



June 4th, 2018

Current Budget is Being Addressed

Restructured departments

Restricted travel

Cost-neutral job creation

Project management software

Reconfigured Met Complex project

Salary and staffing study

Purchasing approval system

Changed tuition reimbursement program

Holding positions vacant

Review of restricted funds

Controlled overtime

Validation of tax records

Eliminated Freedom Fest

Corrected overtime rules

Energy management program

Health insurance changes

Legislative involvement with SSUT

Retirement options

Employee clinic/wellness program

Fleet management changes

Evaluating property and casualty/workers compensation insurance

Cut helicopter unit

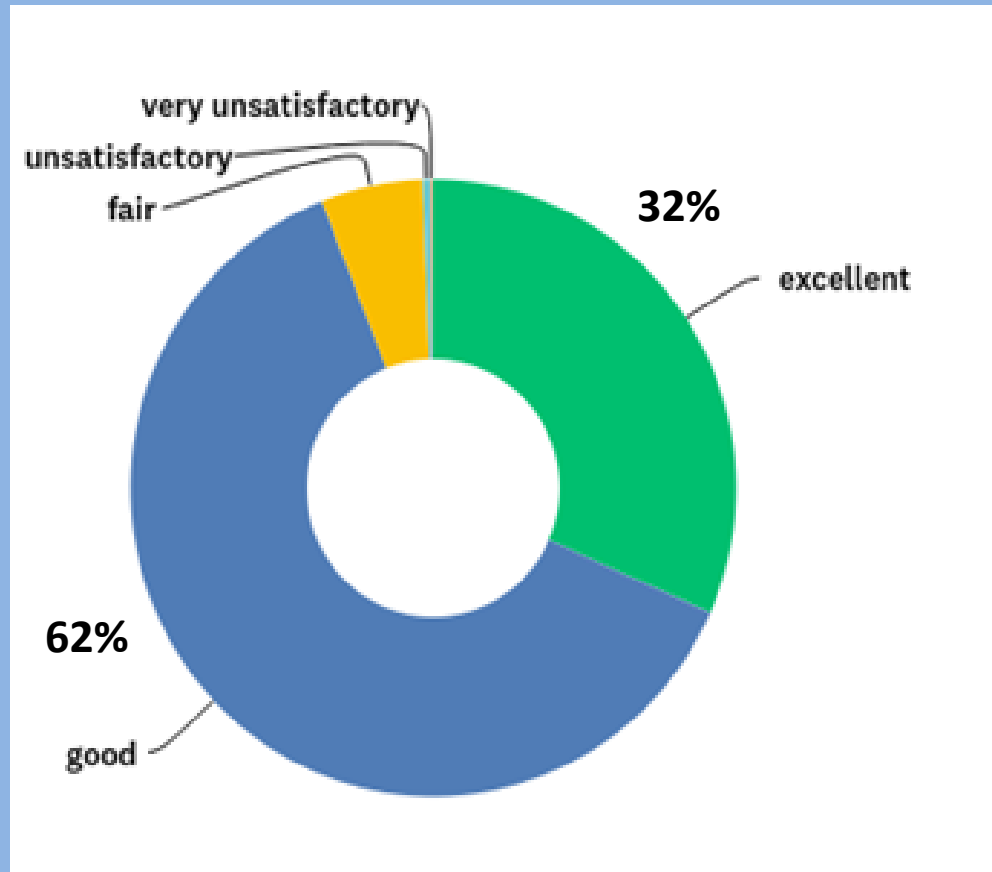
Ladder truck savings

Grant program

Increased patient transports

Capital projects review

Quality of Life



Future Budget Challenges

Eliminate future deficits, generate funds for routine capital improvements, and attract/retain quality employees

Projected Future Deficits

FY19	FY20	FY21	FY22	FY23
-\$3,939,000	-\$4,965,000	-\$6,055,000	-\$7,212,000	-\$3,129,000

\$11,000,000 per year

Future Hoover Town Halls and Online Survey

“What will define success for Hoover’s future?”



