

Summary of Receipts, Disbursements, and Cash Balances
General Fund
Last Five Fiscal Years - Cash Basis (Treasury Cash Only)
(Amounts in Thousands)

| | 2021 | 2020 | 2019 | 2018 | 2017 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Beginning Cash Balance, October 1 | \$ 567,967 | \$ 451,534 | \$ 383,840 | \$ 231,278 | \$ 168,591 |
| Receipts | 2,561,533 | 2,299,168 | 2,151,955 | 1,996,118 | 1,919,834 |
| Disbursements | 2,351,194 | 2,182,735 | 2,084,261 | 1,843,556 | 1,857,147 |
| Net Increase (Decrease) in Cash Balance | 210,339 | 116,433 | 67,694 | 152,562 | 62,687 |
| Ending Cash Balance, September 30 | 778,306 | 567,967 | 451,534 | 383,840 | 231,278 |
| Cash Balance Reserved for Obligations | 72,855 | 71,726 | 47,647 | 57,765 | 40,904 |
| Unobligated Cash Balance, September 30 | \$ 705,451 | \$ 496,241 | \$ 403,887 | \$ 326,075 | \$ 190,374 |

Summary of Receipts, Disbursements, and Cash Balances
Education Trust Fund
Last Five Fiscal Years - Cash Basis (Treasury Cash Only)
(Amounts in Thousands)

| | 2021 | 2020 | 2019 | 2018 | 2017 |
|--|---------------------|-------------------|-------------------|-------------------|-------------------|
| Beginning Cash Balance, October 1 | \$ 415,243 | \$ 673,374 | 409,773 | \$ 73,079 | \$ 191,977 |
| Receipts | 8,643,813 | 7,741,235 | 7,215,276 | 6,753,485 | 6,327,327 |
| Disbursements | 7,669,597 | 7,999,366 | 6,951,675 | 6,416,791 | 6,446,225 |
| Net Increase (Decrease) in Cash Balance | 974,216 | (258,131) | 263,601 | 336,694 | (118,898) |
| Ending Cash Balance, September 30 | 1,389,459 | 415,243 | 673,374 | 409,773 | 73,079 |
| Cash Balance Reserved for Obligations | 58,676 | 40,303 | 58,855 | 58,766 | 66,160 |
| Unobligated Cash Balance, September 30 | \$ 1,330,783 | \$ 374,940 | \$ 614,519 | \$ 351,007 | \$ 6,919 |

General Fund and Education Trust Fund Balances

The fund balances for the General Fund and the Education Trust Fund for the last five fiscal years are presented in the following table. The fiscally conservative nature of Amendment 26 to the *Constitution of Alabama of 1901* tends to produce positive fund balances.

Fund Balances - GAAP Basis

(Amounts in Millions)

| | 2021 | 2020 | 2019 | 2018 | 2017 |
|----------------------|------------|----------|----------|-------|----------|
| General Fund | \$ 1,118.4 | \$ 897.7 | \$ 701.2 | 602.7 | \$ 437.5 |
| Education Trust Fund | 1,820.2 | 816.9 | 719.5 | 400.6 | 486.8 |

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of certain agencies and funds. These agencies and funds reflect the following percentages of total assets or deferred outflows and revenues or additions of the indicated opinion units:

| Opinion Unit and Related Agencies/Funds Audited by Other Auditors | Percent of Opinion Unit's Total Assets/Deferred Outflows of Resources | Percent of Opinion Unit's Total Revenues/Additions |
|--|---|--|
| Governmental Activities: Alabama Public Health Care Authority | 0.04% | 0.01% |
| Business-Type Activities: Alabama State Port Authority | 48% | 6% |
| Aggregate Discretely Presented Component Units: State Employees' Insurance Board Public Education Employees' Health Insurance Fund Alabama Housing Finance Authority Alabama Water Pollution Control Authority Alabama Drinking Water Finance Authority Space Science Exhibit Commission Auburn University University of Alabama University of South Alabama Alabama Agricultural and Mechanical University University of Montevallo University of North Alabama University of Alabama at Huntsville University of Alabama at Birmingham | 90% | 88% |
| Proprietary/Enterprise Fund: Alabama State Port Authority | 100% | 100% |
| Aggregate Remaining Fund Information: Retirement Systems of Alabama Employees' Savings Plans (PEIRAF and RSA-1) Retired Education Employees' Health Care Trust Retired State Employees' Health Care Trust Prepaid Affordable College Tuition Program Alabama College Education Savings Plan Alabama Public Health Care Authority | 86% | 59% |

The financial statements of these agencies and funds were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for those financial statements, are based solely on the reports of the other auditors.



STATE OF ALABAMA

BALANCE SHEET
Governmental Funds
September 30, 2021

(Amounts in Thousands)

| | General Fund | Education Trust Fund | Alabama Trust | Medicaid Fund | Public Road and Bridge Fund |
|--|---------------------|----------------------------|---------------------|-------------------|--------------------------------------|
| ASSETS | | | | | |
| Cash and Cash Equivalents | \$ 980,384 | \$ 1,445,267 | \$ 8,795 | \$ 245,388 | \$ 352,825 |
| Investments | — | — | 3,913,304 | — | 38,505 |
| Due From Other Funds | 32,062 | 1,144 | — | 23,796 | 592 |
| Due From Component Units | — | — | — | — | — |
| Investment Sales Receivable | — | — | 17,538 | — | — |
| Accounts Receivable | 2,924 | 95 | 18,863 | — | 7,933 |
| Taxes Receivable | 328,248 | 429,385 | — | — | 30,691 |
| Due From Other Governments | 1 | 356 | — | 390,648 | 139,655 |
| Mortgages, Notes, and Loans Receivable | — | — | — | — | — |
| Securities Lending Collateral | — | — | 119,158 | — | — |
| Inventory | 4,035 | — | — | — | 43,730 |
| Restricted Assets | — | — | — | — | — |
| Other Assets | — | — | — | — | — |
| TOTAL ASSETS | \$ 1,347,654 | \$ 1,876,247 | \$ 4,077,658 | \$ 659,832 | \$ 613,931 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | |
| Liabilities | | | | | |
| Warrants Payable | \$ 891 | \$ 7,897 | \$ 0 | \$ 13,577 | \$ 3,230 |
| Investment Purchases Payable | — | — | 33,170 | — | — |
| Due To Other Funds | 18,688 | 5,138 | 111 | 94,528 | 3,341 |
| Due To Component Units | 48 | 11 | — | 1 | — |
| Accounts Payable | 61,839 | 38,179 | 255 | 421,730 | 157,881 |
| Due To Other Governments | 5,834 | 4,774 | — | 13 | 396 |
| Securities Lending Obligation | — | — | 119,158 | — | — |
| Unearned Revenue | 4 | — | — | — | — |
| Amounts Held in Custody for Others | 256 | 3 | — | — | 3,508 |
| Compensated Absences | — | — | — | — | — |
| Total Liabilities | 87,560 | 56,002 | 152,694 | 529,849 | 168,356 |
| Deferred Inflows Of Resources | 141,677 | 0 | 2,534 | 0 | 6,656 |
| Fund Balances | | | | | |
| Nonspendable: | | | | | |
| Inventory | 4,035 | 0 | 0 | 0 | 43,730 |
| Permanent Fund Principal | — | — | — | — | — |
| Restricted for: | | | | | |
| Economic Development and Regulation | — | — | — | — | — |
| Education and Cultural Resources | — | 1,820,245 | — | — | — |
| Natural Resources and Recreation | — | — | 48,308 | — | — |
| Health | — | — | — | 129,983 | — |
| Social Services | — | — | — | — | — |
| Protection of Persons and Property | — | — | — | — | — |
| Transportation | — | — | — | — | 395,189 |
| General Government | — | — | — | — | — |
| Capital Projects | — | — | — | — | — |
| Debt Service | — | — | — | — | — |
| Alabama Trust Capital | — | — | 3,874,122 | — | — |
| Assigned for: | | | | | |
| Economic Development and Regulation | 170 | — | — | — | — |
| Education and Cultural Resources | 854 | — | — | — | — |
| Natural Resources and Recreation | 96 | — | — | — | — |
| Health | 129 | — | — | — | — |
| Social Services | 120 | — | — | — | — |
| Protection of Persons and Property | 3,374 | — | — | — | — |
| Transportation | 13 | — | — | — | — |
| General Government | 1,309 | — | — | — | — |
| Unassigned | 1,108,317 | — | — | — | — |
| Total Fund Balances | 1,118,417 | 1,820,245 | 3,922,430 | 129,983 | 438,919 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | \$ 1,347,654 | \$ 1,876,247 | \$ 4,077,658 | \$ 659,832 | \$ 613,931 |

The Notes to the Financial Statements are an integral part of this statement.

