

ORDINANCE NO. 630

AN ORDINANCE TO PROVIDE FOR THE
ISSUANCE OF \$1,040,000 AGGREGATE
PRINCIPAL AMOUNT OF GENERAL
OBLIGATION WARRANTS OF THE CITY OF
ROANOKE, ALABAMA

BE IT ORDAINED by the Mayor and City Council of the City of Roanoke in the State of Alabama as follows:

Section 1. Definitions and Use of Phrases.

(a) Definitions. The following words and phrases and others evidently intended as the equivalent thereof shall, in the absence of clear implication herein otherwise, be given the following respective interpretations as used herein:

"Authorized Denominations" means the sum of \$5,000 or any integral multiple thereof.

"Bank" means SouthTrust Bank of Alabama, National Association, Birmingham, Alabama, in its capacity as registrar, transfer agent and paying agent with respect to the Warrants.

"Callable Warrants" means those of the Warrants having stated maturities in 1995 and thereafter.

"City" means the municipal corporation of Roanoke in the State of Alabama and includes its successors and assigns and any municipal corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party.

"City Clerk" means the city clerk of the City.

"Council" means the governing body of the City as from time to time constituted.

"Fiscal Year" means a fiscal year of the City, being the period beginning on October 1 of each calendar year and ending on September 30 of the then next ensuing calendar year.

AAE858

"Gross Receipts Tax" means that certain special privilege or license tax of the City levied by the Gross Receipts Tax Ordinance, on the businesses of selling tangible personal property at retail and conducting places of amusement, the said tax being measured by the gross proceeds or gross receipts of the said business, to the extent that the said tax is levied with respect to business conducted within the corporate limits of the City.

"Gross Receipts Tax Ordinance" means Ordinance No. 627 of the City adopted by the Council on February 24, 1986.

"Holder" means the person in whose name a Warrant is registered on the registry books of the Bank pertaining to the Warrants.

"Interest Payment Date" means each February 1 and August 1, commencing August 1, 1987.

"Mayor" means the mayor of the City.

"Month" means a calendar month.

"Overdue Interest" means interest due but not paid on the Interest Payment Date on which such interest is required to be paid.

"Overdue Interest Payment Date" means the date fixed by the Bank, pursuant to the provisions of Section 15 hereof, for the payment of Overdue Interest.

"Pledged Tax Proceeds" means the proceeds received by the City from the Gross Receipts Tax.

"Redemption Date" means the date fixed for redemption of any of the Callable Warrants in a Resolution adopted pursuant to the provisions of Section 4(a)(1) hereof.

"Redemption Price" means the price at which the Callable Warrants may be redeemed.

"Resolution" and "Ordinance" mean, respectively, a resolution or ordinance adopted by the Council.

"United States Securities" means any securities that are direct obligations of the United States of America and any securities with respect to which payment of the principal thereof and the interest thereon is unconditionally guaranteed by the said United States,

"Warrants," without other qualifying words, means the General Obligation Warrants herein authorized.

(b) **Use of Words and Phrases.** The following words and phrases, where used in this Ordinance, shall be given the following and respective interpretations:

"Herein," "hereby," "hereunder," "hereof," and other equivalent words refer to this Ordinance as an entirety and not solely to the particular portion hereof in which any such word is used.

The definitions set forth in Section 1(a) hereof shall be deemed applicable whether the words defined are herein used in the singular or the plural.

Wherever used herein any propoun or pronouns shall be deemed to include both singular and plural and to cover all genders.

Section 2. Findings. The Council has ascertained and does hereby find and declare that the following facts are true and correct:

(a) the Council does hereby find and declare that it is necessary and desirable that the City acquire, provide and construct certain improvements within the City, said improvements to consist of the following: (i) computer software, estimated to cost approximately \$55,000, (ii) municipal vehicle replacement, estimated to cost approximately \$50,000, (iii) capital improvements to the middle school, estimated to cost approximately \$100,000, (iv) a dam for use in connection with the waterworks facility operated by The Utilities Board of the City of Roanoke, estimated to cost approximately \$110,000, (v) fire plug replacements, estimated to cost approximately \$30,000, (vi) real estate acquisition and improvement, estimated to cost approximately \$185,000, (vii) street construction and repairs and the acquisition of certain equipment for use in connection with the same, estimated to cost approximately \$450,000; and (viii) air-conditioning for the city hall, estimated to cost approximately \$15,000; and

AAE858

(b) it is necessary and desirable and in the best interest of the City to issue the Warrants hereinafter authorized for the purpose of paying the costs of the said improvements and paying the costs of issuing the Warrants, said issuance costs estimated to be approximately \$45,000.

Section 3. Authorization of the Warrants. (a) Principal Maturities and Interest Rates. Pursuant to the applicable provisions of the constitution and laws of Alabama, including particularly Section 11-47-2 of the Code of Alabama of 1975, and for the purposes hereinabove stated, there are hereby authorized to be issued by the City \$1,040,000 aggregate principal amount of General Obligation Warrants of the City. The Warrants shall be issued as fully registered warrants without coupons, shall be dated August 1, 1986, shall mature and become payable on August 1 in the years and amounts and bear interest at the per annum rates of interest as follows:

<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>
1987	\$ 40,000	5.25%	1995	\$ 70,000	7.60%
1988	40,000	5.75	1996	75,000	7.80
1989	50,000	6.25	1997	80,000	8.00
1990	50,000	6.50	1998	90,000	8.10
1991	55,000	6.75	1999	95,000	8.20
1992	60,000	7.00	2000	100,000	8.25
1993	60,000	7.20	2001	110,000	8.25
1994	65,000	7.40			

The Warrants shall be initially issued in the Authorized Denominations and registered in the names of the Holders as shall, pursuant to the provisions of Section 21 hereof, be designated by the purchaser.

(b) Payment of Principal. The principal of the Warrants shall be payable at the principal office of the Bank in the City of Birmingham, Alabama, upon presentation and surrender of the Warrants as the same become due and payable.

(c) Computation of Interest and Method of Payment. The Warrants shall bear interest from their date until their respective maturities at the per annum rates of interest set forth above (computed on the basis of a 360-day year of twelve consecutive 30-day months). Such interest shall be payable semiannually on each February 1 and August 1, commencing February 1, 1987, until and at the maturity of the Warrants. Interest on the Warrants shall be payable in lawful money of the United States of America by check or draft mailed by the Bank to the lawful Holders of the Warrants at the address shown on the registry books of the Bank pertaining to the Warrants. The Warrants shall bear interest after their respective maturities until paid at the rate of 9% per annum.

(d) Allocation for Purposes of Constitutional Debt Limitation. Those of the Warrants having stated maturities in 1987 through 1999, inclusive, shall be issued for the purpose of paying the expenses of issuing the Warrants and financing the improvements referred to in clauses (i), (ii), (v), (vi), (vii) and (viii) of subparagraph (a) of Section 2 hereof and those of the Warrants having stated maturities in 2000 and 2001 shall be issued for the purpose of financing the improvements referred to in clauses (iii) and (iv) of the said subparagraph (a).

Section 4. Redemption Provisions. Those of the Warrants having stated maturities in 1995 and thereafter shall be subject to redemption and prepayment prior to their respective maturities on August 1, 1994, and on any Interest Payment Date thereafter, at the option of the City, as a whole or in part (but if in part, in the inverse order of their maturities), at and for the following respective Redemption Prices (expressed in percentages of the principal amount of each such Warrant (or principal portion thereof) redeemed) plus accrued interest thereon to the Redemption Date:

<u>If the Redemption Date Is In</u>	<u>Redemption Price</u>
1994	102%
1995	101
1996 or thereafter	100

In the event that less than all of the principal of the Warrants of a single maturity is redeemed and prepaid, the Bank shall assign numbers to each \$5,000 principal portion of the Warrants of such maturity and shall, by random selection based upon such numbers, select that portion of the principal of the Warrants of such maturity to be redeemed and prepaid.

Any such redemption or prepayment of the Warrants shall be effected in the following manner:

(1) Call. The City shall by Resolution call for redemption and prepayment on a stated Interest Payment Date when they are by their terms subject to redemption Warrants (or principal portions thereof) and shall recite in said Resolution (i) that the City is not in default in the payment of the principal of or interest on any of the Warrants or (ii) that all of the Warrants then outstanding are to be retired on the Redemption Date.

(2) Notice. Not more than sixty (60) nor less than thirty (30) days prior to the Redemption Date, the City shall give, or cause to be given, written notice of such redemption and prepayment by United States Registered Mail or United States Certified Mail to the Holders of each of the Warrants

AAE858

the principal of which is, in whole or in part, to be redeemed and prepaid, stating the following: that the Warrants (or principal portions thereof) have been called for redemption and will become due and payable at the Redemption Price, on a specified Redemption Date and that all interest thereon will cease after the Redemption Date. The Holders of any of the Warrants may waive the requirements of this subsection with respect to the Warrants held by them without affecting the validity of the call for redemption of any other Warrants.

(3) Payment of Redemption Price. The City shall make available at the Bank, on or prior to the Redemption Date, the total Redemption Price of the Warrants (or portions thereof) that are to be prepaid and redeemed on the Redemption Date.

Upon compliance with the foregoing requirements on its part contained in this subsection, and if the City is not on the Redemption Date in default in the payment of the principal of or interest on any of the Warrants, the Warrants (or principal portions thereof) called for redemption shall become due and payable at the Redemption Price on the Redemption Date specified in such notice, anything herein or in the Warrants to the contrary notwithstanding, and the Holders thereof shall then and there surrender them for redemption; provided, however, that in the event that less than all of the outstanding principal of any Warrant is to be redeemed, the registered Holder thereof shall surrender the Warrant that is to be prepaid in part to the Bank in exchange, without expense to the Holder, for a new Warrant of like tenor except in a principal amount equal to the unredeemed portion of the Warrant. All future interest on the Warrants (or principal portions thereof) so called for redemption shall cease to accrue after the Redemption Date. Out of the moneys so deposited with it, the Bank shall make provision for payment of the Warrants (or principal portions thereof) so called for redemption at the Redemption Price and on the Redemption Date.

Section 5. General Obligation. The indebtedness evidenced and ordered paid by the Warrants is and shall be a general obligation of the City for payment of the principal of and the interest on which the full faith and credit of the City are hereby irrevocably pledged.

Section 6. Special Pledge of Gross Receipts Tax. As additional security for payment of the principal of and interest on the Warrants, there are hereby irrevocably pledged for payment of the principal of and the interest on the Warrants, pro rata and without preference of one over another by reason of prior issuance or otherwise, and there is hereby appropriated and ordered segregated, set apart and used for payment of such principal and interest as the same shall respectively become due, so much as may be necessary for such purpose of the Gross Receipts Tax. To such extent, if any, as the Pledged Tax Proceeds available for such purpose may

not be sufficient to pay the principal of and the interest on the Warrants, at the respective maturities of such principal and interest, the City agrees to use for such purpose so much of its general revenues derived from other sources and available for such purpose as, when added to the Pledged Tax Proceeds available therefore, shall be sufficient to pay at their respective maturities the principal of and the interest on the Warrants. The City represents and warrants

(a) that at the time of the delivery of the Warrants, there will be no outstanding agreement or pledge with respect to the Gross Receipts Tax or its proceeds, or any part thereof; and

(b) that the agreements and pledges respecting the Pledged Tax Proceeds herein made shall be and remain prior and superior to any and all pledges and agreements that may hereafter be made by the City with respect to the Gross Receipts Tax and its proceeds;

While no default exists in the payment of the principal of or interest on the Warrants, any part of the proceeds from the Pledged Tax proceeds that may not be needed to pay at their respective maturities the principal of and interest on the Warrants, may be used by the City for any lawful purpose.

