



**OFFICE OF AUDITOR OF STATE**  
**STATE OF IOWA**

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Auditor of State

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**NEWS RELEASE**

FOR RELEASE March 25, 2008

Contact: Andy Nielsen  
515/281-5834

Auditor of State David A. Vaudt today released an audit report on the Rural Iowa Waste Management Association.

The Association had total revenues of \$1,515,816 for the year ended June 30, 2007, which included member contributions of \$869,290, settlements of \$444,264 from the withdrawal of Hamilton and Wright counties from the Association and interest income of \$58,003.

Expenses totaled \$929,306, which included \$216,984 for depreciation, \$141,914 for salaries and benefits and \$166,107 in professional fees, including attorney fees of approximately \$140,000 related to the settlements.

A copy of the report is available for review in the Rural Iowa Waste Management Association's office, in the Office of Auditor of State and on the Auditor of State's web site at <http://auditor.iowa.gov/reports/reports.htm>.

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**RURAL IOWA WASTE MANAGEMENT ASSOCIATION**

**INDEPENDENT AUDITOR'S REPORTS  
BASIC FINANCIAL STATEMENTS AND  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FINDINGS**

**JUNE 30, 2007**

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**Rural Iowa Waste Management Association**

**Officials**

| <u>Name</u>    | <u>Title</u>     | <u>Representing</u>                                       |
|----------------|------------------|-----------------------------------------------------------|
| John Zimmerman | Chairperson      | Butler County Solid Waste Commission                      |
| Jody Anderson  | Vice Chairperson | Hardin County Sanitary Solid Waste Disposal<br>Commission |
| Ed Bear        | Member           | Hardin County Sanitary Solid Waste Disposal<br>Commission |
| Bob Greenlee   | Member           | Butler County Solid Waste Commission                      |
| Dan Aastrup    | Landfill Manager |                                                           |

**Rural Iowa Waste Management Association**



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Independent Auditor's Report

To the Members of the  
Rural Iowa Waste Management Association:

We have audited the accompanying financial statements of the Rural Iowa Management Association as of and for the year ended June 30, 2007. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statements presentation. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Rural Iowa Waste Management Association at June 30, 2007, and the changes in its financial position and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated March 7, 2008 on our consideration of the Rural Iowa Waste Management Association's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Management's Discussion and Analysis on pages 7 through 10 is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. We did not audit the information and express no opinion on it.

DAVID A. VAUDT, CPA  
Auditor of State

WARREN G. JENKINS, CPA  
Chief Deputy Auditor of State

March 7, 2008

**Rural Iowa Waste Management Association**

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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The Rural Iowa Waste Management Association provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2007. We encourage readers to consider this information in conjunction with the Association's financial statements, which follow.

### **2007 FINANCIAL HIGHLIGHTS.**

- ◆ The Association's operating revenues for fiscal year 2007 were \$972,932, \$263,168 less than operating revenues of \$1,236,100 for fiscal year 2006. Wright County withdrew from participation in the Association in fiscal year 2007.
- ◆ The Association's operating expenses for fiscal year 2007 were \$887,342, \$236,732 less than fiscal year 2006 operating expenses. This is primarily due to a decrease in depreciation expense of approximately \$91,000 from the previous year, a decrease in closure/postclosure care of approximately \$83,000, a decrease in engineering and consulting services of approximately \$78,000 due to the Association no longer using a consultant as an Interim Director and a decrease in landfill cell expansion and final cover of approximately \$68,000. Professional fees increased approximately \$114,000, primarily due to attorney fees related to the member withdrawal settlements.
- ◆ The Association's net assets at June 30, 2007 were \$1,294,960, an increase of \$586,510 over the balance of \$708,450 at June 30, 2006.

### **USING THIS ANNUAL REPORT**

The Rural Iowa Waste Management Association is a single Enterprise Fund and presents its financial statements using the economic resources measurement focus and accrual basis of accounting, which is the same measurement focus and basis of accounting employed by private sector business enterprises. This discussion and analysis are intended to serve as an introduction to the Rural Iowa Waste Management Association's basic financial statements. The annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an overview of the Association's financial activities.

The Statement of Net Assets presents information on the Association's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Association is improving or deteriorating.

The Statement of Revenues, Expenses and Changes in Net Assets is the basic statement of activities for proprietary funds. This statement presents information on the Association's operating revenues and expenses, non-operating revenues and expenses and whether the Association's financial position has improved or deteriorated as a result of the year's activities.

The Statement of Cash Flows presents the change in the Association's cash and cash equivalents during the year. This information can assist users of the report in determining how the Association financed its activities and how it met its cash requirements.

The Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the financial statements.

