



# THE PARCA REPORT

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## Financial Comparisons for Alabama's Largest Cities

*This report contains PARCA's seventh biennial comparison of the finances of Alabama's largest cities. The 23 cities compared in this report are home to more than a third of the state's people, and they are the centers of commerce in the state. Their governments raised more than \$1.5 billion and spent almost \$1.7 billion in fiscal 2000 to provide municipal services and facilities. Alabama's cities are increasing their reliance on sales tax revenue, but it is essential that they diversify their revenue sources so that they can provide high-quality services in varying economic conditions. The data in this report provide city officials and citizens with comparative information that can be used in evaluating municipal performance and in bringing about improvements.*

### AN OVERVIEW OF CITY FINANCES

Altogether, the 23 cities included in the report raised \$1,055 in revenues per capita during 2000, an increase of about 11 percent over the two-year period since our last comparison. These revenues, plus fund balances from prior years and proceeds from debt issuance, supported 2000 expenditures of \$1,167 per capita – 14 percent higher than in 1998. Long-term debt outstanding at year-end amounted to \$1,051 per capita, which was 14 percent higher than the 1998 number.

**Chart 1** displays the revenue sources of these cities. Sales taxes are by far the largest source of revenue, totaling \$476 per capita in 2000. This was 45 percent of total revenues. Four other sources produced roughly equal, but much lower, amounts of money -- property

taxes; business license taxes; revenues from other governmental agencies; and fees, fines, and other revenues. Added together, these four sources produced only a little more revenue than sales taxes. An occupational tax on salaries and wages was a major revenue source in six cities, but it was not used by the others.

**Chart 2** shows the spending pattern for the cities in this study. The largest outlay, \$328 per capita, was for police, fire, and other public safety expenditures. This was about 28 percent of total operating expenditures per capita. Another \$197 per capita, or 17 percent of operating expenditures, went toward public works activities such as streets and solid waste disposal. Together, public safety and public works accounted for almost half of total spending. Smaller expenditures went

CHART 1

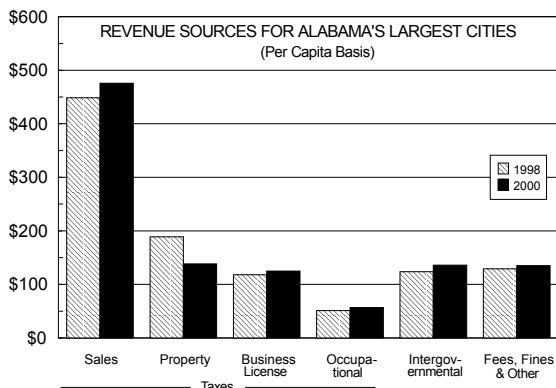
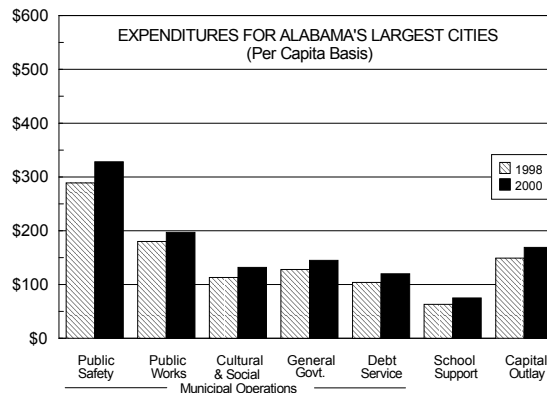


CHART 2



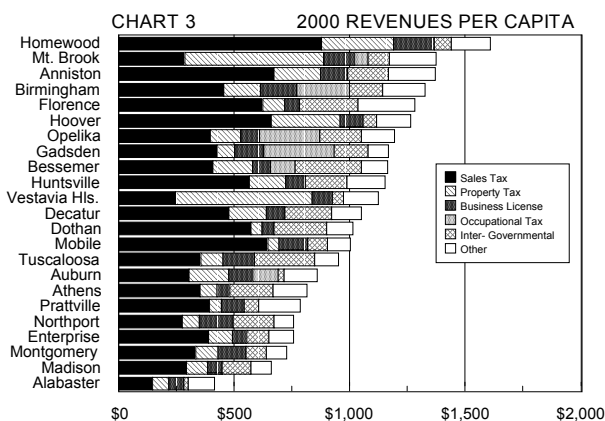
toward general government administration, social and cultural activities such as libraries and parks, debt service, and capital outlay. Direct allocations to local public school systems totaled \$75 per capita.

### REVENUE COMPARISONS

Each city is ranked in **Table 1** on its per capita revenues, by source and in total. A rank of "1" denotes the highest revenues, and "23" denotes the lowest. **Chart 3** shows the per capita revenues of the 23 cities, ranked from highest to lowest. The segments of each bar represent revenue sources, as indicated in the legend. Each of the top six cities raised over \$1,200 in per capita revenues, while the bottom six raised less than \$800.

