



**JEFFERSON COUNTY  
ALABAMA**



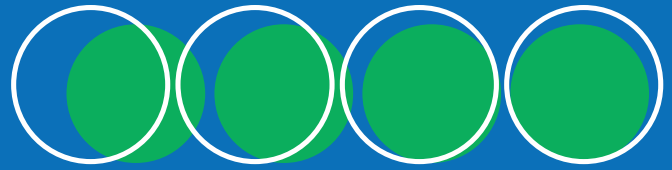
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**Chief Financial Officer  
ANGELA M. DIXON**

**Annual  
Comprehensive  
Financial  
Report**

**For Fiscal Year Ended  
September 3 2 5**

# Annual Comprehensive Financial Report

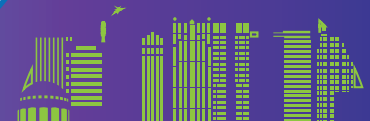


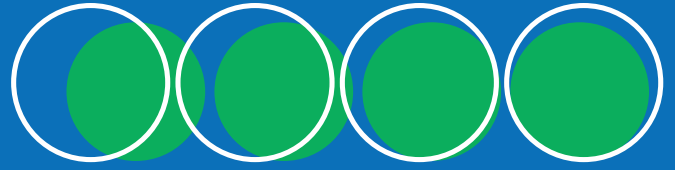
For Fiscal Year Ended  
September 30 2015

Chief Financial Officer  
**ANGELA M. DIXON**



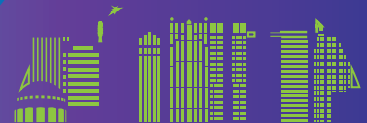
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**Jefferson County**  
ALABAMA



# **Jefferson County, Alabama Annual Comprehensive Financial Report For the Fiscal Year Ended September 30, 2025**

## **INTRODUCTORY SECTION**

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

## **FINANCIAL SECTION**

- 14** Independent Auditors' Report
- 18** Management's Discussion and Analysis

### *Basic Financial Statements*

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

### *Required Supplementary Information*

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

### *Supplementary Information*

- 112** Combining Balance Sheet - Non-Major Governmental Funds
- 115** Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
- 118** Tax Assessor Birmingham Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 119** Tax Assessor Bessemer Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 120** Road Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 121** Board of Equalization Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 122** Emergency Rental Assistance Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 123** American Rescue Plan Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 124** Community Development Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 125** Community Development Loan Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 126** Sheriff Condemnations Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 127** Sheriff Special Programs Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 128** Law Library Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
- 129** Home Grant Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

### *Supplementary Information (continued)*

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

## **STATISTICAL SECTION**

### *Financial Trends*

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

### *Revenue Capacity*

- 151** Schedule 5 – Sales and Use Tax Revenues to Total Taxes
- 152** Schedule 6 – Jefferson County Ten Largest Special Revenue Sales and Use Taxpayers
- 153** Schedule 7 – Jefferson County Ad Valorem Tax Revenue
- 154** Schedule 8 – Property Taxes Levied and Collections
- 155** Schedule 9 – Assessed Value and Estimated True Value of All Taxable Property
- 156** Schedule 10 – Principal Property Taxpayers (Jefferson County Only)

### ***Revenue Capacity (Continued)***

- 157** Schedule 11 – Property Taxes - Direct and Overlapping Governments
- 159** Schedule 12 – Enterprise Fund Data
- 160** Schedule 13 – Historical Sewer Rates
- 161** Schedule 14 – Top 10 Sewer Customers

### ***Debt Capacity***

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

### ***Demographic and Economic Information***

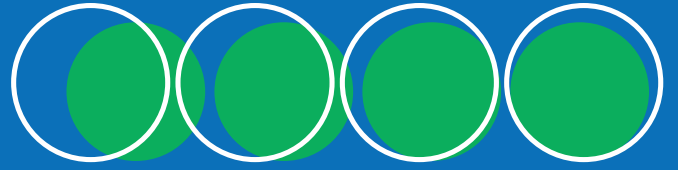
- 169** Schedule 22 – Demographic and Economic Statistics
- 170** Schedule 23 – Largest Employers (Birmingham-Hoover MSA)

### ***Operating Information***

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

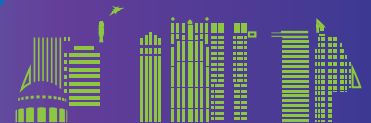
### ***Debt Service Schedules***

- 174** Schedule 27 – Warrants Maturity Schedules
- 175** Schedule 28 – Series 2018-A General Obligation Refunding Warrants
- 176** Schedule 29 – Series 2017 Limited Obligation Refunding Warrants
- 177** Schedule 30 – Limited Obligation Warrant Series 2022 Issued to the Alabama Transportation Infrastructure Bank
- 178** Schedule 31 – Birmingham Jefferson Civic Center Authority Funding Agreement Series 2018E
- 179** Schedule 32 – Birmingham Jefferson Civic Center Authority Funding Agreement Series 2023A
- 180** Schedule 33 – Sewer Revenue Warrants Series 2024



# Introductory Section

**Jefferson County**  
ALABAMA



# JEFFERSON COUNTY COMMISSION



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

**Cal Markert**  
County Manager

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

March 23, 2026

To the Jefferson County Commissioners and Citizens of Jefferson County:

Jefferson County's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2025, represents the official comprehensive publication of the County's financial position as of September 30, 2025. The County has prepared this 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 the 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 on a comprehensive framework of internal controls that have been established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The basis of reliance for the financial statements is based on internal controls that are also outlined within the audited financial report.

The submitted statements were subjected to an independent audit by Mauldin & Jenkins, LLC. The firm issued an unmodified opinion on Jefferson County's financial statements for the fiscal year ended September 30, 2025. Mauldin & Jenkins' report is included in the Financial 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 2025 Single Audit was completed by Warren Averett, LLC, which issued a separate report that is also not contained in the ACFR. The Single Audit was performed in accordance with the Government Auditing Standards and represents the fair presentation of expenditures of federal awards in the County's financial statements for the fiscal year ending September 30, 2025. Internal controls over financial reporting were also tested for compliance with certain provisions of laws, regulations, contracts, and grant agreements related to the Single Audit, but an opinion on internal controls was not provided.

Following the audit report letter is the County's Management Discussion and Analysis (MD&A), which provides a narrative, an introduction, an overview, and an analysis of the basic financial statements. This letter of transmittal is complemented by, and should be read in conjunction with, the MD&A (pages 18-30).

## County Overview



*Aerial view of Jefferson County courthouse in downtown Birmingham, AL*

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

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. The County Manager is responsible for managing day-to-day operations in conjunction with the County's executive team and department heads. (See the organization chart included in this introduction section.) County departments are divided into three groups under the supervision of the County Manager: Infrastructure, Community Services, and Fiscal and Administrative Services - each of these divisions is overseen by a Deputy County Manager or the Chief Financial Officer as appropriate. Four additional departments - Public Information, Human Resources, Compliance, and Information Technology - report directly to the County Manager.

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

## County Departments

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

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

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

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. The department has undertaken a massive effort to engage the community in developing a new comprehensive plan. This has involved several rounds of community engagement meetings and online surveys to obtain feedback on what the citizens would like to see in future development.

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

The Coroner/Medical Examiner's Office establishes the identity of human remains and works to determine the cause, manner, and circumstances surrounding death in all sudden and unexpected deaths occurring in Jefferson County. The office conducts a preliminary investigation of approximately 88% of all deaths in Jefferson County, and an in-depth examination of approximately 20% of those cases. The office is comprised of both Jefferson County employees and a team of forensic pathologists under contract from the University of Alabama at Birmingham.

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

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

The Fiscal & Administrative Services Group houses departments that focus on accounting and administrative processes. Departments in this group include the Finance Department, the Department of Revenue, and the Board of Equalization. The Finance Department is responsible for the development of the County's annual operations and capital budgets and ensures budget compliance through financial reporting, monitoring, internal controls, and cash flow management. The Finance Department also ensures compliance with all County bonded debt requirements and payment of such debt as well as financial compliance reporting for grants received by the County.

The Department of Revenue administers and enforces several federal, state, county, and municipal statutes, ordinances, and regulations, which include collecting and distributing taxes collected on behalf of the State of Alabama, Jefferson County municipalities, school districts and other governmental agencies. The Board of Equalization works to ensure all taxable real property in Jefferson County is valued fairly and equitably. This group is overseen by the Jefferson County Chief Financial Officer.

Information Technology exists to provide professional assistance to County Departments, make public online services more accessible, and ensure the County is protected from cybersecurity attacks. The department provides countywide technology leadership and services that facilitate the cost-effective collection, processing, and dissemination of information.

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

The Public Information Office is responsible for the County's marketing and public relations, coordinating media requests and events that highlight Jefferson County initiatives. It also works with IT to manage content on the County's website, including livestreaming of County public meetings. The office provides a recap of Commission meetings, publishes an online newsletter, podcast, and manages the County's social media channels.

The mission of the Compliance Office is to create a culture of excellence, integrity, accountability, and ethical behavior by ensuring compliance with standards, procedures, policies, and internal controls. The Compliance Office assists with the implementation of policies, provides training sessions and educational programs, and facilitates a reporting system for employees.

## **Financial Overview**

The accompanying financial statements present the activities of the Jefferson County Commission's primary government and its component units. Note 1A on page 43 to the Financial Statements provides additional guidance on these representations.

The Commission is required to adopt an initial annual budget no later than its first regular meeting in October. This annual budget serves as a foundation for Jefferson County's financial planning and control. The proposed budget appropriation must not exceed the total revenue available for appropriation. The budget is organized by department, and any interdepartmental transfers related to personnel costs, other operating costs, or capital must receive the Commission's approval before adjustments can be made.



*Commissioner Bolin speaking at a press conference on the economic impact of the World Police and Fire Games.*

## Growing Our Economy

Fiscal year 2025 was another exciting year as Jefferson County was able to utilize Commission-approved funding to partner with cities within Jefferson County and neighboring counties to host the World Police and Fire Games. This event happens every two years and attracts more than 8,700 attendees from over 70 nations. Attendance at the Birmingham games increased by 20% compared to past venues, and 1,323 first responder agencies participated, with an estimated economic impact of \$65 million.



*Commission President Jimmie Stephens at the Grand Opening of the new Coca-Cola Amphitheater in downtown Birmingham, AL*

The County also saw its investment in the Coca-Cola Amphitheatre realized with the grand opening of this new venue in the heart of Jefferson County. This, along with the new Coca-Cola distribution facility currently under construction on the interstate corridor, solidifies the benefits of public-private partnerships that serve the greater good.

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

The County's abatement policy and procedures for projects are developed in accordance with Alabama State statute. Many of the abatements

are tied to the number of jobs created and how much those jobs pay. The Tax Assessor is responsible for tracking the abatements, and the Budget Management Office is responsible for tracking the annual \$10 million allocated by the Commission for economic incentives for prospective businesses. The Economic Development Committee works collaboratively with Jefferson County's legal team to ensure recipients follow abatement agreements and meet agreed-upon performance targets. (See Note 12, page 98, Tax Abatements).

In total, in 2025, Jefferson County worked on 27 commercial development projects, of which 20 were announced. Those announced projects represent approximately \$406 million in capital investment and 1,046 announced new jobs with an average wage of \$34.50 per hour.

Manufacturing made up the bulk of the project announcements for 2025 with a total of 8 projects, but activity was seen in Logistics, Automotive, IT, Tourism, Food & Beverage, White-Collar Office, and the Service Sectors.



*Commissioner Lashunda Scales at the ground-breaking of the new Coca-Cola distribution center.*

During 2025, the Commission assisted with the following select list of announced projects:

- U.S. Steel – Expansion, 44 new jobs, \$70,469,000 capital investment, received tax abatement
- Publix Distribution – Expansion, 6 new jobs, \$15,000,000 capital investment, received tax abatement
- USPS – New project, 340 new jobs, \$5,000,000 capital investment, assisted with roadway design approval

From Q3 2024 to Q3 2025, Jefferson County saw 1,453 total jobs added, bringing total employment to 394,716 with an average wage of \$71,978. This represents a 5% increase in the average wage year-over-year, outpacing the state's rate of 4% and the U.S. rate of 4.1%.

### **American Rescue Plan Act (ARPA) and Emergency Rental Assistance (ERA)**

Jefferson County completed the full allocation of all ARPA State and Local Fiscal Recovery Funds (SLFRF) categories and projects by December 31, 2024, in accordance with U.S. Treasury requirements. No new ARPA categories or project authorizations were created after that date. Subsequent Commission actions during the fiscal year reflect only (1) the reallocation of unutilized balances within the same previously authorized ARPA category, consistent with Treasury guidance, and (2) the deployment of additional ERA2 rental-assistance funding received from the State of Alabama.

Since 2020, Jefferson County has received approximately \$339 million in federal COVID-relief funding through the CARES Act, ARPA, and related federal appropriations. More than \$187.5 million of these funds have been delivered directly to residents, community organizations, and partner agencies to support housing stability, food security, public-health response, and economic recovery.

With the CARES Act Coronavirus Relief Fund closed and ARPA fully allocated, the County remains in a stewardship-and-closeout posture. The County Manager's Office, Department of Finance, and Department of Community Services continue to work with Jefferson County's consultant, Witt O'Brien's, to ensure that all remaining adjustments are fully compliant with Treasury's final rule and reporting requirements.

### **The Jeffco Way Initiative and Strategic Planning**

The JeffCo Way initiative was launched two years ago and serves as the guiding philosophy for the County Manager and his management team. It centers around providing and prioritizing long-term value to the citizens of our County. The JeffCo Way empowers employees to raise their hands when they encounter issues, work in teams to improve processes, and reduce costs based on these four pillars:

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

During fiscal year 2025, the County worked on the following major initiatives to support its Strategic Plan and benefit its citizens:

- The Roads and Transportation Department paved 136 miles in Fiscal Year 2025 and contracted an additional 27 miles for a total of 163 miles paved, which is a County record.
- In addition, the County completed the following capital road projects:
  - Old Tuscaloosa Hwy. at Lowetown Rd. Intersection Improvements
  - North Chalkville Road Improvements (project in coordination with Alabama Department of Transportation interstate exchange improvements)
  - Sicard Hollow Road at Blue Lake Drive Roundabout
  - Columbiana Intersection Improvements at Highway 31
  - Bell Hill Road Improvements
- The County brought 70 blighted structures into compliance and demolished 44.
- With oversight of nine water reclamation facilities, 2025 was the fifth year in a row for record-low sewer overflows for our Environmental Services Department. There was a 20% reduction from the record set in 2024. The department credits its work with consultant Hazen and Sawyer for prioritizing infrastructure repairs where they are needed most and make the most significant impact.
- Environmental Services has 16 major infrastructure projects underway in 2025, contracted at an estimated \$124,035,517. These projects range from sewer line replacements and rehabilitation to sewer cleaning, phosphorus removal improvements, and facility improvements, including ultraviolet disinfection.
- Focused on reducing citizen time at the counter and overtime for employees, the Revenue Department implemented online business license renewal last year. Working with the Public Information Office, the department saw a 42% year-over-year increase in online renewals. In addition, total County business license collections reached \$7.2 million in October 2025, up from \$5.3 million in October 2024 – an increase of \$2 million, representing a 36% year-over-year gain.
- This past year, the County completed a new state-of-the-art facility for the Jefferson County Coroner. The facility provides space for education, a meeting area for families, and is expandable if there is an emergency need.



*This is the completed “turbo” roundabout adjacent to the new Smucker’s plant in west Jefferson County. It was a part of a widening of Old Tuscaloosa Hwy., which serves one of our industrial parks.*

*Jefferson County Coroner Dr. Greg Davis (center) joined by Jefferson County Commissioners Joe Knight, Sheila Tyson, Jimmie Stephens, and Mike Bolin.*



- The County also broke ground and is nearing completion on a new Animal Control facility that will be located adjacent to the Greater Birmingham Humane Society to offer wrap-around services for abused and neglected animals in the County. This project has been years in the making and is an excellent partnership for the community.



*Breaking ground on the County's new Animal Control facility.*

**Relevant Financial Policies:**

Jefferson County is committed to maintaining fiscal stability to increase citizens' access to essential services. Jefferson County maintains a significant General Fund balance. Additionally, to ensure the long-term financial health of the County, Jefferson County has established three separate reserve funds (Economic Uncertainty Fund, Budget Stabilization Fund, and Catastrophic Event Fund). As of September 30, 2025, the County's total cash reserve balance in these three emergency reserve accounts was approximately \$76.4 million.

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

**Awards**

Jefferson County was the recipient of several awards in the past year:

- The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2024. This was the 3rd consecutive year that the County has achieved this prestigious award. To be awarded a Certificate of Achievement, the County had to publish an easily readable and efficiently organized ACFR that satisfied both generally accepted accounting principles and applicable program requirements.

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

- The County also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning October 1, 2024. To qualify for the Distinguished Budget Presentation Award, the County's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device. This is the County's 6<sup>th</sup> consecutive year achieving this award.

- Finally, the County received GFOA’s Popular Annual Financial Report (PAFR) for the first time for its initial PAFR for the fiscal year ended September 30, 2024. The PAFR can be found on the County’s website, [www.jccal.org](http://www.jccal.org). As a result of receiving all three of GFOA’s reporting awards, the County is a GFOA Triple Crown award winner.
- The Jefferson County ITS-GIS team was recognized with the 2025: GIS Champion Award by the Alabama Geographic Information Office for their work with the Jefferson County EMA in support of the World Police and Fire Games.
- Jefferson County Commissioners, members of the County’s executive team, and the leaders of our bond refinance deal were named Southeast Region Deal of the Year by The Bond Buyer for the County’s \$2.24 billion sewer revenue warrant refinance transaction.




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*Jefferson County Commissioners Joe Knight and Jimmie Stephens joined with key County officials, its underwriters, its bond attorney, and investment advisors to accept the Southeast Region Deal of the Year by The Bond Buyer.*

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**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 County government for assisting and contributing to the preparation of this report.

Respectfully submitted,

Cal Markert  
County Manager

Angela M. Dixon, CPA  
Chief Financial Officer



# LIST OF PRINCIPAL OFFICIALS

## Jefferson County Commissioners

(As of September 30, 2025)



Commissioner  
**Lashunda Scales**  
District 1

Commissioner  
**T. Joe Knight**  
District 4

Commissioner  
**James Stephens**  
President  
District 3

Commissioner  
**Sheila Tyson**  
District 2

Commissioner  
**Mike Bolin**  
District 5

Citizens of  
Jefferson County

# Jefferson County Commission



Commissioner  
**Mike Bolin**  
District 5



Commissioner  
**Lashunda Scales**  
District 1



Commissioner  
**James Stephens**  
President  
District 3



Commissioner  
**Sheila Tyson**  
District 2



Commissioner  
**T. Joe Knight**  
District 4

## Jefferson County, Alabama Organizational Chart - September 30, 2025



Assistant to County  
Manager  
**David Howell**



County Manager  
**Cal Markert**



County Attorney  
**Theo Lawson**

### Elected Officials\*



Economic  
Development Advisor  
**Jefferson Traywick**



Deputy  
County Manager  
**Heather Carter**



Deputy  
County Manager  
**Daren Lanier**



Chief  
Financial Officer  
**Angela M. Dixon**

### Direct Reports

Probate Court  
**Yashiba "Red" Blanchard**  
**Jameria Johnson Moore**



Environmental  
Services  
**David Denard**



Coroner  
**Dr. Greg Davis**



Director of Finance  
**Malinda Parker**



Chief  
Information Officer  
**Sri Karra**

Treasurer  
**Angela Webb-Weinberg**  
**Sherry McClain**



Roads &  
Transportation  
**Chris Nicholson**



Youth Detention  
**Monique Grier**



Financial Analysis  
and Reporting  
**Rosemary Courington**



Chief  
Compliance Officer  
**Cricket Snyder**

Tax Collector  
**J.T. Smallwood**  
**Ron Marshall**



General Services  
**Trisha Hill**



Development  
Services  
**Josh Johnson**



Revenue  
**Wesley (Scott)  
Moore**



Chief  
Human Resources Officer  
**Melody Banks**

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



Jefferson County  
Fleet Management  
**Charles Tyler**



Board of Registrars  
**Barry Stephenson**



Board of  
Equalization  
**Maria Knight**



Public Information  
**Helen Hays**

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



Community Services  
**Dr. Frederick Hamilton**



Security  
**Barry Kenamer**

District Court  
**Elisabeth French**

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



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Financial Report  
For the Fiscal Year Ended

September 30, 2024

*Christopher P. Morill*

Executive Director/CEO



GOVERNMENT FINANCE OFFICERS ASSOCIATION

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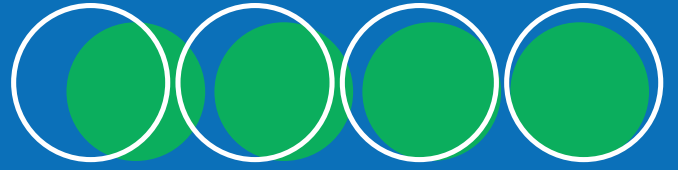
**County of Jefferson  
Alabama**

For the Fiscal Year Beginning

**October 01, 2024**

*Christopher P. Morill*

**Executive Director**



# Financial Section

**Jefferson County**  
ALABAMA





## INDEPENDENT AUDITORS' REPORT

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

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

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Jefferson County, Alabama** (the "County"), as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Jefferson County Economic and Industrial Development Authority, which represents 52 percent, 115 percent, and 14 percent, respectively, of the assets and deferred outflows of resources, deficit net position, and revenues of the aggregate discretely presented component units. We also did not audit the financial statements of the General Retirement System for Employees of Jefferson County. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the Jefferson County Economic and Industrial Development Authority and the General Retirement System for Employees of Jefferson County, are based solely on the reports of the other auditors.

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

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

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

As discussed in Note 14, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, as of October 1, 2024. This standard significantly changed the accounting for compensated absences. Our opinions are not modified with respect to this matter.

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

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

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

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

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

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

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

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

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***Required Supplementary Information***

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

***Supplementary Information***

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

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**Other Information**

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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2026 on our consideration of the County’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County’s internal control over financial reporting and compliance.

*Mauldin & Jenkins, LLC*

Birmingham, Alabama  
March 23, 2026

## **Jefferson County, Alabama Management's Discussion and Analysis September 30, 2025**

As management of Jefferson County, Alabama (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2025. This discussion is intended to: (1) assist the reader in understanding significant financial issues; (2) provide an overview of the County's financial activities; (3) identify changes in the County's financial position; (4) identify material deviations from the County's original budget; and (5) identify individual fund issues or concerns. This discussion has been prepared by management along with the financial statements and related note disclosures and should be read in conjunction with the financial statements and notes. The financial statements, notes, required supplementary information, and this discussion are the responsibility of management.

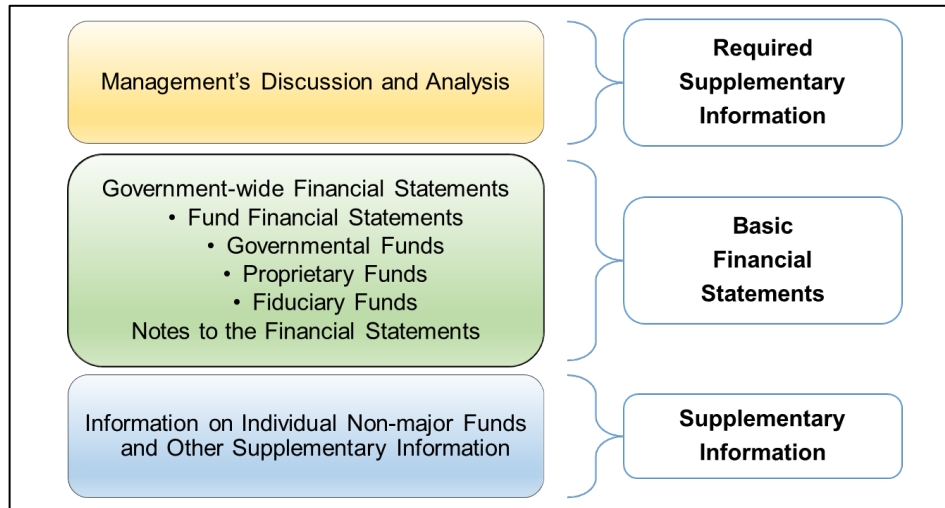
### **Financial Highlights**

The following are the County's financial highlights for the fiscal year ending September 30, 2025:

- As of September 30, 2025, the County's total net position was \$649.0 million, an increase of approximately \$79.5 million from the prior fiscal year. The increase in total net position was primarily attributable to a higher net investment in capital assets and expenses being less than the prior fiscal year end.
- Combined revenues for the fiscal year totaled approximately \$993.9 million. Governmental activities generated approximately \$651.4 million of this amount, while business-type activities accounted for approximately \$342.5 million. Total revenues decreased by approximately 2 percent, or approximately \$17.8 million, compared to the prior fiscal year. This decrease was primarily attributable to a decline in unrestricted investment earnings within business-type activities resulting from the sale of long-term investment assets.
- Overall expenses for the fiscal year totaled approximately \$892.8 million. Governmental activities accounted for approximately \$533.9 million of this amount, while business-type activities totaled approximately \$358.9 million. Total expenses decreased by \$80.1 million compared to fiscal year 2024. The decrease was primarily driven by reductions in general government, health and welfare, landfill and sanitary operations.
- Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$649.0 million at the close of the fiscal year, representing the County's total net position. The unrestricted net position was a deficit of approximately \$452.6 million, compared to a deficit of approximately \$241.7 million in fiscal year 2024. The unrestricted deficit continued to be driven by the Sanitary Operation Fund.
- At the close of the fiscal year, the County's governmental funds reported combined fund balances of \$594.0 million, a decrease of approximately \$1.6 million in comparison to the prior fiscal year. Of this amount, approximately \$251.6 million represents unassigned fund balance, which is available for spending at the County's discretion.
- At the end of the current fiscal year, unrestricted fund balance (the total of the assigned and unassigned components of fund balance) for the General Fund was approximately \$366.9 million.

## Overview of the Financial Statements

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



The discussion and analysis provided here are intended to serve as an introduction to the County's basic audited 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 audited 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. Both 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 45 of this report.

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

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

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

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

The government-wide financial statements can be found on pages 31 and 32.

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

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

### ***Governmental Funds***

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

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

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

The basic governmental fund financial statements can be found on pages 33 through 36.

The County adopts an annual appropriated budget for its various governmental activities. A budgetary comparison is included in this report for the individual non-major funds and for the following major funds: General Fund, Special Sales Tax Revenue, Indigent Care, and Bridge and Public Buildings. These statements and schedules for the County's major funds are found on pages 101 through 107.

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 45 of this report.

### *Proprietary funds*

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

The County adopts an annual budget for management purposes for its enterprise funds. Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Sanitary Operations, which is 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 134 through 136.

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 45 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 the County or available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds, and their financial statements are reported on the accrual basis of accounting as well. The County maintains seven fiduciary funds: The Pension Trust Fund, Tax Collector Fund, Department of Revenue Fund, Treasurer's Trust Fund, Sheriff Fund, Family Court Fund, and Probate Court Fund. The details associated with the Pension Trust Fund are included in Note 8 (Defined Benefit Pension Plan) on pages 85 through 90. These fiduciary funds are aggregated and presented on pages 137 and 138.

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 45 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. The notes to the financial statements can be found on pages 43-100 of the audited financial statements.

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

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. The County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$649.0 million as of September 30, 2025, representing a 14 percent increase in total net position of approximately \$79.5 million compared to the prior fiscal year.

### *Total Primary Government*

As of September 30, 2025, the County's combined net position (governmental and business-type activities) increased to \$649.0 million, a growth of approximately \$79.5 million from the prior fiscal year. This growth was driven by increased sales tax revenues (approximately \$14.2 million), decreased general government expenses (\$43.7 million), and the improved position of the defined benefit pension plan. Much of this improvement in net position is occupied by an approximately \$68.0 million increase in Net Investment in Capital Assets, reflecting the County's ongoing commitment to infrastructure and facility improvements.

The following table presents financial information for governmental and business-type activities for the fiscal year ended September 30, 2025, with comparative data for the fiscal year ended September 30, 2024.

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

	Governmental Activities				Business-Type Activities				Totals			
	2025	2024	Change	Percent Change	2025	2024	Change	Percent Change	2025	2024	Change	Percent Change
Current and Other Assets	\$ 1,089,350	\$ 939,892	\$ 149,458	16%	\$ 562,135	\$ 557,553	\$ 4,582	1%	\$ 1,651,485	\$ 1,497,445	\$ 154,040	10%
Capital Assets (Net)	499,987	427,746	72,241	17%	1,869,634	1,896,021	(26,387)	-1%	2,369,621	2,323,767	45,854	2%
Total Assets	<u>1,589,337</u>	<u>1,367,638</u>	<u>221,699</u>	<u>16%</u>	<u>2,431,769</u>	<u>2,453,574</u>	<u>(21,805)</u>	<u>-1%</u>	<u>4,021,106</u>	<u>3,821,212</u>	<u>199,894</u>	<u>5%</u>
Deferred Outflows of Resources	64,693	103,250	(38,557)	-37%	161,970	176,212	(14,242)	-8%	226,663	279,462	(52,799)	-19%
Current Liabilities	109,482	154,994	(45,512)	-29%	93,217	119,931	(26,714)	-22%	202,699	274,925	(72,226)	-26%
Other Liabilities	528,867	536,908	(8,041)	-1%	2,477,742	2,499,173	(21,431)	-1%	3,006,609	3,036,081	(29,472)	-1%
Total Liabilities	<u>638,349</u>	<u>691,902</u>	<u>(53,553)</u>	<u>-8%</u>	<u>2,570,959</u>	<u>2,619,104</u>	<u>(48,145)</u>	<u>-2%</u>	<u>3,209,308</u>	<u>3,311,006</u>	<u>(101,698)</u>	<u>-3%</u>
Deferred Inflows of Resources	346,040	205,626	140,414	68%	43,406	14,505	28,901	199%	389,446	220,131	169,315	77%
Net Position:												
Net Investment in Capital Assets	140,518	63,388	77,130	122%	213,717	222,888	(9,171)	-4%	354,235	286,276	67,959	24%
Restricted	294,838	87,483	207,355	237%	452,492	437,463	15,029	3%	747,330	524,946	222,384	42%
Unrestricted	234,285	422,489	(188,204)	-45%	(686,835)	(664,174)	(22,661)	3%	(452,550)	(241,685)	(210,865)	87%
Total Net Position	<u>\$ 669,641</u>	<u>\$ 573,360</u>	<u>\$ 96,281</u>	<u>17%</u>	<u>\$ (20,626)</u>	<u>\$ (3,823)</u>	<u>\$ (16,803)</u>	<u>440%</u>	<u>\$ 649,015</u>	<u>\$ 569,537</u>	<u>\$ 79,478</u>	<u>14%</u>

The restricted net position totaling \$747.3 million on September 30, 2025, represents resources subject to external restrictions, constitutional provisions, or authorizing legislation on how they can be used. The County presents restricted net position for Grant Programs (approximately \$7.7 million), Tax Assessor Operations (approximately \$954.7 thousand), Public Works (\$27.9 million), Public Safety (approximately \$5.3 million), Law Library Operations (approximately \$1.9 million), Equalization Operations (approximately \$1.3 million), Community Development (approximately \$3.4 million), Health and Welfare (approximately \$11.0 million), Debt Service (approximately \$95.2 million), Landfill Assurance (approximately \$7.8 million), Unsecured Claims (approximately \$6.1 million), Capital Improvements associated with the County's Sanitary Operations (\$293.9 million), Operating Reserve associated with the County's Sanitary Operations (\$40.3 million), Opioid Settlement (\$14.6 million), and Net Pension Asset (\$230.0 million).

Beginning net position for the County's governmental and business-type activities was restated due to the implementation of Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. See Note 14 to the financial statements for additional information.

#### *Governmental Activities*

As can be seen in Table A-2, the change in ending net position for governmental activities was an increase of \$96.3 million (17 percent) from fiscal year 2024. This change is largely associated with expense reductions for general government and health and welfare activities.

#### *Business-Type Activities*

As of September 30, 2025, the County's business-type activities (major and non-major) reported a net position of negative \$20.6 million. The net deficit increased by approximately \$16.8 million. The Sanitary Operation Fund was the largest contributing factor for this decrease, with a decrease in net position for the fiscal year of approximately \$15.7 million. This is improved from a decrease of \$48.1 million in fiscal year 2024 due to decreased operating and interest expenses during fiscal year 2025.

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

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

	Governmental Activities				Business-Type Activities				Total			
	2025	2024	Change	Total Percent Change	2025	2024	Change	Total Percent Change	2025	2024	Change	Total Percent Change
<b>Revenues</b>												
<b>Program Revenues:</b>												
Charges for Services	\$ 69,003	\$ 67,242	\$ 1,761	3%	\$ 280,665	\$ 289,922	\$ (9,257)	-3%	\$ 349,668	\$ 357,164	\$ (7,496)	-2%
Operating Grants and Contributions	66,192	73,594	(7,402)	-10%	-	-	-	0%	66,192	73,594	(7,402)	-10%
Capital Grants and Contributions	5,835	5,499	336	6%	14,052	16,004	(1,952)	-12%	19,887	21,503	(1,616)	-8%
<b>General revenues:</b>												
Property Taxes	163,550	161,017	2,533	2%	9,540	9,392	148	2%	173,090	170,409	2,681	2%
Sales Taxes	311,163	297,008	14,155	5%	-	-	-	-	311,163	297,008	14,155	5%
Other Taxes	9,621	9,351	270	3%	-	-	-	-	9,621	9,351	270	3%
Unrestricted Investment Earnings	15,224	23,277	(8,053)	-35%	30,589	46,650	(16,061)	-34%	45,813	69,927	(24,114)	-34%
Miscellaneous	10,782	9,667	1,115	12%	2,183	2,885	(702)	-24%	12,965	12,552	413	3%
Gain on Sale of Capital Assets	-	-	-	-	185	99	86	87%	185	99	86	87%
<b>Total Revenues</b>	<b>651,370</b>	<b>646,655</b>	<b>4,715</b>	<b>1%</b>	<b>337,214</b>	<b>364,952</b>	<b>(27,738)</b>	<b>-8%</b>	<b>988,584</b>	<b>1,011,607</b>	<b>(23,023)</b>	<b>-2%</b>
<b>Expenses</b>												
General Government	228,922	272,627	(43,705)	-16%	-	-	-	-	228,922	272,627	(43,705)	-16%
Public Safety	125,816	115,667	10,149	9%	-	-	-	-	125,816	115,667	10,149	9%
Law Library Operations	266	204	62	30%	-	-	-	-	266	204	62	30%
Highways and Roads	68,773	56,223	12,550	22%	-	-	-	-	68,773	56,223	12,550	22%
Health and Welfare	91,490	103,527	(12,037)	-12%	-	-	-	-	91,490	103,527	(12,037)	-12%
Community Development	5,975	6,594	(619)	-9%	-	-	-	-	5,975	6,594	(619)	-9%
Interest and fiscal charges	12,663	13,046	(383)	-3%	-	-	-	-	12,663	13,046	(383)	-3%
Hallmark	-	-	-	-	596	590	6	1%	596	590	6	1%
Landfill Operations	-	-	-	-	708	4,458	(3,750)	-84%	708	4,458	(3,750)	-84%
Sanitary Operations	-	-	-	-	357,557	399,934	(42,377)	-11%	357,557	399,934	(42,377)	-11%
<b>Total Expenses</b>	<b>533,905</b>	<b>567,888</b>	<b>(33,983)</b>	<b>-6%</b>	<b>358,861</b>	<b>404,982</b>	<b>(46,121)</b>	<b>-11%</b>	<b>892,766</b>	<b>972,870</b>	<b>(80,104)</b>	<b>-8%</b>
Increase (decrease) in net position before transfers and special item	117,465	78,767	38,698	49%	(21,647)	(40,030)	18,383	-46%	95,818	38,737	57,081	147%
Transfers	(3,342)	(13,077)	9,735	-74%	3,342	13,077	(9,735)	-74%	-	-	-	-
Special item	-	-	-	-	5,267	-	5,267	-	5,267	-	5,267	-
<b>Change in Net Position</b>	<b>114,123</b>	<b>65,690</b>	<b>48,433</b>	<b>74%</b>	<b>(13,038)</b>	<b>(26,953)</b>	<b>13,915</b>	<b>-52%</b>	<b>101,085</b>	<b>38,737</b>	<b>62,348</b>	<b>161%</b>
Net Position - Beginning	573,360	507,670	65,690		(3,823)	23,130	(26,953)		569,537	530,800	38,737	
Restatement - Change in Accounting Principle	(17,842)	-	(17,842)		(3,765)	-	(3,765)		(21,607)	-	(21,607)	
Net Position - Beginning, Restated	555,518	507,670	47,848		(7,588)	23,130	(30,718)		547,930	530,800	17,130	
Net Position - Ending	\$ 669,641	\$ 573,360	\$ 96,281	17%	\$ (20,626)	\$ (3,823)	\$ (16,803)	440%	\$ 649,015	\$ 569,537	\$ 79,478	14%

## Financial Analysis of Governmental Funds

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

### Governmental Funds

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

As of September 30, 2025, the County's governmental funds reported combined fund balances of approximately \$594.0 million, a decrease of approximately \$1.6 million in comparison with the prior fiscal year. Of this amount, approximately \$251.6 million constitutes unassigned fund balance, which is available to be spent at the County's discretion. The remainder of the fund balance is either non-spendable, restricted, committed, or assigned.

Assigned fund balance represents the intentional constraints placed on resources within fund balance either by the Commission or appointees. These funds continue to grow and demonstrate the Commission's commitment to ensuring a financially stable future for the citizens of the County. The County reports assigned fund balance for Uncertainty Reserve (approximately \$25.3 million), Catastrophic Reserve (approximately \$25.2 million), Economic Development (approximately \$38.9 million), and Budget Reserve (\$25.9 million).

