises from Mobile are tentatively set to resume in Spring 2022.

Significant economic activity in Mobile includes:

- Port of Alabama
 - \$366 million in funding for widening and deepening the port, making it the only port in the Gulf region with a 50-foot-deep channel.
 - Ongoing railroad infrastructure container expansion.
- Austal USA
 - 5 Littoral Combat Ships (LCS) and 12 Expeditionary Fast Transport Ships (EPF) currently under construction.
 - In 2021, completed construction of the USS Mobile for the U.S. Navy.
- SSAB
 - Mobile area steel producer to provide steel plates for Austal USA ship production.
- Airbus
 - Mobile manufacturing facility employs nearly 1200 people.
 - Airbus has a backlog of nearly 7000 planes worldwide, with the majority of orders being the A320, of which the Mobile facility manufactures.
- South Alabama Logistic Park (SALP)
 - Total expenditures of approximately \$70 million under construction.



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.



BASIC FINANCIAL STATEMENTS



BASIC FINANCIAL STATEMENTS

Picture on the prior page features Mardi Gras in Mobile.



CITY OF MOBILE, ALABAMA
Statement of Net Position
September 30, 2021

	Primary Government			Component
	Governmental	Business-Type	Total	Units
	Activities	Activities		
Assets				
Current assets:				
Cash, equity in pooled cash and investments	\$ 261,145,404	\$ 14,004,505	\$ 275,149,909	\$ 5,948,530
Restricted cash - capital purchases	82,880	-	82,880	41,263
Receivables, net	69,799,646	3,687,227	73,486,873	87,830
Internal balances	(172,898)	172,898	-	-
Inventory & prepaid expenses	2,847,612	430,127	3,277,739	97,206
Total current assets	333,702,644	18,294,757	351,997,401	6,174,829
Noncurrent assets:				
Investments	-	-	-	204,264
Net pension asset	-	88,266	88,266	1,961
Non-depreciable capital assets	161,266,303	10,995,592	172,261,895	1,356,928
Depreciable capital assets, net	598,699,009	69,085,475	667,784,484	768,556
Total noncurrent assets	759,965,312	80,169,333	840,134,645	2,331,709
Total assets	1,093,667,956	98,464,090	1,192,132,046	8,506,538
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amounts on refundings	1,936,861	-	1,936,861	-
Deferred pension outflows	55,377,186	4,323,145	59,700,331	882,687
Deferred OPEB outflows	41,791,302	-	41,791,302	-
Total deferred outflows	99,105,349	4,323,145	103,428,494	882,687
Total assets and deferred outflows	1,192,773,305	102,787,235	1,295,560,540	9,389,225
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	29,834,083	1,685,173	31,519,256	1,219,141
Pension employer contributions payable	17,489,843	676,384	18,166,227	-
Unearned revenue	19,418,700	1,852,070	21,270,770	22,500
Bonds and warrants payable, current portion	16,987,000	-	16,987,000	-
Notes payable, current portion	685,000	-	685,000	-
Compensated absences, current portion	1,706,288	124,605	1,830,893	52,267
Insurance claims, current portion	4,049,984	-	4,049,984	-
Landfill postclosure liability, current portion	60,679	-	60,679	-
Total current liabilities	90,231,577	4,338,232	94,569,809	1,293,908
Noncurrent liabilities:				
Bonds and warrants payable, long-term portion	164,282,684	-	164,282,684	-
Notes payable, long-term portion	975,000	-	975,000	-
Compensated absences, long-term portion	10,747,006	366,524	11,113,530	479,648
Self-insured liability - legal, long-term portion	368,198	-	368,198	-
Insurance claims, long-term portion	21,625,818	-	21,625,818	-
Landfill postclosure liability, long-term portion	340,866	-	340,866	-
Net pension liability	126,200,232	5,043,096	131,243,328	4,183,214
Postemployment benefits	165,622,313	-	165,622,313	-
Total noncurrent liabilities	490,162,117	5,409,620	495,571,737	4,662,862
Total liabilities	580,393,694	9,747,852	590,141,546	5,956,770
DEFERRED INFLOWS OF RESOURCES				
Deferred service concession arrangement receipts	-	3,252,551	3,252,551	-
Deferred pension inflows	7,793,661	3,913,118	11,706,779	553,740
Deferred OPEB inflows	57,991,685	-	57,991,685	-
Total deferred inflow of resources	65,785,346	7,165,669	72,951,015	553,740
Total liabilities and deferred inflows of resources	646,179,040	16,913,521	663,092,561	6,510,510
NET POSITION				
Net investment in capital assets	576,332,319	80,081,067	656,413,386	2,125,484
Restricted for:				
Capital projects	12,028,402	-	12,028,402	-
Debt service	500,666	-	500,666	-
Economic development	13,911,204	-	13,911,204	-
Grant programs	7,007,674	-	7,007,674	41,263
Law enforcement	1,301,687	-	1,301,687	-
Storm water management	3,727,888	-	3,727,888	-
Unrestricted	(68,215,575)	5,792,647	(62,422,928)	711,968
Total net position	\$ 546,594,265	\$ 85,873,714	\$ 632,467,979	\$ 2,878,715

See Accompanying Notes to the Financial Statements

CITY OF MOBILE, ALABAMA
Statement of Activities
For the Year Ended September 30, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 87,542,082	\$ 51,254,438	\$ 34,722,289	\$ 16,855,315
Culture and recreation	23,475,524	437,538	-	-
Economic development	1,424,648	-	-	1,977,938
Engineering, development & Build Mobile	20,846,093	1,996,121	3,909,264	8,445,613
Finance	6,399,116	-	-	-
Public safety	120,261,674	5,073,375	3,061,839	-
Public works	37,776,816	5,987	-	1,333,623
Interest on long-term debt	5,928,713	-	-	-
Total governmental activities	303,654,666	58,767,459	41,693,392	28,612,489
Business-type activities:				
Azalea City Golf Course	1,788,375	1,347,266	-	-
Civic Center	3,047,038	602,579	-	-
Convention Center	9,020,710	1,284,866	-	-
Cruise Terminal	1,522,515	209,722	-	-
Emergency Medical Services	7,503,715	3,699,345	-	-
Mobile Tennis Center	1,330,425	439,300	-	-
Neighborhood Renewal Program	11,189	11,390	-	-
Parking Garage	247,129	301,398	-	-
Saenger Theater	1,113,292	431,454	668,908	-
Wave Transit System	11,402,413	507,295	4,863,173	2,641,808
Total business-type activities	36,986,801	8,834,615	5,532,081	2,641,808
Total primary government	\$ 340,641,467	\$ 67,602,074	\$ 47,225,473	\$ 31,254,297
Component units:				
Solid Waste Disposal Authority	\$ 2,668,325	\$ -	\$ 2,566,786	\$ -
Mobile Public Library	8,919,807	249,543	399,880	579
Public Park and Recreation Board	875,893	413,925	-	850,000
Total component units	\$ 12,464,025	\$ 663,468	\$ 2,966,666	\$ 850,579

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			
Governmental Activities	Business-Type Activities	Total	Component Units
\$ 15,289,960	\$ -	\$ 15,289,960	\$ -
(23,037,986)	-	(23,037,986)	-
553,290	-	553,290	-
(6,495,095)	-	(6,495,095)	-
(6,399,116)	-	(6,399,116)	-
(112,126,460)	-	(112,126,460)	-
(36,437,206)	-	(36,437,206)	-
(5,928,713)	-	(5,928,713)	-
(174,581,326)	-	(174,581,326)	-
-	(441,109)	(441,109)	-
-	(2,444,459)	(2,444,459)	-
-	(7,735,844)	(7,735,844)	-
-	(1,312,793)	(1,312,793)	-
-	(3,804,370)	(3,804,370)	-
-	(891,125)	(891,125)	-
-	201	201	-
-	54,269	54,269	-
-	(12,930)	(12,930)	-
-	(3,390,137)	(3,390,137)	-
-	(19,978,297)	(19,978,297)	-
(174,581,326)	(19,978,297)	(194,559,623)	-
-	-	-	(101,539)
-	-	-	(8,269,805)
-	-	-	388,032
-	-	-	(7,983,312)
27,364,036	-	27,364,036	-
236,616,137	10,140,903	246,757,040	-
11,259,472	-	11,259,472	-
7,942,423	1,453,172	9,395,595	-
2,748,130	-	2,748,130	-
12,076,052	-	12,076,052	-
1,283,276	-	1,283,276	-
1,013,172	-	1,013,172	-
2,326,876	-	2,326,876	-
3,321,311	-	3,321,311	-
-	-	-	419,410
682,049	11,067	693,116	226,257
14,416,717	29,225	14,445,942	-
-	-	-	8,726,793
(1,300,475)	1,300,475	-	-
319,749,176	12,934,842	332,684,018	9,372,460
145,167,850	(7,043,455)	138,124,395	1,389,148
401,426,415	92,917,169	494,343,584	1,489,567
\$ 546,594,265	\$ 85,873,714	\$ 632,467,979	\$ 2,878,715



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GOVERNMENTAL FUNDS



GOVERNMENTAL FUNDS

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

General Fund

Capital Improvements Fund

Revitalizing Broad Street Grants

Hurricane Sally Grants

American Rescue Plan Grants

Picture on the prior page is courtesy of Jennifer Greene, Director of Program and Project Management. Picture features Jennifer's blind dog, Oscar (left), winner of the reader's choice category for Garden & Gun magazine's 2020 Good Dog Contest. As a local celebrity pup, Oscar was recognized by the City Council and was featured in the Mayor's newsletter. Oscar is joined by his good buddy Charles (right) while sporting Mardi Gras beads.





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CITY OF MOBILE, ALABAMA
Balance Sheet
Governmental Funds
September 30, 2021

	General Fund	Capital Improvements Fund	Revitalizing Broad Street Grants
ASSETS			
Cash, equity in pooled cash and investments	\$ 119,468,574	\$ 74,296,743	\$ -
Restricted cash	-	-	-
Receivables, net	30,213,328	6,524,970	13,534,708
Due from other funds	65,000	18,173,873	-
Inventory & prepaids	2,847,612	-	-
Total assets	<u>\$ 152,594,514</u>	<u>\$ 98,995,586</u>	<u>\$ 13,534,708</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 12,914,900	\$ 4,355,115	\$ 848,835
Pension employer contributions payable	6,859,044	-	-
Unearned revenue	397,239	-	-
Due to other funds	237,898	-	9,096,521
Compensated absences - terminated employees	284,381	-	-
Insurance claims payable	323,314	-	-
Escrowed funds liability	1,745,505	-	-
Total liabilities	<u>22,762,281</u>	<u>4,355,115</u>	<u>9,945,356</u>
FUND BALANCES			
Nonspendable	2,847,612	-	-
Restricted	-	-	3,589,352
Committed	-	-	-
Assigned	5,247,427	94,640,471	-
Unassigned	121,737,194	-	-
Total fund balances	<u>129,832,233</u>	<u>94,640,471</u>	<u>3,589,352</u>
 Total liabilities and fund balances	 <u>\$ 152,594,514</u>	 <u>\$ 98,995,586</u>	 <u>\$ 13,534,708</u>

See Accompanying Notes to the Financial Statements

Hurricane Sally Grants	American Rescue Plan Grants	Total Nonmajor Funds	Total Governmental Funds
\$ -	\$ 18,439,854	\$ 33,950,713	\$ 246,155,884
-	-	82,880	82,880
8,242,069	-	10,523,664	69,038,739
-	-	-	18,238,873
-	-	-	2,847,612
<u>\$ 8,242,069</u>	<u>\$ 18,439,854</u>	<u>\$ 44,557,257</u>	<u>\$ 336,363,988</u>
\$ 1,492,862	\$ -	\$ 5,251,356	\$ 24,863,068
-	-	88,574	6,947,618
-	18,439,854	581,608	19,418,701
6,445,344	-	2,632,007	18,411,770
-	-	-	284,381
-	-	-	323,314
-	-	-	1,745,505
<u>7,938,206</u>	<u>18,439,854</u>	<u>8,553,545</u>	<u>71,994,357</u>
-	-	-	2,847,612
303,863	-	16,943,158	20,836,373
-	-	17,694,131	17,694,131
-	-	1,366,423	101,254,321
-	-	-	121,737,194
<u>303,863</u>	<u>-</u>	<u>36,003,712</u>	<u>264,369,631</u>
<u>\$ 8,242,069</u>	<u>\$ 18,439,854</u>	<u>\$ 44,557,257</u>	<u>\$ 336,363,988</u>

CITY OF MOBILE, ALABAMA
Reconciliation of Balance Sheet
to the Statement of Net Position
September 30, 2021

Fund balances of governmental funds	\$264,369,631
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.

Capital assets - governmental activities	1,092,635,062	
Less accumulated depreciation	(368,465,244)	
		724,169,818

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Bonds and warrants payable	(181,269,684)	
Notes payable	(1,660,000)	
Deferred amounts on refundings	1,936,861	
		(180,992,823)

Other long-term items not reported in governmental funds:

Accrued interest payable	(808,577)	
Pension employer contributions payable	(10,540,091)	
Compensated absences	(12,168,914)	
Insurance claims payable	(23,242,388)	
Landfill postclosure liability	(401,545)	
Net pension liability	(126,200,232)	
Deferred pension outflows	55,377,186	
Deferred pension inflows	(7,793,661)	
Total OPEB liability	(165,622,313)	
Deferred OPEB inflows	(57,991,685)	
Deferred OPEB outflows	41,791,302	
Note receivable	115,000	
		(307,485,918)

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.

46,533,557

Net position of governmental activities	<u><u>\$546,594,265</u></u>
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See Accompanying Notes to the Financial Statements



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CITY OF MOBILE, ALABAMA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2021

	General Fund	Capital Improvements Fund	Revitalizing Broad Street Grants
REVENUES			
Taxes	\$ 244,482,099	\$ 46,724,629	\$ -
Licenses and permits	36,979,390	3,268,334	-
Intergovernmental	82,582	-	-
Charges for services	7,768,754	62,678	-
Fines and forfeitures	1,891,118	-	-
State and federal assistance	5,785,232	1,136,567	8,098,849
Investment income	649,450	-	-
Other revenue	445,766	14,327,095	-
Total revenues	<u>298,084,391</u>	<u>65,519,303</u>	<u>8,098,849</u>
EXPENDITURES			
Current:			
General government	14,075,756	-	-
Culture and recreation	13,666,124	-	-
Economic development	1,446,931	-	-
Engineering, development & build Mobile	13,684,834	-	8,853,656
Finance	5,922,149	-	-
Public safety	103,151,574	-	-
Public works	29,485,617	-	-
Non-departmental	50,727,843	-	-
Debt service:			
Administrative charges	-	11,715	-
Interest	5,285	-	-
Principal retirement	105,000	-	-
Interest Reimbursement	-	(85,273)	-
Capital outlay:			
Capital outlay	-	42,877,457	-
Total expenditures	<u>232,271,113</u>	<u>42,803,899</u>	<u>8,853,656</u>
Excess (deficiency) of revenues over expenditures	<u>65,813,278</u>	<u>22,715,404</u>	<u>(754,807)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from disposal of assets	62,877	37,117	-
Transfers in	8,684,153	35,710,322	-
Transfers out	(35,335,144)	(23,427,587)	-
Total other financing sources (uses)	<u>(26,588,114)</u>	<u>12,319,852</u>	<u>-</u>
Net change in fund balances	39,225,164	35,035,256	(754,807)
Fund balances - beginning	90,607,069	59,605,215	4,344,159
Fund balances - ending	<u>\$ 129,832,233</u>	<u>\$ 94,640,471</u>	<u>\$ 3,589,352</u>

See Accompanying Notes to the Financial Statements

Hurricane Sally Grants	American Rescue Plan Grants	Total Nonmajor Funds	Total Governmental Funds
\$ -	\$ -	\$ 14,744,157	\$ 305,950,885
-	-	-	40,247,724
-	-	-	82,582
-	-	11,000	7,842,432
-	-	511,331	2,402,449
6,343,661	10,661,779	20,954,172	52,980,260
-	-	32,598	682,048
177,080	-	939	14,950,880
<u>6,520,741</u>	<u>10,661,779</u>	<u>36,254,197</u>	<u>425,139,260</u>
6,216,878	10,661,779	10,656,659	41,611,072
-	-	-	13,666,124
-	-	-	1,446,931
-	-	4,265,813	26,804,303
-	-	-	5,922,149
-	-	3,938,826	107,090,400
-	-	4,425,123	33,910,740
-	-	-	50,727,843
-	-	65	11,780
-	-	6,754,268	6,759,553
-	-	16,755,000	16,860,000
-	-	(84,877)	(170,150)
-	-	2,637,172	45,514,629
<u>6,216,878</u>	<u>10,661,779</u>	<u>49,348,049</u>	<u>350,155,374</u>
<u>303,863</u>	<u>-</u>	<u>(13,093,852)</u>	<u>74,983,886</u>
-	-	-	99,994
-	-	24,593,054	68,987,529
-	-	(6,640,323)	(65,403,054)
-	-	17,952,731	3,684,469
<u>303,863</u>	<u>-</u>	<u>4,858,879</u>	<u>78,668,355</u>
<u>-</u>	<u>-</u>	<u>31,144,833</u>	<u>185,701,276</u>
<u>\$ 303,863</u>	<u>\$ -</u>	<u>\$ 36,003,712</u>	<u>\$ 264,369,631</u>

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, 2021

Net change in fund balances - total governmental funds	\$ 78,668,355
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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	39,785,043	
Less depreciation expense	(21,142,549)	
Contributions of capital assets are not reported as income in governmental funds	17,061,915	
Capital assets transferred from (to) business-type activities	173,045	
Gain (loss) on disposal of capital assets	(410,224)	
		35,467,230

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	16,195,000	
Principal payments - notes payable	665,000	
Amortization of deferred amounts on refundings	(434,118)	
Amortization of current year bond premium	1,030,798	
		17,456,680

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	142,633	
Change in long-term insurance claims	(1,166,946)	
Change in landfill post-closure liability	58,345	
Change in accrued interest	75,792	
Change in pension employer contributions payable	2,488,077	
Change in net pension liability	10,930,033	
Change in deferred pension inflows	644,704	
Change in deferred pension outflows	(3,171,319)	
Change in total OPEB liability	12,976,294	
Change in deferred OPEB inflows	(18,107,768)	
Change in deferred OPEB outflows	9,356,487	
Change in long-term notes receivable	(105,000)	
		14,121,332

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.

(545,747)

Change in net position of governmental activities	\$ 145,167,850
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See Accompanying Notes to the Financial Statements

PROPRIETARY FUNDS



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.

**Mobile Civic Center
WAVE Transit System
Mobile Convention Center
Emergency Medical Services**

Picture on the prior page features the commissioning of the USS Mobile. Featured left to right: Bradley Byrne, Commander Wolff, Rebecca Byrne, Mayor Sandy Stimpson.





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CITY OF MOBILE, ALABAMA
Statement of Net Position
Proprietary Funds
September 30, 2021

	Business-type Activities		
	Civic Center	Wave Transit System	Convention Center
ASSETS			
Current assets:			
Cash, equity in pooled cash and investments	\$ 1,001,402	\$ 186,288	\$ 9,039,194
Receivables, net	159,453	6,488	1,056,885
Due from other funds	-	237,898	-
Inventory & prepaids	54,894	186,252	42,044
Total current assets	1,215,749	616,926	10,138,123
Noncurrent assets:			
Net pension asset	-	88,266	-
Non-depreciable capital assets	224,350	2,418,237	4,999,575
Depreciable capital assets, net	4,609,376	16,028,004	28,373,920
Total noncurrent assets	4,833,726	18,534,507	33,373,495
Total assets	6,049,475	19,151,433	43,511,618
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension outflows	-	612,478	-
Total deferred outflows	-	612,478	-
Total assets and deferred outflows	6,049,475	19,763,911	43,511,618
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	379,879	253,990	395,207
Pension employer contributions payable	-	-	-
Unearned revenue	804,451	2,251	184,941
Due to other funds	-	65,000	-
Compensated absences - terminated employees	-	124,605	-
Insurance claims payable	-	-	-
Total current liabilities	1,184,330	445,846	580,148
Noncurrent liabilities:			
Compensated absences - terminated employees	-	366,524	-
Self-insured legal liability	-	-	-
Net pension liability	-	-	-
Total noncurrent liabilities	-	366,524	-
Total liabilities	1,184,330	812,370	580,148
DEFERRED INFLOWS OF RESOURCES			
Deferred service concession arrangement receipts	-	-	-
Deferred pension inflows	-	3,402,554	-
Total deferred inflow of resources	-	3,402,554	-
Total liabilities and deferred inflows of resources	1,184,330	4,214,924	580,148
NET POSITION			
Net investment in capital assets	4,833,726	18,446,241	33,373,495
Unrestricted	31,419	(2,897,254)	9,557,975
Total net position	\$ 4,865,145	\$ 15,548,987	\$ 42,931,470

See Accompanying Notes to the Financial Statements

Business-type Activities			Governmental Activities
Emergency Medical Services	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
\$ -	\$ 3,777,621	\$ 14,004,505	\$ 14,989,520
2,258,755	205,646	3,687,227	645,907
-	-	237,898	-
-	146,937	430,127	-
2,258,755	4,130,204	18,359,757	15,635,427
-	-	88,266	-
-	3,353,430	10,995,592	3,397,782
534,555	19,539,620	69,085,475	32,397,712
534,555	22,893,050	80,169,333	35,795,494
2,793,310	27,023,254	98,529,090	51,430,921
3,710,667	-	4,323,145	-
3,710,667	-	4,323,145	-
6,503,977	27,023,254	102,852,235	51,430,921
297,801	358,296	1,685,173	2,416,930
651,434	24,950	676,384	2,136
1,407	859,020	1,852,070	-
-	-	65,000	-
-	-	124,605	-
-	-	-	2,110,100
950,642	1,242,266	4,403,232	4,529,166
-	-	366,524	-
-	-	-	368,198
5,043,096	-	5,043,096	-
5,043,096	-	5,409,620	368,198
5,993,738	1,242,266	9,812,852	4,897,364
-	3,252,551	3,252,551	-
510,564	-	3,913,118	-
510,564	3,252,551	7,165,669	-
6,504,302	4,494,817	16,978,521	4,897,364
534,555	22,893,050	80,081,067	35,795,494
(534,880)	(364,613)	5,792,647	10,738,063
\$ (325)	\$ 22,528,437	\$ 85,873,714	\$ 46,533,557

CITY OF MOBILE, ALABAMA
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended September 30, 2021

	Business-Type Activities		
	Civic Center	Wave Transit System	Convention Center
OPERATING REVENUES			
Charges for services	\$ 333,140	\$ 418,586	\$ 513,745
Internal charges	-	-	-
Employee contributions	-	-	-
Facility rent	117,208	-	271,465
Sales revenue	-	-	-
Parking fees	56,778	-	53,187
Concessions	53,353	-	389,807
Other revenue	42,100	88,709	56,662
Total operating revenues	602,579	507,295	1,284,866
OPERATING EXPENSES			
Personnel services	1,622,896	6,553,735	2,553,683
Commodities	49,357	1,409,992	195,262
Utilities	646,237	148,015	562,046
Professional and technical	247,726	634,460	3,110,220
Maintenance and repairs	2,316	-	56,384
Printing and reproduction	4,723	-	165
Insurance payments	242,038	679,706	474,920
Event expenses	4,928	-	34,595
Cost of goods sold	-	-	-
Increase (decrease) in provision for self-insurance loss	-	-	-
Other charges	44,197	174,430	678,290
Depreciation	182,621	1,676,569	1,355,145
Total operating expenses	3,047,039	11,276,907	9,020,710
Operating income (loss)	(2,444,460)	(10,769,612)	(7,735,844)
NONOPERATING REVENUES (EXPENSES)			
Taxes	-	-	11,594,075
State and federal assistance	-	4,863,173	-
Investment income	-	9,290	-
Damaged vehicles reimbursement	-	-	-
Gain (loss) from disposal of assets	-	(96,276)	-
Total nonoperating revenues (expenses)	-	4,776,187	11,594,075
Income (loss) before contributions and transfers	(2,444,460)	(5,993,425)	3,858,231
Capital grants and contributions	-	2,641,808	-
Transfer of capital assets	-	-	-
Transfers in	2,319,838	5,709,372	-
Transfers out	-	-	(13,966,189)
Change in net position	(124,622)	2,357,755	(10,107,958)
Total net position - beginning	4,989,767	13,191,232	53,039,428
Total net position - ending	\$ 4,865,145	\$ 15,548,987	\$ 42,931,470

See Accompanying Notes to the Financial Statements

Business-Type Activities			Governmental Activities
Emergency Medical Services	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
\$ 3,694,011	\$ 1,993,268	\$ 6,952,750	\$ 1,432,524
-	-	-	36,956,800
-	-	-	7,299,676
-	357,208	745,881	-
-	290,710	290,710	-
-	-	109,965	-
-	42,972	486,132	-
5,334	56,372	249,177	-
<u>3,699,345</u>	<u>2,740,530</u>	<u>8,834,615</u>	<u>45,689,000</u>
5,291,374	2,860,505	18,882,193	191,270
550,675	379,456	2,584,742	3,915,333
26,555	534,745	1,917,598	44,498
254,065	429,663	4,676,134	2,790,255
87,690	125,049	271,439	-
151	13,786	18,825	6,469
-	287,329	1,683,993	26,908,928
-	-	39,523	-
-	209,790	209,790	-
-	-	-	(78,600)
1,251,229	182,019	2,330,165	1,366,265
41,977	1,000,518	4,256,830	6,035,724
<u>7,503,716</u>	<u>6,022,860</u>	<u>36,871,232</u>	<u>41,180,142</u>
<u>(3,804,371)</u>	<u>(3,282,330)</u>	<u>(28,036,617)</u>	<u>4,508,858</u>
-	-	11,594,075	-
-	668,908	5,532,081	86,220
-	1,777	11,067	-
-	-	-	61,625
-	9,932	(86,344)	(144,455)
<u>-</u>	<u>680,617</u>	<u>17,050,879</u>	<u>3,390</u>
(3,804,371)	(2,601,713)	(10,985,738)	4,512,248
-	-	2,641,808	-
(173,045)	-	(173,045)	-
6,165,177	1,573,822	15,768,209	2,942,005
(328,500)	-	(14,294,689)	(8,000,000)
<u>1,859,261</u>	<u>(1,027,891)</u>	<u>(7,043,455)</u>	<u>(545,747)</u>
<u>(1,859,586)</u>	<u>23,556,328</u>	<u>92,917,169</u>	<u>47,079,304</u>
<u>\$ (325)</u>	<u>\$ 22,528,437</u>	<u>\$ 85,873,714</u>	<u>\$ 46,533,557</u>

CITY OF MOBILE, ALABAMA
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2021