| Public Welfare Trust Fund | ARPA Coronavirus State Fiscal Recovery Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|------------------------------------|--|-----------------------------------|--------------------------------|
| \$ 207,750 | \$ 1,060,140 | \$ 3,261,995 | \$ 7,562,544 |
| — | — | 3,106,770 | 7,058,579 |
| 17,438 | — | 152,988 | 228,020 |
| — | — | 113,154 | 113,154 |
| — | — | 1,142 | 18,680 |
| 2 | — | 112,710 | 142,527 |
| 69,146 | — | 429,955 | 1,287,425 |
| 16,358 | — | 331,427 | 878,445 |
| — | — | 60 | 60 |
| — | — | 11,555 | 130,713 |
| — | — | 1,172 | 48,937 |
| — | — | 2,666 | 2,666 |
| — | — | 373 | 373 |
| 310,694 | 1,060,140 | 7,525,967 | 17,472,123 |
| 1,879 | 0 | 41,886 | 69,360 |
| — | — | 3,115 | 36,285 |
| 7,306 | — | 70,478 | 199,590 |
| 2 | — | 2,183 | 2,245 |
| 71,576 | — | 401,632 | 1,153,092 |
| 62,114 | — | 380,520 | 453,651 |
| — | — | 11,555 | 130,713 |
| — | 1,060,140 | 4,243 | 1,064,387 |
| 4,380 | — | 167,947 | 176,094 |
| — | — | 65 | 65 |
| 147,257 | 1,060,140 | 1,083,624 | 3,285,482 |
| 48,168 | 0 | 375,749 | 574,784 |
| 0 | 0 | 1,172 | 48,937 |
| — | — | 100,864 | 100,864 |
| — | — | 262,852 | 262,852 |
| — | — | 2,490,784 | 4,311,029 |
| — | — | 174,601 | 222,909 |
| — | — | 596,128 | 726,111 |
| 115,269 | — | 307,631 | 422,900 |
| — | — | 305,468 | 305,468 |
| — | — | 285,337 | 680,526 |
| — | — | 986,743 | 986,743 |
| — | — | 164,769 | 164,769 |
| — | — | 287,688 | 287,688 |
| — | — | — | 3,874,122 |
| — | — | 1,207 | 1,377 |
| — | — | 22,264 | 23,118 |
| — | — | — | 96 |
| — | — | — | 129 |
| — | — | 1,250 | 1,370 |
| — | — | 51,882 | 55,256 |
| — | — | — | 13 |
| — | — | 26,623 | 27,932 |
| — | — | (669) | 1,107,648 |
| 115,269 | 0 | 6,066,594 | 13,611,857 |
| \$ 310,694 | \$ 1,060,140 | \$ 7,525,967 | \$ 17,472,123 |

STATE OF ALABAMA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

September 30, 2021

(Amounts in Thousands)

Total Fund Balances for Governmental Funds **\$13,611,857**

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

| | | |
|---|------------|------------|
| Land | 453,809 | |
| Historical Exhibits | 4,127 | |
| Construction in progress | 28,080 | |
| Construction in progress - Infrastructure | 2,244,081 | |
| Infrastructure | 18,321,598 | |
| Buildings | 1,964,673 | |
| Equipment | 769,979 | |
| Intangibles | 96,449 | |
| Accumulated Depreciation - Buildings | (838,672) | |
| Accumulated Depreciation - Equipment | (442,681) | |
| Amortization - Intangibles | (46,949) | |
| | | 22,554,494 |

Some of the State's revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred inflows of resources in the funds.

574,784

Internal service funds are used by management to charge the costs of certain activities, such as insurance and information technology, to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the Statement of Net Position.

139,118

Long-term loans reported in due from other governments are not collectible in the current period and, therefore, are not reported in the funds.

348,753

Deferred Outflows of Resources and Deferred Inflows of Resources associated with pension related costs and refunding of debt are long-term in nature and, therefore are not reported in the governmental funds.

| | | |
|---|-------------|-----------|
| Deferred Outflows - pension related | 606,407 | |
| Deferred Inflows - pension related | (18,860) | |
| Deferred Outflows - OPEB related | 247,890 | |
| Deferred Inflows - OPEB related | (1,766,285) | |
| Deferred Outflows - losses on refunding of debt | 38,699 | |
| Deferred Inflows - gains on refunding of debt | (4,864) | |
| | | (897,013) |

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

| | | |
|------------------------------|-------------|-------------|
| Direct Borrowings | (69,697) | |
| Capital Leases | (97,582) | |
| Compensated Absences | (318,414) | |
| Claims, Judgments, and Other | (9,941) | |
| Due to Component Units | (4,203) | |
| Net Pension Liability | (3,819,275) | |
| Net OPEB Liability | (929,469) | |
| | | (5,248,581) |

Long-term bonded debt is not due and payable in the current period and, therefore, is not reported in the funds. Unamortized discounts, unamortized premiums, and interest payable are not reported in the funds. However, these amounts are included in the Statement of Net Position. This is the total effect of these balances on the statement.

| | | |
|----------------------------------|-------------|-------------|
| General Obligation Bonds Payable | (521,235) | |
| Revenue Bonds Payable | (4,630,312) | |
| Unamortized Premiums | (586,819) | |
| Unamortized Discounts | 1,837 | |
| Accrued Interest Payable | (50,027) | |
| | | (5,786,556) |

Net Position of Governmental Activities

\$ 25,296,856

The Notes to the Financial Statements are an integral part of this statement.



STATE OF ALABAMA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

Governmental Funds

For the Fiscal Year Ended September 30, 2021

(Amounts in Thousands)

| | General Fund | Education Trust Fund | Alabama Trust | Medicaid Fund | Public Road and Bridge Fund |
|--|---------------------|----------------------------|---------------------|-------------------|--------------------------------------|
| REVENUES | | | | | |
| Taxes | \$ 2,089,690 | \$ 8,677,051 | \$ 0 | \$ 0 | \$ 391,511 |
| Licenses, Permits, and Fees | 181,275 | 127 | — | 17 | 156,290 |
| Fines, Forfeits, and Court Settlements | 14,311 | — | — | 435 | — |
| Investment Income | 19,384 | — | 655,652 | 9 | 132 |
| Federal Grants and Reimbursements | — | — | — | 5,971,571 | 936,889 |
| Other Revenues | 39,789 | 542 | 38,300 | 515,149 | 35,610 |
| Total Revenues | 2,344,449 | 8,677,720 | 693,952 | 6,487,181 | 1,520,432 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Economic Development and Regulation | 7,313 | 870 | 0 | 0 | 0 |
| Education and Cultural Resources | 5,082 | 6,793,126 | — | — | — |
| Natural Resources and Recreation | 6,376 | 3,192 | 1,389 | — | — |
| Health | 702,146 | 16,825 | — | 5,946,412 | — |
| Social Services | 13,167 | 31,646 | — | — | — |
| Protection of Persons and Property | 693,377 | 1,828 | — | — | 24,403 |
| Transportation | — | — | — | — | 1,345,374 |
| General Government | 308,729 | 35,963 | 14,273 | — | — |
| Capital Outlay | — | — | — | — | — |
| Debt Service - Principal Retirement | 287 | — | — | — | 1,493 |
| Debt Service - Interest and Other Changes | 247 | 82 | — | — | 10 |
| Total Expenditures | 1,736,724 | 6,883,532 | 15,662 | 5,946,412 | 1,371,280 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 607,725 | 1,794,188 | 678,290 | 540,769 | 149,152 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | 273,227 | 0 | 1,100 | 245,288 | 75,400 |
| Bonds Issued | — | — | — | — | — |
| Capital Leases and Direct Borrowings | — | — | — | — | — |
| Debt Issuance Premiums | — | — | — | — | — |
| Insurance Recovery Proceeds | 4 | — | — | — | 2,900 |
| Transfers Out | (659,178) | (790,860) | (195,645) | (816,133) | (160,070) |
| Payments to Refunded Bond Escrow Agent | — | — | — | — | — |
| Total Other Financing Sources (Uses) | (385,947) | (790,860) | (194,545) | (570,845) | (81,770) |
| Net Change in Fund Balances | 221,778 | 1,003,328 | 483,745 | (30,076) | 67,382 |
| Fund Balances, October 1, 2020, as Restated | 897,710 | 816,917 | 3,438,685 | 160,059 | 371,537 |
| Increase (Decrease) in Inventory | (1,071) | — | — | — | — |
| Fund Balances, September 30, 2021 | \$ 1,118,417 | \$ 1,820,245 | \$ 3,922,430 | \$ 129,983 | \$ 438,919 |

The Notes to the Financial Statements are an integral part of this statement.

| Public Welfare Trust Fund | ARPA Coronavirus State Fiscal Recovery | Nonmajor Governmental Funds | Total Governmental Funds |
|---------------------------------|---|-----------------------------------|--------------------------------|
| \$ 265,961 | \$ 0 | \$ 2,037,591 | \$ 13,461,804 |
| 358 | — | 1,045,565 | 1,383,632 |
| 31 | — | 245,406 | 260,183 |
| — | — | 111,412 | 786,589 |
| 2,683,021 | — | 4,355,623 | 13,947,104 |
| 31,035 | — | 517,195 | 1,177,620 |
| 2,980,406 | 0 | 8,312,792 | 31,016,932 |
| 0 | 0 | 199,845 | 208,028 |
| — | — | 2,339,543 | 9,137,751 |
| — | — | 210,925 | 221,882 |
| — | — | 2,191,777 | 8,857,160 |
| 3,064,449 | — | 479,794 | 3,589,056 |
| 241 | — | 1,915,605 | 2,635,454 |
| — | — | 461,294 | 1,806,668 |
| 705 | — | 1,218,616 | 1,578,286 |
| — | — | 21,946 | 21,946 |
| 22,735 | — | 387,544 | 412,059 |
| 4,576 | — | 214,402 | 219,317 |
| 3,092,706 | 0 | 9,641,291 | 28,687,607 |
| (112,300) | 0 | (1,328,499) | 2,329,325 |
| 182,667 | 0 | 4,580,038 | 5,357,720 |
| — | — | 1,480,835 | 1,480,835 |
| 17,680 | — | 1,205 | 18,885 |
| — | — | 342,690 | 342,690 |
| 281 | — | 6,295 | 9,480 |
| (93,257) | — | (2,630,782) | (5,345,925) |
| — | — | (247,697) | (247,697) |
| 107,371 | 0 | 3,532,584 | 1,615,988 |
| (4,929) | 0 | 2,204,085 | 3,945,313 |
| 120,198 | — | 3,862,676 | 9,667,782 |
| — | — | (167) | (1,238) |
| \$ 115,269 | \$ 0 | \$ 6,066,594 | \$ 13,611,857 |

STATE OF ALABAMA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Fiscal Year Ended September 30, 2021

