

# 2022



## ANNUAL COMPREHENSIVE **FINANCIAL REPORT**

FOR YEAR ENDED JUNE 30, 2022  
CITY OF BIRMINGHAM, ALABAMA

**Kevin W. Moore** | Chief Financial Officer

**Aaron L. Saxton** | Deputy Chief Financial Officer



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# **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

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**FOR THE YEAR ENDED JUNE 30, 2022**

**CITY OF BIRMINGHAM, ALABAMA**

**Office of the Chief Financial Officer  
Kevin W. Moore**



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CITY OF BIRMINGHAM, ALABAMA  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
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# **INTRODUCTORY SECTION**



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# CITY OF BIRMINGHAM

## DEPARTMENT OF FINANCE

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December 28, 2022

To the Mayor  
City Council Members  
Citizens of the City of Birmingham

*Randall L. Woodfin*  
Mayor

*Kevin W. Moore*  
Chief Financial Officer

*Aaron L. Saxton*  
Deputy Chief Financial  
Officer

*Sonji P. Campbell, CPA*  
Deputy Director

*Diana L. Bolden*  
Manager of Budget  
Management

*Adrienne Stitt*  
Director of Grants  
Division

The City of Birmingham's Annual Comprehensive Financial Report ("ACFR") for fiscal year 2022, is hereby submitted. This report represents the official comprehensive publication of the City's financial position, at June 30, 2022. Responsibility for the accuracy, completeness, and fairness of the data, including all disclosures, rests with management of the City of Birmingham. The basis of reliance for the financial statements is a comprehensive framework of internal control. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the statements are free of any material misstatements.

In compliance with the City's Mayor-Council Act, the submitted financial statements were subjected to an independent audit. Sheppard-Harris & Associates, P.C. has issued an unmodified opinion on the City of Birmingham's financial statements for the year ended June 30, 2022. Their report is located at the front of the financial section of the ACFR.

Additionally, the City of Birmingham is responsible, as a recipient of federal and state assistance, for maintaining an adequate internal control structure to ensure compliance with applicable laws and regulations related to those programs. The City is required to undergo an annual single audit in conformity 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).

Information regarding the single audit, which includes the Schedule of Expenditures of Federal Awards, findings and recommendations, and the auditor's reports on the internal control structure and compliance with applicable laws and regulations is included in a separate report and is available on the City's web-site [www.birminghamal.gov](http://www.birminghamal.gov). Open Data, Finance.

Immediately following the auditor's report is the City's Management Discussion and Analysis (MD&A) which provides, in a narrative format, an introduction, overview, and analysis of the basic financial statements. This letter of transmittal should be read in conjunction with the MD&A.

### **CITY PROFILE AND REPORTING ENTITY**

The City of Birmingham was incorporated in 1871 and is centrally located in the State of Alabama. It operates under a mayor-council form of government. The Mayor is elected at large and serves a four year term. The Mayor is responsible for carrying out the ordinances and policies of the City, for overseeing the day-to-day operations of the City, and for appointment and direction of the heads of City departments.

The Council is composed of nine members, elected by district and each serves a four-year term, and are responsible for the adoption of ordinances, adopting the budget, and setting policy.

The City of Birmingham's General Fund annual budget is adopted on a basis consistent with generally accepted accounting principles. Budgets for Special Revenue Funds, and Capital Projects Funds, are adopted on an individual project basis. Budgets prepared for the Debt Service Fund is based on general obligation bond resolutions. The City's budget is prepared by fund, function, and department. The individual departments are authorized by the Mayor to make transfers of appropriations within their departments. However, any revisions that alter the total expenditures or any fund or transfer between departments must be approved by City Council. The legal level of budgetary control is the department level.

Included in this report is an organizational chart showing the twenty-three departments responsible for the administration and operation of the City of Birmingham. These departments provide valuable services to the citizens such as police and fire protection, maintenance and construction of highways and streets, recreational and cultural activities, sanitation services, and libraries and museums. This report includes the financial operations of three legal entities for which the City is financially accountable. The financial operations of the Birmingham Airport Authority, the Birmingham Parking Authority and the Birmingham Emergency Communication District are discretely presented component units. See Note 1A. The Public, Athletic, Cultural and Entertainment Facilities Board is a blended component unit and results of its operations are shown in the non-major Special Revenue funds combining statements.

### **Economic Development**

Birmingham's economy, once highly dependent on the iron and steel industry, benefits today from a diversified group of new companies, and a rebirth of the sports and entertainment industry that has been generated by Protective Stadium, a 45,000 seat downtown football/events stadium opened last year, and a recent major rebuild of the 23,000 seat Legacy Arena at the Birmingham Jefferson Convention Center. These new venues, complimented by the now completed reconstruction of Interstate I-59/20 through the center of the City, bring significant growth to the City's retail sector as football, basketball, soccer and event goers enjoy the new sites. These venues, served as major locations for the 2022 World Games, bringing thousands of fans and athletes representing their countries throughout the world to the City.

The focus on the industrial, technology, medical, financial and residential sectors continues. New construction, specifically related to the medical technology field, continues during the present pandemic, and the continuing construction related to new projects such as distribution centers by Amazon and FedEx resulted in hundreds of new construction jobs in the City. While Birmingham's retail sector suffered significant setbacks as a result of the pandemic, new and re-opening restaurants, as well as other retail businesses, are significant factors in Birmingham's recovery from the revenue setback experienced when the pandemic struck the nation.

Multi-family development has shown dramatic increases to include student housing as the University of Alabama at Birmingham experiences a major growth in student enrollment. Additionally, the influx of young professionals enjoying a downtown living experience convenient to work locations and new restaurants and entertainment venues continues. New residential construction focuses in part on lower cost housing options for a younger generation of professionals working in new start-up technology fields, as well as local banks, engineering, and architectural firms. Among the new residential options, the "20 Midtown" development will be completed in 2022, adding 312 residential apartment units and new retail shopping options in the City Center for area residents.

Other residential projects under construction and scheduled to be completed in the current year total more than 1200 new units. The redevelopment of the former Carraway Medical Center, closed and vacant for a number of years, is underway and, when completed in phases over the next several years, promises new residential, retail and office locations in North Birmingham, very close to the new Protective Stadium, Legacy Arena, Top Golf and the Uptown entertainment district. New construction in the City is not confined to the City Center. Construction has begun on the longtime federally funded Southtown housing district as the area becomes a new home on the South side of Birmingham for new hotels, restaurants, retail businesses and residences. Southwest of the City Center, the former Palisades shopping center has been purchased and will become a new location for Stiver's Ford's new 100,000 square foot automobile sales and serving center.

### **Updates on Pension Funds and Other Post-Employment Benefits**

The City's major pension fund, the Retirement and Relief System, continued the trend of an increasing unfunded actuarial accrued liability for long-term benefits. The trend continued from the early 2000's, when benefits were increased substantially. Investment returns were below target rates of return during the period. As of July 1, 2022, the unfunded actuarial accrued liability of the Plan was approximately \$545.2 million, up from \$481.8 million in 2021 and the Plan had a funded ratio of 66.84%, down from 68.7% the previous year. The Governmental Accounting Standards Board ("GASB"), the institution which sets accounting standards for governmental entities, has issued accounting rules governing disclosure information for pensions. The new rule requires the City's actuary to estimate "Net Pension Liability," which is an estimation of all accrued pension benefit payments using specified assumptions, less the assets in the plan available for those benefits. The total accrued pension liability is computed using a blended discount rate, combining the System's target rate of return with a tax-exempt bond interest rate specified by GASB. The bond rate for 2022 is 3.54%, which is significantly less than the investment target rate of return of 7.25%. The blended rate is 7.25%. The City's Net Pension Liability for the Plan, computed according to GASB methodology, was \$580 million, down from \$1.23 billion in 2020, but higher than the \$329 million in 2021. The City is required to present the Net Pension Liability as a liability of the City, similar to the presentation of debt. This presentation is in the Government-wide Financial Statements, which creates the excess of liabilities over assets for the City as a whole. While the Plan is currently able to meet all of its obligations and its funding level compares favorably with many plans around the Country, the City and the Pension Board continue to study ways to improve the funding.

In fact, the City has increased its contributions towards the Retirement & Relief System dramatically over the past couple of years. In 2022, the City's employer contributions were \$41.6 million, which represents 21.98% of covered payroll (See Schedule of Employer's Contributions, pg. 110). This was an increase of \$8.3 million over the prior year. 2022 employer contributions, almost triple the contributions made in 2014, an increase of over \$27 million.

New pension legislation was recently enacted which will make significant changes to the City's Retirement & Relief System. House Bill 510 codifies changes approved by the Board of Managers of the City's Retirement and Relief System in October 2020. Effective July 1, 2021, these changes require the City to annually contribute the amount actuarially determined to be needed to fully fund the Retirement and Relief System to ensure the payoff of the current unfunded balanced over a closed 30-year period. The legislation also i) increases Retirement & Relief System employee contributions by .5% of pay, to 7.5% for current employees and new hires, ii) lowers the multiplier for all service to 1.75% of final average salary from 2.25% (for those hired after July 1, 2017), and iii) sets a minimum normal retirement age of 55 with 30 years of service (formerly, participants could retire at any age with 30 years of service).

At July 1, 2022, the unfunded actuarial liability for the Fire & Police Supplemental Pension System was \$104.6 million, an increase from \$73.6 million, the prior year. The City's Net Pension Liability for the Plan, computed according to the GASB methodology, was \$113.4 million, up substantially from \$73.8 million the previous year. The Fire & Police Supplemental Pension System, by GASB methodology, was only 12.07% funded, as of June 30, 2022. Individual financial reports for both plans are available on the City's website, at [www.birminghamal.gov](http://www.birminghamal.gov) under Open Data, Finance.

An actuarial study reported that the City's total liability for Other Post Employment Obligations ("OPEB"), primarily healthcare, increased from the June 30, 2021 valuation of \$146.4 million to \$170.4 million on June 30, 2022.

### **2022 Operating Results**

During the year, the City experienced an operating surplus of approximately \$81.3 million in its General Fund. Revenues were approximately \$67 million over budget. Business tax collections including Sales, Use, Lodging, and Occupational taxes were the main contributors to the surplus. Actual expenditures for the general fund were in line with the annual budget. At the end of 2022, the City's General Fund Balance was approximately \$254 million and the Birmingham Fund, a special reserve fund, ended the year with a fund balance of approximately \$94 million, a decrease of \$13.9 million from the previous year.



The City's budget is prepared by fund, function, and department. The individual departments are authorized by the Mayor to make transfers of appropriations within their departments; however, any revisions that alter the total expenditures of any fund or transfer between departments must be approved by City Council. The legal level of budgetary control is the department level. This year's General Fund budget was amended as needed throughout the year by City Council action, provided that adequate funds were available at the time of the amendments.

The City's healthcare plan is self-funded and the City accounts for its employee and retiree healthcare plans in an internal service, proprietary fund. Employee and retiree contributions are receipted as revenue in the fund. The City's planned contribution is recorded as revenue and any excess claims are paid by the City's General Fund by transfer into the fund. During the fiscal year costs were less than budgeted. The City's proposed 2023 budget maintains employee premiums at the same level as 2022. During the 2022 fiscal year, the City contributed \$33.3 million for employee and retiree healthcare and prescription drug costs.

The City is a defendant in several lawsuits claiming refunds of taxes previously paid to the City, and interest on those claimed refunds. A total adverse ruling in these cases could have a material impact on the City's financial condition. The City is vigorously defending its positions in these cases.

### **Awards**

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting for the City's ACFR for the fiscal year ended June 30, 2021. The Certificate of Achievement is a prestigious national award presented to state and local governments for publishing an easily readable and efficiently organized ACFR whose contents conform to program standards and complies with generally accepted accounting principles and applicable legal requirements. The Certificate is valid for a period of one year. The City of Birmingham has received the award for the last 40 consecutive years. We believe our current ACFR continues to conform to Certificate of Achievement program requirements, and we are submitting it to the GFOA for consideration.

The City of Birmingham's budget report for the fiscal year beginning July 1, 2021, was awarded the Government Finance Officer's Association Award for Distinguished Budget Presentation. In order to receive this award, a governmental unit must publish a document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. The City believes its current budget report also meets the above criteria, and we are submitting it to the GFOA for consideration.

### **Acknowledgements**

Preparation of this document was made possible by the dedicated efforts of the staff of the Finance Department and City Administration. I wish to express my appreciation to them, and other department employees, who contributed to the publication of this report, with particular thanks to the entire General Accounting staff.

Additional information, including the City's Operating and Capital Budgets can be accessed at [www.birminghamal.gov](http://www.birminghamal.gov) under Open Data, Finance Department.

Respectfully submitted,

***Kevin W. Moore***

Kevin W. Moore.  
Chief Finance Officer



**Government Finance Officers Association**

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12/2/2022

Randall Woodfin  
Mayor  
City of Birmingham, Alabama

Dear Mayor Woodfin:

We are pleased to notify you that your annual comprehensive financial report for the fiscal year ended June 30, 2021 qualifies for GFOA's Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

When a Certificate of Achievement is awarded to a government, an Award of Financial Reporting Achievement (AFRA) is also presented to the individual(s) or department designated by the government as primarily responsible for its having earned the Certificate. This award has been sent to the submitter as designated on the application.

We hope that you will arrange for a formal presentation of the Certificate and Award of Financial Reporting Achievement, and give appropriate publicity to this notable achievement. A sample news release is included to assist with this effort.

We hope that your example will encourage other government officials in their efforts to achieve and maintain an appropriate standard of excellence in financial reporting.

Sincerely,

Michele Mark Levine  
Director, Technical Services



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Birmingham  
Alabama**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO

# OFFICIALS OF THE CITY OF BIRMINGHAM

**MAYOR**  
**RANDALL L. WOODFIN**

## **CITY COUNCIL**

WARDINE ALEXANDER PRESIDENT, DISTRICT #7  
CRYSTAL N. SMITHERMAN, PRESIDENT-TEMPORE, DISTRICT #6

CLINTON P. WOODS, DISTRICT #1  
VALERIE A. ABBOTT, DISTRICT #3  
DARRELL O'QUINN, DISTRICT #5  
LATONYA TATE, DISTRICT #9

HUNTER WILLIAMS, DISTRICT #2  
J.T. MOORE, DISTRICT #4  
CAROL CLARKE, DISTRICT #8

## **DEPARTMENT HEADS**

AUDITORIUM .....	ALECIA JOHNSON-WILLIAMS, DIRECTOR
CITY CLERK.....	LEE FRAZIER, CITY CLERK
CITY COUNCIL .....	CHERYL A. KIDD, COUNCIL ADMINISTRATOR
COMMUNICATION.....	ANTOINETTE KING, DIRECTOR
COMMUNITY DEVELOPMENT .....	CHRISTOPHER HATCHER, DIRECTOR
CROSSPLEX AT STATE FAIRGROUNDS .....	RUBEN PEREZ, DIRECTOR
EQUIPMENT MANAGEMENT .....	CEDRIC ROBERTS, DIRECTOR
FINANCE.....	KEVIN MOORE, CHIEF FINANCIAL OFFICER
FIRE .....	COREY MOON, CHIEF
HUMAN RESOURCES.....	JILL MADAJCZYK, CHIEF HUMAN RESOURCE OFFICER
INFORMATION MANAGEMENT SERVICES .....	PATRICK McLENDON, CHIEF TECHNOLOGY OFFICER
INNOVATION AND ECONOMIC OPPORTUNITY .....	CORNELL WESLEY, DIRECTOR
OFFICE OF THE CITY ATTORNEY .....	NICOLE KING, CITY ATTORNEY
MAYOR'S OFFICE .....	CEDRIC SPARKS, CHIEF OF STAFF CHAZ MITCHELL, CHIEF OF OPERATIONS
MUNICIPAL COURT .....	ANDRA SPARKS, PRESIDING JUDGE
PLANNING, ENGINEERING & PERMITTING .....	KATRINA THOMAS, DIRECTOR
POLICE.....	SCOTT THURMOND, CHIEF OF POLICE
PUBLIC WORKS.....	JOSHUA YATES, DIRECTOR
DEPARTMENT OF TRANSPORTATION .....	JAMES FOWLER, DIRECTOR

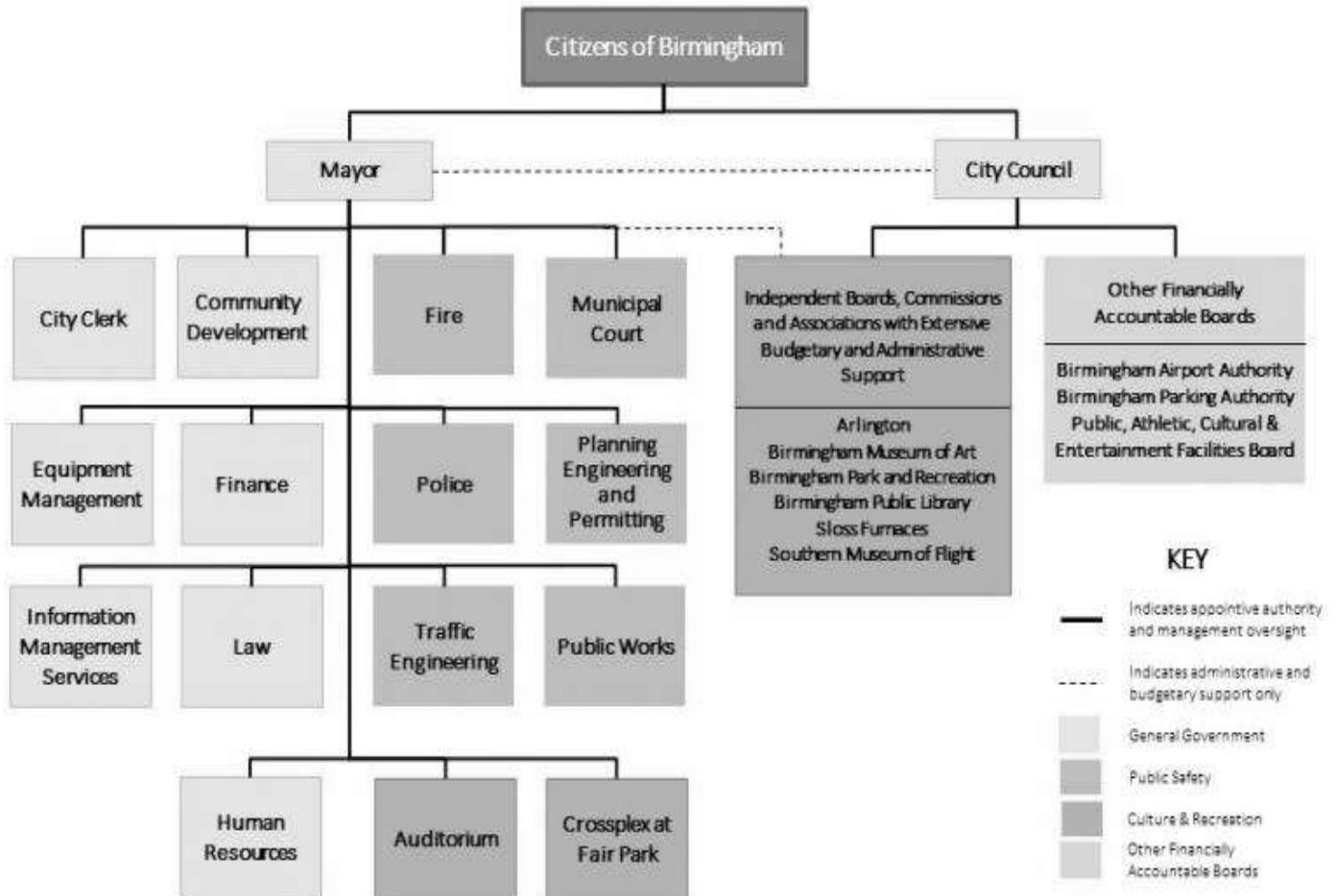
## **BOARD DIRECTORS**

ARLINGTON.....	TOBY RICHARDS, DIRECTOR
LIBRARY .....	JANINE LANGSTON, DIRECTOR
MUSEUM OF ART .....	DR. GRAHAM C. BOETTCHER, DIRECTOR
PARKS AND RECREATION .....	SHONAE EDDINS-BENNETT, DIRECTOR
SLOSS FURNACES .....	KAREN UTZ, DIRECTOR
SOUTHERN MUSEUM OF FLIGHT .....	DR. BRIAN J BARSANTI, DIRECTOR



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# City of Birmingham, Alabama Organization Chart



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# **FINANCIAL SECTION**



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## **INDEPENDENT AUDITORS' REPORT**

### **To the Honorable Mayor and Members of the City Council City of Birmingham, Alabama**

#### **Report on the Audit of Financial Statements**

##### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Birmingham, Alabama, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Birmingham, Alabama's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Birmingham, Alabama as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Birmingham Airport Authority, the Birmingham Parking Authority, and the Birmingham Emergency Communication District which represents 100 percent of the assets, net position, and revenues of the aggregate discretely presented component units, as of June 30, 2022. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Birmingham Airport Authority, the Birmingham Parking Authority, and the Birmingham Emergency Communication District, is based solely on the report of the other auditors

##### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Birmingham, Alabama, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

##### **Emphasis of Matter**

As discussed on page 110 in Note V. to the financial statements, the City's beginning net position at June 30, 2021 was restated by \$45,845 (expressed in thousands) to record the liability related to an August 2018 bond issuance. Our opinions are not modified with respect to this matter.



### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **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 auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted 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, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Birmingham, Alabama's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Birmingham, Alabama's ability to continue as a going concern for a reasonable period of time.

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, and the pension and OPEB schedules as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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,



**To the Honorable Mayor and Members  
of the City Council**

**Page 2**

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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 of Birmingham, Alabama's basic financial statements. The combining and individual nonmajor fund financial statements 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 combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated December 28, 2022 on our consideration of the City of Birmingham, Alabama's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Birmingham, Alabama's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City of Birmingham, Alabama's internal control over financial reporting and compliance.

*Sheppard-Harris & Associates*

**Sheppard-Harris & Associates  
Birmingham, Alabama  
December 28, 2022**



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**City of Birmingham, Alabama  
Management's Discussion and Analysis  
For the Year Ended June 30, 2022**

This narrative overview and analysis of the financial activities of the City of Birmingham for the fiscal year ended June 30, 2022, is offered by management of the City to the readers of the financial report. Please read it in conjunction with the letter of transmittal presented on pages i-iv and the financial statements beginning on page 14.

## **FINANCIAL HIGHLIGHTS**

- Total net position, of the City of Birmingham increased by \$120 million during the past fiscal year as a result of operational surplus.
- The liabilities and deferred inflows of resources of the City of Birmingham exceeded its assets and deferred outflows of resources at June 30, 2022, by \$475 million, primarily due to net pension liability.
- The City of Birmingham's governmental funds reported combined ending fund balances of \$554 million as of June 30, 2022, an increase of \$61 million from the previous year.

## **OVERVIEW OF FINANCIAL STATEMENTS**

Following this discussion, the City of Birmingham's basic financial statements are presented. There are three components of these financial statements.

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the financial statements

### **Government-wide Financial Statements**

The government-wide financial statements give readers a broad overview of the finances of the City of Birmingham in a manner similar to a private-sector business. They are composed of two individual statements – the statement of net position and the statement of activities.

The *statement of net position*, presented on pages 14 & 15, reports all of the City of Birmingham's assets and deferred outflows and liabilities and deferred inflows, with the difference between the two reported as *net position*.

The *statement of activities* presented on page 16 shows the changes in the City of Birmingham's net position during the fiscal year ended June 30, 2022. This statement is prepared on the full accrual basis of accounting, meaning that all changes to net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related in or out cash flows.

The government-wide statements show the governmental activities. The governmental activities are those supported mainly by taxes and intergovernmental revenues. The City of Birmingham's activities (functions) include public safety, streets and sanitation, culture and recreation, and general government.

### **Fund Financial Statements**

Fund financial statements report the City's operations in more detail than what is presented in the government-wide financial statements. Fund financial statements include the statements for governmental, proprietary, and fiduciary funds.

**City of Birmingham, Alabama  
Management's Discussion and Analysis  
For the Year Ended June 30, 2022**

**OVERVIEW OF FINANCIAL STATEMENTS (Continued)**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide statements. Different Funds are used to segregate resources due to legal constraints as to use and to account for specific activities. The focus for reporting the activities on the fund financial statements is on near-term inflows and outflows of spendable resources as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing needs.

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 balance included in this report provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

In fiscal year 2022, the City of Birmingham reported as major funds the General Fund, the Debt Service Reserve Fund, the Grants Fund, the ARP-COVID Rec. Fund, and the Birmingham Fund based on the results of the major fund calculation and to ensure consistency with the prior year. The other City funds are reported aggregately as non-major funds. Individual fund data for each of these non-major governmental funds is provided in the combining statements found on pages 113 through 131 of this report.

The City of Birmingham adopts an annually appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with the budget the report can be found on page 21. The basic governmental fund financial statements can be found on pages 17 and 19 of this report.

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. The City maintains one internal service fund that provides self-insured health benefits to the City's employees and retirees. The basic proprietary fund financial statements can be found on pages 22 through 24 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties external to the City of Birmingham. Fiduciary funds, accounting for the City's three pension plans, are not reflected in the government-wide financial statements because the resources are not available to support the City's own programs. The accounting used for fiduciary funds is similar to that used for proprietary funds. The basic fiduciary statements can be found on pages 25 through 26 of this report.

**Notes to the Financial Statements**

Notes to the financial statements are provided to give the reader additional information that is essential to understanding the data presented in the government-wide and fund financial statements. The notes to the financial statements begins on page 29 of the report.

Other required supplementary information is also presented in this report concerning the City's progress in funding its obligation to provide pension and health care benefits to its employees. This required supplementary information can be found in the notes to the financial statements for the pension funds beginning on page 104 of this report.

**City of Birmingham, Alabama**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2022**

**OVERVIEW OF FINANCIAL STATEMENTS (Continued)**

The following table summarizes the major features of the basic financial statements of the City of Birmingham.

**Table of Financial Statements**

**Fund Financial Statements**

	<b>Government-wide Financial Statements</b>	<b>Governmental Funds</b>	<b>Proprietary Funds</b>	<b>Fiduciary Funds</b>
Scope	Entire City government (except fiduciary funds)	Activities of the City that are not proprietary or fiduciary	Activities of the City that operate similar to businesses	Activities for which the City acts as trustee for someone else's resources
Required financial statements	<ul style="list-style-type: none"> <li>•Statement of net position</li> <li>•Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>•Balance sheet</li> <li>•Statement of revenues, expenditures, and changes in fund balance</li> </ul>	<ul style="list-style-type: none"> <li>•Statement of net position</li> <li>•Statement of revenues, expenses, and changes in net position</li> <li>•Statement of cash flows</li> </ul>	<ul style="list-style-type: none"> <li>•Statement of fiduciary net position</li> <li>•Statement of changes in fiduciary net position</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be liquidated and liabilities that come due during the year or soon thereafter; no capital assets nor long-term debt included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	<ul style="list-style-type: none"> <li>•Revenues for which cash is received during or soon after the end of the year</li> <li>•Expenditures when goods or services have been received and payment is due during the year or soon thereafter</li> </ul>	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

**City of Birmingham, Alabama  
Management's Discussion and Analysis  
For the Year Ended June 30, 2022**

**GOVERNMENT-WIDE CONDENSED FINANCIAL INFORMATION**

**Net Position**

Net position represents the difference between the City of Birmingham's total assets and deferred outflows of resources and its total liabilities and deferred inflows of resources. Changes in the net position can be a useful measuring tool to gauge performance over time. The City's net position that is its net investment in capital assets and deferred outflows of resources reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for spending. Although the City's net investment in 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 revenue sources since the capital assets themselves cannot be liquidated to satisfy these liabilities.

The City of Birmingham's restricted net position of approximately \$177.0 million is subject to various legal restrictions regarding use and by federal and state grant requirements. The change in the City's net position for the years ended June 30, 2022, and 2021 was \$165.8 million and \$87.8 million, respectively. This was an increase of approximately \$78.0 million between the fiscal years. This increase is attributable primarily to increases in revenue items and two expense items. The City's sales tax revenues increased \$22.6 million; occupational tax revenues increased \$7.0 million; Business license revenue increased by \$9.0 million; operating grant revenues increased by \$30.0 million; and the City's investment earnings decreased \$21.0 million. The City's payroll expenses decreased in public safety and general government by \$43.5 million. The sales and occupational tax increases are attributable to a rebounding local economy related to decreasing COVID restrictions which positively affected consumer sales and allowed workers to return to offices within the City. The City recognized operating grant revenues in the current year related to COVID grants received in the prior year. The City's investment earnings decreased related to a decline in market performance between fiscal years 2022 and 2021. The City's payroll expenses decreased in public safety and general government related to reduced COVID costs in these areas in 2022.

For additional details on the reconciliation between the two bases, see page 18 of this report.

**City of Birmingham, Alabama**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2022**

**GOVERNMENT-WIDE CONDENSED FINANCIAL INFORMATION (Continued)**

The following table presents a condensed statement of the City's net position at June 30, 2022 and 2021:

City of Birmingham, Alabama Net Position June 30, 2022 and 2021 (amounts expressed in thousands)			Governmental Activities	
			2022	2021
<b>Assets</b>				
Current and other assets	\$	724,405	\$	624,767
Capital assets (net)		692,570		699,912
Total assets	\$	1,416,975	\$	1,324,679
Deferred outflows of resources		330,663		253,483
Total assets and deferred outflows of resources	\$	1,747,638	\$	1,578,162
<b>Liabilities</b>				
Current liabilities		239,434		179,058
Long-term liabilities		1,515,059		1,195,093
Total liabilities	\$	1,754,493	\$	1,374,151
Deferred inflows of resources		468,337		799,207
Total liabilities and deferred inflows of resources	\$	2,222,830	\$	2,173,358
<b>Net Position</b>				
Net investment in capital assets	\$	162,016	\$	109,751
Restricted		176,519		179,811
Unrestricted		(813,727)		(884,758)
Total net position	\$	(475,192)	\$	(595,196)



**City of Birmingham, Alabama**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2022**

**GOVERNMENT-WIDE CONDENSED FINANCIAL INFORMATION (Continued)**

**City of Birmingham, Alabama**  
**Changes in Net Position**  
**June 30, 2022 and 2021**  
**(amounts expressed in thousands)**

	<b>Governmental Activities</b>	
	<b>2022</b>	<b>2021</b>
<b>Revenues</b>		
Program revenues:		
Charges for services	\$ 145,787	\$ 151,633
Operating grants and contributions	63,463	33,213
Capital grants and contributions	37,490	36,466
General revenues:		
Sales and use tax	208,417	185,782
Occupational tax	109,886	102,226
Property tax	76,812	76,044
Unrestricted grants and contributions	3,236	1,058
Investment earnings	5,023	26,602
Other	9,381	6,502
<b>Total revenues</b>	<b>659,495</b>	<b>619,526</b>
<b>Expenses</b>		
Governmental activities:		
Public safety	264,970	348,264
Street and sanitation	54,067	52,236
Cultural and recreational	49,007	40,982
General government	115,254	89,938
Interest on Long-Term Debt	10,348	309
<b>Total expenses</b>	<b>493,646</b>	<b>531,729</b>
<b>Change in net position</b>	<b>165,849</b>	<b>87,797</b>
<b>Net position - Beginning of Year as originally stated</b>	<b>(595,196)</b>	<b>(682,993)</b>
<b>Restatement</b>	<b>(45,845)</b>	
<b>Net position - beginning of year restated</b>	<b>(641,041)</b>	<b>(682,993)</b>
<b>Net position - ending</b>	<b>\$ (475,192)</b>	<b>\$ (595,196)</b>

**City of Birmingham, Alabama**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2022**

**FUND ANALYSIS**

Changes in fund balances for the City's major governmental funds for the fiscal year ended June 30, 2022, are as follows:

	Beginning Balance	Increase (Decrease)	Ending Balance
General Fund	\$ 173,430	\$ 81,262	\$ 254,692
Debt Reserve Fund	75,579	5,913	81,492
ARP - Covid Rec	-	-	-
Grants Fund	1,499	1,724	3,223
Birmingham Fund	108,178	(13,911)	94,267
	<u>\$ 358,686</u>	<u>\$ 74,988</u>	<u>\$ 433,674</u>

General Fund – the City experienced an increase in fund balance of approximately \$81 million, in its General Fund due to strong revenue growth and continued expense management. Revenues were approximately \$66.5 million over budget, driven by strong consumer and business activity, likely due in part to the support received from multiple rounds of federal COVID-19 stimulus funds. These revenues increased \$42.6 million over the prior year. Business taxes continued to rebound with the pandemic coming to a close. Sales and use tax revenue increased by 12%, or \$22.6 million over the prior year. Business license revenue, which is driven by calendar year 2021 business revenues, increased by \$9 million, or 12% over the prior year, which included the full impact of the COVID-19 pandemic during calendar year 2020. Occupational tax revenue increased by \$7.6 million, or 7%. Expenses were \$10 million under the original budget, which was an increase of \$18 million over the total expenses for 2021. Economic incentive payments were \$2 million under budget, a \$400 thousand reduction from the prior year. Salaries and wages were \$6.2 million over the prior year, which was still \$3 million under budget.

Debt Reserve Fund – Ad valorem tax revenue for 2022 was consistent with the prior year with \$40 million in collections. Increased collections of ad valorem taxes are due to rising property valuations in Jefferson County, which started using a new property appraisal manual in October 2019. Real estate market increases also contributed to the increased revenue. The City issued the 2021 General Obligation Refunding Bonds, which refunded the 2015A-1 General Obligation Bonds, as well as partially refunding the 2014-A G.O. Bonds, and the 2015B G.O. Bonds, having net proceeds of \$6.6 million. Expenditures on Bonded debt service, and fees was \$40.7 million, resulting in an increase in fund balance of \$5.9 million.

Grants Fund – Matching funds were transferred in from various funds, in the amount of \$1.2 million to meet current grant obligations.

ARP- Covid Rec – The City of Birmingham received \$70.6 million in American Rescue Plan Act funding in June 2022. \$27.2 million of these grant funds were expended during the fiscal year on the following: a Bus Rapid Transit project; capital expenditures for improvements at various venues for the World Games; public safety employees compensation equal to vacation time not used due to their need to help mitigate the spread of COVID(vacation buyout); citywide redistricting costs and professional services contracts to assist with applying for additional grant funding . Deferred Credits for the unearned portion of the grant funds were recognized at year's end, resulting in no fund balance.

Birmingham Fund – Unrealized investment losses of \$13.5 million, caused an overall deficit in investment income of \$8.7 million, while project expenses were incurred of \$2.8 million. Budgeted transfers out to the General Fund were \$2.3 million. The resulting decrease in fund balance was \$13.9 million.

## **Governmental Funds**

The focus of the reporting of the City's governmental funds is to provide information regarding near-term inflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The Fund Balance of the General Fund increased due to an operating surplus for fiscal year 2022. The Fund Balance of the General Bond Debt Reserve increased due to increased tax collections. The Grants Fund fund balance increased due to the transfers in of matching funds from other funds. The Birmingham Fund fund balance decreased due to unrealized investment losses.

The Statement of Revenues, Expenditures, and Changes in Fund Balances provides additional details for the changes in specific funds. This statement can be found on page 19.

## **Budget Variances in the General Fund**

During the fiscal year, revisions were made to the original budget adopted by the City due to changes in projected revenues. Amendments were also made in the projected expenditures, as needed throughout the year. Revenues collected were approximately \$66.5 million more than budgeted for the fiscal year. The fiscal year 2022 budget was developed based on financial trends at the time it was proposed, which was in the Spring of 2021, just as economic activity was increasing coming out of the COVID-19 pandemic. As a result, all business tax revenues were overbudget, including sales and use tax, occupational tax, business license, lease and lodging taxes. Expenditures were managed to be in line with budgeted amounts.

**City of Birmingham, Alabama**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2022**

**CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY**

**Capital Asset Activity**

At June 30, 2022, the City of Birmingham reported approximately \$692 million in net capital assets, including its infrastructure, for governmental activities. The notes to the financial statements, on pages 58 through 59, provide more information on capital assets, including the changes that occurred during the fiscal year.

Capital asset activity for the year ended June 30, 2022 was as follows (in thousands):

<b>Governmental activities</b>	<b>June 30, 2021</b>	<b>Increases</b>	<b>Decreases</b>	<b>June 30, 2022</b>
Capital assets, nondepreciable				
Land	\$ 163,990	\$ 154	\$ 10	\$ 164,135
Construction in progress	18,729	11,268	10,564	19,433
Land, infrastructure projects	16,647	-	-	16,647
Total nondepreciable capital assets	199,366	11,423	10,574	200,215
Capital assets, depreciable				
Buildings and capital facilities	440,804	5,609	56	446,357
Furniture and other equipment	248,589	15,779	5,231	259,137
Infrastructure	337,621		1	337,620
Total depreciable capital assets	1,027,014	21,388	5,288	1,043,114
Less accumulated depreciation				
Buildings and capital facilities	160,864	5,944	1,924	164,884
Furniture and other equipment	191,017	13,049	951	203,115
Infrastructure	174,917	7,843	-	182,760
Total accumulated depreciation	526,798	26,836	2,875	550,759
Net depreciable capital assets	500,216	(5,448)	2,413	492,355
Governmental activities, net capital assets	\$ 699,582	\$ 5,975	\$ 12,987	\$ 692,570

**Long-term Debt Activity**

At June 30, 2022, the City of Birmingham had approximately \$658 million of outstanding debt, consisting of its bonds, warrants (including blended component unit debt), notes payable, and capital leases; of this amount, approximately \$612 million is considered long-term. The notes to the financial statements, on pages 60 through 64, include additional details for the City's long-term debt activity.

<b>Governmental Activities</b>	<b>2022</b>	<b>2021</b>
Bonds and warrants	\$ 582,375	\$ 567,005
Capitalized financing-direct borrowing	71,856	60,319
Operating Line of Credit	3,300	3,300
	\$ 657,531	\$ 630,624

**City of Birmingham, Alabama  
Management's Discussion and Analysis  
For the Year Ended June 30, 2022**

**CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY (Continued)**

The City's bond ratings are AA, Aa3, AA- and AA by Standard & Poor's, Moody's Investors Service, Fitch Ratings and Kroll Bond Ratings, respectively. The City's broad and diverse economy and consistently strong financial performance are the bases for these ratings.

The City's general fund is typically used to liquidate long-term liabilities with the exception of bond debt service, which is paid from the City's Bond Reserve Fund, and the PACE bonds, which are paid from The Special Lodgings Tax and Stadium Lease Revenues.

**Availability of Information**

The City's current and previous Operating and Capital Budgets, previous Comprehensive Annual Financial Reports, Single Audits and this Annual Comprehensive Financial Report are available on the City's website at [www.birminghamal.gov](http://www.birminghamal.gov), Open Data, Finance.

**Request for Information**

This financial report is designed to give a general overview of the City of Birmingham's finances. Questions concerning any of the information may be sent to the following:

Director of Finance  
710 North 20<sup>th</sup> Street, Suite A-100  
Birmingham, AL 35203

City of Birmingham, Alabama  
Statement of Net Position  
June 30, 2022  
(amounts expressed in thousands)

	Primary Government	
	Governmental Activities	Component Units
<b>ASSETS</b>		
Current assets:		
Cash and investments	\$ 639,845	\$ 50,390
Cash with fiscal agent	10,821	-
Accrued interest	222	-
Accrued taxes receivable	50,934	-
Accounts (net of uncollectibles)	9,050	35,268
Loans	1,000	-
Due from other governments	2,997	-
Inventories	2,720	262
Prepaid items	1,435	1,355
Due from component unit	4,578	-
Other current assets	611	-
Cash and cash equivalents	-	17,958
Investments	-	62,435
Accounts and grants receivable	-	797
Total current assets	<u>724,213</u>	<u>168,465</u>
Noncurrent assets:		
Land	\$ 180,782	\$ 226,681
Buildings and capital facilities	446,357	315,452
Furniture and other equipment	259,137	94,630
Accumulated depreciation	(367,999)	(318,143)
Infrastructure	337,620	227,382
Accumulated depreciation, infrastructure	(182,760)	-
Construction in progress	19,433	36
Net pension asset	192	-
Total noncurrent assets	<u>692,762</u>	<u>546,038</u>
Total assets	<u>1,416,975</u>	<u>714,503</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows of resources related to debt	\$ 14,014	\$ 11,187
Deferred outflows resources related to pensions	286,281	-
Deferred outflows of resources related to other post employment	30,368	-
Total deferred outflows of resources	<u>330,663</u>	<u>11,187</u>
Total assets and deferred outflows of resources	<u>1,747,638</u>	<u>725,690</u>

The notes to financial statements are an integral part of this statement.

City of Birmingham, Alabama  
Statement of Net Position  
June 30, 2022  
(amounts expressed in thousands)

	Primary Government	
	Governmental Activities	Component Units
<b>LIABILITIES</b>		(continued)
Current liabilities:		
Accounts and vouchers payable	\$ 25,562	\$ 8,535
Contracts payable	437	-
Contracts payable - retainage	1,466	-
Accrued payroll and payroll taxes payable	14,018	201
Due to primary government	-	4,626
Estimated claims payable	18,735	-
Other liabilities	12,226	-
Unearned Revenue	106,763	146
Interest payable	3,512	60
Capitalized leases	6,063	1,412
Compensated absences (current)	5,889	211
Bonds and warrants payable	36,127	-
Operating Line of Credit	3,300	-
Contracts Payable (restricted assets)	-	2,355
Accrued Interest Payable	-	2,383
Current portion of revenue bonds payable	-	239
Bank overdrafts	5,336	-
Total current liabilities	239,434	20,168
Noncurrent liabilities:		
Capitalized Leases (long-term)	\$ 65,793	\$ 3,774
Compensated absences (long-term)	11,555	898
Bonds and warrants payable, (long-term)	546,248	120,844
Closure and postclosure costs	31,891	-
Workers' compensation claims payable	17,312	-
OPEB liability	170,442	-
Net pension liability	671,818	19,986
Total noncurrent liabilities	1,515,059	145,502
Total liabilities	1,754,493	165,670
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows of resources related to pensions	\$ 453,296	\$ 50,054
Deferred inflows of resources related to other post employment	15,041	-
Total deferred inflows of resources	468,337	50,054
Total liabilities and deferred inflows of resources	2,222,830	215,724
<b>NET POSITION</b>		
Net investment in capital assets	\$ 162,016	\$ 473,035
Restricted for:		
Debt service	86,694	5,304
Future projects	89,825	11,120
Unrestricted	(813,727)	20,507
Total net position	\$ (475,192)	\$ 509,966

The notes to financial statements are an integral part of this statement.

City of Birmingham, Alabama  
Statement of Activities  
For the Year Ended June 30, 2022  
(amounts expressed in thousands)

Functions/Programs	Net (Expense) Revenue and Changes				
	Expenses	Charges for Services	Program Revenues		Component Units
			Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary government:</b>					
Governmental activities:					
Public safety	\$ 264,970	\$ 29,400	\$ 13,310	\$ -	\$ -
Street and sanitation	54,067	96	44	-	(53,927)
Cultural and recreational	49,007	2,004	52	-	(46,951)
General government	115,254	114,287	50,057	37,490	86,580
Interest on Long-Term Debt	10,348	-	-	-	(10,348)
Total governmental activities	493,646	145,787	63,463	37,490	(246,906)
Total primary government	493,646	145,787	63,463	37,490	(246,906)
<b>Component units:</b>					
E911 Communications District	\$ 7,772	\$ 7,441	\$ -	\$ -	\$ -
Birmingham Airport Authority	40,805	44,474	11,856	-	(331)
Birmingham Parking Authority	8,006	8,076	-	-	15,525
Total component units	56,583	59,991	11,856	-	70
					\$ 15,264
<b>General revenues:</b>					
Sales and use tax					208,417
Occupational tax					109,886
Property tax					76,812
Grants and contributions-unrestricted					3,236
Unrestricted Investment Earnings					5,023
Other					9,244
Transfers					137
Total general revenues, special items, and transfers					412,755
Change in net position					165,849
Net position (deficit) - beginning of year as originally stated					(595,196)
Restatement					(45,845)
Net position (deficit) - beginning of year restated					(641,041)
Net position - ending					\$ 484,170
					\$ 509,966

The notes to financial statements are an integral part of this statement.



