



# CITY OF LEEDS, ALABAMA

## REGULAR COUNCIL MEETING AGENDA

City Hall Annex - Meeting Room - 1412 9th St, Leeds, AL 35094

June 06, 2022 @ 6:00 PM

### CALL COUNCIL MEETING TO ORDER

### ROLL CALL / INVOCATION / PLEDGE OF ALLEGIANCE

### CUTOFF FOR PUBLIC COMMENT SIGN-UP

*Anyone wishing to address the Council during the Public Comment section of the meeting sign-up on the provided computer.*

### APPROVE COUNCIL MINUTES

- [1.](#) Minutes for May 16, 2022

### REPORTS OF OFFICERS:

2. Mayor's Report: Mayor David Miller
3. Police Department: Chief Irwin
4. Fire Department: Chief Parsons
5. Municipal Court: Magistrate Roberts
- [6.](#) Development Services Department: City Administrator Watson
  - Draft Copy of FY2021 Audit
  - RSA Actuarial Valuation
  - Over-time Reports
7. Public Works Department: Public Works Director Warren
- [8.](#) Social Services Department: Director Bryan
  - June 2022 Calendars

### OLD BUSINESS:

- [9.](#) Resolution 22-000387: Consider Declaring Certain Conditions to be a Public Nuisance at 142 Willow Street

### NEW BUSINESS:

- [10.](#) Resolution L20-000068: Consider Abatement Lien for 115 Willow Street
- [11.](#) Resolution 2022-06-01: Consider Authorizing License Agreement with Leeds Water Works Board for use of property
- [12.](#) Resolution 2022-06-02: Consider Authorizing Hiring Freeze for All Departments
- [13.](#) Resolution 2022-06-03: Consider Awarding 2022 Leeds Labor and Equipment Bid Contract

- [14.](#) Resolution 2022-06-04: Consider Awarding 2022 Leeds Railroad Depot Structural Repair Contract Bid

**PUBLIC COMMENTS**

*All comments are to be limited to 2 minutes*

**ADJOURNMENT**

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In compliance with the Americans with Disabilities Act, those requiring accommodation for Council meetings should notify the City Clerk's Office at least 24 hours prior to the meeting at 205-699-2585.

**File Attachments for Item:**

1. Minutes for May 16, 2022



# **CITY OF LEEDS, ALABAMA**

## **REGULAR COUNCIL MEETING MINUTES**

City Hall Annex - Meeting Room - 1412 9th St, Leeds, AL 35094

**May 16, 2022 @ 6:00 PM**

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### **CALL COUNCIL MEETING TO ORDER**

Mayor David Miller called the meeting to order at 6:02 pm.

### **ROLL CALL / INVOCATION / PLEDGE OF ALLEGIANCE**

#### **PRESENT**

Mayor David Miller  
Council member Kenneth Washington  
Council member Eric Turner  
Council member Johnny Dutton  
Council member Angie Latta  
Council member Devoris Ragland-Pierce

#### **INVOCATION**

Council member Eric Turner

#### **PLEDGE OF ALLEGIANCE**

Mayor David Miller

### **CUTOFF FOR PUBLIC COMMENT SIGN-UP**

### **APPROVE COUNCIL MINUTES**

1. Minutes for April 18, 2022

Motion to approve minutes from April 18, 2022 made by Council member Turner, Seconded by Council member Dutton. Voting Yea: Mayor Miller, Council member Washington, Council member Turner, Council member Dutton, Council member Latta, Council member Ragland-Pierce.

2. Minutes for May 02, 2022

Motion to approve minutes from May 02, 2022 made by Council member Turner, Seconded by Council member Dutton. Voting Yea: Mayor Miller, Council member Washington, Council member Turner, Council member Dutton, Council member Latta, Council member Ragland-Pierce.

3. Minutes for May 09, 2022

Motion to approve minutes from May 09, 2022 made by Council member Turner, Seconded by Council member Dutton. Voting Yea: Mayor Miller, Council member Washington, Council

member Turner, Council member Dutton, Council member Latta, Council member Ragland-Pierce.

#### **REPORTS OF OFFICERS:**

4. Mayor's Report: Mayor David Miller  
Mayor recapped the Police awards ceremony prior to Council meeting. Mayor read a letter from Bill Morris (Leeds Chamber of Commerce President) about their appreciation for Public Works doing a good job keeping Memorial Park clean before/during/after Creek Bank festival.
5. Police Department: Chief Irwin  
April report is in packet.
6. Fire Department: Chief Parsons  
Will travel to Ohio in June to see new fire truck.
7. Municipal Court: Magistrate Roberts  
Absent
8. Development Services Department: City Administrator Watson  
On July 01, 2022, the State of Alabama will adopt and enforce the 2021 ICC Building Codes. He's in discussion with Greater Birmingham Building Association about revisions which will be brought for a vote in June.
9. Public Works Department: Public Works Director Warren  
No Report
10. Social Services Department: Director Bryan  
No Report

#### **OLD BUSINESS:**

There was none.

#### **NEW BUSINESS:**

11. Resolution 2022-05-01 (Carried over from the cancelled meeting - May 02, 2022): Consider Contract Renewal for Police Substation at Shops of Grand River  
Motion to approve Resolution 2022-05-01 made by Council member Dutton, Seconded by Council member Ragland-Pierce. Voting Yea: Mayor Miller, Council member Washington, Council member Turner, Council member Dutton, Council member Latta, Council member Ragland-Pierce.
12. Resolution 2022-05-02 (Carried over from the cancelled meeting - May 02, 2022): Consider repealing and replacing Resolution 2022-02-03 for clarification  
Motion to approve Resolution 2022-05-02 made by Council member Dutton, Seconded by Council member Latta. Voting Yea: Mayor Miller, Council member Washington, Council member Turner, Council member Dutton, Council member Latta, Council member Ragland-Pierce.
13. Resolution 2022-05-03 (Carried over from the cancelled meeting - May 02, 2022): Consider Improvements on Interstate 20 in accordance with ALDOT Project Number IM-I020(365)

Motion to approve Resolution 2022-05-03 made by Council member Dutton, Seconded by Council member Washington. Voting Yea: Mayor Miller, Council member Washington, Council member Turner, Council member Dutton, Council member Latta, Council member Ragland-Pierce.

14. Resolution 2022-05-04 (Carried over from the cancelled meeting - May 02, 2022): Consider Budget Amendment for Fire Department to purchase safety equipment using St Clair County EMS Funds

Motion made to approve Resolution 2022-05-04 by Council member Ragland-Pierce, Seconded by Council member Latta. Voting Yea: Mayor Miller, Council member Washington, Council member Turner, Council member Dutton, Council member Latta, Council member Ragland-Pierce.

15. Resolution 2022-05-05 (Carried over from the cancelled meeting - May 02, 2022): Consider Budget Correction/Adjustment to correct deposit error

Motion made to approve Resolution 2022-05-05 by Council member Dutton, Seconded by Council member Washington. Voting Yea: Mayor Miller, Council member Washington, Council member Turner, Council member Dutton, Council member Latta, Council member Ragland-Pierce.

16. Ordinance 2022-05-01 (Carried over from the cancelled meeting - May 02, 2022): Consider Establishing a Grand River Outlet Mall Entertainment District

Motion for Unanimous Consent to consider Ordinance 2022-05-01 made by Council member Turner, Seconded by Council member Ragland-Pierce. Voting Yea: Mayor Miller, Council member Washington, Council member Turner, Council member Dutton, Council member Latta, Council member Ragland-Pierce.

Motion made to approve Ordinance 2022-05-01 by Council member Washington, Seconded by Council member Ragland-Pierce. Voting Yea: Mayor Miller, Council member Washington, Council member Turner, Council member Dutton, Council member Latta, Council member Ragland-Pierce.

17. Resolution 2022-05-07: Consider a Budget Amendment to fund Retirees' Longevity Bonus pursuant to Act 2022-229

Motion made to approve Resolution 2022-05-07 by Council member Turner, Seconded by Council member Ragland-Pierce. Voting Yea: Mayor Miller, Council member Washington, Council member Turner, Council member Dutton, Council member Latta, Council member Ragland-Pierce.

18. Resolution 2022-05-08: Consider Awarding 2022 Asphalt and Street Repair Contract

Motion made to approve Resolution 2022-05-07 to award the contract to Massey Asphalt Pavement LLC and the addition of the second and third place contractors as backups (Central Alabama Asphalt & Construction and James Paving Inc) by Council member Turner, Seconded by Council member Dutton. Voting Yea: Mayor Miller, Council member Washington, Council member Turner, Council member Dutton, Council member Latta, Council member Ragland-Pierce.

19. Executive Session

An Executive Session for the Council under Sections 36-25A-7 (a)(1) and 36-25A-7 (a)(3) was recommended by City Attorney Scott Barnett. None of the items discussed will need a vote afterwards.

## **PUBLIC COMMENTS**

Ms. Tiffany Ward (20 Abel Drive) and Ms. Kristy Biddle (636 Southern Trace Parkway), spoke about their upcoming presentation to Main Street Alabama on May 26th.

Ms. Lindsay Bolcar (1275 Katherine Street) collected signatures from citizens and asked for continued support of the library.

Ms. Christine Strange (representative for Grand River) will answer questions regarding entertainment district and is thankful for Police Sub-station contract renewal.

Mr. Ronald Miller (Grants Mill, Leeds) concerned that the City doesn't have a public pool for children to learn how to swim and the lack of procedures to request use of gym at the Civic Center.

Mr. Jerry Trott (8532 Covington Way) reported that nozzle is still cut off at Rowan Springs pump.

## **ADJOURNMENT**

Motion to adjourn meeting into Executive Session made by Council member Turner, Seconded by Council member Latta. Voting Yea: Mayor Miller, Council member Washington, Council member Turner, Council member Dutton, Council member Latta, Council member Ragland-Pierce.

The meeting adjourned at 6:33 pm.

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David Miller, Mayor

Attest:

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Toushi Artbitelle, City Clerk

**File Attachments for Item:**

6. Development Services Department: City Administrator Watson

Draft Copy of FY2021 Audit

RSA Actuarial Valuation

Over-time Reports

**THE CITY OF LEEDS, ALABAMA**  
**FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

DRAFT

THE CITY OF LEEDS, ALABAMA  
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Cork, Hill & Company, L.L.C.

## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and  
Members of the City Council  
City of Leeds, Alabama

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Leeds, Alabama (the "City"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

*Certified Public Accountants*

2100 Southbridge Parkway  
Suite 530  
Birmingham, AL 35209

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the government activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Leeds, Alabama as of September 30, 2021, and the respective changes in net financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedule, schedule of changes in the net pension liability, and the schedule of employer contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United State of America, which consisted of inquiries of management about the method 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.

Management has omitted the management discussion and analysis that accounting principles generally accepted in the United States of America require to be presented in supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

### *Other Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Leeds's basic financial statements. The combining balance sheet – nonmajor governmental funds and combining statement of revenues, expenditures and changes in fund balance – nonmajor governmental funds is presented for purposes of additional analysis and are not required part of the basic financial statements. The combining balance sheet – nonmajor governmental funds and combining statement of revenues, expenditures and changes in fund balance – nonmajor governmental funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Cork, Hill & Company, L.L.C.*

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April 29, 2022

DRAFT



Cork, Hill & Company, L.L.C.

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

To the Honorable Mayor and Members of City Council  
City of Leeds, Alabama

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standard*, issued by the Comptroller General of the United States, the financial statements of The City of Leeds, Alabama (the City), which comprise the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2021, and the related notes to the financial statements and have issued our report thereon dated April 29, 2022.

**Internal Control Over Financial Reporting**

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

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

Certified Public Accountants

2100 Southbridge Parkway  
Suite 530  
Birmingham, AL 35209

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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

Birmingham, Alabama

April 29, 2022

DRAFT



Cork, Hill & Company, L.L.C.

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

To the Honorable Mayor and Members of City Council  
City of Leeds, Alabama

**Report on Compliance for Each Major Program**

We have audited The City of Leeds, Alabama's (the City), compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance with each major program. However, our audit does not provide a legal determination of the City's compliance.

Certified Public Accountants

2100 Southbridge Parkway  
Suite 530  
Birmingham, AL 35209

### Opinion on Each Major Program

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs identified above for the year ended September 30, 2021.

### Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be *material weaknesses* or *significant deficiencies*. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above. However, material weaknesses may exist that have not been identified.

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

Birmingham, Alabama

April 29, 2022

**THE CITY OF LEEDS, ALABAMA  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2021**

	<b>Governmental Activities</b>	<b>Component Unit</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 24,085,309	\$ -
Restricted cash and cash equivalents	10,201,823	772,687
Receivables, net	2,110,499	-
Prepaid expenses	529,615	-
Capital assets:		
Land and construction in process, not being depreciated	14,525,326	2,459,408
Other capital assets, net of accumulated depreciation	<u>24,215,683</u>	<u>27,811,663</u>
	38,741,009	30,271,071
Total assets	<u>75,668,255</u>	<u>31,043,758</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
	1,458,607	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>		
	<u>\$ 77,126,862</u>	<u>\$ 31,043,758</u>
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 1,541,403	\$ 808,035
Long-term Liabilities:		
Due within one year	1,273,006	1,550,000
Due in more than one year	73,439,688	34,237,598
Accrued interest	785,692	-
Compensated absences	391,589	-
Pension liability	6,833,245	-
Bond premium	<u>-</u>	<u>2,228,983</u>
Total liabilities	84,264,623	38,824,616
<b>DEFERRED INFLOWS OF RESOURCES</b>		
	742,298	-
<b>NET POSITION</b>		
Net investment in capital assets	38,741,009	30,271,071
Restricted for:		
Debt service	-	-
Capital projects	-	-
Infrastructure maintenance	-	-
Public safety	-	-
Unrestricted net (deficit) / position	<u>(46,621,068)</u>	<u>(38,051,929)</u>
Total net (deficit) / position	<u>(7,880,059)</u>	<u>(7,780,858)</u>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>		
	<u>\$ 77,126,862</u>	<u>\$ 31,043,758</u>

See Independent Auditors' Report and Notes to the Financial Statements.

**THE CITY OF LEEDS, ALABAMA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

Function / Program	Expenses	Program Revenues			Net (Expense)/ Revenue and Change in Net Position	Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
Governmental Activities:						
Administrative services	\$ 4,147,001	\$ 16,864	\$ 774,953	\$ 1,429,643	\$ (1,925,541)	
Redevelopment expenses	432,066	-	-	-	(432,066)	
Public safety	7,032,472	316,330	47,006	198,522	(6,470,614)	
Streets and sanitation	2,512,965	272,773	-	-	(2,240,192)	
Parks and recreation	169,099	980	-	-	(168,119)	
Library	411,737	-	-	-	(411,737)	
Inspections	-	-	-	-	-	
Interest on long-term debt	2,601,134	-	-	-	(2,601,134)	
<b>Total governmental activities</b>	<b>\$ 17,306,474</b>	<b>\$ 606,947</b>	<b>\$ 821,959</b>	<b>\$ 1,628,165</b>	<b>(14,249,403)</b>	
Component Unit:						
Redevelopment Authority						\$ (2,418,323)
General Revenues:						
Taxes:						
Sales taxes					18,949,406	-
Advalorem taxes					1,566,518	-
Other taxes					4,085,453	-
Interest and investment earnings					33,988	6
Miscellaneous					150,733	-
<b>Total general revenues &amp; transfers</b>					<b>24,786,098</b>	<b>6</b>
Operating transfer between City and PEBA					(2,599,034)	2,599,034
Change in net position from activities					7,937,661	180,717
Net position - beginning					(15,817,720)	(7,961,575)
Net position - ending					<u>\$ (7,880,059)</u>	<u>\$ (7,780,858)</u>

See Independent Auditors' Report and Notes to the Financial Statements.

