

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

AUDIT REPORT

OF

COUNTY DRAINAGE BOARD

MONTGOMERY COUNTY, INDIANA

January 1, 2012 to December 31, 2012



FILED
01/03/2014

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Auditor	Michelle R. Cash	01-01-11 to 12-31-14
Treasurer	Janet S. Johnson	01-01-11 to 12-31-14
Clerk	Jennifer Bentley	01-01-09 to 12-31-16
Sheriff	Mark A. Casteel	01-01-11 to 12-31-14
Recorder	Kathy Traugher	01-01-12 to 12-31-15
Surveyor	Tom Cummins	01-01-12 to 12-31-13
President of the Board of County Commissioners	Phillip Bane	01-01-12 to 12-31-13
President of the County Council	Brian Keim	01-01-12 to 12-31-13
Chairman of the Drainage Board	David H. Rhoads	01-01-12 to 12-31-13



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF MONTGOMERY COUNTY

We have audited the records of the County Drainage Board for the period from January 1, 2012 to December 31, 2012, 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 Montgomery County for the year 2012.

STATE BOARD OF ACCOUNTS

November 7, 2013

COUNTY DRAINAGE BOARD
MONTGOMERY COUNTY
AUDIT RESULT AND COMMENT

CONTRACTS - DRAIN RECONSTRUCTION

Payments totaling \$113,290.40 were made to Maxwell Farm Drainage Inc., for the reconstruction of the Richard Thomas Drain No. 625 and payments totaling \$139,582.50 were made to Arthur's Excavation & Farm Drainage for the reconstruction of the Standard-Elmore Drain No. 555 in 2012. The specification sheets submitted by the bidders were signed by the Surveyor to serve as the contract.

Indiana Code 36-9-27-79.1 allows the Drainage Board to authorize the County Surveyor to contract for projects not in excess of \$75,000. Projects in excess of \$75,000 must be signed by the Drainage Board to be valid contracts. Therefore payments on these projects were made without valid contracts.

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Public Drainage Funds, Chapter 9)

COUNTY DRAINAGE BOARD
MONTGOMERY COUNTY
EXIT CONFERENCE

The contents of this report were discussed on November 7, 2013, with David H. Rhoads, Chairman of the Drainage Board; Phillip Bane, President of the Board of County Commissioners; Lori Dossett, County Commissioner's Administrative Assistant; Brian Keim, President of the County Council; and Michelle R. Cash, Auditor. The officials concurred with our audit finding.