(Amounts in Thousands)

| | | |
|--|-------------|---------------------|
| Net Change in Fund Balances for Governmental Funds | | \$3,945,313 |
| Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. | | |
| Capital Outlay | 342,812 | |
| Depreciation Expense | (112,848) | |
| | | 229,964 |
| In the Statement of Activities, only the gain (loss) on the sale of assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost, net of accumulated depreciation, of the assets sold. | | |
| | | (31,018) |
| In the Statement of Activities, the change in the balance of inventories is expensed, whereas in the governmental funds, the change in the balance of inventories is adjusted to nonspendable fund balance. | | |
| | | (1,238) |
| Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. | | |
| | | 26,374 |
| Long-term loans to other governments are expenditures in the governmental funds, and the repayment is revenue in the governmental funds. | | |
| Long-term loans to other governments | 10,886 | |
| Repayments of loans | (48,108) | |
| | | (37,222) |
| Internal service funds are used by management to charge the costs of certain activities, such as insurance and information technology, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities. | | |
| | | 28,259 |
| Capital asset reassignments for the general government have not been reported in governmental fund financial statements. | | |
| Internal service fund capital assets reassigned to the general government | 59 | |
| Internal service fund capital assets reassigned from the general government | (5) | |
| | | 54 |
| Amortization of deferred losses and gains on refunding of debt reported in the Statement of Activities do not use or provide current financial resources and, therefore, are not reported as expenditures or revenue in the governmental funds. | | |
| Amortization of deferred losses | (8,450) | |
| Amortization of deferred gains | 811 | |
| | | (7,639) |
| Long-term debt proceeds provide current financial resources to governmental funds, which increases long-term liabilities in the Statement of Net Position. Long-term debt principal repayment is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. | | |
| Bond proceeds | (1,480,835) | |
| Capital lease and direct borrowings proceeds | (17,680) | |
| Other debt proceeds | (1,039) | |
| Debt issuance premiums | (342,691) | |
| Payments to Refunded Bond Escrow Agent | 247,696 | |
| Repayment of bond principal | 382,405 | |
| Repayment of direct borrowings principal | 6,359 | |
| Repayment of capital lease principal | 5,614 | |
| Accrued interest and debt-related amortization | 39,801 | |
| | | (1,160,370) |
| Increases in long-term liabilities for certain expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. | | |
| Other post-employment benefits | 435,448 | |
| Compensated absences | (6,754) | |
| Claims, judgments, and other | 159 | |
| Pension Expense | (36,701) | |
| | | 392,152 |
| Change in Net Position of Governmental Activities | | \$ 3,384,629 |

The Notes to the Financial Statements are an integral part of this statement.



STATE OF ALABAMA

STATEMENT OF NET POSITION

Proprietary Funds

September 30, 2021

(Amounts in Thousands)

| | Business-type Activities - Enterprise Funds | | | | |
|---|---|----------------------------|--|---------------------------------|------------------------------|
| | Unemployment Compensation Trust | State Port Authority | Alcoholic Beverage Control Board | Nonmajor Enterprise Funds | Total Enterprise Funds |
| ASSETS | | | | | |
| Current Assets | | | | | |
| Cash and Cash Equivalents | \$ 596,582 | \$ 65,581 | \$ 75,493 | \$ 16,052 | \$ 753,708 |
| Investments, Short-term | — | 21,184 | — | 16,539 | 37,723 |
| Due From Other Funds | 523 | 3,157 | 66 | 1,433 | 5,179 |
| Due From Component Units | — | — | — | 10 | 10 |
| Accounts Receivable | 13,504 | 10,276 | 25 | 11,648 | 35,453 |
| Due From Other Governments | 267 | 6,127 | — | — | 6,394 |
| Inventory | — | 3,598 | 37,381 | 1,636 | 42,615 |
| Other Current Assets | — | 13,465 | — | 23,618 | 37,083 |
| Total Current Assets | 610,876 | 123,388 | 112,965 | 70,936 | 918,165 |
| Noncurrent Assets | | | | | |
| Investments, Long-term | 0 | 10,696 | 0 | 119,716 | 130,412 |
| Due From Other Funds | — | — | — | 4,083 | 4,083 |
| Other Noncurrent Assets | — | 8,289 | — | 39 | 8,328 |
| Capital Assets, Net of Accumulated Depreciation | — | 531,605 | 2,964 | 11,126 | 545,695 |
| Capital Assets Not Depreciated | — | 101,162 | — | 2,630 | 103,792 |
| Total Noncurrent Assets | 0 | 651,752 | 2,964 | 137,594 | 792,310 |
| TOTAL ASSETS | 610,876 | 775,140 | 115,929 | 208,530 | 1,710,475 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| | 0 | 24,812 | 17,550 | 2,346 | 44,708 |
| LIABILITIES | | | | | |
| Current Liabilities | | | | | |
| Warrants Payable | 0 | 0 | 279 | 84 | 363 |
| Due To Other Funds | 65 | — | 48,178 | 1,306 | 49,549 |
| Due To Component Units | — | — | 1 | — | 1 |
| Accounts Payable | 28,138 | 23,010 | 59,994 | 6,043 | 117,185 |
| Due To Other Governments | 217 | — | 5,647 | 4 | 5,868 |
| Claims Payable | — | 183 | — | 49,550 | 49,733 |
| Unearned Revenue | — | — | — | 168 | 168 |
| Funds Held in Escrow | 85 | — | — | — | 85 |
| Compensated Absences | — | 2,786 | 518 | 12 | 3,316 |
| Notes and Capital Leases Payable | — | — | — | — | — |
| Revenue Bonds Payable | — | 14,937 | — | — | 14,937 |
| Other Long-term Liabilities | 0 | 420 | 0 | 0 | 420 |
| Total Current Liabilities | 28,505 | 41,336 | 114,617 | 57,167 | 241,625 |
| Noncurrent Liabilities | | | | | |
| Claims Payable | 0 | 1,603 | 0 | 151 | 1,754 |
| Unearned Revenue, Noncurrent | — | 227 | — | — | 227 |
| Compensated Absences | — | 1,858 | 5,573 | 383 | 7,814 |
| Net OPEB Liability | — | 13,623 | 26,848 | 2,145 | 42,616 |
| Net Pension Liability | — | 21,452 | 69,811 | 5,181 | 96,444 |
| Notes and Capital Leases Payable | — | — | — | 826 | 826 |
| Revenue Bonds Payable | — | 308,849 | — | — | 308,849 |
| Other Long-term Liabilities | — | 4,459 | — | — | 4,459 |
| Total Noncurrent Liabilities | 0 | 352,071 | 102,232 | 8,686 | 462,989 |
| TOTAL LIABILITIES | 28,505 | 393,407 | 216,849 | 65,853 | 704,614 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| | 0 | 34,380 | 51,561 | 1,975 | 87,916 |
| NET POSITION | | | | | |
| Net Investment in Capital Assets | 0 | 319,945 | 2,964 | 12,930 | 335,839 |
| Restricted for: | | | | | |
| Unemployment Compensation | 582,371 | — | — | — | 582,371 |
| Education | — | — | — | 2,891 | 2,891 |
| Transportation | — | — | — | — | — |
| Debt Service | — | 31,198 | — | — | 31,198 |
| Capital Projects | — | 682 | — | — | 682 |
| Unrestricted | — | 20,340 | (137,895) | 127,227 | 9,672 |
| TOTAL NET POSITION | \$ 582,371 | \$ 372,165 | \$ (134,931) | \$ 143,048 | \$ 962,653 |

The Notes to the Financial Statements are an integral part of this statement.

| Governmental Activities | |
|-------------------------|--|
| Internal | |
| Service | |
| Funds | |

| | |
|-----------|----------------|
| \$ | 97,940 |
| | 16,286 |
| | 13,340 |
| | 85 |
| | 701 |
| | — |
| | 5,248 |
| | — |
| | 133,600 |
| | 162,140 |
| | — |
| | — |
| | 84,292 |
| | 7,501 |
| | 253,933 |
| | 387,533 |
| | 13,309 |
| | 2,492 |
| | 1,495 |
| | 368 |
| | 12,208 |
| | 49 |
| | 3,441 |
| | 59 |
| | 198 |
| | 438 |
| | 4,379 |
| | 2,280 |
| | 0 |
| | 27,407 |
| | 119,999 |
| | — |
| | 4,702 |
| | 14,969 |
| | 60,566 |
| | — |
| | 5,314 |
| | — |
| | 205,550 |
| | 232,957 |
| | 28,767 |
| | 80,080 |
| | — |
| | — |
| | — |
| | — |
| | 59,038 |
| \$ | 139,118 |

STATE OF ALABAMA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Proprietary Funds

For the Fiscal Year Ended September 30, 2021

(Amounts in Thousands)

| | Business-type Activities - Enterprise Funds | | | | |
|---|---|----------------------------|--|---------------------------------|------------------------------|
| | Unemployment Compensation Trust | State Port Authority | Alcoholic Beverage Control Board | Nonmajor Enterprise Funds | Total Enterprise Funds |
| OPERATING REVENUES | | | | | |
| Charges for Goods and Services | \$ 0 | \$ 151,656 | \$ 482,255 | \$ 40,679 | \$ 674,590 |
| Premiums and Contributions | 249,846 | — | — | 64,415 | 314,261 |
| Rents and Leases | — | — | — | 1,284 | 1,284 |
| Total Operating Revenues | 249,846 | 151,656 | 482,255 | 106,378 | 990,135 |
| OPERATING EXPENSES | | | | | |
| Salaries, Wages, and Benefits | 0 | 0 | 42,627 | 5,959 | 48,586 |
| Utilities and Communications | — | — | 2,878 | 174 | 3,052 |
| Professional Services | — | — | 11,838 | 5,411 | 17,249 |
| Supplies, Materials, and Operating Expense | — | — | 343,521 | 74,711 | 418,232 |
| Interest | — | — | — | — | — |
| Depreciation | — | 30,462 | 608 | 952 | 32,022 |
| Claims and Benefits | 1,666,513 | — | — | 40,652 | 1,707,165 |
| Operations and Maintenance | — | 76,214 | — | — | 76,214 |
| General and Administrative | — | 14,937 | — | — | 14,937 |
| Other | — | — | 14,685 | 21 | 14,706 |
| Total Operating Expenses | 1,666,513 | 121,613 | 416,157 | 127,880 | 2,332,163 |
| Operating Income (Loss) | (1,416,667) | 30,043 | 66,098 | (21,502) | (1,342,028) |
| NONOPERATING REVENUES (EXPENSES) | | | | | |
| Investment Income | 10,659 | 917 | 0 | 12,903 | 24,479 |
| Taxes | — | — | 16,886 | — | 16,886 |
| Other Nonoperating Revenues | 9,790 | 1,692 | 99 | 317 | 11,898 |
| Grants | 1,509,711 | — | — | 2,096 | 1,511,807 |
| Interest Expense | — | (14,380) | — | (48) | (14,428) |
| Other Nonoperating Expenses | (22,706) | (18,059) | — | (653) | (41,418) |
| Total Nonoperating Revenues (Expenses) | 1,507,454 | (29,830) | 16,985 | 14,615 | 1,509,224 |
| Income (Loss) Before Contributions and Transfers | 90,787 | 213 | 83,083 | (6,887) | 167,196 |
| Capital Contributions | 0 | 5,521 | 68 | 0 | 5,589 |
| Transfers In | 2,010 | 28,904 | 60 | 5,574 | 36,548 |
| Transfers Out | (9,451) | (63) | (69,513) | (14,166) | (93,193) |
| Increase (Decrease) in Net Position | 83,346 | 34,575 | 13,698 | (15,479) | 116,140 |
| Total Net Position, October 1, 2020, as Restated | 499,025 | 337,590 | (148,629) | 158,527 | 846,513 |
| Total Net Position, September 30, 2021 | \$ 582,371 | \$ 372,165 | \$ (134,931) | \$ 143,048 | \$ 962,653 |

