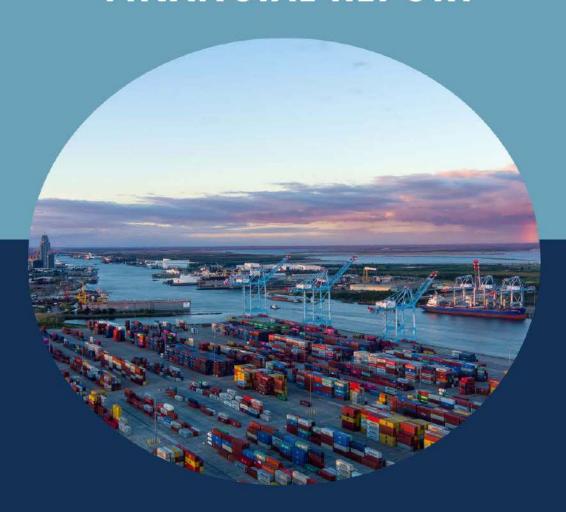
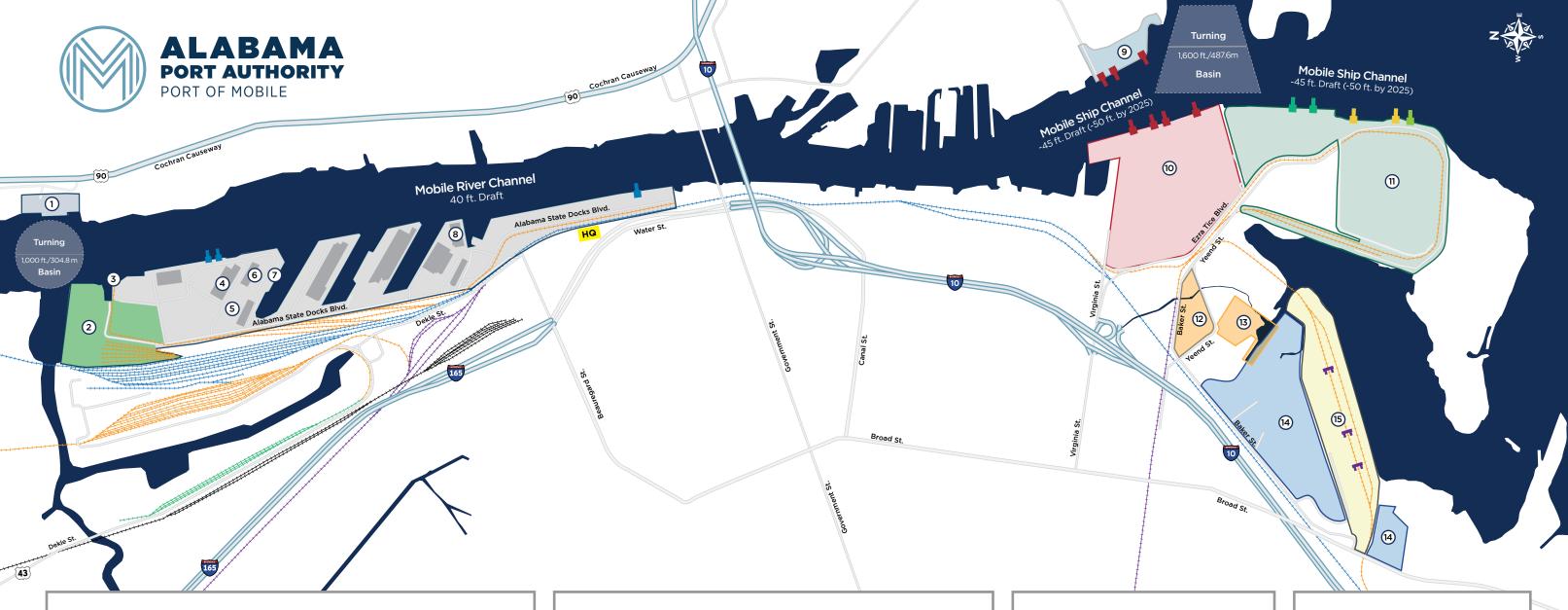
# ALABAMA STATE PORT AUTHORITY AN ENTERPRISE FUND OF THE STATE OF ALABAMA

# ANNUAL COMPREHENSIVE FINANCIAL REPORT



FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2024 & SEPTEMBER 30, 2023



# **FACILITIES LEGEND**

#### **Upper Harbor**

1 Blakeley Island Terminal

### Main Docks/General Cargo

- 2 AutoMobile International RO/RO Terminal
- (3) CG Railway
- (4) Alabama Steel Terminal (AST)
- (5) Cement Terminal
- **6** Grain Elevator
- 7) Pig Iron Dock
- (8) Seanous Refrigerated Services

### **Lower Harbor**

- 9 Pinto Steel Terminal
- (10) Container Terminal
- (11) McDuffie Coal Terminal
- (12) Lineage Logistics
- (13) Lineage Logistics Option Property
- (14) Logistics Park
- 15 Intermodal Container Transfer Facility (ICTF)

### **OCEAN CARRIERS**

#### Main Docks/General Cargo

- BBC Chartering Clipper Americas
- Dan Gulf Shipping
- G2 Ocean
- Hoegh Autoliners
- Oslo Caribbean Carrier
- Saga Welco

### **Barge Line Operators**

Cooper Marine & Timberlands Kirby Offshore Marine

### **Mobile Container Terminal**

- CMA-CGM

- Glovis Americas
- Intermarine
- LD Seaplane
- Wallenius Wilhelmsen

American Commercial Barge Line

- Cosco
- Evergreen Hapag-Lloyd
- Hyundai Merchant Marine
- Maersk
- MSC
- Ocean Network Express
- OOCL Sealand
- Yang Ming ZIM

Marquette Transportation Parker Towing Company Waterway Towing

# **RAIL CARRIERS**

- HHH BNSF\*/AGR
- Alabama Export Railroad
- HHH CG Railway
- HHH CN\*
- HHH CSX\*
- HHH Kansas City Southern\*
- **HIH** Norfolk Southern\*
- HHH TASD

#### \*Class I Railroad

ALE and KCS have access to the Port of Mobile via CN tracks

# **PILOT ASSOCIATIONS**

Mobile Bar Pilots Mobile Harbor Pilots

# **LEGEND**

- RTG Cranes
- STS Cranes
- Mobile Harbor Cranes
- Ship Loaders
- Ship Unloaders
- Ship Loader/Unloader
- ----- Rail
- 250 N. Water Street Mobile, AL 36602

\*\*Map not shown to scale

# **ALABAMA STATE PORT AUTHORITY**

An Enterprise Fund of the State of Alabama Mobile, AL

# **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2024 & 2023



PREPARED BY THE FINANCIAL SERVICES DEPARTMENT



# ALABAMA STATE PORT AUTHORITY An Enterprise Fund of the State of Alabama Mobile, AL

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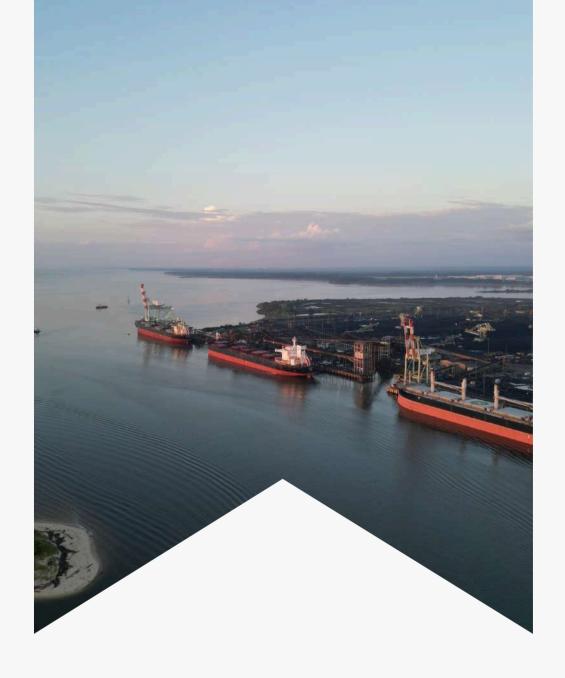
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# **INTRODUCTORY SECTION**



#### ALABAMA STATE PORT AUTHORITY

An Enterprise Fund of the State of Alabama Mobile, AL

# ANNUAL COMPREHENSIVE FINANCIAL REPORT DIRECTORY OF OFFICIALS FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2024 AND 2023

#### GOVERNOR OF ALABAMA

Kay Ivey

#### **BOARD OF DIRECTORS**

Zeke Smith Member, At-Large Chairman of the Board Alvin K. Hope, II Vice Chairman of the Board Southern Region

Carl Jamison Second Vice Chairman of the Board Central Region

Tony R. Cochran Northern Region Dr. Patricia G. Sims Northern Region Gary Smith Central Region

Robert Hope Southern Region Brandon Bishop Member, At Large Mayor Sandy Stimpson, Ex-Officio\* Mayor of Mobile

#### **PORT OFFICIALS**

John C. Driscoll
Director,
Chief Executive Officer

Rick Clark
Deputy Director,
Chief Operating Officer

Chris Ransom Secretary-Treasurer, Chief Financial Officer Melissa Jordan VP of Finance Patrick Seals
Chief Information Officer

Kristina Nelson Comptroller

<sup>\*</sup>The Mayor of the City of Mobile and the President of the Mobile County Commission rotate as members of the board of directors for a one year tenure beginning every August 1st.





March 26, 2025

To The Directors of The Alabama State Port Authority Board, Citizens of Alabama, and other Users of this Report:

We are pleased to present the Annual Comprehensive Financial Report of the Alabama State Port Authority ("the Authority"), an enterprise agency of the State of Alabama established in accordance with the laws of the State of Alabama, for the years ended September 30, 2024, and 2023. The purpose of the report is to provide the Board of Directors, the Comptroller, and the Chief Examiner of the State of Alabama, the public, and other interested parties with reliable information concerning the financial condition and results of the operations of the Authority.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Authority and its management. The Financial Services Department of the Authority prepared this report according to the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

To the best of our knowledge and belief, the enclosed data is accurate in all material respects and reported in a manner designed to present fairly the financial position, changes in financial position, cash flows, and results of operations of the Authority in accordance with accounting principles generally accepted in the United States of America (GAAP). All disclosures necessary to enable the reader to gain an understanding of the Authority's financial activities have been included.

Governmental accounting and auditing principles require that management provide a narrative to accompany the basic financial statements. This narrative, entitled Management's Discussion and Analysis, follows the independent auditors' report in the Financial Section of this report. Read this letter of transmittal in conjunction with Management's Discussion and Analysis, as they are complementary documents.

Certain statistical and demographic information included in this report does not come from accounting records of the Authority, rather presented as reader information.



#### PROFILE OF THE AUTHORITY

#### General

The Alabama State Port Authority, an enterprise agency of the State of Alabama created in 2000 pursuant to the provisions of Title 33 of the Code of Alabama 1975, as amended, owns, and manages certain operations at the Port of Mobile, Alabama's seaport. Prior to August 2000, the Alabama State Docks Department owned and managed these same facilities with an appointed Director, serving at the pleasure of the Governor as a member of their Cabinet. Effective August 1, 2000, the name of the Alabama State Docks Department changed to the Alabama State Port Authority, and the Authority became a separate agency of the State governed by a nine-member board of directors.

The Legislature created the Authority to promote, develop, construct, maintain, and operate all harbors and seaports within the State or its jurisdiction, including the inland waterways program of the State. The Authority is a self-supporting entity whose finances are accounted for separately and apart from those of the State, with the Authority functioning much in the manner of an enterprise operation. The Authority retains its revenues, its net earnings are not paid into the State Treasury, and the Authority has generally received no appropriations from the General Fund of the State of Alabama other than for some capital improvements.

The Authority serves all 67 counties in the State of Alabama and oversees the deep-water public port facilities at the Port of Mobile. The Authority conducts most of its activities in Mobile, the Authority's extensive facilities in and around Mobile being an integral part of the Port of Mobile hereinafter discussed. The Port of Mobile is strategically located in the northern Gulf of Mexico with access to an international airport and two interstate systems, I-65 running north/south and I-10 running east/west. In addition to interstates, air, and rail, the Authority's container, general cargo, and bulk facilities have immediate access to nearly 15,000 miles of inland waterways. Once the ongoing harbor modernization project is completed in 2025, the Port of Mobile will offer the deepest container terminal in the Gulf.

The Authority also owns eight inland ports on the rivers of Alabama. In 2022, the Authority purchased 272 acres in Montgomery, Alabama to build and operate an inland container transfer facility (ICTF). The ICTF will be served by CSX, providing new advantages and opportunities for shippers. The Montgomery ICTF is funded through federal budget appropriations and grants advocated by retired Senator Richard Shelby.

All the Authority's wharves are public facilities. The main complex lies in the upper channel, north of the Mobile River tunnels, and consists of the General Cargo facilities containing 33 berths and



almost 5 million square feet of covered and open storage, the Grain Elevator, roll-on/roll-off terminals, rail switching yards, a cold storage facility, and various diversified operations.

The McDuffie Coal Terminal is a bulk handling facility located approximately two miles south of the Mobile River tunnels. The 550-acre facility includes three berths with two ship loaders and three-vessel discharge cranes, two barge unloaders, one barge loader, two rail car dumps, six stacker reclaimers, two double-wing stackers, and a rail load-out facility. The facility, surrounded by rail loop tracks, includes a series of connecting conveyors providing tremendous flexibility. At present, the terminal has the advantage of water depths of up to 45 feet and will have a depth of 50 feet once the channel deepening project is completed.

The Authority owns and operates its own switching railroad, which services the Authority's facilities and other local industries near the port. The railroad owns and provides services on approximately 75 miles of railroad track.

The Authority also has operations further south in the Theodore industrial complex, which includes Middle Bay Port, with a 600-foot two-sided pier and the Marine Liquid Bulk Terminal. The Marine Liquid Bulk Terminal contains a 1,100-foot pier, equipped for efficient discharge of bulk liquid products, with nearby industrial land available for development. The Liquid Bulk Terminal enjoys water depths of up to 40 feet and is equipped with fire suppression equipment.

APM Terminals Mobile provides containerized cargo shippers with access to global networks covering a multitude of trade routes to and from the Port of Mobile. APM Terminals, an independent division within the A.P. Moller-Maersk Group, operates and manages APM Terminals Mobile. The Alabama State Port Authority and APM Terminals jointly invested an initial \$350 million to construct APM Terminals Mobile, the Port of Mobile's state-of-the-art container terminal. APM Terminals has continued to invest in the terminal, most recently purchasing two new super post-Panamax cranes, which arrived July 2024. The terminal opened in 2008 and is served by 2,424 feet of berth with up to 45 feet of water depth and will have a depth of 50 feet once the channel deepening project is completed. Additionally, the terminal has a total of six cranes, two post-Panamax and four super post-Panamax ship-to-shore gantry cranes, for expeditious loading and unloading. During fiscal year 2020, the Authority completed a nearly \$47 million expansion that elongated the berth to 2,424 feet to simultaneously accommodate two post-Panamax vessels, as well as increased the size of the operating yard to an annual throughput capacity of 650,000 Twenty-foot Equivalent Units (TEU). During fiscal 2023, the Authority and APM Terminals began plans to enlarge the facility, to be delivered in phases. Phase four is currently being constructed by the Authority with federal funding secured by Senator Shelby. Once



complete, the expansion will increase the terminal's capacity from 650,000 TEUs per year to over one million TEUs per year, which is a 54% increase in capacity.

The Mobile ICTF opened in 2016 and is also operated by APM Terminals Mobile. The Canadian National Railroad is currently providing service to Jackson, MS, Memphis, TN, Chicago, IL, and Canada from this near dock, container rail facility. In fiscal 2022, CSX initiated an intermodal service from Mobile to Chicago and the greater Midwest. From the ICTF in Mobile, containers can reach Chicago in three days. A critical project, funded through federal budget appropriations and grants, includes constructing a fly-over bridge between the container terminal and the ICTF, making the ICTF an on-dock facility, and enabling the development of an adjacent logistics facility. This facility provides access to five Class I and four short-line railroads. In addition to the ICTF in Mobile, the Authority has federal funding to construct an ICTF facility in Montgomery, Alabama. Since announcing that project at the beginning of 2022, the area surrounding the facility has seen over \$3 billion in private investments from companies such as Meta, Hyundai, FedEx and Amazon.

The Pinto Island Terminal is the Authority's deep-water import steel slab terminal that began operations in February 2010. This facility is capable of handling in excess of five million tons of semi-finished steel slabs per year. The 12.5-acre terminal consists of 1,050 feet of deep-water dock dredged to a depth of up to 45 feet and will have a depth of 50 feet once the channel deepening project is completed. The terminal also has a semi-automated barge loading system positioned between the ship berth and the shoreline. The terminal is equipped with three widespan gantry cranes, each having an outreach of 150 feet, and back reach of 165 feet. The cranes can unload steel from ships to barges, or to the terminal storage yard consisting of 150,000 metric tons of storage capacity. The cranes and the terminal's heavy lift machines utilize electropermanent magnetic lifting beams to move steel slabs weighing up to 32 metric tons each. The steel slabs arrive by vessel, destined for the AM/NS Calvert steel facility located upriver from the Authority in North Mobile County, Alabama. Beginning in fiscal year 2019, the Pinto Island Terminal unloaded steel slabs from ships to a nearby free-trade zone, and in fiscal year 2020, loaded its first vessel of steel slabs, demonstrating its ability to load steel slabs for export. The Authority recently installed two gantry buckets for the Pinto Island cranes to allow for increased capacity for coal handling and diversify the terminal's capabilities, hedging against potential changes in the steel market and varying needs of its primary customer, AM/NS Calvert.

A recent economic impact report from calendar year 2022 showed the Authority's impact on Alabama's economy totals \$98.3 billion, an increase of roughly \$13 billion from the previous year's impact. In addition to the overall statewide economic impact, the Authority supports 351,359 jobs in Alabama, one out of every seven jobs statewide. These jobs amount to \$22.5 billion in income



for Alabamians. Additionally, in 2022 alone, the Authority and its related industries gave back \$2.4 billion in taxes to the state and local governments.

#### Governance

The Governor of the State of Alabama appoints eight members to the Board of Directors of the Authority, subject to confirmation by the Senate of the State of Alabama, for staggered five-year terms. Per statute, the Governor must appoint two board members from each of three regions, including the Central Region, Northern Region, and Southern Region, plus two At-Large (anywhere in the state) members. In addition, one ex-officio member, either the Mayor of the City of Mobile or the President of the Mobile County Commission, on a one-year rotating basis, serves as the ninth member of the Board. The Board of Directors appoints the Director of the Authority. The Director serves as the chief executive officer of the Authority and as such is responsible for managing the affairs of the Authority.

As an enterprise agency of the State, the Authority is not a component unit of any county or city within the State of Alabama since none of these exercise oversight responsibilities over the Authority. Such oversight responsibility means the existence of financial interdependency, the significant ability to influence operations and accountability for fiscal years. This structure allows the Authority to take a much-needed long-term business outlook for investments, planning, and strategic direction setting.

#### LOCAL ECONOMY AND OUTLOOK

Mobile County, where the Authority conducts its primary operations, continues to experience strong economic growth and diversification. The county remains a hub for shipbuilding, aerospace, steel manufacturing, logistics, and advanced materials. Major employers, including Austal USA, Airbus U.S. Manufacturing Facility, AM/NS Calvert, Outokumpu Stainless, and Evonik Corporation, contribute to a robust industrial base. In 2024, significant investments and expansions have further enhanced the region's economic landscape.

The following major investment projects have been announced or are underway, further strengthening Mobile County's economic foundation. These projects represent substantial capital investments, job creation, and infrastructure development.



- **Novelis Aluminum Plant** continued the construction of the aluminum rolling and recycling mill in Bay Minette, Alabama. The \$4.1 billion investment is expected to be completed in late 2026 and will create approximately 1,000 jobs.
- During 2024, **Tenaska** announced the Longleaf Carbon Capture and Storage Hub planned for North Mobile County. The project began infrastructure development in 2024, with carbon sequestration systems expected to be operational by 2026. The project is estimated to be \$600 million and will create 770 jobs during the construction phase.
- Austal USA Shipyard began their Mobile expansion in 2024. The \$288 million project includes construction of a 192,000-square-foot final assembly building, which is expected to be fully operational by 2026. This expansion is expected to create approximately 1,032 jobs.
- Construction of Airbus's A320 Final Assembly Line 3 in Mobile progressed throughout 2024, with full production expected to begin in 2025. This is part of Airbus's \$1 billion+ investment in Mobile and is expected to create an estimated 1,000 jobs.
- Canfor Southern Pine began construction of a new, state-of-the-art sawmill in Axis, Mobile County. The \$210 million project replaces the older sawmill and will allow retention of 120 jobs. The project was originally scheduled to open during the 3<sup>rd</sup> quarter 2024 but was extended to 1<sup>st</sup> quarter 2025.
- During 2024, Scannell Properties broke ground on the RailPort Logistics Park in Mobile. The 500+ acre industrial park is expected to be completed in phases and once fully completed will create an estimated 2,500 jobs. Phase one will focus on development of 390 acres, estimated at \$15 million.
- Birdon America Shipyard Expansion announced a \$37 million expansion at their Bayou La Batre, Mobile County, shipyard. The expansion is expected to create 136 new jobs phased over three years.
- **MAAS Aviation Expansion** (Mobile Aeroplex at Brookley) initiated equipment upgrades and facility expansion during 2024. The \$1.6 million project supports increased Airbus production and will create 150 jobs.

The Authority plays a critical role in fostering economic growth by making strategic capital investments in infrastructure and development. These efforts have strengthened industrial capacity, creating a foundation for sustained expansion in key sectors such as shipbuilding, aerospace, automotive, logistics, and advanced manufacturing. By enhancing transportation



networks and port facilities, the Authority continues to attract new business, support job creation, and ensure the region remains competitive in the global market.

#### FINANCIAL POLICIES AND LONG-TERM FINANCIAL PLANNING

#### **Accounting Policies**

The accounting policies of the Authority and this report conform to accounting principles generally accepted in the United States of America for local governmental units as prescribed by the Governmental Accounting Standards Board (GASB), including the reporting model referred to as GASB Statement No. 34. Note 1 to the financial statements includes a summary of significant accounting policies.

#### Financial Statement Responsibility

The integrity and objectivity of the data in these financial statements and supplemental schedules, including estimates and judgments relating to matters not concluded by year-end, and the Annual Comprehensive Financial Report are the responsibility of the Chief Financial Officer. Therefore, the Chief Financial Officer maintains, at reasonable cost, a system of internal accounting controls, to give reasonable assurance that the Authority's assets remain protected and financial transactions documented properly.

The Financial Services Division, under the direction of the Comptroller, maintains the general accounting records of the Authority. The planning and conducting of the financial operations of the Authority are in a responsible and progressive manner. The Department of Examiners of Public Accounts of the State of Alabama periodically audits these records.

#### **Independent Accountants**

The independent accounting firm Warren Averett, LLC, performs independent audits of the Authority's annual financial statements. As necessary, Warren Averett, LLC audits the Authority's compliance with the requirements described in the Uniform Guidance (Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards) that are applicable to each of the Authority's major federal programs. Warren Averett, LLC has issued an unmodified opinion on the Authority's financial statements as of September 30, 2024, and 2023, and for the years then ended, as stated in their report appearing herein.



#### **Internal Accounting Control**

In developing and evaluating the Authority's accounting system, and affecting the adequacy of internal accounting controls, are the Authority's Board, management, and other personnel, and are designed to provide reasonable assurance regarding the achievement of objectives in the following categories: (a) reliability of financial reporting; (b) effectiveness and efficiency of operations; and (c) compliance with applicable laws and regulations.

The Authority's internal control structure consists of five interrelated components, which are:

- 1. <u>Control environment</u>: Management philosophy, style, and values set the tone of the Authority as a well-controlled organization, influencing the control consciousness of our people. It is the foundation for all other components of internal control providing discipline and structure.
- 2. <u>Risk assessment</u>: The Authority identifies and analyzes relevant risks to achieve its objectives, forming a basis for determining how to manage the risk.
- 3. <u>Control activities</u>: These are comprised of the Authority's policies and procedures that help ensure execution of management directives. These activities include approvals/authorization, verification, reconciliations and segregation of duties.
- 4. <u>Information and communication</u>: This component is the identification, capture, and exchange of management information reports and analysis of external information.
- 5. <u>Monitoring</u>: This is the process of assessing the quality of internal control performance over time, and includes supervisor/managerial reviews, internal/external audits, and Board oversight.

Internal control, no matter how well designed and operated, can provide only reasonable assurance to management and the Board regarding achievement of the Authority's control objectives. Limitations inherent to internal control affect the likelihood of achievement of these control objectives. These include the realities that human judgement in decision-making can be faulty and that breakdowns in internal control can occur because of such human failures as simple error or mistake. Additionally, the collusion of two or more people, or management override of internal control, can circumvent controls. The cost of the Authority's internal control can be another limiting factor, as it should not exceed the expected benefits derived.

We believe the Authority's internal accounting controls, with independent internal audit functions performed by the State of Alabama Department of Examiners of Public Accounts, adequately



safeguard the Authority's assets, and provide reasonable assurance of the proper recording of financial transactions.

#### **Budgets**

The Authority staff prepares an annual operating budget based upon projected revenues and expenses for the subsequent fiscal year. Based upon projected cash flows from the operating budget and other expected funding sources, the staff also prepares a capital budget. Management submits the budgets to the Board of Directors for approval.

Following the adoption of the budgets by the Board of Directors, management monitors the budgets on a monthly, quarterly, and annual basis. Budget variances are included in the monthly financial reports to the Board of Directors.

Management submits major new projects not included in the adopted budgets to the Board of Directors for approval. New minor projects do not require Board of Director approval provided the overall capital plan remains within budget.

#### Capital Planning

The Authority has maintained an aggressive capital improvement program. Planning includes phased program expenditures, as necessary, to accommodate business growth and requirements. Private sector participation, grant funding, state participation, and federal appropriations comprise critical elements of the capital plan. The Authority currently has more than \$1 billion in capital projects underway statewide.

#### **Debt Management**

All of the outstanding bonds of the Authority are special, limited obligations of the Authority, payable solely out of and secured by a pledge of and lien on (i) Docks Facilities Revenues and (ii) any income from the investment thereof. The outstanding bonds are senior lien bonds with a parity lien with each of the other series.

On August 26, 2020, the Authority issued the \$46,986,000 Docks Facilities Revenue Bond Series 2020 to refund part of Short-Term Docks Facilities Revenue Bond Series 2018 and used \$3,014,000 of investment funds remaining from Series 2018 proceeds to refund the remaining amount due on the Series 2018. The Authority issued the Short-Term Docks Facilities Revenue Bond Series 2018 to finance the expansion of the container handling capacity of the operations at the APM Terminals Mobile along with the dock extension and other land improvements thereon. The Docks Facilities Revenue Refunding Bonds Series 2017 (ACD) account for the additional bonds outstanding at the end of fiscal year 2022.



On December 4, 2024, the Authority issued a series of three bonds designated as the Docks Facilities Revenue Bond, Series 2024, totaling \$62,495,000. Proceeds will be used to purchase and install two new stacker reclaimers for McDuffie Coal Terminal. The obligations of the bond are to be issued on production and milestone dates agreed upon with the selected contractor. The first obligation of \$14,257,000 was issued on December 4, 2024, to begin Phase 1 of the project.

#### MAJOR INITIATIVES AND ACCOMPLISHMENTS

**APMT Phase IV** – Construction for Phase IV of the container terminal began in late 2024 and will add 30.3 acres to the existing 134-acre facility. When complete in April 2028, the expansion is expected to double the capacity of the container terminal from half a million to over one million twenty-foot equivalent units (TEUs) a year. The Authority's investment in the expansion is expected to be \$105 million, which will be fully funded by 2022 federal appropriations. In addition, APMT is investing \$82 million in the ICTF-Mobile with rail expansion and new state-of-the-art equipment. This will increase capacity to over 450,000 TEUs a year by 2027.

The Authority and APMT are currently exploring Phase V that would add another 1,300-foot berth and support backlands to the existing facility.

**McDuffie Coal Terminal Improvements** – There are several refurbishment and future enhancement projects underway to make our McDuffie Coal Terminal a highly efficient operation poised for significant tonnage growth in the years to come.

In FY 2024 the Authority created a multi-year \$200 million capital investment program to replace critical terminal assets with new builds. Highlights of those include two new stacker/reclaimers, rail car dump enhancements, control flow transfer systems upgrades, various heavy mobile cranes and hauling vehicles, electronics and control system upgrades, new spare conveyor belts and a dust control system.

Construction of a 60,000 square foot warehouse was completed in March 2024. This \$10.5 million facility provides warehouse space, a portion of which is conditioned, for the parts and components required to operate the terminal. The facility also includes office space for McDuffie staff as well as 10,000 additional square feet of exterior storage space under roof.

Construction of two new Shuttle Barge Coal Unloading systems were begun in April 2024, with commissioning of one of the systems (Barge Unloader #3) completed in September 2024. The second system (Barge Unloader #1) is now complete and operational with final commissioning



scheduled for May 2025. Preliminary indications are that these barge unloaders are 50% more efficient in unloading barges than the legacy systems that they replaced.

In November 2024, as part of this spending and improvement plan, the Authority awarded a contract for \$63.1 million to design and build two new stacker reclaimers for more efficient coal handling at the terminal and replace two 52-year-old end of life pieces of equipment. The current contract schedule calls for the two stackers to be complete and operational by March 2027.

In FY 2024 the Authority engaged QCA Systems, a Canadian Bulk Handling Systems company to launch a multi-year, \$15 million modernization initiative. This initiative will replace outdated manual operating processes with more systemic, data-driven work plans and monitoring capabilities. The primary goal of these investments is to leverage technology and data analytics to drive machine performance, reliability, reduce unplanned outages, implement formal preventive maintenance plans, and position the terminal to effectively and efficiently process the existing and targeted 40% tonnage growth in the next few years.

**Montgomery ICTF** – Since announcing this project in 2022, the Authority has completed the engineering design, the requirements of the National Environmental Policy Act, and has successfully advertised and awarded two construction contracts – one for the civil site portion of the work and the second for the rail portion of the work with the groundbreaking for this \$86.1 million project occurring February 2025. The project is funded through a combination of sources; federal appropriations secured by former Senator Richard Shelby, contributions from the CSX railroad through the Growing Alabama Tax Credit Program, and Authority funds. Currently the project is expected to be completed in February 2027. Once completed, the facility will have a throughput capacity of 60,000 TEUs per year, providing seamless rail and truck connectivity between central Alabama and the Port of Mobile.

**Chickasaw Lead Line –** This project will add approximately 10,000-feet of track parallelling the Authority's existing rail line north to Chickasaw, AL. This will improve the operational efficiency of the Authority's railroad by allowing for the assembly and passage of trains, all while providing uninterrupted rail service to numerous customers located in this area. This \$8.2 million project is currently in the final design phase with construction expected to begin in late 2025 and be completed in late 2026. The project will be funded with approximately 74.5% of federal funds, with the remainder provided by the Authority.



**Inter-terminal Bridge** – In conjunction with Phase IV expansion of the container terminal, an inter-terminal connector bridge will be constructed connecting the marine terminal with the intermodal rail facility and the adjacent logistics park. Construction of the bridge began in January 2025 with an estimated completion date of January 2027. The current project cost is \$31.2 million with 77% of the funding provided by a fiscal year 2022 federal grant, and the remainder of the project funded by the Authority.

**Logistics Park** – As a part of the same fiscal year 2022 federal grant used to fund the Interterminal bridge, improvements will be made to a near-dock Authority-owned property to ready it for logistics usages. These include realignment of the adjacent ICTF entrance to improve operational efficiency and land availability, and improvements and relocations to existing City of Mobile storm drainage. The project cost estimate is approximately \$15 million with the same 77% federal share as the Inter-terminal bridge. Construction is expected to begin in late 2025 with project completion in late 2026.

**Dredge Management –** In fiscal year 2023 a long-term (30-year) Dredge Material Management Plan (DMMP) was developed which outlines courses of action to achieve long-term sustainability with berth dredge material. In 2024 as a key component of the DMMP, the Authority applied for and received a permit allowing dredge material to be placed south of Dauphin Island in the Ocean Dredged Material Disposal Site (ODMDS). Additionally, the Authority has continued to work with the US Army Corps of Engineers on a permit which would allow the creation of a 1,200-acre site in Upper Mobile Bay where dredge material would be placed, creating valuable marsh habitat. Finally, the Port is completing the detailed engineering analysis and plans to increase the capacity of its Blakely Island Upland Confined Disposal Facility which will provide at least 30-years dredge material capacity for the Upper Harbor. This project is fully-federally funded, and we expect construction to begin in mid-2025.

**Channel Improvement** – During fiscal year 2020, the Authority secured both state and federal funding for the project to widen and deepen the Mobile Harbor ship channel. The Alabama State Port Authority and the U.S. Army Corps of Engineers executed the Mobile Harbor Preconstruction, Engineering, and Design Agreement as well as entered into the Project Partnership Agreement. The channel widening and deepening project, which began in June 2021 with completion expected by the mid-year of 2025, continued to progress on time and on budget through fiscal year 2024.

**Legislative Initiatives** – The Authority maintains a very active presence in both the state and federal legislative arenas. A significant part of the legislative initiative is to identify and pursue funding that will benefit the Authority, the port community, and the State of Alabama. The



Authority continues to work with congressional and other partners on realizing industry support for the full use of the Harbor Maintenance Tax proceeds, and in the fiscal year 2024, received \$27 million from the Harbor Maintenance Trust Fund to support dredging work.

#### **CERTIFICATE OF ACHIEVEMENT**

The Government Finance Officers Association of the United States and Canada (GFOA) issues its Certificate of Achievement for Excellence in Financial Reporting to those governmental entities that publish an easily readable and efficiently organized Annual Comprehensive Financial Report whose contents conform to program standards. Such report must satisfy both generally accepted accounting principles and applicable legal requirements.

We believe our current report conforms to the Certificate of Achievement Program requirement; therefore, we are submitting it to the GFOA to determine its eligibility for certification.

#### **ACKNOWLEDGEMENTS**

The preparation of this report would be impossible without the tireless efforts of the members of the Financial Services Division staff. We would like to thank the officials and staff members from the other divisions of the Authority who also contributed to this effort.

John C. Driscoll

Director & CEO

Chris Ransom

Secretary-Treasurer, Chief Financial Officer

lin Ranson



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

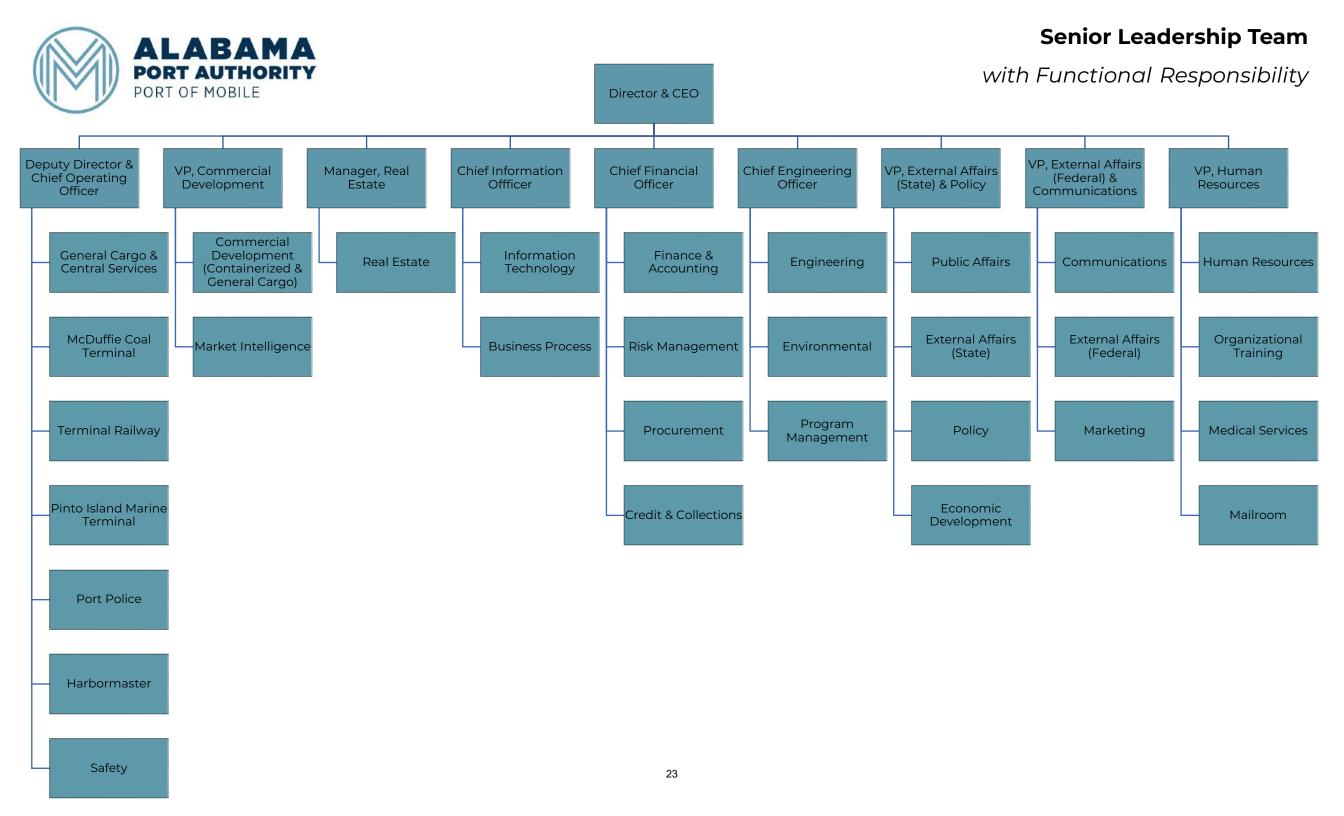
# **Alabama State Port Authority**

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

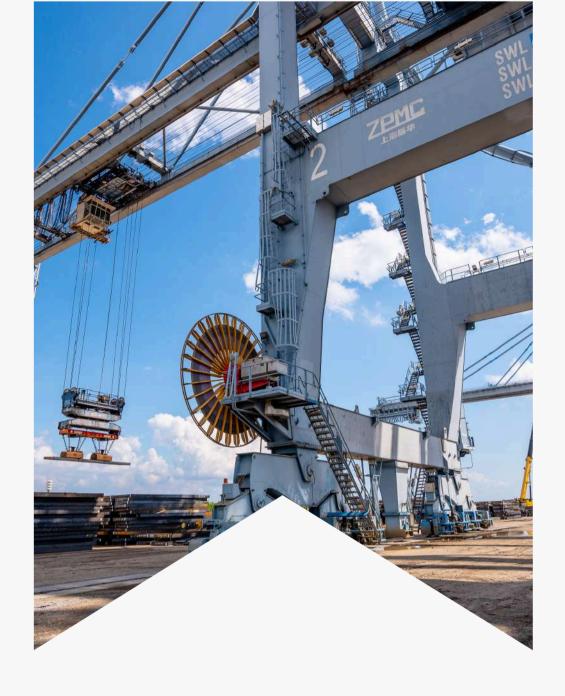
September 30, 2023

Christopher P. Morrill

Executive Director/CEO







# **FINANCIAL SECTION**

### **ALABAMA STATE PORT AUTHORITY**

FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

**SEPTEMBER 30, 2024 AND 2023** 



www.warrenaverett.com

The report accompanying this deliverable was issued by Warren Averett, LLC.