## FINANCIAL ANALYSIS OF THE ASSOCIATION

### Statement of Net Assets

As noted earlier, net assets may serve over time as a useful indicator of the Association's financial position. The Association's net assets at the end of fiscal 2007 totaled approximately \$1,295,000. This compares to approximately \$708,000 at the end of fiscal year 2006.

| Net Assets                                            |                     |                  |
|-------------------------------------------------------|---------------------|------------------|
|                                                       | June 30,            |                  |
|                                                       | 2007                | 2006             |
| <b>Assets</b>                                         |                     |                  |
| Current assets                                        | \$ 804,052          | 697,374          |
| Noncurrent restricted cash and investments            | 1,038,607           | 995,367          |
| Noncurrent receivable                                 | 16,000              | 28,000           |
| Capital assets at cost, less accumulated depreciation | 1,575,908           | 1,264,458        |
| Total assets                                          | <u>3,434,567</u>    | <u>2,985,199</u> |
| <b>Liabilities</b>                                    |                     |                  |
| Current liabilities                                   | 306,452             | 256,607          |
| Noncurrent liabilities                                | 1,833,155           | 2,020,142        |
| Total liabilities                                     | <u>2,139,607</u>    | <u>2,276,749</u> |
| <b>Net assets</b>                                     |                     |                  |
| Invested in capital assets, net of related debt       | 1,178,668           | 637,798          |
| Restricted                                            | 149,955             | 159,706          |
| Unrestricted                                          | (33,663)            | (89,054)         |
| Total net assets                                      | <u>\$ 1,294,960</u> | <u>708,450</u>   |

The largest portion of the Association's net assets is invested in capital assets (91%, e.g. land, land improvements, buildings and equipment), less the related debt portion of net assets. A portion of the Association's net assets (12%) is restricted for debt and for tonnage fees held. State and federal laws and regulations require the Association to place a final cover on the landfill sites and perform certain maintenance and monitoring functions at the landfill sites for a minimum of thirty years after closure. The remaining net assets are the unrestricted net assets, which reflect a deficit balance to the extent the Association has reported noncurrent liabilities for landfill closure and postclosure care.

### Statement of Revenues, Expenses and Changes in Net Assets

Operating revenues are received for member contributions and gate fees from accepting solid waste. Operating expenses are expenses paid to operate the landfill. Non-operating revenues are for interest income, member reimbursements for county settlements and gain on disposition of capital assets. Non-operating expenses are for interest expense. The utilization of the capital assets is reflected in the financial statements as depreciation, which allocates the cost of an asset over its expected useful life.

A summary of revenues, expenses and changes in net assets is presented below:

|                                                                          | Changes in Net Assets |                  |
|--------------------------------------------------------------------------|-----------------------|------------------|
|                                                                          | Year ended June 30,   |                  |
|                                                                          | 2007                  | 2006             |
| Operating revenues:                                                      |                       |                  |
| Member fees                                                              | \$ 869,290            | 1,146,492        |
| Gate fees                                                                | 84,222                | 28,882           |
| Reimbursements                                                           | 14,401                | 12,518           |
| Other operating revenues                                                 | 5,019                 | 48,208           |
| Total operating revenues                                                 | <u>972,932</u>        | <u>1,236,100</u> |
| Operating expenses:                                                      |                       |                  |
| Salaries and benefits                                                    | 141,914               | 155,746          |
| Travel, meetings and dues                                                | 2,189                 | 3,829            |
| Office supplies and postage                                              | 3,717                 | 1,253            |
| Advertising and printing                                                 | 1,061                 | 1,169            |
| Engineering and consulting services                                      | 33,492                | 111,690          |
| Professional fees                                                        | 166,107               | 52,318           |
| Insurance                                                                | 27,154                | 17,920           |
| Utilities                                                                | 13,653                | 14,288           |
| Tonnage fees                                                             | 78,016                | 102,729          |
| Landfill maintenance                                                     | 85,453                | 99,278           |
| Landfill cell expansion and final cover                                  | -                     | 67,520           |
| Equipment repair and maintenance                                         | 72,382                | 68,921           |
| Closure and postclosure care                                             | 34,674                | 117,935          |
| Depreciation                                                             | 216,984               | 307,853          |
| Miscellaneous                                                            | 10,545                | 1,625            |
| Total operating expenses                                                 | <u>887,341</u>        | <u>1,124,074</u> |
| Operating income                                                         | <u>85,591</u>         | <u>112,026</u>   |
| Non-operating revenues (expenses):                                       |                       |                  |
| Interest income                                                          | 58,003                | 43,470           |
| Gain on sale of capital assets                                           | 40,617                | 375,869          |
| County settlement reimbursements                                         | 444,264               | -                |
| Interest expense                                                         | (41,965)              | (49,885)         |
| Net non-operating revenues                                               | <u>500,919</u>        | <u>369,454</u>   |
| Income before contributions                                              | 586,510               | 481,480          |
| Capital contributions - member reimbursement for landfill cell expansion | -                     | 100,000          |
| Change in net assets                                                     | <u>586,510</u>        | <u>581,480</u>   |
| Net assets beginning of year                                             | <u>708,450</u>        | <u>126,970</u>   |
| Net assets end of year                                                   | <u>\$ 1,294,960</u>   | <u>708,450</u>   |

The Statement of Revenues, Expenses and Changes in Net Assets reflects a positive year with an increase in net assets at the end of the year.

