



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023



WILLIAM S. STIMPSON
RICHARD MOORE
DONNA G. BRYARS

MAYOR
EXECUTIVE DIRECTOR OF FINANCE
COMPTROLLER



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PART I: INTRODUCTORY SECTION



PART I: INTRODUCTORY SECTION





June 7, 2024

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, 2023. The purpose of the ACFR is to give detailed information about the City's financial position and activities 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 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 of 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 Smith, Dukes & Buckalew LLP, 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. It is located in the southwestern section of Alabama, at the head of Mobile Bay, thirty-one miles from the Gulf of Mexico.

After a successful annexation in July 2023 the City covers an area of 190.4 square miles, including 150.1 and 40.3 square miles of land and water, respectively. After annexation the current population of the City is estimated at 206,830. Mobile is now the second largest city in Alabama.

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 and seven-member Council form of government, with the council members elected by district. Responsibility for day-to-day operations 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 including police and fire protection; the construction and maintenance of 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 County Health Department, Mobile County Emergency Management Agency, Mobile County Personnel Board, and the Mobile County Juvenile Court and Strickland Youth Center are excluded from this report. Additional information on all of these entities can be found in the notes to the financial statements (See Note 2).

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



Pictured above: Ben Reynolds (District 4), Cory Penn (District 1), Gina Gregory (District 7), William S. Stimpson (Mayor), C.J. Small (District 3), Joel Daves (District 5), William Carroll (District 2), and Josh Woods (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, must adopt 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 at the departmental level within an individual fund for legal and administrative control. Unencumbered amounts lapse at year-end in the General Fund.



FINANCIAL PERFORMANCE AND CITY ECONOMY

Fiscal year 2023 continued with a strong financial performance of sales tax in the General Fund. This is the City's largest source of revenue. For the year, the General Fund's sales tax revenue (from the City and the police jurisdiction – see page 142) was \$203 million compared to our budget of \$189.6 million. General Fund sales tax also exceeded FY 2022 receipts by \$6.8 million reflecting a continuation of a healthy economy despite growing inflation that continued throughout much of the year.

Other revenue sources also exceeded our budget. One area that performed well above plan was business license revenue. Business licenses and permits were \$45.8 million exceeding our budget by \$4.3 million. This growth in business license revenue was a further indication that our economy remains healthy and growing.

Tourism remains a significant part of the City's economy. Lodging tax collections in 2023 were up slightly from the previous year. The City has strong support for tourism by VISIT MOBILE and the City's Parks and Recreation Department.

In 2023, the City's General Fund spending also contributed to our strong performance for the year. Total General Fund expenditures (on a budgetary basis) were \$265.9 million vs. our amended budget of \$282.2 million (see pages 103-107). All operating departments outperformed their spending targets. This was in large part due to the challenges of fully staffing our key safety and public works departments. However, this did contribute to maintaining our strong surplus position and our Moody's Aa and Standard and Poor's AA ratings.

Because of the City's strong financial position, several contributions were made to City-wide projects financed from the general fund surplus. Most notable among these was \$30 million to support the new parking garage being built next to the Civic Center. The project is expected to be completed in 2025. Other investments from surplus in 2023 included \$4.9 million for a cruise terminal gangway, \$2.83 million for US-45 median improvement and \$5.7 million for culvert repairs.

Despite the strong performance in the Fiscal Year, 2023 wasn't without pressure due to changing economic conditions. During much of the year, we witnessed growing inflation reaching the highest levels we have seen in 40 years. In addition, interest rates which for the previous 3 years had seen some of the lowest rates in recent history, started to increase to levels not seen since 2006. As the Federal Reserve began to increase rates to respond to the rising inflation, the economy in Mobile began to feel the effects of these changes. Some of the most significant changes were seen in housing and construction costs. As we entered 2024, inflation continues to be persistent and interest rates continue to remain high.

As we enter the 9th month of fiscal year 2024, the economy continues to grow defying fears of a recession. For the first six months of the year, we have again seen revenues exceed our budget and spending levels below our plan. Our General Fund surplus has increased through January due to the positive variances mentioned earlier. However, we expect the second half of the year to resemble past years and a slowing rate of sales tax growth.



Our current outlook for the remainder of the year remains positive. However, we need to remain cautious relative to inflation, Federal spending, and rising interest rates. We are optimistic the current fiscal year will end positively and better than budgeted.

Alabama Port Authority

The Port of Mobile is vital to the economic growth of the Gulf Coast and the entire state of Alabama. Activity at the port's public and private terminals directly and indirectly generates one in seven jobs statewide.

Recently ranked as the second fastest-growing port in the U.S. by Forbes, the Port of Mobile continues to expand in order to accommodate and generate even further economic growth and job creation for the City of Mobile and the state of Alabama. Since 2018, the Port of Mobile has been ranked as the fastest growing container terminal in the United States with a growth rate of 61.2% in 2022. The Port of Mobile handles in excess of 55 million tons of international and domestic cargo for exporters and importers, delivering \$98.3 billion in economic value to the state in 2022 alone and generates 351,359 jobs across the State of Alabama.



The Port Authority will expand its container terminal capabilities to one million TEUs upon completing the Phase IV expansion in 2025. In addition to the terminal expansion and the harbor deepening and widening project, the Alabama Port Authority plans to develop logistics facilities in Mobile and open a new inland intermodal facility served by CSX in Montgomery, AL. These projects are set to begin operation in 2025 and will provide new advantages and opportunities for shippers.



Other planned investments include constructing a fly-over bridge to create on-dock rail access at the container terminal, modernizing general cargo piers, and developing an inland intermodal facility in North Alabama. These projects are funded through federal budget appropriations and grants championed by former United States Senator Richard Shelby.

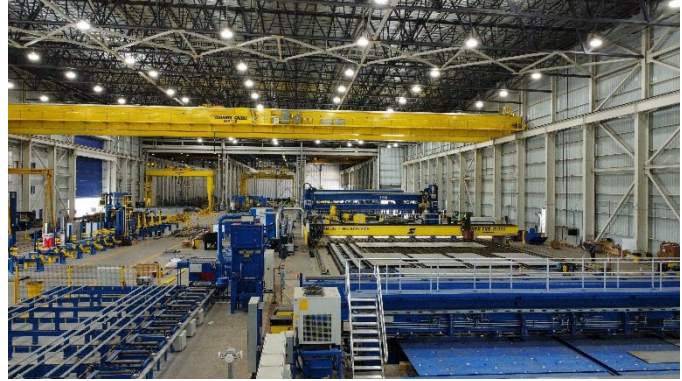
The Port of Mobile is strategically located in the northern Gulf of Mexico with access to an international airport and two interstate systems, I-65 running north/south and I-10 running east/west. The intermodal container transfer facility (ICTF), which will be an on-dock facility by 2025, provides access to five Class I and four short-line railroads. From the ICTF in Mobile, containers can reach Chicago in three days.

The Alabama Port Authority serves all 67 counties in the state of Alabama and oversees the deep-water public port facilities at the Port of Mobile. In addition to interstate, air, and rail, the Port Authority's container, general cargo, and bulk facilities have immediate access to nearly 15,000 miles of inland waterways. Once the channel deepening and widening project is completed, the Port of Mobile will be the deepest container terminal on the Gulf of Mexico.



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. Since opening its doors in 1999, the company has specialized in the manufacture of aluminum ships through assembly lines with modular construction efficiencies. The company has delivered 29 battle force ships to the U.S. Navy and has grown to employ nearly 3,000 employees with plans to add another 2,000 jobs over the next couple of years.



In 2023, the company received a \$1.28 billion contract award from the U.S. Navy for the final design and construction of three Expeditionary Medical Ships (EMS) to be built on the aluminum manufacturing line. Additionally, the company opened a new state-of-the-art steel production facility, providing future growth opportunities which will continue to propel the company, its network for suppliers, and the regional economy. Austal USA has contracts for their steel line that include the U.S. Navy Towing, Salvage and Rescue Ships, Auxiliary Floating Drydock Medium, and the U.S. Coast Guard’s Offshore Patrol Cutter – a contract valued at up to \$3.3 billion.

Augmenting Austal USA’s prime steel shipbuilding contracts, the company entered into agreements with General Dynamics Electric Boat and Huntington Ingalls Newport News Shipbuilding to construct submarine modules and aircraft carrier elevators, respectively.



Austal USA is similarly partnered with Saildrone, Inc. as the exclusive builder of Surveyor vehicles and continues to work closely with L3Harris and General Dynamics Mission Systems on the development of autonomous capabilities. With a construction contract for EPF 16, Expeditionary Medical Ships on the horizon, and design work for the Light Amphibious Warship, Next Generation Logistics Ships, and Large Unmanned Surface Vessel, the Austal USA shipyard is well positioned to provide even more economic opportunity to Mobile and its citizens.



SSAB

SSAB is one of the largest producers of steel plate and coil in North America, with two company divisions located in the Mobile area. SSAB Americas' corporate headquarters is located in Mobile, AL with employees at both the RSA Battle House Tower in downtown Mobile and just north of Mobile at the site of its Axis mill. SSAB Special Steels operates the steel mill in Axis, Alabama. SSAB Americas employs approximately 700 people in the Mobile area.



SSAB specializes in the production of high-quality steel for use in the energy, construction, agriculture, and transportation industries. SSAB is one of Alabama's largest steel scrap recyclers. Its products are 100 % recyclable and are produced using 97 % recycled content. The Axis mill is one of the world's most advanced steel mills and is currently expanding its production capabilities to include a new quenched and tempered line for commercial use high-strength steel.

Last year, SSAB entered into a key supply agreement with Austal USA to provide high quality plate for the U.S. Navy's steel-hulled towing, salvage, and rescue ships. In addition, SSAB steel can be found in applications across the U.S., including railcars, football stadiums, roller coasters and wind towers.

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, the Airbus Engineering Center Mobile and the U.S. Manufacturing Facility both at Brookley Aeroplex. The manufacturing facility is one of the largest business units in Mobile employing nearly 1600 people, 90% of whom reside in coastal Alabama. Airbus builds two commercial aircraft programs, the A220, a 108-160 passenger single-aisle aircraft, and the high-demand A320/A321 mid-range single-aisle aircraft that can accommodate between 125-240 passengers.





Airbus has a backlog of nearly 7800 A320/A321 planes worldwide. Airbus established its commercial line in Mobile in 2013 and has already delivered nearly 400 aircraft from this facility. Airbus' Mobile location is the largest Airbus commercial aerospace manufacturing facility outside of Europe.

In early 2022, Airbus announced it was increasing the rate of production, doubling its footprint at the Aeroplex, and doubling its workforce. The company will reach nearly 2800 employees in 2025 and quadruple its aircraft production rate from its original 2013 production rate making this facility one of the largest commercial jetliner producers in the world. Airbus has been and continues to be one of the leading industries in the City of Mobile and Region.

South Alabama Logistics Park (SALP)

The South Alabama Logistics Park (SALP) is a new economic development project that began in 2021. Its goal was to build multiple sites on 1,300 acres of land to attract new businesses to the Mobile area with multiple local, national, and international firms.

The SALP site would allow businesses to take advantage of the City’s access to North-South and East-West interstate transportation, its 5 class 1 railroads and the Port of Mobile. The project has made significant progress toward its goal of attracting new business to the region and becoming one of the key distribution points in the Mobile area.

By the end of the first quarter of 2024, SALP will have three tenants open and operating in the facility. DC Safety, an automotive supply company, is fully operational and employs roughly 50 individuals at its facility. It is also expanding into a neighboring space and expects to hire additional employees.



Chadwell Supply, which services multi-family housing complexes, is also open and operational, with another 50 jobs at its facility.

Averitt Express, a logistics company, has also opened their new facility, which expands on their presence in the Mobile area. That state-of-the-art facility is also home to another 50 employees.

In total, 505,000 square feet of warehousing space is built and accounted for, with 340,000 square feet of that space open and operational. The fourth building on the site is expected to break ground this year, adding an additional 185,000 square feet of space. This significant investment and progress represent only 5% of the long-term projected size of the park.

Overall, progress is on schedule and serving the high demand for modern warehousing and logistics space in the Mobile area. SALP is well on its way to meeting its goal of becoming a world class distribution center serving the Southeast, Mid Atlantic and Midwest States.



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, USA’s 1,200-acre campus has been transformed over the past decade with new facilities. USA’s health care facilities provide economic stability to Mobile through USA Health’s employment of approximately 3,900 clinical and nonclinical staff. USA Health is also a training ground for future physicians and healthcare professionals.



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

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

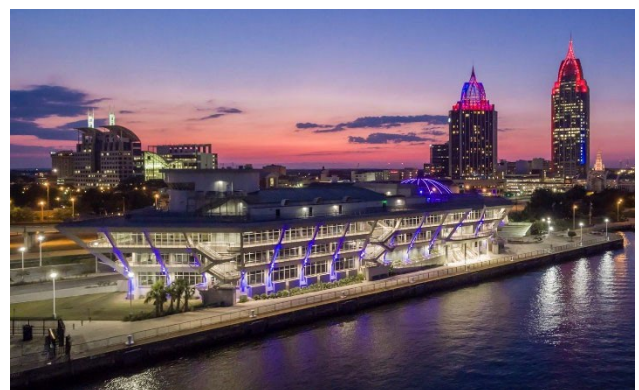


Mobile Museum of Art

The City is 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.

National Maritime Museum of the Gulf of Mexico

The National Maritime Museum of the Gulf of Mexico is the only museum in the world dedicated to the rich history and traditions of the Gulf of Mexico. With more than 80 immersive exhibits and interactives, the Museum has something for maritime lovers of every age. Visitors enjoy 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.



Mobile is also home to the historic Saenger Theater, Mobile Opera, Mobile Symphony, Mobile Ballet, History Museum of Mobile, the Playhouse in the Park, the **USS Alabama Battleship Memorial Park** (pictured below) and many other cultural and historical organizations.



*USS Alabama Battleship
Memorial Park*

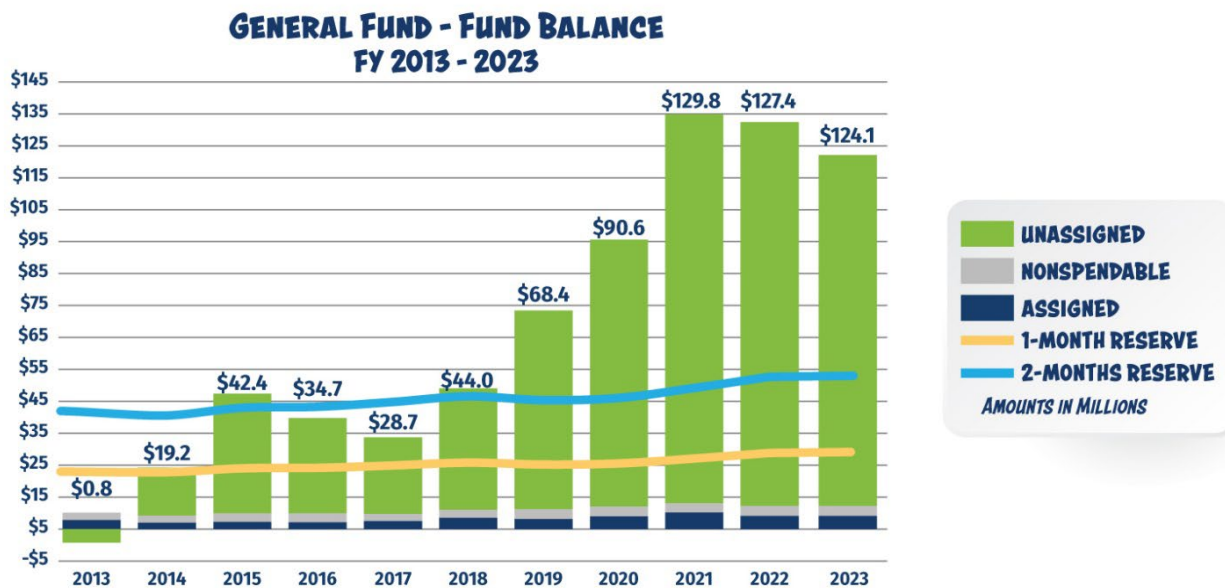
Mobile is home to the oldest annual **Mardi Gras** celebration in the United States. For weeks every year, the streets of downtown Mobile are filled with the sights and sounds of live marching bands, brilliantly colored floats and crowds of parade goers that is Mardi Gras in Mobile.



RELEVANT FINANCIAL POLICIES

In order to ensure future stability in its credit ratings, the City administration adopted a reserve policy for its General Fund in order to maintain a two-month minimum reserve. 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 balance indicated by this policy for fiscal year 2023 is approximately \$50 million, a level that was exceeded.



City management is responsible for establishing and maintaining internal controls 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 and are maintained by our Grants Management team, a division of City Accounting and Finance.

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’s maintenance of a two-month General Fund reserve and conservative spending growth has allowed City management the flexibility to make more responsible choices in investments.

The City is self-insured for claims and judgments, general liability, and general automobile liability. These liabilities were estimated to be approximately \$618,500, reduced by \$272,612 pre-funded with the third-party claims administrator, at September 30, 2023. 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 that occurred prior to participation in MWCF on January 1, 2017. These liabilities were estimated to be approximately \$18.3 million at September 30, 2023, and are accounted for in the Government-wide financial statements.

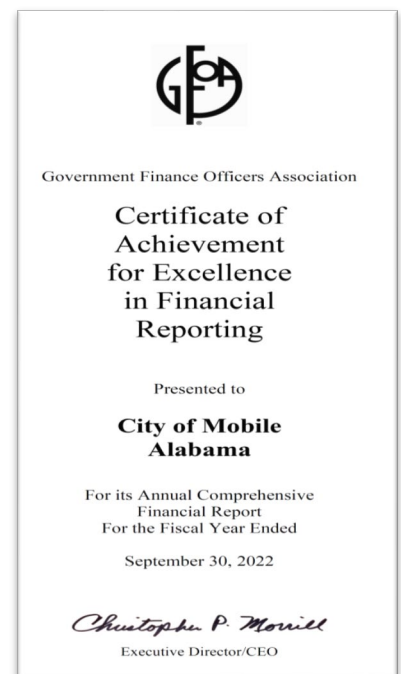
The liability for employee health insurance claims of approximately \$2.1 million is reported in the Employee Health Plan Fund (Internal Service Fund).

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, 2022, 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.

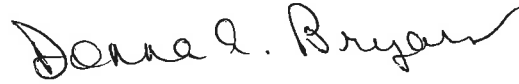


The preparation of the annual comprehensive financial report was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. Our sincere appreciation is also extended to our independent auditors, Smith, Dukes & Buckalew LLP, for their cooperation and technical guidance.

Sincerely,



Richard Moore
Executive Director of Finance



Donna G. Bryars
Comptroller





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

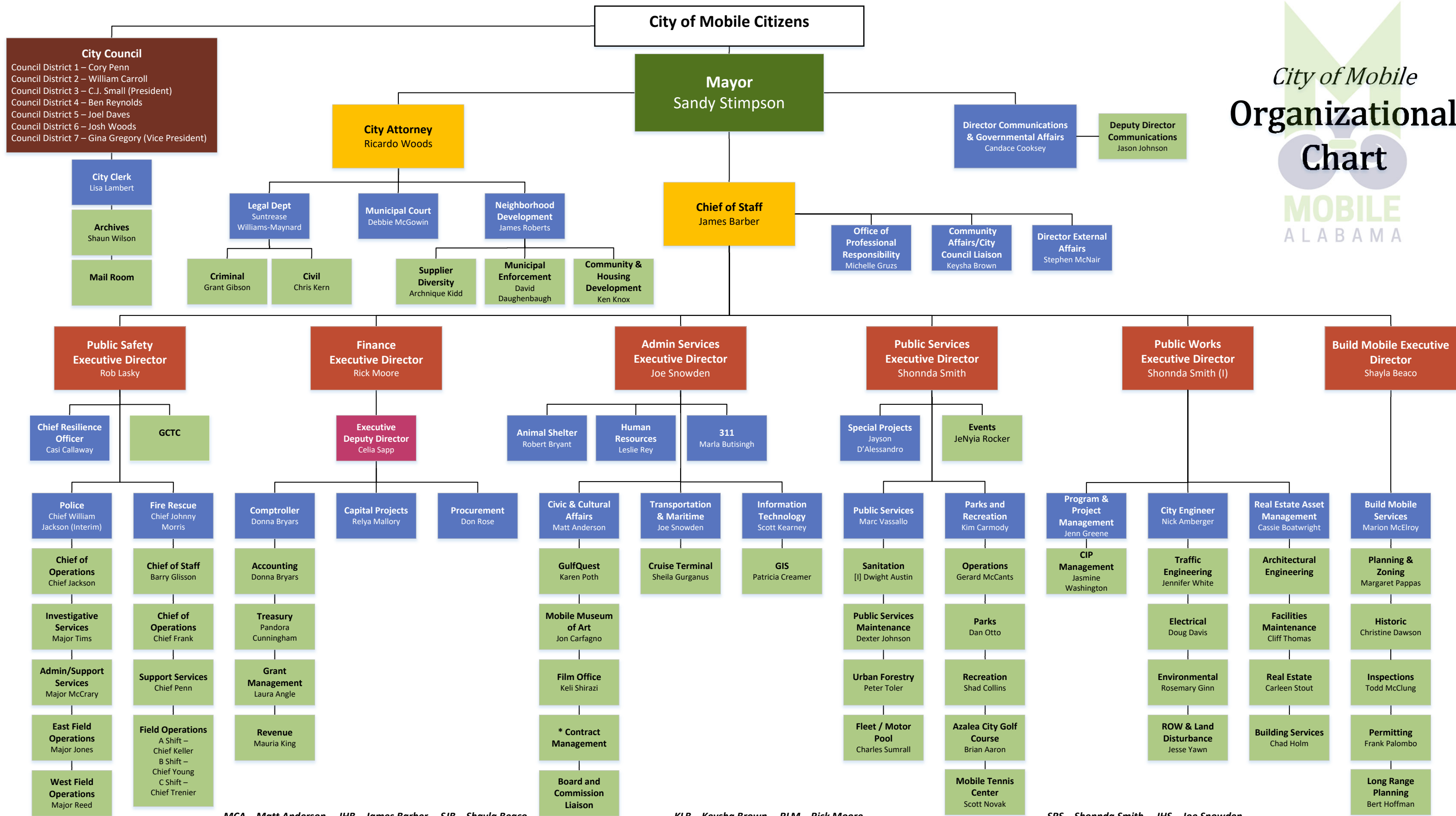
**City of Mobile
Alabama**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morill

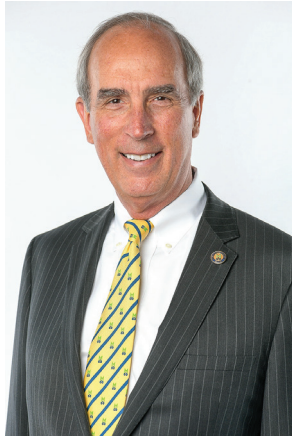
Executive Director/CEO



- Boards and Commissions Appointed by Council:**
- Advisory Commission on Disabled
 - Architectural Review Board – MCA
 - Board of Adjustment – MCA
 - Citizens' Park and Recreation Advisory Comm. – SRS
 - Codes Advisory Comm. – SJB
 - Commercial Development Authority
 - Historic Development Commission – SJB
 - History Museum – MCA
 - Human Relations Commission – KLB
 - Keep Mobile Beautiful
 - Ladd-Peebles Stadium Board – MCA
 - MAWSS
 - Old Dauphin Way Review Board – SJB
 - Police Citizens Advisory Council – JHB
 - Public Library Board – MCA
 - Solid Waste Authority
 - Keep Mobile Beautiful
 - Tree Commission - MCA
 - Visit Mobile – JHS
 - Youth Council – KLB
- Boards and Commissions Appointed by Mayor:**
- Mobile Housing Authority: 5 of 5 appointments
 - Industrial Development Board: 8 of 8 appointments
 - Mobile Airport Authority: 5 of 5 appointments
 - Mobile Planning Commission: 10 of 11 appointments
 - Metropolitan Planning Organization: 2 of 16 appointments
 - Liaison – Matt Anderson
- * Contract Management**
- Civic Center – JHS
 - Convention Center – JHS
 - Downtown Mobile Alliance – MCA
 - Downtown Parking – JHS
 - Exploream – MCA
 - Police & Fire Pension – RLM
 - History Museum – MCA
 - Mobile Sports Authority – MCA
 - Saenger – JHS
 - Visit Mobile – JHS
 - WAVE Transit – JHS

May 28, 2024

 William S. Stimpson – Mayor



William S. Stimpson
Mayor

MOBILE CITY COUNCIL



C.J. Small
District 3, President



Gina Gregory
District 7, Vice President



Cory Penn
District 1



William Carroll
District 2



Ben Reynolds
District 4



Joel Daves
District 5



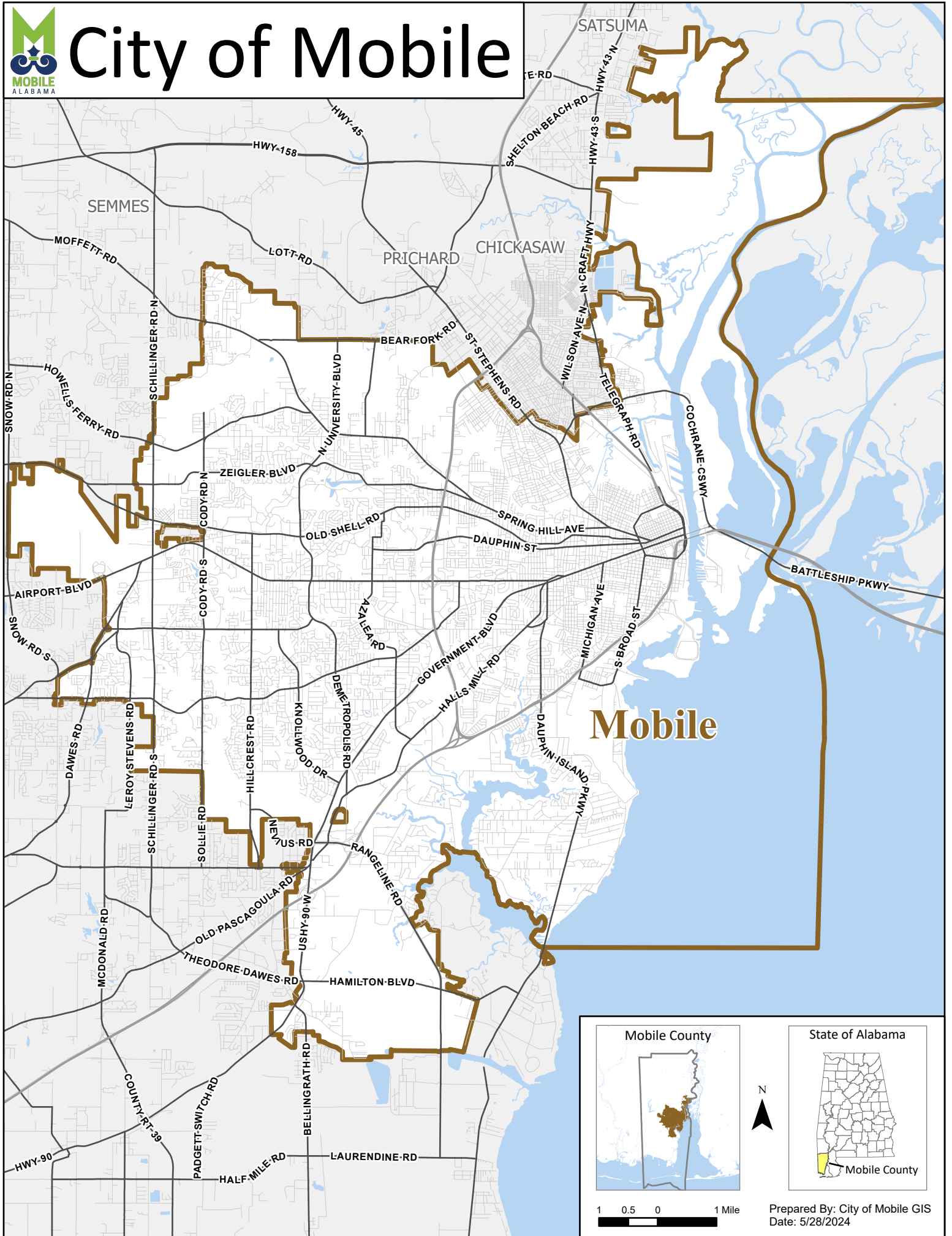
Josh Woods
District 6

PRINCIPAL OFFICIALS

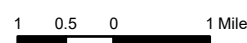
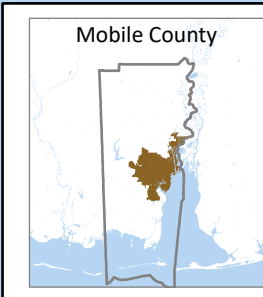




City of Mobile



Mobile



Prepared By: City of Mobile GIS
Date: 5/28/2024



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PART II: FINANCIAL SECTION



PART II: FINANCIAL SECTION





SmithDukes

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 Audit of the Financial Statements

Opinions

We have audited the 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, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Mobile's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditor, the accompanying financial statements 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, as of September 30, 2023, 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.

We did not audit the financial statements of WAVE Transit, which represent 1.58 percent of the assets, 1.87 percent of the net position, and 1.67 percent of the revenues of the City. Those financial statements were audited by another auditor whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for WAVE Transit, is based solely on the reports of the other auditor.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), issued by the Comptroller general of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Mobile, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Mobile's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City of Mobile's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Mobile's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis 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.

To the Honorable Mayor and
Members of the City Council of
the City of Mobile, Alabama
Page 3

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Mobile's basic financial statements. The Combining Financial Statements and Other Supplementary Information, 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. The 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 auditor. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section, as listed in the table of contents, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we will issue our report on our consideration of the City of Mobile'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 at a future date. The purpose of that report is 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 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's internal control over financial reporting and compliance.

Smith, Debez & Buchler, L.L.P.

Mobile, Alabama
June 7, 2024



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MANAGEMENT'S DISCUSSION AND ANALYSIS



MANAGEMENT'S DISCUSSION AND ANALYSIS



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, 2023 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 \$955.2 million (net position). Of this amount, the City had \$817.4 million in net investment in capital assets, \$53.7 million in restricted net position, and \$84.1 million in unrestricted net position.

CHANGE IN NET POSITION

The City's total net position increased \$195.6 million, or 25.76% over the prior year. Net position of governmental activities increased \$197.2 million, or 29.3%, and net position of business-type activities decreased 1.6 million, or 2%. This change in net position was primarily due to the increase in capital grants and contributions. The amount grew to \$67.8M from \$9.6M from the prior year due to annexation which occurred in FY23.

GOVERNMENTAL FUNDS

At the close of the current fiscal year, the City's governmental funds reported a combined fund balance of \$350.5 million. This was an increase of \$47.7 million or 15.8% from the prior year. This increase is largely the result of \$17 million in unbudgeted tax revenues received and expenditure budget savings of \$16.3 million in the General Fund.

Total governmental fund revenues increased \$33 million (7.9%) while total expenditures increased \$25.7 million (7%) from the prior year. At the end of the current fiscal year, the total fund balance for the General Fund was \$124.1 million, a decrease of \$3.3 million (2.6%) from the prior year. While this is a reduction in fund balance, the fund significantly outperformed the budget 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 \$14.5 million or 5.6% from the prior year primarily due to economic growth over the prior year.

OTHER SIGNIFICANT EVENTS

On July 18, 2023, voters in three areas in West Mobile elected to join the City of Mobile. After the votes were certified on July 25, 2023, Mobile saw its population increase from 184,952 to 204,689 residents. Mobile is now the second-largest city in Alabama. This annexation effort is a win-win for the City of Mobile and the newly annexed residents. Expanding Mobile's city limits to the West and bringing additional residents will help secure future revenue and grant opportunities to support projects and improvements throughout the city. For FY24, annexation is expected to increase revenues by \$7.2M.



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 types 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 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 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 types 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 in and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be

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

PROPRIETARY FUNDS

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



NOTES TO THE FINANCIAL STATEMENTS

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

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

REQUIRED SUPPLEMENTARY INFORMATION

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

A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget starting on page 103.

| 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 Theatre |
| 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 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. Community 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, 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. Municipal Court is 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 Mobile Tennis Center is responsible for the management of one of the largest public tennis facilities in the US including regional and national 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 THEATRE

This fund is used to account for the operations of the Saenger Theatre 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 in 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 \$955.2 million. This is a \$195.6 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, 2023 and 2022
(amounts expressed in thousands)**

| | Governmental | | Business-Type | | Total | | Amount Change | % Change |
|--|--------------|-----------|---------------|----------|-----------|-----------|---------------|----------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | | |
| Assets | | | | | | | | |
| Current and other assets | \$467,739 | \$407,475 | 14,564 | \$17,135 | \$482,303 | \$424,610 | \$57,693 | 13.59% |
| Net pension asset | - | - | - | - | - | - | - | |
| Capital assets(net) | 911,042 | 799,985 | 80,542 | 80,915 | 991,584 | 880,900 | 110,684 | 12.56% |
| Total assets | 1,378,781 | 1,207,460 | 95,106 | 98,050 | 1,473,887 | 1,305,510 | 168,377 | 12.90% |
| Total deferred outflows | 125,013 | 91,600 | 5,715 | 6,092 | 130,728 | 97,692 | 33,036 | 33.82% |
| Total assets and deferred outflows | 1,503,794 | 1,299,060 | 100,821 | 104,142 | 1,604,615 | 1,403,202 | 201,413 | 14.35% |
| Liabilities | | | | | | | | |
| Current and other liabilities | 119,508 | 115,104 | 4,793 | 5,358 | 124,301 | 120,462 | 3,839 | 3.19% |
| Long-term liabilities | 453,433 | 427,806 | 7,594 | 4,748 | 461,027 | 432,554 | 28,473 | 6.58% |
| Total liabilities | 572,941 | 542,910 | 12,387 | 10,106 | 585,328 | 553,016 | 32,312 | 5.84% |
| Total deferred inflows | 60,453 | 82,999 | 3,640 | 7,629 | 64,093 | 90,628 | (26,535) | (29.28%) |
| Total liabilities and deferred inflows | 633,394 | 625,909 | 16,027 | 17,735 | 649,421 | 643,644 | 5,777 | 0.90% |
| Net Position | | | | | | | | |
| Net investment in capital assets | 736,903 | 616,626 | 80,543 | 80,915 | 817,446 | 697,541 | 119,905 | 17.19% |
| Restricted | 53,684 | 46,312 | - | - | 53,684 | 46,312 | 7,372 | 15.92% |
| Unrestricted | 79,813 | 10,213 | 4,251 | 5,492 | 84,064 | 15,705 | 68,359 | 435.26% |
| Total net position | \$870,400 | \$673,151 | \$84,794 | \$86,407 | \$955,194 | \$759,558 | \$195,636 | 25.76% |



NET POSITION

NET INVESTMENT IN CAPITAL ASSETS

The largest portion of the City's net position (119.9%) 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.

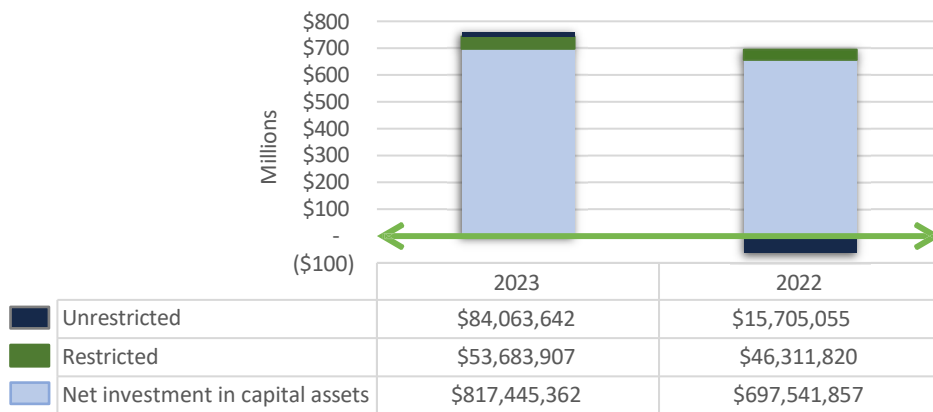
RESTRICTED

An additional portion of the City's net position (5.6%) represents resources that are subject to restrictions as to how they may be used. The remaining balance of unrestricted net position may normally be used to meet the City's ongoing obligations to citizens and creditors.

UNRESTRICTED

At the end of the current fiscal year, the unrestricted net position is \$84.1 million for governmental activities. The City's unrestricted net position is affected by 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 \$144.6 million as actuarially determined. An additional \$136.3 million 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 \$288 million.

The unrestricted net position for business-type activities has a balance of \$4.3 million which is a \$1.2 million decrease from the prior year.



CITY OF MOBILE, ALABAMA
Changes in Net Position
For the years ended September 30, 2023 and 2022
(amounts expressed in thousands)

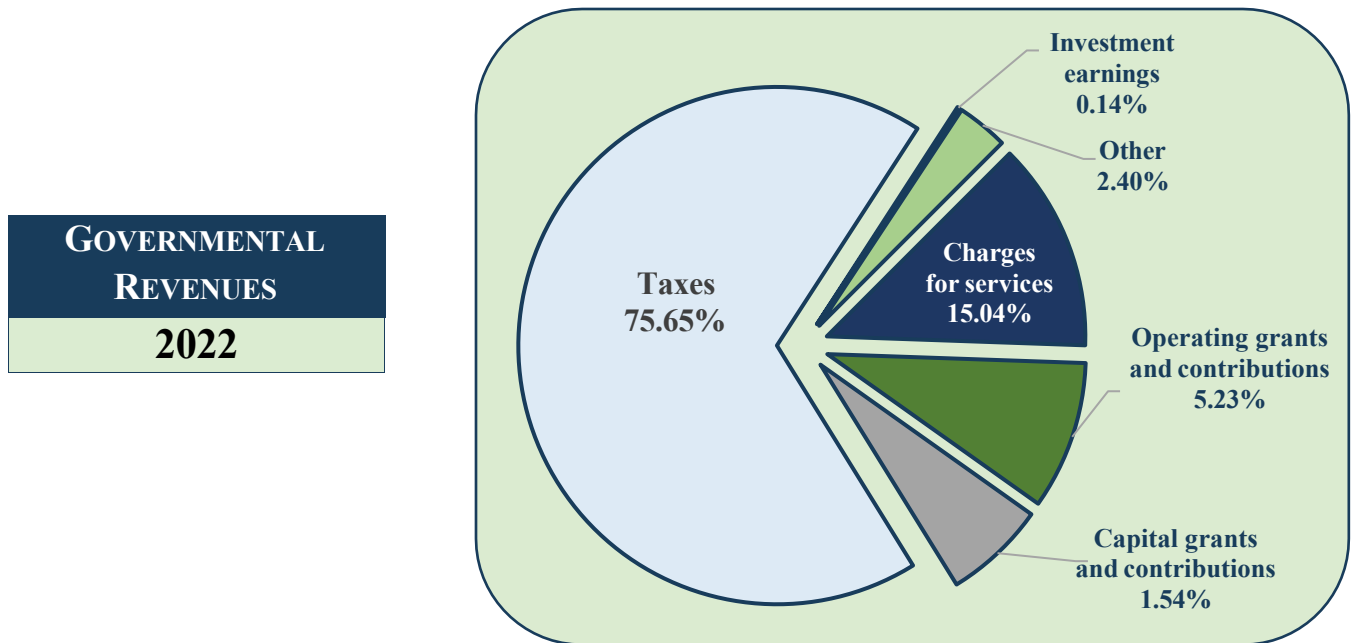
| | Governmental | | Business-Type | | Total | | Amount Change | % Change |
|---|----------------|----------------|---------------|---------------|----------------|----------------|---------------|---------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | | |
| REVENUES | | | | | | | | |
| Program revenues | | | | | | | | |
| Charges for services | \$65,804 | \$63,954 | \$17,470 | \$17,673 | \$83,274 | \$81,627 | \$1,647 | 2.02% |
| Operating grants and contributions | 33,086 | 22,243 | 5,942 | 4,976 | 39,028 | 27,219 | 11,809 | 43.39% |
| Capital grants and contributions | 64,926 | 6,545 | 2,916 | 3,084 | 67,842 | 9,629 | 58,213 | 604.56% |
| General revenues | | | | | | | | |
| Taxes | 336,164 | 321,880 | 12,234 | 11,594 | 348,398 | 333,474 | 14,924 | 4.48% |
| Investment earnings | 10,225 | 609 | 34 | 10 | 10,259 | 619 | 9,640 | 1557.35% |
| Other | 9,053 | 10,215 | 15 | 38 | 9,068 | 10,253 | (1,185) | (11.56%) |
| Total revenues | 519,258 | 425,446 | 38,611 | 37,375 | 557,869 | 462,821 | 95,048 | 20.54% |
| EXPENSES | | | | | | | | |
| Governmental activities | | | | | | | | |
| General government | 80,586 | 86,497 | - | - | 80,586 | 86,497 | (5,911) | (6.83%) |
| Culture and recreation | 24,576 | 25,652 | - | - | 24,576 | 25,652 | (1,076) | (4.19%) |
| Economic development | 1,809 | 1,543 | - | - | 1,809 | 1,543 | 266 | 17.24% |
| Engineering, development and Build Mobile | 18,246 | 17,735 | - | - | 18,246 | 17,735 | 511 | 2.88% |
| Finance | 5,850 | 4,486 | - | - | 5,850 | 4,486 | 1,364 | 30.41% |
| Public safety | 139,594 | 114,040 | - | - | 139,594 | 114,040 | 25,554 | 22.41% |
| Public works | 39,938 | 37,058 | - | - | 39,938 | 37,058 | 2,880 | 7.77% |
| Interest on long-term debt | 4,792 | 5,388 | - | - | 4,792 | 5,388 | (596) | (11.06%) |
| Business-Type activities Azalea | | | | | | | | |
| City Golf Course | - | - | 1,975 | 1,850 | 1,975 | 1,850 | 125 | 6.76% |
| Civic Center | - | - | 5,419 | 3,982 | 5,419 | 3,982 | 1,437 | 36.09% |
| Convention Center | - | - | 11,230 | 10,141 | 11,230 | 10,141 | 1,089 | 10.74% |
| Cruise Terminal | - | - | 1,541 | 2,052 | 1,541 | 2,052 | (511) | (24.90%) |
| Emergency Medical Services | - | - | 8,723 | 7,717 | 8,723 | 7,717 | 1,006 | 13.04% |
| Mobile Tennis Center | - | - | 1,568 | 1,393 | 1,568 | 1,393 | 175 | 12.56% |
| Neighborhood Renewal Program | - | - | 13 | 15 | 13 | 15 | (2) | (13.33%) |
| Parking Garage | - | - | 236 | 243 | 236 | 243 | (7) | (2.88%) |
| Saenger Theatre | - | - | 2,240 | 2,342 | 2,240 | 2,342 | (102) | (4.36%) |
| WAVE Transit System | - | - | 13,897 | 13,597 | 13,897 | 13,597 | 300 | 2.21% |
| Total expenses | 315,391 | 292,399 | 46,842 | 43,332 | 362,233 | 335,731 | 26,502 | 7.89% |
| Change in net position before transfers | 203,867 | 133,047 | (8,231) | (5,957) | 195,636 | 127,090 | 68,546 | 53.94% |
| Transfers | (6,618) | (6,490) | 6,618 | 6,490 | - | - | (0) | 0.00% |
| Change in net position | 197,249 | 126,557 | (1,613) | 533 | 195,636 | 127,090 | 68,546 | 53.94% |
| Net position - beginning | 673,151 | 546,594 | 86,407 | 85,874 | 759,558 | 632,468 | 127,090 | 20.09% |
| Net position - ending | \$870,400 | \$673,151 | \$84,794 | \$86,407 | \$955,194 | \$759,558 | \$195,636 | 25.76% |

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



GOVERNMENTAL REVENUES

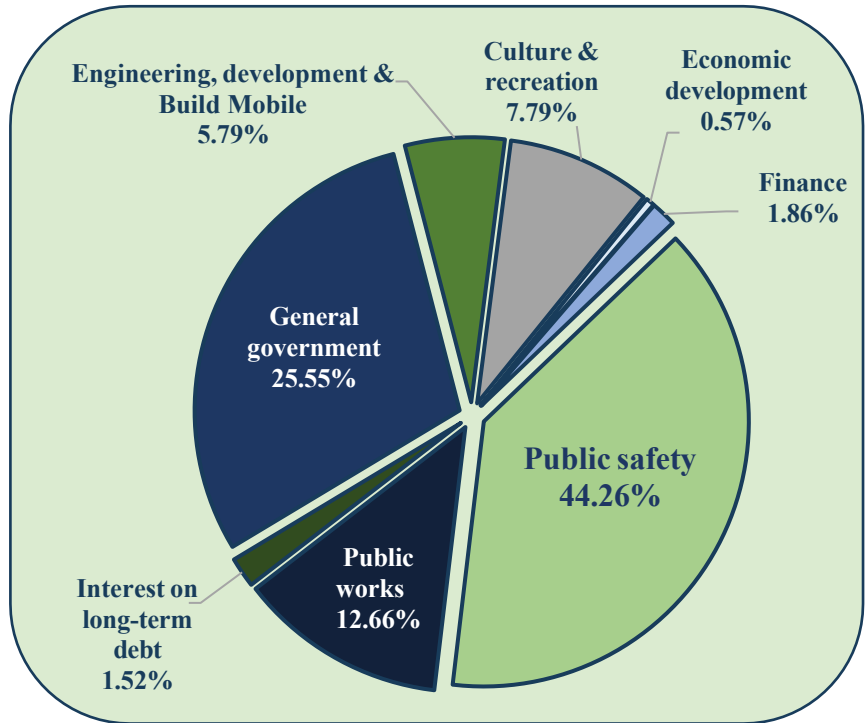
As graphically portrayed below, the City is heavily reliant on taxes to support governmental operations. Taxes provided 64.74% and 75.65% of the City's total governmental revenues in fiscal years 2023 and 2022, respectively.



