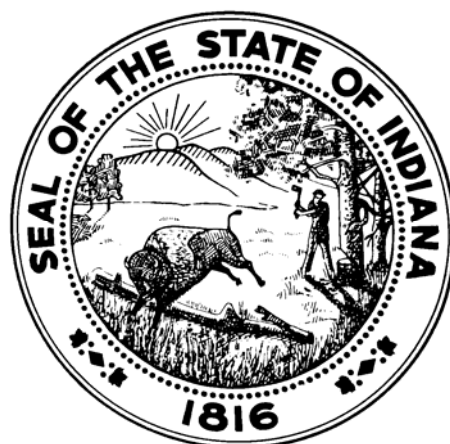


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT
OF

RANDOLPH COUNTY SOLID WASTE
MANAGEMENT DISTRICT
RANDOLPH COUNTY, INDIANA

January 1, 2002 to December 31, 2005



FILED
09/21/2006

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Steve Longnecker	01-01-02 to 12-31-06
Fiscal Officer	Steve Longnecker	01-01-02 to 12-31-06
President of the Board	Joe Wolfe Shirley A. Small	01-01-02 to 12-31-03 01-01-04 to 12-31-06



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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the schedules of receipts, disbursements, and cash and investment balances of the Randolph County Solid Waste Management District (District), for the period of January 1, 2002 to December 31, 2005. The District's management is responsible for the schedules. 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 schedule of receipts, disbursements, and cash and investment balances 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 schedules referred to above present fairly, in all material respects, the cash transactions of the District for the years ended December 31, 2002, 2003, 2004, and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

August 7, 2006

JOHNSON 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, 2002, 2003, 2004, And 2005

	Cash and Investments 01-01-02	Receipts	Disbursements	Cash and Investments 12-31-02
Governmental Funds:				
Solid Waste Management (General)	\$ 515,585	\$ 217,383	\$ 262,516	\$ 470,452
Nonreverting Capital Improvement	<u>12,590</u>	<u>14,187</u>	<u>-</u>	<u>26,777</u>
Totals	<u>\$ 528,175</u>	<u>\$ 231,570</u>	<u>\$ 262,516</u>	<u>\$ 497,229</u>

	Cash and Investments 01-01-03	Receipts	Disbursements	Cash and Investments 12-31-03
Governmental Funds:				
Solid Waste Management (General)	\$ 470,452	\$ 305,543	\$ 267,830	\$ 508,165
Nonreverting Capital Improvement	<u>26,777</u>	<u>11,961</u>	<u>-</u>	<u>38,738</u>
Totals	<u>\$ 497,229</u>	<u>\$ 317,504</u>	<u>\$ 267,830</u>	<u>\$ 546,903</u>

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
Solid Waste Management (General)	\$ 508,165	\$ 349,768	\$ 312,940	\$ 544,993
Nonreverting Capital Improvement	<u>38,738</u>	<u>45,397</u>	<u>3,624</u>	<u>80,511</u>
Totals	<u>\$ 546,903</u>	<u>\$ 395,165</u>	<u>\$ 316,564</u>	<u>\$ 625,504</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
Solid Waste Management (General)	\$ 544,993	\$ 204,074	\$ 260,888	\$ 488,179
Nonreverting Capital Improvement	<u>80,511</u>	<u>359</u>	<u>80,870</u>	<u>-</u>
Totals	<u>\$ 625,504</u>	<u>\$ 204,433</u>	<u>\$ 341,758</u>	<u>\$ 488,179</u>

The accompanying notes are an integral part of the schedules.

RANDOLPH COUNTY SOLID WASTE MANAGEMENT DISTRICT
NOTES TO SCHEDULES

Note 1. Introduction

The District was established under the laws of the State of Indiana. The District is a component unit of Randolph County but is governed by a Board consisting of members appointed by various governmental subdivisions.

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, and is subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Tipping Fees

Most of the District's receipts are tipping fees collected by Randolph Farms, Inc., a local landfill. Each month's fees are remitted to the District in the following month.

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.

RANDOLPH COUNTY SOLID WASTE MANAGEMENT DISTRICT
NOTES TO SCHEDULES
(Continued)

Note 6. 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.

RANDOLPH COUNTY SOLID WASTE MANAGEMENT DISTRICT
EXAMINATION RESULTS AND COMMENTS

APPROVED DEPOSITORIES

A portion of the District's investments were with Edward Jones, which was not an approved depository. These deposit accounts, which were all closed by December 31, 2005, were not fully insured.

Pursuant to Indiana Code 5-13-8-1(a), a political subdivision may deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds. (Accounting and uniform Compliance Guidelines for Special Districts, Chapter 15)

DEPOSITS

Collections in the amount of \$2,316 were placed into the petty cash fund instead of being deposited. These collections were eventually used for petty cash disbursements.

Indiana Code 5-13-6-1(a) states: "All public funds paid into the treasury of the state or the treasuries of the respective political subdivisions shall be deposited not later than the business day following the receipt of funds on business days of the depository in one (1) or more depositories in the name of the state or political subdivision by the officer having control of the funds."

RANDOLPH COUNTY SOLID WASTE MANAGEMENT DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on August 7, 2006, with Steve Longnecker, Director and Fiscal Officer; and Shirley A. Small, President of the Board. The officials concurred with our findings.