Regular City Council Meeting and Work Session
Council Chambers — 7901 Highway 31 Calera, Alabama
May 18, 2026
Council Work Session Time 6:00 PM
Council Meeting Time 6:30 PM

Department Head Meeting Time: 4:30 PM

CALL TO ORDER - WORK SESSION / PRE-COUNCIL 6:00 PM

City Attorney
Grace Graham

Mayor's Report
Kenny Dale Cost, Mayor

Council President's Report
Drew Bradshaw

Council Member Reports
Chris Bunn, Councilmember
Debbie Byers, Council President Pro Tem
Henry Davis, Councilmember
Calvin Morgan, Councilmember
Kay Snowden Turner, Councilmember

CALL TO ORDER (REGULAR CITY COUNCIL MEETING 6:30 PM)

Word of Prayer & Pledge of Allegiance

Pastor Josh Howell - LakeHills Church

Approval of Agenda

Approval of Minutes

Approval of Minutes from May 4th Work Session and Meeting

Old Business

New Business

Calera High School - Track Athlete Recognition
Reignan Evans

Patrick Bowmen, CPA
Truitt Tingle Paramore & Argent
Audited Financial Statements period ending 9/30/25

Chief David Hyche
Swearing in Ceremony
Officer Brandon Young
Officer Brittain Mitchell

Calera Housing Authority Mayor Appointments:
Bill Davis : 5 year term — April 2023 - March 2028; Board Commissioner
Shane Schroeder: 5 year term — February 2026 - January 2031; Board Chairman
Ken Mobley: 5 year term — May 2024 – May 2029; Board Commissioner
Bryan Morrow: 5 year term — June 2023 - March 2027; Board Commissioner
Natalie Frazier: 5 year term — October 2025 - March 2025; Board Commissioner
Natalie Frazier: 5 year term — April 2026 - March 2031; Board Commissioner

Resolution No. 2026-27
Alabama Department of Transportation
Project No. ATRP2-59-2023-126
Intersection Improvements at I-65 and SR-25 Interchange (Exit 228)

Resolution No. 2026-28
Volkert Supplemental Agreement Grand Total of Fee Proposal
Interchange of I-65 and SR-25 Supplemental

Resolution No. 2026-29
Park and Rec / Rolling Hills
Declaring Certain Vehicles as Surplus Property and Authorizing Disposal

Resolution No. 2026-31
Municipal Water Pollution Prevention (MWPP) Program

Resolution No. 2026-32
Authorizing the Mayor to Sign a Contract on Behalf of the City of Calera for the Purchase of Property for Public Use

Guests:

Calera Main Street Updates

Public Comments

Motion to Adjourn - Time

Minutes of the City of Calera City Council Meeting

The Council of the City of Calera met in the Council Chambers of the City Hall at 7901 Highway 31 on May 4, 2026, at 6:30 p.m. in a regular meeting. Council President Drew Bradshaw presiding.

CALL TO ORDER- DEPARTMENT HEAD MEETING/WORK SESSION/ PRE-COUNCIL

The Department Head meeting was called to order at 4:30 pm, Mayor Kenny Dale Cost presiding.

The Work Session was called to order at 6:00 pm with Council President Drew Bradshaw presiding.

ROLL CALL

Kenny Dale Cost, Mayor

Councilmembers' Present:
Calvin Morgan, Council Member
Chris Bunn, Council Member
Debbie Byers, Council President Pro-Tem
Drew Bradshaw, Council President
Henry Davis, Council Member
Kay Snowden Turner, Council Member

Report of City Attorney- Grace Graham

Report of Department Heads
Tabitha Anderson, Rachel Vesely, Robert Grant, Sean Kendrick, Calvin Morgan, Chris Bunn, Drew Bradshaw, David Hyche, Drew Charcandy, Kevin Shirey, Reggie Darden, James Fuller, Kenny Cost, Kay Turner, Debbie Byers, Roger Smith, Stacy Walkup and Dennie Torrealba

Mayor Report
Kenny Dale Cost

Council President Report
Drew Bradshaw

Report of Council Members
Drew Bradshaw, Council President
Debbie Byers, Council President Pro-Tem
Henry Davis, Council Member
Calvin Morgan, Council Member
Chris Bunn, Council Member
Kay Snowden Turner, Council Member

CALL TO ORDER REGULAR CITY COUNCIL MEETING
The Regular City Council Meeting was called to order at 6:30 PM with Drew Bradshaw presiding.

Word of Prayer & Pledge of Allegiance
Paul Armstrong, Pastor; Journey Baptist Church

Agenda

Councilmember Byers made a motion to approve the agenda, seconded by Councilmember Morgan and the results were as follows:

AYES:	Bradshaw, Byers, Davis, Bunn, Morgan, Turner
NAYS:	None

Motion Passed

Old Business

New Business

Approval of Minutes
Regular Meeting on April 20, 2026
Work Session- April 20, 2026

Councilmember Bunn made a motion to dispense of the reading of the minutes and to approve the minutes, seconded by Councilmember Turner.

AYES:	Bradshaw, Byers, Davis, Bunn, Morgan, Turner
NAYS:	None

Motion Passed

State of Alabama - Alcoholic Beverage Control Board
Alcohol License Application
Trade Name: EL Rancho Cantina and Grill LLC
Address: 8176 Highway 31, Calera, AL 35040
Type License: 020 - Restaurant Retail Liquor

Councilmember Bunn made a motion to approve the Alcohol License Application for EL Rancho Cantina and Grill LLC, seconded by Morgan.

AYES: Bradshaw, Byers, Davis, Bunn, Morgan, Turner

NAYS: None

Motion Passed

Ordinance No. 2026-07
Annexation Request Ben and Patricia Allred
202 Doyle Drive Montevallo Al 35115

Council Member Turner moved that unanimous consent from the Council be given for immediate action upon Ordinance No. 2026-07 to annex into Calera 202 Doyle Drive. Council Member Davis second said motion and upon vote, the results were as follows:

AYES: Bradshaw, Bunn, Byers, Davis, Morgan, Turner

NAYS: None

Motion for unanimous consent passed

Council President declared said motion carried and unanimous consent given for the consideration of said Ordinance.

Council Member Morgan moved that Ordinance No. 2026-07 be adopted. Council Member Turner second said motion and upon vote, the results were as follows:

AYES: Bradshaw, Bunn, Byers, Davis, Morgan, Turner

NAYS: None

Motion to adopt Ordinance No. 2026-07 passed.

Guests:
Main Street Updates
Pauline Ellison, Shiloh United Methodist Church- Veterans Memorial Project Donation

Preston Bell, American Legion; District Commander- Scholarship Presentations; (Calera, Chelsea & Columbiana)

Motion to Adjourn- Time
Council Member Byers made a motion to adjourn the meeting. Seconded by Bunn at 7:30 pm

Kenny Dale Cost, Mayor	Drew Bradshaw, Council President
ATTEST:	Stacy Walkup, City Clerk

Whippoorwill Lane Repaving Project

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THANK YOU

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ALABAMA

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City of Calera, Alabama

Financial Statements

September 30, 2025

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TRUITT TINGLE
PARAMORE & ARGENT
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and
Members of the City Council
The City of Calera, Alabama

Report on the Audit of the Financial Statements

Opinions
We have audited the accompanying financial statements of the governmental activities, the business-type activities, discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Calera, (the City), as of and for the year ended September 30, 2025 and the related notes to the financial statements, which collectively comprise the City'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 respective financial position of the governmental activities, the business-type activities, discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2025 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions
We conducted our audit 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 City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

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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 opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 judgement and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedule, schedule of changes in the net pension liability, schedule of employer contributions and the schedule of changes in net OPEB liability information 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 or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2026, on our consideration of the City of Calera's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Calera '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 City of Calera 's internal control over financial reporting and compliance.

Truitt Tingle Paramore & Argent, LLC

Birmingham, Alabama

March 23, 2026

The City of Calera's Management's Discussion and Analysis is designed to assist the reader in focusing on significant financial issues, provide an overview of the City's financial activity, identify changes in the City's financial position, identify any material deviations from the financial plan, and identify individual fund issues or concerns.

Since the Management's Discussion and Analysis is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the City's financial statements.

HIGHLIGHTS

Financial Highlights

- The City's combined assets and deferred outflows of resources exceeded its combined liabilities and deferred inflows of resources by $95,140,400 which will allow the City to continue to meet ongoing obligations to citizens and creditors.

- The General Fund reported a fund balance of $16,492,353, an increase of $231,943. The General Fund's Excess of Revenues over Expenditures was $8,920,430.

- The Proprietary Funds reported a combined fund balance of $21,727,739 an increase of $2,642,812. The Proprietary Fund's Operating Income was $2,761,841.

- The total cost of all City's programs was $39,900,163.

USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 14-16) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements begin on page 17. For governmental activities, these statements tell how services were financed in the short-term, as well as what remains for future spending. Fund financial statements also report the City's operations in more detail by providing information about the City's most significant funds.

Reporting the City as a Whole

Our analysis of the City as a whole begins on page 8. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used in most private sector companies. All the current year revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position and the Statement of Activities report the City's net position and changes in net position. You can think of the City's net position - the difference between assets and liabilities – as one way to measure the City's financial health or financial position. Over time, increases or decreases in the City's net position, is one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the City's property tax base and the condition of the City's infrastructure, to assess the overall health of the City.

In the Statement of Net Position and the Statement of Activities, we divide the City into three kinds of activities:

- Governmental Activities – Most of the City's basic services are reported here, including general administration, street, mechanic, planning and zoning, engineering, inspections, building maintenance, police, fire and rescue, library, parks and recreation, senior center, and the municipal court. Property taxes, sales taxes, program revenues, and transfers from business-type activities finance most of these activities.

- Business-type Activities – The City's Natural Gas System Fund, Sewer System Fund, and Garbage Fund are reported here. The City charges a fee to customers to cover costs of these services.

- Component Units – The City includes on separate legal entity in its report – the Water Works Board of the City of Calera, Alabama. Although legally separate, this "component unit" is important because the City is financially accountable for them. Complete financials are available by contacting the Water Works Board of the City of Calera, Alabama.

Reporting the City's Most Significant Funds

Our analysis of the City's major funds begins on page 11. The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, the City Council established many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other monies. The City's two kinds of funds – governmental and proprietary – use different accounting approaches.

- Governmental Funds – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of these funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting., which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliations after the fund financial statements.

- Proprietary Funds – When the City charges customers for the services it provides, these services are generally reported in the proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

THE CITY AS A WHOLE

Financial Analysis of the City as a Whole

Net Position

The City's combined net position increased by $4,249,193 from 2024 to 2025. The governmental activities net position increased by $1,606,381 or approximately 2%, while business type activities net position increased by $2,642,812, or approximately 12%. This increase in governmental activities resulted primarily from an increase in sales taxes and property taxes in addition to an increase charges for services and capital contributions. The increase in business type activities resulted primarily from an increase in charges for services and capital contributions.

Statement of Net Position

The following table reflects the condensed Statement of Net Position:

	Governmental Activities		Business - type Activities		Totals	
	For the Year Ended September 30,		For the Year Ended September 30,		For the Year Ended September 30,	
	2025	2024	2025	2024	2025	2024
Current and other assets	$ 38,809,278	$ 36,281,327	$ 22,010,437	$ 25,288,467	$ 60,819,715	$ 61,569,794
Capital Assets	75,692,561	71,377,826	31,092,519	25,949,907	106,785,080	97,327,733
Total assets	114,501,839	107,659,153	53,102,956	51,238,374	167,604,795	158,897,527
Deferred outflows of resources	5,318,694	6,067,018	635,834	738,019	5,954,528	6,805,037
Other liabilities	7,223,891	5,242,049	2,144,372	1,826,826	9,368,263	7,068,875
Long-term liabilities	30,774,753	30,110,595	26,773,913	28,210,212	57,548,666	58,320,807
Total liabilities	37,998,644	35,352,644	28,918,285	30,037,038	66,916,929	65,389,682
Deferred inflows of resources	11,052,040	8,811,875	449,954	152,235	11,501,994	8,964,110
Net position						
Net investment in capital assets	61,557,875	55,775,713	14,945,164	13,705,501	76,503,039	69,481,214
Restricted	16,347,689	12,681,680	(145,587)	(146,288)	16,202,102	12,535,392
Unrestricted	(7,135,715)	1,104,259	9,570,974	8,227,907	2,435,259	9,332,166
Total net position	$ 70,769,849	$ 69,561,652	$ 24,370,551	$ 21,787,120	$ 95,140,400	$ 91,348,772

For more detailed information, see the Statement of Net Position on pages 14-15.

The City's combined net position increased to $95,140,400 from $91,348,772 or 5%. The City's unrestricted net position (deficit) for governmental activities, the part of net position that can be used to finance day-to-day operations, was a deficit of ($7,135,715) which is a decrease of ($8,239,974) from the prior year, or (740%). This total decrease results from an increase in OPEB liabilities which resulted in a one time increase in expense and liability.

Changes in Net Position

The City's total revenues decreased by approximately 7% to $44,149,356. For governmental activities, sales taxes account for approximately 63% of governmental revenues. Property taxes account for approximately 12% of governmental revenues. The majority of the remaining governmental activities revenues come from fees and charges for services, other taxes, and capital grants and contributions.

The total cost of all programs and services increased by $8,371,778, or approximately 27%. Expenses of business-type activities increased by $878,554 and the cost of governmental activities increased by $7,493,224.

The table on the following page reflects the condensed Statement of Activities.

City of Calera, Alabama

Management's Discussion and Analysis

September 30, 2025

	Governmental Activities		Business - type Activities		Totals	
	For the Year Ended September 30,		For the Year Ended September 30,		For the Year Ended September 30,	
	2025	2024	2025	2024	2025	2024
REVENUES						
Program Revenues						
Fees, fines, and charges for services	$ 5,215,263	$ 5,001,891	$ 10,902,565	$ 10,192,495	$ 16,117,828	$ 15,194,386
Operating grants and contributions	500,540	271,785	-	-	500,540	271,785
Capital grants and contributions	1,001,854	6,597,229	487,070	1,455,480	1,488,924	8,052,709
General Revenues						
Sales taxes	20,562,278	18,573,891	-	-	20,562,278	18,573,891
Property taxes	3,738,522	3,575,202	-	-	3,738,522	3,575,202
Other taxes	382,721	368,132	-	-	382,721	368,132
Interest income	843,676	1,031,176	346,885	291,521	1,190,561	1,322,697
Lease income	14,110	17,609	-	-	14,110	17,609
Other income	138,268	285,821	15,604	-	153,872	285,821
Total Revenues	32,397,232	35,722,736	11,752,124	11,939,496	44,149,356	47,662,232
EXPENSES						
General Administration	7,106,982	3,177,867	-	-	7,106,982	3,177,867
Street	2,124,578	2,163,410	-	-	2,124,578	2,163,410
Mechanic	218,599	217,225	-	-	218,599	217,225
Planning and zoning	212,702	220,042	-	-	212,702	220,042
Engineering	423,262	411,876	-	-	423,262	411,876
Inspections	345,389	320,845	-	-	345,389	320,845
Building maintenance	432,565	375,586	-	-	432,565	375,586
Police	6,070,588	5,449,049	-	-	6,070,588	5,449,049
Fire and rescue	6,501,035	5,941,385	-	-	6,501,035	5,941,385
Library	570,197	571,296	-	-	570,197	571,296
Parks and recreation	3,035,949	2,842,738	-	-	3,035,949	2,842,738
Senior center	196,023	197,492	-	-	196,023	197,492
Rolling hills	778,298	740,032	-	-	778,298	740,032
Donations	44,200	65,500	-	-	44,200	65,500
Municipal court	280,224	288,779	-	-	280,224	288,779
Payments to other govt	2,209,015	-	-	-	2,209,015	-
Interest	590,404	663,664	-	-	590,404	663,664
Natural gas system	-	-	2,416,372	1,998,780	2,416,372	1,998,780
Sewer system	-	-	5,084,680	4,696,340	5,084,680	4,696,340
Other proprietary funds	-	-	1,259,101	1,186,479	1,259,101	1,186,479
Total Expenses	31,140,010	23,646,786	8,760,153	7,881,599	39,900,163	31,528,385
Excess (deficiency) before transfers & capital contributions	1,257,222	12,075,950	2,991,971	4,057,897	4,249,193	16,133,847
Transfers	349,159	353,071	(349,159)	(353,071)	-	-
Change in net position	1,606,381	12,429,021	2,642,812	3,704,826	4,249,193	16,133,847
Beginning net position, as originally reported	69,561,652	57,132,631	21,787,120	18,082,294	91,348,772	75,214,925
Prior period adjustment	(398,184)	-	(59,381)	-	(457,565)	-
Beginning net position, as restated	69,163,468	57,132,631	21,727,739	18,082,294	90,891,207	75,214,925
Ending net position	$ 70,769,849	$ 69,561,652	$ 24,370,551	$ 21,787,120	$ 95,140,400	$ 91,348,772

THE CITY'S FUNDS

Governmental Funds

As of the year-end, the Governmental Funds reported a combined fund balance of $27,240,129, which is $664,454 more than the beginning of the year. The General Fund experienced a net increase of $231,943, resulting primarily from revenues in excess of expenditures. The American Rescue Fund experienced a net decrease of ($91,019) resulting primarily from capital outlay expenditures in the current year. The Capital Projects Fund experienced a net increase of $854,909, resulting primarily from transfers from the general fund in excess of capital outlay expenditures in the current year. The Debt Service Fund experienced a net decrease of ($369,223), resulting primarily from debt retired in excess of general fund transfers. The Other Governmental Funds experienced a net increase of 37,844.

