




COUNTY OF LEHIGH  
OFFICE OF THE CONTROLLER

LEHIGH COUNTY GOVERNMENT CENTER  
17 SOUTH SEVENTH STREET  
ALLENTOWN, PA 18101-2400  
(610) 782-3082 FAX: (610) 820-3335

THOMAS SLONAKER  
COUNTY CONTROLLER

JOHN A. FALK  
DEPUTY CONTROLLER

**TO:** Final Report Distribution  
**FROM:** Thomas Slonaker, County Controller   
**DATE:** July 6, 2010  
**RE:** Audit of Magisterial District Court #31-3-03

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We have completed a financial audit of Magisterial District Court #31-3-03, County of Lehigh, Pennsylvania for the years ended December 31, 2008 and 2009. Our audit report number 10-22 is attached.

The results of our audit are:

- The County of Lehigh received the proper amounts due from Magisterial District Court #31-3-03.
- The magisterial district judge is in general compliance with the applicable financial AOPC guidelines.

Attachment

MDJ/HARDING

AA

**COUNTY OF LEHIGH, PENNSYLVANIA**  
**MAGISTERIAL DISTRICT COURT #31-3-03**

*Financial Audit*  
*For Years Ended December 31, 2008 and 2009*

REPORT NO. 10-22

COUNTY OF LEHIGH, PENNSYLVANIA  
MAGISTERIAL DISTRICT COURT #31-3-03

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JOHN A. FALK  
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Magisterial District Judge David B. Harding  
Magisterial District Court #31-3-03  
P O Box 47  
Coopersburg, PA 18036

We have audited the accompanying Statement of Receipts and Disbursements and the Changes in Cash Balance of Magisterial District Court #31-3-03 for the years ended December 31, 2008 and 2009 as listed in the Table of Contents. The financial statements are the responsibility of Magisterial District Court #31-3-03's management. Our responsibility is to express an opinion on the Statement of Receipts and Disbursements and the Changes in Cash Balance based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Also, as discussed in Note 1, the financial statements present only the Magisterial District Court #31-3-03 financial activity and does not purport to, and does not, present fairly the assets, liabilities, and results of operations of the County of Lehigh for the years ended December 31, 2008 and 2009 in conformity with the cash receipts and disbursements basis of accounting.

In our opinion, the Statement of Receipts and Disbursements and Changes in Cash Balance referred to above presents fairly, in all material respects, the financial activity arising from cash transactions of the Magisterial District Court #31-3-03 for the years ended December 31, 2008 and 2009, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 28, 2010 on our consideration of Magisterial District Court #31-3-03's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.



THOMAS SLONAKER,  
County Controller

June 28, 2010  
Allentown, Pennsylvania

Final Distribution:

Auditor General of Pennsylvania  
Board of Commissioners  
Borough of Coopersburg  
Donald T. Cunningham, Jr., County Executive  
Brian L. Kahler, Fiscal Officer  
Lower Milford Township  
The Honorable William H. Platt, President Judge  
H. Gordon Roberts, Magisterial District Judge Administrator  
Andy Simpson, AOPC  
Upper Saucon Township



COUNTY OF LEHIGH, PENNSYLVANIA  
MAGISTERIAL DISTRICT COURT #31-3-03

*Statement of Receipts and Disbursements  
and Changes in Cash Balance  
for the Years Ended December 31, 2008 and 2009*  
(NOTE 1)

	<u>2008</u>	<u>2009</u>
Receipts:		
Office Receipt Activity	\$ 476,431	\$ 471,670
Bank Account Interest	31	57
	-----	-----
Total Receipts .....	476,462	471,727
	-----	-----
Disbursements:		
Commonwealth of Pennsylvania - Costs and Fines	254,626	237,320
County of Lehigh – Costs and Fines	78,424	102,137
Other (NOTE 2)	72,245	65,924
Upper Saucon Township – Fines	36,793	41,514
Borough of Coopersburg - Fines	28,711	24,614
Lower Milford Township – Fines	2,006	2,223
Commonwealth of Pennsylvania – Interest	31	57
	-----	-----
Total Disbursements .....	472,836	473,789
	-----	-----
Receipts Over (Under) Disbursements .....	3,626	(2,062)
Cash Balance, January 1 .....	20,820	24,446
	-----	-----
Cash Balance, December 31 .....	\$ 24,446	\$ 22,384
	=====	=====

The accompanying notes to financial statement are an integral part of this statement.