City of Birmingham, Alabama  
Balance Sheet  
Governmental Funds  
June 30, 2022  
(amounts expressed in thousands)

	General Fund	Debt Reserve	Grants Fund	ARP - COVID Rec	Birmingham Fund	Total Nonmajor Funds	Total Governmental Funds
<b>ASSETS</b>							
Cash and investments	\$ 229,662	\$ 80,814	\$ 15,270	\$ 97,827	\$ 94,809	\$ 120,223	\$ 638,405
Cash with fiscal agent	-	-	-	-	-	10,818	10,818
Accrued interest	6	17	-	-	199	-	222
Accrued taxes	49,830	665	-	-	-	439	50,934
Accounts (net of uncollectibles)	1,479	-	3,531	-	-	2,621	7,631
Loans	1,000	-	-	-	-	-	1,000
Due from other governments	2,997	-	-	-	-	-	2,997
Due from component units	4,578	-	-	-	-	-	4,578
Inventories	2,720	-	-	-	-	-	2,720
Prepaid items	1,435	-	-	-	-	-	1,435
Other	611	-	-	-	-	-	611
<b>Total assets</b>	<b>\$ 294,318</b>	<b>\$ 81,496</b>	<b>\$ 18,801</b>	<b>\$ 97,827</b>	<b>\$ 94,808</b>	<b>\$ 134,101</b>	<b>\$ 721,351</b>
<b>LIABILITIES</b>							
Bank overdrafts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,336	\$ 5,336
Accounts and vouchers payable	13,963	4	3,188	1,104	530	4,894	23,683
Contracts payable	437	-	-	-	-	-	437
Contracts payable - retainage	-	-	194	740	11	521	1,466
Accrued payroll and payroll taxes payable	13,872	-	16	-	-	130	14,018
Unearned revenue	107	-	10,480	95,983	-	193	106,763
Other liabilities	11,247	-	300	-	-	679	12,226
<b>Total liabilities</b>	<b>\$ 39,626</b>	<b>\$ 4</b>	<b>\$ 14,178</b>	<b>\$ 97,827</b>	<b>\$ 541</b>	<b>\$ 11,753</b>	<b>\$ 163,929</b>
<b>Deferred inflows of resources</b>							
Deferred inflows related to grants			1,400			1,773	3,173
<b>Total liabilities and deferred inflows of resources</b>	<b>\$ 39,626</b>	<b>\$ 4</b>	<b>\$ 15,578</b>	<b>\$ 97,827</b>	<b>\$ 541</b>	<b>\$ 13,526</b>	<b>\$ 167,102</b>
<b>FUND BALANCES (DEFICITS)</b>							
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inventory	2,720	-	-	-	-	-	2,720
Prepaid items	1,435	-	-	-	-	-	1,435
Restricted							
Capital Projects	-	-	-	-	-	79,595	79,595
Debt Service	-	81,492	-	-	-	8,333	89,825
Other	-	-	-	-	-	7,099	7,099
Committed							
Neighborhood Improvements	-	-	-	-	-	9,957	9,957
Other Purposes	-	-	-	-	-	10,600	10,600
Stabilization	-	-	-	-	-	-	-
Assigned					94,267	-	94,267
Capital Projects	-	-	-	-	-	6,796	6,796
Grants	-	-	3,223	-	-	-	3,223
Unassigned	250,537	-	-	-	-	(1,805)	248,732
<b>Total fund balances (deficits)</b>	<b>\$ 254,692</b>	<b>\$ 81,492</b>	<b>\$ 3,223</b>	<b>\$ -</b>	<b>\$ 94,267</b>	<b>\$ 120,575</b>	<b>\$ 554,249</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 294,318</b>	<b>\$ 81,496</b>	<b>\$ 18,801</b>	<b>\$ 97,827</b>	<b>\$ 94,808</b>	<b>\$ 134,101</b>	<b>\$ 721,351</b>

The notes to financial statements are an integral part of this statement.

**City of Birmingham, Alabama**  
**Reconciliation of Balance Sheet**  
**To the Statement of Net Position**  
**As of June 30, 2022**  
**(amounts expressed in thousands)**

Fund balances of governmental funds		554,249
Amounts reported for governmental activities in the statement of net position are different because:		
Deferred revenues are not recognized until available in the funds.		3,173
Deferred items related to debt issuance used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.		14,014
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds.		(167,015)
Deferred outflows and inflows of resources related to OPEB are applicable to future periods and, therefore, are not reported in the governmental funds.		15,327
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the balance sheet.		
Governmental capital assets	1,243,329	
Accumulated depreciation	(550,759)	
Net Capital Assets used in governmental activities		692,570
Bonds and warrants payable	(582,375)	
Operating Line of Credit	(3,300)	
Capitalized leases	(71,856)	
Compensated absences	(17,444)	
Accrued interest payable	(3,511)	
Landfill closure cost	(31,891)	
OPEB liability	(170,442)	
Workers' Compensation claims payable	(17,312)	
Estimated claims payable	(18,735)	
Net pension obligation (net)	(671,818)	
Net pension asset	192	
		(1,588,492)
An Internal Service Fund is used by management to charge the cost of certain activities to individual funds. The assets and liabilities of the Internal Service Fund are included in the governmental activities in the statement of Net Position		981
Net position of governmental activities		<u>(475,192)</u>

City of Birmingham, Alabama  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2022  
(amounts expressed in thousands)

	General Fund	Debt Reserve	Grants Fund	ARP - COVID Rec	Birmingham Fund	Total Nonmajor Funds	Total Governmental Funds
<b>REVENUES</b>							
Taxes	\$ 361,845	\$ 40,117	\$ -	\$ -	\$ -	\$ 13,862	\$ 415,824
Licenses and permits	100,483	-	-	-	-	-	100,483
Intergovernmental	29,013	-	31,678	27,911	-	14,702	103,304
Charges for services	17,258	-	-	-	-	1,018	18,276
Fines and forfeitures	1,882	-	11	-	-	1,106	2,999
Investment income	339	-	-	-	4,806	153	5,298
Other operating revenues	8,569	-	215	-	-	3,798	12,602
Total revenues	519,409	40,117	31,904	27,911	4,806	34,639	658,786
<b>EXPENDITURES</b>							
Current:							
Public safety	-	-	-	-	-	-	-
Police	99,222	-	873	-	116	471	100,682
Fire	72,753	-	83	397	138	1	73,372
Planning Engineering and Permits	11,747	-	13,554	-	-	20,566	45,867
Traffic Engineering	11,885	-	323	601	819	-	13,628
Municipal Court	6,654	-	276	-	-	788	7,718
Communications	6,591	-	-	-	-	-	6,591
Street and sanitation	-	-	-	-	-	-	-
Public Works	37,046	-	9	331	-	8,037	45,423
Cultural and recreational	-	-	-	-	-	-	-
Park and Recreation	15,823	-	18	-	31	2,591	18,283
Library	12,049	-	19	-	-	-	12,068
Arlington Historical Home	383	-	18	-	-	-	401
Boutwell Auditorium	1,225	-	-	7,023	-	-	8,248
Museum of Art	2,381	-	-	-	-	-	2,381
Sloss Furnace	429	-	-	-	-	-	429
Southern Museum of Flight	699	-	-	-	-	-	699
State Fairgrounds	3,088	-	117	-	-	-	3,205
General government	-	-	-	-	-	-	-
Finance	15,226	18	-	18,394	762	1,620	36,020
Equipment Management	15,393	-	-	-	-	-	15,393
Information Management Services	17,964	-	-	131	-	1,356	19,451
City Clerk	1,498	-	-	-	-	-	1,498
Community Development	1,015	-	16,936	-	-	7,623	25,574
Council Office	4,580	-	-	-	-	122	4,702
Legal	7,023	-	-	-	-	28	7,051
Mayors Office	8,641	-	139	-	22	3,225	12,027
Personnel	22,167	-	-	-	-	209	22,376
Nondepartmental	-	-	-	-	13,500	-	13,500
Dept of Innovation and Economic Op	30,428	-	-	-	164	5,808	36,400
Debt service:							
Principal	10,818	15,403	-	-	-	2,827	29,048
Interest and fees	9,804	9,325	-	-	-	2,308	21,437
Capital outlay:							
Capital outlay	257	-	(956)	1,034	814	21,097	22,246
Total expenditures	426,589	24,746	31,409	27,911	16,366	78,677	605,698
Excess (deficiency) of revenues over expenditures	92,820	15,371	495	-	(11,560)	(44,038)	53,088
<b>OTHER FINANCING SOURCES (USES)</b>							
Other operating revenues	200	-	-	-	-	-	200
Proceeds from capital lease	-	-	-	-	-	17,470	17,470
(Premium)/Discount on debt issuance	-	443	-	-	-	-	443
Transfers in	2,364	-	1,229	-	-	17,140	20,733
Transfers out	(14,122)	(163)	-	-	(2,351)	(4,097)	(20,733)
Payments to fiscal agent for refunded bonds/warrants	-	(72,983)	-	-	-	-	(72,983)
Proceeds from Bond Issuance	-	63,245	-	-	-	-	63,245
Total other financing sources (uses)	(11,558)	(9,458)	1,229	-	(2,351)	30,513	8,375
Net change in fund balances	81,262	5,913	1,724	-	(13,911)	(13,525)	61,463
Fund balances - beginning	173,430	75,579	1,499	-	108,178	134,100	492,786
Fund balances - ending	\$ 254,692	\$ 81,492	\$ 3,223	\$ -	\$ 94,267	\$ 120,575	\$ 554,249

The notes to financial statements are an integral part of this statement.

**City of Birmingham, Alabama**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in**  
**Fund Balances to the Statement of Activities**  
**For the Year Ended June 30, 2022**  
**(amounts expressed in thousands)**

Net change in fund balances - total government funds		61,462
Amounts reported for governmental activities in the statement of activities are		
Governmental funds report capital outlays as expenditures. In the statement of activities, however, these costs are allocated over their estimated useful lives and reported as		
Capital Outlay	22,247	
Depreciation	(26,836)	
	<u>                    </u>	(4,589)
Zoo donations	<u>2,107</u>	2,107
The repayment and refunding of principal of long-term debt and capital leases using current resources of governmental funds but has no effect on net assets.		
		29,048
Issuance of 2021 GO Ref Bonds		(63,688)
Issuance of 2021 Master Equipment Lease		(17,469)
Debt service payments to Escrow Agents for refunded bonds/warrants		72,983
Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds:		
Change in compensated absences	(1,557)	
Change in closure and post closure costs	(6,911)	
Change in estimated claims	(2,707)	
Amortization of premium, discount and deferred gain/loss	2,865	
Change in interest payable	261	
Change in workers compensation	502	
Change in OPEB	(2,955)	
Change in pension expense	<u>96,299</u>	85,796
Revenue not recognized until future years		334
An Internal Service Fund is used by management to charge the cost of certain activities to individual funds. The net revenue (expense) of the Internal Service Fund is reported		(135)
Change in net position of governmental activities		<u><u>165,849</u></u>

The notes to financial statements are an integral part of this statement.

City of Birmingham, Alabama  
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
General Fund  
For the Year Ended June 30, 2022  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Auditorium	\$ 42	\$ 46	\$ 107	\$ 61
State Fairgrounds	1,163	1,170	1,499	329
Communications	2,927	2,927	2,633	(294)
Planning, Engineering & Permits	10,876	10,876	14,936	4,060
Equipment Management	4	(4)	20	23
Finance	423,016	422,216	488,575	66,359
Fire	7,342	7,342	6,483	(859)
Police	6,018	6,018	2,601	(3,417)
Mayor's Office	2	2	-	(2)
Municipal Court	1,431	1,431	1,868	437
Arlington	27	27	60	33
Library	-	-	7	7
Parks & Recreation	314	314	550	236
Southern Museum of Flight	-	-	24	24
Sloss Furnace	3	3	46	42
				-
Total revenues	453,166	452,368	519,409	67,041
EXPENDITURES				
Police	100,549	100,549	99,652	897
Fire	67,027	67,027	72,753	(5,726)
Communications	7,725	7,725	6,591	1,135
Planning, Engineering & Permits	13,952	13,468	11,747	1,722
Transportation	13,708	13,216	11,885	1,332
Municipal Court	8,003	8,003	6,654	1,349
Public Works	39,874	39,888	36,614	3,274
Parks & Recreation	17,442	17,447	15,623	1,824
Library	13,258	13,258	12,049	1,209
Arlington	416	416	383	33
Auditorium	1,432	1,432	1,225	208
Museum of Art	2,919	2,924	2,381	543
Sloss Furnace	515	515	429	86
Southern Museum of Flight	847	847	699	148
State Fairgrounds	3,270	3,270	3,088	182
Finance	20,304	20,304	15,485	4,819
Equipment Management	14,265	15,465	15,393	73
Information Mgt Services	22,032	18,908	17,964	944
City Clerk	2,147	2,147	1,498	649
Community Development	1,056	1,056	1,015	41
City Council	5,217	4,976	4,580	396
Office of the City Attorney	7,212	7,490	7,023	466
Mayor's Office	8,385	8,600	8,641	(41)
Human Resources	18,908	19,688	22,167	(2,479)
Innovation and Econ Opp	2,680	2,676	2,170	506
Economic Development and Assistance	27,890	30,550	28,258	2,293
Debt Management	20,791	20,791	20,622	169
Total expenditures	441,826	442,638	426,589	16,049
Excess (deficiency) of revenues over expenditures	11,340	9,730	92,820	(83,090)
OTHER FINANCING SOURCES (USES)				
Other operating revenues	-	-	200	200
Transfers in	2,351	2,656	2,364	(292)
Transfers out	(13,692)	(41,076)	(14,122)	26,954
Total other financing sources (uses)	(11,340)	(38,420)	(11,558)	26,862
Net change in fund balances	-	(28,690)	81,262	109,952
Fund balances - beginning	173,430	173,430	173,430	-
Fund balances - ending	\$ 173,430	\$ 144,741	\$ 254,692	\$ 109,952

The notes to financial statements are an integral part of this statement.

City of Birmingham, Alabama  
Statement of Net Position  
Proprietary Funds  
June 30, 2022  
(amounts expressed in thousands)

	Governmental Activities Internal Service Funds
<b>ASSETS</b>	
Current assets:	
Cash and investments	\$ 1,442
Accounts and grants receivable	1,419
Total current assets	<u>2,861</u>
Total assets	<u>\$ 2,861</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	1,880
Total current liabilities	<u>1,880</u>
Total liabilities	<u>\$ 1,880</u>
<b>NET POSITION</b>	
Unrestricted	981
Total net position	<u>\$ 981</u>

The notes to financial statements are an integral part of this statement.

City of Birmingham, Alabama  
Statement of Revenues, Expenses, and Changes in Net Position  
Proprietary Funds  
For the Year Ended June 30, 2022  
(amounts expressed in thousands)

	Governmental Activities Internal Service Funds
<b>OPERATING REVENUES</b>	
City contributions to employee health insurance	\$ 28,908
Employee health deductions	8,786
Prescription drug rebate	1,561
Retiree health insurance and city contributions	6,749
Total operating revenues	<u>46,004</u>
<b>OPERATING EXPENSES</b>	
Blue Cross Claims	35,505
Express Scripts Claims	224
Stop Loss Premium	1,074
Admin Fees - BCBS	1,410
Express Scripts Fees	7
Blue Cross Claims - Retirees	7,842
Express Script Claims - Retirees	76
Express Script Fees - Retirees	1
Total operating expenses	<u>46,139</u>
Operating income (loss)	<u>(135)</u>
Income (loss) before contributions and transfers	<u>(135)</u>
Change in net position	<u>(135)</u>
Total net position - beginning	\$ 1,116
Total net position - ending	<u>\$ 981</u>

The notes to financial statements are an integral part of this statement.

City of Birmingham, Alabama  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2022  
(amounts expressed in thousands)

	Governmental Activities Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash receipts from customers	\$ 44,585
Payments to suppliers	(47,086)
Net cash provided (used) by operating activities	(2,501)
 Net increase (decrease) in cash and cash equivalents	 (2,501)
Balances - beginning of year	3,943
Balances - end of the year	\$ 1,442
 <b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>	
Operating Income	\$ (135)
Changes in assets and liabilities:	
Change in accounts receivable	(1,419)
Change in accounts payable	(947)
Net cash provided (used) by operating activities	\$ (2,501)

The notes to financial statements are an integral part of this statement.



City of Birmingham, Alabama  
Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2022  
(amounts expressed in thousands)

	Pension (and Other Employee Benefit) Trust Funds	Custodial Fund Board of Education Tax Fund
<b>ASSETS</b>		
Cash and cash equivalents	\$ 95,339	\$ -
Accounts (net of uncollectibles)	2,212	-
Total Cash	97,551	-
Receivables:		
Member loans	\$ 7,556	\$ -
Interest and dividends	2,784	-
Taxes receivable		1,332
Total receivables	10,340	1,332
Investments at fair value:		
U.S. government obligations	\$ 66,765	\$ -
Domestic corporate bonds	165,482	-
Domestic stocks	712,743	-
Alternative investments	36,390	-
Total investments	981,380	-
Total assets	1,089,271	1,332
<b>LIABILITIES</b>		
Accounts payable	\$ 1,111	\$ -
Due to other governments	-	1,332
Total liabilities	1,111	1,332
<b>NET POSITION</b>		
Restricted for:		
Pension	\$ 1,088,160	\$ -
Total net position	1,088,160	-
Total liabilities and net position	\$ 1,089,271	\$ 1,332

The notes to financial statements are an integral part of this statement.

City of Birmingham, Alabama  
Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
For the Year Ended June 30, 2022  
(amounts expressed in thousands)

	Pension Trust Funds	Custodial Fund Board of Education Tax Fund
<b>ADDITIONS</b>		
Contributions:		
Employer Contributions	\$ 48,975	\$ -
Plan member contributions	18,527	-
Total contributions	67,502	-
Investment earnings:		
Investment earnings	\$ (112,044)	\$ -
Securities lending	384	
Securities litigation	126	
Total investment earnings	(111,534)	-
Less: Investment expenses	3,428	
Net investment earnings	\$ (114,962)	\$ -
Revenues		
Other income	\$ 132	\$ -
Advalorem taxes for other governments	-	80,504
Total revenues	132	80,504
Total additions	(47,328)	80,504
<b>DEDUCTIONS</b>		
Benefits	\$ 121,881	\$ -
Refunds of contributions	4,855	-
Administrative expenses	2,245	-
Advalorem taxes for other governments	-	80,504
Total deductions	128,981	80,504
Net increase (decrease) in fiduciary net position	(176,309)	-
Net Position -- beginning of the year	1,264,469	-
Net Position -- end of the year	\$ 1,088,160	\$ -

The notes to financial statements are an integral part of this statement.

City of Birmingham, Alabama  
Statement Net Position  
Combining Component Units  
June 30, 2022  
(amounts expressed in thousands)

	E911 Communications District	Birmingham Airport Authority	Birmingham Parking Authority	Total
<b>ASSETS</b>				
Current assets:				
Cash and investments	\$ 5,896	\$ 36,915	\$ 7,579	\$ 50,390
Accounts (net of uncollectibles)	700	34,429	139	35,268
Inventories	-	262	-	262
Prepaid items	-	1,177	178	1,355
Cash and cash equivalents	-	17,958	-	17,958
Investments	-	62,435	-	62,435
Accounts and grants receivable	-	797	-	797
Total current assets	6,596	153,973	7,896	168,465
Noncurrent assets:				
Land	\$ -	\$ 224,274	\$ 2,407	\$ 226,681
Buildings and capital facilities	3,098	312,354	-	315,452
Furniture and other equipment	16,527	74,772	3,331	94,630
Accumulated depreciation	(7,902)	(308,335)	(1,906)	(318,143)
Infrastructure	-	227,382	-	227,382
Construction in progress	36	-	-	36
Total noncurrent assets	11,759	530,447	3,832	546,038
Total assets	18,355	684,420	11,728	714,503
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows of resources	\$ 1,141	\$ 10,046	\$ -	\$ 11,187
Total deferred outflows of resources	1,141	10,046	-	11,187
Total assets and deferred outflows of resources	19,496	694,466	11,728	725,690
<b>LIABILITIES</b>				
Current liabilities:				
Accounts and vouchers payable	\$ 1,122	\$ 7,294	\$ 119	\$ 8,535
Accrued payroll and payroll taxes payable	-	-	201	201
Due to primary government	-	-	4,626	4,626
Unearned Revenue	-	-	146	146
Interest payable	60	-	-	60
Capitalized leases	1,412	-	-	1,412
Compensated absences (current)	140	-	71	211
Contracts Payable (restricted assets)	-	2,355	-	2,355
Accrued Interest Payable	-	2,383	-	2,383
Current portion of revenue bonds payable	-	-	239	239
Total current liabilities	2,734	12,032	5,402	20,168
Noncurrent liabilities:				
Capitalized Leases (long-term)	\$ 3,774	\$ -	\$ -	\$ 3,774
Compensated absences (long-term)	-	583	315	898
Bonds and warrants payable, net (LTL)	-	120,844	-	120,844
Net pension liability	789	19,197	-	19,986
Total noncurrent liabilities	4,563	140,624	315	145,502
Total liabilities	7,297	152,656	5,717	165,670
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows of resources related to pensions	\$ 1,858	\$ 48,196	\$ -	\$ 50,054
Total deferred inflows of resources	1,858	48,196	-	50,054
Total liabilities and deferred inflows of resources	9,155	200,852	5,717	215,724
<b>NET POSITION</b>				
Net investment in capital assets	\$ 10,341	\$ 459,101	\$ 3,593	\$ 473,035
Restricted for:				
Debt service	-	5,304	-	5,304
Future projects	-	11,120	-	11,120
Unrestricted	-	18,089	2,418	20,507
Total net position	\$ 10,341	\$ 493,614	\$ 6,011	\$ 509,966

The notes to financial statements are an integral part of this statement.

City of Birmingham, Alabama  
Statement of Activities  
Combining Component Units  
For the Year Ended June 30, 2022  
(amounts expressed in thousands)

Functions/Programs	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position			
					E911 Communications District	Birmingham Airport Authority	Birmingham Parking Authority	Total
E911 Communications District								
Emergency Management Communication District	\$ 7,772	\$ 7,441	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (331)
Total E911 Communications District	7,772	7,441	-	-	(331)	-	-	(331)
Birmingham Airport Authority								
Component Units	40,805	44,474	11,856	-	-	15,525	-	15,525
Total Birmingham Airport Authority	40,805	44,474	11,856	-	-	15,525	-	15,525
Birmingham Parking Authority								
Component Units	8,006	8,076	-	-	-	-	70	70
Total Birmingham Parking Authority	8,006	8,076	-	-	-	-	70	70
Total component units	\$ 56,583	\$ 59,991	\$ 11,856	\$ -	\$ (331)	\$ 15,525	\$ 70	\$ 15,264
General revenues:								
Unrestricted Investment Earnings					5	1,876	-	1,881
Other					-	8,651	-	8,651
Transfers					-	-	-	-
Total general revenues, special items, and transfers					5	10,527	-	10,532
Change in net position					(326)	26,052	70	25,796
Net position - beginning					10,667	467,562	5,941	484,170
Net position - ending					\$ 10,341	\$ 493,614	\$ 6,011	\$ 509,966

The notes to financial statements are an integral part of this statement.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note I – Organization and Summary of Significant Accounting Policies**

**A. Reporting Entity**

The City of Birmingham, located in Alabama, is a municipal corporation that was incorporated on December 19, 1871. The City operates under a Mayor-Council form of government as provided by Act No. 425 of the Alabama Legislature (The Mayor-Council Act) and is comprised of a Mayor elected at large and a nine-member council that is elected by district.

The financial statements of the City have been presented in conformity with accounting principles accepted in the United States of America (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 accompanying financial statements present the City and its component units, entities for which the City of Birmingham is considered to be financially accountable (the City is able to impose its will on the organization or there is a potential for the organization to provide specific benefits or specific burdens on the City). The City's discretely presented component units are presented in total in a separate column in the government-wide financial statements to emphasize that they are legally separate from the City.

**Blended Component Unit**

The Public Athletic, Cultural and Entertainment Facilities Board of the City of Birmingham (the PACE) is a five-member board appointed by the City. The PACE imposes specific financial burdens on the City. Although legally separate, the PACE is blended as a governmental fund component unit into the City because the structure of the PACE meets the GASB Statement 61 criteria for blending. The criteria assessed and determined to result in blending is that the PACE's total debt outstanding is expected to be repaid entirely with resources of the City.

A separate financial report for the PACE is not prepared.

**Discretely presented component units**

The Birmingham Airport Authority (BAA) is a seven-member board appointed by the City and is a public corporation organized under the provisions of the Code of Alabama. The Authority is responsible for the operations of the Birmingham-Shuttlesworth International Airport. Because the City of Birmingham appoints the BAA's governing body, leases the airport to the Authority, and retains financial

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note I – Organization and Summary of Significant Accounting Policies (Continued)**

**A. Reporting Entity (Continued)**

oversight pursuant to the lease, the Authority is included as a component unit in these financial statements. The BAA's fiscal year ends June 30.

The BAA reimburses the City for the cost of providing security and fire protection services to the Airport. Amounts charged by the City for the fiscal year ended June 30, 2022, totaled \$2,840,925.

The Birmingham Parking Authority (BPA) is a three-member board appointed by the City and is a public corporation formed in 1972 through an act of the Alabama State Legislature. The BPA is responsible for developing and managing parking facilities in the City and also acts as a financing agent for certain other parking facilities. Because the City of Birmingham appoints the BPA's governing body, owns the parking facilities that the BPA manages, and retains financial oversight pursuant to the parking facilities, the BPA is included as a component unit in these financial statements. The BPA's fiscal year ends June 30.

The Birmingham Emergency Communication District (E-911 Communication District) is a non-profit corporation formed under the provisions of the Code of Alabama on January 31<sup>st</sup>, 2017 and is governed by a board of commissioners composed of the members of the Birmingham City Council. The District is responsible for providing emergency telephone services to citizens and others within the geographical area of the Corporation. Because the governing bodies of the E-911 Communication District and the City are comprised of the same members and the nature and significance of its relationship with the City, the District is included as a component unit in these financial statements. The E-911 Communication District's fiscal year ends September 30.

Complete financial statements for each component unit may be obtained at the following administrative offices:

Birmingham Airport Authority  
 5900 Airport Highway  
 Birmingham, Alabama 35222

Financial statement date: June 30, 2022

Birmingham Parking Authority  
 1732 5<sup>th</sup> Avenue North  
 Birmingham, Alabama 35203

Financial statement date: June 30, 2022

Birmingham Emergency Communication District  
 711 19<sup>th</sup> Street North  
 Birmingham, Alabama 35203

Financial statement date: September 30, 2022

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note I – Organization and Summary of Significant Accounting Policies (Continued)**

**A. Reporting Entity (Continued)**

**Related Organizations**

The City of Birmingham is also responsible for appointing a voting majority of the boards of other organizations, but the City's financial accountability for these organizations does not extend beyond making the appointments. The City appoints a voting majority of the Birmingham-Jefferson County Transit Authority (BJCTA) and the Birmingham Housing Authority (BHA). In fiscal year 2022, the City provided funding to the BJCTA in the amount of \$5,000,000. These organizations are related organizations that have not been included within the City's financial statements.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements of the City consist of the statement of net position and the statement of activities for all of the nonfiduciary activities of the City and its four component units. The effect of interfund activity has been removed from these statements; however, interfund services provided and used are not eliminated in the process of consolidation. The statements report the *governmental activities*. Governmental activities are normally supported by taxes and intergovernmental revenues. The City, as the *primary government*, is shown separately from its three legally separate discretely presented *component units*. The City's blended component unit is presented combined with the primary government activity.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function; *program revenues* include (a) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. *General revenues* include taxes and other items not included in program revenues.

Included in this report are separate financial statements for governmental funds, proprietary funds (including the internal service fund), and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The City reports its major individual governmental funds as separate columns in the fund financial statements.

An internal service fund (which provides services primarily to other funds of the government) is presented, in summary form, as part of the proprietary fund financial statements. Since the principal users of the internal services are the City's

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note I – Organization and Summary of Significant Accounting Policies (Continued)**

**B. Government-wide and Fund Financial Statements (Continued)**

governmental activities, the financial statements of the internal service fund are consolidated into the governmental activities column when presented at the government-wide level. The costs of these services are charged to the appropriate functional activity.

Surpluses or deficits in the internal service funds are allocated back to customers at the government-wide level statement of activities.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The government-wide financial statements, the proprietary fund financial statements, and the fiduciary fund financial statements are all reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Under this focus and basis, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of when the cash is received or expended.

Property taxes are recognized as revenues in the year of their levy; grants and similar items are recognized as revenue when all the eligibility requirements of the providers have been met.

All governmental funds are accounted for using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under the modified accrual basis of accounting, revenues are recorded when they are both measurable and available. The City of Birmingham considers revenues to be *available* if they are collected within 60 days of the end of the current fiscal period; the major sources of accrued revenue are the various business and ad valorem taxes the City collects as well as grant revenues. Expenditures are recorded when the liability is incurred, consistent with accrual accounting. Debt service expenditures, claims and judgments, as well as expenditures related to compensated absences are recorded only when payment is due.

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 and liabilities, contingent liabilities and the reported amount of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.



**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note I – Organization and Summary of Significant Accounting Policies (Continued)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

For the purposes of the statement of cash flows, highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents.

The City of Birmingham reports the following major governmental funds:

The *General Fund* is the City's primary operating fund and accounts for all financial resources except those required to be accounted for in other funds.

The *Debt Reserve Fund* accounts for the receipt of property taxes earmarked for debt service on bonds by constitutional and authorizing initiatives and issued pursuant to a voter referendum. It also accounts for the payment of bonded debt service.

The *Birmingham Fund* is considered a Special Revenue Fund and accounts for proceeds the City received from the sale of the Industrial Water Board. The Birmingham Fund is considered a reserve fund set aside for use in emergency situations and/or as revenue shortages or budgetary imbalances occur. Funds may be appropriated as follows: (a) Operating Budget Amendments or other appropriations for any fiscal year, not exceeding 5% of the five-year average fair value of the fund, by majority council vote; (b) Any other additional amount for any lawful purpose with majority Council vote and a declaration of extraordinary circumstance.

The *ARP-COVID Rec Fund* accounts for funding received through the American Rescue Plan Act of 2021. The City received \$70,636,000 for the 2022 fiscal year. The ARP Fund was used to pay Public Safety employees' wages, professional fees and capital projects.

The *Grants Fund* is used to account for grant revenues and expenditures of the City.

The City of Birmingham reports the following proprietary fund as a *major* proprietary fund:

The *Internal Service Fund* provides self-insured health benefits to the City's employees and retirees. The fund collects deductions from employees and the City contributes a portion of the cost as well. Additionally, if there are any shortages, the City covers this cost.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

The City's fiduciary Funds are used to report assets held in a trustee or custodial capacity for others that cannot be used to support the government's own programs. Related additions and deductions are also reported in fiduciary funds.

The City has two Fiduciary Funds:

- The Pension Funds account for the activities of the City's three pension plans.
- The Board of Education Tax Fund accounts for taxes belonging to City's Board of Education (BOE). Through various state and local statutes, the BOE is entitled to a share of certain taxes collected by Jefferson County, Alabama and Shelby County, Alabama. Because of the tax payment/remittance mechanisms used by the Counties, these taxes are remitted to the City and subsequently disbursed to the BOE from the City. The City collection and disbursement method related to these taxes causes the City to hold assets of the BOE and remit collections to the BOE. This activity is reflected in a custodial fiduciary fund activity of the City.

The City currently receives advalorem taxes from the Jefferson County and Shelby County Tax Collectors based on a total millage rate of 69.50 mills and 72.22 mills respectively. Of the 69.50 mills received from Jefferson County, 46.90 mills are kept by the City to fund general government operations and the balance of 22.60 mills is remitted by the City to the Board. Of the 72.22 mills received from Shelby County, 48.70 mills are kept by the City to fund general government operations and the balance of 23.50 mills is remitted by the City to the Board. The City also remits personal advalorem property taxes to the Board. During the year ended June 30, 2022, the total advalorem taxes remitted to the Board amounted to approximately \$80,504,407 and \$1,331,643 was due the Board of Education at June 30, 2022.

Because of the custodial nature of these transactions that pass through the City from Jefferson and Shelby Counties to the Board, the City accounts for this activity in a fiduciary fund in accordance with GASB Statement No. 84.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note I – Organization and Summary of Significant Accounting Policies (Continued)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

The accompanying financial statements reflect the elimination of interfund activity with the exception of the charges to the City's proprietary fund. These amounts are shown on the statement of net position as *internal balances*.

The operating revenues of the City's internal service fund are fees from the City and City employees for health care benefits. The operating expenses of the internal service fund are for health care and prescription drug claim payments.

**D. Assets, Liabilities, and Deferred Outflows/Inflows of Resources and Net Position, or Fund Balance**

1. Deposits and Investments – Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City. State statutes authorize the City to invest certain funds in U. S. government obligations, U. S. government agency obligations, U.S. corporate stock, U.S. debt, State of Alabama obligations, county obligations, and other municipal obligations. The City invests its funds in accordance with State law.

All investments, including those of the City's component units, are reported at fair value, or best available estimates. Short-term investments are reported at cost which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price reported by such exchange. All investments have established markets to determine their fair value.

2. Receivables and Payables – The City shows "due to/from other funds" at the end of the fiscal year to show any current outstanding balances from lending/borrowing arrangements between funds.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note I – Organization and Summary of Significant Accounting Policies (Continued)**

**D. Assets, Liabilities, and Deferred Outflows/Inflows of Resources and Net Position, or Fund Balance (Continued)**

The City shows receivables at June 30, 2022, consisting of the following:

	<b>Governmental Activities</b>	<b>Total Primary Government</b>
Taxes Receivable	\$ 50,934	\$ 50,934
Customers and Other	21,011	20,011
Other Governments	2,997	2,997
Interest Receivable	222	222
Gross Receivable	75,164	74,164
Less: allowance for uncollectible	(10,961)	(10,961)
<b>Net Receivables</b>	<b>\$ 64,203</b>	<b>\$ 63,203</b>

Taxes Receivable – All property taxes levied by the State of Alabama, the City, Jefferson and Shelby Counties, are assessed by the Jefferson and Shelby County Tax assessors and collected by their tax collectors. The property tax calendars specify the following actions and dates:

Levy (assessment date)	September 30
Lien date	September 30
Due date	October 1
Collection dates	October 1 to December 31
Delinquent date	January 1

The City of Birmingham receives a 4% sales tax for the sale of tangible goods within the City limits and a 1% occupational tax on wages of persons employed within the City limits. These tax collections are remitted to the City on a monthly basis. All amounts remitted within the fiscal period are included in revenue; taxes due within the fiscal year but remitted to the City after year-end are accrued in both the government-wide and fund financial statements.

3. Inventories and Prepaid Items – Inventories are valued on the average cost basis. Inventory consists of expendable supplies held in the General Fund for consumption. The cost is recorded as an expenditure at the time individual items are used (consumption method). Payments made to vendors for services that will benefit periods beyond June 30, 2022 are recorded as prepaid items.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note I – Organization and Summary of Significant Accounting Policies (Continued)**

**D. Assets, Liabilities, and Deferred Outflows/Inflows of Resources and Net Position, or Fund Balance (Continued)**

4. Restricted assets – Certain assets of the Birmingham Airport Authority (component unit) are restricted by the terms of federal grants and programs. These particular funds are restricted for designated capital projects.
  
5. Capital assets – Capital assets include property, buildings, furniture, other equipment, and infrastructure. Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital outlays are recorded as expenditures of the governmental funds. Capital assets, other than infrastructure, are defined by the City as items with an estimated useful life of three years or more and an individual cost in excess of \$5,000. Capital assets are recorded at cost where historical cost is available or at estimated historical cost if actual cost is not available. Donated capital assets are recorded at their acquisition value at time of donation. The costs of normal repairs and maintenance that do not add to the value of the asset, or materially extend useful lives, are expensed. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>ASSETS</u>	<u>YEARS</u>
Buildings, capital facilities and improvements	50
Furniture and equipment	3 – 20
Infrastructure	25 – 50

The City recognizes the intrinsic value of historical works and collections. As such, the City has adopted a policy that these items will not be considered capital items and subject to depreciation. This policy covers the historical works and collections housed at the City's various museums. Should the sale of any of these items occur, the City is committed to using the funds generated from the sale to purchasing other similar collectibles.

6. Compensated absences – City of Birmingham employees earn vacation leave at graduated rates based on the employee's length of service, 8 hours per month for 0 -12 years of employment, 12 hours per month for 12-25 years of

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note I – Organization and Summary of Significant Accounting Policies (Continued)**

**D. Assets, Liabilities, and Deferred Outflows/Inflows of Resources and Net Position, or Fund Balance (Continued)**

employment and over 25 years 16 hours a month, with the exception of firemen. Employees are allowed to carry over up to 320 hours of unused vacation leave. Vacation pay is accrued when incurred in the government-wide financial statements. The City does not have a policy for vested sick pay, thus no liability for accumulated unpaid sick leave is accrued.

7. Long-term obligations – Long-term debt and other long-term obligations are reported in the government-wide financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premiums and discounts. As per GASB 65, bond issuance costs, other than insurance cost, are expensed in the period incurred. Prepaid insurance cost should be reported as deferred charges and amortized over the term of the related debt. In the fund financial statements, any bond premiums and issuance costs have been recognized in the current period. The face amount of the new debt issued and the premiums received are reported as other financing sources; issuance costs are reported as debt service expenditures.
8. Equity classification – In the government-wide statements, equity is classified as net position and displayed in three components: a. Net investment in capital assets (consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets); b. Restricted net position (consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional or enabling legislation); c. Unrestricted net position – all other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form—prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note I – Organization and Summary of Significant Accounting Policies Continued)**

**D. Assets, Liabilities, and Deferred Outflows/Inflows of Resources and Net Position, or Fund Balance (Continued)**

*Restricted fund balance* – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

*Committed fund balance* – These amounts can only be used for specific purposes pursuant to constraints imposed by ordinances of the City

Council, the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the commitment by taking the same action it employed to impose the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been committed for use in satisfying those contractual requirements.

*Assigned fund balance* – This classification reflects the amounts constrained by the City's "intent" to be used for specific purposes but are neither restricted nor committed. The City Council and Finance Director have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

*Unassigned fund balance* – This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

The City Council has established a stabilization arrangement for the Birmingham Fund. Under this arrangement, it is the City's intent to maintain a reserve fund set aside for emergency situations and/or as revenue shortages or budgetary imbalances occur. Funds may be appropriated as follows: (a) Operating Budget Amendments or other appropriations for any fiscal year, not exceeding 5% of the five-year average fair value of the fund, by majority Council vote; (b) Any other additional amount for any lawful purpose with majority Council vote and a declaration of extraordinary circumstance.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note I – Organization and Summary of Significant Accounting Policies Continued)**

**D. Assets, Liabilities, and Deferred Outflows/Inflows of Resources and Net Position, or Fund Balance (Continued)**

When both restricted and unrestricted resources are available for use, it is the City's policy to use resources, in the following order and as needed: restricted resources, unrestricted resources, committed or assigned resources, and finally unassigned resources.

9. Deferred outflows/inflows of resources – The statement of net position will sometimes report separate sections for deferred outflows and inflows of resources.

The separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City currently has three items that qualify for reporting in this category. The first is the deferred loss on refunding debt. A deferred loss results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the lesser of the life of the refunded or refunding debt. The second and third are related to pensions and OPEB resulting from changes in actuarial assumptions and City contributions subsequent to the measurement date that will be recognized as a reduction of net pension liability in subsequent years.

The statement of financial position will also report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. At this time, the City has transactions that meet the definition of deferred inflows of resources which are related to changes in actuarial assumptions for pensions and OPEB.

10. Other Postemployment Benefits - Other Postemployment Benefits (OPEB) cost for retiree healthcare and similar, non-pension retiree benefits, is required to be measured and disclosed using the accrual basis of accounting (see Note I.), regardless of the amount recognized as OPEB expense on the modified accrual basis of accounting. Annual OPEB cost is calculated in accordance with GASB Statement No. 75.



**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**11. Recently issued statements and implementation guides:**

The City implemented GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.

Under this Statement, a lessee is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The implementation of this Statement had no impact on the City's reporting in the current fiscal year.

The City also implemented GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The implementation of this Statement had no impact on the City's reporting in the current fiscal year.

The City implemented GASB Statement No. 92, *Omnibus 2020*. The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. More comparable reporting will improve the usefulness of information for users of state and local government financial statements. The implementation of this Statement had no impact on the City's reporting in the current fiscal year.

The City implemented GASB Statement No. 93, *Replacement of Interbank Offered Rates*. The exceptions to the existing provisions for hedge accounting termination and lease modifications in this Statement will reduce the cost of the accounting and financial reporting ramifications of replacing IBORs with other reference rates. The reliability and relevance of reported information will be maintained by requiring that agreements that effectively maintain an existing hedging arrangement continue to be accounted for in the same manner as

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

before the replacement of a reference rate. As a result, this Statement will preserve the consistency and comparability of reporting hedging derivative instruments and leases after governments amend or replace agreements to replace an IBOR. The implementation of this Statement had no impact on the City's reporting in the current fiscal year

The City implemented GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans was issued in June 2020 and is effective for reporting periods beginning after June 30, 2022. This statement provides additional guidance and clarity on the criteria for determining and reporting component unit information in government financial statements. The implementation of this statement had no impact on the City's reporting in the current fiscal year.

In October 2021, GASB issued Statement No. 98, *The Annual Comprehensive Financial Report*. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. This new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The implementation of this Statement had no impact on the City's reporting in the current fiscal year.

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures.

This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. (This new effective date reflects the immediate implementation of GASB Statement No. 95.)

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The requirements of this Statement will improve financial reporting by establishing the definitions of PPPs and APAs and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. That uniform guidance will provide more relevant and reliable information for financial statement users and create greater consistency in practice. This Statement will enhance the decision usefulness of a government's financial statements by requiring governments to report assets and liabilities related to PPPs consistently and disclose important information about PPP transactions. The required disclosures will allow users to understand the scale and important aspects of a government's PPPs and evaluate a government's future obligations and assets resulting from PPPs. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The requirements of this Statement will provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. Earlier application is encouraged.

In May 2022, GASB issued Statement No. 99, Omnibus 2022. The requirements of this Statement establishes or amends accounting and financial reporting requirements for specific issues related to financial guarantees, derivative instruments, leases, public-public and public-private partnerships (PPPs), subscription-based information technology arrangements (SBITAs), the transition from the London Interbank Offered Rate (LIBOR), the Supplemental Nutrition Assistance Program (SNAP) (formerly, food stamps), nonmonetary transactions, pledges of future revenues, the focus of government-wide financial statements, and terminology. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections*. The requirements of this Statement will enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for reporting periods beginning after June 15, 2023. Earlier application is encouraged.

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The requirements of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023. Earlier application is encouraged.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note II – Stewardship, Compliance, and Accountability**

**A. Budgetary Information**

The annual budget for the City of Birmingham's General Fund is adopted on a basis consistent with generally accepted accounting principles. Budgets for the Special Revenue and Capital Projects Funds are adopted on an individual project basis. Budgets are prepared for the Debt Service Fund based on general obligation bond resolutions. The City did not adopt budgets for the Birmingham Fund and the Grants Fund.

On or before May 20, the Mayor submits to the City Council a proposed General Fund operating budget for the upcoming fiscal year commencing July 1. The proposed budget includes proposed expenditures and the means of financing them. Subsequently, a public hearing is held to obtain taxpayer comments; and prior to July 1, the official budget is enacted through passage of an ordinance.

The City's budget is prepared by fund, function, and department. The individual departments are authorized by the Mayor to make transfers of appropriations within their departments; however, any revisions that alter the total expenditures of any fund or transfer between departments must be approved by City Council. The legal level of budgetary control is the department level. This year's General Fund budget was amended as needed throughout the year by City Council action, provided that adequate funds were available at the time of the amendments.

Encumbrance accounting is used in governmental funds. All general fund purchase orders lapse at year end and are reestablished along with their appropriations as needed in the new fiscal year. All purchase orders in capital projects and special revenue funds do not lapse and appropriations carry forward.

**B. Fund Deficit of Non-Major Funds**

Deficits in net position/fund balance of non-major funds at June 30, 2022 are as follows:

**Special Revenue Funds**

HUD Block Grant Fund	\$	2,246,415
Reimbursable Agreements		377,700

**Capital Projects Funds**

2013-A Bonds	\$	297,849
2015-A Bonds		1,272,066

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

The HUD Block Grant Fund, Reimbursable Agreements fund balances are at a deficit due to reimbursement timing from grant agencies and non-reimbursable costs charged to the funds.

Fund balances in 2013-A Bonds and 2015- A Bonds are due to advance expenditures likely to be reimbursed in future periods.

**Note III – Detailed Notes on Fiduciary Funds**

Fiduciary Funds include assets of the City of Birmingham Retirement and Relief System, the City of Birmingham Firemen's and Policemen's Supplemental Pension System, and the City of Birmingham Pension Plan for Unclassified Employees. For purposes of this note, these plans are hereafter referred to as "Pension Plans". Fiduciary Funds also include custodial activity for the Birmingham Board of Education.

**A. Deposits and Investments**

**Deposits**

At June 30, 2022, the carrying amount of the Pension Plans' demand deposits, certificates of deposits, and money market investments in all funds was \$95,339,000.

Financial institutions utilized as depositories by the City must provide evidence of its designation by the Alabama State Treasurer as a qualified public depository under the Security of Alabama Funds Enhancement Act (SAFE). The depository (QPD) is required to hold collateral for all its public depositories on a pooled basis in a custody account established by 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 form would be filed with the State Treasurer who would use the SAFE pool collateral or other means to reimburse the loss.