Proprietary Funds

As of the year-end, the Proprietary Funds reported a combined net position of $21,727,739, which is approximately 12% more than the beginning of the year. The Natural Gas System experienced a net increase of $94,369 after interfund transfers to other funds of $237,927. The Sewer System experienced a net increase of $2,462,457. The Garbage Fund experienced a net increase of $85,986.

General Fund Budgetary Highlights

General Fund revenues exceeded budgeted revenues by $52,103. Actual sales tax revenues was exceeded budgeted sales tax revenues by $870.

General Fund expenditures were less than budgeted amounts by $141,670.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2025, the City had $106,785,080 invested in a broad range of capital assets, including the Natural Gas System, Sewer System, Garbage Fund, land, roadways, fire and police equipment and vehicles, buildings, and park facilities. This amount represents a net increase (including additions and deductions) of $9,457,347, or approximately 9% over last year. The City's additions to capital assets included new facility construction, building improvements, police equipment, fire equipment, vehicles and park equipment. These additions were offset by the retirements of assets no longer in service and by depreciation expense.

CAPITAL ASSETS

	Governmental Activities		Business - type Activities		Totals	
	For the Year Ended September 30,		For the Year Ended September 30,		For the Year Ended September 30,	
	2025	2024	2025	2024	2025	2024
Land	$ 20,040,022	$ 20,040,022	$ 441,853	$ 441,853	$ 20,481,875	$ 20,481,875
Construction in progress	3,327,034	5,644,207	10,587,424	5,239,776	13,914,458	10,883,983
Land Improvements, net	3,518,225	3,638,727	-	-	3,518,225	3,638,727
Infrastructure, net	16,275,627	16,974,749	-	-	16,275,627	16,974,749
Systems and facilities, net	-	-	17,363,321	17,994,432	17,363,321	17,994,432
Buildings and					-	-
improvements, net	28,378,107	21,542,635	488,936	541,260	28,867,043	22,083,895
Vehicles, net	1,685,565	1,792,386	565,490	582,779	2,251,055	2,375,165
Equipment, net	2,467,981	1,745,100	1,447,330	1,149,807	3,915,311	2,894,907
Right of use asset, net	-	-	198,165	-	198,165	-
Total capital assets, net	$ 75,692,561	$ 71,377,826	$ 31,092,519	$ 25,949,907	$ 106,785,080	$ 97,327,733

Debt

At September 30, 2025, the City had $40,430,473 in warrants, and notes payable outstanding versus $43,711,098 at September 30, 2024, a decrease of 8%. Other obligations of the City include accrued vacation leave, holiday leave, and compensatory time, other post-employment benefits, and the net pension liability.

DEBT

	Governmental Activities		Business - type Activities		Totals	
	For the Year Ended September 30,		For the Year Ended September 30,		For the Year Ended September 30,	
	2025	2024	2025	2024	2025	2024
General obligation warrants	$ 13,655,623	$ 15,501,899	$ 25,927,191	$ 27,197,063	$ 39,582,814	$ 42,698,962
Notes payable	847,659	1,012,136	-	-	847,659	1,012,136
Other post employment benefit payable	11,572,767	6,415,424	-	-	11,572,767	6,415,424
Net pension liability	3,419,304	6,375,236	507,962	904,649	3,927,266	7,279,885
Compensated absences	1,279,400	805,900	175,298	108,500	1,454,698	914,400
Total LT liabilities	$ 30,774,753	$ 30,110,595	$ 26,610,451	$ 28,210,212	$ 57,385,204	$ 58,320,807

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's Mayor, City Clerk, Finance Director, and City Council considered many factors when setting the budget for the fiscal year ending September 30, 2026. Tax rates, anticipated sales tax collections, anticipated expenditures/expenses, prior year actual revenues/expenditures, and the overall economy were some of these factors. The budget is prepared in accordance with the City's budget management policies which are designed to ensure the City maintains a financial base sufficient to sustain a consistent level of municipal services, is able to withstand local and regional economic variations, and adjusts to changes in the service requirements of the community.

One of the City's major sources of income is sales tax revenue. The City has taken a conservative approach in projecting sales tax revenues when setting the budget.

Calera's local economy consists of commercial, retail, and industrial business. Some of Calera's largest businesses are Wal-Mart, Timberline Golf Course, Alabama Power, and various restaurants and retail shops. The City's sales tax revenue has increased in previous years due to recent commercial developments.

These indicators were taken into account when adopting the General Fund budget for fiscal year ending September 30, 2026. Projected revenues in the General Fund budget are $29,379,792. The City expects the major sources of revenues and expenditures to remain stable in fiscal year 2026.

If these estimates are realized, the City's budgetary fund balance is expected to increase by the close of fiscal year 2026.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional information, contact the City Clerk of Calera, 7901 Highway 31, Calera, AL 35040.

City of Calera, Alabama
Statement of Net Position
September 30, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-type activities	Total	Water Works Board
Assets				
Current assets				
Cash and cash equivalents	$ 16,059,401	$ 8,673,188	$ 24,732,589	$ 7,185,703
Certificate of deposit	569,568	-	569,568	-
Accounts receivable, net	5,544,305	1,364,234	6,908,539	813,856
Lease receivable	200,000	-	200,000	-
Due from component unit	16,192	-	16,192	-
Prepaid expenses	203,575	-	203,575	-
Inventory	-	319,696	319,696	268,974
Restricted assets:				
Cash and cash equivalents	9,147,698	-	9,147,698	-
Certificate of deposit	476,934	-	476,934	-
Accounts receivable	206,373	-	206,373	-
Due from ADEM - current	-	1,672,751	1,672,751	205,450
Due from other funds	41,583	-	41,583	-
Total current assets	32,465,629	12,029,869	44,495,498	8,473,983
Noncurrent assets				
Restricted cash and cash equivalents	5,923,649	461,947	6,385,596	1,313,532
Due from ADEM - restricted, noncurrent	-	9,518,621	9,518,621	787,000
Lease receivable, less current portion	420,000	-	420,000	-
Lease right of use asset, net	-	198,165	198,165	-
Nondepreciable capital assets	23,367,056	11,029,275	34,396,331	7,890,442
Depreciable capital assets, net	52,325,505	19,865,079	72,190,584	19,204,187
Total noncurrent assets	82,036,210	41,073,087	123,109,297	29,195,161
Total assets	114,501,839	53,102,956	167,604,795	37,669,144
Deferred outflows of resources				
Pension	2,945,520	374,619	3,320,139	-
Other post employment benefits	2,289,656	-	2,289,656	-
Deferred charge on refunding	83,518	261,215	344,733	45,006
Total deferred outflows of resources	5,318,694	635,834	5,954,528	45,006

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

City of Calera, Alabama
Statement of Net Position - Continued
September 30, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-type activities	Total	Water Works Board
Liabilities				
Accounts payable	251,015	1,751,031	2,002,046	569,539
Due from other funds	-	41,583	41,583	-
Due to the City	-	-	-	16,192
Unearned revenue	20,672	-	20,672	2,010,241
Accrued expenses	348,962	38,068	387,030	44,518
Payable from restricted assets:				
Accounts payable	165,042	-	165,042	-
Accrued expenses	15,418	-	15,418	-
Deposits	6,392,103	92,196	6,484,299	174,035
Accrued interest payable	30,679	145,587	176,266	52,803
Current maturities of long-term liabilities				
Current portion of lease liabilities	-	75,907	75,907	-
Current portion of long-term debt	1,599,650	1,301,525	2,901,175	906,659
Compensated absences	639,700	87,648	727,348	33,350
Total current liabilities	9,463,241	3,533,545	12,996,786	3,807,337
Noncurrent liabilities				
Lease liabilities, less current portion	-	163,462	163,462	-
Long-term debt, less current portion	12,903,632	24,625,666	37,529,298	13,560,451
Compensated absences	639,700	87,650	727,350	33,350
Total pension liability	3,419,304	507,962	3,927,266	-
Total OPEB liability	11,572,767	-	11,572,767	-
Total noncurrent liabilities	28,535,403	25,384,740	53,920,143	13,593,801
Total liabilities	37,998,644	28,918,285	66,916,929	17,401,138
Deferred inflows of resources				
Property taxes levied for subsequent years	3,776,609	-	3,776,609	-
Pension	3,328,464	449,954	3,778,418	-
Other post employment benefits	3,946,967	-	3,946,967	-
Total deferred inflows of resources	11,052,040	449,954	11,501,994	-
Net position				
Net investment in capital assets	61,557,875	16,617,915	78,175,790	13,665,015
Restricted for:				
Capital projects	8,787,105	-	8,787,105	-
Debt service	594,391	(145,587)	448,804	1,260,729
Municipal court	210,743	-	210,743	-
Parks and recreation	1,305	-	1,305	-
Police	17,309	-	17,309	-
Street improvements	6,736,836	-	6,736,836	-
Unrestricted	(7,135,715)	7,898,223	762,508	5,387,268
Total net position	$ 70,769,849	$ 24,370,551	$ 95,140,400	$ 20,313,012

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

City of Calera, Alabama
Statement of Activities
For the Year Ended September 30, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
					Primary Government			Component Unit
Function/Programs	Expenses	Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	Governmental Activities	Business-type Activities	Total	Calera Water Works Board
Primary government								
Governmental activities								
General administration	$ 7,106,982	$ 3,214,607	$ -	$ 324,915	$ (3,567,460)	$ -	$ (3,567,460)	$ -
Street	2,124,578	-	206,370	177,810	(1,740,398)	-	(1,740,398)	-
Mechanic	218,599	-	-	-	(218,599)	-	(218,599)	-
Planning and zoning	212,702	4,025	-	-	(208,677)	-	(208,677)	-
Engineering	423,262	-	-	-	(423,262)	-	(423,262)	-
Inspections	345,389	370,571	-	-	25,182	-	25,182	-
Building maintenance	432,565	-	-	-	(432,565)	-	(432,565)	-
Police	6,070,588	249,927	183,741	23,315	(5,613,605)	-	(5,613,605)	-
Fire and rescue	6,501,035	136,541	45,386	-	(6,319,108)	-	(6,319,108)	-
Library	570,197	4,403	61,543	-	(504,251)	-	(504,251)	-
Parks and recreation	3,035,949	299,245	-	475,814	(2,260,890)	-	(2,260,890)	-
Senior center	196,023	10,147	3,500	-	(182,376)	-	(182,376)	-
Rolling Hills	778,298	573,818	-	-	(204,480)	-	(204,480)	-
Donations	44,200	-	-	-	(44,200)	-	(44,200)	-
Municipal court	280,224	351,979	-	-	71,755	-	71,755	-
Payments to other governments	2,209,015	-	-	-	(2,209,015)		(2,209,015)	
Interest and fees	590,404	-	-	-	(590,404)	-	(590,404)	-
Total primary government	31,140,010	5,215,263	500,540	1,001,854	(24,422,353)	-	(24,422,353)	-
Business-type activities								
Natural Gas System	2,416,372	2,652,420	-	-	-	236,048	236,048	-
Sewer System	5,084,680	6,811,299	-	487,070	-	2,213,689	2,213,689	-
Other Proprietary Funds	1,259,101	1,438,846	-	-	-	179,745	179,745	-
Total Business-type Activities	8,760,153	10,902,565	-	487,070	-	2,629,482	2,629,482	-
Total Primary Government	$ 39,900,163	$ 16,117,828	$ 500,540	$ 1,488,924	$ (24,422,353)	$ 2,629,482	$ (21,792,871)	$ -
Component unit								
Calera Water Works Board	$ 4,744,002	$ 5,563,917	$ -	$ 3,499,252	$ -	$ -	$ -	$ 4,319,167
General revenues and other items								
Taxes:								
Sales					20,562,278	-	20,562,278	-
Property					3,738,522	-	3,738,522	-
Other					382,721	-	382,721	-
Interest earnings					843,676	346,885	1,190,561	402,365
Lease income					14,110	-	14,110	-
Other income					138,268	15,604	153,872	6,117
Transfers					349,159	(349,159)	-	-
Total general revenues and other items					26,028,734	13,330	26,042,064	408,482
Change in net position					1,606,381	2,642,812	4,249,193	4,727,649
Net position - beginning of year, as previously reported					69,561,652	21,787,120	91,348,772	15,610,672
Prior period adjustment - implementation of GASB 101					(398,184)	(59,381)	(457,565)	(25,269)
Net position - beginning of year, as restated					69,163,468	21,727,739	90,891,207	15,585,403
Net position - end of year					$ 70,769,849	$ 24,370,551	$ 95,140,400	$ 20,313,052

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

City of Calera, Alabama

Balance Sheet - Governmental Funds

September 30, 2025

	General	American Rescue Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	$ 16,059,401	$ -	$ -	$ -	$ -	$ 16,059,401
Certificate of deposit	569,568	-	-	-	-	569,568
Accounts receivable	5,544,305	-	-	-	-	5,544,305
Due from component unit	16,192	-	-	-	-	16,192
Prepaid expenses	203,575	-	-	-	-	203,575
Restricted assets:						
Cash	5,923,649	-	7,701,388	554,071	892,239	15,071,347
Certificates of deposit	476,934	-	-	-	-	476,934
Accounts receivable	-	-	30,181	-	176,192	206,373
Due from other funds	-	-	1,502,657	78,978	-	1,581,635
Total assets	$ 28,793,624	$ -	$ 9,234,226	$ 633,049	$ 1,068,431	$ 39,729,330
Liabilities						
Accounts payable	$ 251,015	$ -	$ -	$ -	$ -	$ 251,015
Accrued expenses	348,962	-	-	-	-	348,962
Due to other funds	1,540,052	-	-	-	-	1,540,052
Payable from restricted assets						
Accounts payable	-	-	162,043	-	2,999	165,042
Accrued expenses	-	-	-	-	15,418	15,418
Unearned revenue	-	-	-	-	-	-
Deposits	6,384,633	-	-	-	7,470	6,392,103
Total liabilities	8,524,662	-	162,043	-	25,887	8,712,592
Deferred inflows of resources						
Property taxes levied for subsequent year	3,776,609	-	-	-	-	3,776,609
Total deferred inflows of resources	3,776,609	-	-	-	-	3,776,609
Fund balance (deficit)						
Restricted for						
Capital projects	-	-	9,072,183	-	-	9,072,183
Debt service	-	-	-	633,049	-	633,049
Municipal court	-	-	-	-	210,743	210,743
Parks and recreation	1,305	-	-	-	-	1,305
Police	17,309	-	-	-	-	17,309
Street improvements	5,905,035	-	-	-	831,801	6,736,836
Unassigned	10,568,704	-	-	-	-	10,568,704
	16,492,353	-	9,072,183	633,049	1,042,544	27,240,129
Total liabilities and fund balance	$ 28,793,624	$ -	$ 9,234,226	$ 633,049	$ 1,068,431	$ 39,729,330