Strong Schools



Arts Center



City Center



Traffic Management

Support for Hoover Schools



60% said that schools were an important issue for the city's future

Hoover City Schools

Funds for operating needs and/or capital improvements as outlined in HCS Future Needs Projection

\$4,000,000 per year

Hoover City Schools

\$36,400,000 in Capital Projects

Year	Roofing	Paving	Classrooms	Renovations
2019	\$2,000,000 (Hoover HS)	\$500,000 (Rocky Ridge, Board Office, Berry)	\$2,000,000 (Berry Middle, Riverchase)	\$1,000,000 (Old Bluff Park)
2020	\$2,000,000 (Greystone)	\$500,000 (Green Valley, Deer Valley, Trace Crossings)	\$4,700,000 (Berry Middle, Riverchase)	\$1,000,000 (Old Bluff Park)
2021	\$2,000,000 (S. Shades Crest)	\$500,000 (Simmons, Bluff Park)	\$4,700,000 (Berry, Riverchase)	\$1,500,000 (Bluff Park)
2022	\$2,000,000 (Brock's Gap)	\$500,000 (Various)	\$1,000,000 (Gwin)	\$1,500,000 (Bluff Park)
2023	\$2,000,000 (Rocky Ridge, Gwin, Simmons)	\$500,000 (Various)	\$2,000,000 (Gwin)	-----
2024	\$2,000,000 (Deer Valley)	\$500,000 (Various)	\$2,000,000 (Gwin)	-----
TOTAL	\$12,000,000	\$3,000,000	\$16,400,000	\$5,000,000

Hoover City Schools

	Actual FY16		Proposed FY19
Contribution	\$2,546,000	Current Contribution	\$5,000,000
New Funds	-----	New Funds	\$4,000,000
Total Cash	\$2,546,000	Total Cash	\$9,000,000
<i>In-Kind Support (SRO)</i>	<i>\$1,744,895</i>	<i>In-Kind Support (SRO)</i>	<i>\$2,100,000</i>
Total Support	\$4,290,895	Total Support	\$11,100,000

Traffic Management



78% said traffic negatively impacts quality of life in Hoover

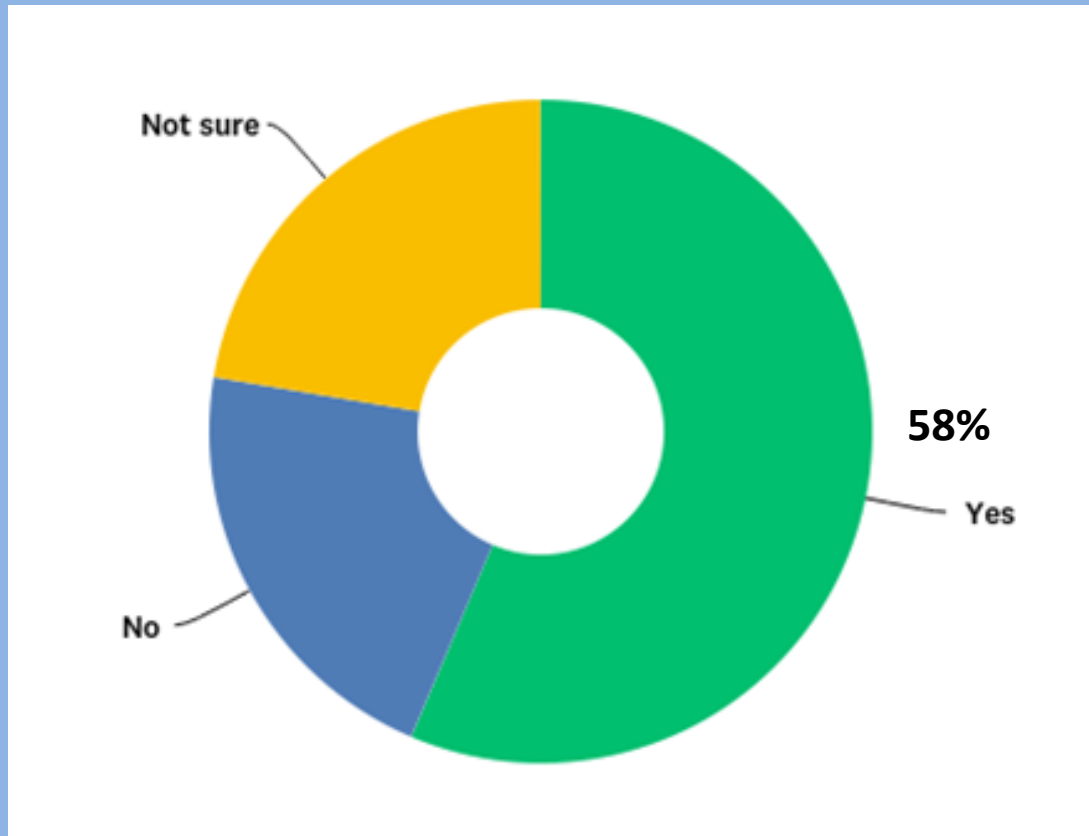
New Interchange and Exit 10 Improvements

