

Report on the

# Office of Treasurer

Jefferson County, Alabama

October 1, 2006 through September 30, 2007

Filed: August 22, 2008



## Department of Examiners of Public Accounts

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*Ronald L. Jones, Chief Examiner*

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State of Alabama  
Department of  
**Examiners of Public Accounts**

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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, we submit this report on the Office of Treasurer, Jefferson County, Alabama, for the period October 1, 2006 through September 30, 2007.

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 8<sup>th</sup> day of August, 2008.

Sandra E Skirley  
Notary Public

Sworn to and subscribed before me this  
the 8<sup>th</sup> day of August, 2008.

Sandra E Skirley  
Notary Public

Respectfully submitted,



Adam Vann  
Examiner of Public Accounts



Brian Davis  
Examiner of Public Accounts

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*Summary of Cash and Investments*  
*September 30, 2007*

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	<b>Total</b>
<b><u>Cash in Banks</u></b>	
Operating Funds	\$ (3,283,339.36)
Enterprise Funds	131,173.99
Fiduciary Funds	124,631.17
Trust Funds	4,931,603.93
Sub-Total	<u>1,904,069.73</u>
Investments	79,034,000.00
Total	<u><u>\$ 80,938,069.73</u></u>

***Statement of Receipts, Disbursements and Balances***  
***Operating Funds***  
***October 1, 2006 through September 30, 2007***

<b>Fund/Account</b>	<b>Office</b>	<b>Treasurer's Balance 10/01/2006</b>	<b>Receipts</b>
Operating	Birmingham	\$ 270,969.51	\$ 348,740,512.90
Accounts Payable	Birmingham	(13,997,982.99)	
Payroll	Birmingham	(73,266.89)	
Petty Cash	Birmingham	8,839.64	325,339.84
Transfer Fund, Bessemer Treasurer	Bessemer	56,946.07	1,562,059.26
<b>Total Operating Funds</b>		<b>\$ (13,734,494.66)</b>	<b>\$ 350,627,912.00</b>

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Transfers In	Disbursements	Transfers Out	Treasurer's Balance 09/30/2007
\$ 5,387,929,639.01	\$(5,261,465,000.00)	\$ (475,209,868.27)	\$ 266,253.15
345,058,306.25	(334,598,353.81)		(3,538,030.55)
40,237,358.55	(40,237,039.88)		(72,948.22)
	(330,064.60)		4,114.88
	(1,561,733.95)		57,271.38
<u>\$ 5,773,225,303.81</u>	<u>\$(5,638,192,192.24)</u>	<u>\$ (475,209,868.27)</u>	<u>\$ (3,283,339.36)</u>

***Statement of Receipts, Disbursements and Balances***  
***Enterprise Funds***  
***October 1, 2006 through September 30, 2007***

<b>Cooper Green Hospital</b>	<b>Office</b>	<b>Treasurer's Balance 10/01/2006</b>	<b>Receipts</b>
Operating	Birmingham	\$ 82,347.48	\$ 58,497,330.31
Total Enterprise Funds		\$ 82,347.48	\$ 58,497,330.31



Transfers In	Disbursements	Transfers Out	Treasurer's Balance 09/30/2007
\$ 493,371,903.13	\$	\$ (551,820,406.93)	\$ 131,173.99
\$ 493,371,903.13	\$	\$ (551,820,406.93)	\$ 131,173.99

***Statement of Receipts, Disbursements and Balances***  
***Fiduciary Funds***  
***October 1, 2006 through September 30, 2007***

<b>Fund/Account</b>	<b>Office</b>	<b>Treasurer's Balance 10/01/2006</b>	<b>Receipts</b>
Redemption Fund	Birmingham	\$ 225,883.62	\$ 46,669,944.26
Redemption Fund	Bessemer	30,057.54	7,527,826.55
Special Witness Fund	Birmingham	4,487.76	140,513.79
Total Fiduciary Funds		<u>\$ 260,428.92</u>	<u>\$ 54,338,284.60</u>

