

# **THE CITY OF HOOVER, ALABAMA**



## **Comprehensive Annual Financial Report**

**For the Fiscal Year Ended**

**September 30, 1995**

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Comprehensive Annual Financial Report  
For The Fiscal Year Ended  
September 30, 1995

Office of the Finance Director

Richard K. Smith, C.P.A.  
Finance Director

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**Comprehensive Annual Financial Report**  
For the Fiscal Year Ended September 30, 1995

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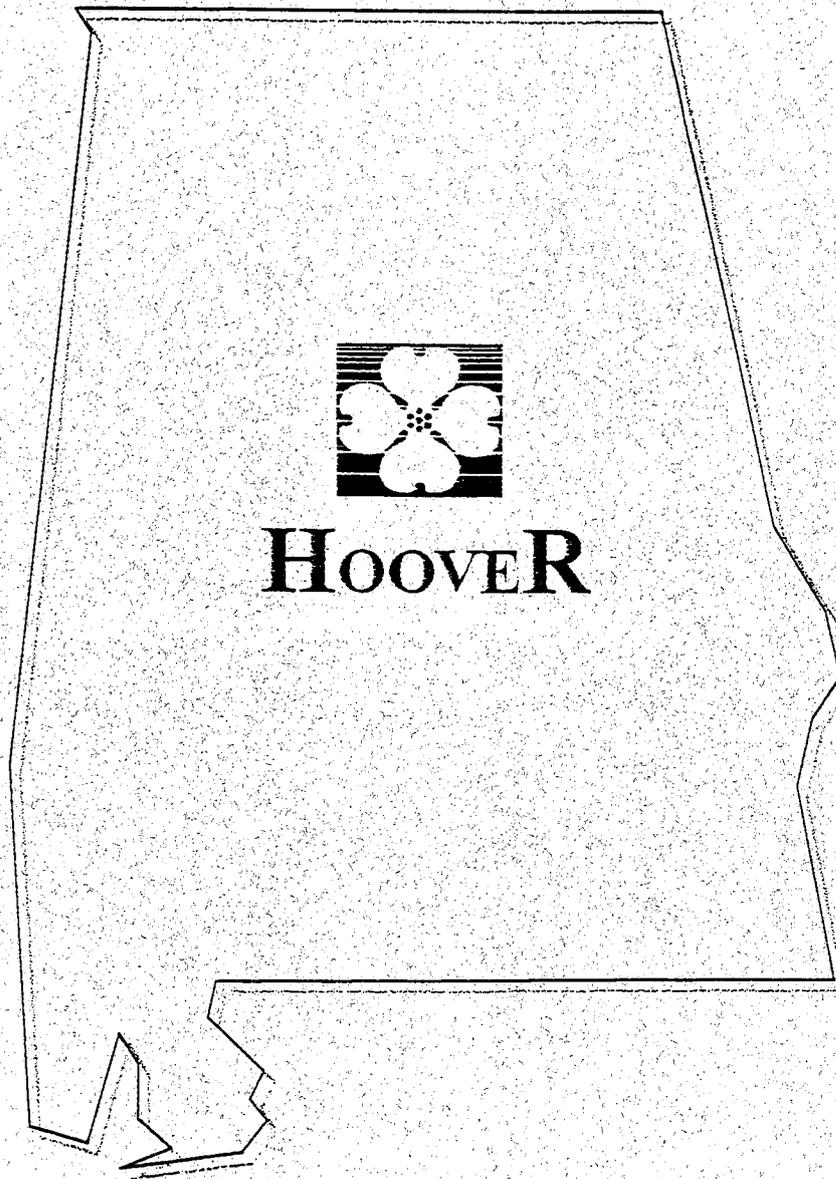
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# **INTRODUCTORY SECTION**

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# The City of Hoover, Alabama

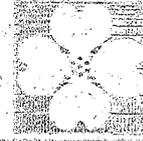


The City of Hoover has a population of approximately 55,000 and is located in north-central Alabama within the Birmingham metropolitan area. Hoover occupies approximately 44 square miles within Jefferson and Shelby Counties.

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## City of Hoover

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**HOOVER**

February 10, 1996

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

The comprehensive annual financial report of the City of Hoover, Alabama (the City) for the fiscal year ended September 30, 1995, is hereby submitted as mandated by state statutes. These statutes require that the City issue annually a report on its financial position and activity, and that this report be audited by an independent firm of certified public accountants or the State Department of Examiners of Public Accounts. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the various funds, account groups and component units of the City. All disclosures necessary to enable the reader to gain an understanding of the City's activities have been included.

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

The City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U. S. Office of Management and Budget Circular A-128, Audits of State and Local Governments. Information related to the single audit, including a schedule of federal financial assistance, the independent auditor's reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included in a separately issued single audit report.

The financial reporting entity (the Government) includes all the funds and account groups of the primary government (i. e., the City of Hoover, Alabama as legally defined), as well as all of its component units. Component units are legally separate entities for which

the primary government is financially accountable. The Government provides a full range of services. These services include public safety (police, fire and inspection), infrastructure maintenance, sanitation, recreation, public library, cultural events, public improvements, planning and zoning, and general administration.

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

### **Governmental Structure, Local Economic Condition and Outlook**

The Government, incorporated in 1967, is located in Jefferson and Shelby Counties in North Central Alabama. Shelby County was recently recognized nationally as one of the fastest growing counties in the Country. The population within the corporate limits of the Government increased from about 40,000 in 1990 to an estimated 55,000 in 1995, a 38% increase. The land area within the corporate limits increased from about 32 square miles in 1990 to approximately 44 square miles in 1995. The Government has the power by state statute to extend its corporate limits by annexation, which is done periodically when considered appropriate by the City Council.

The Government has operated under the Mayor-Council form of government since incorporation. Policy making and legislative authority is vested in the City Council, which consists of five "at large" council members. The City Council is responsible, among other things, for passing resolutions and ordinances, adopting the budget and appointing committees. The Mayor is responsible for carrying out the policies and ordinances of the Government. The Mayor and City Council are elected on a nonpartisan basis to concurrent four year terms which begin October 1 in the election year. The next elections will be conducted in the summer of 1996.

The Government's financial condition continues to be strong. Continued economic growth and fiscal conservatism are contributing factors, but the primary reason is a one percent increase in the general sales and use tax effective March 1, 1994, estimated to generate eleven million dollars per year. The Government is substantially dependent on sales and use tax revenue which comprised 68.7% of total revenue in Fiscal 1995. However, the Government enjoys a broad retail sales and use tax base and is not dependent on any one or a few taxpayers for its sales and use tax revenue. Further, even during the recession in the early nineties, when many cities experienced declining revenue, the Government's smallest annual sales and use tax growth was 6.1% in 1991. In addition to sales and use tax, other major revenue sources (i.e. business licenses and property taxes) are broad based and generally continue to grow each year. The Government should continue to experience economic growth as it has in recent years well into the next century.

## Major Initiatives for 1995

The Government's staff and elected officials have been involved in a variety of projects throughout the year. These projects reflect the Government's commitment to good government and an excellent quality of life for its citizens.

The first annual Hoover Citizens' Report was published during the year containing financial statements prepared in a reader friendly format including facts about the Mayor, the City Council and the various services performed by the departments. This report was well received by our citizens.

The Riverchase Sports Park was completed in Fiscal 1995. Other projects completed during the 1995 fiscal year include the landscaping of the major interchanges within the city limits, the development of storm shelters for the Government's emergency preparedness program and improvements to the Government's telecommunications systems.

During 1995, the Hoover Police Department answered 69,629 calls for service. No single incident of murder occurred. The Investigations Division was assigned 4,172 cases, and was able to solve over 59% of those crimes. The percentage of crimes solved was higher in 1995 than in the previous year. Crime and the anxiety it generates remains the number one issue facing our citizens. The Police Department is taking the lead in reducing both.

The Hoover Fire Department operates seven engine companies located strategically throughout the City at seven stations. During the 1995 fiscal year the Hoover Fire Department responded to 4,205 incidents. Fire and EMS incidents comprised 75.7% of the total. The remaining 24.3% were comprised of service, system malfunctions, good intent and hazardous conditions incidents.

Residential construction within the City continued at a high level during the year. A total of 781 permits were issued for a total of about \$157,000,000. Commercial construction remained strong and totalled about \$62,800,000. Commercial construction included Sears and the Galleria expansion totalling \$9,850,000.

During Fiscal 1995, the City Public Works Department, in addition to its other projects, paved approximately 26 miles of streets throughout the City of Hoover.

Circulation and membership of the Hoover Public Library continued to grow during the year. The Library Director, Linda Andrews, was named Librarian of the Year by the Alabama Library Association. The Library is currently ranked fourth in circulation in the State of Alabama.

The Hoover Park and Recreation Board continued to help maximize the quality of life for Hoover citizens by offering the best in recreation facilities. The Hoover Recreation Center was recognized in 1995 by the Alabama Parks and Recreation Association as the Outstanding Multi-Use Facility in the State of Alabama. The Hoover Recreation

Center offers a multitude of recreational options including fitness programs, an indoor Olympic size pool, an indoor track, a gymnasium, racquetball courts, and a variety of amenities that you would expect in a top notch health club.

In May, 1995, the Government acquired 179 acres of unimproved land spanning the Cahaba River. This land is being developed as The Rocky Ridge Sports Park and will include nine baseball/softball fields, three football/soccer fields and approximately 129 acres will be left undeveloped as a passive park along the river.

In June, 1995, the Government acquired the Aldridge property. Consisting of approximately 31 acres, the property includes an upscale residential dwelling of 3,733 square feet, landscaped grounds, a small lake, a boathouse, a swimming pool and a utility building. This property has been designated as a city park and will be known as Aldridge Park and Gardens. The park will be used for citizens' social and civic events, for unstructured recreation, and as a botanical garden specializing in hydrangeas.

Other noteworthy occurrences during the year included the third annual "Southern Voices" conference with the featured speaker being noted novelist Pat Conroy, author of "The Prince of Tides" and many other well known novels. In addition, the Bruno's Memorial Golf Classic, a PGA Senior Tour event was held at Greystone Country Club.

### **For the Future**

The Government is continuing efforts to address additional treatment capacity and related matters at the wastewater treatment facility located in the Inverness area. During the previous thirty months extensive efforts have been made to address all environmental concerns and economic factors associated with the treatment facility and collection system, including continuing dialog with officials of the Environmental Protection Agency, Region IV, in Atlanta, and with representatives of the Alabama Department of Environmental Management in Montgomery. Current plans are to commence engineering design of a new treatment facility in the near future while simultaneously reviewing the wastewater collection system, with subsequent reparations to the collection system being implemented concurrent with construction of the new treatment facility. The new facility will be state-of-the-art design, utilizing modern technology to achieve the most practicable treatment available today. It is recognized that environmental matters are of utmost importance to everyone, and the City will continue with timely endeavors to address the concerns of all residents. It is anticipated that the current efforts associated with the Inverness treatment facility and collection system will continue well into the future.

Beginning in early 1996 in the City of Hoover, citizens will be offered the services of a medic alert system. The Hoover Medic Alert System will give subscribers the ability to request medical help by pressing a button which will directly contact the Hoover 911

Communications Center. The Communications Center will have medical information and emergency contacts on file. Voice contact can be made between the home equipment and the Hoover 911 Communications Center.

The Government has initiated a Cross Functional Management System in Fiscal 1996. A cross functional management team (presently comprised of three individuals but subsequently to be expanded to five) will report directly to the Mayor rather than have all department heads reporting to the Mayor as has been the case in the past. City services are now broken down into clusters which will be managed by the appropriate member of the cross functional management team. The rationale is that a small cadre of professionals be in charge of daily operations working in close communication and cooperation with one another in an atmosphere of adhocracy to respond appropriately in an ever changing environment. The essential advantage of the realignment is enhanced focus on the big picture for top management. The core group will work as a team of generalists with the overall effectiveness and efficiency of service delivery as the primary mission in mind for total City management.

Modifications to the interchange at I 459 and U. S. Highway 31 are greatly needed to relieve traffic congestion near the Riverchase Galleria, a large, regional shopping mall. The City has undertaken and completed the Interchange Modification Study required by State and Federal authorities. Further, the Mayor has met with the State Governor concerning the necessity for funding the project. Now the preliminary engineering work for the actual corridor study has commenced. This includes the environmental impact study. The corridor study is expected to be 90% complete by the end of the year. This is a long range project that will take several years to complete.

### **Focus - Human Resources**

The rapid growth of the City workforce has created a dramatic change in the function of the Human Resources Department. Recruitment and processing of applicants has become a primary focus, as the number of City employees has grown by 98 positions over the last two years. Applications are usually abundant, with more than 2,600 applications being accepted over the last two years. Human Resources has taken an active role in assisting departments with applicant screening, evaluation, reference checking, and interviewing. They have implemented a computer software system which will track applicant information, and which will assist in evaluating an applicant's activities. Now in its final stages, the project will produce current and valid job descriptions for each position, and a job-related performance appraisal system. Care must be taken in the future to modify these job descriptions and appraisal forms to accurately reflect the tasks being performed in each job, and the relative importance of these tasks. Human Resources also continues to emphasize employee relations and services. With the City now having over 500 employees, much time is devoted to administering employee benefits and providing close personal attention to employee needs.

## **Financial Information**

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

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

As part of the Government's single audit, described earlier, tests were made of the Government's internal control structure and of its compliance with applicable laws and regulations, including those related to federal assistance programs. Although this testing was not sufficient to support an opinion on the Government's internal control system or its compliance with laws and regulations related to nonmajor federal financial assistance programs, the audit for the year ended September 30, 1995, disclosed no material internal control weaknesses or material violations of laws and regulations.

The Government maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the General Fund and Special Revenue Funds are included in the annual appropriated budget. Project-length financial plans are adopted for the Capital Projects Funds. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function and activity within an individual fund; however, the City Council may authorize expenditures from time to time during the year without legally amending the previously adopted budget. Encumbrance accounting is not employed. Appropriations automatically lapse at year end.

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

### General Government Functions

The following schedules present a summary of General Fund and Special Revenue Funds revenues for the fiscal year ended September 30, 1995, and the amount and percentages of increases and decreases in relation to prior year revenues:

<u>Revenues</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 1994</u>	<u>Percent of increase (Decrease)</u>
Taxes	\$ 37,881,580	76.38 %	\$ 6,990,154	22.63 %
Licenses and Permits	6,376,852	12.86	515,955	8.80
Intergovernmental	2,448,911	4.94	280,792	12.95
Fines and forfeits	487,896	0.98	( 8,679 )	( 1.75 )
Interest earned	1,065,848	2.15	219,033	25.87
Other	<u>1,334,423</u>	<u>2.69</u>	<u>( 35,606 )</u>	<u>( 2.60 )</u>
Total	\$ <u>49,595,510</u>	<u>100.00 %</u>	\$ <u>7,961,649</u>	19.12 %

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

<u>Revenues</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 1994</u>	<u>Percent of Increase (Decrease)</u>
Sales and use taxes	\$ 34,085,710 (A)	68.72 %	\$ 6,517,073	23.64 %
Business licenses	4,074,618 (B)	8.22	234,168	6.10
Property taxes	3,605,798 (A)	7.27	462,619	14.72
Intergovernmental	2,448,911	4.94	280,792	12.95
Building permits	1,853,418 (B)	3.74	248,435	15.48
Interest earned	1,065,848	2.15	219,033	25.87
E-911	739,382 (C)	1.49	119,297	19.24
Fines and forfeits	487,896	0.98	( 8,679 )	( 1.75 )
All other revenue	<u>1,233,929 (D)</u>	<u>2.49</u>	<u>(111,089)</u>	<u>( 8.26 )</u>
Total revenues	\$ <u>49,595,510</u>	<u>100.00 %</u>	\$ <u>7,961,649</u>	19.12 %

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

Taxes	\$ 190,072
Licenses and permits	448,816
Other	<u>595,041</u>
	\$ <u>1,233,929</u>

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

<u>Fiscal Year</u>		<u>Sales and Use Tax Revenues</u>	<u>Percent of Total Revenues</u>	<u>Percent of Increase from Previous Year</u>
1986	\$	7,576,464	61.6 %	50.7 %
1987		10,415,505	65.6	37.5
1988		11,607,404	64.1	11.4
1989		12,716,945	61.4	9.6
1990		15,003,431	61.1	18.0
1991		15,911,832	57.7	6.1
1992		17,278,328	59.0	8.6
1993		20,728,713	59.2	20.0
1994		27,568,637	66.2	33.0
1995		34,085,710	68.6	23.6

Sales and Use taxes revenues increased 23.64% from Fiscal 1994 to Fiscal 1995 primarily because the City Council passed a 1% tax rate increase (from 2% to 3%) which became effective March 1, 1994.

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

<u>Fiscal Year</u>		<u>Business Licenses Revenue</u>	<u>Percent of Total Revenue</u>	<u>Percent of Increase from Previous Year</u>
1986	\$	1,461,599	11.9 %	22.7 %
1987		2,011,474	12.7	37.6
1988		2,260,556	12.5	12.4
1989		2,737,541	13.2	21.1
1990		3,232,457	13.2	18.1
1991		3,581,808	13.0	10.8
1992		3,718,290	12.7	3.8
1993		4,002,574	12.0	7.7
1994		3,840,450	9.2	( 4.1 )
1995		4,074,618	8.2	6.1

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

<u>Fiscal Year</u>	<u>Property Tax Revenue</u>	<u>Percent of Total Revenue</u>	<u>Percent of Increase (Decrease) from Previous Year</u>
1986	\$ 987,239	8.0 %	( 11.2 )%
1987	1,269,528	8.0	28.6
1988	1,518,902	8.4	19.6
1989	2,135,976	10.3	40.6
1990	2,322,404	9.5	8.7
1991	2,612,328	9.5	12.5
1992	2,828,634	9.7	8.3
1993	2,898,359	8.7	2.5
1994	3,143,179	7.5	8.5
1995	3,605,798	7.3	14.7

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

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

The following schedule presents a summary of General Fund and Special Revenue Funds expenditures for the fiscal year ended September 30, 1995, and the percentage of increases and decreases in relation to prior year amounts:

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 1994</u>	<u>Percent of Increase (Decrease)</u>
<b>Current</b>				
General Government	\$ 3,650,427	11.68 %	\$ 489,347	15.48 %
Public Safety	14,625,203	46.80	1,761,824	13.70
Municipal Court	298,097	0.95	45,802	18.15
Streets and Sanitation	4,360,208	13.95	394,595	9.95
Health	331,883	1.06	20,036	6.43
Capital Outlays	3,064,094	9.81	835,002	37.46
<b>Debt Service</b>				
Principal	1,541,345	4.93	( 132,466 )	( 7.91 )
Interest	3,380,496	10.82	84,879	2.58
Issuance Costs	-	-	( 514,415 )	(100.00 )
<b>Total Expenditures</b>	<b><u>\$ 31,251,753</u></b>	<b><u>100.00 %</u></b>	<b><u>\$ 2,984,604</u></b>	<b>10.56 %</b>

In addition to the above expenditures, operating transfers totalling \$7,975,000 and \$9,916,528 were made to the Sewer Enterprise Fund and the component units respectively.

Expenditures for personal services including salaries, retirement contributions and other employee benefits totalled \$16,290,750 in Fiscal 1995, compared to \$14,202,231 in Fiscal 1994. This was an increase of \$2,088,519. The increase resulted from the hiring of additional employees, a 3% across the board pay increase and merit raises.