**Investments**

The following schedule of investments displays the fair value of assets held in each fund type, as well as the valuation approaches, and inputs used in determining fair value. Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using matrix pricing techniques. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Alternative investments classified in Level 3 are valued using discounted cash flow techniques, comparable transactions, and publicly quoted companies methods.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note III – Detailed Notes on Fiduciary Funds (Continued)**

**A. Deposits and Investments (Continued)**

**Investments Measured at the Fair Value**

**Retirement & Relief System**

Investment Type	Fair Value	Weighted Avg Maturity (Years)	Fair Value Measuring Using		
			Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Govt. Agency Obligations	\$ 31,121,336	16.4	\$ 1,389,190	\$ 29,732,146	\$ -
U.S. Treasuries	35,270,116	10.9	35,270,116	-	-
U. S. Corporate Debt	162,765,753	8.2	116,123,751	44,726,103	1,915,899
U. S. Corporate Stock	702,502,357		483,700,238	136,277,247	82,524,872
Alternative Investments	36,390,417		-	-	36,390,417
Total fair value	\$ 968,049,979		\$ 636,483,295	\$ 210,735,496	\$ 120,831,188

**Firemen's & Policemen's Supplemental Pension**

Investment Type	Fair Value	Weighted Avg Maturity (Years)	Fair Value Measuring Using		
			Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Govt. Agency Obligations	\$ 354,757	21.38	\$ -	\$ 354,757	\$ -
U.S. Treasuries	19,202	2.84	19,202	-	-
U. S. Corporate Debt	2,715,785	5.54	2,123,695	592,090	-
U. S. Corporate Stock	10,240,315		10,240,315	-	-
Total fair value	\$ 13,330,060		\$ 12,383,213	\$ 946,847	\$ -

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note III – Detailed Notes on Fiduciary Funds (Continued)**

**A. Deposits and Investments (Continued)**

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table.

**Retirement & Relief System**

**Retirement and Relief**

<b>Manager</b>	<b>Investment Classification</b>	<b>NAV</b>	<b>Redemption Frequency (If Currently Eligible)</b>	<b>Redemption Notice Period</b>
Hamilton Lane	Private Equity	\$ 6,316,974	not eligible	not eligible
Grosvenor Capital Management	Private Equity	30,073,443	not eligible	not eligible
		<b>\$ 36,390,417</b>		

**Retirement & Relief System**

The City's investment policy for its Retirement and Relief System does limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Investments Highly Sensitive to Interest Rate Changes**

The Pension Plan invests in mortgage-backed securities (MBS), which consisted of the following at June 30, 2022:

Agency mortgage backed securities	\$ 22,014,060
Commercial mortgage backed securities	16,184,127
Collateralized mortgage obligations (CMO)	4,525,754
<b>Total MBS</b>	<b>\$ 42,723,941</b>



**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note III – Detailed Notes on Fiduciary Funds (Continued)**

**A. Deposits and Investments (Continued)**

Mortgage-backed securities are based on cash flows from the collection of mortgages. Prepayments arise when, for example, mortgage holders redeem their mortgages early. The investor's investment is returned early, or in extreme cases not returned at all. Mortgage-backed securities may be considered to be investments with terms that may cause their fair values to be highly sensitive to interest rate changes.

**Credit Risk**

Credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to fulfill its obligations. GASB statement Number 40 requires disclosure of credit quality ratings for investments in debt securities as well as investments in external investment pools, money market funds, bond mutual funds, and other pooled investments of fixed-income securities.

Investments may be aggregated by rating category within the disclosure. Ratings are set by nationally recognized statistical rating organizations (Fitch Ratings, Moody's Investors Service, and Standard & Poor's). In cases where an investment is unrated, a disclosure noting that the investment is unrated is required.

The City's fiduciary fund investments included the following bonds at June 30, 2022:

**Retirement & Relief System**

<b>Description</b>	<b>Rating</b>	<b>Fair Value</b>
U.S. Govt. Agency Discount Notes, Bonds	AA	\$ 66,391,452
U.S. Corporate Bonds:		
	AAA	9,385,137
	AA	4,460,416
	A	27,017,621
	BBB	47,535,213
	BB	33,840,163
	B	9,354,240
	CCC	198,000
	CC	18,094
	NR	30,956,870
		162,765,753
		\$ 229,157,205

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note III – Detailed Notes on Fiduciary Funds (Continued)**

**A. Deposits and Investments (Continued)**

**Concentration of Credit Risk**

A concentration in credit risk exists when investments in any one type represents 5 percent or more of total investments and must be disclosed. Excluded from this requirement are investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools and other pooled investments.

There were no investments held at June 30, 2022, which represented 5 percent or more of total investments.

**Securities Lending Transactions**

Under the provisions of State statutes, the City of Birmingham Retirement and Relief System lends securities to broker-dealers and other entities (borrowers) for collateral that will be returned for the same securities in the future. One of the City's custodial banks manages the securities lending program and received both cash and domestic bonds as collateral. The collateral securities cannot be pledged, nor sold by the Retirement and Relief System, unless the borrower defaults. Collateral securities are initially pledged at 102% of the fair value of the securities lent, and this collateral is adjusted weekly to maintain the 102% level. The Retirement and Relief System authorizes the lending of domestic bonds and equity securities. The cash collateral is invested in commingled short-term fixed income accounts. The Retirement and Relief System, as a program participant, assumes the risk that (a) the overnight investment rate will not equal or exceed the rebate rate, (b) a loss of principal in the overnight investment, and (c) the collateral will not be sufficient if called upon to replace the securities loaned. The fair value of collateral held and the fair value (USD) of securities on loan for the Retirement and Relief System as of June 30, 2022 was \$93,615,615 and \$91,087,368 respectively. The City of Birmingham Retirement and Relief System has incurred no loss through its participation in the securities lending program to date.

**Firemen's and Policemen's Supplemental Pension System**

The City's investment policy for its Firemen's and Policemen's Supplemental Pension System does limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note III – Detailed Notes on Fiduciary Funds (Continued)**

**A. Deposits and Investments (Continued)**

**Investments Highly Sensitive to Interest Rate Changes**

The Pension Plan invests in mortgage-backed securities (MBS), which consisted of the following at June 30, 2022:

Agency mortgage backed securities	\$	354,757
Total MBS	\$	354,757

Mortgage-backed securities are based on cash flows from the collection of mortgages. Prepayments arise when, for example, mortgage holders redeem their mortgages early. The investor's investment is returned early, or in extreme cases not returned at all. Mortgage-backed securities may be considered to be investments with terms that may cause their fair values to be highly sensitive to interest rate changes.

**Credit Risk**

Credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to fulfill its obligations. GASB statement Number 40 requires disclosure of credit quality ratings for investments in debt securities as well as investments in external investment pools, money market funds, bond mutual funds, and other pooled investments of fixed-income securities.

Investments may be aggregated by rating category within the disclosure. Ratings are set by nationally recognized statistical rating organizations (Fitch Ratings, Moody's Investors Service, and Standard & Poor's). In cases where an investment is unrated, a disclosure noting that the investment is unrated is required.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note III – Detailed Notes on Fiduciary Funds (Continued)**

**A. Deposits and Investments (Continued)**

The City's fiduciary fund investments included the following bonds at June 30, 2022:

**Firemen's & Policemen's Supplemental Pension**

<b>Description</b>	<b>Rating</b>	<b>Fair Value</b>
U.S. Govt. Agency Discount Notes, Bonds	AA	\$ 373,959
U.S. Corporate Bonds:		
	AA	152,480
	A	284,877
	BBB	532,414
	BB	1,144,912
	B	413,484
	CCC	11,440
	NR	176,177
		2,715,785
		\$ 3,089,745

**B. Taxes Receivable and Due to Other Governments**

At June 30, 2022, the City reflected \$1,331,643 in ad valorem taxes receivable and payable for the benefit of the City Board of Education. See Note 1C.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note IV – Detailed Notes on Funds Other than Fiduciary Funds and Proprietary Funds**

**A. Deposits and Investments**

**Deposits**

At June 30, 2022, the carrying amount of the City's demand deposits, certificates of deposits, and money market investments in all funds was \$535,720,645 and the bank balance was \$537,979,443.

Financial institutions utilized as depositories by the City must provide evidence of its designation by the Alabama State Treasurer as a qualified public depository under the Security of Alabama Funds Enhancement Act (SAFE). The depository (QPD) is required to hold collateral for all its public depositories on a pooled basis in a custody account established by 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 form would be filed with the State Treasurer who would use the SAFE pool collateral or other means to reimburse the loss.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note IV – Detailed Notes on Funds Other than Fiduciary Funds and Proprietary Funds (Continued)**

**A. Deposits and Investments (Continued)**

**Investments**

The following schedule of investments displays the fair value of assets held in each fund type, as well as the valuation approaches, and inputs used in determining fair value. Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using matrix pricing techniques. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Alternative investments classified in Level 3 are valued using discounted cash flow techniques, comparable transactions, and publicly quoted companies' methods.

At June 30, 2022, the City of Birmingham had the following investments:

**Birmingham Fund**

Investment Type	Fair Value	Weighted Avg Maturity (Years)	Fair Value Measuring Using		
			Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Govt. Agency Obligation: \$	7,798,122	5.43	\$ 2,746,899	\$ 5,051,223	\$ -
U.S. Treasuries	9,031,873	3.33	9,031,873	-	-
U. S. Corporate Debt	12,600,277	2.12	10,612,214	1,988,063	-
U. S. Corporate Stock	65,177,039		65,177,039	-	-
Total fair value	\$ 94,607,311		\$ 87,568,025	\$ 7,039,286	\$ -

**Debt Service Reserve Fund**

Investment Type	Fair Value	Weighted Avg Maturity (Years)	Fair Value Measuring Using		
			Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Govt. Agency Obligation: \$	2,399,300	8.76	\$ 814,624	\$ 1,584,676	\$ -
U.S. Treasuries	1,831,002	6.96	1,831,002		-
Total fair value	\$ 4,230,302		\$ 2,645,626	\$ 1,584,676	\$ -

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note IV – Detailed Notes on Funds Other than Fiduciary Funds and Proprietary Funds (Continued)**

**Investments Highly Sensitive to Interest Rate Changes**

The City invests in mortgage-backed securities, in the Birmingham Fund, representing U.S. government agency obligations with a fair value of \$3,616,011. Mortgage-backed securities are based on cash flows from the collection of mortgages. Prepayments arise

**A. Deposits and Investments (Continued)**

when, for example, mortgage holders redeem their mortgages early. The investor's investment is returned early, or in extreme cases not returned at all. Mortgage-backed securities may be considered to be investments with terms that may cause their fair values to be highly sensitive to interest rate changes.

**Credit Risk**

Credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to fulfill its obligations. GASB statement Number 40 requires disclosure of credit quality ratings for investments in debt securities as well as investments in external investment pools, money market funds, bond mutual funds, and other pooled investments of fixed-income securities. Investments may be aggregated by rating category within the disclosure. Ratings are set by nationally recognized statistical rating organizations (Fitch Ratings, Moody's Investors Service, and Standard & Poor's). In cases where an investment is unrated, a disclosure noting that the investment is unrated is required.

The City's investments included the following bonds at June 30, 2022:

**Birmingham Fund**

<b>Description</b>	<b>Rating</b>	<b>Fair Value</b>
U.S. Govt. Agency Discount Notes, Bonds	AA	\$ 16,829,995
U.S. Corporate Bonds:		
	AAA	996,380
	AA	1,946,953
	A	7,922,982
	BBB	1,733,962
		12,600,277
		\$ 29,430,272

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note IV – Detailed Notes on Funds Other than Fiduciary Funds and Proprietary Funds (Continued)**

**Bond Reserve Fund**

The City, at this time, does not have a formal credit risk policy.

<b>Description</b>	<b>Rating</b>	<b>Fair Value</b>
U.S. Govt. Agency Discount Notes, Bonds	AA	\$ 4,230,302
		\$ 4,230,302

**Concentration of Credit Risk**

A concentration in credit risk exists when investments in any one corporate credit represents 5 percent or more of total investments and must be disclosed. Excluded from this requirement are investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools and other pooled investments.

There were no single corporate credit investments held at June 30, 2022, which represented 5 percent or more of total investments.



**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note IV – Detailed Notes on Funds Other than Fiduciary Funds and Proprietary Funds (Continued)**

**A. Capital Assets**

Capital asset activity for the year ended June 30, 2022 was as follows (in thousands):

<b>Governmental activities</b>	<b>June 30, 2021</b>	<b>Increases</b>	<b>Decreases</b>	<b>June 30, 2022</b>
Capital assets, nondepreciable				
Land	\$ 163,990	\$ 154	\$ 10	\$ 164,135
Construction in progress	18,729	11,268	10,564	19,433
Land, infrastructure projects	16,647	-	-	16,647
<b>Total nondepreciable capital assets</b>	<b>199,366</b>	<b>11,423</b>	<b>10,574</b>	<b>200,215</b>
Capital assets, depreciable				
Buildings and capital facilities	440,804	5,609	56	446,357
Furniture and other equipment	248,589	15,779	5,231	259,137
Infrastructure	337,621		1	337,620
<b>Total depreciable capital assets</b>	<b>1,027,014</b>	<b>21,388</b>	<b>5,288</b>	<b>1,043,114</b>
Less accumulated depreciation				
Buildings and capital facilities	160,864	5,944	1,924	164,884
Furniture and other equipment	191,017	13,049	951	203,115
Infrastructure	174,917	7,843	-	182,760
<b>Total accumulated depreciation</b>	<b>526,798</b>	<b>26,836</b>	<b>2,875</b>	<b>550,759</b>
<b>Net depreciable capital assets</b>	<b>500,216</b>	<b>(5,448)</b>	<b>2,413</b>	<b>492,355</b>
<b>Governmental activities, net capital assets</b>	<b>\$ 699,582</b>	<b>\$ 5,975</b>	<b>\$ 12,987</b>	<b>\$ 692,570</b>

In 1999, the City entered into an operating lease with a non-profit organization to lease Zoo property for a nominal amount annually. The first lease period was for 25 years with two 25-year incremental extensions at the discretion of the City. Any Zoo property purchased (excluding animals) by the lessee during the term of this lease is City property. The increases for the current year are as follows: Land (no change); Buildings \$31,648; Furniture and Other Equipment \$109,765 for a total increase in Zoo fixed assets of \$141,413. Accumulated depreciation related to these assets increased by \$1,970,211. Zoo Construction Work-in Progress increased \$1,965,901.

The Public, Athletic, Cultural, and Entertainment Board (PACE) is a public corporation that was created in August of 2011. The PACE's structure qualifies as a blended component unit of the City. The PACE owns certain buildings and capital facilities, such as the Regions Field and the Negro Southern League Baseball Museum.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note IV – Detailed Notes on Funds Other than Fiduciary Funds and Proprietary Funds (Continued)**

**B. Capital Assets**

Depreciation expense was charged to the following functions (in thousands):

<b>Governmental activities</b>	
Public safety	\$17,027
Streets and sanitation	2,157
Cultural and recreation	3,063
General government	4,589
<hr/>	
Total depreciation - governmental activities	\$26,836

**C. Interfund Balances / Transfers**

During the course of normal operations, the City has numerous transactions between funds to provide services, construct assets, service debt, etc. Their transactions are generally reported as interfund transfers. No expectation of repayment between funds is expected related to these interfund transfers. The composition of interfund transfer amounts for the year ended June 30, 2022, is as follows (in thousands):

<b>Transfers Out</b>	<b>Transfers In</b>				<b>Totals</b>
	<b>General Fund</b>	<b>Grants Fund</b>	<b>Debt Reserve Fund</b>	<b>Non-Major Funds</b>	
General fund	\$ -	\$ 20	\$ -	\$ 14,102	\$ 14,122
Birmingham fund	2,351	-	-	-	2,351
Debt Reserve Fund	-	-	-	163	163
Non-Major funds	13	1,209	-	2,875	4,097
	<hr/>				
	\$ 2,364	\$ 1,229	\$ -	\$ 17,140	\$ 20,733

Transfers are primarily used to move funds from:

- The General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.
- One capital projects fund to another for projects accounted for in the other fund.
- Birmingham Fund to another fund – 5 percent of the fund may be appropriated for disbursement for any purpose, by Council ordinance.
- Grants Fund from Non-Major funds, and other grant related funds – matching funds were transferred in 2022 to original funding sources.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note IV – Detailed Notes on Funds Other than Fiduciary Funds and Proprietary Funds (Continued)**

**D. Long-term Debt**

General obligation bonds

The City issues general obligation bonds to provide funds for the acquisition and/or construction of capital assets. The bonds are direct obligations of the City and the full faith and credit of the City is pledged against the bonds. The bonds outstanding at June 30, 2022, are as follows (in thousands):

<b>Bond Series/Interest Rate</b>	<b>Maturity</b>		
2013A; 5%	3/1/2023	\$	2,100
2014A; 4%-5%	12/1/2030		32,960
2015WFB; 4.57%	11/1/2023		4,425
2015B; 2.56% - 3.65%	3/1/2030		6,635
2015A2; 3.5% - 5%	3/1/2035		20,865
2016A; 5%	4/1/2023		2,235
2016D; 3.89% - 3.92%	12/1/2024		6,835
2016TMC; 11.75%	3/1/2036		2,245
2018A; 3.13% - 5%	12/1/2043		40,805
2018D; 3.625% - 5%	5/1/2048		44,980
2020; 0.61% - 2.43%	3/1/2034		65,325
2021; 2.00% - 2.45%	3/1/2034		61,405
	<b>Total</b>		<b>290,815</b>
Accreted Interest			
2016TMC	3/1/2036		888
		\$	<b>291,703</b>

Annual debt service requirements to maturity for general obligation bonds are as follows (in thousands):

<b>June 30,</b>	<b>Principal</b>	<b>Interest</b>
2023	\$ 27,979	\$ 10,016
2024	17,958	9,178
2025	18,441	8,692
2026	19,036	8,095
2027	19,731	7,405
2028-2032	110,327	25,352
2033-2037	52,821	9,206
2038-2042	10,165	4,815
2043-2047	12,390	2,599
2048	2,855	143
	\$ 291,703	\$ 85,501

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note IV – Detailed Notes on Funds Other than Fiduciary Funds and Proprietary Funds (Continued)**

**D. Long-term Debt (Continued)**

The warrants outstanding at June 30, 2022, are as follows (in thousands):

<b>Series/Interest Rate</b>	<b>Maturity</b>		
2014-B; 3.25%-5%	3/1/2033	\$	12,430
2016 Equipment & Public Improvement;	8/1/2022		2,794
2017 Crossplex (CDA); 4.08%	7/1/2042		12,823
2018B; 2%-5%	12/1/2043		33,775
2020-A; 3-5%	6/1/2041		86,510
2020-B; 1% - 1.32%	6/1/2026		6,165
2020-C; 0.64% - 1.59%	6/1/2028		13,100
2021-A; 4.0%	6/1/2050		26,630
2021-B; 1.59% - 1.89%	6/1/2030		6,215
<b>Total City warrants</b>			<b>200,441</b>
<b>Revenue warrants</b>			
2014 tax increment financing; 2.89%	9/1/2028		8,843
<b>Total warrants and revenue warrants</b>		<b>\$</b>	<b>209,284</b>

Annual debt service requirements to maturity for the City's general obligation and revenue warrants are as follows (in thousands)

<b>June 30,</b>	<b>Principal</b>	<b>Interest</b>
2023	\$ 6,509	\$ 7,727
2024	9,885	7,561
2025	10,118	7,360
2026	10,357	7,142
2027	10,714	6,836
2028-2032	48,217	27,745
2033-2037	42,284	19,082
2038-2042	40,258	10,378
2043-2047	14,610	5,017
2048-2050	16,332	1,442
	<b>\$ 209,284</b>	<b>\$ 100,290</b>

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**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note IV – Detailed Notes on Funds Other than Fiduciary Funds and Proprietary Funds (Continued)**

**D. Long-term Debt (Continued)**

PACE Bonds:

<b>Series/Interest Rate</b>	<b>Maturity</b>		
2018-A (PACE) 3.80%	(see Table F-3)	10/1/2041	\$ 42,085
2018-B (PACE) 4.98%	(see Table F-3)	10/1/2041	6,635
			<hr/>
			\$ 48,720

Annual debt service requirements to maturity for the PACE bonds are as follows (in thousands):

<b>June 30,</b>	<b>Principal</b>	<b>Interest</b>
2023	\$ 1,640	\$ 1,897
2024	1,705	1,831
2025	1,775	1,763
2026	1,850	1,691
2027	1,920	1,617
2028-2032	10,800	6,859
2033-2037	13,110	4,500
2038-2042	15,920	1,630
	<hr/>	<hr/>
	\$ 48,720	\$ 21,788

\* The PACE is a public corporation that was created in August of 2011. The PACE's structure qualified as a blended component unit of the City upon its creation. The PACE holds debt related to the construction of a baseball stadium. See Table F-3 for a detail of this debt.

Total outstanding bonds and warrants payable (in thousands):

Bonds payable	\$ 290,815
Warrants payable	200,441
Revenue warrants	8,843
PACE bonds payable	48,720
	<hr/>
	548,819
Unamortized premium and discount	32,668
	<hr/>
	581,487
Accreted interest on capital appreciation bonds	888
	<hr/>
	582,375
Less current maturities	(36,127)
	<hr/>
Total bonds and warrants payable (noncurrent)	\$ 546,248

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note IV – Detailed Notes on Funds Other than Fiduciary Funds and Proprietary Funds (Continued)**

**D. Long-term Debt (Continued)**

<b>Governmental activities</b>	<b>Balance June 30, 2021</b>	<b>Addition</b>	<b>Reduction</b>	<b>Balance June 30, 2022</b>	<b>Due Within One Year</b>
Bonds and warrants payable	\$ 597,723	\$ 63,688	\$ (79,924)	\$ 581,487	\$36,127
Accreted interest	8,191		(7,303)	888	-
Capitalized financing-direct borrowing	60,319	17,469	(5,932)	71,856	6,063
Operating Line of Credit	3,300	-	-	3,300	3,300
Worker's compensation claims	17,814	-	(502)	17,312	-
Compensated absences	15,886	1,558	-	17,444	5,889
Closure and postclosure costs	24,980	6,911	-	31,891	-
Net OPEB liability	147,968	-	(21,985)	125,983	-
Net pension liability	955,141	317,519	-	1,272,660	-
<b>Total</b>	<b>\$1,831,322</b>	<b>\$407,145</b>	<b>\$(115,646)</b>	<b>\$2,122,821</b>	<b>\$51,379</b>

**Issuances of Long-term Debt**

On November 3, 2021, the City issued \$63,245,000 original principal amount General Obligation Bonds (Federally Taxable), Series 2021, having stated maturities on March 1 in each of the years 2022 through 2034, and bearing interest at per annum rates producing a total net interest cost of 2.23% for the purpose of refunding (on an advance basis) the following obligations of the City to produce a total net present value savings of \$18,822,109:

1. General Obligation Bond (Federally Taxable), Series 2014-A;
2. General Obligation Bond (Federally Taxable), Series 2015A-1; and
3. General Obligation Bond (Federally Taxable), Series 2015-B

On August 4, 2021, the City entered into a Master Governmental Lease Purchase Agreement (No. 16080), which included the following:

1. Supplement No. 001, in the amount of \$6,185,020, for a term of seven (7) years, at an interest rate of 2.498% per annum.  
 Equipment Description: (1) Landfill Dozer, (1) Excavator, (1) Compactor, (4) Refuse, (4) Brush – trailer attached, (4) Limb, (1) Water Truck, (2) Sweeper, (2) Tandem Axle Dump, (8) F350, (5) F150 Pickups, (1) F350, (4) Polaris UTV
2. Supplement No. 002, in the amount of \$10,012,699, for a term of ten (10) years, at an interest rate of 2.629% per annum.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

Equipment Description: (1) Mobile Command Center, (9) Pumpers, (2) Heavy Rescue, (1) Quint, (1) Air Unit

3. Supplement No. 003, in the amount of \$1,272,739, for a term of three (3) years, at an interest rate of 2.464% per annum  
 Equipment Description: (20) Chevrolet Tahoe – fully outfitted

The City accounts for this transaction as a financed purchase.

**Operating Line of Credit**

The City has a revolving line of credit facility for working capital expenditures in a maximum principal amount of \$3,300,000 and a maturity date of May 29, 2023. The principal amount outstanding under such line of credit is \$3,300,000.

Proceeds from the line of credit funded the following capital projects:

Real Time Crime Center	\$1,500,000
IMS Mainframe replacement	\$800,000
Public Works-Code enforcement	\$1,000,000

**E. Capitalized Financing – Direct Borrowing**

The following schedule shows debt service requirements of the City's direct borrowing at June 30, 2022:

	Direct Borrowing		Total
	Principal	Interest	
2023	\$ 6,062,808	\$ 2,179,587	\$ 8,242,395
2024	5,220,393	2,027,870	7,248,263
2025	5,020,187	1,871,389	6,891,576
2026	4,997,072	1,720,111	6,717,183
2027	5,211,380	1,568,773	6,780,153
2028-2032	25,666,746	5,395,991	31,062,737
2033-2037	19,677,342	1,300,386	20,977,728
	<u>\$ 71,855,928</u>	<u>\$ 16,064,107</u>	<u>\$ 87,920,035</u>

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information**

**A. Risk Management**

The City of Birmingham is exposed to various risks of loss related to torts, theft, errors and omissions, job-related illnesses and injuries, and natural disasters. Risk management is the process of managing the City's activities to minimize the adverse effects of certain types of losses and to obtain resources to provide for or restore the economic damages of those losses. The City manages its risk through self-insurance and through the purchase of insurance with a commercial insurance carrier.

The City is self-insured for its Workers' Compensation liability. The City currently has in force an excess workers compensation insurance policy, whereby the City retains the first \$1,000,000 of liability per claim and has a \$2,000,000 corridor deductible. The City had a professional actuary estimate its liability at June 30, 2022. This amount was calculated to be \$17,312,088 and has been accrued on the government-wide financial statements.

The changes to the liability for workers compensation claims are shown below (in thousands):

<b>June 30,</b>	<b>Beginning Liability</b>	<b>Current Year Claims and Changes in Estimates</b>	<b>Claim Payments</b>	<b>Ending Liability</b>
2022	17,815	2,588	3,091	17,312
2021	17,536	2,669	2,390	17,815
2020	15,628	3,727	1,819	17,536
2019	15,454	2,325	2,151	15,628
2018	13,983	2,633	1,162	15,454
2017	16,388	(1,285)	1,120	13,983
2016	19,029	(887)	1,754	16,388
2015	17,956	3,279	2,206	19,029
2014	17,209	2,854	2,107	17,956
2013	14,259	2,950	-	17,209

The City is also self-insured for its Employee Health Plan (the Plan). The Plan is accounted for in an Internal Service Fund and is externally administered. Contributions for City employees and their dependents are shared by the City and the employee. Liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred, but not reported (IBNRs). Stop-loss insurance is maintained for this program at \$475,000 per individual. It is anticipated that all claims outstanding as of June 30, 2022 will be paid during the next fiscal year.



**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**A. Risk Management (Continued)**

Changes in claims liability for the last (4) four years are as follows:

	<b>Beginning of Fiscal year Liability</b>	<b>Incurred Claims</b>	<b>Claim Payments</b>	<b>End of Fiscal Year Liability</b>
<b>2021-2022</b>	<b>\$ 2,826,901</b>	<b>52,536,461</b>	<b>53,483,631</b>	<b>\$ 1,879,731</b>
2020-2021	3,041,715	50,543,796	50,758,610	2,826,901
2019-2020	3,149,230	51,856,786	51,964,301	3,041,715
2018-2019	2,010,789	52,849,059	51,710,618	3,149,230

The City is a defendant in numerous suits and has been notified of numerous claims against it arising from alleged defective sidewalks and streets, alleged negligence relating to motor vehicles and other matters relating to the normal operation of a municipality such as employment and contract disputes, as well as suits and claims arising from the alleged denial of civil rights. Section 11-93-1 et seq. of the Code of Alabama 1975, as amended, places a limit of \$100,000 with respect to the City's liability for any bodily injury or death resulting from a negligent or wrongful act of one of the City's agents, officers, or employees. That provision further places a limit of \$300,000 with respect to the City's liability, in the aggregate, where more than two persons have claims or judgments on account of personal injuries and deaths arising from a single occurrence. The Supreme Court of Alabama has upheld the constitutionality of this statute. The City is self-insured. Any liability resulting from a suit or claim is covered by funds of the City which are available to discharge such liability without impairing the City's ability to perform any of its other obligations. The City covers all legal claims out of its General Fund resources. Claims and liabilities are recorded when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. At June 30, 2022, the estimated amount of these liabilities totaled \$18,735,077 and is considered a current liability. The liability is the City's best estimate based on available information.

Below is a list of significant pending claims or litigation:

The City of Birmingham is litigating a number of diesel fuel tax refund cases pursuant to the Railroad Revitalization and Regulatory Reform Act (i.e. the "4-R Act") in Alabama state court. Bressler, Amery, & Ross, P.C. is the City's outside legal counsel handling these cases. A portion of each case has been determined to be a probable loss and has been accrued accordingly as part of the estimated \$18,735,077 current claims liability. The significant cases are as follows:

City of Birmingham, Alabama  
Notes to the Financial Statements  
June 30, 2022

**Note V – Other Information (Continued)**

**A. Risk Management (Continued)**

*CSX Transportation, Inc. v. City of Birmingham*, CV2010-901772: CSX claims a refund under the 4-R Act for sales and use taxes paid for diesel fuel purchases for years 2004, 2005, 2006, and through October 2007. **On December 1, 2021, the Circuit Court of Jefferson County granted summary judgment in favor of CSX and against the City, and ordered the City to pay a total of \$7,898,153 to CSX, which includes a refund of \$3,124,475 and prejudgment interest of \$4,773,678. The Circuit Court's ruling has been appealed to the Alabama Supreme Court, where it is currently stayed. (55% Probable and 45% Reasonably Possible of the total summary judgment)**

*CSX Transportation, Inc. v. City of Birmingham*, CV2012-904061: CSX claims a refund under the 4-R Act for sales and use taxes paid for diesel fuel purchases from November 2007 through November 2008. **On December 1, 2021, the Circuit Court of Jefferson County granted summary judgment in favor of CSX and against the City, and ordered the City to pay a total of \$5,068,209 to CSX, which includes a refund of \$2,222,384 and prejudgment interest of \$2,845,824. The Circuit Court's ruling has been appealed to the Alabama Supreme Court, where it is currently stayed. (55% Probable and 45% Reasonably Possible of the total summary judgment)**

*CSX Transportation, Inc. v. City of Birmingham*, CV2013-904854: CSX claims a refund under the 4-R Act for sales and use taxes paid for diesel fuel purchases from December 2008 to January 2011. **On December 1, 2021, the Circuit Court of Jefferson County granted summary judgment in favor of CSX and against the City, and ordered the City to pay a total of \$5,475,296 to CSX, which includes a refund of \$2,684,705 and prejudgment interest of \$2,790,591. The Circuit Court's ruling has been appealed to the Alabama Supreme Court, where it is currently stayed. (55% Probable and 45% Reasonably Possible of the total summary judgment)**

*BNSF Railroad v. City of Birmingham*, CV2010-903064: BNSF claims a refund under the 4-R Act for sales and use taxes paid for diesel fuel purchases from February 2005 through February 2008. **On December 1, 2021, the Circuit Court of Jefferson County granted summary judgment in favor of BNSF and against the City, and ordered the City to pay a total of \$4,336,471 to BNSF, which includes a refund of \$1,745,579 and prejudgment interest of \$2,590,892. The Circuit Court's ruling has been appealed to the Alabama Supreme Court, where it is currently stayed. (55% Probable and 45% Reasonably Possible of the total summary judgment)**

*BNSF Railroad v. City of Birmingham*, CV2013-901031: BNSF claims a refund under the 4-R Act for sales and use taxes paid for diesel fuel purchases from March 2008 through June 2009. **On December 1, 2021, the Circuit Court of Jefferson County granted summary judgment in favor of BNSF and against the City, and ordered the City to**

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**A. Risk Management (Continued)**

pay a total of \$2,260,155 to BNSF, which includes a refund of \$1,005,327 and prejudgment interest of \$1,254,828. The Circuit Court's ruling has been appealed to the Alabama Supreme Court, where it is currently stayed. (55% Probable and 45% Reasonably Possible of the total summary judgment)

*BNSF Railroad v. City of Birmingham*, CV2014-903876: BNSF claims a refund under the 4-R Act for sales and use taxes paid for diesel fuel purchases from July 2009 through April 2011. On December 1, 2021, the Circuit Court of Jefferson County granted summary judgment in favor of BNSF and against the City, and ordered the City to pay a total of \$2,069,846 to BNSF, which includes a refund of \$1,019,312 and prejudgment interest of \$1,050,534. The Circuit Court's ruling has been appealed to the Alabama Supreme Court, where it is currently stayed. (55% Probable and 45% Reasonably Possible of the total summary judgment)

Changes in the General Fund's claims liability amount in the last (10) ten fiscal years are as follows (in thousands):

June 30,	Beginning Liability	Changes in Estimates	Claim Payments	Ending Liability
2022	\$ 16,028	\$ 2,707		\$ 18,735
2021	\$ 13,775	\$ 2,253	\$ -	\$ 16,028
2020	\$ 12,867	\$ 1,721	\$ 813	\$ 13,775
2019	12,588	1,458	1,179	12,867
2018	11,436	2,050	898	12,588
2017	11,042	394	-	11,436
2016	15,211	(4,169)	-	11,042
2015	15,211	-	-	15,211
2014	17,139	(878)	1,050	15,211
2013	7,662	11,291	1,814	17,139

**Other Obligations**

**HUD 108 Loans**

The City currently has \$2,356,000 of guarantees outstanding under the U.S. Department of Housing and Urban Development "HUD" 108 loan program for the Pizitz building development, the interest of which is currently being paid by the developer. Under this program HUD has made loans to borrowers for economic development projects. In

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**A. Risk Management (Continued)**

addition to collateral provided to HUD and the City by the borrowers, the City has guaranteed the obligations by pledging its future HUD CDBG funds.

**Birmingham Zoo Obligations**

The City is obligated to make a contribution of \$1,500,000 each year for a period of ten years, commencing in the fiscal year ended June 30, 2010, and thereafter a minimum contribution of \$500,000 in each year for a period of fifteen years, to the Birmingham Zoo Inc. to pay the costs of operation and capital projects, including certain new exhibits.

**Tax Increment Financing Warrants**

On December 17, 2014, the City issued its Tax Increment Financing District No. 1 Revenue Warrant Series 2014, outstanding in the amount of \$8,843,000 as of June 30, 2022. The Warrants were issued to currently refund the City's Tax Increment Finance District 1 Revenue Warrant No. 1 and Tax Increment Finance District 1 Revenue Warrant No. 2, both dated November 6, 2009. The final maturity of the refunding warrants is September 1, 2028. The Series 2014 Warrants are tax-exempt warrants, with an interest rate of 2.89%.

The TIF Warrants are payable from, and secured by, a pledge of that amount of revenue produced in each year from the levy of certain local ad-valorem taxes by the City and Jefferson County in the Tax Increment District (generally the downtown city center) which is in excess of the amount of such revenue produced from the levy of such taxes in such District in the year in which such District was established (1998), less commission required by law to be paid to the Tax Assessor and Tax Collector of Jefferson County. In addition to TIF revenues, the Warrants are payable from a General Obligation Funding Agreement from the City, in any amount needed.

**Public Athletic, Cultural and Entertainment Board (PACE) of the City of Birmingham 2011 Funding Agreement**

The City increased its Lodgings Tax by 3.5%, effective January 15, 2011. The proceeds of the tax increase are dedicated to the repayment of obligations issued by the PACE Board. The Board's bonds funded the construction of a minor league baseball stadium, the home of the Birmingham Barons, and were used to construct a Negro League baseball museum adjacent to the stadium. On December 15, 2011, the City entered into a Funding Agreement with the Public Athletic, Cultural and Entertainment Facilities Board

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**A. Risk Management (Continued)**

of the City of Birmingham (the "Board"). The Funding Agreement pledged the increased Lodgings Tax portion (3.5%) and certain revenue from the operations of the baseball stadium to pay debt service on the Board's Series 2011A and Series 2011B Bonds, issued to provide financing for the construction.

On November 8, 2018, the City issued Series 2018A and 2018B bonds in principal amounts of \$46,000,000 and \$7,175,000, respectively, to refinance the PACE board's 2011-A and 2011-B bonds. The funding agreement was also updated at the time of the refinancing but having materially the same terms. The 2018A and 2018B bonds are currently outstanding in the amount of \$48,720,000, with annual debt service payments of approximately \$1,640, including interest at rates ranging from 3.80% to 4.98%.

The Funding Agreement is a general obligation of the City and has a term equal to the term of the Board's Series 2018A and Series 2018B Bonds, which mature on October 1, 2041. The Barons played their first game in the stadium on April 10, 2013.

**Commercial Development Authority of the City of Birmingham Crossplex Village Project Funding Agreement 2017**

In April 2017, the Commercial Development Authority issued \$14,000,000 of bonds to fund the construction costs of the first phase of a development in the western area of Birmingham known as Crossplex Village. The development includes a hotel, restaurants, and a Starbucks training facility. The City considers this project to be a major economic stimulus to the area. The project is located on City owned land, which has been ground leased to a developer and is adjacent to the City's state-of-the-art athletic competition facility known as the Birmingham Crossplex. The bonds are expected to be repaid from rentals paid to the developer by tenants. In addition, the City granted sales tax rebates to the developer. The rebated taxes will be held in reserve by the bond trustee and applied to debt service if the developer's rentals fall short. The City entered into a Funding Agreement whereby the City agreed to pay the debt service if the project does not produce rentals and tax rebates sufficient to cover debt service. The bonds have a 25-year term. The project was partially capitalized by New Market Tax Credits. The project is expected to be refinanced after the expiration of the tax credits in approximately seven years. The bonds may be accelerated by the lender if the City's credit rating drops below "A" by Standard & Poors.

In fiscal year 2020, the developer failed to pay scheduled debt service payments. Based on its guarantee under the Funding Agreement, the City has assumed the full liability of the bonds and paid all debt service since that time. The bonds are currently outstanding in the amount of \$12,822,752.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**A. Risk Management (Continued)**

**ECONOMIC DEVELOPMENT INCENTIVE OBLIGATIONS – TAX ABATEMENTS**

From time-to-time the City enters into economic development incentive agreements with entities that propose to locate businesses within the City, or expand businesses within the City, which are expected to provide a stimulus to the City's economy and tax base. Generally, the agreements provide for a rebate of taxes paid to the City according to formulas contained in the agreements. Some agreements provide for a rebate of sales, use or occupational taxes based on the payment of taxes above a base line and others provide for a sharing of the taxes (percentage rebates) above certain amounts. The agreements have limited terms. The City generally expects to receive increased revenue as a result of the agreements. These incentive agreements require approval by the Mayor and City Council and are authorized by Amendment 772 of the Constitution of Alabama. Some agreements provide for the repayment to the City of the rebated amount if the entity ceases to operate its business for a certain length of time or fails to produce a certain level of employment. The amount of taxes rebated during fiscal year 2022 was \$2,189,137. Occasionally, the City will agree to provide improvements to public infrastructure in the vicinity of a project. Those projects that have a total estimated rebate, or other commitment, of \$1 million or more, are detailed below. The total estimated aggregate amount of these obligations is \$56,202,586.

**Limbaugh Toyota Redevelopment Agreement** – In the Agreement, the City agreed to support an expansion of the business by deeding certain real property to the Company and to make six annual payments of \$315,000 and one payment of \$310,000, totaling \$2,200,000 during the first seven years of the agreement, after completion of construction; and to rebate 25% of New Sales Tax Revenue in 2020 through 2022. The first payment was due on October 31, 2015 and the remaining balance of \$310,000 was paid in June 2020. No rebate payments were made to Limbaugh during fiscal year 2022.

**Trinity/Daniel Agreement** (the "Agreement") – In October 2008 the City entered into a Project Agreement with the owner of Trinity Medical Center, a full-service in-patient hospital, located in Birmingham ("Trinity"). Affiliates of Daniel Corporation, a real-estate development firm, ("Daniel") were also parties to the Agreement. The Agreement provided incentives for the hospital to relocate to the, fast growing, Highway 280 area of the City. Daniel proposed to build ancillary buildings and a hotel. The move required Trinity to secure a Certificate of Need (CON) from the State licensing board. The CON was granted and years of litigation ensued, brought by competing hospitals. In March 2013, the Alabama Supreme Court settled the matter and Trinity began its construction project which, when completed, was expected to cause the City to retain approximately

**City of Birmingham, Alabama**  
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**Note V – Other Information (Continued)**

**A. Risk Management (Continued)**

2,300 employees and Daniel projected that it's development would generate approximately 600 employees. The new Trinity hospital is now open and operating.

The Agreement obligates the City to rebate various taxes during construction periods and during operational periods to both Trinity and Daniel. Generally, the rebate requirements are summarized below, which summary is not intended to be a reproduction of the entire agreement. Other provisions may apply. The City has advised Trinity and Daniel that it does not have the authority to rebate ad-valorem taxes that are earmarked for specific uses, whether by the Constitution and Statutes of the State and/or by the referendums approving the taxes. In addition to the City's 9 mill general ad-valorem tax, the Agreement contemplates the rebate of the 9.2 mill Bond Debt Service Tax and the .5 mill Library Tax, all three of which are ear-marked, in whole or in part, for specific uses.

**Trinity:**

**During Construction:**

**Trinity Received:**

100% sales and use taxes

100% non-educational ad-valorem taxes

**Operational Period:**

Trinity Receives:	Years 1-10	Years 11-20
Non-educational ad-valorem taxes	80%	40%
Occupational Tax	80%	40%

**Daniel:**

**During Construction:**

**Daniel Receives:**

100% sales and use taxes

100% non-educational ad-valorem taxes

**Operational Period:**

Daniel Receives:	Years 1-20
Non-educational ad-valorem taxes	90%
Occupational tax	90%

The term of the Agreement is 23 years from the commencement of construction. The total amount payable to Trinity and to Daniel during the operating periods will not exceed \$40,000,000 and \$15,000,000, respectively. The remaining balance is \$21,970,960. Daniel has not begun a project. The amount rebated to Trinity during fiscal year 2022 was \$1,739,939. The City has issued a bond, in the amount of \$2,431,216, with total principal and interest payments of \$8,496,200 to Trinity as partial payment of the City's incentive obligations.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**A. Risk Management (Continued)**

The Children's Hospital of Alabama ("TCHA) Agreement ("Agreement") – On May 13, 2008 the City entered into an incentive agreement with the Children's Hospital of Alabama relating to the construction of a replacement hospital in the medical district of the City. The agreement provides that the City will rebate certain construction related permits/taxes during construction and then rebate occupational taxes which exceed a baseline according to the following formula: years 1-4: 50%; years 5-12: 80% and years 13-20: 50%. The occupational tax baseline is the amount of occupational tax paid to the City for the twelve-month period ending September 30, 2007. The term of the Agreement is the earlier of May 13, 2028 or when the total amount rebated by the City equals \$20 million. The new hospital's cost was approximately \$375 million, and the old facility has been converted into research space. The new hospital opened in March 2011. The remaining maximum obligation balance is \$13,294,596. No rebate payments were made to Children's during fiscal year 2022.

Firestone Flowers, LLC – In November 2014, the City entered into a Project Funding Agreement to incentivize Firestone to complete the redevelopment of a half block in the City center, at a cost of approximately \$30 million to include a five-story building which will include a Publix Supermarket, approximately 85 apartment units and a parking deck to provide approximately 270 off-street parking spaces to accommodate the Publix and the apartments. The City agreed to rebate 65% of the actual projects sales tax revenue for years 1 and 2, beginning October 1, 2018 and 60% of sales tax revenue for years 3-10, but not more the \$6,450,000 during the term. Should the Firestone, or affiliates, relocate the Publix to another location outside of the City during the reimbursement term, Firestone must repay any rebates received to the City. The amount of \$449,198 was rebated to Firestone Flowers, LLC during fiscal year 2022. The remaining maximum obligation balance is \$4,709,382.

Edwards Chevrolet Company, Inc. – In April 2013, the City entered into an Incentive Agreement with Edwards, under which Edwards would modernize its show-room in the Central Business District. The City agreed to rebate 50% of Edward's sales tax (generated after any other incentive plan) during a period of seven years from the project completion date. Should Edwards close or relocate to outside of the City during the term and for three years thereafter, Edwards must repay any rebated amounts to the City. The maximum amount subject to rebate during the term of \$1.2 million has been reached. No rebate payments were made to Edwards during fiscal year 2022.

Festival Center Birmingham, LP – In July 2014, the City entered into a Project Agreement with Festival whereby Festival would refurbish a 286,000 square foot shopping center that had become blighted and highly vacant. The City agreed to share in the costs of the



**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**A. Risk Management (Continued)**

redevelopment by rebating the lessor of 50% of sales tax generated, or \$356,800. The rebates are limited to the sales tax generated with a maximum of \$1,784,000 over a five-year period from the Completion Date. No rebate payments were made to Festival during fiscal year 2022. Remaining balance is \$66,004.

New Car Franchise Dealers – In 2009, the City entered into an incentive agreement with Franchise Dealers for new cars. For those existing Franchise Dealers, the City agreed to rebate sales taxes in the amount of any sales tax rate on new cars in excess of 1%. The current rate is 2%, so the effective rebate is 1%. This rebate is reduced by ¼% of used car sales. The rebate is payable quarterly, based on Franchise Dealer sales tax filings. The agreement ends in 2039. No rebate payments were made to New Car Franchise Dealers during fiscal year 2022.

