



# City of Foley, Alabama

## Annual Comprehensive Financial Report

For the year ended,  
September 30, 2023

Photo: Foley Kids Park





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**THE CITY OF FOLEY, ALABAMA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**For The Fiscal Year Ended**  
**September 30, 2023**

**Prepared By: Financial Services Division**

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**City of Foley, Alabama**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**Year Ended September 30, 2023**

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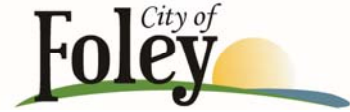
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# INTRODUCTORY SECTION

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## **LETTER OF TRANSMITTAL**

February 12, 2024

The Honorable Ralph G. Hellmich, Mayor  
Members of the City Council  
Citizens of the City of Foley, Alabama

The Annual Comprehensive Financial Report of the City of Foley, Alabama (the City), for the fiscal year ended September 30, 2023, is hereby submitted. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with management. A comprehensive framework of internal control has been established and is updated and maintained in a manner that offers assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City, on a government-wide and fund basis. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

As required by State law, an annual audit of the City's financial statements is conducted in accordance with established standards. Warren Averett, LLC, Certified Public Accountants, have issued an unmodified ("clean") opinion on the City's financial statements for the year ended September 30, 2023. The independent auditors' report is located at the beginning of the financial section of this report.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis (MD&A). This letter is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the Independent Auditors' Report. The statistical section located near the end of this report provides historical financial and demographic information.

### **Profile of the City**

The City of Foley, Alabama, was founded in 1901 and incorporated in 1915 under the Constitution and laws of the State of Alabama. Foley is located in Baldwin County in the southernmost part of the state, just 8 miles north of the Gulf of Mexico. It currently services an estimated population of 25,971 and occupies approximately 34 square miles. The City operates under a strong council-weak mayor form of government. The five-member council is presided over by a president who is chosen by the council members and also is a voting member of the council. All ordinances and resolutions are subject to the veto power of the mayor although the mayor's veto can be overridden by a two-thirds vote of the council.

The City provides a full range of services including general administration, police and fire protection, building inspections, licenses and permits, emergency preparedness and response, refuse collection, construction and maintenance of highways, streets and related infrastructure, recreational and leisure activities and cultural enrichment. The City evaluated various other entities within the vicinity of the City which could possibly be subject to inclusion within its financial statements under criteria established to

define the reporting entity and its component units. In the Financial Section, Notes to the Financial Statements, Note A.1. discusses these entities and why they are either included or excluded from the City's financial reporting.

## **Budgetary Control**

The annual budget serves as the City's guide to financial planning and control. Departmental Directors submit their budget requests to Finance and a draft budget for each fund is prepared for review by the Mayor and City Administrator. On or before September first of each year, the Mayor submits proposed budgets to the City Council for consideration and the budgets are legally adopted by resolution prior to October first. Budgetary control is maintained at the departmental level and budgeted dollars may not be exceeded without Council approval in the following categories; personnel, capital equipment, and the sum of all remaining operational expenditures. Departmental Directors present capital purchase and new personnel requests to the Mayor and/or City Council prior to beginning the requisition or hiring process. Requests are approved, denied or deferred based on current economic conditions. With the exception of capital project appropriations that generally span multiple years, budgets for all funds lapse at the end of each fiscal year.

Multi-year planning documents for capital projects are presented for informational purposes with the annual budget; however, only the remaining budgets for projects approved and in progress are carried forward to the new fiscal year. To provide control over changing financial conditions, new capital projects may not commence until the City Council, by formal action, approves the project and appropriates funding.

## **Local Economy**

Because of Foley's close proximity to Alabama's beautiful white sandy beaches, tourism plays an important role in the City's economy. According to the director of the Alabama Tourism Department, Alabama saw record numbers of tourist to Alabama beaches, campgrounds, state parks and hotels in 2022 and saw a 13.8% increase over the previous year. The department's calendar year 2022 Economic Impact Report showed that Baldwin County's estimated 8.3 million visitors, an increase of \$300 thousand from the previous year, represented 29.1 percent of all visitors to the State. Travelers spent approximately \$7.8 billion in Baldwin County, an increase of \$300 thousand from 2021, while total travel-related earnings (both direct and indirect) increased \$300 thousand to \$2.7 billion and represented 36.5 percent of the statewide total. The County's total (direct and indirect) travel-related employment of 65,523 represented 27.45 percent of all Alabama travel-related employment.

Other major employment opportunities include health care, manufacturing, hospitality and entertainment. South Baldwin Regional Medical Center (SBRMC) is a 112-bed facility that offers inpatient, outpatient, emergency, diagnostic and surgical care. The Alabama State Health Planning and Development Agency approved a certificate of need that allowed SBRMC to move ahead with a \$186 million dollar project to expand and modernize the hospital and construction is underway. There are numerous physician and medical related service and equipment provider offices located near SBRMC's facility in north Foley. Collins Aerospace is one of the world's leading providers of aerospace systems and services for large commercial aircraft. Other major manufacturing plants include Ascend Performance Materials, the world's largest fully integrated producer of nylon 6,6 resin, and Vulcan, Inc. with a 32-acre campus consisting of five integrated manufacturing facilities. OWA, the City's main tourist attraction and a major employer, opened the first phase of its 100,000 square-foot indoor water park this summer that included six thrill slides, a lazy river, and indoor dining location, and other amenities. Phase two features a 30,000 square-foot outdoor wave pool, surf simulator, and additional dining and beverage locations. Employers such as these account for the City's 2.2 percent unemployment rate which is lower than the nation's 3.6 percent average.

The general fund accounts for the day-to-day activity of the government and includes all activity not assigned to special purpose funds. The City has a permanent sales tax rate of three percent. The lodging tax rate is seven percent and is primarily influenced by tourism. The highest expenditures for services occurred in public safety as city leaders strive to provide its citizens with a safe living environment. The second highest expenditures occurred in general government which provides support services to other departments and proprietary funds of the city.

The economic impact caused by tropical weather that occurs along the Alabama Gulf Coast can temporarily alter the City's economy. While major events such as Hurricane Ivan in 2004 and Hurricane Sally in 2020 cause significant damage to the area, the City's distance from the coast offers protection from devastating storm surge. As evidenced by Hurricane Sally, a significant amount of revenue lost from tourism is recovered from sales tax on materials to rebuild and from lodging tax on hotel rooms filled by recovery personnel in lieu of tourists. In preparation of storm events, the City has an emergency plan in place that includes contracts for disaster debris management and debris removal.

S&P Global Ratings maintained its AA- long-term rating on other GO debt outstanding, its A+ long-term rating on the series 2013 lease purchase certificates of participation, and its A+ long-term rating and underlying rating (SPUR) on the Public Facilities Cooperative District's series 2009 and 2016 revenue bonds that are supported by the City. Moody's Investors Services maintained its Aa3 rating on the GO debt stating that the City's healthy credit position matched the nationwide median of other Aa3 cities.

### **Long-term financial planning and major initiatives**

Management prepares and maintains various long term capital expenditure planning documents with the most recent report beginning on page 99 of the fiscal year 2024 annual budget which is published on the City's website ([www.cityoffoley.org](http://www.cityoffoley.org)) under the Financial Services Division. A schedule of construction work in-progress that shows projects completed and projects under construction at the end of the current fiscal year can be found just before the Statistical Section of this report.

The cost of funding these plans is incorporated into a ten-year cash flow analysis to determine the amount of unrestricted fund balance above the established minimum goal that is available for funding future capital expenditures and to identify possible future financing needs. Fund balance and the minimum unrestricted fund balance goal of the General Fund are continually reviewed to ensure the provision of stable service delivery, meet future needs, and endure periods of economic stress. Refer to the Financial Section, Notes to the Financial Statements, Note A.11. for additional information on fund balance.

### **Major Initiatives**

Effective October 1, 2021, the City implemented its first increase to commercial sanitation collection fees in thirty years. In conjunction with the fee increase, the City terminated its contract for commercial sanitation collection and began self-collecting on June 1st in an attempt to address long standing service complaints from business owners. Reports from staff deem this effort a success. To account for operation of this Business-Type Activity, a Sanitation Fund is included to present information for both commercial and residential sanitation operations. The removal of sanitation operations from the General Fund resulted in Permit Fees becoming a Major Revenue source.

Below is list of major projects with activity this year:

- Completion of nearly \$1.2 million in city wide drainage and infrastructure improvements.
- Gulf of Mexico Energy Security Act (GOMESA) funding aided in the construction of a hydroponics production facility for education and an addition staff building at Graham Creek Nature Preserve for an approximate total of \$587,000.



- Demolition and reconstruction of 24 T-hangar units destroyed by Hurricane Sally is complete, with a total cost of \$2.7 million.
- At year end, the South Juniper Street extension that is designed to ultimately align with County Road 20 South and connect to Highway 59 is under construction and nearing completion.

### **Relevant financial policies**

The City of Foley strives to maintain an up-to-date set of comprehensive financial policies. New Governmental Accounting Standards Board (GASB) pronouncements are closely analyzed to determine any impact to the City's financial reporting requirements and proactive steps are taken to ensure implementation guidelines are followed and deadlines are met. Refer to Note A.13. in the Financial Section for a summary of pending pronouncements and their effective dates.

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits and that the valuation of the costs and benefits requires estimates and judgments by management. We believe the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. Management will continue to implement policies and procedures that improve and strengthen internal controls as needed.

### **Awards and acknowledgments**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Foley, Alabama, for its annual comprehensive financial report for the fiscal year ended September 30, 2022. This was the tenth consecutive year that the government achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy 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. The City also received the Distinguished Budget Award for fiscal year 2023 and the Award for Outstanding Achievement in Popular Annual Financial Reporting for fiscal year 2023 which, is the fourth fiscal year in which the City received all three awards, also known as GFOA's Triple Crown.

The preparation of this report would not have been possible without the expertise and commitment of the staff of the Financial Services Division, as well as all City Departments who practice fiscal responsibility and collect and maintain financial and historical statistical information throughout the year. We would like to express our appreciation to all City staff that assisted and contributed to the preparation of this report. As public servants, we are fortunate to be led by a supportive and innovative Mayor and City Council who strive to maintain the highest standards of accountability and transparency through financial reporting.

Respectfully submitted,

Michael Thompson



City Administrator

Miranda Bell



Finance Director/Treasurer

The City of Foley, Alabama  
ELECTED AND APPOINTED OFFICIALS  
Year Ended September 30, 2023

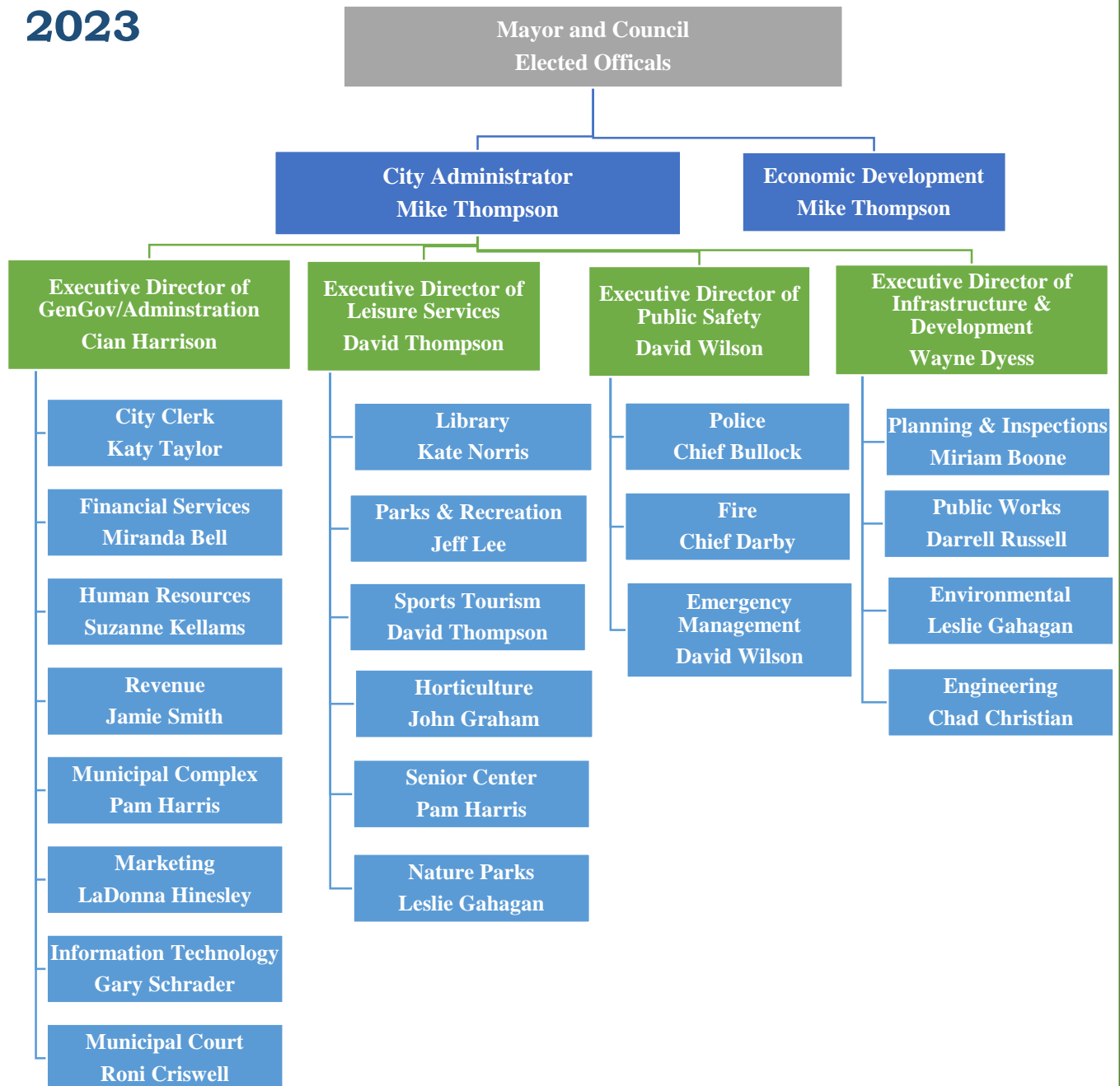
ELECTED OFFICIALS

Mayor	Ralph G. Hellmich
Council Member – District 1/Council President	J. Wayne Trawick
Council Member – District 2	Vera Quaite
Council Member – District 3	Richard Dayton
Council Member – District 4	Cecil R. (Rick) Blackwell
Council Member – District 5/Council President Pro Tempore	Charles J. Ebert, III

APPOINTED OFFICIALS

City Administrator	Michael Thompson
Executive Director of General Government/Administration	Cian Harrison
Executive Director of Public Safety	David Wilson
Executive Director of Infrastructure & Development	Wayne Dyess
Executive Director of Leisure Services	David Thompson
City Clerk	Kathryn Taylor
Human Resources Director	Suzanne Kellams
Finance Director/Treasurer	Miranda Bell
Fire Chief	Joseph Darby
Police Chief	Thurston Bullock
Planner	Miriam Boutwell
Engineer	Chad Christian
Municipal Judge	Michael Dasinger
Assistant Municipal Judge	Frank Hollon
City Prosecutor	Warren Harbison

# City of Foley Organization Chart 2023





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Foley  
Alabama**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2022

*Christopher P. Morill*

Executive Director/CEO

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## FINANCIAL SECTION

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## INDEPENDENT AUDITORS' REPORT

Honorable Mayor and  
Members of the City Council  
City of Foley, Alabama

### Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Foley, Alabama (the "City"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City, 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.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relation to our audit. We believe 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 these 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's ability to continue as a going concern for twelve months beyond the financial statement date, including any known information that may raise substantial doubt shortly thereafter.

### **Auditors' 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 auditors' 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 generally accepted auditing standards and *Government Auditing Standards* 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 generally accepted auditing standards and *Government Auditing Standards*, 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'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'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, budgetary comparison schedules, and schedules related to pension and other post-employment healthcare benefits, 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining financial statements, individual fund budgetary comparison schedules, schedule of construction in progress, and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates 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. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' 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 have also issued our report dated February 12, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Warren Averett, LLC*

Foley, Alabama  
February 12, 2024



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## **MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**

As management of the City of Foley, Alabama (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the letter of transmittal.

### **Financial Highlights**

- The City's assets and deferred outflows exceeded its liabilities and deferred inflows (net position) by \$206,777,249, an increase of \$26,853,806 from the prior year. A detailed explanation of the City's net position can be found in Table 1 of the Management's Discussion and Analysis (MD&A).
- The Statement of Activities shows the Primary Government received taxes and other revenue of \$83,450,719 and had expenses of \$56,596,913.
- The Statement of Revenues, Expenditures and Changes in Fund Balance shows the General fund operating revenues exceeded operating expenditures by \$22,811,077.
- As shown in Table 3, the City's governmental funds reported a combined ending fund balance of \$94,501,079, an increase in fund balance of \$33,717,007 from the prior year.
- Table 3 also shows the General Fund closed with a fund balance of \$69,618,657 reflecting an increase of \$15,077,325 for the year.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements.

**Government-wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to that of a private-sector business, and typically consolidate governmental and business-type activities into two columns which, added together, provide the total for the primary government entity.

The statement of net position presents information on all of the City's assets and deferred outflows and liabilities and deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities such as police, fire, sanitation, recreation and general administration) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, highways and streets, economic development, and culture and recreation and the business-type activity is a farmers' and fishermen's market and the new residential and commercial sanitation fund. The government-wide financial statements can be found immediately following this discussion and analysis.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Governmental fund information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, the Capital Projects Fund, and the USDA Relending Program Fund which are considered to be major funds. All other governmental type funds are considered "nonmajor" and are combined into a single, aggregated presentation column on the basic financial statement. Individual fund data for each of these non-major governmental funds can be found in the form of combining and individual fund statements and schedules elsewhere in this report.

**Proprietary Funds.** Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City of Foley maintains a type of proprietary fund known as an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for the Sanitation Fund which is an enterprise fund that accounts for all revenue and expenses related to providing both residential and commercial sanitation services. Blended component units are legally separate entities and are discussed further in Note A.1. The Reporting Entity.

**Notes to the Financial Statements.** The notes to the financial statements are an integral part of the financial statements. They provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Required Supplementary Information.** In addition to the basic financial statements and accompanying notes, this report also presents a budgetary comparison schedule for the General Fund as required supplementary information. This comparison presents the originally approved budget, final budget and actual, giving the reader a quick view of revisions and amendments versus actual activity. The budgetary highlights are discussed in more detail later in the MD&A as well as in the Transmittal Letter.

**Other Supplementary Information.** The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

## **Government-wide Overall Financial Analysis**

As noted earlier, over time net position may serve as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$206,777,249 at the close of the fiscal year.

TABLE 1  
SUMMARY OF STATEMENT OF NET POSITION  
As of September 30

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 98,503,808	\$ 65,250,219	\$ 545,628	\$ 749,935	\$ 99,049,436	\$ 66,000,154
Capital assets, net	193,209,279	182,924,597	2,477,583	2,303,336	195,686,862	185,227,933
Total assets	291,713,087	248,174,816	3,023,211	3,053,271	294,736,298	251,228,087
Deferred outflows of resources	13,370,347	10,344,356	416,500	213,720	13,786,847	10,558,076
Total assets and deferred outflows of resources	305,083,434	258,519,172	3,439,711	3,266,991	308,523,145	261,786,163
Current and other liabilities	3,065,534	3,477,168	760,023	1,478,494	3,825,557	4,955,662
Long-term debt	95,161,526	71,266,673	764,256	326,126	95,925,782	71,592,799
Total liabilities	98,227,060	74,743,841	1,524,279	1,804,620	99,751,339	76,548,461
Deferred inflow of resources	1,992,667	5,201,449	1,890	112,810	1,994,557	5,314,259
Total liabilities and deferred inflows of resources	100,219,727	79,945,290	1,526,169	1,917,430	101,745,896	81,862,720
Net position:						
Net investment in capital assets	108,125,489	130,444,657	2,477,580	2,303,336	110,603,069	132,747,993
Restricted	23,756,596	5,072,527	-	-	23,756,596	5,072,527
Unrestricted	72,981,622	43,056,698	(564,038)	(953,775)	72,417,584	42,102,923
Total net position	\$ 204,863,707	\$ 178,573,882	\$ 1,913,542	\$ 1,349,561	\$ 206,777,249	\$ 179,923,443

Prior year balances are not restated for the inclusion of GASB 96 subscription liabilities.

By far the largest component of the City's net position is its investment in capital assets (e.g., land, buildings, machinery and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate the liabilities.

A portion of the City's net position is comprised of resources that are subject to external restrictions on how they may be used. The remaining unrestricted balance may be used to meet the government's ongoing obligations to citizens and creditors. The City's overall net position increased \$26,853,806 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

TABLE 2  
CHANGES IN NET POSITION  
For the years ended September 30

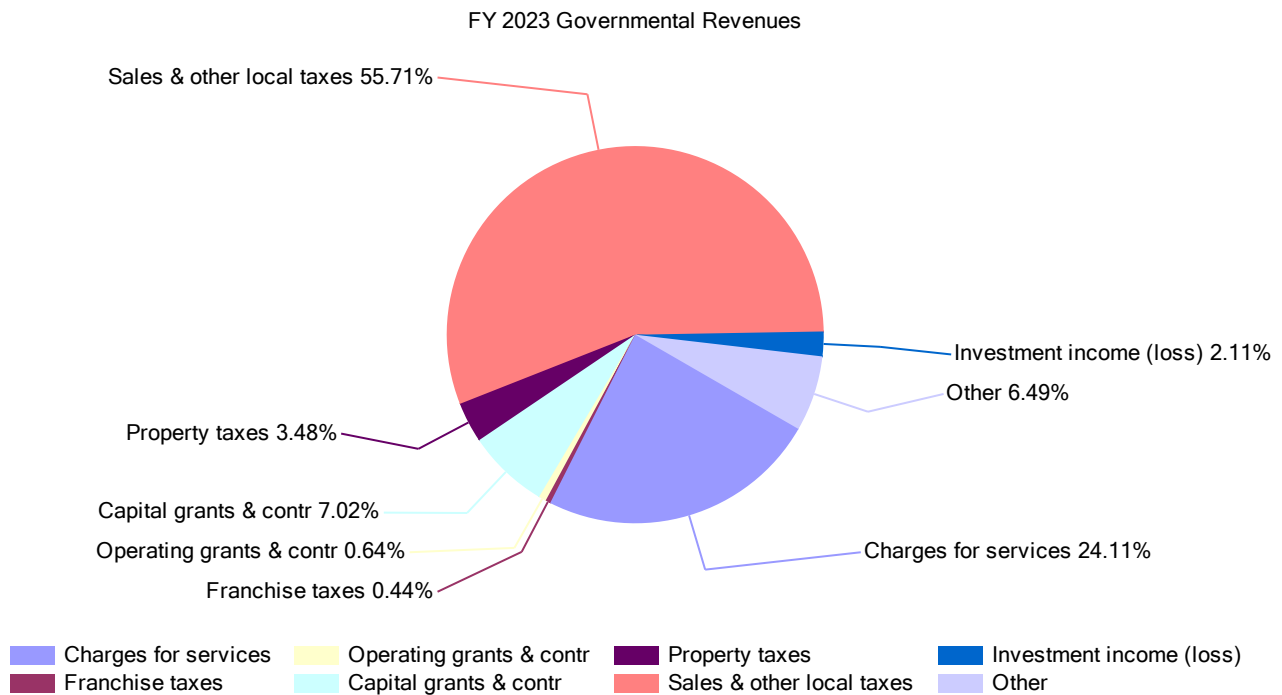
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Program revenues						
Charges for service	\$ 19,172,846	\$ 17,584,855	\$ 3,940,256	\$ 3,946,302	\$ 23,113,102	\$ 21,531,157
Operating grants and contributions	508,456	2,256,020	-	-	508,456	2,256,020
Capital grants and contributions	5,583,636	10,131,575	-	-	5,583,636	10,131,575
General revenues						
Property taxes	2,763,824	2,366,203	-	-	2,763,824	2,366,203
Sales and other local taxes	44,295,497	41,790,227	-	-	44,295,497	41,790,227
Investment income (loss)	1,678,360	(65,918)	-	404	1,678,360	(65,514)
Other	5,159,561	7,202,534	-	24,067	5,159,561	7,226,601
Franchise taxes	348,283	307,403	-	-	348,283	307,403
Total Revenues	79,510,463	81,572,899	3,940,256	3,970,773	83,450,719	85,543,672
Expenses						
General government	11,401,430	11,508,118	-	-	11,401,430	11,508,118
Public safety	18,357,162	16,532,713	-	-	18,357,162	16,532,713
Highways and streets	7,471,796	7,993,485	-	-	7,471,796	7,993,485
Culture and recreation	11,123,636	10,655,255	-	-	11,123,636	10,655,255
Economic development	2,802,443	1,819,149	-	-	2,802,443	1,819,149
Interest on long-term debt	2,064,171	1,601,717	-	-	2,064,171	1,601,717
Sanitation Fund	-	-	3,376,275	3,703,211	3,376,275	3,703,211
CAFFM, Inc.	-	-	-	957,380	-	957,380
Total Expenses	53,220,638	50,110,437	3,376,275	4,660,591	56,596,913	54,771,028
Increase (decrease) in net position before transfers	26,289,825	31,462,462	563,981	(689,818)	26,853,806	30,772,644
Transfers	-	4,702,665	-	(4,702,665)	-	-
Increase (decrease) in net position	26,289,825	36,165,127	563,981	(5,392,483)	26,853,806	30,772,644
Beginning net position	178,573,882	142,408,755	1,349,561	6,742,044	179,923,443	149,150,799
Ending net position	\$ 204,863,707	\$ 178,573,882	\$ 1,913,542	\$ 1,349,561	\$ 206,777,249	\$ 179,923,443

**Governmental Activities.** Governmental activities for the current year increased the City's net position by \$26,289,825. Key elements of this change are as follows:

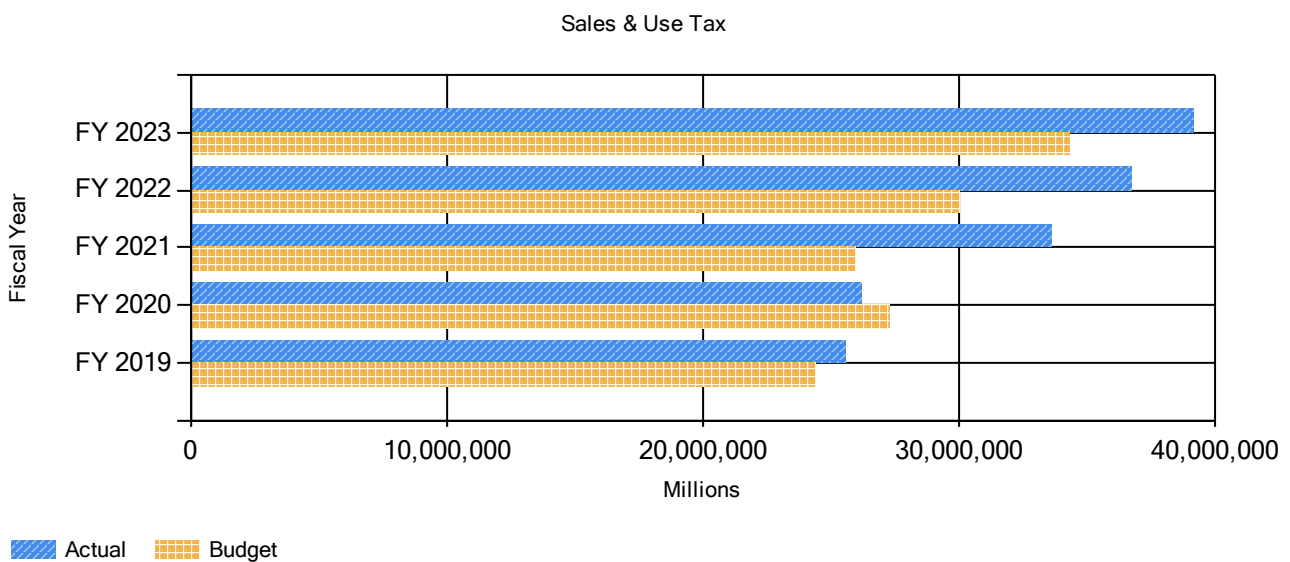
- Sales and use tax increased by approximately \$2,450,000, or 7 percent.
- Other income includes approximately \$592,853 for the sale of property and equipment and approximately \$743,000 in insurance proceeds from repairs related to Hurricane Sally and property damages.
- Capital grants and contributions decreased by approximately \$4,500,000 as a result of FEMA reimbursements received in FY 2022 for Hurricane Sally repairs.

**Business-Type Activities.** Business type activities increased the City's net position by \$563,981 primarily due to FY 2022 including start up cost that were one time cost.

Governmental revenues as a percentage of total:



Sales and use tax represent the City's primary source of unrestricted revenue.



## Financial Analysis of Governmental Funds

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund accounting focuses on accountability rather than profitability and funds are segregated into categories in accordance with laws and regulations or specific limitations.

**Governmental Funds.** The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance represents a government's residual net resources (amount in excess of nonspendable, restricted, committed and assigned) and provides a useful measure of a government's net resources available for spending.

The following two tables present summary information about the City's fund balances:

TABLE 3  
CHANGE IN FUND BALANCES  
For the Year ended September 30, 2023

Fund	Beginning Fund Balance	Increase (Decrease)	Ending Fund Balance
General Fund	\$ 54,541,332	\$ 15,077,325	\$ 69,618,657
Capital Projects Fund	(152,374)	(310,171)	(462,545)
USDA Relending Program	-	16,910,420	16,910,420
Non-Major Funds	6,395,114	2,039,433	8,434,547
Total	<u>\$ 60,784,072</u>	<u>\$ 33,717,007</u>	<u>\$ 94,501,079</u>

TABLE 4  
FUND BALANCE BY TYPE  
For the Year ended September 30, 2023

Fund Balance Type	General Fund	Capital Projects Fund	USDA Relending Program	Non-Major Funds	Total
Nonspendable	\$ 351,294	\$ -	\$ -	\$ 592,261	\$ 943,555
Restricted	586,868	-	16,910,420	6,259,308	23,756,596
Committed	-	-	-	1,582,978	1,582,978
Assigned	435,422	-	-	-	435,422
Unassigned	68,245,073	(462,545)	-	-	67,782,528
Total Fund Balance	<u>\$ 69,618,657</u>	<u>\$ (462,545)</u>	<u>\$ 16,910,420</u>	<u>\$ 8,434,547</u>	<u>\$ 94,501,079</u>

As of September 30th, the City's governmental funds reported combined fund balances of \$94,501,079, an increase of \$33,717,007 in comparison with the prior year. Of this total, \$67,782,528 represents unassigned fund balance which is available for spending at the City's discretion. The remainder of fund balance is either nonspendable (not in spendable form), restricted (legally required to be maintained intact), committed (committed for particular purposes), or assigned (assigned for particular purposes). Refer to Note A.11. for additional information on fund balance classifications and constraints.

The General Fund, the chief operating fund of the City, closed with an increase in fund balance of \$15,077,325. Actual General Fund operations resulted in \$22,811,077 in excess revenue remaining after expenditures. Transfers from other funds generated an additional \$5,026,023, and transfers to other funds of \$14,774,718 were made to service debt, to fund capital improvements, and to help fund operations of other funds. There was \$1,422,090 in SBITA financing agreements and \$592,853 generated from the sale of capital assets. The net results of all operations resulted in an ending fund balance of \$69,618,657.

The Capital Projects fund experienced a decrease of \$310,171 in fund balance. Expenditures totaling \$9,898,532 consisted of capital asset additions and construction work in progress of \$7,889,559, required maintenance to infrastructure of \$1,981,925, and \$27,048 in other cost. Grants and contributions totaling \$887,094 were recognized and cash transfers from the General Fund of \$8,701,267 to fund the remaining expenditures were received.

