



Jefferson County Alabama

Annual Comprehensive Financial Report

FOR FISCAL YEAR ENDED SEPTEMBER 30, 2021

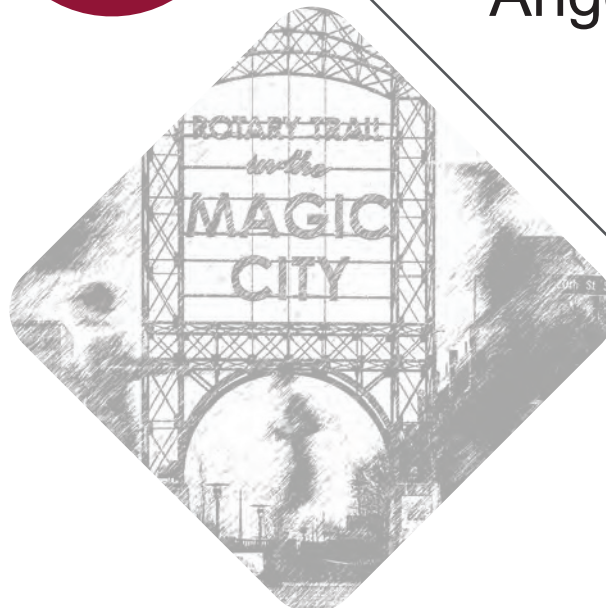
CHIEF FINANCIAL OFFICER - ANGELA DIXON

***Annual Comprehensive Financial
Report***

Jefferson County Alabama

**For Fiscal Year Ended
September 30, 2021**

**Chief Financial Officer,
Angela M. Dixon**



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**Jefferson County, Alabama
Annual Comprehensive Financial
Report
For the Fiscal Year Ended
September 30, 2021**

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Introduction Section



JEFFERSON COUNTY COMMISSION



JAMES A. (JIMMIE) STEPHENS - President
LASHUNDA SCALES - President Pro-Tempore
STEVE AMMONS
JOE KNIGHT
SHEILA TYSON

Cal Markert
County Manager

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

April 26, 2022

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

Jefferson County's Annual Comprehensive Financial Report (ACFR) for fiscal year 2021 represents the official comprehensive publication of the County's financial position as of September 30, 2021. The County has prepared the Annual Comprehensive Financial report in accordance with generally accepted accounting principles in the U.S. (GAAP). This report is submitted as required by Alabama State Law.

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

The submitted statements were subjected to an independent audit by Mauldin & Jenkins, LLC. The firm has issued an unmodified opinion on Jefferson County's financial statements for the fiscal year ended September 30, 2021. Mauldin and Jenkins' report is included in the Finance section of this ACFR. Mauldin & Jenkins has also issued a separate Report of Independent Certified Public Accountants in Accordance with *Government Auditing Standards*, which is not included in this ACFR.

The fiscal year 2021 Single Audit was completed by Warren Averett LLC, who issued a separate report that is also not contained in this ACFR.

Following the audit report letter is the County's Management Discussion and Analysis (MD&A), which provides a narrative, an introduction, overview, and analysis of the basic financial statements. This letter of transmittal is complemented by the MD&A (pages 15-24) and should be read in conjunction with the letter of transmittal.

County Overview

Founded in 1819, Jefferson County is the most populous county in the State of Alabama (according to the 2021 US Census Bureau population data for Jefferson County, 656,861 residents). The County covers approximately 1,124 square miles and is divided into two divisions – the Birmingham and Bessemer Divisions, each having their own judicial district, courthouse, and county offices.

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

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

The Environmental Services Department manages nine water reclamation facilities, serving 23 of the municipalities within the County, along with small portions of neighboring Shelby County and St. Clair County. Those facilities treat an average of 100 million gallons of wastewater per day.

The Community Services and Workforce Development Department offers the community a wealth of information and opportunity. They provide senior programs and services to those in need across the County. In addition, they work with the community on housing and community grant programs, as well as cities with opportunities to collaborate on building storm shelters, community centers and other grant projects.

The Development Services Department facilitates investment in the County and promotes orderly growth and environmental quality to create a balanced, sustainable community that enhances the quality of life and protects the health, safety, and welfare of residents, business owners and visitors.

Form of Government

In 2011, Jefferson County adopted the County Manager form of government. Under the County Manager form of government, the Commission is responsible for legislative functions such as establishing policy, passing local ordinances, and developing a vision of the organization, and the County Manager is responsible for managing operations in conjunction with the department heads. (See organization chart included in this Introduction Section.)

The accompanying financial statements present the activities of the Jefferson County Commission's primary government and its component units. Note 1A on page 36 to the Financial Statements provide additional guidance on these representations.

The Commission is required to adopt an initial annual budget no later than the first meeting in October. This annual budget serves as a foundation for Jefferson County's financial planning and control. The proposed budget appropriation must not exceed the total revenue available for appropriation. The budget is prepared by department. Departments may transfer certain resources within a departmental budget. However, transfers between departments and unexpected budget needs (including personnel changes) must receive approval from the Commission before adjustments can be made.

Ushering In New Leadership Principals

On October 1, 2021, Cal Markert was named the second County Manager in Jefferson County's history following the retirement of Tony Petelos. Mr. Markert is introducing a new initiative to his executive team and County Department heads called The JeffCo Way which focuses on streamlining processes, improving efficiency, and eliminating waste. This initiative will include the implementation of lean management practices and subsequent employee training. The JeffCo Way is based on the concept of adding value to the organization and citizen experience by empowering employees to bring to the surface or fix items and processes that may be broken. The JeffCo Way is rooted in the deep respect we hold for all individuals we interact with; fellow employees, elected officials, vendors, and most of all the citizens of Jefferson County. By doing these things we will fulfill our vision of being a model local government that anticipates and meets the evolving needs of a diverse community with energy, character, dedication, and accountability.

Local Economy

The World Pays Us A Visit

This year Jefferson County and the Birmingham Metro-Area will host The World Games and in 2023 will be host for the World Police and Fire Games. The World Games will draw a diverse international crowd of athletes, fans, and media to our community. Visitors will enjoy sporting events at a variety of venues including the newly renovated Birmingham-Jefferson Civic Center and adjoining Protective Stadium. Both venues received significant financial support from the County, and tremendous accolades from the community.

Growing Business

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

The County Commission created an Economic Development Committee to oversee the abatement and job incentive process. The Commissioners are responsible for reviewing and approving applicants on behalf of the County. The Commission collaborates with management, municipalities, the State of Alabama Department of Commerce, the Birmingham Business Alliance, and other economic development entities to recruit and evaluate potential companies and economic development projects. A cost/benefit analysis is conducted by the Birmingham Business Alliance to determine if the project meets the objectives of the Commission and will achieve the goal of the Commission.

The County's abatement policy and procedures are developed in accordance with Alabama State Statute. The Tax Assessor is responsible for tracking the abatements and the Budget Management Office is responsible for tracking the annual \$10 million allocated by the Commission for job incentives for prospective businesses. The Economic Development Committee works collaboratively with Jefferson County's Legal Team to ensure recipients follow abatement agreements and meet mandatory performance indicators. All entities approved for abatements or job incentives are required to create and maintain a minimum of 50 new jobs. (See Note 12, page 81, Tax Abatements).

Supporting economic growth in our community is another goal for the County. We supported the expansion and relocation of 23 businesses with a capital investment of more than \$1.3 billion dollars in 2021. The J.M. Smucker Co. plans to invest \$1.1 billion to build a new manufacturing and distribution center in McCalla (located in the western part of Jefferson County). This development will create 750 jobs and will produce the company's legendary Uncrustables.

Jefferson County also made a significant investment in the University of Alabama at Birmingham's Genomics Science Building (\$1 million a year for 5 years), supporting what researchers say will have a profound effect on the health care of residents in the State and beyond. The project also received \$50 million in funding from the State Public School and College Authority.



Another project that made headlines was the real estate technology company Landing, moving its headquarters from San Francisco to Birmingham, bringing more than 816 jobs and a \$13.7 million capital investment. This project was orchestrated by Landing founder and CEO Bill Smith who is a native of

Birmingham and Jefferson County. This project is estimated to produce \$1.3 billion in new payroll over the next 20 years.

The Commission also saw some long-time investments come to fruition. The County's past commitment to help finance a new stadium adjacent to the Birmingham Jefferson Civic Center (BJCC) was realized in the opening of the new 45,000-seat Protective Stadium. It will serve as host for the opening and closing ceremonies of the World Games, UAB Football, the new United States Football League (USFL), and Legion Professional Soccer.

The BJCC also unveiled the renovation of the Legacy Arena that the Commission also supported. Originally built in the 1970's, the renovated arena now has state-of-the-art digital capabilities, upscale concessions, and improved restroom facilities. The arena is home to the Birmingham Squadron, the NBA G-League affiliate of the New Orleans Pelicans. These collaborations are leading to the rebirth of the County's urban spaces, highlighted by City Walk BHAM, an innovative, multi-use outdoor area located under Birmingham's busy interstate highway, directly adjacent to the BJCC.



In addition to these announcements, the County also supported and participated in the groundbreaking for a replacement hospital for western Jefferson County. The Medical West Hospital Authority will be a new facility on Bell Hill Road that will be a 127,000 square foot, nine story, hospital with an adjacent five-story medical office building. The project is expected to be completed in 2024.

With growth comes the need for infrastructure support and maintenance. Our Roads and Transportation division continues to maintain more than 1800 miles of road, 5,100 acres of land to mow, and more than 41,500 traffic signs and 434 traffic signals. In addition to many ongoing contracted projects, this year they took on an intersection improvement project installing a much-needed round-a-bout with existing crews and not contracting out the work. This was in addition to maintaining an aggressive paving schedule and dealing with recovery efforts from tornadoes and catastrophic flooding issues.

Distribution Of Federal CARES Funding

Jefferson County is the only county in the state with a population over 500,000. As a result, Jefferson County received a direct allocation of federal funding from the United States Department of Treasury through the Coronavirus Aid, Relief, and Economic Security Act (CARES) Coronavirus Relief Fund (CRF). With a tight timeframe to distribute the funds the County quickly went to work and secured Witt O'Brien's, a leading global risk management and emergency response consulting firm, to ensure that funds were distributed according to federal guidelines.

Because cities within Jefferson County were not eligible to receive funds directly from the U.S. Treasury and were not served by funds administered by the State of Alabama. The County allocated funds to the cities based on population size and the formula developed for municipalities. In addition to internal costs for personal protective equipment and workplace safety enhancements, Jefferson County CRF funds were used to provide life-saving equipment and upgraded to Emergency Medical Services capabilities for fire departments across the County, public health response, institutional COVID-19 mitigation, technology support for education, displaced student support and support for remote learning, food insecurity mitigation, rental, mortgage and utility assistance programs, as well as to assist local non-profits to make necessary changes to their campuses to continue providing services in a safe manner throughout the pandemic.

One non-profit, the Red Barn, requested and used funds to make improvements to an old office so it could accommodate more physically disabled clients to use their facility but still stay socially distanced. They also installed handwashing stations and HEPA filtration systems. The modifications allowed other non-profits to use their facilities as well. In a year where a number of organizations saw a decrease in service provided, the Red Barn actually increased its service offerings because it was able to improve its facility.



Another more recognizable organization is the Boys and Girls Club. Grants from the County made it possible for them to install work-station dividers in student areas, provide for temperature check devices on entry and much needed cleaning supplies. As a result, children who didn't have access to computers at home to do remote learning were able to come to the Boys & Girls Club and stay engaged with their online classes.

Long-Term Financial Planning and Major Initiatives

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

The four main goals are:

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

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

1. The development of a Master Plan in Environmental Services to govern sewer expansion needs and to plan for the next five years to address the stream water issues facing the County after a federal Consent Decree ordered Jefferson County to improve and upgrade its sewer system. Sewer rates are expected to increase for the next 40 years as the County repays prior debt issued to finance improvements to the sewer system.
2. The County is committed to seeking new and innovative ways to upgrade the public infrastructure by encouraging regional cooperation with projects. Some of these projects included renovations of the 2121 Building and the County Youth Detention facility.
3. The County looks forward to continuing progress by attracting new businesses, developing a quality workforce, and improving the life for its citizens. This includes investing roughly \$10M dollars annually for business development which includes \$500,000 remaining on a \$2.5 million commitment for the World Games 2022 to be held in Birmingham, Alabama from July 7-17, 2022.

Relevant Financial Policies

Jefferson County is committed to ensuring that fiscal stability is maintained to better offer our citizens essential services. Jefferson County maintains a very significant General Fund balance. Additionally, to ensure the long-term financial health of the County, Jefferson County has established three separate reserve funds (Economic Uncertainty Fund, Budget Stabilization Fund, and Catastrophic Event Fund). As of September 30, 2021, the County's total cash reserve balance in these three emergency reserve accounts was approximately \$45.1 million. County leadership is committed to increasing the County's reserve balance from the excess of revenues over expenditures on an annual basis.

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

Award

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Distinguished Budget Presentation Award for the Commission's annual budget document dated October 1, 2020. To qualify for the Distinguished Budget Presentation Award, the Commission's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

Acknowledgement

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

Respectfully submitted,



Cal Markert
County Manager



Angela M. Dixon, CPA
Chief Financial Officer



List of Principal Officials

As Of September 30, 2021



Commissioner
Joe Knight
District 4

Commissioner
Lashunda Scales
District 1

Commissioner
James Stephens
District 3

Commissioner
Sheila Tyson
District 2

Commissioner
Steve Ammons
District 5



Organizational Chart



*County Manager is appointing authority for merit employees in these departments.
 ** Chief Financial Officer serves as Finance Director.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Jefferson County
Alabama**

For the Fiscal Year Beginning

October 01, 2020

Christopher P. Morill

Executive Director

Finance Section





INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Jefferson County, Alabama** (the "County"), as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Jefferson County Economic and Industrial Development Authority, which represents 63 percent, negative 438% percent, and 6 percent, respectively, of the assets and deferred outflows of resources, net position, and revenues of the aggregate discretely presented component units. We also did not audit the financial statements of the General Retirement System for Employees of Jefferson County, which represents 91 percent, 98 percent, and 15 percent, respectively, of the assets, net position, and additions of the fiduciary funds. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the Jefferson County Economic and Industrial Development Authority and General Retirement System for Employees of Jefferson County, are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 from material misstatement. The financial statements of the General Retirement System for Employees of Jefferson County, a blended component unit, was not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Jefferson County, Alabama as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 14, Jefferson County implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, as of October 1, 2020. This standard significantly changed the accounting for Jefferson County's activities previously reported as agency funds. Our opinions are not modified with respect to this matter.

Other Matters***Required Supplementary Information***

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory and statistical sections are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules, (collectively “the supplementary information”) are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 2022, on our consideration of the County’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County’s internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Birmingham, Alabama
April 26, 2022

JEFFERSON COUNTY, ALABAMA

Management's Discussion and Analysis September 30, 2021

As management of Jefferson County Commission (the "County" or "Commission"), this is a narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2021. The objective of management's discussion and analysis (MD&A) is to help readers better understand (1) the financial position and operating activities of the County, (2) assist the reader in understanding significant financial issues, (3) discuss changes in the County's financial position, (4) discuss any significant deviations from the original budget for the County's General Fund, and (5) discuss individual major fund activities during the fiscal year. This discussion has been prepared by management along with the financial statements and related note disclosures and should be read in conjunction with the financial statements and notes. The financial statements, notes, required supplementary information, and this discussion are the responsibility of management. In January 2020, the World Health Organization declared the novel Coronavirus ("COVID-19") a Public Health Emergency of International Concern. The outbreak of COVID-19 has caused domestic and global disruption in operations for various organizations and has impacted several areas at Jefferson County Commission which is further discussed within the MD&A.

Jefferson County Commission's financial statements present the financial position, changes in financial position, and the cash flows of the County. These statements were developed in accordance with the Governmental Accounting Standards Board (GASB) Statement Number 34, *Basic Financial Statements-And Management's Discussion and Analysis-For State and Local Governments*. With the implementation of GASB Statement Number 84, *Fiduciary Activities*, the County will display a change in the financial statement reporting. New guidance issued on GASB 84 requiring the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported caused this change in financial statement presentation. Note 14, on page 83, and Note 15, on page 83, will discuss this item further.

Financial Highlights

Fiscal year financial statements were significantly impacted by the implementation of GASB 84, *Fiduciary Activities*, which required the Commission to re-evaluate the accounting treatment of its various funds. This implementation resulted in reporting six (6) custodial funds (page 115) with total net position totaling \$31.5 million. The Pension Trust Fund was also an addition to the fiduciary reporting at \$1.4 billion in net position restricted for benefits. Other fiduciary activities reported in the prior fiscal year were reviewed and are reported in the current fiscal year either as discretely presented component units (Personnel Board and Emergency Management Agency) or consolidated in the Community Development Loan Fund, a non-major governmental fund (City of Birmingham Revolving Loan Fund). With this review, three (3) special revenue funds (Sheriff Condemnation, Sheriff Special Programs, and Law Library) were classified as non-major governmental funds. The impact is reflected in Note 14 on page 83 and represented a net position restatement of beginning balances of \$5.5 million. The Jefferson County Economic and Industrial Development Authority is now reported as a discretely presented component unit.

The following are the Commission's financial highlights for the fiscal year ended September 30, 2021:

Government Wide

- At September 30, 2021, the Commission's total net position was \$557.7 million, a decrease of approximately \$5.7 million from net position as of September 30, 2020.
- The Commission's net investment in capital assets decreased by approximately \$626.7 million from \$761,089 at September 30, 2020 to approximately \$134.4 million at September 30, 2021.
- The Commission had revenue of \$802.3 million and expenses of approximately \$808.0 million for the fiscal year ended September 30, 2021, producing a decrease in net position totaling approximately \$5.7 million.

Fund Level

- The General Fund assets exceeded liabilities and deferred inflows of resources by approximately \$281.8 million. Cash and investments on hand, including restricted balances, totaling approximately \$234.8 million was approximately \$48.9 million higher than the \$185.9 million at September 30, 2020.
- The General Fund had a fund balance of approximately \$281.8 million at September 30, 2021, a \$42.2 million increase from the \$239.5 million fund balance at September 30, 2020.
- The General Fund has unassigned fund balance of \$168.5 million at September 30, 2021, a \$58 million increase from the \$110.5 million unassigned fund balance at September 30, 2020.
- The General Fund non-spendable balance reports an approximately \$28.8 million loan receivable from a component unit, the Jefferson County Economic and Industrial Development Authority.
- The assigned fund balance for the General Fund totals approximately \$71.7 million and represents amounts set aside for uncertainty, catastrophes, and economic development.
- Commitments for the World Games 2022 represent the committed fund balance in the General Fund at \$500,000.

Long-Term Debt Activities

- The Commissions' total bonded debt at September 30, 2021 was approximately \$2,606.8 million, an approximately \$31.9 million increase from the September 30, 2020 total of \$2,574.9 million.
- Total primary government long-term obligations, including amounts due within one fiscal year, were approximately \$2.8 billion at September 30, 2021, an increase of approximately \$17.1 million from September 30, 2020.

Overview of the Financial Statements

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

Government-wide financial statements: The government wide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to private-sector business reporting. All governmental and business-type activities are combined to arrive at a total for the primary government. There are two government wide statements, the statement of net position and the statement of activities, which are produced using the accrual basis of accounting. Additional information on the accrual basis of accounting can be found in Note 1 Section C on page 38 of this report.

The statement of net position presents information on all of the County's assets and deferred outflows of resources, and liabilities and deferred inflows of resources (for all fund types except fiduciary), with the difference between these reported as net position. Increases or decreases in net position serve as a useful indicator of whether the financial position of the County is improving or deteriorating. This statement combines the governmental funds' current financial resources (short-term) with capital assets and long-term liabilities.

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

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

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Information regarding the measurement focus and basis of accounting can be found in Note 1. C. on page 38 of this report. The government-wide financial statements can be found on pages 25 and 26 of this report.

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

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

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

The County maintains separate governmental funds to account for the following activities: primary government (General Fund), special revenues, capital projects, and debt services. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for each of the major governmental funds. Data from the other (non-major) governmental funds are combined into a single, aggregated column. The basic governmental fund financial statements can be found on pages 27 through 30.

Jefferson County adopts an annual appropriated budget for its various governmental activities, excluding the activities reported in capital projects funds. Budgets for capital projects are adopted as multi-year project budgets and appropriated annually; any unspent budget at the end of the fiscal year is rolled forward to the next fiscal year. A budgetary comparison statement has been provided for the individual non-major funds, excluding capital projects funds, and for the following major funds: General Fund, Special Sales Tax Revenue, Indigent Care, CARES Act, and American Rescue Plan. These statements and schedules for the County's major funds are found on pages 86 through 90.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Information regarding the measurement focus and basis of accounting can be found in Note 1. C. on page 38 of this report.

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

Jefferson County adopts an annual budget for management purposes for its enterprise funds. Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Sanitary Operations which is considered to be a major fund of the County. Data from the other (non-major) enterprise funds are combined into a single, aggregated column: Landfill Operations and Hallmark Farms Cooperative District (blended component unit). These statements are found on pages 112 through 114.

Proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Information regarding the measurement focus and basis of accounting can be found in Note 1. C. on page 38 of this report.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not owned by or available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds, and their financial statements are reported on the accrual basis of accounting as well. Jefferson County maintains seven fiduciary funds: The Pension Trust Fund, Tax Collector, Department of Revenue, Treasurer's Trust, Sheriff, Family Court, and Probate Court. The details associated with the Pension trust fund are included in Note 8 (Defined Benefit Pension Plan) on pages 69 through 74. These fiduciary funds are aggregated and presented on pages 115 through 116.

Fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Information regarding the measurement focus and basis of accounting can be found in Note 1. C. on page 38 of this report.

Notes to the financial statements: The financial statements also include notes that explain the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. This information begins on page 86 of the audited financial statements.

Financial Analysis of the Commission

Net Position (assets and deferred outflows less liabilities and deferred inflows) serve as a useful indicator of a government's financial position. The Commission's assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$557.7 million at September 30, 2021 resulting in unrestricted net position of approximately \$184.4 million as of September 30, 2021.

Total Primary Government

The Commission's combined net position (governmental and business-type activities) decreased between the fiscal years 2020 and 2021 by approximately \$5.7 million to \$557.7 million. This is largely associated with the decrease in the net position for business-type activities of approximately \$126.0. This is principally associated with the increase of depreciation expense of approximately \$147.0 million for business-type activities.

The following table presents financial information for governmental and business-type activities for the fiscal year ended September 30, 2021, with comparative data for the fiscal year ended September 30, 2020.

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

	Governmental Activities				Business-Type Activities				Totals			
	2021	2020, Restated	Change	Percent Change	2021	2020, Restated	Change	Percent Change	2021	2020, Restated	Change	Percent Change
Current and Other Assets	\$ 756,194	\$ 731,281	\$ 24,913	3%	\$ 576,493	\$ 500,951	\$ 75,542	15%	\$ 1,332,687	\$ 1,232,232	\$ 100,455	8%
Capital Assets (Net)	372,515	370,628	1,887	1%	1,979,388	2,081,686	(102,298)	(0)	2,351,903	2,452,314	(100,411)	-4%
Total Assets	1,128,709	1,101,909	26,800	2%	2,555,881	2,582,637	(26,756)	(0)	3,684,590	3,684,546	44	0%
Deferred Outflows of Resources	40,396	21,120	19,276	91%	8,148	5,384	2,764	51%	48,544	26,504	22,040	83%
Current Liabilities	144,270	195,637	(51,367)	-26%	55,160	54,384	776	1%	199,430	250,021	(50,591)	-20%
Other Liabilities	560,810	565,858	(5,048)	-1%	2,228,345	2,119,910	108,435	5%	2,789,155	2,685,768	103,387	4%
Total Liabilities	705,080	761,495	(56,415)	-7%	2,283,505	2,174,294	109,211	5%	2,988,585	2,935,789	52,796	2%
Deferred Inflows of Resources	180,436	198,249	(17,813)	-9%	6,377	13,621	(7,244)	-53%	186,813	211,870	(25,057)	-12%
Net Position:												
Net Investment in Capital Assets	(58,408)	362,091	(420,499)	-116%	192,830	398,998	(206,168)	-52%	134,422	761,089	(626,667)	-82%
Restricted	160,346	173,161	(12,815)	-7%	78,578	21,165	57,413	271%	238,924	194,326	44,598	23%
Unrestricted	181,651	(371,967)	553,618	-149%	2,739	(20,057)	22,796	-114%	184,390	(392,024)	576,414	-147%
Total Net Position	\$ 283,589	\$ 163,285	\$ 120,304	74%	\$ 274,147	\$ 400,106	\$ (125,959)	-31%	\$ 557,736	\$ 563,391	\$ (5,655)	-1%

The restricted net position for governmental activities totaling \$160.3 million at September 30, 2021 reflects resources subject to external restrictions, constitutional provisions, or enabling legislation on how they can be used. The Commission presents restricted net position for Grant Programs (\$8.6 million), Tax Assessor Operations (\$7.7 million), Public Works (\$84.3 million), Public Safety (\$5.9 million), Law Library Operations (\$890 thousand), Equalization Operations (\$7.5 million), Community Development (\$2.9 million), Health and Welfare (\$23 million), Debt Service (\$7.3 million), Landfill Assurance (\$6.8 million), and Unsecured Claims (\$5.3 million).

Restricted net position for business-type activities represents amount operating reserve amounts required by the County's funding sources for its outstanding warrants and totaled \$78.6 million at September 30, 2021.

Governmental Activities

On Table A-2 on the following page, the change in net position for fiscal year 2021 for governmental type activities totaled \$120.3 million, an \$18.2 million increase (18%) from fiscal year 2020. This change is largely associated with the increase in sales taxes related to Simplified Sellers Tax which is a tax for online purchases which increased significantly during the global pandemic. Ad Valorem taxes also reporting increases during this timeframe due to the revaluation of property. Housing price increases despite an overall downturn in commercial market purchases produced this transition in overall tax collections.

A reduction in expenses also assisted in the net position surplus. Even with the infusion of federal funds from CARES Act and Emergency Rental Assistance (ERAP), the health and welfare expense category was lower by approximately \$25.4 million compared to fiscal year 2020. The Indigent Care Fund received an increase in alcohol beverage sales taxes resulting in approximately \$63.5 million received, of which \$61 million was expended in the current fiscal year.

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

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

	Governmental Activities				Business-Type Activities				Total			
	2021	2020	Change	Total Percentage Change	2021	2020	Change	Total Percentage Change	2021	2020	Change	Total Percentage Change
Revenues												
Program Revenues:												
Charges for Services	\$ 53,414	\$ 33,603	\$ 19,811	59%	\$ 237,989	\$ 227,376	\$ 10,613	5%	\$ 291,403	\$ 260,979	\$ 30,424	12%
Operating Grants and Contributions	74,099	96,682	(22,583)	-23%	-	-	-	0%	74,099	96,682	(22,583)	-23%
Capital Grants and Contributions	4,732	11,183	(6,451)	-58%	6,826	10,300	(3,474)	-34%	11,558	21,483	(9,925)	-46%
General revenues:												
Property Taxes	129,152	123,649	5,503	4%	7,567	7,213	354	5%	136,719	130,862	5,857	4%
Sales Taxes	260,694	226,346	34,348	15%	-	-	-	-	260,694	226,346	34,348	15%
Other Taxes	11,591	9,815	1,776	18%	-	-	-	-	11,591	9,815	1,776	18%
Licenses and Permits	-	12,959	(12,959)	-100%	-	-	-	-	-	12,959	(12,959)	-100%
Unrestricted Investment Earnings	458	1,550	(1,092)	-70%	3,303	13,597	(10,294)	-76%	3,761	15,147	(11,386)	-75%
Miscellaneous	9,695	10,891	(1,196)	-11%	675	3,559	(2,884)	-81%	10,370	14,450	(4,080)	-28%
Gain on Sale of Capital Assets	1,768	491	1,277	260%	345	-	345	100%	2,113	491	1,622	330%
Transfers	(1,204)	-	(1,204)	-100%	1,204	-	1,204	100%	-	-	-	0%
Total Revenues and Transfers	544,399	527,169	17,230	3%	257,909	262,045	(4,136)	-2%	802,308	789,214	13,094	2%
Expenses												
General Government	164,469	135,823	28,646	21%	-	-	-	-	164,469	135,823	28,646	21%
Public Safety	88,795	62,470	26,325	42%	-	-	-	-	88,795	62,470	26,325	42%
Law Library Operations	268	-	268	100%	-	-	-	-	268	-	268	100%
Highways and Roads	40,503	36,870	3,633	10%	-	-	-	-	40,503	36,870	3,633	10%
Health and Welfare	110,993	136,390	(25,397)	-19%	-	-	-	-	110,993	136,390	(25,397)	-19%
Community Development	13,529	9,675	3,854	40%	-	-	-	-	13,529	9,675	3,854	40%
Contributions to Other Entities	-	35,367	(35,367)	-100%	-	-	-	-	-	35,367	(35,367)	-100%
Interest and Fiscal Charges	13,646	14,603	(957)	-7%	-	-	-	-	13,646	14,603	(957)	-7%
Indirect Expenses Allocation	(8,108)	(6,079)	(2,029)	33%	8,108	6,098	2,010	33%	-	19	(19)	-100%
Hallmark Farms Cooperative	-	-	-	-	672	630	42	100%	672	630	42	7%
Economic and Industrial Development	-	-	-	-	-	831	(831)	-	-	831	(831)	100%
Landfill Operations	-	-	-	-	2,721	1,983	738	37%	2,721	1,983	738	37%
Sanitary Operations	-	-	-	-	372,367	369,196	3,171	1%	372,367	369,196	3,171	1%
Total Expenses	424,095	425,119	(1,024)	0%	383,868	378,738	5,130	1%	807,963	803,857	4,106	1%
Change in Net Position	120,304	102,050	18,254	18%	(125,959)	(116,693)	(9,266)	8%	(5,655)	(14,643)	8,988	-61%
Net Position - Beginning	163,285	72,416	90,869		400,106	514,624	(114,518)		563,391	587,040	(23,649)	
Restatement (Note 16)	-	(11,181)	11,181		-	2,175	(2,175)		-	(9,006)	9,006	
Net Position - ending	\$ 283,589	\$ 163,265	\$ 120,304	74%	\$ 274,147	\$ 400,106	\$ (125,959)	-31%	\$ 557,736	\$ 563,391	\$ (5,655)	-1%

Major Governmental Funds

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

- The General Fund is the County's primary operating fund and accounts for the majority of the County's expenditures for general government administration. Tax revenues increased from \$111.4 million in fiscal year 2020 to \$126.3 million during fiscal year 2021, primarily due to COVID pandemic forcing shoppers to turn to online retail sales. The other substantial increase was due to revaluation of property taxes. General government expenditures in fiscal year 2021 were approximately \$131.3 million, an increase from the approximately \$114.6 million in fiscal year 2020 primarily due to the fiscal year 2020 federal funding which enabled the County to allocate public safety salary expenditures to the CARES Fund instead of being represented in the General Fund. Additionally, employee health benefit cost increased as employees resumed normal medical care when pandemic restriction were lifted.
- The County's Special Sales Tax Revenue Fund accounts for the special revenue sales tax collected and used for the payment of the County's principal and interest on certain governmental bonds. Sales tax collections (revenue) increased to approximately \$122.8 million in fiscal year 2021 from approximately \$109.5 million in fiscal year 2020, primarily due to the rebounding of the Special Sales Taxes due to COVID restrictions being lifted.
- The Indigent Care Fund accounts for the receipt of beverage and sales taxes designated for indigent residents of Jefferson County. Tax revenues increased from approximately \$57.0 million in fiscal year 2020 to \$63.5 million in fiscal year 2021, primarily due to significant increases in alcohol beverage sales.

- The CARES Act Fund accounted for the federal funding for COVID relief funding under the Coronavirus Aid, Relief, and Economic Security Act of 220. Expenditures and federal revenues in this fund represented outlays and reimbursements for COVID relief and totaled approximately \$37.5 million during the fiscal year ended September 30, 2021.
- The American Rescue Fund, or ARPA, is a new major fund for the current fiscal year representing 9.5% and \$63.9 million of the total \$673.7 million in governmental fund assets. This infusion of federal funding for COVID relief received by the County during fiscal year 2021 is recorded in this fund, with fund balance resulting from interest income being restricted for grant programs. The County expended approximately \$153,000 for COVID relief during the fiscal year ended September 30, 2021, with a remaining amount of cash on hand and unearned grant revenue of approximately \$63.9 million available for future allowable expenditures under the terms of the grant.

