THE CITY OF HOOVER, ALABAMA

Comprehensive Annual Financial Report

For the Fiscal Year Ended

September 30, 1999

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For The Fiscal Year Ended
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Office of the Finance Director

Richard K. Smith, CPA, CGFM, CGFO
Finance Director and Treasurer

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INTRODUCTORY SECTION

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HOOVER

The City of Hoover has a population of approximately 62,000 and is located in north-central Alabama within the Birmingham metropolitan area. Hoover occupies approximately 44 square miles within Jefferson and Shelby counties.

City of Hoover

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February 23, 2000

To the Members of the City Council and the Citizens of the City of Hoover, Alabama

The comprehensive annual financial report of the City of Hoover, Alabama (the City) for the fiscal year ended September 30, 1999, is hereby submitted as mandated by state statutes. These statutes require that the City issue annually a report on its financial position and activity, and that this report be audited by an independent firm of certified public accountants or the State Department of Examiners of Public Accounts. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the various funds, account groups and component units of the City. All disclosures necessary to enable the reader to gain an understanding of the City's activities have been included.

The City's comprehensive annual financial report is presented in three sections: introductory, financial and statistical. The introductory section, which is unaudited, includes this letter of transmittal, an organizational chart and a list of the elected officials. The financial section includes the general purpose financial statements and the combining and individual fund and account group financial statements and schedules, as well as the independent auditor's report on these financial statements and schedules. The statistical section, which is unaudited, includes selected financial and demographic information generally presented on a multi-year basis.

The City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U. S. Office of Management and Budget Circular A-133, Audits of State and Local Governments. Information related to the single audit, including a schedule of expenditures of federal awards, the independent auditor's reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included in a separately issued single audit report.

The financial reporting entity (the Government) includes all the funds and account groups of the primary government (i.e., the City of Hoover, Alabama as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. The Government provides a full range of services. These services include public safety (police, fire and inspection), infrastructure maintenance, sanitation, recreation, public library, primary and secondary education, cultural events, public improvements, planning and zoning, and general administration.

Discretely presented component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position, results of operations and cash flows from those of the primary government. The School Board, Parks and Recreation Board and Library Board are reported as discretely presented component units.

Governmental Structure, Local Economic Condition Outlook

The Government, incorporated in 1967, is located in Jefferson and Shelby Counties in north central Alabama. Shelby County is one of the fastest growing counties in the country. The population within the corporate limits of the Government increased from about 40,000 in 1990 to an estimated 62,000 in 1999, more than a 50% increase. The Government has the power by state statute to extend its corporate limits by annexation, which is done periodically when considered appropriate by the City Council. The City's excellent school system continues to draw new residents to the area.

The Government has operated under the Mayor-Council form of government since incorporation. Policy making and legislative authority is vested in the City Council, which consists of five "at large" council members. The City Council is responsible, among other things, for passing resolutions and ordinances, adopting the budget and appointing boards and committees. The Mayor is responsible for carrying out the policies and ordinances of the Government. The Mayor and City Council are elected on a nonpartisan basis to concurrent four year terms which begin October 1 in the election year. The year 2000 is an election year.

The Government's financial condition continues to be strong. The City of Hoover is the retail hub of the State of Alabama. The Riverchase Galleria is the largest mixed-use shopping center in the Southeast. It is home to more than two hundred specialty stores and is anchored by Macy's, Rich's, McRae's, Parisian, J. C. Penney and Sears. The Galleria includes restaurants, a branch of the U. S. Post Office, and a 250,000 square foot office tower. The City receives about 25% of its revenue from the Galleria.

The estimated annual 12,000,000 Galleria visitors/shoppers have spurred other retail and commercial growth in the US Highway 31, Lorna Road and Alabama Highway 150 corridors making Hoover a shopping mecca for both Alabama and the Southeast.

The Inverness Corners development, as well as other retail centers, in the Highway US 280 corridor offer many shopping options for people who live and work in that area and beyond. The Government is substantially dependent on sales and use tax revenue which comprised 62.79% of total revenue in fiscal 1999. However, the Government enjoys a broad retail sales and use tax base and is not dependent on any one particular company or industry for its sales and use tax revenue. In addition to sales and use tax, other major revenue sources (i.e. business licenses and property taxes) are broad based and continue to grow each year.

New construction of all types has remained steady for the past several years. The City as a whole is experiencing continued growth in all areas and is now the sixth largest city in the state based on population.

Major Initiatives for 1999

The Operations Department is unique in its scope of responsibility. Under the umbrella of the Operations Department is Inspections Services, Engineering, Building Services, Risk Management, Solid Waste Management, Support Services, Public Works and Fleet Services. Many of these departments cross departmental lines to work with all city departments.

During 1999, Building Services worked with virtually all city departments on various work area remodeling projects. Support Services worked with all city departments in the support and enhancement of computer technology. Risk Management also continued to work with all city departments to administer claims against employees, claims against the City and claims against elected officials. In addition, successful subrogation efforts continued to benefit the City. Risk Management continued to inspect and identify potential exposures in other city departments and recommend corrective action. Solid Waste Management sponsored hazardous material collection day collecting over 36,000 pounds of waste from almost 400 residents.

Fleet Services continued to provide vehicle and equipment maintenance services to all of the City departments. During 1999, two technicians were certified at the Harley-Davidson Police Bike Service School. This alleviates the need for using outside vendors for maintenance on police motorcycles. One technician was designated primarily to handle fire department needs because only some routine maintenance can be done at the shop. The larger Fire Department vehicles must be worked on at the various fire stations. In addition, Fleet Management technicians, with the assistance of the Fire Department, built a truck for use in off-road rescue and fire fighting, using parts salvaged from an old truck. The department also acquired a new service truck giving them two fully equipped service trucks available for roadside emergencies and a new Ford Crown Victoria that is to be designated as a travel car available to all departments.

The Public Works Department resurfaced over 40 streets and performed various paving jobs requested by the Hoover Board of Education and other departments of the City. Having taken in excess of 400 calls, the department was able to assist residents with problems such as stopped up ditches and storm drains, potholes, and driveway build-ups.

During 1999, the Inspection Services Department renovated and made improvements to their offices, streamlining operations and increasing overall efficiency. They also received a rating of 4 from the ISO who rates Fire Departments and Inspection Services Departments and a rating of 9 from the Community Rating System for the National Flood Insurance Program, providing discounts on insurance policies for residents of the City.

The department is presently represented on various boards and committees including the Southern Building Code Congress International, the Code Officials Association of Alabama, the Alabama Association of Plumbing, Gas & Mechanical Inspectors, the International Association of Electrical Inspectors, the Alabama State Plumbing & Gas Fitters Examining Board, the Alabama Residential Energy Code Board and the Apprenticeship Committee of the Federal Correctional Institute in Talladega.

The Engineering Department has continued to work in the area of designing and constructing new roads, improving and upgrading existing roads and traffic control through traffic signals and signage.

Construction began on the new waste water treatment plant for the Inverness area. The project is being financed through a State Revolving Fund loan of approximately $14,000,000 and is expected to be completed May, 2001.

With the "Citizens Police Academy" and the addition of three new officers to the School Resource Officer program, the Hoover Police Department continues to strengthen its partnerships with residents, businesses and schools in an effort to improve the quality of life within the community. The Department has reported a substantial decrease in the City's overall crime rate.

In an effort to decrease reported crime at the Riverchase Galleria, the Police Department began meeting with business managers and mall security personnel to share information on crime prevention. Statistics from Incident/Offense reports for 1999 indicate that reported crime at the Riverchase Galleria is 16% below the 1998 level.

During 1999, the Hoover Fire Department responded to 5,487 emergency calls. In addition, the Fire Department was active in training 450 citizens, 80 city teachers and bus drivers in CPR, while training 40 city employees in the use of Automatic External Defibrillators (AED) and placing four AED's in various city buildings making Hoover the first city in Alabama to have true public access to early life-saving defibrillation.

The Fire Department provided coverage at the Bruno's Golf Tournament, SEC Baseball Tournament, Christmas Tree ceremony at the Riverchase Galleria, and all Hoover Junior High, Freshmen, B-Team and Varsity football games.

In fiscal 1999, the Hoover Public Library held its seventh annual Southern Voices Conference with Lee Smith receiving the Distinguished Achievement award. The Library

is moving forward with its expansion plans. The $5.6 million project will increase the Library's size by 35,000 square feet. Special new features will include a technology lab, computer training room, Friend's Bookstore and expanded area for youth programs. The project should be completed by 2001.

The Hoover Parks and Recreation Board completed the expansion of the fitness facilities. Therapeutic, fitness and aquatic activities were increased due to the demand of the membership.

For the Future

The City of Hoover continues to strive for excellence. To increase its attractiveness to future and sustained development, Hoover continues to enhance its services and amenities for the public. The administration of Hoover is developing policies that address continued growth and future needs. Citizens of Hoover expect not only continued services, but expanded services. All of these services and amenities improve the quality of life in Hoover for its citizens and visitors. The City's goal is to create a city that sets a standard for others to emulate.

The Office of Development continues to focus on multi-year projects that will heighten the City's appeal to Hoover residents and to existing and prospective businesses. Some of these projects that fall under the leadership of the Director of Development include the completion of enhancements planned for Aldridge Gardens (Hoover's future botanical garden), the addition of sidewalks to a section of Lorna Road, and the completion of a Greenway project for Rocky Ridge Park.

The Engineering Department anticipates the completion or near completion of a number of projects during fiscal 2000. These projects include, but are not limited to: (1) installation of a city wide traffic control center, (2) coordination of the traffic lights on Lorna Road, (3) modernization of the Highway 31 closed loop traffic signal system, (4) a congestion mitigation and incident management program which will include placing cameras and overhead variable message signs on I-459, I-65 and US 31, and (5) continuation of the I-459 Flyover Project.

The City has outgrown its existing municipal complex. Therefore, City officials are presently planning for the expansion of administrative offices and a new public works facility. It is anticipated that the acquisition of land and the construction of the facilities will be financed by the issuance of general obligation warrants.

On February 1, 1999, Frank S. Skinner, Jr. resigned as Mayor. Mr. Brian L. Skelton, President of the City Council, was the unanimous choice of the City Council to serve the remainder of Skinner's term, which expires September 30, 2000. Mr. William Billingsley, a former Council member was elected by the Council to fill the Council vacancy.

Departmental Focus - Finance

The City's Finance Department employs twelve employees, with one additional employee approved for fiscal 2000. The department encompasses the revenue division which includes the collection of all revenue and budgeting, and the accounting and disbursements division which includes payroll, purchasing, accounts receivable, and accounts payable.

A new investment policy was developed and implemented with formal recognition by the Mayor and City Council. The policy provides guidelines under which funds of the City can best be invested to ensure maximum security with sufficient liquidity to meet daily cash flow demands while providing the highest investment return on municipal funds.

Improved budgetary reporting methods and the implementation of performance measures have laid the groundwork for a budget suitable for submission to the Government Finance Officers Association to qualify for the Distinguished Budget Presentation Award for Fiscal year 2001. Current efforts have resulted in greater clarity in operating and capital budgets.

In order to control and keep track of the capital assets of the City, all current acquisitions of furniture, equipment and vehicles have been bar coded. This will enable the Finance Department to account for and track the movement of equipment between locations and to access detailed information regarding each asset.

Financial Information

Management of the Government is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Government are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal, state and local financial assistance, the Government is also responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management.

The Government maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the General Fund and Special Revenue

Funds are included in the annual appropriated budget. Project-length financial plans are adopted for the Capital Projects Funds. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function and activity within an individual fund. However, the City Council may authorize expenditures from time to time during the year without legally amending the previously adopted budget. The budget was amended several times during the year. Encumbrance accounting is not employed. Appropriations automatically lapse at year end.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

General Government Functions

The following schedules present a summary of General Fund and Special Revenue Funds revenues for the fiscal year ended September 30, 1999, and the amount and percentage of increases and decreases in relation to prior year revenues.

Revenues	Amount	Percent of Total	Increase (Decrease) From 1998	Percent of Increase (Decrease)
Taxes	$ 45,534,524	74.52 %	$ 2,681,090	6.26 %
Licenses and permits	9,117,729	14.92	953,687	11.68
Intergovernmental	3,075,793	5.03	370,811	13.71
Fines and forfeits	1,100,142	1.80	(82,204)	(6.95)
Interest earned	1,033,337	1.69	(76,157)	(6.86)
Other	1,239,620	2.04	(62,191)	(4.78)
Total	$ 61,101,145	100.00 %	$ 3,785,036	6.60 %

In addition to the above revenues, net "operating transfers in" totaled $2,194,421, which consisted of an "operating transfer in" from the Capital Projects Fund.

Intergovernmental revenues consist primarily of various state and county taxes shared with the City on a pro-rata basis. As the City has grown, these revenues have increased.

Building permit revenue increased over 39% in fiscal 1999 primarily because of an increase in commercial building in the City.

Fines and forfeits decreased approximately 7% because of a reduced caseload.

Interest earned decreased about 13% in fiscal 1999 from fiscal 1998 primarily because of adjustments made to securities to reflect market value.

Other revenues decreased in fiscal 1999 primarily because of a reduction in annexation fees charged and collected.

An analysis of revenue sources in descending order of amount is set forth below:

Revenues	Amount	Percent of Total	Increase (Decrease) From 1998	Percent of Increase (Decrease)
Sales and use taxes	$ 38,365,791	62.79 %	$ 1,607,657	4.37 %
Business licenses	5,179,137 (B)	8.48	48,355	.94
Property taxes	4,913,040 (A)	8.04	220,412	4.70
Building permits	3,274,715 (B)	5.36	919,872	39.06
Intergovernmental	3,075,793	5.03	370,811	13.71
Fines and forfeits	1,100,142	1.80	(82,204)	(6.95)
Interest earned	1,033,337	1.69	(76,157)	(6.86)
E-911	856,811 (C)	1.40	114,169	15.37
All other revenue	3,302,379 (D)	5.41	662,121	25.08
Total revenues	$ 61,101,145	100.00 %	$ 3,785,036	6.60 %

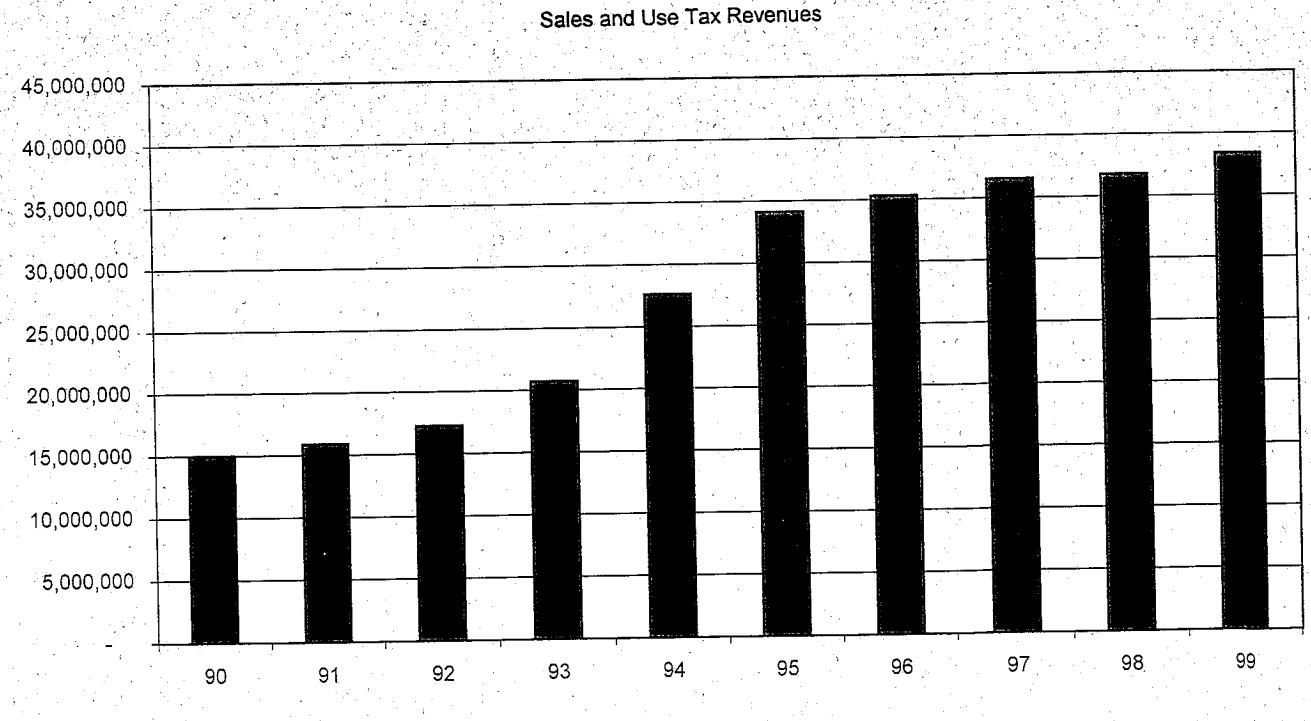
(A) Included in taxes above
(B) Included in licenses and permits above
(C) Included in other revenue above
(D) Included in the following:

Taxes	$ 2,255,693
Licenses and permits	663,887
Other	382,799
	$ 3,302,379

Sales and use taxes are the greatest sources of revenue to the City. Continued commercial expansion has resulted in greater sales and use tax revenues in each of the past ten years. Set forth below is sales and use tax information for the past ten years:

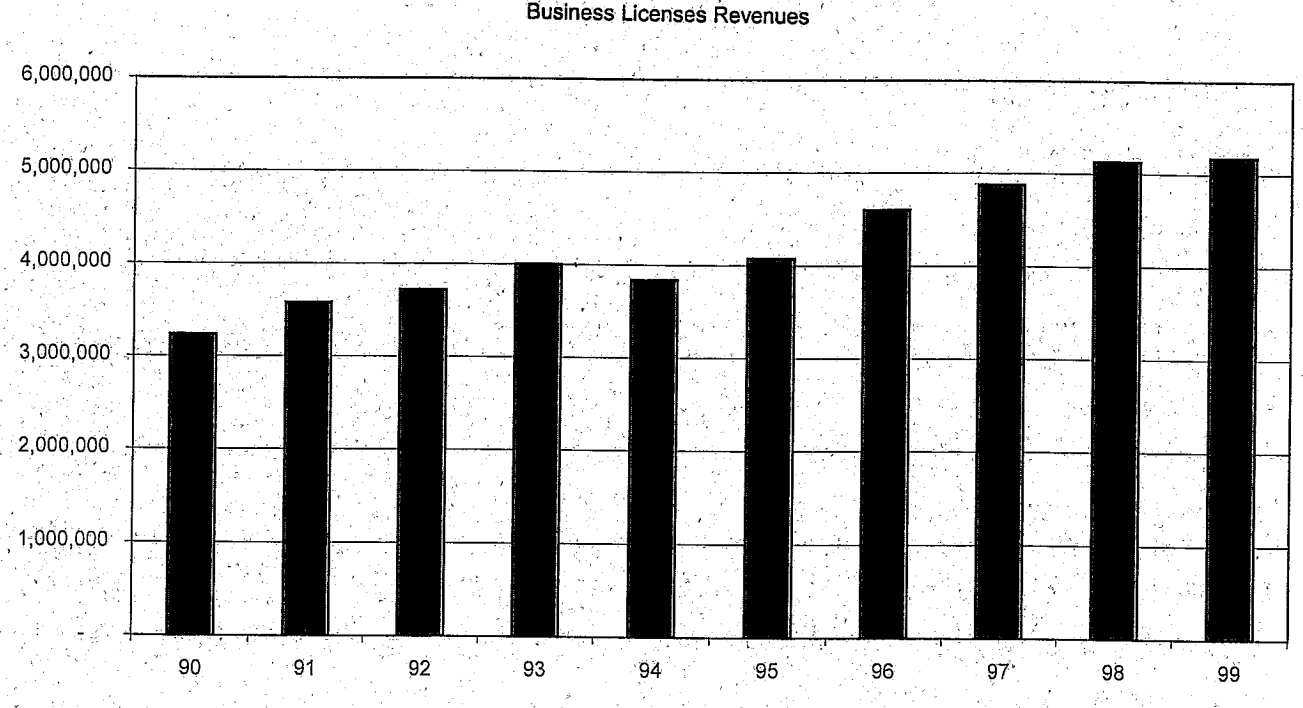
Fiscal Year	Sales and Use Tax Revenues	Percent of Total Revenues	Percent of Increase from Previous Year
1990	$ 15,003,431	61.1 %	18.0 %
1991	15,911,832	57.7	6.1
1992	17,278,328	59.0	8.6
1993	20,728,713	59.2	20.0
1994	27,568,637	66.2	33.0
1995	34,085,710	68.6	23.6
1996	35,299,684	68.8	3.6
1997	36,490,195	65.2	6.5
1998	36,758,134	64.1	0.7
1999	38,365,791	62.8	4.4

City management expects continued steady sales and use tax growth in the future, though less dramatic than in some of the past years.



