

THE CITY OF HOOVER, ALABAMA
Comprehensive Annual Financial Report
For the Fiscal Year Ended
September 30, 1984

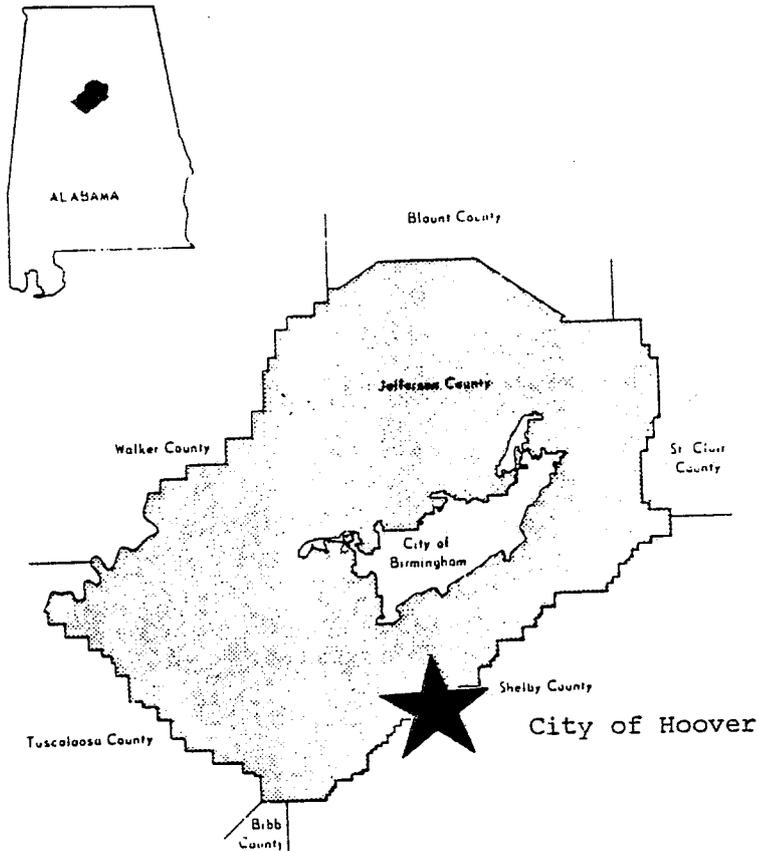
Introductory Section.

THE CITY OF HOOVER, ALABAMA
Comprehensive Annual Financial Report
For the Fiscal Year Ended
September 30, 1984

Prepared by:
Office of the City Clerk

Anita Steiner, CMC
City Clerk

The City of Hoover, Alabama
Introduction



The City of Hoover, Alabama is located in Jefferson and Shelby Counties in north central Alabama. The City occupies approximately 12 square miles and has a population of approximately 22,500.

Officials of the City of Hoover, Alabama*
September 30, 1984

Mayor

Frank S. Skinner, Jr.

City Council

T. H. Blackmon, President

D. Charles Bates

Oscar W. Davis

William J. Billingsley

Glenn H. Thompson

Heads of Departments

City Clerk	Anita W. Steiner, City Clerk
Police	David A. Cummings, Chief
Fire	Thomas E. Bradley, Chief
Inspection	Gerald R. Smith, Inspector
Public Works	Steven W. Brown, Director
Library	Linda R. Andrews, Librarian

Jack H. Harrison
City Attorney

Joel C. Watson
Municipal Judge

* Effective October 1, 1984, the City Council members are as follows:

William J. Billingsley, President
Faye B. Anderson
T. H. Blackmon
Oscar W. Davis
Geoffrey E. Huddleston

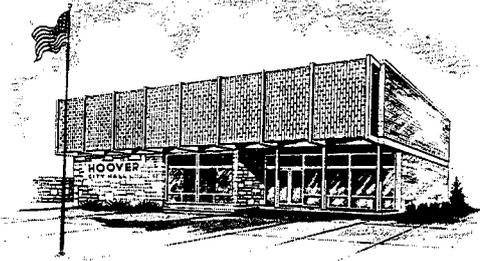
THE CITY OF HOOVER, ALABAMA
Comprehensive Annual Financial Report
Year Ended September 30, 1984

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FRANK S. SKINNER, JR., MAYOR
 CITY COUNCIL
 WILLIAM BILLINGSLEY, PRESIDENT OF THE COUNCIL
 FAYE ANDERSON
 T. H. BLACKMON, PRESIDENT PRO TEMPORE
 OSCAR DAVIS
 GEOFF HUDDLESTON
 ANITA STEINER, CITY CLERK
 JACK H. HARRISON, CITY ATTORNEY

CITY OF HOOVER

1631 MONTGOMERY HIGHWAY

P. O. BOX 36037

HOOVER, ALABAMA 35236-6037

Honorable Mayor and Members of the City Council

The Comprehensive Annual Financial Report of the City of Hoover, Alabama, for the fiscal year ended September 30, 1984, is submitted herewith. This report was prepared from the City's accounting records. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

This report is prepared using the pyramid approach to governmental financial reporting prescribed by Statement 1, Governmental Accounting and Financial Reporting Principles, prepared by the National Council on Governmental Accounting (NCGA). By using this approach, the reader is able to obtain a broad overview of the financial position and results of operations of the governmental unit as a whole, prior to proceeding to comparable data on a detailed basis for individual funds.

The Government Finance Officers Association of the United States and Canada (GFOA) awards Certificates of Conformance to those governments whose annual financial reports are judged to conform substantially with high standards of public financial reporting including generally accepted accounting principles promulgated by the NCGA. The City of Hoover was awarded a Certificate of Conformance for its annual financial report for the fiscal years 1982 and 1983. The fiscal 1984 financial report has been prepared following the recommended guidelines of the GFOA. In my opinion, the fiscal year 1984 financial report continues to meet the standards of the Certificates of Conformance program; therefore, it will be submitted to the GFOA for review.

Honorable Mayor and Members of
the City Council

Internal Accounting Controls

Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) The safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) The cost of control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgements by management. We believe that the City's internal accounting controls are adequate.

Budgeting, Budgetary Controls and Budgetary Reporting

The City is not required under state or local law to adopt an annual budget for the General Fund and Special Revenue Funds; however, there is a federal requirement that a budget be prepared for the Federal Revenue Sharing Fund. The City legally adopts a combined budget for the General Fund and Special Revenue Funds of the City. A budget is not legally adopted for the Capital Projects Fund.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to October 1, the Mayor submits to the City Council a proposed operating budget for the upcoming fiscal year. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at the City Hall to obtain taxpayer comments.
3. On or about October 1, the budget is adopted by the City Council.
4. Formal budgetary integration is employed as a management control device during the year for the General Fund and the Special Revenue Funds.
5. Department heads are responsible for adhering to their departmental budgets.
6. The General Fund and Special Revenue Fund budget is adopted on a basis consistent with generally accepted accounting principles.
7. At the end of the fiscal year, appropriations of the General Fund and Special Revenue Funds automatically lapse.
8. The level of control (the level at which expenditures may not exceed budget) is the fund; however, the City Council may authorize expenditures from time to time during the year without legally amending the previously adopted budget. The Council may legally amend the budget at any time during the fiscal year. The budget was not amended in fiscal year 1984.

The Reporting Entity and Its Services

For financial reporting purposes, in conformance with National Council on Governmental Accounting (NCGA) Statement 3, Defining the Governmental Reporting Entity, the City

Honorable Mayor and Members of
the City Council

includes all funds and account groups that are controlled by or dependent on the Mayor and the City Council. The Library Board of the City of Hoover is funded by the City and is included in the financial reporting entity. The Medical Clinic Board of the City of Hoover and The Industrial Development Board of the City of Hoover have been excluded from the financial reporting entity. These organizations have substantial autonomy and separate governmental entity characteristics. They are governed by separate boards (appointed by the City Council). They are not funded by the City. The City is not obligated to finance any deficits they may incur and the City does not guarantee their indebtedness.

The City provides the following services: public safety (police, fire and inspection), street maintenance, sanitation, recreation, public library, public improvements, planning and zoning and general administration. The City does not operate a school system. Students attend county schools.

Explanation of Fund Structure

The financial statements of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are presented in separate financial statements that comprise its assets, liabilities, fund equity, revenues and expenditures (or expenses). Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent.

Governmental funds are as follows:

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

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Proprietary fund is as follows:

Enterprise Fund - The City's only enterprise fund is a sewer enterprise fund. An enterprise fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determinations of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Significant Aspects of Financial Operations During the Year

Setforth below is a summary and analysis of the combined operations of the General Fund and Special Revenue Funds of the City for fiscal 1984. This combined presentation is intended to provide insight as to general governmental operations.

Revenues for general governmental operations totalled \$7,714,625 in the fiscal year ended September 30, 1984, an increase of 56.0% over the previous fiscal year. The amount of revenues and other financing sources and the changes from last year are shown in the following tabulation:

	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount of Increase or (Decrease) from 1983</u>	<u>Percent of Increase or (Decrease) from 1983</u>
<u>Revenues and Other Financing Sources</u>				
Sales taxes	\$4,002,656	51.9%	\$ 2,195,499	121.5%
Business licenses	1,128,678	14.6	113,486	11.2
Property taxes	945,470	12.3	144,955	18.1
Intergovernmental	826,258	10.7	97,579	13.4
Interest on investments	256,174	3.3	83,714	48.5
Fines and forfeitures	184,417	2.4	29,440	19.0
Building permits	248,753	3.2	99,352	66.5
Rental tax	60,301	.8	28,943	92.3
All other	61,918	.8	(23,068)	(27.1)
Total revenues	<u>7,714,625</u>	<u>100.0%</u>	\$ <u>2,769,900</u>	56.0%
General obligation warrant proceeds	<u>962,078</u>			
Total Revenues and Other financing sources	<u>\$8,676,703</u>			

Sales tax revenue increased from \$1,807,157 in fiscal 1983 to \$4,002,656 in fiscal 1984. This was an increase of \$2,195,499 (121.5%). The reasons for this large increase were as follows:

- (A) The City raised its sales tax rate from 1% to 2% (except on automobiles) effective October 1, 1983.
- (B) Retail sales volume in the City for fiscal 1984 was up by an estimated 28% over fiscal 1983.

Sales tax revenue comprised 51.9% of the City's total revenue for fiscal 1984.

Business license receipts in fiscal 1984 were up \$113,486 (11.2%) over fiscal 1983 because of the increased sales volume in fiscal 1984 mentioned above. Revenue from business licenses comprised 14.6% of total revenue of the City.

Property taxes represented 12.3% of City revenues. Property taxes collected during fiscal 1984 were based on property tax assessments on real and personal property as of October 1, 1982 totalling approximately \$138 million. Real and personal property taxes collected and remitted by county tax collectors totalled \$885,847, motor vehicle taxes totalled \$55,672 and payments in lieu of property tax totalled \$3,951.

Interest on investments totalled \$256,174 in fiscal 1984, an increase of \$83,714 (48.5%) over the previous year. Temporarily idle cash generated by the increase in City sales tax revenue substantially accounted for the additional earnings. City management invests idle cash in certificates of deposits, repurchase agreements and U.S. government obligations. At September 30, 1984, the City's excess funds were invested at annual rates of from 9.375% to 11.50%.

Building permits increased \$99,352 (66.5%) from fiscal 1983 to fiscal 1984 because of the construction of the Riverchase Galleria and other new construction in the City. During fiscal 1984, building permits were issued for commercial and residential construction of approximately \$103 million compared to only \$29 million in fiscal 1983.

General obligation warrants totalling \$9,575,000 were issued on November 2, 1983. The General Fund received \$962,078 of the proceeds which were used to retire part of the City's existing long-term debt and pay interest.

Expenditures for current operations of general government totalled \$4,786,381 in fiscal year ended September 30, 1984, an increase of 16.0% over the previous fiscal year. Expenditure levels for major functions of the City and changes from last year are shown in the following tabulation:

Function	Amount	Percent of Total	Amount of Increase or (Decrease) from 1983	Percent of Increase or (Decrease) from 1983
General government	\$ 576,276	12.0%	\$ 77,538	15.5%
Public safety	2,656,533	55.5	319,078	13.7
Municipal Court	71,685	1.5	10,830	17.8
Streets and sanitation	1,114,451	23.3	85,632	8.3
Recreation	84,008	1.8	23,342	38.5
Library	235,947	4.9	148,619	170.2
Health	47,481	1.0	(3,266)	(6.4)
Total expenditures related to current operations	4,786,381	<u>100.0%</u>	<u>661,773</u>	16.0
Capital outlays	452,511			
Debt service	1,589,970			
Sewer treatment plant operating deficit	17,898			
Total expenditures	<u>\$6,846,760</u>			

Expenditures for personal services including salaries, retirement contributions and other employee benefits totalled \$3,005,077 in fiscal 1984, compared to \$2,532,517 in fiscal 1983. This was an increase of \$472,560. The increase resulted from an 8% across the board pay increase, merit raises, and the hiring of approximately ten additional City employees during the year.

