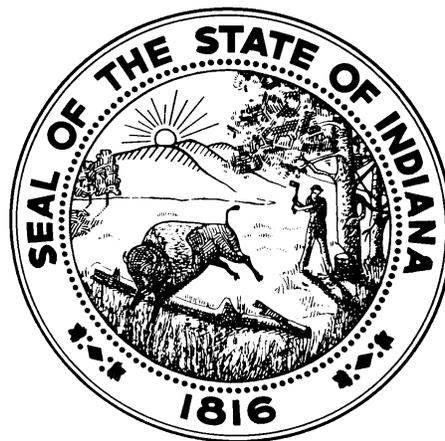


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF
ELKHART COUNTY SOLID WASTE
MANAGEMENT DISTRICT
ELKHART COUNTY, INDIANA
January 1, 2007 to December 31, 2008



FILED
08/19/2009

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Timothy F. Neese	01-01-07 to 12-31-09
Controller	Larry Ernest	01-01-07 to 12-31-09
Chairman of the District Board	Frank Lucchese	01-01-07 to 12-31-09



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

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE ELKHART COUNTY SOLID WASTE
MANAGEMENT DISTRICT, ELKHART COUNTY, INDIANA

We have examined the financial information presented herein of the Elkhart County Solid Waste Management District (District), for the period of January 1, 2007 to December 31, 2008. The District's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the District for the years ended December 31, 2007 and 2008, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. This schedule has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on the schedule.

STATE BOARD OF ACCOUNTS

July 20, 2009

ELKHART COUNTY SOLID WASTE MANAGEMENT DISTRICT
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL FUND TYPES
As Of And For The Years Ended December 31, 2007 And 2008

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
Solid Waste Management (General)	\$ 357,745	\$ 724,512	\$ 725,077	\$ 357,180
Resource Reutilization Incentive Program	394,899	87,499	-	482,398
Totals	\$ 752,644	\$ 812,011	\$ 725,077	\$ 839,578
	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Governmental Funds:				
Solid Waste Management (General)	\$ 357,180	\$ 646,006	\$ 647,268	\$ 355,918
Resource Reutilization Incentive Program	482,398	14,583	-	496,981
Totals	\$ 839,578	\$ 660,589	\$ 647,268	\$ 852,899

The accompanying notes are an integral part of the financial information.

ELKHART COUNTY SOLID WASTE MANAGEMENT DISTRICT
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The District was established under the laws of the State of Indiana. The District provides sanitation services.

Note 2. Fund Accounting

The District uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied or highway use taxes are received are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the District to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 5. Pension Plan

Public Employees' Retirement Fund

Plan Description

The District contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees

ELKHART COUNTY SOLID WASTE MANAGEMENT DISTRICT
NOTES TO FINANCIAL INFORMATION
(Continued)

are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the District authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

Note 6. Subsequent Events

The Elkhart Department of Storm Water Management passed Resolution 2009-01 "A Resolution of the Elkhart Department of Storm Water Management Loaning Monies to the Elkhart County Solid Waste Management District." This is for a loan of \$50,000 to assist in the funding of the household hazardous waste collection program. Terms of the loan are an interest rate of two percent per annum with repayment no later than December 31, 2011. At this time, Elkhart County Solid Waste Management District has not drawn any funds on this loan.

ELKHART COUNTY SOLID WASTE MANAGEMENT DISTRICT
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
For The Year Ended December 31, 2008

Capital assets are reported at actual cost.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Equipment	<u>\$ 32,744</u>

ELKHART COUNTY SOLID WASTE MANAGEMENT DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on July 20, 2009, with Larry Ernest, Controller. Our examination disclosed no material items that warrant comment at this time.