IRC-MAB – In January 2017, the City entered into a Project Agreement under which this company would develop a retail shopping center in the Lakeshore Parkway area of the City, including a 45,000 square foot supermarket. For seven years, after the Completion Date, the City agreed to rebate the lesser of \$500,000 or 50% of sales tax during years 1-5 and then rebate the lesser of \$400,000 or 40% of sales tax during years 6-7, all not exceeding \$3,300,000. No rebate was provided to the developer during fiscal year 2022.

Lakeshore Parkway Retail, LP – In May 2017, the City entered into a Project Agreement under which this developer would construct an approximately 156,000 square foot addition to the Wildwood Shopping Center and attempt to fill existing vacant spaces. For a period of five years from the Completion Date, the City will rebate the lesser of 50% of sales tax or \$960,000, not exceeding \$4,800,000. No rebate was provided to the developer during fiscal year 2022.

Shipt, Inc. – In August 2018, the City entered into an agreement under which Shipt would maintain and grow its headquarters in the City by hiring an estimated 881 new employees, investing approximately \$10,000,000 in implementing recruitment, and skills development programs, generating substantial new sales, use, ad valorem, and occupational tax as well as business license revenues to the City, and enhancing the City's economic and workforce development objectives. Under this agreement, the City agreed to provide financial incentives, in the amount of \$2,000 per new full-time employee, with the amount of City assistance to be capped at \$800,000 for the first year and \$1,000,000 for each subsequent year, not to exceed \$1,762,000. No incentives were paid during fiscal year 2022. The remaining incentives available under this agreement are \$1,161,644.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**A. Risk Management (Continued)**

**TAX ABATEMENT AGREEMENTS OF OTHER ENTITIES THAT REDUCE CITY OF BIRMINGHAM TAX REVENUE**

Disclosures made in this Annual Comprehensive Financial Report are subject to GASB Statement 77. The statement requires the City to disclose tax abatements granted by other governmental entities that reduce the tax revenue of the City. The two entities that grant such abatements are listed below. The Statement requires the City to disclose the amount of the taxes abated during the fiscal year. For purposes of this disclosure, the City chooses to disclose all known agreements to be better able to track agreements from year-to-year.

**The City of Birmingham Downtown Redevelopment Authority**

This Authority grants the right for an applicant to be exempt from all, non-educational, sales and use taxes imposed on building materials and equipment related to a project pursuant to Chapter 54A of Title 11 of the Code of Alabama 1975, as amended and

Chapter 9B of Title 40 of the Code of Alabama 1975, as amended. The members of the Authority are appointed by the City Council of the City of Birmingham. In the case of sales and use tax abatements on construction materials, the taxes abated are not received by the City, nor is there currently a reporting mechanism for the City to receive such information. The State Department of Revenue provides a Purchasing Agent appointment letter to abatees so that they can purchase materials tax-exempt. All outstanding agreements of the Authority do not require abatees to provide information to the City.

To comply with the GASB Statement, the City has asked abatees to provide this information, but they have not cooperated, except for resent agreements which require the reporting. The City has asked the Authority to require this reporting in all future abatement agreements, beginning with fiscal year 2020. The information presented below has been compiled, after reasonable attempts to obtain the required information. The City makes no representation that this information is correct, complete, or that individual circumstances have not changed subsequent to the application to the Authority for abatements.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**A. Risk Management (Continued)**

Company	Date of Agreement	Annual* Sales & Use	Total Sales & Use	Project Investment	Beginning of Abatement Term Fiscal Year	End of Abatement Term Fiscal Year	Estimated Amount of Taxes Abated FY 2022
Parkside Residences, LLC	November 2013	\$ 130,000	\$ 260,000	\$ -	2014	2021	\$ -
Cityville Venue at the Ballpark LLC	July 2014	102,000	403,933	-	2015	2020	-
Highland AL Partners, LLC	June 2017	-	-	47,500,000	2018	2021	-
Birmingham Hotels, LLC	August 2017	250,000	250,000	13,900,000	2018	2021	-
Birmingham Stonewall JV, LLC	June 2019	-	-	23,441,729	2019	2020	-
Railroad Park Apartments, LLC	June 2019	-	-	56,500	2019	2021	-
The Hardwick	March 2022	150,000	300,000	24,500,000	2022	2023	150,000
Red Mountain Theater Company	October 2019	-	-	19,000,000	2019	2028	-
The Tracks	March 2022	788,000	1,576,000	55,200,000	2022	2024	788,000
RM Theater Company Arts Campus Arts	March 2022	200,000	200,000	9,000,000	2022	2023	200,000
Theatre Lofts Project	September 2021	228,000	228,000	14,100,000	2021	2022	228,000
The Market Lofts on 3rd	July 2021	225,000	450,000	33,234,037	2022	2023	225,000
Birmingham Parkside Residences, LLC	April 2019	-	-	61,100	2019	2021	-
<b>Total Estimate</b>							<b>\$1,591,000</b>

\*See description above

**The Industrial Development Board of the City of Birmingham**

This Board grants abatements of non-educational ad-valorem and non-educational sales and use taxes for qualified applicants, pursuant to Chapter 9B, Title 40, Code of Alabama 1975 and the Tax Incentive Reform Act of 1992 for periods not exceeding ten years. The members of the Board are appointed by the City Council of the City of Birmingham. These projects are expected to increase the tax base of the City and provide additional jobs for City residents. The City does not collect its ad-valorem taxes. The Tax Collectors of Jefferson and Shelby Counties are responsible for such collection. When the IDB grants an abatement of certain millage, the Tax Collectors do not collect this amount from abatees. These agreements typically abate ad-valorem taxes for ten years, further complicating the access to the disclosure information. The City does not receive tax collection information with respect to individual ad-valorem taxpayers. In the case of sales and use tax abatements on construction materials, the taxes abated are not received by the City, nor is there a reporting mechanism for the City to receive such information. The State Department of Revenue provides a Purchasing Agent appointment letter to abatees so that they can purchase materials tax-exempt. All outstanding agreements of the Board do not require abatees to provide information to the City. The City has asked the Board to include such reporting requirements in all future abatement agreements, beginning with fiscal year 2020. The information presented on the next page has been compiled, after reasonable attempts to obtain the required information. The City makes no representation that this information is correct, complete, or that individual circumstances have not changed subsequent to the application to the Board for abatements.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

Company	Date of Agreement	Annual Ad-Valorem	Total Ad-Valorem	Annual* Sales & Use	Total Sales & Use	Project Investment	Beginning of Abatement Term Fiscal Year	End of Abatement Term Fiscal Year	Estimated** Amount of Taxes Abated FY 2022
DC Blox, Inc.	Jun 2018	\$ 38,700	\$ 468,500	\$ 316,700	\$ 316,700	\$ 200,000,000	2019	2034	\$ -
Brasfield & Gorrie LLC	Apr 2018	27,428	274,280	211,500	423,000	10,338,000	2018	2027	-
PACK Health LLC	Dec 2017	9,056	90,562	18,000	18,000	2,656,000	2018	2027	-
Shipt, Inc.	Dec 2017	683	6,830	22,075	22,075	306,604	2018	2027	-
Boom Vang Brewing	Nov 2017	3,525	35,259	44,800	44,800	1,309,000	2018	2027	-
RxBenefits/DRA/CLP	Aug 2017	4,165	41,654	248,976	248,976	5,040,000	2018	2027	-
Bangers LP/Canton Properties	Oct 2017	22,047	220,478	270,000	270,000	6,680,000	2018	2027	-
Ram Tool Supply/Continental ***	Aug 2017	15,422	154,226	36,000	36,000	7,567,000	2018	2027	15,400
Marx Brothers, Inc.	Aug 2017	7,000	70,000	74,400	74,400	2,612,000	2018	2027	-
Johnson Bros Corp & Oscar Renda	Jun 2017	48,100	481,000	155,500	500,000	18,580,000	2017	2026	-
Inland Fresh Seafood Corp.	Jul 2017	17,600	176,000	43,184	43,184	4,250,000	2017	2026	-
Integrated Medical Sys International	Apr 2017	1,524	15,242	2,800	28,008	1,623,000	2017	2026	-
Z-Modular, LLC	Jun 2017	1,684	16,838	20,820	20,820	1,002,000	2018	2026	-
B.L. Harbert International, LLC***	Nov 2016	47,723	477,238	138,439	276,878	7,550,000	2018	2026	-
Superior Mason Products	Sep 2016	29,443	265,312	20,182	22,402	7,100,000	2017	2026	-
Voestalpine Automotive Parts, Inc.	Jun 2016	26,531	265,312	92,893	185,786	10,600,000	2018	2027	-
Evonik Corporation	Jan 2016	250,000	2,500,000	800,000	1,765,000	35,000,000	2018	2027	-
SMI Steel LLC	May 2016	203,098	2,030,980	400,000	1,329,446	68,000,000	2017	2026	-
Healthsouth Corporation	Mar 2016	83,451	834,509	400,000	891,646	22,313,483	2017	2026	-
CR HQ LLC - Healthsouth project	Mar 2016	240,765	2,407,659	300,000	601,675	64,377,100	2017	2026	-
Allied Energy Company, LLC	Dec 2016	22,916	229,161	70,000	131,499	8,860,000	2016	2025	-
BMBR, LLC	Feb 2016	3,982	39,821	4,750	9,735	1,140,000	2016	2025	4,000
Kamtek, Inc.	Aug 2015	1,771,491	17,714,916	6,500,000	13,175,700	534,750,000	2016	2025	1,771,491
P & R Metal, Inc.	Nov 2015	4,431	44,316	5,500	25,475	660,000	2016	2025	4,400
Triton Health Systems, L.L.C.	Dec 2015	12,243	122,433	55,000	116,285	3,273,798	2016	2025	12,200
WSSA Birmingham, LLC	Dec 2015	14,959	149,597	28,000	56,832	4,000,000	2016	2025	15,000
DSW Industrial Knives	Sep 2015	9,948	99,480	-	22,778	2,660,000	2016	2025	10,000
Marx Brothers, Inc.	Sep 2015	1,833	183,330	-	84,436	4,900,000	2016	2025	1,800
Cahaba Brewing Co.	Sep 2015	4,172	41,720	-	43,617	2,260,000	2016	2025	4,200
Water Sciences Technologies, LLC	Mar 2015	6,285	62,850	-	62,216	1,750,000	2016	2025	6,300
L. B. Foster Company	Feb 2014	35,700	-	-	185,000	5,000,000	2016	2025	60,000
Oxford Pharmaceuticals, Inc.	Nov 2014	108,159	1,081,589	-	497,017	29,460,000	2015	2024	108,200
Data Perk, LLC	Aug 2014	13,237	132,370	-	45,844	3,500,000	2015	2024	13,200
Mayco Industries, Inc.	Aug 2014	1,683	16,830	-	8,205	450,000	2015	2024	1,700
Meeting Street Investments	Jun 2014	-	-	-	-	440,000	2015	2024	-
Berman Brothers Iron & Metal	Jul 2014	12,715	127,150	-	57,999	6,200,000	2015	2024	12,700
Barber Motor Sports	Jul 2014	-	-	-	80,992	5,245,000	2015	2024	-
Cadence Bank	Jan 2013	5,391	53,910	-	106,656	2,900,000	2014	2023	5,400
American Builders & Contractors Sup	Dec 2013	12,118	121,780	-	41,595	3,255,000	2014	2023	12,200
Hardy Corporation	Aug 2013	28,809	288,090	-	95,546	7,500,000	2014	2023	28,800
Royal Cup, Inc.	Apr 2013	86,423	864,270	-	399,960	48,000,000	2014	2023	86,400
Trim Tab Brewing	Apr 2013	2,506	25,060	-	-	605,816	2014	2023	2,500
Friedken Realty - GSTTS, LP	May 2013	8,380	83,800	-	-	2,200,000	2014	2023	8,400
Induron Coatings	Jan 2013	4,190	41,900	-	-	1,115,000	2014	2023	4,200
Good People Brewing Co, LLC	Oct 2012	10,476	104,760	-	-	600,000	2013	2022	10,500
Bama Terminaling & Trading LLC	Sep 2012	5,238	52,380	-	-	11,900,000	2013	2022	5,200
Kinetic Investments LLC	Aug 2012	5,500	55,000	-	-	1,460,000	2013	2022	5,500
Hibbett Sporting Goods, Inc.	Aug 2012	32,350	323,500	-	-	8,650,000	2013	2022	32,400
Solubles Therapeutics, Inc.	Jul 2012	602	6,020	-	-	160,000	2013	2022	600
Accretive Health, Inc.	Jul 2012	42,074	420,074	-	-	2,250,000	2013	2022	42,000
Birmingham Recycling & Recovery	Jul 2011	7,438	74,380	-	-	1,987,907	2013	2022	7,400
Blair Building	Sept 2020	18,811	188,108	9,119	91,188	5,050,600	2021	2030	-
FedEx Ground Package System, Inc	Jul 2020	190,591	1,905,905	236,712	2,367,118	35,435,538	2021	2030	-
CREG/CRST	Nov 2020	21,037	210,368	78,215	782,150	5,705,554	2022	2031	-
Corona Holding	Jul 2018	4,000	39,074	1,696	16,957	2,050,000	2019	2028	4,000
Dread Distillery	Jul 2018	32,000	320,000	3,000	30,000	700,000	2019	2028	32,000
Favor Steel	Oct 2018	22,751	227,507	1,725	17,250	4,600,000	2019	2028	22,800
O'Neal Steel	Jul 2021	-	-	-	-	5,200,000	2022	2031	-
Hoffman Media	Aug 2021	-	-	-	-	7,175,000	2022	2031	-
Brasfield Gorrie	Oct 2021	-	-	-	-	6,708,108	2022	2031	-
Smith and Company	Oct 2021	-	-	-	-	2,565,000	2022	2031	-
Evonik	Apr 2022	-	-	-	-	2,781,000	2023	2032	-
Kratos	Jun 2022	-	-	-	-	8,600,000	2023	2032	-
Boise Cascade	Jun 2022	-	-	-	-	8,000,000	2023	2032	-
Chester's Chicken	Jun 2022	-	-	-	-	5,006,370	2023	2032	-
John R. White	Jun 2022	-	-	-	-	3,400,000	2023	2032	-
Ghost Train Brewing Company	Dec 2018	16,289	162,888	252,573	2,525,732	4,600,000	2019	2028	16,300
Performance Architecture	Jun 2019	13,693	186,925	6,392	63,920	3,462,500	2020	2029	-
Voestalpine Nortrak	Sept 2019	84,595	845,950	-	-	2,095,798	2020	2029	84,600
Montgomery Entities, LLC	Mar 2020	61,751	617,507	-	-	8,368,000	2021	2030	-
Boom Vang Brewing	May 2020	-	-	-	-	750,000	2020	2029	-
<b>Total Estimate**</b>									<b>\$ 2,451,791</b>

\*\*\*Actual abated amount provided by abatee

\*See description above

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**B. Closure and Post Closure Cost**

State and federal laws and regulations require the City to place a final cover on its landfill sites when it stops accepting waste and to perform certain maintenance and monitoring functions at the sites for thirty years after closure. Although closure and postclosure costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of the estimated closure and postclosure cost liability as a long-term liability. The liability is increased or decreased each period based on landfill capacity used as of each balance sheet date.

The approximate \$31,890,989 reported as closure and postclosure cost liability at June 30, 2022, represents the cumulative amount reported to date based on the use of approximately 95 percent of the estimated capacity of the landfills. These amounts are based on what it would cost to perform all closure and post-closure care in 2022. Actual costs may be higher due to inflation, deflation, changes in technology, and/or changes in laws or regulations. Officials estimate the landfills' remaining lives to be approximately one year.

**C. Pension Plans**

**1. General Information**

The City participates in one multi-employer agency defined benefit plan, the City of Birmingham Retirement and Relief System (Retirement and Relief System Tier I and Tier II), that has two participating entities, the City and the Jefferson County Department of Health (Health Department), and two single employer defined benefit pension plans, the City of Birmingham Firemen's and Policemen's Supplemental Pension System (Firemen's and Policemen's System) and, the City of Birmingham Unclassified Employees' Pension & Relief System (Unclassified Pension and Relief System) which provides pension benefits for substantially all employees. Each of the three plans was established by state law and is administered by a separate board of managers.

The funding methods and determination of benefits payable were established by the legislative acts creating such plans and provide that the pension plan funds are to be funded from employee contributions, employer contributions, and income from the investment of accumulated funds. The cost of administering the plans is funded by the City. The City acts as the trustee for these plans. Separate financial statements are presented in this report for the pension funds.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**C. Pension Plans (Continued)**

**2. Plan Description**

**Retirement and Relief System** - This system covers all eligible civil service, appointed, elected, Airport Authority, and E911 employees, along with Health Department employees. Membership is mandatory for civil service and Airport Authority employees and is effective upon employment. Appointed, elected and E911 employees have the option of participating in this plan or in an alternative retirement plan. The plan is closed to Health Department new hires.

**Firemen's and Policemen's Supplemental Pension System** - This system covers sworn firemen and policemen and provides retirement benefits for twenty years of service. Membership is mandatory for such personnel and is effective upon employment.

**Unclassified Employees' Pension & Relief System** - This system covers laborers not hired under civil service.

**3. Benefits Provided**

**Retirement and Relief System (Tier I Participants)** - A participant hired prior to July 1, 2017, may retire at (a) age 60 if they have completed 5 years of credited service, or (b) any age if he/she has completed 30 years of credited service, and receive a pension benefit of 2.50% of final average salary for each year of credited service. This amount cannot be greater than 75% of the final average salary nor less than \$400 per month. The service credit used to determine the benefit amount may be increased by credit granted for unused sick leave (on a percent of possible total basis). The final average salary is defined as the highest average compensation over any 36-month period of the employee's last ten years of participation. A participant may retire early at age 55 if they have completed 25 years of credited service and will receive a benefit amount equal to 1.85% of final average salary for each year of credited service.

**Disability**

A Tier I participant is eligible for disability benefits after 5 years of credited service. The benefit amount is 2% of final average salary at disability for each year of credited services, payable immediately. This amount cannot be greater than 60% of the final average salary nor less than \$400.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**C. Pension Plans (Continued)**

**Extraordinary Disability**

If a Tier I or Tier II participant becomes disabled as the result of a job-related injury, they may be eligible for an extraordinary disability benefit regardless of years of service. The benefit begins on the date the participant ceases to receive a salary as a City employee, provided the Pension Board has approved the application. The benefit amount is 70% of the participant's monthly salary at the time of the accident.

**Termination**

A lump sum of contributions without interest is payable to a Tier I participant terminating prior to eligibility for a pension from the plan. Tier I participants terminating after 5 years of credited service who leave their contributions in the Plan have a non-forfeitable right to a monthly pension beginning at age 60. The form and amount of the pension are the same as the Normal pension.

**Optional Benefit Forms**

A participant retiring under the plan may choose, in lieu of an annuity for life, an optional form of benefit including a joint and survivor annuity reduced as described above, a partial lump sum option or a Social Security option. Optional forms will be calculated as the actuarial equivalent of the life annuity form.

**Death Benefits**

If a Tier I participant dies prior to his attainment of eligibility for vesting or retirement, if not married, a lump sum of contributions without interest is payable to the beneficiary. If an active vested Tier I participant or vested inactive Tier I participant dies, 60% of the accrued pension benefit, multiplied by the service percentage, is payable to the surviving spouse, if any, during their remaining lifetime. The service percentage is as follows: 5 years – 50%; 6 years – 60%; 7 years – 70%, 8 years - 80%; 9 years – 90%; 10 or more years – 100%. The spousal benefit is deferred to the date the Tier I participant would have been age 60 or would have accrued 20 years of credited service. The spouse may elect an immediate return of the participant's own contributions in lieu of the annuity.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Deferred Retirement Option Plan (DROP)**

A Tier I participant with 33 years of service or who is at least age 63 with 23 years of service may elect up to a 36-month Back-DROP. The participant's monthly benefit will be calculated using credited service and final average salary as of the Back-DROP date, and the participant will receive a lump sum equal to the number of months dropped back times the retirement benefit, accumulated with interest.

**Retirement and Relief System (Tier II Participants)** – A participant hired on or after July 1, 2017, may retire at (a) age 62 if they have completed 10 years of credited service, or (b) any age if he/she has completed 30 years of credited service, and receive a pension benefit of 2.25% of final average salary for each year of credited service. This amount cannot be greater than 67.5% of the final average salary nor less than \$400 per month. The service credit used to determine the benefit amount may be increased by credit granted for unused sick leave (on a percent of possible total basis). The final average salary is defined as the highest average compensation over any 36-month period of the employee's last ten years of participation. A Tier II participant may retire early at age 55 if they have completed 25 years of credited service and will receive a benefit amount equal to 1.85% of final average salary for each year of credited service.

**Disability**

A Tier II participant is eligible for disability benefits after 10 years of credited service. The benefit amount is 2.00% of final average salary at disability for each year of credited services, payable immediately. This amount cannot be greater than 60% of the final average salary nor less than \$400.

**Termination**

A lump sum of contributions without interest is payable to a Tier II participant terminating prior to eligibility for a pension from the plan. Tier II participants terminating after 10 years of credited service who leave their contributions in the Plan have a non-forfeitable right to a monthly pension beginning at age 62. The form and amount of the pension are the same as the Normal pension.

**Death Benefits**

If a Tier II participant dies prior to his attainment of eligibility for vesting or retirement, if not married, a lump sum of contributions without interest is payable to the beneficiary. If an active vested Tier II participant or vested inactive Tier II participant dies, 60% of the accrued pension benefit, multiplied by the applicable service



**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**C. Pension Plans (Continued)**

percentage, is payable to the surviving spouse, if any, during their remaining lifetime. The service percentage is as follows: 10 years of service – 50%; 11 years of service – 60%; 12 years of service – 70%; 13 years of service – 80%; 14 years of service – 90%; 15 or more years of service – 100%. The spousal benefit is deferred to the date the Tier II participant would have been age 62 or would have accrued 20 years of service. The spouse may elect an immediate return of the participant's own contributions in lieu of the annuity.

**Optional Benefit Forms**

A participant retiring under the plan may choose, in lieu of an annuity for life, an optional form of benefit including a joint and survivor annuity reduced as described above, a partial lump sum option or a Social Security option. Optional forms will be calculated as the actuarial equivalent of the life annuity form.

**Deferred Retirement Option Plan (DROP)**

A Tier II participant with 33 years of service or who is at least age 63 with 23 years of service may elect up to a 36-month Back-DROP. The participant's monthly benefit will be calculated using credited service and final average salary as of the Back-DROP date and the employee will receive a lump sum equal to the number of months dropped back times the retirement benefit, accumulated with interest.

**Firemen's and Policemen's Supplemental Pension System** - A participant may retire after 20 years of credited service. A benefit equal to 50% of final average salary plus 0.5% of final average salary for each year over 20 years is paid for the period prior to eligibility for 30-year retirement under the Retirement and Relief Pension System. The final average salary is defined as the highest average of basic salary earned during any 42 consecutive month period in the last 10 years prior to termination.

**Disability**

A participant is eligible for disability benefits after 10 years of credited service. A supplemental benefit sufficient when added to the Retirement and Relief Plan disability allowance to total not less than 25% nor more than 50% of final average salary is payable for the life of the participant.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**C. Pension Plans (Continued)**

**Termination**

If a participant terminates prior to eligibility for a pension from the Plan, a lump sum of his/her own accumulated contributions, without interest, and is payable at termination.

**Death Benefits**

For an active participant who has at least 5 years of credited service, the survivor's benefit is equal to 60% of final average salary, plus 5% for each child up to two children. No death benefit is payable if a death benefit is payable from the Retirement and Relief Plan.

For a retired participant, the survivor's benefit is 60% of the monthly benefit plus 5% per dependent child to a maximum of 70% of the participant's monthly benefit.

**Deferred Retirement Option Plan (DROP)**

Participants with at least 26 years of credited service may elect up to a 36-month Back-DROP. The participant's monthly benefit will be calculated using credited service and final average salary as of the Back-DROP date, and the participant will receive a lump sum equal to the number of months dropped back times the retirement benefit, accumulated with interest.

**Unclassified Employees' Pension and Relief System** - A participant may retire at age 62 if they have completed 10 years of credited service. A participant will receive a monthly benefit amount of \$4 per year of Past Service (service before December 1, 1975) plus \$20 per year of Future Service. The minimum benefit of \$500 per month will be paid for active participants retiring after July 1, 1995. A participant may retire early at age 55 with 20 years of service, at least 3 of which are after the effective date of December 1, 1975, and will receive a benefit of the accrued amount, reduced by 4/9 of 1% for each month of age under 62.

**Disability**

A participant is eligible for disability benefits after 15 years of credited service. The benefit amount is the normal pension amount based on service accrued and is payable immediately.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**C. Pension Plans (Continued)**

**Termination**

A lump sum of contributions without interest is payable to a participant terminating prior to eligibility for a pension from the plan. Participants terminating after 10 years of credited service who leave their contributions in the Fund have a non-forfeitable right to a monthly pension beginning at age 62. The form and amount of the pension are the same as the Normal pension. Since all active employees have at least 20 years of service now, there is no reduction for partial vesting.

**Death Benefits**

If a participant dies prior to their attainment of eligibility for vesting or retirement, if not married, a lump sum of contributions without interest is payable to the beneficiary. If an active vested participant or vested inactive participant dies, 50% of the accrued pension benefit, reduced by the Joint and Survivor factor, is payable to the surviving spouse, if any, during their remaining lifetime. The Joint and Survivor factor is 10%, plus of 1% per year of spouse age more than 10 years younger than the participant. The spouse benefit is deferred to the date the participant would have been age 62. The spouse may elect an immediate return of the participant's own contributions in lieu of the annuity.

**Optional Benefit Forms**

A participant retiring under the plan may choose, in lieu of an annuity for life, an optional form of benefit including a joint and survivor annuity reduced as described above, a partial lump sum option or a Social Security option. Optional forms will be calculated as the actuarial equivalent of the life annuity form.

**4. Contributions**

**Retirement and Relief System** - Prior to July 1, 2017, the City, Airport Authority, and E911 participants each contributed one-half of the required contribution payable as a percent of compensation for the year, exclusive of overtime and subject to statutory limits. The participants and City contributions were equal to 7.0% and 7.0%, respectively, effective July 1, 2015, and continuing through June 30, 2017. Effective July 1, 2017, however, the City contributions increased to 7.25%. Effective July 1, 2018, the City contributions increased to 8.50%, and effective July 1, 2020, the City contributions increased to 14.50%. The participants contributed at the rate of 7.0% through June 30, 2021 and beginning July 1, 2021, the employee rate increased to 7.50%. Health Department participants contribute 6.00%. The plan is funded by

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**C. Pension Plans (Continued)**

contributions from participants, the City, Airport Authority, E911, Health Department and income from the investment of accumulated funds.

**Firemen's and Policemen's Supplemental Pension System** - Participants contribute 5.22% of compensation for the year, exclusive of overtime and statutory limits with the City contributing 6.05%, effective July 1, 2019. Effective July 1, 2021, participants contributed 7.50%. The plan is funded by contributions from employees, the City, and income from the investment of accumulated funds.

**Unclassified Employees' Pension and Relief System** - Participants contribute \$10 bi-weekly. The City contributes the actuarially determined contribution, which has been \$0 since 2004. The membership of this plan is closed.

**5. Membership Data**

As of most recent measurement date of the net pension liability, membership data for the pension plans are as follows:

	<b>Retirement and Relief System</b>	<b>Firemen's and Policeman's Supplemental Pension &amp; Relief System</b>	<b>Unclassified Employee's Pension &amp; Relief System</b>
Measurement Date	June 30, 2022	June 30, 2022	June 30, 2022
Retirees and beneficiaries currently receiving benefits	3,549	421	8
Inactive members entitled to benefits not yet receiving them including 323 future pensioners currently receiving benefits from the Supplemental System	412	94	-
Inactive members due a refund of contributions	235	-	-
Active members	3,356	1,313	2
<b>Total participants</b>	<b>7,552</b>	<b>1,828</b>	<b>10</b>

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**C. Pension Plans (Continued)**

**6. Net Pension Liability**

The net pension liability (NPL) is the difference between the “Total Pension Liability” (TPL) and the plan’s “fiduciary net position” (FNP). The total pension liability (TPL) is the present value of pension benefits that are allocated to current members due to past service by entry age normal actuarial cost method. The (TPL) includes benefits related to projected salary and service, and automatic cost of living adjustments (COLA’s). In addition, ad hoc Cola’s are also included in the (TPL) to the extent they are substantively automatic. The (FNP) is determined on the same basis used by the pension plans. The City’s net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

<b>Net Pension Liability</b>	<b>Retirement and Relief System</b>	<b>Firemen's and Policeman's Supplemental Pension &amp; Relief System</b>	<b>Unclassified Employee's Pension &amp; Relief System</b>
Measurement Date	June 30, 2022	June 30, 2022	June 30, 2022
Total Pension Liability	\$1,635,731,434	\$ 129,001,085	\$ 398,097
Fiduciary Net Position	1,055,886,895	15,573,750	590,576
<b>Net Pension Liability (Asset)</b>	<b>\$ 579,844,539</b>	<b>\$ 113,427,335</b>	<b>\$ (192,479)</b>
Plan Fiduciary Net Position as a percentage of Total Pension Liability	64.55%	12.07%	148.35%

A schedule of Net Pension Liability, in addition to the information above, includes multi-year trend information (beginning with FY 2015) and is presented in the Required Supplementary Information section on pages 123-131.

**7. Schedule of Changes in Net Pension Liability**

Changes in the City’s net pension liability presented below are calculated on the same basis as each of the plans. The Change in Net Pension Liability for Retirement and Relief System, Firemen’s and Policemen’s Supplemental, and Unclassified Pension and Relief System pension plans for the Fiscal Year ended June 30, 2022 are as follows:

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**C. Pension Plans (Continued)**

<b>Retirement and Relief System</b>				
<b>Change in Net Pension Liability</b>	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability</b>	
Service cost	\$ 21,740,338	\$ -	\$ 21,740,338	
Interest on total pension liability	113,808,307	-	113,808,307	
Change in benefit terms	114,097	-	114,097	
Difference between expected and actual experience	(5,877,841)	-	(5,877,841)	
Employer contributions	-	41,598,353	(41,598,353)	
Employee contributions	-	14,196,912	(14,196,912)	
Pension plan net investment income	-	(111,563,469)	111,563,469	
Assumption changes	65,289,262	-	65,289,262	
Benefit payments, including refunds	(110,092,977)	(110,092,977)	-	
Administrative expense	-	(388,444)	388,444	
Net Change	84,981,186	(166,249,625)	251,230,811	
Balance - Beginning of Year	1,550,750,248	1,222,136,520	328,613,728	
Balances - End of Year	\$ 1,635,731,434	\$ 1,055,886,895	\$ 579,844,539	

The City is allocated a proportional share of 96.30% of the net pension liability of the Retirement and Relief System, with the allocation based on July 1, 2021 valuation pay. This basis is intended to measure the proportion of each employer's long-term funding requirements. The City's allocated share of the net pension liability is \$558,390,292. The Birmingham Airport Authority and the Emergency Communication District (E911), component units of the City, allocated share of the net pension liability is \$19,772,699 and \$1,681,548, respectively. The following table presents the allocation between the reporting entity and the component units.

**Allocation of June 30, 2022 Net Pension Liability (NPL)**

	<b>Covered Employee Payroll</b>	<b>Proportion of Net Pension Liability</b>	<b>Proportionate Share of Net Pension Liability</b>	<b>Proportionate Share of Pension Expense</b>
City of Birmingham	\$ 183,549,209	96.30%	\$ 558,390,292	\$ 65,181,449
Airport Authority	6,509,037	3.41%	19,772,699	2,240,246
Emergency Communication District (E911)	553,854	0.29%	1,681,548	(208,175)
Total	\$ 190,612,100	100.00%	\$ 579,844,539	\$ 67,213,520

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**C. Pension Plans (Continued)**

For the year ended June 30, 2022, the City recognized pension expense of \$65,181,449 for the Retirement and Relief System and Relief System pension plan.

<b>Firemen's and Policemen's Supplemental Pension System</b>			
<b>Change in Net Pension Liability</b>	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Position Liability</b>
Service cost	\$ 5,474,427	\$ -	\$ 5,474,427
Interest on total pension liability	7,012,684	-	7,012,684
Benefit changes	816,322	-	816,322
Difference between expected and actual experience	8,048,741	-	8,048,741
Employer contributions	-	7,369,528	(7,369,528)
Employee contributions	-	4,312,342	(4,312,342)
Contribution - fire tax	-	120,521	(120,521)
Pension plan net investment income	-	(1,600,766)	1,600,766
Assumption changes	28,367,045	-	28,367,045
Benefit payments	(17,492,331)	(17,492,331)	-
Administrative expense	-	(87,834)	87,834
Net Change	32,226,888	(7,378,540)	39,605,428
Balances - Beginning of Year	96,774,197	22,952,290	73,821,907
Balances - End of Year	\$ 129,001,085	\$ 15,573,750	\$ 113,427,335

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**C. Pension Plans (Continued)**

For the year ended June 30, 2022, the City recognized pension expense of \$11,371,539 for the Firemen's and Policemen's Supplemental pension plan.

**Unclassified Employees' Pension & Relief System**

<b>Change in Net Pension Liability</b>	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Pension</b>	<b>Net Pension Liability (Asset)</b>
Service cost	\$ 572	\$ -	\$ 572
Interest on total pension liability	18,870	-	18,870
Difference between expected and actual experience	13,593	-	13,593
Employee contributions	-	340	(340)
Pension plan net investment income	-	(84,695)	84,695
Assumption changes	8,123	-	8,123
Benefit payments	(39,758)	(39,758)	-
Administrative expense	-	(12,445)	12,445
Net Change	1,400	(136,558)	137,958
Balances - Beginning of Year	396,697	727,134	(330,437)
Balances - End of Year	\$ 398,097	\$ 590,576	\$ (192,479)

For the year ended June 30, 2022, the City recognized pension expense of \$29,616 for the Unclassified Employees' pension plan.

The aggregate amount of pension expense for all of the City's pension plans for the year ended June 30, 2022 is \$76,582,604

**8. Discount Rate**

**Retirement and Relief System** - The discount rates used to measure the Total Pension Liability (TPL) were 7.25 % and 7.50% as of July 1, 2022, and July 1, 2021, respectively. The projection of cash flows used to determine the 2022 discount rate assume employee contributions will continue to be made at 7.50% of compensation and City contributions were 16.49% of compensation beginning July 1, 2021. In addition, there are anticipated contributions from the City and the Supplemental System to the Retirement and Relief System, on behalf of Fire and Police retirees who are receiving benefits from the Supplemental System. For this purpose, only employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund



**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**C. Pension Plans (Continued)**

the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, and the fact that the City is expected to begin contributing the Actuarially Determined Contribution, the Plan Fiduciary Net Position (FNP) was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on the System's investments was applied to all periods of projected payments to determine the TPL as of June 30, 2022.

**Firemen's and Policemen's Supplemental Pension System** - The discount rate used to measure the Total Pension Liability (TPL) was 7.25% as of July 1, 2022, and 7.50% as of July 1, 2021. The projection of cash flows used to determine the discount rate assumes contributions of 5.22% of compensation for plan members, and that employer contributions will be made at rates equal to the actuarial determined contribution (roughly 13% of payroll). The System also receives income from the Fire Insurance Premium Tax, which is assumed to be equivalent to 0.40% of compensation. For this purpose, only employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, and the methodology used for determining the appropriate interest rate for GASB 68 purposes, the Plan Fiduciary Net Position (FNP) was projected to be available to make all projected future benefit payments for 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 TPL as of both June 30, 2022 and June 30, 2021. However, the System was projected to go insolvent within the next 15 years in the July 1, 2021 actuarial valuation.

**Unclassified Employees' Pension & Relief System** - The discount rate used to measure the Total Pension Liability (TPL) was 5.00% as of July 1, 2022, and July 1, 2021. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that no future employer contribution will be made. Based on those assumptions, the Plan Fiduciary Net Position (FNP) was projected to be available to make all projected future benefit payments for 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 TPL as of both June 30, 2022 and June 30, 2021.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**C. Pension Plans (Continued)**

**9. Sensitivity of the net pension liability to changes in the discount rate**

The following presents the net pension liability (asset) for each of the City's plans, calculated using the discount rate, as well as what the City's net pension liability would have been if it were calculated using a discount rate that is 1-percentage-point lower and 1-percentage-point higher than the current rate:

	Sensitivity		
	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Retirement and Relief System			
City	\$ 735,624,333	\$ 558,390,292	\$ 409,369,747
Airport authority	26,048,587	19,772,699	14,495,855
Emergency communication district	2,215,276	1,681,548	1,232,785
<b>Total for all employees</b>	<b>\$ 763,888,196</b>	<b>\$ 579,844,539</b>	<b>\$ 425,098,387</b>
	Sensitivity		
	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Firemen's and Policemen's Supplemental Pension System	\$ 121,361,584	\$ 113,427,335	\$ 106,131,403
	Sensitivity		
	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
Unclassified Employees' Pension & Relief System	\$ (161,958)	\$ (192,479)	\$ (218,889)

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**C. Pension Plans (Continued)**

**10. Schedule of Deferred Outflows and Inflows of Resources**

Deferred outflows of resources and deferred inflows of resources by source reported by the City at June 30, 2022 for each plan are as follows:

	Retirement and Relief System				Emergency	
	City		Airport Authority		Communication District	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflow of Resources	Deferred Outflows of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 8,152,012	\$ 9,059,577	\$ 288,664	\$ 320,801	\$ 24,549	\$ 27,282
Changes of assumptions	159,197,523	421,997,102	5,637,212	14,942,992	479,411	1,270,812
Change in proportionate share	1,413,273	1,922,525	1,378,482	1,543,387	674,157	-
Net difference between projected and actual earnings	60,264,312	-	2,133,970	-	181,481	-
Total	\$ 229,027,120	\$ 432,979,204	\$ 9,438,328	\$ 16,807,180	\$ 1,359,598	\$ 1,298,094

There are changes in each employer's proportionate share of the total Net Pension Liability (NPL) during the measurement period ended June 30, 2022. The net effect of the change on the employer's proportionate share of the collective NPL and collective deferred outflows of resources and deferred inflows of resources is recognized over the average of the expected remaining service lives of all employees that are provided with pensions through Retirement and Relief System which is five years determined as of June 30, 2021 (the beginning of the measurement period ending June 30, 2022). This is described in Paragraph 33a. of GASB 68.

In addition, the difference between the actual employer contributions and the proportionate share of the employer contributions during the measurement period ended June 30, 2022, is recognized over the same period. This is presumed to be zero because the proportionate share was determined using participant salaries, and contributions are a flat percentage of salary for all employees.

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**C. Pension Plans (Continued)**

There are also changes in each employer's proportionate share of the total NPL during the measurement period ended June 30, 2022. The net effect of the change on the employer's proportionate share of the collective NPL and collective deferred outflows of resources and deferred inflows of resources is recognized over the average of the expected remaining service lives of all employees that are provided with pensions through Retirement and Relief System, which is five years determined as of June 30, 2020 (the beginning of the measurement period ending June 30, 2021).

The average of the expected service lives of all employees is determined by:

- Calculating each active employee's expected remaining service life as the present value of \$1 per year of future service at zero percent interest.
- Setting the remaining service life to zero for each nonactive or retired member.
- Dividing the sum of the above amounts by the total number of active employees, nonactive and retired members.

	<b>Firemen's and Policemen's Supplemental Pension System</b>		<b>Unclassified Employees' Pension &amp; Relief System</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflow of Resources</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflow of Resources</b>
Differences between expected and actual experience	\$ 19,449,575	\$ 1,451,922	\$ -	\$ -
Changes of assumptions	36,424,066	18,865,269	-	-
Net difference between projected and actual earnings	1,318,783	-	61,200	-
<b>Total</b>	<b>\$ 57,192,424</b>	<b>\$ 20,317,191</b>	<b>\$ 61,200</b>	<b>\$ -</b>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions at June 30, 2022 will be recognized in pension expense as follows:

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**C. Pension Plans (Continued)**

Years Ended June 30,	Retirement and Relief System		
	City	Airport Authority	Emergency Communication District
2023	(42,078,231)	(1,445,636)	164,450
2024	(73,696,768)	(2,542,920)	11,807
2025	(126,923,000)	(4,752,296)	(231,433)
2026	38,745,915	1,372,000	116,680
Thereafter	-	-	-

Years ended June 30,	Firemen's and Policemen's Supplemental Pension System	Unclassified Employees' Pension & Relief System
2023	4,171,109	8,159
2024	3,885,560	12,100
2025	5,945,346	16,990
2026	6,857,740	23,951
2027	6,134,256	-
Thereafter	9,881,222	-

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**C. Pension Plans (Continued)**

**11. Assumptions and Other Data**

Schedule of Assumptions	Retirement and Relief System	Firemen's and Policemen's Supplemental Pension System	Unclassified Employees' Pension & Relief System
Valuation Date	1-Jul-21	1-Jul-21	1-Jul-21
Actuarial Cost Method	Entry Age Actuarial Cost Method	Entry Age Actuarial Cost Method	Aggregate Cost Method
Amortization Method	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll
Amortization Period	Rolling 30 Years	28 Years	30 Years
Asset Valuation Method	Market value of assets less unrecognized returns in each of the last five years.	Market value of assets less unrecognized returns in each of the last five years.	Market Value
Investment Rate of Return	7.25%, net of pension plan investment expense, including inflation	7.25%, net of pension plan investment expense, including inflation	5%, net of pension plan investment expense, including inflation
Inflation	2.25%	2.25%	2.25%
Salary Increases	2.25%, plus age-related (General Employees) or service-related (Fire and Police) salary scale	2.25%, plus service-related salary scale	NA
	<b>Mortality Rates</b>	<b>Mortality Rates</b>	<b>Mortality Rates</b>
<i>Pre-retirement</i>	Sex-distinct Pri-2012 Employee Amount-weighted Mortality Table with rates multiplied by 70%	Sex-distinct Pri-2012 Employee Amount-weighted Mortality Table with rates multiplied by 70%	Sex-distinct Pri-2012 Employee Amount-weighted Mortality Table with rates multiplied by 70%
<i>Healthy</i>	Sex-distinct Pri-2012 Healthy Retiree Amount-weighted Mortality Table, with rates multiplied by 110%	Sex-distinct Pri-2012 Healthy Retiree Amount-weighted Mortality Table, with rates multiplied by 110%	Sex-distinct Pri-2012 Healthy Retiree Amount-weighted Mortality Table, with rates multiplied by 110%
<i>Disabled</i>	Sex-distinct Pri-2012 Disabled Retiree Amount-weighted Mortality Table, with rates multiplied by 110%	Sex-distinct Pri-2012 Disabled Retiree Amount-weighted Mortality Table, set back two years for males and set forward two years for females	Sex-distinct Pri-2012 Disabled Retiree Amount-weighted Mortality Table, set back two years for males and set forward two years for females
<i>Future improvement</i>	Generational projection using MP-2021 improvement scale	Generational projection using MP-2021 improvement scale	Generational projection using MP-2021 improvement scale

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**C. Pension Plans (Continued)**

The actuarial assumptions used in the July 1, 2021, valuation were based on the results of an experience study for the period July 1, 2015 to June 30, 2020. The long-term expected rate of return on System investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns 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, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following tables:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Retirement and Relief System</b>
		<b>Long-term Expected Real Rate of Return</b>
Large cap domestic equity	30%	6.20%
Small and mid cap domestic equity	10%	7.00%
International equity	27%	6.80%
Core fixed income	11%	0.40%
Short-term high yield fixed income	4%	2.60%
Private equity	15%	10.40%
Cash	2%	-0.10%
Other fixed income	1%	2.80%
<b>Total</b>	<b>100%</b>	

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**C. Pension Plans (Continued)**

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Firemen's and Policemen's Supplemental Pension System</b>
		<b>Long-term Expected Real Rate of Return</b>
Large cap domestic equity	38%	6.20%
Small and mid cap domestic equity	10%	7.00%
International equity	30%	6.80%
Core fixed income	15%	0.40%
Short-term high yield fixed income	5%	2.60%
Cash	2%	-0.10%
<b>Total</b>	<b>100%</b>	

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Unclassified Employees' Pension &amp; Relief System</b>
		<b>Long-term Expected Real Rate of Return</b>
Equity	20%	6.40%
Fixed income	77%	0.40%
Cash	3%	-0.10%
<b>Total</b>	<b>100%</b>	

**D. Other Postemployment Benefit Obligation**

**Annual Other Postemployment Benefit Obligation**

***General Information about the OPEB Plan***

***Plan Description***

*Plan administration.* The City administers the OPEB plan, a single-employer defined benefit OPEB plan that is used to provide postemployment benefits other than pensions (OPEB) for permanent full-time general employees. Management of the



**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**D. Other Postemployment Benefit Obligation (Continued)**

OPEB plan is governed by the City. The authority to establish and/or amend the obligation of the employer, employees, and retirees rests with the City. No assets are accumulated in a trust that meets the criteria in paragraph 4 of the Governmental Accounting Standards Board (GASB) Statement No. 75.