The Notes to the Financial Statements are an integral part of this statement.

| Governmental Activities | |
|-------------------------|----------------|
| Internal | |
| Service | |
| Funds | |
| \$ | 114,404 |
| | 24,710 |
| | 18,155 |
| | 157,269 |
| | 36,640 |
| | 18,320 |
| | 32,650 |
| | 27,403 |
| | 238 |
| | 7,041 |
| | 22,130 |
| | — |
| | — |
| | 8,993 |
| | 153,415 |
| | 3,854 |
| | 10,848 |
| | — |
| | 2,410 |
| | — |
| | (299) |
| | (2,550) |
| | 10,409 |
| | 14,263 |
| | 59 |
| | 21,122 |
| | (7,185) |
| | 28,259 |
| | 110,859 |
| \$ | 139,118 |

STATE OF ALABAMA

STATEMENT OF CASH FLOWS

Proprietary Funds

For the Fiscal Year Ended September 30, 2021

(Amounts in Thousands)

| | Business-type Activities - Enterprise Funds | | | | |
|--|---|------------------|------------------|------------------|-------------------|
| | Unemployment | State | Alcoholic | Nonmajor | Total |
| | Compensation | Port | Beverage | Enterprise | Enterprise |
| | Trust | Authority | Control Board | Funds | Funds |
| Cash Flows from Operating Activities: | | | | | |
| Receipts from Customer & User Charges | \$ 255,102 | \$ 153,593 | \$ 494,798 | \$ 109,667 | \$ 1,013,160 |
| Receipts from Interfund Services | — | — | 41 | 9,161 | 9,202 |
| Receipts from Operating Grants | 1,507,586 | — | — | 1,419 | 1,509,005 |
| Receipts from Interfund Reimbursements | 10,294 | — | — | — | 10,294 |
| Receipts from Other Operating Activities | 8,405 | — | 39,128 | 3,558 | 51,091 |
| Payments for Goods Held for Resale | — | — | (323,406) | (19,478) | (342,884) |
| Payments for Other Goods & Services | — | (51,384) | (33,369) | (59,834) | (144,587) |
| Payments for Employees Services | — | (43,190) | (52,159) | (5,807) | (101,156) |
| Payments for Taxes, Fines, Penalties, & Similar Fees | — | — | (7) | — | (7) |
| Payments for Interfund Services | — | — | (2,890) | (30) | (2,920) |
| Payments for Other Operating Activities | — | — | (34,943) | (27) | (34,970) |
| Payments for Claims | (1,700,680) | — | — | (33,780) | (1,734,460) |
| Net Cash Provided by (Used In) Operating Activities | 80,707 | 59,019 | 87,193 | 4,849 | 231,768 |
| Cash Flows from Noncapital Financing Activities: | | | | | |
| Receipts from Noncapital Financing Grants & Donations | 5,047 | 0 | 0 | 22 | 5,069 |
| Transfers from Other Funds for Noncapital Financing | 85,000 | — | — | 5,600 | 90,600 |
| Payments for Noncapital Financing Grants & Donations | (3,661) | — | — | — | (3,661) |
| Transfers to Other Funds for Noncapital Financing | (9,102) | — | (57,982) | (16,697) | (83,781) |
| Net Cash Provided By (Used In) Noncapital Financing Activities | 77,284 | 0 | (57,982) | (11,075) | 8,227 |
| Cash Flows from Capital & Related Financing Activities: | | | | | |
| Receipts from Capital Grants & Contributions | 0 | 2,649 | 0 | 0 | 2,649 |
| Transfers from Other Funds for Capital Financing | — | 18,240 | — | — | 18,240 |
| Receipts from Sale of Capital Assets & Insurance Proceeds | — | 1,635 | 61 | — | 1,696 |
| Payments to Acquire, Construct, & Improve Capital Assets | — | (43,236) | (1,378) | (2,050) | (46,664) |
| Principal Paid on Revenue Bonds & Other Capital Debt | — | (13,060) | — | (114) | (13,174) |
| Interest Paid on Revenue Bonds & Other Capital Debt | — | (13,670) | — | (48) | (13,718) |
| Net Cash Provided by (Used In) Capital and Related Financing Activities | 0 | (47,442) | (1,317) | (2,212) | (50,971) |
| Cash Flows From Investing Activities | | | | | |
| Receipts from Sales & Maturities of Investments | 0 | 0 | 0 | 24,282 | 24,282 |
| Receipts from Interest & Dividends on Investments & Loans | 9,389 | 54 | — | 1,093 | 10,536 |
| Purchase of Investments | — | (3,834) | — | (9,500) | (13,334) |
| Net Cash Provided By (Used In) Investing Activities | 9,389 | (3,780) | 0 | 15,875 | 21,484 |
| Net Increase (Decrease) In Cash and Cash Equivalents | 167,380 | 7,797 | 27,894 | 7,437 | 210,508 |
| Cash Balance as Restated, October 1, 2020 | 429,202 | 57,784 | 47,320 | 8,530 | 542,836 |
| Cash Balance, September 30, 2021 | 596,582 | 65,581 | 75,214 | 15,967 | 753,344 |
| Add: Warrants Payable | — | — | 279 | 84 | 363 |
| Cash and Cash Equivalents, as Reported on Statement of Net Position | \$ 596,582 | \$ 65,581 | \$ 75,493 | \$ 16,051 | \$ 753,707 |

The Notes to the Financial Statements are an integral part of this statement.

| Governmental Activities | |
|-------------------------|-----------------|
| Internal | |
| Service | |
| Funds | |
| <hr/> | |
| \$ | 7,867 |
| | 146,726 |
| | — |
| | — |
| | 464 |
| | (17,139) |
| | (63,737) |
| | (41,621) |
| | (5) |
| | (11,700) |
| | (616) |
| | (4,058) |
| | <hr/> |
| | 16,181 |
| | 0 |
| | 24,828 |
| | — |
| | (7,180) |
| | <hr/> |
| | 17,648 |
| | 0 |
| | 3 |
| | 624 |
| | (17,352) |
| | (6,457) |
| | (610) |
| | <hr/> |
| | (23,792) |
| | 12,904 |
| | 99 |
| | (25,028) |
| | <hr/> |
| | (12,025) |
| | (1,988) |
| | <hr/> |
| | 97,435 |
| | <hr/> |
| | 95,447 |
| | <hr/> |
| | 2,492 |
| | <hr/> |
| \$ | 97,939 |
| | <hr/> |

Continued on next page...

STATE OF ALABAMA

STATEMENT OF CASH FLOWS (Continued from Previous Page)

Proprietary Funds

For the Fiscal Year Ended September 30, 2021

(Amounts in Thousands)

| | Business-type Activities - Enterprise Funds | | | | |
|--|---|------------------|------------------|--------------------|-----------------------|
| | Unemployment | State | Alcoholic | Nonmajor | Total |
| | Compensation | Port | Beverage | Enterprise | Enterprise |
| | Trust | Authority | Control Board | Funds | Funds |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities | | | | | |
| Operating Income (Loss) | \$ (1,416,667) | \$ 30,043 | \$ 66,098 | \$ (21,502) | \$ (1,342,028) |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities: | | | | | |
| Due from Other Funds | 85,519 | 0 | 9 | 1,247 | 86,775 |
| Due from Component Units | — | — | — | — | — |
| Accounts Receivable | (92,856) | 2,083 | (20) | (4,308) | (95,101) |
| Due From Other Governments | (112) | — | — | — | (112) |
| Inventory | — | 180 | 5,128 | 219 | 5,527 |
| Other Assets | — | (5,718) | — | (1,549) | (7,267) |
| Deferred Outflows of Resources | — | (813) | (4,115) | (1,043) | (5,971) |
| Due to Other Funds | (170) | — | (15,508) | 3,955 | (11,723) |
| Accounts Payable | 11,271 | 5,176 | 22,152 | 4,512 | 43,111 |
| Due to Other Governments | (7) | — | 1,159 | — | 1,152 |
| Claims Payable | — | (224) | — | 20,501 | 20,277 |
| Unearned Revenue | — | (366) | (100) | 9 | (457) |
| Compensated Absences | — | (812) | (162) | 4 | (970) |
| Net Pension Liability | — | 789 | 7,908 | 862 | 9,559 |
| Net OPEB Liability | — | (5,621) | (19,521) | 570 | (24,572) |
| Other Liabilities | — | (390) | — | — | (390) |
| Deferred Inflows of Resources | — | (1,926) | 6,599 | (353) | 4,320 |
| Operating Interest Expense | — | — | — | — | — |
| Depreciation | — | 30,462 | 608 | 952 | 32,022 |
| Amortization Expense | — | 6,001 | — | — | 6,001 |
| Nonoperating Revenues | 1,515,991 | — | 16,958 | 2,424 | 1,535,373 |
| Nonoperating Expenses | (22,263) | 157 | — | (1,650) | (23,756) |
| Total Adjustments | 1,497,373 | 28,978 | 21,095 | 26,352 | 1,573,798 |
| Net Cash Provided (Used) by Operating Activities | \$ 80,706 | \$ 59,021 | \$ 87,193 | \$ 4,850 | \$ 231,770 |
| Noncash Investing, Capital, and Financing Activities | | | | | |
| Increase (Decrease): | | | | | |
| Capital Assets Acquired by Capital Contribution | 0 | 0 | 68 | 0 | 68 |
| Disposals and Other Reductions to Capital Assets | — | (21,888) | (393) | (82) | (22,363) |
| Capital Assets Acquired on Account | — | 3,342 | 139 | 1 | 3,482 |
| Capital Asset Reassignments | — | — | — | — | — |
| Revenue Bond Amortizations and Other Debt Adjustments | — | 1,661 | — | — | 1,661 |
| Interest Accruals and Other Adjustments | 1,270 | — | — | 2,196 | 3,466 |
| Unrealized Gains (Losses) in Investment Fair Value | — | 343 | — | 6,894 | 7,237 |
| Transfers In (Out) | — | — | (11,531) | 3,919 | (7,612) |
| Capital Grants and Contributions Receivable | — | 2,872 | — | — | 2,872 |

