

Comprehensive Annual Financial Report

Jefferson County, Alabama

**Fiscal Year Ended
September 30, 2002**

**Prepared by the Department of Finance
Steve Sayler, Finance Director**

JEFFERSON COUNTY COMMISSION



MARY M. BUCKELEW
District 3
Commissioner
Land &
Technology
Development



BETTIE FINE COLLINS
District 4
Commissioner
Health &
Human
Services



LARRY P. LANGFORD
Commission President
District 1
Commissioner
Finance & General
Services



SHELIA SMOOT
District 2
Commissioner
Roads & Transportation



GARY WHITE
District 5
Commissioner
Environmental Services

Jefferson County, Alabama
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2002

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JEFFERSON COUNTY COMMISSION



LARRY P. LANGFORD - PRESIDENT
MARY M. BUCKELEW
BETTYE FINE COLLINS
SHELIA SMOOT
GARY WHITE

LARRY P. LANGFORD—COMMISSIONER
Finance and General Services

STEVE F. SAYLER
Finance Director
TRAVIS A. HULSEY
Assistant Finance Director
Finance Department
Suite 810 Courthouse
716 Richard Arrington, Jr. Blvd. N.
Birmingham, Alabama 35203
Telephone (205) 325-5762

April 1, 2003

To the members of the Jefferson County Commission and the Citizens of Jefferson County, Alabama:

The comprehensive annual financial report of the Jefferson County Commission for the fiscal year ended September 30, 2002 is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and the Code of Alabama 1975, Section 41-5-14 require that the Jefferson County Commission issue annually a report on its financial position and activity, and that this report be audited by the State of Alabama Department of Examiners of Public Accounts. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations on a government-wide basis, and also of the various funds, account groups and component units of the Jefferson County Commission. All disclosures necessary to enable the reader to gain an understanding of the Jefferson County Commission's activities have been included.

The comprehensive annual financial report is presented in three sections: introductory, financial and statistical. The introductory section, which is unaudited, includes this letter of transmittal, an organizational chart and a list of Jefferson County, Alabama principal elected and appointed officials. The financial section includes, under new Governmental Accounting Standards Board Statement 34, the Report of Independent Auditors, Management's Discussion and Analysis, the basic financial statements, required supplementary information, and the combining and individual fund financial statements. The statistical section, which is unaudited, includes selected financial and demographic information, generally presented on a multi-year basis.

Reporting Entity

Jefferson County, Alabama is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Information related to this single audit, including a schedule of expenditures of federal awards, the independent auditor's reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included in this report..

The financial reporting entity (the government) includes all the funds and account groups of the primary government (i.e., Jefferson County, Alabama as legally defined), as well as all of

its component units. Component units are legally separate entities for which the primary government is financially accountable. The government provides a full range of services including police protection; sanitation services; the construction and maintenance of highways, streets and infrastructure; recreational activities and cultural events.

The following entities are component units of the Jefferson County Commission: Jefferson County Tax Collector – Birmingham and Bessemer Divisions, Tax Assessor – Birmingham and Bessemer Divisions, Revenue Commission, Probate Judge – Birmingham and Bessemer Divisions, Sheriff, Treasurer – Birmingham Division and Deputy Treasurer - Bessemer Division. Separate legal compliance examination reports are issued for these component units and these reports can be obtained from the State of Alabama Department of Examiners of Public Accounts.

The accompanying financial statements reflect the activity of the Jefferson County Commission (the primary government) and do not include all of the financial activities of the component units listed above as required by generally accepted accounting principles.

Governmental Structure, Local Economic Condition and Outlook

Jefferson County was created by the Alabama Territorial Legislature in 1819 and is actually older than the State of Alabama. The land was ceded in 1814 from the Creek Indian Nation in compliance with the Treaty of Fort Jackson. The area was settled by soldiers who had fought in Alabama with Andrew Jackson in the Creek War of 1813-1814. The County was named for Thomas Jefferson in honor of his many accomplishments as the author of the Declaration of Independence, the founder of the University of Virginia, and the third President of the United States. Jefferson County is Alabama's most populous county, having a population of 662,057 as of the 2000 U.S. Census, which represents 15% of Alabama's total population. It is the principal center of finance, trade, manufacturing, transportation, health care and education in the State. Birmingham, the State's largest city, and 34 other municipalities are located within the County's 1,124 square miles. The County is the principal center of the four-county Birmingham Metropolitan Statistical Area (MSA), which covers 3,187 square miles and ranks as the 55th most populated area among the 280 MSAs in the United States, all based on 2000 U.S. Census data.