#### **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of the Alabama State Port Authority

#### **Opinion**

We have audited the accompanying financial statements of the Alabama State Port Authority, an enterprise agency of the State of Alabama, as of and for the years ended September 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Alabama State Port Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Alabama State Port Authority (Authority) as of September 30, 2024 and 2023, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Alabama State Port Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

#### **Other Matters**

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension, and OPEB information on pages 4-15 and 62-72 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion nor provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion nor provide any assurance.

#### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2025, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Daphne, Alabama January 31, 2025

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The discussion and analysis of the financial performance of the Alabama State Port Authority (Authority) provides an overview of the entity's financial activities for the fiscal years ended September 30, 2024 and 2023. Please read this summary in conjunction with the Authority's financial statements and the accompanying notes that follow this section, which are essential in identifying the changes to the financial condition that occurred during the most recent fiscal year.

#### **Operating Highlights**

The Authority continued its expansion and modernization efforts in fiscal 2024. Work progressed on the harbor deepening and widening project as well as Phase IV of the container terminal expansion. The Authority also continued the work around modernization of the McDuffie Coal Terminal. Additional projects are planned for General Cargo improvements, inland intermodal container facilities, and rail infrastructure.

- The Authority supports one in seven jobs statewide and, since 2018, has had over \$350 billion of economic impact on the state.
- The Authority is on track to be the deepest port in the Gulf by May 2025.
- The Authority began the fourth phase of the federally funded container terminal expansion and continues to facilitate and manage other federally funded projects that include the \$366 million ship channel expansion and \$438 million in federal funds for Authority facilities.
- The Authority awarded a \$63.1 million contract to U.S.-based Richmond Engineering Works to support the \$200 million McDuffie Coal Terminal Modernization project.
- The Authority received a \$10 million appropriation from the State of Alabama for improvements to its general cargo handling facilities.
- In partnership with CSX, NS, and Amtrak, the Authority began implementing a Consolidated Rail Infrastructure and Safety Improvements (CRISI) grant that will support freight rail infrastructure to accommodate passenger rail service.

**Statewide Economic Impact** | The Alabama State Port Authority supports one in seven jobs statewide and, since 2018, has had over \$350 billion of economic impact on the state. In 2023, the Authority commissioned its periodic economic impact report, which covered the calendar year 2022, showing the Authority's impact on Alabama's economy was \$98.3 billion, an increase of roughly \$13 billion from the previous year's impact. In addition to the overall \$98.3 billion statewide economic impact, the Authority supports 351,359 jobs in Alabama, one out of every seven jobs statewide. These jobs amount to \$22.5 billion in income for Alabamians. Additionally, in 2022 alone, the Authority and its related industries gave back \$2.4 billion in taxes to the state and local governments.

**Harbor Modernization** | Led by the U.S. Army Corps of Engineers (USACE), Alabama's seaport modernization program began construction in May 2021 to deliver a deeper and wider Mobile Ship Channel and to improve the turning basin in the lower harbor. This key project will take the Mobile Harbor to a 50-foot draft and is on track to be completed in May 2025. Once complete, Mobile will be the deepest port in the Gulf of Mexico. The deeper channel will allow neo-panamax-sized vessels up to 14,000 Twenty-foot Equivalent Units (TEU) to load to capacity. The USACE and the State have fully funded the \$366 million harbor modernization program.

**Container Terminal Volumes and Expansion** | Mobile continues to be the fastest-growing container terminal in the U.S. and has maintained year over year volumes on par with the market. While 2023 volumes were 15-20% nationwide, the market stabilized over 2024 with an estimated 5.5-6.5% growth. Mobile saw a 1.9% growth, handling a total of 574,415 TEUs.

In October, the Authority started construction on Phase IV of the container terminal expansion, which will double the terminal's capacity from half a million to over one million TEUs a year.

The partnership with terminal operator APM Terminals Mobile is a multi-year development initiative aimed at boosting the terminal's capacity, operational efficiency, and ability to serve the growing demands of both domestic and international trade. While turn times for drivers at ports nationwide average anywhere from two to three hours, Mobile has a unique competitive advantage, with drivers at the Port of Mobile typically completing their dual transactions in just 45 minutes or less. This latest phase, which will include an inter-terminal connector bridge to create on-dock rail access at the container terminal, is the result of \$200 million in federal funding championed by former Senator Richard Shelby and underscores the Authority's commitment to establishing Mobile as a premier logistics hub for the Southeast and beyond.

**McDuffie Coal Terminal Modernization** | The Authority's McDuffie Coal Terminal is one of the largest coal-handling facilities in the nation and a critical piece of the supply chain for steel production worldwide. McDuffie Coal Terminal provides diverse handling capabilities – ship, barge, and rail – and has a \$200 million investment underway to improve terminal operations and efficiencies. In December 2024, the Authority awarded a major contract valued at \$63.1 million to Richmond Engineering Works to construct two new stacker-reclaimers for the terminal. The U.S.-based company, headquartered in Pittsburgh, Pennsylvania, will engineer, fabricate, and install the new equipment at McDuffie Coal Terminal and has pledged that all engineering and fabrication for the project will occur within the United States.

**\$10M General Cargo Pier Improvements** | The Authority's General Cargo Facilities, known as the "Main Docks," proudly represent the strength and diversity of Alabama businesses by efficiently moving forest products, steel, and various agricultural commodities. With versatile handling capabilities across ship, barge, and rail, the Main Docks are poised for continued growth. Thanks to two generous appropriations by the Alabama Legislature totaling \$10 million, significant investments are being made to restore and enhance Pier B South. These upgrades will not only revitalize the pier but also expand its capacity to accommodate modern, heavier cargo equipment, meeting the evolving demands of today's industry.

CRISI Grant to Support Freight Infrastructure for Passenger Rail | In partnership with CSX, NS, and Amtrak, the Authority was awarded a CRISI grant in 2023 to support freight rail infrastructure to accommodate passenger rail service and spent 2024 working to implement the grant with its partners. The Authority's portion of the project and primary benefit is the Virginia Street Lead, for which the Authority will be providing a \$750,000 match. In addition to this infrastructure grant, an additional \$21 million was recently awarded to underwrite the operational costs of the route. Each state along the route must contribute a match to the operating costs, and the Authority is contributing to the City of Mobile's match, providing one million dollars over three years.

#### **Financial Highlights**

- The Authority's revenues increased to \$196,634,198 in fiscal 2024 as compared to \$184,911,783 in fiscal 2023 and \$164,513,160 in fiscal 2022.
- The Authority's assets plus deferred outflows of resources exceeded its liabilities plus deferred inflows of resources (net position) at September 30, 2024, 2023 and 2022, by \$447,582,700, \$411,458,296 and \$390,705,121, respectively.
- The Authority's total net position increased \$36,124,404 in fiscal 2024 as compared to an increase of \$20,753,175 in fiscal 2023 and an increase of \$14,265,646 in fiscal 2022.
- Total bonded debt of the Authority decreased to \$272,209,388 as of September 30, 2024, as compared to \$283,375,798 and \$297,189,229 as of September 30, 2023 and 2022, respectively.

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

Governmental entities adhere to accounting and financial reporting rules and regulations promulgated by the Governmental Accounting Standards Board (GASB). The Authority established a reporting model mandated by GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. The Authority follows enterprise fund accounting and reporting requirements, including the accrual basis of accounting and applications of GASB pronouncements, thus the basic financial statements of the Authority include the following financial elements:

The **statements of net position** provide the reader with information about the assets of the Authority as well as outstanding liabilities. The difference between assets, deferred outflows, liabilities, and deferred inflows is reported as net position. The presentation of net position provides additional details, which may assist the reader in understanding the unrestricted resources of the Authority as compared to those that are restricted. Changes over time in net position may indicate an improving or deteriorating financial condition.

The statements of revenues, expenses, and changes in net position reflect the revenues and expenses, both operating and nonoperating, of the current and previous fiscal years. The net of revenues less expenses, when combined with other nonoperating items such as investment income, interest expense, and capital grants and contributions, represents the net increase or decrease in the Authority's net position for the fiscal year. A review of these statements provides an indication of the financial health of the Authority.

The **statements of cash flows** present those items that affect the Authority's cash and cash equivalents during the fiscal year. A reconciliation of the Authority's operating income to the cash provided by operating activities, is also included.

The notes to the financial statements provide additional information that may not be readily apparent from the financial statements.

#### **Analysis of Financial Statements**

This discussion of the Authority's financial statements highlights major changes in the Authority's assets, deferred outflows, liabilities, and deferred inflows for fiscal 2024 and fiscal 2023, as well as changes in revenues and expenses as reflected in the accompanying financial statements.

	2024	2023	2022
Assets			
Current and other assets	\$ 395,609,805	\$ 366,870,099	\$ 374,112,448
Capital assets, net	686,917,070	676,625,510	644,351,343
Total assets	1,082,526,875	1,043,495,609	1,018,463,791
Deferred outflows of resources	23,539,106	27,471,759	28,709,199
Liabilities			
Long-term bonds payable, net	269,749,117	282,208,998	294,205,714
Net pension liability	26,644,224	27,385,468	21,345,801
Net OPEB liability	16,484,640	15,665,083	13,243,637
Other liabilities	94,494,858	77,694,358	59,185,405
Total liabilities	407,372,839	402,953,907	387,980,557
Deferred inflows of resources	251,110,442	256,555,165	268,487,312
Net position			
Net investment in capital assets	405,612,216	385,581,202	343,718,264
Restricted:			
Debt service	25,439,323	24,771,703	27,059,875
Unrestricted	16,531,161	1,105,391	19,926,982
Total net position	\$ 447,582,700	\$ 411,458,296	\$ 390,705,121

#### The Authority's Net Position

Changes in net position over time is one measurement of the Authority's financial condition. The Authority's increase in net position for fiscal 2024 was \$36,124,404. This represents an increase of \$15,371,229 from fiscal 2023 activity.

The Authority saw a 6% increase in Operating Revenues, largely due to increased rail activity related to coal switching. Operating Expenses were flat to prior year as increases in Personnel, Maintenance, and Outside Services were offset by lower Dredging Expenses. During fiscal 2024, the Authority received \$27,887,832 funding as a designated energy port under the Water Resources Reform and Development Act (WRRDA Act). These funds are used for maintenance dredging, dredged materials management, and environmental remediation related to dredging berths and Federal navigation channels. In fiscal 2024, \$4,502,647 of WRRDA funds were recognized as revenue, offsetting costs incurred associated with approved dredging activities. As of fiscal year end 2024, \$26,492,350 in funding from the WRRDA Act remain that will be used for costs associated with raising dikes with the goal of providing 30-year capacity for dredge material for the Upper Harbor.

The Authority's increase in net position for fiscal 2023 was \$20,753,175. This represents a reduction of \$6,487,529 from fiscal 2022 activity. Due to increased volumes and improved terms within coal handling agreements, increased shipments of iron and steel products, and increases in intermodal traffic and rail ferry service at Terminal Railway, operating revenues showed a significant increase from fiscal 2022. The Authority continued to receive funding, as it has since 2016, as a designated energy port. In fiscal 2023, the Authority received \$5,544,000 from this funding source and recognized \$2,436,836 of revenue, offsetting costs incurred associated with approved dredging activities.

Of the Authority's \$447,582,700 in net position as of September 30, 2024, \$405,612,216 represents its investment in capital assets (including intangible assets), less any outstanding debt used to acquire or construct these assets. In addition, \$25,439,323 of the Authority's net position represents resources subject to external bond restrictions related to the use of these funds for debt service. The remaining \$16,531,161 consists of items not considered to be net investment in capital assets or restricted net position.

#### Statements of Revenues, Expenses, and Changes in Net Position

The following table presents a condensed comparative summary of the Authority's revenues, expenses, and changes in net position for the fiscal years ended September 30, 2024, 2023, and 2022:

	2024	2023	 2022
Operating revenues	\$ 196,634,198	\$ 184,911,783	\$ 164,513,160
Operating expenses	166,700,247	 166,442,309	 142,982,027
Operating income	29,933,951	18,469,474	21,531,133
Net nonoperating expenses	(6,947,466)	(5,205,956)	(14,427,104)
Income before capital grants and contributions	22,986,485	13,263,518	7,104,029
Capital grants and contributions	 13,137,919	 7,489,657	7,161,617
Increase in net position Net position, beginning of year	36,124,404 411,458,296	20,753,175 390,705,121	14,265,646 376,439,475
Net position, end of year	\$ 447,582,700	\$ 411,458,296	\$ 390,705,121

Fiscal 2024 operating revenues increased 6% as compared to 2023, from \$184.9 million to \$196.6 million, mainly from activity at Terminal Railway and increases at General Cargo/Intermodal and McDuffie Coal Terminal. Terminal Railway revenues increased by \$4.8 million (18%) over fiscal 2023, mainly from additional switching related to McDuffie Coal Terminal. General Cargo/Intermodal revenues increased by \$6.0 million (15%) due to increased volumes and the allocation of energy port funds. McDuffie Coal Terminal realized an increase of \$1.0 million (1%) on slightly higher volume. The Real Estate division decreased by (\$0.5) million (-2%) due largely to the allocation of energy port funds. The remaining change in revenue is split throughout the other operating entities and is based on slight increases in volumes, pricing, and utilization.

The Authority received \$13.1 million in capital grants and contributions to partially fund current projects in progress. Projects included were the Upper Mobile Bay Beneficial Use Wetland Creation Site Project, the Montgomery Intermodal Container Transfer Facility (ICTF) project, the Chickasaw Rail expansion project, the project for Phase IV expansion of the container terminal, enhancement of security at the Authority, and repairs and rehabilitation of piers.

Fiscal 2023 operating revenues increased 12% as compared to 2022, from \$164.5 million to \$184.9 million, mainly from increased volumes and improved terms within coal handling agreements, along with continued increases in container traffic, greater utilization of the Mobile ICTF, and additional activity at Terminal Railway. Revenue at McDuffie Coal Terminal increased by \$16.3 million (23%), due to increased volume and more favorable terms. Terminal Railway revenues improved by \$1.6 million (6%) over fiscal 2022, a result of increases in intermodal switching, general switching, storage, rail ferry usage, and railcar repairs. General Cargo/Intermodal revenues increased by \$0.8 million (2%) due to slight increases in iron and steel products, partially offset by fewer shipments of pulp, paper, and forest products.

Marine Liquid Bulk Terminal increased by \$0.1 million (2%) related to the increase of customer shipments through the facility. The Real Estate division increased by \$2.4 million (13%) due largely to the allocation of energy port funds and increased activity with Pig Iron in fiscal 2023. The Other operating revenue category decreased by \$0.7 million (9%) primarily due to fees associated with third-party usage of the Authority's dredge-material management areas and decreased vessel and harbormaster activity, which are partially offset by improved terminal utilization at Mobile Middle Bay Port.

The Authority received \$7.5 million in capital grants and contributions to partially fund the Upper Mobile Bay Beneficial Use Wetland Creation Site Project, the Montgomery ICTF project, the Chickasaw Rail expansion project, the project for Phase IV expansion of the container terminal, to repair roofs, cameras, and bulkheads after Hurricanes Sally and Zeta, and to repower a locomotive with diesel emissions reduction technology.

The next table lists operating revenues by business segment for each fiscal year ended September 30:

	2024	2023	2022
Operating revenues			
McDuffie Coal Terminal	\$ 87,165,315	\$ 86,197,647	\$ 69,919,373
General Cargo/Intermodal	46,098,733	40,069,149	39,288,129
Terminal Railway	31,607,244	26,854,462	25,272,756
Real Estate	20,344,671	20,861,091	18,531,517
Marine Liquid Bulk Terminal	4,742,597	4,346,539	4,265,861
Other	6,675,638	6,582,895	7,235,524
Total operating revenues	\$ 196,634,198	\$ 184,911,783	\$ 164,513,160

Fiscal 2024 operating expenses increased as compared to fiscal 2023 from \$166.4 million to \$166.7 million. Expenses associated with the operation and maintenance of facilities decreased by approximately \$1.5 million, with the majority (\$8.8 million) related to lower costs for dredging and material management sites. These savings were partially offset by increases in personnel costs, maintenance materials and services, and environmental health and safety expenses. The remainder of the difference in operation and maintenance of facilities was a mixture of changes to insurance costs, equipment rental, utilities, and other miscellaneous expenses.

General and administrative expenses increased by \$4.1 million during fiscal 2024, driven by \$3.3 million in outside resources mainly for information technology and internal and external affairs. There was an additional \$1.6 million in personnel expenses as the Authority continued to add staff where appropriate, as well as planned increases for existing staff. These increases were partially offset by slightly lower expenses mainly related to travel, advertising, and other miscellaneous expenses.

Fiscal 2023 operating expenses increased as compared to fiscal 2022 from \$143.0 million to \$166.4 million. Expenses associated with the operation and maintenance of facilities increased by approximately \$16.7 million, with the majority (\$15.6 million) related to increased maintenance of facilities, primarily McDuffie Coal Terminal. Personnel costs associated with labor tied to previously mentioned maintenance activity and additional headcount at various business units account for approximately \$6.5 million in increased costs as well as the use of outside services totaling another \$1.1 million. These costs were largely offset (\$6.2 million) by lower costs related to the dredging at the Authority's berths and activities at dredge material management sites. The remainder of the \$16.7 million increase in operation and maintenance of facilities was a mixture of changes to insurance costs, equipment rental, utilities, and other miscellaneous expenses.

General and administrative expenses increased by \$3.4 million during fiscal 2023, driven by \$2.4 million in personnel expenses due to additional resources to accommodate growth at the Authority along with customary increases for existing staff. The remaining \$1.0 million is mainly from needed outside resources for information technology and internal and external affairs activities, along with minor increases in travel, supplies, and miscellaneous expenses.

	2024	2023	2022
Operating expenses			
Operation and maintenance of facilities	\$ 103,614,944	\$ 105,107,785	\$ 88,437,391
Depreciation and amortization	38,102,597	40,412,873	37,042,819
General and administrative	24,982,706	20,921,651	17,501,817
Total operating expenses	\$ 166,700,247	\$ 166,442,309	\$ 142,982,027

	2024	2023	2022
Nonoperating income (expenses)			
Interest income	\$ 4,041,233	\$ 1,728,399	\$ 171,171
Change in fair value of interest rate swap	-	-	251,940
Interest expense	(11,740,654)	(12,209,891)	(13,240,022)
Interest rate swap expense	-	-	368
Transfers from the State of Alabama	37,203,619	17,350,000	15,550,000
Noncapital port development expenses	(35,400,000)	(17,350,000)	(15,550,000)
Gain (loss) on disposal of capital assets	(506,222)	516,050	(2,936,592)
Insurance recoveries	-	4,407,570	603,722
Other, net	(545,442)	351,916	722,309
Net nonoperating expenses	\$ (6,947,466)	\$ (5,205,956)	\$ (14,427,104)
Capital grants and contributions	\$ 13,137,919	\$ 7,489,657	\$ 7,161,617

Net nonoperating expenses decreased to \$6.9 million in fiscal 2024 compared to \$5.2 million in fiscal 2023. Interest income increased \$2.3 million in fiscal 2024 as compared to fiscal 2023 due to rising interest rates and higher cash balances, and interest expense continued a downward trend, decreasing by \$0.5 million in fiscal 2024 as compared to fiscal 2023. Noncapital port development expenses represent payments made on behalf of the Authority by the State to the USACE for the Non-Federal Share of the seaport modernization program. Transfers from the State of Alabama represents payments made on behalf of the Authority and direct payments for the Non-Federal Share of the construction costs of the Project, as well as related funding for the dredging of berths for McDuffie Coal Terminal and Mobile Container Terminal to match the channel depth. In fiscal 2024, \$1.8 million was paid directly to the Authority for reimbursement of project costs incurred for pipeline surveys and for acreage provided by the Authority that was needed for expansion of the seaport modernization program. The funding is provided by the State out of proceeds of bonds issued by the State Highway Finance Corporation and secured by revenues from certain taxes levied by the State.

Net nonoperating expenses decreased to \$5.2 million in fiscal 2023 compared to \$14.4 million in fiscal 2023. Investment income increased \$1.6 million in fiscal 2023 as compared to fiscal 2022 due to rising interest rates and higher cash balances, and interest expense continued a downward trend, decreasing by \$1.0 million in fiscal 2023 as compared to fiscal 2022. Noncapital port development contributions and expenses represent payments made on behalf of the Authority by the State to the USACE for the Non-Federal Share of the seaport modernization program. The funding for the Non-Federal Share of the construction costs of the Project, as well as related funding for the dredging of berths for McDuffie Coal Terminal and Mobile Container Terminal to match the channel depth, is provided by the State out of proceeds of bonds issued by the State Highway Finance Corporation and secured by revenues from certain taxes levied by the State. Gain on disposal of assets of \$0.5 million includes a \$0.6 million gain associated with the accretion of a Hurricane Katrina-related contra-asset that reached its finality in fiscal 2023, which was partially offset with a net loss of \$0.1 million on the sale and disposal of assets. The Authority also received

\$4.4 million of insurance reimbursements for damages from Hurricane Sally and for damages to equipment at McDuffie Coal Terminal.

#### **Statements of Cash Flows**

The following is a summary of the major sources and uses of cash and cash equivalents for the past three years. Cash equivalents are considered liquid investments generally with an original maturity of three months or less:

	2024	2023*	2022*
Cash flows provided by operating activities	\$ 54,804,546	\$ 31,034,398	\$ 35,656,574
Cash flows used in capital and related financing activities	(40,264,818)	(45,055,411)	(1,734,991)
Cash flows provided by investing activities	4,041,233	1,728,399	7,781,171
Net increase (decrease) in cash and cash equivalents	18,580,961	(12,292,614)	41,702,754
Cash, cash equivalents, and restricted cash Beginning of year	126,871,904	139,164,518	97,461,764
End of year	\$ 145,452,865	\$ 126,871,904	\$ 139,164,518

<sup>\*</sup>Certain items within fiscal year 2023 and 2022 cash flows from operating activities and financing activities have been reclassified.

During fiscal 2024, the Authority expended approximately \$38.4 million on capital projects and assets. A few of the capital projects completed during fiscal 2024 included construction of a central warehouse at McDuffie Coal Terminal, projects for equipment upgrades at McDuffie Coal Terminal as part of their modernization initiative, repairs and renovations to several buildings and piers, rail track repairs at Terminal Railway, upgrades to Marine Liquid Bulk Terminal's dock fire suppression system, and purchase of 45 acres of waterfront property in Mobile for future expansion. Other assets purchased included computer equipment, vehicles, maintenance, machinery, and shop equipment.

Progress made on projects during the year included upgrading and modernizing of equipment at McDuffie Coal Terminal, expansion of Phase IV of the container terminal, construction of the Montgomery ICTF, upgrades and repairs to piers, wharves and bulkheads across the Port and several projects at Terminal Railway for repairs and expansion of tracks.

During fiscal 2023, the Authority expended approximately \$61.6 million on capital projects and assets. A few of the capital projects completed during fiscal 2023 included commissioning of a stacker reclaimer at McDuffie Coal Terminal, repairs and renovations to several buildings and piers, refurbishment and expansion of the diesel shop at Terminal Railway, and purchase of 13 acres in Mobile for future expansion. Other assets purchased included computer equipment, vehicles, maintenance, machinery, and shop equipment.

Progress made on projects during the year included upgrading and modernizing of equipment at McDuffie Coal Terminal, modifying cranes at Pinto Island to be able to handle coal, roof repairs to warehouses on the main docks, refurbishment and upgrades to Marine Liquid Bulk Terminal's dock fire suppression system, and commencement of several projects at Terminal Railway that include repairs and expansion of tracks.

For detailed information on capital asset activity, see Note 3 to the financial statements.

#### **Long-Term Debt Activities**

During fiscal 2020, the Authority issued the \$46,986,000 Docks Facilities Revenue Bond Series 2020 (Series 2020), at a fixed rate of 1.91% per annum, with interest payable on the first day of each month, commencing October 1, 2020. Annual principal payments are due beginning October 1, 2021, through maturity on October 1, 2040. The Authority used proceeds from Series 2020 to refund part of the Short-Term Docks Facilities Revenue Bond Series 2018 (Series 2018) and used \$3,014,000 of investment funds remaining from Series 2018 proceeds to provide long-term funding to expand the container handling capacity of its operations at the Choctaw Point Container Terminal, including approximately 400' by 200' dock extension, and paving, drainage, and lighting for an addition of approximately 20 acres to the container storage area.

During fiscal 2017, the Authority issued the Docks Facilities Revenue Refunding Bonds Series 2017 for the purpose of refunding the outstanding Docks Facilities Revenue Bonds Series 2006A, Series 2006B, Series 2006D, and Series 2010. Additionally, the new bonds funded the cost of a surety bond in lieu of the required deposit to the debt service reserve fund, paid the premium for a policy of municipal bond insurance with respect to the insured Series 2017 Bonds, and provided for the issuance costs for the Series 2017 Bonds.

With respect to the Docks Facilities Revenue Refunding Bonds Series 2017, approximately \$9.6 million and \$10.0 million of principal related to this series is scheduled to be due in fiscal 2025 and 2026, respectively. Principal payments of approximately \$2.1 million are scheduled to be due in fiscal 2024 and 2025 for Docks Facilities Revenue Bond Series 2020. Of these scheduled payments, the Authority expects to pay these amounts from cash generated by operations, with the debt service reserve funds and surety bonds providing additional security. While not pledged to secure payment of the bonds, the Authority has first call on certain severance tax revenues of the State related to coal, oil, and gas.

For further discussion of the Authority's long-term debt, see Note 7 to the financial statements.

#### **Cautionary Note Regarding Forward-Looking Statements**

Certain information provided by the Authority, including written or oral statements made by its representatives, may contain forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. All statements, other than the statements of historical fact, which address future activities, events, or developments that the Authority expects or anticipates will or may occur, contain forward-looking information.

In reviewing such information, it should be kept in mind that actual results may differ materially from those projected or suggested in such forward-looking information. This forward-looking information is based upon various factors and is derived using various assumptions. The Authority does not update forward-looking information contained in this report or elsewhere to reflect actual results, changes in assumptions, or changes in other factors.

#### **Requests for Information**

This financial report is designed and intended to provide a general overview of the Authority's financial position and results of operations. Questions concerning any of the information provided in this report, or requests for additional financial information, may be addressed to the Chief Financial Officer, Alabama State Port Authority, P.O. Box 1588, Mobile, Alabama 36633.

# ALABAMA STATE PORT AUTHORITY STATEMENTS OF NET POSITION SEPTEMBER 30, 2024 AND 2023

### **ASSETS**

		2024	 2023
CURRENT ASSETS			
Cash and cash equivalents	\$	120,013,542	\$ 102,100,201
Cash and cash equivalents, restricted		25,439,323	24,771,703
Trade accounts receivable, net of allowance for		15,455,550	12,611,905
credit losses of \$51,526 and \$907,043			
as of September 30, 2024 and 2023, respectively			
Capital grants receivable		962,835	5,994,265
Accrued interest receivable		792,584	823,293
Current portion of lease receivable		8,338,944	6,808,536
Inventories		4,867,757	4,029,253
Prepaid expenses and other assets		4,370,327	4,009,908
Total current assets		180,240,862	 161,149,064
NONCURRENT ASSETS			
Lease receivable, net of current portion		210,051,425	202,659,673
Capital assets, net		686,917,070	676,625,510
Net pension asset		2,195,299	-
Other assets, net		3,122,219	3,061,362
Total noncurrent assets		902,286,013	882,346,545
TOTAL ASSETS	\$ ^	1,082,526,875	\$ 1,043,495,609
DEFERRED OUTFLOWS OF RESOURCES			 
Pension	\$	5,149,350	\$ 9,117,737
Other postemployment benefits		8,566,303	7,917,651
Unamortized loss on debt refunding		9,823,453	 10,436,371
Total deferred outflows of resources	\$	23,539,106	\$ 27,471,759

# ALABAMA STATE PORT AUTHORITY STATEMENTS OF NET POSITION SEPTEMBER 30, 2024 AND 2023

# **LIABILITIES AND NET POSITION**

	2024	 2023
CURRENT LIABILITIES		
Accounts and contracts payable Accrued liabilities:	\$ 16,003,205	\$ 10,107,115
Salaries and wages	4,170,596	3,074,296
Vacation and sick leave	3,316,881	3,191,965
Current maturities of bonds payable	11,629,575	11,166,410
Accrued interest payable	5,584,746	5,802,321
Current portion of lease and subscription liabilities	329,363	1,050,939
Other	1,801,305	 1,319,433
Total current liabilities	42,835,671	35,712,479
NONCURRENT LIABILITIES		
Vacation and sick leave	2,211,121	2,127,978
Unearned revenues	44,789,201	33,881,937
Environmental liability	3,226,008	3,144,076
Unpaid claims	648,496	992,589
Lease and subscription liabilities, net of current portion	454,998	784,361
Net pension liability	26,644,224	27,385,468
Net other postemployment benefits liability	16,484,640	15,665,083
Bonds payable, net of premiums (net) and current maturities	269,749,117	282,208,998
Other noncurrent liabilities	329,363	1,050,938
Total noncurrent liabilities	 364,537,168	 367,241,428
TOTAL LIABILITIES	\$ 407,372,839	\$ 402,953,907
DEFERRED INFLOWS OF RESOURCES		
Pension	\$ 407,086	\$ 716,748
Leases	239,140,404	237,881,993
Other postemployment benefits	11,562,952	17,956,424
Total deferred inflows of resources	\$ 251,110,442	\$ 256,555,165
NET POSITION		
Net investment in capital assets	\$ 405,612,216	\$ 385,581,202
Restricted for debt service	25,439,323	24,771,703
Unrestricted	16,531,161	1,105,391
Total net position	\$ 447,582,700	\$ 411,458,296