Personal services expenditures comprised 70.0% of operating expenditures and 52.13% of total expenditures in Fiscal 1995 as compared to 69.1% of operating expenditures and 50.2% of total expenditures in Fiscal 1994.

Capital outlays from general and special revenue funds totalled \$3,064,094 in Fiscal 1995, an increase of \$835,002. Capital outlays were as follows:

	<u>Land</u>	<u>Construction</u>	<u>Vehicles</u>	<u>Equipment</u>	<u>Total</u>
<b>General Government</b>					
Administration	-	\$ 657,149	\$ 14,601	\$ 224,284	\$ 896,034
Municipal Garage	-	-	-	16,517	16,517
<b>Total General Government</b>	<u>-</u>	<u>657,149</u>	<u>14,601</u>	<u>240,801</u>	<u>912,551</u>
<b>Public Safety</b>					
Police	-	-	263,517	306,321	569,838
Fire	\$ 50,271	26,607	842,335	155,198	1,074,411
Inspection	-	48,179	42,314	21,158	111,651
<b>Total Public Safety</b>	<u>50,271</u>	<u>74,786</u>	<u>1,148,166</u>	<u>482,677</u>	<u>1,755,900</u>
<b>Municipal Court</b>	<u>-</u>	<u>1,262</u>	<u>-</u>	<u>4,113</u>	<u>5,375</u>
<b>Streets and Sanitation</b>	<u>-</u>	<u>57,599</u>	<u>123,005</u>	<u>209,664</u>	<u>390,268</u>
<b>Health</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u>\$ 50,271</u>	<u>\$ 790,796</u>	<u>\$ 1,285,772</u>	<u>\$ 937,255</u>	<u>\$ 3,064,094</u>

## **General Fund Balance**

The unreserved, undesignated fund balance of the General Fund increased 10% in Fiscal 1995. This increase, which totalled \$634,313, resulted from continued revenue growth, fiscal conservatism and an increase in the general sales and use tax rate from two to three percent.

## **Enterprise Operations**

The City's only enterprise fund is a Sewer Enterprise Fund which accounts for the operations of the Riverchase and Inverness sewage treatment plants. The Riverchase sewage treatment plant and plant additions are financed by general long-term debt. No long-term debt is recorded in the Sewer Enterprise Fund. The plant and plant additions have been charged as assets in the Sewer Enterprise Fund with a corresponding credit to contributed capital from other funds. The Inverness sewage treatment plant, land and equipment were contributed to the City by the developer of Inverness in connection with the annexation of the commercial portion of Inverness. The plant, land and equipment have been charged as assets in the Sewer Enterprise Fund with a corresponding credit to contributed capital from developers.

The Sewer Enterprise Fund incurred losses (before operating transfers in) of \$215,298 and \$532,957 for Fiscal 1995 and Fiscal 1994 respectively. Net cash used by operating activities totalled \$55,279 and \$146,104 for Fiscal 1995 and Fiscal 1994 respectively. Operating transfers to the Sewer Enterprise Fund from other funds totalled \$3,000,000 in Fiscal 1995 and \$2,864,000 in Fiscal 1994. As mentioned above, the large transfers of funds to the Sewer Enterprise Fund are to defray the cost of construction of the planned new treatment facility.

## **Pension Administration**

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

## **Debt Administration**

At year end, the City had a number of debt issues outstanding. These issues included general obligation warrants totalling \$64,964,061 and capital leases totalling \$28,014. The City had its rating upgraded from A to A1 by Moody's Investors Service during the year and maintained its A+ rating from Standard and Poor's Corporation.

## **Cash Management**

The City utilizes a bank "lock box" system under which the majority of its revenue is sent by the taxpayers directly to its depository. The City also utilizes a "zero balance" checking account under which all deposits go directly into an interest bearing bank public funds investment account. Cash is transferred from the investment account to the checking account on a daily basis to cover issued checks presented for payment. Using this method the City is assured that all funds are invested. The bank public funds investment account interest rate is set at thirty basis points above the current interest rate on three month Treasury Bills which changes weekly. In addition to the public funds investment account, the City also invests in certificates of deposits with local banks. The average yield on investments for Fiscal 1995 was 5.77%.

The City's investment policy at present is to keep all idle funds invested at the best short-term rates available in financially sound local banks; also, to keep all invested funds insured by the FDIC or collateralized. All collateral is held in the City's name by a third party, The Federal Reserve Bank of Atlanta, Georgia.

## **Risk Management**

The City has a limited self-insurance retention plan, using two professional claims handlers, to account for its uninsured risks of loss. All insurance coverage, except workers compensation, is carried with a retention of \$50,000 per occurrence. The aggregate annual retention on all claims is \$300,000. Excess insurance is provided for catastrophic occurrences.

The City contracts with another professional claims handling firm to supervise and pay workers compensation claims from a fund provided by the City. Since benefits may be statutory, an excess policy provides coverage for individual claims over \$275,000 and for aggregate annual claims over \$564,600.

## **Other Information**

### **Independent Audit**

State statutes require an annual audit by the State Department of Examiners of Public Accounts or by independent certified public accountants. The accounting firm of Livings & Company, CPA's performed the audit. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Federal Single Audit Act of 1984 and the related Office of Management and Budget's Circular A-128. Generally accepted auditing standards, and the standards set forth in the General Accounting Office's Government Auditing Standards were used by the auditors in conducting the engagement. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports on internal controls and compliance with applicable laws and regulations can be found in a separately issued single audit report.

## Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Government for its comprehensive annual financial report for the fiscal year ended September 30, 1994. This was the thirteenth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

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

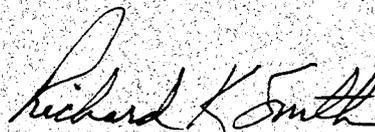
## Acknowledgements

The preparation of this comprehensive annual financial report was made possible by the dedicated service of the Finance Department staff, our auditors, Livings & Company, CPA's and our financial reporting consultants, Moody & Morgan, CPA's. We wish to express our appreciation to them. Further, we wish to thank the City Council for their continued support as we strive to excel in financial reporting.

Sincerely,



Frank S. Skinner, Jr.  
Mayor



Richard K. Smith  
Finance Director

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# Certificate of Achievement for Excellence in Financial Reporting

Presented to

## City of Hoover, Alabama

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
September 30, 1994

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

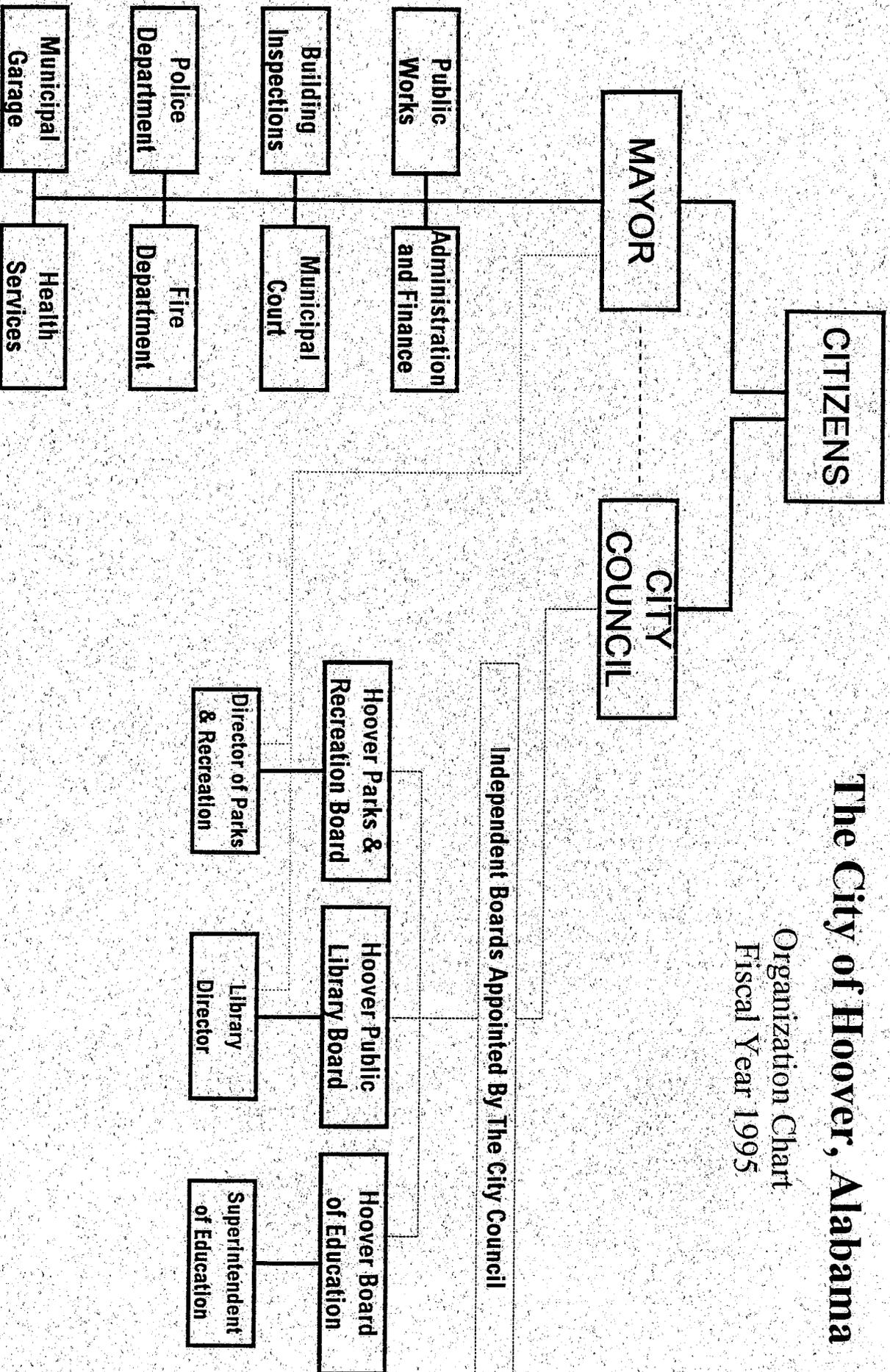


President

Executive Director

# The City of Hoover, Alabama

Organization Chart  
Fiscal Year 1995



**Officials of The City of Hoover, Alabama**  
**September 30, 1995**

Mayor

Frank S. Skinner, Jr.

---

City Council

William J. Billingsley, President

David L. Bradley

Johanna J. Hutto

Barbara B. McCollum

Brian L. Skelton

---

Assistant to the Mayor

Edward R. Braden

---

Director of Operations

Allen Pate

---

Heads of Departments

Finance.....	Richard K. Smith, Director
City Clerk.....	Linda H. Crump, City Clerk
Police.....	David A. Cummings, Chief
Fire.....	Thomas E. Bradley, Chief
Inspection Services.....	Gerald R. Smith, Building Official
Public Works.....	Steven W. Brown, Director
Parks & Recreation.....	James E. Fisher, Director
Library.....	Linda R. Andrews, Director
Court.....	Susan Vincent, Supervising Court Clerk

---

City Attorney  
Jack H. Harrison

Municipal Judge  
T. Brad Bishop

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# **FINANCIAL SECTION**

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# Livings & Company

Certified Public Accountants

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Post Office Box 157  
The Wheelock Building • 113 North 22nd Street  
Birmingham, Alabama 35201-0157  
(205) 252-7900 • Fax (205) 323-8100

## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying general purpose financial statements of the City of Hoover, Alabama, and the combining, individual fund and account group financial statements of the City of Hoover, Alabama, as of and for the years ended September 30, 1995 and 1994, as listed in the table of contents. These financial statements are the responsibility of the City of Hoover, Alabama's management. Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of the City of Hoover, Alabama Board of Education, which represent the amounts shown as the component unit, Board of Education. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Hoover, Alabama Board of Education is based solely on the report of the other auditors.

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

In our opinion, based on our audits and the report of other auditors, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Hoover, Alabama, at September 30, 1995 and 1994, and the results of its operations and the cash flows of its proprietary fund for the years then ended, in conformity with generally accepted accounting principles. Also, in our opinion, the combining, individual fund and account group financial statements referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of the City of Hoover, Alabama, at September 30, 1995 and 1994, and the results of operations of such funds and the cash flows of the proprietary fund for the years then ended, in conformity with generally accepted accounting principles.

Continued on Page 20.

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

*Srinivas Company*

February 2, 1996

**GENERAL PURPOSE FINANCIAL  
STATEMENTS**

**THE CITY OF HOOVER, ALABAMA**  
**Combined Balance Sheet**  
**All Fund Types, Account Groups and Discretely Presented Component Units**  
September 30, 1995

	Governmental Fund Types			Proprietary Fund Type	Fiduciary Fund Type
	General	Special Revenue	Capital Projects	Sewer Enterprise	Agency
<b>Assets and other debits</b>					
<b>Assets</b>					
Pooled cash and investments	\$4,941,169	\$717,106	\$1,204,328	\$5,964,961	\$536,687
Receivables					
Taxes	2,686,531	-	-	-	-
Accounts	15,011	-	-	109,059	-
Interest	-	-	-	-	-
Loan receivable - component unit	7,845,000	-	-	-	-
Due from other governments					
County	390,873	-	-	-	-
State	-	61,058	-	-	-
Federal	-	-	-	-	-
Inventory	-	-	-	3,100	-
Prepaid items	65,192	-	-	-	-
Fixed assets (net, where applicable, of accumulated depreciation)	-	-	-	3,151,000	-
Deposits	10,000	-	-	-	-
Deferred compensation plan assets	-	-	-	-	-
Other debits					
Amount to be provided for retirement of general long-term debt	-	-	-	-	-
<b>Total assets</b>	<b><u>\$15,953,776</u></b>	<b><u>\$778,164</u></b>	<b><u>\$1,204,328</u></b>	<b><u>\$9,228,120</u></b>	<b><u>\$536,687</u></b>
<b>Liabilities, equity and other credits</b>					
<b>Liabilities</b>					
Accounts payable and accrued liabilities	\$734,502	\$223	\$17,905	\$9,457	-
Claims and judgments payable	-	-	-	-	-
Loan payable - primary government	-	-	-	-	-
Notes and capital leases payable	-	-	-	-	-
General obligation warrants payable	-	-	660,377	-	-
Refundable deposits	87,326	-	-	5,000	-
Accrued compensated leave	199,278	-	-	-	-
Deferred compensation benefits payable	-	-	-	-	\$536,687
<b>Total liabilities</b>	<b><u>1,021,106</u></b>	<b><u>223</u></b>	<b><u>678,282</u></b>	<b><u>14,457</u></b>	<b><u>536,687</u></b>
<b>Equity and other credits</b>					
Investment in general fixed assets	-	-	-	-	-
Contributed capital	-	-	-	8,037,847	-
Retained earnings	-	-	-	1,175,816	-
<b>Fund balances</b>					
Reserved for noncurrent loans receivable	7,845,000	-	-	-	-
Reserved for prepaid items	65,192	-	-	-	-
Reserved for inventories	-	-	-	-	-
Reserved for building commitments	-	-	-	-	-
Reserved for encumbrances	-	-	-	-	-
Unreserved, designated for acquisition, construction and improvements	-	-	526,046	-	-
Unreserved, undesignated	7,022,478	777,941	-	-	-
<b>Total equity and other credits</b>	<b><u>14,932,670</u></b>	<b><u>777,941</u></b>	<b><u>526,046</u></b>	<b><u>9,213,663</u></b>	<b><u>-</u></b>
<b>Total liabilities, equity and other credits</b>	<b><u>\$15,953,776</u></b>	<b><u>\$778,164</u></b>	<b><u>\$1,204,328</u></b>	<b><u>\$9,228,120</u></b>	<b><u>\$536,687</u></b>

Account Groups		Totals (Memorandum Only)	Component Units	Totals (Memorandum Only)
General Fixed Assets	General Long-term Debt	Primary Government		Reporting Entity
-	-	\$13,364,251	\$16,287,887	\$29,652,138
-	-	2,686,531	-	2,686,531
-	-	124,070	-	124,070
-	-	-	63,064	63,064
-	-	7,845,000	-	7,845,000
-	-	390,873	345,033	735,906
-	-	61,058	15,800	76,858
-	-	-	117,681	117,681
-	-	3,100	36,375	39,475
-	-	65,192	-	65,192
\$28,880,499	-	32,031,499	151,884,129	183,915,628
-	-	10,000	-	10,000
-	-	-	907,621	907,621
-	\$67,211,350	67,211,350	93,434,199	160,645,549
<u>\$28,880,499</u>	<u>\$67,211,350</u>	<u>\$123,792,924</u>	<u>\$263,091,789</u>	<u>\$386,884,713</u>
-	-	\$762,087	\$3,590,306	\$4,352,393
-	\$415,311	415,311	-	415,311
-	-	-	7,845,000	7,845,000
-	28,014	28,014	489,270	517,284
-	64,303,684	64,964,061	83,469,929	148,433,990
-	-	92,326	-	92,326
-	2,464,341	2,663,619	-	2,663,619
-	-	536,687	941,420	1,478,107
-	<u>67,211,350</u>	<u>69,462,105</u>	<u>96,335,925</u>	<u>165,798,030</u>
\$28,880,499	-	28,880,499	151,884,129	180,764,628
-	-	8,037,847	-	8,037,847
-	-	1,175,816	-	1,175,816
-	-	7,845,000	-	7,845,000
-	-	65,192	-	65,192
-	-	-	36,375	36,375
-	-	-	2,877,649	2,877,649
-	-	-	521,547	521,547
-	-	526,046	-	526,046
-	-	7,800,419	11,436,164	19,236,583
<u>28,880,499</u>	<u>-</u>	<u>54,330,819</u>	<u>166,755,864</u>	<u>221,086,683</u>
<u>\$28,880,499</u>	<u>\$67,211,350</u>	<u>\$123,792,924</u>	<u>\$263,091,789</u>	<u>\$386,884,713</u>

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

**THE CITY OF HOOVER, ALABAMA**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balances**  
**All Governmental Fund Types and Discretely Presented Component Units**  
For the fiscal year ended September 30, 1995

