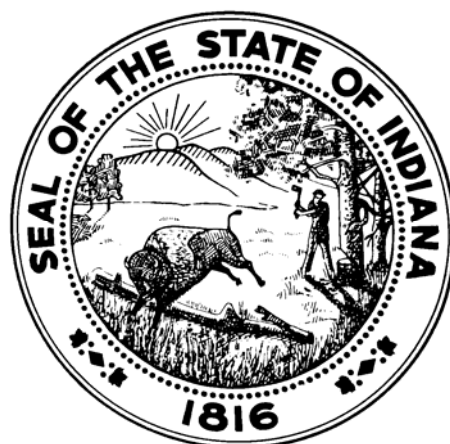


**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2765**

EXAMINATION REPORT  
OF

CLAY-OWEN-VIGO COUNTY SOLID  
WASTE MANAGEMENT DISTRICT  
CLAY COUNTY, INDIANA

January 1, 2004 to December 31, 2005



**FILED**  
09/27/2006



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Janet Reed	01-01-04 to 12-31-06
Fiscal Officer	O. Earl Elliot, CPA	01-01-04 to 12-31-06
President of the Board	Harrold E. Knox Wiley Truesdal	01-01-04 to 12-31-04 01-01-05 to 12-31-06



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE CLAY-OWEN-VIGO COUNTY SOLID  
WASTE MANAGEMENT DISTRICT, CLAY COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash balances of the Clay-Owen-Vigo County Solid Waste Management District (District), for the period of January 1, 2004 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 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, 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

September 6, 2006

CLAY-OWEN-VIGO COUNTY SOLID WASTE MANAGEMENT DISTRICT  
 SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH BALANCES  
 ALL GOVERNMENTAL FUND TYPES  
 As Of And For The Years Ended December 31, 2004 And 2005

	<u>Cash and Investments 01-01-04</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 12-31-04</u>
Governmental Fund:				
Solid Waste Management (General)	<u>\$ 328,171</u>	<u>\$ 280,342</u>	<u>\$ 419,809</u>	<u>\$ 188,704</u>
	<u>Cash and Investments 01-01-05</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 12-31-05</u>
Governmental Fund:				
Solid Waste Management (General)	<u>\$ 188,704</u>	<u>\$ 304,629</u>	<u>\$ 306,983</u>	<u>\$ 186,350</u>

The accompanying notes are an integral part of the schedules.

CLAY-OWEN-VIGO 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 provides the following services: recycling drop-offs sites, cleanup of illegal dumpsites sites and recycling education to the public.

Note 2. Fund Accounting

The District uses funds to report on its cash 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

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.

CLAY-OWEN-VIGO COUNTY SOLID WASTE MANAGEMENT DISTRICT  
NOTES TO SCHEDULES  
(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 three percent 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.

CLAY-OWEN-VIGO COUNTY SOLID WASTE MANAGEMENT DISTRICT  
EXIT CONFERENCE

The contents of this report were discussed on September 6, 2006, with Janet Reed, Director. Our examination disclosed no material items that warrant comment at this time.