**THE CITY OF LEEDS, ALABAMA  
BALANCE SHEET – GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>NONMAJOR GOVT. FUNDS</u>	<u>TOTALS - GOVT. FUNDS</u>
<b>Assets:</b>				
Cash and cash equivalents	\$ 19,528,141	\$ 4,447,253	\$ 109,915	\$ 24,085,309
Restricted cash and cash equivalents	3,838,929	5,061,466	1,301,428	10,201,823
Receivables, net	1,991,920	472	118,107	2,110,499
Prepaid expenses	529,615	-	-	529,615
<b>Total assets</b>	<u>\$ 25,888,605</u>	<u>\$ 9,509,191</u>	<u>\$ 1,529,450</u>	<u>\$ 36,927,246</u>
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	\$ 1,541,111	\$ -	\$ 292	\$ 1,541,403
<b>Total liabilities</b>	1,541,111	-	292	1,541,403
<b>Fund balances:</b>				
Nonspendable	529,615	-	-	529,615
Restricted	-	9,509,191	1,529,158	11,038,349
Committed	-	-	-	-
Unassigned	23,817,879	-	-	23,817,879
<b>Total fund balance</b>	<u>24,347,494</u>	<u>9,509,191</u>	<u>1,529,158</u>	<u>35,385,843</u>
<b>Total liabilities and fund balances</b>	<u>\$ 25,888,605</u>	<u>\$ 9,509,191</u>	<u>\$ 1,529,450</u>	<u>\$ 36,927,246</u>

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE TO NET POSITION OF GOVERNMENTAL ACTIVITIES**

Total governmental fund balance	\$ 35,385,843
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	38,741,009
Bonds and other long-term liabilities are not due and payable in the current period and are not reported in the funds	<u>(82,006,911)</u>
<b>Net deficit of government position</b>	<u>\$ (7,880,059)</u>

See Independent Auditors' Report and Notes to the Financial Statements.

**THE CITY OF LEEDS, ALABAMA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	GENERAL FUND	DEBT SERVICE	NONMAJOR GOVT. FUNDS	TOTAL GOVT. FUNDS
<b>Revenues:</b>				
Taxes	\$ 20,714,435	\$ -	\$ -	\$ 20,714,435
Licenses and permits	1,051,732	-	-	1,051,732
Intergovernmental	2,306,475	-	638,632	2,945,107
Charges for services	302,250	-	-	302,250
Fines and forfeitures	984,704	-	-	984,704
Interest	33,117	4,167	871	38,155
Other	2,479,027	-	-	2,479,027
Total Revenues	27,871,740	4,167	639,503	28,515,410
<b>Expenditures:</b>				
Current operations:				
General government	2,840,653	-	-	2,840,653
Public safety:				
Fire and rescue	3,626,691	-	-	3,626,691
Police and court	3,841,335	-	-	3,841,335
Streets and sanitation	2,055,938	-	2,732	2,058,670
Parks and recreation	11,283	-	-	11,283
Library	398,183	-	-	398,183
Inspections	-	-	-	-
Redevelopment expenses	361,981	-	63,945	425,926
Total current operations	13,136,064	-	66,677	13,202,741
Capital outlays	1,813,698	-	-	1,813,698
Debt service:				
Principal	-	1,188,195	-	1,188,195
Interest and fiscal charges	-	3,781,022	-	3,781,022
Total expenditures	14,949,762	4,969,217	66,677	19,985,656
Revenues over / (under) expenditures	12,921,978	(4,965,050)	572,826	8,529,754
<b>Other financing sources / (uses):</b>				
Interfund transfers in	-	4,894,571	50,000	4,944,571
Interfund transfers out	(4,944,571)	-	-	(4,944,571)
Transfers to component unit	(2,599,034)	-	-	(2,599,034)
Transfers to refunding agent	-	(11,830,810)	-	(11,830,810)
Proceeds of debt	-	12,295,000	-	12,295,000
Total other financing sources / (uses)	(7,543,605)	5,358,761	50,000	(2,134,844)
Net change in fund balance	5,378,373	393,711	622,826	6,394,910
Fund balances, beginning	18,969,121	9,115,480	906,332	28,990,933
Fund balances, ending	\$ 24,347,494	\$ 9,509,191	\$ 1,529,158	\$ 35,385,843

See Independent Auditors' Report and Notes to the Financial Statements.

THE CITY OF LEEDS, ALABAMA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Net change in Fund Balances - Total Governmental Funds \$ 6,394,910

Amounts reported for governmental activities in the statement of activities are different because:

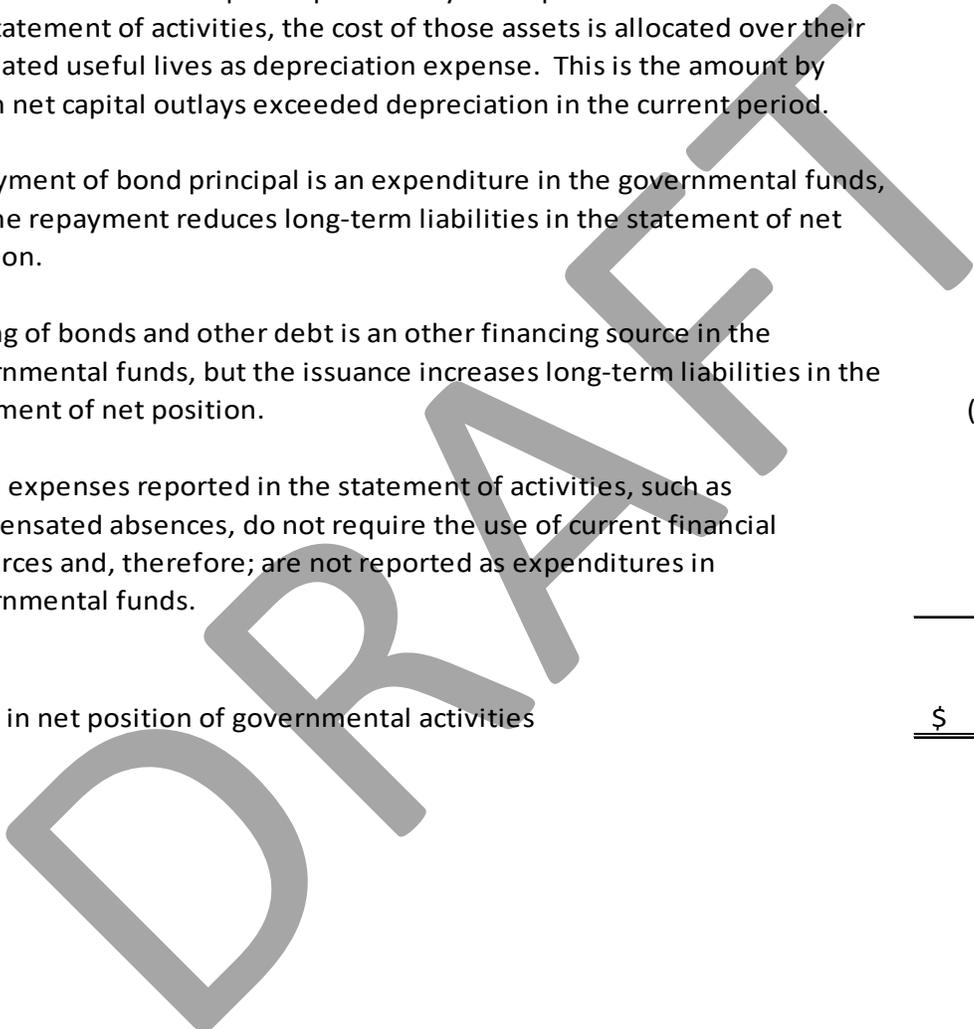
Governmental funds report capital outlays as expenditures. However in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which net capital outlays exceeded depreciation in the current period. (19,467)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 13,349,671

Issuing of bonds and other debt is an other financing source in the governmental funds, but the issuance increases long-term liabilities in the statement of net position. (12,295,000)

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and, therefore; are not reported as expenditures in governmental funds. 507,547

Change in net position of governmental activities \$ 7,937,661



See Independent Auditors' Report and Notes to the Financial Statements.

**THE CITY OF LEEDS, ALABAMA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Introduction**

The financial statements of the City of Leeds, Alabama (the City) have been prepared in conformity with accounting principles generally 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 following is a summary of the significant accounting policies.

**Reporting Entity**

The City of Leeds, Alabama was incorporated in 1887 under the laws of Alabama and is governed by an elected Mayor and City Council. As required by generally accepted accounting principles, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities are in substance, part of the government's operations and so, data from these entities are combined with data from the City. Discretely presented component units are reported in a separate column of the financial statements to emphasize they are legally separate from the City and have the potential to impose a financial benefit or burden to the City.

**Blended Component Units:** There are two blended component units of the City of Leeds, Alabama: the Leeds Commercial Development Authority (CDA) and the Leeds Redevelopment Authority (LRA). The financial information of the CDA and LRA has been blended with that of the City because they provide services entirely for the City.

**Leeds Commercial Development Authority –** The Leeds Commercial Development Authority was formed for the purpose of promoting commercial development in the City. The members of the CDA are appointed by the Leeds City Council. The CDA is presented as governmental fund. Separate financial statements are not issued by the CDA. The City of Leeds, Alabama is responsible for the operations of the CDA.

**Leeds Redevelopment Authority –** The Leeds Redevelopment Authority was formed for the purpose of promoting and fostering redevelopment of a defined portion of the City. The members of the LRA are appointed by the Leeds Mayor. The LRA is presented as a governmental fund. Separated financial statements are not issued by the LRA. The City of Leeds is responsible for the operations of the LRA.

**Discretely Presented Component Unit –** There is one discretely presented component unit of the City of Leeds, Alabama, the Leeds Public Education Building Authority (PEBA).

**Leeds Public Education Building Authority –** The PEBA was formed for the purpose of managing the assets and revenue bonds used to build new schools for the City of Leeds Board of Education (Leeds BOE). The members of the board of directors of PEBA are appointed by the City of Leeds and a portion of the debt service on the 2008 Education Facilities Revenue Bonds is to be repaid by PEBA with certain pledged tax revenues it receives from the City of Leeds. The 2008 Education Facilities Revenue Bonds have been refunded and the terms of the agreement apply to the new bond issue. The City's obligation is limited to providing a portion of the City's supplemental sales and use tax revenues (with a general rate of one cent) and occupational tax (with a rate of one percent) to PEBA as a credit against the lease payments required to be paid to PEBA by the Leeds BOE. The lease payments required to be paid to PEBA by the Leeds BOE are equal to the debt service each year on the 2008 Educational Facilities Revenue Bonds. Leeds BOE is required to pay the difference in lease payments if the City's pledged tax revenues are not sufficient to cover the debt service on those bonds.

**THE CITY OF LEEDS, ALABAMA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**Note 1 – Summary of Significant Accounting Policies - Continued**

**Government-Wide Financial Statements**

Financial reporting requirements include a management's discussion and analysis, basic financial statements consisting of government-wide and fund financial statements, required supplementary information, and other supplementary information. The City has elected not to present the management's discussion and analysis.

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

The government-wide statement of activities reflects both the gross and net costs by functional category that are being supported by general revenues, primarily taxes. The statement of activities reduces gross expenses by directly related program revenues. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operations or capital requirements of a particular function or segment. Taxes and other items not included in program revenues are reported as general revenues. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

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

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

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

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

THE CITY OF LEEDS, ALABAMA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021

**Note 1 – Summary of Significant Accounting Policies - Continued**

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

All of the City’s funds fall under the broad classification of Governmental funds. Governmental funds focus on the determination of financial position and changes in financial position (sources, uses, and balances of financial resources) and not net income. The following is a description of the major governmental funds of the City:

General Fund - The General Fund is the primary operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund - accounts for the accumulation of resources for and the payment of principal and interest on long-term general obligation debt of governmental funds.

Non-major funds are aggregated and presented in a single column. The City’s non-major funds are comprised of special revenue funds and blended component units. Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

**Property Tax Calendar**

Property values are assessed, and property taxes are collected by Jefferson County, St. Clair County and Shelby County. Property values are assessed, and property taxes attach as an enforceable lien on property as of October 1 of each fiscal year. The property taxes are due and payable on October 1 of the subsequent fiscal year and are delinquent after January 1.

**Cash and Cash Equivalents**

The City’s cash and cash equivalents are considered to be cash on hand, demand deposits and certificates of deposit with a duration of one year or less from the date of acquisition. Restricted cash represents amounts that have been placed into escrow for payment of bond principal and interest as it becomes due and amounts in special revenue accounts that are restricted by the revenue source.

**Receivables**

Receivables are reported net of an allowance for uncollectibles, which is based upon collection experience.

**Prepaid Items**

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

**Capital Assets and Depreciation**

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Fund accounting reports capital outlays as expenditures and does not recognize capital assets and

**THE CITY OF LEEDS, ALABAMA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**Note 1 – Summary of Significant Accounting Policies - Continued**

depreciation. Under the government-wide, accrual basis of reporting, general capital assets are long-lived assets of the City as a whole. When purchased, such assets are capitalized subject to a \$5,000 capitalization threshold. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement cost. Donated capital assets are capitalized at estimated fair market value on the date donated.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings and improvements – 15 to 60 years; improvements/infrastructure - 5 to 60 years; equipment - 5 to 15 years.

**Bond Premium**

On government-wide financial statements, bond premiums are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums are shown as additional long-term liabilities on the statement of net position

On the governmental fund financial statements, bond premiums are recognized in the year the bonds are issued.

**Deferred outflows/inflows of resources**

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources, which represent a consumption of net position that applies to a future period and therefore, will not be recognized as an outflow of resources (expense) until then. The City currently has three types of items that qualify for reporting in this category, the deferred loss on refunding debt, differences between expected and actual pension service costs and deferred pension expense. The deferred loss on refunding 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 differences between expected and actual pension service costs occur when actuarially projected amounts differ from actual results. These differences are amortized over seven years. Deferred pension expense results from contributions made after the liability measurement date. These contributions will be incorporated in the actuarial calculations of the next measurement date.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources, which represent an acquisition of net position that applies to a future period and as such, will not be recognized as an inflow of resources (revenue) until that time. The City currently has deferred inflows for differences in expected and actual pension experience that are being amortized over seven years, differences in projected and actual pension investment earnings that are being amortized over 5 years.

**Long-Term Obligations**

The government-wide financial statements present long-term debt and other long-term obligations as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In fund financial statements, bond premiums, discounts and issuance costs are recognized in the current period. The face amount of debt issued is reported as other financing sources, while premiums and discounts are reported as other financial sources and uses, respectively. Issuance costs are reported as debt service expenditures.

**THE CITY OF LEEDS, ALABAMA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**Note 1 – Summary of Significant Accounting Policies – Continued**

**Net Position and Fund Balance**

In the government-wide financial statements, net position is classified in the following categories:

Net investment in capital assets - This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt associated with the acquisition, construction, or improvement of these assets reduces this category.

Restricted Net Position - This category presents the net position restricted by external parties (creditors, grantors, contributors or laws and regulations).

Unrestricted - This category represents the net position of the City that is not restricted for any project or other purpose by third parties.

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

Non-spendable fund balance - Amounts that cannot be spent because they are either (a) not in spendable form - prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Amounts that can be spent only for specific purposes because of the City Charter, City Code, state or federal laws, or externally imposed conditions by grantors or creditors.

Committed Fund Balance – Amounts that can be used only for the specific purposes determined by an Ordinance, the City's highest level of decision-making authority (the City Council). The City Council must adopt an ordinance to modify or rescind committed fund balances.

Assigned Fund Balance - Amounts that are constrained by the City's expressed intent to use resources for specific purposes but do not meet the criteria to be classified as restricted or committed. The City Council has the authority to assign amounts intended to be used for specific purposes.

Unassigned Fund Balance – All amounts not included in other spendable classifications. The general fund is the only fund that reports a positive unassigned fund balance amount. In all other funds, unassigned is limited to negative residual fund balance, if any.

**Compensated Absences**

The City accrues unused portions of vacation pay in the period the fund liability is incurred. The vesting method is used to accrue sick leave liability. The liability is based on the sick leave accumulated at year-end by those employees who are currently eligible to receive termination payments as well as other employees who are expected to become eligible to receive such payments.