The USDA Relending Program was established this fiscal year to account for all transactions from the issuance of USDA General Obligation Warrants. Debt Service expenditures totaling \$883,082 consisted of \$421,658 in principal, \$411,924 in interest and \$49,500 in bond issue cost. \$18,000,000 of debt was issued through the 2022 & 2023 USDA program, investment income of \$6,055 was received on the unused bond proceeds and cash transfers from the General Fund of \$883,082 were received to fund the debt service payments. There was \$1,095,635 of bond proceeds transferred to the General Fund for eligible project costs.

Other Funds realized an aggregate fund balance increase of \$2,039,433. An increase of \$88,354 occurred in the Fire AdValorem Fund as a result of excess AdValorem taxes and a reduction of expense. An increase of \$1,695,036 occurred in the new Impact Fee Fund as a result of fees that were collected but not used as of year end. The PFCD realized an increase of \$444,637 as a result of user fees that were collected but not paid out to the developer at year end. There were slight increases in the Court Corrections Fund, Event Center Operations Fund, Multi-Use Operations Fund and the PCEFCFCD Fund of \$2,178, \$1,701, \$1,082, and \$1,305, respectively. The Public Library fund experienced a decrease of \$39,781 as a result of increased expenditures. The Jail corrections fund experienced a decrease of \$91,866 as the result of the completion of a capital purchase. The PASFCFCD experienced a loss of \$21,490 as a result of the use of debt service funds that were previously transferred from the General Fund. The State Gas Tax Fund and the Recreational Activities Fund experiences slight decreased of \$390 and \$448, respectively. An increase of \$32,488 occurred in the Energy Conservation Bonds Series 2013 Fund and a decrease of \$83,060 occurred in the General Obligation Warrants Series 209 Fund as a result of the timing of the City's debt payments on bi-annual debt. The 2014 GO Warrant Fund, 2015 GO Warrant Fund and 2019 GO Warrant Fund all realized slight increases of \$2,326, \$2,640 and \$4,721, respectively.

### **General Fund Budgetary Highlights**

***Original budget compared to final budget.*** The original budget for General Fund revenues had a significant increase of \$2,219,613 for an amended budget of \$58,800,248 due to increased investment income, several additional land and property sales, and state reimbursement and insurance settlements related to Hurricane Sally. Actual revenues of \$67,216,865 were over the final budget by \$8,416,617. The positive variance categories totaled \$8,849,821 and are attributed primarily to Sales and other local taxes, License and permits and Other. Operating transfers in were originally budgeted at \$3,814,060, were increased \$4,509,103, and closed \$3,297,140 under the amended budget as a result of the transfer of bond proceeds for certain eligible projects not occurring before year end. Sale of capital assets were originally budgeted at \$50,000, were increased by \$594,931 and closed \$52,078 under the amended budget.

The final budgeted expenditures of \$46,352,515 represent a significant increase of \$3,188,835 over the original budget of \$43,163,680 as a result of final expenditures related to Hurricane Sally, increases to Economic Development Grants and additional capital purchases approved during the year. Actual results of \$44,405,788 closed \$1,946,727 under the final budget amount for the following reasons:

- Personnel cost closed under budget by \$854,908.
- Operational closed under budget by \$1,747,330.
- Capital closed over budget by \$270,345 as a result of the implementation of GASB 96 and recognizing subscription payments that were budgeted as operational cost but recognized as capital outlay.

Budgeted transfers out had an increase of \$842,582 and closed \$16,526,495 under budget as a result of capital projects moving slower than expected.

Detailed information on the General Fund Budget can be found in the Required Supplementary Information section of this report.



## Capital Assets and Debt Administration

**Capital Assets.** Capital assets net of depreciation at September 30, 2023, totaled \$193,209,279 for governmental activities and \$2,477,583 for business-type activities. Major capital asset events during the current fiscal year included the following:

- Capital machinery and equipment additions totaling \$1,773,955 in the Governmental Funds and \$663,018 in the Business Type Funds.
- Purchase of multiple parcels of land for approximately \$2,700,000.
- Completion of the reconstruction of 3 T-Hangar units totaling \$2,640,000. These units were destroyed in Hurricane Sally.
- Completion of airport projects totaling \$523,458
- Completion of a drainage improvements totaling \$432,440.
- Completion of Foley Pride Pocket Park totaling \$571,414.
- Completion of James Rd & CR 12 turn lane totaling \$450,566.
- Completion of the replacement new playground equipment at the Foley Kids Park totaling \$733,839.

The following table presents the City's capital assets at year-end:

TABLE 5  
CAPITAL ASSETS  
For the Year ended September 30, 2023

	Governmental Activities	Business-Type Activities	Total Primary Government
Non-depreciable assets			
Land and rights-of-way	\$ 32,795,966	\$ -	\$ 32,795,966
Construction work in progress	14,860,007	-	14,860,007
Total non-depreciable assets	47,655,973	-	47,655,973
Depreciable assets			
Property improvements	37,210,169	-	37,210,169
Building improvements	47,213,389	-	47,213,389
Machinery and equipment	24,998,720	4,505,495	29,504,215
Infrastructure	136,129,220	-	136,129,220
Right to use-lease equipment	275,783	-	275,783
Right to use-lease building	76,035	-	76,035
Right to use-subscriptions	1,539,827	-	1,539,827
Less: Accumulated depreciation	(101,889,837)	(2,027,912)	(103,917,749)
Total depreciable assets	145,553,306	2,477,583	148,030,889
Total capital assets, net of depreciation	\$ 193,209,279	\$ 2,477,583	\$ 195,686,862

Additional information on the City's capital assets can be found in Note C of this report.

**Long-term Debt.** As of September 30, 2023, the Primary Government had \$71,646,665 in total outstanding warrants, bonds and loans (net), plus lease liability and SBITA liability.

Under Section 225 of the Constitution of Alabama of 1901, as amended, the present general constitutional debt limit of the City is an amount equal to 20 percent of the assessed value of the taxable property. However, the following, among other types of indebtedness, are not chargeable against general constitutional debt limit under existing law: 1) obligations issued for the purpose of acquiring, providing or constructing schools, water works, or sewers; 2) obligations incurred for street or sidewalk improvements where all or a portion of the costs are to be assessed against property abutting such improvements; 3) under certain conditions, tax anticipation notes; 4) certain lease obligations subject to termination at the end of each fiscal year, without recourse; 5) certain obligations to make contributions towards the debt service of other public entities; 6) and revenue securities issued for the purpose of extending, enlarging or improving water, electric,

gas or sewer systems and payable solely from the revenues of one or more of such systems. Amendment No. 772 authorizes the City to use public funds for certain purposes intended to further economic development and exempts such debt from the twenty percent debt limit.

Table 6 provides a computation of the General Constitutional Debt Margin.

TABLE 6  
GENERAL CONSTITUTIONAL DEBT MARGIN  
For the Year ended September 30, 2023

Assessed Value (1)	\$ 622,940,648
Debt limit (20% of assessed value)	<u>124,588,130</u>
Debt applicable to limit:	
Outstanding debt of the primary government (2)	71,646,665
Less: Exempt Special Lease Obligations	(11,032,342)
Less: Exempt debt pursuant to Section 772	(5,836,314)
Less: Amount set aside for repayment of debt (3)	<u>(866,876)</u>
Total net debt applicable to limit	53,911,133
Legal Debt Margin for Fiscal Year 2023	<u>\$ 70,676,997</u>
Net debt as a percentage of debt limit	<u>43.27%</u>

(1) Assessed Value Source: Baldwin County Revenue Commissioner and Baldwin County Judge of Probate.

(2) Includes: the aggregate principal amount of general obligation warrants totaling \$53,329,185; an Annual Lease Agreement dated April 13, 2016, to fund the Public Facilities Cooperative District Revenue Bonds with a current balance of \$9,086,611; a Lease Purchase Agreement dated May 1, 2013, to fund the 2013 Lease Purchase Certificates of Participation/Qualified Energy Conservation Bonds with a current balance of \$1,945,731; note payable for equipment in the amount of \$14,802; lease liability with a current balance of \$238,944; subscription liability with a current balance of \$1,195,078; a \$967,716 Funding Agreement for the Public Athletic and Sports Facilities Cooperative Districts 2015 Revenue Bonds exempt under Section 772; a \$4,868,598 Funding Agreement for the Public Cultural & Entertainment Facilities Cooperative Districts 2015 Revenue Bonds exempt under Section 772.

(3) Includes amounts set aside for repayment of debt applicable to the City's 20 percent debt limit.

Amendment No. 722 of the Constitution of Alabama authorizes the counties and municipalities within the State to use public funds for certain purposes intended to further economic development. Bonds, warrants, notes and other indebtedness issued pursuant to Amendment No. 772 are (a) not subject to and exempt from the 20 percent general constitutional debt limit for government purposes, and (b) are subject to and chargeable against 50 percent of the assessed value of taxable property.

Table 7 provides a computation of the Special Constitutional Debt Margin.

TABLE 7  
SPECIAL CONSTITUTIONAL DEBT MARGIN  
For the Year ended September 30, 2023

Assessed Value (1)	\$ 622,940,648
Debt limit (50% of assessed value)	<u>311,470,324</u>
Debt applicable to limit:	
Funding agreement with Public Athletic and Sports Facilities Coop District	967,716
Funding agreement with Public Cultural & Entertainment Facilities Coop District	4,868,598
Less: Amount set aside for repayment of debt (2)	<u>(251,984)</u>
Total net debt applicable to limit	5,584,330
Legal Debt Margin for Fiscal Year 2023	<u>\$ 305,885,994</u>
Net debt as a percentage of debt limit	<u>1.79%</u>

(1) Assessed Value Source: Baldwin County Revenue Commissioner and Baldwin County Judge of Probate.

(2) Includes amounts set aside for repayment of debt applicable to the City's 50 percent debt limit.

Additional information on the City's long-term debt can be found in Note D of this report.

### **Economic Factors and Next Year's Budgets and Rates**

The City relies on taxes (property, sales, lodging, etc.), and fees (license, permits, etc.) for their governmental activities. The analysis of a few of these taxes contained in the Statistical Section serves as a good indicator of economic trends. Certain governmental activities (sanitation, recreational activities, etc.) require the user to pay a related fee or charge associated with the service. It is important to note that although fire protection continues to be provided in both the corporate and jurisdictional limits, the taxes, fees and charges for services in the jurisdictional area are minimal in comparison to the cost to provide such services. The passage of Senate Bill 107 during fiscal year 2022 further reduced the jurisdictional footprint. The level of taxes, fees and charges for services have a direct bearing on the City's ability to annex land into the corporate limits and encourage retail, commercial, residential and industrial development.

The following economic factors currently affect the City and were considered in developing the fiscal year 2024 budget.

- Foley's unemployment rate of 2.2 percent is the same as the state and 1.4 percent lower than the nation.
- The fiscal year 2024 sales tax budget is approximately 1.5 percent lower than the total fiscal year 2023 collections.
- Grant opportunities are researched throughout the year and can cause grant revenues and related expenses to be under budgeted and amended as grants are awarded.
- General fund expenditures were budgeted \$5,627,819 more than the fiscal year 2023 projected close which is 13 percent increase.
- Merit increases of 3 to 5 percent are expected to cost \$523,425, increases to current positions of \$30,000 were budgeted based on anticipated job analysis, a cost of living adjustment of \$583,000 was included and new positions totaling \$1,136,425 were approved.
- Capital equipment purchases of \$2,677,815 were approved in the General Fund.
- The fiscal year 2023 capital projects expenditures are planned at \$72,814,042, with \$30,162,956 in expected grants and contributions and \$7,000,000 of debt the City is expecting to issue. This leaves an expected general fund transfer of \$42,651,086.

### **Requests for Information**

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the City of Foley's finances. Questions about the report or requests for additional financial information should be addressed to: City of Foley, Finance Director, P. O. Box 1750, Foley, Alabama 36536. This report and other financial information about the City can also be obtained by accessing the City's website at [www.cityoffoley.org](http://www.cityoffoley.org).

## **Basic Financial Statements**

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**City of Foley, Alabama**  
**STATEMENT OF NET POSITION**  
**September 30, 2023**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash	\$ 48,582,019	\$ 140,189	\$ 48,722,208
Restricted cash	16,910,420	-	16,910,420
Investments	25,186,945	-	25,186,945
Receivables			
Utility tax equivalents	726,397	189,799	916,196
Sales and other local taxes	3,520,576	-	3,520,576
Other	1,075,211	215,640	1,290,851
Lease Receivables	937,200	-	937,200
Inventories	46,928	-	46,928
Prepaid items	896,627	-	896,627
Due between funds	621,485	-	621,485
Capital assets			
Non-depreciable	47,655,973	-	47,655,973
Depreciable, net	145,553,306	2,477,583	148,030,889
<b>Total assets</b>	<b>291,713,087</b>	<b>3,023,211</b>	<b>294,736,298</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related deferred outflows	9,153,380	416,500	9,569,880
OPEB related deferred outflows	718,748	-	718,748
Net difference between reacquisition price and net carrying amount of advance refunding	3,498,219	-	3,498,219
<b>Total deferred outflows of resources</b>	<b>13,370,347</b>	<b>416,500</b>	<b>13,786,847</b>
<b>Total assets and deferred outflows of resources</b>	<b>305,083,434</b>	<b>3,439,711</b>	<b>308,523,145</b>
<b>LIABILITIES</b>			
Accounts payable and other current liabilities	2,737,377	123,967	2,861,344
Accrued liabilities	258,814	14,571	273,385
Internal balances	-	621,485	621,485
Unearned revenue	69,343	-	69,343
Long-term liabilities:			
Due within one year	6,078,517	20,907	6,099,424
Due in more than one year	68,413,684	50,359	68,464,043
Post-employment health care liability	5,076,719	-	5,076,719
Pension liabilities	15,592,606	692,990	16,285,596
<b>Total liabilities</b>	<b>98,227,060</b>	<b>1,524,279</b>	<b>99,751,339</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related deferred inflows	153,754	1,890	155,644
OPEB related deferred inflows	876,800	-	876,800
Net difference between reacquisition price and net carrying amount of advanced refunding deferred in Lease related	24,913	-	24,913
	937,200	-	937,200
<b>Total deferred inflows of resources</b>	<b>1,992,667</b>	<b>1,890</b>	<b>1,994,557</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>100,219,727</b>	<b>1,526,169</b>	<b>101,745,896</b>
<b>NET POSITION</b>			
Net investment in capital assets	108,125,489	2,477,580	110,603,069
Restricted			
Debt service	2,388,940	-	2,388,940
Capital projects	16,910,420	-	16,910,420
Police	108,907	-	108,907
Fire	502,197	-	502,197
Court	576,563	-	576,563
Parks and recreation	2,256,928	-	2,256,928
Highways and streets	1,012,641	-	1,012,641
Unrestricted	72,981,622	(564,038)	72,417,584
<b>Total net position</b>	<b>\$ 204,863,707</b>	<b>\$ 1,913,542</b>	<b>\$ 206,777,249</b>

The accompanying notes are an integral part of these financial statements.

**City of Foley, Alabama**  
**STATEMENT OF ACTIVITIES**  
**For the fiscal year ended September 30, 2023**

Function/Program Activities	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Governmental Activities							
General government	\$ 11,401,430	\$ 13,397,691	\$ 47,040	\$ 626,701	\$ 2,670,002	\$ -	\$ 2,670,002
Public safety	18,357,162	2,918,199	299,729	394,542	(14,744,692)	-	(14,744,692)
Highways and streets	7,471,796	441,385	20,000	62,236	(6,948,175)	-	(6,948,175)
Culture and recreation	11,123,636	2,415,571	141,687	4,500,157	(4,066,221)	-	(4,066,221)
Economic development	2,802,443	-	-	-	(2,802,443)	-	(2,802,443)
Interest on long-term debt	2,064,171	-	-	-	(2,064,171)	-	(2,064,171)
Total governmental activities	53,220,638	19,172,846	508,456	5,583,636	(27,955,700)	-	(27,955,700)
Business-Type Activities:							
Sanitation	3,376,275	3,940,256	-	-	-	563,981	563,981
Total business-type activities	3,376,275	3,940,256	-	-	-	563,981	563,981
Total primary government	\$ 56,596,913	\$ 23,113,102	\$ 508,456	\$ 5,583,636	(27,955,700)	563,981	(27,391,719)
General revenues:							
Property taxes					2,763,824	-	2,763,824
Sales and other local taxes					44,295,497	-	44,295,497
Investment income (loss)					1,678,360	-	1,678,360
Other					5,159,561	-	5,159,561
Franchise fees					348,283	-	348,283
Total general revenues and transfers					54,245,525	-	54,245,525
Change in net position					26,289,825	563,981	26,853,806
Net position - beginning of year					178,573,882	1,349,561	179,923,443
Net position - end of year					\$ 204,863,707	\$ 1,913,542	\$ 206,777,249

The accompanying notes are an integral part of these financial statements.

**City of Foley, Alabama**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**September 30, 2023**

	General Fund	Capital Projects Fund	USDA Relending Program	Non-Major Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash	\$ 40,563,678	\$ -	\$ -	\$ 8,018,341	\$ 48,582,019
Restricted cash	-	-	16,910,420	-	16,910,420
Investments	25,186,945	-	-	-	25,186,945
Receivables					
Utility tax equivalents	726,397	-	-	-	726,397
Property and advalorem tax	84,449	-	-	13,976	98,425
Sales and other local taxes	3,497,395	-	-	23,181	3,520,576
Grants	367,356	170,954	-	6,556	544,866
Leases	937,200	-	-	-	937,200
Other	151,803	-	-	280,122	431,925
Due from other funds	1,272,151	-	-	11,896	1,284,047
Inventories	46,928	-	-	-	46,928
Prepaid items	304,366	-	-	592,261	896,627
<b>Total assets</b>	<u>\$ 73,138,668</u>	<u>\$ 170,954</u>	<u>\$ 16,910,420</u>	<u>\$ 8,946,333</u>	<u>\$ 99,166,375</u>
<b>LIABILITIES</b>					
Accounts payable and other current liabilities	\$ 2,504,872	\$ 203,730	\$ -	\$ 28,775	\$ 2,737,377
Accrued liabilities	-	258,814	-	-	258,814
Due to other funds	11,896	170,955	-	479,711	662,562
Unearned revenue	66,043	-	-	3,300	69,343
<b>Total liabilities</b>	<u>2,582,811</u>	<u>633,499</u>	<u>-</u>	<u>511,786</u>	<u>3,728,096</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflow leases	937,200	-	-	-	937,200
<b>Total deferred inflows of resources</b>	<u>937,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>937,200</u>
<b>Total liabilities and deferred inflows of     resources</b>	<u>3,520,011</u>	<u>633,499</u>	<u>-</u>	<u>511,786</u>	<u>4,665,296</u>
<b>FUND BALANCES</b>					
Nonspendable	351,294	-	-	592,261	943,555
Restricted	586,868	-	16,910,420	6,259,308	23,756,596
Committed	-	-	-	1,582,978	1,582,978
Assigned	435,422	-	-	-	435,422
Unassigned	68,245,073	(462,545)	-	-	67,782,528
<b>Total fund balances/deficit</b>	<u>69,618,657</u>	<u>(462,545)</u>	<u>16,910,420</u>	<u>8,434,547</u>	<u>94,501,079</u>
<b>Total liabilities and fund balances</b>	<u>\$ 73,138,668</u>	<u>\$ 170,954</u>	<u>\$ 16,910,420</u>	<u>\$ 8,946,333</u>	<u>\$ 99,166,375</u>

The accompanying notes are an integral part of these financial statements.



**City of Foley Alabama**  
**GOVERNMENTAL FUNDS**  
**RECONCILIATION OF THE BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**September 30, 2023**

Fund balances - total governmental funds		\$ 94,501,079
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	295,099,116	
Less accumulated depreciation	<u>(101,889,837)</u>	193,209,279
Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore are not reported in the governmental funds.		
		9,094,733
Deferred inflows of resources related to volunteer firefighter LOSAP are applicable to future periods and therefore are not reported in the governmental funds.		
		(95,112)
Deferred outflows and inflows of resources related to post employment health care cost are applicable to future periods and therefore are not reported in the governmental funds.		
		(158,052)
Deferred outflows and inflows are reported for the net difference between reacquisition price and net carrying amount of advanced refunding.		
		3,473,306
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Warrants and bonds payable, net of deferred premiums and discounts	(70,197,841)	
Note payable	(14,802)	
Lease liability	(238,944)	
Subscription liability	(1,195,078)	
Accrued interest payable	(484,263)	
Health claims payable	(371,093)	
Compensated absences	(1,230,180)	
Post-employment healthcare liability	(5,826,719)	
Net pension liability - ERSA	(15,201,302)	
Net pension liability - Volunteer firefighter LOSAP	(401,304)	<u>(95,161,526)</u>
Net position of governmental activities		<u>\$ 204,863,707</u>

The accompanying notes are an integral part of these financial statements.

**City of Foley, Alabama**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**For the fiscal year ended September 30, 2023**

	General Fund	Capital Projects Fund	USDA Relending Program	Non-Major Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Property and advalorem taxes	\$ 2,498,686	\$ -	\$ -	\$ 265,138	\$ 2,763,824
Sales and other local taxes	44,037,243	-	-	258,254	44,295,497
Licenses and permits	6,621,841	-	-	1,922,368	8,544,209
Intergovernmental	869,384	867,094	-	32,296	1,768,774
Charges for services	443,733	-	-	417,822	861,555
Fines and forfeitures	594,516	-	-	93,253	687,769
Franchise fees	9,065,042	-	-	-	9,065,042
Investment income and rents	1,878,510	-	6,055	156,351	2,040,916
Contributions and donations	45,209	20,000	-	75,279	140,488
Other	1,162,701	-	-	3,971,947	5,134,648
<b>Total revenues</b>	<b>67,216,865</b>	<b>887,094</b>	<b>6,055</b>	<b>7,192,708</b>	<b>75,302,722</b>
<b>Expenditures</b>					
Current:					
General government	9,530,917	27,048	-	54,160	9,612,125
Public safety	16,067,692	-	-	-	16,067,692
Highways and streets	3,675,641	1,981,925	-	19,111	5,676,677
Culture and recreation	8,018,274	-	-	1,230,873	9,249,147
Economic development	2,802,443	-	-	-	2,802,443
Capital outlay	3,855,208	7,889,559	-	543,781	12,288,548
Debt service:					
Principal	404,406	-	421,658	3,006,915	3,832,979
Interest	51,207	-	411,924	1,558,416	2,021,547
Bond cost	-	-	49,500	-	49,500
<b>Total expenditures</b>	<b>44,405,788</b>	<b>9,898,532</b>	<b>883,082</b>	<b>6,413,256</b>	<b>61,600,658</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>22,811,077</b>	<b>(9,011,438)</b>	<b>(877,027)</b>	<b>779,452</b>	<b>13,702,064</b>
<b>Other financing sources (uses)</b>					
Transfers in	5,026,023	8,701,267	883,082	5,190,369	19,800,741
Transfers out	(14,774,718)	-	(1,095,635)	(3,930,388)	(19,800,741)
Issuance of bonded debt	-	-	18,000,000	-	18,000,000
SBITA financing agreements	1,422,090	-	-	-	1,422,090
Sale of capital assets	592,853	-	-	-	592,853
<b>Total other financing sources (uses)</b>	<b>(7,733,752)</b>	<b>8,701,267</b>	<b>17,787,447</b>	<b>1,259,981</b>	<b>20,014,943</b>
<b>Net change in fund balances</b>	<b>15,077,325</b>	<b>(310,171)</b>	<b>16,910,420</b>	<b>2,039,433</b>	<b>33,717,007</b>
<b>Fund balances, beginning of year</b>	<b>54,541,332</b>	<b>(152,374)</b>	<b>-</b>	<b>6,395,114</b>	<b>60,784,072</b>
<b>Fund balances, end of year</b>	<b>\$ 69,618,657</b>	<b>\$ (462,545)</b>	<b>\$ 16,910,420</b>	<b>\$ 8,434,547</b>	<b>\$ 94,501,079</b>

The accompanying notes are an integral part of the financial statements.

**City of Foley, Alabama**  
**GOVERNMENTAL FUNDS**  
**RECONCILIATION OF THE STATEMENT OF REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND BALANCES**  
**TO THE STATEMENT OF ACTIVITIES**  
**For the fiscal year ended September 30, 2023**

Net change in fund balance - Governmental Funds		\$ 33,717,007
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are capitalized and depreciated over their estimated useful lives.		
Expenditures for capital assets	12,288,548	
Less current year depreciation/amortization	(5,692,191)	
Loss on disposal of capital assets	<u>(612,240)</u>	5,984,117
Contributions of capital assets are not reported as income in governmental funds.		4,182,830
Current year employer contributions to the pension plan are reported as expenditures in the governmental funds but are reported as deferred outflows in the statement of net position.		1,270,968
The issuance of long-term debt provide current financial resources to governmental funds: however, issuing debt increases long-term liabilities in the statement of net position.		(19,422,090)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		3,832,978
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Amortization of current year bond discount/premium	219,365	
Amortization of current year deferred outflow/advanced refunding	(209,494)	
Amortization of current year deferred inflow/advanced refunding	3,559	
Changes in accrued interest payable	6,875	
Changes in self-insured health plan unpaid claims	(67,425)	
Changes in compensated absences	<u>(137,100)</u>	(184,220)
Post Employment Health Care expense in the statement of activities takes into consideration the change in the liability and related deferred inflows and outflows - OPEB.		(247,576)
Pension expense in the statement of activities takes into consideration the change in the net pension liability and related deferred inflows and outflows - ERSA.		(2,853,717)
Pension expense in the statement of activities takes into consideration that change in the net pension liability and related deferred inflows and outflows - Volunteer firefighter - LOSAP		<u>9,528</u>
Change in net position of governmental activities		<u><u>\$ 26,289,825</u></u>

The accompanying notes are an integral part of these financial statements.

**City of Foley, Alabama**  
**PROPRIETARY FUND**  
**STATEMENT OF NET POSITION**  
**September 30, 2023**

	Sanitation Fund
<b>ASSETS</b>	
Current assets	
Cash	\$ 140,189
Receivables	405,439
Total current assets	<u>545,628</u>
Capital assets	
Depreciable assets, net	2,477,583
Total capital assets	<u>2,477,583</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension related	416,500
<b>Total deferred outflows of resources</b>	<u>416,500</u>
<b>Total assets and deferred outflows of resources</b>	<u><u>\$ 3,439,711</u></u>
<b>LIABILITIES</b>	
Current liabilities	
Accounts payable	\$ 138,538
Due to other funds	621,485
Current portion of long term liabilities	20,907
Total current liabilities	<u>780,930</u>
Long-term liabilities	
Pension liabilities	692,990
Due in more than one year	50,359
Total long-term liabilities	<u>743,349</u>
<b>Total liabilities</b>	<u>1,524,279</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pensions related	1,890
<b>Total deferred inflows of resources</b>	<u>1,890</u>
<b>Total liabilities and deferred inflows of resources</b>	<u>1,526,169</u>
<b>NET POSITION</b>	
Net investment in capital assets	2,477,580
Unrestricted (deficit)	(564,038)
<b>Total net position</b>	<u>1,913,542</u>
<b>Total liabilities and net position</b>	<u><u>\$ 3,439,711</u></u>

The accompanying notes are an integral part of these financial statements.

**City of Foley, Alabama**  
**PROPRIETARY FUND**  
**STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN NET POSITION**  
**For the fiscal year ended September 30, 2023**

	Sanitation Fund
<b>Operating revenues:</b>	
Charges for services	\$ 3,940,256
<b>Total operating revenues</b>	<u>3,940,256</u>
<b>Operating expenses:</b>	
Salaries and benefits	1,510,601
Cost of sales and services	649,665
Insurance	40,243
Utilities	10,426
Maintenance	252,933
Miscellaneous	423,636
Depreciation	488,771
<b>Total operating expenses</b>	<u>3,376,275</u>
<b>Change in net position</b>	563,981
<b>Net position, beginning of year</b>	<u>1,349,561</u>
<b>Net position, end of year</b>	<u><u>\$ 1,913,542</u></u>

The accompanying notes are an integral part of these financial statements.

**City of Foley, Alabama**  
**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS**  
**For the fiscal year ended September 30, 2023**

	Sanitation Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers and other operating activities	\$ 3,919,616
Payments to suppliers	(2,095,375)
Payments to employees for salaries and benefits	(1,386,172)
<b>Net cash provided (used) by operating activities</b>	<u>438,069</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Acquisition of capital assets	(663,018)
<b>Net cash used in capital and related financing activities</b>	<u>(663,018)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(224,949)
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>365,138</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 140,189</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES</b>	
Operating income (loss)	563,984
Adjustments to reconcile operating income to net cash used by operating activities	
Depreciation	488,771
Decrease (increase) in assets	
Receivables	(20,641)
Pension related deferred outflows	(202,780)
Increase (decrease) in liabilities	
Accounts payable	36,760
Due to general fund	(755,235)
Pension related liability	419,250
Compensated absences liability	15,405
Health claims payable	3,475
Pension related deferred inflows	(110,920)
<b>Net cash used by operating activities</b>	<u>\$ 438,069</u>

The accompanying notes are an integral part of these financial statements.

**City of Foley, Alabama**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2023**

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**NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant policies.

**1. The Reporting Entity**

The City of Foley is an Alabama municipal corporation (government) governed by an elected mayor and five-member council. As required by GASB, the accompanying financial statements present the government and its component units, (1) entities for which the government is considered financially accountable or (2) the nature and significance of their relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if City officials appoint a voting majority of the organizations governing body and are able to either impose their will on that organization, or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. The primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

Blended component units are, in substance, part of the primary government's operations even though they are legally separate entities. Component units are included in the reporting entity financial statement using the blending method in any of these circumstances: a). The component unit's governing body is substantively the same as the governing body of the primary government *and* there is a financial benefit or burden relationship *or* management of the primary government has operational responsibility for the component unit, b). The component unit provides services entirely, or almost entirely, to the primary government *or* exclusively, or almost exclusively, benefits the primary government, c). The component unit's total debt outstanding, including leases, is expected to be repaid entirely or almost entirely with resources of the primary government, d). The component unit is organized as a not-for-profit corporation in which the primary government is the sole corporate member, with certain exceptions. Otherwise, the organization is a discretely presented component unit and its data is reported together with, but separately from the data of the City in the government-wide financial statements. The City has no discretely presented component units to report.

**Blended Component Units.** The City of Foley Public Facilities Cooperative District (PFCD) was incorporated in 2009 as a capital improvement district under the provisions of Chapter 99B of Title 11, Code of Alabama, 1975, and the City appoints a voting majority of its board members. The purpose of the District is to acquire, construct and install various capital improvements within the City and to aid the City in its economic development efforts through its ability to finance eligible projects under the authority of Chapter 99B. The District issued approximately \$23.3 million of bonds and transferred the net proceeds to the City in exchange for various capital projects and properties from the City, including City Hall, the Public Library, street and drainage projects, etc. Simultaneous with the transfer of assets to the District, the City leased-back the subject properties and projects from the District under an annual lease agreement requiring annual payments equal to 100 percent of the debt service on the District's bonds. The annual lease renews automatically each year, through the year ending September 30, 2045 (final maturity of the bonds), unless the City adopts a resolution expressing its intent to not renew. Upon final maturity of the bonds, the properties revert back to the City.

The Public Athletic and Sports Facilities Cooperative District (PASFCD) and the Public Cultural and Entertainment Facilities Cooperative District (PCEFCD) were formed in 2013 under the provisions of Chapter 99B of Title 11, Code of Alabama, 1975. The City appoints a voting majority of their board members and has the ability to significantly influence their activities. The districts are presented as blended component units (special revenue funds) because their debts are expected to be repaid almost entirely with City resources which will experience a positive financial impact from tourism created by these facilities. The facilities of both districts are managed and operated by City staff under a lease agreement.