COUNTY OF LEHIGH, PENNSYLVANIA  
MAGISTERIAL DISTRICT COURT #31-3-03

*Notes to Financial Statement  
For the Years Ended December 31, 2008 and 2009*

1. **Summary of Significant Accounting Policy**

**A. Reporting Entity**

A portion of the Magisterial District Court #31-3-03's financial activity is a part of the County of Lehigh's reporting entity, included in the general fund and is subject to annual financial audit by external auditors. The remaining financial activity is part of other governmental entities. This report is only for internal audit purposes.

**B. Basis of Accounting**

The accounting records of the County of Lehigh and the Statement of Receipts and Disbursements and Changes in Cash Balance are maintained on the cash receipts and disbursements basis of accounting. Under this basis of accounting, revenue is recognized when cash is received and expenditures are recognized when paid. This differs from Generally Accepted Accounting Principles (GAAP) which requires the accrual basis of accounting.

**C. Administrative Guidelines**

An automated *Clerical Procedures Manual* is published by the Administrative Office of Pennsylvania Courts (AOPC). Each magisterial district court is required to follow the procedures mandated under the authority of Rule 505 of the Pennsylvania Rules of Judicial Administration.

**D. Magisterial District Judge During the Audit Period**

David B. Harding was the magisterial district judge for the period January 1, 2008 to December 31, 2009.

2. **Other Disbursements**

Other disbursements include refund of overpayments, restitution, refund of bail security, serving costs, and other miscellaneous disbursements.



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JOHN A. FALK  
DEPUTY CONTROLLER

Magisterial District Judge David B. Harding  
Magisterial District Court #31-3-03  
P O Box 47  
Coopersburg, PA 18036

We have audited the financial statements of Magisterial District Court #31-3-03 for the years ended December 31, 2008 and 2009 and have issued our report thereon dated June 28, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

In planning and performing our audit, we considered Magisterial District Court #31-3-03's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the Statement of Receipts and Disbursements and the Changes in Cash Balance but not for the purpose of expressing an opinion on the effectiveness of the Magisterial District Court #31-3-03's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Magisterial District Court #31-3-03's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A material weakness is a deficiency, or combination of deficiencies, in internal control, such as there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.



As part of obtaining reasonable assurance about whether the Magisterial District Court #31-3-03's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Magisterial District Court #31-3-03's response to our audit is included in this report. We did not audit Magisterial District Court 31-3-03's response and, accordingly, we do not express an opinion on it.

This report is intended solely for the information and use of management and other affected county offices and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



Thomas Slonaker  
County Controller

June 28, 2010  
Allentown, Pennsylvania

Magisterial District No. 3-3

Townships of Lower Milford,  
Upper Saucon and  
Borough of Coopersburg



Village Center  
21 N. Main Street  
PO Box 47  
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**DAVID B. HARDING**  
Magisterial District Judge

July 1, 2010

Thomas Slonaker, County Controller  
County of Lehigh  
Lehigh County Government Center  
17 South Seventh Street  
Allentown, Pa 18101

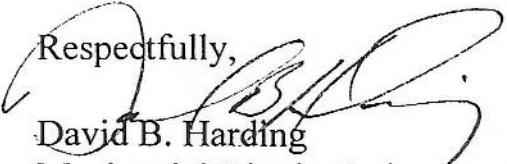
Re: Comments for the Final Audit Report for Years 2008 and 2009

Dear Mr. Slonaker,

In response to the final audit report findings for the above listed years I would like to include the following comments:

This office will begin implementing procedures and recommendations that were brought to our attention by Lehigh County Auditors Thomas F. Schweyer and Anthony W. Rapp. We would like to thank these auditors for the professionalism they have shown to this office. They greatly helped in minimizing any disruptions to our office. Thank you again for assisting us in attaining greater efficiency at District Court 31-3-03.

Respectfully,

  
David B. Harding  
Magisterial District Judge