	Business-Type Activities		
	Civic Center	Wave Transit System	Convention Center
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers and users	\$ 333,140	\$ 511,717	\$ 513,745
Cash received from sales revenue	-	-	-
Cash received from internal billings	-	-	-
Cash received from employee contributions	-	-	-
Cash received from facility & other rent	4,780	-	395,599
Cash received from parking fees	56,778	-	53,187
Cash received from concessions	53,353	-	389,807
Cash received from miscellaneous	657,351	-	56,662
Cash payments for operating expenses	(1,160,416)	(3,014,069)	(5,096,986)
Cash payments for insurance claims	-	-	-
Cash payments for internal services	(32,427)	-	(22,543)
Cash payments to employees for services	(1,539,731)	(7,412,348)	(2,440,667)
Net cash provided (used) by operating activities	<u>(1,627,172)</u>	<u>(9,914,700)</u>	<u>(6,151,196)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Taxes	-	-	11,594,075
Non-capital grants and contributions	-	4,863,173	-
Transfers in from other funds	2,319,838	5,003,268	-
Transfers out to other funds	-	-	(13,966,189)
Net cash provided (used) by noncapital financing activities	<u>2,319,838</u>	<u>9,866,441</u>	<u>(2,372,114)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	-	(3,302,261)	(50,720)
Proceeds from sale of capital assets	-	34,941	-
Reimbursement for damaged vehicles	-	-	-
Capital grants and contributions	-	3,302,261	-
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>34,941</u>	<u>(50,720)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income received	-	9,290	-
Net cash provided (used) by investing activities	<u>-</u>	<u>9,290</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	<u>692,666</u>	<u>(4,028)</u>	<u>(8,574,030)</u>
Balances - beginning of year	<u>308,736</u>	<u>190,316</u>	<u>17,613,224</u>
Balances - end of the year	<u>\$ 1,001,402</u>	<u>\$ 186,288</u>	<u>\$ 9,039,194</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating Income	\$ (2,444,460)	\$ (10,769,612)	\$ (7,735,844)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	182,621	1,676,569	1,355,145
Non-cash items included in operating income	-	(846,189)	-
Changes in assets and liabilities:			
Accounts payable	50,743	57,533	(42,655)
Accounts receivable	(112,427)	4,422	(15,115)
Self-insurance liability	-	-	-
Insurance claims payable	-	-	-
Compensated absences	-	(16,436)	-
Inventory and prepaids	(2,065)	(24,999)	35,008
Salary and benefits payable	83,165	4,012	113,016
Advance collections	615,251	-	139,249
Net cash provided (used) by operating activities	<u>\$ (1,627,172)</u>	<u>\$ (9,914,700)</u>	<u>\$ (6,151,196)</u>

See Accompanying Notes to the Financial Statements

Business-Type Activities			Governmental Activities
Emergency Medical Services	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
\$ 3,066,691	\$ 1,977,512	\$ 6,402,805	\$ 1,026,730
-	278,570	278,570	-
-	-	-	36,956,800
-	-	-	7,299,676
-	364,223	764,602	-
-	-	109,965	-
-	42,972	486,132	-
-	539,926	1,253,939	-
(1,200,333)	(2,071,539)	(12,543,343)	(6,902,264)
-	-	-	(27,481,295)
(1,672,022)	(228,924)	(1,955,916)	-
(5,597,411)	(2,615,476)	(19,605,633)	(188,542)
(5,403,075)	(1,712,736)	(24,808,879)	10,711,105
-	-	11,594,075	-
-	668,908	5,532,081	-
6,165,177	1,573,822	15,062,105	2,942,005
(328,500)	-	(14,294,689)	(8,000,000)
5,836,677	2,242,730	17,893,572	(5,057,995)
(453,289)	(70,802)	(3,877,072)	(7,105,953)
-	15,514	50,455	252,138
-	-	-	61,625
-	-	3,302,261	86,220
(453,289)	(55,288)	(524,356)	(6,705,970)
-	1,777	11,067	-
-	1,777	11,067	-
(19,687)	476,483	(7,428,596)	(1,052,860)
19,687	3,301,138	21,433,101	16,042,380
\$ -	\$ 3,777,621	\$ 14,004,505	\$ 14,989,520
\$ (3,804,371)	\$ (3,282,330)	\$ (28,036,617)	\$ 4,508,858
41,977	1,000,518	4,256,830	6,035,724
(950,986)	-	(1,797,175)	-
(43,312)	95,439	117,748	648,189
(633,700)	81,159	(675,661)	(405,794)
-	-	-	(307,500)
-	-	-	228,900
-	-	(16,436)	-
-	(20,547)	(12,603)	-
(13,730)	31,512	217,975	2,728
1,047	381,513	1,137,060	-
\$ (5,403,075)	\$ (1,712,736)	\$ (24,808,879)	\$ 10,711,105



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COMPONENT UNITS



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 Sports and Entertainment Complex)
Solid Waste Disposal Authority**

Picture on the prior page features “An Evening of Dance, Poetry, & Film” presented at Davidson H.S.; INNERGY dance company, Powerlines Poets each presented original works inspired by the work and life of Gordon Parks. This event was in association with the Mobile Museum of Art’s exhibit “Gordon Parks: Segregation Story in Mobile.” This was a one-year exhibit on display from January through December 2021.



CITY OF MOBILE, ALABAMA
Statement Net Position
Component Units
September 30, 2021

	Solid Waste Disposal Authority	Mobile Public Library	Public Park and Recreation Board	Total Component Units
ASSETS				
Current assets:				
Cash, equity in pooled cash and investments	\$ -	\$ 5,792,761	\$ 155,769	\$ 5,948,530
Restricted cash - capital purchases	-	-	41,263	41,263
Receivables, net	-	29,931	57,899	87,830
Inventory & prepaid expenses	-	75,972	21,234	97,206
Total current assets	-	5,898,664	276,165	6,174,829
Noncurrent assets:				
Investments	-	-	204,264	204,264
Land	248,225	-	-	248,225
Construction-in-progress	-	-	1,108,703	1,108,703
Buildings	-	-	1,174,818	1,174,818
Vehicular equipment	-	201,081	-	201,081
Other equipment	-	4,088,906	727,590	4,816,496
Accumulated depreciation	-	(3,871,605)	(1,552,234)	(5,423,839)
Net pension asset	-	-	1,961	1,961
Total noncurrent assets	248,225	418,382	1,665,102	2,331,709
Total assets	248,225	6,317,046	1,941,267	8,506,538
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pension outflows	-	872,799	9,888	882,687
Total deferred outflows	-	872,799	9,888	882,687
Total assets and deferred outflows	248,225	7,189,845	1,951,155	9,389,225
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	317,019	861,427	40,695	1,219,141
Unearned revenue	-	-	22,500	22,500
Compensated absences, current portion	-	52,267	-	52,267
Total current liabilities	317,019	913,694	63,195	1,293,908
Noncurrent liabilities:				
Compensated absences, long-term portion	-	479,648	-	479,648
Net pension liability	-	4,183,214	-	4,183,214
Total noncurrent liabilities	-	4,662,862	-	4,662,862
Total liabilities	317,019	5,576,556	63,195	5,956,770
DEFERRED INFLOWS OF RESOURCES				
Deferred pension inflows	-	535,283	18,457	553,740
Total deferred inflow of resources	-	535,283	18,457	553,740
Total liabilities and deferred inflows of resources	317,019	6,111,839	81,652	6,510,510
NET POSITION				
Net investment in capital assets	248,225	418,382	1,458,877	2,125,484
Restricted for:				
Grant programs	-	-	41,263	41,263
Unrestricted	(317,019)	659,624	369,363	711,968
Total net position	\$ (68,794)	\$ 1,078,006	\$ 1,869,503	\$ 2,878,715

See Accompanying Notes to the Financial Statements

CITY OF MOBILE, ALABAMA
Statement of Activities
Component Units
For the Year Ended September 30, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Solid Waste Disposal Authority				
Public works	\$ 2,668,325	\$ -	\$ 2,566,786	\$ -
Total Solid Waste Disposal Authority	2,668,325	-	2,566,786	-
Mobile Public Library				
Culture and recreation	8,919,807	249,543	399,880	579
Total Mobile Public Library	8,919,807	249,543	399,880	579
Public Park and Recreation Board				
Culture and recreation	875,893	413,925	-	850,000
Total Public Park and Recreation Board	875,893	413,925	-	850,000
Total component units	<u>\$ 12,464,025</u>	<u>\$ 663,468</u>	<u>\$ 2,966,666</u>	<u>\$ 850,579</u>

General revenues:

Grants and contributions not restricted to specific programs

Investment income

Other

Payments from local governments

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			
Solid Waste Disposal Authority	Mobile Public Library	Public Park and Recreation Board	Total
\$ (101,539)	\$ -	\$ -	\$ (101,539)
(101,539)	-	-	(101,539)
-	(8,269,805)	-	(8,269,805)
-	(8,269,805)	-	(8,269,805)
-	-	388,032	388,032
-	-	388,032	388,032
(101,539)	(8,269,805)	388,032	(7,983,312)
-	419,410	-	419,410
-	223,248	3,009	226,257
-	-	-	-
-	8,726,793	-	8,726,793
-	9,369,451	3,009	9,372,460
(101,539)	1,099,646	391,041	1,389,148
32,745	(21,640)	1,478,462	1,489,567
\$ (68,794)	\$ 1,078,006	\$ 1,869,503	\$ 2,878,715



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NOTES TO THE FINANCIAL STATEMENTS



NOTES TO THE FINANCIAL STATEMENTS

Picture on the prior page features the annual “Tunnel to Towers 5K Run & Walk.”



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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. This fund is budgeted annually to fund projects which are typically expended over multiple fiscal years. Therefore, the budgeted appropriations for this fund do not lapse at the fiscal year end.
- **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.



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.
- 2020 General Obligation Warrants - This fund is used to service the debt outstanding on the General Obligation Warrants, Series 2020.



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. Special Revenue Funds used by the City are as follows:

- **Revitalizing Broad Street Grants** - This fund is considered a major governmental fund and is used to account for activities funded by federal, state, local, and private grants received which are related to the Revitalizing Broad Street project. This fund does not have a legally adopted annual budget. Therefore, a budgetary comparison schedule is not presented.
- **Hurricane Sally Grants** - This fund is considered a major governmental fund and 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. This fund does not have a legally adopted annual budget. Therefore, a budgetary comparison schedule is not presented.
- **American Rescue Plan Grants** - This fund is considered a major governmental fund and is used to account for activities funded by federal grants received which are funded by the American Rescue Plan Act of 2021. This fund does not have a legally adopted annual budget. Therefore, a budgetary comparison schedule is not presented.
- **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.
- **Restore Act Grants** - This fund is used to account for activities funded by federal grants received which are funded by the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States (RESTORE) Act.
- **Hurricane Zeta Grants** - This fund is used to account for activities funded by federal, state, local, and private grants received which are related to the Hurricane Zeta disaster in October 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.
- **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.



- 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.
- Municipal 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.
- 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 most of its revenues from course and cart rentals, sales, and memberships.
- 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 implemented significant changes to operations for the second half of fiscal year 2020 through the end 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. In fiscal year 2020 the City experienced declines in selected taxes and other revenues related to this industry but those revenues have started to rebound in fiscal year 2021. The City has continued to see declines in investment earnings and certain charges for services during fiscal year 2021. 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 further 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 10).
- 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 9 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 Annual Comprehensive 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. 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 were implemented in the Fiscal Year Ended September 30, 2021.

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 were implemented in the Fiscal Year Ended September 30, 2021.

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

The requirements of the Statement except for the requirements of Paragraphs 13 and 14 were implemented in the Fiscal Year Ended September 30, 2021.



GASB Statement No. 98, *The Annual Comprehensive Financial Report*

This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments.

This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. This Statement's introduction of the new term is founded on a commitment to promoting inclusiveness.

The requirements of this Statement are effective for fiscal years ending after December 15, 2021 (Fiscal Year Ending September 30, 2022). These requirements were implemented in the Fiscal Year Ended September 30, 2021.

Future adoption of GASB pronouncements that have been issued but are not yet effective at September 30, 2021: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).

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. 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. 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).

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, 2021. 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 \$649,348 to Mobile County Emergency Management Agency during the fiscal year ended September 30, 2021. 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 \$1,175,294 to the Mobile County Personnel Board during the fiscal year ended September 30, 2021. 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 \$8,764,741 to Mobile County during the fiscal year ended September 30, 2021 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, 2021, the City contributed \$3,254,477 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, 2021, 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, 2021. At year-end, the carrying amount of the City's cash and cash equivalent deposits was \$250,314,139 and the bank balance was \$255,449,018. Of the total bank balance, \$4,040,631 was covered by Federal Depository Insurance and \$251,325,507 was covered under the SAFE program. The City also held investments totaling \$24,918,650 (plus \$34,986 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, 2021, 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	\$ 2,074,973	\$ 485,876	\$ 6,284,306	\$ 8,845,155
US Government Mortgage Backed Securities	-	533,497	-	533,497
Federal Agency	967,261	2,536,826	448,928	3,953,015
Certificates of Deposit	2,005,361	-	499,856	2,505,217
Repurchase Agreement	9,116,752	-	-	9,116,752
Total Fair Value*	<u>\$ 14,164,347</u>	<u>\$ 3,556,199</u>	<u>\$ 7,233,090</u>	<u>\$ 24,953,636</u>

*Includes accrued interest receivable totaling \$34,986

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, 2021:

Investment Category	Assets at Fair Value			
	Level 1	Level 2	Level 3	Total
US Treasury	\$ -	\$ 8,845,155	\$ -	\$ 8,845,155
US Government Mortgage Backed Securities		533,497		533,497
Federal Agency	-	3,953,015	-	3,953,015
Certificates of Deposit	-	2,505,217	-	2,505,217
Repurchase Agreement	-	9,116,752	-	9,116,752
Total Fair Value*	<u>\$ -</u>	<u>\$ 24,953,636</u>	<u>\$ -</u>	<u>\$ 24,953,636</u>

*Includes accrued interest receivable totaling \$34,986

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, 2020.

- US Treasury, US Government Mortgage Backed Securities, 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, 2021, 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, 2021, consist of the following:

	Governmental Activities	Business-Type Activities	Total Primary Government
Receivables			
Taxes	\$ 27,636,427	\$ 998,411	\$ 28,634,838
Customers and other	4,662,953	5,295,100	9,958,053
Other governmental units	39,897,316	-	39,897,316
Gross receivables	72,196,696	6,293,511	78,490,207
Allowance for uncollectibles	(2,397,050)	(2,606,284)	(5,003,334)
Net receivables	<u>\$ 69,799,646</u>	<u>\$ 3,687,227</u>	<u>\$ 73,486,873</u>

Substantially all receivables are due in fiscal year 2022.



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, 2021, are as detailed in the following schedule:

	Transfers In	Transfers Out
Major Governmental Funds		
General Fund		
Capital Improvements Fund	\$ -	\$ 16,814,196
Other Governmental Funds	684,153	310,734
Internal Service Funds	8,000,000	2,942,005
Mobile Civic Center	-	2,319,838
WAVE Transit	-	5,209,372
Emergency Medical Services	-	6,165,177
Other Enterprise Funds	-	1,573,822
Total General Fund	<u>8,684,153</u>	<u>35,335,144</u>
Capital Improvements Fund		
General Fund	16,814,196	-
Other Governmental Funds	4,601,437	22,927,587
WAVE Transit	-	500,000
Emergency Medical Services	328,500	-
Mobile Convention Center	13,966,189	-
Total Capital Improvements Fund	<u>35,710,322</u>	<u>23,427,587</u>
Other Governmental Funds		
General Fund	310,734	684,153
Capital Improvements Fund	22,927,587	4,601,437
Other Governmental Funds	1,354,733	1,354,733
Total Other Governmental Funds	<u>24,593,054</u>	<u>6,640,323</u>
Internal Service Funds		
General Fund	<u>2,942,005</u>	<u>8,000,000</u>
Total Internal Service Funds	<u>2,942,005</u>	<u>8,000,000</u>
Major Enterprise Funds		
Mobile Civic Center		
General Fund	<u>2,319,838</u>	<u>-</u>
Total Mobile Civic Center	<u>2,319,838</u>	<u>-</u>
Mobile Convention Center		
Capital Improvements Fund	<u>-</u>	<u>13,966,189</u>
Total Mobile Convention Center	<u>-</u>	<u>13,966,189</u>
WAVE Transit		
General Fund	5,209,372	-
Capital Improvements Fund	500,000	-
Total WAVE Transit	<u>5,709,372</u>	<u>-</u>
Emergency Medical Services		
General Fund	6,165,177	-
Capital Improvements Fund	-	328,500
Total Emergency Medical Services	<u>6,165,177</u>	<u>328,500</u>
Other Enterprise Funds		
General Fund	<u>1,573,822</u>	<u>-</u>
Total Other Enterprise Fund	<u>1,573,822</u>	<u>-</u>
Total Transfers	<u>\$ 87,697,743</u>	<u>\$ 87,697,743</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, 2021, are detailed in the following schedule. Substantially all interfund balances are expected to be repaid within one year.

	Due From Other Funds	Due To Other Funds
Major Governmental Funds		
General Fund		
WAVE Transit	\$ 65,000	\$ 237,898
Total General Fund	65,000	237,898
Capital Improvements Fund		
Revitalizing Broad Street Grants	9,096,521	-
Hurricane Sally Grants	6,445,344	-
Other Governmental Funds	2,632,007	-
Total Capital Improvements Fund	18,173,872	-
Revitalizing Broad Street Grants		
Capital Improvements Fund	-	9,096,521
Total Revitalizing Broad Street Grants	-	9,096,521
Hurricane Sally Grants		
Capital Improvements Fund	-	6,445,344
Total Hurricane Sally Grants	-	6,445,344
Other Governmental Funds		
Other Governmental Funds	-	2,632,007
Total Other Governmental Funds	-	2,632,007
Major Enterprise Funds		
WAVE Transit		
General Fund	237,898	65,000
Total WAVE Transit	237,898	65,000
Total Interfund Balances	\$ 18,476,770	\$ 18,476,770

NOTE 7 - CAPITAL ASSETSGovernmental Activities

The following is a summary of changes in capital assets for the year ended September 30, 2021:

	Balance, Beginning	Additions	Deductions	Balance, Ending
Capital assets, not depreciated				
Land	\$ 27,376,950	\$ 17,543,829	\$ 288,000	\$ 44,632,779
Construction in progress	107,318,276	39,816,112	35,428,617	111,705,771
Intangible assets	4,886,203	41,550	-	4,927,753
Subtotal	<u>\$139,581,429</u>	<u>\$ 57,401,491</u>	<u>\$ 35,716,617</u>	<u>\$ 161,266,303</u>



	Balance, Beginning	Additions	Deductions	Balance, Ending
Capital assets, depreciated				
Buildings	\$ 143,858,672	\$ 87,854	\$ 200,098	\$ 143,746,428
Improvements other than buildings	134,653,395	11,561,818	-	146,215,213
Vehicular equipment	85,856,095	5,841,237	3,020,150	88,677,182
Other equipment	47,454,154	2,182,270	198,391	49,438,033
Infrastructure	569,988,199	22,479,905	-	592,468,104
Subtotal	981,810,515	42,153,084	3,418,639	1,020,544,960
Accumulated Depreciation				
Buildings	45,340,603	2,874,597	94,046	48,121,154
Improvements other than buildings	79,854,321	4,843,287	-	84,697,608
Vehicular equipment	45,488,034	6,712,149	2,627,797	49,572,386
Other equipment	37,670,051	1,340,984	177,979	38,833,056
Infrastructure	189,214,490	11,407,257	-	200,621,747
Subtotal	397,567,499	27,178,274	2,899,822	421,845,951
Depreciable capital assets, net	584,243,016	14,974,810	518,817	598,699,009
Total capital assets, net	\$ 723,824,445	\$ 72,376,301	\$ 36,235,434	\$ 759,965,312

Construction in progress consists of the following:

Asset	Project	Balance, 09/30/2020	Additions	Deductions	Balance, 09/30/2021
79248	PARKS - HERNDON PARK IMPRV	\$ 2,598,607	\$ 1,749	\$ -	\$ 2,600,356
79255	CITY SHARE - ZEIGLER BLVD	4,889,628	575,585	-	5,465,213
79256	RESURF 4CT GAS TAX PROJECT	12,265,616	-	-	12,265,616
79259	MPO MCGREGOR AVE - WIDENING	994,733	399,988	-	1,394,721
79286	PARKS - MARDI GRAS PARK	3,161,875	884,294	-	4,046,169
79287	PARKS - LYONS PARK IMPROVEMENT	182,657	494,291	-	676,948
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	198,141	1,511,525	-	1,709,666
79474	ARCHITECTURAL ENGINEERING PROJECTS	160,369	43,581	-	203,950
79475	PKS-FIGURES PARK IMPRV	226,282	239,513	-	465,795
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	324,512	11,057	-	335,569
79506	TRAFFIC CALMING DEVICES PROG	46,351	14,840	-	61,191
79507	TIF WATER ST STREET LIGHTS & SIDEWALKS	677,979	-	677,979	-
79509	2017 CITYWIDE ADA ASSESSMENTS	108,984	-	-	108,984
79510	SAENGER- RENOVATIONS & REPAIRS	206,768	1,017	207,785	-
79512	PARKS-MEDAL OF HONOR PARK PROJ	1,170,564	227,849	-	1,398,413
79513	CS-ZEIGLER-CODY TO SCHILLINGER	1,984,759	-	-	1,984,759
79514	PARKS-LAKE DR TRICENTENNIAL PARK IMPR	126,561	3,980	-	130,541
79516	PARKS-RICKARBY PARK IMPRV	377,976	42,912	420,888	-
79519	PARKS-TRINITY GARDEN PK IMP-DIST 1	377,891	106,835	-	484,726
79528	SPRINGHILL FIRE STATION (MCGREGOR)	2,273,492	450,679	-	2,724,171
79530	GUS REHM/CRICHTON FIRE STATION	3,035,467	-	3,035,467	-
79532	POLICE HEADQUARTERS UPGRADES	210,817	13,564	-	224,381
79533	PARKS-AARON PARK IMPRV	495,259	8,041	503,300	-
79540	PKS-NEW PARK-THEODORE AREA	273,952	-	273,952	-
79542	PARKS-UNITY POINT IMPRV	29,058	-	29,058	-
79546	TRINITY GARDENS-DITCH ENCLOSURES	2,794,637	25,502	-	2,820,139
79552	PARKS-HELEN WOODS PARK IMPROV	224,637	3,315	-	227,952
79553	PARKS-TAYLOR PARK IMPRV	50,672	-	50,672	-
79556	PARK - STOTTS RENOVATION & REPAIRS	432,978	399,562	-	832,540



Asset	Project	Balance, 09/30/2020	Additions	Deductions	Balance, 09/30/2021
79558	WEST REGIONAL LIBRARY IMPROVEMENT	\$ 285,385	\$ 24,403	\$ -	\$ 309,788
79562	PARKS-PLATEAU WELCOME CENTER	8,100	362	-	8,462
79563	MILL STREET PARK IMPRV	101,402	-	101,402	-
79567	BROAD ST IMPRV-TIGER	429,612	-	-	429,612
79568	ED-WESTWOOD PLAZA	157,406	92,594	-	250,000
79571	DRAINAGE-FLORIDA ST AT DOHM ST	2,751,496	-	2,751,496	-
79576	PARKS-CRAWFORD PARK IMPRV	338,625	12,277	-	350,902
79577	PARKS-HARMON RECREATION CENTER	497,068	1,804	-	498,872
79578	PARKS-SPRINGHILL RECREATION CENTER	113,144	-	113,144	-
79589	DRAINAGE-ESLAVA CREEK IMPRV	559,615	547,344	-	1,106,959
79591	GOVERNMENT ST REBUILD	17,331	6,891	-	24,222
79593	MCGREGOR SIDEWALKS-OLD SHELL TO DAU	1,614,709	484	1,615,193	-
79594	TURNING RAIDUS-AIRPORT BLVD	35,223	248,915	-	284,138
79595	SIGNAL IMPRV AIRPORT & SAGE	658,986	1,694	660,680	-
79597	CROSSWALK-SEMINOLE & AIRPORT	43,005	6,663	-	49,668
79607	PARK-LANGAN PK-COPELAND-COX TENNIS	556,286	100,493	-	656,779
79615	PARK-COPELAND COX TENNIS CENTER	241,942	-	241,942	-
79620	DAUPHIN ISLAND PARKWAY	9,367	-	9,367	-
79621	CRUISE TERMINAL-EQUIPMENT & MISC	2,054,006	1,644	-	2,055,650
79637	WATER ST STRIPING/SIGNALS	536,785	-	536,785	-
79644	PARKS-DOG RIVER PARK IMPROVEMENT	997,685	477,476	-	1,475,161
79647	MUSEUM OF ARTS IMPROV	309,046	9,656	-	318,702
79648	MOORER/SPRINGHILL LIBRARY	34,936	17,103	52,039	-
79649	MOBILE GREENWAY INITIATIVE	1,281,504	56,247	-	1,337,751
79650	2017 TRAFFIC SIGNAL INTX IMPROV	30,642	36,769	-	67,411
79651	2017 TRAFFIC SIGNAL MISC IMPROV	7,970	97,630	-	105,600
79654	DAUPHIN ISLAND PARK SIDEWALKS	11,370	6,875	-	18,245
79655	TRAFFIC ENG-BIKE SAFETY	28,756	1,426	-	30,182
79715	DISTRICT 1 INROAD DETECTION LOOP RP	33,776	-	33,776	-
79716	DISTRICT 2 INROAD DETECTION LOOP RP	47,485	-	47,485	-
79717	DISTRICT 3 INROAD DETECTION LOOP RP	11,805	-	11,805	-
79718	DISTRICT 4 INROAD DETECTION LOOP RP	45,376	-	45,376	-
79722	DISTRICT 1 PARK REPAIR PROJECTS	17,200	-	-	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	38,534	1,157	-	39,691
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	66,386	1,068	-	67,454
79759	CITYWIDE STREET LIGHT IMPRV	72,952	16,680	-	89,632
79976	LAFAYETTE HEIGHTS PARK IMPRV	178,524	-	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	-
79982	TRIMMIER PARK IMPRV	481,016	540,032	-	1,021,048
79985	2016 SIDEWALK REVITALIZATION	77,444	-	77,444	-
79986	HOPE COMMUNITY CENTER IMPRV	244,023	12,453	-	256,476
79987	MATTHEWS PARK IMPRV	340,347	-	340,347	-
79989	COTTAGE HILL AT MILK HOUSE	22,400	16,610	39,010	-
79990	TRINITY GARDENS DRAINAGE IMPRV	121,252	-	121,252	-
79991	ARC ROAD IMPRV	215,806	-	215,806	-
79992	DARWOOD & HARBOR DR DRAINAGE	530,829	-	530,829	-
79993	BOLTONS BRANCH-DAVIDSON TO MONTLIMAR	81,000	-	81,000	-



