

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

AUDIT REPORT

OF

COUNTY COMMISSIONERS

MONROE COUNTY, INDIANA

January 1, 2008 to December 31, 2008



FILED

02/10/2010

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of the County Council	Vic Kelson	01-01-08 to 12-31-09
President of the Board of County Commissioners	Patrick Stoffers	01-01-08 to 12-31-09



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF MONROE COUNTY

We have audited the records of the County Commissioners for the period from January 1, 2008 to December 31, 2008, 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 Monroe County for the year 2008.

STATE BOARD OF ACCOUNTS

October 28, 2009

COUNTY COMMISSIONERS
MONROE COUNTY
AUDIT RESULTS AND COMMENTS

HOLDING CORPORATION

Monroe County entered into a lease agreement with Monroe County Jail, Law Enforcement and Governmental Space Building Corporation on June 15, 1982, for the purchase of the Justice Building. The final lease payment was due July 1, 2004, but was paid December 31, 2003. The building corporation's final bond payment was due July 1, 2004. Per the lease agreement, upon the final lease payment, Monroe County fulfilled all requirements to the building corporation.

As of June 24, 2008, the building corporation had not been dissolved and is holding approximately \$200 of excess lease payments that has not been returned to Monroe County.

Per the Articles of Incorporation of Monroe County Jail, Law Enforcement and Governmental Space Building Corporation Article II Section 1 states:

"The Corporation is organized solely for the purpose of acquiring, owning, and holding in fee simple land upon which a jail, law enforcement and governmental space building is to be erected, erecting thereon a suitable jail and building to house a law enforcement agency or agencies and other governmental offices including the necessary equipment and appurtenances thereof, leasing the same to the County of Monroe, Indiana, and/or other governmental unit, collecting the rentals there for and applying there proceed thereof in a matter consistent with Indiana Public Law No. 72 of the Acts of 1974 (Indiana Code of 1971, Chapter 36-1-10), entirely without profit to the corporation, its officers, directors, subscribers and members, other than the return of capital invested."

Section 2 (d) states:

"Upon dissolution of the Corporation, the Board of Directors shall, after paying or making provisions for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation to Monroe County, Indiana or, if there is more than one governmental agency leasing space from said Corporation, then to each of said governmental agencies in proportion to the space occupied by each as bear to the total space leased." This was a comment in prior reports.

COUNTY COMMISSIONERS
MONROE COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

LEAVE AND OVERTIME POLICY

The County has a policy concerning employees eligible for accrual of compensatory time. The policy states accrual limitations of 60 hours for eligible employees. We noted that some employees exceeded the 60 hour limitation.

Each governmental unit should adopt written policy regarding the accrual and use of leave time and compensatory time and the payment of overtime. Negotiated labor contracts approved by the governing board would be considered as written policy. The policy should conform to the requirements of all state and federal regulatory agencies. (Accounting and Uniform Compliance Guidelines Manual for County Auditors of Indiana, Chapter 14) A similar comment appeared in prior Report B32835.

CONTRACTS

Payments totaling \$213,500 were made to Nexus Group for trending and new construction assessment services in 2008 without a contract.

IC 6-1.1-4-18.5 states in part:

"(a) A county assessor may not use the services of a professional appraiser for assessment or reassessment purposes without a written contract. The contract used must be either a standard contract developed by the department of local government finance or a contract that has been specifically approved by the department. The department shall ensure that the contract:

- (1) includes all of the provisions required under section 19.5(b) of this chapter; and
- (2) adequately provides for the creation and transmission of real property assessment data in the form required by the legislative services agency and the division of data analysis of the department. . . ."

COUNTY COMMISSIONERS
MONROE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on December 1, 2009, with Patrick Stoffers, President of the Board of County Commissioners; Iris Kiesling, County Commissioner; Vic Kelson, President of the County Council; Marty Hawk, Warren Henegar, Geoff McKim, and Charles Newmann, members of the County Council; David Schilling, Jeff Cockerill, and Kevin Dogan, County Attorneys.

AFFIDAVIT

STATE OF INDIANA)
)
Morgan COUNTY)

We, Karen Braun, Scott Boyer, and Joshua Jones, Field Examiners, being duly sworn on our oaths, state that the foregoing report based on the official records of the County Commissioners, Monroe County, Indiana, for the period from January 1, 2008 to December 31, 2008, is true and correct to the best of our knowledge and belief.

Karen Braun

Scott Boyer

Joshua Jones
Field Examiners

Subscribed and sworn to before me this 17 day of February, 2010.

[Signature]
Notary Public

My Commission Expires: 6-14-15

County of Residence: Morgan