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

- The General Fund is the County's primary operating fund and accounts for most of the County's expenditures for general government administration. Property tax and sales tax revenues serve as the largest own-source revenues to support the operations of the County. Property taxes and sales taxes increased from approximately \$150.3 million in fiscal year 2024 to approximately \$157.6 million during fiscal year 2025, primarily due to an increase in sales and use tax.
- The County's Special Sales Tax Revenue fund accounts for the special sales tax revenue collected and used for the payment of the County's principal and interest on certain governmental bonds. Sales tax collections (revenue) increased to \$142.2 million in fiscal year 2025 from \$137 million in fiscal year 2024. Collections increased because the sales tax collections were more favorable due to improving economic conditions.
- The Indigent Care Fund accounts for the receipt of an alcohol beverage tax and sales taxes designated for indigent residents of the County. Total tax revenues increased from \$71.1 million in fiscal year 2024 to \$73.6 million in fiscal year 2025, driven by increased retail and alcohol sales.
- The Bridge and Public Buildings Fund accounts for a 5.1 millage rate for ad valorem property taxes collected. This fund is primarily used to fund General Services capital projects and debt repayment for the Alabama Transportation Infrastructure Bank (ATIB) Bond for road construction projects. The Bridge and Public Buildings Fund revenues increased to \$68.2 million in fiscal year 2025 from \$67.0 million in fiscal year 2024, primarily due to increased property values.

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

As of September 30, 2025, the Sanitary Operation Fund reported a net position deficit of \$37.9 million. The Fund experienced a net loss before capital contributions and transfers of \$40.3 million, which is a 51.9 percent improvement over fiscal year 2024. This loss includes a reduction of investments by 26.7 percent due to the sale of long-term investments.

Despite the deficit, operating performance improved during the fiscal year. Sewer service revenues increased by 2.5 percent, while operating expenses decreased by 5.4 percent compared to the prior fiscal year. As a result, the Sanitary Operation Fund generated net operating income of approximately \$31.6 million. Depreciation, amortization, and interest costs continue to be the primary factor affecting the overall net position of the Sanitary Operation Fund.

## **General Fund Budgetary Highlights**

On September 12, 2024, the County Commission approved the fiscal year 2025 Operating Budget for the County, including estimated revenues of approximately \$230.7 million and operating appropriations of \$299.0 million for the County's General Fund.

This fiscal year's budget included a 3.5 percent cost of living adjustment for all County employees, as well as recruitment and retention payments for new sworn personnel in the Sheriff's Department.

Capital project funding included \$17.0 million for completion of the new, state-of-the-art Coroner’s building as well as \$12.0 million for completion of a new animal shelter.

Roads Capital funding included \$32.0 million to continue resurfacing roads as well as intersection improvements and road widening projects.

The County is also committed to business and economic development and the fiscal year 2025 budget included \$10.0 million for economic development throughout the County. The goal is to attract new companies, assist existing companies with growth and create new jobs.

The fiscal year 2025 budget also included prefunding transfers from ARPA and ERAP interest to cover the capital and roads projects for the fiscal year.

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

General Fund Revenue and Expenditure Budget Variances

Significant budget variances affecting revenues are summarized as follows:

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance Final Budget</u>
Revenue Source:				
Interest income	\$ 1,600,000	\$ 1,600,000	\$ 6,662,997	\$ 5,062,997
Miscellaneous	1,845,792	1,968,438	6,485,793	4,517,355

The County’s revenues in the General Fund were higher than its final, amended budget by approximately \$12.2 million during fiscal year 2025 primarily due to interest income and miscellaneous revenue.

Interest income increased as a result of a revised investment strategy that emphasized higher-yield opportunities, generating earnings above the budgeted level. The majority of the variance in miscellaneous revenues was driven by the receipt of unbudgeted opioid and insurance settlement proceeds, along with unclaimed property remitted to the Treasurer.

Jefferson County carries the budget and unexpended purchase orders and contracts into the new fiscal year. This practice increases the final budgets throughout the County. Also, the final budget and actuals are reduced to accommodate the indirect cost charges.

## Capital Assets and Debt Administration

As of September 30, 2025, the County had invested approximately \$2.37 billion, net of accumulated depreciation, in a broad range of capital assets (see table below). This investment was comparable to approximately \$2.32 billion reported as of September 30, 2024.

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

	Governmental Activities		Business-Type Activities		Total		2025 Versus 2024	
	2025	2024	2025	2024	2025	2024	Change	Percent Change
Land	\$ 28,012	\$ 28,012	\$ 30,284	\$ 35,553	\$ 58,296	\$ 63,565	\$ (5,269)	-8%
Construction in Progress	126,902	107,648	287,596	248,443	414,498	356,091	58,407	16%
Buildings and Improvements	297,491	249,908	407,686	433,356	705,177	683,264	21,913	3%
Equipment and Vehicles	35,914	33,307	15,107	15,371	51,021	48,678	2,343	5%
Furniture and Fixtures	487	695	-	-	487	695	(208)	-30%
Software	259	2,399	-	-	259	2,399	(2,140)	-89%
Lease assets	2,126	2,265	-	-	2,126	2,265	(139)	-6%
Subscription assets	8,796	3,512	703	155	9,499	3,667	5,832	159%
Infrastructure and Other Improvements	-	-	1,128,258	1,163,143	1,128,258	1,163,143	(34,885)	-3%
	<u>\$ 499,987</u>	<u>\$ 427,746</u>	<u>\$ 1,869,634</u>	<u>\$ 1,896,021</u>	<u>\$ 2,369,621</u>	<u>\$ 2,323,767</u>	<u>\$ 45,854</u>	<u>2%</u>
Depreciable asset, net	\$ 345,073	\$ 292,086	\$ 1,551,754	\$ 1,612,025	\$ 1,896,827	\$ 1,904,111	(7,284)	0%
Nondepreciable assets	154,914	135,660	317,880	283,996	472,794	419,656	53,138	13%
Total	<u>\$ 499,987</u>	<u>\$ 427,746</u>	<u>\$ 1,869,634</u>	<u>\$ 1,896,021</u>	<u>\$ 2,369,621</u>	<u>\$ 2,323,767</u>	<u>\$ 45,854</u>	<u>2%</u>

### Governmental Activities

Governmental activities capital assets as of September 30, 2025, were approximately \$500.0 million, which was an overall increase from \$427.7 million as of September 30, 2024. The increase is largely associated with increases in construction in progress of approximately \$87 million and completed projects of approximately \$67 million during the fiscal year. Along with a disposal of approximately \$7.2 million, the County added approximately \$24.2 million in capital assets (excluding construction in progress) during the fiscal year. These additions were primarily related to construction equipment, motor vehicle fleet, and leased assets.

Major capital assets acquired, and projects completed or in progress during the fiscal year ending September 30, 2025, included the following:

- \$87 million in additional construction in progress largely for road construction.
- Completed projects totaled \$67 million for Roads and Transportation.
- \$3.5 million in construction equipment purchases for Roads and Transportation.
- \$6.3 million in miscellaneous equipment and vehicle purchases for Roads and Transportation, Public Safety and General Governmental Activities.

### Business-Type Activities

Business-type activities capital assets as of September 30, 2025, were approximately \$1.9 billion. The investment was comparable to approximately \$1.9 billion reported as of September 30, 2024. Capital purchases (excluding construction in progress) amounted to approximately \$4.4 million, and approximately \$64.9 million in sanitation construction projects were completed and transferred to depreciable asset categories.

Major capital assets acquired, projects completed or in progress during the fiscal year ending September 30, 2025, included the following:

- Approximately \$104 million in additional construction in progress projects involving improvements to the County’s sanitation infrastructure.
- Approximately \$14 million in donated infrastructure for sanitary operations.
- Purchases of construction equipment, miscellaneous equipment, and vehicles totaled approximately \$4.4 million for the fiscal year.

For additional details on Capital Assets see Note 5, page 67.

## Long-Term Debt

As of September 30, 2025, the County had total bonded debt of approximately \$2.8 billion, largely associated with revenue warrants in business-type activities reported at \$2.4 billion.

### Long-Term Debt Activities

The County’s total bonded debt as of September 30, 2025, was approximately \$2.8 billion, \$59.9 million decrease from September 30, 2024.

Total primary government long-term obligations, including amounts due within one fiscal year, were approximately \$2.8 billion as of September 30, 2025, a decrease of \$59.9 million from September 30, 2024. A summary of the most significant sources of the County’s debt is shown in Table A-4:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>		<u>2025 Versus 2024</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>Change</u>	<u>Percent Change</u>
<b>General Obligation Warrants</b> (backed by the County)	\$ 13,572	\$ 26,802	\$ -	\$ -	\$ 13,572	\$ 26,802	\$ (13,230)	-49%
<b>Limited Obligation Warrants</b> (backed by sales tax)	327,022	346,484	-	-	327,022	346,484	(19,462)	-6%
<b>Revenue Warrants</b> (backed by Sewer fees)	-	-	2,412,813	2,429,425	2,412,813	2,429,425	(16,612)	-1%
<b>BJCC Bonds</b> (backed by the County)	25,246	25,655	-	-	25,246	25,655	(409)	-2%
<b>Hallmark Bonds</b> (backed by the County)	-	-	-	10,200	-	10,200	(10,200)	-100%
	<u>\$ 365,840</u>	<u>\$ 398,941</u>	<u>\$ 2,412,813</u>	<u>\$ 2,439,625</u>	<u>\$ 2,778,653</u>	<u>\$ 2,838,566</u>	<u>\$ (59,913)</u>	<u>-2%</u>

For additional details on Long-Term Debt see Note 7 page 73.

The County's credit ratings on its long-term debt as of September 30, 2025, were:

**General Obligation Warrants:**

Moody's Investors Service, Inc.	A2/Stable
S&P Global Ratings	AA/Stable
Fitch Ratings	AA/Stable

**Limited Obligation Warrants:**

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

**Sewer Warrants:**

S&P Global Ratings	BBB+/Positive
Fitch Ratings	BBB+/Stable
Moody's	Baa1/Stable

On November 25, 2024, Moody's upgraded the County's General Obligation warrants to A2. The Sewer Warrants received a favorable upgrade by Fitch to BBB+ on September 19, 2025. The County's credit ratings were above investment grade, primarily due to strength in the economic base relative to peers. The County experiences lower borrowing costs as a result of its investment grade ratings.

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

Jefferson County is a vibrant, diverse community rich in history, culture and natural beauty. The County claims a progressive business climate which fosters growth and a revitalized downtown with vibrant new restaurants, loft apartments and Railroad Park.

Home to the state's second largest city, Birmingham, and the designated Birmingham Civil Rights District National Monument, Jefferson County is proud to be leading the way into a new and more inclusive future. This designation, intended to protect culturally and historically significant places, will preserve important chapters in history and will tell the stories of citizens who helped launch the civil rights movement.

With one of the lowest costs of living and an exceptional green space per capita ratio, Jefferson County is successful in its efforts to attract homeowners and businesses to the area.

Currently, the County is working on a Comprehensive Plan to outline a vision and strategy for future development and growth including land use, transportation, housing, economic development, natural resources and community services with the primary focus being unincorporated Jefferson County.

Also, the County is currently dealing with the unknown impact of tariffs, federal funding cuts and the impact of inflation. This volatile combination of high inflation, stagnant economic growth and elevated unemployment, led to a revenue forecast with little to no growth and an expenditure budget that was held as steady as possible and relied on a \$15 million draw on fund balance for the Roads budget as well as the budgeting of vacant positions at 70 percent.

A major center for health care and biomedical research, the Medical Center of the University of Alabama at Birmingham (UAB), faces a major funding loss due to the federal funding cuts. UAB is not only the leading employer in Jefferson County, but also in the state of Alabama. As UAB loses funding, the concern of job loss grows because UAB is a very strong generator of economic growth. UAB's economic impact in Alabama has grown from \$4.6 billion in 2008 to \$12.1 billion in 2022, a 163 percent increase. In Birmingham, UAB generated \$8.3 billion in economic impact, supported or sustained 73,595 jobs and generated more than \$256 million in local taxes.

On the bright side, the County is becoming a leader in the sporting industry with its continued hosting of the Magic City Classic annually, Birmingham also successfully hosted the World Police and Fire Games in 2025. The NCAA Women's basketball tournaments as well as the SEC Gymnastics Championship were held in Birmingham. It is estimated that the women's tournament had an economic impact of \$14 million.

Banking and financial services also play a significant role in the region's economic base. Birmingham serves as a major banking center in the Southeast and is the headquarters of Regions Financial Corporation. Regions is the largest banking employer in Alabama and is consistently included on the annual Fortune 500 list of the nation's largest corporations. Bank of America, the nation's second largest bank, has plans to open a Birmingham center this year and will also open five locations in Birmingham by the end of 2026.

One major undertaking for Jefferson County has been the Hallmark Farm Project. In October 2025, the state legislature approved the creation of the Agriculture Exhibition Center Corporation to operate the Alabama Farm Center on Hallmark Farm. This enabled the Hallmark Farm Cooperative, a joint effort between Jefferson County and the City of Warrior, to move forward with its plans for \$158 million project that will host rodeos, livestock shows, family entertainment, concerts, restaurants, and lodging. This project is initially expected to create 1,000 jobs.

The County has also invested in a new north Jefferson industrial park which could house several thousand jobs and showcase the County's commitment to quality job creation.

With the previous increases in economic development in the greater Jefferson County community, Alabama Power, being a subsidiary of Southern Company, is the principal taxpayer for the County reporting an assessed value of \$818.3 million (6.06 percent) of total property taxes for the County. Being the supplier of electric power in the County and serving 1.3 million homes, businesses, and industries over the southern two-thirds of Alabama, Alabama Power provides an economic foundation for continued development in the County.

The County maintains a conservative approach to revenue estimates to avoid the negative consequences that arise when anticipated revenue collections fail to materialize. County revenues are affected by a variety of factors such as population growth, unemployment, inflation, and increases or decreases in real disposable income. The Budget Management Office uses trend analysis to forecast its revenues for upcoming years.

Revenue forecasts for fiscal year 2026 projected negligible growth for the upcoming year.

Sales tax projections were impacted by the volatile economy with only 2 percent growth predicted. Fortunately, the Simplified Sellers Tax increased by 11 percent. However, cities across the state have filed a lawsuit challenging the distribution model of this tax. A decision in favor of the plaintiffs could significantly reduce the revenue stream from internet sales to the County.

The State Legislature passed a law capping annual property tax increases due to revaluations of property at 7 percent which stifled revenue growth for the upcoming year.

For the fiscal year 2026 budget, recruitment and retention of employees and infrastructure improvements were primary concerns. The budget included a 3 percent cost of living adjustment for employees. Also, the Road Department was funded with a \$15.0 million draw on its fund balance. The majority of departmental operating budgets were not increased.

Capital allocations of \$26.0 million were for the construction of a replacement Youth Detention Building as well as \$8.0 million budgeted for a new Storage Facility for the Sheriff. Road capital was budgeted at \$32.6 million.

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

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

# JEFFERSON COUNTY, ALABAMA

## STATEMENT OF NET POSITION SEPTEMBER 30, 2025

ASSETS	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Personnel Board	Emergency Management Agency	Jefferson County Economic and Industrial Development Authority
Cash and cash equivalents	\$ 434,674,635	\$ 35,551,734	\$ 470,226,369	\$ 513,620	\$ 573,067	\$ 1,659,953
Investments	135,657,171	-	135,657,171	-	-	3,337,649
Accounts receivable, net	23,521,310	33,931,149	57,452,459	7,318,050	340,174	968,593
Taxes receivable	238,829,926	8,933,574	247,763,500	-	-	-
Intergovernmental receivables	2,516,459	3,672,712	6,189,171	-	-	-
Lease receivables	1,987,000	8,091,201	10,078,201	-	-	-
Interest receivable	3,406,257	-	3,406,257	-	-	-
Prepaid items	87,269	780,633	867,902	-	-	-
Internal balances	717,921	(717,921)	-	-	-	-
Other assets	-	-	-	-	-	4,433
Restricted assets:						
Restricted cash and cash equivalents	17,870,053	215,014,722	232,884,775	-	-	4,950
Investments	6,577,482	216,223,020	222,800,502	-	-	-
Loan receivable from component unit	29,012,960	-	29,012,960	-	-	-
Loan receivables, net	5,112,774	-	5,112,774	-	-	-
Land held for resale	-	-	-	-	-	17,084,595
Net pension asset	189,378,891	40,653,535	230,032,426	8,016,574	-	-
Capital assets, nondepreciable	154,914,345	317,879,831	472,794,176	-	-	-
Capital assets, depreciable, net of accumulated depreciation and amortization	345,072,585	1,551,754,480	1,896,827,065	1,633,433	74,074	28,628
<b>Total assets</b>	<b>1,589,337,038</b>	<b>2,431,768,670</b>	<b>4,021,105,708</b>	<b>17,481,677</b>	<b>987,315</b>	<b>23,088,801</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred charges on refunding	-	146,805,064	146,805,064	-	-	-
Pension related items	52,741,507	11,321,899	64,063,406	2,232,594	-	-
OPEB related items	11,952,079	3,843,053	15,795,132	276,717	12,186	-
<b>Total deferred outflows of resources</b>	<b>64,693,586</b>	<b>161,970,016</b>	<b>226,663,602</b>	<b>2,509,311</b>	<b>12,186</b>	<b>-</b>
<b>LIABILITIES</b>						
Accounts payable	31,012,859	19,054,837	50,067,696	7,377,306	78,409	29,140
Retainage payable	2,069,161	4,847,399	6,916,560	-	-	-
Customer deposits	-	374,185	374,185	-	-	-
Accrued interest	1,437,159	58,588,726	60,025,885	49,377	-	-
Due to other governments	39,709,467	-	39,709,467	-	-	-
Accrued payroll	9,482,291	1,023,017	10,505,308	244,061	32,574	-
Unearned revenue	25,771,383	9,328,557	35,099,940	-	-	-
Noncurrent liabilities due within one fiscal year						
Compensated absences payable	14,302,953	2,756,374	17,059,327	400,274	49,012	-
Lease liabilities	371,349	-	371,349	-	-	-
Subscription liabilities	3,093,287	157,458	3,250,745	526,464	-	-
Claims payable	1,786,097	440,108	2,226,205	-	4,598	-
Financed purchases payable	2,931,625	-	2,931,625	-	-	-
Warrants payable	30,575,000	17,605,000	48,180,000	-	-	-
Bonds payable	606,328	-	606,328	-	-	-
OPEB liability	4,073,437	1,309,767	5,383,204	94,309	4,153	-
Noncurrent liabilities due in more than one fiscal year						
Compensated absences payable	31,974,864	6,799,470	38,774,334	1,636,469	63,882	-
Lease liabilities	1,934,285	-	1,934,285	-	-	-
Subscription liabilities	4,902,810	469,424	5,372,234	1,101,457	-	-
Loans payable to primary government	-	-	-	-	-	29,012,960
Claims payable	3,907,702	962,881	4,870,583	-	10,060	-
Litigation liability	7,863,267	-	7,863,267	-	-	-
OPEB liability	85,884,757	27,615,252	113,500,009	1,988,424	87,565	-
Landfill closure and postclosure	-	24,417,864	24,417,864	-	-	-
Warrants payable	310,019,320	2,395,208,248	2,705,227,568	-	-	-
Bonds payable	24,639,320	-	24,639,320	-	-	-
<b>Total liabilities</b>	<b>638,348,721</b>	<b>2,570,958,567</b>	<b>3,209,307,288</b>	<b>13,418,141</b>	<b>330,253</b>	<b>29,042,100</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred revenues - property taxes	185,130,288	-	185,130,288	-	-	-
Lease arrangements	1,862,819	7,667,047	9,529,866	-	-	-
Deferred gain on refunding	72,868	-	72,868	-	-	-
Pension related items	143,884,011	30,887,253	174,771,264	6,090,736	-	-
OPEB related items	15,090,075	4,852,040	19,942,115	349,369	15,385	-
<b>Total deferred inflows of resources</b>	<b>346,040,061</b>	<b>43,406,340</b>	<b>389,446,401</b>	<b>6,440,105</b>	<b>15,385</b>	<b>-</b>
<b>NET POSITION</b>						
Net investment in capital assets	140,518,120	213,716,571	354,234,691	5,512	74,074	28,628
Restricted for:						
Grant programs	7,668,929	-	7,668,929	-	-	-
Tax assessor operations	954,653	-	954,653	-	-	-
Public works	27,915,144	-	27,915,144	-	-	-
Public safety	5,289,285	-	5,289,285	-	-	-
Law library operations	1,889,062	-	1,889,062	-	-	-
Equalization operations	1,326,280	-	1,326,280	-	-	-
Community development	3,358,046	-	3,358,046	-	-	-
Health and welfare	10,996,259	-	10,996,259	-	-	-
Debt service	17,553,268	77,602,135	95,155,403	-	-	-
Capital improvements	-	293,932,239	293,932,239	-	-	-
Operating reserve	-	40,304,730	40,304,730	-	-	-
Net pension asset	189,378,891	40,653,535	230,032,426	8,016,574	-	-
Landfill assurance	7,792,493	-	7,792,493	-	-	-
Unsecured claims	6,093,267	-	6,093,267	-	-	-
Opioid settlement purposes	14,622,840	-	14,622,840	-	-	-
Unrestricted	234,285,305	(686,835,431)	(452,550,126)	(7,889,344)	579,789	(5,981,927)
<b>Total net position</b>	<b>\$ 669,641,842</b>	<b>\$ (20,626,221)</b>	<b>\$ 649,015,621</b>	<b>\$ 132,742</b>	<b>\$ 653,863</b>	<b>\$ (5,953,299)</b>

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

**JEFFERSON COUNTY, ALABAMA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Personnel Board	Emergency Management Agency	Jefferson County Economic and Industrial Development Authority	
					Governmental Activities	Business-type Activities				Total
<b>Primary government:</b>										
Governmental activities:										
General government	\$ 228,922,288	\$ 63,183,520	\$ 10,264,363	\$ -	\$ (155,474,405)	\$ -	\$ (155,474,405)	\$ -	\$ -	\$ -
Public safety	125,815,500	2,050,151	6,627,371	-	(117,137,978)	-	(117,137,978)	-	-	-
Law library operations	266,631	329,452	-	-	62,821	-	62,821	-	-	-
Highway and roads	68,772,776	3,440,279	507,345	5,834,695	(58,990,457)	-	(58,990,457)	-	-	-
Health and welfare	91,489,951	-	42,843,129	-	(48,646,822)	-	(48,646,822)	-	-	-
Community development	5,975,328	-	5,950,082	-	(25,246)	-	(25,246)	-	-	-
Interest and fiscal charges	12,663,135	-	-	-	(12,663,135)	-	(12,663,135)	-	-	-
Total governmental activities	<u>533,905,609</u>	<u>69,003,402</u>	<u>66,192,290</u>	<u>5,834,695</u>	<u>(392,875,222)</u>	<u>-</u>	<u>(392,875,222)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Business-type activities:										
Sanitary operations	357,556,961	275,321,191	-	14,052,219	-	(68,183,551)	(68,183,551)	-	-	-
Landfill operations	707,813	5,337,133	-	-	-	4,629,320	4,629,320	-	-	-
Hallmark Farms	595,811	6,000	-	-	-	(589,811)	(589,811)	-	-	-
Total business-type activities	<u>358,860,585</u>	<u>280,664,324</u>	<u>-</u>	<u>14,052,219</u>	<u>-</u>	<u>(64,144,042)</u>	<u>(64,144,042)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 892,766,194</u>	<u>\$ 349,667,726</u>	<u>\$ 66,192,290</u>	<u>\$ 19,886,914</u>	<u>\$ (392,875,222)</u>	<u>\$ (64,144,042)</u>	<u>\$ (457,019,264)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Component units:</b>										
Personnel Board	\$ 9,924,793	\$ 10,275,559	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 350,766	\$ -	\$ -
Emergency Management Board	1,948,220	1,325,257	198,656	-	-	-	-	(424,307)	-	-
Jefferson County Economic and Industrial Development Authority	1,067,383	92,082	-	1,214,579	-	-	-	-	-	239,278
Total component units	<u>\$ 12,940,396</u>	<u>\$ 11,692,898</u>	<u>\$ 198,656</u>	<u>\$ 1,214,579</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 350,766</u>	<u>\$ (424,307)</u>	<u>\$ 239,278</u>
General revenues:										
Property taxes					\$ 163,549,517	\$ 9,540,275	\$ 173,089,792	\$ -	\$ -	\$ -
Sales and use taxes					311,162,873	-	311,162,873	-	-	-
Other taxes					9,621,314	-	9,621,314	-	-	-
Unrestricted investment earnings					15,224,661	30,589,212	45,813,873	-	6,633	84,764
Gain on disposal of capital assets					-	185,209	185,209	-	-	469,241
Miscellaneous					10,782,096	2,182,762	12,964,858	567	274,769	68,305
Special item - disposal of Hallmark Farms operations					-	5,266,639	5,266,639	-	-	-
Transfers					(3,342,330)	3,342,330	-	-	-	-
Total general revenues, special item, and transfers					<u>506,998,131</u>	<u>51,106,427</u>	<u>558,104,558</u>	<u>567</u>	<u>281,402</u>	<u>622,310</u>
Change in net position					<u>114,122,909</u>	<u>(13,037,615)</u>	<u>101,085,294</u>	<u>351,333</u>	<u>(142,905)</u>	<u>861,588</u>
Net position, beginning of fiscal year					573,360,614	(3,823,215)	569,537,399	630,405	793,083	(6,814,887)
Restatement - change in accounting principle					(17,841,681)	(3,765,391)	(21,607,072)	(848,996)	3,685	-
Net position, beginning of fiscal year, restated					555,518,933	(7,588,606)	547,930,327	(218,591)	796,768	(6,814,887)
Net position, end of fiscal year					<u>\$ 669,641,842</u>	<u>\$ (20,626,221)</u>	<u>\$ 649,015,621</u>	<u>\$ 132,742</u>	<u>\$ 653,863</u>	<u>\$ (5,953,299)</u>

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

**JEFFERSON COUNTY, ALABAMA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2025**

<b>ASSETS</b>	<b>General</b>	<b>Special Sales Tax Revenue</b>	<b>Indigent Care</b>	<b>Bridge and Public Buildings</b>	<b>Non-Major Governmental Funds</b>	<b>Total</b>
Cash and cash equivalents	\$ 218,551,646	\$ 18,277,933	\$ 10,501,389	\$ 8,347,158	\$ 178,996,509	\$ 434,674,635
Investments	131,325,112	-	-	-	4,332,059	135,657,171
Accounts receivable, net	22,303,231	-	-	-	1,218,079	23,521,310
Taxes receivable	107,394,094	23,334,635	12,080,946	62,834,208	33,186,043	238,829,926
Intergovernmental receivables	2,516,459	-	-	-	-	2,516,459
Leases receivable	1,987,000	-	-	-	-	1,987,000
Interest receivable	3,365,364	2,937	-	-	37,956	3,406,257
Advances to other funds	-	-	-	-	717,921	717,921
Due from other funds	12,296,023	-	-	-	12,138,191	24,434,214
Prepaid items	87,269	-	-	-	-	87,269
Restricted assets:						
Cash	17,870,053	-	-	-	-	17,870,053
Investments	6,577,482	-	-	-	-	6,577,482
Loan receivable from component unit	29,012,960	-	-	-	-	29,012,960
Loan receivables, net	-	-	-	-	5,112,774	5,112,774
<b>Total assets</b>	<b>\$ 553,286,693</b>	<b>\$ 41,615,505</b>	<b>\$ 22,582,335</b>	<b>\$ 71,181,366</b>	<b>\$ 235,739,532</b>	<b>\$ 924,405,431</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 8,728,013	\$ -	\$ 11,586,076	\$ -	\$ 10,698,770	\$ 31,012,859
Retainage payable	20,438	-	-	-	2,048,723	2,069,161
Due to other funds	-	23,615,505	-	-	818,709	24,434,214
Due to other governments	10,772,743	18,000,000	-	-	10,936,724	39,709,467
Accrued payroll and benefits	8,516,874	-	-	-	965,417	9,482,291
Unearned grant revenue - intergovernmental	-	-	-	-	25,771,383	25,771,383
<b>Total liabilities</b>	<b>28,038,068</b>	<b>41,615,505</b>	<b>11,586,076</b>	<b>-</b>	<b>51,239,726</b>	<b>132,479,375</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred revenue - property taxes	88,061,747	-	-	65,712,184	31,356,357	185,130,288
Unavailable revenue - opioid settlement	10,897,397	-	-	-	-	10,897,397
Lease arrangements	1,862,819	-	-	-	-	1,862,819
<b>Total deferred inflows of resources</b>	<b>100,821,963</b>	<b>-</b>	<b>-</b>	<b>65,712,184</b>	<b>31,356,357</b>	<b>197,890,504</b>
<b>FUND BALANCES</b>						
Fund balances:						
Nonspendable:						
Leases	124,181	-	-	-	-	124,181
Prepaid items	87,269	-	-	-	-	87,269
Loan receivable from component unit	29,012,960	-	-	-	-	29,012,960
Restricted:						
Grant programs	-	-	-	-	7,443,246	7,443,246
Tax assessor operations	-	-	-	-	954,653	954,653
Public works	-	-	-	5,469,182	22,445,962	27,915,144
Public safety	-	-	-	-	5,289,285	5,289,285
Law library operations	-	-	-	-	1,889,062	1,889,062
Equalization operations	-	-	-	-	1,326,280	1,326,280
Community development	-	-	-	-	3,357,463	3,357,463
Health and welfare	-	-	10,996,259	-	-	10,996,259
Debt service	-	-	-	-	18,990,427	18,990,427
Landfill assurance	7,792,493	-	-	-	-	7,792,493
Unsecured claims	6,093,267	-	-	-	-	6,093,267
Opioid settlement purposes	3,725,443	-	-	-	-	3,725,443
Committed:						
Future OPEB plan	10,653,917	-	-	-	-	10,653,917
Assigned:						
Capital projects	-	-	-	-	91,447,071	91,447,071
Budget reserve	25,933,697	-	-	-	-	25,933,697
Uncertainty reserve	25,287,144	-	-	-	-	25,287,144
Catastrophic reserve	25,170,623	-	-	-	-	25,170,623
Economic development	38,935,587	-	-	-	-	38,935,587
Unassigned	251,610,081	-	-	-	-	251,610,081
<b>Total fund balances</b>	<b>424,426,662</b>	<b>-</b>	<b>10,996,259</b>	<b>5,469,182</b>	<b>153,143,449</b>	<b>594,035,552</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 553,286,693</b>	<b>\$ 41,615,505</b>	<b>\$ 22,582,335</b>	<b>\$ 71,181,366</b>	<b>\$ 235,739,532</b>	<b>\$ 924,405,431</b>

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

**JEFFERSON COUNTY, ALABAMA  
RECONCILIATION OF THE BALANCE SHEET OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF  
NET POSITION  
SEPTEMBER 30, 2025**

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

Fund balances - total governmental funds		\$ 594,035,552
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.		
Cost	\$ 1,155,342,958	
Less accumulated depreciation and amortization	<u>(655,356,028)</u>	499,986,930
Unavailable revenues are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds		
		10,897,397
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Warrants payable	\$ (318,470,000)	
Bonds payable	(25,245,648)	
Unamortized premiums	(22,124,320)	
Deferred gain on refunding	(72,868)	
Financed purchases payable	(2,931,625)	
Lease liabilities	(2,305,634)	
Subscription liabilities	(7,996,097)	
Compensated absences payable	(46,277,817)	
Claims payable	(5,693,799)	
Accrued interest	(1,437,159)	
Litigation liability	<u>(7,863,267)</u>	(440,418,234)
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	\$ 189,378,891	
Deferred inflows of resources - pension items	(143,884,011)	
Deferred outflows of resources - pension items	<u>52,741,507</u>	98,236,387
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	\$ (89,958,194)	
Deferred inflows of resources - OPEB items	(15,090,075)	
Deferred outflows of resources - OPEB items	<u>11,952,079</u>	<u>(93,096,190)</u>
Net position - governmental activities		<u>\$ 669,641,842</u>

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

**JEFFERSON COUNTY, ALABAMA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	General	Special Sales Tax Revenue	Indigent Care	Bridge and Public Buildings	Non-Major Governmental Funds	Total
<b>Revenues:</b>						
Taxes	\$ 157,569,752	\$ 142,217,035	\$ 73,641,430	\$ 68,231,386	\$ 42,674,101	\$ 484,333,704
Licenses and permits	14,452,629	-	-	-	2,769,117	17,221,746
Fines and forfeitures	-	-	-	-	1,243,578	1,243,578
Intergovernmental	8,556,429	-	-	-	60,653,083	69,209,512
Charges for services	49,862,825	-	-	-	675,253	50,538,078
Contributions and donations	-	-	-	-	2,817,473	2,817,473
Interest income	6,662,997	698,742	159,838	393,160	7,309,924	15,224,661
Miscellaneous	6,485,793	-	1,001	9,641	123,257	6,619,692
Total revenues	<u>243,590,425</u>	<u>142,915,777</u>	<u>73,802,269</u>	<u>68,634,187</u>	<u>118,265,786</u>	<u>647,208,444</u>
<b>Expenditures:</b>						
Current:						
General government	159,989,565	24,100,000	-	-	38,337,758	222,427,323
Public safety	111,609,787	-	-	-	9,817,664	121,427,451
Law library operations	-	-	-	-	266,631	266,631
Highway and roads	-	-	-	-	51,144,451	51,144,451
Health and welfare	1,394,655	-	71,786,979	-	16,944,577	90,126,211
Community development	-	-	-	-	5,975,328	5,975,328
Capital outlay:						
General government	9,813,966	-	-	-	37,286,570	47,100,536
Public safety	-	-	-	-	4,576,903	4,576,903
Highway and roads	-	-	-	-	59,337,010	59,337,010
Debt service:						
Principal	4,147,671	-	-	-	34,707,951	38,855,622
Interest	797,205	-	-	-	17,147,406	17,944,611
Total expenditures	<u>287,752,849</u>	<u>24,100,000</u>	<u>71,786,979</u>	<u>-</u>	<u>275,542,249</u>	<u>659,182,077</u>
Excess (deficiency) of revenues over (under) expenditures	(44,162,424)	118,815,777	2,015,290	68,634,187	(157,276,463)	(11,973,633)
<b>Other financing sources (uses):</b>						
Sale of capital assets	956,958	-	-	-	910,578	1,867,536
Issuance of financed purchases	-	-	-	-	2,920,664	2,920,664
Issuance of lease liabilities	372,975	-	-	-	-	372,975
Issuance of subscription liabilities	8,587,690	-	-	-	-	8,587,690
Transfers in	101,038,638	-	-	-	133,157,608	234,196,246
Transfers out	(38,527,365)	(118,815,777)	(1,899,000)	(67,718,924)	(10,577,510)	(237,538,576)
Total other financing sources (uses)	<u>72,428,896</u>	<u>(118,815,777)</u>	<u>(1,899,000)</u>	<u>(67,718,924)</u>	<u>126,411,340</u>	<u>10,406,535</u>
Net change in fund balances	28,266,472	-	116,290	915,263	(30,865,123)	(1,567,098)
<b>Fund balances, beginning of fiscal year</b>	<u>396,160,190</u>	<u>-</u>	<u>10,879,969</u>	<u>4,553,919</u>	<u>184,008,572</u>	<u>595,602,650</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 424,426,662</u>	<u>\$ -</u>	<u>\$ 10,996,259</u>	<u>\$ 5,469,182</u>	<u>\$ 153,143,449</u>	<u>\$ 594,035,552</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, 2025**

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

Net change in fund balances - total governmental funds \$ (1,567,098)

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

Capital outlay	\$ 111,081,247	
Depreciation and amortization expense	<u>(38,375,838)</u>	72,705,409

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

Net book value of capital assets disposed	\$ (237,178)	
Remeasurement of subscription asset	<u>(226,929)</u>	(464,107)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds 4,162,404

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	\$ 29,120,000	
Issuance of lease liabilities	(372,975)	
Principal repayments on lease liabilities	504,195	
Issuance of subscription liabilities	(8,587,690)	
Remeasurement of subscription liabilities	233,863	
Principal repayments on subscription liabilities	3,456,646	
Principal repayments on bonds payable	408,973	
Issuance of financed purchases	(2,920,664)	
Principal repayments on financed purchases	<u>5,365,808</u>	27,208,156

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	\$ (3,264,953)	
OPEB expense	(1,607,156)	
Pension expense	11,293,847	
Change in litigation payable	219,848	
Change in claims payable	388,946	
Amortization	4,790,527	
Accrued interest	<u>257,086</u>	<u>12,078,145</u>

Change in net position - governmental activities \$ 114,122,909

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

**JEFFERSON COUNTY, ALABAMA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2025**

<b>ASSETS</b>	<b>Sanitary Operation</b>	<b>Non-Major Enterprise</b>	<b>Total</b>
Current assets:			
Cash and cash equivalents	\$ 23,672,385	\$ 11,879,349	\$ 35,551,734
Receivables, net	33,796,742	134,407	33,931,149
Prepaid items	780,633	-	780,633
Taxes receivable	8,933,574	-	8,933,574
Intergovernmental receivables	3,672,712	-	3,672,712
Lease receivable - service concession arrangement	-	705,469	705,469
Restricted assets:			
Cash	195,616,083	19,398,639	215,014,722
Investments	216,223,020	-	216,223,020
Total current assets	<u>482,695,149</u>	<u>32,117,864</u>	<u>514,813,013</u>
Noncurrent assets:			
Lease receivable - service concession arrangement, less current portion	-	7,385,732	7,385,732
Net pension asset	40,653,535	-	40,653,535
Capital assets:			
Capital assets, not being depreciated	309,972,470	7,907,361	317,879,831
Capital assets, being depreciated	5,125,347,053	50,842,198	5,176,189,251
Less accumulated depreciation	(3,576,316,777)	(48,117,994)	(3,624,434,771)
Total capital assets, net of accumulated depreciation and amortization	<u>1,859,002,746</u>	<u>10,631,565</u>	<u>1,869,634,311</u>
Total noncurrent assets	<u>1,899,656,281</u>	<u>18,017,297</u>	<u>1,917,673,578</u>
Total assets	<u>2,382,351,430</u>	<u>50,135,161</u>	<u>2,432,486,591</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related items	11,321,899	-	11,321,899
OPEB related items	3,843,053	-	3,843,053
Deferred loss on refunding	146,805,064	-	146,805,064
Total deferred outflows of resources	<u>161,970,016</u>	<u>-</u>	<u>161,970,016</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	19,031,922	22,915	19,054,837
Accrued interest	58,588,726	-	58,588,726
Retainage payable	4,847,399	-	4,847,399
Accrued payroll	1,023,017	-	1,023,017
Unearned revenue	9,328,557	-	9,328,557
Claims payable	440,108	-	440,108
Customer deposits	374,185	-	374,185
Compensated absences - current	2,756,374	-	2,756,374
Subscription based information technology arrangements - current	157,458	-	157,458
Warrants payable - current	17,605,000	-	17,605,000
Total OPEB liability	1,309,767	-	1,309,767
Total current liabilities	<u>115,462,513</u>	<u>22,915</u>	<u>115,485,428</u>
Long-term liabilities:			
Claims payable	962,881	-	962,881
Advances from other funds	-	717,921	717,921
Compensated absences	6,799,470	-	6,799,470
Landfill closure and postclosure	-	24,417,864	24,417,864
Subscription based information technology arrangements	469,424	-	469,424
Warrants payable	2,395,208,248	-	2,395,208,248
Total OPEB liability	27,615,252	-	27,615,252
Total long-term liabilities	<u>2,431,055,275</u>	<u>25,135,785</u>	<u>2,456,191,060</u>
Total liabilities	<u>2,546,517,788</u>	<u>25,158,700</u>	<u>2,571,676,488</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related items	30,887,253	-	30,887,253
OPEB related items	4,852,040	-	4,852,040
Lease - service concession arrangement	-	7,667,047	7,667,047
Total deferred outflows of resources	<u>35,739,293</u>	<u>7,667,047</u>	<u>43,406,340</u>
<b>NET POSITION</b>			
Net investment in capital assets	203,085,006	10,631,565	213,716,571
Restricted for debt service	77,602,135	-	77,602,135
Restricted for capital improvements	293,932,239	-	293,932,239
Restricted for operating reserve	40,304,730	-	40,304,730
Restricted for net pension asset	40,653,535	-	40,653,535
Unrestricted	(693,513,280)	6,677,849	(686,835,431)
Total net position	<u>\$ (37,935,635)</u>	<u>\$ 17,309,414</u>	<u>\$ (20,626,221)</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, 2025**