Asset	Project	Balance, 09/30/2020	Additions	Deductions	Balance, 09/30/2021
79995	WOODCOCK CREEK WEST BRANCH	\$ 85,587	\$ -	\$ -	\$ 85,587
79996	EAST DRIVE AT 12 MILE CREEK	258,189	67,658	-	325,847
79998	ST. LOUIS ST STREETSCAPES	321,135	-	-	321,135
79999	TEXAS ST REBUILD, ANN TO BROAD	201,978	488,629	-	690,607
80000	2018 SIDEWALKS	30,300	15,100	45,400	-
80002	2018 DRAINAGE MISC GROUP A	1,119,999	14,034	-	1,134,033
80003	2018 CITYWIDE DRAINAGE PROJECT	1,065,990	43,328	1,109,318	-
80004	2018 CITYWAIDE RESURFACING	4,238,807	-	4,238,807	-
80026	TAP SIDEWALK PROJECT- DIP	110,590	-	-	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	6,839,948	7,008,392	-	13,848,340
80039	CDBG 2015 - BALTIMORE ST REHAB	235,786	-	235,786	-
80353	PARKS-MEDAL OF HONOR SOCCER LIGHTING	1,206,630	6,380	1,213,010	-
80354	PARKS-MEDAL OF HONOR SPLASH PAD	1,108,707	6,080	1,114,787	-
80355	SPRINGHILL/MOORER BR LIBRARY IMPRV	170,790	-	-	170,790
80356	AIRPORT BLVD-MEDIAN MODIFICATIONS	18,100	945	-	19,045
80360	CIP SOFTWARE SYSTEM IMPL & TRAINING	157,240	-	157,240	-
80361	HACKMEYER PK MASTER PLAN & IMPV	635,218	218,268	853,486	-
80363	CHURCH ST CEMETERY WALL REPAIRS	198,039	533	198,572	-
80365	COOPER RIVERSIDE PARK FLOATING DOCK	191,681	-	191,681	-
80366	ARCHED WALL REPAIRS TELECOM BLDG	69,935	-	69,935	-
80368	2018 MISC MINOR SIGNAL IMPRV	12,569	-	12,569	-
80373	CDBG16-SIDEWALKS & CROSSWALKS	266,921	-	266,921	-
80446	D1 TAP 17 OLD SHELL UNION-DURANT	22,832	-	-	22,832
80447	WATER STREET STRIPING & RESRF PH2	1,150,472	8,718	-	1,159,190
80448	MLK BASKETBALL COURT PROJECT	193,377	11,134	-	204,511
80449	KIDD PARK IMPRV	400,553	1,350	401,903	-
80450	ALDOT DAUPHIN ST WIDENING	420,592	178,550	-	599,142
80451	2018 PAYGO GROUP A	4,554,613	231,853	-	4,786,466
80452	2018 PAYGO GROUP B	4,009,036	747,163	-	4,756,199
80453	2018 PAYGO N MCGREGOR TO OLD SHELL	41,302	19,290	-	60,592
80454	PARKS-MEMORIAL PARK MASTER PL & IMP	276,345	1,865	-	278,210
80455	LANGAN PARK RESTROOM RENOV	92,307	291,613	-	383,920
80456	PARK-HOWARD JOHNSON	88,385	6,738	95,123	-
80457	2019 DRAINAGE GROUP D	285,134	406,743	-	691,877
80458	2019 DRAINAGE GROUP E	1,347,474	26,105	-	1,373,579
80459	2019 DRAINAGE GROUP A	35,000	157,790	-	192,790
80460	AIRPORT BLVD-WILLIAMS TO HOUSTON	76,407	34,780	-	111,187
80461	2019 OSR TAP PARKWAY-UNIVERSITY	31,495	-	31,495	-
80462	BALTIMORE ST REHAB-ANN TO BROAD	1,456,504	4,592,014	-	6,048,518
80463	PAYGO HILLCREST RD RESURF	810,584	-	-	810,584
80465	HILLCREST/COTTAGE HILL SIGNAL UPGRA	19,900	5,850	-	25,750
80467	AZALEA CITY GOLF IRRIGATION SYSTEM	89,997	-	89,997	-
80469	LANGAN PARK-RESTROOM RENOVATIONS	219,589	1,225	220,814	-
80470	MEDAL OF HONOR-GYMNASTICS CENTER IM	42,765	-	42,765	-
80471	CHILLER REPLACEMENT-850 ST ANTHONY MPD	207,716	-	-	207,716
80472	ANIMAL SHELTER KENNEL ROOF ENCLOS.	18,180	-	18,180	-
80473	BAUMHAUER-RANDLE PK-SITE AMENITY	199,144	-	-	199,144
80477	AZALEA CITY GOLF COURSE LANDSCAPING	257,900	-	-	257,900
80478	TIF AWARD LIGHT/POLES PURCHASES	265,429	-	-	265,429
80480	NEW PUBLIC SAFETY FACILITY	24,200	-	-	24,200
80549	2018 UPGRADE DOWNTOWN PARKING EQUIP	266,578	9,652	-	276,230
80550	GULF COAST EXPLOREUM -RE-ROOFING	465,310	17,274	-	482,584
80551	2019 CITYWIDE SIDEWALK REPAIRS	1,238,833	76,407	1,315,240	-
80609	2020 PIERCE ENFORCER, 4 DR FULL TILT, PU	560,278	-	560,278	-
80682	CAPITAL PROJECT-LADD PEEBLE STADIUM	339,294	827,489	-	1,166,783
80684	ARTHUR R OUTLAW CONV CENTER-ROOF	881,560	26,287	-	907,847
80685	2019 BRIDGE AND CULVERT REPAIRS	433,085	532,041	-	965,126



Asset	Project	Balance, 09/30/2020	Additions	Deductions	Balance, 09/30/2021
80686	LADD-PEEBLES STAD-WLK/BIKE TRAIL	\$ 70,387	\$ 167,130	\$ -	\$ 237,517
80688	I-65 AND I-10 LIGHT IMPROVEMENTS	231,892	435,240	-	667,132
80690	PARK-SEALS REC CENTER RENOV	3,750	-	-	3,750
80691	BATTERY HEIGHTS LIGHTING	15,857	77,584	-	93,441
80692	HALLS MILL & DEMOTROPOLIS RDWY IMPR	15,915	27,610	-	43,525
80693	LITTLE FLOWER AVE ROADWAY REPAIRS	217,787	260,024	-	477,811
80695	FIRE STATION #22 (TAPIA) -ROOFING	87,854	-	87,854	-
80696	TRAFFIC SAFETY IMPROVEMENTS	128,320	40,014	-	168,334
80699	FIRE TRAINING FACILITY TRANSFORMER	41,700	-	41,700	-
80700	PARKWAY SENIOR CTR - IMPRVMT	103,523	81,799	-	185,322
80701	GYM FLOORING-SEALS/HARMON COMM CTR	199,320	-	199,320	-
80703	2020 CITYWIDE RESURFACING PROGRAM	836,809	4,634,884	-	5,471,693
80818	PARKS-SPANISH PLAZA IMPROV	315,875	383,475	-	699,350
80819	GRELOT ROAD BEAUTIFICATION PROJ	14,939	-	-	14,939
80820	RICHARDS DAR HOUSE IMPROV	5,836	208,450	-	214,286
80843	2020 PIERCE ENFORCER, 4 DR FULL TILT, PU	560,278	-	560,278	-
80885	ST. JOSEPH TWO-WAY PROJ	10,067	25,829	-	35,896
80887	CRUISE TERMINAL PARKING DECK REPRS	174,227	15,108	-	189,335
80891	2019 DRAINAGE-GROUP B	35,280	204,076	-	239,356
80892	2019 DRAINAGE GROUP C	108,944	250,342	-	359,286
80893	MCRAE AVE DRAINAGE PH 2	16,000	8,941	-	24,941
80894	2019 DRAINAGE GROUP F	46,912	206,129	-	253,041
80895	HILLSDALE DRAINAGE & RDWAY REHAB	23,574	30,557	-	54,131
80896	PARKS-LAUN PARK	52,260	7,340	-	59,600
80897	PARKS MITTERNIGHT PARK	2,101	3,953	-	6,054
80898	PARKS-GYM FLOORING FIGURES & DOTCH	218,650	-	218,650	-
80899	ST STEPHENS RD IMPROV	88,152	11,575	99,727	-
80900	2019 SIGNAL IMPRO UPHAM	3,000	8,235	-	11,235
80901	2019 AIRPORT BLVD SIGNAL IMP	22,465	-	-	22,465
80903	COTTAGE HILL BRIDGE/MILKHOUSE	45,867	209,498	255,365	-
80904	NEWHOUSE PARK & REC CTR IMPRV	2,231	-	2,231	-
80905	HURTELL ST. ARMORY-WALLS&WINDOWS RE	268	67,657	-	67,925
80907	FIRE TRAIN CTR REHAB RESONANT DEMONST	14,459	3,041	17,500	-
80908	FACILITY UPGRADE/ADEM COMPLIANCE	6,538	32,600	-	39,138
80909	IRRIGATION SYSTEM AUTOMATION	7,200	-	-	7,200
80910	HURTEL STREET ARMORY-RE-ROOFING	330	221,585	-	221,915
80911	CONVENTION CENTER BRIDGE REPAIRS	982	-	-	982
80913	PW FACILITIES-EMERGENCY GENERATORS	350	243,880	244,230	-
80931	2021 PIERCE ENFORCER PUMPER TRUCK	-	576,657	-	576,657
80932	2021 PIERCE ENFORCER PUMPER TRUCK	-	576,657	-	576,657
80933	2021 PIERCE ENFORCER PUMPER TRUCK	-	576,657	-	576,657
80936	MPD 20,000 LB SLINGSTYLE ELEC BOAT LIFT	-	33,923	33,923	-
80937	AMBULANCE PER HGAC CONTRACT AM10-20	-	246,798	-	246,798
80938	AMBULANCE PER HGAC CONTRACT AM10-20	-	246,798	-	246,798
80939	AMBULANCE PER HGAC CONTRACT AM10-20	-	246,798	-	246,798
80942	NONJURY VIRTUAL COURTROOM	-	323,478	323,478	-
81006	LANGAN PK DRINKING FOUNTAINS D7	-	300,626	-	300,626
81015	AZALEA/PLEASANT VALLEY/SAGE	-	66,172	-	66,172
81022	BUSH PARK BASEBALL FIELD	-	6,665	-	6,665
81024	LANGAN PARK TURF FOOTBALL FIELD	-	20,422	-	20,422
81028	PUBLIC WORKS SECURITY IMPROV	-	157,559	-	157,559
81031	FIRE TRAINING FACILITY REHAB	-	78,562	-	78,562
81032	BEAUREGARD ST BRIDGE	-	39,378	-	39,378
81033	CYBER-GULF COAST TECH CTR	-	66,526	-	66,526
81034	MEDAL OF HONOR PK-CONC/RESTROOMS	-	672,678	-	672,678
81037	POLICE IMPOUND LOT FENCING	-	373	-	373
81039	TRAFFIC SIGNAL GENERATORS	-	78,571	-	78,571
81040	CHURCH ST GRAVEYARD HURRICANE	-	173	-	173
81042	GULFQUEST SKYLIGHT FILM REPLACEMENT	-	81	-	81



Asset	Project	Balance, 09/30/2020	Additions	Deductions	Balance, 09/30/2021
81046	CIP 2019 ROADWAY STRIPING	\$ -	\$ 3,567	\$ -	\$ 3,567
81048	POLICE HQ GENERATOR	-	135,164	-	135,164
81049	PARKS-LAVRETTA PARK IMPROV-DIST 7	-	6,496	-	6,496
81057	CONV CTR-LED LIGHTING REPLACEMENT	-	7,139	-	7,139
81061	CONVENTION CTR - FLOOD PROTECTION	-	564	-	564
81067	BIENVILLE AND CATHEDRAL SQUARE	-	73,980	-	73,980
81069	GIS EQUIPMENT AND TECHNOLOGY	-	2,638	-	2,638
81070	REAL ESTATE DEPT-CAP ACCT	-	29,600	-	29,600
81071	RE-ROOF VAR CITY FACILITIES GROUP 1	-	1,645	-	1,645
81073	CRUISE TERMINAL-SPRINKLER SYS REPL	-	82,527	-	82,527
81074	CRUISE TERMINAL PARKING DECK RESTR	-	2,880	-	2,880
81076	MOBILE AL CRUISE TERMINAL-SYS UPGRA	-	27,000	-	27,000
81097	GULFQUEST CRUISE TERMINAL DOCK IMP	-	21,500	-	21,500
81099	GREENWAY TRAIL SEC 1 & 2	-	5,600	-	5,600
81105	AFRICATOWN MICRO MUSEUM	-	250,000	-	250,000
81108	CIP PARKS-TRIMMIER PK STADIUM IMPROVE	-	264	-	264
81109	CIP PARKS-TAYLOR PARK POOL AND GYM	-	7,357	-	7,357
81110	CIP PARKS-PUBLIC SAFETY MEMORIAL PK	-	71,346	-	71,346
81111	CIP PARKS-HACKMEYER PARK	-	19,750	-	19,750
81115	CIP PARKS-SEALS PK FIELD DRAINAGE	-	5,200	-	5,200
81117	CIP PARKS-HARMON REPL HVAC	-	5,746	-	5,746
81118	CIP WOODCOCK CK US90 DRAINAGE	-	1,648	-	1,648
81119	CIP AZALEA RD COMPLEX BIC ADULT CTR	-	712	-	712
81122	CIP 2021 RESURFACING PROJECTS	-	328,305	-	328,305
81127	TRAFFIC SIGNAL IMPRV US45 US90 US98 AL16	-	500,000	500,000	-
81128	SENIOR CTR POOL ROOM DEHUMIDIF REPLAC	-	28,460	28,460	-
81129	TIF DOWNTOWN NEW STREET SIGNS	-	24,751	-	24,751
81131	TIF DOWNTOWN DECORATIVE SIGN POSTS	-	87,440	-	87,440
81132	TIF DOWNTOWN LIGHTING LED CONVERSION	-	346,820	-	346,820
81133	HISTORY MUSEUM RE-ROOFING DESIGN/CONST	-	466,374	-	466,374
81134	MATTHEWS PARK-FIELD A LIGHTING IMPRV	-	3,200	-	3,200
81167	DEMERS CRESTLINE AMBULANCE	-	170,223	-	170,223
81169	TRICENT. PARK SPLASHPAD-SHADE IMPRV	-	262,960	262,960	-
76321	2021 PIERCE ENFORCER PUMPER TRUCK	-	576,657	-	576,657
76551	2021 FORD CRESTLINE AMBULANCE	-	180,536	-	180,536
79723	DISTRICT 2 PARK PROJECTS	-	1,915	-	1,915
80702	PUBLIC WORKS CONCRETE	-	16,333	-	16,333
		<u>\$107,318,276</u>	<u>\$ 39,816,112</u>	<u>\$35,428,617</u>	<u>\$ 111,705,771</u>

Depreciation expense was charged to governmental activities as follows:

Governmental Function	Depreciation Expense
General government	\$ 16,865,237
Economic development	27,255
Public safety	5,066,887
Public works	2,491,629
Engineering, development & Build Mobile	308,526
Culture & recreation	2,401,319
Finance	17,421
Total depreciation expense	<u>\$ 27,178,274</u>



Business-type Activities

The following is a summary of changes in capital assets for the year ended September 30, 2021:

	Balance, Beginning	Additions	Deductions	Balance, Ending
Capital assets, not depreciated				
Land	\$ 11,053,226	\$ 38,637	\$ 96,271	\$ 10,995,592
Subtotal	11,053,226	38,637	96,271	10,995,592
Capital assets, depreciated				
Buildings	126,462,583	31,791	52,219	126,442,155
Improvements other than buildings	18,338,965	50,719	-	18,389,684
Vehicular equipment	12,550,907	3,423,790	2,747,084	13,227,613
Other equipment	6,322,148	159,089	872,851	5,608,386
Subtotal	163,674,603	3,665,389	3,672,154	163,667,838
Accumulated Depreciation				
Buildings	67,114,920	2,392,176	50,331	69,456,765
Improvements other than buildings	13,338,349	402,279	27,996	13,712,632
Vehicular equipment	8,860,653	1,042,371	2,695,377	7,207,647
Other equipment	4,643,236	420,004	857,921	4,205,319
Subtotal	93,957,158	4,256,830	3,631,625	94,582,363
Depreciable capital assets, net	69,717,445	(591,441)	40,529	69,085,475
Total capital assets, net	\$ 80,770,671	\$ (552,804)	\$ 136,800	\$ 80,081,067

Approximately \$4.1 million (cost of \$12.0 million and accumulated depreciation of \$7.9 million) of the Municipal Parking Garage property is leased to others as of September 30, 2021. (See Note 11)

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

Fund	Depreciation Expense
Civic center	\$ 182,621
Convention center	1,355,145
Cruise terminal	400,570
WAVE transit	1,676,569
Parking garage	201,644
Emergency medical services	41,977
Golf course	202,732
Tennis center	6,413
Saenger theater	189,159
Total depreciation expense	<u>\$ 4,256,830</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, 2021:

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	\$ 2,980,000
\$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	30,344,000
\$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	14,330,000
\$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	1,580,000
\$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	17,265,000
\$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	\$ 172,599,000

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%	\$ 115,000
\$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%	745,000
\$2,000,000; note payable to Hancock Whitney Bank, annual principal payments of \$400,000 through December 2022, no related interest payments.	800,000
Total notes payable	\$ 1,660,000



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
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	19,636,000	3,716,031	23,352,031
2027-2030	80,452,000	7,036,133	87,488,133
Subtotals	172,599,000	32,048,910	204,647,910
Plus: Bond premium	8,670,684	(8,670,684)	-
Totals	<u>\$ 181,269,684</u>	<u>\$ 23,378,226</u>	<u>\$ 204,647,910</u>

Notes Payable			
Fiscal Year Ending September 30	Governmental Activities		
	Principal	Interest	Total
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>\$ 1,660,000</u>	<u>\$ 53,946</u>	<u>\$ 1,713,946</u>

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, 2021:

	Balance, October 1, 2020	Additions	Deductions	Balance, September 30, 2021	Due Within One Year
Governmental Activities					
General & limited obligation bonds/warrants	\$188,794,000	\$ -	\$ 16,195,000	\$ 172,599,000	\$16,987,000
Plus: Bond premium	9,701,482	-	1,030,798	8,670,684	-
Total general & limited obligation bonds/warrants	198,495,482	-	17,225,798	181,269,684	16,987,000
Notes payable	2,325,000	-	665,000	1,660,000	685,000
Compensated absences	12,622,440	1,537,142	1,706,288	12,453,294	1,706,288
Self-insured legal liability	675,698	701,903	1,009,403	368,198	-
Insurance claims	24,168,212	29,209,489	27,701,899	25,675,802	4,049,984
Landfill postclosure liability	459,889	-	58,344	401,545	60,679
OPEB liability	178,598,607	29,898,932	42,875,226	165,622,313	-
Net pension liability	137,130,265	23,319,368	34,249,401	126,200,232	-
Total governmental activities	<u>\$554,475,593</u>	<u>\$ 84,666,834</u>	<u>\$125,491,359</u>	<u>\$ 513,651,068</u>	<u>\$23,488,951</u>



	Balance, October 1, 2020	Additions	Deductions	Balance, September 30, 2021	Due Within One Year
<u>Business-type Activities</u>					
Compensated absences	\$ 507,565	\$ 529,580	\$ 546,016	\$ 491,129	\$ 124,605
Net pension liability	9,473,112	1,130,834	5,560,850	5,043,096	-
Total business-type activities	9,980,677	1,660,414	6,106,866	5,534,225	124,605
Total primary government	<u>\$564,456,270</u>	<u>\$86,327,248</u>	<u>\$131,598,225</u>	<u>\$519,185,293</u>	<u>\$23,613,556</u>

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, 2021, the permissible debt limit exceeded actual debt by approximately \$629.9 million.

NOTE 9 - 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)	\$ 5,238,831
Police and Firefighters Retirement Plan (PFFRP)	19,588,175
Transit Workers Pension Plan (TWPP)	600,000
General Municipal Employee Pension Trust Fund (GMEPTF)	6,917
Total	<u>\$ 25,433,923</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	\$227,059,380	\$292,549,638	\$19,144,779	\$ -	\$538,753,797
Plan Fiduciary Net Position	158,854,771	229,510,919	19,233,045	-	407,598,735
Net Pension Liability (Asset)	<u>\$ 68,204,609</u>	<u>\$ 63,038,719</u>	<u>\$ (88,266)</u>	<u>\$ -</u>	<u>\$131,155,062</u>
Deferred Outflows of Resources	\$ 12,704,509	\$ 46,383,344	\$ 612,478	\$ -	\$ 59,700,331
Deferred Inflows of Resources	1,922,181	6,382,044	3,402,554	-	11,706,779
Pension Expense/Expenditures	7,602,993	7,700,852	(246,189)	6,917	15,064,573



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 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.

Act 132 of the Legislature of 2019 allowed employers who participate in the ERS pursuant to Code of Alabama 1975, Section 36-27-6 to provide Tier 1 retirement benefits to their Tier 2 members. Tier 2 members of employers adopting Act 2019-132 will contribute 7.5% of earnable compensation. On September 8, 2020, the Mobile City Council adopted Resolution 60-659-2020 in which the City elected to provide Tier 1 retirement benefits to its Tier 2 members.



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.

Members 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.

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

Membership. The ERS serves approximately 853 local participating employers. City of Mobile ERS membership as of September 30, 2020 consisted of:

Category	Members
Retired members or their beneficiaries	
currently receiving benefits	829
Vested inactive members	41
Non-vested inactive members	197
Active members	1,014
Post-DROP retired members still	
in active service	8
Total	<u>2,089</u>

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 7.5% of their earnable compensation to the Plan. 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.

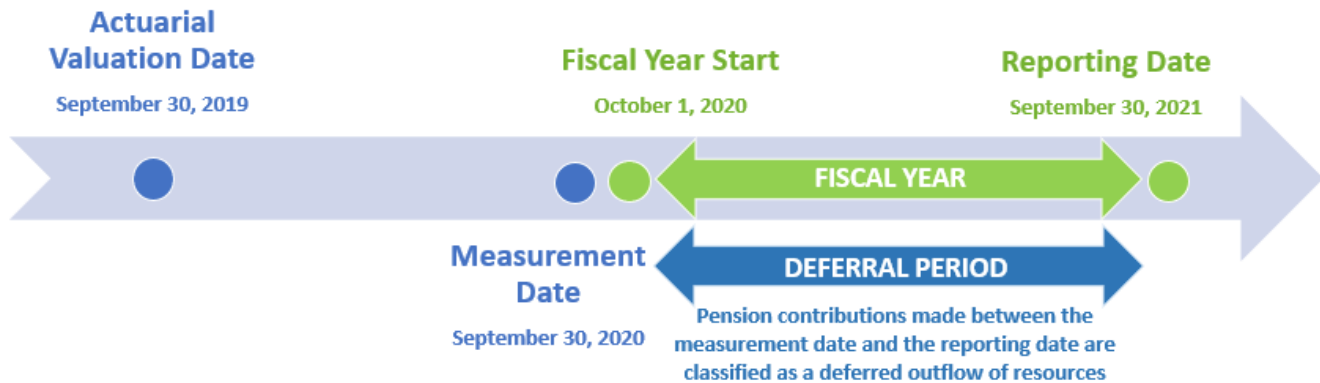
The ERS establishes rates based upon an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with additional amounts to finance any unfunded accrued liability, the preretirement death benefit and administrative expenses of the Plan. For the year ended September 30, 2021, the City's average active employee contribution rate was 5.88% percent of covered payroll, and the City's average contribution rate to fund the normal and accrued liability costs was 11.31% of covered payroll.

The City's contractually required contribution rate for Tier 1 employer contributions during fiscal 2021 were based on 11.93% of pensionable pay. Tier 2 employer contributions during fiscal 2021 were based on 10.17% of pensionable pay. These required contribution rates are based upon the actuarial valuation dated September 30, 2018, 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 2021 amounted to \$7,964,229 of which \$5,238,831 and \$2,725,398 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, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2019 rolled forward to September 30, 2020 using standard roll-forward techniques shown in the following table:

Roll-Forward of the Total Pension Liability	Expected	Actual Before Act 2019-132	Actual After Act 2019-132
Total pension liability as of September 30, 2019 (a)	\$ 219,815,067	\$ 221,697,744	\$ 222,890,106
Discount rate (b)	7.70%	7.70%	7.70%
Entry Age Normal Cost for October 1, 2019 - September 30, 2020 (c)	3,612,229	3,612,229	3,876,096
Transfers among employers (d)	-	(76,807)	(76,807)
Actual Benefit Payments and Refunds for October 1, 2019 - September 30, 2020 (e)	<u>(16,170,008)</u>	<u>(16,170,008)</u>	<u>(16,170,008)</u>
Total Pension Liability as of September 30, 2020 [(a) x (1+(b))] + (c) + (d) + [(e) x (1 + 0.5*(b))]	<u>\$ 223,560,503</u>	<u>\$ 225,511,339</u>	<u>\$ 227,059,380</u>
Difference between Expected and Actual Experience		\$ 1,950,836	
Less: Liability Transferred for Immediate Recognition		<u>(76,807)</u>	
Experience (Gain)/Loss (i) = (g) - (h)		\$ 2,027,643	
Difference between Actual TPL Before and After Act 2019-132 - Benefit Change (Gain)/Loss			\$ 1,548,041

Actuarial assumptions. The total pension liability as of September 30, 2021 was based on the September 30, 2019 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	28.2 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>	
<i>*Includes assumed rate of inflation of 2.5%</i>		

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 pan 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 9/30/2019	\$ 219,815,067	\$ 159,006,463	\$ 60,808,604
Changes for the year:			
Service cost	3,612,229	-	3,612,229
Interest	16,303,215	-	16,303,215
Changes in benefit terms	1,548,041	-	1,548,041
Differences between expected and actual experience	2,027,643	-	2,027,643
Contributions-employer	-	4,652,657	(4,652,657)
Contributions-employee	-	2,613,004	(2,613,004)
Net investment income	-	8,829,462	(8,829,462)
Benefit payments, including refunds of employee contributions	(16,170,008)	(16,170,008)	-
Administrative expense	-	-	-
Transfers among employers	(76,807)	(76,807)	-
Net changes	7,244,313	(151,692)	7,396,005
Balances at 9/30/2020	\$ 227,059,380	\$ 158,854,771	\$ 68,204,609

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	\$ 91,207,602	\$ 68,204,609	\$ 48,556,651

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued RSA Annual Comprehensive Financial Report for the fiscal year ended September 30, 2020. The supporting actuarial information is included in the GASB Statement No. 68 Report for the ERS prepared as of September 30, 2020.

The auditor's report dated April 30, 2021, 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 rsa-al.gov/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, 2021 the City recognized pension expense (income) of \$7,602,993.