The governing body of Jefferson County is the Jefferson County Commission. The five commissioners are elected from five districts within the County for four-year terms. The president of the Commission is then elected from among the five commissioners. The current term of office for the present commissioners, President Larry Langford and Commissioners Mary M. Buckelew, Bettye Fine Collins, Shelia Smoot, and Gary White began in November, 2002, and will end in November, 2006. The major responsibilities of the Commission are as follows: administer the County's finances; serve as custodians of all the County's property; collect taxes as set by state law; allocate resources for the construction of buildings, roads and other public facilities; provide for the delivery of services that by law are the County's responsibility (such as sewer service, medical care for the indigent, and law enforcement); and make appointments to various governmental boards and agencies. The County employs approximately 4,000 individuals, who perform tasks in five major areas of County government. These areas are the Department of Finance and General Services, the Department of Roads & Transportation, the Department of Environmental Services, the Department of Health and Human Services, and the Department of Community and Economic Development.

Jefferson County enjoys a broad-based economy in which no single industry dominates. This diversity helps insulate the region from many of the economic fluctuations experienced elsewhere. Major industries, measured by number of jobs, include services – 31%, trade – 24%, government – 14%, manufacturing (durable and nondurable goods) – 10%, finance, insurance and real estate – 8%, construction – 7%, and transportation and public utilities – 6%. With nationally recognized University of Alabama at Birmingham Medical Center, the Oxmoor Valley Research Park, and Southern Research Institute, Jefferson County is a leader in medical and scientific research and development. The County has become the top financial center of the Deep South with the reach of the Alabama-based banks extending to ten states from North Carolina to Texas. Nine of the ten Alabama businesses earning spots on the elite Forbes 500 list of the nation's top performing public companies are headquartered in Jefferson County. These companies are SouthTrust Bank, Region's Financial Corporation, AmSouth Bank Corporation, Torchmark Corporation, Compass Bancshares, HealthSouth Corporation, Caremark Rx, Inc., Protective Life Corporation, and Vulcan Materials. In addition, the only two Alabama businesses ranked on Forbes' list of the top 257 private companies are headquartered in Jefferson County.

The terrorist attacks of September 11, 2001 do not appear to have adversely affected the County's economic condition for the year. Although the high growth rate enjoyed in recent years was not experienced or expected, sales taxes remained stable, indicating a continued public confidence in future earnings. In addition, occupational taxes remained relatively unchanged in spite of an approximate 41% increase in the unemployment rate. It appears that either the effects of the decrease in the job market have not manifested themselves yet, or the jobs lost were low-paying. However, it is significant to note such a large increase in the unemployment rate due to its potentially adverse effects. Approximately \$50 million has been received annually from occupational taxes, which support general government operations. The County's unemployment rate of 4.8% still compares favorably to the State of Alabama's 5.7% rate and the national rate of 5.6%.

Online transactions over the Internet are becoming increasingly common. Jefferson County has taken advantage of this capability to offer online services to its citizens. Online services can be accessed by visiting the County's website or by using one of the conveniently located kiosks. The County offers motor vehicle renewals, boat and manufactured home registrations, and property tax payments online. The County Commission is looking toward expanding Internet applications to allow business license, sales tax, and other County-collected revenues to be remitted electronically.

Major Initiatives

For the Year. Jefferson County's staff has been involved in a variety of projects throughout the year. These projects reflect the Commission's commitment to improving the quality of life for its citizenry and ensuring that its citizens are able to live and work in an enviable environment.

The Jefferson County Commission identified several major areas of improvements that were needed to meet citizens' demands for services and to safeguard the environment in conformity with applicable federal and state standards. These improvements included utilizing the Internet to disseminate information and process transactions; upgrading of wastewater treatment facilities, including the construction of additional sewer lines to serve the needs of rapidly-growing residential subdivisions and commercial industry; construction projects for

improving local roadways; solving air quality issues; and stimulating economic and industrial growth.

