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

2014 DEC 31 AM 10 59
PROTHONOTARY
MONROE COUNTY, PA

Monroe County Controller's Office Audit Report

To Magisterial District Judge John Whitesell, District Court # 43-4-02:

We have audited the statements of cash receipts, disbursements and undisbursed funds of the District Court # 43-4-02 for the year ended December 31, 2013, *pursuant to the requirements of article XVII section 1722.1 et. seq. of the County Code*. The preparation of this financial statement is the responsibility of the District Court # 43-4-02. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with *Government Auditing Standards, issued by the Comptroller General of the United States*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by the District Court # 43-4-02, as well as evaluating the over all financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The financial operations of the District Court # 43-4-02 are conducted and reported in accordance with specific instructions of the *Pennsylvania Department of Revenue and the Administrative Office of Pennsylvania Courts*, which reporting method is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the above referenced financial statement presents fairly, in all material respects, the cash receipts, disbursements and undisbursed funds of the District Court # 43-4-02 for the year ended December 31, 2013, on the basis of accounting described in the preceding paragraph.

December 12, 2014

Marlo A. Merhige
Controller

Michael Weaver
Accountant

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Deputy Controller

David L. Horvath
Solicitor

Monroe County Controller's Office Compilation Report

To Magisterial District Judge John Whitesell, District Court # 43-4-02:

We have compiled the accompanying statement of revenues and expenditures of the District Court # 43-4-02 as recorded by Monroe County, for the year ended December 31, 2013, in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting, in the form of financial statements, information that is the representation of management. We have not audited or reviewed the accompanying financial statement and, accordingly, do not express an opinion or any other form of assurance on them.

December 12, 2014

Marlo A. Merhige
Controller

Michael Weaver
Accountant

Monroe County Controller's Office

MDJ John D. Whitesell - 43-4-02 (Barrett, Paradise, & Price Twp.) Revenue Reporting