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	Primary Government
<b>Revenues</b>				
Taxes	\$37,881,580	-	-	\$37,881,580
Licenses and permits	6,376,852	-	-	6,376,852
Intergovernmental	1,771,711	\$677,200	-	2,448,911
Fines & forfeits	487,896	-	-	487,896
Interest on pooled cash and investments	444,185	47,863	\$115,138	607,186
Interest on Board of Education loan	573,800	-	-	573,800
Stadium lease	-	-	-	-
Other	595,041	739,382	-	1,334,423
Total revenues	<u>48,131,065</u>	<u>1,464,445</u>	<u>115,138</u>	<u>49,710,648</u>
<b>Expenditures</b>				
Current operations				
General government	3,650,427	-	-	3,650,427
Public safety	13,929,281	695,922	-	14,625,203
Municipal court	298,097	-	-	298,097
Streets and sanitation	3,776,898	583,310	-	4,360,208
Recreation	-	-	-	-
Library	-	-	-	-
Health	331,883	-	-	331,883
Instructional services	-	-	-	-
Instructional support services	-	-	-	-
Operation and maintenance	-	-	-	-
Auxiliary services	-	-	-	-
Fixed charges	-	-	-	-
Other	-	-	-	-
Total	<u>21,986,586</u>	<u>1,279,232</u>	<u>-</u>	<u>23,265,818</u>
Capital outlays	3,014,284	49,810	6,479,719	9,543,813
Debt service				
Principal	1,541,345	-	-	1,541,345
Interest and fiscal charges	3,380,496	-	-	3,380,496
Total expenditures	<u>29,922,711</u>	<u>1,329,042</u>	<u>6,479,719</u>	<u>37,731,472</u>
Excess (deficiency) of revenues over (under) expenditures	<u>18,208,354</u>	<u>135,403</u>	<u>(6,364,581)</u>	<u>11,979,176</u>
<b>Other financing sources (uses)</b>				
Operating transfers in	-	-	4,975,000	4,975,000
Operating transfers out	(7,975,000)	-	-	(7,975,000)
Operating transfers in - primary government	-	-	-	-
Operating transfers out - component units	(9,916,528)	-	-	(9,916,528)
Proceeds of general obligation warrants, notes payable and capital leases	-	-	1,700,000	1,700,000
Total other financing sources (uses)	<u>(17,891,528)</u>	<u>-</u>	<u>6,675,000</u>	<u>(11,216,528)</u>
Excess (Deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	316,826	135,403	310,419	762,648
<b>Fund balances at beginning of year - restated</b>	<u>14,615,844</u>	<u>642,538</u>	<u>215,627</u>	<u>15,474,009</u>
<b>Fund balances at end of year</b>	<u>\$14,932,670</u>	<u>\$777,941</u>	<u>\$526,046</u>	<u>\$16,236,657</u>

<u>Component Units</u>	<u>Totals (Memorandum Only) Reporting Entity</u>
-	\$37,881,580
\$510,637	6,887,489
42,070,925	44,519,836
53,807	541,703
2,214	609,400
-	573,800
238,758	238,758
7,018,089	8,352,512
<u>49,894,430</u>	<u>99,605,078</u>
1,262,025	4,912,452
-	14,625,203
-	298,097
-	4,360,208
2,356,639	2,356,639
2,293,870	2,293,870
-	331,883
22,523,748	22,523,748
5,459,204	5,459,204
4,099,025	4,099,025
3,788,996	3,788,996
7,164,630	7,164,630
961,528	961,528
<u>49,909,665</u>	<u>73,175,483</u>
17,387,873	26,931,686
11,806,966	13,348,311
4,918,450	8,298,946
<u>84,022,954</u>	<u>121,754,426</u>
<u>(34,128,524)</u>	<u>(22,149,348)</u>
-	4,975,000
-	(7,975,000)
9,916,528	9,916,528
-	(9,916,528)
<u>20,243,751</u>	<u>21,943,751</u>
<u>30,160,279</u>	<u>18,943,751</u>
(3,968,245)	(3,205,597)
<u>18,839,980</u>	<u>34,313,989</u>
<u>\$14,871,735</u>	<u>\$31,108,392</u>

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

**THE CITY OF HOOVER, ALABAMA**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual**  
**General and Special Revenue Funds**  
For the fiscal year ended September 30, 1995

	General Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
<b>Revenues</b>			
Taxes	\$37,717,347	\$37,881,580	\$164,233
Licenses and permits	6,223,578	6,376,852	153,274
Intergovernmental	1,393,051	1,771,711	378,660
Fines & forfeits	615,004	487,896	(127,108)
Interest on pooled cash and investments	185,546	444,185	258,639
Interest on Board of Education loan	597,800	573,800	(24,000)
Other	592,000	595,041	3,041
Total revenues	<u>47,324,326</u>	<u>48,131,065</u>	<u>806,739</u>
<b>Expenditures</b>			
Current operations			
General government	3,810,012	3,650,427	159,585
Public safety	14,062,516	13,929,281	133,235
Municipal court	314,518	298,097	16,421
Streets and sanitation	4,317,890	3,776,898	540,992
Health	385,263	331,883	53,380
Total	<u>22,890,199</u>	<u>21,986,586</u>	<u>903,613</u>
Capital outlays	4,028,788	3,014,284	1,014,504
Debt service			
Principal	1,605,088	1,541,345	63,743
Interest and fiscal charges	3,278,108	3,380,496	(102,388)
Total expenditures	<u>31,802,183</u>	<u>29,922,711</u>	<u>1,879,472</u>
Excess (deficiency) of revenues over (under) expenditures	<u>15,522,143</u>	<u>18,208,354</u>	<u>2,686,211</u>
<b>Other financing sources (uses)</b>			
Operating transfers out	(5,500,000)	(7,975,000)	(2,475,000)
Operating transfers out - component units	(9,832,896)	(9,916,528)	(83,632)
Total other financing uses	<u>(15,332,896)</u>	<u>(17,891,528)</u>	<u>(2,558,632)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$189,247</u>	<u>316,826</u>	<u>\$127,579</u>
<b>Fund balances at beginning of year - restated</b>		<u>14,615,844</u>	
<b>Fund balances at end of year</b>		<u>\$14,932,670</u>	

<u>Special Revenue Funds</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
-	-	-
\$675,000	\$677,200	\$2,200
21,000	47,863	26,863
-	-	-
649,838	739,382	89,544
<u>1,345,838</u>	<u>1,464,445</u>	<u>118,607</u>
-	-	-
680,105	695,922	(15,817)
-	-	-
683,200	583,310	99,890
-	-	-
1,363,305	1,279,232	84,073
62,695	49,810	12,885
-	-	-
<u>1,426,000</u>	<u>1,329,042</u>	<u>96,958</u>
-	-	-
<u>(80,162)</u>	<u>135,403</u>	<u>215,565</u>
-	-	-
-	-	-
<u>(80,162)</u>	135,403	<u>\$215,565</u>
-	642,538	-
-	<u>\$777,941</u>	-

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

**THE CITY OF HOOVER, ALABAMA**  
**Statements of Revenues, Expenses and Changes in**  
**Retained Earnings (Deficit) - Proprietary Fund Type**  
**Sewer Enterprise Fund**  
For the fiscal year ended September 30

	<u>1995</u>	<u>1994</u>
<b>Operating Revenues</b>		
Charges for services	<u>\$901,390</u>	<u>\$765,608</u>
<b>Operating expenses</b>		
Depreciation	445,978	412,024
Management fees	436,639	409,373
Repairs and maintenance	80,160	110,797
Utilities	182,856	195,343
Personal services	42,170	40,073
Collection fees	39,259	27,456
Supplies	59,207	42,741
Telephone	4,622	3,881
Engineering fees	33,008	84,426
Total operating expenses	<u>1,323,899</u>	<u>1,326,114</u>
Operating loss	(422,509)	(560,506)
Non-operating revenue - interest	<u>207,211</u>	<u>27,549</u>
Loss before operating transfers	(215,298)	(532,957)
Operating transfers in	<u>3,000,000</u>	<u>2,864,000</u>
Net income	2,784,702	2,331,043
<b>Retained earnings (deficit) at beginning of year</b>	<u>(1,608,886)</u>	<u>(3,939,929)</u>
<b>Retained earnings (deficit) at end of year</b>	<u>\$1,175,816</u>	<u>(\$1,608,886)</u>

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

**THE CITY OF HOOVER, ALABAMA**  
**Statements of Cash Flows**  
**Proprietary Fund Type - Sewer Enterprise Fund**  
**Increase (Decrease) in Cash and Cash Equivalents**  
**For the fiscal year ended September 30**

	1995	1994
<b>Cash flows from operating activities:</b>		
Cash received from customers	\$866,510	\$772,619
Cash payments to suppliers	(445,036)	(472,287)
Cash payments to management companies	(436,639)	(409,373)
Cash payments to employees	(40,114)	(37,063)
Net cash used by operating activities	(55,279)	(146,104)
<b>Cash flows from noncapital financing activities:</b>		
Operating transfers in	391.06-00 3,000,000	2,864,000
Net cash provided by noncapital financing activities	3,000,000	2,864,000
<b>Cash flows from capital and related financing activities:</b>		
Acquisition and construction of capital assets	(426,451)	(100,462)
Capital contributed by customers	282,450 ✓	261,755
Net cash provided (used) by capital and related financing activities	(144,001)	161,293
<b>Cash flows from investing activities:</b>		
Interest earned on pooled cash and investments	207,211	27,549
Net cash provided by investing activities	207,211	27,549 361.01-01
Net increase in pooled cash and investments	3,007,931	2,906,738
Pooled cash and investments, beginning of year	× 2,957,030 -	50,292
Pooled cash and investments, end of year	\$5,964,961	\$2,957,030 ×

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

Operating loss	(\$422,509)	(\$560,506)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation	445,978	412,024
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	144.01-00 (34,880)	7,011 ×
Increase in accrued expenses	203.00-00 2,056	203,00-00 3,010
Decrease in accounts payable	202.00-00 (45,924)	(7,643) -
Net cash used by operating activities	(\$55,279)	(\$146,104)

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

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# **NOTES TO THE FINANCIAL STATEMENTS**

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**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements**  
September 30, 1995

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

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

**Discretely Presented Component Units -**

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

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

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

Complete financial statements are not prepared for the Park and Recreation Board and the Library Board. Complete financial statements for the Board of Education may be obtained from its administrative office at the following address:

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

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

A. Reporting Entity - Continued

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

Balance Sheets

	<u>Board of Education</u>	<u>Park and Recreation Board</u>	<u>Library Board</u>	<u>Totals</u>
<b>Assets and other debits:</b>				
Current assets	\$17,706,018	-	\$67,443	\$17,773,461
Fixed assets	110,723,375	\$34,986,285	6,174,469	151,884,129
Amount to be provided for retirement of general long-term debt	<u>93,434,199</u>	<u>-</u>	<u>-</u>	<u>93,434,199</u>
<b>Total assets and other debits</b>	<b><u>\$221,863,592</u></b>	<b><u>\$34,986,285</u></b>	<b><u>\$6,241,912</u></b>	<b><u>\$263,091,789</u></b>
<b>Liabilities:</b>				
Current liabilities	\$4,531,726	-	-	\$4,531,726
Long-term liabilities	<u>91,804,199</u>	<u>-</u>	<u>-</u>	<u>91,804,199</u>
<b>Total liabilities</b>	<b><u>96,335,925</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>96,335,925</u></b>
<b>Equity:</b>				
Investment in general fixed assets	110,723,375	34,986,285	6,174,469	151,884,129
Fund balances	<u>14,804,292</u>	<u>-</u>	<u>67,443</u>	<u>14,871,735</u>
<b>Total equity</b>	<b><u>125,527,667</u></b>	<b><u>34,986,285</u></b>	<b><u>6,241,912</u></b>	<b><u>166,755,864</u></b>
<b>Total liabilities and equity</b>	<b><u>\$221,863,592</u></b>	<b><u>\$34,986,285</u></b>	<b><u>\$6,241,912</u></b>	<b><u>\$263,091,789</u></b>

Statements of Revenues, Expenditures and Changes in Fund Balances

Revenues	<u>\$48,832,885</u>	<u>\$769,000</u>	<u>\$292,545</u>	<u>\$49,894,430</u>
<b>Expenditures</b>				
Current operations	45,259,156	2,356,639	2,293,870	49,909,665
Capital outlays	16,603,714	647,179	136,980	17,387,873
Debt service	<u>16,725,416</u>	<u>-</u>	<u>-</u>	<u>16,725,416</u>
<b>Total expenditures</b>	<b><u>78,588,286</u></b>	<b><u>3,003,818</u></b>	<b><u>2,430,850</u></b>	<b><u>84,022,954</u></b>
<b>Other financing sources</b>				
Operating transfers in - primary government	5,547,417	2,234,818	2,134,293	9,916,528
Proceeds of long-term debt	<u>20,243,751</u>	<u>-</u>	<u>-</u>	<u>20,243,751</u>
<b>Total other financing sources</b>	<b><u>25,791,168</u></b>	<b><u>\$2,234,818</u></b>	<b><u>2,134,293</u></b>	<b><u>30,160,279</u></b>
Deficiency of revenues and other financing sources under expenditures	(3,964,233)	-	(4,012)	(3,968,245)
Fund balances - beginning of year - restated	<u>18,768,525</u>	<u>-</u>	<u>71,455</u>	<u>18,839,980</u>
<b>Fund balances - end of year</b>	<b><u>\$14,804,292</u></b>	<b><u>-</u></b>	<b><u>\$67,443</u></b>	<b><u>\$14,871,735</u></b>

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

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

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

The City has the following fund types and account groups:

**Governmental Funds:**

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

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

Governmental funds include the following fund types:

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

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

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

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

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

**Proprietary Funds:**

Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The City applies all applicable Financial Accounting Standards Board (FASB) pronouncements in accounting and reporting for its proprietary operations. The City's proprietary fund is of the following fund type:

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

**Fiduciary Fund:**

Fiduciary funds account for assets held by the City in a trustee capacity or as an agent on behalf of others.

**Agency Fund** - The agency fund is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. This fund is used to account for assets that the City holds for others in an agency capacity.

**Account Groups:**

**General Fixed Asset Account Group** - The general fixed assets account group is used to account for fixed assets not accounted for in the proprietary fund.

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

**C. Assets, Liabilities and Equity**

**1. Deposits and Investments**

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

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

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**C. Assets, Liabilities and Equity - Continued**

State statutes authorize the City to invest in obligations of the U.S. Treasury, U.S. corporate debt, U.S. corporate equities, State of Alabama obligations, county obligations, and other municipal obligations, as well as bank certificates of deposit and bank public funds investment accounts. It is the City's policy to invest only in obligations of the U.S. treasury, short-term bank certificates of deposit, and the bank public funds investment account. It is also the City's policy to require federal depository insurance or collateral to cover all of its deposits in financial institutions.

Investments are stated at cost, except for investments held by the deferred compensation agency fund, which are reported at market value.

**2. Receivables and Payables**

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

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

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

**3. Inventories and Prepaid Items**

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

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

**4. Fixed Assets**

Fixed assets used in governmental fund types of the City are recorded in the general fixed assets account group at cost or estimated historical cost if purchased or constructed. Donated fixed assets are recorded at their estimated fair value at the date of donation. Assets in the general fixed assets account group are not depreciated. Interest incurred during construction is not capitalized on general fixed assets.

Public domain (infrastructure) general fixed assets (e.g., roads, bridges, sidewalks and other assets that are immovable and of value only to the government) are not included in the general fixed assets account group.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not included in the general fixed assets account group or capitalized in the proprietary funds.

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

C. Assets, Liabilities and Equity - Continued

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

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

Property, plant and equipment are depreciated in the proprietary fund of the City using the straight-line method over the estimated useful lives of the respective assets. The estimated useful lives of the sewer treatment plants and equipment are fifteen years and seven years, respectively.

5. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation pay is accrued when incurred in the proprietary fund and reported as a fund liability. Sick leave is accrued when incurred only to the extent that it is probable that the benefits will result in payments to be made upon employees' termination or retirement, rather than taken as absences due to illnesses or other contingencies. Vacation pay and sick pay that are expected to be liquidated with expendable available financial resources are reported as expenditures and fund liabilities of the governmental fund that will pay them. Amounts not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group.

No expenditure is reported for amounts reported in the general long-term debt account group.

6. Long-Term Obligations

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

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

7. Fund Equity

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

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

C. Assets, Liabilities and Equity - Continued

8. Memorandum Only - Total Columns

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

9. Comparative Data/Reclassifications

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the City's financial position and operations. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

**NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

A. Budgetary Information

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

The City follows the following procedures in establishing the budgetary data reflected in the general purpose financial statements:

1. Prior to September 1, all departments of the City submit requests for appropriation to the City's Finance Director so that a budget may be prepared. The budget is prepared by fund, function and activity and includes annual information on the past year, current year estimates and requested appropriations for the next fiscal year.
2. Prior to October 1, the Mayor submits the appropriated budget to the City Council for the next fiscal year.
3. The City Council holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the Finance Director.
4. Expenditures may not legally exceed budgeted appropriations at the activity level. Management may not amend or transfer appropriations within the budget at or above the activity level without the approval of the City Council. The City Council may authorize expenditures from time to time during the year without legally amending the previously adopted budget. The City Council may legally amend the budget at any time during the fiscal year. During the year several supplementary appropriations were necessary.

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

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

**NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - CONTINUED**

**B. Excess of Expenditures Over Appropriations**

The total amounts of expenditures (over) under appropriations for the year ended September 30, 1995, at the legal level of control (the activity level) in individual funds are as follows:

<u>Activity</u>	<u>General Fund</u>	<u>E-911 Fund</u>	<u>State Seven Cent Gasoline Tax Fund</u>	<u>State Four and Five Cent Gasoline Tax Fund</u>	<u>Drug Enforcement Fund</u>	<u>Expenditures (Over) Under Appropriations</u>
Administration	\$150,490	-	-	-	-	\$150,490
Municipal garage	9,095	-	-	-	-	9,095
Police	(185,245)	\$(12,091)	-	-	\$(3,726)	(201,062)
Fire	217,459	-	-	-	-	217,459
Inspection	101,021	-	-	-	-	101,021
Municipal court	16,421	-	-	-	-	16,421
Streets and sanitation	540,992	-	-	\$99,890	-	640,882
Health	53,380	-	-	-	-	53,380

The excess of expenditures over appropriations in the police activities resulted from unavoidable overtime pay and additional expenditures authorized by the City Council without legally amending the budget.

**C. Deficit Fund Equity**

None of the City's funds had a deficit fund balance at September 30, 1995. The City Administration is committed to building and maintaining substantial unreserved, undesignated fund balances as cushions against periods of recession.

**NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS**

**A. Deposits and Investments**

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

Also, the bank balances of deposits for each of the discretely presented component units were entirely covered by federal depository insurance or by collateral held by the component unit's agent in the component unit's name.

Investments are categorized into three categories of credit risk:

- (1) Insured or registered, or securities held by the City or its agent in the City's name.
- (2) Uninsured and unregistered, with securities held by the counter-party's trust department or agent in the City's name.
- (3) Uninsured or unregistered, with securities held by the counter-party, or by its trust department or agent but not in the City's name.

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

**NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS**

**A. Deposits and Investments - Continued**

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

	<u>Category</u>			<u>Carrying Amount</u>	<u>Market Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>		
U.S. Treasury Bills and Notes	-	\$1,256,371	-	\$1,256,371	\$1,260,309
U.S. Government Agencies	-	<u>11,689,918</u>	-	<u>11,689,918</u>	<u>11,690,649</u>
Total	<u>-</u>	<u>\$12,946,289</u>	<u>-</u>	<u>\$12,946,289</u>	<u>\$12,950,958</u>

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

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

Carrying Amount of Deposits	\$3,274,155
Carrying Amount of Investments	<u>12,946,289</u>
Total Pooled Cash and Investments	<u>\$16,220,444</u>

**B. Receivables**

Taxes receivable -

A summary of the items included in taxes receivable at September 30, 1995 are set forth below:

	<u>1995</u>
Gasoline tax	\$32,800
Sales and use taxes	2,574,449
Beer tax	35,890
Motor vehicle registration fees	12,599
Property tax	26,293
Tobacco tax	<u>4,500</u>
Total	<u>\$2,686,531</u>

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

**NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS**

**B. Receivables - Continued**

A summary of the items included in accounts receivable at September 30, 1995 is set forth below:

General Fund:	<u>1995</u>
Intergovernmental receivables	\$ 2,956
Other	<u>12,055</u>
Total General Fund Accounts Receivables	15,011
Sewer Enterprise Fund:	
Sewer service charges	<u>109,059</u>
Total accounts receivable	<u>\$124,070</u>

No significant uncollectible amounts are anticipated on these receivables.

