



Jefferson  
County  
Alabama

# Annual Comprehensive Financial Report

For Fiscal Year Ended  
September 30, 2023

Chief Financial Officer  
**ANGELA DIXON**



**2023**

**Jefferson  
County  
Alabama**

**Annual  
Comprehensive  
Financial  
Report**

**For Fiscal Year Ended  
September 30, 2023**

**Chief Financial Officer  
ANGELA DIXON**





**THIS PAGE IS INTENTIONALLY  
LEFT BLANK**

# **Jefferson County, Alabama Annual Comprehensive Financial Report For the Fiscal Year Ended September 30, 2023**

## **INTRODUCTION SECTION**

- 1 Letter of Transmittal
- 11 List of Principal Officials
- 12 Organizational Chart
- 13 Certificate of Achievement for Excellence in Financial Reporting
- 14 Distinguished Budget Presentation Award

## **FINANCIAL SECTION**

- 15 Independent Auditors' Report
- 19 Management's Discussion and Analysis

### ***Basic Financial Statements***

- 32 Statement of Net Position
- 33 Statement of Activities
- 35 Balance Sheet - Governmental Funds
- 36 Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
- 37 Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
- 38 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
- 39 Statement of Net Position - Proprietary Funds
- 40 Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds
- 41 Statement of Cash Flows - Proprietary Funds
- 43 Statement of Fiduciary Net Position - Fiduciary Funds
- 44 Statement of Changes in Fiduciary Net Position - Fiduciary Funds
- 45 Notes to the Financial Statements

### ***Required Supplementary Information***

- 101 General Fund - Budgetary Comparison Schedule - GAAP Basis
- 105 Special Sales Tax Revenue Fund - Budgetary Comparison Schedule - GAAP Basis
- 106 Indigent Care Fund - Budgetary Comparison Schedule - GAAP Basis
- 107 OPEB Retirement Plan - Schedule of Changes in the County's Total OPEB Liability and Related Ratios
- 108 Pension Retirement Plan - Schedule of Changes in the County's Net Pension Liability and Related Ratios
- 109 Pension Retirement Plan - Schedule of County Contributions
- 110 Pension Retirement Plan - Schedule of Pension Investment Returns

### ***Supplementary Information***

- 111 Combining Balance Sheet - Non-Major Governmental Funds
- 113 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
- 115 Tax Assessor Birmingham Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 116 Tax Assessor Bessemer Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 117 Road Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 118 Board of Equalization Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 119 Bridge and Public Buildings Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 120 Emergency Rent Assistance Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 121 American Rescue Plan Act Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 122 Community Development Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 123 Community Development Loan Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 124 Workforce Development Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 125 Sheriff Condemnations Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 126 Sheriff Special Programs Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

***Supplementary Information (Continued)***

- 127 Law Library Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 128 Home Grant Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 129 Capital Improvements Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 130 Road Construction Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 131 Limited Obligation Refunding Debt Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 132 Debt Service Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 133 Combining Statement of Net Position - Non-Major Proprietary Funds
- 134 Combining Statement of Revenues, Expenses, and Changes in Net Position - Non-Major Proprietary Funds
- 135 Combining Statement of Cash Flows - Non-Major Proprietary Funds
- 136 Combining Statement of Fiduciary Net Position - Custodial Funds
- 137 Combining Statement of Changes in Fiduciary Net Position - Custodial Funds
- 138 Statement of Cash Flows - Component Unit – Personnel Board
- 139 Balance Sheet - Component Unit - Emergency Management Agency
- 140 Statement of Revenues, Expenditures, and Changes in Fund Balance - Component Unit - Emergency Management Agency
- 141 Combining Balance Sheet - General Fund By Category
- 142 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - General Fund by Category

## **STATISTICAL SECTION**

### ***Financial Trends***

- 143 Schedule - 1 Net Position by Component
- 144 Schedule - 2 Changes in Net Position
- 147 Schedule - 3 Fund Balances, Governmental Funds
- 148 Schedule - 4 Revenues, Expenditures, and Other Financing Sources (Uses)

### **Revenue Capacity**

- 150 Schedule - 5 Sales and Use Tax Revenues to Total Taxes
- 151 Schedule - 6 Jefferson County Ten Largest Special Revenue Sales and Use Taxpayers
- 152 Schedule - 7 Jefferson County Ad Valorem Tax Revenue
- 153 Schedule - 8 Property Taxes Levied and Collections
- 154 Schedule - 9 Assessed Value and Estimated True Value of All Taxable Property
- 155 Schedule - 10 Principal Property Taxpayers (Jefferson County Only)
- 156 Schedule - 11 Property Taxes - Direct and Overlapping Governments
- 158 Schedule - 12 Enterprise Fund Data
- 159 Schedule - 13 Historical Sewer Rates
- 160 Schedule - 14 Top 10 Sewer Customers

### ***Debt Capacity***

- 161 Schedule - 15 Jefferson County Debt Ratios
- 162 Schedule - 16 Ratios of Outstanding Debt by Type
- 163 Schedule - 17 Ratios of Net General Bonded Debt to Estimated True Value and Net Bonded Debt Per Capita
- 164 Schedule - 18 Estimated Constitutional Debt Margin
- 165 Schedule - 19 Pledged Revenue Coverage for Sewer Revenue Bonds
- 166 Schedule - 20 Pledged Revenue Coverage for Cooper Green Funding Agreement
- 167 Schedule - 21 Pledged Revenue Coverage for Limited Obligation Warrant Series 2022 for the Alabama Transportation Infrastructure Bank

## **Demographic and Economic Information**

- 168 Schedule - 22 Demographic and Economic Statistics
- 169 Schedule - 23 Largest Employers (Birmingham-Hoover MSA)

## ***Operating Information***

- 170 Schedule - 24 Operating Indicators by Function
- 171 Schedule - 25 Number of County Employees by Function/Program
- 172 Schedule - 26 Capital Asset Statistics by Function/Program

## **Debt Service Schedules**

- 173 Schedule - 27 Warrants Maturity Schedules
- 174 Schedule - 28 Senior Lien Sewer Revenue Warrants Series 2013-A through Series 2013-C
- 175 Schedule 29 Subordinate Lien Sewer Revenue Warrants Series 2013-D through Series 2013-F
- 176 Schedule - 30 Hallmark Cooperative District Capital Improvement Loan Series 2019
- 177 Schedule - 31 Series 2018-A General Obligation Refunding Warrants
- 178 Schedule - 32 Series 2017 Limited Obligation Refunding Warrants
- 179 Schedule - 33 Limited Obligation Warrant Series 2022 Issued to the Alabama Transportation Infrastructure Bank
- 180 Schedule - 34 Birmingham Jefferson Civic Center Authority Funding Agreement Series 2018E
- 181 Schedule - 35 Birmingham Jefferson Civic Center Authority Funding Agreement Series 2023A





# **INTRODUCTION SECTION**

# JEFFERSON COUNTY COMMISSION



JAMES A. (JIMMIE) STEPHENS – President  
LASHUNDA SCALES - President Pro-Tempore  
SHEILA TYSON  
JOE KNIGHT  
MIKE BOLIN

**Cal Markert**  
County Manager

**FINANCE DEPARTMENT**  
ANGELA M. DIXON, CPA  
Chief Financial Officer  
716 Richard Arrington, Jr. Blvd. N.  
Birmingham, Alabama 35203

March 22, 2024

To the Jefferson County Commissioners and the Citizens of Jefferson County:

Jefferson County's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2023, represents the official comprehensive publication of the County's financial position as of September 30, 2023. The County has prepared the Annual Comprehensive Financial report in accordance with generally accepted accounting principles in the U.S. (GAAP). This report is submitted as required by Alabama State Law.

The Jefferson County Finance Department is responsible for the accuracy of data, including disclosures, along with the Management of Jefferson County. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that has been established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The basis of reliance for the financial statements is based on internal controls that are also outlined within the audited financial report.

The submitted statements were subjected to an independent audit by Mauldin & Jenkins, LLC. The firm has issued an unmodified opinion on Jefferson County's financial statements for the fiscal year ended September 30, 2023. Mauldin and Jenkins' report is included in the Finance section of this ACFR. Mauldin & Jenkins has also issued a separate Report of Independent Certified Public Accountants in Accordance with *Government Auditing Standards*, which is not included in this ACFR.

The fiscal year 2023 Single Audit was completed by Warren Averett LLC, which issued a separate report that is also not contained in this ACFR. The Single Audit was performed in accordance with Government Auditing Standards and represents the fair presentation of expenditures of federal awards in the County's financial statements for the fiscal year ending September 30, 2023. Internal controls over financial reporting were also tested for compliance with certain provisions of laws, regulations, contracts, and grant agreements related to the Single Audit, but an opinion on internal controls was not provided.

Following the audit report letter is the County's Management Discussion and Analysis (MD&A), which provides a narrative, an introduction, overview, and analysis of the basic financial statements. This letter of transmittal is complemented by the MD&A (pages 19-31) and should be read in conjunction with the letter of transmittal.

## County Overview

Jefferson County is the most populous county in the State of Alabama (according to the 2020 US Census Bureau population data for Jefferson County, 674,721 residents) and one of the oldest, founded in 1819, the same time Alabama became a state. The County covers approximately 1,124 square miles and is divided into two divisions – the Birmingham and Bessemer Divisions, each having their own judicial district, courthouse, and county offices.

Jefferson County is home to 34 municipalities within its boundaries and five more that partly extend into the County for a total of 39, the most of any county in the State and one of the highest numbers in the nation. While the Commission has no oversight over the municipalities, the Commissioners do act as liaisons between the cities and towns in their districts and the Commission as a whole. There are five elected Commissioners who serve four-year terms.



Jefferson County Courthouse at night, lit in red for American Heart Association Go Red month.

In 2011, Jefferson County adopted the County Manager form of government. Under the County Manager form of government, the Commission is responsible for legislative functions such as establishing policy, passing local ordinances, and developing a vision of the organization, and the County Manager is responsible for managing operations in conjunction with the department heads. (See organization chart included in this Introduction Section.) County departments are divided into three groups under the supervision of the County Manager: Infrastructure, Community Services, and Fiscal and Administrative Services – each of these divisions is overseen by a Deputy County Manager or the Chief Financial Officer as appropriate. Four additional departments – Public Information, Human Resources, Compliance, and Information Technology report directly to the County Manager.

There are several Jefferson County Departments in both the Birmingham and Bessemer divisions of the county that are overseen by elected officials. While the County Manager is the appointing authority for the merit system employees in these departments, there are only dotted line relationships between these departments and the County Manager/Commission.

## County Departments

The Jefferson County Roads and Transportation Department is responsible for the maintenance of more than 1,800 miles of paved roads, 11,500 drainage crossings, and 296 bridges. They have 5,100 acres of roadside to mow, clear and maintain, more than 41,500 traffic signs and 434 traffic signals.

The Environmental Services Department manages nine water reclamation facilities, serving 23 of the municipalities within the County, along with small portions of neighboring Shelby County and St. Clair County. Those facilities treat an average of one hundred million gallons of wastewater per day. It is one of the largest systems in the country.

The General Services Department provides comprehensive, professional, full-service management of Jefferson County commercial real estate assets consisting of over 2.7 million square feet. The department maintains each property to the highest quality standards to achieve the greatest operating efficiencies to deliver a safe, functional, and desirable place for all employees, occupants, and the citizens of Jefferson County.

The Community Services Department offers a wealth of information and opportunity for the citizens of Jefferson County. This department provides senior programs and services to those in need and works with the community on housing and community grant programs. It also collaborates with cities on federal grant opportunities to build storm shelters, community centers and other projects. The department has also been managing the partner non-profits providing rental assistance through state provided federal COVID funding.



The Senior Services division of Community Services hosted a Holiday Luncheon for all Jefferson County senior citizens. This year, the County provided transportation to the event and County Commissioners and department heads served meals to those attending. For many, it's the only holiday celebration they attend.

The Development Services Department facilitates investment in the County and promotes orderly growth and environmental quality to create a balanced, sustainable community that enhances the quality of life and protects the health, safety, and welfare of residents, business owners and visitors. This past year it undertook a massive effort to engage the community in developing a new comprehensive plan. This involved several rounds of community engagement meetings and online surveys to obtain feedback on what the citizens would like to see in the future development.

The Coroner/Medical Examiner's Office establishes the identity of human remains and works to determine the cause, manner, and circumstances surrounding death in all sudden and unexpected deaths occurring in Jefferson County. The office is notified to investigate approximately 33% of the deaths occurring in Jefferson County. Notification is made when there is suspicion of criminal violence or criminal neglect, when death occurs in suspicious or unusual circumstances and when deaths are thought to result from trauma or violence, in any prison or penal institution, while in police custody, or deaths due to disease constituting a hazard to public health when requested in writing by the County Health Officer. The office is comprised of both Jefferson County employees and a team of forensic pathologists under contract from the University of Alabama at Birmingham.

The Jefferson County Youth Detention Center provides secure, short term detention care for youth needing detention under provisions of Title 12, Chapter 15, of the Code of Alabama. The facility provides necessary services to detained residents that provide adequate nutrition and health care as well as intellectual growth.

The Jefferson County Board of Registrars works to ensure the most accurate voter registration list and to faithfully comply with all federal, state, and local laws governing voter registration as well as educating the voting public, elected officials, the media, and all parties involved to have successful elections.

The Fiscal & Administrative Services Group houses departments that focus on accounting and administrative processes. Departments in this group include the Finance Department, Department of Revenue, and Board of Equalization. The Finance Department is responsible for the development of the County's annual operations and capital budgets and ensures budget compliance through financial reporting, monitoring, internal controls, and cash flow management. The Finance Department also ensures compliance with all County bonded debt requirements and payment of such debt as well as financial compliance reporting for grants received by the County. The Department of Revenue administers and enforces several federal, state, county and municipal statutes, ordinances, and regulations, which includes collecting and distributing taxes collected on behalf of the State of Alabama, Jefferson County municipalities, school districts and other governmental agencies. The Board of Equalization works to ensure all taxable real property in Jefferson County is valued fairly and equitably. This group is overseen by the Jefferson County Chief Financial Officer.

Information Technology exists to provide professional assistance to County Departments and to make services provided to the public more accessible and also to protect the county from cyber security attacks. The department provides countywide technology leadership and services which facilitate cost effective information collection, processing, and dissemination.

The Jefferson County Human Resources Department is responsible for employee selection, benefits administration, employee relations, workforce development, recruitment (unclassified and intern positions), training, career development, county personnel policies and procedures, compliance, administering federal, state, and local employment laws, and provision of strategic human resources and risk management advice to County officials.

The Public Information Office is responsible for the marketing and public relations component for the County, coordinating media requests and media events highlighting Jefferson County initiatives. It also manages livestreaming of County public meetings, social media channels, and works with IT on maintenance of the County's web presence.

The Compliance Office's mission is to create a culture of excellence, integrity, accountability, and ethical behavior by ensuring compliance through standards, procedures, policies, internal controls, and training.

### **Financial Overview**

The accompanying financial statements present the activities of the Jefferson County Commission's primary government and its component units. Note 1A on page 45 to the Financial Statements provide additional guidance on these representations.

The Commission is required to adopt an initial annual budget no later than its first regular meeting in October. This annual budget serves as a foundation for Jefferson County's financial planning and control. The proposed budget appropriation must not exceed the total revenue available for appropriation. The budget is organized by department and departments may transfer certain resources within a departmental budget without Commission approval. However, transfers between departments and unexpected budget needs (including personnel changes) must receive approval from the Commission before adjustments can be made.

## Growing Business

The Jefferson County Commission created a new Economic Development Advisor position this year to help with new and expanding business. Jefferson Traywick filled that position in May 2023. He has worked with the Commission on several projects including the Farmer's Federation of Alabama acquiring the Hallmark Farms property in northern Jefferson County for a new state agricultural center. Partnerships with the City of Birmingham on a new Amphitheater that will be located in the heart of the County and numerous other projects detailed below.



Farmer's Federation of Alabama news conference at the Hallmark Farms property.

The Jefferson County Commission has elected to invest \$10 million annually along with tax abatements to new and expanding businesses as an incentive to spur economic growth. The goal is to attract new companies, assist existing companies with growth and create new jobs, all of which increases the County's tax base and overall gross domestic product (GDP).

The County's abatement policy and procedures are developed in accordance with Alabama State statute. Many of the abatements are tied to the number of jobs created and how much those jobs pay. The Tax Assessor is responsible for tracking the abatements and the Budget Management Office is responsible for tracking the annual \$10 million allocated by the Commission for economic incentives for prospective businesses. The Economic Development Committee works collaboratively with Jefferson County's legal team to ensure recipients follow abatement agreements and meet agreed-upon performance targets. (See Note 14, page 97, Tax Abatements).

In 2023 Jefferson County attracted 18 new and expanding projects, creating 788 new jobs with an average wage of \$29.86/hr. The businesses invested \$466.2 million dollars in our community. The County's invested \$3.9 million to secure an additional 1,100 acres of new industrial land to help insure the potential for future industrial expansion.

In 2023, the Commission assisted with the following projects:

- Wheatland Tube, a new manufacturing facility, with a \$2.9 million investment and 58 jobs created, received abatements.
- Atlas Tube, expansion with an investment of over \$2.2 million and 33 jobs created, received abatements.
- Altium Packaging LP, a new manufacturing facility with a \$25 million investment and 35 jobs created, received abatements.
- Village Creek Development, a new retail operation with a \$32.5 million investment and 27 jobs, received approval for a retail sales tax rebate with a cap of \$340,000.
- Tequila Automation, a new manufacturing facility with a \$280,000 investment and 200 jobs created, received a jobs grant capped at \$400,000.
- SecturaSOFT, a new technology company that created 50 new jobs, received a jobs grant with a cap of \$159,000.
- ReConserve a new food and beverage company with a \$30.8 million investment and 29 jobs created, received abatements.

- Ford Automotive with a \$12 million investment and 60 jobs created.
- Mobis US Alabama, an automotive parts manufacturing expansion with a \$17.7 million investment and 138 jobs created, received abatements.
- Jay Industrial manufacturing expansion with a \$2.5 million investment and 8 jobs created, received abatements.
- Fives manufacturing expansion with a \$3.5 million investment and 15 jobs created, received abatements.
- Commercial Metals Company with a \$67.7 million investment and 10 jobs created.
- Brasfield and Gorrie office expansion with a \$19 million investment and 70 jobs created, received abatements and a jobs grant capped at \$190,000.
- Primordial Ventures, a new healthcare company with a \$2.3 million investment and 30 jobs created, received abatements and a jobs grant capped at \$30,000.
- Accliante, a healthcare company expansion with a \$40,000 investment at 25 jobs created, received a jobs grant capped at \$75,000.

Jefferson County is continuing to watch the construction progress of the J.M. Smucker Company in the McCalla community as it builds its first production facility in the Southeast. A new hospital is also being built in this community and the County is working on planned road and sewer infrastructure projects in this community that will support this economic growth.



Aerial view of Smucker's plant under construction in July of 2023.

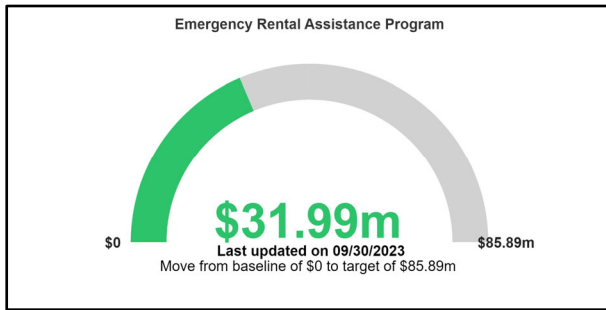
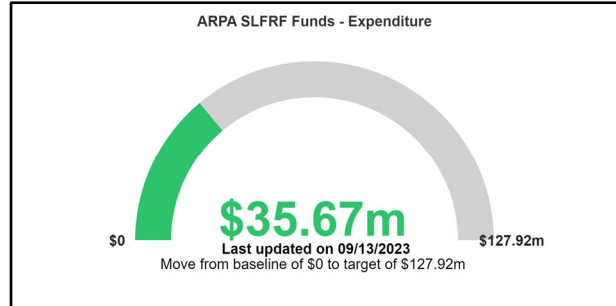
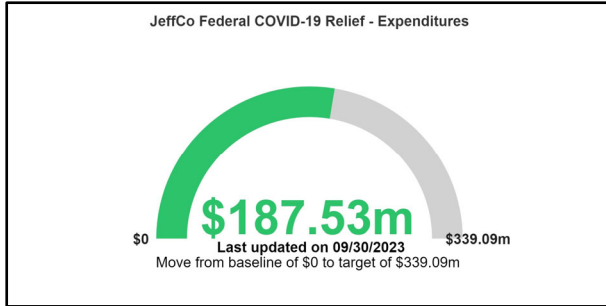
### **Distribution of Federal COVID Relief Funds**

The Coronavirus Aid, Relief, and Economic Security Act (CARES), and American Rescue Plan Act, as well as other federal pieces of budgeting legislation have resulted in \$339,085,936 of COVID-relief aid being provided directly to the Jefferson County Commission.

The County Manager's Office, along with the Department of Finance and Department of Community Services, continues to work with the Witt O'Brien's consulting firm – leaders in global risk management and emergency response - to ensure distribution of this funding is conducted in a manner consistent with federal rules and guidelines. To date, over \$187.5 million of this aid has been distributed directly to citizens in need and organizations serving Jefferson County.

With these funds, the County has supported food insecurity mitigation, supported rental and utility assistance programs, and helped to mitigate the negative economic impacts of the pandemic for organizations that needed it most. The success of our rental and utility assistance program has led to the County receiving additional allocations of funds for residents in need.

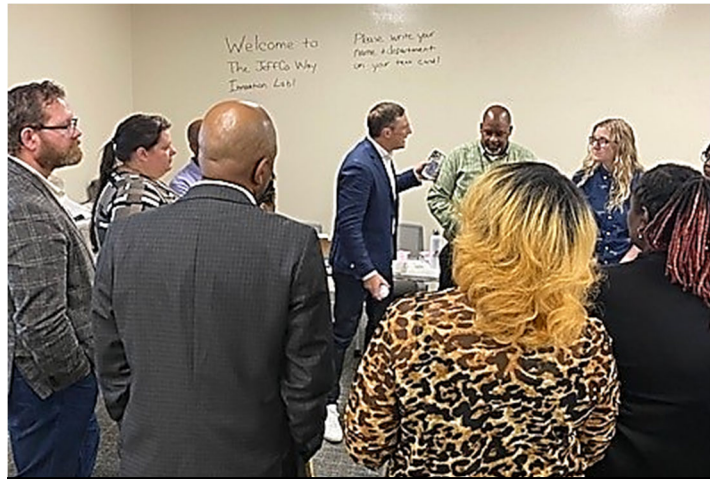
While the CARES Act Coronavirus Relief Fund program has been closed, several other programs are still active and continuing to serve the needs of the citizens of Jefferson County.



## Long-Term Financial Planning and Major Initiatives

### JeffCo Way

County Manager, Cal Markert, has implemented the JeffCo Way -- a leadership training initiative based on lean principles. The JeffCo Way is the County's internal guiding philosophy and how the County Manager and his leadership team make decisions, based on providing long-term value to the customer – the citizens of Jefferson County. The JeffCo Way is also empowering the County's employees to raise their hands when they see issues, so those issues can be identified and corrected. Over the course of the last year, employees have received training in practical, structured, problem-solving skills in furtherance of this initiative.



JeffCo Way leadership training in progress in our new Innovation Lab.

### The JeffCo Way

- Incorporation of Lean principles making up the JeffCo Way in all departments under the County Manager and setting an example to encourage their use system-wide.
- Improvement Boards, Plan-Do-Check-Act, Visual Management and Standardization.
- Creating an empowering work environment that encourages responsibility and decision making at all organizational levels.



### *Leveraging Information Technology*

- Using the best available technology to creatively improve efficiency, manage and improve the citizen and employee experience.
- Providing the best IT support enterprise wide – where needed, when needed.

### *Customer Service*

- Utilization of customer service standards with a focus on customer satisfaction and priority in the design and efficient delivery of County services.

### *Telling Our Story*

- Employing various communication methods, including social media, to ensure transparency and to tell the story of local government services and performance.
- Strategically supplementing the organization's communication tools to provide the most effective outreach opportunities.

### *Top Talent*

- Engage staff utilizing the JeffCo Way to improve processes and deliver quality services.
- Management taking responsibility for the development, performance, and success of employees throughout the organization and providing them a sense of direction and purpose.
- Utilizing coaching and mentoring to provide direction, support, and feedback to enable others to meet their full potential.
- Maintaining a positive atmosphere where interactions are based in respect and professionalism.

### *Strategic Plan*

In November 2020, based on the development of mission and vision statements, Jefferson County published a five-year strategic plan. The four main goals of the plan have key initiatives and specific measurable objectives. This plan can be found on the County's website along with performance indicators that are updated quarterly, so the public can see how the County is making progress. <https://performance.jccal.org/>

The County has expanded its strategic plan to carry us through the 2027 fiscal year; however, the core strategic anchors remain the same:

1. Promote a citizen-focused culture that strives for accountability and consistent, efficient, delivery of service.
2. Create a quality, sustainable infrastructure that is efficient and serves the community.
3. Attract, select, develop, and retain a skilled and diverse workforce.
4. Build the economic stability of the county and continue to create a culture of trust and financial transparency.

By publicly sharing the goals and objectives with citizens and demonstrating accountability, the hope is to continue to build trust with the Jefferson County community. Major initiatives that are currently being implemented to facilitate community trust are as follows:

- Leverage technology to decrease wait times by 40% in our Revenue Department and reduce transaction time by 40% in the Sewer Billing Office of the Environmental Services Department.

- Ensure 90% of the County's planned capital projects have been led to construction within the planned year.
- Improve the mobility of citizens and goods through Jefferson County by striving to pave 130 miles of roadway per year.
- Improve the overall safety and provide a higher quality of life in our communities by demolishing 200 blighted and abandoned structures over four years. We demolished 23 structures during the past fiscal year.
- Maximize the investment made in human capital by achieving a 2-year retention rate of 92% for employees. We have already improved to a 91% retention rate in the last year.
- Maintain the County's Budget Stabilization, Catastrophic, and Uncertainty Reserve Funds at 16% or greater of the General Fund's annual expenditures (See *Relevant Financial Policies*). This goal was not only achieved but surpassed last year to 27%.

### **Relevant Financial Policies**

Jefferson County is committed to ensuring that fiscal stability is maintained in order to increase citizens' access to essential services. Jefferson County maintains a significant General Fund balance. Additionally, to ensure the long-term financial health of the County, Jefferson County has established three separate reserve funds (Economic Uncertainty Fund, Budget Stabilization Fund, and Catastrophic Event Fund). As of September 30, 2023, the County's total cash reserve balance in these three emergency reserve accounts was approximately \$70.6 million. County leadership is committed to increasing the County's reserve balance from the excess of revenues over expenditures on an annual basis.

Jefferson County has an important responsibility to its citizens to carefully account for public funds, to wisely manage these funds, and to plan the adequate funding of services the public considers necessary. The County has taken great steps to ensure that necessary government services are fully funded and provided to the community. The scope of the policies developed to ensure this accountability spans the general budget, revenue, debt, investment, reserve, financial reporting, transfer, asset inventory and long-range strategic policies.

### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Jefferson County Commission for its annual comprehensive financial report for fiscal year ended September 30, 2022. This was the first time the County achieved this prestigious award. The report has been judged by an impartial panel to meet the high standards of the program, which includes demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the report. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

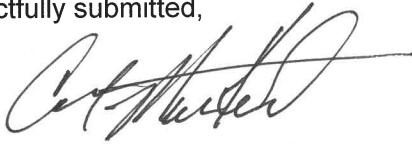
A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement for Excellence in Financial Reporting Program's requirements, and we are submitting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

The County also received the GFOA's Distinguished Budget Presentation Award for the Commission's annual budget document dated for the period beginning October 1, 2022. To qualify for the Distinguished Budget Presentation Award, the Commission's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

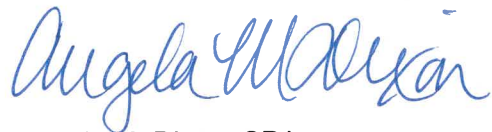
### **Acknowledgement**

The preparation and completion of this document could not have been accomplished without the dedicated efforts of the staff of the Finance Department and County Administration. Appreciation is expressed to all members of the County government for assisting and contributing to the preparation of this report.

Respectfully submitted,



Cal Markert  
County Manager



Angela M. Dixon, CPA  
Chief Financial Officer



# LIST OF PRINCIPAL OFFICIALS

## Jefferson County Commissioners

(As of September 30, 2023)



Commissioner  
**Lashunda Scales**  
District 1

Commissioner  
**T. Joe Knight**  
District 4

Commissioner  
**James Stephens**  
President  
District 3

Commissioner  
**Sheila Tyson**  
District 2

Commissioner  
**Mike Bolin**  
District 5

Citizens of  
Jefferson County

# Jefferson County, Alabama Organizational Chart-September 30, 2023

## Jefferson County Commission



Commissioner  
**Mike Bolin**  
District 5



Commissioner  
**Lashunda Scales**  
District 1



Commissioner  
**James Stephens**  
President  
District 3



Commissioner  
**Sheila Tyson**  
District 2



Commissioner  
**T. Joe Knight**  
District 4



County Manager  
**Cal Markert**



Assistant to County  
Manager  
**Justin Smith**



Economic  
Development Advisor  
**Jefferson Traywick**



County Attorney  
**Theo Lawson**

### Elected Officials



Deputy  
County Manager  
**Heather Carter**



Deputy  
County Manager  
**Daren Lanier**



Chief  
Financial Officer  
**Angela Dixon**

Direct Reports

Probate Court  
**James Naffel**  
**Sherri Friday**



Environmental  
Services  
**David Denard**



Coroner  
**Dr. Greg Davis**



Director of  
Finance  
**Malinda Parker**



Chief  
Information Officer  
**Sri Karra**

Treasurer  
**Eyrika Parker**



Roads &  
Transportation  
**Chris Nicholson**



Youth Detention  
**Monique Grier**



Revenue  
**Wesley (Scott)  
Moore**



Chief  
Compliance Officer  
**Cricket Snyder**

Tax Collector  
**J.T. Smallwood**  
**Johnny L. Curry**



General Services  
**Trisha Hill**



Development  
Services  
**Josh Johnson**



Board of  
Equalization  
**Maria Knight**



Officer  
Human Resources  
**Melody Banks**

Tax Assessor  
**Gaynell Hendricks**  
**Dr. Charles Winston**



Board of Registrars  
**Barry Stephenson**



Public Information  
**Helen Hays**

District Attorney  
**Danny Carr**  
**Lynneice Washington**

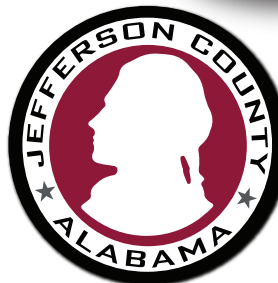


Community Services  
Senior Services Division  
**Dr. Frederick Hamilton**

District Court  
**Elisabeth French**



Security  
**Barry Kenamer**



\*County Manager is appointing authority for merit employees in these departments..



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**County of Jefferson  
Alabama**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2022

*Christopher P. Morill*

Executive Director/CEO



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Jefferson County  
Alabama**

For the Fiscal Year Beginning

**October 01, 2022**

*Christopher P. Morrill*

Executive Director



# **FINANCIAL SECTION**





## INDEPENDENT AUDITORS' REPORT

---

**Commissioners of Jefferson County, Alabama**  
**Birmingham, Alabama**

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Jefferson County, Alabama** (the "County"), as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Jefferson County Economic and Industrial Development Authority, which represents 61 percent, 171 percent, and 10 percent, respectively, of the assets and deferred outflows of resources, deficit net position, and revenues of the aggregate discretely presented component units. We also did not audit the financial statements of the General Retirement System for Employees of Jefferson County. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the Jefferson County Economic and Industrial Development Authority and the General Retirement System for Employees of Jefferson County, are based solely on the reports of the other auditors.

---

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the General Retirement System for Employees of Jefferson County were not audited in accordance with *Government Auditing Standards*.

### ***Emphasis of Matter – Change in Accounting Principle***

As discussed in Note 9, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription Based Information Technology Arrangements*, as of October 1, 2022. This standard significantly changed the accounting for the County's subscription activities. Our opinions are not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

---

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the budgetary comparison schedules for the General Fund, the Special Sales Tax Revenue Fund, and the Indigent Care Fund, the schedule of changes in the County's total OPEB liability and related ratios, the schedule of changes in the County's net pension liability and related ratios, the schedule of County contributions, and the schedule of pension investment returns, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

---

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit and the report of the other auditor, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introduction and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2024 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*Mauldin & Jenkins, LLC*

Birmingham, Alabama  
March 22, 2024

## **Jefferson County, Alabama Management's Discussion and Analysis September 30, 2023**

As management of Jefferson County, Alabama (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2023. This discussion is intended to: (1) assist the reader in understanding significant financial issues; (2) provide an overview of the County's financial activities; (3) identify changes in the County's financial position; (4) identify material deviations from the County's original budget; and (5) identify individual fund issues or concerns. This discussion has been prepared by management along with the financial statements and related note disclosures and should be read in conjunction with the financial statements and notes. The financial statements, notes, required supplementary information, and this discussion are the responsibility of management.

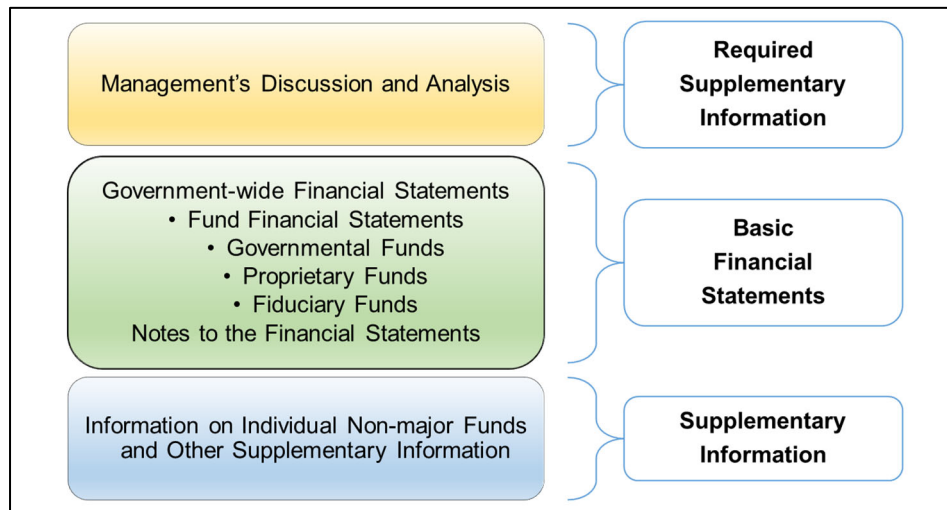
### **Financial Highlights**

The following are the County's financial highlights for the fiscal year ending September 30, 2023:

- As of September 30, 2023, the County's total net position was \$530.8 million, a slight decrease of \$1.4 million from net position as of September 30, 2022. This slight decrease in total net position was primarily due to a \$11.2 million pension liability at September 30, 2023 as opposed to the \$219 million pension asset reported at September 30, 2022.
- Combined revenue totaled approximately \$928 million of which governmental activities totaled \$617.7 million and business-type activities totaled approximately \$310.3 million. The increase in revenue was directly linked to increase in sales and property taxes.
- Overall expenses totaled \$929.4 million of which governmental activities totaled approximately \$516.4 million and business-type activities totaled approximately \$413.1 million. Inflation is primary driver causing prices for materials to increase for construction costs. The County increased expenses for public safety and road improvements.
- Assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$530.8 million (net position). The unrestricted net position, which represents the amounts available to meet the County's ongoing obligations to citizens and creditors, was a deficit of approximately \$207.5 million. This deficit is primarily associated with the Sanitary Operations increase in accreted interest combined with the net pension liability reflected in the financial statements. The deficit reported in unrestricted net position does not mean that the County does not have the resources available to pay its bills or other short-term liabilities.
- At the close of the current fiscal year, the County's governmental funds reported combined balances of \$558.4 million, an increase of \$65 million in comparison with the prior fiscal year. Of this amount, \$236.0 million is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unrestricted fund balance (the total of the assigned and unassigned components of fund balance) for the General Fund was approximately \$335.2 million.

## Overview of the Financial Statements

The following illustration is provided as a guide for the financial statements:



The discussion and analysis provided here are intended to serve as an introduction to the County's basic financial statements. The County's basic audited financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. This section also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

### ***Government-wide financial statements:***

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to private-sector business reporting. All governmental and business-type activities are combined to arrive at a total for the primary government. There are two government wide statements, the statement of net position and the statement of activities, which are produced using the accrual basis of accounting. Additional information on the accrual basis of accounting can be found in Note 1 Section C on page 47 of this report.

The *statement of net position* presents financial information on all of the County's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. The format of this statement is very different from a traditional "income statement". The format is intended to portray the extent to which governmental activities are funded by taxes and the extent to which business-type activities are supported by the revenues they generate. The statement presents all underlying events giving rise to the changes in net position, regardless of the timing of related cash flows. Thus, revenues and expenses reported for some items will only result in cash flows in future fiscal periods (e.g., uncollected taxes, and earned but unused vacation leave).

Each of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of the costs through user fees and charges (business type activities). The governmental activities of the County include general government, public safety, law library operations, highway and roads, health and welfare, and community development. The business-type activities of the County include sanitary operations, landfill operations, and economic development (Hallmark Farms).

The government-wide financial statements include the County itself (known as the primary government), the Jefferson County Personnel Board, Emergency Management Agency, and Jefferson County Economic and Industrial Development Authority. These legally separate entities are reported as component units of the County due to the significance of their operational or financial relationships with the County. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 32 through 34.

### ***Fund financial statements***

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

#### ***Governmental Funds***

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities (in the government wide financial statements).

The County maintains separate governmental funds to account for the following activities: primary government (General Fund), special revenues, capital projects, and debt service. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for each of the major governmental funds. Data from the other (non-major) governmental funds are combined into a single, aggregated column.

The basic governmental fund financial statements can be found on pages 35 through 38.

The County adopts an annual appropriated budget for its various governmental activities. A budgetary comparison is included in this report for the individual non-major funds and for the following major funds: General Fund, Special Sales Tax Revenue, and Indigent Care. These statements and schedules for the County's major funds are found on pages 101 through 106.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Information regarding the measurement focus and basis of accounting can be found in Note 1. C. on page 48 of this report.

#### *Proprietary funds*

The County maintains one type of proprietary fund: enterprise funds. The enterprise funds are used to account for quasi-business functions where revenues typically come from charges or fees (sanitary usage) rather than taxes. The County uses enterprise funds to account for its sanitary sewer systems, landfill, and economic development activities.

The County adopts an annual budget for management purposes for its enterprise funds. Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Sanitary Operations, which is considered to be a major fund of the County. Data from the other (non-major) enterprise funds are combined into a single, aggregated column: Landfill Operations and Hallmark Farms Cooperative District (blended component unit). These statements are found on pages 133 through 135.

Proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Information regarding the measurement focus and basis of accounting can be found in Note 1. C. on page 49 of this report.

#### *Fiduciary funds*

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not owned by or available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds, and their financial statements are reported on the accrual basis of accounting as well. The County maintains seven fiduciary funds: The Pension Trust Fund, Tax Collector Fund, Department of Revenue Fund, Treasurer's Trust Fund, Sheriff Fund, Family Court Fund, and Probate Court Fund. The details associated with the Pension Trust Fund are included in Note 10 (Defined Benefit Pension Plan) on pages 86 through 91. These fiduciary funds are aggregated and presented on pages 136 and 137.

Fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Information regarding the measurement focus and basis of accounting can be found in Note 1. C. on page 49 of this report.

#### **Notes to the financial statements**

The financial statements also include notes that explain the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. This information begins on page 45 of the audited financial statements.

### **Government-wide Financial Analysis of the Commission**

As noted earlier, over time net position may serve as a useful indicator of a government's financial position. The County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$530.8 million as of September 30, 2023, resulting in a deficit of unrestricted net position of approximately (\$207.5) million as of September 30, 2023. However, the County's net position only decreased by \$1.4 million from the previous fiscal year. This was primarily due to an increase in accreted interest reported in the Sanitary Operation Fund and funds restricted for capital improvements. Capital improvements are essential to maintaining optimal sanitary operations and providing services to the citizens.



## Total Primary Government

The County's combined net position (governmental and business-type activities) decreased less than 1% (0.3%) between the fiscal years 2023 and 2022, by \$1.4 million to \$530.8 million. This is largely associated with the decrease in the net position for business-type activities.

The following table presents financial information for governmental and business-type activities for the fiscal year ended September 30, 2023, with comparative data for the fiscal year ended September 30, 2022.

**Table A-1**  
**Jefferson County Commission's Net Position**  
(In thousands of dollars)

	Governmental Activities				Business-Type Activities				Totals			
	2023	2022 (Restated)	Change	Percent Change	2023	2022 (Restated)	Change	Percent Change	2023	2022 (Restated)	Change	Percent Change
Current and Other Assets	\$ 926,518	\$ 1,054,756	\$ (128,238)	-12%	\$ 564,859	\$ 608,610	\$ (43,751)	-7%	\$ 1,491,377	\$ 1,663,366	\$ (171,989)	-10%
Capital Assets (Net)	403,478	382,985	20,493	5%	1,889,152	1,897,477	(8,325)	0%	2,292,630	2,280,462	12,168	1%
Total Assets	1,329,996	1,437,741	(107,745)	-7%	2,454,011	2,506,087	(52,076)	-2%	3,784,007	3,943,828	(159,821)	-4%
Deferred Outflows of Resources	148,259	50,456	97,803	194%	32,393	11,839	20,554	174%	180,652	62,295	118,357	190%
Current Liabilities	203,491	197,112	6,379	3%	72,818	62,697	10,121	16%	276,309	259,809	16,500	6%
Other Liabilities	576,545	599,966	(23,421)	-4%	2,374,128	2,300,590	73,538	3%	2,950,673	2,900,556	50,117	2%
Total Liabilities	780,036	797,078	(17,042)	-2%	2,446,946	2,363,287	83,659	4%	3,226,982	3,160,365	66,617	2%
Deferred Inflows of Resources	190,549	276,382	(85,833)	-31%	16,328	37,159	(20,831)	-56%	206,877	313,541	(106,664)	-34%
Net Position:												
Net Investment in Capital Assets	15,483	(19,809)	35,292	-178%	183,129	192,592	(9,463)	-5%	198,612	172,783	25,829	15%
Restricted	85,564	69,088	16,476	24%	454,154	466,193	(12,039)	-3%	539,718	535,281	4,437	1%
Unrestricted	406,623	365,458	41,165	11%	(614,153)	(541,305)	(72,848)	13%	(207,530)	(175,847)	(31,683)	18%
Total Net Position	\$ 507,670	\$ 414,737	\$ 92,933	22%	\$ 23,130	\$ 117,480	\$ (94,350)	-80%	\$ 530,800	\$ 532,217	\$ (1,417)	0%

The restricted net position totaling \$539.7 million on September 30, 2023, represents resources subject to external restrictions, constitutional provisions, or enabling legislation on how they can be used. The County presents restricted net position for Grant Programs (approximately \$16.7 million), Tax Assessor Operations (\$501 thousand), Public Works (\$13.4 million), Public Safety (\$8.5 million), Law Library Operations (approximately \$1.1 million), Equalization Operations (approximately \$1.3 million), Community Development (\$3.2 million), Health and Welfare (\$11.1 million), Debt Service (approximately \$61.3 million), Landfill Assurance (approximately \$7.1 million), Unsecured Claims (\$5.5 million), Capital Improvements (approximately \$403.4 million) associated with the County's Sanitary Operations and Opioid Settlement (\$6.6 million).

### Governmental Activities

As can be seen in Table A-2, the change in net position for fiscal year 2023 for governmental type activities totaled \$92.9 million, an approximately \$43.1 million decrease (32%) from fiscal year 2022. This change is largely associated with the increase in essential services for the welfare of the citizens and employees, to include public safety, highway and roads, and general government and the change in reporting a net pension asset of \$219 million at September 30, 2022 to a net pension liability of \$9.2 million at September 30, 2023 along with other changes in related deferred inflows and outflows of resources pertaining to the pension plan.

### Business-Type Activities

As of September 30, 2023, the County's business-type activities (major and non-major) reported a net position of \$23.1 million, a decrease of \$94.3 million from net position as of September 30, 2022. The net position decrease can be attributed to an increase in Sanitary Operations increase in accreted interest, net pension liability and OPEB expenses.

The following condensed financial information was derived from the government-wide statement of activities and reflects how the County's net position changed during the fiscal year:

**Table A-2**  
**Changes in Jefferson County Commission's Net Position**  
(In thousands of dollars)

	Governmental Activities				Business-Type Activities				Total			
	2023	2022	Change	Total Percent Change	2023	2022	Change	Total Percent Change	2023	2022	Change	Total Percent Change
<b>Revenues</b>												
<b>Program Revenues:</b>												
Charges for Services	\$ 66,357	\$ 65,675	\$ 682	1%	\$ 263,102	\$ 260,622	\$ 2,480	1%	\$ 329,459	\$ 326,297	\$ 3,162	1%
Operating Grants and Contributions	65,742	60,054	5,688	9%	-	-	-	0%	65,742	60,054	5,688	9%
Capital Grants and Contributions	468	4,388	(3,920)	-89%	17,488	6,287	11,201	178%	17,956	10,675	7,281	68%
<b>General revenues:</b>												
Property Taxes	143,816	130,600	13,216	10%	8,290	7,571	719	9%	152,106	138,171	13,935	10%
Sales Taxes	302,293	287,104	15,189	5%	-	-	-	-	302,293	287,104	15,189	5%
Other Taxes	9,047	11,529	(2,482)	-22%	-	-	-	-	9,047	11,529	(2,482)	-22%
Unrestricted Investment Earnings	20,324	2,014	18,310	909%	20,846	(42,253)	63,099	-149%	41,170	(40,239)	81,409	-202%
Miscellaneous	9,658	3,717	5,941	160%	590	1,298	(708)	-55%	10,248	5,015	5,233	104%
Gain on Sale of Capital Assets	-	-	-	-	-	193	(193)	-100%	-	193	(193)	-100%
<b>Total Revenues</b>	<b>617,705</b>	<b>565,081</b>	<b>52,624</b>	<b>9%</b>	<b>310,316</b>	<b>233,718</b>	<b>76,598</b>	<b>33%</b>	<b>928,021</b>	<b>798,799</b>	<b>129,222</b>	<b>16%</b>
<b>Expenses</b>												
General Government	254,506	169,336	85,170	50%	-	-	-	-	254,506	169,336	85,170	50%
Public Safety	106,643	99,434	7,209	7%	-	-	-	-	106,643	99,434	7,209	7%
Law Library Operations	210	180	30	17%	-	-	-	-	210	180	30	17%
Highways and Roads	53,699	48,824	4,875	10%	-	-	-	-	53,699	48,824	4,875	10%
Health and Welfare	78,135	85,329	(7,194)	-8%	-	-	-	-	78,135	85,329	(7,194)	-8%
Community Development	9,343	10,864	(1,521)	-14%	-	-	-	-	9,343	10,864	(1,521)	-14%
Interest and fiscal charges	13,856	13,832	24	0%	-	-	-	-	13,856	13,832	24	0%
Hallmark	-	-	-	-	486	516	(30)	-6%	486	516	(30)	-6%
Landfill Operations	-	-	-	-	2,191	4,114	(1,923)	-47%	2,191	4,114	(1,923)	-47%
Sanitary Operations	-	-	-	-	410,369	386,973	23,396	6%	410,369	386,973	23,396	6%
<b>Total Expenses</b>	<b>516,392</b>	<b>427,799</b>	<b>88,593</b>	<b>21%</b>	<b>413,046</b>	<b>391,603</b>	<b>21,443</b>	<b>5%</b>	<b>929,438</b>	<b>819,402</b>	<b>110,036</b>	<b>13%</b>
Increase (decrease) in net position before transfers	101,313	137,282	(35,969)	-26%	(102,730)	(157,885)	55,155	-35%	(1,417)	(20,603)	19,186	-93%
Transfers	(8,380)	(1,218)	(7,162)	588%	8,380	1,218	7,162	588%	-	-	-	-
<b>Change in Net Position</b>	<b>92,933</b>	<b>136,064</b>	<b>(43,131)</b>	<b>-32%</b>	<b>(94,350)</b>	<b>(156,667)</b>	<b>62,317</b>	<b>-40%</b>	<b>(1,417)</b>	<b>(20,603)</b>	<b>19,186</b>	<b>-93%</b>
Net Position - Beginning	414,737	278,673	136,064		117,480	274,147	(156,667)		532,217	552,820	(20,603)	
Net Position - Ending	\$ 507,670	\$ 414,737	\$ 92,933	22%	\$ 23,130	\$ 117,480	\$ (94,350)	-80%	\$ 530,800	\$ 532,217	\$ (1,417)	0%

## Financial Analysis of Governmental Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### Governmental Funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the County itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the County Commission.

