

Report on the

Office of Treasurer

Jefferson County, Alabama

October 1, 2005 through September 30, 2006

Filed: September 28, 2007



Department of Examiners of Public Accounts

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Ronald L. Jones, Chief Examiner

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Ronald L. Jones
Chief Examiner

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

Dear Sir:

Under the authority of the *Code of Alabama 1975*, Section 41-5-14, I submit this report on the Office of Treasurer, Jefferson County, Alabama, for the period October 1, 2005 through September 30, 2006.

Honorable Barry Kenneth Stephenson, Treasurer
Honorable Doris H. Britton, Deputy Treasurer

SCOPE AND OBJECTIVES

This report encompasses an examination of financial information of the Office of Treasurer, Jefferson County, Alabama, and a review of compliance by the Treasurer with applicable laws and regulations of the State of Alabama. The objective of this examination was to determine whether the Treasurer complied with applicable laws and regulations.

CONTENTS OF THE REPORT

This report includes the following components:

1. Report to the Chief Examiner – contains information pertaining to: the function or purpose of the office, state and local legal compliance, office operations and other matters.
2. Financial Information – includes financial information (Exhibits 1 through 8) on the Office of Treasurer, Jefferson County, Alabama.

COMMENTS

The Office of Treasurer, Jefferson County, Alabama, acts as custodian of county funds. The Treasurer is responsible for the investing and the disbursing of funds at the discretion of the Jefferson County Commission or by an authorized agent for fiduciary and trust funds.

The Office of Treasurer, Jefferson County, Alabama, appears to have complied, in all material respects, with all applicable laws and regulations.

Sworn to and subscribed before me this
the 8th day of September, 2007.

Key J. McAlester
Notary Public

Respectfully submitted,

Amanda M. Moore
Amanda M Moore
Examiner of Public Accounts

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Summary of Cash and Investments
September 30, 2006

	Total
<u>Cash in Banks</u>	
Operating Funds	\$ (13,734,494.66)
Enterprise Funds	82,347.48
Fiduciary Funds	260,428.92
Trust Funds	1,253,598.29
Sub-Total	<u>(12,138,119.97)</u>
Investments	74,959,000.00
Total	<u><u>\$ 62,820,880.03</u></u>

Statement of Receipts, Disbursements and Balances
Operating Funds
October 1, 2005 through September 30, 2006

Fund/Account	Office	Treasurer's Balance 10/01/2005	Receipts
Operating	Birmingham	\$ 263,679.33	\$ 339,689,053.48
Accounts Payable	Birmingham	(9,386,108.00)	
Payroll	Birmingham	(82,676.86)	
Petty Cash	Birmingham	13,137.24	325,830.80
Transfer Fund, Bessemer Treasurer	Bessemer	65,043.33	1,424,935.67
Total Operating Funds		\$ (9,126,924.96)	\$ 341,439,819.95

Transfers In	Disbursements	Transfers Out	Treasurer's Balance 09/30/2006
\$ 7,776,509,150.95	\$(7,693,269,000.00)	\$ (422,921,914.25)	\$ 270,969.51
326,987,817.15	(331,599,692.14)		(13,997,982.99)
44,437,618.64	(44,428,208.67)		(73,266.89)
	(330,128.40)		8,839.64
	(1,433,032.93)		56,946.07
<u>\$ 8,147,934,586.74</u>	<u>\$(8,071,060,062.14)</u>	<u>\$ (422,921,914.25)</u>	<u>\$ (13,734,494.66)</u>

Statement of Receipts, Disbursements and Balances
Enterprise Funds
October 1, 2005 through September 30, 2006

Cooper Green Hospital	Office	Treasurer's Balance 10/01/2005	Receipts
Operating	Birmingham	\$ 74,705.19	\$ 17,437,254.07
Total Enterprise Funds		<u>\$ 74,705.19</u>	<u>\$ 17,437,254.07</u>

Transfers In	Disbursements	Transfers Out	Treasurer's Balance 09/30/2006
\$ 464,838,350.32	\$	\$ (482,267,962.10)	\$ 82,347.48
\$ 464,838,350.32	\$	\$ (482,267,962.10)	\$ 82,347.48

Statement of Receipts, Disbursements and Balances
Fiduciary Funds
October 1, 2005 through September 30, 2006

Fund/Account	Office	Treasurer's Balance 10/01/2005	Receipts
Redemption Fund	Birmingham	\$ 20,559.94	\$ 39,189,747.24
Redemption Fund	Bessemer	73,814.64	6,112,414.44
Special Witness Fund	Birmingham	1,220.08	177,144.68
Total Fiduciary Funds		\$ 95,594.66	\$ 45,479,306.36