2013 Audit

G/L Line Item 101.4186.402.	Description	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		Total
Revenue															
3650.0000	Vehicle	1,521.02		1,914.49	1,820.82	1,743.97	1,977.84	3,372.77	1,853.61	1,363.87	1,793.73	1,423.29	2,273.89		21,059.30
3651.0000	Criminal	500.00		300.50	372.91	27.09	100.00		500.00	25.00	25.00	175.00	150.00		2,175.50
3652.0000	Civil Fines	479.20		1,084.30	729.26	468.35	959.60	788.99	955.85	1,131.00	1,225.95	1,270.50	985.60		10,078.60
3653.0000	County Fines	363.94		396.74	194.61	147.64	117.61	206.08	94.79	203.31	(15.97)	73.31	521.90		2,303.96
3654.0000	Postage	391.06		611.30	352.40	323.08	390.32	351.07	373.40	618.06	582.30	659.27	116.75		4,769.01
3655.0000	Constable	437.55		838.12	581.43	376.65	364.20	226.23	197.90	177.05	89.45	99.45			3,388.03
3656.0000	Loc Garbage														-
3657.0000	Escheat	30.50	(30.50)								(68.55)				(68.55)
3658.0000	Other								285.00				27.63		312.63
	Subtotal Revenue	**3,723.27**	**(30.50)**	**5,145.45**	**4,051.43**	**3,086.78**	**3,909.57**	**4,945.14**	**4,260.55**	**3,518.29**	**3,631.91**	**3,700.82**	**4,075.77**		**44,018.48**
3484.0000	Revenue Reimb.														-
	Total Revenue	**3,723.27**	**(30.50)**	**5,145.45**	**4,051.43**	**3,086.78**	**3,909.57**	**4,945.14**	**4,260.55**	**3,518.29**	**3,631.91**	**3,700.82**	**4,075.77**	**-**	**44,018.48**
Expenses															
4115.0000	Wages / Salaries	5,027.61	4,541.04	5,027.62	4,865.49	5,027.39	4,865.49	5,027.61	5,027.59	4,865.27	5,027.58	4,865.50	5,341.58		59,509.77
4130.0000	Temp Employee														-
4140.0000	Overtime														-
	Personnel Totals	**5,027.61**	**4,541.04**	**5,027.62**	**4,865.49**	**5,027.39**	**4,865.49**	**5,027.61**	**5,027.59**	**4,865.27**	**5,027.58**	**4,865.50**	**5,341.58**	**-**	**59,509.77**
4210.0000	FICA	362.18	327.12	372.30	350.49	362.16	350.49	362.17	372.07	349.35	360.99	349.36	385.02		4,303.70
4230.0000	Hospitalization	2,258.92	2,258.92	2,258.92	2,258.92	2,258.92	2,258.92	2,258.92	2,258.92	2,390.02	2,390.02	2,390.02	1,577.35		26,818.77
4250.0000	Unemployment Ins	126.24	126.24	154.44	48.74	16.93	19.52								492.11
4270.0000	Workers' Comp	19.52	19.52	29.28	19.52	19.52	15.00	19.52	29.28	19.52	19.52		(144.14)		66.06
4280.0000	Life Ins	15.00	15.00	15.00	15.00	15.00		15.00	15.00	15.00	15.00	15.00	15.00		165.00
4290.0000	Retirement			2,398.00			2,398.00			1,942.75			1,942.75		8,681.50
7720.0000	Meal Allowance														
	Fringe Ben Totals	**2,781.86**	**2,746.80**	**5,227.94**	**2,692.67**	**2,672.53**	**5,041.93**	**2,655.61**	**2,675.27**	**4,716.64**	**2,785.53**	**2,754.38**	**3,775.98**	**-**	**40,527.14**
5265.0000	Net Svc	47.95		95.90		95.90	47.95	47.95	47.95	47.95	47.95	47.95	47.95		575.40
5280.0000	Other Contracted Svcs.		120.00	120.00	150.00	240.00		150.00	270.00		120.00	120.00	270.00		1,560.00
5520.0000	Office Equip't		53.00				26.50				26.50				106.00
	Pur Svcs Totals	**47.95**	**173.00**	**215.90**	**150.00**	**335.90**	**74.45**	**197.95**	**317.95**	**47.95**	**194.45**	**167.95**	**317.95**	**-**	**2,241.40**
6210.0000	Telephone	193.85	193.85	193.85	193.85	193.85	193.85	193.85	193.85	193.85	193.85	193.85	193.85		2,326.20
6255.0000	Postage Meter Rent	36.00		72.00	36.00	36.00		72.00	36.00	36.00	36.00	36.00	36.00		432.00
6311.0000	Association Fees					20.00									20.00
6315.0000	Conference														-
6350.0000	Insurance											750.00			750.00
6351.0000	Public Liability			262.50			262.50			244.50			244.50		1,014.00
6520.0000	Electricity														-
6525.0000	Heat														-
6540.0000	Water														-
6560.0000	Trash Removal														-
7100.0000	Office Rent		1,867.00	3,734.00	1,867.00	1,867.00	1,867.00	1,867.00	1,867.00	1,867.00		4,677.00	924.00		22,404.00
7810.0000	Banking Charges														-
7846.0000	Local Garbage Exp.														-
7850.0000	Other General Exp.		150.00												150.00
7850.0002	Photocopy	38.24	41.90	93.74	74.22	36.08	51.73	43.07	78.86	47.98	102.22	54.14	77.51		739.69
7850.0004	Record Distruction														-
	Other Op'g Totals	**268.09**	**2,252.75**	**4,356.09**	**2,171.07**	**2,152.93**	**2,375.08**	**2,175.92**	**2,175.71**	**2,389.33**	**332.07**	**5,710.99**	**1,475.86**	**-**	**27,835.89**

Monroe County Controller's Office

MDJ John D. Whitesell - 43-4-02 (Barrett, Paradise, & Price Twp.) Revenue Reporting