The following is an analysis of the increase in current operating expenditures by function:

	Increase (Decrease) in Expenditures Current Operations		
	<u>Personal Services</u>	<u>Other (A)</u>	<u>Total</u>
General government			
Administrative	\$ 16,701	\$ 57,328	\$ 74,029
Municipal garage	1,757	1,752	3,509
Total	<u>18,458</u>	<u>59,080</u>	<u>77,538</u>
Public Safety			
Police	119,640	32,804	152,444
Fire	144,912	(13,981)	130,931
Inspection services	31,873	3,830	35,703
Total	<u>296,425</u>	<u>22,653</u>	<u>319,078</u>
Municipal Court	3,560	7,270	10,830
Streets and sanitation	45,987	39,645	85,632
Recreation	25,376	(2,034)	23,342
Library	82,754	65,865	148,619
Health	-	(3,266)	(3,266)
Total increases	\$ <u>472,560</u>	\$ <u>189,213</u>	\$ <u>661,773</u>

(A) Includes all expenditures for goods and services (other than salaries and fringe benefits) required for general governmental operations.

Library expenditures increased from \$87,328 in fiscal 1983 to \$235,947 in fiscal 1984, an increase of \$148,619. The library did not actually open until October, 1983; so the amount reported in fiscal 1983 was limited to pre-opening expenditures. The first full year of operations was fiscal 1984.

Capital Outlays From The General Fund and Special Revenue Funds

A total of \$452,511 was expended from the General Fund and Special Revenue Funds for General Fixed Assets during fiscal 1984. Major items included therein were as follows:

<u>Description</u>	<u>Amount</u>
Building improvements - Fire Station No. 1	\$123,025
Five motor vehicles - Police Department	49,561
Land and lighting - Shades Mountain Community Park	45,000
Backhoe - Public Works Department	41,385
Improvements - Hoover Athletic Park	27,070
Three motor vehicles - Public Works Department	26,288
Two motor vehicles - Building Inspection Department	20,211
Two front cut mowers - Public Works Department	10,948
One motor vehicle - Fire Department	9,644
Improvements - Shades Mountain Community Park	9,506
All other items	89,873
Total	<u>\$452,511</u>

Debt Service

Debt service expenditures during the fiscal year ended September 30, 1984 consisted of the following:

(A)	Retirement of \$875,000 general obligation warrant and payment of related interest of \$15,270	\$890,270
(B)	Principal payment of \$150,000 on \$1,500,000 general obligation warrant and payment of 12 months interest totalling \$132,750	282,750
(C)	Payment of interest on \$9,575,000 general obligation warrants	<u>416,950</u>
		<u>\$1,589,970</u>

Payments on general obligation warrants are made from the General Fund.

Sewer Treatment Plant Operating Deficit

Prior to the acquisition of the sewer treatment plant, the City was required under the terms of an annexation agreement and related sewer service agreement to reimburse the developers of Riverchase, who owned and operated the plant, one-half of any operating deficit generated by the plant based upon a computation set forth in the sewer service agreement. The City's expenditures to cover its share of the operating deficits for fiscal 1984 and fiscal 1983 were \$17,898 and \$189,000 respectively. The total amount paid to the developers as the City's share of the operating deficit incurred from December 15, 1980 until the plant was acquired by the City on December 22, 1983 was \$617,898.

General Long-Term Debt

General long-term debt at September 30, 1984 consisted of the following:

(A)	\$1,500,000 general obligation warrant payable to a trust; dated July 27, 1983; due \$150,000 annually; interest at 9% due monthly	\$1,350,000
(B)	\$9,575,000 general obligation warrants, series 1983; dated October 1, 1983; due \$350,000 to \$1,150,000 annually beginning October 1, 1985; interest at 8.20% to 9.00% due semi-annually commencing April 1, 1984	<u>9,575,000</u>
		<u>\$10,925,000</u>

The ratio of general obligation debt to assessed valuation is 7.91% and the amount of general obligation debt per capita is \$551.99 (based on the 1980 Federal Census population of 19,792).

Overlapping debt of Jefferson and Shelby Counties applicable to the City of Hoover at September 30, 1984 totalled \$9,835,948. The computation of overlapping debt is based on total outstanding long-term debt of Jefferson and Shelby Counties at September 30, 1984 without regard to amounts, if any, in debt service funds of county governments since this information was not readily ascertainable.

The City's credit ratings are as follows:

Moody's Investors Service	A
Standard and Poor's	A+

Disposition of Proceeds of \$9,575,000 General Obligation Warrants

A summary of the disposition of proceeds of the general obligation warrants (GOW) dated October 1, 1983 is as follows:

<u>Proceeds</u>	
GOW proceeds	\$9,575,000
Accrued interest	<u>71,808</u>
Total	<u>\$9,646,808</u>
<u>Disposition</u>	
Legal, printing, fiscal and other issue costs	117,738
Deposited to the General Fund to retire debt and pay interest	962,078
Deposited to the Capital Projects Fund to acquire and construct major capital facilities	<u>8,566,992</u>
Total	<u>\$9,646,808</u>

Capital Projects Fund

The Capital Projects Fund described in Explanation of Fund Structure above was established in fiscal 1984 to account for that portion of the \$9,575,000 general obligation warrant (GOW) proceeds to be used to acquire the Riverchase sewer treatment plant, construct a Public Works building and City Hall and complete construction of improvements at Hoover Athletic Park. A summary of the revenue and expenditures of the Capital Projects Fund for fiscal 1984 is set forth below:

<u>Revenue</u>	
GOW proceeds to Capital Projects Fund	\$8,566,992
Interest on investments	<u>320,399</u>
Total	<u>8,887,391</u>
<u>Expenditures</u>	
Acquisition of sewer treatment plant	3,500,000
Construction costs	
Park facilities (complete)	756,968
Public works building	474,163
City Hall	<u>521,056</u>
Total	<u>5,252,187</u>
Amount unexpended at September 30, 1984	<u>\$3,635,204</u>

The City has contractual commitments for uncompleted construction at September 30, 1984 as follows:

<u>Project</u>	<u>Remaining Construction Committed</u>
Public Works Building	\$ 285,414
City Hall	3,593,530
Total	\$ <u>3,878,944</u>

Sewer Enterprise Fund

The Sewer Enterprise Fund described in Explanation of Fund Structure above was established in fiscal 1984 to account for the operations of the Riverchase sewer treatment plant. A summary of the operations of the plant for fiscal 1984 is as follows:

Total revenues	\$387,024
Total expenses (including depreciation of \$148,000)	(342,536)
Net income	<u>\$ 44,488</u>

A summary of financial position of the Sewer Enterprise Fund at September 30, 1984 is set forth below:

<u>Assets</u>	
Current assets	\$ 214,700
Net property, plant and equipment	3,348,000
Total assets	<u>3,562,700</u>
<u>Liabilities and Fund Balance</u>	
Current liabilities	18,212
Fund balance	
Contributed capital	3,500,000
Retained earnings	44,488
Total fund balance	<u>3,544,488</u>
Total liabilities and Fund balance	<u>\$3,562,700</u>

The sewer treatment plant and related supplies have been recorded as contributed capital from the City in the Sewer Enterprise Fund. Long-term debt related to the sewer treatment plant has been included in the general long-term debt account group.

Economic Prospects

The superstructure of the Riverchase Galleria under construction rises like twin monoliths above Interstate 459. It is lighted at night and can be seen from the surrounding hills of Hoover and beyond. The much discussed and long anticipated galleria, which is to be one of the largest in the Country, is finally taking shape. The Galleria will include a 1.5 million square feet retail shopping mall, a 350 room hotel and a 150,000

square feet office tower. Developers anticipate that the complex, which is scheduled to open in the spring of 1986, will bring \$225 million annually and 3000 permanent jobs into the local economy. The Galleria should have a magnet effect, attracting other commercial and residential development to the area. The attraction of the Galleria should expose existing businesses in Hoover to new commercial customer traffic from outside the immediate market area. The other commercial and residential growth in the planned community of Riverchase is continuing and is substantial. Economic growth in Hoover, exclusive of Riverchase is also significant. New businesses are appearing on the two main north-south traffic arteries through the City. The opening of I-459 subsequent to year end makes the entire City more accessible from the east and west and will have a positive economic effect.

Conservatively, the City should realize an increase in gross revenues of \$4 million annually with only a moderate increase in expenditures to provide municipal services.

Independent Audit

The State law requires an annual audit to be made of the books of account, financial records and transactions of all administrative departments of the City by a Certified Public Accountant. This requirement has been complied with and the auditor's opinion is included in this report.

Acknowledgements

The staff of the GFOA Certificate of Conformance Program provided valuable guidance by telephone in the preparation of the 1984 Comprehensive Annual Financial Report (CAFR). Various City personnel provided information necessary to complete the CAFR. The Mayor and City Council were patient and supportive. I wish to thank all of the above.

Respectfully submitted,



Anita W. Steiner CMC
City Clerk

March 8, 1985

Certificate of Conformance in Financial Reporting

Presented to
City of
Hoover, Alabama

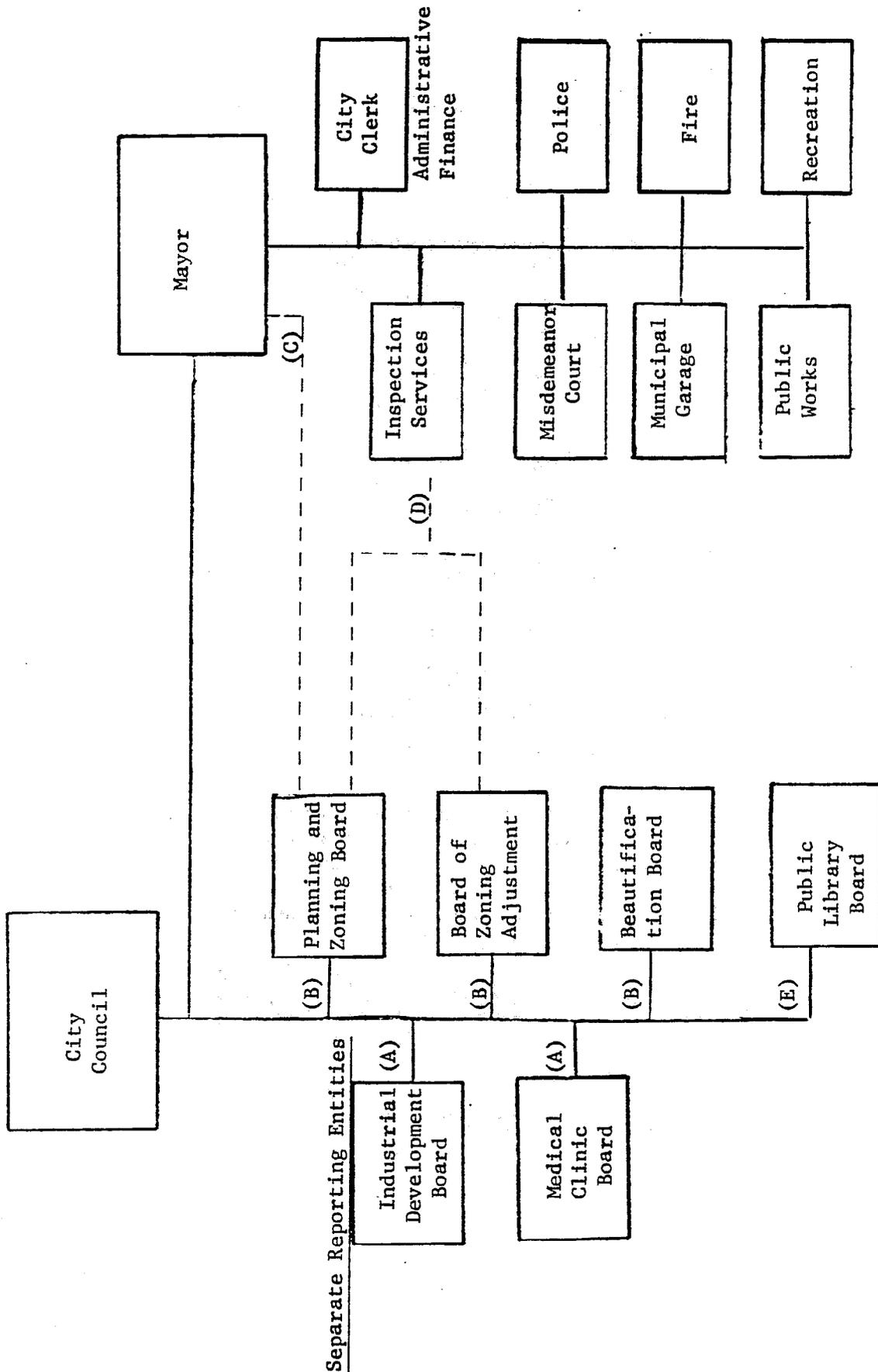
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 1983

A Certificate of Conformance in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to governmental units and public employee retirement systems whose comprehensive annual financial reports (CAFR's) are judged to substantially conform to program standards.



