

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

AUDIT REPORT

OF

COUNTY AUDITOR

BROWN COUNTY, INDIANA

January 1, 2007 to December 31, 2007



**FILED**

12/31/2008



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Mari H. Miller	01-01-07 to 12-31-10
President of the County Council	David Critser	01-01-07 to 12-31-08
President of the Board of County Commissioners	Stephanie R. Yager	01-01-07 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 BROWN COUNTY

We have audited the records of the County Auditor 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 Audit Results and Comments. The financial transactions of this office are reflected in the Annual Report of Brown County for the year 2007.

STATE BOARD OF ACCOUNTS

November 24, 2007

COUNTY AUDITOR  
BROWN COUNTY  
AUDIT RESULTS AND COMMENTS

OVERDRAWN FUND BALANCES

The General Fund (\$3,195,741), Health (\$73,536), Family Access (\$38,027), and County Treasurer (\$406,139) funds were overdrawn at December 31, 2007.

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

Temporary loans of \$900,000 from Cumulative Capital Development and \$760,000 from CREDIT Excess were made in 2006 to the General Fund and not repaid by June 30, 2007. Both loans remain outstanding as of the exit conference date.

Indiana Code 36-1-8-4(a)(3) and (4) concerning temporary loans state:

- "(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."

Indiana Code 36-1-8-4(b) states:

"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 finance."

TAX SALE NOT HELD

A tax sale was not held in 2007 to collect delinquent property taxes on real property. Due to problems with reassessment the County has elected not to have a tax sale since 2002.

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

COUNTY AUDITOR  
BROWN COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on November 24, 2008, with Stephanie R. Yager, President of the Board of County Commissioners; David Critser, President of the County Council; and Mari H. Miller, Auditor

The contents of this report were also discussed on November 24, 2008, with Bill Austin, County Commissioner.