



City of Foley, Alabama

Popular Annual Financial Report

For the year ended September 30, 2024



Inside this issue:

About this report	3
Our Community	4
Local Economy	5
General Financial Information	6
Fund Balance	7
Where the Money Comes From	8
Where the Money Goes	9
Major Capital Projects	10
Understanding the City's Debt	11
Statistics & Operating Indicators	12

On January 21, 2025, a historic snowstorm transformed the northern Gulf Coast into a winter wonderland. Winter storm Enzo shattered the current snowfall records from 1895. Areas within Foley received 8-11".



About this Financial Report

The Foley Financial Services Division is pleased to present the City of Foley's Popular Annual Financial Report (PAFR). The purpose of the PAFR is to present a user friendly summary of the City's financial operations. It is designed to make the City's finances easier to understand and to communicate to citizens where dollars come from and how they are spent.

Information in the PAFR is taken from the City's Annual Comprehensive Financial Report (ACFR) that is prepared in conformance with Generally Accepted Accounting Principles (GAAP) and includes financial statements. The GAAP basis of presentation in the ACFR includes the City's component units and individual funds, as well as the notes to the financial statements that disclose all financial and non-financial material events. Unlike the ACFR, the PAFR excludes component units in order to focus on the primary government.

The ACFR, PAFR and the City's most recent budget (FY2025) can be found at the web address below. Questions about any of the reports or requests for additional financial information should be addressed to the City of Foley, Attn: Finance Director, P.O. Box 1750, Foley, Alabama, 36536.

<https://cityoffoley.org/finance/>

Government Finance Officers Association Awards

Certificate of Achievement of Excellence in Financial Reporting

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting (valid for one year only) to the City of Foley, Alabama, for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2023. This was the eleventh consecutive year that the City achieved this prestigious award.

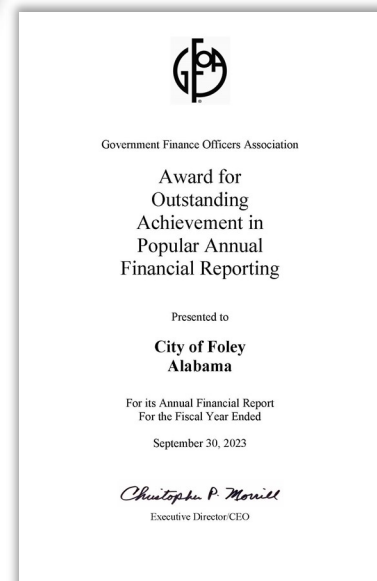
Distinguished Budget Presentation Award

The Government Finance Officers Association (GFOA) awarded a Distinguished Budget Presentation Award (valid for one year only) to the City of Foley, Alabama, for its fiscal year 2025 budget. This was the sixth year that the city achieved this prestigious award.

Popular Annual Financial Report

The Government Finance Officers Association (GFOA) has given an award for Outstanding Achievement in Popular Financial Reporting for the fiscal year ended September 30, 2023. This was the fifth year that the City achieved this prestigious award.

We believe the current report conforms to the Popular Annual Financial Report requirements, and we are submitting it to the GFOA.



GFOA's Triple Crown recognizes governments that have received GFOA's Certificate of Achievement for Excellence in Financial Reporting, Popular Annual Financial Reporting Award, and the Distinguished Budget Presentation Award. The City has received the Triple Crown for 5 consecutive years.

Our Community

Our community was named for its founder, Chicago businessman John B. Foley, who in 1901 purchased between 40,000 and 50,000 acres of land in the area and sold it through the Magnolia Land Company. He persuaded the Louisville and Nashville Railroad to run a spur to the area by promising to pay for the crossties needed for the line. By 1905, the town was large enough to warrant a post office, and it incorporated in 1915. Foley was primarily a farming community served by the L & N Railroad via a depot and warehouse for farm products, notably potatoes. The current Depot serves as a museum and was constructed in 1909 to replace the original 1905 depot that was destroyed by fire.