*Benefits provided.* The City offers Retiree Medical and Prescription Drug benefits to retirees and spouses until age 65, and lifetime Life Insurance benefits. The retiree is required to contribute to both coverages. Eligibility for uniformed employees is 20 years of service; while non-uniformed employees are eligible at the earliest of 30 years of service, age 55 with 25 years of service, or age 60 with 5 years of service.

The retiree medical benefit has a \$1,500 deductible (\$3,000 family), and a 90% coinsurance in-network. The prescription drug program has four tiers, with copays that range from \$7 to \$100 for retail.

The life insurance benefit starts as the benefit in force at retirement, then drops by half at age 65, then half again at age 70.

*Plan membership.* At June 30, 2021 (biennial study year), City plan membership consisted of the following:

	<b>Medical</b>	<b>Life</b>
Retired members or beneficiaries currently receiving benefits	635	2,444
Vested terminated members entitled to but not yet receiving benefits	-	-
Active members	3,220	3,220
Total	3,855	5,664

***Total OPEB Liability***

The City's total OPEB liability of \$170,442,182 was measured as of June 30, 2021 and was determined by an actuarial valuation as of that date.

*Actuarial assumptions.* The total OPEB liability was measured by an actuarial valuation as of June 30, 2021 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**D. Other Postemployment Benefit Obligation (Continued)**

Inflation	2.25%
Salary increases	2.25% to 7.00%, varying by service for Police and Fire and by age for General Employees, including inflation
Discount rate	2.16% for 2022 reporting and 2.21% for 2021 reporting
Healthcare cost trend rates	Medical: 7.00% graded to 4.50% over 10 years Prescription Drug: 8.00% graded to 4.50% over 14 years Administrative Costs: 3.00%
Mortality rates	Sex-distinct Pri-2012 Employee Amount-Weighted Mortality Tables for employees, annuitants and disabled participants, as appropriate, with rates for healthy participants modified by 70%, rates for annuitants modified by 110%, and rates for disabled participants set back two years for males and set forward two years for females, with adjustments for mortality improvement using Scale MP-2021.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2020. Detailed information regarding all actuarial assumptions can be found in Section 3, Exhibit II of the actuarial valuation.

The discount rate was based on an index of 20-year, tax-exempt general obligation bonds as of the measurement date.

**Schedule of Changes in Total OPEB Liability**

Reporting Date for Employer under GASBS 75	June 30, 2022
Measurement Date for Employer under GASBS 75	June 30, 2021
<b>Total OPEB Liability</b>	
Service cost	\$ 8,860,407
Interest	3,367,365
Change of benefit terms	-
Differences between expected and actual experience	(1,565,309)
Changes of assumptions	19,208,905
Benefit payments, including refunds of member contributions	(5,844,567)
Net change in Total OPEB Liability	24,026,801
Total OPEB Liability – beginning	146,415,381
<b>Total OPEB Liability – ending</b>	<b>\$ 170,442,182</b>

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**D. Other Postemployment Benefit Obligation (Continued)**

*Benefit changes:*                      Effective June 30, 2022:  
None

*Changes of assumptions:*        Effective June 30, 2022:

- The discount rate effective June 30, 2021, measurement date was 2.16%. For June 30, 2020, measurement date, the effective rate was 2.21%.
- Healthcare costs and trend rates were updated to reflect the most recent experience.
- Retiree contributions to the health care plan were updated to reflect recent changes.
- A comprehensive Actuarial Experience Review, covering the period July 1, 2015, through June 30, 2020, was completed in December 2021. As a result of that study, the following assumption changes were proposed by the actuary and subsequently were approved by the Board.
- The payroll growth rate assumption was lowered from 2.50% to 2.25%.
- The inflation assumption was lowered from 2.50% to 2.25%.
- The age-based salary scale assumption was modified with the individual rates lowered to reflect the decrease in inflation to 2.25%.
- The pre-retirement mortality assumption was changed from the RP-2014 Blue Collar Employee Mortality Table with rates set forward two years for males and four years for females, to the Pri-2012 Employee Amount-weighted Mortality Table with rates modified by 70%.
- The post-retirement mortality assumption for healthy annuitants was changed from the RP-2014 Blue Collar Healthy Annuitant Mortality Table with rates set forward two years for males and four years for females, to the Pri-2012 Healthy Retiree Amount-weighted Mortality Table with rates modified by 110%.
- The mortality assumption for disabled retirees was changed from the RP-2014 Disabled Retiree Mortality Table to the Pri-2012 Disabled Retiree Amount-

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**D. Other Postemployment Benefit Obligation (Continued)**

weighted Mortality Table with rates set back two years for males and set forward two years for females.

- The generational mortality improvement assumption was changed from Scale MP-2015 to Scale MP-2021.
- Retirement rates were modified to better reflect actual experience and expected future patterns.
- The service-based turnover assumption was modified. These modifications reflect higher rates during earlier periods of employment.
- The age-based disability rates were modified for all groups to better reflect actual experience and expected future patterns.
- The on-the-job disability assumption was lowered from 50% of all disabilities to 20% of all disabilities.

***Sensitivity***

The following presents the Net OPEB liability of the City of Birmingham as well as what the Net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16%) or 1-percentage-point higher (3.16%) than the current rate. Also, shown is the Net OPEB liability as if it were calculated using healthcare cost trend rates that were 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates.

	<b>1% Decrease in Discount Rate (1.16%)</b>	<b>Current Discount Rate (2.16%)</b>	<b>1% Increase in Discount Rate (3.16%)</b>
OPEB Liability	\$ 191,003,999	\$ 170,442,182	\$ 153,057,630

	<b>1% Decrease in Health Care Costs Trend Rates</b>	<b>Current Health Care Costs Trend Rates</b>	<b>1% Increase in Health Care Costs Trend Rates</b>
OPEB Liability	\$ 155,305,876	\$ 170,442,182	\$ 188,432,124

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**D. Other Postemployment Benefit Obligation (Continued)**

***Deferred Outflows of Resources and Deferred Inflows of Resources***

The following charts reflect the deferred inflows and outflows of resources related to OPEB. Deferred inflows and outflows are differences between actual and expected experience that are not reflected in the current year's expenses.

	Deferred Outflows of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ -	\$ 3,193,086
Changes of assumptions	24,729,830	11,847,899
Change in proportionate share	-	-
Contributions after the measurement date	5,637,949	-
<b>Total</b>	<b>\$ 30,367,779</b>	<b>\$ 11,847,899</b>

For the year ended June 30, 2022, the City recognized OPEB expense of \$8,593,286. \$5,637,949 reported as deferred outflows of resources related to OPEB resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2023.

Deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as follows:

Reporting Date for Employer under GASBS 75 Year Ended June 30:	
2023	\$ (868,925)
2024	437,632
2025	6,591,419
2026	3,528,719
2027	-
Thereafter	-

The average of the expected service lives of all employees is determined by:

**City of Birmingham, Alabama**  
**Notes to the Financial Statements**  
**June 30, 2022**

**Note V – Other Information (Continued)**

**D. Other Postemployment Benefit Obligation (Continued)**

- Calculating each active employee's expected remaining service life as the present value of \$1 per year of future service at zero percent interest.
- Setting the remaining service life to zero for each nonactive or retired member.
- Dividing the sum of the above amounts by the total number of active employees, nonactive and retired members.

**E. Prior Period Adjustment**

On August 01, 2018, the Birmingham – Jefferson Civic Center Authority (BJCC) issued \$48,805,000 of Revenue Bonds (City of Birmingham Funding), Series 2018D. The source of revenue, pledged by the BJCC, is a funding agreement between the City of Birmingham and the BJCC, in which the City has agreed to pay \$3 million per year for a period of 30 years. These funds were used for capital projects by the BJCC, including renovations of the BJCC's Arena, the existing convention and meeting space, and for construction of a stadium (now known as Protective Stadium).

The City's obligation to make the annual contributions under this agreement, is a general obligation of the City, secured by the full faith and credit of the City. Therefore, the adjustment to record the obligation on the City's Statement of Net Position, as a prior period adjustment is necessary. The prior period adjustment had the following impact on the beginning net position and fund balance at June 30, 2021 (expressed in thousands):

	<u>Governmental Activities</u>
Net Position – June 30, 2021	\$ (595,196)
Prior Period Adjustment – 2018D Bonds	<u>(45,845)</u>
Net Position – June 30, 2021, as restated	<u><u>\$ (641,041)</u></u>

# **REQUIRED SUPPLEMENTARY INFORMATION**



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City of Birmingham, Alabama  
Required Supplementary Information  
Year ended June 30, 2022  
**Schedule of Changes in the Plan's Net Pension Liability and Related Ratios**

**Retirement and Relief System**

	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>									
Service Cost	\$ 21,740,338	\$ 56,029,658	\$ 44,976,834	\$ 41,015,747	\$ 42,226,648	\$ 61,202,895	\$ 43,377,051	\$ 36,945,277	\$ 35,473,452
Interest	113,808,307	91,854,201	97,871,068	99,437,120	95,679,837	81,787,344	80,457,568	80,340,821	78,078,837
Changes of Benefit Terms	114097	-	-	-	-	-	(337,185)	-	-
Differences Between Expected and Actual Experience	(5,877,841)	5,829,878	(12,498,198)	8,551,347	19,542,168	(31,185,752)	19,757,884	11,335,035	-
Changes of Assumptions	65,289,262	(722,080,120)	222,637,730	136,460,532	(29,777,001)	(304,984,286)	382,927,078	89,619,076	-
Benefit Payments, Including Refunds of Employee Contributions	(110,092,977)	(108,649,214)	(98,963,073)	(94,765,464)	(89,840,491)	(83,864,528)	(78,753,617)	(76,439,094)	(72,124,342)
Net Change in Total Pension Liability	84,981,186	(677,015,597)	254,024,361	190,699,282	37,831,161	(277,044,627)	447,428,779	141,801,115	41,427,947
Total Pension Liability - Beginning	1,550,750,248	2,227,765,845	1,973,741,484	1,783,042,202	1,745,211,041	2,022,255,368	1,574,826,589	1,433,025,474	1,391,597,527
Total Pension Liability - Ending (a)	\$ 1,635,731,434	\$ 1,550,750,248	\$ 2,227,765,845	\$ 1,973,741,484	\$ 1,783,042,202	\$ 1,745,210,741	\$ 2,022,255,368	\$ 1,574,826,589	\$ 1,433,025,474
<b>Plan fiduciary net position</b>									
Contributions - Employer	\$ 41,598,353	\$ 33,249,272	\$ 28,542,082	\$ 19,652,651	\$ 17,276,073	\$ 16,554,808	\$ 16,370,100	\$ 14,464,552	\$ 14,039,103
Contributions- Employee	14,196,912	13,054,106	14,065,497	13,859,226	14,152,427	14,030,922	13,843,088	12,227,545	11,984,752
Net Investment Income	-111,563,469	290,916,408	7,834,402	48,989,633	76,008,815	109,852,441	4,081,529	43,686,697	143,936,432
Benefit Payments, Including Refunds of Employee Contributions	(110,092,977)	(108,649,214)	(98,963,073)	(94,765,464)	(89,840,491)	(83,864,528)	(78,753,617)	(76,439,094)	(72,124,342)
Administrative Expense	(388,444)	(433,899)	(356,552)	(280,245)	(260,079)	(284,778)	(266,304)	(178,807)	(186,812)
Net Change in Plan Fiduciary Net Position	(166,249,625)	228,136,673	(48,877,644)	(12,544,199)	17,336,745	56,288,865	(44,725,204)	(6,239,107)	97,649,133
Plan Fiduciary Net Position - Beginning	1,222,136,520	993,999,847	1,042,877,491	1,055,421,690	1,038,084,945	981,796,080	1,026,521,284	1,032,760,391	935,111,258
Plan Fiduciary Net Position - Ending (b)	1,055,886,895	1,222,136,520	993,999,847	1,042,877,491	1,055,421,690	1,038,084,945	981,796,080	1,026,521,284	1,032,760,391
The Plan's Net Pension Liability - Ending (a)-(b)	\$ 579,844,539	\$ 328,613,728	\$ 1,233,765,998	\$ 930,863,993	\$ 727,620,512	\$ 707,126,096	\$ 1,040,459,288	\$ 548,305,305	\$ 400,265,083
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>									
Covered Payroll	64.55%	78.81%	44.62%	52.84%	59.19%	59.48%	48.55%	65.18%	72.07%
The Plan's Net Pension Liability as a Percentage of covered Employee Payroll	\$ 189,292,160	\$ 186,487,229	\$ 201,581,514	\$ 197,988,943	\$ 202,177,529	\$200,441,743	\$197,758,400	\$188,116,077	\$184,380,800
	306.32%	176.21%	612.04%	470.16%	359.89%	352.78%	526.13%	291.47%	217.09%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Notes to Schedule:**

Benefit changes: An increase in the City's contribution rate to the Retirement and Relief System, from 12.00% to 14.50%, effective July 1, 2020 is reflected in the June 30, 2021 disclosure. Effective July 1, 2021 participating employers of the City contribute the actuarial determined contribution on an annual basis.

Changes of assumptions: The discount rate for GASB reporting purposes increased from 4.12% to 7.50% as of June 30, 2021 and decreased from 7.50% to 7.25% as of June 30, 2022.



**City of Birmingham, Alabama**  
**Required Supplementary Information**  
**Year ended June 30, 2022**  
**Schedule of Changes in the Plan's Net Pension Liability and Related Ratios**

<i>Health Department Employees</i>	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>									
Service Cost	\$ 17,082	\$ 23,161	\$ 27,451	\$ 36,091	\$ 48,782	\$ 49,939	\$ 61,004	\$ 64,181	\$ 62,675
Interest	732,458	725,174	761,472	768,879	803,649	778,040	749,345	764,708	765,878
Changes of Benefit Terms	-	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(286,365)	224,788	(381,077)	(421,970)	336,211	70,755	(187,011)	(202,192)	-
Changes of Assumptions	475,233	-	-	-	-	-	(84,528)	-	-
Benefit Payments, Including Refunds of Employee Contributions	(864,876)	(874,973)	(900,096)	(832,729)	(863,354)	(901,200)	(836,553)	(853,769)	(836,771)
<b>Net Change in Total Pension Liability</b>	<b>73,532</b>	<b>98,150</b>	<b>(492,250)</b>	<b>(451,729)</b>	<b>205,288</b>	<b>(2,466)</b>	<b>(299,743)</b>	<b>(227,072)</b>	<b>(8,218)</b>
<b>Total Pension Liability - Beginning</b>	<b>10,181,462</b>	<b>10,083,312</b>	<b>10,575,562</b>	<b>11,027,291</b>	<b>10,822,003</b>	<b>10,824,469</b>	<b>11,124,212</b>	<b>11,351,284</b>	<b>11,359,502</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 10,254,994</b>	<b>\$ 10,181,462</b>	<b>\$ 10,083,312</b>	<b>\$ 10,575,562</b>	<b>\$ 11,027,291</b>	<b>\$ 10,822,003</b>	<b>\$ 10,824,469</b>	<b>\$ 11,124,212</b>	<b>\$ 11,351,284</b>
<b>Plan fiduciary net position</b>									
Contributions - Employer	\$ 7,217	\$ 7,486	\$ 8,560	\$ 8,702	\$ 10,614	\$ 12,517	\$ 12,474	\$ 13,888	\$ 14,707
Contributions - Employee	17,967	18,636	21,717	21,663	26,426	31,164	31,055	34,556	36,616
Net Investment Income	-1,702,312	4,426,955	118,836	740,330	1,146,266	1,662,389	61,975	665,531	2,288,551
Benefit Payments, Including Refunds of Employee Contributions	(864,876)	(874,973)	(900,096)	(832,729)	(863,354)	(901,200)	(836,553)	(853,769)	(836,771)
Administrative Expense	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<b>(2,542,004)</b>	<b>3,578,104</b>	<b>(750,963)</b>	<b>(62,024)</b>	<b>199,952</b>	<b>804,870</b>	<b>(733,049)</b>	<b>(139,794)</b>	<b>1,503,103</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>18,650,829</b>	<b>15,072,725</b>	<b>15,823,708</b>	<b>15,685,742</b>	<b>15,685,790</b>	<b>14,880,920</b>	<b>15,613,969</b>	<b>15,753,763</b>	<b>14,250,660</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>16,108,825</b>	<b>18,650,829</b>	<b>15,072,725</b>	<b>15,623,708</b>	<b>15,885,742</b>	<b>15,685,790</b>	<b>14,880,920</b>	<b>15,613,969</b>	<b>15,753,763</b>
<b>The Plan's Net Pension Liability - Ending (a) - (b)</b>	<b>\$ (5,853,831)</b>	<b>\$ (8,469,367)</b>	<b>\$ (4,969,413)</b>	<b>\$ (5,248,146)</b>	<b>\$ (4,858,451)</b>	<b>\$ (4,863,787)</b>	<b>\$ (4,956,451)</b>	<b>\$ (4,489,757)</b>	<b>\$ (4,402,479)</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>157.06%</b>	<b>183.16%</b>	<b>149.48%</b>	<b>149.63%</b>	<b>144.06%</b>	<b>144.94%</b>	<b>137.47%</b>	<b>140.36%</b>	<b>138.78%</b>
<b>Covered Payroll</b>									
<b>The Plan's Net Pension Liability as a Percentage of covered Employee Payroll</b>	<b>\$ 299,450</b>	<b>\$ 310,600</b>	<b>\$ 361,950</b>	<b>\$ 361,050</b>	<b>\$ 440,433</b>	<b>\$ 519,400</b>	<b>\$ 517,583</b>	<b>\$ 575,933</b>	<b>\$ 610,267</b>
<b>Percentage of covered Employee Payroll</b>	<b>-1,954.86%</b>	<b>-2,726.78%</b>	<b>-1,376.48%</b>	<b>-1,453.58%</b>	<b>-1,103.11%</b>	<b>-936.42%</b>	<b>-763.73%</b>	<b>-779.56%</b>	<b>-721.40%</b>

**Notes to Schedule**

*Benefit changes:* There have been no changes in benefit provisions reflected for the first time in the June 30, 2022 or June 30, 2021 disclosures.

*Change of assumptions:* The discount rate for GASB reporting purposes decreased from 7.50% to 7.25% as of June 30, 2022. A comprehensive Actuarial Experience Review of the Retirement and Relief System, covering the period July 1, 2015 through June 30, 2020, was completed in December, 2021. As a result of that study, the following assumption changes were proposed by the actuary and subsequently were approved by the Board. The following changes were included in the June 30, 2022 disclosure:

- The investment return assumption was decreased from 7.50% to 7.25%.
- The inflation assumption was lowered from 2.50% to 2.25%.
- The pre-retirement mortality assumption was changed from the RP-2014 Blue Collar Employee Mortality Table with rates set forward two years for males and four years for females, to the Pri-2012 Healthy Retiree Amount-weighted Mortality Table with rates multiplied by 110%.
- The mortality assumption for disabled retirees was changed from the RP-2014 Disabled Retiree Mortality Table, multiplied by 70%, to the Pri-2012 Disabled Retiree Amount-weighted Mortality Table with rates set back two years for males and set forward two years for females.
- The generational mortality improvement assumption was changed from Scale MP-2015, To Scale MP-2021.

City of Birmingham  
Required Supplementary Information  
Year ended June 30, 2022  
Schedule of the Employer's Contributions

***Retirement and Relief System***

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contributions	\$ 32,795,771	\$ 33,322,262	\$ 32,166,230	\$ 31,146,931	\$ 30,063,990	\$ 30,564,212	\$ 29,898,918	\$ 30,398,187	\$ 30,553,712
Contributions in Relation to the Actuarially Determined Contribution	34,988,353	28,280,924	24,225,209	19,652,651	17,276,073	16,554,808	16,370,100	14,464,552	14,039,103
Contribution Deficiency (Excess)	\$ (2,192,582)	\$ 5,041,338	\$ 7,941,021	\$ 11,494,280	\$ 12,787,917	\$ 14,009,404	\$ 13,528,818	\$ 15,933,635	\$ 16,514,609
Covered Payroll	\$ 189,292,160	\$ 186,487,229	\$ 201,581,514	\$ 197,988,943	\$ 202,117,529	\$ 200,441,743	\$ 197,758,400	\$ 188,116,077	\$ 184,380,800
Contributions as a Percentage of Covered Payroll	18.48%	15.17%	12.02%	9.93%	8.55%	8.26%	8.28%	7.69%	7.61%

***Health Department Employees***

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Actuarially Determined Contributions	7,217	7,486	8,560	8,702	10,614	12,517	12,474	13,888	14,707
Contribution Deficiency (Excess)	\$ (7,217)	\$ (7,486)	\$ (8,560)	\$ (8,702)	\$ (10,614)	\$ (12,517)	\$ (12,474)	\$ (13,888)	\$ (14,707)
Covered Payroll	\$ 299,450	\$ 310,600	\$ 361,950	\$ 361,050	\$ 440,433	\$ 519,400	\$ 517,583	\$ 575,933	\$ 610,267
Contributions as a Percentage of Covered Payroll	2.41%	2.41%	2.36%	2.41%	2.41%	2.41%	2.41%	2.41%	2.41%

City of Birmingham  
Required Supplementary Information  
Year ended June 30, 2022  
Schedule of the Employer's Contributions

**Notes to Schedule**

\*Payroll is estimated based on the actual employee contributions received and a 7.00% contribution rate for year ended June 30, 2021 and a 7.50% contribution rate for year ended June 30, 2022, dates indicated. Additional information as of the lasted actuarial valuation follows.

1. The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the 7.50% contribution rate for year ended June 30, 2022, dates indicated. Additional information as of the lasted actuarial valuation follows.

Valuation date	7/1/2021
Actuarial cost method	Entry Age Actuarial Cost Method
Asset valuation method	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between actual and expected returns on a market value basis and is recognized over a five-year period. The deferred return is further adjusted, if necessary, so that the actuarial value of assets will stay within 20% of the market value of assets.
Actuarial assumptions:	
Investment rate of return	7.25%, including inflation, net of pension plan investment expense
Projected salary increases	2.25% plus age-related salary scale
Inflation rate	2.25%
Other assumptions	Same as those used in the July 1, 2021 funding actuarial valuation.

City of Birmingham, Alabama  
Required Supplementary Information  
Year ended June 30, 2022  
Schedule of Changes in the Plan's Net Pension Liability and Related Ratios

**Firemen's and Policemen's Supplemental Pension System**

	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>									
Service Cost	\$ 5,474,427	\$ 8,230,653	\$ 5,724,211	\$ 5,827,795	\$ 5,892,272	\$ 6,244,629	\$ 8,428,083	\$ 7,944,887	\$ 7,504,493
Interest	7,012,684	4,848,653	6,641,508	7,068,401	7,459,481	7,076,281	6,601,838	6,642,762	6,517,060
Changes of Benefit Terms	816,322	-	-	-	-	-	627,885	-	-
Differences Between Expected and Actual Experience	8,048,741	8,411,116	8,183,141	(2,020,494)	921,419	(687,720)	(16,324)	(869,040)	-
Changes of Assumptions	28,367,045	(17,676,678)	17,343,451	-	-	-	(23,025,349)	365,390	-
Benefit Payments, Including Refunds of Employee Contributions	(17,492,331)	(18,513,137)	(18,495,889)	(18,473,149)	(14,489,226)	(14,185,871)	(15,214,638)	(11,943,335)	(11,712,272)
Net Change in Total Pension Liability	32,226,888	(14,699,393)	19,396,422	(7,597,447)	(216,054)	(1,552,681)	(22,598,505)	2,140,664	2,309,281
Total Pension Liability - Beginning	96,774,197	111,473,590	92,077,168	99,674,615	99,890,669	101,443,350	124,041,855	121,901,191	119,591,910
Total Pension Liability - Ending (a)	\$ 129,001,085	\$ 96,774,197	\$ 111,473,590	\$ 92,077,168	\$ 99,674,615	\$ 99,890,669	\$ 101,443,350	\$ 124,041,855	\$ 121,901,191
<b>Plan Fiduciary Net Position</b>									
Contributions - Employer	\$ 7,369,528	\$ 5,226,286	\$ 5,320,565	\$ 5,040,631	\$ 4,942,429	\$ 4,354,660	\$ 4,364,213	\$ 4,212,776	\$ 4,090,689
Contributions - Employee	4,312,342	4,320,184	4,473,188	4,349,238	4,443,095	4,336,141	4,348,710	4,197,254	4,074,251
Contributions-Fire insurance premium tax	120,521	108,526	104,403	300,386	295,031	323,369	404,462	362,196	209,691
Transfer from Limited Firemen's Pension	-	-	-	-	-	-	-	-	104,208
Net Investment Income	(1,600,766)	5,800,552	(206,519)	1,157,833	4,321,601	4,172,814	(445,516)	1,028,214	6,708,060
Benefit Payments, Including Refunds of Employee Contributions	(17,492,331)	(18,513,137)	(18,495,889)	(18,473,149)	(14,489,226)	(14,185,871)	(15,214,638)	(11,943,335)	(11,712,272)
Administrative Expense	(87,834)	(55,581)	(71,121)	(61,286)	(61,035)	(55,250)	(72,692)	(75,251)	(36,850)
Net Change in Plan Fiduciary Net Position	(7,378,540)	(3,113,170)	(8,875,373)	(7,686,347)	(548,105)	(1,054,137)	(6,615,461)	(2,218,146)	3,438,377
Plan Fiduciary Net Position - Beginning	22,952,290	26,065,460	34,940,833	42,627,180	43,175,285	44,229,422	50,844,883	53,063,029	49,624,652
Plan Fiduciary Net Position - Ending (b)	15,573,750	22,952,290	26,065,460	34,940,833	42,627,180	43,175,285	44,229,422	50,844,883	53,063,029
The Plan's Net Pension Liability - Ending (a) - (b)	\$ 113,427,335	\$ 73,821,907	\$ 85,408,130	\$ 57,136,335	\$ 57,047,435	\$ 56,715,384	\$ 57,213,928	\$ 73,196,972	\$ 68,838,162
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability Covered Payroll</b>	12.07%	23.72%	23.38%	37.95%	42.77%	43.22%	43.60%	40.99%	43.53%
The Plan's Net Pension Liability as a Percentage of covered Employee Payroll	\$ 82,611,916	\$ 82,762,146	\$ 85,693,257	\$ 83,318,736	\$ 85,116,762	\$ 83,067,835	\$ 83,308,621	\$ 80,407,165	\$ 78,050,785
	137.30%	89.20%	99.67%	68.58%	67.02%	68.28%	68.68%	91.03%	88.20%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Notes to Schedule**

**Benefit changes:**

The enactment of H.B.510 legislative changes were included in the June 30, 2022 disclosure:

- The employee contribution rate for participants of the Retirement & Relief System increased from 7.00% to 7.50%.
- The subsidized 60% Joint & Survivor spousal benefit was removed for all employees hired on or after July 1, 2021.
- The participating employers of the City will contribute the actuarial determined contribution on an annual basis, effective July 1, 2021.

**Changes of assumptions:**

The discount rate for GASB reporting purposes increased from 4.39% to 7.50% as of June 30, 2021 and decreased from 7.50% to 4.39% as of June 30, 2022. A comprehensive Actuarial Experience Review, covering the period July 1, 2015 through June 30, 2020 was completed in December 2021. As a result of that study, the following assumption changes were proposed by the actuary and subsequently were approved by the Board. The following changes were included in the June 30, 2022 disclosure:

- The investment return assumption was decreased from 7.50% to 7.25%.
- The payroll growth rate assumption (used for the amortization of the unfunded actuarial accrued liability) was lowered from 2.50% to 2.25%.
- The inflation assumption was lowered from 2.50% to 2.25%.
- The service-based scale assumption for Fire and Police was modified with an overall lowering of the individual service rates to an ultimate rate of 2.25%.
- The administrative expense assumption was decreased from \$70,000 to \$65,000
- The pre-retirement mortality assumption was changed from the RP-2014 Blue Collar Employee Mortality Table with rates set forward two years for males and four years for females, to the Pri-2012 Employee Amount-weighted Mortality Table with rates multiplied by 70%.
- The post-retirement mortality assumption for healthy annuitants was changed from the RP-2014 Blue Collar Healthy Annuitant Mortality Table with rates set forward two years for males and four years for females, to the Pri-2012 Healthy Retiree Amount-weighted Mortality Table with rates multiplied by 110%.
- The mortality assumption for disabled retirees was changed from the RP-2014 Disabled Retiree Mortality Table, to the RP-2012 Disabled Retiree Amount-weighted Mortality Table with rates set back two years for males and set forward two years for females.
- The generational mortality improvement assumption was changed from Scale MP-2015 to Scale MP-2021.
- Retirement rates were modified for both groups to better reflect actual experience and expected future patterns; separate service-based rates for Fire and Police begin at 20 years of service with 100% retirement after 34 years.
- The BackDROP utilization assumption was increased from 90% for Firefighters and 70% for Police Officers to 95% for both groups.
- The turnover assumption was modified including the introduction of separate service-based rates for Police Officers. The modifications for both groups reflect higher rates during earlier periods of employment.
- The age-based disability rates were modified for both groups to better reflect actual experience and expected future patterns.
- The on-the-job disability assumption was lowered from 80% to 70% for Firefighters and from 100% to 50% for Police Officers.

**City of Birmingham, Alabama**  
**Required Supplementary Information**  
**Year ended June 30, 2022**  
**Schedule of the Employer's Contributions**

**Firemen's and Policemen's Supplemental Pension System**

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contributions	\$ 6,511,052	\$ 6,511,052	\$ 5,676,004	\$ 5,044,341	\$ 5,276,401	\$ 5,092,012	\$ 4,960,548	\$ 6,038,436	\$ 5,839,810
Contributions in Relation to the Actuarially Determined Contributions	7,369,528	5,226,286	5,320,565	5,040,631	4,942,429	4,354,660	4,364,213	4,212,776	4,090,689
Contribution Deficiency (Excess)	\$ (858,476)	\$ 1,284,766	\$ 355,439	\$ 3,710	\$ 333,972	\$ 737,352	\$ 596,335	\$ 1,825,660	\$ 1,749,121
Covered Payroll	\$82,611,916	\$82,762,146	\$85,693,257	\$83,318,736	\$85,116,762	\$83,067,835	\$83,308,621	\$80,407,165	\$78,050,785
Contributions as a Percentage of Covered Payroll	8.92%	6.31%	6.21%	6.05%	5.81%	5.24%	5.24%	5.24%	5.24%

**Notes to Schedule**

\*The Actuarially Determined Contribution is equal to the total calculated contribution in the most recent actuarial valuation, minus the portion expected to be covered by employee contributions.

\*Payroll is estimated based on the actual employee contributions received and a 5.22% contribution rate.

2. The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the lasted actuarial valuation follows.

Valuation date	7/1/2021
Actuarial cost method	Entry Age Actuarial Cost Method
Amortization method	Level percent of payroll, using 2.25% annual increases; closed period
Remaining amortization period	26 years
Asset valuation method	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between actual and expected returns on the market value basis and is recognized over a five-year period. The deferred return is further adjusted, if necessary, so that the actuarial value of assets will stay within 20% of the market value of assets.
Actuarial assumptions:	
Investment rate of return	7.25%, net of pension plan investment expense, including inflation.
Wage Inflation rate	2.25%
Projected salary increases	2.25%, plus service-related salary scale
Other assumptions	Same as those used in the July 1, 2021 funding actuarial valuation.

City of Birmingham, Alabama  
Required Supplementary Information  
Year ended June 30, 2022

Schedule of Changes in the Plan's Net Pension Liability and Related Ratios

*Unclassified Employees' Pension & Relief System*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>									
Service Cost	\$ 572	\$ 573	\$ 572	\$ 1,012	\$ 1,571	\$ 952	\$ 915	\$ 928	\$ 937
Interest	18,870	19,100	19,462	20,643	26,050	36,865	40,067	42,283	44,935
Changes of Benefit Terms	0	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience									
Changes of Assumptions	13,593	16,314	15,703	(87,718)	11,391	(72,043)	(81,456)	(4,946)	-
Benefit Payments, Including Refunds of Employee Contributions	8123	-	-	-	-	66,025	51,012	-	-
	(39,758)	(41,415)	(44,578)	(45,066)	(49,918)	(50,888)	(61,661)	(78,176)	(89,337)
<b>Net Change in Total Pension Liability</b>	<b>1,400</b>	<b>(5,428)</b>	<b>(8,841)</b>	<b>(111,129)</b>	<b>(10,906)</b>	<b>(19,089)</b>	<b>(51,123)</b>	<b>(39,911)</b>	<b>(43,465)</b>
<b>Total Pension Liability - Beginning</b>	<b>396,697</b>	<b>402,125</b>	<b>410,966</b>	<b>522,095</b>	<b>533,001</b>	<b>552,090</b>	<b>603,213</b>	<b>643,124</b>	<b>686,589</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 398,097</b>	<b>\$ 396,697</b>	<b>\$ 402,125</b>	<b>\$ 410,966</b>	<b>\$ 522,095</b>	<b>\$ 533,001</b>	<b>\$ 552,090</b>	<b>\$ 603,213</b>	<b>\$ 643,124</b>

**Plan fiduciary net position**

Contributions - Employer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions - Employee	340	420	500	500	540	780	810	810	780
Contributions - Fire tax	-	-	-	-	-	-	-	-	-
Transfer from Limited Firemen's Pension	-	-	-	-	-	-	-	-	-
Net Investment Income	-84,695	69,041	58,706	54,413	20,583	41,943	29,269	22,803	81,828
Benefit Payments, Including Refunds of									
Employee Contributions	(39,758)	(41,415)	(44,578)	(45,066)	(49,918)	(50,888)	(61,661)	(78,176)	(89,337)
Administrative Expense	(12,445)	(12,289)	(20,854)	(17,360)	(15,578)	(17,312)	(19,019)	(27,658)	(16,750)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>(136,558)</b>	<b>15,757</b>	<b>(6,226)</b>	<b>(7,513)</b>	<b>(44,373)</b>	<b>(25,477)</b>	<b>(50,601)</b>	<b>(82,221)</b>	<b>(23,479)</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>727,134</b>	<b>711,377</b>	<b>717,603</b>	<b>725,116</b>	<b>769,966</b>	<b>794,966</b>	<b>845,567</b>	<b>927,788</b>	<b>951,267</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>590,576</b>	<b>727,134</b>	<b>711,377</b>	<b>717,603</b>	<b>725,593</b>	<b>769,489</b>	<b>794,966</b>	<b>845,567</b>	<b>927,788</b>
<b>The Plan's Net Pension Liability - Ending (a) - (b)</b>	<b>\$ (192,479)</b>	<b>\$ (330,437)</b>	<b>\$ (309,252)</b>	<b>\$ (306,637)</b>	<b>\$ (203,498)</b>	<b>\$ (236,488)</b>	<b>\$ (242,876)</b>	<b>\$ (242,354)</b>	<b>\$ (284,664)</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>148.35%</b>	<b>183.30%</b>	<b>176.90%</b>	<b>174.61%</b>	<b>138.89%</b>	<b>144.37%</b>	<b>143.99%</b>	<b>140.18%</b>	<b>144.26%</b>
<b>Covered Payroll</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>The Plan's Net Pension Liability as a Percentage of covered Employee Payroll</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

**Notes to Schedule**

*Benefit changes:* There have been no changes in benefit provisions reflected for the first time in the June 30, 2022 or June 30, 2021 disclosures.

*Change of assumptions:* There have been no changes in assumptions in the last two fiscal years.

**City of Birmingham, Alabama**  
**Required Supplementary Information**  
**Year ended June 30, 2022**  
**Schedule of the Employer's Contributions**

***Unclassified Employees' Pension & Relief System***

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contributions	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Actuarially Determined Contributions	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Notes to Schedule**

3. The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the lasted actuarial valuation follows.

Valuation date	7/1/2021
Actuarial cost method	Aggregate cost method
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return	5.00%, including inflation, net of pension plan investment expense
Inflation rate	2.25%
Other assumptions	Same as those used in the July 1, 2021 funding actuarial valuation.

**City of Birmingham, Alabama**  
**Required Supplementary Information**  
**Year ended June 30, 2022**

**Schedule of Changes in Total OPEB Liability**

	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>					
Service cost	\$ 8,860,407	\$ 6,921,487	\$ 8,717,483	\$ 8,979,314	\$ 10,013,064
Interest	3,367,365	4,541,585	5,964,644	5,417,532	4,432,448
Change of benefit terms	-	-	(777,503)	-	-
Differences between expected and actual experience	(1,565,309)	(291,010)	(3,215,485)	(2,400,192)	(3,265,949)
Changes of assumptions	19,208,905	15,604,512	(27,553,451)	(4,132,596)	(10,561,862)
Benefit payments, including refunds of member contributions	(5,844,567)	(6,343,981)	(5,121,160)	(4,488,411)	(3,073,000)
Net change in Total OPEB Liability	24,026,801	20,432,593	(21,985,472)	3,375,647	(2,455,299)
Total OPEB Liability – beginning	146,415,381	125,982,788	147,968,260	144,592,613	147,047,912
Total OPEB Liability – ending	\$ 170,442,182	\$ 146,415,381	\$ 125,982,788	\$ 147,968,260	\$ 144,592,613

**Notes to Schedule**

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available

Benefit changes: Effective for June 30, 2022 and June 30, 2021 Reporting:

- None

Changes to assumptions:

Effective for June 30, 2022 Reporting:

- The discount rate effective June 30, 2021 was 2.16%. For June 30, 2020, the effective rate was 2.21%.

- Healthcare costs and trend rates were updated to reflect the most recent experience.

- Retiree contributions to the health care plan were updated to reflect recent experience.

- A comprehensive Actuarial Experience Review for the City of Birmingham Retirement and Relief System, covering the period July 1, 2015 through June 30, 2020, was completed in December, 2021. As a result of that study, the following assumption changes were proposed by the actuary and subsequently were approved by the Board.

- The payroll growth rate assumption was lowered from 2.50% to 2.25%.
- The inflation assumption was lowered from 2.50% to 2.25%.
- The age-based salary scale assumption was modified with the individual rates lowered to reflect the decrease in inflation to 2.25%.
- The pre-retirement mortality assumption was changed from the RP-2014 Blue Collar Employee Mortality Table with rates set forward two years for males and four years for females, to the Pri-2012 Employee Amount-weighted Mortality Table with rates modified by 70%.
- The post-retirement mortality assumption for healthy annuitants was changed from the RP-2014 Blue Collar Healthy Annuitant Mortality Table with rates set forward two years for males and four years for females, to the Pri-2012 Healthy Retiree Amount-weighted Mortality Table with rates modified by 110%.
- The mortality assumption for disabled retirees was changed from the RP-2014 Disabled Retiree Mortality Table to the Pri-2012 Disabled Retiree Amount-weighted Mortality Table with rates set back two years for males and set forward two years for females.
- The generational mortality improvement assumption was changed from Scale MP-2015 to Scale MP-2021.
- Retirement rates were modified to better reflect actual experience and expected future patterns.
- The service-based turnover assumption was modified. These modifications reflect higher rates during earlier periods of employment.
- The age-based disability rates were modified for all groups to better reflect actual experience and expected future patterns.
- The on-the-job disability assumption was lowered from 50% of all disabilities to 20% of all disabilities.

Effective for June 30, 2021 Reporting:

- The discount rate effective June 30, 2020 was 2.21%. For June 30, 2019, the effective rate was 3.50%.
- Retiree contributions to the health care plan were updated to reflect recent changes.