Build a new interchange along I-459 and make substantial improvements to Exit 10 (Hwy 150)

\$22,000,000

(city's matching portion of \$110,000,000 federal funds)

Community Arts Center



Community Arts Center

Construct a new community center for fine and performing arts and provide operating costs

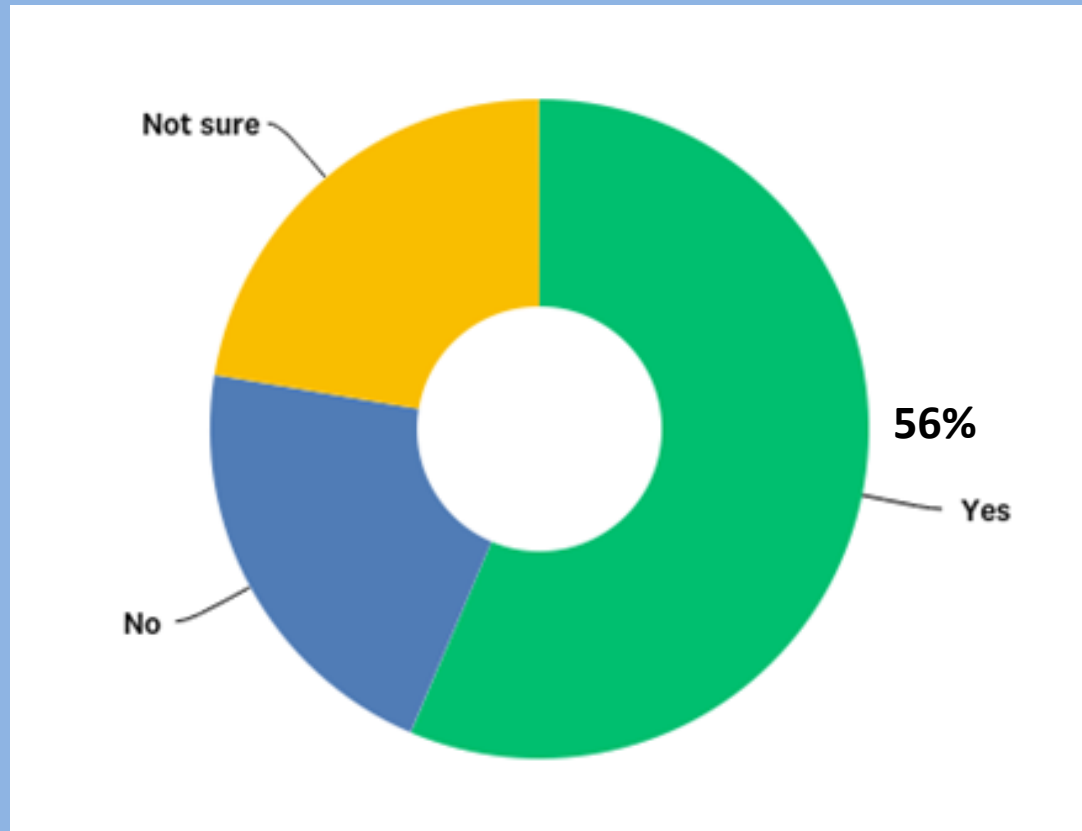
\$22,300,000

and

\$1,000,000 per year



Hoover Public Library Eastern Branch



Also, in the Hoover Library's 2017 Strategic Planning Process, **75%** of respondents said this was important to them