The Commission, responding to the public's request for information and increased service on the Internet, has a confirmed goal to make county government more accessible, more convenient, and more cost effective. Citizens can access online services by visiting the County's website or by using one of the conveniently located kiosks. The County offers motor vehicle renewals, boat and manufactured home registrations, and property tax payments online.

The County is a party of a consent decree arising out of certain litigation involving alleged violations of the Clean Water Act in the operation of the wastewater system. The County has committed to the development and implementation of a remedial plan that is intended to eliminate bypasses and other discharges of untreated sewage to streams in Jefferson County. The remedial plan requires extensive rehabilitation of lateral and collection sewers throughout the County and construction of additional capacity to the treatment plants in the system. Phases I and II of the remedial plan, involving planning documents and detailed analyses of conditions, respectively, were completed during 2000. Also, Phase III, the implementation phase, has begun and will continue through 2007. The total estimated cost of the remedial plan is approximately \$3 billion. As of the fiscal year ended September 30, 2002, approximately \$1.06 billion had been expended under the remediation plan. The County also has undertaken Clean Water Act compliance projects which, while not specifically mandated in the Consent Decree, must be constructed to meet existing and future Environmental Protection Agency standards. Through the end of fiscal year 2002, approximately \$173 million has been expended on the compliance projects, with total projected costs estimated at \$582 million. Additionally, the County has an ongoing sewer improvement program whereby approximately \$174 million has been spent through September 30, 2002 generally on expansion projects. The Jefferson County Commission has postponed work on the Clean Water Act compliance projects until adequate solutions for funding have been identified.

During the year, the Commission demonstrated its efforts to construct and improve local roadways by spending approximately \$46 million for construction and maintenance of highways and bridges within the County.

The Jefferson County Department of Environmental Protection continues to be a leader in the fight to control air pollution in the area. Along with partners the Jefferson County Department of Health and the Birmingham Area Chamber of Commerce, the Department is coordinating an extensive ozone action campaign targeted at area citizens, businesses and local governments. Reducing ozone pollution is made difficult by the fact that the County's citizens each drive an average of approximately 32 miles per day, which is the second highest per capita in the nation. An additional contributing factor is the area's inadequate public transportation system, with its limited routes and low rate of citizen utilization. However, it is believed that voluntary pollution reduction measures, combined with mandated emissions controls for area industries and coal-burning power plants, will enable the County to come into compliance with federal ozone standards.

For the Future. Commitment to the sanitary operations capital improvement program remains a high priority. Current projects are ahead of schedule, and the County anticipates completing the entire remediation plan ahead of schedule. The County has been successful in gaining statutory approval to extend the maturity date of some warrants to forty years, thereby

reducing the financial burden on current customers and extending the payments more equitably over the life of the assets.

In October 2002, the Commission approved a \$2,666,972 grant to the Jefferson County Economic and Industrial Development Authority. The Commission has worked closely with the Authority in conjunction with the opening of the Jefferson Metropolitan Park industrial park located in western Jefferson County. In July 2001, Office Max, Inc., became the Park's first tenant, locating a 600,000 square foot, \$45 million distribution center in the park and employing approximately 400 people. New tenants include Oxford Automotive, who will invest \$200 million and hire more than 300 persons at its 370,000 square-foot plant. Recently, Plastipak Packaging, Inc. announced that it has selected the Park for the site of a \$30 million plastics facility that will serve as the company's Southeastern hub. The company currently has nine plants in the United States, two in Brazil, and one in Argentina.

Jefferson County utilizes a five-year Capital Improvement Plan to analyze and determine priorities for capital projects. This process allows the Commission to properly plan and budget for anticipated capital projects. The Capital Improvement Plan is presented to the Commission for approval annually. Each project is categorized and funds are appropriated for each Capital project. The following categories of projects have been appropriated for fiscal year 2002-2003:

	<u>(Thousands)</u>
Building Renovation Projects	\$ 23,103
Road Construction Projects	7,119
Landfill Improvements Projects	25
Sewer Improvements Projects	41,724
Total	<u>\$ 71,971</u>

Additionally, construction contracts and other significant commitments at September 30, 2002 totaled approximately \$368 million.