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# OTHER SUPPLEMENTARY INFORMATION



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City of Birmingham, Alabama  
Combining Statement of Fiduciary Net Position  
Pension trust funds  
June 30, 2022  
(amounts expressed in thousands)

**ASSETS**

Cash and cash equivalents  
Accounts (net of uncollectibles)

Total Cash

Receivables:

Member loans

Interest and dividends

Total receivables

Investments at fair value:

U.S. government obligations

Domestic corporate bonds

Domestic stocks

Alternative investments

Total investments

Total assets

	Retirement & Relief	Firemen & Policemen Supplemental	Unclassified Pension	Total Pension trust funds
\$	93,079	\$ 1,669	\$ 591	\$ 95,339
	1,664	548	-	2,212
	<u>94,743</u>	<u>2,217</u>	<u>591</u>	<u>97,551</u>
\$	7,556	\$ -	\$ -	\$ 7,556
	2,730	54	-	2,784
	<u>10,286</u>	<u>54</u>	<u>-</u>	<u>10,340</u>
\$	66,391	\$ 374	\$ -	\$ 66,765
	162,766	2,716	-	165,482
	702,503	10,240	-	712,743
	36,390	-	-	36,390
	<u>968,050</u>	<u>13,330</u>	<u>-</u>	<u>981,380</u>
	<u>1,073,079</u>	<u>15,601</u>	<u>591</u>	<u>1,089,271</u>

**LIABILITIES**

Accounts payable

Total liabilities

\$	1,084	\$ 27	\$ -	\$ 1,111
	<u>1,084</u>	<u>27</u>	<u>-</u>	<u>1,111</u>

**NET POSITION**

Restricted for:

Pension

Total net position

\$	1,071,995	\$ 15,574	\$ 591	\$ 1,088,160
\$	<u>1,071,995</u>	<u>15,574</u>	<u>591</u>	<u>1,088,160</u>

City of Birmingham, Alabama  
Combining Statement of Changes in Fiduciary Net Position  
Pension trust funds  
June 30, 2022  
(amounts expressed in thousands)

**ADDITIONS**

## Contributions:

Employer Contributions  
Plan member contributions  
Total contributions

## Investment earnings:

Investment earnings  
Securities lending  
Securities litigation  
Total investment earnings

## Revenues

Other income  
Total revenues  
Total additions

	Retirement & Relief	Firemen & Policemen Supplemental	Unclassified Pension	Total Pension trust funds
\$	41,605	\$ 7,370	\$ -	\$ 48,975
	14,215	4,312	-	18,527
	55,820	11,682	-	67,502
\$	(110,456)	\$ (1,501)	\$ (87)	\$ (112,044)
	384	-	-	384
	126	-	-	126
	(109,946)	(1,501)	(87)	(111,534)
\$	11	\$ 121	\$ -	\$ 132
	11	121	-	132
	(54,115)	10,302	(87)	(43,900)

**DEDUCTIONS**

Benefits  
Refunds of contributions  
Administrative expenses  
Investment expenses  
Total deductions

Net increase (decrease) in fiduciary net p

Net Position -- beginning of the year

Net Position -- end of the year

\$	107,414	\$ 14,427	\$ 40	\$ 121,881
	3,544	1,311	-	4,855
	389	1,844	12	2,245
	3,331	97	-	3,428
	114,678	17,679	52	132,409
	(168,793)	(7,377)	(139)	(176,309)
	1,240,787	22,952	730	1,264,469
\$	1,071,994	\$ 15,575	\$ 591	\$ 1,088,160

City of Birmingham, Alabama  
Combining Governmental Balance Sheet  
Nonmajor Governmental Funds  
Summary by Fund Type  
June 30, 2022  
(amounts expressed in thousands)

	Debt service funds	Special revenue funds	Capital projects funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and investments	\$ 8,174	\$ 45,453	\$ 66,596	\$ 120,223
Cash with fiscal agent	129	1,020	9,669	10,818
Accrued taxes	15	424	-	439
Accounts (net of uncollectibles)	-	2,621	-	2,621
Total assets	<u>\$ 8,318</u>	<u>\$ 49,518</u>	<u>\$ 76,265</u>	<u>\$ 134,101</u>
<b>LIABILITIES</b>				
Bank overdrafts	\$ -	\$ 3,757	\$ 1,579	\$ 5,336
Accounts and vouchers payable	-	1,221	3,673	4,894
Contracts payable - retainage	-	4	517	521
Accrued payroll and payroll taxes payable	-	130	-	130
Unearned revenue	-	193	-	193
Other liabilities	-	657	22	679
Total liabilities	<u>-</u>	<u>\$ 5,962</u>	<u>\$ 5,791</u>	<u>\$ 11,753</u>
Deferred inflows of resources		1,773		1,773
Deferred inflows related to grants		7,735		13,526
Total liabilities and deferred inflows of resources	<u>-</u>	<u>9,705</u>	<u>5,791</u>	<u>15,501</u>
<b>FUND BALANCES (DEFICITS)</b>				
Restricted				
Capital Projects	\$ -	\$ 16,367	\$ 63,228	\$ 79,595
Debt Service	8,318	-	15	8,333
Other	-	7,099	-	7,099
Committed				
Neighborhood Improvements	\$ -	\$ 9,957	\$ -	\$ 9,957
Other purposes	-	586	-	586
Other Purposes	-	10,021	-	10,021
Assigned				
Capital Projects	\$ -	\$ -	\$ 7,231	\$ 7,231
Unassigned	-	(2,247)	-	(2,247)
Total fund balances (deficits)	<u>\$ 8,318</u>	<u>\$ 41,783</u>	<u>\$ 70,474</u>	<u>\$ 120,575</u>
Total liabilities and fund balances (deficits)	<u>\$ 8,318</u>	<u>\$ 49,518</u>	<u>\$ 76,265</u>	<u>\$ 134,101</u>

City of Birmingham, Alabama  
Combining Balance Sheet  
Nonmajor Debt service funds  
June 30, 2022  
(amounts expressed in thousands)

	Tax Incremental Financing	Alabama Trust Fund	Total Nonmajor Debt service funds
<b>ASSETS</b>			
Cash and investments	\$ 3,413	\$ 4,761	\$ 8,174
Cash with fiscal agent	129	-	129
Accrued taxes	15	-	15
Total assets	<u>\$ 3,557</u>	<u>\$ 4,761</u>	<u>\$ 8,318</u>
<b>FUND BALANCES (DEFICITS)</b>			
Restricted			
Debt Service	\$ 3,557	\$ 4,761	\$ 8,318
Total fund balances (deficits)	<u>\$ 3,557</u>	<u>\$ 4,761</u>	<u>\$ 8,318</u>
Total liabilities and fund balances (deficits)	<u>\$ 3,557</u>	<u>\$ 4,761</u>	<u>\$ 8,318</u>

City of Birmingham, Alabama  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2022  
(amounts expressed in thousands)

(continued)

	Neighborhood Allocation	Donations Fund	Reimbursable Agreements	Highway Improvement Fund	Fuel Tax Fund	Storm Water Fees	Technology	Correction Fund
<b>ASSETS</b>								
Cash and investments	\$ 10,445	\$ 586	\$ -	\$ 6,665	\$ 5,248	\$ 2,566	\$ 39	\$ 500
Cash with fiscal agent	-	-	-	-	-	-	-	-
Accrued taxes	-	-	-	239	108	77	-	-
Accounts (net of uncollectibles)	-	-	-	-	-	-	-	-
Total assets	\$ 10,445	\$ 586	\$ -	\$ 6,904	\$ 5,356	\$ 2,643	\$ 39	\$ 500
<b>LIABILITIES</b>								
Bank overdrafts	\$ -	\$ -	\$ 378	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and vouchers payable	16	-	-	438	-	107	4	-
Contracts payable - retainage	-	-	-	-	-	-	-	-
Accrued payroll and payroll taxes payable	-	-	-	-	-	33	-	16
Unearned revenue	-	-	-	-	-	-	-	-
Other liabilities	472	-	-	-	-	-	-	-
Total liabilities	\$ 488	-	\$ 378	\$ 438	\$ -	\$ 140	\$ 4	\$ 16
Deferred inflows of resources	-	-	-	-	-	-	-	-
Deferred inflows related to grants	488	-	-	438	-	140	4	16
Total liabilities and deferred inflows of resources	\$ 488	\$ -	\$ 378	\$ 438	\$ -	\$ 140	\$ 4	\$ 16
<b>FUND BALANCES (DEFICITS)</b>								
Restricted	\$ -	\$ -	\$ (378)	\$ 6,466	\$ 5,356	\$ 2,503	\$ -	\$ -
Capital Projects	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-
Neighborhood Improvements	\$ 9,957	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other purposes	-	586	-	-	-	-	-	-
Other Purposes	-	-	-	-	-	-	35	484
Unassigned	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total fund balances (deficits)	\$ 9,957	\$ 586	\$ (378)	\$ 6,466	\$ 5,356	\$ 2,503	\$ 35	\$ 484
Total liabilities and fund balances (deficits)	\$ 10,445	\$ 586	\$ -	\$ 6,904	\$ 5,356	\$ 2,643	\$ 39	\$ 500

City of Birmingham, Alabama  
Combining Balance Sheet  
Nonmajor Special revenue funds  
June 30, 2022  
(amounts expressed in thousands)

(continued)

	Fair Trial Tax Fund	Municipal Court Judicial Admin	PACE Board	Municipal Court Clerk Fund	Sporting & Entertainment Recruit	Rebuild AL Gas Tax	HUD Block Grant Fund
<b>ASSETS</b>							
Cash and investments	\$ 94	\$ 244	\$ -	\$ 95	\$ 4,483	\$ 2,336	\$ -
Cash with fiscal agent	-	-	1,020	-	-	-	-
Accrued taxes	-	-	-	-	-	-	-
Accounts (net of uncollectibles)	-	-	-	-	-	-	2,621
Total assets	<u>\$ 94</u>	<u>\$ 244</u>	<u>\$ 1,020</u>	<u>\$ 95</u>	<u>\$ 4,483</u>	<u>\$ 2,336</u>	<u>\$ 2,621</u>
<b>LIABILITIES</b>							
Bank overdrafts	\$ -	\$ -	\$ 787	\$ -	\$ -	\$ -	\$ 2,592
Accounts and vouchers payable	-	1	-	-	148	-	437
Contracts payable - retainage	-	-	-	-	4	-	-
Accrued payroll and payroll taxes payable	-	-	-	-	-	-	66
Unearned revenue	-	-	-	-	-	-	-
Other liabilities	-	-	185	-	-	-	-
Total liabilities	<u>-</u>	<u>1</u>	<u>972</u>	<u>-</u>	<u>152</u>	<u>-</u>	<u>3,095</u>
Deferred inflows of resources							
Deferred inflows related to grants	\$ -	\$ 1	\$ 972	\$ -	\$ 152	\$ -	1,773
Total liabilities and deferred inflows of resources	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 972</u>	<u>\$ -</u>	<u>\$ 152</u>	<u>\$ -</u>	<u>4,868</u>
<b>FUND BALANCES (DEFICITS)</b>							
Restricted	\$ -	\$ -	\$ 48	\$ -	\$ -	\$ -	\$ -
Capital Projects	94	243	-	95	4,331	2,336	-
Other	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-
Neighborhood Improvements	-	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-
Other Purposes	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(2,247)
Total fund balances (deficits)	<u>\$ 94</u>	<u>\$ 243</u>	<u>\$ 48</u>	<u>\$ 95</u>	<u>\$ 4,331</u>	<u>\$ 2,336</u>	<u>\$ (2,247)</u>
Total liabilities and fund balances (deficits)	<u>\$ 94</u>	<u>\$ 244</u>	<u>\$ 1,020</u>	<u>\$ 95</u>	<u>\$ 4,483</u>	<u>\$ 2,336</u>	<u>\$ 2,621</u>



City of Birmingham, Alabama  
Combining Balance Sheet  
Nonmajor Special revenue funds  
June 30, 2022  
(amounts expressed in thousands)

	Home Fund	Special Lodging Tax Revenue	Land Bank Authority	Total Nonmajor Special revenue funds
<b>ASSETS</b>				
Cash and investments	\$ 206	\$ 9,495	\$ 2,451	\$ 45,453
Cash with fiscal agent	-	-	-	1,020
Accrued taxes	-	-	-	424
Accounts (net of uncollectibles)	-	-	-	2,621
Total assets	\$ 206	\$ 9,495	\$ 2,451	\$ 49,518
<b>LIABILITIES</b>				
Bank overdrafts	\$ -	\$ -	\$ -	3,757
Accounts and vouchers payable	-	-	70	1,221
Contracts payable - retainage	-	-	-	4
Accrued payroll and payroll taxes payable	6	-	9	130
Unearned revenue	193	-	-	193
Other liabilities	-	-	-	657
Total liabilities	199	-	79	5,962
Deferred inflows of resources	-	-	-	1,773
Deferred inflows related to grants	199	-	79	7,735
Total liabilities and deferred inflows of resources	\$ 199	\$ -	\$ 79	\$ 7,735
<b>FUND BALANCES (DEFICITS)</b>				
Restricted				
Capital Projects	\$ -	\$ -	2,372	\$ 16,367
Other	-	-	-	7,099
Committed				
Neighborhood Improvements	\$ -	\$ -	-	\$ 9,957
Other purposes	-	-	-	586
Other Purposes	7	9,495	-	10,021
Unassigned	-	-	-	(2,247)
Total fund balances (deficits)	\$ 7	\$ 9,495	\$ 2,372	\$ 41,783
Total liabilities and fund balances (deficits)	\$ 206	\$ 9,495	\$ 2,451	\$ 49,518

City of Birmingham, Alabama  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
June 30, 2022  
(amounts expressed in thousands)

(continued)

	Capital Improvement Fund	Neighborhood Revitalization	Public Improvement	2013-A Bonds	Historical Preservation Fund	2015-A Bonds
<b>ASSETS</b>						
Cash and investments	\$ 10,264	\$ 8,511	\$ 1,146	\$ -	\$ -	\$ -
Cash with fiscal agent	-	-	-	-	4,262	-
Total assets	\$ 10,264	\$ 8,511	\$ 1,146	\$ -	\$ 4,262	\$ -
<b>LIABILITIES</b>						
Bank overdrafts	\$ -	\$ -	\$ -	\$ 298	\$ 9	\$ 1,272
Accounts and vouchers payable	1,153	1,479	-	-	-	-
Contracts payable - retainage	51	236	-	-	-	-
Other liabilities	22	-	-	-	-	-
Total liabilities	1,226	1,715	-	298	9	1,272
Deferred inflows of resources						
Deferred inflows related to grants	\$ 1,226	\$ 1,715	\$ -	\$ 298	\$ 9	\$ 1,272
Total liabilities and deferred inflows of resources	\$ 1,226	\$ 1,715	\$ -	\$ 298	\$ 9	\$ 1,272
<b>FUND BALANCES (DEFICITS)</b>						
Restricted						
Capital Projects	\$ 9,038	\$ -	\$ 1,146	\$ (298)	\$ 4,253	\$ (1,272)
Debt Service	-	-	-	-	-	-
Assigned	-	6,796	-	-	-	-
Capital Projects	-	-	-	-	-	-
Unassigned	\$ 9,038	\$ 6,796	\$ 1,146	\$ (298)	\$ 4,253	\$ (1,272)
Total fund balances (deficits)	\$ 9,038	\$ 6,796	\$ 1,146	\$ (298)	\$ 4,253	\$ (1,272)
Total liabilities and fund balances (deficits)	\$ 10,264	\$ 8,511	\$ 1,146	\$ -	\$ 4,262	\$ -

City of Birmingham, Alabama  
Combining Balance Sheet  
Nonmajor Capital projects funds  
June 30, 2022  
(amounts expressed in thousands)

(continued)

	2015-B Bonds	2016 A Refunding Bonds	2016 Equip and Public Impr Warrants	2017 Loans	2018-B General Obligation Warr	2020 BBVA G O WARRANTS
<b>ASSETS</b>						
Cash and investments	\$ 1,007	\$ 15	\$ 1,330	\$ 270	\$ 7,694	\$ 435
Cash with fiscal agent	-	-	-	-	-	-
Total assets	<u>\$ 1,007</u>	<u>\$ 15</u>	<u>\$ 1,330</u>	<u>\$ 270</u>	<u>\$ 7,694</u>	<u>\$ 435</u>
<b>LIABILITIES</b>						
Bank overdrafts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and vouchers payable	-	-	88	-	659	-
Contracts payable - retainage	-	-	-	-	28	-
Other liabilities	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>88</u>	<u>-</u>	<u>687</u>	<u>-</u>
Deferred inflows of resources						
Deferred inflows related to grants						
Total liabilities and deferred inflows of resources	<u>\$ -</u>	<u>\$ -</u>	<u>88</u>	<u>-</u>	<u>687</u>	<u>\$ -</u>
<b>FUND BALANCES (DEFICITS)</b>						
Restricted						
Capital Projects	\$ 1,007	\$ -	\$ 1,242	\$ 270	\$ 7,007	\$ -
Debt Service	-	15	-	-	-	-
Assigned	-	-	-	-	-	435
Capital Projects	-	-	-	-	-	-
Unassigned	<u>\$ 1,007</u>	<u>\$ 15</u>	<u>\$ 1,242</u>	<u>\$ 270</u>	<u>\$ 7,007</u>	<u>\$ 435</u>
Total fund balances (deficits)						
Total liabilities and fund balances (deficits)	<u>\$ 1,007</u>	<u>\$ 15</u>	<u>\$ 1,330</u>	<u>\$ 270</u>	<u>\$ 7,694</u>	<u>\$ 435</u>

City of Birmingham, Alabama  
Combining Balance Sheet  
Nonmajor Capital projects funds  
June 30, 2022  
(amounts expressed in thousands)

	2020 CGO Warrants	2021 AGO Warrants	2021 Equipment Lease	Total Nonmajor Capital projects funds
<b>ASSETS</b>				
Cash and investments	\$ 7,589	\$ 28,335	\$ -	\$ 66,596
Cash with fiscal agent	-	-	5,407	9,669
Total assets	<u>\$ 7,589</u>	<u>\$ 28,335</u>	<u>\$ 5,407</u>	<u>\$ 76,265</u>
<b>LIABILITIES</b>				
Bank overdrafts	\$ -	\$ -	\$ -	\$ 1,579
Accounts and vouchers payable	196	98	-	3,673
Contracts payable - retainage	-	202	-	517
Other liabilities	-	-	-	22
Total liabilities	<u>196</u>	<u>300</u>	<u>-</u>	<u>5,791</u>
Deferred inflows of resources				
Deferred inflows related to grants	196	300	-	5,791
Total liabilities and deferred inflows of resources	<u>\$ 196</u>	<u>\$ 300</u>	<u>\$ -</u>	<u>\$ 5,791</u>
<b>FUND BALANCES (DEFICITS)</b>				
Restricted				
Capital Projects	\$ 7,393	\$ 28,035	\$ 5,407	\$ 63,228
Debt Service	-	-	-	15
Assigned				
Capital Projects	-	-	-	7,231
Unassigned	-	-	-	-
Total fund balances (deficits)	<u>\$ 7,393</u>	<u>\$ 28,035</u>	<u>\$ 5,407</u>	<u>\$ 70,474</u>
Total liabilities and fund balances (deficits)	<u>\$ 7,589</u>	<u>\$ 28,335</u>	<u>\$ 5,407</u>	<u>\$ 76,265</u>

City of Birmingham, Alabama  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
Summary by FundType  
For the Year Ended June 30, 2022  
(amounts expressed in thousands)

	Debt service funds	Special revenue funds	Capital projects funds	Total Nonmajor Governmental Funds
<b>REVENUES</b>				
Taxes	\$ 4,237	\$ 9,625	\$ -	\$ 13,862
Intergovernmental	1,830	12,872	-	14,702
Charges for services	-	1,018	-	1,018
Fines and forfeitures	-	1,106	-	1,106
Investment income	15	28	110	153
Other operating revenues	-	2,470	1,328	3,798
Total revenues	6,082	27,119	1,438	34,639

**EXPENDITURES**

Current:				
Police	-	175	296	471
Fire	-	1	-	1
Planning Engineering and Permits	-	2,061	18,505	20,566
Municipal Court	-	787	1	788
Public Works	6,155	5	1,877	8,037
Cultural and recreational	-	-	-	-
Park and Recreation	-	2,113	478	2,591
Finance	-	14	1,606	1,620
Information Management Services	-	-	1,356	1,356
Community Development	-	7,623	-	7,623
Council Office	-	122	-	122
Legal	-	-	-	28
Mayors Office	28	-	-	3,225
Personnel	-	209	-	209
Dept of Innovation and Economic Op	-	354	5,454	5,808
Interest on Long-Term Debt	-	-	-	-
To Be Assigned	-	-	-	-
Debt service:				
Principal	1,272	1,555	-	2,827
Interest and fees	285	2,022	1	2,308
Capital outlay:				
Capital outlay	705	1,401	18,991	21,097
Total expenditures	8,445	18,442	51,790	78,677
Excess (deficiency) of revenues over expenditures	(2,363)	8,677	(50,352)	(44,038)

**OTHER FINANCING SOURCES (USES)**

Proceeds from capital lease	-	-	17,470	17,470
Transfers in	-	3,546	13,594	17,140
Transfers out	-	(3,048)	(1,049)	(4,097)
Total other financing sources (uses)	-	498	30,015	30,513
Net change in fund balances	(2,363)	9,175	(20,337)	(13,525)
Fund balances - beginning	10,681	32,608	90,811	134,100
Fund balances - ending	\$ 8,318	\$ 41,783	\$ 70,474	\$ 120,575

City of Birmingham, Alabama  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Debt service funds  
For the Year Ended June 30, 2022  
(amounts expressed in thousands)

	Tax Incremental Financing	Alabama Trust Fund	Total Nonmajor Debt service funds
<b>REVENUES</b>			
Taxes	\$ 4,237	\$ -	\$ 4,237
Intergovernmental	-	1,830	1,830
Investment income	9	6	15
Total revenues	4,246	1,836	6,082
<b>EXPENDITURES</b>			
Current:			
Unassigned			
Public Works	6,155	-	6,155
Legal	28	-	28
Interest on Long-Term Debt	-	-	-
Debt service:			
Principal	1,272	-	1,272
Interest and fees	285	-	285
Capital outlay:			
Capital outlay	705	-	705
Total expenditures	8,445	-	8,445
Excess (deficiency) of revenues over expenditures	(4,199)	1,836	(2,363)
Net change in fund balances	(4,199)	1,836	(2,363)
Fund balances - beginning	7,756	2,925	10,681
Fund balances - ending	\$ 3,557	\$ 4,761	\$ 8,318

City of Birmingham, Alabama  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special revenue funds  
For the Year Ended June 30, 2022  
(amounts expressed in thousands)

	Neighborhood Allocation	Donations Fund	Reimbursable Agreements	Highway Improvement Fund	Fuel Tax Fund	Storm Water Fees	Technology	(continued)
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Intergovernmental	-	-	-	2,753	1,297	1,834	-	-
Charges for services	23	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	26
Investment income	14	-	-	-	-	-	-	-
Other operating revenues	527	288	-	-	-	-	-	-
Total revenues	564	288	-	2,753	1,297	1,834	-	26
<b>EXPENDITURES</b>								
Current:								
Police	175	-	-	-	-	-	-	-
Fire	1	-	-	-	-	-	-	-
Planning Engineering and Permits	-	-	378	481	-	1,202	-	-
Municipal Court	-	-	-	-	-	-	-	-
Public Works	5	-	-	-	-	-	-	40
Cultural and recreational	-	-	-	-	-	-	-	-
Park and Recreation	56	14	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-
Community Development	303	11	-	-	-	-	-	-
Council Office	122	-	-	-	-	-	-	-
Personnel	-	-	-	-	-	-	-	-
Dept of Innovation and Economic Op	-	-	-	-	-	-	-	-
Interest on Long-Term Debt	-	-	-	-	-	-	-	-
Interest on Long-Term Debt	-	-	-	-	-	-	-	-
To Be Assigned	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fees	-	-	-	-	-	-	-	-
Capital outlay:								
Capital outlay	44	-	-	-	23	78	-	-
Total expenditures	706	25	378	481	23	1,280	40	-
Excess (deficiency) of revenues over expenditures	(142)	263	(378)	2,272	1,274	554	(14)	-
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	208	-	-	-	-	-	-	-
Transfers out	(10)	-	-	-	-	-	-	-
Total other financing sources (uses)	198	-	-	-	-	-	-	-
Net change in fund balances	56	263	(378)	2,272	1,274	554	(14)	-
Fund balances - beginning	9,900	323	-	4,194	4,082	1,948	49	-
Fund balances - ending	9,956	586	(378)	6,466	5,356	2,502	35	-

City of Birmingham, Alabama  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special revenue funds  
For the Year Ended June 30, 2022  
(amounts expressed in thousands)

	Correction Fund	Fair Trial Tax Fund	Municipal Court Judicial Admin	PACE Board	Municipal Court Clerk Fund	Sporting & Entertainment Recruit	Rebuild AL Gas Tax	(continued)
<b>REVENUES</b>								
Taxes	-	\$ -	\$ -	\$ -	\$ -	3,952	\$ -	-
Intergovernmental	-	-	-	-	-	-	-	1,287
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	673	210	163	-	34	-	-	-
Investment income	1	-	-	-	-	-	-	-
Other operating revenues	-	-	-	696	-	-	-	-
Total revenues	674	210	163	696	34	3,952	-	1,287
<b>EXPENDITURES</b>								
Current:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Planning Engineering and Permits	-	-	-	-	-	-	-	-
Municipal Court	439	203	80	-	25	-	-	-
Public Works	-	-	-	-	-	-	-	-
Cultural and recreational	-	-	-	-	-	-	-	-
Park and Recreation	-	-	-	-	-	2,043	-	-
Finance	-	-	-	14	-	-	-	-
Community Development	-	-	-	-	-	-	-	-
Council Office	-	-	-	-	-	-	-	-
Personnel	-	-	-	-	-	-	-	-
Dept of Innovation and Economic Op	-	-	-	-	-	354	-	-
Interest on Long-Term Debt	-	-	-	-	-	-	-	-
To Be Assigned	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	1,586	-	-	-	-
Interest and fees	-	-	-	1,991	-	-	-	-
Capital outlay:								
Capital outlay	-	-	-	1	-	384	-	-
Total expenditures	439	203	80	3,592	25	2,781	-	-
Excess (deficiency) of revenues over expenditure	235	7	83	(2,896)	9	1,171	-	1,287
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	-	3,038	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	3,038	-	-	-	-
Net change in fund balances	235	7	83	142	9	1,171	-	1,287
Fund balances - beginning	249	87	160	(95)	86	3,161	-	1,048
Fund balances - ending	484	94	243	47	95	4,332	\$ -	2,335



City of Birmingham, Alabama  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special revenue funds  
For the Year Ended June 30, 2022  
(amounts expressed in thousands)

	HUD Block Grant Fund	Home Fund	Special Lodging Tax Revenue	Land Bank Authority	Total Nonmajor Special revenue funds
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ 5,673	\$ -	\$ 9,625
Intergovernmental	5,486	215	-	-	12,872
Charges for services	-	-	-	995	1,018
Fines and forfeitures	-	-	-	-	1,106
Investment income	-	-	10	3	28
Other operating revenues	110	849	-	-	2,470
Total revenues	5,596	1,064	5,683	998	27,119
<b>EXPENDITURES</b>					
Current:					
Police	-	-	-	-	175
Fire	-	-	-	-	1
Planning Engineering and Permits	-	-	-	-	2,061
Municipal Court	-	-	-	-	787
Public Works	-	-	-	-	5
Cultural and recreational	-	-	-	-	-
Park and Recreation	-	-	-	-	2,113
Finance	-	-	-	-	14
Community Development	6,006	591	-	712	7,623
Council Office	-	-	-	-	122
Personnel	-	-	-	209	209
Dept of Innovation and Economic Op	-	-	-	-	354
Interest on Long-Term Debt	-	-	-	-	-
To Be Assigned	-	-	-	-	-
Debt service:					
Principal	-	-	(31)	-	1,555
Interest and fees	-	-	31	-	2,022
Capital outlay:					
Capital outlay	820	-	-	51	1,401
Total expenditures	6,826	591	-	972	18,442
Excess (deficiency) of revenues over expenditure	(1,230)	473	5,683	26	8,677
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	300	3,546
Transfers out	-	-	(3,038)	-	(3,048)
Total other financing sources (uses)	-	-	(3,038)	300	498
Net change in fund balances	(1,230)	473	2,645	326	9,175
Fund balances - beginning	(1,017)	(465)	6,851	2,047	32,608
Fund balances - ending	(2,247)	8	9,496	2,373	41,783

City of Birmingham, Alabama  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Capital projects funds  
For the Year Ended June 30, 2022  
(amounts expressed in thousands)

(continued)

	Capital Improvement Fund	Neighborhood Revitalization	Public Improvement	1999-B Bonds	2001-A School Warrants	2007-A G. O. Bonds
<b>REVENUES</b>						
Investment income	\$ 15	\$ -	\$ 75	\$ -	\$ -	\$ -
Other operating revenues	2	-	224	2	-	-
Total revenues	17	-	299	2	-	-
<b>EXPENDITURES</b>						
Current:						
Police	-	-	-	-	-	-
Planning Engineering and Permits	982	7,666	-	-	-	-
Municipal Court	-	-	1	-	-	-
Public Works	293	-	-	-	-	-
Park and Recreation	-	-	-	1	-	-
Finance	1,492	113	-	1	-	-
Information Management Services	1,235	-	-	-	-	-
Mayors Office	259	-	-	-	-	-
Dept of Innovation and Economic Op	-	-	-	-	-	-
Interest on Long-Term Debt	-	-	-	-	-	-
To Be Assigned	-	-	-	-	-	-
Debt service:						
Interest and fees	-	-	-	-	-	-
Capital outlay:						
Capital outlay	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	5,367	(109)	-	-	-	-
Excess (deficiency) of revenues over exp	9,628	7,670	1	2	-	-
	(9,611)	(7,670)	298	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds from capital lease	-	-	-	-	-	-
Transfers in	4,869	8,725	-	-	-	-
Transfers out	-	(833)	-	3	(1)	160
Total other financing sources (uses)	4,869	7,892	-	3	(1)	160
Net change in fund balances	(4,742)	222	298	3	(1)	160
Fund balances - beginning	13,780	6,574	849	(3)	1	(160)
Fund balances - ending	\$ 9,038	\$ 6,796	\$ 1,147	\$ -	\$ -	\$ -

The notes to financial statements are an integral part of this statement.

City of Birmingham, Alabama  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Capital projects funds  
For the Year Ended June 30, 2022  
(amounts expressed in thousands)

(continued)

	2010-Recovery Zone Econ Dev Warr	2013-A Bonds	Historical Preservation Fund	2015-A Bonds	2015-B Bonds	2016 A Refunding Bonds
<b>REVENUES</b>						
Investment income	\$ -	\$ 10	\$ 3	\$ -	\$ 1	\$ -
Other operating revenues	-	-	1,100	-	-	-
Total revenues	-	10	1,103	-	1	-
<b>EXPENDITURES</b>						
Current:						
Police	-	-	-	-	-	-
Planning Engineering and Permits	998	-	-	-	-	-
Municipal Court	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Park and Recreation	-	-	-	-	-	-
Finance	-	-	-	-	-	-
Information Management Services	-	-	-	-	-	-
Mayors Office	-	-	-	-	-	-
Dept of Innovation and Economic Op	-	-	-	-	-	-
Interest on Long-Term Debt	-	-	-	-	-	-
To Be Assigned	-	-	-	-	-	-
Debt service:						
Interest and fees	-	-	1	-	-	-
Capital outlay:						
Capital outlay	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Capital outlay	(996)	-	2,047	-	-	-
Total expenditures	2	-	2,048	-	-	-
Excess (deficiency) of revenues over €	(2)	10	(945)	-	1	-
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds from capital lease	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	(2)	-	-	-	-	-
Total other financing sources (uses)	(2)	-	-	-	-	-
Net change in fund balances	(4)	10	(945)	-	1	-
Fund balances - beginning	2	(308)	5,200	(1,275)	1,006	15
Fund balances - ending	(2)	(298)	4,255	(1,275)	1,007	15

The notes to financial statements are an integral part of this statement.

City of Birmingham, Alabama  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Capital projects funds  
For the Year Ended June 30, 2022  
(amounts expressed in thousands)

(continued)

	2016 Equip and Public Impr Warrants	2017 Loans	2018-B General Obligation Warr	2020 BBVA G O WARRANTS	2020 CGO Warrants	2021 AGO Warrants
<b>REVENUES</b>						
Investment income	\$ 2	\$ -	\$ -	\$ -	\$ -	\$ -
Other operating revenues	-	-	-	-	-	-
Total revenues	2	-	-	-	-	-
<b>EXPENDITURES</b>						
Current:						
Police	-	-	-	-	-	-
Planning Engineering and Permits	-	-	8,521	-	338	-
Municipal Court	-	-	-	-	-	-
Public Works	-	-	-	-	-	1,584
Park and Recreation	-	-	242	-	-	235
Finance	-	-	-	-	-	-
Information Management Services	101	-	-	20	-	-
Mayors Office	-	-	2,966	-	-	-
Dept of Innovation and Economic Op	-	-	-	-	5,239	215
Interest on Long-Term Debt	-	-	-	-	-	-
To Be Assigned	-	-	-	-	-	-
Debt service:						
Interest and fees	-	-	-	-	-	-
Capital outlay:						
Capital outlay	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Capital outlay	125	-	(25)	473	-	338
Total expenditures	226	-	11,704	493	5,577	2,372
Excess (deficiency) of revenues over	(224)	-	(11,704)	(493)	(5,577)	(2,372)
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds from capital lease	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(376)	-	-	-
Total other financing sources (uses)	-	-	(376)	-	-	-
Net change in fund balances	(224)	-	(12,080)	(493)	(5,577)	(2,372)
Fund balances - beginning	1,467	270	19,088	928	12,970	30,407
Fund balances - ending	\$ 1,243	\$ 270	\$ 7,008	\$ 435	\$ 7,393	\$ 28,035

The notes to financial statements are an integral part of this statement.

City of Birmingham, Alabama  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Capital projects funds  
For the Year Ended June 30, 2022  
(amounts expressed in thousands)

	2021 Equipment Lease	Total Nonmajor Capital projects funds
<b>REVENUES</b>		
Investment income	4	\$ 110
Other operating revenues	-	1,328
Total revenues	4	1,438

**EXPENDITURES**

Current:		
Police	296	296
Planning Engineering and Permits	-	18,505
Municipal Court	-	1
Public Works	-	1,877
Park and Recreation	-	478
Finance	-	1,606
Information Management Services	-	1,356
Mayors Office	-	3,225
Dept of Innovation and Economic Op	-	5,454
Interest on Long-Term Debt	-	-
To Be Assigned	-	-
Debt service:		
Interest and fees	-	1
Capital outlay:		
Capital outlay	-	-
Capital outlay	-	-
Capital outlay	11,771	18,991
Total expenditures	12,067	51,790
Excess (deficiency) of revenues over	(12,063)	(50,352)

**OTHER FINANCING SOURCES (USES)**

Proceeds from capital lease	17,470	17,470
Transfers in	-	13,594
Transfers out	-	(1,049)
Total other financing sources (uses)	17,470	30,015
Net change in fund balances	5,407	(20,337)
Fund balances - beginning	-	90,811
Fund balances - ending	5,407	70,474

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# **STATISTICAL SECTION**



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This portion of the City of Birmingham's comprehensive annual financial report presents additional information to be used in conjunction with the preceding statements to gauge the City's overall financial well-being.

**Financial Trends**

These schedules present information on how the City's financial performance has changed over the past ten fiscal years.

**Revenue Capacity**

These schedules present information on the collection of the City's most significant local revenue source.

**Debt Capacity**

These schedules present information on the City's outstanding debt and its legal authority to issue additional debt in the future.

**Demographic and Economic Information**

These schedules present indicators of the City's demographic and economic profile.

**Operating Information**

These schedules present data regarding the City's services and infrastructure. Many measures of operating activity are presented in the City's operating budget. Please refer to the City's website at [www.birminghamal.gov](http://www.birminghamal.gov) for additional information.

**Debt/Funding Schedules**

These schedules provide details relative to the City's obligations



City of Birmingham, Alabama  
Net Position by Component  
Last Ten Fiscal Years  
(in thousands)

See MD&A Net Position Summary  
Table A-1

	2008	2009	2011	2013*	2014	2015**	2016	2017	2018***	2019	2020	2021	2022
<b>Governmental activities:</b>													
Net investment in capital assets	\$74,322		\$90,213	\$ 104,846	\$ 210,160	\$ 149,863	\$ 180,892	\$ 241,975	\$ 224,562	\$ 257,166	\$ 240,202	\$ 109,751	\$ 162,016
Restricted	277,817	264,602	146,478	189,391	139,831	96,624	146,904	135,178	113,606	168,371	156,038	179,811	176,519
Unrestricted	(78,863)	(88,588)	(62,151)	(83,426)	(127,030)	(489,185)	(676,744)	(790,385)	(833,890)	(964,057)	(1,079,233)	(884,756)	(813,727)
Total governmental activities net position	\$273,276	\$241,741	\$174,540	200,811	222,961	(242,698)	(348,948)	(413,232)	(495,722)	(538,520)	(682,993)	(595,194)	(475,192)
<b>Business-type activities:</b>													
Net investment in capital assets	901	1,022	919	722	4,167	919	18	18	-	-	-	-	0.25
Unrestricted	(464)	(1,167)	61	3,861	1,476	6,156	8,109	7,916	-	-	-	-	-
Total business-type activities net position	437	(145)	980	4,583	5,643	7,075	8,127	7,934	-	-	-	-	-
<b>Primary Government</b>													
Net investment in capital assets	75,223	66,749	91,132	105,568	214,327	150,782	180,910	241,993	224,562	257,166	240,202	109,751	162,016
Restricted	277,817	264,602	146,478	189,391	139,831	96,624	146,904	135,178	113,606	168,371	156,038	179,811	176,519
Unrestricted	(79,327)	(89,755)	(62,090)	(89,565)	(125,554)	(483,029)	(668,635)	(782,469)	(833,890)	(964,057)	(1,079,233)	(884,756)	(813,727)
Total primary government net position	\$ 273,713	\$ 241,596	\$ 175,520	\$ 205,394	\$ 228,604	\$ (235,623)	\$ (340,821)	\$ (405,298)	\$ (495,722)	\$ (538,520)	\$ (682,993)	\$ (595,194)	\$ (475,192)

\*- prior to restatement

Source: City Finance Department Data

\*\* Implementation of GASB 68

\*\*\* Implementation of GASB 75

City of Birmingham, Alabama  
Changes in Net Position  
Last Ten Fiscal Years  
(in thousands)

Table A-2

Fiscal Year Ended June 30

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Expenses:</b>										
Governmental activities:										
General government	\$ 127,856	\$ 122,310	\$ 232,450	\$ 252,118	\$ 200,826	\$ 222,847	\$ 254,552	\$ 310,319	\$ 89,938	\$ 115,254
Public safety	195,022	200,169	196,529	218,603	221,095	215,297	215,923	241,328	348,264	264,970
Streets & sanitation	53,055	78,093	61,527	65,638	66,911	65,815	47,460	49,890	52,236	54,067
Culture & recreation	42,927	40,667	40,987	42,080	48,144	21,461	48,884	49,690	40,982	49,007
Interest on long-term debt	14,933	17,896	39,195	19,441	20,624	16,386	14,312	13,288	309	10,348
Total governmental activities expenses	433,793	459,135	570,688	597,880	557,600	541,806	581,131	664,515	531,729	493,646
Business-type activities:										
E-911 Services	4,564	5,220	5,581	6,561	4,373	-	-	-	-	7,772
Total primary government expenses	\$ 438,357	\$ 464,355	\$ 576,269	\$ 604,441	\$ 561,973	\$ 541,806	\$ 581,131	\$ 664,515	\$ 531,729	\$ 501,418
<b>Program Revenues:</b>										
Governmental activities:										
Charges for services	\$ 97,495	\$ 94,336	\$ 180,661	\$ 103,430	\$ 101,305	\$ 103,736	\$ 109,273	\$ 103,836	\$ 127,088	\$ 114,287
General government:										
Business licenses & permits	15,893	16,884	20,253	20,624	16,802	31,723	29,476	26,078	23,525	29,400
Public safety	449	2,675	243	(77)	379	636	152	204	(535)	96
Streets & sanitation	2,073	1,762	2,055	1,864	1,569	2,634	2,334	1,823	1,555	2,004
Culture & recreation	19,540	24,390	57,923	15,382	14,639	-	-	19,929	33,213	63,463
Operating grants and contributions	-	-	7,797	-	-	-	30,524	37,533	36,466	37,490
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	135,450	140,047	268,932	141,223	134,694	138,729	171,759	189,403	221,312	246,740
Business-type activities:										
E-911 Services	6,196	6,272	7,003	7,595	4,167	-	-	-	-	7,441
Total primary government program revenues	\$ 141,646	\$ 146,319	\$ 275,935	\$ 148,818	\$ 138,861	\$ 138,729	\$ 171,759	\$ 189,403	\$ 221,312	\$ 254,181
Net (Expense)/Revenue	\$ 298,343	\$ 319,088	\$ (301,755)	\$ (456,655)	\$ (422,906)	\$ (403,077)	\$ (409,372)	\$ (475,112)	\$ (310,417)	\$ (246,906)
Governmental activities	1,632	1,052	1,422	1,033	(205)	-	-	-	-	331,00
Business-type activities	\$ 296,711	\$ 320,140	\$ (300,333)	\$ (455,622)	\$ (423,111)	\$ (403,077)	\$ (409,372)	\$ (475,112)	\$ (310,417)	\$ (246,575)

(continued)

City of Birmingham, Alabama  
Changes in Net Position  
Last Ten Fiscal Years  
(in thousands)

Table A-2

Fiscal Year Ended June 30

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>General Revenues and Other Changes in Net Position:</b>										
Governmental activities:										
Taxes:										
Sales and use taxes	\$ 140,832	\$ 145,394	\$ 151,919	\$ 160,897	\$ 165,321	\$ 174,013	\$ 180,384	\$ 173,021	\$ 185,782	\$ 208,417
Occupational taxes	77,844	78,654	81,013	84,722	89,870	91,867	99,677	98,340	102,226	109,886
Property taxes	50,367	55,842	54,808	58,570	59,139	63,927	65,834	76,282	76,044	76,812
Unrestricted grants and contributions	25,467	22,561	24,663	24,125	27,974	33,487	-	881	1,058	3,236
Investment earnings	8,362	11,977	5,988	1,940	8,521	7,812	13,150	10,658	26,602	5,023
Other	14,351	5,909	(3,218)	20,153	7,800	4,974	13,418	2,302	6,504	9,381
Total governmental activities	317,223	320,337	315,173	350,407	358,625	376,080	372,463	361,484	398,216	412,755
Business-type activities:										
Investment earnings	-	7	10	19	12	-	-	-	-	-
Total primary government	\$ 317,223	\$ 320,344	\$ 315,183	\$ 350,426	\$ 358,637	\$ 376,080	\$ 372,463	\$ 361,484	\$ 398,216	\$ 412,755
Change (decrease) in Net Position:										
Governmental activities	\$ 18,880	\$ 1,249	\$ 13,418	\$ (105,249)	\$ (64,283)	\$ (26,997)	\$ (36,909)	\$ (113,628)	\$ 87,799	\$ 166,180
Business-type activities	1,632	1,059	1,432	1,052	(193)	-	-	-	-	(331,00)
Total primary government	\$ 20,512	\$ 2,308	\$ 14,850	\$ (105,197)	\$ (64,476)	\$ (26,997)	\$ (36,909)	\$ (113,628)	\$ 87,799	\$ 165,849

Source: City Finance Department Data

City of Birmingham, Alabama  
Fund Balance, Governmental Funds  
Last Ten Fiscal Years  
(in thousands)

Fiscal Year Ended June 30

Table A-3

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>General Fund</b>										
Nonspendable:										
Prepaid	\$ 344	\$ 428	\$ 482	\$ 478	\$ 608	\$ 784	\$ 804	\$ 968	\$ 968	\$ 344
Inventory	1,573	1,377	1,221	1,978	1,890	2,031	1,976	2,443	2,443	1,573
Spendable:										
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	91,581	77,769	91,009	86,994	83,335	95,218	109,909	116,591	170,019	252,775
<b>Total General Fund</b>	<b>93,498</b>	<b>79,574</b>	<b>92,712</b>	<b>89,450</b>	<b>85,833</b>	<b>98,033</b>	<b>112,689</b>	<b>120,002</b>	<b>173,430</b>	<b>254,692</b>
<b>Other Governmental Funds:</b>										
Restricted	162,524	127,232	108,179	162,255	152,857	113,606	168,371	156,061	180,979	176,519
Committed	97,836	106,565	99,328	96,415	97,444	106,568	102,887	112,280	129,844	114,831
Assigned	382	1,585	-	-	1,015	2,883	1,015	5,952	6,574	10,454
Unassigned	709	(3,984)	-	(17,173)	7,368	46	(16,365)	(14,237)	1,959	(2,247)
<b>Total other governmental funds</b>	<b>261,451</b>	<b>231,398</b>	<b>207,507</b>	<b>241,497</b>	<b>258,684</b>	<b>223,103</b>	<b>255,908</b>	<b>260,056</b>	<b>319,356</b>	<b>299,557</b>
<b>Total Fund Balance</b>	<b>\$ 354,949</b>	<b>\$ 310,972</b>	<b>\$ 300,219</b>	<b>\$ 330,947</b>	<b>\$ 344,517</b>	<b>\$ 321,136</b>	<b>\$ 368,597</b>	<b>\$ 380,058</b>	<b>\$ 492,786</b>	<b>\$ 554,249</b>

Change in fund balance Designation due to GASB Statement 54

Source: City Finance Department

City of Birmingham, Alabama  
Changes in Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(in thousands)

Table A.4  
(continued)

Fiscal Year Ended June 30

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>REVENUES:</b>										
Taxes	\$ 280,515	\$ 291,827	\$ 300,414	\$ 317,512	\$ 327,474	\$ 344,334	\$ 361,629	\$ 363,890	\$ 380,589	\$ 416,099
Licenses and permits	86,709	87,010	91,101	85,581	80,625	84,797	91,649	96,111	87,614	100,483
Intergovernmental	44,820	40,116	41,549	38,365	47,772	42,373	41,022	40,908	75,232	100,344
Charges for services	12,586	12,214	15,995	15,195	16,505	13,564	15,091	14,548	15,268	17,844
Fines and forfeitures	4,803	4,110	3,915	3,786	3,099	2,712	2,979	2,571	2,464	2,999
Investment income	8,361	11,975	5,989	1,940	8,521	7,814	13,149	10,659	26,602	(8,478)
Other operating revenues	15,297	10,677	8,616	11,509	8,974	10,974	15,146	10,499	8,016	15,563
<b>TOTAL REVENUES</b>	<b>453,091</b>	<b>457,929</b>	<b>467,579</b>	<b>473,988</b>	<b>492,970</b>	<b>506,568</b>	<b>540,665</b>	<b>539,186</b>	<b>595,785</b>	<b>644,853</b>
<b>EXPENDITURES:</b>										
Current:										
Public safety	172,499	181,650	180,913	192,002	196,630	197,516	206,153	226,217	332,497	247,860
Street and sanitation	46,436	53,497	43,911	50,265	52,795	45,525	44,739	46,917	43,687	44,990
Cultural and recreational	36,369	36,215	36,913	39,004	44,217	46,558	46,132	46,882	37,870	45,693
General government	123,411	123,874	128,002	137,251	133,544	135,348	135,003	137,918	123,500	180,493
Other	-	-	-	-	-	-	-	-	-	-
<b>Total current operations</b>	<b>378,715</b>	<b>395,236</b>	<b>389,739</b>	<b>418,522</b>	<b>427,186</b>	<b>424,947</b>	<b>432,027</b>	<b>457,934</b>	<b>537,554</b>	<b>519,037</b>
Debt service:										
Principal	38,648	38,324	36,424	48,716	33,904	36,819	31,901	26,830	130,966	102,031
Interest	22,431	20,230	38,382	17,981	16,872	18,310	25,495	23,199	26,226	21,436
<b>Total debt service</b>	<b>61,079</b>	<b>58,554</b>	<b>74,806</b>	<b>66,697</b>	<b>50,776</b>	<b>55,129</b>	<b>57,396</b>	<b>50,029</b>	<b>157,192</b>	<b>123,467</b>
Capital outlays	31,808	50,751	38,286	55,866	77,536	69,003	42,175	19,923	23,290	22,246
Warrant/Bond issue costs	-	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>471,600</b>	<b>504,539</b>	<b>502,831</b>	<b>541,085</b>	<b>555,498</b>	<b>549,079</b>	<b>531,598</b>	<b>527,886</b>	<b>718,036</b>	<b>664,750</b>

City of Birmingham, Alabama  
Changes in Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(in thousands)

	Fiscal Year Ended June 30										Table A-4 (continued)
Excess (deficiency) of revenues over (under) expenditures	(18,509)	(46,610)	(35,252)	(67,097)	(62,528)	(42,511)	9,067	11,300	(122,251)	(19,897)	
Other financing sources (uses):											
Proceeds from sale of capital assets	-	-	-	-	-	-	-	163	1,446	-	200
Proceeds of issuance of debt	70,061	31,350	124,763	81,620	14,680	-	36,315	-	207,590	443	
Issuance of refunding bonds	-	-	-	-	-	-	94,155	-	-	-	-
Refunded bonds redeemed	-	-	-	-	-	-	-	-	-	-	-
Capital lease	1,074	-	-	11,088	61,418	-	-	-	-	-	-
Premiums on refunding bonds	-	-	-	-	-	-	5,986	-	-	-	17,470
Premiums/(discounts) on warrants/bonds	5,877	1,728	16,886	5,123	-	-	4,100	-	25,943	63,245	
Payment of refunding bonds	-	-	-	-	-	-	(99,425)	-	-	-	-
Payment to escrow agent	(1,955)	(25,966)	(113,750)	-	-	-	-	-	-	-	-
Transfers in	44,295	46,559	48,441	57,286	41,133	44,909	50,286	28,142	37,742	20,570	
Transfers out	(44,295)	(46,559)	(48,441)	(57,286)	(41,133)	(44,909)	(50,286)	(28,142)	(37,742)	(20,570)	
Transfers out - internal service fund	-	(8,771)	(3,400)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	75,057	(1,659)	24,499	97,831	76,098	-	41,131	163	234,979	81,358	
Net change in fund balances	\$ 56,548	\$ (48,269)	\$ (10,753)	\$ 30,734	\$ 13,570	\$ (42,511)	\$ 50,198	\$ 11,463	\$ 112,728	\$ 61,461	
Debt service as a percentage of noncapital expenditures	14.0%	12.9%	16.1%	13.5%	10.6%	11.8%	11.7%	9.8%	22.0%	19.0%	

Source: City Finance Department Data

**City of Birmingham, Alabama**  
**Sales and Use Tax Revenues**  
**Last Ten Fiscal Years**  
(in thousands)

Table B-1

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Sales and Use Tax Revenue	\$140,832	\$145,394	\$151,919	\$160,897	\$165,321	\$174,013	\$180,384	\$173,021	\$185,782	\$208,416
Percentage Change from Prior Year	4.50%	3.24%	4.49%	5.91%	2.75%	5.26%	3.66%	-4.08%	2.99%	12.18%
Breakdown of Sales/Use Tax By Industry Type:										
Apparel	8,016	8,276	8,941	8,705	8,944	9,414	9,759	10,098	10,400	11,530
Automotive, RV's, Motor Homes	12,891	13,307	11,596	14,014	14,398	15,155	15,710	14,491	15,815	17,930
Building & Construction Related	15,401	15,900	17,443	16,862	17,326	18,237	18,905	20,155	19,608	22,356
Communications	2,130	2,199	1,836	2,639	2,712	2,855	2,959	2,305	2,663	3,200
Equipment & Machinery	11,650	12,027	16,507	13,419	13,788	14,513	15,044	16,327	16,151	17,990
Food and Restaurants	25,389	26,212	26,554	27,658	28,418	29,912	31,007	28,981	32,844	35,860
Furniture and Furnishings	4,550	4,698	4,614	4,586	4,712	4,960	5,141	4,306	5,664	5,880
Insurance, Finance, Real Estate	1,840	1,900	684	2,365	2,430	2,558	2,651	2,312	2,472	2,950
Medical	5,410	5,585	4,190	4,746	4,876	5,132	5,320	4,428	6,014	6,110
Personal Services, Entertainment	6,800	7,020	2,786	8,576	8,814	9,277	9,617	10,307	9,616	11,300
All Other Industries	46,755	48,270	56,768	57,327	58,903	62,000	64,271	59,311	64,535	73,310
	140,832	145,394	151,919	160,897	165,321	174,013	180,384	173,021	185,782	208,416

\* The City of Birmingham increased its sales tax on retail sales of automotive vehicles, house trailers, and mobile home set-up materials and supplies; retail sales of machines, machinery, or equipment used in mining, quarrying, compounding, processing, and manufacturing tangible personal property from 1% to 2% in FY 2008. The City also increased its sales tax on the retail sales of other tangible personal property from 3% to 4% in FY2008. Lodging tax rate is 6.5%, effective FY 2020 the City implemented a surcharge of \$3.00 per room per night lodgings tax.