Assigned fund balance represents the intentional constraints placed on resources within fund balance either by the governing board or appointees. The Commission present assigned fund balance for Uncertainty (approximately \$15.1 million), Catastrophic (\$15.1 million), and Economic Development (\$26.5 million).

Business-Type Activities

At September 30, 2021, the County's business-type activities reported a net position of \$274.1 million, a decrease of approximately \$126.0 million from net position at September 30, 2020. The net position decrease can be attributed to a 76% reduction in the unrestricted investment earnings as well as an increase in the indirect expense allocation to \$8.1 million. Sewer operating revenues were up overall, led by an increase in permits and fees associated with activity in the housing and commercial real estate markets.

For the Sanitary Operation Fund, sewer rate revenues were down slightly with decreased usage during the pandemic, while sewer building and construction permits and associated fees increased due to activity in the housing and commercial real estate markets. Sewer rates are set by the terms of the Bankruptcy Plan of Adjustment and related Sewer Revenue Warrant Indentures and are expected to increase by 3.49% annually as long as those terms are in place. Net position of the Sanitary Operation Fund decreased by \$125 million, from \$404.1 million in the prior fiscal year to \$279 million at September 30, 2021.

The net position for the business-type activities decreased by approximately \$126.0 million during the fiscal year ended September 30, 2021. This change is principally associated with an increase in accumulated depreciation through depreciation expense. The amortization expense also rose to \$144 million contributing to the overall reduction, as well as losses currently carried in the non-major proprietary funds. Before transfers and nonoperating expenses, both the Landfill and Hallmark fund listed operating losses of \$1.3 million.

General Fund Budget

The Commissioners approved, on September 10, 2020, the fiscal year 2021 Operating Budget for the County, including estimated revenues of \$171.6 million and operating appropriations of \$238.1 for the County's General Fund. The County's revenues in the General Fund were higher than its final, amended budget by approximately \$14.8 million during 2021 primarily due to the Simplified Sellers Tax and Ad Valorem Taxes. The Simplified Sellers Tax is a tax for online purchases which increased significantly during the global pandemic. Ad Valorem tax increases were associated with revised appraisal procedures implemented in prior fiscal years. These two increases helped offset the decline in Sales Tax revenues, particularly the expected decline by \$5 million dollars of the Special Sales Taxes. As a precautionary measure, County management put a hold on capital projects to safeguard the bottom-line.

Throughout the fiscal year, the Commission's original budget is amended to reflect changes in funding needs. The Commission has established policies and procedures for amending the budget. The Budgetary Comparison Schedule for the General Fund can be found on page 86.

Capital Assets and Debt Administration

At September 30, 2021, the Commission had invested approximately \$2.4 billion, net of accumulated depreciation, in a broad range of capital assets (see table below). This was comparable to the approximately \$2.5 billion reported as of September 30, 2020.

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>		<u>2021 Versus 2020</u>	
	2021	2020	2021	2020	2021	2020	Change	Percent Change
Land	\$ 22,232	\$ 18,302	\$ 35,553	\$ 35,553	\$ 57,785	\$ 53,855	3,930	7%
Construction in Progress	69,687	58,761	79,298	113,115	148,985	171,876	(22,891)	-13%
Buildings and Improvements	245,568	257,358	496,929	519,753	742,497	777,111	(34,614)	-4%
Equipment and Vehicles	33,327	33,406	13,502	13,762	46,829	47,168	(339)	-1%
Furniture and Fixtures	844	1,139	-	-	844	1,139	(295)	-26%
Software	857	1,661	-	-	857	1,661	(804)	-48%
Infrastructure and Other Improvements	-	-	1,354,106	1,399,503	1,354,106	1,399,503	(45,397)	-3%
	<u>\$ 372,515</u>	<u>\$ 370,627</u>	<u>\$ 1,979,388</u>	<u>\$ 2,081,686</u>	<u>\$ 2,351,903</u>	<u>\$ 2,452,313</u>	<u>\$ (100,410)</u>	<u>-89%</u>
Depreciable assets, net	\$ 280,596	\$ 293,564	\$ 1,864,537	\$ 1,933,018	\$ 2,145,133	\$ 2,226,582	(81,449)	-4%
Nondepreciable assets	91,919	77,063	114,851	148,668	206,770	225,731	(18,961)	-8%
Total	<u>\$ 372,515</u>	<u>\$ 370,627</u>	<u>\$ 1,979,388</u>	<u>\$ 2,081,686</u>	<u>\$ 2,351,903</u>	<u>\$ 2,452,313</u>	<u>\$ (100,410)</u>	<u>-12%</u>

Governmental Activities

Governmental activities capital assets at September 30, 2021 were \$372.5 million which were slightly more than the \$370.6 million at September 30, 2020. The increase is largely associated with increases in construction in progress (CIP) of approximately \$15.0 million during the fiscal year. Along with a disposal of \$7.6 million in capitalized assets, approximately \$9.9 million in assets (other than CIP) were purchased during the fiscal year with approximately \$3.6 million in donated assets, largely associated with miscellaneous equipment and motor vehicle fleet.

Major capital assets acquired, projects completed or in progress during the fiscal year ended September 30, 2021 included the following:

- \$14.9 million in additional construction in progress (CIP) largely for road construction
- Approximately \$4.3 million in construction equipment purchases for roads and transportation
- Approximately \$3.2 million in vehicle purchases for roads and transportation, public safety and general governmental activities

Business-Type Activities

Business-type activities capital assets at September 30, 2021 were approximately \$1.98 billion, a decrease of approximately \$102.3 million over the prior fiscal year. This decrease is associated with increased accumulated depreciation for infrastructure totaling approximately \$120.2 million as well as building depreciation totaling \$22.8 million. Capital purchases amounted to approximately \$10.5 million, while construction in process decreased by \$33.8 million due to completed sanitation projects.

Major capital assets acquired, projects completed or in progress during the fiscal year ended September 30, 2021 included the following:

- \$34.2 million in additional construction in progress (CIP) projects involving improvements to the County's sanitation infrastructure
- Approximately \$6.8 million in donated infrastructure for sanitary operations
- Purchases of construction equipment, regular equipment, and vehicles totaled \$3.7 million for the fiscal year

For additional details on Capital Assets see Note 5, page 55.

Long-Term Debt

At September 30, 2021, the Commission had total bonded debt of \$2.6 billion, largely associated with revenue warrants in business-type activities reported at approximately \$2.2 billion:

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>		<u>2021 Versus 2020</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>Change</u>	<u>Percent Change</u>
General Obligation Warrants (backed by the County)	\$ 87,766	\$ 112,859	\$ -	\$ -	\$ 87,766	\$ 112,859	\$ (25,093)	-22%
Limited Obligation Warrants (backed by sales tax)	328,080	343,041	-	-	328,080	343,041	(14,961)	-4%
Revenue Warrants (backed by Sewer fees)	-	-	2,161,385	2,088,896	2,161,385	2,088,896	72,489	3%
BJCC Bonds (backed by the County)	16,793	17,145	-	-	16,793	17,145	(352)	-2%
Hallmark Bonds (backed by the County)	-	-	12,792	13,000	12,792	13,000	(208)	-2%
	<u>\$ 432,639</u>	<u>\$ 473,045</u>	<u>\$ 2,174,177</u>	<u>\$ 2,101,896</u>	<u>\$ 2,606,816</u>	<u>\$ 2,574,941</u>	<u>\$ 31,875</u>	<u>-27%</u>

The primary government debt increased by approximately \$31.9 million during the fiscal year ended September 30, 2021. Accreted interest on revenue warrants backed by sewer revenues increased by approximately \$71.4 million, causing the increased long-term debt for the fiscal year.

For additional details on Long-Term Debt see Note 7, page 60.

The Commission's credit ratings on the bonded debt as of September 30, 2021 were:

Fitch Ratings	AA- for General Obligation Bonds effective November 6, 2020
Fitch Ratings	BB+ for Senior Lien Sewer Revenue Warrants effective November 18, 2021
Fitch Ratings	BB for Sub Lien Sewer Revenue Warrants effective November 18, 2021

The Commission's credit ratings were above investment grade, primarily due to strength in the economic base relative to peers. A benefit of the Commission's credit ratings above investment grade status comes in the form of lower borrowing costs.

Economic Factors

The area's economy was originally based on steel production but has diversified over the past several decades as healthcare, banking and professional services emerged to become leading industries in the metro area. Heavy industry continues to be an important component of the local economy. Automotive manufacturing has become prominent in the greater metro area, as several auto assembly plants and related suppliers have established businesses in North and Central Alabama in the last two decades.

The University of Alabama Birmingham (UAB) is the primary driver of economic activity in the healthcare sector by being an internationally renowned research hospital, a first choice for education and healthcare. In 2020, the UAB Hospital, a 1,157-bed quaternary and tertiary care medical facility, was ranked eighth among the nation's top 50 hospitals by U.S. News and World Report's "Best Hospitals" special edition issue, and six of the specialties offered at UAB hospital were among the top 25. The Hospital is the flagship facility of the UAB Health System and is the primary teaching hospital for the University of Alabama School of Medicine. During this same time span, UAB recorded research awards totaling \$638 million, marking the most successful five-year period of research funding, an increase of \$190 million (42 percent) from 2015 to 2020. It was determined that one in four Birmingham residents are UAB employees (23,791 as of Fall 2019), students (23,517 as of Fall 2019), or patients (50,579 discharges in 2020). Other healthcare services that contribute to economic impact that are headquartered in Birmingham are St. Vincent's Health System, Children's Health System, and Brookwood Baptist Health.

Banking and finance also contribute significantly to the region's economic base. Birmingham is the Southeast's largest banking center outside Charlotte, North Carolina, and is headquarters to one of the nation's top fifty largest banks, Regions Financial Corporation. With banking subsidiaries operating as "Regions Bank" in 16 states in the Southern and Midwestern United States, Regions Bank operates 1,454 branches and 1,952 automated teller machines producing \$4 billion in revenue in 2021. The purchase of BBVA Compass, previously headquartered in Birmingham, and the U.S. subsidiary of Banco Bilbao Vizcaya Argentaria, S.A., Spain's second largest bank, was finalized by PNC Financial Services in 2021.

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

With the increases in economic development in the greater Jefferson County community, Alabama Power, being a subsidiary of Southern Company, is the principal taxpayer for Jefferson County reporting an assessed value of \$75,256,140 for 2021. Being the supplier of electric power in Jefferson County serving 1.3 million homes, businesses, and industries over the southern two-thirds of Alabama provides an economic foundation for the continued development of Jefferson County.

Contacting The Commission's Financial Management

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

JEFFERSON COUNTY, ALABAMA

**STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

ASSETS	Primary Government			Component Units			
	Governmental Activities	Business-type Activities	Total	Personnel Board	Emergency Management Agency	Jefferson County Economic and Industrial Development Authority	Total Component Units
Cash and cash equivalents	\$ 359,211,386	\$ 19,673,366	\$ 378,884,752	\$ 270,049	\$ 1,093,526	\$ 710,152	\$ 2,073,727
Investments	27,526,270	-	27,526,270	-	-	2,850,091	2,850,091
Receivables (net of allowance for uncollectibles)	24,171,558	29,725,769	53,897,327	6,742,672	81,697	120,008	6,944,377
Taxes receivable	188,071,162	6,890,386	194,961,548	-	-	-	-
Intergovernmental receivables	2,391,634	2,145,279	4,536,913	-	-	-	-
Interest receivable	215,547	-	215,547	-	-	-	-
Prepaid items	200,000	-	200,000	-	-	2,465	2,465
Internal balances	3,589,603	(3,589,603)	-	-	-	-	-
Other assets	-	-	-	-	-	4,433	4,433
Restricted assets:							
Restricted cash and cash equivalents	-	79,102,927	79,102,927	-	-	-	-
Investments	5,973,881	392,795,006	398,768,887	-	-	-	-
Prepaid bond insurance costs, net	-	29,333,926	29,333,926	-	-	-	-
Loan receivable from component unit	28,765,842	-	28,765,842	-	-	-	-
Loan receivables, net	14,531,948	-	14,531,948	-	-	-	-
Net pension asset	101,545,400	20,415,928	121,961,328	5,087,019	-	-	5,087,019
Land held for resale	-	-	-	-	-	21,851,760	21,851,760
Capital assets, nondepreciable	91,919,906	114,851,159	206,771,065	-	-	-	-
Capital assets, depreciable, net of accumulated depreciation	280,594,940	1,864,536,962	2,145,131,902	75,059	163,286	-	238,345
Total assets	1,128,709,077	2,555,881,105	3,684,590,182	12,174,799	1,338,509	25,538,909	39,052,217
DEFERRED OUTFLOWS OF RESOURCES							
Deferred charges on refunding	-	50,333	50,333	-	-	-	-
Pension related items	26,234,778	5,274,640	31,509,418	1,314,277	-	-	1,314,277
OPEB related items	14,161,447	2,823,134	16,984,581	186,481	4,860	-	191,341
Total deferred outflows of resources	40,396,225	8,148,107	48,544,332	1,500,758	4,860	-	1,505,618
LIABILITIES							
Accounts payable	22,535,112	9,557,560	32,092,672	6,512,323	56,897	120,622	6,689,842
Retainage payable	733,606	1,637,408	2,371,014	-	-	-	-
Accrued interest	3,046,187	35,281,296	38,327,483	-	-	11,665	11,665
Due to other governments	34,376,266	-	34,376,266	-	-	-	-
Accrued payroll	10,451,569	1,538,434	11,990,003	406,141	40,925	-	447,066
Unearned revenue	73,127,430	7,145,850	80,273,280	-	-	-	-
Noncurrent liabilities due within one fiscal year							
Compensated absences payable	13,008,645	1,807,801	14,816,446	1,047,028	35,118	-	1,082,146
Claims payable	1,409,087	438,674	1,847,761	-	4,544	-	4,544
Financed purchases payable	1,850,239	-	1,850,239	-	-	-	-
Warrants payable	30,360,000	8,745,000	39,105,000	-	-	-	-
Bonds payable	365,300	838,643	1,203,943	-	-	-	-
Noncurrent liabilities due in more than one fiscal year							
Compensated absences payable	7,973,041	2,168,670	10,141,711	185,275	42,923	-	228,198
Loans payable to primary government	-	-	-	-	-	28,765,842	28,765,842
Financed purchases payable	5,539,411	-	5,539,411	-	-	-	-
Claims payable	4,815,895	1,499,276	6,315,171	-	15,529	-	15,529
Litigation liability	5,827,897	3,862,000	9,689,897	-	-	-	-
Total OPEB liability	87,746,659	27,326,318	115,072,977	1,805,028	47,042	-	1,852,070
Landfill closure and postclosure	-	17,065,642	17,065,642	-	-	-	-
Warrants payable	385,486,092	2,152,639,494	2,538,125,586	-	-	-	-
Bonds payable	16,427,798	11,953,257	28,381,055	-	-	-	-
Total liabilities	705,080,234	2,283,505,323	2,988,585,557	9,955,795	242,978	28,898,129	39,096,902
DEFERRED INFLOWS OF RESOURCES							
Deferred revenues - property taxes	150,461,110	-	150,461,110	-	-	-	-
Deferred gain on refunding	6,953,501	-	6,953,501	-	-	-	-
Pension related items	7,176,200	1,442,877	8,619,077	359,520	-	-	359,520
OPEB related items	15,845,229	4,934,567	20,779,796	325,951	8,495	-	334,446
Total deferred inflows of resources	180,436,040	6,377,444	186,813,484	685,471	8,495	-	693,966
NET POSITION							
Net investment in capital assets	(58,408,003)	192,830,055	134,422,052	75,059	163,286	-	238,345
Restricted for:							
Grant programs	8,592,726	-	8,592,726	-	-	-	-
Tax assessor operations	7,747,375	-	7,747,375	-	-	-	-
Public works	84,314,552	-	84,314,552	-	-	-	-
Public safety	5,915,962	-	5,915,962	-	-	-	-
Law library operations	890,211	-	890,211	-	-	-	-
Equalization operations	7,499,253	-	7,499,253	-	-	-	-
Community development	2,925,666	-	2,925,666	-	-	-	-
Health and welfare	23,046,029	-	23,046,029	-	-	-	-
Debt service	7,320,184	-	7,320,184	-	-	-	-
Operating reserve	-	78,577,630	78,577,630	-	-	-	-
Landfill assurance	6,786,866	-	6,786,866	-	-	-	-
Unsecured claims	5,306,897	-	5,306,897	-	-	-	-
Unrestricted	181,651,310	2,738,760	184,390,070	2,959,232	928,610	(3,359,220)	528,622
Total net position	\$ 283,589,028	\$ 274,146,445	\$ 557,735,473	\$ 3,034,291	\$ 1,091,896	\$ (3,359,220)	\$ 766,967

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

JEFFERSON COUNTY, ALABAMA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

Functions/Programs	Program Revenues				
	Expenses	Indirect Expense Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:					
Governmental activities:					
General government	\$ 164,469,218	\$ (8,108,352)	\$ 48,782,171	\$ 5,562,943	\$ 4,659,839
Public safety	88,795,006	-	889,168	4,773,281	72,130
Law library operations	268,524	-	-	-	-
Highway and roads	40,502,520	-	3,742,367	554,061	-
Health and welfare	110,993,132	-	-	48,801,660	-
Community development	13,528,949	-	-	14,407,089	-
Interest on long-term debt	13,645,825	-	-	-	-
Total governmental activities	<u>432,203,174</u>	<u>(8,108,352)</u>	<u>53,413,706</u>	<u>74,099,034</u>	<u>4,731,969</u>
Business-type activities:					
Sanitary operations	372,367,446	8,079,105	236,325,359	-	6,825,996
Landfill operations	2,721,234	29,247	1,662,994	-	-
Hallmark Farms	672,261	-	-	-	-
Total business-type activities	<u>375,760,941</u>	<u>8,108,352</u>	<u>237,988,353</u>	<u>-</u>	<u>6,825,996</u>
Total primary government	<u>\$ 807,964,115</u>	<u>\$ -</u>	<u>\$ 291,402,059</u>	<u>\$ 74,099,034</u>	<u>\$ 11,557,965</u>
Component units:					
Personnel Board	\$ 9,025,504	\$ -	\$ 9,131,075	\$ -	\$ -
Emergency Management Board	1,509,205	-	993,646	119,900	-
Jefferson County Economic and Industrial Development Authority	1,855,848	-	20,628	-	-
Total component units	<u>\$ 12,390,557</u>	<u>\$ -</u>	<u>\$ 10,145,349</u>	<u>\$ 119,900</u>	<u>\$ -</u>
General revenues:					
Property taxes					
Sales and use taxes					
Other taxes					
Unrestricted investment earnings					
Miscellaneous					
Gain on sale of capital assets					
Gain on sale of land held for resale					
Transfers					
Total general revenues and transfers					
Change in net position					
Net position, beginning of fiscal year, as restated					
Net position, end of fiscal year					

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

Net (Expense) Revenue and Changes in Net Position						
Primary Government			Component Units			
Governmental Activities	Business-type Activities	Total	Personnel Board	Emergency Management Agency	Jefferson County Economic and Industrial Development Authority	Total Component Units
\$ (97,355,913)	\$ -	\$ (97,355,913)	\$ -	\$ -	\$ -	\$ -
(83,060,427)	-	(83,060,427)	-	-	-	-
(268,524)	-	(268,524)	-	-	-	-
(36,206,092)	-	(36,206,092)	-	-	-	-
(62,191,472)	-	(62,191,472)	-	-	-	-
878,140	-	878,140	-	-	-	-
(13,645,825)	-	(13,645,825)	-	-	-	-
<u>(291,850,113)</u>	<u>-</u>	<u>(291,850,113)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	(137,295,196)	(137,295,196)	-	-	-	-
-	(1,087,487)	(1,087,487)	-	-	-	-
-	(672,261)	(672,261)	-	-	-	-
-	(139,054,944)	(139,054,944)	-	-	-	-
<u>\$ (291,850,113)</u>	<u>\$ (139,054,944)</u>	<u>\$ (430,905,057)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ 105,571	\$ -	\$ -	\$ 105,571
-	-	-	-	(395,659)	-	(395,659)
-	-	-	-	-	(1,835,220)	(1,835,220)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 105,571</u>	<u>\$ (395,659)</u>	<u>\$ (1,835,220)</u>	<u>\$ (2,125,308)</u>
\$ 129,151,712	\$ 7,567,226	\$ 136,718,938	\$ -	\$ -	\$ -	\$ -
260,693,924	-	260,693,924	-	-	-	-
11,590,989	-	11,590,989	-	-	-	-
457,911	3,303,487	3,761,398	-	1,048	118,761	119,809
9,695,214	675,161	10,370,375	1,280	345,939	348	347,567
1,768,358	345,365	2,113,723	-	-	-	-
-	-	-	-	-	531,424	531,424
(1,203,909)	1,203,909	-	-	-	-	-
<u>412,154,199</u>	<u>13,095,148</u>	<u>425,249,347</u>	<u>1,280</u>	<u>346,987</u>	<u>650,533</u>	<u>998,800</u>
120,304,086	(125,959,796)	(5,655,710)	106,851	(48,672)	(1,184,687)	(1,126,508)
163,284,942	400,106,241	563,391,183	2,927,440	1,140,568	(2,174,533)	1,893,475
<u>\$ 283,589,028</u>	<u>\$ 274,146,445</u>	<u>\$ 557,735,473</u>	<u>\$ 3,034,291</u>	<u>\$ 1,091,896</u>	<u>\$ (3,359,220)</u>	<u>\$ 766,967</u>

JEFFERSON COUNTY, ALABAMA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

ASSETS	General	Special Sales	Indigent	CARES	American	Nonmajor	Total
		Tax Revenue	Care	Act	Rescue Plan	Governmental Funds	
Cash and cash equivalents	\$ 201,254,470	\$ 18,000,235	\$ 12,239,838	\$ -	\$ 63,913,704	\$ 63,803,139	\$ 359,211,386
Investments	27,526,270	-	-	-	-	-	27,526,270
Accounts receivable, net	9,359,558	-	856,060	-	-	13,955,940	24,171,558
Taxes receivable	84,334,043	20,217,566	10,416,227	-	-	73,103,326	188,071,162
Intergovernmental receivables	2,391,634	-	-	-	-	-	2,391,634
Interest receivable	215,547	-	-	-	-	-	215,547
Advances to other funds	-	-	-	-	-	3,589,603	3,589,603
Due from other funds	17,009,994	-	-	-	-	10,183,492	27,193,486
Prepaid items	200,000	-	-	-	-	-	200,000
Restricted assets:							
Investments	5,973,881	-	-	-	-	-	5,973,881
Loan receivable from component unit	28,765,842	-	-	-	-	-	28,765,842
Loan receivables, net	-	-	-	-	-	6,425,684	6,425,684
Total assets	\$ 377,031,239	\$ 38,217,801	\$ 23,512,125	\$ -	\$ 63,913,704	\$ 171,061,184	\$ 673,736,053
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ 10,990,520	\$ -	\$ 466,096	\$ -	\$ 101,920	\$ 10,976,576	\$ 22,535,112
Retainage payable	12,340	-	-	-	-	721,266	733,606
Due to other funds	-	20,217,801	-	-	-	6,975,685	27,193,486
Due to other governments	7,588,757	18,000,000	-	-	-	8,787,509	34,376,266
Accrued payroll and benefits	9,028,877	-	-	-	-	1,422,692	10,451,569
Unearned grant revenue - intergovernmental	-	-	-	-	63,807,094	9,320,336	73,127,430
Total liabilities	27,620,494	38,217,801	466,096	-	63,909,014	38,204,064	168,417,469
DEFERRED INFLOWS OF RESOURCES							
Deferred revenue - property taxes	67,659,473	-	-	-	-	82,801,637	150,461,110
Total deferred inflows of resources	67,659,473	-	-	-	-	82,801,637	150,461,110
FUND BALANCES							
Fund balances:							
Nonspendable:							
Prepaid items	200,000	-	-	-	-	-	200,000
Loan receivable from component unit	28,765,842	-	-	-	-	-	28,765,842
Restricted:							
Grant programs	-	-	-	-	4,690	8,588,036	8,592,726
Tax assessor operations	-	-	-	-	-	2,836,330	2,836,330
Public works	-	-	-	-	-	12,388,264	12,388,264
Public safety	-	-	-	-	-	5,915,962	5,915,962
Law library operations	-	-	-	-	-	890,211	890,211
Equalization operations	-	-	-	-	-	1,534,949	1,534,949
Community development	-	-	-	-	-	2,925,666	2,925,666
Health and welfare	-	-	23,046,029	-	-	-	23,046,029
Debt service	-	-	-	-	-	10,366,371	10,366,371
Landfill assurance	6,786,866	-	-	-	-	-	6,786,866
Unsecured claims	5,306,897	-	-	-	-	-	5,306,897
Committed:							
World Games 2022	500,000	-	-	-	-	-	500,000
Assigned:							
Capital projects	-	-	-	-	-	4,609,694	4,609,694
Budget reserve	15,004,362	-	-	-	-	-	15,004,362
Uncertainty reserve	15,075,529	-	-	-	-	-	15,075,529
Catastrophic reserve	15,054,888	-	-	-	-	-	15,054,888
Economic development	26,547,854	-	-	-	-	-	26,547,854
Unassigned	168,509,034	-	-	-	-	-	168,509,034
Total fund balances	281,751,272	-	23,046,029	-	4,690	50,055,483	354,857,474
Total liabilities, deferred inflows of resources and fund balances	\$ 377,031,239	\$ 38,217,801	\$ 23,512,125	\$ -	\$ 63,913,704	\$ 171,061,184	\$ 673,736,053

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

**JEFFERSON COUNTY, ALABAMA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF
NET POSITION
SEPTEMBER 30, 2021**

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

Fund balances - total governmental funds	\$	354,857,474
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Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.

Cost	\$	938,120,150	
Less accumulated depreciation		(565,605,304)	372,514,846

Certain loans receivable are not available to pay for current period expenditures, and therefore are not reported in the governmental funds.

8,106,264

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Warrants payable	\$	(380,830,000)	
Bonds payable		(16,793,098)	
Unamortized premiums and discounts		(35,016,092)	
Deferred gain on refunding		(6,953,501)	
Financed purchases payable		(7,389,650)	
Compensated absences payable		(20,981,686)	
Liability claims payable		(6,224,982)	
Accrued interest		(3,046,187)	
Litigation liability		(5,827,897)	(483,063,093)

The net pension asset, deferred inflows of resources, and deferred outflows of resources related to the County's defined benefit pension plan are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the governmental funds.

Net pension asset	\$	101,545,400	
Deferred inflows of resources - pension items		(7,176,200)	
Deferred outflows of resources - pension items		26,234,778	120,603,978

The total OPEB liability and related deferred outflows and deferred inflows of resources are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the governmental funds.

Total OPEB liability	\$	(87,746,659)	
Deferred inflows of resources - OPEB items		(15,845,229)	
Deferred outflows of resources - OPEB items		14,161,447	(89,430,441)

Net position - governmental activities

\$ 283,589,028

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

JEFFERSON COUNTY, ALABAMA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	General	Special Sales Tax Revenue	Indigent Care	CARES Act	American Rescue Plan	Nonmajor Governmental Funds	Total
Revenues:							
Taxes	\$ 126,326,824	\$ 122,809,219	\$ 63,532,953	\$ -	\$ -	\$ 88,767,629	\$ 401,436,625
Licenses and permits	11,842,710	-	-	-	-	782,047	12,624,757
Fines and forfeitures	-	-	-	-	-	1,229,025	1,229,025
Intergovernmental	4,567,816	-	-	37,855,832	152,949	28,220,793	70,797,390
Charges for services	37,828,629	-	-	-	-	2,960,320	40,788,949
Contributions and donations	-	-	-	-	-	3,146,388	3,146,388
Interest income	238,752	4,401	719	12,539	4,690	196,810	457,911
Miscellaneous	7,546,546	-	111,033	-	-	2,037,635	9,695,214
Total revenues	<u>188,351,277</u>	<u>122,813,620</u>	<u>63,644,705</u>	<u>37,868,371</u>	<u>157,639</u>	<u>127,340,647</u>	<u>540,176,259</u>
Expenditures:							
Current:							
General government	131,250,471	24,100,000	-	-	152,949	15,084,083	170,587,503
Public safety	81,052,320	-	-	-	-	4,448,557	85,500,877
Law library operations	-	-	-	-	-	268,524	268,524
Highway and roads	-	-	-	-	-	31,708,096	31,708,096
Health and welfare	690,836	-	61,091,721	37,498,886	-	10,783,023	110,064,466
Community development	-	-	-	-	-	13,528,949	13,528,949
Capital outlay	-	-	-	-	-	22,737,534	22,737,534
Indirect	(8,108,352)	-	-	-	-	-	(8,108,352)
Debt service:							
Principal	348,325	-	-	-	-	36,365,267	36,713,592
Interest	659,928	-	-	-	-	20,438,976	21,098,904
Total expenditures	<u>205,893,528</u>	<u>24,100,000</u>	<u>61,091,721</u>	<u>37,498,886</u>	<u>152,949</u>	<u>155,363,009</u>	<u>484,100,093</u>
Excess (deficiency) of revenues over (under) expenditures	(17,542,251)	98,713,620	2,552,984	369,485	4,690	(28,022,362)	56,076,166
Other financing sources (uses):							
Proceeds from sale of capital assets	1,402,725	-	-	-	-	1,274,712	2,677,437
Issuance of financed purchase	-	-	-	-	-	654,880	654,880
Transfers in	74,997,922	-	-	-	-	94,166,375	169,164,297
Transfers out	(16,626,517)	(98,713,990)	(2,000,000)	(393,888)	-	(52,633,811)	(170,368,206)
Total other financing sources (uses)	<u>59,774,130</u>	<u>(98,713,990)</u>	<u>(2,000,000)</u>	<u>(393,888)</u>	<u>-</u>	<u>43,462,156</u>	<u>2,128,408</u>
Net change in fund balances	42,231,879	(370)	552,984	(24,403)	4,690	15,439,794	58,204,574
Fund balances, beginning of fiscal year, as restated	<u>239,519,393</u>	<u>370</u>	<u>22,493,045</u>	<u>24,403</u>	<u>-</u>	<u>34,615,689</u>	<u>296,652,900</u>
Fund balances, end of fiscal year	<u>\$ 281,751,272</u>	<u>\$ -</u>	<u>\$ 23,046,029</u>	<u>\$ -</u>	<u>\$ 4,690</u>	<u>\$ 50,055,483</u>	<u>\$ 354,857,474</u>

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

**JEFFERSON COUNTY, ALABAMA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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

Net change in fund balances - total governmental funds	\$	58,204,574
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.

Capital outlay	\$	24,820,452	
Depreciation expense		<u>(25,681,778)</u>	(861,326)

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

Net book value of capital assets disposed	\$	(909,079)	
Donations of capital assets		<u>3,658,200</u>	2,749,121

Payments received on long-term receivables are reported as revenues in the governmental funds. However, the statement of activities does not report revenue from payments on long-term receivables. This is the net effect of payments and adjustments to the carrying value of long-term loans receivable.

(4,295,538)

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

Principal repayments on warrants payable	\$	34,560,000	
Principal repayments on bonds payable		351,804	
Issuance of financed purchases		(654,880)	
Principal repayments on financed purchases		<u>1,801,788</u>	36,058,712

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

Compensated absences	\$	(2,507,083)	
Change in OPEB expense		1,347,559	
Change in pension expense		10,114,978	
Change in litigation payable		12,565,992	
Change in claims payable		(525,982)	
Amortization		7,104,266	
Accrued interest		<u>348,813</u>	<u>28,448,543</u>

Change in net position - governmental activities	\$	<u>120,304,086</u>
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The accompanying notes are an integral part of these financial statements.