Arthur W. Mansfield
President
Jeffrey L. Esser
Executive Director

City of Hoover, Alabama
Organization Chart



Separate Reporting Entities

- (A) Independent board which is not funded by the City, the members of which are appointed by the City Council.
- (B) Independent board which requires no funding, the members of which are appointed by the City Council.
- (C) The Mayor is an ex-officio member of the Planning and Zoning Board.
- (D) Inspector enforces decisions of the Planning and Zoning Board and the Board of Zoning Adjustment.
- (E) The Public Library Board is an independent board which is funded by the City. The board members are appointed by the City Council. The Library is a part of the Reporting Entity.

Financial Section

KAUFMANN, ZEANAH, AND SMITH

CERTIFIED PUBLIC ACCOUNTANTS

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ANDREW J. KAUFMANN, C.P.A.
ROBERT E. ZEANAH, C.P.A.
RICHARD K. SMITH, C.P.A.

MEMBERS OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

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

We have examined the combined financial statements of the City of Hoover, Alabama and the combining, individual fund and account group financial statements as of and for the years ended September 30, 1984 and 1983, as listed in the table of contents. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the combined financial statements referred to above present fairly the financial position of the City of Hoover, Alabama, at September 30, 1984 and 1983, and the results of its operations for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis, after re-statement for the changes, with which we concur, setforth in Note 11 to the combined financial statements. Also, in our opinion, the combining, individual fund and account group financial statements referred to above present fairly the financial position of the individual funds and account groups of the City of Hoover, Alabama, at September 30, 1984 and 1983, and their results of operations, in conformity with generally accepted accounting principles applied on a consistent basis after restatement for the changes, with which we concur, setforth in Note 11 to the combined financial statements.

Our examinations were made for the purpose of forming an opinion on the combined financial statements taken as a whole and on the combining, individual fund and account group financial statements. The accompanying financial information listed in the supplementary information and statistical tables sections in the table of contents is presented for purposes of additional analysis and is not a required part of the combined financial statements of the City of Hoover, Alabama. This information, except those schedules noted as unaudited, has been subjected to the auditing procedures applied in the examination of the combined, combining, individual fund and account group financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

Kaufmann, Zeanah & Smith
KAUFMANN, ZEANAH AND SMITH

January 18, 1985

COMBINED FINANCIAL STATEMENTS

These statements provide a summary overview of the financial position of all funds and account groups and of the operating results by fund types. They also serve as an introduction to the more detailed statements and schedules that follow. Separate columns are used for each fund type and account group.

THE CITY OF HOOVER, ALABAMA
Combined Balance Sheet
All Fund Types and Account Groups
 September 30, 1984

	<u>Governmental Fund Types</u>		
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Projects Fund</u>
<u>Assets</u>			
Cash	\$ 548,509	\$ 4,433	\$ 35,222
Investments (Note 1)	1,885,451	596,000	4,095,093
Receivables			
Taxes (Note 3)	444,354	-	-
Accrued interest	43,900	10,545	1,007
Grant	7,500	-	-
Accounts	-	-	-
Due from other governments			
State	-	25,208	-
Federal	-	24,801	-
Due from other funds	21,953	-	-
Inventory-supplies, at cost	-	-	-
Fixed assets - Net of accumulated depreciation (Notes 1 and 4)	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-
	<u>2,951,667</u>	<u>660,987</u>	<u>4,131,322</u>
Total assets			
<u>Liabilities</u>			
Bank overdraft	-	-	-
Accounts payable	122,400	51,824	490,678
Payroll taxes payable	21,657	-	-
Accrued retirement contribution (Note 9)	13,158	-	-
Due to other funds	-	-	5,440
General obligation warrants payable (Note 5)	-	-	-
Accrued compensated leave (Note 1)	115,537	-	-
Accrued sewer treatment plant operating deficit (Note 10)	-	-	-
	<u>272,752</u>	<u>51,824</u>	<u>496,118</u>
Total liabilities			
<u>Fund Equity</u>			
Contributed capital	-	-	-
Investment in general fixed assets	-	-	-
Retained earnings - unreserved	-	-	-
Fund balances - unreserved	2,678,915	609,163	3,635,204
	<u>2,678,915</u>	<u>609,163</u>	<u>3,635,204</u>
Total fund equity			
Total liabilities and fund equity	<u>\$2,951,667</u>	<u>\$ 660,987</u>	<u>\$4,131,322</u>

The accompanying notes are an integral part of this statement.

Proprietary Fund Type	Account Groups		Totals (Memorandum Only)	
	General Fixed Assets	General Long-Term Debt	1984	1983 Restated (Note 11)
Sewer Enterprise Fund				
\$ 69,876	\$ -	\$ -	\$ 658,040	\$ 19,421
-	-	-	6,576,544	1,939,539
-	-	-	444,354	479,516
-	-	-	55,452	20,169
-	-	-	7,500	-
140,824	-	-	140,824	-
-	-	-	25,208	20,170
-	-	-	24,801	23,769
-	-	-	21,953	-
4,000	-	-	4,000	-
3,348,000	6,831,781	-	10,179,781	4,652,217
-	-	10,925,000	10,925,000	2,375,000
<u>3,562,700</u>	<u>6,831,781</u>	<u>10,925,000</u>	<u>29,063,457</u>	<u>9,529,801</u>
-	-	-	-	62,601
1,699	-	-	666,601	227,932
-	-	-	21,657	29,700
-	-	-	13,158	12,567
16,513	-	-	21,953	-
-	-	10,925,000	10,925,000	2,375,000
-	-	-	115,537	111,649
-	-	-	-	600,000
<u>18,212</u>	<u>-</u>	<u>10,925,000</u>	<u>11,763,906</u>	<u>3,419,449</u>
3,500,000	-	-	3,500,000	-
-	6,831,781	-	6,831,781	4,652,217
44,488	-	-	44,488	-
-	-	-	6,923,282	1,458,135
<u>3,544,488</u>	<u>6,831,781</u>	<u>-</u>	<u>17,299,551</u>	<u>6,110,352</u>
<u>\$3,562,700</u>	<u>\$6,831,781</u>	<u>\$10,925,000</u>	<u>\$29,063,457</u>	<u>\$9,529,801</u>

THE CITY OF HOOVER, ALABAMA
Combined Statement of Revenues, Expenditures and Changes in Fund Balances
All Governmental Fund Types
 Year Ended September 30, 1984

	<u>Governmental Fund Types</u>			<u>Total</u> <u>(Memorandum Only)</u>	
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>1984</u>	<u>1983 Restated (Note 11)</u>
Revenues					
Taxes	\$5,008,427	\$ -	\$ -	\$5,008,427	\$2,639,030
Licenses and permits	1,378,351	-	-	1,378,351	1,165,863
Intergovernmental	451,414	374,844	-	826,258	728,679
Fines and forfeitures	184,417	-	-	184,417	154,976
Interest on investments	213,879	42,295	320,399	576,573	172,460
Other	60,998	-	-	60,998	83,717
Total revenues	<u>7,297,486</u>	<u>417,139</u>	<u>320,399</u>	<u>8,035,024</u>	<u>4,944,725</u>
Expenditures					
Current operations					
General government	576,249	27	-	576,276	498,738
Public safety	2,656,533	-	-	2,656,533	2,337,455
Municipal court	71,685	-	-	71,685	60,855
Streets and sanitation	928,833	185,618	-	1,114,451	1,028,819
Recreation	84,008	-	-	84,008	60,666
Library	235,947	-	-	235,947	87,328
Health	47,481	-	-	47,481	50,747
Total	<u>4,600,736</u>	<u>185,645</u>	<u>-</u>	<u>4,786,381</u>	<u>4,124,608</u>
Capital outlays	364,732	87,779	5,252,187	5,704,698	2,456,536
Debt service	1,589,970	-	-	1,589,970	46,626
Sewer treatment plant operating deficit (Note 10)	17,898	-	-	17,898	189,000
Total expenditures	<u>6,573,336</u>	<u>273,424</u>	<u>5,252,187</u>	<u>12,098,947</u>	<u>6,816,770</u>
Excess of revenues over (under) expendi- tures	724,150	143,715	(4,931,788)	(4,063,923)	(1,872,045)
Other financing sources					
Proceeds of general obli- gation warrants (Note 5)	962,078	-	8,566,992	9,529,070	2,375,000
Excess of revenues and other financing sources over expendi- tures	1,686,228	143,715	3,635,204	5,465,147	502,955
Fund balances at beginning of year, as restated (Note 11)	992,687	465,448	-	1,458,135	955,180
Fund balances at end of year	<u>\$2,678,915</u>	<u>\$ 609,163</u>	<u>\$3,635,204</u>	<u>\$6,923,282</u>	<u>\$1,458,135</u>

The accompanying notes 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 Fund Types
Year Ended September 30, 1984

	General Fund			Special Revenue Fund Types		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues						
Taxes	\$4,568,000	\$5,008,427	\$ 440,427	\$ -	\$ -	\$ -
Licenses and permits	1,221,000	1,378,351	157,351	-	-	-
Intergovernmental	345,000	451,414	106,414	376,000	374,844	(1,156)
Fines and forfeitures	150,000	184,417	34,417	-	-	-
Interest on investments	80,000	213,879	133,879	-	42,295	42,295
Other	68,000	60,998	(7,002)	-	-	-
Total revenues	6,432,000	7,297,486	865,486	376,000	417,139	41,139
Expenditures						
Current operations						
General government	613,000	576,249	36,751	-	27	(27)
Public safety	2,660,300	2,656,533	3,767	-	-	-
Municipal court	55,900	71,685	(15,785)	-	-	-
Streets and sanitation	899,200	928,833	(29,633)	278,000	185,618	92,382
Recreation	87,800	84,008	3,792	-	-	-
Library	268,400	235,947	32,453	-	-	-
Health	46,000	47,481	(1,481)	-	-	-
Total	4,630,600	4,600,736	29,864	278,000	185,645	92,355
Capital outlays	212,300	364,732	(152,432)	98,000	87,779	10,221
Debt service	1,144,500	1,589,970	(445,470)	-	-	-
Sewer treatment plant operating deficit (Note 10)	50,000	17,898	32,102	-	-	-
Total expenditures	6,037,400	6,573,336	(535,936)	376,000	273,424	102,576
Excess of revenues over (under) expenditures	394,600	724,150	329,550	-	143,715	143,715

Other financing sources					
Proceeds of general obligation warrants (Note 5)	<u> -</u>	<u>962,078</u>	<u> -</u>	<u> -</u>	<u> -</u>
Excess of revenues and other financing sources over expenditures	<u>\$ 394,600</u>	<u>1,686,228</u>	<u>\$ -</u>	<u>143,715</u>	<u>\$ 143,715</u>
Fund balances at beginning of year, as restated (Note 11)		<u>992,687</u>		<u>465,448</u>	
Fund balances at end of year		<u>\$2,678,915</u>		<u>\$ 609,163</u>	

The accompanying notes are an integral part of this statement.

THE CITY OF HOOVER, ALABAMA
Statement of Revenues, Expenses and Changes
in Retained Earnings - Proprietary Fund Type -
Sewer Enterprise Fund
 Period Ended September 30, 1984*

Operating revenues	
Charges for services	\$ <u>97,729</u>
Operating expenses	
Depreciation	148,000
Management fees	127,262
Utilities	59,150
Supplies	3,401
Repairs and maintenance	2,159
Professional fees	1,525
Telephone	783
Uncollectible accounts	236
Bank charges	<u>20</u>
Total operating expenses	<u>342,536</u>
Operating income (loss)	(244,807)
Nonoperating revenues	
Tap fees	167,857
Expense reimbursement by developer	118,590
Interest	<u>2,848</u>
Total nonoperating revenues	<u>289,295</u>
Net income	44,488
Retained earnings at beginning of period (Note 8)	<u>-</u>
Retained earnings at end of period	<u>\$ 44,488</u>

* December 22, 1983 through September 30, 1984

The accompanying notes are an integral part of this statement.