**City of Foley, Alabama**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2023**

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**Other Entities.** Excluded from the financial statements are the following boards, for which a lack of influence, control and dependency exist: the Utilities Board of the City of Foley, the Medical Clinic Board, and the Industrial Development Board. These boards are governed by their own boards of directors, prepare and adopt annual operating budgets which are not influenced by the City, have the authority to issue debt securities which are not an obligation of the City (nor secured by City revenues), and must self-fund any operating deficits which may occur.

## **2. Government-wide and fund financial statements**

Financial reporting requirements include a management's discussion and analysis, basic financial statements consisting of government-wide and fund financial statements, required supplementary information, and other supplementary information.

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. The government-wide statement of net position is presented on a consolidated basis on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The government-wide statement of activities reflects both the gross and net costs per functional category (general government, public safety, highways and streets, etc.) that are otherwise being supported by general revenues (property taxes, sales taxes, fines, permit and charges, etc.). The statement of activities reduces gross expenses (including depreciation) by related program revenues, which must be directly associated with the function (general government, public safety, highways and streets, etc.). Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operations or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues. The City does not allocate indirect expenses. The operating grants and contributions column includes operating specific and discretionary (either operating or capital) grants while the capital grants and contributions column reflects capital-specific grants. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

## **3. Measurement Focus, Basis of Accounting, and Financial Statements Presentation**

In the fund financial statements, financial transactions and accounts of the City are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or 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 specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The fund statements are budgeted and presented on a current financial resource and modified accrual basis of accounting. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented which briefly explains the adjustments necessary to reconcile the fund financial statements to the government-wide financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.



**City of Foley, Alabama**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2023**

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Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered susceptible to accrual and are recognized as revenue of the current fiscal period. Only the portion of special assessments collectible within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first and then unrestricted resources as they are needed.

The following two broad classifications are used to categorize the fund types used by the City:

**Governmental Funds.** Governmental funds focus on the determination of financial position and changes in financial position (sources, uses, and balances of financial resources) and not net income. The following is a description of the major governmental funds of the City:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.

The *Capital Projects Fund* is used to account for financial resources for the acquisition or construction of major capital items.

The *USDA Relending Program* is used to account for financial resources from the issuance of the USDA General Obligation Warrants.

**Proprietary Funds.** Proprietary funds focus on the determination of net income, changes in net position, financial position, and cash flows. The City's proprietary funds are enterprise funds, as fees are charged to external users for services. The following is a description of the City's major proprietary fund:

The *Sanitation Fund* was created this year to account for revenues and cost related to the provision of residential and commercial sanitation services in the City.

Additionally, the City reports the following fund types:

***Governmental funds:***

***Special Revenue Funds:*** These funds are established to account for the proceeds of specific revenue sources other than special assessments, expendable trusts, or major capital projects that are legally restricted to expenditures for specified purposes.

***Debt Service Funds:*** These funds are established for the purpose of accumulating resources for the payment of interest and principal on long-term general obligation debt.

***Capital Project Funds:*** Capital project funds account for financial resources designated to construct or acquire capital assets and major capital improvements.

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**4. Property Tax Revenue Recognition**

Ad valorem taxes (based on assessments of property values by the Baldwin County Tax Assessor) are levied by the City and collected by the Baldwin County Tax Collector and remitted to the City on a monthly basis. The County's property tax calendar requires the Tax Assessor to assess and attach taxes as enforceable liens on property as of September 30th. Taxes are due October 1st through December 31st. Property taxes not paid by January 1st are considered delinquent. All amounts remitted to the City within the bill paying period are included in revenue. Taxes collected within the fiscal year but remitted to the City after the fiscal year-end are accrued in both the government-wide and fund financial statements.

**5. Cash and Investments**

Cash includes cash on hand, demand deposits as well as all highly liquid investments. Certificates of deposits are typically issued for periods of less than one year. State statutes authorize the City to invest in deposit accounts and certificates of deposits with banks, in direct obligations of the United States Treasury Department, and obligations of certain other federal agencies. Investments are stated at fair value. The unrealized gain or loss on investments is reflected in investment income.

**6. Prepaid Items**

Payments to vendors for services that will benefit periods beyond September 30th are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**7. Inventories**

Inventories consist of materials and supplies held for consumption and miscellaneous merchandise items that are being held for resale. Inventory of materials and supplies is stated at cost and inventory held for resale is reported at lower of cost or market.

**8. Capital Assets**

Capital assets, which include land, buildings, improvements, machinery and equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are defined by the City as those assets with an initial individual cost of \$5,000 or more and an estimated useful life in excess of five years. The threshold for easements is \$100,000.

Expenditures for capital assets acquired or constructed are reported in the governmental fund that the acquisition or construction is planned. The capital assets so acquired are reported at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Donated capital assets are valued at their estimated acquisition value on the date donated. Public domains (rights-of-way and easements) have been capitalized using actual and estimated historical costs of such assets that were acquired by the City. The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

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Buildings	20 - 40 years
Improvements (Building and Property)	7 - 30 years
Infrastructure (Drainage, Streets, Bridges, Sidewalks, etc.)	10 - 50 years
Infrastructure (Sewer)	75 years
Machinery and equipment	5 - 20 years
Automobiles and equipment	5 - 15 years
Office equipment	5 - 10 years

In the fund financial statements, capital assets are accounted for as capital outlay expenditures upon acquisition.

#### **9. Compensated Absences**

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. In the event of termination, an employee is paid for accumulated vacation not to exceed 160 hours, or in the case of law enforcement officers and firefighters, not to exceed 190 hours. Employees are paid for overtime accumulated and unpaid to the date of termination not to exceed 80 hours, or in the case of law enforcement officers and firefighters, not to exceed 160 hours. Employees are not entitled to be paid for accumulated sick pay benefits upon termination.

Vacation, sick pay, and overtime are accrued in accordance with GASB Statement No. 16. Unpaid compensated absences are recorded as a liability when the benefits are earned in the government-wide financial statements. Expenditures are recognized in governmental funds when payments are made to employees.

#### **10. Pension Plan**

The Employees' Retirement System of Alabama (the Plan) financial statements are prepared using the economic resources measurement focus and accrual basis of accounting. Contributions are recognized as revenues when earned, pursuant to the plan requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Expenses are recognized when the corresponding liability is incurred, regardless of when the payment is made. Investments are reported at fair value. Financial statements are prepared in accordance with requirements of the Governmental Accounting Standards Board (GASB). Under these requirements, the Plan is considered a component unit of the State of Alabama and is included in the State's Annual Comprehensive Financial Report.

The City follows GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date*. These statements create disclosure and reporting requirements that may or may not be consistent with the basis used for funding the plan. As a result, a net pension liability equal to the difference between the actuarial present value of projected benefits to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position was recognized. Additionally, pension expense and deferred outflows of resources and deferred inflows of resources were recognized from changes in the components of the net pension liability. See note K for more information.

#### **11. Net Position and Fund Balances**

In the government-wide and enterprise fund financial statements, the difference between the City's total assets and total liabilities represents net position. Net position is displayed as three components:

- *Net investment in capital assets* – Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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- *Restricted net position* – Consists of net position with constraints placed on their use by external groups such as creditors, grantors, contributors, or laws or regulations of other governments.
- *Unrestricted net position* – Represents the net position available for future operations.

Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those resources can be spent. Fund balances are classified as follows:

- *Non-spendable fund balance*—Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.
- *Restricted fund balance*—Amounts that can be spent only for specific purposes because of the City Charter, City Code, state or federal laws, or externally imposed conditions by grantors or creditors.
- *Committed fund balance*—Amounts that can be used only for the specific purposes determined by an Ordinance, the City's highest level of decision-making authority (the City Council). City Council must adopt an Ordinance to modify or rescind committed fund balances.
- *Assigned fund balance*—Amounts that are constrained by the City's expressed intent to use resources for specific purposes but do not meet the criteria to be classified as restricted or committed. The City Council has the authority to assign amounts intended to be used for specific purposes.
- *Unassigned fund balance*—All amounts not included in other spendable classifications. The General Fund is the only fund that reports a positive unassigned fund balance amount. In all other funds, unassigned is limited to negative residual fund balance (if any).

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, the policy of the City is to consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the policy of the City that committed amounts be reduced first, followed by assigned amounts and then unassigned amounts.

During the fiscal year 2023, budget cycle, the City calculated a minimum unrestricted fund balance (the total of committed, assigned and unassigned components of fund balance) in the general fund equal to 35 percent of the originally budgeted operational expenditures and debt service obligations, less one time expenditures greater than \$500,000 and expenditures that are offset by transfers in or other financing sources, as a safeguard against financial demands caused by major natural disasters or other unforeseen events. The current year budgeted amount subject to the calculation was \$43,163,680 resulting in a 35 percent fund balance goal of \$15,713,487. The actual ending unrestricted fund balance of \$68,680,495 exceeds the goal by \$52,967,008.

## **12. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses during the reporting period. Actual results could differ from these estimates.

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**13. Recently Issued Accounting Principles**

GASB Statement No. 99, *Omnibus 2022*, was issued 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 for fiscal year 2024. The City is currently evaluating the impact this standard may have on its financial statements.

GASB Statement No. 100, *Accounting Changes and Error Corrections*, was issued to enhance accounting and financial reporting requirements for accounting changes and error corrections. This standard is effective for fiscal year 2024 but the City is currently evaluating the impact this standard may have on its financial statements.

GASB Statement No. 101, *Compensated Absences*, was issued to update the recognition and measurement guidance for compensated absences. This standard is effective for fiscal year 2025 but the City is currently evaluating the impact this standard may have on its financial statements.

**NOTE B. CASH AND INVESTMENTS**

**Cash**

The City manages custodial credit risk, which is the risk that in the event of a bank failure deposits may not be returned, by approving, by resolution, all banks or other financial institutions utilized as depositories for the City's public funds. Prior to approval, each proposed depository must provide evidence of its designation by the Alabama State Treasurer as a qualified public depository (QPD) under the Security of Alabama Funds Enhancement Act (SAFE). The City Treasurer or their designee verify, annually at a minimum, that banks are continuing to participate in the SAFE Program. Under this mandatory program, each QPD is required to hold collateral for all of its public deposits on a pooled basis in a custody account established for the State Treasurer as SAFE administrator. In the unlikely event a public entity should suffer a deposit loss due to QPD insolvency or default, a claim would be filed with the State Treasurer who would use the SAFE pool collateral or other means to reimburse the loss. In certain circumstances, deposits are covered by the Federal Deposit Insurance Corporation (FDIC) or otherwise invested or collateralized.

At September 30, 2023, the Primary Government's reported amount of qualified deposits were \$65,487,403. Public fund deposits held by QPD's totaled \$63,098,463, with actual bank balances of \$63,740,076, and consisted entirely of deposits with financial institutions in checking, money market accounts, and certificates of deposit. The amount reported and on deposit that was 100 percent federally invested by Bond Trustees in debt service reserve accounts was \$2,338,940. The City of Foley Sanitation Fund, a proprietary fund which qualifies for the public funds SAFE Program, has deposits held by QPD's totaling \$140,189, with actual bank balances of \$167,646.

**Investments**

The City's investments are restricted by State statutes 11-81-19 and 11-81-21 generally to investments in bonds, notes, certificates of indebtedness, treasury bills, securities guaranteed by the full faith and credit of the United States of America, government backed intermediate term mutual funds, interest bearing savings accounts, interest bearing certificates of deposit, and interest bearing time deposits.

The City held an investment account for the volunteer fire department LOSAP benefit payments with a balance of \$326,170 of which Mutual Life Insurance Company guarantees principal.

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As of September 30, 2023, the City had the following investments held in a custodial trust account:

<b>Investment Category</b>	<b>Investment Maturities (Fair Value)</b>			
	<b>Less than 1 Year</b>	<b>1 to 5 Years</b>	<b>More than 5 Years</b>	<b>Total Fair Value</b>
United States Treasury Bonds	\$ -	\$ 791,968	\$ -	\$ 791,968
United States Treasury Notes	8,198,890	10,620,929	-	18,819,819
United States Treasury Bills	2,465,338	-	-	2,465,338
Cash and Equivalents **	2,783,650	-	-	2,783,650
<b>Total Fair Value*</b>	<b>\$ 13,447,878</b>	<b>\$ 11,412,897</b>	<b>\$ -</b>	<b>\$ 24,860,775</b>

\*Includes accrued interest receivable totaling \$145,826

\*\* Cash held in QPD Money Market Account

**Fair Value of Financial Instruments**

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

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

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City can access at the measurement date.
- Level 2 Inputs other than quoted 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:

<b>Investment Category</b>	<b>Assets at Fair Value</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
United States Treasury Bonds	\$ -	\$ 791,968	\$ -	\$ 791,968
United States Treasury Notes	-	18,819,819	-	18,819,819
United States Treasury Bills	-	2,465,338	-	2,465,338
Cash and Equivalents	2,783,650	-	-	2,783,650
<b>Total Fair Value*</b>	<b>\$ 2,783,650</b>	<b>\$ 22,077,125</b>	<b>\$ -</b>	<b>\$ 24,860,775</b>

\*Includes accrued interest receivable totaling \$145,826

The following is a description of the valuation methodologies used for assets measured at fair value.

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

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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

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

The City minimizes credit risk by limiting investments to the safest types of securities and by diversifying the investment portfolio so that potential losses on individual securities will be minimized. The risk that the market value of securities in the portfolio will fall due to changes in general interest rates are minimized by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and by 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; and by continuously investing a portion of the portfolio in readily available funds such as interest-bearing demand deposits to ensure that appropriate liquidity is maintained to meet ongoing obligations.

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

**City of Foley, Alabama**  
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**NOTE C. CAPITAL ASSETS**

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

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
<b>Governmental activities</b>					
Capital assets not being depreciated:					
Land	\$ 30,288,471	\$ 2,705,307	\$ (197,812)	\$ -	\$ 32,795,966
Construction in progress	14,636,344	6,370,527	(44,300)	(6,102,564)	14,860,007
Total capital assets not being depreciated	44,924,815	9,075,834	(242,112)	(6,102,564)	47,655,973
Capital assets being depreciated:					
Property improvements	36,109,569	733,839	(233,523)	600,284	37,210,169
Building improvements	42,350,550	2,302,188	(527,909)	3,088,560	47,213,389
Machinery & equipment	22,527,638	1,773,955	(274,768)	971,895	24,998,720
Infrastructure	133,671,463	1,163,470	(147,538)	1,441,825	136,129,220
Right to use-lease equipment	275,783	-	-	-	275,783
Right to use-lease building	76,035	-	-	-	76,035
Right to use-IT Subscriptions	117,737	1,422,090	-	-	1,539,827
Total capital assets being depreciated	235,128,775	7,395,542	(1,183,738)	6,102,564	247,443,143
Less accumulated depreciation:					
Property improvements	(12,725,445)	(1,183,047)	174,718	-	(13,733,774)
Building improvements	(13,521,368)	(1,233,803)	403,096	-	(14,352,075)
Machinery & equipment	(15,015,532)	(1,509,017)	191,230	-	(16,333,319)
Infrastructure	(55,700,497)	(1,517,771)	44,566	-	(57,173,702)
Right to use-lease equipment	(16,777)	(22,347)	-	-	(39,124)
Right to use-lease building	(31,637)	(37,966)	-	-	(69,603)
Right to use-IT Subscriptions	-	(188,240)	-	-	(188,240)
Total accumulated depreciation	(97,011,256)	(5,692,191)	813,610	-	(101,889,837)
Total capital assets being depreciated, net	138,117,519	1,703,351	(370,128)	6,102,564	145,553,306
<b>Governmental activities, net</b>	<b>\$ 183,042,334</b>	<b>\$ 10,779,185</b>	<b>\$ (612,240)</b>	<b>\$ -</b>	<b>\$ 193,209,279</b>
	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
<b>Business-type activities</b>					
<b>Sanitation Fund</b>					
Capital assets being depreciated:					
Moveable equipment	\$ 3,842,477	\$ 663,018	\$ -	\$ -	\$ 4,505,495
Total capital assets being depreciated	3,842,477	663,018	-	-	4,505,495
Less accumulated depreciation:					
Moveable equipment	(1,539,141)	(488,771)	-	-	(2,027,912)
Total accumulated depreciation	(1,539,141)	(488,771)	-	-	(2,027,912)
Total capital assets being depreciated, net	2,303,336	174,247	-	-	2,477,583
<b>Sanitation Fund Capital Assets, net</b>	<b>\$ 2,303,336</b>	<b>\$ 174,247</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,477,583</b>

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

<b>Governmental activities</b>	
General Government	\$ 598,219
Public Safety	1,147,176
Highways & Streets	1,763,676
Culture-Recreation	2,183,120
Total depreciation expense - governmental activities	<u>\$ 5,692,191</u>
<b>Business-type activities</b>	
Sanitation Fund	\$ 488,771
Total depreciation expense - business-type activities	<u>\$ 488,771</u>



**City of Foley, Alabama**  
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**NOTE D. LONG-TERM DEBT**

The City's outstanding debt and obligations at year end are as follows:

***General Obligation Warrants & Special Revenue Bonds***

The City's General Obligation Warrants and Special Revenue Bonds contain a provision that in the event of default, outstanding amounts become immediately due if the City is unable to make payment.

***General Obligation Warrants, Series 2014.*** In 2014, the City issued \$16,805,000 Series 2014 General Obligation Warrants to fund the acquisition, construction, and installation of capital improvements to certain public facilities within the City including pedestrian and intersection improvements, bike paths, a five field ball park, an environmental interpretive centre, fire station and road extensions resurfacing and improvements. The City refunded \$8,420,000 of these warrants in fiscal year 2021 with General Obligation Warrant, Series 2021 B.

***General Obligation Warrants, Series 2015.*** In 2015, the City issued \$3,440,000 Series 2015 General Obligation Warrants to assist the Public Athletic and Sports Facilities Cooperative District in funding a 16 multi-use field complex with amenities.

***General Obligation Warrants, Series 2019.*** On September 20, 2019, the City issued \$4,905,000 General Obligation Warrants, Series 2019, with rates ranging from 4 percent to 5 percent, to advance refund \$655,000 of outstanding City of Foley Series 2009 Warrants with rates ranging from 2 percent to 4.25 percent, and \$5,475,000 of outstanding PFCF Series 2009 Bonds with rates ranging from 1 percent to 4 percent.

***General Obligation Warrants, Series 2020, Taxable Line of Credit.*** On June 3, 2020, the City entered into a \$10,000,000 Revolving Line of Credit, with an interest rate of 2.95 percent to be used for emergency purposes only. There were no draws taken during fiscal year 2022 and there is no balance outstanding.

***General Obligation Warrants, Series 2021-A.*** On March 4, 2021, the City issued \$10,080,000 General Obligation Warrants, Series 2021 A, with rates ranging from 0.22 percent to 2.83 percent, to advance refund \$8,375,000 of outstanding PCEFCF Series 2015 Revenue Bonds with rates ranging from 3 percent to 5 percent.

***General Obligation Warrants, Series 2021-B.*** On July 29, 2021, the City issued \$22,855,000 General Obligation Warrants, Series 2021 B, with rates ranging from 2 percent to 2.7 percent, to advance refund \$8,420,000 of outstanding City of Foley Series 2014 Warrants with rates ranging from 3 percent to 5 percent, and \$12,025,000 of outstanding PASFCF Series 2015 Revenue Bonds with rates ranging from 3.4 percent to 4 percent.

***Public Facilities Cooperative District Revenue Bonds, Series 2016.*** In 2016, the City of Foley Public Facilities Cooperative District (a blended component unit of the City) issued \$9,165,000 of Series 2016 Revenue Bonds with interest rates ranging from 1 percent to 4 percent in order to advance refund \$8,830,000 of outstanding Series 2009 Revenue Bonds with rates ranging from 4 percent to 5 percent. The Bonds are special obligations of the District payable solely from revenues derived by the District from facilities financed by the proceeds of the Bonds (the "Project"), including without limitation payments to be made under a Lease Agreement by the District to the City with respect to the Project. The Lease Agreement provides that (i) for each year in which the Lease Agreement is in effect, the City shall pay rentals for the account of the District at such times and in such amounts as shall be sufficient to pay the principal of and interest on the Bonds when due and any amounts required to be paid into the reserve fund for the Bonds, (ii) the obligations of the City under the Lease Agreement shall be general obligations of the City, and (iii) the City may terminate the Lease Agreement as of September 30 of any year without penalty, and without acceleration or advancement of maturity or due date of any principal of or interest on the Bonds or amount payable under the Lease Agreement, and without recourse against the City for the payment of any amount which would otherwise become due under the Lease Agreement in any year subsequent to such termination of the Lease Agreement. The Bonds and the obligations of the

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City under the Lease Agreement are not chargeable against the constitutional debt limit of the City.

***Public Athletic and Sports Facilities Cooperative District, Revenue Bonds Series 2015.*** In 2015, the Public Athletic & Sports Facilities Cooperative District (a blended component unit of the City) issued \$13,000,000 in revenue bonds. The Bonds are limited obligations of the District payable solely from and secured by a pledge of (i) the moneys payable by the City of Foley, Alabama (the "City") pursuant to the Funding Agreement, dated as of May 1, 2015, by the City, the District and the Trustee; (ii) certain revenues derived by the District for such purpose from the Project; and (iii) moneys on deposit in the funds created under the Indenture. The Funding Agreement is a full faith and credit general obligation of the City and will provide for payments by the City on dates and in amounts sufficient to provide for the payment of the debt service on the bonds when due for payment. The City refunded \$12,025,000 of these warrants in fiscal year 2021 with General Obligation Warrant, Series 2021 B.

***Public Cultural and Entertainment Facilities Cooperative District, Revenue Bonds Series 2015.*** In December 2015, the Public Cultural & Entertainment Facilities Cooperative District (a blended component unit of the City) issued \$15,285,000 in revenue bonds. The Bonds are limited obligations of the District payable solely from and secured by a pledge of (i) the moneys payable by the City of Foley, Alabama (the "City") pursuant to the Funding Agreement, dated as of December 1, 2015, by the City, the District and the Trustee; (ii) certain revenues derived by the District for such purpose from the Project; and (iii) moneys on deposit in the funds created under the Indenture. The Funding Agreement is a full faith and credit general obligation of the City and will provide for payments by the City on dates and in amounts sufficient to provide for the payment of the debt service on the bonds when due for payment. The City refunded \$8,375,000 of these warrants in fiscal year 2021 with General Obligation Warrant, Series 2021 A.

***Direct Borrowings & Direct Placement Debt***

***Lease Purchase Certificates of Participation, Series 2013 (Qualified Energy Conservation Bond-Direct Pay).*** In 2013, the City entered into a contract with an Energy Service Company (ESCO) to administer a guaranteed savings energy efficiency project to be funded through the Qualified Energy Conservation Bond (QECB) process, a low-cost federal loan program administered by the State. The bonds are in the form of \$2,975,000 federally taxable certificates of participation and are payable in accordance with an Annual Appropriation Lease Agreement, of which the rental payments constitute a full faith and credit general obligation of the City. The Lease Purchase Agreement provides that the City may determine not to appropriate funds necessary to make such rental payments, or any other payments under the agreement, in any fiscal year and thereby terminate its obligations from and after such fiscal year, with no recourse to the City thereafter. The City has no legal obligation to appropriate funds under the Lease Purchase Agreement in any year. If the City does not make the annual lease appropriation, the escrow agent will not have sufficient funds to pay the principal and interest on the certificates and the lease agreement will be canceled. In the event of the cancellation lease agreement, the escrow agent has the right to repossess and remove the equipment from its location and sell, lease or otherwise dispose of such equipment.

***Note Payable.*** In 2021, the City entered in a contract with AXON Enterprise, Inc. for tasers and body cameras used in the Jail. This five year note bears a 6 percent interest rate.

***General Obligation Warrants, Series 2022,*** On December 15, 2022, the City entered into a \$8,000,000 of Series 2022 General Obligation warrants through United Bank. These bonds were issued for the construction of general purpose municipal building facilities and a new public library. These funds are eligible for the USDA State Community Program.

***General Obligation Warrants, Series 2023,*** On February 15, 2023, the City entered into a \$10,000,000 of Series 2023 General Obligation warrants through United Bank. These bonds were issued for the construction of general purpose municipal building facilities and a new public library. These funds are eligible for the USDA State Community Program.

The warrants, bonds and notes payable as of September 30, 2023, were as follows:

**City of Foley, Alabama**  
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Governmental Activities

\$16,805,000 Series 2014, General Obligation Warrants; due in annual installments from \$305,000 to \$1,050,000 plus semi-annual interest varying from 2% to 4%; final maturity in 2039.	\$ 535,000
\$3,440,000 Series 2015, General Obligation Warrants, due in annual installments from \$285,000 to \$410,000 plus semi-annual interest of 5%; final maturity in 2025.	780,000
\$4,905,000 Series 2019, General Obligation Warrants, due in annual installments from \$45,000 to \$1,210,000 plus semi-annual interest varying from 4% to 5%; final maturity in 2030.	1,450,000
\$10,080,000 Series 2021A, General Obligation Warrants, due in annual installments from \$55,000 to \$850,000 plus semi-annual interest varying from 0.22% to 2.83%; final maturity in 2045.	9,930,000
\$22,855,000 Series 2021B, General Obligation Warrants, due in annual installments from \$200,000 to \$1,450,000 plus semi-annual interest varying from 2% to 2.7%; final maturity in 2045.	22,415,000
\$9,165,000 Public Facilities Cooperative District Series 2016 Revenue Bonds; due in annual installments from \$60,000 to \$1,540,000 plus semi-annual interest varying from 2% to 4%; final maturity in 2030.	8,720,000
\$13,000,000 Public Athletic & Sports Facilities Cooperative District Series 2015 Revenue Bonds, due in annual installments from \$60,000 to \$910,000 plus semi-annual interest varying from 3% to 4%; final maturity in 2045.	975,000
\$15,285,000 Public Cultural & Entertainment Facilities Cooperative District Series 2015 Revenue Bonds, due in annual installments from \$305,000 to \$875,000 plus semi-annual interest varying from 2% to 5%; final maturity in 2045.	4,605,000
\$2,975,000 Series 2013, Qualified Energy Conservation Bond; due in semi-annual installments from \$75,000 to \$235,000; plus semi-annual interest varying from 1.2% to 4.2%; final maturity in 2033.	1,975,000
\$8,000,000 Series 2022, General Obligation Warrants, due in monthly installments of \$48,041 which includes interest with rates from 3.840% to 4.378%; with final maturity in December 2042.	7,792,522
\$10,000,000 Series 2023, General Obligation Warrants, due in monthly installments of \$57,316 which includes interest with rates from 3.320% to 4.375%; with final maturity in February 2043.	9,785,820
\$129,074 Note Payable: due in annual installments from \$8,240 to \$100,600 plus interest of .6%; final maturity in 2025.	14,802
Total Governmental Activities	\$ 68,978,144

**City of Foley, Alabama**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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The principal maturities and related interest requirements for the warrants, bonds, and notes payable for the next five fiscal years and thereafter are as follows:

**Warrants, Bonds and Notes Payable:**

Year Ending September 30,	<b>Governmental Activities</b>					
	General Obligation Warrants & Special Revenue Bonds			Notes from Direct Borrowing and Direct Placement		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 3,005,000	\$ 1,342,661	\$ 4,347,661	\$ 807,181	\$ 701,402	\$ 1,508,583
2025	3,075,000	1,243,341	4,318,341	842,428	669,185	1,511,613
2026	3,155,000	1,158,395	4,313,395	864,271	636,927	1,501,198
2027	3,245,000	1,078,406	4,323,406	899,470	604,142	1,503,612
2028	3,335,000	967,830	4,302,830	929,131	571,691	1,500,822
2029 to 2033	13,020,000	3,454,106	16,474,106	5,223,275	2,295,045	7,518,320
2034 to 2038	9,015,000	2,136,245	11,151,245	4,941,683	1,379,744	6,321,427
2039 to 2043	8,145,000	1,107,398	9,252,398	5,060,705	427,142	5,487,847
2044 to 2048	3,415,000	141,789	3,556,789	-	-	-
2049 to 2053	-	-	-	-	-	-
	<u>\$ 49,410,000</u>	<u>\$ 12,630,171</u>	<u>\$ 62,040,171</u>	<u>\$ 19,568,144</u>	<u>\$ 7,285,278</u>	<u>\$ 26,853,422</u>

Changes in long-term debt for the year were as follows:

	Principal Balance 10/1/22	Additions	Reductions	Principal Balance 9/30/23	Due Within One Year
<b>Governmental Activities</b>					
General Obligation Warrants & Special Revenue Bonds					
2014 General Obligation Warrants	\$ 1,050,000	\$ -	\$ (515,000)	\$ 535,000	\$ 535,000
2015 General Obligation Warrants	1,170,000	-	(390,000)	780,000	410,000
2019 General Obligation Warrants	2,660,000	-	(1,210,000)	1,450,000	50,000
2021A General Obligation Warrants	10,025,000	-	(95,000)	9,930,000	95,000
2021B General Obligation Warrants	22,655,000	-	(240,000)	22,415,000	245,000
2016 PFCD Revenue Bonds	8,785,000	-	(65,000)	8,720,000	1,290,000
2015 PASFCD Revenue Bond Series	975,000	-	-	975,000	-
2015 PCEFCD Revenue Bond Series	4,970,000	-	(365,000)	4,605,000	380,000
Bond premiums	1,495,165	-	(224,113)	1,271,052	-
Bond discounts	(41,301)	-	4,748	(36,553)	-
Direct Borrowing & Direct Placements					
2013 Qualified Energy Conservation Bond	2,095,000	-	(120,000)	1,975,000	160,000
2022 General Obligation Warrants-USDA	-	8,000,000	(207,478)	7,792,522	276,975
2023 General Obligation Warrants-USDA	-	10,000,000	(214,180)	9,785,820	376,178
Note Payable	21,717	-	(6,915)	14,802	7,339
Total warrants, bonds, and loans, net	<u>55,860,581</u>	<u>18,000,000</u>	<u>(3,647,938)</u>	<u>70,212,643</u>	<u>3,825,492</u>
Lease liability	298,600	-	(59,656)	238,944	31,467
Subscription liability	117,737	1,422,090	(344,749)	1,195,078	186,463
Interest	491,138	1,962,139	(1,969,014)	484,263	484,263
Health claims payable	303,668	5,237,407	(5,169,982)	371,093	371,093
Compensated absences	1,093,080	1,111,223	(974,123)	1,230,180	419,739
Post employment health care liability	5,647,961	-	178,758	5,826,719	750,000
Net pension liability-ERSA	7,164,750	9,027,922	(991,370)	15,201,302	-
Total pension liability-Volunteer firefighter-LOSAP	406,895	-	(5,591)	401,304	10,000
Long-term liabilities from governmental activities	<u>\$ 71,384,410</u>	<u>\$ 36,760,781</u>	<u>\$ (12,983,665)</u>	<u>\$ 95,161,526</u>	<u>\$ 6,078,517</u>
<b>Business-Type Activities</b>					
Health claims payable	\$ 17,432	\$ 294,753	\$ (291,278)	\$ 20,907	\$ 20,907
Compensated absences	34,954	48,777	(33,372)	50,359	6,162
Net pension liability-ERSA	273,740	464,441	(45,191)	692,990	-
Long-term liabilities from business-type activities	<u>326,126</u>	<u>807,971</u>	<u>(369,841)</u>	<u>764,256</u>	<u>27,069</u>
<b>Grand Total Long-Term Liabilities</b>	<u>\$ 71,710,536</u>	<u>\$ 37,568,752</u>	<u>\$ (13,353,506)</u>	<u>\$ 95,925,782</u>	<u>\$ 6,105,586</u>

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The General Fund generally liquidates the post-employment health care liability, claims and judgments, and compensated absences for governmental activities.