Our city government operates under a strong council-weak mayor form of government. The council is presided over by a president who is chosen by the council members and is also a voting member of the council. The council votes on municipal ordinances to set rules, laws or statutes and resolutions to establish policies or order that a specific action be taken. The mayor is not a voting member of the council, although all ordinances and resolutions are subject to the mayor's veto power, which can then be overridden by a two-thirds vote of the council.

Services provided to residents and businesses include general administration, sales and other local tax collection, 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, and a general aviation airport. City employees currently service an estimated population of 29,224 over a thirty-four square mile radius.

Did you know:

City Council meetings are held on the first and third Monday of each month. Currently, work sessions and council meetings have been combined and the meetings begin at 4:00 pm in the Council Chambers. *Dates and times may be affected by holidays or other events.*
<https://cityoffoley.legistar.com/>



★ Designed by TownMapsUSA.com

City of Foley 2024 Council

Richard Dayton / Vera Quaites / Wayne Trawick, Council President / Ralph Hellmich, Mayor / Rick Blackwell / Charlie Ebert III, Council Pro Temp

Local Economy

As a City in southern Baldwin County, our close proximity to beautiful white sandy beaches means that tourism plays an important role in our economy. According to the Alabama Department of Tourism's 2023 Economic Impact Report, Baldwin County's estimated 8.4 million visitors represented 29.1% of all visitors to the State. In addition, travel-related spending totaled \$7.9 billion, while total travel-related direct and indirect earnings of \$2.8 billion represented 36% of the statewide total. Baldwin County's total direct and indirect travel related employment of 65,454 represented 26.7% of all Alabama travel related employment.

In addition to the tourism and retail industries, other major employment opportunities for residents include health care and manufacturing jobs.

Population Demographics (as of July 2023)

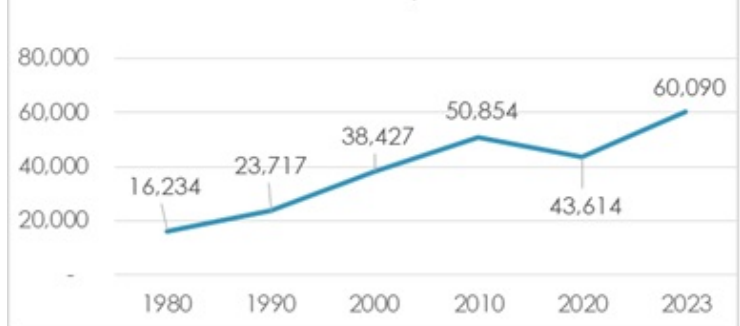
Male	46.0%
Female	54.0%
Under 5 years old	2.6%
Under 18 years old	14.2%
18 years to 64 years old	36.9%
65 years and over	31.1%
75 years and more	15.2%
White alone	75.0%
Black or African American alone	11.6%
Asian alone	1.1%
American Indian alone	0.6%
More than one race	11.7%

Direct and Overlapping Sales & Use Tax Rates

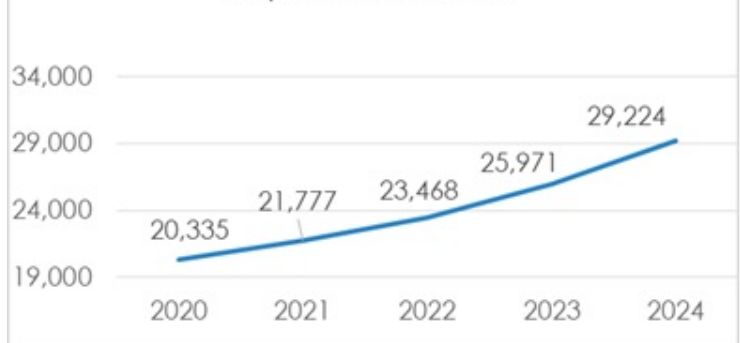
City of Foley	3.0%
Baldwin County	3.0%
State of Alabama *	4.0%
Total	10%
* Effective September 2023, the State reduced the tax on groceries by 1%.	