**THE CITY OF LEEDS, ALABAMA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**Note 1 – Summary of Significant Accounting Policies – Continued**

**Pension Plan**

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

**Use of Estimates**

In preparing these financial statements, management is required to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE 2 – Discretely Presented Component Unit**

The Public Education Building Authority (PEBA) is included in the government-wide financial statements as a discretely presented component unit. The PEBA is comprised of a single fund and does not issue its own financial statements. The financial statements are presented on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred. The policies and disclosures related to the PEBA that are significant to the City of Leeds are summarized as follows:

**Nature of Operations**

The PEBA was formed for the purpose of managing the assets and revenue bonds used to build new schools for the Leeds Board of Education (BOE). The members of the board of directors of PEBA are appointed by the City of Leeds and a portion of the debt service on the 2008 Educational Facilities Revenue Bonds is to be repaid by PEBA with certain pledged tax revenues it receives from the City of Leeds. The 2008 Educational Facilities Revenue Bonds were refunded and the same terms apply to the new bond issue. The City's obligation is limited to providing a portion of the City's supplemental sales and use tax revenues and occupational tax both with tax rate of one cent to PEBA as a credit against the lease payments required to be paid to PEBA by the BOE. The lease payments required to be paid to PEBA by the BOE are equal to the debt service each year on the 2008 Educational Facilities Revenue Bonds. The BOE is required to pay the difference in lease payments if the City's pledged tax revenues are not sufficient to cover the debt service on the bonds. The City entered advance refunding of the original 2008 issue which was completed during the year ended September 30, 2018. All issues refunded are under the same requirements of City repayment as the original 2008 bond issue.

**Restricted Cash and Cash Equivalents**

Restricted assets include cash and cash equivalents restricted for debt service. The PEBA had \$772,687 on deposit with the trustee at September 30, 2021.

**Capital Assets**

Capital assets are accounted for by PEBA in the same manner as capital assets are accounted for by the City.

THE CITY OF LEEDS, ALABAMA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 2 – Discretely Presented Component Unit – Continued

Deferred Outflows of Resources

The PEBA’s statement of net position report has a separate section for deferred outflows of resources. This separate financial statement element reflects a decrease in net position that applies to future periods. Deferred outflows of resources reported in the financial statements is the loss on refunding of warrants payable. The loss on refunding is being amortized over the remaining life of the refunded warrants as part of interest expense. As of September 30, 2021, the loss on refunding of warrants payable, net of accumulated amortization, totaled \$275,988.

Accrued Interest

Accrued expenses at September 30, 2021 include accrued interest which totaled \$808,035.

Bonds Payable

During the year ended September 30, 2016, PEBA partially refunded the 2008 bonds with two issues. The December 18, 2015 refunding bears interest from 1.65% to 4% and will mature April 1, 2032. The principal amount outstanding at September 30, 2019 totaled \$8,930,000. The March 15, 2016, refunding bears interest ranging from 1.75% to 4.00% and will mature April 1, 2035. The principal amount outstanding at September 30, 2019 totaled \$6,880,000. During the year ended September 30, 2017, PEBA partially refunded the 2008 bonds with one issue. The March 15, 2017 refunding bears interest ranging from 2.13% to 5.00% and will mature April 1, 2038. The principal amount outstanding at September 30, 2019 totaled \$24,430,000. Bonds payable are presented net of the premiums and premium accumulated amortization. As of September 30, 2021, the premium, net of accumulated amortization, totaled \$2,738,500.

Net Position

Net position is accounted for the PEBA in the same manner as it is accounted for the City.

NOTE 3 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that “bonds and other long-term liabilities are not due and payable in the current period and are not reported in the funds.” The details of that difference are as follows:

Bonds and notes payable	\$ (74,712,694)
Unamortized loss on refunding	275,988
Deferred inflows and outflows related to pension	440,321
Accrued interest payable	(785,692)
Compensated absences	(391,589)
Pension liability	<u>(6,833,245)</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$ (82,006,911)</u>

THE CITY OF LEEDS, ALABAMA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021

**NOTE 3 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS – continued**

The governmental fund statement of revenues, expenditures, and changes in fund balances include a reconciliation between changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of that difference are as follows:

Net capital outlay	\$ 1,813,698
Depreciation	<u>(1,833,165)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (19,467)</u>

**NOTE 4 - CASH DEPOSITS AND INVESTMENTS**

The City does not have a formal, written investment policy; however, state law limits the kinds of investments that Alabama municipalities can make to: (1) accounts and certificates of deposits with banks or savings associations that are qualified public depositories; (2) direct obligations of the U.S. Department of the Treasury and certain federal agencies (collectively referred in this note as "USTO"); (3) certain qualified obligations of any state and their agencies; and (4) common trust funds, collective investment funds maintained by qualified institutions, or any registered mutual funds, all of which must hold a prescribed amount of obligations meeting the requirements of 1-3 above.

**Investments**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes.

**Custodial Credit Risk - Deposits**

The City has a policy that all of its deposits be insured by federal depository insurance or the Security for Alabama Funds Enhancement, or SAFE program, which was the case for all bank deposits as of September 30, 2021. The SAFE program is administered by the State Treasurer according to State of Alabama statute, and any bank or financial institution in the State of Alabama accepting deposits of public funds is required to insure those funds by pledging eligible collateral to the State Treasurer for the SAFE collateral pool. The entire pool stands behind each deposit. Eligible collateral are those securities currently designated as acceptable collateral for state deposits as defined by State law.

**THE CITY OF LEEDS, ALABAMA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**NOTE 5 - RECEIVABLES**

Receivables consist of the following as of September 30, 2021:

	<u>ENTITY WIDE</u>	<u>GENERAL FUND</u>	<u>DEBT SERVICE</u>	<u>2018 CAPITAL PROJECTS</u>	<u>NON MAJOR SPEC REV</u>	<u>COMP. UNIT</u>
Taxes	\$ 1,969,004	\$ 1,850,897	\$ -	\$ -	\$ 118,107	\$ -
Other	141,495	141,023	472	-	-	-
	<u>2,110,499</u>	<u>1,991,920</u>	<u>472</u>	<u>-</u>	<u>118,107</u>	<u>-</u>
Less allowance for uncollectibles	-	-	-	-	-	-
	<u>\$ 2,110,499</u>	<u>\$ 1,991,920</u>	<u>\$ 472</u>	<u>\$ -</u>	<u>\$ 118,107</u>	<u>\$ -</u>

**NOTE 6 - INTERFUND TRANSFERS**

In general, transfers are used to (1) move revenues from the fund that collects the money to the fund that expends the money, (2) move receipts restricted or earmarked for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due. The composition of interfund balances as of September 30, 2021, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	
Debt Service Fund	General Fund	\$ 4,894,571
Redevelopment Authority	General Fund	<u>50,000</u>
		<u>\$ 4,944,571</u>
	<u>Entity-Wide</u>	
Public Education Building Authority (PEBA)	General Fund	<u>\$ 2,599,034</u>
		<u>\$ 7,543,605</u>

**THE CITY OF LEEDS, ALABAMA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**NOTE 7 - CAPITAL ASSETS AND DEPRECIATION**

Capital asset activity for the year ended September 30, 2021 was as follows:

	BEGINNING BALANCE	ADDITIONS	RETIREMENTS	ENDING BALANCE
<b>GOVERNMENTAL ACTIVITIES:</b>				
Not being depreciated:				
Land	\$ 14,525,326	\$ -	\$ -	\$ 14,525,326
Construction in process	650,634	-	(650,634)	-
	15,175,960	-	(650,634)	14,525,326
Other capital assets:				
Buildings and improvements	7,835,970	403,519	-	8,239,489
Equipment, technology, and rolling equipment	5,924,814	343,137	-	6,267,951
Roads, sidewalks, bridges and drainage structures	22,734,084	256,580	-	22,990,664
Vehicles	3,255,392	1,461,096	-	4,716,488
	39,750,260	2,464,332	-	42,214,592
Accumulated depreciation:				
Buildings and improvements	(2,194,210)	(185,762)	-	(2,379,972)
Equipment, technology, and rolling equipment	(4,531,686)	(305,891)	-	(4,837,577)
Roads, sidewalks, bridges and drainage structures	(7,612,326)	(937,768)	-	(8,550,094)
Vehicles	(1,827,522)	(403,744)	-	(2,231,266)
	(16,165,744)	(1,833,165)	-	(17,998,909)
Net other capital assets	23,584,516	631,167	-	24,215,683
Net capital assets	<u>\$ 38,760,476</u>	<u>\$ 631,167</u>	<u>\$ (650,634)</u>	<u>\$ 38,741,009</u>
<b>COMPONENT UNIT:</b>				
Not being depreciated:				
Land	\$ 2,459,408	\$ -	\$ -	\$ 2,459,408
	2,459,408	-	-	2,459,408
Other capital assets:				
Buildings and improvements	32,699,982	-	-	32,699,982
Furniture and equipment	2,795,467	-	-	2,795,467
Streets, sidewalks and infrastructure	1,743,452	-	-	1,743,452
	37,238,901	-	-	37,238,901
Accumulated depreciation				
	(8,666,816)	(760,422)	-	(9,427,238)
Net other capital assets	68,270,394	(760,422)	-	27,811,663
Net capital assets	<u>\$ 70,729,802</u>	<u>\$ (760,422)</u>	<u>\$ -</u>	<u>\$ 30,271,071</u>

**THE CITY OF LEEDS, ALABAMA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**NOTE 7 - CAPITAL ASSETS AND DEPRECIATION – Continued**

Depreciation was charged to functions as follows:

	<b>CITY</b>
Streets and sanitation	\$ 694,677
Parks and recreation	161,014
Public safety	576,590
Administrative services	400,884
	<u>\$ 1,833,165</u>
 Component unit	 <u>\$ 760,422</u>

**NOTE 8 - BONDS, NOTES AND OTHER LONG-TERM LIABILITIES**

General Obligation Warrants

The City issues general obligation (“G.O.”) warrants, which are a direct obligation and pledge of the full faith and credit of the City, for the acquisition and construction of major capital facilities or to refund other G.O. warrants.

Long-term liability activity for the year ended September 30, 2021 is as follows:

Description	Interest Rate	Balance 9/30/2020	Issued	Retired	Balance 9/30/2021	Amounts Due Within One Year
General Obligation Warrants:						
2017 Series	2.0 - 3.8	\$ 13,735,000	\$ -	\$ 405,000	\$ 13,330,000	\$ 420,000
2017 A Series	2.0 - 3.8	5,370,000	-	4,565,000	805,000	265,000
2017 B Series	2.0 - 3.8	2,685,000	-	2,140,000	545,000	135,000
2018 Series	2.9 - 4.25	6,250,000	-	5,535,000	715,000	-
2020A Series	1.63 - 3.09	3,990,000	-	-	3,990,000	-
2020B Series	1.63 - 3.07	47,535,000	-	350,000	47,185,000	355,000
2020C Series	3.275	2,700,000	-	24,005	2,675,995	98,006
2021A Series	1.06 - 2.36	-	2,215,000	-	2,215,000	-
2021B Series	.31 - 2.36	-	10,080,000	-	10,080,000	-
Subtotal General Obligation Warrants		82,265,000	12,295,000	13,019,005	81,540,995	1,273,006
Total General Obligation Warrants		\$ 82,265,000	\$ 12,295,000	\$ 13,019,005	\$ 81,540,995	\$ 1,273,006
Less:						
Funding agreements from Leeds Board of Education for Series 2017					(6,665,000)	
Unamortized discounts					(163,301)	
Net general obligation warrants payable					\$ 74,712,694	
 <b>Capitalized Lease</b>						
Sutphen Fire Truck	2.39	\$ 330,666	\$ -	\$ 330,666	\$ -	
Total Capitalized Leases		\$ 330,666	\$ -	\$ 330,666	\$ -	

**THE CITY OF LEEDS, ALABAMA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**NOTE 8 - BONDS, NOTES AND OTHER LONG-TERM LIABILITIES – continued**

**Component Unit**

Description	Interest Rate	Balance 9/30/2020	Issued	Retired	Balance 9/30/2021	Amounts Due Within One Year
<b>Series 2015</b>						
Revenue Bonds dated May 1, 2015 due in semi-annual payments on May 1 and November 1 through November 1, 2032 Principally due annually on November 1	2.0 - 3.8	\$ 8,865,000	\$ -	\$ 70,000	\$ 8,795,000	70,000
<b>Series 2016</b>						
Revenue Bonds dated May 1, 2015 due in semi-annual payments on May 1 and November 1 through November 1, 2035 Principally due annually on November 1	2.0 - 3.8	\$ 6,830,000		50,000	\$ 6,780,000	50,000
<b>Series 2017</b>						
Revenue Bonds dated October 12, 201 in semi-annual payments on June 1 and December 1 through December 1, 2038 Principally due annually on December 1	2.0 - 3.8	\$ 23,135,000		1,365,000	\$ 21,770,000	1,430,000
<b>Total long-term liabilities</b>		<u>\$ 38,830,000</u>	<u>\$ -</u>	<u>\$ 1,485,000</u>	<u>\$ 37,345,000</u>	<u>\$ 1,550,000</u>
Less:						
Unamortized discounts					(1,557,402)	
Net general obligation warrants payable					<u>\$ 35,787,598</u>	

Funding Agreement

The City issued the Series 2013 and 2014 General Obligation School Warrants while simultaneously entering into a funding agreement with the Leeds Board of Education (BOE). The funding agreement sets forth that the BOE agrees to pay the City such amounts as shall be required so that for each calendar year during the term, the City's net debt service payments will equal the lesser of 50% of all principal and interest maturities on the warrants or \$450,000. The Series 2013 and 2014 General Obligation School Warrants were refunded through the issuance of the Series 2017 General Obligation School Warrants in October 2017. The funding agreement transferred to the new Series 2017 General Obligation School Warrants with the same terms.

Source of Repayment of Long-Term Liabilities

The City's long-term debt is generally repaid from the Debt Service fund with resources provided by the General Fund. Compensated absences are generally paid with General Fund resources since most of the activities affecting the liability occur within General Fund departments.

**THE CITY OF LEEDS, ALABAMA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**NOTE 8 - BONDS, NOTES AND OTHER LONG-TERM LIABILITIES – continued**

Principal maturities of G.O. warrants and notes payable are as follows for the fiscal years ended:

September 30,	CITY		COMPONENT UNIT	
	Principal	Interest	Principal	Interest
2022	\$ 1,273,006	\$ 2,023,257	\$ 1,550,000	\$ 1,545,370
2023	2,951,264	2,070,839	1,580,000	1,512,533
2024	2,274,631	2,037,145	1,655,000	1,436,957
2025	2,323,110	2,002,188	1,735,000	1,357,633
2026	2,341,704	1,969,761	1,825,000	1,274,070
2027-2031	12,321,757	9,244,045	10,410,000	5,021,700
2032-2036	13,806,329	7,767,180	12,745,000	2,729,730
2037-2041	16,824,194	5,663,711	5,845,000	353,000
2042-2046	18,980,000	2,924,946		
2047-2048	8,445,000	338,901		
	<u>\$81,540,995</u>	<u>\$36,041,973</u>	<u>\$37,345,000</u>	<u>\$15,230,993</u>

On September 9, 2021, the City issued \$2,215,000 of Taxable General Obligation Warrants (Series 2021-A) and \$10,080,000 of Taxable General Obligation School Warrants (Series 2021-B) with interest rates ranging between .31% and 2.36%. The City issued the bonds to advance refund \$11.160 million of the outstanding Series 2017-A, 2017-B, and 2018 General Obligation Warrants with interest rates ranging between 2% and 3.8%. As a result, that portion of the 2017-A, 2017-B and 2018 series bonds is considered defeased, and the City has removed the liability from its accounts. The remaining principal of the 2017-A series bonds, that was not refunded as of September 30, 2021, was \$805,000, the Series 2017-B remaining unpaid was \$545,000 and the Series 2018 not refunded was \$718,000.