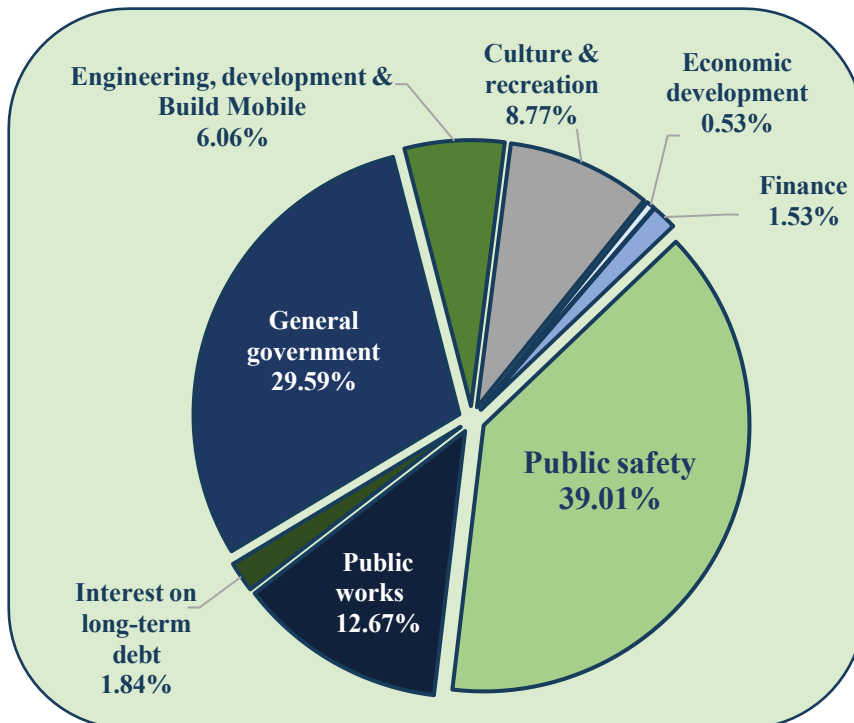
GOVERNMENTAL FUNCTIONAL EXPENSES

As graphically portrayed below, the City's largest category of governmental functional expenses is public safety which includes police, fire, jail, and municipal court expenses. Public safety accounted for 44.26% and 39.01% of the City's total governmental functional expenses in fiscal years 2023 and 2022, respectively.

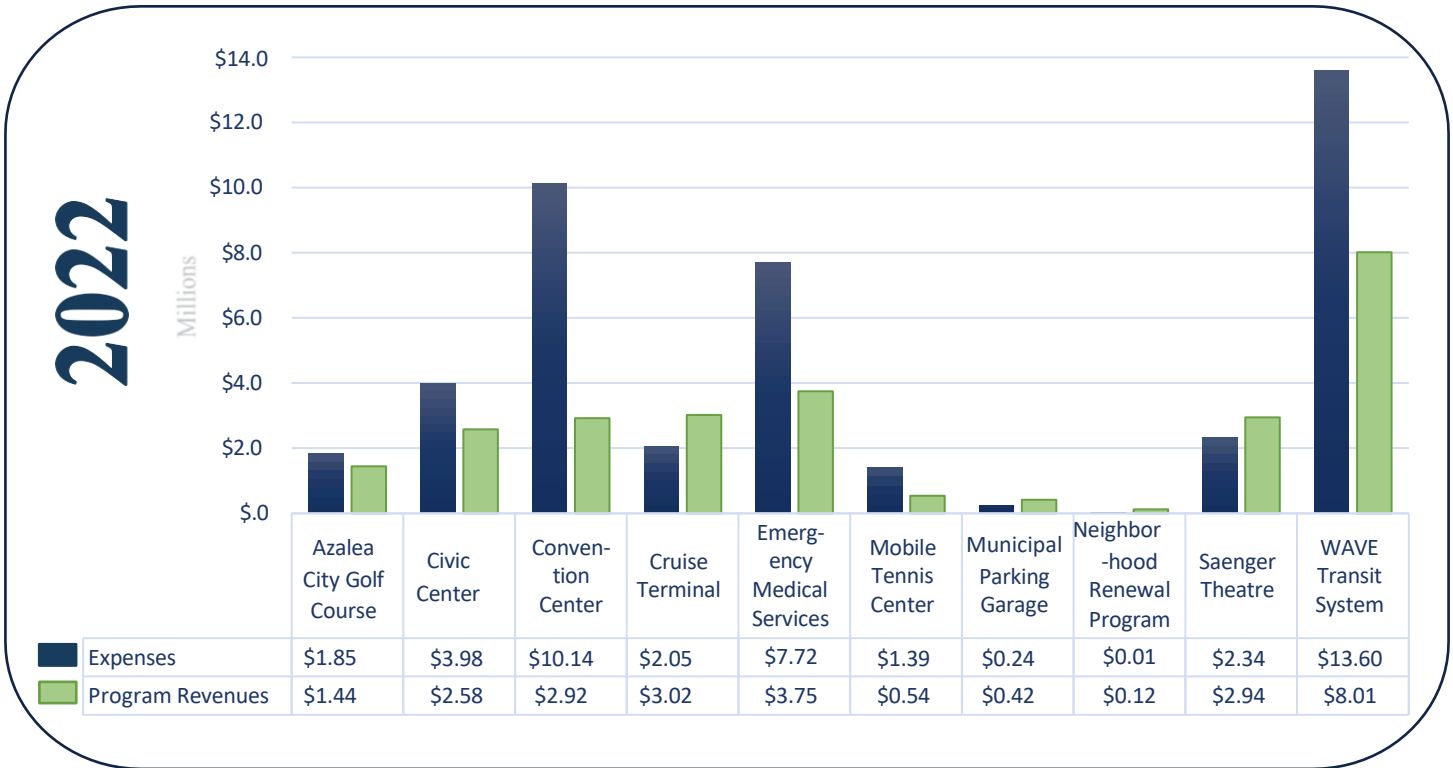
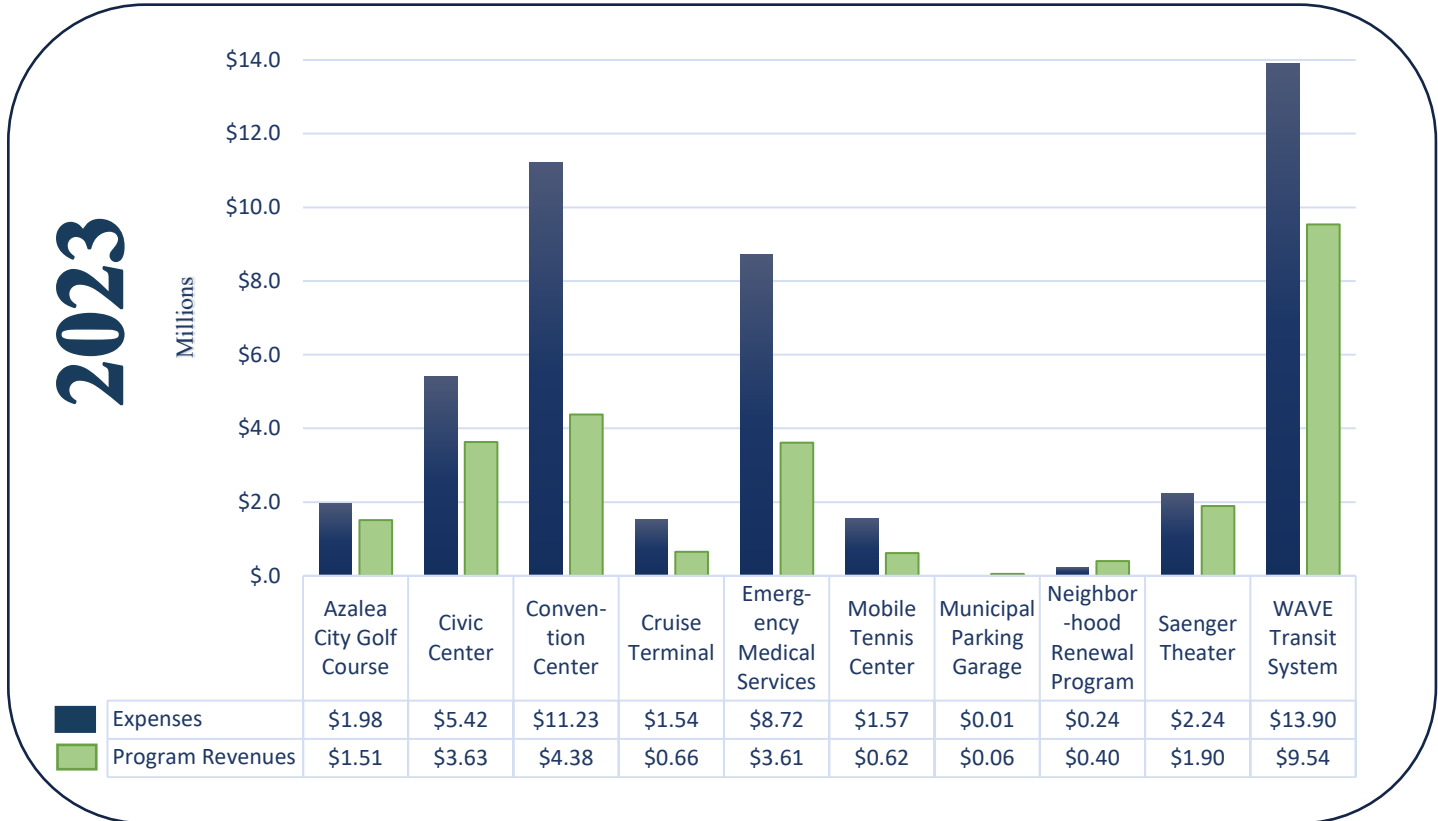
2023



2022



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



STATEMENT OF ACTIVITIES COMPARISON

GOVERNMENTAL ACTIVITIES

Governmental activities increased the City's net position by \$197.2 million. The key elements of this change are as follows:

- Excess expenses over program revenues for governmental activities amounted to \$151.6 million dollars. This amount is exclusive of tax revenue, investment earnings and transfers which are considered general revenues.
- Investment earnings amounted to \$10.2 million, which was an increase of \$9.6 million from the prior year.
- Tax revenues amounted to \$336.2 million which was an increase of 14.3 million (4.4%) over the prior year and was due primarily to increased sales taxes.
- Other revenue amounted to \$9.1 million.
- Net transfers out of governmental activities totaled \$6.6 million.

Governmental activity total revenues increased \$93.8 million (22.1%) while expenses increased \$23.0 million (7.9%) from the prior year. The increase in revenues resulted from: the increase in tax revenues described above, a \$10.8 million increase in operating grants and contributions, a \$58.4 million increase in capital grants and contributions.

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 \$1.6 million. Business-type activities are shown comparing costs to revenues generated by related services. The Cruise Terminal, Municipal parking garage, and Neighborhood Renewal Program business-type activities are self-supporting with user charges and other operating revenues designed to recover costs.

The Civic Center, WAVE Transit, Convention Center, Emergency Medical Services, golf course, tennis center, and Saenger Theatre provided services with user charges and other operating revenues that did not recover costs in the current year. The civic center, WAVE Transit, Convention Center, Emergency Medical Services, Tennis Center, and golf course 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, it decreased business-type net position by \$2.2 million, primarily due to a \$6.8 million operating loss.

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 \$350.5 million, of which \$114.7 million is unassigned.

The nonspendable fund balance is \$3.6 million and stems from inventory and prepaid expenses. Restricted fund balance is \$26 million and comprises funds



with constraints based on restrictions imposed by outside parties or constitutional provisions. Committed fund balance is \$27.8 million and comprises funds with constraints imposed by formal action of the City Council. Finally, assigned fund balance is \$178.5 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 \$47.7 million increase from the prior year. This is due to a \$3.3 million decrease in the fund balance of the General Fund, an increase of \$43.7 million in the Capital Improvements Fund, and a \$7.3 million increase in nonmajor governmental funds.

The decrease in the General Fund was due to intentional transfers of fund balance to the Capital Improvements Fund for certain capital projects. The increase in the Capital Improvements Fund relates primarily due to transfers into the fund from the

General Fund to facilitate certain capital projects including the downtown airport project, county soccer complex, aquatics center, and other projects.

Changes in nonmajor governmental funds relate primarily to debt service and grant activity.

MAJOR GOVERNMENTAL FUNDS

The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The fund balance in the General Fund decreased by approximately \$3.3 million. See General Fund Budgetary Highlights and the preceding section for more information.

The Capital Improvements Fund has an ending fund balance of \$171.6 million which includes a net increase of \$43.7 million. See the discussion above for the primary causes of the change.

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 Theatre and WAVE Transit.

The total net position of the Enterprise Funds decreased by \$1.6 million during the current fiscal year. See the prior discussion of changes in Business-Type activities for details on this change.

INTERNAL SERVICE FUNDS

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

The City's three internal service funds include the Motor Pool Fund, Employee Health Fund, and Liability Insurance Fund. The net position of these funds increased by \$10 million from the prior year.



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 \$68.6 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 \$17 million. See prior discussion related to governmental activities for additional information.
- Departmental expenditures were under budget by \$10 million. This was due primarily to cost savings in departments and cost centers during the year.
- Non-departmental expenditures, which include mandated activities, joint ventures, agencies, employee cost, and state and federal projects, etc., were under budget by \$6.2 million.
- Total revenues were approximately \$31 million over budget while total expenditures were \$16.3 million under budget.

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

CAPITAL ASSETS

As of September 30, 2023, the City's net investment in capital assets for governmental and business-type activities was \$911 million and \$80.5 million, respectively, a total increase of \$110.7 million from 2022 for the City as a whole.

The City's Capital Improvements Fund had commitments for capital expenditures totaling \$77.6 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,
2023 and 2022
 (amounts expressed in thousands)

| | Governmental | | Business-Type | | Total | | Amount Change | % Change |
|--|------------------|------------------|-----------------|-----------------|------------------|------------------|------------------|---------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | | |
| Non-depreciable capital assets | | | | | | | | |
| Land | \$47,063 | \$ 46,700 | \$11,550 | \$11,544 | \$58,613 | \$58,244 | \$369 | .63% |
| Construction-in-progress | 148,015 | 117,162 | 88 | - | 148,103 | 117,162 | 30,941 | 26.41% |
| Intangible assets | 5,279 | 5,204 | - | - | 5,279 | 5,204 | 75 | 1.44% |
| Total non-depreciable capital assets | 200,357 | 169,066 | 11,638 | 11,544 | 211,995 | 180,610 | 31,385 | 17.38% |
| Depreciable capital assets | | | | | | | | |
| Buildings | 145,053 | 144,133 | 126,478 | 126,458 | 271,531 | 270,591 | 940 | 0.35% |
| Improvements | 169,116 | 159,608 | 18,186 | 18,186 | 187,302 | 177,794 | 9,508 | 5.35% |
| Vehicular | 93,277 | 97,259 | 18,385 | 16,284 | 111,662 | 113,543 | (1,881) | (1.66%) |
| Other equipment | 52,281 | 51,619 | 6,432 | 5,926 | 58,713 | 57,545 | 1,169 | 2.03% |
| Right-to-use lease asset | 18,953 | 18,953 | - | - | 18,953 | 18,953 | - | 0.00% |
| Right-to-use subscription asset | 6,861 | - | - | - | 6,861 | - | 6,861 | n/m |
| Infrastructure | 694,713 | 611,758 | - | - | 694,713 | 611,758 | 82,955 | 13.56% |
| Total depreciable capital assets | 1,180,254 | 1,083,330 | 169,481 | 166,854 | 1,349,735 | 1,250,184 | 99,552 | 7.96% |
| Less: accumulated depreciation | 469,569 | 452,411 | 100,577 | 97,483 | 570,146 | 549,894 | 20,252 | 3.68% |
| Total depreciable capital assets, net | 710,685 | 630,919 | 68,904 | 69,371 | 779,589 | 700,290 | 79,300 | 11.32% |
| Total capital assets, net | \$911,042 | \$799,985 | \$80,542 | \$80,915 | \$991,584 | \$880,900 | \$110,685 | 12.56% |



LONG-TERM DEBT

As of September 30, 2023, the City had \$144.3 million of long-term outstanding debt, 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 \$18.9 million. Interest payments on long-term debt totaled \$5.6 million. More information on long-term debt activity can be found in Note 8.

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, 2023, the City's permissible debt limit exceeded actual debt by approximately \$766.2 million.

**CITY OF MOBILE, ALABAMA
Outstanding Long-Term Debt
September 30, 2023 and 2022
(amounts expressed in thousands)**

| | Governmental | | Business-Type | | Total | | Amount Change | % Change |
|-----------------------------|------------------|------------------|---------------|-------------|------------------|------------------|-------------------|-----------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | | |
| Bonds and warrants, net | \$143,907 | \$163,252 | \$ - | \$ - | \$143,907 | \$163,252 | (\$19,345) | (11.85%) |
| Notes payable | 390 | 975 | - | - | 390 | 975 | (585) | (60.00%) |
| Total long-term debt | \$144,297 | \$164,227 | \$ - | \$ - | \$144,297 | \$164,227 | (\$19,930) | (12.14%) |

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



CITY OF MOBILE, ALABAMA
Statement of Net Position
September 30, 2023

| | Primary Government | | | Component Units |
|---|----------------------------|-----------------------------|-----------------------|---------------------|
| | Governmental Activities | Business-Type Activities | Total | |
| ASSETS | | | | |
| Current assets: | | | | |
| Cash, equity in pooled cash and investments | \$ 403,644,819 | \$ 11,727,150 | \$ 415,371,969 | \$ 5,171,079 |
| Restricted cash | 85,004 | - | 85,004 | (26) |
| Receivables, net | 56,544,679 | 4,029,065 | 60,573,744 | 30,713 |
| Leases receivable | 1,992,731 | - | 1,992,731 | - |
| Internal balances | 1,907,044 | (1,907,044) | - | - |
| Inventory & prepaid expenses | 3,564,672 | 714,517 | 4,279,189 | 113,213 |
| Total current assets | <u>467,738,949</u> | <u>14,563,688</u> | <u>482,302,637</u> | <u>5,314,979</u> |
| Noncurrent assets: | | | | |
| Net pension asset | - | - | - | 23,674 |
| Non-depreciable capital assets | 200,356,691 | 11,638,014 | 211,994,705 | 1,493,428 |
| Depreciable capital assets, net | 710,684,966 | 68,904,174 | 779,589,140 | 1,044,210 |
| Total noncurrent assets | <u>911,041,657</u> | <u>80,542,188</u> | <u>991,583,845</u> | <u>2,561,312</u> |
| Total assets | <u>1,378,780,606</u> | <u>95,105,876</u> | <u>1,473,886,482</u> | <u>7,876,291</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred amounts on refundings | 1,427,446 | - | 1,427,446 | - |
| Deferred pension outflows | 88,607,943 | 5,715,102 | 94,323,045 | 2,660,160 |
| Deferred OPEB outflows | 34,977,408 | - | 34,977,408 | - |
| Total deferred outflows of resources | <u>125,012,797</u> | <u>5,715,102</u> | <u>130,727,899</u> | <u>2,660,160</u> |
| Total assets and deferred outflows of resources | <u>1,503,793,403</u> | <u>100,820,978</u> | <u>1,604,614,381</u> | <u>10,536,451</u> |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable and accrued liabilities | 39,490,348 | 1,827,769 | 41,318,117 | 406,606 |
| Pension employer contributions payable | 16,759,597 | 668,414 | 17,428,011 | - |
| Unearned revenue | 35,728,419 | 2,157,045 | 37,885,464 | - |
| Bonds and warrants payable, current portion | 18,267,000 | - | 18,267,000 | - |
| Notes payable, current portion | 190,000 | - | 190,000 | - |
| Leases payable, current portion | 1,597,330 | - | 1,597,330 | - |
| Subscription payable, current portion | 1,921,126 | - | 1,921,126 | - |
| Compensated absences, current portion | 2,087,147 | 140,244 | 2,227,391 | 53,604 |
| Insurance claims, current portion | 3,401,057 | - | 3,401,057 | - |
| Landfill postclosure liability, current portion | 65,630 | - | 65,630 | - |
| Total current liabilities | <u>119,507,654</u> | <u>4,793,472</u> | <u>124,301,126</u> | <u>460,210</u> |
| Noncurrent liabilities: | | | | |
| Bonds and warrants payable, long-term portion | 125,640,089 | - | 125,640,089 | - |
| Notes payable, long-term portion | 200,000 | - | 200,000 | - |
| Leases payable, long-term portion | 14,437,308 | - | 14,437,308 | 337,250 |
| Subscription payable, long-term portion | 2,807,529 | - | 2,807,529 | - |
| Compensated absences, long-term portion | 12,096,206 | 439,931 | 12,536,137 | 425,006 |
| Self-insured liability - legal, long-term portion | 345,888 | - | 345,888 | - |
| Insurance claims, long-term portion | 16,819,936 | - | 16,819,936 | - |
| Landfill postclosure liability, long-term portion | 212,130 | - | 212,130 | - |
| Net pension liability | 136,264,402 | 7,153,751 | 143,418,153 | 5,815,630 |
| Postemployment benefits | 144,609,460 | - | 144,609,460 | - |
| Total noncurrent liabilities | <u>453,432,948</u> | <u>7,593,682</u> | <u>461,026,630</u> | <u>6,577,886</u> |
| Total liabilities | <u>572,940,602</u> | <u>12,387,154</u> | <u>585,327,756</u> | <u>7,038,096</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred service concession arrangement receipts | - | 3,048,469 | 3,048,469 | - |
| Deferred lease inflows | 1,947,067 | - | 1,947,067 | - |
| Deferred pension inflows | 7,048,115 | 591,907 | 7,640,022 | 337,401 |
| Deferred OPEB inflows | 51,458,156 | - | 51,458,156 | - |
| Total deferred inflows of resources | <u>60,453,338</u> | <u>3,640,376</u> | <u>64,093,714</u> | <u>337,401</u> |
| Total liabilities and deferred inflows of resources | <u>633,393,940</u> | <u>16,027,530</u> | <u>649,421,470</u> | <u>7,375,497</u> |
| NET POSITION | | | | |
| Net investment in capital assets | 736,903,171 | 80,542,191 | 817,445,362 | 2,200,388 |
| Restricted for: | | | | |
| Capital projects | 14,628,488 | - | 14,628,488 | - |
| Debt service | 546,719 | - | 546,719 | - |
| Economic development | 19,993,494 | - | 19,993,494 | - |
| Grant programs | 7,571,546 | - | 7,571,546 | (26) |
| Law enforcement | 1,182,925 | - | 1,182,925 | - |
| Opioid settlement | 2,022,900 | - | 2,022,900 | - |
| Storm water management | 7,737,835 | - | 7,737,835 | - |
| Unrestricted | 79,812,385 | 4,251,257 | 84,063,642 | 960,592 |
| Total net position | <u>\$ 870,399,463</u> | <u>\$ 84,793,448</u> | <u>\$ 955,192,911</u> | <u>\$ 3,160,954</u> |

See Accompanying Notes to the Financial Statements

CITY OF MOBILE, ALABAMA
Statement of Activities
September 30, 2023

| Functions/Programs | Expenses | Program Revenues | | |
|--|-----------------------|----------------------|------------------------------------|----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Primary government: | | | | |
| Governmental activities: | | | | |
| General government | \$ 80,586,027 | \$ 57,439,616 | \$ 15,648,336 | \$ - |
| Culture and recreation | 24,576,114 | 659,835 | 2,290 | - |
| Economic development | 1,809,204 | - | - | 1,716,233 |
| Engineering, development & Build Mobile | 18,246,105 | 2,584,408 | 10,648,821 | 157,740 |
| Finance | 5,850,106 | - | - | - |
| Public safety | 139,594,394 | 5,120,179 | 6,439,404 | - |
| Public works | 39,938,223 | 105 | 347,089 | 63,052,466 |
| Interest on long-term debt | 4,791,610 | - | - | - |
| Total governmental activities | <u>315,391,783</u> | <u>65,804,143</u> | <u>33,085,940</u> | <u>64,926,439</u> |
| Business-type activities: | | | | |
| Azalea City Golf Course | 1,975,540 | 1,512,856 | - | - |
| Civic Center | 5,419,785 | 3,660,813 | - | - |
| Convention Center | 11,230,894 | 4,377,217 | - | - |
| Cruise Terminal | 1,540,525 | 655,984 | - | - |
| Emergency Medical Services | 8,722,846 | 3,612,459 | - | - |
| Mobile Tennis Center | 1,568,408 | 618,140 | - | - |
| Neighborhood Renewal Program | 12,672 | 55,700 | - | - |
| Parking Garage | 235,847 | 399,599 | - | - |
| Saenger Theatre | 2,239,571 | 1,895,300 | - | - |
| Wave Transit System | 13,896,958 | 681,552 | 5,941,725 | 2,916,364 |
| Total business-type activities | <u>46,843,046</u> | <u>17,469,620</u> | <u>5,941,725</u> | <u>2,916,364</u> |
| Total primary government | <u>\$ 362,234,829</u> | <u>\$ 83,273,763</u> | <u>\$ 39,027,665</u> | <u>\$ 67,842,803</u> |
| Component units: | | | | |
| Solid Waste Disposal Authority | \$ 2,367,485 | \$ - | \$ 2,408,339 | \$ - |
| Mobile Public Library | 10,468,955 | 312,642 | 168,073 | 2,597 |
| Public Park and Recreation Board | 832,847 | 292,558 | - | - |
| Total component units | <u>\$ 13,669,287</u> | <u>\$ 605,200</u> | <u>\$ 2,576,412</u> | <u>\$ 2,597</u> |
| General revenues: | | | | |
| Real and personal property tax | | | | |
| Sales tax | | | | |
| Gasoline tax | | | | |
| Room tax | | | | |
| Beer and liquor tax | | | | |
| Rental and leasing tax | | | | |
| Cigarette stamp tax | | | | |
| Other tobacco tax | | | | |
| Financial excise tax | | | | |
| Other tax revenue | | | | |
| Grants and contributions not restricted to specific programs | | | | |
| Investment income | | | | |
| Other | | | | |
| Payments from local governments | | | | |
| Transfers | | | | |
| Total general revenues, special items, and transfers | | | | |
| Change in net position | | | | |
| Net position - beginning | | | | |
| Net position - ending | | | | |

See Accompanying Notes to the Financial Statements

| Net (Expense) Revenue and Changes in Net Position | | | |
|---|-----------------------------|-----------------------|---------------------|
| Primary Government | | | |
| Governmental Activities | Business-Type Activities | Total | Component Units |
| \$ (7,498,075) | \$ - | \$ (7,498,075) | \$ - |
| (23,913,989) | - | (23,913,989) | - |
| (92,971) | - | (92,971) | - |
| (4,855,136) | - | (4,855,136) | - |
| (5,850,106) | - | (5,850,106) | - |
| (128,034,811) | - | (128,034,811) | - |
| 23,461,437 | - | 23,461,437 | - |
| (4,791,610) | - | (4,791,610) | - |
| <u>(151,575,261)</u> | <u>-</u> | <u>(151,575,261)</u> | <u>-</u> |
| - | (462,684) | (462,684) | - |
| - | (1,758,972) | (1,758,972) | - |
| - | (6,853,677) | (6,853,677) | - |
| - | (884,541) | (884,541) | - |
| - | (5,110,387) | (5,110,387) | - |
| - | (950,268) | (950,268) | - |
| - | 43,028 | 43,028 | - |
| - | 163,752 | 163,752 | - |
| - | (344,271) | (344,271) | - |
| - | (4,357,317) | (4,357,317) | - |
| <u>-</u> | <u>(20,515,337)</u> | <u>(20,515,337)</u> | <u>-</u> |
| \$ (151,575,261) | \$ (20,515,337) | \$ (172,090,598) | \$ - |
| - | - | - | 40,854 |
| - | - | - | (9,985,643) |
| - | - | - | (540,289) |
| - | - | - | (10,485,078) |
| 27,676,588 | - | 27,676,588 | - |
| 263,940,669 | 10,774,685 | 274,715,354 | - |
| 11,165,796 | - | 11,165,796 | - |
| 9,796,734 | 1,459,352 | 11,256,086 | - |
| 2,645,060 | - | 2,645,060 | - |
| 12,815,674 | - | 12,815,674 | - |
| 1,205,005 | - | 1,205,005 | - |
| 1,016,166 | - | 1,016,166 | - |
| 2,497,707 | - | 2,497,707 | - |
| 3,404,239 | - | 3,404,239 | - |
| - | - | - | 785,543 |
| 10,225,258 | 33,841 | 10,259,099 | 173,715 |
| 9,052,682 | 15,327 | 9,068,009 | (900,000) |
| - | - | - | 9,356,407 |
| <u>(6,618,070)</u> | <u>6,618,070</u> | <u>-</u> | <u>-</u> |
| <u>348,823,508</u> | <u>18,901,275</u> | <u>367,724,783</u> | <u>9,415,665</u> |
| 197,248,247 | (1,614,062) | 195,634,185 | (1,069,413) |
| 673,151,216 | 86,407,510 | 759,558,726 | 4,230,367 |
| <u>\$ 870,399,463</u> | <u>\$ 84,793,448</u> | <u>\$ 955,192,911</u> | <u>\$ 3,160,954</u> |



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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
- American Rescue Plan Fund

CITY OF MOBILE, ALABAMA
Balance Sheet
Governmental Funds
September 30, 2023

| | General Fund | Capital Improvements Fund | American Rescue Plan Grants | Total Nonmajor Funds | Total Governmental Funds |
|---|-----------------------|---------------------------------|--------------------------------|-------------------------|--------------------------------|
| ASSETS | | | | | |
| Cash, equity in pooled cash and investments | \$ 105,339,038 | \$ 175,029,574 | \$ 35,324,890 | \$ 53,182,825 | \$ 368,876,327 |
| Restricted cash - capital purchases | - | - | - | 85,004 | 85,004 |
| Receivables, net | 28,977,912 | 7,683,755 | - | 19,127,222 | 55,788,889 |
| Due from other funds | 11,740,694 | - | - | - | 11,740,694 |
| Inventory & prepaids | 3,564,672 | - | - | - | 3,564,672 |
| Total assets | <u>\$ 149,622,316</u> | <u>\$ 182,713,329</u> | <u>\$ 35,324,890</u> | <u>\$ 72,395,051</u> | <u>\$ 440,055,586</u> |
| LIABILITIES | | | | | |
| Accounts payable and accrued liabilities | \$ 14,668,511 | \$ 11,069,949 | \$ 671,815 | \$ 7,302,528 | \$ 33,712,803 |
| Pension employer contributions payable | 7,579,639 | - | 814 | 247,006 | 7,827,459 |
| Unearned revenue | 523,575 | - | 34,652,261 | 552,584 | 35,728,420 |
| Due to other funds | 267,625 | - | - | 9,566,025 | 9,833,650 |
| Compensated absences - terminated employees | 347,858 | - | - | - | 347,858 |
| Insurance claims payable | 253,260 | - | - | - | 253,260 |
| Escrowed funds liability | 1,870,054 | - | - | - | 1,870,054 |
| Total liabilities | <u>25,510,522</u> | <u>11,069,949</u> | <u>35,324,890</u> | <u>17,668,143</u> | <u>89,573,504</u> |
| Total liabilities and deferred inflows of resources | <u>25,510,522</u> | <u>11,069,949</u> | <u>35,324,890</u> | <u>17,668,143</u> | <u>89,573,504</u> |
| FUND BALANCES (DEFICITS) | | | | | |
| Nonspendable | 3,564,672 | - | - | - | 3,564,672 |
| Restricted | - | - | - | 25,950,744 | 25,950,744 |
| Committed | - | - | - | 27,818,164 | 27,818,164 |
| Assigned | 5,881,641 | 171,643,380 | - | 958,000 | 178,483,021 |
| Unassigned | 114,665,481 | - | - | - | 114,665,481 |
| Total fund balances (deficits) | <u>124,111,794</u> | <u>171,643,380</u> | <u>-</u> | <u>54,726,908</u> | <u>350,482,082</u> |
| Total liabilities and fund balances (deficits) | <u>\$ 149,622,316</u> | <u>\$ 182,713,329</u> | <u>\$ 35,324,890</u> | <u>\$ 72,395,051</u> | <u>\$ 440,055,586</u> |

See Accompanying Notes to the Financial Statements

CITY OF MOBILE, ALABAMA
Reconciliation of Balance Sheet
to the Statement of Net Position
September 30, 2023

| | | |
|---|----------------------|------------------------------|
| Fund balances of governmental funds | | \$ 350,482,082 |
| <p>Amounts reported for governmental activities in the statement of net position are different because:</p> | | |
| <p>Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.</p> | | |
| Capital assets - governmental activities | \$ 1,291,339,983 | |
| Less accumulated depreciation | <u>(417,848,997)</u> | 873,490,986 |
| <p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.</p> | | |
| Bonds and warrants payable | (143,907,089) | |
| Notes payable | (390,000) | |
| Deferred amounts on refundings | <u>1,427,446</u> | (142,869,643) |
| <p>Other long-term items not reported in governmental funds:</p> | | |
| Accrued interest payable | (676,307) | |
| Pension employer contributions payable | (8,930,782) | |
| Compensated absences | (13,835,496) | |
| Insurance claims payable | (18,086,233) | |
| Landfill postclosure liability | (277,760) | |
| Lease liability | (16,034,637) | |
| Subscription liability | (4,728,655) | |
| Deferred lease inflows | (1,947,067) | |
| Lease receivable | 1,992,731 | |
| Net pension liability | (136,264,402) | |
| Deferred pension outflows | 88,607,943 | |
| Deferred pension inflows | (7,048,115) | |
| Total OPEB liability | (144,609,460) | |
| Deferred OPEB inflows | (51,458,156) | |
| Deferred OPEB outflows | <u>34,977,408</u> | (278,318,988) |
| <p>Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities.</p> | | |
| | | 67,615,026 |
| Net position of governmental activities | | <u>\$ 870,399,463</u> |
| <p>See Accompanying Notes to the Financial Statements</p> | | |

CITY OF MOBILE, ALABAMA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2023

| | General Fund | Capital Improvements Fund | American Rescue Plan Grants | Total Nonmajor Funds | Total Governmental Funds |
|---|-----------------------|---------------------------------|--------------------------------|-------------------------|-----------------------------|
| REVENUES | | | | | |
| Taxes | \$ 267,310,252 | \$ 53,511,203 | \$ - | \$ 15,342,182 | \$ 336,163,637 |
| Licenses and permits | 46,638,761 | 1,519,888 | - | - | 48,158,649 |
| Intergovernmental | 96,121 | - | - | - | 96,121 |
| Charges for services | 8,033,017 | 16,798 | - | 11,067 | 8,060,882 |
| Fines and forfeitures | 1,608,742 | - | - | 537,166 | 2,145,908 |
| State and federal assistance | - | 677,413 | 6,734,159 | 27,833,382 | 35,244,954 |
| Investment income | 9,590,986 | - | - | 634,273 | 10,225,259 |
| Other revenue | 1,200,339 | 8,928,428 | - | - | 10,128,767 |
| Total revenues | <u>334,478,218</u> | <u>64,653,730</u> | <u>6,734,159</u> | <u>44,358,070</u> | <u>450,224,177</u> |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General government | 19,401,287 | - | 6,734,159 | 8,354,020 | 34,489,466 |
| Culture and recreation | 15,781,854 | - | - | 2,290 | 15,784,144 |
| Economic development | 1,688,351 | - | - | - | 1,688,351 |
| Engineering, development & Build Mobile | 16,071,571 | - | - | 11,590,860 | 27,662,431 |
| Finance | 5,500,499 | - | - | - | 5,500,499 |
| Public safety | 120,700,014 | - | - | 5,864,645 | 126,564,659 |
| Public works | 36,689,318 | - | - | 5,774,636 | 42,463,954 |
| Non-departmental | 48,371,949 | - | - | - | 48,371,949 |
| Debt service: | - | - | - | - | - |
| Administrative charges | - | 9,900 | - | 185 | 10,085 |
| Interest | - | - | - | 5,651,128 | 5,651,128 |
| Principal retirement | - | - | - | 18,899,000 | 18,899,000 |
| Capital outlay | - | 62,536,938 | - | 3,602,540 | 66,139,478 |
| Total expenditures | <u>264,204,843</u> | <u>62,546,838</u> | <u>6,734,159</u> | <u>59,739,304</u> | <u>393,225,144</u> |
| Excess (deficiency) of revenues over expenditures | <u>70,273,375</u> | <u>2,106,892</u> | <u>-</u> | <u>(15,381,234)</u> | <u>56,999,033</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Proceeds from disposal of assets | 142,963 | - | - | - | 142,963 |
| Transfers in | 3,219,989 | 66,962,912 | - | 27,975,585 | 98,158,486 |
| Transfers out | (76,925,831) | (25,384,612) | - | (5,302,987) | (107,613,430) |
| Total other financing sources (uses) | <u>(73,562,879)</u> | <u>41,578,300</u> | <u>-</u> | <u>22,672,598</u> | <u>(9,311,981)</u> |
| Net change in fund balances | (3,289,504) | 43,685,192 | - | 7,291,364 | 47,687,052 |
| Fund balances - beginning | 127,401,298 | 127,958,188 | - | 47,435,544 | 302,795,030 |
| Fund balances - ending | <u>\$ 124,111,794</u> | <u>\$ 171,643,380</u> | <u>\$ -</u> | <u>\$ 54,726,908</u> | <u>\$ 350,482,082</u> |

See Accompanying Notes to the Financial Statements

CITY OF MOBILE, ALABAMA
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances to the Statement of Activities
For the Year Ended September 30, 2023

| | |
|--|---------------|
| Net change in fund balances - total governmental funds | \$ 47,687,052 |
|--|---------------|

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 | \$ 66,212,011 | |
| Less depreciation expense | (23,615,205) | |
| Contributions of capital assets are not reported as income in governmental funds | 62,436,610 | |
| Capital assets transferred from (to) business-type activities | (266,109) | |
| Gain (loss) on disposal of capital assets | <u>(178,648)</u> | |
| | | 104,588,659 |

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 | 18,314,000 | |
| Principal payments - notes payable | 585,000 | |
| Amortization of deferred amounts on refundings | (224,076) | |
| Amortization of current year bond premium | <u>1,030,798</u> | |
| | | 19,705,722 |

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 | (1,137,470) | |
| Change in long-term insurance claims | 2,688,420 | |
| Change in landfill post-closure liability | 63,106 | |
| Change in accrued interest | 62,880 | |
| Change in lease liability | 1,530,296 | |
| Change in subscription liability | 2,132,621 | |
| Change in deferred lease inflows | 47,674 | |
| Change in lease receivable | (19,858) | |
| Change in pension employer contributions payable | (1,733,104) | |
| Change in net pension liability | (73,099,930) | |
| Change in deferred pension inflows | 33,826,921 | |
| Change in deferred pension outflows | 44,213,401 | |
| Change in total OPEB liability | 28,644,390 | |
| Change in deferred OPEB inflows | (11,328,759) | |
| Change in deferred OPEB outflows | <u>(10,576,158)</u> | |
| | | 15,314,430 |

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.

9,952,384

| | |
|---|-----------------------|
| Change in net position of governmental activities | <u>\$ 197,248,247</u> |
|---|-----------------------|

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.

