



STATE OF ALABAMA
DEPARTMENT OF EXAMINERS OF PUBLIC ACCOUNTS
MONTGOMERY, ALABAMA 36130

*JEFFERSON COUNTY COMMISSION
JEFFERSON COUNTY, ALABAMA
OCTOBER 1, 1989 THROUGH SEPTEMBER 30, 1990*

Filed: MAR 27 1992

RONALD L. JONES
CHIEF EXAMINER

92-178

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STATE OF ALABAMA
DEPARTMENT OF EXAMINERS OF PUBLIC ACCOUNTS
MONTGOMERY, ALABAMA 36130

Honorable Ronald L. Jones
Chief Examiner of Public Accounts
Montgomery, Alabama 36130

Dear Sir:

Under the authority of the Code of Alabama 1975, Section 41-5-14, we submit this report on the Jefferson County Commission for the period October 1, 1989 through September 30, 1990.

Scope and Objectives

This report encompasses an audit of financial statements of the Jefferson County Commission and a review of compliance by the Jefferson County Commission with applicable laws and regulations of the State of Alabama and federal financial assistance programs. This audit was conducted in accordance with generally accepted government auditing standards for financial audits. Objectives of this audit were to determine whether the financial statements present fairly the financial position and results of financial operations and whether the Jefferson County Commission has complied with applicable laws and regulations.

Contents of Report

This report includes the following segments:

1. Report to the Chief Examiner - contains items pertaining to state legal compliance, agency operations and other matters.
2. Financial Section - includes component unit financial statements (Exhibits 1 through 5); Notes to the Financial Statements; financial information supplemental to the component unit financial statements (Exhibits 6 through 18); a Schedule of Federal Financial Assistance (Exhibit 19), which details federal assistance received and expended during the audit period; a schedule required by the Alabama Department of Economic and Community Affairs (Exhibit 20), which provides grant information; and the Independent Auditor's Report, which reports on whether the included financial information constitutes a fair presentation of the financial position and results of financial operations.
3. Additional Information - contains basic information related to the auditee (Exhibit 21) and the following reports and items required by generally accepted government auditing standards and/or U. S. Office of Management and Budget (OMB) Circular A-128 for federal compliance audits:

Compliance Report Based on an Audit of Component Unit Financial Statements Performed in Accordance with Government Auditing Standards (Exhibit 22) - a report on whether the auditee has complied with laws and regulations which if not followed could have a material effect on the auditee's financial position and results of operations with positive assurance on the items tested and negative assurance on items not tested.

Report on the Internal Control Structure in Accordance with Government Auditing Standards (Exhibit 23) - a report on the internal control structure made as part of a financial statement audit.

Single Audit Opinion on Compliance with Specific Requirements Applicable to Major Federal Financial Assistance Programs (Exhibit 24) - a report which gives an opinion on the entity's compliance with specific requirements that are applicable to each of its major federal financial assistance programs.

Single Audit Report on Compliance with the General Requirements Applicable to Major Federal Financial Assistance Programs (Exhibit 25) - a report on the general requirements which gives positive assurance on the items tested and negative assurance on the items not tested for major programs.

Single Audit Report on Compliance With Requirements Applicable to Nonmajor Federal Financial Assistance Program Transactions (Exhibit 26) - a report on compliance with specific requirements applicable to nonmajor program transactions that gives positive assurance on the items tested and negative assurance on items not tested.

Report on Internal Controls (Accounting and Administrative) - Based on a Study and Evaluation Made as a Part of an Audit of the Component Unit Financial Statements and the Additional Tests Required by the Single Audit Act (Exhibit 27) - a report on internal control - accounting and administrative - used to administer federal financial assistance programs.

Auditee Response (Exhibit 28) - a response by the auditee on the results of the audit.

Audit Comments

The Jefferson County Commission provides for public safety, construction and maintenance of county roads and bridges, sanitation services, health and welfare services, educational, cultural and recreational services to the citizens of Jefferson County.

Audit Findings

According to the provisions of the Code of Alabama 1975, Section 11-3-21, and Act No. 471, Acts of Alabama 1951, the County Commission shall make semiannual publications of certain financial information. The Jefferson County Commission did not make the required publications.

Recommendations

The financial information required by the Code of Alabama 1975, Section 11-3-21 and Act No. 471, Acts of Alabama 1951, should be published by the Jefferson County Commission.

Sworn to and subscribed
before me this the 17
day of March, 1992.

Carolyn E. Stroud
Notary Public

Sworn to and subscribed
before me this the 17
day of March, 1992

Carolyn E. Stroud
Notary Public

Sworn to and subscribed
before me this the 17
day of March, 1992

Carolyn E. Stroud
Notary Public

Respectfully submitted,

Teresa W. Durrett

Teresa W. Durrett
Examiner of Public Accounts

Sharon K. Youngblood

Sharon K. Youngblood
Examiner of Public Accounts

Steven C. Smith

Steven C. Smith
Examiner of Public Accounts

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INDEPENDENT AUDITOR'S REPORT

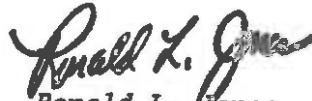
We have audited the accompanying component unit financial statements of the various funds and account groups of the Jefferson County Commission, oversight unit, as of and for the year ended September 30, 1990, listed in the table of contents as Exhibits 1 through 5. These financial statements are the responsibility of the Jefferson County Commission. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the General Retirement System for the Employees of Jefferson County (Pension Trust Fund) which statements reflect total assets and revenues constituting 24.9% and 10.3%, respectively, of the related totals. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the General Retirement System, is based solely on the report of the other auditors.

The financial statements referred to above include only the financial activities of the oversight unit and the General Retirement System for the Employees of Jefferson County, a component unit of the Jefferson County Commission. Financial activities of other component units, if any, that form the reporting entity are not included.

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

In our opinion, based on our audit and the report of other auditors, the component unit financial statements referred to above present fairly, in all material respects, the financial position of the Jefferson County Commission, oversight unit, as of September 30, 1990, and the results of its operations and changes in financial position of its proprietary and similar trust fund types for the year then ended, in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the component unit financial statements referred to above taken as a whole. The accompanying supplemental (Exhibits 6 through 18) and supplementary (Exhibits 19 and 20) information is presented for purposes of additional analysis and is not a required part of the component unit financial statements of the Jefferson County Commission. Such information has been subjected to the auditing procedures applied in the audit of the component unit financial statements and, in our opinion, is fairly stated in all material respects in relation to the component unit financial statements of the Jefferson County Commission taken as a whole.



Ronald L. Gones
Chief Examiner

Department of Examiners of Public Accounts

December 12, 1991

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
September 30, 1990

Exhibit #1

	Governmental Fund Types				Proprietary Fund Types	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service
Current Assets						
Cash	\$ 1,487,943.27	\$ 360,112.38	\$ 0.69	\$ 26,335,569.19	\$ 3,961,152.51	\$ 6,638,421.68
Investments	11,539,152.59	2,916,859.20	21,136,178.96	16,503,020.26	34,187,184.06	8,035,202.55
Receivables:						
Accounts Receivable	10,839,145.00	3,282,947.40	-	103,883.29	432,176.74	532,314.22
Patients	-	-	-	-	18,895,877.02	-
Allowance for Uncollectible Accounts	(5,151,863.21)	-	-	-	(14,099,229.43)	-
Contractual Agencies	-	-	-	-	24,813.20	-
Miscellaneous	-	-	-	-	81,222.82	-
Contributions Receivable	-	-	-	-	-	-
Total Receivables	5,687,281.79	3,282,947.40	-	103,883.29	5,334,860.35	532,314.22
Loans Receivable	-	2,020,173.04	-	-	-	-
Interest Receivable	-	13,875.11	739,097.00	-	-	-
Due From Other Funds	2,880,000.00	1,046,449.82	-	-	66,690.00	-
Due From Other Governmental Units	-	1,441,476.33	-	-	621.71	-
Inventories	175,196.85	-	-	-	1,040,408.49	895,931.98
Prepaid Items	-	-	-	-	95,983.47	-
Total Current Assets	21,748,674.50	10,781,893.28	21,875,276.65	42,942,472.74	44,686,880.59	16,101,870.43
Other Assets						
Funds Held In Trust By Others	-	-	-	-	680,050.48	-
Property and Rights Held Under Deferred Compensation Plan	-	-	-	-	-	-
Total Other Assets	-	-	-	-	680,050.48	-
Property, Plant and Equipment						
Land	-	-	-	-	1,621,434.24	-
Buildings	-	-	-	-	174,815,710.14	592,913.71
Improvements Other than Land and Buildings	-	-	-	-	5,458,351.23	17,862.49
Equipment and Furniture	-	-	-	-	8,668,083.20	19,541,092.36
Maintenance Equipment	-	-	-	-	609,991.49	167,510.27
Motor Vehicle	-	-	-	-	5,850,366.14	393,296.81
Office Furniture and Fixture	-	-	-	-	424,022.39	1,260,775.12
Miscellaneous Equipment	-	-	-	-	1,563,570.51	299,338.11
Construction in Progress	-	-	-	-	1,540.00	-
Assets Under Capital Lease	-	-	-	-	2,113,914.57	-
Less: Accumulated Depreciation	-	-	-	-	(65,169,832.51)	(2,844,258.62)
Net Property, Plant and Equipment	-	-	-	-	135,997,151.40	19,428,532.25
Other Debits						
Amount Available in Debt Service Funds	-	-	-	-	-	-
Amount to be Provided for Payment of General Long-Term Debt	-	-	-	-	-	-
Total Assets	\$ 21,748,674.50	\$ 10,781,893.28	\$ 21,875,276.65	\$ 42,942,472.74	\$ 181,324,082.47	\$ 35,530,402.68

Jefferson
County Commission

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
September 30, 1990

Exhibit #1
Sheet #2

	Fiduciary		Account Groups		Totals (Memorandum Only) 9-30-90
	Fund Types		General		
	Trust and Agency		Fixed Assets	General Long- Term Debt	
<u>Current Assets</u>					
Cash	\$	146,438.84	\$	-	\$ 38,908,738.56
Investments		213,786,298.10		-	308,103,895.72
Receivables:					
Accounts Receivable					
Patients		11,626.72			15,202,093.37
Allowance for Uncollectible Accounts		-			18,895,877.02
Contractual Agencies		-			(19,251,092.64)
Miscellaneous		546,290.00			24,813.20
Contributions Receivable		557,916.72			81,222.82
Total Receivables		1,776,782.30			546,290.00
Loans Receivable		-			15,499,203.77
Interest Receivable		-			3,796,955.34
Due From Other Funds		-			752,972.11
Due From Other Governmental Units		-			2,946,690.00
Inventories		-			1,047,071.53
Prepaid Items		-			3,253,013.65
Total Current Assets		216,267,435.96			95,963.47
Other Assets					374,404,504.15
Funds Held In Trust By Others		-			680,050.48
Property and Rights Held Under Deferred Compensation Plan		6,978,491.12			6,978,491.12
Total Other Assets		6,978,491.12			7,658,541.60
<u>Property, Plant and Equipment</u>					
Land		-			8,973,635.92
Buildings		-			254,583,650.36
Improvements Other Than Land and Buildings		2,903,678.81			8,379,892.53
Equipment and Furniture		34,266,268.03			62,475,443.59
Maintenance Equipment		-			777,501.76
Motor Vehicle		-			6,243,664.95
Office Furniture and Fixture		-			1,684,797.51
Miscellaneous Equipment		-			1,862,908.62
Construction in Progress		7,719,864.71			7,721,404.71
Assets Under Capital Lease		218,683.98			2,332,598.55
Less: Accumulated Depreciation		-			(68,014,091.13)
Net Property, Plant and Equipment		131,635,723.72			287,021,407.37
<u>Other Debts</u>					
Amount Available in Debt Service Funds		-			21,732,275.96
Amount to be Provided for Payment of General Long-Term Debt		-			164,817,702.88
<u>Total Assets</u>	\$	223,245,927.08	\$	131,635,723.72	\$ 855,634,431.96
				\$	186,549,978.84

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
September 30, 1990

	Governmental Fund Types			Proprietary Fund Types		
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service
Liabilities and Fund Equity Liabilities						
Cash Deficit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 639,931.67
Accounts Payable	1,362,759.97	2,903,640.20	-	-	2,746,833.16	1,265,724.51
Accounts Payable-Contractual	-	2,734,152.43	-	3,555,958.14	1,821,052.53	-
Accounts Payable-Other	-	-	-	-	1,343,973.89	-
Matured Interest Payable	-	-	143,000.00	-	-	-
Accrued Payroll and Taxes	419,802.55	-	-	-	554,952.57	-
Due to Other Funds	-	-	-	2,880,000.00	66,690.00	-
Due to Other Governmental Units	81,084.32	-	-	-	-	-
Superannuation Sheriff	-	-	-	-	-	-
Retirement Payable	44,700.04	-	-	-	-	-
Deposits	4,137.00	-	-	-	-	-
Accrued Vacation and Sick Leave	609,712.54	270,352.68	-	-	2,496,719.00	2,738.00
Arbitrage Rebate Payable	-	-	472,000.62	276,196.27	-	1,212,865.00
Bonds and Warrants Payable	-	-	-	-	-	354,776.39
Capital Lease	-	-	-	-	400,000.00	-
Purchase Contracts Payable	-	-	-	-	-	-
Obligations to Employees Under Deferred Compensation Plan	-	-	-	-	1,115,617.53	777,032.79
Total Liabilities	2,522,196.42	5,908,145.31	615,000.62	6,812,154.41	10,545,838.48	4,253,068.36
Fund Equity						
Contributed Capital	-	-	-	-	129,756,754.02	19,291,249.30
Investment in General Fixed Assets	-	-	-	-	-	-
Retained Earnings:						
Reserve for Professional Liability	-	-	-	-	680,050.48	-
Unreserved	-	-	-	-	38,894,430.41	8,794,731.31
Fund Balances:						
Reserve for Encumbrances	1,814,489.60	1,868,216.23	-	32,715,089.89	930,300.29	2,294,996.72
Reserve for Inventories	175,196.85	1,141,476.33	-	-	513,609.85	895,931.98
Reserve for Debt Service	-	-	21,260,275.34	-	-	-
Reserve for Petty Cash	43,025.00	200.00	-	-	-	425.00
Reserve for Health Claims	(6,718.86)	-	-	-	3,099.94	-
Reserve for Contingent Refunds	-	-	-	-	-	-
Reserve for Retirement/Disability Benefits	-	-	-	-	-	-
Unreserved	17,200,485.49	1,863,855.41	0.69	3,415,228.44	-	-
Total Retained Earnings	19,226,478.08	4,873,747.97	21,260,276.03	36,130,318.33	41,021,489.97	11,986,085.02
Total Fund Balance	19,226,478.08	4,873,747.97	21,260,276.03	36,130,318.33	170,778,243.99	31,277,334.32
Total Liabilities and Fund Equity \$	21,748,674.50	10,781,893.28	21,875,276.65	42,942,472.74	181,324,082.47	35,530,402.68

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
September 30, 1990

Jefferson
County Commission

	Fiduciary		Account Groups			Totals
	Fund Types	Trust and Agency	General	General Long-Term Debt	(Memorandum Only)	
Liabilities and Fund Equity						
Liabilities						
Cash Deficit	\$ 474,526.10		\$ -		\$ 4,018,097.97	
Accounts Payable	36,706.00		-		11,802,134.21	
Accounts Payable-Contractual	-		-		1,821,052.53	
Accounts Payable-Other	-		-		1,343,973.69	
Matured Interest Payable	-		-		143,000.00	
Accrued Payroll and Taxes	-		-		974,755.12	
Due to Other Funds	-		-		2,946,690.00	
Due to Other Governmental Units	-		-		81,084.32	
Supernumerary Sheriff Retirement Payable	-		-		44,700.04	
Deposits	-		-		6,875.00	
Accrued Vacation and Sick Leave	-		-		9,231,656.00	
Arbitrage Rebate Payable	1,522.44		-	4,640,484.34	1,102,973.28	
Bonds and Warrants Payable	-		-	181,801,940.75	182,201,940.75	
Capital Lease	-		-	107,553.75	2,000,204.07	
Purchase Contracts Payable	-		-	-	-	
Obligations to Employees Under Deferred Compensation Plan	6,978,491.12		-	-	6,978,491.12	
Total Liabilities	7,491,245.66		-	186,549,978.84	224,697,628.10	
Fund Equity						
Contributed Capital	-		-		149,048,003.32	
Investment in General Fixed Assets	-		131,635,723.72		131,635,723.72	
Retained Earnings:						
Reserve for Professional Liability	-		-		680,050.48	
Unreserved	-		-		47,689,161.72	
Fund Balances:						
Reserve for Encumbrances	-		-		39,623,092.73	
Reserve for Inventories	-		-		2,726,215.01	
Reserve for Debt Service	-		-		21,260,275.34	
Reserve for Petty Cash	-		-		46,748.94	
Reserve for Health Claims	-		-		(6,718.86)	
Reserve for Contingent Refunds	29,728,499.00		-		29,728,499.00	
Reserve for Retirement/Disability Benefits	159,328,685.00		-		159,328,685.00	
Unreserved	26,697,498.42		-		49,177,068.45	
Total Retained Earnings	215,754,681.42		-	-	53,007,574.99	
Total Fund Balance	215,754,681.42		-	-	297,248,501.83	
Total Fund Equity	\$ 223,245,927.08		\$ 131,635,723.72	\$ 186,549,978.84	\$ 855,634,431.96	

The accompanying Notes to the Financial Statements are an integral part of this statement.

