

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

EXAMINATION REPORT

OF

COUNTY TREASURER

KNOX COUNTY, INDIANA

January 1, 2007 to December 31, 2007



**FILED**  
12/16/2008



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Cendy Joslin	01-01-05 to 12-31-08
President of the County Council	Robert Lechner Timothy Ellerman	01-01-07 to 12-31-07 01-01-08 to 12-31-08
President of the Board of County Commissioners	James Parish Fred Thompson	01-01-07 to 12-31-07 01-01-08 to 12-31-08



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

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

TO: THE OFFICIALS OF KNOX COUNTY

We have examined the records of the County Treasurer for the period from January 1, 2007 to December 31, 2007, 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 Annual Report of Knox County for the year 2007.

STATE BOARD OF ACCOUNTS

November 5, 2008

COUNTY TREASURER  
KNOX COUNTY  
EXAMINATION RESULTS AND COMMENTS

COLLECTION OF DELINQUENT PERSONAL PROPERTY TAXES

It was noted during 2007 that the County Treasurer did not serve demand notices on residents who were delinquent in payment of personal property taxes. Thus there was no sale of personal property conducted by the County Treasurer or certification of delinquent personal property taxes with the Clerk of the Circuit Court during 2007.

The county treasurer has the duty to enforce the collection of delinquent personal property taxes, including taxes on mobile homes. (Accounting and Uniform Compliance Guidelines Manual for County Treasurers, Chapter 7)

Indiana Code 6-1.1-23-1 states in part: "Annually, after November 10 but prior to August 1 of the succeeding year, each county treasurer shall serve a written demand upon each county resident who is delinquent in the payment of personal property taxes. The written demand may be served upon the taxpayer by registered or certified mail; in person by the county treasurer or his deputy; or by proof of certificate of mailing. . . ."

Indiana Code 6-1.1-23-2 states in part: "If a taxpayer does not pay the total amount due within thirty (30) days after the date the written demand is made, the county treasurer shall levy upon and sell personal property of the taxpayer which is of sufficient value to pay the delinquent taxes, penalties and anticipated collections expenses. . . ."

Indiana Code 6-1.1-23-9 states in part: "In the year immediately following the year in which personal property taxes become delinquent, each county treasurer shall prepare a record of the delinquencies for which written demand has been made and which remain unpaid for at least sixty (60) days after the demand is made. The county treasurer shall swear to the accuracy of the record before the clerk of the circuit court and shall file the record with the clerk. When the record is so filed, the amount of delinquent taxes, penalties and collection expenses stated in the record constitute a debt of the named taxpayer and the debt in all respects has the same force and effect as a judgment. On the date the county treasurer files the record of the judgments in the office of the clerk of the circuit court, the county treasurer shall make an entry on the tax duplicate in a column headed "Certified to Clerk of Circuit Court."

FINANCIAL REPORT OPINION MODIFICATION

The beginning balances presented for the current examination period were incomplete due to 2006 financial information being unaudited. This results in the beginning balances presented in this examination period as being unaudited. Therefore, the State Board of Accounts was unable to provide an unqualified opinion on the Independent Auditors' Report for the financial statements.

Accounting records and other public records must be maintained in a manner that will support accurate financial statements. Anything other than an unqualified opinion on the Independent Auditors' Report on the financial statements may have adverse financial consequences with the possibility of an increase in interest rate cost to the taxpayers of the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for County Treasurer's, Chapter 10)

A similar comment appeared in a prior report.

COUNTY TREASURER  
KNOX COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on November 5, 2008, with Cendy Joslin, Treasurer; Fred Thompson, President of the Board of County Commissioners; and Tim Ellerman, President of the County Council. The officials concurred with our examination findings.