

**THE CITY OF HOOVER, ALABAMA**

Comprehensive Annual Financial Report  
For the Fiscal Year Ended  
September 30, 1982

**Introductory Section**



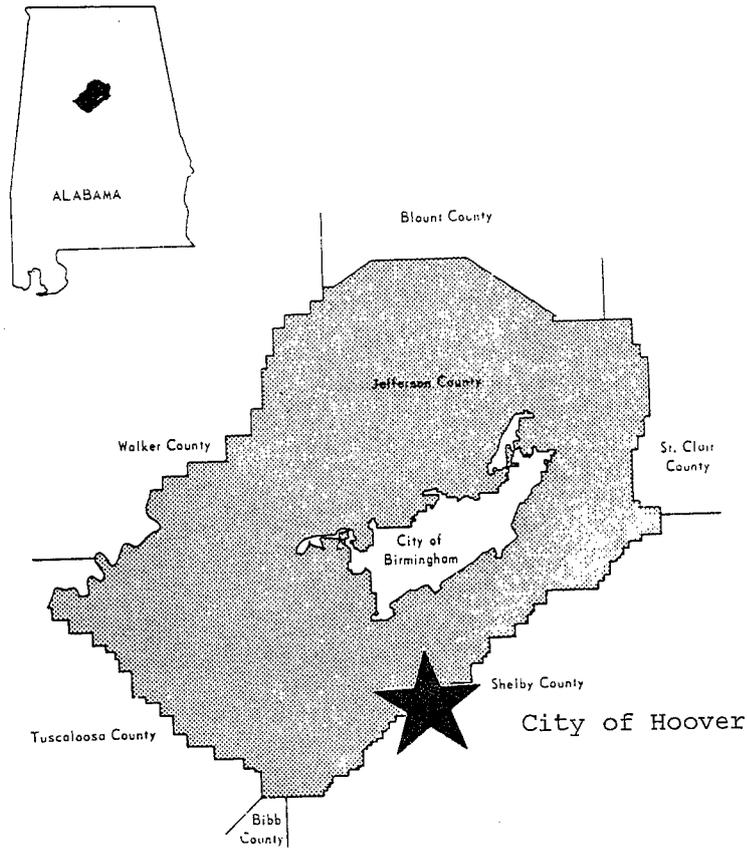
THE CITY OF HOOVER, ALABAMA  
Comprehensive Annual Financial Report  
For the Fiscal Year Ended  
September 30, 1982

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 22,000.



Officials of the City of Hoover, Alabama  
September 30, 1982

Mayor . . . . . Frank S. Skinner, Jr.

City Council

William J. Billingsley  
President

D. Charles Bates

Oscar W. Davis

T. H. (Hank) Blackmon \*

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

Jack H. Harrison  
City Attorney

Joel C. Watson  
Municipal Judge

\* Succeeded Mr. Billingsley as Council President on October 1, 1982.



City of Hoover, Alabama  
Comprehensive Annual Financial Report  
 Year Ended September 30, 1982

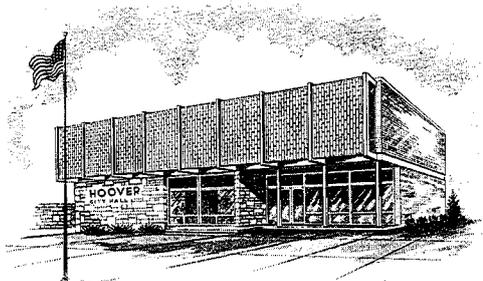
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## CITY OF HOOVER

1631 MONTGOMERY HIGHWAY

P. O. BOX 36037

HOOVER, ALABAMA 35236-6037

FRANK S. SKINNER, JR., MAYOR  
 CITY COUNCIL  
 WILLIAM BILLINGSLEY  
 CHARLES BATES  
 T. H. BLACKMON, COUNCIL PRESIDENT  
 OSCAR DAVIS  
 GLENN THOMPSON  
 ANITA STEINER, CITY CLERK  
 JACK H. HARRISON, CITY ATTORNEY

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, 1982, 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 Municipal Finance Officers Association of the United States and Canada (MFOA) 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. This report has been prepared following the recommended guidelines of the MFOA. Our goal is to obtain a Certificate of Conformance in the future. The accompanying Comprehensive Annual Financial Report will be submitted to the MFOA for review.

### 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



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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 legally adopt annual budgets for the General Fund and the Special Revenue Funds; however, a budget is prepared and legally adopted for the General Fund annually. Legally adopted annual budgets are not prepared for Special Revenue Funds; consequently, there are no statements of revenue and expenditures, budget and actual, for Special Revenue Funds.

Special Revenue Fund expenditures, generally, are authorized by the City Council. The Mayor and City Clerk may make routine expenditures for street maintenance from the Seven Cent and Four Cent Gasoline Tax Funds.

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.
5. Department heads are responsible for adhering to their departmental budgets.
6. The General 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 automatically lapse.
8. The Council may authorize expenditures from time to time during the year without legally amending the previously adopted budget. The Council may amend the budget at any time during the fiscal year.

#### 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 includes all funds and account groups that are controlled by or dependent



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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. 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 and fire), street maintenance, sanitation, recreation, 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. 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.

#### Significant Aspects of Financial Operations During Year

##### General Fund Operations

Revenues for general government functions totalled \$3,968,345 in the fiscal year ended September 30, 1982, an increase of 30.2 percent over the previous fiscal year.



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The amount of revenues from various sources and the increase over last year are shown in the following tabulation:

<u>Revenue Source</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount of Increase from 1981</u>	<u>Percent Increase from 1981</u>
Sales taxes	\$1,808,575	45.6%	\$ 243,032	15.5%
Business licenses	888,169	22.4	216,647	32.3
Property taxes	543,663	13.7	238,481	78.1
Intergovernmental	237,583	6.0	7,212	3.1
Interest on invest- ments	155,594	3.9	85,061	120.6
Fines and forfeitures	97,629	2.5	27,031	38.3
Building permits	97,592	2.5	46,289	90.2
Rental tax	39,988	1.0	3,924	10.9
All other	99,552	2.4	51,524	107.3
Total	<u>\$3,968,345</u>	<u>100.0%</u>	\$ <u>919,201</u>	30.2%

Sales tax revenues which accounted for 45.6% of General Fund revenues were up by 15.5% over fiscal year 1981. Business licenses accounted for 22.4% of general revenues and were up by 32.3% over the previous year. The increases in these revenue sources were a result of recent annexations, retail price increases and, to some extent, expanded sales. The City of Hoover has not been adversely affected by the current recession to the extent that many other areas have been.

Property taxes represented 13.7% of General Fund revenues and increased 78.1% from 1981. Assessed values increased by \$38.1 million. Annexations accounted for most of the increase. The annexation of the Riverchase area located in south Jefferson and north Shelby Counties added substantial commercial and residential property to the City's property tax base. Property taxes are expended for general governmental purposes.

Interest on investments comprised 3.9% of general revenues and increased by 120.6% from 1981. This reflects the investment of excess funds accumulated during 1982. In addition, it reflects diligent efforts on the part of City management to manage cash so as to maximize earnings on invested funds. The City invests its excess cash in certificates of deposit and repurchase agreements.

Expenditures for general governmental purposes totalled \$3,941,932, an increase of 31.9% over 1981.



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the City Council

Increases in expenditure levels for major functions of the City over the preceding year are shown in the following tabulation:

<u>Function</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 1981</u>
General government	\$ 374,992	9.5%	\$ 19,516
Public safety	1,901,025	48.2	254,296
Streets and sanitation	821,173	20.9	25,430
Recreation	43,985	1.1	9,908
Health	34,771	.9	1,283
Capital outlays	307,635	7.8	234,868
Debt service	47,351	1.2	(3,865)
Waste-water treatment plant operating deficit	<u>411,000</u>	<u>10.4</u>	<u>411,000</u>
	<u>\$3,941,932</u>	<u>100.0%</u>	<u>\$ 952,436</u>

Public safety expenditures comprised 48.2% of total General Fund expenditures and increased 15.4% over 1981. This increase was primarily the result of salary increases which totalled \$213,506. Recreation expenditures were up \$9,908 over 1981 because the City paid one-half of the utility bills of Hoover Athletic Association (See Note 12 ). Capital outlays in the General Fund totalled \$307,635 in 1982. This was an increase of \$234,868 over capital expenditures in 1981. Included in capital outlays in the year ended September 30, 1982, were the cost to complete construction of Fire Station No. 3 in Riverchase \$137,200, the acquisition cost of a one thousand gallon fire pumper for the fire department \$117,213, equipment for the fire department \$11,493, equipment for the police department \$20,820, equipment for the streets and sanitation department \$9,690, and other expenditures of \$11,219.