Section 7. Warrant Fund. (a) Payments Therein and Use and Continuance Thereof. There is hereby created a special fund to be designated the "City of Roanoke 1986 Warrant Fund," for the purpose of providing for the payment of the principal of and interest on the Warrants, at the respective maturities of said principal and interest, which special fund shall be maintained until the principal of and interest on the Warrants have been paid in full. Payments into the Warrant Fund shall be made as follows:

(i) there shall be paid into the Warrant Fund, simultaneously with the issuance of the Warrants and out of the proceeds derived from the sale thereof, that portion of said proceeds which may be referable to the accrued interest and any premium received by the City on any such sale;

(ii) on or before the last day of January, 1987, and on or before the last day of each January and July thereafter until the principal of and interest on the Warrants shall have been paid in full, the City will pay into the Warrant Fund such amount as, when added to the amount then in the Warrant Fund that is not needed to pay any principal or interest

AAE858

theretofore matured but not then paid, will equal the sum of (A) the interest that will mature on the Warrants on the then next succeeding Interest Payment Date, plus (B) the principal, if any, that will mature on the Warrants on the then next succeeding Interest Payment Date; provided, that there shall be credited one time on the amount required by this paragraph (ii) to be paid into the Warrant Fund an amount equal to the amount paid therein pursuant to the provisions of paragraph (i) hereof. The City will make the payments provided for in this paragraph (ii) out of the Pledged Tax Proceeds; provided, however, that if at anytime the Pledged Tax Proceeds should be insufficient to make any payment herein required to be made into the Warrant Fund, then the City will make such payment out of all general revenues of the City available therefor.

All moneys paid into the Warrant Fund shall be used only for payment of the principal of and interest on the Warrants, upon or after the respective maturities of such principal and interest; provided, that, if at the final maturity of the Warrants, howsoever the same may mature, there shall be in the Warrant Fund moneys in excess of the amount required to retire the Warrants, then any such excess shall thereupon be returned to the City. When the amount of money on deposit in the Warrant Fund equals or exceeds the aggregate of the principal and interest to their respective maturities on the Warrants at the time outstanding, no further payments need be made into the Warrant Fund except to make good the moneys paid therein which may become lost or which may not be immediately available for withdrawal under the provisions of this section.

(b) Depository for Warrant Fund. The City hereby designates the Bank as the depository for the Warrant Fund with respect to payment of principal of and interest on the Warrants.

The City reserves the right from time to time to designate one or more banks (which may or may not include the bank heretofore herein designated) as a depository for the Warrant Fund.

In the event that any bank at any time designated as depository for any portion of the Warrant Fund should at any time decline to act as such depository, or should resign as such depository, or should cease to be a member of the Federal Deposit Insurance Corporation (or any agency which may succeed to its duties), or should cease to be duly qualified and doing business within the State of Alabama, then any other bank or banks at the time designated as depository or depositories for the same portion of the Warrant Fund shall continue to serve as such depository or depositories without designation by the City of any additional depository or depositories; but if at any time the sole remaining depository for any portion of the Warrant Fund should resign, cease to be a member of said Federal Deposit

Insurance Corporation (or successor agency thereto) or should cease to be duly qualified and doing business within the State of Alabama, then the Council shall by Resolution designate a successor to such depository; provided, that, any such successor depository shall be and remain a member of the Federal Deposit Insurance Corporation (or of any agency which may succeed to its duties) and shall be and remain duly qualified and doing business in the State of Alabama.

(c) Trust Nature of and Security for the Warrant Fund.

The Warrant Fund shall be and at all times remain public funds impressed with a trust for the purpose for which the Warrant Fund is herein created. Each depository for any part of the Warrant Fund shall at all times keep the moneys on deposit with it in the Warrant Fund continuously secured for the benefit of the City and the holders of the Warrants either

(1) by holding on deposit as collateral security, United States Securities or other marketable securities eligible as security for the deposit of trust funds under regulations of the Board of Governors of the Federal Reserve System, having a market value (exclusive of accrued interest) not less than the amount of moneys on deposit in the Warrant Fund, or

(2) if the furnishing of security in the manner provided in the foregoing clause (1) of this sentence is not permitted by the then applicable law and regulations, then in such other manner as may be required or permitted by the applicable state and federal laws and regulations respecting the security for, or granting a preference in the case of, the deposit of public funds;

provided, however, that it shall not be necessary for any such depository so to secure any portion of the moneys on deposit in the Warrant Fund that may be insured by the Federal Deposit Insurance Corporation (or by any agency of the United States of America that may succeed to its functions) or any portion of the said moneys that may be invested pursuant to the provisions of subsection (d) of this section.

(d) Investment of Moneys in the Warrant Fund.

So long as the City shall not be in default hereunder it may, at any time and from time to time as it in its sole discretion shall deem advisable, cause to be invested in United States Securities or in bank time deposits or certificates of deposit any or all of the moneys in the Warrant Fund; provided, that, each such investment shall mature not later than the Interest Payment Date next following the date such investment is made. In the event of any such investment, the securities in which the investment is made shall become a part of the Warrant Fund and shall be held by the depository for the moneys so invested to the same extent as if they were moneys on deposit in the

AAE858

Warrant Fund. The City may likewise at any time and from time to time cause any securities in which any such investment shall be made to be sold or otherwise converted into cash, whereupon the net proceeds derived from any such sale or conversion, after payment of all necessary expenses incident to such sale or conversion, shall become a part of the Warrant Fund. Each depository for the Warrant Fund shall be fully protected in making investments, sales, and conversions of any such securities upon direction given to it in a Resolution adopted by the Council.

Section 8. Maintenance of Gross Receipts Tax. The City agrees that so long as any of the principal of or the interest on the Warrants remains unpaid, it will do and perform the following acts:

(a) The City will continue to levy and collect the Gross Receipts Tax on the subjects described in and at rates not less than those set forth in the Gross Receipts Tax Ordinance; provided, however, that such rates may be modified and that particular business activities may be exempted from the Gross Receipts Tax, or from the measure of the Gross Receipts Tax, if notwithstanding such action the annual aggregate amount collected from the Gross Receipts Tax in any ensuing Fiscal Year shall not be less than the aggregate amount collected from the Gross Receipts Tax during the Fiscal Year prior to the effective date of any such modification or exemption;

(b) The City will continue to levy and collect the Gross Receipts Tax without reduction in the aggregate annual amount of the proceeds thereof; and

(c) The City will make such increase or increases, within reasonable limitations, in the rates of the Gross Receipts Tax as shall from time to time be necessary to provide funds to pay the governmental operating expenses of the City plus the principal of and interest on the Warrants, as the said principal and interest shall respectively mature.

Section 9. Form of Warrants. The Warrants shall be in substantially the following form:

(Form of Warrant)

No. _____

UNITED STATES OF AMERICA

STATE OF ALABAMA

CITY OF ROANOKE

GENERAL OBLIGATION WARRANT

INTEREST RATE

MATURITY DATE

CUSIP NUMBER

Subject to prior payment and other provisions as herein provided

The City Treasurer of the City of Roanoke, a municipal corporation under the laws of Alabama ("the City"), will pay to

or registered assigns, the principal sum of

DOLLARS on the date specified above with interest thereon from the date hereof until the maturity hereof at the per annum rate of interest specified above (computed on the basis of a 360-day year of twelve consecutive 30-day months), payable on February 1, 1987, and semiannually thereafter on each February 1 and August 1 until the due date hereof. The principal of and premium (if any) on this Warrant shall be payable only upon presentation and surrender of this Warrant at the principal office of SouthTrust Bank of Alabama, National Association ("the Bank"), in the City of Birmingham, Alabama.

Interest on this Warrant shall be remitted by the Bank to the then registered holder hereof at the address shown on the registry books of the Bank pertaining to the Warrants. The ordinance hereinafter referred to provides that all payments by the City or the Bank to the person in whose name a Warrant is registered shall to the extent thereof fully discharge and satisfy all liability for the same. Any transferee of this Warrant takes it subject to all payments of principal and interest in fact made with respect hereto.

This Warrant is one of a duly authorized issue of Warrants designated General Obligation Warrants and aggregating \$1,040,000 in principal amount ("the Warrants"). This Warrant is issued pursuant to the

AAE858

applicable provisions of the constitution and laws of Alabama, including particularly Section 11-47-2 of the Code of Alabama of 1975 and an ordinance ("the Ordinance") of the City duly adopted by the governing body of the City.

Those of the Warrants having stated maturities in 1995 and thereafter are subject to redemption and prepayment prior to their respective maturities, at the option of the City, as a whole or in part (but if in part, in inverse order of their maturities), on August 1, 1994, and on any interest payment date thereafter, at and for the following respective redemption prices (expressed as percentages of the principal amount redeemed) with respect to each Warrant (or portion thereof) redeemed plus accrued interest thereon to the date fixed for redemption:

<u>If the Redemption Date Is In</u>	<u>Redemption Price</u>
1994	102%
1995	101
1996 or thereafter	100

In the event that less than all of the principal of the Warrants of a single maturity is to be prepaid and redeemed, the Bank shall, by process of random selection, determine the principal portion of the Warrants of such maturity to be redeemed and prepaid. The Ordinance requires that written notice of the call for redemption of this Warrant (or portion of the principal thereof) be forwarded by United States Registered or Certified Mail to the registered owner of such Warrant, not less than thirty (30) nor more than sixty (60) days prior to the date fixed for redemption. In the event that less than all the outstanding principal of this Warrant is to be redeemed, the registered Holder hereof shall surrender this Warrant to the Bank in exchange for a new Warrant of like tenor herewith except in a principal amount equal to the unredeemed portion of this Warrant. Upon the giving of notice of redemption in accordance with the provisions of the Ordinance, the Warrants (or principal portions thereof) so called for redemption and prepayment shall become due and payable on the date specified in such notice, anything herein or in the Ordinance to the contrary notwithstanding, and the Holders thereof shall then and there surrender them for prepayment, and all future interest on the Warrants (or principal portions thereof) so called for prepayment shall cease to accrue after the date specified in such notice, whether or not the Warrants are so presented.

By the execution of this Warrant, the City acknowledges that it is indebted to the payee hereof in the principal amount hereof in accordance with the terms thereof. The indebtedness evidenced and ordered paid by this Warrant is a general obligation of the City for the payment of the principal of and interest on which the full faith and credit of the City have been irrevocably pledged.

It is hereby certified and recited that the indebtedness evidenced and ordered paid by this Warrant is lawfully due without condition, abatement or offset of any description; that this Warrant has been registered in the manner provided by law; that all conditions, actions and things required by the constitution and laws of the State of Alabama to exist, be performed or happen precedent to and in the issuance of this Warrant do exist, have been performed and have happened; and that the indebtedness evidenced and ordered paid by this Warrant, together with all other indebtedness of the City, was at the time the same was created and is now within every debt and other limit prescribed by the constitution and laws of the State of Alabama.

The Warrants are issuable only as fully registered Warrants in the denomination of \$5,000 or any integral multiple thereof. Provision is made in the Ordinance for the exchange of Warrants for a like aggregate principal amount of Warrants of the same maturity and in authorized denomination, all upon the terms and subject to the conditions set forth in the Ordinance.

This Warrant is transferable by the registered holder hereof, in person or by authorized attorney, only on the books of the Bank (the registrar and transfer agent of the City) and only upon surrender of this Warrant to the Bank for cancellation, and upon any such transfer a new Warrant of like tenor herewith will be issued to the transferee in exchange therefor, all as more particularly described in the Ordinance. Each holder, by receiving or accepting this Warrant shall consent and agree and shall be estopped to deny that, insofar as the City and the Bank are concerned, this Warrant may be transferred only in accordance with the provisions of the Ordinance.

The Bank shall not be required to transfer or exchange this Warrant during the period of fifteen (15) days next preceding any February 1 or August 1; and, in the event that this Warrant (or any principal portion hereof) is duly called for redemption and prepayment, the Bank shall not be required to register or transfer this Warrant during the period of forty-five (45) days next preceding the date fixed for such redemption and prepayment.

Execution by the Bank of its registration certificate hereon is essential to the validity hereof.

IN WITNESS WHEREOF, the City has caused this Warrant to be executed with the facsimile signature of its Mayor, has caused a facsimile of its corporate seal to be hereunto imprinted, has caused this

AAE858

Warrant to be attested by the facsimile signature of its City Clerk, and has caused this Warrant to be dated August 1, 1986.

CITY OF ROANOKE

By _____
Its Mayor

Attest:

Its City Clerk

The City may, in its discretion, cause a portion of the foregoing text to be printed on the reverse of the Warrant, in which event the face of the Warrant shall state the following:

REFERENCE IS MADE TO THE FURTHER PROVISIONS OF THIS WARRANT SET FORTH ON THE REVERSE HEREOF

(Form of Registration Certificate)

Date of Registration:

This Warrant was registered in the name of the above-registered owner on the date hereinabove set forth.

**SOUTHTRUST BANK OF ALABAMA,
NATIONAL ASSOCIATION**

By _____
Its Authorized Officer

(Form of Assignment)

For value received _____ hereby
sell(s), assign(s) and transfer(s) unto _____ the
within Warrant and hereby irrevocably constitute(s) and appoint(s) _____
_____, attorney, with full power of substitution in the
premises, to transfer this Warrant on the books of the within-mentioned
Bank.