### Statement of Cash Flows

The Statement of Cash Flows presents information related to cash inflows and outflows, summarized by operating, noncapital financing, capital and related financing and investing activities. Cash provided by operating activities includes member contributions and gate fees reduced by payments to employees and to suppliers. Cash used for noncapital financing activities includes County settlement reimbursements. Cash provided by capital and related financing activities includes the sale of capital assets reduced by principal and interest payments on loans and the purchase of capital assets. Cash used by investing activities includes purchases of certificates of deposit reduced by interest income.

### CAPITAL ASSETS

At June 30, 2007, the Association had \$1,575,908 invested in capital assets, net of accumulated depreciation of \$1,060,815. Depreciation charges totaled \$216,984 for fiscal year 2007. More detailed information about the Association's capital assets is presented in Note 6 to the financial statements.

### LONG-TERM DEBT

At June 30, 2007, the Association had \$1,981,317 in debt outstanding compared to \$2,200,294 at June 30, 2006. The table below summarizes outstanding debt by type.

|                                        | June 30,            |                  |
|----------------------------------------|---------------------|------------------|
|                                        | 2007                | 2006             |
| Revenue bonds payable                  | \$ 450,000          | 490,000          |
| Note payable                           | 122,740             | 201,324          |
| Installment purchase agreement payable | -                   | 126,435          |
| Land contract payable                  | 38,000              | 41,000           |
| Closure and postclosure care           | 1,370,577           | 1,341,535        |
| Total                                  | <u>\$ 1,981,317</u> | <u>2,200,294</u> |

Additional information about the Association's long-term debt is presented in Notes 7 and 8 to the financial statements.

### ECONOMIC FACTORS

The Rural Iowa Waste Management Association continued to improve its financial position during the current fiscal year. However, the current condition of the economy in the state continues to be a concern for Association officials. Some of the realities that may potentially become challenges for the Association to meet are:

- ◆ Facilities and equipment requiring constant maintenance and upkeep.
- ◆ State regulations continue to change, requiring revised design and operational plans, additional monitoring expenses and increases in operating costs.
- ◆ Annual deposits required for closure and postclosure accounts are based on constantly changing cost estimates and the number of tons of solid waste received at the facility.

The Association anticipates the current fiscal year will be much like the last and will maintain a close watch over resources to maintain the Association's ability to react to unknown issues.

### CONTACTING THE ASSOCIATION'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the Association's finances and to show the Association's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Rural Iowa Waste Management Association, 20488 M Avenue, Eldora, IA 50627.

## **Basic Financial Statements**

**Exhibit A**

## Rural Iowa Waste Management Association

## Statement of Net Assets

Year ended June 30, 2007

**Assets**

## Current assets:

|                           |                |
|---------------------------|----------------|
| Cash and cash equivalents | \$ 200,908     |
| Restricted cash           | 66,281         |
| Investments               | 124,081        |
| Receivables:              |                |
| Accounts                  | 100,450        |
| Land contract             | 13,000         |
| Wright County settlement  | 289,264        |
| Prepaid expense           | 10,068         |
| Total current assets      | <u>804,052</u> |

## Noncurrent assets:

|                                                  |                  |
|--------------------------------------------------|------------------|
| Restricted cash                                  | 38,211           |
| Restricted investments                           | 1,000,396        |
| Land contract receivable                         | 16,000           |
| Capital assets (net of accumulated depreciation) | 1,575,908        |
| Total noncurrent assets                          | <u>2,630,515</u> |
| <b>Total assets</b>                              | <u>3,434,567</u> |

**Liabilities**

## Current liabilities:

|                           |                |
|---------------------------|----------------|
| Accounts payable          | 158,290        |
| Current portion of:       |                |
| Revenue bonds payable     | 45,000         |
| Note payable              | 81,162         |
| Land contract payable     | 22,000         |
| Total current liabilities | <u>306,452</u> |

## Non-current liabilities:

|                                       |                  |
|---------------------------------------|------------------|
| Revenue bonds payable                 | 405,000          |
| Note payable                          | 41,578           |
| Land contract payable                 | 16,000           |
| Landfill closure and postclosure care | 1,370,577        |
| Total noncurrent liabilities          | <u>1,833,155</u> |
| <b>Total liabilities</b>              | <u>2,139,607</u> |

**Net assets**

|                                                 |                     |
|-------------------------------------------------|---------------------|
| Invested in capital assets, net of related debt | 1,178,668           |
| Restricted for:                                 |                     |
| Debt service                                    | 102,526             |
| Tonnage fees retained                           | 47,429              |
| Unrestricted                                    | <u>(33,663)</u>     |
| <b>Total net assets</b>                         | <u>\$ 1,294,960</u> |

See notes to financial statement.