It is probable that the litigation related to the Riverchase annexation and the waste-water treatment plant (See Notes 8, 9 and 11 in Notes to the Financial Statements) will be settled in the City's favor within the fiscal year ending September 30, 1983. Accordingly, the accrued waste-water treatment plant operating deficit of approximately \$411,000 through September 30, 1982, has been recorded as a current liability and as an expenditure in the General Fund financial statements. The waste-water treatment plant operating deficit began to accrue on December 15, 1980. Approximately \$170,000 had accrued through September 30, 1981, and approximately \$241,000 accrued during the fiscal year ended September 30, 1982.

If the \$170,000 waste-water treatment plant operating deficit related to the fiscal year ended September 30, 1981, had not been included in current expenditures the excess of revenues over expenditures would have been \$196,413 for 1982.



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### Special Revenue Funds

Revenue from special revenue funds included \$74,575 from Federal Revenue Sharing and \$241,598 from state shared gasoline taxes. Interest earned in these funds totalled \$17,354. Revenue sharing funds of \$36,096 were expended primarily for capital outlays. Gasoline taxes totalling \$72,878 were expended for street maintenance as required by law.

### Accounting Changes and Restatement of Financial Statements

The financial statements at September 30, 1982 and 1981, include the following changes and restatements: (1) The recognition of property tax revenue in the General Fund has been changed to comply with recent pronouncements of the National Council on Governmental Accounting. (2) A note payable assumed under terms of the Riverchase Annexation Agreement has been reclassified from the General Long-Term Debt Account Group to the General Fund liabilities. (3) The Special Revenue Funds have been changed from the cash basis to the modified accrual basis. (4) Unrecorded fixed assets donated to the City in prior years have been recorded in the General Fixed Assets Account Group.

The financial statements for the fiscal year ended September 30, 1981, were restated to reflect these changes. Further explanation of the changes is provided in Note 10 of the Notes to the Financial Statements.

### Fixed Assets

The general fixed assets of the City are those fixed assets used in the performance of general government functions. As of September 30, 1982, the general fixed assets of the City amounted to \$2,225,713. This amount represents the original cost of the assets or, in the case of donated assets, the estimated market value on the date donated.

### Long-Term Debt

The City had no long-term debt at September 30, 1982. The City is obligated to acquire and finance a waste-water treatment plant to serve the Riverchase area if litigation challenging the annexation of that area is settled in the City's favor. The City plans to issue general obligation secured refunding warrants totalling \$4 million to finance the acquisition of the plant and to retire short-term indebtedness of \$375,000 which was used to construct a fire station and acquire fire fighting equipment.

### Economic Prospects

The City has continued to experience substantial growth, economic growth as well as growth in land area and population. The City's revenues should continue to grow in 1983 through 1985 as they have in the past. Significant commercial and residential construction is presently underway. Additional major commercial and residential



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development planned for the City, but delayed by the recession, should move forward as the economy improves. A regional shopping mall, which is planned for the Riverchase development annexed in 1980, should open in late 1985 or early 1986. It is anticipated that the regional mall will attract retail shoppers from considerable distances.

It is probable that the City's revenue base, especially in sales taxes, property taxes and business licenses will increase dramatically should these plans materialize.

The City's expenditures will continue to increase moderately because of pay raises, hiring additional employees, expanded services and inflation. In addition, the City will continue to make significant capital expenditures, many of which will be made from general revenues. Debt service and waste-water treatment expenditures will be significant in future years if the City borrows funds and acquires the waste-water treatment plant as planned.

City management believes that the basic City services already provided in the Riverchase area, where significant commercial growth is expected to occur, will be substantially adequate to serve that area after its development. Therefore, the anticipated growth in the revenue base mentioned above will not be greatly offset by the cost of providing municipal services in the area.

A study has been made and plans are being considered to acquire land and construct a new municipal complex to replace the present facility which is no longer adequate in size.

It is estimated that the cost of a new municipal complex would total approximately \$4.5 million. This would, of course, require additional long-term borrowing and related debt service expenditures.

#### 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 preparation of this report could not have been accomplished without the assistance of the administrative staff and the City department heads. I would like to express my appreciation to them. I would also like to thank the Mayor and Members of the City Council for their support of this endeavor.

Respectfully submitted,

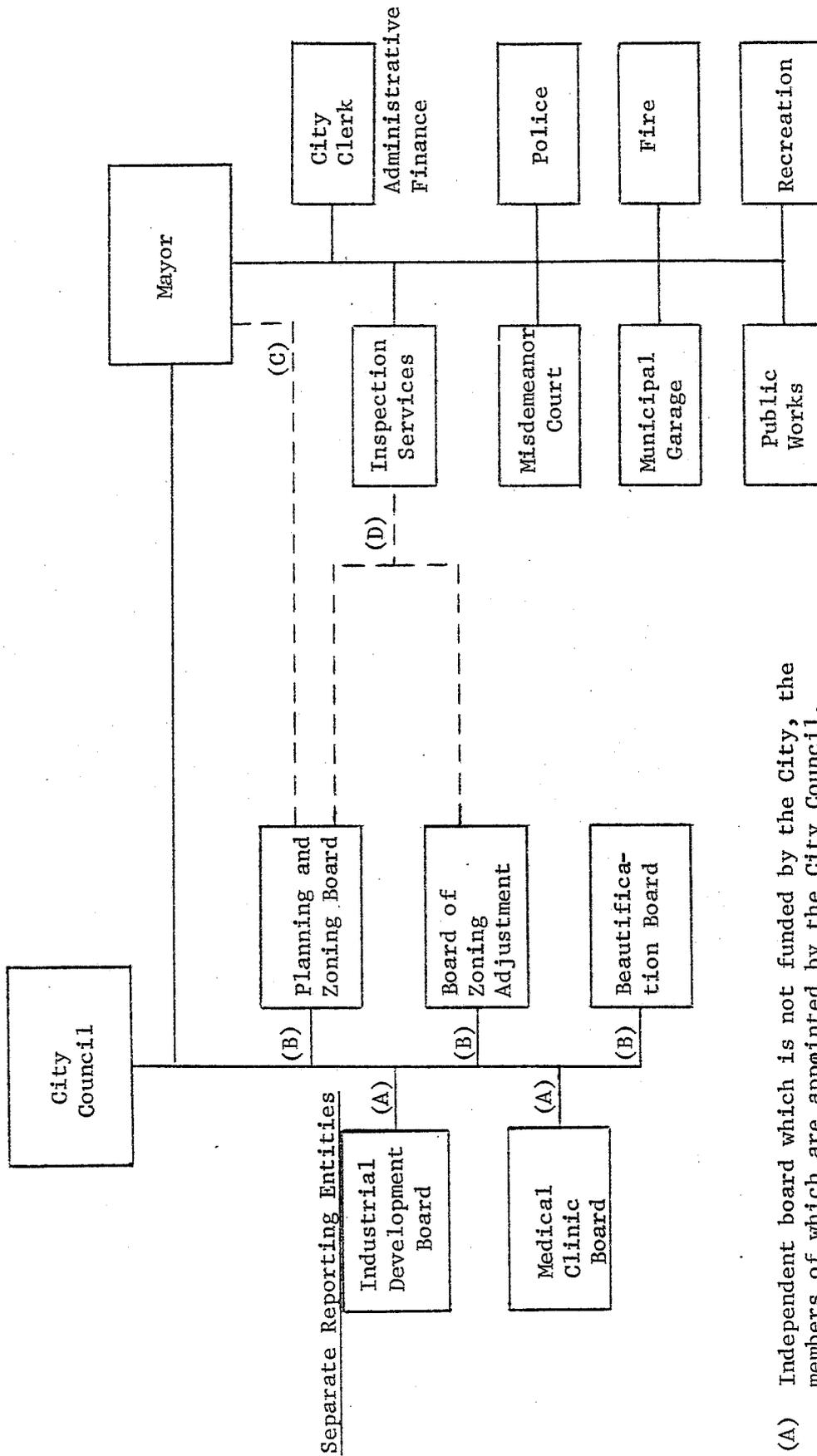


Anita Steiner, CMC  
City Clerk

February 28, 1983



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.