Dated this _____ day of _____, 19____.

NOTE: The signature on this assignment must
correspond with the name of the registered own-
er as it appears on the face of the within
Warrant in every particular, without alteration,
enlargement or change whatsoever.

Signature guaranteed:

(Bank, Trust Company or Firm)

By _____
(Authorized Officer)

AAE858

Section 10. Execution of Warrants by City. The Warrants shall be executed on behalf of the City by the Mayor and attested by the City Clerk, and the seal of the City shall be impressed on each of the Warrants. The signatures of the Mayor and the City Clerk may be facsimile signatures of said officers, and the seal of the City imprinted on the Warrants may be a facsimile of such seal (it being understood that a condition to the validity of each Warrant is the appearance on such Warrant of a Registration Certificate, substantially in the form hereinabove provided, executed by the manual signature of the Bank). Signatures on the Warrants by persons who are officers of the City at the times such signatures were written or printed shall continue to be effective although such persons cease to be such officers prior to the delivery of the Warrants, whether initially issued or exchanged for Warrants of different denominations from those initially issued.

Section 11. Registration Certificate on Warrants. A registration certificate by the Bank, in substantially the form hereinabove recited, duly executed by the manual signature of the Bank, shall be endorsed on each of the Warrants and shall be essential to its validity.

Section 12. Registration and Transfer of Warrants. All Warrants shall be registered as to both principal and interest, and shall be transferable only on the registry books of the Bank. The Bank shall be the registrar and transfer agent of the City and shall keep at its office proper registry and transfer books in which it will note the registration and transfer of such Warrants as are presented for those purposes, all in the manner and to the extent hereinafter specified.

No transfer of a Warrant shall be valid hereunder except upon presentation and surrender of such Warrant at the office of the Bank with written power to transfer signed by the registered owner thereof in person or by duly authorized attorney, properly stamped if required, in form and with guaranty of signature satisfactory to the Bank, whereupon the City shall execute, and the Bank shall register and deliver to the transferee, a new Warrant, registered in the name of such transferee and of like tenor as that presented for transfer. The person in whose name a Warrant is registered on the books of the Bank shall be the sole person to whom or on whose order payments on account of the principal thereof and of the interest (and premium, if any) thereon may be made. Each Holder of any of the Warrants, by receiving or accepting such Warrant, shall consent and agree and shall be estopped to deny that, insofar as the City and the Bank are concerned, the Warrants may be transferred only in accordance with the provisions of this Ordinance.

The Bank shall not be required to register or transfer any Warrant during the period of fifteen (15) days next preceding any Interest Payment Date with respect thereto; and if any Warrant is duly called for redemption (in whole or in part), the Bank shall not be required to register

or transfer such Warrant during the period of forty-five (45) days next preceding the Redemption Date.

Section 13. Exchange of Warrants. Upon the request of the Holder of one or more Warrants, the City shall execute, and the Bank shall register and deliver, upon surrender to the Bank of such Warrant or Warrants in exchange thereof, a Warrant or Warrants in different Authorized Denominations of the same maturity and interest rate and together aggregating the same principal amount as the then unpaid principal of the Warrant or Warrants so surrendered, all as may be requested by the person surrendering such Warrant or Warrants.

The registration, transfer and exchange of Warrants (other than pursuant to Section 17 hereof) shall be without expense to the Holder or transferee. In every case involving any transfer, registration or exchange, such Holder shall pay all taxes and other governmental charges, if any, required to be paid in connection with such transfer, registration or exchange.

Section 14. Accrual of Interest on Warrants. All Warrants issued prior to February 1, 1987, in exchange for Warrants initially delivered, shall bear interest from August 1, 1986, and all Warrants issued on or after February 1, 1987, shall bear interest from the February 1 or August 1, as the case may be, next preceding the date of its issuance and delivery unless (i) such date of delivery is a February 1 or August 1, in which event such Warrant shall bear interest from the date of its issuance and delivery, or (ii) at the time of such delivery the City is in default in the payment of interest on the Warrant in lieu of which such new Warrant is issued, in which event such new Warrant shall bear interest from the last Interest Payment Date to which interest has previously been paid or made available for payment on the Warrant in lieu of which such new Warrant is issued. The preceding provision shall be construed to the end that the issuance of a Warrant shall not affect any gain or loss in interest to the Holder thereof.

Section 15. Persons to Whom Payment of Interest on Warrants Is to Be Made. Interest on the Warrants shall, except as provided in the next succeeding paragraph of this Section 15, be payable in lawful money of the United States of America by check or draft mailed by the Bank to the lawful Holders of the Warrants at the address shown on the registry books of the Bank pertaining to the Warrants.

Any provision hereof to the contrary notwithstanding, Overdue Interest shall not be payable to the Holder of the Warrants solely by reason of such Holder having been the Holder on the Interest Payment Date on which such interest became due and payable, but shall be payable by the Bank as follows:

AAE858

(a) Not less than ten (10) days following receipt by the Bank of immediately available funds in an amount sufficient to enable the Bank to pay all Overdue Interest, the Bank shall fix an Overdue Interest Payment Date for payment of such Overdue Interest.

(b) Such Overdue Interest Payment Date fixed by the Bank shall be a date not more than twenty (20) days following the expiration of the period described in the foregoing subparagraph (a).

(c) Overdue Interest shall be paid by check or draft mailed by the Bank to the persons in whose names the Warrants were registered on the Overdue Interest Payment Date.

Payment of Overdue Interest in the manner herein prescribed to the persons in whose names the Warrants were registered on the Overdue Interest Payment Date shall fully discharge and satisfy all liability for the same.

Section 16. Persons Deemed Owners of Warrants. The City and the Bank may deem and treat the person in whose name a Warrant is registered as the absolute owner thereof for all purposes; they shall not be affected by notice to the contrary; and all payments by any of them to the person in whose name a Warrant is registered, shall to the extent thereof fully discharge and satisfy all liability for the same.

Section 17. Replacement of Mutilated, Lost, Stolen or Destroyed Warrants. In the event any Warrant is mutilated, lost, stolen or destroyed, the City may execute and deliver a new Warrant of like tenor as that mutilated, lost, stolen or destroyed; provided that (a) in the case of any such mutilated Warrant, such Warrant is first surrendered to the City and the Bank, and (b) in the case of any such lost, stolen or destroyed Warrant, there is first furnished to the City and the Bank evidence of such loss, theft or destruction satisfactory to each of them, together with indemnity satisfactory to each of them. The City may charge the Holder with the expense of issuing any such new Warrant.

Section 18. Sale of Warrants. The Warrants are hereby sold to The Frazer Lanier Company Incorporated, Montgomery, Alabama, at and for a purchase price equal to 98% of face value (viz., the sum of \$1,019,200), plus accrued interest from their date until the date of their delivery. The Warrants shall be initially registered in the name of the said purchaser, or in the names of such other persons, firms or corporations as may be designated by the said purchaser prior to the time of delivery of the Warrants. The Mayor and the City Clerk are hereby authorized and directed to deliver the

Warrants to the said purchaser upon payment to the City of the purchase price of the Warrants.

Section 19. Use of Proceeds from Sale of Warrants. The entire principal proceeds of the Warrants shall be applied as follows:

(a) that part of the said proceeds which represents accrued interest on the Warrants from August 1, 1986, to the date of payment therefor, shall be deposited in the Warrant Fund, pursuant to the provisions of Section 7(a)(1) hereof, and shall be applied for payment of the interest which will mature on the Warrants on February 1, 1987; and

(b) the balance of the principal proceeds of the Warrants shall be applied to the payment of the expenses of acquiring and constructing the improvements referred to in Section 2(a) hereof,

Section 20. Provisions Respecting Registration of Warrants to Comply with Provisions of Internal Revenue Code of 1954. The City and the Bank recognize that the provisions of the Internal Revenue Code of 1954, as amended, now require that the Warrants be in "registered form," and that, in general, each Warrant must be registered as to both principal and interest and any transfer of any Warrant must be effected only by the surrender of the old Warrant and either by the reissuance of the old Warrant to a new Holder or the issuance of a new Warrant to a new Holder. The Bank may rely upon an opinion of nationally recognized bond counsel with respect to any question which may arise pertaining to the transfer, exchange or reissuance of Warrants. The provisions of this Ordinance pertaining to transfer, exchange or reissuance of Warrant need not or shall not be followed if the Bank receives an opinion of nationally recognized bond counsel that compliance with requirements in addition to or in lieu of the requirements of this Ordinance pertaining to such transfer, exchange or reissuance is required or permitted under the provisions of the Internal Revenue Code of 1954, as amended, or under other applicable laws and regulations.

Section 21. Denominations of Warrants as Initially Issued. The Warrants of each maturity shall be initially issued in Authorized Denominations as requested by the said purchaser and registered in the names of the persons specified by the said purchaser. If, for any reason, the City is unable to prepare or cause to be prepared Warrants in the Authorized Denominations requested by the said purchaser and registered in the names of the persons specified by the said purchaser, the City may deliver one Warrant for each maturity in the principal amount of such maturity, each registered in the name of the said purchaser of the Warrants from the City,

AAE858

Section 22. Authorization of Official Statement. The Mayor is hereby authorized and directed to execute and deliver on behalf of the City an Official Statement respecting the Warrants, said official statement to be in substantially the form presented to the meeting at which this ordinance is adopted and which is attached to the said minutes as Exhibit A as if it were a part thereof.

Section 23. Provisions for Payment at Par. Each bank at which the Warrants shall at any time be payable, by acceptance of its duties as paying agent therefor, shall be construed to have agreed thereby with the Holders of the Warrants that it will make, out of the funds supplied to it for that purpose, all remittances of principal and interest on the Warrants in bankable funds at par without any deduction for exchange or other costs, fees or expenses. The City agrees with the Holders of the Warrants that it will pay all charges for fees and expenses which may be made by such bank in the making of remittances in bankable funds of the principal of and interest on any of the Warrants.

Section 24. Creation of Contract. The provisions of this Ordinance shall constitute a contract between the City and each Holder of the Warrants.

Section 25. Provisions of Ordinance Severable. The provisions of this Ordinance are hereby declared to be severable. In the event any provision hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of this Ordinance.

ADOPTED and APPROVED this 25th day of August, 1986.



Mayor

Authenticated:



City Clerk

Councilmember McDaniel moved that unanimous consent be given for immediate consideration of and action on said ordinance, which motion was seconded by Councilmember Young and, upon the said motion being put to vote, the following vote was recorded:

YEAS:

NAYS:

Councilmembers Hodges
Fincher
Ford
McDaniel
Young

None

The Mayor thereupon declared that the motion for unanimous consent for immediate consideration of and action on said ordinance was unanimously carried. Councilmember Ford thereupon moved that the ordinance be finally adopted, which motion was seconded by Councilmember Hodges and, upon the said motion being put to vote, the following vote was recorded:

YEAS:

NAYS:

Councilmembers Hodges
Fincher
Ford
McDaniel
Young

None

The Mayor thereupon announced that the motion for adoption of said ordinance had been unanimously carried.

AAE858

EXHIBIT A

NEW ISSUE

In the opinion of Bond Counsel, under existing statutes, decisions, regulations and rulings as presently construed and administered, the interest income on the Warrants will be exempt from all present income taxation by the United States of America and the State of Alabama. See "Pending Tax Legislation" inside for information with respect to legislation presently pending in the United States Congress.

OFFICIAL STATEMENT

**\$1,040,000
CITY OF ROANOKE, ALABAMA
GENERAL OBLIGATION WARRANTS**

Dated: August 1, 1986

Due: August 1, as shown below

Issuable in the denomination of \$5,000, or any integral multiple thereof. Semiannual interest (February 1 and August 1, commencing February 1, 1987) will be payable by check or draft mailed to the then registered holder by SouthTrust Bank of Alabama, National Association, Birmingham, Alabama. Principal of the Warrants payable upon surrender of the Warrants. Those of the Warrants maturing in 1995 and thereafter are subject to redemption prior to maturity as more fully described herein.

