

Audit Highlights

Comprehensive Annual Financial Report
Meigs County, Tennessee
For the Year Ended June 30, 2003

Scope

We have audited the general purpose financial statements and the combining, individual fund, and account group financial statements of Meigs County as of and for the year ended June 30, 2003.

Results

Our report on Meigs County's financial statements was qualified because the statements did not include a General Fixed Assets account group and did not include one component unit whose financial statements were not available at the date of this report.

Our audit resulted in ten findings and recommendations, which we have reviewed with Meigs County management. Detailed findings and recommendations are included in the Single Audit Section of this report.

The following are summaries of the audit findings:

OFFICE OF PURCHASING AND FINANCE:

- ♦ At June 30, 2003, the Solid Waste/Sanitation Fund had a cash overdraft and fund deficit, and the General Capital Projects Fund had a fund deficit.
- ♦ The Solid Waste Disposal Program had internal control deficiencies.

OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK:

- ♦ The cash journal was not maintained properly in General Sessions Court.

OFFICE OF CLERK AND MASTER:

- ♦ Short-term investment earnings were not posted to the cash journal or investment subsidiary ledgers.
- ♦ The monthly reporting and cash control system did not have adequate application controls.

OTHER FINDINGS:

- ♦ Questionable funding practices were noted in the review of the 2003-04 budget approved by the County Commission.
- ♦ Duties were not segregated adequately among the officials and employees in the Offices of Purchasing and Finance, Director of Schools, Trustee, County Clerk, Circuit and General Sessions Courts Clerk, Clerk and Master, Register, and Sheriff.
- ♦ County officials had not held a delinquent property tax sale in recent years.
- ♦ The county did not inventory, value, and record its general fixed assets, as required by generally accepted accounting principles.
- ♦ County officials had not adopted a central system of accounting, budgeting, and purchasing covering all county departments.

*State of Tennessee
Comptroller of the Treasury
Department of Audit
Division of County Audit*