Financial Section



# KAUFMANN, ZEANAH, AND SMITH

CERTIFIED PUBLIC ACCOUNTANTS

111 CHEROKEE PLAZA  
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ANDREW J. KAUFMANN, C.P.A.  
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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 its combining and individual fund financial statements as of and for the years ended September 30, 1982 and 1981, 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, 1982 and 1981, and the results of its operations for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis, after restatement for the changes, with which we concur, set forth in Note 10 to the combined financial statements. Also, in our opinion, the combining and individual fund financial statements referred to above present fairly the financial position of the individual funds of the City of Hoover, Alabama, at September 30, 1982 and 1981, 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, set forth in Note 10 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 and individual fund 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, and individual fund 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, Zeannah & Smith*  
Kaufmann, Zeannah and Smith

February 28, 1983



### 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, 1982

<u>Assets</u>	<u>Governmental Fund Types</u>	
	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue Funds</u>
Cash	\$ 4,088	\$ 10,986
Investments, at cost	1,256,249	293,000
Receivables (Note 10)		
Taxes	175,886	-
Accrued interest	28,909	-
Due from other governments		
State	-	21,133
Federal	-	28,279
Due from other funds (Note 5)	-	7,525
Fixed assets (Note 3)	-	-
Amount to be provided for retirement of general long-term debt	-	-
	<u>          </u>	<u>          </u>
Total assets	<u>1,465,132</u>	<u>360,923</u>
<u>Liabilities</u>		
Accounts payable	186,235	-
Payroll taxes payable	-	-
Accrued retirement contribution (Note 7)	10,362	-
Accrued interest payable	28,109	-
Due to other funds (Note 5)	7,525	-
General obligation warrant and note pay- able (Note 10)	375,000	-
Accrued waste-water treatment plant operating deficit (Note 8)	<u>411,000</u>	<u>          </u>
Total liabilities	<u>1,018,231</u>	<u>          </u>
<u>Fund equity</u>		
Investment in general fixed assets	-	-
Fund balance		
Unreserved (Note 10)	<u>446,901</u>	<u>360,923</u>
Total fund equity	<u>446,901</u>	<u>360,923</u>
Total liabilities and fund equity	<u>\$1,465,132</u>	<u>\$ 360,923</u>

Continued on Page 3.

The accompanying notes are an integral part of this statement.

Account Groups		Totals	
General	General	(Memorandum Only)	
Fixed Assets	Long-Term Debt	1982	1981
\$ -	\$ -	\$ 15,074	\$ 202,480
-	-	1,549,249	400,000
-	-	175,886	157,576
-	-	28,909	1,425
-	-	21,133	20,831
-	-	28,279	15,549
-	-	7,525	36,392
2,225,713	-	2,225,713	1,702,796
-	-	-	15,000
<u>2,225,713</u>	<u>-</u>	<u>4,051,768</u>	<u>2,552,049</u>
-	-	186,235	63,140
-	-	-	21,104
-	-	10,362	30,850
-	-	28,109	909
-	-	7,525	36,392
-	-	375,000	140,000
-	-	411,000	-
-	-	1,018,231	292,395
2,225,713	-	2,225,713	1,702,796
-	-	807,824	556,858
<u>2,225,713</u>	<u>-</u>	<u>3,033,537</u>	<u>2,259,654</u>
\$ <u>2,225,713</u>	\$ <u>-</u>	\$ <u>4,051,768</u>	\$ <u>2,552,049</u>

Continued from Page 2.

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  
All Governmental Fund Types  
 Year Ended September 30, 1982

	<u>Governmental Fund Types</u>		<u>Totals</u>	
	<u>General</u>	<u>Special Revenue</u>	<u>(Memorandum Only)</u>	
			<u>1982</u>	<u>1981</u>
<b>Revenues</b>				
Taxes	\$2,392,226	\$ -	\$2,392,226	\$1,906,789
Licenses and permits	987,557	-	987,557	725,199
Intergovernmental	237,583	316,173	553,756	367,455
Fines and forfeitures	97,629	-	97,629	70,598
Interest on investments	155,594	17,354	172,948	71,125
Other	<u>97,756</u>	<u>-</u>	<u>97,756</u>	<u>45,654</u>
Total revenues	<u>3,968,345</u>	<u>333,527</u>	<u>4,301,872</u>	<u>3,186,820</u>
<b>Expenditures</b>				
Current operations				
General government	374,992	-	374,992	355,476
Public safety	1,901,025	-	1,901,025	1,646,729
Streets and sanitation	821,173	73,268	894,441	796,141
Recreation	43,985	-	43,985	34,078
Health	<u>34,771</u>	<u>-</u>	<u>34,771</u>	<u>33,488</u>
Total	3,175,946	73,268	3,249,214	2,865,912
Capital outlays	307,635	35,706	343,341	90,123
Debt service	47,351	-	47,351	51,216
Waste-water treatment plant operating deficit (Note 8)	<u>411,000</u>	<u>-</u>	<u>411,000</u>	<u>-</u>
Total expenditures	<u>3,941,932</u>	<u>108,974</u>	<u>4,050,906</u>	<u>3,007,251</u>
Excess of revenues over expenditures	26,413	224,553	250,966	179,569
Fund balance at beginning of year, as restated (Note 10)	<u>420,488</u>	<u>136,370</u>	<u>556,858</u>	<u>377,289</u>
Fund balance at end of year	<u>\$ 446,901</u>	<u>\$360,923</u>	<u>\$ 807,824</u>	<u>\$ 556,858</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, 1982

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Taxes	\$2,363,000	\$2,392,226	\$ 29,226
Licenses and permits	812,000	987,557	175,557
Intergovernmental	265,000	237,583	( 27,417)
Fines and forfeitures	75,000	97,629	22,629
Interest	60,000	155,594	95,594
Other	<u>20,000</u>	<u>97,756</u>	<u>77,756</u>
Total revenues	<u>3,595,000</u>	<u>3,968,345</u>	<u>373,345</u>
Expenditures			
Current operations			
General government	378,637	374,992	3,645
Public safety	1,888,533	1,901,025	( 12,492)
Streets and sanitation	918,313	821,173	97,140
Recreation	42,127	43,985	( 1,858)
Health	<u>33,969</u>	<u>34,771</u>	<u>( 802)</u>
Total	3,261,579	3,175,946	85,633
Capital outlays	91,580	307,635	(216,055)
Debt service	50,900	47,351	3,549
Waste-water treatment plant operating deficit (Note 8)	<u>170,000</u>	<u>411,000</u>	<u>(241,000)</u>
Total expenditures	<u>3,574,059</u>	<u>3,941,932</u>	<u>(367,873)</u>
Excess of revenues over expenditures	<u>\$ 20,941</u>	\$ 26,413	<u>\$ 5,472</u>
Fund balance at beginning of year, as restated (Note 10)		<u>420,488</u>	
Fund balance at end of year		<u>\$ 446,901</u>	

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, 1982

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 and fire), street maintenance, sanitation, recreation, 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. 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.

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 type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Debt Account Group.