<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>
1987	\$ 40,000	5.25%	1995	\$ 70,000	7.60%
1988	40,000	5.75	1996	75,000	7.80
1989	50,000	6.25	1997	80,000	8.00
1990	50,000	6.50	1998	90,000	8.10
1991	55,000	6.75	1999	95,000	8.20
1992	60,000	7.00	2000	100,000	8.25
1993	60,000	7.20	2001	110,000	8.25
1994	65,000	7.40			

The Frazer Lanier Company Incorporated

CITY OF ROANOKE, ALABAMA

Henry V. Bonner

Mayor

**Jerrell Hodges
William E. Ford**

**Tommy Fincher
Mike McDaniel**

Charlie W. Young

Councilmembers

Olin E. Sheppard

**City Clerk and
City Treasurer**

Lewis H. Hamner

City Attorney

**The Frazer Lanier Company, Incorporated
Montgomery, Alabama**

Underwriter

**Bradley, Arant, Rose & White
Birmingham, Alabama**

Bond Counsel

AAE858

No dealer, broker, salesman or any other person has been authorized by the City of Roanoke or the Underwriter to give any information or to make any representations other than as contained in this Official Statement in connection with the offering of the Warrants described herein and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Warrants by any person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information contained in this Official Statement has been furnished by the City of Roanoke and other sources that are believed to be reliable, but it is not guaranteed as to accuracy or completeness by, and not to be construed as a representation by, the Underwriter. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement, nor any sale made hereunder, shall under any circumstances create an implication that there has been no change in the affairs of the City of Roanoke since the date hereof.

TABLE OF CONTENTS

	<u>Page No.</u>
INTRODUCTION	1
THE WARRANTS	1
Description	1
Payment of Principal and Interest	2
Purpose of Issuance	2
Security	2
Redemption Provisions	3
Certain Provisions Respecting Registration and Transfer of the Warrants	3
CITY GOVERNMENT AND ADMINISTRATION	4
DEBT INFORMATION	5
General Obligation Indebtedness	5
Debt Limit	5
DEBT SERVICE REQUIREMENTS	6
REVENUES AND EXPENDITURES	7
AD VALOREM TAXES	9
Ratios of Assessed Value to Fair Market Value	9
Constitutional Limit on Ad Valorem Taxes and Certain Exemptions	10
Assessed Valuation	11
Millage Rates on Taxable Property in the City	11
PRIVILEGE LICENSE TAXES	12
GROSS RECEIPTS TAXES	13

	<u>Page</u> <u>No.</u>
THE FEDERAL BANKRUPTCY ACT	13
GENERAL INFORMATION RESPECTING THE CITY	14
General	14
Industry	14
Population	15
Utilities	15
Education	15
LEGALITY	16
TAX EXEMPTION	17
PENDING TAX LEGISLATION	17
LITIGATION	18
FINANCIAL STATEMENT	18
UNDERWRITING	19
EMPLOYEES' RETIREMENT	19
MISCELLANEOUS	20

Appendix A - Proposed Form of Approving Legal Opinion for the Warrants
Appendix B - 1985 Audit Report - City of Roanoke, Alabama

AAE858

OFFICIAL STATEMENT

relating to

\$1,040,000**CITY OF ROANOKE, ALABAMA
GENERAL OBLIGATION WARRANTS****Dated August 1, 1986****INTRODUCTION**

The City of Roanoke, Alabama ("the City"), is furnishing this Official Statement, including its Appendices, to prospective purchasers in connection with the sale of \$1,040,000 aggregate principal amount of its General Obligation Warrants dated August 1, 1986 ("the Warrants"). The Warrants will be general obligations of the City for the prompt payment of the principal of and interest on which its full faith and credit will be irrevocably pledged.

THE WARRANTS**Description**

The Warrants will be fully registered warrants in the denomination of \$5,000, or any integral multiple thereof, will mature and become payable on August 1, in the following years and principal amounts and will bear interest at the following per annum rates:

<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>
1987	\$ 40,000	5.25%	1995	\$ 70,000	7.60%
1988	40,000	5.75	1996	75,000	7.80
1989	50,000	6.25	1997	80,000	8.00
1990	50,000	6.50	1998	90,000	8.10
1991	55,000	6.75	1999	95,000	8.20
1992	60,000	7.00	2000	100,000	8.25
1993	60,000	7.20	2001	110,000	8.25
1994	65,000	7.40			

Payment of Principal and Interest

The principal of the Warrants is payable at the principal office of SouthTrust Bank of Alabama, National Association ("the Bank"), in the City of Birmingham, Alabama, upon presentation and surrender of the Warrants at the Bank. Interest on the Warrants (computed on the basis of a 360-day year of twelve consecutive 30-day months) is payable semiannually on each February 1 and August 1, commencing February 1, 1987. Interest on the Warrants is payable in lawful money of the United States of America by check or draft mailed by the Bank to the lawful holders of the Warrants at the address shown on the registry books of the Bank pertaining to the Warrants.

Purpose of Issuance

The Warrants are being issued for the purpose of providing funds to construct and acquire capital improvements for the City Hall and for the City's middle school, to acquire municipal vehicles (including a fire truck), to construct a dam for use in connection with the water works system operated by The Utilities Board of the City of Roanoke, to upgrade and replace fire plugs in the City, to construct streets and to resurface and repair existing streets in the City, to acquire certain street construction equipment, and to finance the acquisition and improvement of certain real estate.

Security

General Obligations. The Warrants will be direct general obligations of the City for the prompt payment of the principal of and interest on which its full faith and credit will be irrevocably pledged.

Special Pledge. In addition, the City will irrevocably pledge for the payment of the principal of and interest on the Warrants so much as may be necessary for that purpose of the proceeds of that certain special privilege or license tax of the City levied on those engaged in the business of selling at retail tangible personal property and conducting places of amusement within the corporate limits of the City (the said tax being herein called "the Gross Receipts Tax"). The pledge of the Gross Receipts Tax is subject to the law-imposed requirement that the proceeds therefrom must first be used to pay the necessary and legitimate governmental expenses of operating the City.

AAE858

Redemption Provisions

Those of the Warrants having stated maturities in 1995 and thereafter will be subject to redemption prior to their maturities, at the option of the City, as a whole or in part, but if in part, then in inverse order of their maturities, on August 1, 1994, and on any interest payment date thereafter, at and for the following respective redemption prices (expressed in percentages of the principal amount thereof) for each Warrant (or principal portion thereof) plus accrued interest thereon to the date fixed for redemption:

<u>If the date fixed for redemption is in</u>	<u>Redemption Price</u>
1994	102%
1995	101
1996 or thereafter	100

In the event that less than all of the principal of the Warrants of a single maturity is redeemed and prepaid, the Bank will select by lot that portion of the principal of the Warrants of such maturity to be redeemed and prepaid. Notice of each such redemption must be given one time, not more than sixty (60) nor less than thirty (30) days before the date fixed for redemption, to the holders of each of the Warrants by registered or certified mail, at the address shown on the registry books of the Bank pertaining to the Warrants.

Certain Provisions Respecting Registration and Transfer of the Warrants

The Warrants will be registered as to both principal and interest and may be transferred only on the registry books of the Bank pertaining to the Warrants. No transfer of a Warrant will be permitted except upon presentation and surrender of such Warrant at the office of the Bank with written power to transfer signed by the registered owner thereof in person or by a duly authorized attorney in form and with guaranty of signature satisfactory to the Bank. The holder of one or more of the Warrants may, upon request, and upon the surrender to the Bank of such Warrant or Warrants, exchange such Warrants for Warrants of other authorized denominations (\$5,000 or any integral multiple thereof) of the same maturity and interest rate and together aggregating the same principal amount as the Warrants so surrendered. Any registration, transfer and exchange of Warrants will be without expense to the holder thereof, except that the holder will pay all taxes and other governmental charges, if any, required to be paid in connection with such transfer, registration or exchange. The holder of any Warrant will be required to pay any expenses incurred in connection with the replacement of a mutilated, lost, stolen or destroyed Warrant.

The ordinance of the City pursuant to which the Warrants are being issued ("the Ordinance") provides that interest on the Warrants will be payable solely by check or draft mailed by the Bank to the holders of the Warrants shown on the registry books of the Bank pertaining to the Warrants. The Ordinance makes special provision for payment of overdue interest which may be paid to a holder other than the registered holder at the time the interest became due and payable.

Reference is made to the provisions of the Ordinance in full for its provisions pertaining to the registration, transfer, exchange of Warrants and the payment of the principal of and interest thereon.

CITY GOVERNMENT AND ADMINISTRATION

The City has the Mayor-Council form of government, and the City Council (herein called "the Council") constitutes the governing body of the City subject to certain powers vested in the Mayor. The Mayor and the members of the Council together with the year in which their respective terms of office end are as follows:

Mayor	Henry V. Bonner	1988
Councilmembers	Tommy Fincher	1988
	William E. Ford	1988
	Jerrell Hodges	1988
	Mike McDaniel	1988
	Charlie W. Young	1988

Olin E. Sheppard serves as City Clerk and City Treasurer. The Council appoints the managers of the various departments in the City and these managers are responsible for the routine operation of their respective departments. The City Clerk and all department managers are covered by Civil Service.

The City employs approximately fifty-seven (57) persons in such capacities as firemen, policemen, administrative, park and recreation, library board, department supervisors and equipment operators. The City employees are not unionized. The Utilities Board of the City of Roanoke, a public corporation, owns and operates the natural gas system, the water distribution system, and the sanitary sewer system in the City.

AAE858

DEBT INFORMATION**General Obligation Indebtedness**

The general obligation indebtedness of the City as of August 1, 1986, taking into consideration the Warrants, is as follows:

	<u>Amount Outstanding</u>
The Warrants	\$ 1,040,000
General Obligation Warrants dated April 1, 1982	160,000
General Obligation Capital Improvement Warrants dated May 1, 1979	100,000
General Obligation Refunding School Warrants dated February 1, 1963	24,000

Debt Limit

The Constitution of Alabama of 1901 provides that cities having a population of less than 6,000 may not become indebted in an amount in excess of twenty per cent (20%) of the assessed value of taxable property located in the City, except that an additional indebtedness not exceeding 3% of the assessed value of property located in the City is permitted when such additional indebtedness is incurred for the purpose of improving streets or providing water, sewer, gas or electric facilities. The Constitution exempts from these limitation (1) obligations incurred to provide schoolhouses when there shall be pledged to the payment of the principal thereof and the interest thereon a tax which the governing body of the City has determined to be sufficient to pay such principal and interest at their respective maturities, and (2) obligations incurred for street and sewer improvements where the cost thereof, in whole or in part, is to be assessed against the property abutting or benefitted by said improvements.

The approximate aggregate principal amount of outstanding debt of the City subject to the debt limitation was, as of August 1, 1986, \$1,090,000 excluding the interest accrued on the aforesaid amount. The assessed value of property as of September 30, 1985, was \$11,683,612.

The debt limitation is computed as follows:

20% of assessed value	\$2,336,722
Outstanding debt (approximate) subject to debt limitation as of August 1, 1986	<u>1,324,000</u>
Debt margin	\$1,012,722

Because of the several exceptions to the aforesaid limitation on debt, the City will not be limited by the Constitution in borrowing for purposes fully within those several exceptions. Pursuant to further Constitutional provisions, statutes and court decisions, the limitation on debt is not applicable to revenue bonds and warrants which may be issued by the City for a variety of purposes, including hospitals, public buildings, recreation facilities, and water, sewer and gas systems. The debt limit provisions of the Constitution do not restrict the borrowing by separate public corporations authorized by the City to be created for the purpose of financing and operating certain municipal functions.

DEBT SERVICE REQUIREMENTS

<u>Fiscal Year Ending Sept. 30</u>	<u>Outstanding General Obligation Debt Service*</u>	<u>Debt Service on the Warrants</u>	<u>Total Debt Service Requirements</u>
1987	\$87,970	\$117,792.50	\$205,762.50
1988	71,112	115,692.50	186,804.50
1989	66,612	123,392.50	190,004.50
1990	62,050	120,267.50	182,317.50
1991	37,425	122,017.50	159,442.50
1992	33,750	123,305.00	157,055.00
1993		119,105.00	119,105.00
1994		119,785.00	119,785.00
1995		119,975.00	119,975.00
1996		119,655.00	119,655.00
1997		118,805.00	118,805.00
1998		122,405.00	122,405.00
1999		120,115.00	120,115.00
2000		117,325.00	117,325.00
2001		119,075.00	119,075.00

*Includes debt service on securities listed on page 5, supra.