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
For the Fiscal Year Ended September 30, 1990

Exhibit #2

	Governmental Fund Types			Fiduciary Fund Types		Totals (Memorandum Only) 9-30-90
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Project Funds	Expendable Trust	
Revenues						
Taxes	\$ 35,858,639.91	\$ 46,990,757.47	\$ -	\$ -	\$ -	\$ 82,849,397.38
Licenses and Permits	35,005,370.62	8,943.50	-	7,256.50	-	35,021,570.62
Intergovernmental Revenues	7,380,833.97	12,215,572.33	-	1,241,750.00	128,524.96	20,966,681.26
Charges for Services	9,458,020.92	1,478,688.12	-	101,737.82	493.53	11,039,940.19
Miscellaneous Revenues	2,488,182.55	1,418,240.75	1,199,316.86	3,734,823.44	188,162.34	9,028,725.94
Total Revenues	90,191,047.97	62,113,202.17	1,199,316.86	5,085,567.56	317,180.83	158,906,315.39
Expenditures						
Current						
General Government	40,660,494.36	20,670,602.48	-	188,062.89	175,971.75	61,695,131.48
Public Safety	27,783,824.45	-	-	-	-	27,783,824.45
Highways and Streets	-	28,528,410.76	-	4,114,854.42	-	32,643,265.18
Sanitation	-	-	-	24,358,266.90	-	24,358,266.90
Education	-	-	-	2,819,724.82	-	2,819,724.82
Capital Outlay	1,670,890.76	1,525,303.02	-	5,156,202.42	-	8,352,396.20
Debt Service:						
Issuance Costs	-	-	129,313.92	469.00	-	129,782.92
Principal Retirement	42,811.73	-	5,375,000.00	-	-	5,417,811.73
Interest and Fiscal Charges	8,849.35	6,442.12	8,756,548.38	-	-	8,771,839.85
Total Expenditures	70,166,870.65	50,730,758.38	14,260,862.30	36,637,580.45	175,971.75	171,975,043.53
Excess of Revenues Over/(Under)	20,024,177.32	11,382,443.79	(13,061,545.44)	(31,552,012.89)	141,209.08	(13,065,728.14)
Expenditures						
Other Financing Sources/(Uses)						
Operating Transfers In	431,662.63	28,713,567.60	24,932,997.40	1,504,099.27	92,887.49	55,675,214.39
Operating Transfers Out	(27,062,359.42)	(49,932,478.79)	(7,205,877.07)	(469.00)	-	(84,201,184.28)
Proceeds from Bond Issue	3,782,277.00	-	155,225.00	26,762,498.00	-	30,700,000.00
Discount on Bonds Sold	-	-	-	(306,531.00)	-	(306,531.00)
Proceeds from Sale of Fixed Assets	74,377.22	142,933.29	-	-	-	217,310.51
Contributions to Pension Fund	-	-	-	-	2,847.50	2,847.50
Total Other Financing Sources/(Uses)	(22,774,042.57)	(21,075,977.90)	17,882,345.33	27,959,597.27	95,734.99	2,087,657.12
Excess of Revenues and Other Sources Over/(Under)	(2,749,865.25)	(9,693,534.11)	4,820,799.89	(3,592,415.62)	236,944.07	(10,978,071.02)
Expenditures and Other Uses						
Fund Balances-October 1	\$ 22,494,167.32	\$ 15,014,717.54	\$ 16,439,476.14	\$ 39,722,733.95	\$ 2,863,271.35	\$ 96,534,366.30
Residual Equity Transfers In/(Out)	(517,823.99)	(447,435.46)				(965,259.45)
Fund Balances-September 30	\$ 19,226,478.08	\$ 4,873,747.97	\$ 21,260,276.03	\$ 36,130,318.33	\$ 3,100,215.42	\$ 84,591,035.83

The accompanying Notes to the Financial Statements are an integral part of this statement.

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL-GENERAL, SPECIAL REVENUE, DEBT SERVICE
AND CAPITAL PROJECTS FUND TYPES
For the Fiscal Year Ended September 30, 1990**

Jefferson
County Commission

	General Fund		Special Revenue Funds		Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	
Revenues					
Taxes	\$ 35,371,660.00	\$ 35,858,539.91	\$ 46,541,303.00	\$ 46,990,757.47	\$ 449,454.47
Licenses and Permits	32,089,042.00	35,005,370.62	9,413.00	8,943.50	(469.50)
Intergovernmental Revenues	6,309,207.00	7,380,833.97	12,756,112.00	12,215,572.33	(540,539.67)
Charges for Services	9,691,222.00	9,458,020.92	1,137,623.66	1,479,688.12	342,064.46
Miscellaneous Revenues	2,943,500.00	2,488,182.55	1,772,229.00	1,418,240.75	(353,988.25)
Total Revenues	86,404,631.00	90,191,047.97	62,216,680.66	62,113,202.17	(103,478.49)
Expenditures					
Current					
General Government	47,766,652.67	40,560,494.36	22,149,566.16	20,670,602.48	1,478,963.68
Public Safety	28,913,945.17	27,783,824.45	-	-	1,130,120.72
Highways and Streets	-	-	29,979,261.67	28,528,410.76	1,450,850.91
Capital Outlay	-	1,670,890.76	1,708,849.10	1,525,303.02	183,546.08
Debt Services:					
Principal Retirement	43,658.32	42,811.73	-	-	846.59
Interest and Fiscal Charges	8,850.00	8,849.35	.65	-	6,442.12
Total Expenditures	76,733,106.16	70,166,870.65	53,847,476.93	50,730,758.38	3,116,718.55
Excess of Revenues Over/(Under) Expenditures	9,671,524.84	20,024,177.32	8,369,203.73	11,382,443.79	3,013,240.06
Other Financing Sources/(Uses)					
Operating Transfers In	-	431,662.63	862,000.00	28,713,567.60	27,851,567.60
Operating Transfers Out	(11,593,640.87)	(27,062,359.42)	(27,033,000.00)	(49,932,478.79)	(22,899,478.79)
Proceeds from Bond Issue	-	3,782,277.00	-	-	-
Proceeds from Sale of Fixed Assets	15,000.00	74,377.22	2,500.00	142,933.29	140,433.29
Total Other Financing Sources/(Uses)	(11,578,640.87)	(22,774,042.57)	(26,168,500.00)	(21,075,977.90)	5,092,522.10
Excess of Revenues and Other Sources Over/(Under) Expenditures and Other Uses	(1,907,116.03)	(2,749,865.25)	(17,799,296.27)	(9,693,534.11)	8,105,762.16
Fund Balances-October 1	\$ 22,494,167.32	\$ 22,494,167.32	\$ 15,014,717.54	\$ 15,014,717.54	\$ 0.00
Residual Equity Transfers In/(Out)	(517,823.99)	(517,823.99)	(517,823.99)	(447,435.46)	(447,435.46)
Fund Balances-September 30	\$ 20,567,051.29	\$ 19,226,478.08	\$ (1,360,573.21)	\$ 4,873,747.97	\$ 7,658,326.70

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL-GENERAL, SPECIAL REVENUE, DEBT SERVICE
AND CAPITAL PROJECTS FUND TYPES
For the Fiscal Year Ended September 30, 1990

	Debt Service Fund		Capital Project Funds		Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	
Revenues					
Licenses and Permits	\$ -	\$ -	\$ -	\$ 7,256.50	\$ 7,256.50
Intergovernmental Revenues	-	-	-	1,241,750.00	1,241,750.00
Charges for Services	-	-	-	101,737.62	101,737.62
Miscellaneous Revenues	-	1,199,316.86	-	3,734,823.44	3,734,823.44
Total Revenues	-	1,199,316.86	-	5,085,567.56	5,085,567.56
Expenditures					
Current					
General Government	65,147.76	-	191,461.20	188,062.89	3,398.31
Highways and Streets	-	-	11,645,202.38	4,114,854.42	7,530,347.96
Sanitation	-	-	47,488,425.69	24,358,266.90	23,130,158.79
Education	-	-	2,819,724.82	2,819,724.82	-
Capital Outlay	-	-	5,575,023.54	5,156,202.42	418,821.12
Debt Service:					
Insurance Costs	136,600.00	129,313.92	-	469.00	(469.00)
Principal Retirement	5,378,650.00	5,375,000.00	-	-	-
Interest and Fiscal Charges	9,817,483.00	8,756,548.38	-	-	-
Total Expenditures	14,397,880.76	14,260,862.30	67,719,837.63	36,637,580.45	31,082,257.18
Excess of Revenues Over/(Under) Expenditures	(14,397,880.76)	(13,061,545.44)	(67,719,837.63)	(31,552,012.89)	36,167,824.74
Other Financing Sources/(Uses)					
Operating Transfers In	-	24,932,997.40	452,500.00	1,504,099.27	1,051,599.27
Proceeds from Bond Issue	-	155,225.00	-	26,762,498.00	26,762,498.00
Operating Transfers Out	-	(7,205,877.07)	-	(469.00)	(469.00)
Discount on Bonds Sold	-	-	-	(306,531.00)	(306,531.00)
Total Other Financing Sources/(Uses)	-	17,882,345.33	452,500.00	27,959,597.27	27,507,097.27
Excess of Revenues and Other Sources Over/(Under) Expenditures and Other Uses	(14,397,880.76)	4,820,799.89	(67,267,337.63)	(3,592,415.62)	63,674,922.01
Fund Balances-October 1	16,439,476.14	16,439,476.14	-	39,722,733.95	-
Fund Balances-September 30	\$ 2,041,595.38	\$ 21,260,276.03	\$ 19,218,680.65	\$ (27,544,603.71)	\$ 43,674,922.01

The accompanying Notes to the Financial Statements are an integral part of this statement.

**COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS
For the Fiscal Year Ended September 30, 1990**

Jefferson
County Commission

	Proprietary Fund Types		Fiduciary Fund Types		Totals (Memorandum Only) 9-30-90
	Enterprise Funds		Internal Service Funds		
		\$		\$	
Operating Revenues					
Taxes					
Intergovernmental Revenues		2,193,395.53			2,193,395.53
Charges for Services		-	1,414,187.58		1,414,187.58
Miscellaneous Revenues		38,263,814.16	12,564,383.55		50,828,197.71
Patient Revenue		1,477,998.27	6,160,097.33		7,638,095.60
Less: Deductions		42,729,166.04	-		42,729,166.04
Third Party Contractual Allowance		(685,420.86)			(685,420.86)
Bad Debts		(2,458,110.09)			(2,458,110.09)
Other Deductions		(8,330,881.31)			(8,330,881.31)
Classified Indigent Care		(16,560,246.21)			(16,560,246.21)
Total Deductions From Revenue		28,034,658.47			28,034,658.47
Net Patient Revenue		14,694,507.57			14,694,507.57
Medicaid Disproportionate Share		16,800,000.00			16,800,000.00
Other Operating Revenue		1,941,444.64			1,941,444.64
Contributions-Employer		-		4,268,635.00	4,268,635.00
Contributions-Employees		-		4,268,801.00	4,268,801.00
Interest on Investments		-		13,000,695.00	13,000,695.00
Dividends on Investments		-		2,473,830.00	2,473,830.00
Net Gain on Sale of Investments		-		5,047,228.00	5,047,228.00
Other Revenue		-		248,756.00	248,756.00
Total Operating Revenues		75,371,160.17	20,138,648.46	29,307,945.00	124,817,753.63
Operating Expenses					
Salaries and Wages		34,504,301.95	12,650,848.71	58,648.00	47,213,799.66
Contract Services		5,957,928.39	960,151.50	-	6,918,079.89
Fringe Benefits		3,241,529.87	-	-	3,241,529.87
Utilities		776,756.93	-	-	776,756.93
Depreciation		5,895,100.99	-	-	5,895,100.99
Outside Services		471,821.95	-	-	471,821.95
Services from Other Hospitals		6,002,711.76	-	-	6,002,711.76
Jefferson Clinic		7,592,206.03	-	-	7,592,206.03
County Maintenance		638,113.59	-	-	638,113.59
All Other		18,204,053.17	29,345,718.29	72,404.00	47,622,175.46
Investment Manager Fees		-	-	526,889.00	526,889.00
Pension Benefits		-	-	4,165,645.00	4,165,645.00
Refunds of Employees Contributions		-	-	763,882.00	763,882.00
Interest Paid on Refunds		-	-	123,193.00	123,193.00
Total Operating Expenses		83,284,524.63	42,956,718.50	5,710,662.00	131,951,905.13
Operating Income/(Loss) Forward to Sheet 2		(7,913,364.46)	(22,818,070.04)	23,597,283.00	(7,134,151.50)

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS
For the Fiscal Year Ended September 30, 1990

	Proprietary Fund Types		Fiduciary Fund Types		Totals (Memorandum Only) 9-30-90
	Enterprise Funds	Internal Service Funds	Pension Trust Fund		
Operating Income/(Loss) Forward from Sheet 1	(7,913,364.46)	(22,818,070.04)	23,597,283.00		(7,134,151.50)
Non-Operating Revenues and Expenses					
Miscellaneous Revenues	\$ 504,208.43	\$ -	\$ -	\$ -	504,208.43
Proceeds from Sale of Fixed Assets	94,857.77	13,621.72	-	-	108,479.49
Interest Payments	(16,004.34)	(77,215.39)	-	-	(93,219.73)
Payments from Self-Insurance	(95,000.00)	-	-	-	(95,000.00)
Excess of Non-Operating Revenues Over/(Under) Non-Operating Expenses	488,061.86	(63,593.67)	-	-	424,468.19
Income/(Loss) Before Operating Transfers	(7,425,302.60)	(22,881,663.71)	23,597,283.00		(6,709,683.31)
Operating Transfers In/(Out)	20,177,947.67	8,348,022.22			28,525,969.89
Net Income/(Loss)	12,752,645.07	(14,533,641.49)	23,597,283.00		21,816,286.58
Retained Earnings/Fund Balance-October 1	28,268,844.30	26,519,726.51	189,057,183.00		243,845,754.41
Retained Earnings/Fund Balance-September 30	\$ 41,021,489.97	\$ 11,986,085.02	\$ 212,654,466.00	\$ -	\$ 265,662,040.99

The accompanying Notes to the Financial Statements are an integral part of this statement.

COMBINED STATEMENT OF CASH FLOWS
 ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS
 For the Fiscal Year Ended September 30, 1990

Jefferson
 County Commission

	Proprietary Fund Types		Fiduciary Fund Types		Totals (Memorandum Only) 9-30-90
	Enterprise Funds	Internal Service Funds	Pension Trust Fund		
<u>Cash Flows From Operating Activities:</u>					
Cash received from customers	51,234,403.25	13,446,236.91	7,390,376.00		64,680,640.16
Cash received from contributors					7,390,376.00
Cash payments to suppliers for goods and services	(38,895,940.21)	(19,047,567.89)	(4,354,415.00)		(62,297,923.10)
Cash payments to employees for services	(35,177,350.61)	(12,650,848.71)	(585,538.00)		(48,413,737.32)
Other operating revenues	1,994,011.43	5,021,633.61	246,756.00		7,264,401.04
Cash received from Medicaid	16,800,000.00				16,800,000.00
	(4,044,876.14)	(13,230,546.08)	2,699,179.00		(14,576,243.22)
Net Cash Provided By Operating Activities					
<u>Cash Flows From Noncapital Financing Activities:</u>					
Operating transfers in	20,177,947.67	8,348,022.22			28,525,969.89
Net Cash Provided By Noncapital Financing Activities					
	20,177,947.67	8,348,022.22	0.00		28,525,969.89
<u>Cash Flows From Capital and Related Financing Activities:</u>					
Acquisition of capital assets	(1,766,489.54)	(854,519.94)			(2,621,009.48)
Capital contributed by government	2,193,955.53	25.00			2,193,980.53
Principal paid on warrants/leases	(100,000.00)	13,621.72			(86,378.28)
Proceeds from sale of equipment	94,857.77				94,857.77
Net Cash Provided By (Used For) Capital and Related Financing Activities	422,323.76	(840,873.22)	0.00		(419,549.46)
<u>Cash Flows From Investing Activities:</u>					
Interest/dividends on investments	2,356,729.45	1,327,234.06	15,474,525.00		19,158,488.51
Gain on sale of investments			5,047,228.00		5,047,228.00
Purchase of investment securities	(32,537,184.06)	11,223,544.01	(23,472,800.00)		(44,786,440.05)
Interest paid on refunds			(123,193.00)		(123,193.00)
Interest paid on warrants/leases	(16,004.34)	(77,215.39)			(93,219.73)
Net Cash Provided By (Used For) Investing Activities	(30,196,458.95)	12,473,562.68	(3,074,240.00)		(20,797,136.27)
Net Increase(Decrease) in Cash and Cash Equivalents	(13,641,063.66)	6,750,165.60	(375,061.00)		(7,265,959.06)
Cash and Cash Equivalents-October 1	17,602,216.17	(751,675.59)	(89,856.00)		16,760,684.58
Cash and Cash Equivalents-September 30	3,961,152.51	5,998,490.01	(464,917.00)		9,494,725.52

The accompanying Notes to the Financial Statements are an integral part of this statement.

Jefferson
County Commission

NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 1990

Note 1. - Summary of Significant Accounting Policies

The financial statements of the Jefferson County Commission have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental 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 government's accounting policies are described below.

A. Reporting Entity

In evaluating how to define the County Commission, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic--but not the only--criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financial relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, the following agency was found to be a component unit of the Jefferson County Commission's reporting entity.

The General Retirement System for the Employees of Jefferson County (GRS) benefits the employees and is governed by a five member pension board. An election committee named by the GRS members nominate potential board members that the existing pension board elects. The board operates the pension plan in accordance with Act No. 497, Acts of Alabama, 1965, and its amendments.