#### C. Financial Reporting Entity

For financial reporting purposes, in conformance with National Council on Governmental Accounting (NCGA) Statement 3, Defining the Governmental Reporting Entity, 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. 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. Exceptions to this general rule include: (1) accumulated unpaid overtime leave, vacation and sick pay, which are not accrued; and (2) principal and interest on general long-term debt which is recognized when due.

#### E. Budgeting, Budgetary Control and Budgetary Reporting

The City is not required under State or local law to legally adopt annual budgets for the General Fund and the Special Revenue Funds; however, a budget is prepared and legally adopted for the General Fund annually. Legally adopted annual budgets are not prepared for Special Revenue Funds; consequently, there are no statements of revenue and expenditures, budget and actual, for Special Revenue Funds.

Special Revenue Fund expenditures, generally, are authorized by the City Council. The Mayor and City Clerk may make routine expenditures for street maintenance from the Seven Cent and Four Cent Gasoline Tax Funds.

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.
5. Department heads are responsible for adhering to their departmental budgets.
6. The General 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 automatically lapse.
8. The Council may authorize expenditures from time to time during the year without legally amending the previously adopted budget. The Council may amend the budget at any time during the fiscal year. The budget was not amended in fiscal year 1982.

#### 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 normally consist of certificates of deposit and repurchase agreements, are stated at cost.

#### H. Accumulated Unused Compensated Leave

City employees had unused overtime leave and vacation leave benefits of approximately \$42,300 and \$50,100 respectively, at September 30, 1982. These amounts have not been reflected in the financial statements. Overtime leave and vacation leave are vested rights which are an obligation of the City even if an employee resigns or is discharged. Overtime leave and vacation leave do not exceed a normal year's accumulation. 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. The total available, accumulated, nonvested, sick leave benefits for all employees was approximately \$322,000 at September 30, 1982. Only a portion of this amount will be used, so the actual sickpay liability is substantially less. 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. Early application of this statement would have resulted in recording liabilities at September 30, 1982, of approximately \$92,400 with a corresponding reduction in fund balance of the General Fund. Information regarding the accumulated liability for compensated absences at September 30, 1981, is not available, so the effect on the statement of revenues, expenditures and changes in fund balance of the General Fund is undetermined. Also, the effect on the beginning fund balance of the General Fund is undetermined.

#### 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

\$118 million at October 1, 1981. 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 Changes in General Fixed Assets

Summary of changes in general fixed assets:

	Balance (A) October 1, 1981	(B) Additions	Deletions	Balance September 30, 1982
Land	\$ 212,394	\$ 165,400	\$ -	\$ 377,794
Buildings	378,621	178,081	-	556,702
Improvements other than buildings	91,792	34,567	-	126,359
Equipment and vehicles	979,996	198,186	13,324	1,164,858
Construction in pro- gress	39,993	-	39,993	-
	<u>\$ 1,702,796</u>	<u>\$ 576,234</u>	<u>\$ 53,317</u>	<u>\$ 2,225,713</u>

(A) Opening balances have been restated. (See Note 10)

(B) Includes assets donated totalling \$192,900 consisting of park and vacant land of \$165,400 and park improvements of \$27,500. Donated assets are recorded at estimated market values at the date of gift based on an appraisal.

### Note 4 Changes in Long-Term Debt

The final \$15,000 installment on a 5 1/4% General Obligation Town Hall Warrant dated September 30, 1971, in the original amount of \$120,000 was paid during the fiscal year ended September 30, 1982. The City had no long-term debt at September 30, 1982. Long-term debt is repaid from the General Fund.

Note 5 Individual Fund Interfund Receivable and Payable Balances

Interfund receivable and payable balances at September 30, 1982, were:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	-	\$ 7,525
Special Revenue Fund		
State Four Cent Gasoline		
Tax Fund	\$ 7,525	-

This amount represents State Four Cent Gasoline Tax Fund revenue receivable at September 30, 1981, which was inadvertently deposited in the General Fund.

Note 6 Required Individual Fund Disclosures

Applicable required individual fund disclosures not set forth elsewhere in these notes to financial statements are as follows:

- A. Excesses of expenditures over appropriations in individual funds. General Fund expenditures of \$3,941,932 exceeded appropriations of \$3,574,059. This resulted primarily from the accrual of the entire \$411,000 waste-water treatment plant operating deficit to date as an expenditure in 1982 (See Note 8). Secondly, it resulted from the City Council authorizing capital outlays during the year from the proceeds of short-term indebtedness.
- B. Deficit fund balances of individual funds. No individual funds had deficit fund balances at September 30, 1982.

Note 7 Retirement Plan

On July 19, 1982, the City Council passed a resolution to discontinue the City's existing retirement plan, which was administered by an independent insurance company, and to join The Retirement Systems of Alabama. The City subsequently discontinued the original plan and reimbursed \$23,422 to City employees for their unremitted contributions withheld. The administrator of the discontinued plan distributed \$63,958 to the City which represented City contributions to the original plan plus interest earned to date of termination. City employees who had been covered by the original plan were also reimbursed their contributions with interest earned. The City remitted the \$63,958 to The Retirement Systems of Alabama in which it became a participant effective August 1, 1982. The General Fund balance sheet reflected a liability for accrued retirement contribution of \$30,850 at September 30, 1981, which represented the City's anticipated liability to the original plan at that date. This amount has been removed from the liabilities and recognized as other revenue in the General Fund in the fiscal year ended September 30, 1982.

The state retirement system is operated through a public corporation whose purpose is to receive and invest funds and to hold its cash and securities in trust to provide retirement allowances for eligible members.

It administers the state wide plan which is offered to municipalities on a voluntary basis. Participation commits the employer to current benefit costs as well as prior service liability. The City has no fiduciary responsibility.

All employees, other than elected officials, are covered by the Plan except employees who elected initially to be excluded and certain part-time employees. At September 30, 1982, the City's contribution rate was 7.4% of compensation and the employees' contribution rate was 5% of compensation. The City's contribution rate is based on an actuarial study as of January 1, 1981. The employees' contribution rate is established by an act of the State Legislature.

The City elected not to have another actuarial study when it joined the state system effective August 1, 1982, nineteen months after the original study. Further, no valuation has been made since that date. Therefore, certain information regarding the plan is either outdated or not available. Setforth below is information regarding the Plan:

- (1) The total unfunded accrued liability as computed at January 1, 1981 was \$297,022.
- (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, 1982, based on the contribution percentages computed as of January 1, 1981, were as follows:

Employee contribution	\$13,569
Employer contribution	20,082
Total	<u>\$33,651</u>

These amounts covered the period from the effective date of the plan, August 1, 1982, through September 30, 1982.

- (5) Contributions for the year, in addition to the \$63,958 transferred from the City's previous retirement plan, equalled the amounts shown in (4) above.
- (6) The unfunded accrued liability at September 30, 1982, is not available.
- (7) Total assets of the plan approximated \$108,000 at September 30, 1982.

The City's contribution rate, which is based on an actuarial study as of January 1, 1981, consists of the following:

Normal cost	4.48%
Accrued liability	2.74
Administrative cost	.18
Total	<u>7.40%</u>

Since these percentages are based on an actuarial study that was conducted nineteen months prior to the effective date of the plan, there could be a significant increase or decrease when the Plan is actuarially valued in the future. The next actuarial valuation will be as of September 30, 1983. City management believes the contribution rate change will not have a material effect on City expenditures.

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

Note 8 Accrued Waste-Water Treatment Plant Operating Deficit

The City annexed Riverchase, a large, partially developed, planned community located in south Jefferson and north Shelby Counties, on September 9, 1980.

Pursuant to an agreement between the City of Hoover and the developers of Riverchase, the City became obligated to acquire from the developers and operate a waste-water treatment plant to service the annexed area (See Note 9). It is anticipated that the plant will operate at a substantial deficit, but that this deficit will eventually be offset by revenues from businesses already operating, under construction, or planned for the annexed area. Under the terms of the agreement, generally, the City and the developers are to each pay one-half of any waste-water treatment plant operating deficit incurred through 1988, or until City sales tax revenue from the annexed area reaches \$1 million or more annually. It is improbable that sales tax from the annexed area will reach \$1 million within the near future.