**NOTE E. LEASES**

**1. Lease payables**

Lease agreements are summarized as follows:

Description	Date	Payable Terms	Payment Amount	Interest Rate	Total Lease Liability	Balance September 30, 2023
Postage Machine	10/1/2021	60 months	\$ 512.81	7.32%	\$ 25,857	\$ 16,529
Envelope Printer	12/1/2021	60 months	\$ 387.45	7.32%	19,536	13,106
Folding Machine	6/1/2022	60 months	\$ 690.00	7.32%	34,784	27,079
Engineering Office Space	12/1/2021	25 months	\$ 3,125.00	2.73%	76,035	9,333
Engineering Printer	2/1/2019	60 months	\$ 267.21	3.00%	7,227	1,062
Police & Fire Tower Space	1/1/2021	25 annual	\$ 10,800.00	3.00%	182,687	171,835
						<u>\$ 238,944</u>

During fiscal year 2022, the General Government Department entered into a 5 year lease for a postage machine, a 5 year lease for an envelope printer, and a 5 year lease for a folding machine. These leases all bear an interest rate of 7.32 percent, are nonrenewable and the City will not own any of this equipment at the end of the term.

During fiscal year 2022, the Engineering Department entered into a 25 month lease for office space. This nonrenewable lease bears an interest rate of 2.73 percent and the City will not own the asset when the term ends.

In January 2021, the Police and Fire Departments entered into a 25 year lease for radio tower space. This lease is nonrenewable and bears an interest rate of 3 percent. The City will not own any assets when the term ends.

In February 2019, the Engineering Department entered into a 5 year lease with an interest rate of 3 percent for an office printer. This lease is nonrenewable and the City will not own the asset at the end of the term.

Annual requirements to amortize long-term obligations and related interest are as follows:

Year ended September 30:	Principal	Interest	Total
9/30/2024	\$ 31,467	\$ 8,904	\$ 40,371
9/30/2025	22,407	7,476	29,883
9/30/2026	23,852	6,031	29,883
9/30/2027	12,953	4,832	17,785
9/30/2028	6,345	4,455	10,800
2029 to 2033	34,673	19,327	54,000
2034 to 2038	40,211	13,789	54,000
2039 to 2043	46,618	7,382	54,000
2044 to 2048	20,418	182	20,600
	<u>\$ 238,944</u>	<u>\$ 72,378</u>	<u>\$ 311,322</u>

**City of Foley, Alabama**  
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Below is a summary of the right to use assets with useful life and accumulated amortization.

<b>Amortization</b>	<b>Useful Life</b>	<b>Beginning Value</b>	<b>Accumulated Amortization</b>	<b>Current Value</b>
Postage Machine	60 months	\$ 25,856	\$ 5,150	\$ 20,706
Envelope Printer	60 months	19,536	3,576	15,960
Folding Machine	60 months	34,784	8,695	26,089
Engineering Office Space	25 months	76,035	69,604	6,431
Engineering Printer	60 months	7,228	6,209	1,019
Police & Fire Tower Space	300 months	188,379	15,493	172,886
		<u>\$ 351,818</u>	<u>\$ 108,727</u>	<u>\$ 243,091</u>

## 2. Lease receivables

The City is reporting Lease Receivables and Deferred Inflow of Resources of \$937,200 at September 30, 2023. For fiscal year 2023, the City reported lease revenue of \$51,781 and interest revenue of \$29,223 related to lease payments received. These leases are summarized as follows:

<b>Lease</b>	<b>Interest Rate</b>	<b>Lease Deferred Inflows as of 9/30/2023</b>	<b>Lease Receivable as of 9/30/2023</b>	<b>Lease Revenue</b>	<b>Lease Interest Revenue</b>
Post Office	3.00%	\$ 149,610	\$ 149,610	\$ 19,148	\$ 4,852
Gypsy Queen Java	3.00%	8,713	8,713	9,167	433
AT&T Tower	3.00%	567,699	567,699	10,105	17,334
Southern Linc Tower	3.00%	211,178	211,178	13,361	6,604
		<u>\$ 937,200</u>	<u>\$ 937,200</u>	<u>\$ 51,781</u>	<u>\$ 29,223</u>

**Post Office Lease** - In October 1995, the City entered into a 20 year lease with the United States Post Office for the use of a building. Total annual lease payments were \$104,532 a year and this agreement expired on October 18, 2015. The original lease did include four (4), five (5) year renewal options for \$24,000 a year. The USPO has exercised the first two renewal options and it is expected that they will exercise the remaining options. The City receives \$2,000 in monthly payments.

**Gypsy Queen Java** - In December 2020, the City entered into a 3 year lease with a local coffee shop. The City receives monthly payments of \$800.

**AT&T Tower** - In January 2018, the City entered into a 30 year lease with AT&T allowing them to place equipment on city radio towers. The lease began with one (1) annual payment of \$25,034 and increases 10% every five (5) years beginning January 2022.

**Southern Linc Wireless Tower** - In September 2009, the City entered into a 25 year lease with Southern Linc Wireless allowing them to place equipment on city radio towers. The lease began with monthly payments of \$1,000, or \$12,000 a year, and increases 10% every five (5) years beginning August 2014. In 2018, Southern Linc added additional equipment to the tower, but removed the additional equipment and some original equipment in December 2019; which gave a new monthly lease payment of \$1,650. The monthly payment will increase in September 2024 to \$1,815.

**City of Foley, Alabama**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE F. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA's)**

**1. SBITA payables**

SBITA agreements are summarized as follows:

Description	Date	Payable Terms	Payment Amount	Interest rate	Total Subscription Liability	Balance September 30, 2023
SBITA-SADA/Google Workspace	6/1/2022	3 annual	\$ 33,264	3%	\$ 62,249	\$ 32,280
SBITA-ESRI/ArcGIS	3/1/2022	3 annual	\$ 27,500	3%	53,488	26,686
SBITA-AXON-Body Camera/Tasers	10/1/2022	10 annual	\$ 162,150	3%	1,422,090	1,136,112
						<u>\$ 1,195,078</u>

In June 2022, the IT Department entered into a 3 year agreement with SADA for the right to use Google Workspace. This agreement is nonrenewable and bears an interest rate of 3 percent.

In March 2022, the IT Department entered into a 3 year agreement with ERSI for the right to use ArcGIS. This agreement is nonrenewable and bears an interest rate of 3 percent.

During the fiscal year, the Police Department entered into a 10 year agreement with AXON for the right to use Axon technology for tasers and body cameras. This agreement is nonrenewable and bears an interest rate of 3 percent.

Annual requirements to amortize long-term obligations and related interest are as follows:

Year ended September 30:	Principal	Interest	Total
9/30/2024	\$ 186,463	\$ 36,451	\$ 222,914
9/30/2025	131,472	30,678	162,150
9/30/2026	135,471	26,679	162,150
9/30/2027	139,591	22,559	162,150
9/30/2028	143,786	18,364	162,150
2029 to 2033	458,295	28,157	486,452
2034 to 2038	-	-	-
2039 to 2043	-	-	-
2044 to 2048	-	-	-
	<u>\$ 1,195,078</u>	<u>\$ 162,888</u>	<u>\$ 1,357,966</u>

Below is a summary of the right to use subscription assets with useful life and accumulated amortization.

Amortization	Useful Life	Beginning Value	Accumulated Amortization	Current Value
SBITA-SADA/Google Workspace	36 months	\$ 64,249	\$ 24,093	\$ 40,156
SBITA-ESRI/ArcGIS	36 months	53,488	21,938	31,550
SBITA-AXON-Body Camera/Tasers	360 months	1,422,090	142,209	1,279,881
		<u>\$ 1,539,827</u>	<u>\$ 188,240</u>	<u>\$ 1,351,587</u>

**City of Foley, Alabama**  
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**NOTE G. INTERFUND RECEIVABLES AND PAYABLES**

The following is a detailed listing of interfund receivables and payables shown in the combined balance sheet:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 1,272,151	\$ 11,896
Capital Projects Fund	-	170,955
Sanitation Fund		621,485
Non-Major Funds	11,896	479,711
Total	<u>\$ 1,284,047</u>	<u>\$ 1,284,047</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. City forces began self-collection of commercial sanitation on July 1, 2022. In lieu of incurring debt in the Sanitation Fund, the General Fund contributed \$1,376,720 to purchase the required capital equipment. As of September 30, 2023, the balance owed to the general fund is \$621,485.

**NOTE H. INTERFUND TRANSFERS**

Interfund transfers during the year ended September 30, 2023, were as follows:

Transfers to other funds					
Fund	Operations	Debt Service	Economic Development	Capital Projects	Total
General Fund	\$ 757,939	\$ 5,315,512	\$ -	\$ 8,701,267	\$ 14,774,718
USDA Relending Program	-	-	-	1,095,635	1,095,635
Non-Major Funds	330,000	-	3,600,388	-	3,930,388
Total	<u>\$ 1,087,939</u>	<u>\$ 5,315,512</u>	<u>\$ 3,600,388</u>	<u>\$ 9,796,902</u>	<u>\$ 19,800,741</u>

Transfers from the General Fund consisted of: \$757,939 to fund operating cost in the Foley Sports Tourism Event Center Operations; Multi-Use Fields Operations; and pay insurance cost in the PFCF, PASFCF and PCEFCF Funds; \$5,315,512 was transferred to fund debt service cost in various funds; and \$8,701,267 funded capital improvements in the Capital Projects Fund. Transfers from the USDA Relending Program consisted of \$1,095,635 to fund construction of municipal buildings. Non-Major Funds transfers consisted of: \$240,000 from the Gas Tax Fund; \$90,000 from the Recreation Fund to reimburse the General Fund for eligible cost; and \$3,600,388 from the 3 districts for economic development payments.

Transfers from Other Funds					
Fund	Operations	Debt Service	Economic Development	Capital Projects	Total
General Fund	\$ 330,000	\$ -	\$ 3,600,388	\$ 1,095,635	\$ 5,026,023
Capital Projects Fund	-	-	-	8,701,267	8,701,267
USDA Relending Program	-	883,082	-	-	883,082
Non-Major Funds	757,939	4,432,430	-	-	5,190,369
Total	<u>\$ 1,087,939</u>	<u>\$ 5,315,512</u>	<u>\$ 3,600,388</u>	<u>\$ 9,796,902</u>	<u>\$ 19,800,741</u>



**City of Foley, Alabama**  
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Transfers to the General Fund consisted of: \$240,000 from the Gas Tax Fund; \$90,000 from the Recreation Activities fund; \$1,095,635 from the USDA Relending Program Fund to assist the fund the construction of municipal buildings; and \$3,600,388 in project user fees from the Cooperative Districts. The Capital Projects Fund received transfers of \$8,701,267 from the General Fund. Non-Major Fund transfers consisted of transfers from the General Fund to assist the following funds in operations: \$352,158 to the Event Center Operations Fund; \$357,953 to the Multi-Use Fields Operations Fund; \$8,365 to the PFCD; \$37,923 to the PASFCD; and \$1,540 to the PCEFCD. Debt service transfers consisted of \$4,432,430 from the General Fund to various non-major funds.

**NOTE I. FUND BALANCE CONSTRAINTS**

The constraints on fund balance as listed in aggregate in the governmental funds balance sheet are detailed according to balance classification and fund.

	General Fund	Capital Projects Fund	USDA Relending Program	Non-Major Funds	Total
<b>Fund Balances:</b>					
<b>Non-Spendable:</b>					
Inventory	\$ 46,928	\$ -	\$ -	\$ -	\$ 46,928
Prepaid items	466,496	-	-	592,261	1,058,757
Total Non-Spendable	<u>513,424</u>	<u>-</u>	<u>-</u>	<u>592,261</u>	<u>1,105,685</u>
<b>Restricted:</b>					
Debt service reserves	-	-	-	2,388,940	2,388,940
Capital Projects	-	-	16,910,420	-	16,910,420
Police	94,300	-	-	14,607	108,907
Fire	-	-	-	502,197	502,197
Court	492,568	-	-	83,995	576,563
Parks and recreation	-	-	-	2,256,928	2,256,928
Highways and streets	-	-	-	1,012,641	1,012,641
Total Restricted	<u>586,868</u>	<u>-</u>	<u>16,910,420</u>	<u>6,259,308</u>	<u>23,756,596</u>
<b>Committed:</b>					
Economic development	-	-	-	1,539,517	1,539,517
Culture and recreation	-	-	-	43,461	43,461
Total Committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,582,978</u>	<u>1,582,978</u>
<b>Assigned:</b>					
Culture and recreation	109,252	-	-	-	109,252
Fire	326,170	-	-	-	326,170
Total Assigned	<u>435,422</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>435,422</u>
<b>Unassigned:</b>	<u>68,291,434</u>	<u>(462,545)</u>	<u>-</u>	<u>-</u>	<u>67,828,889</u>
<b>Total Fund Balances</b>	<u>\$ 69,827,148</u>	<u>\$ (462,545)</u>	<u>\$ 16,910,420</u>	<u>\$ 8,434,547</u>	<u>\$ 94,709,570</u>

**City of Foley, Alabama**  
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**NOTE J. RISK MANAGEMENT AND SELF-INSURED HEALTH INSURANCE**

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 City carries commercial insurance to cover these risks. During the year the City had no significant reductions in its commercial insurance coverage from the prior year. In addition, there have been no settlements that exceeded the City's insurance coverage in any of the past three fiscal years.

In 2009, the City established a self-funded health plan for its employees. A third-party administrator is responsible for the approval, processing, and payment of claims. The City is responsible for a monthly administrative fee. The City pays 100 percent of employee and covered dependent(s) health, vision, hearing, prescription drugs, and dental claims cost at no premium cost to the employee. Employees who elect family coverage are required to pay a portion of the premium. Claims paid by the City are charged to the various departments where each employee works. Medical claims exceeding \$100,000 per covered individual, per year, are covered through a private insurance carrier.

Liabilities for unpaid claims are based on recommendations by third-party administrator. Changes in the balance of claims liabilities, including provision for incurred but not reported (IBNR) claims, are as follows:

	2023	2022
Unpaid claims, beginning of year	\$ 321,100	\$ 283,100
Incurred claims, including change in IBNR provision	5,532,160	5,058,882
Claims payments	(5,461,260)	(5,020,882)
Unpaid claims, end of year	<u>\$ 392,000</u>	<u>\$ 321,100</u>

**NOTE K. PENSION PLANS**

**1. Employee Retirement Systems of Alabama**

**General Information about the Pension Plan**

**Plan description.** The City participates in the Employees' Retirement System of Alabama (ERSA), an agent multiple employer plan, that was established under the provisions of Act 515 of the Legislature of 1945 for the purpose of providing 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. Assets of the ERS are pooled for investment purposes. However, separate accounts are maintained for each individual employer so that each employer's share of the pooled assets is legally available to pay the benefits of its employees only. The responsibility for the general administration and operation of ERS is vested in its Board of Control which consists of 15 trustees, including the Governor, State Treasurer, State Personnel Director and State Director of Finance as ex officio members, three vested members of ERS appointed by the Governor, and eight members of ERS elected by members. Effective October 1, 2021 Act 390 of the Legislature of 2021 created two additional representatives to the ERS Board of Control.

The Plan had approximately 108,890 participants from approximately 886 local participating employers as of September 20, 2022, and is administered by the Retirement Systems of Alabama (RSA). Title 36-Chapter 27 of the Code of Alabama 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](http://www.rsa-al.gov).

**City of Foley, Alabama**  
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**Benefits provided.** State law establishes retirement benefits as well as death and disability benefits and any ad hoc increase in post-retirement benefits for the ERS. Benefits for ERS members vest after 10 years of creditable service. The Legislature of Alabama has authority to amend the plan and grants the City authority to accept or reject cost-of-living adjustments to retirees. During its 2012 Session, the Legislature created a Tier 2 plan for all employees hired on or after January 1, 2013, with all employees hired before that date being referred to as Tier 1 members. Membership is mandatory for covered or eligible City employees and substantially all employees are members of ERS.

Tier 1 employees who retire after age 60 with 10 years or more of credible service or with 25 years of service (regardless of age) are entitled to an annual retirement benefit payable monthly for life. Service and disability retirement benefits are based on a guaranteed minimum or a formula method, with the member receiving payment under the method that yields the highest monthly benefit. Under the formula method, Tier 1 retirees are allowed 2.0125 percent of their average final compensation (highest 3 of the last 10 years) for each year of service.

Tier 2 employees are eligible for retirement after age 62 with 10 years or more of creditable service and are entitled to an annual retirement benefit, payable monthly for life. Service and disability retirement benefits are based on a guaranteed minimum or a formula method, with the member receiving payment under the method that yields the highest monthly benefit. Under the formula method, Tier 2 retirees are allowed 1.65 percent of their average final compensation (highest 5 of the last 10 years) for each year of service.

Employees 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. Pre-retirement death benefits are calculated and paid to the beneficiary based on the member's age, service credit, employment status and eligibility for retirement.

Act 132 of Legislature of 2019 allowed employers who participate in the ERS pursuant of 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 percent of earnable compensation for regular employees and 8.5 percent for firefighters and law enforcement officers. On February 1, 2021, the City adopted Resolution 21-1034 to provide Tier I benefits to Tier 2 members effect October 1, 2021.

Act 316 of the Legislature of 2019 allows employees at the time of retirement to receive a partial lump sum (PLOP) distribution as a single payment not to exceed the sum of 24 months of the maximum monthly retirement allowance the member could receive. This option may be selected in addition to the election of another retirement allowance option at a reduced amount based upon the amount of partial lump sum distribution selected.

	Number
Retired Members or Their Beneficiaries Currently Receiving Benefits	79
Vested Inactive Members	11
Non-vested Inactive Members	41
Active Members	334
Total	465

**Contributions.** Tier 1 covered members of the ERS contribute 5 percent of earnable compensation with the exception of certified law enforcement, correctional officers and firefighters who contribute 6 percent. Tier 2 covered members contribute 6 percent of earnable compensation with the exception of certified law enforcement, correctional officers, and firefighters who contribute 7 percent of earnable compensation. The ERS establishes employer rates based on an actuarial determined rate recommended by an independent actuary. The actuarial 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 pre-retirement death benefit and administrative expenses of the Plan. For the year ended September 30, 2023, the City's covered payroll was \$21,222,471. The City's active employee contribution rate was 5.86

**City of Foley, Alabama**  
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percent of covered payroll, and the City's average contribution rate to fund the normal and accrued liability costs was 6.26 percent of covered payroll.

The City's contractually required contribution rate for the year ended September 30, 2023, was 8.52 percent of pensionable pay for Tier 1 employees, and 6.55 percent of pensionable pay for Tier 2 employees. These required contribution rates are based upon the actuarial valuation dated September 30, 2021, 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 employer contributions to the pension plan from the City were \$1,329,908 for the year ended September 30, 2023.

**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, 2020, rolled forward to September 30, 2022, using standard roll-forward techniques.

**Actuarial assumptions.** The total pension liability in the September 30, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Salary increases	3.25% - 5.00%
Investment rate of return*	7.70 percent

\*Net of pension plan investment expense

Mortality rates for ERS 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:

Group	Membership Table	Set Forward (+) / Setback (-)	Adjustment to Rates
Non FLC Service Retirees	General Healthy Below Median	Male: +2, Female: +2	Male: 90" ages <65, 96% ages >=65 Female: 96% all ages
FLC/State Police Service Retirees	Public Safety Healthy Below Median	Male: +1, Female: non	None
Beneficiaries	Contingent Survivor Below Median	Male: +2, Female: +2	None
Non-FLC Disabled Retirees	General Disability	Male: +7, Female: +3	None
FLC/State Police Disabled Retirees	Public Safety Disability	Male: +7, Female: none	None

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:

**City of Foley, Alabama**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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	Target Allocation	Long-Term Expected Rate of Return *
Fixed Income	15.0%	2.8%
U.S. Large Stocks	32.0%	8.0%
U.S. Mid Stocks	9.0%	10.0%
U.S. Small Stocks	4.0%	11.0%
International Developed Market Stocks	12.0%	9.5%
International Emerging Market Stocks	3.0%	11.0%
Alternatives	10.0%	9.0%
Real Estate	10.0%	6.50%
Cash Equivalents	5.0%	1.50%
Total	100.00%	

\* includes assumed rate of inflation of 2.0 percent.

**Discount rate.** The discount rate used to measure the total pension liability at September 30, 2022 was the long term rate of return, 7.45 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the rates currently in effect and that employer contributions will be made in accordance with the funding policy adopted by the Board of Control. Projected future benefit payments for all current plan members were projected for all years.

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 and a municipal bond rate was not used in determining the discount rate.

**Changes in Net Pension Liability:**

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at September 30, 2021	\$ 48,913,828	41,475,338	\$ 7,438,490
Changes for the year:			
Service cost	1,638,133	-	1,638,133
Interest	3,581,743	-	3,581,743
Changes in benefit terms	42,274	-	42,274
Changes of assumptions	-	-	-
Differences between expected and actual experience	171,920	-	171,920
Contributions - employer	-	1,212,627	(1,212,627)
Contributions - employee	-	1,136,176	(1,136,176)
Net investment income	-	(5,370,535)	5,370,535
Benefit payments, including refunds of employee contributions	(1,673,490)	(1,673,490)	-
Administrative expense	-	-	-
Transfers among Employers	361,248	361,248	-
Net changes	4,121,828	(4,333,974)	8,455,802
Balances at September 30, 2022	\$ 53,035,656	\$ 37,141,364	\$ 15,894,292

**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 percent, 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 percent) or 1-percentage-point higher (8.45 percent) than the current rate:

**City of Foley, Alabama**  
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	1% Decrease 6.45%	Current Rate 7.45%	1% Increase 8.45%
City's net pension liability (asset)	\$ 23,120,893	\$ 15,894,292	\$ 9,895,506

**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 dated June 7, 2023, 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](http://www.rsa-al.gov).

**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 expenditures of \$1,434,458 in the fund level financial statements, and pension expense of \$3,017,207 in the government-wide financial statements. The deferred outflows of resources related to the pension plan, totaling \$1,328,908 resulting from the City's contributions to the plan subsequent to the measurement date (September 30, 2022), will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2024. Other amounts reported as deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 1,760,745	\$ 43,450
Changes in assumptions	2,049,114	-
Net difference between projected and actual earnings on plan investments	4,414,031	-
Employer contributions subsequent to measurement date	1,328,908	-
Totals	<u>\$ 9,552,798</u>	<u>\$ 43,450</u>

Amounts reported as deferred outflows of resources to pensions will be recognized in pension expense as follows:

**Year ended September 30:**

2024	\$ 2,066,192
2025	1,635,479
2026	1,397,474
2027	2,251,186
2028	476,339
Thereafter	353,770

**2. Volunteer Firefighter LOSAP**

**Plan Description.** The City sponsors a single employer Length of Service Awards Program (LOSAP) that provides a retirement benefit, disability benefit, and pre-entitlement death benefit policy for volunteer firefighters. The plan was established by the City in 1994 and is managed by Volunteer Firemen's Insurance Services. Benefit terms were established and may be amended by the City.

**Benefits provided.** Retirement benefits for LOSAP members are available after the member reaches the entitlement age of 65 and completion of one year of active service with the City. The member will receive a monthly income for life with a guarantee of at least 120 monthly payments payable to the participant or his designated beneficiary. The monthly amount payable ranges between a minimum amount of \$100 and a maximum amount of \$300. Disability benefits are available for active members that become totally and permanently disabled from any cause prior to the entitlement age.

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Pre-entitlement death benefit for each active and qualified member is the greater of \$10,000 or the present value of the members accrued benefit.

The plan had 36 participants as of the plan year ended June 30, 2022, consisting of 8 active, 24 vested-terminated, and 2 retired participants.

**Total Pension Liability.** There are no assets accumulated in a trust that meets the criteria to permit a netting of assets against the liability. The City's total pension liability was measured as of June 30, 2022, determined by an actuarial valuation as of June 30, 2022, rolled forward to June 30, 2023, using standard roll-forward techniques.

**Actuarial assumptions.** The total pension liability as of June 30, 2022, rolled forward to June 30, 2023 using the following actuarial assumptions, applied to all periods included in the measurement.

Inflation	0 %
Salary increases	Not applicable
Investment rate of return	3.86% percent, net of pension plan investment expense, including inflation
Mortality	No pre-retirement mortality; post retirement RP2000 projected to 2030
Retirement	First eligible
Turnover	T5
Disability	None

The above is a summary of key actuarial assumptions. Full descriptions of the actuarial assumptions are available in the July 1, 2022 actuarial valuation report.

**Changes in the Total Pension Liability**

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at July 1, 2022	\$ 406,895	\$ -	\$ 406,895
Changes for the year:			
Service cost	5,934	-	5,934
Interest	15,555	-	15,555
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(4,383)	-	(4,383)
Changes of assumptions	(13,037)	-	(13,037)
Benefit payment and expenses	(9,660)	-	(9,660)
Net Changes	(5,591)	-	(5,591)
Balances at June 30, 2023	\$ 401,304	\$ -	\$ 401,304

**Sensitivity of the total pension liability to changes in the discount rate.** The following table represents the City's total pension liability calculated using the discount rate of 3.86 percent, as well as what the City's total pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.86 percent) or 1-percentage point higher (4.86 percent) than the current rate:

	1% Decrease 2.86%	Current Rate 3.86%	1% Increase 4.86%
City's total pension liability	\$ 483,688	\$ 401,304	\$ 337,040

**Pension Expense and Deferred Outflows of Resources and Deferred Inflow of Resources Related to Pensions**

**City of Foley, Alabama**  
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**September 30, 2023**

For the year ended September 30, 2023, the City recognized pension expenditures of \$9,698 in the fund level financial statements, and pension expense of \$164 in the government-wide financial statements. At June 30, 2023, the reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 944	\$ 13,182
Changes in assumptions	16,138	99,012
Total	<u>\$ 17,082</u>	<u>\$ 112,194</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year ended September 30:</b>	
2024	\$ (39,016)
2025	(56,096)
2026	-
2027	-
2028	-
Thereafter	-

**3. Aggregate Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources for ERSA and LOSAP**

For the year ended September 30, 2023, the City recognized an aggregate pension expenditures of \$1,444,156 in the fund level financial statements, and pension expense of \$3,017,371 in the government-wide financial statements. The following table represents an aggregate deferred outflows of resources, deferred inflows of resources and pension liabilities for all pension plans.

<b>Deferred Outflows of Resources</b>	ERSA	LOSAP	Total
Difference between expected and actual experience	\$ 1,760,745	\$ 944	\$ 1,761,689
Changes of assumptions	2,049,114	16,138	2,065,252
Net difference between projected and actual earnings	4,414,031	-	4,414,031
Employer retirement contributions subsequent to measurement date	1,328,908	-	1,328,908
<b>Total Deferred Outflows of Resources</b>	<u>\$ 9,552,798</u>	<u>\$ 17,082</u>	<u>\$ 9,569,880</u>
<b>Deferred Inflows of Resources</b>			
Difference between expected and actual experience	\$ 43,450	\$ 13,182	\$ 56,632
Changes of assumptions	-	99,012	99,012
<b>Total Deferred Inflows of Resources</b>	<u>\$ 43,450</u>	<u>\$ 112,194</u>	<u>\$ 155,644</u>
<b>Pension Liabilities</b>			
ERSA-Net Pension Liability	\$ 15,894,292	\$ -	\$ 15,894,292
Volunteer Firefighter LOSAP - Total Pension Liability	-	401,304	401,304
<b>Total Pension Liabilities</b>	<u>\$ 15,894,292</u>	<u>\$ 401,304</u>	<u>\$ 16,295,596</u>



**City of Foley, Alabama**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2023**

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**NOTE L. POST EMPLOYMENT HEALTH CARE BENEFITS**

**General Information about the OPEB Plan**

**Plan description.** The City of Foley Health Care Plan is a single-employer self-funded defined benefit health care plan administered by the City of Foley. The contribution requirements of plan members are established and may be amended by the City of Foley. The City's required contribution is based on projected pay-as-you-go financing requirements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75 and the Plan does not issue stand-alone financial reports.

**Benefits provided.** Under the City's Health Care Plan, a retired employee who draws a monthly retirement check may elect to continue coverage in the Plan if the retiree has 25 years of service, regardless of age, or the retiree has 10 years of service and is 60 or more years in age, or has been determined to be disabled by the Social Security Administration or the Retirement System of Alabama. Coverage is also offered to eligible retirees' dependents. Retirees reimburse the City for 100 percent of the premium rate set by the City for health, vision, and dental coverage. Pre-Medicare retirees pay the blended premium rate, while Medicare-eligible retirees are offered a C-Plus Plan rate with Blue Cross Blue Shield of Alabama.

The following table summarizes active and retiree demographic information for the medical plan as of September 30, 2022.

<u>Status</u>	<u>Employee Only</u>	<u>Employee &amp; Family</u>	<u>Total</u>
Active	112	209	321
Retired	11	5	16
Total	123	214	337

**Total OPEB Liability**

The City's total OPEB liability of \$5,647,961 was measured as of September 30, 2022, and was determined by an actuarial valuation as of that date and rolled forward by the City using standard roll-forward techniques and estimated to be \$5,826,719.

**Actuarial assumptions and other inputs.** The total OPEB liability in the September actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	3.5 percent
Discount Rate	4.77 percent (2.27 percent real rate of return plus 2.5 percent inflation)
Healthcare cost trend rates	For medical: 4.5 percent. For dental: 3.0 percent
Retirees' share of benefit-related costs	The retiree pays the full contribution rate for medical, vision and dental coverage. The City pays all retiree claims from a self-funded health plan.

The discount rate was based on S&P Municipal Bond 20 year high grade rate index.

Mortality rates were based on the RPH-2014 total table with projection MP-2021.

The actuarial assumptions used in the September 30, 2022 valuation were based on the results of an actuarial experience study for the period October 1, 2021 - September 30, 2022.

**City of Foley, Alabama**  
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**September 30, 2023**

**Changes in the Total OPEB Liability**

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances October 1, 2022	\$ 5,647,961	\$ -	\$ 5,647,961
Changes for the year:			
Service cost	288,789	-	288,789
Interest cost	156,058	-	156,058
Differences between expected and actual experience	(266,089)	-	(266,089)
Net change in total OPEB liability	178,758	-	178,758
Total OPEB liability September 30, 2023	\$ 5,826,719	\$ -	\$ 5,826,719

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

	1% Decrease 3.77%	Discount Rate 4.77%	1% Increase 5.77%
Total OPEB Liability	\$ 6,514,272	\$ 5,826,719	\$ 5,220,740

**Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.** The following presents the total OPEB liability to the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (3.5 percent) or 1-percentage-point higher (5.5 percent) than the current healthcare cost trend rates:

	1% Decrease 3.50%	Healthcare Cost Trend Rates 4.50%	1% Increase 5.50%
Total OPEB Liability	\$ 5,028,458	\$ 5,826,719	\$ 6,764,821

**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 expenditures of \$876,874 in the fund level financial statements, and OPEB expense of \$1,124,430 in the government-wide financial statements. Other amounts reported as deferred outflows of resources related to the OPEB will be recognized in OPEB expense as follows:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 227,306	\$ 216,047
Changes in assumptions	491,442	660,753
Totals	\$ 718,748	\$ 876,800

**City of Foley, Alabama**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2023**

Amounts reported as deferred outflows of resources to OPEB will be recognized in pension expense as follows:

Year ended September 30:	
2023	68,818
2024	68,818
2025	(29,190)
2026	(203,434)
2027	(63,064)
2028+	-

**NOTE M. DEFERRED COMPENSATION PLANS**

Employees of the City may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457. There are two plans available to all eligible employees of the City. Under the plans, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency.