As of September 30, 2023, the County's governmental funds reported combined fund balances of approximately \$558.5 million, an increase of \$65 million in comparison with the prior fiscal year. Of this amount, \$236 million constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of the fund balance is either non-spendable, restricted, committed, or assigned.

Assigned fund balance represents the intentional constraints placed on resources within fund balance either by the governing board or appointees. These funds continue to grow and demonstrates the Commission commitment to ensure a solvent future for the citizens of Jefferson County. The County reports assigned fund balance for Uncertainty Reserve (approximately \$23.4 million), Catastrophic Reserve (approximately \$23.6 million), and Economic Development (approximately \$28.4 million), and Budget Reserve (\$23.7 million).

The following is an analysis of significant balances and transactions of individual major governmental funds:

- The General Fund is the County's primary operating fund and accounts for the majority of the County's expenditures for general government administration. Tax revenues served as the largest own source revenue to support the operations of the County. Property and Sales taxes combined increased from approximately \$134.2 million in fiscal year 2022 to \$143.5 million during fiscal year 2023, primarily due to inflation driving the cost of products up and new businesses. The other substantial increase was due to revaluation of property taxes.
- The County's Special Sales Tax Revenue fund accounts for the special revenue sales tax collected and used for the payment of the County's principal and interest on certain governmental bonds. Sales tax collections (revenue) increased to \$140.5 million in fiscal year 2023 from \$134.6 million in fiscal year 2022. The increase in collections is attributed to the County's efforts to modernize operations along with inflationary economic conditions. The County was able to increase pre-COVID enforcement efforts that resulted in increased collections.
- The Indigent Care Fund accounts for the receipt of alcohol beverage and sales taxes designated for indigent residents of the County. Tax revenues increased from approximately \$69.9 million in fiscal year 2022 to \$72.8 million in fiscal year 2023, primarily due to significant increases in alcoholic beverage sales.

## **Financial Analysis of the County's Sanitary Operation Fund**

Net position of the Sanitary Operation Fund decreased by approximately \$94.6 million, from approximately \$124.2 million in the prior fiscal year to \$29.6 million on September 30, 2023. This change is principally associated with the increase in accreted interest expense reflected in the Sanitary Operation Fund's unrestricted net position classification and pension expense due to market losses.

Sewer sales revenue increased by \$8.9 million (3.5%) from \$243.6 million in the prior fiscal year to \$252.5 million in fiscal year 2023. This coincides with the expected rate increase of 3.49% annually. Operating expenses increased by \$18 million (7.5%). This change is attributed to an increase in employee salaries and benefits expense mainly due to post employment costs and recognizing a pension loss for fiscal year 2023.

## **General Fund Budgetary Highlights**

On September 8, 2022, the County Commission approved the fiscal year 2023 Operating Budget for the County, including estimated revenues of approximately \$197.6 million and operating appropriations of \$263.8 million for the County's General Fund. The County's revenues in the General Fund were higher than its final, amended budget by approximately \$25.6 million during 2023 primarily due to the Simplified Sellers Tax, regular sales tax, and Ad Valorem Tax. The Simplified Sellers Tax is a tax for online purchases which increased by 18% during the year showing that consumers are increasingly likely to shop online. The County's sales tax showed modest growth and the Ad Valorem property tax increased by 9% over the projected budget. This growth can be attributed to the continued strength of the County's housing market.

Throughout the fiscal year, the County Commission’s original budget is amended to reflect changes in funding needs. The County Commission has established policies and procedures for such amendments. The Budgetary Comparison Schedule for the General Fund can be found on page 101.

General Fund Revenue and Expenditure Budget Variances

The most significant budget variances affecting revenues are summarized as follows:

Revenue Source	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance Final <u>Budget</u>
Sales taxes	\$70,696,585	\$70,696,585	\$77,179,735	\$6,483,150
Property Tax	53,042,843	53,042,843	58,508,500	5,465,657
Other taxes	10,313,598	10,313,598	7,828,608	(2,484,990)
Charges for services	43,141,646	43,141,646	47,852,235	4,710,589

The County conservatively budgeted that estimated sales taxes would grow by 2.5% which is in line with historical growth trends. However, the County’s actual growth for fiscal year 2023 was an 8% increase over the prior year. The significant increase can be attributable to numerous factors with inflation being the most significant. Other factors contributing to the increases include the creation of over 800 jobs in 2023 as well as half a billion dollars in investment in the Jefferson County area.

During fiscal year 2023, there was a slight decline in mortgage and deed taxes. Closings were down 60% due to low inventory and rising interest rates. Entity fees were also down due to market conditions, including less availability of loans and higher interest rates.

In spite of these challenges, Jefferson County’s housing market is stable. The Ad Valorem property tax increased by 9% due to increasing property values.

Charges for services increased by \$4.7 million primarily due to an increase in Commissions which is directly related to the Ad Valorem Tax increase, as well as an increase in the Financial Excise Tax.

The County received funds from an Opioid Settlement which caused the major increase in Miscellaneous Revenues.

The most significant budget amendments affecting expenditures are summarized as follows:

*General Government*

- The Commission increased the County Attorney’s operating budget by \$2 million to cover outside attorney’s fees due to the debt restructuring as well as the redistricting litigation.

## Capital Assets and Debt Administration

As of September 30, 2023, the County had invested approximately \$2.29 billion, net of accumulated depreciation, in a broad range of capital assets (see table below). This investment was comparable to the approximately \$2.3 billion reported as of September 30, 2022.

**Table A-3**  
**Capital Assets**  
(net of depreciation in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total		2023 Versus 2022	
	2023	2022 (Restated)	2023	2022 (Restated)	2023	2022 (Restated)	Change	Percent Change
Land	\$ 26,059	\$ 26,059	\$ 35,553	\$ 35,553	\$ 61,612	\$ 61,612	\$ -	0%
Construction in Progress	84,885	88,873	151,369	91,958	236,254	180,831	55,423	31%
Buildings and Improvements	246,485	231,639	451,773	474,349	698,258	705,988	(7,730)	-1%
Equipment and Vehicles	32,731	32,379	14,350	12,773	47,081	45,152	1,929	4%
Furniture and Fixtures	913	873	-	-	913	873	40	5%
Software	4,480	171	-	-	4,480	171	4,309	2520%
Lease assets	2,676	2,990	-	-	2,676	2,990	(314)	-11%
Subscription assets	5,249	2,421	217	275	5,466	2,696	2,770	103%
Infrastructure and Other Improvements	-	-	1,235,890	1,282,844	1,235,890	1,282,844	(46,954)	-4%
	<u>\$ 403,478</u>	<u>\$ 385,405</u>	<u>1,889,152</u>	<u>1,897,752</u>	<u>2,292,630</u>	<u>2,283,157</u>	<u>9,473</u>	<u>0%</u>
Depreciable asset, net	\$ 293,000	\$ 270,473	\$ 1,702,000	\$ 1,770,241	\$ 1,994,764	\$ 2,040,714	(45,950)	-2%
Nondepreciable assets	110,944	114,932	186,922	127,511	297,866	242,443	55,423	23%
Total	<u>\$ 403,944</u>	<u>\$ 385,405</u>	<u>\$ 1,888,922</u>	<u>\$ 1,897,752</u>	<u>\$ 2,292,630</u>	<u>\$ 2,283,157</u>	<u>\$ 9,473</u>	<u>0%</u>

### Governmental Activities

Governmental activities capital assets as of September 30, 2023, were approximately \$404 million, which was an overall increase from the \$385 million as of September 30, 2022. The increase is largely associated with increases in construction in progress of approximately \$33 million and completed projects of approximately \$37 million during the fiscal year. Along with a net disposal of approximately \$4.8 million, approximately \$8 million in assets (other than construction in progress) were purchased during the fiscal year largely associated with construction equipment and motor vehicle fleet.

Major capital assets acquired, projects completed or in progress during the fiscal year ended September 30, 2023, included the following:

- \$33 million in additional construction in progress largely for road construction.
- Completed projects totaled \$37 million for Roads and Transportation and Governmental Activities.
- Approximately \$2.2 million in construction equipment purchases for Roads and Transportation.
- Approximately \$5.8 million in miscellaneous equipment and vehicle purchases for Roads and Transportation, Public Safety and General Governmental Activities.

### Business-Type Activities

Business-type activities capital assets as of September 30, 2023, were approximately \$1.9 billion. The investment was comparable to the approximately \$1.9 billion reported as of September 30, 2022. Capital purchases (excluding construction in progress) amounted to approximately \$5.1 million, and approximately \$55 million in sanitation construction projects were completed and transferred to depreciable asset categories.

Major capital assets acquired, projects completed or in progress during the fiscal year ended September 30, 2023, included the following:

- Approximately \$114 million in additional construction in progress projects involving improvements to the County's sanitation infrastructure.
- Approximately \$17.5 million in donated infrastructure for sanitary operations.
- Purchases of construction equipment, miscellaneous equipment, and vehicles totaled approximately \$5.1 million for the fiscal year.

For additional details on Capital Assets see Note 5, page 68.

### Long-Term Debt

As of September 30, 2023, the County had total bonded debt of approximately \$2.8 billion, largely associated with revenue warrants in business-type activities reported at \$2.3 billion. The County entered a funding agreement to support \$10 million of the Birmingham-Jefferson Civic Center Authority's issuance of Revenue Bonds (City and County Support) Series 2023A. This funding agreement is a general obligation of the County.

#### Long-Term Debt Activities

The County's total bonded debt as of September 30, 2023, was approximately \$2.8 billion, approximately \$43 million increase from the September 30, 2022, total of approximately \$2.7 billion.

Total primary government long-term obligations, including amounts due within one fiscal year, were approximately \$2.9 billion as of September 30, 2023, an increase of approximately \$37.6 million from September 30, 2022. A summary of the most significant sources of the County's debt are shown in Table A-4:

**Table A-4**  
**Long-Term Debt**  
(In thousands of dollars)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>		<u>2023 Versus 2022</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>Change</u>	<u>Percent Change</u>
<b>General Obligation Warrants</b> (backed by the County)	\$ 47,624	\$ 67,939	\$ -	\$ -	\$ 47,624	\$ 67,939	\$ (20,315)	-30%
<b>Limited Obligation Warrants</b> (backed by sales tax)	365,331	383,385	-	-	365,331	383,385	(18,054)	-5%
<b>Revenue Warrants</b> (backed by Sewer fees)	-	-	2,303,371	2,230,563	2,303,371	2,230,563	72,808	3%
<b>BJCC Bonds</b> (backed by the County)	26,049	16,428	-	-	26,049	16,428	9,621	59%
<b>Hallmark Bonds</b> (backed by the County)	-	-	11,089	11,953	11,089	11,953	(864)	-7%
	<u>\$ 439,004</u>	<u>\$ 467,752</u>	<u>\$ 2,314,460</u>	<u>\$ 2,242,516</u>	<u>\$ 2,753,464</u>	<u>\$ 2,710,268</u>	<u>\$ 43,196</u>	<u>2%</u>

Accreted interest grew by approximately \$83 million, resulting in the increased long-term debt for the fiscal year.

For additional details on Long-Term Debt see Note 9, page 74.

The County's credit ratings on its bonded debt as of September 30, 2023, were:

**General Obligation Warrants:**

Moody's Investors Service, Inc.	A3/Stable
S&P Global Ratings	AA/Stable
Fitch Ratings	AA-/Stable

**Limited Obligation Warrants:**

S&P Global Ratings	AA+/Stable
Fitch Ratings	AA-/Stable

**Sewer Warrants:**

**Senior:**

S&P Global Ratings	BBB+/Stable
Fitch Ratings	BB+/Stable

**Subordinate:**

S&P Global Ratings	BBB/Stable
Fitch Ratings	BB/Stable

On August 8, 2023, S&P upgraded the County's Limited Obligation Warrants from AA to AA+ and the General Obligation Warrants were upgraded from AA- to AA. The County's credit ratings were above investment grade, primarily due to strength in the economic base relative to peers. An impact of the County's credit ratings above investment grade status comes in the form of lower borrowing costs.

## **Economic Factors and Next Year's Budget and Rates**

As the County moves forward, everyone remains cautiously optimistic that the County's economic growth will continue. UAB West Hospital is building a new multimillion dollar building, Smucker's is building a new plant that will provide jobs to the community, and the housing market continues to look good. COVID appears to be becoming a virus that can be managed.

The expected growth is due to resilient consumer behavior and a diversified economy including healthcare, finance, telecommunications, and education. Part of the County's economic strength results from being less dependent on tourism and hospitality industries than some other areas throughout the State.

The International Downtown Association stated that the downtown area is a key employment center with a strong base of knowledge jobs such as programmers, researchers, doctors, engineers, architects and more. There are over 63,000 primary jobs in the downtown area.

The County maintains a conservative approach to revenue estimates in order to avoid the negative consequences that arise when anticipated revenue collections fail to materialize. County revenues are affected by a variety of factors such as population growth, unemployment, inflation, and increases or decreases in real disposable income. Inflation also played a key role in budget projections for fiscal year 2023. The Budget Management Office uses trend analysis to forecast its revenues for upcoming years. Revenue forecasts for fiscal year 2023 reflect a slight increase in property tax revenue, increases in the general sales tax, a significant increase in the Simplified Sellers Tax and a major increase in Special Sales Tax revenue.

The area's economy was originally based on steel production but was diversified over the past several decades as healthcare, banking and professional services emerged to become leading industries in the metro area.

Economic development investment in Alabama's most populous county reached nearly \$476 million in 2023 with 40 projects and 816 jobs announced.

Below are some of the projects that landed in Jefferson County in 2023:

- Wells Fargo, Data Center Refresh, \$205 million.
- Village Creek Development, mixed use, \$32.5 million, 27 jobs.
- ReConserve \$30.8 million, 29 jobs.
- Brasfield & Gorrie headquarters expansion, \$19 million, 70 jobs
- Mobis US Alabama, two projects, \$17.76 million, 138 jobs.
- Ford Service Center, 60 jobs
- SecturaSoft, 50 jobs
- Acclinate Genetics, 25 jobs.

The County is a major center for health care and biomedical research. The Medical Center of the University of Alabama at Birmingham (UAB) is internationally known for its programs in cardiovascular disease and open-heart surgery, as well as cancer, organ transplants, dentistry, and diabetes. UAB recent accolades include being ranked 11<sup>th</sup> among academic medical centers on Vizient Quality and Accountability Scorecard, won 7 Women's Choice Awards, awarded an LGBTQ Healthcare Equality Leader designation from the Human Rights Campaign Foundations and given a Magnet Nursing Description for the fifth time.

The Birmingham area is also getting a new state of the art medical facility in 2024. The new UAB West facility will be a 412,000 square foot, nine story hospital plus a 127,000 square foot, five story medical office building. This hospital will hold over 200 beds.

Banking and finance also contribute significantly to the region's economic base. Birmingham is the Southeast's largest banking center outside Charlotte, North Carolina, and is headquarters to one of the nation's top fifty largest banks, Regions Financial Corporation. With banking subsidiaries operating as "Regions Bank" in 16 states in the Southern and Midwestern United States, Regions Bank operates 1,454 branches and 1,952 automated teller machines producing \$9 billion in revenue in 2023. The purchase of BBVA Compass, previously headquartered in Birmingham, and the U.S. subsidiary of Banco Bilbao Vizcaya Argentaria, S.A., Spain's second largest bank, was finalized by PNC Financial Services in 2021.

Mercedes-Benz, Honda, and Hyundai have major automobile assembly facilities within an eighty-five-mile radius of the County. These three facilities were joined by a new Toyota/Mazda plant in Huntsville, Alabama making another \$830 million investment in Alabama to incorporate new cutting-edge manufacturing technology within the same radius. This new industry has created up to 4,000 new jobs for Alabama. The region's economy has benefited from its proximity to these major manufacturing facilities, as several automotive suppliers have established businesses in the area.

Another rapidly growing area is the production of electric vehicles. Mercedes recently announced the addition of a new plant to produce luxury, electric vehicles. This led to the opening of an automotive supplier in Bessemer who will produce parts for the electric vehicles. As this industry continues to grow, thousands of jobs should be created, and the air quality should improve throughout the state.



With the increases in economic development in the greater Jefferson County community, Alabama Power, being a subsidiary of Southern Company, is the principal taxpayer for the County reporting an assessed value of \$773,672,260, (6.76 %) of total property taxes for the County. Being the supplier of electric power in the County and serving 1.3 million homes, businesses, and industries over the southern two-thirds of Alabama provides an economic foundation for continued development in the County.

### **Contacting The Commission's Financial Management**

The financial report is designed to provide the County's citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances and to show the County Commission's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the Office of the Chief Financial Officer, 716 Richard Arrington, Jr. Boulevard North, Suite 810, Birmingham, Alabama 35203.

**JEFFERSON COUNTY, ALABAMA**

**STATEMENT OF NET POSITION  
SEPTEMBER 30, 2023**

ASSETS	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Personnel Board	Emergency Management Agency	Jefferson County Economic and Industrial Development Authority
Cash and cash equivalents	\$ 531,577,756	\$ 24,099,143	\$ 555,676,899	\$ 392,167	\$ 1,098,280	\$ 1,699,386
Investments	97,804,959	-	97,804,959	-	-	1,874,029
Receivables (net of allowance for uncollectibles)	13,378,866	40,353,659	53,732,525	6,465,977	49,808	968,593
Taxes receivable	214,845,130	7,744,534	222,589,664	-	-	-
Intergovernmental receivables	3,439,264	2,327,315	5,766,579	-	-	-
Lease receivables	1,994,451	9,399,711	11,394,162	-	-	-
Interest receivable	2,091,920	-	2,091,920	-	-	-
Prepaid items	278,637	250,000	528,637	-	-	-
Internal balances	2,153,762	(2,153,762)	-	-	-	-
Other assets	-	-	-	-	-	4,433
Restricted assets:						
Restricted cash and cash equivalents	15,045,788	163,778,159	178,823,947	-	-	1,706
Investments	6,238,378	292,017,485	298,255,863	-	-	-
Prepaid bond insurance costs, net	-	27,042,907	27,042,907	-	-	-
Loan receivable from component unit	30,934,678	-	30,934,678	-	-	-
Loan receivables, net	6,734,388	-	6,734,388	-	-	-
Land held for resale	-	-	-	-	-	17,997,998
Capital assets, nondepreciable	110,944,295	186,922,224	297,866,519	-	-	-
Capital assets, depreciable, net of accumulated depreciation and amortization	292,534,131	1,702,229,905	1,994,764,036	35,122	131,247	50,120
<b>Total assets</b>	<b>1,329,996,403</b>	<b>2,454,011,280</b>	<b>3,784,007,683</b>	<b>6,893,266</b>	<b>1,279,335</b>	<b>22,596,265</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred charges on refunding	-	42,334	42,334	-	-	-
Pension related items	138,980,057	29,414,729	168,394,786	6,035,857	-	-
OPEB related items	9,279,074	2,936,026	12,215,100	221,868	6,834	-
<b>Total deferred outflows of resources</b>	<b>148,259,131</b>	<b>32,393,089</b>	<b>180,652,220</b>	<b>6,257,725</b>	<b>6,834</b>	<b>-</b>
<b>LIABILITIES</b>						
Accounts payable	31,669,866	24,600,718	56,270,584	6,570,677	14,723	18,181
Retainage payable	1,255,474	4,522,278	5,777,752	-	-	-
Customer deposits	-	134,945	134,945	-	-	-
Accrued interest	2,273,572	34,778,063	37,051,635	-	-	-
Due to other governments	35,685,841	-	35,685,841	-	-	-
Accrued payroll	6,232,317	663,174	6,895,491	106,176	8,839	-
Unearned revenue	126,374,443	8,118,895	134,493,338	-	-	-
Noncurrent liabilities due within one fiscal year						
Compensated absences payable	14,259,440	2,026,792	16,286,232	185,275	47,261	-
Lease liabilities	487,380	-	487,380	-	-	-
Subscription liabilities	1,775,960	125,985	1,901,945	-	-	-
Claims payable	1,494,377	526,393	2,020,770	-	9,351	-
Financed purchases payable	2,572,388	-	2,572,388	-	-	-
Warrants payable	35,560,000	14,780,000	50,340,000	-	-	-
Bonds payable	393,864	896,340	1,290,204	-	-	-
Total OPEB liability	3,775,826	1,194,273	4,970,099	90,282	2,781	-
Noncurrent liabilities due in more than one fiscal year						
Compensated absences payable	8,919,480	2,604,538	11,524,018	971,204	28,968	-
Lease liabilities	2,441,819	-	2,441,819	-	-	-
Subscription liabilities	2,983,445	27,299	3,010,744	-	-	-
Loans payable to primary government	-	-	-	-	-	30,934,678
Financed purchases payable	2,889,814	-	2,889,814	-	-	-
Claims payable	3,887,413	1,369,338	5,256,751	-	24,326	-
Litigation liability	6,389,068	4,183,000	10,572,068	-	-	-
Net pension liability	9,256,013	1,959,003	11,215,016	401,984	-	-
Total OPEB liability	76,409,533	24,177,470	100,587,003	1,826,996	56,273	-
Landfill closure and postclosure	-	21,473,411	21,473,411	-	-	-
Warrants payable	377,394,348	2,288,591,249	2,665,985,597	-	-	-
Bonds payable	25,654,621	10,193,085	35,847,706	-	-	-
<b>Total liabilities</b>	<b>780,036,302</b>	<b>2,446,946,249</b>	<b>3,226,982,551</b>	<b>10,152,594</b>	<b>192,522</b>	<b>30,952,859</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred revenues - property taxes	162,072,083	-	162,072,083	-	-	-
Lease arrangements	1,961,353	9,163,056	11,124,409	-	-	-
Deferred gain on refunding	3,007,923	-	3,007,923	-	-	-
Pension related items	2,609,403	552,271	3,161,674	113,325	-	-
OPEB related items	20,898,544	6,612,585	27,511,129	499,696	15,391	-
<b>Total deferred inflows of resources</b>	<b>190,549,306</b>	<b>16,327,912</b>	<b>206,877,218</b>	<b>613,021</b>	<b>15,391</b>	<b>-</b>
<b>NET POSITION</b>						
Net investment in capital assets	15,482,679	183,128,924	198,611,603	35,122	131,247	-
Restricted for:						
Grant programs	16,680,315	-	16,680,315	-	-	-
Tax assessor operations	501,029	-	501,029	-	-	-
Public works	13,441,039	-	13,441,039	-	-	-
Public safety	8,501,435	-	8,501,435	-	-	-
Law library operations	1,079,895	-	1,079,895	-	-	-
Equalization operations	1,255,933	-	1,255,933	-	-	-
Community development	3,235,367	-	3,235,367	-	-	-
Health and welfare	11,100,284	-	11,100,284	-	-	-
Debt service	10,527,576	50,762,015	61,289,591	-	-	-
Capital improvements	-	403,391,688	403,391,688	-	-	-
Landfill assurance	7,085,825	-	7,085,825	-	-	-
Unsecured claims	5,540,635	-	5,540,635	-	-	-
Opioid settlement purposes	6,615,047	-	6,615,047	-	-	-
Unrestricted	406,622,867	(614,152,419)	(207,529,552)	2,350,254	947,009	(8,356,594)
<b>Total net position</b>	<b>\$ 507,669,926</b>	<b>\$ 23,130,208</b>	<b>\$ 530,800,134</b>	<b>\$ 2,385,376</b>	<b>\$ 1,078,256</b>	<b>\$ (8,356,594)</b>

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

**JEFFERSON COUNTY, ALABAMA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

<b>Functions/Programs</b>	<b>Program Revenues</b>			
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 254,505,803	\$ 59,796,880	\$ 12,924,441	\$ -
Public safety	106,642,886	2,589,845	6,982,037	-
Law library operations	209,969	303,719	-	-
Highway and roads	53,699,380	3,666,688	479,578	467,526
Health and welfare	78,135,305	-	36,267,739	-
Community development	9,343,510	-	9,087,983	-
Interest and fiscal charges	13,854,538	-	-	-
Total governmental activities	<u>516,391,391</u>	<u>66,357,132</u>	<u>65,741,778</u>	<u>467,526</u>
Business-type activities:				
Sanitary operations	410,369,010	261,810,594	-	17,487,768
Landfill operations	2,190,553	1,291,093	-	-
Hallmark Farms	486,359	-	-	-
Total business-type activities	<u>413,045,922</u>	<u>263,101,687</u>	<u>-</u>	<u>17,487,768</u>
Total primary government	<u>\$ 929,437,313</u>	<u>\$ 329,458,819</u>	<u>\$ 65,741,778</u>	<u>\$ 17,955,294</u>
<b>Component units:</b>				
Personnel Board	\$ 11,108,670	\$ 9,202,566	\$ -	\$ -
Emergency Management Board	1,529,808	893,990	94,901	-
Jefferson County Economic and Industrial Development Authority	2,042,168	1,092,137	-	-
Total component units	<u>\$ 14,680,646</u>	<u>\$ 11,188,693</u>	<u>\$ 94,901</u>	<u>\$ -</u>
General revenues:				
Property taxes				
Sales and use taxes				
Other taxes				
Unrestricted investment earnings				
Miscellaneous				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position, beginning of fiscal year				
Net position, end of fiscal year				

Continued

<b>Net (Expense) Revenue and Changes in Net Position</b>					
<b>Primary Government</b>			<b>Component Units</b>		
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Personnel Board</b>	<b>Emergency Management Agency</b>	<b>Jefferson County Economic and Industrial Development Authority</b>
\$ (181,784,482)	\$ -	\$ (181,784,482)	\$ -	\$ -	\$ -
(97,071,004)	-	(97,071,004)	-	-	-
93,750	-	93,750	-	-	-
(49,085,588)	-	(49,085,588)	-	-	-
(41,867,566)	-	(41,867,566)	-	-	-
(255,527)	-	(255,527)	-	-	-
(13,854,538)	-	(13,854,538)	-	-	-
<u>(383,824,955)</u>	<u>-</u>	<u>(383,824,955)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	(131,070,648)	(131,070,648)	-	-	-
-	(899,460)	(899,460)	-	-	-
-	(486,359)	(486,359)	-	-	-
-	(132,456,467)	(132,456,467)	-	-	-
<u>\$ (383,824,955)</u>	<u>\$ (132,456,467)</u>	<u>\$ (516,281,422)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ (1,906,104)	\$ -	\$ -
-	-	-	-	(540,917)	-
-	-	-	-	-	(950,031)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,906,104)</u>	<u>\$ (540,917)</u>	<u>\$ (950,031)</u>
\$ 143,815,813	\$ 8,290,633	\$ 152,106,446	\$ -	\$ -	\$ -
302,293,404	-	302,293,404	-	-	-
9,047,327	-	9,047,327	-	-	-
20,323,850	20,845,552	41,169,402	-	10,786	143,676
9,658,140	590,322	10,248,462	4,143	694,335	-
(8,380,618)	8,380,618	-	-	-	-
476,757,916	38,107,125	514,865,041	4,143	705,121	143,676
92,932,961	(94,349,342)	(1,416,381)	(1,901,961)	164,204	(806,355)
414,736,965	117,479,550	532,216,515	4,287,337	914,052	(7,550,239)
<u>\$ 507,669,926</u>	<u>\$ 23,130,208</u>	<u>\$ 530,800,134</u>	<u>\$ 2,385,376</u>	<u>\$ 1,078,256</u>	<u>\$ (8,356,594)</u>

The accompanying notes are an integral part of these financial statements

**JEFFERSON COUNTY, ALABAMA**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2023**

ASSETS	Non-Major Governmental Funds				Total
	General	Special Sales Tax Revenue	Indigent Care	Non-Major Governmental Funds	
Cash and cash equivalents	\$ 212,003,139	\$ 18,205,540	\$ 10,600,286	\$ 290,768,791	\$ 531,577,756
Investments	97,804,959	-	-	-	97,804,959
Accounts receivable, net	10,855,665	-	-	2,523,201	13,378,866
Taxes receivable	95,780,352	23,589,762	12,099,372	83,375,644	214,845,130
Intergovernmental receivables	3,439,264	-	-	-	3,439,264
Leases receivable	1,994,451	-	-	-	1,994,451
Interest receivable	2,091,920	-	-	-	2,091,920
Advances to other funds	-	-	-	2,153,762	2,153,762
Due from other funds	18,613,862	-	-	12,157,125	30,770,987
Prepaid items	278,637	-	-	-	278,637
Restricted assets:					
Cash	15,045,788	-	-	-	15,045,788
Investments	6,238,378	-	-	-	6,238,378
Loan receivable from component unit	30,934,678	-	-	-	30,934,678
Loan receivables, net	-	-	-	6,734,388	6,734,388
<b>Total assets</b>	<b>\$ 495,081,093</b>	<b>\$ 41,795,302</b>	<b>\$ 22,699,658</b>	<b>\$ 397,712,911</b>	<b>\$ 957,288,964</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 6,290,286	\$ -	\$ 11,599,374	\$ 13,780,206	\$ 31,669,866
Retainage payable	90,656	-	-	1,164,818	1,255,474
Due to other funds	-	23,795,302	-	6,975,685	30,770,987
Due to other governments	8,157,454	18,000,000	-	9,528,387	35,685,841
Accrued payroll and benefits	5,649,647	-	-	582,670	6,232,317
Unearned grant revenue - intergovernmental	-	-	-	126,374,443	126,374,443
<b>Total liabilities</b>	<b>20,188,043</b>	<b>41,795,302</b>	<b>11,599,374</b>	<b>158,406,209</b>	<b>231,988,928</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred revenue - property taxes	77,579,185	-	-	84,492,898	162,072,083
Unavailable revenue - opioid settlement	2,804,636	-	-	-	2,804,636
Lease arrangements	1,961,353	-	-	-	1,961,353
<b>Total deferred inflows of resources</b>	<b>82,345,174</b>	<b>-</b>	<b>-</b>	<b>84,492,898</b>	<b>166,838,072</b>
<b>FUND BALANCES</b>					
Fund balances:					
Nonspendable:					
Leases	33,098	-	-	-	33,098
Prepaid items	278,637	-	-	-	278,637
Loan receivable from component unit	30,934,678	-	-	-	30,934,678
Restricted:					
Grant programs	-	-	-	16,656,939	16,656,939
Tax assessor operations	-	-	-	501,029	501,029
Public works	-	-	-	13,441,039	13,441,039
Public safety	-	-	-	8,501,435	8,501,435
Law library operations	-	-	-	1,079,895	1,079,895
Equalization operations	-	-	-	1,255,933	1,255,933
Community development	-	-	-	3,210,800	3,210,800
Health and welfare	-	-	11,100,284	-	11,100,284
Debt service	-	-	-	12,801,148	12,801,148
Landfill assurance	7,085,825	-	-	-	7,085,825
Unsecured claims	5,540,635	-	-	-	5,540,635
Opioid settlement purposes	3,810,411	-	-	-	3,810,411
Committed:					
Future OPEB plan	9,703,547	-	-	-	9,703,547
Assigned:					
Capital projects	-	-	-	97,449,781	97,449,781
Budget reserve	23,743,426	-	-	-	23,743,426
Uncertainty reserve	23,351,936	-	-	-	23,351,936
Catastrophic reserve	23,577,380	-	-	-	23,577,380
Economic development	28,396,743	-	-	-	28,396,743
Unassigned	236,091,560	-	-	(84,195)	236,007,365
<b>Total fund balances</b>	<b>392,547,876</b>	<b>-</b>	<b>11,100,284</b>	<b>154,813,804</b>	<b>558,461,964</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 495,081,093</b>	<b>\$ 41,795,302</b>	<b>\$ 22,699,658</b>	<b>\$ 397,712,911</b>	<b>\$ 957,288,964</b>

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

**JEFFERSON COUNTY, ALABAMA  
RECONCILIATION OF THE BALANCE SHEET OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF  
NET POSITION  
SEPTEMBER 30, 2023**

---

Amounts reported for governmental activities in the statement of net position are different because:

Fund balances - total governmental funds	\$	558,461,964	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.			
Cost	\$	998,225,193	
Less accumulated depreciation and amortization		<u>(594,746,767)</u>	403,478,426
Unavailable revenues are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds			
			2,804,636
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.			
Warrants payable	\$	(383,150,000)	
Bonds payable		(26,048,485)	
Unamortized premiums		(29,804,348)	
Deferred gain on refunding		(3,007,923)	
Financed purchases payable		(5,462,202)	
Lease liabilities		(2,929,199)	
Subscription liabilities		(4,759,405)	
Compensated absences payable		(23,178,920)	
Claims payable		(5,381,790)	
Accrued interest		(2,273,572)	
Litigation liability		<u>(6,389,068)</u>	(492,384,912)
The net pension liability, deferred inflows of resources, and deferred outflows of resources related to the County's defined benefit pension plan are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the governmental funds.			
Net pension liability	\$	(9,256,013)	
Deferred inflows of resources - pension items		(2,609,403)	
Deferred outflows of resources - pension items		<u>138,980,057</u>	127,114,641
The total OPEB liability and related deferred outflows and deferred inflows of resources are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the governmental funds.			
Total OPEB liability	\$	(80,185,359)	
Deferred inflows of resources - OPEB items		(20,898,544)	
Deferred outflows of resources - OPEB items		<u>9,279,074</u>	<u>(91,804,829)</u>
Net position - governmental activities	\$		<u><u>507,669,926</u></u>

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

**JEFFERSON COUNTY, ALABAMA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	General	Special Sales Tax Revenue	Indigent Care	Non-Major Governmental Funds	Total
<b>Revenues:</b>					
Taxes	\$ 143,516,843	\$ 140,504,571	\$ 72,814,961	\$ 98,320,169	\$ 455,156,544
Licenses and permits	12,826,409	-	-	2,802,493	15,628,902
Fines and forfeitures	-	-	-	2,004,396	2,004,396
Intergovernmental	6,664,042	-	-	56,166,885	62,830,927
Charges for services	47,852,235	-	-	871,599	48,723,834
Contributions and donations	-	-	-	3,378,377	3,378,377
Interest income	7,247,365	993,773	-	12,082,712	20,323,850
Miscellaneous	6,441,794	-	1,000	410,710	6,853,504
Total revenues	<u>224,548,688</u>	<u>141,498,344</u>	<u>72,815,961</u>	<u>176,037,341</u>	<u>614,900,334</u>
<b>Expenditures:</b>					
Current:					
General government	140,951,346	24,100,000	-	47,991,624	213,042,970
Public safety	99,338,982	-	-	3,797,992	103,136,974
Law library operations	-	-	-	209,969	209,969
Highway and roads	-	-	-	47,939,911	47,939,911
Health and welfare	1,179,425	-	70,942,213	5,136,573	77,258,211
Community development	-	-	-	9,343,510	9,343,510
Capital outlay:					
General government	-	-	-	5,663,267	5,663,267
Public safety	-	-	-	3,290,258	3,290,258
Highway and roads	-	-	-	34,722,065	34,722,065
Debt service:					
Principal	2,562,739	-	-	36,540,178	39,102,917
Interest	724,394	-	-	20,647,259	21,371,653
Total expenditures	<u>244,756,886</u>	<u>24,100,000</u>	<u>70,942,213</u>	<u>215,282,606</u>	<u>555,081,705</u>
Excess (deficiency) of revenues over (under) expenditures	(20,208,198)	117,398,344	1,873,748	(39,245,265)	59,818,629
<b>Other financing sources (uses):</b>					
Sale of capital assets	3,545,665	-	-	2,733,684	6,279,349
Issuance of financed purchases	-	-	-	2,618,161	2,618,161
Issuance of lease liabilities	444,619	-	-	-	444,619
Issuance of subscription liabilities	4,241,739	-	-	-	4,241,739
Transfers in	95,207,870	-	-	110,710,088	205,917,958
Transfers out	(27,558,235)	(117,398,344)	(1,899,000)	(67,442,997)	(214,298,576)
Total other financing sources (uses)	<u>75,881,658</u>	<u>(117,398,344)</u>	<u>(1,899,000)</u>	<u>48,618,936</u>	<u>5,203,250</u>
Net change in fund balances	55,673,460	-	(25,252)	9,373,671	65,021,879
<b>Fund balances, beginning of fiscal year</b>	<u>336,874,416</u>	<u>-</u>	<u>11,125,536</u>	<u>145,440,133</u>	<u>493,440,085</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 392,547,876</u>	<u>\$ -</u>	<u>\$ 11,100,284</u>	<u>\$ 154,813,804</u>	<u>\$ 558,461,964</u>

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

**JEFFERSON COUNTY, ALABAMA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

---

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds \$ 65,021,879

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation and amortization expense in the current period.

Capital outlay	\$ 48,398,504	
Depreciation and amortization expense	<u>(29,236,575)</u>	19,161,929

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position.

Net book value of capital assets disposed	\$ (1,088,646)	
Reduction in lease liabilities resulting from termination of contract	<u>101,414</u>	(987,232)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds 2,804,636

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal repayments on warrants payable	\$ 33,655,000	
Issuance of lease liabilities	(444,619)	
Principal repayments on lease liabilities	470,173	
Issuance of subscription liabilities	(4,241,739)	
Principal repayments on subscription liabilities	1,903,061	
Principal repayments on bonds payable	379,313	
Issuance of financed purchases	(2,618,161)	
Principal repayments on financed purchases	<u>2,695,370</u>	31,798,398

The increase in long-term debt that does not provide current financial resources to governmental funds is not reported in governmental funds. The initiation of an intergovernmental funding agreement results in an expense in the statement of activities but does not effect the governmental funds. (10,000,000)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences	\$ (1,209,767)	
Change in OPEB expense	(625,273)	
Change in pension expense	(21,173,726)	
Change in litigation payable	(693,671)	
Change in claims payable	1,318,673	
Amortization	6,611,185	
Accrued interest	<u>905,930</u>	<u>(14,866,649)</u>

Change in net position - governmental activities \$ 92,932,961

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



# JEFFERSON COUNTY, ALABAMA

## STATEMENT OF NET POSITION PROPRIETARY FUNDS SEPTEMBER 30, 2023

ASSETS	Sanitary Operation	Non-Major Enterprise	Total
<b>Current assets:</b>			
Cash and cash equivalents	\$ 18,228,508	\$ 5,870,635	\$ 24,099,143
Receivables, net	40,220,568	133,091	40,353,659
Prepaid items	250,000	-	250,000
Taxes receivable	7,744,534	-	7,744,534
Intergovernmental receivables	2,327,315	-	2,327,315
Leases receivables	-	9,399,711	9,399,711
<b>Restricted assets:</b>			
Cash	162,136,218	1,641,941	163,778,159
Investments	292,017,485	-	292,017,485
Total current assets	522,924,628	17,045,378	539,970,006
<b>Noncurrent assets:</b>			
Prepaid bond insurance costs, net	27,042,907	-	27,042,907
<b>Capital assets:</b>			
Capital assets, not being depreciated	172,811,186	14,111,038	186,922,224
Capital assets, being depreciated	4,993,032,383	53,265,341	5,046,297,724
Less accumulated depreciation	(3,297,092,790)	(46,975,029)	(3,344,067,819)
Total capital assets, net of accumulated depreciation and amortization	1,868,750,779	20,401,350	1,889,152,129
Total noncurrent assets	1,895,793,686	20,401,350	1,916,195,036
Total assets	2,418,718,314	37,446,728	2,456,165,042
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related items	29,414,729	-	29,414,729
OPEB related items	2,936,026	-	2,936,026
Deferred charges on refunding	-	42,334	42,334
Total deferred outflows of resources	32,350,755	42,334	32,393,089
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Accounts payable	24,597,841	2,877	24,600,718
Accrued interest	34,693,136	84,927	34,778,063
Retainage payable	4,522,278	-	4,522,278
Accrued payroll	663,174	-	663,174
Unearned revenue	8,118,895	-	8,118,895
Claims payable	526,393	-	526,393
Customer deposits	134,945	-	134,945
Compensated absences - current	2,026,792	-	2,026,792
Subscription based information technology arrangements - current	125,985	-	125,985
Warrants payable - current	14,780,000	-	14,780,000
Bonds payable - current	-	896,340	896,340
Total OPEB Liability	1,194,273	-	1,194,273
Total current liabilities	91,383,712	984,144	92,367,856
<b>Long-term liabilities:</b>			
Litigation payable	4,183,000	-	4,183,000
Claims payable	1,369,338	-	1,369,338
Advances from other funds	-	2,153,762	2,153,762
Compensated absences	2,604,538	-	2,604,538
Landfill closure and postclosure	-	21,473,411	21,473,411
Subscription based information technology arrangements	27,299	-	27,299
Warrants payable	2,288,591,249	-	2,288,591,249
Bonds payable	-	10,193,085	10,193,085
Net pension liability	1,959,003	-	1,959,003
Total OPEB Liability	24,177,470	-	24,177,470
Total long-term liabilities	2,322,911,897	33,820,258	2,356,732,155
Total liabilities	2,414,295,609	34,804,402	2,449,100,011
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related items	552,271	-	552,271
OPEB related items	6,612,585	-	6,612,585
Lease arrangements	-	9,163,056	9,163,056
Total deferred outflows of resources	7,164,856	9,163,056	16,327,912
<b>NET POSITION</b>			
Net investment in capital assets	169,719,850	13,409,074	183,128,924
Restricted for debt service	50,762,015	-	50,762,015
Restricted for capital improvements	403,391,688	-	403,391,688
Unrestricted	(594,264,949)	(19,887,470)	(614,152,419)
Total net position	\$ 29,608,604	\$ (6,478,396)	\$ 23,130,208

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

**JEFFERSON COUNTY, ALABAMA**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<u>Sanitary Operation</u>	<u>Non-Major Enterprise</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
Charges for services:			
Sewer sales	252,548,265	-	252,548,265
Other	9,262,329	1,291,093	10,553,422
Total operating revenues	<u>261,810,594</u>	<u>1,291,093</u>	<u>263,101,687</u>
<b>OPERATING EXPENSES</b>			
Salaries and benefits	44,484,475	-	44,484,475
Maintenance and operating expenses	14,468,120	1,067,660	15,535,780
Office expenses	1,291,580	-	1,291,580
Materials and supplies	9,656,129	-	9,656,129
Utilities	11,742,782	-	11,742,782
Other operating expenses	29,815,130	-	29,815,130
Depreciation and amortization expense	144,297,781	1,258,213	145,555,994
Total operating expenses	<u>255,755,997</u>	<u>2,325,873</u>	<u>258,081,870</u>
Operating income (loss)	6,054,597	(1,034,780)	5,019,817
<b>NONOPERATING REVENUE (EXPENSES)</b>			
Property tax revenue	8,290,633	-	8,290,633
Investment earnings	20,451,725	393,827	20,845,552
Miscellaneous revenue	590,322	-	590,322
Loss on disposal of capital assets	(140,553)	-	(140,553)
Interest and amortization expense	(154,472,460)	(351,039)	(154,823,499)
Total nonoperating revenues (expenses)	<u>(125,280,333)</u>	<u>42,788</u>	<u>(125,237,545)</u>
<b>LOSS BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b>			
	(119,225,736)	(991,992)	(120,217,728)
Capital contributions	17,487,768	-	17,487,768
Transfers in	7,163,329	1,217,289	8,380,618
Total capital contributions and transfers	<u>24,651,097</u>	<u>1,217,289</u>	<u>25,868,386</u>
Change in net position	(94,574,639)	225,297	(94,349,342)
<b>NET POSITION, beginning of fiscal year</b>	<u>124,183,243</u>	<u>(6,703,693)</u>	<u>117,479,550</u>
<b>NET POSITION, end of fiscal year</b>	<u>\$ 29,608,604</u>	<u>\$ (6,478,396)</u>	<u>\$ 23,130,208</u>

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

**JEFFERSON COUNTY, ALABAMA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<u>Sanitary Operation</u>	<u>Non-Major Enterprise</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 258,589,161	\$ 20,852	\$ 258,610,013
Lease receipts from landfill operator	-	625,804	625,804
Other receipts from landfill operator	-	1,791,627	1,791,627
Payments to suppliers and service providers	(57,751,966)	(113,109)	(57,865,075)
Payments to employees	(39,800,277)	-	(39,800,277)
Net cash provided by operating activities	<u>161,036,918</u>	<u>2,325,174</u>	<u>163,362,092</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Property taxes	8,290,633	-	8,290,633
Transfers in	7,163,329	1,217,289	8,380,618
Net cash provided by noncapital financing activities	<u>15,453,962</u>	<u>1,217,289</u>	<u>16,671,251</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchases of capital assets	(119,743,481)	-	(119,743,481)
Proceeds from sale of capital assets	142,880	-	142,880
Principal payments on bonds	-	(863,825)	(863,825)
Principal payments on warrants	(10,980,000)	-	(10,980,000)
Principal payments on subscription liabilities	(121,833)	-	(121,833)
Repayment of interfund advance	-	(717,920)	(717,920)
Interest and fiscal charges paid	(69,798,432)	(353,700)	(70,152,132)
Net cash used in capital and related financing activities	<u>(200,500,866)</u>	<u>(1,935,445)</u>	<u>(202,436,311)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sales and maturities of investments	57,468,524	-	57,468,524
Interest received	17,291,305	393,827	17,685,132
Net cash provided by investing activities	<u>74,759,829</u>	<u>393,827</u>	<u>75,153,656</u>
Net increase in cash and cash equivalents	50,749,843	2,000,845	52,750,688
<b>Cash and cash equivalents:</b>			
Beginning of fiscal year	129,614,883	5,511,731	135,126,614
End of fiscal year	<u>\$ 180,364,726</u>	<u>\$ 7,512,576</u>	<u>\$ 187,877,302</u>
<b>Classified as:</b>			
Cash and cash equivalents	\$ 18,228,508	\$ 5,870,635	\$ 24,099,143
Restricted cash and cash equivalents	162,136,218	1,641,941	163,778,159
Total	<u>\$ 180,364,726</u>	<u>\$ 7,512,576</u>	<u>\$ 187,877,302</u>

(Continued)

**JEFFERSON COUNTY, ALABAMA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<u>Sanitary Operation</u>	<u>Non-Major Enterprise</u>	<u>Total</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>			
Operating income (loss)	\$ 6,054,597	\$ (1,034,780)	\$ 5,019,817
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and amortization	144,297,781	1,258,213	145,555,994
Amortization of deferred inflows - lease arrangements	-	(122,201)	(122,201)
Miscellaneous revenue	590,322	-	590,322
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:			
(Increase) decrease in accounts receivable	(4,517,579)	152,280	(4,365,299)
Increase in taxes receivables	(786,781)	-	(786,781)
Decrease in intergovernmental receivables	657,272	-	657,272
Increase in prepaid items	(250,000)	-	(250,000)
Increase in deferred outflows from pension	(21,231,136)	-	(21,231,136)
Decrease in deferred outflows from OPEB	673,147	-	673,147
Increase (decrease) in accounts payable	7,367,415	(7,439)	7,359,976
Increase in retainage payable	2,003,836	-	2,003,836
Increase in unearned revenue	835,333	-	835,333
Increase in accrued payroll	65,196	-	65,196
Increase in health claims payable	90,893	-	90,893
Increase in customer deposits	134,945	-	134,945
Increase in litigation liability	136,000	-	136,000
Decrease in liability claims payable	(170,421)	-	(170,421)
Increase in compensated absences	389,525	-	389,525
Increase in net pension liability	47,823,266	-	47,823,266
Decrease in total OPEB liability	(3,042,998)	-	(3,042,998)
Decrease in deferred inflows from pension	(22,473,958)	-	(22,473,958)
Increase in deferred inflows from OPEB	2,390,263	-	2,390,263
Increase in landfill postclosure care costs	-	2,079,101	2,079,101
Net cash provided by operating activities	<u>\$ 161,036,918</u>	<u>\$ 2,325,174</u>	<u>\$ 163,362,092</u>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Capital contributions	\$ 17,487,768	\$ -	\$ 17,487,768
Total noncash capital and related financing activities	<u>\$ 17,487,768</u>	<u>\$ -</u>	<u>\$ 17,487,768</u>

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

**JEFFERSON COUNTY, ALABAMA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2023**

<b>ASSETS</b>	<b>Custodial Funds</b>	<b>Pension Trust Fund</b>
Cash and cash equivalents	\$ 71,373,414	\$ 86,901,895
Investments		
Equities	-	548,923,915
Corporate fixed income	-	83,074,801
U.S. government securities	-	170,665,963
Foreign bonds	-	62,580,952
Mutual funds	-	218,407,639
Municipal bonds	-	5,137,061
Partnerships	-	136,873,437
Other receivable	-	3,341,971
Right-of-use-asset	-	590,839
Total assets	<u>71,373,414</u>	<u>1,316,498,473</u>
<b>LIABILITIES</b>		
Accounts payable	-	779,795
Lease liability	-	640,881
Due to broker for investments purchased	-	36,522,623
Due to others	<u>33,967,850</u>	<u>-</u>
Total liabilities	<u>33,967,850</u>	<u>37,943,299</u>
<b>NET POSITION</b>		
Restricted:		
Pension benefits	-	1,278,555,174
Individuals, organizations, and other governments	<u>37,405,564</u>	<u>-</u>
Total net position	<u>\$ 37,405,564</u>	<u>\$ 1,278,555,174</u>

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

**JEFFERSON COUNTY, ALABAMA**  
**STATEMENT OF CHANGES IN**  
**FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<b>Custodial Funds</b>	<b>Pension Trust Fund</b>
<b>ADDITIONS</b>		
Employer contributions	\$ -	\$ 9,724,158
Member contributions	-	9,710,908
Total contributions	<u>-</u>	<u>19,435,066</u>
Investment income:		
Investment income	-	23,047,935
Net increase in fair value of investments	-	135,221,086
Less investment expense	-	<u>(5,908,151)</u>
Net investment income	<u>-</u>	<u>152,360,870</u>
Taxes	884,890,351	-
Fines and fees	63,914,114	-
Criminal and civil bonds	1,059,150	-
Other	<u>-</u>	<u>223,160</u>
Total additions, net	<u>949,863,615</u>	<u>172,019,096</u>
<b>DEDUCTIONS</b>		
Benefit payments, including refunds of member contributions	-	76,269,845
Taxes and fees paid to other governments	893,267,913	-
Fines and fees disbursed	64,232,917	-
Administrative expenses	-	2,072,882
Other custodial disbursements	<u>25,461</u>	<u>55,100</u>
Total deductions	<u>957,526,291</u>	<u>78,397,827</u>
Change in fiduciary net position	(7,662,676)	93,621,269
<b>NET POSITION, beginning of fiscal year</b>	<u>45,068,240</u>	<u>1,184,933,905</u>
<b>NET POSITION, end of fiscal year</b>	<u>\$ 37,405,564</u>	<u>\$ 1,278,555,174</u>

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

# JEFFERSON COUNTY, ALABAMA

## NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Jefferson County, Alabama (the "County") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

#### A. Reporting Entity

Jefferson County operates under a commissioner-manager form of government under which a five-member Board of Commissioners is elected to serve as the legislative body for the County. The commissioners are elected by voters in the geographical districts in which they reside, then the Board members elect a chairman. The Commissioners appoint the County Manager. The County provides the following services: general government, public safety, highway and roads, health and welfare, community development, and general administrative services in addition to sanitation services, landfill operations, and economic development.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the County and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationship with the County. Blended component units, although legally separate entities are, in substance, part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

#### Blended Component Unit

The Hallmark Farms Cooperative District ("District") is part of a cooperative agreement with the City of Warrior, Alabama in which the County agreed to purchase 565 acres in northern Jefferson County for a landmark property that is proposed to be a mixed-use business development. The District's governing body is substantially the same as the governing body of Jefferson County, and the District creates a financial burden for the County, as the debt issued by the District is secured through an intergovernmental agreement with the County, and will be repaid with County resources. The District is reported as an enterprise fund. No separate financial statements are issued for this component unit.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### A. Reporting Entity (Continued)

##### Discretely Presented Component Units

The Jefferson County Personnel Board (“Board”) is a human resources organization established by the legislature of the State of Alabama in 1935 to administer the County’s Civil Service System. The Civil Service System is designed to assure a degree of job security and equitable treatment to employees of governmental entities as a means of protecting them from the vagaries of the political environment. The Board has three members that are appointed by a Citizens Supervisory Commission. The Board provides services to all jurisdictions within the County and approximately thirty percent of services relate directly to the County. The Board is reliant on the County’s General Fund to pay for expenditures incurred and collect reimbursements from underlying municipalities, and the County is legally obligated for the expenses of the Personnel Board. The Board does not issue separate, stand-alone financial statements.

