

JEFFERSON COUNTY, ALABAMA

AMENDED ANNUAL REPORT

April 30, 2010

Series Designations and CUSIP Numbers on Attached Schedule A

The following information is provided by Jefferson County, Alabama (the "County") pursuant to certain Continuing Disclosure Agreements executed and delivered by the County in connection with the issuance of certain of the obligations set forth on the attached Schedule A (the "Obligations"), in compliance with Securities and Exchange Commission Rule 15c2-12. Although the County has no Continuing Disclosure Agreement with regard to certain of the Obligations described in Schedule A (due to their exemption from the continuing disclosure obligations of SEC Rule 15c2-12), the County has nonetheless determined to include such Obligations in this Annual Report.

This Amended Annual Report aggregates all of the financial and operating information for the fiscal year ended September 30, 2009 that is required to be provided under the Continuing Disclosure Agreements entered into by the County with respect to the Obligations, with the exception of certain information described in the immediately succeeding sentence that is not currently available. The County does not have audited financial statements for the fiscal years ended September 30, 2008 and 2009 as of the date of this Annual Report. The County will file audited financial statements with the repositories for the fiscal years ended September 30, 2008 and 2009 when they become available.

This Amended Annual Report replaces the Annual Report, dated March 26, 2010, previously submitted by the County. The Amended Annual Report contains a revised summary of balance sheet.

Jefferson County Environmental Services Department
Results of Operations
Sewer System Utilization

Fiscal Year Ending September 30	2009	2008	2007	2006	2005	2004
Active Accounts	141,590	143,576	145,946	140,499	143,818	145,099
Average Daily Treatment Volume (millions of gallons treated)	113	92	84	112	126	100
Sewer Charges	\$ 152,192,193	\$ 151,148,307	\$ 141,274,390	\$ 134,664,424	\$ 123,980,100	\$ 118,809,266
% Revenue- Largest Customer	1.33%	1.00%	1.37%	1.69%	3.23%	3.98%
% Revenue- Top Ten Customers	6.51%	4.97%	5.40%	7.02%	11.40%	12.66%

2009 Top Ten Customers	Consumption	Billed
U.S. Steel	426,646	\$ 2,020,595
Veterans Administration	229,535	1,694,080
University of AL at Birmingham	148,489	1,098,819
Brookwood Hospital AMI	139,230	1,030,302
Barber's Pure Milk Co.	121,980	794,334
SMI Steel, Inc.	98,974	732,408
The Children's Hospital	86,433	639,604
Samford University	86,384	639,242
Trinity Medical Center	85,405	631,997
University of AL at Birmingham - Medical Education Building	84,335	624,079
	<u>1,507,411</u>	<u>\$ 9,905,460</u>