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

City of Calera, Alabama
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
September 30, 2025

Total fund balances - governmental funds		$ 27,240,129
Amounts reported for governmental activities in the statement of net position are different due to the following:		
Lease receivable reported in governmental activities is not collectible in the current period and, therefore, is not reported in the governmental funds. Unearned revenue related to future lease income reduces net position reported in governmental activities but is not reported in the governmental funds		
Lease receivable	620,000	
Less: Unearned revenue related to lease receivable	(20,672)	599,328
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Governmental capital assets	107,643,933	
Less accumulated depreciation	(31,951,372)	75,692,561
Deferred outflows and deferred inflows related to the net pension liability and other post employment benefit payable are not reported in the governmental funds		
Deferred outflows related to pension	2,945,520	
Deferred outflows related to OPEB	2,289,656	
Deferred inflows related to pension	(3,328,464)	
Deferred inflows related to OPEB	(3,946,967)	(2,040,255)
Long-term liabilities, including warrants payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Warrants payable	(13,425,000)	
Discounts (premiums)	(230,623)	
Deferred charges on refunding	83,518	
Notes payable	(847,659)	
Net pension liability	(3,419,304)	
Other post employment benefits payable	(11,572,767)	
Compensated absences	(1,279,400)	(30,691,235)
Interest payable is not recognized as an expenditure in governmental funds, but rather is recognized when an expenditure is paid.		(30,679)
Total net position - governmental activities		$ 70,769,849

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

City of Calera, Alabama

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds

For the Year Ended September 30, 2025

	General	American Rescue Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Taxes						
Sales	$ 20,562,278	$ -	$ -	$ -	$ -	$ 20,562,278
Property	3,738,522	-	-	-	-	3,738,522
Motor vehicle/gas	56,604	-	-	-	200,370	256,974
Other	326,117	-	-	-	-	326,117
Licenses and permits	3,471,341	-	-	-	-	3,471,341
Fines and forfeits	-	-	-	-	351,694	351,694
Charges for services	1,391,943	-	-	-	-	1,391,943
Interest	517,029	8,567	258,398	24,934	34,748	843,676
Other	777,994	170,749	178,124	-	285	1,127,152
	30,841,828	179,316	436,522	24,934	587,097	32,069,697
Expenditures						
General administration	1,402,379	-	-	-	-	1,402,379
Street	1,269,206	-	-	-	175,159	1,444,365
Mechanic	212,313	-	-	-	-	212,313
Planning and zoning	200,515	-	-	-	-	200,515
Engineering	398,265	-	-	-	-	398,265
Inspections	330,648	-	-	-	-	330,648
Building maintenance	421,532	-	-	-	-	421,532
Police	5,591,993	-	-	-	-	5,591,993
Fire and rescue	6,366,261	-	-	-	-	6,366,261
Library	477,476	-	-	-	-	477,476
Parks and recreation	2,444,987	-	-	-	-	2,444,987
Senior center	165,071	-	-	-	-	165,071
Rolling Hills	669,008	-	-	-	-	669,008
Donations	44,200	-	-	-	-	44,200
Municipal court	-	-	-	-	283,654	283,654
Payments to other governments	-	25,250	2,183,765	-	-	2,209,015
Capital outlay	1,744,327	-	5,029,191	-	-	6,773,518
Debt service						
Principal retirement	164,477	-	-	1,795,000	-	1,959,477
Interest and fees	18,740	-	-	587,626	-	606,366
	21,921,398	25,250	7,212,956	2,382,626	458,813	32,001,043
Excess (deficiency) of revenues over (under) expenditures	8,920,430	154,066	(6,776,434)	(2,357,692)	128,284	68,654
Other financing sources (uses)						
Proceeds from sale of capital assets	46,641	-	-	-	-	46,641
Proceeds from capital lease	200,000	-	-	-	-	200,000
Transfers (to)/from American Rescue fund	566	(245,085)	244,519	-	-	-
Transfers (to)/from capital projects fund	(7,386,824)	-	7,386,824	-	-	-
Transfers (to)/from debt service fund	(1,988,469)	-	-	1,988,469	-	-
Transfers (to)/from other government funds	90,440	-	-	-	(90,440)	-
Transfers (to)/from Natural Gas System	237,927	-	-	-	-	237,927
Transfers (to)/from Sewer fund	-	-	-	-	-	-
Transfers (to)/from other proprietary funds	111,232	-	-	-	-	111,232
	(8,688,487)	(245,085)	7,631,343	1,988,469	(90,440)	595,800
Net change in fund balance	231,943	(91,019)	854,909	(369,223)	37,844	664,454
Fund balance (deficit) - beginning of year	16,260,410	91,019	8,217,274	1,002,272	1,004,700	26,575,675
Fund balance (deficit) - end of year	$ 16,492,353	$ -	$ 9,072,183	$ 633,049	$ 1,042,544	$ 27,240,129

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

City of Calera, Alabama

Reconciliation of the Governmental Funds Statement of Revenues,
Expenditures and Changes in Fund Balances to the Statement of Activities
For the year ended September 30, 2025

Net changes in fund balances - governmental funds		$ 664,454
Amounts reported for governmental activities in the statement of activities are different due to the following:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlay	6,773,518	
Less depreciation expense	(2,725,567)	4,047,951
Donations of capital assets do not provide current financial resources and are not recorded in governmental funds. However, donations of capital assets increase net position		347,690
The proceeds from the sale of capital assets ($46,641) are reported as other financing sources in the governmental funds. However, the net book value of the capital assets ($80,906) is removed from the capital assets account in the Statement of Net Position and offsets against the sales proceeds resulting in a loss in the Statement of Activities of ($34,265)		(80,906)
The proceeds from a capital lease are reported as revenue in the governmental funds. However, the lease is reported as a sale of a capital asset in the Statement of Net Position and unearned revenue related to the transaction is amortized over the life of the lease and reported as lease income in the Statement of Activities		
Proceeds from capital leases	(200,000)	
Lease income	14,110	(185,890)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Principal retirement	1,959,477	
Deferred amount on refunding amortization	(43,293)	
Premium and discount amortization	51,276	1,967,460
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Increase in accrued compensated absences	(75,316)	
Decrease in pension expense	253,934	
Increase in other post employment benefit payable	(5,340,975)	
Decrease in accrued interest	7,979	(5,154,378)
Change in net position - governmental activities		$ 1,606,381

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

City of Calera, Alabama
Statement of Proprietary Fund Net Position
September 30, 2025

	Natural Gas System	Sewer System	Garbage Fund	Total
Assets				
Current assets				
Cash and cash equivalents	$ 2,034,779	$ 6,024,086	$ 614,323	$ 8,673,188
Accounts receivable, net	238,451	956,829	168,954	1,364,234
Due from ADEM - restricted, current	-	1,672,751	-	1,672,751
Inventory	274,331	45,365	-	319,696
Total current assets	2,547,561	8,699,031	783,277	12,029,869
Noncurrent assets				
Restricted cash and cash equivalents	-	461,947	-	461,947
Due from ADEM - restricted, noncurrent	-	9,518,621	-	9,518,621
Lease right of use assets, net	-	-	198,165	198,165
Nondepreciable assets	227,183	10,802,092	-	11,029,275
Depreciable capital assets, net	3,262,435	16,291,325	311,319	19,865,079
Total noncurrent assets	3,489,618	37,073,985	509,484	41,073,087
Total assets	6,037,179	45,773,016	1,292,761	53,102,956
Deferred outflows of resources				
Pension	135,484	157,081	82,054	374,619
Deferred charge on refunding	-	261,215	-	261,215
Total deferred outflows of resources	135,484	418,296	82,054	635,834
Liabilities				
Current liabilities				
Accounts payable	14,815	1,710,465	25,751	1,751,031
Due (from) to General Fund	16,613	16,647	8,323	41,583
Accrued expenses	10,492	19,834	7,742	38,068
Compensated absences, current portion	20,739	62,000	4,909	87,648
Payable from restricted assets				
Customer deposits	92,196	-	-	92,196
Accrued interest	-	139,206	6,381	145,587
Current portion of lease liabilities	-	-	75,907	75,907
Current portion of long-term debt	-	1,301,525	-	1,301,525
Total current liabilities	154,855	3,249,677	129,013	3,533,545
Noncurrent liabilities				
Compensated absences, net of current portion	20,740	62,000	4,910	87,650
Net pension liability	202,670	189,620	115,672	507,962
Lease liabilities, net of current portion	-	-	163,462	163,462
Long-term debt, net of current portion	-	24,625,666	-	24,625,666
Total noncurrent liabilities	223,410	24,877,286	284,044	25,384,740
Total liabilities	378,265	28,126,963	413,057	28,918,285
Deferred inflows of resources				
Pension	136,541	220,485	92,928	449,954
Total deferred inflows of resources	136,541	220,485	92,928	449,954
Net position				
Net investment in capital assets	3,489,618	12,618,813	509,484	16,617,915
Unrestricted	2,168,239	4,902,310	359,346	7,429,895
Restricted for debt service	-	322,741	-	322,741
Total net position	$ 5,657,857	$ 17,843,864	$ 868,830	$ 24,370,551

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

City of Calera, Alabama

Statement of Revenues, Expenses, and Changes in Proprietary Fund Net Position

September 30, 2025

	Natural Gas System	Sewer System	Garbage Fund	Total
Operating Revenues				
Utility receipts	$ 2,604,308	$ 5,721,149	$ 1,438,846	$ 9,764,303
Fees	28,633	1,086,000	-	1,114,633
Miscellaneous	19,479	4,150	-	23,629
Total operating revenues	2,652,420	6,811,299	1,438,846	10,902,565
Operating Expenses				
Gas purchases	978,177	-	-	978,177
Personnel services	786,398	1,420,009	575,914	2,782,321
Supplies expense	56,054	293,005	48,232	397,291
Repairs and maintenance	43,690	315,238	117,731	476,659
Depreciation and amortization	211,124	1,127,796	162,207	1,501,127
Administrative expenses	210,827	1,157,013	99,530	1,467,370
Outside expenses	130,102	158,571	249,106	537,779
Total operating expenses	2,416,372	4,471,632	1,252,720	8,140,724
Operating income	236,048	2,339,667	186,126	2,761,841
Non Operating Revenues (Expenses)				
Interest income	83,161	246,251	17,473	346,885
Gain on disposal of capital assets	13,087	2,517	-	15,604
Interest and fiscal charges	-	(611,548)	(6,381)	(617,929)
Trustee fees	-	(1,500)	-	(1,500)
Total non operating revenues (expenses)	96,248	(364,280)	11,092	(256,940)
Income (loss) before capital contributions, grants and interfund operating transfers	332,296	1,975,387	197,218	2,504,901
Federal grants	-	487,070	-	487,070
Interfund operating transfers	(237,927)	-	(111,232)	(349,159)
Change in net position	94,369	2,462,457	85,986	2,642,812
Net position - beginning of year, as previously reported	5,576,718	15,423,181	787,221	21,787,120
Prior period adjustment - implementation of GASB 101	(13,230)	(41,774)	(4,377)	(59,381)
Net position - beginning of year, as restated	5,563,488	15,381,407	782,844	21,727,739
Net position - end of year	$ 5,657,857	$ 17,843,864	$ 868,830	$ 24,370,551

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

City of Calera, Alabama
Statement of Proprietary Fund Cash Flows
September 30, 2025

	Natural Gas System	Sewer System	Garbage Fund	Total Proprietary Funds
Cash Flows from Operating Activities				
Cash received from customers	$ 2,613,288	$ 6,836,192	$ 1,430,709	$ 10,880,189
Cash paid to employees	(787,192)	(1,438,589)	(582,950)	(2,808,731)
Cash paid to suppliers for goods and services	(1,447,850)	(1,724,673)	(500,667)	(3,673,190)
Net cash provided by operating activities	378,246	3,672,930	347,092	4,398,268
Cash Flows from Noncapital Financing Activities				
Transfers (to)/from other funds	(219,470)	16,700	(101,488)	(304,258)
Net cash (used in) provided by noncapital financing activities	(219,470)	16,700	(101,488)	(304,258)
Cash Flows from Capital and Related Financing Activities				
Acquisition and construction of property, plant and equipment	(397,834)	(6,006,536)	-	(6,404,370)
Proceeds from sale of capital assets	13,087	2,517	-	15,604
Capital grants received	-	487,070	-	487,070
Proceeds from general obligation warrants	-	3,463,026	-	3,463,026
Principal payments on debt	-	(1,210,000)	-	(1,210,000)
Interest and fiscal charge payments on debt	-	(641,458)	-	(641,458)
Trustee fees	-	(1,500)	-	(1,500)
Net cash used in capital and related financing activities	(384,747)	(3,906,881)	-	(4,291,628)
Cash Flows from Investing Activities				
Interest on cash and investments	83,161	246,251	17,473	346,885
Net cash provided by investing activities	83,161	246,251	17,473	346,885
Net (decrease)/increase in cash and cash equivalents	(142,810)	29,000	263,077	149,267
Cash and cash equivalents - beginning of year	2,177,589	6,457,033	351,246	8,985,868
Cash and cash equivalents - end of year	$ 2,034,779	$ 6,486,033	$ 614,323	$ 9,135,135

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

City of Calera, Alabama
Statement of Proprietary Fund Cash Flows (continued)
September 30, 2025

	Natural Gas System	Sewer System	Garbage Fund	Total Proprietary Funds
Operating income	$ 236,048	$ 2,339,667	$ 186,126	$ 2,761,841
Adjustments to reconcile operating income to net cash provided by operating activities				
Depreciation	211,124	1,127,796	162,207	1,501,127
(Increase) decrease in				
Accounts receivable	(39,477)	24,893	(8,137)	(22,721)
Inventory	(10,831)	(5,495)	-	(16,326)
Deferred outflows	21,107	30,404	13,630	65,141
Increase (decrease) in				
Accounts payable	(22,206)	198,512	11,983	188,289
Customer deposits	345	-	-	345
Compensated absences	6,949	626	(158)	7,417
Accrued expenses	4,037	6,137	1,949	12,123
Deferred inflows	86,791	149,237	61,691	297,719
Net pension liability	(115,641)	(198,847)	(82,199)	(396,687)
Net cash provided by operating activities	$ 378,246	$ 3,672,930	$ 347,092	$ 4,398,268

Noncash Investing, Capital, and Financing Activities

Calera Sewer System had amortization of warrant premiums of $59,872, and amortization of deferred charges on refunding of $37,044.

Reconciliation of Cash and Cash Equivalents to Statement of Net Position

Cash and cash equivalents on the Statement of Cash Flows are composed of the following balances from the Statement of Proprietary Net Position:

	Natural Gas System	Sewer System	Nonmajor Proprietary Fund	Total Proprietary Funds
Cash	$ 2,034,779	$ 6,024,086	$ 614,323	$ 8,673,188
Restricted cash	-	461,947	-	461,947
Cash and cash equivalents	$ 2,034,779	$ 6,486,033	$ 614,323	$ 9,135,135

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

1. Summary of Significant Accounting Policies

Financial Reporting Entity

The City of Calera (the "City"), an Alabama Municipal Corporation, was incorporated in 1893. The governing body is an elected Mayor and a six-member elected City Council.