The Notes to the Financial Statements are an integral part of this statement.

| Governmental Activities | |
|-------------------------|--|
|-------------------------|--|

| | Internal |
|--|----------|
|--|----------|

| | Service |
|--|---------|
|--|---------|

| | Funds |
|--|-------|
|--|-------|

| | |
|----|-------|
| \$ | 3,854 |
|----|-------|

| |
|---------|
| (2,813) |
|---------|

| |
|----|
| 21 |
|----|

| |
|-----|
| 115 |
|-----|

| |
|---|
| — |
|---|

| |
|-------|
| (763) |
|-------|

| |
|---|
| — |
|---|

| |
|---|
| — |
|---|

| |
|---------|
| (3,510) |
|---------|

| |
|-------|
| (371) |
|-------|

| |
|---------|
| (3,678) |
|---------|

| |
|---|
| — |
|---|

| |
|--------|
| 18,041 |
|--------|

| |
|----|
| 33 |
|----|

| |
|-------|
| (148) |
|-------|

| |
|-------|
| 5,155 |
|-------|

| |
|----------|
| (10,599) |
|----------|

| |
|---|
| — |
|---|

| |
|-------|
| 3,853 |
|-------|

| |
|-----|
| 610 |
|-----|

| |
|-------|
| 7,041 |
|-------|

| |
|---|
| — |
|---|

| |
|-----|
| 338 |
|-----|

| |
|-------|
| (999) |
|-------|

| |
|--------|
| 12,326 |
|--------|

| | |
|----|--------|
| \$ | 16,180 |
|----|--------|

| |
|----|
| 59 |
|----|

| |
|----------|
| (17,883) |
|----------|

| |
|-------|
| 1,475 |
|-------|

| |
|-----|
| (5) |
|-----|

| |
|----|
| 73 |
|----|

| |
|-------|
| 2,965 |
|-------|

| |
|-------|
| 7,797 |
|-------|

| |
|-------|
| 3,726 |
|-------|

| |
|---|
| — |
|---|

STATE OF ALABAMA

STATEMENT OF FIDUCIARY NET POSITION

Fiduciary Funds

September 30, 2021

(Amounts in Thousands)

| | Pension and Other Employee Benefit Trust Funds | Private- Purpose Trust Funds | Custodial Funds |
|---|---|---------------------------------------|--------------------|
| ASSETS | | | |
| Cash and Cash Equivalents | \$ 103,326 | \$ 10,967 | \$ 178,639 |
| Investments | | | |
| Time Deposits | — | — | 676 |
| U.S. Treasury Securities | 1,742,692 | 13,157 | 37,565 |
| U.S. Agency Securities | 279,555 | 2,013 | — |
| State and Local Government Securities | 48 | — | 6,315 |
| Mortgage Backed Securities | 1,396,706 | 3,442 | 3,030 |
| Corporate Stocks | 29,123,608 | 8,736 | — |
| Corporate Bonds | 3,900,330 | 2,056 | 4,033 |
| Real Estate | 4,173,548 | 883 | — |
| Commercial Paper | 1,973,683 | 230 | — |
| International Stocks | 7,313,203 | — | — |
| International Bonds | — | — | 15 |
| Guaranteed Investment Contracts | 206,414 | — | — |
| Mutual and Money Market Funds | 1,462,042 | 2,457,307 | 235 |
| Other | — | — | 83 |
| Receivables | | | |
| Due From Other Funds | 16 | — | 1 |
| Employer Contributions Receivable | 113,391 | — | — |
| Member Contributions Receivable | 63,597 | — | — |
| Investment Sales Receivable | 187,906 | — | — |
| Accounts Receivable | 131,134 | 5,030 | — |
| Due From Other Governments | 100 | — | — |
| Mortgages, Notes, and Loans Receivable | 7,750 | — | — |
| Securities Lending Collateral | 1,746,349 | 621 | — |
| Other Assets | 1,103 | — | — |
| Capital Assets, Net of Accumulated Depreciation | 131,827 | — | — |
| Capital Assets Not Depreciated | 7,620 | — | — |
| TOTAL ASSETS | 54,065,948 | 2,504,442 | 230,592 |
| DEFERRED OUTFLOWS OF RESOURCES | 14,181 | 0 | 0 |
| LIABILITIES | | | |
| Warrants Payable | 60 | 190 | 1,806 |
| Investment Purchases Payable | 116,078 | — | — |
| Due To Other Funds | 4 | 1 | — |
| Accounts Payable | 6,853 | 10,751 | 51,219 |
| Due To Other Governments | 52 | — | 7,307 |
| Claims Payable | 33,711 | — | — |
| Securities Lending Obligation | 1,746,349 | 620 | — |
| Unearned Revenue | 3,075 | — | — |
| Amounts Held in Custody for Others | — | 2,493 | — |
| Compensated Absences | 7,133 | 12 | — |
| Net OPEB Liability | 9,561 | — | — |
| Net Pension Liability | 47,351 | — | — |
| Notes and Mortgages Payable | 1,000 | — | — |
| TOTAL LIABILITIES | 1,971,227 | 14,067 | 60,332 |
| DEFERRED INFLOWS OF RESOURCES | 18,535 | 0 | 0 |
| NET POSITION | | | |
| Restricted for: | | | |
| Individuals, Organizations, and Other Governments | 0 | 2,490,375 | 170,260 |
| Pensions | 45,861,491 | — | — |
| OPEB | 2,127,829 | — | — |
| Other Purposes | 4,101,047 | — | — |
| TOTAL NET POSITION | \$ 52,090,367 | \$ 2,490,375 | \$ 170,260 |

The Notes to the Financial Statements are an integral part of this statement.

STATE OF ALABAMA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Fiduciary Funds

For the Fiscal Year Ended September 30, 2021

(Amounts in Thousands)

| | Pension and Other Employee Benefit Trust Funds | Private- Purpose Trust Funds | Custodial Funds |
|--|---|---------------------------------------|--------------------|
| ADDITIONS | | | |
| Contributions: | | | |
| Plan members | \$ 1,131,526 | \$ 233,997 | \$ 0 |
| Employer | 1,648,745 | — | — |
| Other Contributions | 4,777 | — | — |
| Federal On-Behalf | 439 | — | — |
| Total Contributions | 2,785,487 | 233,997 | 0 |
| Investment Earnings | | | |
| Investment Interest and Dividends | 1,002,933 | 47,480 | 574 |
| Net Increase (Decrease) in Fair Value of Investments | 8,417,352 | 311,945 | (20) |
| Securities Lending Income | 18,138 | 17 | — |
| Total Investment Earnings | 9,438,423 | 359,442 | 554 |
| Less: | | | |
| Investment Expense | 16,546 | — | — |
| Securities Lending Interest and Fees | 5,857 | 6 | — |
| Net Investment Income | 9,416,020 | 359,436 | 554 |
| Other Additions | | | |
| Interest from Mortgages and Loans Receivable | 438 | — | — |
| Tax Collections for Other Governments | — | — | 492,923 |
| Miscellaneous | 9,381 | 100 | 988,407 |
| Transfers In | — | 31,882 | — |
| Total Other Additions | 9,819 | 31,982 | 1,481,330 |
| Total Additions | 12,211,326 | 625,415 | 1,481,884 |
| DEDUCTIONS | | | |
| Benefit Payments and Refunds | 4,480,906 | 226,923 | 981,652 |
| Tax Payments to Other Governments | — | — | 492,906 |
| Administrative Expense | 50,409 | 10,081 | 120 |
| Transfers Out | — | 969 | — |
| Total Deductions | 4,531,315 | 237,973 | 1,474,678 |
| Change in Net Position | 7,680,011 | 387,442 | 7,206 |
| Net Position, October 1, 2020, as Restated | 44,410,356 | 2,102,933 | 163,054 |
| Net Position, September 30, 2021 | \$ 52,090,367 | \$ 2,490,375 | \$ 170,260 |

The Notes to the Financial Statements are an integral part of this statement.