**C. Loan Receivable - Board of Education**

In fiscal 1989, the City issued general obligation school warrants in the amount of \$9 million and loaned the net proceeds to the Board of Education to be used for capital outlays. The outstanding balance of the loan of \$7,845,000 was forgiven by the City Council subsequent to year end.

Continued on Page 39

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

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

D. Fixed Assets

The following is a summary of changes in the General Fixed Asset Account Group during the year ended September 30, 1995:

	Balance October 1, <u>1994</u>	<u>Additions</u>	<u>Deductions</u>	Balance September 30, <u>1995</u>
Land	\$2,561,333	\$4,664,289	-	\$7,225,622
Buildings	8,160,568	341,101	-	8,501,669
Improvements other than buildings	110,324	2,930,866	-	3,041,190
Equipment and vehicles	<u>7,589,838</u>	<u>2,522,180</u>	<u>-</u>	<u>10,112,018</u>
Total	<u>\$18,422,063</u>	<u>\$10,458,436</u>	<u>-</u>	<u>\$28,880,499</u>

The beginning balances in the general fixed asset account group have been restated in order to properly report the fixed assets of the Park and Recreation Board and the Library Board in the discretely presented component units column on the combined balance sheet.

The following is a summary of proprietary fund type fixed assets for the City at September 30, 1995:

	<u>1995</u>	<u>1994</u>
Equipment	\$225,563	\$159,584
Land	643,000	643,000
Sewage treatment plants	<u>5,822,031</u>	<u>5,461,559</u>
Total	6,690,594	6,264,143
Less - Accumulated depreciation	<u>(3,539,594)</u>	<u>(3,093,616)</u>
Net	<u>\$3,151,000</u>	<u>\$3,170,527</u>

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

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

**D. Fixed Assets - Continued**

The following is a summary of changes in the general fixed assets account group during the fiscal year for the component unit Board of Education:

	Balance October 1, 1994	Additions	Deductions	Balance September 30, 1995
Land and improvements	\$5,118,863	\$1,090,957	-	\$6,209,820
Building and improvements	69,493,485	22,898,980	\$360,001	92,032,464
Equipment and vehicles	10,166,343	2,473,649	344,404	12,295,588
Construction in process	<u>9,830,285</u>	<u>185,503</u>	<u>9,830,285</u>	<u>185,503</u>
Total	<u>\$94,608,976</u>	<u>\$26,649,089</u>	<u>\$10,534,690</u>	<u>\$110,723,375</u>

The following is a summary of changes in the general fixed assets account group during the fiscal year for the component unit Park and Recreation Board.

	Balance October 1, 1994	Additions	Deductions	Balance September 30, 1995
Land	\$8,784,190	\$5,000	-	\$8,789,190
Buildings	6,213,347	-	-	6,213,347
Improvements other than buildings	18,691,571	368,727	-	19,060,298
Equipment and vehicles	<u>649,998</u>	<u>273,452</u>	-	<u>923,450</u>
Total	<u>\$34,339,106</u>	<u>\$647,179</u>	<u>-</u>	<u>\$34,986,285</u>

The following is a summary of changes in the general fixed assets account group during the fiscal year for the component unit Library Board.

	Balance October 1, 1994	Additions	Deductions	Balance September 30, 1995
Building	\$5,498,255	-	-	\$5,498,255
Improvements other than buildings	2,749	83,301	-	86,050
Equipment and vehicles	<u>536,485</u>	<u>53,679</u>	-	<u>590,164</u>
Total	<u>\$6,037,489</u>	<u>\$136,980</u>	<u>-</u>	<u>\$6,174,469</u>

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

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

E. Interfund Receivables and Payables

There were no interfund balances as of September 30, 1995.

F. Leases

The City has entered into a lease-purchase agreement for financing the acquisition of exercise equipment for the Recreation Center. This lease agreement qualifies as a capital lease for accounting purposes (title transfers at the end of the lease term) and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of their inception. This equipment is included in the General Fixed Assets of the Parks and Recreation Board, a discretely presented component unit.

The assets acquired through capital leases that are included in the Park and Recreation Board's general fixed assets account group are as follows:

Equipment    \$93,500

The following is a schedule of the future minimum lease payments under this agreement and the present value of the net minimum lease payments at September 30, 1995.

<u>Fiscal Year Ending</u> <u>September 30:</u>	<u>General</u> <u>Long-term</u> <u>Debt</u>
1996	\$23,277
1997	<u>11,639</u>
Total minimum lease payments	34,916
Less: Amount representing interest	<u>6,902</u>
Present value of future minimum lease payments	<u>\$28,014</u>

Park and Recreation Board as Lessor - On April 7, 1988, the Park and Recreation Board entered into a ten year lease and management agreement to lease Hoover Metropolitan Stadium to a professional baseball club. The lease and management agreements were renegotiated and amended on March 14, 1991 after the baseball club underwent a change in ownership. Lease revenues are based generally on percentages of the baseball club's revenues from various sources. Total revenue under the lease and management agreement for the fiscal year ended September 30, 1995 was \$238,758.

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

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

G. Long-Term Debt

General Obligation Warrants - The City issues general obligation warrants to provide funds for the acquisition and construction of major capital facilities. General obligation warrants have been issued for both general government and proprietary activities. All long-term warrants are reported in the general long-term debt account group and are not expected to be repaid from proprietary fund revenues. Rather, all debt service payments on long-term obligations are made from the general fund. In addition, general obligation warrants have been issued to refund other general obligation warrants. The City is in compliance with all significant limitations and restrictions contained in the ordinances authorizing the issuance of general obligation warrants.

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

Long-term:

- |     |  |           |
|-----|--|-----------|
| (A) | \$17,500,000 general obligation warrants; dated September 1, 1988; issued September 29, 1988; due \$480,000 to \$1,705,000 annually beginning September 1, 1991; interest at 5.90% to 7.375% due semi - annually commencing March 1, 1989. | \$695,000 |
| (B) | \$9,000,000 general obligation school warrants dated September 1, 1989; due \$260,000 to \$850,000 annually beginning September 1, 1992; interest at 6.50% to 8.00% due semi - annually commencing March 1, 1990 (See Note 3C).            | 7,845,000 |
| (C) | \$450,000 general obligation warrant, Dated May 1, 1989, due \$50,000 annually beginning May 1, 1990 plus interest at 7.25%.   | 150,000   |
| (D) | \$14,590,000 general obligation warrants, dated September 1, 1990 due \$305,000 to \$1,250,000 annually beginning March 1, 1994; interest at 6.30% to 7.40% due semi-annually commencing March 1, 1991.                                    | 1,955,000 |

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

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

G. Long-Term Debt - Continued

(E)	\$2,200,000 (principal and imputed interest) general obligation warrant dated May 15, 1992; due \$200,000 to \$400,000 annually beginning October 1, 1993; interest is imputed at a rate of 6.8%.	1,313,684
(F)	\$7,490,000 general obligation warrants; dated September 1, 1993; issued October 4, 1993; due \$275,000 to \$870,000 annually beginning May 1, 1996; interest at 4.40% to 6.30% due semi-annually commencing May 1, 1994.	7,490,000
(G)	\$43,155,000 general obligation warrants dated September 1, 1993; due \$870,000 to \$2,950,000 annually beginning March 1, 1998; interest at 3.875% to 5.00% due semi-annually commencing March 1, 1994.	43,155,000
(H)	\$1,700,000 general obligation warrant dated July 5, 1995; due in full on June 5, 2025; interest at 6.2714% due monthly commencing July 31, 1995	<u>1,700,000</u>
	Total long-term general obligation warrants	64,303,684
 Short-term:		
	\$660,377 general obligation warrants dated May 9, 1995; due in full on May 7, 1996 including interest at 6.00%	<u>660,377</u>
	Total general obligation warrants	<u>\$64,964,061</u>

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

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

G. Long-Term Debt - Continued

Annual debt service requirements to maturity for general obligation warrants (including interest) at September 30, 1995 are as follows:

Year Ending September 30	Principal	Interest	Total
1996	\$2,553,046	\$3,390,882	\$5,943,928
1997	1,537,736	3,264,140	4,801,876
1998	2,482,737	3,165,341	5,648,078
1999	3,030,271	3,044,314	6,074,585
2000	3,185,271	2,896,266	6,081,537
2001	3,040,000	2,647,195	5,687,195
2002	3,205,000	2,493,278	5,698,278
2003	3,375,000	2,327,534	5,702,534
2004	3,565,000	2,149,563	5,714,563
2005	3,755,000	1,957,235	5,712,235
2006	3,970,000	1,751,247	5,721,247
2007	4,275,000	1,526,224	5,801,224
2008	3,590,000	1,282,989	4,872,989
2009	3,800,000	1,095,264	4,895,264
2010	1,310,000	944,164	2,254,164
2011	1,370,000	883,864	2,253,864
2012	1,425,000	820,977	2,245,977
2013	1,490,000	755,389	2,245,389
2014	1,560,000	682,864	2,242,864
2015	1,635,000	602,989	2,237,989
2016	1,665,000	520,489	2,185,489
2017	1,740,000	435,364	2,175,364
2018	1,820,000	346,364	2,166,364
2019	1,900,000	253,364	2,153,364
2020	1,985,000	156,239	2,141,239
2021	-	106,614	106,614
2022	-	106,614	106,614
2023	-	106,614	106,614
2024	-	106,614	106,614
2025	1,700,000	75,518	1,775,518
	<u>\$64,964,061</u>	<u>\$39,895,513</u>	<u>\$104,859,574</u>

Prior Year Refunding - On October 14, 1993, the City refunded several general obligation warrant issues with two separate general obligation refundings. The proceeds of the refunding warrants provided the resources to purchase U.S. Government securities that were placed in irrevocable trusts for the purpose of generating resources for all future debt service payments on a total of \$42,145,000 of refunded debt. As a result, all refunded warrants are considered to be defeased, and the liabilities have been removed from the general long-term debt account group. The amount of the insubstance defeased debt which remains outstanding as of September 30, 1995, is \$35,475,000.

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

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

Changes in General Long-term Liabilities - During the year ended September 30, 1995, the following changes occurred in liabilities reported in the general long-term debt account group:

General long-term debt at October 1, 1994 - as previously reported	\$66,700,653
Adjustment	<u>272,576</u>
General long-term debt at October 1, 1994 - restated	66,973,229
Issuance of general obligation warrants	1,700,000
Reduction in accrued compensated leave	( 63,268)
Lease purchase principal payments	( 18,676)
Increase in claims and judgments payable	142,735
Warrants retired	<u>( 1,522,670)</u>
General long-term debt at September 30, 1995	<u>\$67,211,350</u>

The beginning balance of the general long-term debt account group has been restated to properly include an estimate for claims and judgments payable in accordance with Statement No. 10 of the Governmental Accounting Standards Board. (See Note 4G).

**H. Sewer Enterprise Fund**

The Sewer Enterprise Fund, which accounts for the operations of the sewage treatment plants, is the only proprietary fund maintained by the City. Segment information required to be disclosed by GAAP is effectively provided by the Sewer Enterprise Fund financial statements presented in the general purpose financial statements.

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

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

The Sewer Enterprise Fund had net income of \$2,784,702 and \$2,331,043 for the fiscal years ended September 30, 1995 and 1994, respectively. The Sewer Enterprise Fund has retained earnings of \$1,175,816 at September 30, 1995. The City acquired the sewage treatment plants as a part of the Riverchase and Inverness annexations. It was anticipated that the plants would operate at a deficit, but that the deficit incurred would be greatly offset by taxes and licenses revenue derived from the annexed areas as well as by contributed capital from new customers in the form of tap fees. The City has received revenue from the annexed areas substantially in excess of the Sewer Enterprise Fund operating deficit. Additionally, tap fees collected through September 30, 1995 totaled \$1,967,962.

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

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

H. Sewer Enterprise Fund - Continued

Contributed Capital

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

	<u>1995</u>	<u>1994</u>
Customer tap fees	\$282,450	\$261,754
Net increase in contributed capital	282,450	261,754
Contributed capital at beginning of year	<u>7,755,397</u>	<u>7,493,643</u>
Contributed capital at end of year	<u>\$8,037,847</u>	<u>\$7,755,397</u>

I. Reserved Retained Earnings and Restricted Asset Accounts

The sewer enterprise fund does not have any reservations of its retained earnings, and it has no restricted assets as of September 30, 1995.

**NOTE 4 - OTHER INFORMATION**

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; and natural disasters. The City manages these risks under a limited risk management program which is administered by the City through two professional claims-handling firms. The City purchases commercial insurance to cover individual workers' compensation claims in excess of \$275,000, and to cover aggregate workers' compensation claims in excess of \$564,600. The City also purchases commercial insurance to cover individual property, casualty and liability claims in excess of \$50,000, and to cover aggregate annual property, casualty and liability claims in excess of \$300,000. The City has not significantly reduced any of its insurance coverage from that of the prior year, and the amount of settlements have not exceeded insurance coverage for each of the past three fiscal years. All claims, claims reserves, and administrative costs of the program are paid from the general fund.

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

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

**NOTE 4 - OTHER INFORMATION - CONTINUED**

**A. Risk Management - Continued**

Changes in the balances of claims liabilities during fiscal 1995 and 1994 are as follows:

	<u>1995</u>	<u>Restated 1994</u>
Unpaid claims, beginning	\$272,576	\$256,749
Incurring claims (including IBNRs)	411,104	154,891
Claim payments	<u>(268,369)</u>	<u>(139,064)</u>
Unpaid claims, ending	<u>\$415,311</u>	<u>\$272,576</u>

**B. Commitments**

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

The City had several outstanding construction projects as of September 30, 1995. These projects are evidenced by contractual commitments with contractors and include:

<u>Project</u>	<u>Spent-To-Date</u>	<u>Commitment Remaining</u>
Rocky Ridge Sports Complex	\$1,600,258	\$197,010
Fox Hollow Drainage Project	<u>464,002</u>	<u>225,616</u>
	<u>\$2,064,260</u>	<u>\$422,626</u>

The construction of the Rocky Ridge Sports Complex and the Fox Hollow Drainage Project are commitments of the City's Capital Projects Fund. The projects are being financed by the City's current contributions to the Capital Projects Fund.

**C. Subsequent Events**

On October 16, 1995, the City Council voted to forgive the loan that was payable to the City from the Board of Education. At September 30, 1995, the balance of the loan receivable was \$7,845,000.

**D. Contingent Liabilities**

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

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

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

**NOTE 4 - OTHER INFORMATION - CONTINUED**

**E. Deferred Compensation Plan**

Since fiscal 1991, the City has offered to its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all city employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees or their beneficiaries until termination, retirement, death or unforeseen emergency. The plan is accounted for in the deferred compensation agency fund.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the City (without being restricted to the provisions of benefits under the plan), subject only to the claims of the City's general creditors. Participants' rights under the plan are equal to those of general creditors of the City in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of City management that the City has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor in selecting the plan administrator to manage the plan investments. The City believes that it is unlikely that it will use the plan assets to satisfy the claims of general creditors in the future.

**F. Employee Retirement System**

**Plan Description and Provisions:**

The City contributes to the Employees' Retirement System of Alabama (the System), an agent multiple-employer retirement system that acts as a common investment and administrative agent for state employees and public organizations. The City's payroll for employees covered by the System for the year ended September 30, 1995 was \$13,946,515; total payroll was \$14,554,674. At September 30, 1994, the date of the most recent actuarial valuation, membership in the System was comprised of the following:

Group

Retirees and beneficiaries	3
currently receiving benefits	
Active employees	399

All full-time employees are eligible to participate in the System. Benefits vest after 10 years of service. City employees who retire at or after age 60 with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2.0125 percent of their final average compensation for each year of credited service. Final average compensation is defined as the average annual compensation of a member during the 3 years in the last 10 years of creditable service for which such average is highest. The System also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

**NOTE 4 - OTHER INFORMATION - CONTINUED**

**F. Employee Retirement System - Continued**

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

**Funding Status and Progress:**

The amount shown on the following page as the "pension benefit obligation" (PBO) is a standardized disclosure measure of the present value of pension benefits, adjusted for projected salary increases estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits and is intended to help users assess the funding status of the System on a going concern basis, assess progress made in accumulating sufficient assets to pay benefits when due and make comparisons among public employees retirement plans. This measure is independent of the funding method used to determine contributions to the System.

The PBO was determined as part of the most recent actuarial valuation which was performed as of September 30, 1994. Significant actuarial assumptions used in determining the PBO include: (a) a rate of return on investments of 8% compounded annually, (b) projected annual salary increases of 5.8% per year compounded annually, attributable to inflation and (c) projected annual salary increases ranging up to 1.95%, depending on age, attributable to seniority/merit.

Total surplus PBO applicable to the City's employees was \$124,593 at September 30, 1994, as follows:

Pension Benefit Obligation

Retirees, beneficiaries and terminated employees currently receiving benefits	\$164,462
Current employees	
Employee contributions	5,219,638
Employer financed - vested	1,514,243
Employer financed - nonvested	<u>6,698,533</u>
Total PBO	13,596,876
Net assets available for benefits, at cost (market value is \$14,085,088)	<u>13,721,469</u>
Surplus PBO	<u>\$ 124,593</u>

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

**NOTE 4 - OTHER INFORMATION - CONTINUED**

**F. Employee Retirement System - Continued**

The system values its assets for balance sheet purposes based on cost.

**Contributions Required and Contributions Made:**

The System's funding policy provides for actuarially determined periodic contributions at rates that, for individual employees, increase gradually over time so that sufficient assets will be available to pay benefits when due. The rate for the City's employee group as a whole has tended to remain level as a percentage of annual covered payroll. The contribution rate for normal cost is determined using the entry age normal actuarial cost method with proration based on service. The unfunded liability contributions are determined by subtracting the present value of prospective employer assets held from the present value of expected benefits to be paid by the System. Any unfunded liability is amortized over a 30 year period.

The contribution to the System for fiscal 1995 of \$1,542,449 was made in accordance with actuarially determined requirements computed through an actuarial valuation performed as of September 30, 1994. The total employer contributions of \$793,439 represented 5.69% of current year covered payroll, and the total employee contributions of \$749,010 represented 5.00% of current year covered payroll. The employee contributions were a component of normal cost. The employer contributions consisted of \$602,489 for normal cost (4.32% of current year covered payroll), \$86,468 for amortization of the actuarial accrued liability (.62% of current year covered payroll), \$20,920 for death benefits (.15% of current year covered payroll), \$25,104 for administrative expenses of the System (.18% of current year covered payroll), and \$58,458 for cost of living adjustments.

The last valuation was September 30, 1994. The System has informed the City that no significant changes have occurred during fiscal 1994. Significant actuarial assumptions used to compute contribution requirements were the same as those used to compute the standardized measure of the pension benefit obligation.

**Trend Information**

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. For the three years ended September 30, 1992, 1993 and 1994, respectively, available assets were sufficient to fund 109.68, 108.69 and 100.92 percent of PBO. Surplus PBO represents 7.57, 7.52 and 0.99 percent of the annual payroll for employees covered by the System for the same three year period. Showing unfunded or surplus PBO as a percentage of covered payroll approximately adjusts for the effects of inflation for analysis purposes. In addition, for the three year period, the City's contributions to the System, all made in accordance with actuarially determined requirements was 5.02, 4.90 and 4.93 percent of annual covered payroll in 1992, 1993 and 1994, respectively. The City joined the System in August, 1982. The first actuarial determination was made as of September 30, 1983. Therefore, the information disclosed above represents the PBO, net assets available for benefits and the unfunded liability since the City joined the System. The required historical trend information disclosure is shown on Page 85 of this report in order to maintain the stand alone nature of the general purpose financial statements.