Components of pension expense are as follows:	
Service cost	\$ 3,612,229
Interest on the total pension liability	16,303,215
Current-period benefit changes	1,548,041
Expensed portion of the current-period difference between expected and actual experience	460,828
Expensed portion of current-period changes of assumptions	-
Member contributions	(2,613,004)
Projected earnings on plan investments	(11,897,723)
Expensed portion of current-period differences between actual and projected earnings on plan investments	613,652
Transfers among employers	-
Recognition of beginning deferred outflows as pension expense	689,081
Recognition of beginning deferred inflows as pension expense	(1,113,326)
Pension Expense (Income)	<u>\$ 7,602,993</u>

At September 30, 2021, 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	\$ 1,805,165	\$ 1,922,181
Changes of assumptions or other inputs	841,342	-
Net difference between projected and actual earnings on pension plan investments	4,990,580	-
Employer contributions subsequent to the measurement date*	5,067,422	-
Total	<u>\$ 12,704,509</u>	<u>\$ 1,922,181</u>

**Employer contributions made from 10/01/2020-09/30/2021, related to normal and accrued liability components of employer rate net of any refunds or error service payments. These amounts will be recognized in 2022 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
2022	\$ 1,684,781	\$ 1,000,413	\$ 684,368
2023	2,450,243	614,208	1,836,035
2024	2,704,079	307,560	2,396,519
2025	797,984	-	797,984
2026	-	-	-
Thereafter	-	-	-
	<u>\$ 7,637,087</u>	<u>\$ 1,922,181</u>	<u>\$ 5,714,906</u>



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.

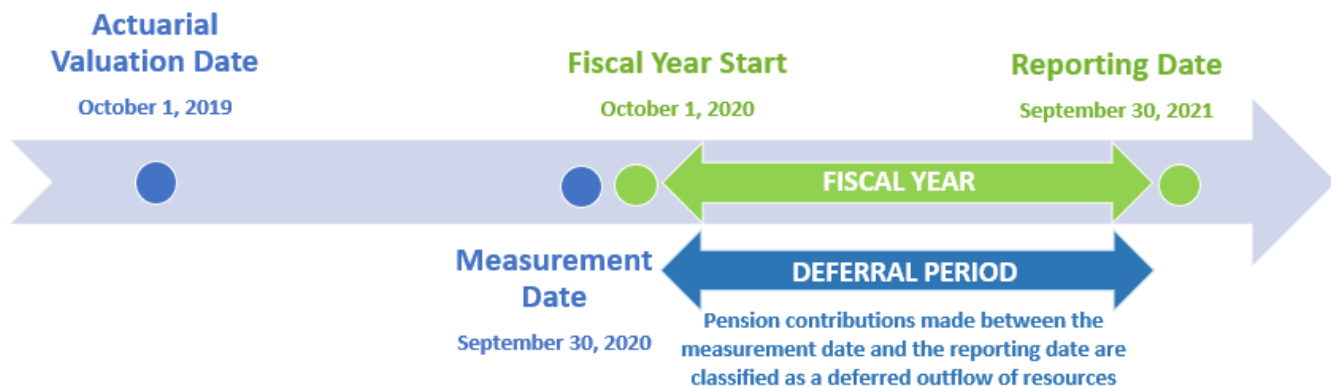
For the year ended September 30, 2021, the City's active employee contribution rate was 8.0 percent of covered payroll, and the City's average contribution rate to fund the normal and accrued liability costs was 54.9 percent of covered payroll. Total contributions to the Plan during fiscal year 2021 amounted to \$22,925,316 of which \$19,588,175 and \$3,337,141 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, 2020, according to the latest actuarial valuations, was comprised of the following:

Category	Members
Retired members or their beneficiaries	
currently receiving benefits	728
Vested terminated employees	31
Active employees	940
Total	<u>1,699</u>

Net Pension Liability



The City's net pension liability was measured as of September 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2019 rolled forward to September 30, 2020 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, 2019 valuations were based on results of an actuarial experience study for the period October 1, 2009 through September 30, 2019.

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 PUB-2010 Mortality Table for public safety employees, with full generational improvements in mortality using Scale MP-2017.

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 9/30/2019	\$ 295,269,830	\$ 212,311,504	\$ 82,958,326
Changes for the year:			
Service cost	2,022,568	-	2,022,568
Expected interest growth	21,097,428	15,752,809	5,344,619
Unexpected investment income	-	(4,438,938)	4,438,938
Demographic experience	(988,891)	-	(988,891)
Contributions-employer	-	22,139,615	(22,139,615)
Contributions-employee	-	3,400,228	(3,400,228)
Benefit payments, including refunds of employee contributions	(19,651,514)	(19,651,514)	-
Administrative expense	-	(2,785)	2,785
Changes in benefit terms	-	-	-
Assumption changes	(5,199,783)	-	(5,199,783)
Net changes	(2,720,192)	17,199,415	(19,919,607)
Balances at 9/30/2020	\$ 292,549,638	\$ 229,510,919	\$ 63,038,719

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	\$ 97,539,272	\$ 63,038,719	\$ 34,855,841

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, 2021 the City recognized pension expense (income) of \$7,700,852.

Components of pension expense are as follows:	
Service cost	\$ 2,022,568
Expected interest growth	5,344,619
Investment gain/loss	438,001
Demographic gain/loss	2,573,494
Employee contributions	(3,400,228)
Benefit payments and refunds	-
Administrative expenses	2,785
Changes in benefit terms	-
Changes in assumptions or other inputs	719,613
Pension Expense (Income)	<u>\$ 7,700,852</u>

At September 30, 2021, 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	\$ 13,645,249	\$ 1,839,629
Changes of assumptions or other inputs	6,540,657	4,542,415
Net difference between projected and actual earnings on pension plan investments	6,609,263	-
Employer contributions subsequent to the measurement date*	19,588,175	-
Total	<u>\$ 46,383,344</u>	<u>\$ 6,382,044</u>

**Employer contributions made from 10/01/2020-09/30/2021, related to normal and accrued liability components of employer rate net of any refunds or error service payments. This amount will be recognized in 2022 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
2022	\$ 4,869,071	\$ 898,686	\$ 3,970,385
2023	6,500,967	898,686	5,602,281
2024	6,926,816	898,686	6,028,130
2025	4,784,263	898,686	3,885,577
2026	2,625,388	898,686	1,726,702
Thereafter	1,088,664	1,888,614	(799,950)
	<u>\$ 26,795,169</u>	<u>\$ 6,382,044</u>	<u>\$ 20,413,125</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, 2021, 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, 2021, 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, 2021 were \$6,917.

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 \$45,000 per year to finance the administrative expenses of the Plan, exclusive of investment expenses and commissions. 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.

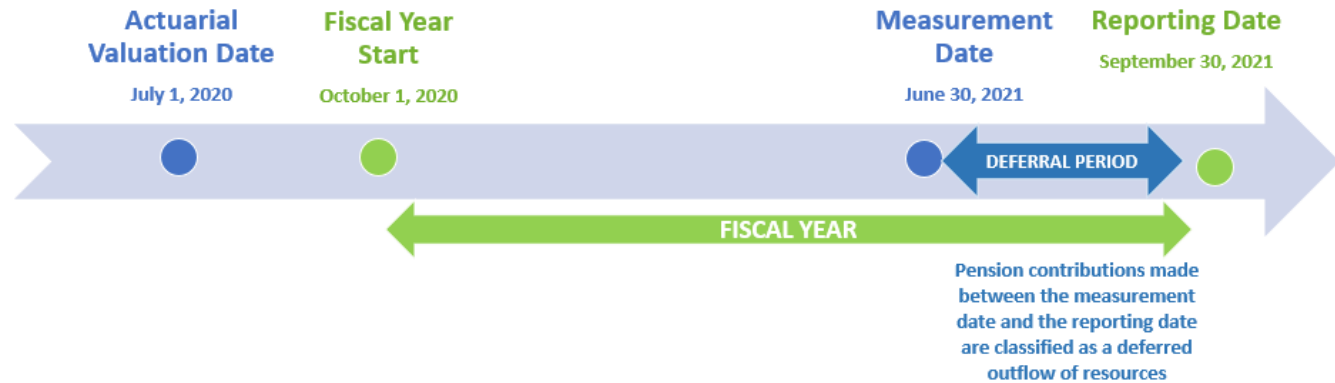
For the year ended September 30, 2021, the City's active employee contribution rate was 5% of covered payroll, and the City's average contribution rate to fund the normal and accrued liability costs was 15.13% of covered payroll. Total contributions to the pension plan during plan fiscal year 2021 amounted to \$841,263 of which \$600,000 and \$241,263 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, 2020, according to the latest actuarial valuations, was comprised of the following:

Category	Members
Retired members or their beneficiaries	
currently receiving benefits	57
Vested terminated employees	9
Active employees	109
Total	175



Net Pension Liability



The City's net pension liability was measured as of June 30, 2021, 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, 2021
Actuarial valuation date	July 1, 2020
Discount rate	5.26%
Inflation	2.00%
Salary increases	4.00%
Investment rate of return	5.10%
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 Internal Revenue Service (IRS) regulation section 1.430(h)(3)-1 (required mortality table under IRC section 430).

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	100.00%	3.26%

Changes in Net Pension Liability (Asset)

Changes in Net Pension Liability (Asset)	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balances at 6/30/2020:	\$ 18,129,144	\$ 15,292,697	\$ 2,836,447
Changes for the year:			
Service cost	890,516	-	890,516
Interest	979,031	3,896,615	(2,917,584)
Differences between expected and actual experience	(85,317)	-	(85,317)
Contributions-employer	-	600,000	(600,000)
Contributions-employee	-	241,263	(241,263)
Benefit payments, including refunds of employee contributions	(768,595)	(768,595)	-
Administrative expense	-	(28,935)	28,935
Changes in benefit terms	-	-	-
Assumption changes	-	-	-
Net changes	1,015,635	3,940,348	(2,924,713)
Balances at 6/30/2021:	\$ 19,144,779	\$ 19,233,045	\$ (88,266)

Sensitivity of the net pension liability (asset) 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	\$ 2,440,814	\$ (88,266)	\$ (2,178,334)



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, 2021 the City recognized pension expense (income) of (\$246,189).

Components of pension expense are as follows:	
Service cost	\$ 890,516
Expected interest growth	173,500
Investment gain/loss	(781,328)
Demographic gain/loss	(26,075)
Employee contributions	(241,263)
Administrative expenses	28,935
Changes in benefit terms	-
Changes in assumptions or other inputs	(290,474)
Pension Expense (Income)	<u>\$ (246,189)</u>

At September 30, 2021, 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, 2020	\$ 895,909	\$ 1,607,461
Amortization payments	(283,431)	(1,381,308)
Prior year employer contributions paid subsequent to the measurement date (07/01/20-09/30/20)	(150,000)	-
Investment gain/loss	-	3,091,084
Demographic gain/loss	-	85,317
Changes in assumptions or other inputs	-	-
Employer contributions subsequent to the measurement date*	150,000	-
Balance as of September 30, 2021	<u>\$ 612,478</u>	<u>\$ 3,402,554</u>

**Employer contributions made from 07/01/2021-09/30/2021, related to normal and accrued liability components of employer rate net of any refunds or error service payments. This amount will be recognized in 2022 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
2022	\$ 266,162	\$ 1,257,248	\$ (991,086)
2023	158,425	863,121	(704,696)
2024	37,891	663,332	(625,441)
2025	-	618,853	(618,853)
	<u>\$ 462,478</u>	<u>\$ 3,402,554</u>	<u>\$(2,940,076)</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	1,159
Active employees	1,150
Total	2,309

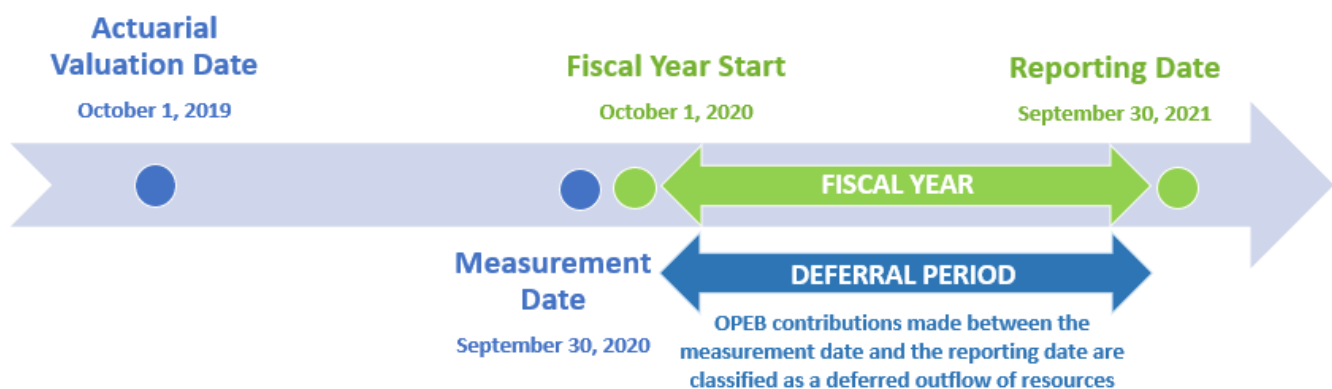
Contributions. Retirees must pay the required monthly contribution for either single or family coverage, as applicable. During fiscal year 2021, retirees have been assumed to make monthly contributions equal to \$94 for single coverage and \$267 for family coverage. COBRA contributions for retirees for the same period have been assumed to be \$678 per month for single coverage and \$1,772 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 2021 Medicare Advantage Plan rate is \$147.79. 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 2021, those retiree-related costs totaled approximately \$3,868,784 and the liability for incurred and not paid claims totaled \$2,110,100.

Total contributions to the Plan in fiscal year 2021 amounted to \$6,192,089 of which \$3,868,784 and \$2,323,305 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, 2019
Measurement date	September 30, 2020
Discount rate	2.14% per annum, 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	6.50% for the 2019/20 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 \$8,554.80 for a 62-year old participant during the period October 1, 2019 through September 30, 2020; dental claims are assumed to be \$250 for each individual during the same period; 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 \$550 for each participant (without regard to whether the participant has elected single or family coverage) for the period October 1, 2019 through September 30, 2020.
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-2020; 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 3.58% per annum to 2.14% per annum, the per capita healthcare claims cost at age 62 for the 2019/20 fiscal year decreased from \$9,473.89 to \$8,554.80, per member administrative expenses for the 2019/20 fiscal year were increased from \$515.00 to \$550.00, and the mortality improvement scale was updated from Scale MP-2017 to Scale MP-2020.

Changes in the Total OPEB Liability

Changes in Total OPEB Liability	Total OPEB Liability (a)
Balance at 9/30/2019:	\$ 178,598,607
Changes for the year:	
Service cost	5,840,483
Expected interest growth	3,873,502
Unexpected investment income	-
Demographic experience	(35,970,056)
Contributions-employer	-
Contributions-employee	-
Benefit payments, including refunds of employee contributions	(6,905,170)
Administrative expense	-
Changes in benefit terms	-
Assumption changes	20,184,947
Net changes	(12,976,294)
Balance at 9/30/2020:	\$ 165,622,313

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 2.14%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (1.14%) or 1-percentage point higher (3.14%) than the current rate:

	1% Decrease (1.14%)	Current Discount Rate (2.14%)	1% Increase (3.14%)
Total OPEB Liability	\$ 189,735,962	\$ 165,622,313	\$ 151,995,825



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 (6.50% 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 (6.50% graded down to 5.0%)	1% Increase
Total OPEB Liability	\$ 156,021,104	\$ 165,622,313	\$ 184,989,115

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

For the year ended September 30, 2021, the City recognized OPEB expense (income) of (\$4,372,446).

Components of OPEB expense (income) are as follows:	
Service Cost	\$ 5,840,483
Expected interest growth	3,873,502
Investment gain/loss	-
Demographic gain/loss	(9,707,219)
Employee contributions	-
Benefit payments & refunds	(6,905,170)
Administrative expenses	-
Changes in benefit terms	-
Changes in assumptions or other inputs	2,525,938
OPEB Expense (Income)	<u>\$ (4,372,466)</u>

At September 30, 2021, 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, 2019	\$ 32,434,815	\$ 39,883,917
Amortization payments	(10,681,007)	(17,862,288)
Prior year employer contributions paid subsequent to the measurement date (10/01/19-09/30/20)	(4,016,237)	
Investment gain/loss	-	-
Demographic gain/loss	-	35,970,056
Changes in assumptions or other inputs	20,184,947	-
Employer contributions subsequent to the measurement date*	3,868,784	-
Balance as of September 30, 2020	<u>\$ 41,791,302</u>	<u>\$ 57,991,685</u>

**Employer contributions made from 10/01/2020-09/30/2021, This amount will be recognized in 2022 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
2022	\$ 10,681,007	\$ 17,862,288	\$ (7,181,281)
2023	10,681,007	17,862,288	(7,181,281)
2024	10,681,007	15,541,001	(4,859,994)
2025	5,879,497	6,726,108	(846,611)
2026	-	-	-
	<u>\$ 37,922,518</u>	<u>\$ 57,991,685</u>	<u>\$ (20,069,167)</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 10 - RESTRICTED NET POSITION

The following is a summary of the restricted net position at September 30, 2021:

Activity	Restricted By	Amount
Capital Projects	Enabling Legislation	\$ 5,752,280
Capital Projects	Legal Restriction	6,276,122
Debt Service	Legal Restriction	500,666
Economic Development	Enabling Legislation	13,911,204
Grant Programs	Grant Agreements	7,007,674
Law Enforcement	Legal Restriction	1,301,687
Storm Water Management	Enabling Legislation	3,727,888
		<u>\$38,477,521</u>



NOTE 11 - 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, 2021 was \$3,252,551. 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 \$254,252 for fiscal year 2021 is included in the Enterprise Funds - Municipal Parking Garage fund. Also see Note 7 for additional information relating to leased property.

NOTE 12 - 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 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 \$518,198. Consequently, the City has accrued this amount at September 30, 2021.

Loss contingencies categorized as "reasonably possible" range between \$90,000 and \$2,139,649. The Solid Waste Disposal Authority, a component unit, had loss contingencies categorized as "reasonably possible" range between \$0 and \$2,800,000. 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, 2021 are disclosed for each major fund and for all other governmental funds in the aggregate.

Governmental Funds Encumbrances	Amount
Major Governmental Funds:	
General Fund	\$ 3,555,041
Capital Improvements Fund	48,194,833
Revitalizing Broad Street Grants	4,010,512
Governmental Funds - Nonmajor	6,962,248
Total Governmental Funds Encumbrances	<u>\$ 62,722,634</u>

NOTE 13 - 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 12, the City has determined and recorded an estimate of \$518,198 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, 2021 is \$23,565,702.

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, 2021 is \$2,110,100.



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				
2019-2020	\$ 310,000	\$ 1,213,070	\$ 847,372	\$ 675,698
2020-2021	675,698	701,903	1,009,403	368,198
Employee Health				
2019-2020	1,868,000	22,636,055	22,622,855	1,881,200
2020-2021	1,881,200	25,236,837	25,007,937	2,110,100
Workers' Compensation				
2019-2020	23,010,240	1,923,809	2,647,037	22,287,012
2020-2021	22,287,012	3,972,652	2,693,962	23,565,702

NOTE 14 - FUND DEFICITS OF NONMAJOR FUNDS

The following nonmajor funds had deficits in net position/fund balance of at September 30, 2021.

Special Revenue Funds	
Hurricane Zeta Grants	\$ (185,030)
Internal Service Funds	
Liability Insurance	\$ (1,277,435)

NOTE 15 - 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, 2021, 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 \$401,545 reported in the Statement of Net Position as a landfill postclosure liability at September 30, 2021 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 16 – 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 2021 was \$3,552,483.

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 \$450,000.

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 2021 fiscal year due to tax abatement agreements was \$802,288.



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 2021 fiscal year identified due to agreements authorized by the Mobile County IDA.

NOTE 17 – FUND BALANCE – GOVERNMENTAL FUNDS

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

	General Fund	Capital Improvements Fund	Revitalizing Broad Street Grants	Hurricane Sally Grants	American Rescue Plan Grants	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable							
Inventory	\$ 2,828,968	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,828,968
Prepaid items	18,644	-	-	-	-	-	18,644
Restricted							
Capital Projects	-	-	-	-	-	6,274,068	6,274,068
Debt Service	-	-	-	-	-	500,665	500,665
Grants	-	-	3,589,352	303,863	-	3,114,458	7,007,673
Law Enforcement	-	-	-	-	-	1,301,687	1,301,687
Road and Bridge Construction	-	-	-	-	-	2,400,829	2,400,829
Road and Bridge Repair	-	-	-	-	-	3,351,451	3,351,451
Committed							
Flood Management	-	-	-	-	-	85,391	85,391
Storm Water	-	-	-	-	-	3,727,888	3,727,888
Tax Increment Program	-	-	-	-	-	13,880,852	13,880,852
Assigned							
Athletic Fund	149,026	-	-	-	-	-	149,026
Capital Improvements	-	94,640,471	-	-	-	-	94,640,471
Designated and Donated	1,543,360	-	-	-	-	-	1,543,360
Economic Development	-	-	-	-	-	30,351	30,351
General Fund Encumbrances	3,555,041	-	-	-	-	-	3,555,041
Municipal Court	-	-	-	-	-	1,336,072	1,336,072
Unassigned	121,737,194	-	-	-	-	-	121,737,194
Total	\$ 129,832,233	\$ 94,640,471	\$ 3,589,352	\$ 303,863	\$ -	\$ 36,003,712	\$ 264,369,631



REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN THE MD&A



REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN THE MD&A

Picture on the prior page features Mobile Mardi Gras Park in
Downtown Mobile.



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 downtown Mobile.



CITY OF MOBILE, ALABAMA

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2021**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 205,257,951	\$ 205,257,951	\$ 244,482,099	\$ 39,224,148
Licenses and permits	39,017,152	39,017,152	36,979,390	(2,037,762)
Intergovernmental	-	-	82,582	82,582
Charges for services	7,500,863	7,500,863	7,768,754	267,891
Fines and forfeitures	2,369,592	2,369,592	1,891,118	(478,474)
State and federal assistance	66,865	66,865	5,785,232	5,718,367
Investment income	1,846,991	1,846,991	649,450	(1,197,541)
Other revenue	175,878	175,878	445,766	269,888
Total revenues	256,235,292	256,235,292	298,084,391	41,849,099
EXPENDITURES				
Current:				
General government				
311	556,842	556,992	514,453	42,539
Archives	273,663	274,283	246,265	28,018
City clerk	725,773	729,277	730,457	(1,180)
City council	896,901	904,671	607,133	297,538
City council discretionary funds	444,500	404,538	383,840	20,698
City hall overhead	5,690,000	5,805,825	5,181,749	624,076
Communications and external affairs	485,894	465,026	378,784	86,242
Geographical information system	740,252	743,940	725,973	17,967
Information technology	3,404,389	3,396,303	3,256,579	139,724
Legal	1,947,067	1,950,593	1,800,257	150,336
Mail room	103,806	103,808	96,371	7,437
Mayor's office	453,771	454,083	454,172	(89)
Mayor's office discretionary funds	25,000	25,000	13,500	11,500
Total general government	15,747,858	15,814,339	14,389,533	1,424,806
Culture and recreation				
Aquatics	321,850	321,850	158,299	163,551
Athletics	548,344	536,873	444,828	92,045
Community centers	2,065,307	2,070,361	1,768,055	302,306
GulfQuest museum	1,417,655	1,426,530	1,061,538	364,992
Mobile museum of art	2,167,389	2,168,339	2,011,058	157,281
Parks maintenance	4,192,874	4,548,402	4,047,367	501,035
Parks operations	2,711,493	2,849,495	2,464,200	385,295
Programming	506,711	506,604	335,518	171,086
Recreation administration	413,129	413,129	492,236	(79,107)
SAIL	89,236	92,362	86,978	5,384
Senior and community center	746,146	753,269	510,403	242,866
Special activities	482,672	487,311	334,913	152,398
Total culture and recreation	15,662,806	16,174,525	13,715,393	2,459,132
Economic development				
Community engagement	431,374	452,247	211,441	240,806
Mobile film office	281,977	314,007	236,410	77,597
Special events	918,769	1,019,650	837,822	181,828
Total economic development	1,632,120	1,785,904	1,285,673	500,231

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Engineering, development & build Mobile				
Architectural engineering	1,438,578	1,439,479	1,115,571	323,908
Build mobile executive director	409,557	376,538	344,091	32,447
Build mobile services	147,421	151,367	133,767	17,600
Building services	586,534	605,669	517,102	88,567
Engineering	2,061,146	2,064,894	1,878,323	186,571
Facility maintenance	4,091,462	4,111,072	3,728,669	382,403
Historic development	432,278	422,936	297,538	125,398
Inspection services	1,568,836	1,471,754	1,416,424	55,330
Municipal enforcement	1,417,885	1,425,647	1,262,858	162,789
Neighborhood development	200,883	200,883	177,514	23,369
Permitting	555,653	476,815	402,889	73,926
Planning and zoning	1,097,391	1,097,907	831,349	266,558
Real estate	270,185	270,301	259,965	10,336
Real estate asset management	302,719	295,679	270,673	25,006
ROW & land disturbance	1,231,715	1,157,240	1,106,937	50,303
Total engineering, develop. & build Mobile	15,812,243	15,568,181	13,743,670	1,824,511
Public safety				
Fire	37,475,366	37,347,505	36,027,474	1,320,031
Mobile metro jail	10,000,000	10,000,000	8,764,741	1,235,259
Municipal court	3,290,453	3,292,492	2,877,020	415,472
Police	58,666,865	58,635,711	55,656,881	2,978,830
Public safety administration	349,233	351,411	336,074	15,337
Total public safety	109,781,917	109,627,119	103,662,190	5,964,929
Finance				
Accounting	985,483	972,952	888,997	83,955
Finance administration	919,757	920,099	806,089	114,010
Grant Administration	407,120	427,120	406,224	20,896
Human resources	853,060	856,725	736,156	120,569
Police and fire pension administration	348,301	348,330	198,873	149,457
Procurement	921,237	928,780	797,577	131,203
Revenue	1,955,253	1,959,247	1,844,354	114,893
Treasury	280,812	295,418	291,681	3,737
Total finance	6,671,023	6,708,671	5,969,951	738,720
Public works				
Electrical	2,329,960	2,362,372	2,191,887	170,485
Fleet management-garage	3,618,046	3,496,629	2,709,488	787,141
Forestry	1,336,582	1,856,687	1,732,790	123,897
Program and project management	777,352	846,112	651,638	194,474
Public service administration	2,404,933	2,397,493	2,156,221	241,272
Public service maintenance	10,162,209	9,787,920	8,949,444	838,476
Public works executive administration	311,482	318,046	312,048	5,998
Traffic engineering	1,776,095	1,779,413	1,660,874	118,539
Trash and solid waste	9,686,307	9,784,400	9,357,037	427,363
Total public works	32,402,966	32,629,072	29,721,427	2,907,645
Total departmental	197,710,933	198,307,811	182,487,837	15,819,974

(Continued)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Non-departmental				
Reserve for retirement	1,950,000	1,950,000	1,735,792	214,208
Board of health	600,000	600,000	600,000	-
Juvenile court and youth center	3,000,000	3,000,000	3,254,477	(254,477)
Personnel board	1,386,226	1,386,226	1,175,294	210,932
Board of equalization	7,142	7,142	7,142	-
Emergency management	649,348	649,348	649,348	-
Mobile legislative delegation	3,655	3,655	3,123	532
Public library	7,021,420	7,021,420	7,021,419	1
Solid waste disposal authority	2,371,435	2,371,435	2,566,786	(195,351)
Employee education	100,000	100,000	76,915	23,085
Employees' pension	147,420	147,420	95,145	52,275
Police and firefighter's retirement	15,400,000	15,400,000	15,179,288	220,712
Retired employees insurance	6,802,610	6,802,610	6,503,569	299,041
Unemployment compensation	80,725	80,725	134,336	(53,611)
Worker's compensation	3,370,780	3,370,780	3,766,559	(395,779)
Contingency reserve	949	949	348,577	(347,628)
Dues	520,434	520,434	629,591	(109,157)
Parking	500,000	500,000	436,265	63,735
Performance contracts/organizations	4,001,922	4,001,922	4,025,687	(23,765)
Property insurance	2,200,000	2,200,000	2,041,684	158,316
13th Circuit Judicial	500,000	500,000	388,671	111,329
Miscellaneous	-	-	88,176	(88,176)
Total non-departmental	50,614,066	50,614,066	50,727,844	(113,778)
Total current	248,324,999	248,921,877	233,215,681	15,706,196
Debt service:				
Interest	9,051	9,051	5,285	3,766
Principal retirement	95,000	95,000	105,000	(10,000)
Total debt service	104,051	104,051	110,285	(6,234)
Total expenditures	248,429,050	249,025,928	233,325,966	15,699,962
Excess of revenues over expenditures	7,806,242	7,209,364	64,758,425	57,549,061
OTHER FINANCING SOURCES (USES)				
Proceeds from disposal of assets	22,674	22,674	62,877	40,203
Transfers in	8,677,427	8,677,427	8,684,153	6,726
Transfers out	(32,176,148)	(35,806,106)	(35,335,144)	470,962
Total other financing sources (uses)	(23,476,047)	(27,106,005)	(26,588,114)	517,891
Net change in fund balances	\$ (15,669,805)	\$ (19,896,641)	38,170,311	\$ 58,066,952
Fund balances - beginning			88,106,881	
Fund balances - ending			<u>\$ 126,277,192</u>	

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 of revenues/other financing sources over expenditures/ other financing uses		\$ 38,170,311
Encumbrances outstanding at September 30, 2021		3,555,041
Encumbrances outstanding at September 30, 2020		<u>(2,500,188)</u>
Net change in fund balance per the statement of revenues, expenditures, and changes in fund balances - governmental funds		<u>\$ 39,225,164</u>

(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, 2021:

GAAP expenditures	\$ 232,271,113
Encumbrances at:	
September 30, 2021	3,555,041
September 30, 2020	(2,500,188)
Budgetary expenditures	<u>\$ 233,325,966</u>

For the fiscal year ended September 30, 2021, general fund budgetary appropriations exceeded total expenditures by \$15,699,962.