	<u>Sanitary Operation</u>	<u>Non-Major Enterprise</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
Charges for services:			
Sewer sales	\$ 272,165,374	\$ -	\$ 272,165,374
Other	3,155,817	5,343,133	8,498,950
Total operating revenues	<u>275,321,191</u>	<u>5,343,133</u>	<u>280,664,324</u>
<b>OPERATING EXPENSES</b>			
Salaries and benefits	43,668,508	-	43,668,508
Maintenance and operating expenses	10,041,455	458,751	10,500,206
Office expenses	1,392,698	-	1,392,698
Materials and supplies	6,896,497	-	6,896,497
Utilities	11,534,645	-	11,534,645
Other operating expenses	30,252,737	-	30,252,737
Depreciation and amortization expense	139,936,072	704,495	140,640,567
Total operating expenses	<u>243,722,612</u>	<u>1,163,246</u>	<u>244,885,858</u>
Operating income	31,598,579	4,179,887	35,778,466
<b>NONOPERATING REVENUE (EXPENSES)</b>			
Property tax revenue	9,540,275	-	9,540,275
Investment earnings	30,009,183	580,029	30,589,212
Miscellaneous revenue	2,182,762	-	2,182,762
Gain on disposal of capital assets	185,209	-	185,209
Interest expense	(113,834,349)	(140,378)	(113,974,727)
Total nonoperating revenues (expenses)	<u>(71,916,920)</u>	<u>439,651</u>	<u>(71,477,269)</u>
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS, TRANSFERS, AND SPECIAL ITEM</b>	(40,318,341)	4,619,538	(35,698,803)
Capital contributions	14,052,219	-	14,052,219
Special item - disposal of Hallmark Farms operations	-	5,266,639	5,266,639
Transfers in	10,577,510	303,854	10,881,364
Transfers out	-	(7,539,034)	(7,539,034)
Total capital contributions, transfers, and special item	<u>24,629,729</u>	<u>(1,968,541)</u>	<u>22,661,188</u>
Change in net position	(15,688,612)	2,650,997	(13,037,615)
<b>NET POSITION - beginning of fiscal year</b>	(18,481,632)	14,658,417	(3,823,215)
<b>RESTATEMENT - change in accounting principle</b>	<u>(3,765,391)</u>	<u>-</u>	<u>(3,765,391)</u>
<b>NET POSITION - beginning of fiscal year, as restated</b>	<u>(22,247,023)</u>	<u>14,658,417</u>	<u>(7,588,606)</u>
<b>NET POSITION, end of fiscal year</b>	<u>\$ (37,935,635)</u>	<u>\$ 17,309,414</u>	<u>\$ (20,626,221)</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, 2025**

	Sanitary Operation	Non-Major Enterprise	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 284,843,723	\$ 6,000	\$ 284,849,723
Lease receipts from landfill operator	-	664,432	664,432
Other receipts from landfill operator	-	4,608,646	4,608,646
Payments to suppliers and service providers	(62,454,057)	(1,181,656)	(63,635,713)
Payments to employees	(44,413,467)	-	(44,413,467)
Net cash provided by operating activities	<u>177,976,199</u>	<u>4,097,422</u>	<u>182,073,621</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Property taxes	9,581,210	-	9,581,210
Transfers out	-	(7,539,034)	(7,539,034)
Transfers in	-	303,854	303,854
Net cash provided by (used in) noncapital financing activities	<u>9,581,210</u>	<u>(7,235,180)</u>	<u>2,346,030</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchases of capital assets	(113,249,671)	-	(113,249,671)
Proceeds from sale of capital assets	198,316	13,500,000	13,698,316
Principal payments on bonds	-	(10,199,700)	(10,199,700)
Principal payments on warrants	(7,075,000)	-	(7,075,000)
Principal payments on subscription liabilities	(213,374)	-	(213,374)
Repayment of interfund advance	-	(717,920)	(717,920)
Transfers in	10,577,510	-	10,577,510
Interest and fiscal charges paid	(137,260,028)	(218,595)	(137,478,623)
Net cash provided by (used in) capital and related financing activities	<u>(247,022,247)</u>	<u>2,363,785</u>	<u>(244,658,462)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sales and maturities of investments	213,884,335	-	213,884,335
Purchases of investments	(132,432,378)	-	(132,432,378)
Interest received	27,412,522	580,029	27,992,551
Net cash provided by investing activities	<u>108,864,479</u>	<u>580,029</u>	<u>109,444,508</u>
Net increase (decrease) in cash and cash equivalents	49,399,641	(193,944)	49,205,697
<b>Cash and cash equivalents:</b>			
Beginning of fiscal year	<u>169,888,827</u>	<u>31,471,932</u>	<u>201,360,759</u>
End of fiscal year	<u>\$ 219,288,468</u>	<u>\$ 31,277,988</u>	<u>\$ 250,566,456</u>
<b>Classified as:</b>			
Cash and cash equivalents	\$ 23,672,385	\$ 11,879,349	\$ 35,551,734
Restricted cash and cash equivalents	195,616,083	19,398,639	215,014,722
Total	<u>\$ 219,288,468</u>	<u>\$ 31,277,988</u>	<u>\$ 250,566,456</u>

(Continued)

**JEFFERSON COUNTY, ALABAMA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	<u>Sanitary Operation</u>	<u>Non-Major Enterprise</u>	<u>Total</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>			
Operating income	\$ 31,598,579	\$ 4,179,887	\$ 35,778,466
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	139,936,072	704,495	140,640,567
Amortization of deferred inflows - lease arrangements	-	(83,573)	(83,573)
Miscellaneous non-operating receipts	2,182,762	-	2,182,762
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:			
Decrease in accounts receivable	6,701,126	19,518	6,720,644
Decrease in intergovernmental receivables	523,894	-	523,894
Increase in prepaid items	(780,633)	-	(780,633)
Decrease in deferred outflows from pension	9,374,226	-	9,374,226
Increase in deferred outflows from OPEB	(1,321,363)	-	(1,321,363)
Increase (decrease) in accounts payable	(1,205,773)	20,038	(1,185,735)
Increase in accrued payroll	79,112	-	79,112
Decrease in health claims payable	(49,060)	-	(49,060)
Increase in customer deposits	114,750	-	114,750
Decrease in liability claims payable	(300,559)	-	(300,559)
Increase in compensated absences	769,806	-	769,806
Decrease in net pension liability	(41,766,641)	-	(41,766,641)
Increase in total OPEB liability	2,470,754	-	2,470,754
Increase in deferred inflows from pension	30,170,037	-	30,170,037
Decrease in deferred inflows from OPEB	(520,890)	-	(520,890)
Decrease in landfill postclosure care costs	-	(742,943)	(742,943)
Net cash provided by operating activities	<u>\$ 177,976,199</u>	<u>\$ 4,097,422</u>	<u>\$ 182,073,621</u>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Capital contributions	\$ 14,052,219	\$ -	\$ 14,052,219
Accrued capital asset acquisitions	5,608,717	-	5,608,717
Capital assets acquired through SBITA	793,343	-	793,343
Total noncash capital and related financing activities	<u>\$ 20,454,279</u>	<u>\$ -</u>	<u>\$ 20,454,279</u>

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

**JEFFERSON COUNTY, ALABAMA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2025**

<b>ASSETS</b>	<b>Custodial Funds</b>	<b>Pension Trust Fund</b>
Cash and cash equivalents	\$ 74,603,770	\$ 101,965,328
Investments		
Equities	-	659,699,778
Corporate bonds	-	118,549,771
U.S. government securities	-	245,742,025
Foreign bonds	-	69,567,220
Mutual funds	-	275,220,206
Municipal bonds	-	4,269,520
Partnerships	-	145,788,767
Other receivable	-	4,328,214
Lease asset	-	481,761
Total assets	<u>74,603,770</u>	<u>1,625,612,590</u>
<b>LIABILITIES</b>		
Accounts payable	-	1,141,540
Lease liability	-	551,132
Due to broker for investments purchased	-	38,348,121
Due to others	<u>39,368,366</u>	<u>-</u>
Total liabilities	<u>39,368,366</u>	<u>40,040,793</u>
<b>NET POSITION</b>		
Restricted:		
Pension benefits	-	1,585,571,797
Individuals, organizations, and other governments	<u>35,235,404</u>	<u>-</u>
Total net position	<u>\$ 35,235,404</u>	<u>\$ 1,585,571,797</u>

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

**JEFFERSON COUNTY, ALABAMA**  
**STATEMENT OF CHANGES IN**  
**FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	<u>Custodial Funds</u>	<u>Pension Trust Fund</u>
<b>ADDITIONS</b>		
Employer contributions	\$ -	\$ 10,874,088
Member contributions	-	10,860,525
Total contributions	<u>-</u>	<u>21,734,613</u>
Investment income:		
Investment income	-	35,445,524
Net increase in fair value of investments	-	112,681,195
Less investment expense	-	(4,322,958)
Net investment income	<u>-</u>	<u>143,803,761</u>
Taxes	1,038,444,286	-
Fines and fees	65,783,876	-
Criminal and civil bonds	1,157,223	-
Other	<u>-</u>	<u>280,804</u>
Total additions, net	<u>1,105,385,385</u>	<u>165,819,178</u>
<b>DEDUCTIONS</b>		
Benefit payments, including refunds of member contributions	-	81,651,724
Taxes and fees paid to other governments	1,034,326,141	-
Fines and fees disbursed	63,843,038	-
Administrative expenses	<u>-</u>	<u>1,977,146</u>
Total deductions	<u>1,098,169,179</u>	<u>83,628,870</u>
Change in fiduciary net position	7,216,206	82,190,308
<b>NET POSITION, beginning of fiscal year</b>	<u>28,019,198</u>	<u>1,503,381,489</u>
<b>NET POSITION, end of fiscal year</b>	<u>\$ 35,235,404</u>	<u>\$ 1,585,571,797</u>

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

# JEFFERSON COUNTY, ALABAMA

## NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2025

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### 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.

During fiscal year 2025, the District finalized the sale of the entirety of its property, and the proceeds from the sale were utilized to pay off the District's outstanding debt.

## NOTES TO FINANCIAL STATEMENTS

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### 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, with exceptions for the City of Hoover and the City of Trussville, 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. As the Board is unable to issue debt to meet its obligations, a fiscal dependency between the Board and the County exists. 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. The County Commission operates under a Memoranda of Understanding to provide staffing and administrative functions for the EMA and constitutes financial dependency 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. The County Commission funds all of the Authority’s activities. 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. Any proceeds collected by the Authority are expected to repay the debts owed to the County. The Authority is also authorized to issue debt to support these activities.

## NOTES TO FINANCIAL STATEMENTS

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

#### A. Reporting Entity (Continued)

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.

#### 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

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

## NOTES TO FINANCIAL STATEMENTS

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

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

The County reports the following major proprietary fund:

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

Additionally, the County reports the following fund types:

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

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

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

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

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

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

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

## NOTES TO FINANCIAL STATEMENTS

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### 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

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

#### E. Receivables and Payables

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

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

#### F. Prepaid Items

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

#### G. Restricted Assets

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

#### H. Capital Assets

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

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

## NOTES TO FINANCIAL STATEMENTS

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

#### H. Capital Assets (Continued)

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

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

Capital assets are reviewed for impairment in accordance with the methodology prescribed in GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*. Asset impairment, as defined by this standard, is a significant, unexpected decline in the service utility of a capital asset and is not a function of the recoverability of the carrying amount of the asset. Service utility is the usable capacity of the asset that was expected to be used at the time of acquisition and is not related to the level of actual utilization, but the capacity for utilization. Indicators that the service utility of an asset has significantly declined include: (a) evidence of physical damage; (b) changes in legal or environmental circumstances; (c) technological development or evidence of obsolescence; (d) a change in the manner or expected duration of use of the asset; and (e) construction stoppage. The County has determined that no capital asset impairment exists at September 30, 2025.

#### I. Leases

##### *Lessee*

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

## NOTES TO FINANCIAL STATEMENTS

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

#### I. Leases (Continued)

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

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

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

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

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

#### ***Lessor***

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

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

## NOTES TO FINANCIAL STATEMENTS

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

#### I. Leases (Continued)

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

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

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

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

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

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

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

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

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

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

## NOTES TO FINANCIAL STATEMENTS

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

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

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

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

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

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

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

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

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

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

## NOTES TO FINANCIAL STATEMENTS

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

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

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

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

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

## NOTES TO FINANCIAL STATEMENTS

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

#### L. Compensated Absences

The County has a standard leave policy for its full-time employees with regard to vacation leave, compensatory time, and sick leave with sick leave retirement conversion.

Vacation leave earned but not used during the calendar year may be accumulated 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 as a donation to County's Vacation Leave Bank. A permanent employee, in good standing, terminating from the County service shall be compensated for unused earned vacation not to exceed 40 days.

The County provides a Vacation Leave Bank that accumulates hours from employees donating 1 day of vacation upon enrollment. Additionally, hours are added to the Vacation Leave Bank when they are forfeited by employees who have more than the 40-day maximum at the end of each calendar year. Vacation leave requested from the bank is reviewed and approved by a committee.

Employees who have met the overtime eligibility requirements in accordance with the Fair Labor Standards Act may choose to receive compensatory time off in lieu of overtime pay. The maximum running compensatory time balance at any time is 240 hours for non-public safety employees and 480 hours for public safety employees. After accruing the maximum amount of compensatory time off, an employee will receive compensatory pay for excess hours in the designated work week. Upon termination, non-exempt employees are paid for all accrued compensatory time.

Sick leave is earned and can accumulate without a cap. Unused sick leave can be paid out at a rate of 50% up to a maximum of 30 days if employees separate after reaching five years of service with the County. As an additional benefit, employees upon retirement are allowed to convert unused sick leave toward retirement credit, which is paid at a rate of 10-100%.

## NOTES TO FINANCIAL STATEMENTS

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

#### M. Claims Liabilities

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

#### N. Long-Term Obligations

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

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

## NOTES TO FINANCIAL STATEMENTS

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

#### O. Fund Balance and Net Position

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

Fund balances are classified as follows:

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

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

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

*Assigned* – Fund balances are reported as assigned when they include amounts intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. The Commissioners have delegated, through resolution, the Chief Financial Officer the authority to assign amounts to be used for specific purposes. Included in assigned fund balances are reserves for future budget deficits, economic uncertainties, and catastrophic events. These reserves were established by a County resolution and are 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

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

#### O. Fund Balance and Net Position (Continued)

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

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

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

#### P. Management Estimates

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

#### Q. Pension and OPEB

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

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

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2. LEGAL COMPLIANCE – BUDGETS

#### Budgets and Budgetary Accounting

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

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

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

For the fiscal year ended September 30, 2025, the General Fund had the following excesses of actual expenditures over appropriations:

General Fund:

General government		
Non-departmental - personnel costs	\$	3,317,197
Non-departmental - grant expenditures		193,038
Non-departmental - capital outlay		9,813,966
Public safety		
Sheriff - personnel costs		3,867,202

## NOTES TO FINANCIAL STATEMENTS

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

#### Deficit Fund Balance and Net Position

The Jefferson County Economic and Industrial Development Authority (JCEIDA) has a deficit net position of \$5,953,299 at September 30, 2025. Management of JCEIDA is currently evaluating operations for potential cost savings. Management expects to see reductions in the deficit net position as properties are sold in future years.

The Sanitary Operation Fund has a deficit net position of \$37,935,635 at September 30, 2025. Based on forecasts of operating income, non-operating revenues, and other relevant factors including capital contributions and transfers, management expects the deficit net position of the Sanitary Operation Fund to return to a positive net position in fiscal year 2029.

The following factors are expected to contribute to the reversal of the deficit net position over the next several fiscal years:

- In accordance with the County's rate ordinance, an automatic annual increase of 3.49% in sewer revenues is anticipated.
- Depreciation and amortization expense, after accounting for adjustments related to fully depreciated capital assets and new capital asset additions, is expected to decline at a compounded annual rate of approximately 3.6%.
- Interest expense is projected to decrease by approximately one percent annually, consistent with the repayment schedule for the 2024 Sewer Warrants (Note 7).
- An anticipated receipt of approximately \$21 million in American Rescue Plan Act funding from the State of Alabama, for which agreements are already in place.

### 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); or maintained in demand deposit, savings, and public funds money market accounts with financial institutions.

## NOTES TO FINANCIAL STATEMENTS

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

**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 \$95,612,768 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 \$152,087,080 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, 2025.

At September 30, 2025, information on the credit risk and interest rate risk related to the County's investments is disclosed as follows:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Rating (S&amp;P)</u>	<u>Fair Value</u>
U.S. Treasury Bonds/Notes	0.45	AA+	152,087,080
Municipal Bonds	4.33	AAA	110,757,825
GNMA pools	8.46	AAA	95,612,768
		Total	<u>\$ 358,457,673</u>

## NOTES TO FINANCIAL STATEMENTS

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

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

The County has the following recurring fair value measurements as of September 30, 2025:

Investment	Level 1	Level 2	Fair Value
U.S. Treasury Bonds / Notes	\$ 152,087,080	\$ -	\$ 152,087,080
Municipal Bonds	-	110,757,825	110,757,825
GNMA pools	-	95,612,768	95,612,768
Total investments measured at fair value	\$ 152,087,080	\$ 206,370,593	\$ 358,457,673

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.

#### **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 – 5%; Domestic Fixed Income securities – 25%; International Fixed Income securities – 5%; Real Estate securities – 10%; and Alternative securities – 5%.

## NOTES TO FINANCIAL STATEMENTS

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

#### Pension Plan (Continued)

At September 30, 2025, the Plan had \$1,518,837,287 invested in the following types of investments:

<u>Investment</u>	<u>Fair Value</u>
U.S. Government securities	\$ 245,742,025
Mutual funds	275,220,206
Corporate bonds	118,549,771
Domestic stocks	612,730,691
Foreign stocks	46,969,087
Foreign bonds	69,567,220
Municipal bonds	4,269,520
Partnerships	145,788,767
Total	<u>\$ 1,518,837,287</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.

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 5% of total Plan assets, and investments in international fixed income securities is limited to 5% of total Plan assets. At September 30, 2025, the Plan has \$46,969,087 or approximately 3.1% of total Plan assets invested in foreign stocks. At September 30, 2025, the Plan has \$69,567,220 or approximately 4.6% of total Plan assets invested in foreign bonds.

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

## NOTES TO FINANCIAL STATEMENTS

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

#### Pension Plan (Continued)

**Fair Value Measurements.** The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for the identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The County's pension plan has the following recurring fair value measurements as of September 30, 2025:

Investment	Level 1	Level 2	Level 3	Fair Value
U.S. government securities	\$ -	\$ 245,742,025	\$ -	\$ 245,742,025
Corporate bonds	-	118,549,771	-	118,549,771
Common stocks	612,730,691	-	-	612,730,691
Foreign stocks	46,969,087	-	-	46,969,087
Foreign bonds	-	69,567,220	-	69,567,220
Municipal bonds	-	4,269,520	-	4,269,520
Partnerships	-	-	145,788,767	145,788,767
Total investments measured at fair value	\$ 659,699,778	\$ 438,128,536	\$ 145,788,767	\$ 1,243,617,081

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

Mutual funds	275,220,206
Total investments at fair value	\$ 1,518,837,287

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

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

**Rate of return.** For the fiscal year ended September 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.07 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 4. RECEIVABLES

**Loan Receivable from Component Unit.** The County entered into funding agreements in which it has made loans to the Jefferson County Economic and Industrial Development Authority (the Authority) for certain debt obligations and land purchases. There is no scheduled amortization on the loans. The Authority makes payments on an as needed basis. As of September 30, 2025, the loan receivable due from the Authority was \$29,012,960.

Receivables at September 30, 2025, for the County's individual major funds and nonmajor funds in the aggregate are as follows:

	<b>General Fund</b>	<b>Special Sales Tax Revenue Fund</b>	<b>Indigent Care Fund</b>	<b>Bridge and Public Buildings Fund</b>
Receivables:				
Taxes	\$ 107,394,094	\$ 23,334,635	\$ 12,080,946	\$ 62,834,208
Intergovernmental	2,516,459	-	-	-
Loans to Component Unit	29,012,960	-	-	-
Accounts	22,764,245	-	-	-
Leases	1,987,000	-	-	-
Interest	3,365,364	2,937	-	-
Gross receivables	167,040,122	23,337,572	12,080,946	62,834,208
Less allowance for uncollectibles	(461,014)	-	-	-
Net receivables	\$ 166,579,108	\$ 23,337,572	\$ 12,080,946	\$ 62,834,208
	<b>Nonmajor Governmental Funds</b>	<b>Sanitary Operation Fund</b>	<b>Nonmajor Proprietary Funds</b>	
Receivables:				
Taxes	\$ 33,186,043	\$ 8,933,574	\$ -	
Intergovernmental	-	3,672,712	-	
Leases	-	-	8,091,201	
Loans	19,022,375	-	-	
Accounts	1,285,951	76,982,093	134,407	
Interest	37,956	-	-	
Gross receivables	53,532,325	89,588,379	8,225,608	
Less allowance for uncollectibles	(13,977,473)	(43,185,351)	-	
Net receivables	\$ 39,554,852	\$ 46,403,028	\$ 8,225,608	

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 4. RECEIVABLES (CONTINUED)

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

**Lease Receivable – Primary Government:** The County has entered into lease agreements with various third parties whereby the County leases buildings. The County also has a long-term lease agreement with the operator of the County's landfill that qualifies for reporting as a service concession arrangement under GASB Statement No. 94. The total amount of deferred inflows of resources, including lease revenue and interest revenue, recognized during the fiscal year ended September 30, 2025 was \$1,189,770. At September 30, 2025, the County's receivable for lease payments was \$10,078,201. The County has a deferred inflow of resources in the amount of \$9,529,866 associated with these leases that will be recognized over the lease terms that end on various dates through May of 2059.

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## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. CAPITAL ASSETS

#### A. Primary Government

Capital asset activity for the fiscal year ended September 30, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Remeasurement	Transfers	Ending Balance
<b>Governmental Activities:</b>						
Capital assets, not being depreciated:						
Land	\$ 28,011,880	\$ -	\$ -	\$ -	\$ -	\$ 28,011,880
Construction in progress	107,648,283	86,811,085	-	-	(67,556,903)	126,902,465
Total capital assets, not being depreciated	<u>135,660,163</u>	<u>86,811,085</u>	<u>-</u>	<u>-</u>	<u>(67,556,903)</u>	<u>154,914,345</u>
Capital assets, being depreciated and amortized:						
Buildings and improvements	459,464,866	-	-	-	48,990,165	508,455,031
Improvements other than building	291,665,160	-	-	-	18,566,738	310,231,898
Maintenance equipment	13,726,220	786,103	(1,047,996)	-	-	13,464,327
Motor vehicle fleet	49,358,869	5,012,013	(4,078,492)	-	-	50,292,390
Equipment under financed purchase	21,467,637	4,920,663	(443,031)	-	-	25,945,269
Miscellaneous equipment	36,108,358	3,737,416	(281,107)	-	-	39,564,667
Office furniture and fixtures	19,754,989	-	(255,410)	-	-	19,499,579
Software	13,958,533	-	(107,076)	-	-	13,851,457
Lease asset - buildings	3,081,288	372,975	(198,421)	-	-	3,255,842
Lease asset - land improvements	663,869	-	-	-	-	663,869
Right-to-use subscription assets	6,856,301	9,440,992	(866,080)	(226,929)	-	15,204,284
Total capital assets, being depreciated and amortized	<u>916,106,090</u>	<u>24,270,162</u>	<u>(7,277,613)</u>	<u>(226,929)</u>	<u>67,556,903</u>	<u>1,000,428,613</u>
Less accumulated depreciation and amortization for:						
Buildings and improvements	(321,911,835)	(7,386,581)	-	-	-	(329,298,416)
Improvements other than building	(179,310,307)	(12,587,162)	-	-	-	(191,897,469)
Maintenance equipment	(11,153,121)	(650,211)	1,014,306	-	-	(10,789,026)
Motor vehicle fleet	(38,573,410)	(3,771,900)	4,046,726	-	-	(38,298,584)
Equipment under financed purchase	(13,881,825)	(4,478,270)	335,965	-	-	(18,024,130)
Miscellaneous equipment	(23,745,933)	(2,711,866)	216,451	-	-	(26,241,348)
Office furniture and fixtures	(19,059,827)	(208,035)	255,410	-	-	(19,012,452)
Software	(11,559,824)	(2,139,347)	107,076	-	-	(13,592,095)
Lease asset - buildings	(992,471)	(368,185)	198,421	-	-	(1,162,235)
Lease asset - land improvements	(487,401)	(144,200)	-	-	-	(631,601)
Right-to-use subscription assets	(3,344,671)	(3,930,081)	866,080	-	-	(6,408,672)
Total accumulated depreciation and amortization	<u>(624,020,625)</u>	<u>(38,375,838)</u>	<u>7,040,435</u>	<u>-</u>	<u>-</u>	<u>(655,356,028)</u>
Total capital assets, being depreciated and amortized, net	<u>292,085,465</u>	<u>(14,105,676)</u>	<u>(237,178)</u>	<u>(226,929)</u>	<u>67,556,903</u>	<u>345,072,585</u>
Governmental activities capital assets, net	<u>\$ 427,745,628</u>	<u>\$ 72,705,409</u>	<u>\$ (237,178)</u>	<u>\$ (226,929)</u>	<u>\$ -</u>	<u>\$ 499,986,930</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. CAPITAL ASSETS (CONTINUED)

#### A. Primary Government (Continued)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Business-type Activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 35,553,188	\$ -	\$ (5,269,374)	\$ -	\$ 30,283,814
Construction in progress	248,443,186	104,007,690	-	(64,854,859)	287,596,017
Total capital assets, not being depreciated	<u>283,996,374</u>	<u>104,007,690</u>	<u>(5,269,374)</u>	<u>(64,854,859)</u>	<u>317,879,831</u>
Capital assets, being depreciated and amortized:					
Buildings	1,030,064,544	-	(3,357,446)	-	1,026,707,098
Infrastructure and other improvements	4,014,125,844	14,052,219	-	64,854,859	4,093,032,922
Equipment	29,144,425	2,195,469	(55,979)	-	31,283,915
Motor vehicles	23,241,354	1,451,365	(662,447)	-	24,030,272
Subscription assets	341,701	793,343	-	-	1,135,044
Total capital assets, being depreciated/amortized	<u>5,096,917,868</u>	<u>18,492,396</u>	<u>(4,075,872)</u>	<u>64,854,859</u>	<u>5,176,189,251</u>
Less accumulated depreciation and amortization for:					
Buildings	(596,708,080)	(22,706,018)	393,459	-	(619,020,639)
Infrastructure and other improvements	(2,850,983,101)	(113,791,627)	-	-	(2,964,774,728)
Equipment	(17,162,181)	(2,472,689)	42,872	-	(19,591,998)
Motor vehicles	(19,852,681)	(1,425,313)	662,447	-	(20,615,547)
Subscription assets	(186,939)	(244,920)	-	-	(431,859)
Total accumulated depreciation and amortization	<u>(3,484,892,982)</u>	<u>(140,640,567)</u>	<u>1,098,778</u>	<u>-</u>	<u>(3,624,434,771)</u>
Total capital assets, being depreciated/amortized, net	<u>1,612,024,886</u>	<u>(122,148,171)</u>	<u>(2,977,094)</u>	<u>64,854,859</u>	<u>1,551,754,480</u>
Business-type activities capital assets, net	<u>\$ 1,896,021,260</u>	<u>\$ (18,140,481)</u>	<u>\$ (8,246,468)</u>	<u>\$ -</u>	<u>\$ 1,869,634,311</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. CAPITAL ASSETS (CONTINUED)

#### A. Primary Government (Continued)

Depreciation and amortization expense were charged to functions/programs of the primary government as follows:

Governmental activities:

General government	\$ 16,864,140
Public safety	3,723,487
Highways and roads	17,229,339
Health and welfare	558,872
Total depreciation and amortization expense - governmental activities	\$ 38,375,838

Business-type activities:

Sanitary operations	\$ 139,936,072
Landfill operations	662,527
Hallmark operations	41,968
Total depreciation and amortization expense - business-type activities	\$ 140,640,567

#### B. Component Units

Capital asset activity for the Emergency Management Agency for the fiscal year ended September 30, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Equipment	\$ 978,912	\$ -	\$ -	\$ 978,912
Motor vehicles	423,969	51,812	-	475,781
Total capital assets, being depreciated	1,402,881	51,812	-	1,454,693
Less accumulated depreciation for:				
Equipment	(974,847)	(4,066)	-	(978,913)
Motor vehicles	(352,611)	(49,095)	-	(401,706)
Total accumulated depreciation	(1,327,458)	(53,161)	-	(1,380,619)
Total capital assets, net	\$ 75,423	\$ (1,349)	\$ -	\$ 74,074

## 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, 2025 was as follows:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
Capital assets, being depreciated:				
Infrastructure and other improvements	\$ 379,881	\$ -	\$ -	\$ 379,881
Equipment	1,289,749	-	(411,250)	878,499
Subscription assets	2,714,648	-	-	2,714,648
Total capital assets, being depreciated and amortized	4,384,278	-	(411,250)	3,973,028
Less accumulated depreciation and amortization for:				
Infrastructure and other improvements	(379,881)	-	-	(379,881)
Equipment	(1,273,378)	(11,727)	411,250	(873,855)
Subscription assets	(542,930)	(542,929)	-	(1,085,859)
Total accumulated depreciation and amortization	(2,196,189)	(554,656)	411,250	(2,339,595)
Total capital assets, net	\$ 2,188,089	\$ (554,656)	\$ -	\$ 1,633,433

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of September 30, 2025, was as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Special Sales Tax Revenue Fund	\$ 11,477,314
General Fund	Nonmajor Governmental Funds	818,709
Nonmajor Governmental Funds	Special Sales Tax Revenue Fund	12,138,191
		\$ 24,434,214

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

Advances to/from other funds:

Advance to	Advance from	Amount
Nonmajor Proprietary Funds	Nonmajor Governmental Funds	\$ 717,921

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.

## NOTES TO FINANCIAL STATEMENTS

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

Interfund transfers for the fiscal year ended September 30, 2025 were as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General Fund	Special Sales Tax Revenue Fund	\$ 91,600,604
General Fund	Indigent Care Fund	1,899,000
General Fund	Nonmajor Enterprise Funds	7,539,034
		<u>\$ 101,038,638</u>
Nonmajor Governmental Funds	General Fund	\$ 38,223,511
Nonmajor Governmental Funds	Special Sales Tax Revenue Fund	27,215,173
Nonmajor Governmental Funds	Bridge and Public Building Fund	67,718,924
		<u>\$ 133,157,608</u>
Sanitary Operation Fund	Nonmajor Governmental Funds	<u>\$ 10,577,510</u>
Nonmajor Enterprise Funds	General Fund	<u>\$ 303,854</u>

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, to (3) reimburse the Sanitary Operation Fund for allowable costs incurred under the American Rescue Plan Act grant, and to (4) 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, 2025:

	Restated Beginning Balance	Additions	Reductions	Remeasurement	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>						
Warrants payable	\$ 347,590,000	\$ -	\$ (29,120,000)	\$ -	\$ 318,470,000	\$ 30,575,000
Plus: Premiums	25,696,130	-	(3,571,810)	-	22,124,320	-
Total warrants payable	<u>373,286,130</u>	<u>-</u>	<u>(32,691,810)</u>	<u>-</u>	<u>340,594,320</u>	<u>30,575,000</u>
Bonds payable	25,654,621	-	(408,973)	-	25,245,648	606,328
Financed purchases	5,376,769	2,920,664	(5,365,808)	-	2,931,625	2,931,625
Lease liabilities	2,436,854	372,975	(504,195)	-	2,305,634	371,349
Subscription liabilities	3,098,916	8,587,690	(3,456,646)	(233,863)	7,996,097	3,093,287
Net pension liability (asset)	5,129,719	99,151,120	(293,659,730)	-	(189,378,891)	-
Total OPEB liability	82,587,731	13,802,948	(6,432,485)	-	89,958,194	4,073,437
Compensated absences*	43,012,864	3,264,953	-	-	46,277,817	14,302,953
Litigation liability	8,083,115	333,152	(553,000)	-	7,863,267	-
Claims payable	6,082,745	16,951,831	(17,340,777)	-	5,693,799	1,786,097
Governmental activities long-term liabilities	<u>\$ 554,749,464</u>	<u>\$ 145,385,333</u>	<u>\$ (360,413,424)</u>	<u>\$ (233,863)</u>	<u>\$ 339,487,510</u>	<u>\$ 57,740,076</u>
<b>Business-type Activities:</b>						
Warrants payable	\$ 2,242,675,000	\$ -	\$ (7,075,000)	\$ -	\$ 2,235,600,000	\$ 17,605,000
Plus: Premium	186,750,569	-	(9,537,321)	-	177,213,248	-
Total warrants payable	<u>2,429,425,569</u>	<u>-</u>	<u>(16,612,321)</u>	<u>-</u>	<u>2,412,813,248</u>	<u>17,605,000</u>
Bonds payable - direct placement	10,199,700	-	(10,199,700)	-	-	-
Landfill postclosure and postclosure costs liability	25,160,807	-	(742,943)	-	24,417,864	-
Subscription liabilities	46,913	793,343	(213,374)	-	626,882	157,458
Net pension liability (asset)	1,113,106	21,288,512	(63,055,153)	-	(40,653,535)	-
Total OPEB liability	26,454,265	4,438,936	(1,968,182)	-	28,925,019	1,309,767
Compensated absences*	8,786,038	769,806	-	-	9,555,844	2,756,374
Claims payable	1,752,608	41,599	(391,218)	-	1,402,989	440,108
Business-type activities long-term liabilities	<u>\$ 2,502,939,006</u>	<u>\$ 27,332,196</u>	<u>\$ (93,182,891)</u>	<u>\$ -</u>	<u>\$ 2,437,088,311</u>	<u>\$ 22,268,707</u>

\*The change in the County's compensated absences liability is presented as a net change.

Effective October 1, 2024, the County adopted the provisions of Governmental Accounting Standards Statement No. 101, *Compensated Absences*. This change in accounting principle resulted in a restatement of the compensated absence balances as of the beginning of the fiscal year (Note 14).

## NOTES TO FINANCIAL STATEMENTS

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### 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 Warrants). Warrants payable also include related amounts of premiums and discounts on the warrants, which are reported on the statement of net position as an adjustment to the carrying value of the related debt and amortized over the life of the warrants.

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

In 2018, the County issued refunding warrants under a Trust Indenture dated May 1, 2018 (2018 Trust Indenture), between the County and Wilmington Trust, National Association, as Trustee. The Series 2018A warrants 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 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

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### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

The Series 2017, 2018A, and 2018B refundings resulted in differences between the reacquisition prices and the net carrying amount of the old warrants, which is presented as a deferred inflow of resources on the statement of net position, net of accumulated amortization, of \$72,868. The deferred inflow is recognized as a component of interest expense in a systematic manner over the remaining life of the new debt.

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

The outstanding balance for the governmental activities warrants as of September 30, 2025 are as follows:

	<b><u>Balance as of</u></b> <b><u>September 30, 2025</u></b>
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.	\$ 244,910,000
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.	13,420,000
Series 2022 Limited Obligation Warrant, with interest paid semiannually at fixed rates ranging from 4.125% to 5.00% and annual principal payments through 2042.	60,140,000
Total warrants payable - governmental activities	<u>\$ 318,470,000</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

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

Fiscal Year Ending September 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 30,575,000	\$ 15,022,007	\$ 45,597,007
2027	18,015,000	13,493,257	31,508,257
2028	18,915,000	12,592,507	31,507,507
2029	19,860,000	11,646,757	31,506,757
2030	20,850,000	10,653,757	31,503,757
2031-2035	120,675,000	36,856,845	157,531,845
2036-2040	75,730,000	9,338,045	85,068,045
2041-2042	13,850,000	854,750	14,704,750
Total	<u>\$ 318,470,000</u>	<u>\$ 110,457,925</u>	<u>\$ 428,927,925</u>

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

On July 17, 2018, the County entered into a funding agreement with the BJCC pursuant to which the County is obligated to make 60 semi-annual contributions of \$500,000 on June 20 and December 20 of each fiscal year, beginning on December 20, 2018. The County’s obligation to make such contributions under the funding agreement is a general obligation of the County for which the County’s full faith and credit are pledged. The County’s semi-annual contributions are pledged and assigned by the BJCC for payment of debt service on its Series 2018E revenue bonds. The proceeds of the bonds were used to finance improvements to the BJCC’s civic center complex and to pay costs of issuance of the bonds. The remaining principal amount of these general obligation bonds at September 30, 2025 is \$15,245,648.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

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

Fiscal Year Ending September 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 606,328	\$ 1,055,555	\$ 1,661,883
2027	632,619	1,029,931	1,662,550
2028	657,868	1,003,224	1,661,092
2029	687,098	975,368	1,662,466
2030	715,337	946,297	1,661,634
2031-2035	4,049,035	4,250,799	8,299,834
2036-2040	4,978,812	3,314,354	8,293,166
2041-2045	5,718,946	2,220,242	7,939,188
2046-2050	5,221,530	937,020	6,158,550
2051-2053	1,978,075	174,675	2,152,750
Total	<u>\$ 25,245,648</u>	<u>\$ 15,907,465</u>	<u>\$ 41,153,113</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, 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).