**THE CITY OF HOOVER, ALABAMA**  
**Notes to the Financial Statements - Continued**  
September 30, 1995

**NOTE 4 - OTHER INFORMATION - CONTINUED**

G. Restatement of Previous Year's Financial Statements

The financial statements of the prior year have been restated to properly report the Park and Recreation Board and the Library Board as discretely presented component units. This resulted in a decrease in the previously reported fund balance of the general fund and a corresponding increase in the fund balance of the discretely presented component units of \$71,455 and a decrease in the general fixed assets account group and a corresponding increase in the fixed assets of the discretely presented component units of \$58,798,658 as of September 30, 1994, and reclassification of certain revenues and expenditures properly reported in the discretely presented component units column for the fiscal year ended September 30, 1994.

During the fiscal year 1995, the City adopted the provisions of the Governmental Accounting Standards Board Statement 10, Accounting and Financial Reporting for Risk Financing and Related Insurance Issues, which was effective for periods beginning after June 15, 1994. This statement generally requires reporting an estimated loss from a claim as an expenditure and as a liability if the loss is both probable of occurring and the amount of the loss can be reasonably estimated. This liability is reported in the General Long-Term Debt Account Group. As a result, the prior year's financial statements have been restated. This restatement resulted in an increase in the General Long-Term Debt Account Group of \$272,576 as of September 30, 1994.

On October 1, 1994, the City adopted the provisions of the Governmental Accounting Standards Board Statement 22, Accounting for Taxpayer-Assessed Tax Revenues in Governmental Funds, for Sales and Use Taxes. The Statement generally requires the recognition of revenues from taxpayer-assessed taxes 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. As a result of this accounting change to conform to the provisions of this statement, the prior year's financial statements have been restated. This restatement resulted in an increase in the general fund of tax revenues and fund balances of \$759,336 and \$2,517,352, respectively for the fiscal year ended September 30, 1994.

The effects of these restatements on the General Fund for the period ended September 30, 1994, are as follows:

Balance Sheet	Previously Reported	Restated
Pooled cash and investments	\$4,167,923	\$4,096,468
Taxes receivable	118,086	2,635,438
Fund balance - unreserved, undesignated	3,942,268	6,388,165

Statement of Revenues, Expenditures and Changes in Fund Balance

Revenues	\$40,361,834	\$40,323,568
Expenditures	(36,544,709)	(27,055,739)
Other financing uses	<u>(2,060,432)</u>	<u>(10,766,617)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	1,756,693	2,501,212
Fund balance - beginning of year	<u>10,413,254</u>	<u>12,114,632</u>
Fund balance - end of year	<u>\$12,169,947</u>	<u>\$14,615,844</u>

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**COMBINING, INDIVIDUAL FUND  
AND ACCOUNT GROUP STATEMENTS  
AND SCHEDULES**

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## **GENERAL FUND**

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

**THE CITY OF HOOVER, ALABAMA**  
**General Fund**  
**Comparative Balance Sheets**  
September 30

	<u>1995</u>	<u>Restated</u> <u>1994</u>
<b>Assets</b>		
Pooled cash and investments	\$4,941,169	\$4,096,468
Receivables		
Taxes	2,686,531	2,635,438
Accounts	15,011	143,632
Loan receivable - component unit	7,845,000	8,165,000
Due from county government	390,873	334,273
Prepaid items	65,192	62,679
Deposits	10,000	10,000
	<u>                    </u>	<u>                    </u>
Total assets	<u>\$15,953,776</u>	<u>\$15,447,490</u>
 <b>Liabilities and fund balances</b>		
Accounts payable	\$734,502	\$616,043
Refundable deposits	87,326	55,972
Accrued compensated leave	199,278	159,631
Total liabilities	<u>1,021,106</u>	<u>831,646</u>
 <b>Fund balances</b>		
Reserved for noncurrent loans receivable	7,845,000	8,165,000
Reserved for prepaid items	65,192	62,679
Unreserved, undesignated	7,022,478	6,388,165
Total fund balances	<u>14,932,670</u>	<u>14,615,844</u>
	<u>                    </u>	<u>                    </u>
Total liabilities and fund balances	<u>\$15,953,776</u>	<u>\$15,447,490</u>

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

**THE CITY OF HOOVER, ALABAMA**

**General Fund**

**Comparative Statements of Revenues, Expenditures and Changes in Fund Balances**

For the fiscal years ended September 30

	<b>1995</b>	<b>Restated 1994</b>
<b>Revenues</b>		
Taxes	\$37,881,580	\$30,891,426
Licenses and permits	6,376,852	5,860,897
Intergovernmental	1,771,711	1,502,770
Fines & forfeits	487,896	496,575
Interest on pooled cash and investments	444,185	224,156
Interest on Board of Education loan	573,800	597,800
Other	595,041	749,944
Total revenues	48,131,065	40,323,568
<b>Expenditures</b>		
<b>Current operations</b>		
General government	3,650,427	3,161,080
Public safety	13,929,281	12,260,063
Municipal court	298,097	252,295
Streets and sanitation	3,776,898	3,357,519
Health	331,883	311,847
Total	21,986,586	19,342,804
Capital outlays	3,014,284	2,229,092
Debt service		
Principal	1,541,345	1,673,811
Interest	3,380,496	3,295,617
Bond issuance costs	-	514,415
Total expenditures	29,922,711	27,055,739
Excess of revenues over expenditures	18,208,354	13,267,829
<b>Other financing sources (uses)</b>		
Operating transfers out	(7,975,000)	(2,865,000)
Operating transfers out - component unit	(9,916,528)	(8,706,185)
Proceeds of refunding warrants	-	48,551,307
Payment to refunding warrant escrow agent	-	(47,746,739)
Total other financing sources (uses)	(17,891,528)	(10,766,617)
Excess of revenues and other financing sources over expenditures and other financing uses	316,826	2,501,212
<b>Fund balances at beginning of year - restated</b>	14,615,844	12,114,632
<b>Fund balances at end of year</b>	\$14,932,670	\$14,615,844

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

**THE CITY OF HOOVER, ALABAMA**

**General Fund**

**Comparative Statements of Revenues, Expenditures and Changes in Fund Balances**

**Budget and Actual**

For the fiscal years ended September 30

	1995		Variance Favorable (Unfavorable)
	Budget	Actual	
<b>Revenues</b>			
Taxes	\$37,717,347	\$37,881,580	\$164,233
Licenses and permits	6,223,578	6,376,852	153,274
Intergovernmental	1,393,051	1,771,711	378,660
Fines and forfeits	615,004	487,896	(127,108)
Interest on pooled cash and investments	185,546	444,185	258,639
Interest on Board of Education loan	597,800	573,800	(24,000)
Other	592,000	595,041	3,041
<b>Total revenues</b>	<u>47,324,326</u>	<u>48,131,065</u>	<u>806,739</u>
<b>Expenditures</b>			
Current operations			
General government	3,810,012	3,650,427	159,585
Public safety	14,062,516	13,929,281	133,235
Municipal court	314,518	298,097	16,421
Streets and sanitation	4,317,890	3,776,898	540,992
Health	385,263	331,883	53,380
<b>Total</b>	<u>22,890,199</u>	<u>21,986,586</u>	<u>903,613</u>
Capital outlays	4,028,788	3,014,284	1,014,504
Debt service			
Principal	1,605,088	1,541,345	63,743
Interest	3,278,108	3,380,496	(102,388)
Bond issuance costs			
<b>Total expenditures</b>	<u>31,802,183</u>	<u>29,922,711</u>	<u>1,879,472</u>
Excess of revenues over expenditures	<u>15,522,143</u>	<u>18,208,354</u>	<u>2,686,211</u>
<b>Other financing sources (uses)</b>			
Operating transfers out	(5,500,000)	(7,975,000)	(2,475,000)
Operating transfers out - component units	(9,832,896)	(9,916,528)	(83,632)
Proceeds of refunding warrants	-	-	-
Payment to refunding warrant escrow agent	-	-	-
<b>Total other financing sources (uses)</b>	<u>(15,332,896)</u>	<u>(17,891,528)</u>	<u>(2,558,632)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	<u>\$189,247</u>	<u>316,826</u>	<u>\$127,579</u>
<b>Fund balances at beginning of year - restated</b>		<u>14,615,844</u>	
<b>Fund balances at end of year</b>		<u>\$14,932,670</u>	

1994		
Budget	Restated Actual	Variance Favorable (Unfavorable)
\$30,462,438	\$30,891,426	\$428,988
5,788,994	5,860,897	71,903
1,442,904	1,502,770	59,866
441,401	496,575	55,174
130,000	224,156	94,156
597,800	597,800	-
688,058	749,944	61,886
<u>39,551,595</u>	<u>40,323,568</u>	<u>771,973</u>
3,422,975	3,161,080	261,895
12,093,383	12,260,063	(166,680)
256,904	252,295	4,609
4,253,188	3,357,519	895,669
224,589	311,847	(87,258)
<u>20,251,039</u>	<u>19,342,804</u>	<u>908,235</u>
2,819,124	2,229,092	590,032
1,673,811	1,673,811	-
3,245,753	3,295,617	(49,864)
-	514,415	(514,415)
<u>27,989,727</u>	<u>27,055,739</u>	<u>933,988</u>
11,561,868	13,267,829	1,705,961
(2,865,000)	(2,865,000)	-
(8,566,271)	(8,706,185)	(139,914)
-	48,551,307	48,551,307
-	(47,746,739)	(47,746,739)
<u>(11,431,271)</u>	<u>(10,766,617)</u>	<u>664,654</u>
<u>\$130,597</u>	2,501,212	<u>\$2,370,615</u>
	<u>12,114,632</u>	
	<u>\$14,615,844</u>	

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

**THE CITY OF HOOVER, ALABAMA**  
**General Fund**  
**Schedule of Current Operations Expenditures**  
**Budget and Actual**

For the fiscal year ended September 30, 1995  
(with comparative actual amounts for the fiscal year ended September 30, 1994)

<u>Expenditures - Current Operations</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Restated 1994 Actual</u>
General government				
Administrative				
Personal services	\$1,589,497	\$1,606,734	(\$17,237)	\$1,251,117
Other	2,064,289	1,896,562	167,727	1,766,810
Total	<u>3,653,786</u>	<u>3,503,296</u>	<u>150,490</u>	<u>3,017,927</u>
Municipal garage				
Personal services	136,136	130,183	5,953	125,206
Other	20,090	16,948	3,142	17,947
Total	<u>156,226</u>	<u>147,131</u>	<u>9,095</u>	<u>143,153</u>
Total general government	<u>3,810,012</u>	<u>3,650,427</u>	<u>159,585</u>	<u>3,161,080</u>
Public safety				
Police				
Personal services	5,625,246	5,808,987	(183,741)	4,732,291
Other	799,676	801,180	(1,504)	670,833
Total	<u>6,424,922</u>	<u>6,610,167</u>	<u>(185,245)</u>	<u>5,403,124</u>
Fire				
Personal services	6,100,610	5,988,960	111,650	5,678,147
Other	544,140	438,331	105,809	466,186
Total	<u>6,644,750</u>	<u>6,427,291</u>	<u>217,459</u>	<u>6,144,333</u>
Inspection services				
Personal services	919,644	818,717	100,927	649,512
Other	73,200	73,106	94	63,094
Total	<u>992,844</u>	<u>891,823</u>	<u>101,021</u>	<u>712,606</u>
Total public safety	<u>14,062,516</u>	<u>13,929,281</u>	<u>133,235</u>	<u>12,260,063</u>
Municipal court				
Personal services	257,088	253,268	3,820	216,680
Other	57,430	44,829	12,601	35,615
Total municipal court	<u>314,518</u>	<u>298,097</u>	<u>16,421</u>	<u>252,295</u>
Streets and sanitation				
Personal services	802,457	619,376	183,081	604,303
Other	3,515,433	3,157,522	357,911	2,753,216
Total streets and sanitation	<u>4,317,890</u>	<u>3,776,898</u>	<u>540,992</u>	<u>3,357,519</u>
Health				
Personal services	65,648	73,424	(7,776)	63,857
Other	319,615	258,459	61,156	247,990
Total health	<u>385,263</u>	<u>331,883</u>	<u>53,380</u>	<u>311,847</u>
 Total expenditures - current operations	 <u>\$22,890,199</u>	 <u>\$21,986,586</u>	 <u>\$903,613</u>	 <u>\$19,342,804</u>

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## SPECIAL REVENUE FUNDS

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

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

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

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

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

**THE CITY OF HOOVER, ALABAMA**  
**Special Revenue Funds**  
**Combining Balance Sheets**  
September 30, 1995  
(with comparative totals for September 30, 1994)

	<u>E-911</u>	<u>State Seven Cent Gasoline Tax</u>	<u>State Four and Five Cent Gasoline Tax</u>
<b>Assets</b>			
Pooled cash and investments	\$160,390	\$181,092	\$328,840
Due from other governments. State	-	32,692	28,366
Total assets	<u>\$160,390</u>	<u>\$213,784</u>	<u>\$357,206</u>
<b>Liabilities and fund balances</b>			
<b>Liabilities</b>			
Accounts payable	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances</b>			
Unreserved, undesignated	<u>\$160,390</u>	<u>\$213,784</u>	<u>\$357,206</u>
Total liabilities and fund balances	<u>\$160,390</u>	<u>\$213,784</u>	<u>\$357,206</u>

<b>Drug Enforce- ment</b>	<b>Totals</b>	
	<b>1995</b>	<b>1994</b>
\$46,784	\$717,106	\$582,546
-	61,058	60,163
<u>\$46,784</u>	<u>\$778,164</u>	<u>\$642,709</u>
\$223	\$223	\$171
<u>223</u>	<u>223</u>	<u>171</u>
46,561	777,941	642,538
<u>\$46,784</u>	<u>\$778,164</u>	<u>\$642,709</u>

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

**THE CITY OF HOOVER, ALABAMA**

**Special Revenue Funds**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**

For the fiscal year ended September 30, 1995

(with comparative totals for the fiscal year ended September 30, 1994)

	<u>E-911</u>	<u>State Seven Cent Gasoline Tax</u>	<u>State Four and Five Cent Gasoline Tax</u>
<b>Revenues</b>			
Intergovernmental	-	\$353,887	\$323,313
Interest on pooled cash and investments	\$10,856	11,493	21,359
Telephone surcharge	655,822	-	-
Confiscated drug funds	-	-	-
<b>Total revenues</b>	<u>666,678</u>	<u>365,380</u>	<u>344,672</u>
<b>Expenditures</b>			
<b>Current Operations</b>			
<b>Public safety</b>			
<b>Police</b>			
Personal services	665,901	-	-
Other	-	-	-
<b>Streets and sanitation</b>			
Personal services	-	325,200	-
Other	-	-	258,110
<b>Total</b>	<u>665,901</u>	<u>325,200</u>	<u>258,110</u>
<b>Capital outlays</b>	-	-	-
<b>Total expenditures</b>	<u>665,901</u>	<u>325,200</u>	<u>258,110</u>
Excess of revenues over expenditures	777	40,180	86,562
<b>Fund balances at beginning of year</b>	<u>159,613</u>	<u>173,604</u>	<u>270,644</u>
<b>Fund balances at end of year</b>	<u>\$160,390</u>	<u>\$213,784</u>	<u>\$357,206</u>

<u>Drug Enforcement</u>	<u>Totals</u>	
	<u>1995</u>	<u>1994</u>
-	\$677,200	\$665,349
\$4,155	47,863	24,859
-	655,822	612,138
83,560	83,560	7,947
<u>87,715</u>	<u>1,464,445</u>	<u>1,310,293</u>
-	665,901	555,918
30,021	30,021	47,398
-	325,200	325,200
-	258,110	282,894
<u>30,021</u>	<u>1,279,232</u>	<u>1,211,410</u>
49,810	49,810	-
<u>79,831</u>	<u>1,329,042</u>	<u>1,211,410</u>
7,884	135,403	98,883
<u>38,677</u>	<u>642,538</u>	<u>543,655</u>
<u>\$46,561</u>	<u>\$777,941</u>	<u>\$642,538</u>

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

**THE CITY OF HOOVER, ALABAMA**  
**E-911 Special Revenue Fund**  
**Comparative Balance Sheets**  
September 30

	<u>1995</u>	<u>1994</u>
<b>Assets</b>		
Pooled cash and investments	<u>\$160,390</u>	<u>\$159,613</u>
<b>Total assets</b>	<u><u>\$160,390</u></u>	<u><u>\$159,613</u></u>
<b>Liabilities and fund balances</b>		
<b>Fund balances</b>		
Unreserved, undesignated	<u>\$160,390</u>	<u>\$159,613</u>
<b>Total liabilities and fund balances</b>	<u><u>\$160,390</u></u>	<u><u>\$159,613</u></u>

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

**THE CITY OF HOOVER, ALABAMA**  
**E-911 Special Revenue Fund**  
**Comparative Statements of Revenues, Expenditures and Changes in Fund Balances**  
**For the fiscal years ended September 30**

	<b>1995</b>	<b>1994</b>
<b>Revenues</b>		
Telephone surcharge	\$655,822	\$612,138
Interest on pooled cash and investments	10,856	4,950
Total revenues	666,678	617,088
 <b>Expenditures</b>		
Current operations		
Public safety		
Police		
Personal services	665,901	555,918
Total expenditures	665,901	555,918
Excess of revenues over expenditures	777	61,170
 <b>Fund balances at beginning of year</b>	159,613	98,443
 <b>Fund balances at end of year</b>	\$160,390	\$159,613

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

**THE CITY OF HOOVER, ALABAMA**  
**E-911 Special Revenue Fund**  
**Comparative Statements of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual**  
For the fiscal years ended September 30

	1995			1994		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>						
Telephone surcharge	\$599,838	\$655,822	\$55,984	\$589,726	\$612,138	\$22,412
Interest on pooled cash and investments	3,000	10,856	7,856	3,000	4,950	1,950
Total revenues	<u>602,838</u>	<u>666,678</u>	<u>63,840</u>	<u>592,726</u>	<u>617,088</u>	<u>24,362</u>
<b>Expenditures</b>						
Current operations:						
Public safety						
Police						
Personal services	<u>653,810</u>	<u>665,901</u>	<u>(12,091)</u>	<u>560,622</u>	<u>555,918</u>	<u>4,704</u>
Total expenditures	<u>653,810</u>	<u>665,901</u>	<u>(12,091)</u>	<u>560,622</u>	<u>555,918</u>	<u>4,704</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(\$50,972)</u>	<u>777</u>	<u>\$51,749</u>	<u>\$32,104</u>	<u>61,170</u>	<u>\$29,066</u>
<b>Fund balances at beginning of year</b>		<u>159,613</u>			<u>98,443</u>	
<b>Fund balances at end of year</b>		<u>\$160,390</u>			<u>\$159,613</u>	

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

**THE CITY OF HOOVER, ALABAMA**  
**State Seven Cent Gasoline Tax Special Revenue Fund**  
**Comparative Balance Sheets**  
September 30