# ALABAMA STATE PORT AUTHORITY STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

OPERATING REVENUES           McDuffie Coal Terminal         \$ 87,165,315         \$ 86,197,647           General Cargo/Intermodal         46,098,733         40,069,149           Terminal Railway         31,607,244         26,854,462           Real Estate         20,344,671         20,861,091           Marine Liquid Bulk Terminal         4,742,597         4,346,539           Other         6,675,638         6,582,895           Total operating revenues         196,634,198         184,911,783           OPERATING EXPENSES AND LOSSES           Operation and maintenance of facilities         103,614,944         105,107,785           Depreciation and amortization         38,102,597         40,412,873           General and administrative         24,982,706         20,921,651           Total operating expenses and losses         166,700,247         166,442,309           OPERATING INCOME         29,933,951         18,469,474           NONOPERATING INCOME (EXPENSES)           Interest expense         (11,740,654)         (12,209,891)           Transfers from the State of Alabama         37,203,619         17,350,000           Noncapital port development expense         (35,400,000)         (17,350,000           Gain (loss) on disp		2024	2023
McDuffie Coal Terminal         \$ 87,165,315         \$ 86,197,647           General Cargo/Intermodal         46,098,733         40,069,149           Terminal Railway         31,607,244         26,854,462           Real Estate         20,344,671         20,861,091           Marine Liquid Bulk Terminal         4,742,597         4,346,539           Other         6,675,638         6,582,895           Total operating revenues         196,634,198         184,911,783           OPERATING EXPENSES AND LOSSES           Operation and maintenance of facilities         103,614,944         105,107,785           Depreciation and amortization         38,102,597         40,412,873           General and administrative         24,982,706         20,921,651           Total operating expenses and losses         166,700,247         166,442,309           OPERATING INCOME (EXPENSES)           Interest income         4,041,233         1,728,399           Interest expense         (11,740,654)         (12,209,891)           Transfers from the State of Alabama         37,203,619         17,350,000           Noncapital port development expense         (35,400,000)         (17,350,000)           Gain (loss) on disposal of capital assets         (506,222)         516,550	OPERATING REVENUES		
Terminal Railway         31,607,244         26,854,462           Real Estate         20,344,671         20,861,091           Marine Liquid Bulk Terminal         4,742,597         4,346,539           Other         6,675,638         6,582,895           Total operating revenues         196,634,198         184,911,783           OPERATING EXPENSES AND LOSSES           Operation and maintenance of facilities         103,614,944         105,107,785           Depreciation and amortization         38,102,597         40,412,873           General and administrative         24,982,706         20,921,651           Total operating expenses and losses         166,700,247         166,442,309           OPERATING INCOME (EXPENSES)           Interest income         4,041,233         1,728,399           Interest expense         (11,740,654)         (12,209,891)           Transfers from the State of Alabama         37,203,619         17,350,000           Noncapital port development expense         (35,400,000)         (17,350,000)           Gain (loss) on disposal of capital assets         (506,222)         516,050           Insurance recoveries         -         4,407,570           Other income (expense), net         (545,442)         351,916	McDuffie Coal Terminal	\$ 87,165,315	\$ 86,197,647
Real Estate         20,344,671         20,861,091           Marine Liquid Bulk Terminal Other         4,742,597         4,346,539           Other         6,675,638         6,582,895           Total operating revenues         196,634,198         184,911,783           OPERATING EXPENSES AND LOSSES           Operation and maintenance of facilities         103,614,944         105,107,785           Depreciation and amortization         38,102,597         40,412,873           General and administrative         24,982,706         20,921,651           Total operating expenses and losses         166,700,247         166,442,309           OPERATING INCOME         29,933,951         18,469,474           NONOPERATING INCOME (EXPENSES)         1         1,728,399           Interest income         4,041,233         1,728,399           Interest expense         (11,740,654)         (12,209,891)           Transfers from the State of Alabama         37,203,619         17,350,000           Noncapital port development expense         (35,400,000)         (17,350,000)           Gain (loss) on disposal of capital assets         (506,222)         516,050           Insurance recoveries         -         4,407,570           Other income (expense), net         (545,4	General Cargo/Intermodal		
Marine Liquid Bulk Terminal Other         4,742,597 6,675,638 6,582,895         4,346,539 6,582,895           Total operating revenues         196,634,198 184,911,783           OPERATING EXPENSES AND LOSSES           Operation and maintenance of facilities         103,614,944 105,107,785           Depreciation and amortization         38,102,597 40,412,873           General and administrative         24,982,706 20,921,651           Total operating expenses and losses         166,700,247 166,442,309           OPERATING INCOME         29,933,951 18,469,474           NONOPERATING INCOME (EXPENSES)         4,041,233 1,728,399           Interest expense         (11,740,654) (12,209,891)           Interest expenses         (35,400,000) (17,350,000)           Noncapital port development expense         (35,400,000) (17,350,000)           Gain (loss) on disposal of capital assets         (506,222) 516,050           Insurance recoveries         - 4,407,570           Other income (expense), net         (545,442) 351,916           Total nonoperating expenses         (6,947,466) (5,205,956)           Income before capital grants and contributions         22,986,485 13,263,518           Capital grants and contributions         13,137,919 7,489,657           Increase in net position         36,124,404 20,753,175           NET POSITION <td>Terminal Railway</td> <td>31,607,244</td> <td>26,854,462</td>	Terminal Railway	31,607,244	26,854,462
Other         6,675,638         6,582,895           Total operating revenues         196,634,198         184,911,783           OPERATING EXPENSES AND LOSSES           Operation and maintenance of facilities         103,614,944         105,107,785           Depreciation and amortization         38,102,597         40,412,873           General and administrative         24,982,706         20,921,651           Total operating expenses and losses         166,700,247         166,442,309           OPERATING INCOME         29,933,951         18,469,474           NONOPERATING INCOME (EXPENSES)           Interest income         4,041,233         1,728,399           Interest expense         (11,740,654)         (12,209,891)           Transfers from the State of Alabama         37,203,619         17,350,000           Noncapital port development expense         (35,400,000)         (17,350,000)           Gain (loss) on disposal of capital assets         (506,222)         516,050           Insurance recoveries         -         4,407,570           Other income (expense), net         (545,442)         351,916           Total nonoperating expenses         (6,947,466)         (5,205,956)           Increase in net position         36,124,404         20,75	Real Estate	20,344,671	20,861,091
Total operating revenues         196,634,198         184,911,783           OPERATING EXPENSES AND LOSSES           Operation and maintenance of facilities         103,614,944         105,107,785           Depreciation and amortization         38,102,597         40,412,873           General and administrative         24,982,706         20,921,651           Total operating expenses and losses         166,700,247         166,442,309           OPERATING INCOME         29,933,951         18,469,474           NONOPERATING INCOME (EXPENSES)         4,041,233         1,728,399           Interest income         4,041,233         1,728,399           Interest expense         (11,740,654)         (12,209,891)           Transfers from the State of Alabama         37,203,619         17,350,000           Noncapital port development expense         (35,400,000)         (17,350,000)           Gain (loss) on disposal of capital assets         (506,222)         516,050           Insurance recoveries         -         4,407,570           Other income (expense), net         (545,442)         351,916           Total nonoperating expenses         (6,947,466)         (5,205,956)           Increase in net position         36,124,404         20,753,175           NET POSITION </td <td>Marine Liquid Bulk Terminal</td> <td>4,742,597</td> <td>4,346,539</td>	Marine Liquid Bulk Terminal	4,742,597	4,346,539
OPERATING EXPENSES AND LOSSES           Operation and maintenance of facilities         103,614,944         105,107,785           Depreciation and amortization         38,102,597         40,412,873           General and administrative         24,982,706         20,921,651           Total operating expenses and losses         166,700,247         166,442,309           OPERATING INCOME         29,933,951         18,469,474           NONOPERATING INCOME (EXPENSES)         Interest income         4,041,233         1,728,399           Interest expense         (11,740,654)         (12,209,891)           Transfers from the State of Alabama         37,203,619         17,350,000           Noncapital port development expense         (35,400,000)         (17,350,000)           Gain (loss) on disposal of capital assets         (506,222)         516,050           Insurance recoveries         -         4,407,570           Other income (expense), net         (545,442)         351,916           Total nonoperating expenses         (6,947,466)         (5,205,956)           Increase in net position         36,124,404         20,753,175           NET POSITION           Beginning of year         411,458,296         390,705,121	Other	6,675,638	6,582,895
Operation and maintenance of facilities         103,614,944         105,107,785           Depreciation and amortization         38,102,597         40,412,873           General and administrative         24,982,706         20,921,651           Total operating expenses and losses         166,700,247         166,442,309           OPERATING INCOME         29,933,951         18,469,474           NONOPERATING INCOME (EXPENSES)         Variable of the company of	Total operating revenues	196,634,198	184,911,783
Depreciation and amortization         38,102,597         40,412,873           General and administrative         24,982,706         20,921,651           Total operating expenses and losses         166,700,247         166,442,309           OPERATING INCOME         29,933,951         18,469,474           NONOPERATING INCOME (EXPENSES)         4,041,233         1,728,399           Interest income         4,041,233         1,728,399           Interest expense         (11,740,654)         (12,209,891)           Transfers from the State of Alabama         37,203,619         17,350,000           Noncapital port development expense         (35,400,000)         (17,350,000)           Gain (loss) on disposal of capital assets         (506,222)         516,050           Insurance recoveries         -         4,407,570           Other income (expense), net         (545,442)         351,916           Total nonoperating expenses         (6,947,466)         (5,205,956)           Income before capital grants and contributions         22,986,485         13,263,518           Capital grants and contributions         36,124,404         20,753,175           NET POSITION           Beginning of year         411,458,296         390,705,121	OPERATING EXPENSES AND LOSSES		
General and administrative         24,982,706         20,921,651           Total operating expenses and losses         166,700,247         166,442,309           OPERATING INCOME         29,933,951         18,469,474           NONOPERATING INCOME (EXPENSES)         31,728,399           Interest income         4,041,233         1,728,399           Interest expense         (11,740,654)         (12,209,891)           Transfers from the State of Alabama         37,203,619         17,350,000           Noncapital port development expense         (35,400,000)         (17,350,000)           Gain (loss) on disposal of capital assets         (506,222)         516,050           Insurance recoveries         -         4,407,570           Other income (expense), net         (545,442)         351,916           Total nonoperating expenses         (6,947,466)         (5,205,956)           Income before capital grants and contributions         22,986,485         13,263,518           Capital grants and contributions         13,137,919         7,489,657           Increase in net position         36,124,404         20,753,175           NET POSITION           Beginning of year         411,458,296         390,705,121	Operation and maintenance of facilities	103,614,944	105,107,785
Total operating expenses and losses         166,700,247         166,442,309           OPERATING INCOME         29,933,951         18,469,474           NONOPERATING INCOME (EXPENSES)         4,041,233         1,728,399           Interest income         4,041,233         1,728,399           Interest expense         (11,740,654)         (12,209,891)           Transfers from the State of Alabama         37,203,619         17,350,000           Noncapital port development expense         (35,400,000)         (17,350,000)           Gain (loss) on disposal of capital assets         (506,222)         516,050           Insurance recoveries         -         4,407,570           Other income (expense), net         (545,442)         351,916           Total nonoperating expenses         (6,947,466)         (5,205,956)           Income before capital grants and contributions         22,986,485         13,263,518           Capital grants and contributions         13,137,919         7,489,657           Increase in net position         36,124,404         20,753,175           NET POSITION           Beginning of year         411,458,296         390,705,121	Depreciation and amortization	38,102,597	40,412,873
OPERATING INCOME         29,933,951         18,469,474           NONOPERATING INCOME (EXPENSES)         Interest income         4,041,233         1,728,399           Interest expense         (11,740,654)         (12,209,891)           Transfers from the State of Alabama         37,203,619         17,350,000           Noncapital port development expense         (35,400,000)         (17,350,000)           Gain (loss) on disposal of capital assets         (506,222)         516,050           Insurance recoveries         -         4,407,570           Other income (expense), net         (545,442)         351,916           Total nonoperating expenses         (6,947,466)         (5,205,956)           Income before capital grants and contributions         22,986,485         13,263,518           Capital grants and contributions         13,137,919         7,489,657           Increase in net position         36,124,404         20,753,175           NET POSITION           Beginning of year         411,458,296         390,705,121	General and administrative	24,982,706	20,921,651
NONOPERATING INCOME (EXPENSES)           Interest income         4,041,233         1,728,399           Interest expense         (11,740,654)         (12,209,891)           Transfers from the State of Alabama         37,203,619         17,350,000           Noncapital port development expense         (35,400,000)         (17,350,000)           Gain (loss) on disposal of capital assets         (506,222)         516,050           Insurance recoveries         -         4,407,570           Other income (expense), net         (545,442)         351,916           Total nonoperating expenses         (6,947,466)         (5,205,956)           Income before capital grants and contributions         22,986,485         13,263,518           Capital grants and contributions         13,137,919         7,489,657           Increase in net position         36,124,404         20,753,175           NET POSITION           Beginning of year         411,458,296         390,705,121	Total operating expenses and losses	166,700,247	166,442,309
Interest income       4,041,233       1,728,399         Interest expense       (11,740,654)       (12,209,891)         Transfers from the State of Alabama       37,203,619       17,350,000         Noncapital port development expense       (35,400,000)       (17,350,000)         Gain (loss) on disposal of capital assets       (506,222)       516,050         Insurance recoveries       -       4,407,570         Other income (expense), net       (545,442)       351,916         Total nonoperating expenses       (6,947,466)       (5,205,956)         Income before capital grants and contributions       22,986,485       13,263,518         Capital grants and contributions       13,137,919       7,489,657         Increase in net position       36,124,404       20,753,175         NET POSITION         Beginning of year       411,458,296       390,705,121	OPERATING INCOME	29,933,951	18,469,474
Interest expense       (11,740,654)       (12,209,891)         Transfers from the State of Alabama       37,203,619       17,350,000         Noncapital port development expense       (35,400,000)       (17,350,000)         Gain (loss) on disposal of capital assets       (506,222)       516,050         Insurance recoveries       -       4,407,570         Other income (expense), net       (545,442)       351,916         Total nonoperating expenses       (6,947,466)       (5,205,956)         Income before capital grants and contributions       22,986,485       13,263,518         Capital grants and contributions       13,137,919       7,489,657         Increase in net position       36,124,404       20,753,175         NET POSITION         Beginning of year       411,458,296       390,705,121	NONOPERATING INCOME (EXPENSES)		
Transfers from the State of Alabama       37,203,619       17,350,000         Noncapital port development expense       (35,400,000)       (17,350,000)         Gain (loss) on disposal of capital assets       (506,222)       516,050         Insurance recoveries       -       4,407,570         Other income (expense), net       (545,442)       351,916         Total nonoperating expenses       (6,947,466)       (5,205,956)         Income before capital grants and contributions       22,986,485       13,263,518         Capital grants and contributions       13,137,919       7,489,657         Increase in net position       36,124,404       20,753,175         NET POSITION         Beginning of year       411,458,296       390,705,121	Interest income	4,041,233	1,728,399
Noncapital port development expense       (35,400,000)       (17,350,000)         Gain (loss) on disposal of capital assets       (506,222)       516,050         Insurance recoveries       -       4,407,570         Other income (expense), net       (545,442)       351,916         Total nonoperating expenses       (6,947,466)       (5,205,956)         Income before capital grants and contributions       22,986,485       13,263,518         Capital grants and contributions       13,137,919       7,489,657         Increase in net position       36,124,404       20,753,175         NET POSITION         Beginning of year       411,458,296       390,705,121	Interest expense	(11,740,654)	(12,209,891)
Gain (loss) on disposal of capital assets       (506,222)       516,050         Insurance recoveries       -       4,407,570         Other income (expense), net       (545,442)       351,916         Total nonoperating expenses       (6,947,466)       (5,205,956)         Income before capital grants and contributions       22,986,485       13,263,518         Capital grants and contributions       13,137,919       7,489,657         Increase in net position       36,124,404       20,753,175         NET POSITION         Beginning of year       411,458,296       390,705,121	Transfers from the State of Alabama	37,203,619	17,350,000
Insurance recoveries       -       4,407,570         Other income (expense), net       (545,442)       351,916         Total nonoperating expenses       (6,947,466)       (5,205,956)         Income before capital grants and contributions       22,986,485       13,263,518         Capital grants and contributions       13,137,919       7,489,657         Increase in net position       36,124,404       20,753,175         NET POSITION         Beginning of year       411,458,296       390,705,121	Noncapital port development expense	(35,400,000)	(17,350,000)
Other income (expense), net       (545,442)       351,916         Total nonoperating expenses       (6,947,466)       (5,205,956)         Income before capital grants and contributions       22,986,485       13,263,518         Capital grants and contributions       13,137,919       7,489,657         Increase in net position       36,124,404       20,753,175         NET POSITION         Beginning of year       411,458,296       390,705,121	Gain (loss) on disposal of capital assets	(506,222)	516,050
Total nonoperating expenses       (6,947,466)       (5,205,956)         Income before capital grants and contributions       22,986,485       13,263,518         Capital grants and contributions       13,137,919       7,489,657         Increase in net position       36,124,404       20,753,175         NET POSITION         Beginning of year       411,458,296       390,705,121	Insurance recoveries	-	4,407,570
Income before capital grants and contributions       22,986,485       13,263,518         Capital grants and contributions       13,137,919       7,489,657         Increase in net position       36,124,404       20,753,175         NET POSITION         Beginning of year       411,458,296       390,705,121	Other income (expense), net	(545,442)	351,916
Capital grants and contributions         13,137,919         7,489,657           Increase in net position         36,124,404         20,753,175           NET POSITION         411,458,296         390,705,121	Total nonoperating expenses	(6,947,466)	(5,205,956)
Increase in net position 36,124,404 20,753,175  NET POSITION  Beginning of year 411,458,296 390,705,121	Income before capital grants and contributions	22,986,485	13,263,518
NET POSITION         Beginning of year       411,458,296       390,705,121	Capital grants and contributions	13,137,919	7,489,657
Beginning of year 411,458,296 390,705,121	Increase in net position	36,124,404	20,753,175
	NET POSITION		
End of year \$ 447,582,700 \$ 411,458,296	Beginning of year	411,458,296	390,705,121
	End of year	\$ 447,582,700	\$ 411,458,296

# ALABAMA STATE PORT AUTHORITY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 195,323,352	\$ 172,623,262
Cash payments to suppliers for goods and services	(92,172,249)	(95,670,942)
Cash payments to employees for services	(48,346,557)	(45,917,922)
Net cash provided by operating activities	54,804,546	31,034,398
CASH FLOWS FROM CAPITAL AND RELATED		
FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(38,567,500)	(61,613,344)
Proceeds from the sale of capital assets	422,565	-
Principal receipts on leases	8,023,270	7,087,653
Interest receipts on leases	6,602,046	6,245,268
Principal paid on bonds	(11,166,410)	(13,813,431)
Interest paid on bonds, leases, and subscriptions	(12,053,455)	(12,469,839)
Principal paid on leases and subscriptions	(1,072,589)	(1,250,694)
Proceeds from capital grants and contributions	7,547,255	26,351,406
Insurance proceeds		4,407,570
Net cash used in capital and related financing activities	(40,264,818)	(45,055,411)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	4,041,233	1,728,399
NET CHANGE IN CASH AND CASH EQUIVALENTS	18,580,961	(12,292,614)
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH		
Beginning of year	126,871,904	139,164,518
End of year	\$ 145,452,865	\$ 126,871,904

# ALABAMA STATE PORT AUTHORITY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	2024	2023		
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income	\$ 29,933,951	\$ 18,469,474		
Adjustments to reconcile operating income to				
net cash provided by operating activities:				
Depreciation and amortization	38,102,597	40,412,873		
Bad debt expense (recoveries)	(195,523)	608,286		
Other income	858,177	368,755		
Leasing activity:				
Lease income	(22,258,356)	(20,321,525)		
Lease payments	28,484	62,764		
Changes in assets and liabilities:				
Trade accounts receivable	(2,648,122)	5,956,005		
Inventories	(838,504)	(198,721)		
Prepaid expenses and other assets	(360,419)	(1,208,149)		
Other assets, net	(7,014,783)	(6,152,006)		
Net pension asset and deferred outflows	140,902	(1,688,056)		
Net pension liability and deferred inflows	581,283	3,100,846		
Other postemployment benefits liability and deferred inflows and outflows	(6,222,567)	(5,650,352)		
Accounts and contracts payable	2,365,576	(4,880,678)		
Accrued liabilities, unearned revenues, and other liabilities	22,331,850	2,154,882		
Net cash provided by operating activities	\$ 54,804,546	\$ 31,034,398		

### Noncash Items

Construction in progress additions of \$8,315,292 and \$4,784,778 were included in accounts and contracts payable as of September 30, 2024 and 2023, respectively.

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### **Reporting Entity**

The Alabama State Port Authority (Authority) is an enterprise agency of the State of Alabama (State) created to engage in promoting, developing, constructing, maintaining, and operating harbors, seaports, and riverports within the State.

The Authority operates a coal handling and storage facility, general cargo/intermodal facilities which include the Pinto Island Steel Terminal, a switching railway, and a liquid bulk terminal, primarily in Mobile, Alabama. The primary commodities handled and stored are wood, paper products, liquid chemicals, steel and other metals, and coal. The Authority also owns land and facilities that it leases to others.

The Governor of the State appoints eight members of the Board of Directors of the Authority (Board), subject to confirmation by the Alabama Senate. The Governor designates one of the confirmed members of the Board as the Board's Chairperson. In addition, one ex-officio member serves as the ninth member of the Board. The ex-officio member annually rotates between the Mayor of the City of Mobile and the President of the Mobile County Commission. The Board appoints the Director of the Authority. The Director is the chief executive officer responsible for managing the affairs of the Authority. The Alabama State Legislature has the authority to create and enact laws and statutes that govern the affairs of the Authority.

The Authority is not a legally separate entity from the State and, for financial reporting purposes, is considered to be part of the State. Additionally, the Authority is largely independent of the control of the State Comptroller, State Auditor, and State Treasurer, but lacks the corporate powers to make them legally separate and is, therefore, part of the primary government. The Authority is considered an agency of the primary government of the State and is presented as a business-type activity in the basic financial statements of the State. The financial statements of the Authority include all operations and activities of the Authority.

#### **Basis of Accounting**

The financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. For financial reporting purposes, the Authority is considered a special-purpose government engaged only in business-type activities as defined by GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services. Accordingly, the financial statements of the Authority have been prepared in accordance with GAAP using the economic measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred.

#### **Net Position**

The Authority presents net position in the following three categories according to external restrictions or availability of assets for satisfaction of Authority obligations:

- Net investment in capital assets: Capital assets and right-to-use lease assets, net of accumulated depreciation and amortization and reduced by outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets, and retainage payable on construction contracts. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets, or the related debt are included in this component of net position.
- **Restricted:** The Authority classifies net position resulting from transactions with purpose restrictions as restricted net position until the specific resources are used for the required purpose or for as long as the provider requires the resources to remain intact.
- **Unrestricted:** Net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position. Unrestricted net position may be designated for specific purposes by action of management or the Board.

#### **Fair Value Application and Measurement**

Fair value is applied to assets and liabilities that the Authority holds primarily for the purpose of income or profit and that have a present service capacity based solely on their ability to generate cash or to be sold to generate cash. The Authority categorizes its fair value measurements within the value hierarchy established by GAAP. The hierarchy is based upon valuation inputs used to measure the fair value of the respective asset or liability. Level 1 inputs include quoted prices in active markets for identical assets; Level 2 inputs include observable inputs other than quoted prices included in Level 1 inputs; Level 3 inputs include unobservable inputs.

#### **Cash and Cash Equivalents**

The Authority considers all liquid debt instruments (including restricted assets), with a maturity of three months or less when purchased, to be cash equivalents.

#### **Accounts Receivable**

Accounts receivable arise in the ordinary course of business. The Authority recognizes an allowance for credit losses based on historical experience, coupled with a review of the current status of existing receivables. This allowance is deducted from the accounts receivable balance to properly reflect the net realizable value. The Authority writes off accounts receivable when deemed uncollectible. Recoveries of receivables previously written off are recorded when received. Bad debt expense (recoveries) was (\$195,523) and \$608,286 for the years ended September 30, 2024 and 2023, respectively, and is included in operating revenues.

#### **Inventories**

Inventories consist of maintenance materials and operating supplies and are stated at the lower of cost or market, determined on an average cost method.

#### **Revenues and Expenses**

Operating activities, as reported on the statements of revenues, expenses, and changes in net position, are defined as activities that generally result from exchange transactions, such as payments received for providing services and payments made for services or goods received. Nearly all of the Authority's revenues and expenses are from exchange transactions. Total operating revenues are reported net of discounts and allowances, including those related to uncollectible accounts. Grants for capital activities are not considered operating or nonoperating

activities but are presented after nonoperating activities on the accompanying statements of revenues, expenses, and changes in net position.

In fiscal 2024 and 2023, the Authority, designated as an Energy Port under the Water Resources Reform and Development Act of 2014, received funds totaling \$27,887,832 and \$5,544,000, respectively, from the U.S. Army Corps of Engineers (USACE) for use in dredging and other approved activities. Amounts earned during the year are included in operating revenues on the statements of revenues, expenses, and changes in net position, and are not considered as federal expenditures for purposes of the Uniform Guidance. These resources are received from the Harbor Maintenance Tax Fund, which is funded through charges applied to the value of cargo being loaded or unloaded from a vessel, exclusive of export cargo, and is assessed on imported cargo, domestic cargo, and the transport of passengers moving through U.S. ports. The owner of the cargo is responsible for paying the tax.

#### Leases

As lessor, the Authority records a lease receivable at the commencement of the lease, which is measured at the present value of the minimum lease payments expected to be received during the remaining lease term. Payments are discounted using the interest rate implicit in the lease or, when the lease does not have an implicit rate, using the Authority's Incremental Borrowing Rate (IBR), which is estimated based on current borrowing rates for entities with bond ratings comparable to the Authority's bond rating. Minimum payments used for measuring the lease include fixed payments and variable payments that are fixed in substance, such as volume-based payments when the lease contains minimum volume commitments. Variable payments that depend on an index or a rate (such as the Consumer Price Index) are initially measured using the index or rate as of the commencement of the lease term. Variable payments based on future performance of the lessee or usage of the underlying asset (such as payments based on throughput in excess of minimum volume commitments or in the absence of minimum volume commitments) are recognized as inflows in the period to which those payments relate. Renewal options are included in measurement of the lease when it is reasonably certain that the options will be exercised. The Authority also records deferred inflows of resources at the commencement of the lease, which is recognized as lease revenue on a straight-line basis over the lease term.

As lessee, the Authority records a lease liability and a right-to-use lease asset at the commencement of the lease term. The lease liability is measured at the present value of the lease payments expected to be made during the lease term. The right-to-use lease asset is an intangible asset that represents the Authority's right to use the leased property during the lease term and is recorded at the initial measurement of the lease liability, adjusted for any lease payments made to the lessor, and any lease incentives received from the lessor, at or before commencement of the lease, and initial direct costs that are ancillary charges necessary to place the leased asset into service.

#### **Capital Assets**

Capital assets constructed or acquired by purchase, and general infrastructure assets are stated at historical cost. The cost of additions includes direct labor and materials, and allocable general and administrative expenses. Certain assets have been financed under lease contracts and the amortization of such assets is charged to operations. Donated capital assets are stated at their

acquisition value on the date donated. The Authority's capitalization threshold is a minimum of \$10,000 and one-year life.

Ordinary maintenance, repairs, and minor renewals and betterments are expensed as incurred. Major renewals and betterments are treated as capital additions. Upon retirement of capital assets, the cost and related accumulated depreciation are eliminated from the accounts, and any gain or loss is included in nonoperating income (expenses) in the accompanying statements of revenues, expenses, and changes in net position.

Depreciation is computed using the straight-line method over the estimated useful lives of assets, ranging from 5-40 years for wharves, piers, and containerized yards; 25-40 years for railroad tracks and crossings; 5-40 years for buildings and structures, and improvements other than buildings; 4-40 years for machinery and equipment; and 5-20 years for furniture and fixtures. Depreciation expense related to equipment originally acquired under capital leases is computed on a straight-line basis over the shorter of the useful life of the equipment or the lease term.

Costs incurred to acquire the perpetual right to use certain railroad tracks not owned by the Authority are amortized on a straight-line basis over a 40-year period.

#### Impairment of Long-Lived Assets

The recoverability of assets is reviewed when events or changes in circumstances occur that indicate that the carrying value of the asset may not be recoverable. The assessment of possible impairment is based on the ability to recover the carrying value of the asset from the future cash flows of the related asset. If the cash flows are less than the carrying value of such asset, an impairment loss is recognized for the difference between the estimated fair value and the carrying value. No such losses were incurred for the years ended September 30, 2024 and 2023.

#### Costs of Engineering Services and Dredging

Costs of engineering services incurred for the purpose of determining the feasibility of contemplated projects are recorded within construction work in progress. If a project is constructed, the costs are capitalized as part of the cost of the facility. If the plans for a project are abandoned, such costs are expensed in the period of abandonment. Costs associated with periodic dredging of waterways are recorded in construction work in progress, transferred to unamortized dredging costs at the time of completion, and amortized on a straight-line basis over periods of six months to ten years based on historical siltation rates. Such costs are included in other assets, net on the accompanying statements of net position. Dredging costs that are deemed annual maintenance costs with a future benefit period of less than one year are expensed in the period incurred.

#### **Deferred Outflows of Resources**

Deferred outflows of resources include unamortized loss on debt refunding, which is amortized as a component of interest expense over the shorter of the remaining life of the old debt or the life of the new debt; and deferred outflows related to pension and other postemployment benefits (OPEB), which are amortized as a component of pension and OPEB expense in future years. Deferred outflows related to pension and OPEB represent:

- Differences between expected and actual experience
- Changes in the proportionate share of the multiple-employer plans

- Differences between projected and actual earnings on pension and OPEB investments
- Changes in assumptions
- Amounts resulting from timing differences of contributions made subsequent to the measurement dates, but as of the date of the basic financial statements.

#### **Deferred Inflows of Resources**

Deferred inflows related to pension and OPEB represent differences between expected and actual experience, changes in the proportionate share of the multiple-employer plans, differences between projected and actual earnings on pension and OPEB investments, and changes in assumptions. Deferred inflows related to leases represent amounts that will be recognized as lease revenue on a straight-line basis over the remaining term of the lease.

#### **Discounts/Premiums on Bonds Payable**

Discounts/premiums on bonds payable are amortized as a component of interest expense over the term of the related debt obligations using the straight-line method, which is not materially different than amortization that would be recognized using the effective interest method.

#### **Vacation and Sick Leave**

Employees earn vacation at rates of five to thirty-one days per year, and may accumulate up to a maximum of 60 days, depending on their employee classification. Upon termination, employees are paid for any unused accumulated vacation. Employees earn sick leave at a rate of up to 13 days per year, depending on employee classification. Employees accumulate up to a maximum of 150 days of sick leave depending upon the employee classification. One-half of unused accumulated sick leave is paid to certain employees upon retirement. The vacation and sick leave liability, with terminal cash benefits payable, is accrued at its accumulated value. The liability for compensated absences increased in fiscal 2024 by approximately \$208,000 and increased in fiscal 2023 by approximately \$380,000.

	I	Beginning						Ending	Dι	ue Within
		Balance	Α	dditions	Re	ductions		Balance		ne Year
Accrued sick leave	\$	822,345	\$	101,903	\$	73,479	\$	850,769	\$	510,461
Accrued vacation leave		4,497,598		278,923		99,288		1,677,233	2	2,806,420
	\$	5,319,943	\$	380,826	\$	172,767	\$ 5	5,528,002	\$3	3,316,881

#### **Unearned Revenues**

Unearned revenues represent payments received in advance for services or non-exchange contributions, with revenues recognized as earned over the term of the related agreement.

#### **Risk Management**

The Authority is exposed to various risks of loss relating to tort litigation; theft of, damage to, and destruction of property; errors and omissions; and natural disasters. The Authority carries either commercial insurance, or coverage provided through The State Insurance Fund of Alabama (a self-insurance fund coupled with excess commercial coverage). The State Insurance Fund of Alabama has a coverage deductible of \$5,000. The commercial inland marine coverage for equipment has a deductible ranging from \$750,000 to \$1,750,000 for any one occurrence and depends upon the classification of the asset and the type of risk coverage applicable.

The Authority is also exposed to the risk of loss resulting from general, professional, fiduciary, law enforcement, and cyber liability for which it carries commercial insurance having deductibles ranging from \$500,000 to \$250,000. The Authority is self-insured to the extent of the amounts deductible from loss coverage amounts. The Authority also provides for losses in excess of its primary coverages for general liability, general employer liability, maritime employer liability, and auto liability by carrying excess/umbrella liability insurance coverage up to \$100 million.

The Authority is partially self-insured with respect to workers' compensation claims. Each claim for a loss in excess of the established self-insured retention of \$750,000 or \$1,000,000, depending on the classification code of the affected employee, is covered up to the \$25 million policy limit. An accrual for uninsured claims due within one year is included in other accrued liabilities, and the long-term portion is shown as unpaid claims in the accompanying statements of net position. Claims that have been incurred but have not been reported, as well as a case development factor for known claims, have been accrued as unpaid claims. During fiscal 2024, fiscal 2023, and fiscal 2022, the Authority had no settlements that exceeded insurance coverage limits.

The Authority enters into contractual obligations in the ordinary course of business, including management agreements, purchase agreements, and leases for premises and equipment. Management does not anticipate that the ultimate liability arising, if any, related to these obligations will have a material adverse effect on the Authority's financial statements.

#### Concentration of Credit Risk

The Authority provides services and facilities usage for companies located throughout the world. The Authority periodically performs credit evaluations of its customers, and generally operates under international laws, which may provide for a maritime lien on vessels in the event of default on credit terms, along with domestic laws which allow warehousemen's liens on cargo in these situations. The Authority maintains reserves for potential credit losses.

Revenues from the Authority's top ten customers for the years ended September 30, 2024 and 2023, were approximately 65% and 64% of total operating revenues, respectively.

#### **Use of Estimates**

In preparing financial statements in conformity with GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows, and the disclosure of contingencies at the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from those estimates.

The estimates susceptible to significant changes include those used in determining the allowance for doubtful accounts, reserves for workers' compensation claims and litigation claims, pension and OPEB obligations, and the liability for environmental remediation. Although some variability is inherent in these estimates, management believes that the amounts provided are adequate and reasonable.

#### 2. CASH AND CASH EQUIVALENTS

The Authority maintains sweep accounts with financial institutions in which the account balances are held in short-term investments/repurchase agreements on a nightly basis and returned to the accounts the following business day. Repurchase agreements of approximately \$4,305,000 and \$892,000 are included in cash and cash equivalents as of September 30, 2024 and 2023, respectively.

The Board approves, by resolution, all banks or other financial institutions utilized as depositories for Authority funds. Prior to approval, each proposed depository must provide evidence of its designation by the Alabama State Treasurer as a qualified public depository (QPD) under the Security of Alabama Funds Enhancement Act (SAFE). From time to time, the Board may request that the depository provide evidence of its continuing designation as a QPD. Under the mandatory SAFE program, each QPD is required to hold collateral for all of its public depositories on a pooled basis in a custody account established for the State Treasurer as SAFE administrator. In the unlikely event a public entity should suffer a deposit loss due to QPD insolvency or default, a claim form would be filed with the State Treasurer who would use the SAFE pool collateral or other means to reimburse the loss. Given the nature of the State requirement, deposits held in QPD institutions are not subject to categorization by use.

As of September 30, 2024 and 2023, approximately \$116 million and \$101 million respectively, of cash and cash equivalents represent deposits qualified under the SAFE program. All remaining cash and cash equivalents are amounts that are insured or registered, or securities held by the Authority or its agent in the Authority's name.

Deposits can be exposed to various risk factors including custodial credit risk and foreign currency risk. Deposits can be exposed to custodial credit risk if they are not covered by depository insurance and the deposits are 1) uncollateralized, 2) collateralized with securities held by the pledging financial institution, or 3) collateralized with securities held by the pledging financial institution's trust department but not in the depositor-government's name. Given that a majority of the Authority's cash deposits qualify under the SAFE program, the Authority's exposure to custodial credit risk is minimal. Since the Authority does not have any deposits impacted by foreign currencies, there is no associated foreign currency risk.

#### **Restricted Cash and Cash Equivalents**

As of September 30, 2024 and 2023, restricted cash of approximately \$25 million, was held in money market funds with no maturity dates. These funds are restricted as to use for debt service obligations.

# 3. CAPITAL ASSETS

The following table is a summary of the activity of various components of capital assets for the year ended September 30, 2024:

Capital assets not being depreciated:         Earling and in use         41,374,350         \$ (6,798)         \$ 41,367,552           Land for future development         41,675,314         5,028,671         6,798)         \$ 46,703,985           Intangible asset, easement         10,000         60,357,246         (59,993,565)         34,815,744           Total capital assets not being depreciated         117,511,727         65,385,917         (60,000,363)         122,897,281           Wharves, piers, and containerized yards         311,798,477         640,639         5         68,286,583           Railroad track usage rights         3,266,015         2,712,102         6,8286,583         3,266,015           Bullidings and structures         124,875,154         14,067,90         (459,804)         138,483,254           Improvements other than buildings         302,675,381         3,578,039         (1,133,604)         305,119,816           Machinery and equipment         410,462,022         17,96,594         (1,302,801)         342,625,735           Total capital assets being depreciated         1,249,049,601         3,983,998         (2,958,125)         12,851,75,144           Wharves, piers, and containerized yards         14,968,313         7,136,319         5         157,104,632           Railroad track usage rights		Beginning		Retirements/	Ending	
Land in use         \$41,374,350         \$ 0.8         \$ (6,798)         \$41,3675,525           Land for future development         41,675,314         5,028,671         -         46,703,985           Intangible asset, easement         10,000         -         -         10,000           Construction work in progress *         34,452,063         60,357,246         (59,993,565)         34,815,744           Total capital assets being depreciated         117,511,727         65,385,917         (60,000,363)         122,897,281           Wharves, piers, and containerized yards         311,798,477         640,639         -         312,439,116           Railroad track usage rights         3,266,015         -         3,266,015           Buildings and structures         302,675,381         3,578,039         (1,133,604)         305,119,816           Machinery and equipment         410,462,032         17,196,594         (1,362,991)         426,295,735           Furniture and fixtures         30,398,061         88,720         (1,382,93)         312,49,955           Total capital assets being depreciated         1,249,049,601         39,083,998         (2,958,125)         12,884,955           Total capital assets being depreciated         1,249,049,601         39,083,998         (2,958,125) <td< th=""><th></th><th>Balance</th><th>Additions</th><th>Transfers</th><th>Balance</th></td<>		Balance	Additions	Transfers	Balance	
Land for future development	Capital assets not being depreciated:					
Intangible asset, easement   10,000   Construction work in progress * 34,815,063   60,357,246   (59,993,565)   34,815,744     Total capital assets not being depreciated   117,511,727   65,385,917   (60,000,363)   122,897,281     Capital assets being depreciated   Wharves, piers, and containerized yards   311,798,477   640,639   - 312,439,116     Railroad tracks and crossings   65,574,481   2,712,102   - 68,286,583     Railroad track usage rights   3,266,015   3,266,015     Buildings and structures   124,875,154   14,067,904   (459,804)   138,483,254     Improvements other than buildings   302,675,381   3,578,039   (1,133,604)   305,119,816     Machinery and equipment   410,462,032   17,196,594   (1,362,891)   426,295,735     Furniture and fixtures   30,398,061   888,720   (1,826)   31,284,955     Total capital assets being depreciated   1,249,049,601   39,083,998   (2,958,125)   1,285,175,474     Less accumulated depreciation:   Wharves, piers, and containerized yards   39,267,266   1,791,165   - 5	Land in use	\$ 41,374,350	\$ -	\$ (6,798)	\$ 41,367,552	
Construction work in progress *         34,452,063         60,357,246         (59,993,565)         34,815,744           Total capital assets not being depreciated:         117,511,727         65,385,917         (60,000,363)         122,897,281           Wharves, piers, and containerized yards         311,798,477         640,639         -         312,439,116           Railroad tracks and crossings         65,574,481         2,712,102         -         68,286,583           Railroad track usage rights         3,266,015         -         -         3,266,015           Buildings and structures         124,875,154         14,067,904         (459,804)         138,483,254           Improvements other than buildings         302,675,381         3,578,039         (1,133,604)         305,119,816           Machinery and equipment         410,462,032         17,196,594         (1,362,891)         426,295,735           Furniture and fixtures         30,398,061         888,720         (1,826)         31,284,955           Total capital assets being depreciated         1,249,049,601         39,083,998         (2,958,125)         1,285,175,474           Less accumulated depreciation         149,968,313         7,136,319         -         157,104,632           Railroad track usage rights         3,261,272         335	Land for future development	41,675,314	5,028,671	-	46,703,985	
Total capital assets being depreciated:         117,511,727         65,385,917         (80,000,363)         122,897,281           Capital assets being depreciated:         Wharves, piers, and containerized yards         311,798,477         640,639         - 312,439,116           Railroad tracks and crossings         65,574,481         2,712,102         - 68,286,583           Railroad track usage rights         3,266,015         - (45,960)         138,483,254           Buildings and structures         124,875,154         14,067,904         (459,804)         138,483,254           Improvements other than buildings         302,675,381         3,578,039         (1,136,2891)         426,295,735           Furniture and fixtures         30,398,061         888,720         (1,826)         31,284,955           Total capital assets being depreciated         1,249,049,601         39,083,998         (2,958,125)         1,285,175,474           Less accumulated depreciation:         Wharves, piers, and containerized yards         149,968,313         7,136,319         - 157,104,632           Railroad tracks and crossings         39,267,266         1,791,165         - 41,056,431           Railroad track usage rights         3,261,272         335         - 41,056,431           Railroad track usage rights         3,261,272         355         - 41,	Intangible asset, easement	10,000	-	-	10,000	
Capital assets being depreciated:           Wharves, piers, and containerized yards         311,798,477         640,639         - 312,439,116           Railroad tracks and crossings         65,574,481         2,712,102         - 68,286,583           Railroad track usage rights         3,266,015         - 6,286,583           Buildings and structures         124,875,154         14,067,904         (459,804)         138,483,254           Improvements other than buildings         302,675,381         3,578,039         (1,133,604)         305,119,816           Machinery and equipment         410,462,032         17,196,594         (1,362,891)         426,295,735           Furniture and fixtures         30,398,061         888,720         (1,862,891)         426,295,735           Total capital assets being depreciated         1,249,049,601         39,083,998         (2,958,125)         1,285,175,474           Less accumulated depreciation:         Wharves, piers, and containerized yards         149,968,313         7,136,319         - 157,104,632           Railroad track usage rights         3,261,272         335         - 41,058,431           Railroad track usage rights         3,261,272         335         - 41,058,431           Railroad track usage rights         3,261,272         335         - 41,058,431 </td <td>Construction work in progress *</td> <td>34,452,063</td> <td>60,357,246</td> <td>(59,993,565)</td> <td>34,815,744</td>	Construction work in progress *	34,452,063	60,357,246	(59,993,565)	34,815,744	
Wharves, piers, and containerized yards         311,798,477         640,639         - 312,439,116           Railroad tracks and crossings         65,574,481         2,712,102         - 68,286,583           Railroad track usage rights         3,266,015         3,266,015           Buildings and structures         124,875,154         14,067,904         (459,604)         38,483,254           Improvements other than buildings         302,675,381         3,578,039         (1,133,604)         305,119,816           Machinery and equipment         410,462,032         17,196,594         (1,362,891)         426,295,735           Furniture and fixtures         30,398,061         88,720         (1,826)         31,284,955           Total capital assets being depreciated         1,249,049,601         39,083,998         (2,958,125)         1,285,175,474           Less accumulated depreciation:         Wharves, piers, and containerized yards         149,968,313         7,136,319         -         157,104,632           Railroad tracks and crossings         39,267,266         1,791,165         -         41,058,431           Railroad track usage rights         3,261,272         335         -         3,261,607           Buildings and structures         87,730,018         2,457,502         (418,427)         89,769,093	Total capital assets not being depreciated	117,511,727	65,385,917	(60,000,363)	122,897,281	
Railroad tracks and crossings         65,574,481         2,712,102         -         68,286,583           Railroad track usage rights         3,266,015         -         -         3,266,015           Buildings and structures         124,875,154         14,067,904         (459,804)         133,483,254           Improvements other than buildings         302,675,381         3,578,039         (1,136,081)         305,119,816           Machinery and equipment         410,462,032         17,196,594         (1,362,891)         426,295,735           Furniture and fixtures         30,398,061         888,720         (1,826)         31,284,955           Total capital assets being depreciated         1,249,049,601         39,083,998         (2,958,125)         1,285,175,474           Less accumulated depreciation:         Universal containerized yards         149,968,313         7,136,319         -         157,104,632           Railroad tracks and crossings         39,267,266         1,791,165         -         41,058,431           Railroad track usage rights         3,261,272         335         -         3,261,607           Buildings and structures         87,730,018         2,457,502         (418,427)         89,769,093           Improvements other than buildings         144,870,258         9,428,472 <td>Capital assets being depreciated:</td> <td></td> <td></td> <td></td> <td></td>	Capital assets being depreciated:					
Railroad track usage rights         3,266,015         -         -         3,266,015           Buildings and structures         124,875,154         14,067,904         (459,804)         138,483,254           Improvements other than buildings         302,675,381         3,578,039         (1,133,604)         305,119,816           Machinery and equipment         410,462,032         17,196,594         (1,826)         31,284,955           Furniture and fixtures         30,398,061         888,720         (1,826)         31,284,955           Total capital assets being depreciated         1,249,049,601         39,083,998         (2,958,125)         1,285,175,474           Less accumulated depreciation:         1,49,968,313         7,136,319         -         157,104,632           Railroad track usage rights         3,261,272         335         -         157,104,632           Railroad track usage rights         3,261,272         335         -         3,261,607           Buildings and structures         87,730,018         2,457,502         (418,427)         89,769,093           Improvements other than buildings         144,870,258         9,428,472         -         154,298,730           Machinery and equipment         243,393,503         9,998,123         (882,451)         252,509,175	Wharves, piers, and containerized yards	311,798,477	640,639	-	312,439,116	
Buildings and structures         124,875,154         14,067,904         (459,804)         138,483,254           Improvements other than buildings         302,675,381         3,578,039         (1,133,604)         305,119,816           Machinery and equipment         410,462,032         17,196,594         (1,826)         31,284,955           Furniture and fixtures         30,398,061         888,720         (1,826)         31,284,955           Total capital assets being depreciated         1,249,049,601         39,083,998         (2,958,125)         1,285,175,474           Less accumulated depreciation:         Wharves, piers, and containerized yards         149,968,313         7,136,319         -         157,104,632           Railroad tracks and crossings         39,267,266         1,791,165         -         41,058,431           Railroad track usage rights         3,261,272         335         -         3,261,607           Buildings and structures         87,730,018         2,457,502         (418,427)         89,769,093           Improvements other than buildings         144,870,258         9,428,472         -         154,298,730           Machinery and equipment         243,393,503         9,998,123         (882,451)         252,509,175           Furniture and fixtures         22,750,525         <	Railroad tracks and crossings		2,712,102	-	68,286,583	
Improvements other than buildings         302,675,381         3,578,039         (1,133,604)         305,119,816           Machinery and equipment         410,462,032         17,196,594         (1,362,891)         426,295,735           Furniture and fixtures         30,398,061         888,720         (1,826)         31,284,955           Total capital assets being depreciated         1,249,049,601         39,083,998         (2,958,125)         1,285,175,474           Less accumulated depreciation:         Wharves, piers, and containerized yards         149,968,313         7,136,319         -         157,104,632           Railroad tracks and crossings         39,267,266         1,791,165         -         41,058,431           Railroad track usage rights         3,261,272         335         -         3,261,607           Buildings and structures         87,730,018         2,457,502         (418,427)         89,769,093           Improvements other than buildings         144,870,258         9,428,472         -         154,298,730           Machinery and equipment         243,393,503         9,998,123         (882,451)         252,509,175           Furniture and fixtures         557,808,446         7,444,060         (1,657,059)         563,595,447           Right-to-use capital assets being amortized	Railroad track usage rights	3,266,015	-	-	3,266,015	
Machinery and equipment Furniture and fixtures         410,462,032 30,398,061         17,196,594 888,720 (1,826)         426,295,735 31,284,955           Total capital assets being depreciated         1,249,049,601         39,083,998         (2,958,125)         1,285,175,474           Less accumulated depreciation:         Wharves, piers, and containerized yards         149,968,313         7,136,319         -         157,104,632           Railroad tracks and crossings         39,267,266         1,791,165         -         41,058,431           Railroad track usage rights         3,261,272         335         -         3,261,607           Buildings and structures         87,730,018         2,457,502         (418,427)         89,769,093           Improvements other than buildings         144,870,258         9,428,472         -         154,298,730           Machinery and equipment         243,393,503         9,998,123         (882,451)         252,509,175           Furniture and fixtures         22,750,525         828,022         (188)         23,578,359           Total acquital assets being depreciated, net         557,808,446         7,444,060         (1,657,059)         563,595,447           Right-to-use capital assets being amortized         127,524         -         (30,492)         97,032           SBITAs<	Buildings and structures	124,875,154	14,067,904	(459,804)	138,483,254	
Furniture and fixtures         30,398,061         888,720         (1,826)         31,284,955           Total capital assets being depreciated         1,249,049,601         39,083,998         (2,958,125)         1,285,175,474           Less accumulated depreciation:         Wharves, piers, and containerized yards         149,968,313         7,136,319         -         157,104,632           Railroad tracks and crossings         39,267,266         1,791,165         -         41,058,431           Railroad track usage rights         3,261,272         335         -         3,261,607           Buildings and structures         87,730,018         2,457,502         (418,427)         89,769,093           Improvements other than buildings         144,870,258         9,428,472         -         154,298,730           Machinery and equipment         243,393,503         9,998,123         (882,451)         252,509,175           Furniture and fixtures         22,750,525         828,022         (188)         23,578,359           Total accumulated depreciated, net         557,808,446         7,444,060         (1,657,059)         563,595,447           Right-to-use building and equipment         127,524         -         (30,492)         97,032           SBITAs         3,779,998         21,650         (399	Improvements other than buildings	302,675,381	3,578,039	(1,133,604)	305,119,816	
Total capital assets being depreciated         1,249,049,601         39,083,998         (2,958,125)         1,285,175,474           Less accumulated depreciation:         Wharves, piers, and containerized yards         149,968,313         7,136,319         -         157,104,632           Railroad tracks and crossings         39,267,266         1,791,165         -         41,058,431           Railroad track usage rights         3,261,272         335         -         3,261,607           Buildings and structures         87,730,018         2,457,502         (418,427)         89,769,093           Improvements other than buildings         144,870,258         9,428,472         -         154,298,730           Machinery and equipment         243,393,503         9,998,123         (882,451)         252,509,175           Furniture and fixtures         22,750,525         828,022         (188)         23,578,359           Total accumulated depreciated, net         557,808,446         7,444,060         (1,657,059)         563,595,447           Right-to-use building and equipment         127,524         -         (30,492)         97,032           SBITAs         3,779,998         21,650         (368,989)         3,432,659           Total right-to-use capital assets         3,907,522         21,650	Machinery and equipment	410,462,032	17,196,594	(1,362,891)	426,295,735	
Less accumulated depreciation:           Wharves, piers, and containerized yards         149,968,313         7,136,319         - 157,104,632           Railroad tracks and crossings         39,267,266         1,791,165         - 41,058,431           Railroad track usage rights         3,261,272         335         - 3,261,607           Buildings and structures         87,730,018         2,457,502         (418,427)         89,769,093           Improvements other than buildings         144,870,258         9,428,472         - 154,298,730           Machinery and equipment         243,393,503         9,998,123         (882,451)         252,509,175           Furniture and fixtures         22,750,525         82,022         (188)         23,578,359           Total accumulated depreciation         691,241,155         31,639,938         (1,301,066)         721,580,027           Total capital assets being amortized:         557,808,446         7,444,060         (1,657,059)         563,595,447           Right-to-use capital assets being amortized:         127,524         - (30,492)         97,032           SBITAs         3,779,998         21,650         (368,989)         3,432,659           Total right-to-use capital assets being amortized:         50,031         28,977         (30,492)         48,516 <td>Furniture and fixtures</td> <td>30,398,061</td> <td>888,720</td> <td>(1,826)</td> <td>31,284,955</td>	Furniture and fixtures	30,398,061	888,720	(1,826)	31,284,955	
Wharves, piers, and containerized yards         149,968,313         7,136,319         -         157,104,632           Railroad tracks and crossings         39,267,266         1,791,165         -         41,058,431           Railroad track usage rights         3,261,272         335         -         3,261,607           Buildings and structures         87,730,018         2,457,502         (418,427)         89,769,093           Improvements other than buildings         144,870,258         9,428,472         -         154,298,730           Machinery and equipment         243,393,503         9,998,123         (882,451)         252,509,175           Furniture and fixtures         22,750,525         828,022         (188)         23,578,359           Total accumulated depreciation         691,241,155         31,639,938         (1,301,066)         721,580,027           Total capital assets being depreciated, net         557,808,446         7,444,060         (1,657,059)         563,595,447           Right-to-use capital assets being amortized         3,779,998         21,650         (368,989)         3,432,659           Total right-to-use capital assets being amortized         3,907,522         21,650         (399,481)         3,529,691           Less accumulated amortization:         50,031         28,977	Total capital assets being depreciated	1,249,049,601	39,083,998	(2,958,125)	1,285,175,474	
Railroad tracks and crossings         39,267,266         1,791,165         -         41,058,431           Railroad track usage rights         3,261,272         335         -         3,261,607           Buildings and structures         87,730,018         2,457,502         (418,427)         89,769,093           Improvements other than buildings         144,870,258         9,428,472         -         154,298,730           Machinery and equipment         243,393,503         9,998,123         (882,451)         252,509,175           Furniture and fixtures         22,750,525         828,022         (188)         23,578,359           Total accumulated depreciation         691,241,155         31,639,938         (1,301,066)         721,580,027           Total capital assets being amortized:         557,808,446         7,444,060         (1,657,059)         563,595,447           Right-to-use capital assets being amortized:         3,779,998         21,650         (304,92)         97,032           SBITAs         3,779,998         21,650         (399,481)         3,529,691           Less accumulated amortization:         50,031         28,977         (30,492)         48,516           SBITAs         2,552,157         873,665         (368,989)         3,056,833           Tot	Less accumulated depreciation:					
Railroad track usage rights         3,261,272         335         -         3,261,607           Buildings and structures         87,730,018         2,457,502         (418,427)         89,769,093           Improvements other than buildings         144,870,258         9,428,472         -         154,298,730           Machinery and equipment         243,393,503         9,998,123         (882,451)         252,509,175           Furniture and fixtures         22,750,525         828,022         (188)         23,578,359           Total accumulated depreciation         691,241,155         31,639,938         (1,301,066)         721,580,027           Total capital assets being depreciated, net         557,808,446         7,444,060         (1,657,059)         563,595,447           Right-to-use capital assets being amortized:         3,779,998         21,650         (304,92)         97,032           SBITAs         3,907,522         21,650         (399,481)         3,529,691           Less accumulated amortization:         50,031         28,977         (30,492)         48,516           SBITAs         2,552,157         873,665         (368,989)         3,056,833           Total accumulated amortization         2,602,188         902,642         (399,481)         3,105,349	Wharves, piers, and containerized yards	149,968,313	7,136,319	-	157,104,632	
Buildings and structures         87,730,018         2,457,502         (418,427)         89,769,093           Improvements other than buildings         144,870,258         9,428,472         -         154,298,730           Machinery and equipment         243,393,503         9,998,123         (882,451)         252,509,175           Furniture and fixtures         22,750,525         828,022         (188)         23,578,359           Total accumulated depreciation         691,241,155         31,639,938         (1,301,066)         721,580,027           Total capital assets being depreciated, net         557,808,446         7,444,060         (1,657,059)         563,595,447           Right-to-use capital assets being amortized:         127,524         -         (30,492)         97,032           SBITAs         3,779,998         21,650         (368,989)         3,432,659           Total right-to-use capital assets being amortized         3,907,522         21,650         (399,481)         3,529,691           Less accumulated amortization:         50,031         28,977         (30,492)         48,516           SBITAs         2,552,157         873,665         (368,989)         3,056,833           Total accumulated amortization         2,602,188         902,642         (399,481)         3,105,349 <td>Railroad tracks and crossings</td> <td>39,267,266</td> <td>1,791,165</td> <td>-</td> <td>41,058,431</td>	Railroad tracks and crossings	39,267,266	1,791,165	-	41,058,431	
Improvements other than buildings         144,870,258         9,428,472         -         154,298,730           Machinery and equipment         243,393,503         9,998,123         (882,451)         252,509,175           Furniture and fixtures         22,750,525         828,022         (188)         23,578,359           Total accumulated depreciation         691,241,155         31,639,938         (1,301,066)         721,580,027           Total capital assets being depreciated, net         557,808,446         7,444,060         (1,657,059)         563,595,447           Right-to-use capital assets being amortized:         127,524         -         (30,492)         97,032           SBITAs         3,779,998         21,650         (368,989)         3,432,659           Total right-to-use capital assets being amortized:         3,907,522         21,650         (399,481)         3,529,691           Less accumulated amortization:         50,031         28,977         (30,492)         48,516           SBITAs         2,552,157         873,665         (368,989)         3,056,833           Total accumulated amortization         2,602,188         902,642         (399,481)         3,105,349           Total right-to-use capital assets being amortized, net         1,305,334         (880,992)         -	Railroad track usage rights	3,261,272	335	-	3,261,607	
Machinery and equipment         243,393,503         9,998,123         (882,451)         252,509,175           Furniture and fixtures         22,750,525         828,022         (188)         23,578,359           Total accumulated depreciation         691,241,155         31,639,938         (1,301,066)         721,580,027           Total capital assets being depreciated, net         557,808,446         7,444,060         (1,657,059)         563,595,447           Right-to-use capital assets being amortized:         83,779,998         21,650         (30,492)         97,032           SBITAs         3,779,998         21,650         (399,481)         3,529,691           Less accumulated amortization:         83,907,522         21,650         (399,481)         3,529,691           Less accumulated amortization:         82,977         (30,492)         48,516           SBITAs         2,552,157         873,665         (368,989)         3,056,833           Total accumulated amortization         2,602,188         902,642         (399,481)         3,105,349           Total right-to-use capital assets being amortized, net         1,305,334         (880,992)         -         424,342	Buildings and structures	87,730,018	2,457,502	(418,427)	89,769,093	
Furniture and fixtures         22,750,525         828,022         (188)         23,578,359           Total accumulated depreciation         691,241,155         31,639,938         (1,301,066)         721,580,027           Total capital assets being depreciated, net         557,808,446         7,444,060         (1,657,059)         563,595,447           Right-to-use capital assets being amortized:         Right-to-use building and equipment         127,524         -         (30,492)         97,032           SBITAs         3,779,998         21,650         (368,989)         3,432,659           Total right-to-use capital assets being amortized         3,907,522         21,650         (399,481)         3,529,691           Less accumulated amortization:         Right-to-use building and equipment         50,031         28,977         (30,492)         48,516           SBITAs         2,552,157         873,665         (368,989)         3,056,833           Total accumulated amortization         2,602,188         902,642         (399,481)         3,105,349           Total right-to-use capital assets being amortized, net         1,305,334         (880,992)         -         424,342	Improvements other than buildings	144,870,258	9,428,472	-	154,298,730	
Total accumulated depreciation         691,241,155         31,639,938         (1,301,066)         721,580,027           Total capital assets being depreciated, net         557,808,446         7,444,060         (1,657,059)         563,595,447           Right-to-use capital assets being amortized:         8         3,779,998         21,650         (30,492)         97,032           SBITAS         3,779,998         21,650         (368,989)         3,432,659           Total right-to-use capital assets being amortized         3,907,522         21,650         (399,481)         3,529,691           Less accumulated amortization:         Right-to-use building and equipment         50,031         28,977         (30,492)         48,516           SBITAS         2,552,157         873,665         (368,989)         3,056,833           Total accumulated amortization         2,602,188         902,642         (399,481)         3,105,349           Total right-to-use capital assets being amortized, net         1,305,334         (880,992)         -         424,342	Machinery and equipment	243,393,503	9,998,123	(882,451)	252,509,175	
Total capital assets being depreciated, net         557,808,446         7,444,060         (1,657,059)         563,595,447           Right-to-use capital assets being amortized:         8         3,779,998         21,650         (30,492)         97,032           SBITAS         3,779,998         21,650         (368,989)         3,432,659           Total right-to-use capital assets being amortized         3,907,522         21,650         (399,481)         3,529,691           Less accumulated amortization:         Right-to-use building and equipment         50,031         28,977         (30,492)         48,516           SBITAS         2,552,157         873,665         (368,989)         3,056,833           Total accumulated amortization         2,602,188         902,642         (399,481)         3,105,349           Total right-to-use capital assets being amortized, net         1,305,334         (880,992)         -         424,342	Furniture and fixtures	22,750,525	828,022	(188)	23,578,359	
Right-to-use capital assets being amortized:         Right-to-use building and equipment       127,524       - (30,492)       97,032         SBITAs       3,779,998       21,650       (368,989)       3,432,659         Total right-to-use capital assets being amortized       3,907,522       21,650       (399,481)       3,529,691         Less accumulated amortization:         Right-to-use building and equipment       50,031       28,977       (30,492)       48,516         SBITAs       2,552,157       873,665       (368,989)       3,056,833         Total accumulated amortization       2,602,188       902,642       (399,481)       3,105,349         Total right-to-use capital assets being amortized, net       1,305,334       (880,992)       -       424,342	Total accumulated depreciation	691,241,155	31,639,938	(1,301,066)	721,580,027	
Right-to-use building and equipment       127,524       -       (30,492)       97,032         SBITAs       3,779,998       21,650       (368,989)       3,432,659         Total right-to-use capital assets being amortized         Support of the properties of	Total capital assets being depreciated, net	557,808,446	7,444,060	(1,657,059)	563,595,447	
SBITAs         3,779,998         21,650         (368,989)         3,432,659           Total right-to-use capital assets being amortized         3,907,522         21,650         (399,481)         3,529,691           Less accumulated amortization: Right-to-use building and equipment SBITAS         50,031         28,977         (30,492)         48,516           SBITAS         2,552,157         873,665         (368,989)         3,056,833           Total accumulated amortization         2,602,188         902,642         (399,481)         3,105,349           Total right-to-use capital assets being amortized, net         1,305,334         (880,992)         -         424,342	Right-to-use capital assets being amortized:					
Total right-to-use capital assets being amortized         3,907,522         21,650         (399,481)         3,529,691           Less accumulated amortization: Right-to-use building and equipment SBITAs         50,031         28,977         (30,492)         48,516           SBITAs         2,552,157         873,665         (368,989)         3,056,833           Total accumulated amortization         2,602,188         902,642         (399,481)         3,105,349           Total right-to-use capital assets being amortized, net         1,305,334         (880,992)         -         424,342	Right-to-use building and equipment	127,524	-	(30,492)	97,032	
being amortized         3,907,522         21,650         (399,481)         3,529,691           Less accumulated amortization:         Right-to-use building and equipment S0,031         28,977         (30,492)         48,516           SBITAs         2,552,157         873,665         (368,989)         3,056,833           Total accumulated amortization         2,602,188         902,642         (399,481)         3,105,349           Total right-to-use capital assets being amortized, net         1,305,334         (880,992)         -         424,342	SBITAs	3,779,998	21,650	(368,989)	3,432,659	
Less accumulated amortization:         Right-to-use building and equipment       50,031       28,977       (30,492)       48,516         SBITAs       2,552,157       873,665       (368,989)       3,056,833         Total accumulated amortization       2,602,188       902,642       (399,481)       3,105,349         Total right-to-use capital assets being amortized, net       1,305,334       (880,992)       -       424,342						
Right-to-use building and equipment       50,031       28,977       (30,492)       48,516         SBITAs       2,552,157       873,665       (368,989)       3,056,833         Total accumulated amortization       2,602,188       902,642       (399,481)       3,105,349         Total right-to-use capital assets being amortized, net       1,305,334       (880,992)       -       424,342	being amortized	3,907,522	21,650	(399,481)	3,529,691	
SBITAs         2,552,157         873,665         (368,989)         3,056,833           Total accumulated amortization         2,602,188         902,642         (399,481)         3,105,349           Total right-to-use capital assets being amortized, net         1,305,334         (880,992)         -         424,342						
Total accumulated amortization         2,602,188         902,642         (399,481)         3,105,349           Total right-to-use capital assets being amortized, net         1,305,334         (880,992)         -         424,342	Right-to-use building and equipment	50,031	28,977	(30,492)	48,516	
Total right-to-use capital assets being amortized, net 1,305,334 (880,992) - 424,342	SBITAs	2,552,157	873,665	(368,989)	3,056,833	
being amortized, net 1,305,334 (880,992) - 424,342	Total accumulated amortization	2,602,188	902,642	(399,481)	3,105,349	
	·				_	
Capital assets, net <u>\$ 676,625,507</u> <u>\$ 71,948,985</u> <u>\$ (61,657,422)</u> <u>\$ 686,917,070</u>	being amortized, net		. <u> </u>			
	Capital assets, net	\$ 676,625,507	\$ 71,948,985	\$ (61,657,422)	\$ 686,917,070	

\*For fiscal 2024, retirements/transfers of \$59,993,565 from construction work in progress includes \$44,112,668 of assets capitalized and placed in service, with the remaining amounts transferred to unamortized dredging costs or expensed. The following table is a summary of the activity of various components of capital assets for the year ended September 30, 2023:

Balance         Additions         Transfers         Balance           Capital assets not being depreciated:         \$38,452,578         \$2,921,772         \$         \$41,374,350           Land for future development Interaction of Inture development Interaction work in progress *         25,932,606         \$2,586,211         (74,066,754)         344,520,63           Total capital assets not being depreciated         106,070,498         \$5,507,983         (74,066,754)         317,751,727           Capital assets being depreciated:         106,070,498         \$5,507,983         (74,066,754)         311,798,478           Railroad tracks and crossings         64,848,161         726,320         -         65,574,481           Railroad tracks and crossings         64,848,161         726,320         -         65,574,481           Railroad track usage rights         3,266,015         -         -         3,266,015           Buildings and structures         121,684,059         3,006,612         184,483         124,875,154           Machinery and equipment         388,184,707         22,624,752         (327,427)         410,462,032           Furniture and fixtures         30,053,647         2,059,967         (1,715,553)         30,389,061           Total capital assets being depreciated         1,39,764,212		Beginning		Retirements/	Ending
Land in use         \$38,452,578         \$2,921,772         \$ - \$41,374,350           Land for future development Intangible asset, easement Intangible asset, easement 10,000         10,000         - 60,000         - 10,000           Construction work in progress *         25,932,606         82,586,211         (74,066,754)         34,452,063           Total capital assets not being depreciated:         106,070,498         85,507,983         (74,066,754)         117,511,727           Capital assets being depreciated:         Wharves, piers, and containerized yards         298,270,106         13,780,890         (252,518)         311,798,478           Railroad track usage rights         3,266,015         3,006,612         184,483         124,875,154           Improvements other than buildings         292,477,517         10,476,332         (278,468)         302,675,381           Machinery and equipment         388,164,707         22,624,752         (327,427)         410,462,032           Furniture and fixtures         30,053,647         2,059,967         (1,715,553)         30,398,061           Total capital assets being depreciated         1,198,764,212         52,674,873         (2,389,483)         1,249,049,602           Less accumulated depreciation:         413,072,366         7,008,355         (112,408)         149,968,313		Balance	Additions	Transfers	Balance
Land in use         \$38,452,578         \$2,921,772         \$ - \$41,374,350           Land for future development Intangible asset, easement Intangible asset, easement 10,000         10,000         - 60,000         - 10,000           Construction work in progress *         25,932,606         82,586,211         (74,066,754)         34,452,063           Total capital assets not being depreciated:         106,070,498         85,507,983         (74,066,754)         117,511,727           Capital assets being depreciated:         Wharves, piers, and containerized yards         298,270,106         13,780,890         (252,518)         311,798,478           Railroad track usage rights         3,266,015         3,006,612         184,483         124,875,154           Improvements other than buildings         292,477,517         10,476,332         (278,468)         302,675,381           Machinery and equipment         388,164,707         22,624,752         (327,427)         410,462,032           Furniture and fixtures         30,053,647         2,059,967         (1,715,553)         30,398,061           Total capital assets being depreciated         1,198,764,212         52,674,873         (2,389,483)         1,249,049,602           Less accumulated depreciation:         413,072,366         7,008,355         (112,408)         149,968,313	Capital assets not being depreciated:				
Land for future development   14,675,314   1,141,000   1,000	· · · · · · · · · · · · · · · · · · ·	\$ 38,452,578	\$ 2,921,772	\$ -	\$ 41,374,350
Intangible asset, easement	Land for future development		-	-	
Total capital assets not being depreciated:         106,070,498         85,507,983         (74,066,754)         117,511,727           Capital assets being depreciated:         Wharves, piers, and containerized yards         298,270,106         13,780,890         (252,518)         311,798,478           Railroad tracks and crossings         64,848,161         726,320         - 65,574,481           Railroad track usage rights         3,266,015         - 14,483         124,875,154           Improvements other than buildings         292,477,517         10,476,332         (278,468)         302,675,381           Machinery and equipment         388,164,707         22,624,752         (327,427)         410,462,032           Furniture and fixtures         30,053,647         2,059,967         (1,715,553)         30,398,061           Total capital assets being depreciated         1,198,764,212         52,674,873         (2,389,483)         1,249,049,602           Less accumulated depreciation:         Wharves, piers, and containerized yards         143,072,366         7,008,355         (112,408)         149,968,313           Railroad track usage rights         3,260,935         338         - 3,261,273         39,267,266           Railroad track usage rights         3,260,935         338         - 3,261,273         87,730,018           <	Intangible asset, easement		-	-	10,000
Capital assets being depreciated:         Wharves, piers, and containerized yards         298,270,106         13,780,890         (252,518)         311,798,478           Railroad tracks and crossings         64,848,161         726,320         -         65,574,481           Railroad track usage rights         3,266,015         -         -         3,266,015           Buildings and structures         121,684,059         3,006,612         184,483         124,875,154           Improvements other than buildings         292,477,517         10,476,332         (278,468)         302,675,381           Machinery and equipment         388,164,707         22,624,752         (327,427)         410,462,032           Furniture and fixtures         30,053,647         2,059,967         (1,715,553)         30,398,061           Total capital assets being depreciated         1,198,764,212         52,674,873         (2,389,483)         1,249,049,602           Less accumulated depreciation:         Wharves, piers, and containerized yards         143,072,366         7,008,355         (112,408)         149,968,313           Railroad track usage rights         3,260,935         338         -         3,261,273           Buildings and structures         85,546,685         2,183,333         -         87,730,018           Improvements	Construction work in progress *	25,932,606	82,586,211	(74,066,754)	34,452,063
Wharves, piers, and containerized yards         298,270,106         13,780,890         (252,518)         311,798,478           Railroad tracks and crossings         64,848,161         726,320         -         65,574,481           Railroad track usage rights         3,266,015         -         -         3,266,015           Buildings and structures         121,684,059         3,006,612         184,483         124,875,154           Improvements other than buildings         292,477,517         10,476,332         (278,468)         302,675,381           Machinery and equipment         388,164,707         22,624,752         (327,427)         410,462,032           Furniture and fixtures         30,053,647         22,052,967         (1,715,553)         30,388,061           Total capital assets being depreciated         1,198,764,212         52,674,873         (2,389,483)         1,249,049,602           Less accumulated depreciation:         1,198,764,212         52,674,873         (2,389,483)         1,249,049,602           Less accumulated depreciation:         41,490,72,366         7,008,355         (112,408)         149,968,313           Railroad track usage rights         3,260,935         338         -         3,261,273           Buildings and structures         85,546,685         2,183,333         <	Total capital assets not being depreciated	106,070,498	85,507,983	(74,066,754)	117,511,727
Wharves, piers, and containerized yards         298,270,106         13,780,890         (252,518)         311,798,478           Railroad tracks and crossings         64,848,161         726,320         -         65,574,481           Railroad track usage rights         3,266,015         -         -         3,266,015           Buildings and structures         121,684,059         3,006,612         184,483         124,875,154           Improvements other than buildings         292,477,517         10,476,332         (278,468)         302,675,381           Machinery and equipment         388,164,707         22,624,752         (327,427)         410,462,032           Furniture and fixtures         30,053,647         22,052,967         (1,715,553)         30,388,061           Total capital assets being depreciated         1,198,764,212         52,674,873         (2,389,483)         1,249,049,602           Less accumulated depreciation:         1,198,764,212         52,674,873         (2,389,483)         1,249,049,602           Less accumulated depreciation:         41,490,72,366         7,008,355         (112,408)         149,968,313           Railroad track usage rights         3,260,935         338         -         3,261,273           Buildings and structures         85,546,685         2,183,333         <	Capital assets being depreciated:				
Railroad track usage rights         3,266,015         -         -         3,266,015           Buildings and structures         121,684,059         3,006,612         184,483         124,875,154           Improvements other than buildings         292,477,517         10,476,332         (278,468)         302,675,381           Machinery and equipment         388,164,707         22,624,752         (327,427)         410,462,032           Furniture and fixtures         30,053,647         2,059,967         (1,715,553)         30,398,061           Total capital assets being depreciated         1,198,764,212         52,674,873         (2,389,483)         1,249,049,602           Less accumulated depreciation:         Wharves, piers, and containerized yards         143,072,366         7,008,355         (112,408)         149,968,313           Railroad track usage rights         3,260,935         338         -         39,267,266           Railroad track usage rights         3,260,935         338         -         3,261,273           Buildings and structures         85,546,685         2,183,333         -         87,730,018           Improvements other than buildings         135,665,232         9,262,579         (57,553)         144,870,258           Machinery and equipment         234,749,112         9,386,19		298,270,106	13,780,890	(252,518)	311,798,478
Buildings and structures         121,684,059         3,006,612         184,483         124,875,154           Improvements other than buildings         292,477,517         10,476,332         (278,468)         302,675,381           Machinery and equipment         388,164,707         22,624,752         (327,427)         410,462,032           Furniture and fixtures         30,053,647         2,059,967         (1,715,553)         30,398,061           Total capital assets being depreciated         1,198,764,212         52,674,873         (2,389,483)         1,249,049,602           Less accumulated depreciation:         Wharves, piers, and containerized yards         143,072,366         7,008,355         (112,408)         149,968,313           Railroad tracks and crossings         37,510,872         1,756,394         -         39,267,266           Railroad track usage rights         3,260,935         338         -         3,261,273           Buildings and structures         85,546,685         2,183,333         -         87,730,018           Improvements other than buildings         135,665,232         9,262,579         (57,553)         144,870,258           Machinery and equipment         23,981,102         1,268,266         (1,615,944)         22,750,512           Total accumulated depreciated, net         5	Railroad tracks and crossings	64,848,161	726,320	-	65,574,481
Improvements other than buildings   292,477,517   10,476,332   (278,468)   302,675,381   Machinery and equipment   388,164,707   22,624,752   (327,427)   410,462,032   Furniture and fixtures   30,053,647   2,059,967   (1,715,553)   30,398,061   Total capital assets being depreciated   1,198,764,212   52,674,873   (2,389,483)   1,249,049,602   Less accumulated depreciation:   Wharves, piers, and containerized yards   143,072,366   7,008,355   (112,408)   149,968,313   Railroad tracks and crossings   37,510,872   1,756,394   - 39,267,266   Railroad track usage rights   3,260,935   338   - 87,730,018   Improvements other than buildings   135,665,232   9,262,579   (57,553)   144,870,258   Machinery and equipment   234,749,112   9,386,192   (741,801)   243,393,503   Furniture and fixtures   23,098,190   1,268,266   (1,615,944)   22,750,512   Total accumulated depreciated, net   535,860,820   21,809,416   138,223   557,808,459   Total right-to-use capital assets being amortized:   Right-to-use capital assets being amortized:   280,055   - (152,531)   127,524   SBITAs   3,600,511   303,312   (123,825)   3,779,998   Total right-to-use capital assets being amortized:   Sa,880,566   303,312   (276,356)   3,907,522   Less accumulated amortization:   Right-to-use building and equipment   135,151   67,421   (152,531)   50,041   SBITAs   1,325,400   1,350,582   (123,825)   2,552,157   Total accumulated amortization   1,460,551   1,418,003   (276,356)   2,602,198   Total right-to-use capital assets	Railroad track usage rights	3,266,015	-	-	3,266,015
Machinery and equipment Furniture and fixtures         388,164,707 30,053,647         22,624,752 2,059,967         (327,427) (1715,553)         410,462,032 30,398,061           Total capital assets being depreciated         1,198,764,212         52,674,873         (2,389,483)         1,249,049,602           Less accumulated depreciation:         Wharves, piers, and containerized yards         143,072,366         7,008,355         (112,408)         149,968,313           Railroad tracks and crossings         37,510,872         1,756,394         - 39,267,266         39,261,273           Buildings and structures         85,546,685         2,183,333         - 87,730,018         197,000,18           Improvements other than buildings         135,665,232         9,262,579         (57,553)         144,870,258           Machinery and equipment         234,749,112         9,386,192         (741,801)         243,393,503           Furniture and fixtures         23,098,190         1,268,266         (1,615,944)         227,750,512           Total accumulated depreciated, net         535,860,820         21,809,416         138,223         557,808,459           Right-to-use building and equipment         280,055         -         (152,531)         127,524           SBITAs         3,600,511         303,312         (276,356)         3,907,522 </td <td>Buildings and structures</td> <td>121,684,059</td> <td>3,006,612</td> <td>184,483</td> <td>124,875,154</td>	Buildings and structures	121,684,059	3,006,612	184,483	124,875,154
Furniture and fixtures         30,053,647         2,059,967         (1,715,553)         30,398,061           Total capital assets being depreciated         1,198,764,212         52,674,873         (2,389,483)         1,249,049,602           Less accumulated depreciation:         Wharves, piers, and containerized yards         143,072,366         7,008,355         (112,408)         149,968,313           Railroad tracks and crossings         37,510,872         1,756,394         -         39,267,266           Railroad track usage rights         3,260,935         338         -         3,261,273           Buildings and structures         85,546,685         2,183,333         -         87,730,018           Improvements other than buildings         135,665,232         9,262,579         (57,553)         144,870,258           Machinery and equipment         234,749,112         9,386,192         (741,801)         243,393,503           Furniture and fixtures         23,098,190         1,268,266         (1,615,944)         22,750,512           Total accumulated depreciated, net         535,860,320         21,809,416         138,223         557,808,459           Right-to-use building and equipment         280,055         -         (152,531)         127,524           SBITAs         3,800,566	Improvements other than buildings	292,477,517	10,476,332	(278,468)	302,675,381
Total capital assets being depreciated         1,198,764,212         52,674,873         (2,389,483)         1,249,049,602           Less accumulated depreciation:         Wharves, piers, and containerized yards         143,072,366         7,008,355         (112,408)         149,968,313           Railroad tracks and crossings         37,510,872         1,756,394         - 39,267,266         39,267,266           Railroad track usage rights         3,260,935         338         - 3,261,273         39,007,266           Buildings and structures         85,546,685         2,183,333         - 87,730,018         187,0258           Improvements other than buildings         135,665,232         9,262,579         (57,553)         144,870,258           Machinery and equipment         234,749,112         9,386,192         (741,801)         243,393,503           Furniture and fixtures         23,098,190         1,268,266         (1,615,944)         22,750,512           Total accumulated depreciation         662,903,392         30,865,457         (2,527,706)         691,241,143           Total capital assets being amortized:         Right-to-use capital assets being amortized:         138,223         557,808,459           Right-to-use capital assets         3,80,566         303,312         (276,356)         3,907,522           Less acc		388,164,707	22,624,752	(327,427)	410,462,032
Less accumulated depreciation:           Wharves, piers, and containerized yards         143,072,366         7,008,355         (112,408)         149,968,313           Railroad tracks and crossings         37,510,872         1,756,394         -         39,267,266           Railroad track usage rights         3,260,935         338         -         3,261,273           Buildings and structures         85,546,685         2,183,333         -         87,730,018           Improvements other than buildings         135,665,232         9,262,579         (57,553)         144,870,258           Machinery and equipment         234,749,112         9,386,192         (741,801)         243,393,503           Furniture and fixtures         23,098,190         1,268,266         (1,615,944)         22,750,512           Total accumulated depreciation         662,903,392         30,865,457         (2,527,706)         691,241,143           Total capital assets being amortized:         535,860,820         21,809,416         138,223         557,808,459           Right-to-use capital assets being amortized:         280,055         -         (152,531)         127,524           SBITAs         3,800,566         303,312         (276,356)         3,907,522           Less accumulated amortization:         1,	Furniture and fixtures	30,053,647	2,059,967	(1,715,553)	30,398,061
Wharves, piers, and containerized yards         143,072,366         7,008,355         (112,408)         149,968,313           Railroad tracks and crossings         37,510,872         1,756,394         -         39,267,266           Railroad track usage rights         3,260,935         338         -         3,261,273           Buildings and structures         85,546,685         2,183,333         -         87,730,018           Improvements other than buildings         135,665,232         9,262,579         (57,553)         144,870,258           Machinery and equipment         234,749,112         9,386,192         (741,801)         243,393,503           Furniture and fixtures         23,098,190         1,268,266         (1,615,944)         22,750,512           Total accumulated depreciation         662,903,392         30,865,457         (2,527,706)         691,241,143           Total capital assets being amortized:         81,3600,511         303,312         (152,531)         127,524           SBITAs         3,600,511         303,312         (152,531)         3,779,998           Total right-to-use capital assets being amortized           Bight-to-use building and equipment         3,880,566         303,312         (276,356)         3,907,522           Less accumulated amorti	Total capital assets being depreciated	1,198,764,212	52,674,873	(2,389,483)	1,249,049,602
Railroad tracks and crossings         37,510,872         1,756,394         - 39,267,266           Railroad track usage rights         3,260,935         338         - 3,261,273           Buildings and structures         85,546,685         2,183,333         - 87,730,018           Improvements other than buildings         135,665,232         9,262,579         (57,553)         144,870,258           Machinery and equipment         234,749,112         9,386,192         (741,801)         243,393,503           Furniture and fixtures         23,098,190         1,268,266         (1,615,944)         22,750,512           Total accumulated depreciation         662,903,392         30,865,457         (2,527,706)         691,241,143           Total capital assets being amortized:         535,860,820         21,809,416         138,223         557,808,459           Right-to-use capital assets being amortized:         280,055         - (152,531)         127,524           SBITAs         3,800,566         303,312         (276,356)         3,907,522           Less accumulated amortization:         135,151         67,421         (152,531)         50,041           SBITAs         1,325,400         1,350,582         (123,825)         2,552,157           Total accumulated amortization         1,460,551	Less accumulated depreciation:				
Railroad track usage rights         3,260,935         338         -         3,261,273           Buildings and structures         85,546,685         2,183,333         -         87,730,018           Improvements other than buildings         135,665,232         9,262,579         (57,553)         144,870,258           Machinery and equipment         234,749,112         9,386,192         (741,801)         243,393,503           Furniture and fixtures         23,098,190         1,268,266         (1,615,944)         22,750,512           Total accumulated depreciation         662,903,392         30,865,457         (2,527,706)         691,241,143           Total capital assets being depreciated, net         535,860,820         21,809,416         138,223         557,808,459           Right-to-use capital assets being amortized:         280,055         -         (152,531)         127,524           SBITAs         3,600,511         303,312         (123,825)         3,779,998           Total right-to-use capital assets being amortized:         3,880,566         303,312         (276,356)         3,907,522           Less accumulated amortization:         135,151         67,421         (152,531)         50,041           SBITAs         1,325,400         1,350,582         (123,825)         2,552,157	Wharves, piers, and containerized yards	143,072,366	7,008,355	(112,408)	149,968,313
Buildings and structures         85,546,685         2,183,333         -         87,730,018           Improvements other than buildings         135,665,232         9,262,579         (57,553)         144,870,258           Machinery and equipment         234,749,112         9,386,192         (741,801)         243,393,503           Furniture and fixtures         23,098,190         1,268,266         (1,615,944)         22,750,512           Total accumulated depreciation         662,903,392         30,865,457         (2,527,706)         691,241,143           Total capital assets being depreciated, net         535,860,820         21,809,416         138,223         557,808,459           Right-to-use capital assets being amortized:         280,055         -         (152,531)         127,524           SBITAs         3,600,511         303,312         (123,825)         3,779,998           Total right-to-use capital assets being amortized         3,880,566         303,312         (276,356)         3,907,522           Less accumulated amortization:         135,151         67,421         (152,531)         50,041           SBITAs         1,325,400         1,350,582         (123,825)         2,552,157           Total accumulated amortization         1,460,551         1,418,003         (276,356) <t< td=""><td>Railroad tracks and crossings</td><td>37,510,872</td><td>1,756,394</td><td>-</td><td>39,267,266</td></t<>	Railroad tracks and crossings	37,510,872	1,756,394	-	39,267,266
Improvements other than buildings         135,665,232         9,262,579         (57,553)         144,870,258           Machinery and equipment         234,749,112         9,386,192         (741,801)         243,393,503           Furniture and fixtures         23,098,190         1,268,266         (1,615,944)         22,750,512           Total accumulated depreciation         662,903,392         30,865,457         (2,527,706)         691,241,143           Total capital assets being depreciated, net         535,860,820         21,809,416         138,223         557,808,459           Right-to-use capital assets being amortized:         280,055         -         (152,531)         127,524           SBITAs         3,600,511         303,312         (123,825)         3,779,998           Total right-to-use capital assets being amortized         3,880,566         303,312         (276,356)         3,907,522           Less accumulated amortization:         Right-to-use building and equipment         135,151         67,421         (152,531)         50,041           SBITAs         1,325,400         1,350,582         (123,825)         2,552,157           Total accumulated amortization         1,460,551         1,418,003         (276,356)         2,602,198           Total right-to-use capital assets	Railroad track usage rights	3,260,935	338	-	3,261,273
Machinery and equipment         234,749,112         9,386,192         (741,801)         243,393,503           Furniture and fixtures         23,098,190         1,268,266         (1,615,944)         22,750,512           Total accumulated depreciation         662,903,392         30,865,457         (2,527,706)         691,241,143           Total capital assets being depreciated, net         535,860,820         21,809,416         138,223         557,808,459           Right-to-use capital assets being amortized:         280,055         -         (152,531)         127,524           SBITAs         3,600,511         303,312         (123,825)         3,779,998           Total right-to-use capital assets being amortized         3,880,566         303,312         (276,356)         3,907,522           Less accumulated amortization:         135,151         67,421         (152,531)         50,041           SBITAs         1,325,400         1,350,582         (123,825)         2,552,157           Total accumulated amortization         1,460,551         1,418,003         (276,356)         2,602,198           Total right-to-use capital assets         2,602,198	<u> </u>	85,546,685	2,183,333	-	
Furniture and fixtures         23,098,190         1,268,266         (1,615,944)         22,750,512           Total accumulated depreciation         662,903,392         30,865,457         (2,527,706)         691,241,143           Total capital assets being depreciated, net         535,860,820         21,809,416         138,223         557,808,459           Right-to-use capital assets being amortized:         280,055         -         (152,531)         127,524           SBITAs         3,600,511         303,312         (123,825)         3,779,998           Total right-to-use capital assets being amortized         3,880,566         303,312         (276,356)         3,907,522           Less accumulated amortization:         Right-to-use building and equipment         135,151         67,421         (152,531)         50,041           SBITAs         1,325,400         1,350,582         (123,825)         2,552,157           Total accumulated amortization         1,460,551         1,418,003         (276,356)         2,602,198           Total right-to-use capital assets					
Total accumulated depreciation         662,903,392         30,865,457         (2,527,706)         691,241,143           Total capital assets being depreciated, net         535,860,820         21,809,416         138,223         557,808,459           Right-to-use capital assets being amortized:         Right-to-use building and equipment         280,055         - (152,531)         127,524           SBITAs         3,600,511         303,312         (123,825)         3,779,998           Total right-to-use capital assets being amortized         3,880,566         303,312         (276,356)         3,907,522           Less accumulated amortization:         Right-to-use building and equipment         135,151         67,421         (152,531)         50,041           SBITAs         1,325,400         1,350,582         (123,825)         2,552,157           Total accumulated amortization         1,460,551         1,418,003         (276,356)         2,602,198           Total right-to-use capital assets	Machinery and equipment			, ,	
Total capital assets being depreciated, net         535,860,820         21,809,416         138,223         557,808,459           Right-to-use capital assets being amortized:         Right-to-use building and equipment         280,055         -         (152,531)         127,524           SBITAs         3,600,511         303,312         (123,825)         3,779,998           Total right-to-use capital assets being amortized         3,880,566         303,312         (276,356)         3,907,522           Less accumulated amortization:         Right-to-use building and equipment         135,151         67,421         (152,531)         50,041           SBITAs         1,325,400         1,350,582         (123,825)         2,552,157           Total accumulated amortization         1,460,551         1,418,003         (276,356)         2,602,198           Total right-to-use capital assets	Furniture and fixtures	23,098,190	1,268,266	(1,615,944)	22,750,512
Right-to-use capital assets being amortized:         Right-to-use building and equipment       280,055       - (152,531)       127,524         SBITAs       3,600,511       303,312       (123,825)       3,779,998         Total right-to-use capital assets         being amortized       3,880,566       303,312       (276,356)       3,907,522         Less accumulated amortization:         Right-to-use building and equipment       135,151       67,421       (152,531)       50,041         SBITAs       1,325,400       1,350,582       (123,825)       2,552,157         Total accumulated amortization       1,460,551       1,418,003       (276,356)       2,602,198         Total right-to-use capital assets	Total accumulated depreciation	662,903,392	30,865,457	(2,527,706)	691,241,143
Right-to-use building and equipment       280,055       -       (152,531)       127,524         SBITAs       3,600,511       303,312       (123,825)       3,779,998         Total right-to-use capital assets being amortized       3,880,566       303,312       (276,356)       3,907,522         Less accumulated amortization:         Right-to-use building and equipment       135,151       67,421       (152,531)       50,041         SBITAs       1,325,400       1,350,582       (123,825)       2,552,157         Total accumulated amortization       1,460,551       1,418,003       (276,356)       2,602,198         Total right-to-use capital assets	Total capital assets being depreciated, net	535,860,820	21,809,416	138,223	557,808,459
SBITAs         3,600,511         303,312         (123,825)         3,779,998           Total right-to-use capital assets being amortized         3,880,566         303,312         (276,356)         3,907,522           Less accumulated amortization:             Right-to-use building and equipment         135,151         67,421         (152,531)         50,041           SBITAs         1,325,400         1,350,582         (123,825)         2,552,157           Total accumulated amortization         1,460,551         1,418,003         (276,356)         2,602,198           Total right-to-use capital assets	Right-to-use capital assets being amortized:				
Total right-to-use capital assets being amortized         3,880,566         303,312         (276,356)         3,907,522           Less accumulated amortization: Right-to-use building and equipment SBITAs         135,151         67,421         (152,531)         50,041           SBITAs         1,325,400         1,350,582         (123,825)         2,552,157           Total accumulated amortization         1,460,551         1,418,003         (276,356)         2,602,198           Total right-to-use capital assets	Right-to-use building and equipment	280,055	-	(152,531)	127,524
being amortized         3,880,566         303,312         (276,356)         3,907,522           Less accumulated amortization:           Right-to-use building and equipment         135,151         67,421         (152,531)         50,041           SBITAs         1,325,400         1,350,582         (123,825)         2,552,157           Total accumulated amortization         1,460,551         1,418,003         (276,356)         2,602,198           Total right-to-use capital assets	SBITAs	3,600,511	303,312	(123,825)	3,779,998
Less accumulated amortization:         Right-to-use building and equipment       135,151       67,421       (152,531)       50,041         SBITAs       1,325,400       1,350,582       (123,825)       2,552,157         Total accumulated amortization       1,460,551       1,418,003       (276,356)       2,602,198         Total right-to-use capital assets	Total right-to-use capital assets				
Right-to-use building and equipment SBITAs       135,151       67,421       (152,531)       50,041         Total accumulated amortization       1,325,400       1,350,582       (123,825)       2,552,157         Total right-to-use capital assets       1,460,551       1,418,003       (276,356)       2,602,198	being amortized	3,880,566	303,312	(276,356)	3,907,522
SBITAs         1,325,400         1,350,582         (123,825)         2,552,157           Total accumulated amortization         1,460,551         1,418,003         (276,356)         2,602,198           Total right-to-use capital assets	Less accumulated amortization:				
Total accumulated amortization 1,460,551 1,418,003 (276,356) 2,602,198  Total right-to-use capital assets	Right-to-use building and equipment	135,151	67,421	(152,531)	50,041
Total right-to-use capital assets	SBITAs	1,325,400	1,350,582	(123,825)	2,552,157
	Total accumulated amortization	1,460,551	1,418,003	(276,356)	2,602,198
	Total right-to-use capital assets				
	being amortized, net	2,420,015	(1,114,691)		1,305,324
Capital assets, net \$\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	Capital assets, net	\$ 644,351,333	\$ 106,202,708	\$ (73,928,531)	\$ 676,625,510