STATE OF ALABAMA

STATEMENT OF NET POSITION

Component Units

September 30, 2021

(Amounts in Thousands)

| | University of Alabama | Auburn University | University of South Alabama | Public Education Employees' Health Insurance | Alabama Community College System |
|---|-----------------------------|----------------------|--------------------------------------|---|---|
| ASSETS | | | | | |
| Cash and Cash Equivalents | \$ 780,970 | \$ 187,688 | \$ 213,643 | \$ 722 | \$ 534,807 |
| Investments | 6,362,414 | 2,534,083 | 845,472 | 271,758 | 215,821 |
| Due From Primary Government | — | — | — | 931 | — |
| Accounts Receivable | 809,661 | 68,499 | 88,193 | 10,415 | 114,602 |
| Taxes Receivable | — | — | — | — | — |
| Due From Other Governments | — | — | — | 3,982 | — |
| Mortgages, Notes, and Loans Receivable | 372,478 | 63,109 | 6,839 | — | — |
| Inventory | 46,543 | 6,314 | — | — | 2,777 |
| Restricted Assets | — | 2,519 | 82,261 | — | — |
| Other Assets | 225,080 | 53,201 | 24,370 | 1,855 | 7,376 |
| Capital Assets, Net of Accumulated Depreciation | 4,255,646 | 1,928,561 | 758,125 | — | 899,605 |
| Capital Assets Not Depreciated | 440,895 | 225,469 | 108,911 | — | 94,590 |
| TOTAL ASSETS | 13,293,687 | 5,069,443 | 2,127,814 | 289,663 | 1,869,578 |
| DEFERRED OUTFLOWS OF RESOURCES | 1,392,027 | 518,903 | 279,461 | 1,543 | 240,260 |
| LIABILITIES | | | | | |
| Warrants Payable | 0 | 0 | 0 | 0 | 0 |
| Due To Primary Government | 99,332 | — | — | 526 | — |
| Accounts Payable | 640,193 | 112,889 | 125,655 | 350 | 51,579 |
| Due To Other Governments | 14,991 | — | — | 392 | — |
| Securities Lending Obligation | — | — | — | — | — |
| Unearned Revenue | 492,281 | 276,166 | 92,916 | — | 70,913 |
| Amounts Held in Custody for Others | 17,919 | 23,968 | — | — | 9,763 |
| Noncurrent Liabilities: | | | | | |
| Due Within One Year | 218,982 | 101,709 | 32,419 | 54,095 | 19,977 |
| Due In More Than One Year | 5,910,547 | 2,376,869 | 1,146,672 | 83,544 | 1,134,502 |
| TOTAL LIABILITIES | 7,394,245 | 2,891,601 | 1,397,662 | 138,907 | 1,286,734 |
| DEFERRED INFLOWS OF RESOURCES | 789,004 | 249,730 | 223,230 | 2,305 | 224,942 |
| NET POSITION | | | | | |
| Net Investment in Capital Assets | 2,354,657 | 1,388,197 | 407,572 | — | 762,952 |
| Restricted for: | | | | | |
| Permanent - Expendable | 1,364,665 | 60,894 | 37,721 | — | 5,241 |
| Permanent - Non-expendable | 1,041,873 | 869,535 | 289,050 | — | 7,401 |
| Debt Service | — | — | — | — | 4,414 |
| Capital Projects | — | 26,394 | — | — | 5,953 |
| Other Purposes | — | 4,765 | 224,772 | — | — |
| Unrestricted | 1,741,270 | 97,230 | (172,732) | 149,994 | (187,799) |
| TOTAL NET POSITION | \$ 6,502,465 | \$ 2,447,015 | \$ 786,383 | \$ 149,994 | \$ 598,162 |

The Notes to the Financial Statements are an integral part of this statement.

| Nonmajor Component Units | Total Component Units |
|--------------------------------|-----------------------------|
| \$ 657,526 | \$ 2,375,356 |
| 1,737,260 | 11,966,808 |
| 5,886 | 6,817 |
| 178,946 | 1,270,316 |
| 806,354 | 810,336 |
| 479,305 | 921,731 |
| 13,811 | 13,811 |
| 9,134 | 64,768 |
| 4,285 | 89,065 |
| 115,599 | 427,481 |
| 1,329,367 | 9,171,304 |
| 320,336 | 1,190,201 |
| 5,657,809 | 28,307,994 |
| 434,242 | 2,866,436 |
| 50 | 50 |
| 13,391 | 113,249 |
| 156,367 | 1,087,033 |
| 248,679 | 264,062 |
| 13,811 | 13,811 |
| 209,220 | 1,141,496 |
| 686,086 | 737,736 |
| 49,297 | 476,479 |
| 1,770,286 | 12,422,420 |
| 3,147,187 | 16,256,336 |
| 311,411 | 1,800,622 |
| 1,094,032 | 6,007,410 |
| 202,104 | 1,670,625 |
| 170,280 | 2,378,139 |
| 1,521,491 | 1,525,905 |
| 29,191 | 61,538 |
| 86,144 | 315,681 |
| (469,789) | 1,158,174 |
| \$ 2,633,453 | \$ 13,117,472 |

STATE OF ALABAMA

STATEMENT OF ACTIVITIES

Component Units

For the Fiscal Year Ended September 30, 2021

(Amounts in Thousands)

| | University of Alabama | Auburn University | University of South Alabama | Public Education Employees' Health Insurance | Alabama Community College System |
|--|-----------------------------|----------------------|--------------------------------------|---|---|
| Expenses | \$ 5,962,061 | \$ 1,380,507 | \$ 1,076,693 | \$ 1,139,398 | \$ 961,799 |
| Program Revenues | | | | | |
| Charges for Services | 4,575,781 | 821,424 | 850,015 | 1,084,562 | 188,442 |
| Operating Grants and Contributions | 1,159,831 | 361,779 | 58,737 | 627 | 376,421 |
| Capital Grants and Contributions | 30,541 | 42,173 | 5,555 | — | 2,081 |
| Total Program Revenues | 5,766,153 | 1,225,376 | 914,307 | 1,085,189 | 566,944 |
| Net (Expense) Revenue | (195,908) | (155,131) | (162,386) | (54,209) | (394,855) |
| General Revenues | | | | | |
| Payments from State of Alabama | 554,071 | 298,378 | 112,333 | 15,386 | 459,054 |
| Grants and Contributions Not Restricted to Specific Programs | 270 | — | — | — | — |
| Unrestricted Investment Earnings | 1,047,080 | 248,142 | 121,568 | 333 | 2,990 |
| Miscellaneous | 9,336 | — | 101,799 | — | 14,944 |
| Contributions to Permanent Funds and Endowments | 69,096 | 246 | 8,406 | — | — |
| Total General Revenues and Contributions | 1,679,853 | 546,766 | 344,106 | 15,719 | 476,988 |
| Change in Net Position | 1,483,945 | 391,635 | 181,720 | (38,490) | 82,133 |
| Net Position, October 1, 2020, as Restated | 5,018,520 | 2,055,380 | 604,663 | 188,484 | 516,029 |
| Net Position, September 30, 2021 | \$ 6,502,465 | \$ 2,447,015 | \$ 786,383 | \$ 149,994 | \$ 598,162 |

The Notes to the Financial Statements are an integral part of this statement.

| Nonmajor Component | Total Component |
|-----------------------|----------------------|
| Units | Units |
| \$ 1,788,883 | \$ 12,309,341 |
| | |
| 988,926 | 8,509,150 |
| 771,606 | 2,729,001 |
| 8,066 | 88,416 |
| 1,768,598 | 11,326,567 |
| | |
| (20,285) | (982,774) |
| | |
| 398,671 | 1,837,893 |
| 26 | 296 |
| 106,549 | 1,526,662 |
| 4,802 | 130,881 |
| 196 | 77,944 |
| 510,244 | 3,573,676 |
| | |
| 489,959 | 2,590,902 |
| 2,143,494 | 10,526,570 |
| \$ 2,633,453 | \$ 13,117,472 |

NOTES TO THE FINANCIAL STATEMENTS

For the Fiscal year Ended September 30, 2021

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|--|------------|
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For the Fiscal year Ended September 30, 2021

PRIMARY GOVERNMENT**Governmental Activities****Revenue Bonds****(Amounts in Thousands)**

| | Date Issued | Final Maturity Date | Interest Rates | Bonds Payable Sept. 30, 2021 |
|---|------------------------|------------------------------------|---------------------------|---|
| Alabama Building Renovation Finance Authority | | | | |
| Series 2010 | 07/21/10 | 09/01/24 | 2.50 % to 4.00% | \$ 7,115 |
| Alabama Public Health Care Authority | | | | |
| Series 2015 | 03/12/15 | 09/01/44 | 2.00 to 5.00 | 51,075 |
| Series 2016 | 04/24/16 | 09/01/35 | 0.75 to 3.12 | 17,780 |
| Alabama Federal Aid Highway Finance Authority | | | | |
| Series 2012 | 12/06/12 | 09/01/26 | 0.35 to 2.40 | 32,385 |
| Series 2015 | 01/21/15 | 09/01/36 | 2.34 to 2.99 | 499,420 |
| Series 2016-A | 11/23/16 | 09/01/36 | 3.11 to 3.28 | 236,395 |
| Series 2017-A | 06/26/17 | 06/01/37 | 0.91 to 3.24 | 360,695 |
| Series 2017-B Refunding Bonds | 06/26/17 | 09/01/26 | 1.56 to 2.02 | 139,975 |
| Alabama Incentives Finance Authority | | | | |
| Series 2009-B Refunding Bonds | 09/17/09 | 09/01/29 | 1.93 to 4.00 | 53,760 |
| Series 2019-A Refunding Bonds | 09/01/19 | 09/01/29 | 1.27 to 1.83 | 17,540 |
| Series 2019-B Refunding Bonds | 09/01/19 | 09/01/42 | 2.15 to 3.07 | 129,870 |
| Alabama Public School and College Authority | | | | |
| Series 2009-D | 12/03/09 | 12/15/25 | 3.70 to 3.70 | 145,880 |
| Series 2010-Q | 09/14/10 | 03/01/27 | 5.15 to 5.15 | 154,727 |
| Series 2011-A | 06/02/11 | 05/01/26 | 4.60 to 4.60 | 51,270 |
| Series 2012-A Refunding Bonds | 02/29/12 | 03/01/24 | 3.00 to 5.00 | 13,940 |
| Series 2012-B Refunding Bonds | 02/29/12 | 03/01/29 | 2.50 to 5.00 | 26,530 |
| Series 2012-C Direct Placement | 10/31/12 | 11/01/22 | 1.55 to 1.55 | 1,265 |
| Series 2012-D Direct Placement | 10/31/12 | 11/01/22 | 2.02 to 2.02 | 6,340 |
| Series 2013-A | 06/24/13 | 06/01/33 | 3.00 to 5.00 | 23,805 |
| Series 2013-B | 06/24/13 | 06/01/33 | 4.00 to 5.00 | 2,510 |
| Series 2013-C | 10/09/13 | 09/01/33 | 1.48 to 4.10 | 31,115 |
| Series 2013-D | 10/09/13 | 09/01/33 | 0.45 to 4.25 | 6,115 |
| Series 2014-A Refunding Bonds | 05/15/14 | 02/01/26 | 0.20 to 2.72 | 35,465 |
| Series 2014-B | 07/01/14 | 01/01/27 | 1.26 to 2.80 | 383,125 |
| Series 2015-A Refunding Bonds | 04/16/15 | 05/01/24 | 1.45 to 2.17 | 21,155 |
| Series 2015-B Refunding Bonds | 04/16/15 | 05/01/29 | 1.27 to 3.23 | 37,510 |
| Series 2015-C | 04/16/15 | 06/01/29 | 0.37 % to 2.98% | 21,280 |
| Sub-Total (Continued on next page) | | | | \$ 2,508,042 |