The financial statements of the City are prepared in accordance with U.S. generally accepted accounting principles (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The City's reporting entity applies all relevant GASB pronouncements.

As required by accounting principles generally accepted in the United States of America, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so, data from these units is combined with the data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize that it is legally separate from the government.

Discretely Presented Component Unit

The Water Works Board of the City of Calera, Alabama (the Board) – The Board was created by the City to provide water services to the City and surrounding communities. The Board is governed by a five-member group appointed by the Calera City Council. The Board is a discretely presented component unit and is reported in a separate column in the government wide financial statements to emphasize that it is separate from the primary government. Complete financials are available by contacting the Board.

Government-Wide and Fund Financial Statements

The basic financial statements are presented at both the government-wide (based on the City as a whole) and fund financial level. Both levels of statements categorize primary activities as either governmental or business type. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support..

1. Summary of Significant Accounting Policies (continued)

Government-Wide and Fund Financial Statements Continued

Government-Wide Financial Statements display information about the City as a whole. The effect of interfund activity, within the governmental and business-type activities columns, has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user fees and charges for services. These aggregate statements consist of the statement of net position and the statement of activities.

The *Statement of Net Position* measurement focus is full accrual basis of accounting and economic resource measurement, and the statement presents information on all of the City's assets, deferred outflows, and liabilities (including long-term assets and receivables as well as long-term debt and obligations), with the difference being reported as net position.

The *Statement of Activities* demonstrates the degree to which direct expenses of a given function, or segment, are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items (property, sales and use taxes, certain intergovernmental revenues, etc.) not attributable to a specific program are reported as general revenues. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed. The City does not employ an indirect cost allocation system.

Fund Financial Statements display information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified and summarized as governmental, proprietary, or fiduciary. Currently, the City has governmental and proprietary funds in the basic financial statements. Major individual governmental funds are reported in separate columns in the basic financial statements. Nonmajor funds (by category or fund type) are consolidated into a single column of the basic financial statements.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe which transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded. The government-wide financial statements and proprietary fund financial statements are presented on a full accrual basis of accounting with an economic resource measurement focus. An economic resource focus concentrates on an entity or fund's net position.

All transactions and events that affect the total economic resources (net position) during the period are reported. Economic resources measurement focus is connected with the full accrual basis of accounting. Under the full accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash inflows and outflows.

1. Summary of Significant Accounting Policies (continued)

Measurement Focus and Basis of Accounting - Continued

Governmental fund financial statements are presented on a modified accrual basis of accounting with a current financial resource measurement focus. The measurement focus concentrates on the fund's resources available for spending currently or in the near future. Only transactions and events affecting the fund's current financial resources during the period are reported. Current resources measurement is connected with the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available). Measurable means the amount of the transaction can be determined and revenues are considered available when they are collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Revenues considered susceptible to accrual are property taxes, state, county and local shared revenues, franchise taxes and intergovernmental revenues. Expenditures are recognized when the related liability is incurred, with the exception of principal and interest on general obligation long-term debt, compensated absences, and claims and judgments, which are recognized as expenditures to the extent that they have matured.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each statement, which briefly explains the adjustment necessary to transform the fund-based financial statements into the governmental activities column of the government-wide presentation.

Basis of Presentation - Fund-Level Financial Statements

Accounting principles generally accepted in the United States of America set forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

Governmental funds are those through which general government functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds.

The City reports the following major governmental funds:

General Fund - To account for all revenues and expenditures applicable to the general operations of government that are not properly accounted for in another fund. All general operating revenues, which are not restricted or designated as to use by outside sources, are recorded in the General Fund.

Capital Projects Fund - To account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, specifically the acquisition or construction of capital facilities and other capital assets usually funded by general obligation warrant proceeds (other than those financed by proprietary funds). Transactions funded by general fund revenues are not accounted for in the Capital Projects Fund.

1. Summary of Significant Accounting Policies (continued)

Basis of Presentation - Fund-Level Financial Statements - Continued

Debt Service Fund - To account for the accumulation of resources for and the payment of interest and principal on general long-term debt.

American Rescue Fund – To account for and report financial resources that are restricted for grant purposes outlined in the grant agreement.

Additionally, the City reports the following non-major governmental funds:

Special Revenue Funds - To account for the proceeds of specific revenue resources that are legally restricted or designated for expenditures with specified purposes.

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of operating income and changes in net position, financial position, and cash flows. All assets and liabilities are included on the Statement of Net Position.

The City reports the following major proprietary funds:

Natural Gas System - The Natural Gas System is used to account for the provision of gas services to the residents and businesses of the City. Activities of the fund include administration, operations, and maintenance of the gas system, and billing and collection activities.

Sewer System - The Sewer System is used to account for the provision of sewer services to the residents and businesses of the City. Activities of the fund include administration, operations and maintenance of the sewer system, and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for sewer debt.

Garbage Fund - The Garbage Fund is used to account for the provision of garbage services primarily to the residents of the City. Activities of the fund include administration and billing and collections of fees related to the garbage services provided.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personnel and contractual services, supplies, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

1. Summary of Significant Accounting Policies (continued)

Basis of Presentation - Fund-Level Financial Statements - Continued

The proprietary funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict Governmental Accounting Standards Board pronouncements, in which case, Governmental Accounting Standards Board prevails.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, and deferred inflows, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

Cash and Cash Equivalents

The City considers all instruments with an original maturity of three months or less to be cash and cash equivalents. Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits. These amounts represent actual account balances held by financial institutions at the end of the period, and unlike the balances reported in the financial statements, the account balances do not reflect timing delays inherent in reconciling items such as outstanding checks and deposits in transit. The City has never experienced any losses related to these balances.

The City also participates in the Alabama State Treasury's Security for Alabama Funds Enhancement (SAFE) program. The bank holding the City's deposits is a certified participant in the SAFE program. Through the SAFE program, all public funds are protected through a collateral pool administered by the Alabama State Treasury.

Restricted Assets

Restricted assets include cash and cash equivalents, certificates of deposit and accounts receivable restricted for repayment of debt service on all debt issued for the City and for future capital projects as well as court, parks and recreation, street improvements and public safety. The use of these assets are limited by legal requirements or restrictions imposed externally by creditors or contributors.

Allowance for Uncollectible Accounts

Proprietary fund accounts receivable are uncollateralized customer obligations due from normal customer transactions and are stated at the amount billed to customers for services rendered. Management reviews all accounts receivable balances and based on an assessment of current credit worthiness, estimates the portion, if any, of the balance that may not be collected. Management provides for probable uncollectible amounts through a charge to earnings and a credit to the allowance for doubtful accounts. Balances deemed uncollectible are written off. At September 30, 2025, management has recorded an allowance for doubtful accounts of $60,416.

1. Summary of Significant Accounting Policies (continued)

Inventory

Inventory consists of supplies for the Natural Gas System and Sewer System as well as natural gas held in storage for the Natural Gas System. Inventory is recorded at the lower of cost or market, determined by first in, first out method. The cost is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the government-wide financial statements and in the fund financial statements for proprietary funds. Capital assets are defined by the government as assets with an initial individual cost of more than $3,000 and an estimated useful life in excess of five years. Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Donated or contributed capital assets are recorded at their estimated fair value on the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' useful lives are charged to operations as incurred. Improvements that materially extend the useful life of an asset are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Depreciation of capital assets is computed using the straight-line method over the following estimated useful lives: system and facilities, 30 to 40 years; building and improvements, 30 to 40 years; machinery and equipment, 5 to 25 years; and infrastructure, 25 to 50 years.

Depreciation is provided in the proprietary funds in amounts sufficient to relate the cost of the depreciable assets to operate over their estimated service lives on the straight-line basis.

Deferred Outflows of Resources

The City's statements of net position report a separate section for deferred outflows of resources. This separate financial statement element reflects a decrease in net position that applies to future periods. Deferred outflows of resources reported in the financial statements are amounts of pension contributions through the end of the City's fiscal year to be recognized by the pension plan on the accrual basis of accounting in the next measurement period, other deferred charges related to the pension and other post-employment benefit liability as well as deferred amounts arising from the refunding of warrants payable. The deferred refunding amounts are being amortized over the shorter of the life of the refunded or refunding warrants as part of interest expense.

1. Summary of Significant Accounting Policies (continued)

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental and business-type activities columns of the statement of net position. These liabilities are also recorded in the proprietary fund statement of net position, as applicable. Warrant premiums and discounts are deferred and amortized over the life of the warrants using the warrants outstanding method. Warrants payable are reported net of the applicable warrant premium or discount. Issuance costs are expensed as incurred.

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

Compensated Absences

The City's vacation policy states that eligible employees can earn vacation leave which, if unused, is paid upon termination of employment. Vacation leave is earned at graduated rates based on the employee's length of service. An employee may carry forward a limited amount of vacation leave from one calendar year to the next. Any amount of vacation leave earned by an employee in excess of the limit but not used by the end of the calendar year is forfeited.

The City's compensatory time policy allows employees to accrue compensatory time in lieu of monetary overtime compensation for hours worked in excess of a normal week. Compensatory time is granted at a rate of one- and one-half hours of compensatory time for each hour of overtime worked. An employee may accrue a limited amount of compensatory time. All compensatory time earned is immediately 100% vested.

The City's holiday leave policy permits certain City employees to accrue holiday leave for hours worked on holidays observed by the City. An employee who resigns or retires in good standing shall be paid for all holiday leave accrued.

The City accrues liabilities for vacation leave, compensatory time, and holiday leave in the amount that will be owed to employees upon termination of service.

The accrued amounts of vacation leave, compensatory time, and holiday leave are recorded as noncurrent liabilities, net of current portion in proprietary funds. The accrued amounts of vacation leave, holiday leave, and compensatory time earned by employees whose salaries are charged to the General Fund and Other Governmental Funds are recorded as noncurrent liabilities in the government-wide financial statements.

1. Summary of Significant Accounting Policies (continued)

Pensions

The Employees' Retirement Systems of Alabama (the Plan or ERS) financial statements are prepared using the economic resources measurement focus and accrual basis of accounting. Contributions are recognized as revenues when earned, pursuant to the Plan requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Expenses are recognized when the corresponding liability is incurred, regardless of when the payment is made. Investments are reported at fair value. Financial statements are prepared in accordance with requirements of the GASB. Under these requirements, the Plan is considered a component unit of the State of Alabama and is included in the State's Comprehensive Annual Financial Report. The last year for which actuarial information is available is for the fiscal year ended September 30, 2024, and, therefore, this actuarial information is reported in the 2025 financial statements.

Other Postemployment Benefit Obligations

In accordance with GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (OPEB), the City is required to report the City's actuarially determined net OPEB obligation as a long-term liability in the government-wide financial statements.

Deferred Inflows of Resources

The City's statement of net position and its governmental fund balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position or fund balance that applies to a future period. Deferred inflows of resources reported in the financial statements are for differences between projected and actual earnings on pension plan investments, difference between projected and actual earnings on the other post-employment benefit plan and property taxes levied for subsequent years.

Net Position

The City reports information regarding its financial position and activities according to three classes of net position in the government-wide financial statements: net investment in capital assets, restricted net position, and unrestricted net position.

Net Investment in Capital Assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any warrants, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position is reported as restricted when constraints placed on net position use are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions.

1. Summary of Significant Accounting Policies (continued)

Net Position (continued)

Unrestricted Net Position is the residual component of net position. It consists of net position that does not meet the definition of restricted or net investment in capital assets.

Fund Equity

The City is required, as applicable, to present fund balances in five categories. The fund balance categories are:

Non-spendable - Includes items that are not in a spendable form because they are either legally or contractually required to be maintained intact.

Restricted - Includes items that are restricted by external creditors, grantors or contributors, or restricted by legal constitutional provisions.

Committed - Includes items committed by the City Council, by resolution of the Council. Commitments may be modified or rescinded by similar resolution.

Assigned - Includes items assigned by specific uses, authorized by the City Council.

Unassigned - This is the residual classification used for those balances not assigned to another category in the general fund. Deficit fund balances are also presented as unassigned.

The City is required to designate the responsible party to make assignments of fund balance, and the City designated the City Council as the responsible party based on the size of City government.

The City's spending policy states in what order fund balance categories are spent. The City Council approved the following fund balance order of spending: (1) restricted fund balance, (2) committed fund balance, (3) assigned fund balance, and lastly (4) unassigned fund balance.

The City Council adopted a minimum fund balance policy for the General Fund. This policy requires the General Fund to maintain a minimum unassigned fund balance of no less than 10% of annual operating expenditures.

Interfund Operating Transfers, Receivables, and Payables

During the normal course of operations, the City has numerous transactions between funds to provide services, construct assets, and service debt. These receivables and payables are classified as "Due to/from other funds," as they are all short-term in nature. These amounts have been eliminated on the government-wide financial statements except for those amounts outstanding between the general fund and business type activities.

1. Summary of Significant Accounting Policies (continued)

Interfund Operating Transfers, Receivables, and Payables (continued)

Routine transfers of resources between City funds that are not intended to be repaid are classified separately from revenues and expenditures. Such interfund operating transfers are identified as "Interfund operating transfers in/(out)" in the accompanying financial statements.

Property Taxes

Property taxes are collected and remitted to the City by the Shelby County government. Taxes are levied annually on October 1 and are due October 1 of the following year. Major tax payments are received October through January and are recognized as revenue in the year received.

Subsequent Events

Management has evaluated subsequent events through the date of the independent auditors' report, which is the date the financial statements were available to be issued. There are no subsequent events requiring disclosure.

2. Deposits and Investments

Deposits

All of the City's demand deposits, time deposits, and certificates of deposit are insured and collateralized in accordance with the Security for Alabama Funds Enhancement (SAFE) Program, which is encompassed in Title 41, Chapter 14A, Code of Alabama 1975, as amended, which is a multiple financial institutions collateral pool. The statute provides for assessments against the members of the pool on a pro rata basis in the event that the collateral pool is insufficient to cover the losses of a member financial institution that fails. As such, all deposits covered by this collateral pool are considered to be fully insured.

Debt service funds, capital project funds and bond proceeds held in escrow totaling $1,016,018 are invested by banks' trust departments in U.S. Government Securities and are not subject to collateralization requirements.

Investments

The City has an investment policy, the objective of which is to minimize credit rate and interest rate risk. The policy addresses risks as follows:

Credit Risk (Custodial Credit Risk and Concentration of Credit Risk)

The City minimizes Custodial Credit Risk, which is the risk of loss due to the failure of the security issuer or backer, by; limiting investments to the types of securities authorized in Alabama Code section 19-3-120; and qualifying the institutions, brokers/dealers, intermediaries and advisors with which the City does business.

2. Deposits and Investments (continued)

Credit Risk (Custodial Credit Risk and Concentration of Credit Risk) (continued)

The City minimizes Concentration of Credit Risk, which is the risk of loss attributed to the magnitude of the City's investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from one type of security or issuer is minimized.

Investment Rate Risk

The City minimizes Interest Rate Risk, which is the risk that the market value of securities in the portfolio may fall due to changes in market interest rates, by; structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market; and, investing operating funds primarily in shorter-term securities, liquid asset funds, money market mutual funds, or similar investment pools and limiting the average maturity schedule in accordance with the City's cash requirements.

Foreign Currency Risk

The City is not authorized to invest in investments which have this type of risk.

State statutes authorize the City to invest in obligations of the U.S. Treasury, certain U.S. corporate equities, State of Alabama obligations, county obligations, and other municipal obligations, as well as bank certificates of deposit and bank public funds investment accounts.