THE CITY OF HOOVER, ALABAMA
Statement of Changes in Financial Position -
Proprietary Fund Type - Sewer Enterprise Fund
 Period Ended September 30, 1984*

Sources of working capital

Operations

Net income	\$ 44,488
Item not requiring working capital - depreciation	<u>148,000</u>

Working capital provided by operations	192,488
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Contributed capital	<u>3,500,000</u>
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Total sources of working capital	3,692,488
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Uses of working capital

Acquisition of sewer treatment plant	<u>3,496,000</u>
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Net increase in working capital	<u>\$ 196,488</u>
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Elements of net increase in net working capital:

Cash	\$ 69,876
Receivables	140,824
Inventory - supplies	4,000
Accounts payable	(1,699)
Due to General Fund	<u>(16,513)</u>

Net increase in working capital	<u>\$ 196,488</u>
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* December 22, 1983 through September 30, 1984

The accompanying notes are an integral part of this statement.

Notes to Financial Statements

THE CITY OF HOOVER, ALABAMA
Notes to Financial Statements
September 30, 1984

Note 1 Summary of Significant Accounting Policies

The City of Hoover, Alabama was incorporated as a municipality on May 18, 1967. The City operates under the Mayor-Council form of government and provides the following services: public safety (police, fire and inspection), street maintenance, sanitation, recreation, public library, public improvements, planning and zoning and general administrative services.

The accounting policies of the City of Hoover, Alabama conform to generally accepted accounting principles, as applicable to municipal governments. Following is a summary of the most significant policies:

A. Fund Accounting

The financial statements of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are presented in separate financial statements that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent.

Governmental funds are as follows:

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

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Proprietary fund is as follows:

Enterprise Fund - The City's only enterprise fund is a sewer enterprise fund. An enterprise fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determinations of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

B. Fixed Assets and Long-Term Liabilities

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain ("infrastructure") general fixed assets located within the City consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, are not capitalized. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Debt Account Group.

The proprietary fund (sewer enterprise fund) is accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with its activity are included on its balance sheet. Its reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. The proprietary fund type operating statement presents increases (revenues) and decreases (expenses) in net total assets.

Depreciation of the sewer treatment plant used by the proprietary fund is charged as an expense against its operations. Accumulated depreciation is reported on the proprietary fund balance sheet. Depreciation

has been provided over the estimated 15 year useful life of the sewer treatment plant using the straight-line method.

C. Financial Reporting Entity

For financial reporting purposes, in conformance with National Council on Governmental Accounting (NCGA) Statement 3, Defining the Governmental Reporting Entity, as amplified by NCGA Interpretation 7, Clarification as to the Application of the Criteria in NCGA Statement 3, the City includes all funds and account groups that are controlled by or dependent on the Mayor and the City Council. The Medical Clinic Board of the City of Hoover and The Industrial Development Board of the City of Hoover have been excluded from the financial reporting entity. The City does not significantly influence their operations. These organizations have substantial autonomy and separate governmental entity characteristics. They are governed by separate boards (appointed by the City Council). They are not funded by the City. The City is not obligated to finance any deficits they may incur and the City does not guarantee their indebtedness.

D. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Taxpayer assessed sales taxes and shared revenues are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on general long-term debt which is recognized when due.

The proprietary fund (sewer enterprise fund) is accounted for using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when they are incurred.

E. Budgeting, Budgetary Control and Budgetary Reporting

The City is not required under state or local law to adopt an annual budget for the General Fund and Special Revenue Funds; however, there is a federal requirement that a budget be prepared for the Federal Revenue Sharing Fund. The City legally adopts a combined budget for the General Fund and Special Revenue Funds of the City. A budget is not legally adopted for the capital projects fund.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to October 1, the Mayor submits to the City Council a proposed

operating budget for the upcoming fiscal year. The operating budget includes proposed expenditures and the means of financing them.

2. Public hearings are conducted at the City Hall to obtain taxpayer comments.
3. On or about October 1, the budget is adopted by the City Council.
4. Formal budgetary integration is employed as a management control device during the year for the General Fund and the Special Revenue Funds.
5. Department heads are responsible for adhering to their departmental budgets.
6. The General Fund and Special Revenue Fund budget is adopted on a basis consistent with generally accepted accounting principles.
7. At the end of the fiscal year, appropriations of the General Fund and Special Revenue Funds automatically lapse.
8. The level of control (the level at which expenditures may not exceed budget) is the fund; however, the City Council may authorize expenditures from time to time during the year without legally amending the previously adopted budget. The Council may legally amend the budget at any time during the fiscal year. The budget was not amended in fiscal year 1984.

F. Encumbrances

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. Appropriations automatically lapse at year end.

G. Investments

Investments, which consist of certificates of deposit, repurchase agreements and U. S. government obligations, are stated at cost.

H. Accumulated Unused Compensated Leave

The National Council on Governmental Accounting (NCGA) issued Statement 4, Accounting and Financial Reporting Principles for Claims and Judgements and Compensated Absences, in August, 1982. Statement 4 requires municipalities to comply with the provisions of Financial Accounting Standards Board (FASB) Statement 43, Accounting for Compensated Absences, for fiscal years beginning after December 31, 1982. FASB Statement 43 requires employers to accrue a liability for future compensated absences rather than disclose the liability in notes to financial statements.

Overtime leave and vacation leave are fully vested rights which are an obligation of the City even if an employee resigns or is discharged. Sick leave benefits are nonvested rights which terminate if the employee resigns or is discharged. Since the actual liability for sickpay depends on the future absences of employees because of illnesses, the amount cannot be reasonably estimated.

City employees had unused overtime leave and vacation leave benefits totalling \$115,537 and \$111,649 at September 30, 1984 and 1983 respectively. Accrued compensated leave, which does not exceed a normal year's accumulation, is recorded as a liability of the General Fund.

The total available, accumulated, nonvested, sick leave benefits for all employees was approximately \$356,000 and \$369,000 at September 30, 1984 and 1983 respectively. Only a portion of this amount will be used, so the actual sickpay liability is substantially less.

I. Comparative Data

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

J. Total Columns on Combined Statements

Total columns on the Combined Statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Note 2 Property Tax

Property is assessed and property taxes are collected by Jefferson and Shelby Counties on behalf of the City. Property is assessed and property taxes attach as an enforceable lien on property as of October 1. These property taxes are due and payable October 1 of the subsequent year and are delinquent after January 1. Total assessed value of property within the City approximated \$163 million at October 1, 1983. The City's property tax rate is \$.65 per \$100 of assessed value. This is presently the maximum legal rate.

Property tax revenues are accounted for using the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized in the accounting period when they become susceptible to accrual; that is, when they become both "measurable" and "available" to finance expenditures of the fiscal period. Property tax revenues are considered "measurable" when they are levied. They are considered "available" when they meet the criteria set forth in NCGA Interpretation 3, Revenue Recognition - Property Taxes. "Available" is defined in Interpretation 3 as "... then due, or past due and receivable within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period."

Property tax revenues are not normally collected in advance of the year to which they apply. Should this occur, such revenues would be recorded as deferred revenues and recognized as revenue in the year for which they are levied.

Note 3 Receivables - Taxes

A summary of the items included in taxes receivable at September 30, 1984 and 1983 is set forth below:

	<u>1984</u>	<u>1983</u>
Sales tax	\$306,088	\$153,105
County road tax	95,169	293,265
Beer tax	17,990	15,550
Property tax	5,802	4,572
Other	<u>19,305</u>	<u>13,024</u>
Total	<u>\$444,354</u>	<u>\$479,516</u>

The amount of county road tax receivable at September 30, 1983 has been restated (See Note 11).

Note 4 Changes in General Fixed Assets

A summary of changes in general fixed assets is set forth below:

	<u>Balance October 1 1983</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance September 30, 1984</u>
Land	\$2,377,994	\$ 40,700	-	\$2,418,694
Buildings	570,999	129,019	-	700,018
Improvements other than buildings	443,869	804,952	-	1,248,821
Equipment and vehicles	1,259,355	240,705(A)	31,031	1,469,029
Construction in progress	<u>-</u>	<u>1,752,187</u>	<u>756,968</u>	<u>995,219</u>
Total	<u>\$4,652,217</u>	<u>\$2,967,563</u>	<u>\$787,999</u>	<u>\$6,831,781</u>

(A) Includes donated equipment totalling \$5,895.

Construction in progress is composed of the following:

	<u>Contract Amounts</u>	<u>Expended to September 30, 1984</u>	<u>Committed</u>
Public Works Building	\$ 759,577	\$474,163	\$ 285,414
City Hall	<u>4,114,586</u>	<u>521,056</u>	<u>3,593,530</u>
Total	<u>\$4,874,163</u>	<u>\$995,219</u>	<u>\$3,878,944</u>

Proprietary fund type property, plant and equipment at September 30, 1984 consisted of:

	<u>Sewer Enterprise Fund</u>
Land	\$ 536,000
Sewer treatment plant	<u>2,960,000</u>
Total	3,496,000
Less - Accumulated depreciation	148,000
Net	<u><u>\$3,348,000</u></u>

Note 5 Long-Term Debt

Long-term debt of the City consists exclusively of general obligation warrants reported in the General Long-Term Debt Account Group. A summary of general obligation warrant transactions for the year ended September 30, 1984 is as follows:

General obligation warrants payable at October 1, 1983	\$2,375,000
General obligation warrants issued	9,575,000
General obligation warrants retired	<u>(1,025,000)</u>
General obligation warrants payable at September 30, 1984	<u>\$10,925,000</u>

General obligation warrants at September 30, 1984 are comprised of the following:

(A) \$1,500,000 general obligation warrant payable to a trust; dated July 27, 1983; due \$150,000 annually; interest at 9 percent due monthly	\$1,350,000
(B) \$9,575,000 general obligation warrants, Series 1983; dated October 1, 1983; due \$350,000 to \$1,150,000 annually beginning October 1, 1985; interest at 8.20% to 9.00% due semi-annually commencing April 1, 1984	<u>9,575,000</u>
	<u><u>\$10,925,000</u></u>

Annual requirements to amortize long-term debt (including related interest) at September 30, 1984:

Year Ending September 30	(A) \$1,500,000 General Obligation Warrants		(B) \$9,575,000 General Obligation Warrants		Total
	Principal	Interest	Principal	Interest	
1985	\$ 150,000	\$ 119,250	\$ 350,000	\$ 833,900	\$ 1,453,150
1986	150,000	105,750	375,000	802,400	1,433,150
1987	150,000	92,250	425,000	768,650	1,435,900
1988	150,000	78,750	475,000	732,525	1,436,275
1989	150,000	65,250	525,000	692,150	1,432,400
1990	150,000	51,750	550,000	647,525	1,399,275
1991	150,000	38,250	625,000	600,775	1,414,025
1992	150,000	24,750	675,000	547,650	1,397,400
1993	150,000	11,250	750,000	492,300	1,403,550
1994	-	-	800,000	429,300	1,229,300
1995	-	-	875,000	360,500	1,235,500
1996	-	-	950,000	283,500	1,233,500
1997	-	-	1,050,000	198,000	1,248,000
1998	-	-	1,150,000	103,500	1,253,500
	<u>\$1,350,000</u>	<u>\$ 587,250</u>	<u>\$9,575,000</u>	<u>\$7,492,675</u>	<u>\$19,004,925</u>

Payments on general obligation warrants, which are secured by the full faith and credit of the City, are made from the General Fund.

The City is in compliance with all significant limitations and restrictions contained in the ordinances authorizing the general obligation warrants (GOW).

GOW proceeds received during fiscal 1984 totalling \$9,575,000 plus related accrued interest earned totalling \$71,808 were: (A) used to pay legal, printing, fiscal and other GOW issue costs, \$117,738, (B) deposited to the General Fund to retire old debt and pay interest, \$962,078; and (C) deposited to the Capital Projects Fund to acquire and construct major capital facilities, \$8,566,992.

Note 6 Excess of Actual Expenditures over Budget in the General Fund

General Fund expenditures of \$6,573,336 exceeded appropriations of \$6,037,400. This resulted primarily from the following:

- (1) Additional capital expenditures authorized by the City Council and made without amending the budget.
- (2) Debt service on \$9,575,000 general obligation warrants issued during the fiscal year 1984 for which no provision was made in the budget.

Note 7 Interfund Balances

Individual fund interfund receivable and payable balances at September 30, 1984 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 21,953	\$ -
Capital Projects Fund	-	5,440
Sewer Enterprise Fund	-	16,513
	<u>\$ 21,953</u>	<u>\$21,953</u>

Note 8 Sewer Enterprise Fund

The City acquired a sewer treatment plant on December 22, 1983. The plant serves Riverchase, a large, partially developed, planned community located in south Jefferson and north Shelby counties. The plant was acquired pursuant to an annexation agreement between the City and the developers of Riverchase. Under the terms of the agreement, generally, the developers are required to reimburse the City on an annual basis for a substantial portion of the sewer treatment plant operating expenses incurred through 1988, or until City sales tax revenue from the annexed area reaches \$1 million or more annually.