	<u>1995</u>	<u>1994</u>
<b>Assets</b>		
Pooled cash and investments	\$181,092	\$141,290
Due from state government	32,692	32,314
Total assets	<u>\$213,784</u>	<u>\$173,604</u>
 <b>Liabilities and fund balances</b>		
<b>Fund balances</b>		
Unreserved, undesignated	<u>\$213,784</u>	<u>\$173,604</u>
Total liabilities and fund balances	<u>\$213,784</u>	<u>\$173,604</u>

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

**THE CITY OF HOOVER, ALABAMA**  
**State Seven Cent Gasoline Tax Special Revenue Fund**  
**Comparative Statements of Revenues, Expenditures and Changes in Fund Balances**  
**For the fiscal years ended September 30**

	<u>1995</u>	<u>1994</u>
<b>Revenues</b>		
Intergovernmental	\$353,887	\$344,075
Interest on pooled cash and investments	<u>11,493</u>	<u>8,845</u>
Total revenues	<u>365,380</u>	<u>352,920</u>
<b>Expenditures</b>		
Current operations		
Streets and sanitation		
Personal services	<u>325,200</u>	<u>325,200</u>
Total expenditures	<u>325,200</u>	<u>325,200</u>
Excess of revenues over expenditures	40,180	27,720
<b>Fund balances at beginning of year</b>	<u>173,604</u>	<u>145,884</u>
<b>Fund balances at end of year</b>	<u>\$213,784</u>	<u>\$173,604</u>

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

**THE CITY OF HOOVER, ALABAMA**  
**State Seven Cent Gasoline Tax Special Revenue Fund**  
**Comparative Statements of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual**  
For the fiscal years ended September 30

	1995			1994		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>						
Intergovernmental	\$350,000	\$353,887	\$3,887	\$329,149	\$344,075	\$14,926
Interest on pooled cash and investments	8,000	11,493	3,493	3,000	8,845	5,845
Total revenues	<u>358,000</u>	<u>365,380</u>	<u>7,380</u>	<u>332,149</u>	<u>352,920</u>	<u>20,771</u>
<b>Expenditures</b>						
Current operations						
Streets and sanitation						
Personal services	<u>325,200</u>	<u>325,200</u>	<u>-</u>	<u>325,300</u>	<u>325,200</u>	<u>100</u>
Total expenditures	<u>325,200</u>	<u>325,200</u>	<u>-</u>	<u>325,300</u>	<u>325,200</u>	<u>100</u>
Excess of revenues over expenditures	<u>\$32,800</u>	<u>40,180</u>	<u>\$7,380</u>	<u>\$6,849</u>	<u>27,720</u>	<u>\$20,871</u>
<b>Fund balances at beginning of year</b>		<u>173,604</u>			<u>145,884</u>	
<b>Fund balances at end of year</b>		<u>\$213,784</u>			<u>\$173,604</u>	

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

**THE CITY OF HOOVER, ALABAMA**  
**State Four and Five Cent Gasoline Tax Special Revenue Fund**  
**Comparative Balance Sheets**  
September 30

	<u>1995</u>	<u>1994</u>
<b>Assets</b>		
Pooled cash and investments	\$328,840	\$242,795
Due from state government	28,366	27,849
Total assets	<u>\$357,206</u>	<u>\$270,644</u>
<b>Liabilities and fund balances</b>		
<b>Fund balances</b>		
Unreserved, undesignated	<u>\$357,206</u>	<u>\$270,644</u>
Total liabilities and fund balances	<u>\$357,206</u>	<u>\$270,644</u>

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

**THE CITY OF HOOVER, ALABAMA**  
**State Four and Five Cent Gasoline Tax Special Revenue Fund**  
**Comparative Statements of Revenues, Expenditures and Changes in Fund Balances**  
**For the fiscal years ended September 30**

	<u>1995</u>	<u>1994</u>
<b>Revenues</b>		
Intergovernmental	\$323,313	\$321,274
Interest on pooled cash and investments	21,359	9,370
	<u>344,672</u>	<u>330,644</u>
<b>Expenditures</b>		
Current operations		
Streets and sanitation		
Other	258,110	282,894
	<u>258,110</u>	<u>282,894</u>
Excess of revenues over expenditures	86,562	47,750
<b>Fund balances at beginning of year</b>	<u>270,644</u>	<u>222,894</u>
<b>Fund balances at end of year</b>	<u><u>\$357,206</u></u>	<u><u>\$270,644</u></u>

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

**THE CITY OF HOOVER, ALABAMA**  
**State Four and Five Cent Gasoline Tax Special Revenue Fund**  
**Comparative Statements of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual**  
**For the fiscal years ended September 30**

	1995			1994		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>						
Intergovernmental	\$325,000	\$323,313	(\$1,687)	\$295,998	\$321,274	\$25,276
Interest on pooled cash and investments	9,000	21,359	12,359	2,000	9,370	7,370
<b>Total revenues</b>	<u>334,000</u>	<u>344,672</u>	<u>10,672</u>	<u>297,998</u>	<u>330,644</u>	<u>32,646</u>
<b>Expenditures</b>						
Current operations						
Streets and sanitation						
Other	358,000	258,110	99,890	297,998	282,894	15,104
<b>Total expenditures</b>	<u>358,000</u>	<u>258,110</u>	<u>99,890</u>	<u>\$297,998</u>	<u>282,894</u>	<u>15,104</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(\$24,000)</u>	86,562	<u>\$110,562</u>	<u>-</u>	47,750	<u>\$47,750</u>
<b>Fund balances at beginning of year</b>		<u>270,644</u>			<u>222,894</u>	
<b>Fund balances at end of year</b>		<u>\$357,206</u>			<u>\$270,644</u>	

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

**THE CITY OF HOOVER, ALABAMA**  
**Drug Enforcement Special Revenue Fund**  
**Comparative Balance Sheets**  
September 30

	1995	1994
<b>Assets</b>		
Pooled cash and investments	\$46,784	\$38,848
Total assets	\$46,784	\$38,848
 <b>Liabilities and fund balances</b>		
<b>Liabilities</b>		
Accounts payable	\$223	\$171
Total liabilities	223	171
<b>Fund balances</b>		
Unreserved, undesignated	46,561	38,677
Total liabilities and fund balances	\$46,784	\$38,848

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

**THE CITY OF HOOVER, ALABAMA**  
**Drug Enforcement Special Revenue Fund**  
**Comparative Statements of Revenues, Expenditures and Changes in Fund Balances**  
For the fiscal years ended September 30

	<u>1995</u>	<u>1994</u>
<b>Revenues</b>		
Confiscated drug funds	\$83,560	\$7,947
Interest on pooled cash and investments	4,155	1,694
	<u>87,715</u>	<u>9,641</u>
<b>Total revenues</b>		
	<u>87,715</u>	<u>9,641</u>
<b>Expenditures</b>		
Current operations		
Public safety		
Police		
Other	30,021	47,398
	<u>30,021</u>	<u>47,398</u>
<b>Total</b>	<u>30,021</u>	<u>47,398</u>
Capital outlays	49,810	-
	<u>49,810</u>	<u>-</u>
<b>Total expenditures</b>	<u>79,831</u>	<u>47,398</u>
Excess (deficiency) of revenues over (under) expenditures	7,884	(37,757)
<b>Fund balances at beginning of year</b>	<u>38,677</u>	<u>76,434</u>
<b>Fund balances at end of year</b>	<u><u>\$46,561</u></u>	<u><u>\$38,677</u></u>

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

**THE CITY OF HOOVER, ALABAMA**  
**Drug Enforcement Special Revenue Fund**  
**Comparative Statements of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual**  
For the fiscal years ended September 30

	1995			1994		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>						
Confiscated drug funds	\$50,000	\$83,560	\$33,560	\$50,000	\$7,947	(\$42,053)
Interest on pooled cash and investments	1,000	4,155	3,155	1,000	1,694	694
Total revenues	51,000	87,715	36,715	51,000	9,641	(41,359)
<b>Expenditures</b>						
Current operations						
Public safety						
Police						
Other	26,295	30,021	(3,726)	44,500	47,398	(2,898)
Total	26,295	30,021	(3,726)	44,500	47,398	(2,898)
Capital outlays	62,695	49,810	12,885	-	-	-
Total expenditures	88,990	79,831	9,159	44,500	47,398	(2,898)
Excess (deficiency) of revenues over (under) expenditures	(\$37,990)	7,884	\$45,874	\$6,500	(37,757)	(\$44,257)
<b>Fund balances at beginning of year</b>		38,677			76,434	
<b>Fund balances at end of year</b>		\$46,561			\$38,677	

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

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## CAPITAL PROJECTS FUNDS

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

One-Half Cent Capital Projects Fund accounts for financial resources to be used from the proceeds of a one-cent sales and use tax increase passed during fiscal 1994. By resolution, the City Council voted to use one-half of the increase generally for the acquisition or construction of major capital projects.

1990 Capital Projects Fund accounted for the proceeds of the general obligation warrants dated September 1, 1990, which were used for the acquisition or construction of major capital facilities. This fund was closed at the end of fiscal year 1995.

**THE CITY OF HOOVER, ALABAMA**  
**Capital Projects Funds**  
**Combining Balance Sheet**  
September 30, 1995  
(with comparative totals for September 30, 1994)

	One-half Cent Capital Projects	1990 Capital Projects	Totals	
			1995	1994
<b>Assets</b>				
Pooled cash and investments	\$1,204,328	-	\$1,204,328	\$215,627
Total assets	<u>\$1,204,328</u>	<u>-</u>	<u>\$1,204,328</u>	<u>\$215,627</u>
<b>Liabilities and fund balances</b>				
<b>Liabilities</b>				
Accounts payable	\$17,905	-	\$17,905	-
General obligation warrants payable	660,377	-	660,377	-
Total liabilities	<u>678,282</u>	<u>-</u>	<u>678,282</u>	<u>-</u>
<b>Fund balances</b>				
Unreserved, designated for acquisition, construction and improvements	526,046	-	526,046	\$215,627
Total liabilities and fund balances	<u>\$1,204,328</u>	<u>-</u>	<u>\$1,204,328</u>	<u>\$215,627</u>

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

**THE CITY OF HOOVER, ALABAMA**  
**Capital Projects Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
For the fiscal year ended September 30, 1995  
(with comparative totals for the fiscal year ended September 30, 1994)

	One-half Cent Capital Projects	1990 Capital Projects	Totals	
			1995	1994
<b>Revenues</b>				
Interest on pooled cash and investments	\$109,719	\$5,419	\$115,138	\$12,577
Total revenues	109,719	5,419	115,138	12,577
<b>Expenditures</b>				
Capital outlays	6,259,673	220,046	6,479,719	371,955
Total expenditures	6,259,673	220,046	6,479,719	371,955
Deficiency of revenues under expenditures	(6,149,954)	(214,627)	(6,364,581)	(359,378)
<b>Other financing uses</b>				
Operating transfers in	4,975,000	-	4,975,000	2,501,000
Operating transfers out	-	-	-	(2,500,000)
Proceeds of general obligation warrants	1,700,000	-	1,700,000	-
Total other financing uses	6,675,000	-	6,675,000	1,000
Excess (deficiency) of revenues over (under) expenditures and other financing uses	525,046	(214,627)	310,419	(358,378)
Fund balances at beginning of year	1,000	\$214,627	215,627	574,005
Fund balances at end of year	\$526,046	-	\$526,046	\$215,627

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

**THE CITY OF HOOVER, ALABAMA**  
**One-half Cent Capital Projects Fund**  
**Comparative Balance Sheets**  
September 30

	1995	1994
<b>Assets</b>		
Pooled cash and investments	\$1,204,328	\$1,000
Total assets	\$1,204,328	\$1,000
 <b>Liabilities and fund balances</b>		
<b>Liabilities</b>		
Accounts payable	\$17,905	-
General obligation warrants payable	660,377	-
Total liabilities	678,282	-
 <b>Fund balances</b>		
Unreserved, designated for acquisition, construction and improvements	526,046	\$1,000
Total liabilities and fund balances	\$1,204,328	\$1,000

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

**THE CITY OF HOOVER, ALABAMA**  
**One-half Cent Capital Projects Fund**  
**Comparative Statements of Revenues, Expenditures and Changes in Fund Balance**  
For the fiscal years ended September 30

	<u>1995</u>	<u>1994</u>
<b>Revenues</b>		
Interest on pooled cash and investments	\$109,719	-
Total revenues	<u>109,719</u>	<u>-</u>
<b>Expenditures</b>		
Capital outlays		
Administrative	6,259,673	-
Total expenditures	<u>6,259,673</u>	<u>-</u>
Deficiency of revenues under expenditures	<u>(6,149,954)</u>	<u>-</u>
<b>Other financing sources (uses)</b>		
Operating transfers in	4,975,000	\$2,501,000
Operating transfers out	-	(2,500,000)
Proceeds of general obligation warrants	1,700,000	-
Total other financing sources (uses)	<u>6,675,000</u>	<u>1,000</u>
Excess of revenues and other financing sources over expenditures and other financing uses	525,046	1,000
<b>Fund balance at beginning of year</b>	<u>1,000</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u><u>\$526,046</u></u>	<u><u>\$1,000</u></u>

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

**THE CITY OF HOOVER, ALABAMA**  
**1990 Capital Projects Fund**  
**Comparative Balance Sheets**  
**September 30**

	1995	1994
<b>Assets</b>		
Pooled cash and investments	-	\$214,627
Total assets	-	\$214,627
 <b>Liabilities and fund balances</b>		
<b>Fund balances</b>		
Unreserved, designated for acquisition, construction and improvements	-	\$214,627
Total liabilities and fund balances	-	\$214,627

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

**THE CITY OF HOOVER, ALABAMA**  
**1990 Capital Projects Fund**  
**Comparative Statements of Revenues, Expenditures and Changes in Fund Balances**  
**For the fiscal years ended September 30**

	<u>1995</u>	<u>1994</u>
<b>Revenues</b>		
Interest on pooled cash and investments	<u>\$5,419</u>	<u>\$12,577</u>
<b>Total revenues</b>	<u>5,419</u>	<u>12,577</u>
 <b>Expenditures</b>		
Capital outlays		
Fire station	-	371,955
Administrative	<u>220,046</u>	<u>-</u>
<b>Total expenditures</b>	<u>220,046</u>	<u>371,955</u>
Deficiency of revenues under expenditures	(214,627)	(359,378)
 <b>Fund balances at beginning of year</b>	<u>\$214,627</u>	<u>574,005</u>
 <b>Fund balances at end of year</b>	<u><u>-</u></u>	<u><u>\$214,627</u></u>

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

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## ENTERPRISE FUND

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

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

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**THE CITY OF HOOVER, ALABAMA**  
**Sewer Enterprise Fund**  
**Comparative Balance Sheets\***  
September 30

	1995	1994
<b>Assets</b>		
<b>Current assets</b>		
Pooled cash and investments	\$5,964,961	\$2,957,030
Accounts receivable	109,059	74,179
Inventory	3,100	3,100
<b>Total current assets</b>	6,077,120	3,034,309
<b>Property, plant and equipment</b>		
Equipment	225,563	159,584
Land	643,000	643,000
Sewage treatment plants	5,822,031	5,461,559
<b>Total property, plant and equipment</b>	6,690,594	6,264,143
Less accumulated depreciation	(3,539,594)	(3,093,616)
<b>Net property, plant and equipment</b>	3,151,000	3,170,527
<b>Total assets</b>	\$9,228,120	\$6,204,836
 <b>Liabilities and equity</b>		
<b>Current liabilities</b>		
Accounts payable	\$4,391	\$50,315
Refundable deposits	5,000	5,000
Accrued expenses	5,066	3,010
<b>Total current liabilities</b>	14,457	58,325
<b>Equity</b>		
<b>Contributed capital</b>		
Government	4,250,000	4,250,000
Customers	1,967,962	1,685,512
Developers	1,819,885	1,819,885
<b>Total contributed capital</b>	8,037,847	7,755,397
Retained earnings (deficit)	1,175,816	(1,608,886)
<b>Total equity</b>	9,213,663	6,146,511
<b>Total liabilities and equity</b>	\$9,228,120	\$6,204,836

\*A statement of revenues, expenses and changes in retained earnings (deficit) and a statement of cash flows for the Sewer Enterprise Fund is presented in the general purpose financial statements of this report.

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

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## AGENCY FUND

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

Deferred Compensation Agency Fund accounts for assets held for employees in accordance with the provisions of Internal Revenue Code Section 457.

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**THE CITY OF HOOVER, ALABAMA**  
**Deferred Compensation Agency Fund**  
**Statement of Changes in Assets and Liabilities**  
**For the fiscal year ended September 30, 1995**

	<u>Balance</u> <u>October 1, 1994</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>September 30, 1995</u>
<b>Assets</b>				
Pooled cash and investments	<u>\$332,806</u>	<u>\$203,881</u>	<u>-</u>	<u>\$536,687</u>
<b>Liabilities</b>				
Deferred compensation benefits payable	<u>\$332,806</u>	<u>\$203,881</u>	<u>-</u>	<u>\$536,687</u>

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

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## **GENERAL FIXED ASSETS ACCOUNT GROUP**

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

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**THE CITY OF HOOVER, ALABAMA**  
**Comparative Schedule of General Fixed Assets by Source**  
 September 30

	<u>1995</u>	<u>Restated 1994</u>
<b>General Fixed Assets</b>		
Land	\$7,225,622	\$2,561,333
Buildings	8,501,669	8,160,568
Improvements other than buildings	3,041,190	110,324
Equipment and vehicles	10,112,018	7,589,838
Total general fixed assets	<u>\$28,880,499</u>	<u>\$18,422,063</u>
 <b>Investment in General Fixed Assets</b>		
General obligation warrants	\$10,255,591	\$7,895,214
Long-term notes payable	399,334	399,334
Federal grants	1,256,344	1,256,344
General revenues	13,067,782	5,884,346
Donations and annexations	3,901,448	2,986,825
Total investment in general fixed assets	<u>\$28,880,499</u>	<u>\$18,422,063</u>

**THE CITY OF HOOVER, ALABAMA**  
**Schedule of General Fixed Assets by Function and Activity**  
September 30, 1995

<u>Function and Activity</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other than Buildings</u>	<u>Equipment and Vehicles</u>	<u>Total</u>
General government					
Administration	\$6,760,149	\$4,655,551	\$2,821,271	\$1,513,455	\$15,750,426
Municipal garage	-	254,492	-	59,859	314,351
Total general government	<u>6,760,149</u>	<u>4,910,043</u>	<u>2,821,271</u>	<u>1,573,314</u>	<u>16,064,777</u>
Public safety					
Police	-	-	-	2,958,160	2,958,160
Fire	465,473	3,082,641	113,136	3,730,879	7,392,129
Inspection	-	-	48,179	285,207	333,386
Total public safety	<u>465,473</u>	<u>3,082,641</u>	<u>161,315</u>	<u>6,974,246</u>	<u>10,683,675</u>
Municipal Court	-	-	1,005	54,698	55,703
Streets and sanitation	-	508,985	57,599	1,491,246	2,057,830
Health	-	-	-	18,514	18,514
Total general fixed assets allocated to functions and activities	<u>\$7,225,622</u>	<u>\$8,501,669</u>	<u>\$3,041,190</u>	<u>\$10,112,018</u>	<u>\$28,880,499</u>

**THE CITY OF HOOVER, ALABAMA**  
**Schedule of Changes in General Fixed Assets by Function and Activity**  
For the fiscal year ended September 30, 1995

