

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2765**

AUDIT REPORT

OF

COUNTY COUNCIL

PORTER COUNTY, INDIANA

January 1, 2005 to December 31, 2005



**FILED**

11/29/2006



TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
County Officials .....	2
Transmittal Letter .....	3
Audit Results and Comments:	
Expenditures in Excess of Appropriations .....	4
Council Required Appropriations .....	5
Temporary Loans Between Funds.....	5
Exit Conference.....	6

COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of the County Council	Robert Poparad Daniel Whitten	01-01-05 to 12-31-05 01-01-06 to 12-31-06
President of the Board of County Commissioners	Robert Harper	01-01-05 to 12-31-06



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

---

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

TO: THE OFFICIALS OF PORTER COUNTY

We have audited the records of the County Council for the period from January 1, 2005 to December 31, 2005, and certify that the records and accountability for cash and other assets are satisfactory to the best of our knowledge and belief, except as stated in the Audit Results and Comments. The financial transactions of this office are reflected in the Annual Report of Porter County for the year 2005.

STATE BOARD OF ACCOUNTS

October 24, 2006

COUNTY COUNCIL  
PORTER COUNTY  
AUDIT RESULTS AND COMMENTS

EXPENDITURES IN EXCESS OF APPROPRIATIONS

Several departments of the General Fund and other governmental funds exceeded approved budgets by the following amounts:

Fund	Amount
General Fund - Election Board	\$ 1,291
General Fund - Sheriff's Garage	15,693
General Fund - Juvenile Detention	7,687
Auditor Plat Map	11,535
PCADOS	65,730
County Surveyor's Corner Perpetuation	49,484
Northwest Indiana Regional Planning	16,637
Enhanced Access	4,904
Tobacco Settlement Fund	5,961
Supplemental Public Defender Service	3,548
Juvenile Probation Administrative Fees	270
Federal Grant Commissioners	6,189
CEDIT Project 3 Building Maintenance	71,647
Unsafe Building	4,146
Jail Lease Rental	10,626
Cumulative Bridge	6,954
Total	<u>\$ 282,302</u>

Each warrant must show the fund on which it is drawn and, if applicable, the appropriation account or accounts to be charged. It is unlawful to overdraw any fund or to issue a warrant in excess of the appropriation available, where an appropriation is required. Penalties are provided in IC 36-2-6-12 where an auditor is convicted of violating these requirements. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 6)

Indiana Code 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

COUNTY COUNCIL  
PORTER COUNTY  
AUDIT RESULTS AND COMMENTS  
(Continued)

COUNCIL REQUIRED APPROPRIATIONS

A budget for the Supplemental Public Defender Services fund was not presented for audit. This resulted in disbursements without appropriations. Failure to budget appropriately for all funds requiring appropriations could lead to misdirected funds.

The following is a partial list of funds which require county council approval of an appropriation. Due to the nature of the funds, the Department of Local Government Finance does not require submission of an additional appropriation request before the local appropriation can be approved:

10. Supplemental Public Defender Services Fund. (IC 33-9-11.5-2)

(The County Bulletin and Uniform Compliance Guidelines, April 2000)

TEMPORARY LOANS BETWEEN FUNDS

Loans and transfers must be approved by council or commissioners, or be approved in the claim docket. Approval for 7 out of 14 temporary loans/transfers could not be found.

Whenever it becomes necessary to borrow money to enhance any depleted fund of the county and there is sufficient money on deposit to the credit of any other fund of the county which can be temporarily advanced or transferred to such depleted fund, it shall be lawful, upon the adoption of an ordinance or resolution by the county council, to make such advance for such period of time as may be prescribed in the ordinance or resolution, providing it does not extend beyond the budget year of the year in which the advancement and transfer is made. [IC 36-1-8-4] The only limitation is that any such advancement shall be made only from funds derived from the levying and collection of taxes on property, the levying and collection of special taxes, and from other revenue derived from any operation of the county. This limitation restricts advances from the proceeds of a bond issue, from trust and endowment funds, from federal grants and similar sources not meeting the authorized sources. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 6)

COUNTY COUNCIL  
PORTER COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on October 24, 2006, with Daniel Whitten, President of the County Council.