The advance refunding reduced total debt service payments over the next 17 years by nearly \$1,557,110. This results in an economic gain (difference between present values of the debt service payments on the old and new debt) of \$1,521,940.

**NOTE 9 - LEASE OBLIGATIONS**

The City leases certain parking lots under noncancelable operating lease agreements. Rent expense paid under the lease agreements during the year ended September 30, 2021 totaled \$38,517. Future minimum lease payments due under noncancelable leases in excess of one year for each of the next five years and thereafter consist of the following:

September 30,	Remaining
	Principal
2022	\$ 38,517
2023	38,517
2024	38,517
2025	38,517
2026	38,517
2027-2031	192,585
2032-2036	192,585
2037-2041	104,542
	<u>\$ 682,297</u>

**THE CITY OF LEEDS, ALABAMA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**NOTE 10 - RISK MANAGEMENT**

The City maintains commercial insurance policies to mitigate risk of significant losses. Management believes the amount of insurance maintained to be adequate. There have been no significant reductions in insurance coverage. Insurance settlements have not exceeded insurance coverage for the current year or the three prior years.

**NOTE 11 - COMMITMENTS AND CONTINGENT LIABILITIES**

The City is involved in various lawsuits at September 30, 2021, substantially all of which will be covered by insurance in the event of a settlement or judgement against the City.

The City, in order to foster economic growth, has entered into the following agreements:

The City has entered into tax abatement agreements with local businesses under the Tax Incentive Reform Act of 1992 to promote economic development. Under the Act, cities, counties and public industrial authorities have the ability to abate sales and use taxes and property taxes for various time periods depending on the type of business. The total amount rebated under these agreements for the year ended September 30, 2021 was \$965,742. The balances remaining to be paid under these agreements as of September 30, 2021 cannot be determined since the total to be paid is dependent upon future sales tax, rental tax and business license revenue from each development.

As of September 30, 2021, the City has entered into a lease/purchase agreement to purchase for \$1,500,000. Annual lease payments of \$124,851 are to begin on December 6, 2022 and will end on December 6, 2036.

**NOTE 13 - PENSION PLAN**

*Employee's Retirement System of Alabama (ERS)*

**Plan Description.** The ERS, an agent multiple-employer public employee retirement plan, was established as of October 1, 1945, pursuant to the *Code of Alabama 1975, Title 36, Chapter 27 (Act 515 of the Legislature of 1945)*. The purpose of the ERS is to provide retirement allowances and other specified benefits for state employees, state police, and on an elective basis, to all cities, counties, towns and quasi-public organizations. Assets of the ERS are pooled for investment purposes. However, separate accounts are maintained for each individual employer so that each employer's share of the pooled assets is legally available to pay the benefits of its employees only. The responsibility for the general administration and operation of ERS is vested in its Board of Control. The ERS Board of Control consists of 13 trustees. The Plan had approximately 90,999 participants from approximately 909 local participating employers as of September 30, 2018 and is administered by the Retirement Systems of Alabama (RSA). Title 36-Chapter 27 of the Code of Alabama grants the authority to establish and amend the benefit terms to the ERS Board of Control. The Plan issues a publicly available financial report that can be obtained at [www.rsa-al.gov](http://www.rsa-al.gov).

**THE CITY OF LEEDS, ALABAMA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**NOTE 13 - PENSION PLAN – Continued**

The ERS Board of Control consists of 13 trustees as follows:

- 1) The Governor, ex officio.
- 2) The State Treasurer, ex officio.
- 3) The State Personnel Director, ex officio.
- 4) The State Director of Finance, ex officio.
- 5) Three vested members of ERS appointed by the Governor for a term of four years, no two of whom are from the same department of state government nor from any department of which an ex officio trustee is the head.
- 6) Six members of ERS who are elected by members from the same category of ERS for a term of four years as follows:
  - a. Two retired members with one from the ranks of retired state employees and one from the ranks of retired employees of a city, county, or a public agency each of whom is an active beneficiary of ERS.
  - b. Two vested active state employees.
  - c. Two vested active employees of an employer participating in ERS pursuant to § 36-27-6.

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

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

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

Members are eligible for disability retirement if they have 10 years of credible service, are currently in-service, and determined by the RSA Medical Board to be permanently incapacitated from further performance of duty. Preretirement death benefits are calculated and paid to the beneficiary based on the member's age, service credit, employment status and eligibility for retirement.

THE CITY OF LEEDS, ALABAMA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTE 13 - PENSION PLAN – Continued

As of September 30, 2018, membership consisted of:

Retirees and beneficiaries currently receiving benefits	57
Vested inactive members	3
Non-vested inactive members	33
Active members	93
Post-DROP participants who are still in active service	-
Total	<u>186</u>

**Contributions.** Tier 1 covered members of the ERS contribute 5 percent of earnable compensation with the exception of certified law enforcement, correctional officers and firefighters who contribute 6 percent. Tier 2 covered members contribute 6 percent of earnable compensation with the exception of law enforcement, correctional officers, and firefighters who contribute 7 percent of earnable compensation. The ERS establishes employer rates based on an actuarial determined rate recommended by an independent actuary. The actuarial determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with additional amounts to finance any unfunded accrued liability, the pre-retirement death benefit and administrative expenses of the Plan. For the year ended September 30, 2021, the City's covered payroll was \$14,123,140. The City's active employee contribution rate was 8.25 percent of covered payroll, and the City's average contribution rate to fund the normal and accrued liability costs was 8.25 percent of covered payroll.

The City's contractually required contribution rate for the year ended September 30, 2021 was XXXX% of pensionable pay for Tier 1 employees, and XXXX% of pensionable pay for Tier 2 employees. These required contribution rates are based upon the actuarial valuation dated September 30, 2017, a percent of annual pensionable payroll, and an actuarially determined amount that, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, with an additional amount to finance any unfunded accrued liability. Total employer contributions to the pension plan from the System were \$644,405 for the year ended September 30, 2021

**THE CITY OF LEEDS, ALABAMA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**NOTE 13 - PENSION PLAN - Continued**

**Net Pension Liability**

The City's net pension liability was measured as of September 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as September 30, 2018 rolled forward to September 30, 2019 using standard roll-forward techniques as shown in the following table:

	<u>Expected</u>	<u>Actual Before Act 2019-132</u>	<u>Actual After Act 2019-132</u>
(a) Total Pension Liability as of September 30, 2019	\$ 17,439,406	\$ 16,945,054	\$ 17,177,496
(b) Discount rate	7.70%	7.70%	7.70%
(c) Entry Age Normal Cost for the period October 1, 2019 - September 30, 2020	342,404	342,404	407,166
(d) Transfers Among Employers:	-	(34,231)	(34,231)
(e) Actual Benefit Payments and Refunds for the period October 1, 2019 - September 30, 2020	<u>(1,359,241)</u>	<u>(1,359,241)</u>	<u>(1,359,241)</u>
(f) Total Pension Liability as of September 30, 2020 = [(a) x (1+(b))] + (c) + (d) + [(e) x (1+0.5*(b))]	<u>\$ 17,713,072</u>	<u>\$ 17,146,424</u>	<u>\$ 17,461,527</u>
(g) Difference between Expected and Actual		\$ (566,648)	
(h) Less Liability Transferred for Immediate Recognition		<u>(34,231)</u>	
(i) Difference between Expected and Actual - Experience (Gain)/Loss = (g) - (h)		<u>\$ (532,417)</u>	
(j) Difference between Actual TPL Before and After Act 2019-132 - Benefit Change (Gain)/Loss			<u>\$ 315,103</u>

**Actuarial assumptions.** The total pension liability in the September 30, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

\*Net of pension plan investment expense

Mortality rates for ERS were based on the sex distinct RP-2000 Blue Collar Mortality Table Projected with Scale BB to 2021 with an adjustment of 125% at all ages for males and 120% for females age 78 and older. The rates of mortality for the period after disability retirement are according to the sex distinct RP-2000 Disabled Retiree Mortality Table Projected with a Scale BB to 2021 with an adjustment of 130% at all ages for females.

**THE CITY OF LEEDS, ALABAMA  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**NOTE 13 - PENSION PLAN - Continued**

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of geometric real rates of return for each major asset class are as follows:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Fixed Income	17%	4.4%
US Large Stocks	32%	8.0%
US Mid Stocks	9%	10.0%
US Small Stocks	4%	11.0%
Int'l Developed Market Stocks	12%	9.5%
Int'l Emerging Market Stocks	3%	11.0%
Alternatives	10%	10.1%
Real Estate	10%	7.5%
Cash Equivalents	3%	1.5%
<b>Total</b>	<b>100%</b>	

**Discount rate.** The discount rate used to measure the total pension liability at September 30, 2020 was the long-term rate of return, 7.70%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the employer contributions will be made in accordance with the funding policy adopted by the ERS Board of Control. Based on those assumptions, components of the pension plan's fiduciary net position were projected to be available to make all projected future benefit payments of current pan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability and a municipal bond rate was not used in determining the discount rate.

**THE CITY OF LEEDS, ALABAMA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**NOTE 13 - PENSION PLAN - Continued**

**Changes in Net Pension Liability:**

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (Asset) (a) - (b)</b>
<b>Balances at September 30, 2019</b>	\$ 17,439,406	\$ 10,643,908	\$ 6,795,498
Changes for the year:			
Service cost	342,404	-	342,404
Interest	1,290,503	-	1,290,503
Changes of benefit terms	315,103	-	315,103
Changes of assumptions	-	-	-
Differences between expected and actual experience	(532,417)	-	(532,417)
Contributions - employer	-	523,802	(523,802)
Contributions - employee	-	263,152	(263,152)
Net investment income	-	590,892	(590,892)
Benefit payments, including refunds of employee contributions	(1,359,241)	(1,359,241)	-
Administrative expense	-	-	-
Transfers among employers	(34,231)	(34,231)	-
Net changes	<u>22,121</u>	<u>(15,626)</u>	<u>37,747</u>
<b>Balances at September 30, 2020</b>	<u>\$ 17,461,527</u>	<u>\$ 10,628,282</u>	<u>\$ 6,833,245</u>

**Sensitivity of the net pension liability to changes in the discount rate.** The following table presents the City's net pension liability calculated using the discount rate of 7.70%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.7%) or 1-percentage-point higher (8.7%) than the current rate:

	<b>1% Decrease (6.70%)</b>	<b>Current Discount Rate (7.70%)</b>	<b>1% Increase (8.70%)</b>
Plan's Net Pension Liability (Asset)	\$ 8,721,159	\$ 6,833,245	\$ 5,243,958

**Pension plan fiduciary net position.** Detailed information about the pension plan's fiduciary net position is available in the separately issued RSA Comprehensive Annual Report for the fiscal year ended September 30, 2020. The supporting actuarial information is included in the GASB Statement No. 68 Report for the ERS prepared as of September 30, 2020. The auditor's report dated June 17, 2021 on the Schedule of Changes in Fiduciary Net Position by Employer and accompanying notes is also available. The additional financial and actuarial information is available at [www.rsa-al.gov](http://www.rsa-al.gov).

**THE CITY OF LEEDS, ALABAMA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**NOTE 13 - PENSION PLAN - Continued**

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

For the year ended September 30, 2021, the City recognized pension expense of \$882,085. At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions of the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 43,435	\$ 742,298
Changes of assumptions	181,048	-
Net difference between projected and actual earnings on plan investments	332,775	-
Employer contributions subsequent to the Measurement Date	625,361	-
Total	\$ 1,182,619	\$ 742,298

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

Amortization of Deferred Inflows / Outflows:  
Year ended September 30,

2022	\$ 620,379
2023	(22,320)
2024	(17,078)
2025	(103,469)
2026	(37,191)
Thereafter	-
	\$ 440,321

**NOTE 14 - ECONOMIC DEPENDENCY**

Sales and use tax revenue accounted for 76 percent of total governmental fund-type revenues for the year ended September 30, 2021.

**THE CITY OF LEEDS, ALABAMA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**NOTE 15 – FUTURE ACCOUNTING PRONOUNCEMENTS**

The Governmental Accounting Standards Board has issued statements that will become effective in subsequent fiscal years. The statements address:

- Statement No. 87, *Leases* – This statement changes the recognition requirements for certain lease assets and liabilities for leases that are currently classified as operating leases. This statement will become effective for the City in fiscal year 2022.
- Statement No. 91, *Conduit Debt Obligations* – This statement will become effective for the city in fiscal year 2022.
- Statement No. 92, *Omnibus 2020* – This statement will become effective for the City in fiscal year 2022.
- Statement No. 93, *Replacement of Interbank Offered Rates* – This statement will become effective for the City in fiscal year 2022.
- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* – This statement will become effective for the City in Fiscal year 2023

The City is currently evaluating the effects that these statements will have on its financial statements for subsequent years.

The City has implemented GASB Statement No. 84, *Fiduciary Activities*. The implementation of this statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity, and (2) the beneficiaries with whom a fiduciary relationship exists. The City has evaluated these criteria and determined that activities related to its collections and payments of personal property ad valorem taxes related to sales of car tags by the City should be reported as a fiduciary fund in accordance with GASB Statement No. 84. The implementation of GASB Statement No. 84 had no impact on prior period balance of fiduciary net position in the Fiduciary custodial fund.

**NOTE 16 - SUBSEQUENT EVENTS**

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2021, the World Health Organization characterized COVID-19 as a pandemic. Multiple jurisdictions in the U.S., including the state of Alabama, have declared a state of emergency. It is anticipated that these impacts will continue for some time. While there have been no immediate, significant impacts to the City's operations and finances, the potential exists for future disruptions or restrictions on City services due to the outbreak. The financial impact of the outbreak, if any, cannot be estimated at this time.

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through April 29, 2022, the date the financial statements were available to be issued.

**REQUIRED SUPPLEMENTARY INFORMATION**

DRAFT

**THE CITY OF LEEDS, ALABAMA**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY – RETIREMENT SYSTEMS OF ALABAMA**  
**FOR THE YEAR ENDED SEPTEMBER 30,**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total pension liability</b>							
Service cost	\$ 342,404	\$ 375,585	\$ 348,488	\$ 399,675	\$ 367,882	\$ 358,605	\$ 381,946
Interest	1,290,503	1,289,420	1,306,503	1,287,757	1,234,560	1,185,534	1,156,691
Changes of benefit terms	315,103	-	-	-	-	-	-
Differences between expected and actual experience	(532,417)	-	(473,971)	(25,982)	224,420	330,754	-
Changes of assumptions	-	(59,956)	86,107	-	692,767	-	-
Benefit payments, including refunds of employee contributions	(1,359,241)	(1,468,161)	(1,338,653)	(1,353,226)	(1,330,876)	(1,193,260)	(1,162,956)
Transfers among employers	(34,231)	(177,274)	23,887	(73,621)	6,641	-	-
<b>Net change in total pension liability</b>	<u>22,121</u>	<u>(40,386)</u>	<u>(47,639)</u>	<u>234,603</u>	<u>1,195,394</u>	<u>681,633</u>	<u>375,681</u>
<b>Total pension liability - beginning</b>	<u>17,439,406</u>	<u>17,479,792</u>	<u>17,527,431</u>	<u>17,292,828</u>	<u>16,097,434</u>	<u>15,415,801</u>	<u>15,040,120</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 17,461,527</u>	<u>\$ 17,439,406</u>	<u>\$ 17,479,792</u>	<u>\$ 17,527,431</u>	<u>\$ 17,292,828</u>	<u>\$ 16,097,434</u>	<u>\$ 15,415,801</u>
<b>Plan fiduciary net position</b>							
Contributions - employer	\$ 523,802	\$ 477,559	\$ 461,968	\$ 482,623	\$ 486,514	\$ 468,873	\$ 439,609
Contributions - member	263,152	245,917	239,059	237,767	249,717	230,745	237,993
Net investment income	590,892	278,013	982,163	1,279,525	983,470	120,289	1,151,891
Benefit payments, including refunds of employee contributions	(1,359,241)	(1,468,161)	(1,338,653)	(1,353,226)	(1,330,876)	(1,193,260)	(1,162,956)
Transfers among employers	(34,231)	(177,274)	23,887	(73,621)	6,641	(123,502)	(123,408)
<b>Net change in plan fiduciary net position</b>	<u>(15,626)</u>	<u>(643,946)</u>	<u>368,424</u>	<u>573,068</u>	<u>395,466</u>	<u>(496,855)</u>	<u>543,129</u>
<b>Plan net position - beginning</b>	<u>10,643,908</u>	<u>11,287,854</u>	<u>10,919,430</u>	<u>10,346,362</u>	<u>9,950,896</u>	<u>10,447,751</u>	<u>9,904,622</u>
<b>Plan net position - ending (b)</b>	<u>\$ 10,628,282</u>	<u>\$ 10,643,908</u>	<u>\$ 11,287,854</u>	<u>\$ 10,919,430</u>	<u>\$ 10,346,362</u>	<u>\$ 9,950,896</u>	<u>\$ 10,447,751</u>
<b>Net pension liability (asset) - ending (a) - (b)</b>	<u>\$ 6,833,245</u>	<u>\$ 6,795,498</u>	<u>\$ 6,191,938</u>	<u>\$ 6,608,001</u>	<u>\$ 6,946,466</u>	<u>\$ 6,146,538</u>	<u>\$ 4,968,050</u>
Plan fiduciary net position as a percentage of the total pension liability	60.87%	61.03%	64.58%	62.30%	59.83%	61.82%	67.77%
Covered-employee payroll	\$ 4,019,877	\$ 3,995,600	\$ 3,916,606	\$ 3,973,863	\$ 4,227,319	\$ 4,128,559	\$ 4,076,199
Net pension liability (asset) as a percentage of covered-employee payroll	169.99%	170.07%	158.09%	166.29%	164.32%	148.88%	121.88%

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

See notes to the required supplemental information.