Because of related litigation in progress, the City has not yet acquired the waste-water treatment plant or assumed responsibility for its operation. However, if the results of the litigation uphold the legality of the annexation (See Note 11) the Municipality will be obligated for one-half of the waste-water treatment plant operating deficit which has accrued since December 15, 1980.

The criteria for the accrual of a contingent liability in the financial statements are set forth in Financial Accounting Standards Board (FASB) Statement 5, Accounting for Contingencies and NCGA Statement 4 Accounting and Financial Reporting Principles for Claims and Judgements and Compensated Absences.

The criteria are: (1) that it is probable that as at the date of the financial statements an asset has been impaired or a liability incurred; and (2) that the amount of loss can be reasonably estimated.

In addition, NCGA Statement 4 requires that "if all conditions of FASB Statement 5 are met, the amount of claims recorded as expenditures in governmental funds shall be the amount accrued during the year that would normally be liquidated with expendable available financial resources."

Since in the opinion of City management the City's contingent liability to pay one-half of the waste-water treatment plant operating deficit meets the criteria for accrual, four hundred eleven thousand dollars has been accrued as a liability and charged as an expenditure in the General Fund to cover the City's portion of this indebtedness through September 30, 1982.

Note 9 Proposed Long-Term Debt

As set forth in Note 8 above, the City is obligated to acquire the Riverchase waste-water treatment plant. The City is to pay \$3.5 million to the developers which is the acquisition cost as set forth in the agreement.

The City had planned the issuance of general obligation secured refunding warrants totalling \$4,000,000 to finance the acquisition of the waste-water treatment plant, construction of a fire station, acquisition of a fire truck and fire fighting equipment and retirement of related indebtedness to a local bank of \$125,000 (assumed by the City as provided under the terms of the Riverchase annexation agreement). However, because of related litigation (See Note 11) the City has been delayed in the implementation of these plans.

On December 16, 1981, the City issued a \$375,000 General Obligation Warrant due in one year to obtain funds with which to provide the fire station and equipment mentioned above and to repay the \$125,000 indebtedness to the bank.

The Municipality intends to issue the \$4 million general obligation secured refunding warrants as previously planned, provided that the legality of the Riverchase Annexation Agreement is upheld. It is anticipated that a \$375,000 one year General Obligation Warrant which is dated December 16, 1982, and is a successor to the original \$375,000 General Obligation Warrant, will be repaid from the proceeds of the \$4 million warrant issue.

#### Note 10 Accounting changes

##### (A) Property Tax Revenue Recognition

The recognition of property tax revenue has been changed to comply with provisions of NCGA Statement 1 as interpreted by NCGA Interpretation 3.

The NCGA issued in March, 1979, Statement 1 Governmental Accounting and Financial Reporting Principles. Statement 1 is a restatement of the principles of Governmental Accounting, Auditing and Financial Reporting commonly referred to as "GAAFR". The provisions of Statement 1 are effective for fiscal years beginning June 30, 1980 or after. NCGA Statement 1 states that revenues should be "recognized in the accounting period in which they become susceptible to accrual - that is, when they become both measurable and available to finance expenditures of the fiscal period. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period." Further, it states "Revenues and other increases in governmental fund financial resources which usually can and should be recorded on the accrual basis include property taxes. . ." Property taxes are levied on October 1 and are due on October 1 of the following year. Normally, most of the property tax revenue is either received by the City or in the hands of the counties by December 31.

The City had followed the practice of accruing all property tax revenue in its financial statements through September 30, 1981. The property taxes due on October 1, the day following the end of the fiscal year, were accrued as receivable at September 30 on the assumption that they were both measurable and available to finance expenditures.

Because of variances in practice by governments, the NCGA issued Interpretation 3, Revenue Recognition - Property taxes, which is effective for years beginning after September 30, 1981. Interpretation 3 states "Property tax revenues are recognized when they become available. Available means then due, or past due and receivable within the current period. . ."

The accounting for property tax revenue has been changed to comply with NCGA Statement 1 as interpreted by NCGA Interpretation 3 for the fiscal year ended September 30, 1982. Financial statements for the fiscal year ended September 30, 1981, have also been restated. See section (E) and (F) below which show the effects of the change on the financial statements.

(B) Reclassification of Note Payable Assumed Under Terms of the Riverchase Annexation Agreement

A short-term note payable of \$125,000 assumed under terms of the Riverchase Annexation Agreement was included in the General Long-Term Debt Account Group in the 1981 financial statements on the assumption that it would be converted to long-term debt upon the issuance of general obligation re-funding warrants totalling \$4,000,000 (See Note 9). The warrants have not been issued because of litigation in progress (See Note 11) and the \$125,000 note payable has been paid from the proceeds of a \$375,000 general obligation warrant due in one year. Since the \$125,000 note payable was, in fact a current liability, it has been reclassified to the General Fund as such. See section (E) below which shows the effect of the change on the financial statements.

(C) Special Revenue Funds - Change In Accounting Method

Special Revenue Funds have been reported on the cash basis in prior years. The 1982 financial statements have been prepared on the modified accrual basis of accounting and the 1981 financial statements have been restated using the modified accrual basis. See section (E) and (F) below which show the effect of the change on the financial statements.

(D) Capitalization of Previously Unrecorded Donated General Fixed Assets

Various land, a building and other improvements donated to the City from 1969 through 1981, were not previously recorded in the General Fixed Assets Account Group. The General Fixed Assets Account Group has been restated at October 1, 1981 to include these assets. The following summary sets forth the land, building and improvements other than buildings donated in prior years by function and activity:

<u>Function and Activity</u>	<u>Total</u>	<u>Land</u>	<u>Building</u>	<u>Other Improvements</u>
General government				
Administration	\$ 30,000	\$ 30,000	\$ -	\$ -
Municipal garage	15,750	15,750	-	-
Total general government	<u>45,750</u>	<u>45,750</u>	<u>-</u>	<u>-</u>
Public safety				
Fire	66,600	25,000	41,600	-
Total public safety	<u>66,600</u>	<u>25,000</u>	<u>41,600</u>	<u>-</u>
Recreation	112,750	107,750	-	5,000
Total	<u>\$225,100</u>	<u>\$178,500</u>	<u>\$41,600</u>	<u>\$ 5,000</u>

These fixed assets have been appraised and recorded at their estimated market values as of the date of gift.

The effect on general fixed assets of recording the fixed assets donated in prior years is as follows:

	Beginning Balances as Previously Stated	Prior Period Adjustment	Beginning Balances as Restated
Land	\$ 33,894	\$ 178,500	\$ 212,394
Buildings	337,021	41,600	378,621
Improvements other than buildings	86,792	5,000	91,792
Equipment and vehicles	979,996	-	979,996
Construction in progress	39,993	-	39,993
Total	<u>\$1,477,696</u>	<u>\$ 225,100</u>	<u>\$1,702,796</u>

(E) Accounting changes - Summary of effect on fund balances at October 1, 1980:

	General Fund	Special Revenue Funds		
		Federal Revenue Sharing	Seven Cent Gasoline Tax	Four Cent Gasoline Tax
Fund balance, as previously shown on October 1, 1980	\$ 790,852	\$ 3,933	\$ - (A)	\$ - (A)
Effect of change in accounting for property tax revenues	(305,012)	-	-	-
Effect of reclassification of note payable to current liabilities	(125,000)	-	-	-
Effect of change from the cash basis to the modified accrual basis of accounting	-	12,516	-	-
Fund balance, as restated on October 1, 1980	<u>\$ 360,840</u>	<u>\$ 16,449</u>	<u>\$ -</u>	<u>\$ -</u>

(A) Previously reported in the General Fund

(F) Accounting changes - Summary of affect on excess of revenues over expenditures in 1981:

	General Fund	Special Revenue Funds		
		Federal Revenue Sharing	Seven Cent Gasoline Tax	Four Cent Gasoline Tax
Excess of revenues over expenditures, as previously reported	\$ 268,498	\$ 42,005	\$ 35,022	\$ 19,030
Effect of change in accounting for property tax revenues	(208,850)	-	-	-
Effect of change from the cash basis to the modified accrual basis of accounting	-	<u>3,033</u>	<u>13,306</u>	<u>7,525</u>
Excess of revenues over expenditures, as restated	<u>\$ 59,648</u>	<u>\$ 45,038</u>	<u>\$ 48,328</u>	<u>\$ 26,555</u>

Note 11 Litigation - Riverchase Annexation

The case of Ramar vs. City, which is on appeal to the Alabama Supreme Court, challenges the annexation of the Riverchase area. There is no monetary claim for damages against the City. In the improbable event that the Riverchase annexation was declared to be illegal, this would negate the City's plans regarding the issuance of warrants to finance the acquisition of the Riverchase waste-water treatment plant. The City has financed and constructed a fire station in Riverchase and has collected taxes and other revenue from and provided municipal services to the Riverchase area since its annexation on September 9, 1980.