JEFFERSON COUNTY, ALABAMA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2021

ASSETS	Sanitary Operation	Nonmajor Proprietary	Total
Current assets:			
Cash and cash equivalents	\$ 15,396,135	\$ 4,277,231	\$ 19,673,366
Receivables, net	29,438,657	287,112	29,725,769
Taxes receivable	6,890,386	-	6,890,386
Intergovernmental receivables	2,145,279	-	2,145,279
Restricted assets:			
Cash	78,577,630	525,297	79,102,927
Investments	392,795,006	-	392,795,006
Total current assets	<u>525,243,093</u>	<u>5,089,640</u>	<u>530,332,733</u>
Noncurrent assets:			
Net pension asset	20,415,928	-	20,415,928
Prepaid bond insurance costs, net	29,333,926	-	29,333,926
Capital assets:			
Capital assets, not being depreciated	100,800,508	14,050,651	114,851,159
Capital assets, being depreciated	4,865,784,959	53,265,341	4,919,050,300
Less accumulated depreciation	(3,010,619,077)	(43,894,261)	(3,054,513,338)
Total capital assets, net of accumulated depreciation	<u>1,955,966,390</u>	<u>23,421,731</u>	<u>1,979,388,121</u>
Total noncurrent assets	<u>2,005,716,244</u>	<u>23,421,731</u>	<u>2,029,137,975</u>
Total assets	<u>2,530,959,337</u>	<u>28,511,371</u>	<u>2,559,470,708</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	5,274,640	-	5,274,640
OPEB related items	2,823,134	-	2,823,134
Deferred charges on refunding	-	50,333	50,333
Total deferred outflows of resources	<u>8,097,774</u>	<u>50,333</u>	<u>8,148,107</u>
LIABILITIES			
Current liabilities:			
Accounts payable	9,555,844	1,716	9,557,560
Accrued interest	35,183,225	98,071	35,281,296
Retainage payable	1,637,408	-	1,637,408
Accrued payroll	1,538,434	-	1,538,434
Unearned revenue	7,145,850	-	7,145,850
Claims payable	438,674	-	438,674
Compensated absences - current	1,807,801	-	1,807,801
Warrants payable - current	8,745,000	-	8,745,000
Bonds payable - current	-	838,643	838,643
Total current liabilities	<u>66,052,236</u>	<u>938,430</u>	<u>66,990,666</u>
Long-term liabilities:			
Litigation payable	3,862,000	-	3,862,000
Claims payable	1,499,276	-	1,499,276
Advances from other funds	-	3,589,603	3,589,603
Compensated absences	2,168,670	-	2,168,670
Landfill closure and postclosure	-	17,065,642	17,065,642
Warrants payable	2,152,639,494	-	2,152,639,494
Bonds payable	-	11,953,257	11,953,257
Total OPEB Liability	<u>27,326,318</u>	<u>-</u>	<u>27,326,318</u>
Total long-term liabilities	<u>2,187,495,758</u>	<u>32,608,502</u>	<u>2,220,104,260</u>
Total liabilities	<u>2,253,547,994</u>	<u>33,546,932</u>	<u>2,287,094,926</u>
DEFERRED INFLOWS OF RESOURCES			
Pension related items	1,442,877	-	1,442,877
OPEB related items	4,934,567	-	4,934,567
Total deferred outflows of resources	<u>6,377,444</u>	<u>-</u>	<u>6,377,444</u>
NET POSITION (DEFICIT)			
Net investment in capital assets	185,739,494	7,090,561	192,830,055
Restricted for operating reserve	78,577,630	-	78,577,630
Unrestricted (deficit)	14,814,549	(12,075,789)	2,738,760
Total net position (deficit)	<u>\$ 279,131,673</u>	<u>\$ (4,985,228)</u>	<u>\$ 274,146,445</u>

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

JEFFERSON COUNTY, ALABAMA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Sanitary Operation	Nonmajor Enterprise	Total
OPERATING REVENUES			
Charges for services:			
Sewer sales	\$ 222,673,693	\$ -	\$ 222,673,693
Other	13,651,666	1,662,994	15,314,660
Property taxes	<u>7,567,226</u>	<u>-</u>	<u>7,567,226</u>
Total operating revenues	<u>243,892,585</u>	<u>1,662,994</u>	<u>245,555,579</u>
OPERATING EXPENSES			
Salaries and benefits	34,337,177	-	34,337,177
Maintenance and operating expenses	11,310,748	1,110,663	12,421,411
Office expenses	1,206,281	-	1,206,281
Materials and supplies	6,320,841	-	6,320,841
Utilities	10,034,060	-	10,034,060
Other operating expenses	19,955,027	-	19,955,027
Depreciation and amortization expense	145,131,618	1,858,812	146,990,430
Indirect costs	8,079,105	29,247	8,108,352
Total operating expenses	<u>236,374,857</u>	<u>2,998,722</u>	<u>239,373,579</u>
Operating income (loss)	7,517,728	(1,335,728)	6,182,000
NONOPERATING REVENUE (EXPENSES)			
Investment earnings	3,300,677	2,810	3,303,487
Miscellaneous revenue	675,161	-	675,161
Gain on disposal of capital assets	345,365	-	345,365
Interest and amortization expense	<u>(144,071,694)</u>	<u>(424,020)</u>	<u>(144,495,714)</u>
Total nonoperating revenues (expenses)	<u>(139,750,491)</u>	<u>(421,210)</u>	<u>(140,171,701)</u>
LOSS BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(132,232,763)	(1,756,938)	(133,989,701)
Capital contributions	6,825,996	-	6,825,996
Transfers in	<u>393,888</u>	<u>810,021</u>	<u>1,203,909</u>
Total capital contributions and transfers	<u>7,219,884</u>	<u>810,021</u>	<u>8,029,905</u>
Change in net position	(125,012,879)	(946,917)	(125,959,796)
NET POSITION (DEFICIT), beginning of fiscal year, as restated	<u>404,144,552</u>	<u>(4,038,311)</u>	<u>400,106,241</u>
NET POSITION (DEFICIT), end of fiscal year	<u>\$ 279,131,673</u>	<u>\$ (4,985,228)</u>	<u>\$ 274,146,445</u>

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

JEFFERSON COUNTY, ALABAMA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Sanitary Operation	Nonmajor Enterprise	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 239,534,800	\$ 1,771,198	\$ 241,305,998
Payments to suppliers and service providers	(57,686,654)	(309,166)	(57,995,820)
Payments to employees	(34,457,218)	-	(34,457,218)
Net cash provided by operating activities	<u>147,390,928</u>	<u>1,462,032</u>	<u>148,852,960</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of investments	(49,300,511)	-	(49,300,511)
Interest received	3,300,677	2,810	3,303,487
Net cash provided by (used in) investing activities	<u>(45,999,834)</u>	<u>2,810</u>	<u>(45,997,024)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of capital assets	(37,358,440)	(508,244)	(37,866,684)
Proceeds from sale of capital assets	345,365	-	345,365
Principal payments on bonds	-	(208,100)	(208,100)
Repayment of interfund advance	-	(1,598,158)	(1,598,158)
Interest and fiscal charges paid	(70,314,558)	(421,617)	(70,736,175)
Net cash used in capital and related financing activities	<u>(107,327,633)</u>	<u>(2,736,119)</u>	<u>(110,063,752)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Other receipts	675,161	-	675,161
Transfers in	-	810,021	810,021
Net cash provided by (used in) noncapital financing activities	<u>675,161</u>	<u>810,021</u>	<u>1,485,182</u>
Net decrease in cash and cash equivalents	(5,261,378)	(461,256)	(5,722,634)
Cash and cash equivalents:			
Beginning of fiscal year	<u>99,235,143</u>	<u>5,263,784</u>	<u>104,498,927</u>
End of fiscal year	<u>\$ 93,973,765</u>	<u>\$ 4,802,528</u>	<u>\$ 98,776,293</u>
Classified as:			
Cash and cash equivalents	\$ 15,396,135	\$ 4,277,231	\$ 19,673,366
Restricted cash and cash equivalents	78,577,630	525,297	79,102,927
Total	<u>\$ 93,973,765</u>	<u>\$ 4,802,528</u>	<u>\$ 98,776,293</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ 7,517,728	\$ (1,335,728)	\$ 6,182,000
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and amortization	145,131,618	1,858,812	146,990,430
(Increase) decrease in accounts receivable	(4,317,408)	108,204	(4,209,204)
Decrease in taxes receivables	87,328	-	87,328
Increase in intergovernmental receivables	(127,705)	-	(127,705)
Decrease in net pension asset	2,226,770	-	2,226,770
Increase in deferred outflows from pension	(3,934,927)	-	(3,934,927)
Decrease in deferred outflows from OPEB	1,220,800	-	1,220,800
Decrease in accounts payable	(193,406)	(45,249)	(238,655)
Decrease in retainage payable	(579,698)	-	(579,698)
Decrease in accrued payroll	(124,360)	-	(124,360)
Decrease in health claims payable	(119,673)	-	(119,673)
Decrease in litigation liability	(71,015)	-	(71,015)
Increase in liability claims payable	63,527	-	63,527
Increase in compensated absences	112,324	-	112,324
Increase in total OPEB liability	518,724	-	518,724
Decrease in deferred inflows from pension	(1,594,579)	-	(1,594,579)
Increase in deferred inflows from OPEB	1,574,880	-	1,574,880
Increase in landfill postclosure care costs	-	875,993	875,993
Net cash provided by operating activities	<u>\$ 147,390,928</u>	<u>\$ 1,462,032</u>	<u>\$ 148,852,960</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital contributions	\$ 6,825,996	-	\$ 6,825,996
Total noncash capital and related financing activities	<u>\$ 6,825,996</u>	<u>\$ -</u>	<u>\$ 6,825,996</u>

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

JEFFERSON COUNTY, ALABAMA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021

ASSETS	Custodial Funds	Pension Trust Fund	Total
Cash and cash equivalents	\$ 141,767,161	\$ 11,653,559	\$ 153,420,720
Investments			
Equities	-	672,442,481	672,442,481
Corporate fixed income	-	199,222,494	199,222,494
U.S. government obligations	-	157,997,546	157,997,546
Mutual funds	-	74,684,487	74,684,487
Municipal bonds	-	8,893,423	8,893,423
Partnerships	-	324,083,402	324,083,402
Other investments	-	60,000	60,000
Other receivable	-	3,193,285	3,193,285
Total assets	141,767,161	1,452,230,677	1,593,997,838
LIABILITIES			
Accounts payable	-	1,028,253	1,028,253
Due to others	110,234,118	6,146,966	116,381,084
Total liabilities	110,234,118	7,175,219	117,409,337
NET POSITION			
Restricted:			
Pension benefits	-	1,445,055,458	1,445,055,458
Individuals, organizations, and other governments	31,533,043	-	31,533,043
Total net position	\$ 31,533,043	\$ 1,445,055,458	\$ 1,476,588,501

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

JEFFERSON COUNTY, ALABAMA
STATEMENT OF CHANGES IN
FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Custodial Funds	Pension Trust Fund	Total
ADDITIONS			
Employer contributions	\$ -	\$ 8,401,155	\$ 8,401,155
Member contributions	-	8,355,409	8,355,409
Total contributions	-	16,756,564	16,756,564
Investment income:			
Investment income	-	18,909,264	18,909,264
Net increase in fair value of investments	-	246,458,706	246,458,706
Less investment expense	-	(4,565,685)	(4,565,685)
Net investment income	-	260,802,285	260,802,285
Taxes	1,575,807,545	-	1,575,807,545
Fines and fees	51,852,153	-	51,852,153
Criminal and civil bonds	740,836	-	740,836
Other	-	608,625	608,625
Total additions	1,628,400,534	278,167,474	1,906,568,008
DEDUCTIONS			
Benefit payments	-	73,555,456	73,555,456
Taxes and fees paid to other governments	1,568,867,339	-	1,568,867,339
Fines and fees disbursed	52,340,902	-	52,340,902
Other custodial disbursements	184,243	2,153,454	2,337,697
Total deductions	1,621,392,484	75,708,910	1,697,101,394
Change in fiduciary net position	7,008,050	202,458,564	209,466,614
NET POSITION, beginning of fiscal year, as restated	24,524,993	1,242,596,894	1,267,121,887
NET POSITION, end of fiscal year	\$ 31,533,043	\$ 1,445,055,458	\$ 1,476,588,501

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

JEFFERSON COUNTY, ALABAMA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

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

Blended Component Unit

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Discretely Presented Component Units

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements

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

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

The County reports the following major governmental funds:

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

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

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

The **CARES Act Fund** accounts for the revenues and expenditures related to the Coronavirus Aid, Relief, and Economic Security Act grant provided to the County from the federal government.

The **American Rescue Plan Fund** accounts for grant funding received by the County under the American Rescue Plan Act of 2021.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The County reports the following major proprietary fund:

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

Additionally, the County reports the following fund types:

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

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

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

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

D. Deposits and Investments

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Receivables and Payables

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

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

F. Prepaid Items

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

G. Restricted Assets

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

H. Capital Assets

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets (Continued)

Capital assets of the primary government are capitalized at the following thresholds based on the asset type and depreciated or amortized using the straight line method over the following useful lives:

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

Capital assets are reviewed for impairment in accordance with the methodology prescribed in GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*. Asset impairment, as defined by this standard, is a significant, unexpected decline in the service utility of a capital asset and is not a function of the recoverability of the carrying amount of the asset. Service utility is the usable capacity of the asset that was expected to be used at the time of acquisition and is not related to the level of actual utilization, but the capacity for utilization. Indicators that the service utility of an asset has significantly declined include: (a) evidence of physical damage; (b) changes in legal or environmental circumstances; (c) technological development or evidence of obsolescence; (d) a change in the manner or expected duration of use of the asset; and (e) construction stoppage. The County has determined that no capital asset impairment exists at September 30, 2021.

I. Deferred Outflows/Inflows of Resources

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Deferred Outflows/Inflows of Resources (Continued)

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Compensated Absences

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

L. Claims Liabilities

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

M. Long-Term Obligations

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

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

N. Fund Equity

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Fund Equity (Continued)

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

Fund balances are classified as follows:

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

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

Committed – Fund balances are reported as committed when they include amounts that can be used only for the specific purposes determined by a formal action of the County Commissioners by passage of a resolution and the commitment can only be removed by a resolution of the Commission. The following fund balance is committed to a specific purpose: World Games 2022

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Fund Equity (Continued)

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

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

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

O. Management Estimates

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

P. Pension and OPEB

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 2. LEGAL COMPLIANCE – BUDGETS

Budgets and Budgetary Accounting

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

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

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

For the fiscal year ended September 30, 2021, the Indigent Care Fund reported expenditures in excess of the approved budget in the amount of \$2,987,290 related to its health and welfare expenditures. This expenditures in excess of appropriations will be funded through transfers from the General Fund in the subsequent fiscal year.

Deficit Fund Balance and Net Position

The Landfill Operations Fund has a deficit net position of \$5,149,027 at September 30, 2021. Management of the County is currently evaluating its operations for potential cost savings. At September 30, 2021 the Landfill Operations Fund has a liability of \$3,589,603 due to the Debt Service Fund. As this liability is paid down in future years, management expects to see reductions in the deficit net position for the Landfill Operations Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS

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

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

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

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

Interest rate risk. The County's investment policy generally does not allow for an investment in any one issuer that is in excess of five percent of total cash and investments. County investments include \$296,966,637 of GNMA pools, which represent pools of mortgages issued by GNMA, consisting of a multitude of underlying borrowers, generally with no concentrations. U.S. Treasury Securities also made up \$33,500,151 of total County investments. Both types of securities are backed by the full faith and credit of the U.S. Government. There were no other concentrations of investments noted at September 30, 2021.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

At September 30, 2021, information on the credit risk and interest rate risk related to the County's investments is disclosed as follows:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Rating (S&P)</u>	<u>Fair Value</u>
Certificates of deposit	.004	N/A	\$ 12,220,248
U.S. Treasury Bonds/Notes	.03	AAA	33,500,151
Municipal Bonds	.02	AAA	95,828,369
GNMA pools	.68	AAA	296,966,637
		Total	<u>\$ 438,515,405</u>

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

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

The County has the following recurring fair value measurements as of September 30, 2021:

<u>Investment</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Fair Value</u>
U.S. Treasury Bonds / Notes	\$ 33,500,151	\$ -	\$ 33,500,151
Municipal Bonds	-	95,828,369	95,828,369
GNMA pools	-	296,966,637	296,966,637
Total investments measured at fair value	<u>\$ 33,500,151</u>	<u>\$ 392,795,006</u>	<u>\$ 426,295,157</u>

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

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Pension Plan

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

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

At September 30, 2021, the Plan had \$1,437,383,833 invested in the following types of investments:

<u>Investment</u>	<u>Fair Value</u>
U.S. Treasury bonds/notes	\$ 157,997,546
Mutual funds and trusts	74,684,487
Corporate bonds	116,870,478
Common stocks	622,784,132
Foreign stocks	49,658,349
Foreign bonds	82,352,016
Municipal bonds	8,893,423
Partnerships	324,083,402
Other investments	60,000
Total	<u>\$ 1,437,383,833</u>

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Pension Plan (Continued)

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

Foreign Currency Risk. Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. The Plan’s investment policy limits the investment in international equity securities to 10% of total Plan assets, and investments in international fixed income securities is limited to 5% of total Plan assets. At September 30, 2021, the Plan has \$49,658,349 or approximately 3.4% of total Plan assets invested in foreign stocks. At September 30, 2021, the Plan has \$82,352,016 or approximately 5.7% of total Plan assets invested in foreign bonds.

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

Fair Value Measurements. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for the identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The County’s pension plan has the following recurring fair value measurements as of September 30, 2021:

Investment	Level 1	Level 2	Net Asset Value (NAV)	Fair Value
U.S. government securities	\$ 157,997,546	\$ -	\$ -	\$ 157,997,546
Mutual funds and trusts	-	-	74,684,487	74,684,487
Corporate Bonds	-	116,870,478	-	116,870,478
Common stocks	622,784,132	-	-	622,784,132
Foreign stocks	49,658,349	-	-	49,658,349
Foreign Bonds	-	82,352,016	-	82,352,016
Municipal Bonds	-	8,893,423	-	8,893,423
Partnerships	-	115,479,580	208,603,822	324,083,402
Other investments	-	60,000	-	60,000
Total investments measured at fair value	<u>\$ 830,440,027</u>	<u>\$ 323,655,497</u>	<u>\$ 283,288,309</u>	<u>\$ 1,437,383,833</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Pension Plan (Continued)

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

Rate of return. For the fiscal year ended September 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 25.3 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 4. RECEIVABLES

Long-Term Loan Receivable. In previous fiscal years, the County issued long-term loans with original balances of \$16,200,000 to the City of Fultondale, carrying interest at 3% and were due to mature on April 1, 2016. Subsequent to September 30, 2021 the County and the City of Fultondale settled the remaining outstanding balance based on consideration received (see Note 17). At September 30, 2021, the net realizable value of these receivables totaled \$8,106,264 and are reported on the County's government-wide statement of net position.

Loan Receivable from Component Unit. The County entered into funding agreements in which it has made loans to the Jefferson County Economic and Industrial Development Authority (the Authority) for certain debt obligations and land purchases. There is no scheduled amortization on the loans. The Authority makes payments on an as needed basis. As of September 30, 2021, the loan receivable due from the Authority was \$28,765,842.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. RECEIVABLES (CONTINUED)

Receivables at September 30, 2021, for the County's individual major funds and nonmajor funds in the aggregate are as follows:

	General Fund	Special Sales Tax Revenue Fund	Indigent Care Fund
Receivables:			
Taxes	\$ 84,334,043	\$ 20,217,566	\$ 10,416,227
Intergovernmental	2,391,634	-	-
Loans to Component Unit	28,765,842	-	-
Accounts	9,757,317	-	856,060
Interest	215,547	-	-
Gross receivables	125,464,383	20,217,566	11,272,287
Less allowance for uncollectibles	(397,759)	-	-
Net receivables	\$ 125,066,624	\$ 20,217,566	\$ 11,272,287
	Nonmajor Governmental Funds	Sanitary Operation Fund	Nonmajor Proprietary Funds
Receivables:			
Taxes	\$ 73,103,326	\$ 6,890,386	\$ -
Intergovernmental	-	2,145,279	-
Loans	18,220,989	-	-
Accounts	25,400,324	60,529,443	287,112
Gross receivables	116,724,639	69,565,108	287,112
Less allowance for uncollectibles	(23,239,689)	(31,090,786)	-
Net receivables	\$ 93,484,950	\$ 38,474,322	\$ 287,112

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

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS

A. Primary Government

Capital asset activity for the fiscal year ended September 30, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 18,301,671	\$ -	\$ -	\$ 3,930,776	\$ 22,232,447
Construction in progress	58,761,244	14,991,540	-	(4,065,325)	69,687,459
Total capital assets, not being depreciated	<u>77,062,915</u>	<u>14,991,540</u>	<u>-</u>	<u>(134,549)</u>	<u>91,919,906</u>
Capital assets, being depreciated:					
Buildings and improvements	463,395,850	-	-	-	463,395,850
Improvements other than building	235,391,300	3,658,200	(938,999)	110,000	238,220,501
Maintenance equipment	14,177,798	300,458	(817,100)	-	13,661,156
Motor vehicle fleet	43,283,000	3,221,980	(4,245,153)	-	42,259,827
Equipment under financed purchase	31,519,601	654,880	(1,181,416)	-	30,993,065
Miscellaneous equipment	23,530,000	5,520,225	(400,597)	24,549	28,674,177
Office furniture and fixtures	21,456,439	46,590	(47,852)	-	21,455,177
Software	7,455,712	84,779	-	-	7,540,491
Total capital assets, being depreciated	<u>840,209,700</u>	<u>13,487,112</u>	<u>(7,631,117)</u>	<u>134,549</u>	<u>846,200,244</u>
Less accumulated depreciation for:					
Buildings and improvements	(295,948,014)	(7,123,866)	-	-	(303,071,880)
Improvements other than building	(145,481,179)	(8,408,415)	911,742	-	(152,977,852)
Maintenance equipment	(10,698,208)	(507,774)	817,100	-	(10,388,882)
Motor vehicle fleet	(35,316,543)	(3,666,192)	4,199,776	-	(34,782,959)
Equipment under financed purchase	(19,152,657)	(2,108,805)	443,031	-	(20,818,431)
Miscellaneous equipment	(13,936,971)	(2,637,860)	304,160	-	(16,270,671)
Office furniture and fixtures	(20,317,026)	(340,476)	46,229	-	(20,611,273)
Software	(5,794,966)	(888,390)	-	-	(6,683,356)
Total accumulated depreciation	<u>(546,645,564)</u>	<u>(25,681,778)</u>	<u>6,722,038</u>	<u>-</u>	<u>(565,605,304)</u>
Total capital assets, being depreciated, net	<u>293,564,136</u>	<u>(12,194,666)</u>	<u>(909,079)</u>	<u>134,549</u>	<u>280,594,940</u>
Governmental activities capital assets, net	<u>\$ 370,627,051</u>	<u>\$ 2,796,874</u>	<u>\$ (909,079)</u>	<u>\$ -</u>	<u>\$ 372,514,846</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Business-type Activities:					
Capital assets, not being depreciated:					
Land	\$ 35,553,188	\$ -	\$ -	\$ -	\$ 35,553,188
Construction in progress	113,115,037	34,203,452	-	(68,020,518)	79,297,971
Total capital assets, not being depreciated	<u>148,668,225</u>	<u>34,203,452</u>	<u>-</u>	<u>(68,020,518)</u>	<u>114,851,159</u>
Capital assets, being depreciated:					
Buildings	1,025,683,754	-	-	-	1,025,683,754
Infrastructure and other improvements	3,773,550,000	6,746,846	-	68,020,518	3,848,317,364
Equipment	18,776,235	2,313,029	(222,888)	-	20,866,376
Motor vehicles	24,479,702	1,429,353	(1,726,249)	-	24,182,806
Total capital assets, being depreciated	<u>4,842,489,691</u>	<u>10,489,228</u>	<u>(1,949,137)</u>	<u>68,020,518</u>	<u>4,919,050,300</u>
Less accumulated depreciation for:					
Buildings	(505,930,715)	(22,823,770)	-	-	(528,754,485)
Infrastructure and other improvements	(2,374,047,000)	(120,164,853)	-	-	(2,494,211,853)
Equipment	(10,927,732)	(2,019,081)	222,888	-	(12,723,925)
Motor vehicles	(18,566,598)	(1,982,726)	1,726,249	-	(18,823,075)
Total accumulated depreciation	<u>(2,909,472,045)</u>	<u>(146,990,430)</u>	<u>1,949,137</u>	<u>-</u>	<u>(3,054,513,338)</u>
Total capital assets, being depreciated, net	<u>1,933,017,646</u>	<u>(136,501,202)</u>	<u>-</u>	<u>68,020,518</u>	<u>1,864,536,962</u>
Business-type activities capital assets, net	<u>\$ 2,081,685,871</u>	<u>\$ (102,297,750)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,979,388,121</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

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

Governmental activities:

General government	\$ 11,348,357
Public safety	3,304,557
Highways and roads	10,197,510
Health and welfare	831,354
Total depreciation expense - governmental activities	\$ 25,681,778

Business-type activities:

Sanitary operations	\$ 145,131,618
Landfill operations	1,798,233
Hallmark operations	60,579
Total depreciation expense - business-type activities	\$ 146,990,430

B. Component Units

Capital asset activity for the Emergency Management Agency for the fiscal year ended September 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Equipment	\$ 1,127,641	\$ -	\$ -	\$ 1,127,641
Motor vehicles	323,637	69,573	-	393,210
Total capital assets, being depreciated	1,451,278	69,573	-	1,520,851
Less accumulated depreciation for:				
Equipment	(1,104,060)	(4,879)	-	(1,108,939)
Motor vehicles	(184,538)	(64,088)	-	(248,626)
Total accumulated depreciation	(1,288,598)	(68,967)	-	(1,357,565)
Total capital assets, net	\$ 162,680	\$ 606	\$ -	\$ 163,286

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

B. Component Units (Continued)

Capital asset activity for the Personnel Board for the fiscal year ended September 30, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, being depreciated:				
Infrastructure and other improvements	\$ 379,881	\$ -	\$ -	\$ 379,881
Equipment	<u>1,605,518</u>	<u>-</u>	<u>(315,769)</u>	<u>1,289,749</u>
Total capital assets, being depreciated	<u>1,985,399</u>	<u>-</u>	<u>(315,769)</u>	<u>1,669,630</u>
Less accumulated depreciation for:				
Infrastructure and other improvements	(316,568)	(63,313)	-	(379,881)
Equipment	<u>(1,510,165)</u>	<u>(20,294)</u>	<u>315,769</u>	<u>(1,214,690)</u>
Total accumulated depreciation	<u>(1,826,733)</u>	<u>(83,607)</u>	<u>315,769</u>	<u>(1,594,571)</u>
Total capital assets, net	<u>\$ 158,666</u>	<u>\$ (83,607)</u>	<u>\$ -</u>	<u>\$ 75,059</u>

NOTE 6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of September 30, 2021, was as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Sales Tax Revenue Fund	\$ 10,034,309
Nonmajor Governmental Funds	Special Sales Tax Revenue Fund	10,183,492
General Fund	NonMajor Governmental Funds	<u>6,975,685</u>
		<u>\$ 27,193,486</u>

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

NOTES TO FINANCIAL STATEMENTS

NOTE 6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Advances to/from other funds:

Advance to	Advance from	Amount
Nonmajor Proprietary funds	Nonmajor Governmental funds	\$ 3,589,603

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

Interfund transfers for the fiscal year ended September 30, 2021 were as follows:

Transfers In	Transfers Out	Amount
General Fund	Special Sales Tax Revenue Fund	\$ 70,997,922
General Fund	Indigent Care Fund	2,000,000
General Fund	Nonmajor Governmental funds	2,000,000
		\$ 74,997,922
Nonmajor Governmental funds	General Fund	\$ 16,626,517
Nonmajor Governmental funds	Special Sales Tax Revenue Fund	26,906,047
Nonmajor Governmental funds	Nonmajor Governmental funds	50,633,811
		\$ 94,166,375
Sanitary Operations Fund	CARES Act Fund	\$ 393,888
Nonmajor Enterprise funds	Special Sales Tax Revenue Fund	\$ 810,021

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

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT

A. Primary Government

The following is a summary of long-term debt activity for the fiscal year ended September 30, 2021:

	Restated Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Warrants payable	\$ 415,390,000	\$ -	\$ (34,560,000)	\$ 380,830,000	\$ 30,360,000
Plus: Premiums	40,509,859	-	(5,493,767)	35,016,092	-
Total warrants payable	<u>455,899,859</u>	<u>-</u>	<u>(40,053,767)</u>	<u>415,846,092</u>	<u>30,360,000</u>
Bonds payable	17,144,902	-	(351,804)	16,793,098	365,300
Financed purchases	8,536,558	654,880	(1,801,788)	7,389,650	1,850,239
Total OPEB liability	93,156,000	7,388,976	(12,798,317)	87,746,659	-
Compensated absences	18,474,603	14,121,502	(11,614,419)	20,981,686	13,008,645
Litigation Liability	18,393,889	521,193	(13,087,185)	5,827,897	-
Claims payable	<u>5,699,000</u>	<u>1,608,615</u>	<u>(1,082,633)</u>	<u>6,224,982</u>	<u>1,409,087</u>
Governmental activities long-term liabilities	<u>\$ 617,304,811</u>	<u>\$ 24,295,166</u>	<u>\$ (80,789,913)</u>	<u>\$ 560,810,064</u>	<u>\$ 46,993,271</u>
Business-type Activities:					
Warrants payable	\$ 1,748,646,522	\$ -	\$ -	\$ 1,748,646,522	\$ 8,745,000
Accreted interest on warrants	370,295,228	71,414,372	-	441,709,600	-
Less: Discounts	<u>(30,045,441)</u>	<u>-</u>	<u>1,073,813</u>	<u>(28,971,628)</u>	<u>-</u>
Total warrants payable	2,088,896,309	71,414,372	1,073,813	2,161,384,494	8,745,000
Bonds payable - direct placement	13,000,000	-	(208,100)	12,791,900	838,643
Landfill postclosure and postclosure costs liability	16,190,000	875,642	-	17,065,642	-
Litigation liability	3,671,000	191,000	-	3,862,000	-
Total OPEB liability	26,808,000	2,300,871	(1,782,553)	27,326,318	-
Compensated absences	3,864,147	2,711,879	(2,599,555)	3,976,471	1,807,801
Claims payable	<u>2,324,000</u>	<u>190,933</u>	<u>(576,983)</u>	<u>1,937,950</u>	<u>438,674</u>
Business-type activities long-term liabilities	<u>\$ 2,154,753,456</u>	<u>\$ 77,684,697</u>	<u>\$ (4,093,378)</u>	<u>\$ 2,228,344,775</u>	<u>\$ 11,830,118</u>

For governmental activities, compensated absences, claims, and litigation liabilities are being liquidated primarily by the General Fund. The total OPEB liability and net pension liability are primarily liquidated by the General Fund and the Sanitary Operation Fund. For business-type activities, compensated absences, claims, and litigation amounts are liquidated by the Sanitary Operation Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

The Series 2017, 2018A and 2018B current refundings resulted in differences between the reacquisition prices and the net carrying amount of the old warrants, which is presented as a deferred inflow of resources on the statement of net position, net of accumulated amortization, of \$6,953,501. The deferred inflow is recognized as a component of interest expense in a systematic manner over the remaining life of the new debt.

The outstanding balances for the governmental activities warrants as of September 30, 2021 are as follows:

	Balance as of September 30, 2021
Series 2017 Limited Obligation Refunding Warrants, with interest paid semiannually at fixed rates ranging from 3.00% to 5.00% and annual principal payments through 2042.	\$ 297,440,000
Series 2018A General Obligation Refunding Warrants, with interest paid semiannually at fixed rates ranging from 4.00% to 5.00% and annual principal payments through 2026.	83,390,000
Total warrants payable - governmental activities	\$ 380,830,000

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

	Principal	Interest	Total
Fiscal Year Ending September 30,			
2022	\$ 30,360,000	\$ 18,350,638	\$ 48,710,638
2023	31,835,000	16,877,038	48,712,038
2024	33,425,000	15,285,288	48,710,288
2025	26,880,000	13,614,038	40,494,038
2026	28,220,000	12,270,038	40,490,038
2027-2031	85,825,000	46,181,251	132,006,251
2032-2036	109,285,000	22,723,250	132,008,250
2037-2041	32,840,000	2,544,000	35,384,000
2042	2,160,000	86,400	2,246,400
Total	\$ 380,830,000	\$ 147,931,941	\$ 528,761,941

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Bonds Payable – Governmental Activities. On July 17, 2018, the County entered into a funding agreement with the Birmingham-Jefferson Civic Center Authority (BJCC) pursuant to which the County is obligated to make 60 semi-annual contributions of \$500,000 on June 20 and December 20 of each fiscal year, beginning on December 20, 2018. The County's obligation to make such contributions under the funding agreement is a general obligation of the County for which the County's full faith and credit are pledged. The County's semi-annual contributions are pledged and assigned by the BJCC for payment of debt service on its Series 2018E revenue bonds. The proceeds of the bonds were used to finance improvements to the BJCC's civic center complex and to pay costs of issuance of the bonds. The remaining principal amount of the general obligation bonds at September 30, 2021 is \$16,793,098.