You can sign up to receive the City's E-newsletter at <https://cityoffoley.org/mayors-newsletters/> and stay up to date on all City News!

Median Family Income

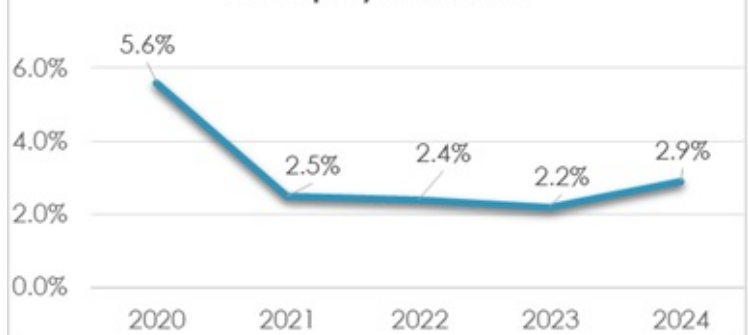


Population Growth



Foley's population has increased by 8,889 or 44% , in the last five years.

Unemployment Rate



Foley's unemployment rate is consistent with the State of Alabama's unemployment rate and 1.2% lower than the national average

General Financial Information

Most City services and projects are accounted for in a category referred to as Governmental Funds. Governmental Funds are typically used to account for tax supported governmental activities and are divided into four categories.

General Fund

accounts for revenues and expenditures associated with the general operations of the City that are not required to be accounted for in separate funds.

Capital Project Funds

account for acquiring and/or constructing facilities, roads, drainage systems and other major capital improvements.

Special Revenue Funds

account for proceeds of specific revenue sources that are restricted, committed, or assigned for specific purposes.

Debt Service Funds

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

Propriety Fund—Sanitation

In 2022, the City created a Proprietary Fund to account for all income and cost for the collection of both residential and commercial sanitation. This type of fund is considered a self-supporting fund, in that the charges billed are enough to cover the costs for the services provided.

This fund recognized an increase in Net Position of \$747,993. This fund aligns the purchase of large capital items such as garbage and recycle trucks with the projected available cash.

Fiscal year 2024 budget included a \$967k purchase of 2 new automatic loading garbage trucks and a knuckle boom loader. Fiscal year's 2025 budget includes almost \$545k in equipment purchases.

Sanitation Fund

9/30/2024

Assets & deferred outflows

Current assets	\$ 801,156
Capital assets, net	2,856,250
Deferred outflows	276,180

Total assets and deferred outflows

\$ 3,933,586

Liabilities and deferred inflows

Current liabilities	\$ 624,042
Long-term liabilities	646,589
Deferred outflows	1,420

Total liabilities and deferred inflows

\$ 1,272,051

Net position

\$ 2,661,535

Revenues & Expenses

Charges for services	\$ 4,269,068
Operating expenses	3,521,075
Operating income (loss)	747,993

Beginning Net Position

\$ 913,542

Ending Net Position

\$ 2,661,535

Contact Us!

407 East Laurel Ave. / PO Box 1750

Foley, AL 36536

(251) 943 - 1545

www.cityoffoley.org

Apply for a job:

<https://cityoffoley.org/human-resources/>

Bid Information:

<https://cityoffoley.org/finance/>

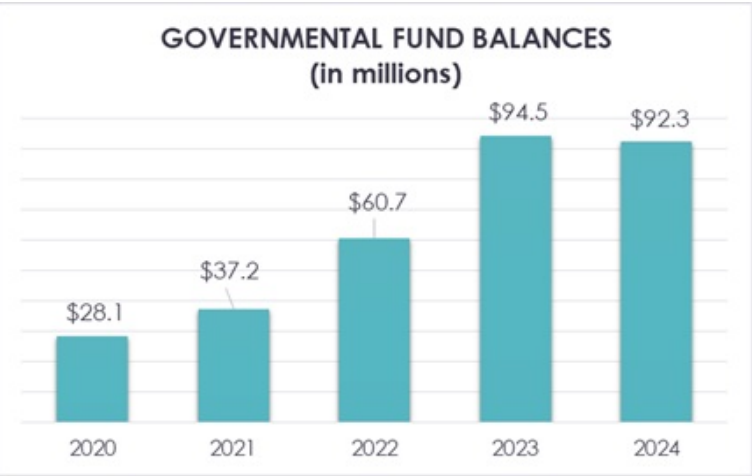
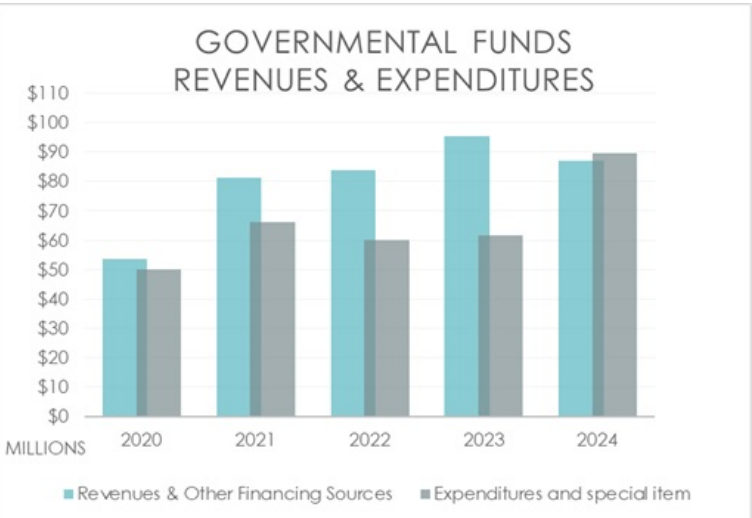
The Balance Sheet presents information about the assets, liabilities, deferred inflows and fund balance. Assets are what the City has, owns or amounts owed to the City. Liabilities are what the City owes or any debt they are legally required to pay. Deferred inflows are assets that will be recognized in future periods, such as lease receivables that will be received in future years.

A positive fund balance reflects the solvency or health of the City's finances. For fiscal year ended September 30, 2024, the City's fund balance for all Governmental Funds totaled approximately \$91.8 million, a decrease of approximately \$2.6 million from the prior year. This is a strong fund balance and well above the minimum levels set by the council.

The City had an increase in Sales and Use tax by approximately \$1.8 million as a result of inflation and several business that opened during the year. The City recorded nearly \$2.5 million in investment income on cash held at various financial institutions. The City increased our investment into the community by nearly doubling our road, recreation and public safety projects.

Fund Balance

Assets	9/30/2024
Cash & Investments	88,796,935
Receivables	14,649,208
Inventories & Prepaid Items	322,997
Total Assets	\$ 103,769,140
Liabilities	
Accounts Payable	\$ 10,964,122
Unearned Revenues	93,060
Total Liabilities	\$ 11,057,182
Deferred inflows	884,078
Total Fund Balance	\$ 91,827,880



The City's fund balance is broken into five categories: nonspendable, restricted, committed, assigned, and unassigned.

Nonspendable funds represent items such as inventories and prepaid items.

Restricted funds can only be used for specific purposes because of City Code, state or federal law, or conditions by grantors or creditors.

Committed funds can only be used for specific purposes determined by an ordinance of the City Council.

Assigned funds can only be used for purposes constrained by City Council.

Unassigned fund balance represents the residual amount of the balances that do not fall in any of the categories above.