Sewer System Results of Operations
Summary of Revenues and Expenditures

	Fiscal Year Ended September 30, (in thousands)				
	2009 unaudited	2008 unaudited	2007	2006	2005
Operating Revenues					
Taxes	\$ 5,835	\$ 5,850	\$ 5,325	\$ 4,993	\$ 4,730
Intergovernmental	101	101	100	99	99
Charges for services	160,271	162,454	152,981	148,914	132,954
Other operating revenue	253	861	168	43	2,332
Total operating revenue	<u>166,460</u>	<u>169,266</u>	<u>158,574</u>	<u>154,049</u>	<u>140,115</u>
Operating Expenses					
Salaries and wages	20,699	21,554	21,208	21,418	21,287
Employee benefits and payroll taxes	7,267	7,945	6,502	7,552	5,964
Materials and supplies	3,104	1,466	1,183	620	1,417
Utilities	9,631	8,148	8,839	9,554	7,414
Outside services	12,754	11,124	15,598	8,940	6,385
Office expense	10	1,425	860	1,846	2,317
Depreciation	126,971	126,328	122,332	89,488	88,242
Other		137	446	60	8
Total operating expenses	<u>180,436</u>	<u>178,127</u>	<u>176,968</u>	<u>139,478</u>	<u>133,034</u>
Operating income (loss)	<u>\$ (13,976)</u>	<u>\$ (8,861)</u>	<u>\$ (18,394)</u>	<u>\$ 14,571</u>	<u>\$ 7,081</u>
Nonoperating Revenues (Expenses)					
Interest expense	(120,524)	(248,140)	(116,076)	(157,410)	(126,729)
Interest revenue	3,706	13,549	25,433	24,568	44,256
Amortization of bond issue costs		(18,346)	(12,452)	(12,444)	(12,372)
Contribution of capital assets			(21,818)		
Indirect costs					(4,747)
Gain (loss) on disposal of fixed assets	(15)	(241)	152	59	22
Indirect cost recovery					
Net nonoperating revenues (expenses)	<u>(116,833)</u>	<u>(253,178)</u>	<u>(124,761)</u>	<u>(145,227)</u>	<u>(99,570)</u>
Operating Transfers in			2	382	
Operating Transfers out	(5,241)		(30)	(4)	
Total operating transfers	<u>(5,241)</u>	<u>-</u>	<u>(28)</u>	<u>378</u>	<u>-</u>
Change in net assets	(136,050)	(262,039)	(143,183)	(130,278)	(92,489)
Total net assets, beginning of year, as restated	<u>563,274</u>	<u>825,313</u>	<u>968,496</u>	<u>1,076,261</u>	<u>1,168,750</u>
Total net assets, end of year	<u>\$ 427,224</u>	<u>\$ 563,274</u>	<u>\$ 825,313</u>	<u>\$ 945,983</u>	<u>\$ 1,076,261</u>

**Sewer System Results of Operations
Summary of Balance Sheet**

	As of September 30, (in thousands)				
	2009 unaudited	2008 unaudited	2007	2006	2005
Assets					
Cash and investments	\$ 255,517	\$ 261,060	\$ 407,379	\$ 490,207	\$ 600,777
Accounts receivable, net	25,054	24,147	17,733	20,973	21,143
Property taxes receivable, net	5,447	5,504	5,359	4,993	4,618
Interest receivable					
Due from other governmental units	2,202	2,223	1,161	955	809
Advances due from other funds			1,554		
Inventories	458	458	437	400	941
Prepaid items		4	4	2	3
Assets held for sale	525	525	525	525	
Deferred charges - issuance costs	62,084	62,084	63,976	67,814	59,731
Fixed assets, net	3,096,862	3,221,800	3,314,963	3,345,748	3,344,956
Total assets	<u>\$ 3,448,149</u>	<u>\$ 3,577,805</u>	<u>\$ 3,813,091</u>	<u>\$ 3,931,617</u>	<u>\$ 4,032,978</u>
Liabilities					
Accounts payable	\$ 35,399	\$ 5,606	\$ 10,107	\$ 6,471	\$ 4,470
Interest payable	87,910	61,163	13,817	15,862	
Swap termination liability		31,189			
Accrued wages and benefits payable	1,122	1,088	880	887	865
Retainage payable	56	2,150	2,638	2,535	8,215
Estimated liability for compensated absences	1,937	1,937	3,637	3,644	3,752
Due to other funds	31	493			
Deferred revenue	5,658	5,762	5,602	4,993	4,846
Estimated claims liability			988		
Arbitrage rebate payable	63	63	63	3,379	3,379
Warrants payable	3,182,617	3,193,242	3,254,465	3,260,895	3,264,750
Add: Unamortized Premiums	7,447	7,447	7,644	9,779	
Less: Deferred loss on refunding	(301,315)	(295,609)	(312,063)	(322,811)	(333,560)
Total liabilities	<u>3,020,925</u>	<u>3,014,531</u>	<u>2,987,778</u>	<u>2,985,634</u>	<u>2,956,717</u>
Net Assets					
Invested in capital assets, net of related debt	433,231	568,585	772,853	914,055	1,415,810
Unrestricted	(6,007)	(5,311)	52,460	31,928	(339,549)
Total Net Assets	<u>\$ 427,224</u>	<u>\$ 563,274</u>	<u>\$ 825,313</u>	<u>\$ 945,983</u>	<u>\$ 1,076,261</u>