The Jefferson County Emergency Management Agency (“EMA”) is the first line of official public responsibility for emergency management activity in Jefferson County. As such, the EMA is charged with planning efforts for the County. This includes developing and maintaining an ongoing program of mitigation, preparedness, response, and recovery. The Jefferson County EMA works with local governments, nonprofit organizations, and private sector companies in Jefferson County to develop plans and capabilities to respond to hazards which seriously threaten the County. The EMA is governed by a council of local mayors, with a Jefferson County Commissioner having representation on that Council. The EMA’s budget is built on dues paid by the Jefferson County Commission and local municipalities. As a result, the Agency is fiscally dependent on the County. The EMA does not issue separate, stand-alone financial statements.

The Jefferson County Economic and Industrial Development Authority (“Authority”) is a public corporation whose primary purpose is the promotion of industry, industrial development, and other concerns to induce such enterprises to locate, expand, improve their operations, or remain in Jefferson County, Alabama. The Authority was established by Jefferson County in 1995. The Authority is governed by eleven directors appointed by the County Commission. It is authorized to acquire, own, lease, and dispose of properties to the end that such activities may promote industry and develop trade by inducing enterprises to locate and remain in Jefferson County. The Authority is also authorized to issue debt to support these activities.

The Authority’s financial statements can be obtained by writing to the Jefferson County Economic and Industrial Development Authority, 2 Metroplex Drive Suite 240, Birmingham, Alabama 35209.



## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes, charges for services and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support as well as property taxes. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

#### C. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### C. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers property taxes to be available if they are collected within sixty (60) days of the end of the current fiscal period for which they are levied. Other revenues susceptible to accrual are also considered available if they are collected within ninety (90) days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, charges for services, intergovernmental grants, and interest income and other miscellaneous receipts associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

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

The **Special Sales Tax Revenue Fund** accounts for the special revenue sales tax collected and used for the payment of the County's principal and interest on certain governmental bonds and distributed in accordance with Article 9 of the trust indenture dated July 1, 2017.

The **Indigent Care Fund** accounts for the receipt of beverage and sales taxes designated for indigent residents of Jefferson County.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### C. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

The County reports the following major proprietary fund:

The ***Sanitary Operations Fund*** accounts for the operations of the County's sanitary sewer systems. Revenues are generated primarily through user charges, impact fees and designated ad valorem taxes.

Additionally, the County reports the following fund types:

The ***special revenue funds*** account for revenue sources that are restricted or committed to expenditure for specific purposes.

The ***capital projects funds*** are used to account for capital projects and improvements expended throughout the County.

The ***debt service funds*** are used to account for the accumulation of resources and payment of principal and interest on long-term debt.

The ***custodial funds*** are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals, such as cash bonds, traffic fines, support payments and ad valorem and property taxes.

The ***pension trust fund*** is accounted for in essentially the same manner as the proprietary funds, using the same measurement focus and basis of accounting. The pension trust fund accounts for the assets of the government's employee pension plan.

The ***enterprise funds*** are used to account for the activities of the County's landfill operations and the Hallmark Farms Cooperative.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, interfund services provided and used have not been eliminated in this process.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### C. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the enterprise fund are charges to customers for sales and services provided. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### D. Deposits and Investments

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

The County's nonparticipating interest-earning investment contracts are recorded at cost. The remaining investments are recorded at fair value. Increases or decreases in the fair value during the year are recognized as a component of interest income. The County's primary investment objective is safety and preservation of capital.

The County has certain investments that are held for debt service, capital improvement, or other purposes generally managed under a trust. The trust indentures usually specify that funds (other than operating accounts) shall be invested or reinvested in qualified investments, in accordance with the instructions of the County. In the absence of such instructions, investments are made in qualified investments, specified in the related agreement, which comply with the County's investment policy.

Investments are reported at fair value. Money market accounts and short-term investment funds are reported at cost, which approximates fair value.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Advances between funds, as reported in the fund financial statements, represent long-term borrowing arrangements with established repayment schedules, and are offset by non-spendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

#### F. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are accounted for using the consumption method.

#### G. Restricted Assets

Cash and investments that must be used for restricted purposes are reported as “Restricted Assets” in the government-wide financial statements of net position and fund financial statements balance sheets. Also, some restricted cash and investments are held by one fund but will be expended in another fund, which creates an interfund payable/receivable. These amounts are reported as “Restricted Assets” and “Liabilities Payable from Restricted Assets” in the affected fund financial statements. These interfund transactions are eliminated in the government-wide statements.

#### H. Capital Assets

Capital assets, which include property, plant, equipment, right-to-use lease assets, subscription assets, intangible assets, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The County has elected to capitalize all general infrastructure assets regardless of the acquisition date and has used the estimated historical cost to value these assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### H. Capital Assets (Continued)

Capital assets, including right-to-use lease assets and subscription assets of the primary government are capitalized at the following thresholds based on the asset type and depreciated or amortized using the straight-line method over the following useful lives:

<u>Asset Category</u>	<u>Capitalization Threshold</u>	<u>Years</u>
Buildings and improvements	\$100,000	40
Improvements other than building	100,000	15-40
Maintenance equipment	15,000	5-10
Motor vehicle fleet	15,000	5-10
Equipment under financed purchase	15,000	5-10
Miscellaneous equipment	15,000	5-10
Office furniture and fixtures	15,000	5-10
Software	15,000	3
Right-to-use lease assets - buildings	100,000	5-15
Right-to-use lease assets - equipment	15,000	4
Subscription assets	15,000	3

Capital assets are reviewed for impairment in accordance with the methodology prescribed in GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*. Asset impairment, as defined by this standard, is a significant, unexpected decline in the service utility of a capital asset and is not a function of the recoverability of the carrying amount of the asset. Service utility is the usable capacity of the asset that was expected to be used at the time of acquisition and is not related to the level of actual utilization, but the capacity for utilization. Indicators that the service utility of an asset has significantly declined include: (a) evidence of physical damage; (b) changes in legal or environmental circumstances; (c) technological development or evidence of obsolescence; (d) a change in the manner or expected duration of use of the asset; and (e) construction stoppage. The County has determined that no capital asset impairment exists at September 30, 2023.

#### I. Leases

##### *Lessee*

The County is a lessee for noncancelable building and land improvement leases. The County recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The County recognizes lease liabilities with an initial individual value of \$15,000 or more for equipment and \$100,000 or more for buildings.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### I. Leases (Continued)

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be paid during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the useful life of the asset or the lease term.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of the lease liabilities.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

#### **Lessor**

The County is a lessor for noncancellable property leases, including its landfill. The County recognizes leases receivable and deferred inflows of resources at both the fund level and government-wide level of reporting. The County recognizes lease receivables with an initial individual value of \$50,000 or more.

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### I. Leases (Continued)

Key estimates and judgments related to leases receivable include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payment:

- The County uses the interest rate charged as the discount rate. When the interest rate charged is not specified, the County generally uses its estimated incremental leasing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease receivable are composed of fixed payments due to the County over the term of the lease and residual value guarantee payments that are fixed in substance.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable and deferred inflows of resources.

#### J. Subscription-Based Information Technology Arrangements

The County has entered into a noncancelable long-term subscription-based information technology arrangement (SBITA) for various software programs related to the Finance Department, the Sheriff's Department, and the Fire Department. The County recognizes a right-to-use subscription asset and corresponding subscription liability in the government-wide financial statements and proprietary fund financial statements.

At the commencement of the subscription term, the County measures the subscription liability at the present value of minimum payments required to be paid during the subscription term. The right-to-use subscription asset is initially measured as the sum of the initial subscription liability amount plus payments made to the vendor before commencement of the subscription term and capitalizable implementation costs, less any incentives received from the vendor at or before commencement.

The County's SBITA activities, other than making subscription payments, are accounted for as follows:

Preliminary project stage activities include evaluating alternatives, determining the needed technology, and vendor selection are expensed as incurred.

Initial implementation stage activities include all ancillary charges necessary to place the subscription asset into service are capitalized in addition to the subscription asset.

Operation and additional implementation stage activities such as maintenance and support are expensed as incurred.



## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### J. Subscription-Based Information Technology Arrangements (Continued)

Key estimates and judgments related to the County's subscription assets and liabilities include how the County determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) lease term, and (3) subscription payments:

The County uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not specified, the County generally uses its estimated incremental borrowing rate as the discount rate.

The lease term includes the noncancellable period of the subscription term. Subscription payments included in the measurement of the subscription assets and liabilities are composed of fixed payments due to the vendor over the subscription term.

The County monitors changes in circumstances that would require a remeasurement of its subscription assets and liabilities and will remeasure them if changes occur that are expected to significantly affect the reported amount of subscription assets and liabilities.

#### K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until then. One item that qualifies for reporting in this category is the deferred charge on refunding reported in the proprietary fund statements of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County reports deferred inflows of resources in both its governmental funds balance sheet and its governmental activities statement of net position.

The government wide statement of net position reports a deferred inflow of resources for a gain on refunding. The County reports a gain on refunding from debt refunding transactions on outstanding County warrants payable.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### K. Deferred Outflows/Inflows of Resources (Continued)

The governmental funds balance sheet and the governmental activities statement of net position will report deferred inflows of resources for deferred revenues. The County reports deferred revenues from property taxes which are received or reported as a receivable before the period for which the taxes have been levied.

The County also reports as deferred inflows of resources items that arise from lease arrangements where the County is a lessor. Lease-related amounts are recognized at inception of leases in which the County is a lessor and are recorded at an amount equal to the corresponding lease receivable, plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows of resources is recognized as revenue in a systemic and rational manner over the term of the lease.

The County also has deferred inflows and outflows related to the recording of changes in its net pension asset and total OPEB liability. Certain changes in the net pension asset and total OPEB liability are recognized as pension and/or OPEB expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the County's actuary which adjust the net pension asset and total OPEB liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension and/or OPEB expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension asset and total OPEB liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension and/or OPEB expense over the expected remaining service lives of plan members. The difference between projected investment return on pension and/or OPEB investments and actual return on those investments is also deferred and amortized against pension expense over a five-year period. Additionally, any contributions made by the County to the plans before year end but subsequent to the measurement date of the County's net pension asset and total OPEB liability plans are reported as deferred outflows of resources. These contributions will reduce the County's total OPEB liability and increase the net pension asset in the next fiscal period.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### L. Compensated Absences

The County has a standard leave policy for its full-time employees with regards to sick and vacation leave. Vacation earned but not used during the calendar year may be accumulated up to a maximum of 40 days. Vacation leave earned in excess of the maximum accumulation must be used by December 31 of each year, or it is forfeited. A permanent employee, in good standing, terminating from County service shall be compensated for unused earned vacation not to exceed 40 days.

#### M. Claims Liabilities

The County establishes claims liabilities for health insurance, general, automotive, and workers' compensation self-insured activities based on estimates of the ultimate cost of claims (including future claims adjustment expenses) that have been reported but not settled, and of claims that have been incurred but not reported. Estimated amounts of reinsurance recoverable on unpaid claims are deducted from the claims liabilities.

#### N. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the fiscal year of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued and any related premiums are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

#### O. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### O. Fund Equity (Continued)

**Fund Balance** – Generally, fund balance represents the difference between the assets and liabilities and deferred inflows of resources under the current financial resources management focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

Fund balances are classified as follows:

*Nonspendable* – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

*Restricted* – Fund balances are reported as restricted when they include amounts that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.

*Committed* – Fund balances are reported as committed when they include amounts that can be used only for the specific purposes determined by a formal action of the County Commissioners by passage of a resolution and the commitment can only be removed by a resolution of the Commission.

*Assigned* – Fund balances are reported as assigned when they include amounts intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. The Commissioners have delegated, through resolution, the Chief Financial Officer the authority to assign amounts to be used for specific purposes. Included in assigned fund balances are reserves for future budget deficits, economic uncertainties, and catastrophic events. These reserves were established by a County resolution and are funded annually in conjunction with the preparation of the County's financial statements. The funds are available to be spent during economic downturns, to recover from a major economic or environmental disaster, or as temporary support for the County as needed.

*Unassigned* – Fund balances are reported as unassigned as the residual classification for the County's general fund and includes all spendable amounts not contained in the other classifications. The General Fund is the only fund that can report a positive unassigned fund balance; any fund of the County reporting a deficit fund balance at fiscal year-end will report that balance as unassigned.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### O. Fund Equity (Continued)

**Flow Assumptions** – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County’s policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County’s policy to use fund balance in the following order: (1) Committed, (2) Assigned, and (3) Unassigned.

**Net Position** – Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in reporting which utilizes the economic resources measurement focus. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the County has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

#### P. Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from these estimates.

#### Q. Pension and OPEB

The General Retirement System for Employees of Jefferson County, Alabama uses a single fiduciary fund to maintain its financial records. The fiduciary fund is accounted for on a flow of economic resources measurement focus. Revenues are recognized when earned and expenses are recognized at the time they are incurred. Employer contributions are recognized when legally due. Benefit payments are recognized when due and payable in accordance with the terms of the Plan. Investments are reported at fair value.

The County also maintains a Defined Benefit Other Post-Employment Benefits (OPEB) Liability, which was initially approved by the County Commissioners in 1990. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 2. LEGAL COMPLIANCE – BUDGETS

#### Budgets and Budgetary Accounting

The State Legislature enacted the County Financial Control Act of 1935, which is the present statutory basis for County budgeting operations. Under the terms of the County Financial Control Act, the County Commission, at a meeting in September of each fiscal year but in any event not later than the first meeting in October, must estimate the County's revenues and expenditures and appropriate for the various purposes the respective amounts that are to be used for each purpose. The budget is prepared by department. The County's budgets must be approved by the County Commission. The appropriations must not exceed the total revenues available for appropriation. Expenditures may not legally exceed appropriations. Departments may transfer certain resources within a departmental budget. However, transfers between departments and transfers between personnel costs and other operating costs within a department must receive approval from the Commission before adjustments can be made.

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. All annual appropriations lapse at fiscal year-end.

Budgets may be adjusted during the fiscal year when approved by the County Commission. Any changes must be within the revenues and reserves estimated to be available.

For the fiscal year ended September 30, 2023, the General Fund had the following excesses of actual expenditures over appropriations:

General Fund:	
Public safety	
Sheriff - personnel costs	\$ 1,116,204

For the fiscal year ended September 30, 2023, the County's other governmental funds had excesses of actual expenditures over appropriations, as follows:

Road Fund:	
Highways and roads	
Other operating costs	\$ 4,580
Debt Service Fund:	
Debt service - interest	112,557
Road Construction Fund:	
Highways and roads	
Roads and transportation - other operating costs	54,642

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 2. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

#### Deficit Fund Balance and Net Position

The Landfill Operations Fund has a deficit net position of \$8,180,446 at September 30, 2023. Management of the County is currently evaluating its operations for potential cost savings. At September 30, 2023, the Landfill Operations Fund has a liability of \$2,153,762 due to the Debt Service Fund. As this liability is paid down in future years, management expects to see reductions in the deficit net position for the Landfill Operations Fund.

The Jefferson County Economic and Industrial Development Authority (JCEIDA) has a deficit net position of \$8,356,594 at September 30, 2023. Management of JCEIDA is currently evaluating operations for potential cost savings. Management expects to see reductions in the deficit net position as properties are sold in future years.

### NOTE 3. DEPOSITS AND INVESTMENTS

**Credit risk.** The State of Alabama authorizes the County to invest in obligations of the U.S. Treasury and federal agency securities along with certain pre-refunded obligations such as bonds or other obligations of any state of the United States of America or any agency, instrumentality or local governmental unit of any such state, provided that such investments are rated in the highest rating category of S&P Global, Inc. and Moody's Investors Service, Inc.

Operating funds of the County are currently invested in U.S. Treasury notes; municipal bonds; fixed income short-term investment mutual funds; mortgage-backed securities (MBS); certificates of deposit; or maintained in demand deposit, savings, and public funds money market accounts with financial institutions.

**Custodial credit risk.** The investments maintained for the general use of the County are managed by the Jefferson County Treasurer or a bank on their behalf. Investments held in a trust for debt service or capital projects are managed by the bank holding the trust or a designated agent (another bank or investment firm). The County's fiscal agent or custodian provides the fair value of all intermediate maturity investments.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

The SAFE Program was established by the Alabama Legislature and is governed by the provisions contained in the Code of Alabama 1975, Sections 41-14A-1 through 41-14A-14. Under the SAFE Program, all public funds are protected through a collateral pool administered by the Alabama State Treasurer's Office. Under this program, financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that financial institution would be liquidated by the State Treasurer to replace the public deposits not covered by the FDIC. If the securities pledged fail to produce adequate funds, every institution participating in the pool would share the liability for the remaining balance.

**Interest rate risk.** The County's investment policy generally does not allow for an investment in any one issuer that is in excess of five percent of total cash and investments. County investments include \$176,551,613 of GNMA pools, which represent pools of mortgages issued by GNMA, consisting of a multitude of underlying borrowers, generally with no concentrations. U.S. Treasury Securities also made up \$104,252,983 of total County investments. Both types of securities are backed by the full faith and credit of the U.S. Government. There were no other concentrations of investments noted at September 30, 2023.

At September 30, 2023, information on the credit risk and interest rate risk related to the County's investments is disclosed as follows:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Rating (S&amp;P)</u>	<u>Fair Value</u>
Certificates of deposit	0.30	N/A	\$ 29,110,851
U.S. Treasury Bonds/Notes	0.36	AAA	104,252,983
Municipal Bonds	5.88	AAA	115,256,226
GNMA pools	9.22	AAA	176,551,613
		Total	<u><u>\$ 425,171,673</u></u>

The County reports its holdings in the certificates of deposit as cash equivalents for financial reporting purposes.



## NOTES TO FINANCIAL STATEMENTS

### NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

**Fair Value Measurements.** The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for the identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The County has the following recurring fair value measurements as of September 30, 2023:

Investment	Level 1	Level 2	Fair Value
U.S. Treasury Bonds / Notes	\$ 104,252,983	\$ -	\$ 104,252,983
Municipal Bonds	-	115,256,226	115,256,226
GNMA pools	-	176,551,613	176,551,613
Total investments measured at fair value	<u>\$ 104,252,983</u>	<u>\$ 291,807,839</u>	<u>\$ 396,060,822</u>

The United States Treasury Bonds/Notes classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments. The Municipal Bonds and GNMA pools classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The County's certificates of deposit are nonparticipating interest-earning investment contracts and are reported at cost.

#### **Pension Plan**

The Plan's policy in regard to investments, including the allocation of invested assets, is established and may be amended by the Pension Board by a majority vote of its members. It is the policy of the Pension Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans.

The Plan investment policy adopts the following asset allocation mix to achieve the lowest level of risk for the Plan: Domestic Equity securities – 50%; International Equity securities – 10%; Domestic Fixed Income securities – 25%; International Fixed Income securities – 5%; and Alternative securities – 10%.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

At September 30, 2023, the Plan had \$1,225,663,768 invested in the following types of investments:

Investment	Fair Value
U.S. Government securities	\$ 170,665,963
Mutual funds and trusts	218,407,639
Corporate bonds	83,074,801
Domestic stocks	511,665,729
Foreign stocks	37,258,186
Foreign bonds	62,580,952
Municipal bonds	5,137,061
Partnerships	136,873,437
Total	\$ 1,225,663,768

**Credit Risk.** Custodial credit risk is the risk that, in the event of the failure of the counterparty, the pension trust fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the plan, and are held by either: a) the counterparty or b) the counterparty's trust department or agent, but not in the Plan's name.

The Plan's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Interest rate risk is controlled through diversification of portfolio management styles.

Approved fixed income securities are to be selected from among the U.S. Government and Federal Agency obligations of foreign governments and agencies, and securities rates "BBB-" or better by one of the recognized bond rating services at the time of purchase. Asset-backed securities, mortgage-backed securities, and collateral mortgage obligations are to be rated "AAA" at the time of purchase.

**Foreign Currency Risk.** Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. The Plan's investment policy limits the investment in international equity securities to 10% of total Plan assets, and investments in international fixed income securities is limited to 5% of total Plan assets. At September 30, 2023, the Plan has \$37,258,186 or approximately 3.0% of total Plan assets invested in foreign stocks. At September 30, 2023, the Plan has \$62,580,952 or approximately 5.1% of total Plan assets invested in foreign bonds.

**Concentration.** The General Retirement System for Employees of Jefferson County, Alabama does not have investments in any one issuer, which represents five percent or more of the total fair value of all investments.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

#### Pension Plan (Continued)

**Fair Value Measurements.** The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for the identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The County's pension plan has the following recurring fair value measurements as of September 30, 2023:

Investment	Level 1	Level 2	Level 3	Fair Value
U.S. government securities	\$ -	\$ 170,665,963	\$ -	\$ 170,665,963
Corporate bonds	-	83,074,801	-	83,074,801
Common stocks	511,665,729	-	-	511,665,729
Foreign stocks	37,258,186	-	-	37,258,186
Foreign bonds	-	62,580,952	-	62,580,952
Municipal bonds	-	5,137,061	-	5,137,061
Partnerships	-	-	136,873,437	136,873,437
Total investments measured at fair value	\$ 548,923,915	\$ 321,458,777	\$ 136,873,437	\$ 1,007,256,129

#### Investments Measured at Net Asset Value (NAV)

Mutual funds and trusts	218,407,639
Total investments at fair value	\$ 1,225,663,768

The common and foreign stocks and U.S. government securities classified in Level 1 of the fair value hierarchy are valued using prices in active markets for those securities. The corporate and foreign bonds, municipal bonds, partnerships and other investments classified in Level 2 of the fair value hierarchy are valued using inputs other than quoted prices that are observable. The mutual funds and partnerships comprised of pools of international equity securities managed by an investment company are classified as Net Asset Value, which is calculated by dividing the rate level market level, less management fees, by the number of participation units in the funds.

The partnership investments are privately owned investments and are pooled investment funds valued at fair market value and managed by an investment company. The fair market value is determined daily by taking the current market value of total assets, subtracting any liabilities and dividing the result by the total number of shares (units) outstanding. Valuation inputs include trading volume and prices collected by third-party vendors, brokers, and market maker dealers on similar assets in markets that are not actively traded.

**Rate of return.** For the fiscal year ended September 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 13.77 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 4. RECEIVABLES

**Loan Receivable from Component Unit.** The County entered into funding agreements in which it has made loans to the Jefferson County Economic and Industrial Development Authority (the Authority) for certain debt obligations and land purchases. There is no scheduled amortization on the loans. The Authority makes payments on an as needed basis. As of September 30, 2023, the loan receivable due from the Authority was \$30,934,678.

Receivables at September 30, 2023, for the County's individual major funds and nonmajor funds in the aggregate are as follows:

	<b>General Fund</b>	<b>Special Sales Tax Revenue Fund</b>	<b>Indigent Care Fund</b>
Receivables:			
Taxes	\$ 95,780,352	\$ 23,589,762	\$ 12,099,372
Intergovernmental	3,439,264	-	-
Loans to Component Unit	30,934,678	-	-
Accounts	11,311,366	-	-
Leases	1,994,451	-	-
Interest	2,091,920	-	-
Gross receivables	145,552,031	23,589,762	12,099,372
Less allowance for uncollectibles	(455,701)	-	-
Net receivables	\$ 145,096,330	\$ 23,589,762	\$ 12,099,372
	<b>Nonmajor Governmental Funds</b>	<b>Sanitary Operation Fund</b>	<b>Nonmajor Proprietary Funds</b>
Receivables:			
Taxes	\$ 83,375,644	\$ 7,744,534	\$ -
Intergovernmental	-	2,327,315	-
Leases	-	-	9,399,711
Loans	6,734,388	-	-
Accounts	14,498,120	74,174,446	133,091
Interest	-	-	-
Gross receivables	104,608,152	84,246,295	9,532,802
Less allowance for uncollectibles	(11,974,919)	(33,953,878)	-
Net receivables	\$ 92,633,233	\$ 50,292,417	\$ 9,532,802

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 4. RECEIVABLES (CONTINUED)

Millage rates for property taxes are levied at the first regular meeting of the County Commission in February of each year. Property taxes are assessed as of October 1 of the preceding fiscal year based on the millage rates established by the County Commission. Property taxes are due and payable the following October 1 and are delinquent after December 31. Amounts receivable, net of estimated refunds and estimated uncollectible amounts, are recorded for the property taxes levied in the current fiscal year. As these assessed amounts are budgeted for the subsequent fiscal year, the amounts are recorded as deferred revenue as of fiscal year-end.

**Lease Receivable – Primary Government:** The County has entered into lease agreements with various third parties whereby the County leases buildings. The County also has a long-term lease agreement with the operator of the County's landfill. The total amount of deferred inflows of resources, including lease revenue and interest revenue, recognized during the fiscal year ended September 30, 2023 was \$1,350,864. At September 30, 2023, the County's receivable for lease payments was \$11,394,162. The County has a deferred inflow of resources in the amount of \$11,124,409 associated with these leases that will be recognized over the lease terms that end on various dates through May of 2059.

**The remainder of this page was intentionally left blank.**

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. CAPITAL ASSETS

#### A. Primary Government

Capital asset activity for the fiscal year ended September 30, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Governmental Activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 26,059,397	\$ -	\$ -	\$ -	\$ 26,059,397
Construction in progress	88,873,494	33,035,421	-	(37,024,017)	84,884,898
Total capital assets, not being depreciated	<u>114,932,891</u>	<u>33,035,421</u>	<u>-</u>	<u>(37,024,017)</u>	<u>110,944,295</u>
Capital assets, being depreciated:					
Buildings and improvements	460,159,886	-	-	-	460,159,886
Improvements other than building	239,481,723	-	(6,392)	30,666,750	270,142,081
Maintenance equipment	13,727,971	399,186	(307,463)	-	13,819,694
Motor vehicle fleet	43,585,353	4,813,912	(2,707,356)	-	45,691,909
Equipment under financed purchase	17,146,468	2,618,161	(1,181,416)	-	18,583,213
Miscellaneous equipment	32,750,527	2,606,625	(552,171)	-	34,804,981
Office furniture and fixtures	19,542,307	238,841	(7,395)	-	19,773,753
Software	7,540,491	-	-	6,357,267	13,897,758
Total capital assets, being depreciated	<u>833,934,726</u>	<u>10,676,725</u>	<u>(4,762,193)</u>	<u>37,024,017</u>	<u>876,873,275</u>
Less accumulated depreciation for:					
Buildings and improvements	(308,253,076)	(6,887,348)	-	-	(315,140,424)
Improvements other than building	(159,750,079)	(8,933,185)	7,392	-	(168,675,872)
Maintenance equipment	(10,702,154)	(629,755)	307,463	-	(11,024,446)
Motor vehicle fleet	(36,454,226)	(2,964,381)	2,607,092	-	(36,811,515)
Equipment under financed purchase	(8,948,201)	(2,591,527)	669,468	-	(10,870,260)
Miscellaneous equipment	(18,726,533)	(2,927,425)	190,985	-	(21,462,973)
Office furniture and fixtures	(18,669,496)	(198,878)	7,395	-	(18,860,979)
Software	(7,369,043)	(2,048,419)	-	-	(9,417,462)
Total accumulated depreciation	<u>(568,872,808)</u>	<u>(27,180,918)</u>	<u>3,789,795</u>	<u>-</u>	<u>(592,263,931)</u>
Total capital assets, being depreciated, net	<u>265,061,918</u>	<u>(16,504,193)</u>	<u>(972,398)</u>	<u>37,024,017</u>	<u>284,609,344</u>
Governmental activities capital assets, net excluding lease and subscription assets	<u>\$ 379,994,809</u>	<u>\$ 16,531,228</u>	<u>\$ (972,398)</u>	<u>\$ -</u>	<u>\$ 395,553,639</u>
Lease assets (Note 6)					2,675,552
Subscription assets (Note 7)					<u>5,249,235</u>
Total capital assets, net, as reported in the statement of net position					<u>\$ 403,478,426</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. CAPITAL ASSETS (CONTINUED)

#### A. Primary Government (Continued)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Business-type Activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 35,553,188	\$ -	\$ -	\$ -	\$ 35,553,188
Construction in progress	91,957,711	114,387,357	-	(54,976,032)	151,369,036
Total capital assets, not being depreciated	<u>127,510,899</u>	<u>114,387,357</u>	<u>-</u>	<u>(54,976,032)</u>	<u>186,922,224</u>
Capital assets, being depreciated:					
Buildings	1,025,683,754	-	-	-	1,025,683,754
Infrastructure and other improvements	3,896,424,648	17,487,765	-	54,976,032	3,968,888,445
Equipment	23,024,394	3,368,444	(22,301)	-	26,370,537
Motor vehicles	23,629,046	1,712,568	(261,743)	-	25,079,871
Total capital assets, being depreciated	<u>4,968,761,842</u>	<u>22,568,777</u>	<u>(284,044)</u>	<u>54,976,032</u>	<u>5,046,022,607</u>
Less accumulated depreciation for:					
Buildings	(551,334,479)	(22,576,310)	-	-	(573,910,789)
Infrastructure and other improvements	(2,613,580,627)	(119,417,394)	-	-	(2,732,998,021)
Equipment	(14,419,846)	(1,835,747)	22,301	-	(16,233,292)
Motor vehicles	(19,460,917)	(1,668,471)	261,743	-	(20,867,645)
Total accumulated depreciation	<u>(3,198,795,869)</u>	<u>(145,497,922)</u>	<u>284,044</u>	<u>-</u>	<u>(3,344,009,747)</u>
Total capital assets, being depreciated, net	<u>1,769,965,973</u>	<u>(122,929,145)</u>	<u>-</u>	<u>54,976,032</u>	<u>1,702,012,860</u>
Business-type activities capital assets, net excluding subscription assets	<u>\$ 1,897,476,872</u>	<u>\$ (8,541,788)</u>	<u>\$ -</u>	<u>\$ -</u>	1,888,935,084
Subscription Assets (Note 7)					<u>217,045</u>
Total capital assets, net, as reported in the statement of net position					<u>\$ 1,889,152,129</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. CAPITAL ASSETS (CONTINUED)

#### A. Primary Government (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 12,138,845
Public safety	3,259,671
Highways and roads	11,203,537
Health and welfare	578,865
Total depreciation expense - governmental activities	\$ 27,180,918
Business-type activities:	
Sanitary operations	\$ 144,239,709
Landfill operations	1,197,634
Hallmark operations	60,579
Total depreciation expense - business-type activities	\$ 145,497,922

#### B. Component Units

Capital asset activity for the Emergency Management Agency for the fiscal year ended September 30, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Equipment	\$ 978,912	\$ -	\$ -	\$ 978,912
Motor vehicles	389,112	34,857	-	423,969
Total capital assets, being depreciated	1,368,024	34,857	-	1,402,881
Less accumulated depreciation for:				
Equipment	(965,089)	(4,879)	-	(969,968)
Motor vehicles	(251,882)	(49,784)	-	(301,666)
Total accumulated depreciation	(1,216,971)	(54,663)	-	(1,271,634)
Total capital assets, net	\$ 151,053	\$ (19,806)	\$ -	\$ 131,247



## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. CAPITAL ASSETS (CONTINUED)

#### B. Component Units (Continued)

Capital asset activity for the Personnel Board for the fiscal year ended September 30, 2023 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, being depreciated:				
Infrastructure and other improvements	\$ 379,881	\$ -	\$ -	\$ 379,881
Equipment	1,289,749	-	-	1,289,749
Total capital assets, being depreciated	<u>1,669,630</u>	<u>-</u>	<u>-</u>	<u>1,669,630</u>
Less accumulated depreciation for:				
Infrastructure and other improvements	(379,881)	-	-	(379,881)
Equipment	<u>(1,234,659)</u>	<u>(19,968)</u>	<u>-</u>	<u>(1,254,627)</u>
Total accumulated depreciation	<u>(1,614,540)</u>	<u>(19,968)</u>	<u>-</u>	<u>(1,634,508)</u>
Total capital assets, net	<u>\$ 55,090</u>	<u>\$ (19,968)</u>	<u>\$ -</u>	<u>\$ 35,122</u>

### NOTE 6. LEASE ASSETS

A summary of lease asset activity for the fiscal year ended September 30, 2023, is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
Lease assets:				
Buildings	\$ 2,636,669	\$ 444,619	\$ -	\$ 3,081,288
Land improvements	896,364	-	(232,495)	663,869
Total	<u>3,533,033</u>	<u>444,619</u>	<u>(232,495)</u>	<u>3,745,157</u>
Less accumulated amortization:				
Buildings	(318,004)	(467,344)	-	(785,348)
Land improvements	<u>(225,422)</u>	<u>(175,082)</u>	<u>116,247</u>	<u>(284,257)</u>
Total	<u>(543,426)</u>	<u>(642,426)</u>	<u>116,247</u>	<u>(1,069,605)</u>
Total lease assets, net	<u>\$ 2,989,607</u>	<u>\$ (197,807)</u>	<u>\$ (116,248)</u>	<u>\$ 2,675,552</u>

Amortization expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 642,426

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. SUBSCRIPTION ASSETS

A summary of right-to-use subscription asset activity for the fiscal year ended September 30, 2023, is as follows:

	<b>Restated Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b>Governmental Activities</b>				
Subscription assets:	\$ 2,420,727	\$ 4,241,739	\$ -	\$ 6,662,466
Total	2,420,727	4,241,739	-	6,662,466
Less accumulated amortization:				
Subscription assets	-	(1,413,231)	-	(1,413,231)
Total	-	(1,413,231)	-	(1,413,231)
Total subscription assets, net	\$ 2,420,727	\$ 2,828,508	\$ -	\$ 5,249,235
	<b>Restated Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b>Business-Type Activities</b>				
Subscription assets:	\$ 275,117	\$ -	\$ -	\$ 275,117
Total	275,117	-	-	275,117
Less accumulated amortization:				
Subscription assets	-	(58,072)	-	(58,072)
Total	-	(58,072)	-	(58,072)
Total subscription assets, net	\$ 275,117	\$ (58,072)	\$ -	\$ 217,045

During the fiscal year ended September 30, 2023, the County implemented Governmental Accounting Standards Statement No. 96, *Subscription-Based Information Technology Arrangements*, which changed the beginning balance of subscription assets.

Amortization expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 1,413,231
Total amortization expense - governmental activities	\$ 1,413,231
Business-type activities:	
Sanitary operations	\$ 58,072
Total amortization expense - business-type activities	\$ 58,072

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of September 30, 2023, was as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Special Sales Tax Revenue Fund	\$ 18,613,862
Nonmajor Governmental Funds	Special Sales Tax Revenue Fund	5,181,440
Nonmajor Governmental Funds	Nonmajor Governmental Funds	6,975,685
		\$ 30,770,987

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, and (2) transactions are recorded in the accounting system.

Advances to/from other funds:

Advance to	Advance from	Amount
Nonmajor Proprietary funds	Nonmajor Governmental funds	\$ 2,153,762

The amounts payable from the nonmajor proprietary funds relate to an advance of debt-related proceeds disbursed to the Landfill Operations Fund from the Debt Service Fund from an original issuance. The balance is expected to be repaid in annual installments, over the next several years, depending on available cash flows generated by the Landfill Fund's operations.

Interfund transfers for the fiscal year ended September 30, 2023 were as follows:

Transfers In	Transfers Out	Amount
General Fund	Special Sales Tax Revenue Fund	\$ 90,408,870
General Fund	Indigent Care Fund	1,899,000
General Fund	Nonmajor Governmental funds	2,900,000
		\$ 95,207,870
Nonmajor Governmental funds	General Fund	\$ 26,340,946
Nonmajor Governmental funds	Special Sales Tax Revenue Fund	26,989,474
Nonmajor Governmental funds	Nonmajor Governmental funds	57,379,668
		\$ 110,710,088
Sanitary Operations Fund	Nonmajor Governmental Funds	\$ 7,163,329
Nonmajor Enterprise funds	General Fund	\$ 1,217,289

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, to (2) move funds to supplement general operations, capital project expenditures and provide sales tax receipts to Hallmark Farms, and to (3) service a portion of current fiscal year debt service requirements.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. LONG-TERM DEBT

#### A. Primary Government

The following is a summary of long-term debt activity for the fiscal year ended September 30, 2023:

	Restated Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
Warrants payable	\$ 416,805,000	\$ -	\$ (33,655,000)	\$ 383,150,000	\$ 35,560,000
Plus: Premiums	34,519,199	-	(4,714,851)	29,804,348	-
Total warrants payable	451,324,199	-	(38,369,851)	412,954,348	35,560,000
Bonds payable	16,427,798	10,000,000	(379,313)	26,048,485	393,864
Financed purchases	5,539,411	2,618,161	(2,695,370)	5,462,202	2,572,388
Lease liabilities	3,056,167	444,619	(571,587)	2,929,199	487,380
Subscription liabilities	2,420,727	4,241,739	(1,903,061)	4,759,405	1,775,960
Net pension liability (asset)	(219,238,559)	244,460,072	(15,965,500)	9,256,013	-
Total OPEB liability	89,253,593	6,890,995	(15,959,229)	80,185,359	3,775,826
Compensated absences	21,969,153	14,931,623	(13,721,856)	23,178,920	14,259,440
Litigation Liability	5,695,397	986,364	(292,693)	6,389,068	-
Claims payable	6,700,463	218,493	(1,537,166)	5,381,790	1,494,377
Governmental activities long-term liabilities	<u>\$ 383,148,349</u>	<u>\$ 284,792,066</u>	<u>\$ (91,395,626)</u>	<u>\$ 576,544,789</u>	<u>\$ 60,319,235</u>
<b>Business-type Activities:</b>					
Warrants payable	\$ 1,739,901,522	\$ -	\$ (10,980,000)	\$ 1,728,921,522	\$ 14,780,000
Accreted interest on warrants	518,521,900	82,636,733	-	601,158,633	-
Less: Discounts	(27,860,245)	-	1,151,339	(26,708,906)	-
Total warrants payable	2,230,563,177	82,636,733	(9,828,661)	2,303,371,249	14,780,000
Bonds payable - direct placement	11,953,250	-	(863,825)	11,089,425	896,340
Landfill postclosure and postclosure costs liability	19,394,310	2,079,101	-	21,473,411	-
Subscription liabilities	275,117	-	(121,833)	153,284	125,985
Net pension liability (asset)	(45,864,263)	51,739,137	(3,915,871)	1,959,003	-
Litigation liability	4,047,000	136,000	-	4,183,000	-
Total OPEB liability	28,414,741	2,180,405	(5,223,403)	25,371,743	1,194,273
Compensated absences	4,241,805	3,267,928	(2,878,403)	4,631,330	2,026,792
Claims payable	1,975,259	329,320	(408,848)	1,895,731	526,393
Business-type activities long-term liabilities	<u>\$ 2,255,000,396</u>	<u>\$ 142,368,624</u>	<u>\$ (23,240,844)</u>	<u>\$ 2,374,128,176</u>	<u>\$ 19,549,783</u>

During the fiscal year ended September 30, 2023, the County implemented Governmental Accounting Standards Statement No. 96, *Subscription-Based Information Technology Arrangements*, which changed the beginning balance of subscription liabilities.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 9. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

**Warrants Payable – Governmental Activities.** Warrants payable include obligations for warrants issued in the name of the Jefferson County Commission for the primary purpose of sewer capital projects and related improvements (Business – Type Activities – Sewer Revenue Warrants), for the primary purpose of general capital projects and related improvements (Governmental Activities – General Obligation Refunding Warrants), and for the primary purpose of school capital projects and related improvements (Governmental Activities – Limited Obligation Refunding Warrants). Warrants payable also include related amounts of premiums and discounts on the warrants, which are reported on the statement of net position as an adjustment to the carrying value of the related debt and amortized over the life of the warrants.

In 2017, the County issued refunding warrants (2017 Warrants) under a Trust Indenture dated July 1, 2017 (2017 Trust Indenture), between the County and Regions Bank, as Trustee, for the purpose of refunding the outstanding Limited Obligation School Warrants, Series 2004A and Series 2005A. The Limited Obligation School Warrants, Series 2005B (the 2005B Warrants) were fully redeemed pursuant to their terms on March 1, 2017. The 2017 Warrants are not general obligations of the County, but represent limited obligations payable solely out of the Trust Estate established under the 2017 Trust Indenture, which includes a pledge of the gross proceeds of a new one-cent special revenue sales and use tax.

In 2018, the County issued two series of refunding warrants under a Trust Indenture dated May 1, 2018 (2018 Trust Indenture), between the County and Wilmington Trust, National Association, as Trustee. The first series of refunding warrants, Series 2018A, were issued for the purpose of refunding the General Obligation Warrants, Series 2003A and 2004A, and the Lease Revenue Warrants, Series 2006. The General Obligation Warrants, Series 2003A and 2004A, and the Lease Revenue Warrants, Series 2006, were defeased on May 31, 2018, and fully redeemed pursuant to their terms on July 2, 2018.