Internal Controls. Management of Jefferson County is responsible for establishing and maintaining an internal control structure. The purpose of the internal control structure is to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal, state and local financial assistance, Jefferson County is also responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management.

As a part of the County's single audit, which is required in conformity with provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations*, tests are made to determine the adequacy of the internal control structure, including that portion related to federal

financial assistance programs, as well as to determine if the County has complied with applicable laws and regulations. The results of the County's single audit for the fiscal year ended September 30, 2002, provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgetary Controls. In addition, Jefferson County maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Commission. Activities of the general fund, special revenue funds and the debt service fund are included in the annual appropriated budget. Project-length budgets are prepared for the capital projects funds. The level of budgetary control is the expenditure category at the departmental level within each fund. The government also maintains an encumbrance accounting system as one method of maintaining budgetary control. Encumbered amounts lapse at year-end. However, outstanding encumbrances generally are reappropriated as part of the following year's budget.

Pension Trust Fund Operations. The General Retirement System for Employees of Jefferson County continues to be strongly funded, comparing the actuarial value of assets to the actuarial accrued liability. Accordingly, based upon the two most recent actuarial valuations, the pension trust funded ratio was 111% at September 30, 2002 and 117% at September 30, 2001.

Debt Administration. At September 30, 2002 Jefferson County had a number of debt issues outstanding. The principal forms of indebtedness that the County is authorized to incur include general obligation bonds, general obligation warrants, general obligation bond anticipation notes, special or limited obligation warrants, and various revenue anticipation bonds and warrants relating to enterprises. Under existing law, the County may issue general obligation bonds only after a favorable vote of the electorate of the County. General and special obligation warrants issued for certain specified purposes may be issued without voter approval.

The County had general obligation warrants and sewer revenue warrants outstanding at year-end. The general obligation debt of the County at September 30, 2002 was \$268,230,000. Sewer revenue warrants outstanding at September 30, 2002 totaled \$2,437,755,000. This long-term liability is represented by (1) the 1997-A Sewer Revenue Warrants (\$211,040,000); (2) the 1997-B Taxable Sewer Revenue Refunding Warrants (\$10,805,000); (3) the 1997-C AWPCA Refunding Warrant (\$41,820,000); (4) the 1997-D Sewer Revenue Warrants (\$296,395,000); (5) the 1999-A Sewer Revenue Capital Improvement Warrants (\$952,695,000); and (6) the 2001-A Sewer Revenue Capital Improvement Warrants (\$275,000,000); (7) the 2002-A Sewer Revenue Warrants (\$110,000,000); and (8) the 2002-B Sewer Revenue Capital Improvement Warrants (\$540,000,000).

DEBT RATIOS

The following table presents certain information and ratios that relate the net bonded debt of the County to other economic and demographic data.

Amount of net bonded debt	\$113,376,000
Ratio of net bonded debt to assessed value of taxable property	1.87%
Per capita net bonded debt (based on latest census)	\$171

CREDIT RATING

Jefferson County's most recent warrants received the following ratings from independent credit rating agencies:

	<u>Insured</u>	<u>Underlying</u>
General Obligation:		
Moody's Investor Service, Inc.	Aaa	Aa3
Standard & Poor's Corporation	AAA	AA
Sewer Revenue:		
Moody's Investors Service, Inc.	Aaa	A3
Standard & Poor's Corporation	AAA	A

Cash Management Policies and Practices. Jefferson County's investment policy is to maintain investment strategies that minimize risk and maximize return while meeting the goals of diversification, liquidity and safety of principal.

Jefferson County funds may be invested in the following instruments as allowed and modified by controlling legislation:

- (1) Direct obligations of the Department of the Treasury of the United States of America;
- (2) Obligations of certain federal agencies, which obligations represent the full faith and credit of the United States of America;
- (3) U.S. dollar denominated deposited accounts and certificates of deposit with banks or savings institutions organized under the laws of the United States or any state thereof, and as further described in paragraph 11-81-21 of the Code of Alabama.
- (4) Pre-funded public obligations (municipal bonds) as further defined by paragraph 11-81-21 of the Code of Alabama;
- (5) Common Trust Funds as defined by paragraph 11-81-21 of the Code of Alabama;
- (6) Repurchase Agreements (Repos) are authorized subject to certain restrictions.