Litigation - Other

Fowler vs. City is an assault and battery case against the City and its police department which has been pending since 1980. At the time of the alleged occurrence, the City had no insurance to cover this type of claim. Although legal counsel would not evaluate the City's exposure, in the opinion of management the potential liability, if any, is not material.

Note 12 Operating Lease

The City of Hoover, at September 30, 1982, does not have leases that should be capitalized pursuant to any of the four criteria listed in FASB Statement 13.

On November 9, 1981, the City entered into a lease agreement with the Hoover Athletic Association which superceded an earlier lease agreement dated June 15, 1981.

The Hoover Athletic Association (Association) is a non-profit corporation which conducts organized sports programs for young people at facilities it owns in the City.

Under terms of the lease, the City leased seventeen acres of land and improvements from the Association for a three 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 the Association. The City's intended use is for recreation and athletic activities. In addition, the lease provides that the City will maintain the leased property. There is no periodic rental payment required; however, the City is required to pay one-half of the cost of utilities at the property, up to \$10,000 per year, until one year after the completion of the replacement of lighting at the property.

Note 13 Commitment

The Hoover Athletic Association (Association) has agreed to donate the land and improvements which it presently leases to the City on the condition that the City make capital improvements upon the leased property which, in the aggregate, could total from \$200,000 to \$600,000. Under terms of the agreement, dated November 9, 1981, the City is to complete the capital improvements in phases and the related property is to be donated by the Association 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.

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 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, 1982 and 1981

<u>Assets</u>	<u>1982</u>	<u>1981</u>
Cash	\$ 4,088	\$ 138,882
Investments, at cost	1,256,249	400,000
Receivables (Note 10)		
Taxes	175,886	157,576
Accrued interest	<u>28,909</u>	<u>1,425</u>
Total assets	<u>1,465,132</u>	<u>697,883</u>
 <u>Liabilities and fund Balance</u>		
<u>Liabilities</u>		
Accounts payable	186,235	63,140
Payroll taxes payable	-	21,104
Accrued retirement contribution (Note 7)	10,362	30,850
Accrued interest payable	28,109	909
Due to other funds (Note 5)	7,525	36,392
General obligation warrant and note payable (Note 10)	375,000	125,000
Accrued waste water treatment plant operating deficit (Note 8)	<u>411,000</u>	<u>-</u>
Total liabilities	1,018,231	277,395
 <u>Fund balance</u>		
Unreserved (Note 10)	<u>446,901</u>	<u>420,488</u>
Total liabilities and fund balance	<u>\$1,465,132</u>	<u>\$ 697,883</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, 1982  
 With Comparative Actual Amounts for Year Ended September 30, 1981

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)	1981 <u>Actual</u>
Revenues				
Taxes	\$2,363,000	\$2,392,226	\$ 29,226	\$1,906,789
Licenses and permits	812,000	987,557	175,557	725,199
Intergovernmental	265,000	237,583	( 27,417)	230,371
Fines and forfeitures	75,000	97,629	22,629	70,598
Interest on investments	60,000	155,594	95,594	70,533
Other	<u>20,000</u>	<u>97,756</u>	<u>77,756</u>	<u>45,654</u>
Total revenues	<u>3,595,000</u>	<u>3,968,345</u>	<u>373,345</u>	<u>3,049,144</u>
Expenditures				
Current operations				
General government	378,637	374,992	3,645	355,476
Public safety	1,888,533	1,901,025	( 12,492)	1,646,729
Streets and sanitation	918,313	821,173	97,140	795,743
Recreation	42,127	43,985	( 1,858)	34,077
Health	<u>33,969</u>	<u>34,771</u>	<u>( 802)</u>	<u>33,488</u>
Total	<u>3,261,579</u>	<u>3,175,946</u>	<u>85,633</u>	<u>2,865,513</u>
Capital outlays	91,580	307,635	(216,055)	72,767
Debt service	50,900	47,351	3,549	51,216
Waste-water treatment plant operating deficit (Note 8)	<u>170,000</u>	<u>411,000</u>	<u>(241,000)</u>	<u>-</u>
Total expenditures	<u>3,574,059</u>	<u>3,941,932</u>	<u>(367,873)</u>	<u>2,989,496</u>
Excess of revenues over expenditures	<u>\$ 20,941</u>	\$ 26,413	<u>\$ 5,472</u>	59,648
Fund balance at beginning of year, as restated (Note 10)		<u>420,488</u>		<u>360,840</u>
Fund balance at end of year		<u>\$ 446,901</u>		<u>\$ 420,488</u>

The accompanying notes are an integral part of this statement.

The City of Hoover, Alabama  
General Fund  
Statement of Current Expenditures  
Budget and Actual  
Year Ended September 30, 1982  
With Comparative Actual Amounts for Year Ended September 30, 1981

<u>Expenditures - Current Operations</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>1981 Actual</u>
General government				
Administrative				
Personal services	\$ 102,207	\$ 102,766	\$ (559)	\$ 95,110
Other	<u>249,500</u>	<u>224,586</u>	<u>24,914</u>	<u>224,589</u>
Total	<u>351,707</u>	<u>327,352</u>	<u>24,355</u>	<u>319,699</u>
Municipal garage				
Personal services	19,230	39,681	(20,451)	28,466
Other	<u>7,700</u>	<u>7,959</u>	<u>(259)</u>	<u>7,311</u>
Total	<u>26,930</u>	<u>47,640</u>	<u>(20,710)</u>	<u>35,777</u>
Total general government	<u>378,637</u>	<u>374,992</u>	<u>3,645</u>	<u>355,476</u>
Public safety				
Police				
Personal services	759,124	783,924	(24,800)	662,450
Other	<u>141,200</u>	<u>140,737</u>	<u>463</u>	<u>121,264</u>
Total	<u>900,324</u>	<u>924,661</u>	<u>(24,337)</u>	<u>783,714</u>
Fire				
Personal services	851,676	850,781	895	733,243
Other	<u>103,663</u>	<u>92,743</u>	<u>10,920</u>	<u>101,218</u>
Total	<u>955,339</u>	<u>943,524</u>	<u>11,815</u>	<u>834,461</u>
Inspection services				
Personal services	26,770	27,822	(1,052)	23,509
Other	<u>6,100</u>	<u>5,018</u>	<u>1,082</u>	<u>5,045</u>
Total	<u>32,870</u>	<u>32,840</u>	<u>30</u>	<u>28,554</u>
Total public safety	<u>1,888,533</u>	<u>1,901,025</u>	<u>(12,492)</u>	<u>1,646,729</u>
Streets and sanitation				
Streets and sanitation				
Personal services	192,013	186,271	5,742	202,964
Other	<u>726,300</u>	<u>634,902</u>	<u>91,398</u>	<u>592,779</u>
Total streets and sanitation	<u>918,313</u>	<u>821,173</u>	<u>97,140</u>	<u>795,743</u>
Recreation				
Parks				
Personal services	24,327	22,563	1,764	22,214
Other	<u>17,800</u>	<u>21,422</u>	<u>(3,622)</u>	<u>11,863</u>
Total recreation	<u>42,127</u>	<u>43,985</u>	<u>(1,858)</u>	<u>34,077</u>
Health				
Nondepartmental	<u>33,969</u>	<u>34,771</u>	<u>( 802)</u>	<u>33,488</u>
Total expenditures-Current Operations	<u>\$3,261,579</u>	<u>\$3,175,946</u>	<u>\$ 85,633</u>	<u>\$2,865,513</u>

The accompanying notes are an integral part of this statement.