The Sewer Enterprise Fund, initiated during the fiscal year ended September 30, 1984 to account for the operations of the sewer treatment plant, is the only proprietary type fund maintained by the City. Segment information required to be disclosed by generally accepted accounting principles is effectively provided by the Sewer Enterprise Fund financial statements presented on pages 2, 3, 7 and 8.

The sewer treatment plant was financed by general long-term debt. No long-term debt is recorded in the sewer enterprise fund. The plant has been charged as an asset of the sewer enterprise fund with a corresponding credit to contributed capital from the City.

Note 9 Retirement Commitment

The City is a participant in The Retirement Systems of Alabama which is the state retirement system operated through a public corporation. Participation commits the City to current benefit costs as well as prior service liability. The City has no fiduciary responsibility. Substantially all employees (other than elected officials) are covered by the Plan.

The City was required to contribute an amount equal to 6.45% of employees' compensation to the retirement plan during the fiscal year ended September 30, 1984. The employees' contribution rate, which is established by an act of the State Legislature, is set at 5% of employees' compensation.

Setforth below is other information regarding the Plan:

- (1) The amount of unfunded accrued liability at September 30, 1984 is not available. The unfunded accrued liabilities at September 30, 1983 and 1982 were \$227,727 and \$269,237 respectively.
- (2) The unfunded accrued liability is being funded over a 30 year period.
- (3) The assumed rate of return that is used to determine the actuarial present values of benefits is 7%.
- (4) The actuarially required contributions for the year ended September 30, 1984 were as follows:

Employee contribution	\$116,979
Employer contribution	<u>150,903</u>
Total	<u>\$267,882</u>
- (5) Contributions for the year equalled the amounts shown in (4) above.

The City's contribution rate, which was based on an actuarial study as of September 30, 1983 consisted of the following:

Normal cost	4.48%
Accrued liability	1.79
Administrative cost	<u>.18</u>
Total	<u>6.45%</u>

Actuarial valuations are normally made on an annual basis by the state retirement system. Contributions to the plan, expressed as a percent of active member payroll, should remain approximately level from year to year.

Note 10 Sewer Treatment Plant Operating Deficit

Prior to the acquisition of the sewer treatment plant discussed in Note 8, the City was required under the terms of an annexation agreement and related sewer service agreement to reimburse the developers of Riverchase, who owned and operated the plant, one-half of any operating deficit generated by the plant based upon a computation setforth in the sewer service agreement. The City's expenditures to cover its share of the operating deficits for fiscal 1984 and fiscal 1983 were \$17,898 and \$189,000 respectively. The total amount paid to the developers as the City's share of the operating deficit incurred from December 15, 1980 until the plant was acquired by the City on December 22, 1983 was \$617,898.

Note 11 Restatement - Correction for Omitted Revenue

During fiscal 1983 City management became aware of County Road Tax revenue related to the fiscal years 1978 through 1981 which the City was entitled to receive but for which it had never applied. The City applied for County Road Tax revenue for those years but because of the delay in making application for the revenue and the related uncertainty as to its collectability it was not recorded as a receivable of the General Fund at September 30, 1983. During fiscal 1984, the City received County

Road Taxes totalling \$163,519 for the fiscal years 1978 through 1981. The General Fund and Combined Financial Statements for the fiscal year ended September 30, 1983 presented herein have been restated to include the omitted tax revenue related to prior years. A schedule of the items affected, as previously reported and as restated, is presented below:

	As Previously Reported		As Restated by Increasing Each Amount by \$163,519	
	General Fund Financial Statements	Combined Financial Statements	General Fund Financial Statements	Combined Financial Statements
<u>Balance Sheet</u>				
Receivables - Taxes	\$ 315,997	\$ 315,997	\$ 479,516	\$ 479,516
Total assets	1,863,705	9,366,282	2,027,224	9,529,801
Fund balance -				
Unreserved	829,168	1,294,616	992,687	1,458,135
<u>Statement of Revenues</u>				
<u>Expenditures and Changes in Fund Balance(s)</u>				
Fund balance at beginning of year	430,738	791,661	594,257	955,180
Fund balance at end of year	\$ 829,168	\$1,294,616	\$ 992,687	\$1,458,135

The fiscal years before fiscal 1983 which are affected by the correction described above (1978-1981) are not presented in this report and have not been restated since this was not practical.

Note 12 Operating Leases

The City of Hoover, at September 30, 1984, does not have leases that should be capitalized pursuant to any of the four criteria listed in FASB Statement 13.

On July 1, 1983, The Library Board of the City of Hoover entered into a lease agreement covering the building space now occupied by the public library. Under the terms of the two and one-half year lease, the base rents are as follows:

<u>Fiscal Year</u>	<u>Base Rents</u>
1983	\$ 6,044
1984	24,174
1985	25,685
1986	6,547

The Library Board is also obligated to pay maintenance charges, insurance, utilities and taxes related to the leased premises. The lease, which expires on December 31, 1985, includes options to renew for 2 additional years.

On March 19, 1984 the City entered into a lease agreement with Shades Mountain Community Park, Inc. Shades Mountain Community Park, Inc. (SMCP) is a non-profit corporation which conducts organized sports pro-

grams for young people at facilities it owns in the City. Under terms of the agreement, the City leased eleven acres of land and improvements from SMCP for a four-year period with options to renew for four additional three-year periods. The lease provides for the joint use of the facilities by the City and SMCP. The City's intended use is for recreation and athletic activities. In addition, the lease provides that the City will maintain the property. There is no significant periodic rental payment.

Note 13 Commitments

Shades Mountain Community Park, Inc. (SMCP) has agreed to donate the land and improvements which it presently leases to the City on the condition that the City make extensive improvements upon the leased property. Under the terms of the agreement, dated March 19, 1984, the City is to complete the capital improvements in phases and the related property is to be donated by SMCP to the City as each phase is completed. The City is not legally bound to make the capital improvements but must do so in order to receive the property. The City has included \$300,000 in the fiscal 1985 budget for capital improvements at Shades Mountain Community Park.

The City has contractual commitments for uncompleted construction at September 30, 1984 as follows:

<u>Project</u>	<u>Remaining Construction Committed</u>
Public Works Building	\$ 285,414
City Hall	3,593,530
	<u>\$3,878,944</u>

Note 14 Grant Contingencies - No Significant Questioned Costs and Limited Disallowance Potential

Under the terms of federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. City management believes disallowances, if any, will be immaterial.

Combining and Individual Fund Financial Statements

GENERAL FUND

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

THE CITY OF HOOVER, ALABAMA
General Fund
Comparative Balance Sheet
 September 30, 1984 and 1983

<u>Assets</u>	<u>1984</u>	1983 <u>Restated</u> <u>(Note 11)</u>
Cash	\$ 548,509	\$ -
Investments, at cost	1,885,451	1,527,539
Receivables		
Taxes	444,354	479,516
Accrued interest	43,900	20,169
Grant	7,500	-
Due from other funds		
Capital projects fund	5,440	-
Sewer enterprise fund	<u>16,513</u>	<u>-</u>
Total assets	<u>\$2,951,667</u>	<u>\$2,027,224</u>
 <u>Liabilities and Fund Balance</u>		
<u>Liabilities</u>		
Bank overdraft	-	62,601
Accounts payable	122,400	218,020
Payroll taxes payable	21,657	29,700
Accrued retirement contribution	13,158	12,567
Accrued compensated leave	115,537	111,649
Accrued sewer treatment plant operating deficit	<u>-</u>	<u>600,000</u>
Total liabilities	272,752	1,034,537
 <u>Fund balance</u>		
Unreserved	<u>2,678,915</u>	<u>992,687</u>
Total liabilities and fund balance	<u>\$2,951,667</u>	<u>\$2,027,224</u>

The accompanying notes are an integral part of this statement.

THE CITY OF HOOVER, ALABAMA
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Year Ended September 30, 1984
With Comparative Actual Amounts for Year Ended September 30, 1983

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	1983 Restated (Note 11) <u>Actual</u>
Revenues				
Taxes	\$4,568,000	\$5,008,427	\$ 440,427	\$2,639,030
Licenses and permits	1,221,000	1,378,351	157,351	1,165,863
Intergovernmental	345,000	451,414	106,414	366,688
Fines and forfeitures	150,000	184,417	34,417	154,976
Interest on investments	80,000	213,879	133,879	140,633
Other	<u>68,000</u>	<u>60,998</u>	<u>(7,002)</u>	<u>83,717</u>
Total revenues	<u>6,432,000</u>	<u>7,297,486</u>	<u>865,486</u>	<u>4,550,907</u>
Expenditures				
Current operations				
General government	613,000	576,249	36,751	498,738
Public safety	2,660,300	2,656,533	3,767	2,337,455
Municipal court	55,900	71,685	(15,785)	60,855
Streets and sanitation	899,200	928,833	(29,633)	791,573
Recreation	87,800	84,008	3,792	60,666
Library	268,400	235,947	32,453	87,328
Health	46,000	47,481	(1,481)	50,747
Total	<u>4,630,600</u>	<u>4,600,736</u>	<u>29,864</u>	<u>3,887,362</u>
Capital outlays	212,300	364,732	(152,432)	2,404,489
Debt service	1,144,500	1,589,970	(445,470)	46,626
Sewer treatment plant operating deficit	<u>50,000</u>	<u>17,898</u>	<u>32,102</u>	<u>189,000</u>
Total expenditures	<u>6,037,400</u>	<u>6,573,336</u>	<u>(535,936)</u>	<u>6,527,477</u>
Excess of revenues over (under) expenditures	394,600	724,150	329,550	(1,976,570)
Other financing sources				
Proceeds of general obligation warrants	<u>-</u>	<u>962,078</u>	<u>962,078</u>	<u>2,375,000</u>
Excess of revenues and other financing sources over expenditures	<u>\$ 394,600</u>	1,686,228	<u>\$1,291,628</u>	398,430
Fund balance at beginning of year, as restated		<u>992,687</u>		<u>594,257</u>
Fund balance at end of year		<u>\$2,678,915</u>		<u>\$ 992,687</u>

The accompanying notes are an integral part of this statement.

THE CITY OF HOOVER, ALABAMA
General Fund
Schedule of Current Expenditures
Budget and Actual
 Year Ended September 30, 1984
 With Comparative Actual Amounts for Year Ended September 30, 1983

<u>Expenditures - Current Operations</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>1983 Actual</u>
General government				
Administrative				
Personal services	\$ 148,600	\$ 137,159	\$ 11,441	\$ 120,458
Other	409,100	386,068	23,032	328,767
Total	<u>557,700</u>	<u>523,227</u>	<u>34,473</u>	<u>449,225</u>
Municipal garage				
Personal services	41,600	41,221	379	39,464
Other	13,700	11,801	1,899	10,049
Total	<u>55,300</u>	<u>53,022</u>	<u>2,278</u>	<u>49,513</u>
Total general government	<u>613,000</u>	<u>576,249</u>	<u>36,751</u>	<u>498,738</u>
Public safety				
Police				
Personal services	1,057,900	1,065,960	(8,060)	946,320
Other	163,100	180,279	(17,179)	147,475
Total	<u>1,221,000</u>	<u>1,246,239</u>	<u>(25,239)</u>	<u>1,093,795</u>
Fire				
Personal services	1,197,400	1,216,409	(19,009)	1,071,497
Other	150,000	115,392	34,608	129,373
Total	<u>1,347,400</u>	<u>1,331,801</u>	<u>15,599</u>	<u>1,200,870</u>
Inspection services				
Personal services	80,400	67,655	12,745	35,782
Other	11,500	10,838	662	7,008
Total	<u>91,900</u>	<u>78,493</u>	<u>13,407</u>	<u>42,790</u>
Total public safety	<u>2,660,300</u>	<u>2,656,533</u>	<u>3,767</u>	<u>2,337,455</u>
Municipal court (A)				
Municipal court				
Personal services	29,400	31,823	(2,423)	28,263
Other	26,500	39,862	(13,362)	32,592
Total municipal court	<u>55,900</u>	<u>71,685</u>	<u>(15,785)</u>	<u>60,855</u>
Streets and sanitation				
Streets and sanitation				
Personal services	270,500	294,420	(23,920)	248,433
Other	628,700	634,413	(5,713)	543,140
Total streets and sanitation	<u>899,200</u>	<u>928,833</u>	<u>(29,633)</u>	<u>791,573</u>

(A) Municipal court expenditures were previously included in police expenditures.

The accompanying notes are an integral part of this schedule.