3. Receivables and Payables

Receivables consisted of the following at September 30, 2025:

	Governmental Activities	Business-type Activities	Total	Component Unit
Taxes				
Sales	$ 1,429,158	$ -	$ 1,429,158	$ -
Property	3,633,852	-	3,633,852	-
Motor vehicle/gas	139,177	-	139,177	-
Customers	-	1,424,650	1,424,650	871,450
Other	548,491	1,672,751	2,221,242	3,220
Gross receivables	5,750,678	3,097,401	8,848,079	874,670
Less: allowance for uncollectible accounts	-	(60,416)	(60,416)	(60,814)
Net receivables	$ 5,750,678	$ 3,036,985	$ 8,787,663	$ 813,856

3. Receivables and Payables (continued)

Payables consisted of the following at September 30, 2025:

	Governmental Activities	Business-type Activities	Total	Component Unit
Trade	$ 253,835	$ 106,748	$ 360,583	$ 63,353
Capital assets	162,222	1,644,283	1,806,505	506,186
Net payables	$ 416,057	$ 1,751,031	$ 2,167,088	$ 569,539

4. Lease Receivable

The City leases approximately twenty acres of land under a direct financing lease that expires in 2028. The lease agreement contains a bargain purchase option at the end of the lease term. The components of the City's investment in the direct financing lease at September 30, 2025 are as follows:

Minimum lease payments receivable	$ 640,674
Less: amount representing interest income	(20,674)
Net investment in direct financing lease	$ 620,000

Unearned income is amortized to lease income by the interest method using a constant periodic rate over the lease term.

The following is a schedule, by year, of total minimum lease payments to be received under the direct financing lease as of September 30, 2025:

2026	$ 200,000
2027	200,000
2028	200,000
2029	20,000
	$ 620,000

5. Interfund Receivables, Payables, and Transfers

Interfund receivables and payables consisted of the following at September 30, 2025:

	Interfund Receivables	Interfund Payables
General Fund	$ -	$ 1,540,052
Capital Projects Fund	1,502,657	-
Debt Service Fund	78,978	-
Natural Gas System	-	16,613
Sewer System	-	16,647
Other Propriety	-	8,323
	$ 1,581,635	$ 1,581,635

Interfund receivables and payables resulted from capital project invoices and operating expenses liquidated from the general fund's cash accounts and subsequently reimbursed from capital project and business-type cash accounts.

Transfers between funds consisted of the following during the year ended September 30, 2025:

	Transfers In			
Transfers Out	**General Fund**	**Capital Projects Fund**	**Debt Service Fund**	**Total**
General Fund	$ -	$ 7,386,824	$ 1,988,469	$ 9,375,293
American Rescue Funds	566	244,519	-	245,085
Other Governmental	90,440	-	-	90,440
Natural Gas System	237,927	-	-	237,927
Other Proprietary	111,232	-	-	111,232
Total	$ 440,165	$ 7,631,343	$ 1,988,469	$ 10,059,977

City of Calera, Alabama
Notes to Financial Statements
September 30, 2025

6. Capital Assets

Capital asset activity for consisted of the following for the year ended September 30, 2025:

Governmental Activities	October 1, 2024	Additions	Disposals	Reclass and Transfers	September 30, 2025
Depreciable assets					
Land improvements	$ 4,385,953	$ -	$ -	$ (46,587)	$ 4,339,366
Infrastructure	27,367,748	51,998	-	(46,677)	27,373,069
Buildings and improvements	29,738,537	1,268,512	(8,200)	6,485,232	37,484,081
Vehicles	7,025,096	443,804	(444,092)	13,071	7,037,879
Machinery and equipment	7,177,524	1,259,183	(404,070)	9,845	8,042,482
	75,694,858	3,023,497	(856,362)	6,414,884	84,276,877
Less accumulated depreciation					
Land improvements	747,226	73,915	-	-	821,141
Infrastructure	10,392,999	704,443	-	-	11,097,442
Buildings and improvements	8,195,902	918,272	(8,200)	-	9,105,974
Vehicles	5,232,710	527,509	(407,905)	-	5,352,314
Machinery and equipment	5,432,424	501,428	(359,351)	-	5,574,501
	30,001,261	2,725,567	(775,456)	-	31,951,372
	45,693,597	297,930	(80,906)	6,414,884	52,325,505
Non-depreciable assets					
Land	20,040,022	-	-	-	20,040,022
Construction in progress	5,644,207	4,097,711	-	(6,414,884)	3,327,034
	25,684,229	4,097,711	-	(6,414,884)	23,367,056
	$ 71,377,826	$ 4,395,641	$ (80,906)	$ -	$ 75,692,561

Business-type activities	October 1, 2024	Additions	Disposals	Reclass and Transfers	September 30, 2025
Depreciable assets					
Systems and facilities	$ 34,043,167	$ 258,740	$ -	$ -	$ 34,301,907
Buildings and improvements	931,253	10,239	-	-	941,492
Vehicles	2,381,725	181,287	(34,936)	-	2,528,076
Machinery and equipment	2,811,455	358,123	(3,736)	242,376	3,408,218
	40,167,600	808,389	(38,672)	242,376	41,179,693
Less accumulated depreciation					
Systems and facilities	16,048,735	889,851	-	-	16,938,586
Buildings and improvements	389,993	62,563	-	-	452,556
Vehicles	1,798,946	204,534	(40,894)	-	1,962,586
Machinery and equipment	1,661,648	302,975	(3,735)	-	1,960,888
	19,899,322	1,459,923	(44,629)	-	21,314,616
	20,268,278	(651,534)	5,957		19,865,077
Non-depreciable assets					
Land	441,853	-	-	-	441,853
Construction in progress	5,239,776	5,590,024	-	(242,376)	10,587,424
	5,681,629	5,590,024	-	(242,376)	11,271,653
	$ 25,949,907	$ 4,938,490	$ 5,957	$ (242,376)	$ 30,894,354

6. Capital Assets (continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

	Governmental Activities	Business-type Activities
General administration	$ 381,548	$ -
Street	682,518	-
Mechanic	5,840	-
Planning and zoning	19,728	
Engineering	26,725	-
Inspections	16,148	-
Building maintenance	12,209	
Police	497,521	-
Fire and rescue	232,420	-
Library	94,439	-
Parks and recreation	609,932	-
Senior center	36,725	-
Rolling Hills	109,814	-
Natural gas system	-	211,124
Sewer system	-	1,127,796
Other proprietary funds	-	121,003
	$ 2,725,567	$ 1,459,923

Component Unit	October 1, 2024	Additions	Disposals	Reclass and Transfers	September 30, 2025
Depreciable assets					
Systems and facilities	$ 28,950,979	$ 828,768	$ -	$ -	$ 29,779,747
Buildings and improvements	150,378	30,550	-	601,448	782,376
Vehicles	375,460	49,814	(13,070)	-	412,204
Machinery and equipment	1,593,784	64,460	(12,040)	-	1,646,204
	31,070,601	973,592	(25,110)	601,448	32,620,531
Less accumulated depreciation					
Systems and facilities	11,172,406	804,847	-	-	11,977,253
Buildings and improvements	64,152	17,659	-	-	81,811
Vehicles	303,109	32,247	(13,070)	-	322,286
Machinery and equipment	865,481	181,553	(12,040)	-	1,034,994
	12,405,148	1,036,306	(25,110)	-	13,416,344
	18,665,453	(62,714)	-	601,448	19,204,187
Non-depreciable assets					
Land and improvements	11,485	-	-		11,485
Construction in progress	3,412,071	5,068,334	-	(601,448)	7,878,957
	3,423,556	5,068,334	-	(601,448)	8,491,890
	$ 22,089,009	$ 5,005,620	$ -	$ -	$ 27,094,629

Depreciation expense charged to the component unit for the year ended September 30, 2025 was $1,036,306.

7. Long-term Debt

Primary government general obligation warrants payable consisted of the following at September 30, 2025:

Primary Government	Governmental Activities	Business-type Activities
Series 2008 Q2 772 General Obligation Warrants, dated March 2008, due in semi-annual installments through May 2033, bearing interest rates averaging 3.68%	$ 700,000	$ -
Series 2008 Q2 REG General Obligation Warrants, dated March 2008, due in semi-annual installments through May 2033, bearing interest rates averaging 3.68%	935,000	-
Series 2009 Q2 772CA General Obligation Warrants, dated August 2009, due in semi-annual installments through May 2038, bearing interest rates averaging 3.51%	5,455,000	-
Series 2019-A General Obligation Warrants, dated November 2019, due in semi-annual installments through February 2034, bearing interest rates of 2.00% to 5.00%	5,015,000	-
Series 2019-B Taxable General Obligation Warrants, dated November 2019, due in semi-annual installments through September 2028, bearing interest rates of 2.00% to 3.00%	1,320,000	-
Series 2020 General Obligation Warrants, dated May 2020, due in semi-annual installments through November 2038, bearing interest rates of 2.00% to 4.00%	-	7,100,000
Series 2021-CWSRF-DL General Obligation Warrants, dated September 2021, due in semi-annual installments through August 2043, bearing an interest rate of 2.20%	-	18,405,000
	13,425,000	25,505,000
Plus (less) deferred amounts for:		
Unamortized premiums (2019-A)	232,172	-
Unamortized discounts (2019-B)	(1,549)	-
Unamortized premiums (2020)	-	422,191
	$ 13,655,623	$ 25,927,191

7. Long-term Debt (continued)

Notes payable consisted of the following at September 30, 2025:

Primary Government	Governmental Activities
2.00% note payable - private entity dated August 2016, due in monthly payments of $11,261, including interest, maturing August 2031	$ 753,472
2.00% note payable - individual dated October 2014, due in monthly payments of $4,007, including interest, maturing February 2026	94,187
	$ 847,659

Changes in long-term liabilities consisted of the following at September 30, 2025:

Governmental Activities	October 1, 2024	Additions	Retirements	September 30, 2025	Due within one year
Warrants and notes payable:					
General Obligation Warrants	$ 15,220,000	$ -	$ (1,795,000)	$ 13,425,000	$ 1,385,000
Unamortized premiums/ (discounts)	281,899	-	(51,276)	230,623	46,853
	15,501,899	-	(1,846,276)	13,655,623	1,431,853
Notes payable	1,012,136	-	(164,477)	847,659	167,797
Total warrants and notes payable	16,514,035	-	(2,010,753)	14,503,282	1,599,650
Other liabilities:					
Pension	6,375,236	4,779,697	(7,735,629)	3,419,304	-
Other post employment benefits	6,415,424	5,722,017	(564,674)	11,572,767	-
Compensated absences	805,900	1,648,071	(1,174,571)	1,279,400	639,700
	$ 30,110,595	$ 12,149,785	$ (11,485,627)	$ 30,774,753	$ 2,239,350

Business-type Activities	October 1, 2024	Additions	Retirements	September 30, 2025	Due within one year
Warrants payable:					
General Obligation Warrants	$ 26,715,000	$ -	$ (1,210,000)	$ 25,505,000	$ 1,245,000
Unamortized premiums/ (discounts)	482,063	-	(59,872)	422,191	56,525
Total warrants payable	27,197,063	-	(1,269,872)	25,927,191	1,301,525
Other liabilities:					
Pension	904,649	710,058	(1,106,745)	507,962	-
Compensated absences	108,500	287,342	(220,544)	175,298	87,648
	$ 28,210,212	$ 997,400	$ (2,597,161)	$ 26,610,451	$ 1,389,173

7. Long-term Debt (continued)

For governmental activities, general obligation warrants are liquidated by the debt service fund, while limited obligation warrants, pension liabilities, other post-employment benefits payable and compensated absences are liquidated by the general fund.

Future principal and interest requirements of the general obligation warrants and notes payable consist of the following at September 30:

	Governmental Activities		Governmental Activities		Business-type Activities	
	General Obligation Warrants		Notes payable		General Obligation Warrants	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 1,385,000	$ 436,605	$ 167,797	$ 15,421	$ 1,245,000	$ 609,533
2027	1,445,000	384,629	171,184	12,033	1,280,000	574,643
2028	1,495,000	329,660	126,115	9,022	1,315,000	538,613
2029	1,095,000	272,206	128,661	6,476	1,350,000	501,553
2030	1,155,000	232,839	131,258	3,879	1,390,000	463,353
2031-2035	5,275,000	651,613	122,644	1,230	7,525,000	1,746,678
2036-2040	1,575,000	98,719	-	-	7,810,000	861,274
2041-2043	-	-	-	-	3,590,000	159,170
	$ 13,425,000	$ 2,406,271	$ 847,659	$ 48,061	$ 25,505,000	$ 5,454,817

On November 21, 2019, the City issued Series 2019-A General Obligation Warrants in the amount of $7,145,000, maturing in 2034, for the purpose of refunding the Series 2014 General Obligation Warrants. The refunded warrants are considered to be defeased and the liability has been removed from the financial statements. The reacquisition price exceeded the net carrying amount of the old debt by $74,556. This amount is being amortized over the remaining life of the new debt, which is shorter than the life of the old debt. The carrying value at September 30, 2025 was $28,561.

On November 21, 2019, the City issued Series 2019-B Federally Taxable General Obligation Warrants in the amount of $3,435,000, maturing in 2038, for the purpose of refunding the Series 2014-B Taxable General Obligation Warrants. The refunded warrants are considered to be defeased and the liability has been removed from the financial statements. The reacquisition price exceeded the net carrying amount of the old debt by $387,092. This amount is being amortized over the remaining life of the new debt, which is shorter than the life of the old debt. The carrying value at September 30, 2025 was $54,957.

On May 27, 2021, the City issued Series 2021 General Obligation Warrants in the amount of $8,735,000, maturing in 2038, for the purpose of refunding the Series 2013-A, 2013-B, and 2013-C General Obligation Warrants. The refunded warrants are considered to be defeased and the liability has been removed from the financial statements. The reacquisition price exceeded the net carrying amount of the old debt by $480,988. This amount is being amortized over the remaining life of the new debt, which is shorter than the life of the old debt. The carrying value at September 30, 2025 was $261,215.

7. Long-term Debt (continued)

Component unit water revenue bonds consisted of the following at September 30, 2025:

Series 2016-A Water Revenue Bonds, dated February 2016, due in semi-annual installments through February 2038, bearing interest rates of 3.00% to 4.00%	$ 1,775,000
Series 2021 Water Revenue Bonds, dated February 2021, due in semi-annual installments through February 2036, bearing interest rates of 2.00% to 3.00%	7,410,000
Series 2020 DWSRF-DL Revenue Bonds, dated February 2021, due in semi-annual installments through February 2036, bearing an interest rate of 2.00% to 3.00%	4,895,000
	14,080,000
Plus (less) deferred amounts for:	
Unamortized premiums(2016-A)	56,810
Unamortized premiums (2021)	330,300
	$ 14,467,110

Changes in component unit long-term liabilities consisted of the following at September 30, 2025:

Component Unit	October 1, 2024	Additions	Retirements	September 30, 2025	Due within one year
Revenue bonds payable:					
Water revenue bonds	$ 14,900,000	$ -	$ (820,000)	$ 14,080,000	$ 850,000
Unamortized premiums/ (discounts)	447,789	-	(60,679)	387,110	56,659
Total warrants payable	15,347,789	-	(880,679)	14,467,110	906,659
Other liabilities:					
Compensated absences	46,900	113,480	(93,680)	66,700	33,350
	$ 15,394,689	$ 113,480	$ (974,359)	$ 14,533,810	$ 940,009

7. Long-term Debt (continued)

Future principal and interest requirements of the water revenue bonds consist of the following at September 30:

	Principal	Interest
2026	$ 850,000	$ 357,580
2027	855,000	334,365
2028	880,000	310,665
2029	900,000	286,555
2030	920,000	265,035
2031-2035	4,895,000	1,035,325
2036-2040	3,825,000	458,500
2041-2043	955,000	70,070
	$ 14,080,000	$ 3,118,095

8. Pension Plan

General Information about the Pension Plan

Plan Description

The ERS, an agent multiple-employer public employee retirement plan, was established as of October 1, 1945, pursuant to the Code of Alabama 1975, Title 36, Chapter 27 (Act 515 of the Legislature of 1945). The purpose of the ERS is to provide retirement allowances and other specified benefits for state employees, State Police, and, on an elective basis, to all cities, counties, towns, and quasi-public organizations. The responsibility for the general administration and operation of ERS is vested in its Board of Control which consists of 15 trustees. Act 390 of the Legislature of 2021 created two additional representatives to the ERS Board of Control effective October 1, 2021. The Plan is administered by the Retirement Systems of Alabama (RSA). The Code of Alabama 1975, Title 36, Chapter 27 grants the authority to establish and amend the benefit terms to the ERS Board of Control. The Plan issues a publicly available financial report that can be obtained at www.rsa-al.gov.