Business licenses, which are generally based on gross receipts, have historically been the second largest revenue source for the City. Following is a summary of business licenses revenue for the past decade:

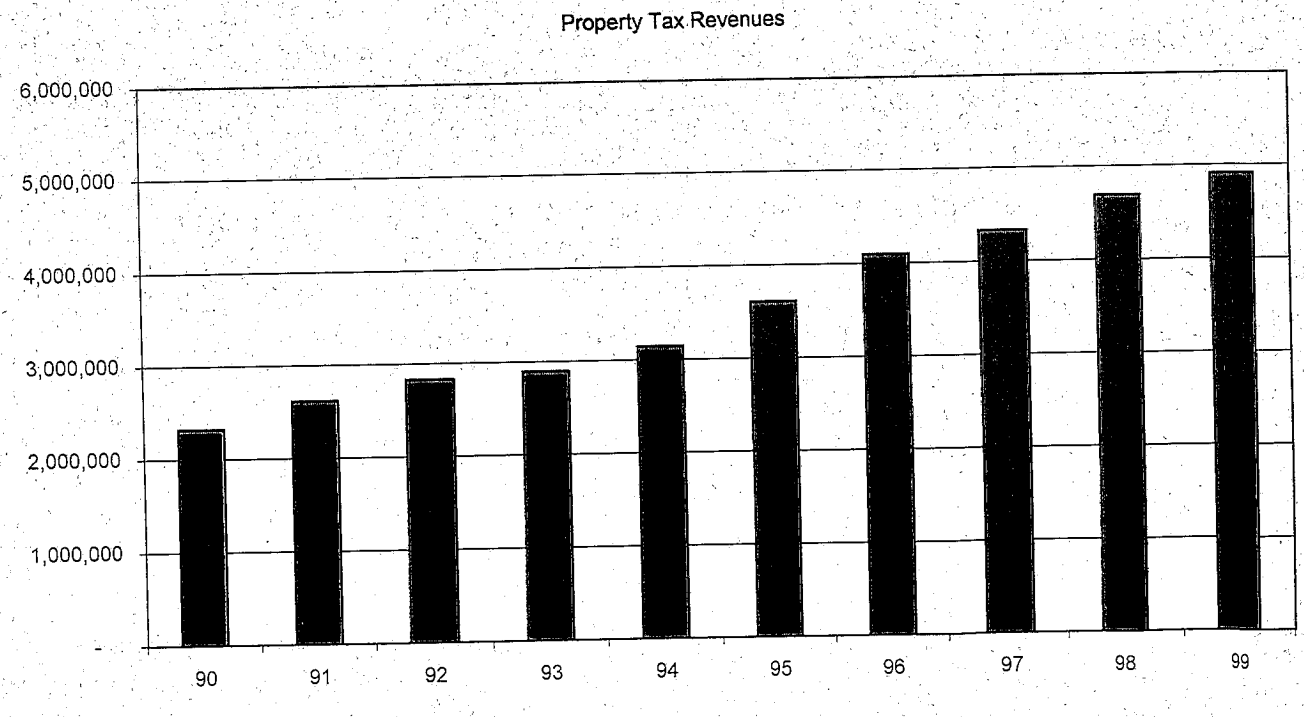
Fiscal Year	Business Licenses Revenue	Percent of Total Revenue	Percent of Increase (Decrease) from Previous Year
1990	$3,232,457	13.2 %	18.1 %
1991	3,581,808	13.0	10.8
1992	3,718,290	12.7	3.8
1993	4,002,574	12.0	7.7
1994	3,840,450	9.2	(4.1)
1995	4,074,618	8.2	6.1
1996	4,604,849	9.0	13.0
1997	4,876,540	8.7	5.9
1998	5,130,782	9.0	5.2
1999	$5,179,137	8.5	0.9 %



The third largest revenue source for the City is property tax. A ten year summary of property tax revenue is as follows:

Fiscal Year	Property Tax Revenue	Percent of Total Revenue	Percent of Increase From Previous Year
1990	$2,322,404	9.5 %	8.7 %
1991	2,612,328	9.5	12.5
1992	2,828,634	9.7	8.3
1993	2,898,359	8.7	2.5
1994	3,143,179	7.5	8.5
1995	3,605,798	7.3	14.7
1996	4,098,804	8.0	13.7
1997	4,328,109	7.7	5.6
1998	4,692,628	8.2	8.4
1999	4,913,040	8.0	4.7

The City's property tax is 6 1/2 mills for general government use.



The following schedule presents a summary of General Fund and Special Revenue Funds expenditures for the fiscal year ended September 30, 1999, and the percentage of increases and decreases in relation to prior year amounts:

Expenditures	Amount	Percent of Total	Increase (Decrease) From 1998	Percent of Increase (Decrease)
Current				
General Government	$ 6,512,020	15.58 %	$ 1,186,244	22.27 %
Public Safety	20,276,434	48.49	1,415,111	7.50
Municipal Court	436,430	1.04	13,066	3.09
Streets and Sanitation	5,926,537	14.17	(279,156)	(4.50)
Health	356,631	.85	(8,439)	(2.31)
Capital Outlays	1,911,561	4.57	813,799	7.41
Debt Service				
Principal	6,176,297	7.60	682,866	27.38
Interest	3,218,271	7.70	49,707	1.57
Total Expenditures	$ 41,814,181	100.00 %	$ 3,873,198	10.21 %

In addition to the above expenditures, net "operating transfers out" were as follows:

Capital Projects Fund	$ 10,342,518
Component Units	12,330,706
Fleet Service Fund	182,208
	$ 22,855,432

Effective October 1, 1997, municipal garage assets and liabilities, which were previously included in General Government, were reclassified to an internal service fund designated as the Fleet Service Fund. Revenues in the Fleet Service Fund totaled $134,265 and expenses totaled $306,759 in fiscal 1999.

Expenditures for personal services including salaries, retirement contributions and other employee benefits totaled $22,625,888 in fiscal 1999, compared to $21,186,673 in fiscal 1998. This was an increase of $1,439,215. The increase resulted from the hiring of additional employees, and the implementation of Phase I of an outside compensation consultant's pay and classification study which included a 2.5% across the board pay increase.

Personal services expenditures comprised 67.52% of operating expenditures and 46.59% of total expenditures in fiscal 1999 as compared to 67.95% of operating expenditures and 55.84% of total expenditures in fiscal 1998.

Capital outlays from general and special revenue funds totaled $1,911,561 in fiscal 1999, an increase of $813,799. Capital outlays were as follows:

	Construction	Vehicles	Equipment	Total
General Government				
Administration	$ -	$ 52,746	$ 117,543	$ 170,289
Public Safety				
Police	-	480,844	157,096	637,940
Fire	4,616	56,320	142,752	203,688
Inspection	-	18,763	8,797	27,560
Total Public Safety	4,616	555,927	308,645	869,188
Municipal Court	-	-	-	-
Streets and Sanitation	718,608	95,799	57,677	872,084
Health	-	-	-	-
Total	$ 723,224	$ 704,472	$ 483,865	$ 1,911,561

General Fund Balance

The unreserved, undesignated fund balance of the General Fund increased from $17,938,230 at September 30, 1998 to $21,692,487 at September 30, 1999, an increase of $3,754,257 or 21%. This was the result of continued revenue growth and the control of expenditures through conservative budgeting and budget management.

Proprietary Operations

The City's only enterprise fund is the Sewer Enterprise Fund which accounts for the operations of the Riverchase and Inverness waste water treatment plants. The Riverchase waste water treatment plant and plant additions are financed by general long-term debt.

The plant and plant additions have been charged as assets in the Sewer Enterprise Fund with a corresponding credit to contributed capital from other funds. The Inverness waste water treatment plant, land and equipment were contributed to the City by the developer of Inverness in connection with the annexation of the commercial portion of Inverness. The plant, land and equipment have been charged as assets in the Sewer Enterprise Fund with a corresponding credit to contributed capital from developers.

The Sewer Enterprise Fund incurred losses (before operating transfers) of $166,712 and $305,328 for fiscal 1999 and fiscal 1998 respectively. Net cash provided by operating activities totaled $104,697 in fiscal 1999 and $155,082 in fiscal 1998. The Sewer Enterprise Fund equity, including contributed capital, was $5,222,989 at September 30, 1999.

The Fleet Services Fund incurred losses (before operating transfers) of $172,494 and $142,617) for fiscal 1999 and 1998 respectively. Net cash used by operating activities totaled $153,637 in fiscal 1999 and $136,498 in fiscal 1998.

Pension Administration

The City contributes to the Employers' Retirement System of Alabama, an agent multiple-employer retirement system that acts as a common investment and administrative agent for state employees and public organizations. The City's annual actuarial valuation reflects a positive trend in the City's and employees' funding of the pension trust fund.

Debt Administration

At year end, the City had a number of debt issues outstanding. These issues included general obligation warrants totaling $60,858,550. The Sewer Enterprise Fund has general obligation warrants totaling $8,505,000. The City has a credit rating of Aa3 from Moody's Investors Service and a AA- rating from Standard and Poor's Corporation.

Cash Management

The City utilizes a bank "lock box" system under which the majority of its revenue is sent by the taxpayers directly to its depository. The City also utilizes a "zero balance" checking account under which all deposits go directly into an interest bearing bank public funds investment account. Cash is transferred from the investment account to the checking account on a daily basis to cover issued checks presented for payment. Using this method the City is assured that all funds are invested. The bank public funds investment account interest rate is set at thirty basis points above the current interest rate on ninety day Treasury Bills which changes weekly. In addition to the public funds investment account, the City also invests in certificates of deposits with local banks. The average yield on these investments for fiscal 1999 was 5.45%. All of these investments are either insured by the FDIC or collateralized. All collateral is held in the City's name by a third party, usually the Federal Reserve Bank.

The City's new investment policy has provided more detailed guidelines and more of the City's idle funds will be invested in U.S. Government securities and U.S. Government Agencies than in the past. All of these securities will be held in safekeeping by a banks trust department in the City's name.

Risk Management

The City has a limited self-insurance retention plan, using a professional claims handler, to account for its uninsured risks of loss. All insurance coverage, except workers compensation, is carried with a retention of $50,000 per occurrence. The aggregate retention on all claims is $675,000 over a two year period. Excess insurance is provided for catastrophic occurrences.

The City contracts with a professional claims handler firm to supervise and pay workers compensation claims from a fund provided by the City. Since benefits may be statutory, an excess policy provides coverage for individual claims over $ 275,000 and for aggregate claims over $ 1,243,647 for a two year period.

Other Information

Independent Audit

State statutes require an annual audit by the State Department of Examiners of Public Accounts or by independent certified public accountants. The accounting firm of Hullett, Kellum & McKinney, PC performed the audit. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Federal Single Audit Act of 1984 and the related Office of Management and Budget's Circular A-133. Generally accepted auditing standards, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States were used by the auditors in conducting the engagement. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports on internal controls and compliance with applicable laws and regulations can be found in a separately issued single audit report.

Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Government for its comprehensive annual financial report for the fiscal year ended September 30, 1998. This was the seventeenth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

The preparation of this comprehensive annual financial report was made possible by the dedicated service of the Finance Department staff, various City employees, and especially our auditors, Hullett, Kellum & McKinney, PC. We wish to express our appreciation to them. Further, we wish to thank the City Council for their continued support as we strive to excel in financial reporting.

Sincerely,

Brian L. Skelton
Mayor

Richard K. Smith
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Hoover, Alabama

For its Comprehensive Annual Financial Report for the Fiscal Year Ended September 30, 1998

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

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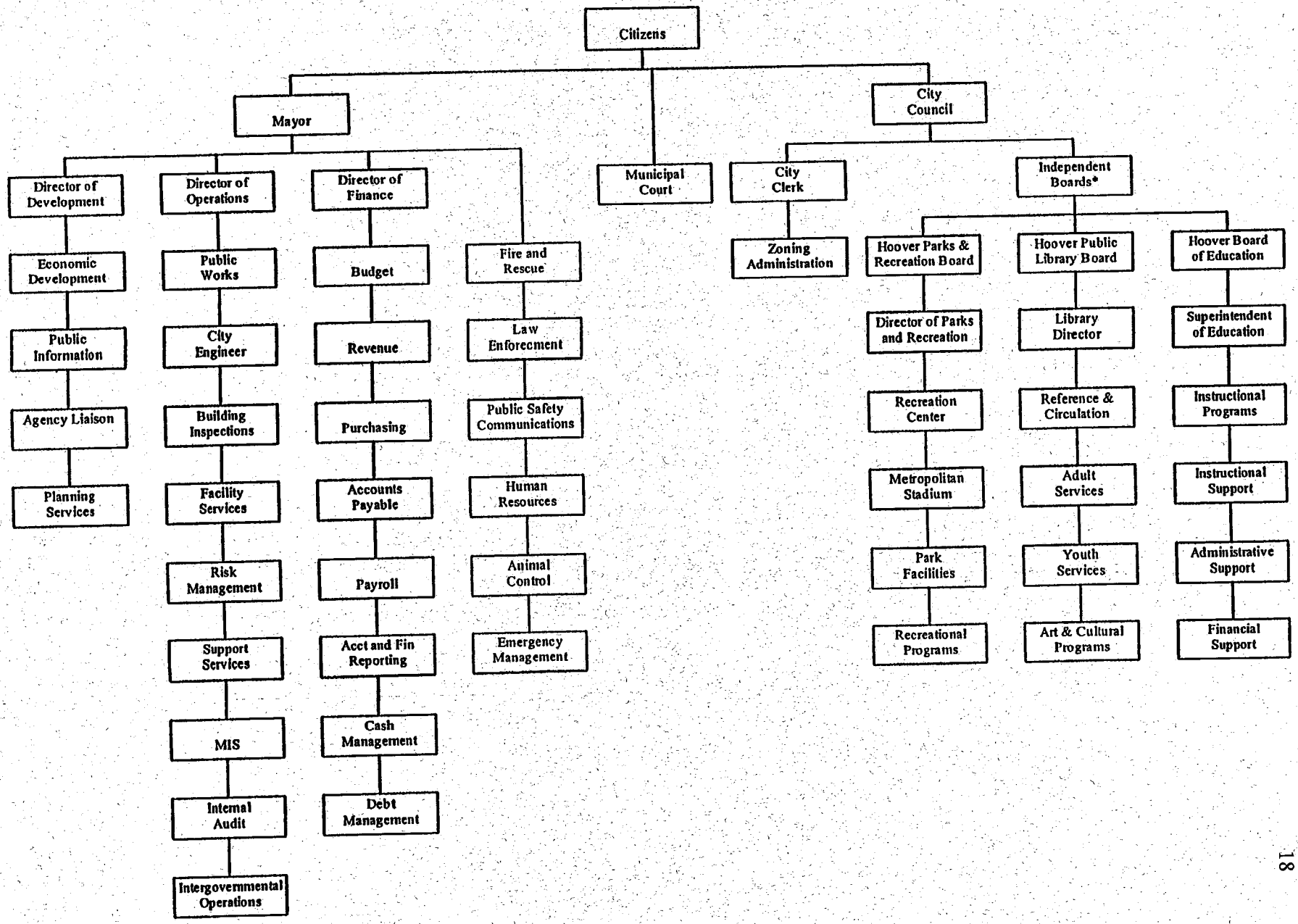
The City of Hoover , Alabama
Organization Chart
Fiscal Year 1999



*Appointed By The City Council

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Officials of The City of Hoover, Alabama
September 30, 1999

Mayor

Frank S. Skinner, Jr.
(through Feb. 1, 1999)

Brian L. Skelton
(as of Feb. 1, 1999)

City Council

Johanna J. Hutto, President

Barbara B. McCollum, President Pro Tempore

David L. Bradley

Jack Wright

William J. Billingsley
(as of Feb. 1, 1999)

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FINANCIAL SECTION

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LORI L. KES, CPA
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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of
the City Council
City of Hoover, Alabama

We have audited the accompanying general purpose financial statements of the City of Hoover, Alabama, and the combining, individual fund and account group financial statements of the City of Hoover, Alabama, as of and for the year ended September 30, 1999, as listed in the table of contents. These financial statements are the responsibility of the management of the City of Hoover, Alabama. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Hoover Board of Education , which statements reflect total assets of $365,109,085 as of September 30, 1999 and total revenues of $53,650,021 for the year then ended, and the Hoover Public Library, which statements reflect total assets of $75,568 as of September 30, 1999 and total revenues of $347,985. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion on the general purpose financial statements, insofar as it relates to the amounts included for the Hoover Board of Education and the Library Board, respectively, is based solely on the reports of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the reports of other auditors, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Hoover, Alabama, at September 30, 1999, and the results of its operations and the cash flows of its proprietary funds for the year then ended, in conformity with generally accepted accounting principles. Also in our opinion the combining, individual fund and account group financial statements referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of the City of Hoover, Alabama, at September 30, 1999, and the results of operations of such funds and the cash flows of the proprietary funds for the year then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards,* we have also issued our report dated March 14, 2000, on our consideration of the City of Hoover, Alabama's internal control over financial reporting and on our tests of its compliance with provisions of laws, regulations, contracts, and grants.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the combining, individual fund and account group financial statements. The accompanying financial information listed as schedules in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the City of Hoover, Alabama. The information in these schedules has been subjected to the auditing procedures applied in the audit of the general purpose, combining, individual fund and account group financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements of each of the respective individual funds and account groups, taken as a whole.

Hullett, Kellum & McKinney PC

February 23, 2000

GENERAL PURPOSE FINANCIAL STATEMENTS

THE CITY OF HOOVER, ALABAMA
Combined Balance Sheet
All Fund Types, Account Groups and Discretely Presented Component Units
September 30, 1999

	Governmental Fund Types			Proprietary Fund Types	
				Enterprise Fund	Internal Service Fund
	General	Special Revenue	Capital Projects	Sewer	Fleet Services
Assets and other debits					
Assets					
Pooled cash and investments	$ 13,300,213	$ 1,568,885	$ 8,064,786	$ 447,994	$ 100
Receivables					
Taxes	3,686,761	-	-	-	-
Accounts	225,641	-	-	168,000	-
Due from other governments					
County	472,321	-	-	-	-
State	-	62,903	-	8,000,000	-
Federal	21,936	-	-	-	-
Due from other funds	6,296,383	-	-	-	-
Due from component units	-	-	-	-	-
Inventory	-	-	-	3,100	19,914
Prepaid insurance	45,456	-	-	-	-
Prepaid, other	-	-	-	-	-
Fixed assets (net, where applicable, of accumulated depreciation)	-	-	-	4,827,021	57,840
Deposits	19,037	-	-	-	-
Non-current receivable	3,804,858	-	-	-	-
Other assets	-	-	-	505,000	-
Other debits					
Amount to be provided for retirement of general long-term debt	-	-	-	-	-
Total assets	$ 27,872,606	$ 1,631,788	$ 8,064,786	$ 13,951,115	$ 77,854
Liabilities, equity and other credits					
Liabilities					
Accounts payable and accrued liabilities	$ 2,190,686	$ 56,094	$ 306,839	$ 77,148	$ 9,840
Claims and judgments payable	-	-	-	-	-
Due to other funds	-	-	6,142,684	140,978	12,721
Due to component units	-	-	-	-	-
Notes and capital leases payable	-	-	-	-	-
General obligation warrants payable	-	-	-	8,505,000	-
Refundable deposits	139,119	-	-	5,000	-
Accrued compensated leave	-	-	-	-	-
Total liabilities	2,329,805	56,094	6,449,523	8,728,126	22,561
Equity and other credits					
Investment in general fixed assets	-	-	-	-	-
Contributed capital	-	-	-	8,530,151	45,579
Retained earnings (deficit)	-	-	-	(3,307,162)	9,714
Fund balances					
Reserved for prepaid insurance	45,456	-	-	-	-
Reserved for inventory	-	-	-	-	-
Reserved for building commitments	-	-	-	-	-
Reserved for encumbrances	-	-	-	-	-
Reserved for non-current receivables	3,804,858	-	-	-	-
Reserved for future capital outlay	-	-	-	-	-
Unreserved, undesignated	21,692,487	1,575,694	1,615,263	-	-
Total equity and other credits	25,542,801	1,575,694	1,615,263	5,222,989	55,293
Total liabilities, equity and other credits	$ 27,872,606	$ 1,631,788	$ 8,064,786	$ 13,951,115	$ 77,854

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

Account Groups		Totals (Memorandum Only)		Totals (Memorandum Only)
General Fixed Assets	General Long-term Debt	Primary Government	Component Units	Reporting Entity
-	-	$ 23,381,978	$ 77,229,139	$ 100,611,117
-	-	3,686,761	-	3,686,761
-	-	393,641	70,000	463,641
-	-	472,321	1,053,744	1,526,065
-	-	8,062,903	-	8,062,903
-	-	21,936	189,261	211,197
-	-	6,296,383	-	6,296,383
-	-	-	15,327,020	15,327,020
-	-	23,014	59,790	82,804
-	-	45,456	-	45,456
-	-	-	12,255	12,255
$ 39,414,622	-	44,299,483	183,371,436	227,670,919
-	-	19,037	-	19,037
-	-	3,804,858	-	3,804,858
-	-	505,000	-	505,000
-	$ 64,903,159	64,903,159	138,126,864	203,030,023
$ 39,414,622	$ 64,903,159	$ 155,915,930	$ 415,439,509	$ 571,355,439
-	-	$ 2,640,607	$ 6,264,495	$ 8,905,102
-	$ 397,118	397,118	-	397,118
-	-	6,296,383	-	6,296,383
-	-	-	15,327,020	15,327,020
-	-	-	660,014	660,014
-	60,858,550	69,363,550	134,850,000	204,213,550
-	-	144,119	-	144,119
-	3,647,491	3,647,491	-	3,647,491
-	64,903,159	82,489,268	157,101,529	239,590,797
$ 39,414,622	-	39,414,622	183,371,436	222,786,058
-	-	8,575,730	-	8,575,730
-	-	(3,297,448)	-	(3,297,448)
-	-	45,456	-	45,456
-	-	-	59,790	59,790
-	-	-	4,095,905	4,095,905
-	-	-	1,324,604	1,324,604
-	-	3,804,858	-	3,804,858
-	-	-	60,613,467	60,613,467
-	-	24,883,444	8,872,778	33,756,222
39,414,622	-	73,426,662	258,337,980	331,764,642
$ 39,414,622	$ 64,903,159	$ 155,915,930	$ 415,439,509	$ 571,355,439

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

THE CITY OF HOOVER, ALABAMA
Combined Statement of Revenues, Expenditures and Changes in Fund Balances
All Governmental Fund Types and Discretely Presented Component Units
For the fiscal year ended September 30, 1999