**Sales Tax Revenue.** Sales taxes were the largest source of 2000 revenue for 21 of the cities in this study. These include general sales and use taxes plus specific taxes on rentals, lodging, cigarettes, gasoline, and other items. **Table 2** (next page) compares the cities on general sales tax revenue per capita, reliance on the general sales tax as a percent of all revenue, percent increase in general sales tax revenue from 1998 to 2000, general sales tax rate in 2000, and size of the general sales tax base (amount of money raised per capita with a 1% sales tax rate). The top five cities in the table all raised at least \$600 per capita and the bottom five raised less than \$300 per capita from this source. The cities in the upper part of the table also had higher sales tax rates and obtained much more money from each percent of tax rate than did cities at the bottom. None of the cities in our study increased their sales tax rate from 1998 to 2000.

The continuing reliance of Alabama cities on sales tax revenues poses a clear risk to their fiscal health. Sales tax revenues constituted 45 percent of large-city revenues in 2000. The typical sales tax rate was 3 percent. Cities that are overly reliant on sales tax revenues are affected



by two trends:

- **The shift in consumption from goods to services.** Studies show that purchased services, not goods, comprise about 60 percent of consumption expenditures. Since sales taxes are applied to many kinds of goods but to few services, the Legislature and city councils are presented with a serious problem: unless sales tax laws are changed to broaden the base, the tax will apply to an ever-smaller fraction of transactions.
- **The growth of remote sales.** Consumers are increasingly making purchases through remote sellers, by mail-order, telephone, or the internet. Estimates put the annual growth rate for electronic commerce at more than 80 percent in the near term, and small-firm spending to establish an internet presence is expected to increase at a rate of 45 percent annually. U.S. Department of Commerce statistics show that electronic commerce outperformed total economic activity in three of four major economic sectors measured between 2000 and 2001. It is difficult for cities to collect the tax on such purchases in the current legal environment.

**TABLE 1 PER CAPITA REVENUE RANKINGS, 2000**

City	Sales Tax	Property Tax	Business License	Occupational Tax	Inter-Governmental	Fees & Other	Total
Birmingham	9	10	2	3	12	4	4
Montgomery	17	14	8		16	20	21
Mobile	4	22	6		17	19	14
Huntsville	7	9	14		7	7	10
Tuscaloosa	15	16	4		2	18	15
Hoover	3	4	11		20	9	6
Dothan	6	23	23		4	15	13
Decatur	8	8	15		5	13	12
Auburn	18	6	10	5	22	12	16
Gadsden	10	17	7	1	11	21	8
Florence	5	13	21		3	1	5
Bessemer	11	7	17	4	1	16	9
Madison	19	15	20		13	22	22
Homewood	1	3	1		18	6	1
Vestavia Hills	22	2	13		21	8	11
Prattville	13	21	12		19	5	18
Anniston	2	5	9		9	2	3
Opelika	12	11	16	2	8	11	7
Alabaster	23	20	19		23	14	23
Enterprise	14	12	18		14	17	20
Mt. Brook	20	1	5	6	15	3	2
Northport	21	19	3		10	23	19
Athens	16	18	22		6	10	17

**TABLE 2 GENERAL SALES TAX REVENUE**

City	2000 Tax Revenue Per Capita	Percent of 2000 Revenue	Percent Increase '98-'00	Tax Rate 2000	2000 Revenue Per Capita
Homewood	\$832	52%	8%	3.0%	\$277
Anniston	632	46%	-1%	4.0%	158
Hoover	622	49%	6%	3.0%	207
Florence	600	47%	6%	3.5%	172
Dothan	566	56%	8%	3.0%	189
Mobile	544	54%	2%	4.0%	136
Huntsville	520	45%	7%	3.5%	149
Birmingham	429	32%	8%	3.0%	143
Decatur	422	40%	13%	3.0%	141
Gadsden	409	35%	4%	3.0%	136
Bessemer	391	34%	20%	3.0%	130
Enterprise	376	50%	6%	3.0%	125
Opelika	357	30%	4%	2.5%	143
Prattville	330	42%	21%	2.5%	132
Tuscaloosa	316	33%	9%	2.0%	158
Athens	315	39%	9%	2.0%	158
Montgomery	294	40%	6%	2.5%	118
Auburn	283	33%	18%	2.5%	113
Mt. Brook	275	20%	3%	3.0%	92
Northport	264	35%	9%	2.0%	132
Madison	261	39%	52%	2.5%	104
Vestavia Hls.	239	21%	8%	3.0%	80
Alabaster	134	32%	15%	2.0%	67

**Property Tax Revenue.** Only seven of the 25 cities in this report relied on property taxes as one of their top two revenue sources. **Table 3** compares the cities on property tax revenue, reliance on the property tax, increase in property tax revenue, property tax rate, and property tax base. There is a major difference between the tax rates and bases for cities in the top and bottom of the table. Cities in the upper part of the table relied more heavily on the property tax, had higher tax rates, and