- Civic Center
- WAVE Transit System
- Convention Center
- Emergency Medical Services



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CITY OF MOBILE, ALABAMA
Statement of Net Position
Proprietary Funds
September 30, 2023

| | Business-Type Activities | | |
|---|--------------------------|------------------------|----------------------|
| | Civic Center | Wave Transit System | Convention Center |
| ASSETS | | | |
| Current assets: | | | |
| Cash, equity in pooled cash and investments | \$ 805,243 | \$ 103,680 | \$ 4,779,596 |
| Receivables, net | 342,475 | 12,290 | 1,741,097 |
| Due from other funds | - | 267,625 | - |
| Inventory & prepaids | 111,277 | 214,172 | 129,276 |
| Total current assets | <u>1,258,995</u> | <u>597,767</u> | <u>6,649,969</u> |
| Noncurrent assets: | | | |
| Non-depreciable capital assets | 224,350 | 2,972,887 | 5,087,347 |
| Depreciable capital assets, net | 4,192,853 | 19,778,191 | 26,305,478 |
| Total noncurrent assets | <u>4,417,203</u> | <u>22,751,078</u> | <u>31,392,825</u> |
| Total assets | <u>5,676,198</u> | <u>23,348,845</u> | <u>38,042,794</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Deferred pension outflows | - | 499,505 | - |
| Total deferred outflows of resources | <u>-</u> | <u>499,505</u> | <u>-</u> |
| Total assets and deferred outflows of resources | <u>5,676,198</u> | <u>23,848,350</u> | <u>38,042,794</u> |
| LIABILITIES | | | |
| Current liabilities: | | | |
| Accounts payable and accrued liabilities | 402,273 | 314,085 | 422,795 |
| Pension employer contributions payable | - | - | - |
| Unearned revenue | 1,006,758 | 2,251 | 279,837 |
| Due to other funds | - | 2,174,669 | - |
| Compensated absences - terminated employees | - | 140,244 | - |
| Insurance claims payable | - | - | - |
| Total current liabilities | <u>1,409,031</u> | <u>2,631,249</u> | <u>702,632</u> |
| Noncurrent liabilities: | | | |
| Compensated absences - terminated employees | - | 439,931 | - |
| Self-insured legal liability | - | - | - |
| Net pension liability | - | 2,666,284 | - |
| Total noncurrent liabilities | <u>-</u> | <u>3,106,215</u> | <u>-</u> |
| Total liabilities | <u>1,409,031</u> | <u>5,737,464</u> | <u>702,632</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred service concession arrangement receipts | - | - | - |
| Deferred pension inflows | - | 192,600 | - |
| Total deferred inflows of resources | <u>-</u> | <u>192,600</u> | <u>-</u> |
| Total liabilities and deferred inflows of resources | <u>1,409,031</u> | <u>5,930,064</u> | <u>702,632</u> |
| NET POSITION | | | |
| Net investment in capital assets | 4,417,203 | 22,751,078 | 31,392,825 |
| Unrestricted | (150,036) | (4,832,792) | 5,947,337 |
| Total net position | <u>\$ 4,267,167</u> | <u>\$ 17,918,286</u> | <u>\$ 37,340,162</u> |

See Accompanying Notes to the Financial Statements

| Business-Type Activities | | | Governmental |
|-------------------------------|-------------------------|---------------------------|---------------------------|
| Emergency Medical Services | Total Nonmajor Funds | Total Enterprise Funds | Internal Service Funds |
| \$ 152,752 | \$ 5,885,879 | \$ 11,727,150 | \$ 34,768,491 |
| 1,671,967 | 261,236 | 4,029,065 | 755,792 |
| - | - | 267,625 | - |
| - | 259,792 | 714,517 | - |
| <u>1,824,719</u> | <u>6,406,907</u> | <u>16,738,357</u> | <u>35,524,283</u> |
| - | 3,353,430 | 11,638,014 | 2,637,268 |
| 647,888 | 17,979,767 | 68,904,177 | 34,913,404 |
| 647,888 | 21,333,197 | 80,542,191 | 37,550,672 |
| <u>2,472,607</u> | <u>27,740,104</u> | <u>97,280,548</u> | <u>73,074,955</u> |
| 5,215,597 | - | 5,715,102 | - |
| <u>5,215,597</u> | <u>-</u> | <u>5,715,102</u> | <u>-</u> |
| 7,688,204 | 27,740,104 | 102,995,650 | 73,074,955 |
| <u>910,948</u> | <u>1,314,284</u> | <u>6,968,144</u> | <u>5,114,041</u> |
| 267,867 | 420,752 | 1,827,772 | 3,231,186 |
| 640,471 | 27,943 | 668,414 | 1,355 |
| 2,610 | 865,589 | 2,157,045 | - |
| - | - | 2,174,669 | - |
| - | - | 140,244 | - |
| - | - | - | 1,881,500 |
| <u>910,948</u> | <u>1,314,284</u> | <u>6,968,144</u> | <u>5,114,041</u> |
| - | - | 439,931 | - |
| - | - | - | 345,888 |
| 4,487,467 | - | 7,153,751 | - |
| 4,487,467 | - | 7,593,682 | 345,888 |
| <u>5,398,415</u> | <u>1,314,284</u> | <u>14,561,826</u> | <u>5,459,929</u> |
| - | 3,048,469 | 3,048,469 | - |
| 399,307 | - | 591,907 | - |
| 399,307 | 3,048,469 | 3,640,376 | - |
| <u>5,797,722</u> | <u>4,362,753</u> | <u>18,202,202</u> | <u>5,459,929</u> |
| 647,888 | 21,333,197 | 80,542,191 | 37,550,672 |
| 1,242,594 | 2,044,154 | 4,251,257 | 30,064,354 |
| <u>\$ 1,890,482</u> | <u>\$ 23,377,351</u> | <u>\$ 84,793,448</u> | <u>\$ 67,615,026</u> |

CITY OF MOBILE, ALABAMA
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended September 30, 2023

| | Business-Type Activities | | |
|--|--------------------------|------------------------|----------------------|
| | Civic Center | Wave Transit System | Convention Center |
| OPERATING REVENUES | | | |
| Charges for services | \$ 1,610,252 | \$ 608,322 | \$ 1,531,193 |
| Internal charges | - | - | - |
| Employee contributions | - | - | - |
| Facility rent | 551,975 | - | 810,900 |
| Sales revenue | - | - | - |
| Parking fees | 430,139 | - | 250,805 |
| Concessions | 576,626 | - | 1,782,173 |
| Other revenue | 491,821 | 73,230 | 2,146 |
| Total operating revenues | <u>3,660,813</u> | <u>681,552</u> | <u>4,377,217</u> |
| OPERATING EXPENSES | | | |
| Personnel services | 1,720,954 | 8,127,381 | 2,573,331 |
| Commodities | 106,311 | 1,832,518 | 202,078 |
| Utilities | 782,509 | 174,614 | 681,350 |
| Professional and technical | 305,910 | 771,895 | 565,895 |
| Maintenance and repairs | 10,261 | - | 42,065 |
| Printing and reproduction | 4,346 | - | 880 |
| Insurance payments | 296,816 | 702,082 | 515,839 |
| Event expenses | 1,946,984 | - | 1,298,877 |
| Cost of goods sold | - | - | - |
| Increase (decrease) in provision for self-insurance loss | - | - | - |
| Other charges | 68,840 | 263,102 | 3,890,021 |
| Depreciation | 176,854 | 2,025,366 | 1,406,376 |
| Capital outlay | - | - | 54,182 |
| Total operating expenses | <u>5,419,785</u> | <u>13,896,958</u> | <u>11,230,894</u> |
| Operating income (loss) | <u>(1,758,972)</u> | <u>(13,215,406)</u> | <u>(6,853,677)</u> |
| NONOPERATING REVENUES (EXPENSES) | | | |
| Taxes | - | - | 12,234,037 |
| State and federal assistance | - | 5,941,725 | - |
| Investment income | - | - | - |
| Damaged vehicles reimbursement | - | - | - |
| Gain (loss) from disposal of assets | - | 15,327 | - |
| Total nonoperating revenues (expenses) | <u>-</u> | <u>5,957,052</u> | <u>12,234,037</u> |
| Income (loss) before contributions and transfers | <u>(1,758,972)</u> | <u>(7,258,354)</u> | <u>5,380,360</u> |
| Capital grants and contributions | - | 2,916,364 | - |
| Transfer of capital assets | - | - | 207,806 |
| Transfers in | 1,207,952 | 8,647,087 | 382,292 |
| Transfers out | - | (2,540,862) | (8,201,121) |
| Change in net position | <u>(551,020)</u> | <u>1,764,235</u> | <u>(2,230,663)</u> |
| Total net position - beginning | <u>4,818,187</u> | <u>16,154,051</u> | <u>39,570,825</u> |
| Total net position - ending | <u>\$ 4,267,167</u> | <u>\$ 17,918,286</u> | <u>\$ 37,340,162</u> |

See Accompanying Notes to the Financial Statements

| Business-Type Activities | | | Governmental |
|-------------------------------|-------------------------|---------------------------|---------------------------|
| Emergency Medical Services | Total Nonmajor Funds | Total Enterprise Funds | Internal Service Funds |
| \$ 3,602,337 | \$ 2,517,764 | \$ 9,869,868 | \$ 508,754 |
| - | - | - | 37,372,712 |
| - | - | - | 7,115,035 |
| - | 878,148 | 2,241,023 | - |
| - | 475,535 | 475,535 | - |
| - | 424,358 | 1,105,302 | - |
| - | 383,134 | 2,741,933 | - |
| 10,122 | 458,640 | 1,035,959 | - |
| <u>3,612,459</u> | <u>5,137,579</u> | <u>17,469,620</u> | <u>44,996,501</u> |
| 5,763,964 | 3,062,905 | 21,248,535 | 144,443 |
| 701,828 | 461,859 | 3,304,594 | 3,903,778 |
| 27,792 | 564,668 | 2,230,933 | 41,916 |
| 240,612 | 556,783 | 2,441,095 | 2,076,007 |
| 111,096 | 149,060 | 312,482 | 3,215 |
| 30 | 12,734 | 17,990 | 5,605 |
| - | 362,966 | 1,877,703 | 24,516,906 |
| - | 869,337 | 4,115,198 | - |
| - | 258,575 | 258,575 | - |
| - | - | - | (170,650) |
| 1,783,986 | 318,978 | 6,324,927 | 1,376,734 |
| 93,538 | 951,765 | 4,653,899 | 6,041,590 |
| - | - | 54,182 | - |
| <u>8,722,846</u> | <u>7,569,630</u> | <u>46,840,113</u> | <u>37,939,544</u> |
| <u>(5,110,387)</u> | <u>(2,432,051)</u> | <u>(29,370,493)</u> | <u>7,056,957</u> |
| - | - | 12,234,037 | - |
| - | - | 5,941,725 | 303,000 |
| - | 33,841 | 33,841 | - |
| - | - | - | 284,576 |
| - | (2,933) | 12,394 | (795,132) |
| - | 30,908 | 18,221,997 | (207,556) |
| <u>(5,110,387)</u> | <u>(2,401,143)</u> | <u>(11,148,496)</u> | <u>6,849,401</u> |
| - | - | 2,916,364 | - |
| - | - | 207,806 | 58,302 |
| 5,479,522 | 1,435,393 | 17,152,246 | 3,044,681 |
| - | - | (10,741,983) | - |
| 369,135 | (965,750) | (1,614,063) | 9,952,384 |
| 1,521,347 | 24,343,101 | 86,407,511 | 57,662,642 |
| <u>\$ 1,890,482</u> | <u>\$ 23,377,351</u> | <u>\$ 84,793,448</u> | <u>\$ 67,615,026</u> |

CITY OF MOBILE, ALABAMA
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2023

| | Business-Type Activities | | |
|---|--------------------------|------------------------|-----------------------|
| | Civic Center | Wave Transit System | Convention Center |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash received from customers and users | \$ 1,610,252 | \$ 680,325 | \$ 1,531,193 |
| Cash received from sales revenue | - | - | - |
| Cash received from internal billings | - | - | - |
| Cash received from employee contributions | - | - | - |
| Cash received from facility & other rent | 430,497 | - | 397,361 |
| Cash received from parking fees | 430,139 | - | 250,805 |
| Cash received from concessions | 576,626 | - | 1,782,173 |
| Cash received from miscellaneous | 661,124 | - | 136,621 |
| Cash payments for operating expenses | (3,346,047) | (3,735,723) | (7,530,955) |
| Cash payments for insurance claims | - | - | - |
| Cash payments for internal services | (25,710) | - | (55,680) |
| Cash payments to employees for services | (1,826,248) | (8,287,400) | (2,527,879) |
| Net cash provided (used) by operating activities | <u>(1,489,367)</u> | <u>(11,342,798)</u> | <u>(6,016,361)</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | |
| Taxes | - | - | 12,234,037 |
| Non-capital grants and contributions | - | 5,941,725 | - |
| Transfers in from other funds | 1,207,952 | 5,371,998 | 382,292 |
| Transfers out to other funds | - | - | (8,201,121) |
| Net cash provided (used) by noncapital financing activities | <u>1,207,952</u> | <u>11,313,723</u> | <u>4,415,208</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | |
| Acquisition of capital assets | - | (3,645,455) | (134,475) |
| Proceeds from sale of capital assets | - | 15,330 | - |
| Reimbursement for damaged vehicles | - | - | - |
| Capital grants and contributions | - | 3,645,455 | - |
| Net cash provided (used) by capital and related financing activities | <u>-</u> | <u>15,330</u> | <u>(134,475)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Investment income received | - | - | - |
| Net cash provided (used) by investing activities | <u>-</u> | <u>-</u> | <u>-</u> |
| Net increase (decrease) in cash and cash equivalents | <u>(281,415)</u> | <u>(13,745)</u> | <u>(1,735,628)</u> |
| Balances - beginning of year | 1,086,658 | 117,425 | 6,515,224 |
| Balances - end of the year | <u>\$ 805,243</u> | <u>\$ 103,680</u> | <u>\$ 4,779,596</u> |
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities: | | | |
| Operating Income | \$ (1,758,972) | \$ (13,215,406) | \$ (6,853,677) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | |
| Depreciation | 176,854 | 2,025,366 | 1,406,376 |
| Non-cash items included in operating income | - | 55,757 | - |
| Non-capital financing cash flow included in operating income | - | - | - |
| Changes in assets and liabilities: | | | |
| Accounts payable | 55,511 | (275,980) | (142,560) |
| Accounts receivable | (121,478) | (1,227) | (568,988) |
| Self-insurance liability | - | - | - |
| Insurance claims payable | - | - | - |
| Compensated absences | - | 59,513 | - |
| Inventory and prepaids | (42,791) | (5,432) | (58,413) |
| Salary and benefits payable | 32,206 | 14,611 | 45,452 |
| Advance collections | 169,303 | - | 155,449 |
| Net cash provided (used) by operating activities | <u>\$ (1,489,367)</u> | <u>\$ (11,342,798)</u> | <u>\$ (6,016,361)</u> |

See Accompanying Notes to the Financial Statements

| Business-Type Activities | | | Governmental Activities |
|-------------------------------|------------------------------------|---------------------------|----------------------------|
| Emergency Medical Services | Total Nonmajor Enterprise Funds | Total Enterprise Funds | Internal Service Funds |
| \$ 4,000,718 | \$ 2,508,806 | \$ 10,331,294 | \$ 426,423 |
| - | 419,835 | 419,835 | - |
| - | - | - | 37,372,712 |
| - | - | - | 7,115,035 |
| - | 853,212 | 1,681,070 | - |
| - | 424,358 | 1,105,302 | - |
| - | 383,134 | 2,741,933 | - |
| - | 104,928 | 902,673 | - |
| (1,575,132) | (3,984,757) | (20,172,614) | (7,385,224) |
| - | - | - | (23,794,375) |
| (1,859,313) | (227,183) | (2,167,886) | - |
| (5,893,043) | (2,843,102) | (21,377,672) | (146,085) |
| <u>(5,326,770)</u> | <u>(2,360,769)</u> | <u>(26,536,065)</u> | <u>13,588,486</u> |
| - | - | 12,234,037 | - |
| - | - | 5,941,725 | - |
| 5,479,522 | 1,435,393 | 13,877,157 | 3,044,681 |
| - | - | (8,201,121) | - |
| <u>5,479,522</u> | <u>1,435,393</u> | <u>23,851,798</u> | <u>3,044,681</u> |
| - | (295,836) | (4,075,766) | (6,224,252) |
| - | - | 15,330 | 929,451 |
| - | - | - | 284,576 |
| - | - | 3,645,455 | - |
| <u>-</u> | <u>(295,836)</u> | <u>(414,981)</u> | <u>(5,010,225)</u> |
| - | 33,841 | 33,841 | - |
| - | 33,841 | 33,841 | - |
| 152,752 | (1,187,371) | (3,065,407) | 11,622,942 |
| - | 7,073,250 | 14,792,557 | 23,145,549 |
| <u>\$ 152,752</u> | <u>\$ 5,885,879</u> | <u>\$ 11,727,150</u> | <u>\$ 34,768,491</u> |
| \$ (5,110,387) | \$ (2,432,051) | \$ (29,370,493) | \$ 7,056,957 |
| 93,538 | 951,765 | 4,653,899 | 6,041,590 |
| (764,598) | - | (708,841) | - |
| - | - | - | 58,302 |
| - | - | - | - |
| 72,806 | (354,913) | (645,136) | 808,872 |
| 387,387 | 12,447 | (291,859) | (82,331) |
| - | - | - | (98,762) |
| - | - | - | (194,500) |
| - | - | 59,513 | - |
| - | (90,288) | (196,924) | - |
| (6,388) | 8,029 | 93,910 | (1,642) |
| 872 | (455,758) | (130,134) | - |
| <u>\$ (5,326,770)</u> | <u>\$ (2,360,769)</u> | <u>\$ (26,536,065)</u> | <u>\$ 13,588,486</u> |



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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 3 for further details.

- Solid Waste Disposal Authority
- Mobile Public Library
- The Public Park and Recreation Board
(Ladd-Peebles Sports & Entertainment Complex)



CITY OF MOBILE, ALABAMA
Statement Net Position
Component Units
September 30, 2023

| | <u>Solid Waste Disposal Authority</u> | <u>Mobile Public Library</u> | <u>Public Park and Recreation Board</u> | <u>Total Component Units</u> |
|---|---|----------------------------------|---|----------------------------------|
| ASSETS | | | | |
| Current assets: | | | | |
| Cash, equity in pooled cash and investments | \$ - | \$ 5,171,077 | \$ 2 | \$ 5,171,079 |
| Restricted cash | - | - | (26) | (26) |
| Receivables, net | - | 30,713 | - | 30,713 |
| Inventory & prepaid expenses | - | 113,213 | - | 113,213 |
| Total current assets | <u>-</u> | <u>5,315,003</u> | <u>(24)</u> | <u>5,314,979</u> |
| Noncurrent assets: | | | | |
| Net pension asset | - | - | 23,674 | 23,674 |
| Non-depreciable capital assets | 248,225 | - | 1,245,203 | 1,493,428 |
| Depreciable capital assets, net | - | 557,434 | 159,642 | 717,076 |
| Right-to-use lease asset | - | 327,134 | - | 327,134 |
| Total noncurrent assets | <u>248,225</u> | <u>884,568</u> | <u>1,428,519</u> | <u>2,561,312</u> |
| Total assets | <u>248,225</u> | <u>6,199,571</u> | <u>1,428,495</u> | <u>7,876,291</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred pension outflows | - | 2,654,467 | 5,693 | 2,660,160 |
| Total deferred outflows of resources | <u>-</u> | <u>2,654,467</u> | <u>5,693</u> | <u>2,660,160</u> |
| Total assets and deferred outflows of resources | <u>248,225</u> | <u>8,854,038</u> | <u>1,434,188</u> | <u>10,536,451</u> |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable and accrued liabilities | 169,568 | 236,190 | 848 | 406,606 |
| Compensated absences, current portion | - | 53,604 | - | 53,604 |
| Total current liabilities | <u>169,568</u> | <u>289,794</u> | <u>848</u> | <u>460,210</u> |
| Noncurrent liabilities: | | | | |
| Leases payable, long-term portion | - | 337,250 | - | 337,250 |
| Compensated absences, long-term portion | - | 425,006 | - | 425,006 |
| Net pension liability | - | 5,815,630 | - | 5,815,630 |
| Total noncurrent liabilities | <u>-</u> | <u>6,577,886</u> | <u>-</u> | <u>6,577,886</u> |
| Total liabilities | <u>169,568</u> | <u>6,867,680</u> | <u>848</u> | <u>7,038,096</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred pension inflows | - | 313,007 | 24,394 | 337,401 |
| Total deferred inflows of resources | <u>-</u> | <u>313,007</u> | <u>24,394</u> | <u>337,401</u> |
| Total liabilities and deferred inflows of resources | <u>169,568</u> | <u>7,180,687</u> | <u>25,242</u> | <u>7,375,497</u> |
| NET POSITION | | | | |
| Net investment in capital assets | 248,225 | 547,318 | 1,404,845 | 2,200,388 |
| Restricted for: | | | | |
| Grant programs | - | - | (26) | (26) |
| Unrestricted | (169,568) | 1,126,033 | 4,127 | 960,592 |
| Total net position | <u>\$ 78,657</u> | <u>\$ 1,673,351</u> | <u>\$ 1,408,946</u> | <u>\$ 3,160,954</u> |

See Accompanying Notes to the Financial Statements

CITY OF MOBILE, ALABAMA
Statement of Activities
Component Units
For the Year Ended September 30, 2023

| Functions/Programs | Expenses | Program Revenues | | |
|--|----------------------|----------------------|------------------------------------|----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Solid Waste Disposal Authority | | | | |
| Public works | \$ 2,367,485 | \$ - | \$ 2,408,339 | \$ - |
| Total Solid Waste Disposal Authority | <u>2,367,485</u> | <u>-</u> | <u>2,408,339</u> | <u>-</u> |
| Mobile Public Library | | | | |
| Culture and recreation | 10,468,955 | 312,642 | 168,073 | 2,597 |
| Total Mobile Public Library | <u>10,468,955</u> | <u>312,642</u> | <u>168,073</u> | <u>2,597</u> |
| Public Park and Recreation Board | | | | |
| Culture and recreation | 832,847 | 292,558 | - | - |
| Total Public Park and Recreation Board | <u>832,847</u> | <u>292,558</u> | <u>-</u> | <u>-</u> |
| Total component units | <u>\$ 13,669,287</u> | <u>\$ 605,200</u> | <u>\$ 2,576,412</u> | <u>\$ 2,597</u> |

General revenues:

Grants and contributions not restricted to specific programs
Investment income
Other
Payments from local governments
Total general revenues
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 Component Units |
| \$ 40,854 | \$ - | \$ - | \$ 40,854 |
| 40,854 | - | - | 40,854 |
| - | (9,985,643) | - | (9,985,643) |
| - | (9,985,643) | - | (9,985,643) |
| - | - | (540,289) | (540,289) |
| - | - | (540,289) | (540,289) |
| 40,854 | (9,985,643) | (540,289) | (10,485,078) |
| - | 435,543 | 350,000 | 785,543 |
| - | 173,715 | - | 173,715 |
| (900,000) | - | - | (900,000) |
| - | 9,356,407 | - | 9,356,407 |
| (900,000) | 9,965,665 | 350,000 | 9,415,665 |
| (859,146) | (19,978) | (190,289) | (1,069,413) |
| 937,803 | 1,693,329 | 1,599,235 | 4,230,367 |
| \$ 78,657 | \$ 1,673,351 | \$ 1,408,946 | \$ 3,160,954 |



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NOTES TO FINANCIAL STATEMENTS



NOTES TO FINANCIAL STATEMENTS



NOTES TO THE FINANCIAL STATEMENTS**INDEX**

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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 reflect 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 way 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.
- 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:

- 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.
- Opioid Settlement Fund – This fund is used to account for funds arising from various national opioid litigation settlements which are required to be used primarily for opioid remediation efforts and care, treatment, and other programs related to the effects of the misuse and abuse of opioid products and related disorders.
- General Activities Grants - This fund is used to account for activities funded by federal, state, local, and private grants received which are not related to public safety or received from the U.S. Department of Housing and Urban Development.
- Revitalizing Broad Street Grants - This fund is used to account for activities funded by federal, state, local, and private grants received which are related to the Revitalizing Broad Street project.
- 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 Sally Grants - This fund is used to account for activities funded by federal, state, local, and private grants received which are related to the Hurricane Sally disaster in September 2020.
- 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 Theatre - This fund is used to account for the operations of the Saenger Theatre 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.

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 20th, 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 1st, which constitutes the General Fund Budget, a Capital Improvements Fund 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 20th. 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 the 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 consists of cash, government securities, certificates of deposit, money market mutual funds, 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 an 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 are 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. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

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 10 for additional information on Pensions and OPEB.

Employees' Retirement System of Alabama financial statements are prepared using the economic resources measurement focus and accrual basis of accounting. Contributions are recognized as revenues when earned, pursuant to the plan requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Expenses are recognized when the corresponding liability is incurred, regardless of when the payment is made. Investments are reported at fair value. Financial statements are prepared in accordance with the 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, Principal Trust Company.

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 the quoted market price. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on an 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. 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 were effective in the Fiscal Year ended 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 were effective for reporting periods beginning after June 15, 2022 (Fiscal Year Ended 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 were effective for reporting periods beginning after June 15, 2022 (Fiscal Year Ended September 30, 2023).

GASB Statement No. 99, Omnibus 2022

Issued April 2022, the objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

The requirements of this Statement are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance (Fiscal Year Ended September 30, 2022).
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter (Fiscal Year Ended September 30, 2023).
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter (Fiscal Year Ending September 30, 2024).

Future adoption of GASB pronouncements that have been issued but are not yet effective at September 30, 2023:GASB Statement No. 99, Omnibus 2022

Issued April 2022, the objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.



The requirements of this Statement are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance (Fiscal Year Ended September 30, 2022).
- The requirements related to leases, PPPs, and SBITA's are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter (Fiscal Year Ended September 30, 2023).
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter (Fiscal Year Ending September 30, 2024).

GASB Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*

Issued June 2022, the primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for reporting periods beginning after June 15, 2023 (Fiscal Year Ending September 30, 2024).

GASB Statement No. 101, *Compensated Absences*

Issued June 2022, primary objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023 (Fiscal Year Ending September 30, 2025).

GASB Statement No. 102, *Certain Risk Disclosures*

Issued December 2023, the Statement requires governments to make additional assessments regarding concentrations or constraints associated with liabilities for revenue debt resulting in a risk of a substantial impact, and whether any events are occurring or likely to occur that could result in a substantial impact. As applicable, governments might be required to make additional disclosures in the notes to the financial statements pertaining to concentrations or constraints, any potential substantial impact, related events that could cause a potential substantial impact, and actions taken by the government prior to issuance of the financial statements to mitigate the risk as appropriate.

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. The Board does not issue separate financial statements.
- **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. The Solid Waste 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 its 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 completed 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 and made other payments totaling \$7,980 to the Mobile County Board of Health during the fiscal year ended September 30, 2023. 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 \$645,387 to Mobile County Emergency Management Agency during the fiscal year ended September 30, 2023. 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: 7350 Zeigler Blvd, Mobile, Alabama 36608.
- **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 \$1,712,547 to the Mobile County Personnel Board during the fiscal year ended September 30, 2023. 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 \$13,556,218 to Mobile County during the fiscal year ended September 30, 2023, 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, 2023, the City contributed \$3,956,861 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, 2023, the City paid \$418,569 to the South Alabama Regional Planning Commission, including \$53,000 of performance contract funding and \$26,200 of grant related payments. 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 represent the undivided interest of each respective fund in pooled accounts.

Included as deposits are bank accounts, money market depository 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, 2023. At year-end, the carrying amount of the City's cash and cash equivalent deposits was \$204,513,776 and the bank balance was \$211,112,503. Of the total bank balance, \$2,408,567 was covered by Federal Depository Insurance and \$208,703,936 was covered under the SAFE program. The City also held investments totaling \$210,943,195 detailed further below.

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. Law and City policy have requirements for funds to 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, 2023, the City had the following investments held in custodial trust accounts or repurchase agreements:

| Investment Category | Investment Maturities (Fair Value) | | | |
|---------------------------|------------------------------------|---------------------|-------------------|-----------------------|
| | Less than 1 Year | 1 to 2 Years | 2 to 3 Years | Total Fair Value |
| US Treasury | \$ 126,261,470 | \$ 4,191,802 | \$ 218,849 | \$ 130,672,121 |
| Money Market Mutual Funds | 69,120,000 | - | - | 69,120,000 |
| Federal Agency | 440,753 | - | - | 440,753 |
| Certificates of Deposit | 477,738 | 740,190 | - | 1,217,928 |
| Repurchase Agreements | 9,492,393 | - | - | 9,492,393 |
| Total Fair Value | \$ 205,792,354 | \$ 4,931,992 | \$ 218,849 | \$ 210,943,195 |

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. The statement defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.



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 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, 2023:

| Investment Category | Assets at Fair Value | | | |
|---------------------------|----------------------|-----------------------|-------------|-----------------------|
| | Level 1 | Level 2 | Level 3 | Total |
| US Treasury | \$ - | \$ 130,672,121 | \$ - | \$ 130,672,121 |
| Money Market Mutual Funds | - | 69,120,000 | - | 69,120,000 |
| Federal Agency | | 440,753 | | 440,753 |
| Certificates of Deposit | | 1,217,928 | | 1,217,928 |
| Repurchase Agreements | - | 9,492,393 | - | 9,492,393 |
| Total Fair Value | <u>\$ -</u> | <u>\$ 210,943,195</u> | <u>\$ -</u> | <u>\$ 210,943,195</u> |

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, 2022.

- US Treasury, US Government Mortgage-Backed Securities, Federal Agency Securities, Money Market Mutual Funds, 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, 2023, the City's cash and money market depository 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 partially 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.

As of September 30, 2023, the City's investments in money market mutual funds with Regions Bank of \$69,120,000 comprised 32.8% of its total investment portfolio.

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, 2023, consist of the following:

| | Governmental Activities | Business-Type Activities | Total Primary Government |
|------------------------------|----------------------------|-----------------------------|-----------------------------|
| Receivables | | | |
| Taxes | \$ 28,257,269 | \$ 1,102,980 | \$ 29,360,249 |
| Customers and other | 2,605,866 | 3,038,412 | 5,644,279 |
| Other governmental units | 25,756,906 | - | 25,756,906 |
| Gross receivables | 56,620,041 | 4,141,392 | 60,761,434 |
| Allowance for uncollectibles | (75,362) | (112,327) | (187,689) |
| Net receivables | \$ 56,544,679 | \$ 4,029,065 | \$ 60,573,745 |

Substantially all receivables are due in fiscal year 2024.



NOTE 5 - INTERFUND TRANSFERS

Transfers within the reporting entity are substantially for the purpose 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, 2023, are as detailed in the following schedule:

| | Transfer In | Transfer Out |
|---------------------------------|----------------|-----------------|
| Major Governmental Funds | | |
| General Fund | | |
| Capital Improvements Fund | \$ - | \$ 56,641,426 |
| Other Governmental Funds | 679,127 | 587,476 |
| Internal Service Funds | - | 3,044,681 |
| Mobile Convention Center | - | 382,292 |
| Mobile Civic Center | - | 1,207,952 |
| WAVE Transit | 2,540,862 | 8,147,087 |
| Emergency Medical Services | - | 5,479,522 |
| Other Enterprise Funds | - | 1,435,393 |
| Total General Fund | 3,219,989 | 76,925,829 |
| Capital Improvements Fund | | |
| General Fund | 56,641,426 | - |
| Other Governmental Funds | 2,120,345 | 24,884,612 |
| WAVE Transit | - | 500,000 |
| Mobile Convention Center | 8,201,121 | - |
| Total Capital Improvements Fund | 66,962,892 | 25,384,612 |
| Other Governmental Funds | | |
| General Fund | 587,476 | 679,127 |
| Capital Improvements Fund | 24,384,612 | 2,120,345 |
| Other Governmental Funds | 3,003,493 | 2,503,493 |
| Total Other Governmental Funds | 27,975,581 | 5,302,965 |
| Internal Service Funds | | |
| General Fund | 3,044,681 | - |
| Total Internal Service Funds | 3,044,681 | - |
| Major Enterprise Funds | | |
| Mobile Civic Center | | |
| General Fund | 1,207,952 | - |
| Total Mobile Civic Center | 1,207,952 | - |
| Mobile Convention Center | | |
| General Fund | 382,292 | - |
| Capital Improvements Fund | - | 8,201,121 |
| Total Mobile Convention Center | 382,292 | 8,201,121 |

(Continued on the following page)



| | Transfer In | Transfer Out |
|-----------------------------------|-----------------------|-----------------------|
| WAVE Transit | | |
| General Fund | 8,147,087 | 2,540,862 |
| Capital Improvements Fund | 500,000 | - |
| Total WAVE Transit | 8,647,087 | 2,540,862 |
| Emergency Medical Services | | |
| General Fund | 5,479,522 | - |
| Total Emergency Medical Services | 5,479,522 | - |
| Other Enterprise Funds | | |
| General Fund | 1,435,393 | - |
| Total Other Enterprise Funds | 1,435,393 | - |
| Total Transfers | \$ 118,355,389 | \$ 118,355,389 |

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, 2023, 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 | | |
| Other Governmental Funds | \$ 9,566,025 | \$ - |
| WAVE Transit | 2,174,669 | 267,625 |
| Total General Fund | 11,740,694 | 267,625 |
| Other Governmental Funds | | |
| General Fund | - | 9,566,025 |
| Total Other Governmental Funds | - | 9,566,025 |
| Major Enterprise Funds | | |
| WAVE Transit | | |
| General Fund | 267,625 | 2,174,669 |
| Total WAVE Transit | 267,625 | 2,174,669 |
| Total Interfund Balances | \$ 12,008,319 | \$ 12,008,319 |



NOTE 7 - CAPITAL ASSETS

Governmental Activities

The following is a summary of changes in capital assets for the year ended September 30, 2023:

| | Balance, Beginning | Additions | Deductions | Balance, Ending |
|---|-----------------------|----------------|---------------|--------------------|
| Capital assets, not depreciated | | | | |
| Land | \$ 46,699,652 | \$ 362,916 | \$ - | \$ 47,062,568 |
| Construction in progress | 117,162,144 | 64,051,206 | 33,198,264 | 148,015,086 |
| Intangible assets | 5,204,150 | 74,887 | - | 5,279,037 |
| Subtotal | 169,065,946 | 64,489,009 | 33,198,264 | 200,356,691 |
| Capital assets, depreciated | | | | |
| Buildings | 144,133,091 | 919,997 | - | 145,053,088 |
| Improvements other than buildings | 159,608,494 | 11,217,156 | 1,709,553 | 169,116,097 |
| Vehicular equipment | 97,259,425 | 10,409,335 | 14,391,940 | 93,276,820 |
| Other equipment | 51,618,517 | 2,138,989 | 1,475,676 | 52,281,829 |
| Infrastructure | 611,757,847 | 82,954,719 | - | 694,712,566 |
| Intangible right-of-use assets: | | | | |
| Lease land | 652,504 | - | - | 652,504 |
| Lease buildings | 18,300,049 | - | - | 18,300,049 |
| IT subscriptions | 2,869,797 | 3,991,475 | - | 6,861,272 |
| Subtotal | 1,086,199,724 | 111,631,671 | 17,577,169 | 1,180,254,225 |
| Accumulated Depreciation and Amortization | | | | |
| Buildings | 50,641,801 | 2,769,271 | | 53,411,072 |
| Improvements other than buildings | 91,364,299 | 4,064,031 | 7,502 | 95,420,828 |
| Vehicular equipment | 54,380,673 | 7,178,987 | 11,513,316 | 50,046,344 |
| Other equipment | 40,103,818 | 1,499,556 | 973,278 | 40,630,096 |
| Infrastructure | 214,418,637 | 10,790,302 | - | 225,208,939 |
| Intangible right-of-use assets: | | | | |
| Lease land | 34,507 | 37,644 | - | 72,151 |
| Lease buildings | 1,466,965 | 1,791,612 | - | 3,258,577 |
| IT subscriptions | - | 1,521,252 | - | 1,521,252 |
| Subtotal | 452,410,700 | 29,652,655 | 12,494,096 | 469,569,259 |
| Depreciable capital assets, net | 633,789,024 | 81,979,017 | 5,083,073 | 710,684,967 |
| Total capital assets, net | \$ 802,854,970 | \$ 146,468,026 | \$ 38,281,337 | \$ 911,041,657 |



Construction in progress consists of the following:

| ASSET | ASSET DESCRIPTION | BALANCE | | | BALANCE |
|---------------|--|--------------|------------|-------------|--------------|
| | | 09/30/2022 | Additions | Deductions | |
| 79255 | CITY SHARE - ZEIGLER BLVD (PROJ 906) | \$ 5,651,749 | \$ 677,413 | \$ - | \$ 6,329,161 |
| 79256 | RESURF 4CT GAS TAX PROJECT (PROJ 6001) | 12,270,940 | - | - | 12,270,940 |
| 79259 / 81610 | MPO MCGREGOR AVE - WIDENING (PROJ 7338) | 1,394,721 | 4,082,753 | - | 5,477,474 |
| 79286 | PARKS - MARDI GRAS PARK | 4,320,642 | 37,648 | - | 4,358,290 |
| 79287 | PARKS - LYONS PARK IMPROVEMENT | 695,997 | - | - | 695,997 |
| 79456 | CITYWIDE STORM DRAINS | 263,551 | - | - | 263,551 |
| 79458 | MPO - DAUPHIN ST - SAGE | 7,183 | - | (7,183) | - |
| 79470 | PKS-MIMS-RENOVATIONS & REPAIRS | 1,730,271 | 84,261 | - | 1,814,532 |
| 79474 | ARCHITECTURAL ENGINEERING PROJECTS | 236,611 | - | - | 236,611 |
| 79475 | PKS-FIGURES PARK IMPROVEMENTS | 1,103,448 | - | (1,103,448) | - |
| 79503 | PARKS-HILLSDALE COM CTR-DISTRICT 7 | 342,489 | - | (342,489) | - |
| 79506 | TRAFFIC CALMING DEVICES PROG | 61,191 | 16,468 | - | 77,659 |
| 79509 | 2017 CITYWIDE ADA ASSESSMENTS | 108,984 | - | - | 108,984 |
| 79513 | CS-ZEIGLER-CODY TO SCHILLINGER | 1,984,759 | - | - | 1,984,759 |
| 79519 | PARKS-TRINITY GARDEN PK IMP-DIST 1 | 1,105,989 | 140,998 | - | 1,246,987 |
| 79528 | SPRINGHILL FIRE STATION (MCGREGOR) | 2,724,171 | 13,413 | (2,737,583) | - |
| 79532 | POLICE HEADQUARTERS UPGRADES | 224,381 | 1,107 | - | 225,488 |
| 79546 | TRINITY GARDENS-DITCH ENCLOSURES | 3,623,073 | 1,470 | (3,624,543) | - |
| 79552 | PARKS-HELEN WOODS PARK IMPROV | 229,992 | 4,165 | - | 234,157 |
| 79556 | PARK - STOTTS RENOVATION & REPAIRS | 874,723 | 37,495 | - | 912,218 |
| 79558 | WEST REGIONAL LIBRARY IMPROVEMENT | 357,651 | 1,600 | (359,251) | - |
| 79562 | PARKS-PLATEAU WELCOME CENTER | 8,462 | - | - | 8,462 |
| 79567 | BROAD ST IMPROVEMENTS-TIGER | 429,612 | - | - | 429,612 |
| 79589 | DRAINAGE-ESLAVA CREEK IMPROVEMENTS | 1,951,850 | 150,387 | - | 2,102,236 |
| 79621 | CRUISE TERMINAL-EQUIPMENT & MISC | 2,055,650 | 6,100 | - | 2,061,750 |
| 79647 | MUSEUM OF ARTS IMPROV | 317,931 | - | - | 317,931 |
| 79649/81619 | MOBILE GREENWAY INITIATIVE | 1,355,414 | 244,946 | - | 1,600,361 |
| 79650 | 2017 TRAFFIC SIGNAL INTX IMPROV | 74,143 | 5,313 | - | 79,456 |
| 79651 | 2017 TRAFFIC SIGNAL MISC IMPROV | 105,600 | 51,980 | - | 157,580 |
| 79654 | DAUPHIN ISLAND PARK SIDEWALKS | 18,245 | - | - | 18,245 |
| 79722 | DISTRICT 1 PARK REPAIR PROJECTS | 51,596 | - | - | 51,596 |
| 79723 | DISTRICT 2 PARK REPAIR PROJECTS | 8,307 | 3,496 | - | 11,803 |
| 79724 | DISTRICT 3 PARK REPAIR PROJECTS | 24,537 | - | - | 24,537 |
| 79725 | DISTRICT 4 PARK REPAIR PROJECTS | 9,480 | - | - | 9,480 |
| 79726 | DISTRICT 5 PARK REPAIR PROJECTS | 14,512 | - | - | 14,512 |
| 79727 | DISTRICT 6 PARK REPAIR PROJECTS | 201 | - | - | 201 |
| 79728 | DISTRICT 7 PARK REPAIR PROJECTS | 58,264 | - | - | 58,264 |
| 79759 | CITYWIDE STREET LIGHT IMPROVEMENTS | 102,610 | - | (102,610) | - |
| 79978 | PROPERTY- ZEIGLER RD | 362,916 | - | (362,916) | - |
| 79986 | HOPE COMMUNITY CENTER IMPROVEMENTS | 260,110 | 11,017 | - | 271,127 |
| 79996 | EAST DRIVE AT 12 MILE CREEK | 326,966 | 37,574 | - | 364,540 |
| 79998 | ST. LOUIS ST STREETSCAPES | 321,135 | - | - | 321,135 |
| 79999 | TEXAS ST REBUILD, ANN TO BROAD | 5,087,360 | 3,425,586 | - | 8,512,946 |
| 80026 | TAP SIDEWALK PROJECT- DIP | 110,590 | - | - | 110,590 |
| 80027 | TAP SIDEWALK - BIT AND SPUR | 244,700 | - | - | 244,700 |
| 80034 | TIGER - COMPLETE STREETS IMPROVEMENTS | 17,691,685 | 1,199,404 | - | 18,891,089 |
| 80355 | SPRINGHILL/MOORER BR LIBRARY IMPROVEMENT | 170,790 | - | (170,790) | - |
| 80446 | SIDEWALKS OLD SHELL RD UNION TO DURANT | 26,818 | - | - | 26,818 |
| 80447 | WATER ST STRIPING AND RESURFACING PH2 | 1,161,276 | 30,042 | - | 1,191,318 |
| 80450 | DAUPHIN ST WIDENING SAGE TO SPRHILL HOSP | 655,015 | 110,927 | - | 765,943 |
| 80452 | 2018 COUNTY PAYGO GROUP B RESURFACING | 4,757,088 | - | - | 4,757,088 |
| 80453 | 2018 COUNTY PAYGO N MCGREGOR-OLD SHELL | 93,074 | 1,996,588 | - | 2,089,662 |
| 80454 | MEMORIAL PARK IMPROVEMENTS & MASTER PLAN | 278,210 | 9,688 | (287,898) | - |
| 80457 | 2019 DRAINAGE GROUP D | 697,707 | - | (697,707) | - |
| 80458 | 2019 DRAINAGE GROUP E | 2,466,895 | 516,389 | (2,983,284) | - |
| 80459 | 2019 DRAINAGE GROUP A | 510,424 | 159,126 | - | 669,550 |
| 80465 | HILLCREST/COTTAGE HILL SIGNAL UPGRA | 55,568 | 941 | - | 56,509 |
| 80478 | LIGHT POLES & FIXTURES DOWNTOWN TIF DIST | 314,429 | - | - | 314,429 |
| 80480 | NEW PUBLIC SAFETY FACILITY-GOVERNMENT BL | 25,136 | - | - | 25,136 |
| 80549 | 2018 UPGRADE DOWNTOWN PARKING | 276,230 | - | - | 276,230 |
| 80682 | LADD-PEEBLES BLDG AND GROUNDS IMP | 1,173,063 | 6,750 | - | 1,179,813 |
| 80684 | CONVENTION CENTER ROOF RE-COVERING | 919,998 | - | (919,998) | - |



| ASSET | ASSET DESCRIPTION | BALANCE | | | BALANCE |
|-------|--|------------|-----------|-------------|-----------|
| | | 09/30/2022 | Additions | Deductions | |
| 80687 | TRAFFIC ENG-AIRPORT FIBER OPTICS | - | 142,803 | - | 142,803 |
| 80688 | I-65 AND I-10 LIGHTING IMPROV | 2,414,836 | 715,176 | - | 3,130,012 |
| 80690 | PARK-SEALS REC CENTER RENOV | 17,141 | 265,968 | (283,109) | - |
| 80691 | BATTERY HEIGHTS LIGHTING | 104,886 | 179,367 | - | 284,253 |
| 80692 | HALLS MILL & DEMOTROPOLIS RDWY IMPR | 43,525 | - | - | 43,525 |
| 80696 | TRAFFIC SAFETY IMPROVEMENTS | 169,407 | - | (169,407) | - |
| 80698 | AZALEA CITY GOLF COURSE CLUBHOUSE-RESTRO | 3,188 | 11,403 | - | 14,590 |
| 80702 | PUBLIC WORKS CONCRETE REPAIRS | 16,333 | - | - | 16,333 |
| 80703 | 2020 CITYWIDE RESURFACING PROGRAM | 5,754,294 | 76,355 | (5,830,649) | - |
| 80818 | PARKS-SPANISH PLAZA IMPROV | 968,776 | 52,157 | (1,020,933) | - |
| 80819 | GRELOT ROAD BEAUTIFICATION PROJ | 155,779 | - | - | 155,779 |
| 80820 | RICHARDS DAR HOUSE IMPROV | 217,310 | - | (217,310) | - |
| 80885 | ST. JOSEPH ST TWO-WAY TRAFFIC CONVERSION | 35,896 | - | - | 35,896 |
| 80887 | CRUISE TERMINAL PARKING DECK REPAIRS | 189,335 | - | (189,335) | - |
| 80891 | 2019 DRAINAGE-GROUP B (C0409) | 522,225 | 145,245 | (667,470) | - |
| 80893 | MCRAE AVE DRAINAGE PH 2 (C0412) | 26,735 | 11,678 | (38,412) | - |
| 80895 | HILLSDALE DRAINAGE & RDWAY REHAB (C0431) | 373,222 | - | (373,222) | - |
| 80897 | PARKS MITTERNIGHT PARK (C0406) | 6,054 | - | - | 6,054 |
| 80900 | 2019 SIGNAL IMPRO UPHAM (C0419) | 11,235 | 2,860 | - | 14,095 |
| 80901 | 2019 AIRPORT BLVD SIGNAL IMP (C0420) | 55,008 | 26,956 | - | 81,963 |
| 80905 | HURTELL ST. ARMORY-WALLS&WINDOWS C0514 | 102,425 | 10,211 | (112,636) | - |
| 80908 | FACILITY UPGRADE/ADEM COMPLIANCE C0486 | 42,664 | 238,338 | - | 281,002 |
| 80909 | IRRIGATION SYSTEM AUTOMATION (C0500) | 8,013 | 19,720 | - | 27,733 |
| 80911 | CONVENTION CENTER BRIDGE (C0439) | 432,820 | 1,791 | (434,611) | - |
| 81015 | AZALEA/PLEASANT VALLEY/SAGE - CIP | 66,172 | 5,010 | - | 71,181 |
| 81018 | CENTRAL FIRE DEPT WINDOWS | 314 | 322 | - | 636 |
| 81024 | LANGAN PARK TURF FOOTBALL FIELD | 26,322 | - | - | 26,322 |
| 81028 | PUBLIC WORKS SECURITY IMPROV | 200,339 | 80,006 | - | 280,344 |
| 81031 | FIRE TRAINING FACILITY REHAB | 299,787 | 405,424 | - | 705,211 |
| 81032 | BEAUREGARD ST BRIDGE | 1,151,116 | 103,627 | (1,254,743) | - |
| 81033 | CYBER-GULF COAST TECH CTR | 138,514 | 153,867 | - | 292,381 |
| 81034 | MEDAL OF HONOR PK-CONC/RESTROOMS RE | 929,834 | - | (929,834) | - |
| 81039 | TRAFFIC SIGNAL GENERATORS | 157,767 | - | - | 157,767 |
| 81043 | FS 16 EMERGENCY GENERATOR | 895 | - | - | 895 |
| 81049 | PARKS-LAVRETTA PARK IMPROV-DIST 7 | 6,669 | - | (6,669) | - |
| 81057 | CONV CTR-LED LIGHTING REPLACEMENT | 192,328 | 21,190 | (213,518) | - |
| 81058 | CONVENTION CTR-MECHANICAL UPGRADES | 79,456 | 448,570 | - | 528,026 |
| 81062 | CONV CTR - REPLACE MARQUEE/INFO BDS | 2,250 | 451 | - | 2,701 |
| 81076 | MOBILE AL CRUISE TERMINAL-SYS UPGRA | 147,200 | 12,200 | - | 159,400 |
| 81089 | SPORTS HALL OF FAME COURTYARD | 314,990 | 312,074 | - | 627,064 |
| 81092 | AZALEA CITY GOLF COURSE-DRIVING RANGE | 5,281 | 16,124 | - | 21,405 |
| 81093 | AZALEA CITY GOLF COURSE-EQUIP COVER | 3,506 | 12,541 | - | 16,047 |
| 81097 | GULFQUEST CRUISE TERMINAL DOCK IMP | 90,816 | 10,176 | - | 100,992 |
| 81098 | CRUISE TERMINAL GANGWAY IMPROV | 6,419 | - | (6,419) | - |
| 81099 | GREENWAY TRAIL SEC 1 & 2 | 261,679 | 88,947 | - | 350,626 |
| 81102 | MIMS PARK COMBO FIELD IMPROVEMENTS | 638,288 | 12,363 | (650,651) | - |
| 81103 | PARKS-LANGAN PARK AMPHITHEATRE | 93,060 | 1,557,440 | - | 1,650,500 |
| 81108 | CIP PARKS-TRIMMIER PK STADIUM IMPROVE | 43,014 | 117,900 | - | 160,914 |
| 81109 | CIP PARKS-TAYLOR PARK POOL AND GYM | 163,646 | 118,475 | - | 282,120 |
| 81111 | CIP PARKS-HACKMEYER PARK | 79,962 | 344,807 | - | 424,769 |
| 81112 | CIP PK-FIGURES COMBO FIELD-PRES BOX | 10,336 | 230,564 | - | 240,900 |
| 81115 | CIP PARKS-SEALS PK FIELD DRAINAGE | 43,313 | 136,084 | - | 179,397 |
| 81117 | CIP PARKS-HARMON REPL HVAC | 5,746 | - | (5,746) | (0) |
| 81118 | CIP WOODCOCK CK US90 DRAIN | 996,874 | 5,480 | (1,002,354) | - |
| 81119 | CIP AZALEA RD COMPLEX BIC ADULT CTR | 158,398 | 23,620 | (182,018) | - |
| 81121 | CIP 2021 PUBLIC WORKS CONCRETE REP | 13,749 | - | - | 13,749 |
| 81122 | CIP 2021 RESURFACING PROJECTS | 9,004,581 | 775,715 | - | 9,780,296 |
| 81123 | COPELAND COX TENNIS CTR-SECURITY CA | - | 21,154 | - | 21,154 |
| 81129 | TIF DOWNTOWN NEW STREET SIGNS VAR STREET | 34,218 | - | (34,218) | - |
| 81131 | TIF DOWNTOWN DECORATIVE SIGN POSTS | 196,740 | 53,162 | (249,902) | - |
| 81132 | TIF DOWNTOWN LIGHTING LED CONVERSION | 346,820 | - | (346,820) | - |
| 81134 | MATTHEWS PARK-FIELD A LIGHTING IMPRV | 98,773 | 2,438,419 | - | 2,537,192 |
| 81197 | PIERCE ENFORCER LADDER TRUCK | 1,116,357 | - | (1,116,357) | - |
| 81213 | VIRTUAL COURT SYSTEM | 811,052 | 694,254 | - | 1,505,307 |