The second series of refunding warrants, Series 2018B, were issued for the purpose of partially refunding the General Obligation Warrants, Series 2013A and 2013C. The General Obligation Warrants, Series 2013A and 2013C, were partially defeased on September 17, 2018, and partially redeemed pursuant to their terms on December 3, 2018. The remaining outstanding Series 2013A and Series 2013C Warrants matured pursuant to their terms on April 1, 2019. The warrants issued under the 2018 Trust Indenture are general obligations of the County for the payment of which its full faith and credit is pledged. Payment of the warrants is secured by a pledge and assignment of the Trust Estate established under the 2018 Trust Indenture, which includes money in the funds and accounts designated as “Indenture Funds” under the 2018 Trust Indenture.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 9. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

The Series 2017, 2018A, and 2018B refundings resulted in differences between the reacquisition prices and the net carrying amount of the old warrants, which is presented as a deferred inflow of resources on the statement of net position, net of accumulated amortization, of \$3,007,923. The deferred inflow is recognized as a component of interest expense in a systematic manner over the remaining life of the new debt.

On July 1, 2022, the County entered into a loan agreement with the Alabama Transportation Infrastructure Bank (ATIB) whereby the County issued its Limited Obligation Warrant, Series 2022, to ATIB to evidence a loan of \$66,335,000 to be used to pay costs of road and bridge improvements within the County. The Series 2022 warrant is a limited obligation of the County and is payable from and secured by a pledge of certain ad valorem tax revenues. The County is required to make semi-annual payments on the Series 2022 warrant on February 15 and August 15 of each year, beginning on February 15, 2023.

The outstanding balances for the governmental activities warrants as of September 30, 2023 are as follows:

	<u>Balance as of September 30, 2023</u>
Series 2017 Limited Obligation Refunding Warrants, with interest paid semiannually at fixed rates ranging from 3.00% to 5.00% and annual principal payments through 2042.	\$ 272,435,000
Series 2018A General Obligation Refunding Warrants, with interest paid semiannually at fixed rates ranging from 4.00% to 5.00% and annual principal payments through 2026.	46,200,000
Series 2022 Limited Obligation Warrant, with interest paid semiannually at fixed rates ranging from 4.125% to 5.00% and annual principal payments through 2042.	64,515,000
Total warrants payable - governmental activities	<u>\$ 383,150,000</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

The debt service to maturity on the governmental activities warrants payable is as follows:

Fiscal Year Ending September 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 35,560,000	\$ 18,256,007	\$ 53,816,007
2025	29,120,000	16,478,007	45,598,007
2026	30,575,000	15,022,007	45,597,007
2027	18,015,000	13,493,257	31,508,257
2028	18,915,000	12,592,506	31,507,506
2029-2033	109,560,000	47,971,719	157,531,719
2034-2038	114,755,000	18,618,644	133,373,644
2039-2043	26,650,000	2,759,788	29,409,788
Total	<u>\$ 383,150,000</u>	<u>\$ 145,191,935</u>	<u>\$ 528,341,935</u>

**Bonds Payable – Governmental Activities.** On September 19, 2023, the County entered into a funding agreement with the Birmingham-Jefferson Civic Center Authority (BJCC) pursuant to which the County is obligated to make semi-annual contributions to the BJCC sufficient to pay one-third of the debt service on the BJCC’s Series 2023A Revenue Bonds. Interest is payable on November 20 and May 20 of each fiscal year, beginning November 20, 2025 through May 20, 2053. Principal is payable annually on November 20, beginning November 20, 2025 through November 20, 2052, with a final principal payment due on May 20, 2053. The County’s obligation to make such contributions under the funding agreement is a general obligation of the County for which the County’s full faith and credit are pledged. The proceeds of the bonds were used to finance an expansion of the BJCC’s civic center complex through construction of an open-air amphitheater. The remaining principal amount of the County’s portion of these general obligation bonds at September 30, 2023 is \$10,000,000.

On July 17, 2018, the County entered into a funding agreement with the BJCC pursuant to which the County is obligated to make 60 semi-annual contributions of \$500,000 on June 20 and December 20 of each fiscal year, beginning on December 20, 2018. The County’s obligation to make such contributions under the funding agreement is a general obligation of the County for which the County’s full faith and credit are pledged. The County’s semi-annual contributions are pledged and assigned by the BJCC for payment of debt service on its Series 2018E revenue bonds. The proceeds of the bonds were used to finance improvements to the BJCC’s civic center complex and to pay costs of issuance of the bonds. The remaining principal amount of these general obligation bonds at September 30, 2023 is \$16,048,485 and the County’s remaining obligation (including interest) is \$25,000,000 as of September 30, 2023.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

The debt service to maturity on the governmental activities general obligation bonds is as follows:

Fiscal Year Ending September 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 393,864	\$ 606,136	\$ 1,000,000
2025	408,973	591,027	1,000,000
2026	606,328	1,055,555	1,661,883
2027	632,619	1,029,931	1,662,550
2028	657,868	1,003,224	1,661,092
2029-2033	3,731,671	4,573,806	8,305,477
2034-2038	4,583,218	3,712,758	8,295,976
2039-2043	5,391,514	2,666,628	8,058,142
2044-2048	6,696,022	1,466,382	8,162,404
2049-2053	2,946,408	399,300	3,345,708
Total	<u>\$ 26,048,485</u>	<u>\$ 17,104,747</u>	<u>\$ 43,153,232</u>

**Warrants Payable – Business-Type Activities.** The County entered into a Trust Indenture dated as of December 1, 2013 (2013 Trust Indenture), between the County and Wells Fargo Bank National Association as Trustee (the 2013 Sewer Trustee), as supplemented by the First Supplemental Indenture whereby the County issued its Senior Lien and Subordinate Lien Sewer Revenue Warrants, Series 2013A through Series 2013F, in the aggregate principal amount of \$1,785,486,522 (the 2013 Sewer Warrants or Secured Obligations).

The proceeds of the Series 2013 Sewer Warrants were used to (i) retire the previously outstanding Sewer Warrants and pay certain claims under the County's 2013 Plan of Adjustment, (ii) pay the premium for a municipal bond insurance policy issued by Assured Guaranty Municipal Corporation and (iii) pay a portion of the costs of issuing the 2013 Sewer Warrants.

The 2013 Sewer Warrants are not general obligations of the County, but represent limited obligations of the County, and are payable solely out of and secured by a pledge and assignment of the revenues collected from the County's sewer system.

The Senior Lien Sewer Warrants Series 2013A are Current Interest Warrants, while the Senior Lien Sewer Warrants Series 2013B are Capital Appreciation Warrants and Senior Lien Sewer Warrants Series 2013C are Convertible Capital Appreciation Warrants. The Senior Lien Sewer Warrants Series 2013A, Series 2013B and Series 2013C (the Series 2013 Senior Lien Warrants) have a first priority lien with respect to the right of payment from the General Trust Estate established under the 2013 Trust Indenture and are additionally secured by funds and amounts held in the Series 2013 Senior Lien Reserve Fund and the Series 2013 Senior Lien Debt Service Fund.

The Subordinate Lien Sewer Warrants Series 2013D are Current Interest Warrants, while the Subordinate Lien Sewer Warrants Series 2013E are Capital Appreciation Warrants and Subordinate Lien Sewer Warrants Series 2013F are Convertible Capital Appreciation Warrants. The 2013 Subordinate Lien Sewer Warrants Series 2013D, Series 2013E and Series 2013F (the Series 2013



## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

Subordinate Lien Warrants) have a second priority lien with respect to the right of payment from the General Trust Estate, subordinate to the Series 2013 Senior Lien Warrants and any additional senior lien obligations issued pursuant to the 2013 Indenture. The Series 2013 Subordinate Lien Warrants are additionally secured by funds and amounts held in the Series 2013 Subordinate Lien Reserve Fund and the Series 2013 Subordinate Lien Debt Service Fund.

There are termination events that change the timing of repayment of outstanding amounts to become immediately due if the following covenants and required coverage ratios are not met:

*Senior debt ratio:* Pledged net revenues during the fiscal year cannot be less than 125% of debt service due on the Series 2013 Senior Lien Warrants during the fiscal year.

*All-in debt ratio:* The County is also subject to another ratio, requiring pledged net revenues during the fiscal year to be at least 110% of combined debt service due on the Series 2013 Senior Lien Warrants and the Series 2013 Subordinate Lien Warrants in the same fiscal year.

*Operating reserve:* The County must maintain a reserve account equal to or greater than twenty-five percent (25%) of the total budgeted sanitary sewer operations costs in each fiscal year.

The outstanding balances for the business-type activities warrants as of September 30, 2023 are as follows:

**Description:**

Series 2013A Senior Lien Sewer Revenue Current Interest Warrants, with interest paid semiannually at rates ranging from 5.00% to 5.50% and annual principal payments beginning October 2044 through October 2053.	\$ 395,005,000
Series 2013B Senior Lien Sewer Capital Appreciation Warrants with interest accreting and compounding semiannually at fixed rates of 5.63% to 6.63%, with annual principal and accreted interest payments beginning October 2026 through October 2036.	54,999,964
Series 2013C Senior Lien Sewer Revenue Convertible Capital Appreciation Warrants, with interest accreting and compounding semiannually at fixed rates of 6.50% to 6.90% to October 2023, and thereafter interest paid semiannually with accreted principal and interest payments beginning October 2038 through 2050.	149,997,926
Series 2013D Subordinate Senior Lien Sewer Revenue Current Interest Warrants, with interest paid semiannually at fixed rates ranging from 5.00% to 7.00% and principal payments beginning October 2017 through October 2053.	754,350,000
Series 2013E Subordinate Senior Lien Revenue Capital Appreciation Warrants, with interest accreting and compounding semiannually at fixed rates of 7.50% to 8.00% until maturity, with accreted interest payments beginning October 2029 through October 2036.	50,271,496
Series 2013F Subordinate Senior Lien Sewer Revenue Convertible Capital Appreciation Warrants, with interest accreting and compounding semiannually at fixed rates of 7.50% to 7.90% to October 2023, and thereafter interest paid semiannually with accreted principal and interest payments beginning October 2037 through 2050.	324,297,136
Total warrants payable, business-type activities	\$ 1,728,921,522

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

The debt service to maturity on the business-type activities warrants payable, including payments of accreted interest, is as follows:

Fiscal Year Ending	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30,			
2024	\$ 14,780,000	\$ 154,717,786	\$ 169,497,786
2025	-	156,715,110	156,715,110
2026	2,438,595	157,724,237	160,162,832
2027	4,567,584	158,522,625	163,090,209
2028	6,481,807	159,076,531	165,558,338
2029-2033	46,678,400	789,444,234	836,122,634
2034-2038	95,986,259	727,484,402	823,470,661
2039-2043	325,052,481	597,374,610	922,427,091
2044-2048	299,312,602	462,660,708	761,973,310
2049-2053	694,653,794	232,088,127	926,741,921
2054-2055	238,970,000	7,463,153	246,433,153
Total	<u>\$ 1,728,921,522</u>	<u>\$ 3,603,271,523</u>	<u>\$ 5,332,193,045</u>

**Accreted Interest on Warrants.** The Series 2013B, Series 2013C, Series 2013E and Series 2013F Sewer Warrants are either capital appreciation warrants or convertible capital appreciation warrants with combined accreted interest of \$601,158,633 as of September 30, 2023. Accretion expense is recorded as a component of interest expense and totaled \$82,636,733 for the fiscal year ended September 30, 2023.

**Bonds Payable – Direct Placement.** In April 2019, the County entered into a limited funding agreement with the Hallmark Farm Cooperative District of Jefferson County, Alabama (the District) and the City of Warrior, Alabama, for the purpose of issuing the District's Capital Improvement Bond, Series 2019 (Series 2019 Bond) in the amount of \$13,000,000. The County is obligated to make sixty (60) quarterly payments of principal and interest on January 1, April 1, July 1 and October 1 of each year.

Interest payments made under the Jefferson County Limited Funding agreement began in October 2019, and principal payments began in July 2021. The proceeds of the Series 2019 Bond were used to make capital improvements to the District's property, located in Warrior, Alabama. The outstanding principal amount of the Series 2019 Bond as of September 30, 2023, was \$11,089,425.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

The County's debt service requirements for these direct placement bonds as of September 30, 2023 are as follows:

Fiscal Year Ending September 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 896,340	\$ 328,164	\$ 1,224,504
2025	916,408	299,913	1,216,321
2026	943,900	271,729	1,215,629
2027	972,217	242,698	1,214,915
2028	1,001,384	213,371	1,214,755
2029-2033	5,475,976	583,379	6,059,355
2034	883,200	13,598	896,798
Total	<u>\$ 11,089,425</u>	<u>\$ 1,952,852</u>	<u>\$ 13,042,277</u>

**Financed Purchases Payable.** The County has entered into various financed purchase agreements related to equipment and vehicles across all departments reported within governmental activities.

On July 1, 2017, the County entered into a purchase agreement to finance the acquisition of new equipment in the amount of \$5,617,977. Annual principal and interest payments are required until maturity on January 1, 2025 at an interest rate of 3.79%.

On August 15, 2017, the County entered into a purchase agreement to finance the acquisition of new equipment in the amount of \$5,889,446. Annual principal and interest payments are required until maturity on February 1, 2025 at an interest rate of 4.01%.

On August 15, 2017, the County entered into a purchase agreement to finance the acquisition of a new vehicle in the amount of \$2,405,873. Annual principal and interest payments are required until maturity on January 1, 2025 at an interest rate of 4.01%.

Future minimum payments due under the County's financed purchases payable are as follows:

Fiscal Year Ending September 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 2,572,388	\$ 214,619	\$ 2,787,007
2025	2,889,814	109,479	2,999,293
Total	<u>\$ 5,462,202</u>	<u>\$ 324,098</u>	<u>\$ 5,786,300</u>

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 9. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

**Landfill Closure and Postclosure.** State and federal laws and regulations require that the County place a final cover on its landfills when closed and perform certain maintenance and monitoring functions at the landfill site for thirty (30) years after closure. In addition to operating expenses related to current activities of the landfills, an expense provision and related liability are being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the landfills no longer accept waste. The recognition of these landfill closure and postclosure care costs is based on the amount of the landfills' capacities used during the fiscal year.

The County reported a liability for closure and postclosure care of its landfills of \$21,473,411. County MSW Cells 1 and 2 are approximately 100% and 72% capacity as of fiscal year end, respectively. The MSW Subcell is approximately 93% capacity, but estimates will require modification as additional subcells are constructed over time. The County also reports a remaining liability for the Mt. Olive Sanitary and the Turkey Creek Sanitary Landfills, both of which were closed in 1997.

**Lease Liabilities.** During the fiscal year, the County had active noncancelable lease agreements as lessee. A description of those agreements and the related balances are as follows:

The County has a noncancelable lease agreement with a third party for parking deck use, terminating on September 30, 2025. As the lease does not contain a specified interest rate, the County has used its incremental borrowing rate for similar assets of 3.0% as the discount rate for the lease. Aggregate monthly payments range from \$9,756 to \$11,875 over the term of the agreement. At September 30, 2023, the County's outstanding balance on this lease agreement was \$276,276.

The County has a noncancelable lease agreement with a third party for a radio tower, terminating in September of 2030. As the lease does not contain a specified interest rate, the County has used its incremental borrowing rate for similar assets of 3.0% as the discount rate for the lease. Aggregate monthly payments are \$1,455 over the term of the agreement. At September 30, 2023, the County's outstanding balance on this lease agreement was \$110,085.

The County has a noncancelable lease agreement with a third party for equipment towers, terminating on December 31, 2024. As the lease does not contain a specified interest rate, the County has used its incremental borrowing rate for similar assets of 3.0% as the discount rate for the lease. Aggregate monthly payments are \$4,883 over the term of the agreement. At September 30, 2023, the County's outstanding balance on this lease agreement was \$73,095.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 9. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

The County has a noncancelable lease agreement with a third party for office space rental used as a satellite office for its Revenue Department, terminating in February of 2030. As the lease does not contain a specified interest rate, the County has used its incremental borrowing rate for similar assets of 3.0% as the discount rate for the lease. Aggregate monthly payments range from \$10,069 to \$10,571 over the term of the agreement. At September 30, 2023, the County's outstanding balance on this lease agreement was \$735,576.

The County has a noncancelable lease agreement with a third party for office space rental used as a satellite office for its Revenue Department, terminating in September of 2036. As the lease does not contain a specified interest rate, the County has used its incremental borrowing rate for similar assets of 3.0% as the discount rate for the lease. Aggregate monthly payments range from \$10,080 to \$11,113 over the term of the agreement. At September 30, 2023, the County's outstanding balance on this lease agreement was \$1,371,205.

The County has a noncancelable lease agreement with a third party for a property lease for a police substation, terminating in September of 2024. As the lease does not contain a specified interest rate, the County has used its incremental borrowing rate for similar assets of 3.0% as the discount rate for the lease. Aggregate monthly payments are \$500 over the term of the agreement. At September 30, 2023, the County's outstanding balance on this lease agreement was \$5,431.

The County has a noncancelable lease agreement with a third party for space used by the County for airplane hangar purposes, terminating in October 2027. As the lease does not contain a specified interest rate, the County has used its incremental borrowing rate for similar assets of 3.0% as the discount rate for the lease. Aggregate monthly payments are \$4,146 over the term of the agreement. At September 30, 2023, the County's outstanding balance on this lease agreement was \$190,973.

The County has a noncancelable lease agreement with a third party for office space used by the County for customer space, terminating in January 2027. As the lease does not contain a specified interest rate, the County has used its incremental borrowing rate for similar assets of 3.0% as the discount rate for the lease. Aggregate monthly payments are \$4,381 over the term of the agreement. At September 30, 2023, the County's outstanding balance on this lease agreement was \$166,558.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

Debt service to maturity on the County's outstanding lease liabilities is as follows:

Fiscal Year ending September 30,	Principal	Interest	Total
2024	\$ 487,380	\$ 81,049	\$ 568,429
2025	455,508	66,491	521,999
2026	312,436	54,923	367,359
2027	292,713	45,723	338,436
2028	237,382	38,072	275,454
2029-2033	756,663	105,699	862,362
2034-2036	387,117	17,922	405,039
Total	<u>\$ 2,929,199</u>	<u>\$ 409,879</u>	<u>\$ 3,339,078</u>

**Subscription Liabilities – Governmental Activities.** During the fiscal year, the County had active noncancellable subscription-based information technology agreements (SBITAs) reported in governmental activities. These arrangements involve the County's right to use software involving identify integration, product licensing, budgeting, property valuation, equipment and property monitoring, and accounting. As the agreements do not contain specified interest rates, the County has used its incremental borrowing rate for similar assets of 3.0% as the discount rate for all SBITAs at September 30, 2023.

The future principal and interest SBITA payments on the County's subscription liabilities for governmental activities as of September 30, 2023 are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2024	\$ 1,775,960	\$ 113,844	\$ 1,889,804
2025	1,347,213	71,184	1,418,397
2026	618,339	38,482	656,821
2027	540,053	20,066	560,119
2028	477,840	5,287	483,127
Total	<u>\$ 4,759,405</u>	<u>\$ 248,863</u>	<u>\$ 5,008,268</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

**Subscription Liabilities – Business-Type Activities** During the fiscal year, the County had active noncancellable subscription-based information technology agreements (SBITAs) reported in business-type activities. These arrangements involve the County’s right to use software involving identify integration, product licensing, budgeting, property valuation, equipment and property monitoring, and accounting. As the agreements do not contain specified interest rates, the County has used its incremental borrowing rate for similar assets of 3.0% as the discount rate for all SBITAs at September 30, 2023.

The future principal and interest SBITA payments on the County’s subscription liabilities for business-type activities as of September 30, 2023 are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
Fiscal Year Ending September 30,			
2024	\$ 125,985	\$ 2,706	\$ 128,691
2025	27,299	370	27,669
Total	\$ 153,284	\$ 3,076	\$ 156,360

#### Discretely Presented Component Units

The following is a summary of long-term debt activity for the County’s discretely presented component units for the fiscal year ended September 30, 2023:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>Personnel Board:</b>					
Compensated absences	\$ 1,174,318	\$ 233,960	\$ (251,799)	\$ 1,156,479	\$ 185,275
Total OPEB Liability	1,944,248	164,767	(191,737)	1,917,278	90,282
Personnel Board long-term liabilities	\$ 3,118,566	\$ 398,727	\$ (443,536)	\$ 3,073,757	\$ 275,557
<b>Emergency Management Agency</b>					
Compensated absences	\$ 81,330	\$ 18,771	\$ (23,872)	\$ 76,229	\$ 47,261
Total OPEB Liability	60,679	5,076	(6,701)	59,054	2,781
Claims payable	26,183	7,494	-	33,677	9,351
Emergency Management Agency long-term liabilities	\$ 168,192	\$ 31,341	\$ (30,573)	\$ 168,960	\$ 59,393

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 10. DEFINED BENEFIT PENSION PLAN

**Plan Description.** The General Retirement System for Employees of Jefferson County, Alabama (the Retirement System) is the administrator of a single-employer, defined benefit pension plan (the Pension Plan) covering substantially all employees of Jefferson County, Alabama, including the Jefferson County Personnel Board. The Retirement System was established by Act Number 497, Acts of Alabama 1965, page 717, as amended, and provides guidelines for benefits to retired and disabled employees of the County. The responsibility for making effective the provisions of Act 497 is vested in the Pension Board, which consists of five members.

The Pension Plan's financial statements are publicly available in the annual report of the General Retirement System for Employees of Jefferson County, Alabama for the fiscal year ended September 30, 2023. The report may be reviewed at the Jefferson County Courthouse, Room 430, Birmingham, Alabama.

Plan membership is mandatory for all classified full-time civil service employees upon commencement of employment. Employees whose employment is not subject to the civil service system or those who are officers may elect to join. As of October 1, 2022, the most recent actuarial valuation date, the plan membership included the following categories of participants:

Retirees and beneficiaries receiving benefits	2,447
Terminated vested participants	128
Terminated non-vested participants	115
Active Members	<u>2,527</u>
	<u>5,217</u>

**Benefits Provided.** Plan benefits are determined by various criteria including, but not limited to, age, years of service and basic average salary. Basic average salary is defined as the average salary for the highest consecutive 36-month period of employment, excluding overtime and longevity pay. Benefits are limited to a maximum of 75% of a member's basic average salary and vest after 10 years of paid service. Benefits are received in monthly payments over the remaining life of the member. Vested members, upon termination, for reasons other than retirement, death or disability, may elect to forego monthly benefit payments and receive a one-time payment of their retirement contributions and related interest.



## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Benefits may be received under the following conditions:

*Normal Retirement* – A member may retire upon reaching age 55 with a total of 30 years of service of which at least 20 years are paid membership time with the County, or the member may retire regardless of age after completing 30 years of paid membership time with the County. Otherwise the member must have attained age 60 with a minimum of 10 years of paid service.

*Early Retirement* – Any member who has completed 30 years of service, including 10 years of paid membership service, may elect to receive a regular early retirement benefit reduced by a percentage according to the member's age on the birthday preceding retirement. Any member who has completed 25 years of paid membership service may elect to receive a 25-year early retirement benefit reduced by 7% for each year less than 30 years of paid membership.

**Contributions.** Employees of the County are required by statute to contribute 6% of their gross salary to the Plan. The County is required to contribute amounts equal to participant contributions. The Plan also receives from the County a percentage of the proceeds from the sale of pistol permits. County contributions to the Plan were approximately \$9,400,000 for the fiscal year ended September 30, 2023. The County's contribution rate was 6.0% of covered payroll.

**Net Pension Liability of the County.** The County's net pension liability was measured as of September 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2022. An expected total pension liability as of September 30, 2023 was determined using standard roll-forward techniques.

*Actuarial Assumptions.* The total pension liability in the September 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases, including inflation	4.25 – 6.75%, including inflation
Investment rate of return	6.50%, including inflation, net of investment expense

Mortality rates were based on the Pub-2010 Headcount-weighted Mortality Table for General Employees Below Median and projected generationally with scale MP-2018, adjusted by 105% for males and 110% for females for the period after service retirement and for dependent beneficiaries. The Pub-2010 Mortality Table for Non-Safety Disabled Retirees projected generationally with projection scale MP-2018, adjusted by 105% for males and 110% for females was used for the period after disability retirement.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

The actuarial assumptions used in the September 30, 2022 valuation were based on the results of an actuarial experience study for the period October 1, 2013 through September 30, 2018. The discount rate of 6.5% was adopted by the Board on January 27, 2022.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation), were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2023 are summarized in the following table:

<b>Asset class</b>	<b>Target allocation</b>	<b>Long-term expected real rate of return</b>
Domestic large cap	35.0%	8.40%
Domestic small/mid cap blend	15.0%	8.40
International equity	10.0%	8.90
Fixed income	25.0%	4.00
International fixed	5.0%	3.80
Hedge fund of funds	5.0%	5.80
Real estate	5.0%	6.80
Total	100%	

*Discount rate.* The discount rate used to measure the total pension liability at September 30, 2022, was the long-term investment rate of return, 6.50%, which was a decrease from the previous valuation of 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions and employer contributions will be made at the current contribution rates. Projected future benefit payments for all current plan members were projected through the year in which the last benefit payment will be made. Based on those assumptions, the Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the pension investments was applied to all periods of projected benefit payments to determine the total pension liability, and a municipal bond rate was not used in determining the discount rate.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

*Changes in the Net Pension Liability (Asset) of the County.* The changes in the components of the net pension liability (asset) (\$ in thousands) of the County for the fiscal year ended September 30, 2023 were as follows:

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (Asset) (a) - (b)</b>
<b>Balances at September 30, 2022</b>	\$ 1,169,179	\$ 1,445,055	\$ (275,876)
<b>Changes for the fiscal year:</b>			
Service cost	28,455	-	28,455
Interest	73,479	-	73,479
Differences between expected and actual experience	(107)	-	(107)
Changes in assumptions	2,998	-	2,998
Contributions—employer	-	9,502	(9,502)
Contributions—employee	-	9,450	(9,450)
Net investment loss	-	(200,037)	200,037
Benefit payments, including refunds of employee contributions	(77,453)	(77,453)	-
Benefit changes	-	(1,847)	1,847
Other expense	-	264	(264)
Administrative expense	-	-	-
<b>Net changes</b>	<b>27,372</b>	<b>(260,121)</b>	<b>287,493</b>
<b>Balances at September 30, 2023</b>	<b>\$ 1,196,551</b>	<b>\$ 1,184,934</b>	<b>\$ 11,617</b>

As of September 30, 2023, the Plan's net pension liability is reported on the statement of net position as follows (\$ in thousands):

	Net Pension Liability
Primary Government	\$ 11,215
Personnel Board	402
Total net pension liability	<b>\$ 11,617</b>

As of September 30, 2023, the Plan's fiduciary net position as a percentage of the total pension liability is 99.0%.

The required schedule of changes in the County's net pension liability (asset) and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

*Sensitivity of the net pension liability (asset) to changes in the discount rate.* The following table presents the net pension liability (asset) of the County, including the Jefferson County Personnel Board component unit (\$ in thousands), calculated using the discount rate of 6.50%, as well as what the County's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate:

1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
\$ 140,336	\$ 11,617	\$ (100,575)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2023 and the current sharing pattern of costs between employer and employee.

**Pension Expense (Income) and Deferred Outflows of Resources Related to Pensions.** For the fiscal year ended September 30, 2023, the County recognized (\$ in thousands) pension expense (income) of \$36,528. At September 30, 2023, the County and the Personnel Board reported deferred outflows of resources related to pensions from the following sources (\$ in thousands):

	Primary Government		Personnel Board	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 2,500	\$ -	\$ 90
Changes in assumptions	28,078	662	1,007	23
Net difference between projected and actual earnings on pension plan investments	131,243	-	4,704	-
Employer contributions subsequent to the	9,074	-	325	-
Total	\$ 168,395	\$ 3,162	\$ 6,036	\$ 113

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 10. DEFINED BENEFIT PENSION PLAN (CONTINUED)

County contributions of \$9,399,552 subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (\$ in thousands):

Fiscal Year ending September 30:	
2024	\$ 41,646
2025	31,868
2026	28,801
2027	59,442
Total	<u>\$ 161,757</u>

### NOTE 11. OTHER POSTEMPLOYMENT BENEFITS

**Plan Administration and Benefits.** The County, as authorized by the County Commission, administers a single-employer defined benefit Postemployment Welfare Benefits Plan (the “OPEB Plan”) which also covers employees of the Jefferson County Personnel Board and the Jefferson County Emergency Management Agency. The Plan is administered by the County management, under the direction of the County’s Commission. The County pays an explicit subsidy equal to the difference between the claims incurred (for the Aetna plans) or the monthly premium charged by the insurance carrier (for the Kaiser and vision plans). The County subsidizes a portion of the retiree’s health care insurance premiums based on the total years of service and age at retirement. The County’s subsidy for each covered retired employee ranges from \$209 to \$1,807 per month, and total insurance premiums range from \$726 to \$2,165 per month. The OPEB Plan provides for medical insurance coverage to eligible retirees and their dependents as indicated below. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 and a separate report was not issued for the OPEB Plan.

Benefits are generally available at the earliest of the following:

1. Age 60 and completion of 10 years of paid membership service,
2. 30 years of paid membership service or
3. Age 55 with 30 years of service of which 20 must be paid membership service.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 11. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

**Plan Membership.** Membership of the Plan consisted of the following at September 30, 2023, the date of the latest actuarial valuation:

Active participants	2,488
Inactives and beneficiaries currently receiving benefits	373
Total	2,861

**Contributions.** The County has elected to fund the Plan on a “pay as you go” basis. Plan members, once retired, contribute to the plan based on number of years of creditable service. Per a County resolution, the County is required to contribute the current year benefit costs of the Plan, which are not paid by the retiree. For the fiscal year ended September 30, 2023, the County contributed \$4,944,709 for the pay-as-you-go benefits for the Plan.

The County’s total OPEB liability was measured as of September 30, 2022 and was determined by an actuarial valuation as of September 30, 2022.

*Actuarial assumptions.* The total OPEB liability in the September 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount Rate:	4.02%
Healthcare Cost Trend Rate:	7.00% - 4.75%, Ultimate Trend in 2031
Inflation Rate:	2.75%
Salary increase:	4.25% including inflation
Participation rate:	Not available

Mortality rates were based on the Pub-2010 Headcount-weighted Mortality Table for General Employees Below Median and projected generationally with scale MP-2018, adjusted by 105% for males and 110% for females for the period after service retirement and for dependent beneficiaries. The Pub-2010 Mortality Table for Non-Safety Disabled Retirees projected generationally with projection scale MP-2018, adjusted by 105% for males and 110% for females was used for the period after disability retirement.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the September 30, 2022 valuation were based on the results of an actuarial experience study for the period October 1, 2013 – September 30, 2018.

**Discount rate.** The discount rate used to measure the total OPEB liability was 4.02%, which was an increase from the prior rate of 2.26%. This rate is based on the return on the 20-Bond average General Obligation 20-year Municipal Bond Rate published at the end of the last week during the month of September by The Bond Buyer.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 11. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

**Changes in the Total OPEB Liability of the County.** The changes in the total OPEB liability of the County for the fiscal year ended September 30, 2023, were as follows:

	<b>Total OPEB Liability (a)</b>
<b>Balances at 9/30/22</b>	\$ 119,673,261
<b>Changes for the fiscal year:</b>	
Service cost	6,588,301
Interest	2,652,945
Experience differences	(3,660,249)
Assumption changes	(13,122,526)
Benefit payments	(4,598,298)
<b>Net changes</b>	<b>(12,139,827)</b>
<b>Balances at 9/30/23</b>	<b>\$ 107,533,434</b>

As of September 30, 2023, the Plan's total OPEB liability is reported on the statement of net position as follows:

	Total OPEB Liability
Primary Government	\$ 105,557,102
Personnel Board	1,917,278
Emergency Management Agency	59,054
<b>Total OPEB Liability</b>	<b>\$ 107,533,434</b>

The required schedule of changes in the County's total OPEB liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about the total OPEB liability.

**Sensitivity of the total OPEB liability to changes in the discount rate.** The following presents the total OPEB liability of the County (including the Jefferson County Personnel Board and Jefferson County Emergency Management Agency) as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.26%) or 1-percentage-point higher (3.26%) than the current discount rate:

	1% Decrease (1.26%)	Current Discount Rate (2.26%)	1% Increase (3.26%)
Total OPEB liability	\$ 117,243,171	\$ 107,533,434	\$ 98,775,827

## NOTES TO FINANCIAL STATEMENTS

### NOTE 11. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

**Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.** The following presents the total OPEB liability of the County (including the Jefferson County Personnel Board and Jefferson County Emergency Management Agency), as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.0% decreasing to 3.75%) or 1-percentage-point higher (8.0% decreasing to 5.75%) than the current healthcare cost trend rates:

	1% Decrease (6.0% decreasing to 3.75%)	Current Healthcare Rate (7.0% decreasing to 4.75%)	1% Increase (8.0% decreasing to 5.75%)
Total OPEB liability	\$ 96,596,312	\$ 107,533,434	\$ 120,151,123

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revisions as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2023 and the current sharing pattern of costs between employer and inactive employees.

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.** For the fiscal year ended September 30, 2023, the County recognized OPEB expense of \$4,979,436. At September 30, 2023, the County reported deferred outflows of resources related to OPEB from the following sources:

	<u>Primary Government</u>		<u>Personnel Board</u>		<u>Emergency Management Agency</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 261,611	\$ 14,494,065	\$ 4,752	\$ 263,261	\$ 146	\$ 8,110
Changes in plan assumptions	7,099,658	13,017,064	128,954	236,435	3,972	7,281
Employer contributions subsequent to measurement date	4,853,831	-	88,162	-	2,716	-
Total	<u>\$ 12,215,100</u>	<u>\$ 27,511,129</u>	<u>\$ 221,868</u>	<u>\$ 499,696</u>	<u>\$ 6,834</u>	<u>\$ 15,391</u>



## NOTES TO FINANCIAL STATEMENTS

### NOTE 11. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the fiscal year ending September 30, 2024. Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year ending September 30:		
2024		\$ (4,261,810)
2025		(3,319,951)
2026		(1,616,615)
2027		(2,819,281)
2028		(3,326,991)
Thereafter		<u>(5,182,475)</u>
	Total	<u>\$ (20,527,123)</u>

### NOTE 12. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; natural disasters; injuries to employees; and losses resulting from providing accident and health benefits to employees and their dependents. Settlements have not exceeded insurance coverage in each of the past three years.

#### Health Insurance

The County provides health coverage for its employees under a partial self-insurance plan in which excess coverage is provided through a commercial insurance provider. Under this plan, the County purchases specific reinsurance coverage with an unlimited benefit for each covered person, subject to a \$250 deductible per covered person. Employees may obtain health care services through participation in the County's group health insurance plan. Risk management administers health insurance and negotiates with private providers to provide health, life, accidental death and dismemberment, vision and dental insurances for its employees and dependents. The County pays approximately 75 percent of health and 100 percent of basic life and accidental death and dismemberment, and the employees pay 100 percent of dental and vision insurance and other voluntary insurance plans. The County's risk financing activities associated with the County's group health insurance, such as the risks of loss related to medical and prescription drug claims, are administered through third parties on a paid-claims basis. The following describes the activity for the past two fiscal years:

<u>Fiscal Year</u>	<u>Beginning of Year Claims Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Paid</u>	<u>End of Year Claims Liability</u>
2023	\$ 2,141,416	\$ 35,777,120	\$ (35,707,228)	\$ 2,211,308
2022	2,141,577	37,907,491	(37,907,652)	2,141,416

## NOTES TO FINANCIAL STATEMENTS

### NOTE 12. RISK MANAGEMENT (CONTINUED)

#### Workers' Compensation

The County provides workers' compensation coverage for its employees under a plan of partial self-insurance. Under this plan, the County is self-insured with a retention of \$550,000. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

The County has purchased commercial insurance for claims in excess of coverage provided by the County. Liabilities include an amount for claims that have been incurred but not reported. Settled claims have not exceeded the County's additional coverage in any of the past three (3) periods.

The following describes the activity for the past two fiscal years:

<u>Fiscal Year</u>	<u>Beginning of Year Claims Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Paid</u>	<u>End of Year Claims Liability</u>
2023	\$ 8,005,186	\$ 19,611	\$ (1,712,293)	\$ 6,312,504
2022	7,501,570	717,096	(213,480)	8,005,186

#### General and Auto Liability

The County is self-insured with an established department to finance losses. The following describes the activity for the past two fiscal years:

<u>Fiscal Year</u>	<u>Beginning of Year Claims Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Paid</u>	<u>End of Year Claims Liability</u>
2023	\$ 696,718	\$ 431,181	\$ (162,882)	\$ 965,017
2022	661,362	308,602	(273,246)	696,718

### NOTE 13. COMMITMENTS AND CONTINGENCIES

#### Construction Commitments

In addition to the liabilities enumerated in the balance sheet, at September 30, 2023, the County has construction commitments on uncompleted contracts of approximately \$196,027,904.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 13. COMMITMENTS AND CONTINGENCIES (CONTINUED)

#### Litigation

The County is a defendant in certain legal actions in the nature of claims for alleged damages to persons and property and other similar types of actions arising in the course of County operations. The County consults with legal counsel regarding these lawsuits and claims and defend against them. As of September 30, 2023, the County has accrued estimated litigation payments in the accompanying statement of net position and has accrued a total liability of approximately \$848,000.

Under the terms of a Consent Decree pertaining to violations of the federal Clean Water Act, the County is responsible for reporting to the United States Environmental Protection Agency (EPA) certain violations relating to the County's sanitation operations. These violations carry financial penalties which are due upon demand by the EPA. As of September 30, 2023, accumulated penalties included in the litigation liability on the County's statement of net position for business-type activities total \$4,183,000.

Additionally, the County carries a liability related to lawsuits whereby the County was alleged to have improperly collected sales taxes on diesel fuel sold to certain companies in the railroad industry. As of September 30, 2023, resolution of this matter is pending in the Jefferson County Circuit Court pending the outcome of similar cases currently being heard in federal courts. It is the County's position that any unfavorable outcome in these cases would be limited to pro-rata payouts from the County's Unsecured Claims Fund, established as a result of the County's bankruptcy (Note 15). As such, the County has accrued the entirety of the Unsecured Claims Fund of \$5,540,635 as a liability on the statement of net position for governmental activities at September 30, 2023.

#### Grant Contingencies

The County has received Federal and State grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, County management believes such disallowances, if any, will not be significant.

### NOTE 14. TAX ABATEMENTS

The County enters into property tax abatement agreements with local businesses under the Tax Incentive Reform Act of 1992, Section 40-9B-1 et seq., of the Code of Alabama. Under the Act, municipalities may grant property tax abatements on up to \$3,000,000 of the assessed value of capital additions on a business' property tax bill for the purpose of attracting or retaining businesses within their jurisdictions. The abatements may be granted to any business located within or promising to relocate to the County. For the fiscal year ended September 30, 2023, Jefferson County abated property taxes totaling approximately \$1.8 million under this program.

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 14. TAX ABATEMENTS (CONTINUED)

The County also is subject to tax abatements granted by the Birmingham Industrial Development Board (BIDB), an entity created by the County and the City of Birmingham in 2016 under Chapter 94, Title 11 of the Code of Alabama. This authority has the stated purpose of developing any property on or near any navigable river for increasing business activity and employment in the County and the City. The BIDB issues abatements of ad valorem property taxes for economic development purposes to keep or attract businesses. For the fiscal year ended September 30, 2023, the BIDB abated property taxes totaling approximately \$8.7 million.

### NOTE 15. BANKRUPTCY SETTLEMENT AND CONFIRMATION

During the fiscal year ended September 30, 2009, the County received Notices of Events of Default from indenture trustees and certain banks for certain debt obligations and was unable to meet its accelerated debt service obligations as they became due. The County filed a petition for relief under Chapter 9 of the United States Bankruptcy Code on November 9, 2011, in the United States Bankruptcy Court for the Northern District of Alabama.

On November 6, 2013, the County filed with the Bankruptcy Court a modified Chapter 9 plan, which was titled the *Chapter 9 Plan of Adjustment for Jefferson County, Alabama (Dated November 6, 2013)*. On November 22, 2013, after conclusion of a confirmation hearing, the Bankruptcy Court entered its order (the Confirmation Order) confirming the County's November 6, 2013 Plan of Adjustment. The effective date (Effective Date) of the Plan of Adjustment was December 3, 2013.

The Plan of Adjustment set forth the manner in which the County proposed to adjust and treat all claims in the bankruptcy case. The Plan of Adjustment, the Confirmation Order, and the Disclosure Statement regarding the Plan of Adjustment (Disclosure Statement) are all public documents and available for review. For a complete understanding of the Plan of Adjustment and its terms, it should be read in conjunction with the Confirmation Order and the Disclosure Statement. These documents can be obtained from the County's website at:

[https://www.jccal.org/Sites/Jefferson\\_County/Documents/Finance/Chapter%209%20Plan%20of%20Adjustment.pdf](https://www.jccal.org/Sites/Jefferson_County/Documents/Finance/Chapter%209%20Plan%20of%20Adjustment.pdf).

As of September 30, 2023, the County has recorded a liability of \$5,540,635 related to unsecured claims, per order of the Bankruptcy Court (see Note 13).

## NOTES TO FINANCIAL STATEMENTS

---

### **NOTE 15. BANKRUPTCY SETTLEMENT AND CONFIRMATION (CONTINUED)**

#### **Post-Effective Date Events**

On April 1, 2017, the County made final payment on the Series 2013B and 2013D Warrants.

On March 1, 2017, the Series 2005B Warrants were fully redeemed pursuant to their terms.

On July 31, 2017, the County issued the Series 2017 Warrants in order to redeem and retire the Series 2004A and 2005A Limited Obligation School Warrants.

On May 24, 2018, the County issued the Series 2018A General Obligation Refunding Warrants in order to redeem and retire the Series 2003A Warrants, the Series 2004A Warrants, and the Lease Revenue Warrants, Series 2006.

On August 16, 2018, the U.S. Eleventh Circuit Court of Appeals ordered the dismissal of an appeal from Jefferson County's Plan of Adjustment by ratepayers of the County's sewer system. There are no challenges outstanding to the Plan of Adjustment at September 30, 2023.

On September 17, 2018, the County issued the delayed delivery of the Series 2018B General Obligation Refunding Warrants in order to partially redeem and retire the General Obligation Series 2013A and 2013C Warrants.

On April 1, 2019, the County made final payment on the non-refunded portions of the Series 2013A and 2013C Warrants.

On April 1, 2021, the County made final payment on the Series 2018B Warrants.

#### **Progress on Resolution of Unsecured Claims**

The County has, at the order of the Bankruptcy Court, placed \$5,540,635 into a restricted Unsecured Claims bank account. The largest of the unsettled, unsecured claims relate to ongoing litigation with various railroads involved in litigation around the state-wide collection of diesel fuel tax. Once all remaining unsecured creditors settle with the County, the entirety of this amount will be distributed on a pro-rata basis (see Note 13).

#### **Current Impact on Sanitary Fund Operations**

Under the Plan of Adjustment and Confirmation Order, the Bankruptcy Court has the ability to enforce rate increases set forth in the Approved Rate Structure (Rate Structure) validated by the Bankruptcy Court as part of the Plan of Adjustment. Pursuant to the Rate Structure, sewer rates will increase by a minimum of 3.49% annually in each fiscal year beginning October 1, 2018, across all categories of sewer charges. This rate requirement exists for as long as the Series 2013 Sewer Revenue Warrants remain outstanding.

## NOTES TO FINANCIAL STATEMENTS

---

### **NOTE 16. SUBSEQUENT EVENT**

On January 31, 2024, the County issued \$2,242,675,000 in Sewer Revenue Warrants, Series 2024 (the Series 2024 Warrants) for the purpose of refunding its Series 2013 Sewer Warrants. The Series 2013 Sewer Warrants were refunded in full on January 31, 2024. Series 2024 Warrants maturing October 1, 2024 through October 1, 2039 accrue interest at 5.00%. Series 2024 Warrants maturing October 1, 2040 through October 1, 2049 accrued interest at 5.25%. Series 2024 Warrants maturing on October 1, 2050 and thereafter accrue interest at 5.50%. Annual principal and interest payments begin on October 1, 2024 and end on October 1, 2053 in amounts ranging from \$85,740,906 to \$163,286,750.