The proceeds of the Series 2013 Sewer Warrants were used to (i) retire 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.

During the fiscal year ended September 30, 2024, the County issued its \$2,242,675,000 Sewer Revenue Warrants, Series 2024 (2024 Sewer Warrants), pursuant to a Trust Indenture dated January 31, 2024 (2024 Trust Indenture) between the County and Regions Bank, as trustee. The proceeds of the 2024 Sewer Warrants, together with other funds of the County, were used to redeem and retire the 2013 Sewer Warrants and to pay the costs of issuing the Series 2024 Warrants.

The refunding resulted in a decrease of total debt service payments of \$1,226,443,234 and a net present value savings (economic gain) of \$596,726,119. The Series 2024 Warrants are limited obligations of the County payable from and secured by a lien with respect to right of payment from the Trust Estate established under the 2024 Trust Indenture.

## 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, 2025 are as follows:

**Description:**

Series 2024 Sewer Revenue Warrants with an original issue amount of \$2,242,675,000, issued to currently refund the Series 2013 warrants in their entirety, with interest paid semiannually at rates ranging from 5.00% to 5.50% and annual principal payments beginning October 2024 through October 2053.

\$ 2,235,600,000

Total warrants payable, business-type activities

\$ 2,235,600,000

The debt service requirements to maturity on the business-type activities warrants payable are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
Fiscal Year Ending			
September 30,			
2026	\$ 17,605,000	\$ 116,715,363	\$ 134,320,363
2027	20,490,000	115,762,988	136,252,988
2028	23,545,000	114,662,113	138,207,113
2029	26,790,000	113,403,738	140,193,738
2030	30,225,000	111,978,363	142,203,363
2031-2035	210,125,000	531,947,315	742,072,315
2036-2040	328,960,000	464,993,940	793,953,940
2041-2045	438,795,000	366,105,220	804,900,220
2046-2050	566,730,000	234,816,502	801,546,502
2051-2054	572,335,000	65,061,838	637,396,838
Total	<u>\$ 2,235,600,000</u>	<u>\$ 2,235,447,380</u>	<u>\$ 4,471,047,380</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

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

In fiscal year 2024, the County entered into a purchase agreement to finance the acquisition of new vehicles in the amount of \$3,918,164. Annual principal and interest payments are required until maturity on January 1, 2026 at an interest rate of 6.99%.

In fiscal year 2025, the County entered into a purchase agreement to finance the acquisition of new vehicles in the amount of \$2,920,664. Annual principal and interest payments are required until maturity in March 2026 at an interest rate of 11.00%.

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

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
Fiscal Year Ending September 30,			
2026	\$ 2,931,625	\$ 266,452	\$ 3,198,077
Total	\$ 2,931,625	\$ 266,452	\$ 3,198,077

**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 \$24,417,864. County MSW Cells 1 and 2 are approximately 100% and 71% capacity as of fiscal year end, respectively. The MSW Subcell is approximately 93% capacity, but estimates will require modification as additional subcells are constructed over time. The County also reports a remaining liability for the Mt. Olive Sanitary and the Turkey Creek Sanitary Landfills, both of which were closed in 1997.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

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

The County has a noncancelable lease agreement with a third party for a radio tower, terminating in September of 2030. As the lease does not contain a specified interest rate, the County has used its incremental borrowing rate for similar assets of 3.0% as the discount rate for the lease. Aggregate monthly payments are \$1,455 over the term of the agreement. At September 30, 2025, the County's outstanding balance on this lease agreement was \$80,956.

The County has a noncancelable lease agreement with a third party for office space rental used as a satellite office for its Revenue Department, terminating in February of 2030. As the lease does not contain a specified interest rate, the County has used its incremental borrowing rate for similar assets of 3.0% as the discount rate for the lease. Aggregate monthly payments range from \$10,069 to \$10,571 over the term of the agreement. At September 30, 2025, the County's outstanding balance on this lease agreement was \$524,108.

The County has a noncancelable lease agreement with a third party for office space rental used as a satellite office for its Revenue Department, terminating in September of 2036. As the lease does not contain a specified interest rate, the County has used its incremental borrowing rate for similar assets of 3.0% as the discount rate for the lease. Aggregate monthly payments range from \$10,080 to \$11,113 over the term of the agreement. At September 30, 2025, the County's outstanding balance on this lease agreement was \$1,207,293.

The County has a noncancelable lease agreement with a third party for space used by the County for airplane hangar purposes, terminating in October 2027. As the lease does not contain a specified interest rate, the County has used its incremental borrowing rate for similar assets of 3.0% as the discount rate for the lease. Aggregate monthly payments are \$4,146 over the term of the agreement. At September 30, 2025, the County's outstanding balance on this lease agreement was \$100,360.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

**Lease Liabilities (Continued).** The County has a noncancelable lease agreement with a third party for office space used by the County for customer space, terminating in January 2027. As the lease does not contain a specified interest rate, the County has used its incremental borrowing rate for similar assets of 3.0% as the discount rate for the lease. Aggregate monthly payments are \$4,381 over the term of the agreement. At September 30, 2025, the County's outstanding balance on this lease agreement was \$68,629.

The County has a noncancelable lease agreement with a third party for a radio tower, terminating in December 2030. As the lease does not contain a specified interest rate, the County has used its incremental borrowing rate for similar assets of 3.0% as the discount rate for the lease. Aggregate monthly payments are \$5,653 over the term of the agreement. At September 30, 2025, the County's outstanding balance on this lease agreement was \$324,288.

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

Fiscal Year ending September 30,	Principal	Interest	Total
2026	\$ 371,349	\$ 63,602	\$ 434,951
2027	353,418	52,588	406,006
2028	299,918	43,098	343,016
2029	304,902	33,970	338,872
2030	239,618	25,247	264,865
2031-2035	605,213	65,120	670,333
2036	131,216	1,830	133,046
Total	\$ 2,305,634	\$ 285,455	\$ 2,591,089

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

**Subscription Liabilities – Governmental Activities.** During the fiscal year, the County had active noncancellable subscription-based information technology agreements (SBITAs) reported in governmental activities. These arrangements involve the County’s right to use software involving identify integration, product licensing, budgeting, property valuation, equipment and property monitoring, and accounting. As the agreements do not contain specified interest rates, the County has used its incremental borrowing rate for similar assets of 3.0% as the discount rate for all SBITAs at September 30, 2025.

The future principal and interest SBITA payments on the County’s subscription liabilities for governmental activities as of September 30, 2025 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal Year Ending September 30,			
2026	\$ 3,093,287	\$ 178,713	\$ 3,272,000
2027	3,082,344	80,012	3,162,356
2028	1,102,427	42,714	1,145,141
2029	718,039	9,219	727,258
Total	<u>\$ 7,996,097</u>	<u>\$ 310,658</u>	<u>\$ 8,306,755</u>

**Subscription Liabilities – Business-Type Activities** During the fiscal year, the County had active noncancellable subscription-based information technology agreements (SBITAs) reported in business-type activities. These arrangements involve the County’s right to use software involving identify integration, product licensing, budgeting, property valuation, equipment and property monitoring, and accounting. As the agreements do not contain specified interest rates, the County has used its incremental borrowing rate for similar assets of 3.0% as the discount rate for all SBITAs at September 30, 2025.

The future principal and interest SBITA payments on the County’s subscription liabilities for business-type activities as of September 30, 2025 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal Year Ending September 30,			
2026	\$ 157,458	\$ 16,220	\$ 173,678
2027	173,008	10,903	183,911
2028	142,250	6,758	149,008
2029	154,166	2,214	156,380
	<u>\$ 626,882</u>	<u>\$ 36,095</u>	<u>\$ 662,977</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### 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, 2025:

	<b>Restated Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>Personnel Board:</b>					
Compensated absences*	\$ 1,940,660	\$ 96,083	\$ -	\$ 2,036,743	\$ 400,274
Subscription liability	2,138,669	-	(510,748)	1,627,921	526,464
Net pension liability (asset)	221,175	5,272,272	(13,510,021)	(8,016,574)	-
OPEB Liability	2,030,499	319,541	(267,307)	2,082,733	94,309
Personnel Board long-term liabilities	<u>\$ 6,331,003</u>	<u>\$ 5,687,896</u>	<u>\$ (14,288,076)</u>	<u>\$ (2,269,177)</u>	<u>\$ 1,021,047</u>
<b>Emergency Management Agency</b>					
Compensated absences*	\$ 89,231	\$ 23,663	\$ -	\$ 112,894	\$ 49,012
OPEB Liability	71,186	26,989	(6,457)	91,718	4,153
Claims payable	34,457	-	(19,799)	14,658	4,598
Emergency Management Agency long-term liabilities	<u>\$ 194,874</u>	<u>\$ 50,652</u>	<u>\$ (26,256)</u>	<u>\$ 219,270</u>	<u>\$ 57,763</u>

\*The change in the County's compensated absences liability is presented as a net change.

Effective October 1, 2024, the County adopted the provisions of Governmental Accounting Standards Statement No. 101, *Compensated Absences*. This change in accounting principle resulted in a restatement of the compensated absence balances as of the beginning of the fiscal year (Note 14).

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### B. Discretely Presented Component Units (Continued)

**Subscription Liabilities – Discretely Presented Component Units** During the fiscal year, the Personnel Board had an active noncancellable subscription-based information technology agreement (SBITA) reported in discretely presented component units. These arrangements involve the Personnel Board’s right to use software for the purposes of personnel management. As the agreements do not contain specified interest rates, the Personnel Board has used its incremental borrowing rate for similar assets of 3.0% as the discount rate for the SBITA at September 30, 2025.

The future principal and interest SBITA payments on the County’s subscription liabilities for business-type activities as of September 30, 2025 are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
Fiscal Year Ending September 30,			
2026	\$ 526,464	\$ 33,547	\$ 560,011
2027	542,477	17,048	559,525
2028	558,980	47	559,027
	\$ 1,627,921	\$ 50,642	\$ 1,678,563

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## NOTES TO FINANCIAL STATEMENTS

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### 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, 2025. 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, 2024, the most recent actuarial valuation date, the plan membership included the following categories of participants:

Retirees and beneficiaries receiving benefits	2,422
Terminated vested participants	137
Terminated non-vested participants	159
Active Members	<u>2,478</u>
	<u><u>5,196</u></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

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### 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. County contributions to the Plan were approximately \$10,847,230 for the fiscal year ended September 30, 2025. The County's contribution rate was 5.8% of covered payroll.

**Net Pension Liability (Asset) of the County.** The County's net pension liability (asset) was measured as of September 30, 2024 and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of September 30, 2024.

*Actuarial Assumptions.* The total pension liability in the September 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

The actuarial assumptions used in the September 30, 2024 valuation were based on the results of an actuarial experience study for the period October 1, 2013 through September 30, 2018.

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, 2025 are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return
Domestic large cap	35 %	8.40 %
Domestic small/mid cap blend	15	8.40
International equity	5	8.90
Fixed income	25	4.00
International fixed	5	3.80
Hedge fund of funds	5	5.80
Real estate	10	6.80
Total	100 %	

*Discount rate.* The discount rate used to measure the total pension liability at September 30, 2024 was 6.50%. 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. 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 until the Pension Plan year ending September 30, 2064. Therefore, the long-term expected rate of return on Pension Plan investments of 6.50% was applied to all periods of projected benefit payments through September 30, 2064 and the applicable municipal bond index rate of 3.83%, based on the monthly average of the Bond Buyers General Obligation 20-year Municipal Bond Index Rate as of September 30, 2024, was applied to all periods of projected benefit payments after September 30, 2064. The single equivalent interest rate (SEIR) of 6.50% was used to determine the total pension liability as of September 30, 2024.

## 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, 2025 were as follows:

	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability (Asset)</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a) - (b)</b>
<b>Balances at September 30, 2024</b>	\$ 1,285,019	\$ 1,278,555	\$ 6,464
<b>Changes for the fiscal year:</b>			
Service cost	34,677	-	34,677
Interest	74,903	-	74,903
Differences between expected and actual experience	12,989	-	12,989
Changes in assumptions	(64,845)	-	(64,845)
Contributions—employer	-	10,361	(10,361)
Contributions—employee	-	10,361	(10,361)
Net investment income	-	283,169	(283,169)
Benefit payments, including refunds of employee contributions	(77,411)	(77,411)	-
Other expense	-	417	(417)
Administrative expense	-	(2,071)	2,071
<b>Net changes</b>	<b>(19,687)</b>	<b>224,826</b>	<b>(244,513)</b>
<b>Balances at September 30, 2025</b>	<b>\$ 1,265,332</b>	<b>\$ 1,503,381</b>	<b>\$ (238,049)</b>

As of September 30, 2025, the Plan's net pension asset is reported on the statement of net position as follows (\$ in thousands):

	<b>Net Pension Asset</b>
Primary Government	\$ 230,032
Personnel Board	8,017
<b>Total net pension asset</b>	<b>\$ 238,049</b>

As of September 30, 2025, the Plan's fiduciary net position as a percentage of the total pension asset is 118.8%.

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

	<b>1% Decrease (5.50%)</b>	<b>Current Rate (6.50%)</b>	<b>1% Increase (7.50%)</b>
Primary Government	\$ (96,366)	\$ (230,032)	\$ (343,256)
Personnel Board	(3,359)	(8,017)	(11,963)
Total	\$ (99,725)	\$ (238,049)	\$ (355,219)

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, 2025 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, 2025, the County recognized (\$ in thousands) pension expense of \$(3,049). At September 30, 2025, the County and the Personnel Board reported deferred outflows of resources related to pensions from the following sources (\$ in thousands):

	<b>Primary Government</b>		<b>Personnel Board</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 9,990	\$ 2,370	\$ 348	\$ 83
Changes in assumptions	43,592	49,872	1,519	1,739
Net difference between projected and actual earnings on pension plan investments	-	122,529	-	4,268
Employer contributions subsequent to the measurement date	10,481	-	366	-
Total	\$ 64,063	\$ 174,771	\$ 2,233	\$ 6,090

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

County and Personnel Board contributions of \$10,847,230 subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2026. 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:

	<b>Primary Government</b>	<b>Personnel Board</b>
2026	\$ (24,910)	\$ (869)
2027	4,699	164
2028	(52,743)	(1,839)
2029	(48,235)	(1,679)
Total	\$ (121,189)	\$ (4,223)

### NOTE 9. OTHER POSTEMPLOYMENT BENEFITS

**Plan Administration and Benefits.** The Jefferson County Commission (the "County") provides post-employment health benefits to eligible retirees of Jefferson County, the Personnel Board of Jefferson County, and the Jefferson County Emergency Management Agency (EMA). The health plan is a single employer defined benefit plan administered by Blue Cross Blue Shield of Alabama. Eligible employees who retire after meeting age and service requirements receive health insurance coverage for themselves and their eligible dependents. The County subsidizes a portion of the retiree's health care insurance premium based on age and years of service. Retiree's insurance premiums (single employees) for retirement age of 60-64 years ranges from approximately \$123 - \$400; for employee and family insurance premiums for retirement age of 60-64 years ranges from approximately \$358 - \$1,174. The County's subsidy for single employee insurance premiums for retirement age of 60-64 years ranges from approximately \$466 - \$733; for employee and family insurance premiums for retirement age of 60-64 years of age ranges from approximately \$1,380 - \$2,197. These health insurance premiums are based on years of service between 10-30 years. Supplemental Dental and Vision are other OPEB offered; however, they are not subsidized by the County. Monthly premiums for dental and vision insurance are the sole responsibility of the retirees. Vision benefits based on level of coverage ranges from approximately \$5 - \$16 (base plan); and approximately \$8 - \$23 (premium 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 September 30, 2024, the date of the latest actuarial valuation:

Active participants	2,310
Inactives and beneficiaries currently receiving benefits	<u>339</u>
Total	<u><u>2,649</u></u>

**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, 2025, the County contributed \$5,398,002 for the pay-as-you-go benefits for the Plan.

The County’s total OPEB liability was measured as of September 30, 2024 and was determined by an actuarial valuation as of September 30, 2024.

*Actuarial assumptions.* The total OPEB liability in the September 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount Rate:	3.81%
Healthcare Cost Trend Rate:	7.00% - 4.75%, Ultimate Trend in 2033
Inflation Rate:	2.75%
Salary increase:	4.25%-6.75% including inflation
Participation rate:	Not available

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

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the September 30, 2024 valuation were based on the results of an actuarial experience study for the period October 1, 2013 – September 30, 2018.

**Discount rate.** The discount rate used to measure the total OPEB liability was 3.81%, which was a decrease from the prior rate of 4.09%. This rate is based on the return on the 20-Bond average General Obligation 20-year Municipal Bond Rate published at the end of the last week during the month of September by The Bond Buyer.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

**Changes in the Total OPEB Liability of the County.** The changes in the total OPEB liability of the County for the fiscal year ended September 30, 2025, were as follows:

	<b>Primary Government</b>	<b>Personnel Board</b>	<b>Emergency Management Agency</b>	<b>Total OPEB Liability</b>
<b>Balances at September 30, 2024</b>	\$ 109,041,996	\$ 2,030,499	\$ 71,186	\$ 111,143,681
<b>Changes for the fiscal year:</b>				
Service cost	5,107,365	89,477	3,940	5,200,782
Interest	4,370,770	76,572	3,372	4,450,714
Changes of benefit terms	93,372	1,636	72	95,080
Differences between expected and actual experience	(3,791,797)	(186,605)	10,015	(3,968,387)
Changes in assumptions	8,672,734	151,939	6,691	8,831,364
Benefit payments	(4,611,227)	(80,785)	(3,558)	(4,695,570)
<b>Net changes</b>	<u>9,841,217</u>	<u>52,234</u>	<u>20,532</u>	<u>9,913,983</u>
<b>Balances at September 30, 2025</b>	<u>\$ 118,883,213</u>	<u>\$ 2,082,733</u>	<u>\$ 91,718</u>	<u>\$ 121,057,664</u>

As of September 30, 2025, the Plan's total OPEB liability is reported on the statement of net position as follows:

	<b>Total OPEB Liability</b>
Primary Government	\$ 118,883,213
Personnel Board	2,082,733
Emergency Management Agency	91,718
	<u>\$ 121,057,664</u>

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.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

**Sensitivity of the total OPEB liability to changes in the discount rate.** The following presents the total OPEB liability of the County (including the Jefferson County Personnel Board and Jefferson County Emergency Management Agency) as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.81%) or 1-percentage-point higher (4.81%) than the current discount rate:

	<b>1% Decrease (2.81%)</b>	<b>Current Rate (3.81%)</b>	<b>1% Increase (4.81%)</b>
Primary Government	\$ 129,387,614	\$ 118,883,213	\$ 109,396,309
Personnel Board	2,266,761	2,082,733	1,916,530
Emergency Management Agency	99,822	91,718	84,399
	<b>\$ 131,754,197</b>	<b>\$ 121,057,664</b>	<b>\$ 111,397,238</b>

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

	<b>1% Decrease (6.0% decreasing to 3.75%)</b>	<b>Current Rate (7.0% decreasing to 4.75%)</b>	<b>1% Increase (8.0% decreasing to 5.75%)</b>
Primary Government	\$ 107,036,116	\$ 118,883,213	\$ 132,563,558
Personnel Board	1,875,182	2,082,733	2,322,401
Emergency Management Agency	82,578	91,718	102,272
	<b>\$ 108,993,876</b>	<b>\$ 121,057,664</b>	<b>\$ 134,988,231</b>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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, 2025 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, 2025, the County recognized OPEB expense of \$6,878,172. At September 30, 2025, the County reported deferred outflows of resources related to OPEB from the following sources:

	Primary Government		Personnel Board		Emergency Management Agency	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 99,662	\$ 10,897,491	\$ 1,746	\$ 190,873	\$ 81	\$ 8,878
Changes in plan assumptions	10,394,632	9,044,624	182,125	158,496	7,787	6,507
Employer contributions subsequent to measurement date	5,300,838	-	92,846	-	4,318	-
Total	\$ 15,795,132	\$ 19,942,115	\$ 276,717	\$ 349,369	\$ 12,186	\$ 15,385

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Contributions subsequent to the measurement date of \$5,398,002 will be recognized as a reduction of the total OPEB liability in the fiscal year ending September 30, 2026. Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year ending September 30:

	<b>Primary Government</b>	<b>Personnel Board</b>	<b>Emergency Management Agency</b>
2026	\$ (1,144,097)	\$ (20,039)	\$ (932)
2027	(2,325,115)	(40,725)	(1,894)
2028	(2,823,686)	(49,458)	(2,300)
2029	(1,962,203)	(34,369)	(1,599)
2030	(1,568,273)	(27,469)	(1,278)
Thereafter	375,553	6,562	486
Total	\$ (9,447,821)	\$ (165,498)	\$ (7,517)

### 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 to its employees through a self-insured plan which is administered through Blue Cross and Blue Shield of Alabama (BCBS). This plan helps employees, and their covered dependents manage medical expenses. The plan includes \$200 per person annual deductible, and \$2,000 (maximum of two per family) out-of-pocket maximum. In addition to health coverage, the County partners with other providers to offer Basic Group Life Insurance, Group Accidental Death & Dismemberment (AD&D), Vision, Dental, and other Voluntary benefits.

The County covers 100% of the cost for Basic Group Life and Group AD&D insurance; and approximately 84%-86% of health insurance premium costs for employees. Employees are responsible for 100% of the costs of additional Voluntary Benefits, including Dental and Vision Insurance, Voluntary Term Life and Voluntary AD&D Insurance, Flexible Spending Accounts, Accident, Critical Illness, and Hospital Indemnity Insurance, Short and Long-Term Disability Insurance, and Legal Services. The County Stop Loss Insurance is administered through a third party to protect against unexpected or catastrophic losses that exceed \$325,000.

This structure allows employees to access essential coverage while selecting additional benefits to meet their individual needs.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 10. RISK MANAGEMENT (CONTINUED)

The following describes the health insurance claims activity for the past two fiscal years, all of which is recorded in the County's General Fund:

Fiscal Year	Beginning of Year Claims Liability	Current Year Claims and Changes in Estimates	Claims Paid	End of Year Claims Liability
2025	\$ 2,637,341	\$ 43,091,219	\$ (42,143,328)	\$ 3,585,232
2024	2,211,308	28,644,377	(28,218,344)	2,637,341

#### Workers' Compensation

The County provides workers' compensation coverage for its employees and the Emergency Management Agency's employees under a plan of partial self-insurance. Under this plan, the County is self-insured with a retention of \$950,000. 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
2025	\$ 7,116,962	\$ 1,500,844	\$ (1,838,348)	6,779,458
2024	6,312,504	3,363,008	(2,558,550)	7,116,962

#### General and Auto Liability

The County and the Emergency Management Agency are 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
2025	\$ 752,848	\$ (210,741)	\$ (210,119)	331,988
2024	965,017	345,952	(558,121)	752,848

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 11. COMMITMENTS AND CONTINGENCIES

#### Construction Commitments

In addition to the liabilities enumerated in the balance sheet, at September 30, 2025, the County has construction commitments on uncompleted contracts of approximately \$144,989,085.

#### 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, 2025, the County has accrued estimated litigation payments in the accompanying statement of net position and has accrued a total liability of approximately \$1,770,000.

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, 2025, 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 14). As such, the County has accrued the entirety of the Unsecured Claims Fund of \$6,093,267 as a liability on the statement of net position for governmental activities at September 30, 2025.

#### 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

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### 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, 2025, Jefferson County abated property taxes totaling approximately \$2.4 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, 2025, the BIDB abated property taxes totaling approximately \$1.7 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 a confirmation hearing, the Bankruptcy Court entered its order (the Confirmation Order) confirming the County's November 6, 2013 Plan of Adjustment. The effective date (Effective Date) of the Plan of Adjustment was December 3, 2013.

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

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

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 13. BANKRUPTCY SETTLEMENT AND CONFIRMATION (CONTINUED)

As of September 30, 2025, the County has recorded a liability of \$6,093,267 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 March 1, 2017, the Series 2005B Warrants were fully redeemed pursuant to their terms.

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

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

On August 16, 2018, the U.S. Eleventh Circuit Court of Appeals ordered the dismissal of an appeal from Jefferson County's Plan of Adjustment by ratepayers of the County's sewer system. There are no challenges outstanding to the Plan of Adjustment at September 30, 2025.

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.

On January 31, 2024, the County defeased the Series 2013 Sewer Revenue Warrants with the proceeds of the Series 2024 Sewer Revenue Warrants.

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

The County has, at the order of the Bankruptcy Court, placed \$6,093,267 into a restricted interest-bearing 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, along with any additional accrued interest, will be distributed on a pro-rata basis (see Note 11).

## NOTES TO FINANCIAL STATEMENTS

### NOTE 14. ACCOUNTING CHANGES

#### Change in Accounting Principle

In conjunction with the implementation of GASB Statement No. 101, *Compensated Absences*, the County is required to reevaluate the accounting treatment of compensated absences. Therefore, with the implementation of GASB Statement No. 101, the following adjustments were required to the beginning net position of the governmental activities, Sanitary Operation Fund, business-type activities, Personnel Board (a discretely presented component unit), and Emergency Management Agency (a discretely presented component unit).

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
Beginning net position, as previously reported	\$ 573,360,614	\$ (3,823,215)
Restatement due to implementation of GASB No. 101	(17,841,681)	(3,765,391)
Beginning net position, as restated	\$ 555,518,933	\$ (7,588,606)

	<b>Personnel Board</b>	<b>Emergency Management Agency</b>
Beginning net position, as previously reported	\$ 630,405	\$ 793,083
Restatement due to implementation of GASB No. 101	(848,996)	3,685
Beginning net position, as restated	\$ (218,591)	\$ 796,768

	<b>Sanitary Operation</b>
Beginning net position, as previously reported	\$ (18,481,632)
Restatement due to implementation of GASB No. 101	(3,765,391)
Beginning net position, as restated	\$ (22,247,023)

### NOTE 15. SPECIAL ITEM

On March 21, 2025, the Hallmark Farms Cooperative District (the "District") finalized the sale of the entirety of its property with a carrying value of \$8,233,361 as of September 30, 2024, for \$13,500,000 to the Agriculture Exhibition Center Corporation, an Alabama public corporation. The sale was initially approved by the District's board of directors on September 13, 2023 with an amended approval on November 21, 2024.

The total gain on the sale of the operations is reported as a special item in the amount of \$5,266,639. Proceeds from the sale were used to pay off the District's Capital Improvement Bond, Series 2019, issued in the original amount of \$13,000,000 with a carrying balance of \$9,972,300 at the time of sale. The District ceased its remaining operations, and the residual cash of \$7,539,034 was returned as a transfer to the General Fund.

**REQUIRED SUPPLEMENTARY INFORMATION**

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**JEFFERSON COUNTY, ALABAMA**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE - GAAP BASIS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 66,824,868	\$ 66,824,868	\$ 66,644,493	\$ (180,375)
Sales taxes	82,032,470	82,032,470	82,480,761	448,291
Other taxes	7,577,469	7,577,469	8,444,498	867,029
Licenses and permits	13,824,425	13,701,779	14,452,629	750,850
Intergovernmental	7,228,934	7,853,492	8,556,429	702,937
Charges for services	49,796,098	49,796,098	49,862,825	66,727
Interest income	1,600,000	1,600,000	6,662,997	5,062,997
Miscellaneous	1,845,792	1,968,438	6,485,793	4,517,355
Total revenues	<u>230,730,056</u>	<u>231,354,614</u>	<u>243,590,425</u>	<u>12,235,811</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government</b>				
Board of Equalization				
Personnel costs	548,843	548,843	386,085	162,758
Total Board of Equalization	<u>548,843</u>	<u>548,843</u>	<u>386,085</u>	<u>162,758</u>
Board of Registrars				
Personnel costs	1,092,050	1,162,350	1,162,347	3
Other operating costs	188,309	151,821	144,206	7,615
Grant expenditures	-	11,868	11,868	-
Total Board of Registrars	<u>1,280,359</u>	<u>1,326,039</u>	<u>1,318,421</u>	<u>7,618</u>
Commission				
Personnel costs	2,512,310	2,010,742	1,646,546	364,196
Other operating costs	185,000	169,296	88,274	81,022
Total Commission	<u>2,697,310</u>	<u>2,180,038</u>	<u>1,734,820</u>	<u>445,218</u>
Commission support				
Other operating costs	270,486	270,486	268,300	2,186
Grant expenditures	7,456,958	10,474,972	6,788,374	3,686,598
Total Commission support	<u>7,727,444</u>	<u>10,745,458</u>	<u>7,056,674</u>	<u>3,688,784</u>
Community development				
Personnel costs	1,619,506	1,619,506	934,396	685,110
Other operating costs	3,204,605	3,518,121	625,039	2,893,082
Total community development	<u>4,824,111</u>	<u>5,137,627</u>	<u>1,559,435</u>	<u>3,578,192</u>
Compliance				
Personnel costs	1,337,370	1,081,965	767,517	314,448
Other operating costs	355,056	507,812	142,623	365,189
Total compliance	<u>1,692,426</u>	<u>1,589,777</u>	<u>910,140</u>	<u>679,637</u>
County attorney				
Personnel costs	2,851,055	2,253,172	2,134,976	118,196
Other operating costs	9,830,052	10,248,525	7,787,953	2,460,572
Grant expenditures	-	2,068,564	2,052,523	16,041
Total county attorney	<u>12,681,107</u>	<u>14,570,261</u>	<u>11,975,452</u>	<u>2,594,809</u>
County manager				
Personnel costs	1,583,185	1,283,743	1,283,140	603
Other operating costs	1,031,750	1,291,133	271,813	1,019,320
Grant expenditures	-	22,695	22,622	73
Total county manager	<u>2,614,935</u>	<u>2,597,571</u>	<u>1,577,575</u>	<u>1,019,996</u>
Development service				
Personnel costs	4,211,199	4,248,699	4,248,673	26
Other operating costs	1,016,502	932,084	853,610	78,474
Total development service	<u>5,227,701</u>	<u>5,180,783</u>	<u>5,102,283</u>	<u>78,500</u>

(Continued)

**JEFFERSON COUNTY, ALABAMA**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE - GAAP BASIS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Expenditures (Continued):</b>				
<b>Current (Continued):</b>				
<b>General government (Continued)</b>				
District attorney - Bessemer				
Personnel costs	3,666,605	3,666,605	3,419,277	247,328
Other operating costs	235,357	235,452	203,585	31,867
Grant expenditures	-	63,900	-	63,900
Total district attorney - Bessemer	<u>3,901,962</u>	<u>3,965,957</u>	<u>3,622,862</u>	<u>343,095</u>
District attorney - Birmingham				
Personnel costs	7,114,001	7,225,341	7,216,320	9,021
Other operating costs	405,250	414,976	398,934	16,042
Total district attorney - Birmingham	<u>7,519,251</u>	<u>7,640,317</u>	<u>7,615,254</u>	<u>25,063</u>
Economic development				
Other operating costs	9,000,000	9,000,000	6,159,741	2,840,259
Total economic development	<u>9,000,000</u>	<u>9,000,000</u>	<u>6,159,741</u>	<u>2,840,259</u>
Family court				
Personnel costs	7,555,109	7,678,209	7,678,171	38
Other operating costs	2,390,250	2,399,555	1,415,387	984,168
Grant expenditures	-	55,404	5,216	50,188
Total family court	<u>9,945,359</u>	<u>10,133,168</u>	<u>9,098,774</u>	<u>1,034,394</u>
Finance department				
Personnel costs	6,475,458	3,846,011	3,118,963	727,048
Other operating costs	1,121,994	1,990,396	1,019,661	970,735
Total finance department	<u>7,597,452</u>	<u>5,836,407</u>	<u>4,138,624</u>	<u>1,697,783</u>
Fleet management				
Personnel costs	3,521,268	3,545,086	3,544,593	493
Other operating costs	10,245,386	11,215,047	7,146,349	4,068,698
Total fleet management	<u>13,766,654</u>	<u>14,760,133</u>	<u>10,690,942</u>	<u>4,069,191</u>
General services				
Personnel costs	13,077,045	11,544,228	11,255,595	288,633
Other operating costs	19,289,254	21,278,723	15,781,522	5,497,201
Total general services	<u>32,366,299</u>	<u>32,822,951</u>	<u>27,037,117</u>	<u>5,785,834</u>
Human resources				
Personnel costs	5,877,317	4,582,108	3,958,345	623,763
Other operating costs	1,405,211	1,048,016	733,685	314,331
Total human resources	<u>7,282,528</u>	<u>5,630,124</u>	<u>4,692,030</u>	<u>938,094</u>
Information technology				
Personnel costs	7,645,696	6,944,320	6,944,051	269
Other operating costs	9,930,447	7,330,742	6,087,018	1,243,724
Total information technology	<u>17,576,143</u>	<u>14,275,062</u>	<u>13,031,069</u>	<u>1,243,993</u>
Law library				
Personnel costs	179,468	179,468	84,864	94,604
Other operating costs	400	400	43	357
Total law library	<u>179,868</u>	<u>179,868</u>	<u>84,907</u>	<u>94,961</u>

(Continued)

**JEFFERSON COUNTY, ALABAMA**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE - GAAP BASIS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Expenditures (Continued):</b>				
<b>Current (Continued):</b>				
<b>General government (Continued)</b>				
Probate court				
Personnel costs	4,664,714	4,664,714	4,280,072	384,642
Other operating costs	3,149,477	3,947,975	1,468,691	2,479,284
Total probate court	<u>7,814,191</u>	<u>8,612,689</u>	<u>5,748,763</u>	<u>2,863,926</u>
Public information				
Personnel costs	396,275	409,375	409,303	72
Other operating costs	370,750	369,945	312,123	57,822
Total public information	<u>767,025</u>	<u>779,320</u>	<u>721,426</u>	<u>57,894</u>
Revenue department				
Personnel costs	13,905,201	13,905,201	13,812,075	93,126
Other operating costs	1,742,508	1,882,713	1,310,264	572,449
Total revenue department	<u>15,647,709</u>	<u>15,787,914</u>	<u>15,122,339</u>	<u>665,575</u>
State court				
Personnel costs	1,468,879	1,468,879	1,366,142	102,737
Other operating costs	3,186,164	3,694,218	2,431,535	1,262,683
Total state court	<u>4,655,043</u>	<u>5,163,097</u>	<u>3,797,677</u>	<u>1,365,420</u>
Tax assessor - Bessemer				
Personnel costs	359,744	362,444	362,410	34
Other operating costs	38,890	36,190	22,363	13,827
Total tax assessor - Bessemer	<u>398,634</u>	<u>398,634</u>	<u>384,773</u>	<u>13,861</u>
Tax assessor - Birmingham				
Personnel costs	756,619	854,619	852,605	2,014
Other operating costs	302,625	204,876	91,189	113,687
Total tax assessor - Birmingham	<u>1,059,244</u>	<u>1,059,495</u>	<u>943,794</u>	<u>115,701</u>
Tax collector - Bessemer				
Personnel costs	937,516	937,516	840,763	96,753
Other operating costs	69,816	71,030	48,613	22,417
Total tax collector - Bessemer	<u>1,007,332</u>	<u>1,008,546</u>	<u>889,376</u>	<u>119,170</u>
Tax collector - Birmingham				
Personnel costs	2,942,338	2,942,338	2,874,179	68,159
Other operating costs	1,261,495	1,282,755	836,943	445,812
Total tax collector - Birmingham	<u>4,203,833</u>	<u>4,225,093</u>	<u>3,711,122</u>	<u>513,971</u>
Treasurer				
Personnel costs	902,487	535,598	535,498	100
Other operating costs	64,400	124,053	117,798	6,255
Total treasurer	<u>966,887</u>	<u>659,651</u>	<u>653,296</u>	<u>6,355</u>
Non-Departmental				
Personnel costs	103,280	668,410	3,985,607	(3,317,197)
Other operating costs	5,203,312	4,200,172	4,091,234	108,938
Grant expenditures	1,700,000	1,954,915	2,147,953	(193,038)
Total non-departmental	<u>7,006,592</u>	<u>6,823,497</u>	<u>10,224,794</u>	<u>(3,401,297)</u>
<b>Total general government</b>				
Personnel costs	97,304,538	90,169,490	89,102,513	1,066,977
Other operating costs	85,494,746	87,816,512	59,858,496	27,958,016
Grant expenditures	9,156,958	14,652,318	11,028,556	3,623,762
Capital outlay	-	-	9,813,966	(9,813,966)
<b>Total total general government</b>	<u>191,956,242</u>	<u>192,638,320</u>	<u>169,803,531</u>	<u>22,834,789</u>

(Continued)

