

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

AUDIT REPORT
OF
COUNTY HIGHWAY
HENRY COUNTY, INDIANA
January 1, 2007 to December 31, 2007



FILED
09/26/2008

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Highway Administrator	Joe Wiley	01-01-07 to 12-31-08
President of the County Council	Robert Veach	01-01-07 to 12-31-08
President of the Board of County Commissioners	Philip J. Estridge	01-01-07 to 12-31-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF HENRY COUNTY, INDIANA

We have audited the records of the County Highway for the period from January 1, 2007 to December 31, 2007, 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 Result and Comment. The financial transactions of this office are reflected in the Annual Report of Henry County for the year 2007.

STATE BOARD OF ACCOUNTS

July 15, 2008

COUNTY HIGHWAY
HENRY COUNTY
AUDIT RESULT AND COMMENT

TEMPORARY LOAN

A temporary loan of \$300,000 was made in May 2007 from the Drainage Maintenance Fund to the Highway Fund and not repaid by the Highway Fund. The loan has been repaid by the Local Option Highway User Tax (LOHUT) Fund. The County had been instructed to appropriate funds from LOHUT and reimburse the Highway Fund for the payment to the Redevelopment Commission for Brooks Road in the Industrial Park. The Highway could then repay the loan from the Drainage Maintenance Fund.

Indiana Code 36-1-8-4 concerning temporary loans states in part:

"(a) . . . (3) Except as provided in subsection (b), the prescribed period must end during the budget year of the year in which the transfer occurs. (4) The amount transferred must be returned to the other fund at the end of the prescribed period. . . ."

"(b) If the fiscal body of a political subdivision determines that an emergency exists that requires an extension of the prescribed period of a transfer under this section, the prescribed period may be extended for not more than six (6) months beyond the budget year of the year in which the transfer occurs if the fiscal body does the following: (1) Passes an ordinance or a resolution that contains the following: (A) A statement that the fiscal body has determined that an emergency exists. (B) A brief description of the grounds for the emergency. (C) The date the loan will be repaid that is not more than six (6) months beyond the budget year in which the transfer occurs. (2) Immediately forwards the ordinance or resolution to the state board of accounts and the state board of tax commissioners."

COUNTY HIGHWAY
HENRY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 15, 2008 with Joe Wiley, Highway Administrator. The official concurred with our audit finding.