

OFFICE OF THE CONTROLLER
COUNTY OF MONROE
COMMONWEALTH OF PENNSYLVANIA
ONE QUAKER PLAZA, ROOM 206
STROUDSBURG, PENNSYLVANIA 18360-2162
Telephone 570-517-3120
Facsimile 570-517-3860

Marlo A. Merhige
Controller

Allison E. Stettler
Deputy Controller

David L. Horvath
Solicitor

AUDIT OF
EAST STROUDSBURG BOROUGH
TAX COLLECTOR
ALBERTA TALLADA

PROTHONOTARY
2014 DEC 5 AM 10 17
MONROE COUNTY, PA

For the period January 1, 2013 to December 31, 2013

For the 2013 County/Township taxes covering
A reporting period of January 1, 2013 through January 14, 2014

EAST STROUDSBURG BOROUGH TAX COLLECTOR
ALBERTA TALLADA
FOR THE PERIOD JANUARY 1, 2013 TO JANUARY 14, 2014
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November 24, 2014

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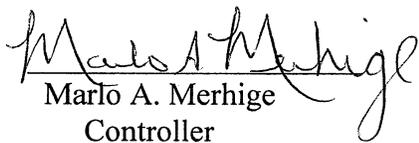
Alberta Tallada
611 East Broad Street
East Stroudsburg, PA 18301

Dear Ms. Tallada:

Transmitted herewith for your information is a copy of the audit of the Statement of Cash Receipts and Disbursements, and the Statement of Balance Outstanding of real estate taxes for the period of January 1, 2013 to January 14, 2014.

In line with the policy of this office under which all official audit reports are considered to be public information, this report has been filed with the records of the Prothonotary. Copies of this report are available upon request.

Should you have any questions or comments, please do not hesitate to contact my office.


Marlo A. Merhige
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Allison E. Stettler
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November 24, 2014

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Monroe County Board of Commissioners
Monroe County Administrative Center
One Quaker Plaza
Stroudsburg, PA 18360

Dear Commissioners:

We have performed an internal audit of the Statement of Cash Receipts and Disbursements, and the Statement of Balance Outstanding, of the East Stroudsburg Borough Tax Collector, Alberta Tallada, for the period January 1, 2013 to January 14, 2014. The financial statements are the responsibility of the Tax Collector. Our responsibility is limited to the internal audit testing identified in the Scope of Internal Audit below.

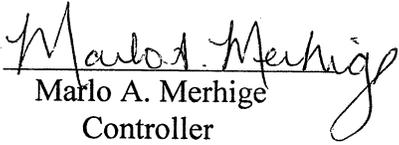
As described in Note 3, the Tax Collector prepares its financial statements on the cash basis which is a comprehensive basis of accounting other than generally accepted accounting principles.

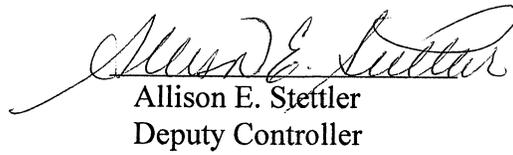
SCOPE OF INTERNAL AUDIT

- Agree the Statement of Cash Receipts and Disbursements, and the Statement of Balance Outstanding, of the Tax Collector for the period January 1, 2013 to January 14, 2014 to the books of record of the Tax Collector.
- Audit collections and remittances of real estate taxes.
- Document and review the system used by the Tax Collector to account for the collection and disbursement of real estate taxes.
- Confirmation of the uncollected balance of real estate taxes.
- Review compliance with the Pennsylvania *Tax Collectors Manual* for the collection and disbursement of real estate taxes.
- Reconcile the tax duplicate.

CONCLUSIONS

Based upon the results of our internal audit, the Tax Collector has failed to remit all Monroe County real estate tax collections to the Treasurer of the County of Monroe as required by the Monroe County Tax Collectors Resolution. The Tax Collector did not comply with the Pennsylvania *Tax Collectors Manual* and the Tax Collectors Resolution of the County of Monroe that pertains to the collection of County real estate taxes in all material respects.


Marlo A. Merhige
Controller


Allison E. Stettler
Deputy Controller

East Stroudsburg Borough Tax Collector
Alberta Tallada
Statements of Cash Receipts and Disbursements
For the period March 1, 2013 to January 14, 2014

Receipts (Note 4):		Real Estate
	General Tax	\$ 1,499,053.32

Disbursements (Note 4):

March	\$	117,526.81
April	\$	536,755.56
May	\$	650,295.29
June	\$	13,943.56
July	\$	86,556.16
August	\$	2,309.05
September	\$	7,109.77
October	\$	31,943.21
November	\$	-
December	\$	31,255.38
January	\$	21,358.53

\$ 1,499,053.32

*Balance Due (Note 5):	\$	<u><u>-</u></u>
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Note: The accompanying notes are an integral part of this report.

