

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

AUDIT REPORT

OF

COUNTY AUDITOR

DEKALB COUNTY, INDIANA

January 1, 2011 to December 31, 2011



FILED
05/24/2012

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
County Officials	2
Transmittal Letter	3
Audit Results and Comments:	
Appropriations.....	4
Overdrawn Cash Balances.....	4
Exit Conference.....	5

COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	John Fetters	01-01-11 to 12-31-14
President of the County Council	Benjamin Smaltz	01-01-11 to 12-31-12
President of the Board of County Commissioners	Donald Grogg	01-01-11 to 12-31-12



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF DEKALB COUNTY

We have audited the records of the County Auditor for the period from January 1, 2011 to December 31, 2011, 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 Financial Statement and Federal Single Audit Report of DeKalb County for the year 2011.

STATE BOARD OF ACCOUNTS

May 7, 2012

COUNTY AUDITOR
DEKALB COUNTY
AUDIT RESULTS AND COMMENTS

APPROPRIATIONS

The records presented for audit indicated Local Road & Street Fund and Reappraisal 2009 Fund expenditures exceeded budgeted appropriations by \$160,765 and \$2,619, respectively. A similar comment appeared in prior Audit Report B38914.

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."

OVERDRAWN CASH BALANCES

At December 31, 2011, the following funds had cash and investment overdrafts as follows:

Self-Insurance	\$	843,869
HEA 1001-2008 State Homestead Credit		231
Settlement		2,840
Life Insurance		30
Health Insurance Accrued		20,613
HSA-Annuity		75
PHP Dental Insurance		92,343
PHP Health Insurance		206,644

The County has established a plan to return the Self-Insurance Fund to a positive balance. The County intends to transfer an additional \$200,000 per year for the next four years to eliminate the deficit. During 2011, the County transferred \$200,000 from the General Fund and \$200,000 from the Rainy Day Fund to the Self-Insurance Fund.

The cash 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 of Indiana, Chapter 14)

COUNTY AUDITOR
DEKALB COUNTY
EXIT CONFERENCE

The contents of this report were discussed on May 7, 2012, with John Feters, Auditor; Donald Grogg, President of the Board of County Commissioners; and Benjamin Smaltz, President of the County Council.