<sup>\*</sup>For fiscal 2023, retirements/transfers of \$74,066,754 from construction work in progress, includes \$55,596,646 of assets capitalized and placed in service, with the remaining amounts transferred to unamortized dredging costs or expensed.

Construction work in progress comprises construction and development costs during the construction period and is valued at cost. Depreciation is not recorded until construction is substantially complete and the assets are ready for productive use. Transfers out of construction work in progress that are not capitalized are reclassified to unamortized dredging costs or to expense accounts, allowing for retirements and transfers from this category to be incrementally greater than additions to capital assets.

As of September 30, 2024, construction work in progress includes:

- \$10.6 million for upgrading existing equipment as part of McDuffie Coal Terminal Modernization Plan
- \$4.9 million for projects jointly undertaken with USACE within and surrounding Mobile Harbor
- \$4.7 million associated with Phase IV Expansion at Choctaw Point Container Terminal
- \$3.0 million related to upgrades and repairs to piers, wharves and bulkheads
- \$2.4 million related to repairs, rebuilding and expansion of tracks at Terminal Railway
- \$2.1 million related to the construction of the Montgomery ICTF
- \$1.9 million for equipment upgrades and repairs and new equipment purchases at the terminals
- \$1.5 million related to expenditures associated with land development
- \$1.5 million associated with dredge related projects
- \$0.9 million related to information technology upgrades
- \$0.9 million related to various building upgrades and repairs
- \$0.4 million for miscellaneous projects

Estimated future commitments for capital expenditures related to construction work in progress for active projects as of September 30, 2024, exceeds \$212 million. Funds from cash, operating revenues, grants, and partnerships will satisfy these commitments.

Depreciation and amortization expense for the years ended September 30, 2024 and 2023, was approximately \$32,543,000 and \$32,283,000, respectively. An intangible asset, railroad track usage rights, net is also included in capital assets.

# 4. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS AND LEASE ARRANGEMENTS

The following table is a summary of subscription liabilities and right-to-use lease liabilities for the years ended September 30:

	Oc	Balance tober 1, 2023	Additions	Reductions	Balance mber 30, 2024
Subscription liability	\$	1,756,869	\$ 767,962	\$ (1,790,417)	\$ 734,414
Right-to-use lease liability		78,431	-	(28,484)	49,947
	\$	1,835,300	\$ 767,962	\$ (1,818,901)	\$ 784,361
	Oc	Balance tober 1, 2022	Additions	Reductions	Balance mber 30, 2023
Subscription liability Right-to-use lease liability	\$	2,641,487 141,195	\$ 301,601	\$ (1,186,219) (62,764)	\$ 1,756,869 78,431
	\$	2,782,682	\$ 301,601	\$ (1,248,983)	\$ 1,835,300

#### **Subscription Liability**

The Authority has noncancelable subscription agreements for use of various information technology software and licenses with terms ranging from one to four years. Total subscription assets and related accumulated amortization are disclosed in Note 3 above.

Minimum future lease payments are as follows:

	Principal Payments		Interes	t Payments	Total Payments		
2025	\$	309,763	\$	7,545	\$	317,308	
2026		152,668		4,606		157,274	
2027		152,668		2,612		155,280	
2028		119,315		635		119,950	
	\$	734,414	\$	15,398	\$	749,812	

### Right-To-Use Lease Liabilities

The Authority has noncancelable lease agreements for use of various equipment and building with terms ranging from one to three years. Total right-to-use assets and related accumulated amortization are disclosed in Note 3 above.

Minimum future lease payments are as follows:

	Principal Payments		Interes	st Payments	Total Payments		
2025	\$	19,600	\$	1,040	\$	20,640	
2026		20,103		537		20,640	
2027		10,244		76		10,320	
	\$	49,947	\$	1,653	\$	51,600	

#### 5. LEASOR ARRANGEMENTS

The Authority has entered into various leasing agreements as the lessor for the use of land and buildings for initial terms ranging from one to thirty years. The agreements generally contain options for the lessee to extend the term for additional periods ranging from one to ten years, which are included in the measurement of the lease receivable when it is reasonably certain that the options will be exercised. Payment terms in the agreements include fixed revenue components, variable revenue based on the Consumer Price Index (CPI), and/or revenues dependent on the lessee's throughput volumes. Variable lease revenue not included in the measurement of the lease receivable totaled \$7,394,391 and \$4,293,242 for fiscal 2024 and fiscal 2023, respectively. Some agreements contain minimum volume commitments that are considered fixed in substance and are therefore included in the measurement of the lease receivable.

The majority of the lease receivable is comprised of concessionaire agreements that are protected by confidentiality agreements. Under the concessionaire agreements, lessees operate facilities on the Authority's property for lease terms longer than those of other lease arrangements, and payment terms include clauses related to the lessee's annual throughput volumes. The other lease arrangements represent relatively shorter lease terms with fixed or variable revenue components.

Lease receivables and related revenues are summarized as follows for fiscal 2024:

					Le	ase Interest
	Lea	se Receivable	Lea	ase Revenue		Revenue
Concessionaire agreements	\$	176,633,172	\$	18,132,148	\$	5,434,273
Other lease agreements		41,757,197		4,641,149		1,137,064
	\$	218,390,369	\$	22,773,297	\$	6,571,337

Lease receivables and related revenues are summarized as follows for fiscal 2023:

	Lea	se Receivable	Lea	ase Revenue	Le	ease Interest Revenue
Concessionaire agreements Other lease agreements	\$	181,779,114 27,689,095	\$	15,115,458 3,374,753	\$	5,565,406 576,210
	\$	209,468,209	\$	18,490,211	\$	6,141,616

Minimum future lease receipts are as follows:

	Prin	Principal Receipts		Interest Receipts		Total Receipts
2025	\$	8,378,114	\$	6,175,216	\$	14,553,330
2026		8,338,944		6,421,557		14,760,501
2027		8,440,685		6,207,281		14,647,966
2028		8,292,800		5,974,835		14,267,635
2029		9,055,707		5,733,838		14,789,545
2030-2034		35,374,422		25,215,570		60,589,992
2035-2039		29,715,700		20,241,508		49,957,208
2040-2044		32,160,779		15,190,338		47,351,117
2045-2049		24,508,010		10,776,965		35,284,975
2050-2054		28,574,378		6,246,062		34,820,440
2055-2059		25,550,828		1,760,557		27,311,386
	\$	218,390,368	\$	109,943,726	\$	328,334,094

#### 6. OTHER ASSETS, NET

The following is a summary of other assets, net as of September 30, 2024 and 2023:

	 2024	 2023
Unamortized dredging costs	\$ 1,498,614	\$ 1,315,508
Prepaid bond insurance	1,623,605	1,745,854
Other assets, net	\$ 3,122,219	\$ 3,061,362

Amortization expense related to dredging costs for the years ended September 30, 2024 and 2023, was approximately \$8,763,000 and \$8,129,000, respectively. Amortization expense related to bond insurance premiums was approximately \$122,000 for both years ended September 30, 2024 and 2023, and is included in interest expense on the statements of revenues, expenses, and changes in net position.

# 7. BONDS PAYABLE

The following table provides a summary of the long-term bonds payable for the year ended September 30, 2024:

	Beginning Balance Issuances		Payments/ Refundings	Ending Balance	Due Within One Year
Bonds payable from direct borrowings:					
Docks Facilities Revenue Bond Series 2020, originally issued for	\$ 43,045,798	\$ -	\$ 2,026,410	\$ 41,019,388	\$ 2,064,575
\$46,986,000, 1.91% due annually through fiscal 2041					
Bonds payable:					
Docks Facilities Revenue Refunding Bond Series 2017A, originally issued	121,995,000	-	6,990,000	115,005,000	7,340,000
for \$123,770,000, 5.00% due					
periodically through fiscal 2036					
Docks Facilities Revenue Refunding	6,130,000	-	-	6,130,000	-
Bond Series 2017C, originally issued for \$6,130,000, 5.00% due October 1, 2036					
Docks Facilities Revenue Refunding	112,205,000	-	2,150,000	110,055,000	2,225,000
Bond Series 2017D, originally issued					
for \$132,990,000, 1.35% to 4.72% due annually through fiscal 2041					
	283,375,798	\$ -	\$ 11,166,410	272,209,388	\$ 11,629,575
Plus: Unamortized premium, net	9,999,610			9,169,304	
Less: Current maturities	(11,166,410)			(11,629,575)	
Long-term debt, net	\$ 282,208,998			\$ 269,749,117	

The following table provides a summary of the long-term bonds payable for the year ended September 30, 2023:

	Beginning Balance	Issuances		Payments/ Refundings		Ending Balance	Due Within One Year
Bonds payable from direct borrowings: Docks Facilities Revenue Bond Series 2020, originally issued for \$46,986,000, 1.91% due annually through fiscal 2041	\$ 45,034,229	\$	-	\$	1,988,431	\$ 43,045,798	\$ 2,026,410
Bonds payable:							
Docks Facilities Revenue Refunding Bond Series 2017A, originally issued for \$123,770,000, 5.00% due periodically through fiscal 2036	121,995,000		-		-	121,995,000	6,990,000
Docks Facilities Revenue Refunding Bond Series 2017C, originally issued for \$6,130,000, 5.00% due October 1, 2036	6,130,000		-		-	6,130,000	-
Docks Facilities Revenue Refunding Bond Series 2017D, originally issued for \$132,990,000, 1.35% to 4.72% due annually through fiscal 2041	124,030,000		-		11,825,000	112,205,000	2,150,000
	297,189,229	\$	-	\$	13,813,431	283,375,798	\$ 11,166,410
Plus: Unamortized premium, net	10,829,916					9,999,610	
Less: Current maturities	(13,813,431)					(11,166,410)	
Long-term debt, net	\$ 294,205,714					\$282,208,998	

All gross revenues of the Authority collateralize the outstanding balances of the Docks Facilities Revenue Refunding Bonds Series 2017 A-D (Series 2017) and the Docks Facilities Revenue Bond Series 2020 (Series 2020). Gross revenues are generated from services provided, including all special handling and processing charges, tariffs, surcharges, and for the use of docks facilities, and other fees and payments made under any lease. Docks facilities are defined as docks and all types of related facilities, including elevators, compressors, conveyors, warehouses, water and rail terminals, coal handling and storage facilities, steel handling facilities, grain elevator facilities, wharves, piles, quays, loading and unloading facilities, and other related structures, facilities, equipment, property, and property improvements owned or under the management of the Authority.

On August 26, 2020, the Authority issued a \$46,986,000 Docks Facilities Revenue Bond Series 2020 (Series 2020), at a fixed rate of 1.91% per annum, with interest payable on the first day of each month. Annual principal payments are due through maturity on October 1, 2040. Proceeds from Series 2020 were used to provide long term funding to expand the container handling capacity of its operations at the Choctaw Point Container Terminal, including an approximately 400' by 200' dock extension, and paving, drainage, and lighting for an addition of approximately 20 acres to the container storage area. Series 2020 was issued as a fully amortized, 20-year tenor bond with level annual debt service of \$2,848,585.

The Docks Facilities Revenue Refunding Bond Series 2017 and Series 2020 require the Authority to adhere to several general and restrictive financial covenants. The financial covenants in the agreements require the Authority to meet minimum debt service coverage ratios with the most restrictive being a ratio of 100% coverage of revenues and investment income to operating expenses and annual debt service (as defined). The Authority is in compliance with all debt covenants as of September 30, 2024.

Amortization of deferred outflows of resources resulting from debt refunding and amortization of unamortized premiums on long-term debt was \$612,918 and \$217,386 for the years ended September 30, 2024 and 2023, respectively, and is included in interest expense in the statements of revenues, expenses, and changes in net position.

The Series 2020 Bond results from a direct borrowing. Future minimum maturities on the bond payable from a direct borrowing as of September 30, 2024, are as follows:

	Principal		Interest		Total
2025	\$	2,064,575	\$	746,590	\$ 2,811,165
2026		2,105,061		707,135	2,812,196
2027		2,144,755		666,232	2,810,987
2028		2,185,720		625,117	2,810,837
2029		2,227,039		581,540	2,808,579
2030-2034		11,792,340		2,244,262	14,036,602
2035-2039		12,961,927		1,053,774	14,015,701
2040-2041		5,537,971		62,118	5,600,089
	\$	41,019,388	\$	6,686,768	\$ 47,706,156

Future minimum maturities on the remaining bonds payable as of September 30, 2024, are as follows:

	<b>Principal</b>	Interest	Total	
2025	\$ 9,565,000	\$ 10,820,329	\$ 20,385,329	
2026	10,015,000	10,369,699	20,384,699	
2027	10,495,000	9,892,759	20,387,759	
2028	10,400,000	9,401,408	19,801,408	
2029	10,905,000	8,895,571	19,800,571	
2030-2034	63,910,000	35,913,217	99,823,217	
2035-2039	79,485,000	18,646,686	98,131,686	
2040-2041	36,415,000	1,600,168	38,015,168	
	\$ 231,190,000	\$ 105,539,837	\$ 336,729,837	

### 8. RESTRICTED NET POSITION

Restricted net position, which represents cash and investments held by trustees under various bond agreements, consists of the following as of September 30, 2024 and 2023:

	2024	2023
Debt service:		
Docks Facilities Renewal and Replacement Fund	\$ 8,161,566	\$ 7,747,519
Docks Facilities Revenue Bond, Series 2017A Debt Service Fund	10,253,879	10,079,404
Docks Facilities Revenue Bond, Series 2017C Debt Service Fund	153,797	154,049
Docks Facilities Revenue Bond, Series 2017D Debt Service Fund	4,733,767	4,692,919
Docks Facilities Revenue Bond, Series 2020 Debt Service Fund	2,136,314	2,097,812
Total restricted	\$25,439,323	\$24,771,703

#### 9. RETIREMENT PLANS

The Authority contributes to four retirement plans covering substantially all of its employees:

Alabama State Port Authority Hourly Paid Workers Defined Contribution Plan (Hourly DC Plan), Employees' Retirement System of Alabama (ERS), Hourly Paid Alabama State Port Authority Workers Retirement Plan (Hourly DB Plan), and Terminal Railway Alabama State Port Authority Workers Supplemental Retirement Plan (Railway Plan). The plans had the following balances as of and for the years ended September 30:

2024	 ERS	Ho	ourly DB Plan	R	ailway Plan	Total
Pension assets	\$ 33,515,493	\$	22,919,381	\$	1,514,609	\$ 57,949,483
Pension liabilities	59,845,305		20,724,082		1,829,021	82,398,408
Net pension liability (asset)	\$ 26,329,812	\$	(2,195,299)	\$	314,412	\$ 24,448,925
Deferred outflows	\$ 5,037,639	\$	-	\$	111,711	\$ 5,149,350
Deferred inflows	\$ 240,016	\$	108,486	\$	58,584	\$ 407,086
Pension expense	\$ 2,436,745	\$	150,953	\$	85,186	\$ 2,672,884
2023	ERS	Ho	ourly DB Plan	R	ailway Plan	Total
Pension assets	\$ 30,716,864	\$	20,027,462	\$	1,287,554	\$ 52,031,880
Pension liabilities	56,177,237		21,450,336		1,789,775	79,417,348
Net pension liability	\$ 25,460,373	\$	1,422,874	\$	502,221	\$ 27,385,468
Deferred outflows	\$ 6,642,178	\$	2,214,671	\$	260,888	\$ 9,117,737
Deferred inflows	\$ 589,132	\$	32,299	\$	95,317	\$ 716,748
Pension expense						

Alabama State Port Authority Hourly Paid Workers Defined Contribution Plan (Hourly DC Plan)

#### **Plan Description**

Hourly paid workers of the Authority participate in a defined contribution plan that requires all hourly employees, other than employees of the Terminal Railway, to contribute a minimum of 2.00% of wages toward their retirement. Vesting in the employer's portion of the defined contribution plan is five years. Employees enrolled solely in the defined contribution plan, and those that have frozen their participation in the Hourly DB Plan, receive a basic employer contribution of 6.00% of wages, and a 50% match on the first 6.00% of employee contributions. Employees that remain in the Hourly DB Plan as their primary retirement vehicle do not receive a basic employer contribution to the Hourly DC Plan; however, they do receive a match of 25% on the first 6.00% of employee contributions and continue to accrue the benefits of the Hourly DB Plan. Newly hired employees are automatically enrolled in the Hourly DC Plan as their sole Authority-provided retirement plan. The Authority's contributions to the Hourly DC Plan for the years ended September 30, 2024 and 2023, were approximately \$1,423,000 and \$1,344,000, respectively.

### Employees' Retirement System of Alabama (ERS)

#### **Plan Description**

Salaried employees of the Authority subject to the classified system of the State participate in the Employees' Retirement System of Alabama (ERS), a tiered, agent multiple-employer, public employee defined benefit retirement plan. The ERS was established as of October 1, 1945, under the provisions of Act 515 of the State Legislature of 1945. The Authority's participation in the ERS is a cost-sharing arrangement with no separate actuarial information available for the Authority alone. The ERS is a component unit of the State for financial reporting purposes. Detailed information about the pension plan's fiduciary net position is available in the separately issued ERS financial report available at www.rsa-al.gov.

### **Summary of Significant Accounting Policies**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the ERS, and additions to/deductions from ERS's fiduciary net position have been determined on the same basis as they are reported by ERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

#### **Benefits Provided**

The ERS provides retirement allowances and other specified benefits for state employees, state police, and employees of cities, counties, towns, and quasi-public organizations on an elective basis. The Board of Control is responsible for the general administration and operation of the ERS. The ERS provides retirement benefits as well as death and disability benefits as established by State Law. The retirement benefit provisions are established by Title 36, Chapter 27 of Alabama State Law and must be amended by statute. Benefits for ERS members vest after ten years of credited service.

Effective October 1, 2012, the Alabama Legislature changed the structure to a tiered plan. State employees hired before January 1, 2013, are classified as ERS Tier 1 members. These employees are eligible to retire after 25 years of creditable service regardless of age, or at age 60 with ten years of creditable service. State employees hired after January 1, 2013, who do not have prior service are classified as ERS Tier 2 members. These employees may retire at age 62 with at least ten years of creditable service. State employees who retire are entitled to an annual retirement benefit, payable monthly for life. ERS provides one year of additional retirement service credit for each five (5) years of employment to those eligible as a full-time firefighter, correctional officer, or law enforcement officer, provided that the member remits to the ERS an additional 1.00% of his or her current annual earnable compensation or the previous year's annual earnable compensation, whichever is higher.

This allows for these employees to retire after 20 years of service. 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 members of ERS are allowed 2.0125% of their average final compensation (highest three of the last ten years) for each year of service. Tier 2 members of ERS are allowed 1.65% of their average final compensation (highest five of the last ten years) for each year of service.

A pre-retirement death benefit is offered in which the account is credited with ERS employer contributions and investment income on such funds. The pre-retirement death benefit (in the form of group term life insurance) is paid in addition to the return of member contributions upon the death of an active ERS member who has completed at least one year of active membership in the system and whose date of death was within 90 days of such member's last date of actual service. However, a surviving spouse beneficiary may elect a survivor allowance in lieu of this benefit. The pre-retirement death benefit is equal to the annual earnable compensation of the member as reported to the ERS for the preceding year ending September 30.

When a member withdraws from service through resignation, the member's accumulated contributions and a portion of accumulated interest credited to the account may be returned to the member.

#### **Contributions**

Title 36, Chapter 27 of the Alabama State Law established the contribution requirements and may only be amended by State statute. The law provides that the Board of Control engage an actuary to prepare an annual valuation of the assets and liabilities of the various reserves.

The actuary has computed, as of the date of the latest available actuarial valuation, the estimated present value of benefits payable to retired members, beneficiaries, and active members. The actuarial valuations are prepared using the entry age normal method. The present value of the expected benefits payable on account of the active members is added to the present value of the expected future payments to retired members and beneficiaries to obtain the present value of all expected benefits payable from ERS on account of the present group of members and beneficiaries.

ERS funding policies provide for employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate assets to pay benefits when due. The employer contributions required to support the benefits are determined following a level funding approach, and consist of a normal contribution, an accrued liability contribution, and a portion to finance administrative costs.

The accrued liability contribution is expected to liquidate the accrued liability within the ERS funding period of 30 years.

The employee required contribution rate to ERS for Tier 1 covered members, with the exception of law enforcement officers, is 7.50% of earnable compensation. The employee required contribution rate to ERS for Tier 1 certified law enforcement officers is 8.50% of earnable compensation. The employer required contribution rate to ERS for all employees in Tier 1 was 16.00% for fiscal 2024 and 14.82% for fiscal 2023. Tier 2 covered members, with the exception of law enforcement officers, contribute 6.00% of earnable compensation. The employee required contribution rate to ERS for Tier 2 certified law enforcement officers is 7.00% of earnable compensation. The employer required contribution rate to ERS for all employees in Tier 2 was 15.76% fiscal 2024 and 14.44% for fiscal 2023. The Authority's total contribution requirement and contributions made for fiscal 2024 and 2023 were approximately \$2,607,000 and \$2,356,000, respectively, which consisted of approximately \$1,824,000 and \$1,596,000 from the Authority and \$783,000 and \$760,000 from employees, respectively.

# Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to ERS

As of September 30, 2024, the Authority reported a liability of \$26,329,815 for its proportionate share of the net ERS liability. The net ERS liability was measured as of September 30, 2024, and the total ERS liability used to calculate the net ERS liability was determined by an actuarial valuation as of September 30, 2023. The Authority's proportion of the net ERS liability was based on a projection of the Authority's long-term share of contributions to the ERS plan relative to the projected contributions of all participating entities, actuarially determined. At the September 30, measurement date, the Authority's proportion was 0.663%, which was an increase from 0.648%, its proportion measured as of the September 30, 2022 measurement date.

Due to the one year difference in measurement date and fiscal year end, the Authority recognized ERS expense of \$1,596,200 and \$1,465,596, for the years ended September 30, 2024 and 2023, respectively. As of September 30, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to ERS from the following sources:

(	Outflows	In	eferred flows of esources
\$	1,042,740	\$	67,701
	313,555		-
	1,437,853		-
	419,624		172,315
	1,823,867		-
\$	5,037,639	\$	240,016
	of	313,555 1,437,853 419,624 1,823,867	Outflows of Resources \$ 1,042,740 \$ \$ 313,555

Deferred outflows of resources of \$1,823,867, which will be recognized as a reduction of the net pension liability during the year ending September 30, 2025, result from Authority contributions made subsequent to the measurement date of September 30, 2023.

As of September 30, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to ERS from the following sources:

	Deferred Outflows		_	eferred flows of
	of	Resources	Re	esources
Differences between expected and actual experience	\$	348,348	\$	113,324
Changes in assumptions		816,442		-
Net difference between projected and actual earnings on pension plan investments		3,741,075		-
Changes in proportion and differences between Authority contributions and proportionate share of contributions		140,113		475,808
Authority contributions subsequent to the measurement date		1,596,200		-
	\$	6,642,178	\$	589,132

Deferred outflows of resources of \$1,596,200, which will be recognized as a reduction of the net pension liability during the year ending September 30, 2024, result from Authority contributions made subsequent to the measurement date of September 30, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS will be recognized in pension expense as follows:

١	/ear	end	ed	Sep	tem	her	30.
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2025	\$ 1,219,757
2026	858,771
2027	1,232,839
2028	 (337,611)
	\$ 2,973,756

# Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

Utilizing the discount rate of 7.45%, the following presents the Authority's proportionate share of the net pension liability. The information presented also shows the Authority's proportionate share of the net pension liability calculated using a discount rate that is one percentage point lower and one percentage point higher than the current rate for the fiscal year ended September 30:

		Current					
	19	1% Decrease (6.45%)		scount Rate (7.45%)	1% Increase (8.45%)		
2024	\$	32,585,300	\$	26,329,815	\$	21,022,160	
2023	\$	31,331,347	\$	25,460,373	\$	20,477,584	

#### Hourly Paid Alabama State Port Authority Workers Retirement Plan (Hourly DB Plan)

#### **Plan Description**

All of the Authority's hourly employees, other than employees of the Terminal Railway, that were employed prior to January 1, 2011, who were at least 21 years of age and had completed one year of service, were eligible to participate in the Hourly DB Plan, a single employer, noncontributory defined benefit pension plan. This benefit is based solely on years of service and does not have a wage component. The Authority was authorized to establish and fund this Hourly DB Plan by action of the State Legislature. The assets of the plan are administered by the Retirement Systems of Alabama while the Authority administers the payment of benefits. The Hourly DB Plan issues standalone financial statements, a copy of which may be obtained by submitting a written request to the Chief Financial Officer of the Authority. The plan was closed to new participants in fiscal 2011 in favor of the Hourly DC Plan previously described. Employees had the choice of continuing to participate in the Hourly DB Plan and receiving a reduced match of their mandated and eligible elective contributions to the Hourly DC Plan or freezing their participation in the Hourly DB Plan and receiving the enhanced matching of their contributions in the Hourly DC Plan. Those employees who were not vested as of January 1, 2011, had the additional option of transferring the fair value of their accumulated benefit in the Hourly DB Plan into the Hourly DC Plan, such sums not being subject to employer matching. These plan selections were irrevocable.

#### **Summary of Significant Accounting Policies**

For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Hourly DB Plan, and additions to/deductions from the Hourly DB Plan's fiduciary net position have been determined on the same basis as they are reported by the Hourly DB Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### **Benefits Provided**

Participants of the Hourly DB Plan becoming eligible for Social Security and having completed at least 10 years of service are currently entitled to benefits of \$325 to \$1,653 a month, up to 35 years of service, as well as those of any age with 30 consecutive years of service. Participants receive an additional \$44 per month for each year of service in excess of 36 years. For active participants, the plan benefits are indexed according to the CPI-U, capped at 3.00% in any year. Active participants who become disabled after completion of 5 years of service, and who are eligible for Social Security benefits, receive disability benefits which are calculated under the same methods used for normal service retirement benefits. If a participant with at least ten years of service leaves before his/her normal retirement date, he/she will be entitled to a monthly benefit deferred to the date at which he/she becomes eligible for Social Security, determined in accordance with the normal service retirement benefits.

#### **Employees Covered by Benefit Terms**

The following employees were covered by the benefit terms as of September 30, 2024 and 2023:

	2024	2023
Inactive employees or beneficiaries currently receiving benefits	154	161
Inactive employees entitled to but not receiving benefits	32	30
Active employees	46	48
	232	239

#### **Contributions**

The Authority's funding policy is to contribute an actuarially determined amount equivalent to the "Normal Cost," utilizing the level percent of inflation (2.50%) amortization method, plus an amortization factor that is designed to remove the beginning unfunded liability over a 40-year period and other actuarial gains and losses over a 15-year period from the year of the gain or loss. Plan amendments are amortized over a 30-year period.