The Jefferson County Commission, a three member body, was established on December 13, 1819. Beginning January 20, 1987, the Commission body changed to five members pursuant to the consent settlement in United States District Court case number CV-84-C-1730-S. The County operates under a commission form of government and provides the following services: Public Safety; Highways and Streets; Sanitation, Health and Social Services; Culture-Recreation; Public Improvement; Planning and Zoning; and General Administrative Services.

B. Fund Accounting

The Jefferson County Commission uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 1990

Jefferson
County Commission

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types." Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (Special Revenue Funds), the acquisition or construction of general fixed assets (Capital Projects Funds), and the servicing of general long-term debt (Debt Service Funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

General Fund

The Jefferson County Commission primarily received revenues from collections of property taxes, county sales taxes, and revenues collected by the State of Alabama and shared with the County.

Special Revenue Funds

The Jefferson County Commission used the following Special Revenue Funds:

Indigent Care Fund - This fund is used to account for the expenditure of a portion of beverage and sales taxes designated for the health and welfare of indigent county residents.

Road Fund - This fund is used to account for the expenditure of the County's share of the following taxes: the 7 cent per gallon State gasoline tax for the construction and maintenance of County roads; the 4 cent per gallon gasoline tax and the 2 cent per gallon inspection fee for the resurfacing, restoration, and rehabilitation of the existing County bridges and paved roads; ad valorem and other taxes and fees designated for the construction and maintenance of county roads.

Senior Citizens' Activities Fund - This fund is used to account for the expenditure of Federal and County funds used to provide social, nutritional, transportation and other services to elderly persons residing in the Jefferson County area.

Bridge and Public Building Fund - This fund is used to account for the expenditure of ad valorem taxes designated for the maintenance and repair of County bridges and public buildings.

Federal Revenue Sharing Fund - This fund is used to account for the expenditure of Revenue Sharing Entitlements in accordance with applicable laws and regulations.

For the Fiscal Year Ended September 30, 1990

Community Development Fund - This fund is used to account for the expenditure of federal block grant funds received by the County.

Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, the County's general long-term debt principal and interest. During the fiscal year ended September 30, 1990, the County maintained one debt service fund -Debt Service Fund.

Capital Projects Funds

Capital Projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary and Trust Funds). During the fiscal year ended September 30, 1990, the Jefferson County Commission had the following Capital Projects Funds:

Capital Improvements Fund - This fund is used to account for the financial resources used in the improvement of major capital facilities (other than those financed by Proprietary and Trust Funds).

Road Construction Fund - This fund is used to account for the financial resources used in the construction of roads.

Environmental Services Fund - This fund is used to account for the financial resources used for the renovation and construction of the County's sanitary Sewer System.

Proprietary Funds

Proprietary funds are used to account for the activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services for such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the county (Internal Service Funds).

Enterprise Funds

These funds are used to account for activities where the intent of the County is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the county decided that periodic income determination is appropriate for capital maintenance, public policy, management control accountability or other purposes. The County operates the following enterprises:

Cooper Green Hospital - This fund is used to account for the operations of Cooper Green Hospital.

County Home - This fund is used to account for the operations of the Ketona County Home.

Landfill Operations - This fund is used to account for the County landfill operations.

Sanitary Operations - This fund is used to account for the County sanitary sewer system operations.

Parking Deck - This fund is used to account for the operations of the County parking deck.

Cafeteria - This fund is used to account for the operations of the County cafeteria.

Internal Service Funds - These funds are used to account for the financing of goods and services provided by a county department or agency to other county departments and agencies or to other governmental units on a cost reimbursement basis. For the fiscal year 1990, the Jefferson County Commission had the following Internal Service Funds:

Equipment Acquisition Fund - This fund is used to account for the provision of equipment to various County departments.

Risk Management Fund - This fund is used to account for the provision of insurance needs to County departments.

Personnel Board Fund - This fund is used to account for the provision of personnel to County departments and other governmental units by the Jefferson County Personnel Board.

Elections Fund - This fund is used to account for the costs of holding County elections.

Information Services Fund - This fund is used to account for the provision of data processing services to various County departments.

Fleet Management Fund - This fund is used to account for the provision of vehicles and maintenance of vehicles to County departments.

Central Laundry Fund - This fund is used to account for the provision of laundry services for County departments.

Printing Fund - This fund is used to account for the provision of printing services for County departments.

Building Services Fund - This fund is used to account for the provision of building maintenance and other related services for the County.

Fiduciary Fund Types

Fiduciary fund types are used to account for resources held by the County in a trustee capacity or as an agent for other organizations or individuals. Assets of fiduciary fund types do not belong to the County; the County has a liability to disburse those assets to specific individuals or organizations.

Expendable Trust Funds

These funds are used to account for the assets held in trust by the County and disbursed at the direction of the law, a specific individual or an organization. Jefferson County has the following Expendable Trust Funds:

CDBG/EDA Revolving Loan Fund - this fund is used to account for the County's administration of various loan programs for rental housing rehabilitation and economic development.

Probate Judge's Retirement Fund - this fund is used to account for contributions and County matching for retired probate judges as prescribed by statutes.

Pension Fund - This fund is used to account for the reimbursement of expenditures made by the County on behalf of the General Retirement System for Employees of Jefferson County.

Pension Trust Fund - This fund is used to account for the assets of the General Retirement System for Employees of Jefferson County.

Agency Funds

These funds are used to account for the assets which belong to other organizations and individuals. The County collects these assets and transfers them to the proper parties. Jefferson County has the following Agency Fund:

Deferred Compensation Fund - this fund is used to account for assets which belong to employees who have deferred income under provisions of Internal Revenue Code, Section 457.

NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 1990

ACCOUNT GROUPS

Account groups are used to establish accounting control and accountability for the County's general fixed assets and the unmatured principal of its general long-term debt. These account groups are not funds. They do not reflect available financial resources and related liabilities - but are accounting records of the general fixed assets and general long-term debt and certain associated information.

General Fixed Assets Account Group

This account group is used to account for all County fixed assets except those related to specific proprietary funds or trust funds.

General Long-Term Debt Account Group

This account group is used to account for all unmatured long-term liabilities of the County except for the long-term liabilities of Proprietary Fund and Trust Funds.

C. Basis of Accounting

The basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and Expendable Trust Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All Proprietary Funds, Nonexpendable Trust Funds and Pension Trust Funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The modified accrual basis of accounting is used by all governmental fund types, Expendable Trust Funds and Agency Funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The government considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Those revenues that were accrued are the 7 cent gasoline tax, the 4 cent gasoline tax, and inspection fees. Other revenues are not material or generally susceptible to accrual because they are not measurable until received in cash.

The accrual basis of accounting is utilized by proprietary fund types, pension trust funds and nonexpendable trust funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

D. Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general, Special Revenue, Capital Projects, Proprietary and Debt Service Funds. All annual appropriations lapse at fiscal year end.

E. Encumbrance Accounting

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting -- under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation -- is utilized in the governmental funds. Encumbrances outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

F. Cash and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government.

State statutes authorize the County Commission to invest in obligations of the U. S. Treasury and securities of federal agencies.

Investments are stated at cost or amortized cost, except for investments in the deferred compensation agency fund which are reported at market value.

NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 1990

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G. Accounts Receivables

Accounts receivables for governmental and fiduciary fund types consist primarily of amounts due from other governmental units/departments. Accounts receivables in the proprietary fund type are those receivables for Cooper Green Hospital. The receivables from patients, insurances companies and third party reimbursement contractual agencies are recorded at regular patient services rates. Indigent patients' accounts are discounted based on the patients' financial classification. Certain third-party insured accounts (such as Blue Cross, Medicare, and Medicaid) are based on cost reimbursement agreements which generally result in the Hospital's collecting less than the established charge rates. Final determination of the settlement is subject to review by appropriate authorities. Adequate allowances have been provided for doubtful accounts, charity, and contractual adjustments. Doubtful accounts are written off against the allowance after adequate collection effort is exhausted.

H. Short-Term Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or service rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

I. Inventories

Inventories are carried on the books at cost, which approximates market, using the last invoice price method. Inventories in the General and Special Revenue funds consist of expendable supplies held for consumption. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased. Reported inventories are offset by fund balance reserves, which indicate that they do not constitute available spendable resources.

J. Prepaid Items

Payments made to vendors for services that will benefit periods beyond September 30, 1990, are recorded as prepaid items.

K. Fixed Assets

Governmental Funds

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received.

Accumulated depreciation is recorded in the General Fixed Assets Account Group for management cost finding analysis. Depreciation [expense] is not recorded or provided on general fixed assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized, as these assets are immovable and of value only to the government.

Proprietary Funds

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation of buildings, equipment, and vehicles in the proprietary fund types is computed using the straight-line method over the estimated useful lives.

Depreciation expense was not charged against operations of internal service funds for the year ended September 30, 1990.

L. Other Debits

The general long-term debt account group reflects an account entitled "Amount to be Provided for Payment of General Long-Term Debt." This account has a debit balance and is an off-set to the general obligation payable. It does not constitute an asset of the county.

M. Accumulated Unpaid Annual and Sick Pay

The Jefferson County Commission has a standard leave policy for its full time employees as to sick and annual leave.

Vacation Leave - An employee holding a regular position shall earn vacation leave in accordance with his longevity of service as follows:

- 0 to 12 years.....1 day per month of service
- 12 to 25 years.....1-1/2 days per month of service
- Over 25 years.....2 days per month of service

Vacation earned but not used during the calendar year may be accumulated up to a maximum of forty (40) days. Vacation leave earned in excess of the maximum accumulation stipulated must be used by December 31 or it shall be forfeited.

NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 1990

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Sick Leave - Sick leave shall be earned at the rate of one (1) work day for each month of service. Sick leave earned during the calendar year but not used may be accumulated up to a maximum of sixty (60) days. Sick leave earned in excess of the maximum shall be held in a special reserve and may be granted as supplementary sick leave in accordance with Rule 7.23.

A permanent employee separating or retiring from the service in good standing shall receive terminal pay for his accrued vacation not to exceed forty (40) days. A permanent employee who resigns or retires for the service in good standing after five (5) years of service may, subject to the approval of the appointing authority, receive terminal pay for fifty (50) percent of his accrued sick leave not to exceed fifty (50) percent of sixty (60) days.

The Financial Accounting Standards Board (FASB) requires the accrual of a liability for future vacation, sick, or other leave benefits that meet all of the following conditions:

- a. The employer's obligation relating to employees' right to receive compensation for future absences is attributable to employees' services already rendered.
- b. The obligation relates to rights that vest or accumulate.
- c. Payment of the compensation is probable.
- d. The amount can be reasonably estimated.

The amount of the liability accrued for all full time employees of the County as of September 30, 1990 was \$9,231,656.00.

M. - Accounts Payable

A liability of \$ 764,226.89 is included in Accounts Payable in the Enterprise Fund (Cooper Green Hospital). This liability is in dispute with the Hospital's former computer system - McAuto Company. The McAuto Company promised that this system would perform certain functions which the Hospital says it did not do. As a result, the Hospital refused to pay the remainder of the contract and McAuto has refused to release the Hospital from the liability.

Q. Long-Term Obligations

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

The long-term liability of Cooper Green Hospital consists of a liability for payment of a new energy efficient system and installation and implementation of the system. The liability will be paid through the shared-savings program whereby 75 percent of the cost savings between the current energy cost and the historical energy cost will be paid to the contractor.

P. Fund Equity

Reserves represent those portions of fund equity not appropriate for expenditure or legally segregated for a specific future use.

Contributed capital is recorded in proprietary funds that have received capital contributions from other funds.

Q. Bond Discounts/Issuance Costs

In governmental fund types, bond discounts and issuance costs are recognized in the current period.

R. Interfund Transactions

Quasi-external transactions are accounted for a revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 1990

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S. Memorandum Only - Total Columns

Total Columns on the component unit financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Note 2 - Budgets and Appropriations

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, each county commission, at some meeting in September of each 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 appropriations must not exceed the total revenues available for appropriation. Expenditures may not legally exceed appropriations.

The budget is usually divided into two parts - an operating budget and a capital budget. The operating budget addresses the immediate problems of providing services, paying personnel, travel and equipment. The capital budget address major equipment, furniture purchases, and public works projects.

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.

Note 3 - Deposits and Investments

As of September 30, 1990, the carrying amount of the County's deposits, including Cooper Green Hospital and the General Retirement System was \$34,890,640.59 and the bank balance was \$42,361,677.86. Of the bank balance, \$150,376.24 was covered by federal depository insurance; \$42,211,301.64 was in U.S. Treasury Obligations (classified as cash due to the availability).

Investments

The County is legally authorized to invest in obligations of the U. S. Treasury and securities of federal agencies. The County's investments at year end are shown below at cost, which approximates market. All of the U. S. Government securities were held by the county's agent in the county's name.

	<u>Carrying Amount(Cost)</u>
U. S. Treasury Obligations	\$ 86,745,346.72
Certificates of Deposit	3,730,000.00
Repurchase Agreements	5,018,750.00
Pension Trust Funds (See Note 15B)	<u>212,609,799.00</u>
Total	\$308,103,895.72 =====

Cash

Cash consists of amounts in checking accounts, savings accounts, certificates of deposits, petty cash, amounts held by others, and investments which are available for daily operations. The cash balance as reflected on the financial statements consisted of the following:

Cash in checking	\$(7,517,409.99)
Short-Term Investments	42,311,301.64
Petty Cash	46,748.94
Cash held by Southern Risk Services	<u>50,000.00</u>
Total	\$34,890,640.59 =====

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NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 1990

Note 4 - Changes in General Fixed Assets

A summary of changes in the County's general fixed assets is as follows:

	Balance at 10-1-89	Transfers to Other Funds	Additions	Deletions	Reclassifications at 9-30-90	Balance
Land	7,851,551.68	(499,350.00)				7,352,201.68
Buildings	236,052,015.72	(165,447,753.55)	238,848.14		8,331,916.20	79,175,026.51
Improvements Other Than Buildings	2,932,885.78	(36,404.46)	7,197.49			2,903,678.81
Office Equipment and Furniture	6,109,681.89	(3,119,853.92)	945,946.85	(56,302.29)		3,880,472.53
Maintenance Equipment	1,156,790.62	(736,005.78)	169,877.81			590,662.65
Motor Vehicles	26,743,599.09	(14,566,364.55)	11,885,289.17			24,062,523.71
Miscellaneous Equipment	8,180,692.78	(9,644,881.75)	6,791,115.11		405,683.00	5,732,609.14
Construction in Progress	13,209,151.33		2,842,629.58		(8,331,916.20)	7,719,864.71
Equipment Under Capital Lease	1,508,112.58	(883,745.60)			(405,683.00)	218,683.98
Totals	303,744,481.47	(194,933,359.61)	22,880,904.15	(56,302.29)	0.00	131,635,723.72

Note 5 - Unemployment Compensation

The County contracts with a private insurance carrier to handle unemployment compensation. The County pays a set fee per quarter for services rendered.

Note 6 - Operating Leases

The Jefferson County Commission has entered into lease agreements for various equipment on an annual basis. The leases are considered for accounting purposes to be operating leases. Rent expense for fiscal year 1990 was \$ 989,586.23.

NOTES TO THE FINANCIAL STATEMENTS

For the Fiscal Year Ended September 30, 1990

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Note 7 - Capital Lease-Purchase Contracts

The County has acquired various equipment by lease-purchase agreements. Following is a schedule by years of future minimum lease payments under the capital lease together with the present value of the net minimum lease payments as of September 30, 1990:

Fiscal Year Ending September 30	General		Enterprise		Internal Service	
	Long-Term Debt	Fund	Enterprise	Fund	Service	Fund
1991	\$ 51,661.08	\$ 332,261.24			\$ 354,132.72	
1992	51,661.08	295,864.86			354,132.72	
1993	12,915.27	194,697.40			84,841.65	
1994		14,348.40			84,841.65	
1995					6,500.76	
Johnson Controls		473,267.03				
Total Minimum lease payments	116,237.43	1,310,438.93			884,449.50	
Less: Amount Representing						
Interest	8,683.68	194,821.40			107,416.71	
Present Value of Net						
Minimum Lease						
Payments	\$ 107,553.75	\$ 1,115,617.53			\$ 777,032.79	

Note 8 - County Appropriation Agreement

During the 1988-89 fiscal year, the Birmingham-Jefferson County Civic Center Authority issued \$ 132,380,000.00 principal amount of Capital Outlay Bonds. The Bonds will be limited obligations of the Authority, payable solely out of certain tax proceeds to be received by the Authority pursuant to separate Pledge and Appropriation Agreements between the City of Birmingham and the Authority and between the Jefferson County Commission and the Authority.

The County levies a special privilege or license tax (the "County Occupational Tax") at the rate of one-half of one percent of the gross receipts of each person following a vocation, occupation, calling or profession within the County. In the County Appropriation Agreement, the County agreed to pay the Authority, out of proceeds of the County Occupational Tax, the sum of \$ 10,000,000.00 in 1989 and in each calendar year thereafter until and including 2008.

NOTES TO THE FINANCIAL STATEMENTS

For the Fiscal Year Ended September 30, 1990

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Note 9 - Segment Information-Enterprise Funds

The Jefferson County Commission maintains six Enterprise Funds. Financial segment information as of and for the year ended September 30, 1990 is presented below.