**East Stroudsburg Borough Tax Collector
Alberta Tallada
Statement of Balance Outstanding
For the period March 1, 2013 to January 14, 2014**

Real Estate

Amount Charged on Duplicate:

General tax at face	\$ 1,685,896.57
Additions/Refunds	\$ 20,929.66
Upset Sale Exoneration	\$ (77.78)
Deletions/Exonerations	<u>\$ (72,486.64)</u>

Total amount available for collections at face (note 6)	\$ 1,634,261.81
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Collections:

General tax collected, net	\$ 1,499,053.32
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Adjusted net collections to face amounts

Discounts	\$ 26,504.96
Penalties	\$ (8,543.41)
Total Amounts collected at face	<u>\$ 1,517,014.87</u>

Balance outstanding at face (note 7):	\$ 117,246.94
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Balance outstanding at face):	
Per Tax Claim	\$ 117,246.94

Variance	\$ -
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Note: The accompanying notes are an integral part of this report.

**East Stroudsburg Borough Tax Collector
Alberta Tallada
Statements of Cash Receipts and Disbursements
Interim Taxes
For the period January 1, 2013 to January 14, 2014**

Receipts (Note 4):	Real Estate
	General Tax \$ 1,342.61

Disbursements (Note 4):

January	\$ -
February	\$ -
March	\$ -
April	\$ -
May	\$ 78.89
June	\$ -
July	\$ -
August	\$ 102.73
September	\$ 870.66
October	\$ -
November	\$ -
December	\$ 290.33
January	\$ -
	<hr/>
	\$ 1,342.61

Balance Due (Note 5):	<u><u>\$ 0.00</u></u>
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Note: The accompanying notes are an integral part of this report.

East Stroudsburg Borough Tax Collector
Alberta Tallada
Statement of Balance Outstanding For Interim Taxes
For the period January 1, 2013 to January 14, 2014

	Interim A	Interim B	TOTAL
<u>Amount Charged on Duplicate:</u>			
General tax at face	\$ 200.47	\$ 14,330.83	\$ 14,531.30
Additions/Refunds	\$ -	\$ -	\$ -
Deletions/Exonerations	\$ -	\$ (63.91)	\$ (63.91)
	<hr/>		
Total amount available for collections at face (Note 6)	\$ 200.47	\$ 14,266.92	\$ 14,467.39
	<hr/>		
<u>Collections:</u>			
General tax collected, net	\$ 78.89	\$ 1,263.72	\$ 1,342.61
Adjusted net collections to face amount:			
Discounts:	\$ -	\$ 19.86	\$ 19.86
Penalties:	\$ -	\$ -	\$ -
	<hr/>		
Total amount collected at face	\$ 78.89	\$ 1,283.58	\$ 1,362.47
	<hr/>		
Balance outstanding at face Per Treasurer (Note 7):	\$ 121.58	\$ 12,983.34	\$ 13,104.92
	<hr/>		
Balance outstanding at face Per Tax Claim:	\$ 121.58	\$ 12,983.34	\$ 13,104.92
	<hr/>		
Variance	\$ -	\$ -	\$ -

Note: The accompanying notes are an integral part of this report.

EAST STROUDSBURG BOROUGH TAX COLLECTOR
ALBERTA TALLADA
FOR THE PERIOD JANUARY 1, 2013 TO JANUARY 14, 2014

NOTES TO THE FINANCIAL STATEMENTS

Note 1 – Reporting Entity

The county-related activities of the Tax Collector is an operation, which is included in the entity of Monroe County (the “County”), the primary government. As such, all results of the County- related operations of the Tax Collector are reported in the accounts of the County operations.

Note 2 – Scope of the Examination

The scope of our audit did not include a sufficient examination with respect to the financial statements and records for the preceding period to enable us to, and we do not, express an opinion on the consistency of application of accounting principles for the prior period.

The Tax Collector is responsible for collecting various local taxes, as well as County real estate taxes and library taxes for the County library system. Our audit pertained only to the examination of real estate taxes and did not include a sufficient examination with respect to the overall function of the Tax Collector to enable us to, and we do not, express an opinion on the Tax Collector as a whole.

NOTE: Township, Library and County taxes are invoiced and usually paid at the same time. Therefore a County finding may correlate to a Township and Library finding.