### 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, 1982  
 With Comparative Totals for September 30, 1981

<u>Assets</u>	Federal Revenue Sharing	State Seven Cent Gasoline Tax	State Four Cent Gasoline Tax	<u>Totals</u>	
				<u>1982</u>	<u>1981</u>
Cash	\$ 1,939	\$ 8,732	\$ 315	\$10,986	\$ 63,598
Investments, at cost	76,000	184,000	33,000	293,000	-
Due from other governments:					
State	-	12,169	8,964	21,133	20,831
Federal	28,279	-	-	28,279	15,549
Due from General Fund (Note 5)	<u>-</u>	<u>-</u>	<u>7,525</u>	<u>7,525</u>	<u>36,392</u>
Total assets	<u>\$106,218</u>	<u>\$ 204,901</u>	<u>\$ 49,804</u>	<u>\$360,923</u>	<u>\$136,370</u>
 <u>Fund Balance</u>					
Fund balance - Unreserved (Note 10)	<u>\$106,218</u>	<u>\$ 204,901</u>	<u>\$ 49,804</u>	<u>\$360,923</u>	<u>\$136,370</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, 1982  
 With Comparative Totals for Year Ended September 30, 1981

	Federal Revenue Sharing	State Seven Cent Gasoline Tax	State Four Cent Gasoline Tax	Totals	
				1982	1981
Revenues:					
Intergovernmental	\$ 74,575	\$ 149,943	\$ 91,655	\$316,173	\$137,084
Interest on investments	<u>6,252</u>	<u>6,656</u>	<u>4,446</u>	<u>17,354</u>	<u>591</u>
Total revenues	<u>80,827</u>	<u>156,599</u>	<u>96,101</u>	<u>333,527</u>	<u>137,675</u>
Expenditures:					
Current operations					
Streets and sanitation	<u>390</u>	<u>26</u>	<u>72,852</u>	<u>73,268</u>	<u>398</u>
Total	<u>390</u>	<u>26</u>	<u>72,852</u>	<u>73,268</u>	<u>398</u>
Capital outlays	<u>35,706</u>	<u>-</u>	<u>-</u>	<u>35,706</u>	<u>17,356</u>
Total expenditures	<u>36,096</u>	<u>26</u>	<u>72,852</u>	<u>108,974</u>	<u>17,754</u>
Excess of revenues over expenditures	44,731	156,573	23,249	224,553	119,921
Fund balance at beginning of year, as restated (Note 10)	<u>61,487</u>	<u>48,328</u>	<u>26,555</u>	<u>136,370</u>	<u>16,449</u>
Fund balance at end of year	<u>\$106,218</u>	<u>\$204,901</u>	<u>\$ 49,804</u>	<u>\$360,923</u>	<u>\$136,370</u>

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, 1982 and 1981

General Fixed Assets:	<u>1982</u>	<u>1981</u>
Land	\$ 377,794	\$ 212,394
Buildings	556,702	378,621
Improvements other than buildings	126,359	91,792
Equipment and vehicles	1,164,858	979,996
Construction in progress	<u>-</u>	<u>39,993</u>
Total general fixed assets (Note 10)	<u><u>2,225,713</u></u>	<u><u>1,702,796</u></u>
 Investment in General Fixed Assets from:		
General obligation warrants	620,255	620,255
Federal grants	250,655	214,949
General revenues	871,303	576,992
Gifts	<u>483,500</u>	<u>290,600</u>
Total investment in general fixed assets	<u><u>\$2,225,713</u></u>	<u><u>\$1,702,796</u></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, 1982

<u>Function and Activity</u>	<u>Total</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other than Buildings</u>	<u>Vehicles and Equipment</u>
General government:					
Administration	\$ 222,290	\$ 30,000	\$153,980	\$ -	\$ 38,310
Municipal garage	<u>92,143</u>	<u>15,750</u>	<u>56,146</u>	<u>-</u>	<u>20,247</u>
Total general government	<u>314,433</u>	<u>45,750</u>	<u>210,126</u>	<u>-</u>	<u>58,557</u>
Public safety:					
Police	248,439	-	-	-	248,439
Fire	1,050,310	41,962	346,576	-	661,772
Inspection	<u>6,316</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,316</u>
Total public safety	<u>1,305,065</u>	<u>41,962</u>	<u>346,576</u>	<u>-</u>	<u>916,527</u>
Streets and sanitation	<u>187,268</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>187,268</u>
Recreation	<u>418,947</u>	<u>290,082</u>	<u>-</u>	<u>126,359</u>	<u>2,506</u>
Total General Fixed Assets	<u>\$2,225,713</u>	<u>\$377,794</u>	<u>\$556,702</u>	<u>\$126,359</u>	<u>\$1,164,858</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, 1982

<u>Function and Activity</u>	General Fixed Assets October 1, 1981	<u>Additions</u>	<u>Deductions</u>	General Fixed Assets September 30, 1982
General government:				
Administration	\$ 221,697	\$ 1,651	\$ 1,058	\$ 222,290
Municipal garage	<u>90,440</u>	<u>1,703</u>	<u>-</u>	<u>92,143</u>
Total general govern- ment	<u>312,137</u>	<u>3,354</u>	<u>1,058</u>	<u>314,433</u>
Public safety:				
Police	202,194	56,526	10,281	248,439
Fire	746,395	305,900	1,985	1,050,310
Inspection	<u>5,518</u>	<u>798</u>	<u>-</u>	<u>6,316</u>
Total public safety	<u>954,107</u>	<u>363,224</u>	<u>12,266</u>	<u>1,305,065</u>
Streets and sanitation	<u>177,578</u>	<u>9,690</u>	<u>-</u>	<u>187,268</u>
Recreation	<u>218,981</u>	<u>199,966</u>	<u>-</u>	<u>418,947</u>
Construction in progress	<u>39,993</u>	<u>-</u>	<u>39,993</u>	<u>-</u>
Total General Fixed Assets (Note 10)	<u>\$1,702,796</u>	<u>\$ 576,234</u>	<u>\$ 53,317</u>	<u>\$2,225,713</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, 1982 and 1981

	1982	1981
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	-	15,000
Total available and to be provided	-	15,000
General long-term debt:		
General obligation warrants payable (Note 4)	-	15,000
Total general long-term debt payable	\$ -	\$ 15,000

The accompanying notes are an integral part of this statement.

Supplementary Information

The City of Hoover, Alabama  
Combined Schedule of Investments-All Funds  
 September 30, 1982

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Book Value</u>
General Fund:				
Certificates of deposit	9.00 - 13.25%	10/01/82 - .2/14/83	<u>\$1,256,249</u>	<u>\$1,256,249</u>
Special Revenue Funds:				
Federal Revenue Sharing				
Repurchase agreements	8.50%	Open End	\$ 76,000	\$ 76,000
State Seven Cent Gasoline Tax				
Repurchase agreements	8.50%	Open End	184,000	184,000
State Four Cent Gasoline Tax				
Repurchase agreements	8.50%	Open End	<u>33,000</u>	<u>33,000</u>
Total Special Revenue Funds			<u>\$ 293,000</u>	<u>\$ 293,000</u>

Statistical Section

The City of Hoover, Alabama  
Combined Government Expenditures By Functions  
 1974 through 1982

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Streets and Sanitation</u>	<u>Recreation</u>
1974 (A)	\$ 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

Continued on Page 30

(A) Information not available for 1973.

(B) The City changed its fiscal year end from December 31 to September 30 in 1978. Amounts presented for 1978 are for nine months.

Source: City annual financial reports.