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	Primary Government
Revenues				
Taxes	$ 45,534,524	-	-	$ 45,534,524
Licenses and permits	9,117,729	-	-	9,117,729
Intergovernmental	2,336,674	$ 739,119	-	3,075,793
Fines & forfeits	829,827	270,315	-	1,100,142
Investment income	943,367	89,970	$ 217,060	1,250,397
Stadium lease	-	-	-	-
Other	382,809	856,811	-	1,239,620
Total revenues	59,144,930	1,956,215	217,060	61,318,205
Expenditures				
Current operations				
General government	6,512,020	-	-	6,512,020
Public safety	19,368,880	907,554	-	20,276,434
Municipal court	436,430	-	-	436,430
Streets and sanitation	4,962,822	963,715	-	5,926,537
Recreation	-	-	-	-
Library	-	-	-	-
Health	356,631	-	-	356,631
Instructional services	-	-	-	-
Instructional support services	-	-	-	-
Operation and maintenance	-	-	-	-
Auxiliary services	-	-	-	-
Other	-	-	-	-
Total	31,636,783	1,871,269	-	33,508,052
Capital outlays	1,905,375	6,186	3,875,779	5,787,340
Debt service				
Principal	3,176,297	-	-	3,176,297
Interest and fiscal charges	3,218,271	-	37,484	3,255,755
Total expenditures	39,936,726	1,877,455	3,913,263	45,727,444
Excess (deficiency) of revenues over (under) expenditures	19,208,204	78,760	(3,696,203)	15,590,761
Other financing sources (uses)				
Operating transfers in	2,194,421	83,806	10,342,518	12,620,745
Operating transfers out	(10,608,531)	-	(2,194,421)	(12,802,952)
Operating transfers in - primary government	-	-	-	-
Operating transfers out - component units	(12,330,706)	-	-	(12,330,706)
Proceeds of general obligation warrants, notes payable and capital leases	12,294,509	-	-	12,294,509
Payment to refunding warrant escrow agent	(6,745,000)	-	-	(6,745,000)
Total other financing sources (uses)	(15,195,307)	83,806	8,148,097	(6,963,404)
Excess of revenues and other financing sources over expenditures and other financing uses	4,012,897	162,566	4,451,894	8,627,357
Fund balances at beginning of year	21,529,904	1,413,128	(2,836,631)	20,106,401
Prior period adjustment - Note 5	-	-	-	-
Fund balances as restated	21,529,904	1,413,128	(2,836,631)	20,106,401
Fund balances at end of year	$ 25,542,801	$ 1,575,694	$ 1,615,263	$ 28,733,758

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

Component Units	Totals (Memorandum Only) Reporting Entity
-	$ 45,534,524
$ 557,537	9,675,266
74,049,668	77,125,461
81,037	1,181,179
2,964	1,253,361
200,000	200,000
892,506	2,132,126
75,783,712	137,101,917
2,607,963	9,119,983
-	20,276,434
-	436,430
-	5,926,537
3,401,357	3,401,357
2,784,741	2,784,741
-	356,631
38,079,405	38,079,405
7,054,125	7,054,125
6,202,757	6,202,757
6,124,962	6,124,962
1,628,487	1,628,487
67,883,797	101,391,849
14,283,541	20,070,881
2,809,682	5,985,979
4,842,753	8,098,508
89,819,773	135,547,217
(14,036,061)	1,554,700
-	12,620,745
-	(12,802,952)
12,330,706	12,330,706
-	(12,330,706)
45,033,276	57,327,785
-	(6,745,000)
57,363,982	50,400,578
43,327,921	51,955,278
31,620,683	51,727,084
17,940	17,940
31,638,623	51,745,024
$ 74,966,544	$ 103,700,302

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

THE CITY OF HOOVER, ALABAMA
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
General and Special Revenue Funds
For the fiscal year ended September 30, 1999

	General Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Taxes	$ 43,669,000	$ 45,534,524	$ 1,865,524
Licenses and permits	9,736,500	9,117,729	(618,771)
Intergovernmental	1,449,200	2,336,674	887,474
Fines & forfeits	1,000,000	829,827	(170,173)
Investment income	855,000	943,367	88,367
Other	306,300	382,809	76,509
Total revenues	57,016,000	59,144,930	2,128,930
Expenditures			
Current operations			
General government	6,213,841	6,512,020	(298,179)
Public safety	19,785,404	19,368,880	416,524
Municipal court	478,198	436,430	41,768
Streets and sanitation	5,732,836	4,962,822	770,014
Health	434,972	356,631	78,341
Total	32,645,251	31,636,783	1,008,468
Capital outlays	1,358,920	1,905,375	(546,455)
Debt service			
Principal	3,071,312	3,176,297	(104,985)
Interest and fiscal charges	3,003,288	3,218,271	(214,983)
Total expenditures	40,078,771	39,936,726	142,045
Excess of revenues over expenditures	16,937,229	19,208,204	2,270,975
Other financing sources (uses)			
Operating transfer in	-	2,194,421	2,194,421
Operating transfers out	(4,068,540)	(10,608,531)	(6,539,991)
Operating transfers out - component units	(12,881,009)	(12,330,706)	550,303
Proceeds of general obligation warrants, notes payable and capital leases	-	12,294,509	12,294,509
Payment to refunding warrant escrow agent	-	(6,745,000)	(6,745,000)
Total other financing sources (uses)	(16,949,549)	(15,195,307)	1,754,242
Excess (deficit) of revenues and other financing sources over (under) expenditures and other financing uses	$ (12,320)	4,012,897	$ 4,025,217
Fund balances at beginning of year		21,529,904	
Fund balances at end of year		$ 25,542,801	

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

Special Revenue Funds		
Budget	Actual	Variance Favorable (Unfavorable)
-	-	-
-	-	-
$ 775,000	$ 739,119	$ (35,881)
275,000	270,315	(4,685)
75,000	89,970	14,970
830,000	856,811	26,811
1,955,000	1,956,215	1,215
-	-	-
836,642	907,554	(70,912)
-	-	-
946,800	963,715	(16,915)
-	-	-
1,783,442	1,871,269	(87,827)
-	6,186	-
-	-	-
-	-	-
1,783,442	1,877,455	(87,827)
171,558	78,760	(92,798)
-	83,806	83,806
-	-	-
-	-	-
-	-	-
-	-	-
-	83,806	83,806
$ 171,558	162,566	$ (8,992)
	1,413,128	
	$ 1,575,694	

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

THE CITY OF HOOVER, ALABAMA
Combined Statement of Revenues, Expenses, and Changes in Retained Earnings - All Proprietary Fund Types
For the fiscal year ended September 30, 1999

	Proprietary Fund Types		Totals (Memorandum Only) Primary Government
	Enterprise Fund	Internal Service Fund	
Operating revenues			
Charges for services	$ 1,400,252	$ 134,265	$ 1,534,517
Operating expenses			
Management fees	487,484	-	487,484
Depreciation	457,536	20,258	477,794
Personal services	61,074	213,693	274,767
Repairs and maintenance	214,299	-	214,299
Utilities	181,610	11,152	192,762
Supplies	62,410	36,946	99,356
Collection fees	56,217	-	56,217
Engineering fees	53,377	-	53,377
Telephone	14,878	4,586	19,464
Insurance	-	15,824	15,824
Travel	-	3,935	3,935
Miscellaneous	-	365	365
Total operating expenses	1,588,885	306,759	1,895,644
Operating (loss)	(188,633)	(172,494)	(361,127)
Non-operating revenue - interest	21,921	-	21,921
Loss before operating transfers	(166,712)	(172,494)	(339,206)
Operating transfers in	-	182,208	182,208
Net income (loss)	(166,712)	9,714	(156,998)
Retained earnings (deficit) at beginning of year	(3,140,450)	-	(3,140,450)
Retained earnings (deficit) at end of year	$ (3,307,162)	$ 9,714	$ (3,297,448)

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

THE CITY OF HOOVER, ALABAMA
Combined Statement of Cash Flows
All Proprietary Fund Types
Increase (Decrease) in Cash and Cash Equivalents
For the fiscal year ended September 30, 1999

	Proprietary Fund Types		Totals (Memorandum Only) Primary Government
	Enterprise Fund	Internal Service Fund	
Cash flows from operating activities:			
Cash received from customers	$1,370,174	$ 134,265	$ 1,504,439
Cash payments to suppliers	(713,748)	(75,121)	(788,869)
Cash payments to management companies	(487,484)	-	(487,484)
Cash payments to employees	(64,245)	(212,781)	(277,026)
Net cash provided (used) by operating activities	104,697	(153,637)	(48,940)
Cash flows from noncapital financing activities:			
Operating transfers in	-	182,208	182,208
Net cash provided by noncapital financing activities	-	182,208	182,208
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(188,838)	(28,471)	(217,309)
Capital contributed by consumers	120,825	-	120,825
Loans from other funds	34,578	-	34,578
Net cash (used) by capital and related financing activities	(33,435)	(28,471)	(61,906)
Cash flows from investing activities:			
Investment income	21,921	-	21,921
Net cash provided by investing activities	21,921	-	21,921
Net increase in pooled cash and investments	93,183	100	93,283
Pooled cash and investments, beginning of year	354,811	-	354,811
Pooled cash and investments, end of year	$ 447,994	$ 100	$ 448,094

Reconciliation of operating loss to net cash provided (used) by operating activities:

Operating (loss)	$ (188,633)	$(172,494)	$ (361,127)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:			
Depreciation	457,536	20,258	477,794
Change in assets and liabilities:			
(Increase) in accounts receivable	(30,078)	-	(30,078)
(Increase) in inventory	-	(4,250)	(4,250)
Increase (decrease) in accrued expenses	(2,857)	912	(1,945)
Increase (decrease) in accounts payable	(131,271)	1,937	(129,334)
Net cash provided (used) by operating activities	$ 104,697	$(153,637)	$ (48,940)

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

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NOTES TO THE FINANCIAL STATEMENTS

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THE CITY OF HOOVER, ALABAMA
Notes to the Financial Statements
September 30, 1999

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Hoover, Alabama (the City) is a municipal corporation that was formed on May 18, 1967, and is governed by a Mayor and a five member City Council. As required by generally accepted accounting principles, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The discretely presented component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the City. The discretely presented component units all have September 30 year ends.

Discretely Presented Component Units

The Hoover City Board of Education (the Board of Education) is responsible for elementary and secondary education within the City's jurisdiction. The school system is governed by a board, which is appointed by the City Council, and there is a potential for the Board of Education to provide specific financial benefits to, or to impose specific financial burdens on the City. The Board of Education is presented as a governmental fund type.

The Public Park and Recreation Board of the City of Hoover (the Park and Recreation Board) is responsible for maintaining and operating public parks and other recreational facilities within the City. The parks and recreation system is governed by a board, which is appointed by the City Council, and there is a potential for the Park and Recreation Board to provide specific financial benefits to, or to impose specific financial burdens on the City. The Park and Recreation Board is presented as a governmental fund type.

The City of Hoover Public Library Board (the Library Board) is responsible for operating the Hoover Public Library. The Library is governed by a board, which is appointed by the City Council, and there is a potential for the Library Board to provide specific financial benefits to, or to impose specific financial burdens on the City. The Library Board is presented as a governmental fund type.

Financial statements for the Board of Education may be obtained from its administrative office at the following address:

Hoover City Board of Education
100 Municipal Drive
Suite 200
Hoover, Alabama 35216

Financial statements for the Library Board may by obtained from its administrative office at the following address:

Hoover Public Library
200 Municipal Drive
Hoover, Alabama 35216

Financial statements are not prepared by the Park and Recreation Board.

THE CITY OF HOOVER, ALABAMA
Notes to the Financial Statements - Continued
September 30, 1999

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

A. Reporting Entity - Continued

Condensed Financial Statements are presented in the following tables for each of the discretely presented component units:

Balance Sheets

	Board of Education	Park and Recreation Board	Library Board	Totals
Assets and other debits				
Current assets	$ 93,663,156	$ 193,464	$ 84,589	$ 93,941,209
Fixed assets	133,319,065	43,780,328	6,272,043	183,371,436
Amount to be provided for retirement of general long-term debt	138,126,864	-	-	138,126,864
Total assets and other debits	$365,109,085	$43,973,792	$6,356,632	$415,439,509
Liabilities:				
Current liabilities	$ 22,060,471	$ 108,974	$ 82,084	$ 22,251,529
Long-term liabilities	134,850,000	-	-	134,850,000
Total liabilities	156,910,471	108,974	82,084	157,101,529
Equity:				
Investment in general fixed assets	133,319,065	43,780,328	6,272,043	183,371,436
Fund balances	74,879,549	84,490	2,505	74,966,544
Total equity	208,198,614	43,864,818	6,274,548	258,337,980
Total liabilities and equity	$365,109,085	$43,973,792	$6,356,632	$415,439,509

Statement of Revenues, Expenditures and Changes in Fund Balances

Revenues	$ 74,268,807	$ 1,166,920	$ 347,985	$ 75,783,712
Expenditures				
Current operations	61,697,699	3,401,357	2,784,741	67,883,797
Capital outlays	14,142,018	123,399	18,124	14,283,541
Debt service	7,652,435	-	-	7,652,435
Total expenditures	83,492,152	3,524,756	2,802,865	89,819,773
Other financing sources				
Operating transfers in - primary government	7,518,920	2,364,477	2,447,309	12,330,706
Proceeds of general obligation warrants, notes payable, and capital leases	45,033,276	-	-	45,033,276
Total other financing sources	52,552,196	2,364,477	2,447,309	57,363,982
Revenues and other financing sources over (under) expenditures	43,328,851	6,641	(7,571)	43,327,921
Fund balances - beginning of year	31,532,758	77,849	10,076	31,620,683
Prior period adjustments – Note 5	17,940	-	-	17,940
Fund balance as restated	31,550,698	77,849	10,076	31,638,623
Fund balances - end of year	$ 74,879,549	$ 84,490	$ 2,505	$ 74,966,544

THE CITY OF HOOVER, ALABAMA
Notes to the Financial Statements - Continued
September 30, 1999

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

B. Measurement Focus, Basis of Accounting and Basis of Presentation

The accounts of the City (City encompasses both the primary government and the component units) are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device used to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

The City has the following fund types and account groups:

Governmental Funds:

Governmental funds are used to account for the City's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers all revenues available if they are collected within sixty (60) days after year end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due.

Property taxes, fines and forfeits, taxpayer-assessed revenues, interest revenues and special assessments are susceptible to accrual. Other receipts and taxes become measurable and available when cash is received by the City and are recognized as revenue at that time. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Governmental funds include the following fund types:

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

Special Revenue Funds - The Special Revenue Funds account for revenue sources that are legally restricted to expenditure for specific purposes (not including major capital projects).

Capital Projects Funds - The Capital Projects Funds account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary funds.

Proprietary Funds:

Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

THE CITY OF HOOVER, ALABAMA
Notes to the Financial Statements - Continued
September 30, 1999

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

B. Measurement Focus, Basis of Accounting and Basis of Presentation - Continued

Proprietary Funds - Continued

The City applies all applicable Financial Accounting Standards Board (FASB) pronouncements issued before November 30, 1989, in accounting and reporting for its proprietary operations. The City does not apply FASB pronouncements after November 30, 1989. The City's proprietary funds are of the following fund type:

Enterprise Fund - The Enterprise Fund is used to account for those operations that are financed and operated in a manner similar to private business or where the City Council has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

Internal Service Fund - The Internal Service Fund is established to account for the financing of goods or services provided by one department to other departments of the City on a cost-reimbursement basis.

Account Groups:

General Fixed Assets Account Group - The General Fixed Assets Account Group is used to account for fixed assets not accounted for in the proprietary funds.

General Long-Term Debt Account Group - The General Long-Term Debt Account Group is used to account for unmatured long-term indebtedness, which is backed by the full faith and credit of the City and the non-current portion of other long-term obligations of governmental funds.

C. Assets, Liabilities and Equity

1. Deposits and Investments

The primary government maintains a cash management system in which substantially all cash is held in a bank public funds investment account. The primary government generally follows the practice of pooling cash of all funds within this investment account in order to maximize return. Interest earned is allocated to each fund based on the balances of each fund's pooled cash and investments. It is the primary government's policy to prohibit individual funds from making disbursements in excess of their balance in the pooled cash and investments account.

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the City to invest in obligations of the U.S. Treasury, U.S. corporate debt, 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.

It is the City's policy to invest only in obligations of the U.S. Treasury, U.S. Government Agencies, short-term bank certificates of deposit, and the bank public funds investment account. It is also the City's policy to require federal depository insurance or collateral to cover all of its deposits in financial institutions.

THE CITY OF HOOVER, ALABAMA
Notes to the Financial Statements - Continued
September 30, 1999

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

C. Assets, Liabilities and Equity - Continued

1. Deposits and Investments - Continued

All investments with a remaining maturity of more than one year at the time of purchase are reported at fair value in accordance with GASB Statement 31. Some of the investments are in certificates of deposits, which are considered non-participating investments, and thus are valued at cost.

Investments made by the City are summarized below. Those investments represented by specifically identifiable investment securities are classified as to credit risk within the following three categories.

Category 1 - Insured or registered, or securities held by the City or its agent in the City's name.

Category 2 - Uninsured and unregistered, with securities held by the counter party's trust department or agent in the City's name.

Category 3 - Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent but not in the City's name.

	Category 1	Category 2	Category 3	Fair Value
U.S. Government Securities	-	$10,170,510	-	$10,170,510

The City does not expect to incur losses due to market fluctuations of government securities since it is anticipated that the securities will be held to maturity.

2. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivable/payable" (i.e., the non-current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not current financial resources.

Property values are assessed and property taxes are collected by Jefferson and Shelby Counties and remitted on a monthly basis. Property values are assessed and property taxes attach as an enforceable lien on property as of October 1 of each fiscal year. The property taxes are due and payable October 1 of the subsequent fiscal year and are delinquent on January 1.

3. Inventories and Prepaid Items

Inventory in the proprietary funds are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

The Board of Education inventories are recorded as expenditures when purchased except commodities donated by the federal government which are expensed when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

C. Assets, Liabilities and Equity - Continued

4. Fixed Assets

Fixed assets used in governmental fund types of the City are recorded in the General Fixed Assets Account Group at cost or estimated historical cost if purchased or constructed. Donated fixed assets are recorded at their estimated fair value at the date of donation. Assets in the General Fixed Assets Account Group are not depreciated. Construction interest is not capitalized on general fixed assets.

Public domain (infrastructure) general fixed assets (e.g., roads, bridges, sidewalks and other immovable assets of value only to the government) are not included in the General Fixed Assets Account Group.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not included in the General Fixed Assets Account Group or capitalized in the proprietary funds.

Property, plant and equipment in the proprietary funds of the City are recorded at cost. Property, plant and equipment donated to these proprietary fund type operations are recorded at their estimated fair value at the date of donation.

Major outlays for capital assets and improvements are capitalized in the proprietary funds as projects are constructed. Interest incurred during the construction phase of the proprietary funds fixed assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

Property, plant and equipment are depreciated in the Enterprise Fund and the Internal Service Fund of the City using the straight-line method over the asset's estimated useful lives. The estimated useful lives of the waste water treatment plants and equipment in the Enterprise Fund are fifteen years and seven years, respectively. The estimated useful lives of the equipment in the Internal Service Fund are five years.

5. Accrued Compensated Leave

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation pay is accrued when incurred in the proprietary funds and reported as a fund liability. Sick leave is accrued when incurred only to the extent that it is probable that the benefits will result in payments to be made upon employees' termination or retirement, rather than taken as absences due to illness or other contingencies. The accrued compensated leave liability related to the general fund is in the General Long-Term Debt Account Group because it is not expected to be liquidated with current financial resources. Related payroll taxes are included in the accrued compensated leave amount.

The Board of Education's professional and support personnel are provided two days of personal leave per year with pay. Because unused personal leave cannot be carried over to succeeding years, no liability for unpaid leave is accrued in the financial statements. Also, the professional and support employees earn nonvesting sick leave at the rate of one day per month worked. Employees may accumulate a maximum of 225 days of sick leave. Employees may use up to 225 days of their accrued sick leave as membership services in determining the total years of creditable service in the teacher's retirement system, with no additional cost to the Board. Because employees do not receive compensation for unused sick leave at termination, no liability is recorded on the financial statements. All twelve-month employees are allowed two weeks of vacation per year with pay. Up to 30 days of unused vacation leave can be carried over to succeeding years. However, because management has determined the carryover amounts to be immaterial, no liability for unpaid leave is accrued in the financial statements.

THE CITY OF HOOVER, ALABAMA
Notes to the Financial Statements - Continued
September 30, 1999

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

C. Assets, Liabilities and Equity - Continued

6. Long-Term Obligations

The City reports long-term debt of governmental funds at face value in the General Long-Term Debt Account Group. Certain other governmental fund obligations not expected to be financed with current available financial resources are also reported in the General Long-Term Debt Account Group. Long-term debt and other obligations financed by the proprietary funds are reported as liabilities in the appropriate fund.

For governmental fund types, warrant premiums and discounts, as well as issuance costs, are recognized during the current period. Warrant proceeds are reported as an other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

7. Fund Equity

Reservations of fund balance represent amounts that are not appropriable or are legally segregated for a specific purpose. Reservations of retained earnings are limited to outside third-party restrictions. Designations of fund balance represent tentative management plans that are subject to change. The proprietary funds' contributed capital represents equity acquired through capital grants and capital contributions from developers, customers or other funds.

8. Memorandum Only - Total Columns

Total columns on the general purpose financial statements are captioned as "memorandum only" because they do not represent consolidated financial information and are presented only to facilitate financial analysis. The columns do not present information that reflects financial position, results of operations or cash flows in accordance with generally accepted accounting principles. Interfund eliminations have not been made in the aggregation of this data.

9. Comparative Data

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the City's financial position and operations.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Although not required by State or local law, annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general and special revenue funds. Project-length financial plans are adopted for capital projects funds, which have no legally adopted budgets. All annual appropriations lapse at fiscal year end.

The City follows the procedures set forth below, in establishing the budgetary data reflected in the general purpose financial statements:

THE CITY OF HOOVER, ALABAMA
Notes to the Financial Statements - Continued
September 30, 1999

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - CONTINUED

A. Budgetary Information – Continued

1. Prior to September 1, all departments of the City submit requests for appropriation to the City's Finance Director so that a budget may be prepared. The budget is prepared by fund, function and activity and includes annual information on the past year, current year estimates and requested appropriations for the next fiscal year.

2. Prior to October 1, the Mayor submits the appropriated budget to the City Council for the next fiscal year.

3. The City Council holds public hearings and may add to, subtract from or change appropriations. Any changes in the budget must be within the revenues and reserves estimated as available by the Finance Director.