**THE CITY OF LEEDS, ALABAMA**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS – RETIREMENT SYSTEMS OF ALABAMA**  
**FOR THE YEAR ENDED SEPTEMBER 30,**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 1,164,747	\$ 1,059,803	\$ 1,000,397	\$ 891,797	\$ 851,471	\$ 821,552	\$ 764,120
Contribution in relation to the actuarially determined contribution	<u>1,164,747</u>	<u>1,059,803</u>	<u>1,000,397</u>	<u>891,797</u>	<u>851,471</u>	<u>821,552</u>	<u>764,120</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 14,123,140	\$ 13,242,966	\$ 12,698,966	\$ 12,071,533	\$ 10,990,780	\$ 10,452,502	\$ 9,801,065
Contributions as a percentage of covered-employee payroll	8.25%	8.00%	7.88%	7.39%	7.75%	7.86%	7.80%

Actuarial cost method:	Entry Age
Amortization Method:	Level percent closed
Remaining amortization period:	17.1 years
Asset valuation method:	Five-year smoothed market
Inflation:	3.00%
Salary increases:	3.25 – 5.00%, including inflation
Investment rate of return:	7.70%, net of pension plan investment expense, including inflation

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

See notes to the required supplemental information.

**THE CITY OF LEEDS, ALABAMA**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**  
**– GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>Revenues:</b>				
Taxes	\$ 14,407,960		\$ 20,714,435	
Licenses and permits	1,506,610		1,051,732	
Intergovernmental	201,220		2,306,475	
Charges for services	119,318		302,250	
Fines and forfeitures	967,311		984,704	
Interest	20,000		33,117	
Other	114,669		2,479,027	
Total Revenues	<u>17,337,088</u>	-	<u>27,871,740</u>	-
<b>Expenditures:</b>				
Current operations:				
General government	2,691,430		4,618,372	
Public safety:				
Fire and rescue	2,715,599		3,626,691	
Police and court	3,603,551		3,841,335	
Streets and sanitation	1,695,400		2,055,938	
Parks and recreation	322,100		11,283	
Library	207,425		398,183	
Engineering and inspection				
Redevelopmnt Expenses	554,100		361,981	
Total current operations	<u>11,789,605</u>	-	<u>14,913,783</u>	-
Capital outlays			35,979	
Debt service	5,500,000			
Total expenditures	<u>17,289,605</u>	-	<u>14,949,762</u>	-
Revenues over / (under) expenditures		-	12,921,978	-
<b>Other financing sources / (uses):</b>				
Transfers to component unit	-		(2,599,034)	
Interfund transfers out	-		(4,944,571)	
Total other financing sources / (uses)	<u>-</u>	-	<u>(7,543,605)</u>	-
Net change in fund balance	<u>\$ 47,483</u>	<u>\$ -</u>	<u>5,378,373</u>	<u>\$ -</u>
Fund balances, beginning			<u>18,969,121</u>	
Fund balances, ending			<u>\$ 24,347,494</u>	

See notes to the required supplemental information.

THE CITY OF LEEDS, ALABAMA  
NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION  
FOR THE YEAR ENDED SEPTEMBER 30, 2021

**NOTE 1 - COMPLIANCE AND ACCOUNTABILITY**

**Budget Requirements, Accounting, and Reporting**

**Requirements:**

A budget is adopted for the City’s general fund. The budget is based on expected expenditures by program and estimated resources by source.

With the exception of construction in progress, appropriations lapse at the end of each fiscal year.

Appropriation control (City Council appropriated budget) is by department within a fund. The budget may be amended to transfer amounts between departments. Budgetary comparison schedules are presented in the Supplemental Section as Required Supplemental information. The budgetary basis is the modified accrual basis of accounting with encumbrances included as actual.

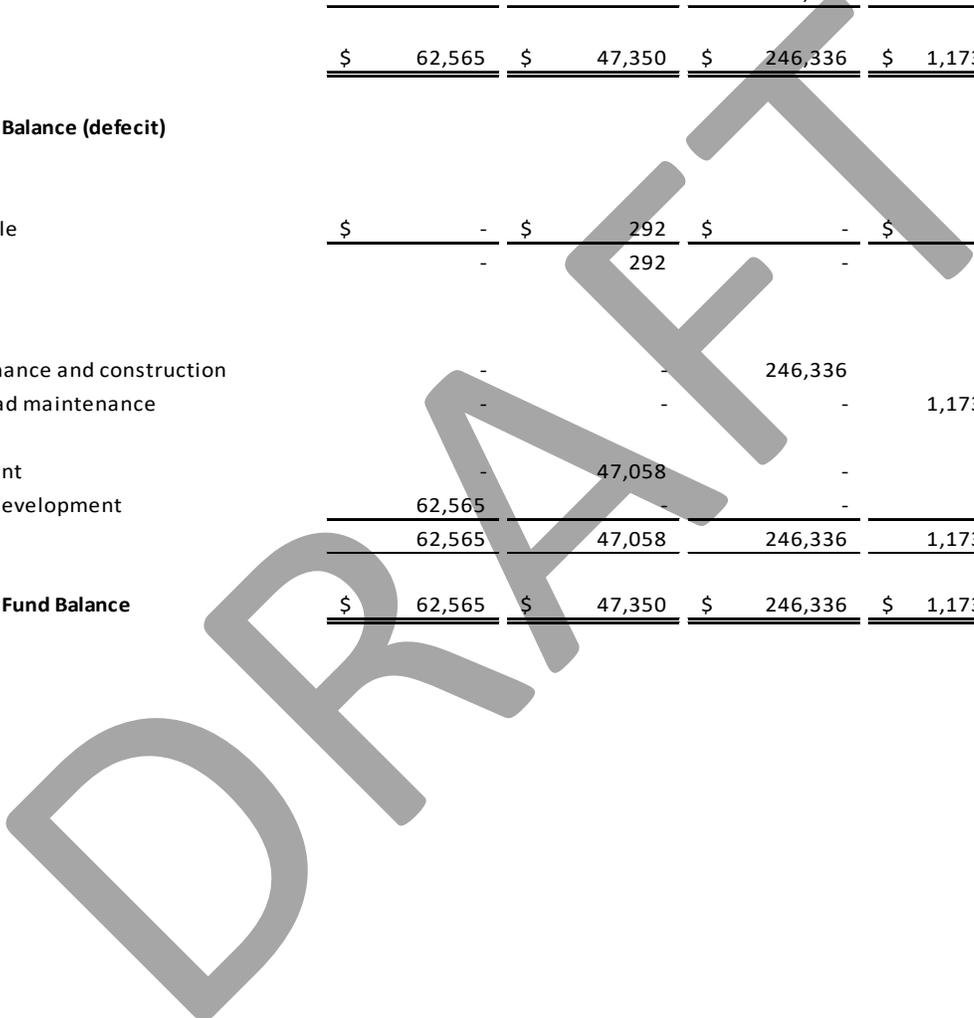
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**SUPPLEMENTARY INFORMATION**

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**SUPPLEMENTARY INFORMATION  
THE CITY OF LEEDS, ALABAMA  
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Commercial Development Authority	Redevelopment Authority	Special Revenue Funds		Nonmajor Governmental Funds
			State 4 Cent Gas Tax	State 7 Cent Gas Tax	
<b>Assets</b>					
Current assets					
Cash and cash equivalents	\$ 62,565	\$ 47,350	\$ 190,803	\$ 1,110,625	\$ 1,411,343
Accounts receivable	-	-	55,533	62,574	118,107
<b>Total Assets</b>	<u>\$ 62,565</u>	<u>\$ 47,350</u>	<u>\$ 246,336</u>	<u>\$ 1,173,199</u>	<u>\$ 1,529,450</u>
<b>Liabilities and Fund Balance (defecit)</b>					
Current liabilities					
Accounts payable	\$ -	\$ 292	\$ -	\$ -	\$ 292
	-	292	-	-	292
<b>Fund Balance</b>					
Restricted for:					
Road maintenance and construction	-	-	246,336	-	246,336
Street and road maintenance	-	-	-	1,173,199	1,173,199
Assigned for:					
Redevelopment	-	47,058	-	-	47,058
Commercial development	62,565	-	-	-	62,565
	<u>62,565</u>	<u>47,058</u>	<u>246,336</u>	<u>1,173,199</u>	<u>1,529,158</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 62,565</u>	<u>\$ 47,350</u>	<u>\$ 246,336</u>	<u>\$ 1,173,199</u>	<u>\$ 1,529,450</u>



**SUPPLEMENTARY INFORMATION  
THE CITY OF LEEDS, ALABAMA**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE IN NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Commercial Development Authority	Redevelopment Authority	Special Revenue Funds		Nonmajor Governmental Funds
			State 4 Cent Gas Tax	State 7 Cent Gas Tax	
<b>Revenue</b>					
Taxes	\$ -	\$ -	\$ 148,233	\$ 490,399	\$ 638,632
Services	-	-	-	-	-
Interest	162	-	-	709	871
	<u>162</u>	<u>-</u>	<u>148,233</u>	<u>491,108</u>	<u>639,503</u>
<b>Expenditures</b>					
Redevelopment	-	63,945	-	-	63,945
Streets and Infrastructure	-	-	2,732	-	2,732
	<u>-</u>	<u>63,945</u>	<u>2,732</u>	<u>-</u>	<u>66,677</u>
<b>Capital Outlay</b>					
<b>Other Financing Sources/(Uses)</b>					
Transfers In/(Out)	-	50,000	-	-	50,000
	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
<b>Net Change in Fund Balance</b>	162	(13,945)	145,501	491,108	622,826
<b>Fund Balance (Defecit) - Beginning of Year</b>	<u>62,403</u>	<u>61,003</u>	<u>100,835</u>	<u>682,091</u>	<u>906,332</u>
<b>Fund Balance (Defecit) - End of Year</b>	<u>\$ 62,565</u>	<u>\$ 47,058</u>	<u>\$ 246,336</u>	<u>\$ 1,173,199</u>	<u>\$ 1,529,158</u>

**THE CITY OF LEEDS, ALABAMA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

<u>Federal Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures</u>
Direct Programs:			
U.S. Department of Treasury Passed through the Alabama Department of Finance Coronavirus State and Local Fiscal Recovery Funds Total: U.S. Department of Treasury	21.027	ARPM210239	\$ 1,429,643 <u>1,429,643</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE			<u>\$ 1,429,643</u>

**NOTE 1 – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of The City of Leeds and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the 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).

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**NOTE 3 – De MINIMIS INDIRECT COST RATE**

The City of Leeds has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

THE CITY OF LEEDS, ALABAMA  
SCHEDULE OF PRIOR AND CURRENT YEAR FINDINGS  
SEPTEMBER 30, 2021

**PRIOR YEAR – FINDINGS, RECOMMENDATIONS, AND REPLIES**

There are no prior year audit findings.

**CURRENT YEAR – FINDINGS, RECOMMENDATIONS, AND REPLIES**

There are no current year audit findings.

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THE CITY OF LEEDS, ALABAMA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021

**PART I: SUMMARY OF AUDITORS' RESULTS:**

**FINANCIAL STATEMENTS**

Type of auditors' report issued:

Unmodified

Internal control over financial reporting:

Are material weaknesses identified?                      Yes           X           No

Are significant deficiencies that are not considered to be material weaknesses identified?                      Yes           X           None reported

Is noncompliance which could have a material effect on the financial statements identified?                      Yes           X           No

**FEDERAL AWARDS**

Internal control over major programs:

Are material weaknesses identified?                      Yes           X           No

Are significant deficiencies that are not considered to be material weaknesses identified?                      Yes           X           None reported

Type of report issued on compliance with requirements applicable to each major program? Unmodified

Are there and audit findings that are required to be reported in accordance with section 2 CFR 200.516(a)?                      Yes           X           No

Identification of major programs:

<u>Name of Federal Program</u>	<u>CFDA Number</u>
Coronavirus State and Local Fiscal Recovery Plan	21.027

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Is the auditee identified as a low-risk auditee?           X           Yes                      No

THE CITY OF LEEDS, ALABAMA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021

**PART II. FINANCIAL STATEMENT FINDING**

None.

**PART III. FEDERAL AWARD FINDING AND QUESTIONED COST**

None.

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**EMPLOYEES' RETIREMENT SYSTEM OF ALABAMA**  
**ACTUARIAL VALUATION AS OF SEPTEMBER 30, 2020**  
*Rates Effective for Period Beginning October 1, 2022*



**2368 LED Leads**

These valuation results reflect your agency's election made under Act 2019-132 to allow Tier 2 members to receive the same benefits as Tier 1 members.

Our records indicate that your agency has not elected to increase the employee contribution rate as provided by Act 2011-676. In the event that you do wish to adopt these provisions effective 10/1/2022, we have provided additional information related to your contribution rates under these provisions.

