

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF

CITY COURT
CITY OF ALEXANDRIA
MADISON COUNTY, INDIANA

January 1, 2006 to December 31, 2006



FILED
09/27/2007

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CITY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Janet M. Lynch	01-01-04 to 12-31-07
Judge	Hon. James L. King	01-01-04 to 12-31-07
Mayor	Hon. Steven P. Skaggs	01-04-04 to 12-31-07
President of the Public Works and Safety	Hon. Steven P. Skaggs	01-01-04 to 12-31-07
President of the Common Council	Michelle Burnett David C. Steele	01-01-06 to 12-31-06 01-01-07 to 12-31-07



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TO: THE OFFICIALS OF THE CITY OF ALEXANDRIA, MADISON COUNTY

We have examined the records of the Alexandria City Court for the period from January 1, 2006 to December 31, 2006, 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 Examination Results and Comments. The financial transactions of this office are reflected in the Examination Report of the City of Alexandria for the year 2006.

STATE BOARD OF ACCOUNTS

August 1, 2007

CITY COURT
CITY OF ALEXANDRIA
EXAMINATION RESULTS AND COMMENTS

CLERK'S TRUST ITEMS OVER FIVE YEARS OLD

Our review of trust items on hand revealed that all trust items had been on hand for a period of five years or longer. A similar comment has appeared in several prior examination reports.

Indiana Code 32-34-3-2(a) states in part: ". . . the attorney general may collect all money that remains in the office of a clerk for at least five (5) years after being distributable without being claimed by the person entitled to the money.

CONDITION OF RECORDS/BANK RECONCILEMENT

During the prior examination, it was noted that the financial records presented for the period between January 1, 2006 to June 1, 2006, were incomplete and not reflective of the activity of the City Court. The cash book did not contain the postings of all receipts for January and February 2006. Additionally, there were no disbursements posted to the cash book for 2006. The Court hired someone in 2006, to bring the cash book and bank reconcilements up to date.

During the current examination, it had been conveyed that no transactions had been posted to the cash book nor were any bank reconciliations completed from June 2006 through May 2007. In June of 2007, the Court again hired someone in to bring the cash book and bank reconcilements up to date.

All documents and entries to records should be done in a timely manner to ensure that accurate financial information is available to allow the governmental unit to make informed management decisions and to help ensure compliance with IC 5-15-1-1 et seq., commonly referred to as the Public Records Law. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for City and Town Courts, Chapter 4)

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

CITY COURT
CITY OF ALEXANDRIA
EXAMINATION RESULTS AND COMMENTS
(Continued)

Indiana Code 5-13-6-1(e) states in part: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

TIMELY DEPOSITS

In numerous instances, receipts were deposited untimely. In one instance, it was noted that the Court did not deposit monies received on March 13, 2006 until June 18, 2006.

Indiana Code 5-13-6-1(d) states: "A city (other than a consolidated city) or a town shall deposit funds not later than the next business day following the receipt of the funds in depositories (1) selected by the city or town as provided in an ordinance adopted by the city or the town; and (2) approved as depositories of state funds."

DEPOSITING RECEIPTS

Of the receipts tested, 52% were written for amounts which could not be verified to any individual bank deposit. There were only a total of 32 deposits made during the year. Deposit tickets did not provide any detail on the payers or receipts included within the deposits, which made it difficult to match the correct receipts to deposits. Overall receipts issued agreed with deposits made.

The deposit ticket or attached documentation must provide a detailed listing of the deposit, which includes at a minimum, check numbers and corresponding names of the payers. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

Public funds shall be deposited in the same form in which they were received. (Accounting and Uniform Compliance Guidelines Manual for City and Town Courts, Chapter 4)

CITY COURT
CITY OF ALEXANDRIA
EXIT CONFERENCE

The contents of this report were discussed on August 1, 2007, with Hon. James L. King, Judge; and Carrie A. Thomas, Court Clerk. The officials concurred with our examination findings.