It is the County's policy to avoid exotic derivatives or other unseasoned and/or illiquid investments, and in particular the following investment instruments are specifically prohibited:

1. Inverse Floaters
2. IOs (interest only securities)
3. POs (principal only securities)
4. Z-Tranche Securities
5. Futures
6. Options
7. Options on Futures
8. Margin Buying
9. Leveraging
10. Commodities

The County's deposits at September 30, 2002 were entirely covered by federal depository insurance or by collateral held by the pledging financial institution's trust department in the Commission's name.

Risk Management. Jefferson County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Therefore, the County maintains a risk management program in order to minimize its exposures to loss. As part of the comprehensive plan, the County has established a Risk Management Fund whereby resources are accumulated to meet potential losses. The County is self-insured for both general and auto liability and for workers compensation, with a retention of \$350,000 and third party excess coverage for statutory amounts above the retention amount. Third party insurance coverage is maintained for property coverage and medical malpractice coverage. At September 30, 2002, the Risk Management Fund maintained a \$5 million reserve for contingencies in excess of the actuarially determined self-insurance liabilities.

The County maintains an ongoing safety program that includes defensive driving training, as well as having recently implemented a very successful employee wellness program.

Independent Audit. Code of Alabama 1975, Section 41-5-14 requires that the books, records, vouchers, and accounts of every county commission or board be examined and audited at least once in every period of two years and more frequently or continuously if that is deemed necessary or desirable by the chief examiner. Jefferson County is audited annually by the State of Alabama Department of Examiners of Public Accounts. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Federal Single Audit Act of 1984 and the related U.S. Office of Management and Budget's Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Generally accepted auditing standards and the standards set forth in the General Accounting Office's *Government Auditing Standards* report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports on internal controls and compliance with applicable laws and regulations can be found in a separately issued single audit report.

Awards. Jefferson County was awarded the Government Finance Officers Association Award for Distinguished Budget Presentation for its fiscal year ended September 30, 2002. In order to qualify for the Distinguished Budget Presentation Award, the governmental organization budget document must meet stringent program criteria as a policy document, an operating guide, a financial plan, and a communication device. The award is valid for a period of one year only. This achievement represented Jefferson County's eighth consecutive year to receive the award. We believe our current budget continues to conform to program requirements, and we have submitted it to GFOA to determine its eligibility for another award.

Acknowledgments. The preparation of this report could not have been accomplished without the efficient and dedicated service of the entire staff of the Finance Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also should be given the Commission President and entire Jefferson County Commission for their interest and support in planning and conducting the operations of Jefferson County in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Steve Saylor", written in a cursive style.

Steve Saylor
Finance Director

**Jefferson County, Alabama
County Officials
September 30, 2002**

Jefferson County Board of Commissioners

**Larry P. Langford, President
Mary M. Buckelew
Bettye Fine Collins
Shelia Smoot
Gary White**

Administrative

Otis Brown.....Board of Equalization, Chairperson
Nell HunterBoard of Registrars, Chairperson
Sylvester Kyneard Central Laundry, Superintendent
Robert Lunsford Community Development, Director
Dr. Sandral Hullett..... Cooper Green Hospital, Chief Executive Officer
Dr. Robert Brissie Coroner/Medical Examiner, Coroner
Edwin A. Strickland County Attorney's Office, County Attorney
Patrick Nicovich..... County Nursing Home, Director
Jack Swann..... Environmental Services, Director
Jeff McGee..... Family Court, Chief Probation Officer
Stephen F. Saylor..... Finance Department, Director
Billy Morace..... General Services, Director
Wayne Cree Information Services, Chief Information Officer
William Mullins Inspection Services, Director
Frank Humber Land Development/Planning, Director
Linda Hand..... Law Library, Law Librarian
Bill Voight Office of Senior Citizens Services, Director
Randy Godeke Revenue Department, Director
Wayne Sullivan Roads and Transportation, Director
Tommy Rouse..... Youth Detention Center, Director

