

Report on the

Office of Treasurer

Jefferson County, Alabama

October 1, 2009 through September 30, 2010

Filed: March 30, 2012



Department of Examiners of Public Accounts

50 North Ripley Street, Room 3201

P.O. Box 302251

Montgomery, Alabama 36130-2251

Website: www.examiners.alabama.gov

Ronald L. Jones, Chief Examiner



Ronald L. Jones
Chief Examiner

State of Alabama
Department of
Examiners of Public Accounts

P.O. Box 302251, Montgomery, AL 36130-2251
50 North Ripley Street, Room 3201
Montgomery, Alabama 36104-3833
Telephone (334) 242-9200
FAX (334) 242-1775

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

Dear Sir:

Under the authority of the *Code of Alabama 1975*, Section 41-5-21, I submit this report on the results of the examination of the Office of Treasurer, Jefferson County, Alabama, for the period October 1, 2009 through September 30, 2010.

Sworn to and subscribed before me this
the 14th day of March, 2012.

Jam E Hall
Notary Public

rb My Commission Expires
July 23, 2014

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Kim Huynh". The signature is written in a cursive style.

Kim Huynh
Examiner of Public Accounts

Table of Contents

	<i>Page</i>
Summary	A
Contains items pertaining to state and local legal compliance.	
Financial Information	1
Exhibit #1 Summary Schedule of Cash and Investments	2
Exhibit #2 Schedule of Receipts, Disbursements and Balances Operating Funds	3
Exhibit #3 Schedule of Receipts, Disbursements and Balances Enterprise Funds	5
Exhibit #4 Schedule of Receipts, Disbursements and Balances Fiduciary Funds	7
Exhibit #5 Schedule of Receipts, Disbursements and Balances Trust Funds	9
Exhibit #6 Schedule of Investments	11
Exhibit #7 Summary Schedule of Bank Reconcilements	13
Exhibit #8 Other Information	15



Department of
Examiners of Public Accounts

SUMMARY

**Office of Treasurer
Jefferson County, Alabama
October 1, 2009 through September 30, 2010**

The Office of Treasurer, Jefferson County, Alabama, (hereinafter referred to as the "Treasurer") acts as custodian 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 in accordance with *Code of Alabama 1975*, Section 11-4-23. The Treasurer's duties include, but are not limited to, the payment of all claims presented and maintaining an accurate accounting of all receipts and disbursements.

Honorable Jennifer P. Champion served as Treasurer during the examination period. Honorable Doris Britton served as Deputy Treasurer during the examination period.

This report presents the results of an examination of the Treasurer and a review of compliance by the Treasurer with applicable laws and regulations of the State of Alabama in accordance with the requirements of the Department of Examiners of Public Accounts under the authority of the *Code of Alabama 1975*, Section 41-5-14.

Tests performed during the examination did not disclose any material instances of noncompliance with applicable state or local laws and regulations.

The following officials were invited to an exit conference to discuss the results of the examination: Jefferson County Treasurer, Honorable Jennifer P. Champion; and Deputy Treasurer, Honorable Doris Britton. The following individuals attended the exit conference held at the Office of Treasurer: Honorable Jennifer P. Champion, Jefferson County Treasurer; and representatives of the Department of Examiners of Public Accounts: Brian Wheeler, Audit Manager; and Kim Huynh, Examiner of Public Accounts. An exit conference was held by telephone with Deputy Treasurer, Honorable Doris Britton.

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Financial Information

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Summary Schedule of Cash and Investments
September 30, 2010

	Total
<u>Cash in Banks</u>	
Operating Funds	\$ (11,486,900.62)
Enterprise Funds	503,817.97
Fiduciary Funds	2,518,269.26
Trust Funds	3,130,690.40
Sub-Total	<u>(5,334,122.99)</u>
Investments	53,814,000.00
Total	<u><u>\$ 48,479,877.01</u></u>

Schedule of Receipts, Disbursements and Balances
Operating Funds
October 1, 2009 through September 30, 2010

Fund/Account	Office	Treasurer's Balance 10/01/2009	Receipts
Operating	Birmingham	\$ 172,007.88	\$ 329,303,905.12
Accounts Payable	Birmingham	(4,488,683.98)	
Payroll	Birmingham	(61,610.85)	
Petty Cash	Birmingham	3,374.72	248,687.39
Transfer Fund, Bessemer Treasurer	Bessemer	40,644.24	1,097,308.25
Total Operating Funds		<u>\$ (4,334,267.99)</u>	<u>\$ 330,649,900.76</u>

Transfers In	Disbursements	Transfers Out	Treasurer's Balance 09/30/2010
\$ 307,017,657.77	\$ (48,598,044.45)	\$ (587,568,359.32)	\$ 327,167.00
240,787,119.18	(248,083,072.75)		(11,784,637.55)
27,732,828.01	(27,735,879.38)	(199.89)	(64,862.11)
	(248,680.00)		3,382.11
	(1,105,902.56)		32,049.93
<u>\$ 575,537,604.96</u>	<u>\$ (325,771,579.14)</u>	<u>\$ (587,568,559.21)</u>	<u>\$ (11,486,900.62)</u>