**JEFFERSON COUNTY, ALABAMA**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE - GAAP BASIS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Expenditures (Continued):</b>				
<b>Current (Continued):</b>				
<b>Public safety</b>				
Coroner				
Personnel costs	2,328,441	2,328,441	2,293,243	35,198
Other operating costs	3,610,926	3,681,875	3,144,296	537,579
Total coroner	<u>5,939,367</u>	<u>6,010,316</u>	<u>5,437,539</u>	<u>572,777</u>
Security				
Personnel costs	3,745,996	4,436,611	4,436,608	3
Other operating costs	121,000	130,029	86,832	43,197
Total security	<u>3,866,996</u>	<u>4,566,640</u>	<u>4,523,440</u>	<u>43,200</u>
Sheriff				
Personnel costs	69,107,094	69,107,094	72,974,296	(3,867,202)
Other operating costs	18,136,362	21,143,563	20,773,165	370,398
Grant expenditures	-	536,125	100,726	435,399
Total sheriff	<u>87,243,456</u>	<u>90,786,782</u>	<u>93,848,187</u>	<u>(3,061,405)</u>
Youth detention				
Personnel costs	5,914,290	6,550,550	6,368,156	182,394
Other operating costs	1,404,158	1,421,932	1,253,503	168,429
Grant expenditures	-	180,716	178,962	1,754
Total youth detention	<u>7,318,448</u>	<u>8,153,198</u>	<u>7,800,621</u>	<u>352,577</u>
<b>Total public safety</b>				
Personnel costs	81,095,821	82,422,696	86,072,303	(3,649,607)
Other operating costs	23,272,446	26,377,399	25,257,796	1,119,603
Grant expenditures	-	716,841	279,688	435,399
<b>Total total public safety</b>	<u>104,368,267</u>	<u>109,516,936</u>	<u>111,609,787</u>	<u>(2,094,605)</u>
<b>Health and welfare</b>				
Senior services				
Personnel costs	399,327	399,327	305,044	94,283
Other operating costs	1,205,080	1,217,285	1,089,611	127,674
<b>Total health and welfare</b>	<u>1,604,407</u>	<u>1,616,612</u>	<u>1,394,655</u>	<u>221,957</u>
<b>Debt Service</b>				
Principal	517,898	5,056,820	4,147,671	909,149
Interest	602,343	865,923	797,205	68,718
Total debt service	<u>1,120,241</u>	<u>5,922,743</u>	<u>4,944,876</u>	<u>977,867</u>
Total expenditures	<u>299,049,157</u>	<u>309,694,611</u>	<u>287,752,849</u>	<u>21,941,762</u>
Deficiency of revenues under expenditures	<u>(68,319,101)</u>	<u>(78,339,997)</u>	<u>(44,162,424)</u>	<u>34,177,573</u>
<b>Other financing sources (uses):</b>				
Sale of capital assets	750,000	750,000	956,958	206,958
Issuance of financed purchases	-	-	372,975	372,975
Issuance of subscription liabilities	-	-	8,587,690	8,587,690
Transfers in	89,665,239	91,564,239	101,038,638	9,474,399
Transfers out	(32,497,400)	(32,497,400)	(38,527,365)	(6,029,965)
Total other financing sources (uses)	<u>57,917,839</u>	<u>59,816,839</u>	<u>72,428,896</u>	<u>12,612,057</u>
Net change in fund balances	(10,401,262)	(18,523,158)	28,266,472	46,789,630
<b>Fund balance, beginning of fiscal year</b>	<u>396,160,190</u>	<u>396,160,190</u>	<u>396,160,190</u>	<u>-</u>
<b>Fund balance, end of fiscal year</b>	<u>\$ 385,758,928</u>	<u>\$ 377,637,032</u>	<u>\$ 424,426,662</u>	<u>\$ 46,789,630</u>

**JEFFERSON COUNTY, ALABAMA  
SPECIAL SALES TAX REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE - GAAP BASIS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 140,172,777	\$ 142,915,777	\$ 142,217,035	\$ (698,742)
Interest income	-	-	698,742	698,742
Total revenues	<u>140,172,777</u>	<u>142,915,777</u>	<u>142,915,777</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
General government				
Special sales tax revenue				
Other operating costs	24,100,000	24,100,000	24,100,000	-
Total expenditures	<u>24,100,000</u>	<u>24,100,000</u>	<u>24,100,000</u>	<u>-</u>
Excess of revenues over expenditures	116,072,777	118,815,777	118,815,777	-
<b>Other financing uses:</b>				
Transfers out	(116,072,777)	(118,815,777)	(118,815,777)	-
Total other financing uses	<u>(116,072,777)</u>	<u>(118,815,777)</u>	<u>(118,815,777)</u>	<u>-</u>
Net changes in fund balances	-	-	-	-
<b>Fund balances, beginning of fiscal year</b>	-	-	-	-
<b>Fund balances, end of fiscal year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**JEFFERSON COUNTY, ALABAMA  
INDIGENT CARE FUND  
BUDGETARY COMPARISON SCHEDULE - GAAP BASIS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 72,539,525	\$ 73,641,430	\$ 73,641,430	\$ -
Interest income	-	-	159,838	159,838
Miscellaneous	-	-	1,001	1,001
Total revenues	<u>72,539,525</u>	<u>73,641,430</u>	<u>73,802,269</u>	<u>160,839</u>
<b>Expenditures:</b>				
Current:				
Health and welfare				
Indigent care				
Other operating costs	72,539,525	71,787,529	71,786,979	550
Total expenditures	<u>72,539,525</u>	<u>71,787,529</u>	<u>71,786,979</u>	<u>550</u>
Excess of revenues over expenditures	-	1,853,901	2,015,290	161,389
<b>Other financing uses:</b>				
Transfers out	-	(1,899,000)	(1,899,000)	-
Total other financing uses	<u>-</u>	<u>(1,899,000)</u>	<u>(1,899,000)</u>	<u>-</u>
Net changes in fund balances	-	(45,099)	116,290	161,389
<b>Fund balances, beginning of fiscal year</b>	<u>10,879,969</u>	<u>10,879,969</u>	<u>10,879,969</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 10,879,969</u>	<u>\$ 10,834,870</u>	<u>\$ 10,996,259</u>	<u>\$ 161,389</u>

**JEFFERSON COUNTY, ALABAMA  
BRIDGE AND PUBLIC BUILDINGS FUND  
BUDGETARY COMPARISON SCHEDULE - GAAP BASIS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 67,718,924	\$ 68,634,187	\$ 68,231,386	\$ (402,801)
Interest income	-	-	393,160	393,160
Miscellaneous	-	-	9,641	9,641
Total revenues	<u>67,718,924</u>	<u>68,634,187</u>	<u>68,634,187</u>	<u>-</u>
<b>Other financing uses:</b>				
Transfers out	<u>(67,718,924)</u>	<u>(67,718,924)</u>	<u>(67,718,924)</u>	<u>-</u>
Total other financing uses	<u>(67,718,924)</u>	<u>(67,718,924)</u>	<u>(67,718,924)</u>	<u>-</u>
Net changes in fund balances	-	915,263	915,263	-
<b>Fund balances, beginning of fiscal year</b>	<u>4,553,919</u>	<u>4,553,919</u>	<u>4,553,919</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 4,553,919</u>	<u>\$ 5,469,182</u>	<u>\$ 5,469,182</u>	<u>\$ -</u>

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

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
<b>Total OPEB liability</b>					
Service cost	\$ 5,200,782	\$ 5,056,774	\$ 6,588,301	\$ 6,379,911	\$ 6,084,712
Interest on total OPEB liability	4,450,714	4,234,362	2,652,945	2,529,478	3,180,743
Change in benefit terms	95,080	-	-	-	-
Experience differences	(3,968,387)	(571,213)	(3,660,249)	(673,967)	(10,229,995)
Assumption changes	8,831,364	(663,770)	(13,122,526)	(522,005)	579,950
Benefit payments	<u>(4,695,570)</u>	<u>(4,445,906)</u>	<u>(4,598,298)</u>	<u>(4,965,203)</u>	<u>(4,504,785)</u>
<b>Net change in total OPEB liability</b>	9,913,983	3,610,247	(12,139,827)	2,748,214	(4,889,375)
<b>Total OPEB liability - beginning</b>	<u>111,143,681</u>	<u>107,533,434</u>	<u>119,673,261</u>	<u>116,925,047</u>	<u>121,814,422</u>
<b>Total OPEB liability - ending</b>	<u>\$ 121,057,664</u>	<u>\$ 111,143,681</u>	<u>\$ 107,533,434</u>	<u>\$ 119,673,261</u>	<u>\$ 116,925,047</u>
<b>Covered employee payroll</b>	\$ 169,461,635	\$ 155,504,240	\$ 155,504,240	\$ 145,971,113	\$ 145,971,113
<b>Total OPEB liability as a percentage of covered employee payroll</b>	71.4%	71.5%	69.2%	82.0%	80.1%
	<u>2020</u>	<u>2019</u>	<u>2018</u>		
<b>Total OPEB liability</b>					
Service cost	\$ 4,303,584	\$ 5,018,436	\$ 5,477,022		
Interest on total OPEB liability	4,182,343	3,985,495	3,352,505		
Experience differences	596,549	(14,558,554)	(223,984)		
Assumption changes	15,363,248	(1,066,617)	(6,682,973)		
Benefit payments	<u>(5,320,237)</u>	<u>(4,616,219)</u>	<u>(4,797,648)</u>		
<b>Net change in total OPEB liability</b>	19,125,487	(11,237,459)	(2,875,078)		
<b>Total OPEB liability - beginning</b>	<u>102,688,935</u>	<u>113,926,394</u>	<u>116,801,472</u>		
<b>Total OPEB liability - ending</b>	<u>\$ 121,814,422</u>	<u>\$ 102,688,935</u>	<u>\$ 113,926,394</u>		
<b>Covered employee payroll</b>	\$ 147,968,770	\$ 147,968,770	\$ 126,644,600		
<b>Total OPEB liability as a percentage of covered employee payroll</b>	82.3%	69.4%	90.0%		

**Notes to the Schedule:**

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

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

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

	2025	2024	2023	2022	2021
<b>Total pension liability</b>					
Service cost	\$ 34,677,000	\$ 30,372,000	\$ 28,455,000	\$ 26,741,000	\$ 25,372,000
Interest on total pension liability	74,903,000	75,297,000	73,479,000	72,815,000	72,053,000
Differences between expected and actual experience	12,989,000	(3,341,000)	(107,000)	(1,050,000)	(4,267,000)
Changes in assumptions	(64,845,000)	62,409,000	-	28,728,000	26,958,000
Benefit changes	-	-	2,998,000	-	2,756,000
Benefit payments, including refunds of employee contributions	(77,411,000)	(76,269,000)	(77,453,000)	(73,604,000)	(73,297,000)
<b>Net change in total pension liability</b>	<b>(19,687,000)</b>	<b>88,468,000</b>	<b>27,372,000</b>	<b>53,630,000</b>	<b>49,575,000</b>
<b>Total pension liability - beginning</b>	<b>1,285,019,000</b>	<b>1,196,551,000</b>	<b>1,169,179,000</b>	<b>1,115,549,000</b>	<b>1,065,974,000</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 1,265,332,000</b>	<b>\$ 1,285,019,000</b>	<b>\$ 1,196,551,000</b>	<b>\$ 1,169,179,000</b>	<b>\$ 1,115,549,000</b>
<b>Plan fiduciary net position</b>					
Contributions - employer	\$ 10,361,000	\$ 9,724,000	\$ 9,502,000	\$ 8,401,000	\$ 9,180,000
Contributions - employee	10,361,000	9,711,000	9,823,000	8,964,000	9,889,000
Net investment income (loss)	283,169,000	152,210,000	(200,037,000)	260,802,000	85,095,000
Benefit payments, including refunds of member contributions	(77,411,000)	(76,269,000)	(77,453,000)	(73,604,000)	(73,297,000)
Administration expenses	(2,071,000)	(2,241,000)	(1,847,000)	(1,994,000)	(1,726,000)
Other changes	417,000	486,000	(109,000)	(111,000)	(281,000)
<b>Net change in plan fiduciary net position</b>	<b>224,826,000</b>	<b>93,621,000</b>	<b>(260,121,000)</b>	<b>202,458,000</b>	<b>28,860,000</b>
<b>Plan fiduciary net position - beginning</b>	<b>1,278,555,000</b>	<b>1,184,934,000</b>	<b>1,445,055,000</b>	<b>1,242,597,000</b>	<b>1,213,737,000</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 1,503,381,000</b>	<b>\$ 1,278,555,000</b>	<b>\$ 1,184,934,000</b>	<b>\$ 1,445,055,000</b>	<b>\$ 1,242,597,000</b>
<b>County's net pension liability - ending (a) - (b)</b>	<b>\$ (238,049,000)</b>	<b>\$ 6,464,000</b>	<b>\$ 11,617,000</b>	<b>\$ (275,876,000)</b>	<b>\$ (127,048,000)</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	118.8%	99.5%	99.0%	123.6%	111.4%
<b>Covered payroll</b>	\$ 179,300,000	\$ 166,839,000	\$ 158,367,000	\$ 140,017,000	\$ 153,000,000
<b>Net pension liability as a percentage of covered payroll</b>	-132.8%	3.9%	7.3%	-197.0%	-83.0%
	2020	2019	2018	2017	2016
<b>Total pension liability</b>					
Service cost	\$ 22,859,000	\$ 20,890,000	\$ 19,490,000	\$ 17,798,000	\$ 17,325,000
Interest on total pension liability	70,863,000	69,534,000	68,349,000	65,859,000	64,608,000
Differences between expected and actual experience	(477,000)	(6,423,000)	(8,548,000)	12,504,000	(5,226,000)
Changes in assumptions	(6,178,000)	-	-	-	-
Benefit payments, including refunds of employee contributions	-	-	-	-	(58,006,000)
Other changes	(66,845,000)	(63,188,000)	(61,527,000)	(59,662,000)	-
<b>Net change in total pension liability</b>	<b>20,222,000</b>	<b>20,813,000</b>	<b>17,764,000</b>	<b>36,499,000</b>	<b>18,701,000</b>
<b>Total pension liability - beginning</b>	<b>1,045,752,000</b>	<b>1,024,939,000</b>	<b>1,007,175,000</b>	<b>970,676,000</b>	<b>951,975,000</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 1,065,974,000</b>	<b>\$ 1,045,752,000</b>	<b>\$ 1,024,939,000</b>	<b>\$ 1,007,175,000</b>	<b>\$ 970,676,000</b>
<b>Plan fiduciary net position</b>					
Contributions - employer	\$ 8,710,000	\$ 8,340,000	\$ 7,627,000	\$ 7,393,000	\$ 6,732,000
Contributions - employee	9,348,000	8,734,000	8,033,000	7,969,000	7,155,000
Net investment income (loss)	31,930,000	124,985,000	120,056,000	97,411,000	(1,107,000)
Benefit payments, including refunds of member contributions	(66,845,000)	(63,188,000)	(61,527,000)	(59,662,000)	(58,006,000)
Administration expenses	(1,648,000)	(1,426,000)	(1,865,000)	(1,300,000)	(998,000)
Other expenses	(291,000)	(195,000)	(78,000)	(78,000)	(78,000)
<b>Net change in plan fiduciary net position</b>	<b>(18,796,000)</b>	<b>77,250,000</b>	<b>72,246,000</b>	<b>51,733,000</b>	<b>(46,302,000)</b>
<b>Plan fiduciary net position - beginning</b>	<b>1,232,533,000</b>	<b>1,155,283,000</b>	<b>1,083,037,000</b>	<b>1,031,304,000</b>	<b>1,077,606,000</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 1,213,737,000</b>	<b>\$ 1,232,533,000</b>	<b>\$ 1,155,283,000</b>	<b>\$ 1,083,037,000</b>	<b>\$ 1,031,304,000</b>
<b>County's net pension liability - ending (a) - (b)</b>	<b>\$ (147,763,000)</b>	<b>\$ (186,781,000)</b>	<b>\$ (130,344,000)</b>	<b>\$ (75,862,000)</b>	<b>\$ (60,628,000)</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	113.9%	117.9%	112.7%	107.5%	106.2%
<b>Covered payroll</b>	\$ 145,167,000	\$ 139,000,000	\$ 127,117,000	\$ 123,217,000	\$ 112,200,000
<b>Net pension liability as a percentage of covered payroll</b>	-101.8%	-134.4%	-102.5%	-61.6%	-54.0%

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

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Actuarially determined contribution	\$ 10,847,230	\$ 10,331,424	\$ 9,399,552	\$ 9,502,000	\$ 8,685,695
Contributions in relation to the actuarially determined contribution	10,847,230	10,331,424	9,399,552	9,502,000	8,685,695
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 185,663,000	\$ 179,300,000	\$ 166,839,000	\$ 158,367,000	\$ 140,017,000
Contributions as a percentage of covered payroll	5.8%	5.8%	5.6%	6.0%	6.2%
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Actuarially determined contribution	\$ 9,180,000	\$ 8,340,000	\$ 7,627,000	\$ 7,393,000	\$ 6,732,000
Contributions in relation to the actuarially determined contribution	9,180,000	8,340,000	7,627,000	7,393,000	6,732,000
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 153,000,000	\$ 145,167,000	\$ 139,000,000	\$ 127,117,000	\$ 123,217,000
Contributions as a percentage of covered payroll	6.0%	5.7%	5.5%	5.8%	5.5%

**Notes to the Schedule:**

(1) Actuarial Assumptions

Valuation Date	September 30, 2024
Cost Method	Entry age normal
Actuarial Asset Valuation Method	5-year smoothed market
Assumed Rate of Return on Investments	6.50%, 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	10 years

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

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	2025	2024	2023	2022	2021
Annual money-weighted rate of return, net of investment expenses for the County's Pension Plan	9.07%	25.65%	13.77%	6.50%	25.30%
	2020	2019	2018	2017	2016
Annual money-weighted rate of return, net of investment expenses for the County's Pension Plan	6.60%	4.20%	13.00%	13.00%	11.60%

## **SUPPLEMENTARY INFORMATION**

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## NON-MAJOR GOVERNMENTAL FUNDS

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### 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.

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

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

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

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

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

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

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

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

## NON-MAJOR GOVERNMENTAL FUNDS

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### Capital Projects Funds

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

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

### Debt Service Funds

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

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

**JEFFERSON COUNTY, ALABAMA**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2025**

ASSETS	Special Revenue Funds					
	Tax Assessor Birmingham	Tax Assessor Bessemer	Road	Board of Equalization	Emergency Rental Assistance	American Rescue Plan Act
Cash and cash equivalents	\$ 685,265	\$ 401,948	\$ 34,520,411	\$ 1,480,975	\$ 1,088,470	\$ 30,532,370
Investments	-	-	-	-	-	-
Accounts receivable, net	-	-	143,594	-	-	-
Taxes receivable	7,442,413	2,270,805	16,935,702	6,537,123	-	-
Interest receivable	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-
Loan receivables, net	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 8,127,678</b>	<b>\$ 2,672,753</b>	<b>\$ 51,599,707</b>	<b>\$ 8,018,098</b>	<b>\$ 1,088,470</b>	<b>\$ 30,532,370</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 3,020	\$ 3,671	\$ 2,397,166	\$ 39,929	\$ 92,599	\$ 1,517,101
Retainage payable	-	-	31,250	-	-	225,683
Due to other funds	-	-	-	-	-	-
Due to other governments	-	-	10,936,724	-	-	-
Accrued payroll and benefits	80,333	45,536	682,589	114,766	-	-
Unearned revenue - intergovernmental	-	-	-	-	-	25,771,383
<b>Total liabilities</b>	<b>83,353</b>	<b>49,207</b>	<b>14,047,729</b>	<b>154,695</b>	<b>92,599</b>	<b>27,514,167</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred revenue - property taxes	7,442,413	2,270,805	15,106,016	6,537,123	-	-
<b>Total deferred inflows of resources</b>	<b>7,442,413</b>	<b>2,270,805</b>	<b>15,106,016</b>	<b>6,537,123</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>						
Restricted:						
Grant programs	-	-	-	-	995,871	3,018,203
Tax assessor operations	601,912	352,741	-	-	-	-
Public safety	-	-	-	-	-	-
Law library operations	-	-	-	-	-	-
Public works	-	-	22,445,962	-	-	-
Equalization operations	-	-	-	1,326,280	-	-
Community development	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Assigned:						
Capital projects	-	-	-	-	-	-
<b>Total fund balances</b>	<b>601,912</b>	<b>352,741</b>	<b>22,445,962</b>	<b>1,326,280</b>	<b>995,871</b>	<b>3,018,203</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 8,127,678</b>	<b>\$ 2,672,753</b>	<b>\$ 51,599,707</b>	<b>\$ 8,018,098</b>	<b>\$ 1,088,470</b>	<b>\$ 30,532,370</b>

Continued

**Special Revenue Funds**

<b>Community Development</b>	<b>Community Development Loan</b>	<b>Sheriff Condemnations</b>	<b>Sheriff Special Programs</b>	<b>Law Library</b>	<b>Home Grant</b>
\$ 484,893	\$ 990,693	\$ 3,063,534	\$ 2,225,751	\$ 1,889,062	\$ 626,128
-	-	-	-	-	-
1,057,329	900	-	-	-	16,256
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,087,686	1,162,607	-	-	-	2,862,481
<u>\$ 2,629,908</u>	<u>\$ 2,154,200</u>	<u>\$ 3,063,534</u>	<u>\$ 2,225,751</u>	<u>\$ 1,889,062</u>	<u>\$ 3,504,865</u>
\$ 565,160	\$ -	\$ -	\$ -	\$ -	\$ 68,124
583	-	-	-	-	7,569
818,709	-	-	-	-	-
-	-	-	-	-	-
42,193	-	-	-	-	-
-	-	-	-	-	-
1,426,645	-	-	-	-	75,693
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	3,429,172
-	-	-	-	-	-
-	-	3,063,534	2,225,751	-	-
-	-	-	-	1,889,062	-
-	-	-	-	-	-
-	-	-	-	-	-
1,203,263	2,154,200	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,203,263	2,154,200	3,063,534	2,225,751	1,889,062	3,429,172
<u>\$ 2,629,908</u>	<u>\$ 2,154,200</u>	<u>\$ 3,063,534</u>	<u>\$ 2,225,751</u>	<u>\$ 1,889,062</u>	<u>\$ 3,504,865</u>

**JEFFERSON COUNTY, ALABAMA**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2025**

ASSETS	Capital Projects Funds		Debt Service Funds		Total Non-Major Governmental Funds
	Capital Improvements	Road Construction	Limited Obligation Refunding Debt	Debt Service	
Cash and cash equivalents	\$ 73,397,298	\$ 21,475,396	\$ 608,605	\$ 5,525,710	\$ 178,996,509
Investments	-	4,332,059	-	-	4,332,059
Accounts receivable, net	-	-	-	-	1,218,079
Taxes receivable	-	-	-	-	33,186,043
Interest receivable	-	37,956	-	-	37,956
Due from other funds	-	-	12,138,191	-	12,138,191
Advances to other funds	-	-	-	717,921	717,921
Loan receivables, net	-	-	-	-	5,112,774
<b>Total assets</b>	<b>\$ 73,397,298</b>	<b>\$ 25,845,411</b>	<b>\$ 12,746,796</b>	<b>\$ 6,243,631</b>	<b>\$ 235,739,532</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 2,936,205	\$ 3,075,795	\$ -	\$ -	\$ 10,698,770
Retainage payable	1,237,141	546,497	-	-	2,048,723
Due to other funds	-	-	-	-	818,709
Due to other governments	-	-	-	-	10,936,724
Accrued payroll and benefits	-	-	-	-	965,417
Unearned revenue - intergovernmental	-	-	-	-	25,771,383
<b>Total liabilities</b>	<b>4,173,346</b>	<b>3,622,292</b>	<b>-</b>	<b>-</b>	<b>51,239,726</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred revenue - property taxes	-	-	-	-	31,356,357
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,356,357</b>
<b>FUND BALANCES</b>					
Restricted:					
Grant programs	-	-	-	-	7,443,246
Tax assessor operations	-	-	-	-	954,653
Public safety	-	-	-	-	5,289,285
Law library operations	-	-	-	-	1,889,062
Public works	-	-	-	-	22,445,962
Equalization operations	-	-	-	-	1,326,280
Community development	-	-	-	-	3,357,463
Debt service	-	-	12,746,796	6,243,631	18,990,427
Assigned:					
Capital projects	69,223,952	22,223,119	-	-	91,447,071
<b>Total fund balances</b>	<b>69,223,952</b>	<b>22,223,119</b>	<b>12,746,796</b>	<b>6,243,631</b>	<b>153,143,449</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 73,397,298</b>	<b>\$ 25,845,411</b>	<b>\$ 12,746,796</b>	<b>\$ 6,243,631</b>	<b>\$ 235,739,532</b>

**JEFFERSON COUNTY, ALABAMA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Special Revenue Funds					
	Tax Assessor Birmingham	Tax Assessor Bessemer	Road	Board of Equalization	Emergency Rental Assistance	American Rescue Plan Act
<b>Revenues:</b>						
Taxes	\$ 5,536,407	\$ 2,237,515	\$ 28,708,030	\$ 6,192,149	\$ -	\$ -
Intergovernmental	-	-	507,345	-	16,896,864	31,780,960
Licenses and permits	-	-	2,769,117	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Charges for services	2,753	1,338	591,497	-	-	-
Contributions and donations	-	-	-	-	-	-
Interest income	-	-	786,385	-	787,632	2,342,618
Miscellaneous	-	-	83,109	15,000	-	-
<b>Total revenues</b>	<u>5,539,160</u>	<u>2,238,853</u>	<u>33,445,483</u>	<u>6,207,149</u>	<u>17,684,496</u>	<u>34,123,578</u>
<b>Expenditures:</b>						
Current:						
General government	5,911,140	2,146,028	-	6,595,859	-	15,350,929
Public safety	-	-	-	-	-	-
Law library operations	-	-	-	-	-	-
Highway and roads	-	-	46,045,022	-	-	-
Health and welfare	-	-	-	-	16,944,577	-
Community development	-	-	-	-	-	-
Capital outlay:						
General government	123,094	-	-	310,705	-	-
Public safety	-	-	-	-	-	-
Highway and roads	-	-	-	-	-	5,834,695
Debt service:						
Principal	-	-	222,143	-	-	-
Interest and fiscal charges	-	-	5,648	-	-	-
<b>Total expenditures</b>	<u>6,034,234</u>	<u>2,146,028</u>	<u>46,272,813</u>	<u>6,906,564</u>	<u>16,944,577</u>	<u>21,185,624</u>
Excess (deficiency) of revenues over (under) expenditures	(495,074)	92,825	(12,827,330)	(699,415)	739,919	12,937,954
<b>Other financing sources (uses):</b>						
Sale of capital assets	3,760	-	-	-	-	-
Issuance of financed purchases	-	-	-	-	-	-
Transfers in	-	-	17,162,592	-	-	-
Transfers out	-	-	-	-	-	(10,577,510)
<b>Total other financing sources (uses)</b>	<u>3,760</u>	<u>-</u>	<u>17,162,592</u>	<u>-</u>	<u>-</u>	<u>(10,577,510)</u>
Net change in fund balances	(491,314)	92,825	4,335,262	(699,415)	739,919	2,360,444
<b>Fund balances, beginning of fiscal year</b>	<u>1,093,226</u>	<u>259,916</u>	<u>18,110,700</u>	<u>2,025,695</u>	<u>255,952</u>	<u>657,759</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 601,912</u>	<u>\$ 352,741</u>	<u>\$ 22,445,962</u>	<u>\$ 1,326,280</u>	<u>\$ 995,871</u>	<u>\$ 3,018,203</u>

Continued

**Special Revenue Funds**

<b>Community Development</b>	<b>Community Development Loan</b>	<b>Sheriff Condemnations</b>	<b>Sheriff Special Programs</b>	<b>Law Library</b>	<b>Home Grant</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5,769,918	-	-	-	-	180,164
-	-	-	-	-	-
-	-	525,689	388,437	329,452	-
-	-	-	2,817,473	-	-
16,881	33,395	69,175	2,929	27,800	18,372
11,630	13,068	-	-	-	450
<u>5,798,429</u>	<u>46,463</u>	<u>594,864</u>	<u>3,208,839</u>	<u>357,252</u>	<u>198,986</u>
-	-	-	-	-	-
-	-	426,518	5,736,503	-	-
-	-	-	-	266,631	-
-	-	-	-	-	-
5,810,165	-	-	-	-	165,163
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,810,165</u>	<u>-</u>	<u>426,518</u>	<u>5,736,503</u>	<u>266,631</u>	<u>165,163</u>
(11,736)	46,463	168,346	(2,527,664)	90,621	33,823
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(11,736)</u>	<u>46,463</u>	<u>168,346</u>	<u>(2,527,664)</u>	<u>90,621</u>	<u>33,823</u>
<u>1,214,999</u>	<u>2,107,737</u>	<u>2,895,188</u>	<u>4,753,415</u>	<u>1,798,441</u>	<u>3,395,349</u>
<u>\$ 1,203,263</u>	<u>\$ 2,154,200</u>	<u>\$ 3,063,534</u>	<u>\$ 2,225,751</u>	<u>\$ 1,889,062</u>	<u>\$ 3,429,172</u>

**JEFFERSON COUNTY, ALABAMA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Capital Projects		Debt Service Funds		Total Non-Major Governmental Funds
	Capital Improvements	Road Construction	Limited Obligation Refunding Debt	Debt Service	
<b>Revenues:</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 42,674,101
Intergovernmental	-	3,178,664	-	2,339,168	60,653,083
Licenses and permits	-	-	-	-	2,769,117
Fines and forfeitures	-	-	-	-	1,243,578
Charges for services	-	79,665	-	-	675,253
Contributions and donations	-	-	-	-	2,817,473
Interest income	428,588	1,951,243	708,054	136,852	7,309,924
Miscellaneous	-	-	-	-	123,257
<b>Total revenues</b>	<b>428,588</b>	<b>5,209,572</b>	<b>708,054</b>	<b>2,476,020</b>	<b>118,265,786</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	8,333,802	-	-	-	38,337,758
Public safety	3,654,643	-	-	-	9,817,664
Law library operations	-	-	-	-	266,631
Highway and roads	-	5,099,429	-	-	51,144,451
Health and welfare	-	-	-	-	16,944,577
Community development	-	-	-	-	5,975,328
<b>Capital outlay:</b>					
General government	36,852,771	-	-	-	37,286,570
Public safety	4,576,903	-	-	-	4,576,903
Highway and roads	-	53,502,315	-	-	59,337,010
<b>Debt service:</b>					
Principal	1,841,726	3,524,082	14,100,000	15,020,000	34,707,951
Interest and fiscal charges	72,559	554,002	12,307,538	4,207,659	17,147,406
<b>Total expenditures</b>	<b>55,332,404</b>	<b>62,679,828</b>	<b>26,407,538</b>	<b>19,227,659</b>	<b>275,542,249</b>
Excess (deficiency) of revenues over (under) expenditures	(54,903,816)	(57,470,256)	(25,699,484)	(16,751,639)	(157,276,463)
<b>Other financing sources (uses):</b>					
Proceeds from disposal of capital assets	-	906,818	-	-	910,578
Issuance of financed purchases	-	2,920,664	-	-	2,920,664
Transfers in	56,897,758	8,886,815	27,215,173	22,995,270	133,157,608
Transfers out	-	-	-	-	(10,577,510)
<b>Total other financing sources (uses)</b>	<b>56,897,758</b>	<b>12,714,297</b>	<b>27,215,173</b>	<b>22,995,270</b>	<b>126,411,340</b>
<b>Net change in fund balances</b>	<b>1,993,942</b>	<b>(44,755,959)</b>	<b>1,515,689</b>	<b>6,243,631</b>	<b>(30,865,123)</b>
<b>Fund balances, beginning of fiscal year</b>	<b>67,230,010</b>	<b>66,979,078</b>	<b>11,231,107</b>	<b>-</b>	<b>184,008,572</b>
<b>Fund balances, end of fiscal year</b>	<b>\$ 69,223,952</b>	<b>\$ 22,223,119</b>	<b>\$ 12,746,796</b>	<b>\$ 6,243,631</b>	<b>\$ 153,143,449</b>

**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, 2025**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 6,655,394	\$ 6,655,394	\$ 5,536,407	\$ (1,118,987)
Charges for services	-	-	2,753	2,753
Total revenues	<u>6,655,394</u>	<u>6,655,394</u>	<u>5,539,160</u>	<u>(1,116,234)</u>
<b>Expenditures:</b>				
Current:				
General government:				
Tax Assessor Birmingham				
Personnel costs	3,755,468	3,569,068	3,496,414	72,654
Other operating costs	1,349,926	2,810,128	2,414,726	395,402
Total general government	<u>5,105,394</u>	<u>6,379,196</u>	<u>5,911,140</u>	<u>468,056</u>
Capital outlay - general government	1,550,000	276,198	123,094	153,104
Total expenditures	<u>6,655,394</u>	<u>6,655,394</u>	<u>6,034,234</u>	<u>621,160</u>
Deficiency of revenues under expenditures	<u>-</u>	<u>-</u>	<u>(495,074)</u>	<u>(1,737,394)</u>
<b>Other financing sources:</b>				
Sale of capital assets	-	-	3,760	3,760
Total other financing sources	<u>-</u>	<u>-</u>	<u>3,760</u>	<u>3,760</u>
Net changes in fund balances	-	-	(491,314)	(491,314)
<b>Fund balances, beginning of fiscal year</b>	<u>1,093,226</u>	<u>1,093,226</u>	<u>1,093,226</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 1,093,226</u>	<u>\$ 1,093,226</u>	<u>\$ 601,912</u>	<u>\$ (491,314)</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, 2025**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 2,520,152	\$ 2,520,152	\$ 2,237,515	\$ (282,637)
Charges for services	-	-	1,338	1,338
Total revenues	<u>2,520,152</u>	<u>2,520,152</u>	<u>2,238,853</u>	<u>(281,299)</u>
<b>Expenditures:</b>				
Current:				
General government:				
Tax Assessor Bessemer				
Personnel costs	2,049,105	2,049,105	1,937,459	111,646
Other operating costs	296,047	331,047	208,569	122,478
Total general government	<u>2,345,152</u>	<u>2,380,152</u>	<u>2,146,028</u>	<u>234,124</u>
Capital outlay - general government	175,000	140,000	-	140,000
Total expenditures	<u>2,520,152</u>	<u>2,520,152</u>	<u>2,146,028</u>	<u>374,124</u>
Net changes in fund balances	-	-	92,825	92,825
<b>Fund balances, beginning of fiscal year</b>	<u>259,916</u>	<u>259,916</u>	<u>259,916</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 259,916</u>	<u>\$ 259,916</u>	<u>\$ 352,741</u>	<u>\$ 92,825</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, 2025**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 27,064,502	\$ 29,050,242	\$ 28,708,030	\$ (342,212)
Intergovernmental	430,316	430,316	507,345	77,029
Licenses and permits	2,923,485	2,923,485	2,769,117	(154,368)
Charges for services	285,050	285,050	591,497	306,447
Interest income	-	-	786,385	786,385
Miscellaneous	629,300	629,300	83,109	(546,191)
Total revenues	<u>31,332,653</u>	<u>33,318,393</u>	<u>33,445,483</u>	<u>127,090</u>
<b>Expenditures:</b>				
Current:				
Highway and roads				
Roads				
Personnel costs	28,387,071	29,197,072	28,860,781	336,291
Other operating costs	19,908,588	20,812,873	17,184,241	3,628,632
Total highways and roads	<u>48,295,659</u>	<u>50,009,945</u>	<u>46,045,022</u>	<u>3,964,923</u>
Debt services				
Principal	185,439	236,290	222,143	14,147
Interest	14,147	136,339	5,648	130,691
Total expenditures	<u>48,495,245</u>	<u>50,382,574</u>	<u>46,272,813</u>	<u>4,109,761</u>
Deficiency of revenues under expenditures	<u>(17,162,592)</u>	<u>(17,064,181)</u>	<u>(12,827,330)</u>	<u>(3,982,671)</u>
<b>Other financing sources:</b>				
Transfers in	<u>17,162,592</u>	<u>17,162,592</u>	<u>17,162,592</u>	<u>-</u>
Total other financing sources	<u>17,162,592</u>	<u>17,162,592</u>	<u>17,162,592</u>	<u>-</u>
Net changes in fund balances	-	98,411	4,335,262	4,236,851
<b>Fund balances, beginning of fiscal year</b>	<u>18,110,700</u>	<u>18,110,700</u>	<u>18,110,700</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 18,110,700</u>	<u>\$ 18,209,111</u>	<u>\$ 22,445,962</u>	<u>\$ 4,236,851</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, 2025**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 8,262,653	\$ 8,262,653	\$ 6,192,149	\$ (2,070,504)
Miscellaneous	-	-	15,000	15,000
Total revenues	<u>8,262,653</u>	<u>8,262,653</u>	<u>6,207,149</u>	<u>(2,055,504)</u>
<b>Expenditures:</b>				
Current:				
General government:				
Board of Equalization				
Personnel costs	6,101,474	5,911,728	5,089,362	822,366
Other operating costs	1,486,179	1,695,169	1,506,497	188,672
Total general government	<u>7,587,653</u>	<u>7,606,897</u>	<u>6,595,859</u>	<u>1,011,038</u>
Capital outlay - general government	675,000	655,756	310,705	345,051
Total expenditures	<u>8,262,653</u>	<u>8,262,653</u>	<u>6,906,564</u>	<u>1,356,089</u>
Net changes in fund balances	-	-	(699,415)	(699,415)
<b>Fund balances, beginning of fiscal year</b>	<u>2,025,695</u>	<u>2,025,695</u>	<u>2,025,695</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 2,025,695</u>	<u>\$ 2,025,695</u>	<u>\$ 1,326,280</u>	<u>\$ (699,415)</u>

**JEFFERSON COUNTY, ALABAMA  
EMERGENCY RENTAL ASSISTANCE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 16,896,864	\$ 16,896,864	\$ 16,896,864	\$ -
Interest income	787,632	787,632	787,632	-
Total revenues	<u>17,684,496</u>	<u>17,684,496</u>	<u>17,684,496</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Health and welfare				
Emergency rental assistance				
Grant payments	16,944,577	16,944,577	16,944,577	-
Total expenditures	<u>16,944,577</u>	<u>16,944,577</u>	<u>16,944,577</u>	<u>-</u>
Net changes in fund balances	739,919	739,919	739,919	-
<b>Fund balances, beginning of fiscal year</b>	<u>255,952</u>	<u>255,952</u>	<u>255,952</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 995,871</u>	<u>\$ 995,871</u>	<u>\$ 995,871</u>	<u>\$ -</u>

**JEFFERSON COUNTY, ALABAMA  
AMERICAN RESCUE PLAN ACT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 31,780,960	\$ 31,780,960	\$ 31,780,960	\$ -
Interest income	2,342,618	2,342,618	2,342,618	-
Total revenues	<u>34,123,578</u>	<u>34,123,578</u>	<u>34,123,578</u>	<u>-</u>
<b>Expenditures:</b>				
General Government:				
Other operating costs	15,350,929	15,350,929	15,350,929	-
Total general government	<u>15,350,929</u>	<u>15,350,929</u>	<u>15,350,929</u>	<u>-</u>
Capital outlay - highways and roads	5,834,695	5,834,695	5,834,695	-
Total expenditures	<u>21,185,624</u>	<u>21,185,624</u>	<u>21,185,624</u>	<u>-</u>
Excess of revenues over expenditures	<u>12,937,954</u>	<u>12,937,954</u>	<u>12,937,954</u>	<u>-</u>
<b>Other financing uses:</b>				
Transfers out	(10,577,510)	(10,577,510)	(10,577,510)	-
Total other financing uses	<u>(10,577,510)</u>	<u>(10,577,510)</u>	<u>(10,577,510)</u>	<u>-</u>
Net changes in fund balances	2,360,444	2,360,444	2,360,444	-
<b>Fund balances, beginning of fiscal year</b>	<u>657,759</u>	<u>657,759</u>	<u>657,759</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 3,018,203</u>	<u>\$ 3,018,203</u>	<u>\$ 3,018,203</u>	<u>\$ -</u>