THE CITY OF HOOVER, ALABAMA
General Fund (cont'd)
Schedule of Current Expenditures
Budget and Actual
 Year Ended September 30, 1984
 With Comparative Actual Amounts for Year Ended September 30, 1983

<u>Expenditures - Current Operations</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>1983 Actual</u>
Recreation				
Parks				
Personal services	\$ 53,600	\$ 52,690	\$ 910	\$ 27,314
Other	34,200	31,318	2,882	33,352
Total recreation	<u>87,800</u>	<u>84,008</u>	<u>3,792</u>	<u>60,666</u>
Library				
Library				
Personal services	90,800	97,740	(6,940)	14,986
Other	177,600	138,207	39,393	72,342
Total library	<u>268,400</u>	<u>235,947</u>	<u>32,453</u>	<u>87,328</u>
Health				
Nondepartmental	46,000	47,481	(1,481)	50,747
Total expenditures-Current Operations	<u>\$4,630,600</u>	<u>\$4,600,736</u>	<u>\$ 29,864</u>	<u>\$3,887,362</u>

The accompanying notes are an integral part of this schedule.

SPECIAL REVENUE FUNDS

These include operating funds which are restricted as to use by the Federal and State governments as follows:

Federal Revenue Sharing Fund accounts for funds received and disbursed under Federal Revenue Sharing.

State Seven Cent Gasoline Tax Fund accounts for proceeds of a 7¢ 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 Cent Gasoline Tax Fund accounts for proceeds of a 4¢ State gasoline tax. The use of these funds is restricted to expenditures for the renovation, rehabilitation, and resurfacing of city streets and bridges.

THE CITY OF HOOVER, ALABAMA
Special Revenue Funds
Combining Balance Sheet
 September 30, 1984
 With Comparative Totals for September 30, 1983

<u>Assets</u>	<u>Federal Revenue Sharing</u>	<u>State Seven Cent Gasoline Tax</u>	<u>State Four Cent Gasoline Tax</u>	<u>Totals</u>	
				<u>1984</u>	<u>1983</u>
Cash	\$ 2,076	\$ 1,013	\$ 1,344	\$ 4,433	\$ 19,421
Investments, at cost	167,000	274,000	155,000	596,000	412,000
Receivable-accrued interest	3,907	6,327	311	10,545	-
Due from other governments:					
State	-	16,092	9,116	25,208	20,170
Federal	<u>24,801</u>	<u>-</u>	<u>-</u>	<u>24,801</u>	<u>23,769</u>
Total assets	<u>197,784</u>	<u>297,432</u>	<u>165,771</u>	<u>660,987</u>	<u>475,360</u>
 <u>Liabilities and Fund Balances</u>					
Liabilities					
Accounts payable	<u>-</u>	<u>7,446</u>	<u>44,378</u>	<u>51,824</u>	<u>9,912</u>
Total liabilities	<u>-</u>	<u>7,446</u>	<u>44,378</u>	<u>51,824</u>	<u>9,912</u>
Fund balances -					
Unreserved	<u>197,784</u>	<u>289,986</u>	<u>121,393</u>	<u>609,163</u>	<u>465,448</u>
Total liabilities and fund balances	<u>\$197,784</u>	<u>\$297,432</u>	<u>\$165,771</u>	<u>\$660,987</u>	<u>\$475,360</u>

The accompanying notes 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
Year Ended September 30, 1984
 With Comparative Totals for Year Ended September 30, 1983

	Federal Revenue Sharing	State Seven Cent Gasoline Tax	State Four Cent Gasoline Tax	Totals	
				1984	1983
Revenues					
Intergovernmental	\$ 99,195	\$171,482	\$104,167	\$374,844	\$361,991
Interest on investments	<u>16,481</u>	<u>19,151</u>	<u>6,663</u>	<u>42,295</u>	<u>31,827</u>
Total revenues	<u>115,676</u>	<u>190,633</u>	<u>110,830</u>	<u>417,139</u>	<u>393,818</u>
Expenditures					
Current operations					
General government	27	-	-	27	-
Streets and sanitation	-	117,732	67,886	185,618	237,246
Total	<u>27</u>	<u>117,732</u>	<u>67,886</u>	<u>185,645</u>	<u>237,246</u>
Capital outlays	<u>87,779</u>	-	-	<u>87,779</u>	<u>52,047</u>
Total expenditures	<u>87,806</u>	<u>117,732</u>	<u>67,886</u>	<u>273,424</u>	<u>289,293</u>
Excess of revenues over expenditures	27,870	72,901	42,944	143,715	104,525
Fund balances at beginning of year	<u>169,914</u>	<u>217,085</u>	<u>78,449</u>	<u>465,448</u>	<u>360,923</u>
Fund balances at end of year	<u>\$197,784</u>	<u>\$289,986</u>	<u>\$121,393</u>	<u>\$609,163</u>	<u>\$465,448</u>

The accompanying notes are an integral part of this statement.

THE CITY OF HOOVER, ALABAMA
Federal Revenue Sharing Fund
Comparative Balance Sheet
 September 30, 1984 and 1983

<u>Assets</u>	<u>1984</u>	<u>1983</u>
Cash	\$ 2,076	\$ 3,145
Investments, at cost	167,000	143,000
Receivable - accrued interest	3,907	-
Due from federal government	<u>24,801</u>	<u>23,769</u>
Total assets	<u>197,784</u>	<u>169,914</u>
 <u>Fund Balance</u>		
Fund balance - unreserved	<u>\$197,784</u>	<u>\$169,914</u>

The accompanying notes are an integral part of this statement.

THE CITY OF HOOVER, ALABAMA
Federal Revenue Sharing Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
 Year Ended September 30, 1984
 With Comparative Actual Amounts for Year Ended September 30, 1983

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>1983 Actual</u>
Revenues				
Intergovernmental	\$ 98,000	\$ 99,195	\$ 1,195	\$ 95,224
Interest on investments	<u>-</u>	<u>16,481</u>	<u>16,481</u>	<u>8,317</u>
Total revenues	<u>98,000</u>	<u>115,676</u>	<u>17,676</u>	<u>103,541</u>
Expenditures				
Current operations				
General government	<u>-</u>	<u>27</u>	<u>(27)</u>	<u>-</u>
Total	<u>-</u>	<u>27</u>	<u>(27)</u>	<u>-</u>
Capital outlays	<u>98,000</u>	<u>87,779</u>	<u>10,221</u>	<u>39,845</u>
Total expenditures	<u>98,000</u>	<u>87,806</u>	<u>10,194</u>	<u>39,845</u>
Excess of revenues over expenditures	<u>\$ -</u>	27,870	<u>\$ 27,870</u>	63,696
Fund balance at beginning of year		<u>169,914</u>		<u>106,218</u>
Fund balance at end of year		<u>\$197,784</u>		<u>\$169,914</u>

The accompanying notes are an integral part of this statement.

THE CITY OF HOOVER, ALABAMA
State Seven Cent Gasoline Tax Fund
Comparative Balance Sheet
 September 30, 1984 and 1983

	<u>1984</u>	<u>1983</u>
<u>Assets</u>		
Cash	\$ 1,013	\$ 460
Investments, at cost	274,000	212,000
Receivable - accrued interest	6,327	-
Due from state government	<u>16,092</u>	<u>11,353</u>
Total assets	<u>297,432</u>	<u>223,813</u>
<u>Liabilities and Fund Balance</u>		
Liabilities		
Accounts payable	<u>7,446</u>	<u>6,728</u>
Total liabilities	7,446	6,728
Fund balance - Unreserved	<u>289,986</u>	<u>217,085</u>
Total liabilities and fund balance	<u>\$297,432</u>	<u>\$223,813</u>

The accompanying notes are an integral part of this statement.

THE CITY OF HOOVER, ALABAMA
 State Seven Cent Gasoline Tax Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
 Year Ended September 30, 1984
 With Comparative Actual Amounts for Year Ended September 30, 1983

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>1983 Actual</u>
Revenues				
Intergovernmental	\$177,000	\$171,482	\$ (5,518)	\$165,343
Interest on investments	-	19,151	19,151	17,938
Total revenues	<u>177,000</u>	<u>190,633</u>	<u>13,633</u>	<u>183,281</u>
Expenditures				
Current operations				
Streets and sanitation	177,000	117,732	59,268	158,895
Total	<u>177,000</u>	<u>117,732</u>	<u>59,268</u>	<u>158,895</u>
Capital outlays	-	-	-	12,202
Total expenditures	<u>177,000</u>	<u>117,732</u>	<u>59,268</u>	<u>171,097</u>
Excess of revenues over expenditures	<u>\$ -</u>	72,901	<u>\$ 72,901</u>	12,184
Fund balance at beginning of year		<u>217,085</u>		<u>204,901</u>
Fund balance at end of year		<u>\$289,986</u>		<u>\$217,085</u>

The accompanying notes are an integral part of this statement.

THE CITY OF HOOVER, ALABAMA
State Four Cent Gasoline Tax Fund
Comparative Balance Sheet
 September 30, 1984 and 1983

	<u>1984</u>	<u>1983</u>
<u>Assets</u>		
Cash	\$ 1,344	\$ 15,816
Investments, at cost	155,000	57,000
Receivable - accrued interest	311	-
Due from state government	<u>9,116</u>	<u>8,817</u>
Total assets	<u>165,771</u>	<u>81,633</u>
<u>Liabilities and Fund Balance</u>		
Liabilities		
Accounts payable	<u>44,378</u>	<u>3,184</u>
Total Liabilities	44,378	3,184
Fund balance - Unreserved	<u>121,393</u>	<u>78,449</u>
Total liabilities and fund balance	<u>\$165,771</u>	<u>\$ 81,633</u>

The accompanying notes are an integral part of this statement.

THE CITY OF HOOVER, ALABAMA
 State Four Cent Gasoline Tax Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
 Year Ended September 30, 1984
 With Comparative Actual Amounts for Year Ended September 30, 1983

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>1983 Actual</u>
Revenues				
Intergovernmental	\$101,000	\$104,167	\$ 3,167	\$101,424
Interest on investments	<u> -</u>	<u>6,663</u>	<u>6,663</u>	<u>5,572</u>
Total revenues	<u>101,000</u>	<u>110,830</u>	<u>9,830</u>	<u>106,996</u>
Expenditures				
Current operations				
Street and sanitation	<u>101,000</u>	<u>67,886</u>	<u>33,114</u>	<u>78,351</u>
Total expenditures	<u>101,000</u>	<u>67,886</u>	<u>33,114</u>	<u>78,351</u>
Excess of revenues over expenditures	<u>\$ -</u>	42,944	\$ <u>42,944</u>	28,645
Fund balance at beginning of year		<u>78,449</u>		<u>49,804</u>
Fund balance at end of year		<u>\$121,393</u>		<u>\$ 78,449</u>

The accompanying notes are an integral part of this statement.

CAPITAL PROJECTS FUND

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

THE CITY OF HOOVER, ALABAMA
Capital Projects Fund
Balance Sheet
 September 30, 1984

<u>Assets</u>	
Cash	\$ 35,222
Investments, at cost	4,095,093
Receivable - accrued interest	<u>1,007</u>
Total assets	<u><u>4,131,322</u></u>
<u>Liabilities and Fund Balance</u>	
Liabilities	
Accounts payable	490,678
Due to General Fund	<u>5,440</u>
Total liabilities	496,118
Fund balance - Unreserved	<u>3,635,204</u>
Total liabilities and fund balance	<u><u>\$4,131,322</u></u>

The accompanying notes are an integral part of this statement.

THE CITY OF HOOVER, ALABAMA
Capital Projects Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance

Year Ended September 30, 1984

Revenues

Interest on investments \$ 320,399

Expenditures - capital projects

Acquisition of sewer treatment plant 3,500,000

Construction costs

Park facilities 756,968

Public works building 474,163

City hall 521,056

Total expenditures 5,252,187

Excess of revenues over (under) expenditures (4,931,788)

Other financing sources

Proceeds of general obligation warrants 8,566,992

Excess of revenues and other financing
sources over expenditures 3,635,204

Fund balance at beginning of year -

Fund balance at end of year \$ 3,635,204

The accompanying notes are an integral part of this statement.

ENTERPRISE FUND

The Sewer Enterprise Fund accounts for the sewer services to the Riverchase Community. All activities necessary to provide such services are accounted for in this fund.

THE CITY OF HOOVER, ALABAMA
Sewer Enterprise Fund
Balance Sheet
 September 30, 1984

Assets

Current assets	
Cash	\$ 69,876
Receivables	
Sewer service charges	22,234
Developer	118,590
Inventory - supplies	<u>4,000</u>
Total current assets	<u>214,700</u>
Property, plant and equipment	
Land	536,000
Sewer treatment plant	2,960,000
Total property, plant and equipment	<u>3,496,000</u>
Less accumulated depreciation	<u>148,000</u>
Net property, plant and equipment	<u>3,348,000</u>
Total assets	<u><u>3,562,700</u></u>

Liabilities and Fund Balance

Current liabilities	
Accounts payable	1,699
Due to General Fund	<u>16,513</u>
Total current liabilities	<u>18,212</u>
Fund balance	
Contributed capital - municipality	3,500,000
Retained earnings - unreserved	<u>44,488</u>
Total fund balance	<u>3,544,488</u>
	<u>\$ 3,562,700</u>

The accompanying notes are an integral part of this statement.