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Transfers In	Disbursements	Transfers Out	Treasurer's Balance 09/30/2007
\$ 37,848,898.38	\$ (44,302,417.62)	\$ (40,400,000.00)	\$ 42,308.64
4,856,000.00	(6,033,059.05)	(6,300,000.00)	80,825.04
223,112.55	(223,616.61)	(143,000.00)	1,497.49
<u>\$ 42,928,010.93</u>	<u>\$ (50,559,093.28)</u>	<u>\$ (46,843,000.00)</u>	<u>\$ 124,631.17</u>

**Statement of Receipts, Disbursements and Balances**  
**Trust Funds**  
**October 1, 2006 through September 30, 2007**

<b>Fund/Account</b>	<b>Office</b>	<b>Treasurer's Balance 10/01/2006</b>	<b>Receipts</b>
Tax Assessor Special - New	Birmingham	\$ 4,695.96	\$ 11,920.22
Assistant Tax Assessor Special	Bessemer	7,417.92	8.95
Tax Collector Special - New	Birmingham	1,760.09	11,977.89
Assistant Tax Collector Special	Bessemer	7,984.71	12.17
Sheriff's Special	Birmingham	68,734.20	205,965.70
Sheriff's Service	Birmingham	292,011.43	301,936.12
District Attorney	Birmingham	30,618.38	866,022.23
District Attorney	Bessemer	352,292.86	693,235.10
Worthless Checks	Birmingham		692,006.60
Worthless Checks	Bessemer	1.00	294,657.12
Probate Court	Birmingham	60,062.69	4,113,659.93
Probate Court	Bessemer	115,844.62	801,429.88
Barber Commission	Birmingham	3,502.14	29,078.00
General Retirement	Birmingham	19,551.94	38,060,207.25
Section 415M Plan	Birmingham		128,584.54
Law Library	Bessemer	12,722.37	54,018.07
Law Library	Birmingham	64,054.83	395,896.97
Law Library - Money Market	Bessemer	2,688.43	16.17
Legislative Fund	Birmingham	129,725.70	104,156.00
Legislative Delegation Fund	Bessemer	56.42	28,736.00
License and Bond Fund	Birmingham	63,283.52	40,300.00
Savings Bond Fund	Birmingham	16,352.72	214,587.50
Investment Account	Birmingham	236.36	2,828,238.41
Total		<u>\$ 1,253,598.29</u>	<u>\$ 49,876,650.82</u>

Transfers In	Disbursements	Transfers Out	Treasurer's Balance 09/30/2007
\$	\$	\$	\$
	(11,311.29)		5,304.89
5,771.77	(4,635.91)		8,562.73
	(8,530.05)		5,207.93
9,948.91	(11,749.12)		6,196.67
	(75,000.00)	(149,034.74)	50,665.16
6,058.02	(298,069.48)		301,936.09
141,003.07	(558,132.42)	(333,400.00)	146,111.26
21.32	(585,339.61)		460,209.67
	(692,006.60)		
	(294,657.12)		1.00
3,150,271.49	(3,435,150.07)	(3,787,000.00)	101,844.04
25,600.00	(758,863.19)	(125,000.00)	59,011.31
	(25,164.88)	(53.00)	7,362.26
5,726,446.47	(5,601,799.95)	(34,866,553.33)	3,337,852.38
			128,584.54
	(38,624.28)		28,116.16
398.00	(381,328.76)		79,021.04
			2,704.60
	(62,731.37)		171,150.33
		(26,600.00)	2,192.42
	(8,000.00)	(75,000.00)	20,583.52
37.50	(13.75)	(222,375.00)	8,588.97
13,815,117,034.74	(13,624,708,000.00)	(193,237,112.55)	396.96
<u>\$ 13,824,182,591.29</u>	<u>\$(13,637,559,107.85)</u>	<u>\$ (232,822,128.62)</u>	<u>\$ 4,931,603.93</u>

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***Investments***  
***September 30, 2007***