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

Fiscal Year Ending September 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 365,300	\$ 634,700	\$ 1,000,000
2023	379,313	620,687	1,000,000
2024	393,864	606,136	1,000,000
2025	408,973	591,027	1,000,000
2026	424,662	575,338	1,000,000
2027-2031	2,380,529	2,619,471	5,000,000
2032-2036	2,873,527	2,126,473	5,000,000
2037-2041	3,468,623	1,531,377	5,000,000
2042-2046	4,186,962	813,038	5,000,000
2047-2048	1,911,345	91,729	2,003,074
Total	<u>\$ 16,793,098</u>	<u>\$ 10,209,976</u>	<u>\$ 27,003,074</u>

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

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

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

The 2013 Subordinate Lien Sewer Warrants Series 2013D, Series 2013E and Series 2013F (the Series 2013 Subordinate Lien Warrants or Subordinate Lien Obligations) have a second priority lien with respect to the right of payment from the General Trust Estate, subordinate to the Series 2013 Senior Lien Warrants and any additional obligations thereafter with regard to the Series 2013 Senior Lien Warrants. The Series 2013 Subordinate Lien Warrants are additionally secured by funds and amounts held in the Series 2013 Subordinate Lien Reserve Fund and the Series 2013 Subordinate Lien Debt Service Fund.

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

Senior debt ratio: Pledged net revenues during the fiscal year cannot be less than 125% of debt service coverage due during the fiscal year.

All-in debt ratio: The County is also subject to another ratio, requiring pledged net revenues during the fiscal year to be at least 110% of debt service coverage due in the same fiscal year for all of its secured obligations.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

The outstanding balances for the business-type activities warrants as of September 30, 2021 are as follows:

Description:

Series 2013A Senior Lien Sewer Revenue Current Interest Warrants, with interest paid semiannually at rates ranging from 5.00% to 5.50% and annual principal payments beginning October 2044 through October 2053.	\$ 395,005,000
Series 2013B Senior Lien Sewer Capital Appreciation Warrants with interest accreting and compounding semiannually at fixed rates of 5.63% to 6.63%, with annual principal and accreted interest payments beginning October 2026 through October 2036.	54,999,964
Series 2013C Senior Lien Sewer Revenue Convertible Capital Appreciation Warrants, with interest accreting and compounding semiannually at fixed rates of 6.50% to 6.90% to October 2023, and thereafter interest paid semiannually with accreted principal and interest payments beginning October 2038 through 2050.	149,997,926
Series 2013D Subordinate Senior Lien Sewer Revenue Current Interest Warrants, with interest paid semiannually at fixed rates ranging from 5.00% to 7.00% and principal payments beginning October 2017 through October 2053.	774,075,000
Series 2013E Subordinate Senior Lien Revenue Capital Appreciation Warrants, with interest accreting and compounding semiannually at fixed rates of 7.50% to 8.00% until maturity, with accreted interest payments beginning October 2029 through October 2036.	50,271,496
Series 2013F Subordinate Senior Lien Sewer Revenue Convertible Capital Appreciation Warrants, with interest accreting and compounding semiannually at fixed rates of 7.50% to 7.90% to October 2023, and thereafter interest paid semiannually with accreted principal and interest payments beginning October 2037 through 2050.	324,297,136
Total warrants payable, business-type activities	\$ 1,748,646,522

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

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

Fiscal Year Ending	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30,			
2022	\$ 8,745,000	\$ 144,210,295	\$ 152,955,295
2023	10,980,000	149,328,160	160,308,160
2024	14,780,000	154,717,786	169,497,786
2025	-	156,715,110	156,715,110
2026	2,438,595	157,724,237	160,162,832
2027-2031	36,704,540	794,377,857	831,082,397
2032-2036	57,407,951	761,949,524	819,357,475
2037-2041	252,862,736	652,213,431	905,076,167
2042-2046	285,577,688	520,834,800	806,412,488
2047-2051	429,810,010	341,001,254	770,811,264
2052-2054	649,340,002	63,737,525	713,077,527
Total	<u>\$ 1,748,646,522</u>	<u>\$ 3,896,809,979</u>	<u>\$ 5,645,456,501</u>

Accreted Interest on Warrants. The Series 2013B, Series 2013C, Series 2013E and Series 2013F are capital appreciation warrants with accreted interest of \$441,709,600. Accretion expense is recorded as a component of interest expense and totaled \$71,414,372 for the fiscal year ended September 30, 2021.

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

Interest payments made under the Jefferson County Limited Funding agreement began in October 2019, and principal payments began in July 2021. The proceeds of the bond were used to make capital improvements to the District's property, located in Warrior, Alabama. The outstanding principal amount of the obligation as of September 30, 2021, was \$12,791,900.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

The County's debt service requirements for these direct placement bonds as of September 30, 2021 are as follows:

Fiscal Year Ending September 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 838,643	\$ 379,636	\$ 1,218,279
2023	863,802	353,843	1,217,645
2024	889,716	328,164	1,217,880
2025	916,408	299,913	1,216,321
2026	943,900	271,729	1,215,629
2027-2031	5,161,633	905,967	6,067,600
2032-2034	3,177,798	147,080	3,324,878
Total	<u>\$ 12,791,900</u>	<u>\$ 2,686,332</u>	<u>\$ 15,478,232</u>

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

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

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

As of September 30, 2021, the County had \$12,170,303 of equipment and vehicles, with associated accumulated depreciation of \$3,590,582 financed under the financed purchase agreement.

Future minimum payments are as follows:

Fiscal Year Ending September 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 1,850,239	\$ 296,535	\$ 2,146,774
2023	1,925,766	221,008	2,146,774
2024	1,771,920	142,366	1,914,286
2025	1,841,725	72,560	1,914,285
Total	<u>\$ 7,389,650</u>	<u>\$ 732,469</u>	<u>\$ 8,122,119</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

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

The County reported a liability for closure and postclosure care of its landfills of \$17,065,642. County MSW Cells 1 and 2 are approximately 94% and 73% capacity as of fiscal year end, respectively. The MSW Subcell is approximately 94% capacity, but estimates will require modification as additional subcells are constructed over time. The County also reports a remaining liability for the Mt. Olive Sanitary and the Turkey Creek Sanitary Landfills, both of which were closed in 1997.

B. Discretely Presented Component Units

The following is a summary of long-term debt activity for the County's discretely-presented component units for the fiscal year ended September 30, 2021:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Personnel Board:					
Compensated absences	\$ 1,005,053	\$ 699,184	\$ (471,934)	\$ 1,232,303	\$ 1,047,028
Personnel Board long-term liabilities	<u>\$ 1,005,053</u>	<u>\$ 699,184</u>	<u>\$ (471,934)</u>	<u>\$ 1,232,303</u>	<u>\$ 1,047,028</u>
Emergency Management Agency					
Compensated absences	\$ 83,915	\$ 37,030	\$ (42,904)	\$ 78,041	\$ 35,118
Claims payable	22,949	-	(2,876)	20,073	4,544
Emergency Management Agency long-term liabilities	<u>\$ 106,864</u>	<u>\$ 37,030</u>	<u>\$ (45,780)</u>	<u>\$ 98,114</u>	<u>\$ 39,662</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. DEFINED BENEFIT PENSION PLAN

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

The Pension Plan's financial statements are publicly available in the annual report of the General Retirement System for Employees of Jefferson County, Alabama for the fiscal year ended September 30, 2021. The report may be reviewed at the Jefferson County Courthouse, Room 430, Birmingham, Alabama.

Plan membership is mandatory for all classified full-time civil service employees upon commencement of employment. Employees whose employment is not subject to the civil service system or those who are officers may elect to join. As of October 1, 2020, the most recent actuarial valuation date, the plan membership included the following categories of participants:

Retirees and beneficiaries receiving benefits	2,467
Terminated vested participants	118
Terminated participants entitled to a refund of contributions	68
Active participants	2,556
	<u>5,209</u>

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

NOTES TO FINANCIAL STATEMENTS

NOTE 8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Benefits may be received under the following conditions:

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

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

Contributions. Employees of the County are required by statute to contribute 6% of their gross salary to the Plan. The County is required to contribute amounts equal to participant contributions. The Plan also receives from the County a percentage of the proceeds from the sale of pistol permits. Employee contributions to the Plan were approximately \$8,355,000 for the fiscal year ended September 30, 2021. County contributions to the Plan were \$8,685,695 for the fiscal year ended September 30, 2021. The County's contribution rate was 6.30% of covered payroll.

Net Pension Liability (Asset) of the County. The County's net pension liability (asset) was measured as of September 30, 2020, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of September 30, 2020. An expected total pension liability as of September 30, 2021 was determined using standard roll-forward techniques.

Actuarial Assumptions. The total pension liability in the September 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

The actuarial assumptions used in the September 30, 2020 valuation were based on the results of an actuarial experience study for the period October 1, 2013 through September 30, 2018. Cost of living adjustments were assumed to be 0.00%.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation), were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2021 are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return
Domestic large cap	35.0%	8.40%
Domestic small/mid cap blend	15.0%	8.40
International equity	10.0%	8.90
Fixed income	30.0%	7.80
Hedge fund of funds	5.0%	5.80
Real estate	5.0%	6.80
Total	100%	

Discount rate. The discount rate used to measure the total pension liability (asset) at September 30, 2020, was the long-term investment rate of return, 6.75%, which was a decrease from the previous valuation of 7.00%. The projection of cash flows used to determine the discount rate assumed that member contributions and employer contributions will be made at the current contribution rates. Projected future benefit payments for all current plan members were projected through the year in which the last benefit payment will be made. Based on those assumptions, the Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the pension investments was applied to all periods of projected benefit payments to determine the total pension liability, and a municipal bond rate was not used in determining the discount rate.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Changes in the Net Pension Liability (Asset) of the County. The changes in the components of the net pension liability (asset) (\$ in thousands) of the County for the fiscal year ended September 30, 2021 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at 9/30/2020	\$ 1,065,974	\$ 1,213,737	\$ (147,763)
Changes for the fiscal year:			
Service cost	25,372	-	25,372
Interest	72,053	-	72,053
Differences between expected and actual experience	(4,267)	-	(4,267)
Changes in assumptions	26,958	-	26,958
Contributions—employer	-	9,180	(9,180)
Contributions—employee	-	9,889	(9,889)
Net investment income	-	85,095	(85,095)
Benefit payments, including refunds of employee contributions	(73,297)	(73,297)	-
Benefit changes	2,756	-	2,756
Other expense	-	(281)	281
Administrative expense	-	(1,726)	1,726
Net changes	49,575	28,860	20,715
Balances at 9/30/2021	\$ 1,115,549	\$ 1,242,597	\$ (127,048)

As of September 30, 2021, the Plan's fiduciary net position as a percentage of the total pension liability is 111.4%.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Sensitivity of the net pension liability (asset) to changes in the discount rate. The following table presents the net pension liability (asset) of the County (\$ in thousands), calculated using the discount rate of 6.75%, as well as what the County's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

1% Decrease (5.75%)	Discount Rate (6.75%)	1% Increase (7.75%)
\$ (7,338)	\$ (127,048)	\$ (228,693)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2021 and the current sharing pattern of costs between employer and employee.

Pension Expense (Income) and Deferred Outflows of Resources Related to Pensions. For the fiscal year ended September 30, 2021, the County recognized (\$ in thousands) pension expense (income) of \$(5,524). At September 30, 2021, the County reported deferred outflows of resources related to pensions from the following sources (\$ in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 5,547
Changes in assumptions	21,774	3,432
Net difference between projected and actual earnings on pension plan investments	2,364	-
Employer contributions subsequent to the measurement date	8,686	-
Total	\$ 32,824	\$ 8,979

NOTES TO FINANCIAL STATEMENTS

NOTE 8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

County contributions of \$8,685,695 subsequent to the measurement date will be recognized as a reduction (increase) of the net pension liability (asset) in the subsequent fiscal year. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (\$ in thousands):

Fiscal Year ending September 30:			
2022		\$	(6,892)
2023			3,513
2024			13,720
2025			3,942
2026			876
	Total	<u>\$</u>	<u>15,159</u>

NOTE 9. OTHER POSTEMPLOYMENT BENEFITS

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

Benefits are generally available at the earliest of the following:

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

NOTES TO FINANCIAL STATEMENTS

NOTE 9. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Membership. Membership of the Plan consisted of the following at January 1, 2020, the date of the latest actuarial valuation:

Active participants	2,458
Inactives and beneficiaries currently receiving benefits	424
Total	2,882

Contributions. The County has elected to fund the Plan on a “pay as you go” basis. Plan members, once retired, contribute to the plan based on number of years of creditable service. Per a County resolution, the County is required to contribute the current year benefit costs of the Plan, which are not paid by the retiree. For the fiscal year ended September 30, 2021, the County contributed \$5,121,354 for the pay as you go benefits for the Plan.

The County’s total OPEB liability was measured as of September 30, 2020 and was determined by an actuarial valuation as of September 30, 2020.

Actuarial assumptions. The total OPEB liability in the September 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount Rate:	2.21%
Healthcare Cost Trend Rate:	7.00% - 4.75%, Ultimate Trend in 2029
Inflation Rate:	2.75%
Salary increase:	4.25% including inflation
Participation rate:	Not available

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

NOTES TO FINANCIAL STATEMENTS

NOTE 9. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Discount rate. The discount rate used to measure the total OPEB liability was 2.21%, which was a decrease from the prior rate of 2.66%. This rate is based on the return on the 20-Bond average General Obligation 20-year Municipal Bond Rate published at the end of the last week during the month of September by The Bond Buyer.

Changes in the Total OPEB Liability of the County. The changes in the total OPEB liability of the County for the year ended September 30, 2021, were as follows:

	Total OPEB Liability (a)
Balances at 9/30/20	\$ 121,814,422
Changes for the fiscal year:	
Service cost	6,084,712
Interest	3,180,743
Experience differences	(10,229,995)
Assumption changes	579,950
Benefit payments	(4,504,785)
Net changes	(4,889,375)
Balances at 9/30/21	\$ 116,925,047

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

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21%) or 1-percentage-point higher (3.21%) than the current discount rate:

	1% Decrease (1.21%)	Discount Rate (2.21%)	1% Increase (3.21%)
Total OPEB liability	\$ 127,615,784	\$ 116,925,047	\$ 107,241,467

NOTES TO FINANCIAL STATEMENTS

NOTE 9. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6% decreasing to 3.75%) or 1-percentage-point higher (8% decreasing to 5.75%) than the current healthcare cost trend rates:

	1% Decrease (6% decreasing to 3.75%)	Healthcare Rate (7% decreasing to 4.75%)	1% Increase (8% decreasing to 5.75%)
Total OPEB liability	\$ 104,579,783	\$ 116,925,047	\$ 131,474,619

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revisions as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2021 and the current sharing pattern of costs between employer and inactive employees.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the fiscal year ended September 30, 2021, the County recognized OPEB expense of \$7,160,934. At September 30, 2021, the County reported deferred outflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ 431,529	\$ 17,604,377
Changes in plan assumptions	11,623,039	3,509,865
Employer contributions subsequent to measurement date	5,121,354	-
Total	<u>\$ 17,175,922</u>	<u>\$ 21,114,242</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the fiscal year ending September 30, 2022. Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year ending September 30:		
2022		\$ (2,104,521)
2023		(2,104,521)
2024		(2,104,521)
2025		(1,162,662)
2026		540,674
Thereafter		<u>(2,124,123)</u>
	Total	<u><u>\$ (9,059,674)</u></u>

NOTE 10. RISK MANAGEMENT

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

Health Insurance

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

Fiscal Year	Beginning of Year Claims Liability	Current Year Claims and Changes in Estimates	Claims Paid	End of Year Claims Liability
2021	\$ 1,804,000	\$ 27,101,095	\$ (26,763,518)	\$ 2,141,577
2020	1,809,000	24,795,000	(24,800,000)	1,804,000

NOTES TO FINANCIAL STATEMENTS

NOTE 10. RISK MANAGEMENT (CONTINUED)

Workers' Compensation

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

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

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

Fiscal Year	Beginning of Year Claims Liability	Current Year Claims and Changes in Estimates	Claims Paid	End of Year Claims Liability
2021	\$ 6,781,000	\$ 1,051,752	\$ (331,182)	\$ 7,501,570
2020	5,645,000	1,787,000	(651,000)	6,781,000

General and Auto Liability

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

Fiscal Year	Beginning of Year Claims Liability	Current Year Claims and Changes in Estimates	Claims Paid	End of Year Claims Liability
2021	\$ 909,000	\$ (1,835)	\$ (245,803)	\$ 661,362
2020	771,000	486,000	(348,000)	909,000

NOTE 11. COMMITMENTS AND CONTINGENCIES

Construction Commitments

In addition to the liabilities enumerated in the balance sheet, at September 30, 2021, the County has construction commitments on uncompleted contracts of approximately \$56,684,117.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Litigation

The County is a defendant in certain legal actions in the nature of claims for alleged damages to persons and property and other similar types of actions arising in the course of County operations. The County consults with legal counsel regarding these lawsuits and claims and defend against them. As of September 30, 2021, the County has accrued estimated litigation payments in the accompanying statement of net position and has accrued a total liability of approximately \$521,000.

Under the terms of a Consent Decree pertaining to violations of the federal Clean Water Act, the County is responsible for reporting to the United States Environmental Protection Agency (EPA) certain violations relating to the County's sanitation operations. These violations carry financial penalties which are due upon demand by the EPA. As of September 30, 2021, accumulated penalties included in the litigation liability on the County's statement of net position for business-type activities total \$3,862,000.

Additionally, the County carries a liability related to lawsuits whereby the County was alleged to have improperly collected sales taxes on diesel fuel sold to certain companies in the railroad industry. As of September 30, 2021, resolution of this matter is pending in the Jefferson County Circuit Court pending the outcome of similar cases currently being heard in federal courts. It is the County's position that any unfavorable outcome in these cases would be limited to pro-rata payouts from the County's Unsecured Claims Fund, established as a result of the County's bankruptcy (Note 13). As such, the County has accrued the entirety of the Unsecured Claims Fund of \$5,306,897 as a liability on the statement of net position for governmental activities at September 30, 2021.

Grant Contingencies

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

NOTES TO FINANCIAL STATEMENTS

NOTE 12. TAX ABATEMENTS

The County enters into property tax abatement agreements with local businesses under the Tax Incentive Reform Act of 1992, Section 40-9B-1 et seq., of the Code of Alabama. Under the Act, municipalities may grant property tax abatements on up to \$3,000,000 of the assessed value of capital additions on a business' property tax bill for the purpose of attracting or retaining businesses within their jurisdictions. The abatements may be granted to any business located within or promising to relocate to the County. For the fiscal year ended September 30, 2021, Jefferson County abated property taxes totaling approximately \$6.1 million under this program.

The County also is subject to tax abatements granted by the Birmingham Industrial Development Board (BIDB), an entity created by the County and the City of Birmingham in 2016 under Chapter 94, Title 11 of the Code of Alabama. This authority has the stated purpose of developing any property on or near any navigable river for increasing business activity and employment in the County and the City. The BIDB issues abatements of ad valorem property taxes for economic development purposes to keep or attract businesses. For the fiscal year ended September 30, 2021, the BIDB abated property taxes totaling approximately \$238.8 million.

NOTE 13. BANKRUPTCY SETTLEMENT AND CONFIRMATION

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

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

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

https://www.jccal.org/Sites/Jefferson_County/Documents/Finance/Chapter%209%20Plan%20of%20Adjustment.pdf.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. BANKRUPTCY SETTLEMENT AND CONFIRMATION (CONTINUED)

As of September 30, 2021, the County has recorded a liability of \$5,306,897 related to unsecured claims, per order of the Bankruptcy Court (see Note 11).

Post-Effective Date Events

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

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

On August 16, 2018, the U.S. Eleventh Circuit Court of Appeals ordered the dismissal of an appeal from Jefferson County's Plan of Adjustment by ratepayers of the County's sewer system. There are no challenges outstanding to the Plan of Adjustment at September 30, 2021.

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

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

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

Progress on Resolution of Unsecured Claims

The County has, at the order of the Bankruptcy Court, placed \$5,306,897 into a restricted Unsecured Claims bank account. The largest of the unsettled, unsecured claims relate to ongoing litigation with various railroads involved in litigation around the state-wide collection of diesel fuel tax. Once all remaining unsecured creditors settle with the County, the entirety of this amount will be distributed on a pro-rata basis (see Note 11).

Current Impact on Sanitary Fund Operations

Under the Plan of Adjustment and confirmed in the August 16, 2018 Eleventh Circuit Court ruling, the Bankruptcy Court has the ability to set rate increases on behalf of the County. Under the Rate Structure approved in the Plan of Adjustment, for each fiscal year beginning October 1, 2018, sewer rates will increase by a minimum of 3.49% annually, across categories of charges. This rate requirement exists for as long as the Series 2013 Sewer Revenue Warrants are outstanding.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. CHANGE IN ACCOUNTING PRINCIPLE

In conjunction with the implementation of Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, the County is required to reevaluate the accounting treatment of fiduciary activities. The new standard requires the County to determine if funds are still considered fiduciary, and if so, if they are considered custodial funds under the new definitions of GASB Statement No. 84. Therefore, in conjunction with the implementation of GASB Statement No. 84, the restatements below were required to beginning net position of the Fiduciary Activities to properly report the custodial funds. Additionally, this implementation resulted in the creation of three (3) special revenue funds: Sheriff Condemnations Fund, Sheriff Special Programs Fund, and Law Library Fund. The impact of this implementation is summarized as follows:

	Custodial Funds
Beginning net position, as previously reported	\$ -
Change in accounting principle - GASB Statement No. 84	24,524,993
Beginning net position, as restated	\$ 24,524,993

	Nonmajor Governmental Funds
Beginning fund balance, as previously reported	\$ 22,616,139
Change in accounting principle - GASB Statement No. 84	5,549,721
Beginning fund balance, as adjusted ***	\$ 28,165,860

	Governmental Activities
Beginning net position, as previously reported	\$ 174,465,631
Change in accounting principle - GASB Statement No. 84	5,549,721
Beginning net position, as adjusted ***	\$ 180,015,352

*** Additional adjustments to fund balance and net position are described in Note 15.

NOTE 15. CHANGE IN REPORTING ENTITY

Management of the County has determined that the Emergency Management Agency and the Personnel Board, previously reported as agency funds, meet the criteria to be presented as discretely-presented component units. Additionally, management has determined that the Jefferson County Economic and Industrial Development Authority, previously reported as a nonmajor enterprise fund and blended component unit, meets the criteria to be presented as a discretely-presented component unit.

NOTES TO FINANCIAL STATEMENTS

NOTE 15. CHANGE IN REPORTING ENTITY (CONTINUED)

Management of the County has also determined that the Revolving Loan Fund, previously reported as an agency fund, meets the criteria to be presented within the Community Development Loan Fund, a nonmajor special revenue fund.

The effect of these changes is as follows:

	Nonmajor Governmental Funds
Beginning fund balances, as adjusted (see Note 14)	\$ 28,165,860
Effect of change in reporting entity - Revolving Loan Fund	414,092
Beginning net position, as adjusted ***	<u>\$ 28,579,952</u>
	Emergency Management Agency
Beginning net position, as previously reported	\$ -
Effect of change in reporting entity	1,140,568
Beginning net position, as restated	<u>\$ 1,140,568</u>
	Personnel Board
Beginning net position, as previously reported	\$ -
Effect of change in reporting entity	2,927,440
Beginning net position, as restated	<u>\$ 2,927,440</u>
	Business-Type Activities
Beginning net position, as previously reported	\$ 397,931,708
Effect of change in reporting entity	2,174,533
Beginning net position, as restated	<u>\$ 400,106,241</u>
	Governmental Activities
Beginning net position, as adjusted (see Note 14)	\$ 180,015,352
Effect of change in reporting entity - Revolving Loan Fund	414,092
Beginning net position, as adjusted ***	<u>\$ 180,429,444</u>

*** Additional adjustments to fund balance and net position are described in Note 16

NOTES TO FINANCIAL STATEMENTS

NOTE 16. RESTATEMENTS

Management of the County has determined that the following restatements to beginning fund balance of governmental funds were required in order to: (1) remove litigation liability accrual as litigation liabilities estimates should only be accrued for at the government-wide level; and (2) to record loans receivable on the balance sheet at the fund level in accordance with GASB 54.

	General Fund
Beginning fund balance, as previously reported	\$ 238,265,043
Effect of removing litigation accrual	1,254,350
Beginning fund balance, as restated	\$ 239,519,393
	Nonmajor Governmental Funds
Beginning fund balance, as adjusted (see Note 15)	\$ 28,579,952
Effect of removing litigation accrual	1,107,539
Effect of recording loans receivable	4,928,198
Beginning fund balance, as restated	\$ 34,615,689

Management of the County has also determined that a restatement to beginning net position of governmental activities is needed to correct an error in the prior fiscal year's financial statements pertaining to the County's agreement with the Birmingham-Jefferson Civic Center Authority (BJCC) related to the BJCC's Series 2018E Bonds. The portion for which the County is responsible of \$17,145,000 was improperly recorded as a deferred outflow of resources, while it should have been recorded as an expense as the transaction is a voluntary non-exchange transaction. The impact to beginning net position of governmental activities is as follows:

	Governmental Activities
Beginning net position, as adjusted (see Note 15)	\$ 180,429,444
Effect of restatement - correction of error	(17,144,502)
Beginning net position, as restated	\$ 163,284,942

NOTE 17. SUBSEQUENT EVENTS

In November of 2021, the County and the City of Fultondale entered into a settlement agreement regarding the outstanding loan balance, plus accrued interest, due to the County (see Note 4). Per the terms of this agreement, the City of Fultondale contributed \$4,253,864 and transferred two parcels of land valued at \$3,852,400. Accordingly, as of September 30, 2021, the County reduced the carrying amount of the loan and interest receivable to reflect the value of the consideration received, totaling \$8,106,264.

REQUIRED SUPPLEMENTARY INFORMATION

JEFFERSON COUNTY, ALABAMA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 50,829,147	\$ 50,829,147	\$ 51,633,246	\$ 804,099
Sales taxes	56,706,989	56,706,989	64,244,753	7,537,764
Other taxes	8,252,240	8,252,240	10,448,825	2,196,585
Licenses and permits	11,121,059	11,121,059	11,842,710	721,651
Intergovernmental	3,956,726	5,803,408	4,567,816	(1,235,592)
Charges for services	34,274,115	34,274,115	37,828,629	3,554,514
Interest income	448,552	448,552	238,752	(209,800)
Miscellaneous	6,035,699	6,152,386	7,546,546	1,394,160
Total revenues	<u>171,624,527</u>	<u>173,587,896</u>	<u>188,351,277</u>	<u>14,763,381</u>
Expenditures:				
Current:				
General government	158,736,731	169,528,560	131,250,471	38,278,089
Public safety	83,698,678	87,346,614	81,052,320	6,294,294
Health and welfare	1,055,178	1,055,251	690,836	364,415
Indirect expenditures	(6,400,000)	(6,400,000)	(8,108,352)	1,708,352
Debt service:				
Principal	375,804	388,760	348,325	40,435
Interest	652,006	659,928	659,928	-
Total expenditures	<u>238,118,397</u>	<u>252,579,113</u>	<u>205,893,528</u>	<u>46,685,585</u>
Deficiency of revenues under expenditures	(66,493,870)	(78,991,217)	(17,542,251)	61,448,966
Other financing sources (uses):				
Proceeds from sale of capital assets	-	-	1,402,725	1,402,725
Transfers in	-	69,814,570	74,997,922	5,183,352
Transfers out	-	(32,149,407)	(16,626,517)	15,522,890
Total other financing sources (uses)	<u>-</u>	<u>37,665,163</u>	<u>59,774,130</u>	<u>22,108,967</u>
Net change in fund balances	(66,493,870)	(41,326,054)	42,231,879	83,557,933
Fund balance, beginning of fiscal year, as restated	<u>239,519,393</u>	<u>239,519,393</u>	<u>239,519,393</u>	<u>-</u>
Fund balance, end of fiscal year	<u>\$ 173,025,523</u>	<u>\$ 198,193,339</u>	<u>\$ 281,751,272</u>	<u>\$ 83,557,933</u>

**JEFFERSON COUNTY, ALABAMA
SPECIAL SALES TAX REVENUE FUND
BUDGETARY COMPARISON SCHEDULE - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 111,598,318	\$ 122,898,318	\$ 122,809,219	\$ (89,099)
Interest income	-	-	4,401	4,401
Total revenues	<u>111,598,318</u>	<u>122,898,318</u>	<u>122,813,620</u>	<u>(84,698)</u>
Expenditures:				
Current:				
General government	24,100,000	24,100,000	24,100,000	-
Total expenditures	<u>24,100,000</u>	<u>24,100,000</u>	<u>24,100,000</u>	<u>-</u>
Excess of revenues over expenditures	87,498,318	98,798,318	98,713,620	(84,698)
Other financing uses:				
Transfers out	(87,498,318)	(98,798,318)	(98,713,990)	84,328
Total other financing uses	<u>(87,498,318)</u>	<u>(98,798,318)</u>	<u>(98,713,990)</u>	<u>84,328</u>
Net changes in fund balances	-	-	(370)	(370)
Fund balances, beginning of fiscal year	<u>370</u>	<u>370</u>	<u>370</u>	<u>-</u>
Fund balances, end of fiscal year	<u>\$ 370</u>	<u>\$ 370</u>	<u>\$ -</u>	<u>\$ (370)</u>

**JEFFERSON COUNTY, ALABAMA
INDIGENT CARE FUND
BUDGETARY COMPARISON SCHEDULE - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 56,903,139	\$ 56,903,139	\$ 63,532,953	\$ 6,629,814
Intergovernmental	-	-	-	-
Interest income	-	-	719	719
Miscellaneous	-	-	111,033	111,033
Total revenues	<u>56,903,139</u>	<u>56,903,139</u>	<u>63,644,705</u>	<u>6,629,814</u>
Expenditures:				
Current:				
Health and welfare	56,903,139	58,104,431	61,091,721	(2,987,290)
Total expenditures	<u>56,903,139</u>	<u>58,104,431</u>	<u>61,091,721</u>	<u>(2,987,290)</u>
Excess (deficiency) of revenues over (under) expenditures	-	(1,201,292)	2,552,984	3,642,524
Other financing uses:				
Transfers out	-	(2,000,000)	(2,000,000)	-
Total other financing uses	<u>-</u>	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>-</u>
Net changes in fund balances	-	(3,201,292)	552,984	3,754,276
Fund balances, beginning of fiscal year	<u>22,493,045</u>	<u>22,493,045</u>	<u>22,493,045</u>	<u>-</u>
Fund balances, end of fiscal year	<u>\$ 22,493,045</u>	<u>\$ 19,291,753</u>	<u>\$ 23,046,029</u>	<u>\$ 3,754,276</u>

JEFFERSON COUNTY, ALABAMA
CARES FUND
BUDGETARY COMPARISON SCHEDULE - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 37,855,832	\$ 37,855,832	\$ -
Interest income	-	12,539	12,539	-
Total revenues	<u>-</u>	<u>37,868,371</u>	<u>37,868,371</u>	<u>-</u>
Expenditures:				
Current:				
Health and Welfare	-	37,498,886	37,498,886	-
Total expenditures	<u>-</u>	<u>37,498,886</u>	<u>37,498,886</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	369,485	369,485	-
Other financing uses:				
Transfers out	-	(393,888)	(393,888)	-
Total other financing uses	<u>-</u>	<u>(393,888)</u>	<u>(393,888)</u>	<u>-</u>
Net changes in fund balances	-	(24,403)	(24,403)	-
Fund balances, beginning of fiscal year	<u>24,403</u>	<u>24,403</u>	<u>24,403</u>	<u>-</u>
Fund balances, end of fiscal year	<u>\$ 24,403</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**JEFFERSON COUNTY, ALABAMA
AMERICAN RESCUE PLAN FUND
BUDGETARY COMPARISON SCHEDULE - GAAP BASIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 152,949	\$ 152,949	\$ -
Interest income	-	4,690	4,690	-
Total revenues	-	157,639	157,639	-
Expenditures:				
Current:				
General government	-	157,639	152,949	4,690
Total expenditures	-	157,639	152,949	4,690
Net changes in fund balances	-	-	4,690	4,690
Fund balances, beginning of fiscal year	-	-	-	-
Fund balances, end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,690</u>	<u>\$ 4,690</u>