8. Pension Plan - Continued

The ERS Board of Control consists of 15 trustees as follows:

1) The Governor, ex officio.
2) The State Treasurer, ex officio.
3) The State Personnel Director, ex officio.
4) The State Director of Finance, ex officio.
5) Three vested members of ERS appointed by the Governor for a term of four years, no two of whom are from the same department of state government nor from any department of which an ex officio trustee is the head.
6) Eight members of ERS who are elected by members from the same category of ERS for a term of four years as follows:
    a. Two retired members with one from the ranks of retired state employees and one from the ranks of retired employees of a city, county, or a public agency each of whom is an active beneficiary of ERS.
    b. Two vested active state employees.
    c. One vested active employee of a participating municipality or city in ERS pursuant to the *Code of Alabama 1975, Section 36-27-6*.
    d. One vested active employee of a participating county in ERS pursuant to the *Code of Alabama 1975, Section 36-27-6*.
    e. One vested active employee or retiree of a participating employer in ERS pursuant to the *Code of Alabama 1975, Section 36-27-6*.
    f. One vested active employee of a participating employer other than a municipality, city or county in ERS pursuant to the *Code of Alabama 1975, Section 36-27-6*.

Benefits Provided

State law establishes retirement benefits as well as death and disability benefits and any ad hoc increase in postretirement benefits for the ERS. Benefits for ERS members vest after 10 years of creditable service. State employees who retire after age 60 (52 for State Police) with 10 years or more of creditable service or with 25 years of creditable service (regardless of age) are entitled to an annual retirement benefit, payable monthly for life. Local employees who retire after age 60 with 10 years or more of creditable service or with 25 or 30 years of service (regardless of age), depending on the particular entity's election, are entitled to an annual retirement benefit, payable monthly for life. Service and disability retirement benefits are based on a guaranteed minimum or a formula method, with the member receiving payment under the method that yields the highest monthly benefit. Under the formula method, members of the ERS (except State Police) are allowed 2.0125% of their average final compensation (highest 3 of the last 10 years) for each year of service. State Police are allowed 2.875% for each year of State Police service in computing the formula method.

8. Pension Plan (continued)

Act 377 of the Legislature of 2012 established a new tier of benefits (Tier 2) for members hired on or after January 1, 2013. Tier 2 ERS members are eligible for retirement after age 62 (56 for State Police) with 10 years or more of creditable service and are entitled to an annual retirement benefit, payable monthly for life. Service and disability retirement benefits are based on a formula method. Under the formula method, Tier 2 members of the ERS (except State Police) are allowed 1.65% of their average final compensation (highest 5 of the last 10 years) for each year of service up to 80% of their average final compensation. State Police are allowed 2.375% for each year of State Police service in computing the formula method.

Act 351 of the Legislature of 2022 provides that nay Tier 2 member who withdraw from service after the completion of at least 30 years of service is entitled to an annual retirement benefit.

Members are eligible for disability retirement if they have 10 years of credible service, are currently in-service, and determined by the RSA Medical Board to be permanently incapacitated from further performance of duty. Preretirement death benefits equal to the annual earnable compensation of the member as reported to the Plan for the preceding year ending September 30 are paid to the beneficiary.

Act 132 of the Legislature of 2019 allowed employers who participate in the ERS pursuant to Code of Alabama 1975, Section 36-27-6 to provide Tier 1 retirement benefits to their Tier 2 members. Tier 2 members of employers adopting Act 2019-132 will contribute 7.5% of earnable compensation for regular employees and 8.5% for firefighters and law enforcement officers. A total of 628 employers adopted Act 2019-132 as of September 30, 2024.

Act 2019-132 was amended by Act 348 of the Legislature of 2022. Act 2022-348 amended Act 2019-132 by removing the date limitation for any local participating employer to submit its resolution electing to provide its Tier 2 members with the same retirement benefits provided to its Tier 1 members. Act 2022-348 also amended Act 2019-132 by removing the date limitation for a local participating employer to petition the ERS Board of Control for a reconsideration if the ERS Board of Control denied its election to provide its Tier 2 members with the same retirement benefits provided to its Tier 1 members.

Act 316 of the Legislature of 2019 allows employees at the time of retirement to receive a partial lump sum (PLOP) distribution as a single payment not to exceed the sum of 24 months of the maximum monthly retirement allowance the member could receive. This option may be selected in addition to the election of another retirement allowance option at a reduced amount based upon the amount of partial lump sum distribution selected

8. Pension Plan – Continued

The ERS serves approximately 890 local participating employers. The ERS membership includes approximately 117,309 participants. As of September 30, 2024, membership consisted of:

Retirees and beneficiaries currently receiving benefits	32,477
Terminated employees entitled to but not yet receiving benefits	2,425
Terminated employees not entitled to a benefit	22,097
Active members	60,279
Post-DROP participants who are still in active service	31
	117,309

The City's membership as of the measurement date of September 30, 2025 consisted of:

Retirees and beneficiaries currently receiving benefits	52
Vested inactive members	18
Non-vested inactive members	36
Active members	203
	309

Contributions

Covered members of the ERS contributed 5% of earnable compensation to the ERS as required by statute until September 30, 2011. From October 1, 2011 to September 30, 2012, covered members of the ERS were required by statute to contribute 7.25% of earnable compensation. Effective October 1, 2012, covered members of the ERS are required by statute to contribute 7.50% of earnable compensation. Certified law enforcement, correctional officers, and firefighters of the ERS contributed 6% of earnable compensation as required by statute until September 30, 2011. From October 1, 2011 to September 30, 2012, certified law enforcement, correctional officers, and firefighters of the ERS were required by statute to contribute 8.25% of earnable compensation. Effective October 1, 2012, certified law enforcement, correctional officers, and firefighters of the ERS are required by statute to contribute 8.50% of earnable compensation. State Police of the ERS contribute 10% of earnable compensation.

Employers participating in the ERS pursuant to Code of Alabama 1975, Section 36-27-6 were not required by statue to increase covered member contribution rates but were provided the opportunity to do so through Act 2011-676. By adopting Act 2011-676 Tier 1 regular members contribution rates increased from 5% to 7.5% of earnable compensation and Tier 1 firefighters and law enforcement officers increased from 6% to 8.5% of earnable compensation.

Tier 2 covered members of the ERS contribute 6% of earnable compensation to the ERS as required by statute. Tier 2 certified law enforcement, correctional officers, and firefighters of the ERS are required by statute to contribute 7% of earnable compensation. Tier 2 State Police members of the ERS contribute 10% of earnable compensation. These contributions rates are the same for Tier 2 covered members of ERS local participating employers.

8. Pension Plan - Continued

The ERS establishes rates based upon an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year with additional amounts to finance any unfunded accrued liability, the preretirement death benefit, and administrative expenses of the Plan. For the year ended September 30, 2025, the City's active employee contribution rate was 6.78% of covered employee payroll, and the City's average contribution rate to fund the normal and accrued liability costs was 7.17% of pensionable payroll.

City's contractually required contribution rate for the year ended September 30, 2025, was 8.44% of pensionable pay for Tier 1 employees, and 6.70% of pensionable pay for Tier 2 employees. These required contribution rates are based upon the actuarial valuation as of September 30, 2022, a percent of annual pensionable payroll, and actuarially determined as an amount that, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, with an additional amount to finance any unfunded accrued liability. Total employer contributions to the pension plan from the City were $1,033,753 for the year ended September 30, 2025.

Net Pension Liability

The City's net pension liability was measured as of September 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as September 30, 2023, rolled forward to September 30, 2024, using standard roll-forward techniques as shown in the following table:

	Expected	Actual Before Plan Changes	Actual After Plan Changes
(a) Total Pension Liability as of September 30, 2023	$ 41,068,377	$ 42,232,105	$ 42,232,105
(b) Discount Rate	7.45%	7.45%	7.45%
(c) Entry Age Normal Cost for the period October 1, 2023 - September 30, 2024	1,229,161	1,229,161	1,229,161
(d) Transfers Among Employers	-	170,636	170,636
(e) Actual Benefit Payments and Refunds for the period October 1, 2023 - September 30, 2024	(1,326,853)	(1,326,853)	(1,326,853)
(f) Total Pension Liability as of September 30, 2024 [(a) x (1+(b))] + (c) + (d) + [(e) x (1 + 0.5*(b))]	$ 43,980,854	$ 45,401,916	$ 45,401,916
(g) Difference between Expected and Actual		$ 1,421,062	
(h) Less Liability Transferred for Immediate Recognition		170,636	
(i) Difference between Expected and Actual - Experience (Gain)/Loss		$ 1,250,426	
(j) Difference between Actual TPL Before and After Plan Changes - Benefit Change (Gain)/ Loss			$ -

8. Pension Plan - Continued

Actuarial Assumptions

The total pension liability as of September 30, 2024 was determined based on the annual actuarial funding valuation report prepared as of September 30, 2023. The key actuarial assumptions are summarized below:

Inflation	2.50%
Projected Salary Increases	3.25 - 6.00%
Investment Rate of Return *	7.45%, including inflation

*Net of pension plan investment expense

Mortality rates were based on the Pub 2010 Below Median Tables, projected generationally using the MP 2020 scale, which is adjusted by 66 2/3% beginning with year 2019:

Group	Membership Totals	Set Forward (+)/ Setback (-)	Adjustment to Rates
Non-FLC Service Retirees	General Healthy Below Median	Male: +2, Female +2	Male: 90% ages < 65; 96% ages >/= 65; Females: 96% all ages
FLC/State police Service Retirees	Public Safety Healthy Below Median	Male: +1, Female None	None
Beneficiaries	Contingent Surviror Below Median	Male: +2, Female +2	None
Non-FLC Disabled Retirees	General Disability	Male: +7, Female +3	None
FLC/State Police Disabled Retirees	Public Safety Disability	Male: +7, Female None	None

The actuarial assumptions used in the actuarial valuation as of September 30, 2022, were based on the results of an actuarial experience study for the period of October 1, 2015 - September 30, 2020.

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

8. Pension Plan - Continued

The target asset allocation and best estimates of geometric real rates of return for each major asset class are as follows:

	Target Allocation	Long-Term Expected Rate of Return*
Fixed income	15.00%	2.80%
U.S. large stocks	32.00%	8.00%
U.S. mid stocks	9.00%	10.00%
U.S. small stocks	4.00%	11.00%
International developed market stocks	12.00%	9.50%
International emerging market stocks	3.00%	11.00%
Alternatives	10.00%	9.00%
Real estate	10.00%	6.50%
Cash	5.00%	1.50%
	100.00%	

**Includes assumed rate of inflation of 2.00%.*

Discount Rate

The discount rate used to measure the total pension liability was the long term rate of return, 7.45%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the employer contributions will be made in accordance with the funding policy adopted by the ERS Board of Control. Based on those assumptions, components of the pension plan's fiduciary net position were projected to be available to make all projected future benefit payments of current pan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

8. Pension Plan - Continued

Changes in the City's net pension liability consisted of the following at September 30, 2024:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at September 30, 2023	$ 41,068,382	$ 33,788,497	$ 7,279,885
Changes for the year:			
Service cost	1,229,160	-	1,229,160
Interest	3,010,169	-	3,010,169
Changes of benefit terms	-	-	-
Differences between expected and actual experience	1,250,426	-	1,250,426
Contributions - employer	-	827,129	(827,129)
Contributions - employee	-	827,287	(827,287)
Net investment income	-	7,187,958	(7,187,958)
Benefits of payments, including refunds of employee contributions	(1,326,853)	(1,326,853)	-
Transfers among employers	170,636	170,636	-
Net changes:	4,333,538	7,686,157	(3,352,619)
Balances at September 30, 2024	$ 45,401,920	$ 41,474,654	$ 3,927,266

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

The following table presents the City's net pension liability calculated using the discount rate of 7.45%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.45%) or 1-percentage-point higher (8.45%) than the current rate:

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
Plan's Net Pension Liability (Asset)	$ 10,138,822	$ 3,927,266	$ (1,210,141)

8. Pension Plan - Continued

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued RSA Comprehensive Annual Report for the fiscal year ended September 30, 2024. The supporting actuarial information is included in the GASB Statement No. 68 Report for the ERS prepared as of September 30, 2024. The auditor's report on the Schedule of Changes in Fiduciary Net Position by Employer and accompanying notes detail by employer and in aggregate additional information needed to comply with GASB 68. The additional financial and actuarial information is available at http://www.rsa-al.gov/index.php/employers/financial-reports/gasb-68-reports/.

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

For the year ended September 30, 2025, the City recognized pension expense of $701,829. At September 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions of the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,454,783	$ 975,366
Changes of assumptions	833,064	-
Net difference between projected and actual earnings on pension plan investments	-	2,803,052
Employer contributions subsequent to the measurement date	1,032,292	-
	$ 3,320,139	$ 3,778,418

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

	Deferred Outflows (Inflows) of Resources
2026	$ (402,878)
2027	376,380
2028	(948,518)
2029	(740,396)
2030	77,735
Thereafter	147,110

9. Other Post-Employment Benefits

On October 1, 2017, the City implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and GASB Statement No. 57, *OPEB Measurement by Agent Employers and Agent Multi-Employer Plans*. Specifically, Statement No. 75 recognizes the long-term obligation for health insurance benefits offered to retirees.

General Information about the OPEB Plan

Plan description – The City of Calera (the City) provides certain continuing health care and life insurance benefits for its retired employees. The City of Calera's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the City. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the City. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions—Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria—Defined Benefit*.

Benefits Provided – Medical benefits are provided through a comprehensive self-insured medical benefit plan. Medical benefits are provided to employees upon actual retirement. The earliest retirement eligibility provisions are as follows: age 55 and 25 years of service; or, age 60 and 10 years of service. For employees hired on or after January 1, 2013, the retirement eligibility is age 62 and 10 years of service.

Employees covered by benefit terms – At September 30, 2025, the following employees were covered by the benefit terms:

Active participants	191
Vested former participants	-
Retired participants	22
	213

Total OPEB Liability

The City's total OPEB liability of $11,572,767 was measured as of September 30, 2025 and was determined by an actuarial valuation as of that date.

9. Other Post-Employment Benefits (continued)

Actuarial Assumptions and other inputs – The total OPEB liability in the September 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary increases	3.25 to 6.00%, including inflation
Prior discount rate	4.06%
Discount rate	4.50%
Healthcare cost trend rates	7.00%

The discount rate was based on the Bond Buyers' 20-year general obligation municipal bond index as of September 30, 2025, the end of the applicable measurement period.

Mortality rates were based on the PubG-2010 headcount-weighted mortality table, including rates for disabled retirees and contingent survivors. Incorporated into the tables are rates projected generationally using Scale MP-2021 to reflect mortality improvement.

The actuarial assumptions used in the September 30, 2025 valuation were based on the results of ongoing evaluations of the assumptions from October 1, 2009 to September 30, 2023.