General Sales and Use Tax Revenues

Fiscal Year Ending September 30	Total Amount Collected
1998	\$ 75,635,599
1999	\$ 78,898,175
2000	\$ 79,466,508
2001	\$ 81,836,173
2002	\$ 81,519,000
2003	\$ 82,381,463
2004	\$ 86,730,044
2005	\$ 91,945,154
2006	\$ 94,840,535
2007	\$ 96,818,757
2008	\$ 96,087,534
2009	\$ 85,291,553

Source: Jefferson County Revenue Department; represents the amount collected from the one-cent general sales and use tax.

Education Tax Revenues

Fiscal Year Ending September 30	Total Amount Collected
2005*	\$ 56,226,741
2006	\$ 94,985,060
2007	\$ 97,123,665
2008	\$ 96,848,180
2009	\$ 85,836,200

*Tax implemented January in 2005.

Source: Jefferson County Revenue Department

Occupational Tax Revenues

Fiscal Year Ending September 30	Total Amount Collected
1998	\$ 47,143,817
1999	\$ 47,945,225
2000	\$ 52,715,844
2001	\$ 54,121,734
2002	\$ 54,820,507
2003	\$ 54,960,587
2004	\$ 58,566,066
2005	\$ 61,010,652
2006	\$ 63,316,443
2007	\$ 67,012,708
2008	\$ 68,619,706
2009	\$ 65,719,583*

Source: Jefferson County Revenue Department

* A trial court recently ruled that the authorization for the County's occupational tax had been repealed and ordered the County to issue refunds of approximately \$50.3 million (as of December 23, 2009) plus accrued interest to payment. The County has appealed the trial court's order. The County was required to establish an escrow for certain tax proceeds collected in the 2009 fiscal year in order to pay refunds pending the outcome of the appeal. The State Legislature enacted a replacement occupational tax which the County is currently levying.

Assessed Valuation

Tax Year Ending September 30 ⁽²⁾	Net Assessed Value ⁽¹⁾			Total Net Assessed Values
	Real & Personal Property and Public Utility Property	Motor Vehicles		
1998	\$ 4,191,608,377	\$ 530,077,135	\$	4,721,685,512
1999	\$ 5,161,832,273	\$ 570,975,326	\$	5,732,807,599
2000 ⁽³⁾	\$ 4,992,672,194	\$ 697,002,840	\$	5,689,675,034
2001	\$ 5,058,656,913	\$ 811,100,700	\$	5,869,757,613
2002	\$ 5,216,266,428	\$ 836,375,940	\$	6,052,642,368
2003	\$ 6,000,171,881	\$ 843,387,840	\$	6,843,559,721
2004	\$ 6,355,450,404	\$ 851,610,300	\$	7,207,060,704
2005	\$ 6,692,153,068	\$ 897,031,920	\$	7,589,184,988
2006	\$ 7,236,058,226	\$ 950,638,720	\$	8,186,696,946
2007	\$ 7,744,422,422	\$ 959,570,458	\$	8,703,992,880
2008	\$ 8,238,988,223	\$ 950,681,658	\$	9,189,669,881
2009	\$ 8,154,366,233	\$ 843,094,468	\$	8,997,460,701

⁽¹⁾ Includes exemptions and penalties.

⁽²⁾ Taxes are paid in arrears; current tax collections for each year are collected October 1st through mid-May. Therefore, taxes assessed as of September 30th are not collected until the following fiscal year.