AAE858

REVENUES AND EXPENDITURES

The following table shows the total revenues and expenditures for all governmental funds in each of the fiscal years indicated:

<u>Fiscal Year Ending September 30</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Excess (Deficit)</u>
1983	\$1,560,843	\$1,147,106	\$413,737
1984	1,471,520	1,652,998	(181,478)
1985	1,505,427	1,310,844	194,583

The audited financial statement of the City for the fiscal year ending September 30, 1985, shows general and special fund revenues and expenditures as follows:

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
 All Governmental Fund Types
 For the Year Ended September 30, 1985

	Special	Debt	Service	Special	General
Fund Balance October 1	\$ 25,562	\$ -0-	\$ 98,180	\$ (75,241)	\$ (75,241)
Adjustments to beginning fund balance					
Fund balance as adjusted October 1	\$ 25,562	\$ -0-	\$ 98,180	\$ (75,241)	\$ (75,241)
Revenues					
Sales Tax	468,517		92,227		468,517
Gasoline	129,438		48,734		178,172
Real & personal property tax	128,974		178,893		307,867
Intergovernmental revenues	178,893				178,893
Other Taxes	82,765				82,765
Business Licenses	82,765				82,765
Fines & forfeits	258,873				258,873
Garbage fees	62,179				62,179
Miscellaneous income	134,817				134,817
Total Revenues	\$ 1,505,427	\$ 43,439	\$ 191,439	\$ 178,893	\$ 1,719,608
Expenditures					
General Government	314,640		30,812		345,452
Police	229,895				229,895
Fire	41,791				41,791
Street & sanitation	41,791				41,791
Health	266,537				266,537
Education	19,300				19,300
Library	36,988				36,988
Recreation	38,548				38,548
Capital outlay	128,797				128,797
Debt Service	51,987				51,987
Principal retirement	34,961				34,961
Interest & freight charges	34,961				34,961
Total Expenditures	\$ 1,310,844	\$ 86,928	\$ 86,928	\$ 156,588	\$ 1,641,288
Excess of Revenues Over (Under) Expenditures	\$ 194,583	\$ (43,489)	\$ 104,512	\$ 23,305	\$ 74,320
Other Financing Sources (Uses)	103,208	100,341	2,897	(1,245)	205,101
Operating Transfers In	103,208	100,341	2,897	(1,245)	205,101
Operating Transfers Out	(103,208)				(103,208)
Excess of Revenues & Other Sources Over (Under) Expenditures & Other Uses	\$ 194,583	\$ (43,489)	\$ 104,512	\$ 23,305	\$ 74,320
Fund Balance	\$ 25,562	\$ 58,852	\$ 335,483	\$ 304,487	\$ 524,422

AD VALOREM TAXES

The levy and collection of ad valorem taxes in Alabama are subject to limitations imposed by the Alabama Constitution. The Alabama Constitution limits the rates at which property may be assessed, specifies the maximum millage rates at which taxes may be levied on property, and limits total ad valorem taxes on any property in any year.

Ratios of Assessed Value to Fair Market Value

At its 1978 Regular Session, the Legislature of Alabama proposed a Constitutional Amendment and adopted numerous laws contingent upon ratification of the proposed Amendment, all of which, taken together, effect substantial changes in ratios of assessment, exemptions and levels of ad valorem taxation in the State. The Amendment and, indirectly, the related statutes (together "the 1978 Amendments") were ratified by the electorate of the State at the general election on November 7, 1978. Certain salient features of the 1978 Amendments are set out below.

The following new classifications of taxable property and corresponding ratios of assessed value to fair and reasonable market value are established for all ad valorem taxation (State and local), subject to certain exceptions stated below:

Class I - Property of utilities used in their business - 30%;

Class II - Property not otherwise classified (generally, business or commercial property) - 20%;

Class III - Agricultural; forest; single-family, owner-occupied residential property; and historical buildings and sites - 10%; and

Class IV - Private passenger automobiles and small trucks (pickups) for personal use - 15%.

Under the 1978 Amendments, Class III property (primarily agricultural, forest and single-family residential property) is permitted to be assessed, upon application of the owner, on the basis of its current use value with no consideration to be taken of prospective value if the property were put to some other possible use.

Under the 1978 Amendments, any local taxing authority may increase or decrease any assessment ratio subject to approval by the Legislature and by the majority of the electorate of such authority at a special election. In no case may an assessment ratio be less than 5% or more than 35%. Legislative (as opposed to constitutional) provisions of the 1978 Amendments further restrict any increase of an assessment ratio (i) to a class of property constituting less than 20% of all taxable property in the taxing authority or (ii) in the case of a taxing authority having more than 75% of its property in a single class, to the other classes of property. Furthermore, any local taxing authority may increase the rate at which any ad valorem tax is levied above the limit specified in the Constitution subject (i) to the approval by the Legislature and by the majority of the electorate of such authority at a special election and (ii) to the limitations on the total rate of taxation hereinafter stated.

**Constitutional Limit on Ad Valorem
Taxes and Certain Exemptions**

The 1978 Amendments provide that all ad valorem taxes payable to the State and to all counties, municipalities and other taxing authorities with respect to any item of taxable property shall not exceed the following percentage of the fair and reasonable market value of such property: 2% in the case of Class I property; 1-1/2% in the case of Class II property; 1% in the case of Class III property; and 1-1/4% in the case of Class IV property. The limitations are not now exceeded as to any class of property in the City.

A Constitutional Amendment forming a part of the 1978 Amendments exempts from ad valorem taxation household and kitchen furniture, all farm tractors, all farming implements, and all stocks of goods, wares and merchandise (inventories). Under prior law, those classes of property were subject to taxation. The 1978 Amendments also increase certain exemptions from ad valorem taxation of residences of persons over 65 years of age.

Act No. 82-789 adopted at the 1982 Second Special Session of the Legislature of Alabama authorizes any municipality in the State to increase the present \$2,000 homestead exemption from municipal ad valorem taxes to an amount not greater than \$4,000. The City does not intend to increase or extend the homestead exemption pursuant to the provisions of Act No. 82-789.

AAE858

Assessed Valuation

According to information obtained from the Randolph County Tax Assessor, the assessed value of taxable properties located within the corporate limits of the City for the fiscal years indicated was as follows:

<u>Fiscal Year Ending September 30</u>	<u>Assessed Value</u>
1983	\$ 9,974,540
1984	10,473,200
1985	11,683,612

Millage Rates on Taxable Property in the City

Pursuant to the applicable provisions of the Constitution of Alabama and general laws of the State, the City levies ad valorem taxes of eighteen (18) mills on property situated in the City. This includes fifteen (15) mills for general purposes and three (3) mills for school purposes.

The following taxes are levied on property situated in the City but are levied by other taxing authorities:

State of Alabama	-	6-1/2 mills
Randolph County	-	12-1/2 mills

There are, therefore, thirty-seven (37) mills currently being levied on taxable property situated in the City.

Ad valorem taxes levied by the City are collected on behalf of the City by the Randolph County Tax Collector. The Tax Collector estimates that not less than 99.5% of all ad valorem taxes levied in the City in recent years have in fact been collected. A charge for collection equal to approximately 1% of the amount levied (2-1/2% in the case of automobiles) is withheld by the County Tax Collector prior to the remittance to the City.

The amounts collected from the fifteen (15) mill general purpose ad valorem tax levied by the City for the fiscal years indicated were as follows:

<u>Fiscal Year Ending September 30</u>	<u>Amount Collected</u>
1983	\$ 79,103
1984	86,682
1985	84,742
1986	81,993*

*As of July 30, 1986.

PRIVILEGE LICENSE TAXES

The City levies, under general authority granted by the Legislature of Alabama, privilege license taxes on the privilege of engaging in certain businesses and professions within the corporate limits of the City. Businesses and professions are usually taxed the amount stated for their respective type of business or profession plus a percentage of their estimated annual gross receipts. There are certain limitations with respect to the rate at which privilege license taxes may be levied with respect to certain businesses located within the corporate limits of the City, including banks and insurance companies; however, there is no statutory minimum or maximum rate applicable to the privilege license tax. The privilege license taxes are collected by the City Clerk.

Under the applicable judicial precedents, neither the Gross Receipts Tax nor the privilege license taxes may be levied at rates that are confiscatory or unreasonable.

The amounts collected from privilege license taxes by the City for the fiscal years indicated are as follows:

<u>Fiscal Year Ending September 30</u>	<u>Amount Collected</u>
1983	\$258,665
1984	223,842
1985	268,048
1986	282,540*

*As of July 30, 1986.

AAE858

GROSS RECEIPTS TAXES

The City levies by ordinance the Gross Receipts Tax within its corporate limits at the rate of 2% on the gross receipts of all persons selling or using tangible personal property at retail and conducting places of amusement in the City; however, certain transactions are taxed at lower rates. There is no statutory minimum or maximum rate applicable to the said tax. The Gross Receipts Tax is collected by the vendor from the consumer and paid to the State of Alabama Department of Revenue and, in turn, after the deduction of certain collection charges, to the City.

The following table sets forth the amounts of Gross Receipts Tax received by the City fiscal years indicated below:

<u>Fiscal Year Ending September 30</u>	<u>Amount Received</u>
1983	\$ 508,279
1984	559,825
1985	468,517
1986	488,317*

*As of July 30, 1986.

THE FEDERAL BANKRUPTCY ACT

The rights and remedies of the holders of the Warrants are subject to the provisions of Chapter 9 of Title 11 of the United States Code ("the Bankruptcy Act"), which was enacted on November 6, 1978, and took effect on October 1, 1979. Chapter 9 permits, under certain specified circumstances (but only after authorization by the legislature or by a governmental officer or organization empowered by state law to give such authorization), a political subdivision of a state — such as the City — to file a petition for relief in the Federal Bankruptcy Court if it is insolvent or unable to meet its debts as they mature and desires to effect a plan to adjust its debts. Under the statute, the filing of such a petition operates, with certain limited exceptions, as an "automatic" stay of the commencement or the continuation of any judicial or other proceedings against the petitioner, its property, or any officer or inhabitant thereof and as an "automatic" stay of any act or proceeding which seeks to enforce a lien on the property of the petitioner or a lien on any taxes or assessments due to the petitioner. Chapter 9 also permits a political subdivision that files a petition under the Bankruptcy Act to issue, with the approval of the Court, certificates of indebtedness having priority of payment over pre-existing obligations.

AAE858

Any political subdivision filing a petition for relief under Chapter 9 must in due course file a plan for the adjustment of its debts, and such plan may include provisions modifying or altering the rights of creditors generally, or any class of them, secured or unsecured. Such plan, when confirmed by the Court, binds all creditors who had notice or knowledge of the plan and discharges all claims against the petitioning political subdivision provided for in the plan when (a) the petitioning subdivision has deposited, with a duly appointed disbursing agent, all money, securities or other consideration required by the plan to be distributed, and (b) the Court is satisfied that any securities to be so distributed are valid obligations of the petitioning political subdivision and that any provision to pay or secure such obligations is also valid. No plan may, however, be confirmed by the Court unless certain conditions occur, among which are (1) that the plan has been accepted in writing by two-thirds (2/3) in amount and fifty per cent (50%) in number of the allowed claims of each class which are affected by the plan, and (2) that the plan is fair, equitable and feasible and does not discriminate unfairly in favor of any creditor or class of creditors.

While the matter is not entirely free from doubt, prospective purchasers of the Warrants should assume that existing Alabama statutes presently authorize the City and other incorporated municipalities in Alabama to file petitions for relief under Chapter 9.

**GENERAL INFORMATION
RESPECTING THE CITY**

General

The City is located approximately 100 miles northeast of Montgomery, Alabama, 100 miles southeast of Birmingham, Alabama, and approximately 100 miles southwest of Atlanta, Georgia. The City is located on U. S. Highway 431 (north and south) which connects with Interstate 20 (east and west) at Anniston to the north and Interstate 85 (north and south) in Opelika, Alabama, fifty miles to the south of the City. Alabama Highway 22 serving east-west traffic intersects U. S. Highway 431 in the City, and the City is additionally served by numerous county roads.

The City is the largest city in Randolph County, Alabama.

Industry

The City is actively engaged in recruiting industry to augment its predominantly light manufacturing and agricultural economy. Textile manufacturing, poultry and timber harvesting are the predominant industries in and around Roanoke. Randolph County ranks seventh in the State of

Alabama in egg production and thirteenth in broiler production, while 72% of the County's land area consists of woodlands providing excellent pulp material. Other agricultural products found in Randolph County include beef cattle, hogs, corn, commercial vegetables and soybeans. During 1978 the State Department of Agriculture reported that the gross income for agricultural products in Randolph County totaled \$23,797,000.