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability				
Service cost	\$ 6,084,712	\$ 4,303,584	\$ 5,018,436	\$ 5,477,022
Interest on total OPEB liability	3,180,743	4,182,343	3,985,495	3,352,505
Experience differences	(10,229,995)	596,549	(14,558,554)	(223,984)
Assumption changes	579,950	15,363,248	(1,066,617)	(6,682,973)
Benefit payments	(4,504,785)	(5,320,237)	(4,616,219)	(4,797,648)
Net change in total OPEB liability	(4,889,375)	19,125,487	(11,237,459)	(2,875,078)
Total OPEB liability - beginning	121,814,422	102,688,935	113,926,394	116,801,472
Total OPEB liability - ending	<u>\$ 116,925,047</u>	<u>\$ 121,814,422</u>	<u>\$ 102,688,935</u>	<u>\$ 113,926,394</u>
Covered payroll	\$ 145,971,113	\$ 147,968,770	\$ 147,968,770	\$ 126,644,600
Total OPEB liability as a percentage of covered payroll	80.1%	82.3%	69.4%	90.0%

Notes to the Schedule:

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

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

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

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

Notes to the Schedule:

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

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ 8,685,695	\$ 9,180,000	\$ 8,340,000	\$ 7,627,000	\$ 7,393,000
Contributions in relation to the actuarially determined contribution	<u>8,685,695</u>	<u>9,180,000</u>	<u>8,340,000</u>	<u>7,627,000</u>	<u>7,393,000</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 140,017,000	\$ 153,000,000	\$ 145,167,000	\$ 139,000,000	\$ 127,117,000
Contributions as a percentage of covered payroll	6.2%	6.0%	5.7%	5.5%	5.8%
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Actuarially determined contribution	\$ 6,732,000	\$ 6,587,000	\$ 6,851,000	\$ 7,744,000	\$ 8,923,000
Contributions in relation to the actuarially determined contribution	<u>6,732,000</u>	<u>6,587,000</u>	<u>6,851,000</u>	<u>7,744,000</u>	<u>8,923,000</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 123,217,000	\$ 112,200,000	\$ 109,783,000	\$ 114,183,000	\$ 129,067,000
Contributions as a percentage of covered payroll	5.5%	5.9%	6.2%	6.8%	6.9%

Notes to the Schedule:

(1) Actuarial Assumptions	
Valuation Date	September 30, 2021
Cost Method	Entry age normal
Actuarial Asset Valuation Method	5-year market related value
Assumed Rate of Return on Investments	6.75%, net of pension plan investment expense, including inflation
Projected Salary Increases	4.25%-6.75%, including inflation
Inflation	2.75%
Cost-of-living Adjustment	None
Amortization Method	Level percent open
Remaining Amortization Period	21 years

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

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

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

Notes to the Schedule:

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

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

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

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

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

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

NONMAJOR GOVERNMENTAL FUNDS

Capital Projects Funds

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

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

Debt Service Funds

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

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

JEFFERSON COUNTY, ALABAMA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

Special Revenue Funds									
ASSETS	Tax Assessor Birmingham	Tax Assessor Bessemer	Road	Board of Equalization	Bridge and Public Buildings	Emergency Rent Assistance	Community Development	Community Development Loan	Workforce Development
Cash and cash equivalents	\$ 2,509,541	\$ 597,964	\$ 21,590,457	\$ 1,761,126	\$ 3,213,649	\$ 12,793,693	\$ 294,511	\$ 948,283	\$ 2,398,464
Accounts receivable, net	3,466,986	-	4,864	5,964,304	-	533,180	1,779,907	-	2,090,001
Taxes receivable	-	1,444,059	22,517,039	-	49,142,228	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-
Loan receivables, net	-	-	-	-	-	-	1,007,665	1,071,398	-
Total assets	\$ 5,976,527	\$ 2,042,023	\$ 44,112,360	\$ 7,725,430	\$ 52,355,877	\$ 13,326,873	\$ 3,082,083	\$ 2,019,681	\$ 4,488,465
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
LIABILITIES									
Accounts payable	\$ 79,812	\$ 9,212	\$ 2,488,104	\$ 12,860	\$ -	\$ 3,994,481	\$ 1,105,857	\$ -	\$ 876,847
Retainage payable	-	-	-	-	-	-	169,657	-	-
Due to other funds	-	-	-	-	-	-	818,709	-	-
Due to other governments	-	-	8,787,509	-	-	-	-	-	-
Accrued payroll and benefits	111,784	70,367	878,072	213,317	-	-	81,875	-	67,277
Unearned revenue - intergovernmental	-	-	-	-	-	9,320,336	-	-	-
Total liabilities	191,596	79,579	12,153,685	226,177	-	13,314,817	2,176,098	-	944,124
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue - property taxes	3,466,986	1,444,059	20,919,975	5,964,304	51,006,313	-	-	-	-
Total deferred inflows of resources	3,466,986	1,444,059	20,919,975	5,964,304	51,006,313	-	-	-	-
FUND BALANCES									
Restricted:									
Grant programs	-	-	-	-	-	12,056	-	-	3,544,341
Tax assessor operations	2,317,945	518,385	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Law library operations	-	-	-	-	-	-	-	-	-
Public works	-	-	11,038,700	-	1,349,564	-	-	-	-
Equalization operations	-	-	-	1,534,949	-	-	-	-	-
Community development	-	-	-	-	-	-	905,985	2,019,681	-
Debt service	-	-	-	-	-	-	-	-	-
Assigned:									
Capital projects	-	-	-	-	-	-	-	-	-
Total fund balances	2,317,945	518,385	11,038,700	1,534,949	1,349,564	12,056	905,985	2,019,681	3,544,341
Total liabilities, deferred inflows of resources and fund balances	\$ 5,976,527	\$ 2,042,023	\$ 44,112,360	\$ 7,725,430	\$ 52,355,877	\$ 13,326,873	\$ 3,082,083	\$ 2,019,681	\$ 4,488,465

Special Revenue Funds				Capital Projects		Debt Service Funds		Total Nonmajor Governmental Funds
Sheriff Condemnations	Sheriff Special Programs	Law Library	Home Grant	Capital Improvements	Road Construction	Limited Obligation Refunding Debt	Debt Service	
\$ 1,332,970	\$ 4,845,905	\$ 890,211	\$ 569,994	\$ 4,164,865	\$ 3,141,254	\$ 1,377	\$ 2,748,875	\$ 63,803,139
-	-	-	116,698	-	-	-	-	13,955,940
-	-	-	-	-	-	-	-	73,103,326
-	-	-	-	-	-	10,183,492	-	10,183,492
-	-	-	-	-	-	-	3,589,603	3,589,603
-	-	-	4,346,621	-	-	-	-	6,425,684
<u>\$ 1,332,970</u>	<u>\$ 4,845,905</u>	<u>\$ 890,211</u>	<u>\$ 5,033,313</u>	<u>\$ 4,164,865</u>	<u>\$ 3,141,254</u>	<u>\$ 10,184,869</u>	<u>\$ 6,338,478</u>	<u>\$ 171,061,184</u>
\$ -	\$ 262,913	\$ -	\$ 1,674	\$ 794,811	\$ 1,350,005	\$ -	\$ -	\$ 10,976,576
-	-	-	-	133,129	418,480	-	-	721,266
-	-	-	-	-	-	-	6,156,976	6,975,685
-	-	-	-	-	-	-	-	8,787,509
-	-	-	-	-	-	-	-	1,422,692
-	-	-	-	-	-	-	-	9,320,336
-	262,913	-	1,674	927,940	1,768,485	-	6,156,976	38,204,064
-	-	-	-	-	-	-	-	82,801,637
-	-	-	-	-	-	-	-	82,801,637
-	-	-	5,031,639	-	-	-	-	8,588,036
1,332,970	4,582,992	-	-	-	-	-	-	2,836,330
-	-	890,211	-	-	-	-	-	5,915,962
-	-	-	-	-	-	-	-	890,211
-	-	-	-	-	-	-	-	12,388,264
-	-	-	-	-	-	-	-	1,534,949
-	-	-	-	-	-	-	-	2,925,666
-	-	-	-	-	-	10,184,869	181,502	10,366,371
-	-	-	-	3,236,925	1,372,769	-	-	4,609,694
<u>1,332,970</u>	<u>4,582,992</u>	<u>890,211</u>	<u>5,031,639</u>	<u>3,236,925</u>	<u>1,372,769</u>	<u>10,184,869</u>	<u>181,502</u>	<u>50,055,483</u>
<u>\$ 1,332,970</u>	<u>\$ 4,845,905</u>	<u>\$ 890,211</u>	<u>\$ 5,033,313</u>	<u>\$ 4,164,865</u>	<u>\$ 3,141,254</u>	<u>\$ 10,184,869</u>	<u>\$ 6,338,478</u>	<u>\$ 171,061,184</u>

**JEFFERSON COUNTY, ALABAMA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

Special Revenue Funds

	Tax Assessor Birmingham	Tax Assessor Bessemer	Road	Board of Equalization	Bridge and Public Buildings	Emergency Rent Assistance	Community Development	Community Development Loan	Workforce Development
Revenues:									
Taxes	\$ 3,726,670	\$ 1,605,480	\$ 23,202,100	\$ 6,397,602	\$ 53,835,777	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	554,061	-	-	10,792,879	7,595,478	-	6,579,414
Licenses and permits	-	-	782,047	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-
Charges for services	-	-	2,143,413	-	-	-	-	-	-
Contributions and donations	-	-	-	-	-	-	-	-	-
Interest income	-	-	17,615	-	69,956	2,200	1,086	13,321	4,459
Miscellaneous	-	-	1,162,990	25,600	-	-	155,901	231,851	-
Total revenues	3,726,670	1,605,480	27,862,226	6,423,202	53,905,733	10,795,079	7,752,465	245,172	6,583,873
Expenditures:									
Current:									
General government	2,636,858	1,529,187	-	5,926,844	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Law library operations	-	-	-	-	-	-	-	-	-
Highway and roads	-	-	31,111,811	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	10,783,023	-	-	-
Community development	-	-	-	-	-	-	6,685,623	-	6,611,129
Capital outlay	932,271	-	-	-	-	-	-	-	-
Debt service:									
Principal	3,480	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total expenditures	3,572,609	1,529,187	31,111,811	5,926,844	-	10,783,023	6,685,623	-	6,611,129
Excess (deficiency) of revenues over (under) expenditures	154,061	76,293	(3,249,585)	496,358	53,905,733	12,056	1,066,842	245,172	(27,256)
Other financing sources (uses):									
Proceeds from disposal of capital assets	-	-	8,000	-	-	-	-	-	-
Issuance of financed purchases	-	-	-	-	-	-	-	-	-
Transfers in	-	-	8,837,727	-	-	-	-	-	-
Transfers out	-	-	-	-	(52,633,811)	-	-	-	-
Total other financing sources (uses)	-	-	8,845,727	-	(52,633,811)	-	-	-	-
Net change in fund balances	154,061	76,293	5,596,142	496,358	1,271,922	12,056	1,066,842	245,172	(27,256)
Fund balances (deficits), beginning of fiscal year, as restated	2,163,884	442,092	5,442,558	1,038,591	77,642	-	(160,857)	1,774,509	3,571,597
Fund balances, end of fiscal year	\$ 2,317,945	\$ 518,385	\$ 11,038,700	\$ 1,534,949	\$ 1,349,564	\$ 12,056	\$ 905,985	\$ 2,019,681	\$ 3,544,341

Special Revenue Funds				Capital Projects		Debt Service Funds		Total Nonmajor Governmental Funds
Sheriff Condemnations	Sheriff Special Programs	Law Library	Home Grant	Capital Improvements	Road Construction	Limited Obligation Refunding Debt	Debt Service	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 88,767,629
-	-	-	232,197	-	-	-	2,466,764	28,220,793
-	-	-	-	-	-	-	-	782,047
561,939	291,293	375,793	-	-	-	-	-	1,229,025
-	-	-	-	-	816,907	-	-	2,960,320
-	3,146,388	-	-	-	-	-	-	3,146,388
642	1,073	129	45,728	-	38,621	1,980	-	196,810
-	357,642	-	-	-	103,651	-	-	2,037,635
<u>562,581</u>	<u>3,796,396</u>	<u>375,922</u>	<u>277,925</u>	<u>-</u>	<u>959,179</u>	<u>1,980</u>	<u>2,466,764</u>	<u>127,340,647</u>
-	-	-	-	4,991,194	-	-	-	15,084,083
166,972	3,042,951	-	-	1,238,634	-	-	-	4,448,557
-	-	268,524	-	-	-	-	-	268,524
-	-	-	-	-	596,285	-	-	31,708,096
-	-	-	-	-	-	-	-	10,783,023
-	-	-	232,197	-	-	-	-	13,528,949
-	-	-	-	4,468,341	17,336,922	-	-	22,737,534
-	-	-	-	1,577,996	223,791	11,640,000	22,920,000	36,365,267
-	-	-	-	349,833	8,697	14,766,638	5,313,808	20,438,976
<u>166,972</u>	<u>3,042,951</u>	<u>268,524</u>	<u>232,197</u>	<u>12,625,998</u>	<u>18,165,695</u>	<u>26,406,638</u>	<u>28,233,808</u>	<u>155,363,009</u>
395,609	753,445	107,398	45,728	(12,625,998)	(17,206,516)	(26,404,658)	(25,767,044)	(28,022,362)
-	-	-	-	-	1,266,712	-	-	1,274,712
-	-	-	-	-	654,880	-	-	654,880
-	-	-	-	15,856,084	16,626,517	26,906,047	25,940,000	94,166,375
-	-	-	-	-	-	-	-	(52,633,811)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,856,084</u>	<u>18,548,109</u>	<u>26,906,047</u>	<u>25,940,000</u>	<u>43,462,156</u>
395,609	753,445	107,398	45,728	3,230,086	1,341,593	501,389	172,956	15,439,794
<u>937,361</u>	<u>3,829,547</u>	<u>782,813</u>	<u>4,985,911</u>	<u>6,839</u>	<u>31,176</u>	<u>9,683,480</u>	<u>8,546</u>	<u>34,615,689</u>
<u>\$ 1,332,970</u>	<u>\$ 4,582,992</u>	<u>\$ 890,211</u>	<u>\$ 5,031,639</u>	<u>\$ 3,236,925</u>	<u>\$ 1,372,769</u>	<u>\$ 10,184,869</u>	<u>\$ 181,502</u>	<u>\$ 50,055,483</u>

**JEFFERSON COUNTY, ALABAMA
TAX ASSESSOR BIRMINGHAM FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 4,150,192	\$ 4,150,192	\$ 3,726,670	\$ (423,522)
Charges for services	10,000	10,000	-	(10,000)
Total revenues	<u>4,160,192</u>	<u>4,160,192</u>	<u>3,726,670</u>	<u>(433,522)</u>
Expenditures:				
Current:				
General government	3,202,566	3,243,016	2,636,858	606,158
Capital outlay	2,647,656	2,629,664	932,271	1,697,393
Debt service:				
Principal	-	3,480	3,480	-
Total expenditures	<u>5,850,222</u>	<u>5,876,160</u>	<u>3,572,609</u>	<u>2,303,551</u>
Net changes in fund balances	(1,690,030)	(1,715,968)	154,061	(2,737,073)
Fund balances, beginning of fiscal year	<u>2,163,884</u>	<u>2,163,884</u>	<u>2,163,884</u>	<u>-</u>
Fund balances, end of fiscal year	<u>\$ 473,854</u>	<u>\$ 447,916</u>	<u>\$ 2,317,945</u>	<u>\$ (2,737,073)</u>

**JEFFERSON COUNTY, ALABAMA
TAX ASSESSOR BESSEMER FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 1,668,769	\$ 1,668,769	\$ 1,605,480	\$ (63,289)
Total revenues	<u>1,668,769</u>	<u>1,668,769</u>	<u>1,605,480</u>	<u>(63,289)</u>
Expenditures:				
Current:				
General government	2,048,242	2,102,079	1,529,187	572,892
Total expenditures	<u>2,048,242</u>	<u>2,102,079</u>	<u>1,529,187</u>	<u>572,892</u>
Net changes in fund balances	(379,473)	(433,310)	76,293	(636,181)
Fund balances, beginning of fiscal year, as restated	<u>442,092</u>	<u>442,092</u>	<u>442,092</u>	<u>-</u>
Fund balances, end of fiscal year	<u>\$ 62,619</u>	<u>\$ 8,782</u>	<u>\$ 518,385</u>	<u>\$ (636,181)</u>

JEFFERSON COUNTY, ALABAMA
ROAD FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 20,713,660	\$ 23,457,768	\$ 23,202,100	\$ (255,668)
Intergovernmental	421,550	492,689	554,061	61,372
Licenses and permits	753,327	753,327	782,047	28,720
Charges for services	1,919,128	1,919,128	2,143,413	224,285
Interest income	131,000	131,000	17,615	(113,385)
Miscellaneous	-	819,157	1,162,990	343,833
Total revenues	<u>23,938,665</u>	<u>27,573,069</u>	<u>27,862,226</u>	<u>289,157</u>
Expenditures:				
Current:				
Highway and Roads	32,776,392	35,035,395	31,111,811	3,923,584
Total expenditures	<u>32,776,392</u>	<u>35,035,395</u>	<u>31,111,811</u>	<u>3,923,584</u>
Deficiency of revenues under expenditures	(8,837,727)	(7,462,326)	(3,249,585)	4,212,741
Other financing sources:				
Proceeds from disposal of capital assets	-	-	8,000	8,000
Transfers in	8,837,727	8,837,727	8,837,727	-
Total other financing sources	<u>8,837,727</u>	<u>8,837,727</u>	<u>8,845,727</u>	<u>8,000</u>
Net changes in fund balances	-	1,375,401	5,596,142	4,220,741
Fund balances, beginning of fiscal year, as restated	<u>5,442,558</u>	<u>5,442,558</u>	<u>5,442,558</u>	<u>-</u>
Fund balances (deficits), end of fiscal year	<u>\$ 5,442,558</u>	<u>\$ 6,817,959</u>	<u>\$ 11,038,700</u>	<u>\$ 4,220,741</u>

JEFFERSON COUNTY, ALABAMA
BOARD OF EQUALIZATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 6,162,291	\$ 6,529,291	\$ 6,397,602	\$ (131,689)
Charges for services	10,000	10,000	-	(10,000)
Miscellaneous	-	-	25,600	25,600
Total revenues	<u>6,172,291</u>	<u>6,539,291</u>	<u>6,423,202</u>	<u>(116,089)</u>
Expenditures:				
Current:				
General government	<u>7,210,882</u>	<u>7,577,560</u>	<u>5,926,844</u>	<u>1,650,716</u>
Total expenditures	<u>7,210,882</u>	<u>7,577,560</u>	<u>5,926,844</u>	<u>1,650,716</u>
Net changes in fund balances	(1,038,591)	(1,038,269)	496,358	(1,766,805)
Fund balances, beginning of fiscal year, as restated	<u>1,038,591</u>	<u>1,038,591</u>	<u>1,038,591</u>	<u>-</u>
Fund balances (deficits), end of fiscal year	<u>\$ -</u>	<u>\$ 322</u>	<u>\$ 1,534,949</u>	<u>\$ (1,766,805)</u>

**JEFFERSON COUNTY, ALABAMA
 BRIDGE AND PUBLIC BUILDINGS FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 52,633,811	\$ 52,633,811	\$ 53,835,777	\$ 1,201,966
Interest income	-	-	69,956	69,956
Total revenues	<u>52,633,811</u>	<u>52,633,811</u>	<u>53,905,733</u>	<u>1,271,922</u>
Other financing uses:				
Transfers out	(52,633,811)	(52,633,811)	(52,633,811)	-
Total other financing uses	<u>(52,633,811)</u>	<u>(52,633,811)</u>	<u>(52,633,811)</u>	<u>-</u>
Net changes in fund balances	-	-	1,271,922	1,271,922
Fund balances, beginning of fiscal year	<u>77,642</u>	<u>77,642</u>	<u>77,642</u>	<u>-</u>
Fund balances, end of fiscal year	<u>\$ 77,642</u>	<u>\$ 77,642</u>	<u>\$ 1,349,564</u>	<u>\$ 1,271,922</u>

**JEFFERSON COUNTY, ALABAMA
EMERGENCY RENT ASSISTANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 13,502,418	\$ 13,502,418	\$ 10,792,879	\$ (2,709,539)
Interest income	-	-	2,200	2,200
Total revenues	<u>13,502,418</u>	<u>13,502,418</u>	<u>10,795,079</u>	<u>(2,707,339)</u>
Expenditures:				
Current:				
Health and welfare	13,502,418	13,502,418	10,783,023	2,719,395
Total expenditures	<u>13,502,418</u>	<u>13,502,418</u>	<u>10,783,023</u>	<u>2,719,395</u>
Net changes in fund balances	-	-	12,056	12,056
Fund balances, beginning of fiscal year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,056</u>	<u>\$ 12,056</u>

**JEFFERSON COUNTY, ALABAMA
COMMUNITY DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,666,172	\$ 6,685,623	\$ 7,595,478	\$ 909,855
Interest income	-	-	1,086	1,086
Miscellaneous	161,000	161,000	155,901	(5,099)
Total revenues	<u>2,827,172</u>	<u>6,846,623</u>	<u>7,752,465</u>	<u>905,842</u>
Expenditures:				
Current:				
Community development	<u>2,666,172</u>	<u>6,685,623</u>	<u>6,685,623</u>	-
Total expenditures	<u>2,666,172</u>	<u>6,685,623</u>	<u>6,685,623</u>	-
Net changes in fund balances	161,000	161,000	1,066,842	905,842
Fund balances (deficits), beginning of fiscal year, as restated	<u>(160,857)</u>	<u>(160,857)</u>	<u>(160,857)</u>	-
Fund balances, end of fiscal year	<u>\$ 143</u>	<u>\$ 143</u>	<u>\$ 905,985</u>	<u>\$ 905,842</u>

**JEFFERSON COUNTY, ALABAMA
COMMUNITY DEVELOPMENT LOAN FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Interest income	\$ -	\$ -	\$ 13,321	\$ 13,321
Miscellaneous	-	-	231,851	231,851
Total revenues	-	-	245,172	245,172
Fund balances, beginning of fiscal year, as restated	1,774,509	1,774,509	1,774,509	-
Fund balances, end of fiscal year	<u>\$ 1,774,509</u>	<u>\$ 1,774,509</u>	<u>\$ 2,019,681</u>	<u>\$ 245,172</u>

**JEFFERSON COUNTY, ALABAMA
WORKFORCE DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 4,461,898	\$ 6,611,129	\$ 6,579,414	\$ (31,715)
Interest income	-	-	4,459	4,459
Total revenues	<u>4,461,898</u>	<u>6,611,129</u>	<u>6,583,873</u>	<u>(27,256)</u>
Expenditures:				
Current:				
Community development	4,461,898	6,611,129	6,611,129	-
Total expenditures	<u>4,461,898</u>	<u>6,611,129</u>	<u>6,611,129</u>	<u>-</u>
Net changes in fund balances	-	-	(27,256)	(27,256)
Fund balances, beginning of fiscal year, as restated	<u>3,571,597</u>	<u>3,571,597</u>	<u>3,571,597</u>	<u>-</u>
Fund balances, end of fiscal year	<u>\$ 3,571,597</u>	<u>\$ 3,571,597</u>	<u>\$ 3,544,341</u>	<u>\$ (27,256)</u>

**JEFFERSON COUNTY, ALABAMA
SHERIFF CONDEMNATIONS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ 561,939	\$ 561,939	\$ -
Interest income	-	642	642	-
Total revenues	-	562,581	562,581	-
Expenditures:				
Current:				
Public safety	-	166,972	166,972	-
Total expenditures	-	166,972	166,972	-
Net changes in fund balances	-	395,609	395,609	-
Fund balances, beginning of fiscal year, as restated	<u>937,361</u>	<u>937,361</u>	<u>937,361</u>	<u>-</u>
Fund balances, end of fiscal year	<u>\$ 937,361</u>	<u>\$ 1,332,970</u>	<u>\$ 1,332,970</u>	<u>\$ -</u>

**JEFFERSON COUNTY, ALABAMA
SHERIFF SPECIAL PROGRAMS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ 291,293	\$ 291,293	\$ -
Contributions and donations	-	3,146,388	3,146,388	-
Interest income	-	1,073	1,073	-
Miscellaneous	-	357,642	357,642	-
Total revenues	-	3,796,396	3,796,396	-
Expenditures:				
Current:				
Public safety	-	3,042,951	3,042,951	-
Total expenditures	-	3,042,951	3,042,951	-
Net changes in fund balances	-	753,445	753,445	-
Fund balances, beginning of fiscal year, as restated	3,829,547	3,829,547	3,829,547	-
Fund balances, end of fiscal year	<u>\$ 3,829,547</u>	<u>\$ 4,582,992</u>	<u>\$ 4,582,992</u>	<u>\$ -</u>

JEFFERSON COUNTY, ALABAMA
LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ 375,793	\$ 375,793	\$ -
Interest income	-	129	129	-
Total revenues	-	375,922	375,922	-
Expenditures:				
Current:				
Law library operations	-	268,524	268,524	-
Total expenditures	-	268,524	268,524	-
Net changes in fund balances	-	107,398	107,398	-
Fund balances, beginning of fiscal year, as restated	<u>782,813</u>	<u>782,813</u>	<u>782,813</u>	<u>-</u>
Fund balances, end of fiscal year	<u>\$ 782,813</u>	<u>\$ 890,211</u>	<u>\$ 890,211</u>	<u>\$ -</u>

**JEFFERSON COUNTY, ALABAMA
HOME GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,022,067	\$ 1,022,067	\$ 232,197	\$ (789,870)
Interest income	-	-	45,728	45,728
Total revenues	<u>1,022,067</u>	<u>1,022,067</u>	<u>277,925</u>	<u>(744,142)</u>
Expenditures:				
Current:				
Community development	1,022,067	1,022,067	232,197	789,870
Total expenditures	<u>1,022,067</u>	<u>1,022,067</u>	<u>232,197</u>	<u>789,870</u>
Net changes in fund balances	-	-	45,728	45,728
Fund balances, beginning of fiscal year, as restated	<u>4,985,911</u>	<u>4,985,911</u>	<u>4,985,911</u>	<u>-</u>
Fund balances, end of fiscal year	<u>\$ 4,985,911</u>	<u>\$ 4,985,911</u>	<u>\$ 5,031,639</u>	<u>\$ 45,728</u>

JEFFERSON COUNTY, ALABAMA
LIMITED OBLIGATION REFUNDING DEBT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Interest income	\$ -	\$ -	\$ 1,980	\$ 1,980
Total revenues	-	-	1,980	1,980
Expenditures:				
Debt service:				
Principal	11,640,000	11,640,000	11,640,000	-
Interest	14,766,638	14,766,638	14,766,638	-
Total expenditures	26,406,638	26,406,638	26,406,638	-
Deficiency of revenues under expenditures	(26,406,638)	(26,406,638)	(26,404,658)	1,980
Other financing sources:				
Transfers in	26,406,638	26,906,638	26,906,047	(591)
Total other financing sources	26,406,638	26,906,638	26,906,047	(591)
Net changes in fund balances	-	500,000	501,389	1,980
Fund balances, beginning of fiscal year	9,683,480	9,683,480	9,683,480	-
Fund balances, end of fiscal year	<u>\$ 9,683,480</u>	<u>\$ 10,183,480</u>	<u>\$ 10,184,869</u>	<u>\$ 1,389</u>

JEFFERSON COUNTY, ALABAMA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,300,000	\$ 2,300,000	\$ 2,466,764	\$ 166,764
Total revenues	<u>2,300,000</u>	<u>2,300,000</u>	<u>2,466,764</u>	<u>166,764</u>
Expenditures:				
Debt service:				
Principal	22,920,000	22,920,000	22,920,000	-
Interest	<u>5,320,000</u>	<u>5,320,000</u>	<u>5,313,808</u>	<u>6,192</u>
Total expenditures	<u>28,240,000</u>	<u>28,240,000</u>	<u>28,233,808</u>	<u>6,192</u>
Deficiency of revenues under expenditures	(25,940,000)	(25,940,000)	(25,767,044)	160,572
Other financing sources:				
Transfers in	<u>25,940,000</u>	<u>25,940,000</u>	<u>25,940,000</u>	<u>-</u>
Total other financing sources	<u>25,940,000</u>	<u>25,940,000</u>	<u>25,940,000</u>	<u>-</u>
Net changes in fund balances	-	-	172,956	172,956
Fund balances, beginning of fiscal year	<u>8,546</u>	<u>8,546</u>	<u>8,546</u>	<u>-</u>
Fund balances, end of fiscal year	<u>\$ 8,546</u>	<u>\$ 8,546</u>	<u>\$ 181,502</u>	<u>\$ 172,956</u>

NONMAJOR PROPRIETARY FUNDS

Enterprise Funds

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

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

JEFFERSON COUNTY, ALABAMA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
SEPTEMBER 30, 2021

ASSETS	Landfill Operations	Hallmark Farms Cooperative	Nonmajor Proprietary Total
Current assets:			
Cash and cash equivalents	\$ -	\$ 4,277,231	\$ 4,277,231
Receivables, net	287,112	-	287,112
Restricted assets:			
Cash	219,126	306,171	525,297
Total current assets	<u>506,238</u>	<u>4,583,402</u>	<u>5,089,640</u>
Capital assets:			
Capital assets, not being depreciated	7,907,361	6,143,290	14,050,651
Capital assets, being depreciated	50,842,198	2,423,143	53,265,341
Less accumulated depreciation	<u>(43,747,863)</u>	<u>(146,398)</u>	<u>(43,894,261)</u>
Total capital assets, net of accumulated depreciation	<u>15,001,696</u>	<u>8,420,035</u>	<u>23,421,731</u>
Total noncurrent assets	15,001,696	8,420,035	23,421,731
Total assets	<u>15,507,934</u>	<u>13,003,437</u>	<u>28,511,371</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charges on refunding	-	50,333	50,333
Total deferred outflows of resources	<u>-</u>	<u>50,333</u>	<u>50,333</u>
LIABILITIES			
Current liabilities:			
Accounts payable	1,716	-	1,716
Accrued interest	-	98,071	98,071
Bonds payable, current	-	838,643	838,643
Total current liabilities	<u>1,716</u>	<u>936,714</u>	<u>938,430</u>
Long-term liabilities:			
Landfill postclosure	17,065,642	-	17,065,642
Advances from other funds	3,589,603	-	3,589,603
Bonds payable	-	11,953,257	11,953,257
Total long-term liabilities	<u>20,655,245</u>	<u>11,953,257</u>	<u>32,608,502</u>
Total liabilities	<u>20,656,961</u>	<u>12,889,971</u>	<u>33,546,932</u>
NET POSITION (DEFICIT)			
Net investment in capital assets	11,412,093	(4,321,532)	7,090,561
Unrestricted (deficit)	<u>(16,561,120)</u>	<u>4,485,331</u>	<u>(12,075,789)</u>
Total net position (deficit)	<u>\$ (5,149,027)</u>	<u>\$ 163,799</u>	<u>\$ (4,985,228)</u>

JEFFERSON COUNTY, ALABAMA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
NONMAJOR PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	<u>Landfill Operations</u>	<u>Hallmark Farms Cooperative</u>	<u>Nonmajor Proprietary Total</u>
OPERATING REVENUES			
Charges for services:			
Other	\$ 1,662,994	\$ -	\$ 1,662,994
Total operating revenues	<u>1,662,994</u>	<u>-</u>	<u>1,662,994</u>
OPERATING EXPENSES			
Maintenance and operating expenses	896,802	213,861	1,110,663
Depreciation expense	1,798,233	60,579	1,858,812
Indirect expense	29,247	-	29,247
Total operating expenses	<u>2,724,282</u>	<u>274,440</u>	<u>2,998,722</u>
Operating loss	(1,061,288)	(274,440)	(1,335,728)
NONOPERATING REVENUE (EXPENSES)			
Investment earnings	1,176	1,634	2,810
Interest expense	(26,199)	(397,821)	(424,020)
Total nonoperating revenues (expenses)	<u>(25,023)</u>	<u>(396,187)</u>	<u>(421,210)</u>
LOSS BEFORE TRANSFERS	(1,086,311)	(670,627)	(1,756,938)
Transfers in	<u>-</u>	<u>810,021</u>	<u>810,021</u>
Change in net position	(1,086,311)	139,394	(946,917)
NET POSITION (DEFICIT), beginning of fiscal year	<u>(4,062,716)</u>	<u>24,405</u>	<u>(4,038,311)</u>
NET POSITION (DEFICIT), end of fiscal year	<u>\$ (5,149,027)</u>	<u>\$ 163,799</u>	<u>\$ (4,985,228)</u>