⁽³⁾ The decrease in assessed value of real and personal property and public utility property from tax year 1999 to tax year 2000 is due to a change in Alabama law in the methodology of imposing a tax upon shares of stock in Alabama corporations.

Sources: Jefferson County Tax Assessor, Abstract of Assessments, Exemptions and Ad Valorem Taxes, 2002 - 2009; prior years' data from earlier disclosure documents.

Principal Ad Valorem Taxpayers -- Tax Year 2009

Ranking	Name	County Tax	Total Assessment
1	Alabama Power Company	\$ 6,453,952	\$ 538,501,680
2	AT&T	\$ 2,090,125	\$ 235,388,550
3	USX Corporation	\$ 1,380,607	\$ 101,074,332
4	American Cast Iron Pipe Company	\$ 474,228	\$ 36,245,671
5	Kamtek Inc	\$ 448,580	\$ 33,228,162
6	Regions Bank	\$ 437,641	\$ 37,202,180
7	Alabama Gas Corp	\$ 420,508	\$ 35,330,450
8	Hoover Mall Limited L P	\$ 381,813	\$ 28,282,480
9	Blue Cross & Blue Shield	\$ 361,465	\$ 26,775,240
10	Lehigh Cement Co	\$ 316,264	\$ 23,426,988

Source: Jefferson County Tax Assessor

Ad Valorem Tax Collections

Tax Year Ended September 30 ⁽¹⁾	Total Net Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collection to Tax Levy
2009	\$ 580,123,421	\$ 559,724,507	96.48%	\$ 4,470,839	\$ 564,195,346	97.25%
2008	\$ 545,472,944	\$ 540,392,751	99.07%	\$ 2,377,973	\$ 542,770,724	99.50%
2007	\$ 509,403,085	\$ 501,067,572	98.36%	\$ 2,713,010	\$ 503,780,582	98.90%
2006	\$ 469,456,560	\$ 465,929,677	99.25%	\$ 3,508,788	\$ 469,438,465	100.00%
2005	\$ 445,840,218	\$ 437,722,350	98.18%	\$ 4,612,988	\$ 442,335,338	99.21%
2004	\$ 420,329,738	\$ 414,819,160	98.69%	\$ 6,331,037	\$ 421,150,198	100.20%
2003	\$ 365,507,555	\$ 361,085,704	98.79%	\$ 4,205,271	\$ 365,290,975	99.94%
2002	\$ 351,730,297	\$ 348,124,036	98.97%	\$ 5,606,431	\$ 353,730,467	100.57%
2001	\$ 340,390,909	\$ 336,123,329	98.75%	\$ 3,483,841	\$ 339,607,170	99.77%
2000	\$ 333,819,916	\$ 330,192,023	98.91%	\$ 3,719,694	\$ 333,911,717	100.03%
1999	\$ 284,182,209	\$ 283,265,317	99.68%	\$ 2,793,609	\$ 286,058,926	100.66%
1998	\$ 265,673,868	\$ 262,277,245	98.72%	\$ 4,253,108	\$ 266,530,353	100.32%