One plan is administered by the Employees' Retirement System of Alabama as fiduciary and the other plan is administered by Great West Retirement Services as fiduciary. Under the terms of an IRS Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts are held by the financial institution, until paid or made available to the employees or beneficiaries.

**NOTE N. TAX ABATEMENTS**

From time-to-time the City enters into economic development agreements to entice new businesses to locate in Foley or facilitate the expansion of existing businesses in order to create jobs, stimulate the economy and increase the tax base. These incentive agreements are authorized by Amendment 772 of the Constitution of Alabama and are normally for the abatement of property taxes for a set period of time or the abatement of sales and use tax on construction materials and equipment purchases. The City has not made any commitments as part of the agreements other than to reduce taxes. The City has chosen to disclose information about all of its tax abatement agreements individually.

Effective July 5, 2016, the City entered into a Tax Abatement Agreement with Foley Holdings LLC and its affiliates', granted under Chapter 9B Title 40 of the Code of Alabama 1975, as a tourism destination attraction project. The following taxes are abated for the project under the agreement: (1) all state and local noneducational property taxes (as defined), and (2) all construction-related transaction taxes (as defined), except those local construction-related transaction taxes levied for educational purposes or for capital improvements for education. In return, Foley Holdings LLC promises to build a new multi-year project as a tourism destination attraction, resulting in an increase in the sales and lodging tax base and an increase in available jobs. To meet the requirements of GASB Statement 77, the Baldwin County Probate Judge will provide the property taxes abated by the City each year. Although the agreement does not require Foley Holdings to submit reports of construction-related costs to the City of Foley, the Baldwin County Revenue Commissioner's Office has provided those amounts from the monthly educational tax returns and to the City. Below is a summary of taxes abated by the City's agreements:

Company	Abatement Began	FY 2023 Ad-Valorem	Total Ad-Valorem	FY 2023 Sales & Use	Total Sales & Use
Foley Holdings LLC	2017	\$ 90,830	\$ 514,314	\$ 157,899	\$ 2,282,296

**City of Foley, Alabama**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2023**

The Industrial Development Board (IDB) grants abatements under Chapter 9B of Title 40 of the Code of Alabama 1975, for economic development projects within the City which benefit the City and its citizens by creating new jobs and increasing the property tax base. The following taxes are abated for projects under the IDB's agreements: (1) all state and local noneducational property taxes (as defined), and (2) all construction-related transaction taxes (as defined), except those local construction-related transaction taxes levied for educational purposes or for capital improvements for education. To meet the requirements of GASB Statement 77, the Baldwin County Probate Judge has provided the amount of property taxes abated by the City each year. Although the agreements do not require businesses to submit reports of construction-related costs to the City of Foley, the Baldwin County Revenue Commissioner's Office has provided those amounts from the monthly educational tax returns to the City. Below is a summary of taxes abated by the IDB:

Company	Abatement Began	FY 2023 Ad-Valorem	Total Ad-Valorem	FY 2023 Sales & Use	Total Sales & Use
Vulcan, Inc	2007	\$ 9,602	\$ 156,925	\$ -	\$ -
Ascend	2019	3,859	145,685		
Rohr, Inc (UTC)/Collins Aerospace)	2016	12,762	85,227	-	121,130
Totals abated by the IDB		<u>\$ 26,223</u>	<u>\$ 387,837</u>	<u>\$ -</u>	<u>\$ 121,130</u>

**NOTE O. COMMITMENTS AND CONTINGENCIES**

The City's Capital Projects Fund had various capital improvement projects in progress at September 30, 2023. In addition, the City has commitments and plans for additional major capital projects for the fiscal year September 30, 2024, and the cost of these projects is estimated by management to be approximately \$72.8 million. The City expects to receive partial funding of approximately \$30.2 million for these projects from third parties in the form of grants and joint participation reimbursements in 2024.

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agencies for expenditures disallowed under the terms of the grants. City management believes such disallowances, if any, would not be material to the financial statements of the City.

**NOTE P. ECONOMIC DEPENDENCY**

The City's main revenue sources are derived primarily from sales tax on retail businesses, charges for services such as waste removal, and utility tax equivalents. The revenues are collected on a monthly basis.

**NOTE Q. SUBSEQUENT EVENTS**

The City has evaluated events and transactions that occurred between September 30, 2023, and February 12, 2024, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements. These subsequent events are as follows:

On December 13, 2023 the City made a \$2.7 million payment as part of an economic development agreement.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

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**City of Foley, Alabama**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the fiscal year ended September 30, 2023**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Property and advalorem taxes	\$ 2,146,069	\$ 2,146,069	\$ 2,498,686	\$ 352,617
Sales and other local taxes	38,090,375	38,090,375	44,037,243	5,946,868
Licenses and permits	4,733,300	4,733,300	6,621,841	1,888,541
Intergovernmental	369,889	1,081,884	869,384	(212,500)
Charges for services	379,152	379,152	443,733	64,581
Fines and forfeitures	804,784	804,784	594,516	(210,268)
Franchise fees	8,625,265	8,625,265	9,065,042	439,777
Investment income and rents	1,133,536	1,727,277	1,878,510	151,233
Contributions and donations	30,425	39,005	45,209	6,204
Other	267,840	1,173,137	1,162,701	(10,436)
<b>Total revenues</b>	<u>56,580,635</u>	<u>58,800,248</u>	<u>67,216,865</u>	<u>8,416,617</u>
<b>Expenditures</b>				
Current:				
Personnel	29,626,079	29,670,011	28,815,103	854,908
Operating	11,324,954	13,027,194	11,279,864	1,747,330
Capital outlay	2,153,000	3,584,863	3,855,208	(270,345)
Debt Service:				
Principal	54,258	59,572	404,406	(344,834)
Interest	5,389	10,875	51,207	(40,332)
<b>Total expenditures</b>	<u>43,163,680</u>	<u>46,352,515</u>	<u>44,405,788</u>	<u>1,946,727</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>13,416,955</u>	<u>12,447,733</u>	<u>22,811,077</u>	<u>10,363,344</u>
<b>Other financing sources (uses)</b>				
Transfers in	3,814,060	8,323,163	5,026,023	(3,297,140)
Transfers out	(30,458,631)	(31,301,213)	(14,774,718)	16,526,495
SBITA financing agreements	-	-	1,422,090	1,422,090
Sale of capital assets	50,000	644,931	592,853	(52,078)
<b>Total other financing sources (uses)</b>	<u>(26,594,571)</u>	<u>(22,333,119)</u>	<u>(7,733,752)</u>	<u>14,599,367</u>
<b>Net change in fund balance</b>	<u>(13,177,616)</u>	<u>(9,885,386)</u>	<u>15,077,325</u>	<u>24,962,711</u>
<b>Fund balances, beginning of year</b>	<u>54,541,332</u>	<u>54,541,332</u>	<u>54,541,332</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 41,363,716</u>	<u>\$ 44,655,946</u>	<u>\$ 69,618,657</u>	<u>\$ 24,962,711</u>

See the accompanying notes to required supplemental information.



**City of Foley, Alabama**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY & RELATED RATIOS**  
**EMPLOYEE RETIREMENT SYSTEM OF ALABAMA**  
**Last 10 Fiscal Years Ending September 30**

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016 *	2015	2014	2013
<b>Total Pension Liability</b>										
Service cost	\$ 1,638,133	\$ 1,315,567	\$ 1,307,377	\$ 1,229,255	\$ 1,176,722	\$ 1,142,347	\$ 1,048,239	\$ 1,015,471	\$ 973,338	\$ -
Interest	3,581,743	3,201,498	2,919,218	2,725,193	2,446,341	2,240,945	2,003,407	1,796,095	1,640,644	-
Changes of benefit terms	42,274	1,091,741	-	-	-	-	-	-	-	-
Differences between expected and actual experience	171,920	378,781	941,933	(82,074)	1,133,625	709,490	327,070	578,204	-	-
Changes in assumptions	-	2,322,656	-	-	224,112	-	1,333,139	-	-	-
Benefit payments, including refunds of employee contributions	(1,673,490)	(1,623,929)	(1,350,241)	(1,347,875)	(1,097,834)	(983,925)	(843,438)	(753,298)	(588,391)	-
Transfer among employers	361,248	(162,352)	(15,464)	(3,513)	68,484	(401,637)	74,665	-	-	-
Net change in total pension liability	4,121,828	6,523,962	3,802,823	2,520,986	3,951,450	2,707,220	3,943,082	2,636,472	2,025,591	-
Total pension liability - beginning	48,913,828	42,389,866	38,587,043	36,066,057	32,114,607	29,407,387	25,464,305	22,827,833	\$ 20,802,242	-
Total pension liability - ending (a)	<u>\$ 53,035,656</u>	<u>\$ 48,913,828</u>	<u>\$ 42,389,866</u>	<u>\$ 38,587,043</u>	<u>\$ 36,066,057</u>	<u>\$ 32,114,607</u>	<u>\$ 29,407,387</u>	<u>\$ 25,464,305</u>	<u>\$ 22,827,833</u>	<u>\$ -</u>
<b>Plan fiduciary net position</b>										
Contributions - employer	1,212,627	960,209	985,338	934,633	769,462	753,011	748,050	745,009	707,717	-
Contributions - member	1,136,176	959,929	964,212	879,204	806,690	778,999	707,521	717,586	628,506	-
Net investment income	(5,370,535)	7,524,459	1,812,169	780,844	2,533,128	3,067,483	2,175,806	243,153	2,116,749	-
Benefit payments, including refunds of employee contributions	(1,673,490)	(1,623,929)	(1,350,241)	(1,347,875)	(1,097,834)	(983,925)	(843,438)	(753,298)	(588,391)	-
Transfers among employers	361,248	(162,352)	(15,464)	(3,513)	68,484	(401,637)	74,665	(144,035)	161,202	-
Net change in fiduciary net position	(4,333,974)	7,658,316	2,396,014	1,243,293	3,079,930	3,213,931	2,862,604	808,415	3,025,783	-
Plan net position - beginning	41,475,338	33,817,022	31,421,008	30,177,715	27,097,785	23,883,854	21,021,250	20,212,835	\$ 17,187,052	-
Plan net position - ending (b)	<u>\$ 37,141,364</u>	<u>\$ 41,475,338</u>	<u>\$ 33,817,022</u>	<u>\$ 31,421,008</u>	<u>\$ 30,177,715</u>	<u>\$ 27,097,785</u>	<u>\$ 23,883,854</u>	<u>\$ 21,021,250</u>	<u>\$ 20,212,835</u>	<u>\$ -</u>
Net pension liability (asset) - ending (a)-(b)	\$ 15,894,292	\$ 7,438,490	\$ 8,572,844	\$ 7,166,035	\$ 5,888,342	\$ 5,016,822	\$ 5,523,533	\$ 4,443,055	\$ 2,614,998	\$ -
Plan fiduciary net position as a percentage of the total pension liability	70.03%	84.79%	79.78%	81.43%	83.67%	84.38%	81.22%	82.55%	88.54%	-
Covered payroll *	\$ 19,066,477	\$ 16,098,747	\$ 15,870,132	\$ 14,132,751	\$ 13,534,684	\$ 13,630,907	\$ 12,819,969	\$ 11,045,473	[1]	\$ -
Net pension liability (asset) as a percentage of covered payroll	83.36%	46.21%	54.02%	50.71%	43.51%	36.80%	43.09%	40.23%	[1]	-

\*Employer's covered payroll during the measurement period is the total covered payroll. For FY 2023 the measurement period is October 1, 2021 - September 30, 2022.  
GASB issued a statement "Pension Issues" in March, 2016 to redefine covered payroll in FY 2017.

**Note:** This schedule is presented to illustrate the requirement to show information for 10 years. However until a full 10-year trend is compiled, governments should present information for those years for which information is available.

[1] Information to calculate covered payroll for this period was unavailable.

See accompanying notes to required supplementary information.

**City of Foley, Alabama**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**EMPLOYEE RETIREMENT SYSTEM OF ALABAMA**  
**SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS**  
**Last 10 Fiscal Years Ending September 30**

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution*	\$ 1,328,908	\$ 1,176,293	\$ 960,209	\$ 985,338	\$ 899,820	\$ 769,462	\$ 752,893	\$ 748,050	\$ 745,009	\$ -
Contributions in relation to the actuarially determined contribution*	1,328,908	1,176,293	960,209	985,338	899,820	769,462	752,893	748,050	745,009	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll**	\$ 21,222,471	\$ 19,066,477	\$ 16,098,747	\$ 14,132,751	\$ 14,132,751	\$ 13,534,684	\$ 13,630,907	\$ 12,819,969	\$ 11,792,938	\$ -
Contributions as a percentage of covered employee payroll	6.26%	6.17%	5.96%	6.97%	6.37%	5.69%	5.52%	5.84%	6.32%	-

**Notes to Schedule**

Actuarially determined contributions 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 for the period October 1, 2022 to September 30, 2023:

<i>Actuarial cost method</i>	<i>Entry Age</i>
<i>Amortization method</i>	<i>Level percent closed</i>
<i>Remaining amortization period</i>	<i>17.5 years</i>
<i>Asset valuation method</i>	<i>Five year smoothed market</i>
<i>Inflation</i>	<i>2.75%</i>
<i>Salary increases</i>	<i>3.25 - 5.00%, including inflation</i>
<i>Investment rate of return</i>	<i>7.7%, net of pension plan investment expense, including inflation</i>

\* 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 statements.

\*\* Employer's covered payroll for each fiscal year is the total covered payroll for the 12 month period of the underlying financial statements.

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

See accompanying notes to required supplemental information.

**City of Foley, Alabama**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN THE OPEB LIABILITY AND RELATED RATIOS**  
**Last 10 Fiscal Years Ending September 30**

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total OPEB liability										
Service cost	\$ 288,789	\$ 288,789	\$ 213,484	\$ 213,484	\$ 213,484	\$ 213,484	\$ -	\$ -	\$ -	\$ -
Interest	156,058	156,058	133,163	133,163	179,325	179,325	-	-	-	-
Changes in benefit terms	-	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	(316,297)	-	571,714	-	-	-	-	-	-
Changes of assumptions or other inputs	-	(967,371)	-	1,236,042	-	-	-	-	-	-
Benefit payments	(266,089)	(320,719)	(357,259)	(257,885)	(46,114)	(42,585)	-	-	-	-
Net change in total OPEB liability	178,758	(1,159,540)	(10,612)	1,896,518	346,695	350,224	-	-	-	-
Total OPEB liability-beginning	5,647,961	6,807,501	6,818,113	4,921,595	4,574,900	4,224,676	-	-	-	-
Total OPEB liability-ending	<u>\$ 5,826,719</u>	<u>\$ 5,647,961</u>	<u>\$ 6,807,501</u>	<u>\$ 6,818,113</u>	<u>\$ 4,921,595</u>	<u>\$ 4,574,900</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 21,222,471	\$ 19,066,477	\$ 16,098,747	\$ 15,870,132	\$ 14,132,751	\$ 13,534,684	n/a	n/a	n/a	n/a
Total OPEB liability as a percentage of covered employee payroll	27.46%	29.62%	42.29%	42.96%	34.82%	33.80%	n/a	n/a	n/a	n/a

**Notes to Schedule:**

Changes in benefit terms: None

Changes of assumptions. None for the current year, but future year changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the rates used in each period:

2023	4.77%
2022	4.77%
2021	2.25%
2020	2.25%
2019	4.06%

Note: This schedule is presented to illustrate the requirement to show information for 10 years, however, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

See accompanying notes to required supplemental information.

**City of Foley, Alabama**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**CHANGES IN TOTAL PENSION LIABILITY AND RELATED RATIOS**  
**VOLUNTEER FIREFIGHTER LENGTH OF SERVICE AWARDS PROGRAM**  
**Last 10 Fiscal Years Ending September 30**

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability										
Service cost	\$ 5,934	\$ 7,218	\$ 14,396	\$ 10,317	\$ 9,583	\$ 10,510	\$ 9,209	\$ -	\$ -	\$ -
Interest	15,555	21,599	9,651	10,312	11,860	13,778	15,147	-	-	-
Changes of benefit terms	-	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	(4,383)	(20,522)	3,776	1,647	(10,018)	(12,459)	-	-	-	-
Changes in assumptions	(13,037)	(180,641)	64,549	68,969	40,859	(4,081)	(58,127)	-	-	-
Payments for benefits and admin. expenses	(9,660)	(10,813)	(8,550)	(9,216)	(10,596)	(10,495)	(10,028)	-	-	-
Net change in total pension liability	(5,591)	(183,159)	83,822	82,029	41,688	(2,747)	(43,799)	-	-	-
Total pension liability - beginning	406,895	590,054	506,232	424,203	382,515	385,262	429,061	-	-	-
Total pension liability - ending (a)	<u>\$ 401,304</u>	<u>\$ 406,895</u>	<u>\$ 590,054</u>	<u>\$ 506,232</u>	<u>\$ 424,203</u>	<u>\$ 382,515</u>	<u>\$ 385,262</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total pension liability	<u>\$ 401,304</u>	<u>\$ 406,895</u>	<u>\$ 590,054</u>	<u>\$ 506,232</u>	<u>\$ 424,203</u>	<u>\$ 382,515</u>	<u>\$ 385,262</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Plan fiduciary net position as a percentage of total pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
Covered-employee payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a			
Pension liability as a percentage of covered-employee payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a			
Expected average remaining service years for all participants	3	4	4	4	4	5	5			

**Notes to Schedule:**

Benefit changes: None.

Changes of assumptions: None, other than discount rate.

There are no assets accumulated in a trust that meets GASB Statement No. 73, paragraph 4, to pay related benefits.

Note: This schedule is presented to illustrate the requirement to show information for 10 years, however, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

See accompanying notes to required supplemental information.

**City of Foley, Alabama**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**September 30, 2023**

**NOTE A - BUDGETS AND BUDGETARY ACCOUNTING**

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. During the months of April - June, Directors submit all budget request for the upcoming year. Discussions with the Mayor and City Administrator take place during these months to ensure that all goals and needs of the departments and the City are being met.
2. Finance then drafts budgets for the Funds, which include proposed expenditures and the means of financing them.
3. On or before September 1, a proposed budget is submitted by the Mayor to the City Council. Prior to October 1, the budgets are legally enacted through passage of a resolution.
4. The City Council may amend the budget through resolution as needed.
5. Budgets for the Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP) and in accordance with Alabama law.
6. With the exception of construction work in progress, appropriations lapse at the end of each fiscal year.
7. Capital project budgets are tracked on a multi-year planning document. This document is included in the annual budget; however, only the remaining budgets for the projects approved and in-progress are carried forward to the new year, and new projects may not begin until the City Council appropriates funding by formal action. There is no budget to actual schedule included for capital project funds since the budget is appropriated all at once and the expenses occurs over multiple years.

## **OTHER SUPPLEMENTARY INFORMATION**

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## **Non-major Governmental Funds**

**Special Revenue Funds** are used to account for specific revenue sources that are restricted, committed, or assigned to expenditures for particular purposes

*Fire Department Ad Valorem* – A county-wide one and one-half mill ad valorem tax is assessed and equally distributed to qualifying county volunteer fire departments, municipal fire departments, and volunteer municipal fire departments. The proceeds are restricted to the acquisition of fire trucks, fire stations, fire equipment, communications, fire training, fire vehicle and station insurance and repair, oil, gas, hydrants, and utilities.

*State Gasoline Tax* – State-shared fuel taxes and Inspection Fees are received and their use is restricted by both constitutional and statutory limitations.

*Library Fund* – The primary revenues are State Grants which are restricted, donations from Citizens which are restricted, and fines and related revenues which are committed to library purposes and controlled by a Board elected by Council.

*Court Corrections Fund* – In accordance with State Law, Ordinance 524-96 establishes a special court fee upon conviction to be used exclusively for the operation and maintenance of the municipal court complex and includes such expenses as salaries, office machines, and repairs.

*Jail Corrections Fund* – In accordance with State Law, Ordinance 524-96 establishes a special court fee upon conviction to be used exclusively for the operation and maintenance of the municipal jail and includes such expenses as salaries, office machines, and repairs.

*Recreational Activities Fund* – Includes revenues and expenses that are a direct result of programs offered, as well as net operations of on premise concessions.

*Event Center Operations Fund* - Includes revenues and expenses that are direct result of the operations of the event center.

*Multi-Use Fields Operations Fund* - Includes revenues and expenses that are direct result of the operations of the multi-use fields.

*Impact Fee Fund* - Includes revenues and expenses that are direct result of impact fees collected in accordance with City Ordinance.

*Public Facilities Cooperative District* - Includes revenues and expenses that are direct results of the operations of the district.

*Public Athletic & Sports Facilities Cooperative District* - Includes revenues and expenses that are direct results of the operations of the district.

*Public Cultural & Entertainment Facilities Cooperative District* - Includes revenues and expenses that are direct results of the operations of the district.



**Debt Service Funds** are used to account for the accumulation of resources to be used for payment of principal and interest on general long-term debt.

**City of Foley, Alabama**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**September 30, 2023**

	Special Revenue Funds	Debt Service Funds	Total Non-Major Governmental Funds
<b>ASSETS</b>			
Cash	\$ 7,028,691	\$ 989,650	\$ 8,018,341
Receivables			
Property and advalorem tax	13,976	-	13,976
Sales and other local taxes	23,181	-	23,181
Grants	6,556	-	6,556
Other	280,122	-	280,122
Due from other funds	11,896	-	11,896
Prepaid items	592,261	-	592,261
<b>Total assets</b>	<u><u>\$ 7,956,683</u></u>	<u><u>\$ 989,650</u></u>	<u><u>\$ 8,946,333</u></u>
<b>LIABILITIES</b>			
Accounts payable	\$ 28,775	\$ -	\$ 28,775
Due to other funds	479,711	-	479,711
Unearned revenue	3,300	-	3,300
<b>Total liabilities</b>	<u><u>511,786</u></u>	<u><u>-</u></u>	<u><u>511,786</u></u>
<b>FUND BALANCES</b>			
Nonspendable	592,261	-	592,261
Restricted	5,269,658	989,650	6,259,308
Committed	1,582,978	-	1,582,978
<b>Total fund balances</b>	<u><u>7,444,897</u></u>	<u><u>989,650</u></u>	<u><u>8,434,547</u></u>
<b>Total liabilities and fund balances</b>	<u><u>\$ 7,956,683</u></u>	<u><u>\$ 989,650</u></u>	<u><u>\$ 8,946,333</u></u>

**City of Foley, Alabama**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**For the fiscal year ended September 30, 2023**

	Special Revenue Funds	Debt Service Funds	Total Non-Major Governmental Funds
<b>Revenues</b>			
Property and advalorem taxes	\$ 265,138	\$ -	\$ 265,138
Sales and other local taxes	258,254	-	258,254
Licenses and permits	1,922,368	-	1,922,368
Intergovernmental	32,296	-	32,296
Charges for services	417,822	-	417,822
Fines and forfeitures	93,253	-	93,253
Investment income and rents	90,217	66,134	156,351
Contributions and donations	75,279	-	75,279
Other	3,910,961	60,986	3,971,947
<b>Total revenues</b>	<u>7,065,588</u>	<u>127,120</u>	<u>7,192,708</u>
<b>Expenditures</b>			
Current:			
General government	54,160	-	54,160
Highways and streets	19,111	-	19,111
Culture and recreation	1,230,873	-	1,230,873
Capital outlay	543,781	-	543,781
Debt service:			
Principal	436,915	2,570,000	3,006,915
Interest	490,903	1,067,513	1,558,416
<b>Total expenditures</b>	<u>2,775,743</u>	<u>3,637,513</u>	<u>6,413,256</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>4,289,845</u>	<u>(3,510,393)</u>	<u>779,452</u>
<b>Other financing sources (uses)</b>			
Transfers in	1,720,861	3,469,508	5,190,369
Transfers out	(3,930,388)	-	(3,930,388)
<b>Total other financing sources (uses)</b>	<u>(2,209,527)</u>	<u>3,469,508</u>	<u>1,259,981</u>
<b>Net change in fund balances</b>	2,080,318	(40,885)	2,039,433
<b>Fund balances, beginning of year</b>	5,364,579	1,030,535	6,395,114
<b>Fund balances, end of year</b>	<u>\$ 7,444,897</u>	<u>\$ 989,650</u>	<u>\$ 8,434,547</u>

**City of Foley, Alabama**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**September 30, 2023**

	County Fire Ad Valorem Tax	State Gasoline Tax	Public Library	Court Corrections	Jail Corrections	Recreational Activities
<b>ASSETS</b>						
Cash	\$ 566,466	\$ 158,930	\$ 35,196	\$ 84,153	\$ 13,915	\$ 13,316
Receivables						
Property and advalorem tax	13,976	-	-	-	-	-
Sales and other local taxes	-	23,181	-	-	-	-
Grants	-	-	6,556	-	-	-
Other	-	-	-	-	692	83
Due from other funds	-	-	-	-	-	-
Prepaid items	592,261	-	-	-	-	-
<b>Total assets</b>	<u>\$ 1,172,703</u>	<u>\$ 182,111</u>	<u>\$ 41,752</u>	<u>\$ 84,153</u>	<u>\$ 14,607</u>	<u>\$ 13,399</u>
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	78,245	-	4,611	158	-	7,062
Unearned revenue	-	-	3,000	-	-	-
<b>Total liabilities</b>	<u>78,245</u>	<u>-</u>	<u>7,611</u>	<u>158</u>	<u>-</u>	<u>7,062</u>
<b>FUND BALANCES</b>						
Nonspendable	592,261	-	-	-	-	-
Restricted	502,197	182,111	-	83,995	14,607	-
Committed	-	-	34,141	-	-	6,337
<b>Total fund balances</b>	<u>1,094,458</u>	<u>182,111</u>	<u>34,141</u>	<u>83,995</u>	<u>14,607</u>	<u>6,337</u>
<b>Total liabilities and fund balances</b>	<u>\$ 1,172,703</u>	<u>\$ 182,111</u>	<u>\$ 41,752</u>	<u>\$ 84,153</u>	<u>\$ 14,607</u>	<u>\$ 13,399</u>

**City of Foley, Alabama**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**September 30, 2023**

	Event Center Operations	Multi-Use Fields Operations	Impact Fees	Public Facilities Cooperative District	Public Athletic & Sports Facilities Cooperative District	Public Cultural & Entertainment Facilities Cooperative District	Total
<b>ASSETS</b>							
Cash	\$ 2,101	\$ 100	\$ 3,104,337	\$ 2,728,756	\$ 24,855	\$ 296,566	\$ 7,028,691
Receivables							
Property and advalorem tax	-	-	-	-	-	-	13,976
Sales and other local taxes	-	-	-	-	-	-	23,181
Grants	-	-	-	-	-	-	6,556
Other	-	1,082	-	227,875	4,833	45,557	280,122
Due from other funds	-	-	11,896	-	-	-	11,896
Prepaid items	-	-	-	-	-	-	592,261
<b>Total assets</b>	<u>\$ 2,101</u>	<u>\$ 1,182</u>	<u>\$ 3,116,233</u>	<u>\$ 2,956,631</u>	<u>\$ 29,688</u>	<u>\$ 342,123</u>	<u>\$ 7,956,683</u>
<b>LIABILITIES</b>							
Accounts payable	\$ -	\$ -	\$ 28,775	\$ -	\$ -	\$ -	\$ 28,775
Due to other funds	-	-	-	270,293	9,994	109,348	479,711
Unearned revenue	300	-	-	-	-	-	3,300
<b>Total liabilities</b>	<u>300</u>	<u>-</u>	<u>28,775</u>	<u>270,293</u>	<u>9,994</u>	<u>109,348</u>	<u>511,786</u>
<b>FUND BALANCES</b>							
Nonspendable	-	-	-	-	-	-	592,261
Restricted	-	-	3,087,458	1,147,306	19,584	232,400	5,269,658
Committed	1,801	1,182	-	1,539,032	110	375	1,582,978
<b>Total fund balances</b>	<u>1,801</u>	<u>1,182</u>	<u>3,087,458</u>	<u>2,686,338</u>	<u>19,694</u>	<u>232,775</u>	<u>7,444,897</u>
<b>Total liabilities and fund balances</b>	<u>\$ 2,101</u>	<u>\$ 1,182</u>	<u>\$ 3,116,233</u>	<u>\$ 2,956,631</u>	<u>\$ 29,688</u>	<u>\$ 342,123</u>	<u>\$ 7,956,683</u>

**City of Foley, Alabama**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**For the fiscal year ended September 30, 2023**

	County Fire Ad Valorem Tax	State Gasoline Tax	Public Library	Court Corrections	Jail Corrections	Recreational Activities
<b>Revenues</b>						
Property and advalorem taxes	\$ 265,138	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and other local taxes	-	258,254	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	32,296	-	-	-
Charges for services	-	-	10,780	-	6,388	362,570
Fines and forfeitures	-	-	14,658	47,157	31,438	-
Investment income and rents	6,355	467	186	916	449	-
Contributions and donations	-	-	18,779	-	-	-
Other	-	-	-	-	-	-
<b>Total revenues</b>	<u>271,493</u>	<u>258,721</u>	<u>76,699</u>	<u>48,073</u>	<u>38,275</u>	<u>362,570</u>
<b>Expenditures</b>						
Current:						
General government	-	-	-	45,895	-	-
Highways and streets	-	19,111	-	-	-	-
Culture and recreation	-	-	116,480	-	-	273,018
Capital outlay	183,139	-	-	-	121,901	-
Principal	-	-	-	-	6,915	-
Interest	-	-	-	-	1,325	-
<b>Total expenditures</b>	<u>183,139</u>	<u>19,111</u>	<u>116,480</u>	<u>45,895</u>	<u>130,141</u>	<u>273,018</u>
<b>Net change in fund balances</b>	<u>88,354</u>	<u>239,610</u>	<u>(39,781)</u>	<u>2,178</u>	<u>(91,866)</u>	<u>89,552</u>
<b>Other financing sources:</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	(240,000)	-	-	-	(90,000)
<b>Total other financing sources</b>	<u>-</u>	<u>(240,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(90,000)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>88,354</u>	<u>(390)</u>	<u>(39,781)</u>	<u>2,178</u>	<u>(91,866)</u>	<u>(448)</u>
<b>Fund balances, beginning of year</b>	<u>1,006,104</u>	<u>182,501</u>	<u>73,922</u>	<u>81,817</u>	<u>106,473</u>	<u>6,785</u>
<b>Fund balances, end of year</b>	<u>\$ 1,094,458</u>	<u>\$ 182,111</u>	<u>\$ 34,141</u>	<u>\$ 83,995</u>	<u>\$ 14,607</u>	<u>\$ 6,337</u>

**City of Foley, Alabama**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**For the fiscal year ended September 30, 2023**