The major manufacturing concerns located in and around the City include the following:

<u>Firm</u>	<u>Product</u>	<u>Employees</u>
Amoco Mills	Carpet Backing	950
Candlewick Mills	Yarn	284
Roanoke Fashions	Blouses	252
LaMar Manufacturing Co.	Vests and slacks	200
Terry Manufacturing	Uniforms and coats	150
Wehadkee Yarn Mill	Yarn	135
JLM	Moldings	75
D & A Industries	Ladies apparel	50

Population

The population of the City and Randolph County for the years indicated was as follows:

<u>Year</u>	<u>The City</u>	<u>Randolph County</u>
1960	5,288	19,477
1970	5,251	18,331
1980	5,896	20,075
1985	6,000*	20,000*

*Estimate by City and County.

Utilities

Electric power is provided by Alabama Power Company, and natural gas is supplied for redistribution by Transcontinental Gas Company. Water and sanitary sewer service is provided by The Utilities Board of the City of Roanoke.

Education

Primary and Secondary. The City's school system consists of one elementary school (kindergarten through fourth grade), one middle school (fifth grade through seventh grade), and one high school (eighth grade

through twelfth grade). Each of the schools offers courses for exceptional children.

The professional staff of the school system totals seventy. The school system offers advanced or honor classes for gifted students, special education classes for retarded students, and special programs for the physically handicapped. Present enrollment totals approximately 1,350.

Responsibility for the management and operation of the City's school system is vested in the City's Board of Education.

Vocational. Randolph-Roanoke Area Vocational School, located in Wedowee, the county seat, provides training in eleven technical skills. Present enrollment totals approximately 300.

Higher Education. Five institutions of higher learning are located within fifty miles of the City. Southern Union State Junior College in Wadley, Alabama; Jacksonville State University in Jacksonville, Alabama; West Georgia University in Carrollton, Georgia; LaGrange College in LaGrange, Georgia; and Auburn University in Auburn, Alabama, provide citizens of Roanoke a variety of higher educational opportunities.

LEGALITY

The Warrants will be issued subject to the approving opinions of Messrs. Bradley, Arant, Rose & White, Bond Counsel, Birmingham, Alabama. It is anticipated that Bond Counsel's approving opinions will be in substantially the form attached as Appendix A.

TAX EXEMPTION

In the opinion of Bond Counsel, the interest income on the Warrants is, under existing statutes and regulations as presently construed, exempt from income taxation by the United States of America and by the State of Alabama.

PENDING TAX LEGISLATION

There is presently pending before the United States Senate legislation heretofore passed by the United States House of Representatives (HR 3838) that includes substantial changes to the provisions of the Internal Revenue Code of 1954 pertaining to tax-exempt securities. If enacted in its

AAE858

present form, HR 3838 would apply to securities issued after December 31, 1985, and would consequently apply to the Warrants. As applied to the Warrants, HR 3838 would impose new conditions upon the exemption of the interest from Federal income taxation, and failure to comply with such conditions would cause the interest income on the Warrants to be subject to Federal income taxation from their issuance date.

Among the new restrictions that would be applicable under HR 3838 to tax-exempt securities such as the Warrants are the following:

- (a) a prohibition against advance refunding any original issue of securities more than twice;
- (b) new arbitrage restrictions, including the exclusion of issuance expenses for determining yield;
- (c) the inclusion of the interest income on tax-exempt securities in the determination of income received by property or casualty insurance companies; and
- (d) certain information reporting requirements.

On March 14, 1986, a joint statement (the "Joint Statement") was issued by the Chairman of the House Committee on Ways and Means, the Chairman of the Senate Committee on Finance, the ranking member of the House Committee on Ways and Means, the ranking member of the Senate Committee on Finance, and the Secretary of the Treasury with respect to the effective dates of certain of the provisions of HR 3838. The Joint Statement endorsed a postponement, until September 1, 1986 (or the date of enactment of tax reform legislation, if earlier), of the effective dates of certain (but not all) of the provisions of HR 3838 which would be applicable to the Warrants. Included in those provisions to which the postponement of effective dates is endorsed in the Joint Statement are:

- (i) the additional arbitrage restrictions (other than the method of determining bond yield);
- (ii) the restrictions on advance refunding of an original issue of securities more than twice; and
- (iii) the extension of information reporting requirements to securities such as the Warrants.

Contemporaneously with the issuance of the Warrants, the Underwriter and the City will be furnished with a supplemental opinion of bond counsel to the effect that, assuming the postponement of the effective dates of certain provisions of HR 3838, as endorsed in the Joint Statement, the enactment of HR 3838 in the form passed by the House of Representatives would not adversely affect the exemption from Federal income taxation of the interest income on the Warrants except with respect to such income received by property or casualty insurance companies.

On May 7, 1986, the Senate Committee on Finance voted favorably on proposals which would amend HR 3838. The Committee's version of HR 3838 would not adversely affect the exemption from Federal income taxation of interest on the Warrants or require the interest received on tax-exempt obligations, such as the Warrants, when held by individuals, to be treated as a tax preference item for purposes of computing an alternative minimum tax. However, the Committee's version includes provisions which may indirectly require the inclusion of interest income received on tax-exempt obligations, such as the Warrants, when held by corporations, as an item of tax preference for purposes of computing an alternative minimum tax.

It is not possible to predict whether HR 3838 or other tax legislation will be enacted, the effective date or form of any such legislation or whether or how such legislation, if enacted, will affect obligations issued by state and local governments, such as the Warrants. It is possible that any legislation will have the direct or indirect effect of changing the economic consequences of owning obligations such as the Warrants. Investors should consult their own tax advisors to determine the potential impact of HR 3838 and various other tax proposals on their Federal income taxes.

LITIGATION

The City will furnish its certificate dated the date of the delivery of the Warrants, stating in substance that there is no controversy or litigation of any nature pending or threatened which restrains or enjoins the issuance, sale, execution or delivery of the Warrants or in any way contests or affects the validity of the Warrants or any proceedings of the City taken with respect to the issuance and sale thereof.

FINANCIAL STATEMENT

The City's Audit Report pertaining to the City's General Fund for the fiscal year ending September 30, 1985, prepared by Edwards and Denton, Certified Public Accountants, Roanoke, Alabama, is attached hereto as Appendix B.

AAE858

UNDERWRITING

The Warrants are being purchased by The Frazer Lanier Company, Inc. ("the Underwriter"), at a price equal to _____ % of the principal amount of the Warrants, plus accrued interest from the date of the Warrants to the date of delivery. The City has been advised that the Underwriter intends to offer the Warrants to the public at prices that may be changed from time to time by the Underwriter without any requirement of prior notice. The City has also been advised that the Underwriter may offer the Warrants to certain dealers and to others at prices lower than the public offering prices.

EMPLOYEES' RETIREMENT

Employees of the City participate in the Employees' Retirement System maintained by the State of Alabama ("the Employees' System"). The current contribution rate for the City is 4.59% of payroll, which contribution consists of (a) a normal contribution rate of 4.41% of payroll; (b) a pre-retirement death benefit rate of .30% of payroll; and (c) an administrative rate of .18% of payroll. The actuary for the Employees' System is preparing an actuarial valuation of the accrued liability of each of the participating local governments. Consequently, the current contribution may be adjusted either upward or downward. There are currently approximately 50 active members participating in the Employees' System.

Retirement plans for teachers in the City's school system are funded by the State Teachers' Retirement System ("the Teachers' System"), maintained by the State of Alabama. Because the State of Alabama has assumed responsibility for providing retirement plans for public school teachers, the City historically has had no direct responsibility in this area.

Unlike the Teachers' System, the Employees' System does not undertake to fund the retirement plans of participating local governments and acts only in an administrative capacity, and then only upon the election of local governments. The statute permitting such election provides that "the retirement system shall not be liable for the payment of any pensions or other benefits on account of the employees or pensioners of any employers under this section, for which reserves have not been previously created from funds contributed by such employer or its employees for such benefits." The statute further provides that the agreement of the City to contribute to the Employees' System on account of its employees is irrevocable, but should it become financially unable to make the normal and accrued liability contribution, the City would be deemed to be in default under the Employees' System.

MISCELLANEOUS

All references to the Constitution and laws of Alabama, to summaries of contracts, documents or official acts are qualified by the exact terms of such Constitution, laws, contracts, documents or acts, each being an item of public record. So far as any statements are made in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, they are set forth as such and not as representations of fact, and no representation is made that any such estimates will be realized.

The distribution of this Official Statement has been approved by the City.

CITY OF ROANOKE, ALABAMA

By /s/ Henry V. Bonner
Mayor

Dated August 1, 1986

AAE858

BRADLEY, ARANT, ROSE & WHITE

1400 PARK PLACE TOWER

BIRMINGHAM, ALABAMA 35203

TELEPHONE 252-4500 AREA CODE 205

TELEX 78-2517

Appendix A**(Proposed Form of Approving Opinion)****City of Roanoke
Roanoke, Alabama****Gentlemen:**

We have examined certified copies of proceedings of the governing body of the City of Roanoke (herein called "the City"), in the State of Alabama, and other documents submitted to us pertaining to the authorization, sale and issuance of

**\$1,040,000
CITY OF ROANOKE, ALABAMA
General Obligation Warrants
Dated August 1, 1986**

(the said warrants being herein called "the Warrants"). We have not examined the Warrants as executed, but we have been furnished with appropriate certificates respecting their execution. The opinion hereinafter expressed is based upon our examination of the proceedings and documents so furnished to us.

The ordinance (herein called "the Authorizing Ordinance") authorizing the issuance of the Warrants contains, inter alia, a special pledge for payment of the principal of and interest on the Warrants, at the respective maturities of said principal and interest, of so much as may be necessary for such purpose of the proceeds of that certain special privilege or license tax of the City levied by the City on those engaged in the business of selling tangible personal property at retail and conducting places of amusement and measured by the gross receipts or gross proceeds of the said

businesses, to the extent that the said tax is levied with respect to business conducted within the corporate limits of the City (the said tax, to the extent levied with respect to business conducted within the corporate limits of the City, being herein called "the Gross Receipts Tax").

We are of the following opinion: that the Warrants are in due and legal form, have been validly authorized and issued pursuant to the applicable provisions of the Constitution and laws of Alabama, and constitute valid orders on the city treasurer of the City for the payment thereof as therein provided; that the indebtedness ordered paid by the Warrants is a valid general obligation of the City for the payment of the principal of and interest on which the City has validly and irrevocably pledged its full faith and credit; that, to such extent as its rates may be reasonable, the Gross Receipts Tax has been validly levied; that the aforesaid special pledge of the Gross Receipts Tax and its proceeds is irrevocable, valid and enforceable, subject to all prior lawful charges on the Gross Receipts Tax and its proceeds, including the law-imposed requirement that the necessary and legitimate governmental expenses of operating the City must first be paid; that the aforesaid special pledge of the Gross Receipts Tax and its proceeds will be prior and superior to any pledge thereof that may hereafter be made for the benefit of any obligations that may be hereafter issued by the City; and that under existing statutes and regulations as presently construed, the interest income on the Warrants is exempt from income taxation by the State of Alabama and the United States of America.

Yours very truly,

AAE858

314

Appendix B

1985 Audit Report — City of Roanoke, Alabama

[To be added.]

City of Roanoke
Table of Contents
September 30, 1985

Page

Auditors Report	1- 2
Combined Balance Sheet - All Fund Types and Account Groups	3
Combined Statement of Revenues, Expenditures and Changes in Fund Balance - All Governmental Fund Types	4- 5
Notes to the Financial Statements	6-10
Combining Balance Sheet - All Special Revenue Funds	11
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - All Special Revenue Funds	12
Statement of Revenues, Expenditures and Changes in Fund Balance Budget and Actual - General Fund	13
Statement of Revenues, Expenditures and Changes in Fund Balance Budget and Actual - Revenue Sharing	14
Schedule of Revenues - General Fund	15

AAE858

Edwards & Denton
Certified Public Accountants
Roanoke, Alabama 36274

To the Honorable Members of the City Council, City of Roanoke

We have examined the general purpose financial statements of the City of Roanoke as of and for the year ended September 30, 1985 as listed in the table of contents. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The City has kept its records and has prepared its financial statements for previous years on the cash basis, with no recognition having been accorded accounts receivable, accounts payable, or accrued expenses. At the beginning of the current year, the City adopted the modified accrual basis of accounting. Although appropriate adjustments have been made to the fund balances as of the beginning of the year, it was not practicable to determine what adjustments would be necessary to restate the financial statements for the preceding year to conform with the accounting principles used in the current year.