Eastern Library Branch

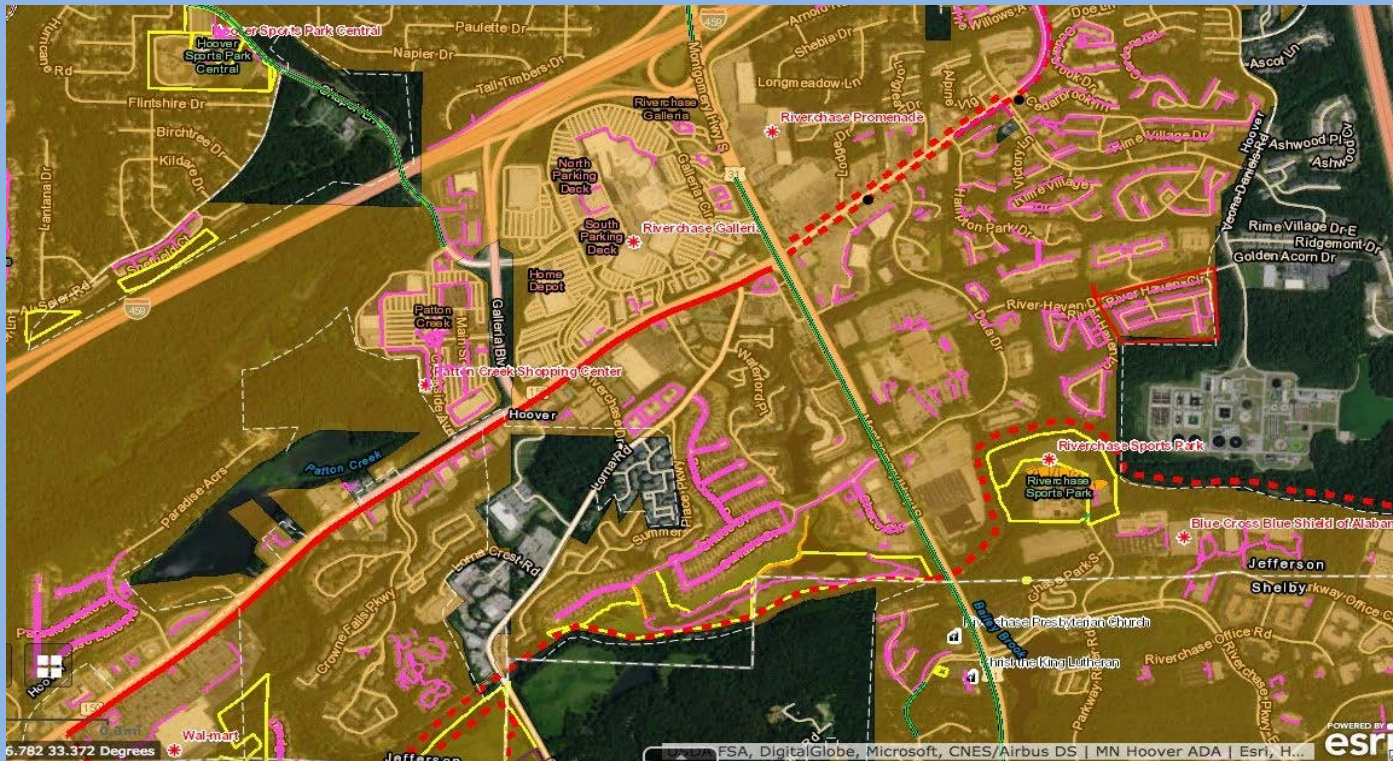
Construct a Hoover Public Library eastern branch and provide operating costs