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

Source: Jefferson County Tax Collector

Jefferson County Debt

	Principal Amount Outstanding as of September 30, 2009
<u>Obligations Not Subject to Debt Limit</u>	
Sewer Revenue Refunding Warrants, Series 1997-A, dated February 1, 1997, maturing February 1, 2017, through February 1, 2027	\$ 57,030,000
Sewer Revenue Capital Improvement Warrants, Series 2001-A, dated March 1, 2001, maturing February 1, 2010, through February 1, 2020	12,870,000
Sewer Revenue Capital Improvement Warrants, Series 2002-A, maturing February 1, 2042 *	101,465,000
Sewer Revenue Capital Improvement Warrants, Series 2002-C, maturing February 1, 2040 *	806,737,500
Sewer Refunding Warrants, Series 2003-A, maturing February 15, 2010 through February 15, 2015	22,040,000
Sewer Revenue Refunding Warrants, Series 2003-B, maturing February 1, 2010 through February 1, 2042 *	1,133,150,000
Sewer Revenue Refunding Warrants, Series 2003-C, maturing February 1, 2010 through February 1, 2036, and February 1, 2038 through February 1, 2042	1,049,325,000
Limited Obligation School Warrants, Series 2004-A, maturing January 1, 2010 through January 1, 2025	584,050,000
Limited Obligation School Warrants, Series 2005-A, maturing January 1, 2010 through January 1, 2027	110,900,000
Limited Obligation School Warrants, Series 2005-B, maturing January 1, 2010 through January 1, 2027	185,150,000
Lease Revenue Warrants, Series 2006, issued by the Jefferson County Public Building Authority, maturing April 1, 2010 through April 1, 2021 and April 1, 2025 and 2026	84,720,000
TOTAL	<u>\$ 4,147,437,500</u>
<u>Obligations Subject to Debt Limit</u>	
General Obligation Warrants, Series 2001-A, maturing April 1, 2010 through April 1, 2011	\$ 19,195,000
General Obligation Warrants, Series 2001-B, maturing April 1, 2021 *	105,000,000
General Obligation Capital Improvement and Refunding Warrants, Series 2003-A, maturing April 1, 2010 through April 1, 2023	50,165,000
General Obligation Capital Improvement Warrants, Series 2004-A, maturing April 1, 2011 through April 1, 2024	51,020,000
TOTAL	<u>\$ 225,380,000</u>

* A portion of these warrants have been purchased by banks and/or bond insurers pursuant to liquidity facilities and are subject to accelerated redemption prior to the stated maturities in the table above. A further description of the accelerated redemptions can be found in material event notices previously filed by the County.

Debt Service Requirements on General Obligation Debt

<u>Fiscal Year Ending September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
9/30/2010	\$ 12,805,000	\$ 5,800,695	\$ 18,605,695
9/30/2011	12,055,000	5,160,445	17,215,445
9/30/2012	2,880,000	4,643,505	7,523,505
9/30/2013	2,965,000	4,538,605	7,503,605
9/30/2014	3,075,000	4,411,308	7,486,308
9/30/2015	3,185,000	4,277,638	7,462,638
9/30/2016	3,305,000	4,137,425	7,442,425
9/30/2017	3,430,000	3,990,100	7,420,100
9/30/2018	3,580,000	3,815,513	7,395,513
9/30/2019	3,735,000	3,636,513	7,371,513
9/30/2020	3,875,000	3,468,250	7,343,250
9/30/2021	4,045,000	3,274,500	7,319,500
9/30/2022	19,490,000	3,072,250	22,562,250
9/30/2023	20,465,000	1,313,750	21,778,750
9/30/2024	21,490,000	1,074,500	22,564,500
TOTAL	<u>\$ 120,380,000</u>	<u>\$ 56,614,997</u>	<u>\$ 176,994,997</u>

Note: The Series 2001-B Warrants have been excluded from this table. A majority of the Series 2001-B Warrants were purchased by banks beginning in March, 2008 pursuant to liquidity facilities and are now subject to accelerated redemption in six equal semiannual installments, although the liquidity banks are not currently demanding that the County redeem the Series 2001-B Warrants as provided under the liquidity facilities. A further description of events related to the Series 2001-B Warrants can be found in material event notices filed by the County.