Changes in the Total OPEB Liability

Balance at September 30, 2024	$ 6,415,424
Changes for the year:	
Service cost	308,243
Interest	268,961
Changes of benefit terms	5,144,813
Differences between expected and actual experience	-
Changes in assumptions	(381,894)
Benefit payments and net transfers	(182,780)
Net changes	5,157,343
Balance at September 30, 2025	$ 11,572,767

9. Other Post-Employment Benefits (continued)

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.50%) or 1-percentage-point higher (5.50%) than the current discount rate:

	1% Increase (5.50%)	Current Discount Rate (4.50%)	1% Decrease (3.50%)
Net OPEB Liability (Asset)	$ 10,155,886	$ 11,572,767	$ 13,283,655

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:.

	1% Increase	Healthcare Cost Trend	1% Decrease
Net OPEB Liability (Asset)	$ 13,995,780	$ 11,572,767	$ 9,678,260

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources to OPEB

For the year ended September 30, 2025, the City recognized OPEB expense of $5,523,755. At September 30, 2025, the City 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
Differences between expected and actual experience	$ 879,842	$ 1,474,669
Changes of assumptions	1,409,814	2,472,298
	$ 2,289,656	$ 3,946,967

9. Other Post-Employment Benefits (continued)

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

	Deferred Outflows (Inflows of Resources
2025	$ (198,262)
2026	(198,262)
2027	(198,262)
2028	(198,262)
2029	(198,262)
Thereafter	(666,001)

10. Related Party Transactions

Significant transactions between the primary government and the Water Works Board of the City of Calera (the Board), a component unit, are as follows:

The City of Calera provides employees to the Board, and the Board is responsible for reimbursing the City for the actual expenses incurred for those employees. The Board accrues liabilities for vacation leave, compensatory time, and holiday leave in the amount that will be owed to the City when the accrued benefits are paid to the employees by the City, at which time the Board must reimburse the City for the expenses.

The Board leases space at City Hall and the City Shop Building from the City of Calera. Rent charged during the year ended September 30, 2025, was $17,000.

11. Contingencies

The City is involved in various claims and lawsuits, both for and against the City, arising in the normal course of business. While the City's management currently believes that the ultimate outcome of these proceedings, individually and in the aggregate, will not have a material adverse effect on the City's financial statements, litigation is subject to inherent uncertainties. Were an unfavorable ruling to occur, there exists the possibility of a material adverse impact on the change in net position for the period in which the ruling occurs.

The City received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed or not incurred in a timely manner under the terms of the grant. City management believes such disallowances, if any, would be immaterial.

12. Tax Abatements

The City is authorized by Section 94.01 of the Official Recompilation of the Constitution of the Alabama 1901 and Section 11-47-2 of the Code of Alabama (1975) to enter into tax abatement agreements for the purpose of attracting or retaining businesses. The City has entered into Commercial Economic Development Agreements to recruit new business enterprises and to promote expansion of existing businesses within the City. For the ended September 30, 2025, the City abated sales taxes of approximately $100,000 under this program in accordance with the following agreements:

- The City agreed to acquire property and enter into a direct financing lease for approximately twenty acres of property so that the tenant may develop a retail shopping center. Additionally, the City agreed to provide a credit against the base rent payable to the City (as the landlord) equal to fixed percentages of the total sales and ad valorem taxes resulting from the property for a period of twenty years, plus any extension term.

The City is subject to tax abatements granted by the Industrial Development Board and the State of Alabama. Information relevant to these abatements for the year ended September 30, 2025 is as follows:

Granting Agency	Tax Abatement Program	Property Tax Abated for the fiscal year ending September 30, 2025
Industrial Development Board of the City of Calera	Qualifying Industrial or Research Enterprise	$ 97,598

Additionally, various companies receiving grants from the Industrial Development Board received an abatement of construction related (sales and use tax) transaction taxes during the period of construction. The amount of construction related transaction taxes abated within the City’s sales tax jurisdiction has not been determined.

13. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, workers’ compensation; and natural disaster for which the City carries commercial insurance.

14. Prior Period Adjustment – Implementation of GASB Statement No. 101

During the fiscal year ended September 30, 2025, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. GASB Statement No. 101 updates the recognition and measurement guidance for liabilities related to compensated absences and replaces the previous guidance in GASB Statement No. 16.

14. Prior Period Adjustment – Implementation of GASB Statement No. 101 (continued)

As a result of implementing GASB Statement No. 101, the City re-evaluated its compensated absences liabilities and recognized additional obligations related to leave balances that are attributable to services already rendered and are more likely than not to be paid. The implementation of this standard required a prior period adjustment to beginning net position as of October 1, 2024.

The effect of adopting GASB Statement No. 101 resulted in an increase in compensated absences liabilities of $398,184 for governmental activities and $59,381 for business-type activities, for a total increase of $457,565. As a result, beginning net position decreased by $398,184 for governmental activities and $59,381 for business-type activities, resulting in a total decrease in beginning net position of $457,565. Beginning net position as of October 1, 2024 has been restated to reflect the cumulative effect of adopting GASB Statement No. 101.

REQUIRED SUPPLEMENTARY INFORMATION

City of Calera, Alabama
Budgetary Comparison Schedule - General Fund
September 30, 2025

	General Fund			
	Budgeted - Original	Budgeted Final	Actual	Variance w/ Final Budgeted Basis
Revenues				
Taxes				
Sales	$ 17,872,046	$ 20,561,408	$ 20,562,278	$ 870
Property	3,762,347	3,749,065	3,738,522	(10,543)
Motor vehicle/gas	57,624	56,104	56,604	500
Other	401,841	326,707	326,117	(590)
Licenses and permits	3,205,016	3,470,706	3,471,341	635
Charges for services	1,170,832	1,388,166	1,391,943	3,777
Interest	531,431	509,672	517,029	7,357
Other	357,438	728,627	777,994	49,367
	27,358,575	30,790,455	30,841,828	51,373
Expenditures				
General administration	1,742,575	1,415,289	1,402,379	(12,910)
Street	1,446,788	1,279,693	1,269,206	(10,487)
Mechanic	202,473	218,072	212,313	(5,759)
Planning and zoning	235,651	210,358	200,515	(9,843)
Engineering	403,439	401,770	398,265	(3,505)
Inspections	302,845	339,176	330,648	(8,528)
Building maintenance	497,335	432,669	421,532	(11,137)
Police	5,686,275	5,614,292	5,591,993	(22,299)
Fire and rescue	6,471,920	6,386,734	6,366,261	(20,473)
Library	488,565	492,139	477,476	(14,663)
Parks and recreation	2,466,078	2,454,496	2,444,987	(9,509)
Senior center	173,742	175,719	165,071	(10,648)
Rolling Hills	654,862	669,531	669,008	(523)
Donations	44,700	44,200	44,200	-
Cemetary	-	-	-	-
Debt service				
Principal	164,477	164,477	164,477	-
Interest and fiscal charges	18,740	18,740	18,740	-
Capital outlay	909,008	1,745,712	1,744,327	(1,385)
Total expenditures	21,909,473	22,063,067	21,921,398	(141,669)
Excess revenue over expenditures	5,449,102	8,727,388	8,920,430	193,042
Other financing sources (uses)				
Proceeds from sale of capital assets	-	46,641	46,641	-
Proceeds from capital lease	200,000	200,000	200,000	-
Transfers (to)/from capital projects fund	(3,712,303)	(7,386,824)	(7,386,824)	-
Transfers (to)/from debt service fund	(2,359,216)	(1,988,469)	(1,988,469)	-
Transfers (to)/from other government funds	104,000	90,440	90,440	-
Transfers (to)/from Natural Gas System	237,927	237,927	237,927	-
Transfers (to)/from other proprietary funds	125,000	125,000	111,232	(13,768)
	(5,404,592)	(8,675,285)	(8,688,487)	(13,202)
Net change in fund balance	$ 44,510	$ 52,103	$ 231,943	$ 179,840

See notes to required supplementary information.

City of Calera, Alabama
Schedule of Changes in the Net Pension Liability and Related Ratios
For the Last Ten Years Ended September 30,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability										
Service cost	$ 1,229,160	$ 1,111,447	$ 1,085,393	$ 943,708	$ 841,676	$ 819,946	$ 783,019	$ 780,738	$ 748,053	$ 712,903
Interest	3,010,169	2,801,248	2,666,784	2,458,997	2,187,683	2,078,753	1,966,117	1,846,364	1,644,263	1,491,278
Changes of benefit terms	-	-	30,006	-	499,979	-	-	-	-	-
Differences between expected and actual experience	1,250,426	(353,046)	(705,686)	(128,963)	1,055,060	(348,091)	(458,367)	(310,991)	436,949	306,244
Changes of assumptions	-	-	-	1,585,995	-	-	179,175	-	1,093,048	-
Benefit payments, including refunds of employee contributions	(1,326,853)	(1,244,480)	(1,165,783)	(1,101,273)	(860,005)	(882,825)	(832,124)	(750,185)	(655,249)	(540,980)
Transfers among employers	170,636	530,317	(66,470)	134,515	(80,202)	(264,515)	15,076	20,245	51,171	-
Net change in total pension liability	4,333,538	2,845,486	1,844,244	3,892,979	3,644,191	1,403,268	1,652,896	1,586,171	3,318,235	1,969,445
Total pension liability - beginning	41,068,376	38,222,890	36,378,646	32,485,667	28,841,476	27,438,208	25,785,312	24,199,141	20,880,906	18,911,461
Total pension liability - ending (a)	$ 45,401,914	$ 41,068,376	$ 38,222,890	$ 36,378,646	$ 32,485,667	$ 28,841,476	$ 27,438,208	$ 25,785,312	$ 24,199,141	$ 20,880,906
Plan fiduciary net position										
Contributions - employer	$ 827,129	$ 822,843	$ 785,912	$ 697,747	$ 642,084	$ 661,816	$ 593,639	$ 595,556	$ 620,380	$ 596,414
Contributions - member	827,287	957,625	712,234	711,398	600,384	581,152	520,627	540,287	496,727	471,981
Net investment income	7,187,958	3,821,260	(4,218,637)	5,929,756	1,423,259	618,575	2,023,940	2,442,416	1,720,629	192,194
Benefit payments, including refunds of employee contributions	(1,326,853)	(1,244,480)	(1,165,783)	(1,101,273)	(860,005)	(882,825)	(832,124)	(750,185)	(655,249)	(540,980)
Transfers among employers	170,636	530,317	(66,470)	134,515	(80,202)	(264,515)	15,076	20,245	51,171	(34,701)
Net change in plan fiduciary net position	7,686,157	4,887,565	(3,952,744)	6,372,143	1,725,520	714,203	2,321,158	2,848,319	2,233,658	684,908
Plan net position - beginning	33,788,491	28,900,926	32,853,670	26,481,527	24,756,007	24,041,804	21,720,646	18,872,327	16,638,669	15,953,761
Plan net position - ending (b)	$ 41,474,648	$ 33,788,491	$ 28,900,926	$ 32,853,670	$ 26,481,527	$ 24,756,007	$ 24,041,804	$ 21,720,646	$ 18,872,327	$ 16,638,669
Net pension liability (a) - (b)	$ 3,927,266	$ 7,279,885	$ 9,321,964	$ 3,524,976	$ 6,004,140	$ 4,085,469	$ 3,396,404	$ 4,064,666	$ 5,326,814	$ 4,242,237
Plan fiduciary net position as a percentage of the total pension liability	91.35%	82.27%	75.61%	90.31%	81.52%	85.83%	87.62%	84.24%	77.99%	79.68%
Covered-employee payroll	$ 12,408,444	$ 11,488,893	$ 10,556,578	$ 10,438,021	$ 10,125,516	$ 9,649,361	$ 9,149,822	$ 9,048,700	$ 8,649,068	$ 8,159,280
Net pension liability as a percentage of covered-employee payroll	31.65%	63.36%	88.30%	33.77%	59.30%	42.34%	37.12%	44.92%	61.59%	51.99%

See notes to required supplementary information.

City of Calera, Alabama

Schedule of Employer Contributions - Pension

For the Last Ten Years Ended September 30,

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 983,019	$ 827,129	$ 818,555	$ 756,643	$ 697,747	$ 679,550	$ 680,278	$ 612,973	$ 624,222	$ 647,448
Contributions in relation to the actuarially determined contributions	983,019	827,129	818,555	756,643	697,747	679,550	680,278	612,973	624,222	647,448
Contributions deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 13,711,862	$ 12,408,444	$ 11,488,893	$ 10,556,578	$ 10,438,021	$ 10,125,516	$ 9,649,361	$ 9,149,822	$ 9,048,700	$ 8,649,068
Contributions as a percentage of covered-employee payroll	7.17%	6.67%	7.12%	7.17%	6.68%	6.71%	7.05%	6.70%	6.90%	7.49%

See notes to required supplementary information.

City of Calera, Alabama

Schedule of Changes in Net OPEB Liability and Related Ratios

For the Last Eight Years Ended September 30,

Total OPEB Liability	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**
Service cost	$ 308,243	$ 191,867	$ 186,085	$ 345,779	$ 336,270	$ 184,205	$ 141,581	$ 145,223
Interest	268,961	202,828	186,725	165,868	156,142	195,607	245,552	227,841
Changes of benefit terms	5,144,813	1,126,715	-	-	-	130,100	-	-
Differences between expected and actual experience	-	253,450	-	(1,660,509)	-	(535,960)	440,891	730,862
Changes in assumptions	(381,894)	716,380	(28,927)	(1,983,518)	(53,585)	(778,244)	1,366,201	(410,800)
Benefit payments	(182,780)	(106,465)	(91,043)	(181,806)	(165,443)	(180,005)	(194,986)	(194,986)
Net change in total OPEB liability	5,157,343	2,384,775	252,840	(3,314,186)	273,384	(984,297)	1,999,239	498,140
Total OPEB liability - beginning of year	6,415,424	4,030,649	3,777,809	7,091,995	6,818,611	7,802,908	5,803,669	5,305,529
Total OPEB liability - end of year	$ 11,572,767	$ 6,415,424	$ 4,030,649	$ 3,777,809	$ 7,091,995	$ 6,818,611	$ 7,802,908	$ 5,803,669
Covered-employee payroll	$ 11,264,213	$ 11,264,213	$ 10,222,743	$ 10,222,743	$ 8,718,700	$ 8,718,700	$ 9,649,361	$ 9,149,822
Net OPEB liability as a percentage of covered payroll	102.74%	56.95%	39.43%	36.95%	81.34%	78.21%	80.86%	63.43%

Notes to Schedule:

Benefit changes	Cap increased	Cap increased	None	None	None	None	None	None
Changes of assumptions	None	Trend and mortality assumptions	None	New ERS Assumption	None	None	None	None
Discount rate	4.50%	4.06%	4.87%	4.77%	2.26%	2.21%	2.66%	4.18%

See notes to required supplementary information.

1. Summary of Significant Budgetary Practices

The City Council adopts a budget for the general fund at the beginning of each fiscal year in accordance with Alabama law. Once approved, the City Council may amend the legally adopted budget when unexpected modifications are required in estimated revenues and expenditures.

Budgets are prepared and adopted in conformity with accounting principles generally accepted in the United States of America. Reported budget amounts are as originally adopted or as amended by the Council by resolution. Actual amounts are reported in accordance with accounting principles generally accepted in the United States of America. Adjustments to reconcile budget information to accounting principles generally accepted in the United States of America information can be found on the Budgetary Comparison Schedule - General Fund.

Revenues are budgeted by source. Expenditures are budgeted by department and class as listed in the Budgetary Comparison Schedule – General Fund. This constitutes the legal level of control. Expenditures may exceed budgetary appropriations only with prior Council approval.

Excess of Expenditures Over Appropriations in Individual Funds

The budget to actual comparison for the General Fund on page 60 reflects all departments are spending within budgeted limits. The City amends its budget each month as necessary.