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, 2021	\$ 126,277,192
Add encumbrances:	
Function:	
General government	472,046
Culture and recreation	487,064
Economic development	46,654
Engineering, development & Build Mobile	121,546
Finance	85,497
Public safety	1,417,403
Public works	924,831
Total encumbrances	<u>3,555,041</u>
Fund balance - GAAP basis at September 30, 2021	<u><u>\$ 129,832,233</u></u>

NOTE 3 - BUDGET AMENDMENTS

The City makes various amendments to the adopted budget throughout the fiscal year. In FY 2021, the most significant of those amendments were:

- Budget adjustments due to changes in prior year encumbrance carryforward.
- Adjustments to increase the transfer out to the Capital Improvements Fund for capital projects:
 - Resolution 2021-09-286 dated April 20, 2021 for \$2,000,000 for led lighting improvements
 - Resolution 2021-09-451 dated June 22, 2021 for \$100,000 for police equipment
 - Resolution 2021-09-477 dated June 22, 2021 for \$560,000 for fire training facility improvements
 - Resolution 2021-09-478 dated June 22, 2021 for \$138,600 for fire training facility improvements
 - Resolution 2021-09-517 dated July 6, 2021 for \$150,000 for led lighting improvements
 - Resolution 2021-09-641 dated August 17, 2021 for \$245,000 for police equipment/software
 - Resolution 2021-09-824 dated September 28, 2021 for \$250,000 for long-range planning



REQUIRED SUPPLEMENTARY INFORMATION – PENSION & OPEB PLANS



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

Picture on the prior page features COVID-19 vaccinations for public safety personnel.



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*

	2020	2019	2018	2017	2016	2015	2014
Total pension liability							
Service cost	\$ 3,612,229	\$ 3,541,786	\$ 3,634,759	\$ 3,655,533	\$ 3,871,747	\$ 3,700,746	\$ 3,797,860
Interest	16,303,215	16,122,130	15,861,923	15,708,733	15,255,262	14,994,981	14,582,730
Changes of benefit terms	1,548,041	-	-	-	-	-	-
Differences between expected and actual experience	2,027,643	(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	(16,170,008)	(15,197,141)	(14,927,353)	(15,135,319)	(13,379,634)	(13,515,159)	(12,939,756)
Transfers among employers	(76,807)	45,900	129,613	154,026	(238,266)	-	-
Net change in total pension liability	7,244,313	2,838,191	4,843,231	1,872,654	12,880,405	3,185,750	5,440,834
Total pension liability - beginning	219,815,067	216,976,876	212,133,645	210,260,991	197,380,586	194,194,836	188,754,002
Total pension liability - ending (a)	\$ 227,059,380	\$ 219,815,067	\$ 216,976,876	\$ 212,133,645	\$ 210,260,991	\$ 197,380,586	\$ 194,194,836
Plan fiduciary net position							
Contributions - employer	\$ 4,652,657	\$ 5,103,256	\$ 4,522,472	\$ 4,719,340	\$ 4,790,583	\$ 4,996,104	\$ 4,682,549
Contributions - member	2,613,004	2,382,617	2,470,473	2,438,330	2,383,150	2,362,148	2,266,801
Net investment income	8,829,462	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	(16,170,008)	(15,197,141)	(14,927,353)	(15,135,319)	(13,379,634)	(13,515,159)	(12,939,756)
Transfers among employers	(76,807)	45,900	129,613	154,026	(238,266)	50,472	46,811
Net change in plan fiduciary net position	(151,692)	(3,588,656)	6,298,832	10,361,113	7,342,169	(4,445,684)	9,698,721
Plan net position - beginning	159,006,463	162,595,119	156,296,287	145,935,174	138,593,005	143,038,689	133,339,968
Plan net position - ending (b)	\$ 158,854,771	\$ 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)	\$ 68,204,609	\$ 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	69.96%	72.34%	74.94%	73.68%	69.41%	70.22%	73.66%
Covered payroll	\$ 46,484,106	\$ 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	146.73%	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*

	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution**	\$ 5,258,162	\$ 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**	5,258,162	5,020,630	5,103,256	4,522,472	4,719,340	4,790,583	4,996,104
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	46,511,248	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	11.31%	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 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 2021 were based on the September 30, 2018 actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age
Amortization method	Level percent closed
Remaining amortization period	28.2 years
Asset valuation method	Five year smoothed market
Inflation	2.75%
Salary increases	3.250 - 5.000%, including inflation
Investment rate of return	7.70%, 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*

	2020	2019	2018	2017	2016	2015	2014
Total pension liability							
Service cost	\$ 2,022,568	\$ 1,389,633	\$ 1,405,646	\$ 1,576,326	\$ 1,414,553	\$ 1,501,441	\$ 1,542,522
Interest	21,097,428	20,170,527	19,275,199	18,546,963	18,550,878	18,407,492	18,287,147
Changes of benefit terms	-	-	-	-	-	-	-
Demographic experience	(988,891)	10,438,083	1,267,621	9,154,812	(1,557,256)	1,341,073	-
Changes of assumptions	(5,199,783)	-	10,671,600	-	-	-	-
Benefit payments, including refunds of employee contributions	(19,651,514)	(19,905,887)	(20,299,667)	(19,059,277)	(18,335,869)	(19,657,648)	(17,958,800)
Net change in total pension liability	(2,720,192)	12,092,356	12,320,399	10,218,824	72,306	1,592,358	1,870,869
Total pension liability - beginning	295,269,830	283,177,474	270,857,075	260,638,251	260,565,945	258,973,587	257,102,718
Total pension liability - ending (a)	\$ 292,549,638	\$ 295,269,830	\$ 283,177,474	\$ 270,857,075	\$ 260,638,251	\$ 260,565,945	\$ 258,973,587
Plan fiduciary net position							
Contributions - employer	\$ 22,139,615	\$ 20,699,025	\$ 18,717,733	\$ 19,977,104	\$ 19,701,943	\$ 16,354,458	\$ 14,950,855
Contributions - member	3,400,228	3,384,100	3,279,235	3,306,936	2,995,750	2,969,379	2,945,173
Net investment income	11,313,871	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	(19,651,514)	(19,905,887)	(20,299,667)	(19,059,277)	(18,335,869)	(19,657,648)	(18,186,135)
Administrative expenses	(2,785)	(7,154)	(9,118)	(49,685)	(18,061)	(4,989)	(110,549)
Net change in plan fiduciary net position	17,199,415	9,900,334	17,419,511	24,250,883	16,271,484	(7,220,522)	9,906,402
Plan net position - beginning	212,311,504	202,411,170	184,991,659	160,740,776	144,469,292	151,689,814	141,783,412
Plan net position - ending (b)	\$ 229,510,919	\$ 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)	\$ 63,038,719	\$ 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	78.45%	71.90%	71.48%	68.30%	61.67%	55.44%	58.57%
Covered payroll	\$ 41,735,647	\$ 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	151.04%	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*

	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution**	\$ 19,588,175	\$ 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**	19,588,175	22,139,615	20,699,025	18,717,733	19,977,104	19,701,944	16,354,458
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	41,783,076	41,735,647	39,958,343	40,740,794	39,003,598	36,451,544	35,887,574
Contributions as a percentage of covered payroll	46.88%	53.05%	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 2021 were based on the October 1, 2020 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.

Since the completion of the previous valuation, the following methods and assumptions were changed.

1. The method of determining the actuarial value of assets was changed from the market value adjusted to reflect a five-year phase-in of the total investment gains and losses to the market value adjusted to reflect a five-year phase-in of the unexpected investment gains and losses.
2. The mortality improvement projection scale was updated from Scale MP-2017 to Scale MP-2020.

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 the PUB-2010 Mortality Table for public safety employees/retirees, with full generational improvements in mortality using Scale MP-2020.

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*

	2021	2020	2019	2018	2017	2016	2015
Total pension liability							
Service cost	\$ 890,516	\$ 793,361	\$ 841,709	\$ 891,442	\$ 850,659	\$ 855,623	\$ 916,967
Interest	979,031	907,205	925,643	794,830	732,175	710,345	605,268
Differences between expected and actual experience	(85,317)	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	(768,595)	(715,822)	(450,715)	(487,357)	(421,768)	(340,857)	(316,249)
Net change in total pension liability	1,015,635	1,298,713	(256,621)	952,416	1,317,156	490,618	2,309,152
Total pension liability - beginning	18,129,144	16,830,431	17,087,052	16,134,636	14,817,480	14,326,862	12,017,710
Total pension liability - ending (a)	\$ 19,144,779	\$ 18,129,144	\$ 16,830,431	\$ 17,087,052	\$ 16,134,636	\$ 14,817,480	\$ 14,326,862
Plan fiduciary net position							
Contributions - employer	\$ 600,000	\$ 600,000	\$ 659,074	\$ 592,745	\$ 457,063	\$ 280,573	\$ 404,160
Contributions - member	241,263	234,896	228,368	225,283	231,011	227,928	218,400
Net investment income	3,896,615	586,230	957,336	942,711	910,131	173,650	228,476
Benefit payments, including refunds of employee contributions	(768,595)	(715,822)	(450,715)	(487,357)	(421,768)	(340,857)	(318,619)
Administrative expenses	(28,935)	(45,236)	(32,388)	(29,651)	(28,080)	(19,280)	(17,915)
Net change in plan fiduciary net position	3,940,348	660,068	1,361,675	1,243,731	1,148,357	322,014	514,502
Plan net position - beginning	15,292,697	14,632,629	13,270,954	12,027,223	10,878,866	10,556,852	10,042,350
Plan net position - ending (b)	\$ 19,233,045	\$ 15,292,697	\$ 14,632,629	\$ 13,270,954	\$ 12,027,223	\$ 10,878,866	\$ 10,556,852
Net pension liability (asset) - ending (a) - (b)	\$ (88,266)	\$ 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	100.46%	84.35%	86.94%	77.67%	74.54%	73.42%	73.69%
Covered payroll	\$ 3,965,288	\$ 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	n/a	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

	2021	2020	2019	2018
Actuarially determined contribution**	\$ 760,655	\$ 526,946	\$ 659,074	\$ 592,745
Contributions in relation to the actuarially determined contribution**	600,000	600,000	659,074	592,745
Contribution deficiency (excess)	\$ 160,655	\$ (73,054)	\$ -	\$ -
Covered payroll	3,975,736	3,586,198	3,874,236	3,657,154
Contributions as a percentage of covered payroll	15.09%	16.73%	17.01%	16.21%

** 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 2021 were based on the July 1, 2020 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%. The assumed administrative expenses were increased from \$30,000 per year to \$45,000 per year.

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	5.10%
Mortality rates	Sex-distinct mortality rates set forth in Internal Revenue Service (IRS) regulation section 1.430(h)(3)-1 (required mortality table under IRC section 430).

2017	2016	2015	2014	2013	2012
\$ 457,063	\$ 280,573	\$ 404,160	\$ 785,105	\$ 580,620	\$ 1,319,178
457,063	280,573	404,160	785,105	580,620	1,319,178
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,578,494	3,624,022	3,891,061	3,679,642	3,650,777	3,681,811
12.77%	7.74%	10.39%	21.34%	15.90%	35.83%

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*

	2020	2019	2018	2017
Total OPEB liability				
Service cost	\$ 5,840,483	\$ 5,166,672	\$ 5,529,861	\$ 6,848,282
Expected interest growth	3,873,502	5,095,812	7,141,084	5,332,451
Differences between expected and actual experience	(35,970,056)	33,881,899	(50,661,758)	-
Changes of assumptions	20,184,947	1,115,054	(10,324,761)	-
Benefit Payments, including refunds of employee contributions	(6,905,170)	(7,603,712)	(2,765,878)	(7,454,141)
Net change in total OPEB liability	(12,976,294)	37,655,725	(51,081,452)	4,726,592
Total OPEB liability - beginning	178,598,607	140,942,882	192,024,334	187,297,742
Total OPEB liability - ending	\$ 165,622,313	\$ 178,598,607	\$ 140,942,882	\$ 192,024,334
Covered payroll**	\$ 90,099,126	\$ 84,344,739	\$ 86,460,253	\$ 76,925,041
Net OPEB liability (asset) as a percentage of covered payroll	183.82%	211.75%	163.01%	249.63%

* 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 decreased from 3.58% per annum to 2.14% per annum.
- The per capital healthcare claims cost at age 62 for the 2019/20 fiscal year was decreased from \$9,473.89 to \$8,554.80.
- The per member administrative expenses for the 2019/20 fiscal year were increased from \$515.00 to \$550.00.
- The mortality improvement scale was updated from Scale MP-2017 to Scale MP-2020.

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 City personnel hard at work at the intersection of St. Francis Street and N. Jackson Street in downtown Mobile. The intersection was converted to an all-way stop, whereas only vehicles on Jackson Street were previously required to stop.



COMBINING FINANCIAL STATEMENTS



COMBINING FINANCIAL STATEMENTS

Picture on the prior page features Langan Park.



CITY OF MOBILE, ALABAMA
Combining Balance Sheet
Nonmajor Governmental Funds
Summary by Fund Type
September 30, 2021

	Capital Projects Funds	Debt Service Funds	Special Revenue Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash, equity in pooled cash and investments	\$ 6,276,622	\$ 500,622	\$ 27,173,469	\$ 33,950,713
Restricted cash	82,837	43	-	82,880
Receivables, net	-	-	10,523,664	10,523,664
Total assets	<u>\$ 6,359,459</u>	<u>\$ 500,665</u>	<u>\$ 37,697,133</u>	<u>\$ 44,557,257</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 5,251,356	\$ 5,251,356
Pension employer contributions payable	-	-	88,574	88,574
Unearned revenue	-	-	581,608	581,608
Due to other funds	-	-	2,632,007	2,632,007
Total liabilities	<u>-</u>	<u>-</u>	<u>8,553,545</u>	<u>8,553,545</u>
FUND BALANCES				
Restricted				
Capital projects	6,274,068	-	-	6,274,068
Debt service	-	500,665	-	500,665
Grants	-	-	3,114,458	3,114,458
Law enforcement	-	-	1,301,687	1,301,687
Road and bridge construction	-	-	2,400,829	2,400,829
Road and bridge repair	-	-	3,351,451	3,351,451
Committed				
Flood management	85,391	-	-	85,391
Storm water	-	-	3,727,888	3,727,888
Tax increment program	-	-	13,880,852	13,880,852
Assigned				
Economic development	-	-	30,351	30,351
Municipal court	-	-	1,336,072	1,336,072
Total fund balances	<u>6,359,459</u>	<u>500,665</u>	<u>29,143,588</u>	<u>36,003,712</u>
Total liabilities and fund balances	<u>\$ 6,359,459</u>	<u>\$ 500,665</u>	<u>\$ 37,697,133</u>	<u>\$ 44,557,257</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, 2021

	Capital Projects Funds	Debt Service Funds	Special Revenue Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ -	\$ -	\$ 14,744,157	\$ 14,744,157
Charges for services	-	-	11,000	11,000
Fines and forfeitures	-	-	511,331	511,331
State and federal assistance	1,977,938	-	18,976,234	20,954,172
Investment income	8,312	3,779	20,507	32,598
Other revenue	-	532	407	939
Total revenues	<u>1,986,250</u>	<u>4,311</u>	<u>34,263,636</u>	<u>36,254,197</u>
EXPENDITURES				
Current:				
General government	-	-	10,656,659	10,656,659
Engineering, development & build Mobile	-	-	4,265,813	4,265,813
Public safety	-	-	3,938,826	3,938,826
Public works	-	-	4,425,123	4,425,123
Debt service:				
Administrative charges	-	65	-	65
Interest	-	6,730,438	23,830	6,754,268
Principal retirement	-	16,595,000	160,000	16,755,000
Interest Reimbursement	-	(84,877)	-	(84,877)
Capital outlay:				
Capital outlay	-	-	2,637,172	2,637,172
Total expenditures	<u>-</u>	<u>23,240,626</u>	<u>26,107,423</u>	<u>49,348,049</u>
Excess (deficiency) of revenues over expenditures	<u>1,986,250</u>	<u>(23,236,315)</u>	<u>8,156,213</u>	<u>(13,093,852)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	23,331,821	1,261,233	24,593,054
Transfers out	(3,033,561)	(148)	(3,606,614)	(6,640,323)
Total other financing sources (uses)	<u>(3,033,561)</u>	<u>23,331,673</u>	<u>(2,345,381)</u>	<u>17,952,731</u>
Net change in fund balances	(1,047,311)	95,358	5,810,832	4,858,879
Fund balances - beginning	7,406,770	405,307	23,332,756	31,144,833
Fund balances - ending	<u>\$ 6,359,459</u>	<u>\$ 500,665</u>	<u>\$ 29,143,588</u>	<u>\$ 36,003,712</u>

CAPITAL PROJECTS FUNDS – NONMAJOR



CAPITAL PROJECTS FUNDS – NONMAJOR

Municipal Government Capital Improvements

Flood Management Escrow

2000 Capital Projects

2012 General Obligation Private Placement Capital Equipment

Picture on the prior page features the December 2020 recruiting class for the Mobile Fire-Rescue Department. Over 20 weeks, the recruits were trained to join the ranks of men and women who routinely put themselves in harm's way to save others' lives and property.



CITY OF MOBILE, ALABAMA
Combining Balance Sheet
Nonmajor Capital Projects Funds
September 30, 2021

	Municipal Government Capital Improvements	Flood Management Escrow	2000 Capital Projects	2012 G.O. Private Placement Capital Equipment	Total Nonmajor Capital Projects Funds
ASSETS					
Cash, equity in pooled cash and investments	\$ 6,190,732	\$ 85,391	\$ 499	\$ -	\$ 6,276,622
Restricted cash	-	-	-	82,837	82,837
Total assets	<u>\$ 6,190,732</u>	<u>\$ 85,391</u>	<u>\$ 499</u>	<u>\$ 82,837</u>	<u>\$ 6,359,459</u>
LIABILITIES					
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCES					
Restricted					
Capital projects	6,190,732	-	499	82,837	6,274,068
Committed					
Flood management	-	85,391	-	-	85,391
Total fund balances	<u>6,190,732</u>	<u>85,391</u>	<u>499</u>	<u>82,837</u>	<u>6,359,459</u>
Total liabilities and fund balances	<u>\$ 6,190,732</u>	<u>\$ 85,391</u>	<u>\$ 499</u>	<u>\$ 82,837</u>	<u>\$ 6,359,459</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, 2021

	Municipal Government Capital Improvements	Flood Management Escrow	2000 Capital Projects	2012 G.O. Private Placement Capital Equipment	Total Nonmajor Capital Projects Funds
REVENUES					
State and federal assistance	\$ 1,977,938	\$ -	\$ -	\$ -	\$ 1,977,938
Investment income	8,184	103	1	24	8,312
Total revenues	<u>1,986,122</u>	<u>103</u>	<u>1</u>	<u>24</u>	<u>1,986,250</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	(3,033,561)	-	-	-	(3,033,561)
Total other financing sources (uses)	<u>(3,033,561)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,033,561)</u>
Net change in fund balances	(1,047,439)	103	1	24	(1,047,311)
Fund balances - beginning	7,238,171	85,288	498	82,813	7,406,770
Fund balances - ending	<u>\$ 6,190,732</u>	<u>\$ 85,391</u>	<u>\$ 499</u>	<u>\$ 82,837</u>	<u>\$ 6,359,459</u>

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

2020 General Obligation Warrants

Picture on the prior page features one of two live-streamed “Young People’s Concerts” hosted by the Mobile Symphony Orchestra. Almost 6,000 students from 25 different schools in the area were able to experience Carnival of the Animals thanks to a generous grant from the Alabama State Department of Education.





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CITY OF MOBILE, ALABAMA
Combining Balance Sheet
Nonmajor Debt Service Funds
September 30, 2021

	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	\$ 131,589	\$ 84,880	\$ -	\$ -	\$ 6,757	\$ 5,987
Restricted cash	-	-	27	16	-	-
Total assets	<u>\$ 131,589</u>	<u>\$ 84,880</u>	<u>\$ 27</u>	<u>\$ 16</u>	<u>\$ 6,757</u>	<u>\$ 5,987</u>
LIABILITIES						
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCES						
Restricted						
Debt service	131,589	84,880	27	16	6,757	5,987
Total fund balances	<u>131,589</u>	<u>84,880</u>	<u>27</u>	<u>16</u>	<u>6,757</u>	<u>5,987</u>
Total liabilities and fund balances	<u>\$ 131,589</u>	<u>\$ 84,880</u>	<u>\$ 27</u>	<u>\$ 16</u>	<u>\$ 6,757</u>	<u>\$ 5,987</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	2020 G.O. Warrants	Total Nonmajor Debt Service Funds
\$ 15,774	\$ 15,731	\$ 5,658	\$ 267	\$ 227,223	\$ -	\$ 6,756	\$ 500,622
-	-	-	-	-	-	-	43
<u>\$ 15,774</u>	<u>\$ 15,731</u>	<u>\$ 5,658</u>	<u>\$ 267</u>	<u>\$ 227,223</u>	<u>\$ -</u>	<u>\$ 6,756</u>	<u>\$ 500,665</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15,774	15,731	5,658	267	227,223	-	6,756	500,665
15,774	15,731	5,658	267	227,223	-	6,756	500,665
<u>\$ 15,774</u>	<u>\$ 15,731</u>	<u>\$ 5,658</u>	<u>\$ 267</u>	<u>\$ 227,223</u>	<u>\$ -</u>	<u>\$ 6,756</u>	<u>\$ 500,665</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, 2021

	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	\$ 173	\$ -	\$ -	\$ -	\$ 122	\$ 472
Other revenue	-	-	-	-	-	-
Total revenues	<u>173</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>122</u>	<u>472</u>
EXPENDITURES						
Debt service:						
Administrative charges	-	-	65	-	-	-
Interest	-	-	93,501	-	869,761	500,344
Principal retirement	-	-	530,000	-	6,475,000	1,360,000
Interest Reimbursement	-	(84,877)	-	-	-	-
Total expenditures	<u>-</u>	<u>(84,877)</u>	<u>623,566</u>	<u>-</u>	<u>7,344,761</u>	<u>1,860,344</u>
Excess (deficiency) of revenues over expenditures	<u>173</u>	<u>84,877</u>	<u>(623,566)</u>	<u>-</u>	<u>(7,344,639)</u>	<u>(1,859,872)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	45	-	623,603	-	7,344,761	1,860,347
Transfers out	(103)	-	(45)	-	-	-
Total other financing sources (uses)	<u>(58)</u>	<u>-</u>	<u>623,558</u>	<u>-</u>	<u>7,344,761</u>	<u>1,860,347</u>
Net change in fund balances	115	84,877	(8)	-	122	475
Fund balances - beginning	131,474	3	35	16	6,635	5,512
Fund balances - ending	<u>\$ 131,589</u>	<u>\$ 84,880</u>	<u>\$ 27</u>	<u>\$ 16</u>	<u>\$ 6,757</u>	<u>\$ 5,987</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	2020 G.O. Warrants	Total Nonmajor Debt Service Funds
\$ 727	\$ 25	\$ -	\$ -	\$ 2,254	\$ -	\$ 6	\$ 3,779
-	-	-	-	-	-	532	532
727	25	-	-	2,254	-	538	4,311
-	-	-	-	-	-	-	65
2,510,396	78,099	-	1,384,639	1,040,366	-	253,332	6,730,438
-	745,000	-	-	7,085,000	400,000	-	16,595,000
-	-	-	-	-	-	-	(84,877)
2,510,396	823,099	-	1,384,639	8,125,366	400,000	253,332	23,240,626
(2,509,669)	(823,074)	-	(1,384,639)	(8,123,112)	(400,000)	(252,794)	(23,236,315)
2,510,400	823,099	-	1,384,641	8,125,375	400,000	259,550	23,331,821
-	-	-	-	-	-	-	(148)
2,510,400	823,099	-	1,384,641	8,125,375	400,000	259,550	23,331,673
731	25	-	2	2,263	-	6,756	95,358
15,043	15,706	5,658	265	224,960	-	-	405,307
\$ 15,774	\$ 15,731	\$ 5,658	\$ 267	\$ 227,223	\$ -	\$ 6,756	\$ 500,665



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SPECIAL REVENUE FUNDS – NONMAJOR



SPECIAL REVENUE FUNDS – NONMAJOR

**Tax Increment Fund
Four-Cent Maintenance
Five-Cent Roadway Maintenance
Seven-Cent Roadway Maintenance
Fuel Inspection Fees
Economic Development Escrow
Drug Enforcement Fund
Municipal Court Judicial Administration Fund
Storm Water Fund
Rebuild Alabama Fund
General Activities Grants
RESTORE Act Grants
Hurricane Zeta Grants
Public Safety Grants
Housing and Urban Development Grants**

Picture on the prior page features the 2020 annual “Lighting of the Tree” in Mardi Gras Park.