| ASSET | ASSET DESCRIPTION | BALANCE 09/30/2022 | Additions | Deductions | BALANCE 9/30/2023 |
|---------------|--|-----------------------|------------|-------------|----------------------|
| 81214 | PIERCE ENFORCER PUMPER TRUCK | 618,205 | - | (618,205) | - |
| 81215 | PIERCE ENFORCER PUMPER TRUCK | 618,205 | - | (618,205) | - |
| 81222 | CIP 2021 SIDEWALK IMPROVEMENTS | 593,829 | 305,383 | (899,212) | - |
| 81235 | AFRICATOWN WELCOME CENTER | 58,802 | 267,456 | - | 326,258 |
| 81237 | ANIMAL SHELTER-KENNEL BUILDING | 19,381 | 1,676 | - | 21,057 |
| 81239 | TE-GOVERNMENT/ROYAL MASTER ARM | - | 1,460 | - | 1,460 |
| 81241 | HILLSDALE PARK OUTDOOR COURTS | - | 34,333 | - | 34,333 |
| 81243 | CIP 2022 RESURFACING | 376,513 | 11,073,263 | - | 11,449,776 |
| 81244 | CIP PARKS-PUBLIC SAFETY MEMORIAL PK | 54,131 | 1,373,037 | - | 1,427,167 |
| 81246 | WAC - RECYCLING CENTER | 235 | 4,271 | - | 4,506 |
| 81247 | BROOKLEY BY THE BAY | 136,620 | 844,323 | - | 980,943 |
| 81249 | BEN MAY MAIN LIBRARY-EXTERIOR IMPRV | 318 | 517,000 | - | 517,318 |
| 81256 | MOBILE MUSEUM OF ART-PWR & HVAC IMP | 115,727 | 2,466 | - | 118,193 |
| 81258 | CIP MILL ST PK DRAINAGE & PLAYGROUND | 18,550 | 19,540 | - | 38,090 |
| 81259 | PUBL SERV-FUELING STATION DISP UPGR | 6,500 | 70,056 | - | 76,556 |
| 81261 | NEW TRAINING PAVILION/OPEN AIR TRAI | - | 104 | - | 104 |
| 81262 | SCHILLINGER RD SIGNAL IMPROVEMENTS | 45,991 | 278,700 | - | 324,691 |
| 81263 | TIF DOWNTOWN STREETScape IMPROVEMEN | 363,315 | 550,054 | - | 913,370 |
| 81264 | WWI BUGLE BOY STATUE | 98,604 | 20,000 | (118,604) | - |
| 81268 | 1ST PRECINCT BACKUP GENERATOR, ETC. | 87,665 | - | (87,665) | - |
| 81273 | MOUNTING UNIT - NEW TRAINING CTR | 746 | 232,260 | - | 233,006 |
| 81279 | SAENGER THEATER OVERHEAD DOORS | 64,914 | - | (64,914) | - |
| 81286 | RIVERFRONT REDEVELOPMENT PROJ. PLAN | 41,394 | 12,529 | - | 53,923 |
| 81304 / 81495 | FIRESTORM 43/44MK II FIREBOAT | 125,731 | 1,135,693 | (1,261,425) | - |
| 81307 | CIVIC CTR-IMPROVEMENTS MASTER PLAN | - | 1,131,870 | - | 1,131,870 |
| 81337 | MIT-ROOF REPLACEMENT & EXTERIOR IMP | 17,403 | 393,116 | - | 410,518 |
| 81338 | WOLF RIDGE/BEAU TERRA FRTGE SIDEWAL | 5,203 | 292,694 | - | 297,897 |
| 81339 | CIP SEALS & CRWFD PKS PIKLEBAL/TENN | 72 | 43,343 | - | 43,415 |
| 81340 | TAP PROJ-SIDEWALKS-MYRTLEWOOD | 200,248 | - | - | 200,248 |
| 81341 | ANIMAL SHELTER FACILITY | 48 | 504,881 | - | 504,929 |
| 81400 | 2024 107' AERIAL LADDER HGAC CONTRAC | - | 1,052,024 | - | 1,052,024 |
| 81401 | CRUISE TERMINAL NEW GANGWAY | - | 2,452,520 | - | 2,452,520 |
| 81405 | CIP SEALS PK PICKLEBALL/TENNIS CTS | - | 86,244 | - | 86,244 |
| 81406 | CIP MOH PARK - PARKING LOT LIGHTS | - | 16,379 | - | 16,379 |
| 81409 | CIP TRINITY PK COMBO FIELD DRAINAGE | - | 24,801 | - | 24,801 |
| 81412 | CIP - LAVRETТА PK PICKLEBALL COURTS | - | 54,265 | - | 54,265 |
| 81415 | BORDER PATROL CUSTOM UPGRADES | - | 49,995 | - | 49,995 |
| 81418 | 200 GOVERNMENT ST BLDG IMPROV | - | 674,031 | - | 674,031 |
| 81419 | CIP PARKS-STOTTS COMMUNITY CENTER | - | 31,930 | - | 31,930 |
| 81423 | 2024/25 PIERCE SABER CUSTOM PUMPER TRUCK | - | 792,622 | - | 792,622 |
| 81424 | 2024/25 PIERCE SABER CUSTOM PUMPER TRUCK | - | 792,622 | - | 792,622 |
| 81453 | CIP ADA SIDEWALKS DISTRICTS 1-7 | - | 1,061,918 | - | 1,061,918 |
| 81458 | 2022 PAYGO (COMD1&CW)-(D1-7) | - | 534,998 | - | 534,998 |
| 81459 | 2022 PAYGO (COMD2)-(D4-7) | - | 157,986 | - | 157,986 |
| 81460 | CIVIC CENTER NEW PARKING FACILITY | - | 751,341 | - | 751,341 |
| 81471 | CIP HILLSDALE PARK SIGN | - | 10,192 | - | 10,192 |
| 81472 | IT TECHNICAL & INFRASTRUCT UPGRADES | - | 58,810 | - | 58,810 |
| 81473 | CIP CONSULTANT FOR EBUILDER-ONINDUS | - | 138,790 | - | 138,790 |
| 81475 | CIP MOH PK NETWORK & SURVEILLANCE | - | 28,952 | - | 28,952 |
| 81476 | CIP PK - BAUM-RANDL-RESTR & SPLASHP | - | 76,139 | - | 76,139 |
| 81477 | US 45 MEDIAN IMPROVEMENTS | - | 97,942 | - | 97,942 |
| 81478 | BROAD ST PHASE 4 | - | 33,990 | - | 33,990 |
| 81479 | CIP 2023 MISC DRAINAGE GRP A | - | 468,722 | - | 468,722 |
| 81481 | 2022 PAYGO (COMD3)-(D4) | - | 289,464 | - | 289,464 |
| 81483 | ASHLAND PLACE DRAINAGE | - | 7,986 | - | 7,986 |
| 81485 | OLD SHELL RD PEDESTRIAN IMPRV | - | 21,793 | - | 21,793 |
| 81486 | FIRE TRAINING CENTER IMPROVEMENTS | - | 28,963 | - | 28,963 |
| 81487 | CIP SEALS PK-RESTROOM/CONCESSION | - | 219,000 | - | 219,000 |
| 81488 | TRAFFIC ENG - DIST 4 FIBER OPTIC | - | 2,430 | - | 2,430 |
| 81489 | CIP OLD SHELL UNIVERSITY CMP | - | 14,163 | - | 14,163 |
| 81490 | CIP HILLSDALE PK HVAC LIGHTS | - | 6,000 | - | 6,000 |
| 81491 | CIP PK MOH ENTRANCE AMPITH LIGHTS | - | 137,577 | - | 137,577 |
| 81499 | CIP PK HARMON COMMUNITY CTR | - | 13,990 | - | 13,990 |
| 81500 | CIP PK SPRINGHILL REC CTR IMPRV | - | 18,087 | - | 18,087 |



| ASSET | ASSET DESCRIPTION | BALANCE | | | BALANCE |
|--------------|--|-----------------------|----------------------|------------------------|-----------------------|
| | | 09/30/2022 | Additions | Deductions | |
| 81504 | CIP MCVAY NAVCO SIGNAL UPGRADE | - | 5,123 | - | 5,123 |
| 81505 | CITYWIDE CRP SIGNAL IMPROVEMENTS | - | 377,690 | - | 377,690 |
| 81506 | CV CTR PROJ MGMT/SITE DESIGN/UTI RE | - | 105,029 | - | 105,029 |
| 81507 | CIP WOODCOCK DRAINAGE-AIRPORT-TERMI | - | 14,926 | - | 14,926 |
| 81508 | CIP HILLWOOD SIDEWALKS | - | 415,137 | - | 415,137 |
| 81509 | CIP PARK-LAUN PK-REC CTR & SPLASHPAD | - | 61,968 | - | 61,968 |
| 81510 | PARKS HQ CAMERA & GATE IMPROVEMENT | - | 18,267 | - | 18,267 |
| 81511 | SIGNAL UPGR-GRLT CODY-UNIV & OTHERS | - | 77,566 | - | 77,566 |
| 81512 | CIP CYPRESS SHORES DRAINAGE IMPROV | - | 250,554 | - | 250,554 |
| 81513 | MCNALLY PARK FISHING PIER | - | 4,268 | - | 4,268 |
| 81514 | FIRE BOAT DRYDOCK | - | 104 | - | 104 |
| 81515 | CIP PK COPELAND COX TENNIS CENTER | - | 38 | - | 38 |
| 81533 | CITIZENS RECYCLING CENTER COMPACTOR | - | 17,608 | - | 17,608 |
| 81534 | CITIZENS RECYCLING CENTER FENCING | - | 27,308 | - | 27,308 |
| 81583 | THREE MILE CREEK WATERSHED RESTORATION | - | 6,026,300 | - | 6,026,300 |
| 81589 | ST LOUIS ST IMPROVEMENTS - RESTORE | - | 320,224 | - | 320,224 |
| 81590 | THREE MILE CREEK GREENWAY TRAIL SEG 5-7 | - | 557,635 | - | 557,635 |
| 81596 | MOBILE AREA STORM WATER MAPPING | - | 2,796,263 | - | 2,796,263 |
| 81055 | CONV CTR-ELEVATOR-ESCALATOR UPGRADE | - | 178,149 | (178,149) | - |
| 81397 | CIP SPRINGHILL C.C. -CHILLER REPLACEMENT | - | 76,816 | (76,816) | - |
| 81421 | PINTO PASS BRIDGE REPLACEMENT | - | 83,860 | (83,860) | - |
| 81422 | CIP PARK BROOKLEY BY THE BAY | - | 127,680 | (127,680) | - |
| 81465 | CIP PARK - SULLIVAN PARK SIGN | - | 10,040 | (10,040) | - |
| 81466 | CIP RICKARBY PARK SIGN | - | 7,803 | (7,803) | - |
| 81467 | CIP TRICENTENNIAL PARK SIGN | - | 9,645 | (9,645) | - |
| Total | | \$ 117,162,144 | \$ 64,051,207 | \$ (33,198,264) | \$ 148,015,087 |

Depreciation expense was charged to governmental activities as follows:

| Governmental Function | Depreciation Expense |
|---|----------------------|
| General government | \$ 16,831,228 |
| Economic development | 23,369 |
| Public safety | 5,334,193 |
| Public works | 2,949,882 |
| Engineering, development & build Mobile | 352,151 |
| Culture & recreation | 796,543 |
| Finance | 14,780 |
| Total depreciation expense | \$ 26,302,146 |



Business-type Activities

The following is a summary of changes in capital assets for the year ended September 30, 2023:

| | Balance, Beginning | Additions | Deductions | Balance, Ending |
|-----------------------------------|-----------------------|---------------------|------------------|----------------------|
| Capital assets, not depreciated | | | | |
| Land | \$ 11,543,942 | \$ 6,300 | \$ - | \$ 11,550,242 |
| Construction in progress | - | 87,772 | - | 87,772 |
| Subtotal | <u>11,543,942</u> | <u>94,072</u> | <u>-</u> | <u>11,638,014</u> |
| Capital assets, depreciated | | | | |
| Buildings | 126,457,695 | 20,654 | - | 126,478,349 |
| Improvements other than buildings | 18,185,554 | - | - | 18,185,554 |
| Vehicular equipment | 16,283,986 | 3,564,192 | 1,463,507 | 18,384,671 |
| Other equipment | 5,925,864 | 604,654 | 98,304 | 6,432,214 |
| Subtotal | <u>166,853,099</u> | <u>4,189,500</u> | <u>1,561,811</u> | <u>169,480,788</u> |
| Accumulated Depreciation | | | | |
| Buildings | 71,847,986 | 2,392,819 | - | 74,240,805 |
| Improvements other than buildings | 13,655,647 | 470,262 | - | 14,125,909 |
| Vehicular equipment | 7,501,256 | 1,462,792 | 1,463,506 | 7,500,542 |
| Other equipment | 4,476,701 | 328,026 | 95,368 | 4,709,359 |
| Subtotal | <u>97,481,590</u> | <u>4,653,899</u> | <u>1,558,874</u> | <u>100,576,615</u> |
| Depreciable capital assets, net | <u>69,371,509</u> | <u>(464,399)</u> | <u>2,937</u> | <u>68,904,173</u> |
| Total capital assets, net | <u>\$ 80,915,451</u> | <u>\$ (370,327)</u> | <u>\$ 2,937</u> | <u>\$ 80,542,187</u> |

Approximately \$3.7 million (cost of \$12.0 million and accumulated depreciation of \$8.3 million) of the Municipal Parking Garage property is leased to others as of September 30, 2023. (See Note 13)

Construction in progress consists of the following:

| ASSET | ASSET DESCRIPTION | BALANCE 09/30/2022 | Additions | Deductions | BALANCE 9/30/2023 |
|--------------|---------------------------------|--------------------|------------------|------------|-------------------|
| 81059 | CONV CTR - INTERIOR RENOVATIONS | - | \$ 67,709 | \$ - | \$ 67,709 |
| 81480 | CONV CTR-BATHROOM UPGRADES | - | 20,063 | - | 20,063 |
| Total | | \$ - | <u>\$ 87,772</u> | \$ - | <u>\$ 87,772</u> |



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

| Fund | Depreciation Expense |
|----------------------------|----------------------|
| Azalea city golf course | \$ 157,471 |
| Civic center | 176,854 |
| Convention center | 1,406,376 |
| Cruise terminal | 400,570 |
| Emergency medical services | 93,538 |
| Parking garage | 201,644 |
| Saenger theater | 182,823 |
| Tennis center | 9,257 |
| WAVE transit | 2,025,366 |
| Total depreciation expense | \$ 4,653,899 |

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, 2023:

| 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 | \$ 1,850,000 |
| \$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 | 15,083,000 |
| \$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 | 11,490,000 |
| \$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 | 50,545,000 |
| \$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 | 38,335,000 |
| \$24,350,000; 2018A General Obligation Warrants; due annually with interest payable semi-annually at 5.00% per annum, maturing February 15, 2028 | 14,775,000 |
| \$5,220,000; 2020 General Obligation Warrants, due annually with interest payable semi-annually at 5.0% per annum, maturing February 15, 2030 | 5,220,000 |
| Total bonds/warrants payable | \$ 137,298,000 |



| Note Payable | Principal Balance |
|---|-------------------|
| \$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% | \$ 390,000 |
| Total notes payable | \$ 390,000 |

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 |
| 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 | 19,719,000 | 2,989,195 | 22,708,195 |
| 2028 | 19,802,000 | 2,209,423 | 22,011,423 |
| 2029-2030 | 40,931,000 | 1,837,514 | 42,768,514 |
| Subtotals | 137,298,000 | 20,239,483 | 157,537,483 |
| Plus: Bond premium | 6,609,089 | (6,609,089) | - |
| Totals | <u>\$ 143,907,089</u> | <u>\$ 13,630,394</u> | <u>\$ 157,537,483</u> |

| Notes Payable | | | |
|---------------------------------|-------------------------|------------------|-------------------|
| Fiscal Year Ending September 30 | Governmental Activities | | |
| | Principal | Interest | Total |
| 2024 | \$ 190,000 | \$ 10,545 | \$ 200,545 |
| 2025 | 200,000 | 5,476 | 205,476 |
| Totals | <u>\$ 390,000</u> | <u>\$ 16,021</u> | <u>\$ 406,021</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, 2023:

| | Balance, October 1 | Additions | Deductions | Balance, September 30 | Due Within One Year |
|---|-----------------------|----------------|----------------|--------------------------|------------------------|
| <u>Governmental Activities</u> | | | | | |
| General & limited obligation bonds/warrants | \$ 155,612,000 | \$ - | \$ 18,314,000 | \$ 137,298,000 | \$ 18,267,000 |
| Plus: Bond premium | 7,639,886 | - | 1,030,798 | 6,609,088 | - |
| Total general and limited obligation bonds/warrants | 163,251,886 | - | 19,344,798 | 143,907,088 | 18,267,000 |
| Notes payable | 975,000 | - | 585,000 | 390,000 | 190,000 |
| Compensated absences | 13,096,496 | 3,174,007 | 2,087,149 | 14,183,354 | 2,087,147 |
| Leases payable | 17,564,932 | - | 1,530,295 | 16,034,637 | 1,597,330 |
| Subscription payable | - | 6,861,272 | 2,132,617 | 4,728,655 | 1,921,126 |
| Self-insured legal liability | 444,650 | 797,464 | 896,226 | 345,888 | - |
| Insurance claims | 23,286,262 | 21,736,758 | 24,802,027 | 20,220,993 | 3,401,057 |
| Landfill postclosure liability | 340,866 | - | 63,106 | 277,760 | 65,630 |
| OPEB liability | 173,253,850 | 16,947,428 | 45,591,818 | 144,609,460 | - |
| Net pension liability | 63,164,471 | 110,170,698 | 37,070,767 | 136,264,402 | - |
| Total governmental activities | 455,378,413 | 159,687,627 | 134,103,803 | 480,962,237 | 27,529,290 |
| <u>Business-type Activities</u> | | | | | |
| Compensated absences | 520,662 | 546,003 | 486,490 | 580,175 | 140,244 |
| Net pension liability | 4,352,438 | 5,335,983 | 2,534,670 | 7,153,751 | - |
| Total business-type activities | 4,873,100 | 5,881,986 | 3,021,160 | 7,733,926 | 140,244 |
| Total primary government | \$ 460,251,513 | \$ 165,569,613 | \$ 137,124,963 | \$ 488,696,163 | \$ 27,669,534 |

Repayment of principal and interest maturities is made from sales and use taxes. Also, for governmental activities, compensated absences, pension obligations, and net OPEB liabilities 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, 2023, the permissible debt limit exceeded actual debt by approximately \$766.2 million.

NOTE 9 - LEASES

A lease is a contract that conveys control of the right to use another entity’s nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of such nonfinancial assets include buildings, land, vehicles, and equipment. The City elects to recognize leases with an initial, individual value of \$250,000 or more for all funds, based on the future lease payments remaining at the start of the lease.



Operating Leases – City as Lessee

The City has obtained office space and certain machinery through long-term operating leases. The terms and conditions for these leases vary. The City recognizes lease liability and an intangible right-to-use lease asset in the government-wide financial statements.

At the commencement of a lease, if the lease is over the threshold, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) the lease term, and (3) lease payments as follows:

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses 4% APR.
- The lease term is the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise, if applicable.

The City monitors changes in circumstances that would require a remeasurement of the leases and will remeasure the lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of the lease liability.

At September 30, 2023, these operating leases consisted of the following:

| Governmental Activities | Balance at Oct. 1, 2022 | Additions | Retirements | Balance at September 30, 2023 |
|--|----------------------------|-----------------------|-------------|-------------------------------------|
| Right-of-use lease assets | | | | |
| Right-of-use - land | \$ 652,504 | \$ - | \$ - | \$ 652,504 |
| Right-of-use - buildings | 18,300,049 | - | - | 18,300,049 |
| Total leases | <u>18,952,553</u> | <u>-</u> | <u>-</u> | <u>18,952,553</u> |
| Less accumulated amortization for: | | | | |
| Right-of-use - land | 34,507 | 37,644 | - | 72,151 |
| Right-of-use - buildings | 1,466,965 | 1,791,612 | - | 3,258,577 |
| Total accumulated amortization | <u>1,501,472</u> | <u>1,829,256</u> | <u>-</u> | <u>3,330,728</u> |
| Governmental right-of-use lease assets, net | <u>\$ 17,451,081</u> | <u>\$ (1,829,256)</u> | <u>\$ -</u> | <u>\$ 15,621,825</u> |



Principal and interest requirements to maturity for the lease liability at September 30, 2023, are as follows:

| Year ended September 30 | Governmental Activities | | |
|----------------------------|-------------------------|------------------|-------------------|
| | Principal | Interest | Total |
| 2024 | 1,597,330 | 612,330 | 2,209,660 |
| 2025 | 1,663,992 | 547,206 | 2,211,198 |
| 2026 | 1,747,195 | 479,176 | 2,226,371 |
| 2027 | 1,823,548 | 407,810 | 2,231,358 |
| Thereafter | 9,202,572 | 1,482,347 | 10,684,919 |
| Total | <u>16,034,637</u> | <u>3,528,869</u> | <u>19,563,506</u> |

Operating Leases – City as Lessor

The City is a lessor for leases of certain land and buildings. If the lease is over the threshold, the City recognizes a lease receivable and a deferred inflow of resources in the government-wide financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) the lease term, and (3) lease receipts as follows:

- The City uses 4% APR as the discount rate for leases.
- The lease term includes the non-cancellable period of the lease.
- Lease receipts are included in the measurement of the lease receivable and is composed of base payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

For the year ended September 30, 2023, payments are as follows:

| Governmental Activities | Fixed Payments |
|-------------------------|-------------------|
| Rentals, buildings | <u>\$ 100,000</u> |
| Total | <u>\$ 100,000</u> |



Principal and interest to maturity for the lease receivable at September 30, 2023, are as follows:

| Governmental Activities | | | |
|-------------------------------|------------------|------------------|------------------|
| Year ended September 30 | Principal | Interest | Total |
| 2024 | 20,667 | 79,333 | 100,000 |
| 2025 | 21,509 | 78,491 | 100,000 |
| 2026 | 22,385 | 77,615 | 100,000 |
| 2027 | 23,297 | 76,703 | 100,000 |
| 2028 | 24,246 | 75,754 | 100,000 |
| Thereafter | 1,880,625 | 1,961,044 | 3,841,669 |
| Total | <u>1,992,729</u> | <u>2,348,940</u> | <u>4,341,669</u> |

NOTE 10 – SUBSCRIPTION-BASED IT ARRANGEMENTS (SBITAS)

A subscription-based information technology arrangement (SBITA) is a contract that conveys control of the right to use another party’s (a SBITA vendor’s) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. The City elects to recognize SBITAs with an initial, individual value of \$50,000 or more for all funds, based on the future subscription payments remaining at the start of the subscription term.

The City has obtained IT software through subscriptions. The terms and conditions for these subscriptions vary. The City recognizes a subscription liability and an intangible right-to-use asset in the government-wide financial statements.

At the commencement of a subscription, if the subscription is over the threshold, the City initially measures the subscription liability at the present value of subscription payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of the subscription payments made. The subscription asset is initially measured at the sum of the initial subscription liability amount, payments made before the commencement of the subscription term, and capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. Subsequently, the subscription asset is amortized on a straight-line basis over its subscription term.

Key estimates and judgements related to subscriptions include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value and (2) the subscription term as follows:

- The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the City generally uses 5% APR.
- The subscription term is the noncancellable period of the subscription.

The City monitors changes in circumstances that would require a remeasurement of the subscriptions and will remeasure the subscription assets and liabilities if certain changes occur that are expected to significantly affect the amount of the subscription liability.



At September 30, 2023, the subscription-based IT arrangements consisted of the following:

| Governmental Activities | Balance at Oct. 1, 2022 | Additions | Retirements | Balance at September 30, 2023 |
|---------------------------------------|-------------------------|---------------------|-------------|-------------------------------|
| SBITAs | | | | |
| Right-of-use - subscription asset | \$ 2,869,797 | \$ 3,991,475 | \$ - | \$ 6,861,272 |
| Total subscription assets | <u>2,869,797</u> | <u>3,991,475</u> | <u>-</u> | <u>6,861,272</u> |
| Less accumulated amortization for: | | | | |
| Right-of-use - subscription asset | - | 1,521,252 | - | 1,521,252 |
| Total accumulated amortization | <u>-</u> | <u>1,521,252</u> | <u>-</u> | <u>1,521,252</u> |
| Governmental subscription assets, net | <u>\$ 2,869,797</u> | <u>\$ 2,470,223</u> | <u>\$ -</u> | <u>\$ 5,340,020</u> |

Principal and interest requirements to maturity for the subscription liability at September 30, 2023, are as follows:

| Year ended September 30 | Governmental Activities | | |
|-------------------------|-------------------------|-------------------|---------------------|
| | Principal | Interest | Total |
| 2024 | \$ 1,921,126 | \$ 192,509 | \$ 2,113,635 |
| 2025 | 1,132,260 | 109,794 | 1,242,054 |
| 2026 | 784,446 | 58,324 | 842,770 |
| 2027 | 615,072 | 26,039 | 641,111 |
| 2028 | 243,342 | 6,701 | 250,043 |
| Thereafter | <u>32,410</u> | <u>816</u> | <u>33,226</u> |
| Total | <u>\$ 4,728,656</u> | <u>\$ 394,183</u> | <u>\$ 5,122,839</u> |

NOTE 11 - 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) | \$ 6,299,779 |
| Police and Firefighters Retirement Plan (PFFRP) | 19,710,409 |
| Transit Workers Pension Plan (TWPP) | 600,000 |
| General Municipal Employee Pension Trust Fund (GMEPTF) | <u>6,796</u> |
| Total | <u>\$ 26,616,984</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 | \$ 237,010,432 | \$ 304,169,369 | \$ 21,131,344 | \$ - | \$ 562,311,145 |
| Plan Fiduciary Net Position | 152,351,917 | 248,076,015 | 18,465,060 | - | 418,892,992 |
| Net Pension Liability (Asset) | <u>\$ 84,658,515</u> | <u>\$ 56,093,354</u> | <u>\$ 2,666,284</u> | <u>\$ -</u> | <u>\$ 143,418,153</u> |
| Deferred Outflows of Resources | \$ 28,628,570 | \$ 65,194,970 | \$ 499,505 | \$ - | \$ 94,323,045 |
| Deferred Inflows of Resources | 2,456,086 | 4,991,336 | 192,600 | - | 7,640,022 |
| Pension Expense/Expenditures | 9,951,205 | 10,152,938 | 655,757 | 6,796 | 20,766,696 |

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 public employee retirement plan, was established October 1, 1945, pursuant to the *Code of Alabama, Title 36, Chapter 27* (Act 515 of the Legislature of 1945). The purpose of the ERS is 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 which consists of 15 trustees. Act 390 of the Legislature of 2021 created two additional representatives to the ERS Board of Control Effective October 1, 2021. The Plan is administered by the 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 15 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. Eight 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 a public agency each of whom is an active beneficiary of ERS.
 - b. Two vested active state employees.



- c. One full time employee of a participating municipality or city in ERS pursuant to the *Code of Alabama 1975, Section 36-27-6*.
- d. One full time employee of a participating county in ERS pursuant to the *Code of Alabama 1975, Section 36-27-6*.
- e. One full time employee or retiree of a participating employer in ERS pursuant to the *Code of Alabama 1975, Section 36-27-6*.
- f. One full time employee of a participating employer other than a municipality, city, or county in ERS pursuant to the *Code of Alabama 1975, 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 886 local participating employers. City of Mobile ERS membership as of September 30, 2022, consisted of:

| Category | Members |
|--|--------------|
| Retired members or their beneficiaries currently receiving benefits | 861 |
| Vested inactive members | 40 |
| Non-vested inactive members | 254 |
| Active members | 1,050 |
| Post-DROP retired members still in active service | 1 |
| Total | 2,206 |

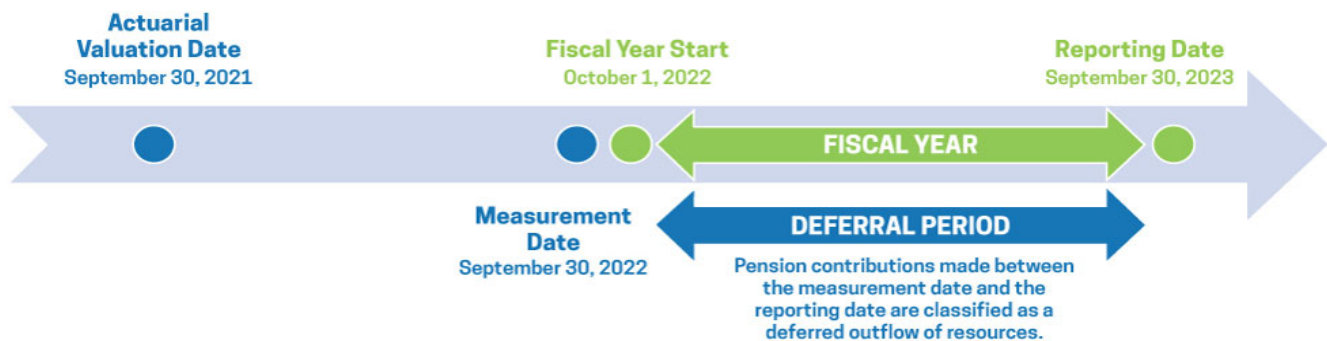
Contributions. City Tier 1 employees participating in the Plan are required to contribute 5% of their earnable compensation to the Plan. Tier 2 employees participating in the Plan are required to contribute 7.5% of their earnable compensation to the Plan. Member contributions are not accessible to the 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, 2023, the City's average active employee contribution rate was 6.10% percent of covered payroll, and the City's average contribution rate to fund the normal and accrued liability costs was 11.86% of covered payroll.

The City's contractually required contribution rate for Tier 1 employer contributions during fiscal 2023 were based on 12.22% of pensionable pay. Tier 2 employer contributions during fiscal 2023 were based on 10.56% of pensionable pay. These required contribution rates are based upon the actuarial valuation dated September 30, 2020, 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 2023 amounted to \$9,577,405 of which \$6,299,778 and \$3,277,627 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, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2021 rolled forward to September 30, 2022 using standard roll-forward techniques shown in the following table:

| Roll-Forward of the Total Pension Liability | Expected | Actual Before Plan Changes | Actual After Plan Changes |
|---|----------------|-------------------------------|------------------------------|
| Total pension liability | | | |
| as of September 30, 2021 (a) | \$ 234,950,942 | \$ 234,154,365 | \$ 234,306,681 |
| Discount rate (b) | 7.45% | 7.45% | 7.45% |
| Entry Age Normal Cost for | | | |
| October 1, 2021 - September 30, 2022 (c) | 4,307,729 | 4,307,729 | 4,312,453 |
| Transfers among employers (d) | - | (570,274) | (570,274) |
| Actual Benefit Payments and Refunds | | | |
| for October 1, 2021 - September 30, 2022 (e) | (17,830,104) | (17,830,104) | (17,830,104) |
| Total Pension Liability | | | |
| as of September 30, 2022 | | | |
| [(a) x (1+(b))] + (c) + (d) + [(e) x (1 + 0.5*(b))] | 238,268,241 | \$ 236,842,045 | \$ 237,010,432 |
| Difference between Expected and Actual Experience | | \$ (1,426,196) | |
| Less: Liability Transferred for Immediate Recognition | | (570,274) | |
| Experience (Gain)/Loss (i) = (g) - (h) | | \$ (855,922) | |
| Difference between Actual TPL Before and After | | | |
| Plan Changes - Benefit Change | | | |
| (Gain)/Loss | | | \$ 168,387 |

Actuarial assumptions. The total pension liability as of September 30, 2022 was based on the September 30, 2021 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 | 26.4 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 Pub-2010 Below-Median Tables, projected generationally using the MP-2020 scale, which is adjusted by 66-2/3% beginning with year 2019.

The actuarial assumptions used in the September 30, 2021 valuation were based on the results of an actuarial experience study for the period October 1, 2015 – September 30, 2020.



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 | 15.00% | 2.80% |
| 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% | 9.00% |
| Real estate | 10.00% | 6.50% |
| Cash equivalents | 5.00% | 1.50% |
| Total | <u>100.00%</u> | |

**Includes assumed rate of inflation of 2.0%*

Discount rate. The discount rate used to measure the total pension liability was 7.45%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the employer contributions will be made in accordance with the funding policy adopted by the ERS Board of Control. Based on those assumptions, components of the pension plan’s fiduciary net position were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.



Changes in Net Pension Liability

| Changes in Net Pension Liability | Increase (Decrease) | | |
|---|-----------------------------|---------------------------------|-------------------------------|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a)-(b) |
| Balances at 9/30/2021 | \$ 234,950,942 | \$ 185,012,157 | \$ 49,938,785 |
| Changes for the year: | | | |
| Service cost | 4,307,729 | - | 4,307,729 |
| Interest | 16,839,674 | - | 16,839,674 |
| Changes in assumptions | - | - | - |
| Changes in benefit terms | 168,387 | - | 168,387 |
| Differences between expected and actual experience | (855,922) | - | (855,922) |
| Contributions-employer | - | 5,610,622 | (5,610,622) |
| Contributions-employee | - | 3,175,840 | (3,175,840) |
| Net investment income | - | (23,046,324) | 23,046,324 |
| Benefit payments, including refunds of employee contributions | (17,830,104) | (17,830,104) | - |
| Administrative expense | - | - | - |
| Transfers among employers | (570,274) | (570,274) | - |
| Net changes | 2,059,490 | (32,660,240) | 34,719,730 |
| Balances at 9/30/2022 | \$ 237,010,432 | \$ 152,351,917 | \$ 84,658,515 |

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 7.45%, 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 (6.45%) or 1-percentage-point higher (8.45%) than the current rate (dollar amounts in thousands):

| | 1% Decrease (6.45%) | Current Discount Rate (7.45%) | 1% Increase (8.45%) |
|-----------------------|---------------------|-------------------------------|---------------------|
| Net Pension Liability | \$ 109,230,274 | \$ 84,658,515 | \$ 63,710,634 |

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, 2023. The supporting actuarial information is included in the GASB Statement No. 68 Report for the ERS prepared as of September 30, 2022.

The auditor’s report 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 www.rsa-al.gov/index.php/employers/financial-reports/gasb-68-reports/.



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

For the year ended September 30, 2023, the City recognized pension expense (income) of \$9,951,205.

| Components of pension expense are as follows: | |
|--|---------------------|
| Service Cost | \$ 4,307,729 |
| Interest on the total pension liability | 16,839,674 |
| Current-period benefit changes | 168,387 |
| Expensed portion of the current-period difference between expected and actual experience | (199,052) |
| Expensed portion of current-period changes of assumptions | - |
| Member contributions | (3,175,840) |
| Projected earnings on plan investments | (13,425,287) |
| Expensed portion of current-period differences between actual and projected earnings on plan investments | 7,294,322 |
| Transfers among employers | - |
| Recognition of beginning deferred outflows as pension expense | 2,109,203 |
| Recognition of beginning deferred inflows as pension expense | (3,967,931) |
| Pension Expense (Income) | \$ 9,951,205 |

At September 30, 2023, 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 | \$ 645,159 | \$ 2,456,086 |
| Changes of assumptions or other inputs | 3,320,259 | - |
| Net difference between projected and actual earnings on pension plan investments | 18,564,771 | - |
| Employer contributions subsequent to the measurement date* | 6,098,381 | - |
| Total | \$ 28,628,570 | \$ 2,456,086 |

**Employer contributions made from 10/01/2022-09/30/2023, related to normal and accrued liability components of employer rate net of any refunds or error service payments. These amounts will be recognized in 2024 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 |
|----------------------------|-----------------------------------|----------------------------------|---------------|
| 2024 | \$ 6,952,184 | \$ 1,155,158 | \$ 5,797,026 |
| 2025 | 5,046,089 | 847,598 | 4,198,491 |
| 2026 | 3,237,594 | 393,616 | 2,843,978 |
| 2027 | 7,294,322 | 59,714 | 7,234,608 |
| 2028 | - | - | - |
| Thereafter | - | - | - |
| | \$ 22,530,189 | \$ 2,456,086 | \$ 20,074,103 |

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 Principal Trust Company. 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.



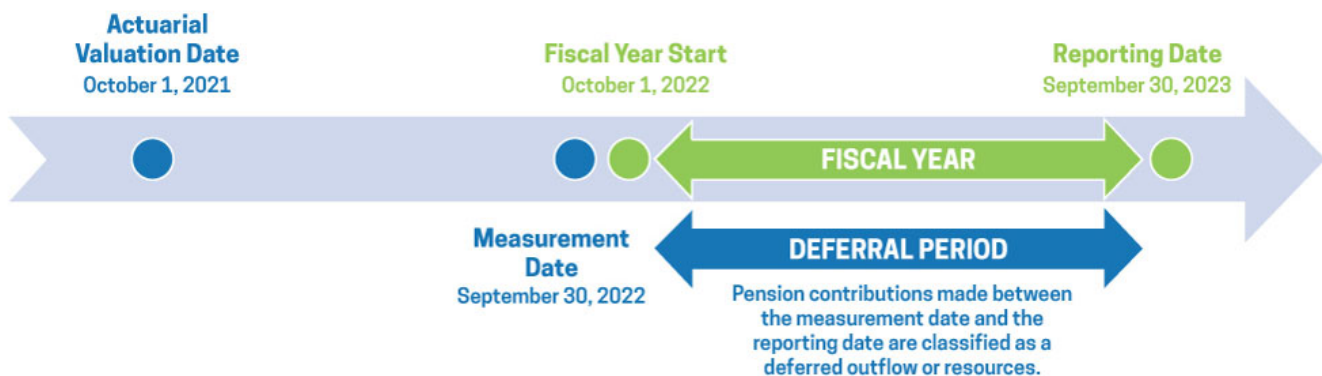
Contributions. The Act requires that employees who have earned less than 30 years of service contribute to the fund 8% of their basic salary, as defined by the Plan. Employer contributions are actuarially determined. The City is required to contribute an amount each plan year which, when added to the 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, 2023, 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 40.6 percent of covered payroll. Total contributions to the Plan during fiscal year 2023 amounted to \$23,422,839 of which \$19,710,409 and \$3,712,430 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, 2021, according to the actuarial valuation, was comprised of the following:

| Category | Members |
|--|--------------|
| Retired members or their beneficiaries | |
| currently receiving benefits | 722 |
| Vested terminated employees | 29 |
| Active employees | 906 |
| Total | <u>1,657</u> |

Net Pension Liability



The City's net pension liability was measured as of September 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2021, rolled forward to September 30, 2022, 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 <i>(only for those who retired during the period October 1, 1977, through April 14, 1985)</i> | 2.50% per annum |

The actuarial assumptions used in the October 1, 2021, valuation were based on results of an actuarial experience study for the period October 1, 2012, through September 30, 2021.

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-2020.

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.

Non-investment expenses are assumed to be 0.25% of covered payroll.

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 weighing 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 9/30/2021 | \$ 296,922,214 | \$ 282,546,469 | \$ 14,375,745 |
| Changes for the year: | | | |
| Service cost | 2,310,289 | - | 2,310,289 |
| Expected interest growth | 21,160,308 | 20,691,842 | 468,466 |
| Unexpected investment income | - | (55,424,880) | 55,424,880 |
| Demographic experience | 4,690,322 | - | 4,690,322 |
| Contributions-employer | - | 17,704,786 | (17,704,786) |
| Contributions-employee | - | 3,482,107 | (3,482,107) |
| Benefit payments, including refunds of employee contributions | (20,913,764) | (20,913,764) | - |
| Administrative expenses | - | (10,545) | 10,545 |
| Changes in benefit terms | - | - | - |
| Assumption changes | - | - | - |
| Net changes | <u>7,247,155</u> | <u>(34,470,454)</u> | <u>41,717,609</u> |
| Balances at 9/30/2022 | <u>\$ 304,169,369</u> | <u>\$ 248,076,015</u> | <u>\$ 56,093,354</u> |



Sensitivity of the net pension liability to changes in the discount rate. The following table presents the City's net pension liability calculated using the discount rate of 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 | \$ 89,670,083 | \$ 56,093,354 | \$ 28,589,136 |

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, 2023, the City recognized pension expense (income) of \$10,152,938.

| Components of pension expense are as follows: | |
|---|---------------|
| Service Cost | \$ 2,310,289 |
| Expected interest growth | 468,466 |
| Investment gain/loss | 6,744,658 |
| Demographic gain/loss | 3,450,871 |
| Employee contributions | (3,482,107) |
| Administrative expenses | 10,545 |
| Changes in assumptions or other inputs | 650,216 |
| Pension Expense (Income) | \$ 10,152,938 |

At September 30, 2023, 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 | \$ 13,683,628 | \$ 1,356,993 |
| Changes of assumptions or other inputs | 3,786,695 | 3,634,343 |
| Net difference between projected and actual earnings on pension plan investments | 28,014,238 | - |
| Employer contributions subsequent to the measurement date* | 19,710,409 | - |
| Balance as of September 30, 2022 | \$ 65,194,970 | \$ 4,991,336 |



**Employer contributions made from 10/01/2022-09/30/2023, related to normal and accrued liability components of employer rate net of any refunds or error service payments. This amount will be recognized in 2024 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 |
|----------------------------|-----------------------------------|----------------------------------|----------------------|
| 2024 | \$ 12,239,679 | \$ 968,083 | \$ 11,271,596 |
| 2025 | 10,097,124 | 968,083 | 9,129,041 |
| 2026 | 7,938,248 | 968,083 | 6,970,165 |
| 2027 | 12,911,802 | 968,083 | 11,943,719 |
| 2028 | 977,532 | 897,669 | 79,863 |
| Thereafter | 1,320,176 | 221,335 | 1,098,841 |
| | <u>\$ 45,484,561</u> | <u>\$ 4,991,336</u> | <u>\$ 40,493,225</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, 2022, 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, 2023, 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, 2023, were \$6,796.

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.

