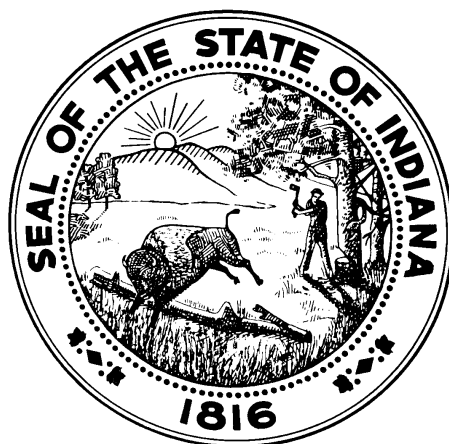


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF

FULTON COUNTY SOLID WASTE
MANAGEMENT DISTRICT
FULTON COUNTY, INDIANA

January 1, 2006 to December 31, 2007



FILED
03/31/2008

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	5-6
Supplementary Information: Schedule of Capital Assets.....	7
Examination Result and Comment: Donation to Northern Indiana Community Foundation, Inc.	8
Exit Conference.....	9

OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Douglas G. Oakes	01-01-06 to 12-31-08
Controller	Melinda Straeter	01-01-06 to 12-31-08
President of the Board	J. Phillip Allen Roger Rose	01-01-06 to 12-31-07 01-01-08 to 12-31-08



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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of the Fulton County Solid Waste Management District (District), for the period of January 1, 2006 to December 31, 2007. 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, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

March 6, 2008

FULTON 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, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Fund:				
Solid Waste Management (General)	<u>\$ 1,615,516</u>	<u>\$ 384,476</u>	<u>\$ 708,275</u>	<u>\$ 1,291,717</u>
	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Fund:				
Solid Waste Management (General)	<u>\$ 1,291,717</u>	<u>\$ 517,972</u>	<u>\$ 560,077</u>	<u>\$ 1,249,612</u>

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

FULTON 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: sanitation and general administrative 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 or highway use taxes are received 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.

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

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

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.

Note 6. Loans Receivable

The District has the following outstanding loans receivable at December 31, 2007:

Description	Date	Amount	Interest Rate	Remaining Balance
L & G Baling	05-09-06	\$ 125,000	0%	\$ 64,583
Rochester Iron and Metal	03-20-06	100,000	0%	66,647
Jackson Multi Recycle	07-26-06	9,888	4.50%	7,775

FULTON COUNTY SOLID WASTE MANAGEMENT DISTRICT
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS

For The Year Ended December 31, 2007

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Buildings	\$ 32,959
Machinery and equipment	<u>699,528</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 732,487</u>

FULTON COUNTY SOLID WASTE
MANAGEMENT DISTRICT
EXAMINATION RESULT AND COMMENT

DONATION TO NORTHERN INDIANA COMMUNITY FOUNDATION, INC.

As noted in previous Reports B14139, B18880, B22273 and B27363, on July 31, 1997, the Fulton County Solid Waste Management District donated \$150,000 to the Northern Indiana Community Foundation, Inc., a charitable nonprofit community foundation. The District continues to receive interest earnings on the amount placed in a permanent endowment of the Foundation.

Indiana Code 13-21-3-12 lists the powers of a Solid Waste Management District.

Governmental fund should not be donated or given to other organizations, individuals, or governmental units unless specifically authorized by statute. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 10)

FULTON COUNTY SOLID WASTE
MANAGEMENT DISTRICT
EXIT CONFERENCE

The contents of this report were discussed on March 6, 2008, with Douglas G. Oakes, Director; and Melinda Straeter, Controller. The officials concurred with our finding.