<u>Function and Activity</u>	<u>Restated General Fixed assets October 1, 1994</u>	<u>Additions</u>	<u>Deletions</u>	<u>General Fixed Assets September 30, 1995</u>
General government				
Administration	\$7,688,040	\$8,062,386	-	\$15,750,426
Municipal garage	314,351	-	-	314,351
Total general government	<u>8,002,391</u>	<u>8,062,386</u>	-	<u>16,064,777</u>
Public safety				
Police	2,065,956	892,204	-	2,958,160
Fire	6,394,653	997,476	-	7,392,129
Inspection	221,735	111,651	-	333,386
Total public safety	<u>8,682,344</u>	<u>2,001,331</u>	-	<u>10,683,675</u>
Municipal Court	<u>50,328</u>	<u>5,375</u>	-	<u>55,703</u>
Streets and sanitation	<u>1,668,486</u>	<u>389,344</u>	-	<u>2,057,830</u>
Health	<u>18,514</u>	-	-	<u>18,514</u>
 Total general fixed assets	 <u>\$18,422,063</u>	 <u>\$10,458,436</u>	 -	 <u>\$28,880,499</u>

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## **GENERAL LONG-TERM DEBT ACCOUNT GROUP**

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

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**THE CITY OF HOOVER, ALABAMA**  
**Comparative Schedule of General Long-Term Debt**  
September 30

	1995	Restated 1994
<b>Amounts available and to be provided for the payment of general long-term debt</b>		
Amount to be provided from General Fund revenues	\$67,211,350	\$66,973,229
Total available and to be provided	\$67,211,350	\$66,973,229
 <b>General Long-term debt</b>		
General obligation warrants payable	\$64,303,684	\$64,126,353
Capital lease payable	28,014	46,691
Claims and judgments payable	415,311	272,576
Accrued compensated leave	2,464,341	2,527,609
Total general long-term debt	\$67,211,350	\$66,973,229

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## **DISCRETELY PRESENTED COMPONENT UNITS**

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

**THE CITY OF HOOVER, ALABAMA**  
**Discretely Presented Component Units**  
**Combining Balance Sheet**  
September 30, 1995  
(with comparative totals for September 30, 1994)

	<u>Board of Education</u>	<u>Park &amp; Recreation Board</u>	<u>Library Board</u>
<b>Assets and other debits</b>			
<b>Assets</b>			
Pooled cash and investments	\$16,220,444	-	\$67,443
Interest receivable	63,064	-	-
Due from other governments			
County	345,033	-	-
State	15,800	-	-
Federal	117,681	-	-
Inventory	36,375	-	-
Fixed assets	110,723,375	\$34,986,285	6,174,469
Deferred compensation plan assets	907,621	-	-
<b>Other debits</b>			
Amount to be provided for retirement of general long-term debt	93,434,199	-	-
<b>Total assets</b>	<u>\$221,863,592</u>	<u>\$34,986,285</u>	<u>\$6,241,912</u>
<b>Liabilities, equity and other credits</b>			
<b>Liabilities</b>			
Accounts payable & accrued liabilities	\$3,590,306	-	-
Loan payable - primary government	7,845,000	-	-
Notes and capital leases payable	489,270	-	-
General obligation warrants payable	83,469,929	-	-
Deferred compensation benefits payable	941,420	-	-
<b>Total liabilities</b>	<u>96,335,925</u>	<u>-</u>	<u>-</u>
<b>Equity and other credits</b>			
Investment in general fixed assets	110,723,375	\$34,986,285	\$6,174,469
<b>Fund balances</b>			
Reserved for inventories	36,375	-	-
Reserved for building commitments	2,877,649	-	-
Reserved for encumbrances	521,547	-	-
Unreserved, undesignated	11,368,721	-	67,443
<b>Total equity and other credits</b>	<u>125,527,667</u>	<u>34,986,285</u>	<u>6,241,912</u>
<b>Total liabilities, equity and other credits</b>	<u>\$221,863,592</u>	<u>\$34,986,285</u>	<u>\$6,241,912</u>

<b>Totals</b>	
<b>1995</b>	<b>Restated 1994</b>
\$16,287,887	\$19,969,460
63,064	140,721
345,033	9,575
15,800	24,443
117,681	47,541
36,375	24,131
151,884,129	134,985,571
907,621	655,087
<u>93,434,199</u>	<u>83,111,165</u>
<u>\$263,091,789</u>	<u>\$238,967,694</u>
\$3,590,306	\$1,265,986
7,845,000	8,165,000
489,270	635,236
83,469,929	74,310,929
941,420	764,992
<u>96,335,925</u>	<u>85,142,143</u>
151,884,129	134,985,571
36,375	20,350
2,877,649	4,739,745
521,547	1,033,908
11,436,164	13,045,977
<u>166,755,864</u>	<u>153,825,551</u>
<u>\$263,091,789</u>	<u>\$238,967,694</u>

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

## THE CITY OF HOOVER, ALABAMA

## Discretely Presented Component Units

## Combining Statements of Revenues, Expenditures and Changes in Fund Balances

For the fiscal year ended September 30, 1995

(with comparative totals for the fiscal year ended September 30, 1994)

	Board of Education	Park & Recreation Board	Library Board
<b>Revenues</b>			
Licenses and permits	-	\$510,637	-
Intergovernmental	\$41,957,612	-	\$113,313
Fines & forfeits	-	-	53,807
Interest on pooled cash and investments	-	-	2,214
Stadium lease	-	238,758	-
Other	6,875,273	19,605	123,211
<b>Total revenues</b>	<u>48,832,885</u>	<u>769,000</u>	<u>292,545</u>
<b>Expenditures</b>			
Current operations			
General government	1,262,025	-	-
Recreation	-	2,356,639	-
Library	-	-	2,293,870
Instructional services	22,523,748	-	-
Instructional support services	5,459,204	-	-
Operation and maintenance	4,099,025	-	-
Auxiliary services	3,788,996	-	-
Fixed charges	7,164,630	-	-
Other	961,528	-	-
<b>Total</b>	<u>45,259,156</u>	<u>2,356,639</u>	<u>2,293,870</u>
Capital outlays	16,603,714	647,179	136,980
Debt service			
Principal	11,806,966	-	-
Interest and fiscal charges	4,918,450	-	-
<b>Total expenditures</b>	<u>78,588,286</u>	<u>3,003,818</u>	<u>2,430,850</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(29,755,401)</u>	<u>(2,234,818)</u>	<u>(2,138,305)</u>
<b>Other financing sources (uses)</b>			
Operating transfers in - primary government	5,547,417	2,234,818	2,134,293
Proceeds of general obligation warrants notes payable and capital leases	20,243,751	-	-
<b>Total other financing sources (uses)</b>	<u>25,791,168</u>	<u>\$2,234,818</u>	<u>2,134,293</u>
Excess (Deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(3,964,233)	-	(4,012)
<b>Fund balances at beginning of year - restated</b>	<u>18,768,525</u>	<u>-</u>	<u>71,455</u>
<b>Fund balances at end of year</b>	<u>\$14,804,292</u>	<u>-</u>	<u>\$67,443</u>

Totals	
1995	Restated 1994
\$510,637	\$481,012
42,070,925	35,637,374
53,807	45,495
2,214	1,959
238,758	294,024
7,018,089	5,492,769
<u>49,894,430</u>	<u>41,952,633</u>
1,262,025	1,053,240
2,356,639	2,044,093
2,293,870	1,977,145
22,523,748	18,760,848
5,459,204	4,294,287
4,099,025	3,329,137
3,788,996	3,022,748
7,164,630	6,305,062
961,528	682,133
<u>49,909,665</u>	<u>41,468,693</u>
17,387,873	28,974,274
11,806,966	1,423,393
4,918,450	4,041,062
<u>84,022,954</u>	<u>75,907,422</u>
<u>(34,128,524)</u>	<u>(33,954,789)</u>
9,916,528	8,706,185
20,243,751	10,506,154
<u>30,160,279</u>	<u>19,212,339</u>
(3,968,245)	(14,742,450)
<u>18,839,980</u>	<u>33,582,430</u>
<u>\$14,871,735</u>	<u>\$18,839,980</u>

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

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# **PUBLIC PARK AND RECREATION BOARD OF THE CITY OF HOOVER**

## **(A DISCRETELY PRESENTED COMPONENT UNIT)**

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

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**THE CITY OF HOOVER, ALABAMA**  
**Discretely Presented Component Unit - Park and Recreation Board**  
**Combined Balance Sheet**  
**All Fund Types and Account Groups**  
September 30, 1995  
(with comparative totals for September 30, 1994)

	Governmental Fund Types	Account Groups	Totals (Memorandum Only)	
	General	General Fixed Assets	1995	Restated 1994
<b>Assets</b>				
Fixed assets	-	\$34,986,285	\$34,986,285	\$34,339,106
Total assets	-	\$34,986,285	\$34,986,285	\$34,339,106
<b>Liabilities, equity and other credits</b>				
Equity and other credits				
Investment in general fixed assets	-	\$34,986,285	\$34,986,285	\$34,339,106
Total liabilities, equity and other credits	-	\$34,986,285	\$34,986,285	\$34,339,106

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

**THE CITY OF HOOVER, ALABAMA**  
**Discretely Presented Component Unit - Park and Recreation Board**  
**Comparative Statements of Revenues, Expenditures and Changes in Fund Balances**  
**All Governmental Fund Types**  
For the fiscal years ended September 30,

	<b>Governmental Fund Types</b>	
	<b>General</b>	
	<b>1995</b>	<b>Restated 1994</b>
<b>Revenues</b>		
Licenses and permits	\$510,637	\$481,012
Stadium lease	238,758	294,024
Other	19,605	7,748
Total revenues	<u>769,000</u>	<u>782,784</u>
<b>Expenditures</b>		
Current operations		
Recreation		
Personal services	1,502,268	1,251,248
Other	854,371	792,845
Total	2,356,639	2,044,093
Capital outlays	<u>647,179</u>	<u>652,959</u>
Total expenditures	<u>3,003,818</u>	<u>2,697,052</u>
Excess (deficiency) of revenues over (under) expenditures	(2,234,818)	(1,914,268)
<b>Other financing sources</b>		
Operating transfers in - primary government	<u>2,234,818</u>	<u>1,914,268</u>
Excess (Deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	-
<b>Fund balances at beginning of year</b>	-	-
<b>Fund balances at end of year</b>	<u>-</u>	<u>-</u>

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

**THE CITY OF HOOVER, ALABAMA**  
**Discretely Presented Component Unit - Park and Recreation Board**  
**Comparative Schedule of General Fixed Assets by Source**  
**September 30**

	<u>1995</u>	<u>Restated 1994</u>
<b>General Fixed Assets</b>		
Land	\$8,789,190	\$8,784,190
Buildings	6,213,347	6,213,347
Improvements other than buildings	19,060,298	18,691,571
Equipment and vehicles	<u>923,450</u>	<u>649,998</u>
Total general fixed assets	<u>\$34,986,285</u>	<u>\$34,339,106</u>
<b>Investment in General Fixed Assets</b>		
General obligation warrants	\$23,828,556	\$23,828,556
Long-term notes payable	500,000	500,000
Capital leases payable	93,500	93,500
Park and Recreation Board bond	427,146	427,146
General revenues	9,611,418	8,964,239
Donations and annexations	<u>525,665</u>	<u>525,665</u>
Total investment in general fixed assets	<u>\$34,986,285</u>	<u>\$34,339,106</u>

**THE CITY OF HOOVER, ALABAMA**  
**Discretely Presented Component Unit - Park and Recreation Board**  
**Schedule of General Fixed Assets by Function and Activity**  
September 30, 1995

<u>Function and Activity</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other than Buildings</u>	<u>Equipment and Vehicles</u>	<u>Total</u>
Recreation	\$8,789,190	\$6,213,347	\$19,060,298	\$923,450	\$34,986,285
Total general fixed assets allocated to functions and activities	<u>\$8,789,190</u>	<u>\$6,213,347</u>	<u>\$19,060,298</u>	<u>\$923,450</u>	<u>\$34,986,285</u>

**THE CITY OF HOOVER, ALABAMA**  
**Discretely Presented Component Unit - Park and Recreation Board**  
**Schedule of Changes in General Fixed Assets by Function and Activity**  
For the fiscal year ended September 30, 1995

<u>Function and Activity</u>	<u>Restated General Fixed assets October 1, 1994</u>	<u>Additions</u>	<u>Deletions</u>	<u>General Fixed Assets September 30, 1995</u>
Recreation	<u>\$34,339,106</u>	<u>\$647,179</u>	<u>-</u>	<u>\$34,986,285</u>
Total general fixed assets	<u>\$34,339,106</u>	<u>\$647,179</u>	<u>-</u>	<u>\$34,986,285</u>

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# **CITY OF HOOVER PUBLIC LIBRARY BOARD**

**(A DISCRETELY PRESENTED COMPONENT UNIT)**

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

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**THE CITY OF HOOVER, ALABAMA**  
**Discretely Presented Component Unit - Library Board**  
**Combined Balance Sheet**  
**All Fund Types and Account Groups**  
**September 30, 1995**  
(with comparative totals for September 30, 1994)

	Governmental Fund Types	Account Groups	Totals (Memorandum Only)	
	General	General Fixed Assets	1995	Restated 1994
<b>Assets</b>				
Pooled cash and investments	\$67,443	-	\$67,443	\$71,455
Fixed assets	-	\$6,174,469	6,174,469	6,037,489
Total assets	<u>\$67,443</u>	<u>\$6,174,469</u>	<u>\$6,241,912</u>	<u>\$6,108,944</u>
<b>Liabilities, equity and other credits</b>				
Equity and other credits				
Investment in general fixed assets	-	\$6,174,469	\$6,174,469	\$6,037,489
Fund balance				
Unreserved, undesignated	<u>\$67,443</u>	-	<u>67,443</u>	<u>71,455</u>
Total liabilities, equity and other credits	<u>\$67,443</u>	<u>\$6,174,469</u>	<u>\$6,241,912</u>	<u>\$6,108,944</u>

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

**THE CITY OF HOOVER, ALABAMA**  
**Discretely Presented Component Unit - Library Board**  
**Comparative Statements of Revenues, Expenditures and Changes in Fund Balances**  
**All Governmental Fund Types**  
For the fiscal years ended September 30,

	<b>Governmental Fund Types</b>	
	<b>General</b>	
	<b>1995</b>	<b>Restated 1994</b>
<b>Revenues</b>		
Intergovernmental	\$113,313	\$99,898
Fines & forfeits	53,807	45,495
Interest on pooled cash and investments	2,214	1,959
Other	123,211	104,486
Total revenues	<u>292,545</u>	<u>251,838</u>
<b>Expenditures</b>		
Current operations		
Library		
Personal services	1,354,508	1,144,067
Other	939,362	833,078
Total	<u>2,293,870</u>	<u>1,977,145</u>
Capital outlays	<u>136,980</u>	<u>66,710</u>
Total expenditures	<u>2,430,850</u>	<u>2,043,855</u>
Excess (deficiency) of revenues over (under) expenditures	(2,138,305)	(1,792,017)
<b>Other financing sources</b>		
Operating transfers in - primary government	<u>2,134,293</u>	<u>1,806,834</u>
Excess (Deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(4,012)	14,817
<b>Fund balances at beginning of year</b>	<u>71,455</u>	<u>56,638</u>
<b>Fund balances at end of year</b>	<u><u>\$67,443</u></u>	<u><u>\$71,455</u></u>

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

**THE CITY OF HOOVER, ALABAMA**  
**Discretely Presented Component Unit - Library Board**  
**Comparative Schedule of General Fixed Assets by Source**  
**September 30**

	<u>1995</u>	<u>Restated 1994</u>
<b>General Fixed Assets</b>		
Buildings	5,498,255	5,498,255
Improvements other than buildings	86,050	2,749
Equipment and vehicles	<u>590,164</u>	<u>536,485</u>
Total general fixed assets	<u>\$6,174,469</u>	<u>\$6,037,489</u>
<b>Investment in General Fixed Assets</b>		
General obligation warrants	\$5,902,919	\$5,902,919
General revenues	<u>271,550</u>	<u>134,570</u>
Total investment in general fixed assets	<u>\$6,174,469</u>	<u>\$6,037,489</u>

**THE CITY OF HOOVER, ALABAMA**  
**Discretely Presented Component Unit - Library Board**  
**Schedule of General Fixed Assets by Function and Activity**  
**September 30, 1995**

<u>Function and Activity</u>	<u>Buildings</u>	<u>Improvements Other than Buildings</u>	<u>Equipment and Vehicles</u>	<u>Total</u>
Library	<u>\$5,498,255</u>	<u>\$86,050</u>	<u>\$590,164</u>	<u>\$6,174,469</u>
Total general fixed assets allocated to functions and activities	<u>\$5,498,255</u>	<u>\$86,050</u>	<u>\$590,164</u>	<u>\$6,174,469</u>

**THE CITY OF HOOVER, ALABAMA**  
**Discretely Presented Component Unit - Library Board**  
**Schedule of Changes in General Fixed Assets by Function and Activity**  
**For the fiscal year ended September 30, 1995**

<u>Function and Activity</u>	<u>Restated General Fixed assets October 1, 1994</u>	<u>Additions</u>	<u>Deletions</u>	<u>General Fixed Assets September 30, 1995</u>
Library	<u>\$6,037,489</u>	<u>\$136,980</u>	<u>-</u>	<u>\$6,174,469</u>
Total general fixed assets	<u><u>\$6,037,489</u></u>	<u><u>\$136,980</u></u>	<u><u>-</u></u>	<u><u>\$6,174,469</u></u>

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**SUPPLEMENTAL INFORMATION**  
**PRIMARY GOVERNMENT**

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**THE CITY OF HOOVER, ALABAMA**  
**Schedule of Pension Plan Funding Progress\***

(1) Plan year Ended September 30 (A)	(2) Net Assets Available for Benefits	(3) Pension Benefit Obligation	(4) Percentage Funded (1)/(2)	(5) Surplus (Unfunded) PBO (1)-(2)	(6) Annual Covered Payroll	(7) Surplus (Unfunded) PBO As a Percentage of Covered Payroll (4)/(5)
1985	\$1,027,524	\$1,364,869	75.28%	(\$337,345)	\$2,339,581	(14.42%)
1986	1,682,417	1,876,066	89.68%	(193,649)	3,127,442	(6.19%)
1987	2,453,819	2,669,871	91.91%	(216,052)	4,668,667	(4.63%)
1988	3,273,891	3,632,448	90.13%	(358,557)	6,712,481	(5.34%)
1989	4,559,086	4,719,410	96.60%	(160,324)	7,806,751	(2.05%)
1990	5,876,911	5,532,292	106.23%	344,619	8,272,042	4.17%
1991	7,454,756	6,779,817	109.96%	674,939	9,997,353	6.75%
1992	9,219,844	8,405,849	109.68%	813,995	10,760,283	7.56%
1993	11,157,348	10,265,058	108.69%	892,290	11,861,860	7.52%
1994	13,721,469	13,596,876	100.92%	124,593	12,550,824	0.99%

\* Unaudited

(A) Date of actuarial valuation.