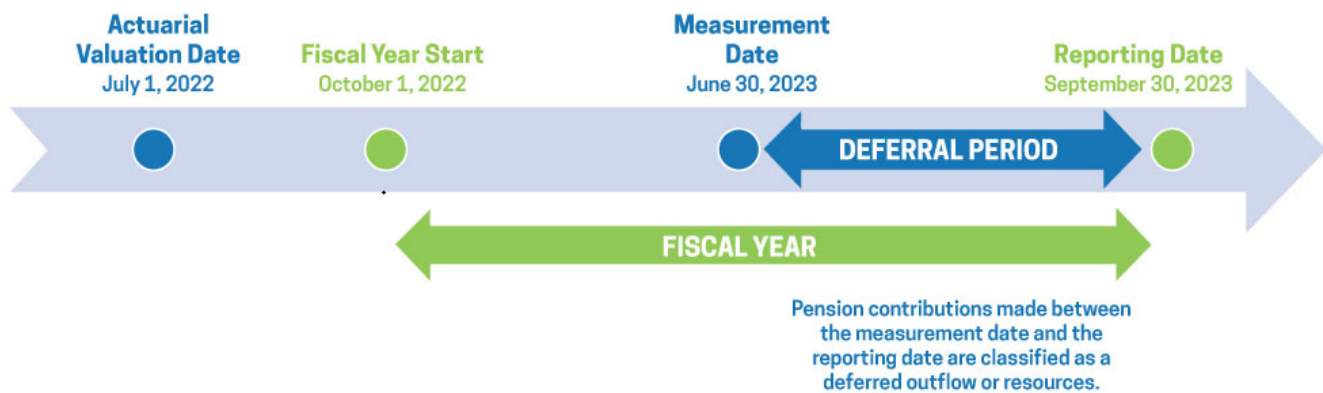


For the year ended September 30, 2023, the City's active employee contribution rate was 5% of covered payroll, and the City's average contribution rate to fund the normal and accrued liability costs was 15.15% of covered payroll. Total contributions to the pension plan during plan fiscal year 2023 amounted to \$872,453 of which \$600,000 and \$272,453 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, 2022, according to the latest actuarial valuations, was comprised of the following:

| Category | Members |
|--|------------|
| Retired members or their beneficiaries currently receiving benefits | 65 |
| Vested terminated employees | 8 |
| Active employees | 99 |
| Total | 172 |

Net Pension Liability



The City's net pension liability was measured as of June 30, 2023, 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, 2023 |
| Actuarial valuation date | July 1, 2022 |
| Discount rate | 5.26% |
| Inflation | 2.00% |
| Salary increases | 4.00% |
| Investment rate of return | 5.25% |
| Cost-of-living increases | None assumed |
| Other decrements | Assumed employment termination is based on the Scale 255 table; assumed disability is based on the Wyatt 1985 Disability Study (Class 2). |
| Changes | No assumptions were changed since the prior measurement date. |



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

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

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

| Changes in Net Pension Liability | Increase (Decrease) | | |
|---|--------------------------------|------------------------------------|----------------------------------|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a)-(b) |
| Balances at 6/30/2022: | \$ 20,038,299 | \$ 16,835,920 | \$ 3,202,379 |
| Changes for the year: | | | |
| Service cost | 899,683 | - | 899,683 |
| Interest | 1,077,372 | 884,532 | 192,840 |
| Unexpected investment income | - | 784,571 | (784,571) |
| Differences between expected and actual experience | (22,441) | - | (22,441) |
| Contributions-employer | - | 600,000 | (600,000) |
| Contributions-employee | - | 272,453 | (272,453) |
| Benefit payments, including refunds of employee contributions | (861,569) | (861,569) | - |
| Administrative expenses | - | (50,847) | 50,847 |
| Changes in benefit terms | - | - | - |
| Assumption changes | - | - | - |
| Net changes | 1,093,045 | 1,629,140 | (536,095) |
| Balances at 6/30/2023: | \$ 21,131,344 | \$ 18,465,060 | \$ 2,666,284 |

Sensitivity of the net pension liability to changes in the discount rate. The following table presents the City's net pension liability calculated using the discount rate of 5.26%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (4.26%) or 1-percentage point higher (6.26%) than the current rate:

| | 1% Decrease (4.26%) | Current Discount Rate (5.26%) | 1% Increase (6.26%) |
|-----------------------|---------------------|-------------------------------|---------------------|
| Net Pension Liability | \$ 5,374,358 | \$ 2,666,284 | \$ 420,187 |

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, 2023, the City recognized pension expense (income) of \$655,757.

| Components of pension expense are as follows: | | |
|---|----|-----------|
| Service Cost | \$ | 899,683 |
| Expected interest growth | | 192,840 |
| Investment gain/loss | | (62,582) |
| Demographic gain/loss | | (91,586) |
| Employee contributions | | (272,453) |
| Administrative expenses | | 50,847 |
| Changes in benefit terms | | - |
| Changes in assumptions or other inputs | | (60,992) |
| Pension Expense (Income) | \$ | 655,757 |

At September 30, 2023, 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 |
|--|-----------------------------------|----------------------------------|
| Differences between expected and actual experience | \$ - | \$ 192,600 |
| Changes of assumptions or other inputs | 820 | - |
| Net difference between projected and actual earnings on pension plan investments | 348,685 | - |
| Employer contributions subsequent to the measurement date* | 150,000 | - |
| Balance as of September 30, 2023 | \$ 499,505 | \$ 192,600 |

**Employer contributions made from 07/01/2023-09/30/2023, related to normal and accrued liability components of employer rate net of any refunds or error service payments. This amount will be recognized in 2024 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 |
|----------------------------|--------------------------------------|-------------------------------------|-------------------|
| 2024 | (12,006) | 123,899 | (135,905) |
| 2025 | (49,896) | 64,908 | (114,804) |
| 2026 | 568,322 | 3,793 | 564,529 |
| 2027 | (156,915) | - | (156,915) |
| 2028 | - | - | - |
| Thereafter | - | - | - |
| | <u>\$ 349,505</u> | <u>\$ 192,600</u> | <u>\$ 156,905</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, retiree dependent life insurance is equal to \$5,000 for each covered dependent. There is no retiree life insurance coverage for those who retire after 2022. 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 \$100,000 plus an accidental death and dismemberment benefit of the same amount.

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 | 1,097 |
| Active employees | 931 |
| Total | <u>2,028</u> |

Contributions. Retirees must pay the required monthly contribution for either single or family coverage, as applicable. During fiscal year 2023, 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.

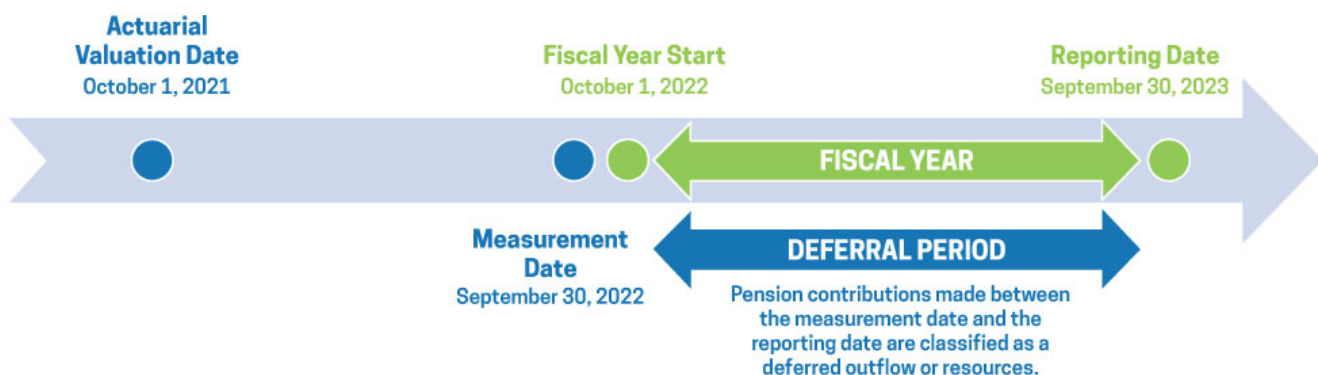
The City establishes rates based on an annual valuation made by an independent consultant. The City's policy is to use the Blue Cross Blue Shield projected cost to develop the funding rates which in turn set the employee/retiree and other agency/COBRA monthly premium rates.

For Medicare-eligible retirees, the Medicare Advantage Plan is fully insured and underwritten by Humana. The 2023 Medicare Advantage Plan rate is \$144.65. 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 2023, those retiree-related costs totaled approximately \$3,721,222 and the liability for incurred and not paid claims totaled \$1,881,500.

Total contributions to the Plan in fiscal year 2023 amounted to \$6,052,534 of which \$3,721,222 and \$2,331,312 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, 2021 |
| Measurement date | September 30, 2022 |
| Discount rate | 4.77% 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 | 7.50% for the 2021/22 fiscal year downgraded by 0.50% per year to 5.00% for the 2026/27 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 \$8,895.48 for a 62-year-old participant during the period October 1, 2021, through September 30, 2022; dental claims are assumed to be \$500 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 \$400 for each participant (without regard to whether the participant has elected single or family coverage) for the period October 1, 2021, through September 30, 2022. |
| 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 increased from 2.43% per annum to 4.77% per annum, the per capital healthcare claims cost at age 62 for the 2021/22 fiscal year was increased from \$8,599.89 to \$8,895.48, per member, the per capita dental claims cost for the 2021/22 fiscal year was increased from \$250 to \$500, and the administrative expenses per member for the 2021/22 fiscal year were decreased from \$550 to \$400.

Changes in the Total OPEB Liability

| Changes in Total OPEB Liability | Total OPEB Liability (a) |
|--|-----------------------------|
| Balances at 9/30/2021: | \$ 173,253,850 |
| Changes for the year: | |
| Service cost | 2,825,986 |
| Expected interest growth | 8,231,545 |
| Unexpected investment income | - |
| Demographic experience | 5,889,897 |
| Contributions-employer | - |
| Contributions-employee | - |
| Benefit payments, including refunds employee contributions | (7,104,259) |
| Administrative expense | - |
| Changes in benefit terms | - |
| Assumption changes | (38,487,559) |
| Net changes | (28,644,390) |
| Balances at 9/30/2022: | <u>\$ 144,609,460</u> |

Sensitivity of the total OPEB liability to changes in the discount rate. The following table presents the City's total OPEB liability calculated using the discount rate of 4.77%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.77%) or 1-percentage point higher (5.77%) than the current rate:

| | 1% Decrease (3.77%) | Current Discount Rate (4.77%) | 1% Increase (5.77%) |
|----------------------|---------------------------|-------------------------------|---------------------------|
| Total OPEB Liability | \$ 159,355,424 | \$ 144,609,460 | \$ 131,886,837 |



Sensitivity of the total OPEB liability to change in the healthcare cost trend rates. The following table presents the City’s total OPEB liability calculated using the healthcare cost trend rates (7.5% downgraded by 0.50% per year to 5.00%) as well as what the total OPEB liability would be if it were calculated using discount rates that are 1-percentage point lower or 1-percentage point higher than the current rates.

| | 1% Decrease | Current Healthcare Cost Trend Rates (7.50% graded down to 5.0%) | 1% Increase |
|----------------------|----------------|---|----------------|
| Total OPEB Liability | \$ 135,130,220 | \$ 144,609,460 | \$ 155,523,336 |

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

For the year ended September 30, 2023, the City recognized OPEB expense (income) of (\$6,739,473).

| Components of OPEB expense are as follows: | |
|--|-----------------------|
| Service Cost | \$ 2,825,986 |
| Expected interest growth | 8,231,545 |
| Investment gain/loss | - |
| Demographic gain/loss | (4,932,759) |
| Employee contributions | - |
| Benefit payments & refunds | (6,986,068) |
| Administrative expenses | - |
| Changes in benefit terms | - |
| Changes in assumptions or other inputs | (5,878,177) |
| Pension Expense (Income) | <u>\$ (6,739,473)</u> |

At September 30, 2023, 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, 2021 | \$ 45,553,566 | \$ 40,129,397 |
| Amortization payments | (16,347,864) | (27,158,800) |
| Prior year employer contributions paid subsequent to the measurement date (10/01/20-09/30/21) | (3,839,413) | - |
| Investment gain/loss | - | - |
| Demographic gain/loss | 5,889,897 | - |
| Changes in assumptions or other inputs | - | 38,487,559 |
| Employer contributions subsequent to the measurement date* | 3,721,222 | - |
| Balance as of September 30, 2022 | <u>\$ 34,977,408</u> | <u>\$ 51,458,156</u> |



**Employer contributions made from 10/01/2022-09/30/2023, This amount will be recognized in 2024 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 |
|--------------------------|--------------------------------|-------------------------------|------------------------|
| 2024 | \$ 16,347,864 | \$ 24,837,513 | \$ (8,489,649) |
| 2025 | 11,546,354 | 16,022,620 | (4,476,266) |
| 2026 | 3,162,791 | 9,296,512 | (6,133,721) |
| 2027 | 199,177 | 1,301,511 | (1,102,334) |
| 2028 | - | - | - |
| Thereafter | - | - | - |
| | <u>\$ 31,256,186</u> | <u>\$ 51,458,156</u> | <u>\$ (20,201,970)</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 12 - RESTRICTED NET POSITION

The following is a summary of the restricted net position at September 30, 2023:

| Activity | Restricted By | Amount |
|------------------------|----------------------|----------------------|
| Capital Projects | Enabling Legislation | \$ 7,707,066 |
| Capital Projects | Legal Restriction | 6,921,422 |
| Debt Service | Legal Restriction | 546,718 |
| Economic Development | Enabling Legislation | 19,993,494 |
| Grant Programs | Grant Agreements | 7,571,546 |
| Storm Water Management | Enabling Legislation | 7,737,835 |
| Law Enforcement | Legal Restriction | 1,182,925 |
| Opioid Settlement | Enabling Legislation | 2,022,900 |
| | | <u>\$ 53,683,906</u> |



NOTE 13 - 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, 2023 was \$3,048,469. 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 \$337,041 for fiscal year 2023 is included in the Enterprise Funds - Municipal Parking Garage fund. Also see Note 7 for additional information relating to leased property.

NOTE 14 - 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 \$618,500. Consequently, the City has accrued this amount at September 30, 2023. Loss contingencies categorized as "reasonably possible" range between \$355,000 and \$8,145,000.

The City has pre-funded \$272,612 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, 2023 are disclosed for each major fund and for all other governmental funds in the aggregate.

| Governmental Funds Encumbrances | Amount |
|---------------------------------------|----------------------|
| Major Governmental Funds: | |
| General Fund | \$ 3,849,810 |
| Capital Improvements Fund | 77,638,771 |
| American Rescue Plan Grants | 10,857,392 |
| Governmental Funds - Nonmajor | <u>15,167,577</u> |
| Total Governmental Funds Encumbrances | <u>\$107,513,550</u> |

NOTE 15 - 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 14, the City has determined and recorded an estimate of \$618,500 for loss contingencies relating to claims and judgments, reduced by \$272,612 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, 2023, is \$18,339,493.

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, 2023, is \$1,881,500.



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 | | | | |
| 2021-2022 | 368,198 | 862,954 | 786,502 | 444,650 |
| 2022-2023 | 444,650 | 797,464 | 896,226 | 345,888 |
| Employee Health | | | | |
| 2021-2022 | 2,110,100 | 24,711,372 | 24,745,472 | 2,076,000 |
| 2022-2023 | 2,076,000 | 22,435,957 | 22,630,457 | 1,881,500 |
| Workers' Compensation | | | | |
| 2021-2022 | 23,565,702 | 284,247 | 2,639,687 | 21,210,262 |
| 2022-2023 | 21,210,262 | (699,199) | 2,171,570 | 18,339,493 |

NOTE 16 - FUND DEFICITS OF NONMAJOR FUNDS

The following nonmajor funds had deficits in net position/fund balance September 30, 2023.

| | |
|------------------------|---------------|
| Internal Service Funds | |
| Liability Insurance | \$(1,077,696) |

NOTE 17 - 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, 2023, 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 \$277,760 reported in the Statement of Net Position as a landfill postclosure liability at September 30, 2023 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 18 – 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 2023 was \$3,845,539.

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 abates under tax abatement agreements. The amount of such remaining obligations is \$300,000.

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 2023 fiscal year due to tax abatement agreements was \$808,466.



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 2023 fiscal year identified due to agreements authorized by the Mobile County IDA.

NOTE 19 – FUND BALANCE – GOVERNMENTAL FUNDS

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

| | General Fund | Capital Improvements Fund | American Rescue Plan Grants | Nonmajor Governmental Funds | Total Governmental Funds |
|------------------------------|-----------------------|---------------------------|-----------------------------|-----------------------------|--------------------------|
| Nonspendable | | | | | |
| Inventory | \$ 3,546,028 | \$ - | \$ - | \$ - | \$ 3,546,028 |
| Prepaid items | 18,644 | - | - | - | 18,644 |
| Restricted | | | | | |
| Capital Projects | - | - | - | 6,919,586 | 6,919,586 |
| Debt Service | - | - | - | 546,718 | 546,718 |
| Grants | - | - | - | 7,571,546 | 7,571,546 |
| Law Enforcement | - | - | - | 1,182,925 | 1,182,925 |
| Opioid Settlement | - | - | - | 2,022,900 | 2,022,900 |
| Road and Bridge Construction | - | - | - | 3,753,181 | 3,753,181 |
| Road and Bridge Repair | - | - | - | 3,953,886 | 3,953,886 |
| Committed | | | | | |
| Flood Management | - | - | - | 87,412 | 87,412 |
| Storm Water | - | - | - | 7,737,835 | 7,737,835 |
| Tax Increment Program | - | - | - | 19,992,917 | 19,992,917 |
| Assigned | | | | | |
| Athletic Fund | 316,935 | - | - | - | 316,935 |
| Capital Improvements | - | 171,643,380 | - | - | 171,643,380 |
| Designated and Donated Funds | 1,714,896 | - | - | - | 1,714,896 |
| Economic Development | - | - | - | 578 | 578 |
| General Fund Encumbrances | 3,849,810 | - | - | - | 3,849,810 |
| Municipal Court | - | - | - | 957,422 | 957,422 |
| Unassigned | \$ 114,665,481 | \$ - | \$ - | \$ - | \$ 114,665,481 |
| Total | \$ 124,111,794 | \$ 171,643,380 | \$ - | \$ 54,726,906 | \$ 350,482,080 |



REQUIRED SUPPLEMENTAL INFORMATION OTHER THAN THE MD&A



REQUIRED SUPPLEMENTAL

REQUIRED SUPPLEMENTAL INFORMATION OTHER THAN THE MD&A



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**

CITY OF MOBILE, ALABAMA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended September 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|---------------------------------------|--------------------|--------------------|--------------------|-------------------------------|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 250,291,680 | \$ 250,291,680 | \$ 267,310,252 | \$ 17,018,572 |
| Licenses and permits | 42,918,239 | 42,918,239 | 46,638,761 | 3,720,522 |
| Intergovernmental | 92,164 | 92,164 | 96,121 | 3,957 |
| Charges for services | 7,939,243 | 7,939,243 | 8,033,017 | 93,774 |
| Fines and forfeitures | 1,649,510 | 1,649,510 | 1,608,742 | (40,768) |
| Investment income | 441,429 | 441,429 | 9,590,986 | 9,149,557 |
| Other revenue | 159,006 | 159,006 | 1,200,339 | 1,041,333 |
| Total revenues | <u>303,491,271</u> | <u>303,491,271</u> | <u>334,478,218</u> | <u>30,986,947</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Departmental: | | | | |
| General government | | | | |
| 311 | 426,411 | 427,316 | 315,835 | 111,481 |
| Administrative services | 297,325 | 297,325 | 296,690 | 635 |
| Animal shelter | 1,577,576 | 1,708,637 | 1,654,189 | 54,448 |
| Archives | 351,837 | 357,240 | 235,192 | 122,048 |
| City clerk | 851,163 | 866,699 | 744,051 | 122,648 |
| City council | 962,667 | 970,712 | 653,397 | 317,315 |
| City council discretionary funds | 560,000 | 442,709 | 434,574 | 8,135 |
| City hall overhead | 4,426,152 | 5,282,307 | 4,913,096 | 369,211 |
| Communications and external affairs | 560,653 | 563,748 | 415,571 | 148,177 |
| Geographical information system | 855,358 | 856,311 | 825,833 | 30,478 |
| Human resources | 919,789 | 904,639 | 820,724 | 83,915 |
| Information technology | 4,191,927 | 4,271,248 | 4,079,653 | 191,595 |
| Legal | 2,207,353 | 2,207,596 | 2,064,373 | 143,223 |
| Mail room | 117,299 | 117,299 | 112,445 | 4,854 |
| Mayor's office | 883,928 | 888,192 | 743,160 | 145,032 |
| Mayor's office discretionary funds | 80,000 | 80,000 | 80,000 | - |
| Office of professional responsibility | 982,473 | 932,473 | 826,452 | 106,021 |
| Strategic initiatives | 486,018 | 536,018 | 391,622 | 144,396 |
| Total General government | <u>20,737,929</u> | <u>21,710,469</u> | <u>19,606,857</u> | <u>2,103,612</u> |
| Culture and recreation | | | | |
| Athletics | 1,089,505 | 971,943 | 857,746 | 114,197 |
| Community centers | 2,784,950 | 2,809,311 | 2,641,482 | 167,829 |
| GulfQuest museum | 1,358,190 | 1,365,996 | 1,227,278 | 138,718 |
| Mobile museum of art | 2,410,833 | 2,377,755 | 2,360,456 | 17,299 |
| Parks maintenance | 4,464,688 | 4,506,887 | 4,159,637 | 347,250 |
| Parks operations | 2,498,592 | 2,756,161 | 2,940,894 | (184,733) |
| Recreation administration | 480,771 | 401,022 | 324,276 | 76,746 |
| SAIL | 125,498 | 125,524 | 70,528 | 54,996 |
| Senior and community center | 1,105,127 | 1,225,710 | 1,242,420 | (16,710) |
| Total Culture and recreation | <u>16,318,154</u> | <u>16,540,309</u> | <u>15,824,717</u> | <u>715,592</u> |

(Continued)

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|---|------------------|-------------|-------------|-------------------------------|
| | Original | Final | | |
| Economic development | | | | |
| Community engagement | 531,747 | 532,200 | 481,777 | 50,423 |
| Mobile film office | 282,770 | 269,830 | 192,581 | 77,249 |
| Special events | 998,383 | 1,114,042 | 1,082,217 | 31,825 |
| Total Economic development | 1,812,900 | 1,916,072 | 1,756,575 | 159,497 |
| Engineering, development & Build Mobile | | | | |
| Architectural engineering | 1,198,934 | 1,256,310 | 1,191,918 | 64,392 |
| Build mobile services | 153,226 | 153,923 | 151,118 | 2,805 |
| Build mobile executive director | 485,558 | 485,564 | 372,730 | 112,834 |
| Building services | 444,025 | 459,025 | 466,602 | (7,577) |
| Engineering | 4,154,498 | 4,015,823 | 3,391,106 | 624,717 |
| Facility maintenance | 4,893,458 | 4,751,134 | 4,418,675 | 332,459 |
| Historic development | 521,984 | 523,008 | 500,759 | 22,249 |
| Inspection services | 1,893,954 | 1,894,102 | 1,549,161 | 344,941 |
| Municipal enforcement | 1,619,287 | 1,629,154 | 1,489,512 | 139,642 |
| Neighborhood development | 564,339 | 564,342 | 462,303 | 102,039 |
| Permitting | 556,084 | 556,085 | 473,268 | 82,817 |
| Planning and zoning | 1,082,220 | 1,082,511 | 951,210 | 131,301 |
| Real estate | 307,899 | 332,899 | 291,565 | 41,334 |
| Real estate asset management | 435,823 | 435,855 | 393,607 | 42,248 |
| ROW & land disturbance | - | - | (229) | 229 |
| Total Engineering, development & Build Mobile | 18,311,289 | 18,139,735 | 16,103,305 | 2,036,430 |
| Finance | | | | |
| Accounting | 1,451,175 | 1,456,740 | 1,293,239 | 163,501 |
| Finance administration | 788,655 | 788,655 | 649,803 | 138,852 |
| Grants management | 670,994 | 671,316 | 657,724 | 13,592 |
| Police and fire pension administration | 541,542 | 541,542 | 513,940 | 27,602 |
| Procurement | 893,306 | 896,208 | 684,191 | 212,017 |
| Revenue | 1,972,637 | 1,979,783 | 1,690,961 | 288,822 |
| Treasury | - | - | (256) | - |
| Total Finance | 6,318,309 | 6,334,244 | 5,489,602 | 844,386 |
| Public safety | | | | |
| Fire | 41,713,949 | 41,960,128 | 39,830,741 | 2,129,387 |
| Mobile metro jail | 11,200,000 | 11,200,000 | 13,556,218 | (2,356,218) |
| Municipal court | 3,568,916 | 3,570,222 | 3,884,520 | (314,298) |
| Police | 67,180,252 | 67,405,386 | 62,838,890 | 4,566,496 |
| Public safety administration | 434,161 | 440,411 | 366,738 | 73,673 |
| Total Public safety | 124,097,278 | 124,576,147 | 120,477,107 | 4,099,040 |
| Public works | | | | |
| Electrical | - | - | (34,500) | - |
| Fleet management-garage | 3,633,444 | 3,795,486 | 4,356,748 | (561,262) |
| Forestry | 2,278,310 | 2,541,237 | 2,328,122 | 213,115 |
| Program and project management | 1,122,960 | 1,126,150 | 1,073,243 | 52,907 |
| Public service administration | 1,123,848 | 1,015,417 | 1,038,982 | (23,565) |
| Public service maintenance | 12,993,396 | 12,392,828 | 12,274,803 | 118,025 |
| Public works executive administration | 813,829 | 823,824 | 860,958 | (37,134) |
| Traffic engineering | 4,335,826 | 4,371,084 | 3,973,849 | 397,235 |
| Trash and solid waste | 11,416,738 | 12,122,269 | 12,243,561 | (121,292) |
| Total Public works | 37,718,351 | 38,188,295 | 38,115,766 | 38,029 |
| Total Departmental | 225,314,210 | 227,405,271 | 217,373,929 | 9,996,586 |

(Continued)

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|---|---------------------|------------------------|-----------------------|-------------------------------|
| | Original | Final | | |
| Non-departmental | | | | |
| District Attorney | - | 500,000 | 500,000 | - |
| Reserve for retirement | 2,050,000 | 2,050,000 | 2,138,808 | (88,808) |
| Board of health | 600,000 | 600,000 | 600,000 | - |
| Juvenile court and youth center | 3,200,000 | 3,200,000 | 3,956,861 | (756,861) |
| Personnel board | 1,764,692 | 1,764,692 | 1,712,547 | 52,145 |
| Board of equalization | 7,142 | 7,142 | 7,142 | - |
| Emergency management | 645,387 | 645,387 | 645,387 | - |
| Mobile legislative delegation | 3,655 | 3,655 | 3,859 | (204) |
| Public library | 7,492,775 | 7,492,775 | 7,492,775 | - |
| Solid waste disposal authority | 2,700,000 | 2,700,000 | 2,408,339 | 291,661 |
| Employee education | 125,000 | 125,000 | 59,203 | 65,797 |
| Employees' pension | 147,420 | 147,420 | 129,486 | 17,934 |
| Police and firefighter's retirement | 11,931,000 | 11,931,000 | 10,419,442 | 1,511,558 |
| Retired employees insurance | 5,079,446 | 5,079,446 | 4,939,379 | 140,067 |
| Unemployment compensation | 215,494 | 215,494 | - | 215,494 |
| Worker's compensation | 3,790,328 | 3,790,328 | 3,348,218 | 442,110 |
| Contingency reserve | 786,358 | 786,358 | (894,056) | 1,680,414 |
| Dues | 520,434 | 520,434 | 511,139 | 9,295 |
| Parking | 500,000 | 500,000 | 529,670 | (29,670) |
| Performance contracts/organizations | 7,585,780 | 7,950,780 | 7,655,546 | 295,234 |
| Property insurance | 3,025,000 | 3,025,000 | 2,096,628 | 928,372 |
| 13th Circuit Judicial | - | - | - | - |
| Miscellaneous | 1,448,956 | 1,683,445 | 284,497 | 1,398,948 |
| Total Non-departmental | <u>53,618,867</u> | <u>54,718,356</u> | <u>48,544,870</u> | <u>6,173,486</u> |
| Total current | <u>278,933,077</u> | <u>282,123,627</u> | <u>265,918,799</u> | <u>16,170,072</u> |
| Debt service: | | | | |
| Interest | 9,051 | 9,051 | - | 9,051 |
| Principal retirement | 95,000 | 95,000 | - | 95,000 |
| Total debt service | <u>104,051</u> | <u>104,051</u> | <u>-</u> | <u>104,051</u> |
| Total expenditures | <u>279,037,128</u> | <u>282,227,678</u> | <u>265,918,799</u> | <u>16,274,123</u> |
| Excess of revenues over expenditures | <u>24,454,143</u> | <u>21,263,593</u> | <u>68,559,419</u> | <u>47,261,070</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from disposal of assets | 67,794 | 67,794 | 142,963 | 75,169 |
| Transfers in | 683,397 | 683,397 | 3,219,989 | 2,536,592 |
| Transfers out | (20,568,444) | (77,117,161) | (76,925,831) | 191,330 |
| Total other financing sources (uses) | <u>(19,817,253)</u> | <u>(76,365,970)</u> | <u>(73,562,879)</u> | <u>2,803,091</u> |
| Net change in fund balances | <u>\$ 4,636,890</u> | <u>\$ (55,102,377)</u> | <u>(5,003,460)</u> | <u>\$ 50,064,161</u> |
| Fund balances - beginning | | | 127,401,298 | |
| Fund balances - ending | | | <u>\$ 122,397,838</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 | | | \$ (5,003,460) | |
| Encumbrances outstanding at September 30, 2023 | | | 4,003,184 | |
| Encumbrances outstanding at September 30, 2022 | | | <u>(2,289,228)</u> | |
| Net change in fund balance per the statement of revenues, expenditures, and changes | | | <u>\$ (3,289,504)</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, 2023:

| | |
|------------------------|-----------------------|
| GAAP expenditures | \$ 264,472,936 |
| Encumbrances at: | |
| September 30, 2023 | 4,003,184 |
| September 30, 2022 | (2,289,228) |
| Budgetary expenditures | <u>\$ 266,186,892</u> |

For the fiscal year ended September 30, 2023, general fund budgetary appropriations exceeded total expenditures by \$13,590,203.

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, 2023 | <u>\$ 122,397,838</u> |
| Add current year encumbrances: | |
| Function: | |
| General government | 490,910 |
| Culture and recreation | 339,519 |
| Economic development | 75,579 |
| Engineering, development & Build Mobile | 90,179 |
| Finance | 18,206 |
| Public safety | 661,541 |
| Public works | 2,154,330 |
| Non-departmental | <u>172,920</u> |
| Total current year encumbrances | 4,003,184 |
| Subtract prior year encumbrances: | |
| Total prior year encumbrances | <u>(2,289,228)</u> |
| Fund balance - GAAP basis at September 30, 2023 | <u>\$ 124,111,794</u> |

NOTE 3 - BUDGET AMENDMENTS

The City makes various amendments to the adopted budget throughout the fiscal year. In FY 2023, 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 2023-09-1000 dated November 15, 2022 for \$4,900,00.00 for the purchase and installation of a new Cruise Terminal Gangway.
 - Resolution 2023-09-1098 dated December 20, 2022 for \$1,700,000.00 for various projects.



- Resolution 2023-09-066 dated January 24, 2023 for \$1,000,000.00 for capital project civic center-new parking facility.
- Resolution 2023-09-159 dated February 14, 2023 for \$1,000,000.00 for 200 Government St. Bldg improvements.
- Resolution 2023-09-366 dated April 04, 2023 for \$500,000.00 for led lighting improvements.
- Resolution 2023-09-546 dated May 16, 2023 for \$40,550,000.00 for various projects.
- Resolution 2023-09-632 dated June 06, 2023 for \$500,000.00 for Broad Street improvements.
- Resolution 2023-09-683 dated June 13, 2023 for \$150,000.00 for the Ladd Stadium Fiscal plan
- Resolution 2023-09-684 dated June 13, 2023 for \$650,000.00 for Ladd Stadium Field improvements and repairs.





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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 & 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**



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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*

| | 2022 | 2021 | 2020 | 2019 |
|---|------------------------------|------------------------------|------------------------------|------------------------------|
| Total pension liability | | | | |
| Service cost | \$ 4,307,729 | \$ 3,725,374 | \$ 3,612,229 | \$ 3,541,786 |
| Interest | 16,839,674 | 16,857,514 | 16,303,215 | 16,122,130 |
| Changes of benefit terms | 168,387 | - | 1,548,041 | - |
| Differences between expected and actual experience | (855,922) | (2,788,748) | 2,027,643 | (1,674,484) |
| Changes of assumptions | - | 6,207,439 | - | - |
| Benefit payments, including refunds of employee contributions | (17,830,104) | (16,261,256) | (16,170,008) | (15,197,141) |
| Transfers among employers | (570,274) | 151,239 | (76,807) | 45,900 |
| Net change in total pension liability | <u>2,059,490</u> | <u>7,891,562</u> | <u>7,244,313</u> | <u>2,838,191</u> |
| Total pension liability - beginning | <u>234,950,942</u> | <u>227,059,380</u> | <u>219,815,067</u> | <u>216,976,876</u> |
| Total pension liability - ending (a) | <u><u>\$ 237,010,432</u></u> | <u><u>\$ 234,950,942</u></u> | <u><u>\$ 227,059,380</u></u> | <u><u>\$ 219,815,067</u></u> |
| Plan fiduciary net position | | | | |
| Contributions - employer | \$ 5,610,622 | \$ 5,067,424 | \$ 4,652,657 | \$ 5,103,256 |
| Contributions - member | 3,175,840 | 2,835,114 | 2,613,004 | 2,382,617 |
| Net investment income | (23,046,324) | 34,364,865 | 8,829,462 | 4,076,712 |
| Benefit payments, including refunds of employee contributions | (17,830,104) | (16,261,256) | (16,170,008) | (15,197,141) |
| Transfers among employers | (570,274) | 151,239 | (76,807) | 45,900 |
| Net change in plan fiduciary net position | <u>(32,660,240)</u> | <u>26,157,386</u> | <u>(151,692)</u> | <u>(3,588,656)</u> |
| Plan net position - beginning | <u>185,012,157</u> | <u>158,854,771</u> | <u>159,006,463</u> | <u>162,595,119</u> |
| Plan net position - ending (b) | <u><u>\$ 152,351,917</u></u> | <u><u>\$ 185,012,157</u></u> | <u><u>\$ 158,854,771</u></u> | <u><u>\$ 159,006,463</u></u> |
| Net pension liability (asset) - ending (a) - (b) | \$ 84,658,515 | \$ 49,938,785 | \$ 68,204,609 | \$ 60,808,604 |
| Plan fiduciary net position as a percentage of the total pension liability | 64.28% | 78.75% | 69.96% | 72.34% |
| Covered payroll | \$ 50,385,707 | \$ 46,511,248 | \$ 46,484,106 | \$ 43,531,867 |
| Net pension liability (asset) as a percentage of covered payroll | 168.02% | 107.37% | 146.73% | 139.69% |

* 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.

| | 2018 | 2017 | 2016 | 2015 | 2014 |
|----|--------------|----------------|----------------|----------------|----------------|
| \$ | 3,634,759 | \$ 3,655,533 | \$ 3,871,747 | \$ 3,700,746 | \$ 3,797,860 |
| | 15,861,923 | 15,708,733 | 15,255,262 | 14,994,981 | 14,582,730 |
| | - | - | - | - | - |
| | (879,640) | (2,510,319) | 2,621,825 | (1,994,818) | - |
| | 1,023,929 | - | 4,749,471 | - | - |
| | (14,927,353) | (15,135,319) | (13,379,634) | (13,515,159) | (12,939,756) |
| | 129,613 | 154,026 | (238,266) | - | - |
| | 4,843,231 | 1,872,654 | 12,880,405 | 3,185,750 | 5,440,834 |
| | 212,133,645 | 210,260,991 | 197,380,586 | 194,194,836 | 188,754,002 |
| \$ | 216,976,876 | \$ 212,133,645 | \$ 210,260,991 | \$ 197,380,586 | \$ 194,194,836 |
| \$ | 4,522,472 | \$ 4,719,340 | \$ 4,790,583 | \$ 4,996,104 | \$ 4,682,549 |
| | 2,470,473 | 2,438,330 | 2,383,150 | 2,362,148 | 2,266,801 |
| | 14,103,627 | 18,184,736 | 13,786,336 | 1,660,751 | 15,642,316 |
| | (14,927,353) | (15,135,319) | (13,379,634) | (13,515,159) | (12,939,756) |
| | 129,613 | 154,026 | (238,266) | 50,472 | 46,811 |
| | 6,298,832 | 10,361,113 | 7,342,169 | (4,445,684) | 9,698,721 |
| | 156,296,287 | 145,935,174 | 138,593,005 | 143,038,689 | 133,339,968 |
| \$ | 162,595,119 | \$ 156,296,287 | \$ 145,935,174 | \$ 138,593,005 | \$ 143,038,689 |
| \$ | 54,381,757 | \$ 55,837,358 | \$ 64,325,817 | \$ 58,787,581 | \$ 51,156,147 |
| | 74.94% | 73.68% | 69.41% | 70.22% | 73.66% |
| \$ | 44,134,252 | \$ 45,753,761 | \$ 46,861,508 | \$ 47,096,079 | \$ 45,476,596 |
| | 123.22% | 122.04% | 137.27% | 124.82% | 112.49% |

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

| | 2023 | 2022 | 2021 | 2020 |
|--|------------------|------------------|------------------|------------------|
| Actuarially determined contribution** | \$ 6,299,779 | \$ 5,795,814 | \$ 5,067,424 | \$ 4,652,657 |
| Contributions in relation to the actuarially determined contribution** | <u>6,299,779</u> | <u>5,795,814</u> | <u>5,067,424</u> | <u>4,652,657</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Covered payroll | \$ 53,252,656 | \$ 50,385,707 | \$ 46,511,248 | \$ 46,484,106 |
| Contributions as a percentage of covered payroll | 11.83% | 11.50% | 10.90% | 10.01% |

* 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 2023 were based on the September 30, 2020 actuarial valuation.

Methods and assumptions used to determine contribution rates:

| | |
|-------------------------------|--|
| Actuarial cost method | Entry Age |
| Amortization method | Level percent closed |
| Remaining amortization period | 26.4 years |
| Asset valuation method | Five year smoothed market |
| Inflation | 3.00% |
| Salary increases | 3.25 - 5.00%, including inflation |
| Investment rate of return | 7.70%, net of pension plan investment expense, including inflation |

| 2019 | 2018 | 2017 | 2016 | 2015 |
|---------------|---------------|---------------|---------------|---------------|
| \$ 5,103,256 | \$ 4,522,472 | \$ 4,719,340 | \$ 4,790,583 | \$ 4,996,104 |
| 5,103,256 | 4,522,472 | 4,719,340 | 4,790,583 | 4,996,104 |
| \$ - | \$ - | \$ - | \$ - | \$ - |
| \$ 43,531,867 | \$ 44,134,252 | \$ 45,753,761 | \$ 46,861,508 | \$ 47,096,079 |
| 11.72% | 10.25% | 10.31% | 10.22% | 10.61% |

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*

| | 2022 | 2021 | 2020 | 2019 |
|---|------------------------------|------------------------------|------------------------------|------------------------------|
| Total pension liability | | | | |
| Service cost | \$ 2,310,289 | \$ 1,965,869 | \$ 2,022,568 | \$ 1,389,633 |
| Interest | 21,160,308 | 20,876,201 | 21,097,428 | 20,170,527 |
| Changes of benefit terms | - | - | - | - |
| Demographic experience | 4,690,322 | 2,120,800 | (988,891) | 10,438,083 |
| Changes of assumptions | - | (545,458) | (5,199,783) | - |
| Benefit payments, including refunds of employee contributions | (20,913,764) | (20,044,836) | (19,651,514) | (19,905,887) |
| Net change in total pension liability | <u>7,247,155</u> | <u>4,372,576</u> | <u>(2,720,192)</u> | <u>12,092,356</u> |
| Total pension liability - beginning | <u>296,922,214</u> | <u>292,549,638</u> | <u>295,269,830</u> | <u>283,177,474</u> |
| Total pension liability - ending (a) | <u><u>\$ 304,169,369</u></u> | <u><u>\$ 296,922,214</u></u> | <u><u>\$ 292,549,638</u></u> | <u><u>\$ 295,269,830</u></u> |
| Plan fiduciary net position | | | | |
| Contributions - employer | \$ 17,704,786 | \$ 19,592,254 | \$ 22,139,615 | \$ 20,699,025 |
| Contributions - member | 3,482,107 | 3,337,141 | 3,400,228 | 3,384,100 |
| Net investment income | (34,733,038) | 50,151,358 | 11,313,871 | 5,730,250 |
| Benefit payments, including refunds of employee contributions | (20,913,764) | (20,044,836) | (19,651,514) | (19,905,887) |
| Administrative expenses | (10,545) | (367) | (2,785) | (7,154) |
| Net change in plan fiduciary net position | <u>(34,470,454)</u> | <u>53,035,550</u> | <u>17,199,415</u> | <u>9,900,334</u> |
| Plan net position - beginning | <u>282,546,469</u> | <u>229,510,919</u> | <u>212,311,504</u> | <u>202,411,170</u> |
| Plan net position - ending (b) | <u><u>\$ 248,076,015</u></u> | <u><u>\$ 282,546,469</u></u> | <u><u>\$ 229,510,919</u></u> | <u><u>\$ 212,311,504</u></u> |
| Net pension liability (asset) - ending (a) - (b) | \$ 56,093,354 | \$ 14,375,745 | \$ 63,038,719 | \$ 82,958,326 |
| Plan fiduciary net position as a percentage of the total pension liability | 81.56% | 95.16% | 78.45% | 71.90% |
| Covered payroll | \$ 43,571,995 | \$ 41,574,358 | \$ 41,735,647 | \$ 39,958,343 |
| Net pension liability (asset) as a percentage of covered payroll | 128.74% | 34.58% | 151.04% | 207.61% |

* 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.

| | 2018 | 2017 | 2016 | 2015 | 2014 |
|----|--------------|----------------|----------------|----------------|----------------|
| \$ | 1,405,646 | \$ 1,576,326 | \$ 1,414,553 | \$ 1,501,441 | \$ 1,542,522 |
| | 19,275,199 | 18,546,963 | 18,550,878 | 18,407,492 | 18,287,147 |
| | - | - | - | - | - |
| | 1,267,621 | 9,154,812 | (1,557,256) | 1,341,073 | - |
| | 10,671,600 | - | - | - | - |
| | (20,299,667) | (19,059,277) | (18,335,869) | (19,657,648) | (17,958,800) |
| | 12,320,399 | 10,218,824 | 72,306 | 1,592,358 | 1,870,869 |
| | 270,857,075 | 260,638,251 | 260,565,945 | 258,973,587 | 257,102,718 |
| \$ | 283,177,474 | \$ 270,857,075 | \$ 260,638,251 | \$ 260,565,945 | \$ 258,973,587 |
| \$ | 18,717,733 | \$ 19,977,104 | \$ 19,701,943 | \$ 16,354,458 | \$ 14,950,855 |
| | 3,279,235 | 3,306,936 | 2,995,750 | 2,969,379 | 2,945,173 |
| | 15,731,328 | 20,075,805 | 11,927,721 | (6,881,722) | 10,307,058 |
| | (20,299,667) | (19,059,277) | (18,335,869) | (19,657,648) | (18,186,135) |
| | (9,118) | (49,685) | (18,061) | (4,989) | (110,549) |
| | 17,419,511 | 24,250,883 | 16,271,484 | (7,220,522) | 9,906,402 |
| | 184,991,659 | 160,740,776 | 144,469,292 | 151,689,814 | 141,783,412 |
| \$ | 202,411,170 | \$ 184,991,659 | \$ 160,740,776 | \$ 144,469,292 | \$ 151,689,814 |
| \$ | 80,766,304 | \$ 85,865,416 | \$ 99,897,475 | \$ 116,096,653 | \$ 107,283,773 |
| | 71.48% | 68.30% | 61.67% | 55.44% | 58.57% |
| \$ | 40,740,794 | \$ 39,003,598 | \$ 36,451,544 | \$ 35,887,574 | \$ 36,010,184 |
| | 198.24% | 220.15% | 274.06% | 323.50% | 297.93% |

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

| | 2023 | 2022 | 2021 | 2020 |
|--|-------------------|-------------------|-------------------|-------------------|
| Actuarially determined contribution** | \$ 19,710,409 | \$ 17,708,866 | \$ 19,588,175 | \$ 22,139,615 |
| Contributions in relation to the actuarially determined contribution** | <u>19,710,409</u> | <u>17,708,866</u> | <u>19,588,175</u> | <u>22,139,615</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Covered payroll | 45,790,772 | 43,571,995 | 41,574,358 | 41,735,647 |
| Contributions as a percentage of covered payroll | 43.04% | 40.64% | 47.12% | 53.05% |

* 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 2023 were based on the October 1, 2022 actuarial valuation.

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

No methods or assumptions were changed since the completion of the previous valuation.