**JEFFERSON COUNTY, ALABAMA  
COMMUNITY DEVELOPMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 2,283,082	\$ 6,121,794	\$ 5,769,918	\$ (351,876)
Interest income	-	-	16,881	16,881
Miscellaneous	-	-	11,630	11,630
Total revenues	<u>2,283,082</u>	<u>6,121,794</u>	<u>5,798,429</u>	<u>(323,365)</u>
<b>Expenditures:</b>				
Current:				
Community development				
Personnel costs	1,943,286	1,943,286	753,051	1,190,235
Other operating costs	339,796	5,393,162	5,057,114	336,048
Total expenditures	<u>2,283,082</u>	<u>7,336,448</u>	<u>5,810,165</u>	<u>1,526,283</u>
Net changes in fund balances	-	(1,214,654)	(11,736)	1,202,918
<b>Fund balances, beginning of fiscal year</b>	<u>1,214,999</u>	<u>1,214,999</u>	<u>1,214,999</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 1,214,999</u>	<u>\$ 345</u>	<u>\$ 1,203,263</u>	<u>\$ 1,202,918</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, 2025**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Interest income	\$ -	\$ -	\$ 33,395	\$ 33,395
Miscellaneous	-	-	13,068	13,068
Total revenues	-	-	46,463	46,463
<b>Fund balances, beginning of fiscal year</b>	2,107,737	2,107,737	2,107,737	-
<b>Fund balances, end of fiscal year</b>	<u>\$ 2,107,737</u>	<u>\$ 2,107,737</u>	<u>\$ 2,154,200</u>	<u>\$ 46,463</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, 2025**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ -	\$ 525,689	\$ 525,689	\$ -
Interest income	-	69,175	69,175	-
Total revenues	-	594,864	594,864	-
<b>Expenditures:</b>				
Current:				
Public safety				
Sheriff condemnations				
Other operating costs	-	426,518	426,518	-
Total expenditures	-	426,518	426,518	-
Net changes in fund balances	-	168,346	168,346	-
<b>Fund balances, beginning of fiscal year</b>	2,895,188	2,895,188	2,895,188	-
<b>Fund balances, end of fiscal year</b>	\$ 2,895,188	\$ 3,063,534	\$ 3,063,534	\$ -

**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, 2025**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ -	\$ 388,437	\$ 388,437	\$ -
Contributions and donations	-	2,817,473	2,817,473	-
Interest income	-	2,929	2,929	-
Total revenues	<u>-</u>	<u>3,208,839</u>	<u>3,208,839</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Sheriff special programs				
Other operating costs	-	5,736,503	5,736,503	-
Total expenditures	<u>-</u>	<u>5,736,503</u>	<u>5,736,503</u>	<u>-</u>
Net changes in fund balances	-	(2,527,664)	(2,527,664)	-
<b>Fund balances, beginning of fiscal year</b>	<u>4,753,415</u>	<u>4,753,415</u>	<u>4,753,415</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 4,753,415</u>	<u>\$ 2,225,751</u>	<u>\$ 2,225,751</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, 2025**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ -	\$ 329,452	\$ 329,452	\$ -
Interest income	-	27,800	27,800	-
Total revenues	-	357,252	357,252	-
<b>Expenditures:</b>				
Current:				
Law library operations				
Law library				
Other operating costs	-	266,631	266,631	-
Total expenditures	-	266,631	266,631	-
Net changes in fund balances	-	90,621	90,621	-
<b>Fund balances, beginning of fiscal year</b>	1,798,441	1,798,441	1,798,441	-
<b>Fund balances, end of fiscal year</b>	<u>\$ 1,798,441</u>	<u>\$ 1,889,062</u>	<u>\$ 1,889,062</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, 2025**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 797,224	\$ 797,224	\$ 180,164	\$ (617,060)
Interest income	-	-	18,372	18,372
Miscellaneous	-	-	450	450
Total revenues	<u>797,224</u>	<u>797,224</u>	<u>198,986</u>	<u>(598,238)</u>
<b>Expenditures:</b>				
Current:				
Community development				
Home grant				
Personnel costs	-	698,904	69,203	629,701
Other operating costs	797,224	831,490	95,960	735,530
Total expenditures	<u>797,224</u>	<u>1,530,394</u>	<u>165,163</u>	<u>1,365,231</u>
Net changes in fund balances	-	(733,170)	33,823	766,993
<b>Fund balances, beginning of fiscal year</b>	<u>3,395,349</u>	<u>3,395,349</u>	<u>3,395,349</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 3,395,349</u>	<u>\$ 2,662,179</u>	<u>\$ 3,429,172</u>	<u>\$ 766,993</u>

**JEFFERSON COUNTY, ALABAMA  
CAPITAL IMPROVEMENTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Miscellaneous	\$ -	\$ -	\$ 428,588	\$ 428,588
Total revenues	-	-	428,588	428,588
<b>Expenditures:</b>				
Current:				
General government:				
General services				
Other operating costs	12,895,188	18,385,168	8,063,770	10,321,398
Development services				
Other operating costs	-	44,990	44,990	-
Fleet				
Other operating costs	-	225,042	225,042	-
Total current - general government	12,895,188	18,655,200	8,333,802	10,321,398
Public safety:				
Sheriff				
Other operating costs	3,680,782	4,344,511	3,654,643	689,868
Total current - public safety	3,680,782	4,344,511	3,654,643	689,868
Capital Outlay:				
General government				
Development services	450,000	405,010	-	405,010
Fleet management	1,640,000	1,415,483	655,446	760,037
General services	37,111,508	39,359,841	36,197,325	3,162,516
Total capital outlay - general government	39,201,508	41,180,334	36,852,771	4,327,563
Public safety				
Coroner	323,394	323,394	316,578	6,816
Security	42,432	42,432	29,991	12,441
Sheriff	2,935,706	8,412,481	4,230,334	4,182,147
Total capital outlay - public safety	3,301,532	8,778,307	4,576,903	4,201,404
Debt service:				
Principal	1,702,016	1,841,726	1,841,726	-
Interest	212,270	72,559	72,559	-
Total debt service	1,914,286	1,914,285	1,914,285	-
Total expenditures	60,993,296	74,872,637	55,332,404	19,540,233
Deficiency of revenue under expenditures	(60,993,296)	(74,872,637)	(54,903,816)	19,968,821
<b>Other financing sources</b>				
Transfers in	56,897,758	56,897,758	56,897,758	-
Total other financing sources	56,897,758	56,897,758	56,897,758	-
Net change in fund balances	(4,095,538)	(17,974,879)	1,993,942	19,968,821
<b>Fund balances, beginning of fiscal year</b>	67,230,010	67,230,010	67,230,010	-
<b>Fund balances, end of fiscal year</b>	\$ 63,134,472	\$ 49,255,131	\$ 69,223,952	\$ 19,968,821

**JEFFERSON COUNTY, ALABAMA**  
**ROAD CONSTRUCTION FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 8,000,000	\$ 8,000,000	\$ 3,178,664	\$ (4,821,336)
Charges for services			79,665	79,665
Interest income	-	-	1,951,243	1,951,243
Total revenues	<u>8,000,000</u>	<u>8,000,000</u>	<u>5,209,572</u>	<u>(2,790,428)</u>
<b>Expenditures:</b>				
Current:				
Highway and roads				
Roads and transportation				
Other operating costs	-	5,099,429	5,099,429	-
Total current - highway and roads	<u>-</u>	<u>5,099,429</u>	<u>5,099,429</u>	<u>-</u>
Capital Outlay:				
Highway and roads	33,035,213	55,291,147	53,502,315	1,788,832
Debt service:				
Principal	3,524,082	3,524,082	3,524,082	-
Interest	511,963	639,099	554,002	85,097
Total debt service	<u>4,036,045</u>	<u>4,163,181</u>	<u>4,078,084</u>	<u>85,097</u>
Total expenditures	<u>37,071,258</u>	<u>64,553,757</u>	<u>62,679,828</u>	<u>1,873,929</u>
Deficiency of revenue under expenditures	(29,071,258)	(56,553,757)	(57,470,256)	(916,499)
<b>Other financing sources</b>				
Proceeds from disposal of capital assets	2,000,000	2,000,000	906,818	(1,093,182)
Issuance of financed purchases	-	-	2,920,664	2,920,664
Transfers in	8,886,815	8,886,815	8,886,815	-
Total other financing sources	<u>10,886,815</u>	<u>10,886,815</u>	<u>12,714,297</u>	<u>1,827,482</u>
Net change in fund balances	(18,184,443)	(45,666,942)	(44,755,959)	910,983
<b>Fund balances, beginning of fiscal year</b>	<u>66,979,078</u>	<u>66,979,078</u>	<u>66,979,078</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 48,794,635</u>	<u>\$ 21,312,136</u>	<u>\$ 22,223,119</u>	<u>\$ 910,983</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, 2025**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Interest income	\$ -	\$ -	\$ 708,054	\$ 708,054
Total revenues	-	-	708,054	708,054
<b>Expenditures:</b>				
Debt service:				
Principal	14,100,000	14,100,000	14,100,000	-
Interest	12,307,538	12,307,538	12,307,538	-
Total expenditures	26,407,538	26,407,538	26,407,538	-
Deficiency of revenues under expenditures	(26,407,538)	(26,407,538)	(25,699,484)	708,054
<b>Other financing sources:</b>				
Transfers in	26,407,538	28,904,769	27,215,173	(1,689,596)
Total other financing sources	26,407,538	28,904,769	27,215,173	(1,689,596)
Net changes in fund balances	-	2,497,231	1,515,689	(981,542)
<b>Fund balances, beginning of fiscal year</b>	11,231,107	11,231,107	11,231,107	-
<b>Fund balances, end of fiscal year</b>	\$ 11,231,107	\$ 13,728,338	\$ 12,746,796	\$ (981,542)

**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, 2025**

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 2,389,365	\$ 2,389,365	\$ 2,339,168	\$ (50,197)
Interest income	-	-	136,852	136,852
Total revenues	<u>2,389,365</u>	<u>2,389,365</u>	<u>2,476,020</u>	<u>86,655</u>
<b>Expenditures:</b>				
Debt service:				
Principal	15,020,000	15,020,000	15,020,000	-
Interest	4,207,659	4,207,659	4,207,659	-
Total expenditures	<u>19,227,659</u>	<u>19,227,659</u>	<u>19,227,659</u>	<u>-</u>
Deficiency of revenues under expenditures	<u>(16,838,294)</u>	<u>(16,838,294)</u>	<u>(16,751,639)</u>	<u>86,655</u>
<b>Other financing sources:</b>				
Transfers in	16,838,294	16,838,294	22,995,270	6,156,976
Total other financing sources	<u>16,838,294</u>	<u>16,838,294</u>	<u>22,995,270</u>	<u>6,156,976</u>
Net changes in fund balances	-	-	6,243,631	6,243,631
<b>Fund balances, beginning of fiscal year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,243,631</u>	<u>\$ 6,243,631</u>

## NON-MAJOR PROPRIETARY FUNDS

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### Enterprise Funds

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

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

**JEFFERSON COUNTY, ALABAMA**  
**COMBINING STATEMENT OF NET POSITION**  
**NON-MAJOR PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2025**

<b>ASSETS</b>	<b>Landfill Operations</b>	<b>Hallmark Farms Cooperative</b>	<b>Non-Major Proprietary Total</b>
Current assets:			
Cash and cash equivalents	\$ 11,879,349	\$ -	\$ 11,879,349
Receivables, net	134,407	-	134,407
Lease receivable - service concession arrangement	705,469	-	705,469
Restricted assets:			
Cash	19,398,639	-	19,398,639
Total current assets	<u>32,117,864</u>	<u>-</u>	<u>32,117,864</u>
Noncurrent assets:			
Lease receivable - service concession arrangement, less current portion	7,385,732	-	7,385,732
Capital assets:			
Capital assets, not being depreciated	7,907,361	-	7,907,361
Capital assets, being depreciated	50,842,198	-	50,842,198
Less accumulated depreciation	<u>(48,117,994)</u>	<u>-</u>	<u>(48,117,994)</u>
Total capital assets, net of accumulated depreciation	<u>10,631,565</u>	<u>-</u>	<u>10,631,565</u>
Total noncurrent assets	<u>18,017,297</u>	<u>-</u>	<u>18,017,297</u>
Total assets	<u>50,135,161</u>	<u>-</u>	<u>50,135,161</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	22,915	-	22,915
Total current liabilities	<u>22,915</u>	<u>-</u>	<u>22,915</u>
Long-term liabilities:			
Landfill postclosure	24,417,864	-	24,417,864
Advances from other funds	717,921	-	717,921
Total long-term liabilities	<u>25,135,785</u>	<u>-</u>	<u>25,135,785</u>
Total liabilities	<u>25,158,700</u>	<u>-</u>	<u>25,158,700</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Lease - service concession arrangement	7,667,047	-	7,667,047
Total deferred inflows of resources	<u>7,667,047</u>	<u>-</u>	<u>7,667,047</u>
<b>NET POSITION</b>			
Investment in capital assets	10,631,565	-	10,631,565
Unrestricted	6,677,849	-	6,677,849
Total net position	<u>\$ 17,309,414</u>	<u>\$ -</u>	<u>\$ 17,309,414</u>

**JEFFERSON COUNTY, ALABAMA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN NET POSITION**  
**NON-MAJOR PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	<b>Landfill Operations</b>	<b>Hallmark Farms Cooperative</b>	<b>Non-Major Proprietary Total</b>
<b>OPERATING REVENUES</b>			
Charges for services:			
Other	\$ 5,337,133	\$ 6,000	\$ 5,343,133
Total operating revenues	<u>5,337,133</u>	<u>6,000</u>	<u>5,343,133</u>
<b>OPERATING EXPENSES</b>			
Maintenance and operating expenses	45,286	413,465	458,751
Depreciation expense	662,527	41,968	704,495
Total operating expenses	<u>707,813</u>	<u>455,433</u>	<u>1,163,246</u>
Operating income (loss)	<u>4,629,320</u>	<u>(449,433)</u>	<u>4,179,887</u>
<b>NONOPERATING REVENUE (EXPENSES)</b>			
Investment earnings	507,472	72,557	580,029
Interest expense	-	(140,378)	(140,378)
Total nonoperating revenues (expenses)	<u>507,472</u>	<u>(67,821)</u>	<u>439,651</u>
Income before transfers and special item	<u>5,136,792</u>	<u>(517,254)</u>	<u>4,619,538</u>
Special item - disposal of Hallmark Farms operations	-	5,266,639	5,266,639
Transfers out	-	(7,539,034)	(7,539,034)
Transfers in	-	303,854	303,854
Total transfers and special item	<u>-</u>	<u>(1,968,541)</u>	<u>(1,968,541)</u>
Change in net position	5,136,792	(2,485,795)	2,650,997
<b>NET POSITION, beginning of fiscal year</b>	<u>12,172,622</u>	<u>2,485,795</u>	<u>14,658,417</u>
<b>NET POSITION, end of fiscal year</b>	<u>\$ 17,309,414</u>	<u>\$ -</u>	<u>\$ 17,309,414</u>

**JEFFERSON COUNTY, ALABAMA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NON-MAJOR PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	<u>Landfill Operations</u>	<u>Hallmark Farms Cooperative</u>	<u>Non-Major Proprietary Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ -	\$ 6,000	\$ 6,000
Lease receipts from landfill operator	664,432	-	664,432
Other receipts from landfill operator	4,608,646	-	4,608,646
Payments to suppliers and service providers	<u>(765,314)</u>	<u>(416,342)</u>	<u>(1,181,656)</u>
Net cash provided by (used in) operating activities	<u>4,507,764</u>	<u>(410,342)</u>	<u>4,097,422</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers out	-	(7,539,034)	(7,539,034)
Transfers in	<u>-</u>	<u>303,854</u>	<u>303,854</u>
Net cash used in noncapital financing activities	<u>-</u>	<u>(7,235,180)</u>	<u>(7,235,180)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Sale of capital assets	-	13,500,000	13,500,000
Principal payments on bonds	-	(10,199,700)	(10,199,700)
Repayment of interfund advance	(717,920)	-	(717,920)
Interest and fiscal charges paid	<u>-</u>	<u>(218,595)</u>	<u>(218,595)</u>
Net cash provided by (used in) capital and related financing activities	<u>(717,920)</u>	<u>3,081,705</u>	<u>2,363,785</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	<u>507,472</u>	<u>72,557</u>	<u>580,029</u>
Net cash provided by investing activities	<u>507,472</u>	<u>72,557</u>	<u>580,029</u>
Net increase (decrease) in cash and cash equivalents	4,297,316	(4,491,260)	(193,944)
<b>Cash and cash equivalents:</b>			
Beginning of fiscal year	<u>26,980,672</u>	<u>4,491,260</u>	<u>31,471,932</u>
End of fiscal year	<u>\$ 31,277,988</u>	<u>\$ -</u>	<u>\$ 31,277,988</u>
<b>Classified as:</b>			
Cash and cash equivalents	\$ 11,879,349	\$ -	\$ 11,879,349
Restricted cash and cash equivalents	19,398,639	-	19,398,639
Total	<u>\$ 31,277,988</u>	<u>\$ -</u>	<u>\$ 31,277,988</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating income (loss)	\$ 4,629,320	\$ (449,433)	\$ 4,179,887
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	662,527	41,968	704,495
Amortization of deferred inflows of resources - lease arrangements	(83,573)	-	(83,573)
Decrease in accounts receivable	19,518	-	19,518
Increase (decrease) in accounts payable	22,915	(2,877)	20,038
Decrease in landfill postclosure care costs	<u>(742,943)</u>	<u>-</u>	<u>(742,943)</u>
Net cash provided by (used in) operating activities	<u>\$ 4,507,764</u>	<u>\$ (410,342)</u>	<u>\$ 4,097,422</u>

## CUSTODIAL FUNDS

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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, 2025**

<b>ASSETS</b>	<b>Tax Collector</b>	<b>Department of Revenue</b>	<b>Treasurer's Trust</b>	<b>Sheriff</b>	<b>Family Court</b>	<b>Probate Court</b>	<b>Total</b>
Cash and cash equivalents	\$ 14,217,873	\$ 19,070,975	\$ 14,829,222	\$ 2,570,218	\$ 660,854	\$ 23,254,628	\$ 74,603,770
Total assets	<u>14,217,873</u>	<u>19,070,975</u>	<u>14,829,222</u>	<u>2,570,218</u>	<u>660,854</u>	<u>23,254,628</u>	<u>74,603,770</u>
<b>LIABILITIES</b>							
Due to others	<u>4,103,445</u>	<u>19,070,975</u>	<u>7,556,860</u>	<u>10,031</u>	<u>574,471</u>	<u>8,052,584</u>	<u>39,368,366</u>
Total liabilities	<u>4,103,445</u>	<u>19,070,975</u>	<u>7,556,860</u>	<u>10,031</u>	<u>574,471</u>	<u>8,052,584</u>	<u>39,368,366</u>
<b>NET POSITION</b>							
Restricted:							
Individuals, organizations, and other governments	<u>10,114,428</u>	<u>-</u>	<u>7,272,362</u>	<u>2,560,187</u>	<u>86,383</u>	<u>15,202,044</u>	<u>35,235,404</u>
Total net position	<u>\$ 10,114,428</u>	<u>\$ -</u>	<u>\$ 7,272,362</u>	<u>\$ 2,560,187</u>	<u>\$ 86,383</u>	<u>\$ 15,202,044</u>	<u>\$ 35,235,404</u>

**JEFFERSON COUNTY, ALABAMA**  
**COMBINING STATEMENT OF CHANGES IN**  
**FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**SEPTEMBER 30, 2025**

	Tax Collector	Department of Revenue	Treasurer's Trust	Sheriff	Family Court	Probate Court	Total
<b>ADDITIONS</b>							
Taxes	\$ 865,823,530	\$ 172,620,756	\$ -	\$ -	\$ -	\$ -	\$ 1,038,444,286
Fines and fees	-	27,743,693	4,374,692	7,558,197	2,889,567	23,217,727	65,783,876
Criminal and civil bonds	-	-	974,324	-	182,899	-	1,157,223
Total additions	<u>865,823,530</u>	<u>200,364,449</u>	<u>5,349,016</u>	<u>7,558,197</u>	<u>3,072,466</u>	<u>23,217,727</u>	<u>1,105,385,385</u>
<b>DEDUCTIONS</b>							
Taxes distributed to other governments	861,705,385	172,620,756	-	-	-	-	1,034,326,141
Fines and fees disbursed	-	27,743,693	4,597,041	7,693,574	3,061,259	20,747,471	63,843,038
Total deductions	<u>861,705,385</u>	<u>200,364,449</u>	<u>4,597,041</u>	<u>7,693,574</u>	<u>3,061,259</u>	<u>20,747,471</u>	<u>1,098,169,179</u>
Net increase (decrease) in fiduciary net position	4,118,145	-	751,975	(135,377)	11,207	2,470,256	7,216,206
<b>Net position, beginning of fiscal year</b>	<u>5,996,283</u>	<u>-</u>	<u>6,520,387</u>	<u>2,695,564</u>	<u>75,176</u>	<u>12,731,788</u>	<u>28,019,198</u>
<b>Net position, end of fiscal year</b>	<u>\$ 10,114,428</u>	<u>\$ -</u>	<u>\$ 7,272,362</u>	<u>\$ 2,560,187</u>	<u>\$ 86,383</u>	<u>\$ 15,202,044</u>	<u>\$ 35,235,404</u>

## COMPONENT UNITS

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**JEFFERSON COUNTY, ALABAMA**  
**STATEMENT OF CASH FLOWS**  
**COMPONENT UNIT - PERSONNEL BOARD**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	<b>Personnel Board</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers	\$ 9,833,094
Payments to suppliers and service providers	(1,590,818)
Payments to employees	(7,713,072)
	529,204
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Principal payments on subscription liabilities	(510,748)
	(510,748)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest received	567
	567
Net increase in cash and cash equivalents	19,023
<b>Cash and cash equivalents:</b>	
Beginning of fiscal year	494,597
End of fiscal year	\$ 513,620
<b>Reconciliation of operating income to net cash provided by operating activities:</b>	
Operating income	\$ 335,093
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation and amortization	554,656
Increase in accounts receivable	(442,465)
Decrease in deferred outflows from pension	1,879,750
Increase in deferred outflows from OPEB	(83,164)
Increase in accounts payable	406,971
Increase in accrued liabilities	82,602
Increase in compensated absences	96,083
Increase in total OPEB liability	52,234
Decrease in net pension liability	(8,237,749)
Increase in deferred inflows from pension	5,948,224
Decrease in deferred inflows from OPEB	(63,031)
	529,204
Net cash provided by operating activities	\$ 529,204

**JEFFERSON COUNTY, ALABAMA**  
**BALANCE SHEET**  
**COMPONENT UNIT - EMERGENCY MANAGEMENT AGENCY**  
**SEPTEMBER 30, 2025**

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<b>ASSETS</b>	
Cash and cash equivalents	\$ 573,067
Receivables, net of allowance	340,174
Total assets	913,241
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	
<b>LIABILITIES</b>	
Accounts payable	\$ 78,409
Accrued liabilities	32,574
Total liabilities	110,983
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable revenue	224,929
<b>FUND BALANCE</b>	
Unassigned	577,329
Total liabilities, deferred inflows of resources, and fund balance	\$ 913,241

**JEFFERSON COUNTY, ALABAMA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE**  
**COMPONENT UNIT - EMERGENCY MANAGEMENT AGENCY**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

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**REVENUES**

Charges for services	\$	1,298,984
Interest income		6,633
Miscellaneous		274,769
Total revenues		1,580,386

**EXPENDITURES**

Current:		
Public safety		1,875,137
Capital outlay		51,811
Total expenditures		1,926,948

Net change in fund balances		(346,562)
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<b>Fund balances, beginning of fiscal year</b>		923,891
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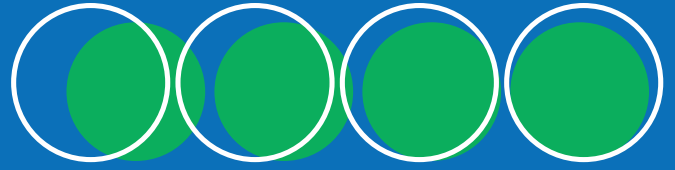
<b>Fund balances, end of fiscal year</b>	<b>\$</b>	<b>577,329</b>
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**JEFFERSON COUNTY, ALABAMA**  
**COMBINING BALANCE SHEET**  
**GENERAL FUND BY CATEGORY**  
**SEPTEMBER 30, 2025**

<b>ASSETS</b>	<b>General Fund</b>	<b>Uncertainty Fund</b>	<b>Catastrophic Fund</b>	<b>Budget Stabilization Fund</b>	<b>Economic Development Fund</b>	<b>Total General Fund</b>
Cash and cash equivalents	\$ 103,217,595	\$ 25,287,144	\$ 25,170,623	\$ 25,933,697	\$ 38,942,587	\$ 218,551,646
Investments	131,325,112	-	-	-	-	131,325,112
Accounts receivable, net	22,303,231	-	-	-	-	22,303,231
Taxes receivable	107,394,094	-	-	-	-	107,394,094
Intergovernmental receivables	2,516,459	-	-	-	-	2,516,459
Interest receivable	3,365,364	-	-	-	-	3,365,364
Leases receivable	1,987,000	-	-	-	-	1,987,000
Due from other funds	12,296,023	-	-	-	-	12,296,023
Prepaid items	87,269	-	-	-	-	87,269
Restricted assets:						
Cash	17,870,053	-	-	-	-	17,870,053
Investments	6,577,482	-	-	-	-	6,577,482
Loan receivable from component unit	29,012,960	-	-	-	-	29,012,960
<b>Total assets</b>	<b>\$ 437,952,642</b>	<b>\$ 25,287,144</b>	<b>\$ 25,170,623</b>	<b>\$ 25,933,697</b>	<b>\$ 38,942,587</b>	<b>\$ 553,286,693</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 8,721,013	\$ -	\$ -	\$ -	\$ 7,000	\$ 8,728,013
Retainage payable	20,438	-	-	-	-	20,438
Due to other governments	10,772,743	-	-	-	-	10,772,743
Accrued payroll and benefits	8,516,874	-	-	-	-	8,516,874
<b>Total liabilities</b>	<b>28,031,068</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,000</b>	<b>28,038,068</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unearned revenue - property taxes	88,061,747	-	-	-	-	88,061,747
Unavailable revenue - opioid settlement	10,897,397	-	-	-	-	10,897,397
Lease arrangements	1,862,819	-	-	-	-	1,862,819
<b>Total deferred inflows of resources</b>	<b>100,821,963</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100,821,963</b>
<b>FUND BALANCES</b>						
<b>Fund balances:</b>						
<b>Nonspendable:</b>						
Leases	124,181	-	-	-	-	124,181
Prepaid items	87,269	-	-	-	-	87,269
Loan receivable from component unit	29,012,960	-	-	-	-	29,012,960
<b>Restricted:</b>						
Landfill assurance	7,792,493	-	-	-	-	7,792,493
Unsecured claims	6,093,267	-	-	-	-	6,093,267
Opioid settlement purposes	3,725,443	-	-	-	-	3,725,443
<b>Committed:</b>						
Future OPEB plan	10,653,917	-	-	-	-	10,653,917
<b>Assigned:</b>						
Budget reserve	-	-	-	25,933,697	-	25,933,697
Uncertainty reserve	-	25,287,144	-	-	-	25,287,144
Catastrophic reserve	-	-	25,170,623	-	-	25,170,623
Economic development	-	-	-	-	38,935,587	38,935,587
Unassigned	251,610,081	-	-	-	-	251,610,081
<b>Total fund balances</b>	<b>309,099,611</b>	<b>25,287,144</b>	<b>25,170,623</b>	<b>25,933,697</b>	<b>38,935,587</b>	<b>424,426,662</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 437,952,642</b>	<b>\$ 25,287,144</b>	<b>\$ 25,170,623</b>	<b>\$ 25,933,697</b>	<b>\$ 38,942,587</b>	<b>\$ 553,286,693</b>

**JEFFERSON COUNTY, ALABAMA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - GENERAL FUND BY CATEGORY**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

	General Fund	Uncertainty Fund	Catastrophic Fund	Budget Stabilization Fund	Economic Development Fund	Total General Fund
<b>Revenues:</b>						
Taxes	\$ 157,569,752	\$ -	\$ -	\$ -	\$ -	\$ 157,569,752
Licenses and permits	14,452,629	-	-	-	-	14,452,629
Intergovernmental	8,556,429	-	-	-	-	8,556,429
Charges for services	49,862,825	-	-	-	-	49,862,825
Interest income	3,885,147	990,801	745,903	1,041,146	-	6,662,997
Miscellaneous	6,485,793	-	-	-	-	6,485,793
Total revenues	<u>240,812,575</u>	<u>990,801</u>	<u>745,903</u>	<u>1,041,146</u>	<u>-</u>	<u>243,590,425</u>
<b>Expenditures:</b>						
Current:						
General government	153,829,822	-	-	-	6,159,743	159,989,565
Public safety	111,609,787	-	-	-	-	111,609,787
Health and welfare	1,394,655	-	-	-	-	1,394,655
Capital Outlay	9,813,966	-	-	-	-	9,813,966
Debt service:						
Principal	3,738,698	-	-	-	408,973	4,147,671
Interest	206,178	-	-	-	591,027	797,205
Total expenditures	<u>280,593,106</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,159,743</u>	<u>287,752,849</u>
Excess (deficiency) of revenues over (under) expenditures	(39,780,531)	990,801	745,903	1,041,146	(7,159,743)	(44,162,424)
<b>Other financing sources (uses):</b>						
Proceeds from sale of capital assets	956,958	-	-	-	-	956,958
Issuance of lease liability	372,975	-	-	-	-	372,975
Issuance of subscription liabilities	8,587,690	-	-	-	-	8,587,690
Transfers in	83,499,604	-	-	-	17,539,034	101,038,638
Transfers out	(38,223,511)	-	-	-	(303,854)	(38,527,365)
Total other financing sources (uses)	<u>55,193,716</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,235,180</u>	<u>72,428,896</u>
Net change in fund balances	15,413,185	990,801	745,903	1,041,146	10,075,437	28,266,472
<b>Fund balances, beginning of fiscal year</b>	<u>293,686,426</u>	<u>24,296,343</u>	<u>24,424,720</u>	<u>24,892,551</u>	<u>28,860,150</u>	<u>396,160,190</u>
<b>Fund balances, end of fiscal year</b>	<u>\$ 309,099,611</u>	<u>\$ 25,287,144</u>	<u>\$ 25,170,623</u>	<u>\$ 25,933,697</u>	<u>\$ 38,935,587</u>	<u>\$ 424,426,662</u>



# Statistical Section

**Jefferson County**  
ALABAMA



# STATISTICAL SECTION

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

## Table

### Financial Trends

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

<b>Net Position by Component .....</b>	<b>144</b>
<b>Changes in Net Position .....</b>	<b>145-147</b>
<b>Fund Balances, Governmental Funds .....</b>	<b>148</b>
<b>Revenue, Expenditures, and Other Financial Sources (Uses).....</b>	<b>149 and 150</b>

### Revenue Capacity

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

<b>Sales and Use Tax Revenues to Total Taxes.....</b>	<b>151</b>
<b>Jefferson County Ten Largest Special Revenue Sales and Use Taxpayers .....</b>	<b>152</b>
<b>Jefferson County Ad Valorem Tax Revenue.....</b>	<b>153</b>
<b>Property Taxes Levied and Collections .....</b>	<b>154</b>
<b>Assessed Value and Estimated True Value of All Taxable Property.....</b>	<b>155</b>
<b>Principal Property Taxpayers (Jefferson County Only) .....</b>	<b>156</b>
<b>Property Taxes – Direct and Overlapping Governments .....</b>	<b>157 and 158</b>
<b>Enterprise Fund Data .....</b>	<b>159</b>
<b>Historical Sewer Rates .....</b>	<b>160</b>
<b>Top 10 Sewer Customers.....</b>	<b>161</b>

### Debt Capacity

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

<b>Jefferson County Debt Ratios .....</b>	<b>162</b>
<b>Ratios of Outstanding Debt by Type .....</b>	<b>163</b>
<b>Ratios of Net General Bonded Debt to Estimated True Value and Net Bonded Debt Per Capita .....</b>	<b>164</b>
<b>Estimated Constitutional Debt Margin .....</b>	<b>165</b>
<b>Pledged Revenue Coverage for Sewer Revenue Warrants .....</b>	<b>166</b>
<b>Pledged Revenue Coverage for Cooper Green Funding Agreement .....</b>	<b>167</b>
<b>Pledged Revenue Coverage of Limited Obligation Warrant Series 2022 for the Alabama Transportation Infrastructure Bank .....</b>	<b>168</b>

# STATISTICAL SECTION

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## Table

### Demographic and Economic Information

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

<b>Demographic and Economic Statistics .....</b>	<b>169</b>
<b>Largest Employers (Birmingham-Hoover MSA) .....</b>	<b>170</b>

### Operating Information

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

<b>Operating Indicators by Function .....</b>	<b>171</b>
<b>Number of County Employees by Function/Program .....</b>	<b>172</b>
<b>Capital Asset Statistics by Function/Program .....</b>	<b>173</b>

### Debt Service Schedules

<b>Warrants Maturity Schedules .....</b>	<b>174</b>
<b>Series 2018-A General Obligation Refunding Warrants .....</b>	<b>175</b>
<b>Series 2017 Limited Obligation Refunding Warrants.....</b>	<b>176</b>
<b>Limited Obligation Warrant Series 2022 Issued to the Alabama Transportation Infrastructure Bank .....</b>	<b>177</b>
<b>Birmingham Jefferson Civic Center Authority Funding Agreement Series 2018E.....</b>	<b>178</b>
<b>Birmingham Jefferson Civic Center Authority Funding Agreement Series 2023A .....</b>	<b>179</b>
<b>Sewer Revenue Warrants Series 2024 .....</b>	<b>180</b>

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

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

JCCAL Fiscal Year						2021	2022	2023	2024	2025
	2016	2017	2018	2019	2020					
<b>Governmental Activities:</b>										
Net Investment in Capital Assets	\$ 276,510	\$ 279,420	\$ 326,326	\$ 355,613	\$ 362,091	\$ (58,408) <sup>1</sup>	\$ (19,809)	\$ 15,483	\$ 63,388	\$ 140,518
Restricted	305,345	171,381	181,451	203,557	173,161	150,430	69,088	85,564 <sup>2</sup>	87,483	294,838
Unrestricted	(585,981)	(458,165)	(529,886)	(486,754)	(371,967)	186,651	365,458	406,623	422,489	234,286
<b>Total Governmental Activities Net Position</b>	<b>(4,126)</b>	<b>(7,364)</b>	<b>(22,109)</b>	<b>72,416</b>	<b>163,285</b>	<b>278,673 <sup>2</sup></b>	<b>414,737</b>	<b>507,670</b>	<b>573,360</b>	<b>669,642</b>
<b>Business-Type Activities:</b>										
Net Investment in Capital Assets	535,762	419,372	307,447	181,147	398,998	235,654	164,383	183,129	222,888	213,717
Restricted	368,329	377,618	369,012	394,063	21,165	471,373	466,193	454,154	437,463	452,492
Unrestricted	(57,794)	(54,792)	(61,335)	(60,587)	(20,057)	(432,880)	(513,096)	(614,153)	(664,174)	(686,835)
<b>Total Business-Type Activities Net Position</b>	<b>846,297</b>	<b>742,198</b>	<b>615,124</b>	<b>514,623</b>	<b>400,106</b>	<b>274,147 <sup>2</sup></b>	<b>117,480</b>	<b>23,130</b>	<b>(3,823)</b>	<b>(20,626)</b>
<b>Primary Government:</b>										
Net Investment in Capital Assets	812,272	698,792	633,773	536,760	761,089	177,246	144,574	198,612	286,276	354,235
Restricted	673,674	548,999	550,463	597,620	194,326	621,803	535,281	539,718	524,946	747,330
Unrestricted	(643,775)	(512,957)	(591,221)	(547,341)	(392,024)	(246,229)	(147,638)	(207,530)	(241,685)	(452,549)
<b>Total Primary Government Net Position</b>	<b>\$ 842,171</b>	<b>\$ 734,834</b>	<b>\$ 593,015</b>	<b>\$ 587,039</b>	<b>\$ 563,391</b>	<b>\$ 552,820 <sup>2</sup></b>	<b>\$ 532,217</b>	<b>\$ 530,800</b>	<b>\$ 569,537</b>	<b>\$ 649,016</b>

Source: JCC Finance Department Data

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

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

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

<sup>4</sup> During fiscal year 2025, a restatement to beginning net position of the primary government was required to accurately report the change in accounting principle due to GASB No. 101, compensated absences (approximately \$21.6 million decrease). See Note 14 in the financial statements as of the year ended September 30, 2025 for more information.

