

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

AUDIT REPORT

OF

COUNTY AUDITOR

BROWN COUNTY, INDIANA

January 1, 2009 to December 31, 2009



FILED
08/19/2010

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
County Officials	2
Transmittal Letter	3
Audit Results and Comments:	
Tax Sale Not Held	4
Overdrawn Fund Balances	4
Temporary Loans.....	4
Exit Conference.....	5

COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Mari H. Miller	01-01-09 to 12-31-10
President of the County Council	David Critser Cindy Steele	01-01-09 to 12-31-09 01-01-10 to 12-31-10
President of the Board of County Commissioners	James W. Austin	01-01-09 to 12-31-10



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF BROWN COUNTY

We have audited the records of the County Auditor for the period from January 1, 2009 to December 31, 2009, 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 Brown County for the year 2009.

STATE BOARD OF ACCOUNTS

June 30, 2010

COUNTY AUDITOR
BROWN COUNTY
AUDIT RESULTS AND COMMENTS

TAX SALE NOT HELD

A tax sale was not held in 2009 to collect delinquent property taxes on real property. Due to problems with reassessment the County has been late in the billing and collection of these taxes and has elected not to have a tax sale since 2002. However, the County anticipates having a tax sale in 2010.

A similar comment was included in the prior Report B35321.

IC 6-1.1-24 and 6-1.1-25 require that a tax sale be held every year.

OVERDRAWN FUND BALANCES

The following funds had overdrawn fund balances at December 31, 2009:

<u>Fund</u>	<u>Amount</u>
General	\$ 451,025
Emergency Telephone System	18,259
Community Corrections - Home Detention	7,905
HEA 1001 State Homestead Credit	7,790
Local Option Tax Distribution	40,123
County Economic Development Income Tax	7,180

A similar comment was included in the prior Report B35321.

The balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for County Auditors, Chapter 14)

TEMPORARY LOANS

A temporary loan of \$900,000 from the Cumulative Capital Development Fund was made on October 5, 2006, to the General Fund and has not been repaid. A temporary loan of \$760,000 from the CEDIT Excess Fund was made on October 5, 2006, to the General Fund and was repaid on May 25, 2010. A similar comment was included in the prior Report B35321.

IC 36-1-8-4 concerning temporary loans states in part:

"(a) . . . (3) Except as provided in subsection (b), the prescribed period must end during the budget year of the year in which the transfer occurs. (4) The amount transferred must be returned to the other fund at the end of the prescribed period. . . ."

"(b) If the fiscal body of a political subdivision determines that an emergency exists that requires an extension of the prescribed period of a transfer under this section, the prescribed period may be extended for not more than six (6) months beyond the budget year of the year in which the transfer occurs if the fiscal body does the following: (1) Passes an ordinance or a resolution that contains the following: (A) A statement that the fiscal body has determined that an emergency exists. (B) A brief description of the grounds for the emergency. (C) The date the loan will be repaid that is not more than six (6) months beyond the budget year in which the transfer occurs. (2) Immediately forwards the ordinance or resolution to the state board of accounts and the department of local government and finance."

COUNTY AUDITOR
BROWN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 12, 2010, with Mari H. Miller, Auditor; James W. Austin, President of the Board of County Commissioners; and Cindy Steele, President of the County Council. The officials concurred with our audit findings.