Facebook:
@cityoffoleymunicipal
@visitfoley

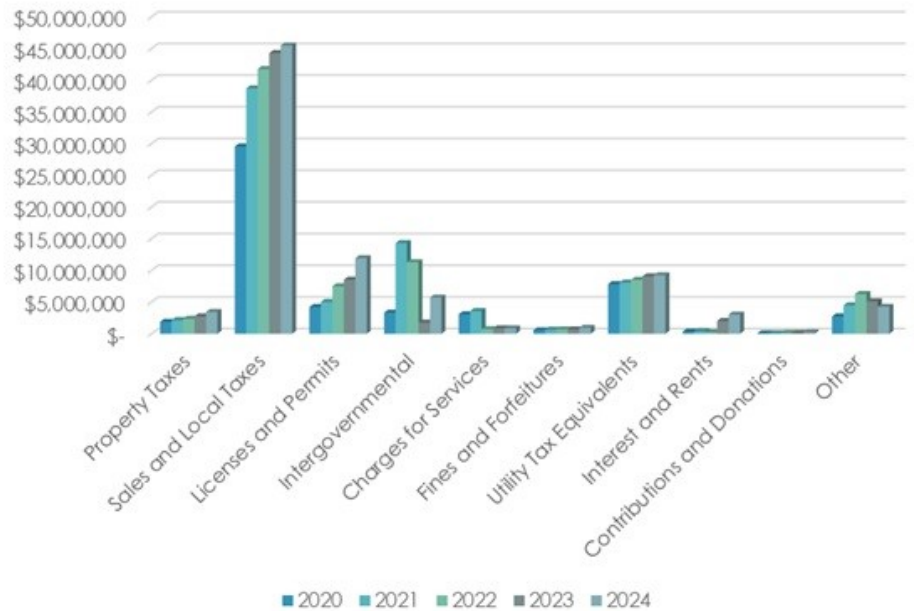
Where the Money Comes From

The City uses money from taxes (property, sales, lodging, etc.) and fees (licenses, permits, etc.) to pay for governmental activities. Certain governmental activities (nature parks, recreational activities, etc.) require a fee or charge for the service.

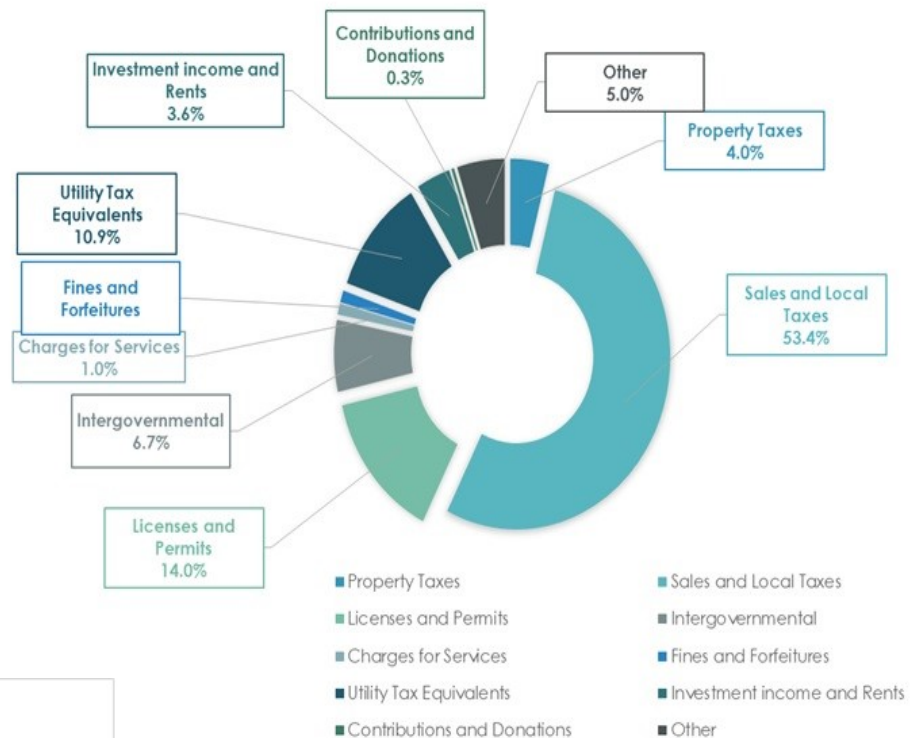
The majority of money comes from sales & local taxes, utility tax equivalents, and licenses & permits. In 2024, the total revenue for Governmental Funds was approximately \$85 million which was an increase from 2023. The increase was related to increased in license and permit fees, increases in grants and increases in interest income.