4. Expenditures may not legally exceed budgeted appropriations at the activity level. Management may not amend or transfer appropriations within the budget at or above the activity level without the approval of the City Council. The City Council may authorize expenditures from time to time during the year without legally amending the previously adopted budget. The City Council may legally amend the budget at any time during the fiscal year.

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed as an extension of the formal budgetary process for the primary government.

B. Excess of Expenditures Over Appropriations

The total amounts of expenditures (over) under appropriations for the year ended September 30, 1999, at the legal level of control (the activity level) in individual funds are as follows:

Activity	General Fund	E-911 Fund	State Seven Cent Gasoline Tax Fund	State Four and Five Cent Gasoline Tax Fund	Drug Enforcement Fund	Court and Corrections	Expenditures (Over) Under Appropriations
Administration	$(298,179)	$ -	$ -	$ -	$ -	$ -	$(298,179)
Police	438,360	(70,912)	-	-	-	-	367,448
Fire	(69,418)	-	-	-	-	-	(69,418)
Inspection	47,582	-	-	-	-	-	47,582
Municipal court	41,768	-	-	-	-	-	41,768
Streets and sanitation	770,014	-	(1,225)	(15,690)	-	-	753,099
Health	78,341	-	-	-	-	-	78,341

The E-911, State Seven Cent Gasoline Tax Fund, and the State Four and Five Cent Gasoline Tax Fund expenditures over appropriations shown above were funded by available fund balances of the respective funds.

The excess of expenditures over appropriations in the General Fund can be accounted for as set forth below:

Administrative – The settlement of more claims against the City than anticipated. The amount of unpaid claims at the end of 1999 were $240,000 less than at the end of 1998.

Fire – Overtime related to special events including the Bruno's Memorial Seniors Golf Classic, the Southeastern Conference Baseball Tournament, as well as other unavoidable overtime.

THE CITY OF HOOVER, ALABAMA
Notes to the Financial Statements - Continued
September 30, 1999

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - CONTINUED

C. Capital Projects Fund

The GOW Capital Projects Fund, with a deficit fund balance of $6,247,721, is the only governmental fund with a deficit fund balance at September 30, 1999. This capital projects fund was created to record capital expenditures from the proceeds of long term borrowing. It is anticipated that the net proceeds from additional general obligation debt will eliminate this deficit.

D. Retained Earnings Deficit

The Sewer Enterprise Fund, a proprietary fund used to account for the operations of the City's waste water treatment plants, has a retained earnings deficit of $3,307,162 at September 30, 1999. However, the contributed capital totals $8,530,151 because of capital contributed by the City, customers and developers resulting in a net fund equity of $5,222,989 at September 30, 1999. The retained earnings deficit resulted mainly from a $4,000,000 operating transfer to the General Fund during fiscal 1998 and an operating loss of $467,855 for that year. Nevertheless, the Sewer Enterprise Fund had net cash provided by operating activities of $104,697 and $155,082 for fiscal years 1999 and 1998, respectively. The Sewer Enterprise Fund has historically maintained a break even cash flow. The Fund continues to have a favorable current ratio (ratio of current assets to current liabilities) and will be subsidized by the General Fund should the need arise.

NOTE 3: DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. Deposits and Investments

At year end, the City's bank balance of deposits was entirely covered by federal depository insurance or by collateral held by the City's agent in the City's name.

The bank balances of deposits for the Library Board and the Park and Recreation Board were entirely covered by federal depository insurance or by collateral held by the component unit's agent in the component unit's name.

The carrying amount and bank balance of the Hoover Board of Education's deposit accounts were as follows:

	Carrying Amount	Bank Balance
Local school funds	$ 2,771,987	$ 2,496,433
All other funds	3,435,770	4,548,125
Totals	$ 6,207,757	$ 7,044,558

Of the local school accounts, a total of $1,247,202 was either covered by Federal depository insurance or secured by collateral held by the Federal Reserve Bank with a book entry to record the pledge to the Board. A total of $1,249,231 was neither insured nor collateralized.

At September 30, 1999, all of the bank balances of the other Board Funds were either covered by federal depository insurance or secured by collateral held by the Federal Reserve Bank with a book entry to record the pledge to the Board.

THE CITY OF HOOVER, ALABAMA
Notes to the Financial Statements - Continued
September 30, 1999

NOTE 3: DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - CONTINUED

A. Deposits and Investments - Continued

Investments are categorized into three categories of credit risk:

Category 1 - Insured or registered, or securities held by the Board or its agent in the Board's name.

Category 2 - Uninsured and unregistered, with securities held by the counter-party's trust department or agent in the Board's name.

Category 3 - Uninsured and unregistered, with securities held by the counter-party, or by its trust department or agent but not in the Board's name.

At year end, the Board of Education's investment balances were as follows:

	Category			Fair
	1	2	3	Value
U.S. Government Agencies	$ -	$70,813,329	$ -	$70,813,329
Total	$ -	$70,813,329	$ -	$70,813,329

The Board of Education does not expect to incur losses due to the market fluctuations of government securities since it is anticipated that the securities will be held to maturity.

A reconciliation of cash and investments as shown on the Combined Balance Sheet for the Board of Education is as follows:

Carrying Amount of Deposits	$ 6,207,757
Carrying Amount of Investments	70,813,329
Total Cash and Investments	$77,021,086

A reconciliation of cash and investments, as shown on the combined balance sheet, all fund types, account groups and discretely presented component units, for the component units is as follows:

Board of Education	$77,021,086
Park & Recreation Board	123,464
Library Board	84,589
Total Cash and Investments	$77,229,139

THE CITY OF HOOVER, ALABAMA
Notes to the Financial Statements - Continued
September 30, 1999

NOTE 3: DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - CONTINUED

B. Receivables

A summary of the items included in taxes receivable at September 30, 1999, is set forth below:

	1999
Gasoline tax	$ 37,271
Sales and use tax	3,438,682
Beer tax	36,441
Motor vehicle registration fees	16,258
Property tax	153,480
Tobacco tax	4,629
Total	$3,686,761

A summary of the items included in accounts receivable at September 30, 1999, is set forth below:

General Fund:	1999
Development fee receivables	$ 49,321
Grants receivable	158,623
Other	17,697
Total General Fund accounts receivables	225,641
Sewer Enterprise Fund:	
Sewer service charges	168,000
Total accounts receivable	$ 393,641

No significant uncollectible amounts are anticipated on these receivables.

C. Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group during the year ended September 30, 1999:

	Balance October 1, 1998	Additions	Deductions	Balance September 30, 1999
Land	$ 8,385,329	$ 246,158	-	$ 8,631,487
Buildings	14,168,879	7,061	$ (86,727)	14,089,213
Improvements other than buildings	1,287,654	-	-	1,287,654
Equipment and vehicles	13,767,542	2,211,807	(701,758)	15,277,591
Construction in progress	-	128,677	-	128,677
Total	$37,609,404	$2,593,703	$(788,485)	$39,414,622

THE CITY OF HOOVER, ALABAMA
Notes to the Financial Statements - Continued
September 30, 1999

NOTE 3: DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - CONTINUED

C. Fixed Assets - Continued

The following is a summary of proprietary fund type fixed assets for the City at September 30, 1999:

Sewer Enterprise Fund

	1999	1998
Equipment and vehicles	$ 458,764	$ 415,649
Land	1,664,800	1,664,800
Waste water treatment plants	8,102,129	7,990,984
Construction in progress	140,978	106,400
Total	10,366,671	10,177,833
Less - Accumulated depreciation	(5,539,650)	(5,082,115)
Net	$4,827,021	$5,095,718

Fleet Service Fund

	1999	1998*
Equipment and vehicles	$111,426	$82,956
Total	111,426	82,956
Less - Accumulated depreciation	(53,586)	(33,328)
Net	$ 57,840	$49,628

* The Fleet Service Fund was created in 1998.

A reconciliation of fixed assets as shown on the combined balance sheet, all fund types, account groups and discretely presented component units, for the Sewer Fund, Fleet Service Fund and the General Fixed Assets Account Group is as follows:

General Fixed Assets Account Group	$39,414,622
Fleet Service Fund	57,840
Sewer Fund	4,827,021
Total	$44,299,483

THE CITY OF HOOVER, ALABAMA
Notes to the Financial Statements - Continued
September 30, 1999

NOTE 3: DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - CONTINUED

C. Fixed Assets - Continued

The following is a summary of changes in the General Fixed Assets Account Group during the fiscal year for the component unit Board of Education.

	Balance October 1, 1998	Additions	Transfers and Retirements	Balance September 30, 1999
Land and improvements	$ 5,628,188	$ 248,244	-	$ 5,876,432
Building and improvements	91,761,989	928,059	-	92,690,048
Equipment and vehicles	17,118,352	3,653,101	$(2,856,415)	17,915,038
Construction in progress	3,799,502	16,837,547	(3,799,502)	16,837,547
Total	$118,308,031	$21,666,951	$(6,655,917)	$133,319,065

The following is a summary of changes in the General Fixed Assets Account Group during the fiscal year for the component unit Park and Recreation Board.

	Balance October 1, 1998	Additions	Deductions	Balance September 30, 1999
Land	$13,770,586	-	-	$13,770,586
Buildings	24,022,486	$113,138	-	24,135,624
Improvements other than buildings	3,914,947	288,541	-	4,203,488
Equipment and vehicles	1,351,987	286,206	$(13,401)	1,624,792
Construction in progress	45,838	-	-	45,838
Total	$43,105,844	$687,885	$(13,401)	$43,780,328

The following is a summary of changes in the General Fixed Assets Account Group during the fiscal year for the component unit Library Board.

	Balance October 1, 1998	Additions	Deductions	Balance September 30, 1999
Buildings	$5,604,394	-	-	$5,604,394
Improvements other than buildings	14,883	-	-	14,883
Equipment and vehicles	528,537	$ 68,852	$(17,727)	579,662
Construction in progress	-	73,104	-	73,104
Total	$6,147,814	$141,956	$(17,727)	$6,272,043

THE CITY OF HOOVER, ALABAMA
Notes to the Financial Statements - Continued
September 30, 1999

NOTE 3: DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - CONTINUED

C. Fixed Assets - Continued

A reconciliation of the fixed assets as shown on the combined balance sheet, all fund types, account groups and discretely presented component units, for the Board of Education, Park & Recreation Board and the Library Board are as follows:

Board of Education	$133,319,065
Park & Recreation Board	43,780,328
Library Board	6,272,043
Total	$183,371,436

D. Interfund Loan Receivables and Payables

Current portions of interfund accounts and loans receivable for the Board of Education are considered available spendable resources. Details of current interfund receivables and payables were as follows:

Payable from	Payable to	Amount
Title II	General	$ 390
Innovative	General	6,234
General	Title I	151
IDEA Part B	General	4,123
General	Vocational Education	16,262
Drug-Free Schools	General	8,415
Preschool	General	4,854
Child Nutrition	General	9,867
Capital Projects	General	4,866,226
Capital Projects	14 Mill Tax	9,556,717
Goals 2000	General	52,295
CAP	General	41,815
Technology Challenge	General	319
General	Community Education	91,468
General	Local Schools	667,884
Total		$15,327,020

Current portions of interfund accounts and loans receivable for the City are considered available spendable resources. Details of current interfund receivables and payables were as follows:

Payable from	Payable to	Amount
GOW Capital Projects Fund	General Fund	$ 6,142,684
Sewer Enterprise Fund	General Fund	140,978
Fleet Services	General Fund	12,721
Total		$ 6,296,383

THE CITY OF HOOVER, ALABAMA
Notes to the Financial Statements - Continued
September 30, 1999

NOTE 3: DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - CONTINUED

E. Leases

In 1995, the Board of Education entered into a lease-purchase agreement for the lease of ten school buses. The lease agreement qualifies as a capital lease for accounting purposes (title transfers at the end of the lease term) and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of their inception. This equipment is included in the General Fixed Assets Account Group of the Board of Education, a discretely presented component unit. The lease is included in the General Long-Term Debt Account Group of the Board of Education.

In 1999, the Board of Education entered into a lease-purchase agreement for the lease of a telephone system. Lease payments of $6,530 are payable monthly through April 2003. Ownership of the telephone system is transferred to the Board at the conclusion of the lease term, and therefore, has been recorded at the present value of the future minimum lease payments as of the date of their inception. This equipment is included in the General Fixed Assets Account Group of the Board of Education, a discretely presented component unit. The lease is included in the General Long-Term Debt Account Group of the Board of Education.

In 1999, three of the local schools entered into lease-purchase agreements for the lease of copiers. Ownership of the copiers is transferred to the schools at the conclusion of the lease term, and therefore, the leases have been capitalized at the present value of the future minimum lease payments as of the date of their inception. This equipment is included in the General Fixed Assets Account Group of the Board of Education, a discretely presented component unit. The lease is included in the General Long-Term Debt Account Group of the Board of Education.

The following is a schedule of the future minimum lease payments and the present value of the net minimum lease payments at September 30, 1999, for the discretely presented component unit Board of Education.

Fiscal Year Ending September 30,	General Long-Term Debt
2000	$202,899
2001	88,483
2002	85,325
2003	48,640
Total minimum lease payments	425,347
Less: Amount representing interest	31,286
Present Value of Future Minimum Lease Payments	$394,061

On April 7, 1988, the Park and Recreation Board entered into a ten year lease and management agreement to lease Hoover Metropolitan Stadium to a professional baseball club. The lease and management agreements were renegotiated and amended on March 14, 1991, after the baseball club underwent a change in ownership. On January 1, 1996, the lease and management agreements were again renegotiated, with the result being a new ten year stadium lease agreement and an "other events" supplemental agreement. The stadium lease amount is to be adjusted once every five years based upon changes in the cost of living index. Total revenue under the lease and management agreement for the fiscal year ended September 30, 1999, was $200,000.

NOTE 3: DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - CONTINUED

F. Long-Term Debt

The City issues general obligation warrants to provide funds for the acquisition and construction of major capital facilities. General obligation warrants have been issued for both general government and proprietary activities. The City is in compliance with all significant limitations and restrictions contained in the ordinances authorizing the issuance of general obligation warrants.

General obligation warrants are direct obligations and pledge the full faith and credit of the City. These warrants generally are issued as 20-year serial warrants with increasing amounts of principal maturing and decreasing amounts of interest payable each year. General obligation warrants currently outstanding are as follows:

Long-Term:

(A)	$12,400,000 general obligation school warrants dated May 1, 1999; due $525,000 to $2,800,000 annually beginning September 1, 1999; interest at 3.20% to 4.45% due semi-annually commencing September 1, 2010.	$11,875,000
(B)	General obligation warrants, dated September 1, 1990; due $305,000 to $1,250,000 annually beginning March 1, 1994; interest at 6.30% to 7.40% due semi-annually commencing March 1, 1991.	440,000
(C)	$2,200,000 (principal and imputed interest) general obligation warrant dated May 15, 1992; due $200,000 to $400,000 annually beginning October 1, 1993; interest is imputed at a rate of 6.8%.	248,550
(D)	$7,490,000 general obligation warrants dated September 1, 1993; issued October 4, 1993; due $275,000 to $870,000 annually beginning May 1, 1993; interest at a 4.40% to 6.30% due semi-annually commencing May 1, 1994.	5,665,000
(E)	$43,155,000 general obligation warrants dated September 1, 1993; due $870,000 to $2,950,000 annually beginning March 1, 1998; interest at 3.875% to 5.00% due semi-annually commencing March 1, 1994.	40,930,000
(F)	$1,700,000 general obligation warrant dated July 5, 1995; due in full on June 5, 2025; interest at 6.2714% due monthly commencing July 31, 1995.	1,700,000
	Total general obligation warrants	60,858,550
	Claims and judgments payable	397,118
	Accrued compensated leave	3,647,491
	Total Long-Term Debt	$64,903,159

THE CITY OF HOOVER, ALABAMA
Notes to the Financial Statements - Continued
September 30, 1999

NOTE 3: DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - CONTINUED

F. Long-Term Debt - Continued

Annual debt service requirements to maturity for general obligation warrants (including interest) at September 30, 1999, are as follows:

Year Ending September 30	Principal	Interest	Total
2000	$3,183,550	$3,008,748	$6,192,298
2001	3,225,000	2,720,882	5,945,882
2002	3,370,000	2,575,341	5,945,341
2003	3,525,000	2,419,693	5,944,693
2004	3,695,000	2,253,178	5,948,178
2005	3,880,000	2,074,145	5,954,145
2006	4,100,000	1,882,099	5,982,099
2007	4,275,000	1,672,166	5,947,166
2008	4,500,000	1,450,021	5,950,021
2009	4,705,000	1,241,396	5,946,396
2010	4,110,000	1,068,764	5,178,764
2011	1,370,000	883,864	2,253,864
2012	1,425,000	820,977	2,245,977
2013	1,490,000	755,389	2,245,389
2014	1,560,000	682,864	2,242,864
2015	1,635,000	602,989	2,237,989
2016	1,665,000	520,489	2,185,489
2017	1,740,000	435,364	2,175,364
2018	1,820,000	346,364	2,166,364
2019	1,900,000	253,364	2,153,364
2020	1,985,000	156,239	2,141,239
2021	1,700,000	106,614	1,806,614
	$60,858,550	$27,930,950	$88,789,500

Prior Year Refunding - On October 14, 1993, the City refunded several general obligation warrant issues with two separate general obligation refundings. The proceeds of the refunding warrants provided the resources to purchase U.S. Government securities that were placed in irrevocable trusts for the purpose of generating resources for all future debt service payments on a total of $42,145,000 of refunded debt. As a result, all refunded warrants are considered to be defeased and the liabilities have been removed from the General Long-Term Debt Account Group. The amount of the insubstance defeased debt, which remains outstanding as of September 30, 1999, is $21,465,000.

On June 3, 1999, the City refunded one general obligation warrant issue with a new warrant issue. The proceeds of the refunding warrants provided the resources to U. S. Government Securities that were placed in irrevocable trust for the purpose of generating resources for all future debt service payments on a total of $6,745,000 of refunded debt. As a result, all refunded warrants are considered to be defeased and the liabilities have been removed from the General Long-Term Debt Account Group. This warrant was then called September 1, 1999. The details of the refunding are described in the following paragraph.

As a result of the advance refunding, the City reduced its total debt service requirements by $18,165 which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of $995,941.

THE CITY OF HOOVER, ALABAMA
Notes to the Financial Statements - Continued
September 30, 1999

NOTE 3: DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - CONTINUED

F. Long-Term Debt - Continued

Changes in general long-term liabilities - During the year ended September 30, 1999, the following changes occurred in liabilities reported in the General Long-Term Debt Account Group:

General long-term debt at October 1, 1998	$62,385,367
Warrants issued	12,400,000
Increase in accrued compensated leave	279,735
Decrease in claims and judgments payable	(240,646)
Warrants defeased	(6,745,000)
Warrants retired	(3,071,312)
General long-term debt at September 30, 1999	$64,903,159

As of September 30, 1999, the long-term debt of the discretely presented component unit Board of Education is as follows:

Series 1993-A Capital Outlay Tax Anticipation Warrants; due annually through 2017; interest payable semi-annually at rates ranging from 3.5% to 5.7%	$ 6,975,000
Series 1993-B Capital Outlay Tax Anticipation Warrants; due annually through 2017; interest payable semi-annually at rates ranging from 3.5% to 5.7%	2,620,000
Series 1993-C Capital Outlay Tax Anticipation Refunding Warrants; due annually through 2017; interest payable semi-annually at rates ranging from 3.5% to 5.7%.	5,235,000
Series 1993-D Capital Outlay Tax Anticipation Refunding Warrants; due annually through 2017; interest payable semi-annually at rates ranging from 2.75% to 5.7%.	41,295,000
Series 1995 Capital Outlay Tax Anticipation Warrants due annually through 2019; interest payable semi-annually at rates ranging from 5.9% to 6.2%	18,725,000
Series 1999-A Capital Outlay Warrant Anticipation Notes with a maturity date of August 1, 2000; interest payable semi-annually at 3.80%.	11,000,000
Series 1999-B Capital Outlay Warrant Anticipation Notes with a maturity date of February 1, 2001; interest payable semi-annually at 4.25%.	4,000,000

THE CITY OF HOOVER, ALABAMA
Notes to the Financial Statements - Continued
September 30, 1999

NOTE 3: DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - CONTINUED

F. Long-Term Debt – Continued

Series 1998-C Capital Outlay Warrant Anticipation Notes with a maturity date of August 1, 2000; interest payable semi-annually at 3.80%.	45,000,000
Total warrants	134,850,000
Installment contract for the purchase of computer equipment, due in monthly installments of $11,248; including interest at 5.91%; maturing in August, 2000.	109,491
Installment contract for the purchase of computer equipment, due in monthly installments of $17,657; including interest at 3.75%; maturing in July, 2000.	156,462
Total warrants and notes payable	135,115,953
Capital lease obligations	394,061
Accrued salaries	2,616,850
Total long-term debt	$138,126,864

Annual debt service requirements to maturity for the discretely presented component unit Board of Education's long-term debt, including interest, at September 30, 1999, is as follows:

Year Ending September 30,	Principal	Interest	Total
2000	$ 58,885,736	$ 6,495,021	$ 65,380,757
2001	6,640,443	4,071,163	10,711,606
2002	2,775,964	3,937,205	6,713,169
2003	2,892,871	3,792,374	6,685,245
2004	2,990,000	3,639,355	6,629,355
2005 and Thereafter	61,325,000	27,625,748	88,950,748
	$135,510,014	$49,560,866	$185,070,880

Changes in general long-term liabilities for the discretely presented component unit Board of Education-during the year ended September 30, 1999, the following changes occurred in the liabilities reported in the General Long-Term Debt Account Group for the discretely presented component unit Board of Education.

General long-term debt at October 1, 1998	$ 93,286,414
Issuance of warrants	45,000,000
Issuance of capitalized leased obligations	33,282
Warrants retired	(2,315,000)
Installment contracts principal payments	(326,380)
Lease purchase principal payments	(168,302)
General long-term debt at September 30, 1999	$135,510,014*

* This amount does not include accrued salaries.