JEFFERSON COUNTY, ALABAMA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	<u>Landfill Operations</u>	<u>Hallmark Farms Cooperative</u>	<u>Nonmajor Proprietary Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 1,671,531	\$ 99,667	\$ 1,771,198
Payments to suppliers and service providers	(48,340)	(260,826)	(309,166)
Net cash provided by (used in) operating activities	<u>1,623,191</u>	<u>(161,159)</u>	<u>1,462,032</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	<u>1,176</u>	<u>1,634</u>	<u>2,810</u>
Net cash provided by investing activities	<u>1,176</u>	<u>1,634</u>	<u>2,810</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of capital assets	-	(508,244)	(508,244)
Principal payments on bonds	-	(208,100)	(208,100)
Interest and fiscal charges paid	(26,200)	(395,417)	(421,617)
Net cash used in capital and related financing activities	<u>(26,200)</u>	<u>(1,111,761)</u>	<u>(1,137,961)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Repayment of interfund advance	(1,598,158)	-	(1,598,158)
Transfers in	-	810,021	810,021
Net cash provided by (used in) noncapital financing activities	<u>(1,598,158)</u>	<u>810,021</u>	<u>(788,137)</u>
Net increase (decrease) in cash and cash equivalents	9	(461,265)	(461,256)
Cash and cash equivalents:			
Beginning of fiscal year	<u>219,117</u>	<u>5,044,667</u>	<u>5,263,784</u>
End of fiscal year	<u>\$ 219,126</u>	<u>\$ 4,583,402</u>	<u>\$ 4,802,528</u>
Classified as:			
Cash and cash equivalents	\$ -	\$ 4,277,231	\$ 4,277,231
Restricted cash and cash equivalents	219,126	306,171	525,297
Total	<u>\$ 219,126</u>	<u>\$ 4,583,402</u>	<u>\$ 4,802,528</u>
Reconciliation of operating loss to net cash provided by (used in) operating activities:			
Operating loss	\$ (1,061,288)	\$ (274,440)	\$ (1,335,728)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:			
Depreciation and amortization	1,798,233	60,579	1,858,812
Decrease in accounts receivable	8,537	99,667	108,204
Increase (decrease) in accounts payable	1,716	(46,965)	(45,249)
Increase in landfill postclosure care costs	875,993	-	875,993
Net cash provided by (used in) operating activities	<u>\$ 1,623,191</u>	<u>\$ (161,159)</u>	<u>\$ 1,462,032</u>

CUSTODIAL FUNDS

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

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

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

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

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

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

Family Court
Probate Court

JEFFERSON COUNTY, ALABAMA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2021

ASSETS	Tax Collector	Department of Revenue	Treasurer's Trust	Sheriff	Family Court	Probate Court	Total
Cash and cash equivalents	\$ 78,096,566	\$ 39,622,068	\$ 11,740,489	\$ 2,731,796	\$ 446,009	\$ 9,130,233	\$ 141,767,161
Total assets	<u>78,096,566</u>	<u>39,622,068</u>	<u>11,740,489</u>	<u>2,731,796</u>	<u>446,009</u>	<u>9,130,233</u>	<u>141,767,161</u>
LIABILITIES							
Due to others	<u>61,710,379</u>	<u>39,622,068</u>	<u>6,100,856</u>	<u>277,656</u>	<u>391,124</u>	<u>2,132,035</u>	<u>110,234,118</u>
Total liabilities	<u>61,710,379</u>	<u>39,622,068</u>	<u>6,100,856</u>	<u>277,656</u>	<u>391,124</u>	<u>2,132,035</u>	<u>110,234,118</u>
NET POSITION							
Restricted:							
Individuals, organizations, and other governments	<u>16,386,187</u>	<u>-</u>	<u>5,639,633</u>	<u>2,454,140</u>	<u>54,885</u>	<u>6,998,198</u>	<u>31,533,043</u>
Total net position	<u>\$ 16,386,187</u>	<u>\$ -</u>	<u>\$ 5,639,633</u>	<u>\$ 2,454,140</u>	<u>\$ 54,885</u>	<u>\$ 6,998,198</u>	<u>\$ 31,533,043</u>

**JEFFERSON COUNTY, ALABAMA
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	<u>Tax Collector</u>	<u>Department of Revenue</u>	<u>Treasurer's Trust</u>	<u>Sheriff</u>	<u>Family Court</u>	<u>Probate Court</u>	<u>Total</u>
ADDITIONS							
Taxes	\$ 721,112,459	\$ 854,695,086	\$ -	\$ -	\$ -	\$ -	\$ 1,575,807,545
Fines and fees	-	28,913,674	4,274,591	1,973,433	3,562,958	13,127,497	51,852,153
Criminal and civil bonds	-	-	740,836	-	-	-	740,836
Total additions	<u>721,112,459</u>	<u>883,608,760</u>	<u>5,015,427</u>	<u>1,973,433</u>	<u>3,562,958</u>	<u>13,127,497</u>	<u>1,628,400,534</u>
DEDUCTIONS							
Taxes distributed to other governments	714,172,253	854,695,086	-	-	-	-	1,568,867,339
Fines and fees disbursed	-	28,913,674	6,389,749	732,561	3,524,895	12,780,023	52,340,902
Other custodial disbursements	-	-	184,243	-	-	-	184,243
Total deductions	<u>714,172,253</u>	<u>883,608,760</u>	<u>6,573,992</u>	<u>732,561</u>	<u>3,524,895</u>	<u>12,780,023</u>	<u>1,621,392,484</u>
Net increase in fiduciary net position	6,940,206	-	(1,558,565)	1,240,872	38,063	347,474	7,008,050
Net position, beginning of fiscal year, as restated	<u>9,445,981</u>	<u>-</u>	<u>7,198,198</u>	<u>1,213,268</u>	<u>16,822</u>	<u>6,650,724</u>	<u>24,524,993</u>
Net position, end of fiscal year	<u>\$ 16,386,187</u>	<u>\$ -</u>	<u>\$ 5,639,633</u>	<u>\$ 2,454,140</u>	<u>\$ 54,885</u>	<u>\$ 6,998,198</u>	<u>\$ 31,533,043</u>

COMPONENT UNITS

JEFFERSON COUNTY, ALABAMA
STATEMENT OF CASH FLOWS
COMPONENT UNIT - PERSONNEL BOARD
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Personnel Board
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 12,411,719
Payments to suppliers and service providers	(5,034,553)
Payments to employees	(7,234,171)
	142,995
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	1,280
	1,280
Net increase in cash and cash equivalents	144,275
Cash and cash equivalents:	
Beginning of fiscal year	125,774
End of fiscal year	\$ 270,049
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 105,571
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	83,607
Decrease in accounts receivable	3,280,644
Decrease in net pension asset	588,494
Increase in deferred outflows from pension	(978,471)
Decrease in deferred outflows from OPEB	87,471
Decrease in accounts payable	(2,969,024)
Increase in accrued liabilities	46,153
Decrease in litigation liability	(14,192)
Increase in compensated absences	227,250
Decrease in total OPEB liability	(11,025)
Decrease in deferred intflows from pension	(401,835)
Increase in deferred intflows from OPEB	98,352
	98,352
Net cash provided by operating activities	\$ 142,995

JEFFERSON COUNTY, ALABAMA

**BALANCE SHEET
COMPONENT UNIT - EMERGENCY MANAGEMENT AGENCY
SEPTEMBER 30, 2021**

ASSETS	
Cash and cash equivalents	\$ 1,093,526
Receivables, net of allowance	81,697
Total assets	<u>1,175,223</u>
 LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts payable	\$ 56,897
Accrued liabilities	40,925
Total liabilities	<u>97,822</u>
 FUND BALANCE	
Unassigned	<u>1,077,401</u>
Total liabilities and fund balance	<u>\$ 1,175,223</u>

**JEFFERSON COUNTY, ALABAMA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
COMPONENT UNIT - EMERGENCY MANAGEMENT AGENCY
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

REVENUES

Intergovernmental	\$	119,900
Charges for services		993,646
Interest income		1,048
Miscellaneous		345,939
Total revenues		1,460,533

EXPENDITURES

Current:

Public safety		1,432,546
Capital outlay		69,573
Total expenditures		1,502,119

Net change in fund balances		(41,586)
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Fund balances, beginning of fiscal year, as restated		1,118,987
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Fund balances, end of fiscal year	\$	1,077,401
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JEFFERSON COUNTY, ALABAMA
COMBINING BALANCE SHEET
GENERAL FUND BY CATEGORY
SEPTEMBER 30, 2021

ASSETS	General Fund	Uncertainty Fund	Catastrophic Fund	Budget Stabilization Fund	Economic Development Fund	Total General Fund
Cash and cash equivalents	\$ 130,411,837	\$ 15,075,529	\$ 15,054,888	\$ 15,004,362	\$ 25,707,854	\$ 201,254,470
Investments	27,526,270	-	-	-	-	27,526,270
Accounts receivable, net	8,519,558	-	-	-	840,000	9,359,558
Taxes receivable	84,334,043	-	-	-	-	84,334,043
Intergovernmental receivables	2,391,634	-	-	-	-	2,391,634
Interest receivable	215,547	-	-	-	-	215,547
Due from other funds	17,009,994	-	-	-	-	17,009,994
Prepaid items	200,000	-	-	-	-	200,000
Restricted assets:						
Investments	5,973,881	-	-	-	-	5,973,881
Loan receivable from component unit	28,765,842	-	-	-	-	28,765,842
Total assets	\$ 305,348,606	\$ 15,075,529	\$ 15,054,888	\$ 15,004,362	\$ 26,547,854	\$ 377,031,239
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 10,990,520	\$ -	\$ -	\$ -	\$ -	\$ 10,990,520
Retainage payable	12,340	-	-	-	-	12,340
Due to other governments	7,588,757	-	-	-	-	7,588,757
Accrued payroll and benefits	9,028,877	-	-	-	-	9,028,877
Total liabilities	27,620,494	-	-	-	-	27,620,494
DEFERRED INFLOWS OF RESOURCES						
Unearned revenue - property taxes	67,659,473	-	-	-	-	67,659,473
Total deferred inflows of resources	67,659,473	-	-	-	-	67,659,473
FUND BALANCES						
Fund balances:						
Nonspendable:						
Prepaid items	200,000	-	-	-	-	200,000
Loan receivable from component unit	28,765,842	-	-	-	-	28,765,842
Restricted:						
Landfill assurance	6,786,866	-	-	-	-	6,786,866
Unsecured claims	5,306,897	-	-	-	-	5,306,897
Committed:						
World Games 2022	500,000	-	-	-	-	500,000
Assigned:						
Budget reserve	-	-	-	15,004,362	-	15,004,362
Uncertainty reserve	-	15,075,529	-	-	-	15,075,529
Catastrophic reserve	-	-	15,054,888	-	-	15,054,888
Economic development	-	-	-	-	26,547,854	26,547,854
Unassigned	168,509,034	-	-	-	-	168,509,034
Total fund balances	210,068,639	15,075,529	15,054,888	15,004,362	26,547,854	281,751,272
Total liabilities, deferred inflows of resources and fund balances	\$ 305,348,606	\$ 15,075,529	\$ 15,054,888	\$ 15,004,362	\$ 26,547,854	\$ 377,031,239

JEFFERSON COUNTY, ALABAMA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - GENERAL FUND BY CATEGORY
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	General Fund	Uncertainty Fund	Catastrophic Fund	Budget Stabilization Fund	Economic Development Fund	Total General Fund
Revenues:						
Taxes	\$ 126,326,824	\$ -	\$ -	\$ -	\$ -	\$ 126,326,824
Licenses and permits	11,842,710	-	-	-	-	11,842,710
Intergovernmental	4,567,816	-	-	-	-	4,567,816
Charges for services	37,828,629	-	-	-	-	37,828,629
Interest income	217,141	15,028	2,221	4,362	-	238,752
Miscellaneous	7,546,546	-	-	-	-	7,546,546
Total revenues	<u>188,329,666</u>	<u>15,028</u>	<u>2,221</u>	<u>4,362</u>	<u>-</u>	<u>188,351,277</u>
Expenditures:						
Current:						
General government	128,647,109	-	-	-	2,603,362	131,250,471
Public safety	81,052,320	-	-	-	-	81,052,320
Health and welfare	690,836	-	-	-	-	690,836
Indirect	(8,108,352)	-	-	-	-	(8,108,352)
Debt service:						
Principal	-	-	-	-	351,804	351,804
Interest	8,253	-	-	-	648,196	656,449
Total expenditures	<u>202,290,166</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,603,362</u>	<u>205,893,528</u>
Excess (deficiency) of revenues over (under) expenditures	(13,960,500)	15,028	2,221	4,362	(3,603,362)	(17,542,251)
Other financing sources (uses):						
Proceeds from sale of capital assets	1,402,725	-	-	-	-	1,402,725
Transfers in	56,807,943	3,000,000	3,000,000	3,000,000	9,189,979	74,997,922
Transfers out	(16,626,517)	-	-	-	-	(16,626,517)
Total other financing sources (uses)	<u>41,584,151</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>9,189,979</u>	<u>59,774,130</u>
Net change in fund balances	27,623,651	3,015,028	3,002,221	3,004,362	5,586,617	42,231,879
Fund balances, beginning of fiscal year, as restated	<u>182,444,988</u>	<u>12,060,501</u>	<u>12,052,667</u>	<u>12,000,000</u>	<u>20,961,237</u>	<u>239,519,393</u>
Fund balances, end of fiscal year	<u>\$ 210,068,639</u>	<u>\$ 15,075,529</u>	<u>\$ 15,054,888</u>	<u>\$ 15,004,362</u>	<u>\$ 26,547,854</u>	<u>\$ 281,751,272</u>

Statistical Section



STATISTICAL SECTION

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

Table

Financial Trends

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

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Debt Capacity

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

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

STATISTICAL SECTION

Table

Demographic and Economic Information

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

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Operating Information

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

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

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

JCCAL Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities:										
Net Investment in Capital Assets	\$ 275,379	\$ 263,507	\$261,597	\$ 266,377	\$ 276,510	\$ 279,420	\$ 326,326	\$ 355,613	\$ 362,091	\$ (58,408) ²
Restricted	234,899	224,766	229,802	229,372	305,345	171,381	181,451	203,557	173,161	160,346
Unrestricted	(948,404)	(848,103)	(746,541)	(575,062)	(585,981)	(458,165)	(529,886)	(486,754)	(371,967)	181,651
Total Governmental Activities Net Position	\$ (438,126)	\$ (359,830)	\$ (255,142)	\$ (79,313)	\$ (4,126)	\$ (7,364)	\$ (22,109)	\$ 72,416	\$ 163,285	\$ 283,589 ³
Business-Type Activities:										
Net Investment in Capital Assets	\$ 53,866	\$ (108,422)	\$1,017,057 ¹	\$999,736	\$ 535,762	\$ 419,372	\$ 307,447	\$ 181,147	\$ 398,998	\$ 192,830
Restricted	70,633	149,080	274,382	320,525	368,329	377,618	369,012	394,063	21,165	78,578
Unrestricted	(244,683)	(324,921)	(332,239)	(361,931)	(57,794)	(54,792)	(61,335)	(60,587)	(20,057)	2,739
Total Business-Type Activities Net Position	\$ (120,184)	\$ (284,263)	\$ 959,200	\$ 958,330	\$ 846,297	\$ 742,198	\$ 615,124	\$ 514,623	\$ 400,106	\$ 274,147 ³
Primary Government:										
Net Investment in Capital Assets	\$ 329,245	\$ 155,085	\$ 1,278,654	\$ 1,266,113	\$ 812,272	\$ 698,792	\$ 633,773	\$ 536,760	\$ 761,089	\$ 134,422
Restricted	305,532	373,846	504,184	549,897	673,674	548,999	550,463	597,620	194,326	238,924
Unrestricted	(1,193,087)	(1,173,024)	(1,078,780)	(936,993)	(643,775)	(512,957)	(591,221)	(547,341)	(392,024)	184,390
Total Primary Government Net Position	\$ (558,310)	\$ (644,093)	\$ 704,058	\$ 879,017	\$ 842,171	\$ 734,834	\$ 593,015	\$ 587,039	\$ 563,391	\$ 557,736 ³

Source: JCC Finance Department Data (FY Audited Financial Data issued by Mauldin & Jenkins)

¹ The increase in the Net Investment in Capital Assets was associated with the Sanitary Operations Fund reporting a \$1.3 billion increase over the prior year Net Position at September 30, 2013 of (\$334.0) million. Additional data associated with Jefferson County restructuring is reported in the FY2014 Audit Report dated March 24, 2015 by Warren Averett CPAs and Advisors.

² The calculation for the County's net investment in capital assets was revised in fiscal year 2021 to appropriately include offsets to the capital asset balances of approximately \$372.5 million, as follows: accrued interest (approximately \$3.0 million), financed purchases payable (approximately \$7.4 million), warrants payable (approximately \$415.8 million), gain on refunding (approximately \$7.0 million), and retainage payable (approximately \$0.7 million).

³ During fiscal year 2021, restatements to beginning net position of governmental and business-type activities were required to accurately state balances and activity as of and for the year ended September 30, 2021. These restatements were necessary to accurately present the effects of financing activities (approximately \$17.1 million decrease), to accurately report the activities of the Jefferson County Economic and Industrial Development Authority, which prior to fiscal year 2021 was reported as a blended component unit in the business-type activities (approximately \$2.2 million increase), and to accurately report approximately \$0.4 million in amounts previously reported in agency funds. Additionally, the implementation of GASB Statement No. 84, Fiduciary Activities, resulted in an increase to the net position of governmental activities of approximately \$5.5 million.

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

JCCAL Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities Expenses:										
General Government	\$ 120,733	\$ 115,348	\$ 97,131	\$ 104,626	\$ 107,052	\$ 130,242	\$ 120,880	\$ 120,773	\$ 129,700	\$ 156,361
Public Safety	61,813	55,856	65,700	58,467	70,733	76,685	85,227	85,462	62,470	88,795
Law Library	-	-	-	-	-	-	-	-	-	268
Highway and Roads	20,581	24,247	20,030	25,211	29,883	36,979	38,365	30,418	36,870	40,503
Health and Welfare	7	20	51,759	54,632	58,886	64,366	57,364	54,360	136,434	110,993
Education - Other	1	-	21,312	-	-	69,000	-	-	-	-
Community Development	-	-	-	-	6,871	5,514	4,805	5,811	9,675	13,529
Contributions to Other Entities	-	-	-	-	-	-	37,384	24,100	35,367	-
Interest and Fiscal Charges	48,662	48,203	42,062	38,021	33,405	30,347	18,919	15,463	14,603	13,646
Total Governmental Activities Expenses	251,797	243,674	297,994	280,957	306,830	413,133	362,944	336,387	425,119	424,095
Business-Type Activities Expenses:										
Cooper Green Hospital	92,638	73,249	-	-	-	-	-	-	-	-
Economic and Industrial Development Authority	894	907	871	934	868	1,006	1,196	970	1,471	- ⁵
Nursing Home Operations	7,303	4,875	-	-	-	-	-	-	-	-
Sanitary Operations	315,741	306,771	300,167	306,906	318,554	329,154	346,866	360,027	375,284	380,446 ⁵
Landfill Operations	2,184	5,545	3,063	2,870	3,293	3,430	1,761	4,384	1,983	2,750
Hallmark	-	-	-	-	-	-	-	-	-	673
Total Business-Type Activities Expenses	418,760	391,347	304,101	310,710	322,715	333,590	349,823	365,381	378,738	383,869
Total Primary Government Expenses	670,557	635,021	602,095	591,667	629,545	746,723	712,767	701,768	803,857	807,964
Governmental Activities Revenues:										
Charges for Services	32,646	28,933	31,792	31,124	29,142	32,596	33,467	30,702	33,603	53,414
Operating Grants and Contributions	15,978	16,019	25,656	27,749	20,070	19,867	21,151	16,586	96,682	74,099
Capital Grants and Contributions	-	-	-	-	-	6,458	-	7,667	11,183	4,732
Total Governmental Activities Program Revenue	48,624	44,952	57,448	58,873	49,212	58,921	54,618	54,955	141,468	132,245
Business-Type Activities Revenues:										
Charges for Services	191,518	165,019	174,232	186,930	193,372	210,709	223,789	229,929	227,376	237,988
Operating Grants and Contributions	868	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions:	-	-	-	-	-	7,180	10,027	12,366	10,300	6,826
Total Business-Type Activities Revenues	192,386	165,019	174,232	186,930	193,372	217,889	233,816	242,295	237,676	244,814
Total Primary Government Program Revenue	241,010	209,971	231,680	245,803	242,584	276,810	288,434	297,250	379,144	377,059
Total Net Primary Government	\$ (429,547)	\$ (425,050)	\$ (370,415)	\$ (345,864)	\$ (386,961)	\$ (469,913)	\$ (424,333)	\$ (404,518)	\$ (424,713)	\$ (430,905)

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

JCCAL Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Revenues and Transfers:										
Governmental Activities Revenue:										
Taxes:										
Property Taxes	\$ 101,923	\$ 97,041	\$ 103,833	\$ 101,769	\$ 105,814	\$ 109,506	\$ 111,931	\$ 114,503	\$ 123,649	\$ 129,152
Sales Taxes	173,792	171,364	180,291	186,349	191,022	204,634	219,428	218,092	226,346	260,694
Other Taxes	33,183	29,622	10,977	7,571	8,754	8,337	8,527	8,710	9,815	11,591
Licenses and Permits	7,610	11,201	12,207	11,222	13,878	11,815	12,824	13,243	12,959	-
Unrestricted Investment Earnings	1,391	673	402	869	1,030	1,000	1,447	2,765	1,550	458
Miscellaneous	15,436	6,167	6,705	18,457	14,693	18,628	15,498	14,444	10,891	9,695
Contributions of Infrastructure Assets	-	-	-	-	-	-	-	7,352	491	1,768
Transfers	(52,140)	(39,050)	15,335	-	-	-	-	-	-	(1,204)
Transfers to Agency Funds	-	-	-	(2,458)	(2,386)	(2,946)	(3,113)	(3,152)	-	-
Total Governmental Activities Revenue	281,195	277,018	329,750	323,779	332,805	350,974	366,542	375,957	385,701	412,154
Business-Type Activities Revenue:										
Taxes:										
Property Taxes	5,841	5,712	5,996	5,956	5,726	6,309	6,441	6,564	7,213	7,567
Unrestricted Investment Earnings	1,642	12	427	1,065	3,725	2,009	486	13,343	13,597	3,304
Miscellaneous	35,578	17,475	1,820	3,211	2,160	3,284	2,597	2,678	3,559	675
Contributions of Infrastructure Assets	-	-	-	4,632	5,699	-	-	-	-	345
Transfers	52,140	39,050	(15,335)	-	-	-	-	-	-	1,204
Total Business-Type Activities Revenues	95,201	62,249	(7,092)	14,864	17,310	11,602	9,524	22,585	24,369	13,095
Total General Revenues and Transfers:	376,396	339,267	322,658	338,643	350,115	362,576	376,066	398,542	410,070	425,249
Extraordinary Item: Gain on Bankruptcy										
Governmental Activities	-	-	22,188	-	-	-	-	-	-	-
Business-Type Activities	-	-	1,405,919	-	-	-	-	-	-	-
Extraordinary Item: Gain on Bankruptcy	-	-	1,428,107	-	-	-	-	-	-	-
Change (Decrease) in Net Position:										
Governmental Activities	78,022	78,296	111,392	101,695	75,187	(3,238)	58,216	94,525	102,050	120,304
Business Type Activities	(131,173)	(164,079)	1,268,958	(108,916)	(112,033)	(104,099)	(106,483)	(100,501)	(116,693)	(125,960)
Total Change in Position	(53,151)	(85,783)	1,380,350	(7,221)	(36,846)	(107,337)	(48,267)	(5,976)	(14,643)	(5,656)
Net Position Beginning of Year	(470,316)	(558,310)	(644,093)	704,058	879,017	842,171	734,834	593,015	587,039	572,396
Prior Period Adjustments to Net Position	(34,843) ¹	-	(32,199) ²	182,180 ³	-	-	(93,552) ⁴	-	-	(9,005) ⁵
Governmental Activities	(4,752)	-	(6,704)	74,134	-	-	(72,961)	-	-	(11,180)
Business Type Activities	(30,091)	-	(25,495)	108,046	-	-	(20,591)	-	-	2,175
Net Position- Beginning of Year Restated	\$ (505,159)	\$ (558,310)	\$ (676,292)	\$ 886,238	\$ 879,017	\$ 842,171	\$ 641,282	\$ 593,015	\$ 587,039	\$ 563,391

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

JCCAL Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net Position - End of Year	\$ (558,310)	\$ (644,093)	\$ 704,058	\$ 879,017	\$ 842,171	\$ 734,834	\$ 593,015	\$ 587,039	\$ 572,396	\$ 557,735

Source: JCC Finance Department Data (FY Audited Financial Data issued by Mauldin & Jenkins)

¹ FY 2012 Note C - Restatements (Pg. 33): The beginning Net Position reported has been restated to correct prior year errors. This includes the following reductions: -\$4,752 Deferred Grant Reimbursements and -\$30,091 Additional Accrued Interest.

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

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

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

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

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

JCCAL Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
GENERAL FUND										
Nonspendable	\$ 16,646	\$ 18,848	\$ 19,034	\$ 27,324	\$ 24,324	\$ 21,141	\$ 56,539	\$ 50,195	\$ 49,363	\$ 28,966
Restricted	2,192	6,768	6,778	6,796	11,831	11,849	11,824	12,183	13,894	12,094
Committed	6,324	4,415	-	-	-	-	-	-	-	500
Assigned	33,861	22,268	-	11,794	9,541	12,544	30,685	39,713	64,497	71,682
Unassigned	29,043	67,236	102,183	76,578	76,117	84,554	54,998	76,004	111,765	168,509
Total General Fund	88,066	119,535	127,995	122,492	121,813	130,088	154,046	178,095	239,519	281,751
ALL OTHER GOVERNMENTAL FUNDS										
Nonspendable	16,800	17,626	11,654	10,814	9,598	9,193	-	(18,289)	-	-
Restricted	206,873	200,601	187,561	199,552	201,072	55,888	52,921	68,817	34,755	68,496
Committed	15,472	1,159	-	-	-	-	-	-	-	-
Assigned	46,501	52,075	59,483	37,128	45,400	22,068	24,445	21,973	22,428	4,610
Unassigned	(33,861)	(22,268)	(6,525)	3,830	(16,505)	(10,565)	(5,294)	(16,112)	(49)	-
Total All Other Governmental Funds	251,785	249,193	252,173	251,324	239,565	76,584	72,072	56,389	57,134	73,106
Total Governmental Fund Balance	\$ 339,851	\$ 368,728	\$ 380,168	\$ 373,816	\$ 361,378	\$ 206,672	\$ 226,118	\$ 234,484	\$ 296,653	\$ 354,857

Source: JCC Finance Department Data (FY Audited by Mauldin & Jenkins)

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

JCCAL Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
REVENUES:										
Taxes	\$ 279,530	\$ 278,391	\$ 294,385	\$295,696	\$ 306,970	\$322,475	\$ 339,760	\$341,295	\$359,808	\$401,437
Licenses and Permits	7,610	11,201	12,207	11,222	13,878	11,815	12,824	13,243	12,959	12,625
	-	-	-	-	-	-	-	-	-	1,229
Intergovernmental	45,346	35,657	25,656	27,742	20,070	23,542	21,151	24,253	107,865	70,797
Charges for Services, Net	32,646	28,933	31,792	31,333	29,142	32,596	33,467	30,702	33,603	40,789
Contributions and Donations	-	-	-	-	-	-	-	-	-	3,146
Interest and Investment Income	1,391	673	402	869	1,030	1,000	1,447	2,765	1,550	458
Miscellaneous	5,428	5,972	8,109	18,212	13,286	16,463	15,225	10,881	10,891	9,695
TOTAL REVENUES	371,951	360,827	372,551	385,074	384,376	407,891	423,874	423,139	526,676	540,176
EXPENDITURES:										
Current:										
General Government	110,346	111,038	93,214	101,362	101,790	111,196	116,593	127,823	131,533	170,587
Public Safety	61,614	55,395	65,239	60,566	68,771	74,303	81,852	81,312	58,538	85,500
Law Library Operations	-	-	-	-	-	-	-	-	-	269
Highways and Roads	14,792	18,790	14,869	21,137	23,502	30,249	30,954	25,392	28,374	31,709
Health and Welfare	7	20	48,385	52,412	53,423	60,406	53,776	53,644	132,874	110,064
Education - other	1	-	21,312	-	-	69,000	-	-	-	-
Community Development	-	-	-	-	6,865	5,505	4,796	5,802	9,666	13,529
Capital Outlay	6,520	5,877	13,829	20,358	22,209	22,068	23,768	44,270	29,056	22,737
Indirect Expenses	(6,936)	(7,478)	(4,271)	(4,106)	(3,503)	(4,004)	(5,314)	(5,922)	(6,079)	(8,108)
Contributions to Other Entities	-	-	-	-	-	-	37,384	24,100	35,367	-
Debt Service:										
Principal Retirement	36,699	60,022	83,508	95,175	99,982	540,830	178,442	35,864	37,450	36,714
Interest and Fiscal Charges	53,683	50,181	44,594	39,796	35,990	36,252	29,746	22,841	23,115	21,099
TOTAL EXPENDITURES	276,726	293,845	380,679	386,700	409,029	945,805	551,997	415,126	479,894	484,100
Excess (deficiency) of revenues over (under) expenditures	95,225	66,982	(8,128)	(1,626)	(24,653)	(537,914)	(128,123)	8,013	46,782	56,076
Other Financing Sources (Uses)										
Sales of Capital Assets	2,186	947	120	137	1,407	2,165	320	3,505	2,132	2,677
Legal Insurance Settlements	8,475	-	-	-	-	-	-	-	-	-
Issuance of Financed Purchases	-	-	-	-	-	-	-	-	-	655
Issuance of refunding warrants	-	-	-	-	-	338,925	138,175	-	-	-
Premium on warrants	-	-	-	-	-	45,064	13,209	-	-	-
Transfers to other government	-	-	-	-	-	-	-	-	-	-
Transfers In	46,935	50,360	37,565	40,277	38,350	430,186	225,241	163,998	149,168	169,164
Transfers Out	(98,120)	(89,410)	(39,952)	(42,735)	(40,736)	(433,132)	(229,376)	(167,150)	(149,168)	(170,368)
	(40,524)	(38,103)	(2,267)	(2,321)	(979)	383,208	147,569	353	2,132	2,128
Extraordinary Item: Gain on Bankruptcy	-	-	22,188 [#]	-	-	-	-	-	-	-
Net Change In Fund Balances	54,701	28,879	11,793	(3,947)	(25,632)	(154,706)	19,446	8,366	48,914	58,204
Fund Balances - Beginning of Year	289,902	339,849 ²	368,375 ⁴	380,168	373,816	361,378	206,672	226,118	234,484	283,398
Prior Period Adjustments Governmental Funds	(4,752) ¹	-	-	(2,405) ⁵	13,194 [#]	-	-	-	-	13,255
Fund Balances - Beginning of Year Restated	\$ 285,150	\$ 339,849	\$ 368,375	\$ 377,763	\$ 387,010	\$ 361,378	\$ 206,672	\$ 226,118	\$ 234,484	\$ 296,653 ⁷

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

JCCAL Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Fund Balances - End of Year	339,851	368,728	380,168	373,816	361,378	206,672	226,118	234,484	283,398	354,857
Ratio of Total Debt Service to Noncapital Expenditure	33.45%	38.27%	34.92%	36.84%	35.15%	62.47%	39.41%	15.83%	13.43% ⁸	12.59%

Source: JCC Finance Department Data (FY Audited Financial Data issued by Mauldin & Jenkins)

¹ FY 2012 Note C - Restatements (Pg. 33): The beginning Fund Balance reported has been restated to include a reduction of -\$4,752 related to Deferred Grant Reimbursements.

² FY 2013: The beginning balance in 2013 is \$2 less than the ending balance in 2012. This is related to the Indigent Care Fund.

³ FY 2014 Note B - Summary of Significant Accounting Policies (Pg. 42): The beginning balance in 2014 is \$353 less than the ending balance in 2013. This is related to the re-allocation of the Emergency Mgmt. Fund in 2014 as a separate Agency Fund.

