

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

EXAMINATION REPORT
OF
SUMMIT SPRINGS REGIONAL WASTE DISTRICT
HENRY COUNTY, INDIANA
January 1, 2007 to December 31, 2009



FILED
12/09/2010

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Superintendent	Jerry Sherwood	01-01-07 to 12-31-10
Treasurer	Amanda Huff	01-01-07 to 12-31-10
President of the Board	Richard Youngs Max Lines Dennis Crum	01-01-07 to 12-31-08 01-01-09 to 12-31-09 01-01-10 to 12-31-10



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE SUMMIT SPRINGS REGIONAL
WASTE DISTRICT, HENRY COUNTY, INDIANA

We have examined the financial information presented herein of Summit Springs Regional Waste District (District), for the period of January 1, 2007 to December 31, 2009. 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, 2008, and 2009, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Schedule of Long-Term Debt, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

October 6, 2010

SUMMIT SPRINGS REGIONAL WASTE DISTRICT
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL PROPRIETARY AND FIDUCIARY FUND TYPES
As Of And For The Years Ended December 31, 2007, 2008 And 2009

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Proprietary Funds:				
Operating	\$ 88,298	\$ 257,800	\$ 229,954	\$ 116,144
Depreciation	9,438	18,000	15,016	12,422
SRF Construction	2,315	24,000	21,685	4,630
Debt Service	67,708	28,119	25,700	70,127
Customer Deposits	365	41,763	41,290	838
Fiduciary Fund:				
Payroll	-	49,597	49,597	-
Totals	<u>\$ 168,124</u>	<u>\$ 419,279</u>	<u>\$ 383,242</u>	<u>\$ 204,161</u>

	Cash and Investments 01-01-08	Receipts	Disbursements	Cash and Investments 12-31-08
Proprietary Funds:				
Operating	\$ 116,144	\$ 191,109	\$ 172,931	\$ 134,322
Depreciation	12,422	18,000	4,396	26,026
SRF Construction	4,630	24,000	21,686	6,944
Debt Service	70,127	27,676	26,050	71,753
Customer Deposits	838	39,169	38,652	1,355
Fiduciary Fund:				
Payroll	-	48,630	48,630	-
Totals	<u>\$ 204,161</u>	<u>\$ 348,584</u>	<u>\$ 312,345</u>	<u>\$ 240,400</u>

	Cash and Investments 01-01-09	Receipts	Disbursements	Cash and Investments 12-31-09
Proprietary Funds:				
Operating	\$ 134,322	\$ 292,950	\$ 358,967	\$ 68,305
Depreciation	26,026	18,000	10,602	33,424
SRF Construction	6,944	24,000	21,686	9,258
Debt Service	71,753	54,821	25,350	101,224
Customer Deposits	1,355	37,940	38,068	1,227
Fiduciary Fund:				
Payroll	-	50,395	50,395	-
Totals	<u>\$ 240,400</u>	<u>\$ 478,106</u>	<u>\$ 505,068</u>	<u>\$ 213,438</u>

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

SUMMIT SPRINGS REGIONAL WASTE 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 services: public safety, health and social services, culture and recreation, and general administrative 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. 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 4. Restatements and Reclassifications

For the year ended December 31, 2006, certain changes have been made to the financial statements to more appropriately reflect the financial activity of the Regional Waste District. The following schedule presents a summary of restated beginning balances by fund. Prior period adjustments represent the Customer Deposit Fund that was not included on the 2006 financial schedule.

Fund	Prior Period Adjustments	Balance as Restated January 1, 2007
Customer Deposits	\$ 365	\$ 365

SUMMIT SPRINGS REGIONAL WASTE DISTRICT
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF LONG-TERM DEBT
 December 31, 2009

The District has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Wastewater Utility:		
Revenue bonds:		
Rural Economic and Community Development Bonds	\$ 213,000	\$ 25,700
State Revolving Loan Fund Bond	<u>219,254</u>	<u>13,354</u>
 Total Wastewater Utility	 <u>\$ 432,254</u>	 <u>\$ 39,054</u>

SUMMIT SPRINGS REGIONAL WASTE DISTRICT
EXAMINATION RESULTS AND COMMENTS

OFFICIAL BOND

The 2006-2007 and 2007-2008 official bond was not recorded in the Office of the County Recorder for the treasurer of the regional waste district. The current bond for the treasurer is a continuation certificate and not an annual bond.

IC 5-4-1-5.1(b) states in part: "Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder. . . ."

IC 5-4-1-18(d) states in part: "Except as provided in subsection (j), a controller of a solid waste management district established under IC 13-21 or IC 13-9.5 (before its repeal) shall file an individual surety bond in an amount: (2) that is at least thirty thousand dollars (\$30,000) in annual coverage . . ."

CAPITAL ASSET RECORDS

The District does not maintain sufficiently detailed records of capital assets for its Utility Plant in Service Accounts. Records providing historical costs or estimated historical costs for some of the Utility's capital assets are incomplete. Deletions or disposals of capital assets have not been properly recorded. A similar comment appeared in prior Report B30866.

Every governmental unit should have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory should be recorded in the Capital Assets Ledger. A complete inventory should be taken every year for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

SUMMIT SPRINGS REGIONAL WASTE DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on October 6, 2010, with Amanda Huff, Treasurer, and Dennis Crum, President of the Board. The officials concurred with our findings.