THE CITY OF HOOVER, ALABAMA
Notes to the Financial Statements - Continued
September 30, 1999

NOTE 3: DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - CONTINUED

F. Sewer Enterprise and Fleet Service Fund

The Sewer Enterprise Fund, which accounts for the operations of the waste water treatment plants, and the Fleet Service Fund, which accounts for the repairs and maintenance of all city vehicles, are the proprietary funds maintained by the City. Segment information required to be disclosed by GAAP is effectively provided by the Sewer Enterprise Fund and Fleet Service Fund financial statements presented in the general purpose financial statements.

The Riverchase Waste Water Treatment Plant and plant additions are financed by general long-term debt. No long-term debt is recorded in the Sewer Enterprise Fund. The plant and plant additions have been charged as assets in the Sewer Enterprise Fund with a corresponding credit to contributed capital from other funds.

The Inverness Waste Water Treatment Plant, land and equipment were contributed to the City by the developer of Inverness in connection with the annexation of the commercial portion of the Inverness development. The plant, land and equipment have been charged as assets in the Sewer Enterprise Fund with a corresponding credit to contributed capital from developers.

The Sewer Enterprise Fund had net losses of $166,712 and $4,010,180 for the fiscal years ended September 30, 1999 and 1998, respectively. The Sewer Enterprise Fund has a retained earnings deficit of $3,307,162 at September 30, 1999. The City acquired the waste water treatment plants as a part of the Riverchase and Inverness annexations. It was anticipated that the plants would operate at a deficit but that the deficit incurred would be greatly offset by taxes and licenses revenue derived from the annexed areas as well as by contributed capital from new customers in the form of tap fees. The City has received revenue from the annexed areas substantially in excess of the Sewer Enterprise Fund operating deficit. Additionally, tap fees collected through September 30, 1999, totaled $2,440,316.

Long-Term Debt

As of September 30, 1999, the long-term debt of the Sewer Enterprise Fund is as follows:

Series 1999 General Obligation Sewer Warrant; due $300,000 to $580,000 annually beginning February 15, 2001; interest at 3.50% due semi-annually commencing February 15, 2001.	$ 8,505,000

Annual debt service requirements to maturity for the Sewer Enterprise Fund, including interest, at September 30, 1999, is as follows:

Year Ending September 30,	Principal	Interest	Total
2000	-	-	-
2001	$ 300,000	$ 179,970	$ 479,970
2002	310,000	281,750	591,750
2003	320,000	270,725	590,725
2004	330,000	259,350	589,350
2005 and Thereafter	7,245,000	2,564,588	9,809,588
	$8,505,000	$3,556,383	$12,061,383

THE CITY OF HOOVER, ALABAMA
Notes to the Financial Statements - Continued
September 30, 1999

NOTE 3: DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - CONTINUED

G. Sewer Enterprise and Fleet Service Fund - Continued

Changes in long-term liabilities for the Sewer Enterprise Fund during the year ended September 30, 1999.

Long-term debt at October 1, 1998	-
Issuance of warrants	$8,505,000
Long-term debt at September 30, 1999	$8,505,000

Contributed Capital

The change in the contributed capital account of the Sewer Enterprise Fund was as follows:

	1999
Customer tap fees	$ 120,825
Developer donated land	-
Net increase in contributed capital	120,825
Contributed capital at beginning of year	8,409,326
Contributed capital at end of year	$8,530,151

The Fleet Service Fund was created in the fiscal year September 30, 1998 to account for the repairs and maintenance of all city vehicles. The Fleet Service Fund had net income and retained earnings of $9,714 for the fiscal year ended September 30, 1999.

Reserved Retained Earnings and Restricted Asset Accounts

The Sewer Enterprise Fund has no reservations of its retained earnings, and has no restricted assets as of September 30, 1999.

Non Cash Investing, Capital, and Financing Activities

During the fiscal year ending September 30, 1998, developers donated land valued at $19,950 to the Sewer Enterprise Fund.

NOTE 4: OTHER INFORMATION

A. 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; job-related illnesses or injuries to employees; and natural disasters. The City manages these risks under a limited risk management program, which is administered by the City through two professional claims-handling firms. The City purchases commercial insurance to cover individual workers' compensation claims in excess of $275,000, and to cover aggregate workers' compensation claims in excess of $621,824. The city also purchases commercial insurance to cover individual property, casualty and liability claims in excess of $50,000, and to cover aggregate annual property, casualty and liability claims in excess of $337,500. The City has not significantly reduced any of its insurance coverage from that of the prior year, and the amount of settlements have not exceeded insurance coverage for each of the past three fiscal years. All claims, claims reserves, and administrative costs of the program are paid from the General Fund.

NOTE 4: OTHER INFORMATION – CONTINUED

A. Risk Management – Continued

Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are based on the estimated ultimate cost of settling the claims considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. The liability for claims and judgments is reported in the General Long-Term Debt Account Group because it is not expected to be liquidated with current financial resources.

Changes in the balances of claims liabilities during fiscal 1999 are as follows:

	1999
Unpaid claims, beginning	$637,764
Incurred claims (including IBNRs)	449,859
Claim payments	(690,505)
Unpaid claims, ending	$397,118

B. Commitments

By resolution of the City Council on October 1, 1990, the City is committed to make annual operating transfers to the Board of Education. The amount of the operating transfer is to be the greater of sixteen (16) percent of the City's revenues from sales and use tax collections or $4,500,000. The City Council may modify or terminate the commitment at its discretion.

As a result of a citizen enforcement action filed July 7, 1995, under the U.S. Clean Water Act citing violations at the Inverness Waste Water Treatment Plant, the City entered into a Consent Decree dated January 2, 1997, as settlement of that action. In the Consent Decree, the City committed to undertake a three-phased remedial action plan to correct problems with the Inverness Waste Water Treatment Plant. Phase I identified the method, time and resources necessary to evaluate the condition and capacity of the plant. Phase II determines the extent of the problems and the actions necessary to eliminate the problems. Phase III implements specific improvements developed in Phases I and II, at an estimated cost of $14,000,000 excluding land cost. The City's application to the Alabama Revolving Loan Fund to finance the improvements implemented in Phase III has been approved. As part of the Consent Decree, the City also agreed to undertake a $450,000 supplemental environmental project consisting of the acquisition and maintenance of protected areas or "Greenways" along a selected portion of the Cahaba River. As of September 30, 1999, the City was in Phase II and was in compliance with the Consent Decree. The City has until June 1, 2001, to complete Phase III. Expenditures for the fiscal year September 30, 1999, totaled $35,069.

NOTE 4: OTHER INFORMATION – CONTINUED

C. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

A citizen enforcement action has been filed during the current year under the U.S. Endangered Species Act. Although the City is attempting to settle this action, the opinion of the City's counsel is that the ultimate outcome will be in the City's favor and any potential financial loss would be minimal.

The City also is a defendant in various other lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the City's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the City.

D. Employee Retirement System

Plan Description:

The City's defined benefit pension plan, Employee's Retirement System of Alabama (the System), provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The System is an agent multiple-employer pension plan administered by The Retirement Systems of Alabama. The benefit provisions and all other requirements for the System are established by state statute. The Retirement Systems of Alabama issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to The Retirement Systems of Alabama, P.O. Box 302150, Montgomery, Alabama 36130-2150 or by calling 1-334-832-4140.

Funding Policy:

City employees are required to contribute 5 percent of their annual compensation to the System. The City is required to contribute the remaining amounts necessary to fund the System, using the entry age normal actuarial method as specified by statute.

Annual Pension Cost:

For 1999, the City's annual pension cost of $1,117,352 for the System was equal to the city's required and actual contributions. The required contribution was determined as part of the September 30, 1998 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) a rate of return on investments of 8% compounded annually, (b) projected annual salary increases of 4.61% - 7.75% per year compounded annually. Both (a) and (b) include an inflation component of 4.5%.

The actuarial value of the System assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period. The System's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at September 30, 1998 was 26 years. The actuarial assumptions used to compute actuarially determined contribution requirements are the same as those used to compute the pension benefit obligation.

THE CITY OF HOOVER, ALABAMA
Notes to the Financial Statements - Continued
September 30, 1999

NOTE 4: OTHER INFORMATION - CONTINUED

D. Employee Retirement System – Continued

Three-Year Trend Information for the System

Fiscal Year Ending	Annual Pension Cost	Percentage of APC Contributed	Net Pension Obligation
9/30/97	$1,058,892	100%	$0
9/30/98	1,309,007	100%	0
9/30/99	1,117,352	100%	0

The City does not provide any post-retirement benefits.

NOTE 5: PRIOR PERIOD ADJUSTMENT

A. Board of Education

The financial statements of the September 30, 1998 fiscal year have been restated to include the activity of the Hoover High School Band Boosters in the discretely presented component unit – Board of Education. This resulted in an increase in the previously reported fund balance of the Board of Education. The effects of these restatements on the Board of Education for the period ended September 30, 1999, is as follows:

Fund balance – beginning of year	$31,532,758
Prior period adjustment	17,940
Fund balance - beginning of year as restated	$31,550,698

SUPPLEMENTAL INFORMATION

PRIMARY GOVERNMENT

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THE CITY OF HOOVER, ALABAMA
Schedule of Funding Progress for the Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
09/30/96	$19,882,614	$24,059,542	4,176,928	82.64%	$17,657,985	23.70%
09/30/97	28,192,973	27,611,647	(581,326)	102.11%	18,511,949	(3.10%)
09/30/98	32,189,101	31,529,296	(659,805)	102.09%	20,111,655	(3.28%)

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COMBINING, INDIVIDUAL FUND AND ACCOUNT GROUP STATEMENTS AND SCHEDULES

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GENERAL FUND

The General Fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

THE CITY OF HOOVER, ALABAMA
General Fund
Comparative Balance Sheets
September 30, 1999
(with comparative totals for September 30, 1998)

	1999	1998
Assets		
Pooled cash and investments	$ 13,300,213	$ 10,463,797
Receivables		
Taxes	3,686,761	3,553,147
Accounts	225,641	98,903
Due from other funds	6,296,383	5,290,933
Inventory	-	7,271
Due from other governments	494,257	458,427
Prepaid insurance	45,456	192,962
Deposits	19,037	21,537
Non-current receivable	3,804,858	3,591,674
Total assets	$ 27,872,606	$ 23,678,651
Liabilities and fund balances		
Accounts payable and accrued liabilities	$ 2,190,686	$ 1,931,279
Refundable deposits	139,119	201,486
Due to other funds	-	15,982
Total liabilities	2,329,805	2,148,747
Fund balances		
Reserved for prepaid insurance	45,456	-
Reserved for non-current receivable	3,804,858	3,591,674
Unreserved, undesignated	21,692,487	17,938,230
Total fund balances	25,542,801	21,529,904
Total liabilities and fund balances	$ 27,872,606	$ 23,678,651

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

THE CITY OF HOOVER, ALABAMA
General Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the fiscal year ended September 30, 1999
(with comparative totals for the fiscal year ended September 30, 1998)

	1999	1998
Revenues		
Taxes	$ 45,534,524	$ 42,853,434
Licenses and permits	9,117,729	8,164,042
Intergovernmental	2,336,674	1,996,200
Fines & forfeits	829,827	907,142
Investment income	943,367	1,031,473
Other	382,809	559,169
Total revenues	59,144,930	55,511,460
Expenditures		
Current operations		
General government	6,512,020	5,325,776
Public safety	19,368,880	18,068,097
Municipal court	436,430	423,364
Streets and sanitation	4,962,822	5,395,496
Health	356,631	365,070
Total	31,636,783	29,577,803
Capital outlays	1,905,375	1,097,762
Debt service		
Principal	3,176,297	2,493,431
Interest	3,218,271	3,168,564
Total expenditures	39,936,726	36,337,560
Excess of revenues over expenditures	19,208,204	19,173,900
Other financing sources (uses)		
Operating transfers in	2,194,421	4,000,000
Operating transfers out	(10,608,531)	(6,537,112)
Operating transfers out - component units	(12,330,706)	(11,426,505)
Proceeds of general obligation warrants, notes payable and capital leases	12,294,509	-
Payment to refunding warrant escrow agent	(6,745,000)	-
Total other financing sources (uses)	(15,195,307)	(13,963,617)
Excess of revenues and other financing sources over expenditures and other financing uses	4,012,897	5,210,283
Fund balances at beginning of year	21,529,904	16,315,781
Residual equity transfer	-	3,840
Fund balances	21,529,904	16,319,621
Fund balances at end of year	$ 25,542,801	$ 21,529,904

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

THE CITY OF HOOVER, ALABAMA
General Fund
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
For the fiscal year ended September 30, 1999
(with comparative totals for the fiscal year ended September 30, 1998)

	1999		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Taxes	$ 43,669,000	$ 45,534,524	$ 1,865,524
Licenses and permits	9,736,500	9,117,729	(618,771)
Intergovernmental	1,449,200	2,336,674	887,474
Fines & forfeits	1,000,000	829,827	(170,173)
Investment income	855,000	943,367	88,367
Other	306,300	382,809	76,509
Total revenues	57,016,000	59,144,930	2,128,930
Expenditures			
Current operations			
General government	6,213,841	6,512,020	(298,179)
Public safety	19,785,404	19,368,880	416,524
Municipal court	478,198	436,430	41,768
Streets and sanitation	5,732,836	4,962,822	770,014
Health	434,972	356,631	78,341
Total	32,645,251	31,636,783	1,008,468
Capital outlays	1,358,920	1,905,375	(546,455)
Debt service			
Principal	3,071,312	3,176,297	(104,985)
Interest and fiscal charges	3,003,288	3,218,271	(214,983)
Total expenditures	40,078,771	39,936,726	142,045
Excess of revenues over expenditures	16,937,229	19,208,204	2,270,975
Other financing sources (uses)			
Operating transfers in	-	2,194,421	2,194,421
Operating transfers out	(4,068,540)	(10,608,531)	(6,539,991)
Operating transfers out - component units	(12,881,009)	(12,330,706)	550,303
Proceeds of general obligation warrants	-	12,294,509	12,294,509
Payment to refunding warrant escrow agent	-	(6,745,000)	(6,745,000)
Total other financing (uses)	(16,949,549)	(15,195,307)	1,754,242
Excess (deficit) of revenues and other financing sources over (under) expenditures and other financing uses	$ (12,320)	4,012,897	$4,025,217
Fund balances at beginning of year		21,529,904	
Residual equity transfer		-	
Fund balances		21,529,904	
Fund balances at end of year		$ 25,542,801	

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

1998		
Budget	Actual	Variance Favorable (Unfavorable)
$ 47,174,240	$ 42,853,434	$ (4,320,806)
7,663,584	8,164,042	500,458
1,495,978	1,996,200	500,222
516,000	907,142	391,142
443,100	1,031,473	588,373
604,561	559,169	(45,392)
57,897,463	55,511,460	(2,386,003)
5,999,041	5,325,776	673,265
18,428,628	18,068,097	360,531
434,395	423,364	11,031
5,647,910	5,395,496	252,414
365,068	365,070	(2)
30,875,042	29,577,803	1,297,239
1,051,375	1,097,762	(46,387)
2,493,431	2,493,431	-
3,153,450	3,168,564	(15,114)
37,573,298	36,337,560	1,235,738
20,324,165	19,173,900	(1,150,265)
-	4,000,000	4,000,000
(6,623,700)	(6,537,112)	86,588
(11,355,827)	(11,426,505)	(70,678)
-	-	-
-	-	-
(17,979,527)	(13,963,617)	4,015,910
$2,344,638	5,210,283	$2,865,645
	16,315,781	
	3,840	
	16,319,621	
	$ 21,529,904	

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

THE CITY OF HOOVER, ALABAMA
Schedule of Current Operations Expenditures
Budget and Actual
For the fiscal year ended September 30, 1999
(with comparative actual amounts for the fiscal year ended September 30, 1998)

Expenditures - Current Operations	Budget	Actual	Variance Favorable (Unfavorable)	1998 Actual
General government				
Administrative				
Personal services	$ 2,706,851	$ 2,906,575	$ (199,724)	$ 2,279,608
Other	3,506,990	3,605,445	(98,455)	3,046,168
Total	6,213,841	6,512,020	(298,179)	5,325,776
Public safety				
Police				
Personal services	8,642,180	8,302,709	339,471	7,721,675
Other	1,210,699	1,111,810	98,889	1,063,842
Total	9,852,879	9,414,519	438,360	8,785,517
Fire				
Personal services	7,816,221	7,920,236	(104,015)	7,413,254
Other	774,580	739,983	34,597	643,544
Total	8,590,801	8,660,219	(69,418)	8,056,798
Inspection services				
Personal services	1,258,324	1,217,631	40,693	1,153,431
Other	83,400	76,511	6,889	72,351
Total	1,341,724	1,294,142	47,582	1,225,782
Total public safety	19,785,404	19,368,880	416,524	18,068,097
Municipal Court				
Personal services	361,508	334,508	27,000	307,367
Other	116,690	101,922	14,768	115,997
Total municipal court	478,198	436,430	41,768	423,364
Streets and sanitation				
Personal services	1,175,053	955,942	219,111	1,084,095
Other	4,557,783	4,006,880	550,903	4,311,401
Total streets and sanitation	5,732,836	4,962,822	770,014	5,395,496
Health				
Personal services	86,662	80,733	5,929	85,992
Other	348,310	275,898	72,412	279,078
Total health	434,972	356,631	78,341	365,070
Total expenditures - current operations	$ 32,645,251	$ 31,636,783	$ 1,008,468	$ 29,577,803

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

E-911 Special Revenue Fund accounts for funds received from citizens for the development and operation of the City wide emergency telephone system.

State Seven Cent Gasoline Tax Special Revenue Fund accounts for proceeds of a seven cent State gasoline tax. The use of these funds is restricted to expenditures related to construction, improvement and maintenance of highways, bridges and streets.

State Four and Five Cent Gasoline Tax Special Revenue Fund accounts for proceeds of a four and five cent State gasoline tax. The use of these funds is restricted to expenditures for the construction, renovation, rehabilitation, and resurfacing of City streets and bridges.

Drug Enforcement Special Revenue Fund accounts for funds confiscated in drug enforcement activities. These funds are restricted for enforcement only.

Court and Correction Fund accounts for funds received from additional court costs and fees on certain municipal cases. The funds are restricted for use in operation and maintenance of the municipal jail or any court complex.

THE CITY OF HOOVER, ALABAMA
Special Revenue Funds
Combining Balance Sheet
September 30, 1999
(with comparative totals for September 30, 1998)

	E-911	State Seven Cent Gasoline Tax	State Four and Five Cent Gasoline Tax
Assets			
Pooled cash and investments	$ 69,494	$ 350,062	$ 160,259
Due from other governments			
State	-	33,629	29,274
Total assets	$ 69,494	$ 383,691	$ 189,533
Liabilities and fund balances			
Liabilities			
Accounts payable	-	-	$ 9,229
Accrued liabilities	$ 35,840	$ 11,025	-
Total liabilities	35,840	11,025	9,229
Fund balances			
Unreserved, undesignated	33,654	372,666	180,304
Total liabilities and fund balances	$ 69,494	$ 383,691	$ 189,533

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

Drug Enforce-ment	Court and Corrections	Totals 1999	Totals 1998
$ 50,139	$ 938,931	$ 1,568,885	$ 1,383,299
-	-	62,903	62,903
$ 50,139	$ 938,931	$ 1,631,788	$ 1,446,202
-	-	$ 9,229	$ 91
-	-	46,865	32,983
-	-	56,094	33,074
$ 50,139	$ 938,931	1,575,694	1,413,128
$ 50,139	$ 938,931	$ 1,631,788	$ 1,446,202

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

THE CITY OF HOOVER, ALABAMA
Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the fiscal year ended September 30, 1999
(with comparative totals for the fiscal year ended September 30, 1998)

	E-911	State Seven Cent Gasoline Tax	State Four and Five Cent Gasoline Tax
Revenues			
Intergovernmental	-	$ 393,624	$ 345,495
Investment income	$ 591	20,034	19,171
Telephone surcharge	856,811	-	-
Court costs	-	-	-
Sale of surplus property	-	-	-
Confiscated drug funds	-	-	-
Total revenues	857,402	413,658	364,666
Expenditures			
Current Operations			
Public safety			
Police			
Personal services	907,554	-	-
Streets and sanitation			
Personal services	-	348,025	-
Other	-	-	615,690
Total	907,554	348,025	615,690
Capital outlays	-	-	-
Total expenditures	907,554	348,025	615,690
Excess (deficiency) of revenues over (under) expenditures	(50,152)	65,633	(251,024)
Other Financing Sources			
Operating transfers in	83,806	-	-
Total other financing sources	83,806	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures	33,654	65,633	(251,024)
Fund balances at beginning of year	-	307,033	431,328
Fund balances at end of year	$ 33,654	$ 372,666	$ 180,304

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

Drug Enforce-ment	Court and Corrections	Totals 1999	Totals 1998
-	-	$ 739,119	$ 708,782
$ 2,189	$ 47,985	89,970	78,021
-	-	856,811	742,642
-	238,608	238,608	255,103
5,537	-	5,537	-
26,170	-	26,170	20,101
33,896	286,593	1,956,215	1,804,649
-	-	907,554	793,226
-	-	348,025	348,025
-	-	615,690	462,172
-	-	1,871,269	1,603,423
6,186	-	6,186	-
6,186	-	1,877,455	1,603,423
27,710	-	78,760	201,226
-	-	83,806	42,978
-	-	83,806	42,978
27,710	286,593	162,566	244,204
22,429	652,338	1,413,128	1,168,924
$ 50,139	$ 938,931	$ 1,575,694	$ 1,413,128

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

THE CITY OF HOOVER, ALABAMA
E-911 Special Revenue Fund
Comparative Balance Sheets
September 30, 1999
(with comparative totals for September 30, 1998)

	1999	1998
Assets		
Pooled cash and investments	$ 69,494	$ 23,182
Total assets	$ 69,494	$ 23,182
Liabilities and fund balances		
Liabilities		
Accrued liabilities	$ 35,840	$ 23,182
Total liabilities	35,840	23,182
Fund balances		
Unreserved, undesignated	33,654	-
Total liabilities and fund balances	$ 69,494	$ 23,182

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

THE CITY OF HOOVER, ALABAMA

E-911 Special Revenue Fund

Comparative Statements of Revenues, Expenditures and Changes in Fund Balances

For the fiscal year ended September 30, 1999

(with comparative totals for the fiscal year ended September 30, 1998)