⁴ FY 2014 the Commission filed Chapter 9 Bankruptcy. With the bankruptcy confirmation, the Commission retired certain warrant series and issued new warrants. The entire Sewer Revenue Warrant Series (totaling \$3,107,518 as of December 3, 2013) was retired as well as the GO Series 2001-B Warrants (totaling \$105,000 as of December 3, 2013). The Series 2013 Sewer Warrants totaling \$1,785,486 and Series 2013 GO Warrants of \$105,000 were issued as of December 3, 2013. The Commission realized a net gain on the bankruptcy restructuring of the sewer warrants of approximately \$1,406,000, net of various settlement costs. The Commission also realized a net gain on the bankruptcy restructuring of the GO 2001-B Warrants of approximately \$22,188 net of various settlement costs.

⁵ FY 2015 Note B - Prior Period Adjustments (Pg. 41): The beginning Fund Balance has been adjusted to include -\$1,094 related to Long Term Loans and -\$1,311 related to Motor Vehicle Taxes.

⁶ FY 2016 Note B - Prior Period Adjustments (Pg. 40): The beginning Fund Balance has been adjusted to exclude Accrued Interest \$5,974 and liabilities related to Accrued Compensated Absences \$7,220.

⁷ FY2021 Note 14 - Change in Accounting Principle: The Commission adopted pronouncement GASB 84, this includes a positive Fund Balance adjustment of \$5,549 related to Fiduciary Activities. Note 15 - Change in Reporting Entity: The Commission determined that the \$414 Revolving Loan Fund, previously reported as an Agency Fund, should be presented within the Community Development Loan Fund. Note 16 - Restatements:

⁸ Correction of 2020 Ratio of Total Debt Service to Noncapital Expenditures

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 *
Breakdown of Tax Revenue:										
County Sales Tax	\$96,510 **	\$97,380	\$99,183	\$104,513	\$102,752	\$111,339	\$120,361	\$114,549	\$117,379	\$129,399
Education	97,617 **	96,613	100,377	103,732	104,844	103,490	4,795	-	-	-
Special Revenue Sales Tax	-	-	-	-	-	7,173	115,048	115,984	113,537	127,335
Simplified Sellers Use Tax	-	-	-	-	-	1,881	2,714	5,493	10,196	14,161
Total Sales Taxes	194,127	193,993	199,560	208,245	207,596	223,883	242,918	236,026	241,112	270,895
Property Tax	105,092	106,496	105,705	108,070	112,732	114,680	117,735	121,227	134,217	136,719
Total Taxes	\$ 299,219	\$ 300,489	\$ 305,265	\$ 316,315	\$ 320,328	\$ 338,563	\$ 360,653	\$ 357,253	\$ 375,329	\$ 407,614
% of Sales & Use to Total Taxes	64.88%	64.56%	65.37%	65.83%	64.81%	66.13%	67.36%	66.07%	64.24%	66.46%

Source: Jefferson County Tax Collector and Jefferson County Revenue Director

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

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

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

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

* All tax collections increased in FY 2021 due to the economic recovery for the pandemic, increase of new businesses, and increase in the price of products.

** County Sales Tax and Education figures for 2012 were updated in 2021 to reflect correct total.

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

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

Source: Jefferson County Revenue Department.

The Special Revenue Sales and Use Tax was first levied on August 1, 2017 and is collected a month in arrears. The amount provided above for fiscal year 2017 reflects one month's collections. This table will present 10 years of information as new fiscal years are added.

The taxpayers outside the Top Ten Taxpayers caused the proportional amount to fluctuate. 26,000 business licenses were sold in FY 2021.

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

Fiscal Year Ended September 30	General Tax (5.6 mills) ¹	Sewer Tax (0.7 mills)	Public Buildings, Bridges and Roads (5.1 mills)	Rural Roads (2.1 mills) ²
2012	\$39,935,134	\$5,635,766	\$40,419,390	\$16,775,630
2013	38,353,976	5,620,979	40,260,285	16,721,178
2014	39,065,798	5,561,248	40,380,950	16,641,498
2015	36,514,904	5,454,528	39,727,570	16,356,708
2016	35,725,294	5,323,850	38,207,090	15,852,105
2017	39,732,959	5,780,605	42,123,580	17,343,419
2018	40,809,458	5,929,372	43,208,439	17,789,926
2019	42,238,337	6,122,740	44,619,166	18,370,425
2020	44,688,901	6,496,513	46,088,276	19,233,552
2021	46,145,101	6,769,196	48,024,439	20,041,230

Source: Jefferson County Tax Assessor/Collector

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

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

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

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

Tax Year Ended September 30 ¹	Total Net Tax Levy ²	Current Tax Collection	Percent of Levy Collected ³	Delinquent Tax Collections	Total	Percent of Total Tax Collection to Tax Levy
2021	\$ 760,809	\$ 739,252	97.17%	\$ 7,055	\$ 746,307	98.09%
2020	741,487	706,909	95.34%	8,281	715,191	96.45%
2019	649,100	639,433	98.51%	8,022	647,456	99.75%
2018	628,709	617,697	98.25%	8,427	626,124	99.59%
2017	613,117	600,525	97.95%	9,590	610,115	99.51%
2016	597,336	580,276	97.14%	10,161	590,437	98.85%
2015	565,752	556,568	98.38%	8,780	565,348	99.93%
2014	550,902	540,580	98.13%	7,552	548,133	99.50%
2013	542,537	532,280	98.11%	7,768	540,048	99.54%
2012	553,608	540,707	97.67%	5,961	546,668	98.75%

Source: Jefferson County Tax Assessor/Collector

¹ Taxes collected in each fiscal year represent the taxes levied in the prior fiscal year, as taxes are collected in arrears.

² Increased Total Net Tax Levy for Tax Year Ended September 30, 2021 reflects property reappraisals completed by the Board of Equalization for such Tax Year.

³ The COVID-19 pandemic recovery contributed to increased percentage of levy collected for tax year ended September 30, 2021.

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

Tax Year Ending 30-Sep	Class 1*		Class 2*		Class 3*		Class 4**		Total		Ratio of Assessed Value to Estimated True Value	Total Direct Rate
	Property of Utilities		All Unclassified Real / Personal		Agriculture, Forest, Residential, Historic		Motor Vehicles					
	Assessed Value ²	Estimated True Value ¹	Assessed Value ²	Estimated True Value ¹	Assessed Value ²	Estimated True Value ¹	Assessed Value ²	Estimated True Value ¹	Assessed Value ²	Estimated True Value ¹		
2012	\$735,256	\$2,369,488	\$ 4,420,469	\$ 23,034,592	\$ 2,448,505	\$ 20,841,715	\$ 914,057	\$6,093,715	\$8,518,287	\$ 52,339,510	16.28%	1.35
2013	759,983	2,450,854	4,671,454	22,894,924	2,473,713	24,485,047	947,476	6,316,510	8,852,625	56,147,335	15.77%	1.35
2014	754,284	2,533,277	4,823,545	23,332,367	2,473,713	24,560,565	955,622	6,370,819	9,007,163	56,797,028	15.86%	1.35
2015	749,937	2,514,279	5,081,132	24,084,601	2,543,286	24,737,125	970,132	6,467,553	9,344,487	57,803,558	16.17%	1.35
2016	755,801	2,499,789	5,195,420	25,380,377	2,627,198	25,432,862	1,037,058	6,913,723	9,615,477	60,226,751	15.97%	1.35
2017	768,574	2,519,335	5,281,482	25,945,977	2,705,295	26,271,980	1,027,164	6,847,764	9,782,515	61,585,056	15.88%	1.35
2018	782,337	2,561,914	5,400,223	26,383,047	2,842,460	27,052,948	971,568	6,477,122	9,996,587	62,475,031	16.00%	1.35
2019	795,622	2,607,788	6,467,939	26,971,258	3,069,053	28,424,596	988,424	6,589,494	11,321,039	64,593,136	17.53%	1.35
2020	835,428	2,652,073	6,477,973	32,311,206	3,218,597	30,690,534	979,906	6,532,712	11,511,904	72,186,525	15.95%	1.35
2021	849,734	2,832,734	6,714,241	33,571,207	2,742,914	27,429,143	1,034,897	6,899,316	11,341,786	70,732,400	16.03%	1.35

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

¹ Estimated True Value is calculated based on the following percentages:

Class I Public Utility-30%

Class II Commercial-20%

Class III Residential-10% Class IV Automobile-15%

² Assessed Values are reported as net assessments after exemptions and penalties applied as reported on the Tax Assessor's abstract

REVENUE CAPACITY
Schedule 10 - Principal Property Taxpayers (Jefferson County Only)
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

Assessed Entity	Fiscal Year Ended September 30, 2021 ³			Fiscal Year Ended September 30, 2012		
	Total Assessed ¹ Value of Property Within County Limits	Rank	% of Total Assessed Valuation	Total Assessed ² Value of Property Within County Limits	Rank	% of Total Assessed Valuation
Alabama Power CO	\$735,256,140	1	6.85%	\$571,236,830	1	7.36%
Bellsouth Telecommunications LLC	85,261,960	2	0.79%	203,551,460	2	2.62%
United States Steel CORP Tax Division	78,133,740	3	0.73%	96,980,427	3	1.25%
Affinity Hospital LLC	68,228,080	4	0.64%			
Wells Fargo Bank National Association	63,760,280	5	0.59%			
Norfolk Southern Combined Rail	55,281,980	6	0.51%	42,968,880	4	0.55%
Kamtek INC	54,482,100	7	0.51%			
AT & T Services	48,360,220	8	0.45%			
American Cast Iron Pipe CO	36,553,520	9	0.34%	35,674,410	6	0.47%
Hoover Mall Limited LP	33,968,100	10	0.32%	27,789,880	9	0.36%
Alabama Gas Corp				35,640,670	7	0.46%
GSA Birmingham Realty				28,487,660	8	0.37%
Amsouth Bank				26,522,380	10	0.34%
Oxmoor Center LLC				38,545,760	5	0.50%
	\$1,259,286,120		11.73%	\$1,107,398,357		14.28%

Source : Jefferson County Tax Assessor

¹ Total 2021 assessed value of property within county limits reflected \$10,738,763 (excludes Class 4-Motor Vehicles) on the net abstract.

² Total 2012 assessed value of property within county limits reflected \$7,766,614 (excludes Class 4-Motor Vehicles) on the net abstract.

³ Tax year versus fiscal year end variances.

REVENUE CAPACITY
Schedule 11 - Property Taxes - Direct and Overlapping Governments
 Jefferson County, Alabama
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (Per \$100 of Assessed Value)

OVERLAPPING TAX RATES									
Jefferson County					City of Birmingham				
<u>Fiscal Year</u>	<u>Direct County Government</u>	<u>County Schools</u>	<u>Special Schools</u>	<u>County Total</u>	<u>Municipal Tax</u>	<u>BOE School</u>	<u>City Total</u>	<u>State of Alabama</u>	<u>Total Direct & Overlapping</u>
2012	1.35	0.82	2.19	4.36	2.85	1.28	4.13	0.65	9.14
2013	1.35	0.82	2.19	4.36	2.85	1.28	4.13	0.65	9.14
2014	1.35	0.82	2.19	4.36	2.85	1.28	4.13	0.65	9.14
2015	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2016	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2017	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2018	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2019	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2020	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2021	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44

OVERLAPPING TAX RATES									
Jefferson County					City of Vestavia Hills				
<u>Fiscal Year</u>	<u>Direct County Government</u>	<u>County Schools</u>	<u>Special Schools</u>	<u>County Total</u>	<u>Municipal Tax</u>	<u>BOE School</u>	<u>City Total</u>	<u>State of Alabama</u>	<u>Total Direct & Overlapping</u>
2012	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2013	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2014	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2015	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2016	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2017	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2018	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2019	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2020	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2021	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45

REVENUE CAPACITY
Schedule 11 - Property Taxes - Direct and Overlapping Governments
 Jefferson County, Alabama
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (Per \$100 of Assessed Value)

OVERLAPPING TAX RATES									
Jefferson County					City of Mountain Brook				
<u>Fiscal Year</u>	<u>Direct County Government</u>	<u>County Schools</u>	<u>Special Schools</u>	<u>County Total</u>	<u>Municipal Tax</u>	<u>BOE School</u>	<u>City Total</u>	<u>State of Alabama</u>	<u>Total Direct & Overlapping</u>
2012	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2013	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2014	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2015	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2016	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2017	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2018	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2019	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2020	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2021	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09

OVERLAPPING TAX RATES									
Jefferson County					City of Hoover				
<u>Fiscal Year</u>	<u>Direct County Government</u>	<u>County Schools</u>	<u>Special Schools</u>	<u>County Total</u>	<u>Municipal Tax</u>	<u>BOE School</u>	<u>City Total</u>	<u>State of Alabama</u>	<u>Total Direct & Overlapping</u>
2012	1.35	0.82	2.19	4.36	3.17	1.51	4.68	0.65	9.69
2013	1.35	0.82	2.19	4.36	3.17	1.51	4.68	0.65	9.69
2014	1.35	0.82	2.19	4.36	3.17	1.51	4.68	0.65	9.69
2015	1.35	0.82	2.19	4.36	3.17	1.51	4.68	0.65	9.69
2016	1.35	0.82	2.19	4.36	3.17	1.51	4.68	0.65	9.69
2017	1.35	0.82	2.19	4.36	3.17	1.51	4.68	0.65	9.69
2018	1.35	0.82	2.19	4.36	3.17	1.51	4.68	0.65	9.69
2019	1.35	0.82	2.19	4.36	3.17	1.51	4.68	0.65	9.69
2020	1.35	0.82	2.19	4.36	3.17	1.51	4.68	0.65	9.69
2021	1.35	0.82	2.19	4.36	3.17	1.51	4.68	0.65	9.69

Source: Jefferson County Tax Assessor/ Code of Alabama 1975 Title 40 section 40-5-9

Tax Due Date: October 1

Delinquent Date: January 1

Discounts Allowed: None

Tax Sale Date: Usually May or June

REVENUE CAPACITY
Schedule 12 - Enterprise Fund Data
 Jefferson County, Alabama
 Last Ten Fiscal Years - Fiscal Year Ending September 30th

Account Data*

Fiscal Year Ended September 30	Residential Accounts Served	Non-Residential Accounts Served	Total Accounts Served	Accounts Billed by the Water Works Board of the City of Birmingham (Alabama)	Percentage Accounts Billed by the Water Works Board of the City of Birmingham (Alabama)	Accounts Billed by Bessemer Water Works (acting as a department of the City of Bessemer, Alabama)	Percentage Accounts Billed by Bessemer Water Works (acting as a department of the City of Bessemer, Alabama)	Accounts Billed by Jefferson County	Percentage Accounts Billed by Jefferson County
2016	125,173	15,847	141,020	111,279	78.9%	16,832	11.9%	12,909	9.2%
2017	127,771	13,861	141,632	111,450	78.7%	17,135	12.1%	13,047	9.2%
2018	126,929	13,083	140,012	109,635	78.3%	17,286	12.3%	13,091	9.3%
2019	126,470	14,654	141,124	110,791	78.5%	17,311	12.3%	13,022	9.2%
2020	128,005	14,223	142,228	110,995	78.0%	17,383	12.2%	13,850	9.7%
2021	131,705	11,953	143,658	111,977	77.9%	17,519	12.2%	14,161	9.9%

*Sewer account data is based on estimates provided by the Jefferson County Environmental Services Department.

REVENUE CAPACITY
Schedule 13 - Historical Sewer Rates
Jefferson County, Alabama
Last Ten Fiscal Years - Fiscal Year Ending September 30th

<u>Fiscal Year Ended</u> <u>September 30</u>	<u>2012</u>	<u>2013</u> ^{(1), (2)}	<u>2014</u> ⁽³⁾	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Minimum Charge										
5/8 inch meter	\$2.00	\$10.00	\$15.00	\$16.18	\$17.46	\$18.84	\$20.33	\$21.04	\$21.77	\$23.34
3/4 inch meter	2.50	11.00	16.50	17.80	19.21	20.73	22.37	23.15	23.96	25.67
1 inch meter	5.00	14.00	21.00	22.66	24.44	26.37	28.45	29.44	30.47	32.65
1 1/2 inch meter	9.00	18.00	27.00	29.13	31.43	33.91	36.59	37.87	39.19	41.99
2 inch meter	14.00	29.00	43.50	46.93	50.64	54.64	58.95	61.01	63.14	67.64
3 inch meter	28.00	110.00	165.00	178.02	192.06	207.21	223.56	231.36	239.43	256.45
4 inch meter	45.00	140.00	210.00	226.57	244.45	263.74	284.55	294.48	304.76	326.41
6 inch meter	85.00	210.00	315.00	339.85	366.67	395.60	426.81	441.71	457.13	489.61
8 inch meter	200.00	290.00	435.00	469.32	506.35	546.30	589.40	609.97	631.26	676.11
10 inch meter	250.00	370.00	555.00	598.79	646.03	697.00	751.99	778.23	805.39	862.00
Residential Volume Charge, per CCF										
0 - 3 CCF	7.40	4.50	4.50	4.86	5.24	5.65	6.10	6.31	6.53	7.01
4 - 6 CCF	7.40	7.00	7.00	7.55	8.15	8.79	9.48	9.81	10.15	10.89
7 CCF & Above	7.40	8.00	8.00	8.63	9.31	10.04	10.83	11.21	11.60	12.44
Non-Residential Volume Charge, per CCF										
All CCF	7.40	7.60	7.87	8.49	9.16	9.88	10.66	11.03	12.53	12.24
5 CCF User Bill⁽⁴⁾	37.00	37.50	42.50	45.86	49.48	53.37	57.59	59.59	61.67	66.15
Bill increase	0.00%	1.40%	13.33%	7.91%	7.89%	7.86%	7.91%	3.47%	3.49%	7.26%

Source: Jefferson County Environmental Services Department

⁽¹⁾ In fiscal year 2013, a base charge replaced the minimum charge and a tiered volumetric rate structure was implemented for residential customers.

⁽²⁾ The fiscal year 2013 rate increase became effective five months into the fiscal year, on March 1, 2013.

⁽³⁾ As of November 1, 2013.

⁽⁴⁾ The monthly bill for a typical residential account of the System with billable flows of 5 CCF and a 5/8 inch meter. Does not reflect Residential Return Factor of 0.85.

REVENUE CAPACITY
Schedule 14 - Top 10 Sewer Customers
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

Major Sewer Customers ⁽²⁾	Fiscal Year Ended September 30, 2021				Fiscal Year Ended September 30, 2012			
	Total Consumption (CCF)	Annual Sewer Service Charges Billed ⁽¹⁾	Rank	% of Total Charges Billed	Total Consumption (CCF)	Annual Sewer Service Charges Billed ⁽¹⁾	Rank	% of Total Charges Billed
University of Alabama at Birmingham	679,448	\$8,328	1	3.74%	410,685	\$3,039	1	1.99%
Birmingham Housing Authority	298,623	3,596	2	1.61%	212,166	1,570	3	1.03%
SMI Steel, Inc.	139,570	1,668	3	0.75%	114,505	847	5	0.55%
Tenet Healthcare	129,337	1,560	4	0.70%				
Samford University	127,148	1,536	5	0.69%	104,034	770	8	0.50%
St. Vincent's Hospital	122,349	1,470	6	0.66%				
U.S. Steel	117,558	1,414	7	0.64%	509,159	2,597	2	1.70%
Veterans Administration	82,655	999	8	0.45%	142,964	1,058	4	0.69%
Dairy Farmers of America, Inc	70,207	842	9	0.38%				
St. Vincent's Hospital - East	63,792	766	10	0.34%				
Barber's Pure Milk Co.					124,272	809	6	0.53%
Brookwood Hospital AMI					107,763	797	7	0.52%
Trinity Medical Center					99,856	739	9	0.48%
Coca Cola Bottling Company					140,548	624	10	0.41%
Subtotal, Major Sewer Customers		22,179		9.96%		12,850		8.40%
Other Customers		200,495				140,057		
Total Sewer Customers		\$222,674				\$152,907		

Source: Jefferson County Environmental Services Department

(1) Excludes proceeds from the Sewer Tax levied within the County pursuant to Act No. 716, enacted February 28, 1901 by the Alabama Legislature

(2) Largest Account and Top Ten Accounts based on annual charges billed (See Major Accounts Fiscal Year Ended September 30, 2021)

DEBT CAPACITY
Schedule 15 - Jefferson County Debt Ratios
 Fiscal Year Ending September 30th

Population ¹	656,861
Assessed Value of Taxable Property as of September 30, 2021 ²	\$ 11,341,786,000
General Obligation Debt Outstanding as of September 30, 2021	\$ 87,766,000
General Obligation Debt Per Capita	\$ 133.61
Ratio of General Obligation Debt to Assessed Value	0.77%

¹ Source: 2021 US Census Bureau population for Jefferson County, Alabama

² Source: Jefferson County Tax Assessor and Jefferson County Revenue Department

DEBT CAPACITY
Schedule 16 - Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

Fiscal Year	Governmental Funds			Business-Type Activities				Total Outstanding Debt ²	Aggregate Income	Percentage of Personal Income	County Population	Outstanding Debt Per Capita (In Dollars)
	General Obligation Warrants ²	Lease Revenue Warrants	Limited Obligation Warrants	BJCC Funding Agreement	Sewer Revenue Warrants ¹	Hallmark Farms (Component Unit) Bonds	Financed Purchases					
2012	\$ 200,520	\$ 78,370	\$ 781,560	\$ -	\$ 3,107,518	\$ 415	\$ 695	\$ 4,169,078	\$ 30,086,864	13.86%	658,061	\$ 6,335
2013 ¹	200,520	74,015	726,110	-	3,107,518	-	393	4,108,556	29,706,376	13.83%	659,265	6,232
2014	181,855	69,425	666,110	-	1,821,205	-	153	2,738,748	30,897,715	8.86%	659,972	4,150
2015	162,420	64,585	595,475	-	1,867,336	-	167	2,689,983	32,467,641	8.29%	660,455	4,073
2016	145,385	59,480	517,785	-	1,914,656	-	167	2,637,473	32,979,113	8.00%	660,343	3,994
2017	127,720	54,100	338,925	-	1,960,664	-	167	2,481,576	34,907,850	7.11%	659,599	3,762
2018	150,640	-	330,720	17,810	2,005,052	-	4,595	2,508,817	36,644,708	6.85%	659,429	3,804
2019	128,195	-	320,165	17,484	2,052,555	13,000	6,773	2,538,172	37,755,657	6.72%	658,573	3,849
2020	106,310	-	309,080	17,145	2,118,942	13,000	8,537	2,573,014	38,287,681	6.72%	657,717	3,907
2021	87,766	-	328,080	16,793	2,161,385	12,792	7,390	2,614,206	NA	N/A	656,861	3,980

Source: JCC Finance Department Data (FY21 Audited Financial Data), Aggregate & Per Capita Income from Bureau of Economic Analysis report CAINC1 Personal Income Summary, as of November 16, 2021 updated release, and Population data from 2021 US Census Bureau data for Jefferson County, Alabama

¹ During the Jefferson County Bankruptcy Plan of Adjustment, finalized December 13, 2013, the County refunded portions of the debt.

² The 2018 BJCC Limited Funding Agreement was restated to be included in Total Outstanding Debt as of 9/30/2020. Please see Note 16 "Restatements"

DEBT CAPACITY
Schedule 17 - Ratios of Net General Bonded Debt to Estimated True Value and Net Bonded Debt Per Capita
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

<u>Fiscal Year</u>	<u>County Population</u>	<u>Estimated True Value</u> ¹	<u>General Bonded Debt</u> ²	<u>Less Bond Reserve Fund Balance</u> ³	<u>Net General Bonded Debt</u>	<u>Ratio of Net Bonded Debt To Estimated True Value</u>	<u>Net Bonded Debt Per Capita (In Dollars)</u>
2012	658,109	\$ 52,339,510	\$ 4,169,078	\$ 86,466	\$ 4,082,612	7.80%	\$ 6,204
2013	658,061	56,147,335	4,108,556	105,395	4,003,161	7.13%	6,072
2014	659,265	56,797,028	2,738,748	106,428	2,632,320	4.63%	3,989
2015	659,972	57,803,558	2,689,983	100,471	2,589,512	4.48%	3,921
2016	660,455	60,226,751	2,637,473	105,407	2,532,066	4.20%	3,834
2017	660,343	61,585,056	2,481,576	12,995	2,468,581	4.01%	3,743
2018	659,599	62,475,031	2,508,817	14,215	2,494,602	3.99%	3,782
2019	659,429	64,593,136	2,538,172	-	2,538,172	3.93%	3,849
2020	658,573	72,186,525	2,573,014	-	2,573,014	3.56%	3,907
2021	656,861	70,732,400	2,614,206	8,745	2,605,461	3.68%	3,967

¹ See Schedule 10 "Assessed Value and Estimated True Value of All Taxable Property"

² Includes General Obligation Warrants, Limited Obligation Warrants, Lease Revenue Warrants, Sewer Revenue Warrants, Capital Leases, and Bonded Debts of Component Units.

³ Includes Limited Obligation School Warrants 2004A and 2005A&B Reserve Funds (refunded by Limited Obligation Refunding Warrants Series 2017), as well as other amounts held in trust for the purpose of repaying Warrants Principal.

DEBT CAPACITY
Schedule 18 - Estimated Constitutional Debt Margin
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net Assessed Value of Real and Personal Property ¹	\$8,518,287	\$8,852,625	\$9,007,163	\$9,344,487	\$9,615,477	\$9,782,515	\$9,996,587	\$11,321,039	\$11,511,904	\$11,341,786
Constitutional Debt Limit (5% of Assessed Value) ²	425,914	442,631	450,358	467,224	480,774	489,126	499,829	566,052	575,595	567,089
Outstanding General Obligation Bonds, Warrants, and Financed Purchases	4,169,078	4,108,556	2,738,748	2,689,983	2,637,473	2,481,576	2,491,007	2,520,688	2,555,869	2,597,413
(Less) Exemption for School and Sewer Debt ²	(3,967,863)	(3,907,643)	(2,556,740)	(2,527,396)	(2,491,921)	(2,353,689)	(2,335,772)	(2,385,720)	(2,441,022)	(2,502,257)
Total Applicable Debt	201,215	200,913	182,008	162,587	145,552	127,887	155,235	134,968	114,847	95,156
Constitutional Debt Margin	\$224,699	\$241,718	\$268,350	\$304,637	\$335,222	\$361,239	\$344,594	\$431,084	\$460,748	471,933
Ratio of Outstanding Debt to Constitutional Debt Limit:	47.24%	45.39%	40.41%	34.80%	30.27%	26.15%	31.06%	23.84%	19.95%	16.78%

¹ See Schedule 10 "Assessed Value and Estimated True Value of All Taxable Property"

² Section 224 of the Constitution of the State of Alabama limits the indebtedness of Counties to 5% of the assessed value of taxable property in the County. Debts issued for schools and sewers are excluded from this limit. Likewise, obligations such as the Birmingham Jefferson Civic Center Authority Funding Agreement Series 2018E (see Schedule 28) are exempt from consideration for purposes of the Constitutional Debt Limit pursuant to Amendment 772 of the Alabama Constitution.

DEBT CAPACITY
Schedule 19 - Pledged-Revenue Coverage for Sewer Revenue Bonds
Last Ten Fiscal Years - Bond Year Ending October 1st (In Thousands)

	2014	2015	2016	2017	2018	2019	2020	2021
Total Service Revenue ¹	\$ 174,127	\$ 186,816	\$ 193,372	\$ 210,709	\$ 223,789	\$ 229,929	\$ 227,376	\$ 222,674
Other Operating Revenue	798	1,887	4,080	5,343	6,462	8,050	8,098	18,787
Total Operating Revenues ²	174,925	188,703	197,452	216,052	230,251	237,979	235,474	241,461
Operating Expenses	53,029	50,213	56,707	63,068	73,906	81,301	91,226	91,243
(Less) Tax Revenue ³	(5,996)	(5,956)	(5,726)	(6,309)	(6,441)	(6,564)	(7,213)	(7,567)
Total Operating Expense	47,033	44,257	50,981	56,759	67,465	74,737	84,013	83,676
Net Revenue Available for Debt Service	127,892	144,446	146,471	159,293	162,786	163,242	151,461	157,785
Total Debt Service ⁴	59,773	74,493	79,439	84,721	85,292	70,366	70,366	79,111
Projected Total Debt Service Coverage ⁵	2.14	1.94	1.84	1.88	1.91	2.32	2.15	1.99

Source: JCC Finance Department Data (FY 2021 Audited Financial Data issued by Mauldin & Jenkins). Bond year calculations include debt service payments made October 1 of bond year noted and included in the following fiscal year's financial report; and may include payments that haven't been audited by time of issued report

¹ Other Operating Revenues include Other Sanitary Fund Operating Revenues of \$13,651, Miscellaneous Revenue of \$675, and Investment Income of \$4,461. Unrealized investment losses of (\$1,160) that are included in the Statement of Net Position are excluded from this calculation

² Tax Revenue and Intergovernmental Revenue are excluded from pledged revenues

³ Tax Revenue may not be included as pledged revenues, but may be shown as an offset to System operating expenses to calculate coverage

⁴ Represents total 2013 Sewer Revenue Warrants Senior Lien Series 2013A-C and Subordinate Lien Series 2013D-F debt service payments in bond year dollars, as prescribed by the County indenture. In 2021, this includes \$8,745 of principal and \$70,336 of interest, differing from the \$70,315 shown on the audited financial statements due to the timing of payments

⁵ Debt service coverage metrics rounded down to the second significant digit

DEMOGRAPHIC AND ECONOMIC INFORMATION
Schedule 20 - Demographic and Economic Statistics
 Last Ten Fiscal Years - Fiscal Year Ending September 30th

Jefferson County						
<u>Year</u>	<u>Population*</u>	<u>Median Household Income**</u>	<u>Per Capita Personal Income**</u>	<u>County Unemployment Rate***</u>	<u>Birmingham Hoover MA Annual Average Unemployment Rate</u>	
2012	658,061	\$ 49,038	\$ 28,783	6.7	7.0	
2013	659,265	49,481	29,922	6.2	5.9	
2014	659,972	48,260	28,143	5.4	6.0	
2015	660,455	52,328	30,619	5.6	5.5	
2016	660,343	53,460	32,679	5.3	5.4	
2017	659,599	52,886	32,012	3.4	4.0	
2018	659,429	56,207	32,257	3.2	3.5	
2019	658,573	53,944	32,561	2.3	2.7	
2020	657,717	- 1	- 1	4.6	5.9	
2021	656,861	- 1	- 1	3.1	2.7	

**2021 US Census Bureau population data for Jefferson County, Alabama*

***2021 Department of Numbers data for Jefferson County, Alabama*

****Federal Reserve Bank (FRED) of St. Louis, Economic Research*

†2020 and 2021 information unavailable from Department of Numbers data

DEMOGRAPHIC AND ECONOMIC INFORMATION
Schedule 21 - Principal Private Sector Employers
 Last Ten Fiscal Years - Fiscal Year Ending September 30th

<u>Employer</u>	<u>Product</u>	<u>Presence</u>	<u>2021*</u>			<u>2012</u>		
			<u># of Employees</u>	<u>% of Total Employment</u>	<u>Rank</u>	<u># of Employees</u>	<u>% of Total Employment</u>	<u>Rank</u>
University of Alabama/Birmingham	Education and health care services	Headquarters	23,000	7%	1	21,550	7%	1
Regions Financial System	Financial Services, banking, corporate headquarters	Headquarters	9,000	3%	2	6,000	2%	2
St Vincent Health System	Health Care services, hospital network serving metro B'ham	Headquarters	5,100	2%	3	4,703	2%	4
Children's Health System	Health Care services, regional specialized health care	Headquarters	5,000	2%	4	3,652	1%	7
AT&T	Telecommunications, regional operate	Regional	4,517	1%	5	7,500	3%	3
Honda Manufacturing of Al	Manufacturing, vehicle assembly plant	Regional	4,500	1%	6	4,000	1%	6
Brookwood Baptist Health	Health Care Services, management	Headquarters	4,459	1%	7	4,410	1%	7
Jeff Co Board of Education	Government, public education	Headquarters	4,400	1%	8	4,800	2%	4
City of Birmingham	Government, city administration	Headquarters	4,200	1%	9	-		
Mercedes Benz	Manufacturing, vehicle assembly plant	Regional	3,600	1%	10	3,500	1%	8
Alabama Power	Utility Services, electrical	Headquarters	-			3,000	1%	10
Southern Nuclear Power Company	Utility Services, nuclear	Headquarters				3,200	1%	9