	Cooper Green Hospital	County Home	Landfill Operations	Sanitary Operations	Parking Deck	Cafeteria	Total
Operating revenues	33,435,952.21	6,259,530.45	3,583,612.70	31,697,899.93	139,005.56	255,159.32	75,371,160.17
Depreciation expense	1,474,045.32	45,318.12	16,813.99	4,357,776.24	0.00	1,147.32	5,895,100.99
Operating income(Loss)	(11,495,437.16)	(6,578,440.83)	(357,582.88)	10,616,506.85	71,853.56	(170,264.00)	(7,913,364.46)
Net income	7,546,771.27	(692,606.96)	562,664.60	5,218,055.45	138,793.56	(21,032.85)	12,752,645.07
Current capital:							
Contributions		240,875.82			160.00	6,986.64	248,022.46
Transfers In/(Out)	10,633,000.00	5,885,392.74	858,288.96	(5,414,905.18)	66,940.00	149,231.15	20,177,947.67
Property, plant and equipment:							
Additions	1,005,400.85	24,406.60	96,989.60	676,513.74	0.00	3,428.75	1,806,739.54
Net working capital	8,623,535.84	56,310.38	655,377.99	28,678,551.51	138,953.56	649.36	38,153,378.64
Total assets	24,527,193.73	427,567.33	2,136,666.38	154,063,455.46	146,505.56	22,694.01	181,324,082.47
Bonds and Warrants Payable				400,000.00			400,000.00
Total equity	17,001,219.62	(255,451.16)	1,885,691.55	152,016,179.46	138,953.56	(8,349.04)	170,778,243.99

Note 10 - Contributed Capital

During the year, contributed capital increased by the following amounts:

NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 1990

Jefferson
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Fund	Balance		Source-Government		Balance
	10-01-89	General Fixed Assets	Initial Capital	9-30-90	
County Home	\$ -	\$ 196,279.98	\$ 240,875.82	\$ 437,155.80	
Landfill Operations	-	1,323,026.95	-	1,323,026.95	
Sanitary Operations	-	127,983,727.46	-	127,983,727.46	
Parking Deck	-	-	160.00	160.00	
Cafeteria	-	5,697.17	6,986.64	12,683.81	
Risk Management	-	1,160.95	-	1,160.95	
Personnel Board	-	112,547.98	25.00	112,572.98	
Elections	-	198,401.15	-	198,401.15	
Information Services	-	1,195,685.67	-	1,195,685.67	
Fleet Management	-	81,573.35	447,485.46	529,058.81	
Central Laundry	-	6,384.89	18,842.39	25,227.28	
Printing	-	3,541.28	75,761.33	79,302.61	
Building Services	-	296,708.28	175,122.81	471,831.09	
Equipment Acquisition	-	16,678,008.76	-	16,678,008.76	
Total	\$ -	\$ 148,082,743.87	\$ 965,259.45	\$ 149,048,003.32	

Note 11 - Contingent Liabilities

Under the provisions of Section 36-22-60 of the Code of Alabama 1975, the Jefferson County Sheriff is eligible to become a supernumerary sheriff upon retirement after sixteen(16) years of service credit as a law enforcement officer, twelve(12) of which as a sheriff, and who has reached the age of fifty-five(55) years. The Jefferson County Sheriff, who has elected to participate in this retirement plan, makes monthly contributions out of his salary as required by law. Should the Sheriff decide to withdraw from the plan for whatever reason, the County is obligated to refund the total amount he has contributed toward his retirement. At September 30, 1990, the Sheriff's contributions totalled \$ 44,700.04.

The County is a defendant in a lawsuit pending in the U. S. District Court which seeks to declare the County's Occupational Tax unconstitutional. The County's estimated exposure in this case is \$ 29 million plus future lost revenue.

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NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 1990

The County is also a defendant in various other lawsuits pending with an estimated exposure of approximately \$ 2 million.

Note 12 - Changes in General Long-Term Debt

The following is a summary of general long-term debt transactions for Jefferson County for the year ended September 30, 1990:

	General Obligation	Revenue Warrants	Capital Lease- Purchase Agreements	Compensated Absences	Total
Debt Outstanding At Oct. 1, 1989	\$ 64,352,981.50	\$ 76,600,000.00	\$ 904,508.59	\$	\$141,857,490.09
Accreted Interest through 9-30-90	16,023,959.25				16,023,959.25
Accumulated Vacation and Sick Leave				4,640,484.34	4,640,484.34
Leases Transferred to Proprietary Funds			(754,143.11)		(754,143.11)
Warrants Transferred to Proprietary Funds		(500,000.00)			(500,000.00)
Warrants Issued	30,700,000.00				30,700,000.00
Warrants Retired Through Principal Retirement or Refunding (4,490,000.00)		(885,000.00)			(5,375,000.00)
Capital Lease-Purchase Payments			(42,811.73)		(42,811.73)
Debt Outstanding at Sept. 30, 1990	\$106,586,940.75	\$75,215,000.00	\$ 107,553.75	\$ 4,640,484.34	\$186,549,978.84

NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 1990

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Accreted Interest applies to the following warrant issues:

1985 Series B General Obligation Tax Pledge Warrants	\$12,944,714.30
1988 Series General Obligation Warrants	<u>3,079,244.95</u>
Total Accreted Interest	\$16,023,959.25

Accreted interest occurs when bonds/warrants are issued at stated interest rates that are significantly below their effective interest rate, resulting in a deep discount when the securities are issued. The implicit interest (i.e., discount) is generally paid as the bonds mature. Therefore, the net value of the bonds should be accreted (i.e., the discount reduced) over the life of the bonds. The County amortizes the discount using the interest method on a semi-annual basis.

In the prior audit period, capital lease-purchase agreements (other than those accounted for by Cooper Green Hospital) had been accounted for in the General Fund. During 1989-90, the County created internal service funds to account for the cost of providing products/services to the various County departments and/or other governmental units. Therefore, those leases that were incurred as a result of the service provided were transferred from the General Fund to the appropriate Internal Service Fund.

Note 13 - General Long-Term Debt

On October 24, 1989, the County issued \$30.7 million in General Obligation Warrants with interest rates ranging from 6.4 to 8.0 percent for the purpose of (i) acquiring land and paying the costs of establishing landfills for the disposal of solid waste, (ii) improving and building certain roads, (iii) reimbursing the County for certain capital expenditures made by it and (iv) paying the expenses of issuing the Warrants.

Note 14 - Defeasance of Prior Debt

In prior years, the County Commission defeased certain outstanding warrants by placing the proceeds of new warrants in an irrevocable trust to provide for all future debt service payments on the old warrants. Accordingly, the trust accounts and the defeased warrants are not included in the County Commission's financial statements. The following warrants are considered defeased:

NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 1990

1977 Sewer Warrants	\$ 7,785,000
1978 Sewer Refunding Warrants	15,530,000
1980 Public Building Warrants	2,250,000
1984 Series A G.O. Tax Pledge Warrants	\$27,990,000
1984 Series B G.O. Tax Pledge Warrants	\$14,658,495

Note 15 - Bonds and Warrants Payable

- A. The 1964 Sanitary Warrants are payable from and secured by sewer service charges.
- B. The 1988 Series Sewer Revenue Warrants are secured by a pledge of the revenues derived from the operation of the County's sewer system after payment of the costs of its operation and maintenance.
- C. The 1985 Series B Warrants are general obligations of Jefferson County. A portion of the County's Sales and Use Tax is pledged to pay principal and interest.
- D. The 1988 Series Warrants are general obligations of Jefferson County.
- E. The 1989 Series Warrants are general obligations of Jefferson County.

Note 16 - Debt Principal and Interest Requirements to Maturity

The following is a schedule of debt principal, interest and other requirements to maturity for Jefferson County for the year ended September 30, 1990:

Fiscal Year Ending September 30,	General Obligation				Revenue Warrants Payable		Capital Leases		Total Principal and Interest
	Serial, Term Warrants & Bonds Payable		From Special Revenue Funds		Principal		Interest		
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
1991	3,554,962	4,048,708	1,040,000	5,369,510	45,796	5,866	14,064,842		
1992	3,017,917	4,622,504	1,095,000	5,307,530	48,987	2,674	14,094,612		
1993	2,745,730	4,889,690	1,730,000	5,240,150	12,771	144	14,618,485		
1994	3,786,335	5,132,184	1,830,000	5,132,300			15,880,819		
1995	5,094,404	6,056,216	1,850,000	5,019,070			18,018,690		
1996	6,254,261	7,187,159	1,970,000	4,894,120			20,305,540		
1997	5,917,474	7,482,747	2,105,000	4,760,160			20,265,381		
1998	5,637,413	7,744,007	2,250,000	4,614,915			20,246,335		
1999	5,387,782	7,981,864	2,405,000	4,457,415			20,232,061		
2000	5,165,164	8,184,096	2,580,000	4,286,660			20,215,920		
2001	4,997,053	8,347,694	2,760,000	4,100,900			20,205,647		
2002	4,861,639	8,474,047	2,970,000	3,899,420			20,205,106		
2003	4,742,909	8,577,848	3,180,000	3,681,125			20,181,882		
2004	4,659,202	8,635,060	3,420,000	3,445,805			20,160,067		
2005	4,606,143	8,655,095	3,675,000	3,191,015			20,127,253		
2006	3,711,779	3,117,158	3,950,000	2,915,390			13,694,327		
2007	10,392,816	3,483,288	4,245,000	2,617,165			20,738,269		
2008	2,905,000	292,960	4,570,000	2,294,545			10,062,505		
2009	3,125,000	100,000	4,920,000	1,947,225			10,092,225		
2010			5,215,000	1,652,025			6,867,025		
2011			5,525,000	1,339,125			6,864,125		
2012			5,945,000	924,750			6,869,750		
2013			6,385,000	478,875			6,863,875		
Sub-Totals	90,562,983	113,012,325	75,615,000	81,568,195	107,554	8,684	360,874,741		
Accreted Interest	16,023,959						16,023,959		
Total	106,586,942	113,012,325	75,615,000	81,568,195	107,554	8,684	376,898,700		

NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 1990

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Note 17 - Defined Benefit Pension Plan

A. Plan Description

The General Retirement System for Employees of Jefferson County is the administrator of a single-employer, defined benefit pension plan (Plan) covering substantially all employees of Jefferson County, Alabama. The Plan was established by Act 497 of the Regular Session of the Alabama legislature and provides guidelines for benefits to retired and disabled employees of the County.

Plan membership is mandatory for all regular Jefferson County civil service employees upon commencement of employment if not covered by another retirement plan established by Alabama law. All remaining employees, excluding temporary or part-time employees who are ineligible, may make an irrevocable election to participate. At September 30, 1990 and 1989, membership in the plan consisted of the following:

	<u>1990</u>	<u>1989</u>
Current Active Members:		
Vested Members	1,289	753
Nonvested Members	2,033	2,404
Total Current Active Members	3,322	3,157
Retirees and Beneficiaries Currently Receiving Benefits	594	557
Terminated Employees Electing Deferred Benefits	18	16

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 thirty-six month period of employment, excluding overtime and longevity pay. Benefits are limited to a maximum of seventy-percent of a member's basic average salary and vest after ten years of paid service. Upon member election, benefit payments may be received in a lump-sum distribution or in monthly payments over the remaining life of the member. Benefits may be received under the following conditions:

Normal Retirement - A member may retire regardless of age after completing thirty years of paid membership time with the County. Otherwise, the member must have attained age sixty with a minimum of ten years of paid service.

Early Retirement - A member may elect early retirement after completing thirty years of service with the County (or a municipality or agency subject to the County's civil service law), of which at least ten years are paid service time under the current Plan. Benefits for early retirement are reduced in accordance with age unless the member has reached age fifty-five and completed twenty years of paid service time.

Deferred Retirement - Members that have completed the minimum requirements for vesting (10 years of service credits with the County) have the right to defer pension benefits if employment with the County is terminated. The benefits are payable at age sixty and are computed using the pension law in effect at the time the member was terminated.

Disability Benefits - Disability benefits are available to all members regardless of age and accumulated service if injury is work-related. Members are eligible for non-service connected disability benefits if they have completed a minimum of ten years of paid service time. Disability benefits are computed at sixty percent of the monthly salary the member was receiving at the time disability occurred. If the member is partially disabled, the benefit is reduced according to the percent of disability.

Funding - The Plan is funded by payroll deductions equal to six percent of the participants' gross salaries, with the County contributing amounts equal to participant contributions. The Plan also receives from the County a percentage of the proceeds from the sale of pistol permits.

B. Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting - The accrual basis of accounting is followed in all material respects. Employee and employer contributions are recognized as revenues in the period in which employee services are performed.

Investments

Equity securities are presented at cost, subject to adjustment for market declines that are determined to be other than temporary. Debt securities are presented at amortized cost as of the balance sheet date, with the discount and premium being amortized using the effective interest rate method, subject to adjustment for market declines determined to be other than temporary. Investment income is recognized as earned. Accrued interest purchased on the acquisition of debt securities is charged to investment income at date of acquisition. Gains and losses on sales and exchanges of securities are recognized on the transaction trade date. The Retirement System has agreements with various investment advisors who have authority to purchase and sell securities. The securities are held by various banks which serve as custodians. Federal insurance coverage is provided each participant to the maximum amount allowed by law. At September 30, 1990 and 1989, no single investments were held which were greater than five percent of net assets available for benefits.

Reserves for Contingent Refunds and Retirement and Disability Benefits -Contingent refunds represent all contributions made by members into the Plan until refunded or transferred to the reserve for retirement and disability benefits. Such transfers occur when benefit payments equal or exceed the amount of member contributions, or when a terminated employee has not requested a refund of his personal contributions within five years of termination.

C. Funding Status and Progress

The amount shown below as "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits and is intended to help users assess the funding status of the Plan on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due and make comparisons among public employee retirement systems. The Retirement System does not use an actuarial funding method to determine contributions to the fund; rather, a fixed rate is deducted from gross wages and matched by the County as stipulated by law. Periodic actuarial studies are made as part of a valuation to determine if contributions are sufficient to meet the cost of benefits provided and the administration expense of the Retirement System.

The pension benefit obligation at September 30, 1989 and 1988 was determined based on the actuarial valuation as of September 30, 1990 and 1988, respectively. It was calculated on a projected benefit method, using a rate of return of 7% and taking into account projected salary increases.

At September 30, 1989 and 1988, the assets in excess of pension benefit obligation were \$46.2 and \$34.7 million, respectively, as follows:

	(In Millions)	
	<u>1989</u>	<u>1988</u>
Pension Benefit Obligation:		
Retirees and Beneficiaries Currently		
Receiving Benefits and Terminated		
Employees Not Yet Receiving Benefits	\$ 38.3	\$ 35.4
Current Employees:		
Accumulated Employee Contributions	28.0	23.0
Other Vested Benefits	24.8	22.5
Nonvested Benefits	45.6	42.7
Total Pension Benefit Obligation	136.7	123.6
Net Assets Available for Benefits, Actuarial		
Value (Market Value of \$193.3 and \$166.9 in		
1989 and 1988, Respectively)	182.9	158.3
Assets in Excess of Pension Benefit		
Obligation	\$ 46.2	\$ 34.7

D. Historical Trend Information

Historical trend information designed to provide information about the Retirement System's progress made in accumulating sufficient assets to pay benefits when due is as follows. As permitted by GASB 5 during the transition period when ten years of the standardized measure of the pension obligation is unavailable, the Analysis of Funding Progress is presented only for the years in which that measure is available.

		Analysis of Funding Progress (In Millions of Dollars)					(6)
		(4)		(5)		Assets in Excess of Pension Benefit Obligation as a Percentage of Covered Payroll (4) / (5)	
		Assets in Excess of Pension Benefit Obligation (1) - (2)		Payroll (4) / (5)			
Fiscal Year Ended	(1) Net Assets Available for Benefits*	(2) Pension Benefit Obligation	(3) Pension Benefit Obligation	(4) Pension Benefit Obligation	(5) Annual Covered Payroll		
Sept 30							
1988	\$138.3	\$105.1	131.6*	\$33.2	\$52.0	63.8%	
1989	158.3	123.6	128.1	34.7	62.6	55.4	
1990	182.9	136.7	134.0	46.2	68.3	68.0	

*actuarial value

Analysis of the dollar amounts of net assets available for benefits, pension benefit obligation and unfunded pension benefit obligation in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the pension benefit obligation provides one indication of the Plan's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the retirement system. Trends in unfunded pension benefit obligation and annual covered payroll are both affected by inflation. Expressing the unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the System's progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the retirement system.

NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 1990

Jefferson
County Commission

Revenues by Source and Expenses by Type
Revenues by Source

Fiscal Year Ended Sept. 30	Employee Contributions	Employer Contributions	Investment Income	Other Income	Total
1983	\$2,737,632	\$2,738,646	\$ 9,634,973	\$215,275	\$15,326,526
1984	2,861,888	2,862,636	9,418,302	213,066	15,355,892
1985	2,996,455	2,995,973	11,726,254	232,818	17,951,500
1986	3,021,412	3,012,412	20,314,957	217,278	26,575,059
1987	3,113,172	3,112,746	25,232,552	218,709	31,677,179
1988	3,505,451	3,505,308	15,123,782	259,910	22,394,451
1989	3,841,155	3,840,652	16,285,363	230,061	24,197,231
1990	4,268,801	4,268,635	19,994,864	248,756	28,781,056

Expenses by Type

Fiscal Year Ended Sept. 30	Benefits	Administrative Expenses	Refunds	Interest on Contributions	Total
1983	\$1,488,881	\$ 166,442	\$ 956,358	\$ 77,311	\$ 2,688,992
1984	1,676,772	141,578	911,880	133,301	2,863,531
1985	1,945,363	197,759	1,067,883	136,726	3,349,731
1986	2,221,384	232,967	1,241,255	182,059	3,877,665
1987	2,696,180	112,678	984,871	207,273	4,001,002
1988	3,275,373	95,830	962,290	177,297	4,510,790
1989	3,668,923	171,643	847,038	173,997	4,861,601
1990	4,165,645	131,053	763,882	123,193	5,183,773

SCHEDULE OF RESERVE FOR CONTINGENT REFUNDS

	FOR THE YEARS ENDED	
	SEPTEMBER 30,	
	1990	1989
ADDITIONS:		
Employee Contributions	\$ 4,268,801	\$ 3,841,155
Transfer from Reserve for Retirement and Disability Benefits		4,891
Total Additions	<u>4,268,801</u>	<u>3,846,046</u>

DEDUCTIONS:		
Transfers to Reserve for Retirement and Disability Benefits	916,332	901,138
Refunds of Employee Contributions	763,882	847,038
Total Deductions	<u>1,680,214</u>	<u>1,748,176</u>
EXCESS OF ADDITIONS OVER DEDUCTIONS	2,588,587	2,097,870
BALANCE, BEGINNING OF YEAR	<u>27,139,911</u>	<u>25,042,041</u>
BALANCE, END OF YEAR	<u>\$29,728,498</u>	<u>\$27,139,911</u>

SCHEDULES OF RESERVE FOR RETIREMENT AND DISABILITY BENEFITS

	FOR THE YEARS ENDED	
	SEPTEMBER 30,	1989
	1990	1989
ADDITIONS:		
Employer Contributions	\$ 4,268,635	\$ 3,840,652
Investment Income	19,994,864	16,285,363
Pistol Permits	245,056	224,055
Transfers from Reserve for Contingent		
Refunds	916,332	901,138
Deficient and Installment Interest . .	3,700	6,006
Total Additions	<u>25,428,587</u>	<u>21,257,214</u>
DEDUCTIONS:		
Benefits Paid to Participants	4,165,645	3,668,923
Interest Paid on Refunds of Employee		
Contributions	123,193	173,997
Administrative Expenses	131,053	171,643
Transfer to Reserve for Contingent		
Refunds		4,891
Total Deductions	<u>4,419,891</u>	<u>4,019,454</u>
EXCESS OF ADDITIONS OVER DEDUCTIONS . .	21,008,696	17,237,760
BALANCE, BEGINNING OF YEAR	<u>161,917,272</u>	<u>144,679,512</u>
BALANCE, END OF YEAR	<u>\$182,925,968</u>	<u>\$161,917,272</u>

For the Fiscal Year Ended September 30, 1990

Note 18 - Deferred Compensation

The County offers all employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits them to defer Federal income taxation on a portion of their compensation until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the County (without being restricted to the provisions of benefits under the plan), subject only to the claims of the County's general creditors.

Participants' rights under the plan are equal to those of general creditors of the County in an amount equal to the fair market value of the deferred account for each participant. The plan assets and liabilities are accounted for in the Deferred Compensation Fund and reported with the Agency funds.

Note 19 - Individual Fund Disclosures

Deficit Cash Balances

The Jefferson County Commission maintains an operating bank account which contains most funds. The operating account had a positive bank balance at year end however, deficit cash book balances existed in the funds listed below. Certain funds had receivables which were collected shortly after year end and others had investments which significantly offset the cash deficits. Charges to other governmental agencies will be determined in the next fiscal year to reimburse the Personnel Board fund. In addition, transfers from the General Fund will be made in the next fiscal year to offset deficits in the remaining funds.

	Cash		
	Deficit	Receivables	
		Investments	
Indigent Care Fund	\$ 2,360,676.58	\$1,852,951.64	\$
Senior Citizens Activities	83,846.30	366,722.87	
Community Development	459,117.32	276,354.20	
Personnel Board	639,931.67		
Pension Fund	9,609.10	11,626.72	
General Retirement System	464,917.00		212,609,799.00
Total	\$ 4,018,097.97	\$2,507,655.43	\$212,609,799.00

Jefferson
County Commission

NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 1990

Deficit Fund Balances/Retained Earnings

The Commission had deficit fund balances as of September 30, 1990 in the following funds:

Indigent Care Fund	\$ 532,724.94
Capital Improvements	911,108.90
County Home	692,606.96
Cafeteria Fund	21,032.85
Personnel Board Fund	795,872.70
Elections Fund	7,351.74
Information Services Fund	265,368.90
Fleet Management Fund	417,275.09

Total	\$ 3,643,342.08

The Commission intends on reducing the deficits by transferring funds from the General Fund.

Note 20 - Prior Period Restatement

A prior period restatement was made in the Community Development Fund and the CDBG/EDA Revolving Loan Fund. This restatement moved cash (\$80,000.00) and loans receivable (\$31,200.00) from Community Development to the Revolving Loan Fund due to an error in recording. The restatement resulted in a decrease in the Community Development fund balance of \$ 111,200.00 and a corresponding increase in the CDBG/EDA Revolving Loan fund.

Note 21 - Subsequent Event(s)

On December 27, 1990, the government sold \$38.755 million of general obligation warrants for the purpose of various capital projects such as the construction of a new building for the Jefferson County Family Court and the construction and improvement of facilities for the Ketona Nursing Home. Interest on the warrants will be payable on October 1, 1991 and semiannually thereafter on October 1 and April 1. The warrants mature in various denominations beginning April 1, 1994 and annually thereafter through April 1, 2010. Interest rates range from 6.0 to 7.50 percent.

SUPPLEMENTAL INFORMATION

COMBINING BALANCE SHEET-ALL SPECIAL REVENUE FUNDS
September 30, 1990

Jefferson
County Commission

	Indigent Care Fund	Road Fund	Senior Citizens Activities Fund	Bridge and Public Building Fund	Community Development Fund	Total 9-30-90
Assets						
Cash	\$ -	\$ 22,925.62	\$ -	\$ 337,186.76	\$ -	\$ 360,112.38
Investments	-	184,556.18	-	2,732,303.02	-	2,916,859.20
Interest Receivable	-	-	-	-	13,875.11	13,875.11
Accounts Receivable	1,852,951.64	912,352.20	-	517,175.56	468.00	3,282,947.40
Loans Receivable	-	-	-	-	2,020,173.04	2,020,173.04
Due From Other	-	403,372.75	366,722.87	-	276,354.20	1,046,449.82
Governmental Units	-	1,141,476.33	-	-	-	1,141,476.33
Inventories	-	-	-	-	-	-
Total Assets	\$ 1,852,951.64	\$ 2,664,683.08	\$ 366,722.87	\$ 3,586,665.34	\$ 2,310,870.35	\$ 10,781,893.28
Liabilities and Fund Equity						
Liabilities						
Cash Deficit	\$ 2,360,676.58	\$ -	\$ 83,846.30	\$ -	\$ 459,117.32	\$ 2,903,640.20
Accounts Payable	25,000.00	2,395,261.03	78,479.04	-	235,432.36	2,734,152.43
Accrued Vacation & Sick Leave	-	247,622.16	16,738.23	-	5,992.29	270,352.68
Total Liabilities	\$ 2,385,676.58	\$ 2,642,883.19	\$ 179,063.57	\$ -	\$ 700,521.97	\$ 5,908,145.31
Fund Equity						
Fund Balances	-	727,651.54	28,562.42	-	1,112,002.27	1,868,216.23
Reserve for Encumbrances	-	1,141,476.33	-	-	-	1,141,476.33
Reserve for Inventories	-	150.00	50.00	-	-	200.00
Reserve for Petty Cash	(532,724.94)	(1,847,477.98)	159,046.88	3,586,665.34	498,346.11	1,863,855.41
Unreserved	(532,724.94)	21,799.89	187,659.30	3,586,665.34	1,610,348.38	4,873,747.97
Total Fund Balances	\$ 1,852,951.64	\$ 2,664,683.08	\$ 366,722.87	\$ 3,586,665.34	\$ 2,310,870.35	\$ 10,781,893.28
Total Liabilities and Fund Equity						

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS
For the Fiscal Year Ended September 30, 1990

Jefferson
County Commission

	Indigent Care Fund	Road Fund	Senior Citizens Activities Fund	Bridge and Public Building Fund	Revenue Sharing Fund	Community Development Fund	Total 9-30-90
Revenues							
Taxes	\$ 23,899,459.51	\$ 7,157,380.61	-	\$ 15,933,917.35	-	\$ -	\$ 46,990,757.47
Licenses and Permits	-	8,943.50	-	-	-	-	8,943.50
Intergovernmental Revenues	-	7,087,459.33	1,882,663.57	-	-	3,243,449.43	12,215,573.33
Charges for Services	24.92	1,396,054.68	43,029.50	-	-	40,579.02	1,479,688.12
Miscellaneous Revenues	26,915.22	363,344.04	264,205.98	708,701.57	55,073.94	-	1,418,240.75
Total Revenues	23,926,399.65	16,013,182.16	2,189,899.05	16,642,618.92	55,073.94	3,286,028.45	62,113,202.17
Expenditures							
Current							
General Government	14,210,000.00	-	2,445,753.01	-	892,476.75	3,122,372.72	20,670,602.48
Highways and Streets	-	28,528,410.76	-	-	-	-	28,528,410.76
Capital Outlay	-	1,212,780.18	223,926.84	-	85,608.00	2,988.00	1,525,303.02
Debt Service	-	-	-	6,442.12	-	-	6,442.12
Interest and Fiscal Charges	-	-	-	-	-	-	-
Total Expenditures	14,210,000.00	29,741,190.94	2,669,679.85	6,442.12	978,084.75	3,125,360.72	50,730,788.38
Excess of Revenues Over/(Under) Expenditures	9,716,399.65	(13,728,008.78)	(479,780.80)	16,636,176.80	(923,010.81)	160,667.73	11,382,443.79
Other Financing Sources (Uses)							
Operating Transfers In	13,399,999.92	14,496,373.75	817,193.93	-	-	-	28,713,567.60
Operating Transfers Out	(27,033,000.00)	(270,493.40)	-	(22,198,637.19)	(430,348.20)	-	(49,932,478.79)
Proceeds from Sale of Fixed Assets	-	142,933.29	-	-	-	-	142,933.29
Total Other Financing Sources/Uses	(13,633,000.08)	14,368,813.64	817,193.93	(22,198,637.19)	(430,348.20)	-	(21,075,977.90)
Excess of Revenues and Other Sources Over/(Under) Expenditures and Other Uses	(3,916,600.43)	640,804.86	337,413.13	(5,562,460.39)	(1,353,359.01)	160,667.73	(9,693,534.11)
Fund Balances-October 1	3,383,875.49	(171,519.51)	(149,803.83)	9,149,125.73	1,353,359.01	1,449,680.65	15,014,717.54
Residual Equity Transfers In/(Out)	-	(447,485.46)	50.00	-	-	-	(447,435.46)
Fund Balances-September 30	\$ (532,724.94)	\$ 21,799.89	\$ 187,659.30	\$ 3,586,665.34	\$ -	\$ 1,610,348.38	\$ 4,873,747.97

COMBINING BALANCE SHEET-CAPITAL PROJECTS FUNDS
September 30, 1990

Exhibit #8

	Capital Improvements Fund	Road Construction Fund	Environmental Services Construction	Total 9-30-90
Assets				
Cash	\$ 257,489.60	\$ 14,915,522.49	\$ 11,162,557.10	\$ 26,335,569.19
Investments	2,086,498.31	3,364,201.25	11,052,320.70	16,503,020.26
Accounts Receivable	3,883.29	100,000.00	-	103,883.29
Total Assets	\$ 2,347,871.20	\$ 18,379,723.74	\$ 22,214,877.80	\$ 42,942,472.74
Liabilities and Fund Equity				
Liabilities				
Accounts Payable	\$ 378,980.10	\$ 920,149.00	\$ 2,356,829.04	\$ 3,655,958.14
Due to Other Funds	2,880,000.00	-	-	2,880,000.00
Arbitrage Rebate Payable	-	169,682.39	106,513.88	276,196.27
Total Liabilities	\$ 3,258,980.10	\$ 1,089,831.39	\$ 2,463,342.92	\$ 6,812,154.41
Fund Equity				
Fund Balances				
Reserve for Encumbrances	418,105.34	9,311,078.43	22,985,906.12	32,715,089.89
Unreserved	(1,329,214.24)	7,978,813.92	(3,234,371.24)	3,415,228.44
Total Fund Balances	(911,108.90)	17,289,892.35	19,751,534.88	36,130,318.33
Total Liabilities and Fund Equity	\$ 2,347,871.20	\$ 18,379,723.74	\$ 22,214,877.80	\$ 42,942,472.74

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL CAPITAL PROJECTS FUNDS
For the Fiscal Year Ended September 30, 1990

	Capital Improvements Fund	Road Construction Fund	Environmental Services Construction	Total 9-30-90
Revenues				
Licenses and Permits	-	-	7,256.50	7,256.50
Intergovernmental Revenues	-	1,100,000.00	141,750.00	1,241,750.00
Charges for Services	-	-	101,737.62	101,737.62
Miscellaneous Revenues	233,219.99	1,109,239.73	2,392,363.72	3,734,823.44
Total Revenues	233,219.99	2,209,239.73	2,643,107.84	5,085,567.56
Expenditures				
Current				
General Government	188,062.89	-	-	188,062.89
Highways and Streets	-	4,114,854.42	-	4,114,854.42
Sanitation	-	-	24,358,266.90	24,358,266.90
Education	2,819,724.82	-	-	2,819,724.82
Capital Outlay	3,122,972.39	-	2,033,230.03	5,156,202.42
Debt Service:				
Issuance Costs	-	469.00	-	469.00
Total Expenditures	6,130,760.10	4,115,323.42	26,391,496.93	36,637,580.45
Excess of Revenues Over/(Under) Expenditures	(5,897,540.11)	(1,906,083.69)	(23,748,389.09)	(31,552,012.89)
Other Financing Sources/(Uses)				
Operating Transfers In	870,000.00	392,502.28	241,596.99	1,504,099.27
Operating Transfers Out	-	(469.00)	-	(469.00)
Proceeds from Bond Issue	-	16,325,124.00	10,437,374.00	26,762,498.00
Discount on Bonds Sold	-	(186,801.00)	(119,730.00)	(306,531.00)
Total Other Financing Sources/(Uses)	870,000.00	16,530,356.28	10,559,240.99	27,959,597.27
Excess of Revenues and Other Sources Over/(Under) Expenditures and Other Uses	(5,027,540.11)	14,624,272.59	(13,189,148.10)	(3,592,415.62)
Fund Balances-October 1	4,116,431.21	2,665,619.76	32,940,682.98	39,722,733.95
Fund Balances-September 30	(911,108.90)	17,289,892.35	19,751,534.88	36,130,318.33

	Cooper Green Hospital	County Home	Landfill Operations Fund	Sanitary Operations Fund	Parking Deck Fund	Cafeteria Fund	Total 9-30-90
Current Assets							
Cash	\$ 712,433.84	\$ 250.00	\$ 34,388.05	\$ 3,197,694.40	\$ 16,236.22	\$ 150.00	\$ 3,961,152.51
Investments	8,041,126.86	-	278,654.42	25,737,133.44	130,269.34	-	34,187,184.06
Receivables:							
Accounts Receivable	-	-	359,221.35	72,771.39	-	184.00	432,176.74
Patients	18,895,877.02	-	-	-	-	-	18,895,877.02
Contractual Agencies	24,813.20	-	-	-	-	-	24,813.20
Miscellaneous	81,222.82	-	-	-	-	-	81,222.82
Allowance for Uncollectible Accounts	(14,099,229.43)	-	-	-	-	-	(14,099,229.43)
Net Receivables	4,902,683.61	-	359,221.35	72,771.39	-	184.00	5,334,860.35
Due From Other Funds	-	-	61,200.00	5,490.00	-	-	66,690.00
Governmental Units	-	-	-	-	-	-	-
Inventories	526,798.64	251,948.87	-	621.71	-	-	621.71
Prepaid Items	95,963.47	-	-	247,279.57	-	-	1,040,408.49
							95,963.47
Total Current Assets	14,279,006.42	252,198.87	733,463.82	29,260,990.51	146,505.56	14,715.41	44,686,880.59
Other Assets							
Funds Held In Trust By Others	680,050.48	-	-	-	-	-	680,050.48
Property, Plant and Equipment							
Land	1,122,084.24	-	351,000.00	148,350.00	-	-	1,621,434.24
Buildings	9,942,615.70	-	3,265.60	164,869,828.84	-	-	174,815,710.14
Improvements Other than Land	5,439,809.26	11,045.00	3,503.50	3,993.47	-	-	5,458,351.23
Equipment and Furniture	8,668,083.20	-	-	-	-	-	8,668,083.20
Maintenance Equipment	-	9,136.32	5,732.40	595,122.77	-	-	609,991.49
Motor Vehicle	-	48,658.13	1,953,948.31	3,847,759.70	-	-	5,850,366.14
Office Furniture & Fixture	-	130,396.28	7,234.50	278,244.61	-	8,147.00	424,022.39
Miscellaneous Equipment	-	203,970.27	423,381.00	910,259.66	-	25,959.58	1,563,570.51
Construction in Progress	1,540.00	-	-	-	-	-	1,540.00
Assets Under Capital Lease	2,113,914.57	-	-	-	-	-	2,113,914.57
Less: Accumulated Depreciation	(17,719,910.14)	(227,837.54)	(1,344,862.75)	(45,851,094.10)	-	(26,127.98)	(65,169,832.51)
Net Property, Plant and Equipment	9,568,136.83	175,368.46	1,403,202.56	124,802,464.95	-	7,978.60	135,957,151.40
Total Assets	\$ 24,527,193.73	\$ 427,567.33	\$ 2,136,666.38	\$ 154,063,455.46	\$ 146,505.56	\$ 22,694.01	\$ 181,324,082.47