Jefferson County, Alabama Debt Ratios

Population ⁽¹⁾	659,503
Assessed Value of Taxable Property ⁽²⁾	\$ 8,997,460,701
General Obligation Debt	\$ 225,380,000
General Obligation Debt Per Capita	\$ 341.74
Ratio of General Obligation Debt to Assessed Value	2.50%

⁽¹⁾ Source: US Census Bureau, 2008 estimate

⁽²⁾ Source: Jefferson County Tax Assessor

Schedule A

Jefferson County, Alabama Sewer Revenue Warrants

Fixed Rate Warrants

Series 1997 A

CUSIP

472682NV1
472682NW9
472682NX7
472682MC4
472682MD2

Series 2001 A

CUSIP

472682JD6
472682JE4
472682JF1
472682JG9
472682JH7
472682JJ3
472682JL8
472682JM6
472682JN4

Series 2003-B-8

CUSIP

472682MM2
472682MN0
472682MP5
472682MQ3
472682MR1
472682MS9

[Continued on following page]

**Jefferson County, Alabama
Sewer Revenue Warrants**

Variable Rate Demand Warrants

Series 2002 A

CUSIP	Subseries
472682PU1	2002 A

Series 2002 C

CUSIP	Subseries
472682PV9	2002 C-2
472682PW7	2002 C-3
472682PX5	2002 C-4
472682PY3	2002 C-6
472682PZ0	2002 C-7

Series 2003 B

CUSIP	Subseries
472682QA4	2003 B-2
472682QB2	2003 B-3
472682QC0	2003 B-4
472682QD8	2003 B-5
472682QE6	2003 B-6
472682QF3	2003 B-7

Auction Rate Warrants

Series 2002 C

CUSIP	Subseries
472682KA0	2002 C-1-A
472682KB8	2002 C-1-B
472682KC6	2002 C-1-C
472682KD4	2002 C-1-D
472682KH5	2002 C-5

Series 2003 B

CUSIP	Subseries
472682LH4	2003 B-1-A
472682LJ0	2003 B-1-B
472682LK7	2003 B-1-C
472682LL5	2003 B-1-D
472682LM3	2003 B-1-E

Series 2003 C

CUSIP	Subseries
472682NA7	2003 C-1
472682NB5	2003 C-2
472682NC3	2003 C-3
472682ND1	2003 C-4
472682NE9	2003 C-5
472682NF6	2003 C-6
472682NG4	2003 C-7
472682NH2	2003 C-8
472682NJ8	2003 C-9
472682NK5	2003 C-10

**Jefferson County, Alabama
General Obligation Warrants**

Fixed Rate Warrants

Series 2001-A

CUSIP

472628NQ5

472628NR3

Series 2003-A

CUSIP

472628PE0

472628PF7

472628PG5

472628PH3

472628PJ9

472628PK6

472628PL4

472628PM2

Series 2004-A

CUSIP

472628PQ3

472628PR1

472628PS9

472628PT7

472628PU4

472628PV2

472628PW0

472628PX8

472628PY6

472628PZ3

472628QA7

472628QB5

472628QC3

472628QD1

Variable Rate Demand Warrants

Series 2001-B

CUSIP

472628NS1

**Jefferson County, Alabama
Limited Obligation School Warrants**

Fixed Rate

Series 2004-A

CUSIP
472653AD6
472653AE4
472653AF1
472653AG9
472653AH7
472653AJ3
472653AK0
472653AL8
472653AM6
472653AN4
472653AP9
472653AQ7
472653AR5
472653AS3
472653AT1
472653AU8

Auction Rate Warrants

Series 2005-A

CUSIP	Subseries
472653BA1	2005-A-1
472653BB9	2005-A-2
472653BC7	2005-A-3
472653BD5	2005-A-4

Variable Rate Demand Warrants

Series 2005-B

CUSIP
472653BE3

Alabama Water Pollution Control Authority

Revolving Fund Loan Refunding Bonds

Series 2003-B

CUSIP

010653QU0
010653QV8
010653QW6
010653QX4
010653QY2
010653QZ9
010653RA3

Jefferson County Public Building Authority

Lease Revenue Warrants

Series 2006

CUSIP

47267PAC7
47267PAD5
47267PAE3
47267PAF0
47267PAG8
47267PAH6
47267PAJ2
47267PAK9
47267PAL7
47267PAM5
47267PAN3
47267PAP8
47267PAQ6