2. Summary of Significant Pension Plan Practices

Actuarially determined contribution rates are calculated as of September 30, three years prior to the end of the fiscal year in which contributions are reported. Contributions for fiscal year 2025 were based on the September 30, 2022 actuarial valuation.

Methods and assumptions used to determine contribution rates for the period October 1, 2024 to September 30, 2025:

Actuarial cost method	Entry age
Amortization method	Level percent closed
Remaining amortization period	15.2 years
Asset valuation method	Five-year smoothed market
Inflation	2.50%
Salary increases	3.25 - 6.00%, including inflation
Investment rate of return	7.45% of net pension plan investment expense, including inflation

FEDERAL AWARD PROGRAMS

TRUITT TINGLE PARAMORE & ARGENT
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Honorable Mayor and
Members of the City Council
The City of Calera, Alabama

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of The City of Calera , as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise The City of Calera 's basic financial statements, and have issued our report thereon dated March 23, 2026.

Internal Control over Financial Reporting
In planning and performing our audit of the financial statements, we considered The City of Calera's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The City of Calera's internal control. Accordingly, we do not express an opinion on the effectiveness of The City of Calera's internal control.

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

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

Compliance and Other Matters
As part of obtaining reasonable assurance about whether The City of Calera's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material

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effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Truitt Tingle Paramore & Argent, LLC
Birmingham, Alabama
March 23, 2026

TRUITT TINGLE
PARAMORE & ARGENT
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Honorable Mayor and
Members of the City Council
The City of Calera, Alabama

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program
We have audited City 's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of City's major federal programs for the year ended September 30, 2025. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal Award Program
We conducted our audit of compliance in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title *2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance
Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.
.

Auditors' Responsibilities for the Audit of Compliance
Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Internal Control over Financial Reporting

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Truitt Tingle Paramore & Argent, LLC
Birmingham, Alabama
March 23, 2026

City of Calera, Alabama
Schedule of Expenditures of Federal Awards
September 30, 2025

Federal Grantor/Pass-Through Agency/Program Title	Federal CFDA Number	Pass-Through to Subrecipients	Total Federal Expenditures
U.S. Department of the Treasury			
Pass-through the Alabama Department of Treasury			
Coronavirus State and Local Fiscal Recovery Funds	21.027	$ 25,250	$ 170,749
U.S. Environmental Protection Agency			
Pass-through the State of Alabama			
Capitalization Grants for Clean Water State Revolving Fund	66.458	-	4,475,765
U.S. Department of Justice - Direct Awards			
Bulletproof Vest Partnership Program	16.607	-	1,757
State and Community Highway Safety Program	16.738	-	24,308
		-	26,065
U.S. Department of Housing and Urban Development			
Pass-through the Alabama Department of Economic and Community Affairs			
Community Development Block Grant	14.228	-	23,310
U.S. Department of Energy			
Pass-through the Alabama Department of Economic and Community Affairs			
State Energy Program	81.041	-	31,660
U.S. Department of Homeland Security			
Pass-through the Alabama Law Enforcement Agency			
Homeland Security Grant Program	97.067	-	136,942
Institute of Museum and Library Services			
Pass-through the State of Alabama			
LSTA State Grants	45.310	-	25,010
Total Expenditures of Federal Awards		$ 25,250	$ 4,889,501

See notes to schedule of expenditures of federal awards and independent auditors’ report.

City of Calera, Alabama
Notes to Schedule of Expenditures of Federal Awards
September 30, 2025

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Calera, Alabama under programs of the federal government for the year ended September 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rate

The City of Calera has not elected to use the 10% de minimis indirect cost rate as allowed under Uniform Guidance.

City of Calera, Alabama
Schedule of Findings and Questioned Costs
September 30, 2025

Summary of Auditors' Results

1. The auditors' report expresses an unmodified opinion on whether the financial statements of the City of Calera, Alabama were prepared in accordance with GAAP.

2. There were no material weaknesses in internal control over financial reporting identified during the audit of the financial statements.

3. No instances of noncompliance material to the financial statements of the City of Calera, Alabama which would be required to be reported in accordance with Government Auditing Standards, were disclosed during the audit.

4. No material weaknesses in internal control over major federal award programs are reported in the Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.

5. The auditors' report on compliance for the major federal award programs for the City of Calera, Alabama expresses an unmodified opinion on the major federal program.

6. There are no audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a).

7. The program tested as a major program was the Capitalization Grants for Clean Water State Revolving Funds (CFDA 66.458).

8. The threshold for distinguishing between Type A and B programs was $1,000,000.

9. The City of Calera, Alabama did not qualify as a low-risk auditee.

Financial Statement Findings

There were no financial statement findings required to be reported in accordance with *Government Auditing Standards.*

Findings and Questioned Costs – Major Federal Award Programs Audit

There are no current findings or questioned costs that are considered material instances of noncompliance in accordance with Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.*

There were no prior year findings or questioned costs that were considered material instances of noncompliance in accordance with Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Corrective Action Plan

There are no findings requiring a corrective action plan.

SUPPLEMENTARY INFORMATION

City of Calera, Alabama
Selected Revenue Data (Unaudited)
For the year ended September 30, 2025

Sales tax revenues	$ 20,562,278	
Ad valorem tax revenues	$ 3,738,522	
Licenses and permit revenues	$ 3,471,341	
The Natural Gas System		
Number of customers	2,798	
Gas sold	$ 2,574,934	
Largest Ad Valorem Tax Payers		
LHOIST NORTH AMERICA OF ALABAMA LLC	$ 258,756	$ 33,649,000
LUMPKIN, EDWIN B, JR	$ 81,104	$ 8,110,440
ALABAMA POWER COMPANY	$ 73,585	$ 7,358,540
WAL-MART REAL ESTATE BUSINESS TRUST	$ 61,057	$ 6,105,660
NPRC LANCASTER LLC	$ 60,326	$ 6,032,560
ES 3400 HWY 31 LLC	$ 52,043	$ 5,204,300
GLIDEWELL SPECIALTIES FOUNDRY	$ 40,911	$ 4,635,300
CALERA 3280 LLC, O'BRIEN LLC, DIXON, LLC	$ 38,322	$ 3,832,240
TEMPUS CALERA, LLC	$ 34,869	$ 3,486,880
SYSCO FOOD SERVICES OF CENTRAL AL INC	$ 31,643	$ 3,164,340
Assessed Value of Taxable Property	$ 359,182,960	
Property taxes levied		
State of Alabama	6.5	
City of Calera	10	
Shelby County	16	
General	5	
Road and Bridge	2.5	
County School	14	
County School District No. 2	0	
Total Mills	54	

See independent auditors’ report

City of Calera, Alabama
Selected Debt Ratios (Unaudited)
For the Year Ended September 30, 2025

Certain Debt Ratios (Statement of Debt to Net Assessed Value, Debt to True Value and Debt Per Capita)

Population	18,530
Net assessed value	$ 359,182,960
Outstanding general obligation debt	$ 38,930,000
Ratio of outstanding debt to assessed value	10.84%
Outstanding debt per capita	$ 2,101

Computation of Constitutional Debt Margin

Net assessed value of taxable property, including motor vehicles, after exemptions	$ 359,182,960
General debt limit (20% of net assessed value)	$ 71,836,592
Outstanding general debt obligation debt	$ 38,930,000
Outstanding general debt obligation debt chargeable against debt limit	$ 13,425,000
General constitutional debt margin	$ 58,411,592

See independent auditors' report

City of Calera, Alabama
Schedule of Outstanding Debt (Unaudited)
September 30, 2025

General Obligation Warrants	
Series 2008 Q2 772	$ 700,000
Series 2008 Q2 REG	$ 935,000
Series 2009 Q2 772CA	$ 5,455,000
Series 2019-A	$ 5,015,000
Series 2019-B	$ 1,320,000
Series 2020	$ 7,100,000
Series 2021-CWSRF-DL	$ 18,405,000
Total General Obligation Warrants	$ 38,930,000
Notes payable	
Private equity	$ 753,472
Individual	$ 94,187
Total Notes Payable	$ 847,659

See independent auditors' report

City of Calera, Alabama
Schedule of Annual Debt Service (Unaudited)
General Obligation Warrants
September 30, 2025

Year ending September 30,	Series 2008 Q2 772	Series 2008 Q2 REG	Series 2009 Q2 772CA	Series 2019-A	Series 2019-B	Series 2020	Series 2021-CWSRF-DL	Total
2026	$ 99,886	$ 133,183	$ 498,750	$ 626,321	$ 463,465	$ 604,623	$ 1,249,910	$ 3,676,138
2027	102,019	134,485	502,782	627,198	463,145	603,323	1,251,320	3,684,272
2028	99,075	135,515	506,199	621,948	461,925	606,323	1,247,290	3,678,275
2029	101,115	131,467	509,175	625,448	-	603,623	1,247,930	3,218,758
2030	102,880	137,296	516,541	631,123	-	605,222	1,248,130	3,241,192
2031	99,568	132,880	523,203	629,189	-	606,022	1,247,890	3,238,752
2032	106,133	138,341	529,163	636,203	-	603,648	1,252,210	3,265,698
2033	102,453	143,527	534,421	637,226	-	603,273	1,250,980	3,271,880
2034	-	-	538,977	632,500	-	607,373	1,249,310	3,028,160
2035	-	-	542,829	-	-	603,772	1,247,200	2,393,801
2036	-	-	550,983	-	-	607,622	1,249,650	2,408,255
2037	-	-	558,170	-	-	606,079	1,251,550	2,415,799
2038	-	-	564,565	-	-	604,043	1,247,900	2,416,508
2039	-	-	-	-	-	606,449	1,248,810	1,855,259
2040	-	-	-	-	-	-	1,249,170	1,249,170
2041	-	-	-	-	-	-	1,248,980	1,248,980
2042	-	-	-	-	-	-	1,248,240	1,248,240
2043	-	-	-	-	-	-	1,251,951	1,251,951
	$ 813,129	$ 1,086,694	$ 6,875,758	$ 5,667,156	$ 1,388,535	$ 8,471,395	$ 22,488,421	$ 46,791,088

See independent auditors' report

President Drew Bradshaw introduced the following Resolution:

RESOLUTION NO. R-2026-27

BE IT RESOLVED by the City of Calera as follows:

That the City enter into an agreement with the State of Alabama, acting by and through the Alabama Department of Transportation relating to a project for:

Intersection improvements at I-65 and SR-25 interchange (Exit 228), including restriping SB exit ramp to add a right turn lane, the addition of a right turn lane onto the NB entrance ramp and a new traffic signal; Project# ATRP2-59-2023-126; CPMS Ref# 100076138 and 100076849.

Which agreement is before this Council, and that the agreement be executed in the name of the City, by the Mayor for and on its behalf and that it be attested by the City Clerk and the official seal of the City be affixed thereto.

BE IT FURTHER RESOLVED, that upon the completion of the execution of the agreement by all parties, that a copy of such agreement be kept on file by the City.

I, the undersigned qualified and acting Clerk of the city of Calera, Alabama, do hereby certify that the above and foregoing is a true copy of a resolution lawfully passed and adopted by the City named therein, at a regular meeting of such Council held on the _______________ day of __________________, 2026, and that such resolution is on file in the City Clerk's Office.

Council Member _______ moved that Resolution No. R-2026-30 is adopted. Council Member _______ seconded said motion and upon vote, the results were as follows:

AYES:

NAYS:

Council President Bradshaw declared Resolution No. R-2026-30 adopted.

Adopted this ____ day of ______2026.

________________________________ ________________________________

Kenny Dale Cost, Mayor Drew Bradshaw, Council President

Attest:

____

Stacy Walkup, City Clerk

Certification

I, Stacy Walkup, City Clerk, City of Calera, hereby certify that the foregoing is a true and correct copy of Resolution passed on this ____ day of _________ 2026.

____

Stacy Walkup, City Clerk

Council President Drew Bradshaw introduced the following Resolution:

RESOLUTION NO. R-2026-28

To approve the Resolution for the Supplemental Agreement for the ATRIP II Improvements along SR-25 and on the ramps at the I-65 Interchange for Project# 1200860.000 VOLKERT, INC. AND CITY OF CALERA

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF CALERA, ALABAMA

WHEREAS, the Council hereby agrees to approve the Resolution for the Supplemental Agreement for the ATRIP II Improvements for project# 1200860.000 for the ATRIP II Improvements along SR-25 and on the ramps at the I-65 Interchange for $117,472.00 dollars.

Council Member ______ moved that Resolution No. R-2026-28 be adopted. Council Member ______ seconded said motion and upon vote, the results were as follows:

AYES:

NAYS:

Council President declared Resolution No. R-2026-28 adopted.

Adopted this the _____ of _________ 2026.

____
Drew Bradshaw, Council President

____
Kenny Dale Cost, Mayor

ATTEST:

____
Stacy Walkup, City Clerk

RESOLUTION NO. R-2026-29

A RESOLUTION DECLARING CERTAIN VEHICLES AS SURPLUS PROPERTY AND AUTHORIZING DISPOSAL

WHEREAS, the City of Calera owns certain vehicles that are no longer needed for municipal purposes; and

WHEREAS, the Mayor and City Council have determined that it is in the best interest of the City of declare said vehicles surplus and authorize their disposal in accordance with applicable law and City policy;

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Calera, Alabama, as follows:

1. The following vehicles are hereby declared surplus property:
   Vehicle 1: 2000 GMC Sierra: Vin: 1CDKC34J5YF468122
   Vehicle 2: 2005 Crown Vic: Vin: 2FAFP71W75X175684
2. The Mayor is authorized to dispose of the surplus vehicles by public auction, sealed bid, trade-in, transfer, or other lawful methods deemed to be in the best interest of the City.
3. The Mayor, City Clerk, and appropriate City staff are authorized to execute any documents necessary to complete the disposal.

Council Member _______ moved that Resolution No. R-2026-29 is adopted. Council Member _______ seconded said motion and upon vote, the results were as follows:

AYES:

NAYS:

Council President Bradshaw declared Resolution No. R-2026-29 adopted.

Adopted this ____ day of ______2026.

______________________________ ______________________________

Kenny Dale Cost, Mayor Drew Bradshaw, Council President

Attest:

____

Stacy Walkup, City Clerk

Certification

I, Stacy Walkup, City Clerk, City of Calera, hereby certify that the foregoing is a true and correct copy of Resolution passed on this ____ day of _________ 2026.

____

Stacy Walkup, City Clerk

Council President Bradshaw introduced the following Resolution:

RESOLUTION NO. R-2026-31
MUNICIPAL WATER POLLUTION PREVENTION (MWPP) PROGRAM

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF CALERA, ALABAMA AS FOLLOWS:

Resolved that the City of Calera informs the Department of Environmental Management that the following actions were taken by Calera City Council.

1. Reviewed the MWPP Annual Report which is attached to this resolution.
2. Set forth the following actions and schedule necessary to maintain effluent requirements contained in the NPDES Permit, and to prevent the bypass and overflow of raw sewage within the collection system or at the treatment plant:

(a) Continue to operate and maintain both the Buxahatchee Pollution Control Plant and the Camp Branch Water Reclamation Plant to its highest standards while looking for and eliminating sources of inflow and infiltration.

Council Member ______ moved that Resolution No. R-2026-31 is adopted. Council Member ______ seconded said motion and upon vote, the results were as follows:

AYES:

NAYS:

Council President Bradshaw declared Resolution No. R-2026-31 adopted.

Adopted this ____ day of ______2026.

Kenny Dale Cost, Mayor	Drew Bradshaw, Council President

ATTEST:

____
Stacy Walkup, City Clerk

Certification

I, Stacy Walkup, City Clerk, City of Calera, hereby certify that the foregoing is a true and correct copy of Resolution passed on this ____ day of ________ 2026.

____

Stacy Walkup, City Clerk