\$1,700,000

and

\$700,000 per year

Future Hoover Town Halls and Online Survey

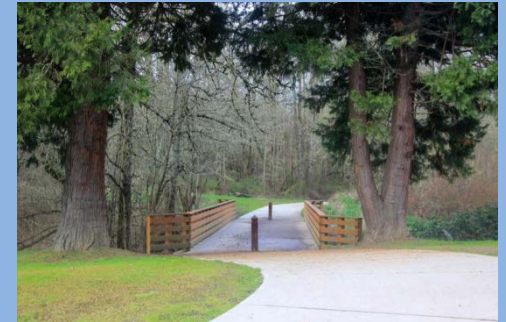


Bicycle and pedestrian infrastructure were **2 of the 3** city services that received unfavorable ratings

Bicycle/Pedestrian Plan

Fund consecutive phases of the bicycle/pedestrian improvement plan

\$500,000 per year



Tourism and Culture

Provide a tourism and cultural program to secure the future of Aldridge Gardens and assist with attracting major events to Hoover



\$450,000 per year



Immediate Opportunity #1

\$300,000,000 project that will bring over 1,000
jobs

Provide land, building site preparation, utilities
construction, and a traffic solution to bring
project to reality for Hoover

\$20,000,000

Immediate Opportunity #2

Create a true city center while positioning the Riverchase Galleria campus for the future

The Future of Hoover

Immediate Needs		\$11,000,000
	Capital	Operating
Hoover City Schools		\$4,000,000
Traffic	\$22,000,000	
Arts Center	\$22,300,000	\$1,000,000
Eastern Library Branch	\$1,700,000	\$700,000
Bicycle/Pedestrian Plan	\$500,000	
Tourism and Culture		\$450,000
Upcoming Opportunity	\$20,000,000	

FUTURE



HOOVER

Funding Options

Occupational tax would harm our business climate and has no current support

Property tax is the primary source of school funding and future increases should go to HCS; we should invest in raising millage above the state-mandated “lid”

Tax Comparison

	Ad Valorem Rate	Per \$100,000 Home Value	Sales Tax Rate	Per \$100 Purchase	Garbage Fee
Mountain Brook	99.1	\$931.54	3%	\$3	\$0
Homewood	75	\$705	4%*	\$4	\$0
Vestavia Hills	92.6	\$870.44	4%**	\$4	\$0
Hoover	72.6	\$682.44	3%	\$3	\$0

*Raised 1% in Oct 2016

**Raised 1% in Apr 2018

Hoover Distribution

	State	City	Schools	County	Total
Rate	6.5	6.5	46.1	13.5	72.6
Taxes	\$61.10	\$61.10	\$433.34	\$126.90	\$682.44

Proposal

Generate **\$20,000,000** per year by increasing sales and use tax components and lease/rental tax to **4%** (same as surrounding cities)

Generate **\$2,000,000** per year by increasing lodging tax to **6%** (same as – or less than- surrounding cities)

Fiscal Responsibility

Using cash to pay down existing debt, improve reserves, and avoid financing future projects

Future Uses of New Money	Cost	Potential Funding Method
-----	-----	-----
Immediate Opportunity	20,000,000	Bond
Traffic Management	22,000,000	Bond
Community Arts Center	23,300,000	Bond
Eastern Library Branch	1,700,000	Cash
Operating costs for Library Branch	700,000/yr	Cash
Operating costs of Arts Center	1,000,000/yr	Cash
Hoover City Schools	4,000,000/yr	Cash
Bicycle/Pedestrian Plan	2,500,000/yr	Cash
Tourism and Cultural Program	2,250,000/yr	Cash

Proposal

Correct our financial course

Invest in our city, schools, and future
quality of life

What type of city will we be?

#supporthooversfuture