**TABLE 3 PROPERTY TAX REVENUE**

City	2000 Tax Revenue Per Capita	Percent of 2000 Revenue	Percent Increase '98-'00	Tax Mills 2000	2000 Revenue Per Mill Per Capita
Mt. Brook	\$604	44%	30%	36.7	\$16.45
Vestavia Hls.	591	52%	35%	49.3	11.99
Homewood	313	19%	22%	22.5	13.90
Hoover	296	23%	25%	20.5	14.43
Anniston	201	15%	8%	20.7	9.69
Auburn	174	20%	29%	26.0	6.70
Bessemer	172	15%	29%	32.0	5.37
Decatur	160	15%	31%	18.6	8.61
Huntsville	157	14%	8%	19.5	8.04
Birmingham	155	12%	15%	21.5	7.22
Opelika	133	11%	-3%	20.0	6.67
Enterprise	102	13%	19%	17.5	5.83
Florence	97	8%	-10%	21.0	4.63
Montgomery	95	13%	15%	12.5	7.64
Madison	94	14%	-31%	13.0	7.27
Tuscaloosa	94	10%	25%	13.5	6.94
Gadsden	80	7%	5%	15.0	5.32
Athens	74	9%	7%	10.0	7.40
Northport	73	10%	27%	11.5	6.32
Alabaster	72	17%	38%	10.0	7.18
Prattville	50	6%	53%	7.0	7.15
Mobile	49	5%	18%	7.0	6.95
Dothan	48	5%	23%	5.0	9.61

were able to raise more money with each mill of tax rate.

The decrease in property tax revenue for the City of Madison was due to a change in the allocation of school millage; these tax dollars now go directly to the city school system. This change also produced a large increase in Madison's intergovernmental revenue, as the school system transfers money for debt service to the City.

**Intergovernmental Revenue.** For nine of the 23 cities, intergovernmental transfers were the second-largest source of revenue. These transfers are of four types: income transfers from city-owned water, sewer, gas, and electric utilities; countywide shared taxes; payments in lieu of taxes; and state or federal grants. **Table 4** compares intergovernmental revenues per capita, reliance on this revenue source, and percent increase from 1998 to 2000.

**TABLE 4 INTERGOVERNMENTAL REVENUE**

City	'00 Rev. Per Capita	Percent of 2000 Revenue	Percent Increase '98-'00
Bessemer	\$287	25%	49%
Tuscaloosa	260	27%	-5%
Florence	253	20%	17%
Dothan	229	23%	58%
Decatur	202	19%	21%
Athens	190	23%	13%
Huntsville	180	16%	10%
Opelika	179	15%	63%
Anniston	178	13%	32%
Northport	176	23%	25%
Gadsden	144	12%	32%
Birmingham	141	11%	-13%
Madison	124	19%	128%
Enterprise	93	12%	-4%
Mt. Brook	93	7%	62%
Montgomery	88	12%	7%
Mobile	84	8%	15%
Homewood	76	5%	22%
Prattville	64	8%	-9%
Hoover	58	5%	43%
Vestavia Hls.	47	4%	-33%
Auburn	27	3%	31%
Alabaster	17	4%	-4%

**Business License Revenue.** Only two cities relied on business license revenue as one of their top two revenue sources. **Table 5** compares the cities on business license revenue, reliance, and increases.

**Occupational Tax Revenue.** Six cities levied occupational license taxes based largely on payroll income in 2000. **Table 6** compares these cities on occupational tax revenue, reliance, percent increase, tax rate, and base. As is true with the other revenue sources, the cities at the top of the table tend to rely more heavily

**TABLE 5 BUSINESS LICENSE REVENUE**

City	'00 Rev. Per Capita	Percent of 2000 Revenue	Percent Increase '98-'00
Homewood	\$174	11%	4%
Birmingham	160	12%	3%
Northport	146	19%	15%
Tuscaloosa	137	14%	10%
Mt. Brook	132	10%	-3%
Mobile	126	13%	3%
Gadsden	123	11%	8%
Montgomery	121	17%	6%
Anniston	117	9%	2%
Auburn	103	12%	14%
Hoover	98	8%	8%
Prattville	98	12%	18%
Vestavia Hls.	88	8%	7%
Huntsville	83	7%	6%
Decatur	82	8%	39%
Opelika	81	7%	10%
Bessemer	75	6%	1%
Enterprise	65	9%	-5%
Alabaster	64	16%	21%
Madison	62	9%	23%
Florence	60	5%	5%
Athens	54	7%	48%
Dothan	50	5%	-14%

on this tax, levy a higher tax rate, and receive more revenue per percent of tax effort.

The decrease in occupational tax revenues for the City of Mountain Brook was due to a tax rate reduction.