Source: Employee's Retirement System of Alabama

PBO = Pension Benefit Obligation

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**STATISTICAL SECTION**

**PRIMARY GOVERNMENT**

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

<u>Fiscal Year</u>	<u>Sales and Use Tax</u>	<u>Property Tax</u>	<u>In Lieu of Property Tax</u>	<u>Auto Tax</u>	<u>Rental Tax</u>	<u>Total</u>
1986	\$7,576,464	\$899,553	\$41,622	\$87,686	\$50,824	\$8,656,149
1987	10,415,505	1,154,186	38,217	115,342	47,928	11,771,178
1988	11,607,404	1,380,883	28,146	138,019	47,719	13,202,171
1989	12,716,945	1,980,915	34,836	155,060	49,046	14,936,802
1990	15,003,431	2,157,136	25,400	165,269	47,310	17,398,546
1991	15,911,832	2,383,888	20,663	228,440	62,750	18,607,573
1992	17,278,328	2,692,524	20,664	136,111	107,422	20,235,049
1993	20,728,713	2,681,425	19,162	216,934	96,173	23,742,407
1994	27,568,637 (A)	2,925,759	53,062	217,420	126,548 (A)	30,891,426
1995	34,085,710	3,369,272	53,062	236,526	137,010	37,881,580

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

Source: City annual financial reports.

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

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Safety (B)</u>	<u>Streets and Sanitation</u>	<u>Health</u>	<u>Capital Outlays</u>
1986	\$1,752,087	\$5,050,302	\$1,797,103	\$62,995	\$3,688,824
1987	2,069,240	6,025,411	2,272,864	84,646	8,650,166
1988	2,504,863	6,999,518	2,288,101	105,317	16,204,594
1989	2,078,774	7,964,689	2,542,297	124,523	1,835,289
1990	2,244,350	9,600,102	2,760,175	135,333	1,060,623
1991	2,824,151	10,164,111	3,020,169	126,752	7,150,715
1992	2,808,843	10,920,575	3,533,030	105,953	8,466,176
1993	3,110,641	11,789,994	3,764,589	131,824	2,226,812
1994	3,161,080	13,115,674	3,965,613	311,847	2,601,047
1995	3,650,427	14,923,300	4,360,208	331,883	9,543,813

Continued on Page 102

- (A) This schedule includes the General, Special Revenue and Capital Projects Funds.  
 (B) Includes Municipal Court.

Source: City annual financial reports.

<u>Debt Service</u>	<u>Total</u>
\$1,432,019	\$13,783,330
1,472,053	20,574,380
3,881,644	31,984,037
3,082,645	17,628,217
4,124,387	19,924,970
4,393,214	27,679,112
4,969,769	30,804,346
5,181,668	26,205,528
5,483,843	28,639,104
4,921,841	37,731,472

Continued from Page 101

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

<u>Fiscal Year</u>	<u>Taxes</u>	<u>Licenses and Permits</u>	<u>Intergovernmental</u>	<u>Fines and Forfeits</u>
1986	\$8,656,149	\$1,902,237	\$889,399	\$207,288
1987	11,771,178	2,631,011	890,915	255,711
1988	13,202,171	2,719,683	1,021,781	295,758
1989	14,936,802	3,219,790	1,043,063	404,469
1990	17,398,546	3,721,613	1,395,944	380,592
1991	18,607,573	4,848,791	1,259,986	491,556
1992	20,235,049	5,221,673	1,420,471	454,527
1993	23,742,407	6,083,992	2,091,689	461,024
1994	30,891,426	5,860,897	2,168,119	496,575
1995	37,881,580	6,376,852	2,448,911	487,896

Continued on Page 104

- (A) This schedule includes the General, Special Revenue and Capital Projects Funds.
- (B) Includes interest earned on loan to Board of Education, which is used for debt service on the general obligation school warrants dated September 1, 1989.

Source: City annual financial reports.

<u>Interest</u>	<u>Other</u>	<u>Total</u>
\$161,037	\$527,031	\$12,343,141
207,925	161,826	15,918,566
480,062	233,438	17,952,893
383,322	607,592	20,595,038
841,655 (B)	572,068	24,310,418
1,689,072 (B)	1,287,703	28,184,681
972,374 (B)	947,463	29,251,557
836,908 (B)	1,609,216	34,825,236
859,392 (B)	1,370,029	41,646,438
1,180,986 (B)	1,334,423	49,710,648

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

**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 Tax Collections to Tax Levy</u>
1985	\$795,568	\$781,553	98.2%	\$3,438	\$784,991	98.7%
1986	1,021,885	1,008,165	98.7%	3,161	1,011,326	99.0%
1987	1,186,046	1,179,185	99.4%	6,186	1,185,371	99.9%
1988	1,751,174	1,655,850	94.6%	383	1,656,233	94.6%
1989	1,824,382	1,752,624	96.1%	6,256	1,758,880	96.4%
1990	1,923,931	1,872,508	97.3%	865	1,873,373	97.4%
1991	1,988,919	1,920,859	96.6%	16,478	1,937,337	97.4%
1992	2,054,747	1,935,348	94.2%	21,071	1,956,419	95.2%
1993	2,067,439	1,985,163	96.0%	14,106	1,999,269	96.7%
1994	2,500,454	2,407,911	96.3%	16,516	2,391,395	95.6%

**Shelby County:**

<u>Beginning October 1</u>	<u>Total Tax Levy</u>	<u>Total Tax Collections</u>	<u>Percent of Tax Collections to Tax Levy</u>
1985	\$112,638	\$114,562	101.7%
1986	143,242	142,860	99.7%
1987	210,662	195,512	92.8%
1988	328,393	324,682	98.9%
1989	392,809	398,256	101.4%
1990	548,679	510,515	93.0%
1991	736,067	755,187	102.6%
1992	786,651	775,477	98.6%
1993	839,231	803,882	95.8%
1994	1,011,844	977,877	96.6%

(A) Property tax on motor vehicles is excluded.

Source: Jefferson and Shelby County Tax Collectors.

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

**Located in Jefferson County:**

<b>Assessment Date October 1</b>	<b>Real Property (A)</b>		<b>Personal Property (A)</b>	
	<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Assessed Value</b>	<b>Estimated Actual Value</b>
1985	\$111,225,401	\$808,350,049	\$11,360,483	\$56,802,415
1986	125,892,258	884,824,401	18,981,584	94,907,920
1987	197,510,028	1,329,041,058	26,457,290	132,286,450
1988	207,967,118	1,408,265,431	28,331,826	141,659,130
1989	211,928,255	1,451,431,416	30,148,078	150,740,390
1990	217,467,432	1,507,641,117	32,106,596	160,532,980
1991	225,745,021	1,564,991,798	34,959,344	174,796,720
1992	232,228,585	1,626,395,898	31,343,255	156,718,775
1993	292,958,228	2,037,742,851	32,520,437	162,602,185
1994	299,007,442	2,108,939,188	36,582,126	182,910,630

**Located in Shelby County:**

1985	\$17,668,840	\$88,344,200	\$633,180	\$3,165,900
1986	25,740,940	128,704,700	1,416,320	7,081,600
1987	45,294,040	226,470,200	2,225,340	11,126,700
1988	53,956,020	269,780,100	4,214,000	21,070,000
1989	59,066,940	295,334,700	3,412,400	17,062,000
1990	100,310,320	501,551,000	10,342,160	51,710,800
1991	107,783,940	538,919,700	10,665,000	53,325,000
1992	114,616,180	573,080,900	12,254,780	61,273,900
1993	139,602,460	698,012,300	13,720,480	68,602,400
1994	159,994,480	799,972,400	16,629,200	83,146,000

Continued on Page 107

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

Source: Jefferson and Shelby County Tax Collectors.

<b>Public Utility Property (B)</b>		<b>Total</b>		<b>Ratio of Total Assessed to Total Estimated Actual Value</b>
<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Assessed Value</b>	<b>Estimated Actual Value</b>	
\$36,620,700	\$121,946,931	\$159,206,584	\$987,099,395	16.1%
39,880,100	132,800,733	184,753,942	1,112,533,054	16.6%
44,875,440	149,435,215	268,842,758	1,610,762,723	16.7%
48,758,880	162,367,070	285,057,824	1,712,291,631	16.6%
56,510,980	188,181,563	298,587,313	1,790,353,369	16.7%
61,356,140	204,520,467	310,930,168	1,872,694,564	16.6%
60,831,040	202,749,856	321,535,405	1,942,538,374	16.6%
60,297,380	200,971,168	323,869,220	1,984,085,841	16.3%
67,054,700	223,493,315	392,533,365	2,423,838,351	16.2%
68,298,740	227,639,700	403,888,308	2,519,489,518	16.0%
\$3,808,220	\$19,041,100	\$22,110,240	\$110,551,200	20.0%
5,333,580	26,667,900	32,490,840	162,454,200	20.0%
3,002,720	15,013,600	50,522,100	252,610,500	20.0%
2,566,960	12,834,800	60,736,980	303,684,900	20.0%
2,885,720	14,428,600	65,365,060	326,825,300	20.0%
3,040,080	15,200,400	113,692,560	568,462,200	20.0%
3,129,900	15,649,500	121,578,840	607,894,200	20.0%
3,880,840	19,404,200	130,751,800	653,759,000	20.0%
4,640,820	23,204,100	157,963,760	789,818,800	20.0%
12,993,360	64,966,800	189,617,040	948,085,200	20.0%

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

**Jefferson County:**

Fiscal Year Ended September 30	City of Hoover		Jefferson County				State of Alabama	Total Tax
	General Fund	City Schools	County	County Schools	School District	County Total		
1986	\$0.65	-	\$1.35	\$0.82	\$1.39	\$3.56	\$0.65	\$4.86
1987	0.65	-	1.35	0.82	1.39	3.56	0.65	4.86
1988	0.65	-	1.35	0.82	1.39	3.56	0.65	4.86
1989	0.65	-	1.35	0.82	1.39	3.56	0.65	4.86
1990	0.65	-	1.35	0.82	1.39	3.56	0.65	4.86
1991 (A)	0.65	\$1.40	1.35	0.82	1.39	3.56	0.65	6.26
1992	0.65	1.40	1.35	0.82	1.39	3.56	0.65	6.26
1993	0.65	1.40	1.35	0.82	1.39	3.56	0.65	6.26
1994	0.65	1.40	1.35	0.82	1.39	3.56	0.65	6.26
1995	0.65	1.40	1.35	0.82	1.39	3.56	0.65	6.26

**Shelby County:**

Fiscal Year Ended September 30	City of Hoover		Shelby County				State of Alabama	Total Tax	
	General Fund	City Schools	County	County Schools	School District	Hospital			County Total
1986	\$0.65	-	\$0.75	\$0.90	\$0.60	\$0.40	\$2.65	\$0.65	\$3.95
1987	0.65	-	0.75	0.90	0.60	0.40	2.65	0.65	3.95
1988	0.65	-	0.75	0.90	0.60	0.40	2.65	0.65	3.95
1989	0.65	-	0.75	0.90	0.60	0.30	2.55	0.65	3.85
1990	0.65	-	0.75	1.60	0.60	0.40	3.35	0.65	4.65
1991 (A)	0.65	\$1.40	0.75	1.60	0.60	0.40	3.35	0.65	6.05
1992	0.65	1.40	0.75	1.60	0.60	0.40	3.35	0.65	6.05
1993	0.65	1.40	0.75	1.60	0.60	0.40	3.35	0.65	6.05
1994	0.65	1.40	0.75	1.60	0.60	0.40	3.35	0.65	6.05
1995	0.65	1.40	0.75	1.60	0.60	0.40	3.35	0.65	6.05

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

Source: Jefferson and Shelby County Tax Collectors.

**THE CITY OF HOOVER, ALABAMA**  
**Principal Property Taxpayers**  
For the fiscal year ended September 30, 1995

	<u>City Ad Valorem Taxes</u>	<u>Percentage of Total Property Taxes Collected (A)</u>
Bellsouth Telecommunications	\$427,515	11.86 %
Metropolitan Life Insurance Company	141,730	3.93
Hoover Mall Limited	111,657	3.10
Blue Cross & Blue Shield of Alabama	66,326	1.84
Galleria Venture	53,892	1.49
Daniel Companies	50,478	1.40
Rust International	46,578	1.29
Rime Village	42,433	1.18
Harbert Companies	40,078	1.11
Alabama Power Company	27,915	0.77
Tree Crossing Association	<u>27,377</u>	<u>0.76</u>
Total	<u>\$1,035,979</u>	<u>28.73 %</u>

(A) Excludes motor vehicles.

Source: Jefferson and Shelby County Tax Collectors.

**THE CITY OF HOOVER, ALABAMA**  
**Computation of Legal Debt Margin**  
September 30, 1995

Assessed Value of property	<u>\$636,034,748</u> (A)
Debt Limit - 20 percent of total assessed value	127,206,950
Amount of debt applicable to debt limit	<u>59,243,200</u> (B)
Legal debt margin	<u>\$67,963,750</u>

(A) Includes assessed value of motor vehicles totaling \$42,529,400.

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

Source: Jefferson County and Shelby County Tax Assessors.

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

<u>Fiscal Year</u>	<u>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>
1986	19,792	\$139,724,074	\$10,257,000	7.34	\$518.24
1987	31,319	192,914,341 (B)	19,400,000	10.06	619.43
1988	31,319	235,696,242 (B)	33,475,000	14.20	1,068.84
1989	31,319	341,716,138 (B)	42,450,000	12.42	1,355.41
1990	39,788	370,910,744 (B)	56,553,227	15.25	1,421.36
1991	39,788	391,529,273 (B)	56,480,485	14.43	1,419.54
1992 (A)	45,000	451,450,768 (B)	58,037,526	12.86	1,289.72
1993 (A)	48,000	469,130,985 (B)	57,281,488	12.21	1,193.36
1994 (A)	50,000	584,588,625 (B)	64,126,353	10.97	1,282.53
1995 (A)	55,000	636,034,748 (B)	64,303,684	10.11	1,169.16

(A) Estimate by city.

(B) Includes assessed value of motor vehicles.

Source: City annual financial reports.

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

<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>
1986	\$1,432,019	\$13,783,330	10.39
1987	1,433,623	20,574,380	6.97
1988	3,881,644	31,984,037	12.14
1989	3,082,645	17,628,217	17.49
1990	4,124,387	19,924,970	20.70
1991	4,393,214	27,679,112	15.87
1992	4,969,769	30,804,346	16.13
1993	5,181,668	26,205,528	19.77
1994	5,483,843	28,639,104	19.15
1995	5,921,841	37,731,472	15.69

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

Source: City annual financial reports.

**THE CITY OF HOOVER, ALABAMA**  
**Computation of Direct and Overlapping Debt**  
**General Obligation Warrants**  
September 30, 1995

	<u>Total Debt Outstanding</u>	<u>Percentage Applicable to City of Hoover</u>	<u>Amount Applicable to City of Hoover</u>
<b>Direct Debt</b>			
City of Hoover - general obligation warrants	<u>\$64,303,684</u>	100.00 %	<u>\$64,303,684</u>
<b>Overlapping Debt</b>			
Hoover City Board of Education	85,589,199 (A)	100.00	85,589,199
Jefferson County	441,644,720	9.63	42,530,387
Jefferson County Board of Education	80,000,000	9.63	7,704,000
Shelby County	52,351,388	20.30	10,627,332
Shelby County Board of Education	<u>58,017,380</u>	20.30	<u>11,777,528</u>
Total overlapping debt	<u>717,602,687</u>		<u>158,228,446</u>
Total direct and overlapping debt	<u><u>\$781,906,371</u></u>		<u><u>\$222,532,130</u></u>

(A) Hoover City Board of Education debt shown net of \$7,845,000 due to the City of Hoover.

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

**THE CITY OF HOOVER, ALABAMA**  
**Demographic Statistics**

<u>Fiscal Year</u>	<u>Population</u>	<u>Median Household Income</u>	<u>School Age Individuals</u>	<u>Unemployment Rate</u>
1986	30,500 (E)	**	**	7.7 (B) (C)
1987	31,319 (A)	**	**	6.7 (B) (C)
1988	34,000 (E)	**	5,300 (F)	5.8 (B) (C)
1989	40,000 (E)	**	5,556 (F)	5.5 (B) (C)
1990	39,788 (A)	\$39,527 (G)	6,115 (F)	5.3 (B) (C)
1991	42,500 (G)	40,500 (E)	6,329 (F)	5.6 (B) (C)
1992	45,000 (G)	53,472 (G)	6,806 (F)	2.4 (B) (D)
1993	48,000 (G)	53,472 (G)	7,483 (F)	2.3 (B) (D)
1994	50,000 (E)	53,472 (G)	7,683 (F)	1.7 (B) (D)
1995	55,000 (E)	59,083 (H)	8,210 (F)	1.6 (B) (D)

\*\* Information not available

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

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

<u>Fiscal Year</u>	<u>Value of Commercial Construction (A)</u>	<u>Value of Residential Construction (A)</u>	<u>Bank Deposits (B)</u>	<u>Retail Sales (A) (C)</u>
1986	55,639,000	26,598,308	205,000,000	537,000,000
1987	56,108,000	35,170,000	223,400,000	698,000,000
1988	38,061,643	37,592,249	272,976,000	729,000,000
1989	63,716,547	27,808,568	317,120,000	741,000,000
1990	25,467,426	48,871,241	548,029,000	750,000,000
1991	55,797,335	85,719,502	650,050,000	800,000,000
1992	18,105,842	104,642,785	730,154,000	850,000,000
1993	46,370,287	147,744,433	1,017,033,000	950,000,000
1994	80,704,946	147,316,465	776,560,000	1,050,000,000
1995	62,787,313	156,126,270	763,401,000	1,100,000,000

(A) Source: City records.

(B) Source: Various City banks.

(C) Estimated

## THE CITY OF HOOVER, ALABAMA

### Miscellaneous Statistics

September 30, 1995

Date of Incorporation: May 18, 1967

Form of Government: Mayor-Council (5 members)

Area: 44 Square miles (A)

**Miles of Street:**

Paved	496 (A)
Unpaved	0 (A)

**Miles of Sewers:**

Sanitary	171 (A)
Storm	160 (A)

**Number of City Employees:**

Administration	25
Finance	8
Garage	3
Police	148
Fire	124
Inspection services	18
Municipal court	6
Street and sanitation	28
Sewer	1
Recreation	64
Library	75
Health	2
<b>Total</b>	<u><u>502 (B)</u></u>

**Public Schools:**

Established - August 29, 1988  
 Enrollment - 8,210  
 Buildings - one high school; two middle schools;  
 and eight elementary schools.  
 Budget - approximately \$76.4 million (C)

**Major employers:**

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

**Recreation:**

Number of parks	18 (E)
Acres of developed parks and lakes	230 (E)
Acres not developed	528 (E)

**Public Safety:**

Number of fire stations	7
Number of police stations	2

**Population:**

1968	410 (G)
1970	1,393 (G)
1973	3,594 (G)
1980	19,792 (G)
1987	31,319 (G)
1990	39,788 (G)
1992	45,000 (H)
1993	48,000 (H)
1994	50,000 (H)
1995	55,000 (H)

**Number of housing units:**

Owner occupied	15,048
Renter occupied	9,135
<b>Total</b>	<u><u>24,183 (F)</u></u>

**Value of housing units:**

Median value	\$152,600 (I)
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**Income:**

Per capita	\$24,017 (I)
Family	\$59,083 (I)

**Median age**

35 (I)

- (A) Source: City Engineer (Amounts are approximate).  
 (B) Source: City payroll records, September 30, 1995.  
 (C) Source: City Board of Education.  
 (D) Source: Birmingham Regional Planning Commission.  
 (E) Source: Director of Parks and Recreation, City of Hoover.  
 (F) Source: House Consultants, Independent Consulting Firm.  
 (G) Source: Federal census.  
 (H) Source: Estimate by City.  
 (I) Source: Porter, White & Company, Inc.