Appointed

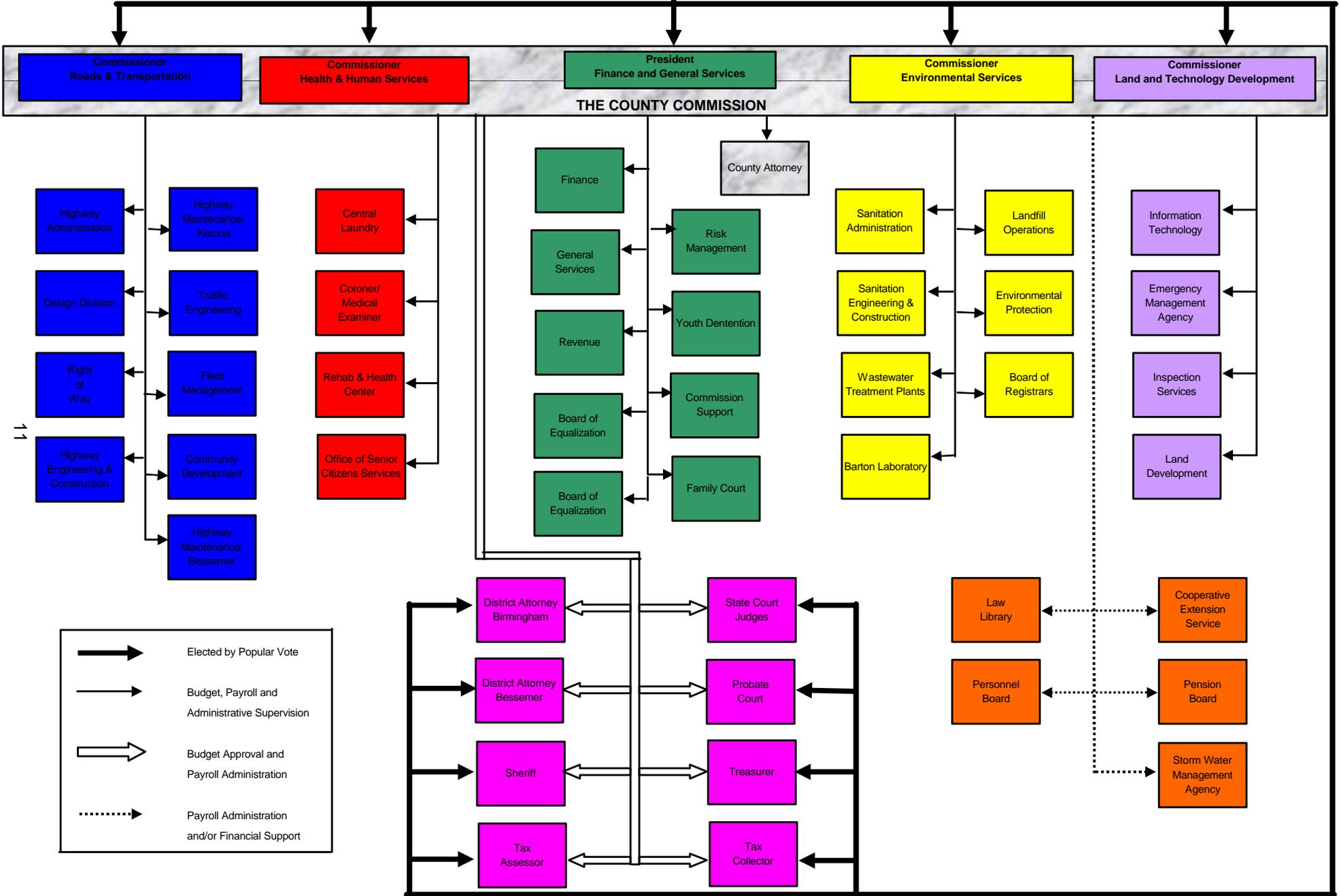
Elwood Odom..... Emergency Management Agency, EMA Coordinator
Cathy Crumley Pension Board, Pension Coordinator
Vacant..... Personnel Board, Director
Agnes Miller State Courts, Court Administrator

Elected

Samuel Russell District Attorney, Bessemer District
David Barber District Attorney, Birmingham District
Mike Bolin Probate Court, Probate Judge 1
Mike Hale Sheriff Department, Sheriff
Charles Crim Tax Assessor's Office, Tax Assessor
Jack Williams Tax Collector's Office, Tax Collector
Barry Stephenson..... Treasurer's Office, Treasurer

JEFFERSON COUNTY, ALABAMA

ELECTORATE



RESPONSIBILITIES OF JEFFERSON COUNTY

The Jefferson County Commission

The governing body of the County is the County Commission. The commissioners are elected from five districts for four-year terms. The present commissioners are President Larry P. Langford, Mary M. Buckelew, Bettye Fine Collins, Shelia Smoot, and Gary White.