<b>Fund/Purchase Date</b>	<b>Description</b>	<b>Maturity Date</b>	<b>Interest Rate</b>
<b><u>Investment Fund</u></b> September 30, 2007	Repurchase Agreement	10/01/2007	3.93%
<b><u>Operating Account</u></b> September 30, 2007	Repurchase Agreement	10/01/2007	3.93%
<b><u>Cooper Green Hospital</u></b> September 30, 2007	Repurchase Agreement	10/01/2007	3.93%
Total Investments			

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<u>Market Value</u>	<u>Investments at Cost</u>	<u>Totals</u>
\$ 65,834,000.00	\$ 65,834,000.00	\$ 65,834,000.00
10,046,000.00	10,046,000.00	10,046,000.00
3,154,000.00	3,154,000.00	3,154,000.00
<u>\$ 79,034,000.00</u>	<u>\$ 79,034,000.00</u>	<u>\$ 79,034,000.00</u>

**Summary of Bank Reconcilements**  
**September 30, 2007**

<b>Account</b>	<b>Office</b>	<b>Balance Per Banks 09/30/2007</b>	<b>Less: Outstanding Checks</b>
Operating	Birmingham	\$ 266,253.15	\$
Accounts Payable	Birmingham		(3,538,030.55)
Payroll	Birmingham		(72,948.22)
Petty Cash	Birmingham	4,114.88	
Transfer Fund, Bessemer Treasurer	Bessemer	57,271.38	
Cooper Green Hospital: Operating	Birmingham	131,173.99	
Redemption Fund	Birmingham	857,600.42	(815,291.78)
Redemption Fund	Bessemer	187,429.82	(106,604.78)
Special Witness Fund	Birmingham	1,497.49	
Tax Assessor's Special Fund	Birmingham	5,304.89	
Assistant Tax Assessor's Special Fund	Bessemer	8,562.73	
Tax Collector's Special Fund	Birmingham	5,207.93	
Assistant Tax Collector's Special Fund	Bessemer	6,433.03	(236.36)
Barber Commission	Birmingham	7,562.26	(200.00)
District Attorney's Fund	Birmingham	153,760.75	(7,649.49)
District Attorney's Fund	Bessemer	463,031.43	(2,821.76)
General Retirement	Birmingham	3,338,624.37	(771.99)
Investment Account	Birmingham	396.96	
Law Library	Birmingham	82,730.23	(3,709.19)
Law Library	Bessemer	28,116.16	
Law Library - Money Market	Bessemer	2,704.60	
Legislative Fund	Birmingham	171,150.33	
Legislative Fund	Bessemer	2,192.42	
License and Bond	Birmingham	20,583.52	
Probate Court	Bessemer	59,011.31	
Probate Court	Birmingham	165,860.34	(64,016.30)
Savings Bond	Birmingham	8,588.97	
Sheriff's Special Fund	Birmingham	50,665.16	
Sheriff's Service Fund	Birmingham	336,725.36	(34,789.27)
Worthless Checks	Bessemer	1.00	
J C Section 415M Plan Account	Birmingham	128,584.54	
Total		<u>\$ 6,551,139.42</u>	<u>\$ (4,647,069.69)</u>



Add: Deposits In Transit	Adjustments	Treasurer's Balance
\$	\$	\$ 266,253.15
		(3,538,030.55)
		(72,948.22)
		4,114.88
		57,271.38
		131,173.99
		42,308.64
		80,825.04
		1,497.49
		5,304.89
		8,562.73
		5,207.93
		6,196.67
		7,362.26
		146,111.26
		460,209.67
		3,337,852.38
		396.96
		79,021.04
		28,116.16
		2,704.60
		171,150.33
		2,192.42
		20,583.52
		59,011.31
		101,844.04
		8,588.97
		50,665.16
		301,936.09
		1.00
		128,584.54
\$	\$	\$ 1,904,069.73

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**Other Information**  
**For the Year Ended September 30, 2007**

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**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	\$79,034,000.00	\$79,034,000.00

**C. Individual Fund or Account Disclosures**

At September 30, 2007, 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	\$3,538,030.55	
Payroll Fund	72,948.22	
Total Operating Funds	\$3,610,978.77	\$10,046,000.00