**City of Birmingham, Alabama**  
**Sales and Use Tax Revenues to Total Taxes**  
**Last Ten Years**  
**(in thousands)**

Table B-2

	Fiscal Year Ended June 30									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Breakdown of Tax Revenues:</b>										
Sales and Use Tax	\$ 140,832	\$ 145,394	\$ 151,919	\$ 160,897	\$ 165,321	\$ 174,013	\$ 180,384	\$ 173,021	\$ 185,782	\$ 208,416
Occupational Tax	77,844	78,654	81,013	84,722	89,870	91,867	99,677	98,340	102,226	109,886
Property Tax	56,388	55,842	54,808	58,570	59,139	63,927	81,568	76,282	76,044	76,812
Business Licenses	82,866	82,105	85,732	79,963	74,002	77,272	83,657	82,166	76,454	85,737
Permits	3,843	4,905	5,369	5,618	6,623	7,525	7,992	13,945	11,160	14,747
	\$ 361,773	\$ 366,900	\$ 378,841	\$ 389,770	\$ 394,955	\$ 414,604	\$ 453,278	\$ 443,754	\$ 451,666	\$ 495,598
% of Sales & Use to Total Taxes	38.93%	39.63%	40.10%	41.28%	41.86%	41.97%	39.80%	38.99%	41.13%	42.05%

Note: Prior to 2010, the portion of ad valorem tax revenues due to be paid, by statute, to the Jefferson County Board of Health ("Board of Health") and the Birmingham-Jefferson County Transit Authority (the "Transit Authority") were included in the total amount of property taxes collected as revenue on the City's financial statements and were also deducted as an expense. Prior to and after 2010, the amounts owing to the Board of Health and the Transit Authority were and continue to be remitted directly to Transit Authority and Board of Health by the City's tax collector. As a result of a change in accounting procedures, the City no longer treats the portion of the ad valorem tax revenues due the Transit Authority and the Board of Health as an item of revenue and expense on the City's financial statements. Accounting for the amounts due the Transit Authority on the City's financial statements ceased beginning in 2010 and accounting for the amounts due the Board of Health ceased in 2011. The ad valorem tax revenue due the Transit Authority after the accounting procedure change and not included in the "Property (ad valorem) tax" calculation above was \$3,947,279.

\$3,144,824, \$4,009,941, \$2,891,796, \$3,659,782, \$3,632,112, \$3,808,438, \$3,904,522, 3,956,135, \$4,490,485 and \$4,664,644 in 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021 and 2022 respectively. The ad valorem tax revenue due the Board of Health after the accounting procedure change and not included in the "Property (ad valorem) tax" calculation above was \$1,534,510, \$1,159,722, \$1,172,297, \$1,164,355, \$1,208,827, \$1,222,015, \$1,260,629, \$1,279,822, \$1,307,883, \$1,519,633 and 1,552,721 in 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021 and 2022 respectively.

Source: Finance Department Data



**City of Birmingham, Alabama**  
**Property Taxes Levied and Collected for**  
**The City of Birmingham \***  
**Last Ten Tax Years**

**Table B-3**

Beginning October 1	City of Birmingham		
	Total Taxes		Total Taxes
	Levied	Collected	
2012	68,753,822	66,151,831	96.22%
2013	68,870,877	67,688,169	98.28%
2014	70,644,107	68,384,610	96.80%
2015	73,690,748	70,472,058	95.63%
2016	76,563,911	72,594,117	94.82%
2017	78,121,425	72,657,955	93.01%
2018	80,935,365	77,152,614	95.33%
2019	96,236,866	80,908,424	84.07%
2020	95,704,267	89,686,698	93.71%
2021	96,735,586	83,381,873	86.20%

\* Jefferson County real property only

Sources: Jefferson County Tax Assessor and Tax Collector

Note: GASB 44 requires the inclusion of the following information if revenue capacity is presented related to property tax: (1) the amount of each year's levy, (2) collections as of the end of the levy year in dollars, (3) collections as of the end of the levy year as a percentage of the levy, (4) collections in subsequent years, (5) total collections to date in dollars, and (6) total collections to date as a percentage of the levy. The County Tax Assessor could not provide this information in its entirety.

**City of Birmingham, Alabama**  
**Principal Property Taxpayers (Jefferson County Only)**  
**Current Fiscal Year and Ten Years Prior**

Table B-4

Assessed Entity	Fiscal Year Ended June 30, 2022			Fiscal Year Ended June 30, 2013		
	Total Assessed Value of Property Within City Limits	Rank	% of Total Assessed Valuation	Total Assessed Value of Property Within City Limits	Rank	% of Total Assessed Valuation
ALABAMA POWER CO	\$ 251,710,180	1	7.51%	\$ 121,989,780	1	4.42%
AFFINITY HOSPITAL LLC	70,233,180	2	2.10%	-	-	-
WELLS FARGO BANK NATIONAL ASSOCIATION	60,854,760	3	1.82%	-	-	-
AMERICAN CAST IRON PIPE CO	36,820,860	4	1.10%	50,549,619	2	1.88%
KAMTEK INC	52,445,200	6	1.57%	-	-	-
GSA BIRMINGHAM REALTY	26,355,700	5	0.79%	29,020,540	4	1.08%
MERCEDES-BENZ U S INTERNATIONAL INC	19,114,180	7	0.57%	-	-	-
SPIRE ALABAMA INC (FORMERLY ALABAMA GAS CORP)	18,816,540	8	0.56%	16,107,320	8	-
BR REGIONS ACQUISITION LLC	17,385,380	9	0.52%	-	-	-
MPT OPERATING PARTNERSHIP LP	16,641,280	10	0.50%	-	-	-
AT&T Property Tax Group	-	-	-	39,184,960	3	1.46%
BBVA Compass Bank	-	-	-	22,477,980	5	0.81%
SL Regions LLC	-	-	-	20,345,980	6	0.76%
AT&T Mobility	-	-	-	18,258,540	7	0.68%
Chase Bank of Texas NA	-	-	-	13,336,000	9	0.50%
Tish Robert Preston	-	-	-	11,716,000	10	0.44%
	<u>\$ 570,377,260</u>		<u>17.02%</u>	<u>\$ 342,986,719</u>		<u>12.01%</u>

Sources: Jefferson &amp; Shelby County Tax Collectors

**City of Birmingham, Alabama**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Table C-1

Fiscal Year	General Obligation Bonds		General Obligation Warrants		TIF Revenue Warrants		Capital Leases		PACE Board Revenue Bonds		Line of Credit	Total	Aggregate Income	Percentage of Personal Income	Per Capita
	Bonds		Warrants		Warrants		Leases		Bonds						
2013	302,005,535		161,215,000		19,615,000		971,093		62,920,000			546,726,628	3,900,331,743	12.32%	2,576
2014	284,470,535		150,510,000		18,475,000		762,158		61,530,000			515,747,693	4,856,811,390	10.62%	2,430
2015	270,071,000		136,205,000		17,025,000		549,361		59,940,000			483,790,361	4,854,029,237	9.97%	2,279
2016	319,133,651		122,560,000		15,955,000		11,149,931		58,728,666			527,525,248	4,867,687,079	10.84%	2,486
2017	304,087,451		122,103,000		14,853,000		70,888,049		56,840,000			568,771,500	4,861,547,948	11.70%	2,680
2018	288,502,551		106,472,500		13,719,000		69,140,476		54,850,000			532,684,527	4,850,741,238	10.98%	2,510
2019	266,783,618		133,188,000		12,552,000		67,120,324		53,175,000			532,818,942	4,825,770,840	11.04%	2,510
2020	255,604,000		123,800,000		11,351,000		63,814,395		51,830,000			506,399,395	4,814,803,179	10.52%	2,386
2021	301,077,628		205,507,000		10,115,000		60,319,791		50,305,000		3,300,000	630,624,419	5,073,112,800	12.43%	3,043
2022	324,373,831		200,441,252		8,843,000		71,855,928		48,720,000		3,300,000	657,534,011	5,082,616,875	12.94%	3,328

**Source: City Finance Department data**  
**Personal income from 2010 and 2020 census population and per capita income data (see table D-1).**

**City of Birmingham, Alabama**  
**Ratio of Net General Obligation Bonded Debt to**  
**Assessed Value and Net Bonded Debt Per Capita**  
**Last Ten Fiscal Years**

Table C-2

Fiscal Year	Census Year	Population Number ***	Assessed Value*	General Bonded Debt**	Less Bond Reserve Fund Balance	Net Bonded Debt	Ratio of Net Bonded Debt To Assessed	Net Bonded Debt Per Capita
2013	2010	210,749	\$ 2,689,227,218	\$ 546,726,628	\$ 23,538,147	\$ 523,188,481	19.45%	\$ 2,483
2014	2010	211,230	2,804,674,640	515,747,693	22,694,460	493,053,233	17.58%	2,334
2015	2010	211,109	2,868,624,760	483,790,361	21,387,760	462,402,601	16.12%	2,190
2016	2010	211,703	2,893,627,248	527,525,248	23,965,021	503,560,227	17.40%	2,379
2017	2010	211,436	3,101,825,069	568,771,500	32,533,139	536,238,361	17.29%	2,536
2018	2010	210,966	3,213,179,603	532,684,527	37,201,582	495,482,945	15.42%	2,349
2019	2010	209,880	3,368,185,880	532,818,942	43,651,403	489,167,539	14.52%	2,331
2020	2010	209,403	3,725,179,889	506,399,395	58,611,513	447,787,882	12.02%	2,138
2021	2020	207,733	3,748,295,988	580,213,791	75,578,735	504,635,056	13.46%	2,514
2022	2020	197,575	3,958,274,608	623,975,542	81,491,554	542,483,988	13.71%	2,746

\*Source: Jefferson County Tax Assessor and Department of Revenue; Shelby County Property Tax Commissioner and Judge of Probate

\*\*Includes Bonds, Warrants, Revenue Warrants, Capitalized Leases and PACE Board Revenue Bonds; excludes unamortized premium/discount & accrued interest.

\*\*\*Annual Estimates of the Resident Population Census Bureau data

**City of Birmingham, Alabama**  
**Assessed Value and Estimated True Value of All Taxable Property**  
**Last Ten Tax Years**

Table C-3

Tax Year Ending 30-Sep	Class 1 Property of Utilities		Class 2 All Unclassified Real and Personal Property		Class 3 Agriculture, Forest, Residential, Historic Property		Class 4 Motor Vehicles		Total		Ratio of Assessed Value to Estimated True Value
	Assessed Value	Estimated True Value	Assessed Value	Estimated True Value	Assessed Value	Estimated True Value	Assessed Value	Estimated Value	Assessed Value	Estimated True Value	
2013	\$ 212,321,060	\$ 707,736,867	\$ 1,916,117,160	\$ 9,580,585,800	\$ 412,100,240	\$ 4,121,002,400	\$ 264,136,180	\$ 1,760,907,867	\$ 2,804,674,640	\$ 16,170,232,933	17.34%
2014	211,745,640	705,818,800	1,981,580,900	9,907,904,500	401,172,700	4,011,727,000	274,125,520	1,827,503,467	2,868,624,760	16,452,953,767	17.44%
2015	210,128,500	700,428,333	2,018,534,660	10,092,673,300	385,217,620	3,852,176,200	279,746,468	1,864,976,453	2,893,627,248	16,510,254,287	17.53%
2016	208,935,380	696,451,267	2,180,396,100	10,901,980,500	415,341,480	4,153,414,800	297,152,109	1,981,014,060	3,101,825,069	17,732,860,627	17.49%
2017	211,016,840	703,389,467	2,279,062,980	11,395,314,900	425,371,920	4,253,719,200	297,727,863	1,984,852,420	3,213,179,603	18,337,275,987	17.52%
2018	207,450,900	691,503,000	2,337,240,540	11,686,202,700	523,426,040	5,234,260,400	300,068,400	2,000,456,000	3,368,185,880	19,612,422,100	17.17%
2019	234,853,680	782,845,600	2,796,391,160	13,981,955,800	518,552,100	5,185,521,000	175,083,349	1,167,222,327	3,724,880,289	21,117,544,727	17.64%
2020	237,727,920	792,426,400	2,750,877,920	13,754,389,600	571,220,660	5,712,206,600	188,469,488	1,256,463,253	3,748,295,988	21,515,485,853	17.42%
2021	237,727,920	792,426,400	2,750,877,920	13,754,389,600	571,220,660	5,712,206,600	188,469,488	1,256,463,253	3,748,295,988	21,515,485,853	17.42%
2022	251,084,660	836,948,867	2,873,384,420	14,366,922,100	635,320,540	6,353,205,400	198,484,988	1,323,233,253	3,958,274,608	22,880,309,620	17.30%

[1] The classifications of property for ad valorem taxation, as set forth above, are established by Amendment No. 373 to the Constitution of Alabama of 1901, as amended.

The assessed values are provided by:

For Class I, II and III Property in Birmingham in Jefferson County, Alabama: Tax Assessor of Jefferson County

For Class I, II and III Property in Birmingham in Shelby County, Alabama: Property Tax Commissioner of Shelby County

For Class IV Property in Birmingham in Jefferson County, Alabama: Jefferson County Department of Revenue

For Class IV Property in Birmingham in Shelby County, Alabama: Judge of Probate of Shelby County

The estimated market values of property are the quotient of the assessed values of property in a classification divided by the assessment ratio applicable to that classification, as set forth below.

[2] Class I Property consists of all property of utilities used in the business of such utilities and is assessed at the rates of thirty percent (30%) of the fair and reasonable market value thereof.

[3] Class II Property consists of all real and personal property not otherwise classified in another class (generally commercial property) and is assessed at the ratio of twenty percent (20%) of the fair and reasonable market value thereof.

Class II Property consists of all real and personal property not otherwise classified in another class (generally commercial property) and is assessed at the ratio of twenty percent (20%) of the fair and reasonable market value thereof. Class II amounts do not include the amounts or values of any abatements, industrial exemptions, other exemptions or penalties with respect to such property.

[4] Class III Property consists of all agricultural, forest, single-family owner-occupied residential property, and historic buildings and sites, and is assessed, upon application by the owner, at the ratio of ten percent (10%) of the current use value (not fair and reasonable market values of such property). The amounts shown above as assessed values of Class III property are net of, and do not include, the amount of any homestead exemptions with respect to such property.

[5] Class IV Property consists of motor vehicles owned and operated by individuals for personal or private use, and not for hire, rent or compensation, and is assessed at the ratio of fifteen percent (15%) of the fair and reasonable market value thereof.

**City of Birmingham, Alabama**  
**Schedule of Direct and Overlapping Debt**  
**Last Ten Fiscal Years**  
**(in thousands)**

Table C-4

<b>Direct Debt</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
City of Birmingham:										
Gross bonded debt and warrants outstanding*	\$ 546,727	\$ 515,748	\$ 483,790	\$ 527,525	\$ 568,772	\$ 532,685	\$ 532,819	\$ 506,399	\$ 580,214	\$ 623,976
Direct Debt	546,727	515,748	483,790	527,525	568,772	532,685	532,819	506,399	580,214	623,976
<b>Overlapping Debt</b>										
Jefferson County, Alabama overlapping debt <sup>1</sup>	982,080	1,000,645	917,390	822,480	722,650	520,745	481,360	448,360	415,390	199,735
Jefferson County Board of Education <sup>2</sup>	78,990	67,900	80,717	69,723	55,362	145,144	234,518	205,393	199,735	193,916
Total bonds and warrants outstanding	1,061,070	1,068,545	998,107	892,203	778,012	665,889	715,878	653,753	615,125	393,651
% of debt applicable to City of Birmingham	30.4%	30.0%	31.9%	32.0%	31.6%	32.2%	31.9%	31.5%	32.8%	32.8%
City of Birmingham Debt Burden	322,565	320,564	318,396	285,505	245,852	214,416	228,544	205,932	201,761	129,118
Shelby County, Alabama <sup>3</sup>	-	-	31,725	56,055	52,495	50,805	54,636	50,169	45,907	41,780
Shelby County, Alabama Board of Education <sup>4</sup>	181,530	176,173	170,590	201,285	198,430	195,782	184,842	154,226	160,600	149,027
% of debt applicable to City of Birmingham	1.8%	2.0%	1.9%	2.0%	2.0%	2.1%	2.0%	2.3%	1.7%	1.7%
City of Birmingham Debt Burden	3,268	3,523	3,844	5,147	5,019	5,178	4,790	4,701	3,573	3,301
Total Overlapping Debt	325,833	324,087	322,240	290,652	250,870	219,595	233,334	210,633	205,334	132,418
Total Direct and Overlapping Debt	\$ 872,560	\$ 839,835	\$ 806,030	\$ 818,177	\$ 819,642	\$ 752,280	\$ 766,153	\$ 717,032	\$ 785,548	\$ 756,394

The debt for schools of the Board of Education of the City of Birmingham, Alabama, is included in the City's general obligation debt shown above.

The numbers for Jefferson County, the Jefferson County Board of Education, Shelby County and the Shelby County Board of Education are for their fiscal years ending September 30.

<sup>1</sup> Source: Jefferson County Financial Reports

<sup>2</sup> The entire debt of the Jefferson County Board of Education is paid by appropriations from specifically pledged taxes. No portion of this debt is paid from the school funds of the City of Birmingham.

Source: Jefferson County Board of Education

<sup>3</sup> Source: Shelby County Finance Manager

<sup>4</sup> All of the gross debt of Shelby County Board of Education is payable from one of several specially pledged taxes, each of which produces a substantial margin of revenue above the necessary debt service requirements.

Source: Shelby County Board of Education

\*Includes Bonds, Warrants, Revenue Warrants, Capitalized Leases and PACE Board Revenue Bonds; excludes unamortized premium/discount & accreted interest

**City of Birmingham, Alabama**  
**Property Taxes - Direct and Overlapping Governments**  
**Birmingham, Jefferson and Shelby Counties**  
**Last Ten Fiscal Years**

Table C-5

(Per \$100 of Assessed Value)

City of Birmingham						Jefferson County						
Fiscal Year	General Fund	Debt Service Fund		Board of Education Fund		Library	Total	County Schools		State of Alabama Tax	Total Tax	
		Fund	Fund	Fund	Fund			County	Schools			
2012	\$0.90	\$1.20	\$1.98	\$0.05	\$4.13			\$1.35	\$0.82	\$2.17	\$0.65	\$6.95
2013	\$0.90	\$1.20	\$1.98	\$0.05	\$4.13			\$1.35	\$0.82	\$2.17	\$0.65	\$6.95
2014	\$0.90	\$1.20	\$1.98	\$0.05	\$4.13			\$1.35	\$0.82	\$2.17	\$0.65	\$6.95
2015	\$0.90	\$1.20	\$1.98	\$0.05	\$4.13			\$1.35	\$0.82	\$2.17	\$0.65	\$6.95
2016	\$0.90	\$1.20	\$2.28	\$0.05	\$4.43			\$1.35	\$0.82	\$2.17	\$0.65	\$7.25
2017	\$0.90	\$1.20	\$2.28	\$0.05	\$4.43			\$1.35	\$0.82	\$2.17	\$0.65	\$7.25
2018	\$0.90	\$1.20	\$2.28	\$0.05	\$4.43			\$1.35	\$0.82	\$2.17	\$0.65	\$7.25
2019	\$0.90	\$1.20	\$2.28	\$0.05	\$4.43			\$1.35	\$0.82	\$2.17	\$0.65	\$7.25
2020	\$0.90	\$1.20	\$2.28	\$0.05	\$4.43			\$1.35	\$0.82	\$2.17	\$0.65	\$7.25
2021	\$0.90	\$1.20	\$2.28	\$0.05	\$4.43			\$1.35	\$0.82	\$2.17	\$0.65	\$7.25
2022	\$0.90	\$1.20	\$2.28	\$0.05	\$4.43			\$1.35	\$0.82	\$2.17	\$0.65	\$7.25
Source: Jefferson County Tax Assessor												

City of Birmingham						Shelby County						
Fiscal Year	General Fund	Debt Service Fund		Board of Education Fund		Library	Total	County Schools		State of Alabama Tax	Total Tax	
		Fund	Fund	Fund	Fund			County	Schools			
2012	\$0.90	\$1.20	\$1.47	\$0.05	\$3.62			\$0.75	\$1.60	\$2.35	\$0.65	\$6.62
2013	\$0.90	\$1.20	\$1.47	\$0.05	\$3.62			\$0.75	\$1.60	\$2.35	\$0.65	\$6.62
2014	\$0.90	\$1.20	\$1.47	\$0.05	\$3.62			\$0.75	\$1.60	\$2.35	\$0.65	\$6.62
2015	\$0.90	\$1.20	\$1.47	\$0.05	\$3.62			\$0.75	\$1.60	\$2.35	\$0.65	\$6.62
2016	\$0.90	\$1.20	\$1.47	\$0.05	\$3.62			\$0.75	\$1.60	\$2.35	\$0.65	\$6.62
2017	\$0.90	\$1.20	\$1.47	\$0.05	\$3.62			\$0.75	\$1.60	\$2.35	\$0.65	\$6.62
2018	\$0.90	\$1.20	\$1.47	\$0.05	\$3.62			\$0.75	\$1.60	\$2.35	\$0.65	\$6.62
2019	\$0.90	\$1.20	\$1.47	\$0.05	\$3.62			\$0.75	\$1.60	\$2.35	\$0.65	\$6.62
2020	\$0.90	\$1.20	\$1.47	\$0.05	\$3.62			\$0.75	\$1.60	\$2.35	\$0.65	\$6.62
2021	\$0.90	\$1.20	\$1.47	\$0.05	\$3.62			\$0.75	\$1.60	\$2.35	\$0.65	\$6.62
2022	\$0.90	\$1.20	\$1.47	\$0.05	\$3.62			\$0.75	\$1.60	\$2.35	\$0.65	\$6.62
Source: Shelby County Tax Assessor												

**City of Birmingham, Alabama**  
**Estimated Legal Debt Margin**  
**As of June 30, 2022**

**Table C-6**

Net Assessed Value of Real and Personal Property (1)	\$3,958,274,608
Debt Limit (20% of Assessed Value, see note below)	791,654,922
Outstanding General Obligation Bonds, Warrants and Lease (2)	\$ 521,395,542
Less Debt Reserve Fund Balance (3)	<u>(81,491,554)</u>
	<u>439,903,988</u>
Legal Debt Margin	<u>\$ 351,750,934</u>

(1) As reported by the Jefferson County Tax Assessor, Jefferson County Department of Revenue (motor vehicles) Shelby County Property Tax Commissioner and Shelby County License Officer (motor vehicles).

(2) Includes the aggregate principal amount of general obligation bonds, general obligation warrants, and TIF warrants all as of June 30, 2022. Does not include any other obligation of the City and does not reflect principal payments made on any obligations after June 30, 2022. Does not include the obligations of the city incurred pursuant to Amendment No. 772 to the Constitution of Alabama, as amended, including the Series 2013-B, 2016-TMC and 2015-B bonds.

(3) Market value as of June 30, 2022

Note: Section 225, as amended, of the Constitution of the State of Alabama limits debt of the City of Birmingham to 20% of the assessed value of taxable property. Excluded from this limitation is debt issued for schools and sewers (General Constitutional Debt Limitation).

**Special Constitutional Debt Limitation for Economic Development Obligations**

Amendment No. 772 to the constitution of Alabama authorizes the counties and municipalities within the State to use public funds for certain purposes intended to further the economic development of such political subdivisions. Amendment 772 authorizes any county or municipality to (i) acquire real property, buildings, plants, factories, facilities, machinery and equipment of any kind and to improve and develop such properties for use as sites for industry of any kind or as industrial parks, (ii) lease, sell, grant, exchange or otherwise convey all or any part of any real property, buildings, plants, factories, machinery and equipment or any industrial park project to any individual, firm, corporation or other entity, public or private, for the purpose of constructing, developing, equipping and operating industrial, commercial, research or service facilities of any kind or (iii) lend its credit to, or grant public funds and things of value for the benefit of any individual, firm, corporation or other entity, public or private, for the purpose of promoting the economic and industrial development of such political subdivision.

Amendment 772 also authorizes counties and municipalities to issue bonds, warrants, notes and other evidences of indebtedness and to use the proceeds thereof in furtherance of the powers discussed in the paragraph immediately above, subject to the limitation that the aggregate principal amount of obligations issued for such purposes may not exceed fifty percent (50%) of the assessed value of taxable property in such county or municipality. Amendment No. 772 provides that the bonds, warrants, notes or other evidences of indebtedness may be secured by the full faith and credit of the issuer or may be limited as to the source of payment.



**Table C-6 (continued)**

The issuance of bonds, warrants, notes and other evidences of indebtedness pursuant to Amendment No. 772 is not subject to the City's twenty percent constitutional debt limit. Pursuant to, and in accordance with, Amendment No. 772, in recent years the City has delivered agreements with various entities for economic development purposes as provided in Amendment No. 772, whereby the City agrees to rebate, over a stated period of years, to the other parties to such agreements, certain percentages of the proceeds of various City taxes received by the City from the construction and operation by such other parties of the facilities described in such agreements. The obligations of the City under such agreements (the "Amendment No. 772 Obligations") (i) are not general obligations of the City and (ii) are limited obligations of the City payable solely from the tax proceeds specified in such agreements, and produced solely from the facilities and projects described in such agreements, when and if such tax proceeds are actually received by the City, except a Funding Agreement with the Commercial Development Authority of the City of Birmingham, which is a general obligation and a Funding Agreement with the Public Athletic, Cultural and Entertainment Board of the City of Birmingham, which is a general obligation. The economic development office of the City, based on certain assumptions which it believes to be reasonable, has projected the total tax revenues to be received by the City from each of the facilities for which such a tax rebate agreement is in effect, will exceed the amount of the City tax proceeds to be rebated pursuant to such agreement.

The City has obligations outstanding under Amendment No. 772 in the aggregate amount of approximately \$180,152,962. These obligations are limited obligations of the City, payable generally as rebates of taxes received by the City from private entities in the approximate amount of \$66,409,962. Other agreements include funding agreements to cover bonds issued by the Public Athletic and Entertainment Board of the City of Birmingham (currently outstanding in the principal amount of \$48,720,000), of which, is a general obligation of the City, the City's General Obligation Bonds: Series 2016-TMC and 2015-B, outstanding in the total amount of \$8,880,000, the BJCC Series 2018D Funding Agreement Bonds in the outstanding amount of \$44,980,000. The City treats the obligations thereof under Amendment No. 772 (i) as exempt from the general constitutional debt limitation and (ii) as subject to the special constitutional debt limit under Amendment No. 772.

**City of Birmingham, Alabama**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

Table D-1

Year	Population	Median Household Income	Per Capita Personal Income	City		Birmingham Hoover MA Annual Average Unemployment Rate
				Unemployment Rate	Rate	
2012	211,566	30,212	18,507	8.9%	7.0%	
2013	210,749	30,212	18,507	7.9%	5.9%	
2014	211,230	35,346	22,993	7.1%	5.4%	
2015	211,109	35,346	22,993	7.1%	5.5%	
2016	211,703	35,346	22,993	7.1%	5.3%	
2017	211,436	35,346	22,993	5.9%	4.4%	
2018	210,966	35,346	22,993	4.4%	3.4%	
2019	209,880	30,212	22,993	3.4%	2.7%	
2020	209,403	35,346	22,993	15.5%	11.9%	
2021	207,235	36,753	24,480	5.2%	3.4%	

Population figures based on 2010 census

Unemployment rates source: Alabama Department of Labor in cooperation with the Bureau of Labor Statistics. 2021 City and MA rate is preliminary June 2021 rate.

Personal income and per capita personal income source: U. S. Bureau of the Census 2010. The Census Bureau will not release its standard 2020 ACS 1-year estimates because of the impacts of the COVID-19 pandemic on data collection. Experimental estimates, developed from 2020 ACS 1-year data, will be available on the ACS Experimental Data webpage no later than November 30th.

**City of Birmingham, Alabama**  
**Birmingham Metro Employers**  
**Principal Private Sector Employers**  
**Current and Ten Years Prior**

Table D-2

Employer	2021		2012	
	# of Employees	Rank	# of Employees	Rank
University of Alabama in Birmingham***	23,791	1	21,550	1
Regions Financial Corporation/AmSouth	6,289	2	6,000	2
St. Vincent's/Eastern Health System	4,700	4	4,703	4
Children's Health System	5,000	3	3,652	7
ATT/Bellsouth	4,517	5	7,500	3
Honda Manufacturing of Alabama, LLC**	4,500	6	4,800	5
Brookwood Baptist Health System	4,459	7	2,600	13
Mercedes-Benz U. S. International, Inc.**	3,800	8	3,500	8
Blue Cross Blue Shield of Alabama	3,500	9	3,000	11
Alabama Power Company	3,092	10	3,000	10
Birmingham Veterans Affairs Medical Center	2,440	11		
BBVA Compass Bank	2,285	12	2,804	12
Grandview Medical Center/Trinity	2,172	13		
Wells Fargo/Wachovia	1,978	14		
Southern Company Services*	1,881	15	2500	14
Dollar General Distribution Center	1,700	16		
EBSCO Industries, Inc.	1,600	17		
Protective Life Corp.	1,550	18		
American Family Care, Inc.	1,464	19		
American Cast Iron Pipe	1,400	20	2,400	15
Samford University	1,300	21		
Drummond Companies	1,283	22		
Shelby Baptist Medical Center	1,125	23		
State Farm Insurance	1,069	24		
Encompass Health Corporation (Healtsouth)	1,043	25		
Baptist Health System Inc.	N/A		4,000	6
Southern Nuclear Operating Company			3,200	9
U.S. Steel-Fairfield Works (tie)			2,400	15

\*Part of Southern Company

\*\*Located Outside Metro Area

\*\*\*Includes UAB Health Services Foundation

Does not include aggregated multiple location employers

Source: Birmingham Business Alliance/Birmingham Chamber of Commerce

### Metropolitan Birmingham Largest Employers by Industry 2021

Table D-3

Rank	Company	Employment	Product	Presence
1	University of Alabama at Birmingham*	23,791	Education and Healthcare Services	Headquarters
2	Regions Financial Corporation	6,289	Financial Services (Banking)	Headquarters
3	St. Vincent's Health System	4,700	Healthcare Services	Headquarters
4	Children's Health System/Children's of Alabama	5,000	Healthcare Services/Pediatrics	Headquarters
5	AT&T	4,517	Telecommunications	Regional
6	Honda Manufacturing of Alabama, LLC**	4,500	Manufacturing advanced automotive	Regional
7	Brookwood Baptist Health System, Inc.	4,459	Healthcare Services	Headquarters
8	Jefferson County Board of Education	4,400	Government Public Education	Headquarters
9	City of Birmingham	4,200	Government, City Administration	Headquarters
10	Mercedes-Benz U. S. International, Inc.**	3,800	Manufacturing advanced automotive	Headquarters
11	Blue Cross-Blue Shield of Alabama	3,500	Insurance, employee benefits	Major Operations
12	Alabama Power Company	3,092	Utilities Services, Electrical	Headquarters
13	Birmingham Board of Education	2,721	Government, Public Education	Headquarters
14	Jefferson County Commission	2,500	Government, County Administration	Headquarters
15	Shelby County Board of Education	2,491	Government, Public Education	Headquarters
16	Birmingham Veterans Affairs Medical Center	2,440	Healthcare Services	Major Operations
17	BBVA Compass Bank	2,285	Financial Services (Banking)	Headquarters
18	Grandview Medical Center	2,172	Health Care Services, Hospital	Headquarters
19	U. S. Postal Service	2,000	Government Mail Processing	Major Operations
20	Wells Fargo	1,978	Financial Services (Banking)	Major Operations
21	Southern Company Services	1,881	Utilities/Engineering	Divisional Headquarters
22	U.S. Social Security Administration	1,800	Social Security Benefits	Major Operations
23	Hoover Board of Education	1,773	Government, Public Education	Headquarters
24	Dollar General Distribution Center	1,700	Wholesale Distribution	Regional
25	EBSCO Industries, Inc.	1,600	Professional Services and Manufacturing	Headquarters

Source: Birmingham Business Alliance

\*University of Alabama at Birmingham (UAB) and University of Alabama at Birmingham Health Services Foundation combined

\*\*Not in SMA

**City of Birmingham, Alabama**  
**Number of City Employees by Function/Program**  
**Last Ten Fiscal Years**

Table E-1

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>General Government:</b>										
Innovation and Economic Opportunity										
City Clerk	10	-	9	-	-	-	9	9	11	10
City Council	37	38	38	38	37	35	38	36	35	38
Community Development	7	7	10	11	14	19	21	9	9	9
Finance	104	107	110	116	105	110	103	102	93	99
Office of the City Attorney	40	37	38	38	39	44	41	43	42	42
Mayor's Office	89	91	93	90	92	63	69	63	51	62
Equipment Management	88	87	90	91	89	90	82	83	73	74
Information Management Services	47	45	46	60	58	51	51	43	42	44
Personnel	31	32	28	31	28	31	30	34	38	40
<b>Public Safety:</b>										
Planning, Engineering, & Permits	150	143	147	144	144	140	131	127	113	112
Communications	-	-	-	-	-	-	-	94	91	91
Parole & Probation	-	-	-	-	-	-	-	-	-	-
Municipal Court	69	70	70	87	90	96	94	90	81	79
Traffic Engineering	66	68	69	68	68	65	59	43	43	48
<b>Police:</b>										
Officers	842	852	827	829	822	799	791	842	839	705
Civilians	285	277	285	238	224	222	221	162	148	192
<b>Fire:</b>										
Officers	603	608	627	627	635	634	607	581	606	620
Civilians	62	59	64	61	61	61	58	37	36	35
<b>Streets &amp; Sanitation:</b>										
Public Works	928	929	781	832	840	714	637	665	596	545
<b>Culture &amp; Recreation:</b>										
State Fairgrounds	17	16	17	34	35	31	36	35	18	15
Auditorium	26	29	28	28	30	26	24	21	10	22
Arlington	10	9	9	9	10	11	6	6	4	5
Library	298	287	274	259	267	257	242	229	166	209
Museum of Art	39	35	32	37	40	40	37	31	3	21
Parks & Recreation	237	262	250	247	325	339	333	201	132	152
Southern Museum of Flight	11	9	10	10	10	9	10	10	4	6
Sloss Furnaces	13	7	8	15	19	19	14	12	4	7
<b>Totals</b>	<b>4,109</b>	<b>4,114</b>	<b>3,960</b>	<b>4,009</b>	<b>4,091</b>	<b>3,916</b>	<b>3,752</b>	<b>3,618</b>	<b>3,297</b>	<b>3,291</b>

Source: City Budget Office

**City of Birmingham, Alabama**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

Table E-2

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police precincts	4	4	4	4	4	4	4	4	4	5	4
Police substations	6	5	5	8	6	4	8	4	1	2	2
Fire stations	31	32	32	32	31	32	32	32	32	32	32
Street lights	32,000	32,000	30,000	29,238	29,238	19,315	31,884	32,035	31,692	31,930	31,977
Traffic signals	702	702	702	702	702	702	697	697	705	685	685
Street miles	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Parks & recreation:											
Number of parks	114	115	115	115	116	116	116	117	116	119	120
Acreage of parks	2,683	2,746	2,746	2,746	2,748	2,748	2,748	2,754	2,754	2,941	3,200
Recreation/community centers	22	23	23	24	24	24	24	26	26	26	26
Playgrounds	78	125	125	127	129	129	129	130	130	133	141
Baseball/softball fields	35	41	47	49	56	56	56	56	56	56	56
Soccer/football fields	15	12	12	16	16	16	16	16	16	18	18
Libraries:											
Central	1	1	1	1	1	1	1	1	1	1	1
Branches	18	18	18	18	18	18	18	18	18	17	17

**Source: Various City departments**

**City of Birmingham**  
**Operating Indicators**

**Table E3****BIRMINGHAM E911 CALL CENTER STATISTICS 2022**

<b>Performance Measurements:</b>	<b>FY 2021</b>	<b>FY 2022</b>
	Actual	Actual
Total Center Calls Received (Police/ Fire)	638,848	709,175
Fire- Number of Calls Dispatched	69,308	70,883
Police- Number of Calls Dispatched	257,835	231,254
311 Call Center Number of Cases Inputted	29,601	51,297

**Source:** Birmingham E911 Call taking system; Tyler Technology New World Public Safety system  
The report has changed. This is because the 911 Center is consolidated for Fire and Police and 311 is also located in the Center. The numbers are being provided based on City of Birmingham fiscal year.