Source: JCC Budget Management Office (Total Jefferson County Employee Count: 2011-292,240 and 2020-273,547)
 Source: Birmingham Business Alliance

OPERATING INFORMATION
Schedule 22 - Operating Indicators by Function
 Last Ten Fiscal Years - Fiscal Year Ending September 30th

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Sheriff										
General calls	-	-	-	-	81,591	88,473	87,986	89,310	85,362	87,496
Traffic calls	-	-	-	-	21,971	26,061	26,940	26,526	20,352	17,722
Transportation										
Street resurfacing miles	-	-	-	-	46	88	103	101	115	73
Bridges maintained	292	292	292	292	292	292	292	292	292	292
Total Road miles with an inspection rating of good or higher	-	-	-	-	-	-	-	-	-	1,125
Health and Human Services										
Number of senior citizens' one-way passenger trips **	-	-	-	-	35,612	35,424	35,587	34,210	21,916	22,045
# Accepted Applicants CDBG Housing Rehabilitation		30	30	20	20	20	20	20	20	20
# of Workforce participants adults (PROGRAM YEAR)	-	-	-	-	-	-	237	322	633	919
# of Workforce participants dislocated workers	-	-	-	-	-	-	39	33	39	77
Land Development										
Building permits issued	363	327	336	380	360	325	347	336	357	403
Building permits issued(plumbing; gas; electrical)	2,477	2,041	2,099	2,251	2,137	1,977	2,693	2,856	2,191	1,424
Utility permits	322	247	345	309	499	599	465	406	447	377
Building structures inspected	4,894	5,309	5,101	4,795	5,033	3,645	4,299	5,719	6,441	4,937
Plan review	-	28	19	30	41	36	29	32	61	26
Zoning hearings (subdivision; rezoning; adjustments)	142	117	112	127	114	133	137	147	221	172
Registrar of voters										
Voting precincts	178	178	172	173	174	169	172	172	172	174
Active voters	385,364*	-	411,086*	-	411,838*	-	473,578*	-	503,389	-
Sewer										
Residential Accounts Served	-	-	-	-	125,173	127,771	126,929	126,470	128,005	131,705
Non- Residential Accounts Served	-	-	-	-	15,847	13,861	13,083	14,654	14,223	11,953

- represent data that is unavailable

* The odd election years only consist of Special Elections

** One -way trips for seniors decreased due to the pandemic and closure of centers

OPERATING INFORMATION
Schedule 23 - Number of County Employees by Function/Program
 Last Ten Fiscal Years - Fiscal Year Ending September 30th

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Commission	20	21	21	20	22	20	20	20	20	20
County Manager	3	3	3	6	7	18	19	14	8	10
Probate Court	38	44	46	46	46	55	56	56	54	55
Family Court	86	80	82	83	83	83	84	86	80	80
State Courts	60	61	64	55	55	53	54	51	51	47
District Attorney	71	39	39	39	39	41	44	46	43	43
Law Library	3	3	3	3	3	3	4	4	4	4
Finance	46	33	35	32	35	37	40	52	52	54
Budget Management	7	7	9	9	9	9	5	5	0	
Human Resources	16	17	20	73	58	82	58	61	55	59
HR-Receiver		-		7	6	3	2	1	0	
Revenue	120	126	132	157	158	156	172	173	161	161
County Attorney	8	7	9	10	10	11	12	18	17	17
Board of Equalization	73	73	71	72	71	70	70	69	70	70
Tax Assessor	57	62	64	66	65	71	70	70	69	69
Tax Collector	29	28	32	36	36	42	44	50	43	42
Treasurer	8	8	8	8	8	8	8	8	8	8
Land Development	17	18	18	18	18	19	-	-	-	-
Info Technology	34	34	34	27	36	40	45	67	51	54
General Services	200	114	115	114	120	145	172	233	198	138
Board of Registrars	9	9	9	9	9	9	10	10	10	10
Inspection Services	22	17	18	18	18	20	-	-	-	-
Storm Water Management	-	8	8	8	8	-	-	-	-	-
Development Services	-	-	-	-	-	-	49	50	42	43
Non Dept/Barber Commission	-	1	1	1	1	1	1	3	5	5
Delegation Office	-	1	-	-	-	-	-	-	-	-
Non Departmental Retirement Credit	-	19	-	-	-	-	-	-	-	-
Public Information	-	-	-	-	-	-	-	3 *	2 *	2
Community Devp	27	34	35	35	35	36	36	43	38	41
Pension*	10	10	10	9	9	8	7	8	9	
Personnel Board*	69	64	66	66	76	76	76	70	70	64
Sheriff	566	646	645	688	691	724	724	724	722	719
Youth Detention	48	53	53	53	53	54	54	65	52	51
Coroner	16	17	17	17	17	17	18	18	20	20
Security	-	-	-	-	-	-	-	-	-	59
Emergency Mgmt*	10	10	10	9	7	7	6	7	7	7
Highways and Roads										
Roads and Trans	194	195	196	196	207	261	300	326	340	338
Fleet Mgmt	-	26	26	26	26	27	30	42	33	33
Health and Welfare										
Office Senior Svs.	10	11	20	30	31	10	5	4	4	4
Cooper Green	709	648	256	241	173	219	228	227	219	-
JRHC	80	73	-	-	-	-	-	-	-	-
Environmental Svs										
Environmental Svs	451	437	441	441	455	478	509	526	554	544
	3,117	3,057	2,616	2,728	2,701	2,913	3,032	3,210	3,111	2,871

Source: JCC Budget Management Office

OPERATING INFORMATION
Schedule 24 - Capital Asset Statistics by Function/Program
 Last Ten Fiscal Years - Fiscal Year Ending September 30th

	2012*	2013*	2014*	2015	2016	2017	2018	2019	2020	2021
Function/Program										
General Government										
Probate Court	-	-	-	-	10,998	-	13,498	-	687,975	-
Family Court	-	-	-	105,410	28,898	29,309	75,624	-	-	236,004
District Attorney	-	28,453	-	-	-	-	29,292	-	104,631	-
Law Library	-	-	101,000	-	-	-	-	-	-	-
Finance	-	-	-	-	-	120,874	182,425	-	-	13,043
Human Resources	225,000	79,500	-	-	-	-	-	130,707	-	-
HR-Receiver	-	-	-	847,339	-	-	-	-	-	-
Revenue	-	1,900,461	1,300,000	132,438	165,408	49,030	91,574	24,174	86,263	5,732
County Attorney	-	-	-	-	-	-	-	54,270	31,831	-
Board of Equalization	-	662,655	630,000	359,522	128,292	276,562	265,761	728,461	188,000	145,176
Tax Assessor	-	1,844,259	1,538,818	-	8,850	-	233,971	-	651,637	932,271
Tax Collector	8,000	300,000	300,000	-	-	-	-	-	-	-
Land Development	-	-	-	48,650	-	114,043	-	-	-	-
Info Technology	-	566,720	5,860,000	3,190,662	1,500,907	1,238,565	401,743	160,344	2,252,794	1,221,603
General Services	321,461	1,125,438	4,600,000	3,963,177	2,865,787	4,746,695	10,293,245	19,613,421	8,132,740	7,357,616
Inspection Services	-	-	-	105,888	51,744	83,190	-	-	-	-
Development Service	-	-	-	-	-	-	-	-	519,971	263,755
Personnel Board*	37,000	15,000	89,192	491,941	-	725,667	-	25,612	-	-
Public Safety										
Sheriff	-	1,295,232	2,050,000	3,250,787	2,772,282	2,890,621	3,879,286	2,130,981	3,247,141	2,823,802
Youth Detention	-	20,000	21,000	-	42,351	-	-	-	73,917	60,000
Coroner	141,000	-	25,000	27,916	96,596	99,849	69,932	-	39,704	149,197
Highways and Roads										
Roads and Trans	10,000	6,000	4,899,000	11,796,434	10,782,828	11,299,645	7,606,996	19,245,798	23,268,582	17,464,644
Fleet Mgmt	-	-	-	531,841	585,789	290,818	441,382	169,602	578,987	494,747
Health and Welfare										
Cooper Green	-	-	-	216,258	586,305	775,422	110,745	11,688	-	-
Environmental Svs										
Environmental Svs	35,421,200	11,623,455	6,398,600	31,903,123	39,964,957	78,428,882	68,476,815	57,168,811	39,094,926	37,721,145
	36,163,661	19,467,173	27,812,610	56,971,386	59,591,992	101,169,172	92,172,289	99,463,869	78,959,099	68,888,735

Source: JCC Budget Management Office

* Adopted 12, 13, and 14

DEBT SERVICE SCHEDULES
Schedule 25 - Warrants Maturity Schedules
(In Thousands)

Fiscal Year Ending 30-Sep	Business-Type Activities ¹				Governmental Activities ²				Total Debt Obligations			
	Principal	Interest	Future Interest Accretion	Total Debt Service	Principal	Interest	Total Debt Service	Principal	Interest	Total Principal and Interest	Future Interest Accretion	Total Debt Service
2022	\$ 9,584	\$ 70,521	\$ 76,813	\$ 156,918	\$ 30,725	\$ 18,986	\$ 49,711	\$ 40,309	\$ 89,507	\$ 129,816	\$ 76,813	\$ 206,629
2023	11,844	70,001	82,638	164,483	32,214	17,499	49,713	44,058	87,500	131,558	82,638	214,196
2024	15,670	105,575	15,046	136,291	33,819	15,891	49,710	49,489	121,466	170,955	15,046	186,001
2025	917	141,421	16,146	158,484	27,289	14,205	41,494	28,206	155,626	183,832	16,146	199,978
2026	4,709	141,392	17,061	163,162	28,645	12,845	41,490	33,354	154,237	187,591	17,061	204,652
2027	8,159	141,363	17,743	167,265	15,986	11,418	27,404	24,145	152,781	176,926	17,743	194,669
2028	11,297	141,334	18,162	170,793	16,778	10,624	27,402	28,075	151,958	180,033	18,162	198,195
2029	13,638	141,302	18,163	173,103	17,610	9,791	27,401	31,248	151,093	182,341	18,163	200,504
2030	15,734	141,270	17,733	174,737	18,484	8,915	27,399	34,218	150,185	184,403	17,733	202,136
2031	17,496	141,237	16,810	175,543	19,348	8,053	27,401	36,844	149,290	186,134	16,810	202,944
2032	19,026	141,204	15,341	175,571	20,312	7,092	27,404	39,338	148,296	187,634	15,341	202,975
2033	20,252	141,168	13,257	174,677	21,318	6,082	27,400	41,570	147,250	188,820	13,257	202,077
2034	21,045	141,135	10,510	172,690	22,379	5,023	27,402	43,424	146,158	189,582	10,510	200,092
2035	21,662	141,128	7,159	169,949	23,491	3,910	27,401	45,153	145,038	190,191	7,159	197,350
2036	22,334	141,128	3,013	166,475	24,659	2,743	27,402	46,993	143,871	190,864	3,013	193,877
2037	36,596	140,196	-	176,792	25,643	1,757	27,400	62,239	141,953	204,192	-	204,192
2038	67,432	136,470	-	203,902	2,512	733	3,245	69,944	137,203	207,147	-	207,147
2039	83,761	130,688	-	214,449	2,613	633	3,246	86,374	131,321	217,695	-	217,695
2040	90,990	124,429	-	215,419	2,719	530	3,249	93,709	124,959	218,668	-	218,668
2041	69,050	118,896	-	187,946	2,822	422	3,244	71,872	119,318	191,190	-	191,190
2042	74,223	114,202	-	188,425	2,936	310	3,246	77,159	114,512	191,671	-	191,671
2043	79,781	109,159	-	188,940	805	195	1,000	80,586	109,354	189,940	-	189,940
2044	64,316	104,348	-	168,664	836	164	1,000	65,152	104,512	169,664	-	169,664
2045	73,976	99,550	-	173,526	868	132	1,000	74,844	99,682	174,526	-	174,526
2046	79,721	93,575	-	173,296	902	98	1,000	80,623	93,673	174,296	-	174,296
2047	95,226	86,524	-	181,750	937	64	1,001	96,163	86,588	182,751	-	182,751
2048	109,449	78,664	-	188,113	973	29	1,002	110,422	78,693	189,115	-	189,115
2049	123,424	69,695	-	193,119	-	-	-	123,424	69,695	193,119	-	193,119
2050	132,614	59,072	-	191,686	-	-	-	132,614	59,072	191,686	-	191,686
2051	159,883	47,048	-	206,931	-	-	-	159,883	47,048	206,931	-	206,931
2052	194,545	34,621	-	229,166	-	-	-	194,545	34,621	229,166	-	229,166
2053	215,825	21,653	-	237,478	-	-	-	215,825	21,653	237,478	-	237,478
2054	238,970	7,463	-	246,433	-	-	-	238,970	7,463	246,433	-	246,433
Subtotal:	\$2,203,149	\$3,517,432	\$345,595	\$6,066,176	\$397,623	\$158,144	\$555,767	\$2,600,772	\$3,675,576	\$6,276,348	\$345,595	\$6,621,943
Unamortized Premium (Discount)	(28,972)	-	-	(28,972)	35,016	-	35,016	6,044	-	6,044	-	6,044
Total	\$2,174,177	\$3,517,432	\$345,595	\$6,037,204	\$432,639	\$158,144	\$590,783	\$2,606,816	\$3,675,576	\$6,282,392	\$345,595	\$6,627,987

Source: JCC Finance Department Data (FY21 Audited Financial Data)

¹ Business-Type Activities Warrants payable include obligations for warrants issued in the name of the Jefferson County Commission for the primary purpose of sewer capital projects and related improvements (Business-Type Activities – Sewer Revenue Warrants), and Limited Bonds Payable for the primary purpose of capital projects and related improvements (Hallmark District - Jefferson County Limited Funding. See Business-Type Activities in Note 7 for details on accretion).

² Governmental Activities Warrants payable include obligations for warrants issued in the name of the Jefferson County Commission for the primary purpose of general capital projects and related improvements (Governmental Activities – General Obligation Refunding Warrants), for the primary purpose of school capital projects and related improvements (Governmental Activities – Limited Obligation Refunding Warrants), and funding agreements for the primary purpose of economic development (Limited Funding Agreement - BJCC).

DEBT SERVICE SCHEDULES
Schedule 26 - Senior Lien Sewer Revenue Warrants Series 2013-A through Series 2013-C
 Business-Type Activities (In Thousands)

Fiscal Year Ending 30-Sept	Series 2013-A (Tax Exempt) ¹			Series 2013-B (Tax Exempt) ²			Series 2013-C (Tax Exempt) ³			TOTAL - Sewer Revenue Senior Warrants				
	Principal	Interest	Total Debt Service	Principal	Future Interest Accretion	Total Debt Service	Principal	Interest	Future Interest Accretion	Total Debt Service	Principal	Interest	Future Interest Accretion	Total Debt Service
2022	\$ -	\$21,071	\$21,071	\$ -	\$ 5,752	\$5,752	\$ -	\$ -	\$ 17,034	\$17,034	\$ -	\$21,071	\$22,786	\$43,857
2023	-	21,071	21,071	-	6,122	6,122	-	-	18,195	18,195	-	21,071	24,317	45,388
2024	-	21,071	21,071	-	6,516	6,516	-	9,555	-	9,555	-	30,626	6,516	37,142
2025	-	21,071	21,071	-	6,936	6,936	-	19,109	-	19,109	-	40,180	6,936	47,116
2026	-	21,071	21,071	3,765	7,115	10,880	-	19,109	-	19,109	3,765	40,180	7,115	51,060
2027	-	21,071	21,071	7,187	7,003	14,190	-	19,109	-	19,109	7,187	40,180	7,003	54,370
2028	-	21,071	21,071	10,296	6,565	16,861	-	19,109	-	19,109	10,296	40,180	6,565	57,041
2029	-	21,071	21,071	7,784	6,257	14,041	-	19,109	-	19,109	7,784	40,180	6,257	54,221
2030	-	21,071	21,071	7,258	5,917	13,175	-	19,109	-	19,109	7,258	40,180	5,917	53,355
2031	-	21,071	21,071	6,751	5,541	12,292	-	19,109	-	19,109	6,751	40,180	5,541	52,472
2032	-	21,071	21,071	6,340	5,142	11,482	-	19,109	-	19,109	6,340	40,180	5,142	51,662
2033	-	21,071	21,071	5,876	4,702	10,578	-	19,109	-	19,109	5,876	40,180	4,702	50,758
2034	-	21,071	21,071	5,511	4,234	9,745	-	19,109	-	19,109	5,511	40,180	4,234	49,925
2035	-	21,071	21,071	10,215	2,913	13,128	-	19,109	-	19,109	10,215	40,180	2,913	53,308
2036	-	21,071	21,071	9,572	1,504	11,076	-	19,109	-	19,109	9,572	40,180	1,504	51,256
2037	-	21,071	21,071	8,966	-	8,966	-	19,109	-	19,109	8,966	40,180	-	49,146
2038	-	21,071	21,071	-	-	-	20,977	18,334	-	39,311	20,977	39,405	-	60,382
2039	-	21,071	21,071	-	-	-	22,337	16,735	-	39,072	22,337	37,806	-	60,143
2040	-	21,071	21,071	-	-	-	23,747	15,017	-	38,764	23,747	36,088	-	59,835
2041	-	21,071	21,071	-	-	-	25,310	13,174	-	38,484	25,310	34,245	-	59,555
2042	-	21,071	21,071	-	-	-	26,983	11,209	-	38,192	26,983	32,280	-	59,263
2043	-	21,071	21,071	-	-	-	28,761	9,114	-	37,875	28,761	30,185	-	58,946
2044	34,915	20,198	55,113	-	-	-	-	8,033	-	8,033	34,915	28,231	-	63,146
2045	36,660	18,409	55,069	-	-	-	-	8,033	-	8,033	36,660	26,442	-	63,102
2046	-	17,493	17,493	-	-	-	33,704	6,734	-	40,438	33,704	24,227	-	57,931
2047	29,300	16,723	46,023	-	-	-	10,324	5,037	-	15,361	39,624	21,760	-	61,384
2048	43,425	14,814	58,239	-	-	-	-	4,640	-	4,640	43,425	19,454	-	62,879
2049	45,705	12,475	58,180	-	-	-	-	4,640	-	4,640	45,705	17,115	-	62,820
2050	-	11,275	11,275	-	-	-	41,997	2,980	-	44,977	41,997	14,255	-	56,252
2051	32,285	10,387	42,672	-	-	-	16,712	660	-	17,372	48,997	11,047	-	60,044
2052	54,520	8,000	62,520	-	-	-	-	-	-	-	54,520	8,000	-	62,520
2053	57,515	4,919	62,434	-	-	-	-	-	-	-	57,515	4,919	-	62,434
2054	60,680	1,669	62,349	-	-	-	-	-	-	-	60,680	1,669	-	62,349
Subtotal	\$395,005	\$599,924	\$994,929	\$89,521	\$82,219	\$171,740	\$250,852	\$382,312	\$35,229	\$668,393	\$735,378	\$982,236	\$117,448	\$1,835,062
Unamortized Premium (Discount)	(6,410)	-	(6,410)	(892)	-	(892)	(2,434)	-	-	(2,434)	(9,736)	-	-	(9,736)
Total	\$ 388,595	\$ 599,924	\$ 988,519	\$ 88,629	\$ 82,219	\$ 170,848	\$ 248,418	\$ 382,312	\$ 35,229	\$ 665,959	\$ 725,642	\$ 982,236	\$ 117,448	\$ 1,825,326

Source: JCC Finance Department Data (FY21 Audited Financial Data)

¹Senior Lien Sewer Revenue Current Interest Warrants, Series 2013-A, with interest paid semiannually at fixed rates ranging from 5.00% to 5.50% and principal payments due from October 1, 2044 to 2053.

²Senior Lien Sewer Revenue Capital Appreciation Warrants, Series 2013-B, with interest accreting & compounding semiannually at fixed rates of 5.625% to 6.625% to maturity, with accreted value (principal and interest) payments due from October 1, 2026 to 2036. Principal presented as original issue amount of \$55,000 plus net accreted interest of \$34,521.

³Senior Lien Sewer Revenue Convertible Capital Appreciation Warrants, Series 2013-C, with interest compounding semiannually at fixed rates of 6.50% to 6.90% to October 1, 2023, and thereafter interest paid semiannually with accreted value payments (principal and interest) due from October 1, 2038 to 2050. Principal presented as original issue amount of \$149,998 plus net accreted interest of \$100,854.

DEBT SERVICE SCHEDULES
Schedule 27 - Subordinate Lien Sewer Revenue Warrants Series 2013-D through Series 2013-F
 Business-Type Activities (In Thousands)

Fiscal Year Ending 30- Sept	Series 2013-D (Tax Exempt) ¹			Series 2013-E (Tax Exempt) ²			Series 2013-F (Tax Exempt) ³				TOTAL - Sewer Revenue Senior Warrants			
	Principal	Interest	Total Debt Service	Principal	Future Interest Accretion	Total Debt Service	Principal	Interest	Future Interest Accretion	Total Debt Service	Principal	Interest	Future Interest Accretion	Total Debt Service
2022	\$ 8,745	\$49,077	\$57,822	\$ -	\$ 7,316	\$7,316	\$ -	\$ -	\$ 46,711	\$46,711	\$ 8,745	\$49,077	\$54,027	\$111,849
2023	10,980	48,583	59,563	-	7,899	7,899	-	-	50,422	50,422	10,980	48,583	58,321	117,884
2024	14,780	47,939	62,719	-	8,530	8,530	-	26,689	-	26,689	14,780	74,628	8,530	97,938
2025	-	47,570	47,570	-	9,210	9,210	-	53,378	-	53,378	-	100,948	9,210	110,158
2026	-	47,570	47,570	-	9,946	9,946	-	53,378	-	53,378	-	100,948	9,946	110,894
2027	-	47,570	47,570	-	10,740	10,740	-	53,378	-	53,378	-	100,948	10,740	111,688
2028	-	47,570	47,570	-	11,597	11,597	-	53,378	-	53,378	-	100,948	11,597	112,545
2029	-	47,570	47,570	4,823	11,906	16,729	-	53,378	-	53,378	4,823	100,948	11,906	117,677
2030	-	47,570	47,570	7,414	11,816	19,230	-	53,378	-	53,378	7,414	100,948	11,816	120,178
2031	-	47,570	47,570	9,651	11,269	20,920	-	53,378	-	53,378	9,651	100,948	11,269	121,868
2032	-	47,570	47,570	11,559	10,199	21,758	-	53,378	-	53,378	11,559	100,948	10,199	122,706
2033	-	47,570	47,570	13,215	8,555	21,770	-	53,378	-	53,378	13,215	100,948	8,555	122,718
2034	-	47,570	47,570	14,644	6,276	20,920	-	53,378	-	53,378	14,644	100,948	6,276	121,868
2035	-	47,570	47,570	11,447	4,246	15,693	-	53,378	-	53,378	11,447	100,948	4,246	116,641
2036	-	47,570	47,570	12,762	1,509	14,271	-	53,378	-	53,378	12,762	100,948	1,509	115,219
2037	-	47,570	47,570	6,166	-	6,166	21,464	52,446	-	73,910	27,630	100,016	-	127,646
2038	-	47,570	47,570	-	-	-	46,455	49,495	-	95,950	46,455	97,065	-	143,520
2039	37,500	46,445	83,945	-	-	-	23,924	46,437	-	70,361	61,424	92,882	-	154,306
2040	40,505	44,105	84,610	-	-	-	26,738	44,236	-	70,974	67,243	88,341	-	155,584
2041	43,740	41,577	85,317	-	-	-	-	43,074	-	43,074	43,740	84,651	-	128,391
2042	47,240	38,848	86,088	-	-	-	-	43,074	-	43,074	47,240	81,922	-	129,162
2043	51,020	35,900	86,920	-	-	-	-	43,074	-	43,074	51,020	78,974	-	129,994
2044	-	34,370	34,370	-	-	-	29,401	41,747	-	71,148	29,401	76,117	-	105,518
2045	-	34,370	34,370	-	-	-	37,316	38,738	-	76,054	37,316	73,108	-	110,424
2046	-	34,370	34,370	-	-	-	46,017	34,978	-	80,995	46,017	69,348	-	115,365
2047	-	34,370	34,370	-	-	-	55,602	30,394	-	85,996	55,602	64,764	-	120,366
2048	-	34,370	34,370	-	-	-	66,024	24,840	-	90,864	66,024	59,210	-	125,234
2049	-	34,370	34,370	-	-	-	77,719	18,210	-	95,929	77,719	52,580	-	130,299
2050	-	34,370	34,370	-	-	-	90,617	10,447	-	101,064	90,617	44,817	-	135,434
2051	42,940	32,867	75,807	-	-	-	67,946	3,134	-	71,080	110,886	36,001	-	146,887
2052	140,025	26,621	166,646	-	-	-	-	-	-	-	140,025	26,621	-	166,646
2053	158,310	16,734	175,044	-	-	-	-	-	-	-	158,310	16,734	-	175,044
2054	178,290	5,794	184,084	-	-	-	-	-	-	-	178,290	5,794	-	184,084
Subtotal	774,075	1,341,060	2,115,135	91,681	131,014	222,695	589,223	1,191,549	97,133	1,877,905	1,454,979	2,532,609	228,147	4,215,735
Unamortized Premium (Discount)	(13,158)	-	(13,158)	(816)	-	(816)	(5,262)	-	-	(5,262)	(19,236)	-	-	(19,236)
Total	\$ 760,917	\$ 1,341,060	\$ 2,101,977	\$ 90,865	\$ 131,014	\$ 221,879	\$ 583,961	\$ 1,191,549	\$ 97,133	\$ 1,872,643	\$ 1,435,743	\$ 2,532,609	\$ 228,147	\$ 4,196,499

Source: JCC Finance Department Data (FY21 Audited Financial Data)

¹ Subordinate Lien Sewer Revenue Current Interest Warrants, Series 2013-D, with interest paid semiannually at fixed rates ranging from 5.00% to 7.00% and principal payments due from October 1, 2017 to 2053.

² Subordinate Lien Sewer Revenue Capital Appreciation Warrants, Series 2013-E, with interest accreting and compounding semiannually at fixed rates of 7.50% to 8.00% to maturity, with accreted value (principal and interest) payments due from October 1, 2029 to 2036. Principal presented as original issue amount of \$50,271 plus net accreted interest of \$41,410.

³ Subordinate Lien Sewer Revenue Convertible Capital Appreciation Warrants, Series 2013-F, with interest accreting and compounding semiannually at fixed rates of 7.50% to 7.90% to October 1, 2023, and thereafter interest paid semiannually with accreted value payments (principal and interest) due from October 1, 2037 to 2050. Principal presented as original issue amount of \$324,297 plus net accreted interest of \$264,925.

DEBT SERVICE SCHEDULES
Schedule 28 - Hallmark Cooperative District Capital Improvement Loan Series 2019
 Business-Type Activities (In Thousands)

Fiscal Year Ending 30-Sep	Hallmark Cooperative District Capital Improvement Loan ¹		
	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2022	\$839	\$373	\$1,212
2023	864	347	1,211
2024	890	321	1,211
2025	917	293	1,210
2026	944	264	1,208
2027	972	235	1,207
2028	1,001	206	1,207
2029	1,031	174	1,205
2030	1,062	142	1,204
2031	1,094	109	1,203
2032	1,127	76	1,203
2033	1,161	40	1,201
2034	890	7	897
	\$ 12,792	\$ 2,587	\$ 15,379

Source: JCC Finance Department Data (FY21 Audited Financial Data)

¹ Limited Funding Agreement with interest paid quarterly at fixed rates ranging from 3.00% to 3.80% and principal payments due from July 1, 2021 through April 1, 2034.

DEBT SERVICE SCHEDULES
Schedule 29 - Series 2018-A General Obligation Refunding Warrants
 Governmental Activities (In Thousands)

Series 2018-A General Obligation Refunding (Tax Exempt)¹

Fiscal Year Ending 30-Sep	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2022	\$ 18,140	\$ 4,170	\$ 22,310
2023	19,050	3,263	22,313
2024	20,000	2,310	22,310
2025	12,780	1,310	14,090
2026	13,420	671	14,091
Subtotal	83,390	11,724	95,114
Unamortized Premium (Discount)	4,376	-	4,376
Total	\$ 87,766	\$ 11,724	\$ 99,490

Source: JCC Finance Department Data (FY21 Audited Financial Data)

¹General Obligation Refunding Warrants, Series 2018-A, with interest paid semiannually at fixed rates ranging from 4.00% to 5.00% and annual principal payments through 2026. The Commission issued Series 2018-A under the Trust Indenture dated May 1, 2018 (2018 Trust Indenture), between Jefferson County, Alabama, and Wilmington Trust National Association, as Trustee, for the purpose of refunding the General Obligation Warrants, Series 2003-A and 2004-A, and the Lease Revenue Warrants, Series 2006. These warrants were defeased on May 31, 2018, and fully redeemed pursuant to their terms on July 2, 2018. Debt Services Requirements and Coverage is reflected on page 3 of the Official Statement dated September 17, 2018.

DEBT SERVICE SCHEDULES
Schedule 30 - Series 2017 Limited Obligation Refunding Warrants
 Governmental Activities (In Thousands)

Series 2017 Limited Obligation Refunding (Tax Exempt)¹

Fiscal Year Ending 30-Sep	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2022	\$12,220	\$14,181	\$26,401
2023	12,785	13,615	26,400
2024	13,425	12,975	26,400
2025	14,100	12,304	26,404
2026	14,800	11,599	26,399
2027	15,545	10,859	26,404
2028	16,320	10,082	26,402
2029	17,135	9,266	26,401
2030	17,990	8,409	26,399
2031	18,835	7,566	26,401
2032	19,780	6,624	26,404
2033	20,765	5,635	26,400
2034	21,805	4,597	26,402
2035	22,895	3,506	26,401
2036	24,040	2,362	26,402
2037	25,000	1,400	26,400
2038	1,845	400	2,245
2039	1,920	326	2,246
2040	2,000	249	2,249
2041	2,075	169	2,244
2042	2,160	86	2,246
Subtotal	\$297,440	\$136,210	\$433,650
Unamortized Premium (Discount)	30,640	-	30,640
Total	\$328,080	\$136,210	\$464,290

Source: JCC Finance Department Data (FY21 Audited Financial Data)

¹Limited Obligation Refunding Warrants, Series 2017, with interest paid semiannually at fixed rates ranging from 3.00% to 5.00% and annual principal payments through 2037. The Commission issued refunding warrants under the Trust Indenture dated July 1, 2017 (2017 Trust Indenture), between Jefferson County, Alabama and Regions Bank, as Trustee, for the purpose of refunding the outstanding Limited Obligation School Warrants, Series 2004-A and Series 2005-A. The Limited Obligation School Warrants, Series 2005-B, were fully redeemed pursuant to their terms on March 1, 2017. The warrants issued under the 2017 Trust Indenture are not general obligations of the Commission, but represent limited obligations of the Commission, payable solely out of the Trust Estate established under the 2017 Trust Indenture, which includes a pledge of the gross proceeds of a new one cent Special Revenue Sales and Use Tax. Payment of the principal and interest on the warrants when due is secured on an equal and proportionate basis by the Trust Estate. Debt Service Requirements and Coverage is reflected on page 16 of the Official Statement dated July 14, 2017.

DEBT SERVICE SCHEDULES
Schedule 31 - Birmingham Jefferson Civic Center Authority Funding Agreement Series 2018E
(In Thousands)

Fiscal Year Ending 30-Sep	Series 2018E BJCCA Funding Agreement ¹		
	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2022	\$365	\$635	\$1,000
2023	379	621	1,000
2024	394	606	1,000
2025	409	591	1,000
2026	425	575	1,000
2027	441	559	1,000
2028	458	542	1,000
2029	475	525	1,000
2030	494	506	1,000
2031	513	487	1,000
2032	532	468	1,000
2033	553	447	1,000
2034	574	426	1,000
2035	596	404	1,000
2036	619	381	1,000
2037	643	357	1,000
2038	667	333	1,000
2039	693	307	1,000
2040	719	281	1,000
2041	747	253	1,000
2042	776	224	1,000
2043	805	195	1,000
2044	836	164	1,000
2045	868	132	1,000
2046	902	98	1,000
2047	937	64	1,001
2048	973	29	1,002
Total	\$16,793	\$10,210	\$27,003

Source: JCC Finance Department Data (FY21 Audited Financial Data)

¹ General obligation of the County with semi-annual payments applied to principal and interest. Interest payments have an effective rate of 3.76%, representing the combined effect of the Birmingham Jefferson County Civic Center's fixed interest rates of 3.35% to 5%.