	1999	1998
Revenues		
Telephone surcharge	$ 856,811	$ 742,642
Investment income	591	-
Total revenues	857,402	742,642
Expenditures		
Current operations		
Public safety		
Police		
Personal services	907,554	793,226
Total expenditures	907,554	793,226
Deficiency of revenues under expenditures	(50,152)	(50,584)
Other Financing Sources		
Operating transfers in	83,806	42,978
Total other financing sources	83,806	42,978
Excess (deficiency) of revenues and other financing sources over (under) expenditures	33,654	(7,606)
Fund balances at beginning of year	-	$ 7,606
Fund balances at end of year	$ 33,654	-

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

THE CITY OF HOOVER, ALABAMA
E-911 Special Revenue Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
For the fiscal year ended September 30, 1999
(with comparative totals for the fiscal year ended September 30, 1998)

	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues						
Telephone surcharge	$830,000	$856,811	$ 26,811	$715,500	$742,642	$ 27,142
Operating transfers in	-	83,806	83,806	-	42,978	42,978
Investment income	-	591	591	1,060	-	(1,060)
Total revenues	830,000	941,208	111,208	716,560	785,620	69,060
Expenditures						
Current operations						
Public safety						
Police						
Personal services	836,642	907,554	(70,912)	723,897	793,226	(69,329)
Total expenditures	836,642	907,554	(70,912)	723,897	793,226	(69,329)
Excess (deficiency) of revenues (under) expenditures	$ (6,642)	33,654	$ 40,296	$ (7,337)	(7,606)	$ (269)
Fund balances at beginning of year		-			$ 7,606	
Fund balances at end of year		$ 33,654			-	

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

THE CITY OF HOOVER, ALABAMA
State Seven Cent Gasoline Tax Special Revenue Fund
Comparative Balance Sheets
September 30, 1999
(with comparative totals for September 30, 1998)

	1999	1998
Assets		
Pooled cash and investments	$ 350,062	$ 283,205
Due from state government	33,629	33,629
Total assets	$ 383,691	$ 316,834
Liabilities and fund balances		
Liabilities		
Accrued liabilities	$ 11,025	$ 9,801
Total liabilities	11,025	9,801
Fund balances		
Unreserved, undesignated	372,666	307,033
Total liabilities and fund balances	$ 383,691	$ 316,834

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

THE CITY OF HOOVER, ALABAMA
State Seven Cent Gasoline Tax Special Revenue Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the fiscal year ended September 30, 1999
(with comparative totals for the fiscal year ended September 30, 1998)

	1999	1998
Revenues		
Intergovernmental	$ 393,624	$ 368,699
Investment income	20,034	16,092
Total revenues	413,658	384,791
Expenditures		
Current operations		
Streets and sanitation		
Personal services	348,025	348,025
Total expenditures	348,025	348,025
Excess of revenues over expenditures	65,633	36,766
Fund balances at beginning of year	307,033	270,267
Fund balances at end of year	$ 372,666	$ 307,033

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

THE CITY OF HOOVER, ALABAMA
State Seven Cent Gasoline Tax Special Revenue Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual

For the fiscal year ended September 30, 1999
(with comparative totals for the fiscal year ended September 30, 1998)

	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues						
Intergovernmental	$ 400,000	$ 393,624	$ (6,376)	$ 386,900	$ 368,699	$ (18,201)
Investment income	15,000	20,034	5,034	12,720	16,092	3,372
Total revenues	415,000	413,658	(1,342)	399,620	384,791	(14,829)
Expenditures						
Current operations						
Streets and sanitation						
Personal services	346,800	348,025	(1,225)	346,800	348,025	(1,225)
Total expenditures	346,800	348,025	(1,225)	346,800	348,025	(1,225)
Excess of revenues over expenditures	$ 68,200	65,633	$ (2,567)	$ 52,820	36,766	$ (16,054)
Fund balances at beginning of year		307,033			270,267	
Fund balances at end of year		$ 372,666			$ 307,033	

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

THE CITY OF HOOVER, ALABAMA
State Four and Five Cent Gasoline Tax Special Revenue Fund
Comparative Balance Sheets
September 30, 1999
(with comparative totals for September 30, 1998)

	1999	1998
Assets		
Pooled cash and investments	$ 160,259	$ 402,145
Due from state government	29,274	29,274
Total assets	$ 189,533	$ 431,419
Liabilities and fund balances		
Liabilities		
Accounts payable	$ 9,229	$ 91
Total liabilities	9,229	91
Fund balances		
Unreserved, undesignated	180,304	431,328
Total liabilities and fund balances	$ 189,533	$ 431,419

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

THE CITY OF HOOVER, ALABAMA

State Four and Five Cent Gasoline Tax Special Revenue Fund

Comparative Statements of Revenues, Expenditures and Changes in Fund Balances

For the fiscal year ended September 30, 1999

(with comparative totals for the fiscal year ended September 30, 1998)

	1999	1998
Revenues		
Intergovernmental	$ 345,495	$ 340,083
Investment income	19,171	34,472
Total revenues	364,666	374,555
Expenditures		
Current operations		
Streets and sanitation		
Other	615,690	462,172
Total expenditures	615,690	462,172
Excess (deficiency) of revenues over (under) expenditures	(251,024)	(87,617)
Fund balances at beginning of year	431,328	518,945
Fund balances at end of year	$ 180,304	$ 431,328

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

THE CITY OF HOOVER, ALABAMA
State Four and Five Cent Gasoline Tax Special Revenue Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
For the fiscal year ended September 30, 1999
(with comparative totals for the fiscal year ended September 30, 1998)

	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues						
Intergovernmental	$ 375,000	$ 345,495	$ (29,505)	$333,900	$ 340,083	$ 6,183
Investment income	30,000	19,171	(10,829)	10,600	34,472	23,872
Total revenues	405,000	364,666	(40,334)	344,500	374,555	30,055
Expenditures						
Current operations						
Streets and sanitation						
Other	600,000	615,690	(15,690)	165,900	462,172	(296,272)
Total expenditures	600,000	615,690	(15,690)	165,900	462,172	(296,272)
Excess (deficiency) of revenues over (under) expenditures	$ (195,000)	(251,024)	$ (56,024)	$178,600	(87,617)	$ (266,217)
Fund balances at beginning of year		431,328			518,945	
Fund balances at end of year		$180,304			$431,328	

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

THE CITY OF HOOVER, ALABAMA
Drug Enforcement Special Revenue Fund
Comparative Balance Sheets
September 30, 1999
(with comparative totals for September 30, 1998)

	1999	1998
Assets		
Pooled cash and investments	$ 50,139	$ 22,429
Total assets	$ 50,139	$ 22,429
Liabilities and fund balances		
Liabilities		
Accounts payable	-	-
Total liabilities	-	-
Fund balances		
Unreserved, undesignated	$ 50,139	$ 22,429
Total liabilities and fund balances	$ 50,139	$ 22,429

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

THE CITY OF HOOVER, ALABAMA
Drug Enforcement Special Revenue Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the fiscal year ended September 30, 1999
(with comparative totals for the fiscal year ended September 30, 1998)

	1999	1998
Revenues		
Investment income	$ 2,189	$ 583
Sale of surplus property	5,537	-
Confiscated drug funds	26,170	20,101
Total revenues	33,896	20,684
Expenditures		
Current operations		
Public safety		
Police		
Other	-	-
Total	-	-
Capital outlays	6,186	-
Total expenditures	6,186	-
Excess of revenues over expenditures	27,710	20,684
Fund balances at beginning of year	22,429	1,745
Fund balances at end of year	$ 50,139	$ 22,429

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

THE CITY OF HOOVER, ALABAMA
Drug Enforcement Special Revenue Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual

For the fiscal year ended September 30, 1999
(with comparative totals for the fiscal year ended September 30, 1998)

	1999			1998		
	* Budget	Actual	Variance Favorable (Unfavorable)	* Budget	Actual	Variance Favorable (Unfavorable)
Revenues						
Investment income	-	$ 2,189	$ 2,189	-	$ 583	$ 583
Sale of confiscated property	-	5,537	5,537	-	-	-
Confiscated drug funds	-	26,170	26,170	-	20,101	20,101
Total revenues	-	33,896	33,896	-	20,684	20,684
Expenditures						
Current operations						
Public safety						
Police						
Other	-	-	-	-	-	-
Total	-	-	-	-	-	-
Capital outlays	-	6,186	-	-	-	-
Total expenditures	-	6,186	-	-	-	-
Excess of revenues over expenditures	-	27,710	$ 27,710	-	20,684	$ 20,684
Fund balances at beginning of year		22,429			1,745	
Fund balances at end of year		$50,139			$22,429	

* This fund by law can not be budgeted in the annual budget of the city.

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

THE CITY OF HOOVER, ALABAMA
Court and Corrections Special Revenue Fund
Comparative Balance Sheets
September 30, 1999
(with comparative totals for September 30, 1998)

	1999	1998
Assets		
Pooled cash and investments	$ 938,931	$ 652,338
Total assets	$ 938,931	$ 652,338
Liabilities and fund balances		
Fund balances		
Unreserved, undesignated	$ 938,931	$ 652,338
Total liabilities and fund balances	$ 938,931	$ 652,338

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

THE CITY OF HOOVER, ALABAMA

Court and Corrections Special Revenue Fund

Comparative Statements of Revenues, Expenditures and Changes in Fund Balances

For the fiscal year ended September 30, 1999

(with comparative totals for the fiscal year ended September 30, 1998)

	1999	1998
Revenues		
Investment income	$ 47,985	$ 26,874
Court costs	238,608	255,103
Total revenues	286,593	281,977
Expenditures		
Current operations		
Municipal court		
Other	-	-
Total expenditures	-	-
Excess of revenues over expenditures	286,593	281,977
Fund balances at beginning of year	652,338	370,361
Fund balances at end of year	$ 938,931	$ 652,338

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

THE CITY OF HOOVER, ALABAMA
Court and Corrections Special Revenue Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
For the fiscal year ended September 30, 1999
(with comparative totals for the fiscal year ended September 30, 1998)

	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues						
Investment income	$ 30,000	$ 47,985	$ 17,985	$ 18,000	$ 26,874	$ 8,874
Court costs	275,000	238,608	(36,392)	180,000	255,103	75,103
Total revenues	305,000	286,593	(18,407)	198,000	281,977	83,977
Expenditures						
Current operations						
Municipal Court						
Other	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-
Excess of revenues over expenditures	$305,000	286,593	$ (18,407)	$ 198,000	281,977	$ 83,977
Fund balances at beginning of year		652,338			370,361	
Fund balances at end of year		$ 938,931			$ 652,338	

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

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Capital Projects Fund accounts for budgeted transfers from the General Fund generally for the acquisition or construction of major capital projects.

GOW Capital Projects Fund accounts for capital expenditures from the proceeds of long term borrowing in fiscal 1999 and anticipated borrowing in fiscal 2000.

Library Capital Projects Fund accounts for capital expenditures from the proceeds of long term borrowings for the expansion of the library.

THE CITY OF HOOVER, ALABAMA
Capital Projects Funds
Combining Balance Sheet
September 30, 1999
(with comparative totals for September 30, 1998)

	Capital Projects	GOW Capital Projects	Library Capital Projects	Totals 1999	Totals 1998
Assets					
Pooled cash and investments	$2,844,304	-	$5,220,482	$8,064,786	$3,035,239
Total assets	$2,844,304	-	$5,220,482	$8,064,786	$3,035,239
Liabilities and fund balances					
Liabilities					
Accounts payable	$ 201,802	$ 105,037	-	$ 306,839	$ 700,058
Due to other funds	-	6,142,684	-	6,142,684	5,171,812
General obligation warrants payable	-	-	-	-	-
Total liabilities	201,802	6,247,721	-	6,449,523	5,871,870
Fund balances					
Unreserved, (deficit)	2,642,502	$(6,247,721)	$5,220,482	1,615,263	(2,836,631)
Total liabilities and fund balances	$2,844,304	-	$5,220,482	$8,064,786	$3,035,239

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

THE CITY OF HOOVER, ALABAMA
Capital Projects Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the fiscal year ended September 30, 1999
(with comparative totals for the fiscal year ended September 30, 1998)

	Capital Projects	GOW Capital Projects	Library Capital Projects	Totals 1999	Totals 1998
Revenues					
Investment income	$ 169,356	-	$ 47,704	$ 217,060	$ 119,114
Total revenues	169,356	-	47,704	217,060	119,114
Expenditures					
Capital outlays	2,764,250	$ 1,038,425	73,104	3,875,779	4,232,115
Total	2,764,250	1,038,425	73,104	3,875,779	4,232,115
Debt service					
Interest and fiscal charges	-	37,484	-	37,484	-
Total expenditures	2,764,250	1,075,909	73,104	3,913,263	4,232,115
Deficiency of revenues under expenditures	(2,594,894)	(1,075,909)	(25,400)	(3,696,203)	(4,113,001)
Other financing sources					
Operating transfers in	5,096,636	-	5,245,882	10,342,518	6,056,370
Operating transfers out	(2,194,421)	-	-	(2,194,421)	-
Total other financing sources	2,902,215	-	5,245,882	8,148,097	6,056,370
Excess (deficiency) of revenues and other financing sources over (under) expenditures	307,321	(1,075,909)	5,220,482	4,451,894	1,943,369
Fund balances (deficit) at beginning of year	2,335,181	(5,171,812)	-	(2,836,631)	(4,780,000)
Fund balances (deficit) at end of year	$ 2,642,502	$ (6,247,721)	$ 5,220,482	$ 1,615,263	$ (2,836,631)

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

THE CITY OF HOOVER, ALABAMA
Capital Projects Fund
Comparative Balance Sheets
September 30, 1999
(with comparative totals for September 30, 1998)

	1999	1998
Assets		
Pooled cash and investments	$ 2,844,304	$ 3,035,239
Total assets	$ 2,844,304	$ 3,035,239
Liabilities and fund balances		
Liabilities		
Accounts payable	$ 201,802	$ 700,058
Total liabilities	201,802	700,058
Fund balances		
Unreserved	2,642,502	2,335,181
Total liabilities and fund balances	$ 2,844,304	$ 3,035,239

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

THE CITY OF HOOVER, ALABAMA
Capital Projects Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the fiscal year ended September 30, 1999
(with comparative totals for the fiscal year ended September 30, 1998)

	1999	1998
Revenues		
Investment income	$ 169,356	$ 119,114
Total revenues	169,356	119,114
Expenditures		
Capital outlays		
Administrative	2,764,250	3,860,303
Total expenditures	2,764,250	3,860,303
Deficiency of revenues under expenditures	(2,594,894)	(3,741,189)
Other Financing Sources		
Operating transfers in	5,096,636	-
Operating transfers out	(2,194,421)	6,056,370
Total other financing sources	2,902,215	6,056,370
Excess of revenues and other financing sources over expenditures	307,321	2,315,181
Fund balances at beginning of year	2,335,181	20,000
Fund balances at end of year	$ 2,642,502	$ 2,335,181

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

THE CITY OF HOOVER, ALABAMA
GOW Capital Projects Fund
Comparative Balance Sheets
September 30, 1999
(with comparative totals for September 30, 1998)

	1999	1998
Assets		
Pooled cash and investments	-	-
Total assets	-	-
Liabilities and fund balances		
Liabilities		
Accounts payable	$ 105,037	-
General obligation warrants payable	-	-
Due to other funds	6,142,684	$ 5,171,812
Total liabilities	6,247,721	5,171,812
Fund balances		
Unreserved (deficit)	$ (6,247,721)	$ (5,171,812)
Total liabilities and fund balances	-	-

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

THE CITY OF HOOVER, ALABAMA
GOW Capital Projects Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the fiscal year ended September 30, 1999
(with comparative totals for the fiscal year ended September 30, 1998)

	1999	1998
Revenues		
Investment income	-	-
Total revenues	-	-
Expenditures		
Capital outlays		
Administrative	$ 1,038,425	$ 371,812
Total	1,038,425	371,812
Debt service		
Interest and fiscal charges	37,484	-
Total expenditures	1,075,909	371,812
Deficiency of revenues under expenditures	(1,075,909)	(371,812)
Fund balances (deficit) at beginning of year	(5,171,812)	(4,800,000)
Fund balances (deficit) at end of year	$ (6,247,721)	$ (5,171,812)

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

THE CITY OF HOOVER, ALABAMA
Library Capital Projects Fund
Comparative Balance Sheets
September 30, 1999
(with comparative totals for September 30, 1998)

	1999^	1998
Assets		
Pooled cash and investments	$5,220,482	-
Total assets	$5,220,482	-
Liabilities and fund balances		
Liabilities		
Accounts payable	-	-
General obligation warrants payable	-	-
Due to other funds	-	-
Total liabilities	-	-
Fund balances		
Unreserved	$ 5,220,482	-
Total liabilities and fund balances	$ 5,220,482	-

^ The Library Capital Projects Fund was created in 1999.

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

THE CITY OF HOOVER, ALABAMA
Library Capital Projects Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the fiscal year ended September 30, 1999
(with comparative totals for the fiscal year ended September 30, 1998)

	1999^	1998
Revenues		
Investment income	$ 47,704	-
Total revenues	47,704	-
Expenditures		
Capital outlays		
Administrative	73,104	-
Total	73,104	-
Debt service		
Interest and fiscal charges	-	-
Total expenditures	73,104	-
Deficiency of revenues under expenditures	(25,400)	-
Other financing sources		
Operating transfers in	5,245,882	-
Operating transfers out	-	-
Total other financing sources	5,245,882	
Excess (deficiency) of revenues and other financing sources over (under) expenditures	5,220,482	-
Fund balances (deficit) at beginning of year	-	-
Fund balances (deficit) at end of year	$ 5,220,482	-

^ The Library Capital Projects Fund was created in 1999.

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

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ENTERPRISE FUND

An enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprise-where the intent of the City Council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the City Council has decided that periodic determination of net income is appropriate for accountability purposes.

The Sewer Enterprise Fund accounts for the sewer services to the Riverchase, Southlake, and Inverness communities. All activities necessary to provide such services are accounted for in this fund. This is the City's only enterprise fund.

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THE CITY OF HOOVER, ALABAMA
Sewer Enterprise Fund
Comparative Balance Sheets
September 30, 1999
(with comparative totals for September 30, 1998)

	1999	1998
Assets		
Current assets		
Pooled cash and investments	$ 447,994	$ 354,811
Accounts receivable	168,000	137,922
Warrant receivable	8,000,000	-
Inventory	3,100	3,100
Total current assets	8,619,094	495,833
Property, plant and equipment		
Equipment	458,764	415,649
Land	1,664,800	1,664,800
Construction in progress	140,978	106,400
Sewage treatment plants	8,102,129	7,990,984
Total property, plant and equipment	10,366,671	10,177,833
Less accumulated depreciation	(5,539,650)	(5,082,115)
Net property, plant and equipment	4,827,021	5,095,718
Other assets	505,000	-
Total assets	$ 13,951,115	$ 5,591,551
Liabilities and equity		
Current liabilities		
Accounts payable	$ 67,162	$ 198,433
Refundable deposits	5,000	5,000
Due to other funds	140,978	106,400
Accrued expenses	9,986	12,842
Total current liabilities	223,126	322,675
Long-term liabilities		
General obligation warrants	8,505,000	-
Total long-term liabilities	8,505,000	-
Total liabilities	8,728,126	322,675
Equity		
Contributed capital		
Government	4,250,000	4,250,000
Customers	2,440,316	2,319,491
Developers	1,839,835	1,839,835
Total contributed capital	8,530,151	8,409,326
Retained earnings (deficit)	(3,307,162)	(3,140,450)
Total equity	5,222,989	5,268,876
Total liabilities and equity	$ 13,951,115	$ 5,591,551

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

THE CITY OF HOOVER, ALABAMA
Sewer Enterprise Fund
Comparative Statements of Revenues, Expenses, and Changes in Retained Earnings
For the fiscal year ended September 30, 1999
(with comparative totals for the fiscal year ended September 30, 1998)

	1999	1998
Operating revenues		
Charges for services	$ 1,400,252	$ 1,172,151
Operating expenses		
Depreciation	457,536	555,477
Management fees	487,484	551,538
Repairs and maintenance	214,299	103,967
Utilities	181,610	193,084
Personal services	61,074	61,955
Collection fees	56,217	57,875
Supplies	62,410	74,080
Telephone	14,878	14,954
Engineering fees	53,377	27,076
Total operating expenses	1,588,885	1,640,006
Operating (loss)	(188,633)	(467,855)
Non-operating revenue - interest	21,921	162,527
Loss before operating transfers	(166,712)	(305,328)
Operating transfers in	-	295,148
Operating transfers out	-	(4,000,000)
Net income (loss)	(166,712)	(4,010,180)
Retained earnings (deficit) at beginning of year	(3,140,450)	869,730
Retained earnings (deficit) at end of year	$ (3,307,162)	$ (3,140,450)

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

THE CITY OF HOOVER, ALABAMA
Sewer Enterprise Fund
Comparative Statements of Cash Flows
Increase (Decrease) in Cash and Cash Equivalents
For the fiscal year ended September 30, 1999
(with comparative totals for the fiscal year ended September 30, 1998)

	1999	1998
Cash flows from operating activities:		
Cash received from customers	$ 1,370,174	$ 1,148,644
Cash payments to suppliers	(713,748)	(381,720)
Cash payments to management companies	(487,484)	(551,538)
Cash payments to employees	(64,245)	(60,304)
Net cash provided by operating activities	104,697	155,082
Cash flows from noncapital financing activities:		
Operating transfers in	-	295,148
Operating transfers (out)	-	(4,000,000)
Net cash (used) by noncapital financing activities	-	(3,704,852)
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(188,838)	(1,880,458)
Capital contributed by customers	120,825	129,929
Capital contributed by developers	-	19,950
Loans from other funds	34,578	106,400
Net cash used by capital and related financing activities	(33,435)	(1,624,179)
Cash flows from investing activities:		
Investment income	21,921	162,527
Net cash provided by investing activities	21,921	162,527
Net increase (decrease) in pooled cash and investments	93,183	(5,011,422)
Pooled cash and investments, beginning of year	354,811	5,366,233
Pooled cash and investments, end of year	$ 447,994	$ 354,811

Reconciliation of operating loss to net cash provided by operating activities:

Operating (loss)	$ (188,633)	$ (467,857)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation	457,536	555,477
Change in assets and liabilities:		
(Increase) in accounts receivable	(30,078)	(23,507)
Increase (decrease) in accrued expenses	(2,857)	1,652
Increase (decrease) in accounts payable	(131,271)	89,317
Net cash provided by operating activities	$ 104,697	$ 155,082

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

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INTERNAL SERVICE FUND

An internal service fund is used to account for the financing of goods or services provided by one department to other departments of the City on a cost-reimbursement basis. A fleet services fund is maintained to account for the repairs and maintenance of all city vehicles.