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

JCCAL Fiscal Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Governmental Activities Expenses:</b>										
General Government	\$ 107,052	\$ 130,242	\$ 120,880	\$ 120,773	\$ 129,700	\$ 156,361	\$ 169,336	\$ 254,506	\$ 272,627	\$ 228,922
Public Safety	70,733	76,685	85,227	85,462	62,470	88,795	99,434	106,642	115,667	125,816
Law Library Operations	-	-	-	-	-	-	180	210	204	267
Highway and Roads	29,883	36,979	38,365	30,418	36,870	40,503	48,824	53,699	56,223	68,773
Health and Welfare	58,886	64,366	57,364	54,360	136,434	110,993	85,329	78,135	103,527	91,490
Education - Other	-	69,000	-	-	-	-	-	-	-	-
Community Development	6,871	5,514	4,805	5,811	9,675 <sup>268</sup>	13,529	10,864	9,344	6,594	5,975
Contributions to Other Entities	-	-	37,384	24,100	35,367	-	-	-	-	-
Interest and Fiscal Charges	33,405	30,347	18,919	15,463	14,603	13,646	13,832	13,855	13,046	12,663
<b>Total Governmental Activities Expenses</b>	<b>306,830</b>	<b>413,133</b>	<b>362,944</b>	<b>336,387</b>	<b>425,119</b>	<b>424,095</b>	<b>427,799</b>	<b>516,391</b>	<b>567,888</b>	<b>533,906</b>
<b>Business-Type Activities Expenses:</b>										
Economic and Industrial Development Authority	868	1,006	1,196	970	1,471	-	-	-	-	-
Sanitary Operations	318,554	329,154	346,866	360,027	375,284	380,446	386,973	410,369	399,935	357,557
Landfill Operations	3,293	3,430	1,761	4,384	1,983	2,750	4,114	2,191	4,458	708
Hallmark Farms	-	-	-	-	-	-	516	486	590	595
<b>Total Business-Type Activities Expenses</b>	<b>322,715</b>	<b>333,590</b>	<b>349,823</b>	<b>365,381</b>	<b>378,738</b>	<b>383,869</b>	<b>391,603</b>	<b>413,046</b>	<b>404,983</b>	<b>358,860</b>
<b>Total Primary Government Expenses</b>	<b>629,545</b>	<b>746,723</b>	<b>712,767</b>	<b>701,768</b>	<b>803,857</b>	<b>807,964</b>	<b>819,402</b>	<b>929,437</b>	<b>972,871</b>	<b>892,766</b>
<b>Governmental Activities Revenues:</b>										
							673			
Charges for Services	29,142	32,596	33,467	30,702	33,603	53,414	65,675	66,357	67,242	69,003
Operating Grants and Contributions	20,070	19,867	21,151	16,586	96,682	74,099	60,055	65,742	73,594	66,192
Capital Grants and Contributions	-	6,458	-	7,667	11,183	4,732	4,388	468	5,499	5,835
<b>Total Governmental Activities Program Revenue</b>	<b>49,212</b>	<b>58,921</b>	<b>54,618</b>	<b>54,955</b>	<b>141,468</b>	<b>132,245</b>	<b>130,118</b>	<b>132,567</b>	<b>146,335</b>	<b>141,030</b>
<b>Business-Type Activities Revenues:</b>										
Charges for Services	193,372	210,709	223,789	229,929	227,376	237,988	260,622	263,102	289,922	280,664
Capital Grants and Contributions:	-	7,180	10,027	12,366	10,300	6,826	6,287	17,487	16,004	14,052
<b>Total Business-Type Activities Revenues</b>	<b>193,372</b>	<b>217,889</b>	<b>233,816</b>	<b>242,295</b>	<b>237,676</b>	<b>244,814</b>	<b>266,909</b>	<b>280,589</b>	<b>305,926</b>	<b>294,716</b>
<b>Total Primary Government Program Revenue</b>	<b>242,584</b>	<b>276,810</b>	<b>288,434</b>	<b>297,250</b>	<b>379,144</b>	<b>377,059</b>	<b>397,027</b>	<b>413,156</b>	<b>452,261</b>	<b>435,746</b>
<b>Total Net Primary Government</b>	<b>\$ (386,961)</b>	<b>\$ (469,913)</b>	<b>\$ (424,333)</b>	<b>\$ (404,518)</b>	<b>\$ (424,713)</b>	<b>\$ (430,905)</b>	<b>\$ (422,375)</b>	<b>\$ (516,281)</b>	<b>\$ (520,610)</b>	<b>\$ (457,020)</b>

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

JCCAL Fiscal Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>General Revenues and Transfers:</b>										
<b>Governmental Activities Revenue:</b>										
General Revenues										
Property Taxes	\$ 105,814	\$ 109,506	\$ 111,931	\$ 114,503	\$ 123,649	\$ 129,152	\$ 130,600	\$ 143,816	\$ 161,018	\$ 163,550
Sales and Use Taxes	191,022	204,634	219,428	218,092	226,346	260,694	287,104	302,293	297,008	311,163
Other Taxes	8,754	8,337	8,527	8,710	9,815	11,591	11,529	9,047	9,351	9,621
Licenses and Permits	13,878	11,815	12,824	13,243	12,959					
Unrestricted Investment Earnings	1,030	1,000	1,447	2,765	1,550	458	2,014	20,324	23,277	15,225
Miscellaneous	14,693	18,628	15,498	14,444	10,891	9,695	3,717	9,658	9,667	10,782
Gain on Sale of Capital Assets	-	-	-	7,352	491	1,768				
Transfers	-	-	-	-	-	(1,204)	(1,218)	(8,381)	(13,077)	(3,342)
Transfers to Agency Funds <sup>1</sup>	(2,386)	(2,946)	(3,113)	(3,152)	-	-	-	-	-	-
<b>Total Governmental Activities General Revenue and Transfers</b>	<b>332,805</b>	<b>350,974</b>	<b>366,542</b>	<b>375,957</b>	<b>385,701</b>	<b>412,154</b>	<b>433,746</b>	<b>476,757</b>	<b>487,244</b>	<b>506,999</b>
<b>Business-Type Activities Revenue:</b>										
General Revenues										
Property Taxes	5,726	6,309	6,441	6,564	7,213	7,567	7,571	8,290	9,392	9,540
Unrestricted Investment Earnings	3,725	2,009	486	13,343	13,597	3,304	<sup>5</sup>	20,846	46,650	30,589
Miscellaneous	2,160	3,284	2,597	2,678	3,559	675	1,298	590	2,885	2,183
Gain on Sale of Capital Assets	5,699	-	-	-	-	345	193	-	99	185
Transfers	-	-	-	-	-	1,204	1,218	8,381	13,077	3,342
Special items	-	-	-	-	-	-	-	-	-	5,267 <sup>7</sup>
<b>Total Business-Type Activities General Revenues and Transfers</b>	<b>17,310</b>	<b>11,602</b>	<b>9,524</b>	<b>22,585</b>	<b>24,369</b>	<b>13,095</b>	<b>(31,973)</b>	<b>38,107</b>	<b>72,103</b>	<b>51,106</b>
<b>Total County General Revenues and Transfers:</b>	<b>350,115</b>	<b>362,576</b>	<b>376,066</b>	<b>398,542</b>	<b>410,070</b>	<b>425,249</b>	<b>401,773</b>	<b>514,864</b>	<b>559,347</b>	<b>558,105</b>
<b>Change (Decrease) in Net Position:</b>										
Governmental Activities	75,187	(3,238)	58,216	94,525	102,050	120,304	136,065	92,933	65,691	114,123
Business Type Activities	(112,033)	(104,099)	(106,483)	(100,501)	(116,693)	(125,960)	(156,667)	(94,350)	(26,954)	(13,038)
<b>Total Change in Position</b>	<b>\$ (36,846)</b>	<b>\$ (107,337)</b>	<b>\$ (48,267)</b>	<b>\$ (5,976)</b>	<b>\$ (14,643)</b>	<b>\$ (5,656)</b>	<b>\$ (20,602)</b>	<b>\$ (1,417)</b>	<b>\$ 38,737</b>	<b>\$ 101,085</b>

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

JCCAL Fiscal Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net Position Beginning of Year	\$ 879,017	\$ 842,171	\$ 734,834	\$ 593,015	\$ 587,039	\$ 572,396	\$ 557,735	\$ 532,217	\$ 530,800	\$ 569,537
Prior Period Adjustments to Net Position	-	-	<sup>2</sup>	-	-	<sup>3</sup>	<sup>4</sup> (4,916)	-	-	<sup>6</sup>
Governmental Activities	-	-	(72,961)	-	-	(11,180)	(4,916)	-	-	-
Business Type Activities	-	-	(20,591)	-	-	2,175	-	-	-	-
Net Position- Beginning of Year Restated	879,017	842,171	641,282	593,015	587,039	563,391	552,819	532,217	530,800	547,931
<b>Net Position - End of Year</b>	<b>\$ 842,171</b>	<b>\$ 734,834</b>	<b>\$ 593,015</b>	<b>\$ 587,039</b>	<b>\$ 572,396</b>	<b>\$ 557,735</b>	<b>\$ 532,217</b>	<b>\$ 530,800</b>	<b>\$ 569,537</b>	<b>\$ 649,016</b>

Source: JCC Finance Department Data

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

<sup>2</sup> FY 2018 Note B - Significant New Accounting Pronouncements (Pg. 41): The Commission adopted pronouncement GASB 75, this includes a reduction in Net Position of -\$93,552 related to other Postemployment Benefits.

<sup>3</sup> FY2021 Notes 14, 15, and 16 - During fiscal year 2021, restatements to beginning net position of governmental and business-type activities were required to accurately state balances and activity as of and for the year ended September 30, 2021. These restatements were necessary to accurately present the effects of financing activities (approximately \$17.1 million decrease), to accurately report the activities of the Jefferson County Economic and Industrial Development Authority, which prior to fiscal year 2021 was reported as a blended component unit in the business-type activities (approximately \$2.2 million increase), and to accurately report approximately \$0.4 million in amounts previously reported in agency funds. Additionally, the implementation of GASB Statement No. 84, Fiduciary Activities, resulted in an increase to the net position of governmental activities of approximately \$5.5 million.

<sup>4</sup> FY 2022 Note 16 - Prior Period Adjustments (Pg. 80): The beginning Fund Balance has been adjusted.

<sup>5</sup> The County experienced a significant decline in fair values of its investments due to the increase in interest rates economy-wide.

<sup>6</sup> FY 2025 Note 14 - During fiscal year 2025, the County implemented GASB Statement No. 101, Compensated Absences, which was applied retrospectively to FY 2024 in accordance with GASB Statement No. 100.

<sup>7</sup> FY 2025 Note 15 - During fiscal year 2025, the County sold the remaining assets belonging to Hallmark Farms Cooperative and used the proceeds to pay the remaining debt obligations. This special item is reported in accordance with GASB Statement No. 69, Government Combinations and Disposals of Government Operations.

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

JCCAL Fiscal Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>GENERAL FUND</b>										
Nonspendable	\$ 24,324	\$ 21,141	\$ 56,539	\$ 50,195	\$ 49,363	\$ 28,966	\$ 29,104	\$ 31,246	\$ 28,718	\$ 29,225
Restricted	11,831	11,849	11,824	12,183	13,894	12,094	12,094	16,437	16,965	17,611
Committed	-	-	-	-	500	-	-	9,704	10,195	10,654
Assigned	9,541	12,544	30,685	39,713	64,497	71,682	92,608	99,069	102,474	115,327
Unassigned	76,117	84,554	54,998	76,004	111,765	168,509	203,068	236,092	237,808	251,610
<b>Total General Fund</b>	<b>121,813</b>	<b>130,088</b>	<b>154,046</b>	<b>178,095</b>	<b>239,519</b>	<b>281,751</b>	<b>336,874</b>	<b>392,548</b>	<b>396,160</b>	<b>424,427</b>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>										
Nonspendable	9,598	9,193	-	(18,289)	-	-	-	-	-	-
Restricted	201,072	55,888	52,921	68,817	34,755	68,496	60,174	68,548	65,233	78,162
Assigned	45,400	22,068	24,445	21,973	22,428	4,610	96,392	97,450	132,209	91,447
Unassigned	(16,505)	(10,565)	(5,294)	(16,112)	(49)	-	-	(84,000)	-	-
<b>Total All Other Governmental Funds</b>	<b>239,565</b>	<b>76,584</b>	<b>72,072</b>	<b>56,389</b>	<b>57,134</b>	<b>73,106</b>	<b>156,566</b>	<b>165,914</b>	<b>199,442</b>	<b>169,609</b>
<b>Total Governmental Fund Balance</b>	<b>\$ 361,378</b>	<b>\$ 206,672</b>	<b>\$ 226,118</b>	<b>\$ 234,484</b>	<b>\$ 296,653</b>	<b>\$ 354,857</b>	<b>\$ 493,440</b>	<b>\$ 558,462</b>	<b>\$ 595,602</b>	<b>\$ 594,036</b>

Source: JCC Finance Department Data

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

JCCAL Fiscal Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>REVENUES:</b>										
Taxes	\$ 306,970	\$ 322,475	\$ 339,760	\$ 341,295	\$ 359,808	\$ 401,437	\$ 429,233	\$ 455,157	\$ 467,377	\$ 484,334
Licenses and Permits	13,878	11,815	12,824	13,243	12,959	12,625	16,966	15,629	17,323	17,222
Fines and Forfeitures	-	-	-	-	-	1,229	1,034	2,004	1,188	1,243
Intergovernmental	20,070	23,542	21,151	24,253	107,865	70,797	61,923	62,831	76,540	69,209
Charges for Services, Net	29,142	32,596	33,467	30,702	33,603	40,789	47,675	48,724	48,731	50,538
Contributions and Donations	-	-	-	-	-	3,146	3,397	3,378	2,553	2,817
Interest and Investment Income	1,030	1,000	1,447	2,765	1,550	458	2,014	20,324	23,277	15,225
Miscellaneous	13,286	16,463	15,225	10,881	10,891	9,695	3,717	6,854	5,737	6,620
<b>TOTAL REVENUES</b>	<b>384,376</b>	<b>407,891</b>	<b>423,874</b>	<b>423,139</b>	<b>526,676</b>	<b>540,176</b>	<b>565,959</b>	<b>614,901</b>	<b>642,726</b>	<b>647,208</b>
<b>EXPENDITURES:</b>										
Current:	-	-	-	-	-	-	-	-	-	-
General Government	101,790	111,196	116,593	127,823	131,533	170,587	179,494	213,043	214,854	222,427
Public Safety	68,771	74,303	81,852	81,312	58,538	85,500	97,255	103,137	111,770	121,428
Law Library Operations	-	-	-	-	-	-	180	209	204	267
Highways and Roads	23,502	30,249	30,954	25,392	28,374	31,709	38,536	47,940	44,869	51,144
Health and Welfare	53,423	60,406	53,776	53,644	132,874	110,064	86,035	77,258	102,474	90,126
Education - other	-	69,000	-	-	-	-	-	-	-	-
Community Development	6,865	5,505	4,796	5,802	9,666	13,529	10,864	9,344	6,594	5,975
Capital Outlay	22,209	22,068	23,768	44,270	29,060	22,737	26,905	43,676	57,271	111,014
Indirect	(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	99,982	540,830	178,442	35,864	37,450	36,714	33,053	39,103	42,304	38,856
Interest	35,990	36,252	29,746	22,841	23,115	21,099	19,406	21,372	19,450	17,945
Issuance costs	-	-	-	-	-	-	1,286	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>409,029</b>	<b>945,805</b>	<b>551,997</b>	<b>415,126</b>	<b>479,894</b>	<b>484,100</b>	<b>493,014</b>	<b>555,082</b>	<b>599,790</b>	<b>659,182</b>
Excess (deficiency) of revenues over (under) expenditures	(24,653)	(537,914)	(128,123)	8,013	46,782	56,076	72,945	59,819	42,936	(11,974)
<b>Other Financing Sources (Uses)</b>										
Sale of Capital Assets	1,407	2,165	320	3,505	2,132	2,677	989	6,279	3,169	1,868
Issuance of Financed Purchases	-	-	-	-	-	655	-	2,618	3,918	2,921
Issuance of Bonds	-	338,925	138,175	-	-	-	66,335	-	-	-
Premium on Bonds	-	45,064	13,209	-	-	-	4,448	-	-	-
Issuance of lease liabilities	-	-	-	-	-	-	-	445	-	373
Issuance of subscription liabilities	-	-	-	-	-	-	-	4,242	194	8,588
Transfers In	38,350	430,186	225,241	163,998	149,168	169,164	195,267	205,918	257,849	234,196
Transfers Out	(40,736)	(433,132)	(229,376)	(167,150)	(149,168)	(170,368)	(196,485)	(214,299)	(270,926)	(237,538)
Total other financing sources (uses)	(979)	383,208	147,569	353	2,132	2,128	70,554	5,203	(5,796)	10,408
<b>Net Change In Fund Balances</b>	<b>(25,632)</b>	<b>(154,706)</b>	<b>19,446</b>	<b>8,366</b>	<b>48,914</b>	<b>58,204</b>	<b>143,499</b>	<b>65,022</b>	<b>37,140</b>	<b>(1,566)</b>
Fund Balances - Beginning of Year	373,816	361,378	206,672	226,118	234,484	283,398	354,857	493,440	558,462	595,602
Prior Period Adjustments Governmental Funds	13,194 <sup>1</sup>	-	-	-	-	13,255	(4,916) <sup>#</sup>	-	-	-
Fund Balances - Beginning of Year Restated	387,010	361,378	206,672	226,118	234,484	296,653 <sup>3</sup>	349,941 <sup>4</sup>	493,440	558,462	595,602

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	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Fund Balances - End of Year</b>	<b>\$ 361,378</b>	<b>\$ 206,672</b>	<b>\$ 226,118</b>	<b>\$ 234,484</b>	<b>\$ 283,398</b>	<b>\$ 354,857</b>	<b>\$ 493,440</b>	<b>\$ 558,462</b>	<b>\$ 595,602</b>	<b>\$ 594,036</b>
Ratio of Total Debt Service to Noncapital Expenditures:	35.15%	62.47%	39.41%	15.83%	13.43% <sup>2</sup>	12.59%	11.63%	11.94%	11.41%	10.36%

Source: JCC Finance Department Data

<sup>1</sup> FY 2016 Note B - Prior Period Adjustments (Pg. 40): The beginning Fund Balance has been adjusted to exclude Accrued Interest \$5,974 and liabilities related to Accrued Compensated Absences \$7,220.

<sup>2</sup> Correction of 2020 Ratio of Total Debt Service to Noncapital Expenditures

<sup>3</sup> FY2021 Note 14 - Change in Accounting Principle: The Commission adopted pronouncement GASB 84, this includes a positive Fund Balance adjustment of \$5,549 related to Fiduciary Activities. Note 15 - Change in Reporting Entity: The Commission determined that the \$414 Revolving Loan Fund, previously reported as an Agency Fund, should be presented within the Community Development Loan Fund. Note 16 - Restatements:

<sup>4</sup> FY 2022 Note 16 - Prior Period Adjustments (Pg. 80): The beginning Fund Balance has been adjusted.

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 <sup>5</sup>
County Sales Tax <sup>1,2</sup>	\$ 102,752	\$ 111,339	\$ 120,361	\$ 114,549	\$ 117,379	\$ 129,399	\$ 139,672	\$ 145,255	\$ 143,782	\$ 146,817
Education Sales Tax <sup>3</sup>	104,844	103,490	4,795							
Special Revenue Sales Tax <sup>3,4</sup>	-	7,173	115,048	115,984	113,537	127,335	138,936	145,623	143,983	147,178
Simplified Sellers Use Tax	-		2,714	5,493	10,196	14,161	16,710	19,818	22,644	25,606
Total Sales Taxes	207,596	223,883	242,918	236,026	241,112	270,895	295,318	310,696	310,409	319,601
Property Tax <sup>6</sup>	112,732 <sup>1,881</sup>	114,680	117,735	121,227	134,217	136,719	140,221	152,735	167,667	170,613
Total Taxes	\$ 320,328	\$ 338,563	\$ 360,653	\$ 357,253	\$ 375,329	\$ 407,614	\$ 435,539	\$ 463,431	\$ 478,076	\$ 490,214
% of Sales & Use to Total Taxes	64.81%	66.13%	67.36%	66.07%	64.24%	66.46%	67.81%	67.04%	64.93%	65.20%

Source: Jefferson County Tax Collector and Jefferson County Revenue Director

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

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

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

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

<sup>5</sup> Sales tax collections increased in fiscal year 2025, attributable to continued improvement in overall economic conditions. Property tax revenues also rose, driven by higher fiscal year 2024 assessed property values and the addition of new developments.

<sup>6</sup> Property tax include real, personal property and motor vehicle taxes (less commissions and fees).

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

Fiscal Year Ending September 30	Total Amount Collected	Percentage of Total Amount Collected
2017	\$1,498,235	20.89%
2018	19,651,558	17.08%
2019	21,926,938	18.91%
2020	25,739,763	22.67%
2021	18,845,552	14.80%
2022	19,717,930	14.19%
2023	25,281,398	17.36%
2024	28,094,053	19.51%
2025	27,222,246	18.50%

Source: Jefferson County Revenue Department.

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

The Special Revenue Sales and Use Taxpayers industry types include retail and software/computers.

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) <sup>1</sup>	Sewer Tax (0.7 mills)	Public Buildings, Bridges and Roads (5.1 mills)	Rural Roads (2.1 mills) <sup>2</sup>
2016	\$ 35,725,294	\$ 5,323,850	\$ 38,207,090	\$ 104,513
2017	39,732,959	5,780,605	42,123,580	17,343,419
2018	40,809,458	5,929,372	43,208,439	17,789,926
2019	42,238,337	6,122,740	44,619,166	18,370,425
2020	44,688,901	6,496,513	46,088,276	19,233,552
2021	46,145,101	6,769,196	48,024,439	20,041,230
2022	46,211,376	6,797,513	48,277,508	20,135,768
2023	50,968,371	7,352,052	51,984,750	21,226,780
2024	57,589,341	8,345,381	58,601,705	24,037,584
2025	58,152,119	8,513,924	59,926,160	24,566,839

Source: Jefferson County Tax Collector

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

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

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

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

Tax Year Ended September 30 <sup>1</sup>	Total Net Tax Levy	Current Tax Collection	Percent of Levy Collected	Delinquent Tax Collection	Total Collection	Percent of Total Tax Collection to Tax Levy
2016	\$ 597,336	\$ 580,276	97.14%	\$ 10,161	\$ 590,437	98.85%
2017	613,117	600,525	97.95%	9,590	610,115	99.51%
2018	628,709	617,697	98.25%	8,427	626,124	99.59%
2019	649,100	639,433	98.51%	8,022	647,455	99.75%
2020	741,487	706,909	95.34%	8,281	715,190	96.45%
2021	760,809	739,252	97.17%	7,055	746,307	98.09%
2022	775,377	754,090	97.25%	6,606	760,696	98.11%
2023	832,078	822,074	98.80%	7,984	830,058	99.76%
2024	953,839	931,167	97.62%	6,381	937,548	98.29%
2025	971,767	947,204	97.47%	4,934	952,138	97.98%

Source: Jefferson County Tax Assessor; Jefferson County Tax Collector

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

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

Tax Year Ending 30-Sep	Class 1*		Class 2*		Class 3*		Class 4**		Total		Ratio of Assessed Value to Estimated True Value	Total Direct Rate
	Property of Utilities		All Unclassified Real/Personal		Agriculture, Forest, Residential, Historic		Motor Vehicles					
	Assessed Value <sup>2</sup>	Estimated True Value <sup>1</sup>	Assessed Value <sup>2</sup>	Estimated True Value <sup>1</sup>	Assessed Value <sup>2</sup>	Estimated True Value <sup>1</sup>	Assessed Value <sup>2</sup>	Estimated True Value <sup>1</sup>	Assessed Value <sup>2</sup>	Estimated True Value <sup>1</sup>		
2016	\$ 755,801	\$ 2,499,789	\$ 5,195,420	\$ 25,380,377	\$ 2,627,198	\$ 25,432,862	\$ 1,037,058	\$ 6,913,723	\$ 9,615,477	\$ 60,226,751	15.97%	1.35
2017	768,574	2,519,335	5,281,482	25,945,977	2,705,295	26,271,980	1,006,199	6,847,764	9,761,550	61,585,056	15.85%	1.35
2018	782,337	2,561,914	5,400,223	26,383,047	2,842,460	27,052,948	944,596	6,477,122	9,969,616	62,475,031	15.96%	1.35
2019	795,622	2,607,788	6,467,939	26,971,258	3,069,053	28,424,596	956,518	6,589,494	11,289,132	64,593,136	17.48%	1.35
2020	835,428	2,652,073	6,477,973	32,311,206	3,218,597	30,690,534	979,906	6,532,712	11,511,904	72,186,525	15.95%	1.35
2021	849,734	2,832,734	6,475,470	33,571,207	3,413,560	27,429,143	1,034,897	6,899,316	11,773,661	70,732,400	16.65%	1.35
2022	864,853	2,882,840	6,686,052	33,430,260	3,898,801	38,988,010	1,015,138	6,400,624	12,464,844	81,701,734	15.26%	1.35
2023	840,740	2,802,467	7,991,482	53,893,922	4,304,458	52,888,402	1,334,218	8,894,786	14,470,898	118,479,577	12.21%	1.35
2024	866,454	2,888,180	10,755,662	53,778,310	5,376,360	53,763,600	1,413,978	9,426,520	18,412,454	119,856,610	15.36%	1.35
2025	872,891	2,909,637	10,715,087	53,575,435	5,534,874	55,348,740	1,479,347	9,862,313	18,602,199	121,696,125	15.29%	1.35

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

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

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

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

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

Assessed Entity	Fiscal Year Ended September 30, 2025 <sup>3</sup>			Fiscal Year Ended September 30, 2016		
	Total Assessed Value of Property Within County Limits <sup>1</sup>	Rank	% of Total Assessed Valuation	Total Assessed Value of Property Within County Limits <sup>2</sup>	Rank	% of Total Assessed Valuation
Alabama Power CO	\$ 818,288,800	1	6.06%	\$ 601,038,780	1	7.01%
6449 LLC - (Smuckers)	82,493,560	2	0.61%			
United States Steel Corporation	79,642,140	3	0.59%	90,020,740	3	1.05%
Affinity Hospital LLC	77,933,240	4	0.58%	66,826,524	4	0.78%
Norfolk Southern Combined Rail	57,686,260	5	0.43%	44,837,080	5	0.52%
Wells Fargo Bank National Association	51,345,540	6	0.38%			
AT&T Wireline Holdings LLC	48,872,340	7	0.36%			
American Cast Iron Pipe CO	45,045,420	8	0.33%	30,936,500	9	0.36%
Mercedes Benz U S International Inc	40,340,500	9	0.30%			
LIPT Lane Park LLC	30,220,580	10	0.22%			
Alabama Gas Corp				33,052,520	7	0.39%
AT&T Services				27,733,020	10	0.32%
Bellsouth Telecommunications LLC				106,715,700	2	1.24%
Hoover Mall Limited LP				32,684,180	8	0.38%
Oxmoor Center LLC				36,438,680	6	0.42%
	\$ 1,331,868,380		9.86%	\$ 1,070,283,724		12.48%

Source: Jefferson County Tax Assessor

<sup>1</sup> Total 2025 assessed value of property within county limits reflected \$13,512,582 (excludes Class 4-Motor Vehicles) on the net abstract.

<sup>2</sup> Total 2016 assessed value of property within county limits reflected \$8,578,419 (excludes Class 4-Motor Vehicles) on the net abstract.

<sup>3</sup> Tax year versus fiscal year end variances.

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

<b>OVERLAPPING TAX RATES</b>									
Fiscal Year	Jefferson County				City of Birmingham			State of Alabama	Total Direct & Overlapping
	Direct County Government	County Schools	Special Schools	County Total	Municipal Tax	BOE School	City Total		
2016	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2017	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2018	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2019	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2020	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2021	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2022	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2023	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2024	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44
2025	1.35	0.82	2.19	4.36	2.85	1.58	4.43	0.65	9.44

<b>OVERLAPPING TAX RATES</b>									
Fiscal Year	Jefferson County				City of Vestavia Hills			State of Alabama	Total Direct & Overlapping
	Direct County Government	County Schools	Special Schools	County Total	Municipal Tax	BOE School	City Total		
2016	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2017	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2018	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2019	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2020	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2021	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2022	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2023	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2024	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45
2025	1.35	0.82	2.19	4.36	4.93	1.51	6.44	0.65	11.45

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

<b>OVERLAPPING TAX RATES</b>									
Fiscal Year	Jefferson County				City of Mountain Brook			State of Alabama	Total Direct & Overlapping
	Direct County Government	County Schools	Special Schools	County Total	Municipal Tax	BOE School	City Total		
2016	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2017	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2018	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2019	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2020	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2021	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2022	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2023	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2024	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09
2025	1.35	0.82	2.19	4.36	4.67	3.41	8.08	0.65	13.09

<b>OVERLAPPING TAX RATES</b>									
Fiscal Year	Jefferson County				City of Hoover			State of Alabama	Total Direct & Overlapping
	Direct County Government	County Schools	Special Schools	County Total	Municipal Tax	BOE School	City Total		
2016	1.35	0.82	2.19	4.36	3.05	1.39	4.44	0.65	9.45
2017	1.35	0.82	2.19	4.36	3.05	1.39	4.44	0.65	9.45
2018	1.35	0.82	2.19	4.36	3.05	1.39	4.44	0.65	9.45
2019	1.35	0.82	2.19	4.36	3.05	1.39	4.44	0.65	9.45
2020	1.35	0.82	2.19	4.36	3.05	1.39	4.44	0.65	9.45
2021	1.35	0.82	2.19	4.36	3.05	1.39	4.44	0.65	9.45
2022	1.35	0.82	2.19	4.36	3.05	1.39	4.44	0.65	9.45
2023	1.35	0.82	2.19	4.36	3.05	1.39	4.44	0.65	9.45
2024	1.35	0.82	2.19	4.36	3.05	1.39	4.44	0.65	9.45
2025	1.35	0.82	2.19	4.36	3.05	1.39	4.44	0.65	9.45

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

Tax Due Date: October 1

Delinquent Date: January 1

Discounts Allowed: None

Tax Sale Date: Usually May or June

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

**Account Data <sup>1</sup>**

Fiscal Year Ended September 30	Residential Accounts Served	Non-Residential Accounts Served	Total Accounts Served	Accounts Billed by Central Alabama Water <sup>2</sup>	Percentage Accounts Billed by Central Alabama Water	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	131,499	12,158	143,657	111,977	77.9%	17,519	12.2%	14,161	9.9%
2022	133,181	12,214	145,395	113,260	77.9%	17,730	12.2%	14,406	9.9%
2023	128,889	11,374	140,263	107,626	76.7%	17,939	12.8%	14,698	10.5%
2024	132,178	12,156	144,334	111,751	77.4%	17,740	12.3%	14,843	10.3%
2025	133,323	12,135	145,458	112,889	77.6%	17,576	12.1%	14,993	10.3%

<sup>1</sup> Sewer account data is based on estimates provided by the Jefferson County Environmental Services Department.

<sup>2</sup> The Water Works Board of the City of Birmingham was rebranded in June 2025 to be named Central Alabama Water.

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

Fiscal Year Ended September 30	2016 <sup>1</sup>	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Minimum Charge</b>										
5/8 inch meter	\$ 17.46	\$ 18.84	\$ 20.33	\$ 21.04	\$ 21.78	\$ 22.55	\$ 23.34	\$ 24.16	\$ 25.01	\$25.89
3/4 inch meter	19.21	20.73	22.37	23.15	23.96	24.80	25.67	26.57	27.50	28.46
1 inch meter	24.44	26.37	28.45	29.44	30.47	31.54	32.65	33.79	34.97	36.20
1 1/2 inch meter	31.43	33.91	36.59	37.87	39.20	40.57	41.99	43.46	44.98	46.55
2 inch meter	50.64	54.64	58.95	61.01	63.14	65.35	67.64	70.00	72.45	74.98
3 inch meter	192.06	207.21	223.56	231.36	239.44	247.80	256.45	265.40	274.67	284.26
4 inch meter	244.45	263.74	284.55	294.48	304.76	315.40	326.41	337.81	349.60	361.81
6 inch meter	366.67	395.60	426.81	441.71	457.13	473.09	489.61	506.70	524.39	542.70
8 inch meter	506.35	546.30	589.40	609.97	631.26	653.30	676.11	699.71	724.13	749.41
10 inch meter	646.03	697.00	751.99	778.23	805.40	833.51	862.60	892.71	923.87	956.12
Residential Volume Charge, per CCF										
0 - 3 CCF	5.24	5.65	6.10	6.31	6.54	6.77	7.01	7.26	7.52	7.79
4 - 6 CCF	8.15	8.79	9.48	9.81	10.16	10.52	10.89	11.28	11.68	12.09
7 CCF & Above	9.31	10.04	10.83	11.21	11.61	12.02	12.44	12.88	13.33	13.80
Non-Residential Volume Charge, per CCF										
All CCF	9.16	9.88	10.66	11.03	11.42	11.82	12.24	12.67	13.12	13.58
<b>5 CCF User Bill<sup>2</sup></b>	<b>49.48</b>	<b>53.37</b>	<b>57.59</b>	<b>59.59</b>	<b>61.72</b>	<b>63.90</b>	<b>66.15</b>	<b>68.50</b>	<b>70.93</b>	<b>73.44</b>
<i>Bill increase</i>	<i>7.9%</i>	<i>7.9%</i>	<i>7.9%</i>	<i>3.5%</i>	<i>3.6%</i>	<i>3.5%</i>	<i>3.5%</i>	<i>3.6%</i>	<i>3.5%</i>	<i>3.5%</i>

Source: Jefferson County Environmental Services Department

<sup>1</sup> Rates effective on November 1 for FY 2016; on October 1 (beginning of FY) for subsequent years

<sup>2</sup> The monthly bill for a typical residential account of the System with billable flows of 5 CCF and a 5/8 inch meter.

REVENUE CAPACITY  
**Schedule 14 - Top 10 Sewer Customers**  
 Current Year and Nine Years Ago - Fiscal Year Ending September 30th (In Thousands)

Major Sewer Customers <sup>2</sup>	Fiscal Year Ended September 30, 2025				Fiscal Year Ended September 30, 2016			
	Total Consumption (CCF)	Annual Sewer Service Charges Billed <sup>1</sup>	Rank	% of Total Charges Billed	Total Consumption (CCF)	Annual Sewer Service Charges Billed <sup>1</sup>	Rank	% of Total Charges Billed
University of Alabama at Birmingham	687,936	\$	1	3.54%	236,769	\$	1	1.11%
Birmingham Housing Authority	443,920	6,074	2	2.23%	218,155	1,978	2	1.02%
St. Vincent's Hospital <sup>3</sup>	219,741	3,002	3	1.10%				
Alabama Healthcare Holdings, LLC	161,565	2,225	4	0.82%	143,900	1,300	3	0.67%
U. S. Steel	139,382	1,912	5	0.70%	207,175	1,198	4	0.62%
Samford University	121,152	1,665	6	0.61%	118,154	1,073	5	0.55%
Dairy Farmers of America, Inc.	69,441	1,248	7	0.46%	2,148			
SMI Steel, Inc.	80,984	1,107	8	0.41%				
Veterans Administration	73,185	1,008	9	0.37%				
City of Birmingham	63,107	922	10	0.34%	45,086	408	9	0.21%
Buffalo Rock Co.					214,677	471	6	0.24%
Intercapital Starr Place					50,251	458	7	0.24%
Trinity Medical Center					46,679	421	8	0.22%
Birmingham Zoo					39,451	361	10	0.19%
<b>Subtotal, Major Sewer Customers</b>		<b>28,788</b>		<b>10.58%</b>		<b>9,816</b>		<b>5.08%</b>
Other Customers		243,378				183,556		
<b>Total Sewer Customers</b>		<b>\$272,166</b>				<b>\$193,372</b>		

Source: Jefferson County Environmental Services Department

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

<sup>2</sup> Largest Account and Top Ten Accounts based on annual charges billed (See Major Accounts Fiscal Year Ended September 30, 2025)

<sup>3</sup> University of Alabama at Birmingham purchased St. Vincent's Hospital since November 1, 2024

DEBT CAPACITY  
**Schedule 15 - Jefferson County Debt Ratios**  
 Fiscal Year Ended September 30, 2025

Population <sup>1</sup>	674,721
Assessed Value of Taxable Property as of September 30, 2025 <sup>2</sup>	\$ 18,602,199,000
General Obligation Debt Outstanding as of September 30, 2025 <sup>3</sup>	\$ 52,049,356
General Obligation Debt Per Capita	\$ 77.14
Ratio of General Obligation Debt to Assessed Value	0.28%

<sup>1</sup> Source: 2020 US Census Bureau population for Jefferson County, Alabama

<sup>2</sup> Source: Jefferson County Tax Assessor and Jefferson County Revenue Department

<sup>3</sup> General Obligation Debt Outstanding is calculated as amounts outstanding for General Obligation Refunding Warrants Series 2018A, Funding Agreements for BJCC Series 2023A and 2018E, and all financed purchase, lease, and subscription liabilities not funded by business-type activities of the government

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

Fiscal Year	Governmental Activities							Business-Type Activities				Total Outstanding Debt	Aggregate Income	Percentage of Personal Income	County Population	Outstanding Debt Per Capita (In Dollars)
	General Obligation Warrants	Lease Revenue Warrants	Limited Obligation Warrants <sup>1</sup>	Funding Agreements <sup>2</sup>	Financed Purchases	Leases	Subscriptions	Sewer Revenue Warrants <sup>3</sup>	Construction Bonds	Subscriptions						
2016	\$ 145,385	\$ 59,480	\$ 517,785	\$ -	\$ 167	-	\$ -	\$ 1,914,656	\$ -	\$ -	\$ 2,637,473	\$ 32,979,113	8.00%	660,343	\$	
2017	127,720	54,100	338,925		167	-	-			-		34,907,850	7.11%	659,599	3,762	
2018	150,640		330,720	17,810	4,595	-	-			-		36,644,708	6.85%	659,429	3,804	
2019	128,195		320,165	17,484	6,773	-	-		13,000	2,481,576		37,755,657	6.72%	658,573	3,849	
2020	106,310		309,080	17,145	8,537	-	-	1,960,664	13,000	2,508,817		38,287,681	6.72%	676,721	3,907	
2021	87,766		328,080	16,793	7,390	-	-	2,005,052	12,792	2,538,172		41,652,714	6.28%	674,721	3,874	
2022	67,939		383,385	16,428	5,539	3,056	-	2,052,555	2,230,564	11,953	2,573,014	44,146,370	6.16%	674,721	4,030	
2023	47,624		365,331	26,049	5,462	2,930	4,759	2,118,942	2,303,371	11,089	2,614,206	2,766,768	47,247,841	5.86%	674,721	4,101
2024	26,802		346,484	25,655	5,377	2,437	3,099	2,161,385	2,429,427	10,199	2,471,868	2,849,527	50,063,400	5.69%	674,721	4,223
2025	13,572		327,022	25,246	2,932	2,306	7,996	2,412,813	-	-	2,792,514	NA	NA	674,721	4,139	

Source: JCC Finance Department Data (FY25 Audited Financial Data), Aggregate & Per Capita Income from Bureau of Economic Analysis report CAINC1 Personal Income Summary, as of November 14, 2024 updated release, and Population data from 2020 US Census Bureau data for Jefferson County, Alabama

<sup>1</sup> Limited Obligation Warrants include the Limited Obligation Refunding Warrants Series 2017 and the Limited Obligation Warrants, Series 2022 for the Alabama Transportation Infrastructure Bank.