<u>Health</u>	<u>Capital Outlay</u>	<u>Debt Service</u>	<u>Waste Water 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

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The City of Hoover, Alabama  
Combined Government Revenues By Sources  
 1974 - 1982

<u>Fiscal Year</u>	<u>Taxes</u>	<u>Licenses and Permits</u>	<u>Intergovernmental</u>
1974(A)	\$ 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	\$ 553,756

Continued on Page 32

- (A) Information not available for 1973
- (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 reports.

<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	\$4,301,872

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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 (B)
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

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 (C)	\$ 44,270	\$ 43,823	99.0 %

- (A) First year in which the City of Hoover imposed a property tax  
 (B) Unfavorable percentage resulted from subsequent adjustments by the County of assessed values and taxes due.  
 (C) 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

Located in Shelby County:

1980 (D)	5,210,600	26,053,000	-	-
1981	12,260,860	61,304,300	384,020	1,920,100

Continued on Page 35

- (A) First year of assessment for property tax purposes  
 (B) Excludes public utilities  
 (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	16.3
23,044,740	76,815,800	102,785,556	632,097,145	16.3
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

Continued from Page 34

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	Total		
1978 (A)	\$ .50	\$ .95	\$ .60	\$ 1.55	\$ .65	\$ 2.70
1979	.50	.95	.60	1.55	.65	2.70
1980	.65	.95	.60	1.55	.65	2.85
1981	.65	1.35	.82	2.17	.65	3.47
1982	.65	1.35	.82	2.17	.65	3.47

Shelby County:

Fiscal Year Ended September 30	City of Hoover General Fund	Shelby County				State of Alabama	Total Tax
		County	County Schools	Hospital	Total		
1982 (B)	\$ .65	\$ .95	\$ 1.20	\$ .40	\$ 2.55	\$ .65	\$ 3.85

- (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  
Computation of Legal Debt Margin  
 September 30, 1982

Assessed value of property	
Jefferson County	\$102,785,556 (A)
Shelby County	<u>14,838,420 (B)</u>
Total assessed value of property	<u>\$117,623,976</u>
Debt limit - 20 percent of total assessed value	\$ 23,524,795
Amount of debt applicable to debt limit:	
Total bonded debt	<u>0</u>
Legal debt margin	<u>\$ 23,524,795</u>

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



The City of Hoover, Alabama  
Demographic Statistics\*

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

\* 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

The City of Hoover, Alabama  
Construction, Bank Deposits, Property Value and Retail Sales\*  
 1973 - 1982

<u>Year</u>	Commercial Construction (A)		Residential Construction (A)	
	<u>Number of Units</u>	<u>Value</u>	<u>Number of Units</u>	<u>Value</u>
1973	1	\$ 100,000	27	\$ 1,109,000
1974	3	40,000	47	2,112,000
1975	5	184,000	199	9,323,000
1976	13	1,317,000	194	8,493,000
1977	15	2,036,000	174	9,044,000
1978	17	759,000	91	6,137,000
1979	23	1,371,000	58	4,069,000
1980	25	1,756,000	71	4,438,000
1981	26	20,528,000	43	2,857,000
1982	40	5,402,000	58	4,055,000

Continued on Page 40

\* Unaudited.

\*\* Information not available.

\*\*\* Determination of the estimated actual property values as of October 1, 1982 the assessment date, has not been finalized by the County tax assessors.

(A) Source: City records

(B) Source: Various City banks

(C) Source: Jefferson and Shelby County Tax Assessors

<u>Bank Deposits (B) (In Thousands)</u>	<u>Estimated Actual Real and Personal Property Value (C)</u>	<u>Retail Sales (A) (In Thousands)</u>
**	**	**
**	**	\$ 38,300
**	**	46,700
**	\$ 178,286,255	61,900
**	201,274,262	79,400
**	295,453,891	94,400
**	330,973,712	106,600
\$114,285	377,885,085	120,900
126,848	552,560,682	173,800
145,291	***	208,500

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The City of Hoover, Alabama  
Principal Taxpayers\*  
 September 30, 1982

<u>Taxpayer</u>	(A) <u>Assessed Valuation</u>	<u>City Ad Valorem Taxes</u>
South Central Bell	\$21,289,740	\$ 138,383
Blue Cross	4,650,928	30,231
Alabama Power Company	1,504,520	9,779
IBM	1,199,780	7,799
General Electric Credit	894,413	5,814
Storage Technology	407,580	2,649
Roberts & Sons, Inc.	359,320	2,336
Alabama Gas Corporation	250,180	1,626
Formation, Inc.	147,660	960
Northwest Financial Services	133,385	867
Eastman Kodak	103,102	670
	<u>\$30,940,608</u>	<u>\$ 201,114</u>

\* Unaudited

(A)Source: Jefferson County Tax Assessor

The City of Hoover, Alabama  
Miscellaneous Statistical Data\*  
 September 30, 1982

Date of incorporation: May 18, 1967		Recreation:	
Form of government: Mayor-Council (5 members)		Number of parks	4
Area: 12 square miles (A)		Acres of parks and lakes	40(A)
		Tennis courts	4
Miles of street:		Public safety:	
Paved	250(A)	Number of fire stations	3
Unpaved	0(A)	Number of police stations	1
Miles of sewers:		Population:	
Sanitary	70(A)	1968 federal census (special)	410
Storm	20(A)	1970 federal census	1393
Number of City employees:		1973 federal census (special)	3594
Administrative	4	1980 federal census	19792
Municipal garage	2	Number of housing units:	
Police Department	40	Owner occupied	4420
Fire Department	41	Renter occupied	2746
Inspection services	1	Vacant	497
Street and sanitation	15	Total	<u>7663(C)</u>
Recreation	3	Income	
Total	<u>106(B)</u>	Per capita	\$10584(C)
Public schools:		Family	\$30069(C)
Students attend various Jefferson		Percentage of population	
and Shelby County elementary and		<u>above</u> poverty level in	
high schools. The City does not		1979	96%(C)
operate its own public school		Median age	30(C)
system.			
Education:			
Percentage of high school			
graduates	91%(C)		

## \* Unaudited

(A)Source: City Engineer (Amounts are approximate)

(B)Source: City payroll records, January 15, 1983

(C)Source: 1980 federal census

The City of Hoover, Alabama  
Schedule of Insurance in Force  
 September 30, 1982

<u>Name of Company</u>	<u>Type of Coverage</u>	<u>Policy Number</u>
The Travelers Companies	Automobile liability and physical damage	650-258F562-9-IND-81
The Home Insurance Company of Indiana	General liability	GL 1 25 07 73
Aetna Insurance Company	Multi-Peril policy - fire and lightning on buildings and contents, bodily injury and property damage liability, physical loss or damage on road equipment, public employees honesty blanket covering dishonesty, disappearance and destruction.	SMP. 29 32 14
International Surplus Lines Insurance Company	Public officials and employees liability - "any actual or alleged error. . ." by a public official or employee of the public entity	GP 26234
American Centennial Insurance Company	Law enforcement officers' comprehensive liability insurance - Law enforcement officer's accidental death and dismemberment insurance - liability from occurrences arising from law enforcement activities - loss of life or dismemberment while serving in law enforcement capacity	001075

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Source: Insurance policies and Insurance agents

<u>Term</u>		<u>Liability Limits</u>	<u>Annual Premium</u>
<u>From</u>	<u>To</u>		
11-10-81	11-10-82	Bodily injury - \$300,000 each accident Property damage - \$50,000 each accident Physical damage - "Actual cash value"	\$13,888
11-15-81	11-15-82	Bodily injury - \$300,000 each occurrence Property damage - \$100,000 each occurrence	8,753
11-15-80	11-15-83	Buildings and contents - \$959,800 Bodily injury - \$300,000 each occurrence Property damage - \$100,000 each occurrence Road equipment - \$87,000 Employee's blanket - \$100,000 (loss in excess of \$250)	10,562
10-11-80	10-11-83	\$1,000,000 each loss/each policy year (loss in excess of \$2,500)	1,576
2-12-82	2-1-83	Bodily injury/property damage - \$500,000 combined single limit Accidental death/dismemberment - \$10,000 per person insured	7,316

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