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THE CITY OF HOOVER, ALABAMA
Fleet Service Fund
Comparative Balance Sheets
September 30, 1999
(with comparative totals for September 30, 1998)

	1999	1998*
Assets		
Current assets		
Pooled cash and investments	$ 100	-
Inventory	19,914	$ 15,663
Total current assets	20,014	15,663
Fixed assets - net	57,840	49,628
Total assets	$ 77,854	$ 65,291
Liabilities and equity		
Current liabilities		
Accounts payable and accrued liabilities	$ 9,840	$ 6,991
Due to other funds	12,721	12,721
Total current liabilities	22,561	19,712
Equity		
Retained earnings	9,714	-
Contributed capital	45,579	45,579
Total fund equity	55,293	45,579
Total liabilities and fund equity	$ 77,854	$ 65,291

* The Fleet Service Fund was created in 1998.

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

THE CITY OF HOOVER, ALABAMA
Fleet Service Fund
Comparative Statements of Revenues, Expenses, and Changes in Retained Earnings
For the fiscal year ended September 30, 1999
(with comparative totals for the fiscal year ended September 30, 1998)

	1999	1998*
Operating revenues		
Charges for services	$ 134,265	$ 126,785
Operating expenses		
Personal services	213,693	186,788
Supplies	36,946	34,174
Depreciation	20,258	14,791
Insurance	15,824	12,055
Utilities	11,152	10,271
Telephone	4,586	3,889
Travel	3,935	6,877
Miscellaneous	365	557
Total operating expenses	306,759	269,402
Loss before operating transfers	(172,494)	(142,617)
Operating transfers in	182,208	$ 142,617
Net income	9,714	-
Retained earnings at beginning of year	-	-
Retained earnings at end of year	$ 9,714	-

* The Fleet Service Fund was created in 1998.

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

THE CITY OF HOOVER, ALABAMA
Fleet Service Fund
Comparative Statements of Cash Flows
For the fiscal year ended September 30, 1999
(with comparative totals for the fiscal year ended September 30, 1998)

	1999	1998*
Cash flows from operating activities:		
Cash received from customers	$ 134,265	$ 126,785
Cash payments to suppliers	(75,121)	(82,088)
Cash payments to employees	(212,781)	(181,195)
Net cash (used) by operating activities	(153,637)	(136,498)
Cash flows from noncapital financing activities:		
Operating transfers in	182,208	142,617
Due to other funds	-	12,721
Net cash provided by noncapital financing activities	182,208	155,338
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(28,471)	(64,419)
Capital contributed by city	-	45,579
Net cash (used) by capital and related financing activities	(28,471)	$ (18,840)
Net increase in pooled cash and investments	100	-
Pooled cash and investments, beginning of year	-	-
Pooled cash and investments, end of year	$ 100	-

Reconciliation of operating loss to net cash used by operating activities:

Operating (loss)	$ (172,494)	$ (142,617)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation	20,258	14,791
Change in assets and liabilities:		
(Increase) in inventory	(4,250)	(15,663)
Increase in accrued expenses	912	5,593
Increase in accounts payable	1,937	1,398
Net cash (used) by operating activities	$ (153,637)	$ (136,498)

* The Fleet Service Fund was created in 1998.

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

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GENERAL FIXED ASSETS ACCOUNT GROUP

General Fixed Assets are assets of the City which possess three attributes: (1) a tangible nature; (2) a life longer than the year of acquisition; and (3) a significant value. The significant value test is important because governmental units will have many individual assets which are tangible and long-lived but whose value is so small that the time and expense of maintaining detailed accounting and inventory records on them is not justified.

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THE CITY OF HOOVER, ALABAMA

Comparative Schedule of General Fixed Assets by Source

September 30, 1999

(with comparative totals for September 30, 1998)

	1999	1998
General Fixed Assets		
Land	$8,631,487	$8,385,329
Buildings	14,089,213	14,168,879
Improvements other than buildings	1,287,654	1,287,654
Equipment and vehicles	15,277,591	13,767,542
Construction in progress	128,677	-
Total general fixed assets	$39,414,622	$37,609,404
Investment in General Fixed Assets		
General obligation warrants	$15,146,049	$15,025,591
Long-term notes payable	399,334	399,334
Federal grants	1,320,518	1,256,344
General revenues	18,493,123	16,998,237
Donations and annexations	4,055,598	3,929,898
Total investments in general fixed assets	$39,414,622	$37,609,404

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

THE CITY OF HOOVER, ALABAMA
Schedule of General Fixed Assets by Function and Activity
September 30, 1999

Function and Activity	Land	Buildings	Improvements Other than Buildings	Equipment and Vehicles	Construction in Progress	Total
General government						
Administration	$8,631,487	$ 7,021,977	$1,167,755	$ 2,781,357	$ 128,677	$19,731,253
Municipal garage	-	254,493	-	-	-	254,493
Total general government	8,631,487	7,276,470	1,167,755	2,781,357	128,677	19,985,746
Public safety						
Police	-	173,270	10,475	4,028,392	-	4,212,137
Fire	-	6,082,309	51,223	5,497,123	-	11,630,655
Inspection	-	48,179	-	362,989	-	411,168
Total public safety	-	6,303,758	61,698	9,888,504	-	16,253,960
Municipal Court	-	-	-	80,889	-	80,889
Streets & sanitation	-	508,985	58,201	2,447,190	-	3,014,376
Health	-	-	-	79,651	-	79,651
Total general fixed assets allocated to functions and activities	$8,631,487	$14,089,213	$1,287,654	$15,277,591	$ 128,677	$39,414,622

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

THE CITY OF HOOVER, ALABAMA

Schedule of Changes in General Fixed Assets by Function and Activity

For the fiscal year ended September 30, 1999

Function and Activity	General Fixed Assets October 1, 1998	Additions	Deletions	General Fixed Assets September 30, 1999
General government				
Administration	$ 18,933,452	$ 1,073,423	$ 275,622	$ 19,731,253
Municipal Garage	254,493	-	-	254,493
Total general government	19,187,945	1,073,423	275,622	19,985,746
Public safety				
Police	3,523,610	829,390	140,863	4,212,137
Fire	11,408,854	312,165	90,364	11,630,655
Inspection	420,106	16,149	25,087	411,168
Total public safety	15,352,570	1,157,704	256,314	16,253,960
Municipal Court	85,965	2,850	7,926	80,889
Streets & sanitation	2,903,273	359,726	248,623	3,014,376
Health	79,651	-	-	79,651
Total general fixed assets	$ 37,609,404	$ 2,593,703	$ 788,485	$ 39,414,622

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

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GENERAL LONG-TERM DEBT ACCOUNT GROUP

General obligation warrants and other forms of long-term debt supported by general revenues are obligations of the City as a whole and not its individual constituent funds. In addition, the proceeds of such debt may be spent on facilities, which are utilized in the operations of several funds. Moreover, since the budgetary requirements of other funds usually require the allocation of resources on a twelve month cycle, long-term obligations should be separated from funds that contain current assets and current liabilities. For these reasons, the amount of unmatured long-term indebtedness which is backed by the full faith and credit of the City is presented in a separate self-balancing account group titled "General Long-Term Debt Account Group." This account group includes general obligation warrants, bonds and other obligations, which have a maturity of more than one year.

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THE CITY OF HOOVER, ALABAMA
Comparative Schedule of General Long-Term Debt
September 30, 1999
(with comparative totals for September 30, 1998)

	1999	1998
Amounts available and to be provided for the payment of general long-term debt		
Amount to be provided from General Fund revenues	$64,903,159	$62,385,367
Total available and to be provided	$64,903,159	$62,385,367
General long-term debt		
General obligation warrants payable	$60,858,550	$58,379,847
Claims and judgements payable	397,118	637,764
Accrued compensated leave	3,647,491	3,367,756
Total general long-term debt	$64,903,159	$62,385,367

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

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DISCRETELY PRESENTED COMPONENT UNITS

Component units are separate legal entities for which the elected officials of the City are financially accountable. In addition there may be other organizations for which the nature and significance of their relationship with the City are such that they are included to ensure that the City's financial statements are not misleading or incomplete. Discrete presentation entails reporting component unit data in a separate column on the combined financial statements in order to emphasize that the component units are legally separate from the City and to allow users to distinguish between the City and its component units.

THE CITY OF HOOVER, ALABAMA
Discretely Presented Component Units
Combining Balance Sheet
September 30, 1999
(with comparative totals for September 30, 1998)

	Board of Education	Park & Recreation Board	Library Board
Assets and other debits			
Assets			
Pooled cash and investments	$ 77,021,086	$ 123,464	$ 84,589
Due from other governments			
County	1,053,744	-	-
Federal	189,261	-	-
Due from other funds	15,327,020	-	-
Other receivable	-	70,000	-
Other assets	-	-	-
Prepaid, other	12,255	-	-
Inventory	59,790	-	-
Fixed assets	133,319,065	43,780,328	6,272,043
Other debits			
Amount to be provided for retirement of general long-term debt	138,126,864	-	-
Total assets	$ 365,109,085	$ 43,973,792	$ 6,356,632
Liabilities, equity and other credits			
Liabilities			
Accounts payable and accrued liabilities	$ 6,073,437	$ 108,974	$ 82,084
Due to other funds	15,327,020	-	-
Notes and capital leases payable	660,014	-	-
General obligation warrants payable	134,850,000	-	-
Total liabilities	156,910,471	108,974	82,084
Equity and other credits			
Investment in general fixed assets	133,319,065	43,780,328	6,272,043
Fund balances			
Reserved for inventories	59,790	-	-
Reserved for building commitments	4,095,905	-	-
Reserved for encumbrances	1,324,604	-	-
Reserved for future capital outlay	60,613,467	-	-
Unreserved, undesignated	8,785,783	84,490	2,505
Total equity and other credits	208,198,614	43,864,818	6,274,548
Total liabilities, equity and other credits	$ 365,109,085	$ 43,973,792	$ 6,356,632

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

Totals	
1999	1998
$ 77,229,139	$ 33,196,769
1,053,744	203,716
189,261	136,048
15,327,020	4,106,032
70,000	50,000
-	26,158
12,255	14,921
59,790	35,969
183,371,436	167,561,689
138,126,864	95,414,388
$ 415,439,509	$ 300,745,690
$ 6,264,495	$ 4,170,872
15,327,020	4,106,032
660,014	1,121,414
134,850,000	92,165,000
157,101,529	101,563,318
183,371,436	167,561,689
59,790	35,969
4,095,905	9,817,486
1,324,604	435,121
60,613,467	-
8,872,778	21,332,107
258,337,980	199,182,372
$ 415,439,509	$ 300,745,690

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

THE CITY OF HOOVER, ALABAMA
Discretely Presented Component Units
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the fiscal year ended September 30, 1999
(with comparative totals for the fiscal year ended September 30, 1998)

	Board of Education	Park & Recreation Board	Library Board
Revenues			
Licenses and permits	-	$ 557,537	-
Intergovernmental	$ 73,904,710	-	$ 144,958
Fines & forfeits	-	-	81,037
Investment income	-	-	2,964
Stadium lease	-	200,000	-
Other	364,097	409,383	119,026
Total revenues	74,268,807	1,166,920	347,985
Expenditures			
Current operations			
General government	2,607,963	-	-
Recreation	-	3,401,357	-
Library	-	-	2,784,741
Instructional services	38,079,405	-	-
Instructional support services	7,054,125	-	-
Operation and maintenance	6,202,757	-	-
Auxiliary services	6,124,962	-	-
Other	1,628,487	-	-
Total	61,697,699	3,401,357	2,784,741
Capital outlays	14,142,018	123,399	18,124
Debt service			
Principal	2,809,682	-	-
Interest and fiscal charges	4,842,753	-	-
Total expenditures	83,492,152	3,524,756	2,802,865
Deficiency of revenues under expenditures	(9,223,345)	(2,357,836)	(2,454,880)
Other financing sources			
Operating transfers in - primary government	7,518,920	2,364,477	2,447,309
Proceeds of general obligation warrants, notes payable and capital leases	45,033,276	-	-
Total other financing sources	52,552,196	2,364,477	2,447,309
Excess (deficiency) of revenues and other financing sources over (under) expenditures	43,328,851	6,641	(7,571)
Fund balances at beginning of year	31,532,758	77,849	10,076
Prior period adjustments - Note 5	17,940	-	-
Fund balances as restated	31,550,698	77,849	10,076
Fund balances at end of year	$ 74,879,549	$ 84,490	$ 2,505

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

Totals	
1999	1998
$ 557,537	$ 534,972
74,049,668	63,549,941
81,037	75,518
2,964	3,472
200,000	200,000
892,506	1,069,573
75,783,712	65,433,476
2,607,963	1,684,970
3,401,357	3,311,093
2,784,741	2,696,540
38,079,405	31,070,122
7,054,125	5,918,289
6,202,757	5,735,758
6,124,962	6,695,550
1,628,487	2,979,452
67,883,797	60,091,774
14,283,541	6,050,007
2,809,682	2,810,282
4,842,753	4,712,469
89,819,773	73,664,532
(14,036,061)	(8,231,056)
12,330,706	11,426,505
45,033,276	15,348,661
57,363,982	26,775,166
43,327,921	18,544,110
31,620,683	12,738,152
17,940	338,421
31,638,623	13,076,573
$ 74,966,544	$ 31,620,683

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

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PUBLIC PARK AND RECREATION BOARD OF THE CITY OF HOOVER

(A DISCRETELY PRESENTED COMPONENT UNIT)

The following presentation of the individual fund type and account group data of the Public Park and Recreation Board of the City of Hoover is provided because the Park and Recreation Board does not issue complete financial statements separately from the City's Comprehensive Annual Financial Report.

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THE CITY OF HOOVER, ALABAMA
Discretely Presented Component Unit - Park and Recreation Board
Combined Balance Sheets
All Fund Types and Account Groups
September 30, 1999
(with comparative totals for September 30, 1998)

	Governmental Fund Types	Account Groups	Totals (Memorandum Only)	
	General	General Fixed Assets	1999	1998
Assets				
Pooled cash and investments	$ 123,464	-	$ 123,464	$ 137,972
Other receivables	70,000	-	70,000	50,000
Fixed assets	-	$ 43,780,328	43,780,328	43,105,844
Total assets	$ 193,464	$ 43,780,328	$ 43,973,792	$ 43,293,816
Liabilities, equity and other credits				
Liabilities				
Accounts payable	$ 46,949	-	$ 46,949	$ 56,667
Accrued libilities	62,025	-	62,025	53,456
Total liabilities	108,974	-	108,974	110,123
Equity and other credits				
Investment in general fixed assets	-	$ 43,780,328	43,780,328	43,105,844
Fund balances				
Unreserved, undesignated	84,490	-	84,490	77,849
Total equity and other credits	84,490	43,780,328	43,864,818	43,183,693
Total liabilities, equity and other credits	$ 193,464	$ 43,780,328	$ 43,973,792	$ 43,293,816

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

THE CITY OF HOOVER, ALABAMA
Discretely Presented Component Unit - Park and Recreation Board
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
All Governmental Fund Types
For the fiscal year ended September 30, 1999
(with comparative totals for the fiscal year ended September 30, 1998)

	Governmental Fund Types	
	General	
	1999	1998
Revenues		
Licenses and permits	$ 557,537	$ 534,972
Stadium lease	200,000	200,000
Other	409,383	366,736
Total revenues	1,166,920	1,101,708
Expenditures		
Current operations		
Recreation		
Personal services	1,907,538	1,769,423
Other	1,493,819	1,541,670
Total	3,401,357	3,311,093
Capital outlays	123,399	165,197
Total expenditures	3,524,756	3,476,290
Deficiency of revenues under expenditures	(2,357,836)	(2,374,582)
Other financing sources		
Operating transfers in - primary government	2,364,477	2,354,018
Excess (deficiency) of revenues and other financing sources over (under) expenditures	6,641	(20,564)
Fund balances at beginning of year	77,849	98,413
Fund balances at end of year	$ 84,490	$ 77,849

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

THE CITY OF HOOVER, ALABAMA
Discretely Presented Component Unit - Park and Recreation Board
Comparative Schedules of General Fixed Assets by Source
September 30, 1999
(with comparative totals for September 30, 1998)

	1999	1998
General Fixed Assets		
Land	$ 13,770,586	$ 13,770,586
Buildings	24,135,624	24,022,486
Improvements other than buildings	4,203,488	3,914,947
Equipment and vehicles	1,624,792	1,351,987
Construction in progress	45,838	45,838
Total general fixed assets	$ 43,780,328	$ 43,105,844
Investment in General Fixed Assets		
General obligation warrants	$ 23,828,556	$ 23,828,556
Long-term notes payable	500,000	500,000
Capital leases payable	93,500	93,500
Park and Recreation Board bond	427,146	427,146
General revenues	14,504,066	13,877,582
Donations and annexations	873,665	825,665
Donations from primary government	3,553,395	3,553,395
Total investment in general fixed assets	$43,780,328	$43,105,844

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

THE CITY OF HOOVER, ALABAMA
Discretely Presented Component Unit - Park and Recreation Board
Schedule of General Fixed Assets by Function and Activity
September 30, 1999

Function and Activity	Land	Buildings	Improvements Other than Buildings	Equipment and Vehicles	Construction in Progress	Total
Recreation	$ 13,770,586	$ 24,135,624	$ 4,203,488	$ 1,624,792	$ 45,838	$ 43,780,328
Total general fixed assets allocated to functions and activities	$ 13,770,586	$ 24,135,624	$ 4,203,488	$ 1,624,792	$ 45,838	$ 43,780,328

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

THE CITY OF HOOVER, ALABAMA
Discretely Presented Component Unit - Park and Recreation Board
Schedule of Changes in General Fixed Assets by Function and Activity
For the fiscal year ended September 30, 1999

Function and Activity	General Fixed Assets October 1, 1998	Additions	Deletions	General Fixed Assets September 30, 1999
Recreation	$ 43,105,844	$ 687,885	$ 13,401	$ 43,780,328
Total general fixed assets	$ 43,105,844	$ 687,885	$ 13,401	$ 43,780,328

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

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CITY OF HOOVER PUBLIC LIBRARY BOARD

(A DISCRETELY PRESENTED COMPONENT UNIT)

The following presentation of the individual fund type and account group data of the City of Hoover Public Library Board is provided because the Library Board does not issue complete financial statements separately from the City's Comprehensive Annual Financial Report.

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THE CITY OF HOOVER, ALABAMA
Discretely Presented Component Unit - Library Board
Combined Balance Sheets
All Fund Types and Account Groups
September 30, 1999
(with comparative totals for September 30, 1998)

	Governmental Fund Types	Account Groups	Totals (Memorandum Only)	
	General	General Fixed Assets	1999	1998
Assets				
Pooled cash and investments	$ 84,589	-	$ 84,589	$ 73,063
Fixed assets	-	$ 6,272,043	6,272,043	6,147,814
Total assets	$ 84,589	$ 6,272,043	$ 6,356,632	$ 6,220,877
Liabilities, equity and other credits				
Liabilities				
Accounts payable	$ 29,800	-	$ 29,800	$ 20,857
Accrued liabilities	52,284	-	52,284	42,130
Total liabilities	82,084	-	82,084	62,987
Equity and other credits				
Investment in general fixed assets	-	$ 6,272,043	6,272,043	6,147,814
Fund balances				
Unreserved, undesignated	2,505	-	2,505	10,076
Total equity and other credit	2,505	6,272,043	6,274,548	6,157,890
Total liabilities, equity and other credits	$ 84,589	$ 6,272,043	$ 6,356,632	$ 6,220,877

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

THE CITY OF HOOVER, ALABAMA
Discretely Presented Component Unit - Library Board
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
All Governmental Fund Types
For the fiscal year ended September 30, 1999
(with comparative totals for the fiscal year ended September 30, 1998)

	Governmental Fund Types	
	General	
	1999	1998
Revenues		
Intergovernmental	$ 144,958	$ 169,794
Fines & forfeits	81,037	75,518
Investment income	2,964	3,472
Other	119,026	98,563
Total revenues	347,985	347,347
Expenditures		
Current operations		
Library		
Personal services	1,715,678	1,605,402
Other	1,069,063	1,091,138
Total	2,784,741	2,696,540
Capital outlays	18,124	3,000
Total expenditures	2,802,865	2,699,540
Deficiency of revenues under expenditures	(2,454,880)	(2,352,193)
Other financing sources		
Operating transfers in - primary government	2,447,309	2,349,069
Deficiency of revenues and other financing sources under expenditures	(7,571)	(3,124)
Fund balances at beginning of year	10,076	13,200
Fund balances at end of year	$ 2,505	$ 10,076

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

THE CITY OF HOOVER, ALABAMA
Discretely Presented Component Unit - Library Board
Comparative Schedules of General Fixed Assets by Source
September 30, 1999
(with comparative totals for September 30, 1998)

	1999	1998
General Fixed Assets		
Buildings	$ 5,604,394	$ 5,604,394
Improvements other than buildings	14,883	14,883
Equipment and vehicles	579,662	528,537
Construction in progress	73,104	-
Total general fixed assets	$ 6,272,043	$ 6,147,814
Investment in General Fixed Assets		
General obligation warrants	$ 5,976,023	$ 5,902,919
General revenues	220,561	169,436
Donations from primary government	75,459	75,459
Total investment in general fixed assets	$ 6,272,043	$ 6,147,814

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

THE CITY OF HOOVER, ALABAMA
Discretely Presented Component Unit - Library Board
Schedule of General Fixed Assets by Function and Activity
September 30, 1999

Function and Activity	Buildings	Improvements Other than Buildings	Equipment and Vehicles	Construction in Progress	Total
Library	$ 5,604,394	$ 14,883	$ 579,662	$ 73,104	$ 6,272,043
Total general fixed assets allocated to functions and activities	$ 5,604,394	$ 14,883	$ 579,662	$ 73,104	$ 6,272,043

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

THE CITY OF HOOVER, ALABAMA
Discretely Presented Component Unit - Library Board
Schedule of Changes in General Fixed Assets by Function and Activity
For the fiscal year ended September 30, 1999

Function and Activity	General Fixed Assets October 1, 1998	Additions	Deletions	General Fixed Assets September 30, 1999
Recreation	$ 6,147,814	$ 141,956	$ 17,727	$ 6,272,043
Total general fixed assets	$ 6,147,814	$ 141,956	$ 17,727	$ 6,272,043

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

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STATISTICAL SECTION

PRIMARY GOVERNMENT

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THE CITY OF HOOVER, ALABAMA
General Governmental Tax Revenues by Source
Last Ten Fiscal Years

Fiscal Year	Sales, Use and Related Taxes	Property Tax	In Lieu of Property Tax	Auto Tax	Rental Tax	Total
1990	$15,003,431	$2,157,136	$25,400	$165,269	$47,310	$17,398,546
1991	15,911,832	2,383,888	20,663	228,440	62,750	18,607,573
1992	17,278,328	2,692,524	20,664	136,111	107,422	20,235,049
1993	20,728,713	2,681,425	19,162	216,934	96,173	23,742,407
1994	27,568,637 (A)	2,925,759	53,062	217,420	126,548 (A)	30,891,426
1995	34,085,710	3,369,272	53,062	236,526	137,010	37,881,580
1996	35,299,683	3,781,319	53,062	317,485	150,336	39,601,885
1997	37,547,973	3,981,320	47,828	346,789	137,318	42,061,228
1998	37,939,527	4,253,830	47,828	438,799	173,450	42,853,434
1999	40,202,985	4,455,161	47,828	457,879	370,671	45,534,524

(A) The City Council passed a 1% increase effective March 1, 1994.