This report pertains to the tax year which runs from January 1, 2013 to December 31, 2013. The Tax Collector’s collections and disbursements for this tax year run from January 1, 2013 to January 14, 2014.

Note 3 – Summary of Significant Accounting Policies

Basis of Accounting – The books and records of the Tax Collector for County real estate taxes are maintained on the cash basis of accounting and, therefore, the financial statements presented herein do not purport to present the results of operations in conformity with generally accepted accounting principles.

Receipts, which include discounted, base, and penalized real estate taxes and interim real estate taxes, are recorded when received. Disbursements are recorded when they are actually paid. As previously stated, the cash basis of accounting differs from generally accepted accounting principles. Under generally accepted accounting principles, revenues are recognized in the period earned, and expenditures are recognized in the period incurred, which gives effect to accounts receivable, accounts payable and accrued items.

EAST STROUDSBURG BOROUGH TAX COLLECTOR
ALBERTA TALLADA
FOR THE PERIOD JANUARY 1, 2013 TO JANUARY 14, 2014

NOTES TO THE FINANCIAL STATEMENTS

Note 7 – Balance Outstanding (Face)

This balance represents the total of authorized taxes remaining to be collected for the tax year by the Tax Collector.

Any outstanding taxes due were turned over to the Monroe County Tax Claim Bureau. Based on the Tax Collector's submittal to Monroe County, a listing of the unpaid taxes is prepared by the county. (The listing is hereinafter referred to as the "unpaid tax listing").

Note 8 – Elected Official

Alberta Tallada served as the Tax Collector for East Stroudsburg Borough for the period audited.

Note 9 – Real Estate Taxes

Real estate taxes attach as an enforceable lien on property as of January 1 and are levied on March 1. All county real estate taxes are collected by elected tax collectors. Taxes may be paid during three periods: discount, face and penalty. Taxes paid from March 1 through April 30, the discount period, receive a two percent discount. Taxes paid from May 1 through June 30 are paid at the face amount. Taxes paid after June 30 are assessed a ten percent penalty. All taxes outstanding at the end of the tax year are returned to the county by the tax collector and are collected by the County Tax Claims office.

For the audit period, real estate taxes were levied at the rate of 21.25 mills on every dollar of adjusted valuation for general and debt service purposes. An additional amount of 1.10 mills was levied for the County library system.

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November 24, 2014

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Dear Board of Commissioners:

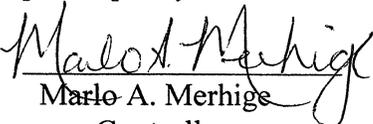
We have performed an audit of the East Stroudsburg Borough Tax Collector for the period January 1, 2013 to January 14, 2014 and have issued our report thereon dated November 24, 2014. In planning and performing our audit we considered the Tax Collector's internal control structure in order to determine the extent of our internal auditing procedures and not to provide assurance on the internal control structure.

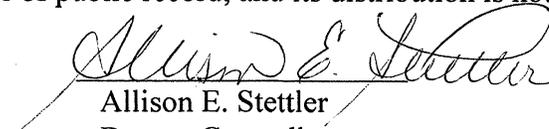
During our audit, we noted certain matters involving the internal control structure, compliance with the Pennsylvania *Tax Collectors Manual*, the Monroe County *Tax Collectors Resolution* and other operational matters for which we have prepared the following comments. These comments, all of which have been discussed with the appropriate members of management, are intended to improve the internal control structure and improve compliance with the Monroe County *Tax Collectors Resolution*.

We would like to note that at the end of this reporting period (January 1, 2013 to January 14, 2014) there was an unreconciled bank balance of \$38,727.32. The unreconciled balance is the cumulative total from 2005. At this time we request that the Tax Collector close this bank account no later than December 31, 2014 and forward these funds along with any interest earned to the Monroe County Treasurer – Escheat Account.

We have discussed this matter with the Borough Manager and this course of action was agreed upon. It is also strongly recommended that the Tax Collector reconcile her bank account every month to prevent future issues.

This report is intended for the information and use of the East Stroudsburg Borough Tax Collector, the Monroe County Controller's Office and the Monroe County Board of Commissioners. However, public policy dictates that this report is a matter of public record, and its distribution is not limited.


Marlo A. Merhige
Controller


Allison E. Stettler
Deputy Controller

East Stroudsburg Borough Tax Collector
Alberta Tallada
Audit Distribution List

1. Alberta Tallada East Stroudsburg Borough Tax Collector
2. Monroe County Commissioners
3. Monroe County Treasurer
4. Monroe County Prothonotary
5. East Stroudsburg Borough Council
6. Monroe County Controller
7. East Stroudsburg School District
8. Audit File