	Event Center Operations	Multi-Use Fields Operations	Impact Fees	Public Facilities Cooperative District	Public Athletic & Sports Facilities Cooperative District	Public Cultural & Entertainment Facilities Cooperative District	Total
<b>Revenues</b>							
Property and advalorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 265,138
Sales and other local taxes	-	-	-	-	-	-	258,254
Licenses and permits	-	-	1,922,368	-	-	-	1,922,368
Intergovernmental	-	-	-	-	-	-	32,296
Charges for services	35,145	2,939	-	-	-	-	417,822
Fines and forfeitures	-	-	-	-	-	-	93,253
Investment income and rents	-	-	11,409	59,965	946	9,524	90,217
Contributions and donations	37,625	18,875	-	-	-	-	75,279
Other	-	-	-	2,931,146	64,697	915,118	3,910,961
<b>Total revenues</b>	<u>72,770</u>	<u>21,814</u>	<u>1,933,777</u>	<u>2,991,111</u>	<u>65,643</u>	<u>924,642</u>	<u>7,065,588</u>
<b>Expenditures</b>							
Current:							
General government	-	-	-	8,265	-	-	54,160
Highways and streets	-	-	-	-	-	-	19,111
Culture and recreation	423,227	378,685	-	-	37,923	1,540	1,230,873
Capital outlay	-	-	238,741	-	-	-	543,781
Principal	-	-	-	65,000	-	365,000	436,915
Interest	-	-	-	270,905	30,413	188,260	490,903
<b>Total expenditures</b>	<u>423,227</u>	<u>378,685</u>	<u>238,741</u>	<u>344,170</u>	<u>68,336</u>	<u>554,800</u>	<u>2,775,743</u>
<b>Net change in fund balances</b>	<u>(350,457)</u>	<u>(356,871)</u>	<u>1,695,036</u>	<u>2,646,941</u>	<u>(2,693)</u>	<u>369,842</u>	<u>4,289,845</u>
<b>Other financing sources:</b>							
Transfers in	352,158	357,953	-	418,269	45,900	546,581	1,720,861
Transfers out	-	-	-	(2,620,573)	(64,697)	(915,118)	(3,930,388)
<b>Total other financing sources</b>	<u>352,158</u>	<u>357,953</u>	<u>-</u>	<u>(2,202,304)</u>	<u>(18,797)</u>	<u>(368,537)</u>	<u>(2,209,527)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>1,701</u>	<u>1,082</u>	<u>1,695,036</u>	<u>444,637</u>	<u>(21,490)</u>	<u>1,305</u>	<u>2,080,318</u>
<b>Fund balances, beginning of year</b>	<u>100</u>	<u>100</u>	<u>1,392,422</u>	<u>2,241,701</u>	<u>41,184</u>	<u>231,470</u>	<u>5,364,579</u>
<b>Fund balances, end of year</b>	<u>\$ 1,801</u>	<u>\$ 1,182</u>	<u>\$ 3,087,458</u>	<u>\$ 2,686,338</u>	<u>\$ 19,694</u>	<u>\$ 232,775</u>	<u>\$ 7,444,897</u>

**City of Foley, Alabama**  
**NON-MAJOR DEBT SERVICE FUNDS**  
**COMBINING BALANCE SHEET**  
**September 30, 2023**

	Energy Conservation Bonds Series 2013	General Obligation Warrants Series 2014	General Obligation Warrants Series 2015	General Obligation Warrants Series 2019	General Obligation Warrants Series 2021	Total
<b>ASSETS</b>						
Cash	\$ 122,774	\$ 192,023	\$ 189,988	\$ 30,289	\$ 454,576	\$ 989,650
<b>Total assets</b>	<u>\$ 122,774</u>	<u>\$ 192,023</u>	<u>\$ 189,988</u>	<u>\$ 30,289</u>	<u>\$ 454,576</u>	<u>\$ 989,650</u>
<b>FUND BALANCE</b>						
Restricted	\$ 122,774	\$ 192,023	\$ 189,988	\$ 30,289	\$ 454,576	\$ 989,650
<b>Total fund balances</b>	<u>122,774</u>	<u>192,023</u>	<u>189,988</u>	<u>30,289</u>	<u>454,576</u>	<u>989,650</u>
<b>Total liabilities and fund balances</b>	<u>\$ 122,774</u>	<u>\$ 192,023</u>	<u>\$ 189,988</u>	<u>\$ 30,289</u>	<u>\$ 454,576</u>	<u>\$ 989,650</u>



**City of Foley, Alabama**  
**NON-MAJOR DEBT SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**For the fiscal year ended September 30, 2023**

	Energy Conservation Bonds Series 2013	General Obligation Warrants Series 2014	General Obligation Warrants Series 2015	General Obligation Warrants Series 2019	General Obligation Warrants Series 2021	Totals
<b>Revenues</b>						
Investment income and rents	\$ 3,299	\$ 11,471	\$ 8,763	\$ 28,565	\$ 14,036	\$ 66,134
Other	60,986	-	-	-	-	60,986
<b>Total revenues</b>	64,285	11,471	8,763	28,565	14,036	127,120
<b>Expenditures</b>						
Current						
Debt service:						
Principal	120,000	515,000	390,000	1,210,000	335,000	2,570,000
Interest	84,268	52,500	58,500	129,500	742,745	1,067,513
<b>Total expenditures</b>	204,268	567,500	448,500	1,339,500	1,077,745	3,637,513
<b>Excess (deficiency) of revenues over expenditures</b>	(139,983)	(556,029)	(439,737)	(1,310,935)	(1,063,709)	(3,510,393)
<b>Other financing sources (uses)</b>						
Transfers in	172,471	558,355	442,377	1,227,875	1,068,430	3,469,508
<b>Total other financing sources (uses)</b>	172,471	558,355	442,377	1,227,875	1,068,430	3,469,508
<b>Net change in fund balances</b>	32,488	2,326	2,640	(83,060)	4,721	(40,885)
<b>Fund balances, beginning of year</b>	90,286	189,697	187,348	113,349	449,855	1,030,535
<b>Fund balances, end of year</b>	<u>\$ 122,774</u>	<u>\$ 192,023</u>	<u>\$ 189,988</u>	<u>\$ 30,289</u>	<u>\$ 454,576</u>	<u>\$ 989,650</u>

**City of Foley, Alabama**  
**COUNTY FIRE AD VALOREM TAX**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the fiscal year ended September 30, 2023**

	Budgeted Amount			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Property and advalorem taxes	\$ 225,000	\$ 225,000	\$ 265,138	\$ 40,138
Investment income and rents	-	-	6,355	6,355
<b>Total revenues</b>	<u>225,000</u>	<u>225,000</u>	<u>271,493</u>	<u>46,493</u>
<b>Expenditures</b>				
Public safety	52,500	52,500	-	52,500
Capital outlay	804,261	857,203	183,139	674,064
<b>Total expenditures</b>	<u>856,761</u>	<u>909,703</u>	<u>183,139</u>	<u>726,564</u>
<b>Net change in fund balances</b>	(631,761)	(684,703)	88,354	773,057
<b>Fund balances, beginning of year</b>	<u>1,006,104</u>	<u>1,006,104</u>	<u>1,006,104</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 374,343</u>	<u>\$ 321,401</u>	<u>\$ 1,094,458</u>	<u>\$ 773,057</u>

**City of Foley, Alabama**  
**STATE GASOLINE TAX**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the fiscal year ended September 30, 2023**

	Budgeted Amount			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Sales and other local taxes	\$ 251,970	\$ 251,970	\$ 258,254	\$ 6,284
Investment income and rents	100	100	467	367
<b>Total revenues</b>	<u>252,070</u>	<u>252,070</u>	<u>258,721</u>	<u>6,651</u>
<b>Expenditures</b>				
Highways and streets	25,000	25,000	19,111	5,889
<b>Total expenditures</b>	<u>25,000</u>	<u>25,000</u>	<u>19,111</u>	<u>5,889</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>227,070</u>	<u>227,070</u>	<u>239,610</u>	<u>12,540</u>
<b>Other financing sources (uses)</b>				
Transfers out	(220,000)	(220,000)	(240,000)	(20,000)
<b>Total other financing sources (uses)</b>	<u>(220,000)</u>	<u>(220,000)</u>	<u>(240,000)</u>	<u>(20,000)</u>
<b>Net change in fund balances</b>	7,070	7,070	(390)	(7,460)
<b>Fund balances, beginning of year</b>	182,501	182,501	182,501	-
<b>Fund balances, end of year</b>	<u>\$ 189,571</u>	<u>\$ 189,571</u>	<u>\$ 182,111</u>	<u>\$ (7,460)</u>

**City of Foley, Alabama**  
**PUBLIC LIBRARY**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the fiscal year ended September 30, 2023**

	Budgeted Amount			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Intergovernmental	\$ 24,000	\$ 34,000	\$ 32,296	\$ (1,704)
Charges for services	8,290	8,290	10,780	2,490
Fines and forfeitures	11,000	11,000	14,658	3,658
Investment income and rents	5	5	186	181
Contributions and donations	25,000	47,000	18,779	(28,221)
<b>Total revenues</b>	<u>68,295</u>	<u>100,295</u>	<u>76,699</u>	<u>(23,596)</u>
<b>Expenditures</b>				
Culture and recreation	75,100	128,255	116,480	11,775
<b>Total expenditures</b>	<u>75,100</u>	<u>128,255</u>	<u>116,480</u>	<u>11,775</u>
<b>Net change in fund balances</b>	(6,805)	(27,960)	(39,781)	(11,821)
<b>Fund balances, beginning of year</b>	73,922	73,922	73,922	-
<b>Fund balances, end of year</b>	<u>\$ 67,117</u>	<u>\$ 45,962</u>	<u>\$ 34,141</u>	<u>\$ (11,821)</u>

**City of Foley, Alabama**  
**COURT CORRECTIONS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the fiscal year ended September 30, 2023**

	Budgeted Amount			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Fines and forfeitures	\$ 37,000	\$ 37,000	\$ 47,157	\$ 10,157
Investment income and rents	-	-	916	916
<b>Total revenues</b>	<u>37,000</u>	<u>37,000</u>	<u>48,073</u>	<u>11,073</u>
<b>Expenditures</b>				
General government	59,500	59,500	45,895	13,605
<b>Total expenditures</b>	<u>59,500</u>	<u>59,500</u>	<u>45,895</u>	<u>13,605</u>
<b>Net change in fund balances</b>	(22,500)	(22,500)	2,178	24,678
<b>Fund balances, beginning of year</b>	81,817	81,817	81,817	-
<b>Fund balances, end of year</b>	<u>\$ 59,317</u>	<u>\$ 59,317</u>	<u>\$ 83,995</u>	<u>\$ 24,678</u>

**City of Foley, Alabama**  
**JAIL CORRECTIONS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the fiscal year ended September 30, 2023**

	Budgeted Amount			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Charges for services	\$ 17,000	\$ 17,000	\$ 6,388	\$ (10,612)
Fines and forfeitures	25,000	25,000	31,438	6,438
Investment income and rents	-	-	449	449
<b>Total revenues</b>	<u>42,000</u>	<u>42,000</u>	<u>38,275</u>	<u>(3,725)</u>
<b>Expenditures</b>				
Capital outlay	-	141,008	121,901	19,107
Principal	8,240	8,240	6,915	1,325
Interest	-	-	1,325	(1,325)
<b>Total expenditures</b>	<u>8,240</u>	<u>149,248</u>	<u>130,141</u>	<u>19,107</u>
<b>Net change in fund balances</b>	33,760	(107,248)	(91,866)	15,382
<b>Fund balances, beginning of year</b>	<u>106,473</u>	<u>106,473</u>	<u>106,473</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 140,233</u>	<u>\$ (775)</u>	<u>\$ 14,607</u>	<u>\$ 15,382</u>

**City of Foley, Alabama**  
**RECREATIONAL ACTIVITIES**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the fiscal year ended September 30, 2023**

	Budgeted Amount			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Charges for services	\$ 322,900	\$ 322,900	\$ 362,570	\$ 39,670
<b>Total revenues</b>	<u>322,900</u>	<u>322,900</u>	<u>362,570</u>	<u>39,670</u>
<b>Expenditures</b>				
Culture and recreation	<u>260,525</u>	<u>260,525</u>	<u>273,018</u>	<u>(12,493)</u>
<b>Total expenditures</b>	<u>260,525</u>	<u>260,525</u>	<u>273,018</u>	<u>(12,493)</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>62,375</u>	<u>62,375</u>	<u>89,552</u>	<u>27,177</u>
<b>Other financing sources (uses)</b>				
Transfers out	<u>(50,000)</u>	<u>(50,000)</u>	<u>(90,000)</u>	<u>(40,000)</u>
<b>Total other financing sources (uses)</b>	<u>(50,000)</u>	<u>(50,000)</u>	<u>(90,000)</u>	<u>(40,000)</u>
<b>Net change in fund balances</b>	12,375	12,375	(448)	(12,823)
<b>Fund balances, beginning of year</b>	<u>6,785</u>	<u>6,785</u>	<u>6,785</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 19,160</u>	<u>\$ 19,160</u>	<u>\$ 6,337</u>	<u>\$ (12,823)</u>

**City of Foley, Alabama**  
**EVENT CENTER OPERATIONS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the fiscal year ended September 30, 2023**

	Budgeted Amount			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Charges for services	\$ 15,500	\$ 15,500	\$ 35,145	\$ 19,645
Contributions and donations	40,000	40,000	37,625	(2,375)
<b>Total revenues</b>	<u>55,500</u>	<u>55,500</u>	<u>72,770</u>	<u>17,270</u>
<b>Expenditures</b>				
Culture and recreation	365,304	411,553	423,227	(11,674)
<b>Total expenditures</b>	<u>365,304</u>	<u>411,553</u>	<u>423,227</u>	<u>(11,674)</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(309,804)</u>	<u>(356,053)</u>	<u>(350,457)</u>	<u>5,596</u>
<b>Other financing sources (uses)</b>				
Transfers in	309,804	309,804	352,158	42,354
<b>Total other financing sources (uses)</b>	<u>309,804</u>	<u>309,804</u>	<u>352,158</u>	<u>42,354</u>
<b>Net change in fund balances</b>	-	(46,249)	1,701	47,950
<b>Fund balances, beginning of year</b>	100	100	100	-
<b>Fund balances, end of year</b>	<u>\$ 100</u>	<u>\$ (46,149)</u>	<u>\$ 1,801</u>	<u>\$ 47,950</u>



**City of Foley, Alabama**  
**MULTI-USE FIELDS OPERATIONS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the fiscal year ended September 30, 2023**

	Budgeted Amount			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Charges for services	\$ 9,025	\$ 9,025	\$ 2,939	\$ (6,086)
Contributions and donations	20,000	20,000	18,875	(1,125)
<b>Total revenues</b>	<u>29,025</u>	<u>29,025</u>	<u>21,814</u>	<u>(7,211)</u>
<b>Expenditures</b>				
Culture and recreation	450,276	452,690	378,685	74,005
<b>Total expenditures</b>	<u>450,276</u>	<u>452,690</u>	<u>378,685</u>	<u>74,005</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(421,251)</u>	<u>(423,665)</u>	<u>(356,871)</u>	<u>66,794</u>
<b>Other financing sources (uses)</b>				
Transfers in	421,251	421,251	357,953	(63,298)
<b>Total other financing sources (uses)</b>	<u>421,251</u>	<u>421,251</u>	<u>357,953</u>	<u>(63,298)</u>
<b>Net change in fund balances</b>	-	(2,414)	1,082	3,496
<b>Fund balances, beginning of year</b>	100	100	100	-
<b>Fund balances, end of year</b>	<u>\$ 100</u>	<u>\$ (2,314)</u>	<u>\$ 1,182</u>	<u>\$ 3,496</u>

**City of Foley, Alabama**  
**IMPACT FEES**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the fiscal year ended September 30, 2023**

	Budgeted Amount			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Licenses and permits	\$ 2,800,000	\$ 2,800,000	\$ 1,922,368	\$ (877,632)
Investment income and rents	-	-	11,409	11,409
<b>Total revenues</b>	<u>2,800,000</u>	<u>2,800,000</u>	<u>1,933,777</u>	<u>(866,223)</u>
<b>Expenditures</b>				
Capital outlay	1,150,000	1,152,600	238,741	913,859
<b>Total expenditures</b>	<u>1,150,000</u>	<u>1,152,600</u>	<u>238,741</u>	<u>913,859</u>
<b>Net change in fund balances</b>	1,650,000	1,647,400	1,695,036	47,636
<b>Fund balances, beginning of year</b>	<u>1,392,422</u>	<u>1,392,422</u>	<u>1,392,422</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 3,042,422</u>	<u>\$ 3,039,822</u>	<u>\$ 3,087,458</u>	<u>\$ 47,636</u>

**City of Foley, Alabama**  
**PUBLIC FACILITIES COOPERATIVE DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the fiscal year ended September 30, 2023**

	Budgeted Amount			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Investment income and rents	\$ 2,500	\$ 50,000	\$ 59,965	\$ 9,965
Other	2,897,060	2,970,660	2,931,146	(39,514)
<b>Total revenues</b>	<u>2,899,560</u>	<u>3,020,660</u>	<u>2,991,111</u>	<u>(29,549)</u>
<b>Expenditures</b>				
General government	8,700	8,700	8,265	435
Principal	65,000	65,000	65,000	-
Interest	270,905	270,905	270,905	-
<b>Total expenditures</b>	<u>344,605</u>	<u>344,605</u>	<u>344,170</u>	<u>435</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>2,554,955</u>	<u>2,676,055</u>	<u>2,646,941</u>	<u>(29,114)</u>
<b>Other financing sources (uses)</b>				
Transfers in	344,605	344,605	418,269	73,664
Transfers out	(2,927,060)	(3,000,660)	(2,620,573)	380,087
<b>Total other financing sources (uses)</b>	<u>(2,582,455)</u>	<u>(2,656,055)</u>	<u>(2,202,304)</u>	<u>453,751</u>
<b>Net change in fund balances</b>	(27,500)	20,000	444,637	424,637
<b>Fund balances, beginning of year</b>	<u>2,241,701</u>	<u>2,241,701</u>	<u>2,241,701</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 2,214,201</u>	<u>\$ 2,261,701</u>	<u>\$ 2,686,338</u>	<u>\$ 424,637</u>

**City of Foley, Alabama**  
**PUBLIC ATHLETIC & SPORTS FACILITIES COOPERATIVE DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the fiscal year ended September 30, 2023**

	Budgeted Amount			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Investment income and rents	\$ 300	\$ 1,000	\$ 946	\$ (54)
Other	60,000	64,000	64,697	697
<b>Total revenues</b>	<u>60,300</u>	<u>65,000</u>	<u>65,643</u>	<u>643</u>
<b>Expenditures</b>				
Culture and recreation	1,700	1,700	37,923	(36,223)
Interest	30,413	30,413	30,413	-
<b>Total expenditures</b>	<u>32,113</u>	<u>32,113</u>	<u>68,336</u>	<u>(36,223)</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>28,187</u>	<u>32,887</u>	<u>(2,693)</u>	<u>(35,580)</u>
<b>Other financing sources (uses)</b>				
Transfers in	32,113	32,113	45,900	13,787
Transfers out	(60,000)	(64,000)	(64,697)	(697)
<b>Total other financing sources (uses)</b>	<u>(27,887)</u>	<u>(31,887)</u>	<u>(18,797)</u>	<u>13,090</u>
<b>Net change in fund balances</b>	300	1,000	(21,490)	(22,490)
<b>Fund balances, beginning of year</b>	41,184	41,184	41,184	-
<b>Fund balances, end of year</b>	<u>\$ 41,484</u>	<u>\$ 42,184</u>	<u>\$ 19,694</u>	<u>\$ (22,490)</u>

**City of Foley, Alabama**  
**PUBLIC CULTURAL & ENTERTAINMENT FACILITIES COOPERATIVE DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the fiscal year ended September 30, 2023**

	Budgeted Amount			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Investment income and rents	\$ 250	\$ 10,500	\$ 9,524	\$ (976)
Other	587,000	821,000	915,118	94,118
<b>Total revenues</b>	<u>587,250</u>	<u>831,500</u>	<u>924,642</u>	<u>93,142</u>
<b>Expenditures</b>				
Culture and recreation	1,600	1,600	1,540	60
Principal	365,000	365,000	365,000	-
Interest	188,260	188,260	188,260	-
<b>Total expenditures</b>	<u>554,860</u>	<u>554,860</u>	<u>554,800</u>	<u>60</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>32,390</u>	<u>276,640</u>	<u>369,842</u>	<u>93,202</u>
<b>Other financing sources (uses)</b>				
Transfers in	553,506	553,506	546,581	(6,925)
Transfers out	(587,000)	(821,000)	(915,118)	(94,118)
<b>Total other financing sources (uses)</b>	<u>(33,494)</u>	<u>(267,494)</u>	<u>(368,537)</u>	<u>(101,043)</u>
<b>Net change in fund balances</b>	<u>(1,104)</u>	<u>9,146</u>	<u>1,305</u>	<u>(7,841)</u>
<b>Fund balances, beginning of year</b>	<u>231,470</u>	<u>231,470</u>	<u>231,470</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 230,366</u>	<u>\$ 240,616</u>	<u>\$ 232,775</u>	<u>\$ (7,841)</u>

**City of Foley, Alabama**  
**ENERGY CONSERVATION BONDS SERIES 2013**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the fiscal year ended September 30, 2023**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Investment income and rents	\$ 10	\$ 10	\$ 3,299	\$ 3,289
Other	60,990	60,990	60,986	(4)
<b>Total revenues</b>	<u>61,000</u>	<u>61,000</u>	<u>64,285</u>	<u>3,285</u>
<b>Expenditures</b>				
Principal	120,000	120,000	120,000	-
Interest	84,268	84,268	84,268	-
<b>Total expenditures</b>	<u>204,268</u>	<u>204,268</u>	<u>204,268</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(143,268)</u>	<u>(143,268)</u>	<u>(139,983)</u>	<u>3,285</u>
<b>Other financing sources (uses)</b>				
Transfers in	168,900	168,900	172,471	3,571
<b>Total other financing sources (uses)</b>	<u>168,900</u>	<u>168,900</u>	<u>172,471</u>	<u>3,571</u>
<b>Net change in fund balances</b>	25,632	25,632	32,488	6,856
<b>Fund balances, beginning of year</b>	90,286	90,286	90,286	-
<b>Fund balances, end of year</b>	<u>\$ 115,918</u>	<u>\$ 115,918</u>	<u>\$ 122,774</u>	<u>\$ 6,856</u>

**City of Foley, Alabama**  
**GENERAL OBLIGATION WARRANTS SERIES 2014**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the fiscal year ended September 30, 2023**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Investment income and rents	\$ 20	\$ 20	\$ 11,471	\$ 11,451
<b>Total revenues</b>	<u>20</u>	<u>20</u>	<u>11,471</u>	<u>11,451</u>
<b>Expenditures</b>				
Principal	535,000	535,000	515,000	20,000
Interest	52,500	52,500	52,500	-
<b>Total expenditures</b>	<u>587,500</u>	<u>587,500</u>	<u>567,500</u>	<u>20,000</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(587,480)</u>	<u>(587,480)</u>	<u>(556,029)</u>	<u>31,451</u>
<b>Other financing sources (uses)</b>				
Transfers in	566,063	566,063	558,355	(7,708)
<b>Total other financing sources (uses)</b>	<u>566,063</u>	<u>566,063</u>	<u>558,355</u>	<u>(7,708)</u>
<b>Net change in fund balances</b>	(21,417)	(21,417)	2,326	23,743
<b>Fund balances, beginning of year</b>	189,697	189,697	189,697	-
<b>Fund balances, end of year</b>	<u><u>\$ 168,280</u></u>	<u><u>\$ 168,280</u></u>	<u><u>\$ 192,023</u></u>	<u><u>\$ 23,743</u></u>

**City of Foley, Alabama**  
**GENERAL OBLIGATION WARRANTS SERIES 2015**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the fiscal year ended September 30, 2023**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Investment income and rents	\$ 25	\$ 25	\$ 8,763	\$ 8,738
<b>Total revenues</b>	<u>25</u>	<u>25</u>	<u>8,763</u>	<u>8,738</u>
<b>Expenditures</b>				
Principal	390,000	390,000	390,000	-
Interest	58,500	58,500	58,500	-
<b>Total expenditures</b>	<u>448,500</u>	<u>448,500</u>	<u>448,500</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(448,475)</u>	<u>(448,475)</u>	<u>(439,737)</u>	<u>8,738</u>
<b>Other financing sources (uses)</b>				
Transfers in	448,708	448,708	442,377	(6,331)
<b>Total other financing sources (uses)</b>	<u>448,708</u>	<u>448,708</u>	<u>442,377</u>	<u>(6,331)</u>
<b>Net change in fund balances</b>	233	233	2,640	2,407
<b>Fund balances, beginning of year</b>	187,348	187,348	187,348	-
<b>Fund balances, end of year</b>	<u>\$ 187,581</u>	<u>\$ 187,581</u>	<u>\$ 189,988</u>	<u>\$ 2,407</u>



**City of Foley, Alabama**  
**GENERAL OBLIGATION WARRANTS SERIES 2019**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the fiscal year ended September 30, 2023**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Investment income and rents	\$ 50	\$ 50	\$ 28,565	\$ 28,515
<b>Total revenues</b>	<u>50</u>	<u>50</u>	<u>28,565</u>	<u>28,515</u>
<b>Expenditures</b>				
Principal	1,210,000	1,210,000	1,210,000	-
Interest	129,500	129,500	129,500	-
<b>Total expenditures</b>	<u>1,339,500</u>	<u>1,339,500</u>	<u>1,339,500</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,339,450)</u>	<u>(1,339,450)</u>	<u>(1,310,935)</u>	<u>28,515</u>
<b>Other financing sources (uses)</b>				
Transfers in	1,339,500	1,339,500	1,227,875	(111,625)
<b>Total other financing sources (uses)</b>	<u>1,339,500</u>	<u>1,339,500</u>	<u>1,227,875</u>	<u>(111,625)</u>
<b>Net change in fund balances</b>	50	50	(83,060)	(83,110)
<b>Fund balances, beginning of year</b>	113,349	113,349	113,349	-
<b>Fund balances, end of year</b>	<u>\$ 113,399</u>	<u>\$ 113,399</u>	<u>\$ 30,289</u>	<u>\$ (83,110)</u>

**City of Foley, Alabama**  
**GENERAL OBLIGATION WARRANTS SERIES 2021**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the fiscal year ended September 30, 2023**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Investment income and rents	\$ 30	\$ 30	\$ 14,036	\$ 14,006
<b>Total revenues</b>	<u>30</u>	<u>30</u>	<u>14,036</u>	<u>14,006</u>
<b>Expenditures</b>				
Principal	335,000	335,000	335,000	-
Interest	742,745	742,745	742,745	-
<b>Total expenditures</b>	<u>1,077,745</u>	<u>1,077,745</u>	<u>1,077,745</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,077,715)</u>	<u>(1,077,715)</u>	<u>(1,063,709)</u>	<u>14,006</u>
<b>Other financing sources (uses)</b>				
Transfers in	1,077,721	1,077,721	1,068,430	(9,291)
<b>Total other financing sources (uses)</b>	<u>1,077,721</u>	<u>1,077,721</u>	<u>1,068,430</u>	<u>(9,291)</u>
<b>Net change in fund balances</b>	6	6	4,721	4,715
<b>Fund balances, beginning of year</b>	449,855	449,855	449,855	-
<b>Fund balances, end of year</b>	<u>\$ 449,861</u>	<u>\$ 449,861</u>	<u>\$ 454,576</u>	<u>\$ 4,715</u>

**City of Foley, Alabama**  
**USDA RELENDING PROGRAM**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the fiscal year ended September 30, 2023**

	Variance with Final Budget -		
	Final	Actual	Positive (Negative)
<b>Revenues</b>			
Investment income and rents	\$ 5,000	\$ 6,055	\$ 1,055
<b>Total revenues</b>	<u>5,000</u>	<u>6,055</u>	<u>1,055</u>
<b>Expenditures</b>			
Principal	408,657	421,658	(13,001)
Interest	424,925	411,924	13,001
Bond cost	49,500	49,500	-
<b>Total expenditures</b>	<u>883,082</u>	<u>883,082</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(878,082)</u>	<u>(877,027)</u>	<u>1,055</u>
<b>Other financing sources (uses)</b>			
Transfers in	842,582	883,082	40,500
Transfers out	(4,197,442)	(1,095,635)	3,101,807
Issuance of bonded debt	18,000,000	18,000,000	-
<b>Total other financing sources (uses)</b>	<u>14,645,140</u>	<u>17,787,447</u>	<u>3,142,307</u>
<b>Net change in fund balance</b>	13,767,058	16,910,420	3,143,362
<b>Fund balances, beginning of year</b>	-	-	-
<b>Fund balances, end of year</b>	<u>\$ 13,767,058</u>	<u>\$ 16,910,420</u>	<u>\$ 3,143,362</u>

**City of Foley, Alabama**  
**SCHEDULE OF CONSTRUCTION IN PROGRESS**  
**As of September 30, 2023**

	Balance 9/30/2022	Additions	Transfers and Adjustments	Balance 9/30/2023
<b>GOVERNMENTAL ACTIVITIES</b>				
Police Vehicles	\$ 572,201	\$ 731,565	\$ 739,888	\$ 563,878
FST - website	26,750	-	-	26,750
Hurricane Sally Capital Projects-T-Hangars	2,601,969	38,064	2,640,033	-
Fire Pumper (advalorem fund)	-	68,253	-	68,253
Pickleball Courts (impact fee fund)	3,860	95,750	-	99,610
Fiber System Expansion	17,262	-	17,262	-
Revenue Office Addition	-	21,859	-	21,859
Public Works Campus	249,442	245,748	-	495,190
Runway 18/36, Taxiway A, S. Apron	436,257	87,200	523,457	-
T-Hangars & Access Taxilane	-	100,601	-	100,601
Justice Center Security Upgrades	28,375	9,472	-	37,847
Justice Center Parking Lot Upgrades	-	79,003	-	79,003
Nexedge Radio System Site	-	9,163	-	9,163
HMPG Fire Station 1 Improvements	23,000	12,875	-	35,875
Bon Secour Water Quality	5,981,852	91,040	-	6,072,892
Wolf Creek Headwater Restoration	236,860	207,650	-	444,510
South Pecan-City Constructed	30,360	274,453	-	304,813
North Pecan-City Constructed	196,413	241,413	-	437,826
Lynndale Ct-City Constructed	98,143	3,096	101,239	-
Jessamine-City Constructed	4,300	-	-	4,300
Drainage Improvements-Hwy 59&CR12	320,675	28,625	349,300	-
Drainage Improvements-Parkwood	-	10,125	-	10,125
Street Improvements-Bender Rd	1,576	-	-	1,576
Traffic Safety Project	8,000	-	-	8,000
Juniper St South Extension	1,909,001	1,699,915	-	3,608,916
Rose Trail/Centennial Fountain	85,531	660,414	-	745,945
Miflin Rd Access Management	143,042	32,514	-	175,556
HSIP- Low Cost Safety Improvements	6,598	-	-	6,598
TAP 9th Ave & S. Pine St	81,521	5,610	-	87,131
ATRIP CR12 & Highway 59	57,364	70,876	-	128,240
CR 12 & James Rd Turnlane	407,576	42,990	450,566	-
Foley Pride Pocket Park	227,972	343,441	571,413	-
CR 12 Crossdrains	5,750	-	5,750	-
Magnolia Gardens Drainage Improvement	2,500	-	-	2,500
CR 12 & Wolf Bay Drive Improvements	2,800	-	2,800	-
Intersection Improvements	60,250	32,350	-	92,600
Wolf Bay Drive Extension	35,750	-	35,750	-
Fern Ave & Highway 59 Improvements	32,715	25,450	-	58,165
Sidewalks-S. Juniper to Market	23,160	13,315	-	36,475
Philomene Holmes Improvement	-	131,458	-	131,458
East Verbena Ave Improvement	-	24,725	-	24,725
Potential SE Quad Road	-	12,723	-	12,723
Armory Renovation	-	1,500	-	1,500
Heritage Park Improvements	10,500	22,162	-	32,662
New Library	3,763	232,593	-	236,356
Cedar Street Park Improvements	9,900	19,921	29,821	-
Multipurpose Fields - Highway 98	20,304	8,208	-	28,512
Sportsplex Ditch Improvement	-	82,028	-	82,028
Pickleball Road	-	10,503	-	10,503
Max Griffin Park - Concrete Pads	-	12,362	-	12,362
Event Center-Lightning Suppression System	17,745	3,100	20,845	-
Office/Facility Building	6,000	-	-	6,000
Main St Branding	17,139	2,220	-	19,359
New Comfort Station	22,840	17,687	-	40,527

**City of Foley, Alabama**  
**SCHEDULE OF CONSTRUCTION IN PROGRESS**  
**As of September 30, 2023**

	Balance 9/30/2022	Additions	Transfers and Adjustments	Balance 9/30/2023
Main St Alley Project	-	20,546	-	20,546
New Flag Pole	34,908	15,206	34,908	15,206
Veterans Memorial Improvement	-	9,703	-	9,703
GOMESA-Land, Connectivity, Impvs	449,476	291,420	549,696	191,200
GCNP Maintenance Barn	34,101	3,885	37,986	-
GCNP Disc Golf Course	10,293	6,737	17,030	-
GCNP Boardwalk Improvements	12,250	6,870	19,120	-
Wolf Creek Park Improvements	-	152,024	-	152,024
GCNP Pavilions	-	116	-	116
HMPG Safe Room	68,300	-	-	68,300
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 14,636,344</b>	<b>\$ 6,370,527</b>	<b>\$ 6,146,864</b>	<b>\$ 14,860,007</b>

**STATISTICAL SECTION  
(UNAUDITED)**

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# STATISTICAL SECTION

## (UNAUDITED)

The following statistical tables, which are an integral part of the City of Foley's Annual Comprehensive Financial Report, offer detailed information to assist the reader in understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial well-being. In the event historical data was unavailable, the data is omitted and replaced with an asterisk (\*).