**TABLE 6 OCCUPATIONAL TAX REVENUE**

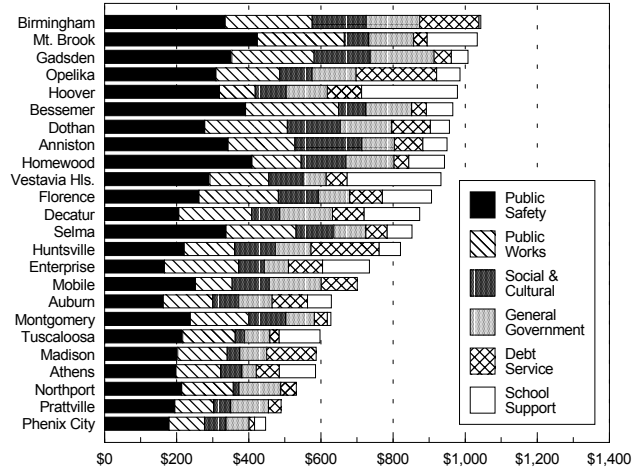
City	2000 Tax Revenue Per Capita	Percent of 2000 Revenue	Percent Increase '98-'00	Tax Rate 2000	2000 Revenue Per Percent
Gadsden	\$306	26%	0%	2.0%	\$153
Opelika	259	22%	5%	1.5%	173
Birmingham	228	17%	12%	1.0%	228
Bessemer	109	9%	12%	1.0%	109
Auburn	108	13%	17%	1.0%	108
Mt. Brook	57	4%	-28%	0.5%	9

**Other Revenue.** Among the other sources of city revenue are fees, fines, and interest. **Table 14** on pages 9 and 10 has a complete breakdown of revenues for the 23 cities.

## EXPENDITURE COMPARISONS

**Chart 4** shows the per capita expenditures of the 23 cities, ranked from highest to lowest. The segments of each bar represent expenditure categories, as indicated in the legend. **Table 7** contains rankings of per capita municipal operating expenditures by function and total for each city. These figures exclude capital project expenditures and support for local schools. A rank of "1" indicates the highest expenditure; "23" indicates the lowest.

**CHART 4 1996 EXPENDITURES PER CAPITA**



**TABLE 7 PER CAPITA EXPENDITURE RANKINGS, 2000**

City	Public Safety	Public Works	Social & Cultural	General Govt.	Debt Service	Municipal Operations
Birmingham	5	4	3	1	4	2
Montgomery	17	14	11	18	22	16
Mobile	10	20	10	3	9	11
Huntsville	16	13	7	9	2	9
Tuscaloosa	14	11	21	19	23	20
Hoover	8	21	13	16	12	13
Dothan	7	7	4	4	21	10
Decatur	18	12	15	12	7	12
Auburn	23	22	16	13	8	21
Gadsden	2	1	5	5	18	3
Florence	11	3	6	7	10	6
Bessemer	4	5	12	2	17	7
Madison	21	17	20	17	5	17
Homewood	3	10	2	6	1	1
Vestavia Hills	13	9	14	21	11	14
Prattville	12	18	19	11	20	15
Anniston	9	8	1	8	14	8
Opelika	6	6	8	10	3	5
Alabaster	22	23	22	22	13	23
Enterprise	20	19	17	20	16	22
Mt. Brook	1	2	9	15	15	4
Northport	15	16	23	14	19	19
Athens	19	15	18	23	6	18

**Public Safety Spending.** All of the 23 cities spent more money on public safety activities than on any other function. **Table 8** compares the cities on 2000 public safety spending per capita, the percent of operating expenditures devoted to public safety, and the percent increase in public safety spending from 1998 to 2000.

**Public Works and Community Development Spending.** Public works and community development expenditures ranked second in spending for 17 of the cities. Street maintenance and garbage collection are major functions in this category, and key funding sources include motor fuel taxes and federal grants. **Table 9** compares the cities on public works spending, in dollar and percentage terms as well as increases from 1998 to 2000. The large percentage changes in this spending category, both positive and negative, often stem from the timing of grants or from the periodic occurrence of weather-related damages.

**TABLE 8 PUBLIC SAFETY SPENDING**

City	'00 Exp. Per Capita	Percent of '00 Operating Expenditures	Percent Increase '98-'00
Mt. Brook	\$468	42%	15%
Gadsden	448	39%	17%
Homewood	448	35%	9%
Bessemer	438	41%	6%
Birmingham	403	33%	7%
Opelika	380	34%	-14%
Dothan	376	38%	14%
Hoover	371	47%	20%
Anniston	352	34%	-6%
Mobile	335	37%	14%
Florence	330	31%	17%
Prattville	317	44%	17%
Vestavia Hls.	301	38%	17%
Tuscaloosa	296	45%	9%
Northport	295	45%	24%
Huntsville	294	29%	17%
Montgomery	272	38%	8%
Decatur	264	33%	3%
Athens	245	35%	14%
Enterprise	226	36%	20%
Madison	211	30%	30%
Alabaster	186	39%	23%
Auburn	183	28%	4%