**Summary of Employee Census Data**

	<u>Tier 1</u>	<u>DROP</u>	<u>Tier 2</u>	<u>Total</u>
Number of active members:	37	0	56	93
Annual compensation:	\$2,089,887	\$ 0	\$2,121,270	\$4,211,157
	<u>Retirees</u>	<u>DROP</u>		<u>Total</u>
Number of retired members and beneficiaries:	57	0		57
Annual retirement allowances:	\$1,316,032	\$ 0		\$1,316,032
	<u>Vested</u>	<u>Non-vested</u>		<u>Total</u>
Number of inactive members:	5	31		36
Accumulated contributions with interest:	\$115,970	\$76,153		\$192,123

**Required Employer Contribution Rates**

<b>Tier 1 Employees</b> <b>(applies to all members hired before January 1, 2013)</b>	<b>Retain Current Member</b> <b>Contribution Rates</b>	<b>Elect to</b> <b>Increase Member</b> <b>Contribution Rates</b> <b>Under Act 2011-676</b>
Normal cost	3.79%	1.34%
Accrued liability	10.29	10.31
Pre-retirement death benefit	0.02	0.02
Administrative expense	<u>0.35</u>	<u>0.35</u>
Total Employer Contribution Rate	14.45%	12.02%
5% Employer contribution factor (14.45%/5%)	2.890000	
6% Employer contribution factor (14.45%/6%)	2.408333	
7.5% Employer contribution factor (12.02%/7.5%)		1.602667
8.5% Employer contribution factor (12.02%/8.5%)		1.414118
<b>Tier 2 Employees</b> <b>(applies to all members hired on or after January 1, 2013)</b>		
Normal cost	2.02%	2.02%
Accrued liability	10.29	10.31
Pre-retirement death benefit	0.02	0.02
Administrative expense	<u>0.35</u>	<u>0.35</u>
Total Employer Contribution Rate	12.68%	12.70%
7.5% Employer contribution factor (12.68%/7.5%)	1.690667	
8.5% Employer contribution factor (12.68%/8.5%)	1.491765	
7.5% Employer contribution factor (12.70%/7.5%)		1.693333
8.5% Employer contribution factor (12.70%/8.5%)		1.494118

(See other side for additional information)

**EMPLOYEES' RETIREMENT SYSTEM OF ALABAMA  
ACTUARIAL VALUATION AS OF SEPTEMBER 30, 2020**

**2368 LED Leeds**

(Continued)

**Schedule of Funding Progress**

Actuarial Valuation  <u>Date</u>	Actuarial Value of Assets*  <u>(a)</u>	Actuarial Accrued Liability (AAL) Entry Age  <u>(b)<sup>1</sup></u>	Unfunded AAL (UAAL)  <u>(b - a)</u>	Funded Ratio  <u>(a / b)</u>	Covered Payroll  <u>(c)</u>	UAAL as a Percentage of Covered Payroll  <u>((b - a) / c)</u>
9/30/2015	\$10,050,287	\$16,112,154	\$6,061,867	62.4%	\$3,978,236	152.4%
9/30/2016 <sup>3</sup>	\$10,327,105	\$17,098,365	\$6,771,260	60.4%	\$4,285,923	158.0%
9/30/2017 <sup>3</sup>	\$10,598,391	\$17,087,551	\$6,489,160	62.0%	\$3,807,964	170.4%
9/30/2018 <sup>3</sup>	\$10,918,365	\$17,424,123	\$6,505,758	62.7%	\$4,134,846	157.3%
9/30/2019 <sup>4</sup>	\$10,753,410	\$17,177,496	\$6,424,086	62.6%	\$3,944,343	162.9%
9/30/2020 <sup>4</sup>	\$10,963,557	\$17,612,145	\$6,648,588	62.2%	\$4,211,157	157.9%
9/30/2020 <sup>2,4</sup>	\$10,963,557	\$17,627,875	\$6,664,318	62.2%	\$4,211,157	158.3%

<sup>1</sup> Reflects liability for cost of living benefit increases granted on or after October 1, 1978.  
<sup>2</sup> Reflects the impact of Act 2011-676, which increases the member contribution rates by 2.25% beginning October 1, 2011 and by an additional 0.25% beginning October 1, 2012.  
<sup>3</sup> Reflects changes in actuarial assumptions.  
<sup>4</sup> Reflects the impact of Act 2019-132, which provides Tier 1 benefits to Tier 2 members.

Market Value of Assets as of September 30, 2020: \$10,628,282

Valuation date	9/30/2020
Actuarial cost method	Entry Age
Amortization method	Level percent closed
Remaining amortization period	25.8 years
Asset valuation method	5-year smoothed market
Actuarial assumptions:	
Investment rate of return**	7.70%
Projected salary increases**	3.25 – 5.00%
**Includes inflation at	3.00%
Cost-of-living adjustments	None

Please see the "Report on the Actuarial Valuation of the Employees' Retirement System of Alabama Prepared as of September 30, 2020" found at <https://www.rsa-al.gov/employers/financial-reports/> for a detailed description of the benefits, assumptions and methods used to determine the results shown in this statement.

## Department Hours- OT

From 05/03/22 to 05/16/22

Department	OT	COM	PDC	FDC	Totals
	203:00	6:30	12:00	15:00	236:30
ADM-1	20:53				20:53
CRT-11	1:17	6:30			7:47
DEV-50	7:45				7:45
FIRE1-26	29:00			15:00	44:00
POL-22	64:08		12:00		76:08
STR-80	79:57				79:57

# Department Hours- OT

From 05/17/22 to 05/30/22

Department	OT	FDC	Totals
	112:35	27:00	139:35
ADM-1	9:30		9:30
FIRE1-26	35:00	11:00	46:00
FIRE2-26	10:30	16:00	26:30
POL-22	39:13		39:13
STR-80	18:22		18:22

**File Attachments for Item:**

8. Social Services Department: Director Bryan  
June 2022 Calendars

# Leeds Senior Center Newsletter

## June, 2022

Welcome to the Leeds Senior Center!

The Center is a great environment of which to be a part. This brief newsletter and calendar is a handy reminder of our regularly scheduled activities; with some specific things noted:

- The Center is open Monday thru Thursday, 10:00 am to 2:00 pm
- Lunch is served at 11:30 each day, and the cost is \$2 per person
- All activities at the Center are meant to be fun, enjoyable and optional
- Regular Activities include - Exercise led by Paul Zuckerman on Mondays and Wednesdays at 10:45; Bible study led by Pastor Chuck Kakul on Mondays at 12:15; and Line Dancing on Wednesdays at 12:15
- Tuesday is game day - favorites include Dominos, Phase 10, Sequence and BUNCO. Special BINGO day on June 21.
- On Thursdays we have Karen Carroll leading our art class; dates are noted on the calendar
- **Our art exhibit continues through the month of June at the Leeds Arts Council.**
- Our Birthday Celebration this month is on June 23. **RSVP is required**
- **We will be having lunch at the Birmingham Botanical Gardens on June 16. RSVP is required. Space is limited.**
- The telephone number for the Center is 205.699.0910
- If you are joining us at the Center for the first time, please make sure your name is on the lunch list or call the Center at 205.699.0910 to let us know you're on the way

See you at the Center.

*Audrey*





# June 2022 ~ Senior Center

## Monday ~ Thursday, 10:00 am to 2:00 pm

### 205.699.0910

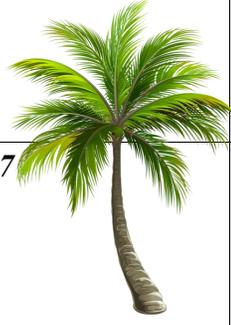
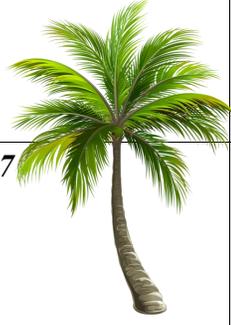
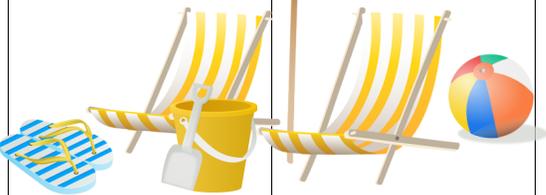
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	<p><i>The Leeds Senior Center reopened on June 9, 2021 after being closed for over a year due to COVID.</i></p> <p><i>Happy One Year Anniversary!</i></p>		<p><i>1</i></p> <p><i>Exercise 10:45</i> <i>Lunch (\$2)</i> <i>Line Dancing @ 12:30</i></p>	<p><i>2</i></p> <p><i>Art with Karen</i> <i>Lunch (\$2)</i> <i>RSVP required</i></p>	<p><i>3</i></p>	<p><i>4</i></p>
	<p><i>6</i></p> <p><i>Exercise 10:45</i> <i>Lunch (\$2)</i> <i>Bible Study</i></p>	<p><i>7</i></p> <p><i>Game Day~</i> <i>Lunch (\$2)</i></p>	<p><i>8</i></p> <p><i>Exercise 10:45</i> <i>Lunch (\$2)</i> <i>Line Dancing @ 12:30</i></p>	<p><i>9</i></p> <p><i>Art with Karen</i> <i>RSVP required</i> <i>"1 Year Reopen Anniversary"</i></p>	<p><i>10</i></p>	<p><i>11</i></p>
<p><i>12</i></p>	<p><i>13</i></p> <p><i>Exercise 10:45</i> <i>Lunch (\$2)</i> <i>No Bible Study</i> <i>Ice Cream Social</i></p>	<p><i>14</i></p> <p><i>Game Day~</i> <i>Lunch (\$2)</i></p>	<p><i>15</i></p> <p><i>Exercise 10:45</i> <i>Lunch (\$2)</i> <i>Line Dancing @ 12:30</i></p>	<p><i>16</i></p> <p><i>Lunch @</i> <i>Bham Botanical</i> <i>Gardens ~</i> <i>RSVP required</i></p>	<p><i>17</i></p>	<p><i>18</i></p>
<p><i>19</i></p>	<p><i>20</i></p> <p><i>Exercise 10:45</i> <i>Lunch (\$2)</i> <i>Bible Study</i></p>	<p><i>21</i></p> <p><i>Game Day~</i> <i>BINGO by</i> <i>Complete Health</i> <i>Lunch (\$2)</i></p>	<p><i>22</i></p> <p><i>Exercise 10:45</i> <i>Lunch (\$2)</i> <i>Line Dancing @ 12:30</i></p>	<p><i>23</i></p> <p><i>Birthday</i> <i>Celebration</i></p>	<p><i>24</i></p>	<p><i>25</i></p>
<p><i>26</i></p>	<p><i>27</i></p> <p><i>Exercise 10:45</i> <i>Lunch (\$2)</i> <i>Bible Study</i></p>	<p><i>28</i></p> <p><i>Game Day~</i> <i>Lunch (\$2)</i></p>	<p><i>29</i></p> <p><i>Exercise 10:45</i> <i>Lunch (\$2)</i> <i>Line Dancing @ 12:30</i></p>	<p><i>30</i></p> <p><i>Art with Karen</i> <i>Lunch (\$2)</i> <i>RSVP required</i></p>		



# June 2022 ~ Menu

## Lunch served at 11:30 ~ \$2 per person

### 205.699.0910

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	<i>The Leeds Senior Center reopened on June 9, 2021 after being closed for over a year due to COVID.  Happy One Year Anniversary!</i>		<i>1 Brisket Cheese St. Steamed Broccoli Baked Apples Coconut Pie</i>	<i>2 Supreme Pizza Pepperoni Pizza Broccoli Salad Brownies</i>		<i>4</i> 
	<i>6 Sloppy Joes Roasted Potatoes Coleslaw Peanut Butter Pie</i>	<i>7 Chicken Salad Fruit Salad Pimento Cheese Bread Pudding</i>	<i>8 Pot Roast Mashed Potatoes Green Beans Red Velvet Cake</i>	<i>9 Sub Sandwiches Chips Gooney Cake</i>	<i>10</i> 	<i>11</i> 
<i>12</i> 	<i>13 Hamburgers Baked Beans Hashbrown Cass Strawberry Cake</i>	<i>14 Baked Pot. Bar Cupcakes</i> 	<i>15 Chicken Thighs Potatoe AuGratin Glazed Carrots Apple Cobbler</i>	<i>16 Lunch @ Bham Botanical Gardens ~ RSVP required</i>	<i>17</i> 	<i>18</i> 
<i>19</i> 	<i>20 Hamburger Steak Mashed Potatoes Steamed Broccoli Pineapple Cake</i>	<i>21 Chicken Tenders Green Salad Mac &amp; Cheese Coconut Pie</i>	<i>22 Smoked Chicken Mac &amp; Cheese Coleslaw Strawberry Trifle</i>	<i>23</i>  <i>Birthday Celebration</i>	<i>24</i> 	<i>25</i>
<i>26</i> 	<i>27 Pulled Pork Collard Greens Blackeye Peas Banana Pudding</i>	<i>28 Chicken Salad Fruit Salad Pimento Cheese Apple Cobbler</i>	<i>29 Shells w/ Meat S. Roasted Zucchini Corn Chocolate Pie</i>	<i>30 Ham/Cheese Quiche Fruit/Green Sal. Cookies</i>		

**File Attachments for Item:**

9. Resolution 22-000387: Consider Declaring Certain Conditions to be a Public Nuisance at 142 Willow Street

**CITY OF LEEDS  
RESOLUTION 22-000387**

**RESOLUTION IN DETERMINATION OF CERTIAN CONDITIONS TO BE AN ANNOYANCE AND PUBLIC NUISANCE IN VIOLATION OF CHAPTER 32 OF THE CODE OF ORDINANCES, FOR THE CITY OF LEEDS, AL.**

**WHEREAS**, in accordance with, without limitation, Code of Ordinances for the city of Leeds, Alabama Chapter 32, §11-47-117, and 11-67-60 to 11-67-67 Code of Alabama 1975 (cumulatively referred to as the "Law"), the City Council of the City of Leeds has the authority to determined that certain conditions upon certain properties in the city of Leeds are offensive, produce an annoyance, constitute a threat to the general public health, safety and welfare of the City of Leeds, Alabama and are in fact a public nuisance; and

**WHEREAS**, employees or agents of the City of Leeds have identified certain conditions to be a nuisance in violation of the law as existing on certain property at 142 WILLOW ST LEEDS, AL 35094, Parcel ID: 2500282003010000 which is identified in Exhibit A attached hereto and incorporated herein (the "Property"); and

**WHEREAS**, in accordance wit the Law, the City Council of the City of Leeds, after considering the report and the associated notices as presented by staff, may find that the subject conditions identified by the supporting information and documentation related to the subject Property(ies) are a public nuisance and order the immediate abatement of such conditions; and

**WHEREAS**, the City Council of the City of Leeds may hold a public hearing if requested by the property owner to have the opportunity of being heard and to discuss the conditions as presented; and

**WHEREAS**, in accordance with the Law, the City of Leeds is to keep an account of the cost of abating or removing the nuisance on any such property when the owner fails to comply with the provided notices; and

**WHEREAS**, in accordance with the Law, the City Council of the City of Leed desires to make a determination as to whether or not a public nuisance actually exists at the subject Property(ies), based on the information as presented, and potentially order the abatement of any such nuisance(s).

**NOW THEREFORE, BE IT RESOLVED**, by the City Council of the City of Leeds follows:

1. All of the Recitals above are true and correct and are hereby incorporated herein as if fully set forth
2. The conditions identified by the Notice(s) of the Public Nuisance, in relation to the Property(ies) identified on the report as Attached hereto as Exhibit A including the requisite notices and supporting information as provided to the Property owner and posted at the Property, and all hereby declared to be a public nuisance in the City of Leeds.
3. The identified public nuisance(s) is relation to the subject Property(ies) shall be abated and/or removed by the City, if necessary, with costs assessed to the subject Property.
4. City staff is to create a report of the related costs for abating or removing any remaining nuisance(s) from the Property and to provide such report back to the City Council for approval of the costs related to the same.
5. The provisions of the Resolution are severable. If any part of the Resolution is determined to be invalid, unenforceable or unconstitutional, such determination shall not affect any other part of this Resolution.
6. The City Budget is amended to fund the deceleration of public Nuisance abatements.

**ADOPTED and APPROVED** this the 06/06/2022

CITY OF LEEDS, ALABAMA

\_\_\_\_\_  
DAVID MILLER, MAYOR

\_\_\_\_\_  
DATE

ATTEST:

AYES	_____
NAYS	_____
ABSENT FROM VOTING	_____
ABSTAIN	_____

\_\_\_\_\_  
Toushi Arbitelle,  
CITY CLERK

I, Toushi Arbitelle, City Clerk of the City of Leeds, hereby certify that the above Resolution was duly adopted by the City Council of the City of Leeds at a regular meeting held on 06/06/2022

\_\_\_\_\_  
Toushi Arbitelle, City Clerk

**File Attachments for Item:**

10. Resolution L20-000068: Consider Abatement Lien for 115 Willow Street

**CITY OF LEEDS  
RESOLUTION L20-000068**

**RESOLUTION CONFIRMING REPORT OF  
COSTS AND**

**CREATING WEED LIEN ON PROPERTIES  
(Weed Abatement)**

**WHEREAS**, in accordance with Alabama Code §§ 11-67-60 to 11-67-67 (the "Act") and the City Leeds Weed Abatement Ordinance, the City Council of the City of Leeds by Resolution determined that certain conditions to include, without limitation, excessive weed growth, existing upon certain properties in the City of Leeds constituted a serious threat to the general public health, safety and welfare of the City of Leeds, Alabama to the extent that such conditions were a public nuisance.