### Contents

#### Financial Trends

*These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.*

#### Revenue Capacity

*These schedules contain information to help the reader assess the City's most significant local revenue sources.*

#### Debt Capacity

*These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and its ability to issue additional debt in the future.*

#### Demographic and Economic Information

*These schedules provide the reader with an understanding of the environment within which the City's financial activities take place.*

#### Operating Information

*These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services it provides and the activities it performs.*



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CITY OF FOLEY, ALABAMA  
Net Position by Component  
Last Ten Fiscal Years  
(accrued basis of accounting)

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017*	2016*	2015	2014 *
Governmental Activities										
Net invested in capital assets	\$ 108,125,489	\$ 130,444,657	\$ 116,735,902	\$ 111,651,872	\$ 107,589,228	\$ 98,292,183	\$ 93,824,140	\$ 90,333,519	\$ 80,055,857	\$ 78,082,591
Restricted For:										
Capital projects	16,910,420	-	-	-	-	-	2,647	13,167,956	15,616,156	14,928,095
Debt service	2,388,940	2,330,105	2,149,633	2,496,058	2,396,552	2,800,940	3,061,057	3,353,850	2,995,047	2,470,037
Other purposes	4,457,236	2,742,422	1,449,844	1,709,994	1,497,094	1,778,120	1,174,804	1,535,093	1,569,762	1,257,448
Unrestricted	72,981,622	43,056,698	21,902,120	13,384,935	10,452,517	8,004,336	5,558,641	(8,813,490)	(6,887,689)	2,523,882
Total governmental activities net position	<u>\$ 204,863,707</u>	<u>\$ 178,573,882</u>	<u>\$ 142,237,499</u>	<u>\$ 129,242,859</u>	<u>\$ 121,935,391</u>	<u>\$ 110,875,579</u>	<u>\$ 103,621,289</u>	<u>\$ 99,576,928</u>	<u>\$ 93,349,133</u>	<u>\$ 99,262,053</u>
Business-Type Activities										
Net invested in capital assets	\$ 2,477,580	\$ 2,303,336	\$ 6,461,356	\$ (920,677)	\$ (1,077,397)	\$ (863,808)	\$ (647,469)	\$ (400,188)	\$ (148,485)	\$ (671,802)
Restricted For:										
Capital projects	-	-	-	-	-	-	-	-	-	1,004,916
Debt service	-	-	-	-	-	-	-	-	-	162,037
Other purposes	-	-	-	19,380	43,313	66,931	90,620	114,403	138,188	-
Unrestricted	(564,038)	(953,775)	280,688	211,954	200,168	293,040	188,811	70,117	44,879	(367,495)
Total business-type activities net position	<u>\$ 1,913,542</u>	<u>\$ 1,349,561</u>	<u>\$ 6,742,044</u>	<u>\$ (689,343)</u>	<u>\$ (833,916)</u>	<u>\$ (503,837)</u>	<u>\$ (368,038)</u>	<u>\$ (215,668)</u>	<u>\$ 34,582</u>	<u>\$ 127,656</u>
Primary Government										
Net invested in capital assets	\$ 110,603,069	\$ 132,747,993	\$ 123,197,258	\$ 110,731,195	\$ 106,511,831	\$ 97,428,375	\$ 93,176,671	\$ 89,933,331	\$ 79,907,372	\$ 77,410,789
Restricted For:										
Capital projects	16,910,420	-	-	-	-	-	2,647	13,167,956	15,616,156	15,933,011
Debt service	2,388,940	2,330,105	2,149,633	2,496,058	2,396,552	2,800,940	3,061,057	3,353,850	2,995,047	2,632,074
Other purposes	4,457,236	2,742,422	1,449,844	1,729,374	1,540,407	1,845,051	1,265,424	1,649,496	1,707,950	1,257,448
Unrestricted	72,417,584	42,102,923	22,182,808	13,596,889	10,652,685	8,297,376	5,747,452	(8,743,373)	(6,842,810)	2,156,387
Total primary government net position	<u>\$ 206,777,249</u>	<u>\$ 179,923,443</u>	<u>\$ 148,979,543</u>	<u>\$ 128,553,516</u>	<u>\$ 121,101,475</u>	<u>\$ 110,371,742</u>	<u>\$ 103,253,251</u>	<u>\$ 99,361,260</u>	<u>\$ 93,383,715</u>	<u>\$ 99,389,709</u>

Sources: City Finance Division

\* Amounts are restated.

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

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014 ****
Program/Function Activities										
Governmental Activities:										
General government	\$ 11,401,430	\$ 11,508,118	\$ 19,462,177	\$ 10,335,537	\$ 6,770,564	\$ 6,897,544	\$ 6,570,618	\$ 6,309,843	\$ 6,351,158	\$ 5,757,555
Public safety	18,357,162	16,532,713	15,000,787	14,457,671	13,898,543	13,058,911	12,492,542	12,136,287	10,963,166	10,590,907
Highways and streets	7,471,796	7,993,485	6,342,022	6,628,418	6,124,409	5,426,492	5,507,306	4,411,736	4,971,443	4,673,639
Sanitation	-	-	2,742,933	2,657,082	2,445,165	2,255,624	2,393,502	2,347,410	2,480,994	2,423,834
Culture and recreation	11,123,636	10,655,255	9,696,700	8,959,094	9,778,699	9,408,900	7,701,908	6,429,296	6,013,840	5,366,130
Economic development	2,802,443	1,819,149	2,506,397	1,723,683	1,737,324	2,052,703	2,114,470	1,318,184	4,848,999	2,558,559
Interest on long-term debt	2,064,171	1,601,717	2,288,528	2,360,056	2,601,830	2,670,228	2,620,665	3,224,877	2,372,127	1,688,961
Total Governmental Activities Expense	<u>53,220,638</u>	<u>50,110,437</u>	<u>58,039,544</u>	<u>47,121,541</u>	<u>43,356,534</u>	<u>41,770,402</u>	<u>39,401,011</u>	<u>36,177,633</u>	<u>38,001,727</u>	<u>33,059,585</u>
Business-Type Activities										
Sanitation Fund	3,376,275	3,703,211	-	-	-	-	-	-	-	-
CAFFM, Inc.	-	957,380	630,228	697,673	820,686	587,864	593,236	634,016	533,629	162,428
Total Business-Type Activities Expense	<u>3,376,275</u>	<u>4,660,591</u>	<u>630,228</u>	<u>697,673</u>	<u>820,686</u>	<u>587,864</u>	<u>593,236</u>	<u>634,016</u>	<u>533,629</u>	<u>162,428</u>
Total Primary Government Expense	<u>56,596,913</u>	<u>54,771,028</u>	<u>58,669,772</u>	<u>47,819,214</u>	<u>44,177,220</u>	<u>42,358,266</u>	<u>39,994,247</u>	<u>36,811,649</u>	<u>38,535,356</u>	<u>33,222,013</u>
Program/Function Revenues										
Governmental Activities:										
Charges for services										
General government	\$ 13,397,691	\$ 12,691,882	\$ 3,722,894	\$ 3,411,513	\$ 3,330,790	\$ 3,307,034	\$ 2,703,584	\$ 2,233,406	\$ 2,192,351	\$ 2,244,206
Public safety	2,918,199	2,427,023	2,041,098	1,596,617	1,110,118	1,337,483	1,866,349	1,281,186	962,562	1,133,814
Highways and streets	441,385	388,020	67,873	11,500	16,350	13,959	-	-	-	-
Sanitation *****	-	-	3,056,468	2,825,171	2,411,491	2,208,239	2,141,518	2,055,611	1,976,435	1,931,964
Culture and recreation	2,415,571	2,077,930	809,606	265,274	595,082	479,136	537,390	505,226	396,177	354,414
Economic development	-	-	-	-	-	-	34,504	167,578	246,063	137,993
Operating grants and contributions	508,456	2,256,020	11,154,406	939,614	600,928	552,756	845,617	546,798	214,638	651,106
Capital Grants and Contributions	<u>5,583,636</u>	<u>10,131,575</u>	<u>3,226,090</u>	<u>3,468,332</u>	<u>5,139,991</u>	<u>2,854,034</u>	<u>4,981,652</u>	<u>10,043,137</u>	<u>4,472,663</u>	<u>1,791,993</u>
Total Program Revenues - Government Activities	<u>25,264,938</u>	<u>29,972,450</u>	<u>24,078,435</u>	<u>12,518,021</u>	<u>13,204,750</u>	<u>10,752,641</u>	<u>13,110,614</u>	<u>16,832,942</u>	<u>10,460,889</u>	<u>8,245,490</u>
Program/Function Revenues										
Business-Type Activities:										
Charges for services										
Sanitation Fund *****	3,940,256	3,836,822	-	-	-	-	-	-	-	-
CAFFM, Inc.	-	109,480	428,892	782,273	429,792	407,126	369,006	287,686	175,809	5,635
Operating grants and contributions	-	-	65	-	-	-	22,200	-	35,288	-
Capital Grants and Contributions	-	-	-	-	-	-	-	32,712	-	-
Total Program Revenues - Business-Type Activities	<u>3,940,256</u>	<u>3,946,302</u>	<u>428,957</u>	<u>782,273</u>	<u>429,792</u>	<u>407,126</u>	<u>391,206</u>	<u>320,398</u>	<u>211,097</u>	<u>5,635</u>
Total Primary Government Program Revenues	<u>\$ 29,205,194</u>	<u>\$ 33,918,752</u>	<u>\$ 24,507,392</u>	<u>\$ 13,300,294</u>	<u>\$ 13,634,542</u>	<u>\$ 11,159,767</u>	<u>\$ 13,501,820</u>	<u>\$ 17,153,340</u>	<u>\$ 10,671,986</u>	<u>\$ 8,251,125</u>

(Continued on next page)

CITY OF FOLEY, ALABAMA  
Changes in Net Position (Continued)  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014 ****
Total Net (Expense)/Revenue										
Governmental Activities	\$ (27,955,700)	\$ (20,137,987)	\$ (33,961,109)	\$ (34,603,520)	\$ (30,151,784)	\$ (31,017,761)	\$ (26,290,397)	\$ (19,344,691)	\$ (27,540,838)	\$ (24,814,095)
Business-Type Activities:	563,981	(714,289)	(201,271)	84,600	(390,894)	(180,738)	(202,030)	(313,618)	(322,532)	(156,793)
Total Primary Government Net (Expense)/Revenue	<u>\$ (27,391,719)</u>	<u>\$ (20,852,276)</u>	<u>\$ (34,162,380)</u>	<u>\$ (34,518,920)</u>	<u>\$ (30,542,678)</u>	<u>\$ (31,198,499)</u>	<u>\$ (26,492,427)</u>	<u>\$ (19,658,309)</u>	<u>\$ (27,863,370)</u>	<u>\$ (24,970,888)</u>
General Revenues										
Governmental Activities										
Property taxes	\$ 2,763,824	\$ 2,366,203	\$ 2,152,218	\$ 1,880,124	\$ 1,765,580	\$ 1,711,873	\$ 1,625,209	\$ 1,539,905	\$ 1,435,035	\$ 1,351,037
Sales and other local taxes	44,295,497	41,790,227	38,722,433	29,555,402	28,958,941	26,646,096	22,257,234	16,365,312	15,463,721	14,687,639
Utility tax equivalents *****	-	-	7,944,312	7,692,940	7,410,006	7,053,060	6,796,594	6,499,737	6,311,582	6,200,232
Investment income (loss) **	1,678,360	(65,918)	81,925	127,441	181,192	152,174	114,659	86,185	90,813	37,378
Other	5,159,561	7,202,534	4,055,885	2,561,847	2,799,448	2,599,630	1,456,376	1,431,368	1,330,343	1,226,186
Gain on sale of capital assets	-	-	-	-	-	-	-	-	(18,410)	2,871,828
Franchise fees ***	348,283	307,403	148,097	152,738	155,933	153,846	147,880	138,547	151,124	139,652
Other financing sources	-	-	-	-	-	-	-	-	-	25,000
Transfers	-	4,702,665	(14,876)	(59,504)	(59,504)	(44,628)	(44,628)	(59,504)	(228,817)	(425,220)
Special Items-NMTC unwind	-	-	(5,962,989)	-	-	-	-	-	-	-
Total general revenues - Government Activities	<u>\$ 54,245,525</u>	<u>\$ 56,303,114</u>	<u>\$ 47,127,005</u>	<u>\$ 41,910,988</u>	<u>\$ 41,211,596</u>	<u>\$ 38,272,051</u>	<u>\$ 32,353,324</u>	<u>\$ 26,001,550</u>	<u>\$ 24,535,391</u>	<u>\$ 26,113,732</u>
General Revenues										
Business-Type Activities										
Investment income (loss) **	\$ -	\$ 404	\$ 808	\$ 469	\$ 382	\$ 311	\$ 216	\$ 215	\$ 468	\$ 556
Other	-	24,067	50	-	929	-	4,816	3,649	173	41
Transfers	-	(4,702,665)	14,876	59,504	59,504	44,628	44,628	59,504	228,817	425,220
Special Items										
NMTC write off loan cost	-	-	(383,076)	-	-	-	-	-	-	-
NMTC unwind	-	-	8,000,000	-	-	-	-	-	-	-
Total general revenues - Business-Type Activities	<u>\$ -</u>	<u>\$ (4,678,194)</u>	<u>\$ 7,632,658</u>	<u>\$ 59,973</u>	<u>\$ 60,815</u>	<u>\$ 44,939</u>	<u>\$ 49,660</u>	<u>\$ 63,368</u>	<u>\$ 229,458</u>	<u>\$ 425,817</u>
Total Primary Government General Revenues	<u>\$ 54,245,525</u>	<u>\$ 51,624,920</u>	<u>\$ 54,759,663</u>	<u>\$ 41,970,961</u>	<u>\$ 41,272,411</u>	<u>\$ 38,316,990</u>	<u>\$ 32,402,984</u>	<u>\$ 26,064,918</u>	<u>\$ 24,764,849</u>	<u>\$ 26,539,549</u>
Changes in Net Position										
Governmental Activities	\$ 26,289,825	\$ 36,165,127	\$ 13,165,896	\$ 7,307,468	\$ 11,059,812	\$ 7,254,290	\$ 6,062,927	\$ 6,656,859	\$ (3,005,447)	\$ 1,299,637
Business-Type Activities	563,981	(5,392,483)	7,431,387	144,573	(330,079)	(135,799)	(152,370)	(250,250)	(93,074)	269,024
Total Primary Government	<u>\$ 26,853,806</u>	<u>\$ 30,772,644</u>	<u>\$ 20,597,283</u>	<u>\$ 7,452,041</u>	<u>\$ 10,729,733</u>	<u>\$ 7,118,491</u>	<u>\$ 5,910,557</u>	<u>\$ 6,406,609</u>	<u>\$ (3,098,521)</u>	<u>\$ 1,568,661</u>

Source: City Finance Division

\* Beginning Fiscal Year 2014, Fines and Forfeitures are reported as part of the charges for services category of program revenue in the function or activity that generates them.

\*\* Prior to Fiscal Year 2022, Investment income (loss) was reported as Interest. Prior to Fiscal Year 2014, Interest and Rents were reported together. Beginning Fiscal Year 2014, Rental Income is reported as a program revenue of the function that generates the revenue.

\*\*\* Beginning Fiscal Year 2014, Riviera Utilities Franchise Fees are reported separately. Prior to Fiscal Year 2014 Riviera Utilities Franchise Fees were reported with Utility Tax Equivalents.

\*\*\*\* Fiscal Year 2014 was restated due to a change in fund type made in 2015 to the Public Athletic & Sports Facilities Cooperative District and the Public Cultural & Entertainment Facilities Cooperative District.

\*\*\*\*\* Beginning Fiscal Year 2022, all sanitation revenue and expenses are reported in the BTA, Sanitation Fund.

\*\*\*\*\* Beginning Fiscal Year 2022, Utility tax equivalents are reported under general government charges for services.

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

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund										
Nonspendable	\$ 351,294	\$ 379,342	\$ 5,853,668	\$ 5,853,668	\$ 5,898,837	\$ 5,796,468	\$ 5,822,962	\$ 5,770,035	\$ 5,731,817	\$ 5,723,897
Restricted	586,868	565,366	372,340	372,340	341,572	463,333	410,953	320,947	247,851	173,317
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	435,422	387,265	842,041	842,041	819,864	789,941	552,434	546,767	3,050,258	4,952,810
Unassigned	68,245,073	53,209,359	17,041,142	17,041,142	13,056,651	11,514,771	8,716,303	3,147,862	4,375,994	8,996,305
Total General Fund	<u>\$ 69,618,657</u>	<u>\$ 54,541,332</u>	<u>\$ 24,109,191</u>	<u>\$ 24,109,191</u>	<u>\$ 20,116,924</u>	<u>\$ 18,564,513</u>	<u>\$ 15,502,652</u>	<u>\$ 9,785,611</u>	<u>\$ 13,405,920</u>	<u>\$ 19,846,329</u>
All other Governmental Funds										
Nonspendable	\$ 592,261	\$ 592,261	\$ -	\$ -	\$ 507,277	\$ -	\$ 379,821	\$ 817,761	\$ 379,821	\$ 379,821
Restricted	23,169,728	4,507,161	3,833,712	3,833,712	3,552,074	4,115,727	3,827,555	17,735,952	19,933,114	3,049,137
Committed	1,582,978	1,295,692	103,164	103,164	397,892	1,024,134	768,672	1,605,439	2,799,959	542,442
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	(462,545)	(152,374)	92,429	92,429	54,624	(252,477)	-	(22,086)	(527,469)	(343,318)
Total all Other Gvnmt. Funds	<u>\$ 24,882,422</u>	<u>\$ 6,242,740</u>	<u>\$ 4,029,305</u>	<u>\$ 4,029,305</u>	<u>\$ 4,511,867</u>	<u>\$ 4,887,384</u>	<u>\$ 4,976,048</u>	<u>\$ 20,137,066</u>	<u>\$ 22,585,425</u>	<u>\$ 3,628,082</u>
Total Governmental Funds	<u>\$ 94,501,079</u>	<u>\$ 60,784,072</u>	<u>\$ 28,138,496</u>	<u>\$ 28,138,496</u>	<u>\$ 24,628,791</u>	<u>\$ 23,451,897</u>	<u>\$ 20,478,700</u>	<u>\$ 29,922,677</u>	<u>\$ 35,991,345</u>	<u>\$ 23,474,411</u>

Source: City Finance Division

CITY OF FOLEY, ALABAMA  
Changes In Fund Balances Of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues										
Property and advalorem taxes	\$ 2,763,824	\$ 2,366,203	\$ 2,152,218	\$ 1,880,124	\$ 1,765,580	\$ 1,711,873	\$ 1,625,209	\$ 1,539,905	\$ 1,435,035	\$ 1,351,038
Sales and other local taxes	44,295,497	41,790,227	38,722,433	29,555,402	28,958,941	26,646,096	22,405,114	16,491,205	15,614,845	14,827,291
Licenses and permits	8,544,209	7,496,885	5,024,902	4,229,647	3,616,461	3,828,883	3,720,477	2,705,953	2,401,064	2,365,083
Intergovernmental	1,768,774	11,311,609	14,309,809	3,339,731	3,568,471	2,313,245	3,132,314	9,235,106	4,153,301	1,822,855
Charges for services ***	861,555	746,633	3,611,629	3,085,966	2,967,859	2,645,941	2,570,615	2,514,568	2,365,893	2,247,929
Fines and forfeitures	687,769	691,757	646,942	556,795	614,964	584,494	646,292	641,976	555,808	564,146
Utility tax equivalents	9,065,042	8,527,951	8,092,409	7,845,678	7,565,939	7,206,906	6,796,594	6,499,737	6,311,582	6,200,232
Investment income (loss) *	1,678,360	(65,918)	81,924	127,441	181,192	152,174	114,659	86,185	90,812	37,377
Contributions and donations	140,488	136,024	78,673	87,306	879,261	789,317	230,806	114,862	134,064	624,885
Other **	5,134,648	6,287,750	4,491,779	2,746,410	2,844,280	2,603,155	1,444,874	1,478,250	1,363,673	1,185,873
Rental income *	362,556	331,131	339,467	237,667	264,547	286,533	278,688	369,451	438,312	404,869
Total Revenues	75,302,722	79,620,252	77,552,185	53,692,167	53,227,495	48,768,617	42,965,642	41,677,198	34,864,389	31,631,578
Expenditures										
Current:										
General government	9,612,125	7,913,178	18,649,397	9,502,083	5,968,544	6,037,041	5,636,357	5,397,282	5,626,814	4,982,869
Public safety	16,067,692	15,063,344	13,759,008	13,231,013	12,838,863	11,995,342	11,404,151	11,238,760	10,380,906	9,889,322
Highways and streets	5,676,677	5,406,730	3,362,446	3,702,125	3,234,873	2,926,279	3,097,595	2,343,121	2,673,944	2,387,351
Sanitation ***	-	-	2,438,315	2,339,768	2,210,000	2,053,143	2,208,683	2,132,864	2,281,302	2,223,182
Culture and recreation	9,249,147	8,340,557	7,460,019	6,660,423	7,610,962	7,255,457	6,094,701	5,538,955	5,376,674	4,533,285
Economic development	2,802,443	1,819,149	2,506,397	1,723,683	1,737,324	2,048,752	2,101,714	1,314,462	4,802,908	2,550,772
Debt Service:										
Principal	3,832,979	2,860,366	7,395,380	3,802,138	4,978,064	4,704,499	4,122,542	3,754,343	3,225,085	2,066,250
Interest	2,021,547	1,607,602	2,118,093	2,349,377	2,536,588	2,679,534	2,755,695	2,452,056	1,710,650	1,230,586
Bond issuance cost	49,500	-	418,667	12,052	110,139	25,641	31,995	410,055	289,474	293,614
Capital Outlay	12,288,548	17,140,719	8,079,636	6,800,296	10,157,906	6,768,709	18,028,847	29,573,346	18,303,234	6,615,097
Total Expenditures	61,600,658	60,151,645	66,187,358	50,122,958	51,383,263	46,494,397	55,482,280	64,155,244	54,670,991	36,772,328
Excess (deficiency) of revenues over expenditures	\$ 13,702,064	\$ 19,468,607	\$ 11,364,827	\$ 3,569,209	\$ 1,844,232	\$ 2,274,220	\$ (12,516,638)	\$ (22,478,046)	\$ (19,806,602)	\$ (5,140,750)

(continued on next page)

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

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Other financing sources (uses)										
Transfers in	19,800,741	19,256,374	50,500,806	11,000,713	22,993,661	14,414,569	12,564,628	14,643,434	29,967,659	18,322,813
Transfers out	(19,800,741)	(16,397,399)	(50,515,682)	(11,060,217)	(23,053,165)	(14,459,197)	(12,609,256)	(14,702,938)	(30,240,031)	(18,748,033)
Issuance of bonded debt	18,000,000	-	32,935,000	-	-	500,000	1,000,000	24,450,000	16,440,000	18,005,000
Bond premium	-	-	121,354	-	658,543	-	-	1,732,359	451,138	862,733
Bond discount	-	-	-	-	-	-	-	-	(286,296)	-
Payment to refunded bond escrow	-	-	(32,923,291)	-	(6,171,377)	-	-	(9,810,412)	-	-
Capital leases	1,422,090	156,211	129,074	-	-	-	32,031	96,935	-	-
Sale of assets **	592,853	-	-	-	-	-	1,785,258	-	-	5,947,904
Issuance of loan debt	-	1,012,684	3,500,000	-	4,905,000	-	300,000	-	-	375,000
Total other financing sources (uses)	20,014,943	4,027,870	3,747,261	(59,504)	(667,338)	455,372	3,072,661	16,409,378	16,332,470	24,765,417
Special Items										
NMTC unwind	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	<u>\$ 33,717,007</u>	<u>\$ 23,496,477</u>	<u>\$ 15,112,088</u>	<u>\$ 3,509,705</u>	<u>\$ 1,176,894</u>	<u>\$ 2,729,592</u>	<u>\$ (9,443,977)</u>	<u>\$ (6,068,668)</u>	<u>\$ (3,474,132)</u>	<u>\$ 19,624,667</u>
Debt service as a percentage of noncapital expenditures	11.9%	10.4%	16.4%	14.2%	18.2%	18.6%	18.4%	17.9%	13.6%	10.9%

\* Prior to Fiscal Year 2022, Investment income (loss) was presented as interest. Prior to Fiscal Year 2014, Interest and Rents were reported together. Beginning Fiscal Year 2014, Rental Income is reported as a program revenue of the function that generates the revenue.

\*\* Beginning Fiscal Year 2015, non-material proceeds from sale of assets are reported under "Other".

\*\*\* Beginning Fiscal Year 2022, all sanitation revenue and expenses are reported in the BTA, Sanitation Fund.

CITY OF FOLEY, ALABAMA  
Direct and Overlapping Sales and Use Tax Rates  
Last Ten Fiscal Years

Fiscal Year	City of Foley	Baldwin County	State of Alabama	Total Sales Tax Rate
2023	3.0%	3.0%	4.0%	10.0%
2022	3.0%	3.0%	4.0%	10.0%
2021	3.0%	3.0%	4.0%	10.0%
2020	3.0%	3.0%	4.0%	10.0%
2019	3.0%	3.0%	4.0%	10.0%
2018	3.0%	3.0%	4.0%	10.0%
2017	3.0%	3.0%	4.0%	10.0%
2016	2.0%	3.0%	4.0%	9.0%
2015	2.0%	3.0%	4.0%	9.0%
2014	2.0%	3.0%	4.0%	9.0%

Source: State of Alabama Department of Revenue

Beginning March 1, 2017, the City increased sales and use tax from 2% to 3% effective until August 31, 2020. Effective September 2019, the City Council extended the 1% temporary sales tax until August 31, 2030.



CITY OF FOLEY, ALABAMA  
Principal Sales and Use Taxpayers  
Last Ten Years

Year	[1] Gross Sales	[1] Remitted By Top 25 Taxpayers	[1] Total Sales & Use Tax Collected	Percent of Total Tax
2023	\$ 2,072,326,905	\$ 15,118,952	\$ 38,943,951	38.82%
2022 [2]	2,096,317,094	14,253,313	36,244,191	39.33%
2021	2,285,177,026	13,237,961	33,609,031	39.39%
2020	1,566,212,910	11,274,082	26,816,150	42.04%
2019	1,399,889,326	10,000,128	24,991,110	40.01%
2018	1,260,945,641	8,736,761	21,367,934	40.89%
2017	1,258,511,522	8,014,166	19,581,316	40.93%
2016	1,187,232,141	6,224,812	14,962,812	41.60%
2015	1,112,243,887	5,998,110	14,315,191	41.90%
2014	1,082,812,154	5,812,173	13,561,596	42.86%

[1] Beginning 2016, the State of Alabama reports the information by fiscal year, net of fees, on a non-accrual basis. Years 2012 - 2015 are reported on a calendar year.

[2] Fiscal year 2022 gross sales were lower than fiscal year 2021, but taxes collected were higher. This is due to a higher number of deductions allowed. The gross number presented is the economics revenue that comes through the city, not the gross sales that tax are paid from.

Source: State of Alabama Department of Revenue

Note: State law prohibits the disclosure of specific taxpayer information.

CITY OF FOLEY, ALABAMA  
Revenue Indicators - General Fund  
Last Ten Years

Sales and Other Local Taxes

Fiscal Year Ended September 30,	[1] [2] Sales & Use Tax	[3] Lodging Tax	Rental Tax	Tax Penalties	Beer Wine & Liquor Tax	[4] Local Gas Tax	Cigarette & Tobacco Tax	Other Local Tax	Total
2023	\$ 39,162,504	\$ 2,129,177	\$ 437,156	\$ 169,228	\$ 778,847	\$ 586,838	\$ 236,057	\$ 537,446	\$ 44,037,253
2022	36,710,192	2,089,629	423,576	226,343	764,965	583,583	223,949	513,708	41,535,945
2021	33,560,787	2,362,418	477,613	53,107	727,078	582,876	237,781	512,581	38,514,241
2020	26,182,775	1,246,882	271,542	-	604,947	548,210	228,737	299,988	29,383,081
2019	25,528,657	1,392,542	269,851	-	547,437	596,477	225,948	301,112	28,862,024
2018	23,546,995	1,234,281	254,383	-	530,004	574,232	224,746	186,324	26,550,965
2017	19,280,693	1,073,626	280,922	-	505,229	543,511	229,298	396,844	22,310,123
2016	14,100,815	947,769	242,378	-	500,065	-	224,593	381,670	16,397,290
2015	13,428,794	842,600	214,152	-	487,707	-	223,166	327,235	15,523,654
2014	12,699,430	762,915	213,921	-	463,604	-	220,821	466,600	14,827,291

License and Permits

Fiscal Year Ended September 30,	Business License	Building Permits	Other License & Permits	Total
2023	\$ 3,683,012	\$ 2,402,079	\$ 536,750	\$ 6,621,841
2022	3,366,184	2,046,773	409,218	5,822,175
2021	2,746,550	1,831,977	223,861	4,802,388
2020	2,622,061	1,420,871	186,715	4,229,647
2019	2,490,968	939,435	186,058	3,616,461
2018	2,477,791	1,112,231	238,861	3,828,883
2017	2,504,014	1,006,892	209,571	3,720,477
2016	2,055,464	508,997	141,492	2,705,953
2015	1,995,807	357,150	48,107	2,401,064
2014	1,876,595	418,289	70,199	2,365,083

Franchise Fees

Fiscal Year Ended September 30,	Utility Tax Equivalents [5]	[6]	
	Applicable Percentage	Total Amount Collected	Other Franchise Fees
2023	4.25%	\$ 8,716,759	\$ 348,283
2022	4.25%	8,220,548	307,403
2021	4.25%	7,944,312	148,097
2020	4.25%	7,692,940	152,738
2019	4.25%	7,410,006	155,933
2018	4.25%	7,053,060	153,846
2017	4.25%	6,796,594	147,880
2016	4.25%	6,499,737	138,547
2015	4.25%	6,311,582	151,124
2014	4.25%	6,200,232	139,652

[1] In March 2007 the sales tax rate was increased from 1% to 2%.

[2] In March 2017 the sales tax rate was increased to 3% effective until August 31, 2020. In September 2019, this temporary increase was extended until August 2030.

[3] In October 2013 the lodging tax rate was increased from 4% to 7%.

[4] In December 2016 a 3% local gas tax was established.

[5] Tax equivalent payments are made monthly to the City by Riviera Utilities based on a percentage of retained earnings of the previous year. Riviera Utilities provides water, sanitary sewer, electric, natural gas, cable television and internet services in the City and in other incorporated and unincorporated areas in Baldwin County, Alabama.