Sales and local taxes are the City's primary sources of unrestricted revenue. Fiscal year 2024 sales and local taxes increased by approximately \$1.1 million as a result of inflation and new business. License and permits increased by approximately \$3.4 million or 40%. The City received approximately \$5.7 million in grants which funded just over \$4.3 million in capital projects, \$168 thousand in Federal Emergency Management Agency "FEMA" reimbursements for Hurricane Sally costs, and \$1.2 million in operational grants.

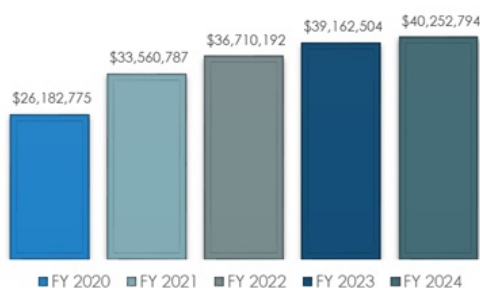
Five Year - Governmental Funds Revenues



FY 2024 GOVERNMENTAL FUNDS REVENUES



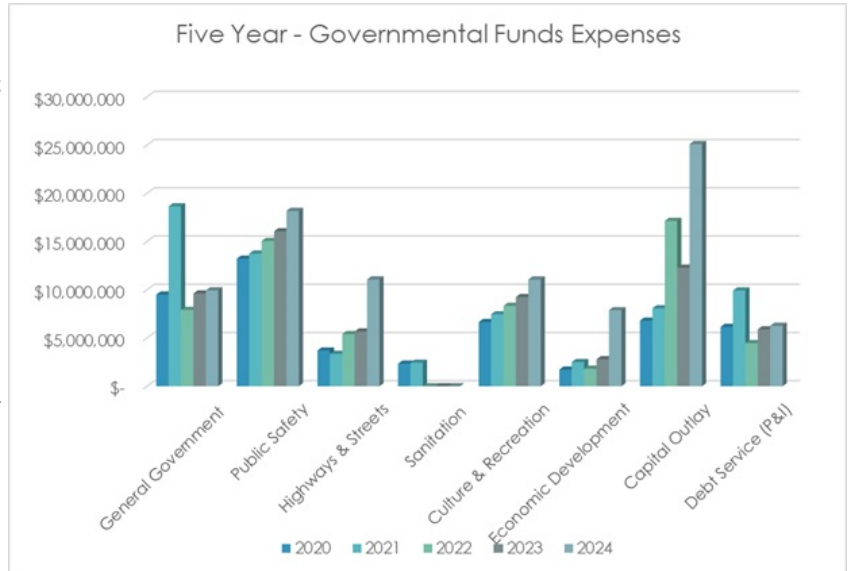
SALES & USE TAXES



Where the Money Goes

The City of Foley provides a multitude of services for residents, businesses and visitors through its public safety, culture & recreation, economic development, and highways & streets functions of government.