Schedule of Receipts, Disbursements and Balances
Enterprise Funds
October 1, 2009 through September 30, 2010

Cooper Green Hospital	Office	Treasurer's Balance 10/01/2009	Receipts
Operating	Birmingham	\$ 60,453.02	\$ 13,306,390.67
Total Enterprise Funds		\$ 60,453.02	\$ 13,306,390.67

Transfers In	Disbursements	Transfers Out	Treasurer's Balance 09/30/2010
\$ 61,913,169.98	\$	\$ (74,776,195.70)	\$ 503,817.97
\$ 61,913,169.98	\$	\$ (74,776,195.70)	\$ 503,817.97

Schedule of Receipts, Disbursements and Balances

Fiduciary Funds

October 1, 2009 through September 30, 2010

Fund/Account	Office	Treasurer's Balance 10/01/2009	Receipts
Redemption Fund	Birmingham	\$ 2,243,036.98	\$ 9,185,883.05
Redemption Investment Fund	Birmingham	465.78	
Redemption Fund	Bessemer	720,384.37	576,094.03
MNP Class Settlement Fund	Birmingham	721,178.87	17.29
Winston, Et Al vs. Jefferson County	Birmingham	(103,906.24)	184,568.90
Special Witness Fund	Birmingham	3,134.81	574,078.16
Total Fiduciary Funds		<u>\$ 3,584,294.57</u>	<u>\$ 10,520,641.43</u>

Transfers In	Disbursements	Transfers Out	Treasurer's Balance 09/30/2010
\$ 6,897,286.79	\$ (15,507,757.96)	\$ (1,130,000.00)	\$ 1,688,448.86
7,184,353.49		(7,184,625.07)	194.20
405,287.00	(1,606,798.56)		94,966.84
719,384.43	(3,205.70)	(719,231.72)	718,143.17
1,142,270.42	(1,208,713.55)		14,219.53
147,000.00	(181,916.31)	(540,000.00)	2,296.66
<u>\$ 16,495,582.13</u>	<u>\$ (18,508,392.08)</u>	<u>\$ (9,573,856.79)</u>	<u>\$ 2,518,269.26</u>

Schedule of Receipts, Disbursements and Balances
Trust Funds
October 1, 2009 through September 30, 2010

Fund/Account	Office	Treasurer's Balance 10/01/2009	Receipts
Tax Assessor Special - New	Birmingham	\$ 526.01	\$ 10,009.31
Assistant Tax Assessor Special	Bessemer	9,893.73	9,307.73
Tax Collector Special - New	Birmingham	9,906.51	10,187.20
Assistant Tax Collector Special	Bessemer	8,875.93	9,948.90
Sheriff's Special	Birmingham	210,819.60	218,866.03
Sheriff's Service	Birmingham	33,378.55	318,495.55
District Attorney	Birmingham	136,203.52	2,193,870.62
District Attorney	Bessemer	812,995.07	836,818.20
Worthless Checks	Birmingham		425,947.22
Worthless Checks	Bessemer	22.23	208,881.88
Probate Court	Birmingham	33,056.50	2,611,734.31
Probate Court	Bessemer	71,306.50	452,981.10
Barber Commission	Birmingham	10,786.03	30,071.26
General Retirement	Birmingham	1,509,539.67	18,704,172.10
Section 415M Plan	Birmingham	100,538.50	15.29
Law Library	Bessemer	75,994.36	59,163.62
Law Library	Birmingham	71,904.50	376,389.20
Law Library - Money Market	Bessemer	3,574.09	600.00
Legislative Fund	Birmingham	60,404.05	126,004.07
Legislative Fund - Money Market	Birmingham		178.77
Legislative Delegation Fund	Bessemer	22.92	30,599.00
License and Bond Fund	Birmingham	41,083.52	35,000.00
Savings Bond Fund	Birmingham	7,432.72	150,262.50
Investment Account	Birmingham	637.07	
Totals		<u>\$ 3,208,901.58</u>	<u>\$ 26,819,503.86</u>

Transfers In	Disbursements	Transfers Out	Treasurer's Balance 09/30/2010
\$	\$	\$	\$
	(3,860.47)		6,674.85
125.00	(10,065.27)		9,261.19
350.00	(15,457.73)		4,985.98
1,457.16	(11,664.77)		8,617.22
			429,685.63
4,007.09	(329,160.42)		26,720.77
50,482.30	(1,769,631.72)	(425,000.00)	185,924.72
	(769,063.02)		880,750.25
	(425,947.22)		
	(208,903.11)		1.00
1,729,158.84	(2,490,915.97)	(1,714,000.00)	169,033.68
60,000.00	(517,890.28)		66,397.32
	(33,783.88)	(751.00)	6,322.41
	(3,719,096.01)	(16,395,000.00)	99,615.76
		(100,553.79)	
	(28,426.33)		106,731.65
136.98	(360,551.37)		87,879.31
3.88			4,177.97
1,749,902.29	(109,234.61)	(856,177.90)	970,897.90
856,177.90		(855,177.90)	1,178.77
		(25,613.66)	5,008.26
	(17,000.00)		59,083.52
	(5,218.64)	(150,925.00)	1,551.58
5,069,550.38		(5,069,996.79)	190.66
\$ 9,521,351.82	\$ (10,825,870.82)	\$ (25,593,196.04)	\$ 3,130,690.40