**TABLE 9 PUBLIC WORKS SPENDING**

City	'00 Exp. Per Capita	Percent of '00 Operating Expenditures	Percent Increase '98-'00
Gadsden	\$310	27%	37%
Mt. Brook	294	26%	17%
Florence	289	27%	-4%
Birmingham	283	23%	0%
Bessemer	260	24%	-5%
Opelika	255	23%	52%
Dothan	231	23%	17%
Anniston	192	19%	-10%
Vestavia Hls.	189	24%	52%
Homewood	188	15%	-5%
Tuscaloosa	187	29%	7%
Decatur	185	23%	22%
Huntsville	183	18%	11%
Montgomery	183	25%	7%
Athens	164	23%	4%
Northport	164	25%	25%
Madison	160	22%	83%
Prattville	142	20%	-28%
Enterprise	135	22%	2%
Mobile	134	15%	4%
Hoover	119	15%	17%
Auburn	118	18%	3%
Alabaster	91	19%	18%

**TABLE 10 SOCIAL/CULTURAL SPENDING**

City	'00 Exp. Per Capita	Percent of '00 Operating Expenditures	Percent Increase '98-'00
Anniston	\$243	23%	34%
Homewood	188	15%	21%
Birmingham	177	14%	2%
Dothan	166	17%	28%
Gadsden	163	14%	-4%
Florence	162	15%	30%
Huntsville	159	16%	16%
Opelika	149	13%	40%
Mt. Brook	147	13%	23%
Mobile	131	15%	21%
Montgomery	118	17%	14%
Bessemer	115	11%	7%
Hoover	98	12%	18%
Vestavia Hls.	96	12%	8%
Decatur	93	12%	18%
Auburn	92	14%	22%
Enterprise	92	15%	13%
Athens	90	13%	23%
Prattville	79	11%	5%
Madison	77	11%	-11%
Tuscaloosa	57	9%	-9%
Alabaster	44	9%	74%
Northport	14	2%	-1%

**TABLE 11 GENERAL GOV'T. SPENDING**

City	'00 Exp. Per Capita	Percent of '00 Operating Expenditures	Percent Increase '98-'00
Birmingham	\$ 200	16%	9%
Bessemer	185	17%	5%
Mobile	175	19%	-1%
Dothan	175	18%	28%
Gadsden	170	15%	-7%
Homewood	168	13%	32%
Florence	164	15%	72%
Anniston	161	16%	89%
Huntsville	157	15%	17%
Opelika	153	14%	19%
Prattville	135	19%	20%
Decatur	133	16%	-5%
Auburn	127	20%	33%
Northport	124	19%	22%
Mt. Brook	121	11%	14%
Hoover	102	13%	12%
Madison	101	14%	0%
Montgomery	96	13%	8%
Tuscaloosa	93	14%	-1%
Enterprise	90	14%	23%
Vestavia Hls.	80	10%	-6%
Alabaster	70	15%	19%
Athens	68	10%	37%

**Social and Cultural Spending.** Social and cultural spending involves libraries, parks, museums, health, and related activities. **Table 10** compares the cities on social and cultural spending measures.

**General Government.** General government expenditures pay for functions such as the mayor, council, courts, general administrative activities, and economic development efforts. **Table 11** compares the cities on general government spending measures.

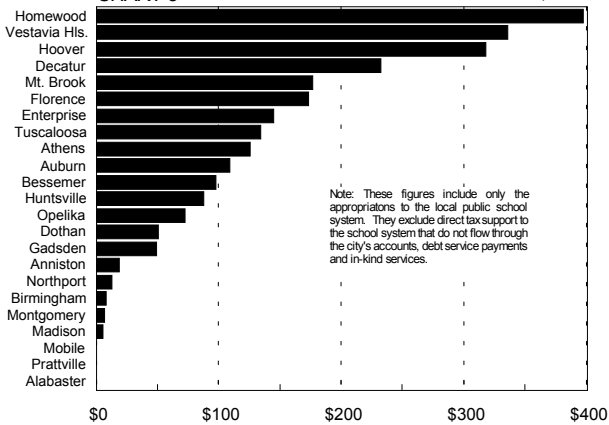
**Debt Service.** Debt service expenditures include payment of principal, interest, and finance charges on long-term debt. **Table 12** compares the cities on debt service spending measures. Homewood's unusually large increase in this category stems from the City's payoff of a bond issue.

**TABLE 12 DEBT SERVICE SPENDING**

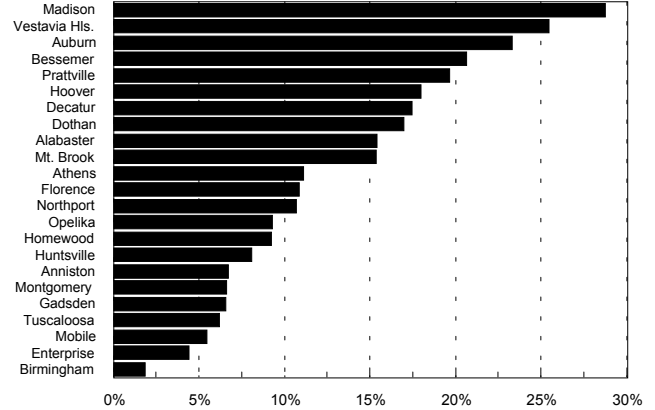
City	'00 Exp. Per Capita	Percent of '00 Operating Expenditures	Percent Increase '98-'00
Homewood	\$298	23%	441%
Huntsville	221	22%	6%
Opelika	172	15%	-7%
Birmingham	168	14%	-10%
Madison	166	23%	39%
Athens	133	19%	72%
Decatur	132	16%	10%
Auburn	131	20%	15%
Mobile	127	14%	34%
Florence	125	12%	18%
Vestavia Hls.	120	15%	99%
Hoover	104	13%	15%
Alabaster	88	18%	52%
Anniston	86	8%	0%
Mt. Brook	83	7%	10%
Enterprise	80	13%	-9%
Bessemer	70	7%	20%
Gadsden	61	5%	39%
Northport	61	9%	-18%
Prattville	53	7%	15%
Dothan	50	5%	72%
Montgomery	47	7%	-1%
Tuscaloosa	24	4%	-20%

