

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

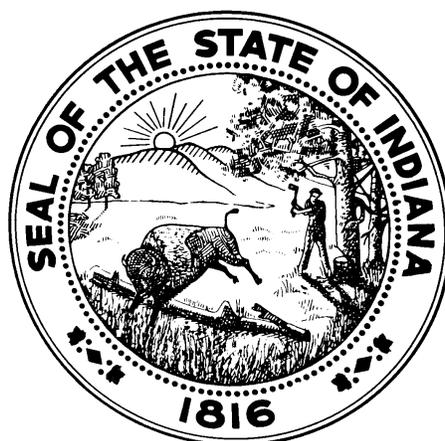
AUDIT REPORT

OF

DRAINAGE BOARD

RANDOLPH COUNTY, INDIANA

January 1, 2008 to December 31, 2008



**FILED**  
11/16/2009



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Surveyor	Ed Thornburg	01-01-07 to 01-01-10
President of the Drainage Board	Ronald Chalfant Noel (Bud) Carpenter	01-01-08 to 12-31-08 01-01-09 to 12-31-09
President of the County Council	Carlton Clevenger Richard Wise	01-01-08 to 12-31-08 01-01-09 to 12-31-09
President of the Board of County Commissioners	David Lenkensofer Noel (Bud) Carpenter	01-01-08 to 12-31-08 01-01-09 to 12-31-09



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF RANDOLPH COUNTY, INDIANA

We have audited the records of the Drainage Board for the period from January 1, 2008 to December 31, 2008, 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 Randolph County for the year 2008.

STATE BOARD OF ACCOUNTS

October 26, 2009

COUNTY DRAINAGE BOARD  
RANDOLPH COUNTY  
AUDIT RESULTS AND COMMENTS

ANNUAL ASSESSMENT FOR DRAINAGE MAINTENANCE FUNDS

Annual Assessments for several Drainage Maintenance Funds have not been increased for many years, resulting in inadequate cash balances to cover the costs of maintaining the drains. At December 31, 2008, 35 of the 149 Drainage Maintenance Funds had unencumbered cash balances equal to or greater than four times the estimated annual cost of periodically maintaining the drain. The Drainage Board has not conducted a public hearing in accordance with IC 36-9-27-40. This noncompliance should be corrected, considering the Drainage Board is in the process of amending the annual drainage maintenance assessments county wide. New rates are expected to go into effect in 2010.

IC 36-9-27-43 states:

"(a) If in any year a maintenance fund established under section 44 of this chapter has an unencumbered balance equal to or greater than four (4) times the estimated annual cost of periodically maintaining the drain for which the fund was established, the annual assessment for the maintenance of that drain may be omitted for that year.

(b) The county drainage board may collect the drain assessment even though the unencumbered balance of the maintenance fund is equal to or greater than four (4) times the estimated annual cost of periodic maintenance of the drain for which the fund was established if the drainage board does the following:

- (1) Conducts a public hearing in accordance with section 40 of this chapter.
- (2) At the public hearing estimates what the unencumbered balance of the maintenance fund would be, as a multiple of the estimated annual cost of periodic maintenance of the drain, after the collection of the total amount that the board intends to collect in assessments.

However, the annual assessment for the maintenance of the drain shall be omitted if, according to the estimate of the board, the collection of the intended total amount of assessments would increase the unencumbered balance of the maintenance fund to equal or exceed eight (8) times the estimated annual cost of periodic maintenance of the drain for which the fund was established."

DRAINAGE BOARD  
RANDOLPH COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on October 26, 2009, with Richard Wise, President of the County Council; Noel (Bud) Carpenter, President of the Drainage Board and President of the Board of County Commissioners. The officials concurred with our audit findings.