Source: City annual financial reports.

THE CITY OF HOOVER, ALABAMA
General Governmental Expenditures by Functions
All Governmental Fund Types (A)
Last Ten Fiscal Years

Fiscal Year	General Government	Public Safety (B)	Streets and Sanitation	Health	Capital Outlays
1990	$2,244,350	$9,600,102	$2,760,175	$135,333	$1,060,623
1991	2,824,151	10,164,111	3,020,169	126,752	7,150,715
1992	2,808,843	10,920,575	3,533,030	105,953	8,466,176
1993	3,110,641	11,789,994	3,764,589	131,824	2,226,812
1994	3,161,080	13,115,674	3,965,613	311,847	2,601,047
1995	3,650,427	14,923,300	4,360,208	331,883	9,543,813
1996	5,573,911	17,018,226	5,305,308	347,259	7,892,679
1997	5,972,878	17,450,403	5,248,576	347,843	9,775,534
1998	5,325,776	19,284,687	6,205,693	365,070	5,329,877
1999	6,512,020	20,712,864	5,926,537	356,631	5,787,340

Continued on next page

(A) This schedule includes the General, Special Revenue and Capital Projects Funds.

(B) Includes Municipal Court

Source: City annual financial reports

Debt Service	Total
$4,124,387	$19,924,970
4,393,214	27,679,112
4,969,769	30,804,346
5,181,668	26,205,528
5,483,843	28,639,104
4,921,841	37,731,472
5,327,006	41,464,389
4,813,756	43,608,990
5,661,995	42,173,098
6,432,052	45,727,444

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THE CITY OF HOOVER, ALABAMA
General Governmental Revenues by Source
All Governmental Fund Types (A)
Last Ten Fiscal Years

Fiscal Year	Taxes	Licenses and Permits	Intergovernmental	Fines and Forfeits
1990	$17,398,546	$3,721,613	$1,395,944	$380,592
1991	18,607,573	4,848,791	1,259,986	491,556
1992	20,235,049	5,221,673	1,420,471	454,527
1993	23,742,407	6,083,992	2,091,689	461,024
1994	30,891,426	5,860,897	2,168,119	496,575
1995	37,881,580	6,376,852	2,448,911	487,896
1996	39,601,885	6,951,010	2,355,881	852,158
1997	42,061,228	7,833,276	2,260,279	939,012
1998	42,853,434	8,164,042	2,704,982	1,182,346
1999	45,534,524	9,117,729	3,075,793	1,100,142

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(A) This schedule includes the General, Special Revenue and Capital Projects Funds.

(B) Includes interest earned on loan to Board of Education.

Source: City annual financial reports

Interest		Other	Total
$841,655	(B)	$572,068	$24,310,418
1,689,072	(B)	1,287,703	28,184,681
972,374	(B)	947,463	29,251,557
836,908	(B)	1,609,216	34,825,236
859,392	(B)	1,370,029	41,646,438
1,180,986	(B)	1,334,423	49,710,648
558,440		1,072,449	51,391,823
925,011		1,989,843	56,008,649
1,228,608		1,301,811	57,435,223
1,250,397		1,239,620	61,318,205

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THE CITY OF HOOVER, ALABAMA
Property Tax Levies and Collections (A)
Last Ten Fiscal Years

Jefferson County:

Beginning October 1	Total Tax Levy	Current Tax Collections	Percent Of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Tax Collections to Tax Levy
1989	$1,824,382	$1,752,624	96.1%	$6,256	$1,758,880	96.4%
1990	1,923,931	1,872,508	97.3%	865	1,873,373	97.4%
1991	1,988,919	1,920,859	96.6%	16,478	1,937,337	97.4%
1992	2,054,747	1,935,348	94.2%	21,071	1,956,419	95.2%
1993	2,067,439	1,985,163	96.0%	14,106	1,999,269	96.7%
1994	2,500,454	2,407,911	96.3%	16,516	2,424,427	97.0%
1995	2,730,747	2,486,913	91.1%	8,208	2,495,121	91.4%
1996	2,869,275	2,649,908	92.4%	7,116	2,657,024	92.6%
1997	2,944,597	2,777,040	94.3%	707	2,777,747	94.3%
1998	3,544,954	2,850,979	80.4%	2,318	2,853,297	80.5%

Shelby County:

Beginning October 1	Total Tax Levy	Total Tax Collections	Percent of Tax Collections to Tax Levy
1989	$392,809	$398,256	101.4%
1990	548,679	510,515	93.0%
1991	736,067	755,187	102.6%
1992	786,651	775,477	98.6%
1993	839,231	803,882	95.8%
1994	1,011,844	977,877	96.6%
1995	1,372,512	1,154,951	84.1%
1996	1,551,528	1,331,412	85.8%
1997	1,574,102	1,476,790	93.8%
1998	1,903,935	1,605,241	84.3%

(A) Property tax on motor vehicles is excluded.

Source: Jefferson and Shelby County Tax Collectors.

THE CITY OF HOOVER, ALABAMA
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Assessment Date October 1	Real Property (A) Assessed Value	Real Property (A) Estimated Actual Value	Personal Property (A) Assessed Value	Personal Property (A) Estimated Actual Value
Located in Jefferson County:				
1989	$211,928,255	$1,451,431,416	$30,148,078	$150,740,390
1990	217,467,432	1,507,641,117	32,106,596	160,532,980
1991	225,745,021	1,564,991,798	34,959,344	174,796,720
1992	232,228,585	1,626,395,898	31,343,255	156,718,775
1993	292,958,228	2,037,742,851	32,520,437	162,602,185
1994	299,007,442	2,108,939,188	36,582,126	182,910,630
1995	311,327,661	2,207,875,277	44,224,575	221,122,875
1996	328,041,051	2,330,203,943	46,095,817	230,479,085
1997	336,680,714	2,384,424,320	47,294,761	236,473,805
1998	417,489,222	2,956,722,535	59,248,321	296,241,605
Located in Shelby County:				
1989	$59,066,940	$295,334,700	$3,412,400	$17,062,000
1990	100,310,320	501,551,000	10,342,160	51,710,800
1991	107,783,940	538,919,700	10,665,000	53,325,000
1992	114,616,180	573,080,900	12,254,780	61,273,900
1993	139,602,460	698,012,300	13,720,480	68,602,400
1994	159,994,480	799,972,400	16,629,200	83,146,000
1995	182,967,120	914,835,600	17,921,460	89,607,300
1996	198,222,620	966,939,610	24,483,800	119,433,171
1997	201,097,586	980,963,834	24,846,595	121,202,902
1998	246,606,513	1,202,958,600	29,522,540	144,012,390

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(A) Excludes public utilities and motor vehicles.
(B) Includes real and personal property.

Source: Jefferson and Shelby County Tax Collectors.

Public Utility Property (B)		Total		Ratio of Total Assessed to Total Estimated Actual Value
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
$56,510,980	$188,181,563	$298,587,313	$1,790,353,369	16.7%
61,356,140	204,520,467	310,930,168	1,872,694,564	16.6%
60,831,040	202,749,856	321,535,405	1,942,538,374	16.6%
60,297,380	200,971,168	323,869,220	1,984,085,841	16.3%
67,054,700	223,493,315	392,533,365	2,423,838,351	16.2%
68,298,740	227,639,700	403,888,308	2,519,489,518	16.0%
64,566,900	215,201,478	420,119,136	2,644,199,630	15.9%
67,290,000	224,277,570	441,426,868	2,784,960,598	15.9%
69,039,479	230,131,597	453,014,954	2,851,029,722	15.9%
68,640,060	228,800,200	545,377,603	3,481,764,340	15.7%
$2,885,720	$14,428,600	$65,365,060	$326,825,300	20.0%
3,040,080	15,200,400	113,692,560	568,462,200	20.0%
3,129,900	15,649,500	121,578,840	607,894,200	20.0%
3,880,840	19,404,200	130,751,800	653,759,000	20.0%
4,640,820	23,204,100	157,963,760	789,818,800	20.0%
12,993,360	64,966,800	189,617,040	948,085,200	20.0%
10,269,280	51,346,400	211,157,860	1,055,789,300	20.0%
15,990,180	78,000,878	238,696,600	1,164,373,659	20.5%
16,225,359	79,148,093	242,169,540	1,181,314,829	20.5%
16,784,007	81,873,205	292,913,060	1,428,844,195	20.5%

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THE CITY OF HOOVER, ALABAMA
Property Tax Rates - Direct and Overlapping Governments
(Per $100 of Assessed Value)
Last Ten Fiscal Years

Jefferson County:

Fiscal Year Ended September 30		City of Hoover		Jefferson County					
		General Fund	City Schools	County	County Schools	School District	County Total	State of Alabama	Total Tax
1990		0.65	-	1.35	0.82	1.39	3.56	0.65	4.86
1991	(A)	0.65	$1.40	1.35	0.82	1.39	3.56	0.65	6.26
1992		0.65	1.40	1.35	0.82	1.39	3.56	0.65	6.26
1993		0.65	1.40	1.35	0.82	1.39	3.56	0.65	6.26
1994		0.65	1.40	1.35	0.82	1.39	3.56	0.65	6.26
1995		0.65	1.40	1.35	0.82	1.39	3.56	0.65	6.26
1996		0.65	1.40	1.35	0.82	1.39	3.56	0.65	6.26
1997		0.65	1.40	1.35	0.82	1.39	3.56	0.65	6.26
1998		0.65	1.40	1.35	0.82	1.39	3.56	0.65	6.26
1999	(B)	0.65	2.40	1.35	0.82	1.39	3.56	0.65	7.26

Shelby County:

Fiscal Year Ended September 30		City of Hoover		Shelby County						
		General Fund	City Schools	County	County Schools	School District	Hospital	County Total	State of Alabama	Total Tax
1990		0.65	-	0.75	1.60	0.60	0.40	3.35	0.65	4.65
1991	(A)	0.65	$1.40	0.75	1.60	0.60	0.40	3.35	0.65	6.05
1992		0.65	1.40	0.75	1.60	0.60	0.40	3.35	0.65	6.05
1993		0.65	1.40	0.75	1.60	0.60	0.40	3.35	0.65	6.05
1994		0.65	1.40	0.75	1.60	0.60	0.40	3.35	0.65	6.05
1995		0.65	1.40	0.75	1.60	0.60	0.40	3.35	0.65	6.05
1996		0.65	1.40	0.75	1.60	0.60	0.40	3.35	0.65	6.05
1997		0.65	1.40	0.75	1.60	0.60	0.40	3.35	0.65	6.05
1998		0.65	1.40	0.75	1.60	0.60	0.40	3.35	0.65	6.05
1999	(B)	0.65	2.40	0.75	1.60	0.60	-	2.95	0.65	6.65

(A) City voters passed a 14 mill property tax for schools at a referendum held on May 8, 1990. The tax was effective beginning in fiscal 1991.

(B) City voters passed a 10 mill property tax increase for schools at a referendum held on May 12, 1998. The tax was effective beginning in fiscal 1999.

Source: Jefferson and Shelby County Tax Collectors.

THE CITY OF HOOVER, ALABAMA
Principal Property Taxpayers
For the fiscal year ended September 30, 1999

	City Ad Valorem Taxes	Percentage of Total Property Taxes Collected (A)
BellSouth	$442,908	9.94%
Hoover Mall Limited	148,945	3.34%
AmSouth Bank	132,195	2.97%
Metropolitan Life Insurance	117,054	2.63%
Colonial Realty Ltd. Ptn.	104,259	2.34%
Blue Cross/Blue Shield	72,141	1.62%
Tree Crossing Associates	51,832	1.16%
Wilmington Trust	49,224	1.10%
Alabama Power	41,208	0.92%
Blue Cross/Blue Shield of Alabama	34,102	0.78%
Total	$1,193,868	26.80%

(A) Excludes motor vehicles.

Source: Jefferson and Shelby County Tax Collectors.

THE CITY OF HOOVER, ALABAMA
Computation of Legal Debt Margin
September 30, 1999

Assessed value of property	$911,597,267 (A)
Debt Limit - 20 percent of total assessed value	182,319,453
Amount of debt applicable to debt limit	49,649,125 (B)
Legal debt margin	$132,670,328

(A) Includes assessed value of motor vehicles totaling $75,826,004.

(B) Legally excludes general long-term debt issued for the purpose of acquiring, providing, or constructing school houses and sewers.

Source: Jefferson County and Shelby County Tax Assessors.

THE CITY OF HOOVER, ALABAMA
Ratio of Net General Obligation Debt to Assessed Value and Net General Obligation Debt Per Capita
Last Ten Fiscal Years

Fiscal Year		Population	Assessed Value	General Obligation Debt	Ratio of Debt To Assessed Value	General Obligation Debt per Capita
1990		39,788	$370,910,744 (B)	$56,553,227	15.25	$1,421.36
1991		39,788	391,529,273 (B)	56,480,485	14.43	1,419.54
1992	(A)	45,000	451,450,768 (B)	58,037,526	12.86	1,289.72
1993	(A)	48,000	469,130,985 (B)	57,281,488	12.21	1,193.36
1994	(A)	50,000	584,588,625 (B)	64,126,353	10.97	1,282.53
1995	(A)	55,000	636,034,748 (B)	64,303,684	10.11	1,169.16
1996	(A)	56,000	680,492,636 (B)	62,411,015	9.17	1,114.48
1997	(A)	58,500	735,197,343 (B)	60,873,278	8.28	1,040.57
1998	(A)	60,000	763,688,236 (B)	58,379,847	7.64	973.00
1999	(A)	62,000	911,597,267 (B)	69,363,550	7.61	1,118.77

(A) Estimate by City.

(B) Includes assessed value of motor vehicles.

Source: City annual financial reports.

THE CITY OF HOOVER, ALABAMA
Ratio of Annual Debt Service Expenditures for General Obligation Debt to Total General Governmental Expenditures
Last Ten Fiscal Years

Fiscal Year	Total Debt Service	Total General Expenditures (A)	Ratio of Debt Service to Total General Expenditures
1990	$4,124,387	$19,924,970	20.70
1991	4,393,214	27,679,112	15.87
1992	4,969,769	30,804,346	16.13
1993	5,181,668	26,205,528	19.77
1994	5,483,843	28,639,104	19.15
1995	4,921,841	37,731,472	13.04
1996	5,327,006	41,464,389	12.85
1997	4,813,756	43,608,990	11.04
1998	5,661,995	42,173,098	13.43
1999	6,432,052	45,727,444	14.07

(A) Includes General, Special Revenue and Capital Projects Funds.

Source: City annual financial reports.

THE CITY OF HOOVER, ALABAMA
Computation of Direct and Overlapping Debt
General Obligation Warrants
September 30, 1999

	Total Debt Outstanding	Percentage Applicable to City of Hoover	Amount Applicable to City of Hoover
Direct Debt			
City of Hoover - general obligation warrants	$69,363,550	100.00	$69,363,550
Overlapping Debt			
Hoover City Board of Education	135,510,014	100.00	135,510,014
Jefferson County	1,786,308,526	9.59	171,306,988
Jefferson County Board of Education	89,491,297	9.59	8,582,215
Shelby County	37,942,082	20.76	7,876,776
Shelby County Board of Education	136,941,988	20.76	28,429,157
Total overlapping debt	2,186,193,907		351,705,150
Total direct and overlapping debt	$2,255,557,457		$421,068,700

Source: Jefferson County Comptroller.
Jefferson County Board of Education.
Shelby County Commission.
Shelby County Board of Education.

THE CITY OF HOOVER, ALABAMA
Demographic Statistics
Last Ten Fiscal Years

Fiscal Year	Population	Median Household Income	School Enrollment	Unemployment Rate %
1990	39,788 (A)	$39,527 (G)	6,115 (F)	5.3 (B) (C)
1991	42,500 (G)	40,500 (E)	6,329 (F)	5.6 (B) (C)
1992	45,000 (G)	53,472 (G)	6,806 (F)	2.4 (B) (D)
1993	48,000 (G)	53,472 (G)	7,483 (F)	2.3 (B) (D)
1994	50,000 (E)	53,472 (G)	7,683 (F)	1.7 (B) (D)
1995	55,000 (E)	59,083 (H)	8,210 (F)	1.6 (B) (D)
1996	56,000 (E)	59,083 (H)	8,665 (F)	1.3 (B) (D)
1997	58,500 (G)	60,000 (E)	9,017 (F)	1.3 (B) (D)
1998	60,000 (G)	61,757 (I)	9,309 (F)	1.1 (B) (D)
1999	62,000 (G)	61,757 (I)	9,460 (F)	1.2 (B) (D)

(A) Federal census.
(B) State Department of Industrial Relations.
(C) Jefferson County unemployment rate.
(D) City of Hoover unemployment rate.
(E) Estimate by City.
(F) City Board of Education.
(G) House Consultants
(H) Porter, White & Company, Inc.
(I) Equifax National Decision Systems

THE CITY OF HOOVER, ALABAMA
Construction, Bank Deposits and Retail Sales
Last Ten Fiscal Years

Fiscal Year	Value of Commercial Construction (A)	Value of Residential Construction (A)	Bank Deposits (B)	Retail Sales (A) (C)
1990	$25,467,426	$48,871,241	$548,029,000	$750,000,000
1991	55,797,335	85,719,502	650,050,000	800,000,000
1992	18,105,842	104,642,785	730,154,000	850,000,000
1993	46,370,287	147,744,433	1,017,033,000	950,000,000
1994	80,704,946	147,316,465	776,560,000	1,050,000,000
1995	62,787,313	156,126,270	763,401,000	1,100,000,000
1996	47,620,964	135,031,130	872,901,000	1,130,000,000
1997	62,487,614	135,970,884	683,483,000	1,350,000,000
1998	83,402,179	120,573,214	1,102,025,000	1,350,000,000
1999	109,762,138	124,288,600	872,677,000	1,430,000,000

(A) Source: City records.
(B) Source: AmSouth Bank
(C) Estimated

THE CITY OF HOOVER, ALABAMA
Miscellaneous Statistics
September 30, 1999

Date of Incorporation: May 18, 1967

Form of Government: Mayor-Council (5 members)

Area: 44 Square miles (A)

Miles of Street:

Paved	262 (A)
Unpaved	0 (A)

Miles of Sewers:

Sanitary	180 (A)
Storm	167 (A)

Number of City Employees:

Administration	52
Finance	13
Garage	5
Police	146
Fire	145
Communications	25
Inspection services	21
Municipal court	7
Street and sanitation	33
Sewer	1
Recreation	77
Library	77
Health	2
Total	604 (B)

Public Schools:

Established - August 29, 1988
Enrollment - 9,460 (C)
Buildings - one high school; two middle schools; and eight elementary schools.

Major employers:

The City's major employers are engaged in service, utilities, retail sales, financial, construction and insurance. (D)

Recreation:

Number of parks	18 (E)
Acres of developed parks and lakes	247 (E)
Acres not developed	511 (E)

Public Safety:

Number of fire stations	8
Number of police stations	2

Population:

1968	410 (G)
1970	1,393 (G)
1973	3,594 (G)
1980	19,792 (G)
1987	31,319 (G)
1990	39,788 (G)
1992	45,000 (H)
1993	48,000 (H)
1994	50,000 (H)
1995	55,000 (H)
1996	56,000 (H)
1997	58,500 (F)
1998	60,000 (F)
1999	62,000 (F)

Number of housing units:

Owner occupied	16,743
Renter occupied	9,970
Total	26,713 (F)

Value of housing units:

Median value	$152,600 (I)

Average income:

Per capita	$34,548 (I)
Family	$79,704 (I)

Median age: 36 (I)

(A) Source: City Engineer (Amounts are approximate).
(B) Source: City payroll records
(C) Source: City Board of Education
(D) Source: Birmingham Regional Planning Commission.
(E) Source: Director of Parks and Recreation, City of Hoover.
(F) Source: House Consultants, Independent Consulting Firm.
(G) Source: Federal census.
(H) Source: Estimate by City.
(I) Source: Equifax National Decision Systems