**School Support.** All of the cities provided direct or indirect financial support to local public schools during 2000. Direct support includes school taxes or appropriations made directly to the schools. Indirect support includes debt service payments made by a city on behalf of the schools and in-kind services such as school crossing guards provided by the city. **Chart 5** shows city support for the public schools on a per capita basis.

**CHART 5 PER CAPITA SCHOOL SUPPORT, 2000**



**CHART 6 REVENUE INCREASES, 1998-2000**

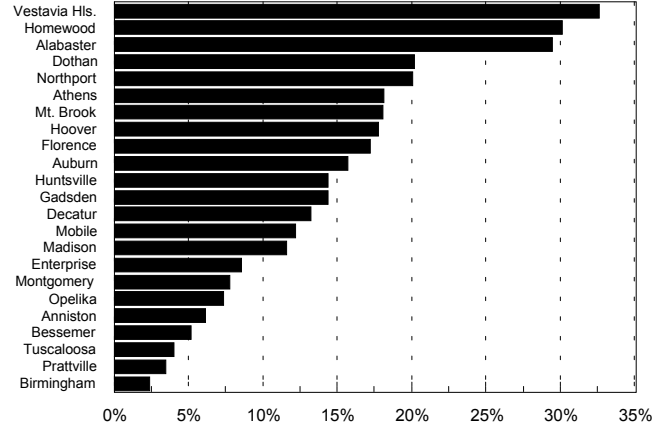


**REVENUE AND EXPENDITURE INCREASES**

**Chart 6** displays the percentage change in total revenues for each city between 1998 and 2000, ranked from highest to lowest. The top three cities in the chart had increases in tax rates.

**Chart 7** displays the percentage change in expenditures for municipal operations from 1998 to 2000.

**CHART 7 EXPENDITURE INCREASES, 1998-2000**



**LONG-TERM DEBT AND FUND BALANCES**

**Chart 8** shows the per capita amounts of general long-term debt outstanding in the 23 cities at the end of fiscal 2000. The figures exclude any "advance refunding" that effectively reduced the debt to be paid from tax sources, and any debt of enterprises or authorities that have a separate accounting basis. The revenue from issuance of this debt is used to finance all or part of major capital projects such as streets, libraries, parks, and

construction of schools in some cities.

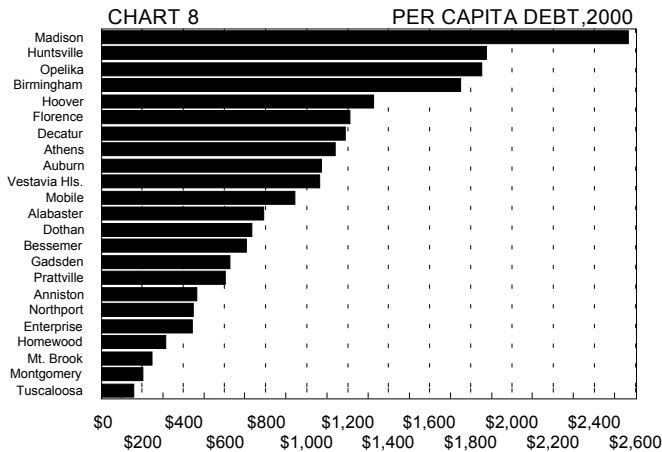
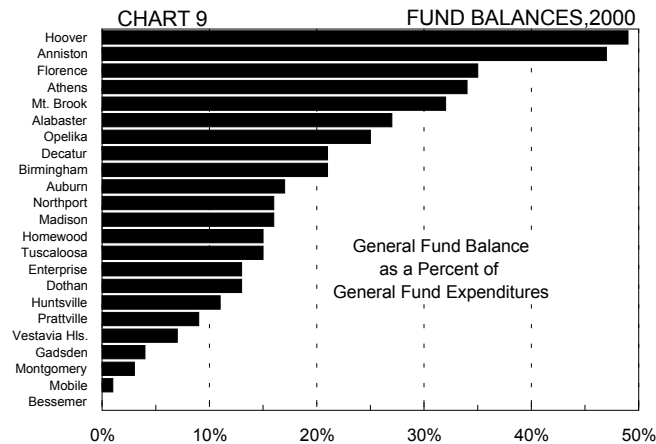


Chart 9 displays the unreserved, undesignated general fund balance for each city as a percent of general fund expenditures. This percentage represents a financial cushion for the cities.