**REQUIRED SUPPLEMENTARY INFORMATION**

---

**JEFFERSON COUNTY, ALABAMA**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE - GAAP BASIS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 53,042,843	\$ 53,042,843	\$ 58,508,500	\$ 5,465,657
Sales taxes	70,696,585	70,696,585	77,179,735	6,483,150
Other taxes	10,313,598	10,313,598	7,828,608	(2,484,990)
Licenses and permits	13,298,826	13,298,826	12,826,409	(472,417)
Intergovernmental	4,832,352	6,152,590	6,664,042	511,452
Charges for services	43,141,646	43,141,646	47,852,235	4,710,589
Interest income	293,300	293,300	7,247,365	6,954,065
Miscellaneous	2,010,052	2,010,052	6,441,794	4,431,742
Total revenues	<u>197,629,202</u>	<u>198,949,440</u>	<u>224,548,688</u>	<u>25,599,248</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government</b>				
Board of Equalization				
Personnel costs	293,314	304,028	304,028	-
Other operating costs	5,600	5,600	4,849	751
Total Board of Equalization	<u>298,914</u>	<u>309,628</u>	<u>308,877</u>	<u>751</u>
Board of Registrars				
Personnel costs	951,156	1,007,910	1,007,910	-
Other operating costs	130,949	124,560	124,560	-
Total Board of Registrars	<u>1,082,105</u>	<u>1,132,470</u>	<u>1,132,470</u>	<u>-</u>
Commission				
Personnel costs	2,245,670	1,491,254	1,002,199	489,055
Other operating costs	250,000	253,060	106,923	146,137
Total Commission	<u>2,495,670</u>	<u>1,744,314</u>	<u>1,109,122</u>	<u>635,192</u>
Commission support				
Other operating costs	488,961	488,961	488,248	713
Grant expenditures	7,813,502	15,083,089	9,616,605	5,466,484
Total Commission support	<u>8,302,463</u>	<u>15,572,050</u>	<u>10,104,853</u>	<u>5,467,197</u>
Community development				
Personnel costs	1,504,373	1,504,373	1,134,935	369,438
Other operating costs	1,980,350	2,082,902	570,358	1,512,544
Total community development	<u>3,484,723</u>	<u>3,587,275</u>	<u>1,705,293</u>	<u>1,881,982</u>
Compliance				
Personnel costs	1,328,675	1,189,918	873,787	316,131
Other operating costs	359,781	400,562	219,790	180,772
Total compliance	<u>1,688,456</u>	<u>1,590,480</u>	<u>1,093,577</u>	<u>496,903</u>
County attorney				
Personnel costs	2,434,596	1,133,634	956,744	176,890
Other operating costs	5,489,372	7,580,667	5,897,994	1,682,673
Total county attorney	<u>7,923,968</u>	<u>8,714,301</u>	<u>6,854,738</u>	<u>1,859,563</u>
County manager				
Personnel costs	1,181,739	897,513	897,513	-
Other operating costs	364,664	350,432	230,277	120,155
Total county manager	<u>1,546,403</u>	<u>1,247,945</u>	<u>1,127,790</u>	<u>120,155</u>
Development service				
Personnel costs	5,728,648	4,985,757	4,915,797	69,960
Other operating costs	849,626	1,162,913	704,618	458,295
Total development service	<u>6,578,274</u>	<u>6,148,670</u>	<u>5,620,415</u>	<u>528,255</u>

(Continued)



**JEFFERSON COUNTY, ALABAMA**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE - GAAP BASIS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Expenditures (Continued):</b>				
<b>Current (Continued):</b>				
<b>General government (Continued)</b>				
District attorney - Bessemer				
Personnel costs	2,891,393	3,159,823	3,159,823	-
Other operating costs	161,417	195,841	186,940	8,901
Total district attorney - Bessemer	<u>3,052,810</u>	<u>3,355,664</u>	<u>3,346,763</u>	<u>8,901</u>
District attorney - Birmingham				
Personnel costs	6,298,552	6,298,552	5,794,537	504,015
Other operating costs	317,350	328,246	302,602	25,644
Total district attorney - Birmingham	<u>6,615,902</u>	<u>6,626,798</u>	<u>6,097,139</u>	<u>529,659</u>
Economic development				
Other operating costs	9,000,000	12,988,967	12,988,967	-
Total economic development	<u>9,000,000</u>	<u>12,988,967</u>	<u>12,988,967</u>	<u>-</u>
Family court				
Personnel costs	7,012,760	7,012,760	6,874,267	138,493
Other operating costs	1,094,000	1,282,760	1,018,107	264,653
Total family court	<u>8,106,760</u>	<u>8,295,520</u>	<u>7,892,374</u>	<u>403,146</u>
Finance department				
Personnel costs	5,234,206	2,311,339	1,938,137	373,202
Other operating costs	1,118,314	1,452,047	1,012,830	439,217
Total finance department	<u>6,352,520</u>	<u>3,763,386</u>	<u>2,950,967</u>	<u>812,419</u>
Fleet management				
Personnel costs	3,076,948	2,731,463	2,668,063	63,400
Other operating costs	10,304,426	11,111,984	8,007,643	3,104,341
Total fleet management	<u>13,381,374</u>	<u>13,843,447</u>	<u>10,675,706</u>	<u>3,167,741</u>
General services				
Personnel costs	11,514,224	9,170,522	8,307,773	862,749
Other operating costs	14,559,143	15,525,617	13,822,785	1,702,832
Total general services	<u>26,073,367</u>	<u>24,696,139</u>	<u>22,130,558</u>	<u>2,565,581</u>
Human resources				
Personnel costs	5,638,299	3,495,465	2,891,420	604,045
Other operating costs	1,887,436	2,235,732	612,234	1,623,498
Total human resources	<u>7,525,735</u>	<u>5,731,197</u>	<u>3,503,654</u>	<u>2,227,543</u>
Information technology				
Personnel costs	6,728,409	4,551,361	4,551,361	-
Other operating costs	7,716,131	7,288,797	6,672,238	616,559
Total information technology	<u>14,444,540</u>	<u>11,840,158</u>	<u>11,223,599</u>	<u>616,559</u>
Law library				
Personnel costs	185,632	185,632	48,437	137,195
Other operating costs	400	400	82	318
Total law library	<u>186,032</u>	<u>186,032</u>	<u>48,519</u>	<u>137,513</u>

(Continued)

**JEFFERSON COUNTY, ALABAMA**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE - GAAP BASIS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Expenditures (Continued):</b>				
<b>Current (Continued):</b>				
<b>General government (Continued)</b>				
Probate court				
Personnel costs	4,474,241	4,474,241	3,982,284	491,957
Other operating costs	2,829,477	3,302,166	1,559,765	1,742,401
Total probate court	<u>7,303,718</u>	<u>7,776,407</u>	<u>5,542,049</u>	<u>2,234,358</u>
Public information				
Personnel costs	353,099	302,562	302,562	-
Other operating costs	280,500	331,088	256,071	75,017
Total public information	<u>633,599</u>	<u>633,650</u>	<u>558,633</u>	<u>75,017</u>
Revenue department				
Personnel costs	13,263,743	11,684,435	10,811,480	872,955
Other operating costs	1,369,158	1,667,435	1,570,196	97,239
Total revenue department	<u>14,632,901</u>	<u>13,351,870</u>	<u>12,381,676</u>	<u>970,194</u>
State court				
Personnel costs	1,650,484	1,650,484	1,511,455	139,029
Other operating costs	2,893,458	3,547,423	2,225,940	1,321,483
Total state court	<u>4,543,942</u>	<u>5,197,907</u>	<u>3,737,395</u>	<u>1,460,512</u>
Tax assessor - Bessemer				
Personnel costs	296,728	319,767	319,767	-
Other operating costs	29,890	24,338	24,338	-
Total tax assessor - Bessemer	<u>326,618</u>	<u>344,105</u>	<u>344,105</u>	<u>-</u>
Tax assessor - Birmingham				
Personnel costs	667,936	630,535	630,535	-
Other operating costs	110,000	88,426	88,426	-
Total tax assessor - Birmingham	<u>777,936</u>	<u>718,961</u>	<u>718,961</u>	<u>-</u>
Tax collector - Bessemer				
Personnel costs	797,819	761,696	761,696	-
Other operating costs	44,816	38,824	38,824	-
Total tax collector - Bessemer	<u>842,635</u>	<u>800,520</u>	<u>800,520</u>	<u>-</u>
Tax collector - Birmingham				
Personnel costs	2,679,754	2,383,865	2,383,865	-
Other operating costs	1,186,495	1,197,274	894,647	302,627
Total tax collector - Birmingham	<u>3,866,249</u>	<u>3,581,139</u>	<u>3,278,512</u>	<u>302,627</u>
Treasurer				
Personnel costs	810,101	464,137	464,137	-
Other operating costs	52,400	31,546	31,546	-
Total treasurer	<u>862,501</u>	<u>495,683</u>	<u>495,683</u>	<u>-</u>
Non-Departmental				
Personnel costs	103,280	103,280	61,507	41,773
Other operating costs	4,254,725	3,714,744	3,116,924	597,820
Total non-departmental	<u>4,358,005</u>	<u>3,818,024</u>	<u>3,178,431</u>	<u>639,593</u>
<b>Total general government</b>				
Personnel costs	89,345,779	74,206,306	68,556,019	5,650,287
Other operating costs	69,128,839	78,803,312	62,778,722	16,024,590
Grant expenditures	7,813,502	15,083,089	9,616,605	5,466,484
<b>Total total general government</b>	<u>166,288,120</u>	<u>168,092,707</u>	<u>140,951,346</u>	<u>27,141,361</u>

(Continued)

**JEFFERSON COUNTY, ALABAMA**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE - GAAP BASIS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Expenditures (Continued):</b>				
<b>Current (Continued):</b>				
<b>Public safety</b>				
Coroner				
Personnel costs	2,354,084	2,065,914	2,065,914	-
Other operating costs	3,316,983	3,476,949	2,992,808	484,141
Total coroner	<u>5,671,067</u>	<u>5,542,863</u>	<u>5,058,722</u>	<u>484,141</u>
Security				
Personnel costs	3,399,802	2,999,480	2,817,359	182,121
Other operating costs	152,788	170,756	59,145	111,611
Total security	<u>3,552,590</u>	<u>3,170,236</u>	<u>2,876,504</u>	<u>293,732</u>
Sheriff				
Personnel costs	63,385,603	64,825,603	65,941,807	(1,116,204)
Other operating costs	16,074,200	19,467,845	19,002,359	465,486
Total sheriff	<u>79,459,803</u>	<u>84,293,448</u>	<u>84,944,166</u>	<u>(650,718)</u>
Youth detention				
Personnel costs	5,117,540	5,379,890	5,379,890	-
Other operating costs	1,115,658	1,079,901	1,079,700	201
Total youth detention	<u>6,233,198</u>	<u>6,459,791</u>	<u>6,459,590</u>	<u>201</u>
<b>Total public safety</b>				
Personnel costs	74,257,029	75,270,887	76,204,970	(934,083)
Other operating costs	20,659,629	24,195,451	23,134,012	1,061,439
<b>Total total public safety</b>	<u>94,916,658</u>	<u>99,466,338</u>	<u>99,338,982</u>	<u>127,356</u>
<b>Health and welfare</b>				
Senior services				
Personnel costs	364,511	364,511	266,418	98,093
Other operating costs	913,240	925,447	913,007	12,440
<b>Total health and welfare</b>	<u>1,277,751</u>	<u>1,289,958</u>	<u>1,179,425</u>	<u>110,533</u>
<b>Debt Service</b>				
Principal	364,511	2,562,739	2,562,739	-
Interest	913,240	724,398	724,394	4
Total debt service	<u>1,277,751</u>	<u>3,287,137</u>	<u>3,287,133</u>	<u>4</u>
Total expenditures	<u>263,760,280</u>	<u>272,136,140</u>	<u>244,756,886</u>	<u>27,379,254</u>
Deficiency of revenues under expenditures	<u>(66,131,078)</u>	<u>(73,186,700)</u>	<u>(20,208,198)</u>	<u>52,978,502</u>
<b>Other financing sources (uses):</b>				
Sale of capital assets	500,000	500,000	3,545,665	3,045,665
Lease liabilities	-	-	444,619	444,619
Subscription liabilities	-	-	4,241,739	4,241,739
Transfers in	120,958,436	120,958,436	95,207,870	(25,750,566)
Transfers out	(60,763,319)	(60,763,319)	(27,558,235)	33,205,084
Total other financing sources (uses)	<u>60,695,117</u>	<u>60,695,117</u>	<u>75,881,658</u>	<u>15,186,541</u>
Net change in fund balances	(5,435,961)	(12,491,583)	55,673,460	68,165,043
<b>Fund balance, beginning of fiscal year</b>	<u>336,874,416</u>	<u>336,874,416</u>	<u>336,874,416</u>	<u>-</u>
<b>Fund balance, end of fiscal year</b>	<u>\$ 331,438,455</u>	<u>\$ 324,382,833</u>	<u>\$ 392,547,876</u>	<u>\$ 68,165,043</u>

**JEFFERSON COUNTY, ALABAMA  
SPECIAL SALES TAX REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE - GAAP BASIS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 133,457,390	\$ 142,262,344	\$ 140,504,571	\$ (1,757,773)
Interest income	-	-	993,773	993,773
Total revenues	<u>133,457,390</u>	<u>142,262,344</u>	<u>141,498,344</u>	<u>(764,000)</u>
<b>Expenditures:</b>				
Current:				
General government				
Special sales tax revenue				
Other operating costs	24,100,000	24,100,000	24,100,000	-
Total expenditures	<u>24,100,000</u>	<u>24,100,000</u>	<u>24,100,000</u>	<u>-</u>
Excess of revenues over expenditures	109,357,390	118,162,344	117,398,344	(764,000)
<b>Other financing uses:</b>				
Transfers out	(109,357,390)	(117,398,390)	(117,398,344)	46
Total other financing uses	<u>(109,357,390)</u>	<u>(117,398,390)</u>	<u>(117,398,344)</u>	<u>46</u>
Net changes in fund balances	-	763,954	-	(763,954)
<b>Fund balances, beginning of fiscal year</b>	-	-	-	-
<b>Fund balances, end of fiscal year</b>	<u>\$ -</u>	<u>\$ 763,954</u>	<u>\$ -</u>	<u>\$ (763,954)</u>

**JEFFERSON COUNTY, ALABAMA  
INDIGENT CARE FUND  
BUDGETARY COMPARISON SCHEDULE - GAAP BASIS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 70,237,853	\$ 70,237,855	\$ 72,814,961	\$ 2,577,106
Interest income	-	-	1,000	1,000
Total revenues	<u>70,237,853</u>	<u>70,237,855</u>	<u>72,815,961</u>	<u>2,578,106</u>
<b>Expenditures:</b>				
Current:				
Health and welfare				
Indigent care				
Other operating costs	70,237,853	70,942,213	70,942,213	-
Total expenditures	<u>70,237,853</u>	<u>70,942,213</u>	<u>70,942,213</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	(704,358)	1,873,748	2,578,106
<b>Other financing uses:</b>				
Transfers out	-	(3,000,000)	(1,899,000)	1,101,000
Total other financing uses	<u>-</u>	<u>(3,000,000)</u>	<u>(1,899,000)</u>	<u>1,101,000</u>
Net changes in fund balances	-	(3,704,358)	(25,252)	3,679,106
<b>Fund balances, beginning of fiscal year</b>	<u>11,125,536</u>	<u>11,125,536</u>	<u>11,125,536</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 11,125,536</u>	<u>\$ 7,421,178</u>	<u>\$ 11,100,284</u>	<u>\$ 3,679,106</u>

**JEFFERSON COUNTY, ALABAMA  
REQUIRED SUPPLEMENTARY INFORMATION  
OPEB RETIREMENT PLAN  
SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB LIABILITY  
AND RELATED RATIOS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB liability</b>						
Service cost	\$ 6,588,301	\$ 6,379,911	\$ 6,084,712	\$ 4,303,584	\$ 5,018,436	\$ 5,477,022
Interest on total OPEB liability	2,652,945	2,529,478	3,180,743	4,182,343	3,985,495	3,352,505
Experience differences	(3,660,249)	(673,967)	(10,229,995)	596,549	(14,558,554)	(223,984)
Assumption changes	(13,122,526)	(522,005)	579,950	15,363,248	(1,066,617)	(6,682,973)
Benefit payments	(4,598,298)	(4,965,203)	(4,504,785)	(5,320,237)	(4,616,219)	(4,797,648)
<b>Net change in total OPEB liability</b>	<u>(12,139,827)</u>	<u>2,748,214</u>	<u>(4,889,375)</u>	<u>19,125,487</u>	<u>(11,237,459)</u>	<u>(2,875,078)</u>
<b>Total OPEB liability - beginning</b>	<u>119,673,261</u>	<u>116,925,047</u>	<u>121,814,422</u>	<u>102,688,935</u>	<u>113,926,394</u>	<u>116,801,472</u>
<b>Total OPEB liability - ending</b>	<u>\$ 107,533,434</u>	<u>\$ 119,673,261</u>	<u>\$ 116,925,047</u>	<u>\$ 121,814,422</u>	<u>\$ 102,688,935</u>	<u>\$ 113,926,394</u>
<b>Covered employee payroll</b>	\$ 155,504,240	\$ 145,971,113	\$ 145,971,113	\$ 147,968,770	\$ 147,968,770	\$ 126,644,600
<b>Total OPEB liability as a percentage of covered employee payroll</b>	69.2%	82.0%	80.1%	82.3%	69.4%	90.0%

**Notes to the Schedule:**

The schedule will present 10 years of information once it is accumulated.

The County is not accumulating assets in a trust fund that meets the criteria in paragraph 4 of GASB Statement No. 75 for payment of future OPEB benefits.

**JEFFERSON COUNTY, ALABAMA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**PENSION RETIREMENT PLAN**  
**SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY**  
**AND RELATED RATIOS**

	2023	2022	2021	2020	2019
<b>Total pension liability</b>					
Service cost	\$ 28,455,000	\$ 26,741,000	\$ 25,372,000	\$ 22,859,000	\$ 20,890,000
Interest on total pension liability	73,479,000	72,815,000	72,053,000	70,863,000	69,534,000
Differences between expected and actual experience	(107,000)	(1,050,000)	(4,267,000)	(477,000)	(6,423,000)
Changes in assumptions	-	28,728,000	26,958,000	(6,178,000)	-
Benefit changes	2,998,000	-	2,756,000	-	-
Benefit payments, including refunds of employee contributions	(77,453,000)	(73,604,000)	(73,297,000)	(66,845,000)	(63,188,000)
<b>Net change in total pension liability</b>	<b>27,372,000</b>	<b>53,630,000</b>	<b>49,575,000</b>	<b>20,222,000</b>	<b>20,813,000</b>
<b>Total pension liability - beginning</b>	<b>1,169,179,000</b>	<b>1,115,549,000</b>	<b>1,065,974,000</b>	<b>1,045,752,000</b>	<b>1,024,939,000</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 1,196,551,000</b>	<b>\$ 1,169,179,000</b>	<b>\$ 1,115,549,000</b>	<b>\$ 1,065,974,000</b>	<b>\$ 1,045,752,000</b>
<b>Plan fiduciary net position</b>					
Contributions - employer	\$ 9,502,000	\$ 8,401,000	\$ 9,180,000	\$ 8,710,000	\$ 8,340,000
Contributions - employee	9,823,000	8,964,000	9,889,000	9,348,000	8,734,000
Net investment income (loss)	(200,037,000)	260,802,000	85,095,000	31,930,000	124,985,000
Benefit payments, including refunds of member contributions	(77,453,000)	(73,604,000)	(73,297,000)	(66,845,000)	(63,188,000)
Administration expenses	(1,847,000)	(1,994,000)	(1,726,000)	(1,648,000)	(1,426,000)
Other expenses	(109,000)	(111,000)	(281,000)	(291,000)	(195,000)
<b>Net change in plan fiduciary net position</b>	<b>(260,121,000)</b>	<b>202,458,000</b>	<b>28,860,000</b>	<b>(18,796,000)</b>	<b>77,250,000</b>
<b>Plan fiduciary net position - beginning</b>	<b>1,445,055,000</b>	<b>1,242,597,000</b>	<b>1,213,737,000</b>	<b>1,232,533,000</b>	<b>1,155,283,000</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 1,184,934,000</b>	<b>\$ 1,445,055,000</b>	<b>\$ 1,242,597,000</b>	<b>\$ 1,213,737,000</b>	<b>\$ 1,232,533,000</b>
<b>County's net pension liability - ending (a) - (b)</b>	<b>\$ 11,617,000</b>	<b>\$ (275,876,000)</b>	<b>\$ (127,048,000)</b>	<b>\$ (147,763,000)</b>	<b>\$ (186,781,000)</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	99.0%	123.6%	111.4%	113.9%	117.9%
<b>Covered payroll</b>	\$ 158,367,000	\$ 140,017,000	\$ 153,000,000	\$ 145,167,000	\$ 139,000,000
<b>Net pension liability as a percentage of covered payroll</b>	7.3%	-197.0%	-83.0%	-101.8%	-134.4%
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	
<b>Total pension liability</b>					
Service cost	\$ 19,490,000	\$ 17,798,000	\$ 17,325,000	\$ 16,860,000	
Interest on total pension liability	68,349,000	65,859,000	64,608,000	63,046,000	
Differences between expected and actual experience	(8,548,000)	12,504,000	(5,226,000)	-	
Changes in assumptions	-	-	-	-	
Benefit payments, including refunds of employee contributions	-	-	(58,006,000)	(57,165,000)	
Other changes	(61,527,000)	(59,662,000)	-	-	
<b>Net change in total pension liability</b>	<b>17,764,000</b>	<b>36,499,000</b>	<b>18,701,000</b>	<b>22,741,000</b>	
<b>Total pension liability - beginning</b>	<b>1,007,175,000</b>	<b>970,676,000</b>	<b>951,975,000</b>	<b>929,234,000</b>	
<b>Total pension liability - ending (a)</b>	<b>\$ 1,024,939,000</b>	<b>\$ 1,007,175,000</b>	<b>\$ 970,676,000</b>	<b>\$ 951,975,000</b>	
<b>Plan fiduciary net position</b>					
Contributions - employer	\$ 7,627,000	\$ 7,393,000	\$ 6,732,000	\$ 6,587,000	
Contributions - employee	8,033,000	7,969,000	7,155,000	7,333,000	
Net investment income (loss)	120,056,000	97,411,000	(1,107,000)	105,706,000	
Benefit payments, including refunds of member contributions	(61,527,000)	(59,662,000)	(58,006,000)	(57,165,000)	
Administration expenses	(1,865,000)	(1,300,000)	(998,000)	(931,000)	
Other expenses	(78,000)	(78,000)	(78,000)	(84,000)	
<b>Net change in plan fiduciary net position</b>	<b>72,246,000</b>	<b>51,733,000</b>	<b>(46,302,000)</b>	<b>61,446,000</b>	
<b>Plan fiduciary net position - beginning</b>	<b>1,083,037,000</b>	<b>1,031,304,000</b>	<b>1,077,606,000</b>	<b>1,016,160,000</b>	
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 1,155,283,000</b>	<b>\$ 1,083,037,000</b>	<b>\$ 1,031,304,000</b>	<b>\$ 1,077,606,000</b>	
<b>County's net pension liability - ending (a) - (b)</b>	<b>\$ (130,344,000)</b>	<b>\$ (75,862,000)</b>	<b>\$ (60,628,000)</b>	<b>\$ (125,631,000)</b>	
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	112.7%	107.5%	106.2%	113.2%	
<b>Covered payroll</b>	\$ 127,117,000	\$ 123,217,000	\$ 112,200,000	\$ 109,783,000	
<b>Net pension liability as a percentage of covered payroll</b>	-102.5%	-61.6%	-54.0%	-114.4%	

**Notes to the Schedule:**

The schedule will present 10 years of information once it is accumulated.

**JEFFERSON COUNTY, ALABAMA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**PENSION RETIREMENT PLAN**  
**SCHEDULE OF COUNTY CONTRIBUTIONS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially determined contribution	\$ 9,399,552	\$ 9,502,000	\$ 8,685,695	\$ 9,180,000	\$ 8,340,000
Contributions in relation to the actuarially determined contribution	<u>9,399,552</u>	<u>9,502,000</u>	<u>8,685,695</u>	<u>9,180,000</u>	<u>8,340,000</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 166,839,000	\$ 158,367,000	\$ 140,017,000	\$ 153,000,000	\$ 145,167,000
Contributions as a percentage of covered payroll	5.6%	6.0%	6.2%	6.0%	5.7%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 7,627,000	\$ 7,393,000	\$ 6,732,000	\$ 6,587,000	\$ 6,851,000
Contributions in relation to the actuarially determined contribution	<u>7,627,000</u>	<u>7,393,000</u>	<u>6,732,000</u>	<u>6,587,000</u>	<u>6,851,000</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 139,000,000	\$ 127,117,000	\$ 123,217,000	\$ 112,200,000	\$ 112,200,000
Contributions as a percentage of covered payroll	5.5%	5.8%	5.5%	5.9%	6.1%

**Notes to the Schedule:**

(1) Actuarial Assumptions	
Valuation Date	September 30, 2022
Cost Method	Entry age normal
Actuarial Asset Valuation Method	5-year market related value
Assumed Rate of Return on Investments	6.75%, net of pension plan investment expense, including inflation
Projected Salary Increases	4.25%-6.75%, including inflation
Inflation	2.75%
Cost-of-living Adjustment	None
Amortization Method	Level percent open
Remaining Amortization Period	21 years



**JEFFERSON COUNTY, ALABAMA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**PENSION RETIREMENT PLAN**  
**SCHEDULE OF PENSION INVESTMENT RETURNS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Annual money-weighted rate of return, net of investment expenses for the County's Pension Plan	6.50%	6.50%	25.30%	6.60%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Annual money-weighted rate of return, net of investment expenses for the County's Pension Plan	4.20%	13.00%	13.00%	11.60%
	<u>2015</u>	<u>2014</u>		
Annual money-weighted rate of return, net of investment expenses for the County's Pension Plan	-2.50%	N/A		

N/A - number not available per the audited General Retirement System for Employees of Jefferson County, Alabama financial report for fiscal year 2014.

## **SUPPLEMENTARY INFORMATION**

---

## NON-MAJOR GOVERNMENTAL FUNDS

---

### Special Revenue Funds

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

**Tax Assessor Birmingham Fund** - to account for the expenditures for the State-funded Tax Assessor Birmingham operations.

**Tax Assessor Bessemer Fund** - to account for the expenditures for the State-funded Tax Assessor Bessemer operations.

**Road Fund** - to account for the expenditure of funds received for building and maintaining roads and bridges.

**Board of Equalization Fund** - to account for property taxes restricted by the state for the operation of the Board of Equalization.

**Bridge and Public Buildings Fund** - to account for the expenditure of special County property taxes for building and maintenance of public buildings, roads and bridges.

**Emergency Rental Assistance Fund** - to account for the expenditure of funds received for emergency use of rental assistance.

**American Rescue Plan Act Fund** - to account for grant funding received by the County under the American Rescue Plan Act of 2021.

**Community Development Fund** - to account for the expenditure of federal block grant funds.

**Community Development Loan Fund** - to account for loans to businesses through the federal block grant funds.

**Workforce Development Fund** - to account for the expenditures of the Workforce Innovation Opportunity Act (WIOA).

**Sheriff Condemnations Fund** - to account for funds from fines and forfeitures to be used for law enforcement activities.

**Sheriff Special Programs Fund** - to account for funds from fines, forfeitures and contributions and donations received that are to be expended within the guidelines of each program as established by external resource providers.

**Law Library Fund** - to account for funds from the related revenues and expenditures of operating the County's Law Library.

**Home Grant Fund** - to account for the expenditure of funds received to create affordable housing for low income households.

## NON-MAJOR GOVERNMENTAL FUNDS

---

### Capital Projects Funds

**Capital Improvements Fund** - to account for financial resources used in the improvement of major capital facilities.

**Road Construction Fund** - to account for the financial resources expended in the construction of roads.

### Debt Service Funds

**Limited Obligation Refunding Debt Fund** - to account for the payment of principal and interest on the Series 2017 Limited Obligation Refunding debt.

**Debt Service Fund** – to account for the accumulation of resources for and the payment of principal and interest on governmental debt.

**JEFFERSON COUNTY, ALABAMA  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2023**

Special Revenue Funds										
ASSETS	Tax Assessor Birmingham	Tax Assessor Besemer	Road	Board of Equalization	Bridge and Public Buildings	Emergency Rental Assistance	American Rescue Plan Act	Community Development	Community Development Loan	Workforce Development
Cash and cash equivalents	\$ 110,522	\$ 521,241	\$ 22,629,151	\$ 1,408,679	\$ 4,047,313	\$ 47,502,809	\$ 88,258,603	\$ 336,893	\$ 1,359,957	\$ 3,596,842
Accounts receivable, net	-	-	559,194	-	-	-	-	1,924,218	-	-
Taxes receivable	5,308,401	1,871,496	14,676,991	6,839,454	54,679,302	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-	-
Loan receivables, net	-	-	-	-	-	-	-	885,593	730,438	-
<b>Total assets</b>	<b>\$ 5,418,923</b>	<b>\$ 2,392,737</b>	<b>\$ 37,865,336</b>	<b>\$ 8,248,133</b>	<b>\$ 58,726,615</b>	<b>\$ 47,502,809</b>	<b>\$ 88,258,603</b>	<b>\$ 3,146,704</b>	<b>\$ 2,090,395</b>	<b>\$ 3,596,842</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>										
<b>LIABILITIES</b>										
Accounts payable	\$ 6,335	\$ 48,149	\$ 2,746,599	\$ 78,178	\$ -	\$ 554,676	\$ 997,761	\$ 1,152,901	\$ -	\$ 353
Retainage payable	-	-	-	-	-	-	23,376	24,567	-	-
Due to other funds	-	-	-	-	-	-	-	818,709	-	-
Due to other governments	-	-	9,528,387	-	-	-	-	-	-	-
Accrued payroll and benefits	49,174	27,076	402,379	74,568	-	-	-	29,473	-	-
Unearned revenue - intergovernmental	-	-	-	-	-	44,255,992	82,117,802	649	-	-
<b>Total liabilities</b>	<b>55,509</b>	<b>75,225</b>	<b>12,677,365</b>	<b>152,746</b>	<b>-</b>	<b>44,810,668</b>	<b>83,138,939</b>	<b>2,026,299</b>	<b>-</b>	<b>353</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>										
Deferred revenue - property taxes	5,308,401	1,871,496	13,065,599	6,839,454	57,407,948	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>5,308,401</b>	<b>1,871,496</b>	<b>13,065,599</b>	<b>6,839,454</b>	<b>57,407,948</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>										
Restricted:										
Grant programs	-	-	-	-	-	2,692,141	5,119,664	-	-	3,596,489
Tax assessor operations	55,013	446,016	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-
Law library operations	-	-	-	-	-	-	-	-	-	-
Public works	-	-	12,122,372	-	1,318,667	-	-	-	-	-
Equalization operations	-	-	-	1,255,933	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	1,120,405	2,090,395	-
Debt service	-	-	-	-	-	-	-	-	-	-
Assigned:										
Capital projects	-	-	-	-	-	-	-	-	-	-
Unassigned:										
<b>Total fund balances</b>	<b>55,013</b>	<b>446,016</b>	<b>12,122,372</b>	<b>1,255,933</b>	<b>1,318,667</b>	<b>2,692,141</b>	<b>5,119,664</b>	<b>1,120,405</b>	<b>2,090,395</b>	<b>3,596,489</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 5,418,923</b>	<b>\$ 2,392,737</b>	<b>\$ 37,865,336</b>	<b>\$ 8,248,133</b>	<b>\$ 58,726,615</b>	<b>\$ 47,502,809</b>	<b>\$ 88,258,603</b>	<b>\$ 3,146,704</b>	<b>\$ 2,090,395</b>	<b>\$ 3,596,842</b>

Continued

Special Revenue Funds				Capital Projects		Debt Service Funds		Total Non-Major Governmental Funds
Sheriff Condemnations	Sheriff Special Programs	Law Library	Home Grant	Capital Improvements	Road Construction	Limited Obligation Refunding Debt	Debt Service	
\$ 2,642,174	\$ 5,859,261	\$ 1,079,895	\$ 90,499	\$ 52,201,628	\$ 54,560,282	\$ 644,023	\$ 3,919,019	\$ 290,768,791
-	-	-	39,789	-	-	-	-	2,523,201
-	-	-	-	-	-	-	-	83,375,644
-	-	-	-	-	-	12,157,125	-	12,157,125
-	-	-	-	-	-	-	2,153,762	2,153,762
-	-	-	5,118,357	-	-	-	-	6,734,388
<u>\$ 2,642,174</u>	<u>\$ 5,859,261</u>	<u>\$ 1,079,895</u>	<u>\$ 5,248,645</u>	<u>\$ 52,201,628</u>	<u>\$ 54,560,282</u>	<u>\$ 12,801,148</u>	<u>\$ 6,072,781</u>	<u>\$ 397,712,911</u>
\$ -	\$ -	\$ -	\$ -	\$ 2,253,421	\$ 5,941,833	\$ -	\$ -	\$ 13,780,206
-	-	-	-	238,344	878,531	-	-	1,164,818
-	-	-	-	-	-	-	6,156,976	6,975,685
-	-	-	-	-	-	-	-	9,528,387
-	-	-	-	-	-	-	-	582,670
-	-	-	-	-	-	-	-	126,374,443
-	-	-	-	2,491,765	6,820,364	-	6,156,976	158,406,209
-	-	-	-	-	-	-	-	84,492,898
-	-	-	-	-	-	-	-	84,492,898
-	-	-	5,248,645	-	-	-	-	16,656,939
-	-	-	-	-	-	-	-	501,029
2,642,174	5,859,261	1,079,895	-	-	-	-	-	8,501,435
-	-	-	-	-	-	-	-	1,079,895
-	-	-	-	-	-	-	-	13,441,039
-	-	-	-	-	-	-	-	1,255,933
-	-	-	-	-	-	-	-	3,210,800
-	-	-	-	-	-	12,801,148	-	12,801,148
-	-	-	-	49,709,863	47,739,918	-	-	97,449,781
-	-	-	-	-	-	-	(84,195)	(84,195)
<u>2,642,174</u>	<u>5,859,261</u>	<u>1,079,895</u>	<u>5,248,645</u>	<u>49,709,863</u>	<u>47,739,918</u>	<u>12,801,148</u>	<u>(84,195)</u>	<u>154,813,804</u>
<u>\$ 2,642,174</u>	<u>\$ 5,859,261</u>	<u>\$ 1,079,895</u>	<u>\$ 5,248,645</u>	<u>\$ 52,201,628</u>	<u>\$ 54,560,282</u>	<u>\$ 12,801,148</u>	<u>\$ 6,072,781</u>	<u>\$ 397,712,911</u>

**JEFFERSON COUNTY, ALABAMA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NON-MAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

Special Revenue Funds

	Tax Assessor Birmingham	Tax Assessor Bessemer	Road	Board of Equalization	Bridge and Public Buildings	Emergency Rental Assistance	American Rescue Plan Act	Community Development	Community Development Loan	Workforce Development
<b>Revenues:</b>										
Taxes	\$ 3,122,124	\$ 1,889,700	\$ 25,277,446	\$ 8,389,432	\$ 59,641,467	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	479,578	-	-	5,142,964	31,592,301	7,056,623	-	1,856,108
Licenses and permits	-	-	2,802,493	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-
Charges for services	5,275	2,129	864,195	-	-	-	-	-	-	-
Contributions and donations	-	-	-	-	-	-	-	-	-	-
Interest income	-	-	300,996	-	604,305	2,609,224	4,610,295	1,516	16,184	41,296
Miscellaneous	-	-	140,089	12,531	-	-	-	166,661	-	50
Total revenues	<u>3,127,399</u>	<u>1,891,829</u>	<u>29,864,797</u>	<u>8,401,963</u>	<u>60,245,772</u>	<u>7,752,188</u>	<u>36,202,596</u>	<u>7,224,800</u>	<u>16,184</u>	<u>1,897,454</u>
<b>Expenditures:</b>										
Current:										
General government	3,516,160	1,782,806	-	6,375,178	-	-	23,984,820	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-
Law library operations	-	-	-	-	-	-	-	-	-	-
Highway and roads	-	-	40,399,853	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	5,136,573	-	-	-	-
Community development	-	-	-	-	-	-	-	7,289,640	-	1,881,544
Capital outlay:										
General government	998,163	-	-	1,639,193	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-
Highway and roads	-	-	-	-	-	-	467,527	-	-	-
Debt service:										
Principal	-	-	189,809	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	9,776	-	-	-	-	-	-	-
Total expenditures	<u>4,514,323</u>	<u>1,782,806</u>	<u>40,599,438</u>	<u>8,014,371</u>	<u>-</u>	<u>5,136,573</u>	<u>24,452,347</u>	<u>7,289,640</u>	<u>-</u>	<u>1,881,544</u>
Excess (deficiency) of revenues over (under) expenditures	(1,386,924)	109,023	(10,734,641)	387,592	60,245,772	2,615,615	11,750,249	(64,840)	16,184	15,910
<b>Other financing sources (uses):</b>										
Proceeds from disposal of capital assets	-	-	-	-	-	-	-	-	-	-
Issuance of financed purchases	-	-	-	-	-	-	-	-	-	-
Premium on debt	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	9,035,908	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(60,279,668)	-	(7,163,329)	-	-	-
Total other financing sources (uses)	-	-	<u>9,035,908</u>	-	<u>(60,279,668)</u>	-	<u>(7,163,329)</u>	-	-	-
Net change in fund balances	(1,386,924)	109,023	(1,698,733)	387,592	(33,896)	2,615,615	4,586,920	(64,840)	16,184	15,910
<b>Fund balances, beginning of fiscal year</b>	<u>1,441,937</u>	<u>336,993</u>	<u>13,821,105</u>	<u>868,341</u>	<u>1,352,563</u>	<u>76,526</u>	<u>532,744</u>	<u>1,185,245</u>	<u>2,074,211</u>	<u>3,580,579</u>
<b>Fund balances (deficits), end of fiscal year</b>	<u>\$ 55,013</u>	<u>\$ 446,016</u>	<u>\$ 12,122,372</u>	<u>\$ 1,255,933</u>	<u>\$ 1,318,667</u>	<u>\$ 2,692,141</u>	<u>\$ 5,119,664</u>	<u>\$ 1,120,405</u>	<u>\$ 2,090,395</u>	<u>\$ 3,596,489</u>

Continued

Special Revenue Funds				Capital Projects		Debt Service Funds		Total Non-Major Governmental Funds
Sheriff Condemnations	Sheriff Special Programs	Law Library	Home Grant	Capital Improvements	Road Construction	Limited Obligation Refunding Debt	Debt Service	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 98,320,169
-	-	-	175,252	-	7,533,024	-	2,331,035	56,166,885
-	-	-	-	-	-	-	-	2,802,493
1,461,020	239,657	303,719	-	-	-	-	-	2,004,396
-	-	-	-	-	-	-	-	871,599
-	3,378,377	-	-	-	-	-	-	3,378,377
44,031	10,351	168	22,814	-	3,121,013	700,519	-	12,082,712
-	8,275	-	2,220	61,086	19,798	-	-	410,710
<u>1,505,051</u>	<u>3,636,660</u>	<u>303,887</u>	<u>200,286</u>	<u>61,086</u>	<u>10,673,835</u>	<u>700,519</u>	<u>2,331,035</u>	<u>176,037,341</u>
-	-	-	-	12,332,660	-	-	-	47,991,624
357,577	2,325,034	-	-	1,115,381	-	-	-	3,797,992
-	-	209,969	-	-	-	-	-	209,969
-	-	-	-	-	7,540,058	-	-	47,939,911
-	-	-	172,326	-	-	-	-	5,136,573
-	-	-	-	-	-	-	-	9,343,510
-	-	-	-	3,025,911	-	-	-	5,663,267
-	-	-	-	3,290,258	-	-	-	3,290,258
-	-	-	-	-	34,254,538	-	-	34,722,065
-	-	-	-	1,704,759	990,610	12,785,000	20,870,000	36,540,178
-	-	-	-	209,528	116,349	13,618,038	6,693,568	20,647,259
<u>357,577</u>	<u>2,325,034</u>	<u>209,969</u>	<u>172,326</u>	<u>21,678,497</u>	<u>42,901,555</u>	<u>26,403,038</u>	<u>27,563,568</u>	<u>215,282,606</u>
1,147,474	1,311,626	93,918	27,960	(21,617,411)	(32,227,720)	(25,702,519)	(25,232,533)	(39,245,265)
-	-	-	-	-	2,733,684	-	-	2,733,684
-	-	-	-	-	2,618,161	-	-	2,618,161
-	-	-	-	-	-	-	-	-
-	-	-	-	45,124,663	4,426,032	26,989,474	25,134,011	110,710,088
-	-	-	-	-	-	-	-	(67,442,997)
-	-	-	-	<u>45,124,663</u>	<u>9,777,877</u>	<u>26,989,474</u>	<u>25,134,011</u>	<u>48,618,936</u>
1,147,474	1,311,626	93,918	27,960	23,507,252	(22,449,843)	1,286,955	(98,522)	9,373,671
1,494,700	4,547,635	985,977	5,220,685	26,202,611	70,189,761	11,514,193	14,327	145,440,133
<u>\$ 2,642,174</u>	<u>\$ 5,859,261</u>	<u>\$ 1,079,895</u>	<u>\$ 5,248,645</u>	<u>\$ 49,709,863</u>	<u>\$ 47,739,918</u>	<u>\$ 12,801,148</u>	<u>\$ (84,195)</u>	<u>\$ 154,813,804</u>



**JEFFERSON COUNTY, ALABAMA  
TAX ASSESSOR BIRMINGHAM FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 4,549,546	\$ 4,549,546	\$ 3,122,124	\$ (1,427,422)
Charges for services	-	-	5,275	5,275
Total revenues	<u>4,549,546</u>	<u>4,549,546</u>	<u>3,127,399</u>	<u>(1,422,147)</u>
<b>Expenditures:</b>				
Current:				
General government:				
Tax Assessor Birmingham				
Personnel costs	2,979,134	2,868,442	2,861,562	6,880
Other operating costs	550,412	676,317	654,598	21,719
Total general government	<u>3,529,546</u>	<u>3,544,759</u>	<u>3,516,160</u>	<u>28,599</u>
Capital outlay - general government	1,020,000	1,004,787	998,163	6,624
Total expenditures	<u>4,549,546</u>	<u>4,549,546</u>	<u>4,514,323</u>	<u>35,223</u>
Net changes in fund balances	-	-	(1,386,924)	(1,386,924)
<b>Fund balances, beginning of fiscal year</b>	<u>1,441,937</u>	<u>1,441,937</u>	<u>1,441,937</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 1,441,937</u>	<u>\$ 1,441,937</u>	<u>\$ 55,013</u>	<u>\$ (1,386,924)</u>

**JEFFERSON COUNTY, ALABAMA**  
**TAX ASSESSOR BESSEMER FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 2,182,618	\$ 2,182,618	\$ 1,889,700	\$ (292,918)
Charges for services	-	-	2,129	2,129
Total revenues	<u>2,182,618</u>	<u>2,182,618</u>	<u>1,891,829</u>	<u>(292,918)</u>
<b>Expenditures:</b>				
Current:				
General government:				
Tax Assessor Bessemer				
Personnel costs	1,787,911	1,787,911	1,658,167	129,744
Other operating costs	254,897	254,897	124,639	130,258
Total general government	<u>2,042,808</u>	<u>2,042,808</u>	<u>1,782,806</u>	<u>260,002</u>
Capital outlay - general government	139,810	139,810	-	139,810
Total expenditures	<u>2,182,618</u>	<u>2,182,618</u>	<u>1,782,806</u>	<u>399,812</u>
Net changes in fund balances	-	-	109,023	109,023
<b>Fund balances, beginning of fiscal year</b>	<u>336,993</u>	<u>336,993</u>	<u>336,993</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 336,993</u>	<u>\$ 336,993</u>	<u>\$ 446,016</u>	<u>\$ 109,023</u>

**JEFFERSON COUNTY, ALABAMA**  
**ROAD FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 24,453,043	\$ 24,453,043	\$ 25,277,446	\$ 824,403
Intergovernmental	470,616	470,616	479,578	8,962
Licenses and permits	3,101,165	3,101,165	2,802,493	(298,672)
Charges for services	275,968	275,968	864,195	588,227
Interest income	-	-	300,996	300,996
Miscellaneous	20,000	20,000	140,089	120,089
Total revenues	<u>28,320,792</u>	<u>28,320,792</u>	<u>29,864,797</u>	<u>1,544,005</u>
<b>Expenditures:</b>				
Current:				
Highway and roads				
Roads				
Personnel costs	24,039,763	23,687,971	23,428,987	258,984
Other operating costs	13,316,937	16,966,286	16,970,866	(4,580)
Total highways and roads	<u>37,356,700</u>	<u>40,654,257</u>	<u>40,399,853</u>	<u>254,404</u>
Debt services				
Principal	-	189,809	189,809	-
Interest	-	9,776	9,776	-
Total expenditures	<u>37,356,700</u>	<u>40,853,842</u>	<u>40,599,438</u>	<u>254,404</u>
Deficiency of revenues under expenditures	(9,035,908)	(12,533,050)	(10,734,641)	1,289,601
<b>Other financing sources:</b>				
Transfers in	<u>9,035,908</u>	<u>9,035,908</u>	<u>9,035,908</u>	-
Total other financing sources	<u>9,035,908</u>	<u>9,035,908</u>	<u>9,035,908</u>	-
Net changes in fund balances	-	(3,497,142)	(1,698,733)	1,798,409
<b>Fund balances, beginning of fiscal year</b>	<u>13,821,105</u>	<u>13,821,105</u>	<u>13,821,105</u>	-
<b>Fund balances, end of fiscal year</b>	<u>\$ 13,821,105</u>	<u>\$ 10,323,963</u>	<u>\$ 12,122,372</u>	<u>\$ 1,798,409</u>

**JEFFERSON COUNTY, ALABAMA**  
**BOARD OF EQUALIZATION FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 9,140,772	\$ 9,140,772	\$ 8,389,432	\$ (751,340)
Miscellaneous	-	-	12,531	12,531
Total revenues	<u>9,140,772</u>	<u>9,140,772</u>	<u>8,401,963</u>	<u>(738,809)</u>
<b>Expenditures:</b>				
Current:				
General government:				
Board of Equalization				
Personnel costs	5,928,329	5,928,329	5,072,046	856,283
Other operating costs	1,452,443	1,452,443	1,303,132	149,311
Total general government	<u>7,380,772</u>	<u>7,380,772</u>	<u>6,375,178</u>	<u>1,005,594</u>
Capital outlay - general government	1,760,000	1,760,000	1,639,193	120,807
Total expenditures	<u>9,140,772</u>	<u>9,140,772</u>	<u>8,014,371</u>	<u>1,126,401</u>
Net changes in fund balances	-	-	387,592	387,592
<b>Fund balances, beginning of fiscal year</b>	<u>868,341</u>	<u>868,341</u>	<u>868,341</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 868,341</u>	<u>\$ 868,341</u>	<u>\$ 1,255,933</u>	<u>\$ 387,592</u>

**JEFFERSON COUNTY, ALABAMA  
BRIDGE AND PUBLIC BUILDINGS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 55,279,668	\$ 60,245,772	\$ 59,641,467	\$ (604,305)
Interest income	-	-	604,305	604,305
Total revenues	<u>55,279,668</u>	<u>60,245,772</u>	<u>60,245,772</u>	<u>-</u>
<b>Other financing uses:</b>				
Transfers out	(55,279,668)	(60,279,668)	(60,279,668)	-
Total other financing uses	<u>(55,279,668)</u>	<u>(60,279,668)</u>	<u>(60,279,668)</u>	<u>-</u>
Net changes in fund balances	-	(33,896)	(33,896)	-
<b>Fund balances, beginning of fiscal year</b>	<u>1,352,563</u>	<u>1,352,563</u>	<u>1,352,563</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 1,352,563</u>	<u>\$ 1,318,667</u>	<u>\$ 1,318,667</u>	<u>\$ -</u>

**JEFFERSON COUNTY, ALABAMA  
EMERGENCY RENTAL ASSISTANCE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 5,142,964	\$ 5,142,964	\$ 5,142,964	\$ -
Interest income	2,609,224	2,609,224	2,609,224	-
Total revenues	<u>7,752,188</u>	<u>7,752,188</u>	<u>7,752,188</u>	-
<b>Expenditures:</b>				
Current:				
Health and welfare				
Emergency rental assistance				
Grant payments	5,136,573	5,136,573	5,136,573	-
Total expenditures	<u>5,136,573</u>	<u>5,136,573</u>	<u>5,136,573</u>	-
Net changes in fund balances	2,615,615	2,615,615	2,615,615	-
<b>Fund balances, beginning of fiscal year</b>	<u>76,526</u>	<u>76,526</u>	<u>76,526</u>	-
<b>Fund balances, end of fiscal year</b>	<u>\$ 2,692,141</u>	<u>\$ 2,692,141</u>	<u>\$ 2,692,141</u>	<u>\$ -</u>

**JEFFERSON COUNTY, ALABAMA  
AMERICAN RESCUE PLAN ACT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 31,592,301	\$ 31,592,301	\$ 31,592,301	\$ -
Interest income	4,610,295	4,610,295	4,610,295	-
Total revenues	<u>36,202,596</u>	<u>36,202,596</u>	<u>36,202,596</u>	<u>-</u>
<b>Expenditures:</b>				
General Government:				
Personnel costs	8,157,856	8,157,856	8,157,856	-
Other operating costs	15,826,964	15,826,964	15,826,964	-
Total general government	<u>23,984,820</u>	<u>23,984,820</u>	<u>23,984,820</u>	<u>-</u>
Capital outlay - highways and roads	467,527	467,527	467,527	-
Total expenditures	<u>24,452,347</u>	<u>24,452,347</u>	<u>24,452,347</u>	<u>-</u>
Excess of revenues over expenditures	11,750,249	11,750,249	11,750,249	-
<b>Other financing uses:</b>				
Transfers out	(7,163,329)	(7,163,329)	(7,163,329)	-
Total other financing uses	<u>(7,163,329)</u>	<u>(7,163,329)</u>	<u>(7,163,329)</u>	<u>-</u>
Net changes in fund balances	4,586,920	4,586,920	4,586,920	-
<b>Fund balances, beginning of fiscal year</b>	<u>532,744</u>	<u>532,744</u>	<u>532,744</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 5,119,664</u>	<u>\$ 5,119,664</u>	<u>\$ 5,119,664</u>	<u>\$ -</u>

