

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

AUDIT REPORT

OF

COUNTY SURVEYOR

HENDRICKS COUNTY, INDIANA

January 1, 2012 to December 31, 2012



**FILED**  
08/02/2013



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
County Surveyor	David L. Gaston	01-01-11 to 12-31-14
President of the County Council	Larry R. Hesson Jay Puckett	01-01-12 to 12-31-12 01-01-13 to 12-31-13
President of the Board of County Commissioners	Eric Wathen Phyllis Palmer	01-01-12 to 12-31-12 01-01-13 to 12-31-13



**STATE OF INDIANA**  
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TO: THE OFFICIALS OF HENDRICKS COUNTY

We have audited the records of the County Surveyor 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 Hendricks County for the year 2012.

STATE BOARD OF ACCOUNTS

June 11, 2013

COUNTY SURVEYOR  
HENDRICKS COUNTY  
AUDIT RESULT AND COMMENT

***USE OF DRAIN MAINTENANCE FUNDS***

As previously stated in prior Report B41669, each Drainage Maintenance Fund that was assessed was only credited with 70 percent of their assessment. The remaining 30 percent of the assessment was posted to a separate subaccount within the Maintenance Fund. These remaining monies were set aside to pay for various expenses of the Surveyor's office such as salaries, supplies, fuel, and equipment. These items were not identifiable to a particular drain or combination of drains. Operating expenses of the County Drainage Board, including operating expenses related to drainage duties performed by the Surveyor's office, are payable from the County General Fund under a budget adopted for that purpose. Additionally, the expenditures from this sub account were not approved by the Drainage Board. This practice has been in place for the last several years.

As of December 31, 2011, we identified a balance in this subaccount of \$1,292,493. During 2012, Hendricks County did not transfer 30 percent of the assessment into this subaccount. Receipts into this subaccount totaled \$1,423 and were to make corrections to the subaccount. Disbursements from this subaccount totaled \$326,969 and paid for salaries and fuel costs related to the Surveyor's office. These expenditures were not identifiable to a particular drain or combination of drains. The ending balance of this subaccount as of December 31, 2012, was \$966,947.

Currently in 2013, Hendricks County is not transferring 30 percent of the assessment into this subaccount. Expenditures for salaries, fuel, and a few supplies related to the Surveyor's office are being made from this subaccount and will continue to be made through 2013. The County is taking steps to correct these issues and foresees a resolution by 2014.

Indiana Code 36-9-27-45 states in part: "A maintenance fund established under section 44 of this chapter is subject to the use of the board for the necessary or proper repair, maintenance, study, or evaluation of the particular drain or combination of drains, which may be done whenever the board, upon the recommendation of the county surveyor, finds that it is necessary."

COUNTY SURVEYOR  
HENDRICKS COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on June 11, 2013, with David L. Gaston, County Surveyor, and Michael S. Hopper, Financial Administrator. The officials concurred with our audit finding.