In our opinion, the general purpose financial statements referred to above present fairly the financial position of each of the fund types and account groups of the City of Roanoke, at September 30, 1985, and the results of operations of such fund types for the year then ended, in conformity with generally accepted accounting principles.

Edwards & Denton, CPA's

Roanoke, Alabama
January 29, 1986

Edwards & Denton, C. P. A.

Edwards & Denton
Certified Public Accountants
Roanoke, Alabama 36274

To the Honorable Members of the City Council, City of Roanoke:

We have examined the general purpose financial statements of the City of Roanoke, for the year ended September 30, 1985, and have issued our report thereon dated January 29, 1986. Our examination was made in accordance with generally accepted auditing standards; the provisions of Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, promulgated by the U.S. Comptroller General, as they pertain to financial and compliance audits; the Single Audit Act of 1984 (Pub. L. No. 98-502); the provisions of the Office of Management and Budget's Compliance Supplement for Single Audits of Grants to State and Local Governments (the Compliance Supplement), and accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In connection with the examination referred to above, a representative number of transactions from each major federal assistance program were selected to determine if federal funds are being expended in accordance with the terms of applicable agreements and those provisions of federal law or regulations that could have a material effect on the financial statements or on each major federal assistance program tested. The results of our tests indicate that for the items tested, the City of Roanoke complied with the material terms and conditions of the federal assistance agreements. Further, for the items not tested, based on our examination and the procedures referred to above, nothing came to our attention to indicate that the City of Roanoke had not complied with the significant compliance terms and conditions of the programs referred to above beyond the findings and questioned costs noted above.

This report is intended solely for the use of the City of Roanoke, the cognizant audit agency, and other federal audit agencies. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the City of Roanoke, is a matter of public record.

Edwards & Denton, CPA's

Roanoke, Alabama
January 29, 1986

Edwards & Denton, CPA's

City of ke, Alabama
 Combined Balance Sheet - All Fund Types and Account Groups
 September 30, 1985

318

	Governmental Fund Types			Account Groups		TOTALS		
	General	Special Revenue	Debt Service	Special Assessment	General Fixed Assets	General Long-Term Debt	(Memorandum Only) 9-30-85	9-30-84
ASSETS								
Cash	\$ 258,375	\$ 281,872	\$ 56,852	\$	\$	\$	\$ 597,099	\$ 418,808
Receivables								
Taxes	44,029	8,812					52,841	
Accounts	16,746	43,344					60,090	
Accrued Interest	121	1,575					1,696	
Special Assessments				5,623			5,623	5,623
Land					429,185		429,185	423,185
Buildings					1,442,895		1,442,895	1,417,418
Street paving and other improvements					2,388,350		2,388,350	2,360,849
Machinery and equipment					1,030,691		1,030,691	1,035,344
Accumulated depreciation					(2,353,985)		(2,353,985)	(2,225,704)
Amount available in debt service funds						56,852	56,852	
Amount to be provided for retirement of general long-term debt						290,050	290,050	
TOTAL ASSETS	<u>\$ 319,271</u>	<u>\$ 335,603</u>	<u>\$ 56,852</u>	<u>\$ 5,623</u>	<u>\$ 2,937,136</u>	<u>\$ 346,902</u>	<u>\$ 4,001,387</u>	<u>\$ 3,435,523</u>
LIABILITIES AND FUND EQUITY								
Liabilities								
Accounts payable	\$ 14,784	\$ 120	\$	\$	\$	\$	\$ 14,904	\$
Note Payable - EMC						17,902	17,902	23,869
General Obligation bonds payable						305,000	305,000	345,000
School bonds payable						24,000	24,000	30,000
TOTAL LIABILITIES	<u>\$ 14,784</u>	<u>\$ 120</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 346,902</u>	<u>\$ 361,806</u>	<u>\$ 398,869</u>
Fund Equity								
Investment in general fixed assets					2,937,136		2,937,136	3,011,092
Fund Balances								
Unreserved								
Designated for debt service			56,852				56,852	
Undesignated	304,487	335,483		5,623			645,593	25,562
Total Fund Equity	<u>304,487</u>	<u>335,483</u>	<u>56,852</u>	<u>5,623</u>			<u>3,639,581</u>	<u>3,036,654</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 319,271</u>	<u>\$ 335,603</u>	<u>\$ 56,852</u>	<u>\$ 5,623</u>	<u>\$ 2,937,136</u>	<u>\$ 346,902</u>	<u>\$ 4,001,387</u>	<u>\$ 3,435,523</u>

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

105

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
 All Governmental Fund Types
 For the Year Ended September 30, 1985

AAE850

4
- 86

	Governmental Fund Types				Totals <Memorandum Only> Year Ended	
	General	Special Revenue	Debt Service	Special Assessment	September 30, 1985	September 30, 1985
Fund Balance October 1	\$ <76,241>	\$ 96,180	\$ -0-	\$ 5,623	\$ 25,562	\$ 207,040
Adjustments to beginning fund balance	<u>373,503</u>	<u>65,358</u>	<u>43,439</u>	<u>-0-</u>	<u>482,300</u>	
Fund balance as adjusted October 1	297,262	161,538	43,439	5,623	507,862	207,040
Revenues						
Sales Tax	468,517				468,517	559,825
Gasoline	37,211	92,227			129,438	121,471
Real & personal property tax	82,240	46,734			128,974	130,835
Intergovernmental revenues		178,863			178,863	164,603
Other Taxes	82,765				82,765	73,181
Business licenses	258,873				258,873	212,843
Fines & forfeits	62,179				62,179	49,641
Garbage fees	134,617				134,617	97,857
Miscellaneous income	50,133	11,068			61,201	61,264
Total Revenues	<u>1,176,535</u>	<u>328,892</u>			<u>1,505,427</u>	<u>1,471,520</u>
Expenditures						
Current						
General government	283,828	30,812			314,640	391,020
Police	229,895				229,895	178,141
Fire	41,791				41,791	32,595
Street & sanitation	265,537				265,537	246,555
Health	19,300				19,300	35,093
Education	150,462				150,462	147,419
Library	36,988				36,988	29,820
Recreation	39,546				39,546	46,015
Capital outlay		125,757			125,757	435,528
Debt Service						
Principal retirement			51,967		51,967	71,467
Interest & freight charges			34,961		34,961	39,34500
Total Expenditures	<u>1,067,347</u>	<u>156,569</u>	<u>86,928</u>		<u>1,310,844</u>	<u>1,652,998</u>

320

Excess of Revenues Over <Under> Expenditures	109,188	172,323	<86,928>	194,583	<181,478>
Other Financing Sources <Uses>					
Operating Transfers In		2,867	-100,341	103,208	
Operating Transfers Out	<101,963>	<1,245>		<103,208>	
Excess of Revenues & Other Sources Over (Under) Expenditures & Other Uses	7,225	173,945	13,413	194,583	<181,478>
Fund Balance	\$ 304,487	\$ 335,483	\$ 56,852	\$ 702,445	\$ 25,562

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

NOTES TO THE FINANCIAL STATEMENT
City of Roanoke, Alabama
September 30, 1985

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used by the City of Roanoke to account for its financial activities are consistent with generally accepted accounting principles applicable to local governmental units. The City's significant accounting policies are summarized below.

A. REPORTING ENTITY

The basic criteria for determining the reporting entity of the City of Roanoke is the oversight responsibility of the City over the various other governmental units. Within this oversight responsibility, the financial interdependence and the governing authority of the different governmental units were foremost in the decision whether or not to be included in the reporting entity.

These two criteria precluded the inclusion of The Roanoke City Schools, The Utilities Board, The Roanoke Housing Authority and The Industrial Development Board.

B. FUND ACCOUNTING

The City's accounts are organized into funds and account groups as is required by fund accounting. Each fund and account group is a self-balancing entity. The funds are classified into three broad categories and are further classified into four fund types, as follows:

Governmental Funds Category

The General Fund is used to account for all City resources except those required by law or accounting principles to be accounted for in another fund.

Special Revenue Funds are used to account for revenues which are legally required to be spent for specific purposes. However, some legally restricted revenues are required to be accounted for in Special Assessment and Capital Projects Funds.

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, the City's general long-term debt principal and interest.

Special Assessment Funds are used to account for the financing of public improvements or services which are judged as benefitting the properties against which special assessments are levied.

Account Groups

In addition to the four types of funds, the City uses two account groups in accounting for City resources and obligations.

The General Fixed Asset Account Group is used to establish accountability for all of the City's fixed assets. Public domain general fixed assets, such as streets, bridges, sidewalks, curbing, and gutters, drainage systems and street lighting systems, are reported in the financial statements.

All fixed assets are recorded at historical cost, except for donated fixed assets which are recorded at estimated fair value on the date of donation. For some of the City's older general fixed assets, the historical cost was not available when the City first began to record fixed assets in the account group; these general fixed assets are recorded at estimated historical cost.

Depreciation on general fixed assets is not recorded as an expenditure; however, depreciation is shown as a reduction of investment in fixed assets within the General Fixed Asset Account Group and accumulated depreciation is reported on the Combined Balance Sheet. Depreciation of fixed assets is calculated with each asset's cost less any projected salvage value depreciated over its useful life using the straight-line method.

The General Long-Term Debt Account Group is used to account for the City's long-term debt which is to be repaid from governmental funds. Only the unmatured principal of general long-term debt is reported in the account group.

C. BASIS OF ACCOUNTING

The term "basis of accounting" refers to the timing of the recognition of revenues and expenditures or expenses within an individual fund. The modified accrual basis of accounting is used to account for all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when they become both available and measurable. Expenditures are recognized when the related liability is incurred except for accumulated, unpaid employee benefits which are not accrued; and general long-term debt principal and interest which are recognized as expenditures when they fall due.

D. COMPARATIVE DATA

The accompanying financial statements present comparative total data for the prior fiscal year to help provide an understanding of the changes which have occurred in the City's financial position and operations. Prior year data for each of the fund types has not been included in the financial statements because such a presentation would make the statement overly complex and more difficult to read.

E. TOTAL COLUMNS

The Total columns on the Combined Statements are labeled "Memorandum Only" to show that they are presented only to aid in financial analysis. The amounts in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles nor can these amounts be compared to a consolidation of all City funds. Interfund eliminations have not been made in preparing the Total columns.

F. BUDGETS

Budgets are adopted by the City Council for the General Fund and Revenue Sharing. These budgets for the fiscal year ended September 30, 1985 are presented on the cash basis. Statements are shown comparing budget and actual data for fiscal 1985 for these funds.

2. CHANGES IN GENERAL FIXED ASSETS

The following is a summary of changes in the City's general fixed assets during the fiscal year:

	Balance October 1, 1984	Additions	Deletions	Balance September 30, 1985
Land	\$ 423,185	\$ 6,000	\$	\$ 429,185
Buildings	1,417,418	25,477	\$	1,442,895
Improvements Other than Buildings	2,360,849	27,501		2,388,350
Machinery and Equipment	1,035,344	66,779	71,432	1,030,691
Totals	\$ 5,236,796	\$ 125,757	\$ 71,432	\$ 5,291,121

3. PENSION PLANS

The City of Roanoke does not have a retirement plan for its employees.