2013 Audit

G/L Line Item 101.4186.402.	Description	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		Total
6250.4186	DJ Postage										78.00				78.00
6435.0000	Constable			602.36		627.78		359.00		132.60	306.83	437.74	1,528.86		3,995.17
6472.0000	Interpreter		338.44	106.23	539.03	228.84			496.09		764.46	459.93	831.13		-
7750.0001	Floater Travel														3,764.15
	Op'g Base Totals	-	338.44	708.59	539.03	856.62	-	359.00	496.09	132.60	1,149.29	897.67	2,359.99	-	7,837.32
7101.0000	Office Supplies		88.58	153.37	3.30	404.79			501.85	126.87	126.45	21.43	805.36		2,232.00
7103.0000	Printing / Duplication								211.00	206.84			20.74		438.58
7104.0000	Subscriptions		164.09	71.50	246.70	134.88	82.00								699.17
	Materials Totals	-	252.67	224.87	250.00	539.67	82.00	-	712.85	333.71	126.45	21.43	826.10	-	3,369.75
5522.0000	Minor Equipment														
9575.0000	Capital Expense											240.69			240.69
	Capital Outlay Total	-	-	-	-	-	-	-	-	-	-	240.69	-	-	240.69
	Total Expenses	8,125.51	10,304.70	15,761.01	10,668.26	11,585.04	12,438.95	10,416.09	11,405.46	12,485.50	9,615.37	14,658.61	14,097.46	-	141,561.96
	Net Income	(4,402.24)	(10,335.20)	(10,615.56)	(6,616.83)	(8,498.26)	(8,529.38)	(5,470.95)	(7,144.91)	(8,967.21)	(5,983.46)	(10,957.79)	(10,021.69)	-	(97,543.48)

Actual Performance Report 7/2/14

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Monroe County Controller's Office Report on Compliance

To Magisterial District Judge John Whitesell, District Court # 43-4-02:

We have audited the statements of cash receipts, disbursements and undisbursed funds of the District Court # 43-4-02 for the year ended December 31, 2013, and have issued our report thereon dated December 12, 2014.

We conducted our audit in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations and specific instructions of the *Pennsylvania Department of Revenue and the Administrative Office of Pennsylvania Courts* is the responsibility of District Court # 43-4-02's management. As a part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of District Court # 43-4-02's compliance with certain provisions of laws and regulations. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards.*

This report is intended for the information of the District Court # 43-4-02's management, and the Board of Commissioners of Monroe County. However, this report is a matter of public record, and its distribution is not limited

December 12, 2014

Marlo A. Merhige
Controller

Michael Weaver
Accountant

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Monroe County Controller's Office Report on Internal Control

To Magisterial District Judge John Whitesell, District Court # 43-4-02:

We have audited the statement of cash receipts, disbursements and undisbursed funds of the District Court # 43-4-02 for the year ended December 31, 2013, and we have issued our report thereon dated December 12, 2014.

We conducted our audit in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of the District Court # 43-4-02 is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the statements of cash receipts, disbursements and undisbursed funds of District Court # 43-4-02 for the year ended December 31, 2013, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies

and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the organization's ability to record, process, summarize, and report financial data in a manner that is consistent with the assertions of management in the financial statements.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

The reportable conditions noted are as follows:

1. **Check number 7941 was issued and processed without the District Justice's signature.**

Controller's Office recommendations are as follows:

1. **All issued checks should be signed by the District Justice.**

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above.

This report is intended for the information of the District Court # 43-4-02, and the Board of Commissioners of Monroe County. However, this report is a matter of public record, and its distribution is not limited.

December 12, 2014

Marlo A. Merhige
Controller

Michael Weaver
Accountant

Notes to the Financial Statements

Note 1: Basis of Accounting

The financial operations of the District Court #43-4-02 are conducted and reported in accordance with specific instructions of the Pennsylvania Department of Revenue and the Administrative Office of Pennsylvania Courts, which reporting method is a comprehensive basis of accounting other than generally accepted accounting principles.

Note 2: Basis for the Audit

The Controller's Office is required to conduct an annual audit of the District Court, pursuant to the requirements of article XVII section 1722.1 et. seq. of the County Code.

Note 3: District Justice

John Whitesell served as Magisterial District Judge at District Court # 43-4-02 during the year ended December 31, 2013 under audit.

Note 4: Field work

Field work was concluded on December 12, 2014.

Audit Distribution List

- Former Magisterial District Judge John D. Whitesell -District Court # 43-4-02
- Greg Christine, Chief Clerk - Commissioner's Office
- Robert Casey, Jr. - PA Deputy Controller General
- Deborah Rivera, Court Administrator
- Curren Magisterial District Justice Philip Riley
- Prothonotary's Office
- Barrett Township
- Paradise Township
- Price Township
- Pocono Mountain School District
- Middle Smithfield Township
- Rick Pierce, AOPC
- Audit File

96-112/audit13