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CITY OF MOBILE, ALABAMA
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2021

	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	\$ 13,883,571	\$ 3,343,840	\$ 559,169	\$ 241,511	\$ 7,611	\$ 30,351	\$ 1,305,960
Receivables, net	572	-	-	-	-	-	-
Total assets	<u>\$ 13,884,143</u>	<u>\$ 3,343,840</u>	<u>\$ 559,169</u>	<u>\$ 241,511</u>	<u>\$ 7,611</u>	<u>\$ 30,351</u>	<u>\$ 1,305,960</u>
LIABILITIES							
Accounts payable and accrued liabilities	\$ 3,291	\$ -	\$ -	\$ 241,511	\$ -	\$ -	\$ 4,273
Pension employer contributions payable	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Total liabilities	<u>3,291</u>	<u>-</u>	<u>-</u>	<u>241,511</u>	<u>-</u>	<u>-</u>	<u>4,273</u>
FUND BALANCES (DEFICITS)							
Restricted							
Grants	-	-	-	-	-	-	-
Law enforcement	-	-	-	-	-	-	1,301,687
Road and bridge construction	-	-	559,169	-	-	-	-
Road and bridge repair	-	3,343,840	-	-	7,611	-	-
Committed							
Storm water	-	-	-	-	-	-	-
Tax increment program	13,880,852	-	-	-	-	-	-
Assigned							
Economic development	-	-	-	-	-	30,351	-
Municipal court	-	-	-	-	-	-	-
Total fund balances (deficits)	<u>13,880,852</u>	<u>3,343,840</u>	<u>559,169</u>	<u>-</u>	<u>7,611</u>	<u>30,351</u>	<u>1,301,687</u>
Total liabilities and fund balances (deficits)	<u>\$ 13,884,143</u>	<u>\$ 3,343,840</u>	<u>\$ 559,169</u>	<u>\$ 241,511</u>	<u>\$ 7,611</u>	<u>\$ 30,351</u>	<u>\$ 1,305,960</u>

Municipal Court Judicial Admin	Storm Water Fund	Rebuild Alabama Fund	General Activities Grants	Restore Act Grants	Hurricane Zeta Grants	Public Safety Grants	Housing & Urban Development Grants	Total Nonmajor Special Revenue Funds
\$ 1,347,706	\$ 3,812,453	\$ 1,742,748	\$ 870,543	\$ -	\$ -	\$ 23,189	\$ 4,817	\$ 27,173,469
-	118	98,912	1,640,425	361,021	4,305,399	2,179,559	1,937,658	10,523,664
<u>\$ 1,347,706</u>	<u>\$ 3,812,571</u>	<u>\$ 1,841,660</u>	<u>\$ 2,510,968</u>	<u>\$ 361,021</u>	<u>\$ 4,305,399</u>	<u>\$ 2,202,748</u>	<u>\$ 1,942,475</u>	<u>\$ 37,697,133</u>
\$ 8,855	\$ 84,683	\$ -	\$ 487,045	\$ 37,405	\$ 3,819,406	\$ 306,070	\$ 258,817	\$ 5,251,356
2,779	-	-	-	-	-	75,270	10,525	88,574
-	-	-	522,656	-	-	58,952	-	581,608
-	-	-	-	323,616	671,023	163,601	1,473,767	2,632,007
<u>11,634</u>	<u>84,683</u>	<u>-</u>	<u>1,009,701</u>	<u>361,021</u>	<u>4,490,429</u>	<u>603,893</u>	<u>1,743,109</u>	<u>8,553,545</u>
-	-	-	1,501,267	-	(185,030)	1,598,855	199,366	3,114,458
-	-	-	-	-	-	-	-	1,301,687
-	-	1,841,660	-	-	-	-	-	2,400,829
-	-	-	-	-	-	-	-	3,351,451
-	3,727,888	-	-	-	-	-	-	3,727,888
-	-	-	-	-	-	-	-	13,880,852
-	-	-	-	-	-	-	-	30,351
<u>1,336,072</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,336,072</u>
<u>1,336,072</u>	<u>3,727,888</u>	<u>1,841,660</u>	<u>1,501,267</u>	<u>-</u>	<u>(185,030)</u>	<u>1,598,855</u>	<u>199,366</u>	<u>29,143,588</u>
<u>\$ 1,347,706</u>	<u>\$ 3,812,571</u>	<u>\$ 1,841,660</u>	<u>\$ 2,510,968</u>	<u>\$ 361,021</u>	<u>\$ 4,305,399</u>	<u>\$ 2,202,748</u>	<u>\$ 1,942,475</u>	<u>\$ 37,697,133</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, 2021

	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	\$ 6,275,640	\$ 1,359,919	\$ 670,542	\$ 2,346,897	\$ 84,574	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	383,121
State and federal assistance	-	-	-	-	-	-	-
Investment income	16,507	-	-	-	-	36	1,701
Other revenue	-	-	-	-	-	-	-
Total revenues	<u>6,292,147</u>	<u>1,359,919</u>	<u>670,542</u>	<u>2,346,897</u>	<u>84,574</u>	<u>36</u>	<u>384,822</u>
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	-
Engineering, development & build Mobile	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	343,829
Public works	-	-	-	2,476,496	-	-	-
Debt service:							
Interest	-	-	-	-	-	-	-
Principal retirement	-	-	-	-	-	-	-
Capital outlay:							
Capital outlay	2,637,172	-	-	-	-	-	-
Total expenditures	<u>2,637,172</u>	<u>-</u>	<u>-</u>	<u>2,476,496</u>	<u>-</u>	<u>-</u>	<u>343,829</u>
Excess (deficiency) of revenues over expenditures	<u>3,654,975</u>	<u>1,359,919</u>	<u>670,542</u>	<u>(129,599)</u>	<u>84,574</u>	<u>36</u>	<u>40,993</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	110,734	-	-	-
Transfers out	(1,670,891)	(723,935)	(600,000)	-	(84,153)	-	-
Total other financing sources (uses)	<u>(1,670,891)</u>	<u>(723,935)</u>	<u>(600,000)</u>	<u>110,734</u>	<u>(84,153)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	1,984,084	635,984	70,542	(18,865)	421	36	40,993
Fund balances - beginning	11,896,768	2,707,856	488,627	18,865	7,190	30,315	1,260,694
Fund balances - ending	<u>\$ 13,880,852</u>	<u>\$ 3,343,840</u>	<u>\$ 559,169</u>	<u>\$ -</u>	<u>\$ 7,611</u>	<u>\$ 30,351</u>	<u>\$ 1,301,687</u>

Municipal Court Judicial Admin	Storm Water Fund	Rebuild Alabama Fund	General Activities Grants	Restore Act Grants	Hurricane Zeta Grants	Public Safety Grants	Housing & Urban Development Grants	Total Nonmajor Special Revenue Funds
\$ -	\$ 2,936,028	\$ 1,070,557	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,744,157
-	-	-	-	-	-	11,000	-	11,000
128,210	-	-	-	-	-	-	-	511,331
-	-	-	6,385,174	361,021	4,305,399	3,061,431	4,863,209	18,976,234
-	-	-	2,263	-	-	-	-	20,507
-	-	-	-	-	-	407	-	407
128,210	2,936,028	1,070,557	6,387,437	361,021	4,305,399	3,072,838	4,863,209	34,263,636
-	-	-	1,318,710	-	4,490,429	-	4,847,520	10,656,659
-	-	-	3,904,792	361,021	-	-	-	4,265,813
289,282	-	-	-	-	-	3,305,715	-	3,938,826
-	532,993	-	1,415,634	-	-	-	-	4,425,123
-	-	-	-	-	-	-	23,830	23,830
-	-	-	-	-	-	-	160,000	160,000
-	-	-	-	-	-	-	-	2,637,172
289,282	532,993	-	6,639,136	361,021	4,490,429	3,305,715	5,031,350	26,107,423
(161,072)	2,403,035	1,070,557	(251,699)	-	(185,030)	(232,877)	(168,141)	8,156,213
-	-	-	408,477	-	-	279,870	462,152	1,261,233
-	-	-	(5,774)	-	-	(59,709)	(462,152)	(3,606,614)
-	-	-	402,703	-	-	220,161	-	(2,345,381)
(161,072)	2,403,035	1,070,557	151,004	-	(185,030)	(12,716)	(168,141)	5,810,832
1,497,144	1,324,853	771,103	1,350,263	-	-	1,611,571	367,507	23,332,756
\$ 1,336,072	\$ 3,727,888	\$ 1,841,660	\$ 1,501,267	\$ -	\$ (185,030)	\$ 1,598,855	\$ 199,366	\$ 29,143,588



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ENTERPRISE FUNDS – NONMAJOR



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
Municipal Parking Garage
Saenger Theater
Neighborhood Renewal Program**

Picture on the prior page features the Mobile Parks and Recreation Department's 2020 "Reverse Trunk or Treat" event. With many parents concerned about traditional trick-or-treating during the COVID-19 pandemic, this event offered a creative and safe alternative for children.





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CITY OF MOBILE, ALABAMA
Combining Statement of Net Position
Nonmajor Enterprise Funds
September 30, 2021

	Cruise Terminal	Saenger Theater	Municipal Parking Garage
ASSETS			
Current assets:			
Cash, equity in pooled cash and investments	\$ 518,833	\$ 1,659,051	\$ 826,022
Receivables, net	-	18,204	167,442
Inventory & prepaids	-	37,634	-
Total current assets	<u>518,833</u>	<u>1,714,889</u>	<u>993,464</u>
Noncurrent assets:			
Non-depreciable capital assets	-	-	1,895,790
Depreciable capital assets, net	14,126,898	1,707,410	2,201,277
Total noncurrent assets	<u>14,126,898</u>	<u>1,707,410</u>	<u>4,097,067</u>
Total assets	<u>14,645,731</u>	<u>3,422,299</u>	<u>5,090,531</u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	30,957	172,401	16,474
Pension employer contributions payable	5,732	-	-
Unearned revenue	-	859,020	-
Total liabilities	<u>36,689</u>	<u>1,031,421</u>	<u>16,474</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred service concession arrangement receipts	-	-	3,252,551
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>3,252,551</u>
Total liabilities and deferred inflows of resources	<u>36,689</u>	<u>1,031,421</u>	<u>3,269,025</u>
NET POSITION			
Net investment in capital assets	14,126,898	1,707,410	4,097,067
Unrestricted	482,144	683,468	(2,275,561)
Total net position	<u>\$ 14,609,042</u>	<u>\$ 2,390,878</u>	<u>\$ 1,821,506</u>

Mobile Tennis Center	Azalea City Golf Course	Neighborhood Renewal Program	Total Nonmajor Enterprise Funds
\$ 1,200	\$ 1,100	\$ 771,415	\$ 3,777,621
-	-	20,000	205,646
29,243	33,323	46,737	146,937
30,443	34,423	838,152	4,130,204
-	1,457,640	-	3,353,430
76,813	1,427,222	-	19,539,620
76,813	2,884,862	-	22,893,050
107,256	2,919,285	838,152	27,023,254
56,241	81,812	411	358,296
7,805	11,413	-	24,950
-	-	-	859,020
64,046	93,225	411	1,242,266
-	-	-	3,252,551
-	-	-	3,252,551
64,046	93,225	411	4,494,817
76,813	2,884,862	-	22,893,050
(33,603)	(58,802)	837,741	(364,613)
\$ 43,210	\$ 2,826,060	\$ 837,741	\$ 22,528,437

CITY OF MOBILE, ALABAMA
Combining Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended September 30, 2021

	Cruise Terminal	Saenger Theater	Municipal Parking Garage
OPERATING REVENUES			
Charges for services	\$ 206,280	\$ 236,638	\$ 47,146
Facility rent	3,000	99,956	254,252
Sales revenue	-	-	-
Concessions	-	38,976	-
Other revenue	442	55,884	-
Total operating revenues	<u>209,722</u>	<u>431,454</u>	<u>301,398</u>
OPERATING EXPENSES			
Personnel services	490,068	625,062	-
Commodities	18,313	23,193	-
Utilities	177,734	193,124	-
Professional and technical	169,510	5,064	14,199
Maintenance and repairs	75,071	3,246	-
Printing and reproduction	5,338	409	-
Insurance payments	164,680	51,029	14,813
Cost of goods sold	-	-	-
Other charges	21,232	23,006	16,473
Depreciation	400,570	189,159	201,644
Total operating expenses	<u>1,522,516</u>	<u>1,113,292</u>	<u>247,129</u>
Operating income (loss)	<u>(1,312,794)</u>	<u>(681,838)</u>	<u>54,269</u>
NONOPERATING REVENUES (EXPENSES)			
State and federal assistance	-	668,908	-
Investment income	-	-	1,777
Gain (loss) from disposal of assets	-	-	-
Total nonoperating revenues (expenses)	<u>-</u>	<u>668,908</u>	<u>1,777</u>
Income (loss) before contributions and transfers	<u>(1,312,794)</u>	<u>(12,930)</u>	<u>56,046</u>
Transfers in	<u>-</u>	<u>429,760</u>	<u>-</u>
Change in net position	<u>(1,312,794)</u>	<u>416,830</u>	<u>56,046</u>
Total net position - beginning	<u>15,921,836</u>	<u>1,974,048</u>	<u>1,765,460</u>
Total net position - ending	<u>\$ 14,609,042</u>	<u>\$ 2,390,878</u>	<u>\$ 1,821,506</u>

Mobile Tennis Center	Azalea City Golf Course	Neighborhood Renewal Program	Total Nonmajor Enterprise Funds
\$ 304,206	\$ 1,198,998	\$ -	\$ 1,993,268
-	-	-	357,208
131,087	148,233	11,390	290,710
3,996	-	-	42,972
11	35	-	56,372
439,300	1,347,266	11,390	2,740,530
763,960	981,415	-	2,860,505
77,643	260,307	-	379,456
77,661	86,226	-	534,745
226,480	7,176	7,234	429,663
35,743	10,989	-	125,049
5,056	2,983	-	13,786
-	56,807	-	287,329
95,119	110,776	3,895	209,790
42,351	78,896	61	182,019
6,413	202,732	-	1,000,518
1,330,426	1,798,307	11,190	6,022,860
(891,126)	(451,041)	200	(3,282,330)
-	-	-	668,908
-	-	-	1,777
-	9,932	-	9,932
-	9,932	-	680,617
(891,126)	(441,109)	200	(2,601,713)
916,208	227,854	-	1,573,822
25,082	(213,255)	200	(1,027,891)
18,128	3,039,315	837,541	23,556,328
\$ 43,210	\$ 2,826,060	\$ 837,741	\$ 22,528,437

CITY OF MOBILE, ALABAMA
Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended September 30, 2021

	Cruise Terminal	Saenger Theater	Municipal Parking Garage
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers and users	\$ 206,280	\$ 236,638	\$ -
Cash received from sales revenue	-	-	-
Cash received from facility & other rent	3,000	92,400	268,073
Cash received from concessions	-	38,976	-
Cash received from miscellaneous	442	539,438	-
Cash payments for operating expenses	(665,902)	(204,666)	(43,108)
Cash payments for internal services	(29,715)	-	-
Cash payments to employees for services	(454,418)	(625,062)	-
Net cash provided (used) by operating activities	<u>(940,313)</u>	<u>77,724</u>	<u>224,965</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Non-capital grants and contributions	-	668,908	-
Transfers in from other funds	-	429,760	-
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>1,098,668</u>	<u>-</u>
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	-	-	-
Proceeds from sale of capital assets	-	-	-
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income received	-	-	1,777
Net cash provided (used) by investing activities	<u>-</u>	<u>-</u>	<u>1,777</u>
Net increase (decrease) in cash and cash equivalents	<u>(940,313)</u>	<u>1,176,392</u>	<u>226,742</u>
Balances - beginning of year	1,459,146	482,659	599,280
Balances - end of the year	<u>\$ 518,833</u>	<u>\$ 1,659,051</u>	<u>\$ 826,022</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating Income	\$ (1,312,794)	\$ (681,838)	\$ 54,269
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	400,570	189,159	201,644
Changes in assets and liabilities:			
Accounts payable	(34,023)	98,699	2,378
Accounts receivable	-	(7,556)	68,715
Inventory and prepaids	-	(4,294)	-
Salary and benefits payable	5,934	-	-
Advance collections	-	483,554	(102,041)
Net cash provided (used) by operating activities	<u>\$ (940,313)</u>	<u>\$ 77,724</u>	<u>\$ 224,965</u>

Mobile Tennis Center	Azalea City Golf Course	Neighborhood Renewal Program	Total Nonmajor Enterprise Funds
\$ 304,206	\$ 1,198,998	\$ 31,390	\$ 1,977,512
130,337	148,233	-	278,570
750	-	-	364,223
3,996	-	-	42,972
11	35	-	539,926
(587,804)	(558,469)	(11,590)	(2,071,539)
(67,632)	(131,577)	-	(228,924)
(689,914)	(846,082)	-	(2,615,476)
<u>(906,050)</u>	<u>(188,862)</u>	<u>19,800</u>	<u>(1,712,736)</u>
-	-	-	668,908
916,208	227,854	-	1,573,822
<u>916,208</u>	<u>227,854</u>	<u>-</u>	<u>2,242,730</u>
(10,239)	(60,563)	-	(70,802)
-	15,514	-	15,514
<u>(10,239)</u>	<u>(45,049)</u>	<u>-</u>	<u>(55,288)</u>
-	-	-	1,777
-	-	-	1,777
(81)	(6,057)	19,800	476,483
1,281	7,157	751,615	3,301,138
<u>\$ 1,200</u>	<u>\$ 1,100</u>	<u>\$ 771,415</u>	<u>\$ 3,777,621</u>
\$ (891,126)	\$ (451,041)	\$ 200	\$ (3,282,330)
6,413	202,732	-	1,000,518
(2,587)	30,560	412	95,439
-	-	20,000	81,159
(29,243)	13,802	(812)	(20,547)
10,493	15,085	-	31,512
-	-	-	381,513
<u>\$ (906,050)</u>	<u>\$ (188,862)</u>	<u>\$ 19,800</u>	<u>\$ (1,712,736)</u>



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INTERNAL SERVICE FUNDS



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**

Picture on the prior page features City personnel showing appreciation to Mobile's hospitals. Through contributions from the Mobile Police Department Foundation, the Mobile Fire-Rescue Department Foundation and Domino's Pizza, staff were able to provide lunch to the staff at the hospitals as well.



CITY OF MOBILE, ALABAMA
Combining Statement of Net Position
Internal Service Funds
September 30, 2021

	Motor Pool	Employee Health Plan	Liability Insurance	Total Internal Service Funds
ASSETS				
Current assets:				
Cash, equity in pooled cash and investments	\$ 8,642,946	\$ 6,346,574	\$ -	\$ 14,989,520
Receivables, net	25,785	620,122	-	645,907
Total current assets	8,668,731	6,966,696	-	15,635,427
Noncurrent assets:				
Depreciable capital assets, net	35,795,494	-	-	35,795,494
Total noncurrent assets	35,795,494	-	-	35,795,494
Total assets	44,464,225	6,966,696	-	51,430,921
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	819,430	688,263	909,237	2,416,930
Pension employer contributions payable	2,136	-	-	2,136
Insurance claims payable	-	2,110,100	-	2,110,100
Total current liabilities	821,566	2,798,363	909,237	4,529,166
Noncurrent liabilities:				
Self-insured legal liability	-	-	368,198	368,198
Total noncurrent liabilities	-	-	368,198	368,198
Total liabilities	821,566	2,798,363	1,277,435	4,897,364
NET POSITION				
Net investment in capital assets	35,795,494	-	-	35,795,494
Unrestricted	7,847,165	4,168,333	(1,277,435)	10,738,063
Total net position	\$ 43,642,659	\$ 4,168,333	\$ (1,277,435)	\$ 46,533,557

CITY OF MOBILE, ALABAMA
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended September 30, 2021

	Motor Pool	Employee Health Plan	Liability Insurance	Total Internal Service Funds
OPERATING REVENUES				
Charges for services	\$ 20,002	\$ 1,412,522	\$ -	\$ 1,432,524
Internal charges	15,337,449	21,619,351	-	36,956,800
Employee contributions	-	7,299,676	-	7,299,676
Total operating revenues	<u>15,357,451</u>	<u>30,331,549</u>	<u>-</u>	<u>45,689,000</u>
OPERATING EXPENSES				
Personnel services	191,270	-	-	191,270
Commodities	3,915,333	-	-	3,915,333
Utilities	44,498	-	-	44,498
Professional and technical	6,612	83,670	2,699,973	2,790,255
Printing and reproduction	1,205	5,264	-	6,469
Insurance payments	-	26,908,928	-	26,908,928
Increase (decrease) in provision for self-insurance loss	-	228,900	(307,500)	(78,600)
Other charges	345,676	11,187	1,009,402	1,366,265
Depreciation	6,035,724	-	-	6,035,724
Total operating expenses	<u>10,540,318</u>	<u>27,237,949</u>	<u>3,401,875</u>	<u>41,180,142</u>
Operating income (loss)	<u>4,817,133</u>	<u>3,093,600</u>	<u>(3,401,875)</u>	<u>4,508,858</u>
NONOPERATING REVENUES (EXPENSES)				
State and federal assistance	86,220	-	-	86,220
Damaged vehicles reimbursement	61,625	-	-	61,625
Gain (loss) from disposal of assets	(144,455)	-	-	(144,455)
Total nonoperating revenues (expenses)	<u>3,390</u>	<u>-</u>	<u>-</u>	<u>3,390</u>
Income (loss) before contributions and transfers	<u>4,820,523</u>	<u>3,093,600</u>	<u>(3,401,875)</u>	<u>4,512,248</u>
Transfers in	-	-	2,942,005	2,942,005
Transfers out	-	(8,000,000)	-	(8,000,000)
Change in net position	<u>4,820,523</u>	<u>(4,906,400)</u>	<u>(459,870)</u>	<u>(545,747)</u>
Total net position - beginning	<u>38,822,136</u>	<u>9,074,733</u>	<u>(817,565)</u>	<u>47,079,304</u>
Total net position - ending	<u>\$ 43,642,659</u>	<u>\$ 4,168,333</u>	<u>\$ (1,277,435)</u>	<u>\$ 46,533,557</u>

CITY OF MOBILE, ALABAMA
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2021

	Motor Pool	Employee Health Plan	Liability Insurance	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers and users	\$ 18,902	\$ 1,007,828	\$ -	\$ 1,026,730
Cash received from internal billings	15,337,449	21,619,351	-	36,956,800
Cash received from employee contributions	-	7,299,676	-	7,299,676
Cash payments for operating expenses	(3,772,696)	(100,121)	(3,029,447)	(6,902,264)
Cash payments for insurance claims	-	(27,481,295)	-	(27,481,295)
Cash payments to employees for services	(188,542)	-	-	(188,542)
Net cash provided (used) by operating activities	11,395,113	2,345,439	(3,029,447)	10,711,105
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in from other funds	-	-	2,942,005	2,942,005
Transfers out to other funds	-	(8,000,000)	-	(8,000,000)
Net cash provided (used) by noncapital financing activities	-	(8,000,000)	2,942,005	(5,057,995)
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(7,105,953)	-	-	(7,105,953)
Proceeds from sale of capital assets	252,138	-	-	252,138
Reimbursement for damaged vehicles	61,625	-	-	61,625
Capital grants and contributions	86,220	-	-	86,220
Net cash provided (used) by capital and related financing activities	(6,705,970)	-	-	(6,705,970)
Net increase (decrease) in cash and cash equivalents	4,689,143	(5,654,561)	(87,442)	(1,052,860)
Balances - beginning of year	3,953,803	12,001,135	87,442	16,042,380
Balances - end of the year	\$ 8,642,946	\$ 6,346,574	\$ -	\$ 14,989,520
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating Income	\$ 4,817,133	\$ 3,093,600	\$ (3,401,875)	\$ 4,508,858
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	6,035,724	-	-	6,035,724
Changes in assets and liabilities:				
Accounts payable	540,628	(572,367)	679,928	648,189
Accounts receivable	(1,100)	(404,694)	-	(405,794)
Self-insurance liability	-	-	(307,500)	(307,500)
Insurance claims payable	-	228,900	-	228,900
Salary and benefits payable	2,728	-	-	2,728
Net cash provided (used) by operating activities	\$ 11,395,113	\$ 2,345,439	\$ (3,029,447)	\$ 10,711,105



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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 resoration of historic markers. The pictured markers are for the Old Church Street Cemetery and for the site of the former Mobile Mayor Samuel H. Garrow's home, which was visited by Le Marquis de Lafayette in 1825.