Methods and assumptions used to determine contribution rates:

| | |
|-------------------------------|---|
| Actuarial cost method | Projected unit credit |
| Amortization method | Level dollar, closed |
| Remaining amortization period | 30 years |
| Asset valuation method | Open 5-year smoothed market |
| Inflation | 2.50% |
| Salary increases | 3.00% per annum |
| Investment rate of return | 7.00%, net of pension plan investment expense, including inflation. |
| Mortality | 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 |

| 2019 | 2018 | 2017 | 2016 | 2015 |
|---------------|---------------|---------------|---------------|---------------|
| \$ 20,699,025 | \$ 18,717,733 | \$ 19,977,104 | \$ 19,701,944 | \$ 16,354,458 |
| 20,699,025 | 18,717,733 | 19,977,104 | 19,701,944 | 16,354,458 |
| \$ - | \$ - | \$ - | \$ - | \$ - |
| 39,958,343 | 40,740,794 | 39,003,598 | 36,451,544 | 35,887,574 |
| 51.80% | 45.94% | 51.22% | 54.05% | 45.57% |

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*

| | 2023 | 2022 | 2021 | 2020 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Total pension liability | | | | |
| Service cost | \$ 899,683 | \$ 883,252 | \$ 890,516 | \$ 793,361 |
| Interest | 1,077,372 | 1,030,794 | 979,031 | 907,205 |
| Differences between expected and actual experience | (22,441) | (275,759) | (85,317) | 313,969 |
| Changes of assumptions | - | - | - | - |
| Benefit payments, including refunds of employee contributions | (861,569) | (744,767) | (768,595) | (715,822) |
| Net change in total pension liability | <u>1,093,045</u> | <u>893,520</u> | <u>1,015,635</u> | <u>1,298,713</u> |
| Total pension liability - beginning | <u>20,038,299</u> | <u>19,144,779</u> | <u>18,129,144</u> | <u>16,830,431</u> |
| Total pension liability - ending (a) | <u><u>\$ 21,131,344</u></u> | <u><u>\$ 20,038,299</u></u> | <u><u>\$ 19,144,779</u></u> | <u><u>\$ 18,129,144</u></u> |
| Plan fiduciary net position | | | | |
| Contributions - employer | \$ 600,000 | \$ 760,655 | \$ 600,000 | \$ 600,000 |
| Contributions - member | 272,453 | 243,277 | 241,263 | 234,896 |
| Net investment income | 1,669,103 | (2,609,013) | 3,896,615 | 586,230 |
| Benefit payments, including refunds of employee contributions | (861,569) | (744,767) | (768,595) | (715,822) |
| Administrative expenses | (50,847) | (47,277) | (28,935) | (45,236) |
| Net change in plan fiduciary net position | <u>1,629,140</u> | <u>(2,397,125)</u> | <u>3,940,348</u> | <u>660,068</u> |
| Plan net position - beginning | <u>16,835,920</u> | <u>19,233,045</u> | <u>15,292,697</u> | <u>14,632,629</u> |
| Plan net position - ending (b) | <u><u>\$ 18,465,060</u></u> | <u><u>\$ 16,835,920</u></u> | <u><u>\$ 19,233,045</u></u> | <u><u>\$ 15,292,697</u></u> |
| Net pension liability (asset) - ending (a) - (b) | \$ 2,666,284 | \$ 3,202,379 | \$ (88,266) | \$ 2,836,447 |
| Plan fiduciary net position as a percentage of the total pension liability | 87.38% | 84.02% | 100.46% | 84.35% |
| Covered payroll | \$ 4,272,777 | \$ 3,914,127 | \$ 3,834,643 | \$ 3,749,052 |
| Net pension liability (asset) as a percentage of covered payroll | 62.40% | 81.82% | -2.30% | 75.66% |

* 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.

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|----|-------------|---------------|---------------|---------------|---------------|
| \$ | 841,709 | \$ 891,442 | \$ 850,659 | \$ 855,623 | \$ 916,967 |
| | 925,643 | 794,830 | 732,175 | 710,345 | 605,268 |
| | (355,413) | (276,445) | 156,090 | (760,649) | 1,197,488 |
| | (1,217,845) | 29,946 | - | 26,156 | (94,322) |
| | (450,715) | (487,357) | (421,768) | (340,857) | (316,249) |
| | (256,621) | 952,416 | 1,317,156 | 490,618 | 2,309,152 |
| | 17,087,052 | 16,134,636 | 14,817,480 | 14,326,862 | 12,017,710 |
| \$ | 16,830,431 | \$ 17,087,052 | \$ 16,134,636 | \$ 14,817,480 | \$ 14,326,862 |
| \$ | 659,074 | \$ 592,745 | \$ 457,063 | \$ 280,573 | \$ 404,160 |
| | 228,368 | 225,283 | 231,011 | 227,928 | 218,400 |
| | 957,336 | 942,711 | 910,131 | 173,650 | 228,476 |
| | (450,715) | (487,357) | (421,768) | (340,857) | (318,619) |
| | (32,388) | (29,651) | (28,080) | (19,280) | (17,915) |
| | 1,361,675 | 1,243,731 | 1,148,357 | 322,014 | 514,502 |
| | 13,270,954 | 12,027,223 | 10,878,866 | 10,556,852 | 10,042,350 |
| \$ | 14,632,629 | \$ 13,270,954 | \$ 12,027,223 | \$ 10,878,866 | \$ 10,556,852 |
| \$ | 2,197,802 | \$ 3,816,098 | \$ 4,107,413 | \$ 3,938,614 | \$ 3,770,010 |
| | 86.94% | 77.67% | 74.54% | 73.42% | 73.69% |
| \$ | 3,618,168 | \$ 3,520,730 | \$ 3,479,087 | \$ 3,621,892 | \$ 3,713,719 |
| | 60.74% | 108.39% | 118.06% | 108.74% | 101.52% |

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

| | 2023 | 2022 | 2021 | 2020 | 2019 |
|--|----------------|----------------|----------------|----------------|----------------|
| Actuarially determined contribution** | \$ 600,000 | \$ 760,655 | \$ 600,000 | \$ 600,000 | \$ 659,074 |
| Contributions in relation to the actuarially determined contribution** | <u>600,000</u> | <u>760,655</u> | <u>600,000</u> | <u>600,000</u> | <u>659,074</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Covered payroll | 4,272,777 | 3,914,127 | 3,834,643 | 3,749,052 | 3,618,168 |
| Contributions as a percentage of covered payroll | 14.04% | 19.43% | 15.65% | 16.00% | 18.22% |

** 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 2023 were based on the July 1, 2022 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 3.32%, 4.79% and 5.47%, with an equivalent rate of 4.65% to 4.75%, 5.18%, and 5.92%, respectively with an equivalent rate of 5.25%.

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 | 5.25% |
| 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). |
| Disability | Sex-distinct disability rates set forth in the Wyatt 1985 Disability Study (Class 2) |

| | 2018 | 2017 | 2016 | 2015 | 2014 |
|----|----------------|----------------|----------------|----------------|----------------|
| \$ | 592,745 | \$ 457,063 | \$ 280,573 | \$ 404,160 | \$ 785,105 |
| | <u>592,745</u> | <u>457,063</u> | <u>280,573</u> | <u>404,160</u> | <u>785,105</u> |
| \$ | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | 3,520,730 | 3,479,087 | 3,621,892 | 3,713,719 | 3,464,980 |
| | 16.84% | 13.14% | 7.75% | 10.88% | 22.66% |

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*

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Total OPEB liability | | | | | | |
| Service cost | \$ 2,825,986 | \$ 4,696,223 | \$ 5,840,483 | \$ 5,166,672 | \$ 5,529,861 | \$ 6,848,282 |
| Expected interest growth | 8,231,545 | 4,061,568 | 3,873,502 | 5,095,812 | 7,141,084 | 5,332,451 |
| Differences between expected and actual experience | 5,889,897 | 14,781,348 | (35,970,056) | 33,881,899 | (50,661,758) | - |
| Changes of assumptions | (38,487,559) | 3,935,471 | 20,184,947 | 1,115,054 | (10,324,761) | - |
| Changes in benefits terms | - | (13,453,051) | - | - | - | - |
| Benefit Payments, including refunds of employee contributions | (7,104,259) | (6,390,022) | (6,905,170) | (7,603,712) | (2,765,878) | (7,454,141) |
| Net change in total OPEB liability | (28,644,390) | 7,631,537 | (12,976,294) | 37,655,725 | (51,081,452) | 4,726,592 |
| Total OPEB liability - beginning | 173,253,850 | 165,622,313 | 178,598,607 | 140,942,882 | 192,024,334 | 187,297,742 |
| Total OPEB liability - ending | \$ 144,609,460 | \$ 173,253,850 | \$ 165,622,313 | \$ 178,598,607 | \$ 140,942,882 | \$ 192,024,334 |
| Covered payroll** | \$ 103,648,565 | \$ 95,581,003 | \$ 90,099,126 | \$ 84,344,739 | \$ 86,460,253 | \$ 76,925,041 |
| Net OPEB liability (asset) as a percentage of covered payroll | 139.52% | 181.26% | 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.

NOTES TO SCHEDULE

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

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

- The discount rate was increased from 2.43% per annum to 4.77% per annum.
- The per capital healthcare claims cost at age 62 for the 2021/22 fiscal year was increased from \$8,599.89 to \$8,895.48 per member.
- The administrative expenses per member for the 2021/22 fiscal year was decreased from \$550.00 to \$400.00 per member.

GOVERNMENTAL FUNDS — NONMAJOR



GOVERNMENTAL FUNDS — NONMAJOR

Capital Project 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 Bonds — 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.



COMBINING FINANCIAL STATEMENTS



COMBINING FINANCIAL STATEMENTS



CITY OF MOBILE, ALABAMA
Combining Balance Sheet
Nonmajor Governmental Funds
Summary by Fund Type
September 30, 2023

| | Capital Projects Funds | Debt Service Funds | Special Revenue Funds | Total Nonmajor Governmental Funds |
|--|---------------------------|--------------------|--------------------------|---|
| ASSETS | | | | |
| Cash, equity in pooled cash and investments | \$ 7,069,721 | \$ 546,780 | \$ 45,566,324 | \$ 53,182,825 |
| Restricted cash - capital purchases | 85,065 | (61) | - | 85,004 |
| Receivables, net | - | - | 19,127,222 | 19,127,222 |
| Total assets | <u>\$ 7,154,786</u> | <u>\$ 546,719</u> | <u>\$ 64,693,546</u> | <u>\$ 72,395,051</u> |
| LIABILITIES | | | | |
| Accounts payable and accrued liabilities | \$ 147,788 | \$ - | \$ 7,154,740 | \$ 7,302,528 |
| Pension employer contributions payable | - | - | 247,006 | 247,006 |
| Unearned revenue | - | - | 552,584 | 552,584 |
| Due to other funds | - | - | 9,566,025 | 9,566,025 |
| Total liabilities | <u>147,788</u> | <u>-</u> | <u>17,520,355</u> | <u>17,668,143</u> |
| FUND BALANCES (DEFICITS) | | | | |
| Restricted | 6,919,586 | 546,719 | 18,484,439 | 25,950,744 |
| Committed | 87,412 | - | 27,730,752 | 27,818,164 |
| Assigned | - | - | 958,000 | 958,000 |
| Total fund balances (deficits) | <u>7,006,998</u> | <u>546,719</u> | <u>47,173,191</u> | <u>54,726,908</u> |
| Total liabilities and fund balances (deficits) | <u>\$ 7,154,786</u> | <u>\$ 546,719</u> | <u>\$ 64,693,546</u> | <u>\$ 72,395,051</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, 2023

| | Capital Projects Funds | Debt Service Funds | Special Revenue Funds | Total Nonmajor Governmental Funds |
|---|---------------------------|---------------------|--------------------------|---|
| REVENUES | | | | |
| Taxes | \$ - | \$ - | \$ 15,342,182 | \$ 15,342,182 |
| Charges for services | - | - | 11,067 | 11,067 |
| Fines and forfeitures | - | - | 537,166 | 537,166 |
| State and federal assistance | 1,716,233 | - | 26,117,149 | 27,833,382 |
| Investment income | 150,959 | 36,332 | 446,982 | 634,273 |
| Total revenues | <u>1,867,192</u> | <u>36,332</u> | <u>42,454,546</u> | <u>44,358,070</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | - | - | 8,354,020 | 8,354,020 |
| Culture and recreation | - | - | 2,290 | 2,290 |
| Engineering, development & Build Mobile | - | - | 11,590,860 | 11,590,860 |
| Public safety | - | - | 5,864,645 | 5,864,645 |
| Public works | - | - | 5,774,636 | 5,774,636 |
| Interest on long-term debt | - | - | - | - |
| Debt service: | | | | |
| Administrative charges | - | 185 | - | 185 |
| Interest | - | 5,635,739 | 15,389 | 5,651,128 |
| Principal retirement | - | 18,714,000 | 185,000 | 18,899,000 |
| Capital outlay | 1,165,940 | - | 2,436,600 | 3,602,540 |
| Total expenditures | <u>1,165,940</u> | <u>24,349,924</u> | <u>34,223,440</u> | <u>59,739,304</u> |
| Excess (deficiency) of revenues over expenditures | <u>701,252</u> | <u>(24,313,592)</u> | <u>8,231,106</u> | <u>(15,381,234)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | 24,358,244 | 3,617,341 | 27,975,585 |
| Transfers out | (306,209) | (120) | (4,996,658) | (5,302,987) |
| Total other financing sources (uses) | <u>(306,209)</u> | <u>24,358,124</u> | <u>(1,379,317)</u> | <u>22,672,598</u> |
| Net change in fund balances | 395,043 | 44,532 | 6,851,789 | 7,291,364 |
| Fund balances - beginning | 6,611,955 | 502,187 | 40,321,402 | 47,435,544 |
| Fund balances - ending | <u>\$ 7,006,998</u> | <u>\$ 546,719</u> | <u>\$ 47,173,191</u> | <u>\$ 54,726,908</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



CITY OF MOBILE, ALABAMA
Combining Balance Sheet
Nonmajor Capital Projects Funds
September 30, 2023

| | 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 | \$ 6,981,798 | \$ 87,412 | \$ 511 | \$ - | \$ 7,069,721 |
| Restricted cash - capital purchases | - | - | - | 85,065 | 85,065 |
| Total assets | <u>\$ 6,981,798</u> | <u>\$ 87,412</u> | <u>\$ 511</u> | <u>\$ 85,065</u> | <u>\$ 7,154,786</u> |
| LIABILITIES | | | | | |
| Accounts payable and accrued liabilities | \$ 147,788 | \$ - | \$ - | \$ - | \$ 147,788 |
| Total liabilities | <u>147,788</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>147,788</u> |
| FUND BALANCES (DEFICITS) | | | | | |
| Restricted | | | | | |
| Capital projects | 6,834,010 | - | 511 | 85,065 | 6,919,586 |
| Committed | | | | | |
| Flood management | - | 87,412 | - | - | 87,412 |
| Total fund balances (deficits) | <u>6,834,010</u> | <u>87,412</u> | <u>511</u> | <u>85,065</u> | <u>7,006,998</u> |
| Total liabilities and fund balances (deficits) | <u>\$ 6,981,798</u> | <u>\$ 87,412</u> | <u>\$ 511</u> | <u>\$ 85,065</u> | <u>\$ 7,154,786</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, 2023

| | 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 | \$ 1,716,233 | \$ - | \$ - | \$ - | \$ 1,716,233 |
| Investment income | 147,030 | 1,946 | 12 | 1,971 | 150,959 |
| Total revenues | <u>1,863,263</u> | <u>1,946</u> | <u>12</u> | <u>1,971</u> | <u>1,867,192</u> |
| EXPENDITURES | | | | | |
| Capital outlay | 1,165,940 | - | - | - | 1,165,940 |
| Total expenditures | <u>1,165,940</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,165,940</u> |
| Excess (deficiency) of revenues over expenditures | <u>697,323</u> | <u>1,946</u> | <u>12</u> | <u>1,971</u> | <u>701,252</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers out | (306,209) | - | - | - | (306,209) |
| Total other financing sources (uses) | <u>(306,209)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(306,209)</u> |
| Net change in fund balances | 391,114 | 1,946 | 12 | 1,971 | 395,043 |
| Fund balances - beginning | 6,442,896 | 85,466 | 499 | 83,094 | 6,611,955 |
| Fund balances - ending | <u>\$ 6,834,010</u> | <u>\$ 87,412</u> | <u>\$ 511</u> | <u>\$ 85,065</u> | <u>\$ 7,006,998</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

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





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CITY OF MOBILE, ALABAMA
Combining Balance Sheet
Nonmajor Debt Service Funds
September 30, 2023

| | Bank Serv Chgs-Var Issues | 2009C G.O. ARRA Cap Taxable Warrants | 2011 G.O. Priv Place Warrants | 2016 G.O. Refunding Warrants | 2016C G.O. Taxable Warrants |
|--|---------------------------------|---|-------------------------------------|------------------------------------|-----------------------------------|
| ASSETS | | | | | |
| Cash, equity in pooled cash and investments | \$ 135,953 | \$ 86,570 | \$ - | \$ 7,062 | \$ 13,736 |
| Restricted cash - capital purchases | - | - | (61) | - | - |
| Total assets | <u>\$ 135,953</u> | <u>\$ 86,570</u> | <u>\$ (61)</u> | <u>\$ 7,062</u> | <u>\$ 13,736</u> |
| LIABILITIES | | | | | |
| Total liabilities | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| FUND BALANCES (DEFICITS) | | | | | |
| Restricted | | | | | |
| Debt service | 135,953 | 86,570 | (61) | 7,062 | 13,736 |
| Total fund balances (deficits) | <u>135,953</u> | <u>86,570</u> | <u>(61)</u> | <u>7,062</u> | <u>13,736</u> |
| Total liabilities and fund balances (deficits) | <u>\$ 135,953</u> | <u>\$ 86,570</u> | <u>\$ (61)</u> | <u>\$ 7,062</u> | <u>\$ 13,736</u> |

| 2017A G.O. Warrants | 2017B G.O. Warrants | 2017C G.O. Warrants | 2017D G.O. Warrants | 2018A G.O. Warrants | 2019 GulfQuest Note Payable | 2020 G.O. Warrants | Total Nonmajor Debt Service Funds |
|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-----------------------------------|--------------------------|--|
| \$ 30,496 | \$ 16,300 | \$ 5,658 | \$ 5,532 | \$ 237,025 | \$ - | \$ 8,448 | \$ 546,780 |
| - | - | - | - | - | - | - | (61) |
| <u>\$ 30,496</u> | <u>\$ 16,300</u> | <u>\$ 5,658</u> | <u>\$ 5,532</u> | <u>\$ 237,025</u> | <u>\$ -</u> | <u>\$ 8,448</u> | <u>\$ 546,719</u> |
| | | | | | | | |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | | | | | | | |
| 30,496 | 16,300 | 5,658 | 5,532 | 237,025 | - | 8,448 | 546,719 |
| <u>30,496</u> | <u>16,300</u> | <u>5,658</u> | <u>5,532</u> | <u>237,025</u> | <u>-</u> | <u>8,448</u> | <u>546,719</u> |
| <u>\$ 30,496</u> | <u>\$ 16,300</u> | <u>\$ 5,658</u> | <u>\$ 5,532</u> | <u>\$ 237,025</u> | <u>\$ -</u> | <u>\$ 8,448</u> | <u>\$ 546,719</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, 2023

| | Bank Serv Chgs-Var Issues | 2009C G.O. ARRA Cap Taxable Warrants | 2011 G.O. Priv Place Warrants | 2016 G.O. Refunding Warrants | 2016C G.O. Taxable Warrants |
|---|---------------------------------|---|-------------------------------------|------------------------------------|-----------------------------------|
| REVENUES | | | | | |
| Investment income | \$ 4,283 | \$ 1,615 | \$ - | \$ 165 | \$ 6,137 |
| Total revenues | <u>4,283</u> | <u>1,615</u> | <u>-</u> | <u>165</u> | <u>6,137</u> |
| EXPENDITURES | | | | | |
| Debt service: | | | | | |
| Administrative charges | - | - | 185 | - | - |
| Interest | - | - | 61,616 | 504,273 | 422,912 |
| Principal retirement | - | - | 575,000 | 8,774,000 | 1,440,000 |
| Total expenditures | <u>-</u> | <u>-</u> | <u>636,801</u> | <u>9,278,273</u> | <u>1,862,912</u> |
| Excess (deficiency) of revenues over expenditures | <u>4,283</u> | <u>1,615</u> | <u>(636,801)</u> | <u>(9,278,108)</u> | <u>(1,856,775)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | - | - | 636,736 | 9,278,273 | 1,864,307 |
| Transfers out | (120) | - | - | - | - |
| Total other financing sources (uses) | <u>(120)</u> | <u>-</u> | <u>636,736</u> | <u>9,278,273</u> | <u>1,864,307</u> |
| Net change in fund balances | 4,163 | 1,615 | (65) | 165 | 7,532 |
| Fund balances - beginning | 131,790 | 84,955 | 4 | 6,897 | 6,204 |
| Fund balances - ending | <u>\$ 135,953</u> | <u>\$ 86,570</u> | <u>\$ (61)</u> | <u>\$ 7,062</u> | <u>\$ 13,736</u> |

| 2017A G.O. Warrants | 2017B G.O. Warrants | 2017C G.O. Warrants | 2017D G.O. Warrants | 2018A G.O. Warrants | 2019 GulfQuest Note Payable | 2020 G.O. Warrants | Total Nonmajor Debt Service Funds |
|------------------------|------------------------|------------------------|------------------------|------------------------|-----------------------------------|-----------------------|--------------------------------------|
| \$ 13,032 | \$ 557 | \$ - | \$ - | \$ 9,029 | \$ - | \$ 1,514 | \$ 36,332 |
| 13,032 | 557 | - | - | 9,029 | - | 1,514 | 36,332 |
| - | - | - | - | - | - | - | 185 |
| 2,430,919 | 16,006 | - | 1,200,769 | 738,376 | - | 260,868 | 5,635,739 |
| - | 805,000 | - | 6,720,000 | - | 400,000 | - | 18,714,000 |
| 2,430,919 | 821,006 | - | 7,920,769 | 738,376 | 400,000 | 260,868 | 24,349,924 |
| (2,417,887) | (820,449) | - | (7,920,769) | (729,347) | (400,000) | (259,354) | (24,313,592) |
| 2,432,150 | 821,000 | - | 7,926,028 | 738,750 | 400,000 | 261,000 | 24,358,244 |
| - | - | - | - | - | - | - | (120) |
| 2,432,150 | 821,000 | - | 7,926,028 | 738,750 | 400,000 | 261,000 | 24,358,124 |
| 14,263 | 551 | - | 5,259 | 9,403 | - | 1,646 | 44,532 |
| 16,233 | 15,749 | 5,658 | 273 | 227,622 | - | 6,802 | 502,187 |
| \$ 30,496 | \$ 16,300 | \$ 5,658 | \$ 5,532 | \$ 237,025 | \$ - | \$ 8,448 | \$ 546,719 |



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SPECIAL REVENUE FUNDS - NONMAJOR



SPECIAL REVENUE FUNDS – NONMAJOR

Opioid Settlement Fund

Tax Increment Fund

Four-cent Gasoline Tax

Five-cent Gasoline Tax

Seven-cent Gasoline Tax

Fuel Inspection Fees

Economic Development Escrow

Drug Enforcement Fund

Municipal Court Judicial Administration Fund

Storm Water Fund

Rebuild Alabama Fund

General Activities Grants

Revitalizing Broad Street Grants

RESTORE Act Grants

Hurricane Sally Grants

Hurricane Zeta Grants

Public Safety Grants

Housing and Urban Development Grants





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CITY OF MOBILE, ALABAMA
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2023

| | Opioid Settlement Fund | 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 | \$ 2,022,900 | \$ 20,310,980 | \$ 3,855,143 | \$ 590,324 | \$ 68,828 | \$ - | \$ 578 | \$ 1,192,800 |
| Receivables, net | - | - | 98,743 | 48,593 | 170,075 | - | - | - |
| Total assets | <u>\$ 2,022,900</u> | <u>\$ 20,310,980</u> | <u>\$ 3,953,886</u> | <u>\$ 638,917</u> | <u>\$ 238,903</u> | <u>\$ -</u> | <u>\$ 578</u> | <u>\$ 1,192,800</u> |
| LIABILITIES | | | | | | | | |
| Accounts payable and accrued liabilities | \$ - | \$ 318,063 | \$ - | \$ - | \$ 238,903 | \$ - | \$ - | \$ 9,875 |
| Pension employer contributions payable | - | - | - | - | - | - | - | - |
| Unearned revenue | - | - | - | - | - | - | - | - |
| Due to other funds | - | - | - | - | - | - | - | - |
| Total liabilities | <u>-</u> | <u>318,063</u> | <u>-</u> | <u>-</u> | <u>238,903</u> | <u>-</u> | <u>-</u> | <u>9,875</u> |
| FUND BALANCES (DEFICITS) | | | | | | | | |
| Restricted | | | | | | | | |
| Grants | - | - | - | - | - | - | - | - |
| Law enforcement | - | - | - | - | - | - | - | 1,182,925 |
| Opioid Settlement | 2,022,900 | - | - | - | - | - | - | - |
| Road and bridge construction | - | - | - | 638,917 | - | - | - | - |
| Road and bridge repair | - | - | 3,953,886 | - | - | - | - | - |
| Committed | - | - | - | - | - | - | - | - |
| Storm water | - | - | - | - | - | - | - | - |
| Tax increment program | - | 19,992,917 | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - | - | - |
| Economic development | - | - | - | - | - | - | 578 | - |
| Municipal court | - | - | - | - | - | - | - | - |
| Total fund balances (deficits) | <u>2,022,900</u> | <u>19,992,917</u> | <u>3,953,886</u> | <u>638,917</u> | <u>-</u> | <u>-</u> | <u>578</u> | <u>1,182,925</u> |
| Total liabilities and fund balances (deficits) | <u>\$ 2,022,900</u> | <u>\$ 20,310,980</u> | <u>\$ 3,953,886</u> | <u>\$ 638,917</u> | <u>\$ 238,903</u> | <u>\$ -</u> | <u>\$ 578</u> | <u>\$ 1,192,800</u> |

| Municipal Court Admin | Judicial Fund | Storm Water Fund | Rebuild Alabama Fund | General Activities Grants | Revitalizing Broad Street Grants | Restore Act Grants | Hurricane Sally Grants | Hurricane Zeta Grants | Public Safety Grants | Housing & Urban Development Grants | Total Nonmajor Special Revenue Funds |
|-----------------------|---------------|------------------|----------------------|---------------------------|----------------------------------|--------------------|------------------------|-----------------------|----------------------|------------------------------------|--------------------------------------|
| \$ 966,179 | \$ 7,737,835 | \$ 3,160,852 | \$ 2,013,997 | \$ 1,307,825 | \$ - | \$ 1,015,831 | \$ 970,523 | \$ 307,553 | \$ 44,176 | \$ 45,566,324 | |
| - | - | - | 1,818,906 | 102,067 | 8,233,761 | 2,197,574 | 859,853 | 2,953,806 | 2,643,844 | 19,127,222 | |
| \$ 966,179 | \$ 7,737,835 | \$ 3,160,852 | \$ 3,832,903 | \$ 1,409,892 | \$ 8,233,761 | \$ 3,213,405 | \$ 1,830,376 | \$ 3,261,359 | \$ 2,688,020 | \$ 64,693,546 | |
| \$ 6,836 | \$ - | \$ 46,588 | \$ 1,096,166 | \$ 411,781 | \$ 1,783,781 | \$ 956,256 | \$ 722,764 | \$ 129,388 | \$ 1,434,339 | \$ 7,154,740 | |
| 1,921 | - | - | - | - | - | - | - | 228,566 | 16,519 | 247,006 | |
| - | - | - | 500,241 | - | - | - | - | 52,343 | - | 552,584 | |
| - | - | - | - | - | 6,313,779 | - | - | 2,087,516 | 1,164,730 | 9,566,025 | |
| 8,757 | - | 46,588 | 1,596,407 | 411,781 | 8,097,560 | 956,256 | 722,764 | 2,497,813 | 2,615,588 | 17,520,355 | |
| - | - | - | 2,236,496 | 998,111 | 136,201 | 2,257,149 | 1,107,612 | 763,546 | 72,432 | 7,571,547 | |
| - | - | - | - | - | - | - | - | - | - | 1,182,925 | |
| - | - | - | - | - | - | - | - | - | - | 2,022,900 | |
| - | - | 3,114,264 | - | - | - | - | - | - | - | 3,753,181 | |
| - | - | - | - | - | - | - | - | - | - | 3,953,886 | |
| - | 7,737,835 | - | - | - | - | - | - | - | - | 7,737,835 | |
| - | - | - | - | - | - | - | - | - | - | 19,992,917 | |
| - | - | - | - | - | - | - | - | - | - | 578 | |
| 957,422 | - | - | - | - | - | - | - | - | - | 957,422 | |
| 957,422 | 7,737,835 | 3,114,264 | 2,236,496 | 998,111 | 136,201 | 2,257,149 | 1,107,612 | 763,546 | 72,432 | 47,173,191 | |
| \$ 966,179 | \$ 7,737,835 | \$ 3,160,852 | \$ 3,832,903 | \$ 1,409,892 | \$ 8,233,761 | \$ 3,213,405 | \$ 1,830,376 | \$ 3,261,359 | \$ 2,688,020 | \$ 64,693,546 | |

CITY OF MOBILE, ALABAMA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended September 30, 2023

| | Opioid Settlement Fund | 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 | \$ - | \$ 6,737,765 | \$ 1,300,115 | \$ 642,230 | \$ 2,247,805 | \$ 79,127 | \$ - | \$ - |
| Charges for services | - | - | - | - | - | - | - | - |
| Fines and forfeitures | - | - | - | - | - | - | - | 377,020 |
| State and federal assistance | 2,232,900 | - | - | - | - | - | - | - |
| Investment income | - | 416,637 | - | - | - | - | 578 | 29,767 |
| Total revenues | <u>2,232,900</u> | <u>7,154,402</u> | <u>1,300,115</u> | <u>642,230</u> | <u>2,247,805</u> | <u>79,127</u> | <u>578</u> | <u>406,787</u> |
| EXPENDITURES | | | | | | | | |
| Current: | | | | | | | | |
| General government | - | - | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - | - | - |
| Engineering, development & Build Mobile | - | - | - | - | - | - | - | - |
| Public safety | 210,000 | - | - | - | - | - | - | 533,942 |
| Public works | - | - | - | - | 2,817,153 | - | - | - |
| Debt service: | | | | | | | | |
| Interest | - | - | - | - | - | - | - | - |
| Principal retirement | - | - | - | - | - | - | - | - |
| Capital outlay: | | | | | | | | |
| Capital outlay | - | 2,436,600 | - | - | - | - | - | - |
| Total expenditures | <u>210,000</u> | <u>2,436,600</u> | <u>-</u> | <u>-</u> | <u>2,817,153</u> | <u>-</u> | <u>-</u> | <u>533,942</u> |
| Excess (deficiency) of revenues over expenditures | <u>2,022,900</u> | <u>4,717,802</u> | <u>1,300,115</u> | <u>642,230</u> | <u>(569,348)</u> | <u>79,127</u> | <u>578</u> | <u>(127,155)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Transfers in | - | - | - | - | 569,348 | - | - | - |
| Transfers out | - | (2,397,795) | (1,417,030) | (600,000) | - | (79,127) | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>(2,397,795)</u> | <u>(1,417,030)</u> | <u>(600,000)</u> | <u>569,348</u> | <u>(79,127)</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>2,022,900</u> | <u>2,320,007</u> | <u>(116,915)</u> | <u>42,230</u> | <u>-</u> | <u>-</u> | <u>578</u> | <u>(127,155)</u> |
| Fund balances - beginning | - | 17,672,910 | 4,070,801 | 596,687 | - | - | - | 1,310,080 |
| Fund balances - ending | <u>\$ 2,022,900</u> | <u>\$ 19,992,917</u> | <u>\$ 3,953,886</u> | <u>\$ 638,917</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 578</u> | <u>\$ 1,182,925</u> |

| Municipal Court Judicial Admin | Storm Water Fund | Rebuild Alabama Fund | General Activities Grants | Revitalizing Broad Street Grants | Restore Act Grants | Hurricane Sally Grants | Hurricane Zeta Grants | Public Safety Grants | Housing & Urban Development Grants | Total Nonmajor Special Revenue Funds |
|-----------------------------------|------------------|-------------------------|------------------------------|-------------------------------------|--------------------|---------------------------|--------------------------|-------------------------|--|--|
| \$ - | \$ 2,939,400 | \$ 1,395,740 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 15,342,182 |
| - | - | - | - | - | - | - | - | 11,067 | - | 11,067 |
| 160,146 | - | - | - | - | - | - | - | - | - | 537,166 |
| - | - | - | 5,828,594 | - | 6,706,144 | 124,473 | - | 4,202,304 | 7,022,734 | 26,117,149 |
| - | - | - | - | - | - | - | - | - | - | 446,982 |
| 160,146 | 2,939,400 | 1,395,740 | 5,828,594 | - | 6,706,144 | 124,473 | - | 4,213,371 | 7,022,734 | 42,454,546 |
| - | - | - | 1,077,852 | 342,742 | - | - | - | - | 6,933,426 | 8,354,020 |
| - | - | - | 2,290 | - | - | - | - | - | - | 2,290 |
| - | - | - | 4,130,199 | 466,945 | 6,993,716 | - | - | - | - | 11,590,860 |
| 242,854 | - | - | 165 | - | - | - | - | 4,877,684 | - | 5,864,645 |
| - | 244,802 | 733,105 | 1,979,576 | - | - | - | - | - | - | 5,774,636 |
| - | - | - | - | - | - | - | - | - | 15,389 | 15,389 |
| - | - | - | - | - | - | - | - | - | 185,000 | 185,000 |
| - | - | - | - | - | - | - | - | - | - | 2,436,600 |
| 242,854 | 244,802 | 733,105 | 7,190,082 | 809,687 | 6,993,716 | - | - | 4,877,684 | 7,133,815 | 34,223,440 |
| (82,708) | 2,694,598 | 662,635 | (1,361,488) | (809,687) | (287,572) | 124,473 | - | (664,313) | (111,081) | 8,231,106 |
| - | 283,542 | - | 1,497,972 | 500,000 | 263,773 | - | - | 1,019 | 501,687 | 3,617,341 |
| - | - | - | - | - | - | - | - | (1,019) | (501,687) | (4,996,658) |
| - | 283,542 | - | 1,497,972 | 500,000 | 263,773 | - | - | - | - | (1,379,317) |
| (82,708) | 2,978,140 | 662,635 | 136,484 | (309,687) | (23,799) | 124,473 | - | (664,313) | (111,081) | 6,851,789 |
| 1,040,130 | 4,759,695 | 2,451,629 | 2,100,012 | 1,307,798 | 160,000 | 2,132,676 | 1,107,612 | 1,427,859 | 183,513 | 40,321,402 |
| \$ 957,422 | \$ 7,737,835 | \$ 3,114,264 | \$ 2,236,496 | \$ 998,111 | \$ 136,201 | \$ 2,257,149 | \$ 1,107,612 | \$ 763,546 | \$ 72,432 | \$ 47,173,191 |



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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.

- **Cruise Terminal**
- **Saenger Theatre**
- **Municipal Parking Garage**
- **Mobile Tennis Center**
- **Azalea City Golf Course**
- **Neighborhood Renewal Program**





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CITY OF MOBILE, ALABAMA
Combining Statement of Net Position
Nonmajor Enterprise Funds
September 30, 2023

| | <u>Cruise Terminal</u> | <u>Saenger Theatre</u> | <u>Municipal Parking Garage</u> |
|---|------------------------|------------------------|-------------------------------------|
| ASSETS | | | |
| Current assets: | | | |
| Cash, equity in pooled cash and investments | \$ 1,432,817 | \$ 2,169,564 | \$ 1,329,760 |
| Receivables, net | - | 14,579 | 246,657 |
| Inventory & prepaids | - | 36,827 | - |
| Total current assets | <u>1,432,817</u> | <u>2,220,970</u> | <u>1,576,417</u> |
| Noncurrent assets: | | | |
| Non-depreciable capital assets | - | - | 1,895,790 |
| Depreciable capital assets, net | 13,325,759 | 1,441,133 | 1,797,990 |
| Total noncurrent assets | <u>13,325,759</u> | <u>1,441,133</u> | <u>3,693,780</u> |
| Total assets | <u>14,758,576</u> | <u>3,662,103</u> | <u>5,270,197</u> |
| LIABILITIES | | | |
| Current liabilities: | | | |
| Accounts payable and accrued liabilities | 63,198 | 184,889 | 28,355 |
| Pension employer contributions payable | 5,024 | - | - |
| Unearned revenue | - | 829,180 | - |
| Total current liabilities | <u>68,222</u> | <u>1,014,069</u> | <u>28,355</u> |
| Total liabilities | <u>68,222</u> | <u>1,014,069</u> | <u>28,355</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred service concession arrangement receipts | - | - | 3,048,469 |
| Total deferred inflows of resources | <u>-</u> | <u>-</u> | <u>3,048,469</u> |
| Total liabilities and deferred inflows of resources | <u>68,222</u> | <u>1,014,069</u> | <u>3,076,824</u> |
| NET POSITION | | | |
| Net investment in capital assets | 13,325,759 | 1,441,133 | 3,693,780 |
| Unrestricted | 1,364,595 | 1,206,901 | (1,500,407) |
| Total net position | <u>\$ 14,690,354</u> | <u>\$ 2,648,034</u> | <u>\$ 2,193,373</u> |

| <u>Mobile Tennis Center</u> | <u>Azalea City Golf Course</u> | <u>Neighborhood Renewal Program</u> | <u>Total Nonmajor Enterprise Funds</u> |
|---------------------------------|------------------------------------|---|--|
| \$ 8,691 | \$ 44,729 | \$ 900,318 | \$ 5,885,879 |
| - | - | - | 261,236 |
| 70,445 | 60,684 | 91,836 | 259,792 |
| <u>79,136</u> | <u>105,413</u> | <u>992,154</u> | <u>6,406,907</u> |
| - | 1,457,640 | - | 3,353,430 |
| 67,430 | 1,347,455 | - | 17,979,767 |
| 67,430 | 2,805,095 | - | 21,333,197 |
| <u>146,566</u> | <u>2,910,508</u> | <u>992,154</u> | <u>27,740,104</u> |
| 68,806 | 68,247 | 7,256 | 420,751 |
| 9,644 | 13,276 | - | 27,944 |
| - | 36,409 | - | 865,589 |
| <u>78,450</u> | <u>117,932</u> | <u>7,256</u> | <u>1,314,284</u> |
| <u>78,450</u> | <u>117,932</u> | <u>7,256</u> | <u>1,314,284</u> |
| - | - | - | 3,048,469 |
| - | - | - | 3,048,469 |
| <u>78,450</u> | <u>117,932</u> | <u>7,256</u> | <u>4,362,753</u> |
| 67,430 | 2,805,095 | - | 21,333,197 |
| 686 | (12,519) | 984,898 | 2,044,154 |
| <u>\$ 68,116</u> | <u>\$ 2,792,576</u> | <u>\$ 984,898</u> | <u>\$ 23,377,351</u> |

CITY OF MOBILE, ALABAMA
Combining Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended September 30, 2023

| | <u>Cruise Terminal</u> | <u>Saenger Theatre</u> | <u>Municipal Parking Garage</u> |
|--|------------------------|------------------------|-------------------------------------|
| OPERATING REVENUES | | | |
| Charges for services | \$ 188,592 | \$ 562,177 | \$ 62,558 |
| Facility rent | 41,129 | 498,130 | 337,041 |
| Sales revenue | - | - | - |
| Parking fees | 424,358 | - | - |
| Concessions | - | 378,258 | - |
| Other revenue | 1,905 | 456,735 | - |
| Total operating revenues | <u>655,984</u> | <u>1,895,300</u> | <u>399,599</u> |
| OPERATING EXPENSES | | | |
| Personnel services | 444,207 | 636,050 | - |
| Commodities | 33,644 | 58,923 | - |
| Utilities | 197,315 | 189,755 | - |
| Professional and technical | 133,245 | 119,225 | 5,849 |
| Maintenance and repairs | 71,816 | 3,639 | - |
| Printing and reproduction | 4,127 | 435 | - |
| Insurance payments | 154,872 | 126,783 | - |
| Event expenses | - | 869,337 | - |
| Cost of goods sold | - | - | - |
| Other charges | 100,729 | 52,601 | 28,354 |
| Depreciation | 400,570 | 182,823 | 201,644 |
| Total operating expenses | <u>1,540,525</u> | <u>2,239,571</u> | <u>235,847</u> |
| Operating income (loss) | <u>(884,541)</u> | <u>(344,271)</u> | <u>163,752</u> |
| NONOPERATING REVENUES (EXPENSES) | | | |
| Investment income | - | - | 33,841 |
| Gain (loss) from disposal of assets | - | - | - |
| Total nonoperating revenues (expenses) | <u>-</u> | <u>-</u> | <u>33,841</u> |
| Income (loss) before contributions and transfers | <u>(884,541)</u> | <u>(344,271)</u> | <u>197,593</u> |
| Transfers in | - | - | - |
| Change in net position | <u>(884,541)</u> | <u>(344,271)</u> | <u>197,593</u> |
| Total net position - beginning | 15,574,895 | 2,992,305 | 1,995,780 |
| Total net position - ending | <u>\$ 14,690,354</u> | <u>\$ 2,648,034</u> | <u>\$ 2,193,373</u> |

| Mobile Tennis Center | Azalea City Golf Course | Neighborhood Renewal Program | Total Nonmajor Enterprise Funds |
|-------------------------|----------------------------|---------------------------------|------------------------------------|
| \$ 353,723 | \$ 1,350,714 | \$ - | \$ 2,517,764 |
| - | 1,848 | - | 878,148 |
| 259,541 | 160,294 | 55,700 | 475,535 |
| - | - | - | 424,358 |
| 4,876 | - | - | 383,134 |
| - | - | - | 458,640 |
| <u>618,140</u> | <u>1,512,856</u> | <u>55,700</u> | <u>5,137,579</u> |
| 925,332 | 1,057,316 | - | 3,062,905 |
| 64,103 | 304,930 | 259 | 461,859 |
| 76,676 | 100,922 | - | 564,668 |
| 284,342 | 11,097 | 3,025 | 556,783 |
| 52,087 | 21,518 | - | 149,060 |
| 4,990 | 3,182 | - | 12,734 |
| - | 79,391 | 1,920 | 362,966 |
| - | - | - | 869,337 |
| 118,618 | 137,008 | 2,949 | 258,575 |
| 33,003 | 99,772 | 4,519 | 318,978 |
| 9,257 | 157,471 | - | 951,765 |
| <u>1,568,408</u> | <u>1,972,607</u> | <u>12,672</u> | <u>7,569,630</u> |
| <u>(950,268)</u> | <u>(459,751)</u> | <u>43,028</u> | <u>(2,432,051)</u> |
| - | - | - | 33,841 |
| - | (2,933) | - | (2,933) |
| - | (2,933) | - | 30,908 |
| <u>(950,268)</u> | <u>(462,684)</u> | <u>43,028</u> | <u>(2,401,143)</u> |
| 947,470 | 487,923 | - | \$ 1,435,393 |
| (2,798) | 25,239 | 43,028 | (965,750) |
| 70,914 | 2,767,337 | 941,870 | \$ 24,343,101 |
| <u>\$ 68,116</u> | <u>\$ 2,792,576</u> | <u>\$ 984,898</u> | <u>\$ 23,377,351</u> |

CITY OF MOBILE, ALABAMA
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended September 30, 2023

| | Cruise Terminal | Saenger Theatre | Municipal Parking Garage |
|---|---------------------|---------------------|-----------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash received from customers and users | \$ 188,592 | \$ 562,177 | \$ (2,100) |
| Cash received from sales revenue | - | - | - |
| Cash received from facility & other rent | 41,129 | 512,677 | 297,558 |
| Cash received from parking fees | 424,358 | - | - |
| Cash received from concessions | - | 378,258 | - |
| Cash received from miscellaneous | 1,905 | 81,120 | - |
| Cash payments for operating expenses | (862,677) | (1,676,155) | (42,384) |
| Cash payments for internal services | (29,462) | - | - |
| Cash payments to employees for services | (413,728) | (636,050) | - |
| Net cash provided (used) by operating activities | <u>(649,883)</u> | <u>(777,973)</u> | <u>253,074</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | |
| Transfers in from other funds | - | - | - |
| Net cash provided (used) by noncapital financing activities | <u>-</u> | <u>-</u> | <u>-</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | |
| Acquisition of capital assets | - | (105,252) | - |
| Net cash provided (used) by capital and related financing activities | <u>-</u> | <u>(105,252)</u> | <u>-</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Investment income received | - | - | 33,841 |
| Net cash provided (used) by investing activities | <u>-</u> | <u>-</u> | <u>33,841</u> |
| Net increase (decrease) in cash and cash equivalents | <u>(649,883)</u> | <u>(883,225)</u> | <u>286,915</u> |
| Balances - beginning of year | 2,082,700 | 3,052,789 | 1,042,845 |
| Balances - end of the year | <u>\$ 1,432,817</u> | <u>\$ 2,169,564</u> | <u>\$ 1,329,760</u> |
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities: | | | |
| Operating Income | \$ (884,541) | \$ (344,271) | \$ 163,752 |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | |
| Depreciation | 400,570 | 182,823 | 201,644 |
| Changes in assets and liabilities: | | | |
| Accounts payable | (166,929) | (249,344) | (8,181) |
| Accounts receivable | - | 14,547 | (2,100) |
| Inventory and prepaids | - | (6,113) | - |
| Salary and benefits payable | 1,017 | - | - |
| Advance collections | - | (375,615) | (102,041) |
| Net cash provided (used) by operating activities | <u>\$ (649,883)</u> | <u>\$ (777,973)</u> | <u>\$ 253,074</u> |

| Mobile Tennis Center | Azalea City Golf Course | Neighborhood Renewal Program | Total |
|-------------------------|----------------------------|---------------------------------|-----------------------|
| \$ 353,723 | \$ 1,350,714 | \$ 55,700 | \$ 2,508,806 |
| 259,541 | 160,294 | - | 419,835 |
| - | 1,848 | - | 853,212 |
| - | - | - | 424,358 |
| 4,876 | - | - | 383,134 |
| 5 | 21,898 | - | 104,928 |
| (627,485) | (728,058) | (47,998) | (3,984,757) |
| (75,307) | (122,414) | - | (227,183) |
| (846,200) | (947,124) | - | (2,843,102) |
| <u>(930,847)</u> | <u>(262,842)</u> | <u>7,702</u> | <u>(2,360,769)</u> |
| 947,470 | 487,923 | - | 1,435,393 |
| <u>947,470</u> | <u>487,923</u> | <u>-</u> | <u>1,435,393</u> |
| (9,132) | (181,452) | - | (295,836) |
| <u>(9,132)</u> | <u>(181,452)</u> | <u>-</u> | <u>(295,836)</u> |
| - | - | - | 33,841 |
| - | - | - | 33,841 |
| 7,491 | 43,629 | 7,702 | (1,187,371) |
| 1,200 | 1,100 | 892,616 | 7,073,250 |
| <u>\$ 8,691</u> | <u>\$ 44,729</u> | <u>\$ 900,318</u> | <u>\$ 5,885,879</u> |
| \$ (950,268) | \$ (459,751) | \$ 43,028 | \$ (2,432,051) |
| 9,257 | 157,471 | - | 951,765 |
| 34,363 | 28,196 | 6,982 | (354,913) |
| - | - | - | 12,447 |
| (32,104) | (9,763) | (42,308) | (90,288) |
| 7,905 | (893) | - | 8,029 |
| - | 21,898 | - | (455,758) |
| <u>\$ (930,847)</u> | <u>\$ (262,842)</u> | <u>\$ 7,702</u> | <u>\$ (2,360,769)</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 requirement basis.