**JEFFERSON COUNTY, ALABAMA  
COMMUNITY DEVELOPMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 2,818,155	\$ 10,320,579	\$ 7,056,623	\$ (3,263,956)
Interest income	-	-	1,516	1,516
Miscellaneous	-	-	166,661	166,661
Total revenues	<u>2,818,155</u>	<u>10,320,579</u>	<u>7,224,800</u>	<u>(3,095,779)</u>
<b>Expenditures:</b>				
Current:				
Community development				
Community development				
Personnel costs	2,122,944	2,122,944	883,261	1,239,683
Other operating costs	695,211	7,236,628	6,406,379	830,249
Total expenditures	<u>2,818,155</u>	<u>9,359,572</u>	<u>7,289,640</u>	<u>2,069,932</u>
Net changes in fund balances	-	961,007	(64,840)	(1,025,847)
<b>Fund balances, beginning of fiscal year</b>	<u>1,185,245</u>	<u>1,185,245</u>	<u>1,185,245</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 1,185,245</u>	<u>\$ 2,146,252</u>	<u>\$ 1,120,405</u>	<u>\$ (1,025,847)</u>



**JEFFERSON COUNTY, ALABAMA  
COMMUNITY DEVELOPMENT LOAN FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Interest income	\$ -	\$ -	\$ 16,184	\$ 16,184
Total revenues	-	-	16,184	16,184
<b>Fund balances, beginning of fiscal year</b>	2,074,211	2,074,211	2,074,211	-
<b>Fund balances, end of fiscal year</b>	<u>\$ 2,074,211</u>	<u>\$ 2,074,211</u>	<u>\$ 2,090,395</u>	<u>\$ 16,184</u>

**JEFFERSON COUNTY, ALABAMA  
WORKFORCE DEVELOPMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 3,322,823	\$ 3,322,823	\$ 1,856,108	\$ (1,466,715)
Interest income	-	-	41,296	41,296
Miscellaneous	-	-	50	50
Total revenues	<u>3,322,823</u>	<u>3,322,823</u>	<u>1,897,454</u>	<u>(1,425,369)</u>
<b>Expenditures:</b>				
Current:				
Community development				
Workforce development				
Personnel costs	1,099,321	1,099,321	541,759	557,562
Other operating costs	<u>2,223,502</u>	<u>2,292,166</u>	<u>1,339,785</u>	<u>952,381</u>
Total expenditures	<u>3,322,823</u>	<u>3,391,487</u>	<u>1,881,544</u>	<u>1,509,943</u>
Net changes in fund balances	-	(68,664)	15,910	84,574
<b>Fund balances, beginning of fiscal year</b>	<u>3,580,579</u>	<u>3,580,579</u>	<u>3,580,579</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 3,580,579</u>	<u>\$ 3,511,915</u>	<u>\$ 3,596,489</u>	<u>\$ 84,574</u>

**JEFFERSON COUNTY, ALABAMA  
SHERIFF CONDEMNATIONS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ 1,461,020	\$ 1,461,020	\$ 1,461,020	\$ -
Interest income	44,031	44,031	44,031	-
Total revenues	<u>1,505,051</u>	<u>1,505,051</u>	<u>1,505,051</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Sheriff condemnations				
Other operating costs	357,577	357,577	357,577	-
Total expenditures	<u>357,577</u>	<u>357,577</u>	<u>357,577</u>	<u>-</u>
Net changes in fund balances	1,147,474	1,147,474	1,147,474	-
<b>Fund balances, beginning of fiscal year</b>	<u>1,494,700</u>	<u>1,494,700</u>	<u>1,494,700</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 2,642,174</u>	<u>\$ 2,642,174</u>	<u>\$ 2,642,174</u>	<u>\$ -</u>

**JEFFERSON COUNTY, ALABAMA  
SHERIFF SPECIAL PROGRAMS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ 239,657	\$ 239,657	\$ 239,657	\$ -
Contributions and donations	3,378,377	3,378,377	3,378,377	-
Interest income	10,351	10,351	10,351	-
Miscellaneous	8,275	8,275	8,275	-
Total revenues	<u>3,636,660</u>	<u>3,636,660</u>	<u>3,636,660</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Sheriff special programs				
Other operating costs	2,325,034	2,325,034	2,325,034	-
Total expenditures	<u>2,325,034</u>	<u>2,325,034</u>	<u>2,325,034</u>	<u>-</u>
Net changes in fund balances	1,311,626	1,311,626	1,311,626	-
<b>Fund balances, beginning of fiscal year</b>	<u>4,547,635</u>	<u>4,547,635</u>	<u>4,547,635</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 5,859,261</u>	<u>\$ 5,859,261</u>	<u>\$ 5,859,261</u>	<u>\$ -</u>

**JEFFERSON COUNTY, ALABAMA**  
**LAW LIBRARY FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ 303,719	\$ 303,719	\$ 303,719	\$ -
Interest income	168	168	168	-
Total revenues	<u>303,887</u>	<u>303,887</u>	<u>303,887</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Law library operations				
Law library				
Other operating costs	209,969	209,969	209,969	-
Total expenditures	<u>209,969</u>	<u>209,969</u>	<u>209,969</u>	<u>-</u>
Net changes in fund balances	93,918	93,918	93,918	-
<b>Fund balances, beginning of fiscal year</b>	<u>985,977</u>	<u>985,977</u>	<u>985,977</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u><u>\$ 1,079,895</u></u>	<u><u>\$ 1,079,895</u></u>	<u><u>\$ 1,079,895</u></u>	<u><u>\$ -</u></u>

**JEFFERSON COUNTY, ALABAMA  
HOME GRANT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 1,043,682	\$ 1,043,682	\$ 175,252	\$ (868,430)
Interest income	-	-	22,814	22,814
Miscellaneous	-	-	2,220	2,220
Total revenues	<u>1,043,682</u>	<u>1,043,682</u>	<u>200,286</u>	<u>(843,396)</u>
<b>Expenditures:</b>				
Current:				
Community development				
Home grant				
Personnel costs	-	195,906	172,326	23,580
Other operating costs	1,043,682	1,067,781	-	1,067,781
Total expenditures	<u>1,043,682</u>	<u>1,263,687</u>	<u>172,326</u>	<u>1,091,361</u>
Net changes in fund balances	-	(220,005)	27,960	247,965
<b>Fund balances, beginning of fiscal year</b>	<u>5,220,685</u>	<u>5,220,685</u>	<u>5,220,685</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 5,220,685</u>	<u>\$ 5,000,680</u>	<u>\$ 5,248,645</u>	<u>\$ 247,965</u>

**JEFFERSON COUNTY, ALABAMA**  
**CAPITAL IMPROVEMENTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Miscellaneous	\$ 61,086	\$ 61,086	\$ 61,086	\$ -
Total revenues	<u>61,086</u>	<u>61,086</u>	<u>61,086</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
General government:				
Board of Equalization				
Other operating costs	28,220	28,220	27,180	1,040
Finance				
Other operating costs	13,051	13,051	13,051	-
General services				
Other operating costs	20,244,005	22,181,152	12,071,579	10,109,573
District Attorney - Birmingham				
Other operating costs	39,758	39,758	11,417	28,341
Information technology				
Other operating costs	140,000	279,622	209,433	70,189
Total current - general government	<u>20,465,034</u>	<u>22,541,803</u>	<u>12,332,660</u>	<u>10,209,143</u>
Public safety:				
Sheriff				
Other operating costs	430,000	1,116,299	1,115,381	918
Total current - public safety	<u>430,000</u>	<u>1,116,299</u>	<u>1,115,381</u>	<u>918</u>
Capital Outlay:				
General government				
District Attorney - Birmingham	350,000	310,242	241,487	68,755
Development services	120,000	137,527	90,767	46,760
Fleet management	1,658,000	2,089,237	1,200,128	889,109
General services	9,821,043	9,935,849	1,493,529	8,442,320
Family court	40,000	40,000	-	40,000
Community development	40,000	40,000	-	40,000
Total capital outlay - general government	<u>12,029,043</u>	<u>12,552,855</u>	<u>3,025,911</u>	<u>9,526,944</u>
Public safety				
Coroner	40,000	40,000	-	40,000
Security	39,100	39,100	-	39,100
Sheriff	4,786,800	7,923,252	3,290,258	4,632,994
Total capital outlay - public safety	<u>4,865,900</u>	<u>8,002,352</u>	<u>3,290,258</u>	<u>4,712,094</u>
Debt service:				
Principal	840,092	1,704,763	1,704,763	-
Interest	145,623	209,524	209,524	-
Total debt service	<u>985,715</u>	<u>1,914,287</u>	<u>1,914,287</u>	<u>-</u>
Total expenditures	<u>38,775,692</u>	<u>46,127,596</u>	<u>21,678,497</u>	<u>24,449,099</u>
Deficiency of revenue under expenditures	<u>(38,714,606)</u>	<u>(46,066,510)</u>	<u>(21,617,411)</u>	<u>24,449,099</u>
<b>Other financing sources</b>				
Transfers in	38,624,663	40,124,663	45,124,663	5,000,000
Total other financing sources	<u>38,624,663</u>	<u>40,124,663</u>	<u>45,124,663</u>	<u>5,000,000</u>
Net change in fund balances	(89,943)	(5,941,847)	23,507,252	29,449,099
<b>Fund balances, beginning of fiscal year</b>	<u>26,202,611</u>	<u>26,202,611</u>	<u>26,202,611</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 26,112,668</u>	<u>\$ 20,260,764</u>	<u>\$ 49,709,863</u>	<u>\$ 29,449,099</u>

**JEFFERSON COUNTY, ALABAMA**  
**ROAD CONSTRUCTION FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 40,254,507	\$ 11,250,968	\$ 7,533,024	\$ (3,717,944)
Interest income	-	-	3,121,013	3,121,013
Miscellaneous	-	-	19,798	19,798
Total revenues	<u>40,254,507</u>	<u>11,250,968</u>	<u>10,673,835</u>	<u>(577,133)</u>
<b>Expenditures:</b>				
Current:				
Highway and roads				
Roads and transportation				
Other operating costs				
Total current - highway and roads				
	<u>7,485,416</u>	<u>7,485,416</u>	<u>7,540,058</u>	<u>(54,642)</u>
	<u>7,485,416</u>	<u>7,485,416</u>	<u>7,540,058</u>	<u>(54,642)</u>
Capital Outlay:				
Highway and roads				
	43,627,000	35,034,625	34,254,538	780,087
Debt service:				
Principal				
	990,610	990,610	990,610	-
Interest				
	116,349	116,349	116,349	-
Total debt service				
	<u>1,106,959</u>	<u>1,106,959</u>	<u>1,106,959</u>	<u>-</u>
Total expenditures				
	<u>52,219,375</u>	<u>43,627,000</u>	<u>42,901,555</u>	<u>780,087</u>
Deficiency of revenue under expenditures				
	(11,964,868)	(32,376,032)	(32,227,720)	148,312
<b>Other financing sources</b>				
Proceeds from disposal of capital assets				
	-	-	2,733,684	2,733,684
Financed purchases				
	-	-	2,618,161	2,618,161
Transfers in				
	4,426,032	4,426,032	4,426,032	-
Total other financing sources				
	<u>4,426,032</u>	<u>4,426,032</u>	<u>9,777,877</u>	<u>5,351,845</u>
Net change in fund balances				
	(7,538,836)	(27,950,000)	(22,449,843)	5,500,157
<b>Fund balances, beginning of fiscal year</b>				
	<u>70,189,761</u>	<u>70,189,761</u>	<u>70,189,761</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>				
	<u>\$ 62,650,925</u>	<u>\$ 42,239,761</u>	<u>\$ 47,739,918</u>	<u>\$ 5,500,157</u>



**JEFFERSON COUNTY, ALABAMA**  
**LIMITED OBLIGATION REFUNDING DEBT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Interest income	\$ -	\$ -	\$ 700,519	\$ 700,519
Total revenues	<u>-</u>	<u>-</u>	<u>700,519</u>	<u>700,519</u>
<b>Expenditures:</b>				
Debt service:				
Principal	12,785,000	12,785,000	12,785,000	-
Interest	13,618,038	13,618,038	13,618,038	-
Total expenditures	<u>26,403,038</u>	<u>26,403,038</u>	<u>26,403,038</u>	<u>-</u>
Deficiency of revenues under expenditures	(26,403,038)	(26,403,038)	(25,702,519)	700,519
<b>Other financing sources:</b>				
Transfers in	26,403,038	26,403,038	26,989,474	586,436
Total other financing sources	<u>26,403,038</u>	<u>26,403,038</u>	<u>26,989,474</u>	<u>586,436</u>
Net changes in fund balances	-	-	1,286,955	1,286,955
<b>Fund balances, beginning of fiscal year</b>	<u>11,514,193</u>	<u>11,514,193</u>	<u>11,514,193</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 11,514,193</u>	<u>\$ 11,514,193</u>	<u>\$ 12,801,148</u>	<u>\$ 1,286,955</u>

**JEFFERSON COUNTY, ALABAMA**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 2,317,000	\$ 2,317,000	\$ 2,331,035	\$ 14,035
Total revenues	<u>2,317,000</u>	<u>2,317,000</u>	<u>2,331,035</u>	<u>14,035</u>
<b>Expenditures:</b>				
Debt service:				
Principal	24,186,011	20,870,000	20,870,000	-
Interest	3,265,000	6,581,011	6,693,568	(112,557)
Total expenditures	<u>27,451,011</u>	<u>27,451,011</u>	<u>27,563,568</u>	<u>(112,557)</u>
Deficiency of revenues under expenditures	(25,134,011)	(25,134,011)	(25,232,533)	126,592
<b>Other financing sources:</b>				
Transfers in	25,134,011	25,134,011	25,134,011	-
Total other financing sources	<u>25,134,011</u>	<u>25,134,011</u>	<u>25,134,011</u>	<u>-</u>
Net changes in fund balances	-	-	(98,522)	(98,522)
<b>Fund balances, beginning of fiscal year</b>	<u>14,327</u>	<u>14,327</u>	<u>14,327</u>	<u>-</u>
<b>Fund balances (deficits), end of fiscal year</b>	<u>\$ 14,327</u>	<u>\$ 14,327</u>	<u>\$ (84,195)</u>	<u>\$ (98,522)</u>

## NON-MAJOR PROPRIETARY FUNDS

---

### Enterprise Funds

**Landfill Operations Fund** - to account for the activities of the County's landfill.

**Hallmark Farms Cooperative** - to account for activities of the County's cooperative agreement with the City of Warrior, Alabama.

**JEFFERSON COUNTY, ALABAMA**  
**COMBINING STATEMENT OF NET POSITION**  
**NON-MAJOR PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2023**

<b>ASSETS</b>	<b>Landfill Operations</b>	<b>Hallmark Farms Cooperative</b>	<b>Non-Major Proprietary Total</b>
Current assets:			
Cash and cash equivalents	\$ 1,698,657	\$ 4,171,978	\$ 5,870,635
Receivables, net	133,091	-	133,091
Leases receivable	9,399,711	-	9,399,711
Restricted assets:			
Cash	1,336,239	305,702	1,641,941
Total current assets	<u>12,567,698</u>	<u>4,477,680</u>	<u>17,045,378</u>
Capital assets:			
Capital assets, not being depreciated	7,907,361	6,203,677	14,111,038
Capital assets, being depreciated	50,842,198	2,423,143	53,265,341
Less accumulated depreciation	<u>(46,707,474)</u>	<u>(267,555)</u>	<u>(46,975,029)</u>
Total capital assets, net of accumulated depreciation	<u>12,042,085</u>	<u>8,359,265</u>	<u>20,401,350</u>
Total noncurrent assets	12,042,085	8,359,265	20,401,350
Total assets	<u>24,609,783</u>	<u>12,836,945</u>	<u>37,446,728</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred charges on refunding	-	42,334	42,334
Total deferred outflows of resources	<u>-</u>	<u>42,334</u>	<u>42,334</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	-	2,877	2,877
Accrued interest	-	84,927	84,927
Bonds payable, current	-	896,340	896,340
Total current liabilities	<u>-</u>	<u>984,144</u>	<u>984,144</u>
Long-term liabilities:			
Landfill postclosure	21,473,411	-	21,473,411
Advances from other funds	2,153,762	-	2,153,762
Bonds payable	-	10,193,085	10,193,085
Total long-term liabilities	<u>23,627,173</u>	<u>10,193,085</u>	<u>33,820,258</u>
Total liabilities	<u>23,627,173</u>	<u>11,177,229</u>	<u>34,804,402</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Lease arrangements	9,163,056	-	9,163,056
Total deferred inflows of resources	<u>9,163,056</u>	<u>-</u>	<u>9,163,056</u>
<b>NET POSITION (DEFICIT)</b>			
Net investment in capital assets	12,042,085	1,366,989	13,409,074
Unrestricted (deficit)	<u>(20,222,531)</u>	<u>335,061</u>	<u>(19,887,470)</u>
Total net position (deficit)	<u>\$ (8,180,446)</u>	<u>\$ 1,702,050</u>	<u>\$ (6,478,396)</u>

**JEFFERSON COUNTY, ALABAMA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN NET POSITION**  
**NON-MAJOR PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<u>Landfill Operations</u>	<u>Hallmark Farms Cooperative</u>	<u>Non-Major Proprietary Total</u>
<b>OPERATING REVENUES</b>			
Charges for services:			
Other	\$ 1,270,241	\$ 20,852	\$ 1,291,093
Total operating revenues	<u>1,270,241</u>	<u>20,852</u>	<u>1,291,093</u>
<b>OPERATING EXPENSES</b>			
Maintenance and operating expenses	992,919	74,741	1,067,660
Depreciation expense	<u>1,197,634</u>	<u>60,579</u>	<u>1,258,213</u>
Total operating expenses	<u>2,190,553</u>	<u>135,320</u>	<u>2,325,873</u>
Operating loss	(920,312)	(114,468)	(1,034,780)
<b>NONOPERATING REVENUE (EXPENSES)</b>			
Investment earnings	312,305	81,522	393,827
Interest expense	<u>-</u>	<u>(351,039)</u>	<u>(351,039)</u>
Total nonoperating revenues (expenses)	<u>312,305</u>	<u>(269,517)</u>	<u>42,788</u>
<b>LOSS BEFORE TRANSFERS</b>	(608,007)	(383,985)	(991,992)
Transfers in	<u>-</u>	<u>1,217,289</u>	<u>1,217,289</u>
Change in net position	(608,007)	833,304	225,297
<b>NET POSITION (DEFICIT), beginning of fiscal year</b>	<u>(7,572,439)</u>	<u>868,746</u>	<u>(6,703,693)</u>
<b>NET POSITION (DEFICIT), end of fiscal year</b>	<u>\$ (8,180,446)</u>	<u>\$ 1,702,050</u>	<u>\$ (6,478,396)</u>

**JEFFERSON COUNTY, ALABAMA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NON-MAJOR PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<u>Landfill Operations</u>	<u>Hallmark Farms Cooperative</u>	<u>Non-Major Proprietary Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ -	\$ 20,852	\$ 20,852
Lease receipts from landfill operator	625,804	-	625,804
Other receipts from landfill operator	1,791,627	-	1,791,627
Payments to suppliers and service providers	<u>(35,317)</u>	<u>(77,792)</u>	<u>(113,109)</u>
Net cash provided by (used in) operating activities	<u>2,382,114</u>	<u>(56,940)</u>	<u>2,325,174</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers in	<u>-</u>	<u>1,217,289</u>	<u>1,217,289</u>
Net cash provided by noncapital financing activities	<u>-</u>	<u>1,217,289</u>	<u>1,217,289</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Principal payments on bonds	-	(863,825)	(863,825)
Repayment of interfund advance	(717,920)	-	(717,920)
Interest and fiscal charges paid	<u>-</u>	<u>(353,700)</u>	<u>(353,700)</u>
Net cash used in capital and related financing activities	<u>(717,920)</u>	<u>(1,217,525)</u>	<u>(1,935,445)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	<u>312,305</u>	<u>81,522</u>	<u>393,827</u>
Net cash provided by investing activities	<u>312,305</u>	<u>81,522</u>	<u>393,827</u>
Net increase in cash and cash equivalents	1,976,499	24,346	2,000,845
<b>Cash and cash equivalents:</b>			
Beginning of fiscal year	<u>1,058,397</u>	<u>4,453,334</u>	<u>5,511,731</u>
End of fiscal year	<u>\$ 3,034,896</u>	<u>\$ 4,477,680</u>	<u>\$ 7,512,576</u>
<b>Classified as:</b>			
Cash and cash equivalents	\$ 1,698,657	\$ 4,171,978	\$ 5,870,635
Restricted cash and cash equivalents	1,336,239	305,702	1,641,941
Total	<u>\$ 3,034,896</u>	<u>\$ 4,477,680</u>	<u>\$ 7,512,576</u>
<b>Reconciliation of operating loss to net cash provided by (used in) operating activities:</b>			
Operating loss	\$ (920,312)	\$ (114,468)	\$ (1,034,780)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:			
Depreciation and amortization	1,197,634	60,579	1,258,213
Amortization of deferred inflows of resources - lease arrangements	(122,201)	-	(122,201)
Decrease in accounts receivable	152,280	-	152,280
Decrease in accounts payable	(4,388)	(3,051)	(7,439)
Increase in landfill postclosure care costs	<u>2,079,101</u>	<u>-</u>	<u>2,079,101</u>
Net cash provided by (used in) operating activities	<u>\$ 2,382,114</u>	<u>\$ (56,940)</u>	<u>\$ 2,325,174</u>

## CUSTODIAL FUNDS

---

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

**Tax Collector** - to account for the collection of all property taxes which are disbursed to other taxing units and other parties.

**Department of Revenue** - to account for the collection of various taxes and fees, which are disbursed to other taxing units and other parties.

**Treasurer's Trust** - to account for the collection of funds held by the Treasurer, which are disbursed to other entities or other County parties for specified legal purposes and requirements.

**Sheriff** - to account for collection of cash bonds, fines, forfeitures and other fees, which are disbursed to other parties.

The following custodial funds are used to account for taxes, fines, fees and other moneys collected by the courts and remitted to other parties in accordance with court orders and state law:

**Family Court**  
**Probate Court**

**JEFFERSON COUNTY, ALABAMA**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**SEPTEMBER 30, 2023**

<b>ASSETS</b>	<b>Tax Collector</b>	<b>Department of Revenue</b>	<b>Treasurer's Trust</b>	<b>Sheriff</b>	<b>Family Court</b>	<b>Probate Court</b>	<b>Total</b>
Cash and cash equivalents	\$ 18,366,021	\$ 17,669,672	\$ 13,315,930	\$ 3,067,908	\$ 601,321	\$ 18,352,562	\$ 71,373,414
Total assets	<u>18,366,021</u>	<u>17,669,672</u>	<u>13,315,930</u>	<u>3,067,908</u>	<u>601,321</u>	<u>18,352,562</u>	<u>71,373,414</u>
<b>LIABILITIES</b>							
Due to others	<u>1,986,875</u>	<u>17,669,672</u>	<u>6,613,556</u>	<u>10,406</u>	<u>544,813</u>	<u>7,142,528</u>	<u>33,967,850</u>
Total liabilities	<u>1,986,875</u>	<u>17,669,672</u>	<u>6,613,556</u>	<u>10,406</u>	<u>544,813</u>	<u>7,142,528</u>	<u>33,967,850</u>
<b>NET POSITION</b>							
Restricted:							
Individuals, organizations, and other governments	<u>16,379,146</u>	<u>-</u>	<u>6,702,374</u>	<u>3,057,502</u>	<u>56,508</u>	<u>11,210,034</u>	<u>37,405,564</u>
Total net position	<u>\$ 16,379,146</u>	<u>\$ -</u>	<u>\$ 6,702,374</u>	<u>\$ 3,057,502</u>	<u>\$ 56,508</u>	<u>\$ 11,210,034</u>	<u>\$ 37,405,564</u>



**JEFFERSON COUNTY, ALABAMA  
COMBINING STATEMENT OF CHANGES IN  
FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<u>Tax Collector</u>	<u>Department of Revenue</u>	<u>Treasurer's Trust</u>	<u>Sheriff</u>	<u>Family Court</u>	<u>Probate Court</u>	<u>Total</u>
<b>ADDITIONS</b>							
Taxes	\$ 722,426,446	\$ 162,463,905	\$ -	\$ -	\$ -	\$ -	\$ 884,890,351
Fines and fees	-	28,357,006	3,904,339	6,660,286	3,059,908	21,932,575	63,914,114
Criminal and civil bonds	-	-	1,059,150	-	-	-	1,059,150
Total additions	<u>722,426,446</u>	<u>190,820,911</u>	<u>4,963,489</u>	<u>6,660,286</u>	<u>3,059,908</u>	<u>21,932,575</u>	<u>949,863,615</u>
<b>DEDUCTIONS</b>							
Taxes distributed to other governments	730,804,008	162,463,905	-	-	-	-	893,267,913
Fines and fees disbursed	-	28,357,006	4,842,582	6,202,109	3,048,225	21,782,995	64,232,917
Other custodial disbursements	-	-	25,461	-	-	-	25,461
Total deductions	<u>730,804,008</u>	<u>190,820,911</u>	<u>4,868,043</u>	<u>6,202,109</u>	<u>3,048,225</u>	<u>21,782,995</u>	<u>957,526,291</u>
Net increase (decrease) in fiduciary net position	(8,377,562)	-	95,446	458,177	11,683	149,580	(7,662,676)
Net position, beginning of fiscal year	<u>24,756,708</u>	<u>-</u>	<u>6,606,928</u>	<u>2,599,325</u>	<u>44,825</u>	<u>11,060,454</u>	<u>45,068,240</u>
Net position, end of fiscal year	<u>\$ 16,379,146</u>	<u>\$ -</u>	<u>\$ 6,702,374</u>	<u>\$ 3,057,502</u>	<u>\$ 56,508</u>	<u>\$ 11,210,034</u>	<u>\$ 37,405,564</u>

## COMPONENT UNITS

---

**JEFFERSON COUNTY, ALABAMA**  
**STATEMENT OF CASH FLOWS**  
**COMPONENT UNIT - PERSONNEL BOARD**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<b>Personnel Board</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers	\$ 9,121,111
Payments to suppliers and service providers	(2,012,570)
Payments to employees	(7,091,028)
	17,513
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest received	4,143
	4,143
Net cash provided by investing activities	4,143
	21,656
<b>Cash and cash equivalents:</b>	
Beginning of fiscal year	370,511
End of fiscal year	\$ 392,167
<b>Reconciliation of operating loss to net cash provided by operating activities:</b>	
Operating loss	\$ (1,906,104)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation and amortization	19,968
Increase in accounts receivable	(81,455)
Increase in deferred outflows from pension	(4,113,592)
Decrease in deferred outflows from OPEB	25,086
Increase in accounts payable	117,297
Decrease in accrued liabilities	(89,462)
Decrease in compensated absences	(17,839)
Decrease in total OPEB liability	(26,970)
Increase in net pension liability	11,175,162
Decrease in deferred inflows from pension	(5,295,366)
Increase in deferred inflows from OPEB	210,788
	17,513
Net cash provided by operating activities	\$ 17,513

**JEFFERSON COUNTY, ALABAMA**

**BALANCE SHEET  
COMPONENT UNIT - EMERGENCY MANAGEMENT AGENCY  
SEPTEMBER 30, 2023**

---

<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,098,280
Receivables, net of allowance	49,808
Total assets	<u>1,148,088</u>
<b>LIABILITIES AND FUND BALANCE</b>	
<b>LIABILITIES</b>	
Accounts payable	\$ 14,723
Accrued liabilities	8,839
Total liabilities	<u>23,562</u>
<b>FUND BALANCE</b>	
Unassigned	<u>1,124,526</u>
Total liabilities and fund balance	<u>\$ 1,148,088</u>

**JEFFERSON COUNTY, ALABAMA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE**  
**COMPONENT UNIT - EMERGENCY MANAGEMENT AGENCY**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

<b>REVENUES</b>	
Intergovernmental	\$ 94,901
Charges for services	893,990
Interest income	10,786
Miscellaneous	694,335
Total revenues	<u>1,694,012</u>
 <b>EXPENDITURES</b>	
Current:	
Public safety	1,467,130
Capital outlay	34,857
Total expenditures	<u>1,501,987</u>
 Net change in fund balances	 192,025
 <b>Fund balances, beginning of fiscal year</b>	 <u>932,501</u>
 <b>Fund balances, end of fiscal year</b>	 <u><u>\$ 1,124,526</u></u>

**JEFFERSON COUNTY, ALABAMA**  
**COMBINING BALANCE SHEET**  
**GENERAL FUND BY CATEGORY**  
**SEPTEMBER 30, 2023**

<b>ASSETS</b>	<b>General Fund</b>	<b>Uncertainty Fund</b>	<b>Catastrophic Fund</b>	<b>Budget Stabilization Fund</b>	<b>Economic Development Fund</b>	<b>Total General Fund</b>
Cash and cash equivalents	\$ 112,819,654	\$ 23,351,936	\$ 23,577,380	\$ 23,743,426	\$ 28,510,743	\$ 212,003,139
Investments	97,804,959	-	-	-	-	97,804,959
Accounts receivable, net	10,855,665	-	-	-	-	10,855,665
Taxes receivable	95,780,352	-	-	-	-	95,780,352
Intergovernmental receivables	3,439,264	-	-	-	-	3,439,264
Interest receivable	2,091,920	-	-	-	-	2,091,920
Leases receivable	1,994,451	-	-	-	-	1,994,451
Due from other funds	18,613,862	-	-	-	-	18,613,862
Prepaid items	278,637	-	-	-	-	278,637
Restricted assets:						
Cash	15,045,788	-	-	-	-	15,045,788
Investments	6,238,378	-	-	-	-	6,238,378
Loan receivable from component unit	30,934,678	-	-	-	-	30,934,678
<b>Total assets</b>	<b>\$ 395,897,608</b>	<b>\$ 23,351,936</b>	<b>\$ 23,577,380</b>	<b>\$ 23,743,426</b>	<b>\$ 28,510,743</b>	<b>\$ 495,081,093</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 6,176,286	\$ -	\$ -	\$ -	\$ 114,000	\$ 6,290,286
Retainage payable	90,656	-	-	-	-	90,656
Due to other governments	8,157,454	-	-	-	-	8,157,454
Accrued payroll and benefits	5,649,647	-	-	-	-	5,649,647
<b>Total liabilities</b>	<b>20,074,043</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>114,000</b>	<b>20,188,043</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unearned revenue - property taxes	77,579,185	-	-	-	-	77,579,185
Unavailable revenue - opioid settlement	2,804,636	-	-	-	-	2,804,636
Lease arrangements	1,961,353	-	-	-	-	1,961,353
<b>Total deferred inflows of resources</b>	<b>82,345,174</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>82,345,174</b>
<b>FUND BALANCES</b>						
<b>Fund balances:</b>						
<b>Nonspendable:</b>						
Leases	33,098	-	-	-	-	33,098
Prepaid items	278,637	-	-	-	-	278,637
Loan receivable from component unit	30,934,678	-	-	-	-	30,934,678
<b>Restricted:</b>						
Landfill assurance	7,085,825	-	-	-	-	7,085,825
Unsecured claims	5,540,635	-	-	-	-	5,540,635
Opioid settlement purposes	3,810,411	-	-	-	-	3,810,411
<b>Committed:</b>						
Future OPEB plan	9,703,547	-	-	-	-	9,703,547
<b>Assigned:</b>						
Budget reserve	-	-	-	23,743,426	-	23,743,426
Uncertainty reserve	-	23,351,936	-	-	-	23,351,936
Catastrophic reserve	-	-	23,577,380	-	-	23,577,380
Economic development	-	-	-	-	28,396,743	28,396,743
Unassigned	236,091,560	-	-	-	-	236,091,560
<b>Total fund balances</b>	<b>293,478,391</b>	<b>23,351,936</b>	<b>23,577,380</b>	<b>23,743,426</b>	<b>28,396,743</b>	<b>392,547,876</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 395,897,608</b>	<b>\$ 23,351,936</b>	<b>\$ 23,577,380</b>	<b>\$ 23,743,426</b>	<b>\$ 28,510,743</b>	<b>\$ 495,081,093</b>

**JEFFERSON COUNTY, ALABAMA**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - GENERAL FUND BY CATEGORY**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	General Fund	Uncertainty Fund	Catastrophic Fund	Budget Stabilization Fund	Economic Development Fund	Total General Fund
<b>Revenues:</b>						
Taxes	\$ 143,516,843	\$ -	\$ -	\$ -	\$ -	\$ 143,516,843
Licenses and permits	12,826,409	-	-	-	-	12,826,409
Intergovernmental	6,553,103	-	-	-	110,939	6,664,042
Charges for services	47,852,235	-	-	-	-	47,852,235
Interest income	5,793,409	239,916	508,310	705,730	-	7,247,365
Miscellaneous	6,441,794	-	-	-	-	6,441,794
Total revenues	<u>222,983,793</u>	<u>239,916</u>	<u>508,310</u>	<u>705,730</u>	<u>110,939</u>	<u>224,548,688</u>
<b>Expenditures:</b>						
Current:						
General government	129,065,668	-	-	-	11,885,678	140,951,346
Public safety	99,338,982	-	-	-	-	99,338,982
Health and welfare	1,179,425	-	-	-	-	1,179,425
Debt service:						
Principal	2,183,426	-	-	-	379,313	2,562,739
Interest	103,707	-	-	-	620,687	724,394
Total expenditures	<u>231,871,208</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,885,678</u>	<u>244,756,886</u>
Excess (deficiency) of revenues over (under) expenditures	(8,887,415)	239,916	508,310	705,730	(12,774,739)	(20,208,198)
<b>Other financing sources (uses):</b>						
Proceeds from sale of capital assets	3,545,665	-	-	-	-	3,545,665
Lease liabilities	444,619	-	-	-	-	444,619
Subscription liabilities	4,241,739	-	-	-	-	4,241,739
Transfers in	76,207,870	3,000,000	3,000,000	3,000,000	10,000,000	95,207,870
Transfers out	(26,340,946)	-	-	-	(1,217,289)	(27,558,235)
Total other financing sources (uses)	<u>58,098,947</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>8,782,711</u>	<u>75,881,658</u>
Net change in fund balances	49,211,532	3,239,916	3,508,310	3,705,730	(3,992,028)	55,673,460
<b>Fund balances, beginning of fiscal year</b>	<u>244,266,859</u>	<u>20,112,020</u>	<u>20,069,070</u>	<u>20,037,696</u>	<u>32,388,771</u>	<u>336,874,416</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 293,478,391</u>	<u>\$ 23,351,936</u>	<u>\$ 23,577,380</u>	<u>\$ 23,743,426</u>	<u>\$ 28,396,743</u>	<u>\$ 392,547,876</u>



# **STATISTICAL SECTION**



# STATISTICAL SECTION

---

This part of Jefferson County's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

## Table

### Financial Trends

*These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.*

<b>Net Position by Component .....</b>	<b>143</b>
<b>Changes in Net Position .....</b>	<b>144-146</b>
<b>Fund Balances, Governmental Funds.....</b>	<b>147</b>
<b>Revenue, Expenditures, and Other Financial Sources (Uses).....</b>	<b>148 and 149</b>

### Revenue Capacity

*These schedules contain information to help the reader assess the government's most significant local revenue sources: sales and use taxes and property taxes.*

<b>Sales and Use Tax Revenues to Total Taxes.....</b>	<b>150</b>
<b>Jefferson County Ten Largest Special Revenue Sales and Use Taxpayers .....</b>	<b>151</b>
<b>Jefferson County Ad Valorem Tax Revenue.....</b>	<b>152</b>
<b>Property Taxes Levied and Collections .....</b>	<b>153</b>
<b>Assessed Value and Estimated True Value of All Taxable Property.....</b>	<b>154</b>
<b>Principal Property Taxpayers (Jefferson County Only) .....</b>	<b>155</b>
<b>Property Taxes – Direct and Overlapping Governments .....</b>	<b>156 and 157</b>
<b>Enterprise Fund Data .....</b>	<b>158</b>
<b>Historical Sewer Rates.....</b>	<b>159</b>
<b>Top 10 Sewer Customers.....</b>	<b>160</b>

### Debt Capacity

*These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.*

<b>Jefferson County Debt Ratios .....</b>	<b>161</b>
<b>Ratios of Outstanding Debt by Type .....</b>	<b>162</b>
<b>Ratios of Net General Bonded Debt to Estimated True Value and Net Bonded Debt Per Capita .....</b>	<b>163</b>
<b>Estimated Constitutional Debt Margin .....</b>	<b>164</b>
<b>Pledged Revenue Coverage for Sewer Revenue Bonds .....</b>	<b>165</b>
<b>Pledged Revenue Coverage for Cooper Green Funding Agreement.....</b>	<b>166</b>
<b>Pledged Revenue Coverage of Limited Obligation Warrant Series 2022 for the Alabama Transportation Infrastructure Bank .....</b>	<b>167</b>

# STATISTICAL SECTION

---

## Table

### Demographic and Economic Information

*These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.*

<b>Demographic and Economic Statistics .....</b>	<b>168</b>
<b>Largest Employers (Birmingham-Hoover MSA) .....</b>	<b>169</b>

### Operating Information

*These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.*

<b>Operating Indicators by Function .....</b>	<b>170</b>
<b>Number of County Employees by Function/Program .....</b>	<b>171</b>
<b>Capital Asset Statistics by Function/Program .....</b>	<b>172</b>

### Debt Service Schedules

<b>Warrants Maturity Schedules .....</b>	<b>173</b>
<b>Senior Lien Sewer Revenue Warrants Series 2013-A through Series 2013-C .....</b>	<b>174</b>
<b>Subordinate Lien Sewer Revenue Warrants Series 2013-D through Series 2013-F .....</b>	<b>175</b>
<b>Hallmark Cooperative District Capital Improvement Loan Series 2019 .....</b>	<b>176</b>
<b>Series 2018-A General Obligation Refunding Warrants .....</b>	<b>177</b>
<b>Series 2017 Limited Obligation Refunding Warrants .....</b>	<b>178</b>
<b>Limited Obligation Warrant Series 2022 Issued to the Alabama Transportation Infrastructure Bank .....</b>	<b>179</b>
<b>Birmingham Jefferson Civic Center Authority Funding Agreement Series 2018E .....</b>	<b>180</b>
<b>Birmingham Jefferson Civic Center Authority Funding Agreement Series 2023A .....</b>	<b>181</b>

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Report for the relevant fiscal year.

FINANCIAL TRENDS  
**Schedule 1 - Net Position by Component**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

JCCAL Fiscal Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Governmental Activities:</b>										
Net Investment in Capital Assets	\$261,597	\$266,377	\$276,510	\$279,420	\$326,326	\$355,613	\$362,091	\$(58,408) <sup>1</sup>	\$(19,809)	\$15,483
Restricted	229,802	229,372	305,345	171,381	181,451	203,557	173,161	150,430	69,088 <sup>2</sup>	85,564
Unrestricted	(746,541)	(575,062)	(585,981)	(458,165)	(529,886)	(486,754)	(371,967)	186,651	365,458	406,623
<b>Total Governmental Activities Net Position</b>	<b>(255,142)</b>	<b>(79,313)</b>	<b>(4,126)</b>	<b>(7,364)</b>	<b>(22,109)</b>	<b>72,416</b>	<b>163,285</b>	<b>278,673</b> <sup>2</sup>	<b>414,737</b>	<b>507,670</b>
<b>Business-Type Activities:</b>										
Net Investment in Capital Assets	1,017,057	999,736	535,762	419,372	307,447	181,147	398,998	235,654	164,383	183,129
Restricted	274,382	320,525	368,329	377,618	369,012	394,063	21,165	471,373	466,193	454,154
Unrestricted	(332,239)	(361,931)	(57,794)	(54,792)	(61,335)	(60,587)	(20,057)	(432,880)	(513,096)	(614,153)
<b>Total Business-Type Activities Net Position</b>	<b>959,200</b>	<b>958,330</b>	<b>846,297</b>	<b>742,198</b>	<b>615,124</b>	<b>514,623</b>	<b>400,106</b>	<b>274,147</b> <sup>2</sup>	<b>117,480</b>	<b>23,130</b>
<b>Primary Government:</b>										
Net Investment in Capital Assets	1,278,654	1,266,113	812,272	698,792	633,773	536,760	761,089	177,246	144,574	198,612
Restricted	504,184	549,897	673,674	548,999	550,463	597,620	194,326	621,803	535,281	539,718
Unrestricted	(1,078,780)	(936,993)	(643,775)	(512,957)	(591,221)	(547,341)	(392,024)	(246,229)	(147,638)	(207,530)
<b>Total Primary Government Net Position</b>	<b>\$ 704,058</b>	<b>\$ 879,017</b>	<b>\$ 842,171</b>	<b>\$ 734,834</b>	<b>\$ 593,015</b>	<b>\$ 587,039</b>	<b>\$ 563,391</b>	<b>\$ 552,820</b> <sup>2</sup>	<b>\$ 532,217</b>	<b>\$ 530,800</b>

Source: JCC Finance Department Data

<sup>1</sup> The calculation for the County's net investment in capital assets was revised in fiscal year 2021 to appropriately include offsets to the capital asset balances of approximately \$372.5 million, as follows: financed purchases payable (approximately \$7.4 million), warrants payable (approximately \$415.8 million), gain on refunding (approximately \$7.0 million), and retainage payable (approximately \$0.7 million).

<sup>2</sup> During fiscal year 2021, restatements to beginning net position of governmental and business-type activities were required to accurately state balances and activity as of and for the year ended September 30, 2021. These restatements were necessary to accurately present the effects of financing activities (approximately \$17.1 million decrease), to accurately report the activities of the Jefferson County Economic and Industrial Development Authority, which prior to fiscal year 2021 was reported as a blended component unit in the business-type activities (approximately \$2.2 million increase), and to accurately report approximately \$0.4 million in amounts previously reported in agency funds. Additionally, the implementation of GASB Statement No. 84, Fiduciary Activities, resulted in an increase to the net position of governmental activities of approximately \$5.5 million.

<sup>3</sup> During fiscal year 2022, restatements to beginning net position of governmental activities were required to accurately state balances and activity as of and for the year ended September 30, 2021. These restatements were necessary to accurately report expenditures (approximately \$9.9 million decrease) and to accurately report litigation liabilities by removing them from the General Fund. See Note 15 to the financial statements as of and for the year ended September 30, 2022.

FINANCIAL TRENDS  
**Schedule 2 - Changes in Net Position**  
Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

JCCAL Fiscal Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Governmental Activities Expenses:</b>										
General Government	\$97,131	\$104,626	\$107,052	\$130,242	\$120,880	\$120,773	\$129,700	\$156,361	\$169,336	\$254,506
Public Safety	65,700	58,467	70,733	76,685	85,227	85,462	62,470	88,795	99,434	106,642
Law Library Operations	-	-	-	-	-	-	-	268	180	210
Highway and Roads	20,030	25,211	29,883	36,979	38,365	30,418	36,870	40,503	48,824	53,699
Health and Welfare	51,759	54,632	58,886	64,366	57,364	54,360	136,434	110,993	85,329	78,135
Education - Other	21,312	-	-	69,000	-	-	-	-	-	-
Community Development	-	-	6,871	5,514	4,805	5,811	9,675	13,529	10,864	9,344
Contributions to Other Entities	-	-	-	-	37,384	24,100	35,367	-	-	-
Interest and Fiscal Charges	42,062	38,021	33,405	30,347	18,919	15,463	14,603	13,646	13,832	13,855
<b>Total Governmental Activities Expenses</b>	<b>297,994</b>	<b>280,957</b>	<b>306,830</b>	<b>413,133</b>	<b>362,944</b>	<b>336,387</b>	<b>425,119</b>	<b>424,095</b>	<b>427,799</b>	<b>516,391</b>
<b>Business-Type Activities Expenses:</b>										
Economic and Industrial Development Authority	871	934	868	1,006	1,196	970	1,471	-	-	-
Sanitary Operations	300,167	306,906	318,554	329,154	346,866	360,027	375,284	380,446	386,973	410,369
Landfill Operations	3,063	2,870	3,293	3,430	1,761	4,384	1,983	2,750	4,114	2,191
Hallmark Farms	-	-	-	-	-	-	-	673	516	486
<b>Total Business-Type Activities Expenses</b>	<b>304,101</b>	<b>310,710</b>	<b>322,715</b>	<b>333,590</b>	<b>349,823</b>	<b>365,381</b>	<b>378,738</b>	<b>383,869</b>	<b>391,603</b>	<b>413,046</b>
<b>Total Primary Government Expenses</b>	<b>602,095</b>	<b>591,667</b>	<b>629,545</b>	<b>746,723</b>	<b>712,767</b>	<b>701,768</b>	<b>803,857</b>	<b>807,964</b>	<b>819,402</b>	<b>929,437</b>
<b>Governmental Activities Revenues:</b>										
Charges for Services	31,792	31,124	29,142	32,596	33,467	30,702	33,603	53,414	65,675	66,357
Operating Grants and Contributions	25,656	27,749	20,070	19,867	21,151	16,586	96,682	74,099	60,055	65,742
Capital Grants and Contributions	-	-	-	6,458	-	7,667	11,183	4,732	4,388	468
<b>Total Governmental Activities Program Revenue</b>	<b>57,448</b>	<b>58,873</b>	<b>49,212</b>	<b>58,921</b>	<b>54,618</b>	<b>54,955</b>	<b>141,468</b>	<b>132,245</b>	<b>130,118</b>	<b>132,567</b>
<b>Business-Type Activities Revenues:</b>										
Charges for Services	174,232	186,930	193,372	210,709	223,789	229,929	227,376	237,988	260,622	263,102
Capital Grants and Contributions:	-	-	-	7,180	10,027	12,366	10,300	6,826	6,287	17,487
<b>Total Business-Type Activities Revenues</b>	<b>174,232</b>	<b>186,930</b>	<b>193,372</b>	<b>217,889</b>	<b>233,816</b>	<b>242,295</b>	<b>237,676</b>	<b>244,814</b>	<b>266,909</b>	<b>280,589</b>
<b>Total Primary Government Program Revenue</b>	<b>231,680</b>	<b>245,803</b>	<b>242,584</b>	<b>276,810</b>	<b>288,434</b>	<b>297,250</b>	<b>379,144</b>	<b>377,059</b>	<b>397,027</b>	<b>413,156</b>
<b>Total Net Primary Government</b>	<b>(370,415)</b>	<b>(345,864)</b>	<b>(386,961)</b>	<b>(469,913)</b>	<b>(424,333)</b>	<b>(404,518)</b>	<b>(424,713)</b>	<b>(430,905)</b>	<b>(422,375)</b>	<b>(516,281)</b>

FINANCIAL TRENDS  
**Schedule 2 - Changes in Net Position**  
Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

JCCAL Fiscal Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Revenues and Transfers:</b>										
<b>Governmental Activities Revenue:</b>										
General Revenues										
Property Taxes	103,833	101,769	105,814	109,506	111,931	114,503	123,649	129,152	130,600	143,816
Sales and Use Taxes	180,291	186,349	191,022	204,634	219,428	218,092	226,346	260,694	287,104	302,293
Other Taxes	10,977	7,571	8,754	8,337	8,527	8,710	9,815	11,591	11,529	9,047
Licenses and Permits	12,207	11,222	13,878	11,815	12,824	13,243	12,959	-	-	-
Unrestricted Investment Earnings	402	869	1,030	1,000	1,447	2,765	1,550	458	2,014	20,324
Miscellaneous	6,705	18,457	14,693	18,628	15,498	14,444	10,891	9,695	3,717	9,658
Gain on Sale of Capital Assets	-	-	-	-	-	7,352	491	1,768	-	-
Transfers	15,335	-	-	-	-	-	-	(1,204)	(1,218)	(8,381)
Transfers to Agency Funds <sup>1</sup>	-	(2,458)	(2,386)	(2,946)	(3,113)	(3,152)	-	-	-	-
<b>Total Governmental Activities Revenue</b>	<b>329,750</b>	<b>323,779</b>	<b>332,805</b>	<b>350,974</b>	<b>366,542</b>	<b>375,957</b>	<b>385,701</b>	<b>412,154</b>	<b>433,746</b>	<b>476,757</b>
<b>Business-Type Activities Revenue:</b>										
General Revenues										
Property Taxes	5,996	5,956	5,726	6,309	6,441	6,564	7,213	7,567	7,571	8,290
Unrestricted Investment Earnings	427	1,065	3,725	2,009	486	13,343	13,597	3,304	(42,253) <sup>7</sup>	20,846
Miscellaneous	1,820	3,211	2,160	3,284	2,597	2,678	3,559	675	1,298	590
Gain on Sale of Capital Assets	-	4,632	5,699	-	-	-	-	345	193	-
Transfers	(15,335)	-	-	-	-	-	-	1,204	1,218	8,381
<b>Total Business-Type Activities Revenues</b>	<b>(7,092)</b>	<b>14,864</b>	<b>17,310</b>	<b>11,602</b>	<b>9,524</b>	<b>22,585</b>	<b>24,369</b>	<b>13,095</b>	<b>(31,973)</b>	<b>38,107</b>
<b>Total General Revenues and Transfers:</b>	<b>322,658</b>	<b>338,643</b>	<b>350,115</b>	<b>362,576</b>	<b>376,066</b>	<b>398,542</b>	<b>410,070</b>	<b>425,249</b>	<b>401,773</b>	<b>514,864</b>
<b>Extraordinary Item: Gain on Bankruptcy</b>										
Governmental Activities	22,188	-	-	-	-	-	-	-	-	-
Business-Type Activities	1,405,919	-	-	-	-	-	-	-	-	-
<b>Extraordinary Item: Gain on Bankruptcy</b>	<b>1,428,107</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change (Decrease) in Net Position:</b>										
Governmental Activities	111,392	101,695	75,187	(3,238)	58,216	94,525	102,050	120,304	136,065	92,933
Business Type Activities	1,268,958	(108,916)	(112,033)	(104,099)	(106,483)	(100,501)	(116,693)	(125,960)	(156,667)	(94,350)
<b>Total Change in Position</b>	<b>1,380,350</b>	<b>(7,221)</b>	<b>(36,846)</b>	<b>(107,337)</b>	<b>(48,267)</b>	<b>(5,976)</b>	<b>(14,643)</b>	<b>(5,656)</b>	<b>(20,602)</b>	<b>(1,417)</b>

FINANCIAL TRENDS  
**Schedule 2 - Changes in Net Position**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

JCCAL Fiscal Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net Position Beginning of Year	(644,093)	704,058	879,017	842,171	734,834	593,015	587,039	572,396	557,735	532,217
Prior Period Adjustments to Net Position	(32,199) <sup>2</sup>	182,180 <sup>3</sup>	-	-	(93,552) <sup>4</sup>	-	-	(9,005) <sup>5</sup>	(4,916) <sup>6</sup>	-
Governmental Activities	(6,704)	74,134	-	-	(72,961)	-	-	(11,180)	(4,916)	-
Business Type Activities	(25,495)	108,046	-	-	(20,591)	-	-	2,175	-	-
Net Position- Beginning of Year Restated	(676,292)	886,238	879,017	842,171	641,282	593,015	587,039	563,391	552,819	532,217
<b>Net Position - End of Year</b>	<b>704,058</b>	<b>879,017</b>	<b>842,171</b>	<b>734,834</b>	<b>593,015</b>	<b>587,039</b>	<b>572,396</b>	<b>557,735</b>	<b>532,217</b>	<b>530,800</b>

Source: JCC Finance Department Data

<sup>1</sup> With the implementation of GASB 84, Agency funds are no longer a component of the audited financial statements.