**WHEREAS**, in accordance with the Act, the City Council of the City of Leeds, ordered the immediate abatement of such public nuisance.

**WHEREAS**, employees or agents of the City of Leeds have caused the abated such public nuisance through the removal of the nuisance located on the properties listed in Exhibit A attached here to and incorporated herein (the "Properties").

**WHEREAS**, in accordance with the Act, the City of Leeds kept an account of the cost of abating or removing the nuisance on each of the Properties and an itemized report (the "Report") showing the cost of such abatement or removal is shown on Exhibit A.

**WHEREAS**, in accordance with the Act, a copy of the Report was posted prior to submission to the City Council for confirmation.

**WHEREAS**, in accordance with the Act, the City Council of the City of Leeds desires to confirm the Report and create a weed lien on each of the Properties in the amount of the cost for abating or removing the nuisance for the respective Properties as shown on the Report.

**NOW THEREFORE, BE IT RESOLVED**, by the City Council of the City of Leeds as follows:

1. All of the Recitals above are true and correct and are here by incorporated herein.
2. The Report is here by confirmed and the respective amount as shown on the Report for abating or removing the nuisance for each of the respective properties is here by established as a lien under and pursuant to the Act.
3. The City Clerk is here by ordered to give a copy of this Resolution to the tax collector or revenue commissioner for the respective county in which each of the Properties is located so that the lien shall be added to the next regular bill for taxes.

CITY OF LEEDS, ALABAMA

DAVID MILLER, MAYOR

ATTEST

DATE

Toushi Arbitelle, CITY CLERK

Exhibit "A"

68

**CITY OF LEEDS  
NUISANCE ABATEMENT COST SHEET**

<b>TAX PARCEL ID:</b>	2500281001064000
<b>SITE ADDRESS:</b>	115 WILLOW ST
<b>PROPERTY OWNER:</b>	MORGAN DANNY L
<b>ADDRESS:</b>	115 WILLOW ST LEEDS, AL 35094-0001
<b>ABATEMENT RESOLUTION NUMBER:</b>	20-000068
<b>ABATEMENT DATE:</b>	03/31/2022

**EMPLOYEE COSTS**

NAME	RATE	HRS	TOTAL
Ray Filmore	\$26.41	4.5	\$118.84
Johnny Warren	\$36.26	4.5	\$163.17
Aaron Jones	\$18.32	4.5	\$82.44
Mark Smith	\$21.20	4.5	\$95.40
Rodrez Clarke	\$13.70	4.5	\$61.65
Jason Wideman	\$14.35	4.5	\$64.58
Jeff Willis	\$16.61	4.5	\$74.75
Justice Hare	\$13.71	4.5	\$61.70
Ben Weeks	\$14.35	4.5	\$64.58
			\$0.00

**EQUIPMENT COSTS**

NAME	RATE	HRS	TOTAL
BOBCAT	\$621.16	1	621.16
Limb Truck x2	\$106.00	4.5	477.0
Trimmer x4	\$100.00	1	100.0
Dump Fee	\$40.00	17.52	700.8
			0.0
			0.0
			0.0
			0.0
			0.0
			0.0

**LABOR/EQUIPMENT COSTS:** \$2,479.49

**ADMINISTRATIVE FEE:** \$1,239.75

**TOTAL COSTS:** 3719.24

**REPORT PREPARED BY:** Ray Filmore

**DATE:** April 26, 2022

---

**NOTICE OF ITEMIZED REPORT OF COST OF NUISANCE ABATEMENT**

&amp;

**WEED LIEN**

Please take note of the itemized report attached here to which shows the costs of abatement on the lots or parcels of land set forth in such report. This report was submitted to the City Council of the City of Leeds for confirmation at the scheduled City Council meeting on September 21, 2015.

CITY OF LEEDS, ALABAMA,

Toushi Arbitelle, City Clerk

See Exhibit "B"

This Lien shall continue until the liability for the costs are satisfied. The Owner shall make contact with the City/Lienholder, using the contact information contained herein, to arrange for payment of the Lien amount and the release of the Lien.

This Lien shall be filed with the Tax Collector of the County, and the subject outstanding costs will be collected pursuant to the procedures identified by, without limitation, §11-67-60 to 11-67-67, Code of Alabama 1975, as amended. The Lien shall be added to the next regular bill of taxes levied against the subject property, shall be collected in the same manner as ordinary municipal ad valorem taxes and shall be subject to the same penalties and procedures under the foreclosure and sale in the case of delinquency as provided by law.

City of Leeds  
1400 9<sup>th</sup> St  
Leeds, Alabama 35904  
205-699-0943

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**File Attachments for Item:**

11. Resolution 2022-06-01: Consider Authorizing License Agreement with Leeds Water Works Board for use of property

**CITY OF LEEDS  
RESOLUTION NO.: 2022-06-01**

**AUTHORIZING A LICENSE AGREEMENT WITH LEEDS WATER WORKS BOARD  
ALLOWING FOR THE USE OF PROPERTY AS LEEDS FIRE TRAINING FACILITY**

**WHEREAS**, the City of Leeds desires to enter into a License Agreement with the Waterworks Board of the City of Leeds (the “Board”) for the purposes of allowing the Fire Department the right to use the certain property for the general purposes of training and testing of the City Fire Department personnel.

**WHEREAS**, in order for the Temporary License Agreement to be executed by the Mayor, the City Council’s permission will be required.

**NOW THEREFORE, BE IT RESOLVED**, by the City Council of the City of Leeds that:

1. The City Council hereby approves the License Agreement with Waterworks Board of the City of Leeds for the use of certain Board property as a training location for the City Fire Department personnel and associated fire departments in substantially the same form as attached hereto.
2. This authorization shall be subject to obtaining certain confirmations of insurance coverages by the City.
3. The Mayor and staff shall have the full authority to do those things, perform those functions, make such decisions, and to sign necessary documentation in order to carry out and fully complete the actions so authorized herein.

**ADOPTED and APPROVED** this the 6<sup>th</sup> day of June, 2022.

CITY OF LEEDS, ALABAMA

\_\_\_\_\_  
DAVID MILLER, MAYOR

\_\_\_\_\_  
DATE

ATTEST:

**AYES:** \_\_\_\_\_

**NAYS:** \_\_\_\_\_

**ABSENT FROM VOTING:** \_\_\_\_\_

**ABSTAIN:** \_\_\_\_\_

\_\_\_\_\_  
TOUSHI ARBITELLE, CITY CLERK

I, Toushi Arbitelle, City Clerk of the City of Leeds, hereby certify that the above Resolution was duly adopted by the City Council of the City of Leeds at a regular meeting held on the 6<sup>th</sup> day of June, 2022.

\_\_\_\_\_  
City Clerk

## LICENSE AGREEMENT

### City of Leeds – Water Works Board of City of Leeds

**The Waterworks Board of the City of Leeds** (hereinafter referred to as “Grantors”) hereby grants the undersigned **City of Leeds, Alabama**, its employees, contractors, agents, and invitees (hereinafter collectively referred to as “Licensee” or “Grantee”), the exclusive right and license to enter their property, perform training and related activities, construct training structures, and to otherwise use certain Waterworks Board land located in Jefferson County, Alabama, as more specifically set forth herein (the “Premises”)

The rights granted herein are restricted for the sole purpose of allowing the Licensee to perform technical training activities and events, to utilize training equipment, to locate training structures thereon and related undertakings on the Premises as further set forth in part on Exhibit B (the “Project”). The right to enter upon the Premises and to perform the Project is subject to the following terms and conditions:

1. The Premises can be further defined as the Board’s Thornton Ave NE property in close proximity to the Board’s office location as shown on Exhibit B.
2. Licensee agrees that it is entering upon the Premises at its own risk, and Grantors shall not be liable for any injury to persons (including death) or for damages to property in any way arising out of or resulting from Licensee's activities hereunder.
3. The rights herein granted are subject to any and all existing easements, agreements, and licenses (recorded and unrecorded) for railroads, transmission lines, telephone lines, and pipelines that may affect the Premises.
4. Licensee agrees to defend, indemnify, and hold harmless Grantors and its successors, assigns, directors, officers, agents, servants, and employees (collectively the “Indemnified Parties”) from and against any and all claims, demands, damages, actions, or causes of action at law or in equity, together with any and all losses, costs, or expenses, in connection therewith or related thereto, asserted by any entity, person or persons, including but not limited to employees of Licensee for personal injuries, bodily injuries, deaths, property damages, or environmental damages arising or in any manner growing out of the activities governed or controlled by this Agreement, except for any personal injuries, bodily injuries, deaths, property damages, or environmental damages proximately caused by the willful misconduct or gross negligence of the Indemnified Parties.
5. Licensee further agrees to obtain and maintain in full force and effect the proper and adequate general liability insurance policies in sufficient amounts and duration to protect the Grantors for the activities identified herein.
6. Grantors shall have the right to enter the Premises at any time for any purpose whatsoever and shall have the right to grant such rights to others.
7. Licensee shall strictly comply with all applicable laws, rules, regulations, and ordinances of all local, state, and federal governmental agencies concerning the Project and activities licensed hereby.
8. Licensee shall be responsible for locating and identifying all utilities and other equipment on the Premises and other Grantors property used by Licensee in connection with this Agreement to ensure that the same are not damaged or the use thereof is interrupted as a result its activities hereunder.

- 9. Any modifications other than set forth in Exhibit A must be provided to the Board and set forth within a proposed plan.
- 10. Licensee shall leave the Premises and other Grantors property used by Licensee in connection with this Agreement in a condition satisfactory to Grantors and shall be required to perform any clean-up or other remedial work that may be required by Grantors as a result of its activities hereunder.
- 11. Licensee shall not cut or otherwise cause any change and/or damage to any improvements on the Premises, or other Grantors property used by Licensee in connection with this Agreement without the written consent of Grantors, which consent if granted, shall not release Licensee from its obligations to repair or compensate Grantors for such damages.
- 12. All of the covenants of Licensee contained herein shall survive the expiration or termination of this Agreement.
- 13. The rights granted to Licensee under this Agreement shall remain in effect until May 31, 2027, unless extended by Grantors in writing. Grantors reserves the right to cancel or to terminate the rights granted by this Agreement at any time upon written notice to Licensee. In the event that this License is not canceled in writing prior to said ending date, then this License shall automatically renew annually until one of the Parties hereto provides a written termination of the rights granted hereby.
- 14. This Agreement shall be governed by the laws of the State of Alabama.
- 15. This Agreement may be executed by the Parties hereto individually or in combination, in one or more counterparts, each of which shall be an original and all of which shall constitute one and the same agreement.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed, in duplicate originals, by their duly authorized officers or representatives as of the day and year first above written.

**GRANTEE:**

**GRANTOR:**

**CITY OF LEEDS**

**CITY OF LEEDS WATERWORKS BOARD**

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

EXHIBIT A  
[Training Facility Rendering]

OVERVIEW OF FACILITY

Facility complex consists of three elements (from left to right): Drill / Rescue Tower, Primary Building, and Bum Building. This complex will be approximately 53 ft tall at it's highest point, 125 feet wide, and 50 feet deep. The facility will be placed on an approximately 15,000 sqft concrete pad to allow a fire apparatus access from any side.

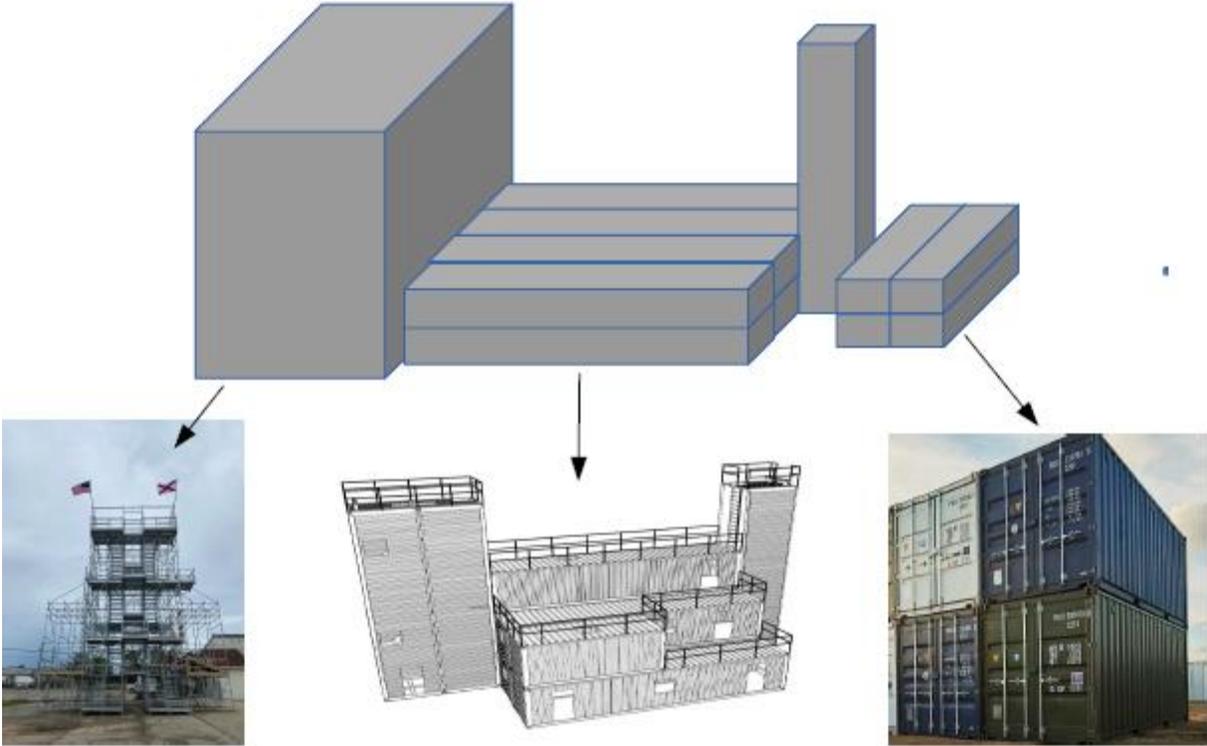


EXHIBIT B  
[Property Layout/Location Photo]

# Leeds Fire & Rescue Training Facility Location

As a result of their generosity, the Leeds Water Works Board (LWWB) has donated approximately 2 acres of land that will be used for the training facility. This property is located on Thornton Ave NE, near the LWWB office.



**File Attachments for Item:**

12. Resolution 2022-06-02: Consider Authorizing Hiring Freeze for All Departments

**CITY OF LEEDS  
RESOLUTION NO.: 2022-06-02**

**IN REGARDS TO THE APPROVAL AND AUTHORIZATION OF HIRING FREEZE FOR ALL CITY DEPARTMENTS INCLUSIVE OF ALL EMPLOYMENT POSITIONS.**

**WHEREAS,** abnormally high spending levels and increasing costs and expenses require action in order to maintain the current City budgetary parameters and to lessen negative budgetary impacts on the 2023 budget; and;

**WHEREAS,** although the City Council is dedicated to the valuable employees of the City, the Council is also dedicated to conservative fiscal responsibility; and

**WHEREAS,** the City has determined that it is necessary to impose a City-wide hiring freeze.

**NOW THEREFORE, BE IT RESOLVED as follows:**

1. The Recitals above are true, correct and included herein as if fully set forth.
2. A City-wide hiring freeze is hereby imposed immediately for all departments and all employment positions.
3. The duration of the subject hiring freeze shall be indefinite and shall not be waived except by affirmative vote of the City Council.
4. The Mayor and staff shall have the full authority to do those things, to perform those functions, and to sign necessary documentation in order to carry out and complete the actions so authorized herein.