**City of Birmingham, Alabama**  
**2013-2022 PERMIT VALUATIONS AND COUNTS**

Table E-4

FY 2013 Permits			FY 2016 Permits		
Permit Type	Valuation	Count	Permit Type	Valuation	Count
BLD	\$568,782,029.00	2,317	BLD	\$543,249,501.00	2,865
ELE	\$68,145,739.00	3,537	ELE	\$80,718,251.00	4,656
GAS	\$10,027,430.00	758	GAS	\$1,799,262.00	922
MEC	\$33,808,797.00	784	MEC	\$55,346,779.00	870
MFD	\$257,565.00	10	MFD	\$211,861.00	12
PLB	\$17,924,789.00	913	PLB	\$29,173,103.00	990
<b>Totals</b>	<b>\$698,946,349.00</b>	<b>8,319</b>	<b>Totals</b>	<b>\$710,498,757.00</b>	<b>10,315</b>

FY 2014 Permits			FY 2017 Permits		
Permit Type	Valuation	Count	Permit Type	Valuation	Count
BLD	\$382,880,446.00	2,240	BLD	\$645,079,904.00	3,036
ELE	\$92,733,521.00	3,597	ELE	\$92,692,285.00	4,993
GAS	\$2,201,636.00	693	GAS	\$1,756,025.00	935
MEC	\$53,545,639.00	806	MEC	\$54,019,499.00	884
MFD	\$97,900.00	6	MFD	\$502,953.00	19
PLB	\$18,261,036.00	775	PLB	\$23,892,492.00	1,088
<b>Totals</b>	<b>\$549,720,178.00</b>	<b>8,117</b>	<b>Totals</b>	<b>\$817,943,158.00</b>	<b>10,955</b>

FY 2015 Permits			FY 2018 Permits		
Permit Type	Valuation	Count	Permit Type	Valuation	Count
BLD	\$669,236,512.00	2,865	BLD	\$640,685,240.00	3,452
ELE	\$97,211,328.00	4,656	ELE	\$92,532,815.00	5,341
GAS	\$3,741,577.00	922	GAS	\$3,925,160.00	1,305
MEC	\$56,079,879.00	870	MEC	\$53,442,675.00	1,131
MFD	\$429,343.00	12	MFD	\$821,693.00	22
PLB	\$27,433,313.00	990	PLB	\$25,292,838.00	1,220
<b>Totals</b>	<b>\$854,131,952.00</b>	<b>10,315</b>	<b>Totals</b>	<b>\$816,700,421.00</b>	<b>12,471</b>



**City of Birmingham, Alabama**  
**2013-2022 PERMIT VALUATIONS AND COUNTS**

(continued)  
 Table E-4

FY 2019 Permits		
Permit Type	Valuation	Count
BLD	\$665,485,575.00	3,417
ELE	\$83,670,031.00	4,693
GAS	\$2,518,328.00	1,132
MEC	\$74,905,877.00	1,003
MFD	\$833,192.00	27
PLB	\$27,132,877.00	1,242
<b>Totals</b>	<b>\$854,545,880.00</b>	<b>11,514</b>

FY 2021 Permits		
Permit Type	Valuation	Count
BLD	\$818,740,113.00	2,828
ELE	\$108,470,796.00	5,071
GAS	\$2,420,270.00	860
MEC	\$61,948,760.00	834
MFD	\$1,216,883.00	26
PLB	\$24,020,362.00	1,006
<b>Totals</b>	<b>\$1,016,817,184.00</b>	<b>10,625</b>

FY 2020 Permits		
Permit Type	Valuation	Count
BLD	\$919,034,783.00	3,072
ELE	\$83,670,031.00	4,755
GAS	\$2,796,560.00	1,086
MEC	\$79,491,447.00	1,125
MFD	\$376,912.00	33
PLB	\$44,741,546.00	1,248
<b>Totals</b>	<b>\$1,130,111,279.00</b>	<b>11,319</b>

FY 2022 Permits		
Permit Type	Valuation	Count
BLD	\$953,746,183.00	3,339
ELE	\$128,625,071.00	5,350
GAS	\$2,305,253.00	758
MEC	\$85,676,388.00	955
MFD	\$682,318.00	24
PLB	\$49,121,167.00	1,157
<b>Totals</b>	<b>\$1,220,156,380.00</b>	<b>11,583</b>

**City of Birmingham  
Police Department Statistics**

Table E-5

2022 January - June										
CRIME	HOMICIDE	RAPE	ROBBERY	ASSAULT	BURGLARY	THEFT	AUTO THEFT	TOTAL PART ONES		
TOTAL	60	37	211	1038	788	3348	666	6148		
CLEARED	10	12	25	141	44	78	39	349		
RATE	16.67%	32.43%	11.85%	13.58%	5.58%	2.33%	5.86%	5.68%		

2021										
CRIME	HOMICIDE	RAPE	ROBBERY	ASSAULT	BURGLARY	THEFT	AUTO THEFT	TOTAL PART ONES		
TOTAL	116	67	489	2465	1600	6891	1254	12882		
CLEARED	54	18	120	638	119	319	160	1428		
RATE	46.55%	26.87%	24.54%	25.88%	7.44%	4.63%	12.76%	11.09%		

2020										
CRIME	HOMICIDE	RAPE	ROBBERY	ASSAULT	BURGLARY	THEFT	AUTO THEFT	TOTAL PART ONES		
TOTAL	105	89	483	2472	1654	6851	1572	13226		
CLEARED	46	19	128	922	242	456	410	2223		
RATE	43.81%	21.35%	26.50%	37.30%	14.63%	6.66%	26.08%	16.81%		

2019										
CRIME	HOMICIDE	RAPE	ROBBERY	ASSAULT	BURGLARY	THEFT	AUTO THEFT	TOTAL PART ONES		
TOTAL	95	162	768	2,901	2,449	8,942	2,029	17,346		
CLEARED	52	80	194	750	277	528	435	2,316		
RATE	54.74%	49.38%	25.26%	25.85%	11.31%	5.90%	21.44%	13.35%		

2018										
CRIME	HOMICIDE	RAPE	ROBBERY	ASSAULT	BURGLARY	THEFT	AUTO THEFT	TOTAL PART ONES		
TOTAL	101	195	1,023	3,307	2,811	9,886	1,361	18,684		
CLEARED	48	89	245	922	297	687	216	2,504		
RATE	47.52%	45.64%	23.95%	27.88%	10.57%	6.95%	15.87%	13.40%		

**City of Birmingham**  
**Police Department Statistics**

(Continued)  
**Table E-5**

<b>2017</b>									
<b>CRIME</b>	<b>HOMICIDE</b>	<b>RAPE</b>	<b>ROBBERY</b>	<b>ASSAULT</b>	<b>BURGLARY</b>	<b>THEFT</b>	<b>AUTO THEFT</b>	<b>TOTAL PART ONES</b>	
TOTAL	100	195	979	2,840	2,750	10,049	1,289	18,202	18,202
CLEARED	35	34	236	709	276	701	167	2,158	2,158
RATE	35.00%	17.44%	24.96%	24.96%	10.04%	6.98%	12.96%	11.86%	11.86%
<b>2016</b>									
<b>CRIME</b>	<b>HOMICIDE</b>	<b>RAPE</b>	<b>ROBBERY</b>	<b>ASSAULT</b>	<b>BURGLARY</b>	<b>THEFT</b>	<b>AUTO THEFT</b>	<b>TOTAL PART ONES</b>	
TOTAL	92	179	1,019	2,708	3,161	9,343	1,178	17,680	17,680
CLEARED	57	34	285	679	314	580	147	2,096	2,096
RATE	61.96%	18.99%	27.97%	25.07%	9.93%	6.21%	12.48%	11.86%	11.86%
<b>2015</b>									
<b>CRIME</b>	<b>HOMICIDE</b>	<b>RAPE</b>	<b>ROBBERY</b>	<b>ASSAULT</b>	<b>BURGLARY</b>	<b>THEFT</b>	<b>AUTO THEFT</b>	<b>TOTAL PART ONES</b>	
TOTAL	76	166	1,127	2,673	3,300	9,305	1,037	17,684	17,684
CLEARED	40	36	361	894	381	1,064	136	2,915	2,915
RATE	52.63%	21.69%	32.03%	33.45%	11.64%	11.43%	13.11%	16.48%	16.48%
<b>2014</b>									
<b>CRIME</b>	<b>HOMICIDE</b>	<b>RAPE</b>	<b>ROBBERY</b>	<b>ASSAULT</b>	<b>BURGLARY</b>	<b>THEFT</b>	<b>AUTO THEFT</b>	<b>TOTAL PART ONES</b>	
TOTAL	52	182	1,051	2,213	3,768	8,906	1,460	17,632	17,632
CLEARED	37	37	362	734	459	1,299	314	3,242	3,242
RATE	71%	20%	34%	33%	12%	15%	22%	18%	18%
<b>2013</b>									
<b>CRIME</b>	<b>HOMICIDE</b>	<b>RAPE</b>	<b>ROBBERY</b>	<b>ASSAULT</b>	<b>BURGLARY</b>	<b>THEFT</b>	<b>AUTO THEFT</b>	<b>TOTAL PART ONES</b>	
TOTAL	63	178	969	1,755	4,059	8,836	1,525	17,385	17,385
CLEARED	41	26	364	578	517	1,008	163	2,697	2,697
RATE	65%	15%	38%	33%	13%	11%	11%	16%	16%

**City of Birmingham  
Municipal Court Statistics  
Last Five Fiscal Years**

**Table E-6**

<b>Court Case Statistics</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Total</b>
Drug/Alcohol related cases	5,701	3,654	4,307	4,956	1,167	19,785
Gun court cases	675	578	503	481	361	2,598
Traffic cases	63,425	67,354	58,967	41,232	22,862	253,840
Non-traffic cases	43,993	52,518	69,006	80,327	3,598	249,442

<b>Tickets Issues</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Total</b>
Parking Tickets	126,691	104,323	96,672	98,754	71,814	498,254
Equipment Repair tickets (lights)	1,438	985	864	2,311	1,062	6,660

**Source: Municipal Court**

**City of Birmingham, Alabama**  
**Debt Service Schedules**  
**General Obligation Warrants and Bonds**

Table F-1

Fiscal Year Ending 30-Jun	General Obligation Warrants			General Obligation Bonds			Total General Obligation Debt		
	Principal	Interest (Net)	Debt Service	Principal	Interest (Net)	Debt Service	Principal	Interest (Net)	Debt Service
2023	6,508,859	7,726,679	14,235,538	27,979,000	10,015,798	37,994,798	34,487,859	17,742,477	52,230,336
2024	9,884,940	7,560,656	17,445,596	17,958,000	9,177,568	27,135,568	27,842,940	16,738,223	44,581,163
2025	10,118,249	7,359,827	17,478,076	18,441,000	8,692,059	27,133,059	28,559,249	16,051,886	44,611,135
2026	10,357,316	7,142,028	17,499,344	19,036,000	8,095,461	27,131,461	29,393,316	15,237,489	44,630,805
2027	10,714,173	6,836,387	17,550,560	19,731,000	7,404,052	27,135,052	30,445,173	14,240,439	44,685,612
2028	11,187,853	6,406,880	17,594,733	20,469,000	6,668,201	27,137,201	31,656,853	13,075,081	44,731,934
2029	10,511,390	5,960,765	16,472,155	21,252,000	5,883,668	27,135,668	31,763,390	11,844,434	43,607,824
2030	10,603,820	5,523,670	16,127,490	22,082,000	5,055,054	27,137,054	32,685,820	10,578,723	43,264,543
2031	7,867,177	5,082,428	12,949,605	22,929,000	4,207,208	27,136,208	30,796,177	9,289,636	40,085,813
2032	8,046,504	4,771,571	12,818,075	23,595,000	3,538,763	27,133,763	31,641,504	8,310,334	39,951,838
2033	8,496,837	4,445,828	12,942,665	24,306,000	2,828,018	27,134,018	32,802,837	7,273,846	40,076,683
2034	8,013,220	4,096,345	12,109,565	19,262,000	2,168,422	21,430,422	27,275,220	6,264,767	33,539,987
2035	8,275,695	3,832,586	12,108,281	5,160,000	1,623,665	6,783,665	13,435,695	5,456,251	18,891,946
2036	8,604,311	3,499,706	12,104,017	2,308,000	1,370,990	3,678,990	10,912,311	4,870,696	15,783,007
2037	8,894,111	3,207,558	12,101,669	1,785,000	1,214,550	2,999,550	10,679,111	4,422,108	15,101,219
2038	9,265,145	2,832,069	12,097,214	1,870,000	1,125,300	2,995,300	11,135,145	3,957,369	15,092,514
2039	9,652,465	2,440,739	12,093,204	1,965,000	1,031,800	2,996,800	11,617,465	3,472,539	15,090,004
2040	10,056,125	2,032,740	12,088,865	2,035,000	960,569	2,995,569	12,091,125	2,993,309	15,084,434
2041	7,796,178	1,679,919	9,476,097	2,110,000	886,800	2,996,800	9,906,178	2,566,719	12,472,897
2042	3,487,684	1,392,392	4,880,076	2,185,000	810,313	2,995,313	5,672,684	2,202,705	7,875,389
2043	2,700,000	1,227,475	3,927,475	2,265,000	731,106	2,996,106	4,965,000	1,958,581	6,923,581
2044	2,830,000	1,093,650	3,923,650	2,350,000	649,000	2,999,000	5,180,000	1,742,650	6,922,650
2045	2,910,000	1,016,600	3,926,600	2,465,000	531,500	2,996,500	5,375,000	1,548,100	6,923,100
2046	3,025,000	900,200	3,925,200	2,590,000	408,250	2,998,250	5,615,000	1,308,450	6,923,450
2047	3,145,000	779,200	3,924,200	2,720,000	278,750	2,998,750	5,865,000	1,057,950	6,922,950
2048	3,270,000	653,400	3,923,400	2,855,000	142,750	2,997,750	6,125,000	796,150	6,921,150
2049	6,405,000	522,600	6,927,600	-	-	-	6,405,000	522,600	6,927,600
2050	6,658,000	266,400	6,924,400	-	-	-	6,658,000	266,400	6,924,400
2051	-	-	-	-	-	-	-	-	-
Total	\$209,285,052	\$100,290,299	\$309,575,351	\$291,703,000	\$85,499,613	\$377,202,613	\$500,988,052	\$185,789,912	\$686,777,964

General obligation warrants are paid from the City's General Fund of ad-valorem tax.

**City of Birmingham**  
**Debt Service Schedules**  
**Debt of Conduit Issuers that is a General Obligation of the City**  
**The Public Athletic Cultural and Entertainment Board of the City of Birmingham, Revenue Bonds**

Table F-2

Fiscal Year Ending June 30	Series 2018-A (Tax-Exempt)			Series 2018-B(Tax-Exempt)			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2023	1,440,000	1,571,870	3,011,870	200,000	325,443	525,443	1,640,000	1,897,313	3,537,313
2024	1,495,000	1,516,105	3,011,105	210,000	315,234	525,234	1,705,000	1,831,339	3,536,339
2025	1,555,000	1,458,155	3,013,155	220,000	304,527	524,527	1,775,000	1,762,682	3,537,682
2026	1,615,000	1,397,925	3,012,925	235,000	293,198	528,198	1,850,000	1,691,123	3,541,123
2027	1,675,000	1,335,415	3,010,415	245,000	281,246	526,246	1,920,000	1,616,661	3,536,661
2028	1,740,000	1,270,530	3,010,530	255,000	268,796	523,796	1,995,000	1,539,326	3,534,326
2029	1,805,000	1,203,175	3,008,175	270,000	255,723	525,723	2,075,000	1,458,898	3,533,898
2030	1,875,000	1,133,255	3,008,255	285,000	241,904	526,904	2,160,000	1,375,159	3,535,159
2031	1,945,000	1,060,675	3,005,675	295,000	227,462	522,462	2,240,000	1,288,137	3,528,137
2032	2,020,000	985,340	3,005,340	310,000	212,397	522,397	2,330,000	1,197,737	3,527,737
2033	2,095,000	907,155	3,002,155	325,000	196,586	521,586	2,420,000	1,103,741	3,523,741
2034	2,175,000	826,025	3,001,025	345,000	179,903	524,903	2,520,000	1,005,928	3,525,928
2035	2,255,000	741,855	2,996,855	360,000	162,348	522,348	2,615,000	904,203	3,519,203
2036	2,345,000	654,455	2,999,455	380,000	143,922	523,922	2,725,000	798,377	3,523,377
2037	2,430,000	563,730	2,993,730	400,000	124,500	524,500	2,830,000	688,230	3,518,230
2038	2,525,000	469,585	2,994,585	415,000	104,207	519,207	2,940,000	573,792	3,513,792
2039	2,620,000	371,830	2,991,830	440,000	82,917	522,917	3,060,000	454,747	3,514,747
2040	2,720,000	270,370	2,990,370	460,000	60,507	520,507	3,180,000	330,877	3,510,877
2041	2,825,000	165,015	2,990,015	480,000	37,101	517,101	3,305,000	202,116	3,507,116
2042	2,930,000	55,670	2,985,670	505,000	12,575	517,575	3,435,000	68,245	3,503,245
<b>Total</b>	<b>\$ 42,085,000</b>	<b>\$ 17,958,135</b>	<b>\$ 60,043,135</b>	<b>\$ 6,635,000</b>	<b>\$ 3,830,492</b>	<b>\$ 10,465,492</b>	<b>\$ 48,720,000</b>	<b>\$ 21,788,627</b>	<b>\$ 70,508,627</b>

These bonds financed the acquisition of property for, and the construction of, a minor league baseball park in the City center. The Series A bonds are payable from a lodgings tax in the City, levied at a rate of 3.5%. The Series B bonds are payable from project revenues. The Bonds are subject to Mandatory Tender on December 14, 2026. The Series A bonds carry an interest rate of 3.09%. The above schedule assumes an interest rate of 5.50% after the tender date. The Series B R-1 bonds carry an interest rate of 4.87%. The Series B R-2 bonds carry an interest rate of 5.59%. The above schedule assumes an interest rate of 7.00% after the tender date. The Bonds are prepayable with a yield maintenance premium. The Bonds are also payable from a general obligation funding agreement of the City. In the event of a Determination of Taxability, the interest rate on the Series A bonds changes to 4.87%. The City has covenanted to maintain at least an "A" rating by Standard & Poor's

Table F-3

**City of Birmingham  
Special Lodgings Tax Fund  
Revenue from 3.5% Lodgings Tax**

Fiscal Year	Revenue
2012	\$3,271,345
2013	\$3,190,203
2014	\$3,632,290
2015	\$3,806,818
2016	\$4,239,214
2017	\$3,856,565
2018	\$4,760,383
2019	\$5,191,267
2020	\$4,574,147
2021	\$3,122,508
2022	\$5,672,602

The tax is pledged to the payment of a Funding Agreement with the Public Athletic, Cultural and Entertainment Board of the City of Birmingham, covering debt service on the Board's Series 2011-A Bonds. See Table F-2.

**City of Birmingham**  
**Special Lodgings Tax Fund**  
**Revenue from 3.5% Lodgings Tax**

**Table F-3**  
 (continued)

**Revenue from Stadium Lease and Service Agreement**

Fiscal Year	Revenue
2014	\$ 201,233 (1)
2015	\$ 630,000 (2)
2016	\$ 630,000 (3)
2017	\$ 637,450 (4)
2018	\$ 637,450 (5)
2019	\$ 645,643 (6)
2020	\$ 652,900 (7)
2021	\$ - (8)
2022	\$ 643,500 (9)

(1) Revenue from the Stadium Lease and Service Agreement between the Birmingham Barons, LLC and the PACE Board are pledged to the payment of the PACE Board's Series B Bonds (See Table F-2). During Fiscal Year 2014, the first year of operation, certain minimum payments from

the Barons were prorated for a partial year of operation. Additionally, \$300,000 of the rent due was paid, pursuant to the Agreement, to the City of Hoover to terminate the Barons lease of a facility owned by that City. Assuming that the Stadium had been in operation for a full year and that the Hoover payment was not required, net rent would have been \$630,000. \$156,454 was also paid by the Barons, pursuant to the Agreement, to the Trustee for deposit into the Operations, Maintenance and Repair Expense Fund. The Lodgings Tax was used to pay the balance of the debt service on the Series B Bonds during this first year of operations.

(2) Revenue received was \$630,000 and \$153,888 was deposited into the Operations, Maintenance and Repair Expense Fund, held by the Bond Trustee.

(3) Revenue received was \$630,000 and \$157,943 was generated for Repair & Maintenance, with a net amount of \$60,337 being deposited with the Trustee.

(4) Revenue received was \$637,450 and a net amount of \$135,551 was generated for Repair and Maintenance

(5) Revenue received was \$637,450 and a net amount of \$77,330 was generated for Repair and Maintenance

(6) Revenue received was \$645,643, and a net amount of \$95,160 was generated for Repair and Maintenance

(7) Revenue received was \$652,900, with no funds generated for Repair and Maintenance

(8) Barons' season was cancelled due to COVID-19. City and Barons in discussions concerning Barons' contractual liability for 2020

(9) Revenue received was \$643,500, with no funds generated for Repair and Maintenance



**City of Birmingham**  
**Debt Service Schedules**  
**General Obligation Convertible Capital Appreciation Bonds**  
**Series 2013-A (Tax Exempt)**

**Table F-4**

<b>Fiscal Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2023	2,100,000	105,000	2,205,000
<b>Total</b>	<b>\$ 2,100,000</b>	<b>\$ 105,000</b>	<b>\$ 2,205,000</b>

The Bonds pay principal on March 1 and interest on March 1 and September 1.  
The Bonds carry interest between 1.39% - 5%

**City of Birmingham**  
**Debt Service Schedules**  
**General Obligation Refunding Bonds, Series 2014-A**

**Table F-5**

<b>Fiscal Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2023	1,215,000	1,564,725	2,779,725
2024	1,330,000	1,501,100	2,831,100
2025	2,605,000	1,402,725	4,007,725
2026	4,005,000	1,237,475	5,242,475
2027	4,235,000	1,031,475	5,266,475
2028	4,490,000	813,350	5,303,350
2029	4,755,000	582,225	5,337,225
2030	5,035,000	337,475	5,372,475
2031	5,290,000	105,800	5,395,800
<b>Total</b>	<b>\$ 32,960,000</b>	<b>\$ 8,576,350</b>	<b>\$ 41,536,350</b>

The Bonds pay principal on December 1 and interest on June 1 and December 1.

The Bonds carry interest between 3% - 5%

**City of Birmingham**  
**Debt Service Schedules**  
**General Obligation Refunding Bonds, Series 2015A-2**

**Table F-6**

<b>Fiscal Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2023	955,000	868,125	1,823,125
2024	1,015,000	820,375	1,835,375
2025	1,060,000	769,625	1,829,625
2026	1,110,000	716,625	1,826,625
2027	1,170,000	661,125	1,831,125
2028	1,235,000	602,625	1,837,625
2029	1,285,000	540,875	1,825,875
2030	1,360,000	476,625	1,836,625
2031	1,430,000	408,625	1,838,625
2032	1,780,000	358,575	2,138,575
2033	2,690,000	296,275	2,986,275
2034	2,810,000	202,125	3,012,125
2035	2,965,000	103,775	3,068,775
<b>Total</b>	<b>\$ 20,865,000</b>	<b>\$ 6,825,375</b>	<b>\$ 27,690,375</b>

The Bonds pay principal on March 1 and interest on March 1 and September 1.  
The Bonds carry interest between 2% - 5%

**City of Birmingham**  
**Debt Service Schedules**  
**General Obligation Bonds, Series 2015-B**  
**(Federally Taxable)**

**Table F-7**

<b>Fiscal Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2023	700,000	211,779	911,779
2024	725,000	193,887	918,887
2025	765,000	173,942	938,942
2026	800,000	151,367	951,367
2027	840,000	126,559	966,559
2028	890,000	99,251	989,251
2029	935,000	68,982	1,003,982
2030	980,000	35,780	1,015,780
<b>Total</b>	<b>\$ 6,635,000</b>	<b>\$ 1,061,546</b>	<b>\$ 7,696,546</b>

The Bonds pay principal on March 1 and interest on March 1 and September 1.

The Bonds carry interest between 1.88% - 4.53%

**City of Birmingham**  
**Debt Service Schedules**  
**2016 TMC Bonds**

Table F-8

<b>Fiscal Yr Ending</b>	<b>Principal</b>	<b>Interest</b>	<b>Debt Service</b>
6/30/2023	114,000	368,128	482,128
6/30/2024	123,000	354,733	477,733
6/30/2025	126,000	340,280	466,280
6/30/2026	136,000	325,475	461,475
6/30/2027	146,000	309,495	455,495
6/30/2028	149,000	292,340	441,340
6/30/2029	167,000	274,833	441,833
6/30/2030	172,000	255,210	427,210
6/30/2031	189,000	235,000	424,000
6/30/2032	200,000	212,793	412,793
6/30/2033	206,000	189,293	395,293
6/30/2034	217,000	165,088	382,088
6/30/2035	580,000	139,590	719,590
6/30/2036	608,000	71,440	679,440
	<b>\$ 3,133,000</b>	<b>\$ 3,533,695</b>	<b>\$ 6,666,695</b>

The Bonds pay principal on March 1 and interest on March 1 and September 1.

The Bonds carry interest of 11.75%

Note: Principal total amount includes \$888,000 of accreted interest

**City of Birmingham**  
**Debt Service Schedules**  
**Privately Placed Debt**  
**General Obligation Refunding Bond (Federally Taxable), Series 2015-WFB**

**Table F-9**

<b>Fiscal Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2023	2,165,000	128,376	2,293,376
2024	2,260,000	43,382	2,303,382
<b>Total</b>	<b>\$ 4,425,000</b>	<b>\$ 171,758</b>	<b>\$ 4,596,758</b>

The Bonds pay principal on November 1 and interest on May 1 and November 1.  
The Bonds carry an average interest rate of 4.57% and are not prepayable.  
Upon a Determination of Taxability, the interest rate would be adjusted  
to provide the bondholder an equivalent after-tax yield.

**City of Birmingham**  
**Debt Service Schedules**  
**General Obligation Refunding Bonds**  
**Series 2016-A**

**Table F-10**

<b>Fiscal Year Ending June 30</b>	<b>Total</b>	
	<b>Principal</b>	<b>Interest Debt Service</b>
2023	2,235,000	111,750
		2,346,750
<b>Total</b>	<b>\$ 2,235,000</b>	<b>\$ 111,750 \$ 2,346,750</b>

The Bonds pay principal on April 1 and interest on April 1 and October 1.  
The Bonds carry interest at a rate of 5%.

**City of Birmingham**  
**Debt Service Schedules**  
**Privately Placed Debt**  
**General Obligation Refunding Bond (Federally Taxable), Series 2016-D**

**Table F-11**

<b>Fiscal Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2023	\$ 1,735,000	\$ 232,513	\$ 1,967,513
2024	1,860,000	162,283	2,022,283
2025	3,240,000	62,982	3,302,982
<b>Total</b>	<b>\$ 6,835,000</b>	<b>\$ 457,778</b>	<b>\$ 7,292,778</b>

The Bonds carry an interest rate of 3.9%. Principal payments are due on December 1st. Interest payments are due on December 1st, and June 1st.



**City of Birmingham**  
**Debt Service Schedules**  
**General Obligation Bonds, Series 2018-A**

Table F-12

Fiscal Yr Ending	Principal	Interest	Debt Service
6/30/2023	-	1,932,719	1,932,719
6/30/2024	-	1,932,719	1,932,719
6/30/2025	-	1,932,719	1,932,719
6/30/2026	4,250,000	1,826,469	6,076,469
6/30/2027	4,480,000	1,608,219	6,088,219
6/30/2028	4,710,000	1,378,469	6,088,469
6/30/2029	4,950,000	1,136,969	6,086,969
6/30/2030	5,215,000	882,844	6,097,844
6/30/2031	5,500,000	614,969	6,114,969
6/30/2032	5,735,000	387,859	6,122,859
6/30/2033	5,965,000	149,125	6,114,125
	<u>\$ 40,805,000</u>	<u>\$ 13,783,078</u>	<u>\$ 54,588,078</u>

The Bonds pay principal on December 1 and interest on June 1 and December 1.

The Bonds carry interest of between 3.13% - 5%

**City of Birmingham, Alabama**  
**Debt Service Schedules**  
**Federally Taxable Debt**  
**General Obligation Refunding Bonds (Federally Taxable), Series 2020**

Table F-13

Fiscal Year Ending June 30	Principal	Interest	Debt Service
2023	\$ 2,805,000	\$ 1,072,859	\$ 3,877,859
2024	\$ 7,240,000	\$ 1,055,665	\$ 8,295,665
2025	\$ 7,145,000	\$ 993,111	\$ 8,138,111
2026	\$ 5,165,000	\$ 921,375	\$ 6,086,375
2027	\$ 5,235,000	\$ 853,404	\$ 6,088,404
2028	\$ 5,310,000	\$ 774,041	\$ 6,084,041
2029	\$ 5,405,000	\$ 680,161	\$ 6,085,161
2030	\$ 5,505,000	\$ 579,195	\$ 6,084,195
2031	\$ 5,610,000	\$ 470,857	\$ 6,080,857
2032	\$ 5,735,000	\$ 351,476	\$ 6,086,476
2033	\$ 5,850,000	\$ 232,303	\$ 6,082,303
2034	\$ 4,320,000	\$ 104,890	\$ 4,424,890
Total	\$ 65,325,000	\$ 8,089,336	\$ 73,414,336

The Bonds pay principal on March 1st, and pay interest on September 1st and March 1st. The Bonds carry interest at rates between 0.369% - 2.428%.

**City of Birmingham, Alabama**  
**Debt Service Schedules**  
**General Obligation Refunding Bonds (Federally Taxable), Series 2021**

**Table F-14**

<b>Fiscal Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Debt Service</b>
2023	\$ 13,045,000	\$ 1,331,575	\$ 14,376,575
2024	\$ 2,450,000	\$ 1,070,675	\$ 3,520,675
2025	\$ 2,500,000	\$ 1,021,675	\$ 3,521,675
2026	\$ 2,520,000	\$ 971,675	\$ 3,491,675
2027	\$ 2,520,000	\$ 921,275	\$ 3,441,275
2028	\$ 2,525,000	\$ 870,875	\$ 3,395,875
2029	\$ 2,535,000	\$ 820,375	\$ 3,355,375
2030	\$ 2,535,000	\$ 769,675	\$ 3,304,675
2031	\$ 3,565,000	\$ 717,708	\$ 4,282,708
2032	\$ 8,735,000	\$ 641,060	\$ 9,376,060
2033	\$ 8,115,000	\$ 444,523	\$ 8,559,523
2034	\$ 10,360,000	\$ 253,820	\$ 10,613,820
<b>Total</b>	<b>\$ 61,405,000</b>	<b>\$ 9,834,910</b>	<b>\$ 71,239,910</b>

The Bonds pay principal on March 1st, and pay interest on September 1st and March 1st. The Bonds carry interest at rates between 2% - 2.45%.

**City of Birmingham, Alabama**  
**Debt Service Schedules**  
**Birmingham-Jefferson Civic Center Authority**  
**Revenue Bonds (CITY OF BIRMINGHAM FUNDING) SERIES 2018D**  
**Table F-15**

<b>Fiscal Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Debt Service</b>
2023	\$ 910,000	\$ 2,088,250	\$ 2,998,250
2024	\$ 955,000	\$ 2,042,750	\$ 2,997,750
2025	\$ 1,000,000	\$ 1,995,000	\$ 2,995,000
2026	\$ 1,050,000	\$ 1,945,000	\$ 2,995,000
2027	\$ 1,105,000	\$ 1,892,500	\$ 2,997,500
2028	\$ 1,160,000	\$ 1,837,250	\$ 2,997,250
2029	\$ 1,220,000	\$ 1,779,250	\$ 2,999,250
2030	\$ 1,280,000	\$ 1,718,250	\$ 2,998,250
2031	\$ 1,345,000	\$ 1,654,250	\$ 2,999,250
2032	\$ 1,410,000	\$ 1,587,000	\$ 2,997,000
2033	\$ 1,480,000	\$ 1,516,500	\$ 2,996,500
2034	\$ 1,555,000	\$ 1,442,500	\$ 2,997,500
2035	\$ 1,615,000	\$ 1,380,300	\$ 2,995,300
2036	\$ 1,700,000	\$ 1,299,550	\$ 2,999,550
2037	\$ 1,785,000	\$ 1,214,550	\$ 2,999,550
2038	\$ 1,870,000	\$ 1,125,300	\$ 2,995,300
2039	\$ 1,965,000	\$ 1,031,800	\$ 2,996,800
2040	\$ 2,035,000	\$ 960,569	\$ 2,995,569
2041	\$ 2,110,000	\$ 886,800	\$ 2,996,800
2042	\$ 2,185,000	\$ 810,313	\$ 2,995,313
2043	\$ 2,265,000	\$ 731,106	\$ 2,996,106
2044	\$ 2,350,000	\$ 649,000	\$ 2,999,000
2045	\$ 2,465,000	\$ 531,500	\$ 2,996,500
2046	\$ 2,590,000	\$ 408,250	\$ 2,998,250
2047	\$ 2,720,000	\$ 278,750	\$ 2,998,750
2048	\$ 2,855,000	\$ 142,750	\$ 2,997,750
<b>Total</b>	<b>\$ 44,980,000</b>	<b>\$ 32,949,038</b>	<b>\$ 77,929,038</b>

The Bonds pay principal on May 1st, and pay interest on November 1st and May 1st. The Bonds carry interest at rates of 3.625% - 5%.

**City of Birmingham**  
**Debt Service Schedules**  
**Privately Placed Debt**  
**Tax Increment Financing District I, Revenue Warrants, Series 2014**

**Table F-16**

<b>Fiscal Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2023	1,311,000	246,156	1,557,156
2024	1,348,000	208,008	1,556,008
2025	1,388,000	168,762	1,556,762
2026	1,428,000	128,359	1,556,359
2027	1,470,000	86,801	1,556,801
2028	1,513,000	44,000	1,557,000
2029	385,000	5,563	390,563
<b>Total</b>	<b>\$ 8,843,000</b>	<b>\$ 887,649</b>	<b>\$ 9,730,649</b>

The Warrants have an interest rate of 2.89%. Principal and interest on both warrants. Principal and interest is payable monthly. The Warrants are prepayable on any date with a yield maintenance premium, and beginning on December 1, 2024 on any date without premium. The Warrants are payable from Ad-valorem taxes collected in the TIF District in excess of a base year amount. The District includes a large portion of the city center of the City. The Warrants are also secured by a General Obligation Funding. Agreement of the City, which provides funds from any legally available source to pay principal and interest on the Warrants as it comes due. Upon any Determination of Taxability, the interest rate would increase to an equivalent after-tax yield.

**City of Birmingham**  
**Debt Service Schedules**  
**General Obligation Refunding Warrants, Series 2014-B**

**Table F-17**

<b>Fiscal Year Ending June 30</b>	<b>Total</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Debt Service</b>
2023	1,060,000	596,119	1,656,119
2024	1,115,000	543,119	1,658,119
2025	1,170,000	487,369	1,657,369
2026	1,230,000	428,869	1,658,869
2027	1,290,000	367,369	1,657,369
2028	1,355,000	302,869	1,657,869
2029	1,420,000	235,119	1,655,119
2030	1,495,000	164,119	1,659,119
2031	740,000	89,369	829,369
2032	765,000	65,319	830,319
2033	790,000	39,500	829,500
<b>Total</b>	<b>\$12,430,000</b>	<b>\$ 3,319,138</b>	<b>\$15,749,138</b>

The Bonds pay principal on March 1st, and pay interest on September 1st and March 1st. The Bonds carry interest at rates between 3% - 5%.

**City of Birmingham**  
**Debt Service Schedules**  
**Series 2016 General Obligation Equipment and Improvement Warrants**

**Table F-18**

<b>Fiscal Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2023	\$ 2,793,500	\$ 24,487	\$ 2,817,987
<b>Total</b>	<b>\$ 2,793,500</b>	<b>\$ 24,487</b>	<b>\$ 2,817,987</b>

The warrants carry a fixed rate of approximately 1.28% and are non-callable. In the event of a Determination of Taxability, the interest rate would be adjusted to provide the warrant holder an equivalent after-tax yield.

**Commercial Development Authority of the City  
of Birmingham Crossplex Village Project**  
Debt Service Schedule  
Conduit Issuer - General Obligation Funding Agreement  
Privately Placed Debt

Table F-19

Fiscal Year Ending June 30	Principal	Interest	Total Debt Service
2023	424,359	523,283	947,642
2024	441,940	505,969	947,909
2025	460,249	487,938	948,187
2026	479,316	469,159	948,475
2027	499,173	449,603	948,776
2028	519,853	429,237	949,090
2029	541,390	408,027	949,417
2030	563,820	385,938	949,758
2031	587,177	362,934	950,111
2032	611,504	338,978	950,482
2033	636,837	314,028	950,865
2034	663,220	288,045	951,265
2035	690,695	260,986	951,681
2036	719,311	232,806	952,117
2037	749,111	203,458	952,569
2038	780,145	172,894	953,039
2039	812,465	141,064	953,529
2040	846,125	107,915	954,040
2041	881,178	73,394	954,572
2042	917,684	37,442	955,126
Total	\$ 12,825,552	\$ 6,193,097	\$ 19,018,649

Pursuant to a Funding, Incentive and Reimbursement Agreement, dated April 1, 2017, the City guaranteed payment of the debt service on this issue in order to encourage the commercial development of a major City owned property, adjacent to the City's Crossplex sports facility. Should development revenues be insufficient to cover the debt service, the City is obligated to advance funds for the debt service. In FY2020 the City had to pay debt service, due to non-payment by the developer, who has since filed for bankruptcy. The City will continue to pay debt service, until a similar agreement is made with another development firm, who will likely be primarily responsible for future debt service payments.



**City of Birmingham, Alabama**  
**Debt Service Schedules**  
**General Obligation Warrants (Federally Taxable), Series 2018-B**

Table F-20

<b>Fiscal Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Debt Service</b>
2023	\$ 920,000	\$ 1,549,200	\$ 2,469,200
2024	\$ 955,000	\$ 1,516,125	\$ 2,471,125
2025	\$ 1,005,000	\$ 1,467,125	\$ 2,472,125
2026	\$ 1,050,000	\$ 1,423,250	\$ 2,473,250
2027	\$ 1,095,000	\$ 1,377,125	\$ 2,472,125
2028	\$ 1,150,000	\$ 1,321,000	\$ 2,471,000
2029	\$ 1,210,000	\$ 1,262,000	\$ 2,472,000
2030	\$ 1,270,000	\$ 1,200,000	\$ 2,470,000
2031	\$ 1,325,000	\$ 1,148,375	\$ 2,473,375
2032	\$ 1,375,000	\$ 1,094,125	\$ 2,469,125
2033	\$ 1,440,000	\$ 1,030,950	\$ 2,470,950
2034	\$ 1,500,000	\$ 972,150	\$ 2,472,150
2035	\$ 1,560,000	\$ 910,950	\$ 2,470,950
2036	\$ 1,625,000	\$ 847,250	\$ 2,472,250
2037	\$ 1,700,000	\$ 772,250	\$ 2,472,250
2038	\$ 1,785,000	\$ 685,125	\$ 2,470,125
2039	\$ 1,875,000	\$ 593,625	\$ 2,468,625
2040	\$ 1,975,000	\$ 497,375	\$ 2,472,375
2041	\$ 2,075,000	\$ 396,125	\$ 2,471,125
2042	\$ 2,180,000	\$ 289,750	\$ 2,469,750
2043	\$ 2,295,000	\$ 177,875	\$ 2,472,875
2044	\$ 2,410,000	\$ 60,250	\$ 2,470,250
<b>Total</b>	<b>\$ 33,775,000</b>	<b>\$ 20,592,000</b>	<b>\$ 54,367,000</b>

The Bonds pay principal on December 1st, and pay interest on June 1st and December 1st. The Bonds carry interest at rates between 2.5% - 5%.

**City of Birmingham, Alabama**  
**Debt Service Schedules**  
**General Obligation Warrants (Federally Taxable), Series 2020-A**

**Table F-21**

<b>Fiscal Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Debt Service</b>
2023	\$ -	\$ 3,419,050	\$ 3,419,050
2024	\$ -	\$ 3,419,050	\$ 3,419,050
2025	\$ -	\$ 3,419,050	\$ 3,419,050
2026	\$ 1,535,000	\$ 3,419,050	\$ 4,954,050
2027	\$ 4,300,000	\$ 3,342,300	\$ 7,642,300
2028	\$ 4,515,000	\$ 3,127,300	\$ 7,642,300
2029	\$ 4,735,000	\$ 2,901,550	\$ 7,636,550
2030	\$ 4,965,000	\$ 2,664,800	\$ 7,629,800
2031	\$ 5,215,000	\$ 2,416,550	\$ 7,631,550
2032	\$ 5,295,000	\$ 2,207,950	\$ 7,502,950
2033	\$ 5,630,000	\$ 1,996,150	\$ 7,626,150
2034	\$ 5,850,000	\$ 1,770,950	\$ 7,620,950
2035	\$ 6,025,000	\$ 1,595,450	\$ 7,620,450
2036	\$ 6,260,000	\$ 1,354,450	\$ 7,614,450
2037	\$ 6,445,000	\$ 1,166,650	\$ 7,611,650
2038	\$ 6,700,000	\$ 908,850	\$ 7,608,850
2039	\$ 6,965,000	\$ 640,850	\$ 7,605,850
2040	\$ 7,235,000	\$ 362,250	\$ 7,597,250
2041	\$ 4,840,000	\$ 145,200	\$ 4,985,200
<b>Total</b>	<b>\$ 86,510,000</b>	<b>\$ 40,277,450</b>	<b>\$ 126,787,450</b>

The Bonds pay principal on June 1st, and pay interest on June 1st and December 1st.  
The Bonds carry interest at rates between 3% - 5%.

**City of Birmingham, Alabama**  
**Debt Service Schedules**  
**General Obligation Refunding Warrants (Federally Taxable), Series 2020-B**

**Table F-22**

<b>Fiscal Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Debt Service</b>
2023	\$ -	\$ 74,985	\$ 74,985
2024	\$ -	\$ 74,985	\$ 74,985
2025	\$ 1,970,000	\$ 74,985	\$ 2,044,985
2026	\$ 4,195,000	\$ 55,206	\$ 4,250,206
<b>Total</b>	<b>\$ 6,165,000</b>	<b>\$ 280,161</b>	<b>\$ 6,445,161</b>

The Warrants pay principal on June 1st, and pay interest on December 1st and June 1st. The Warrants carry interest at rates between 1.004% - 1.316%.

**City of Birmingham, Alabama**  
**Debt Service Schedules**  
**General Obligation Warrants (Federally Taxable), Series 2020-C**

**Table F-23**

<b>Fiscal Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Debt Service</b>
2023	\$ -	\$ 118,086	\$ 118,086
2024	\$ 6,025,000	\$ 118,086	\$ 6,143,086
2025	\$ 4,125,000	\$ 79,285	\$ 4,204,285
2026	\$ 440,000	\$ 42,820	\$ 482,820
2027	\$ 2,060,000	\$ 37,874	\$ 2,097,874
2028	\$ 450,000	\$ 7,160	\$ 457,160
<b>Total</b>	<b>\$ 13,100,000</b>	<b>\$ 403,309</b>	<b>\$ 13,503,309</b>

The Warrants pay principal on June 1st, and pay interest on December 1st and June 1st. The Warrants carry interest at rates between 0.644% - 1.591%.

City of Birmingham, Alabama  
Debt Service Schedules  
General Obligation Warrants (Federally Tax Exempt), Series 2021-A

Table F-24

Fiscal Year Ending June 30	Principal	Interest	Debt Service
2023	\$ -	\$ 1,065,200	\$ 1,065,200
2024	\$ -	\$ 1,065,200	\$ 1,065,200
2025	\$ -	\$ 1,065,200	\$ 1,065,200
2026	\$ -	\$ 1,065,200	\$ 1,065,200
2027	\$ -	\$ 1,065,200	\$ 1,065,200
2028	\$ -	\$ 1,065,200	\$ 1,065,200
2029	\$ -	\$ 1,065,200	\$ 1,065,200
2030	\$ -	\$ 1,065,200	\$ 1,065,200
2031	\$ -	\$ 1,065,200	\$ 1,065,200
2032	\$ -	\$ 1,065,200	\$ 1,065,200
2033	\$ -	\$ 1,065,200	\$ 1,065,200
2034	\$ -	\$ 1,065,200	\$ 1,065,200
2035	\$ -	\$ 1,065,200	\$ 1,065,200
2036	\$ -	\$ 1,065,200	\$ 1,065,200
2037	\$ -	\$ 1,065,200	\$ 1,065,200
2038	\$ -	\$ 1,065,200	\$ 1,065,200
2039	\$ -	\$ 1,065,200	\$ 1,065,200
2040	\$ -	\$ 1,065,200	\$ 1,065,200
2041	\$ -	\$ 1,065,200	\$ 1,065,200
2042	\$ 390,000	\$ 1,065,200	\$ 1,455,200
2043	\$ 405,000	\$ 1,049,600	\$ 1,454,600
2044	\$ 420,000	\$ 1,033,400	\$ 1,453,400
2045	\$ 2,910,000	\$ 1,016,600	\$ 3,926,600
2046	\$ 3,025,000	\$ 900,200	\$ 3,925,200
2047	\$ 3,145,000	\$ 779,200	\$ 3,924,200
2048	\$ 3,270,000	\$ 653,400	\$ 3,923,400
2049	\$ 6,405,000	\$ 522,600	\$ 6,927,600
2050	\$ 6,660,000	\$ 266,400	\$ 6,926,400
Total	\$ 26,630,000	\$ 27,525,400	\$ 54,155,400

The Warrants pay principal on June 1st, and pay interest on December 1st and June 1st. The Warrants carry interest at rates at 4%.

**City of Birmingham, Alabama**  
**Debt Service Schedules**  
**Federally Taxable Debt**  
**General Obligation Warrants (Federally Taxable), Series 2021-B**

**Table F-25**

<b>Fiscal Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Debt Service</b>
2023	\$ -	\$ 110,114.75	\$ 110,114.75
2024	\$ -	\$ 110,114.75	\$ 110,114.75
2025	\$ -	\$ 110,114.75	\$ 110,114.75
2026	\$ -	\$ 110,114.75	\$ 110,114.75
2027	\$ -	\$ 110,114.75	\$ 110,114.75
2028	\$ 1,685,000.00	\$ 110,114.75	\$ 1,795,114.75
2029	\$ 2,220,000.00	\$ 83,306.40	\$ 2,303,306.40
2030	\$ 2,310,000.00	\$ 43,612.80	\$ 2,353,612.80
<b>Total</b>	<b>\$ 6,215,000.00</b>	<b>\$ 787,607.70</b>	<b>\$ 7,002,607.70</b>

The Warrants pay principal on June 1st, and pay interest on December 1st and June 1st. The Warrants carry interest at rates between 1.591% - 1.888%.

**City of Birmingham**  
**City of Birmingham**  
**Debt Service Schedules**  
**Privately Placed Debt**  
**Annual Appropriation Lease - PNC 2016**

**Table F-27**

Fiscal Year Ending June 30	Total		
	Principal	Interest	Debt Service
2023	854,179	502,591	1,356,770
2024	950,679	473,929	1,424,608
2025	1,053,758	442,081	1,495,839
2026	1,163,801	406,830	1,570,631
2027	1,281,215	367,947	1,649,162
2028	1,406,430	325,190	1,731,620
2029	1,539,899	278,302	1,818,201
2030	1,682,099	227,012	1,909,111
2031	1,833,535	171,032	2,004,567
2032	1,994,737	110,059	2,104,796
2033	2,166,264	43,771	2,210,035
<b>Total</b>	<b>\$15,926,596</b>	<b>\$ 3,348,744</b>	<b>\$ 19,275,340</b>

The Lease is payable quarterly beginning August 31, 2018. Energy savings from this project is expected to be sufficient to pay debt service on the lease. The lease carries a fixed interest rate of 3.22%. In the event of a Determination of Taxability, the interest rate would be adjusted to make the lessor whole on an after-tax basis.

interest rate would be adjusted to make the lessor whole on an after-tax basis.

**City of Birmingham**  
**Debt Service Schedules**  
**Privately Placed Debt**  
**Annual Appropriation Lease - Banc of America Public Capital**  
**Corporation - Motorola**

**Table F-28**

<b>Fiscal Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2023	999,993	-	999,993
<b>Total</b>	<b>\$ 999,993</b>	<b>\$ -</b>	<b>\$ 999,993</b>

Lease payments are due annually and carry zero interest. In the event of a Determination of Taxability, the City must make the Lessor whole on a tax equivalent basis.



**City of Birmingham**  
**Debt Service Schedules**  
**Privately Placed Debt**  
**Annual Appropriation Lease - Banc of America Leasing and Capital 2016**

**Table F-29**

<b>Fiscal Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2023	339,615	32,559	372,174
2024	350,858	21,316	372,174
2025	362,472	9,702	372,174
2026	69,221	566	69,786
<b>Total</b>	<b>\$ 1,122,166</b>	<b>\$ 64,142</b>	<b>\$ 1,186,308</b>

The Lease is payable quarterly beginning August 4, 2018. Energy savings from this lighting project is expected to be sufficient to pay debt service on the lease. In the event of a Determination of Taxability, the interest rate would be adjusted to make the Lessor whole on an after-tax basis.

**City of Birmingham  
Debt Service Schedules  
Leases Payable  
2021 Master Equipment Lease**

**Table F-30***Supplement Number 001*

<u>Rental Payment Date</u>	<u>Rental Payment Amt</u>	<u>Principal</u>	<u>Interest</u>	<u>Balance</u>
				5,325,165
2/28/2023	966,720	833,696	133,024	4,491,469
2/29/2024	966,720	854,522	112,198	3,636,948
2/28/2025	966,720	875,868	90,852	2,761,080
2/28/2026	966,720	897,747	68,973	1,863,333
2/28/2027	966,720	920,173	46,547	943,160
2/29/2028	966,720	943,160	23,560	-
	5,800,320	5,325,165	475,155	

*Supplement Number 002*

<u>Rental Payment Date</u>	<u>Rental Payment Amt</u>	<u>Principal</u>	<u>Interest</u>	<u>Balance</u>
				9,052,190
2/28/2023	1,142,590	904,594	237,997	8,147,596
2/29/2024	1,142,590	928,377	214,213	7,219,220
2/28/2025	1,142,590	952,785	189,805	6,266,434
2/28/2026	1,142,590	977,836	164,755	5,288,599
2/28/2027	1,142,590	1,003,544	139,046	4,285,054
2/29/2028	1,142,590	1,029,929	112,661	3,255,125
2/28/2029	1,142,590	1,057,008	85,582	2,198,117
2/28/2030	1,142,590	1,084,798	57,792	1,113,319
2/28/2031	1,142,590	1,113,319	29,271	-
	10,283,311	9,052,190	1,231,121	

*Supplement Number 003*

<u>Rental Payment Date</u>	<u>Rental Payment Amt</u>	<u>Principal</u>	<u>Interest</u>	<u>Balance</u>
				852,409
2/28/2023	442,020	421,018	21,003	431,391
2/29/2024	442,020	431,391	10,629	-
	884,041	852,409	31,633	

<b>Totals</b>	<b>16,967,672</b>	<b>15,229,764</b>	<b>1,737,909</b>	<b>15,229,764</b>
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Lease payments are due annually, and carry interest between 2.464% - 2.629%. In the event of a Determination of Taxability, the interest rate would be adjusted to make the lessor whole on an after tax basis.

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