Transfers In	Disbursements	Transfers Out	Treasurer's Balance 09/30/2006
\$ 29,114,876.39	\$ (35,040,299.95)	\$ (33,059,000.00)	\$ 225,883.62
4,698,085.05	(5,854,256.59)	(5,000,000.00)	30,057.54
248,462.82	(251,877.00)	(170,462.82)	4,487.76
<u>\$ 34,061,424.26</u>	<u>\$ (41,146,433.54)</u>	<u>\$ (38,229,462.82)</u>	<u>\$ 260,428.92</u>

Statement of Receipts, Disbursements and Balances
Trust Funds
October 1, 2005 through September 30, 2006

Fund/Account	Office	Treasurer's Balance 10/01/2005	Receipts
Tax Assessor Special - New	Birmingham	\$ 7,199.32	\$ 6,892.51
Assistant Tax Assessor Special	Bessemer	5,397.24	7,884.14
Tax Collector Special - New	Birmingham	2,839.62	19,741.09
Assistant Tax Collector Special	Bessemer	8,761.39	9,868.04
Sheriff's Special	Birmingham	60,434.13	192,890.85
Sheriff's Service	Birmingham	292,313.14	298,069.52
District Attorney	Birmingham	31,442.00	662,571.70
District Attorney	Bessemer	209,442.29	647,921.59
Worthless Checks	Birmingham		772,536.52
Worthless Checks	Bessemer	1.00	311,627.49
Probate Court	Birmingham	16,842.96	3,579,929.21
Probate Court	Bessemer	12,078.41	647,848.23
Barber Commission	Birmingham	2,882.68	31,338.00
General Retirement	Birmingham	54,048.36	18,351,032.41
Law Library	Bessemer	5,234.41	31,321.69
Law Library	Birmingham	75,664.58	384,459.80
Law Library - Money Market	Bessemer	2,673.33	15.10
Legislative Fund	Birmingham	74,784.87	105,642.00
Legislative Delegation Fund	Bessemer	2,012.92	24,243.50
License and Bond Fund	Birmingham	34,283.52	48,000.00
Savings Bond Fund	Birmingham	8,922.22	229,622.50
Investment Account	Birmingham	467.27	2,075,978.31
Total Trust Funds		<u>\$ 907,725.66</u>	<u>\$ 28,439,434.20</u>

Transfers In	Disbursements	Transfers Out	Treasurer's Balance 09/30/2006
\$	\$ (9,395.87)	\$	\$ 4,695.96
	(5,863.46)		7,417.92
	(20,820.62)		1,760.09
	(10,644.72)		7,984.71
	(50,000.00)	(134,590.78)	68,734.20
4,944.43	(303,315.66)		292,011.43
26,615.71	(540,011.03)	(150,000.00)	30,618.38
625.00	(505,696.02)		352,292.86
	(772,536.52)		
	(311,627.49)		1.00
2,657,288.00	(3,178,997.48)	(3,015,000.00)	60,062.69
10,000.00	(304,082.02)	(250,000.00)	115,844.62
	(30,678.54)	(40.00)	3,502.14
22,237,412.71	(9,878,567.61)	(30,744,373.93)	19,551.94
6,000.00	(29,833.73)		12,722.37
25.48	(396,095.03)		64,054.83
			2,688.43
	(50,701.17)		129,725.70
	(15,200.00)	(11,000.00)	56.42
1,000.00	(20,000.00)		63,283.52
18.00	(610.00)	(221,600.00)	16,352.72
11,251,175,790.78	(11,216,515,000.00)	(36,737,000.00)	236.36
<u>\$ 11,276,119,720.11</u>	<u>\$(11,232,949,676.97)</u>	<u>\$ (71,263,604.71)</u>	<u>\$ 1,253,598.29</u>

Investments
September 30, 2006

Fund/Purchase Date	Description	Maturity Date
<u>Investment Fund</u> September 30, 2006	Repurchase Agreement	10/02/2006
<u>Operating Account</u> September 30, 2006	Repurchase Agreement	10/02/2006
<u>Cooper Green Hospital</u> September 30, 2006	Repurchase Agreement	10/02/2006
Total Investments		

Interest Rate	Market Value	Investments at Cost	Totals
5.00%	\$ 57,859,000.00	\$ 57,859,000.00	\$ 57,859,000.00
5.00%	15,373,000.00	15,373,000.00	15,373,000.00
5.00%	1,727,000.00	1,727,000.00	1,727,000.00
	<u>\$ 74,959,000.00</u>	<u>\$ 74,959,000.00</u>	<u>\$ 74,959,000.00</u>