<sup>2</sup> FY 2014 Note B - Summary of Significant Accounting Policies (Pg. 34): The Commission adopted pronouncement GASB 65, this includes a reduction in Net Position of -\$32,199 related to Debt Issuance Cost.

<sup>3</sup> FY 2015 Note B - Prior Period Adjustments (Pg. 41): The Commission adopted pronouncements GASB 68 and GASB 71, this includes a positive Net Position adjustment of \$89,574 related to Pension Benefits. Also, the beginning Net Position has been adjusted to include \$93,917 related to Donated Assets & -\$1,311 related to Motor Vehicle Taxes.

<sup>4</sup> FY 2018 Note B - Significant New Accounting Pronouncements (Pg. 41): The Commission adopted pronouncement GASB 75, this includes a reduction in Net Position of -\$93,552 related to other Postemployment Benefits.

<sup>5</sup> FY2021 Notes 14, 15, and 16 - During fiscal year 2021, restatements to beginning net position of governmental and business-type activities were required to accurately state balances and activity as of and for the year ended September 30, 2021. These restatements were necessary to accurately present the effects of financing activities (approximately \$17.1 million decrease), to accurately report the activities of the Jefferson County Economic and Industrial Development Authority, which prior to fiscal year 2021 was reported as a blended component unit in the business-type activities (approximately \$2.2 million increase), and to accurately report approximately \$0.4 million in amounts previously reported in agency funds. Additionally, the implementation of GASB Statement No. 84, Fiduciary Activities, resulted in an increase to the net position of governmental activities of approximately \$5.5 million.

<sup>6</sup> FY 2022 Note 16 - Prior Period Adjustments (Pg. 80): The beginning Fund Balance has been adjusted.

<sup>7</sup> The County experienced a significant decline in fair values of its investments due to the increase in interest rates economy-wide.

FINANCIAL TRENDS  
**Schedule 3 - Fund Balances, Governmental Funds**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

JCCAL Fiscal Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>GENERAL FUND</b>										
Nonspendable	\$19,034	\$27,324	\$24,324	\$21,141	\$56,539	\$50,195	\$49,363	\$28,966	\$29,104	\$31,246
Restricted	6,778	6,796	11,831	11,849	11,824	12,183	13,894	12,094	12,094	16,437
Committed	-	-	-	-	-	-	-	500	-	9,704
Assigned	-	11,794	9,541	12,544	30,685	39,713	64,497	71,682	92,608	99,069
Unassigned	102,183	76,578	76,117	84,554	54,998	76,004	111,765	168,509	203,068	236,092
<b>Total General Fund</b>	<b>127,995</b>	<b>122,492</b>	<b>121,813</b>	<b>130,088</b>	<b>154,046</b>	<b>178,095</b>	<b>239,519</b>	<b>281,751</b>	<b>336,874</b>	<b>392,548</b>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>										
Nonspendable	11,654	10,814	9,598	9,193	-	(18,289)	-	-	-	-
Restricted	187,561	199,552	201,072	55,888	52,921	68,817	34,755	68,496	60,174	68,548
Assigned	59,483	37,128	45,400	22,068	24,445	21,973	22,428	4,610	96,392	97,450
Unassigned	(6,525)	3,830	(16,505)	(10,565)	(5,294)	(16,112)	(49)	-	-	(84)
<b>Total All Other Governmental Funds</b>	<b>252,173</b>	<b>251,324</b>	<b>239,565</b>	<b>76,584</b>	<b>72,072</b>	<b>56,389</b>	<b>57,134</b>	<b>73,106</b>	<b>156,566</b>	<b>165,914</b>
<b>Total Governmental Fund Balance</b>	<b>\$ 380,168</b>	<b>\$ 373,816</b>	<b>\$ 361,378</b>	<b>\$ 206,672</b>	<b>\$ 226,118</b>	<b>\$ 234,484</b>	<b>\$ 296,653</b>	<b>\$ 354,857</b>	<b>\$ 493,440</b>	<b>\$ 558,462</b>

Source: JCC Finance Department Data

FINANCIAL TRENDS  
**Schedule 4 - Revenues, Expenditures, and Other Financial Sources (Uses)**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

JCCAL Fiscal Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>REVENUES:</b>										
Taxes	\$294,385	\$295,696	\$306,970	\$322,475	\$339,760	\$341,295	\$359,808	\$401,437	\$429,233	\$455,157
Licenses and Permits	12,207	11,222	13,878	11,815	12,824	13,243	12,959	12,625	16,966	15,629
Fines and forfeitures	-	-	-	-	-	-	-	1,229	1,034	2,004
Intergovernmental	25,656	27,742	20,070	23,542	21,151	24,253	107,865	70,797	61,923	62,831
Charges for Services, Net	31,792	31,333	29,142	32,596	33,467	30,702	33,603	40,789	47,675	48,724
Contributions and Donations	-	-	-	-	-	-	-	3,146	3,397	3,378
Interest and Investment Income (Loss)	402	869	1,030	1,000	1,447	2,765	1,550	458	2,014	20,324
Miscellaneous	8,109	18,212	13,286	16,463	15,225	10,881	10,891	9,695	3,717	6,854
<b>TOTAL REVENUES</b>	<b>372,551</b>	<b>385,074</b>	<b>384,376</b>	<b>407,891</b>	<b>423,874</b>	<b>423,139</b>	<b>526,676</b>	<b>540,176</b>	<b>565,959</b>	<b>614,901</b>
<b>EXPENDITURES:</b>										
Current:										
General Government	93,214	101,362	101,790	111,196	116,593	127,823	131,533	170,587	179,494	213,043
Public Safety	65,239	60,566	68,771	74,303	81,852	81,312	58,538	85,500	97,255	103,137
Law Library Operations	-	-	-	-	-	-	-	269	180	209
Highways and Roads	14,869	21,137	23,502	30,249	30,954	25,392	28,374	31,709	38,536	47,940
Health and Welfare	48,385	52,412	53,423	60,406	53,776	53,644	132,874	110,064	86,035	77,258
Education - other	21,312	-	-	69,000	-	-	-	-	-	-
Community Development	-	-	6,865	5,505	4,796	5,802	9,666	13,529	10,864	9,344
Capital Outlay	13,829	20,358	22,209	22,068	23,768	44,270	29,056	22,737	26,905	43,676
Indirect	(4,271)	(4,106)	(3,503)	(4,004)	(5,314)	(5,922)	(6,079)	(8,108)	-	-
Contributions to Other Entities	-	-	-	-	37,384	24,100	35,367	-	-	-
Debt Service:										
Principal	83,508	95,175	99,982	540,830	178,442	35,864	37,450	36,714	33,053	39,103
Interest	44,594	39,796	35,990	36,252	29,746	22,841	23,115	21,099	19,406	21,372
Issuance costs	-	-	-	-	-	-	-	-	1,286	-
<b>TOTAL EXPENDITURES</b>	<b>380,679</b>	<b>386,700</b>	<b>409,029</b>	<b>945,805</b>	<b>551,997</b>	<b>415,126</b>	<b>479,894</b>	<b>484,100</b>	<b>493,014</b>	<b>555,082</b>
Excess (deficiency) of revenues over (under) expenditures	(8,128)	(1,626)	(24,653)	(537,914)	(128,123)	8,013	46,782	56,076	72,945	59,819
<b>Other Financing Sources (Uses)</b>										
Proceeds from Sales of Capital Assets	120	137	1,407	2,165	320	3,505	2,132	2,677	989	6,279
Issuance of Financed Purchases	-	-	-	-	-	-	-	655	-	2,618
Issuance of Bonds	-	-	-	338,925	138,175	-	-	-	66,335	-
Premium on Bonds	-	-	-	45,064	13,209	-	-	-	4,448	-
Issuance of lease liabilities	-	-	-	-	-	-	-	-	-	445
Issuance of subscription liabilities	-	-	-	-	-	-	-	-	-	4,242
Transfers In	37,565	40,277	38,350	430,186	225,241	163,998	149,168	169,164	195,267	205,918
Transfers Out	(39,952)	(42,735)	(40,736)	(433,132)	(229,376)	(167,150)	(149,168)	(170,368)	(196,485)	(214,299)
Total other financing sources (uses)	(2,267)	(2,321)	(979)	383,208	147,569	353	2,132	2,128	70,554	5,203
Extraordinary Item: Gain on Bankruptcy	22,188 <sup>2</sup>	-	-	-	-	-	-	-	-	-
<b>Net Change In Fund Balances</b>	<b>11,793</b>	<b>(3,947)</b>	<b>(25,632)</b>	<b>(154,706)</b>	<b>19,446</b>	<b>8,366</b>	<b>48,914</b>	<b>58,204</b>	<b>143,499</b>	<b>65,022</b>
Fund Balances - Beginning of Year	368,375 <sup>3</sup>	380,168	373,816	361,378	206,672	226,118	234,484	283,398	354,857	493,440
Prior Period Adjustments Governmental Funds	-	(2,405) <sup>4</sup>	13,194 <sup>5</sup>	-	-	-	-	13,255	(4,916) <sup>7</sup>	-



FINANCIAL TRENDS  
**Schedule 4 - Revenues, Expenditures, and Other Financial Sources (Uses)**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

JCCAL Fiscal Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Fund Balances - Beginning of Year Restated	368,375	377,763	387,010	361,378	206,672	226,118	234,484	296,653	349,941	493,440
<b>Fund Balances - End of Year</b>	<b>\$ 380,168</b>	<b>\$ 373,816</b>	<b>\$ 361,378</b>	<b>\$ 206,672</b>	<b>\$ 226,118</b>	<b>\$ 234,484</b>	<b>\$ 283,398</b>	<b>\$ 354,857</b>	<b>\$ 493,440</b>	<b>\$ 558,462</b>
Ratio of Total Debt Service to Noncapital Expenditures:	34.92%	36.84%	35.15%	62.47%	39.41%	15.83%	13.43% <sup>7</sup>	12.59%	11.63%	11.94%

Source: JCC Finance Department Data

<sup>1</sup> FY 2014 Note B - Summary of Significant Accounting Policies (Pg. 42): The beginning balance in 2014 is \$353 less than the ending balance in 2013. This is related to the re-allocation of the Emergency Mgmt. Fund in 2014 as a separate Agency Fund.

<sup>2</sup> FY 2014 the Commission filed Chapter 9 Bankruptcy. With the bankruptcy confirmation, the Commission retired certain warrant series and issued new warrants. The entire Sewer Revenue Warrant Series (totaling \$3,107,518 as of December 3, 2013) was retired as well as the GO Series 2001-B Warrants (totaling \$105,000 as of December 3, 2013). The Series 2013 Sewer Warrants totaling \$1,785,486 and Series 2013 GO Warrants of \$105,000 were issued as of December 3, 2013. The Commission realized a net gain on the bankruptcy restructuring of the sewer warrants of approximately \$1,406,000, net of various settlement costs. The Commission also realized a net gain on the bankruptcy restructuring of the GO 2001-B Warrants of approximately \$22,188 net of various settlement costs.

<sup>3</sup> FY 2015 Note B - Prior Period Adjustments (Pg. 41): The beginning Fund Balance has been adjusted to include -\$1,094 related to Long Term Loans and -\$1,311 related to Motor Vehicle Taxes.

<sup>4</sup> FY 2016 Note B - Prior Period Adjustments (Pg. 40): The beginning Fund Balance has been adjusted to exclude Accrued Interest \$5,974 and liabilities related to Accrued Compensated Absences \$7,220.

<sup>5</sup> Correction of 2020 Ratio of Total Debt Service to Noncapital Expenditures

<sup>6</sup> FY2021 Note 14 - Change in Accounting Principle: The Commission adopted pronouncement GASB 84, this includes a positive Fund Balance adjustment of \$5,549 related to Fiduciary Activities. Note 15 - Change in Reporting Entity: The Commission determined that the \$414 Revolving Loan Fund, previously reported as an Agency Fund, should be presented within the Community Development Loan Fund. Note 16 - Restatements:

<sup>7</sup> FY 2022 Note 16 - Prior Period Adjustments (Pg. 80): The beginning Fund Balance has been adjusted.

REVENUE CAPACITY  
**Schedule 5 - Sales and Use Tax Revenues To Total Taxes**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 <sup>5</sup>
County Sales Tax <sup>1,2</sup>	\$ 99,183	\$ 104,513	\$ 102,752	\$ 111,339	\$ 120,361	\$ 114,549	\$ 117,379	\$ 129,399	\$ 139,672	\$ 145,255
Education Sales Tax <sup>3</sup>	100,377	103,732	104,844	103,490	4,795	-	-	-	-	-
Special Revenue Sales Tax <sup>3,4</sup>	-	-	-	7,173	115,048	115,984	113,537	127,335	138,936	145,623
Simplified Sellers Use Tax	-	-	-	1,881	2,714	5,493	10,196	14,161	16,710	19,818
<b>Total Sales Taxes</b>	<b>199,560</b>	<b>208,245</b>	<b>207,596</b>	<b>223,883</b>	<b>242,918</b>	<b>236,026</b>	<b>241,112</b>	<b>270,895</b>	<b>295,318</b>	<b>310,696</b>
Property Tax <sup>6</sup>	105,705	108,070	112,732	114,680	117,735	121,227	134,217	136,719	140,221	152,735
<b>Total Taxes</b>	<b>\$ 305,265</b>	<b>\$ 316,315</b>	<b>\$ 320,328</b>	<b>\$ 338,563</b>	<b>\$ 360,653</b>	<b>\$ 357,253</b>	<b>\$ 375,329</b>	<b>\$ 407,614</b>	<b>\$ 435,539</b>	<b>\$ 463,431</b>
<b>% of Sales &amp; Use to Total Taxes</b>	<b>65.37%</b>	<b>65.83%</b>	<b>64.81%</b>	<b>66.13%</b>	<b>67.36%</b>	<b>66.07%</b>	<b>64.24%</b>	<b>66.46%</b>	<b>67.81%</b>	<b>67.04%</b>

Source: Jefferson County Tax Collector and Jefferson County Revenue Director

<sup>1</sup> The sales and use tax revenue on this schedule are reported gross vs net (less commissions and fees) reporting on the accompanying financial statements.

<sup>2</sup> Source: Jefferson County Revenue Director represents the gross collections from the one-cent general sales and use tax and the one-cent education sales tax reported on a cash basis. The Jefferson County Revenue Department does not provide data by industry type.

<sup>3</sup> Pursuant to Act No. 2015-226 adopted by the Alabama Legislature, the levy of the Education Sales and Use Tax was canceled simultaneously with the issuance of the county's Limited Obligation Refunding Warrants, Series 2017 and the levy of the Special Revenue Sales and Use Tax on July 31, 2017.

<sup>4</sup> The Special Revenue Sales and Use Tax was first levied on August 1, 2017 and is collected a month in arrears. The amount provided above for fiscal year 2017 reflects one month's collections.

<sup>5</sup> All tax collections increased in FY 2023 due to the increase of new businesses, and increase in the price of products.

<sup>6</sup> Property tax include real, personal property and motor vehicle taxes

REVENUE CAPACITY  
**Schedule 6 - Jefferson County Ten Largest Special Revenue Sales and Use Taxpayers**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th

Fiscal Year Ending September 30	Total Amount Collected	Percentage of Total Amount Collected
2017	\$1,498,235	20.89%
2018	19,651,558	17.08%
2019	21,926,938	18.91%
2020	25,739,763	22.67%
2021	18,845,552	14.80%
2022	19,717,930	14.19%
2023	25,281,398	17.36%

*Source: Jefferson County Revenue Department.*

*The Special Revenue Sales and Use Tax was first levied on August 1, 2017 and is collected a month in arrears. The amount provided above for fiscal year 2017 reflects one month's collections.*

*The Special Revenue Sales and Use Taxpayers industry types include retail, software/computers, and public utility.*

REVENUE CAPACITY  
**Schedule 7 - Jefferson County Ad Valorem Tax Revenue**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th

<b>Fiscal Year Ended September 30</b>	<b>General Tax (5.6 mills) <sup>1</sup></b>	<b>Sewer Tax (0.7 mills)</b>	<b>Public Buildings, Bridges and Roads (5.1 mills)</b>	<b>Rural Roads (2.1 mills) <sup>2</sup></b>
2014	\$39,065,798	\$5,561,248	\$40,380,950	\$16,641,498
2015	36,514,904	5,454,528	39,727,570	16,356,708
2016	35,725,294	5,323,850	38,207,090	15,852,105
2017	39,732,959	5,780,605	42,123,580	17,343,419
2018	40,809,458	5,929,372	43,208,439	17,789,926
2019	42,238,337	6,122,740	44,619,166	18,370,425
2020	44,688,901	6,496,513	46,088,276	19,233,552
2021	46,145,101	6,769,196	48,024,439	20,041,230
2022	46,211,376	6,797,513	48,277,508	20,135,768
2023	50,968,371	7,352,052	51,984,750	21,226,780

Source: Jefferson County Tax Collector

Figures do not include (i) ad valorem tax revenues from motor vehicles or (ii) ad valorem tax revenues resulting from delinquent ad valorem collections.

<sup>1</sup> Net of amounts required to be deducted from the 5.6 mill tax proceeds for certain purposes, including, among others, payments to The Birmingham-Jefferson County Transit Authority, the Jefferson County Department of Health, and the State Mapping and Reappraisal Program.

<sup>2</sup> Approximately one half of the ad valorem tax revenue resulting from the Rural Roads tax is returned to municipalities via a "Road Tax Distribution."

REVENUE CAPACITY  
**Schedule 8 - Property Taxes Levied and Collections**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

<b>Tax Year Ended September 30 <sup>1</sup></b>	<b>Total Net Tax Levy <sup>2</sup></b>	<b>Current Tax Collection</b>	<b>Percent of Levy Collected</b>	<b>Delinquent Tax Collection</b>	<b>Total Collection</b>	<b>Percent of Total Tax Collection to Tax Levy</b>
2014	\$550,902	\$540,580	98.13%	\$7,552	\$548,132	99.50%
2015	565,752	556,568	98.38%	8,780	565,348	99.93%
2016	597,336	580,276	97.14%	10,161	590,437	98.85%
2017	613,117	600,525	97.95%	9,590	610,115	99.51%
2018	628,709	617,697	98.25%	8,427	626,124	99.59%
2019	649,100	639,433	98.51%	8,022	647,455	99.75%
2020	741,487	706,909	95.34%	8,281	715,190	96.45%
2021	760,809	739,252	97.17%	7,055	746,307	98.09%
2022	775,377	754,090	97.25%	6,606	760,696	98.11%
2023	832,078	822,074	98.80%	7,984	830,058	99.76%

Source: Jefferson County Tax Assessor; Jefferson County Tax Collector

<sup>1</sup> Taxes collected in each fiscal year represent the taxes levied by the Tax Assessor in the prior fiscal year and collected by the Tax Collector in the current year as taxes are collected in arrears.

<sup>2</sup> Increased Total Net Tax Levy for Tax Year Ended September 30, 2023 reflects property reappraisals completed by the Board of Equalization for such Tax Year.

REVENUE CAPACITY  
**Schedule 9 - Assessed Value and Estimated True Value of All Taxable Property**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

Tax Year Ending 30-Sep	Class 1*		Class 2*		Class 3*		Class 4**		Total		Ratio of Assessed Value to Estimated True Value	Total Direct Rate
	Property of Utilities		All Unclassified	Real/Personal	Agriculture, Forest, Residential, Historic		Motor Vehicles					
	Assessed Value <sup>2</sup>	Estimated True Value <sup>1</sup>	Assessed Value <sup>2</sup>	Estimated True Value <sup>1</sup>	Assessed Value <sup>2</sup>	Estimated True Value <sup>1</sup>	Assessed Value <sup>2</sup>	Estimated True Value <sup>1</sup>	Assessed Value <sup>2</sup>	Estimated True Value <sup>1</sup>		
2014	\$ 754,284	\$ 2,533,277	\$ 4,823,545	\$ 23,332,367	\$ 2,473,713	\$ 24,560,565	\$ 955,622	\$ 6,370,819	\$ 9,007,164	\$ 56,797,028	15.86%	1.35
2015	749,937	2,514,279	5,081,132	24,084,601	2,543,286	24,737,125	970,132	6,467,553	9,344,487	57,803,558	16.17%	1.35
2016	755,801	2,499,789	5,195,420	25,380,377	2,627,198	25,432,862	1,037,058	6,913,723	9,615,477	60,226,751	15.97%	1.35
2017	768,574	2,519,335	5,281,482	25,945,977	2,705,295	26,271,980	1,006,199	6,847,764	9,761,550	61,585,056	15.85%	1.35
2018	782,337	2,561,914	5,400,223	26,383,047	2,842,460	27,052,948	944,596	6,477,122	9,969,616	62,475,031	15.96%	1.35
2019	795,622	2,607,788	6,467,939	26,971,258	3,069,053	28,424,596	956,518	6,589,494	11,289,132	64,593,136	17.48%	1.35
2020	835,428	2,652,073	6,477,973	32,311,206	3,218,597	30,690,534	979,906	6,532,712	11,511,904	72,186,525	15.95%	1.35
2021	849,734	2,832,734	6,475,470	33,571,207	3,413,560	27,429,143	1,034,897	6,899,316	11,773,661	70,732,400	16.65%	1.35
2022	864,853	2,882,840	6,686,052	33,430,260	3,898,801	38,988,010	1,015,138	6,400,624	12,464,844	81,701,734	15.26%	1.35
2023	840,740	2,802,467	7,991,482	53,893,922	4,304,458	52,888,402	1,334,218	8,894,786	14,470,898	118,479,577	12.21%	1.35

Source: \* Jefferson County Tax Assessor and \*\* Jefferson County Revenue Director

<sup>1</sup> Estimated True Value is calculated based on the following percentages:

- Class I Public Utility-30%
- Class II Commercial-20%
- Class III Residential-10%
- Class IV Automobile-15%

<sup>2</sup> Assessed Values are reported as net assessments after exemptions and penalties applied as reported on the Tax Assessor's abstract

REVENUE CAPACITY  
**Schedule 10 - Principal Property Taxpayers (Jefferson County Only)**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

Assessed Entity	Fiscal Year Ended September 30, 2023 <sup>3</sup>			Fiscal Year Ended September 30, 2014		
	Total Assessed Value <sup>1</sup> of Property Within County Limits	Rank	% of Total Assessed Valuation	Total Assessed Value <sup>2</sup> of Property Within County Limits	Rank	% of Total Assessed Valuation
Alabama Power CO	\$773,672,260	1	6.76%	\$588,920,420	1	5.14%
United States Steel Corporation	87,613,520	2	0.77%	98,761,380	2	0.86%
Affinity Hospital LLC	75,160,980	3	0.66%	37,754,860	5	0.33%
Norfolk Southern Combined Rail	64,106,580	4	0.56%	42,765,160	4	0.37%
Bellsouth Telecommunications LLC	59,339,140	5	0.52%	96,673,620	3	0.84%
Wells Fargo Bank National Association	57,629,300	6	0.50%			
GSA Birmingham Realty	51,800,300	7	0.45%			
Mercedes Benz U S International Inc	43,721,460	8	0.38%			
American Cast Iron Pipe CO	40,603,240	9	0.35%	30,943,780	7	0.27%
Hoover Mall Limited LP	38,322,020	10	0.33%	27,789,880	8	0.24%
Alabama Gas Corporation				35,282,120	6	0.31%
AmSouth Bank				26,481,480	9	0.23%
AT&T Services				23,797,600	10	0.21%
	\$ 1,291,968,800		11.28%	\$ 1,009,170,300		8.81%

Source: Jefferson County Tax Assessor

<sup>1</sup> Total 2023 assessed value of property within county limits reflected \$13,136,679 (excludes Class 4-Motor Vehicles) on the net abstract.

<sup>2</sup> Total 2014 assessed value of property within county limits reflected \$8,051,541 (excludes Class 4-Motor Vehicles) on the net abstract.

<sup>3</sup> Tax year versus fiscal year end variances.

REVENUE CAPACITY  
**Schedule 11 - Property Taxes - Direct and Overlapping Governments**  
 Jefferson County, Alabama  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (Per \$100 of Assessed Value)

<b>OVERLAPPING TAX RATES</b>									
<u>Fiscal Year</u>	<u>Jefferson County</u>				<u>City of Birmingham</u>			<u>State of Alabama</u>	<u>Total Direct &amp; Overlapping</u>
	<u>Direct County Government</u>	<u>County Schools</u>	<u>Special Schools</u>	<u>County Total</u>	<u>Municipal Tax</u>	<u>BOE School</u>	<u>City Total</u>		
2014	1.35	0.82	2.19	4.36	2.85	1.28	4.13	0.65	9.14
2015	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2016	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2017	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2018	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2019	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2020	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2021	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2022	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2023	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44

<b>OVERLAPPING TAX RATES</b>									
<u>Fiscal Year</u>	<u>Jefferson County</u>				<u>City of Vestavia Hills</u>			<u>State of Alabama</u>	<u>Total Direct &amp; Overlapping</u>
	<u>Direct County Government</u>	<u>County Schools</u>	<u>Special Schools</u>	<u>County Total</u>	<u>Municipal Tax</u>	<u>BOE School</u>	<u>City Total</u>		
2014	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2015	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2016	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2017	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2018	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2019	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2020	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2021	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2022	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2023	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45



REVENUE CAPACITY  
**Schedule 11 - Property Taxes - Direct and Overlapping Governments**  
 Jefferson County, Alabama  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (Per \$100 of Assessed Value)

<b>OVERLAPPING TAX RATES</b>									
<u>Fiscal Year</u>	<u>Jefferson County</u>				<u>City of Mountain Brook</u>			<u>State of Alabama</u>	<u>Total Direct &amp; Overlapping</u>
	<u>Direct County Government</u>	<u>County Schools</u>	<u>Special Schools</u>	<u>County Total</u>	<u>Municipal Tax</u>	<u>BOE School</u>	<u>City Total</u>		
2014	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2015	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2016	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2017	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2018	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2019	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2020	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2021	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2022	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2023	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09

<b>OVERLAPPING TAX RATES</b>									
<u>Fiscal Year</u>	<u>Jefferson County</u>				<u>City of Hoover<sup>1</sup></u>			<u>State of Alabama</u>	<u>Total Direct &amp; Overlapping</u>
	<u>Direct County Government</u>	<u>County Schools</u>	<u>Special Schools</u>	<u>County Total</u>	<u>Municipal Tax</u>	<u>BOE School</u>	<u>City Total</u>		
2014	1.35	0.82	2.19	4.36	3.05	1.39	4.44	0.65	9.45
2015	1.35	0.82	2.19	4.36	3.05	1.39	4.44	0.65	9.45
2016	1.35	0.82	2.19	4.36	3.05	1.39	4.44	0.65	9.45
2017	1.35	0.82	2.19	4.36	3.05	1.39	4.44	0.65	9.45
2018	1.35	0.82	2.19	4.36	3.05	1.39	4.44	0.65	9.45
2019	1.35	0.82	2.19	4.36	3.05	1.39	4.44	0.65	9.45
2020	1.35	0.82	2.19	4.36	3.05	1.39	4.44	0.65	9.45
2021	1.35	0.82	2.19	4.36	3.05	1.39	4.44	0.65	9.45
2022	1.35	0.82	2.19	4.36	3.05	1.39	4.44	0.65	9.45
2023	1.35	0.82	2.19	4.36	3.05	1.39	4.44	0.65	9.45

Source: Jefferson County Tax Assessor/ Code of Alabama 1975 Title 40 section 40-5-9

Tax Due Date: October 1

Delinquent Date: January 1

Discounts Allowed: None

Tax Sale Date: Usually May or June

<sup>1</sup> Corrected City of Hoover municipal rate calculations for prior years of 2014-2021

REVENUE CAPACITY  
**Schedule 12 - Enterprise Fund Data**  
 Jefferson County, Alabama  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th

**Account Data\***

Fiscal Year Ended September 30	Residential Accounts Served	Non-Residential Accounts Served	Total Accounts Served	Accounts Billed by the Water Works Board of the City of Birmingham (Alabama)	Percentage Accounts Billed by the Water Works Board of the City of Birmingham (Alabama)	Accounts Billed by Bessemer Water Works (acting as a department of the City of Bessemer, Alabama)	Percentage Accounts Billed by Bessemer Water Works (acting as a department of the City of Bessemer, Alabama)	Accounts Billed by Jefferson County	Percentage Accounts Billed by Jefferson County
2014	125,657	14,703	140,360	111,440	79.4%	16,474	11.7%	12,446	8.9%
2015	126,825	13,733	140,558	111,024	79.0%	16,720	11.9%	12,814	9.1%
2016	125,173	15,847	141,020	111,279	78.9%	16,832	11.9%	12,909	9.2%
2017	127,771	13,861	141,632	111,450	78.7%	17,135	12.1%	13,047	9.2%
2018	126,929	13,083	140,012	109,635	78.3%	17,286	12.3%	13,091	9.3%
2019	126,470	14,654	141,124	110,791	78.5%	17,311	12.3%	13,022	9.2%
2020	128,005	14,223	142,228	110,995	78.0%	17,383	12.2%	13,850	9.7%
2021	131,499	12,158	143,657	111,977	77.9%	17,519	12.2%	14,161	9.9%
2022	133,181	12,214	145,395	113,260	77.9%	17,730	12.2%	14,406	9.9%
2023	128,889	11,374	140,263	107,626	76.7%	17,939	12.8%	14,698	10.5%

\*Sewer account data is based on estimates provided by the Jefferson County Environmental Services Department.

REVENUE CAPACITY  
**Schedule 13 - Historical Sewer Rates**  
 Jefferson County, Alabama  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th

Fiscal Year Ended September 30	2014 <sup>(1)</sup>	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Minimum Charge</b>										
5/8 inch meter	\$ 15.00	\$ 16.18	\$ 17.46	\$ 18.84	\$ 20.33	\$ 21.04	\$ 21.78	\$ 22.55	\$ 23.34	\$ 24.16
3/4 inch meter	16.50	17.80	19.21	20.73	22.37	23.15	23.96	24.80	25.67	26.57
1 inch meter	21.00	22.66	24.44	26.37	28.45	29.44	30.47	31.54	32.65	33.79
1 1/2 inch meter	27.00	29.13	31.43	33.91	36.59	37.87	39.20	40.57	41.99	43.46
2 inch meter	43.50	46.93	50.64	54.64	58.95	61.01	63.14	65.35	67.64	70.00
3 inch meter	165.00	178.02	192.06	207.21	223.56	231.36	239.44	247.80	256.45	265.40
4 inch meter	210.00	226.57	244.45	263.74	284.55	294.48	304.76	315.40	326.41	337.81
6 inch meter	315.00	339.85	366.67	395.60	426.81	441.71	457.13	473.09	489.61	506.70
8 inch meter	435.00	469.32	506.35	546.30	589.40	609.97	631.26	653.30	676.11	699.71
10 inch meter	555.00	598.79	646.03	697.00	751.99	778.23	805.40	833.51	862.60	892.71
Residential Volume Charge, per CCF										
0 - 3 CCF	4.50	4.86	5.24	5.65	6.10	6.31	6.54	6.77	7.01	7.26
4 - 6 CCF	7.00	7.55	8.15	8.79	9.48	9.81	10.16	10.52	10.89	11.28
7 CCF & Above	8.00	8.63	9.31	10.04	10.83	11.21	11.61	12.02	12.44	12.88
Non-Residential Volume Charge, per CCF										
All CCF	7.87	8.49	9.16	9.88	10.66	11.03	11.42	11.82	12.24	12.67
<b>5 CCF User Bill <sup>(2)</sup></b>	<b>42.50</b>	<b>45.86</b>	<b>49.48</b>	<b>53.37</b>	<b>57.59</b>	<b>59.59</b>	<b>61.72</b>	<b>63.90</b>	<b>66.15</b>	<b>68.50</b>
<i>Bill increase</i>	<i>13.3%</i>	<i>7.9%</i>	<i>7.9%</i>	<i>7.9%</i>	<i>7.9%</i>	<i>3.5%</i>	<i>3.6%</i>	<i>3.5%</i>	<i>3.5%</i>	<i>3.6%</i>

Source: Jefferson County Environmental Services Department

<sup>(1)</sup> Rates effective on November 1 for FY 2014, FY 2015 and FY 2016; on October 1 (beginning of FY) for subsequent years

<sup>(2)</sup> The monthly bill for a typical residential account of the System with billable flows of 5 CCF and a 5/8 inch meter.

REVENUE CAPACITY  
**Schedule 14 - Top 10 Sewer Customers**  
 Current Year and Nine Years Ago - Fiscal Year Ending September 30th (In Thousands)

Major Sewer Customers <sup>(2)</sup>	Fiscal Year Ended September 30, 2023				Fiscal Year Ended September 30, 2014			
	Total Consumption (CCF)	Annual Sewer Service Charges Billed <sup>(1)</sup>	Rank	% of Total Charges Billed	Total Consumption (CCF)	Annual Sewer Service Charges Billed <sup>(1)</sup>	Rank	% of Total Charges Billed
University of Alabama at Birmingham	501,437	\$ 6,556	1	2.60%	455,413	\$ 3,564	1	2.05%
Birmingham Housing Authority	253,753	3,253	2	1.29%	228,983	1,802	3	1.03%
Tenet Healthcare <sup>(3)</sup>	119,305	1,526	3	0.60%	142,747	1,126	4	0.65%
U.S. Steel	115,295	1,476	4	0.58%	621,467	3,349	2	1.92%
St. Vincent's Hospital	106,871	1,365	5	0.54%				
Samford University	90,513	1,165	6	0.46%	108,201	854	5	0.49%
Veterans Administration	79,680	1,022	7	0.40%				
Valora At Homewood BL LLC	68,453	870	8	0.34%				
Dairy Farmers of America, Inc <sup>(3)</sup>	62,207	794	9	0.31%	126,160	830	6	0.48%
SMI Steel, Inc.	58,747	751	10	0.30%				
Trinity Medical Center					93,760	740	7	0.42%
Coca Cola Bottling Company					155,647	736	8	0.42%
Bessemer Housing Authority					87,571	714	9	0.41%
Buffalo Rock Co.					182,011	348	10	0.20%
Subtotal, Major Sewer Customers		18,777		7.44%		14,064		8.08%
Other Customers		233,771				160,063		
Total Sewer Customers		252,548				174,127		

Source: Jefferson County Environmental Services Department

(1) Excludes proceeds from the Sewer Tax levied within the County pursuant to Act No. 716, enacted February 28, 1901 by the Alabama Legislature

(2) Largest Account and Top Ten Accounts based on annual charges billed (See Major Accounts Fiscal Year Ended September 30, 2023)

(3) Tenet Healthcare purchased Brookwood Hospital AMI and Dairy Farmers of America purchased Barber's Pure Milk Co. since September 30, 2014.

DEBT CAPACITY  
**Schedule 15 - Jefferson County Debt Ratios**  
 Fiscal Year Ended September 30, 2023

Population <sup>1</sup>	674,721
Assessed Value of Taxable Property as of September 30, 2023 <sup>2</sup>	\$ 14,470,898,000
General Obligation Debt Outstanding as of September 30, 2023 <sup>3</sup>	\$ 97,913,000
General Obligation Debt Per Capita	\$ 145.12
Ratio of General Obligation Debt to Assessed Value	0.68%

<sup>1</sup> Source: 2020 US Census Bureau population for Jefferson County, Alabama

<sup>2</sup> Source: Jefferson County Tax Assessor and Jefferson County Revenue Department

<sup>3</sup> General Obligation Debt Outstanding is calculated as amounts outstanding for General Obligation Refunding Warrants Series 2018A, Funding Agreements for BJCC Series 2023A and 2018E, Hallmark Cooperative District Capital Improvement Loan Series 2019, and all lease and subscription liabilities not funded by business-type activities of the government

DEBT CAPACITY  
**Schedule 16 - Ratios of Outstanding Debt by Type**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

Fiscal Year	Governmental Activities					Business-Type Activities					Total Outstanding Debt	Aggregate Income	Percentage of Personal Income	County Population	Outstanding Debt Per Capita (In Dollars)
	General Obligation Warrants	Lease Revenue Warrants	Limited Obligation Warrants <sup>1</sup>	Funding Agreements <sup>2</sup>	Financial Leases & Subscriptions <sup>4</sup>	Sewer Revenue Warrants <sup>3</sup>	Component Unit Bonds	Financial Leases & Subscriptions <sup>4</sup>							
2014	\$181,855	\$69,425	\$666,110	\$ -	\$153	\$1,821,205	\$ -	\$ -	\$2,738,748	\$30,897,715	8.86%	659,972	\$4,150		
2015	162,420	64,585	595,475	-	167	1,867,336	-	-	2,689,983	32,467,641	8.29%	660,455	4,073		
2016	145,385	59,480	517,785	-	167	1,914,656	-	-	2,637,473	32,979,113	8.00%	660,343	3,994		
2017	127,720	54,100	338,925	-	167	1,960,664	-	-	2,481,576	34,907,850	7.11%	659,599	3,762		
2018	150,640	-	330,720	17,810	4,595	2,005,052	-	-	2,508,817	36,644,708	6.85%	659,429	3,804		
2019	128,195	-	320,165	17,484	6,773	2,052,555	13,000	-	2,538,172	37,755,657	6.72%	658,573	3,849		
2020	106,310	-	309,080	17,145	8,537	2,118,942	13,000	-	2,573,014	38,287,681	6.72%	674,721	3,907		
2021	87,766	-	328,080	16,793	7,390	2,161,385	12,792	-	2,614,206	41,652,714	6.28%	674,721	3,874		
2022	67,939	-	383,385	16,428	8,596 <sup>5</sup>	2,230,564	11,953	-	2,718,865	44,146,370	6.16%	674,721	4,030		
2023	47,624	-	365,331	26,049	13,151	2,303,371	11,089	153	2,766,768	N/A	N/A	674,721	4,101		

Source: JCC Finance Department Data (FY23 Audited Financial Data), Aggregate & Per Capita Income from Bureau of Economic Analysis report CAINC1 Personal Income Summary, as of November 16, 2022 updated release, and Population data from 2020 US Census Bureau data for Jefferson County, Alabama

<sup>1</sup> Limited Obligation Warrants includes the Limited Obligation Refunding Warrants Series 2017 and the Limited Obligation Warrants, Series 2022 for the Alabama Transportation Infrastructure Bank.

<sup>2</sup> Funding Agreements includes the principal component of the 2018 BJCC Funding Agreement for Series 2018E Bonds and 2023 BJCC Funding Agreement for Series 2023A Bonds. Please see Schedules 34 and 35 for full amortization schedules.

<sup>3</sup> During the Jefferson County Bankruptcy Plan of Adjustment, finalized December 13, 2013, the County refunded portions of the debt.

<sup>4</sup> With the release of GASB 87 & 96 Guidelines, all lease and subscription agreements are considered to have a financial component.

<sup>5</sup> In fiscal year 2022, only financed purchases totaling \$5,539 were presented; not reflecting the total value of leases. This has been corrected to \$8,596 including leases added under GASB 87.

**DEBT CAPACITY**  
**Schedule 17 - Ratios of Net General Bonded Debt to Estimated True Value and Net Bonded Debt Per Capita**  
Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

<b>Fiscal Year</b>	<b>County Population <sup>1</sup></b>	<b>Estimated True Value <sup>2</sup></b>	<b>General Bonded Debt <sup>3</sup></b>	<b>Less Bond Reserve Fund Balance <sup>4</sup></b>	<b>Net General Bonded Debt</b>	<b>Ratio of Net Bonded Debt To Estimated True Value</b>	<b>Net Bonded Debt Per Capita (In Dollars)</b>
2014	659,972	\$56,797,028	\$2,738,748	\$106,428	\$2,632,320	4.63%	\$3,989
2015	660,455	57,803,558	2,689,983	100,471	2,589,512	4.48%	3,921
2016	660,343	60,226,751	2,637,473	105,407	2,532,066	4.20%	3,834
2017	659,599	61,585,056	2,481,576	12,995	2,468,581	4.01%	3,743
2018	659,429	62,475,031	2,508,817	14,215	2,494,602	3.99%	3,783
2019	658,573	64,593,136	2,538,172	-	2,538,172	3.93%	3,854
2020	674,721	72,186,525	2,573,014	-	2,573,014	3.56%	3,813
2021	674,721	70,732,400	2,614,206	8,745	2,605,461	3.68%	3,862
2022	674,721	81,701,734	2,715,808	10,980	2,704,828	3.31%	4,009
2023	674,721	118,479,577	2,766,768	14,780	2,751,988	2.32%	4,079

<sup>1</sup> 2020 US Census Bureau population for Jefferson County.

<sup>2</sup> See Schedule 9 "Assessed Value and Estimated True Value of All Taxable Property".

<sup>3</sup> Includes General Obligation Warrants, Limited Obligation Warrants, Lease Revenue Warrants, Sewer Revenue Warrants, Funding Agreements, Financial Leases and Subscriptions, and Bonded Debts of Component Units.

<sup>4</sup> Includes Limited Obligation School Warrants 2004A and 2005A&B Reserve Funds (refunded by Limited Obligation Refunding Warrants Series 2017), as well as the portion of the Sanitary Operations Fund's restricted debt service accounts held for the purposes of making principal payments when due.

DEBT CAPACITY  
**Schedule 18 - Estimated Constitutional Debt Margin**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net Assessed Value of Real and Personal Property <sup>1</sup>	\$9,007,163	\$9,344,487	\$9,615,477	\$9,782,515	\$9,996,587	\$11,321,039	\$11,511,904	\$11,341,786	\$12,464,844	\$14,470,898
Constitutional Debt Limit (5% of Assessed Value) <sup>2</sup>	450,358	467,224	480,774	489,126	499,829	566,052	575,595	567,089	623,242	723,545
Outstanding Long-Term Debt of the County <sup>3</sup>	2,738,748	2,689,983	2,637,473	2,481,576	2,508,817	2,538,172	2,573,014	2,614,206	2,715,808	2,766,768
(Less) Exemption for School and Sewer Debt <sup>2</sup>	(2,556,740)	(2,527,396)	(2,491,921)	(1,970,306)	(1,964,081)	(2,028,148)	(2,097,981)	(2,174,177)	(2,230,564)	(2,303,524)
(Less) Exemption for Debt Issued Under Section 772 <sup>4</sup>	-	-	-	-	(17,810)	(30,484)	(30,145)	(29,585)	(28,379)	(37,138)
(Less) Exemption for Limited Obligations Funded by Pledged Revenues <sup>5</sup>	-	-	-	(383,383)	(371,691)	(357,572)	(343,041)	(328,080)	(312,670)	(296,823)
Total Long-Term Debt Subject to the Debt Margin	182,008	162,587	145,552	127,887	155,235	121,968	101,847	82,364	144,195	129,283
Constitutional Debt Margin	268,350	304,637	335,222	361,239	344,594	444,084	473,748	484,725	479,047	594,262
Ratio of Outstanding Debt to Constitutional Debt Limit:	40.41%	34.80%	30.27%	26.15%	31.06%	21.55%	17.69%	14.52%	23.14%	17.87%

<sup>1</sup> See Schedule 9 "Assessed Value and Estimated True Value of All Taxable Property"

<sup>2</sup> Section 224 of the Constitution of the State of Alabama limits the indebtedness of Counties to 5% of the assessed value of taxable property in the County. Debts issued for schools and sewers are excluded from this limit.

<sup>3</sup> Amounts presented net of Unamortized Premiums and (Discounts). Before amortizable amounts, total outstanding longterm debt of the County is \$2,753,462.

<sup>4</sup> The Birmingham Jefferson Civic Center Authority Funding Agreements Series 2018E (see Schedule 34 )and Series 2023A (see Schedule 35), and the Hallmark Capital Improvement Loan Series 2019 (see Schedule 30) are exempt from consideration for purposes of the Constitutional Debt Limit pursuant to Amendment 772 of the Alabama Constitution.