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			Variance with
	Original Budget	Final Budget	Actual	Final Budget
REVENUES				
Taxes				
Property				
Real estate	\$ 16,699,432	\$ 16,699,432	\$ 18,921,136	\$ 2,221,704
Motor vehicle	1,505,946	1,505,946	2,167,260	661,314
Sales and use				
Sales tax - City	145,543,282	145,543,282	173,594,598	28,051,316
Sales tax - Police Jurisdiction	10,598,986	10,598,986	11,868,841	1,269,855
Sellers use tax	9,315,471	9,315,471	10,556,395	1,240,924
Lease/rental - City	6,881,427	6,881,427	7,683,125	801,698
Lease/rental - Police Jurisdiction	321,883	321,883	485,538	163,655
Room tax - City	2,730,011	2,730,011	6,235,443	3,505,432
Room tax - Police Jurisdiction	18,427	18,427	18,837	410
Motor vehicle rental - City	1,412,773	1,412,773	1,792,075	379,302
Motor vehicle rental - Police Jurisdiction	-	-	-	-
Selective sales and use				
Motor fuel				
Regular - City	2,426,551	2,426,551	2,344,809	(81,742)
Regular - Police Jurisdiction	933,367	933,367	761,133	(172,234)
County equalization	258,113	258,113	296,172	38,059
Alcoholic beverages				
Liquor - City	803,058	803,058	1,182,579	379,521
Liquor - Police Jurisdiction	33,045	33,045	46,976	13,931
Liquor - ABC Board	287,117	287,117	302,164	15,047
Table Wine	197,238	197,238	203,242	6,004
Beer	1,010,308	1,010,308	1,013,169	2,861
Other				
Cigarette stamp tax	1,443,716	1,443,716	1,283,276	(160,440)
Other tobacco tax - City	849,683	849,683	974,378	124,695
Other tobacco tax - Police Jurisdiction	34,217	34,217	38,794	4,577
Business privilege tax	340,513	340,513	293,652	(46,861)
Other tax revenue	1,613,387	1,613,387	2,418,507	805,120
Total taxes	205,257,951	205,257,951	244,482,099	39,224,148
Licenses and permits				
Business licenses - City	35,938,432	35,938,432	33,945,664	(1,992,768)
Business licenses - Police Jurisdiction	2,168,531	2,168,531	2,172,481	3,950
Motor vehicle licenses	694,196	694,196	648,735	(45,461)
Dog licenses	4,558	4,558	3,810	(748)
Alarm ordinance permits	211,435	211,435	208,700	(2,735)
Total licenses and permits	39,017,152	39,017,152	36,979,390	(2,037,762)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Intergovernmental				
Alcoholic Beverage Control Board	-	-	80,394	80,394
Racing Commission	-	-	2,188	2,188
Total intergovernmental	-	-	82,582	82,582
Charges for services				
Health				
Lot cleaning	42,259	42,259	74,028	31,769
Building demolition fee	74,405	74,405	152,889	78,484
Animal shelter	15,604	15,604	23,125	7,521
Recycling Fees	22,496	22,496	5,987	(16,509)
Public safety				
Inspection	1,594,430	1,594,430	1,567,717	(26,713)
Fire plan review fee	63,580	63,580	59,019	(4,561)
Police and fire	1,888,984	1,888,984	1,665,335	(223,649)
Engineering	409,390	409,390	426,551	17,161
Parking meter and management fees	366,127	366,127	503,541	137,414
Property rental	116,888	116,888	209,913	93,025
Franchise fees - miscellaneous	2,628,209	2,628,209	2,846,166	217,957
Parks and recreation fees	108,172	108,172	143,593	35,421
Vacation of ROW fee	55,032	55,032	-	(55,032)
Other	115,287	115,287	90,890	(24,397)
Total charges for services	7,500,863	7,500,863	7,768,754	267,891
Fines and forfeitures				
Municipal offense fines	2,966	2,966	3,846	880
Police fines	453,124	453,124	512,140	59,016
Driver's education	126,012	126,012	87,212	(38,800)
Bond forfeitures	515,714	515,714	79,501	(436,213)
Court costs	184,800	184,800	194,138	9,338
DA Restitution Unit collection fees	72,376	72,376	53,404	(18,972)
Corrections fund	549,688	549,688	548,236	(1,452)
Alarm ordinance fines	2,650	2,650	1,330	(1,320)
Municipal court administrative fee	104,863	104,863	113,150	8,287
Probation fees	357,399	357,399	298,161	(59,238)
Total fines and forfeitures	2,369,592	2,369,592	1,891,118	(478,474)
State and federal assistance	66,865	66,865	5,785,232	5,718,367
Investment income				
Investment of idle funds	1,474,151	1,474,151	373,778	(1,100,373)
Interest on investments	360,953	360,953	270,565	(90,388)
Dividend income	11,887	11,887	5,107	(6,780)
Total investment income	1,846,991	1,846,991	649,450	(1,197,541)
Other revenue				
Athletic fund	-	-	33,744	33,744
Miscellaneous	175,878	175,878	412,022	236,144
Total other revenue	175,878	175,878	445,766	269,888
Total revenues	\$ 256,235,292	\$ 256,235,292	\$ 298,084,391	\$ 41,849,099

(continued)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
OTHER FINANCING SOURCES (USES)				
Proceeds from disposal of assets	22,674	22,674	62,877	40,203
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	-	-	-	-
From Fuel Inspection Fees Special Revenue Fund	77,427	77,427	84,153	6,726
From Capital Improvements Fund	-	-	-	-
From Cruise Terminal Fund	-	-	-	-
From Health Plan Internal Service Fund	8,000,000	8,000,000	8,000,000	-
From Municipal Parking Garage Fund	-	-	-	-
From WAVE Transit	-	-	-	-
Total operating transfers in	8,677,427	8,677,427	8,684,153	6,726
Operating transfers out				
To Capital Improvement Fund	13,195,000	16,814,196	16,814,196	-
To 7-Cent Roadway Maintenance Fund	400,000	400,000	110,734	289,266
To Grant Administration Funds	500,000	510,762	200,000	310,762
To Civic Center Enterprise Fund	1,900,000	1,900,000	2,319,838	(419,838)
To Convention Center Enterprise Fund	-	-	-	-
To WAVE Transit Enterprise Fund	5,668,477	5,668,477	5,209,372	459,105
To Cruise Terminal Enterprise Fund	-	-	-	-
To Emergency Medical Services Enterprise Fund	6,357,898	6,357,898	6,165,177	192,721
To Tennis Center Enterprise Fund	862,640	862,640	916,208	(53,568)
To Saenger Theater Enterprise Fund	450,000	450,000	429,760	20,240
To Azalea City Golf Course Enterprise Fund	466,277	466,277	227,854	238,423
To Employee Health Plan Internal Service Fund	-	-	-	-
To Liability Insurance Internal Service Fund	2,375,856	2,375,856	2,942,005	(566,149)
Total operating transfers out	32,176,148	35,806,106	35,335,144	470,962
Total other financing sources (uses)	\$ (23,476,047)	\$ (27,106,005)	\$ (26,588,114)	\$ 517,891
				(concluded)

CITY OF MOBILE, ALABAMA
Schedule of Bonds, Warrants, and Notes Payable
For the year ended September 30, 2021

	Interest Rates Percent	Interest Payment Dates	Issue Dates	Final Maturity Date	Serial Payments
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
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, 2020	Year Ended September 30, 2021 Issued	Year Ended September 30, 2021 Refunded	Year Ended September 30, 2021 Retired	Balance September 30, 2021	Interest for Year Ended September 2021
\$ 13,715,000	\$ 3,510,000	\$ -	\$ -	\$ 530,000	\$ 2,980,000	\$ 93,501
39,402,000	36,819,000	-	-	6,475,000	30,344,000	869,761
17,735,000	15,690,000	-	-	1,360,000	14,330,000	500,344
64,610,000	52,110,000	-	-	-	52,110,000	2,510,396
4,430,000	2,325,000	-	-	745,000	1,580,000	78,099
48,770,000	48,770,000	-	-	-	48,770,000	1,384,640
24,350,000	24,350,000	-	-	7,085,000	17,265,000	1,040,366
5,220,000	5,220,000	-	-	-	5,220,000	253,332
1,275,000	220,000	-	-	105,000	115,000	5,285
2,695,000	905,000	-	-	160,000	745,000	23,830
2,000,000	1,200,000	-	-	400,000	800,000	-
\$ 224,202,000	\$ 191,119,000	\$ -	\$ -	\$ 16,860,000	\$ 174,259,000	\$ 6,759,553



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PART III: STATISTICAL SECTION



PART III: STATISTICAL SECTION

Picture on the prior page features the LODA Artwalk.



STATISTICAL SECTION

This part of the City of Mobile's annual comprehensive 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>	139
Revenue Capacity	
<i>These schedules contain information to help the reader assess the government's local resources.</i>	149
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>	159
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>	164
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>	167

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



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

	Fiscal Year			
	2021	2020	2019	2018
Governmental activities				
Net investment in capital assets	\$ 576,332,319	\$ 524,265,892	\$ 478,292,410	\$ 463,460,102
Restricted	38,477,521	32,621,789	30,378,487	28,640,056
Unrestricted	(68,215,575)	(155,461,266)	(178,363,596)	(223,182,102)
Total governmental net position	<u>\$ 546,594,265</u>	<u>\$ 401,426,415</u>	<u>\$ 330,307,301</u>	<u>\$ 268,918,056</u>
Business-type activities				
Net investment in capital assets	\$ 80,081,067	\$ 80,770,671	\$ 83,218,826	\$ 83,820,996
Unrestricted	5,792,647	12,146,498	3,661,778	(700,561)
Total business-type net position	<u>\$ 85,873,714</u>	<u>\$ 92,917,169</u>	<u>\$ 86,880,604</u>	<u>\$ 83,120,435</u>
Primary governmental				
Net investment in capital assets	\$ 656,413,386	\$ 605,036,563	\$ 561,511,236	\$ 547,281,098
Restricted	38,477,521	32,621,789	30,378,487	28,640,056
Unrestricted	(62,422,928)	(143,314,768)	(174,701,818)	(223,882,663)
Total primary governmental net position	<u>\$ 632,467,979</u>	<u>\$ 494,343,584</u>	<u>\$ 417,187,905</u>	<u>\$ 352,038,491</u>

Fiscal Year					
2017	2016	2015	2014	2013	2012
\$ 466,796,768	\$ 417,251,471	\$ 401,397,005	\$ 372,032,993	\$ 366,741,756	\$ 360,178,198
25,668,707	24,152,958	21,295,974	95,217,446	93,283,087	97,600,533
(298,582,917)	(278,066,055)	(282,832,642)	(161,252,000)	(157,937,778)	(126,055,943)
<u>\$ 193,882,558</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>
\$ 86,872,399	\$ 90,229,705	\$ 92,885,644	\$ 97,964,060	\$ 101,563,121	\$ 101,478,517
1,545,787	458,089	(1,914,572)	6,820,494	10,284,211	4,634,952
<u>\$ 88,418,186</u>	<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>
\$ 553,669,167	\$ 507,481,176	\$ 494,282,649	\$ 469,997,053	\$ 468,304,877	\$ 461,656,715
25,668,707	24,152,958	21,295,974	95,217,446	93,283,087	97,600,533
(297,037,130)	(277,607,966)	(284,747,214)	(154,431,506)	(147,653,567)	(121,420,991)
<u>\$ 282,300,744</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>

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

	Fiscal Year			
	2021	2020	2019	2018
Expenses				
Governmental activities:				
General government	\$ 87,542,082	\$ 63,000,678	\$ 58,344,738	\$ 49,876,175
Culture and recreation	23,475,524	22,995,726	26,093,105	24,667,442
Economic development	1,424,648	1,163,957	1,084,321	933,158
Engineering, development & Build Mobile	20,846,093	14,608,855	15,028,296	15,460,518
Finance	6,399,116	5,771,251	5,741,105	6,324,506
Public safety	120,261,674	124,830,422	113,057,091	117,810,593
Public works	37,776,816	33,243,048	34,174,619	38,135,993
Interest on long-term debt	5,928,713	7,874,855	7,546,824	8,015,023
Total governmental activities expenses	<u>303,654,666</u>	<u>273,488,792</u>	<u>261,070,099</u>	<u>261,223,408</u>
Business-type activities:				
Azalea City Golf Course	1,788,375	1,645,790	1,762,244	1,642,458
Civic Center	3,047,038	3,263,936	3,762,093	3,644,260
Convention Center	9,020,710	8,425,129	10,231,659	8,671,027
Cruise Terminal	1,522,515	2,080,009	3,125,480	2,929,012
Emergency Medical Services	7,503,715	6,785,296	7,187,148	13,452,009
Mobile Tennis Center	1,330,425	960,185	939,773	865,150
Neighborhood Renewal Program	11,189	34,357	35,171	82,219
Parking Garage	247,129	225,036	265,725	228,529
Saenger Theater	1,113,292	1,066,242	1,754,621	1,538,821
Wave Transit System	11,402,413	11,867,100	11,705,465	12,083,817
Total business-type activities expenses	<u>36,986,801</u>	<u>36,353,080</u>	<u>40,769,379</u>	<u>45,137,302</u>
Total primary government expenses	<u>\$ 340,641,467</u>	<u>\$ 309,841,872</u>	<u>\$ 301,839,478</u>	<u>\$ 306,360,710</u>
Program revenues				
Governmental activities:				
Charges for services				
General government	51,254,438	52,942,764	52,019,172	49,800,454
Culture and recreation	437,538	349,077	257,254	228,072
Engineering, development & Build Mobile	1,996,121	1,755,172	2,410,813	2,417,052
Public safety	5,073,375	5,225,899	5,737,922	3,884,100
Public works	5,987	14,240	18,799	7,255
Operating grants and contributions	41,693,392	11,404,607	6,875,901	7,089,334
Capital grants and contributions	28,612,489	9,728,661	3,063,779	1,714,304
Total governmental activities program revenues	<u>129,073,340</u>	<u>81,420,420</u>	<u>70,383,640</u>	<u>65,140,571</u>
Business-type activities:				
Charges for services				
Azalea City Golf Course	1,347,266	1,054,498	1,266,633	1,223,954
Civic Center	602,579	1,421,044	2,010,607	2,087,435
Convention Center	1,284,866	1,492,930	3,582,654	2,634,263
Cruise Terminal	209,722	3,147,294	5,957,076	6,307,190
Emergency Medical Services	3,699,345	2,671,217	2,830,979	9,974,678
Mobile Tennis Center	439,300	189,515	226,868	201,261
Neighborhood Renewal/Affordable Homes Program	11,390	82,819	25,921	28,198
Parking Garage	301,398	380,410	491,096	432,563
Saenger Theater	431,454	424,623	1,350,082	1,292,985
Wave Transit System	507,295	601,070	1,171,135	968,036
Operating grants and contributions	5,532,081	6,778,453	3,115,987	3,753,467
Capital grants and contributions	2,641,808	1,219,810	2,540,947	546,292
Total business-type activities program revenues	<u>17,008,504</u>	<u>19,463,683</u>	<u>24,569,985</u>	<u>29,450,322</u>
Total primary government program revenues	<u>\$ 146,081,844</u>	<u>\$ 100,884,103</u>	<u>\$ 94,953,625</u>	<u>\$ 94,590,893</u>
Net (Expense) Revenue				
Government activities	\$ (174,581,326)	\$ (192,068,372)	\$ (190,686,459)	\$ (196,082,837)
Business-type activities	(19,978,297)	(16,889,397)	(16,199,394)	(15,686,980)
Total primary government net expense	<u>\$ (194,559,623)</u>	<u>\$ (208,957,769)</u>	<u>\$ (206,885,853)</u>	<u>\$ (211,769,817)</u>

Fiscal Year					
2017	2016	2015	2014	2013	2012
\$ 57,338,003	\$ 71,077,484	\$ 71,599,115	\$ 78,626,293	\$ 89,601,242	\$ 74,952,084
25,120,318	24,346,459	25,423,325	24,192,649	24,345,756	23,928,393
1,128,267	1,058,324	1,339,289	1,175,960	1,271,271	975,841
15,477,038	15,562,782	-	-	-	-
6,184,239	5,792,949	5,905,306	5,886,971	5,313,958	5,325,800
118,270,320	108,777,473	102,625,577	115,054,082	116,799,647	109,210,514
36,948,205	32,182,584	39,454,462	41,782,266	41,980,768	42,860,205
10,956,824	12,523,734	13,222,630	14,123,164	14,531,680	14,880,418
271,423,214	271,321,789	259,569,704	280,841,385	293,844,322	272,133,255
1,595,699	1,602,676	1,573,881	1,533,543	1,545,563	1,428,306
3,539,260	3,794,184	3,675,513	3,581,709	3,562,838	3,523,551
8,433,850	9,078,055	8,543,558	9,674,772	8,525,656	8,415,212
2,610,198	1,092,752	1,028,171	1,143,905	1,303,494	1,045,826
5,163,686	5,796,418	5,392,697	7,477,075	6,795,760	6,385,225
793,795	761,823	781,819	707,450	639,725	602,193
10,560	11,467	14,334	18,987	1,408	25,141
234,118	237,596	239,667	285,324	228,298	280,776
1,009,011	881,566	843,474	889,736	259,127	-
11,645,426	12,169,978	11,857,903	12,134,216	11,551,094	12,369,217
35,035,603	35,426,515	33,951,017	37,446,717	34,412,963	34,075,447
\$ 306,458,817	\$ 306,748,304	\$ 293,520,721	\$ 318,288,102	\$ 328,257,285	\$ 306,208,702
49,688,127	50,160,158	50,060,635	51,222,299	48,203,217	48,142,712
281,967	302,707	525,844	437,059	525,468	458,196
1,922,408	1,601,395	-	-	-	-
4,547,998	4,505,318	5,141,753	5,841,687	6,282,468	5,652,106
33,027	-	562,397	430,550	654,746	296,647
6,659,324	9,029,824	6,158,691	6,937,239	9,032,116	5,984,128
2,928,157	3,518,998	19,279,163	2,525,315	5,105,011	14,496,855
66,061,008	69,118,400	81,728,483	67,394,149	69,803,026	75,030,644
1,263,235	1,275,404	1,304,713	1,344,965	1,339,025	1,348,748
1,891,198	2,367,738	2,028,805	2,031,222	1,960,052	1,938,375
2,318,069	2,588,337	2,122,764	2,204,743	1,969,680	1,902,004
5,312,115	141,063	346,635	206,892	771,780	291,867
3,696,227	3,882,158	4,227,342	2,189,244	2,149,941	2,927,822
246,033	260,707	270,386	261,450	214,030	211,361
11,181	100,278	28,287	53,884	-	-
390,964	402,268	405,092	400,957	410,482	414,799
715,930	566,731	530,969	542,724	200,270	-
1,015,020	1,048,474	1,164,788	1,136,104	1,115,896	984,645
1,937,095	3,308,904	3,502,088	3,412,216	2,910,578	2,429,300
270,091	1,157,458	488,423	848,317	1,275,691	4,142,259
19,067,158	17,099,520	16,420,292	14,632,718	14,317,425	16,591,180
\$ 85,128,166	\$ 86,217,920	\$ 98,148,775	\$ 82,026,867	\$ 84,120,451	\$ 91,621,824
\$ (205,362,206)	\$ (202,203,389)	\$ (177,841,221)	\$ (213,447,236)	\$ (224,041,296)	\$ (197,102,611)
(15,968,445)	(18,326,995)	(17,530,725)	(22,813,999)	(20,095,538)	(17,484,267)
\$ (221,330,651)	\$ (220,530,384)	\$ (195,371,946)	\$ (236,261,235)	\$ (244,136,834)	\$ (214,586,878)

(Continued)

	Fiscal Year			
	2021	2020	2019	2018
General Revenues and Other Changes in Net Position				
Governmental activities:				
Real and personal property tax	27,364,036	22,593,559	22,310,001	21,800,271
Sales tax	236,616,137	205,191,803	194,772,154	186,851,875
Gasoline tax	11,259,472	11,072,017	10,475,804	10,497,553
Room tax	7,942,423	5,467,713	7,071,430	6,984,611
Beer and liquor tax	2,748,130	2,330,339	2,306,577	2,165,235
Rental and leasing tax	12,076,052	10,343,709	10,572,006	9,536,273
Cigarette stamp tax	1,283,276	1,450,373	1,370,651	1,429,212
Other tobacco tax	1,013,172	915,762	859,699	727,337
Financial excise tax	2,326,876	2,143,592	1,221,786	905,789
Other tax revenue	3,321,311	2,660,691	2,659,021	375,176
Grants and contributions not restricted to a specific program	-	-	-	-
Investment earnings	682,049	1,475,245	1,964,497	513,561
Other	14,416,717	8,453,833	4,660,755	2,667,025
Transfers	(1,300,475)	(10,911,150)	(8,168,677)	1,390,034
Total governmental activities	319,749,176	263,187,486	252,075,704	245,843,952
Business-type activities:				
Sales tax	10,140,903	10,140,903	9,874,297	9,874,297
Room tax	1,453,172	1,844,040	1,903,676	1,903,676
Investment earnings	11,067	9,679	12,913	1,290
Other	29,225	20,190	-	-
Transfers	1,300,475	10,911,150	8,168,677	(1,390,034)
Total business-type activities	12,934,842	22,925,962	19,959,563	10,389,229
Total primary government	\$ 332,684,018	\$ 286,113,448	\$ 272,035,267	\$ 256,233,181
Change in Net Position				
Government activities	\$ 145,167,850	\$ 71,119,114	\$ 61,389,245	\$ 49,761,115
Business-type activities	(7,043,455)	6,036,565	3,760,169	(5,297,751)
Total primary government	\$ 138,124,395	\$ 77,155,679	\$ 65,149,414	\$ 44,463,364

(Continued)

Fiscal Year					
2017	2016	2015	2014	2013	2012
21,054,534	19,241,503	18,293,200	17,130,837	16,364,039	16,262,921
179,364,687	179,817,467	178,536,073	171,549,434	163,725,091	133,215,345
10,535,475	10,471,152	10,113,784	9,474,098	9,499,092	9,680,455
6,366,006	5,916,535	5,653,761	5,389,031	5,182,775	5,003,180
2,111,186	2,154,493	2,100,653	2,025,855	2,078,693	2,031,634
9,342,202	9,465,186	9,220,699	8,497,843	8,015,194	6,309,404
1,727,163	1,701,496	1,743,039	1,815,029	1,993,093	2,200,090
453,701	452,886	480,735	442,344	432,831	411,392
746,838	560,580	382,673	399,417	363,317	147,964
372,052	357,022	418,363	366,789	87,364	71,835
	-	-	348,437	-	-
204,090	135,751	63,943	72,025	94,013	283,034
3,723,468	9,633,119	6,901,008	7,500,929	1,766,581	1,409,680
(1,885,988)	(5,284,854)	(3,885,039)	(4,969,603)	(15,212,065)	(4,206,588)
234,115,414	234,622,336	230,022,892	220,042,465	194,390,018	172,820,346
9,874,297	9,995,087	9,660,595	8,985,838	8,894,386	8,715,107
1,903,676	1,965,763	1,879,914	1,790,951	1,722,185	1,662,898
1,936	1,954	1,690	4,829	763	223
32,941	340	-	-	-	-
1,885,988	5,284,854	3,885,039	4,969,603	15,212,065	4,206,588
13,698,838	17,247,998	15,427,238	15,751,221	25,829,399	14,584,816
\$ 247,814,252	\$ 251,870,334	\$ 245,450,130	\$ 235,793,686	\$ 220,219,417	\$ 187,405,162
\$ 28,753,208	\$ 32,418,947	\$ 52,181,671	\$ 6,595,229	\$ (29,651,278)	\$ (24,282,265)
(2,269,607)	(1,078,997)	(2,103,487)	(7,062,778)	5,733,861	(2,899,451)
\$ 26,483,601	\$ 31,339,950	\$ 50,078,184	\$ (467,549)	\$ (23,917,417)	\$ (27,181,716)
(Concluded)					

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

	Fiscal Year			
	2021	2020	2019	2018
General Fund				
Nonspendable				
Inventory	\$ 2,828,968	\$ 3,047,309	\$ 3,028,287	\$ 2,493,996
Prepaid items	18,644	18,644	15,616	15,616
Long-term receivables	-	-	-	-
Restricted				
Grants	-	-	-	-
Law Enforcement	-	-	-	-
Assigned				
Athletic Fund	149,026	115,136	75,592	89,048
Designated and Donated Funds	1,543,360	1,392,968	1,289,803	1,224,313
General Fund Encumbrances	3,555,041	2,500,188	1,827,618	2,247,767
Municipal Court	-	-	-	-
Unassigned	121,737,194	83,532,824	62,151,219	37,935,527
Total general fund	<u>129,832,233</u>	<u>90,607,069</u>	<u>68,388,135</u>	<u>44,006,267</u>
All other governmental funds				
Restricted				
Capital Projects	6,274,068	7,321,482	6,613,232	6,719,870
Debt Service	500,665	405,307	1,016,179	153,275
Grants	7,007,673	7,673,500	6,609,463	6,618,812
Law Enforcement	1,301,687	1,260,694	668,188	671,583
Road and Bridge Construction	2,400,829	1,259,730	443,084	349,971
Road and Bridge Repair	3,351,451	2,733,911	2,536,513	2,013,442
Committed				
Capital Improvements Fund	-	-	-	-
Flood Management	85,391	85,288	84,914	84,054
Storm Water	3,727,888	1,324,853	761,966	2,090
Strategic Plan Fund	-	-	-	-
Tax Increment Program	13,880,852	11,896,768	12,353,462	12,964,945
Assigned				
Capital Improvements Fund	94,640,471	59,605,215	69,863,605	66,559,834
Economic Development	30,351	30,315	30,146	29,843
Municipal Court	1,336,072	1,497,144	1,649,511	1,622,628
Strategic Plan Fund	-	-	-	-
Unassigned	-	-	-	-
Total other governmental funds	<u>134,537,398</u>	<u>95,094,207</u>	<u>102,630,263</u>	<u>97,790,347</u>
Total governmental funds	<u>\$ 264,369,631</u>	<u>\$ 185,701,276</u>	<u>\$ 171,018,398</u>	<u>\$ 141,796,614</u>

Fiscal Year					
2017	2016	2015	2014	2013	2012
\$ 2,232,695	\$ 2,781,282	\$ 2,602,208	\$ 2,301,354	\$ 2,241,159	\$ 2,389,694
19,164	10,000	10,000	10,000	10,000	10,000
-	-	-	-	-	865,000
-	-	-	-	1,993,528	2,169,963
-	-	-	-	475,460	678,883
60,817	64,832	67,643	51,475	67,165	55,037
1,159,818	1,117,574	1,018,844	931,962	871,274	918,911
1,276,727	964,058	1,238,624	1,008,876	924,907	875,537
-	-	-	-	970,725	505,817
23,909,739	29,753,581	37,421,124	14,926,335	(4,296,200)	11,371,036
28,658,960	34,691,327	42,358,443	19,230,002	3,258,018	19,839,878
5,847,704	6,762,073	11,237,290	13,874,911	17,425,661	21,696,088
126,125	131,469	382,829	719,022	221,605	4,516,268
5,894,771	5,632,013	1,897,365	1,930,590	-	-
750,303	168,455	336,459	384,466	-	-
268,386	186,373	110,735	56,852	291,265	264,644
2,301,816	2,356,683	1,460,134	1,058,928	582,849	2,860,505
-	-	-	-	-	3,672,116
84,012	83,970	83,928	83,886	83,844	83,802
-	-	-	-	-	-
-	-	-	-	-	81,402
11,645,923	9,709,410	10,365,142	8,497,657	7,078,953	7,269,987
58,617,483	59,340,935	33,049,858	34,231,012	35,653,503	22,312,616
29,654	28,460	27,043	31,777	37,390	36,028
1,435,698	1,465,380	1,348,629	1,250,286	-	-
-	-	10,154,041	9,026,591	8,577,907	6,422,154
-	-	-	(11,221)	(6,593)	-
87,001,875	85,865,221	70,453,453	71,134,757	69,946,384	69,215,610
\$ 115,660,835	\$ 120,556,548	\$ 112,811,896	\$ 90,364,759	\$ 73,204,402	\$ 89,055,488

