

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

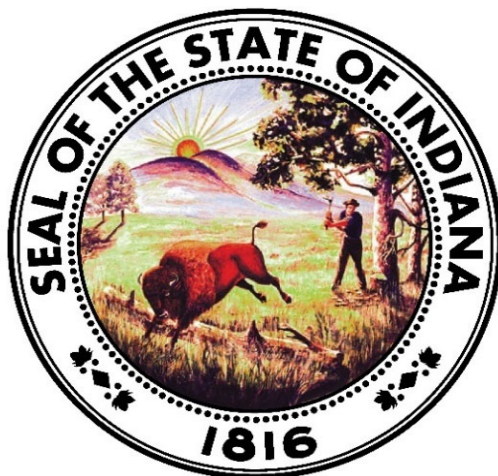
COMPLIANCE ENGAGEMENT REPORT

OF

GIBSON COUNTY SOLID WASTE MANAGEMENT DISTRICT

GIBSON COUNTY, INDIANA

January 1, 2019 to December 31, 2023



**FILED**

06/20/2024



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Mike Stilwell Lee Binhack	01-01-19 to 02-16-20 02-17-20 to 12-31-24
Controller	Patricia G. Doyle Sandra Hedges	01-01-19 to 09-02-22 09-03-22 to 12-31-24
President of the District Board	Stephen E. Bottoms Mary Key Greg Wright	01-01-19 to 12-31-20 01-01-21 to 12-31-22 01-01-23 to 12-31-24



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

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

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

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Gibson County Solid Waste Management District (District), for the period of January 1, 2019 to December 31, 2023. The objective of this engagement was to determine compliance with applicable Indiana laws, regulations, and uniform compliance guidelines (Guidelines) established by the Indiana State Board of Accounts pursuant to Indiana Code 5-11-1-24. The objective of this engagement is not to opine on compliance or financial activity of the District as this engagement was not conducted in accordance with any standards established by an authoritative standard setting body, and, as such, we do not provide any opinions on compliance or financial activity.

Management is responsible for preparing and maintaining its accounting records and related documents in accordance with applicable Indiana laws, regulations, and Guidelines. Management's responsibility also includes, but is not limited to, complying with other applicable Indiana laws, regulations, and Guidelines concerning how it operates: authorized sources and uses of funds; what reports are required to be prepared and filed; and what depositories and investment types are allowable.

We fulfilled our responsibility as detailed in the first paragraph, using procedures that verified the appropriate accounting for and reporting of cash, receipts, and disbursements; and the appropriate sources and uses of funds in accordance with applicable Indiana laws, regulations, and Guidelines. Expanding the scope and nature of these procedures can and does occur in specific circumstances.

The Comments contained herein, if any, describe the identified reportable instances of noncompliance found during our engagement. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified. Any Official Response to the Comments incorporated within this report was not verified for accuracy.

The Schedule of Officials and Statements of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis (Statements) are informational only. The Statements have not been subjected to any procedures designed to express an opinion or provide any assurance on them, and, accordingly, we do not express an opinion or provide any assurance on them.

This report is intended solely for the information and use of management, governance, and others within the organization. This restriction is not intended to limit the distribution of this report, which is a matter of public record. Reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>, and the District's Annual Financial Reports filed by management can be found on the Indiana Gateway for Government Units financial reporting system website: <http://www.gateway.ifionline.org>.

An exit conference was held on June 18, 2024. The Controller, Sandra Hedges, was invited but did not attend.



Beth Kelley, CPA, CFE  
Deputy State Examiner

May 2, 2024

GIBSON COUNTY SOLID WASTE MANAGEMENT DISTRICT  
COMMENT

**OVERDRAWN CASH BALANCES**

*Condition and Context*

Internal controls were not in place to ensure funds were not overdrawn. The General Fund had an overdrawn cash balance of \$10,717 at December 31, 2019.

*Criteria*

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the unit. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 1)

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

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STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CASH  
AND INVESTMENT BALANCES - REGULATORY BASIS

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GIBSON COUNTY SOLID WASTE MANAGEMENT DISTRICT  
 STATEMENT OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Years Ended December 31, 2019 and 2020

Fund	Cash and Investments 01-01-19	Receipts	Disbursements	Cash and Investments 12-31-19	Receipts	Disbursements	Cash and Investments 12-31-20
General Fund	\$ 266,038	\$ 2,602,059	\$ 2,878,814	\$ (10,717)	\$ 2,991,272	\$ 2,669,647	\$ 310,908
SAVINGS-FIRST BANK	1,433,816	1,193,151	1,050,000	1,576,967	1,183,979	1,400,000	1,360,946
Payroll Fund	37,074	790,610	755,837	71,847	823,065	848,402	46,510
Totals	<u>\$ 1,736,928</u>	<u>\$ 4,585,820</u>	<u>\$ 4,684,651</u>	<u>\$ 1,638,097</u>	<u>\$ 4,998,316</u>	<u>\$ 4,918,049</u>	<u>\$ 1,718,364</u>

GIBSON COUNTY SOLID WASTE MANAGEMENT DISTRICT  
 STATEMENT OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Years Ended December 31, 2021 and 2022

Fund	Cash and Investments 01-01-21	Receipts	Disbursements	Cash and Investments 12-31-21	Receipts	Disbursements	Cash and Investments 12-31-22
GENERAL - FIRST BANK	\$ 310,905	\$ 2,726,875	\$ 2,255,163	\$ 782,617	\$ 2,763,744	\$ 2,889,159	\$ 657,202
PAYROLL - FIRST BANK	46,510	862,590	862,601	46,499	1,900,825	1,902,534	44,790
SAVINGS - FIRST BANK	<u>1,360,947</u>	<u>904,534</u>	<u>1,000,000</u>	<u>1,265,481</u>	<u>1,451,406</u>	<u>1,000,000</u>	<u>1,716,887</u>
Totals	<u>\$ 1,718,362</u>	<u>\$ 4,493,999</u>	<u>\$ 4,117,764</u>	<u>\$ 2,094,597</u>	<u>\$ 6,115,975</u>	<u>\$ 5,791,693</u>	<u>\$ 2,418,879</u>

GIBSON COUNTY SOLID WASTE MANAGEMENT DISTRICT  
 STATEMENT OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2023

Fund	Cash and Investments 01-01-23	Receipts	Disbursements	Cash and Investments 12-31-23
GENERAL - FIRST BANK	\$ 657,203	\$ 2,609,401	\$ 2,604,503	\$ 662,101
PAYROLL - FIRST BANK	44,791	922,831	917,158	50,464
SAVINGS - FIRST BANK	<u>1,716,887</u>	<u>1,061,882</u>	<u>800,000</u>	<u>1,978,769</u>
Totals	<u>\$ 2,418,881</u>	<u>\$ 4,594,114</u>	<u>\$ 4,321,661</u>	<u>\$ 2,691,334</u>