<sup>5</sup> The Limited Obligation Refunding Warrants Series 2017 are excluded from the Constitutional Debt Limit as they are solely funded by the pledged revenues of the Special Revenue Sales Tax and have no claim on the general revenues of the County.



DEBT CAPACITY  
**Schedule 19 - Pledged-Revenue Coverage for Sewer Revenue Bonds**  
 Last Ten Fiscal Years - Bond Year Ending October 1st (In Thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Service Revenue <sup>1</sup>	\$174,127	\$186,816	\$193,372	\$210,709	\$223,789	\$229,929	\$227,376	\$222,674	\$243,639	\$252,549
Other Operating Revenue	798	1,887	4,080	5,343	6,462	8,050	8,098	18,787	15,599	9,262
Total Operating Revenues	174,925	188,703	197,452	216,052	230,251	237,979	235,474	241,461	259,238	261,811
Operating Expenses	53,029	50,213	56,707	63,068	73,906	81,301	91,226	91,243	94,149	111,458
(Less) Tax Revenue <sup>2</sup>	(5,996)	(5,956)	(5,726)	(6,309)	(6,441)	(6,564)	(7,213)	(7,567)	(7,683)	(8,291)
Total Operating Expense	47,033	44,257	50,981	56,759	67,465	74,737	84,013	83,676	86,466	103,167
Net Revenue Available for Debt Service	127,892	144,446	146,471	159,293	162,786	163,242	151,461	157,785	172,772	158,644
Total Debt Service <sup>3</sup>	59,773	74,493	79,439	84,721	85,292	70,366	70,366	79,111	80,909	84,434
Projected Total Debt Service Coverage <sup>4</sup>	2.14	1.94	1.84	1.88	1.91	2.32	2.15	1.99	2.14	1.88

Source: JCC Finance Department Data. Bond year calculations include debt service payments made October 1 of bond year noted and included in the following fiscal year's financial report; and may include payments that haven't been audited by time of issued report

<sup>1</sup> Tax Revenue and Intergovernmental Revenue are excluded from pledged revenues

<sup>2</sup> Tax Revenue may not be included as pledged revenues, but may be shown as an offset to System operating expenses to calculate coverage

<sup>3</sup> Represents total 2013 Sewer Revenue Warrants Senior Lien Series 2013A-C and Subordinate Lien Series 2013D-F debt service payments in bond year dollars, as prescribed by the County indenture. In 2023, this includes \$14,780 of principal and \$69,380 of interest

<sup>4</sup> Debt service coverage metrics rounded down to the second significant digit

DEBT CAPACITY  
**Schedule 20 - Pledged Revenue Coverage for Cooper Green Funding Agreement**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Sales & Use Tax Receipts <sup>1,2</sup>	\$ 42,719	\$ 46,891	\$ 45,326	\$ 49,115	\$ 53,095	\$ 50,533	\$ 51,775	\$ 57,068	\$ 61,072	\$ 64,058
Alcohol Beverage License Receipts <sup>1,2</sup>	3,584	3,867	4,104	4,596	4,822	5,440	4,843	6,294	7,526	8,401
Total Indigent Care Fund Receipts	46,303	50,758	49,430	53,711	57,917	55,973	56,618	63,362	68,598	72,459
Maximum Annual Debt Service <sup>3</sup>	5,627	5,627	5,627	5,627	5,627	5,627	5,627	5,627	5,627	5,627
Coverage Based on Historical Collections <sup>4</sup>	8.23	9.02	8.78	9.55	10.29	9.95	10.06	11.26	12.19	12.88

Source: JCC Finance Department Data

<sup>1</sup> The County entered into a Funding Agreement dated September 14, 2022 with Cooper Green Mercy Health Services Authority, An Affiliate of UAB Health System (the "Authority") pursuant to which the County is obligated to make payments to the Authority payable solely from and secured by a limited obligation pledge and assignment of the proceeds of certain taxes levied in the County (the "Pledged Tax Proceeds") that provide funding for the County's Indigent Care Fund. The Pledged Tax Proceeds were pledged by the Authority to pay the debt service on the Authority's \$84,525,000 Revenue Bonds (Jefferson County Funding), Series 2022A.

<sup>2</sup> Includes only those portions of the Alcohol Beverage License Tax and Sales and Use Tax collected by the County and deposited into the Indigent Care Fund, net of any administrative or collection fees. Amounts have been calculated on a cash basis and may differ from any presentation in the County's Audited Financial Statements, and are therefore considered unaudited information provided by the County.

<sup>3</sup> The Maximum Total Annual Debt Service in any future Bond Year is \$5,626,738 for Bond Year 2039.

<sup>4</sup> Bonds issued September 14, 2022. Historical Revenues and Coverage ratios are provided based on historical revenues and maximum future debt service.

DEBT CAPACITY  
**Schedule 21 - Pledged Revenue Coverage for Limited Obligation Warrant Series 2022 for the Alabama Transportation Infrastructure Bank**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Real and Personal Property (Excluding Motor Vehicles)	\$ 40,381	\$ 39,728	\$ 38,207	\$ 42,124	\$ 43,208	\$ 44,619	\$ 46,088	\$ 48,024	\$ 48,876	\$ 52,443
Motor Vehicles <sup>1</sup>	4,542	4,631	4,908	4,832	4,575	4,667	4,801	5,125	5,432	6,721
Total Pledged 5.1 mill Ad Valorem Tax Revenues	44,923	44,359	43,115	46,956	47,783	49,286	50,889	53,149	54,308	59,164
Maximum Annual Debt Service <sup>2</sup>	5,107	5,107	5,107	5,107	5,107	5,107	5,107	5,107	5,107	5,107
Coverage Based on Historical Collections <sup>3</sup>	8.80	8.69	8.44	9.19	9.36	9.65	9.96	10.41	10.63	11.58

Source: JCC Finance Department Data

<sup>1</sup> Includes only the current portions of Bridge & Building 5.1 mill ad valorem tax collected by the County. Amounts have been calculated on a cash basis and may differ from any presentation in the County's Audited Financial Statements, and are therefore considered unaudited information provided by the County. Amounts provided by Tax Collector and Department of Revenue

<sup>2</sup> The Maximum Total Annual Debt Service in any future Fiscal Year is \$5,107,331 in Fiscal Year ending September 30, 2042.

<sup>3</sup> Bonds issued July 19, 2022. Historical Revenues and Coverage ratios are provided based on historical revenues and maximum future debt service.

DEMOGRAPHIC AND ECONOMIC INFORMATION  
**Schedule 22 - Demographic and Economic Statistics**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th

<b>Jefferson County</b>					
Year	Population <sup>1</sup>	Median Household Income <sup>2</sup>	Per Capita Personal Income <sup>2</sup>	County Unemployment Rate <sup>3</sup>	Birmingham Hoover MA Annual Average Unemployment Rate
2014	659,972	\$48,260	\$28,143	5.4	6.0
2015	660,455	52,328	30,619	5.6	5.5
2016	660,343	53,460	32,679	5.3	5.4
2017	659,599	52,886	32,012	3.4	4.0
2018	659,429	56,207	32,257	3.2	3.5
2019	658,573	53,944	32,561	2.3	2.7
2020	674,721	57,802	34,929	4.6	5.9
2021	674,721	55,210	34,181	3.1	2.7
2022	674,721	61,996	38,224	2.4	2.4
2023	674,721	- <sup>4</sup>	- <sup>4</sup>	2.2	2.4

<sup>1</sup> 2020 US Census Bureau population data for Jefferson County, Alabama

<sup>2</sup> 2021 Department of Numbers data for Jefferson County, Alabama

<sup>3</sup> Federal Reserve Bank (FRED) of St. Louis, Economic Research

<sup>4</sup> 2023 information unavailable from Department of Numbers data

DEMOGRAPHIC AND ECONOMIC INFORMATION  
**Schedule 23 - Largest Employers (Birmingham- Hoover MSA)**  
 Current and Nine Years Ago - Fiscal Year Ending September 30th

Employer	Product	Presence	2023*			2014		
			# of Employees	% of Total Employment	Rank	# of Employees	% of Total Employment	Rank
University of Alabama/Birmingham	Education and health care services	Headquarters	23,000	7%	1	23,000	8%	1
Regions Financial System	Financial Services, banking, corporate headquarters	Headquarters	9,000	3%	2	7,668	3%	2
St Vincent Health System	Health Care services, hospital network serving metro B'ham	Headquarters	5,100	2%	3	4,644	2%	4
Children's Health System	Health Care services, regional specialized health care	Headquarters	5,000	2%	4	4,497	2%	6
AT&T	Telecommunications, regional operate	Major Operations	4,517	1%	5	5,750	2%	3
Brookwood Baptist Health**	Health Care Services, management	Headquarters	4,459	1%	6	3,200	1%	10
Jeff Co Board of Education	Government, public education	Headquarters	4,400	1%	7			
City of Birmingham	Government, city administration	Headquarters	4,200	1%	8			
Blue Cross Blue Shield of AL			3,100	1%	9	4,000	1%	7
Alabama Power	Utility Services, electrical	Headquarters	3,092	1%	10	3,982	1%	8
Honda Manufacturing of Al	Manufacturing, vehicle assembly plant	Regional				4,500	2%	5
Mercedes Benz	Manufacturing, vehicle assembly plant	Regional				3,500	1%	9

Source: Birmingham Business Alliance, as of February 2022

\* 2023 Information unavailable; 2022 information used.

\*\* Brookwood Baptist Health formerly known as Baptist Health System

OPERATING INFORMATION  
**Schedule 24 - Operating Indicators by Function**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Sheriff</b>										
General calls	-	-	81,591	88,473	87,986	89,310	85,362	87,496	95,383	77,332
Traffic calls	-	-	21,971	26,061	26,940	26,526	20,352	17,722	15,085	14,235
<b>Transportation</b>										
Street resurfacing miles	-	-	46	88	103	101	115	73	95	107
Bridges maintained	292	292	292	292	292	292	292	292	293	292
Total Road miles with an inspection rating of good or higher	-	-	-	-	-	-	-	1,125	1,383	1,449
Utility permits	345	309	499	599	465	406	447	377	434	355
<b>Community Services</b>										
Number of senior citizens' one-way passenger trips	-	-	35,612	35,424	35,587	34,210	21,916	22,045	29,507	33,886
# Accepted Appicants CDBG Housing Rehabilitation	30	20	20	20	20	20	20	20	20	36
# of Workforce participants adults (PROGRAM YEAR )	-	-	-	-	237	322	633	919	114	198
# of Workforce participants dislocated workers	-	-	-	-	39	33	39	77	5	7
<b>Development Services</b>										
Building permits issued	336	380	360	325	347	336	357	403	615	482
Miscellaneous building permits	717	677	1,055	811	1,028	894	525	560	823	601
Trade permits issued (plumbing; gas; electrical)	2,099	2,251	2,137	1,977	2,693	2,856	2,191	1,424	674	626
Building structures inspected	5,101	4,795	5,033	3,645	4,299	5,719	6,441	4,937	5,528	5,518
Plan Review	19	30	41	36	29	32	61	26	43	36
Zoning hearings (subdivision; rezoning; adjustments)	112	127	114	133	137	147	221	172	217	184
Trades inspections	7,651	7,553	8,146	7,690	7,028	6,613	8,663	11,276	5,308	6,622
Erosion control inspections	607	686	622	474	870	1,403	1,915	2,037	2,169	1,848
<b>Registrar of voters</b>										
Voting precincts	172	173	174	169	172	172	172	174	175	177
Active Voters	411,086	*	411,838	*	473,578	*	503,389	*	435,913	489,939
<b>Sewer</b>										
Residential accounts served	-	-	125,173	127,771	126,929	126,470	128,005	131,705	133,181	128,889
Non- residential accounts served	-	-	15,847	13,861	13,083	14,654	14,223	11,953	12,215	11,374

- Represent data that is unavailable

\* The odd election years only consist of Special Elections

OPERATING INFORMATION  
**Schedule 25 - Number of County Employees by Function/Program**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Government</b>										
Commission	21	20	22	20	20	20	20	20	20	20
County Manager	3	6	7	18	19	14	8	10	7	7
Probate Court	46	46	46	55	56	56	54	55	55	55
Family Court	82	83	83	83	84	86	80	80	80	80
State Courts	64	55	55	53	54	51	51	47	47	47
District Attorney	39	39	39	41	44	46	43	43	46	46
Law Library	3	3	3	3	4	4	4	4	4	4
Finance	35	32	35	37	40	52	52	54	53	53
Budget Management	9	9	9	9	5	5	-	-	-	-
Human Resources	20	73	58	82	58	61	55	59	49	49
HR-Receiver	-	7	6	3	2	1	-	-	-	-
Revenue	132	157	158	156	172	173	161	161	161	163
County Attorney	9	10	10	11	12	18	17	17	18	17
Board of Equalization	71	72	71	70	70	69	70	70	71	67
Tax Assessor	64	66	65	71	70	70	69	69	69	69
Tax Collector	32	36	36	42	44	50	43	42	42	42
Treasurer	8	8	8	8	8	8	8	8	8	8
Land Development	18	18	18	19	-	-	-	-	-	-
Compliance	-	-	-	-	-	-	-	-	10	10
Information Technology	34	27	36	40	45	67	51	54	55	54
General Services	115	114	120	145	172	233	198	138	144	142
Board of Registrars	9	9	9	9	10	10	10	10	10	10
Inspection Services	18	18	18	20	-	-	-	-	-	-
Storm Water Management	8	8	8	-	-	-	-	-	-	-
Development Services	-	-	-	9	49	50	42	43	56	56
Non Dept/Barber Commission	1	1	1	1	1	3	5	5	5	5
Public Information	-	-	-	-	-	3 *	2 *	2	3	3
Community Development	35	35	35	36	36	43	38	41	40	34
Pension*	10	9	9	8	7	8	9	-	-	-
Personnel Board*	66	66	76	76	76	70	70	64	66	64
<b>JCEIDA*</b>										
Sheriff	645	688	691	724	724	724	722	719	719	750
Youth Detention	53	53	53	54	54	65	52	51	65	65
Coroner	17	17	17	17	18	18	20	20	21	22
Security	-	-	-	-	-	-	-	59	54	54
Emergency Management*	10	9	7	7	6	7	7	7	7	8
<b>Highways and Roads</b>										
Roads and Transportation	196	196	207	261	300	326	340	338	326	326
Fleet Management*	26	26	26	27	30	42	33	33	33	33
<b>Health and Welfare</b>										
Office Senior Services	20	30	31	10	5	4	4	4	4	4
Cooper Green	256	241	173	219	228	227	219	-	-	-
<b>Environmental Services</b>										
Environmental Services	441	441	455	478	509	526	554	544	554	551
	2,616	2,728	2,701	2,922	3,032	3,210	3,111	2,871	2,902	2,918

Source: JCC Budget Management Office  
 \* Includes Fiduciary Funds

OPERATING INFORMATION  
**Schedule 26 - Capital Asset Statistics by Function/Program**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th

	2014 *	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Function/Program</b>										
<b>General Government</b>										
Probate Court	-	-	10,998	-	13,498	-	687,975	-	-	-
Family Court	-	105,410	28,898	29,309	75,624	-	-	236,004	-	-
District Attorney	-	-	-	-	29,292	-	104,631	-	-	252,904
Law Library	101,000	-	-	-	-	-	-	-	-	-
Finance	-	-	-	120,874	182,425	-	-	13,043	9,232	-
Human Resources	-	-	-	-	-	130,707	-	-	-	-
HR-Receiver	-	847,339	-	-	-	-	-	-	-	-
Revenue	1,300,000	132,438	165,408	49,030	91,574	24,174	86,263	5,732	61,568	-
County Attorney	-	-	-	-	-	54,270	31,831	-	-	-
Board of Equalization	630,000	359,522	128,292	276,562	265,761	728,461	188,000	145,176	827,375	1,665,582
Tax Assessor	1,538,818	-	8,850	-	233,971	-	651,637	932,271	1,265,017	998,955
Tax Collector	300,000	-	-	-	-	-	-	-	-	-
Land Development	-	48,650	-	114,043	-	-	-	-	-	-
Info Technology	5,860,000	3,190,662	1,500,907	1,238,565	401,743	160,344	2,252,794	1,221,603	1,298,024	1,195,147
General Services	4,600,000	3,963,177	2,865,787	4,746,695	10,293,245	19,613,421	8,132,740	7,357,616	6,522,025	13,551,509
Inspection Services	-	105,888	51,744	83,190	-	-	-	-	-	-
Development Service	-	-	-	-	-	-	519,971	263,755	446,415	90,767
Personnel Board	89,192	491,941	-	725,667	-	25,612	-	-	-	-
<b>Public Safety</b>										
Sheriff	2,050,000	3,250,787	2,772,282	2,890,621	3,879,286	2,130,981	3,247,141	2,823,802	4,179,430	5,334,210
Youth Detention	21,000	-	42,351	-	-	-	73,917	60,000	-	-
Coroner	25,000	27,916	96,596	99,849	69,932	-	39,704	149,197	265,987	-
Security	-	-	-	-	-	-	-	-	31,004	-
Emergency Mgmt	-	-	-	-	-	-	-	-	34,332	-
<b>Highways and Roads</b>										
Roads and Trans	4,899,000	11,796,434	10,782,828	11,299,645	7,606,996	19,245,798	23,268,582	17,464,644	25,732,858	38,262,154
Fleet Mgmt	-	531,841	585,789	290,818	441,382	169,602	578,987	494,747	502,222	1,200,127
<b>Health and Welfare</b>										
Cooper Green	-	216,258	586,305	775,422	110,745	11,688	-	-	-	-
<b>Environmental Svs</b>										
Environmental Svs	6,398,600	31,903,123	39,964,957	78,428,882	68,476,815	57,168,811	39,094,926	37,721,145	57,278,972	119,800,303
	27,812,610	56,971,386	59,591,992	101,169,172	92,172,289	99,463,869	78,959,099	68,888,735	98,454,461	182,351,658

Source: JCC Budget Management Office

\* Adopted 14



DEBT SERVICE SCHEDULES  
**Schedule 27 - Warrants Maturity Schedules**  
(In Thousands)

Fiscal Year Ending 30-Sep	Business-Type Activities <sup>1</sup>				Governmental Activities <sup>2</sup>			Total Debt Obligations				
	Principal	Interest	Future Interest Accretion	Total Debt Service	Principal	Interest	Total Debt Service	Principal	Interest	Total Principal and Interest	Future Interest Accretion	Total Debt Service
2024	\$15,670	\$105,582	\$15,046	\$136,298	\$35,954	\$18,894	\$54,848	\$51,624	\$124,476	\$176,100	\$15,046	\$191,146
2025	917	141,428	16,146	158,491	29,529	17,100	46,629	30,446	158,528	188,974	16,146	205,120
2026	5,150	141,400	17,061	163,611	31,182	16,107	47,289	36,332	157,507	193,839	17,061	210,900
2027	9,041	141,371	17,743	168,155	18,648	14,552	33,200	27,689	155,923	183,612	17,743	201,355
2028	12,589	141,341	18,162	172,092	19,573	13,624	33,197	32,162	154,965	187,127	18,162	205,289
2029	15,402	141,310	18,163	174,875	20,547	12,649	33,196	35,949	153,959	189,908	18,163	208,071
2030	17,878	141,278	17,733	176,889	21,566	11,625	33,191	39,444	152,903	192,347	17,733	210,080
2031	19,972	141,246	16,810	178,028	22,585	10,607	33,192	42,557	151,853	194,410	16,810	211,220
2032	21,785	141,212	15,341	178,338	23,710	9,481	33,191	45,495	150,693	196,188	15,341	211,529
2033	23,253	141,177	13,257	177,687	24,885	8,301	33,186	48,138	149,478	197,616	13,257	210,873
2034	24,244	141,142	10,510	175,896	26,122	7,061	33,183	50,366	148,203	198,569	10,510	209,079
2035	25,007	141,128	7,159	173,294	27,423	5,758	33,181	52,430	146,886	199,316	7,159	206,475
2036	25,822	141,128	3,013	169,963	28,791	4,393	33,184	54,613	145,521	200,134	3,013	203,147
2037	42,299	140,196	-	182,495	29,980	3,198	33,178	72,279	143,394	215,673	-	215,673
2038	77,665	136,470	-	214,135	7,024	1,995	9,019	84,689	138,465	223,154	-	223,154
2039	90,605	130,688	-	221,293	7,311	1,709	9,020	97,916	132,397	230,313	-	230,313
2040	98,525	124,429	-	222,954	7,604	1,412	9,016	106,129	125,841	231,970	-	231,970
2041	72,560	118,896	-	191,456	7,910	1,103	9,013	80,470	119,999	200,469	-	200,469
2042	77,965	114,202	-	192,167	8,119	779	8,898	86,084	114,981	201,065	-	201,065
2043	83,770	109,159	-	192,929	1,097	447	1,544	84,867	109,606	194,473	-	194,473
2044	69,145	104,348	-	173,493	1,139	403	1,542	70,284	104,751	175,035	-	175,035
2045	80,105	99,550	-	179,655	1,303	353	1,656	81,408	99,903	181,311	-	181,311
2046	92,065	93,575	-	185,640	1,360	296	1,656	93,425	93,871	187,296	-	187,296
2047	105,825	86,524	-	192,349	1,416	238	1,654	107,241	86,762	194,003	-	194,003
2048	120,515	78,664	-	199,179	1,479	179	1,658	121,994	78,843	200,837	-	200,837
2049	136,450	69,695	-	206,145	530	124	654	136,980	69,819	206,799	-	206,799
2050	153,905	59,072	-	212,977	438	100	538	154,343	59,172	213,515	-	213,515
2051	173,700	47,048	-	220,748	458	80	538	174,158	47,128	221,286	-	221,286
2052	194,545	34,621	-	229,166	478	59	537	195,023	34,680	229,703	-	229,703
2053	215,825	21,653	-	237,478	1,038	36	1,074	216,863	21,689	238,552	-	238,552
2054	238,970	7,463	-	246,433	-	-	-	238,970	7,463	246,433	-	246,433
<b>Subtotal:</b>	<b>2,341,169</b>	<b>3,376,996</b>	<b>186,144</b>	<b>5,904,309</b>	<b>409,199</b>	<b>162,663</b>	<b>571,862</b>	<b>2,750,368</b>	<b>3,539,659</b>	<b>6,290,027</b>	<b>186,144</b>	<b>6,476,171</b>
Unamortized Premium (Discount)	(26,709)	-	-	(26,709)	\$29,805	-	29,805	3,096	-	3,096	-	3,096
<b>Total</b>	<b>\$2,314,460</b>	<b>\$3,376,996</b>	<b>\$186,144</b>	<b>\$5,877,600</b>	<b>\$439,004</b>	<b>\$162,663</b>	<b>\$601,667</b>	<b>\$2,753,464</b>	<b>\$3,539,659</b>	<b>\$6,293,123</b>	<b>\$186,144</b>	<b>\$6,479,267</b>

Source: JCC Finance Department Data (FY23 Audited Financial Data)

<sup>1</sup> Business-Type Activities Warrants payable include obligations for warrants issued in the name of the Jefferson County Commission for the primary purpose of sewer capital projects and related improvements (Business-Type Activities – Sewer Revenue Warrants), and Limited Obligation Bonds Payable for the primary purpose of capital projects and related improvements (Hallmark District - Jefferson County Limited Funding). See Business-Type Activities in Note 9 for details on accretion.

<sup>2</sup> Governmental Activities Warrants payable include obligations for warrants issued in the name of the Jefferson County Commission for the primary purpose of general capital projects and related improvements (Governmental Activities – General Obligation Refunding Warrants), for the primary purpose of school capital projects and related improvements (Governmental Activities – Limited Obligation Refunding Warrants), and funding agreements for the primary purpose of economic development (Limited Funding Agreement - BJCC 2018E and 2023A), and for the purpose of capital road projects - Alabama Transportation Infrastructure Bank Limited Obligation Revenue Bond Series 2022B.

DEBT SERVICE SCHEDULES  
**Schedule 28 - Senior Lien Sewer Revenue Warrants Series 2013-A through Series 2013-C**  
 Business-Type Activities (In Thousands)

Fiscal Year Ending 30-Sept	Series 2013-A (Tax Exempt) <sup>1</sup>			Series 2013-B (Tax Exempt) <sup>2</sup>			Series 2013-C (Tax Exempt) <sup>3</sup>			TOTAL - Sewer Revenue Senior Warrants				
	Principal	Interest	Total Debt Service	Principal	Future Interest Accretion	Total Debt Service	Principal	Interest	Future Interest Accretion	Total Debt Service	Principal	Interest	Future Interest Accretion	Total Debt Service
2024	\$ -	\$ 21,071	\$ 21,071	\$ -	\$ 6,516	\$ 6,516	\$ -	\$ 9,555	\$ -	\$ 9,555	\$ -	\$ 30,626	\$ 6,516	\$ 37,142
2025	-	21,071	21,071	-	6,936	6,936	-	19,109	-	19,109	-	40,180	6,936	47,116
2026	-	21,071	21,071	4,206	7,115	11,321	-	19,109	-	19,109	4,206	40,180	7,115	51,501
2027	-	21,071	21,071	8,069	7,003	15,072	-	19,109	-	19,109	8,069	40,180	7,003	55,252
2028	-	21,071	21,071	11,588	6,565	18,153	-	19,109	-	19,109	11,588	40,180	6,565	58,333
2029	-	21,071	21,071	8,783	6,257	15,040	-	19,109	-	19,109	8,783	40,180	6,257	55,220
2030	-	21,071	21,071	8,209	5,917	14,126	-	19,109	-	19,109	8,209	40,180	5,917	54,306
2031	-	21,071	21,071	7,653	5,541	13,194	-	19,109	-	19,109	7,653	40,180	5,541	53,374
2032	-	21,071	21,071	7,188	5,142	12,330	-	19,109	-	19,109	7,188	40,180	5,142	52,510
2033	-	21,071	21,071	6,677	4,702	11,379	-	19,109	-	19,109	6,677	40,180	4,702	51,559
2034	-	21,071	21,071	6,264	4,234	10,498	-	19,109	-	19,109	6,264	40,180	4,234	50,678
2035	-	21,071	21,071	11,637	2,913	14,550	-	19,109	-	19,109	11,637	40,180	2,913	54,730
2036	-	21,071	21,071	10,906	1,504	12,410	-	19,109	-	19,109	10,906	40,180	1,504	52,590
2037	-	21,071	21,071	10,215	-	10,215	-	19,109	-	19,109	10,215	40,180	-	50,395
2038	-	21,071	21,071	-	-	-	23,840	18,334	-	42,174	23,840	39,405	-	63,245
2039	-	21,071	21,071	-	-	-	25,385	16,735	-	42,120	25,385	37,806	-	63,191
2040	-	21,071	21,071	-	-	-	27,040	15,017	-	42,057	27,040	36,088	-	63,128
2041	-	21,071	21,071	-	-	-	28,820	13,174	-	41,994	28,820	34,245	-	63,065
2042	-	21,071	21,071	-	-	-	30,725	11,209	-	41,934	30,725	32,280	-	63,005
2043	-	21,071	21,071	-	-	-	32,750	9,114	-	41,864	32,750	30,185	-	62,935
2044	34,915	20,198	55,113	-	-	-	-	8,033	-	8,033	34,915	28,231	-	63,146
2045	36,660	18,409	55,069	-	-	-	-	8,033	-	8,033	36,660	26,442	-	63,102
2046	-	17,493	17,493	-	-	-	38,490	6,734	-	45,224	38,490	24,227	-	62,717
2047	29,300	16,723	46,023	-	-	-	11,790	5,037	-	16,827	41,090	21,760	-	62,850
2048	43,425	14,814	58,239	-	-	-	-	4,640	-	4,640	43,425	19,454	-	62,879
2049	45,705	12,475	58,180	-	-	-	-	4,640	-	4,640	45,705	17,115	-	62,820
2050	-	11,275	11,275	-	-	-	48,100	2,980	-	51,080	48,100	14,255	-	62,355
2051	32,285	10,387	42,672	-	-	-	19,140	660	-	19,800	51,425	11,047	-	62,472
2052	54,520	8,000	62,520	-	-	-	-	-	-	-	54,520	8,000	-	62,520
2053	57,515	4,919	62,434	-	-	-	-	-	-	-	57,515	4,919	-	62,434
2054	60,680	1,669	62,349	-	-	-	-	-	-	-	60,680	1,669	-	62,349
<b>Subtotal</b>	<b>395,005</b>	<b>557,782</b>	<b>952,787</b>	<b>101,395</b>	<b>70,345</b>	<b>171,740</b>	<b>286,080</b>	<b>382,312</b>	<b>-</b>	<b>668,392</b>	<b>782,480</b>	<b>940,094</b>	<b>70,345</b>	<b>1,792,919</b>
Unamortized Premium (Discount)	(5,909)	-	(5,909)	(823)	-	(823)	(2,244)	-	-	(2,244)	(8,975)	-	-	(8,975)
<b>Total</b>	<b>\$ 389,096</b>	<b>\$ 557,782</b>	<b>\$ 946,878</b>	<b>\$ 100,572</b>	<b>\$ 70,345</b>	<b>\$ 170,917</b>	<b>\$ 283,836</b>	<b>\$ 382,312</b>	<b>\$ -</b>	<b>\$ 666,148</b>	<b>\$ 773,505</b>	<b>\$ 940,094</b>	<b>\$ 70,345</b>	<b>\$ 1,783,944</b>

Source: JCC Finance Department Data (FY23 Audited Financial Data)

<sup>1</sup> Senior Lien Sewer Revenue Current Interest Warrants, Series 2013-A, with interest paid semiannually at fixed rates ranging from 5.00% to 5.50% and principal payments due from October 1, 2044 to 2053.

<sup>2</sup> Senior Lien Sewer Revenue Capital Appreciation Warrants, Series 2013-B, with interest accreting & compounding semiannually at fixed rates of 5.625% to 6.625% to maturity, with accreted value (principal and interest) payments due from October 1, 2026 to 2036. Principal presented as original issue amount of \$55,000 plus net accreted interest of \$46,395.

<sup>3</sup> Senior Lien Sewer Revenue Convertible Capital Appreciation Warrants, Series 2013-C, with interest compounding semiannually at fixed rates of 6.50% to 6.90% to October 1, 2023, and thereafter interest paid semiannually with accreted value payments (principal and interest) due from October 1, 2038 to 2050. Principal presented as original issue amount of \$149,998 plus net accreted interest of \$136,083.

DEBT SERVICE SCHEDULES  
**Schedule 29 - Subordinate Lien Sewer Revenue Warrants Series 2013-D through Series 2013-F**  
 Business-Type Activities (In Thousands)

Fiscal Year Ending 30-Sept	Series 2013-D (Tax Exempt) <sup>1</sup>			Series 2013-E (Tax Exempt) <sup>2</sup>			Series 2013-F (Tax Exempt) <sup>3</sup>			TOTAL - Sewer Revenue Senior Warrants				
	Principal	Interest	Total Debt Service	Principal	Future Interest Accretion	Total Debt Service	Principal	Interest	Future Interest Accretion	Total Debt Service	Principal	Interest	Future Interest Accretion	Total Debt Service
2024	\$ 14,780	\$ 47,939	\$ 62,719	\$ -	\$ 8,530	\$ 8,530	\$ -	\$ 26,689	\$ -	\$ 26,689	\$ 14,780	\$ 74,628	\$ 8,530	\$ 97,938
2025	-	47,570	47,570	-	9,210	9,210	-	53,378	-	53,378	-	100,948	9,210	110,158
2026	-	47,570	47,570	-	9,946	9,946	-	53,378	-	53,378	-	100,948	9,946	110,894
2027	-	47,570	47,570	-	10,740	10,740	-	53,378	-	53,378	-	100,948	10,740	111,688
2028	-	47,570	47,570	-	11,597	11,597	-	53,378	-	53,378	-	100,948	11,597	112,545
2029	-	47,570	47,570	5,588	11,906	17,494	-	53,378	-	53,378	5,588	100,948	11,906	118,442
2030	-	47,570	47,570	8,607	11,816	20,423	-	53,378	-	53,378	8,607	100,948	11,816	121,371
2031	-	47,570	47,570	11,225	11,269	22,494	-	53,378	-	53,378	11,225	100,948	11,269	123,442
2032	-	47,570	47,570	13,470	10,199	23,669	-	53,378	-	53,378	13,470	100,948	10,199	124,617
2033	-	47,570	47,570	15,415	8,555	23,970	-	53,378	-	53,378	15,415	100,948	8,555	124,918
2034	-	47,570	47,570	17,090	6,276	23,366	-	53,378	-	53,378	17,090	100,948	6,276	124,314
2035	-	47,570	47,570	13,370	4,246	17,616	-	53,378	-	53,378	13,370	100,948	4,246	118,564
2036	-	47,570	47,570	14,916	1,509	16,425	-	53,378	-	53,378	14,916	100,948	1,509	117,373
2037	-	47,570	47,570	7,214	-	7,214	24,870	52,446	-	77,316	32,084	100,016	-	132,100
2038	-	47,570	47,570	-	-	-	53,825	49,495	-	103,320	53,825	97,065	-	150,890
2039	37,500	46,445	83,945	-	-	-	27,720	46,437	-	74,157	65,220	92,882	-	158,102
2040	40,505	44,105	84,610	-	-	-	30,980	44,236	-	75,216	71,485	88,341	-	159,826
2041	43,740	41,577	85,317	-	-	-	-	43,074	-	43,074	43,740	84,651	-	128,391
2042	47,240	38,848	86,088	-	-	-	-	43,074	-	43,074	47,240	81,922	-	129,162
2043	51,020	35,900	86,920	-	-	-	-	43,074	-	43,074	51,020	78,974	-	129,994
2044	-	34,370	34,370	-	-	-	34,230	41,747	-	75,977	34,230	76,117	-	110,347
2045	-	34,370	34,370	-	-	-	43,445	38,738	-	82,183	43,445	73,108	-	116,553
2046	-	34,370	34,370	-	-	-	53,575	34,978	-	88,553	53,575	69,348	-	122,923
2047	-	34,370	34,370	-	-	-	64,735	30,394	-	95,129	64,735	64,764	-	129,499
2048	-	34,370	34,370	-	-	-	77,090	24,840	-	101,930	77,090	59,210	-	136,300
2049	-	34,370	34,370	-	-	-	90,745	18,210	-	108,955	90,745	52,580	-	143,325
2050	-	34,370	34,370	-	-	-	105,805	10,447	-	116,252	105,805	44,817	-	150,622
2051	42,940	32,867	75,807	-	-	-	79,335	3,134	-	82,469	122,275	36,001	-	158,276
2052	140,025	26,621	166,646	-	-	-	-	-	-	-	140,025	26,621	-	166,646
2053	158,310	16,734	175,044	-	-	-	-	-	-	-	158,310	16,734	-	175,044
2054	178,290	5,794	184,084	-	-	-	-	-	-	-	178,290	5,794	-	184,084
<b>Subtotal</b>	<b>754,350</b>	<b>1,243,400</b>	<b>1,997,750</b>	<b>106,895</b>	<b>115,799</b>	<b>222,694</b>	<b>686,355</b>	<b>1,191,549</b>	<b>-</b>	<b>1,877,904</b>	<b>1,547,600</b>	<b>2,434,949</b>	<b>115,799</b>	<b>4,098,348</b>
Unamortized Premium (Discount)	(12,130)	-	(12,130)	(752)	-	(752)	(4,851)	-	-	(4,851)	(17,734)	-	-	(17,734)
<b>Total</b>	<b>\$ 742,220</b>	<b>\$ 1,243,400</b>	<b>\$ 1,985,620</b>	<b>\$ 106,143</b>	<b>\$ 115,799</b>	<b>\$ 221,942</b>	<b>\$ 681,504</b>	<b>\$ 1,191,549</b>	<b>\$ -</b>	<b>\$ 1,873,053</b>	<b>\$ 1,529,866</b>	<b>\$ 2,434,949</b>	<b>\$ 115,799</b>	<b>\$ 4,080,614</b>

Source: JCC Finance Department Data (FY23 Audited Financial Data)

<sup>1</sup> Subordinate Lien Sewer Revenue Current Interest Warrants, Series 2013-D, with interest paid semiannually at fixed rates ranging from 5.00% to 7.00% and principal payments due from October 1, 2017 to 2053.

<sup>2</sup> Subordinate Lien Sewer Revenue Capital Appreciation Warrants, Series 2013-E, with interest accreting and compounding semiannually at fixed rates of 7.50% to 8.00% to maturity, with accreted value (principal and interest) payments due from October 1, 2029 to 2036. Principal presented as original issue amount of \$50,271 plus net accreted interest of \$56,624.

<sup>3</sup> Subordinate Lien Sewer Revenue Convertible Capital Appreciation Warrants, Series 2013-F, with interest accreting and compounding semiannually at fixed rates of 7.50% to 7.90% to October 1, 2023, and thereafter interest paid semiannually with accreted value payments (principal and interest) due from October 1, 2037 to 2050. Principal presented as original issue amount of \$324,297 plus net accreted interest of \$362,058.

DEBT SERVICE SCHEDULES  
**Schedule 30 - Hallmark Cooperative District Capital Improvement Loan Series 2019**  
 Business-Type Activities (In Thousands)

Hallmark Cooperative District Capital Improvement Loan <sup>1</sup>				
Fiscal Year Ending 30-Sep	Principal		Interest	Total Debt Service
2024	\$	890	\$	328
2025		917		300
2026		944		272
2027		972		243
2028		1,001		213
2029		1,031		182
2030		1,062		150
2031		1,094		118
2032		1,127		84
2033		1,161		49
2034		890		14
	<b>\$</b>	<b>11,089</b>	<b>\$</b>	<b>1,953</b>
			<b>\$</b>	<b>13,042</b>

Source: JCC Finance Department Data (FY23 Audited Financial Data)

<sup>1</sup> Limited Obligation Funding Agreement with interest paid quarterly at fixed rates ranging from 3.00% to 3.80% and principal payments due from July 1, 2021 through April 1, 2034.

DEBT SERVICE SCHEDULES  
**Schedule 31 - Series 2018-A General Obligation Refunding Warrants**  
 Governmental Activities (In Thousands)

**Series 2018-A General Obligation Refunding (Tax Exempt) <sup>1</sup>**

Fiscal Year Ending 30-Sep	Principal	Interest	Total Debt Service
2024	\$ 20,000	\$ 2,310	\$ 22,310
2025	12,780	1,310	14,090
2026	13,420	671	14,091
<b>Subtotal</b>	<b>46,200</b>	<b>4,291</b>	<b>50,491</b>
Unamortized Premium (Discount)	1,424	-	1,424
<b>Total</b>	<b>\$ 47,624</b>	<b>\$ 4,291</b>	<b>\$ 51,915</b>

Source: JCC Finance Department Data (FY23 Audited Financial Data)

<sup>1</sup> General Obligation Refunding Warrants, Series 2018-A, with interest paid semiannually at fixed rates ranging from 4.00% to 5.00% and annual principal payments through 2026. The Commission issued Series 2018-A under the Trust Indenture dated May 1, 2018 (2018 Trust Indenture), between Jefferson County, Alabama, and Wilmington Trust National Association, as Trustee, for the purpose of refunding the General Obligation Warrants, Series 2003-A and 2004-A, and the Lease Revenue Warrants, Series 2006. These refunded warrants were defeased on May 31, 2018, and fully redeemed pursuant to their terms on July 2, 2018. Debt Service Requirements and Coverage is reflected on page 3 of the Official Statement dated September 17, 2018.

DEBT SERVICE SCHEDULES  
**Schedule 32 - Series 2017 Limited Obligation Refunding Warrants**  
 Governmental Activities (In Thousands)

<b>Series 2017 Limited Obligation Refunding (Tax Exempt) <sup>1</sup></b>					
Fiscal Year Ending 30-Sep	Principal		Interest		Total Debt Service
2024	\$	13,425	\$	12,975	\$ 26,400
2025		14,100		12,304	26,404
2026		14,800		11,599	26,399
2027		15,545		10,859	26,404
2028		16,320		10,082	26,402
2029		17,135		9,266	26,401
2030		17,990		8,409	26,399
2031		18,835		7,566	26,401
2032		19,780		6,624	26,404
2033		20,765		5,635	26,400
2034		21,805		4,597	26,402
2035		22,895		3,506	26,401
2036		24,040		2,362	26,402
2037		25,000		1,400	26,400
2038		1,845		400	2,245
2039		1,920		326	2,246
2040		2,000		249	2,249
2041		2,075		169	2,244
2042		2,160		86	2,246
<b>Subtotal</b>		<b>272,435.00</b>		<b>108,414.00</b>	<b>380,849.00</b>
	Unamortized Premium (Discount)	24,388.00		-	24,388.00
<b>Total</b>	<b>\$</b>	<b>296,823</b>	<b>\$</b>	<b>108,414</b>	<b>\$ 405,237</b>

Source: JCC Finance Department Data (FY23 Audited Financial Data)

<sup>1</sup> Limited Obligation Refunding Warrants, Series 2017, with interest paid semiannually at fixed rates ranging from 3.00% to 5.00% and annual principal payments through 2037. The Commission issued refunding warrants under the Trust Indenture dated July 1, 2017 (2017 Trust Indenture), between Jefferson County, Alabama and Regions Bank, as Trustee, for the purpose of refunding the outstanding Limited Obligation School Warrants, Series 2004-A and Series 2005-A. The Limited Obligation School Warrants, Series 2005-B, were fully redeemed pursuant to their terms on March 1, 2017. The warrants issued under the 2017 Trust Indenture are not general obligations of the Commission, but represent limited obligations of the Commission, payable solely out of the Trust Estate established under the 2017 Trust Indenture, which includes a pledge of the gross proceeds of a new one cent Special Revenue Sales and Use Tax. Payment of the principal and interest on the warrants when due is secured on an equal and proportionate basis by the Trust Estate. Debt Service Requirements and Coverage are reflected on page 16 of the Official Statement dated July 14, 2017.

DEBT SERVICE SCHEDULES  
**Schedule 33 - Limited Obligation Warrant Series 2022 Issued to the Alabama Transportation Infrastructure Bank**  
 Governmental Activities (In Thousands)

**Series 2022B ATIB Limited Obligation Revenue Bonds <sup>1</sup>**

Fiscal Year Ending 30-Sep	Principal	Interest	Program Fee <sup>2</sup>	Total Debt Service
2024	\$2,135	\$2,971	\$32	\$5,138
2025	2,240	2,864	31	5,135
2026	2,355	2,752	30	5,137
2027	2,470	2,634	29	5,133
2028	2,595	2,511	28	5,134
2029	2,725	2,381	26	5,132
2030	2,860	2,245	25	5,130
2031	3,005	2,102	24	5,131
2032	3,155	1,951	22	5,128
2033	3,310	1,794	21	5,125
2034	3,475	1,628	19	5,122
2035	3,650	1,454	17	5,121
2036	3,835	1,272	15	5,122
2037	4,025	1,080	13	5,118
2038	4,185	919	11	5,115
2039	4,355	752	9	5,116
2040	4,525	578	7	5,110
2041	4,710	397	5	5,112
2042	4,905	202	3	5,110
<b>Subtotal</b>	<b>64,515</b>	<b>32,487</b>	<b>367</b>	<b>97,369</b>
Unamortized Premium (Discount)	3,993	-	-	3,993
<b>Total</b>	<b>\$ 68,508</b>	<b>\$ 32,487</b>	<b>\$ 367</b>	<b>\$ 101,362</b>

Source: JCC Finance Department Data (FY23 Audited Financial Data)

<sup>1</sup> Alabama Transportation Infrastructure Bank Limited Obligation Revenue Bonds (Jefferson County Project) Series 2022-B, with interest paid annually at fixed rates ranging from 4.125% to 5.00% and annual principal payments through 2042. The Bonds are being issued by Alabama Transportation Infrastructure Bank (the "Issuer"), a public corporation created under Section 23-7 et seq. of the Code of Alabama (1975), as amended. The Bonds were issued under that certain Trust Indenture, dated July 1, 2022 (the "Indenture"), between the Issuer and Regions Bank, as trustee. Proceeds of the Bonds were loaned by the Issuer to Jefferson County, Alabama (the "Loan Recipient"), pursuant to a Loan Agreement, dated July 1, 2022, between the Issuer and the Loan Recipient to pay the costs of certain road and bridge improvements to be located in Jefferson County, Alabama. In order to evidence the loan from the issuer, the County issued its Limited Obligation Warrant, Series 2022 to the the issuer.

<sup>2</sup> Fees are assessed as 0.5% of outstanding principal, functioning as an effective interest charge. These amounts are displayed separately here but generally included with interest & fiscal charges in audited financial statements.

DEBT SERVICE SCHEDULES  
**Schedule 34 - Birmingham Jefferson Civic Center Authority Funding Agreement**  
**Series 2018E**  
(In Thousands)

**Series 2018E BJCCA Funding Agreement <sup>1</sup>**

Fiscal Year Ending 30-Sep	Principal	Interest	Total Debt Service
2024	\$394	\$606	\$1,000
2025	409	591	1,000
2026	425	575	1,000
2027	441	559	1,000
2028	458	542	1,000
2029	475	525	1,000
2030	494	506	1,000
2031	513	487	1,000
2032	532	468	1,000
2033	553	447	1,000
2034	574	426	1,000
2035	596	404	1,000
2036	619	381	1,000
2037	643	357	1,000
2038	667	333	1,000
2039	693	307	1,000
2040	719	281	1,000
2041	747	253	1,000
2042	776	224	1,000
2043	805	195	1,000
2044	836	164	1,000
2045	868	132	1,000
2046	902	98	1,000
2047	936	64	1,000
2048	974	29	1,003
<b>\$</b>	<b>16,049 \$</b>	<b>8,954 \$</b>	<b>25,003</b>

Source: JCC Finance Department Data (FY23 Audited Financial Data)

<sup>1</sup> General obligation of the County with semi-annual payments applied to principal and interest. Interest payments have an effective rate of 3.76%, representing the combined effect of the Birmingham Jefferson County Civic Center's fixed interest rates of 3.35% to 5%.



**DEBT SERVICE SCHEDULES**  
**Schedule 35 - Birmingham Jefferson Civic Center Authority Funding Agreement**  
**Series 2023A**  
(In Thousands)

**Series 2023A BJCCA Funding Agreement<sup>1</sup>**

Fiscal Year Ending 30-Sep	Principal	Interest	Total Debt Service
2024	\$ -	\$ -	-
2025	-	-	-
2026	182	480	662
2027	192	471	663
2028	200	461	661
2029	212	451	663
2030	222	440	662
2031	232	428	660
2032	243	416	659
2033	257	404	661
2034	268	391	659
2035	282	377	659
2036	297	363	660
2037	312	348	660
2038	327	332	659
2039	343	315	658
2040	360	297	657
2041	378	279	657
2042	278	264	542
2043	292	252	544
2044	303	239	542
2045	435	221	656
2046	458	198	656
2047	480	174	654
2048	505	150	655
2049	530	124	654
2050	438	100	538
2051	458	80	538
2052	478	59	537
2053	1,038	36	1,074
<b>\$</b>	<b>10,000</b>	<b>\$</b>	<b>8,150</b>
		<b>\$</b>	<b>18,150</b>

Source: JCC Finance Department Data (FY23 Audited Financial Data)

<sup>1</sup> General obligation of the County with semi-annual payments applied to principal and interest. Interest payments have fixed interest rates of 4.25% to 5.25%. Interest payments prior to October 1, 2025 were pre-funded by the Birmingham-Jefferson County Civic Center Authority during debt issuance.