The annual required contribution for the current year was determined as part of the January 1, 2024, actuarial valuation using the entry age normal percent of pay method. The actuarial assumptions include a 4.75% investment rate of return, with a 2.50% inflation rate inherent in this assumption and with administrative expenses paid outside of the plan. The assumptions do not include post-retirement benefit increases. The plan does not include projected salary increases as the benefit is based solely on years of service. As of the January 1, 2024, measurement date, the plan had obtained fully funded status, resulting in a reset of all previous amortization bases to \$0 with the overfunded amount amortized over 30 years. If the plan reaches an unfunded status again, a layered amortization approach will again be established. The actuarial value of assets was determined using techniques that normalize the effects of short-term volatility in the fair value of investments with actuarial gains or losses being amortized over 15 years from the year of gain or loss on a closed basis.

Contributions were \$1,478,268 and \$1,496,154, equaling 7.95% and 8.69% of payroll of covered participants for the years ended September 30, 2024 and 2023, respectively.

#### **Net Pension Liability**

The Authority's net pension liability was measured as of September 30, 2024 and 2023, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2024 and 2023, rolled forward to September 30 using generally accepted actuarial principles.

The total pension liability in the September 30, 2024 and 2023, actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	Ra	tes
	2024	2023
Inflation	2.50%	2.50%
Discount rate	4.75%	4.75%
Investment rate of return	4.75%	4.75%

Healthy mortality rates for the year ended September 30, 2024, for the Hourly Plan were based on the PUB-2010 General Healthy Retiree – Below Median Income Mortality Table (sex distinct) with a two-year set forward adjustment. Disabled mortality rates were based on the PUB-2010 General Disabled Retiree – Below Median Income Mortality Table (sex distinct) with a seven-year set forward adjustment for males and a three-year set forward adjustment for females.

The following illustrates the target allocation and best estimates of arithmetic real rates of return for each major asset class for the year ended September 30, 2024:

	Target Allocation	Long-Term Expected Real Rate of Return
Investment Type:		
Short-Term Securities (cash equivalents)	7.50%	0.99%
U.S. Government / Agency (cash equivalents)	27.50%	0.99%
Corporate Bonds	34.00%	2.72%
Large-, Mid-, and Small-Cap Equities	17.00%	4.79%
Mortgage-Backed Securities	14.00%	3.73%
	100.00%	-

As of September 30, 2024 and 2023, there were no investments in the Hourly DB Plan's fiduciary net position that represented a concentration of 5.00% or more in any organization.

The long-term expected rate of return on the Hourly DB Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) was 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 discount rate used to measure the total pension liability was the long-term rate of return of 4.75% for both years and a municipal bond rate (based on the 20-year Bond Buyer GO Index) of 3.81% and 4.09% as of September 30, 2024 and 2023, respectively. The projection of cash flows used to determine the discount rate assumed that contributions will be made at the current contribution rate, and the contributions will be made based on the current funding policy for future years. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

	 Total Pension Liability (A)	N	Pension Fiduciary let Position (B)	Lia	Net Pension bility (Asset) (A) - (B)
Balances as of October 1, 2023	\$ 21,450,336	\$	20,027,462	\$	1,422,874
Service cost	96,916		-		96,916
Interest cost	988,793		-		988,793
Changes for experience	(333,695)		_		(333,695)
Contributions – employer	-		1,478,268		(1,478,268)
Benefit payments	(1,478,268)		(1,478,268)		<u>-</u>
Net investment income			2,891,919		(2,891,919)
Net changes	(726,254)		2,891,919		(3,618,173)
Balances as of September 30, 2024	\$ 20,724,082	\$	22,919,381	\$	(2,195,299)
	Total Pension Liability (A)	N	Pension Fiduciary let Position (B)		Net Pension Liability (A) - (B)
Balances as of October 1, 2022	\$ Pension Liability	<b>N</b> *	Fiduciary let Position	\$	Pension Liability
Balances as of October 1, 2022 Service cost	\$ Pension Liability (A)		Fiduciary let Position (B)	\$	Pension Liability (A) - (B)
•	\$ Pension Liability (A) 21,944,917		Fiduciary let Position (B)	\$	Pension Liability (A) - (B) 2,820,852
Service cost	\$ Pension Liability (A) 21,944,917 95,481		Fiduciary let Position (B)	\$	Pension Liability (A) - (B) 2,820,852 95,481
Service cost Interest cost Changes for experience Contributions – employer	\$ Pension Liability (A) 21,944,917 95,481 1,011,797 (105,705)		Fiduciary let Position (B) 19,124,065 - - - 1,496,154	\$	Pension Liability (A) - (B) 2,820,852 95,481 1,011,797
Service cost Interest cost Changes for experience Contributions – employer Benefit payments	\$ Pension Liability (A) 21,944,917 95,481 1,011,797		Fiduciary let Position (B) 19,124,065 - - - 1,496,154 (1,496,154)	\$	Pension Liability (A) - (B) 2,820,852 95,481 1,011,797 (105,705) (1,496,154)
Service cost Interest cost Changes for experience Contributions – employer	\$ Pension Liability (A) 21,944,917 95,481 1,011,797 (105,705) - (1,496,154)		Fiduciary let Position (B) 19,124,065 - - - 1,496,154 (1,496,154) 903,397	\$	Pension Liability (A) - (B) 2,820,852 95,481 1,011,797 (105,705) (1,496,154) - (903,397)
Service cost Interest cost Changes for experience Contributions – employer Benefit payments	\$ Pension Liability (A) 21,944,917 95,481 1,011,797 (105,705)		Fiduciary let Position (B) 19,124,065 - - - 1,496,154 (1,496,154)	\$	Pension Liability (A) - (B) 2,820,852 95,481 1,011,797 (105,705) (1,496,154)

#### Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following information presents the net pension liability (asset) calculated using the discount rate of 4.75% as well as net pension asset using a discount rate that is one percentage point lower or one percentage point higher than the current rate as of September 30, 2024:

	1%	Current 1% Decrease Discount Rate 1% Inci (3.75%) (4.75%) (5.75				
2024	\$	(179,169)	\$	(2,195,299)	\$	(3,927,174)
2023	\$	3,540,871	\$	1,422,874	\$	(392,740)

For the years ended September 30, 2024 and 2023, the plan recognized pension expense of \$150,953 and \$1,493,853, respectively. As of September 30, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Defe Outf of Res	lows	In	eferred flows of esources
Net difference between projected and actual earnings on pension plan investments	\$	-	\$	18,364
Differences between expected and actual experience				90,122
	\$		\$	108,486

As of September 30, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Deferred Outflows Resources	In	eferred flows of sources
Net difference between projected and actual earnings on pension plan investments	\$ 2,214,671	\$	-
Differences between expected and actual experience	 -		32,299
	\$ 2,214,671	\$	32,299

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Hourly DB Plan will be recognized in pension expense (benefit) as follows:

#### Year ended September 30:

2025	\$ 305,840
2026	360,920
2027	(387,123)
2028	 (388,123)
	\$ (108,486)

### Terminal Railway Alabama State Port Authority Workers Supplemental Retirement Plan (Railway Plan)

#### **Plan Description**

All of the Authority's Terminal Railway employees who work at least one day per month, for at least seven months, participate in the Railway Plan, a single employer, non-contributory defined benefit pension plan. The Authority was authorized to establish and fund this Railway Plan by action of the State Legislature. The assets of the plan are administered by the Retirement Systems of Alabama while the Authority administers the payment of benefits. The Railway Plan issues stand-alone financial statements, a copy of which may be obtained by submitting a written request to the Chief Financial Officer of the Authority.

#### **Summary of Significant Accounting Policies**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Railway Plan, and additions to/deductions from the Railway Plan's fiduciary net position have been determined on the same basis as they are reported by the Railway Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### **Benefits Provided**

Employees attaining the age of 62 and completion of ten consecutive years of service or age 60 and completion of 30 consecutive years of service are entitled to benefits of \$7 to \$210 a month, depending upon length of service. Active employees who become disabled after completion of ten years of service and are eligible for disability benefits under the Railroad Retirement Act receive disability benefits that are calculated under the same methods used for normal service retirement benefits. If an employee leaves before meeting one of the above retirement criteria, he/she is not entitled to benefits under this plan.

#### **Employees Covered by Benefit Terms**

As of September 30, 2024 and 2023, the following employees were covered by the benefit terms:

	2024	2023
Inactive employees or beneficiaries currently receiving benefits	63	64
Active employees	107	101
	170	165

#### Contributions

The Authority's funding policy is to contribute an actuarially determined amount equivalent to the "Normal Cost," utilizing the level percent of inflation (2.50%) amortization method, plus an amortization factor that is designed to remove the beginning unfunded liability over a 40-year period and other actuarial gains and losses over a 15-year period from the year of the gain or loss. Plan amendments are amortized over a 30-year period.

The annual required contribution for the current year was determined as part of the January 1, 2024, actuarial valuation using the entry age normal percent of pay method. The actuarial assumptions include a 4.75% investment rate of return, with a 2.50% inflation rate inherent in this assumption and with administrative expenses paid outside of the plan. The assumptions do not include post-retirement benefit increases. The plan does not include projected salary increases as the benefit is based solely on years of service. The original unfunded actuarial accrued liability is being amortized over a 40-year period on a closed basis with a remaining amortization period of two years. The actuarial value of assets was determined using techniques that normalize the effects of short-term volatility in the fair value of investments with actuarial gains or losses being amortized over 15 years from the year of gain or loss on a closed basis.

Contributions were \$160,551 and \$151,625, equaling 1.76% and 1.75% of payroll of covered participants for the years ended September 30, 2024 and 2023, respectively.

#### **Net Pension Liability**

The Authority's net pension liability was measured as of September 30, 2024 and 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024 and 2023, rolled forward to September 30 using generally accepted actuarial principles.

The total pension liability in the September 30, 2024 and 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	Rates		
	2024	2023	
Inflation	2.50%	2.50%	
Discount rate	4.75%	4.75%	
Investment rate of return	4.75%	4.75%	

Healthy mortality rates for the year ended September 30, 2024, for the Railway Plan were based on the PUB-2010 General Healthy Retiree – Below Median Income Mortality Table (sex distinct) with a two-year set forward adjustment. Disabled mortality rates were based on the PUB-2010 General Disabled Retiree – Below Median Income Mortality Table (sex distinct) with a seven-year set forward adjustment for males and a 3-year set forward adjustment for females.

The following illustrates the target allocation and best estimates of arithmetic real rates of return for each major asset class for the year ended September 30, 2024:

	Target Allocation	Long-Term Expected Real Rate of Return
Investment Type:		
Short-Term Securities (cash equivalents)	7.50%	0.99%
U.S. Government / Agency (cash equivalents)	27.50%	0.99%
Corporate Bonds	34.00%	2.72%
Large-, Mid-, and Small-Cap Equities	17.00%	4.79%
Mortgage-Backed Securities	14.00%	3.73%
	100.00%	

As of September 30, 2024 and 2023, there were no investments in the Railway Plan's fiduciary net position that represented a concentration of 5.00% or more in any organization.

The long-term expected rate of return on the Railway Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) was 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 discount rate used to measure the total pension liability was the long-term rate of return of 4.75% for both years and a municipal bond rate (based on the 20-year Bond Buyer GO Index) of 3.81% and 4.09% as of September 30, 2024 and 2023, respectively. The projection of cash flows used to determine the discount rate assumed that contributions will be made at the current contribution rate, and the contributions will be made based on the current funding policy for future years. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

		Total Pension Liability (A)	ı	Pension Fiduciary et Position (B)	Net Pension Liability (A) - (B)
Balances as of October 1, 2023	\$	1,789,775	\$	1,287,554	\$ 502,221
Service cost		28,161		_	28,161
Interest cost		83,503		_	83,503
Changes for experience		48,951		-	48,951
Contributions – employer		-		160,551	(160,551)
Benefit payments		(121,369)		(121,369)	-
Net investment income				187,873	(187,873)
Net changes		39,246		227,055	(187,809)
Balances as of September 30, 2024	\$	1,829,021	\$	1,514,609	\$ 314,412
		Total Pension Liability (A)	I	Pension Fiduciary et Position (B)	Net Pension Liability (A) - (B)
Balances as of October 1, 2022	*	Pension Liability	I	Fiduciary et Position	\$ Pension Liability
Balances as of October 1, 2022 Service cost	\$	Pension Liability (A)	N•	Fiduciary et Position (B)	\$ Pension Liability (A) - (B)
·	\$	Pension Liability (A) 1,804,964	N•	Fiduciary et Position (B)	\$ Pension Liability (A) - (B) 596,260
Service cost	\$	Pension Liability (A)  1,804,964  26,889	N•	Fiduciary et Position (B)	\$ Pension Liability (A) - (B)  596,260  26,889
Service cost Interest cost	\$	Pension Liability (A)  1,804,964  26,889 83,995	N•	Fiduciary et Position (B)	\$ Pension Liability (A) - (B) 596,260 26,889 83,995
Service cost Interest cost Changes for experience	\$	Pension Liability (A)  1,804,964  26,889 83,995	N•	Fiduciary et Position (B)  1,208,704	\$ Pension Liability (A) - (B) 596,260 26,889 83,995 2,511
Service cost Interest cost Changes for experience Contributions – employer	\$	Pension Liability (A) 1,804,964 26,889 83,995 2,511	N•	Fiduciary et Position (B)  1,208,704  151,625	\$ Pension Liability (A) - (B) 596,260 26,889 83,995 2,511
Service cost Interest cost Changes for experience Contributions – employer Benefit payments	\$	Pension Liability (A) 1,804,964 26,889 83,995 2,511	N•	Fiduciary et Position (B)  1,208,704  151,625 (128,584)	\$ Pension Liability (A) - (B) 596,260 26,889 83,995 2,511 (151,625)

#### Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following information presents the net pension liability calculated using the discount rate of 4.75% as well as net pension liability using a discount rate that is one percentage point lower or one percentage point higher than the current rate as of the fiscal year ended September 30.

	Decrease (3.75%)				Increase (5.75%)
2024	\$ 511,568	\$	314,412	\$	147,233
2023	\$ 695,365	\$	502,221	\$	338,435

### Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Railway Plan

For the years ended September 30, 2024 and 2023, the plan recognized pension expense of \$85,186 and \$94,432, respectively. As of September 30, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources		In	Deferred Inflows of Resources	
Net difference between projected and actual earnings on pension plan investments	\$	-	\$	2,577	
Changes in assumptions		66,792		4,500	
Differences between expected and actual experience		44,919		51,507	
	\$	111,711	\$	58,584	

As of September 30, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources		
Net difference between projected and actual earnings on pension plan investments	\$	141,421	\$	-	
Changes in assumptions		105,669		16,830	
Differences between expected and actual experience		13,798		78,487	
	\$	260,888	\$	95,317	

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

2025	\$ 36,842
2026	37,947
2027	(11,669)
2028	(16,304)
2029	 6,311
	\$ 53,127

#### 10. OTHER POSTEMPLOYMENT BENEFITS

#### **Plan Description**

The State Employees' Insurance Board (SEIB) is responsible for the establishment of the State of Alabama Employees' Health Insurance Plan (SEHIP) and its general administration and operation, including the determination of participant premiums. The SEIB is a body incorporated for the purpose of management of health insurance benefits and operates the SEHIP providing health care benefits to all participating State and State agency employees. For the purposes of reporting under GASB Statement No. 75, the SEHIP is assumed to be a cost-sharing-employer defined benefit other postemployment benefit (OPEB) plan. The contributions and benefit payments related to retirees are processed through the SEIB's plans along with activity related to active employees.

The State Employees' Insurance Fund (SEIF) was established in 1965 to provide health insurance benefits for employees and retired employees of the State and certain state agencies. Effective October 1, 1988, administration responsibility for SEIF was transferred from the Retirement Systems of Alabama to separate staff employed by the Board. All assets of the SEIF are held in trust for payment of health insurance benefits, and both active and retiree health benefits are paid through the SEIF. The contributions (both employer and plan member) and benefit payments related to retirees that are processed through the SEIF are segregated from the SEIF and reported as part of the Alabama Retired State Employees' Health Care Trust (SEIF – Retired Trust).

The financial statements of the SEIB provide reporting for SEIF and SEIF – Retired Trust, and the SEIB's audited financial statements are publicly available on the SEIB's website at www.alseib.org.

#### **Summary of Significant Accounting Policies**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, fiduciary net position, and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the SEIB. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

#### **Benefits Provided**

The SEIB serves as the Plan Administrator for the SEHIP and is primarily responsible for the control and supervision of the SEHIP. The SEIB is also responsible for designing benefits and setting premiums. Benefits include basic medical coverage. Retiree medical eligibility is attained when an employee of the Authority, other than employees of the Terminal Railway, retires after reaching at least ten years of creditable service with SEHIP.

#### Contributions

Code of Alabama 1975, Section 36-29-19.7 provides that the SEIB shall set forth the employer contribution to the health insurance premium for each retiree class. For retirees who retired prior to October 1, 2005, the State pays 100% of the premium for a retiree who is over 65 and eligible for Medicare. The SEIB determines annually the required contributions from agencies and retirees to adequately fund retiree health costs.

Retiree contributions vary based on type of contract, dependent coverage, Medicare eligibility and election, wellness participation, spousal surcharge, and tobacco usage. A sliding scale premium is applied to all employees retiring after September 30, 2005, based on their years of service. The premium for retiree coverage is broken down into the employer share and the retiree share. Under the sliding scale, the retiree is still responsible for the retiree share, however, the employer share will increase or decrease based upon a retiree's years of service. For those employees retiring with 25 years of service, the employer would pay 100% of the employer share of the premium. For each year less than 25, the employer share is reduced by 2.00% and the retiree share is increased accordingly. For each year over 25, the employer share is increased by 2.00% and the retiree share reduced accordingly. For members retiring on or after January 1, 2012, the 2.00% reduction in the employer share of the premium for each year of service less than 25 was increased to 4.00%. In addition, a 1.00% reduction in the employer share of the premium is added for each year of age less than the Medicare entitlement age. This additional age premium component is removed upon attaining Medicare entitlement. Furthermore, monthly retiree contributions are subject to discounts for wellness, non-tobacco use and spousal surcharge waiver and are as follows: Wellness (pre-Medicare only), \$25 retiree, \$25 spouse; non-tobacco use, \$60 retiree and spouse; spousal surcharge of \$50 if a spouse is covered but is eligible for other insurance coverage.

The contribution requirements of the plan members and state agencies are established and may be amended by the SEIB. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the SEIB. For both plan years ended September 30, 2023 and 2022, state agencies were required to contribute to the SEIF a blended rate of \$930 per month per active employee. These blended rates provide for the employer's portion of active and retired employee premiums. For the years ended September 30, 2024 and 2023, the Authority contributed \$982,716 and \$922,954, respectively, to the SEIF.

#### **Net OPEB Liability**

The Authority's net OPEB liability was measured as of September 30, 2023, and the total OPEB liability was determined by an actuarial valuation as of September 30, 2022. The Authority's proportion of the net OPEB liability was based on the Authority's contributions made to the plan during the fiscal year ended September 30, 2023, relative to total contributions made by all participating entities. At the September 30, 2023, measurement date, the Authority's proportion was 1.76%, which was an increase from 1.60%, its proportion measured as of the September 30, 2022, measurement date. The components of the net OPEB liability as of and for the years ended September 30, 2024 and 2023, were as follows:

	2024	_	2023
Total OPEB liability	\$ 20,771,337		\$ 19,045,503
OPEB Fiduciary net position	4,286,697	_	3,380,420
Net OPEB liability	\$ 16,484,640		\$ 15,665,083

#### **Actuarial Assumptions and Other Inputs**

The following are the actuarial assumptions applied to all periods in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	6.00%-3.25% for State Employees,
Long-term investment rate of return	including 2.75% wage inflation 7.25% compounded annually, net of investment expense, including inflation
Municipal Bond Index Rate at measurement date	4.53%
Municipal Bond Index Rate at prior measurement date	4.40%
Year Fiduciary Net Position is projected to be depleted	N/A
Single Equivalent Interest Rate at measurement date	7.25%
Single Equivalent Interest Rate at prior measurement date	7.25%
Healthcare cost trend rate	
Pre-Medicare eligible	7.00%
Medicare eligible	**
Ultimate trend rate	
Pre-Medicare eligible	4.50% in 2033
Medicare eligible	4.50% in 2033
Dental trend rate	4.50%

<sup>\*\*</sup>Initial Medicare claims are set based on scheduled increases through plan year 2024.

The rates of mortality are based on the Pub-2010 Public Mortality Plans Mortality Tables adjusted generationally based on scale MP-2020.

The long-term expected rate of return on the plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) was 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 adding expected inflation. The following illustrates the target allocation and best estimates of geometric real rates of return for each major asset class for the measurement date of September 30, 2023:

	Target Allocation	Long-Term Expected Real Rate of Return
Investment Type:		
Fixed Income	28.20%	4.40%
U.S. Domestic Stocks	55.20%	8.70%
International Developed Market Stocks	10.80%	9.80%
Cash	5.80%	1.50%
	100.00%	•

Determination of the Single Equivalent Interest Rate (SEIR), or discount rate, used to measure the total OPEB liability requires projection of the Fiduciary Net Position (FNP) into the future for as long as there are anticipated benefits payable under the plan's provisions applicable to the members and beneficiaries of the Plan at the Measurement Date. If the FNP is not projected to be depleted at any point in the future, the long term expected rate of return on plan investments may be used as the SEIR. If the FNP is projected to be depleted, the SEIR is determined as the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by discounting all projected benefit payments through the date of depletion by the long-term expected rate of return (7.25% at the September 30, 2023 and 2022, measurement dates), and the present value determined by discounting those benefits after the date of depletion by the Municipal Bond Index Rate (4.53% and 4.40% at the September 30, 2023 and 2022, measurement dates, respectively). The Municipal Bond Index Rate, if necessary, is the average of the Bond Buyer General Obligation 20-year Municipal Bond Index, the Fidelity General Obligation AA 20-year Municipal Bond Index, and the S&P High Grade 20-year Municipal Bond Index.

At the September 30, 2023 and 2022, measurement dates, the FNP was not projected to be depleted at any point in the future; therefore, the long-term expected rate of return of 7.25% was used as the SEIR.

In 2023, rates of participation for future retirees with less than 15 years of service, current retirees waiving coverage, and current eligible deferred vested members were adjusted to reflect recent experience and the impact of the sliding scale legislation. To reflect actual and anticipated experience more closely, assumed rates of coverage for spouses of female retirees were increase from 25% to 30%, and assumed rates of Medicare eligible participants subject to the spousal surcharge were decreased from 10% to 0%.

In 2022, rates of participation were adjusted to reflect actual and anticipated experience more closely. In 2021, rates of withdrawal, retirement, disability, and mortality were adjusted to more closely reflect actual experience. In 2021, economic assumptions and the assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience. In 2019, assumed rates of tobacco use, spouse participation and the payment of the spousal surcharge were adjusted to more closely reflect actual and anticipated experience.

Beginning in plan year 2022, the valuation reflects the provisions of legislative Act 2022-222, which allows TRS Tier II members to retire with 30 years of creditable service regardless of age with an early pension benefit retirement reduction of 2.00% for each year that the member is less than age 62 at retirement (age 56 for FLC), and Act 2022-351, which allows ERS State and Police Tier II members to retire with 30 years of creditable service regardless of age with an early pension benefit retirement reduction of 2.00% for each year that the member is less than age 62 at retirement (age 56 for FLC). Beginning in plan year 2021, the MAPD plan premium rates exclude the Affordable Care Act (ACA) Health Insurer Fee which was repealed on December 20, 2019. Effective January 1, 2020, the MAPD plan moved from self-insured to fully insured. Effective January 1, 2017, Medicare eligible medical and prescription drug benefits are provided through a Medicare Advantage Plan (MAPD) that offers prescription drug coverage. There were no other plan changes or changes in actuarial assumptions made since the prior measurement date.

The decremental assumptions and methods used in the valuation were selected based on the actuarial experience study prepared as of September 30, 2020, submitted to and adopted by the SEIB on September 14, 2021. The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the September 30, 2022, valuation were also based on this actuarial experience study.

#### Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following information presents the net OPEB liability calculated using the discount rate of 7.25% as well as net OPEB liability using a discount rate that is one percentage point lower or one percentage point higher than the current rate as of the fiscal year ended September 30:

	19	% Decrease Discount Rate (6.25%) (7.25%)				% Increase (8.25%)
2024	\$	19,117,660	\$	16,484,640	\$	14,278,595
2023	\$	18,121,957	\$	15,665,083	\$	13,616,007

#### Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following information presents the net OPEB liability calculated using current healthcare cost trend rates, as well as net OPEB liability using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current rates as of the September 30, 2023, measurement date:

				Current		
			He	althcare Cost		
	1	% Decrease	٦	Trend Rates	•	1% Increase
	(5.5	0% decreasing to	(6.5	50% decreasing to	(7.5	50% decreasing to
	3.50%	3.50% for pre-Medicare;		4.50% for pre-Medicare;		% for pre-Medicare;
	kno	known decreasing to		known decreasing to		own decreasing to
	3.50%	for Medicare eligible)	4.50%	for Medicare eligible)	5.50%	for Medicare eligible)
2024	\$	13,237,961	\$	16,484,640	\$	20,429,480
2023	\$	12,650,798	\$	15,665,083	\$	19,334,474

### OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

As of September 30, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferred Outflows of Resource	Deferred Inflows of Resources
\$ 79,7	87 \$ 5,727,930
1,889,9	26 3,177,204
190,0	54 -
5,423,8	19 2,657,818
982,7	17 - 
\$ 8,566,3	03 \$ 11,562,952
	Outflows of Resource

Deferred outflows of resources of \$982,716 result from Authority contributions subsequent to the measurement date of September 30, 2023, and will be recognized as a reduction of the net OPEB liability in the year ended September 30, 2025.

As of September 30, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferred Outflows of Resources		Deferred Inflows of Resources	
\$	93,030	\$	7,945,553
	954,451		5,430,009
	482,272		-
	5,464,943		4,580,862
	922,955		-
\$	7,917,651	\$	17,956,424
		of Resources  \$ 93,030 954,451 482,272 5,464,943 922,955	of Resources       F         \$ 93,030       \$         954,451       482,272         5,464,943       \$         922,955       \$

Deferred outflows of resources of \$922,954 result from Authority contributions subsequent to the measurement date of September 30, 2022, and will be recognized as a reduction of the net OPEB liability in the year ended September 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB (benefit) expense as follows:

#### Year ended September 30:

2025	\$ (4,958,223)
2026	(484,047)
2027	975,159
2028	379,356
2029	108,389
Thereafter	 
	\$ (3,979,366)

#### 11. UNPAID CLAIMS LIABILITIES

The Authority is partially self-insured with respect to workers' compensation claims. An accrual for uninsured claims due within one year is included in other accrued liabilities in the statements of net position. The liability for estimated claims that have been incurred but have not been reported, as well as a cash development factor for known claims, has been accrued as unpaid claims in the statements of net position. The following represents changes in those aggregate liabilities for the Authority during the years ended September 30, 2024 and 2023:

	2024	2023
Reported claims payable and estimated claims incurred but not reported at beginning of year	\$ 1,190,956	\$ 1,029,956
Provisions for claims	299,366	460,286
Payments	(461,455)	(299,286)
Reported claims payable and estimated claims incurred but not reported at end of year	1,028,867	1,190,956
Less: current liabilities	380,371	198,367
Reported long-term claims payable at end of year	\$ 648,496	\$ 992,589

#### 12. COMMITMENTS AND CONTINGENCIES

In December 1976, the Authority purchased a parcel of land on which there was, at the time of purchase, an operating creosoting facility. Creosoting operations had existed on the property since or about 1901 and continued until or about 1986.

In December 1985, the Authority entered into a Consent Agreement and Final Order with the U.S. Environmental Protection Agency (EPA), agreeing to submit to the EPA a closure plan for the property and then implement the closure plan and meet all requirements of the post-closure permit application. The Authority, under the guidance of the Alabama Department of Environmental Management (ADEM), developed a corrective measures plan, and remediation work was completed in 2006. The plan required soil coverage (to ensure no physical contact with the contaminated soil), drainage, ongoing monitoring, and other environmental site work, which is expected to continue until defined metrics are achieved.

The EPA retains jurisdiction to bring an enforcement action against the Authority should the EPA find that handling, storage, treatment, transportation, or disposal of hazardous or solid waste at the facility presents an imminent and substantial endangerment to human health or the environment. The EPA also retains jurisdiction to approve and monitor the clean-up procedures and closure at the site.

The Authority is a defendant in various litigation and environmental disputes in the normal course of business. Management is of the opinion that the ultimate resolution of such claims will not materially affect the Authority's financial position or results of operations.

#### 13. RELATED PARTY TRANSACTIONS

During the years ended September 30, 2024 and 2023, the Authority had no revenues or expenditures with entities having principals who are members of the Authority's Board of Directors.

#### 14. SUBSEQUENT EVENT

On December 4, 2024, the Authority issued a series of three bonds designated as the Docks Facilities Revenue Bond, Series 2024, totaling \$62,495,000. Proceeds will be used to purchase and install two new stacker reclaimers for McDuffie Coal Terminal. In November 2024, the Authority awarded Richmond Engineering Works, L.L.C. (REW) a \$63,107,000 contract for the production and installation of the new stacker reclaimers. The obligations of the bond are to be issued based on milestone dates agreed upon with REW. The first obligation of \$14,257,000 was issued on December 4, 2024 to begin Phase 1 of the project.

#### 15. ISSUANCE OF NEW ACCOUNTING STANDARDS

The GASB issued Statement No. 101, *Compensated Absences*, in June 2022. This statement is effective for fiscal years beginning after December 15, 2023, and requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means. The statement also amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability. The Authority is currently evaluating the financial statement impact of the adoption of this statement.

The GASB issued Statement No. 102, Certain Risk Disclosures, in December 2023. The requirements of this statement are effective for fiscal years beginning after June 15, 2024. The purpose of the statement is to improve financial reporting by providing users with information to evaluate a government's vulnerability to certain concentrations or constraints. Governments will also need to assess if events have occurred, are occurring or will occur within 12 months after financial statement issuance that could have a substantial impact on the entity.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

# ALABAMA STATE PORT AUTHORITY REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) SCHEDULE OF CHANGES IN THE AUTHORITY'S NET PENSION LIABILITY (ASSET) AND RELATED RATIOS (HOURLY DB PLAN) LAST TEN FISCAL YEARS ENDED SEPTEMBER 30

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
TOTAL PENSION LIABILITY										
Service cost	\$ 96,916	\$ 95,481	\$ 107,417	\$ 132,274	\$ 133,730	\$ 138,460	\$ 143,789	\$ 157,083	\$ 174,718	\$ 174,718
Interest cost	988,793	1,011,797	1,038,889	1,050,335	1,104,298	1,128,442	1,237,387	1,258,862	1,281,263	1,259,169
Differences between expected	(333,695)	(105,705)	7,187	148,067	(297,055)	(261,081)	(332,921)	34,124	(189,550)	(488,741)
and actual experience Changes in assumptions			1,893,215		449,566	(36,917)	(684,685)	446,893	(309,826)	479,904
Benefit payments	(1,478,268)	(1,496,154)	(1,545,711)	(1,502,523)	(1,419,364)	(1,387,398)	(1,334,290)	(1,354,487)	(1,271,369)	(1,192,838)
2 shelik paymonte						(1,001,000)				
Net change in total pension liability	(726,254)	(494,581)	1,500,997	(171,847)	(28,825)	(418,494)	(970,720)	542,475	(314,764)	232,212
Total pension liability – beginning	21,450,336	21,944,917	20,443,920	20,615,767	20,644,592	21,063,086	22,033,806	21,491,331	21,806,095	21,573,883
Total pension liability – ending (A)	20,724,082	21,450,336	21,944,917	20,443,920	20,615,767	20,644,592	21,063,086	22,033,806	21,491,331	21,806,095
PENSION FIDUCIARY NET POSITION	1,478,268	1,496,154	1,545,711	1,502,523	1,419,364	1,387,398	1,334,290	1,354,487	1,271,369	1,192,838
Contributions – employer  Net investment income (loss)	2,891,919	903,397	(2,599,729)	917,145	1,575,424	1,367,396	369,013	601,428	1,094,074	396,515
Benefit payments	(1,478,268)	(1,496,154)	(1,545,711)	(1,502,523)	(1,419,364)	(1,387,398)	(1,334,290)	(1,354,487)	(1,271,369)	(1,192,838)
• •										
Net change in pension fiduciary net position	2,891,919	903,397	(2,599,729)	917,145	1,575,424	1,451,331	369,013	601,428	1,094,074	396,515
Pension fiduciary net position – beginning	20,027,462	19,124,065	21,723,794	20,806,649	19,231,225	17,779,894	17,410,881	16,809,453	15,715,379	15,318,864
Pension fiduciary net position – ending (B)	22,919,381	20,027,462	19,124,065	21,723,794	20,806,649	19,231,225	17,779,894	17,410,881	16,809,453	15,715,379
NET PENSION LIABILITY (ASSET) (A) - (B)	\$ (2,195,299)	\$ 1,422,874	\$ 2,820,852	\$ (1,279,874)	\$ (190,882)	\$ 1,413,367	\$ 3,283,192	\$ 4,622,925	\$ 4,681,878	\$ 6,090,716
FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL PENSION LIABILITY	110.59%	93.37%	87.15%	106.26%	100.93%	93.15%	84.41%	79.02%	78.22%	72.07%
COVERED PAYROLL	\$ 18,586,682	\$ 17,222,177	\$ 14,866,931	\$ 13,727,865	\$ 15,790,208	\$ 16,283,596	\$ 14,669,586	\$ 12,704,324	\$ 12,136,336	\$ 15,241,310
NET PENSION LIABILITY (ASSET) AS A PERCENTAGE OF COVERED PAYROLL	-11.81%	8.26%	18.97%	-9.32%	-1.21%	8.68%	22.38%	36.39%	38.58%	39.96%

## ALABAMA STATE PORT AUTHORITY REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) SCHEDULE OF AUTHORITY CONTRIBUTIONS (HOURLY DB PLAN) LAST TEN FISCAL YEARS ENDED SEPTEMBER 30

Fiscal Year	D	actuarially etermined ontribution	ermined Contributions Contribution Covered						Contribution as a % of Payroll
2015	\$	1,056,588	\$	1,192,838	\$	136,250	\$	15,241,310	7.83%
2016	\$	1,060,352	\$	1,271,369	\$	211,017	\$	12,136,336	10.48%
2017	\$	699,784	\$	1,354,487	\$	654,703	\$	12,704,324	10.66%
2018	\$	666,584	\$	1,334,290	\$	667,706	\$	14,669,586	9.10%
2019	\$	411,664	\$	1,387,398	\$	975,734	\$	16,283,596	8.52%
2020	\$	442,597	\$	1,419,364	\$	976,767	\$	15,790,208	8.99%
2021	\$	331,322	\$	1,502,523	\$	1,171,201	\$	13,727,865	10.95%
2022	\$	65,005	\$	1,545,711	\$	1,480,706	\$	14,866,931	10.40%
2023	\$	133,324	\$	1,496,154	\$	1,362,830	\$	17,222,177	8.69%
2024	\$	317,337	\$	1,478,268	\$	1,160,931	\$	18,586,682	7.95%

#### **Notes to Schedule:**

#### Valuation date:

Actuarially determined contribution rates are determined as of January 1, the beginning of the plan year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal percent of pay
Discount rate	4.75%
Investment rate of return	4.75%
Inflation	2.50%
Salary increases	Not applicable to this plan
Retirement age	The retirement assumption is based on a 2015 study, for experience from 2011 to 2014
Mortality	PUB-2010 General Healthy Retiree – Below Median Income Tables (sex distinct) projected, PUB-2010 General Contingent Survivor – Below Median Income Tables (sex distinct) projected, and PUB-2010 General Disabled Retiree Tables (sex distinct) projected

### ALABAMA STATE PORT AUTHORITY REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) SCHEDULE OF AUTHORITY CONTRIBUTIONS (HOURLY DB PLAN) LAST TEN FISCAL YEARS ENDED SEPTEMBER 30

For fiscal year 2024 and 2023, healthy mortality rates are based on the PUB-2010 General Healthy Retiree – Below Median Income Mortality Table (sex distinct), set forward two years, with scaling adjustment of 90% for males below 65, 96% for males at or above 65, and 96% at all ages for females. Beneficiaries' mortality rates are based on the PUB-2010 General Contingent Survivor – Below Median Income Mortality Table (sex distinct), with a two-year set forward adjustment. Disabled mortality rates are based on the PUB-2010 General Disabled Retiree Mortality Table (sex distinct), with a seven-year forward adjustment for males and a three-year forward adjustment for females.

Mortality rates are generationally projected using Scale MP-2020, with an adjustment of 66.67% beginning in 2019.