**Adopted and approved this the 6th day of June, 2022**

<b>AYES:</b>	_____
<b>NAYS:</b>	_____
<b>ABSENT FROM VOTING:</b>	_____
<b>ABSTAIN:</b>	_____

**CITY OF LEEDS, ALABAMA**

\_\_\_\_\_  
**David Miller, MAYOR**

\_\_\_\_\_  
**DATE**

**ATTEST:**

\_\_\_\_\_  
Toushi Arbitelle, CITY CLERK

As the City Clerk of the City of Leeds, I hereby certify that the above Resolution was duly adopted by the City Council of the City of Leeds at a regular meeting held on the 6th day of June, 2022.

\_\_\_\_\_  
Toushi Arbitelle, CITY CLERK

**File Attachments for Item:**

13. Resolution 2022-06-03: Consider Awarding 2022 Leeds Labor and Equipment Bid Contract

# CITY OF LEEDS

## RESOLUTION NO.: 2022-06-03

### RESOLUTION AWARDING THE 2022 “LABOR AND EQUIPMENT” BID CONTRACT

**WHEREAS**, the City Council, previously advertised invitations to bid in regards to what is commonly referred to as the 2022 Labor and Equipment bid contract; and

**WHEREAS**, the City did in fact receive two (2) bids in response and as a result of the advertised Invitation to Bid; and

**WHEREAS**, from the bids received, as identified by the attached engineer recommendation letter the City Engineer has recommended that the City award the bid to O’Cet, Inc. (see Exhibit A); and

**WHEREAS**, given the unstable nature of the market for the subject bid categories, it is the City’s practice to award the bid to more than one bidder while naming the lowest responding bidder as the Primary contractor.

**NOW THEREFORE, BE IT RESOLVED**, by the City Council of the City of Leeds that:

1. The Recitals above are true, correct, approved and included herein as if fully set forth.
2. The City project for the 2022 Labor and Equipment Contract, is hereby awarded as follows:
  - a. Primary Contractor: O’Cet, Inc., based on the attached bid tabulation.
  - b. Backup Contractor: Jeremy Enterprises, LLC, based on the attached bid tabulation.
3. The approvals granted herein are subject to full execution of any necessary agreement or Owner requirements and full compliance in accordance with all terms and conditions of the Bid Documents.
4. The Mayor and staff shall have the full authority to do those things, perform those functions, make such decisions, and to sign necessary documentation in order to carry out and fully complete the actions so authorized herein.

**ADOPTED and APPROVED** this the 6<sup>th</sup> day of June, 2022.

CITY OF LEEDS, ALABAMA:

\_\_\_\_\_  
DAVID MILLER, MAYOR

\_\_\_\_\_  
DATE

**AYES:** \_\_\_\_\_

ATTEST:

**NAYS:** \_\_\_\_\_

**ABSENT FROM VOTING:** \_\_\_\_\_

\_\_\_\_\_  
CITY CLERK

**ABSTAIN:** \_\_\_\_\_

I, City Clerk of the City of Leeds, hereby certify that the above Resolution was duly adopted by the City Council of the City of Leeds at a regular meeting held on the 6th day of June, 2022.

\_\_\_\_\_  
**Toushi Arbitelle, City Clerk**

# HagerCo, LLC

---

Keith L. Hager, PE  
AL No. 24699

June 02, 2022

Honorable David Miller  
City of Leeds, AL  
1400 9<sup>th</sup> Street  
Leeds, AL 35094

**Re: Annual Labor and Equipment Bids**  
**Bids Received – June 01, 2022**

Dear Mr. Mayor,

Per your direction, we have advertised and Bid the Annual Labor and Equipment Contract, on June 01, 2022. I am pleased to inform you that the City Received (2) bids from qualified contractors. The Total Bids are summarized as follows:

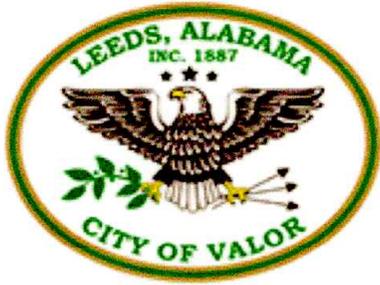
<b>1.) O'Cet, inc.</b>	<b>\$ 294,400.00</b>
<b>2.) Jeremy Enterprises, LLC</b>	<b>\$ 370,000.00</b>

I have included a full bid tabulation for your information.

Submitted By:  
HagerCo, LLC



Keith L. Hager, PE



O'Cet, Inc.  
P.O. Box 582  
Leeds, AL 35094

1

City of Leeds - Annual Labor and Equipment Bid

22.006.12

**OFFICIAL BID TABULATION**

Bidder					
Description	Approx. Quantity	Unit	Unit	Total	
1 Track How	100	hours	\$ 215.00	\$ 21,500.00	
2 Dump Truck	100	hours	\$ 115.00	\$ 11,500.00	
3 Mini-excavator	100	hours	\$ 135.00	\$ 13,500.00	
4 Skid-Steer	100	hours	\$ 110.00	\$ 11,000.00	
5 Track-Loader	100	hours	\$ 170.00	\$ 17,000.00	
6 Dozier	100	hours	\$ 130.00	\$ 13,000.00	
6 General Labor	300	hours	\$ 38.00	\$ 11,400.00	
7 Concrete Form and pour - Labor ONLY	50	CY	\$ 850.00	\$ 42,500.00	
8 Single Wing inlet	10	Each	\$ 6,100.00	\$ 61,000.00	
9 Double Wing inlet	10	Each	\$ 9,200.00	\$ 92,000.00	
				<b>\$ 294,400.00</b>	

*I, **Keith L. Hager, PE**, hereby certify that this is a true and correct tabulation of bids received by the City of Leeds - Annual Labopr and Equipment on June 01, 2022, at 1:30 PM CST.*



**HagerCo, LLC**  
1025 Montgomery Highway, Suite 110  
Birmingham, AL 35216  
[keithlhager@icloud.com](mailto:keithlhager@icloud.com)  
© 2022

6/2/22



Jeremy Enterprises, LLC  
2180 Moss Avenue  
Leeds, AL 35094

2

City of Leeds - Annual Labor and Equipment Bid 22.006.12  
**OFFICIAL BID TABULATION**

Bidder						
Description	Approx. Quantity	Unit		Total		
1 Track How	100	hours	\$ 250.00	\$	25,000.00	
2 Dump Truck	100	hours	\$ 115.00	\$	11,500.00	
3 Mini-excavator	100	hours	\$ 140.00	\$	14,000.00	
4 Skid-Steer	100	hours	\$ 125.00	\$	12,500.00	
5 Track-Loader	100	hours	\$ 250.00	\$	25,000.00	
6 Dozier	100	hours	\$ 150.00	\$	15,000.00	
6 General Labor	300	hours	\$ 40.00	\$	12,000.00	
7 Concrete Form and pour - Labor ONLY	50	CY	\$ 1,000.00	\$	50,000.00	
8 Single Wing inlet	10	Each	\$ 8,500.00	\$	85,000.00	
9 Double Wing inlet	10	Each	\$ 12,000.00	\$	120,000.00	
				\$	<b>370,000.00</b>	

*I, Keith L. Hager, PE, hereby certify that this is a true and correct tabulation of bids received by the City of Leeds - Annual Labor and Equipment on June 01, 2022, at 1:30 PM CST.*



**HagerCo, LLC**  
1025 Montgomery Highway, Suite 110  
Birmingham, AL 35216  
[keithhager@icloud.com](mailto:keithhager@icloud.com)  
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6/2/22

# HagerCo, LLC

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Keith L. Hager, PE

AL No. 24699

June 02, 2022

Honorable David Miller  
City of Leeds, AL  
1400 9<sup>th</sup> Street  
Leeds, AL 35094

**Re: Annual Labor and Equipment Bids  
Bids Received – June 01, 2022**

Dear Mr. Mayor,

I have reviewed the bid submitted by O'cet, Inc. for the above referenced project. It is my opinion that the Contractor has submitted a valid bid and meets the requirements for lowest and best bidder to the best of my knowledge, information and belief. **It is my recommendation that the CITY accept the lowest bid and enter a contract with the Low bidder in the Amount to be determined by Each Work Order.**

This contract was bid to establish the unit prices for labor and equipment for various items of work often needed for repair. The actual cost of the project will be set by each project with the City purchasing the materials and the unit prices to make up each scope of work. It is important to note the City is not obligating itself to spend any amount until each PO is approved, and we can cancel the contract at any time, for our

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keithlhager@icloud.com

convenience. We also reserve the right to use other contractors in specific projects and any combination which is a benefit to Leeds.

Submitted By:  
HagerCo-LLC



Keith L. Hager, PE

**File Attachments for Item:**

14. Resolution 2022-06-04: Consider Awarding 2022 Leeds Railroad Depot Structural Repair Contract Bid

# CITY OF LEEDS

## RESOLUTION NO.: 2022-06-04

### AWARDING THE 2022 CONTRACT FOR STRUCTUREAL REPAIRS TO LEEDS RAILROAD DEPOT

**WHEREAS**, the City Council, previously advertised invitations to bid in regards to what is commonly referred to as the Railroad Depot structural repairs bid; and

**WHEREAS**, the City did in fact receive one (1) bid in response and as a result of the advertised Invitation to Bid; and

**WHEREAS**, from the bid received, as identified by the attached engineer recommendation letter the City Engineer has recommended that the City award the bid to Southeastern Construction Partners, LLC (see Exhibit A); and

**WHEREAS**, an alternate bid was requested to also replace the surrounding deck structure, and the single bidder also provided a bid for that related project.

**NOW THEREFORE, BE IT RESOLVED**, by the City Council of the City of Leeds that:

1. The Recitals above are true, correct, approved and included herein as if fully set forth.
2. The City project for the 2022 Railroad Depot Structural Repair Contract, is hereby awarded as follows:
  - a. Primary Contractor: Southeastern Construction Partners, LLC, based on the attached bid tabulation.
  - b. Bid Alternate Contractor: Southeastern Construction Partners, LLC, based on the attached bid tabulation.
3. The approvals granted herein are subject to full execution of any necessary agreement or Owner requirements and full compliance in accordance with all terms and conditions of the Bid Documents.
4. The Mayor and staff shall have the full authority to do those things, perform those functions, make such decisions, and to sign necessary documentation in order to carry out and fully complete the actions so authorized herein.

**ADOPTED and APPROVED** this the 6<sup>th</sup> day of June, 2022.

CITY OF LEEDS, ALABAMA:

\_\_\_\_\_  
DAVID MILLER, MAYOR

\_\_\_\_\_  
DATE

ATTEST:

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT FROM VOTING: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

\_\_\_\_\_  
CITY CLERK

I, City Clerk of the City of Leeds, hereby certify that the above Resolution was duly adopted by the City Council of the City of Leeds at a regular meeting held on the 6th day of June, 2022.

\_\_\_\_\_  
Toushi Arbitelle, City Clerk

# HagerCo, LLC

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Keith L. Hager, PE

AL No. 24699

June 02, 2022

Honorable David Miller  
City of Leeds, AL  
1400 9<sup>th</sup> Street  
Leeds, AL 35094

**Re: Historic Leeds Depot – Repairs**

Dear Mr. Mayor,

I have reviewed the bid submitted by Southeastern Construction Partners, LLC for the above referenced project. It is my opinion that the Contractor has submitted a valid bid and meets the requirements for lowest and best bidder to the best of my knowledge, information and belief. **It is my recommendation that the CITY accept the lowest bid and enter a contract with the Low bidder in the Amount of \$108,992.00 (to include the alternate to replace the deck) which would complete all repairs and return the depot to a safe condition.**

Submitted By:  
HagerCo-LLC



Keith L. Hager, PE

*Address:*  
1025 Montgomery Highway, Suite 110  
Birmingham, AL 35216

*Contact:*  
205.229.1738  
keithlhager@icloud.com

# HagerCo, LLC

---

Keith L. Hager, PE  
AL No. 24699

June 2, 2022

Honorable David Miller  
City of Leeds, AL  
1400 9<sup>th</sup> Street  
Leeds, AL 35094

**Re: Leeds Historic Depot Repair  
Bids Received – June 1st, 2022**

Dear Mr. Mayor,

Per your direction, we have advertised and Bid the Repairs to the Historic Leeds Depot Building on June 1, 2022. I am pleased to inform you that the City Received (1) bid from a qualified a contractor. The Total Bid is summarized as follows:

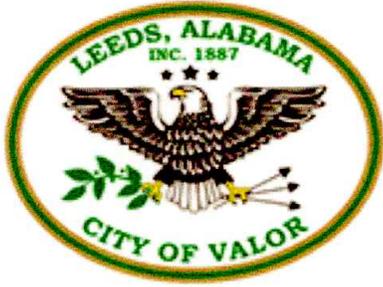
<b>1.) Southeastern Construction partners, LLC</b>	<b>\$ 82,420.00- Base Bid</b>
<b>2.) Alternate No1 to Replace the exterior Wooden Deck</b>	<b>\$26,572.00</b>

I have included a full bid tabulation for your information.

Submitted By:  
HagerCo, LLC



Keith L. Hager, PE



Southeastern Constrction  
Partners, LLC  
250 Commerce Pkwy  
Pelham, AL 35124

1

Historic Depot Structural Repair

22.006.03

**OFFICIAL BID TABULATION**

Bidder					
Description	Approx. Quantity	Unit	Unit	Total	
1 All inclusive repair of strctural damage to Floor system at Depot Building, to include all temporary brace, new foundations and connections, all materials and Labor, Replace all parts of Deck to pre-existing condition and	1	LS	\$ 82,420.00	\$	82,420.00
A-1 connect to existing deck, rail, ramps and stairs, all Pressure treated lumber;	1	LS	\$ 26,572.00	\$	26,572.00
				\$	108,992.00

I, **Keith L. Hager, PE**, hereby certify that this is a true and correct tabulation of bids received by the City of Leeds - Historic Depot Repair Bids on June 01, 2022, at 1:00 PM CST.



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Birmingham, AL 35216  
[keithhager@icloud.com](mailto:keithhager@icloud.com)  
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6/1/22

## OFFICIAL BID SHEET - June 1, 2022 – 1:00 PM

**Contract: Leeds – Historic Depot Repairs**

**Contract Number: 22.006.03**

### UNIT PRICES FORM

#### 1.1 BID INFORMATION

- A. Bidder: Southwestern Construction Partners, LLC
- B. Project Name: Leeds -Historic Depot Repair
- C. Project Location: Leeds, Alabama
- D. Owner: City of Leeds, Alabama
- E. Owner Project Number: 22.006.03
- F. Engineer: HagerCo, LLC

#### 1.2 BID FORM SUPPLEMENT

- A. This form is required to be attached to the Bid Form.

#### **1.3 Scope of Work: Historic Depot Repairs**

1. Build temp supports under and interior to support during replacement
2. R&R windows and doors during construction
3. Board up openings during construction
4. Excavate and pour new footings
5. Lay CMU block piers
6. Remove all existing piers
7. Replace all exterior bands using 3-2X12 PT pine
8. Replace main support beam 3-2X12 PT pine
9. Jack up areas where necessary
10. Remove debris
11. Job clean up
- Alternate No1
12. Replace in Kind – PT Wood Deck, including rail to current building code; Approx. 900 SF.

Total Amount for Base Bid (Depot Repair) \$ 82,420  
 Total Amount for Alternate No1(Wood Deck) \$ 26,572  
 Total Bid Amount \$ 108,992

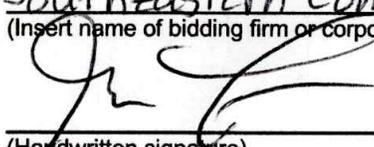
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**Total Amount of Bid in Writing.**

1.2 SUBMISSION OF BID SUPPLEMENT

Respectfully submitted this 20<sup>th</sup> day of May, 2022.

Submitted By: Southeastern Construction Partners, LLC  
 (Insert name of bidding firm or corporation)

Authorized Signature:   
 (Handwritten signature)

Signed By: Gary Kantrip  
 (Type or print name)

Title: Owner  
 (Owner/Partner/President/Vice President)

END OF DOCUMENT