COMBINING BALANCE SHEET - ALL ENTERPRISE FUNDS
September 30, 1990

Jefferson
County Commission

	Cooper Green Hospital	County Home	Landfill Operations Fund	Sanitary Operations Fund	Parking Deck Fund	Cafeteria Fund	Total 9-30-90
Liabilities and Fund Equity							
Liabilities							
Accounts Payable	\$ 1,935,491.79	\$ 195,888.49	\$ 72,595.83	\$ 521,239.00	\$ 7,552.00	\$ 14,066.05	\$ 2,746,833.16
Accounts Payable-Contractual	1,821,052.53	-	-	-	-	-	1,821,052.53
Accounts Payable-Other	1,343,973.69	-	-	-	-	-	1,343,973.69
Due to Other Funds	-	-	5,490.00	61,200.00	-	-	66,690.00
Capital Lease-							
Purchase Contracts Payable	1,115,617.53	-	-	-	-	-	1,115,617.53
Accrued Payroll and Taxes	554,952.57	-	-	-	-	-	554,952.57
Accrued Vacation and Sick Leave	754,886.00	487,130.00	172,889.00	1,064,837.00	-	16,977.00	2,496,719.00
Bonds and Warrants Payable	-	-	-	400,000.00	-	-	400,000.00
Total Liabilities	7,525,974.11	683,018.49	250,974.83	2,047,276.00	7,552.00	31,043.05	10,545,838.48
Fund Equity							
Contributed Capital		\$ 437,155.80	\$ 1,323,026.95	\$ 127,983,727.46	\$ 160.00	\$ 12,683.81	\$ 129,756,754.02
Retained Earnings:							
Reserve for Encumbrances	277,472.36	239,407.20	69,786.90	344,393.63	-	240.20	930,300.29
Reserve for Inventories	-	251,948.87	-	247,279.57	-	14,381.41	513,609.85
Reserve for Petty Cash	2,538.94	250.00	-	-	160.00	150.00	3,098.94
Reserve for							
Professional Liability	680,050.48	-	-	-	-	-	680,050.48
Unreserved	16,041,157.84	1,183,213.03	492,877.70	23,440,778.80	138,633.56	(35,804.46)	38,894,430.41
Total Retained Earnings	17,001,219.62	(692,606.96)	562,664.60	24,032,452.00	138,793.56	(21,032.85)	41,021,489.97
Total Fund Equity	17,001,219.62	(255,451.16)	1,885,691.55	152,016,179.46	138,953.56	(8,349.04)	170,778,243.99
Total Liabilities and Fund Equity	\$ 24,527,193.73	\$ 427,567.33	\$ 2,136,666.38	\$ 154,063,455.46	\$ 146,505.56	\$ 22,694.01	\$ 181,324,082.47

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
ALL ENTERPRISE FUNDS
For the Fiscal Year Ended September 30, 1990

	Cooper Green Hospital	County Home	Landfill Operations Fund	Sanitary Operations Fund	Parking Deck Fund	Cafeteria Fund	Total 9-30-90
Operating Revenues							
Taxes	\$ -	\$ -	\$ -	\$ 2,193,395.53	\$ -	\$ -	\$ 2,193,395.53
Charges for Services	-	6,258,959.74	3,578,917.95	28,033,487.49	137,293.28	255,155.70	38,263,814.16
Miscellaneous Revenues	-	570.71	4,694.75	1,471,016.91	1,712.28	3.62	1,477,998.27
Patient Revenue	-	-	-	-	-	-	-
Less: Deductions	42,729,166.04	-	-	-	-	-	42,729,166.04
Third Party	-	-	-	-	-	-	-
Contractual Allowances	(685,420.86)	-	-	-	-	-	(685,420.86)
Bad Debts	(2,458,110.09)	-	-	-	-	-	(2,458,110.09)
Other Deductions	(8,330,881.31)	-	-	-	-	-	(8,330,881.31)
Classified Indigent Care	(16,560,246.21)	-	-	-	-	-	(16,560,246.21)
Total Deductions From Revenue	28,034,658.47	-	-	-	-	-	28,034,658.47
Net Patient Revenue	14,694,507.57	-	-	-	-	-	14,694,507.57
Medicaid Disproportionate Share	16,800,000.00	-	-	-	-	-	16,800,000.00
Other Operating Revenue	1,941,444.64	-	-	-	-	-	1,941,444.64
Total Operating Revenues	33,435,952.21	6,259,530.45	3,583,612.70	31,697,899.93	139,005.56	255,159.32	75,371,160.17
Operating Expenses							
Salaries and Wages	13,561,212.07	9,126,305.26	1,366,166.69	10,231,899.35	-	218,718.58	34,504,301.95
Contract Services	3,319,501.62	897,350.71	137,901.36	1,596,293.21	-	6,881.49	5,957,928.39
Fringe Benefits	3,241,529.87	-	-	-	-	-	3,241,529.87
Utilities	776,756.93	-	-	-	-	-	776,756.93
Depreciation	1,474,045.32	45,318.12	16,813.99	4,357,776.24	-	1,147.32	5,895,100.99
Outside Services	471,821.95	-	-	-	-	-	471,821.95
Services from Other Hospitals	6,002,711.76	-	-	-	-	-	6,002,711.76
Jefferson Clinic	7,592,206.03	-	-	-	-	-	7,592,206.03
County Maintenance	638,113.59	-	-	-	-	-	638,113.59
All Other	7,853,490.23	2,768,997.19	2,420,313.54	4,895,424.28	67,152.00	198,675.93	18,204,053.17
Total Operating Expenses	44,931,389.37	12,837,971.28	3,941,195.58	21,081,393.08	67,152.00	425,423.32	83,284,524.63
Operating Income/(Loss)	(11,495,437.16)	(6,578,440.83)	(357,582.88)	10,616,506.85	71,853.56	(170,264.00)	(7,913,364.46)
Forward To Sheet 2							

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
ALL ENTERPRISE FUNDS
For the Fiscal Year Ended September 30, 1990

Jefferson
County Commission

	Cooper Green Hospital	County Roms	Landfill Operations Fund	Sanitary Operations Fund	Parking Deck Fund	Cafeteria Fund	Total 9-30-90
Operating Income/(Loss) Forward To Sheet 2	(11,495,437.16)	(6,578,440.83)	(357,582.88)	10,616,506.85	71,853.56	(170,264.00)	(7,913,364.46)
Non-Operating Revenues and Expenses							
Miscellaneous Revenues	504,208.43	-	-	-	-	-	504,208.43
Proceeds from Sale of Fixed Assets	-	441.13	61,958.52	32,458.12	-	-	94,857.77
Interest Payments	-	-	-	(16,004.34)	-	-	(16,004.34)
Payments from Self-Insurance	(95,000.00)	-	-	-	-	-	(95,000.00)
Excess of Non-Operating Revenues Over/(Under) Non-Operating Expenses	\$ 409,208.43	\$ 441.13	\$ 61,958.52	\$ 16,453.78	\$ -	\$ -	\$ 488,061.86
Income or (Loss) Before Operating Transfers	(11,086,228.73)	(6,577,999.70)	(295,624.36)	10,632,960.63	71,853.56	(170,264.00)	(7,425,302.60)
Operating Transfers In and (Out)	18,633,000.00	5,885,392.74	858,288.96	(5,414,905.18)	66,940.00	149,231.15	20,177,947.67
Net Income/(Loss)	7,546,771.27	(692,606.96)	562,664.60	5,218,055.45	138,793.56	(21,032.85)	12,752,645.07
Retained Earnings-October 1	9,454,448.35	-	-	18,814,396.55	-	-	28,268,844.90
Retained Earnings-September 30	\$ 17,001,219.62	\$ (692,606.96)	\$ 562,664.60	\$ 24,032,452.00	\$ 138,793.56	\$ (21,032.85)	\$ 41,021,489.97

COMBINING STATEMENT OF CASH FLOWS
ALL ENTERPRISE FUNDS
For the Fiscal Year Ended September 30, 1990

Exhibit #12

	Cooper Green Hospital	County Home	Landfill Operations	Sanitary Operations	Parking Deck	Cafeteria	Totals 1990
<u>Cash Flows From Operating Activities:</u>							
Cash received from customers	13,417,719.75	6,258,959.74	3,158,496.60	28,006,962.18	137,293.28	254,971.70	51,234,403.25
Cash payments to suppliers for goods and services	(28,137,759.64)	(2,994,852.46)	(2,307,240.07)	(5,214,828.90)	(59,600.00)	(182,059.14)	(38,895,940.21)
Cash payments to employees for services	(14,082,778.62)	(9,126,305.26)	(1,366,166.69)	(10,383,381.46)		(218,718.58)	(35,177,350.61)
Other operating revenues	1,941,444.64			52,566.79			1,994,011.43
Cash received from Medicaid	16,800,000.00						16,800,000.00
Net Cash Provided By Operating Activities	(10,061,373.87)	(5,861,997.98)	(514,910.16)	12,461,518.61	77,693.28	(145,806.02)	(4,044,876.14)
<u>Cash Flows From Noncapital Financing Activities:</u>							
Operating transfers in(out)	18,633,000.00	5,885,392.74	858,288.96	(5,414,905.18)	66,940.00	149,231.15	20,177,947.67
Net Cash Provided By (Used For) Noncapital Financing Activities	18,633,000.00	5,885,392.74	858,288.96	(5,414,905.18)	66,940.00	149,231.15	20,177,947.67
<u>Cash Flows From Capital and Related Financing Activities:</u>							
Acquisition of capital assets	(965,150.85)	(24,406.60)	(96,989.60)	(676,513.74)		(3,428.75)	(1,766,489.54)
Capital contributed by government		250.00		2,193,395.53	160.00	150.00	2,193,955.53
Principal paid on warrants				(100,000.00)			(100,000.00)
Proceeds from sale of equipment		441.13	61,958.52	32,458.12			94,857.77
Net Cash Provided By (Used For) Capital and Related Financing Activities	(965,150.85)	(23,715.47)	(35,031.08)	1,449,339.91	160.00	(3,278.75)	422,323.76
<u>Cash Flows From Investing Activities:</u>							
Interest on investments	504,208.43	570.71	4,694.75	1,845,539.66	1,712.28	3.62	2,356,729.45
Purchase of investment securities	(6,391,126.86)		(278,654.42)	(25,737,133.44)	(130,269.34)		(32,537,184.06)
Interest paid on warrants/leases				(16,004.34)			(16,004.34)
Net Cash Provided By (Used For) Investing Activities	(5,886,918.43)	570.71	(273,959.67)	(23,907,598.12)	(128,557.06)	3.62	(30,196,458.95)
Net Increase(Decrease) in Cash and Cash Equivalents	1,719,556.85	250.00	34,388.05	(15,411,644.78)	16,236.22	150.00	(13,641,063.66)
Cash and Cash Equivalents-October 1	(1,007,123.01)	0.00	0.00	18,609,339.18	0.00	0.00	17,602,216.17
Cash and Cash Equivalents-September 30	712,433.84	250.00	34,388.05	3,197,694.40	16,236.22	150.00	3,961,152.51

	Risk Management Fund	Personnel Board Fund	Elections Fund	Information Services Fund	Sub-Total from Sheet 2	Total 9-30-90
Assets						
Cash	\$ 50,000.00	\$ -	\$ -	\$ 12,978.07	\$ 6,575,442.81	\$ 6,638,421.68
Investments	-	-	-	105,170.83	7,930,031.72	8,035,202.55
Accounts Receivable	-	1,525.99	16,250.00	2,102.53	512,435.70	532,314.22
Inventories	-	-	-	-	895,931.98	895,931.98
Buildings	-	-	-	-	592,913.71	592,913.71
Improvements Other than Land	-	-	-	-	17,862.49	17,862.49
Equipment and Furniture	2,553.00	165,455.50	2,879.00	1,771,012.48	17,599,192.38	19,541,092.36
Maintenance Equipment	-	-	-	-	167,510.27	167,510.27
Motor Vehicle	-	-	28,892.00	11,801.81	352,605.00	393,298.81
Office Furniture & Fixture	-	59,195.52	247,302.00	1,201,579.60	24,452.35	1,260,775.12
Miscellaneous Equipment	-	-	(80,671.85)	27,583.76	299,338.11	299,338.11
Accumulated Depreciation	(1,392.05)	(52,907.52)	(1,020,967.56)	(1,020,967.56)	(1,688,319.64)	(2,844,258.62)
Total Assets	\$ 51,160.95	\$ 173,269.49	\$ 214,651.15	\$ 2,111,262.32	\$ 32,980,058.77	\$ 35,530,402.68
Liabilities and Fund Equity						
Liabilities						
Cash Deficit	-	\$ 639,931.67	\$ -	\$ -	\$ -	\$ 639,931.67
Accounts Payable	205.05	62,885.22	5,694.74	230,272.08	966,667.42	1,265,724.51
Capital Lease-	-	-	-	-	-	-
Purchase Contracts Payable	-	38,289.32	-	738,743.47	-	777,032.79
Deposits Payable	-	-	-	-	2,738.00	2,738.00
Accrued Vacation and Sick Leave	6,416.00	115,463.00	17,907.00	211,930.00	861,149.00	1,212,865.00
Arbitrage Rebate Payable	-	-	-	-	354,776.39	354,776.39
Total Liabilities	6,621.05	856,569.21	23,601.74	1,180,945.55	2,185,330.81	4,253,068.36
Fund Equity						
Contributed Capital	1,160.95	112,572.98	198,401.15	1,195,685.67	17,783,428.55	19,291,249.30
Retained Earnings:						
Reserve for Encumbrances	626.08	4,494.01	39,193.80	18,001.70	2,232,681.13	2,294,996.72
Reserve for Inventories	-	-	-	-	895,931.98	895,931.98
Reserve for Petty Cash	-	25.00	-	-	400.00	425.00
Unreserved	42,752.87	(800,391.71)	(46,545.54)	(283,370.60)	9,882,286.30	8,794,731.31
Total Retained Earnings	43,378.95	(795,872.70)	(7,351.74)	(265,368.90)	13,011,299.41	11,986,085.02
Total Fund Equity	44,539.90	(683,299.72)	191,049.41	930,316.77	30,794,727.96	31,277,334.32
Total Liabilities and Fund Equity	\$ 51,160.95	\$ 173,269.49	\$ 214,651.15	\$ 2,111,262.32	\$ 32,980,058.77	\$ 35,530,402.68

	Fleet Management Fund	Central Laundry Fund	Printing Fund	Building Services Fund	Equipment Acquisition Fund	Sub-Total to Sheet 1
Assets						
Cash	\$ 5,272.69	\$ 35,243.87	\$ 8,864.86	\$ 411,600.79	\$ 6,114,460.60	\$ 6,575,442.81
Investments	41,105.19	285,589.35	71,834.03	3,333,676.67	4,197,826.48	7,930,031.72
Accounts Receivable	14,784.82	79,655.79	11,217.74	406,777.35	-	512,435.70
Inventories	588,797.73	18,899.28	76,140.98	212,093.99	-	895,931.98
Buildings	-	-	-	83,351.57	509,562.14	592,913.71
Improvements Other than Land	12,035.16	-	1,656.00	-	4,171.33	17,862.49
Equipment and Furniture	10,394.00	1,000.00	60,338.99	159,858.45	17,367,600.94	17,599,192.38
Maintenance Equipment	48,043.33	10,740.40	-	108,726.54	-	167,510.27
Motor Vehicle	-	22,801.46	-	329,803.54	-	352,605.00
Office Furniture & Fixture	-	-	-	-	-	-
Miscellaneous Equipment	20,350.11	1,020.00	-	3,082.24	-	24,452.35
Accumulated Depreciation	(9,249.25)	(29,176.97)	(58,453.71)	(388,114.06)	(1,203,325.65)	(1,688,319.64)
Total Assets	\$ 731,533.78	\$ 425,773.18	\$ 171,598.89	\$ 4,660,857.08	\$ 26,990,295.84	\$ 32,980,058.77
Liabilities and Fund Equity						
Liabilities						
Cash Deficit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	375,158.06	12,516.47	24,011.13	291,182.72	263,799.04	966,667.42
Capital Lease-	-	-	-	-	-	-
Purchase Contracts Payable	-	-	-	2,738.00	-	2,738.00
Deposits Payable	-	-	-	-	-	-
Accrued Vacation	244,592.00	54,979.00	22,021.00	539,557.00	-	861,149.00
and Sick Leave	-	-	-	-	354,776.39	354,776.39
Arbitrage Rebate Payable	-	-	-	-	-	-
Total Liabilities	619,750.06	67,495.47	46,032.13	833,477.72	618,575.43	2,185,330.81
Fund Equity						
Contributed Capital	529,058.81	25,227.28	79,302.61	471,831.09	16,678,008.76	17,783,428.55
Retained Earnings:						
Reserve for Encumbrances	208,257.31	6,251.42	1,861.41	767,530.79	1,248,780.20	2,232,681.13
Reserve for Inventories	588,797.73	18,899.28	76,140.98	212,093.99	-	895,931.98
Reserve for Petty Cash	200.00	-	-	200.00	-	400.00
Unreserved	(1,214,530.13)	307,899.73	(31,738.24)	2,375,723.49	8,444,931.45	9,882,286.30
Total Retained Earnings	(417,275.09)	333,050.43	46,264.15	3,355,548.27	9,693,711.65	13,011,299.41
Total Fund Equity	111,783.72	358,277.71	125,566.76	3,827,379.36	26,371,720.41	30,794,727.96
Total Liabilities and Fund Equity	\$ 731,533.78	\$ 425,773.18	\$ 171,598.89	\$ 4,660,857.08	\$ 26,990,295.84	\$ 32,980,058.77