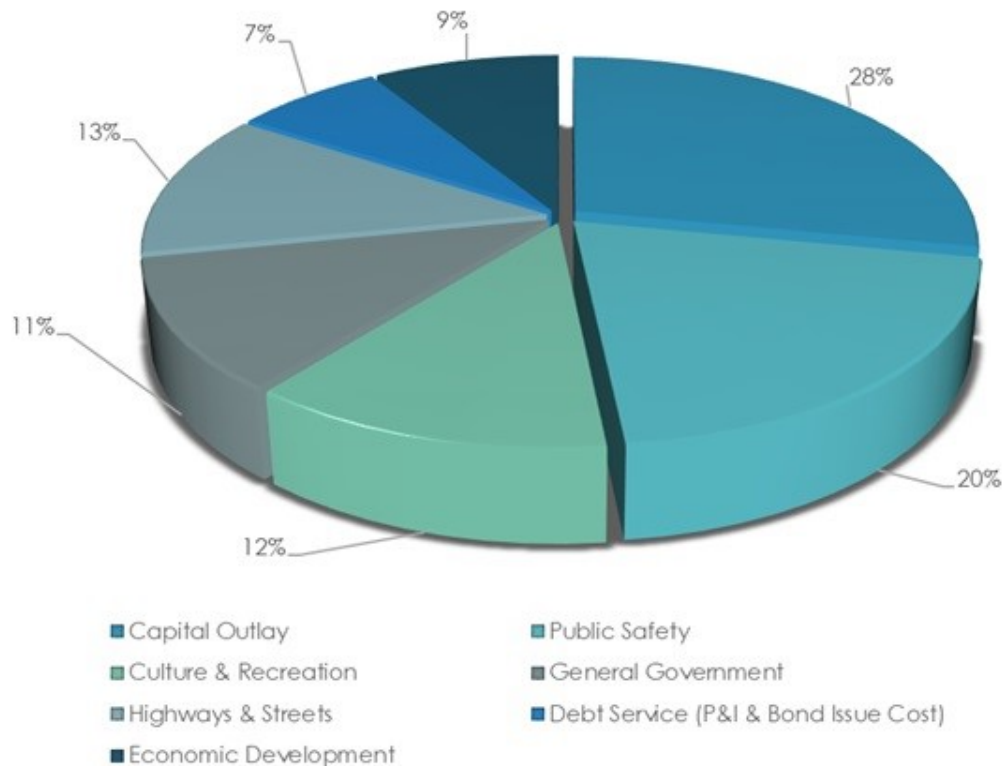
In 2024, the largest parts of the expenses were used for capital projects. The City invested \$25 million in projects which included road improvements, improvements to various parks and recreation facilities, and land purchases. The second largest investment was in public safety for \$18 million. Total expenditures were \$89.5 million, an increase of nearly \$27.9 million from 2023. This increase was primarily related to the increase in projects.



Photos: An additional playground was built at Wolf Creek Park and an additional pavilion was built at Graham Creek Nature Preserve.



FY 2024 GOVERNMENTAL Fund Expenditures by Function



Major Capital Projects & Purchases

The City maintains a 10 year capital purchase and capital improvement plan which can be viewed on the City's website in the fiscal year 2025 budget. Below is a list of some of the larger projects and purchases that are currently underway or planned to begin during fiscal year 2025.

Project Name	Capital Purchases
New Publix Works Campus	Safe Room
New Library	Park Improvements to Parks City Wide
Remodel of Old Library	New Restroom Facility in Multiple City Parks
Wolf Creek Improvements	Multiple Land Purchases
Street Resurfacing - City Wide	Completion of New T-Hangars
Completion of Foley Beach Express Wide and Resurfacing	N2N Bi-Winged Airplane from WW2
New Sidewalks—City Wide	Several Vehicles (Multiple Departments)
Completion of Juniper Street Extension	10 Police Vehicles—Fully Equipped
Renovation of Armory Building	Several Tractors & Mowers (Multiple Departments)
Additional Multi-Purpose Fields	Additional Fire Truck
Pickle Ball Courts	Knuckle Boom Loader
Sand Volleyball Courts	New Automatic Garbage & Recycle Trucks



Photos: Above rendering of new library and below is the ground breaking.



Photo: New self service Kayak rental at Graham Creek Nature Preserves.



Photos: New golf cart for Nature Parks & new restroom building at Wolf Creek Park.

Understanding the City's Debt & Bond Rating

The following is a summary of the City's outstanding debt as of September 30, 2024. There was a total net reduction in debt of \$2,904,954.

2024 Total Outstanding Debt

General Obligation Bonds	\$ 51,204,775	74.5%
Installment Purchases	1,796,496	2.6%
Special Revenue Bonds	13,176,013	19.2%
Lease Liabilities	380,963	0.6%
Subscription Liabilities	2,183,464	3.2%
Total Outstanding Debt	\$ 68,741,711	

The City currently maintains a Standard and Poor's rating of AA- and a Moody's Investors rating of Aa3. Rating agencies evaluate the economic well-being of an area from information such as the median income, how dependent the community is on certain employers or industries, the diversity of the tax base, the rate of population growth, stability of revenue, and outstanding debt. It is the goal of management to raise the City's rating by forecasting multiple year revenue and expense, and paying down debt. Higher ratings allow the City to issue debt with lower interest rates, which reduces the total interest paid on bond issues.

