



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
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June 5, 2023

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

As authorized under Indiana Code 5-11-1, we performed certain procedures to the accounting records and related documents of the Adams County Solid Waste Management District (District), Adams County, for the period of January 1, 2019 to December 31, 2022, to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

Management is responsible for preparing and maintaining its accounting records and related documents, as well as compliance with applicable state laws and uniform compliance guidelines established by the Indiana State Board of Accounts.

The District's Annual Financial Reports filed by management can be found on the Gateway Website: [www.gateway.ifionline.org](http://www.gateway.ifionline.org).

The Comments contained herein describe the identified reportable instances of noncompliance found as a result of the procedures we performed. Our procedures were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

***Comments***

**CONDITION OF RECORDS**

The same comment also appeared in prior Report B54166.

***Condition and Context***

Financial records presented for review for 2019, 2020, 2021, and 2022 were incomplete as no ledger activity was maintained or presented for the Closure/Post-Closure Fund, Rainy Day Fund, and Non Reverting Capital Fund. Transactions for these funds were derived from the District's investment accounts.

***Criteria***

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance must agree. If the reconciled bank balance is less than the subsidiary or control ledgers, the amount needed to balance may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 1)

## **BANK ACCOUNT RECONCILIATIONS**

The same comment also appeared in prior Report B54166.

### *Condition and Context*

Depository reconciliations of the fund ledger balances to the bank account balances were conducted monthly; however, the reconciliations were incomplete in reconciling the fund ledger balances. Reconciliations were performed only for the District's primary checking account for the Solid Waste Management Fund. As part of our review, we performed reconciliations for December 31, 2019, 2020, 2021, and 2022. At December 31, 2020, the adjusted bank balance exceeded the fund ledger balances by \$57,816. The fund ledger balances exceeded the adjusted bank balance at December 31, 2019, 2021, and 2022, by the following:

<u>Years</u>	<u>Amount</u>
2019	\$ 2,464
2021	6,337
2022	8,164

### *Criteria*

Indiana Code 5-13-6-1(e) states: "All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance must agree. If the reconciled bank balance is less than the subsidiary or control ledgers, the amount needed to balance may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Special Districts, Chapter 1)

## **ANNUAL FINANCIAL REPORT**

### *Condition and Context*

The Director prepared and submitted the Annual Financial Report (AFR) through the Indiana Gateway for Government Units (Gateway) financial reporting system for the District. The AFR submitted for 2019, 2020, 2021, and 2022 contained material errors and did not agree with the District's records. Investments entered into the AFR were duplicated; that caused the beginning and ending cash and investments fund balances to be overstated by \$1,283,107. Audit adjustments were proposed, accepted by the District, and made to the Schedule of Cash and Investment Balances - Regulatory Basis presented as other information.

### *Criteria*

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every audited entity financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under [IC 5-14-3.8-7](#)."

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.

The Schedule of Cash and Investment Balances - Regulatory Basis is presented as other information. It has not been subjected to any auditing procedures, and, accordingly, we do not express an opinion or provide any assurance on it.

SCHEDULE OF CASH AND INVESTMENT  
BALANCES - REGULATORY BASIS  
As of December 31, 2022

Fund	Cash and Investments 12-31-22
Solid Waste Management Fund	\$ 1,732,694
Closure/Post-Closure Fund	340,581
Rainy Day Fund	60,369
Corrective Measures Fund	290,957
Petty Cash	300
Non Reverting Capital Fund	<u>411,675</u>
Total	<u>\$ 2,836,576</u>

Any Official Response to the Comments, incorporated within this report, was not verified for accuracy.

The contents of this report were communicated to Dan Rickford, President of the District Board; Debra Stevens, Office Coordinator; Jeffrey McIntosh, Director; and Rebecca Cochran, Controller, on May 30, 2023.

Respectfully,



Beth Kelley, CPA, CFE  
Deputy State Examiner

# Adams County Solid Waste Management District

Jeff A. McIntosh, Director



3775 North 200 East ◆ Decatur, Indiana 46733 ◆ USA

Phone 260-724-9971 ◆ Fax 260-724-8281 ◆ Email jmac@adamscountyswmd.com

June 5, 2023

Official Response Letter

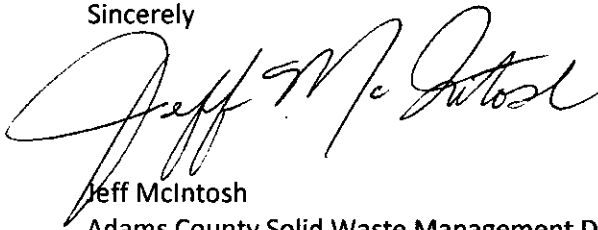
To: State Board of Accounts  
302 West Washington Street  
Room E 418  
Indianapolis, IN 46204-2765

This letter is in reference to the exit conference on May 30<sup>th</sup> with Rahul Desai, Sam Wilson, Rebecca Cochran, Dan Rickord, Jeff McIntosh and Deb Stevens.

We acknowledge the condition of records were incomplete in the Closure/Post Closure, Rainy Day Fund and the Non Reverting Fund. A Correction Action Plan will be completed for all of the listed accounts, detailing how the issues will be fixed.

We also acknowledge the bank account reconciliations were only done for the primary bank account. A Correction Action Plan will be completed for detailing how the issue will be fixed.

Sincerely



Jeff McIntosh  
Adams County Solid Waste Management District, Director

EXIT CONFERENCE

Unit Examined: Adams County Solid Waste Management District  
Period Examined: January 1, 2019 to December 31, 2022  
Date of Conference: May 30 2023  
Office or Department (if applicable): \_\_\_\_\_

The exit conference is being held in accordance with 5-11-5-1 and except as provided in subsections (b), (d), and (e), it is unlawful for any person, before a report is made public, to make any disclosure of the result of any examination of any public account.

In accordance with Indiana Code 5-11-5-1, the Officer or the Chief Executive Officer of the unit examined is given the opportunity to respond to the results and comments contained in the report. Your response, if any, will be bound in and become a part of our report. We ask that you initial the option selected below, sign, and date this form. Your signature is not deemed to be a concurrence with our results and comments but merely acknowledges that you understand that you have a right to respond to the report. Please note that the report is a draft prepared by the Field Examiners and is subject to editing by department directors and board members.

Identify the option selected by the officials:

\_\_\_\_\_  
Acknowledgement of Decision for Official Response

OPTION NO. 1: We do not wish to make an official response to the report.

OPTION NO. 2: We wish to file an official response to the results and comments in the form of a letter to be bound in the report. We understand that the letter itself will be made part of the report and any attachment or exhibit that is included and referred to in our response may not be but will be held on file with SBOA and will be made available to the public upon request. We also understand that if such response is not received by the State Board of Accounts within ten (10) days of this date, the State Board of Accounts cannot guarantee that the response will be included in the report. Any response received after the 10 day period, although there is no guarantee, may still be included in the report, if the report has not been filed at the time the response is received. The SBOA will provide an Official Response Template to complete and return either by letter or electronically. Letters should be clearly marked "OFFICIAL RESPONSE" and sent to State Board of Accounts, 302 West Washington Street, Room E 418, Indianapolis, Indiana 46204-2765. If submitted electronically, the response should be in a PDF format. Electronic responses should be sent to [officialresponse@sboa.in.gov](mailto:officialresponse@sboa.in.gov).