THE CITY OF HOOVER, ALABAMA
Sewer Enterprise Fund
Statement of Revenues, Expenses and
Changes in Retained Earnings
 Period Ended September 30, 1984*

Operating revenues	
Charges for services	\$ <u>97,729</u>
Operating expenses	
Depreciation	148,000
Management fees	127,262
Utilities	59,150
Supplies	3,401
Repairs and maintenance	2,159
Professional fees	1,525
Telephone	783
Uncollectable accounts	236
Bank charges	<u>20</u>
Total operating expenses	<u>342,536</u>
Operating income (loss)	(244,807)
Nonoperating revenues	
Tap fees	167,857
Expense reimbursement by developer	118,590
Interest	<u>2,848</u>
Total nonoperating revenues	<u>289,295</u>
Net income	44,488
Retained earnings at beginning of period	<u>-</u>
Retained earnings at end of period	<u>\$ 44,488</u>

* December 22, 1983 through September 30, 1984

The accompanying notes are an integral part of this statement.

THE CITY OF HOOVER, ALABAMA
Sewer Enterprise Fund
Statement of Changes in Financial Position
Period Ended September 30, 1984*

Sources of working capital

Operations

Net income	\$ 44,488
Item not requiring working capital - depreciation	<u>148,000</u>

Working capital provided by operations	192,488
--	---------

Contributed capital	<u>3,500,000</u>
---------------------	------------------

Total sources of working capital	3,692,488
----------------------------------	-----------

Uses of working capital

Acquisition of sewer treatment plant	<u>3,496,000</u>
--------------------------------------	------------------

Net increase in working capital	\$ <u><u>196,488</u></u>
---------------------------------	--------------------------

Elements of net increase in net working capital:

Cash	\$ 69,876
------	-----------

Receivables	140,824
-------------	---------

Inventory - supplies	4,000
----------------------	-------

Accounts payable	(1,699)
------------------	---------

Due to General Fund	<u>(16,513)</u>
---------------------	-----------------

Net increase in working capital	\$ <u><u>196,488</u></u>
---------------------------------	--------------------------

* December 22, 1983 through September 30, 1984

The accompanying notes are an integral part of this statement.

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 are not justified.

THE CITY OF HOOVER, ALABAMA
Comparative Statement of General Fixed Assets
By Sources
 September 30, 1984 and 1983

	<u>1984</u>	<u>1983</u>
General Fixed Assets:		
Land	\$2,418,694	\$2,377,994
Buildings	700,018	570,999
Improvements other than buildings	1,248,821	443,869
Equipment and vehicles	1,469,029	1,259,355
Construction in progress	<u>995,219</u>	<u>-</u>
Total general fixed assets	<u>6,831,781</u>	<u>4,652,217</u>
Investment in General Fixed Assets from:		
General obligation warrants	4,372,443	2,620,255
Federal grants	355,629	288,446
General revenues	1,614,114	1,259,816
Gifts	<u>489,595</u>	<u>483,700</u>
Total investment in general fixed assets	<u>\$6,831,781</u>	<u>\$4,652,217</u>

The accompanying notes are an integral part of this statement.

THE CITY OF HOOVER, ALABAMA
Schedule of General Fixed Assets
by Function and Activity
 September 30, 1984

<u>Function and Activity</u>	<u>Total</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other than Buildings</u>	<u>Equipment and Vehicles</u>
<u>General government:</u>					
Administration	\$2,234,502	\$2,030,700	\$ 159,973	\$ -	\$ 43,829
Municipal garage	<u>98,805</u>	<u>15,750</u>	<u>56,146</u>	-	<u>26,909</u>
Total general government	<u>2,333,307</u>	<u>2,046,450</u>	<u>216,119</u>	-	<u>70,738</u>
<u>Public safety:</u>					
Police	324,650	-	10,581	-	314,069
Fire	1,225,731	41,962	473,318	-	710,451
Inspection	<u>35,197</u>	-	-	-	<u>35,197</u>
Total public safety	<u>1,585,578</u>	<u>41,962</u>	<u>483,899</u>	-	<u>1,059,717</u>
Streets and sanitation	<u>286,424</u>	-	-	-	<u>286,424</u>
Recreation	<u>1,523,203</u>	<u>330,282</u>	-	<u>1,182,878</u>	<u>10,043</u>
Library	<u>108,050</u>	-	-	<u>65,943</u>	<u>42,107</u>
Total General Fixed Assets Allocated to Functions	5,836,562	<u>\$2,418,694</u>	<u>\$ 700,018</u>	<u>\$1,248,821</u>	<u>\$1,469,029</u>
Construction in progress	<u>995,219</u>				
Total General Fixed Assets	<u>\$6,831,781</u>				

The accompanying notes are an integral part of this schedule.

THE CITY OF HOOVER, ALABAMA
Schedule of Changes in General Fixed Assets
by Function and Activity
 Year Ended September 30, 1984

<u>Function and Activity</u>	<u>General Fixed Assets October 1, 1983</u>	<u>Additions</u>	<u>Deduction</u>	<u>General Fixed Assets September 30, 1984</u>
General government:				
Administration	\$2,222,018	\$ 12,485	\$ -	\$2,234,503
Municipal garage	93,642	6,663	1,500	98,805
Total general government	<u>2,315,660</u>	<u>19,148</u>	<u>1,500</u>	<u>2,333,308</u>
Public safety:				
Police	280,546	70,334	26,230	324,650
Fire	1,083,268	144,696	2,233	1,225,731
Inspection	12,242	22,955 ^{E+V}	-	35,197
Total public safety	<u>1,376,056</u>	<u>237,985</u>	<u>28,463</u>	<u>1,585,578</u>
Streets and sanitation	<u>208,306</u>	<u>80,145</u>	<u>2,027</u>	<u>286,424</u>
Recreation	<u>677,122</u>	<u>846,080</u>	<u>-</u>	<u>1,523,202</u>
Library	<u>75,073</u>	<u>32,977</u>	<u>-</u>	<u>108,050</u>
Construction in progress	<u>-</u>	<u>1,752,187</u>	<u>756,968</u>	<u>995,219</u>
Total General Fixed Assets	<u>\$4,652,217</u>	<u>\$2,968,522</u>	<u>\$ 788,958</u>	<u>\$6,831,781</u>

The accompanying notes are an integral part of this schedule.

GENERAL LONG-TERM DEBT ACCOUNT GROUP

General obligation bonds 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 debt group includes, in addition to conventional general obligation bonds, warrants which have a maturity of more than one year from date of issuance.

THE CITY OF HOOVER, ALABAMA
Comparative Statement of General Long-Term Debt
 September 30, 1984 and 1983

	<u>1984</u>	<u>1983</u>
Amount available and to be provided for the payment of long-term debt		
General obligation warrants:		
Amount available in debt service funds	\$ -	\$ -
Amount to be provided from General Fund revenues	<u>10,925,000</u>	<u>2,375,000</u>
Total available and to be provided	<u><u>10,925,000</u></u>	<u><u>2,375,000</u></u>
General long-term debt:		
General obligation warrants payable	<u>10,925,000</u>	<u>2,375,000</u>
Total general long-term debt payable	<u><u>\$10,925,000</u></u>	<u><u>\$2,375,000</u></u>

The accompanying notes are an integral part of this statement.

Supplementary Information

THE CITY OF HOOVER, ALABAMA
Combined Schedule of Investments - All Governmental Fund Types
 September 30, 1984

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Book Value</u>
General Fund:				
Certificates of deposits	9.375%	10/01/84		
	11.500%	03/27/85	\$1,301,355	\$1,301,355
Repurchase agreements	9.375%			
	10.500%	Open End	<u>584,096</u>	<u>584,096</u>
Total General Fund			<u>1,885,451</u>	<u>1,885,451</u>
Special Revenue Funds:				
Federal Revenue Sharing				
Certificate of deposit	11.000%	05/25/85	100,000	100,000
Repurchase agreement	10.250%	Open End	<u>67,000</u>	<u>67,000</u>
Total			<u>167,000</u>	<u>167,000</u>
Seven Cent Gasoline Tax				
Certificate of deposit	11.125%	05/25/85	160,000	160,000
Repurchase agreement	10.250%	Open End	<u>114,000</u>	<u>114,000</u>
Total			<u>274,000</u>	<u>274,000</u>
Four Cent Gasoline Tax				
Certificate of deposit	11.000%	12/31/84	100,000	100,000
Repurchase agreement	10.250%	Open End	<u>55,000</u>	<u>55,000</u>
Total			<u>155,000</u>	<u>155,000</u>
Total Special Revenue Funds			<u>596,000</u>	<u>596,000</u>
Capital Projects Fund				
Repurchase agreement	10.250%	Open End	1,188,000	1,188,000
U.S. Treasury Bill	10.028%	11/29/84	1,000,000	910,361
U.S. Treasury Note	10.500%	11/30/85	<u>2,000,000</u>	<u>1,996,732</u>
Total Capital Projects Fund			<u>\$4,188,000</u>	<u>\$4,095,093</u>

Statistical Section

THE CITY OF HOOVER, ALABAMA
Combined Government Expenditures By Functions
All Governmental Fund Types (A)
 1974 - 1984

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Safety (C)</u>	<u>Streets and Sanitation</u>	<u>Recreation</u>	<u>Library</u>
1974	\$ 57,483	\$ 160,582	\$ 104,580	\$ 275	\$ -
1975	82,477	251,774	314,138	3,297	-
1976	135,652	469,632	340,700	6,944	-
1977	186,073	647,348	499,302	19,400	-
1978 (B)	154,687	636,672	403,453	16,975	-
1979	250,512	984,133	555,282	18,064	-
1980	326,888	1,192,370	631,747	25,476	-
1981	355,476	1,646,729	796,141	34,078	-
1982	374,992	1,901,025	894,441	43,985	-
1983	498,738	2,398,310	1,028,819	60,666	87,328
1984	576,276	2,728,218	1,114,451	84,008	235,947

Continued on Page 44

- (A) This schedule includes the General, Special Revenue and Capital Projects Funds.
- (B) The City changed its fiscal year end from December 31 to September 30 in 1978. Amounts presented for 1978 are for nine months.
- (C) Municipal Court, which was segregated from Public Safety in these financial statements for fiscal 1984 and 1983, is included in Public Safety for this presentation to afford comparability.

Source: City annual financial reports.

<u>Health</u>	<u>Capital Outlays</u>	<u>Debt Service</u>	<u>Sewer Treatment Plant Operating Deficit</u>	<u>Total</u>
\$ 16,048	\$ 27,604	\$ 15,197	\$ -	\$ 381,769
12,312	124,366	15,630	-	803,994
2,612	308,182	25,071	-	1,288,793
3,310	86,891	44,345	-	1,486,669
2,400	115,430	24,826	-	1,354,443
3,115	121,859	43,940	-	1,976,905
2,785	6,761	44,200	-	2,230,227
33,488	90,123	51,216	-	3,007,251
34,771	343,341	47,351	411,000	4,050,906
50,747	2,456,536	46,626	189,000	6,816,770
47,481	5,704,698	1,589,970	17,898	12,098,947

Continued from Page 43

THE CITY OF HOOVER, ALABAMA
Combined Government Revenues By Sources
All Governmental Fund Types (A)
 1974 - 1984

<u>Fiscal Year</u>	<u>Taxes</u>	<u>Licenses and Permits</u>	<u>Intergovernmental</u>
1974	\$ 330,111	\$ 120,501	\$ 127,973
1975	398,123	182,825	175,585
1976	532,800	270,957	210,804
1977	742,509	369,021	252,420
1978 (B)	758,796	421,624	202,610
1979	1,152,967	519,504	304,908
1980	1,345,886	563,330	239,512
1981	1,906,789	725,199	367,455
1982	2,392,226	987,557	630,008
1983	2,639,030	1,165,863	728,679
1984	5,008,427	1,378,351	826,258

Continued on Page 46

- (A) This schedule includes the General, Special Revenue and Capital Projects Funds.
- (B) The City changed its fiscal year end from December 31 to September 30 in 1978. Amounts shown for 1978 are for nine months.

Source: City Annual financial report.

