

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

EXAMINATION REPORT
OF
COUNTY HIGHWAY DEPARTMENT
MARSHALL COUNTY, INDIANA
January 1, 2007 to December 31, 2007



FILED

07/23/2008

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Highway Superintendent	Neal Haeck	01-01-07 to 12-31-08
President of the County Council	J. Frederick Lintner Matthew Hassel	01-01-07 to 12-31-07 01-01-08 to 12-31-08
President of the Board of County Commissioners	Kevin Overmyer Tom Chamberlin	01-01-07 to 12-31-07 01-01-08 to 12-31-08



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STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

TO: THE OFFICIALS OF MARSHALL COUNTY

We have examined the records of the County Highway Department 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 Examination Result and Comment. The financial transactions of this office are reflected in the Examination Report of Marshall County for the year 2007.

STATE BOARD OF ACCOUNTS

July 7, 2008

COUNTY HIGHWAY DEPARTMENT
MARSHALL COUNTY
EXAMINATION RESULT AND COMMENT

UNREIMBURSED USE OF COUNTY MATERIALS

The Marshall County Highway Department completed a paving project at the 4-H Fairgrounds. The County Highway equipment was used, 74 hours of County Highway labor was used at a cost of approximately \$15 per hour (\$1,110) and \$2,083 of material was used. The work was requested by the Horse and Pony Association. The County did not ask to be reimbursed for the cost of the equipment or the labor that was used. Per a "County Commissioners Discount," \$1,500 was deducted from the cost of materials and the Horse and Pony Association was asked to reimburse the County \$583. The Horse and Pony Association did not formally petition the executive to have this work completed.

Indiana Code 8-19-7-1 states:

"(a) Any resident taxpayer may petition the executive of the county where the taxpayer resides to use county highway equipment and employees for ditching, grading, or hauling gravel or stone or other services on the taxpayer's premises.

(b) The executive may order the county highway superintendent to do the work requested, if the county equipment is being used in the vicinity of the taxpayer's premises, and if the equipment is not needed for county business. The equipment may not be used for contractual work in any municipality or subdivision of the municipality.

(c) The county executive shall fix the charges for the work, which may not be less than the actual cost. The charge for hauling material may not be less than the actual cost per yard mile, or less than the private prevailing contract price in the community."

Indiana Code 8-19-7-2 states:

"The county highway supervisor shall keep a record of the services performed under section 1 of this chapter, and when the work is completed, the highway supervisor shall prepare an itemized statement of the work and the charges. The highway supervisor shall send one (1) copy to the petitioner, and one (1) copy to the county auditor. The county highway supervisor shall, at the regular monthly meeting of the executive, report work done during the month, and the charges made for the work. The county auditor shall bill the petitioners for the services, and shall credit the money collected to the county highway fund."

Indiana Code 8-19-7-3 states:

"If any petitioner fails to pay for any work, the charges shall be charged by the county auditor on the county tax duplicate against that person, and shall be collected in the same manner as taxes. Any amount collected by the county treasurer shall be turned over to the county auditor and credited to the county road fund under section 2 of this chapter."

COUNTY HIGHWAY DEPARTMENT
MARSHALL COUNTY
EXIT CONFERENCE

The contents of this report were discussed on July 7, 2008, with Neal Haeck, County Highway Superintendent. The official concurred with our examination finding.