Summary of Bank Reconcilements
September 30, 2006

Account	Office	Balance Per Banks 09/30/2006
Operating	Birmingham	\$ 270,969.51
Accounts Payable	Birmingham	
Payroll	Birmingham	
Petty Cash	Birmingham	8,839.64
Transfer Fund, Bessemer Treasurer	Bessemer	56,946.07
Cooper Green Hospital: Operating	Birmingham	82,347.48
Redemption Fund	Birmingham	400,279.82
Redemption Fund	Bessemer	249,919.42
Special Witness Fund	Birmingham	4,487.76
Tax Assessor's Special Fund	Birmingham	5,095.96
Assistant Tax Assessor's Special Fund	Bessemer	7,417.92
Tax Collector's Special Fund	Birmingham	2,089.09
Assistant Tax Collector's Special Fund	Bessemer	7,984.71
Barber Commission	Birmingham	3,502.14
District Attorney's Fund	Birmingham	38,465.93
District Attorney's Fund	Bessemer	354,864.18
General Retirement	Birmingham	404.45
Investment Account	Birmingham	236.36
Law Library	Birmingham	94,463.71
Law Library	Bessemer	12,722.37
Law Library - Money Market	Bessemer	2,688.43
Legislative Fund	Birmingham	129,725.70
Legislative Fund	Bessemer	56.42
License and Bond	Birmingham	64,283.52
Probate Court	Bessemer	115,844.62
Probate Court	Birmingham	80,334.18
Savings Bond	Birmingham	16,490.22
Sheriff's Special Fund	Birmingham	68,734.20
Sheriff's Service Fund	Birmingham	299,520.27
Worthless Checks	Bessemer	1.00
Total Bank Reconcilements		<u>\$ 2,378,715.08</u>

Less: Outstanding Checks	Add: Deposits In Transit	Adjustments	Treasurer's Balance
\$	\$	\$	\$
			270,969.51
(13,997,982.99)			(13,997,982.99)
(73,266.88)		(0.01)	(73,266.89)
			8,839.64
			56,946.07
			82,347.48
(174,396.20)			225,883.62
(219,861.88)			30,057.54
			4,487.76
(400.00)			4,695.96
			7,417.92
(329.00)			1,760.09
			7,984.71
			3,502.14
(7,847.55)			30,618.38
(2,571.32)			352,292.86
(205,852.21)	225,000.00	(0.30)	19,551.94
			236.36
(30,408.88)			64,054.83
			12,722.37
			2,688.43
			129,725.70
			56.42
(1,000.00)			63,283.52
			115,844.62
(20,271.49)			60,062.69
(137.50)			16,352.72
			68,734.20
(7,508.84)			292,011.43
			1.00
<u>\$ (14,741,834.74)</u>	<u>\$ 225,000.00</u>	<u>\$ (0.31)</u>	<u>\$ (12,138,119.97)</u>

Other Information
For the Year Ended September 30, 2006

A. Legal Authority

The Treasurer, Jefferson County, Alabama, operates under the authority of the *Code of Alabama 1975*, Section 11-4-23. The Treasurer is the custodian of funds for the Jefferson County Commission and acts in a trust or fiduciary capacity for the Probate Courts, Sheriff's Fund, Law Libraries, District Attorney's Funds and others, as shown on the Statements of Receipts, Disbursements and Balances.

B. Deposits and Investments

Deposits

The Treasurer's deposits at year-end were entirely deposited in Qualified Public Depositories under the Security for Alabama Funds Enhancement Act.

Investments

The Treasurer is legally authorized to invest in obligations of the U. S. Treasury and securities of federal agencies. The Treasurer's investments at year-end are shown below. All of the repurchase agreements were held by the Treasurer's agent in the Treasurer's name.

	Market Value	Cost
Repurchase Agreements	\$74,959,000.00	\$74,959,000.00

C. Individual Fund or Account Disclosures

At September 30, 2006, the funds or accounts which had deficit cash balances are listed below along with the offsetting investments. In addition, the bank makes transfers daily from the Operating Account to the Accounts Payable Account to cover checks that are cleared that day.

	Cash Deficits	Investments
<u>Operating Funds</u>		
Accounts Payable Fund	\$13,997,982.99	
Payroll Fund	73,266.89	
Total Operating Funds	\$14,071,249.88	\$15,373,000.00