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
ALL INTERNAL SERVICE FUNDS
For the Fiscal Year Ended September 30, 1990

	Risk Management Fund	Personnel Board Fund	Elections Fund	Information Services Fund	Sub-Total from Sheet 2	Total 9-30-90
Operating Revenues						
Intergovernmental Revenues	\$ -	\$ 1,361,562.58	\$ 52,625.00	\$ -	\$ -	\$ 1,414,187.58
Charges for Services	-	-	-	344,591.19	12,219,772.36	12,564,363.55
Miscellaneous Revenues	-	-	-	-	6,160,097.33	6,160,097.33
Total Operating Revenues	-	1,361,562.58	52,625.00	344,591.19	18,379,869.69	20,138,648.46
Operating Expenses						
Salaries and Wages	76,540.72	1,331,548.55	330,600.36	1,775,385.24	9,136,773.84	12,650,848.71
Contract Services	14,312.00	482,406.88	4,934.25	299,289.52	159,708.85	960,151.50
All Other	14,308.97	342,740.65	538,617.39	1,004,702.36	27,445,348.92	29,345,718.29
Total Operating Expenses	105,161.69	2,156,696.08	874,152.00	3,079,377.12	36,741,331.61	42,956,718.50
Operating Income or (Loss)	(105,161.69)	(795,133.50)	(821,527.00)	(2,734,785.93)	(18,361,461.92)	(22,818,070.04)
Non-Operating Revenues and Expenses						
Interest Payments	-	(739.20)	-	(76,476.19)	-	(77,215.39)
Total Non-Operating Revenues Over/(Under) Non-Operating Expenses	-	(739.20)	-	(76,476.19)	13,621.72	(63,593.67)
Income or (Loss) Before Operating Transfers	(105,161.69)	(795,872.70)	(821,527.00)	(2,811,262.12)	(18,347,840.20)	(22,881,663.71)
Operating Transfers In and (Out)	148,540.64	-	814,175.26	2,545,893.22	4,839,413.10	8,348,022.22
Net Income/(Loss)	43,378.95	(795,872.70)	(7,351.74)	(265,368.90)	(13,508,427.10)	(14,533,641.49)
Retained Earnings-October 1	-	-	-	-	26,519,726.51	26,519,726.51
Retained Earnings-September 30	43,378.95	(795,872.70)	(7,351.74)	(265,368.90)	13,011,299.41	11,986,085.02

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
ALL INTERNAL SERVICE FUNDS
For the Fiscal Year Ended September 30, 1990

	Fleet Management Fund	Central Laundry Fund	Printing Fund	Building Services Fund	Equipment Acquisition Fund	Sub-Total to Sheet 1
Operating Revenues						
Intergovernmental Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	5,031,929.21	936,005.60	387,691.27	5,104,146.28	760,000.00	12,219,772.36
Miscellaneous Revenues	270.85	3,182.68	-	21,276.90	6,135,366.90	6,160,097.33
Total Operating Revenues	5,032,200.06	939,188.28	387,691.27	5,125,423.18	6,895,366.90	18,379,869.69
Operating Expenses						
Salaries and Wages	2,651,221.99	517,771.80	202,848.01	5,764,932.04	-	9,136,773.84
Contract Services	16,901.27	96,247.81	6,956.00	41,203.77	-	159,208.85
All Other	3,064,009.58	228,031.40	274,179.60	3,996,984.18	19,882,144.16	27,445,348.92
Total Operating Expenses	5,730,132.84	842,051.01	483,983.61	9,803,119.99	19,882,144.16	36,741,331.61
Operating Income or Loss (-)	(697,932.78)	97,137.27	(96,192.34)	(4,677,696.81)	(12,986,777.26)	(18,361,461.92)
Non-Operating Revenues and Expenses						
Proceeds from Sale of Fixed Assets	10,164.29	-	-	3,457.43	-	13,621.72
Interest Payments	-	-	-	-	-	-
Total Non-Operating Revenues	10,164.29	-	-	3,457.43	-	13,621.72
Revenues Over/(Under)						
Non-Operating Expenses	(687,768.49)	97,137.27	(96,192.34)	(4,674,239.38)	(12,986,777.26)	(18,347,840.20)
Income or (Loss) Before	270,493.40	235,913.16	142,456.49	8,029,787.65	(3,839,237.60)	4,839,413.10
Operating Transfers	(417,275.09)	339,050.43	46,264.15	3,355,548.27	(16,826,014.86)	(13,508,427.10)
Net Income/(Loss)	-	-	-	-	26,519,726.51	26,519,726.51
Retained Earnings-October 1	(417,275.09)	333,050.43	46,264.15	3,355,548.27	9,693,711.65	13,011,299.41
Retained Earnings-September 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS
For the Fiscal Year Ended September 30, 1990

Exhibit #15

	Risk Management	Personnel Board	Elections	Information Services	Fleet Management	Central Laundry	Printing	Building Services	Equipment Acquisition	Totals 1990
<u>Cash Flows From</u>										
Operating Activities:										
Cash received from customers		1,360,036.59	36,375.00	342,488.66	5,017,144.39	856,349.81	376,473.53	4,697,368.93	760,000.00	13,446,236.91
Cash payments to suppliers for goods and services	(21,999.92)	(608,509.99)	(519,949.90)	(123,046.33)	(2,600,473.06)	(256,840.63)	(235,383.12)	(3,241,681.41)	(11,439,683.53)	(19,047,567.89)
Cash payments to employees for services	(76,540.72)	(1,331,548.55)	(330,600.36)	(1,775,385.24)	(2,651,221.99)	(517,771.80)	(202,848.01)	(5,764,932.04)	5,021,633.61	(12,650,848.71)
Other operating revenues										5,021,633.61
Net Cash Provided By Operating Activities	(98,540.64)	(580,021.95)	(814,175.26)	(1,555,942.91)	(234,550.66)	81,737.38	(61,757.60)	(4,309,244.52)	(5,658,049.92)	(13,230,546.08)
<u>Cash Flows From Noncapital Financing Activities:</u>										
Operating transfers in (out)	148,540.64		814,175.26	2,545,893.22	270,493.40	235,913.16	142,456.49	8,029,787.65	(3,839,237.60)	8,348,022.22
Net Cash Provided By (Used For) Noncapital Financing Activities	148,540.64	0.00	814,175.26	2,545,893.22	270,493.40	235,913.16	142,456.49	8,029,787.65	(3,839,237.60)	8,348,022.22
<u>Cash Flows From Capital and Related Financing Activities:</u>										
Acquisition of capital assets		(59,195.52)		(795,324.42)						(854,519.94)
Capital contributed by government		25.00			10,164.29			3,457.43		25.00
Proceeds from sale of assets										13,621.72
Net Cash Provided By (Used For) Capital and Related Financing Activities	0.00	(59,170.52)	0.00	(795,324.42)	10,164.29	0.00	0.00	3,457.43	0.00	(840,873.22)

COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS
For the Fiscal Year Ended September 30, 1990

	Risk Management	Personnel Board	Elections	Information Services	Fleet Management	Central Laundry	Printing	Building Services	Equipment Acquisition	Totals 1990
Cash Flows From										
Investing Activities:										
Interest on investments					270.85	3,182.68		21,276.90	1,302,503.63	1,327,234.01
(Purchase) /sale of investment securities				(105,170.83)	(41,105.19)	(285,589.35)	(71,834.03)	(3,333,676.67)	15,060,920.08	11,223,544.01
Interest paid on warrants/leases		(739.20)		(76,476.19)						(77,215.39)
Net Cash Provided By (Used For) Investing Activities	0.00	(739.20)	0.00	(181,647.02)	(40,834.34)	(282,406.67)	(71,834.03)	(3,312,399.77)	16,363,423.71	12,473,562.01
Net Increase (Decrease) in Cash and Cash Equivalents	50,000.00	(639,931.67)	0.00	12,978.87	5,272.69	35,243.87	8,864.86	411,600.79	6,866,136.19	6,750,165.01
Cash and Cash Equivalents- October 1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(751,675.59)	(751,675.59)
Cash and Cash Equivalents- September 30	50,000.00	(639,931.67)	0.00	12,978.87	5,272.69	35,243.87	8,864.86	411,600.79	6,114,460.60	5,998,490.01

	Expendable Trust Funds		Agency Fund		Pension Trust Fund		Total 9-30-90
	CDBG/EDA Revolving Loan Fund	Pension Fund	Deferred Compensation Fund	General Retirement System	General Retirement System		
<u>Current Assets</u>							
Cash	\$ 146,438.84	\$ -	\$ -	\$ -	\$ -	\$ -	146,438.84
Investments	1,176,499.10	-	-	-	212,609,799.00	-	213,786,298.10
Accounts Receivable	-	11,626.72	-	-	-	-	11,626.72
Contributions Receivable	-	-	-	-	546,290.00	-	546,290.00
Loans Receivable	1,776,782.30	-	-	-	-	-	1,776,782.30
Total Current Assets	3,099,720.24	11,626.72	-	-	213,156,089.00	-	216,267,435.96
<u>Other Assets</u>							
Property and Rights Under Deferred Compensation Plans	-	-	6,978,491.12	-	-	-	6,978,491.12
Total Assets	\$ 3,099,720.24	\$ 11,626.72	\$ 6,978,491.12	\$ -	\$ 213,156,089.00	\$ -	\$ 223,245,927.08
<u>Liabilities and Fund Equity</u>							
Liabilities							
Cash Deficit	\$ -	\$ 9,609.10	\$ -	\$ -	\$ 464,917.00	\$ -	474,526.10
Accounts Payable	-	-	-	-	36,706.00	-	36,706.00
Accrued Vacation and Sick Leave	-	1,522.44	-	-	-	-	1,522.44
Obligations to Employees Under Deferred Compensation Plans	-	-	6,978,491.12	-	-	-	6,978,491.12
Total Liabilities	-	11,131.54	6,978,491.12	-	501,623.00	-	7,491,245.66
<u>Fund Equity</u>							
Fund Balance							
Reserve for Contingent Refunds	-	-	-	-	29,728,498.00	-	29,728,498.00
Reserve for Retirement/Disability Benefits Unreserved	-	495.18	-	-	159,328,685.00	-	159,328,685.00
	3,099,720.24	495.18	-	-	23,597,283.00	-	26,697,498.42
Total Fund Balance	3,099,720.24	495.18	-	-	212,654,466.00	-	213,754,681.42
Total Liabilities and Fund Equity	\$ 3,099,720.24	\$ 11,626.72	\$ 6,978,491.12	\$ -	\$ 213,156,089.00	\$ -	\$ 223,245,927.08

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL EXPENDABLE TRUST FUNDS
For the Fiscal Year Ended September 30, 1990

	CDBG/EDA Revolving Loan Fund	Pension Fund	Probate Judge Retirement Fund	Total 9-30-90
<u>Revenues</u>				
Intergovernmental Revenues	\$ 93,270.00	\$ 35,254.96	\$ -	\$ 128,524.96
Charges for Services	493.53	-	-	493.53
Miscellaneous Revenues	187,892.67	-	269.67	188,162.34
Total Revenues	281,656.20	35,254.96	269.67	317,180.83
<u>Expenditures</u>				
<u>Current</u>				
General Government	-	59,151.75	116,820.00	175,971.75
Total Expenditures	-	59,151.75	116,820.00	175,971.75
Excess of Revenues Over/(Under) Expenditures	281,656.20	(23,896.79)	(116,550.33)	141,209.08
<u>Other Financing Sources/(Uses)</u>				
Operating Transfers In	-	24,391.97	68,495.52	92,887.49
Contributions to Pension Fund	-	-	2,847.50	2,847.50
Total Other Financing Sources/(Uses)	-	24,391.97	71,343.02	95,734.99
Excess of Revenues and Other Sources Over/(Under) Expenditures and Other Uses	281,656.20	495.18	(45,207.31)	236,944.07
Fund Balances-October 1	2,818,064.04	-	45,207.31	2,863,271.35
Fund Balances-September 30	\$ 3,099,720.24	\$ 495.18	\$ -	\$ 3,100,215.42

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Fiscal Year Ended September 30, 1990

Exhibit #18

	Balance 10-1-89	Additions	Deductions	Balance 9-30-90
<u>Deferred Compensation Fund</u>				
<u>Other Assets</u>				
Property and Rights Held Under Deferred Compensation Plan	5,902,510.17	1,347,184.79	(271,203.84)	6,978,491.12
Total Assets	5,902,510.17	1,347,184.79	(271,203.84)	6,978,491.12
<u>Liabilities</u>				
Obligations to Employees under Deferred Compensation Plan	5,902,510.17	1,347,184.79	(271,203.84)	6,978,491.12
Total Liabilities	5,902,510.17	1,347,184.79	(271,203.84)	6,978,491.12

SUPPLEMENTARY INFORMATION

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 1990

Federal Grantor/ Pass-Through Grantor/ Program Title	Identification Number	Pass Through Grantor's Number	Assistance Period	Budget Total	Federal Share	Accrued or (Deferred) Revenue at 10-1-89	Recognized Expenditures	Accrued or (Deferred) Revenue at 9-30-90
Department of Agriculture								
Passed Through State Commission on Aging Title III C-2	10.565		1989-90	39,336.00	39,336.00	6,455.00	39,336.00	39,336.00
Passed Through Alabama Department of Education								
School Breakfast Program	10.553	300318	1988-89			4,688.72		
School Breakfast Program	10.553	300318	1989-90				16,594.32	16,594.32
National School Lunch Program	10.555	300218	1988-89			7,567.64		
National School Lunch Program	10.555	300218	1989-90				26,599.89	26,599.89
National School Lunch Program	10.555	300118	1988-89			844.63		
National School Lunch Program	10.555	300118	1989-90				3,215.46	3,215.46
Total Department of Agriculture				39,336.00	39,336.00	19,555.99	85,745.67	85,745.67
Department of Commerce								
Direct Programs								
Economic Development- Business Development Assistance	11.301	04-39-03391	1989-90	1,323,800.00	500,000.00		20,800.00	20,800.00
Environmental Protection Agency								
Construction Grants for Wastewater Treatment Program	66.418	C010269-61	1989-90	43,463,051.00	43,463,051.00		141,750.00	141,750.00
Federal Emergency Management Agency								
Passed through State of Alabama Emergency Management Agency Disaster Assistance Funds	93.516	073-00000	1989-90	560,892.00	423,663.25		198,130.00	198,130.00
Sub-Total to Sheet 2				45,387,079.00	44,426,050.25	19,555.99	446,425.67	446,425.67
								0.00

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 1990

Jefferson
County Commission

Federal Grantor/ Pass-Through Grantor/ Program Title	Identification Number	Pass Through Grantor's Number	Assistance Period	Budget Total	Federal Share	Accrued or (Deferred) Revenue at 10-1-89	Revenue Recognized	Expenditures	Accrued or (Deferred) Revenue at 9-30-90
Sub-Total from Sheet 1				45,387,079.00	44,426,050.25	19,555.99	446,425.67	446,425.67	0.00
<u>Department of Health and Human Services</u> <u>Passed-Through State Commission on Aging</u>									
Title IIIA (M)	13.633	03-01-09-03a	1989-90	133,899.00	100,423.68	22,271.87	91,256.45	91,256.45	20,876.75
Title IIIB (M)	13.633	03-01-09-03a	1989-90	538,802.00	484,921.32	89,095.33	342,506.91	342,506.91	91,517.00
Title IIIC-1 (M)	13.635	03-01-09-03a	1989-90	1,140,000.00	336,000.00	88,636.74	295,005.88	295,005.88	78,061.06
Title IIIC-2 (M)	13.635	03-01-09-03a	1989-90	492,350.00	85,824.13	28,633.41	75,098.47	75,098.47	10,725.66
Title IIID	13.641	03-01-09-03a	1989-90	20,483.00	18,433.46	8,803.23	18,433.46	18,433.46	5,428.46
Medicaid Waiver (M)	13.714		1989-90	669,040.00	669,040.00	79,880.41	366,679.71	366,679.71	96,611.13
<u>Passed-Through Jefferson- Blount-St. Clair</u> <u>Mental Health/Retardation</u> <u>Treatment and Information on</u> <u>Medication for Elderly</u>	13.243	BI-AL-Adms	1989-90	89,247.16	89,247.16	7,281.78	84,402.04	84,402.04	6,865.16
Total Department of Health and Human Services				3,083,821.16	1,783,889.75	324,602.77	1,273,382.92	1,273,382.92	288,633.90
<u>Department of Housing and Urban Development</u> <u>Direct Programs</u> <u>Community Development</u> <u>Block Grants (M)</u>									
Rental Housing Rehabilitation	14.218	B-86-UC-01-0001	1989-90	2,851,000.00	2,851,000.00	0.00	0.00	106,647.73	
	14.218	B-87-UC-01-0001	1989-90	2,859,000.00	2,859,000.00		1,386,000.00	340,196.97	
	14.218	B-88-UC-01-0001	1989-90	2,703,000.00	2,703,000.00	100,133.26	1,605,000.00	1,035,584.90	
	14.218	B-89-UC-01-0001	1989-90	2,811,000.00	2,811,000.00		245,157.86	1,968,706.52	245,157.86
	14.230	R-86-UC-01-0201	1989-90	63,000.00	63,000.00		15,074.00	15,074.00	
	14.230	R-87-UC-01-0201	1989-90	174,000.00	174,000.00				
	14.230	R-88-UC-01-0201	1989-90	173,000.00	173,000.00		53,071.00	53,071.00	
	14.230	R-89-UC-01-0201	1989-90	130,000.00	130,000.00		4,325.00	4,325.00	
	14.230	R-90-UC-01-0201	1989-90	106,000.00	106,000.00				
Emergency Shelter	14.231	S-87-UC-01-5006	1989-90	48,000.00	48,000.00		1,598.49	53.56	
	14.231	S-89-UC-01-0006	1989-90	45,000.00	45,000.00		45,000.00	45,000.00	
	14.231	S-90-UC-01-0006	1989-90	70,000.00	70,000.00		5,421.34	5,421.34	5,421.34
Appalachian Regional Commission	23.001	A-88-UC-01-0001	1989-90	31,625.00	31,625.00		31,625.00	31,625.00	
<u>Passed Through Alabama</u> <u>Department of Economic</u> <u>and Community Affairs</u> <u>Emergency Shelter</u>	14.231	HL-90-002	1989-90	99,000.00	99,000.00		25,775.00	25,775.00	25,775.00
Total Department of Housing and Urban Development				12,163,625.00	12,163,625.00	100,133.26	3,418,047.69	3,631,981.02	276,354.20
Sub-Total to Sheet 3				60,634,525.16	58,373,565.00	444,292.02	5,137,856.28	5,351,789.61	564,988.10