NOTES TO THE FINANCIAL STATEMENTS

For the Fiscal year Ended September 30, 2021

PRIMARY GOVERNMENT, Continued**Governmental Activities****Revenue Bonds****(Amounts in Thousands)**

| | Date Issued | Final Maturity Date | Interest Rates | Bonds Payable Sept. 30, 2021 |
|---|------------------------|------------------------------------|---------------------------|---|
| Sub-Total from previous page | | | | \$ 2,508,042 |
| Alabama Public School and College Authority (Continued) | | | | |
| Series 2016-A | 06/23/16 | 06/01/36 | 0.75 % to 3.00 % | 24,025 |
| Series 2017-A | 10/24/17 | 12/01/37 | 1.05 to 3.24 | 16,595 |
| Series 2019-A | 05/15/19 | 05/01/39 | 1.53 to 3.05 | 24,235 |
| Series 2020-A Capital Improvement and Ref Bonds | 10/22/20 | 11/01/40 | 0.03 to 1.98 | 1,274,750 |
| Series 2020-B Capital Improvement and Ref Bonds | 10/22/20 | 11/01/22 | 0.25 to 0.35 | 22,670 |
| Series 2020-C Capital Improvement and Ref Bonds | 10/22/20 | 11/01/35 | 0.25 to 2.44 | 143,650 |
| Mental Health Finance Authority | | | | |
| Series 2012 - Direct Placement | 07/01/12 | 06/01/23 | 2.12 to 2.12 | 4,135 |
| Alabama Revolving Loan Fund Authority | | | | |
| Series 2010 | 12/01/10 | 03/01/30 | 2.50 to 6.13 | 11,060 |
| Alabama Highway Finance Corporation | | | | |
| Series 2020A | 08/04/20 | 08/01/40 | 0.11 to 1.37 | 102,335 |
| Alabama Economic Settlement Authority | | | | |
| Series 2016-A | 12/01/16 | 09/01/33 | 4.24 to 4.29 | 80,925 |
| Series 2016-B | 12/01/16 | 09/01/32 | 3.16 % to 4.26% | 425,005 |
| Sub-total Revenue Bonds Payable | | | | 4,637,427 |
| § Plus: Unamortized Premiums | | | | 542,349 |
| † Less: Unamortized Discounts | | | | (1,837) |
| Net Primary Government | | | | |
| Revenue Bonds Payable, Governmental Activities | | | | \$ 5,177,939 |

§ Unamortized premium is \$132,029 for Federal Aid Highway Finance Authority, \$479 for Building Renovation Finance Authority, \$4,268 for the Alabama Public Health Care Authority, \$373,364 for the Alabama Public School and College Authority, \$2,933 for the Incentives Financing Authority, \$15 for the Alabama Revolving Loan Authority and \$29,261 for the Alabama Highway Finance Corporation.

† Unamortized discount is \$1,837 for the Alabama Settlement Authority.

NOTES TO THE FINANCIAL STATEMENTS

For the Fiscal year Ended September 30, 2021

Termination Risk

The University may be required to terminate the swaps based on certain standard default and termination events, such as failure to make payments, breach of agreements, and bankruptcy. As of the current date, no events of termination have occurred.

Derivative Payments and Hedged Debt

As interest rates fluctuate, variable rate debt interest and net derivative payments will fluctuate. Using interest rates as of September 30, 2021, and calculating interest for subsequent years using forward rates of one month LIBOR, debt service requirements for the 2014 interest rate swap payments, by fiscal year, are as follows (amounts in thousands):

| Fiscal Year | Variable Rate Loan | | Interest Rate | |
|----------------|--------------------|---------------|-----------------|------------------|
| | Principal | Interest | Swap, Net | Total |
| 2022 | \$ 7,655 | \$ 164 | \$ 945 | \$ 8,764 |
| 2023 | 8,050 | 131 | 550 | 8,731 |
| 2024 | 8,455 | 54 | 176 | 8,685 |
| Totals | \$ 24,160 | \$ 349 | \$ 1,671 | \$ 26,180 |

Debt Service requirements for the 2016 interest rate swap payments, by fiscal year, are as follows (amounts in thousands):

| Fiscal Year | Variable Rate Loan | | Interest Rate | |
|----------------|--------------------|------------------|------------------|-------------------|
| | Principal | Interest | Swap, Net | Total |
| 2022 | \$ 0 | \$ 877 | \$ 4,663 | \$ 5,540 |
| 2023 | — | 1,155 | 4,385 | 5,540 |
| 2024 | — | 1,403 | 4,137 | 5,540 |
| 2025 | 5,600 | 1,447 | 3,929 | 10,976 |
| 2026-2030 | 32,610 | 6,340 | 15,429 | 54,379 |
| 2031-2035 | 41,880 | 3,388 | 8,102 | 53,370 |
| 2036-2039 | 19,910 | 259 | 831 | 21,000 |
| Totals | \$ 100,000 | \$ 14,869 | \$ 41,476 | \$ 156,345 |

NOTES TO THE FINANCIAL STATEMENTS

For the Fiscal year Ended September 30, 2021

8. Notes, Mortgages, and Capital Leases

Capital Leases
Primary Government
Debt Principal Requirements to Maturity
(Amounts in Thousands)

| Maturity | Govt-type Activities | |
|---------------------|-----------------------------|------------------|
| | Principal | Interest |
| 2022 | \$ 5,788 | \$ 4,478 |
| 2023 | 5,996 | 4,192 |
| 2024 | 6,284 | 3,894 |
| 2025 | 6,385 | 3,583 |
| 2026 | 6,585 | 3,267 |
| 2027-2031 | 31,274 | 11,551 |
| 2032-2036 | 22,286 | 5,646 |
| 2037-2041 | 13,738 | 2,190 |
| 2042-2046 | 4,573 | 406 |
| 2047-2051 | 863 | 125 |
| 2052-2054 | 210 | 12 |
| Grand-totals | \$ 103,982 | \$ 39,344 |

Direct Borrowings
Primary Government
Debt Principal Requirements to Maturity
(Amounts in Thousands)

| Maturity | Totals | | Govt-type Activities | | Business-type Activities | |
|---------------------|------------------|------------------|-----------------------------|------------------|---------------------------------|-----------------|
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2022 | \$ 9,666 | \$ 1,977 | \$ 9,666 | \$ 1,977 | \$ 0 | \$ 0 |
| 2023 | 6,394 | 1,695 | 5,568 | 1,695 | 826 | — |
| 2024 | 5,863 | 1,525 | 5,863 | 1,525 | — | — |
| 2025 | 5,973 | 1,347 | 5,973 | 1,347 | — | — |
| 2026 | 6,238 | 1,160 | 6,238 | 1,160 | — | — |
| 2027-2031 | 29,488 | 2,920 | 29,488 | 2,920 | — | — |
| 2032-2036 | 4,880 | 123 | 4,880 | 123 | — | — |
| Grand-totals | \$ 68,502 | \$ 10,747 | \$ 67,676 | \$ 10,747 | \$ 826 | \$ 0 |

For the Fiscal year Ended September 30, 2021

Direct Borrowings
Component Units
Debt Principal Requirements to Maturity
(Amounts in Thousands)

| Maturity | Principal | Interest |
|-----------------|-------------------|------------------|
| 2022 | \$ 56,958 | \$ 8,170 |
| 2023 | 22,098 | 8,163 |
| 2024 | 11,795 | 7,791 |
| 2025 | 12,091 | 7,288 |
| 2026 | 13,217 | 6,863 |
| 2027-2031 | 71,442 | 26,460 |
| 2032-2036 | 62,267 | 19,297 |
| 2037-2041 | 35,966 | 9,467 |
| 2042-2046 | 25,500 | 4,722 |
| 2047-2051 | 11,210 | 551 |
| Totals | \$ 322,544 | \$ 98,772 |

At September 30, 2021, assets recorded under capital leases were as follows:

| | Governmental Activities |
|--------------------------------|------------------------------------|
| | (Amts in Thousands) |
| Buildings | \$ 191,812 |
| Less: accumulated depreciation | 88,579 |
| Total | \$ 280,391 |

The State leases office buildings and equipment with varying terms and options. Most buildings under capital lease have a term of twenty-five to thirty years, but can range from twenty to forty years. Capital leases are recorded at the lower of the present value of the future minimum lease payments or fair value. Principal and interest capital lease payments are recorded as expenditures of the applicable governmental function in the governmental fund. The largest capital leases in governmental activities are for buildings in county facilities used by the Department of Public Health and the Department of Human Resources.