**APPENDIX: ABOUT THE DATA**

This report was prepared with the cooperation of finance directors for the cities compared. We are grateful for their assistance in making the comparisons more meaningful. The data update information published in earlier PARCA reports, but each edition has improvements and may not be strictly comparable to those before. Comparison problems also may result from changes in accounting procedures by the cities or from errors in annual Census Bureau population estimates. Selma and Phoenix City, both included in the last city comparison report, were not included in this report since year 2000 information for these cities were unavailable. The 23 cities in this report all have populations over 18,900, according to 2000 Census Bureau data.

The data in this report are derived from city annual financial reports. The following adjustments have been made to enhance comparability:

In general, data in the report are limited to "governmental funds," which include general, special revenue, debt service, and capital projects funds. Most enterprise funds and all trust and agency funds have been excluded. However, any transfers between the city's governmental funds and these funds are included. To improve data comparability, the report includes solid waste collection and excludes landfills as well as sewage treatment plants for all cities, regardless of the fund structure.

Revenue and expenditure data in the report are unduplicated sums of revenues received and expenditures made from the governmental funds, plus any transfers to and from enterprise and trust and agency funds.

Revenues are grouped for descriptive purposes rather than according to generally accepted accounting principles. Municipal taxes are divided into four general categories: sales taxes (general sales and use, lease and rental, lodging, cigarette, and gasoline levies); property taxes (general ad valorem and personal property); occupational taxes on payroll income; and business privilege licenses. Business licenses are grouped with tax sources since they generally make up a substantial portion of a city's total revenues.

Intergovernmental revenues include federal, state, and inter-local governmental transfers such as federal community development grants, state gasoline and beer tax transfers, shared county sales taxes, and transfers from city-owned utilities and enterprise operations. Other revenues include interest, fees, fines, permits and licenses other than business privilege, and miscellaneous sources are grouped as other revenues. Bond proceeds are excluded.

Expenditures are grouped for descriptive purposes into three broad categories: municipal operations, support for local schools, and capital projects.

Municipal operating expenditures include governmental fund operating expenditures for public safety, public works and community development, social and cultural, general government and debt service. Departmental capital outlay from general or special revenue funds for equipment purchases is included in this figure, but construction expenditures are categorized as capital outlay. Operating expenditures are divided into five functional categories: public safety (police, fire, E-911, civil defense, inspections, and related functions); public works and community development (streets, sanitation, engineering, parking, transit, community development block grants unless allocated to another function in the financial report, and related activities); general government (mayor and council offices, courts, finance, support functions, economic development, city garage, and related functions); social and cultural activities (parks, museums, cemeteries, civic auditoriums, libraries, health services, mental health services, animal shelters, welfare, juvenile courts, senior citizen and youth activities, and related expenditures); and debt service (principal, interest, and related charges). Adjustments are made whenever debt is retired with the issuance of additional debt. Fringe benefits are allocated to operating expenditure categories.

Resources allocated directly to local public school systems are categorized as support for local schools. We also have surveyed cities to determine their in-kind support for schools, including debt service payments made by a city for the schools and services such as city-provided school crossing guards. These in-kind services are counted in the applicable functional area (e.g., public safety) but also are shown in the school support chart.

Capital project expenditures include capital additions financed through the capital projects fund, as well as any departmental construction expenditures found in general and special revenue funds.

(continued on page 10)

**TABLE 14 PER CAPITA FINANCES OF ALABAMA'S LARGEST CITIES, FY 2000**

	Birmingham	Montgomery	Mobile	Huntsville	Tuscaloosa	Hoover	Dothan	Decatur	Auburn	Gadsden	Florence	Bessemer
POPULATION	242,820	201,568	198,915	158,216	77,906	62,742	57,737	53,929	42,987	38,978	36,264	29,672
REVENUES	1,326	729	1,003	1,154	952	1,267	1,015	1,049	861	1,168	1,281	1,165
TAXES	1,001	553	821	808	589	1,058	673	722	691	934	782	766
Sales	458	336	647	568	359	664	575	480	305	426	625	410
Property	155	95	49	157	94	296	48	160	174	80	97	172
Occupational	228	0	0	0	0	0	0	0	108	306	0	109
Gen. Business	160	121	126	83	137	98	50	82	103	123	60	75
FEES, FINES & OTHER	184	89	98	165	102	150	113	126	142	89	247	112
INTERGOVERN- MENTAL	141	88	84	180	260	58	229	202	27	144	253	287
Utility	0	8	0	54	2	0	168	44	2	0	134	31
Other	141	80	84	126	259	58	61	157	26	144	119	255
EXPENDITURES	1,506	735	1,098	1,250	902	1,364	1,633	1,085	1,000	1,282	1,430	1,312
MUNICIPAL OPERATIONS	1,232	716	902	1,013	656	794	997	807	651	1,153	1,070	1,068
Public Safety	403	272	335	294	296	371	376	264	183	448	330	438
Public Works & Community Dev.	283	183	134	183	187	119	231	185	118	310	289	260
General Government	200	96	175	157	93	102	175	133	127	170	164	185
Social & Cultural	177	118	131	159	57	98	166	93	92	163	162	115
Debt Service	168	47	127	221	24	104	50	132	131	61	125	70
Direct School Support	8	7	0	88	134	318	50	232	109	50	173	98
Capital Projects	266	12	196	149	111	252	585	46	239	79	187	146
TAX RATES & YIELDS												
Sales Rate	3.0%	2.5%	4.0%	3.5%	2.0%	3.0%	3.0%	3.0%	2.5%	3.0%	3.5%	3.0%
Revenue per Percent	143	118	136	149	158	207	189	141	113	136	172	130
Property Rate (Mills)	21.5	12.5	7.0	19.5	13.5	20.5	5.0	18.6	26.0	15.0	14.0	32.0
Revenue per Mill	7.2	7.6	6.9	8.0	6.9	14.4	9.6	8.6	6.7	5.3	6.9	5.4
Occupational Tax Rate	1.0%								1.0%	2.0%		1.0%
Revenue per Percent	228								108	153		109
DEBT OUT- STANDING	1,749	204	943	1,877	160	1,325	735	1,187	1,073	627	1,209	708