# ALABAMA STATE PORT AUTHORITY REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) SCHEDULE OF CHANGES IN THE AUTHORITY'S NET PENSION LIABILITY AND RELATED RATIOS (RAILWAY PLAN) LAST TEN FISCAL YEARS ENDED SEPTEMBER 30

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
TOTAL PENSION LIABILITY										
Service cost	\$ 28,161	\$ 26,889	\$ 22,943	\$ 22,939	\$ 21,291	\$ 35,014	\$ 37,519	\$ 35,183	\$ 38,997	\$ 38,997
Interest cost	83,503	83,995	91,161	93,196	95,121	99,060	108,831	111,948	114,083	103,933
Differences between expected and actual experience	48,951	2,511	(93,489)	(15,939)	36,879	18,606	(38,525)	(18,152)	7,580	(13,058
Changes in assumptions	-	-	138,550	-	40,371	(54,640)	(41,565)	50,585	(34,384)	163,409
Benefit payments	(121,369)	(128,584)	(133,600)	(144,209)	(154,803)	(157,017)	(153,693)	(156,147)	(159,907)	(166,205
Net change in total pension liability	39,246	(15,189)	25,565	(44,013)	38,859	(58,977)	(87,433)	23,417	(33,631)	127,076
Total pension liability – beginning	1,789,775	1,804,964	1,779,399	1,823,412	1,784,553	1,843,530	1,930,963	1,907,546	1,941,177	1,814,101
Total pension liability – ending (A)	1,829,021	1,789,775	1,804,964	1,779,399	1,823,412	1,784,553	1,843,530	1,930,963	1,907,546	1,941,177
PENSION FIDUCIARY NET POSITION										
Contributions – employer	160,551	151,625	133,600	144,209	155,849	157,017	177,135	172,181	191,724	182,218
Net investment income (loss)	187,873	55,809	(164,311)	57,966	99,612	91,647	24,429	37,892	67,224	7,248
Benefit payments	(121,369)	(128,584)	(133,600)	(144,209)	(154,803)	(157,017)	(153,693)	(156,147)	(159,907)	(166,205
Net change in pension fiduciary net position	227,055	78,850	(164,311)	57,966	100,658	91,647	47,871	53,926	99,041	23,261
Pension fiduciary net position – beginning	1,287,554	1,208,704	1,373,015	1,315,049	1,214,391	1,122,744	1,074,873	1,020,947	921,906	898,645
Pension fiduciary net position – ending (B)	1,514,609	1,287,554	1,208,704	1,373,015	1,315,049	1,214,391	1,122,744	1,074,873	1,020,947	921,906
NET PENSION LIABILITY (A) - (B)	\$ 314,412	\$ 502,221	\$ 596,260	\$ 406,384	\$ 508,363	\$ 570,162	\$ 720,786	\$ 856,090	\$ 886,599	\$ 1,019,271
FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL PENSION LIABILITY	82.81%	71.94%	66.97%	77.16%	72.12%	68.05%	60.90%	55.67%	53.52%	47.49%
COVERED PAYROLL	\$ 9,102,487	\$ 8,649,349	\$ 8,449,683	\$ 8,059,913	\$ 7,659,706	\$ 7,787,550	\$ 7,363,599	\$ 7,331,607	\$ 7,293,665	\$ 8,324,817
NET PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL	3.45%	5.81%	7.06%	5.04%	6.64%	7.32%	9.79%	11.68%	12.16%	12.24%

## ALABAMA STATE PORT AUTHORITY REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) SCHEDULE OF AUTHORITY CONTRIBUTIONS (RAILWAY PLAN) LAST TEN FISCAL YEARS ENDED SEPTEMBER 30

Fiscal Year			_	ntributions n Authority	_	ntribution eficiency)	Covered Payroll	Contribution as a % of Payroll
2015	\$	184,871	\$	182,218	\$	(2,653)	\$ 8,324,817	2.19%
2016	\$	195,597	\$	191,724	\$	(3,873)	\$ 7,293,665	2.63%
2017	\$	175,392	\$	172,181	\$	(3,211)	\$ 7,331,607	2.35%
2018	\$	178,770	\$	177,135	\$	(1,635)	\$ 7,363,599	2.41%
2019	\$	155,069	\$	157,017	\$	1,948	\$ 7,787,550	2.02%
2020	\$	152,267	\$	155,849	\$	3,582	\$ 7,659,706	2.03%
2021	\$	149,410	\$	144,209	\$	(5,201)	\$ 8,059,913	1.79%
2022	\$	144,505	\$	133,600	\$	(10,905)	\$ 8,449,683	1.58%
2023	\$	150,764	\$	128,584	\$	(22,180)	\$ 8,649,349	1.49%
2024	\$	166,892	\$	121,369	\$	(45,523)	\$ 9,102,487	1.33%

#### **Notes to Schedule:**

#### Valuation date:

Actuarially determined contribution rates are determined as of January 1, the beginning of the plan year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal percent of pay
Discount rate	4.75%
Investment rate of return	4.75%
Inflation	2.50%
Salary increases	Not applicable to this plan
Retirement age	The retirement assumption is based on a 2015 study, for experience from 2011 to 2014
Mortality	PUB-2010 General Healthy Retiree – Below Median Income Tables (sex distinct) projected, PUB-2010 General Contingent Survivor – Below Median Income Tables (sex distinct) projected, and PUB-2010 General Disabled Retiree Tables (sex distinct) projected

### ALABAMA STATE PORT AUTHORITY REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) SCHEDULE OF AUTHORITY CONTRIBUTIONS (RAILWAY PLAN) LAST TEN FISCAL YEARS ENDED SEPTEMBER 30

For fiscal year 2024 and 2023, healthy mortality rates are based on the PUB-2010 General Healthy Retiree – Below Median Income Mortality Table (sex distinct), set forward two years, with scaling adjustment of 90% for males below 65, 96% for males at or above 65, and 96% at all ages for females. Beneficiaries' mortality rates are based on the PUB-2010 General Contingent Survivor – Below Median Income Mortality Table (sex distinct), with a two-year set forward adjustment. Disabled mortality rates are based on the PUB-2010 General Disabled Retiree Mortality Table (sex distinct), with a seven-year forward adjustment for males and a three-year forward adjustment for females.

Mortality rates are generationally projected using Scale MP-2020, with an adjustment of 66.67% beginning in 2019.

# ALABAMA STATE PORT AUTHORITY REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ERS) LAST TEN FISCAL YEARS ENDED SEPTEMBER 30

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Authority's proportion of the net pension liability	0.66%	0.65%	0.64%	0.68%	0.68%	0.69%	0.71%	0.73%	0.77%	0.80%
Authority's proportionate share of the net pension liability	\$ 26,329,813	\$ 25,460,373	\$17,928,689	\$ 21,045,530	\$ 19,591,321	\$18,123,158	\$18,559,817	\$21,030,957	\$20,951,325	\$19,617,214
Authority's covered payroll	\$ 10,894,502	\$ 9,973,735	\$ 9,775,621	\$ 10,234,664	\$ 9,814,156	\$ 9,340,048	\$ 9,288,753	\$ 9,732,434	\$10,139,151	\$ 9,932,776
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	241.68%	255.27%	183.40%	205.63%	199.62%	194.04%	199.81%	216.09%	206.64%	197.50%
Plan fiduciary net position as a percentage of the total pension liability	56.00%	54.68%	67.37%	61.62%	63.38%	66.20%	65.44%	62.07%	62.35%	65.58%

Amounts and percentages related to the net pension liability for the fiscal year ended September 30 are based on the plan measurement date of the previous fiscal year ended September 30.

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required Authority contribution	\$ 1,823,867	\$ 1,596,200	\$ 1,465,596	\$ 1,420,151	\$ 1,550,045	\$ 1,416,656	\$ 1,293,396	\$ 1,300,676	\$ 1,413,503	\$ 1,362,605
Authority's contributions in relation to the contractually required contribution	1,823,867	1,596,200	1,465,596	1,420,151	1,550,045	1,416,656	1,293,396	1,300,676	1,413,503	1,362,605
Authority's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's covered payroll	\$ 11,490,463	\$ 10,894,502	\$ 9,973,735	\$ 9,775,621	\$ 10,234,664	\$ 9,814,156	\$ 9,340,048	\$ 9,288,753	\$ 9,732,434	\$ 10,139,151
Authority's contributions as a percentage of covered payroll	15.87%	14.65%	14.69%	14.53%	15.15%	14.43%	13.85%	14.00%	14.52%	13.44%

# ALABAMA STATE PORT AUTHORITY REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY LAST EIGHT FISCAL YEARS ENDED SEPTEMBER 30

	2024	2023	2022	2021	2020	2019	2018	2017
Authority's proportion of the net OPEB liability	1.76%	1.60%	1.55%	1.37%	1.70%	1.63%	1.29%	1.34%
Authority's proportionate share of the net OPEB liability	\$ 16,484,640	\$ 15,665,083	\$ 13,243,637	\$ 13,623,335	\$ 29,406,243	\$ 47,368,513	\$ 40,958,024	\$ 45,831,470
Authority's covered employee payroll	\$ 32,524,811	\$ 29,188,104	\$ 25,562,524	\$ 28,139,898	\$ 28,234,775	\$ 25,876,155	\$ 23,396,794	\$ 23,396,794
Authority's proportionate share of the net OPEB liability as a percentage of its covered employee payroll	50.68%	53.67%	51.81%	48.41%	104.15%	183.06%	175.06%	195.89%
Plan fiduciary net position as a percentage of the total OPEB liability	20.64%	17.75%	22.56%	17.16%	9.94%	5.96%	5.05%	4.20%

Amounts and percentages related to the net OPEB liability for the fiscal year ended September 30 are based on the plan measurement date of the previous fiscal year ended September 30.

Information is intended to present ten years of information. Information is presented for those years in which information is available and additional years' information will be presented as it becomes available.

## ALABAMA STATE PORT AUTHORITY REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY LAST SEVEN FISCAL YEARS ENDED SEPTEMBER 30

#### **Changes in Actuarial Assumptions and Other Inputs**

In 2023, the following assumptions were adjusted to reflect actual and anticipated experience more closely:

- Assumed rates of medical and dental plan participation for future retirees with less than 15
  years of service, current retirees waiving coverage, and current eligible deferred vested
  members were adjusted in order to reflect recent experience and the impact of the sliding scale
  legislation.
- Assumed rates of coverage for spouses of female retirees were increased from 25% to 30%.
- Assumed rates of Medicare eligible participants subject to the Spousal Surcharge were decreased from 10% to 0%.

In 2022, rates of participation were adjusted to reflect actual and anticipated experience more closely.

In 2021, rates of withdrawal, retirement, disability, and mortality were adjusted to reflect actual experience more closely. In 2021, economic assumptions and the assumed rates of salary increases were adjusted to reflect actual and anticipated experience more closely.

In 2019, assumed rates of tobacco use, spouse participation and the payment of the spousal surcharge were adjusted to reflect actual and anticipated experience more closely.

#### **Recent Plan Changes**

Beginning in plan year 2022, the valuation reflects the provisions of the following legislative acts:

- Act 2022-222 which allows TRS Tier II members to retire with 30 years of creditable service regardless of age with an early pension benefit retirement reduction of 2.00% for each year that the member is less than age 62 at retirement (age 56 for FLC),
- Act 2022-351 which allows ERS State and Police Tier II members to retire with 30 years of creditable service regardless of age with an early pension benefit retirement reduction of 2.00% for each year that the member is less than age 62 at retirement (age 56 for FLC).

Beginning in plan year 2021, the MAPD plan premium rates exclude the ACA Health Insurer Fee, which was repealed on December 20, 2019.

Effective January 1, 2020, the MAPD plan moved from self-insured to fully insured.

## ALABAMA STATE PORT AUTHORITY REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) SCHEDULE OF AUTHORITY CONTRIBUTIONS (OPEB) LAST EIGHT FISCAL YEARS ENDED SEPTEMBER 30

		2024		2023		2022	2022 2021			2020		2019		2018	2017	
Contractually required Authority contribution	\$	982,716	\$	922,954	\$	885,705	\$	917,111	\$	747,379	\$	1,265,923	\$	1,314,110	\$ ^	1,201,451
Authority's contributions in relation to the contractually required contribution		982,716		922,954 885,705		917,111		747,379		1,265,923		1,314,110		1,201,451		
Authority's contribution deficiency (excess)	\$		\$		\$		\$		\$		\$		\$		\$	-
Authority's covered employee payroll	\$ 3	4,709,365	\$ 3	2,524,811	\$ 2	9,188,104	\$ 2	25,562,524	\$ 2	28,139,898	\$ 2	28,234,775	\$ 2	5,876,155	\$ 23	3,679,611
Authority's contributions as a percentage of covered employee payroll		2.83%		2.84%		3.03%		3.59%		2.66%		4.48%		5.08%		5.07%

Information is intended to present ten years of information. Information is presented for those years in which information is available and additional years' information will be presented as it becomes available.

### ALABAMA STATE PORT AUTHORITY REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) SCHEDULE OF AUTHORITY CONTRIBUTIONS (OPEB) LAST EIGHT FISCAL YEARS ENDED SEPTEMBER 30

#### Method and Assumptions Used in Calculations of Actuarially Determined Contributions

The actuarially determined contribution rates, as determined by the plan, are calculated as of September 30, two years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine the most recent contractually required contribution rate reported in the above schedule:

Actuarial cost method Entry age normal

Amortization method Level percent of pay, open

Remaining amortization period 30 years

Asset valuation method Fair value of assets

Inflation 2.50%

Healthcare cost trend rate

Pre-Medicare eligible 7.00%

Medicare eligible \*

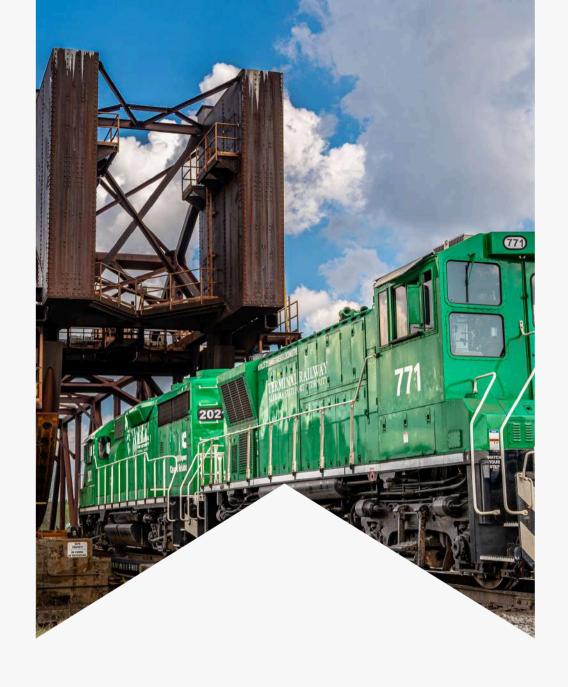
Ultimate trend rate

Pre-Medicare eligible 4.50% in 2033 Medicare eligible 4.50% in 2033

Dental trend rate 4.50%

Investment rate of return 7.25%, including inflation

<sup>\*</sup> Initial Medicare claims are based on scheduled increase through plan year 2023.



### **STATISTICAL SECTION**

## ALABAMA STATE PORT AUTHORITY An Enterprise Fund of the State of Alabama Mobile, AL

#### ANNUAL COMPREHENSIVE FINANCIAL REPORT

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#### FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2024 AND 2023

#### **STATISTICAL SECTION (UNAUDITED)**

This section of the Alabama State Port Authority's annual comprehensive financial report presents detailed information contained financial statements, note disclosures, and all required supplementary information that describes the financial health of the Authority.

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December 31

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Exhibit 20 – Chart of Alabama's Total Value of Trade by Region for the Last Ten Years Ended	128

### ALABAMA STATE PORT AUTHORITY STATEMENTS OF NET POSITION For the Last Ten Fiscal Years Ended September 30

	<u>2024</u>	2023	<u>2022 <sup>(1)</sup></u>	2021 <sup>(1)</sup>
Net Position at year-end (1)				
Net investment in capital assets Restricted expendable	\$ 405,612,216 \$	385,581,202 \$	343,718,265 \$	319,951,453
Debt service	25,439,323	24,771,703	27,059,875	31,198,328
Capital projects				682,096
Unrestricted	16,531,161	1,105,391	19,926,981	24,607,598
Total Net Position	\$ <u>447,582,700</u> \$	411,458,296 \$	390,705,121 \$	376,439,475

Source: ASPA audited financial statements

<sup>(1)</sup> As revised. See Note 1 to the audited financial statements. The Authority adopted GASB Statement 96 during fiscal year 2023 resulting in an adjustment to net position for fiscal year 2022 only. The Authority adopted GASB Statement 87 during fiscal year 2022 resulting in an adjustment to net position for fiscal year 2021 only. The Authority adopted GASB Statement 75 during fiscal year 2018 resulting in an adjustment to net position for fiscal year 2017 only.

#### ALABAMA STATE PORT AUTHORITY STATEMENTS OF NET POSITION (cont.) For the Last Ten Fiscal Years Ended September 30

	<u>2020</u>	<u>2019</u>	<u>2018</u>	2017 <sup>(1)</sup>	<u>2016</u>	<u>2015</u>
\$	295,756,279 \$	281,598,996 \$	286,652,137 \$	295,047,595 \$	284,233,550 \$	288,020,749
	29,165,784 681,924	35,981,425	35,071,717	32,701,462	61,780,843	58,675,987
\$_	12,284,091 337,888,078 \$	(4,345,581) 313,234,840 \$	(16,939,107) 304,784,747 \$	(27,637,893) 300,111,164 \$	(2,430,690) 343,583,703 \$	578,533 347,275,269

### ALABAMA STATE PORT AUTHORITY STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION For the Last Ten Fiscal Years Ended September 30

Operating Revenues:	<u>2024</u>	<u>2023</u>	<u>2022 <sup>(1)</sup></u>	<u>2021 <sup>(1)</sup></u>
McDuffie Coal Terminal	87,165,315 \$	86,197,647	69,919,373 \$	65,486,584
General Cargo / Intermodal	46,098,733	40,069,149	39,288,129	38,275,968
Bulk Handling and Warehouses				
Terminal Railway	31,607,244	26,854,462	25,272,756	22,514,468
Real Estate	20,344,671	20,861,091	18,531,517	15,543,240
Marine Liquid Bulk Terminal	4,742,597	4,346,539	4,265,861	3,761,245
Other Total Operating Revenues	6,675,638	6,582,895 184,911,783	7,235,524 164,513,160	6,074,366
Total Operating Revenues	196,634,198	104,911,703	104,513,100	151,655,871
Operating Expenses:				
Operation and maintenance of facilities	103,614,944	105,107,785	89,416,660	70,212,798
Depreciation and amortization	38,102,597	40,412,873	35,717,419	36,462,796
General and administrative	24,982,706	20,921,651	17,501,817	15,001,932
Impairment loss on capital assets				
Total Operating Expenses	166,700,247	166,442,309	142,635,896	121,677,526
Operating Income	29,933,951	18,469,474	21,877,264	29,978,345
Nonoperating Income (expense):				
Investment income	4,041,233	1,728,399	171,171	52,402
Change in fair value of interest rate swap			251,940	171,445
Interest expense	(11,740,654)	(12,209,891)	(13,216,074)	(13,957,137)
Interest rate swap expense			368	(423,113)
Non-capital port development contributions	37,203,619	17,350,000	15,550,000	16,500,000
Non-capital port development expense	(35,400,000)	(17,350,000)	(15,550,000)	(16,500,000)
Gain (loss) on disposal of capital assets	(506,222)	516,050	(2,936,592)	693,370
Insurance recoveries		4,407,570	603,722	1,393,625
Other, net	(545,442)	351,916	722,309	(1,558,595)
Net Nonoperating Expenses	(6,947,466)	(5,205,956)	(14,403,156)	(13,628,003)
Income before				
capital grants and contributions	22,986,485	13,263,518	7,474,108	16,350,342
Capital grants and contributions	13,137,919	7,489,657	7,161,617	17,925,757
Increase / (Decrease) in net position	36,124,404	20,753,175	14,635,725	34,276,099
Net position				
Beginning of year	411,458,296	390,705,121	376,439,475	337,888,078
Asset adjustment	+11, <del>4</del> 00,200	000,700,121		
Cumulative effect of:				
new GASB pronouncements (1)			(370,079)	4,275,298
·	* 447 EQQ 700 *	411 450 000 4		
End of Year	\$ <u>447,562,700</u> \$	411,458,296	<u>390,705,121</u> \$	<u>376,439,475</u>

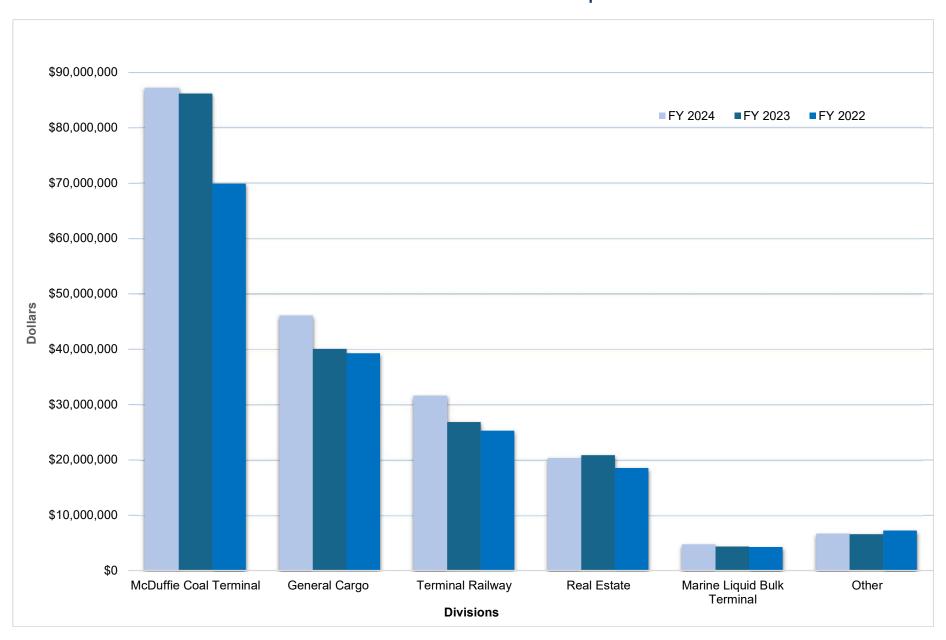
<sup>(1)</sup> As revised. See Note 1 to the audited financial statements. The implementation of GASB Statements No. 68, 71, 75, 87, and 96 resulted in adjustments to net position.

Source: ASPA audited financial statements

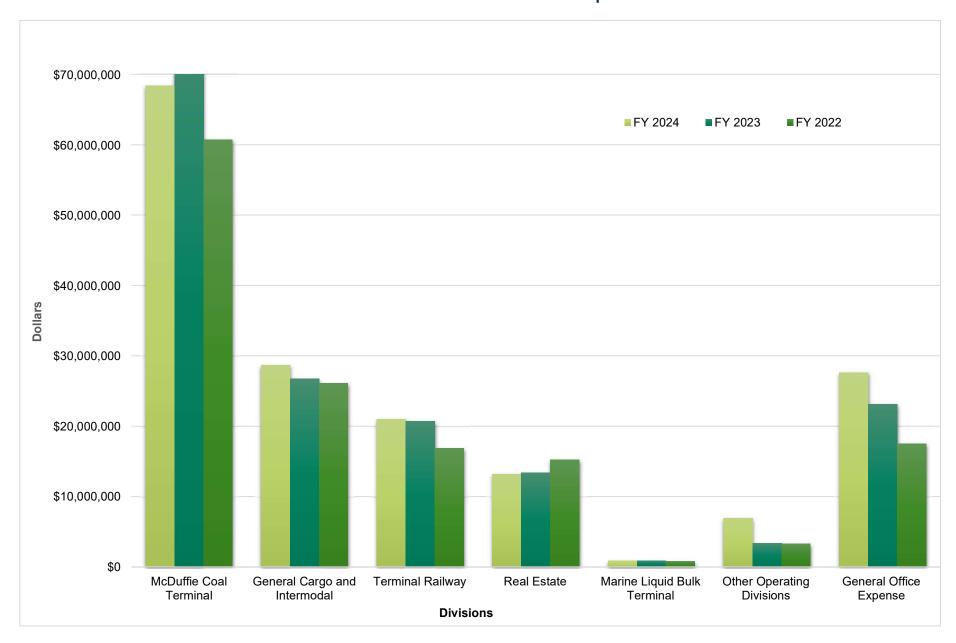
### ALABAMA STATE PORT AUTHORITY STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (cont.) For the Last Ten Fiscal Years Ended September 30

<u>2020</u>	2019	<u>2018</u>	<u>2017 <sup>(1)</sup></u>	<u>2016</u>	<u>2015</u>
\$ 62,937,763 S 35,245,780	75,109,290 S 40,785,389	\$ 61,262,253 36,459,347	\$ 55,891,205 35,385,911	\$ 48,937,665 36,361,920 278,561	\$ 70,601,662 33,810,695 1,955,696
22,269,758	22,424,632	18,855,553	16,384,951	19,267,877	22,097,399
10,655,648	10,988,312	9,488,314	9,326,460	8,153,523	7,199,229
3,368,812	3,585,615	3,482,034	3,391,421	3,464,329	3,505,708
5,344,408 139,822,169	5,556,243 158,449,481	5,388,475 134,935,976	5,492,352 125,872,300	5,701,377 122,165,252	5,715,870 144,886,259
100,022,100	100,440,401	104,000,070	120,012,000	122,100,202	144,000,200
79,276,076	84,985,433	69,465,399	60,013,878	59,096,173	71,757,336
32,931,355	31,674,429	32,612,978	32,591,079	32,659,787	30,983,663
17,284,309	17,185,185	16,337,276	16,973,397	17,382,779	18,048,410
1,418,907	122 045 047	110 /15 652	100 570 254	100 120 720	120 720 400
130,910,647	133,845,047	118,415,653	109,578,354	109,138,739	120,789,409
8,911,522	24,604,434	16,520,323	16,293,946	13,026,513	24,096,850
543,848	1,951,691	1,050,225	2,271,441	844,119	820,700
590,117	541,000	1,566,487	2,121,935	1,711,454	1,228,575
(14,504,951)	(15,001,065)	(14,710,494)	(16,836,087)	(16,732,470)	(16,955,157)
(738,460) 6,600,000	(864,081)	(1,246,845)	(1,723,864)	(2,166,347)	(2,544,475)
(6,600,000)					
6,530,936	(3,839,182)				
(582,210)	1,057,296	1,493,887	(969,891)	(5,793,896)	(1,161,037)
(8,160,720)	(16,154,341)	(11,846,740)	(15,136,466)	(22,137,140)	(18,611,394)
750,802	8,450,093	4,673,583	1,157,480	(9,110,627)	5,485,456
23,902,436				5,419,061	4,195,886
24,653,238	8,450,093	4,673,583	1,157,480	(3,691,566)	9,681,342
313,234,840	304,784,747	300,111,164	343,583,703	347,275,269	337,593,927
			(44,630,019)		
\$ 337,888,078	\$ <u>313,234,840</u> \$	\$ 304,784,747	\$ <u>300,111,164</u>	\$ 343,583,703	\$ <u>347,275,269</u>

## ALABAMA STATE PORT AUTHORITY CHART OF OPERATING REVENUES BY DIVISION For the Last Three Fiscal Years Ended September 30



## ALABAMA STATE PORT AUTHORITY CHART OF EXPENSES BY DIVISION For the Last Three Fiscal Years Ended September 30



### ALABAMA STATE PORT AUTHORITY OPERATING REVENUE BY PRINCIPAL SOURCE For the Last Ten Fiscal Years Ended September 30

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	
Operating Revenues (USD S	Operating Revenues (USD \$):										
Special Processing Charges	30,892,355	31,375,465	22,874,630	20,453,746	18,702,674	22,058,007	17,377,804	14,527,983	11,079,954	19,588,973	
Dockage	23,800,972	25,941,549	23,967,870	22,208,741	17,059,937	20,797,624	17,548,633	18,162,484	20,702,536	23,395,426	
Railcar Switching	21,910,352	18,882,460	17,993,105	15,903,446	16,205,855	15,939,427	13,686,144	12,666,330	13,706,012	16,265,968	
Wharfage	20,618,741	19,606,984	19,606,848	18,569,371	16,705,587	18,308,138	17,520,640	16,339,092	14,988,869	16,758,677	
Tippling	20,561,094	19,037,249	16,677,207	18,809,965	20,490,061	27,720,978	24,160,175	20,598,332	17,504,990	25,959,527	
Receiving and Handling	15,378,910	14,579,890	13,444,728	14,660,397	13,877,443	15,864,677	15,243,367	16,086,218	15,102,508	14,756,903	
Rent of Land/Buildings(1)	14,340,445	12,813,874	12,085,749	12,159,971	6,099,818	6,340,419	5,579,202	5,139,157	4,933,777	4,791,449	
Storage	8,673,983	8,690,453	7,356,056	4,185,361	5,969,147	4,356,083	3,387,916	3,204,740	3,581,781	4,016,283	
Security Assessment	4,712,898	4,738,523	4,440,658	4,133,999	3,660,152	4,356,502	3,857,980	3,645,412	3,328,735	3,561,860	
Energy Port Funds	4,502,647	2,436,835	4,950,000	4,950,000	5,937,065	6,644,129	2,787,252	1,263,553	-	-	

Source: ASPA records

<sup>(1)</sup> The implementation of GASB Statement No. 87 during fiscal year 2022 resulted in an adjustment to rent of land and buildings for fiscal year 2021 only.

### ALABAMA STATE PORT AUTHORITY PRINCIPAL CUSTOMERS PER LARGEST REVENUE SOURCES For the Fiscal Years Ended September 30, 2024 and 2015

#### **Special Processing Revenue**

Income earned from the movement of commodities within the Port before movement to another vessel or barge.

2024	
Customers	
Warrior Met Coal Mining, LLC	
Javelin Global Commodities (UK) Ltd	
Peabody Coal Sales, LLC	
XCoal Energy & Resources	
AM/NS Calvert, LLC	

2015	
Customers	
Jim Walter Resources	
Cliffs North America Coal, LLC	
J. Aron & Company, LLC	
Drummond Coal Sales Inc.	
Ion Carbon & Minerals, LLC	

#### Dockage

Income earned from charges assessed against a vessel for berthing at a wharf, pier, bulkhead structure, bank or for mooring to a vessel so berthed.

2024	
Customers	
Host Agency, LLC	
Seacliff Agency, LLC	
Page & Jones, Inc.	
Blue Water Shipping Co.	
Norton Lilly International	

2015	
Customers	
Seacliff Agency, LLC	
Fillette, Green Shipping Services	
Host Agency, LLC	
Page & Jones, Inc.	
Blue Water Shipping Co.	

#### **Railcar Switching**

Income earned from the movement of customers' railcars within the switching limits of the TASD terminal.

2024	
Customers	
CSX Transportation	
CN InterCarrier Switching	
Alabama & Gulf Coast Railway, LLC	
BNSF Railway	
Norfolk Southern Corp.	

2015
Customers
CSX Transportation
Canadian National RR
CG Railway, LLC
Alabama & Gulf Coast Railway, LLC
CN InterCarrier Switching

**Note:** Because many of the above customers use the Authority's facilities based upon a signed contract, disclosing the dollar amount paid by the above customers or disclosing a percentage of the total revenue base by customer could disclose privileged information.

Source: ASPA records

### ALABAMA STATE PORT AUTHORITY TOP REVENUE RATES

#### For the Last Ten Fiscal Years Ended September 30

	2024	2023	2022	2021	2020
DOCKAGE:					
Bulk Facility (per GRT per 24 hours)	\$0.52	\$0.48	\$0.48	\$0.46	\$0.44
General Cargo Vessels					
0 - 199.9Ft (per foot per 24 hours)	\$3.41	\$3.41	\$3.41	\$3.28	\$3.12
200 - 399.9Ft (per foot per 24 hours)	\$4.48	\$4.48	\$4.48	\$4.31	\$4.10
400 - 499.9Ft (per foot per 24 hours)	\$6.09	\$6.09	\$6.09	\$5.86	\$5.58
500 - 599.9Ft (per foot per 24 hours)	\$8.18	\$8.18	\$8.18	\$7.86	\$7.49
600 - 699.9Ft (per foot per 24 hours)	\$9.50	\$9.50	\$9.50	\$9.12	\$8.69
700 - 799.9Ft (per foot per 24 hours)	\$12.05	\$12.05	\$12.05	\$11.58	\$11.03
800 - 899.9Ft (per foot per 24 hours)	\$14.52	\$14.52	\$14.52	\$13.95	\$13.29
900Ft - Above (per foot per 24 hours)	\$17.37	\$17.37	\$17.37	\$16.68	\$15.89
TIPPLING:					
Coal (per short ton)	\$1.69	\$1.52	\$1.52	\$1.63	\$1.59
Coal Special Processing (per short ton)	\$2.55	\$2.47	\$2.06	\$1.68	\$1.47
WHARFAGE:					
Bulk Facility (per short ton)	\$0.25	\$0.25	\$0.25	\$0.26	\$0.26
General Cargo					
Aluminum (per short ton)	\$2.65	\$2.65	\$2.65	\$2.52	\$2.40
Containers (per short ton)	\$3.75	\$3.75	\$3.74	\$3.57	\$3.40
Demurrage (per short ton)	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25
Forest Products (per short ton per day)	\$3.64	\$3.64	\$3.64	\$3.47	\$3.30
Lumber (per board foot)	\$0.44	\$0.44	\$0.44	\$0.42	\$0.40
Paper (per short ton)	\$3.75	\$3.75	\$3.75	\$3.57	\$3.30
Steel (per short ton)	\$3.84	\$3.84	\$3.84	\$3.66	\$3.49
Class (par allore toll)	ΨΟ.Ο-	ΨΟ.Ο-	ΨΟ.Ο <del>-1</del>	ψ3.00	ψυ.+υ
RAILROAD SWITCHING:					
Coal (per car)	\$72.56	\$63.54	\$71.17	\$60.75	\$63.09
General (per car)	\$397.98	\$368.13	\$350.94	\$340.92	\$334.80
Grain (per car)	\$134.11	\$124.17	\$120.26	\$107.35	\$107.19

GRT = gross registered tons

Source: ASPA records, central billing, bulk facilities, harbormaster, and railroad departments

# ALABAMA STATE PORT AUTHORITY TOP REVENUE RATES (cont.) For the Last Ten Fiscal Years Ended September 30

2019	2018	2017	2016	2015
\$0.42	\$0.41	\$0.40	\$0.40	\$0.36
\$3.03	\$2.94	\$2.77	\$2.77	\$2.69
\$3.98	\$3.86	\$3.64	\$3.64	\$3.53
\$5.41	\$5.26	\$4.95	\$4.95	\$4.81
\$7.27	\$7.06	\$6.65	\$6.65	\$6.46
\$8.44	\$8.19	\$7.72	\$7.72	\$7.50
\$10.71	\$10.40	\$9.80	\$9.80	\$9.52
\$12.90	\$12.53	\$11.81	\$11.81	\$11.46
\$15.43	\$14.98	\$14.12	\$14.12	\$13.71
\$1.69	\$1.76	\$1.70	\$1.78	\$1.76
\$1.40	\$1.26	\$1.22	\$1.05	\$1.31
\$0.27	\$0.28	\$0.26	\$0.26	\$0.27
00.40	<b>#0.00</b>	<b>#0.00</b>	<b>#0.00</b>	00.44
\$2.40	\$2.33	\$2.20	\$2.20	\$2.14
\$3.40	\$3.30	\$3.20	\$3.20	\$3.11
\$0.25	\$0.25	\$0.25	\$0.25	\$0.29
\$3.30	\$3.20	\$3.11	\$3.11	\$3.02
\$0.40	\$0.39	\$0.38	\$0.38	\$0.37
\$3.30	\$3.20	\$3.11	\$3.11	\$3.11
\$3.40	\$3.30	\$5.06	\$3.20	\$3.11
#00.CC	ΦE4.50	<b>#50.50</b>	<b>#</b> 00.04	074.00
\$63.33	\$54.52	\$50.59	\$66.04	\$71.06
\$330.41	\$310.02	\$276.19	\$314.67	\$301.88
\$107.19	\$107.19	\$104.07	\$104.07	\$101.04

### ALABAMA STATE PORT AUTHORITY OUTSTANDING REVENUE BONDS

#### For the Last Ten Fiscal Years Ended September 30

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
				Docks Facili	ties Revenue Refu	unding Bonds				
Series 2017A	\$115,005,000	\$121,995,000	\$121,995,000	\$121,995,000	\$121,995,000	\$121,995,000	\$121,995,000	\$123,770,000		
Series 2017B					\$4,280,000	\$8,305,000	\$12,100,000	\$12,100,000		
Series 2017C	\$6,130,000	\$6,130,000	\$6,130,000	\$6,130,000	\$6,130,000	\$6,130,000	\$6,130,000	\$6,130,000		
Series 2017D	\$110,055,000	\$112,205,000	\$124,030,000	\$128,975,000	\$130,095,000	\$131,190,000	\$132,270,000	\$132,990,000		
Series 2008A				\$8,040,000	\$15,700,000	\$23,005,000	\$29,955,000	\$36,575,000	\$42,880,000	\$48,875,000
Docks Facilities Revenue Bonds										
Series 2020	\$41,019,388	\$43,045,798	\$45,034,229	\$46,986,000	\$46,986,000					
Series 2018						\$50,000,000	\$50,000,000			
Series 2010									\$106,045,000	\$106,045,000
Series 2006A									\$131,355,000	\$131,355,000
Series 2006B									\$42,195,000	\$45,955,000
Series 2006D									\$21,600,000	\$21,600,000
					Lease Liabilities					
	\$49,947	\$78,431	\$141,195	\$376,819						
				Sı	ubscription Liabili	ties				
	\$734,414	\$1,756,869	\$2,641,487							
					Subtotal					
	\$272,993,749	\$285,211,098	\$299,971,911	\$312,502,819	\$325,186,000	\$340,625,000	\$352,450,000	\$311,565,000	\$344,075,000	\$353,830,000
				Plus: U	Inamortized Prem	ium, Net				
	\$9,169,304	\$9,999,610	\$10,829,916	\$11,660,222	\$12,490,527	\$13,604,640	\$14,718,753	\$15,835,923	\$535,153	\$577,741
				To	otal Outstanding D	ebt				
	\$282,163,053	\$295,210,708	\$310,801,827	\$324,163,041	\$337,676,527	\$354,229,640	\$367,168,753	\$327,400,923	\$344,610,153	\$354,407,741
				L	ess: Current Porti	on				
	(\$11,629,575)	(\$11,166,410)	(\$13,813,431)	(\$14,936,771)	(\$13,060,000)	(\$12,425,000)	(\$11,825,000)	(\$9,115,000)	(\$10,295,000)	(\$9,755,000)
				L	ong-Term Debt, N	let				
	\$270,533,478	\$284,044,298	\$296,988,396	\$309,226,270	\$324,616,527	\$341,804,640	\$355,343,753	\$318,285,923	\$334,315,153	\$344,652,741
					tanding Debt Per					
	\$55	\$58	\$61	\$64	\$69	\$72	\$75	\$67	\$71	\$73
	*	0.110/	2.422/		ent of Personal In		0.100/	0.4=0/	0.400/	0.100/
	*	0.11%	0.12%	0.13%	0.15%	0.16%	0.18%	0.17%	0.18%	0.19%

Note: Lease liabilities are recorded for fiscal years 2024 - 2021. GASB 87 was implemented as of September 30, 2022 and retroacted for fiscal year 2021. The Alabama State Port Authority did not retroact any prior financial statements prior to 2021. See Exhibit 12, Demographic and Economic Statisics, for personal income and population data for State of Alabama. See Exhibit 9 for debt service requirements of long-term revenue bonds and notes to the audited financial statements for further details of the ASPA's outstanding revenue bonds.