Moody's	S&P	RATING CATEGORIES
SECURE RANGE:		
Aaa	AAA	PRIME: Superior financial security. Highest safety.
Aa1	AA+	HIGH GRADE: Excellent financial security. Highly safe.
Aa2	AA	
Aa3	AA-	
A1	A+	UPPER MEDIAN GRADE: Good financial security. More susceptible to economic changes than highly rated companies.
A2	A	
A3	A-	
Baa1	BBB+	LOWER MEDIAN GRADE: Adequate financial security. More vulnerable to economic changes than highly rated companies.
Baa2	BBB	
Baa3	BBB-	
VULNERABLE RANGE:		
Ba1	BB+	NON INVESTMENT GRADE: Speculative. Capacity to meet long-term policies is vulnerable.
Ba2	BB	
Ba3	BB-	
B1	B+	HIGHLY SPECULATIVE: Vulnerable financial security.
B2	B	
B3	B-	
Any rating below a "B" rating is extremely vulnerable and possibly in default status with little prospect for recovery and questionable ability to meet obligations.		

Foley receives National World War II Heritage City designation!



The National Park Service has named Foley as an American World War II Heritage City. Foley is one of 38 communities across the US to receive this designation. This designation is only awarded to one city in each state. For more information on this designation please visit,

<https://cityoffoley.org/foley-receives-national-world-war-ii-heritage-city-designation/#:~:text=FOLEY%20%E2%80%93%20The%20National%20Park%20Service,World%20War%20II%20Heritage%20City.>



In honor of this designation, the City has opened an exhibit at the downtown museum to commemorate Foley's role in World War II. The exhibit highlights Barin Field and its importance in Naval Aviation training. For more information on this exhibit, please visit <https://cityoffoley.org/foley-wwii-museum-exhibit-opens/#>



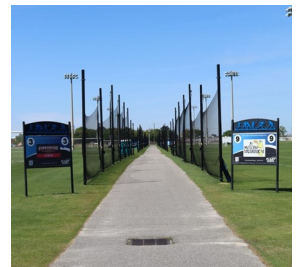
Operating Indicators

General Fund Departments	
Calls for Police Service	24,634
Fire Emergency Response	3,000
Business License Issued	4,107
Building Permits Issued	6,454
Environmental Permits Issued	473
Environmental Inspections	1,446
Youth Sports Offered	8
Youth Program Participates	1,702
Senior Center Members	1,286
Park Train Rides	6,995
Foley Depot Museum Visitors	20,227
Model Train Visitors	20,466
Library Patron Visits	126,634
Total Library Items Circulated	335,140
Tree City Program –trees planted	824
Horticulture Plants grown & planted	34,000
Sports Tourism Events Booked	70
Sports Tourism Event Attendance	60,235
Sports Tourism Visitors to Foley	219,833
Nature Parks Education Programs Booked	70
Nature Parks Education Program Attendance	2,750
Nature Parks Events Booked	75
Nature Parks Event Attendance	30,000
Website Hits:	
City of Foley	1,058,934
Visit Foley	432,169
Sanitation Fund	
Tons of Residential Garbage Collected	8,783
Number of Residential Cans in Use	10,928
Number of Commercial Dumpsters Accounts	498

The Facts!!

City Wide Infrastructure

Street Lights Maintained	3,104
Miles of Streets Maintained	164 miles
Miles of Sidewalks Maintained	40 miles



City Wide Statistics

Education	
School Enrollment	4,168
Graduation Rate	79%

Geographic Characteristics

Square Miles	35.2 miles
Land Area	33.82 sq miles
Water Area	0.35 sq miles
Elevation	79 feet
Average Rain Fall	56 Inches