<u>Fines and Forfeitures</u>	<u>Interest</u>	<u>Other</u>	<u>Total</u>
\$ 33,877	\$ 17,495	\$ 4,358	\$ 634,315
41,878	20,657	1,998	821,066
48,518	19,389	42,829	1,125,297
40,020	22,728	191,573	1,618,271
34,606	28,257	9,950	1,455,843
40,493	40,969	10,545	2,069,386
49,708	61,318	19,370	2,279,124
70,598	71,125	45,654	3,186,820
97,629	172,948	97,756	4,378,124
154,976	172,460	83,717	4,944,725
184,417	576,573	60,998	8,035,024

Continued from Page 45

THE CITY OF HOOVER, ALABAMA
Property Tax Levies and Collections*

Jefferson County:

<u>Beginning October 1</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections To Tax Levy</u>
1977 (A)	\$213,401	\$211,268	99.0%	\$ 828	\$212,096	99.4%
1978	252,227	248,363	98.5	1,168	249,531	98.9
1979	322,435	290,389	90.1	3,899	294,288	90.3
1980	307,398	300,585	97.8	4,597	305,182	99.3
1981	511,955	506,149	98.9	2,736	508,885	99.4
1982	677,381	664,336	98.1	3,333	667,669	98.6
1983	714,276	708,853	99.2	17,004	725,857	101.6

Shelby County:

<u>Beginning October 1</u>	<u>Total Tax Levy</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections To Tax Levy</u>
1981 (B)	\$ 44,270	\$ 43,823	99.0%
1982	96,336	92,322	95.8
1983	174,915	160,162	91.6

* Unaudited

(A) First year in which the City of Hoover imposed a property tax

(B) The City of Hoover annexed an area in north Shelby County in 1980. Prior to that annexation the City was located entirely in Jefferson County.

Source: Jefferson and Shelby County Tax Collectors

THE CITY OF HOOVER, ALABAMA
Assessed and Estimated Actual Value of Taxable Property*

Located in Jefferson County:

Assessment Date October 1	Real Property (B)		Personal Property (B)	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1976 (A)	\$37,525,391	\$182,004,207	\$ 4,102,460	\$ 16,049,788
1977	44,517,945	274,140,075	4,164,204	16,656,816
1978	44,745,710	310,084,795	3,160,850	15,804,250
1979	42,694,228	325,294,765	2,729,254	13,647,620
1980	52,485,366	380,443,592	7,413,358	37,066,790
1981	71,377,534	513,464,935	8,363,282	41,816,410
1982	73,447,751	539,124,610	8,106,453	40,532,265
1983	75,855,907	552,538,060	8,794,191	43,970,955

Located in Shelby County:

1980 (D)	5,210,600	26,053,000	-	-
1981	12,260,860	61,304,300	384,020	1,920,100
1982	11,164,640	55,823,200	13,597,920	67,989,600
1983	12,347,960	61,739,800	30,194,940	150,974,700

Continued on Page 49

* Unaudited

(A) First year of assessment for property tax purposes

(B) Excludes public utilities and motor vehicles

(C) Includes real and personal property

(D) The City of Hoover annexed an area in north Shelby County in 1980. Prior to that annexation the City was located entirely in Jefferson County.

Source: Jefferson and Shelby County Tax Assessors

<u>Public Utility Property (C)</u>		<u>Total</u>		<u>Ratio of Total Assessed to Total Estimated Actual Value</u>
<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	
\$ 966,080	\$ 3,220,267	\$ 42,593,931	\$201,274,262	21.2%
1,397,100	4,657,000	50,079,249	295,453,891	17.0
1,525,400	5,084,667	49,431,960	330,973,712	14.9
1,448,880	4,829,600	46,872,362	343,771,985	13.6
18,257,460	60,858,200	78,156,184	478,368,582	16.2
23,044,740	76,815,800	102,785,556	632,097,145	16.3
29,617,140	98,625,076	111,171,344	678,281,951	16.4
33,097,460	99,292,380	117,747,558	695,801,395	16.9
1,612,020	8,060,100	6,822,620	34,113,100	20.0
2,193,540	10,967,700	14,838,420	74,192,100	20.0
2,147,500	10,737,500	26,910,060	134,550,300	20.0
2,555,720	12,778,600	45,098,620	225,493,100	20.0

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THE CITY OF HOOVER, ALABAMA
Property Tax Rates - All Overlapping Governments*
 (Per \$100 of assessed Value)

Jefferson County:

Fiscal Year Ended September 30	City of Hoover General Fund	Jefferson County				State of Alabama	Total Tax
		County	County Schools	County School Special	County Total		
1978 (A)	\$.50	\$.95	\$.60	\$ 1.10	\$ 2.65	\$.65	\$ 3.80
1979	.50	.95	.60	1.10	2.65	.65	3.80
1980	.65	1.35	.82	1.39	3.56	.65	4.86
1981	.65	1.35	.82	1.39	3.56	.65	4.86
1982	.65	1.35	.82	1.39	3.56	.65	4.86
1983	.65	1.35	.82	1.39	3.56	.65	4.86
1984	.65	1.35	.82	1.39	3.56	.65	4.86

Shelby County:

Fiscal Year Ended September 30	City of Hoover General Fund	Shelby County				State of Alabama	Total Tax
		County	County Schools	Hospital	County Total		
1982 (B)	\$.65	\$.75	\$ 1.20	\$.40	\$ 2.35	\$.65	\$ 3.65
1983	.65	.75	1.20	.40	2.35	.65	3.65
1984	.65	.75	1.20	.40	2.35	.65	3.65

* Unaudited

(A) First year in which the City of Hoover imposed a property tax

(B) The City of Hoover annexed an area in north Shelby County in 1980. Property taxes were collected in Shelby County for the first time in the fiscal year ended September 30, 1982.

Source: Jefferson and Shelby County Tax Collectors.

THE CITY OF HOOVER, ALABAMA
Ratio of General Obligation Debt
to Assessed Value and General Obligation Debt Per Capita
 1978 - 1984

<u>Fiscal Year</u>	<u>Federal Census Population</u>	<u>Assessed Value</u>	<u>General Obligation Debt</u>	<u>Ratio of Debt to Assessed Value</u>	<u>General Obligation Debt per Capita</u>
1978 (A)	3,594	\$42,593,931	\$ 152,122	.36%	\$ 42.33
1979	3,594	50,079,249	96,073	.19%	26.72
1980	19,792	49,431,960	180,553	.37%	9.12
1981	19,792	46,872,362	15,000	.03%	.76
1982	19,792	84,978,804	-	-	-
1983	19,792	117,623,976	2,375,000	2.02%	120.00
1984	19,792	138,081,404	10,925,000	7.91%	551.99

(A) First fiscal year for which property tax was assessed and paid.

Source: City annual financial reports

THE CITY OF HOOVER, ALABAMA
Computation of Legal Debt Margin*
September 30, 1984

Assessed value of property	<u>\$162,846,178</u> (A)
Debt limit - 20 percent of total assessed value	32,569,236
Amount of debt applicable to debt limit:	
General obligation warrants	<u>10,925,000</u>
Legal debt margin	<u>\$ 21,644,236</u>

* Unaudited

(A) Source: Jefferson County Tax Assessor and Shelby County Tax Assessor

THE CITY OF HOOVER, ALABAMA
Computation of Overlapping Debt*
 September 30, 1984

	<u>Total Debt Outstanding</u>	<u>Percentage Applicable To City of Hoover</u>	<u>Amount Applicable To City of Hoover</u>
City of Hoover			
General obligation warrants	\$ 10,925,000	100.0%	\$10,925,000
Overlapping Debt			
Jefferson County	145,998,493	5.3%	7,737,920
Jefferson County Board of Education	26,215,000	5.3%	1,389,395
Shelby County	2,740,000	13.7%	375,380
Shelby County Board of Education	2,432,500	13.7%	<u>333,253</u>
			<u>\$20,760,948</u>

* Unaudited

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

THE CITY OF HOOVER, ALABAMA
Ratio of Annual Debt Service Expenditures For
General Obligation Debt to General Expenditures
 1974 - 1984

<u>Fiscal Year</u>	<u>Total Debt Service</u>	<u>Total General Expenditures (A)</u>	<u>Ratio of Debt Service to Total General Expenditures</u>
1974	\$ 15,197	\$ 381,769	3.98%
1975	15,630	803,994	1.94%
1976	25,071	1,288,793	1.95%
1977	44,345	1,486,669	2.98%
1978	24,826	1,354,443	1.83%
1979	43,940	1,976,905	2.22%
1980	44,200	2,230,227	1.98%
1981	51,216	3,007,251	1.70%
1982	47,351	4,050,906	1.17%
1983	46,626	6,816,770	.68%
1984	1,589,970	6,846,760	23.22%

(A) Includes General and Special Revenue Funds.

Source: City annual financial reports.

THE CITY OF HOOVER, ALABAMA
Demographic Statistics*

<u>Year</u>	<u>Population</u>	<u>Median Household Income (A)</u>	<u>School Age Individuals (A)</u>	<u>Unemployment Rate</u>
1968	410(A)	**	**	**
1970	1,393(A)	\$14,000	483	5.4%(B)(C)
1973	3,594(A)	**	**	4.5 (B)(C)
1980	19,792(A)	30,069	5,031	2.8 (A)(D)
1983	22,000(E)	**	**	12.7 (B)(C)
1984	22,500(E)	**	**	9.8 (B)(C)

* Unaudited

** Information not available

(A) Source: Federal census

(B) Source: State Department of Industrial Relations

(C) Jefferson County unemployment rate

(D) City of Hoover unemployment rate

(E) Estimate by City of Hoover

THE CITY OF HOOVER, ALABAMA
Construction, Bank Deposits and Retail Sales*

<u>Year</u>	<u>Commercial Construction (A)</u>		<u>Residential Construction (A)</u>		<u>Bank Deposits (B)</u>	<u>Retail Sales (A)</u>
	<u>Number of Units</u>	<u>Value</u>	<u>Number of Units</u>	<u>Value</u>		
1974	3	\$ 40,000	47	\$ 2,112,000	**	\$ 38,300,000
1975	5	184,000	199	9,323,000	**	46,700,000
1976	13	1,317,000	194	8,493,000	**	61,900,000
1977	15	2,036,000	174	9,044,000	**	79,400,000
1978	17	759,000	91	6,137,000	**	94,400,000
1979	23	1,371,000	58	4,069,000	**	106,600,000
1980	25	1,756,000	71	4,438,000	\$114,285,000	120,900,000
1981	26	20,528,000	43	2,857,000	126,848,000	173,800,000
1982	40	5,402,000	58	4,055,000	145,291,000	208,500,000
1983	26	4,874,000	692	23,951,000	**	229,000,000
1984	48	83,901,000	268	19,480,000	185,500,000	292,000,000

* Unaudited

** Information not available

(A) Source: City records

(B) Source: Various City banks

THE CITY OF HOOVER, ALABAMA
Principal Taxpayers*
Year Ended September 30, 1984

	<u>City Ad Valorem Taxes</u>
South Central Bell	\$ 215,282
Harbert International	75,426
Blue Cross-Blue Shield	30,016
Harbert-Equitable	14,599
Alabama Power Company	11,304
Riverchase Mall Village Company	10,362
First Wisconsin Mortgage Company	10,005
Riverchase Mall Associates	8,799
Regal Development	6,630
EGS Metro Development	6,397
Bruno's, Inc.	5,342
Harbert Construction Corporation	1,196

* Unaudited

(A) Source: Jefferson and Shelby County Tax Collectors

THE CITY OF HOOVER, ALABAMA
Miscellaneous Statistical Data*
 September 30, 1984

Date of incorporation: May 18, 1967		Recreation:	
Form of government: Mayor-Council (5 members)		Number of parks	5
Area: 12 square miles (A)		Acres of parks and lakes	57(A)
		Tennis courts	4
Miles of street:		Public safety:	
Paved	270(A)	Number of fire stations	3
Unpaved	0(A)	Number of police stations	1
Miles of sewers:		Population:	
Sanitary	95(A)	1968 federal census	
Storm	35(A)	(special)	410
Number of City employees:		1970 federal census	1393
Administrative	4	1973 federal census	
Municipal garage	2	(special)	3594
Police Department	41	1980 federal census	19792
Fire Department	44	1983 estimate	22000
Inspection services	3	1984 estimate	22500
Street and sanitation	17		
Library	10	Number of housing units:	
Recreation	5	Owner occupied	4420
Total	<u>126(B)</u>	Renter occupied	2746
Public schools:		Vacant	497
Students attend various Jefferson		Total	<u>7663(C)</u>
and Shelby County elementary		Value of housing units:	
and high schools. The City		Median value	\$ 79100(C)
does not operate its own public		Income	
school system.		Per capita	\$ 10584(C)
Education:		Family	30069(C)
Percentage of high school		Percentage of population	
graduates	91%(C)	<u>above</u> poverty level	
Major employers:		in 1979	96%(C)
All of the City's major employers		Median age	30(C)
are service, communications and			
insurance corporations. (D)			

* Unaudited

- (A) Source: City Engineer (Amounts are approximate)
 (B) Source: City payroll records, September 30, 1984
 (C) Source: 1980 federal census
 (D) Source: 1983 Birmingham Regional Planning Commission