NOTES TO THE FINANCIAL STATEMENTS

For the Fiscal year Ended September 30, 2021

9.Changes in Non current Liabilities

(Amounts in Thousands)

| | Beginning Balance (As Restated) | Additions | Reductions | Ending Balance | Due Within One Year |
|---------------------------------------|---------------------------------------|---------------------|---------------------|----------------------|------------------------|
| Primary Government | | | | | |
| Governmental Activities: | | | | | |
| Bonds Payable: | | | | | |
| General Obligation Bonds | \$ 591,115 | \$ 0 | \$ 69,880 | \$ 521,235 | \$ 59,135 |
| Revenue Bonds - Public Offerings | 3,663,282 | 1,480,835 | 518,430 | 4,625,687 | 253,310 |
| Revenue Bonds - Direct Placements | 36,280 | — | 24,540 | 11,740 | 5,775 |
| Total Bond Principal | 4,290,677 | 1,480,835 | 612,850 | 5,158,662 | 318,220 |
| Plus: Premiums | 315,473 | 342,690 | 70,866 | 587,297 | — |
| Less: Discounts | 1,995 | — | 158 | 1,837 | — |
| Total Bonds Payable | 4,604,155 | 1,823,525 | 683,558 | 5,744,122 | 318,220 |
| Leases | 91,916 | 17,680 | 5,614 | 103,982 | 5,788 |
| Direct Borrowings | 77,094 | 1,205 | 10,623 | 67,676 | 9,666 |
| Claims & Judgments | 115,498 | 30,678 | 12,799 | 133,377 | 4,012 |
| Compensated Absences | 318,169 | 184,975 | 179,525 | 323,619 | 27,435 |
| Net Pension Liabilities | 3,578,203 | 1,052,461 | 750,823 | 3,879,841 | — |
| Net OPEB Liability | 1,621,614 | 129,103 | 806,277 | 944,440 | — |
| Total Governmental Activities | 10,406,649 | 3,239,627 | 2,449,219 | 11,197,057 | 365,121 |
| Business-type Activities: | | | | | |
| Revenue Bonds - Public Offerings | 274,990 | — | 6,230 | 268,760 | 4,945 |
| Revenue Bonds - Direct Placements | 62,686 | — | 7,660 | 55,026 | 9,992 |
| Direct Borrowings | 940 | — | 114 | 826 | — |
| Claims & Judgments | 31,198 | 41,878 | 21,589 | 51,487 | 49,733 |
| Compensated Absences | 12,101 | 3,968 | 4,939 | 11,130 | 3,316 |
| Net Pension Liabilities | 86,321 | 27,852 | 17,729 | 96,444 | — |
| Net OPEB Liability | 77,349 | 6,238 | 40,971 | 42,616 | — |
| Other Long-Term Liabilities ‡ | 5,236 | — | 357 | 4,879 | 420 |
| Total Business-Type Activities | 550,821 | 79,936 | 99,589 | 531,168 | 68,406 |
| Total Primary Government | \$ 10,957,470 | \$ 3,319,563 | \$ 2,548,808 | \$ 11,728,225 | \$ 433,527 |
| Component Units: | | | | | |
| Revenue Bonds - Public Offerings | \$ 4,949,746 | \$ 447,399 | \$ 566,213 | \$ 4,830,932 | \$ 181,300 |
| Revenue Bonds - Direct Placements | 163,959 | 7,727 | 139,669 | 32,017 | 10,422 |
| Direct Borrowings | 332,080 | 56,515 | 66,051 | 322,544 | 56,958 |
| Compensated Absences | 201,286 | 8,092 | 2,424 | 206,954 | 158,778 |
| Net Pension Liabilities | 4,272,761 | 1,661,435 | 1,061,840 | 4,872,356 | — |
| Net OPEB Liabilities | 1,042,441 | 1,334,249 | 105,608 | 2,271,082 | — |
| Claims & Judgments | 127,613 | 1,501,960 | 1,458,257 | 171,316 | 69,021 |
| Other Long-Term Liabilities § | 294,185 | 22,587 | 125,075 | 191,697 | — |
| Total Component Units | \$ 11,384,071 | \$ 5,039,964 | \$ 3,525,137 | \$ 12,898,898 | \$ 476,479 |

‡ Other Long-term liabilities are reported by the State Port Authority.

§ Other Long-term liabilities are payable as follows: University of Alabama at Tuscaloosa \$156,114, University of Alabama at Birmingham \$28,831, University of Alabama at Huntsville \$906, Auburn University \$23,473, University of South Alabama, \$72,281, University of North Alabama \$211, the Alabama Community College System, \$26,926.

Funds Used to Liquidate Liabilities Other than Debt (%)
Primary Government - Governmental-type Activities

| Funds | Compensated Absences | Pension Liabilities | Other Postemployment Liabilities |
|-------------------------------------|-------------------------|------------------------|--|
| <i>Major Funds</i> | | | |
| General Fund | 19 % | 22 % | 24 % |
| Public Welfare Fund | 17 | 12 | 13 |
| Public Road and Bridge Fund | 15 | 11 | 15 |
| Education Trust Fund | 3 | 3 | 3 |
| Medicaid | 2 | 1 | 1 |
| <i>Non-major Funds</i> | | | |
| Miscellaneous Special Revenue Funds | 8 | 8 | 8 |
| Public Health | 7 | 6 | 6 |
| Law Enforcement | 7 | 9 | 5 |
| Mental Health | 4 | 4 | 4 |
| Revenue Administration | 4 | 4 | 4 |
| Labor | 3 | 2 | 2 |
| Education Department | 2 | 2 | 2 |
| Rehabilitation Services | 2 | 2 | 2 |
| Conservation | 2 | 2 | 3 |
| Other | 5 | 9 | 8 |

NOTES TO THE FINANCIAL STATEMENTS

For the Fiscal year Ended September 30, 2021

NOTE 6 - DEFERRED INFLOWS/OUTFLOWS OF RESOURCES

All of the deferred inflows of resources which total \$574,784,000 reported in the Balance Sheet of the Governmental Funds are unavailable revenues that are not recognized as revenue under the modified accrual basis of accounting in the Statement of Revenues, Expenditures, and Changes in Fund Balances. The other Deferred Outflows of Resources and Deferred Inflows of Resources are summarized in the following tables.

| (Amounts in Thousands) | | Primary Government | | |
|---|-----------|-------------------------|--------------------------|---------------------|
| | | Governmental Activities | Business-Type Activities | Total |
| Deferred Outflows of Resources | | | | |
| Losses from Bond Refundings | \$ | 38,959 | \$ 12,311 | \$ 51,270 |
| Pension Related | | 615,537 | 15,247 | 630,784 |
| OPEB Related | | 251,808 | 17,150 | 268,958 |
| Total Deferred Outflows of Resources | \$ | 906,304 | \$ 44,708 | \$ 951,012 |
| Deferred Inflows of Resources | | | | |
| Gains from Bond Refundings | \$ | 4,864 | \$ 0 | \$ 4,864 |
| Pension Related | | 18,905 | 1,014 | 19,919 |
| OPEB Related | | 1,795,007 | 86,902 | 1,881,909 |
| Total Deferred Inflows of Resources | \$ | 1,818,776 | \$ 87,916 | \$ 1,906,692 |

| (Amounts in Thousands) | | Business-Type Activities Enterprise Funds | | | |
|---|-----------|--|----------------------------------|---------------------------|--------------------------------|
| | | State Port Authority | Alcoholic Beverage Control Board | Nonmajor Enterprise Funds | Total Business-Type Activities |
| Deferred Outflows of Resources | | | | | |
| Losses from Bond Refundings | \$ | 12,311 | \$ 0 | \$ 0 | \$ 12,311 |
| Pension Related | | 3,320 | 7,026 | 1,403 | 11,749 |
| OPEB Related | | 9,181 | 10,524 | 943 | 20,648 |
| Total Deferred Outflows of Resources | \$ | 24,812 | \$ 17,550 | \$ 2,346 | \$ 44,708 |
| Deferred Inflows of Resources | | | | | |
| Pension Related | \$ | 638 | \$ 52 | \$ 324 | \$ 1,014 |
| OPEB Related | | 33,742 | 51,509 | 1,651 | 86,902 |
| Total Deferred Inflows of Resources | \$ | 34,380 | \$ 51,561 | \$ 1,975 | \$ 87,916 |

| (Amounts in Thousands) | | Component Units | | | | | |
|---|-----------|-----------------------|-------------------|-----------------------------|----------------------------------|----------------------------------|-----------------------|
| | | University of Alabama | Auburn University | University of South Alabama | Public Educ Emp Health Insurance | Alabama Community College System | Total Component Units |
| Deferred Outflows of Resources | | | | | | | |
| Hedging Interest Rate Swap | \$ | 0 | \$ 0 | \$ 5,453 | \$ 0 | \$ 0 | \$ 5,453 |
| Losses from Bond Refundings | | 36,521 | 34,868 | 5,886 | — | 1,226 | 88,100 |
| Pension Related | | 528,477 | 209,580 | 63,905 | 1,207 | 132,782 | 1,111,517 |
| OPEB Related | | 827,029 | 274,455 | 204,217 | 336 | 106,252 | 1,661,366 |
| Total Deferred Outflows of Resources | \$ | 1,392,027 | \$ 518,903 | \$ 279,461 | \$ 1,543 | \$ 240,260 | \$ 2,866,436 |
| Deferred Inflows of Resources | | | | | | | |
| Gains from Bond Refundings | \$ | 0 | \$ 0 | \$ 3,442 | \$ 0 | \$ 0 | \$ 3,442 |
| Advance Grant Revenue | | 4,500 | 772 | — | — | 25,624 | 30,896 |
| Split Interest - Remainder Interest | | 2,917 | — | — | — | — | 2,917 |
| Pension Related | | 88,977 | 19,210 | 36,298 | 84 | 26,431 | 198,985 |
| OPEB Related | | 692,610 | 229,748 | 178,643 | 2,221 | 172,887 | 1,559,535 |
| Total Deferred Inflows of Resources | \$ | 789,004 | \$ 249,730 | \$ 223,230 | \$ 2,305 | \$ 224,942 | \$ 1,800,622 |