Schedule of Investments
September 30, 2010

Purchase Date	Description	Maturity Date
<u>Operating Account</u> September 30, 2010	Repurchasing Agreements	10/01/2010
<u>Cooper Green Hospital</u> September 30, 2010	Repurchasing Agreements	10/01/2010
<u>Investment Fund</u> September 30, 2010	Repurchasing Agreements	10/01/2010
<u>Redemption Investment</u> September 30, 2010	Repurchasing Agreements	10/01/2010
Total Investments		

Interest Rate	Market Value	Investments At Cost	Totals
0.012492%	\$ 30,960,000.00	\$ 30,960,000.00	\$ 30,960,000.00
0.012492%	343,000.00	343,000.00	343,000.00
0.012492%	11,040,000.00	11,040,000.00	11,040,000.00
0.012492%	11,471,000.00	11,471,000.00	11,471,000.00
	<u>\$ 53,814,000.00</u>	<u>\$ 53,814,000.00</u>	<u>\$ 53,814,000.00</u>

Summary Schedule of Bank Reconcilements
September 30, 2010

Account	Office	Balance Per Banks 09/30/2010	Less: Outstanding Checks
Operating	Birmingham	\$ 327,167.00	\$
Accounts Payable	Birmingham		(11,784,841.64)
Payroll	Birmingham		(64,863.84)
Petty Cash	Birmingham	3,382.11	
Transfer Fund, Bessemer Treasurer	Bessemer	31,819.93	
Cooper Green Hospital: Operating	Birmingham	503,817.97	
Redemption Fund	Birmingham	1,706,367.60	(17,918.74)
Redemption Fund	Bessemer	154,479.37	(59,512.53)
Redemption Investment Fund	Birmingham	194.20	
MNP Class Settlement Fund	Birmingham	718,143.17	
Winston, Et Al vs. Jefferson County	Birmingham	63,159.89	(49,041.58)
Special Witness Fund	Birmingham	2,296.66	
Tax Assessor's Special Fund	Birmingham	6,674.85	
Assistant Tax Assessor's Special Fund	Bessemer	9,386.19	(125.00)
Tax Collector's Special Fund	Birmingham	5,700.87	(714.89)
Assistant Tax Collector's Special Fund	Bessemer	8,574.31	
Barber Commission	Birmingham	6,322.41	
District Attorney's Fund	Birmingham	228,875.23	(42,950.51)
District Attorney's Fund	Bessemer	883,873.64	(3,123.39)
General Retirement	Birmingham	101,017.90	(1,402.14)
Investment Account	Birmingham	190.66	
Law Library	Birmingham	120,988.48	(33,109.17)
Law Library	Bessemer	106,731.79	
Law Library - Money Market	Bessemer	4,177.97	
Legislative Fund	Birmingham	970,897.90	
Legislative Fund - Money Market	Birmingham	1,178.77	
Legislative Delegation Fund	Bessemer	5,008.26	
License and Bond	Birmingham	59,083.52	
Probate Court	Bessemer	66,397.32	
Probate Trust Fund	Birmingham	174,511.97	(5,478.29)
Savings Bond	Birmingham	2,701.58	(1,150.00)
Sheriff's Special Fund	Birmingham	429,685.63	
Sheriff's Service Fund	Birmingham	156,782.11	(130,061.34)
Worthless Checks	Bessemer	1.00	
Totals		<u>\$ 6,859,590.26</u>	<u>\$ (12,194,293.06)</u>

Add: Deposits In Transit	Adjustments	Treasurer's Balance
\$	\$	\$ 327,167.00
	204.09	(11,784,637.55)
	1.73	(64,862.11)
		3,382.11
230.00		32,049.93
		503,817.97
		1,688,448.86
		94,966.84
		194.20
		718,143.17
	101.22	14,219.53
		2,296.66
		6,674.85
		9,261.19
		4,985.98
42.91		8,617.22
		6,322.41
		185,924.72
		880,750.25
		99,615.76
		190.66
		87,879.31
	(0.14)	106,731.65
		4,177.97
		970,897.90
		1,178.77
		5,008.26
		59,083.52
		66,397.32
		169,033.68
		1,551.58
		429,685.63
		26,720.77
		1.00
\$ 272.91	\$ 306.90	\$ (5,334,122.99)

Other Information
For the Year Ended September 30, 2010

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	\$53,814,000.00	\$53,814,000.00

C. Individual Fund or Account Disclosures

At September 30, 2010, 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	\$11,784,637.55	
Payroll Fund	64,862.11	
Total Operating Funds	\$11,849,499.66	\$30,960,000.00