

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

EXAMINATION REPORT

OF

WELLS COUNTY SOLID WASTE MANAGEMENT DISTRICT

WELLS COUNTY, INDIANA

January 1, 2005 to December 31, 2006



FILED
07/30/2007

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Officials	2
Independent Accountant's Report	3
Financial Information:	
Schedules of Receipts, Disbursements, and Cash and Investment Balances	4
Notes to Financial Information.....	5
Examination Result and Comment:	
Contract	6
Exit Conference.....	7

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Controller	Mary A. Towne Laura A. Brubaker	01-01-05 to 12-31-06 01-01-07 to 12-31-07
President of the Solid Waste Management District Board	Randal E. Plummer Paul I. Bonham	01-01-05 to 12-31-06 01-01-07 to 12-31-07



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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of Wells County Solid Waste Management District (District), for the period of January 1, 2005 to December 31, 2006. 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, 2005 and 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

June 26, 2007

WELLS 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, 2005 And 2006

	<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>\$ 86,818</u>	<u>\$ 17,750</u>	<u>\$ 33,591</u>	<u>\$ 70,977</u>
	<u>Cash and Investments 01-01-06</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash and Investments 12-31-06</u>
Governmental Fund:				
Solid Waste Management (General)	<u>\$ 70,977</u>	<u>\$ 136,916</u>	<u>\$ 105,630</u>	<u>\$ 102,263</u>

The accompanying notes are an integral part of the schedules.

WELLS 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 service of disposal and management of solid waste.

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. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the District in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the District on or prior to December 31 of the year collected.

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.

WELLS COUNTY SOLID WASTE MANAGEMENT DISTRICT
EXAMINATION RESULT AND COMMENT

CONTRACT

Wells County provides two laborers and a fiscal officer to the Wells County Solid Waste Management District (District) on a contractual basis. The contract requires the District to reimburse the County for gross wages and fringe benefits by December 31 of each year. The District did not reimburse the County for 2005 gross wages until July 17, 2006. On October 16, 2006, the District made a partial reimbursement for 2006 gross wages. As of June 25, 2007, the District owes Wells County \$55,810 as shown in the following schedule.

2005 gross wages	\$	45,920
Employer share of FICA and Medicare		3,513
Employer share of PERF		2,066
Employer provided Health and Life Insurance		8,824
 Total amount to be reimbursed Year 2005		 60,323
 2006 gross wages		 47,681
Employer share of FICA and Medicare		3,647
Employer share of PERF		1,669
Employer provided Health and Life Insurance		9,655
 Total amount to be reimbursed Year 2006		 62,652
 Total amount to be reimbursed to Wells County		 122,975
 Less: Reimbursements made to Wells County		
07-17-06		45,872
10-16-06		21,293
 Amount still owed to Wells County	 \$	 55,810

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

WELLS COUNTY SOLID WASTE MANAGEMENT DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on June 26, 2007, with Laura A. Brubaker, Controller; and Mary A. Towne, former Controller. The officials concurred with our finding.