[6] In 2014, Riviera Utilities began paying a franchise fee for cable services provided.

CITY OF FOLEY, ALABAMA  
Legal Debt Margin Information  
Last Ten Fiscal Years

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Constitutional Debt Limit	\$ 124,588,130	\$ 103,414,791	\$ 82,185,292	\$ 75,320,817	\$ 68,995,025	\$ 62,563,727	\$ 59,703,210	\$ 66,950,121	\$ 54,578,468	\$ 49,471,878
Net debt applicable to limit	<u>53,911,133</u>	<u>37,726,291</u>	<u>40,676,257</u>	<u>27,865,934</u>	<u>31,933,086</u>	<u>30,398,683</u>	<u>33,312,476</u>	<u>34,571,734</u>	<u>28,064,115</u>	<u>24,807,808</u>
Legal debt margin	<u>\$ 70,676,997</u>	<u>\$ 65,688,500</u>	<u>\$ 41,509,035</u>	<u>\$ 47,454,883</u>	<u>\$ 37,061,939</u>	<u>\$ 32,165,044</u>	<u>\$ 26,390,734</u>	<u>\$ 32,378,387</u>	<u>\$ 26,514,353</u>	<u>\$ 24,664,070</u>
Net debt as a percentage of debt limit	43.27%	36.48%	49.49%	37.00%	46.28%	48.59%	55.80%	51.64%	51.42%	50.15%

CITY OF FOLEY  
Legal Debt Margin Information (Continued)  
Last Ten Fiscal Years

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Special Constitutional Debt Limit	\$ 311,470,324	\$ 258,536,978	\$ 205,463,230	\$ 188,302,042	\$ 172,487,562	\$ 156,409,318	\$ 149,258,026	\$ 167,375,302	\$ 136,446,170	\$ 123,679,696
Net debt applicable to limit	5,584,330	5,953,683	6,844,696	35,756,911	36,464,323	36,872,500	37,272,909	36,339,889	18,729,186	8,000,000
Legal debt margin	<u>\$ 305,885,994</u>	<u>\$ 252,583,295</u>	<u>\$ 198,618,534</u>	<u>\$ 152,545,131</u>	<u>\$ 136,023,239</u>	<u>\$ 119,536,818</u>	<u>\$ 111,985,117</u>	<u>\$ 131,035,413</u>	<u>\$ 117,716,984</u>	<u>\$ 115,679,696</u>
Net debt as a percentage of debt limit	1.79%	2.30%	3.33%	18.99%	21.14%	23.57%	24.97%	21.71%	13.73%	6.47%

CITY OF FOLEY, ALABAMA  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year	General Obligation Warrants	Federally Taxable 2013 Qualified Energy Conservation Bonds	Notes Payable	Subscription Liability	Lease Liability	Total General Obligation Debt	Special Revenue Bonds	Total Governmental Activities	Business- Type Activities of Coastal Alabama Farmers' and Fishermen's Market, Inc.	Notes Payable	Total Primary Government	Total Debt as a Percentage of Personal Income	Total Debt Per Capita
2023	\$ 53,329,185	\$ 1,945,731	\$ 14,802	\$ 1,195,078	\$ 238,944	\$ 56,723,740	\$ 14,922,925	\$ 71,646,665	\$ -	\$ -	\$ 71,646,665	8.25%	2,759
2022	38,346,223	2,062,804	21,717	-	298,600	40,729,344	15,429,837	56,159,181	-	-	56,159,181	8.00%	2,420
2021	40,753,913	2,174,877	28,865	-	-	42,957,655	15,902,407	58,860,062	-	634,235	59,494,297	13.59%	3,122
2020	19,936,424	2,281,950	121,339	-	-	22,339,713	37,026,760	59,366,473	8,000,000	682,953	68,049,426	12.45%	3,372
2019	23,138,996	2,384,023	363,094	-	-	25,886,113	37,491,148	63,377,261	8,000,000	1,123,296	72,500,557	17.69%	3,620
2018	21,692,164	2,481,096	484,053	-	-	24,657,313	44,502,548	69,159,861	8,000,000	1,193,323	78,353,184	21.93%	4,231
2017	24,412,101	2,573,169	602,504	-	-	27,587,774	45,934,137	73,521,911	8,000,000	1,260,601	82,782,512	21.66%	4,578
2016	26,133,427	2,665,242	335,579	-	-	29,134,248	47,335,727	76,469,975	8,000,000	1,059,072	85,529,047	20.49%	4,416
2015	28,782,770	2,752,315	288,750	-	-	31,823,835	31,076,616	62,900,451	8,000,000	-	70,900,451	17.41%	3,742
2014	27,135,531	2,844,388	323,750	-	-	30,303,669	19,272,927	49,576,596	8,000,000	-	57,576,596	14.62%	3,087

CITY OF FOLEY, ALABAMA  
Ratios of General Bonded Debt Outstanding  
Last Ten Fiscal Years

Fiscal Year Ended September 30	[1] General Obligation Bonds	[2] Less: Amounts Available in Debt Service Funds	Total	[3] [4] Percentage of Estimated Actual Taxable Value of Property	[4] Per Capita
2023	\$ 56,723,740	\$ 992,650	\$ 55,731,090	8.95%	\$ 2,146
2022	40,729,344	1,030,535	39,698,809	7.72%	1,700
2021	42,957,655	825,010	42,132,645	10.22%	1,929
2020	22,339,713	957,470	21,382,243	5.73%	1,061
2019	25,886,113	771,677	25,114,436	7.20%	1,238
2018	24,657,313	1,046,395	23,610,918	7.55%	1,278
2017	27,587,774	1,034,002	26,553,772	8.90%	1,492
2016	29,134,248	1,027,614	28,106,634	10.31%	1,624
2015	31,823,835	1,007,351	30,816,484	12.61%	1,854
2014	30,303,669	666,562	29,637,107	13.31%	1,871

Fiscal Year Ended September 30	[5] Special Revenue Bonds	[2] Less: Amounts Available in Debt Service Funds	Total	[3] [4] Percentage of Estimated Actual Taxable Value of Property	[4] Per Capita
2023	\$ 14,922,925	\$ 1,399,290	\$ 13,523,635	2.17%	\$ 521
2022	15,429,837	1,393,785	14,036,052	2.71%	598
2021	15,902,407	1,538,488	14,363,919	3.50%	660
2020	37,026,760	1,617,672	35,409,088	9.40%	1,741
2019	37,491,148	2,347,330	35,143,818	10.19%	1,752
2018	44,502,548	2,326,189	42,176,359	13.48%	2,282
2017	45,934,137	1,987,698	43,946,439	14.72%	2,468
2016	47,335,727	1,803,475	45,532,252	16.69%	2,630
2015	31,076,616	1,803,150	29,273,466	11.85%	1,742
2014	19,272,927	1,803,334	17,469,593	7.73%	1,088

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

[1] Includes general bonded debt.

[2] Amount restricted for debt service principal payments.

[3] Total assessed property value data can be found in the Statistical Section - Schedule of Ad Valorem Information.

[4] Population data can be found in the Statistical Section – Schedule of Population Trends.

[5] Includes special revenue debt.

CITY OF FOLEY, ALABAMA  
Direct and Overlapping Governmental Activities Debt  
As of September 30, 2023

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>[1] Estimated Percentage Applicable</u>	<u>Amount Applicable to Primary Government</u>
Baldwin County *	\$ 71,501,296	6.92%	\$ 4,948,538
Baldwin County Board of Education	176,405,107	6.92%	12,208,833
Subtotal, overlapping debt			17,157,371
City of Foley, Alabama, direct debt			71,646,665
Total direct and overlapping debt			<u>\$ 88,804,036</u>

Source: Outstanding debt provided by each governmental unit.

[1] The Baldwin County Revenue Commission's appraisals are done a year in arrears, meaning appraisals are based on the property the way it was on October 1st of the previous year (2023 property appraisals are based on the property as it was on August 1, 2022). The percentage above represents the net assessed value of property in the City of Foley (\$554,279,200) to net assessed value of property in Baldwin County (\$8,008,765,580).

\* The City was unable to obtain updated debt information at the time this report was issued.

**CITY OF FOLEY, ALABAMA**  
**Population Trends / Graduation Rates**

<b>Year</b>	<b>City of Foley</b>		<b>Baldwin County</b>	
	<b>Population [1]</b>	<b>Rate of Growth</b>	<b>Population [2]</b>	<b>Rate of Growth</b>
2023	25,971	10.7%	253,509	2.9%
2022	23,468	7.8%	246,435	3.0%
2021	21,777	7.1%	239,361	2.6%
2020	20,335	1.4%	233,219	4.3%
2019	20,063	8.5%	223,565	2.5%
2018	18,486	3.8%	218,071	2.5%
2017	17,806	5.9%	212,737	2.4%
2015	16,809	15.0%	207,787	2.3%
2010	14,618	92.6%	203,101	44.6%
2000	7,590	53.7%	140,415	42.9%
1990	4,937	23.3%	98,280	25.1%
1980	4,003	18.9%	78,556	32.3%
1970	3,368	16.6%	59,382	21.0%
1960	2,889	122.1%	49,088	19.7%
1950	1,301	N.A.	40,997	N.A.

<b>Year</b>	<b>Enrollment [3][4]</b>	<b>Graduation Rate [5]</b>
2023	4,168	79%
2022	4,120	81%
2021	3,692	85%
2020	3,465	84%
2019	4,072	83%
2018	4,266	83%
2017	4,312	79%
2016	4,379	78%
2015	3,636	75%
2014	4,050	75%

Sources:

[1] Effective 2013, source is City of Foley GIS estimate. Prior years and census years source is US Census Bureau

[2] Source is US Census Bureau.

[3] 2022 - 2015 Alabama State Department of Education, 2014 Homefacts, 2013 schooldigger.com (as of December)

[4] Elberta High School opened in 2017-2018 to grades 7-9 and one new grade exited Foley High School each year until it reached a full 7-12 high school in 2021.

[5] Alabama State Department of Education. Census years, Census of Population and Housing.



CITY OF FOLEY, ALABAMA  
Census Data

Year	City of Foley		Baldwin County		State of Alabama	
	Median Family Income	Per Capital Income	Median Family Income	Per Capital Income	Median Family Income	Per Capital Income
2022	\$ 60,090	\$ 33,427	\$ 59,609	\$ 33,344	\$ 74,755	\$ 41,804
2010	50,854	22,967	58,429	26,469	52,863	22,984
2000	38,427	19,364	47,028	20,826	41,657	18,189
1990	23,717	9,498	30,199	13,306	28,688	15,723
1980	16,234	5,598	16,917	7,192	16,353	7,836

	1980	1990	2000	2010	2020
Total Housing Units	1,427	2,127	3,468	7,359	10,990
Total Occupied Units	1,336	1,897	3,126	6,165	9,713
Total Owner Occupied Units	941	1,230	2,083	3,850	7,107
Median Value of Owner Occupied Units	\$ 35,700	\$ 54,800	\$ 97,900	\$ 171,800	\$ 236,900

Sources: U.S. Census Bureau

CITY OF FOLEY, ALABAMA  
Comparative Unemployment Rates  
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>[1] [3] Foley</u>	<u>[1] [3] Baldwin County</u>	<u>[1] [3] Alabama</u>	<u>[2] U.S. National Average</u>
2023	2.2%	2.2%	2.2%	3.6%
2022	2.4%	2.4%	2.7%	3.7%
2021	2.5%	2.5%	3.1%	4.8%
2020	5.6%	5.6%	6.7%	7.9%
2019	2.2%	2.2%	3.0%	3.5%
2018	3.4%	3.4%	4.1%	3.7%
2017	3.0%	3.0%	3.8%	4.2%
2016	5.5%	5.5%	6.0%	4.6%
2015	5.2%	5.2%	6.0%	5.0%
2014	5.3%	6.1%	6.8%	6.2%

Sources:

[1] Homefacts was used for 2017 and prior.

[2] Alabama Department of Labor, Labor Market Division

[3] Alabama Department of Labor, Labor Market Division since 2018

CITY OF FOLEY, ALABAMA  
Principal Employers - Top 10 City & County  
Current year compared to ten years prior

Industry	Product	2023			2013		
		Approximate Employment	Rank	Percentage of Total Employment	Approximate Employment	Rank	Percentage of Total Employment
<i>Major Employers - City of Foley</i>							
Tanger Outlet Center	Retail-Mall	1,500	1	14.5%	1,500	1	n/a
Collins Aerospace (UTC Aerospace Systems) (Goodrich)	Aerospace	1,026	2	9.9%	803	2	n/a
South Baldwin Regional Medical Center	Medical Care	860	3	8.3%	780	3	n/a
OWA	Entertainment & Shopping	400	4	3.9%	n/a	n/a	n/a
City of Foley	Government	329	5	3.2%	241	6	n/a
Vulcan, Inc	Manufacturing	236	6	2.3%	278	5	n/a
Riviera Utilities	Utilities	275	7	2.7%	228	7	n/a
Starr Laundry	Laundry Services	200	8	1.9%	n/a	n/a	n/a
Baldwin County Annex	Government	150	9	1.5%	n/a	n/a	n/a
Diversicare	Medical Care	147	10	1.4%	n/a	n/a	n/a
Ascend Performance Materials / formerly Solutia Manufacturing	Manufacturing (Organic Fibers/Noncellulosic)	n/a	n/a	n/a	110	8	n/a
Wal-Mart Super Center (Foley)	General Retail	n/a	n/a	n/a	326	4	n/a
<i>Major Employers - Baldwin County - Outside of the City of Foley</i>							
Baldwin County Board of Education	Public Education	3,900	1	3.8%	3,428	1	4.5%
Wal-Mart Super Centers	General Retail	1,700	2	1.6%	1,715	2	2.3%
Infirmiry Health	Medical Care	1,490	3	1.4%	1,100	4	1.4%
Columbia Southern University	Higher Education	1,050	4	1.0%	n/a	n/a	n/a
Publix Grocery	Grocery	830	5	0.8%	n/a	n/a	n/a
Baldwin County Commission	Government	670	6	0.6%	475	7	0.6%
Marriott Grand Hotel	Hotel & Country Club	530	7	0.5%	590	6	0.8%
Standard Furniture	Home Furnishings	520	8	0.5%	1,400	3	1.9%
Brett-Robinson	Real Estate	520	9	0.5%	n/a	n/a	n/a
Ace Hardware Support Center	General Retail	380	10	0.4%			
DBT America	Belt Conveyor Equipment				750	5	1.0%
Meyer Real Estate	Real Estate				450	8	0.6%
Citation	Alumunium Castings				365	10	0.5%
Mercy Medical	Medical Care				425	9	0.6%

Source: Employment from South Baldwin Chamber of Commerce and total employed from US Census Bureau and University of Alabama.

CITY OF FOLEY, ALABAMA  
Full-time Equivalent Employees by Function  
Last Ten Fiscal Years

Function/Department	Full-time Employees as of 9/30									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Government										
General Government Administration	22	21	19	19	19	19	19	19	18	20
Public Works Building	5	5	3	2	2	2	2	2	2	2
Municipal Complex	7	6	7	7	8	8	8	8	8	8
Municipal Court	6	6	6	6	6	6	6	6	5	5
Vehicle Maintenance Shop	4	5	5	5	5	5	4	4	4	4
Information & Technology	6	6	6	6	6	6	5	5	3	0
Public Safety										
Public Safety	1	0	0	0	0	0	0	0	0	0
Police	88.0	97.5	92	93	96	95	92	92	92	92
Fire	37.0	37.5	31	31	33	33	32	32	23	22
Community Development/Inspections	12	12	11	10	9	9	8	8	8	8
Environmental	5	5	5	4	3	4	3	3	2	2
Highways and Streets										
Infrastructure and Development	1	0	0	0	0	0	0	0	0	0
Street Department	32	37	33	31	28	28	26	26	26	21
Engineering Department	4	4	4	4	4	4	4	4	4	4
Sanitation (BTA, effective 2022)	21	22	16	16	16	15	17	17	17	20
Culture and Recreation										
Leisure Services	4	0	0	0	0	0	0	0	0	0
Parks Department *	-	11	12	12	12	12	12	12	13	13
Library	13	13	12	12	12	12	11	11	11	11
Senior Center	3	3	3	3	3	3	3	3	3	3
Parks and Recreation *	21	13	12	12	12	12	11	11	9	8
Visitors Center/Marketing	5	3	2	2	2	2	2	2	2	2
Horticulture	6	6	6	6	6	5	5	5	5	5
Sports Tourism	15	17	15	14	13	12	10	7	2	2
Nature Parks	8	7	5	2	2	0	0	0	0	0
Economic Development	0	0	0	0	0	0	2	2	2	2
Total	326	337	305	297	297	292	282	279	259	254

Source: Human Resources Division

\* In FY 2023, the parks department merged with the recreation department.

CITY OF FOLEY, ALABAMA  
Operating Indicators by Function  
Last Ten Fiscal Years

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>General Government:</b>										
Business license issued	4,327	3,944	3,740	3,503	3,414	3,390	3,350	3,168	2,980	3,006
<i>Municipal Complex</i>										
Custodial locations served	10	9	10	10	10	*	*	*	*	*
Structures maintained	83	82	71	71	71	*	*	*	*	*
<b>Public Safety:</b>										
<i>Police</i>										
Arrests	1,249	1,947	2,064	1,839	2,166	2,272	2,165	2,063	1,775	1,461
Traffic cases filed	3,474	3,124	2,293	2,319	4,491	4,491	4,447	4,660	3,799	3,824
Calls for service	27,759	21,559	34,653	43,747	58,051	66,753	65,627	64,076	61,886	55,847
<i>Fire</i>										
Emergency responses (2)	2,851	2,596	2,465	2,087	1,605	1,655	1,481	1,493	1,284	1,273
Inspections (2)	2,285	1,917	3,806	2,608	3,428	2,469	3,722	3,207	3,074	2,775
Public relations/education contacts (2)	9,486	7,155	10,570	11,683	9,429	12,335	10,956	6,788	4,063	3,538
<i>Community Development Department</i>										
Building permits	3,560	3,982	5,291	3,711	2,406	2,416	2,402	1,947	1,433	1,479
Single family	438	598	625	571	256	270	261	235	148	164
Duplex/Multi-Family	57	98	200	128	234	428	30	14	4	0
New commercial	29	27	3	19	13	20	78	20	16	10
<i>Environmental</i>										
Permits issued	673	600	671	625	308	316	*	*	*	*
Permit inspections	700	670	622	688	270	275	*	*	*	*
Complaints	150	190	150	190	122	157	*	*	*	*
Water samples-chemistry	156	156	156	105	33	-	*	*	*	*
Water samples-bacteria	95	96	100	31	12	-	*	*	*	*
State permit inspections	104	80	97	106	43	50	*	*	*	*
<b>Sanitation: (BTA, effective 2022)</b>										
<i>Residential</i>										
Tons collected and disposed:										
Refuse	8,200	7,995	9,886	8,308	7,271	6,746	6,810	6,656	5,955	6,214
Recyclables	122	88	394	341	391	369	531	523	455	393
C&D / Green Waste	1,974	2,075	*	*	*	*	*	*	*	*
Number of cans in use	9,272	8,790	7,905	7,329	6,940	6,583	6,402	6,131	5,951	5,813
<i>Commercial</i>										
Tons collected and disposed	11,018	3,902	*	*	*	*	*	*	*	*
Contracted commercial dumpster accounts served	471	444	422	410	397	384	379	366	341	331
<b>Culture and Recreation</b>										
<i>Recreation Department:</i>										
Youth programs offered	7	7	7	7	7	7	7	7	7	6
Youth program participants	1,555	1,352	1,292	1,072	1,416	1,477	1,552	1,654	1,570	1,479
Tournaments held	12	9	7	8	8	16	27	27	30	26
Events booked	15	14	14	9	13	11	*	*	*	*
Participation	9,435	19,838	12,130	3,523	8,539	8,858	*	*	*	*
Visitors to Foley	28,305	79,352	61,863	18,192	43,623	45,113	*	*	*	*

CITY OF FOLEY, ALABAMA  
Operating Indicators by Function (Continued)  
Last Ten Fiscal Years

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<i>Senior Center:</i>										
Members	995	619	353	745	720	754	770	616	605	608
Senior/community programs	37	36	30	42	54	49	48	47	49	43
Senior program participants	18,771	14,200	5,049	11,254	21,052	21,436	21,538	20,312	19,625	19,663
<i>Library</i>										
Total items circulated	347,238	1,140,751	970,875	1,151,268	1,181,974	1,058,122	1,008,400	787,517	761,601	825,599
Patron visits	111,235	137,258	142,176	266,837	425,750	360,643	415,870	421,448	562,261	593,458
Volumes in collection	8,296	87,830	86,369	86,236	84,849	83,563	83,225	81,881	72,470	80,069
Program attendance	15,672	31,969	11,522	31,081	24,655	21,339	19,858	17,502	15,550	14,807
<i>Welcome Center</i>										
Patron visits (1)	4,749	4,411	2,870	3,286	5,948	6,287	5,837	5,559	6,294	10,287
Holmes Medical Museum visitors	8,950	11,004	2,240	6,582	8,920	7,233	*	*	*	*
Foley Depot Museum visitors	19,856	20,903	16,250	10,730	17,832	11,265	*	*	*	*
Model train visitors	20,487	19,906	11,800	11,733	26,356	27,469	*	*	*	*
Park train rides	7,950	10,039	9,666	*	*	*	*	*	*	*
Website hits										
Visit Foley	318,817	246,666	170,886	80,787	159,173	76,601	77,951	80,445	61,634	45,294
City of Foley	315,008	248,794	309,772	227,466	193,640	110,517	*	*	*	*
<i>Horticulture</i>										
Tree City Program - trees planted	734	1,075	920	726	613	524	2,804	498	124	27
Plants - grown and planted	32,500	27,400	16,750	14,600	27,300	23,200	22,300	22,500	22,000	23,000
<i>Nature Parks</i>										
Educational programs offered	60	60	46	36	68	61	72	51	40	*
Educational programs attendance	2,700	2,500	2,400	1,975	4,398	4,896	4,725	1,716	1,688	*
Events booked	65	34	23	15	34	28	21	15	8	*
Events attendance	37,500	25,500	12,500	8,600	14,500	14,000	12,000	7,524	1,287	*
Rentals	154	120	99	*	*	*	*	*	*	*
<i>Sports Tourism</i>										
Events booked	66	73	68	48	69	64	36	44	13	1
Events attendance	56,000	51,665	43,201	29,107	35,370	38,215	18,357	18,000	6,000	50
Visitors to Foley	211,000	151,574	149,660	123,512	129,765	112,888	*	*	*	*

\* Information was not readily available for all operating indicators

(1) The visitor center had two locations from 2013 to 2014, and one location 2015 forward.

(2) Presented by calendar year

Sources: Various City Departments

CITY OF FOLEY, ALABAMA  
Capital Asset Statistics by Function  
Last Ten Fiscal Years

	Fiscal Year									
	2023	2022	2021	2020	2019**	2018	2017	2016	2015	2014
General Government:										
Number of governmental buildings	13	12	12	12	13	16	15	15	16	16
Public Safety:										
Number of police stations	1	1	1	1	1	1	1	1	1	1
Number of fire stations	3	3	3	3	3	3	3	3	3	3
Number of community development offices	1	1	1	1	1	-	-	-	-	-
Highways and Streets:										
Miles of streets	162	161	161	161	159	154	153	148	147	146
Number of street lights	3,095	2,908	2,896	2,891	2,886	2,884	2,874	2,849	2,841	2,827
Miles of sidewalks	37	37	37	37	37	37	37	35	30	15
Engineering department offices	1	1	1	1	1	-	-	-	-	-
Sanitation: (BTA, effective 2022)										
<u>Residential Sanitation</u>										
Number of garbage trucks	5	4	7	6	7	7	7	7	7	8
Number of recycle trucks	3	2	1	1	1	1	1	1	2	2
<u>Commercial Sanitation</u>										
Number of garbage trucks ***	3	3	-	-	-	-	-	-	-	-
Culture and Recreation										
Number of libraries	1	1	1	1	1	1	1	1	1	1
Number of museums	1	1	1	1	1	1	1	1	1	1
Number of senior activity centers	1	1	1	1	1	1	1	1	1	1
Number of park offices and public parks	20	19	19	19	19	13	13	14	13	13
Number of welcome centers	1	1	1	1	1	1	1	1	1	2

Source: Various City departments

\* 2013 was the first report presentation and prior information was not readily available for all operating indicators

\*\* 2019 reclassified several buildings and included park offices and undeveloped park properties.

## **COMPLIANCE SECTION**



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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING  
STANDARDS***

Honorable Mayor and  
Members of the City Council  
City of Foley, Alabama

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Foley, Alabama ("the City"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated February 12, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements.

However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Warren Averett, LLC*

Foley, Alabama  
February 12, 2024

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM  
GUIDANCE**

Honorable Mayor and  
Members of the City Council  
City of Foley, Alabama

**Report on Compliance for the Major Federal Program**

***Opinion on the Major Federal Program***

We have audited City of Foley, Alabama ("the City")'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended September 30, 2023. The City's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2023.

***Basis for Opinion on the Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for the major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material

noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Warren Averett, LLC*

Foley, Alabama  
February 12, 2024

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**CITY OF FOLEY, ALABAMA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended September 30, 2023**

Grantor and Program Title	Federal Assistance Listing Number	Cluster Name	Contract / Grant Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>U.S. DEPARTMENT OF COMMERCE</b>						
Passed Through from: Alabama Department of Conservation and Natural Resources, State Lands Division						
Coastal Zone Management Administration Awards	11.419	N/A	FOLEY-CZM-306-23-1		-	12,410
Coastal Zone Management Administration Awards	11.419	N/A	FOLEY-CZM-306a-23-1		-	50,000
Coastal Zone Management Administration Awards	11.419	N/A	FOLEY-CZM-309-21-1		-	60,235
			Total			122,645
<b>U.S. DEPARTMENT OF THE INTERIOR</b>						
Passed Through From: Alabama Department of Conservation and Natural Resources						
GOMESA	15.435	N/A	G-CFNPE/20/CF		-	63,371
GOMESA	15.435	N/A	G-CFNPE/21/CF		-	191,200
			Total			254,571
Passed Through From: Alabama Historical Commission						
Historic Preservation Fund Grants-in-Aid	15.904	N/A	AL-22-10018			9,600
			Total			9,600
<b>U.S. DEPARTMENT OF JUSTICE</b>						
Direct Programs						
Bullet Proof Vest Partnership Program	16.607	N/A	2021 Bulletproof Vest Grant Award		-	684
Bullet Proof Vest Partnership Program	16.607	N/A	2022 Bulletproof Vest Grant Award		-	5,789
			Total			6,473
Passed Through From: Alabama Department of Economic and Community Affairs						
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	2023-DJ-LC-298		-	10,379
Passed Through From: Baldwin County Drug Task Force						
Edward Byrne Memorial Justice Assistance Grant Program: Mobile Safe Streets Task Force	16.738	N/A	281D-MO-A6033973		-	725
			Total			11,104
Passed Through From: Baldwin County Drug Task Force						
Joint Law Enforcement Operations	16.111	N/A	OCDETF 245D-MO-2061484		-	4,205
			Total			4,205
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>						
Passed Through From: Smart Home America Inc						
Gulf of Mexico Program	66.475	N/A	SHA-EPA-Foley-001			20,000
			Total			20,000
<b>NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES</b>						
<b>THE INSTITUTE OF MUSEUM AND LIBRARY SERVICES</b>						
Direct Programs						
National Leadership Grants for Museums	45.312	N/A	ARPML-250577-OMLS-22			5,667
			Total			5,667
Passed Through From: Alabama Public Library Services						
Grants to States: Library Services and Technology Act (LSTA)	45.310	N/A	LSTA 23-6-6		-	6,556
			Total			6,556



**CITY OF FOLEY, ALABAMA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended September 30, 2023**

<b>Grantor and Program Title</b>	<b>Federal Assistance Listing Number</b>	<b>Cluster Name</b>	<b>Contract / Grant Number</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Passed Through to Subrecipients</b>	<b>Total Federal Expenditures</b>
<b>NATIONAL ENDOWMENT FOR THE HUMANITIES</b>						
<b>PROMOTION OF THE HUMANITIES FEDERAL/STATE PARTNERSHIP</b>						
Passed Through From: Alabama Humanities Alliance						
Alabama Humanities Recovery Grant	45.129	N/A	0721-2730ARP		-	6,024
			Total			6,024
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>						
Direct Programs						
Airport Improvements	20.106	N/A	3-01-0031-020-2021		-	72,356
Airport Improvements	20.106	N/A	3-01-0031-023-2022		-	23,025
Airport Improvements	20.106	N/A	3-01-0031-024-2023		-	60,364
Airport Improvements	20.106	N/A	3-01-0031-025-2023		-	30,140
			Total			185,885
Safe Streets for All	20.939	N/A	693JJ32340405		-	5,535
			Total			5,535
Passed Through From: Alabama Department of Transportation						
Highway Planning and Construction (Federal-Aid Highway Program)	20.205	N/A	ATRIP2-02-2021-213		-	56,701
			Total			56,701
Passed Through From: ADECA & Southwest Alabama Regional Highway Safety Office						
State and Community Highway Safety: Selective Traffic Enforcement Program (STEP)	20.600	Highway Safety Cluster	23-FP-PT-19		-	59,107
State and Community Highway Safety: Hot Spot Impaired Driving Program	20.600	Highway Safety Cluster	23-ID-M5-022		-	8,905
			Total Highway Safety Cluster			68,012
<b>U.S. DEPARTMENT OF TREASURY</b>						
Passed Through From: Federal Communications Commission						
COVID-19 Emergency Connectivity Fund Program	32.009	N/A	ECF222118344		-	2,242
			Total			2,242
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>						<u><u>\$ 765,220</u></u>

**CITY OF FOLEY, ALABAMA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

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**1. BASIS OF PRESENTATION**

The information in the Schedule of Expenditures of Federal Awards (the schedule) is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Since the schedule presents only a select portion of the operations of the City of the Foley, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Foley.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedule includes the federal grant activity of the City of Foley under programs of the federal government for the year ended September 30, 2023. Expenditures reported on the schedule are reported on the modified accrual basis of accounting. The City of Foley did not elect to utilize the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**CITY OF FOLEY, ALABAMA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

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**SECTION I - SUMMARY OF AUDITORS' RESULTS**

FINANCIAL STATEMENTS

Type of auditors' report issued:	Unmodified Opinion
Internal control over financial reporting:	
Material weakness(es) identified?	___ yes <input checked="" type="checkbox"/> no
Significant deficiency (ies) identified?	___ yes <input checked="" type="checkbox"/> none reported
Noncompliance material to financial statements noted?	___ yes <input checked="" type="checkbox"/> no

FEDERAL AWARDS

Internal control over major programs:	
Material weakness(es) identified?	___ yes <input checked="" type="checkbox"/> no
Significant deficiency(ies) identified?	___ yes <input checked="" type="checkbox"/> none reported
Type of auditors' report issued on compliance for major programs:	Unmodified Opinion
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance 2 CFR 200.516(a)	___ yes <input checked="" type="checkbox"/> no

IDENTIFICATION OF MAJOR PROGRAMS

Federal Assistance Listing Number 15.435 – U. S. Department of Interior– Gulf of Mexico Energy Security Act (GoMESA)

Dollar threshold used to distinguish between type A and type B programs:	\$ 750,000
Auditee qualified as low-risk auditee?	<input checked="" type="checkbox"/> yes ___no

**CITY OF FOLEY, ALABAMA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**SEPTEMBER 30, 2023**

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**SECTION II - FINANCIAL STATEMENT FINDINGS**

There are no findings which were required to be reported in accordance with government auditing standards generally accepted in the United States of America.

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

There are no audit findings required to be reported in accordance with the Uniform Guidance.

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