

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

EXAMINATION REPORT  
OF

SHELBY COUNTY SOLID  
WASTE MANAGEMENT DISTRICT  
SHELBY COUNTY, INDIANA

January 1, 2007 to December 31, 2008



**FILED**  
12/30/2009



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Richard Diefenderfer Lisa Carpenter (Interim)	01-01-07 to 01-31-09 02-01-09 to 12-31-09
Fiscal Officer	Nora D. VanNatta	01-01-07 to 12-31-09
Chairman of the Board	Tony Newton Richard S. Fero	01-01-07 to 12-31-08 01-01-09 to 12-31-09



**STATE OF INDIANA**  
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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of the Shelby 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.

STATE BOARD OF ACCOUNTS

December 1, 2009

SHELBY 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

	<u>Cash and Investments 01-01-07</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 12-31-07</u>
Governmental Fund:				
Solid Waste Management (General)	<u>\$ 814,085</u>	<u>\$ 308,194</u>	<u>\$ 320,542</u>	<u>\$ 801,737</u>
	<u>Cash and Investments 01-01-08</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 12-31-08</u>
Governmental Fund:				
Solid Waste Management (General)	<u>\$ 801,737</u>	<u>\$ 388,815</u>	<u>\$ 551,337</u>	<u>\$ 639,215</u>

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

SHELBY 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 the following service: solid waste management.

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 are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the District in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively.

Note 5. 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.

SHELBY COUNTY SOLID WASTE MANAGEMENT DISTRICT  
EXAMINATION RESULTS AND COMMENTS

FEDERAL AND STATE AGENCIES - COMPLIANCE REQUIREMENTS

The Director and Fiscal Officer of the District were paid for services on a contractual basis for the years 2007 and 2008. No payroll deductions for employee taxes were made. The District issued IRS Form 1099's for these individuals.

Each governmental unit is responsible for compliance with all rules, regulations, guidelines, and directives of the Internal Revenue Service and the Indiana Department of Revenue. All questions concerning taxes should be directed to these agencies. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Page 9-6)

APPROPRIATIONS

The records presented for examination indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Year</u>	<u>Excess Amount Expended</u>
Solid Waste Management (General)	2008	<u>\$ 194,317</u>

IC 6-1.1-18-4 states in part: ". . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article."

SHELBY COUNTY SOLID WASTE MANAGEMENT DISTRICT  
EXIT CONFERENCE

The contents of this report were discussed on December 1, 2009, with Nora D. VanNatta, Fiscal Officer; Lisa Carpenter, Director; and Richard S. Fero, Chairman of the Board. The officials concurred with our findings.