4. CHANGES IN GENERAL LONG-TERM DEBT

The City's general long-term debt transactions for the fiscal year are summarized below:

	<u>School</u>	<u>General Obligation Bonds</u>	<u>Other</u>	<u>Total</u>
Bonds Payable at October 1, 1984	\$ 30,000	\$ 345,000	\$ 23,869	\$ 398,869
Bonds Retired	6,000	40,000	5,967	51,967
Bonds Payable at September 30, 1985	<u>\$ 24,000</u>	<u>\$ 305,000</u>	<u>\$ 17,902</u>	<u>\$ 346,902</u>

AAE858

The yearly requirements to repay all general long-term debt outstanding a September 30, 1985, including interest of \$ 117,104 thereon are a follows:

Year Ending September 30, 1985	Gasoline Tax Anticipation Warrants		General Obligation Bonds		Total
	Principal	Interest	Principal	Interest	
1986	\$ 12,000	\$ 810	\$ 45,000	\$ 29,375	\$ 87,185
1987	12,000	420	50,000	25,550	87,970
1988			50,000	21,112	71,112
1989			50,000	16,612	66,612
1990			50,000	12,050	62,050
1991			30,000	7,425	37,425
1992			30,000	3,750	33,750
Totals	\$ 24,000	\$ 1,230	\$ 305,000	\$ 115,874	\$ 443,104

5. DEBT LIMIT

The City's debt limit is computed below on estimated valuations furnished by the Tax Assesor:

Assessed value of real and personal property located within the city limits		\$ 11,683,612
Constitutional debt limit (20% of assessed value (Note 1))		\$ 2,336,722
Amount of debt applicable to constitutional debt limit:		
General obligation bonds outstanding	\$ 305,000	
Notes payable	17,902	
Accounts payable	<u>14,904</u>	
Total debt applicable to constitutional debt limit	337,806	
Less: Net assets available in Debt Service Funds to repay debt applicable to the constitutional debt limit	\$ 56,862	\$ 280,954
Legal debt margin (Note 2)		<u>\$ 2,055,768</u>

Note 1: The Constitution of Alabama, Section 225 as amended, limits the amount of the City's outstanding indebtedness to twenty percent of the assessed value of taxable property within the city limits. Excluded from this limitation are bonds issued for schools, water works, sewers and assessed improvements.

Note 2: This schedule is presented only to demonstrate the City's compliance with the constitutional limitations on outstanding indebtedness. The amount of the City's legal debt margin at September 30 1985 has no necessary relationship to the City's financial capacity t repay that amount of debt.

6. FUND BALANCE DESIGNATED

The cash balance of the Debt Service Fund is designated entirely for debt service. This includes the cash balances in the 1979 and 1982 G.O. Capital Improvement Accounts of \$840 and \$32,012 respectively. The balance of \$24,000 is a portion of the funds available in the Special Tax Fund, which is an amount equal to the balance due on the School Warrants.

7. CONTINGENT LIABILITIES

Terry Properties, Inc. has filed an appeal in its suit against the City of Roanoke, the City Council and other City officials in District Eleven of the United States Court of Appeals.

Former Chief of Police, Floyd Fetner, has filed a suit in United States District Court, Middle District of Alabama, Eastern Division, for alleged damages of \$350,000 due to alleged wrongful dismissal.

8. EMBEZZLEMENT LOSS

During the fiscal year ended September 30, 1984, an embezzlement was discovered in the collection of utility charges. Consequently, there is shortage of an undetermined amount of garbage fees collected in the fiscal year ended September 30, 1984, and September 30, 1985.

9. ADJUSTMENT TO BEGINNING FUND BALANCE

During the fiscal year ended September 30, 1985, the City changed its method of accounting from the cash basis to the recommended modified account basis of accounting. This change has been treated as the correction of an error, in that a change has been made from a method which was not a generally accepted accounting principle to a method which is. An adjustment to the beginning fund balances has been made to reflect this change.

The adjustment to the individual fund balances mainly deals with recording the accounts payable, accounts receivable and accrued interest. The major adjustment was to the General Fund of \$353,814 which was the result of reclassifying the long-term debt of the City to the General Long-Term Debt Account Group. On the cash basis financial statements, this had been shown as a current liability of the General Fund and thus had reduced the General Fund Fund Balance.

326

City of Roanoke
Combining Balance Sheet - All Special Revenue Funds
September 30, 1985

	Revenue Sharing	Special School Tax	Gasoline Excise Tax	Nutrition Program	Totals	
					September 30, 1985	September 30, 1984
ASSETS						
Cash	\$105,831	\$103,316	\$ 71,956	\$ 769	\$281,872	\$47,200
Receivables						
Taxes		476	8,336		8,812	
Accounts	41,307			2,037	43,344	
Accrued interest	367	1,208			1,575	
Total Assets	<u>147,505</u>	<u>105,000</u>	<u>80,292</u>	<u>2,806</u>	<u>335,603</u>	<u>47,200</u>
LIABILITIES AND FUND EQUITY						
Liabilities						
Accounts payable				120	120	
Total Liabilities				<u>120</u>	<u>120</u>	
Fund Equity						
Unreserved fund balance	<u>147,505</u>	<u>105,000</u>	<u>80,292</u>	<u>2,686</u>	<u>335,483</u>	<u>47,200</u>
Total Liabilities and Fund Equity	<u>\$147,505</u>	<u>\$105,000</u>	<u>\$ 80,292</u>	<u>\$ 2,806</u>	<u>\$335,603</u>	<u>\$ 47,200</u>

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

City of Roanoke
 Combining Statement of Revenues, Expenditures and Changes in
 Fund Balances - All Special Revenue Funds
 For the Year Ended September 30, 1985

	Revenue Sharing	Special School Tax	Gasoline Excise Tax	Nutrition Program	Totals	
					September 30, 1985	September 30, 1984
Fund Balance October 1	\$ 40,604	\$ 48,937	\$ 6,639	\$	\$ 96,180	\$ 77,899
Adjustments to beginning fund balance	<u>51,493</u>	<u>2,138</u>	<u>8,927</u>	<u>2,800</u>	<u>65,358</u>	
Fund balance, as adjusted, October 1	<u>92,097</u>	<u>51,075</u>	<u>15,566</u>	<u>2,800</u>	<u>161,538</u>	<u>77,899</u>
Revenues						
Real & personal property tax		46,734			46,734	
Gasoline Tax			92,227		92,227	86,020
Intergovernmental revenues	171,733			7,130	178,863	159,358
Miscellaneous income	<u>2,632</u>	<u>8,436</u>			<u>11,068</u>	<u>17,454</u>
Total Revenues	<u>174,365</u>	<u>55,170</u>	<u>92,227</u>	<u>7,130</u>	<u>328,892</u>	<u>262,832</u>
Expenditures						
General government	20,701			10,111	30,812	3,264
Capital outlay	<u>98,256</u>		<u>27,501</u>		<u>125,757</u>	<u>25,224</u>
Total Expenditures	<u>118,957</u>		<u>27,501</u>	<u>10,111</u>	<u>156,569</u>	<u>293,488</u>
Excess of Revenues over (under) Expenditures	<u>55,408</u>	<u>55,170</u>	<u>64,726</u>	<u>(2,981)</u>	<u>172,323</u>	<u>(30,656)</u>
Other Financing Sources (Uses)						
Operating transfers in				2,867	2,867	
Operating transfers out		(1,245)			(1,245)	
Total Other Financing Sources (Uses)		<u>(1,245)</u>		<u>2,867</u>	<u>1,622</u>	
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>55,408</u>	<u>53,925</u>	<u>64,726</u>	<u>(114)</u>	<u>173,945</u>	<u>(30,656)</u>
Fund Balance September 30	<u>\$147,505</u>	<u>\$105,000</u>	<u>\$ 80,292</u>	<u>\$ 2,686</u>	<u>\$335,483</u>	<u>\$ 47,243</u>

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

City of Roanoke
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended September 30, 1985

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable <Unfavorable></u>
Fund Balance October	\$ <76,241>	\$ <76,241>	\$
Adjustments to beginning fund balance		373,503	373,503
Fund Balance as Adjusted October 1	<u><76,241></u>	<u>297,262</u>	<u>373,503</u>
Revenues			
Sales Tax	480,000	468,517	<11,483>
Gasoline Tax	35,000	37,211	2,211
Real & personal property tax	73,000	82,240	9,240
Intergovernmental Revenues			
Other Taxes	61,500	82,765	21,265
Business Licenses	215,000	258,873	43,873
Fines & Forfeits	55,000	62,179	7,179
Garbage Fees	91,541	134,617	43,076
Miscellaneous revenue	29,000	50,133	21,133
Total Revenues	<u>1,040,041</u>	<u>1,176,535</u>	<u>136,494</u>
Expenditures			
Current			
General Government	213,400	283,828	<70,428>
Police	253,901	229,895	24,006
Fire	29,100	41,791	<12,691>
Street and Sanitation	271,176	265,537	5,639
Health	20,000	19,300	700
Education	120,000	150,462	<30,462>
Library	32,281	36,988	<4,707>
Recreation	19,000	39,546	<20,546>
Capital Outlay			
Total Expenditures	<u>958,858</u>	<u>1,067,347</u>	<u><108,489></u>
Excess of Revenues Over <Under> Expenditures	81,183	109,188	28,005
Other Financing Sources <Uses>			
Operating Transfers Out	<58,000>	<101,963>	<43,963>
Total Other Financing Sources <Uses>	<u><58,000></u>	<u><101,963></u>	<u><43,963></u>
Excess of Revenue and Other Sources Over <Under> Expenditures and Other Uses	<u>23,183</u>	<u>7,225</u>	<u><15,958></u>
Fund Balance September 30	<u>\$ <53,058></u>	<u>\$ 304,487</u>	<u>\$ 357,545</u>

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

City of Roanoke
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual - Revenue Sharing
 For the Year Ended September 30, 1985

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable <Unfavorable></u>
Fund Balance October 1	\$ 40,604	\$ 40,604	\$.
Adjustments to beginning fund balance		<u>51,493</u>	<u>51,493</u>
Fund Balance, as adjusted, October 1	<u>40,604</u>	<u>92,097</u>	<u>51,493</u>
Revenues			
Intergovernmental Revenues	160,000	171,733	11,733
Miscellaneous		<u>2,632</u>	<u>2,632</u>
Total Revenue	<u>160,000</u>	<u>174,365</u>	<u>14,365</u>
Expenditures			
General government		20,701	<20,701>
Capital outlay	<u>160,000</u>	<u>98,256</u>	<u>61,744</u>
Total Expenditures	<u>160,000</u>	<u>118,957</u>	<u>41,043</u>
Excess of Revenue Over <Under> Expenditures	<u> </u>	<u>55,408</u>	<u>55,408</u>
Fund Balance September 30	<u>\$ 40,604</u>	<u>\$ 147,505</u>	<u>\$ 106,901</u>

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

City of Roanoke
Schedule of Revenues
General Fund
For the Year Ended September 30, 1985 and 1984

	September 30, 1985	September 30, 1984
Sales Tax	\$ 468,517	\$ 559,825
Gasoline Tax	37,211	35,451
Real and personal property tax	82,240	84,518
Other taxes		
Tobacco tax	30,559	24,092
Auto licenses and taxes	23,244	21,434
Financial institution excise	25,682	14,702
In lieu of tax Housing Authority	3,280	2,364
Business license	258,873	212,843
Fines and forfeits	62,179	49,641
Garbage fees	134,617	97,857
Miscellaneous income		
Cemetery lot sales	800	100
Recreation receipts	1,102	
Interest	23,773	27,109
Library receipts	1,175	260
Miscellaneous	2,809	4,698
TVA payments	13,491	10,589
Sale of asset and supplies	1,648	4,497
ABC payments	4,660	
Fire department grant	675	
Grant EARPC		19,113
Total Revenues	<u>\$ 1,176,535</u>	<u>\$ 1,169,093</u>

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

CERTIFICATION

I, Olin E. Sheppard, as the City Clerk of the City of Roanoke, Alabama hereby certify that the foregoing Ordinance No. 629, was passed and adopted by the Mayor and the City Council for the City of Roanoke, Alabama on the 25th day of August, 1986 and was herein recorded in the minutes of the City Council meeting on the 25th day of August, 1986.

Olin E. Sheppard, City Clerk

ORDINANCE NO. 631

AN ORDINANCE TO REPEAL ORDINANCE NO. 329 CREATING A MUNICIPAL PLANNING COMMISSION FOR THE CITY OF ROANOKE, ALABAMA, AND ALL ORDINANCES AMENDING SAID ORDINANCE, AND TO ABOLISH THE MUNICIPAL PLANNING COMMISSION.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ROANOKE, ALABAMA, AS FOLLOWS:

Section 1. Ordinance No. 329, adopted November 13, 1943, creating a Municipal Planning Commission for the City of Roanoke, Alabama, is hereby repealed.

Section 2. All ordinances amending said ordinance and all ordinances re-establishing, re-creatin or re-activating said Municipal Planning Commission are hereby repealed.

Section 3. The Municipal Planning Commission of the City of Roanoke, Alabama, is hereby abolished.

Section 4. All books, files, plans, maps, records and other documents of or in possession of the Municipal Planning Commission shall be delivered to and maintained by the City Clerk.

Section 5. All ordinances or parts of ordinances inconsistent with this ordinance are hereby repealed.

Section 6. This ordinance shall be effective from and after its adoption as provided by law.

Henry V. Bonner, Mayor

AAE858