Source: ASPA records and audited financial statements

<sup>\* 2024</sup> Personal Income not available

### ALABAMA STATE PORT AUTHORITY ANNUAL DEBT SERVICE REQUIREMENTS OF REVENUE BONDS For the Last Ten Fiscal Years Ended September 30

		Oil & Gas	(A) Operating Revenues and	(B)		(D) Annual Debt	Minimum Requirement	Minimum Requirement	Minimum
Fiscal	Coal Severance	Production Tax	Investment Income	Docks Facilities	(C) Operating	Service	150%	125%	Requirement 100%
Year	Tax Revenue*	Revenue*	(cash basis)	Revenues	Expenses*	Requirement	(A) / (D)	[(B) - (C)] / (D)	(A) / [(C) + (D)]
2024	\$1,672,694	\$9,500,000	\$200,676,664	\$211,849,358	\$128,597,650	\$23,199,966	865%	359%	132%
2023	\$1,469,080	\$9,500,000	\$186,593,115	\$197,562,195	\$126,029,436	\$26,257,407	711%	272%	123%
2022	\$1,252,757	\$9,500,000	\$164,633,068	\$175,385,825	\$106,918,477	\$27,662,636	595%	248%	122%
2021	\$1,361,788	\$9,500,000	\$151,708,132	\$162,569,920	\$85,214,730	\$25,996,131	584%	298%	136%
2020	\$1,511,568	\$9,500,000	\$140,421,442	\$151,433,010	\$97,979,292	\$26,083,229	538%	205%	113%
2019	\$1,930,399	\$9,500,000	\$160,396,825	\$171,827,224	\$102,170,618	\$26,117,517	614%	267%	125%
2018	\$1,728,228	\$9,500,000	\$135,958,029	\$147,186,257	\$85,802,675	\$23,617,459	576%	260%	124%
2017	\$1,621,863	\$9,500,000	\$128,498,518	\$139,620,381	\$76,987,275	\$27,105,818	474%	231%	123%
2016	\$1,269,110	\$9,500,000	\$123,008,475	\$133,777,585	\$76,478,952	\$25,909,370	475%	221%	120%
2015	\$2,029,640	\$9,500,000	\$145,706,985	\$157,236,625	\$89,805,746	\$25,584,219	570%	264%	126%

\*Coal Severance and Oil & Gas Production Tax revenues are available to ASPA if needed. Operating Expenses exclude depreciation and amortization as defined by the Bond Order.

Note: On November 21, 2006, a Master Bond Order was adopted which provided for the issuance of the Alabama State Port Authority's Docks Facilities Revenue Bonds. Docks Facilities Revenue Bonds, Series 2006A, 2006B, and 2006C were issued on November 21, 2006 and refunded the Docks Facilities Revenue Bonds Series 1996, Series 1997, Series 1998, and Series 2001. The 2006 bonds and those issued subsequently were issued pursuant to the right retained in the Master Bond Order adopted on November 21, 2006. See the notes to the audited financial statements for further details of the ASPA's outstanding revenue bonds. As a result of the requirements of the 2006 Master Bond Order, Docks Facilities Revenues (B) is the combination of operating revenue, coal severance tax revenue, oil & gas production revenue, and investment income (cash basis).

Source: ASPA records, contracts, and audited financial statements

### ALABAMA STATE PORT AUTHORITY LONG-TERM REVENUE BOND COVERAGE For the Last Ten Fiscal Years Ended September 30

Fiscal Year	Gross Revenues*	Operating Expenses*	Net Revenue Available for Debt Service	Debt Service Requirements**	Times Coverage^
2024	\$200,129,989	\$128,597,650	\$71,532,339	\$23,199,966	3.08
2023	\$186,992,098	\$126,029,436	\$60,962,662	\$26,257,407	2.32
2022	\$165,406,640	\$106,918,477	\$58,488,163	\$27,662,636	2.11
2021	\$154,409,294	\$84,963,641	\$69,445,653	\$25,996,131	2.67
2020	\$139,783,807	\$97,979,292	\$41,804,515	\$26,083,229	1.60
2019	\$161,458,468	\$102,170,618	\$59,287,850	\$26,117,517	2.27
2018	\$136,300,647	\$85,802,675	\$50,497,972	\$23,617,459	2.14
2017	\$126,975,727	\$76,987,275	\$49,988,452	\$27,105,818	1.84
2016	\$123,468,529	\$76,478,952	\$46,989,577	\$25,909,370	1.81
2015	\$146,052,426	\$89,805,746	\$56,246,680	\$25,584,219	2.20

Source: ASPA records and audited financial statements

<sup>\*</sup> Gross revenues include operating revenues, investment income, and other income/(expense), net. Operating expenses exclude depreciation and amortization expense.

<sup>\*\*</sup> See Exhibit 9 for debt service requirements of long-term revenue bonds and notes to the audited financial statements for details of the ASPA's outstanding revenue bonds.

<sup>^</sup> Ratio of Net Revenue Available for Debt Service to Debt Service Requirements indicates the number of times net revenue of a given fiscal year can cover the debt payments.

## ALABAMA STATE PORT AUTHORITY LONG-TERM REVENUE BOND COVERAGE For the Last Ten Fiscal Years Ended September 30



### ALABAMA STATE PORT AUTHORITY DEMOGRAPHIC AND ECONOMIC STATISTICS For a Period of Ten Years

#### **STATE OF ALABAMA**

Year	Population	Personal Income (millions of dollars)	Per Capita Personal Income (PCPI)	Median Age	Unemployment Rate
2024	5,157,699	*	*	*	3.1
2023	5,108,468	\$276,926	\$54,209	40	2.5
2022	5,074,296	\$262,236	\$51,683	40	2.5
2021	5,039,877	\$254,960	\$50,483	40	3.4
2020	4,893,186	\$230,732	\$45,854	39	6.4
2019	4,903,185	\$215,152	\$42,998	39	3.2
2018	4,887,871	\$205,674	\$41,324	39	3.9
2017	4,874,747	\$197,964	\$39,968	39	4.5
2016	4,863,300	\$190,872	\$38,704	39	5.8
2015	4,858,979	\$187,475	\$38,189	39	6.1

#### **MOBILE METROPOLITAN STATISTICAL AREA (MSA)**

		Personal Income	Per Capita Personal Income		Unemployment
Year	Population	(millions of dollars)	(PCPI)	Median Age	Rate
2024	*	*	*	*	3.8
2023	411,640	\$20,793	\$50,513	39	3.1
2022	428,780	\$19,920	\$48,419	38	3.2
2021	430,714	\$19,706	\$47,670	39	4.6
2020	430,313	\$17,638	\$42,564	38	8.5
2019	428,039	\$16,310	\$39,294	39	3.9
2018	413,757	\$15,723	\$37,827	38	4.7
2017	413,955	\$15,238	\$36,679	38	5.3
2016	414,836	\$14,959	\$35,940	37	6.6
2015	415,395	\$14,863	\$35,768	38	6.9

**Note:** 2024 population and median age total estimated as of July 1, 2024 by U.S. Census Bureau for the State of Alabama. 2020 population and median age total is based on 5 year estimate derived from the 2020 Census per U.S. Census Bureau.

**Source:** U.S. Census Bureau for population and median age; Bureau of Economic Analysis for total personal income and PCPI; Bureau of Labor Statistics for unemployment rate

<sup>\*</sup>Statistics not yet available.

### ALABAMA STATE PORT AUTHORITY PRINCIPAL EMPLOYERS IN THE MOBILE AREA For Years 2024 and 2015

Employer	Industry	No. of Employees	Percentage of Total Mobile Area Employment
University of South Alabama & USA Medical Facilities	Education & Medical	9,600	2.76%
Mobile County Public School System	Education	7,200	2.07%
Infirmary Health System	Medical	4,700	1.35%
Austal USA	Shipbuilding	3,000	0.86%
Airbus	Aircraft Assembly	2,000	0.58%
City of Mobile	Government	2,000	0.58%
Altapointe	Medical	1,700	0.49%
AM/NS Calvert	Steel Mill	1,600	0.46%
Mobile County	Government	1,600	0.46%
Springhill Medical Center	Medical	1,600	0.46%
Total of Largest Employers		35,000	10.08%

Total Employed Labor Force \* 347,224 100%

#### 2015

		No. of	Percentage of Total Mobile Area
Employer	Industry	Employees	Employment
Mobile County Public School System	Education	7,500	2.56%
University of South Alabama & USA Medical Facilities	Education & Medical	5,000	1.71%
Infirmary Health System	Medical	4,600	1.57%
Austal USA	Shipbuilding	4,400	1.50%
Baldwin County	Education	3,000	1.02%
City of Mobile	Government	2,300	0.78%
Mobile County	Government	1,600	0.55%
AM/NS Calvert	Steel Mill	1,600	0.55%
Providence Hospital	Medical	1,600	0.55%
Altapointe	Medical	1,400	0.48%
Total of Largest Employers		33,000	11.26%

Total Employed Labor Force \* 293,084 100%

Source: Mobile Area Chamber of Commerce; Alabama Labor Market Information System

<sup>\*</sup> Data includes civilian employment in Mobile, Baldwin, Choctaw, Clarke, Conecuh, Escambia, Monroe, Washington, and Wilcox Counties for the Southwest workforce development region as defined by the Department of Labor for the State of Alabama.

# ALABAMA STATE PORT AUTHORITY EMPLOYEE BREAKDOWN BY ORGANIZATION AND TYPE For the Last Ten Years Ended September 30

ORGANIZATION	<u>2024</u>	<u>2023</u>	2022	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Operating										
General Cargo	6	4	5	5	5	6	6	6	6	6
Central Billing	9	10	10	10	9	9	9	9	9	8
Container Yard	0	0	0	1	2	2	4	4	4	5
Housekeeping	11	11	9	9	12	13	12	10	12	15
Truck Control	2	3	3	3	3	3	3	3	3	3
Harbormaster	2	2	2	1	2	2	2	2	2	2
McDuffie Coal Terminal	229	207	193	180	195	211	198	175	167	208
Middle Bay Port	3	3	4	4	3	3	3	3	3	3
Pinto Island Terminal	30	27	28	25	24	24	24	23	22	25
Real Estate	1	2	2	2	2	2	2	2	2	1
Terminal Railroad										
Accounting	2	2	2	2	2	2	2	2	2	2
General Office	3	3	3	3	3	3	3	3	3	3
Maintenance of Equipment	18	16	15	16	16	16	16	16	18	19
Maintenance of Way	17	18	18	15	15	15	15	15	17	19
Transportation	66	66	65	62	63	64	60	64	67	73
Non-Operating										
Environmental	6	6	6	6	6	6	7	5	6	6
Engineering	11	11	10	7	9	10	10	9	8	10
Executive	14	12	5	4	6	5	3	3	4	4
Financial Services	16	17	16	11	13	13	14	16	18	18
Garage	10	10	10	10	10	11	11	11	12	12
Human Resources	8	8	6	6	7	7	6	6	6	8
Information Technologies	12	13	10	11	13	11	11	11	12	13
Maintenance	27	26	26	25	27	27	25	25	25	28
Commercial Development	5	5	4	4	3	4	4	5	7	7
Port Police	36	35	46	47	52	56	53	55	56	57
Internal & External Affairs	3	4	4	2	3	3	3	3	3	3
Safety	2	2	2	2	2	2	2	2	2	3
TOTAL	549	523	504	473	507	530	508	488	496	561

## ALABAMA STATE PORT AUTHORITY EMPLOYEE BREAKDOWN BY ORGANIZATION AND TYPE (cont.) For the Last Ten Years Ended September 30

CLASSIFICATION	2024	2023	2022	2021	2020	2019	2018	2017	<u>2016</u>	2015
Operating	399	374	359	338	356	375	359	337	337	392
Non-Operating	150	149	145	135	151	155	149	151	159	169
TOTAL	. 549	523	504	473	507	530	508	488	496	561

<b>EMPLOYEE TYPE</b>		2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contract		6	8	2	1	2	3	4	1	2	2
Executive & Board		19	16	7	7	10	7	7	7	8	8
Hourly		264	244	230	216	233	251	240	213	203	248
Merit		154	150	162	151	163	169	161	167	176	187
Terminal Railroad		106	105	103	98	99	100	96	100	107	116
	TOTAL	549	523	504	473	507	530	508	488	496	561

TOTAL EMPLOYED										
LABOR FORCE *	347,224	346,829	342,019	338,048	343,271	339,665	335,775	308,775	304,130	301,470

ASPA EMPLOYEES AS A										
PERCENTAGE OF TOTAL										
EMPLOYED LABOR FORCE	0.16%	0.15%	0.15%	0.14%	0.15%	0.16%	0.15%	0.16%	0.16%	0.19%

Source: Alabama Labor Market Information System; ASPA human resources department

<sup>\*</sup> Data includes civilian employment in Mobile, Baldwin, Choctaw, Clarke, Conecuh, Escambia, Monroe, Washington, and Wilcox Counties for the Southwest workforce development region as defined by the Department of Labor for the State of Alabama.

### ALABAMA STATE PORT AUTHORITY FREIGHT TRAFFIC STATISTICS

#### For the Last Ten Years Ended December 31

	<u>2024</u>	<u>2023</u>	2022 <sup>(1)</sup>	2021 <sup>(1)</sup>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
PORT TONS (short tons)										
General Cargo & Intermodal	6,812,143	6,863,470	6,475,341	7,630,113	6,292,463	7,724,547	7,467,001	7,817,931	6,915,938	6,503,004
McDuffie Coal & Bulk Handling	12,553,457	12,612,127	11,180,814	10,650,911	12,460,052	15,110,675	14,863,982	11,513,753	10,490,356	13,320,186
Total ASPA Facilities	19,365,600	19,475,597	17,656,155	18,281,024	18,752,515	22,835,222	22,330,983	19,331,684	17,406,294	19,823,190
Industry (ASPA)	1,130,865	1,298,144	1,767,483	1,702,879	1,595,401	1,135,168	1,135,168	1,394,281	1,505,784	2,001,866
General Port	12,143,906	16,528,600	16,999,580	17,223,690	8,910,362	9,858,460	9,331,620	11,945,577	14,119,214	16,437,246
TOTAL	32,640,371	37,302,341	36,423,218	37,207,593	29,258,278	33,828,850	32,797,771	32,671,542	33,031,292	38,262,302

FOREIGN TRADE FOR MOBILE, AL (short tons)												
Exports	**	**	16,552,479	16,946,483	16,314,859	15,727,509	14,019,569	16,141,395	18,518,420	18,178,382		
Imports	**	**	17,859,999	20,249,856	16,170,960	19,834,242	21,199,530	19,764,023	18,308,123	12,493,015		
TOTAL	**	**	34,412,478	37,196,339	32,485,819	35,561,751	35,219,099	35,905,418	36,826,543	30,671,397		

<b>REVENUE PER TON (USD \$)</b>										
Operating Revenue	\$196,634,198	\$184,911,783	\$164,513,160	\$151,655,871	\$139,822,169	\$158,449,481	\$134,935,976	\$125,872,300	\$122,165,252	\$144,886,259
ASPA & Industry Tonnage	20,496,465	20,773,741	19,423,638	19,983,903	20,347,916	23,970,390	23,466,151	20,725,965	18,912,078	21,825,056
REVENUE PER TON	\$9.59	\$8.90	\$8.47	\$7.59	\$6.87	\$6.61	\$5.75	\$6.07	\$6.46	\$6.64

Source: ASPA audited financial statements; ASPA general cargo department; U.S. Army Corps of Engineers Institute for Water Resources

<sup>\*\*</sup> Statistics not published

<sup>(1)</sup> The Authority adopted GASB Statement 96 during fiscal year 2023 resulting in an adjustment to operating revenue for fiscal year 2022 only. The Authority adopted GASB Statement 87 during fiscal year 2022 resulting in an adjustment to operating revenue for fiscal year 2021 only. Industry tonnage statistics include other non-major divisions and departments of the ASPA. General Port tonnage statistics include all freight accounted for in the Mobile River and Port of Mobile by privately owned terminals outside of the ASPA.

### ALABAMA STATE PORT AUTHORITY DETAIL OF PORT FREIGHT TRAFFIC STATISTICS For the Last Ten Years Ended December 31

	2024	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
GENERAL CARGO										
COMMODITIES BY DIVISION (short	tons)									
BAGS NOS	57,454	41,262	73,037	96,647	80,445	98,354	85,539	67,269	84,962	64,907
BULK LIQUID			45,897			14,302			12,608	
CONTAINER (TONS)	19,654	23,660	18,557	9,518	2,579	3,175	3,457	6,621	6,216	6,089
CROSS TIES & POLES	13,177	12,278	10,194	7,699	10,893	14,185	15,094	21,921	13,746	11,261
DRY BULK					4,777	16,780	5,009	5,124		
FROZEN CHICKEN OR FOOD	53,212	70,837	93,486	103,330	69,125	82,539	75,615	91,913	132,832	111,781
IRON & STEEL	4,516,655	4,547,564	3,973,127	4,961,808	3,940,163	5,338,904	4,991,857	5,448,786	4,549,020	4,494,816
LINERBOARD & PAPER	178,945	159,884	171,706	146,544	124,013	113,827	118,487	111,529	158,351	146,657
LUMBER	290,128	289,346	386,041	365,408	201,889	242,981	284,387	277,756	257,365	234,387
MANUFACTURER & MISC.	35,575	20,694	43,958	66,936	43,453	56,474	40,322	65,550	54,562	18,072
METAL & ALLOYS	58,705	72,082	48,691	24,199	58,722	53,160	111,960	147,494	86,307	72,450
OTHER	431	1,012	268	159	277	425	1,381	2,023	734	460
PIG IRON	773,362	907,865	716,947	1,036,329	926,316	959,970	968,280	720,349	754,469	559,314
PLYWOOD & VENEER	23,448	10,406	34,030	20,723	15,786	25,309	30,930	25,535	26,605	28,127
RUBBER & RUBBER PROD.			485				170	84	1	226
WOOD PULP	791,397	706,580	858,917	790,813	814,025	704,162	734,513	825,977	778,160	754,457
GENERAL CARGO TOTAL	6,812,143	6,863,470	6,475,341	7,630,113	6,292,463	7,724,547	7,467,001	7,817,931	6,915,938	6,503,004
MCDUFFIE & BULK MATERIAL	HANDLING F	PLANT								
COAL	12,553,457	12,612,127	11,180,814	10,650,911	12,460,052	15,110,675	14,855,159	11,513,753	10,404,484	13,320,186
COKE									85,872	
IRON ORE							8,823			
MCDUFFIE & BULK MATERIAL HANDLING PLANT TOTAL	12,553,457	12,612,127	11,180,814	10,650,911	12,460,052	15,110,675	14,863,982	11,513,753	10,490,356	13,320,186
TOTAL ASPA FACILITIES	19,365,600	19,475,597	17,656,155	18,281,024	18,752,515	22,835,222	22,330,983	19,331,684	17,406,294	19,823,190

### ALABAMA STATE PORT AUTHORITY DETAIL OF PORT FREIGHT TRAFFIC STATISTICS (cont.) For the Last Ten Years Ended December 31

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
INDUSTRY TONNAGE (ASPA)										
CONTAINERS (TEUs)	606,318	612,823	617,968	528,490	434,405	420,020	354,911	332,649	275,328	229,227
COMMODITIES BY DIVISION (short	rt tons)									
AGRIPRODUCTS	359,386	295,652	717,615	568,672	793,626	273,474	422,631	689,196	977,058	754,547
CEMENT	22,053	161,123	146,471	173,893	100,000	63,618	100,000		26,199	64,355
CHEMICALS	749,426	841,369	903,397	960,314	701,775	798,076	871,650	816,588	998,609	797,180
INDUSTRY TOTAL	1,130,865	1,298,144	1,767,483	1,702,879	1,595,401	1,135,168	1,135,168	1,394,281	1,505,784	2,001,866
GENERAL PORT TONNAGE (A	ASPA)									
AGGREGATE	210,399	139,500	111,993		20,805	22,250	5,976		35,300	123,048
ASPHALT				38,000	141,850	187,300	124,950	232,575	184,050	288,862
CHEMICALS	432,041	184,102	168,064	257,825	163,626	86,391	103,833	113,730	205,661	379,914
CLINKER/CEMENT	12,240		47,500	102,514	12,300	250,897	5,498	157,330	404,951	892,489
COAL/COKE	375,717	1,867,518	2,061,908	1,592,374	1,754,036	1,977,024	1,468,435	1,506,346	2,232,353	2,256,228
COPPER	44,896	43,480	51,500	43,500	41,600	2,300		3,200		
DIESEL	57,569	76,057	86,226	651,319	331,949	167,376	167,637	249,193	286,166	141,994
FROZEN PRODUCTS			3,477							
GENERAL CARGO (NOS)	4,147	28,015	11,988	221,068	122,600	31,960	57,296	127,010	258,951	282,842
GRANITE					3,600	2,300	4,300	1,500		91,105
GYPSUM					1,500			1,671	31,466	18,870
IRON ORES	439,514	423,925	1,034,102	644,292	206,717	331,508	531,611	637,563	669,154	916,493
LIMESTONE	1,417,912	1,848,383	1,970,120	1,800,610	139,291	1,600,000	163,141	1,412,986	1,679,185	2,424,170
METHANOL		20,400	23,500	121,260	272,563				23,000	42,248
MISCELLANEOUS	432,269	107,781	276,040	490,078	410,132	211,968	164,247	216,794	166,506	91,134
PERLITE (BULK)	6,000	1,000	17,200		3,200	30,000	4,200	28,500	5,000	12,800
PETROLEUM	7,816,703	10,727,476	9,869,436	8,629,599	4,762,073	4,653,701	5,672,052	6,469,832	7,141,899	7,449,470
PULPWOOD								149,187		
SCRAP IRON & STEEL	11,766	21,738	19,569	149,684	56,420	10,085	132,393	263,580	155,612	236,548
WOODCHIPS/LOGS	882,734	1,039,225	1,246,957	2,481,567	466,100	293,400	726,051	374,580	639,960	789,031
GENERAL PORT TOTAL	12,143,906	16,528,600	16,999,580	17,223,690	8,910,362	9,858,460	9,331,620	11,945,577	14,119,214	16,437,246
GRAND TOTAL	32,640,371	37,302,341	36,423,218	37,207,593	29,258,278	33,828,850	32,797,771	32,671,542	33,031,292	38,262,302

**Note:** Industry tonnage statistics include other non-major divisions and departments of the ASPA. General Port tonnage statistics include all freight accounted for in the Mobile River and Port of Mobile by privately owned terminals outside of the ASPA.

Source: ASPA general cargo department

### ALABAMA STATE PORT AUTHORITY RATIOS OF CAPITAL ASSETS For the Last Ten Years Ended September 30

Ratio of Operating Revenues (in thousands) to Capital Assets\* (in thousands) by Division

		Tatio of C	Sporating reven	acs (iii triousaria:	s) to Capital Ass	cts (iii triousaria	o, by Division			
	<u>2024</u>	<u>2023</u>	2022 <sup>(1)</sup>	2021 <sup>(1)</sup>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
McDuffie Coal Terminal										
Operating Revenue	\$87,165	\$86,198	\$69,919	\$65,487	\$62,938	\$75,109	\$61,262	\$55,891	\$48,938	\$70,602
Capital Assets	\$160,433	\$148,004	\$131,657	\$120,453	\$125,263	\$129,362	\$139,997	\$143,442	\$150,839	\$158,221
Return on Capital Assets	54%	58%	53%	54%	50%	58%	44%	39%	32%	45%
General Cargo / Intermodal										
Operating Revenue	\$46,099	\$40,069	\$39,288	\$38,276	\$35,246	\$40,785	\$36,459	\$35,386	\$36,362	\$33,811
Capital Assets	\$80,890	\$82,344	\$71,843	\$124,991	\$130,384	\$137,705	\$147,054	\$154,445	\$160,857	\$166,403
Return on Capital Assets	57%	49%	55%	31%	27%	30%	25%	23%	23%	20%
Terminal Railway										
Operating Revenue	\$31,607	\$26,854	\$25,273	\$22,514	\$22,270	\$22,425	\$18,856	\$16,385	\$19,268	\$22,097
Capital Assets	\$40,074	\$39,067	\$34,475	\$35,804	\$35,588	\$35,215	\$35,554	\$36,965	\$38,543	\$36,445
Return on Capital Assets	79%	69%	73%	63%	63%	64%	53%	44%	50%	61%
Real Estate										
Operating Revenue	\$20,345	\$20,861	\$18,532	\$15,543	\$10,656	\$10,988	\$9,488	\$9,326	\$8,154	\$7,199
Capital Assets	\$269,641	\$273,954	\$278,788	\$285,414	\$246,484	\$207,087	\$213,857	\$218,982	\$219,730	\$169,098
Return on Capital Assets	8%	8%	7%	5%	4%	5%	4%	4%	4%	4%
Marine Liquid Bulk Terminal										
Operating Revenue	\$4,743	\$4,347	\$4,266	\$3,761	\$3,369	\$3,586	\$3,482	\$3,391	\$3,464	\$3,506
Capital Assets	\$11,326	\$8,780	\$9,162	\$9,545	\$9,924	\$9,958	\$8,092	\$8,380	\$8,668	\$8,956
Return on Capital Assets	42%	50%	47%	39%	34%	36%	43%	40%	40%	39%
Other										
Operating Revenue	\$6,676	\$6,583	\$7,236	\$6,074	\$5,344	\$5,556	\$5,388	\$5,492	\$5,980	\$7,672
Capital Assets	\$89,738	\$90,025	\$92,494	\$32,182	\$33,973	\$33,185	\$34,421	\$35,345	\$40,810	\$50,612
Return on Capital Assets	7%	7%	8%	19%	16%	17%	16%	16%	15%	15%
Total										
Operating Revenue	\$196,634	\$184,912	\$164,513	\$151,655	\$139,822	\$158,449	\$134,936	\$125,872	\$122,165	\$144,886
Capital Assets	\$652,101	\$642,173	\$618,419	\$608,389	\$581,616	\$552,512	\$578,973	\$597,559	\$619,447	\$589,735
Return on Capital Assets	30%	29%	27%	25%	24%	29%	23%	21%	20%	25%

Source: ASPA records and audited financial statements

<sup>\*</sup>Net of accumulated depreciation and excludes construction in progress.

<sup>(1)</sup> The Authority adopted GASB Statement 96 during fiscal year 2023 resulting in an adjustment to capital assets for fiscal year 2022 only. The Authority adopted GASB Statement 87 during fiscal year 2022 resulting in an adjustment to capital assets for fiscal year 2021 only.

#### ALABAMA STATE PORT AUTHORITY CAPITAL ASSETS STATISTICS As of September 30, 2024

Total Acreage	5,700 (see Note B)
Warehouse & Open Yards (sq. ft.)	5 million
Channel Depth in Upper River Harbor (feet)	up to 40
Channel Depth in Lower River Harbor (feet)	up to 45

General Cargo Terminals	3
Barge Hauls	3
Berths	35
with Transit Sheds	19
with Open Wharves	17
with Marginal Tracks	17
with Roll-on / Roll-off Ramps	1
with Freezer Terminal	1
Cement Terminal	1
Container Yard (acreage)	22
Cranes	
Magnetic Lifting Gantry	3
Harbor	1
Pig Iron Terminal	1
RO-RO Terminal	1
Rail Ferry Terminal	1
Steel Coil Handling Facility	1
Steel Slab Handling Terminal	1
Truck Scales	1

Container Terminals	1
Intermodal Rail Facility	1
Marine Terminal	1
Berths	2,424 ft.
Cranes	
Post-Panamax	2
Super Post-Panamax	4

Railroads	
Locomotives	9
Track (miles)	75

Liquid Bulk Terminal	1
Berths	2

Bulk Materials Terminals	1
Berths	3
Barge Loaders	1
Barge Unloaders	2
Double Stackers	2
Automatic Samplers	2
Ship Loaders	2
Ship Unloaders	3
Stacker / Reclaimers	6
Storage Capacity (tons)	
Ground	2.3 million
Tandem Railcar Dumps	1
Single Railcar Dump	1

Grain Elevator	1
Bushel capacity (bushels)	3.3 million
Ship loading capacity	
per hour (bushels)	100,000
Railcar unloading capacity	
per hour (bushels)	24,000

Inland Ports	8
Grain Elevators (see *)	3
Total acres	236
<u>Port</u>	<u>River</u>
Axis	Mobile
Bridgeport	Tennessee
Columbia *	Chattahoochee
Cordova	Black Warrior
Demopolis *	Tombigbee
Eufaula	Chattahoochee
Montgomery *	Alabama
Selma	Alabama

**Note:** The Alabama State Port Authority lies in proximity to two turning basins which are not capital assets of the Authority. The Port also has immediate access to two interstate systems and five Class 1 railroads.

**Note B:** As part of an extensive, multi-year Geographic Information System project identifying real property owned by the Alabama State Port Authority, the total acreage has been corrected from prior years.

Source: ASPA records

# ALABAMA STATE PORT AUTHORITY MISCELLANEOUS STATISTICAL DATA ALABAMA'S TOTAL VALUE OF TRADE BY REGION (in thousands) For the Last Ten Years Ended December 31

	World	% of Total	Africa	% of Total	Asia & Pacific Rim	% of Total	Europe	% of Total	Latin America	% of Total	Middle East	% of Total	North America	% of Total
<u>2024</u>														
Exports	\$26,835,000		\$317,000		\$8,365,000		\$7,366,000		\$1,858,000		\$433,000		\$8,496,000	
Imports	\$38,757,000		\$432,000		\$15,848,000		\$9,588,000		\$1,673,000		\$511,000		\$10,705,000	
Total	\$65,592,000	100%	\$749,000	1%	\$24,213,000	37%	\$16,954,000	26%	\$3,531,000	5%	\$944,000	1%	\$19,201,000	29%
<u>2023</u>														
Exports	\$27,440,000		\$270,000		\$8,279,000		\$8,393,000		\$2,335,000		\$968,000		\$7,195,000	
Imports	\$37,231,000		\$367,000		\$14,595,000		\$9,005,000		\$1,481,000		\$189,000		\$11,594,000	
Total	\$64,671,000	100%	\$637,000	1%	\$22,874,000	35%	\$17,398,000	27%	\$3,816,000	6%	\$1,157,000	2%	\$18,789,000	29%
<u>2022</u>														
Exports	\$25,730,000		\$481,000		\$7,374,000		\$7,952,000		\$2,561,000		\$631,000		\$6,731,000	
Imports	\$37,028,000		\$508,000		\$14,648,000		\$8,849,000		\$1,762,000		\$344,000		\$10,917,000	
Total	\$62,758,000	100%	\$989,000	2%	\$22,022,000	35%	\$16,801,000	27%	\$4,323,000	7%	\$975,000	2%	\$17,648,000	28%
<u>2021</u>														
Exports	\$20,927,000		\$404,000		\$6,317,000		\$6,156,000		\$1,625,000		\$453,000		\$5,972,000	
Imports	\$31,526,000		\$832,000		\$12,659,000		\$7,711,000		\$1,402,000		\$125,000		\$8,797,000	
Total	\$52,453,000	100%	\$1,236,000	2%	\$18,976,000	36%	\$13,867,000	26%	\$3,027,000	6%	\$578,000	1%	\$14,769,000	28%
<u>2020</u>														
Exports	\$17,392,000		\$330,000		\$5,946,000		\$4,651,000		\$1,325,000		\$331,000		\$4,809,000	
Imports	\$25,483,000		\$280,000		\$10,890,000		\$6,151,000		\$1,178,000		\$263,000		\$6,721,000	
Total	\$42,875,000	100%	\$610,000	1%	\$16,836,000	39%	\$10,802,000	25%	\$2,503,000	6%	\$594,000	1%	\$11,530,000	27%
<u>2019</u>														
Exports	\$20,796,000		\$238,000		\$5,406,000		\$6,606,000		\$1,868,000		\$526,000		\$6,152,000	
Imports	\$28,309,000		\$230,000		\$11,042,000		\$7,237,000		\$1,332,000		\$545,000		\$7,923,000	
Total	\$49,105,000	100%	\$468,000	1%	\$16,448,000	33%	\$13,843,000	28%	\$3,200,000	7%	\$1,071,000	2%	\$14,075,000	29%
<u>2018</u>														
Exports	\$21,416,000		\$224,000		\$6,211,000		\$5,532,000		\$2,196,000		\$544,000		\$6,709,000	
Imports	\$26,211,000		\$268,000		\$9,500,000		\$7,177,000		\$1,259,000		\$758,000		\$7,249,000	
Total	\$47,627,000	100%	\$492,000	1%	\$15,711,000	33%	\$12,709,000	27%	\$3,455,000	7%	\$1,302,000	3%	\$13,958,000	29%

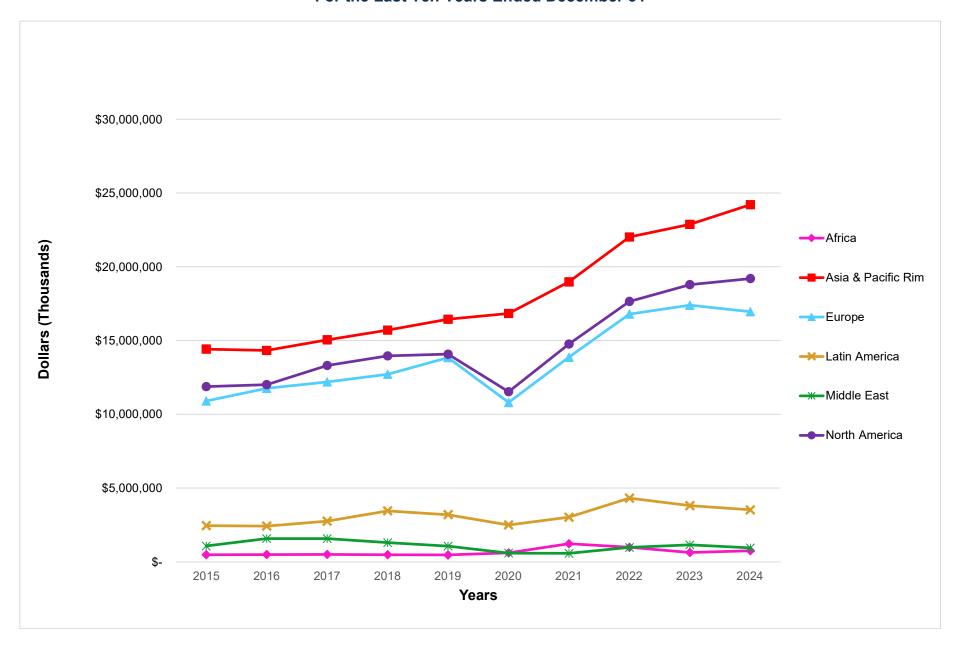
Note: Latin America includes the regions of the Carribbean, Central America, and South America. North America includes the countries of Canada and Mexico.

Source: International Trade Administration, a bureau of the U.S. Department of Commerce

# ALABAMA STATE PORT AUTHORITY MISCELLANEOUS STATISTICAL DATA ALABAMA'S TOTAL VALUE OF TRADE BY REGION (in thousands) (cont.) For the Last Ten Years Ended December 31

	World	% of Total	Africa	% of Total	Asia & Pacific Rim	% of Total	Europe	% of Total	Latin America	% of Total	Middle East	% of Total	North America	% of Total
<u>2017</u>														
Exports	\$21,797,000		\$306,000		\$6,415,000		\$5,612,000		\$1,594,000		\$743,000		\$7,127,000	
Imports	\$23,595,000		\$199,000		\$8,633,000		\$6,581,000		\$1,162,000		\$832,000		\$6,188,000	
Total	\$45,392,000	100%	\$505,000	1%	\$15,048,000	33%	\$12,193,000	27%	\$2,756,000	6%	\$1,575,000	3%	\$13,315,000	29%
<u>2016</u>														
Exports	\$20,471,000		\$340,000		\$5,810,000		\$5,385,000		\$1,217,000		\$951,000		\$6,768,000	
Imports	\$22,125,000		\$153,000		\$8,525,000		\$6,372,000		\$1,206,000		\$624,000		\$5,245,000	
Total	\$42,596,000	100%	\$493,000	1%	\$14,335,000	34%	\$11,757,000	28%	\$2,423,000	6%	\$1,575,000	4%	\$12,013,000	28%
<u>2015</u>														
Exports	\$19,322,000		\$322,000		\$5,399,000		\$4,640,000		\$1,337,000		\$665,000		\$6,959,000	
Imports	\$21,900,000		\$161,000		\$9,025,000		\$6,265,000		\$1,119,000		\$408,000		\$4,922,000	
Total	\$41,222,000	100%	\$483,000	1%	\$14,424,000	35%	\$10,905,000	26%	\$2,456,000	6%	\$1,073,000	3%	\$11,881,000	29%

### ALABAMA STATE PORT AUTHORITY CHART OF ALABAMA'S TOTAL VALUE OF TRADE BY REGION (in thousands) For the Last Ten Years Ended December 31



Source: International Trade Administration, a bureau of the U.S. Department of Commerce



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