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

	Fiscal Year			
	2021	2020	2019	2018
REVENUES				
Taxes	\$ 305,950,885	\$ 264,169,558	\$ 253,619,129	\$ 241,273,331
Licenses and permits	40,247,724	42,364,738	41,117,581	39,373,694
Intergovernmental	82,582	42,858	-	54,044
Charges for services	7,842,432	7,146,079	7,767,474	6,640,209
Fines and forfeitures	2,402,449	2,309,244	2,995,401	2,365,701
State and federal assistance	52,980,260	21,082,295	9,545,250	8,776,025
Investment income	682,048	1,475,247	1,964,497	513,563
Other revenue	14,950,880	8,677,216	4,482,822	2,842,577
Assessments	-	-	-	-
Total revenues	425,139,260	347,267,235	321,492,154	301,839,144
EXPENDITURES				
Current:				
General government	41,611,072	18,694,602	15,593,547	15,387,108
Culture and recreation	13,666,124	13,070,893	13,467,966	13,301,743
Economic development	1,446,931	1,087,901	1,079,241	794,389
Engineering, development & Build Mobile	26,804,303	20,214,392	14,053,800	13,157,307
Finance	5,922,149	5,396,733	5,331,326	5,385,038
Public safety	107,090,400	108,855,372	98,771,084	94,288,756
Public works	33,910,740	31,035,085	31,547,770	30,050,984
Non-departmental	50,727,843	48,737,152	45,986,566	49,413,177
Debt service:				
Administrative charges	11,780	11,575	15,541	13,146
Bond issuance costs	-	135,484	240,155	385,276
Interest	6,759,553	7,530,318	7,756,516	8,535,967
Principal retirement	16,860,000	15,699,000	14,513,000	14,718,000
Interest reimbursement	(170,150)	-	(500,068)	(746,881)
Capital outlay:				
Capital outlay	45,514,629	53,691,681	37,169,790	32,426,531
Total expenditures	350,155,374	324,160,188	285,026,234	277,110,541
Excess (deficiency) of revenues over expenditures	74,983,886	23,107,047	36,465,920	24,728,603
OTHER FINANCING SOURCES (USES)				
Proceeds from disposal of assets	99,994	30,545	51,103	7,722
Capital/refunding-related debt issued	-	5,220,000	24,350,000	57,705,000
Payment to refunding bond escrow agent	-	(6,463,692)	(27,337,395)	(57,858,848)
Premium (discount) on debt issued	-	1,379,176	3,223,002	539,124
Transfers in	68,987,529	36,634,391	40,933,304	41,734,459
Transfers out	(65,403,054)	(45,224,589)	(48,464,150)	(40,720,281)
Total other financing sources (uses)	3,684,469	(8,424,169)	(7,244,136)	1,407,176
Net change in fund balances	78,668,355	14,682,878	29,221,784	26,135,779
Fund balances - beginning	185,701,276	171,018,398	141,796,614	115,660,835
Adjustments to beginning net position	-	-	-	-
Fund balances - ending	\$ 264,369,631	\$ 185,701,276	\$ 171,018,398	\$ 141,796,614
Debt service as a percentage of noncapital expenditures	7.56%	8.47%	8.48%	8.92%

Fiscal Year					
2017	2016	2015	2014	2013	2012
\$ 232,073,844	\$ 230,138,319	\$ 226,942,982	\$ 217,090,677	\$ 207,741,489	\$ 175,115,820
39,508,966	39,959,958	39,165,570	39,525,926	36,532,107	36,427,112
49,639	79,906	102,817	65,645	137,740	443,642
6,471,076	6,875,124	7,398,861	8,466,724	8,723,683	8,260,051
3,013,765	3,102,723	3,777,807	4,386,729	4,548,189	4,365,667
9,419,670	12,439,232	8,475,079	9,149,146	13,594,457	20,151,236
204,091	138,428	63,943	72,025	94,013	283,035
2,994,613	9,718,968	8,541,969	7,559,519	1,987,282	1,418,460
-	-	-	3,944	-	-
293,735,664	302,452,658	294,469,028	286,320,335	273,358,960	246,465,023
16,961,736	18,941,344	21,472,111	21,625,859	16,795,637	16,672,894
13,650,736	13,499,894	14,495,544	13,321,383	13,475,345	13,396,491
961,702	939,655	1,175,456	854,155	832,668	801,029
15,182,785	13,456,972	-	-	-	-
5,315,082	5,052,016	5,149,172	5,028,125	4,542,960	4,672,001
94,207,836	87,812,807	84,996,189	82,499,697	83,692,248	79,899,320
29,796,292	25,173,163	33,094,011	34,013,827	32,913,792	34,990,667
46,774,160	43,683,515	40,008,437	46,861,160	57,085,851	59,413,866
32,785	71,203	90,122	-	-	-
623,165	141,408	-	-	10,529	-
10,553,333	12,204,125	13,309,190	13,533,770	13,934,349	14,268,697
16,629,465	14,935,138	14,479,688	12,132,976	11,952,149	8,749,175
(248,168)	(248,425)	(746,147)	-	-	-
43,972,849	44,608,499	29,059,563	23,893,432	33,359,798	21,907,267
294,413,758	280,271,314	256,583,336	253,764,384	268,595,326	254,771,407
(678,094)	22,181,344	37,885,692	32,555,951	4,763,634	(8,306,384)
433,754	29,921	50,384	7,124	18,121	13,123
86,775,000	39,402,000	-	-	5,100,000	-
(95,724,264)	(39,260,592)	-	-	-	-
9,572,429	-	-	-	-	-
46,987,427	85,940,776	39,374,477	54,390,241	39,264,957	30,456,574
(52,261,965)	(100,548,803)	(54,863,410)	(69,792,959)	(61,044,043)	(43,314,602)
(4,217,619)	(14,436,698)	(15,438,549)	(15,395,594)	(16,660,965)	(12,844,905)
(4,895,713)	7,744,646	22,447,143	17,160,357	(11,897,331)	(21,151,289)
120,556,548	112,811,902	90,364,759	73,204,402	89,055,488	110,206,777
-	-	-	-	(3,953,755)	-
\$ 115,660,835	\$ 120,556,548	\$ 112,811,902	\$ 90,364,759	\$ 73,204,402	\$ 89,055,488
10.35%	11.06%	11.58%	10.99%	10.68%	10.31%

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>
2021	\$ 27,364,036	\$ 236,616,137	\$ 11,259,472	\$ 7,942,423	\$ 2,748,130
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

Rental and Leasing Tax	Tobacco Tax	Financial Excise Tax	Other Taxes	Total
\$ 12,076,052	\$ 2,296,448	\$ 2,326,876	\$ 3,321,311	\$ 305,950,885
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



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CITY OF MOBILE, ALABAMA

Value of Taxable Sales

Last 10 Fiscal Years

Fiscal Year	Value of Taxable Sales	Direct Tax Rate
	General Sales Tax (in millions)	General Sales Tax
2021	5,033	5.0%
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%

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
2021	5.00%	2.25%	2.25%	2.25%	5.00%	2.50%	1.13%	1.13%	1.13%	2.50%
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%

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%	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%



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

Taxpayer	2021		2012	
	Rank	Percentage of Total Taxable Sales	Rank	Percentage of Total Taxable Sales
Costco Wholesale #1192	1	2.81%		
Wal-Mart #866	2	2.56%	1	2.74%
Wal-Mart #853	3	2.46%	2	2.53%
Wal-Mart #991	4	1.98%	4	2.03%
Sams Wholesale Club #8102	5	1.91%	3	2.05%
Lowe's of Mobile #212	6	1.61%	7	0.98%
Lowe's of West Mobile #549	7	1.59%	6	1.01%
Lowe's Home Centers LLC	8	1.48%	8	0.98%
Home Depot #865	9	1.31%		
Target T-1376	10	1.10%	5	1.22%
Best Buy			9	0.97%
Academy Sports			10	0.91%
Totals		18.81%		15.42%

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	Real Property		Personal Property		Less:	Total		Assessed
Ended	Residential	Commercial	Motor		Tax Exempt	Total Taxable	Direct	Value ¹ as a
September 30	Property	Property	Vehicles	Other	Real Property	Assessed Value	Tax Rate	Percentage of
								Actual Value
2021	\$ 617,739,900	\$ 2,421,509,240	\$ 293,358,660	\$ 514,560,560	\$ 73,237,720	\$ 3,773,930,640	7 mills	\$ 21,560,512,833
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
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
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
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
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
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
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
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
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

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	Mobile County	Mobile County School District	
	Total City Millage	Total County Millage	Total School Millage	
2021	7	16	29.5	52.5
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

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	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Alabama Power Company	\$ 81,535,420	1	2.16%	\$ 277,048,480	2	5.22%
Florida Gas Transmission Co	62,065,360	2	1.64%	76,748,500	4	4.85%
Shell Chemical Company	41,137,480	3	1.09%			
Kimberly-Clark Corporation	32,004,980	4	0.85%	40,927,100	7	5.37%
UOP LLC	27,707,480	5	0.73%			
RPI Bel Air Mall LLC	23,706,260	6	0.63%			
Berg Sprial Pipe Corp	22,642,640	7	0.60%			
Spire Gulf Inc (form. Mobile Gas)	21,975,540	8	0.58%	34,272,000	10	5.75%
Austal USA LLC	20,203,300	9	0.54%			
Alabama Shipyard LLC	15,556,140	10	0.41%			
ThyssenKruppp Steel				922,940,940	1	2.45%
Gulfstream Natural Gas				77,000,000	3	4.85%
ThyssenKruppp Stainless				118,863,160	5	2.45%
SSAB Alabama Inc				66,506,660	6	4.13%
Thomas Properties LLC				43,103,960	8	4.85%
Bell South Telecomm Inc				34,010,500	9	5.81%
Totals	<u>\$ 348,534,600</u>		<u>9.24%</u>	<u>\$ 1,691,421,300</u>		<u>3.46%</u>

Source: Mobile County Revenue Commissioner

Note: Principal property taxpayers presented for 2021 are those property taxpayers in the City of Mobile. Principal property taxpayers presented for 2012 are those for the County as a whole as the information for the City-only taxpayers was not available for that year.

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 Subsequent Years</u>	<u>Total Amount Collected to Date</u>	<u>Percentage of Levy</u>
2021	\$ 17,990,580	\$ 14,944,910	83.07	\$ -	14,944,910	83.07
2020	17,818,772	16,430,943	92.21	155,855	16,586,798	93.09
2019	15,978,465	14,803,387	92.65	55,845	14,859,232	93.00
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	122,443	13,910,342	93.37
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

Source: Mobile County Revenue Commissioner

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			
2021	181,269,684	-	1,660,000	-	-	182,929,684	*	442
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

* 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
2021	181,269,684	\$ 500,666	\$ 180,769,018	0.84%	437
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

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



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CITY OF MOBILE, ALABAMA
Direct and Overlapping Government Debt
as of September 30, 2021

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable¹</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property taxes: County	\$ 444,595,629	53%	\$ 235,635,683
Subtotal, overlapping debt			<u>235,635,683</u>
City of Mobile direct debt	182,929,684	100%	<u>182,929,684</u>
Total direct and overlapping debt			<u><u>\$ 418,565,367</u></u>
	<u>(Gross Bonded Debt Less Debt Service Assets)</u>	<u>(Percentage of Debt Applicable to City of Mobile)</u>	
City of Mobile			
Gross Debt	<u>182,929,684</u>		
Direct net debt	182,929,684	100%	182,929,684
Overlapping Debt			
Mobile County	144,759,000		
Mobile County School Board	<u>299,836,629</u>		
Total Overlapping Debt	444,595,629	53%	
Total Direct and Overlapping Debt			\$418,565,367
	<u>Total</u>		
Assessed value of prop. In City	3,773,930,640		
Assessed value of Prop. In County	<u>7,055,346,960</u>		
Totals	10,829,277,600		
% City/County assessed value	53.49%		

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			
	2021	2020	2019	2018
Debt Limit	769,433,672	\$ 730,726,124	\$ 583,867,572	\$ 578,399,732
Less: Total net debt applicable to limit	139,573,334	156,548,693	156,612,878	188,977,819
Legal debt margin	<u>\$ 629,860,338</u>	<u>\$ 574,177,431</u>	<u>\$ 427,254,694</u>	<u>\$ 389,421,913</u>
Total net debt applicable to the limit as a percentage of debt limit	18.1%	21.4%	26.8%	32.7%

Legal Debt Margin Calculation for Fiscal Year 2021:

Assessed value of real property, September 30, 2021	\$ 3,039,249,140
Assessed value of personal property, September 30, 2021	807,919,220
Total assessed value	<u>3,847,168,360</u>
Debt Limit (20% of total assessed value)	769,433,672
Less: Total net debt applicable to limit	<u>139,573,334</u>
Legal debt margin	<u><u>\$ 629,860,338</u></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					
2017	2016	2015	2014	2013	2012
\$ 555,401,200	\$ 563,287,216	\$ 512,931,580	\$ 504,987,932	\$ 476,702,224	\$ 468,309,460
201,023,028	217,182,815	222,506,693	235,615,896	243,221,226	249,936,851
<u>\$ 354,378,172</u>	<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>
36.2%	38.6%	43.4%	46.7%	51.0%	53.4%



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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
2021	414,114	*	*	37.9	High School Graduate	53,941	4.1%
2020	414,659	16,574	40,112	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%

* 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	2021			2012		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Mobile County Public School System	7,500	1	4.22%	7,550	1	4.34%
Infirmity Health Systems	5,750	2	3.24%	5,080	3	2.92%
USA School and Medical Facilities	5,500	3	3.10%	5,500	2	3.16%
Austal USA	4,000	4	2.25%	3,200	4	1.84%
City of Mobile	2,000	5	1.12%	2,200	6	1.26%
AM/NS Calvert	1,600	6	0.90%			
Providence	1,480	7	0.83%	1,930	7	1.11%
AltaPointe	1,450	8	0.81%			
Spring Hill Medical Center	1,100	9	0.62%			
Airbus US Manufacturing	1,100	10	0.62%			
Wal Mart				2,500	5	1.44%
County of Mobile				1,570	8	0.90%
ThyssenKrupp Steel				1,550	9	0.89%
ST Aerospace Mobile				1,500	10	0.86%
Totals	31,480		17.71%	32,580		18.72%

Source: Mobile Chamber of Commerce

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									
	2021	2020	2019	2018*	2017	2016	2015	2014	2013	2012
General government	98	84	83	96	96	100	185	203	223	195
Culture and recreation	189	228	197	213	253	336	378	485	414	383
Economic development	12	11	10	8	27	14	12	13	12	12
Engineering, development, and Build Mobile	170	183	186	183	112	210	-	-	-	-
Finance	82	78	74	79	82	85	93	96	91	91
Public safety	1,123	1,094	1,097	1,093	1,206	1,242	1,333	1,399	1,288	1,546
Public works	328	328	323	325	520	423	540	541	569	564
Cruise Terminal	6	7	8	8	2	4	-	-	-	-
Firemedics	71	71	74	77	89	73	71	93	73	74
Golf course	19	17	17	18	13	19	20	26	22	26
Motor Pool	4	4	3	2	3	3	3	3	3	2
Tennis center	14	13	11	11	7	12	12	17	10	13
Total	2,116	2,118	2,083	2,113	2,410	2,521	2,647	2,876	2,705	2,906

Source: City Payroll Records

*More accurate method of calculating FTE equivalents implemented in 2018.

CITY OF MOBILE, ALABAMA
Capital Asset Statistics by Function
Last 10 Fiscal Years

Function	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Streets and Highways										
Paved	1,272.6	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
Unimproved	15.3	15.3	15.4	15.5	15.5	18.9	18.9	18.9	19.6	19.8
Traffic Signals	312	312	312	310	310	316	317	316	316	315
Street Lights	6,500	6,500	6,500	5,835	5,528	5,200	5,200	5,200	5,200	5,200
Public Safety										
Police Precincts and Mini-Precincts	5	5	5	5	5	6	6	7	8	8
Fire Stations	20	20	20	20	20	20	20	21	21	21
Culture and Recreation										
Parks	80	77	77	69	69	69	68	68**	92	93
Parks Acreage	1,709	1,400	1,400	1,294	1,294	1,294	1,294	1,294	1,754	1,754
Swimming Pools	5	4	4	6	6	6	6	6	6	6
Wading Pools	6	6	6	9	9	9	9	9	6	5
Spray Grounds	5	5	5	5	5	5	4	3	3	3
Tennis Courts	95	95	95	93	93	93	93	93	93	97
Community Centers	18	18	18	18	18	18	14	14	14	15
Senior Centers	3	3	3	3	3	3	3	3	4	*
Motor Pool										
Sanitation Collection Trucks	25	27	28	27	27	30	35	36	37	38

* Information not available

** Method for reporting has changed.

Source: Various City Departments



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CITY OF MOBILE, ALABAMA
Operating Indicators by Function
Last 10 Fiscal Years

Function	2021	2020	2019	2018
General Government				
Information Technology				
Buildings with computer equipment	199	199	202	197
Miles of fiber	216	201	192	188
Wireless sites	8	10	11	29
Computer user accounts	2,338	2,366	2,306	3,108
Email accounts	2,773	2,668	1,796	1,819
Voicemail accounts	1,873	1,897	1,649	1,479
Computers/printers supported	3,396	3,527	3,237	3,388
Servers supported	130	123	133	107
City phone extensions	1,855	1,605	1,688	2,791
Broadband Data Cards	186	162	192	171
Software Applications Supported	510	446	435	430
MIT Help Desk Cases	6,332	6,553	7,702	6,294
Cell Phones	438	292	376	388
Telecom Help Desk Requests	838	697	373	675
Mobile 311				
Calls	101,780	99,616	91,338	99,064
SROs created	56,000	78,040	52,133	55,396
Culture and Recreation				
Mobile Public Library				
Items circulated	1,087,807	990,555	1,553,075	1,554,685
Customer visits	446,966	468,697	1,089,704	1,108,338
Engineering, development & Build Mobile				
Build Mobile				
Service request orders	11,593	6,113	9,494	11,721
Municipal offense tickets	941	1,051	1,023	1,192
Inspections/investigations	60,018	86,820	83,367	82,890
Plan reviews	16,509	2,685	2,765	2,797
Plan reviews - Right of Way	2,235	3,261	3,431	2,100
Complete nuisance abatement cases	184	170	214	173
Complete weed abatement cases	380	488	596	500
Removal of trees	195	615	183	400
Trimming removal	1,767	3,176	1,939	1,500
Stump removal	24	39	53	60
Mobile Historic Development Commission				
Applications reviewed	505	370	441	375
Certificates issued	483	302	373	368
Applications heard by review board	90	66	68	46
Applications denied	3	2	2	7

2017	2016	2015	2014	2013	2012
194	194	190	185	184	181
185	185	850	825	825	825
29	29	25	22	18	30
3,436	3,436	3,250	3,222	3,000	2,934
1,932	1,932	2,400	2,369	2,458	2,320
1,482	1,482	1,466	1,461	1,541	1,547
3,375	3,375	3,098	3,098	3,163	2,537
95	95	99	99	95	115
2,802	2,802	2,724	2,756	2,730	2,724
70	70	72	63	88	89
430	430	426	426	420	409
9,552	9,552	9,195	10,126	10,016	10,270
485	485	393	372	385	365
1,284	1,284	1,759	1,473	1,809	2,028
97,485	96,805	96,450	110,776	115,594	115,398
54,594	57,886	54,313	56,559	60,512	60,916
1,603,430	1,659,247	1,670,662	1,702,092	1,798,526	1,899,180
1,251,244	1,375,573	1,410,099	1,447,113	1,439,398	1,369,945
13,677	18,808	13,534	18,806	17,043	16,819
1,215	1,369	1,516	1,634	2,221	2,557
60,003	51,374	62,057	65,763	63,407	63,213
2,833	2,729	5,196	7,453	8,043	5,363
2,451	2,444	2,489	2,587	2,574	2,401
118	84	125	77	44	49
840	622	340	320	340	320
456	524	369	395	395	458
1,526	4,114	4,560	4,307	5,691	5,611
60	204	181	102	125	222
372	382	400	412	430	449
316	349	393	410	344	374
52	27	58	64	86	75
2	3	7	2	12	6

CITY OF MOBILE, ALABAMA
Operating Indicators by Function
Last 10 Fiscal Years

Function	2021	2020	2019	2018
Public Safety				
Mobile Police Department				
Crime Incidents:				
Murder (or Non-Neg Manslaughter)	51	34	32	29
Murder Domestic	5	2	4	7
Negligent Manslaughter	1	2	1	1
Forcible Rape	165	150	161	155
Carjacking	25	22	22	36
Robbery	196	139	280	352
Aggravated Assault	1,404	1,226	1,175	1,283
Burglary	1,304	1,650	2,228	2,820
Larceny	5,696	6,643	8,002	9,058
Vehicle Theft	1,017	914	914	1,345
Arson	13	7	16	35
Simple Assault	7,790	7,351	2,826	3,113
Sex Offenses	102	102	94	104
Narcotic Laws	1,475	1,665	1,590	1,120
Weapons Offence	705	630	504	506
Forgery-Counterfeiting	147	173	276	323
D.U.I.	309	304	349	291
All Other Offenses	26,629	26,726	24,942	29,762
Total Tickets				
Following too close	13	36	43	43
Run red light	673	893	930	651
Run stop sign	537	531	781	315
Speeding	3,406	3,515	3,806	5,170
Speeding in school zone	11	8	44	102
Mobile Fire Rescue Department				
Total calls answered	48,926	42,187	35,389	38,149
Inspections	3,817	2,556	2,915	1,481
Plans reviewed	1,376	1,317	1,586	943
Permits issued	784	1,006	984	857
Mobile Municipal Court				
Domestic violence cases	1,511	1,274	1,395	1,279
Environmental cases	1,286	370	1,437	1,167
Traffic cases	18,937	19,631	24,804	21,020
Criminal cases	4,924	4,771	5,972	4,882
Finance				
Human Resources				
Medical claims	137	212	176	194
Indemnity claims	22	26	31	28

2017	2016	2015	2014	2013	2012
45	44	23	26	29	27
6	*	1	4	-	3
-	*	-	2	-	1
119	78	136	146**	29	52
33	*	10	12	17	23
439	459	427	431	452	526
1,335	1,165	1,225	1,136	1,272	879
3,142	2,621	2,275	2,878	2,828	3,119
9,583	8,834	8,367	8,824	9,384	9,213
1,380	850	623	727	742	611
71	*	47	56	42	61
3,163	*	2,067	2,134	2,140	2,349
103	*	131	120	123	174
1,024	*	1,429	2,148	3,897	3,077
434	*	230	274	440	458
260	*	315	226	325	337
298	*	422	448	405	388
30,160	*	26,888	26,606	29,750	31,953
41	65	51	79	66	105
763	820	904	1,654	1,585	1,623
537	473	802	1,156	1,248	1,592
5,816	7,320	8,589	12,551	11,854	11,774
14	24	319	557	512	415
37,658	38,832	35,619	33,486	31,906	31,529
795	812	1,064	1,339	5,731	4,010
428	771	317	698	792	432
517	846	414	415	1,037	372
1,232	1,130	1,305	2,704	1,520	1,670
1,472	1,765	2,246	4,092	2,720	4,061
24,874	29,365	33,644	67,096	52,622	55,030
5,318	5,495	5,632	12,714	8,797	9,645
205	207	234	221	262	251
25	31	35	31	42	37

CITY OF MOBILE, ALABAMA
Operating Indicators by Function
Last 10 Fiscal Years

Function	2021	2020	2019	2018
Public works				
Flood control				
Debris removed (cubic yards)	36,347	24,611	12,830	2,838
Work on ditches (miles)	6	35	31	25
Administration				
Disciplinary actions processed	355	110	72	51
Claims/reports processed	58	69	51	74
Concrete and sidewalk repair				
Concrete poured	370	185	300	278
Repairs	58	540	500	546
Replacements	-	-	-	-
Right-of-way maintenance				
Material hauled (cubic yards)	702	710	26,094	25,163
Material used (cubic yards)	400	350	13,088	6,143
Repairs	223	175	239	281
Asphalt street repair				
Asphalt used (tons)	518	551	633	500
Repairs	9,065	10,517	10,163	8,388
Street Sweeping				
Miles sweeper swept	11,838	16,458	21,177	12,043
Debris removed (cubic yards)	13,681	14,672	16,486	10,599
Water used (gallons)	329,750	359,136	513,070	140,250
Dredge				
Material dredged/removed (cubic yards)	*	*	*	*
Storm drain and heavy equipment				
Drains cleaned	8,800	6,040	4,409	3,047
Material hauled (cubic yards)	36,347	12,193	2,870	1,920
Solid waste				
Waste removal (tons)	62,185	59,224	41,573	47,756
Other waste removal (tons)	-	-	14	108
Special events (tons)	-	387	528	217
Carcass removal	2,383	1,139	1,217	937
Trash division				
Trash picked up	307,034	213,990	188,486	190,315
Pay pile loads	560	880	937	604
Environmental Response Crew				
Collections (gallons)	1,008	1,706	901	951
Other Collections (yards)	-	-	-	-
Cleaned (feet)	-	-	8,415	7,010

* Data not available

** Method for reporting has changed.

Source: Various City Departments

2017	2016	2015	2014	2013	2012
1,076	9,620	10,153	6,582	5,642	6,000
16	19	16	13	17	18
88	209	208	171	191	225
153	171	153	122	189	118
1,003	1,330	1,341	1,743	3,198	1,575
253	480	378	595	500	451
2	1	2	3	5	10
20,474	19,952	16,765	27,609	28,985	33,200
8,105	5,503	4,304	14,265	17,700	13,165
200	179	54	156	157	277
540	860	727	1,112	1,071	1,233
10,018	13,325	14,382	18,096	16,725	21,711
11,634	10,372	11,324	19,252	31,003	26,336
12,091	13,715	14,460	17,944	19,142	16,947
208,749	208,620	144,123	211,500	242,500	269,640
15,000	32,456	17,272	23,147	29,508	7,920
2,553	3,885	1,686	3,884	2,797	3,423
1,520	615	1,275	2,730	7,824	3,481
54,536	57,976	55,413	53,125	52,615	54,269
141	436	414	318	305	291
314	400	350	345	330	315
1,126	1,158	1,200	3,650	3,617	3,610
200,816	199,331	192,281	164,200	171,260	173,820
1,034	1,104	778	680	542	349
1,709	1,447	1,772	1,499	1,215	2,954
-	-	-	-	-	-
5,190	5,251	6,478	25,928	29,666	27,852



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