<sup>2</sup> Funding Agreements includes the principal component of the 2018 BJCC Funding Agreement for Series 2018E Bonds and 2023 BJCC Funding Agreement for Series 2023A Bonds. Please see Schedules 32 and 33 for full amortization schedules.

<sup>3</sup> Series 2024 Warrants were issued on 1/31/2024 for the purpose of refunding the County's outstanding 2013 Sewer Warrants.

<sup>4</sup> Calculations of Leases and Subscriptions have been updated to reflect the implementation of GASB 87 and GASB 96 in FY 22 and FY 23, respectively.

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

<b>Fiscal Year</b>	<b>County Population <sup>1</sup></b>	<b>Estimated True Value <sup>2</sup></b>	<b>General Bonded Debt <sup>3</sup></b>	<b>Less Bond Reserve Fund Balance <sup>4</sup></b>	<b>Net General Bonded Debt</b>	<b>Ratio of Net Bonded Debt To Estimated True Value</b>	<b>Net Bonded Debt Per Capita (In Dollars)</b>
2016	660,343	\$ 60,226,751	\$ 2,637,473	\$ 105,407	\$ 2,532,066	4.20%	\$ 3,834
2017	659,599	61,585,056	2,481,576	12,995	2,468,581	4.01%	3,743
2018	659,429	62,475,031	2,508,817	14,215	2,494,602	3.99%	3,783
2019	658,573	64,593,136	2,538,172		2,538,172	3.93%	3,854
2020	674,721	72,186,525	2,573,014		2,573,014	3.56%	3,813
2021	674,721	70,732,400	2,614,206	8,745	2,605,461	3.68%	3,862
2022	674,721	81,701,734	2,718,864	10,980	2,707,884	3.31%	4,013
2023	674,721	118,479,577	2,766,768	-	2,751,988	2.32%	4,079
2024	674,721	119,856,610	2,849,527	-	2,842,452	2.37%	4,213
2025	674,721	121,696,125	2,792,514	17,605	2,774,906	2.28%	4,113

<sup>1</sup> 2020 US Census Bureau population for Jefferson County.

<sup>2</sup> See Schedule 9 "Assessed Value and Estimated True Value of All Taxable Property".

<sup>3</sup> Includes General Obligation Warrants, Limited Obligation Warrants, Sewer Revenue Warrants, Funding Agreements, Leases, Subscription, Financed Purchases, and Bonded Debts of Component Units.

<sup>4</sup> Includes Limited Obligation School Warrants 2004A and 2005A&B Reserve Funds (refunded by Limited Obligation Refunding Warrants Series 2017), as well as the portion of the Sanitary Operations Fund's (Series 2024 Sewer Warrants) restricted debt service accounts held for the purposes of making principal payments when due.

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net Assessed Value of Real and Personal Property <sup>1</sup>	\$ 9,615,477	\$ 9,782,515	\$ 9,996,587	\$ 11,321,039	\$ 11,511,904	\$ 11,341,786	\$ 12,464,844	\$ 14,470,898	\$ 18,412,454	\$ 18,602,199
Constitutional Debt Limit (5% of Assessed Value) <sup>2</sup>	480,774	489,126	499,829	566,052	575,595	567,089	623,242	723,545	920,623	930,110
Outstanding Long-Term Debt of the County <sup>3</sup>	2,637,473	2,481,576	2,508,817	2,538,172	2,573,014	2,614,206	2,715,808	2,766,768	2,849,527	2,792,514
(Less) Exemption for School and Sewer Debt <sup>2</sup>	(2,491,921)	(1,970,306)	(1,964,081)	(2,028,148)	(2,097,981)	(2,174,177)	(2,230,564)	(2,303,524)	(2,429,472)	(2,413,440)
(Less) Exemption for Debt Issued Under Section 772 <sup>4</sup>	-	-	(17,810)	(30,484)	(30,145)	(29,585)	(28,379)	(37,138)	(35,852)	(25,244)
(Less) Exemption for Limited Obligations Funded by Pledged Revenues <sup>5</sup>	-	(383,383)	(371,691)	(357,572)	(343,041)	(328,080)	(312,670)	(296,823)	(280,479)	(263,611)
Total Long-Term Debt Subject to the Debt Margin	145,552	127,887	155,235	121,968	101,847	82,364	144,195	129,283	103,724	90,216
Constitutional Debt Margin	335,222	361,239	344,594	444,084	473,748	484,725	479,047	594,262	816,899	839,894
Ratio of Outstanding Debt to Constitutional Debt Limit:	30.27%	26.15%	31.06%	21.55%	17.69%	14.52%	23.14%	17.87%	11.27%	9.70%

<sup>1</sup> See Schedule 9 "Assessed Value and Estimated True Value of All Taxable Property"

<sup>2</sup> Section 224 of the Constitution of the State of Alabama limits the indebtedness of Counties to 5% of the assessed value of taxable property in the County. Debts issued for schools and sewers are excluded from this limit.

<sup>3</sup> Amounts presented net of Unamortized Premiums and (Discounts). Before amortizable amounts, total outstanding long-term debt of the County is \$2,753,462.

<sup>4</sup> The Birmingham Jefferson Civic Center Authority Funding Agreements Series 2018E (see Schedule 31) and Series 2023A (see Schedule 32) are exempt from consideration for purposes of the Constitutional Debt Limit pursuant to Amendment 772 of the Alabama Constitution.

<sup>5</sup> The Limited Obligation Refunding Warrants Series 2017 are excluded from the Constitutional Debt Limit as they are solely funded by the pledged revenues of the Special Revenue Sales Tax and have no claim on the general revenues of the County.

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024 <sup>1</sup>	2025
Total Service Revenue <sup>2</sup>	\$ 193,372	\$ 210,709	\$ 223,789	\$ 229,929	\$ 227,376	\$ 222,674	\$ 243,639	\$ 252,549	\$ 265,636	\$ 272,166
Other Operating Revenue & Allowed Non-Operating Revenues <sup>3</sup>	4,080	5,343	6,462	8,050	8,098	18,787	15,599	9,262	36,697	35,348
Total Pledged Revenues	197,452	216,052	230,251	237,979	235,474	241,461	259,238	261,811	302,333	307,514
Operating Expenses <sup>4</sup>	56,707	63,068	73,906	81,301	91,226	91,243	94,149	111,458	113,724	103,787
(Less) Tax Revenue <sup>5</sup>	(5,726)	(6,309)	(6,441)	(6,564)	(7,213)	(7,567)	(7,683)	(8,291)	(9,392)	(9,540)
Total Operating Expense	50,981	56,759	67,465	74,737	84,013	83,676	86,466	103,167	104,332	94,247
Net Revenue Available for Debt Service	146,471	159,293	162,786	163,242	151,461	157,785	172,772	158,644	198,001	213,267
Total Debt Service <sup>6</sup>	79,439	84,721	85,292	70,366	70,366	79,111	80,909	84,434	132,784	134,760
Projected Total Debt Service Coverage <sup>7</sup>	1.84	1.88	1.91	2.32	2.15	1.99	2.14	1.88	1.49	1.58

Source: JCC Finance Department Data (FY 2025 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.

<sup>1</sup> The Sewer Revenue Warrants Series 2024 were issued pursuant to the Series 2024 Indenture on 1/31/2024 to complete a current refunding of the Sewer Revenue Warrants 2013A-F.

<sup>2</sup> Tax Revenue and Intergovernmental Revenue are excluded from pledged revenues.

<sup>3</sup> Per both the Series 2024 Indenture and the Series 2013 Indenture, certain non-operating revenue items, such as investment income or miscellaneous revenues, may be considered pledged revenues of the system when calculating coverage. Debt service coverage calculations for 2022 and 2023, which previously omitted allowable non-operating revenue items, have been adjusted from prior year ACFRs in order to conform to this presentation.

<sup>4</sup> Excludes depreciation and amortization expense.

<sup>5</sup> Tax Revenue may not be included as pledged revenues, but may be shown as an offset to System operating expenses to calculate coverage.

<sup>6</sup> Represents debt service payments in bond year dollars, as prescribed by both the Series 2013 Indenture and the Series 2024 Indenture.

<sup>7</sup> Debt service coverage metrics rounded to the second decimal place.

DEBT CAPACITY  
**Schedule 20 - Pledged Revenue Coverage for Cooper Green Funding Agreement**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Sales & Use Tax Receipts <sup>2</sup>	\$ 45,326	\$	\$	\$	\$	\$	\$	\$	\$	\$
Alcohol Beverage License Receipts <sup>2</sup>	4,104	4,596	4,822	5,440	4,843	6,294	7,526	8,401	8,203	8,379
Total Indigent Care Fund Receipts	49,430	53,711	57,917	55,973	56,618	63,362	68,598	72,459	71,674	73,059
Maximum Annual Debt Service	<del>49,623</del>	<del>53,693</del>	<del>56,623</del>	<del>55,623</del>	<del>53,623</del>	<del>65,622</del>	<del>64,623</del>	<del>63,621</del>	<del>64,620</del>	5,627
Coverage Based on Historical Collections	8.78	9.55	10.29	9.95	10.06	11.26	12.19	12.88	12.74	12.98

Source: JCC Finance Department Data

<sup>1</sup> The County entered into a Funding Agreement dated September 14, 2022 with Cooper Green Mercy Health Services Authority, An Affiliate of UAB Health System (the "Authority") pursuant to which the County is obligated to make payments to the Authority payable solely from and secured by a limited obligation pledge and assignment of the proceeds of certain taxes levied in the County (the "Pledged Tax Proceeds") that provide funding for the County's Indigent Care Fund. The Pledged Tax Proceeds were pledged by the Authority to pay the debt service on the Authority's \$84,525,000 Revenue Bonds (Jefferson County Funding), Series 2022A.

<sup>2</sup> Includes only those portions of the Alcohol Beverage License Tax and Sales and Use Tax collected by the County and deposited into the Indigent Care Fund, net of any administrative or collection fees. Amounts have been calculated on a cash basis and may differ from any presentation in the County's Audited Financial Statements, and are therefore considered unaudited information provided by the County.

<sup>3</sup> The Maximum Total Annual Debt Service in any future Bond Year is \$5,626,738 for Bond Year 2039.

<sup>4</sup> Bonds issued September 14, 2022. Historical Revenues and Coverage ratios are provided based on historical revenues and maximum future debt service.

DEBT CAPACITY  
**Schedule 21 - Pledged Revenue Coverage for Limited Obligation Warrant Series 2022 for the Alabama Transportation Infrastructure Bank**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th (In Thousands)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Real and Personal Property (Excluding Motor Vehicles)	\$ 38,207	\$	\$	\$	\$	\$	\$	\$	\$	\$
Motor Vehicles <sup>1</sup>	4,908	4,832	4,575	4,667	4,801	5,125	5,432	6,721	7,081	7,268
Total Pledged 5.1 mill Ad Valorem Tax Revenues	43,115	46,956	47,783	49,286	50,889	53,149	54,308	59,164	66,194	67,577
Maximum Annual Debt Service <sup>2</sup>	42,124	43,208	44,619	46,088	48,024	48,876	52,443	59,113	60,309	5,107
	5,107	5,107	5,107	5,107	5,107	5,107	5,107	5,107	5,107	5,107
Coverage Based on Historical Collections <sup>3</sup>	8.44	9.19	9.36	9.65	9.96	10.41	10.63	11.58	12.96	13.23

Source: JCC Finance Department Data

<sup>1</sup> Includes only the current portions of Bridge & Building 5.1 mill ad valorem tax collected by the County. Amounts have been calculated on a cash basis and may differ from any presentation in the County's Audited Financial Statements, and are therefore considered unaudited information provided by the County. Amounts provided by Tax Collector and Department of Revenue.

<sup>2</sup> The Maximum Total Annual Debt Service in any future Fiscal Year is \$5,107,331 in Fiscal Year ending September 30, 2042.

<sup>3</sup> Bonds issued July 19, 2022. Historical Revenues and Coverage ratios are provided based on historical revenues and maximum future debt service.

DEMOGRAPHIC AND ECONOMIC INFORMATION  
**Schedule 22 - Demographic and Economic Statistics**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th

<b>Jefferson County</b>						
Year	Population <sup>1</sup>	Median Household Income <sup>2</sup>	Per Capita Personal Income <sup>2</sup>	County Unemployment Rate <sup>3</sup>	Birmingham Hoover MA Annual Average Unemployment Rate	
2016	660,343	\$ 53,460	\$ 32,679	5.3	5.4	
2017	659,599	52,886	32,012	3.4	4.0	
2018	659,429	56,207	32,257	3.2	3.5	
2019	658,573	53,944	32,561	2.3	2.7	
2020	674,721	57,802	34,929	4.6	5.9	
2021	674,721	55,210	34,181	3.1	2.7	
2022	674,721	61,996	38,224	2.4	2.4	
2023	674,721	64,726	40,517	2.2	2.4	
2024	674,721	66,388	41,013	3.1	2.9	
2025	674,721	-	-	2.9	2.7	

<sup>1</sup> 2020 US Census Bureau population data for Jefferson County, Alabama

<sup>2</sup> 2021 Department of Numbers data for Jefferson County, Alabama

<sup>3</sup> Federal Reserve Bank (FRED) of St. Louis, Economic Research

<sup>4</sup> 2025 information unavailable from Department of Numbers data

DEMOGRAPHIC AND ECONOMIC INFORMATION  
**Schedule 23 - Largest Employers (Birmingham- Hoover MSA)**  
 Current and Nine Years Ago - Fiscal Year Ending September 30th

Employer	Product	Presence	2025			2016 <sup>3</sup>		
			# of Employees	% of Total Employment	Rank	# of Employees	% of Total Employment	Rank
University of Alabama/Birmingham	Education and health care services	Headquarters	35,000	11%	1	23,000	8%	1
Regions Financial System	Financial Services, banking, corporate headquarters	Headquarters	9,000	3%	2	7,134	2%	2
Walmart	Retailer	Major Operations	7,750	2%	3			
Mercedes Benz	Manufacturing, vehicle assembly plant	Regional	6,000	2%	4	3,500	1%	10
Children's Health System	Health Care services, regional specialized health care	Headquarters	5,635	2%	5	4,543	2%	6
AT&T	Telecommunications, regional operate	Major Operations	4,517	1%	6	4,517	2%	7
City of Birmingham	Government, city administration	Headquarters	4,200	1%	7			
Grandview Medical Center	Health Care Services		3,516	1%	8			
Blue Cross Blue Shield of AL	Health Care Services		3,100	1%	9	3,570	1%	9
Birmingham VA Medical Center	Health Care Services		2,795	1%	10			
St Vincent Health System <sup>2</sup>	Health Care services, hospital network serving metro B'ham	Headquarters				4,786	2%	4
Brookwood Baptist Health <sup>1</sup>	Health Care Services, management	Headquarters				4,633	2%	5
Alabama Power	Utility Services, electrical	Headquarters				3,982	1%	8
Honda Manufacturing of AL	Manufacturing, vehicle assembly plant	Regional				4,800	2%	3

Source: Birmingham Business Journal

<sup>1</sup> Brookwood Baptist Health formerly known as Baptist Health System

<sup>2</sup> St. Vincents Health System is now UAB St. Vincent's Birmingham

<sup>3</sup> 2016 Source 2015 City of Birmingham ACFR

OPERATING INFORMATION  
**Schedule 24 - Operating Indicators by Function**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Sheriff</b>										
General calls	81,591	88,473	87,986	89,310	85,362	87,496	95,383	77,332	81,990	79,175
Traffic calls	21,971	26,061	26,940	26,526	20,352	17,722	15,085	14,235	12,711	18,497
<b>Transportation</b>										
Street resurfacing miles	46	88	103	101	115	73	95	107	100	115
Bridges maintained	292	292	292	292	292	292	293	292	292	292
Total Road miles with an inspection rating of good or higher	-	-	-	-	-	1,125	1,383	1,449	1,813	1,365
Utility permits	499	599	465	406	447	377	434	355	212	192
<b>Community Services</b>										
Number of senior citizens' one-way passenger trips	35,612	35,424	35,587	34,210	21,916	22,045	29,507	33,886	34,641	36,236
# Accepted Applicants CDBG Housing Rehabilitation	20	20	20	20	20	20	20	36	110	70
# of Workforce participants adults (PROGRAM YEAR)	-	-	237	322	633	919	114	198	-	- <sup>2</sup>
# of Workforce participants dislocated workers	-	-	39	33	39	77	5	7	-	- <sup>2</sup>
<b>Development Services</b>										
Building permits issued	360	325	347	336	357	403	615	482	980	400
Miscellaneous building permits	1,055	811	1,028	894	525	560	823	601	651	1,169
Trade permits issued (plumbing; gas; electrical)	2,137	1,977	2,693	2,856	2,191	1,424	674	626	667	1,773
Building structures inspected	5,033	3,645	4,299	5,719	6,441	4,937	5,528	5,518	4,849	4,529
Plan Review	41	36	29	32	61	26	43	36	42	30
Zoning hearings (subdivision; rezoning; adjustments)	114	133	137	147	221	172	217	184	195	154
Trades inspections	8,146	7,690	7,028	6,613	8,663	11,276	5,308	6,622	5,990	7,975
Erosion control inspections	622	474	870	1,403	1,915	2,037	2,169	1,848	2,246	2,212
<b>Registrar of voters</b>										
Voting precincts	174	169	172	172	172	174	175	177	177	178
Active Voters <sup>1</sup>	411,838		473,578		503,389		435,913	489,939	456,495	490,201
<b>Sewer</b>										
Residential accounts served	125,173	127,771	126,929	126,470	128,005	131,705	133,181	128,889	132,178	133,323
Non- residential accounts served	15,847	13,861	13,083	14,654	14,223	11,953	12,215	11,374	12,156	12,135

Source: Jefferson County Sheriff Department, Jefferson County Roads and Transportation Department, Jefferson County Community Services Department, Jefferson County Development Services Department, Jefferson County Board of Registrars Department, and Jefferson County Environmental Services Department.

- Represent data that is unavailable

<sup>1</sup> The odd election years only consist of Special Elections

<sup>2</sup> The Workforce grant ended in FY2023.

OPERATING INFORMATION  
**Schedule 25 - Number of County Employees by Function/Program**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>General Government</b>										
Commission	22	20	20	20	20	20	20	20	20	20
County Manager	7	18	19	14		10		7	10	9
Probate Court	46	55	56	56	54	55	55	55	55	55
Family Court	83	83	84	86	80	80	80	80	81	82
State Courts	55	53	54	51	51	47	47	47	46	43
District Attorney	39	41	44	46	43	43	46	46	47	46
Law Library	3							4	4	4
Finance	35	37	40	52	52	54	53	53	54	54
Budget Management	9		8		7	-	-	-	-	-
Human Resources	58	82	58	61	55	59	49	49	49	47
HR-Receiver	6					-	-	-	-	-
Revenue	158	156	172	173	161	161	161	163	163	163
County Attorney	10	11	12	18	17	17	18	17	18	20
Board of Equalization	3	71	4	70	4	69	4	70	71	67
Tax Assessor	65	71	70	70	69	69	69	69	72	74
Tax Collector	9	36	5	42	5	44	-	50	43	42
Treasurer	8							8	9	9
Land Development	3	18	2	19	1	-	-	-	-	-
Compliance	-					-	10	10	10	10
Information Technology	36	40	45	67	51	54	55	54	55	56
General Services	120	145	172	233	198	138	144	142	143	141
Board of Registrars	9		10	10	10	10	10	10	10	11
Inspection Services	18	20								
Storm Water Management	8	8	8	8	8	8	8	8	8	8
Development Services	-	-	9	49	50	42	43	56	56	38
Non Dept/Barber Commission	1							5	5	5
Public Information	-	-	-	3	2	2	3	3	3	3
Community Development	35	36	36	43	38	41	40	34	26	25
Pension*	9	9								
Personnel Board*	76	-	76	70	70	64	66	64	64	64
JCEIDA*	-								3	3
<b>Public Safety</b>										
Sheriff	1	69	1	72	3	72	5	72	5	72
Youth Detention	53	54	54	65	52	51	65	65	66	66
Coroner	17	17	18	18	20	20	21	22	21	21
Security	-						54	54	54	54
Emergency Management*	7							8	8	9
<b>Highways and Roads</b>										
Roads and Transportation	207	261	300	326	340	338	326	326	344	338
Fleet Management*	26	27	30	42	33	33	33	33	34	37
<b>Health and Welfare</b>										
Office Senior Services	31	10						4	4	4
Cooper Green	173	219	228	227	219			-	-	-
<b>Environmental Services</b>										
Environmental Services	455	478	509	526	554	544	554	551	550	548
	2,701	2,922	3,032	3,210	3,111	2,871	2,902	2,918	2,926	2,920

Source: JCC Budget Management Office  
 \* Includes Fiduciary Funds

OPERATING INFORMATION  
**Schedule 26 - Capital Asset Statistics by Function/Program**  
 Last Ten Fiscal Years - Fiscal Year Ending September 30th

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Function/Program</b>										
<b>General Government</b>										
Probate Court	10,998		13,498		687,975	-	-	-	-	-
Family Court	28,898	29,309	75,624	-	-	236,004	-	-	75,992	-
District Attorney	-	-	-	-	104,631	-	-	252,904	-	-
Law Library	-	-	-	-	-	-	-	-	287,686	-
Finance	-	120,874	182,425	-	-	13,043	9,232	-	-	-
Human Resources	-	29,292	-	130,707	-	-	-	-	-	-
Revenue	165,408	49,030	91,574	24,174	86,263	5,732	61,568	-	-	-
County Attorney	-	-	-	54,270	31,831	-	-	-	-	-
Board of Equalization	128,292	276,562	265,761	728,461	188,000	145,176	827,375	1,665,582	60,775	310,705
Tax Assessor	8,850	-	233,971	-	651,637	932,271	1,265,017	998,955	154,542	123,094
Community Development	-	-	-	-	-	-	-	-	37,433	-
Land Development	-	114,043	-	-	-	-	-	-	-	-
Info Technology	1,500,907	1,238,565	401,743	160,344	2,252,794	1,221,603	1,298,024	1,195,147	1,132,642	985,714
General Services	2,865,787	4,746,695	10,293,245	19,613,421	8,132,740	7,357,616	6,522,025	13,551,509	27,117,199	44,261,094
Inspection Services	51,744	83,190	-	-	-	-	-	-	-	-
Development Service	-	-	-	-	519,971	263,755	446,415	90,767	-	44,990
Personnel Board	-	725,667	-	25,612	-	-	-	-	-	-
<b>Public Safety</b>										
Sheriff	2,772,282	2,890,621	3,879,286	2,130,981	3,247,141	2,823,802	4,179,430	5,334,210	11,257,427	8,813,548
Youth Detention	42,351	-	-	-	73,917	60,000	-	-	-	-
Coroner	96,596	99,849	69,932	-	39,704	149,197	265,987	-	863,192	316,578
Security	-	-	-	-	-	-	-	-	38,128	29,991
Emergency Mgmt	-	-	-	-	-	-	-	-	-	-
<b>Highways and Roads</b>										
Roads and Trans	10,782,828	11,299,645	7,606,996	19,245,798	23,268,582	17,464,644	11,025,732,858	38,262,154	30,002,323	59,759,165
Fleet Mgmt	585,789	290,818	441,382	169,602	578,987	494,747	34,332	502,222	1,200,127	1,504,017
<b>Health and Welfare</b>										
Cooper Green	586,305	775,422	110,745	11,688	-	-	-	-	-	-
<b>Environmental Svcs</b>										
Environmental Svcs	39,964,957	78,428,882	68,476,815	57,168,811	39,094,926	37,721,145	57,278,972	119,800,303	134,967,092	108,435,157
<b>Total</b>	<b>59,591,992</b>	<b>101,169,172</b>	<b>92,172,289</b>	<b>99,463,869</b>	<b>78,959,099</b>	<b>68,888,735</b>	<b>98,454,461</b>	<b>182,351,658</b>	<b>207,498,448</b>	<b>223,960,524</b>

Source: JCC Budget Management Office

DEBT SERVICE SCHEDULES  
**Schedule 27 - Warrants Maturity Schedules**  
(In Thousands)

Fiscal Year Ending 30-Sep	Business-Type Activities <sup>1</sup>			Governmental Activities <sup>2</sup>			Total Debt Obligations			
	Principal	Interest	Total Debt Service	Principal	Interest	Total Debt Service	Principal	Interest	Total Debt Service	
2026	\$ 17,605	\$ 116,716	\$ 134,321	\$ 31,182	\$ 16,107	\$ 47,289	\$ 48,787	\$ 132,823	\$ 181,610	
2027	20,490	115,763	136,253			33,200	39,138	130,315	169,453	
2028	23,545	114,662	138,207			33,197	43,118	128,286	171,404	
2029	26,790	113,404	140,194			33,196	47,337	126,053	173,390	
2030	30,225	111,978	142,203	18,648	14,552	33,191	51,791	123,603	175,394	
2031	33,860	110,376	144,236	19,573	13,624	33,192	56,445	120,983	177,428	
2032	37,715	108,587	146,302	20,547	12,649	33,191	61,425	118,068	179,493	
2033	41,790	106,599	148,389	21,566	11,625	33,186	66,675	114,900	181,575	
2034	46,100	104,402	150,502	22,585	10,607	33,183	72,222	111,463	183,685	
2035	50,660	101,983	152,643	23,710		33,181	78,083	107,741	185,824	
2036	55,485	99,329	154,814	24,885	9,481	33,184	84,276	103,722	187,998	
2037	60,580	96,428	157,008	26,122	8,301	33,178	90,560	99,626	190,186	
2038	65,970	93,264	159,234	27,423	7,061	9,019	72,994	95,259	168,253	
2039	71,670	89,823	161,493	28,791	5,758	9,020	78,981	91,532	170,513	
2040	75,255	86,150	161,405	29,980	4,393	9,016	82,859	87,562	170,421	
2041	79,015	82,194	161,209	7,024	3,198	9,013	86,925	83,297	170,222	
2042	83,165	77,937	161,102	7,311	1,995	8,898	91,284	78,716	170,000	
2043	87,530	73,456	160,986	7,604	1,709		88,627	73,903	162,530	
2044	92,125	68,741	160,866	7,910	1,412		93,264	69,144	162,408	
2045	96,960	63,777	160,737	8,119	1,103		98,263	64,130	162,393	
2046	102,055	58,553	160,608	1,097	779	1,544	103,415	58,849	162,264	
2047	107,410	53,054	160,464	1,139	447	1,542	108,826	53,292	162,118	
2048	113,050	47,267	160,317	1,303	403	1,656	114,527	47,445	161,972	
2049	118,985	41,176	160,161	1,360	353	1,656	119,515	41,300	160,815	
2050	125,230	34,766	159,996	1,416	296	1,654	125,668	34,866	160,534	
2051	131,805	27,854	159,659	1,477	238	1,655	132,263	27,934	160,197	
2052	139,055	20,405	159,460		178		139,533	20,464	159,997	
2053	146,705	12,547	159,252	530	124	654	147,743	12,583	160,326	
2054	154,770	4,256		438	-	538	154,770	4,256	159,026	
<b>Subtotal:</b>	<b>2,235,600</b>	<b>2,235,447</b>	<b>4,471,047</b>	<b>458</b>	<b>80</b>	<b>126,668</b>	<b>470,382</b>	<b>2,579,314</b>	<b>2,362,115</b>	<b>4,941,429</b>
Unamortized Premium (Discount)	177,213	-	159,026	1,038	59	-	\$22,124	199,337	-	199,337
<b>Total</b>	<b>2,412,813</b>	<b>2,235,447</b>	<b>4,648,260</b>	<b>22,124</b>	<b>365,838</b>	<b>126,668</b>	<b>\$492,506</b>	<b>\$2,778,651</b>	<b>\$2,362,115</b>	<b>\$5,140,766</b>

Source: JCC Finance Department Data (FY25 Audited Financial Data)

<sup>1</sup> Business-Type Activities Warrants payable include obligations for warrants issued in the name of the Jefferson County Commission for the primary purpose of sewer capital projects and related improvements (Business-Type Activities – Sewer Revenue Warrants).

<sup>2</sup> Governmental Activities Warrants payable include obligations for warrants issued in the name of the Jefferson County Commission for the primary purpose of general capital projects and related improvements (Governmental Activities – General Obligation Refunding Warrants), for the primary purpose of school capital projects and related improvements (Governmental Activities – Limited Obligation Refunding Warrants), and funding agreements for the primary purpose of economic development (Limited Funding Agreement - BJCC 2018E and 2023A), and for the purpose of capital road projects - Limited Obligation Refunding Warrant Series 2022 issued to the Alabama Transportation Infrastructure Bank.

DEBT SERVICE SCHEDULES  
**Schedule 28 - Series 2018-A General Obligation Refunding Warrants**  
 Governmental Activities (In Thousands)

**Series 2018-A General Obligation Refunding (Tax Exempt) <sup>1</sup>**

Fiscal Year Ending 30-Sep		Principal		Interest		Total Debt Service
2026	\$	13,420	\$	671	\$	14,091
<b>Subtotal</b>		<b>13,420</b>		<b>671</b>		<b>14,091</b>
		Unamortized Premium (Discount)		152		
<b>Total</b>		<b>\$ 13,572</b>	<b>\$</b>	<b>671</b>	<b>\$</b>	<b>14,243</b>

Source: JCC Finance Department Data (FY25 Audited Financial Data)

<sup>1</sup> General Obligation Refunding Warrants, Series 2018-A, with interest paid semiannually at fixed rates ranging from 4.00% to 5.00% and annual principal payments through 2026. The Commission issued Series 2018-A under the Trust Indenture dated May 1, 2018 (2018 Trust Indenture), between Jefferson County, Alabama, and Wilmington Trust National Association, as Trustee, for the purpose of refunding the General Obligation Warrants, Series 2003-A and 2004-A, and the Lease Revenue Warrants, Series 2002. These refunded warrants were defeased on May 31, 2018, and fully redeemed pursuant to their terms on July 2, 2018. Debt Service Requirements and Coverage is reflected on page 3 of the Official Statement dated September 17, 2018.

DEBT SERVICE SCHEDULES  
**Schedule 29 - Series 2017 Limited Obligation Refunding Warrants**  
 Governmental Activities (In Thousands)

**Series 2017 Limited Obligation Refunding (Tax Exempt) <sup>1</sup>**

Fiscal Year Ending 30-Sep	Principal	Interest	Total Debt Service
2026	\$ 14,800	\$ 11,599	\$ 26,399
2027	15,545	10,859	26,404
2028	16,320	10,082	26,402
2029	17,135	9,266	26,401
2030	17,990	8,409	26,399
2031	18,835	7,566	26,401
2032	19,780	6,624	26,404
2033	20,765	5,635	26,400
2034	21,805	4,597	26,402
2035	22,895	3,506	26,401
2036	24,040	2,362	26,402
2037	25,000	1,400	26,400
2038	1,845	400	2,245
2039	1,920	326	2,246
2040	2,000	249	2,249
2041	2,075	169	2,244
2042	2,160	86	2,246
<b>Subtotal</b>	<b>244,910</b>	<b>83,135</b>	<b>328,045</b>
Unamortized Premium	18,701		18,701
<b>Total</b>	<b>\$ 263,611</b>	<b>\$ 83,135</b>	<b>\$ 346,746</b>

Source: JCC Finance Department Data (FY25 Audited Financial Data)

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

DEBT SERVICE SCHEDULES  
**Schedule 30 - Limited Obligation Warrant Series 2022 Issued to the Alabama Transportation Infrastructure Bank**  
 Governmental Activities (In Thousands)

**Series 2022B ATIB Limited Obligation Revenue Bonds <sup>1</sup>**

Fiscal Year Ending 30-Sep	Principal	Interest	Program Fee <sup>2</sup>	Total Debt Service
2026	\$ 2,355	\$ 2,752	\$ 30	\$ 5,137
2027	2,470	2,634	29	5,133
2028	2,595	2,511	28	5,134
2029	2,725	2,381	26	5,132
2030	2,860	2,245	25	5,130
2031	3,005	2,102	24	5,131
2032	3,155	1,951	22	5,128
2033	3,310	1,794	21	5,125
2034	3,475	1,628	19	5,122
2035	3,650	1,454	17	5,121
2036	3,835	1,272	15	5,122
2037	4,025	1,080	13	5,118
2038	4,185	919	11	5,115
2039	4,355	752	9	5,116
2040	4,525	578	7	5,110
2041	4,710	397	5	5,112
2042	4,905	202	3	5,110
<b>Subtotal</b>	<b>60,140</b>	<b>26,652</b>	<b>304</b>	<b>87,096</b>
Unamortized Premium	3,271		-	3,271
<b>Total</b>	<b>\$ 63,411</b>	<b>\$ 26,652</b>	<b>\$ 304</b>	<b>\$ 90,367</b>

Source: JCC Finance Department Data (FY25 Audited Financial Data)

<sup>1</sup> Alabama Transportation Infrastructure Bank Limited Obligation Revenue Bonds (Jefferson County Project) Series 2022-B, with interest paid annually at fixed rates ranging from 4.125% to 5.00% and annual principal payments through 2042. The Bonds are being issued by Alabama Transportation Infrastructure Bank (the "Issuer"), a public corporation created under Section 23-7 et seq. of the Code of Alabama (1975), as amended. The Bonds were issued under that certain Trust Indenture, dated July 1, 2022 (the "Indenture"), between the Issuer and Regions Bank, as trustee. Proceeds of the Bonds were loaned by the Issuer to Jefferson County, Alabama (the "Loan Recipient"), pursuant to a Loan Agreement, dated July 1, 2022, between the Issuer and the Loan Recipient to pay the costs of certain road and bridge improvements to be located in Jefferson County, Alabama. In order to evidence the loan from the issuer, the County issued its Limited Obligation Warrant, Series 2022 to the issuer.

<sup>2</sup> Fees are assessed as 0.05% of outstanding principal, functioning as an effective interest charge. These amounts are displayed separately here but generally included with interest & fiscal charges in audited financial statements.

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

**Series 2018E BJCCA Funding Agreement <sup>1</sup>**

Fiscal Year Ending 30-Sep	Principal	Interest	Total Debt Service
2026	\$ 425	\$ 575	\$ 1,000
2027	441	559	1,000
2028	458	542	1,000
2029	475	525	1,000
2030	494	506	1,000
2031	513	487	1,000
2032	532	468	1,000
2033	553	447	1,000
2034	574	426	1,000
2035	596	404	1,000
2036	619	381	1,000
2037	643	357	1,000
2038	667	333	1,000
2039	693	307	1,000
2040	719	281	1,000
2041	747	253	1,000
2042	776	224	1,000
2043	805	195	1,000
2044	836	164	1,000
2045	868	132	1,000
2046	902	98	1,000
2047	936	64	1,000
2048	972	28	1,000
	<b>\$ 15,244</b>	<b>\$ 7,756</b>	<b>\$ 23,000</b>

Source: JCC Finance Department Data (FY25 Audited Financial Data)

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

**DEBT SERVICE SCHEDULES**  
**Schedule 32 - Birmingham Jefferson Civic Center Authority Funding Agreement Series 2023A**  
(In Thousands)

**Series 2023A BJCCA Funding Agreement <sup>1</sup>**

Fiscal Year Ending 30-Sep	Principal	Interest	Total Debt Service
2026	\$ 182	\$ 480	\$ 662
2027	192	471	663
2028	200	461	661
2029	212	451	663
2030	222	440	662
2031	232	428	660
2032	243	416	659
2033	257	404	661
2034	268	391	659
2035	282	377	659
2036	297	363	660
2037	312	348	660
2038	327	332	659
2039	343	315	658
2040	360	297	657
2041	378	279	657
2042	278	264	542
2043	292	252	544
2044	303	239	542
2045	435	221	656
2046	458	198	656
2047	480	174	654
2048	505	150	655
2049	530	124	654
2050	438	100	538
2051	458	80	538
2052	478	59	537
2053	1,038	36	1,074
	<b>\$ 10,000</b>	<b>\$ 8,150</b>	<b>\$ 18,150</b>

Source: JCC Finance Department Data (FY25 Audited Financial Data)

<sup>1</sup> General obligation of the County with semi-annual payments applied to principal and interest. Interest payments have fixed interest rates of 4.25% to 5.25%. Interest payments prior to October 1, 2025 were pre-funded by the Birmingham-Jefferson County Civic Center Authority during debt issuance.

DEBT SERVICE SCHEDULES  
**Schedule 33 - Sewer Revenue Warrants Series 2024**  
(In Thousands)

**Sewer Revenue Warrants Series 2024 <sup>1</sup>**

Fiscal Year Ending 30-Sep	Principal	Interest	Total Debt Service
2026	\$ 17,605	\$ 116,716	\$ 134,321
2027	20,490	115,763	136,253
2028	23,545	114,662	138,207
2029	26,790	113,404	140,194
2030	30,225	111,978	142,203
2031	33,860	110,376	144,236
2032	37,715	108,587	146,302
2033	41,790	106,599	148,389
2034	46,100	104,402	150,502
2035	50,660	101,983	152,643
2036	55,485	99,329	154,814
2037	60,580	96,428	157,008
2038	65,970	93,264	159,234
2039	71,670	89,823	161,493
2040	75,255	86,150	161,405
2041	79,015	82,194	161,209
2042	83,165	77,937	161,102
2043	87,530	73,456	160,986
2044	92,125	68,741	160,866
2045	96,960	63,777	160,737
2046	102,055	58,553	160,608
2047	107,410	53,054	160,464
2048	113,050	47,267	160,317
2049	118,985	41,176	160,161
2050	125,230	34,766	159,996
2051	131,805	27,854	159,659
2052	139,055	20,405	159,460
2053	146,705	12,547	159,252
2054	154,770	4,256	159,026
<b>Subtotal</b>	<b>2,235,600</b>	<b>2,235,447</b>	<b>4,471,047</b>
Unamortized Premium (Discount)	177,213	-	177,213
<b>Total</b>	<b>\$ 2,412,813</b>	<b>\$ 2,235,447</b>	<b>\$ 4,648,260</b>

Source: JCC Finance Department Data (FY25 Audited Financial Data)

<sup>1</sup> Series 2013 Debt was refunded and new debt Series 2024 was issued on January 31, 2024. Sewer Revenue Warrants with semi-annual payments applied to principal and interest. Interest payments have fixed interest rates of 5.00% to 5.50% and principal payments due from October 1, 2024 to 2053.