The major responsibilities of the County Commission are to administer the County's finances, serve as custodian of all the County's property, collect taxes as set by state law, allocate resources for the construction of buildings, roads and other public facilities, provide for the delivery of services that by law are the County's responsibility (such as sewer services, medical care, care for the indigent and law enforcement), and make appointments to various governmental boards and agencies.

As of October 1, 2002, the County employed approximately 4,200 individuals. The County's employees perform tasks in five areas of County government. These areas are the Department of Finance and General Services, the Department of Roads and Transportation, the Department of Environmental Services, the Department of Health and Human Services, and the Department of Land and Technology Development. A description of each area follows:

The Department of Finance and General Services

The Department of Finance and General Services is responsible for the administration of the financial affairs of the County, management of County-owned buildings, maintenance of the County's accounting records, and the operation of Cooper Green Hospital, which provides medical care for indigent County residents in hospital and clinic settings. The Department supervises the operations of the County Revenue Department, which collects a number of state and local taxes (such as sales and user taxes and other excise taxes), as well as the Finance Department. For the most part, the activities of the department are supported with monies from the County's General Fund with Cooper Green Hospital being supported by the Indigent Care Fund. The President of the County Commission, Larry P. Langford, has been assigned the responsibility of this department.

The Department of Roads and Transportation

The Department of Roads and Transportation is responsible for the construction and maintenance of public highways, streets and bridges within the unincorporated area of the County. Commissioner Shelia Smoot has been assigned the responsibility of this department as well as Community Development, which administers federal community development funds. Supported with monies from the Road Fund and the General Fund, the various division of Roads and Transportation include: Administration, Design, Right-of-Way, Highway Engineering, Highway Maintenance, Traffic Engineering, and Fleet Management.

The Department of Environmental Services

The Department of Environmental Services is responsible for the construction, operation and maintenance within the County of landfills, sewage disposal plants and sewage lines. Commissioner Gary White has been assigned the responsibility of this department. Its activities are financed through service fees in the Sanitary Operations Fund and Landfill Operations Fund.

The Department of Health and Human Services

The Department of Health and Human Services, which is the responsibility of Commissioner Bettye Fine Collins, supervises certain County health care facilities and agencies. Under the supervision of the department are the Jefferson Rehabilitation and Health Center, and the Office of Senior Citizens Services. The Rehabilitation and Health Center provides intermediate and skilled nursing care for the County's indigent population, and it is supported from the Indigent Care Fund with any deficiencies being absorbed by the General Fund. The Office of Senior Citizens Services develops and implements programs to provide services for the County's elderly residents.

The Department of Land and Technology Development

The Department of Land and Technology is responsible for activities related to the County's growth and development. Commissioner Mary M. Buckelew has been assigned the responsibility of this department, which includes the County's offices for Land Development and Inspection Services. The department also supervises Information Technology, which provides a full array of services related to information processing and management, and the County's Emergency Management Agency, which prepares for , and responds to , emergencies or disasters that threaten the lives, property and environment of Jefferson County residents.

GOVERNMENT FINANCE OFFICERS ASSOCIATION

AWARD FOR

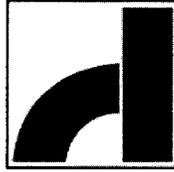
DISTINGUISHED BUDGET PRESENTATION

For the Fiscal Year Beginning October 1, 2001

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Jefferson County, Alabama for its annual budget for the fiscal year beginning October 1, 2001.

In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Jefferson County
Alabama**

For the Fiscal Year Beginning

October 1, 2001

Annita Shreve

President

Jeffrey R. Egan

Executive Director