NOTE: Details may not add to totals due to rounding. Expenditures may exceed revenues because of the use of prior-year balances, borrowed capital, or other financing sources not included in the table. These figures should not be compared as if they were complete financial statements for the cities shown. They are intended for comparing various categories of city revenues, expenditures, and debt.

**TABLE 14 Cont. PER CAPITA FINANCES OF ALABAMA'S LARGEST CITIES, FY 2000**

	Madison	Homewood	Vestavia Hls	Prattville	Anniston	Opelika	Alabaster	Enterprise	Mt. Brook	Northport	Athens
POPULATION	29,329	25,043	24,476	24,303	24,276	23,498	22,619	21,178	20,604	19,435	18,967
REVENUES	663	1,609	1,126	785	1,371	1,196	415	757	1,374	757	816
TAXES	451	1,366	928	544	990	872	284	557	1,080	496	481
Sales	294	879	249	396	673	398	148	390	287	278	353
Property	94	313	591	50	201	133	72	102	604	73	74
Occupational	0	0	0	0	0	259	0	0	57	0	0
Gen. Business	62	174	88	98	117	81	64	65	132	146	54
FEES, FINES & OTHER	88	167	151	178	203	144	114	106	201	85	144
INTERGOVERN- MENTAL	124	76	47	64	178	179	17	93	93	176	190
Utility	0	0	0	2	15	84	0	4	0	0	96
Other	124	76	47	62	163	95	17	89	93	176	94
EXPENDITURES	843	2,034	1,125	831	1,296	1,271	633	826	1,384	752	837
MUNICIPAL OPERATIONS	715	1,290	786	726	1,034	1,108	479	622	1,114	657	698
Public Safety	211	448	301	317	352	380	186	226	468	295	245
Public Works & Community Dev.	160	188	189	142	192	255	91	135	294	164	164
General Government	101	168	80	135	161	153	70	90	121	124	68
Social & Cultural	77	188	96	79	243	149	44	92	147	14	90
Debt Service	166	298	120	53	86	172	88	80	83	61	133
Direct School Support	6	398	336	0	19	72	0	145	177	13	126
Capital Projects	123	346	3	105	242	91	154	59	93	82	12
TAX RATES & YIELDS											
Sales Rate	2.5%	3.0%	3.0%	2.5%	4.0%	2.5%	2.0%	3.0%	3.0%	2.0%	2.0%
Revenue per Percent	104	277	80	132	158	143	67	125	92	132	158
Property Rate (Mills)	13.0	22.5	49.3	7.0	20.7	20.0	10.0	17.5	36.7	11.5	10.0
Revenue per Mill	7.3	13.9	12.0	7.1	9.7	6.7	7.2	5.8	16.5	6.3	7.4
Occupational Tax Rate						1.5%			6.3%		
Revenue per Percent						173			9		
DEBT OUT- STANDING	2,566	315	1,065	605	467	1,851	793	443	247	449	1,138

NOTE: Details may not add to totals due to rounding. Expenditures may exceed revenues because of the use of prior-year balances, borrowed capital, or other financing sources not included in the table. These figures should not be compared as if they were complete financial statements for the cities shown. They are intended for comparing various categories of city revenues, expenditures, and debt.

Fund balances shown in the report are unreserved, undesignated general fund balances for the end of the fiscal year, expressed as a percent of general fund expenditures. Some cities have sizeable balances in other funds, but the transfer of these funds is usually restricted by law, grant terms, and/or city ordinance.

Data on outstanding city debt include only long-term bonded debt outstanding as of September 30, 2000. The figures are net of any advance refunding that reduces debt repayment from tax sources. Debt attributable to enterprises, short-term borrowing, obligations for capital leases, or employee fringe benefits is excluded.

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