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 1990

Federal Grantor/ Pass-Through Grantor/ Program Title	Identification Number	Pass Through Grantor's Number	Assistance Period	Budget		Accrued or (Deferred) Revenue at 10-1-89	Revenue Recognized at 9-30-90	Accrued or (Deferred) Revenue at 9-30-90
				Total	Federal Share			
Sub-Total from Sheet 2				60,634,525.16	58,373,565.00	444,292.02	5,137,856.28	5,351,789.61
Department of Labor <u>Passed Through National Council on Aging</u> Senior Aides-Title V	17.235	11057-02	1989-90	295,010.17	250,799.00		258,799.00	258,799.00
Department of Transportation <u>Passed Through Alabama Highway Department</u> Public Transportation for Non-Urbanized Areas	20.509	RPT-37(6)	1989-90	289,647.07	189,600.00	50,185.31	171,359.07	171,359.07
Total				61,219,182.40	58,821,964.00	494,477.33	5,568,014.35	5,781,947.68

(M) Denotes a Major Program

SCHEDULE OF REVENUES AND EXPENDITURES-BUDGET AND ACTUAL
ADECA CONTRACT NUMBER HL-90-002
For the Fiscal Year Ended September 30, 1990

	Total Budget Grant Funds	Current Year Activity Grant Funds	Prior Year Total Grant Funds	Cumulative Totals		Favorable (Unfavorable)
				Actual	Budget	
<u>Revenues</u>						
Federal Funds Received from ADECA	99,000.00	25,775.00		25,775.00	99,000.00	(73,225.00)
<u>Expenditures By Budget</u>						
Cost Category	99,000.00	25,775.00	0.00	25,775.00	99,000.00	73,225.00
Emergency Shelter						

ADDITIONAL INFORMATION

<u>Commission Members</u>		<u>Term Expires</u>
Hon. David Orange	President	2106 Rock Mountain Circle Bessemer, AL 35023 1991
Hon. Reuben Davis	Member	1724 99th Street, North Birmingham, AL 35217 1991
Hon. Jim Gunter	Member	1721 Big Mountain Circle Birmingham, AL 35235 1991
Hon. John Katopodis, Ph.D.	Member	1101 28th Place, South Birmingham, AL 35205 1991
Hon. Chris McHair	Member	2940 Molton Gray Drive Birmingham, AL 35020 1991
Mr. Steve Saylor	Finance Director	2417 Walking Fern Lane Birmingham, AL 25244 1991

Jefferson
County Commission

COMPLIANCE REPORT BASED ON AN AUDIT OF COMPONENT
UNIT FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

Exhibit #22

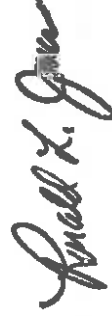
We have audited the financial statements of the Jefferson County Commission as of and for the year ended September 30, 1990, and have issued our report thereon dated December 12, 1991.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Jefferson County Commission is the responsibility of Jefferson County Commission's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of Jefferson County Commission's compliance with certain provisions of laws, regulations, contracts, and grants. However, our objective was not to provide an opinion on overall compliance with such provisions.

The results of our tests indicate that, with respect to the items tested, Jefferson County Commission complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that Jefferson County Commission had not complied, in all material respects, with those provisions.

This report is intended for the information of management, other state officials, and the cognizant agency. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



Ronald L. Jones
Chief Examiner
Department of Examiners
of Public Accounts

December 12, 1991

REPORT ON THE INTERNAL CONTROL STRUCTURE
IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS

Exhibit #23

We have audited the financial statements of Jefferson County Commission as of and for the year ended September 30, 1990, and have issued our report thereon dated December 12, 1991.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing our audit of the financial statements of Jefferson County Commission for the year ended September 30, 1990, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

The management of Jefferson County Commission is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures in the following categories: cash, petty cash, investments, receivables, inventories, property, equipment, and capital outlay, liabilities, revenues, payroll, and expenditures.

Our consideration of the internal control structure included all of the control categories listed above. The purpose of our consideration of the internal control structure was to determine the nature, timing, and extent of the auditing procedures necessary for expressing an opinion on the entity's financial statements.

REPORT ON THE INTERNAL CONTROL STRUCTURE
IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS

Jefferson
County Commission

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements do not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of management, other state officials, and the cognizant agency. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



Ronald L. Jones
Chief Examiner
Department of Examiners
of Public Accounts

December 12, 1991

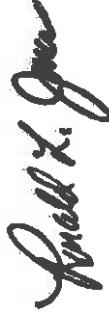
Jefferson
County Commission

SINGLE AUDIT OPINION ON COMPLIANCE WITH
SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR
FEDERAL FINANCIAL ASSISTANCE PROGRAMS

We have audited the Jefferson County Commission's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching; level of effort, or earmarking; reporting; federal personnel; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying schedule of federal financial assistance, for the year ended September 30, 1990. The management of Jefferson County Commission is responsible for the Commission's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about Jefferson County Commission's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Jefferson County Commission complied, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; federal personnel; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs for the year ended September 30, 1990.



Ronald L. Jones
Chief Examiner
Department of Examiners
of Public Accounts

December 12, 1991

SINGLE AUDIT REPORT ON COMPLIANCE WITH
THE GENERAL REQUIREMENTS APPLICABLE TO MAJOR
FEDERAL FINANCIAL ASSISTANCE PROGRAMS

Jefferson
County Commission

We have applied procedures to test Jefferson County Commission's compliance with the following requirements applicable to each of its major federal financial assistance programs, which are identified in the schedule of federal financial assistance, for the year ended September 30, 1990: Political Activity, Davis-Bacon Act, Civil Rights, Drug Free Workplace, Property Management, Indirect Costs, Federal Financial Reports and Administrative Requirements.

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's Compliance Supplement for Single Audits of State and Local Governments. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Jefferson County Commission's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the first paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that Jefferson County Commission had not complied, in all material respects, with those requirements.

This report is intended for the information of management, other state officials and the cognizant agency. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



Ronald L. Jones
Chief Examiner
Department of Examiners
of Public Accounts

December 12, 1991

Jefferson County
Commission

SINGLE AUDIT REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL
FINANCIAL ASSISTANCE PROGRAMS TRANSACTIONS

In connection with our audit of the 1990 component unit financial statements of Jefferson County Commission, and with our study and evaluation of Jefferson County Commission's internal control systems used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-128, "Audits of State and Local Governments," we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended September 30, 1990.

As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing allowability of expenditures and eligibility that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Jefferson County Commission's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that Jefferson County Commission had not complied, in all material respects, with those requirements.

This report is intended for the information of management, other state officials, and the cognizant agency. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



Ronald L. Jones
Chief Examiner
Department of Examiners
of Public Accounts

December 12, 1991

Jefferson
County Commission

REPORT ON INTERNAL CONTROLS
(ACCOUNTING AND ADMINISTRATIVE)
BASED ON A STUDY AND EVALUATION MADE AS A PART OF AN AUDIT OF
THE COMPONENT UNIT FINANCIAL STATEMENTS AND THE ADDITIONAL
TESTS REQUIRED BY THE SINGLE AUDIT ACT

We have audited the component unit financial statements of Jefferson County Commission, for the year ended September 30, 1990, and have issued our report thereon dated December 12, 1991. As part of our audit, we made a study and evaluation of the internal control systems, including applicable internal administrative controls, used in administering federal financial assistance programs to the extent we considered necessary to evaluate the systems as required by generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, the Single Audit Act of 1984, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." For the purpose of this report, we have classified the significant internal accounting and administrative controls used in administering federal financial assistance programs in the following categories:

Accounting Controls

1. Cash
2. Petty Cash
3. Receivables
4. Property, Equipment and Capital Outlay
5. Revenues/Receipts
6. Payroll/Personnel
7. Expenditures/Expenses

General Requirements

1. Political Activity
2. Davis-Bacon Act
3. Civil Rights
4. Drug Free Workplace
5. Property Management
6. Indirect Cost
7. Federal Financial Reports
8. Administrative Requirements

Specific Requirements

1. Types of Services Allowed or Unallowed
2. Eligibility
3. Matching, level of effort, earmarking
4. Reporting
5. Federal Personnel
6. Claims for advances and reimbursements
7. Amounts claimed that are used for matching

BASED ON A STUDY AND EVALUATION MADE AS A PART OF AN AUDIT OF
THE COMPONENT UNIT FINANCIAL STATEMENTS AND THE ADDITIONAL
TESTS REQUIRED BY THE SINGLE AUDIT ACT

The management of Jefferson County Commission is responsible for establishing and maintaining internal control systems used in administering federal financial assistance programs. In fulfilling that responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of internal control systems used in administering federal financial assistance programs are to provide management with reasonable, but not absolute, assurance that, with respect to federal financial assistance programs, resource use is consistent with laws, regulations, and policies; resources are safeguarded against waste, loss, and misuse; and reliable data are obtained, maintained, and fairly disclosed in reports.

Because of inherent limitations in any system of internal accounting and administrative controls used in administering federal financial assistance programs, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the systems to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

Our study included all of the applicable control categories listed above. During the year ended September 30, 1990, Jefferson County Commission expended 80 percent of its total federal financial assistance under major federal financial assistance programs. With respect to internal control systems used in administering major federal financial assistance programs, our study and evaluation included considering the types of errors and irregularities that could occur, determining the internal control procedures that should prevent or detect such errors and irregularities, determining whether the necessary procedures are prescribed and are being followed satisfactorily, and evaluating any weaknesses.

With respect to the internal control systems used solely in administering the nonmajor federal financial assistance programs of Jefferson County Commission, our study and evaluation was limited to a preliminary review of the systems to obtain an understanding of the control environment and the flow of transactions through the accounting system. Our study and evaluation of the internal control systems used solely in administering the nonmajor federal financial assistance programs of Jefferson County Commission did not extend beyond this preliminary review phase.

Our study and evaluation was more limited than would be necessary to express an opinion on the internal control systems used in administering the federal financial assistance programs of Jefferson County Commission. Accordingly, we do not express an opinion on the internal control systems used in administering the federal financial assistance programs of Jefferson County Commission. Further, we do not express an opinion on the internal control systems used in administering the major federal financial assistance programs of Jefferson County Commission.

Also, our audit, made in accordance with the standards mentioned above, would not necessarily disclose material weaknesses in the internal control systems used solely in administering nonmajor federal financial assistance programs.

Jefferson
County Commission

REPORT ON INTERNAL CONTROLS
(ACCOUNTING AND ADMINISTRATIVE)

Exhibit #27
Sheet #3

BASED ON A STUDY AND EVALUATION MADE AS A PART OF AN AUDIT OF
THE COMPONENT UNIT FINANCIAL STATEMENTS AND THE ADDITIONAL
TESTS REQUIRED BY THE SINGLE AUDIT ACT

However, our study and evaluation and our audit disclosed no condition that we believe to be a material weakness in relation to a federal financial assistance program of Jefferson County Commission.

This report is intended for the information of management, other state officials, the cognizant agency, and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



Ronald L. Jones
Chief Examiner
Department of Examiners
of Public Accounts

December 12, 1991

AUDITEE RESPONSE

JEFFERSON COUNTY COMMISSION



MARY M. BUCKELEW - PRESIDENT
JEFF GERMANY
JIM GUNTER
CHRIS McNAIR
GARY WHITE

STEVE F. SAYLER
Finance Director

MACAROY UNDERWOOD
Assistant Finance Director

Finance Department
Room 3 Courthouse
Birmingham, Alabama 35263-0033
Telephone (205) 325-5762

March 18, 1992

Mr. Ronald L. Jones, Chief Examiner
Department of Examiners of Public Accounts
50 North Ripley Street
Montgomery, AL 36130-2101

Dear Mr. Jones:

The Jefferson County Commission has been advised that the Report of the Department of Examiners of Public Accounts concerning the Jefferson County Commission for the year ended September 30, 1990, will contain the following "Audit Finding":

The County Commission did not make the required publications of certain financial information according to the provisions of the Code of Alabama (1975), § 11-3-21, and Act No. 471, Acts of Alabama, 1951.

In response to the foregoing Audit Finding, you are advised that there was no intentional omission of the subject publication. You may know that § 11-3-21 dates back to the 1876 Code of Alabama and the current volume and complexity of county financial transactions render literal compliance impossible. Therefore, the publication was delayed in 1990 due to ongoing discussions with your staff to determine what form of publication would reasonably satisfy your Department. Unfortunately, no conclusion was reached.

Nevertheless, we went ahead on November 18, 1991, and published a form of financial statement for 1991 (copy attached) which we considered to be reasonable. I now understand that this form will be acceptable to the Department of Examiners of Public Accounts for compliance with § 11-3-21.

With respect to Act No. 471, Acts of Alabama 1951, it is our position that the act is preempted and superseded by § 11-3-21, which was last codified in the 1975 Code of Alabama. Therefore, no additional redundant publication for Act No. 471 is planned.

Page 2

Mr. Ronald L. Jones, Chief Examiner
Department of Examiners of Public Accounts
March 18, 1992

Accordingly, in line with the foregoing it is the intention of the Jefferson County Commission to continue compliance with the provisions of § 11-3-21 by publishing the "receipts and expenditures" and the "entire indebtedness of the County" in the form we published for 1991.

If the foregoing is not satisfactory, please provide us with your requirements.

Sincerely,

Macawey Underwood for
Steve Sayler
Steve Sayler
Finance Director

SS/ps

Enclosure

cc: Jefferson County Commission
Mr. Mike Scroggins, State Examiner of Public Accounts
Mr. Edwin A. Strickland, County Attorney

AFFIDAVIT OF PUBLICATION

THE BIRMINGHAM NEWS COMPANY

PUBLISHERS OF

The Birmingham News

AGENTS FOR

Birmingham Post-Herald

PASTE CLIPPING HERE

JEFFERSON COUNTY COMMISSION
RECEIPTS AND EXPENDITURES
YEAR ENDED 9-30-91
UNAUDITED

FUND TITLE	THOUSANDS	
	RECEIPTS	Expenditures
General	\$ 94,482	\$ 81,970
Indigent Care	22,892	39,163
Road	27,892	28,477
Senior Citizens Activities	1,828	1,914
Bridge & Public Building	15,236	13,904
Revenue Sharing	-0-	1,241
Community Development	3,099	2,021
Capital Improvements	46,752	7,054
Road Construction	1,704	2,173
Environmental Services		
Construction	24,533	7,624
Equipment Acquisition	2,890	6,429
Cooper Green Hospital	65,975	69,925
County Home	12,358	13,163
Landfill Operations	2,441	4,961
Sanitary Operations	30,139	55,640
Parking Deck	149	134
Cafeteria	484	298
Risk Management	443	498
Personnel Board	1,449	2,345
Elections	504	653
Information Services	2,571	2,751
Fiscal Management	7,060	6,706
Central Laundry	237	627
Printing	537	527
Building Services	7,074	8,453
CDBG/EDA Revolving Loan	475	-0-
Pension	82	86
Debt Service	19,407	13,292

INDEBTEDNESS
 1984 Sewer Warrants due 1992 through 1994
 \$300,000 at 1% to 3.7% interest
 1985B General Obligation warrants due from 1992 through
 2007 \$29,750,770.35 at 7.75% to 9.25%
 1988 General Obligation Warrants due from 1994 through
 2007 \$26,557,249.50 at 6.8% to 7.6%
 1988 Sewer Revenue Warrants due from 1992 through
 2013 \$74,275,000 at 6% to 7.6%
 1989 General Obligation Warrants due from 1994 through
 2009 \$30,700,000 at 6.4% to 8%
 1990 General Obligation Warrants due from 1994 through
 2010 \$38,755,000 at 6% to 7.05%
 PH/News: November 18, 1991

STATE OF ALABAMA, } ss:
 County of Jefferson, }

On this 20th day of Nov

A.D. one thousand nine hundred and NINETY-ONE
 personally appeared before me,

DIANE L. PATTERSON
 a Notary Public in and for the County and State of
 said JANICE JENKINS

who being duly sworn according to law, declares that
 is BOOKKEEPER

of "The Birmingham News" and "The Birmingham Post-Herald", newspapers published in the City of Birmingham, in the County of Jefferson, State of Alabama, that the advertisement, a true copy of which is here attached, appeared in "The Birmingham News"

"The Birmingham Post-Herald" on the following date
Nov-18, 1991

Signed [Signature]

Subscribed and sworn to before me this 20th

of Nov A.D. 1991

[Signature]
 Notary Public