- **Motor Pool Fund**
- **Employee Health Plan Fund**
- **Liability Insurance Fund**

CITY OF MOBILE, ALABAMA
Combining Statement of Net Position
Internal Service Funds
September 30, 2023

| | Motor Pool | Employee Health Plan | Liability Insurance | Total Nonmajor Internal service funds |
|---|----------------------|-------------------------|-----------------------|---|
| ASSETS | | | | |
| Current assets: | | | | |
| Cash, equity in pooled cash and investments | \$ 24,349,299 | \$ 10,419,192 | \$ - | \$ 34,768,491 |
| Receivables, net | 331,442 | 424,350 | - | 755,792 |
| Total current assets | <u>24,680,741</u> | <u>10,843,542</u> | <u>-</u> | <u>35,524,283</u> |
| Noncurrent assets: | | | | |
| Non-depreciable capital assets | 2,637,268 | - | - | 2,637,268 |
| Depreciable capital assets, net | 34,913,404 | - | - | 34,913,404 |
| Total noncurrent assets | <u>37,550,672</u> | <u>-</u> | <u>-</u> | <u>37,550,672</u> |
| Total assets | <u>62,231,413</u> | <u>10,843,542</u> | <u>-</u> | <u>73,074,955</u> |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable and accrued liabilities | 1,389,873 | 1,109,505 | 731,808 | 3,231,186 |
| Pension employer contributions payable | 1,355 | - | - | 1,355 |
| Insurance claims payable | - | 1,881,500 | - | 1,881,500 |
| Total current liabilities | <u>1,391,228</u> | <u>2,991,005</u> | <u>731,808</u> | <u>5,114,041</u> |
| Noncurrent liabilities: | | | | |
| Self-insured legal liability | - | - | 345,888 | 345,888 |
| Total noncurrent liabilities | <u>-</u> | <u>-</u> | <u>345,888</u> | <u>345,888</u> |
| Total liabilities | <u>1,391,228</u> | <u>2,991,005</u> | <u>1,077,696</u> | <u>5,459,929</u> |
| NET POSITION | | | | |
| Net investment in capital assets | 37,550,672 | - | - | 37,550,672 |
| Unrestricted | 23,289,513 | 7,852,537 | (1,077,696) | 30,064,354 |
| Total net position | <u>\$ 60,840,185</u> | <u>\$ 7,852,537</u> | <u>\$ (1,077,696)</u> | <u>\$ 67,615,026</u> |

CITY OF MOBILE, ALABAMA
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended September 30, 2023

| | Motor Pool | Employee Health Plan | Liability Insurance | Total Internal Service Funds |
|--|----------------------|-------------------------|-----------------------|---------------------------------|
| OPERATING REVENUES | | | | |
| Charges for services | \$ 20,022 | \$ 488,732 | \$ - | \$ 508,754 |
| Internal charges | 18,541,635 | 18,831,077 | - | 37,372,712 |
| Employee contributions | - | 7,115,035 | - | 7,115,035 |
| Total operating revenues | <u>18,561,657</u> | <u>26,434,844</u> | <u>-</u> | <u>44,996,501</u> |
| OPERATING EXPENSES | | | | |
| Personnel services | 144,443 | - | - | 144,443 |
| Commodities | 3,903,778 | - | - | 3,903,778 |
| Utilities | 41,916 | - | - | 41,916 |
| Professional and technical | 21,284 | 81,825 | 1,972,898 | 2,076,007 |
| Maintenance and repairs | 3,215 | - | - | 3,215 |
| Printing and reproduction | 134 | 5,471 | - | 5,605 |
| Insurance payments | - | 24,516,906 | - | 24,516,906 |
| Increase (decrease) in provision for self-insurance loss | - | (194,500) | 23,850 | (170,650) |
| Other charges | 483,297 | 11,702 | 881,735 | 1,376,734 |
| Depreciation | 6,041,590 | - | - | 6,041,590 |
| Total operating expenses | <u>10,639,657</u> | <u>24,421,404</u> | <u>2,878,483</u> | <u>37,939,544</u> |
| Operating income (loss) | <u>7,922,000</u> | <u>2,013,440</u> | <u>(2,878,483)</u> | <u>7,056,957</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| State and federal assistance | 303,000 | - | - | 303,000 |
| Damaged vehicles reimbursement | 284,576 | - | - | 284,576 |
| Gain (loss) from disposal of assets | (795,132) | - | - | (795,132) |
| Total nonoperating revenues (expenses) | <u>(207,556)</u> | <u>-</u> | <u>-</u> | <u>(207,556)</u> |
| Income (loss) before contributions and transfers | 7,714,444 | 2,013,440 | (2,878,483) | 6,849,401 |
| Transfers in | 46,134 | - | 2,998,547 | 3,044,681 |
| Transfer of capital assets | 58,302 | - | - | 58,302 |
| Change in net position | 7,818,880 | 2,013,440 | 120,064 | 9,952,384 |
| Total net position - beginning | 53,021,305 | 5,839,097 | (1,197,760) | 57,662,642 |
| Total net position - ending | <u>\$ 60,840,185</u> | <u>\$ 7,852,537</u> | <u>\$ (1,077,696)</u> | <u>\$ 67,615,026</u> |

CITY OF MOBILE, ALABAMA
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2023

| | Motor Pool | Employee Health Plan | Liability Insurance | Total |
|---|----------------------|-------------------------|-----------------------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Cash received from customers and users | \$ 18,123 | \$ 408,300 | \$ - | \$ 426,423 |
| Cash received from internal billings | 18,541,635 | 18,831,077 | - | 37,372,712 |
| Cash received from employee contributions | - | 7,115,035 | - | 7,115,035 |
| Cash payments for operating expenses | (4,287,680) | (98,997) | (2,998,547) | (7,385,224) |
| Cash payments for insurance claims | - | (23,794,375) | - | (23,794,375) |
| Cash payments to employees for services | (146,085) | - | - | (146,085) |
| Net cash provided (used) by operating activities | <u>14,125,993</u> | <u>2,461,040</u> | <u>(2,998,547)</u> | <u>13,588,486</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | |
| Transfers in from other funds | 46,134 | - | 2,998,547 | 3,044,681 |
| Net cash provided (used) by noncapital financing activities | <u>46,134</u> | <u>-</u> | <u>2,998,547</u> | <u>3,044,681</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Acquisition of capital assets | (6,224,252) | - | - | (6,224,252) |
| Capital grants | - | - | - | - |
| Proceeds from sale of capital assets | 929,451 | - | - | 929,451 |
| Reimbursement for damaged vehicles | 284,576 | - | - | 284,576 |
| Net cash provided (used) by capital and related financing activities | <u>(5,010,225)</u> | <u>-</u> | <u>-</u> | <u>(5,010,225)</u> |
| Net increase (decrease) in cash and cash equivalents | <u>9,161,902</u> | <u>2,461,040</u> | <u>-</u> | <u>11,622,942</u> |
| Balances - beginning of year | <u>15,187,397</u> | <u>7,958,152</u> | <u>-</u> | <u>23,145,549</u> |
| Balances - end of the year | <u>\$ 24,349,299</u> | <u>\$ 10,419,192</u> | <u>\$ -</u> | <u>\$ 34,768,491</u> |
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities: | | | | |
| Operating Income | \$ 7,922,000 | \$ 2,013,440 | \$ (2,878,483) | \$ 7,056,957 |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | | |
| Depreciation | 6,041,590 | - | - | 6,041,590 |
| Non-capital financing cash flow included in operating income | 58,302 | - | - | 58,302 |
| Changes in assets and liabilities: | | | | |
| Accounts payable | 107,642 | 722,532 | (21,302) | 808,872 |
| Accounts receivable | (1,899) | (80,432) | - | (82,331) |
| Self-insurance liability | - | - | (98,762) | (98,762) |
| Insurance claims payable | - | (194,500) | - | (194,500) |
| Salary and benefits payable | (1,642) | - | - | (1,642) |
| Net cash provided (used) by operating activities | <u>\$ 14,125,993</u> | <u>\$ 2,461,040</u> | <u>\$ (2,998,547)</u> | <u>\$ 13,588,486</u> |



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OTHER SUPPLEMENTARY INFORMATION



OTHER SUPPLEMENTARY INFORMATION

General Fund Revenues and Other Financing Sources (Uses)

Schedule of Bonds, Warrants, and Notes Payable



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, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|--|--------------------|--------------------|--------------------|-------------------------------|
| | Original Budget | Final Budget | | |
| REVENUES | | | | |
| Taxes | | | | |
| Property | | | | |
| Real estate | \$ 18,863,599 | \$ 18,863,599 | \$ 18,436,951 | \$ (426,648) |
| Motor vehicle | 2,407,014 | 2,407,014 | 2,501,872 | 94,858 |
| Sales and use | | | | |
| Sales tax - City | 178,535,611 | 178,535,611 | 187,702,125 | 9,166,514 |
| Sales tax - Police Jurisdiction | 11,026,382 | 11,026,382 | 15,306,480 | 4,280,098 |
| Sellers use tax | 11,079,368 | 11,079,368 | 13,549,188 | 2,469,820 |
| Lease/rental - City | 6,786,683 | 6,786,683 | 8,163,628 | 1,376,945 |
| Lease/rental - Police Jurisdiction | 588,509 | 588,509 | 405,649 | (182,860) |
| Room tax - City | 7,805,500 | 7,805,500 | 8,060,768 | 255,268 |
| Room tax - Police Jurisdiction | 19,324 | 19,324 | 47,824 | 28,500 |
| Motor vehicle rental - City | 1,957,725 | 1,957,725 | 2,130,217 | 172,492 |
| Motor vehicle rental - Police Jurisdiction | - | - | 866 | 866 |
| Selective sales and use | | | | |
| Motor fuel | | | | |
| Regular - City | 2,451,165 | 2,451,165 | 2,084,744 | (366,421) |
| Regular - Police Jurisdiction | 725,941 | 725,941 | 790,846 | 64,905 |
| County equalization | 318,356 | 318,356 | 300,317 | (18,039) |
| Alcoholic beverages | | | | |
| Liquor - City | 1,207,805 | 1,207,805 | 1,195,473 | (12,332) |
| Liquor - Police Jurisdiction | 47,573 | 47,573 | 49,387 | 1,814 |
| Liquor - ABC Board | 255,831 | 255,831 | 296,735 | 40,904 |
| Table Wine | 205,162 | 205,162 | 195,534 | (9,628) |
| Beer | 996,694 | 996,694 | 907,931 | (88,763) |
| Other | | | | |
| Cigarette stamp tax | 1,313,589 | 1,313,589 | 1,205,005 | (108,584) |
| Other tobacco tax - City | 1,041,860 | 1,041,860 | 900,473 | (141,387) |
| Other tobacco tax - Police Jurisdiction | 42,697 | 42,697 | 115,692 | 72,995 |
| Business privilege tax | 297,433 | 297,433 | 298,074 | 641 |
| Other tax revenue | 2,317,859 | 2,317,859 | 2,664,473 | 346,614 |
| Total taxes | <u>250,291,680</u> | <u>250,291,680</u> | <u>267,310,252</u> | <u>17,018,572</u> |
| Licenses and permits | | | | |
| Business licenses - City | 39,826,957 | 39,826,957 | 43,416,866 | 3,589,909 |
| Business licenses - Police Jurisdiction | 2,248,711 | 2,248,711 | 2,425,851 | 177,140 |
| Motor vehicle licenses | 650,144 | 650,144 | 628,534 | (21,610) |
| Dog licenses | 2,602 | 2,602 | 735 | (1,867) |
| Alarm ordinance permits | 189,825 | 189,825 | 166,775 | (23,050) |
| Total licenses and permits | <u>42,918,239</u> | <u>42,918,239</u> | <u>46,638,761</u> | <u>3,720,522</u> |

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|-------------------------------------|------------------|----------------|----------------|-------------------------------|
| | Original Budget | Final Budget | | |
| Intergovernmental | | | | |
| Alcoholic Beverage Control Board | 77,978 | 77,978 | 85,799 | 7,821 |
| Racing Commission | 14,186 | 14,186 | 10,322 | (3,864) |
| Total intergovernmental | 92,164 | 92,164 | 96,121 | 3,957 |
| Charges for services | | | | |
| Health | | | | |
| Lot cleaning | 71,113 | 71,113 | 68,064 | (3,049) |
| Building demolition fee | 121,712 | 121,712 | 210,743 | 89,031 |
| Animal shelter | 21,296 | 21,296 | 14,647 | (6,649) |
| Recycling Fees | - | - | 105 | 105 |
| Public safety | | | | |
| Inspection | 1,701,400 | 1,701,400 | 2,275,469 | 574,069 |
| Fire plan review fee | 70,651 | 70,651 | 63,301 | (7,350) |
| Police and fire | 1,874,550 | 1,874,550 | 1,480,702 | (393,848) |
| Engineering | 413,332 | 413,332 | 303,235 | (110,097) |
| Parking meter and management fees | 750,329 | 750,329 | 811,050 | 60,721 |
| Property rental | 252,562 | 252,562 | 248,746 | (3,816) |
| Franchise fees - miscellaneous | 2,403,788 | 2,403,788 | 2,141,594 | (262,194) |
| Parks and recreation fees | 168,795 | 168,795 | 253,648 | 84,853 |
| Vacation of ROW fee | 315 | 315 | - | (315) |
| Other | 89,400 | 89,400 | 161,713 | 72,313 |
| Total charges for services | 7,939,243 | 7,939,243 | 8,033,017 | 93,774 |
| Fines and forfeitures | | | | |
| Municipal offense fines | 1,878 | 1,878 | 3,056 | 1,178 |
| Police fines | 433,351 | 433,351 | 453,816 | 20,465 |
| Driver's education | 75,766 | 75,766 | 76,400 | 634 |
| Bond forfeitures | 66,835 | 66,835 | 68,840 | 2,005 |
| Court costs | 155,607 | 155,607 | 151,861 | (3,746) |
| DA Restitution Unit collection fees | 44,962 | 44,962 | 40,919 | (4,043) |
| Corrections fund | 463,635 | 463,635 | 423,114 | (40,521) |
| Alarm ordinance fines | 1,494 | 1,494 | 210 | (1,284) |
| Municipal court administrative fee | 114,855 | 114,855 | 97,083 | (17,772) |
| Probation fees | 291,127 | 291,127 | 293,443 | 2,316 |
| Total fines and forfeitures | 1,649,510 | 1,649,510 | 1,608,742 | (40,768) |
| Investment income | | | | |
| Investment of idle funds | 256,760 | 256,760 | 6,289,527 | 6,032,767 |
| Interest on investments | 177,542 | 177,542 | 3,182,583 | 3,005,041 |
| Dividend income | 7,127 | 7,127 | 118,876 | 111,749 |
| Total investment income | 441,429 | 441,429 | 9,590,986 | 9,149,557 |
| Other revenue | | | | |
| Athletic fund | - | - | 77,732 | 77,732 |
| Miscellaneous | 159,006 | 159,006 | 1,122,607 | 963,601 |
| Total other revenue | 159,006 | 159,006 | 1,200,339 | 1,041,333 |
| Total revenues | \$ 303,491,271 | \$ 303,491,271 | \$ 334,478,218 | \$ 30,986,947 |

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|--|------------------------|------------------------|------------------------|-------------------------------|
| | Original Budget | Final Budget | | |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from disposal of assets | \$ 67,794 | \$ 67,794 | \$ 142,963 | \$ 75,169 |
| Operating transfers in | | | | |
| From 5-cent Gasoline Tax Special Revenue Fund | 600,000 | 600,000 | 600,000 | - |
| From Fuel Inspection Fees Special Revenue Fund | 83,397 | 83,397 | 79,127 | (4,270) |
| From WAVE Transit | - | - | 2,540,862 | 2,540,862 |
| Total operating transfers in | <u>683,397</u> | <u>683,397</u> | <u>3,219,989</u> | <u>2,536,592</u> |
| Operating transfers out | | | | |
| To Capital Improvement Fund | 475,000 | 56,641,426 | 56,641,426 | - |
| To 7-Cent Roadway Maintenance Fund | 400,000 | 400,000 | 569,348 | (169,348) |
| To Grant Administration Funds | 18,130 | 18,130 | 18,130 | - |
| To Civic Center Enterprise Fund | 1,900,000 | 1,900,000 | 1,207,952 | 692,048 |
| To Convention Center Enterprise Fund | - | 382,292 | 382,292 | - |
| To WAVE Transit Enterprise Fund | 5,668,477 | 5,668,477 | 8,147,087 | (2,478,610) |
| To Cruise Terminal Enterprise Fund | 590,967 | 590,967 | - | 590,967 |
| To Emergency Medical Services Enterprise Fund | 7,379,175 | 7,379,174 | 5,479,520 | 1,899,654 |
| To Tennis Center Enterprise Fund | 948,772 | 948,772 | 947,470 | 1,302 |
| To Azalea City Golf Course Enterprise Fund | 487,923 | 487,923 | 487,923 | - |
| To Motor Pool Internal Service Fund | - | - | 46,134 | (46,134) |
| To Liability Insurance Internal Service Fund | 2,700,000 | 2,700,000 | 2,998,547 | (298,547) |
| Total operating transfers out | <u>20,568,444</u> | <u>77,117,161</u> | <u>76,925,829</u> | <u>191,332</u> |
| Total other financing sources (uses) | <u>\$ (19,817,253)</u> | <u>\$ (76,365,970)</u> | <u>\$ (73,562,877)</u> | <u>\$ 2,803,093</u> |

CITY OF MOBILE, ALABAMA
Schedule of Bonds, Warrants, and Notes Payable
For the year ended September 30, 2023

| | 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 (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, 2022 | Year Ended September 30, 2023 Issued | Year Ended September 30, 2023 Refunded | Year Ended September 30, 2023 Retired | Balance September 30, 2023 | Interest for Year Ended September 2023 |
|--------------------------------|----------------------------------|--|--|---|----------------------------------|--|
| \$ 13,715,000 | \$ 2,425,000 | \$ - | \$ - | \$ 575,000 | \$ 1,850,000 | \$ 61,616 |
| 39,402,000 | 23,857,000 | - | - | 8,774,000 | 15,083,000 | 504,273 |
| 17,735,000 | 12,930,000 | - | - | 1,440,000 | 11,490,000 | 422,912 |
| 64,610,000 | 50,545,000 | - | - | - | 50,545,000 | 2,430,919 |
| 4,430,000 | 805,000 | - | - | 805,000 | - | 16,006 |
| 48,770,000 | 45,055,000 | - | - | 6,720,000 | 38,335,000 | 1,200,769 |
| 24,350,000 | 14,775,000 | - | - | - | 14,775,000 | 738,376 |
| 5,220,000 | 5,220,000 | - | - | - | 5,220,000 | 260,868 |
| 2,695,000 | 575,000 | - | - | 185,000 | 390,000 | 15,389 |
| 2,000,000 | 400,000 | - | - | 400,000 | - | - |
| \$ 222,927,000 | \$ 156,587,000 | \$ - | \$ - | \$ 18,899,000 | \$ 137,688,000 | \$ 5,651,128 |



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PART III: STATISTICAL SECTION



PART III: STATISTICAL SECTION



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.

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|---|-------------|
| 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> | 147 |
| Revenue Capacity | |
| <i>These schedules contain information to help the reader assess the government's local resources.</i> | 157 |
| 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> | 167 |
| 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> | 172 |
| 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> | 175 |

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 | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2023 | 2022 | 2021 | 2020 |
| Governmental activities | | | | |
| Net investment in capital assets | \$ 736,903,171 | \$ 616,626,406 | \$ 576,332,319 | \$ 524,265,892 |
| Restricted | 53,683,907 | 46,311,820 | 38,477,521 | 32,621,789 |
| Unrestricted | 79,812,385 | 10,212,995 | (68,215,575) | (155,461,266) |
| Total governmental net position | <u>\$ 870,399,463</u> | <u>\$ 673,151,221</u> | <u>\$ 546,594,265</u> | <u>\$ 401,426,415</u> |
| | | | | |
| Business-type activities | | | | |
| Net investment in capital assets | \$ 80,542,191 | \$ 80,915,451 | \$ 80,081,067 | \$ 80,770,671 |
| Unrestricted | 4,251,257 | 5,492,060 | 5,792,647 | 12,146,498 |
| Total business-type net position | <u>\$ 84,793,448</u> | <u>\$ 86,407,511</u> | <u>\$ 85,873,714</u> | <u>\$ 92,917,169</u> |
| | | | | |
| Primary governmental | | | | |
| Net investment in capital assets | \$ 817,445,362 | \$ 697,541,857 | \$ 656,413,386 | \$ 605,036,563 |
| Restricted | 53,683,907 | 46,311,820 | 38,477,521 | 32,621,789 |
| Unrestricted | 84,063,642 | 15,705,055 | (62,422,928) | (143,314,768) |
| Total primary governmental net position | <u>\$ 955,192,911</u> | <u>\$ 759,558,732</u> | <u>\$ 632,467,979</u> | <u>\$ 494,343,584</u> |

| Fiscal Year | | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
| \$ 478,292,410 | \$ 463,460,102 | \$ 466,796,768 | \$ 417,251,471 | \$ 401,397,005 | \$ 372,032,993 |
| 30,378,487 | 28,640,056 | 25,668,707 | 24,152,958 | 21,295,974 | 95,217,446 |
| (178,363,596) | (223,182,102) | (298,582,917) | (278,066,055) | (282,832,642) | (161,252,000) |
| <u>\$ 330,307,301</u> | <u>\$ 268,918,056</u> | <u>\$ 193,882,558</u> | <u>\$ 163,338,374</u> | <u>\$ 139,860,337</u> | <u>\$ 305,998,439</u> |
| | | | | | |
| \$ 83,218,826 | \$ 83,820,996 | \$ 86,872,399 | \$ 90,229,705 | \$ 92,885,644 | \$ 97,964,060 |
| 3,661,778 | (700,561) | 1,545,787 | 458,089 | (1,914,572) | 6,820,494 |
| <u>\$ 86,880,604</u> | <u>\$ 83,120,435</u> | <u>\$ 88,418,186</u> | <u>\$ 90,687,794</u> | <u>\$ 90,971,072</u> | <u>\$ 104,784,554</u> |
| | | | | | |
| \$ 561,511,236 | \$ 547,281,098 | \$ 553,669,167 | \$ 507,481,176 | \$ 494,282,649 | \$ 469,997,053 |
| 30,378,487 | 28,640,056 | 25,668,707 | 24,152,958 | 21,295,974 | 95,217,446 |
| (174,701,818) | (223,882,663) | (297,037,130) | (277,607,966) | (284,747,214) | (154,431,506) |
| <u>\$ 417,187,905</u> | <u>\$ 352,038,491</u> | <u>\$ 282,300,744</u> | <u>\$ 254,026,168</u> | <u>\$ 230,831,409</u> | <u>\$ 410,782,993</u> |

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

| | Fiscal Year | | | |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| | 2023 | 2022 | 2021 | 2020 |
| Expenses | | | | |
| Governmental activities: | | | | |
| General government | \$ 80,586,027 | \$ 86,497,165 | \$ 87,542,082 | \$ 63,000,678 |
| Culture and recreation | 24,576,114 | 25,651,845 | 23,475,524 | 22,995,726 |
| Economic development | 1,809,204 | 1,543,352 | 1,424,648 | 1,163,957 |
| Engineering, development & Build Mobile | 18,246,105 | 17,735,162 | 20,846,093 | 14,608,855 |
| Finance | 5,850,106 | 4,485,879 | 6,399,116 | 5,771,251 |
| Public safety | 139,594,394 | 114,040,474 | 120,261,674 | 124,830,422 |
| Public works | 39,938,223 | 37,057,606 | 37,776,816 | 33,243,048 |
| Interest on long-term debt | 4,791,610 | 5,387,739 | 5,928,713 | 7,874,855 |
| Total governmental activities expenses | <u>315,391,783</u> | <u>292,399,222</u> | <u>303,654,666</u> | <u>273,488,792</u> |
| Business-type activities: | | | | |
| Azalea City Golf Course | 1,975,540 | 1,849,610 | 1,788,375 | 1,645,790 |
| Civic Center | 5,419,785 | 3,982,165 | 3,047,038 | 3,263,936 |
| Convention Center | 11,230,894 | 10,140,779 | 9,020,710 | 8,425,129 |
| Cruise Terminal | 1,540,525 | 2,051,951 | 1,522,515 | 2,080,009 |
| Emergency Medical Services | 8,722,846 | 7,717,031 | 7,503,715 | 6,785,296 |
| Mobile Tennis Center | 1,568,408 | 1,392,622 | 1,330,425 | 960,185 |
| Municipal Parking Garage | 235,847 | 243,594 | 247,129 | 225,036 |
| Neighborhood Renewal Program | 12,672 | 14,659 | 11,189 | 34,357 |
| Saenger Theatre | 2,239,571 | 2,342,446 | 1,113,292 | 1,066,242 |
| Wave Transit System | 13,896,958 | 13,596,862 | 11,402,413 | 11,867,100 |
| Total business-type activities expenses | <u>46,843,046</u> | <u>43,331,719</u> | <u>36,986,801</u> | <u>36,353,080</u> |
| Total primary government expenses | <u>\$ 362,234,829</u> | <u>\$ 335,730,941</u> | <u>\$ 340,641,467</u> | <u>\$ 309,841,872</u> |
| Program revenues | | | | |
| Governmental activities: | | | | |
| Charges for services | | | | |
| General government | \$ 57,439,616 | \$ 56,441,103 | \$ 51,254,438 | \$ 52,942,764 |
| Culture and recreation | 659,835 | 577,091 | 437,538 | 349,077 |
| Engineering, development & Build Mobile | 2,584,408 | 2,005,357 | 1,996,121 | 1,755,172 |
| Public safety | 5,120,179 | 4,928,677 | 5,073,375 | 5,225,899 |
| Public works | 105 | 1,600 | 5,987 | 14,240 |
| Operating grants and contributions | | 22,243,577 | 41,693,392 | 11,404,607 |
| Capital grants and contributions | | 6,544,513 | 28,612,489 | 9,728,661 |
| Total governmental activities program revenues | <u>65,804,143</u> | <u>92,741,918</u> | <u>129,073,340</u> | <u>81,420,420</u> |
| Business-type activities: | | | | |
| Charges for services | | | | |
| Azalea City Golf Course | 1,512,856 | 1,444,043 | 1,347,266 | 1,054,498 |
| Civic Center | 3,660,813 | 2,575,103 | 602,579 | 1,421,044 |
| Convention Center | 4,377,217 | 2,919,508 | 1,284,866 | 1,492,930 |
| Cruise Terminal | 655,984 | 3,017,803 | 209,722 | 3,147,294 |
| Emergency Medical Services | 3,612,459 | 3,746,742 | 3,699,345 | 2,671,217 |
| Mobile Tennis Center | 618,140 | 538,843 | 439,300 | 189,515 |
| Municipal Parking Garage | 399,599 | 415,527 | 301,398 | 380,410 |
| Neighborhood Renewal/Affordable Homes Program | 55,700 | 118,788 | 11,390 | 82,819 |
| Saenger Theatre | 1,895,300 | 2,246,922 | 431,454 | 424,623 |
| Wave Transit System | 681,552 | 649,651 | 507,295 | 601,070 |
| Operating grants and contributions | 5,941,725 | 4,975,891 | 5,532,081 | 6,778,453 |
| Capital grants and contributions | 2,916,364 | 3,084,250 | 2,641,808 | 1,219,810 |
| Total business-type activities program revenues | <u>26,327,709</u> | <u>25,733,071</u> | <u>17,008,504</u> | <u>19,463,683</u> |
| Total primary government program revenues | <u>\$ 92,131,852</u> | <u>\$ 118,474,989</u> | <u>\$ 146,081,844</u> | <u>\$ 100,884,103</u> |
| Net (Expense) Revenue | | | | |
| Government activities | \$ (249,587,640) | \$ (199,657,304) | \$ (174,581,326) | \$ (192,068,372) |
| Business-type activities | (20,515,337) | (17,598,648) | (19,978,297) | (16,889,397) |
| Total primary government net expense | <u>\$ (270,102,977)</u> | <u>\$ (217,255,952)</u> | <u>\$ (194,559,623)</u> | <u>\$ (208,957,769)</u> |

| | | Fiscal Year | | | | |
|------------------|------------------|------------------|------------------|------------------|------------------|--|
| 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | |
| \$ 58,344,738 | \$ 49,876,175 | \$ 57,338,003 | \$ 71,077,484 | \$ 71,599,115 | \$ 78,626,293 | |
| 26,093,105 | 24,667,442 | 25,120,318 | 24,346,459 | 25,423,325 | 24,192,649 | |
| 1,084,321 | 933,158 | 1,128,267 | 1,058,324 | 1,339,289 | 1,175,960 | |
| 15,028,296 | 15,460,518 | 15,477,038 | 15,562,782 | - | - | |
| 5,741,105 | 6,324,506 | 6,184,239 | 5,792,949 | 5,905,306 | 5,886,971 | |
| 113,057,091 | 117,810,593 | 118,270,320 | 108,777,473 | 102,625,577 | 115,054,082 | |
| 34,174,619 | 38,135,993 | 36,948,205 | 32,182,584 | 39,454,462 | 41,782,266 | |
| 7,546,824 | 8,015,023 | 10,956,824 | 12,523,734 | 13,222,630 | 14,123,164 | |
| 261,070,099 | 261,223,408 | 271,423,214 | 271,321,789 | 259,569,704 | 280,841,385 | |
| 1,762,244 | 1,642,458 | 1,595,699 | 1,602,676 | 1,573,881 | 1,533,543 | |
| 3,762,093 | 3,644,260 | 3,539,260 | 3,794,184 | 3,675,513 | 3,581,709 | |
| 10,231,659 | 8,671,027 | 8,433,850 | 9,078,055 | 8,543,558 | 9,674,772 | |
| 3,125,480 | 2,929,012 | 2,610,198 | 1,092,752 | 1,028,171 | 1,143,905 | |
| 7,187,148 | 13,452,009 | 5,163,686 | 5,796,418 | 5,392,697 | 7,477,075 | |
| 939,773 | 865,150 | 793,795 | 761,823 | 781,819 | 707,450 | |
| 265,725 | 228,529 | 234,118 | 237,596 | 239,667 | 285,324 | |
| 35,171 | 82,219 | 10,560 | 11,467 | 14,334 | 18,987 | |
| 1,754,621 | 1,538,821 | 1,009,011 | 881,566 | 843,474 | 889,736 | |
| 11,705,465 | 12,083,817 | 11,645,426 | 12,169,978 | 11,857,903 | 12,134,216 | |
| 40,769,379 | 45,137,302 | 35,035,603 | 35,426,515 | 33,951,017 | 37,446,717 | |
| \$ 301,839,478 | \$ 306,360,710 | \$ 306,458,817 | \$ 306,748,304 | \$ 293,520,721 | \$ 318,288,102 | |
| \$ 52,019,172 | \$ 49,800,454 | \$ 49,688,127 | \$ 50,160,158 | \$ 50,060,635 | \$ 51,222,299 | |
| 257,254 | 228,072 | 281,967 | 302,707 | 525,844 | 437,059 | |
| 2,410,813 | 2,417,052 | 1,922,408 | 1,601,395 | - | - | |
| 5,737,922 | 3,884,100 | 4,547,998 | 4,505,318 | 5,141,753 | 5,841,687 | |
| 18,799 | 7,255 | 33,027 | - | 562,397 | 430,550 | |
| 6,875,901 | 7,089,334 | 6,659,324 | 9,029,824 | 6,158,691 | 6,937,239 | |
| 3,063,779 | 1,714,304 | 2,928,157 | 3,518,998 | 19,279,163 | 2,525,315 | |
| 70,383,640 | 65,140,571 | 66,061,008 | 69,118,400 | 81,728,483 | 67,394,149 | |
| 1,266,633 | 1,223,954 | 1,263,235 | 1,275,404 | 1,304,713 | 1,344,965 | |
| 2,010,607 | 2,087,435 | 1,891,198 | 2,367,738 | 2,028,805 | 2,031,222 | |
| 3,582,654 | 2,634,263 | 2,318,069 | 2,588,337 | 2,122,764 | 2,204,743 | |
| 5,957,076 | 6,307,190 | 5,312,115 | 141,063 | 346,635 | 206,892 | |
| 2,830,979 | 9,974,678 | 3,696,227 | 3,882,158 | 4,227,342 | 2,189,244 | |
| 226,868 | 201,261 | 246,033 | 260,707 | 270,386 | 261,450 | |
| 491,096 | 432,563 | 390,964 | 402,268 | 405,092 | 400,957 | |
| 25,921 | 28,198 | 11,181 | 100,278 | 28,287 | 53,884 | |
| 1,350,082 | 1,292,985 | 715,930 | 566,731 | 530,969 | 542,724 | |
| 1,171,135 | 968,036 | 1,015,020 | 1,048,474 | 1,164,788 | 1,136,104 | |
| 3,115,987 | 3,753,467 | 1,937,095 | 3,308,904 | 3,502,088 | 3,412,216 | |
| 2,540,947 | 546,292 | 270,091 | 1,157,458 | 488,423 | 848,317 | |
| 24,569,985 | 29,450,322 | 19,067,158 | 17,099,520 | 16,420,292 | 14,632,718 | |
| \$ 94,953,625 | \$ 94,590,893 | \$ 85,128,166 | \$ 86,217,920 | \$ 98,148,775 | \$ 82,026,867 | |
| \$ (190,686,459) | \$ (196,082,837) | \$ (205,362,206) | \$ (202,203,389) | \$ (177,841,221) | \$ (213,447,236) | |
| (16,199,394) | (15,686,980) | (15,968,445) | (18,326,995) | (17,530,725) | (22,813,999) | |
| \$ (206,885,853) | \$ (211,769,817) | \$ (221,330,651) | \$ (220,530,384) | \$ (195,371,946) | \$ (236,261,235) | |

| | Fiscal Year | | | |
|---|----------------|----------------|----------------|----------------|
| | 2023 | 2022 | 2021 | 2020 |
| General Revenues and Other Changes in Net Position | | | | |
| Governmental activities: | | | | |
| Real and personal property tax | 27,676,588 | \$ 27,821,791 | \$ 27,364,036 | \$ 22,593,559 |
| Sales tax | 263,940,669 | 250,038,158 | 236,616,137 | 205,191,803 |
| Gasoline tax | 11,165,796 | 11,363,449 | 11,259,472 | 11,072,017 |
| Room tax | 9,796,734 | 9,538,882 | 7,942,423 | 5,467,713 |
| Beer and liquor tax | 2,645,060 | 2,755,220 | 2,748,130 | 2,330,339 |
| Rental and leasing tax | 12,815,674 | 12,039,128 | 12,076,052 | 10,343,709 |
| Cigarette stamp tax | 1,205,005 | 1,307,756 | 1,283,276 | 1,450,373 |
| Other tobacco tax | 1,016,166 | 1,079,491 | 1,013,172 | 915,762 |
| Financial excise tax | 2,497,707 | 2,575,806 | 2,326,876 | 2,143,592 |
| Other tax revenue | 3,404,239 | 3,360,551 | 3,321,311 | 2,660,691 |
| Grants and contributions not restricted to a specific program | - | - | - | - |
| Investment earnings | 10,225,258 | 609,259 | 682,049 | 1,475,245 |
| Other | 9,052,682 | 10,214,861 | 14,416,717 | 8,453,833 |
| Transfers | (6,618,070) | (6,490,092) | (1,300,475) | (10,911,150) |
| Total governmental activities | 348,823,508 | 326,214,260 | 319,749,176 | 263,187,486 |
| Business-type activities: | | | | |
| Sales tax | 10,774,685 | 10,140,903 | 10,140,903 | 10,140,903 |
| Room tax | 1,459,352 | 1,453,172 | 1,453,172 | 1,844,040 |
| Investment earnings | 33,841 | 10,045 | 11,067 | 9,679 |
| Other | 15,327 | 38,233 | 29,225 | 20,190 |
| Transfers | 6,618,070 | 6,490,092 | 1,300,475 | 10,911,150 |
| Total business-type activities | 18,901,275 | 18,132,445 | 12,934,842 | 22,925,962 |
| Total primary government | \$ 367,724,783 | \$ 344,346,705 | \$ 332,684,018 | \$ 286,113,448 |
| Change in Net Position | | | | |
| Government activities | \$ 197,248,247 | \$ 126,556,956 | \$ 145,167,850 | \$ 71,119,114 |
| Business-type activities | (1,614,062) | 533,797 | (7,043,455) | 6,036,565 |
| Total primary government | \$ 195,634,185 | \$ 127,090,753 | \$ 138,124,395 | \$ 77,155,679 |

| | | Fiscal Year | | | | | | | | | |
|----|--------------------|-------------|--------------------|------|--------------------|------|--------------------|----|--------------------|----|--------------------|
| | | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | | | | |
| \$ | 22,310,001 | \$ | 21,800,271 | \$ | 21,054,534 | \$ | 19,241,503 | \$ | 18,293,200 | \$ | 17,130,837 |
| | 194,772,154 | | 186,851,875 | | 179,364,687 | | 179,817,467 | | 178,536,073 | | 171,549,434 |
| | 10,475,804 | | 10,497,553 | | 10,535,475 | | 10,471,152 | | 10,113,784 | | 9,474,098 |
| | 7,071,430 | | 6,984,611 | | 6,366,006 | | 5,916,535 | | 5,653,761 | | 5,389,031 |
| | 2,306,577 | | 2,165,235 | | 2,111,186 | | 2,154,493 | | 2,100,653 | | 2,025,855 |
| | 10,572,006 | | 9,536,273 | | 9,342,202 | | 9,465,186 | | 9,220,699 | | 8,497,843 |
| | 1,370,651 | | 1,429,212 | | 1,727,163 | | 1,701,496 | | 1,743,039 | | 1,815,029 |
| | 859,699 | | 727,337 | | 453,701 | | 452,886 | | 480,735 | | 442,344 |
| | 1,221,786 | | 905,789 | | 746,838 | | 560,580 | | 382,673 | | 399,417 |
| | 2,659,021 | | 375,176 | | 372,052 | | 357,022 | | 418,363 | | 366,789 |
| | - | | - | | - | | - | | - | | 348,437 |
| | 1,964,497 | | 513,561 | | 204,090 | | 135,751 | | 63,943 | | 72,025 |
| | 4,660,755 | | 2,667,025 | | 3,723,468 | | 9,633,119 | | 6,901,008 | | 7,500,929 |
| | (8,168,677) | | 1,390,034 | | (1,885,988) | | (5,284,854) | | (3,885,039) | | (4,969,603) |
| | <u>252,075,704</u> | | <u>245,843,952</u> | | <u>234,115,414</u> | | <u>234,622,336</u> | | <u>230,022,892</u> | | <u>220,042,465</u> |
| | 9,874,297 | | 9,874,297 | | 9,874,297 | | 9,995,087 | | 9,660,595 | | 8,985,838 |
| | 1,903,676 | | 1,903,676 | | 1,903,676 | | 1,965,763 | | 1,879,914 | | 1,790,951 |
| | 12,913 | | 1,290 | | 1,936 | | 1,954 | | 1,690 | | 4,829 |
| | - | | - | | 32,941 | | 340 | | - | | - |
| | 8,168,677 | | (1,390,034) | | 1,885,988 | | 5,284,854 | | 3,885,039 | | 4,969,603 |
| | 19,959,563 | | 10,389,229 | | 13,698,838 | | 17,247,998 | | 15,427,238 | | 15,751,221 |
| \$ | <u>272,035,267</u> | \$ | <u>256,233,181</u> | \$ | <u>247,814,252</u> | \$ | <u>251,870,334</u> | \$ | <u>245,450,130</u> | \$ | <u>235,793,686</u> |
| \$ | 61,389,245 | \$ | 49,761,115 | \$ | 28,753,208 | \$ | 32,418,947 | \$ | 52,181,671 | \$ | 6,595,229 |
| | 3,760,169 | | (5,297,751) | | (2,269,607) | | (1,078,997) | | (2,103,487) | | (7,062,778) |
| \$ | <u>65,149,414</u> | \$ | <u>44,463,364</u> | \$ | <u>26,483,601</u> | \$ | <u>31,339,950</u> | \$ | <u>50,078,184</u> | \$ | <u>(467,549)</u> |

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

| | Fiscal Year | | | |
|---------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2023 | 2022 | 2021 | 2020 |
| General Fund | | | | |
| Nonspendable | | | | |
| Inventory | \$ 3,546,028 | \$ 3,121,145 | \$ 2,828,968 | \$ 3,047,309 |
| Prepaid items | 18,644 | 18,644 | 18,644 | 18,644 |
| Long-term receivables | | - | - | - |
| Restricted | | | | |
| Grants | | - | - | - |
| Law Enforcement | | - | - | - |
| Assigned | | | | |
| Athletic Fund | 316,935 | 233,815 | 149,026 | 115,136 |
| Designated and Donated Funds | 1,714,896 | 1,648,744 | 1,543,360 | 1,392,968 |
| General Fund Encumbrances | 3,849,810 | 2,289,228 | 3,555,041 | 2,500,188 |
| Municipal Court | | - | - | - |
| Unassigned | 114,665,481 | 120,089,721 | 121,737,194 | 83,532,824 |
| Total general fund | <u>124,111,794</u> | <u>127,401,297</u> | <u>129,832,233</u> | <u>90,607,069</u> |
| All other governmental funds | | | | |
| Restricted | | | | |
| Capital Projects | 6,919,586 | 6,526,489 | 6,274,068 | 7,321,482 |
| Debt Service | 546,719 | 502,187 | 500,665 | 405,307 |
| Grants | 7,571,547 | 8,419,470 | 7,007,673 | 7,673,500 |
| Law Enforcement | 1,182,925 | 1,310,080 | 1,301,687 | 1,260,694 |
| Opioid Settlement | 2,022,900 | | | |
| Road and Bridge Construction | 3,753,181 | 3,048,316 | 2,400,829 | 1,259,730 |
| Road and Bridge Repair | 3,953,886 | 4,070,801 | 3,351,451 | 2,733,911 |
| Committed | | | | |
| Flood Management | 87,412 | 85,466 | 85,391 | 85,288 |
| Storm Water | 7,737,835 | 4,759,695 | 3,727,888 | 1,324,853 |
| Tax Increment Program | 19,992,917 | 17,672,910 | 13,880,852 | 11,896,768 |
| Assigned | | | | |
| Capital Improvements Fund | 171,643,380 | 127,958,188 | 94,640,471 | 59,605,215 |
| Economic Development | 578 | - | 30,351 | 30,315 |
| Municipal Court | 957,422 | 1,040,130 | 1,336,072 | 1,497,144 |
| Strategic Plan Fund | - | - | - | - |
| Unassigned | - | - | - | - |
| Total other governmental funds | <u>226,370,288</u> | <u>175,393,732</u> | <u>134,537,398</u> | <u>95,094,207</u> |
| Total governmental funds | <u>\$ 350,482,082</u> | <u>\$ 302,795,029</u> | <u>\$ 264,369,631</u> | <u>\$ 185,701,276</u> |

| | | Fiscal Year | | | | | |
|------|-------------|----------------|----------------|----------------|----------------|---------------|--|
| 2019 | | 2018 | 2017 | 2016 | 2015 | 2014 | |
| \$ | 3,028,287 | \$ 2,493,996 | \$ 2,232,695 | \$ 2,781,282 | \$ 2,602,208 | \$ 2,301,354 | |
| | 15,616 | 15,616 | 19,164 | 10,000 | 10,000 | 10,000 | |
| | - | - | - | - | - | - | |
| | - | - | - | - | - | - | |
| | - | - | - | - | - | - | |
| | 75,592 | 89,048 | 60,817 | 64,832 | 67,643 | 51,475 | |
| | 1,289,803 | 1,224,313 | 1,159,818 | 1,117,574 | 1,018,844 | 931,962 | |
| | 1,827,618 | 2,247,767 | 1,276,727 | 964,058 | 1,238,624 | 1,008,876 | |
| | - | - | - | - | - | - | |
| | 62,151,219 | 37,935,527 | 23,909,739 | 29,753,581 | 37,421,124 | 14,926,335 | |
| | 68,388,135 | 44,006,267 | 28,658,960 | 34,691,327 | 42,358,443 | 19,230,002 | |
| | | | | | | | |
| | 6,613,232 | 6,719,870 | 5,847,704 | 6,762,073 | 11,237,290 | 13,874,911 | |
| | 1,016,179 | 153,275 | 126,125 | 131,469 | 382,829 | 719,022 | |
| | 6,609,463 | 6,618,812 | 5,894,771 | 5,632,013 | 1,897,365 | 1,930,590 | |
| | 668,188 | 671,583 | 750,303 | 168,455 | 336,459 | 384,466 | |
| | | | | | | | |
| | 443,084 | 349,971 | 268,386 | 186,373 | 110,735 | 56,852 | |
| | 2,536,513 | 2,013,442 | 2,301,816 | 2,356,683 | 1,460,134 | 1,058,928 | |
| | | | | | | | |
| | 84,914 | 84,054 | 84,012 | 83,970 | 83,928 | 83,886 | |
| | 761,966 | 2,090 | - | - | - | - | |
| | 12,353,462 | 12,964,945 | 11,645,923 | 9,709,410 | 10,365,142 | 8,497,657 | |
| | | | | | | | |
| | 69,863,605 | 66,559,834 | 58,617,483 | 59,340,935 | 33,049,858 | 34,231,012 | |
| | 30,146 | 29,843 | 29,654 | 28,460 | 27,043 | 31,777 | |
| | 1,649,511 | 1,622,628 | 1,435,698 | 1,465,380 | 1,348,629 | 1,250,286 | |
| | - | - | - | - | 10,154,041 | 9,026,591 | |
| | - | - | - | - | - | (11,221) | |
| | 102,630,263 | 97,790,347 | 87,001,875 | 85,865,221 | 70,453,453 | 71,134,757 | |
| \$ | 171,018,398 | \$ 141,796,614 | \$ 115,660,835 | \$ 120,556,548 | \$ 112,811,896 | \$ 90,364,759 | |

