

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

EXAMINATION REPORT
OF

VANDERBURGH COUNTY SOLID WASTE
MANAGEMENT DISTRICT
A COMPONENT UNIT OF
VANDERBURGH COUNTY, INDIANA

January 1, 2008 to December 31, 2010



FILED
05/23/2011

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Joseph D. Ballard	01-01-08 to 12-31-11
Treasurer	Lisa L. Acobert Jenny Collins	01-01-08 to 10-01-08 10-02-08 to 12-31-11
President of the Solid Waste Management District Board	Bill Nix Stephen Melcher	01-01-08 to 12-31-08 01-01-09 to 12-31-11



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AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of the Vanderburgh County Solid Waste Management District (District), for the period of January 1, 2008 to December 31, 2010. 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, 2008, 2009, and 2010, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

March 30, 2011

VANDERBURGH 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, 2008, 2009, And 2010

	<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)	\$ 615,317	\$ 418,005	\$ 508,568	\$ 524,754
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>Cash and Investments 01-01-09</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 12-31-09</u>
Governmental Fund: Solid Waste Management (General)	\$ 524,754	\$ 329,030	\$ 549,171	\$ 304,613
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>Cash and Investments 01-01-10</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 12-31-10</u>
Governmental Fund: Solid Waste Management (General)	\$ 304,613	\$ 450,273	\$ 372,735	\$ 382,151
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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

VANDERBURGH 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 services: health and social 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 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.

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

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 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.

VANDERBURGH COUNTY SOLID WASTE MANAGEMENT DISTRICT
EXAMINATION RESULT AND COMMENT

SEPARATE BANK ACCOUNTS

The Vanderburgh County Solid Waste Management District funds were accounted for in the bank accounts of the City of Evansville. The accounting records are maintained as a part of the City of Evansville's accounting records. The District is a separate entity that is a component unit of Vanderburgh County. The Board of the District has appointed the City Controller to serve as the fiscal officer. A similar comment was included in the prior report.

When two or more governmental units are authorized by statute to have the same fiscal officer, there should be separate bank accounts and accounting records for each governmental unit unless authorized by statute, appropriate federal or state rule or regulation. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

VANDERBURGH COUNTY SOLID WASTE MANAGEMENT DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on April 13, 2011, with Jenny Collins, Treasurer. The official response has been made a part of this report and may be found on page 9.



City of Evansville

Office of the Controller

CIVIC CENTER COMPLEX, Room 300
ONE NW MARTIN LUTHER KING JR. BOULEVARD
EVANSVILLE, IN 47708
(812) 436-4919
Jonathan Weinzapfel, Mayor

May 18, 2011

State Board of Accounts
302 West Washington Street, Room E 418
Indianapolis, IN 46204-2765

Reference: Official Response to the 2008 – 2010 Examination
Vanderburgh County Solid Waste Management District

The Vanderburgh County Solid Waste Management District appreciates the examination performed by the Indiana State Board of Account (the “State”) and we are pleased to submit responses to the examination results and comments. Our response will detail our understanding of the issues raised by the State and outline our expected course of action to resolve these issues.

Separate Bank Accounts: In order to operate in a cost effective and efficient manner the Solid Waste District and the City of Evansville established a resolution when the District was created which allowed the City to handle the financial and administrative matters at a low cost. The Districts money is accounted for in a separate fund within the City’s records. The City and the District have maintained this same relationship for many years with no problems.

Sincerely,

Jenny Collins

City Controller

jcollins@evansvillegis.com

812-436-4919