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

| | Fiscal Year | | | |
|---|-----------------------|----------------------|-----------------------|-----------------------|
| | 2023 | 2022 | 2021 | 2020 |
| REVENUES | | | | |
| Taxes | \$ 336,163,637 | \$ 321,880,232 | \$ 305,950,886 | \$ 264,169,558 |
| Licenses and permits | 48,158,649 | 46,751,500 | 40,247,724 | 42,364,738 |
| Intergovernmental | 96,121 | 158,692 | 82,582 | 42,858 |
| Charges for services | 8,060,882 | 7,469,538 | 7,842,432 | 7,146,079 |
| Fines and forfeitures | 2,145,908 | 2,096,804 | 2,402,449 | 2,309,244 |
| State and federal assistance | 35,244,954 | 27,857,405 | 52,980,260 | 21,082,295 |
| Investment income | 10,225,259 | 609,258 | 682,048 | 1,475,247 |
| Other revenue | 10,128,767 | 10,382,499 | 14,950,880 | 8,677,216 |
| Assessments | - | - | - | - |
| Total revenues | <u>450,224,177</u> | <u>417,205,928</u> | <u>425,139,261</u> | <u>347,267,235</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 34,489,466 | 29,693,477 | 41,611,072 | 18,694,602 |
| Culture and recreation | 15,784,144 | 14,688,934 | 13,666,124 | 13,070,893 |
| Economic development | 1,688,351 | 1,525,738 | 1,446,931 | 1,087,901 |
| Engineering, development & Build Mobile | 27,662,431 | 21,634,050 | 26,804,303 | 20,214,392 |
| Finance | 5,500,499 | 4,481,659 | 5,922,149 | 5,396,733 |
| Public safety | 126,564,659 | 117,768,546 | 107,090,400 | 108,855,372 |
| Public works | 42,463,954 | 38,163,950 | 33,910,740 | 31,035,085 |
| Non-departmental | 48,371,949 | 53,873,932 | 50,727,843 | 48,737,152 |
| Interest on long-term debt | | | | |
| Debt service: | | | | |
| Administrative charges | 10,085 | 14,873 | 11,780 | 11,575 |
| Bond issuance costs | - | - | - | 135,484 |
| Interest | 5,651,128 | 6,187,722 | 6,759,553 | 7,530,318 |
| Principal retirement | 18,899,000 | 17,672,000 | 16,860,000 | 15,699,000 |
| Interest reimbursement | | | (170,150) | - |
| Capital outlay: | | | | |
| Capital outlay | 66,139,478 | 61,855,067 | 45,514,630 | 53,691,681 |
| Total expenditures | <u>393,225,144</u> | <u>367,559,948</u> | <u>350,155,375</u> | <u>324,160,188</u> |
| Excess (deficiency) of revenues over expenditures | <u>56,999,033</u> | <u>49,645,980</u> | <u>74,983,886</u> | <u>23,107,047</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from disposal of assets | 142,963 | 17,872 | 99,994 | 30,545 |
| Capital/refunding-related debt issued | | | | 5,220,000 |
| Payment to refunding bond escrow agent | | | | (6,463,692) |
| Bond issuance costs | | | | |
| Premium (discount) on debt issued | | | | 1,379,176 |
| Transfers in | 98,158,486 | 87,074,637 | 68,987,529 | 36,634,391 |
| Transfers out | (107,613,430) | (98,313,091) | (65,403,054) | (45,224,589) |
| Insurance recoveries | - | - | - | - |
| Total other financing sources (uses) | <u>(9,311,981)</u> | <u>(11,220,582)</u> | <u>3,684,469</u> | <u>(8,424,169)</u> |
| Net change in fund balances | 47,687,052 | 38,425,398 | 78,668,355 | 14,682,878 |
| Fund balances - beginning | 302,795,030 | | 185,701,276 | 171,018,398 |
| Adjustments to beginning net position | - | - | - | - |
| Fund balances - ending | <u>\$ 350,482,082</u> | <u>\$ 38,425,398</u> | <u>\$ 264,369,631</u> | <u>\$ 185,701,276</u> |
| Debt service as a percentage of noncapital expenditures | 7.41% | 7.43% | 7.56% | 8.47% |

| Fiscal Year | | | | | | |
|----------------|----------------|----------------|----------------|----------------|----------------|--|
| 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | |
| \$ 253,619,129 | \$ 241,273,331 | \$ 232,073,844 | \$ 230,138,319 | \$ 226,942,982 | \$ 217,090,677 | |
| 41,117,581 | 39,373,694 | 39,508,966 | 39,959,958 | 39,165,570 | 39,525,926 | |
| - | 54,044 | 49,639 | 79,906 | 102,817 | 65,645 | |
| 7,767,474 | 6,640,209 | 6,471,076 | 6,875,124 | 7,398,861 | 8,466,724 | |
| 2,995,401 | 2,365,701 | 3,013,765 | 3,102,723 | 3,777,807 | 4,386,729 | |
| 9,545,250 | 8,776,025 | 9,419,670 | 12,439,232 | 8,475,079 | 9,149,146 | |
| 1,964,497 | 513,563 | 204,091 | 138,428 | 63,943 | 72,025 | |
| 4,482,822 | 2,842,577 | 2,994,613 | 9,718,968 | 8,541,969 | 7,559,519 | |
| - | - | - | - | - | 3,944 | |
| 321,492,154 | 301,839,144 | 293,735,664 | 302,452,658 | 294,469,028 | 286,320,335 | |
| 15,593,547 | 15,387,108 | 16,961,736 | 18,941,344 | 21,472,111 | 21,625,859 | |
| 13,467,966 | 13,301,743 | 13,650,736 | 13,499,894 | 14,495,544 | 13,321,383 | |
| 1,079,241 | 794,389 | 961,702 | 939,655 | 1,175,456 | 854,155 | |
| 14,053,800 | 13,157,307 | 15,182,785 | 13,456,972 | - | - | |
| 5,331,326 | 5,385,038 | 5,315,082 | 5,052,016 | 5,149,172 | 5,028,125 | |
| 98,771,084 | 94,288,756 | 94,207,836 | 87,812,807 | 84,996,189 | 82,499,697 | |
| 31,547,770 | 30,050,984 | 29,796,292 | 25,173,163 | 33,094,011 | 34,013,827 | |
| 45,986,566 | 49,413,177 | 46,774,160 | 43,683,515 | 40,008,437 | 46,861,160 | |
| 15,541 | 13,146 | 32,785 | 71,203 | 90,122 | - | |
| 240,155 | 385,276 | 623,165 | 141,408 | - | - | |
| 7,756,516 | 8,535,967 | 10,553,333 | 12,204,125 | 13,309,190 | 13,533,770 | |
| 14,513,000 | 14,718,000 | 16,629,465 | 14,935,138 | 14,479,688 | 12,132,976 | |
| (500,068) | (746,881) | (248,168) | (248,425) | (746,147) | - | |
| 37,169,790 | 32,426,531 | 43,972,849 | 44,608,499 | 29,059,563 | 23,893,432 | |
| 285,026,234 | 277,110,541 | 294,413,758 | 280,271,314 | 256,583,336 | 253,764,384 | |
| 36,465,920 | 24,728,603 | (678,094) | 22,181,344 | 37,885,692 | 32,555,951 | |
| 51,103 | 7,722 | 433,754 | 29,921 | 50,384 | 7,124 | |
| 24,350,000 | 57,705,000 | 86,775,000 | 39,402,000 | - | - | |
| (27,337,395) | (57,858,848) | (95,724,264) | (39,260,592) | - | - | |
| - | - | - | - | - | - | |
| 3,223,002 | 539,124 | 9,572,429 | - | - | - | |
| 40,933,304 | 41,734,459 | 46,987,427 | 85,940,776 | 39,374,477 | 54,390,241 | |
| (48,464,150) | (40,720,281) | (52,261,965) | (100,548,803) | (54,863,410) | (69,792,959) | |
| - | - | - | - | - | - | |
| (7,244,136) | 1,407,176 | (4,217,619) | (14,436,698) | (15,438,549) | (15,395,594) | |
| 29,221,784 | 26,135,779 | (4,895,713) | 7,744,646 | 22,447,143 | 17,160,357 | |
| 141,796,614 | 115,660,835 | 120,556,548 | 112,811,902 | 90,364,759 | 73,204,402 | |
| - | - | - | - | - | - | |
| \$ 171,018,398 | \$ 141,796,614 | \$ 115,660,835 | \$ 120,556,548 | \$ 112,811,902 | \$ 90,364,759 | |
| 8.48% | 8.92% | 10.35% | 11.06% | 11.58% | 10.99% | |

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

| Fiscal Year | Property Taxes | Sales Tax | Motor Fuels Tax | Room Tax | Alcoholic Beverage Tax |
|-------------|----------------|----------------|-----------------|--------------|------------------------|
| 2023 | \$ 27,676,588 | \$ 263,940,669 | \$ 11,165,796 | \$ 9,796,734 | \$ 2,645,059 |
| 2022 | 27,821,791 | 250,038,158 | 11,363,449 | 9,538,882 | 2,755,220 |
| 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 |

| Rental and Leasing Tax | Tobacco Tax | Financial Excise Tax | Other Taxes | Total |
|------------------------|--------------|----------------------|--------------|----------------|
| \$ 12,815,674 | \$ 2,221,171 | \$ 2,497,707 | \$ 3,404,239 | \$ 336,163,637 |
| 12,039,128 | 2,387,247 | 2,575,806 | 3,360,551 | 321,880,232 |
| 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 |

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

| <u>Fiscal Year</u> | <u>Value of Taxable Sales General Sales Tax (in millions)</u> | <u>Direct Tax Rate General Sales Tax</u> |
|--------------------|---|--|
| 2023 | 5,604 | 5.0% |
| 2022 | 5,279 | 5.0% |
| 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% |

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 |
| 2023 | 5.00% | 2.25% | 2.25% | 2.25% | 5.00% | 2.50% | 1.13% | 1.13% | 1.13% | 2.50% |
| 2022 | 5.00% | 2.25% | 2.25% | 2.25% | 5.00% | 2.50% | 1.13% | 1.13% | 1.13% | 2.50% |
| 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% |

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% | 6.00% | 2.75% | 3.25% | 3.25% | 6.00% |

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

| Taxpayer | 2023 | | 2014 | |
|----------------------------|------|-----------------------------------|------|-----------------------------------|
| | Rank | Percentage of Total Taxable Sales | Rank | Percentage of Total Taxable Sales |
| Costco Wholesale #1192 | 1 | 2.60% | | |
| Wal-Mart #866 | 2 | 2.46% | 1 | 2.90% |
| Wal-Mart #853 | 3 | 2.14% | 2 | 2.50% |
| Sams Wholesale Club #8102 | 4 | 2.01% | 3 | 2.17% |
| Wal-Mart #991 | 5 | 1.74% | 4 | 2.10% |
| Lowe's of West Mobile #549 | 6 | 1.40% | 6 | 1.04% |
| Lowe's of Mobile #212 | 7 | 1.35% | 8 | 0.99% |
| Lowe's Home Centers LLC | 8 | 1.25% | 7 | 1.01% |
| Target T-1376 | 9 | 1.11% | 5 | 1.19% |
| Home Depot #865 | 10 | 1.00% | | |
| Dillard's | | | 9 | 0.96% |
| Best Buy | | | 10 | 0.88% |
| Totals | | 17.06% | | 15.74% |

Source: City of Mobile Revenue Data

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

| Fiscal Year Ended September 30 | Real Property | | Personal Property | | Less: | | Total | Estimated Actual Taxable Value | Assessed Value ¹ as a |
|--------------------------------------|-------------------------|------------------------|-------------------|-------------|-----------------------------|---------------------------------|--------------------|-----------------------------------|-------------------------------------|
| | Residential Property | Commercial Property | Motor Vehicles | Other | Tax Exempt Real Property | Total Taxable Assessed Value | Direct Tax Rate | | Percentage of Actual Value |
| 2023 | 685,585,360 | 2,695,393,440 | 378,821,820 | 588,640,560 | 80,791,100 | 4,267,650,080 | 7 mills | 23,793,415,433 | 18.28% |
| 2022 | 647,709,040 | 2,555,836,620 | 323,544,020 | 541,341,940 | 75,966,600 | 3,992,465,020 | 7 mills | 22,470,957,200 | 18.11% |
| 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 | 17.84% |
| 2020 | 614,561,360 | 2,260,519,060 | 268,913,440 | 509,636,760 | 75,030,720 | 3,578,599,900 | 7 mills | 20,642,671,967 | 17.70% |
| 2019 | 593,028,380 | 1,575,900,720 | 266,181,900 | 484,226,860 | 71,890,680 | 2,847,447,180 | 7 mills | 16,720,643,033 | 17.46% |
| 2018 | 588,884,300 | 1,563,921,620 | 264,967,900 | 474,224,840 | 70,163,120 | 2,821,835,540 | 7 mills | 16,546,851,700 | 17.48% |
| 2017 | 580,403,320 | 1,492,664,200 | 278,917,000 | 425,021,480 | 68,186,400 | 2,708,819,600 | 7 mills | 15,843,326,033 | 17.53% |
| 2016 | 585,088,500 | 1,521,698,920 | 294,187,320 | 415,461,340 | 68,384,340 | 2,748,051,740 | 7 mills | 13,296,813,733 | 21.18% |
| 2015 | 549,530,640 | 1,325,990,140 | 273,833,900 | 415,303,220 | 63,448,440 | 2,501,209,460 | 7 mills | 12,386,604,367 | 20.71% |
| 2014 | 560,883,060 | 1,296,432,480 | 264,068,220 | 403,555,900 | 64,934,380 | 2,460,005,280 | 7 mills | 12,248,615,700 | 20.61% |

Source: Mobile County Revenue Commissioner

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

¹ Includes tax-exempt property.

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

| Fiscal Year | Overlapping Rates | | | Total Direct & Overlapping Rates |
|-------------|--------------------------------------|---------------------------------------|--|----------------------------------|
| | City of Mobile Total City Millage | Mobile County Total County Millage | Mobile County School District Total School Millage | |
| 2023 | 7 | 16 | 29.5 | 52.5 |
| 2022 | 7 | 16 | 29.5 | 52.5 |
| 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 |

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 | 2023 | | | 2014 | | |
|--|------------------------|------|---|------------------------|------|--|
| | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |
| Alabama Power Company | \$ 88,407,960 | 1 | 2.07% | \$ 64,307,040 | 1 | 2.61% |
| Vertex Refining Alabama LLC | 57,963,240 | 2 | 1.36% | | | |
| Shell Chemical Company | | | | 10,132,300 | 10 | 0.41% |
| Kimberly-Clark Corporation | 36,605,340 | 4 | 0.86% | 42,457,140 | 5 | 1.73% |
| Austal USA LLC | 41,285,140 | 3 | 0.97% | | | |
| UOP LLC | 25,244,460 | 5 | 0.59% | 38,476,180 | 3 | 1.56% |
| Spire Gulf Inc (form. Mobile Gas) | 22,645,000 | 6 | 0.53% | | | |
| RPI Bel Air Mall LLC | 13,886,260 | 7 | 0.33% | 29,610,300 | 4 | 1.20% |
| Cooper Marine & Timberlands Corp | 13,208,600 | 8 | 0.31% | | | |
| Continental Aerospace Technologies Inc | 10,874,180 | 9 | 0.25% | | | |
| Meridian Mobile Owner LLC | 9,781,360 | 10 | 0.23% | | | |
| Campus Crest at Mobile LLC | | | | 35,828,480 | 2 | 1.46% |
| Bell South Telecomm Inc DBA AT&T | | | | 18,584,700 | 6 | 0.76% |
| Mobile Gas Service Corporation | | | | 16,874,440 | 7 | 0.69% |
| KS Frontier Seillean | | | | 13,470,060 | 8 | 0.55% |
| Plains Pipeline | | | | 10,448,500 | 9 | 0.42% |
| Totals | <u>\$ 319,901,540</u> | | <u>7.50%</u> | <u>\$ 280,189,140</u> | | <u>11.39%</u> |

Source: Mobile County Revenue Commissioner

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

| <u>Fiscal Year Ended September 30</u> | <u>Tax Year Abstract</u> | <u>Total Tax Levy for Fiscal Year</u> | <u>Amount Collected within the Fiscal Year of the Levy</u> | <u>Percentage of Levy</u> | <u>Collection in Subsequent Years</u> | <u>Total Amount Collected to Date</u> | <u>Percentage of Levy</u> |
|---|------------------------------|---|--|-------------------------------|---|---|-------------------------------|
| 2023 | 2022 | \$ 18,386,075 | \$ 15,624,526 | 84.98 | 1,083 | \$ 15,625,609 | 84.99 |
| 2022 | 2021 | 18,371,388 | 16,482,249 | 89.72 | 22,397 | 16,504,646 | 89.84 |
| 2021 | 2020 | 17,818,772 | 16,430,943 | 92.21 | 155,855 | 16,586,798 | 93.09 |
| 2020 | 2019 | 15,978,465 | 14,803,387 | 92.65 | 55,845 | 14,859,232 | 93.00 |
| 2019 | 2018 | 15,507,788 | 14,461,659 | 93.25 | 46,102 | 14,507,761 | 93.55 |
| 2018 | 2017 | 14,897,506 | 13,787,899 | 92.55 | 122,443 | 13,910,342 | 93.37 |
| 2017 | 2016 | 14,964,480 | 10,218,795 | 68.29 | 2,677,700 | 12,896,495 | 86.18 |
| 2016 | 2015 | 13,956,359 | 12,438,912 | 89.13 | 1,501,950 | 13,940,862 | 99.89 |
| 2015 | 2014 | 13,686,098 | 11,036,067 | 80.64 | 2,060,535 | 13,096,602 | 95.69 |
| 2014 | 2013 | 12,891,691 | 8,770,478 | 68.03 | 2,745,152 | 11,515,630 | 89.33 |

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 | Leases | Subscriptions | Capital Leases | | | |
| 2023 | 143,907,089 | - | 390,000 | 16,034,638 | 4,728,655 | - | 165,060,382 | * | 399 |
| 2022 | 163,251,886 | - | 975,000 | 17,564,932 | | - | 181,791,818 | * | 439 |
| 2021 | 181,269,684 | - | 1,660,000 | - | - | - | 182,929,684 | 0.95% | 442 |
| 2020 | 198,495,482 | - | 2,325,000 | - | - | - | 200,820,482 | 1.21% | 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 | 492,519 | - | 259,345,584 | 1.77% | 625 |
| 2015 | 270,283,046 | 5,925,000 | 2,950,000 | 1,473,283 | 1,473,283 | - | 282,104,612 | 1.88% | 679 |
| 2014 | 272,617,145 | 6,505,000 | 3,380,000 | 2,424,244 | 2,424,244 | - | 287,350,633 | 2.11% | 692 |

* 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 |
|-------------|--------------------------|--|----------------|---|-------------------------|
| 2023 | \$ 143,907,089 | \$ 546,719 | \$ 143,360,370 | 0.60% | 349 |
| 2022 | 163,251,886 | 502,186 | 162,749,700 | 0.72% | 393 |
| 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 |

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

CITY OF MOBILE, ALABAMA
Direct and Overlapping Government Debt
as of September 30, 2023

| Governmental Unit | Debt Outstanding | Estimated Percentage Applicable ¹ | Estimated Share of Overlapping Debt |
|---|------------------|--|--|
| Debt Repaid with Property taxes: County | \$ 526,953,045 | 53% | \$ 279,285,114 |
| Subtotal, overlapping debt | | | <u>279,285,114</u> |
| City of Mobile direct debt | 165,060,382 | 100% | <u>165,060,382</u> |
| Total direct and overlapping debt | | | <u><u>\$ 444,345,496</u></u> |

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

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

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

CITY OF MOBILE, ALABAMA

Legal Debt Margin Information

Last 10 Fiscal Years

| | Fiscal Year | | | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2023 | 2022 | 2021 | 2020 |
| Debt Limit | \$ 869,688,236 | \$ 813,686,324 | \$ 813,686,324 | \$ 730,726,124 |
| Less: Total net debt applicable to limit | 103,451,221 | 122,399,814 | 139,573,334 | 156,548,693 |
| Legal debt margin | <u>\$ 766,237,015</u> | <u>\$ 691,286,510</u> | <u>\$ 674,112,990</u> | <u>\$ 574,177,431</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 11.9% | 15.0% | 17.2% | 21.4% |

Legal Debt Margin Calculation for Fiscal Year 2023:

| | | |
|---|-----------------------|-----------------------|
| Assessed value of real property, September 30, 2023 | \$ 3,380,978,800 | \$ 3,203,545,660 |
| Assessed value of personal property, September 30, 2023 | 967,462,380 | 864,885,960 |
| Total assessed value | <u>4,348,441,180</u> | <u>4,068,431,620</u> |
| Debt Limit (20% of total assessed value) | 869,688,236 | 813,686,324 |
| Less: Total net debt applicable to limit | 103,451,221 | 122,399,814 |
| Legal debt margin | <u>\$ 766,237,015</u> | <u>\$ 691,286,510</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 | | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
| \$ 583,867,572 | \$ 578,399,732 | \$ 555,401,200 | \$ 563,287,216 | \$ 512,931,580 | \$ 504,987,932 |
| 156,612,878 | 188,977,819 | 201,023,028 | 217,182,815 | 222,506,693 | 235,615,896 |
| <u>\$ 427,254,694</u> | <u>\$ 389,421,913</u> | <u>\$ 354,378,172</u> | <u>\$ 346,104,401</u> | <u>\$ 290,424,887</u> | <u>\$ 269,372,036</u> |
| 26.8% | 32.7% | 36.2% | 38.6% | 43.4% | 46.7% |

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 |
|-------------|------------|-------------------------------|----------------------------|------------|--|--------------------------|-------------------|
| 2023 | 411,291 | * | * | 38.3 | High School Graduate | 57,910 | 2.7% |
| 2022 | 413,977 | * | * | 38.1 | High School Graduate | 57,448 | 3.0% |
| 2021 | 414,114 | 19,174 | 46,418 | 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% |

* 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 is the largest City in the county

CITY OF MOBILE, ALABAMA
Principal Employers
Current Year and Nine Years Ago

| Taxpayer | 2023 | | | 2014 | | |
|--|---------------|------|--------------------------------|---------------|------|--------------------------------|
| | Employees | Rank | Percentage of Total Employment | Employees | Rank | Percentage of Total Employment |
| Mobile County Public School System | 7,200 | 1 | 3.79% | 7,400 | 1 | 4.11% |
| Infirmiry Health Systems | 6,400 | 2 | 3.37% | 5,100 | 3 | 2.84% |
| University of South Alabama & USA Medical Facilities | 5,500 | 3 | 2.89% | 5,180 | 2 | 2.88% |
| Austal USA | 4,900 | 4 | 2.58% | 4,150 | 4 | 2.31% |
| City of Mobile | 2,200 | 5 | 1.16% | 2,280 | 5 | 1.27% |
| PCH Hotels & Resorts | 2,000 | 6 | 1.05% | | | |
| CPSI | 2,000 | 7 | 1.05% | | | |
| AM/NS Calvert | 1,600 | 8 | 0.84% | 1,650 | 7 | 0.92% |
| Altapointe | 1,450 | 9 | 0.76% | | | |
| Airbus | 1,400 | 10 | 0.74% | | | |
| County of Mobile | | | | 1,680 | 6 | 0.93% |
| Providence | | | | 1,540 | 8 | 0.86% |
| VT MAE Aerospace | | | | 1,280 | 9 | 0.71% |
| Springhill Medical Center | | | | 1,200 | 10 | 0.67% |
| Totals | <u>34,650</u> | | <u>18.22%</u> | <u>31,460</u> | | <u>17.50%</u> |

Source: Mobile Chamber of Commerce

Note: All statistical data presented above are for the County of Mobile as the City of Mobile is the largest City in the county

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 | | | | | | | | | |
|--|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018* | 2017 | 2016 | 2015 | 2014 |
| General government | 143 | 135 | 98 | 84 | 83 | 96 | 96 | 100 | 185 | 203 |
| Culture and recreation | 161 | 184 | 189 | 228 | 197 | 213 | 253 | 336 | 378 | 485 |
| Economic development | 9 | 11 | 12 | 11 | 10 | 8 | 27 | 14 | 12 | 13 |
| Engineering, development, and Build Mobile | 164 | 160 | 170 | 183 | 186 | 183 | 112 | 210 | - | - |
| Finance | 60 | 55 | 82 | 78 | 74 | 79 | 82 | 85 | 93 | 96 |
| Public safety | 1,021 | 1,036 | 1,123 | 1,094 | 1,097 | 1,093 | 1,206 | 1,242 | 1,333 | 1,399 |
| Public works | 346 | 312 | 328 | 328 | 323 | 325 | 520 | 423 | 540 | 541 |
| Cruise Terminal | 6 | 6 | 6 | 7 | 8 | 8 | 2 | 4 | - | - |
| Firemedics | 79 | 70 | 71 | 71 | 74 | 77 | 89 | 73 | 71 | 93 |
| Golf course | 16 | 18 | 19 | 17 | 17 | 18 | 13 | 19 | 20 | 26 |
| Motor Pool | 2 | 3 | 4 | 4 | 3 | 2 | 3 | 3 | 3 | 3 |
| Tennis center | 11 | 14 | 14 | 13 | 11 | 11 | 7 | 12 | 12 | 17 |
| Total | 2,018 | 2,004 | 2,116 | 2,118 | 2,083 | 2,113 | 2,410 | 2,521 | 2,647 | 2,876 |

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 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|-------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Streets and Highways | | | | | | | | | | |
| Paved | 1,350.4 | 1,274.0 | 1,272.6 | 1,287.5 | 1,272.1 | 1,272.2 | 1,271.7 | 1,268.1 | 1,267.7 | 1,267.7 |
| Unimproved | 13.7 | 15.1 | 15.3 | 15.3 | 15.4 | 15.5 | 15.5 | 18.9 | 18.9 | 18.9 |
| Traffic Signals | 307 | 312 | 312 | 312 | 312 | 310 | 310 | 316 | 317 | 316 |
| Street Lights | 6,542 | 6,500 | 6,500 | 6,500 | 6,500 | 5,835 | 5,528 | 5,200 | 5,200 | 5,200 |
| Public Safety | | | | | | | | | | |
| Police Precincts and Mini-Precincts | 6 | 6 | 5 | 5 | 5 | 5 | 5 | 6 | 6 | 7 |
| Fire Stations | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 21 |
| Culture and Recreation | | | | | | | | | | |
| Parks | 80 | 80 | 80 | 77 | 77 | 69 | 69 | 69 | 68 | 68** |
| Parks Acreage | 2,126 | 1,709 | 1,709 | 1,400 | 1,400 | 1,294 | 1,294 | 1,294 | 1,294 | 1,294 |
| Swimming Pools | 5 | 5 | 5 | 4 | 4 | 6 | 6 | 6 | 6 | 6 |
| Wading Pools | 0 | 6 | 6 | 6 | 6 | 9 | 9 | 9 | 9 | 9 |
| Spray Grounds | 7 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 4 | 3 |
| Tennis Courts | 95 | 95 | 95 | 95 | 95 | 93 | 93 | 93 | 93 | 93 |
| Community Centers | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 14 | 14 |
| Senior Centers | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Motor Pool | | | | | | | | | | |
| Sanitation Collection Trucks | 29 | 30 | 25 | 27 | 28 | 27 | 27 | 30 | 35 | 36 |

* Information not available

** Method for reporting has changed.

Source: Various City Departments

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

| Function | 2023 | 2022 | 2021 | 2020 |
|--|------------|-----------|-----------|---------|
| General Government | | | | |
| Information Technology | | | | |
| Buildings with computer equipment | 197 | 199 | 199 | 199 |
| Miles of fiber | 311 | 217 | 216 | 201 |
| Wireless sites | 2 | 7 | 8 | 10 |
| Computer user accounts | 2,085 | 1,985 | 2,338 | 2,366 |
| Email accounts | 3,644 | 2,781 | 2,773 | 2,668 |
| Voicemail accounts | 1,355 | 1,812 | 1,873 | 1,897 |
| Computers/printers supported | 3,156 | 3,086 | 3,396 | 3,527 |
| Servers supported | 123 | 105 | 130 | 123 |
| City phone extensions | 1,508 | 1,794 | 1,855 | 1,605 |
| Broadband Data Cards | 222 | 150 | 186 | 162 |
| Software Applications Supported | 397 | 516 | 510 | 446 |
| MIT Help Desk Cases | 6,962 | 6,703 | 6,332 | 6,553 |
| Cell Phones | 382 | 402 | 438 | 292 |
| Telecom Help Desk Requests | 751 | 524 | 838 | 697 |
| Mobile 311 | | | | |
| Calls | 176,901 | 99,151 | 101,780 | 99,616 |
| SROs created | 63,002 | 53,510 | 56,000 | 78,040 |
| Culture and Recreation | | | | |
| Mobile Public Library | | | | |
| Items circulated | 1,193,697 | 1,148,587 | 1,087,807 | 990,555 |
| Customer visits | 708,279 | 607,307 | 446,966 | 468,697 |
| Engineering, development & Build Mobile | | | | |
| Build Mobile | | | | |
| Service request orders | 7,003 | 6,977 | 11,593 | 6,113 |
| Municipal offense tickets | 1,086 | 1,022 | 941 | 1,051 |
| Inspections/investigations | ****23,461 | 80,135 | 60,018 | 86,820 |
| Plan reviews | 8,967 | 11,936 | 16,509 | 2,685 |
| Plan reviews - Right of Way | 2,342 | 3,526 | 2,235 | 3,261 |
| Complete nuisance abatement cases | 174 | 204 | 184 | 170 |
| Complete weed abatement cases | 430 | 454 | 380 | 488 |
| Removal of trees | 465 | 44 | 195 | 615 |
| Trimming removal | 982 | 839 | 1,767 | 3,176 |
| Stump removal | 43 | 13 | 24 | 39 |
| Mobile Historic Development Commission | | | | |
| Applications reviewed | 431 | 485 | 505 | 370 |
| Certificates issued | 341 | 465 | 483 | 302 |
| Applications heard by review board | 66 | 91 | 90 | 66 |
| Applications denied | 7 | 6 | 3 | 2 |

| 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|-----------|-----------|-----------|-----------|-----------|-----------|
| 202 | 197 | 194 | 194 | 190 | 185 |
| 192 | 188 | 185 | 185 | 850 | 825 |
| 11 | 29 | 29 | 29 | 25 | 22 |
| 2,306 | 3,108 | 3,436 | 3,436 | 3,250 | 3,222 |
| 1,796 | 1,819 | 1,932 | 1,932 | 2,400 | 2,369 |
| 1,649 | 1,479 | 1,482 | 1,482 | 1,466 | 1,461 |
| 3,237 | 3,388 | 3,375 | 3,375 | 3,098 | 3,098 |
| 133 | 107 | 95 | 95 | 99 | 99 |
| 1,688 | 2,791 | 2,802 | 2,802 | 2,724 | 2,756 |
| 192 | 171 | 70 | 70 | 72 | 63 |
| 435 | 430 | 430 | 430 | 426 | 426 |
| 7,702 | 6,294 | 9,552 | 9,552 | 9,195 | 10,126 |
| 376 | 388 | 485 | 485 | 393 | 372 |
| 373 | 675 | 1,284 | 1,284 | 1,759 | 1,473 |
| 91,338 | 99,064 | 97,485 | 96,805 | 96,450 | 110,776 |
| 52,133 | 55,396 | 54,594 | 57,886 | 54,313 | 56,559 |
| 1,553,075 | 1,554,685 | 1,603,430 | 1,659,247 | 1,670,662 | 1,702,092 |
| 1,089,704 | 1,108,338 | 1,251,244 | 1,375,573 | 1,410,099 | 1,447,113 |
| 9,494 | 11,721 | 13,677 | 18,808 | 13,534 | 18,806 |
| 1,023 | 1,192 | 1,215 | 1,369 | 1,516 | 1,634 |
| 83,367 | 82,890 | 60,003 | 51,374 | 62,057 | 65,763 |
| 2,765 | 2,797 | 2,833 | 2,729 | 5,196 | 7,453 |
| 3,431 | 2,100 | 2,451 | 2,444 | 2,489 | 2,587 |
| 214 | 173 | 118 | 84 | 125 | 77 |
| 596 | 500 | 840 | 622 | 340 | 320 |
| 183 | 400 | 456 | 524 | 369 | 395 |
| 1,939 | 1,500 | 1,526 | 4,114 | 4,560 | 4,307 |
| 53 | 60 | 60 | 204 | 181 | 102 |
| 441 | 375 | 372 | 382 | 400 | 412 |
| 373 | 368 | 316 | 349 | 393 | 410 |
| 68 | 46 | 52 | 27 | 58 | 64 |
| 2 | 7 | 2 | 3 | 7 | 2 |

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

| Function | 2023 | 2022 | 2021 | 2020 |
|----------------------------------|--------|--------|--------|--------|
| Public Safety | | | | |
| Mobile Police Department | | | | |
| Crime Incidents: | | | | |
| Murder (or Non-Neg Manslaughter) | 29 | 43 | 51 | 34 |
| Murder Domestic | * | * | 5 | 2 |
| Negligent Manslaughter | * | * | 1 | 2 |
| Forcible Rape | 118 | 140 | 165 | 150 |
| Carjacking | 11 | 22 | 25 | 22 |
| Robbery | 130 | 149 | 196 | 139 |
| Aggravated Assault | 1,478 | 1,498 | 1,404 | 1,226 |
| Burglary | 913 | 2,069 | 1,304 | 1,650 |
| Larceny | 4,913 | 5,993 | 5,696 | 6,643 |
| Vehicle Theft | 564 | 896 | 1,017 | 914 |
| Arson | 7 | 6 | 13 | 7 |
| Simple Assault | 6,696 | 7,095 | 7,790 | 7,351 |
| Sex Offenses | 112 | 89 | 102 | 102 |
| Narcotic Laws | 1,372 | 1,697 | 1,475 | 1,665 |
| Weapons Offence | 559 | 913 | 705 | 630 |
| Forgery-Counterfeiting | 155 | 250 | 147 | 173 |
| D.U.I. | 192 | 264 | 309 | 304 |
| All Other Offenses | 24,072 | 24,480 | 26,629 | 26,726 |
| Total Tickets | | | | |
| Following too close | 15 | 6 | 13 | 36 |
| Run red light | 252 | 342 | 673 | 893 |
| Run stop sign | 571 | 232 | 537 | 531 |
| Speeding | 2,248 | 1,308 | 3,406 | 3,515 |
| Speeding in school zone | 332 | 84 | 11 | 8 |
| Mobile Fire Rescue Department | | | | |
| Total calls answered | 38,996 | 50,893 | 48,926 | 42,187 |
| Inspections | 6,345 | 5,679 | 3,817 | 2,556 |
| Plans reviewed | 1,123 | 1,328 | 1,376 | 1,317 |
| Permits issued | 813 | 771 | 784 | 1,006 |
| Mobile Municipal Court | | | | |
| Domestic violence cases | 1,390 | 1,422 | 1,511 | 1,274 |
| Environmental cases | 1,294 | 1,598 | 1,286 | 370 |
| Traffic cases | 16,768 | 10,634 | 18,937 | 19,631 |
| Criminal cases | 4,439 | 4,942 | 4,924 | 4,771 |
| Finance | | | | |
| Human Resources | | | | |
| Medical claims | 188 | 139 | 137 | 212 |
| Indemnity claims | 30 | 39 | 22 | 26 |

| 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|--------|--------|--------|--------|--------|--------|
| 32 | 29 | 45 | 44 | 23 | 26 |
| 4 | 7 | 6 | * | 1 | 4 |
| 1 | 1 | - | * | - | 2 |
| 161 | 155 | 119 | 78 | 136 | 146** |
| 22 | 36 | 33 | * | 10 | 12 |
| 280 | 352 | 439 | 459 | 427 | 431 |
| 1,175 | 1,283 | 1,335 | 1,165 | 1,225 | 1,136 |
| 2,228 | 2,820 | 3,142 | 2,621 | 2,275 | 2,878 |
| 8,002 | 9,058 | 9,583 | 8,834 | 8,367 | 8,824 |
| 914 | 1,345 | 1,380 | 850 | 623 | 727 |
| 16 | 35 | 71 | * | 47 | 56 |
| 2,826 | 3,113 | 3,163 | * | 2,067 | 2,134 |
| 94 | 104 | 103 | * | 131 | 120 |
| 1,590 | 1,120 | 1,024 | * | 1,429 | 2,148 |
| 504 | 506 | 434 | * | 230 | 274 |
| 276 | 323 | 260 | * | 315 | 226 |
| 349 | 291 | 298 | * | 422 | 448 |
| 24,942 | 29,762 | 30,160 | * | 26,888 | 26,606 |
| 43 | 43 | 41 | 65 | 51 | 79 |
| 930 | 651 | 763 | 820 | 904 | 1,654 |
| 781 | 315 | 537 | 473 | 802 | 1,156 |
| 3,806 | 5,170 | 5,816 | 7,320 | 8,589 | 12,551 |
| 44 | 102 | 14 | 24 | 319 | 557 |
| 35,389 | 38,149 | 37,658 | 38,832 | 35,619 | 33,486 |
| 2,915 | 1,481 | 795 | 812 | 1,064 | 1,339 |
| 1,586 | 943 | 428 | 771 | 317 | 698 |
| 984 | 857 | 517 | 846 | 414 | 415 |
| 1,395 | 1,279 | 1,232 | 1,130 | 1,305 | 2,704 |
| 1,437 | 1,167 | 1,472 | 1,765 | 2,246 | 4,092 |
| 24,804 | 21,020 | 24,874 | 29,365 | 33,644 | 67,096 |
| 5,972 | 4,882 | 5,318 | 5,495 | 5,632 | 12,714 |
| 176 | 194 | 205 | 207 | 234 | 221 |
| 31 | 28 | 25 | 31 | 35 | 31 |

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

| Function | 2023 | 2022 | 2021 | 2020 |
|--|-----------|---------|---------|---------|
| Public works | | | | |
| Flood control | | | | |
| Debris removed (cubic yards) | 16,975 | 9,001 | 36,347 | 24,611 |
| Work on ditches (miles) | 51 | 18 | 6 | 35 |
| Administration | | | | |
| Disciplinary actions processed | 660 | 421 | 355 | 110 |
| Claims/reports processed | 105 | 64 | 58 | 69 |
| Concrete and sidewalk repair | | | | |
| Concrete poured | 40 | 144 | 370 | 185 |
| Repairs | 285 | 63 | 58 | 540 |
| Replacements | | - | - | - |
| Right-of-way maintenance | | | | |
| Material hauled (cubic yards) | 3,525 | 4,011 | 702 | 710 |
| Material used (cubic yards) | 3,525 | 4,011 | 400 | 350 |
| Repairs | | 212 | 223 | 175 |
| Asphalt street repair | | | | |
| Asphalt used (tons) | 341 | 484 | 518 | 551 |
| Repairs | 5,058 | 9,698 | 9,065 | 10,517 |
| Street Sweeping | | | | |
| Miles sweeper swept | 27,519 | 21,121 | 11,838 | 16,458 |
| Debris removed (cubic yards) | 14,995 | 11,092 | 13,681 | 14,672 |
| Water used (gallons) | 251,411 | 297,775 | 329,750 | 359,136 |
| Dredge | | | | |
| Material dredged/removed (cubic yards) | | * | * | * |
| Storm drain and heavy equipment | | | | |
| Drains cleaned | 13,356 | 9,555 | 8,800 | 6,040 |
| Material hauled (cubic yards) | ***11,850 | 19,365 | 36,347 | 12,193 |
| Solid waste | | | | |
| Waste removal (tons) | 55,889 | 59,460 | 62,185 | 59,224 |
| Other waste removal (tons) | | - | - | - |
| Special events (tons) | 313 | 185 | - | 387 |
| Carcass removal | 1,251 | 1,082 | 2,383 | 1,139 |
| Trash division | | | | |
| Trash picked up | 170,452 | 175,984 | 307,034 | 213,990 |
| Pay pile loads | 685 | 664 | 560 | 880 |
| Environmental Response Crew | | | | |
| Collections (gallons) | 1,937 | 1,196 | 1,008 | 1,706 |
| Other Collections (yards) | | - | - | - |
| Cleaned (feet) | | - | - | - |

* Data not available

** Method for reporting has changed.

Source: Various City Departments

***June & July data missing due to the transition from Collection to Nexgen.

****Information for 2023 gathered differently than past years

| 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---------|---------|---------|---------|---------|---------|
| 12,830 | 2,838 | 1,076 | 9,620 | 10,153 | 6,582 |
| 31 | 25 | 16 | 19 | 16 | 13 |
| 72 | 51 | 88 | 209 | 208 | 171 |
| 51 | 74 | 153 | 171 | 153 | 122 |
| 300 | 278 | 1,003 | 1,330 | 1,341 | 1,743 |
| 500 | 546 | 253 | 480 | 378 | 595 |
| - | - | 2 | 1 | 2 | 3 |
| 26,094 | 25,163 | 20,474 | 19,952 | 16,765 | 27,609 |
| 13,088 | 6,143 | 8,105 | 5,503 | 4,304 | 14,265 |
| 239 | 281 | 200 | 179 | 54 | 156 |
| 633 | 500 | 540 | 860 | 727 | 1,112 |
| 10,163 | 8,388 | 10,018 | 13,325 | 14,382 | 18,096 |
| 21,177 | 12,043 | 11,634 | 10,372 | 11,324 | 19,252 |
| 16,486 | 10,599 | 12,091 | 13,715 | 14,460 | 17,944 |
| 513,070 | 140,250 | 208,749 | 208,620 | 144,123 | 211,500 |
| * | * | 15,000 | 32,456 | 17,272 | 23,147 |
| 4,409 | 3,047 | 2,553 | 3,885 | 1,686 | 3,884 |
| 2,870 | 1,920 | 1,520 | 615 | 1,275 | 2,730 |
| 41,573 | 47,756 | 54,536 | 57,976 | 55,413 | 53,125 |
| 14 | 108 | 141 | 436 | 414 | 318 |
| 528 | 217 | 314 | 400 | 350 | 345 |
| 1,217 | 937 | 1,126 | 1,158 | 1,200 | 3,650 |
| 188,486 | 190,315 | 200,816 | 199,331 | 192,281 | 164,200 |
| 937 | 604 | 1,034 | 1,104 | 778 | 680 |
| 901 | 951 | 1,709 | 1,447 | 1,772 | 1,499 |
| - | - | - | - | - | - |
| 8,415 | 7,010 | 5,190 | 5,251 | 6,478 | 25,928 |