Rural Iowa Waste Management Association

Statement of Revenues, Expenses and  
Changes in Net Assets

Year ended June 30, 2007

|                                     |                     |
|-------------------------------------|---------------------|
| Operating revenues:                 |                     |
| Member fees                         | \$ 869,290          |
| Gate fees                           | 84,222              |
| Reimbursements                      | 14,401              |
| Other operating revenues            | 5,019               |
| Total operating revenues            | <u>972,932</u>      |
| Operating expenses:                 |                     |
| Salaries and benefits               | 141,914             |
| Travel, meetings and dues           | 2,189               |
| Office supplies and postage         | 3,717               |
| Advertising and printing            | 1,061               |
| Engineering and consulting services | 33,492              |
| Professional fees                   | 166,107             |
| Insurance                           | 27,154              |
| Utilities                           | 13,653              |
| Tonnage fees                        | 78,016              |
| Landfill maintenance                | 85,453              |
| Equipment repair and maintenance    | 72,382              |
| Closure and postclosure care        | 34,674              |
| Depreciation                        | 216,984             |
| Miscellaneous                       | 10,545              |
| Total operating expenses            | <u>887,341</u>      |
| Operating income                    | <u>85,591</u>       |
| Non-operating revenues (expenses):  |                     |
| Interest income                     | 58,003              |
| Gain on sale of capital assets      | 40,617              |
| County settlement reimbursements    | 444,264             |
| Interest expense                    | (41,965)            |
| Net non-operating revenues          | <u>500,919</u>      |
| Change in net assets                | 586,510             |
| Net assets beginning of year        | <u>708,450</u>      |
| Net assets end of year              | <u>\$ 1,294,960</u> |

See notes to financial statements.

## Rural Iowa Waste Management Association

## Statement of Cash Flows

Year ended June 30, 2007

|                                                                                         |                   |
|-----------------------------------------------------------------------------------------|-------------------|
| Cash flows from operating activities:                                                   |                   |
| Cash received from member fees                                                          | \$ 893,219        |
| Cash received from gate fees                                                            | 68,674            |
| Cash received from reimbursements                                                       | 14,401            |
| Cash received from other operating revenues                                             | 26,112            |
| Cash paid to suppliers for goods and services                                           | (443,071)         |
| Cash paid to employees for services                                                     | (141,914)         |
| Net cash provided by operating activities                                               | <u>417,421</u>    |
| Cash flows from noncapital financing activities:                                        |                   |
| County settlement reimbursements                                                        | <u>155,000</u>    |
| Cash flows from capital and related financing activities:                               |                   |
| Sale of capital assets                                                                  | 247,000           |
| Sale of land                                                                            | 12,000            |
| Principal paid on revenue bonds                                                         | (40,000)          |
| Interest paid on revenue bonds                                                          | (31,170)          |
| Principal paid on other debt                                                            | (205,019)         |
| Interest paid on other debt                                                             | (10,795)          |
| Purchase of capital assets                                                              | (709,579)         |
| Land proceeds returned to members                                                       | (3,000)           |
| Net cash used for capital and related financing activities                              | <u>(740,563)</u>  |
| Cash flows from investing activities:                                                   |                   |
| Purchase of certificates of deposit                                                     | (270,788)         |
| Interest received                                                                       | 16,644            |
| Net cash used for investing activities                                                  | <u>(254,144)</u>  |
| Net increase in cash and cash equivalents                                               | (422,286)         |
| Cash and cash equivalents beginning of year                                             | <u>727,686</u>    |
| Cash and cash equivalents end of year                                                   | <u>\$ 305,400</u> |
| <b>Reconciliation of operating income to net cash provided by operating activities:</b> |                   |
| Operating income                                                                        | <u>\$ 85,591</u>  |
| Adjustments to reconcile operating income to net cash provided by operating activities: |                   |
| Depreciation                                                                            | 216,984           |
| Closure and postclosure care                                                            | 29,042            |
| Changes in assets and liabilities:                                                      |                   |
| Decrease in accounts receivable                                                         | 29,474            |
| (Increase) in prepaid expense                                                           | (267)             |
| Increase in accounts payable                                                            | 56,597            |
| Total adjustments                                                                       | <u>331,830</u>    |
| Net cash provided by operating activities                                               | <u>\$ 417,421</u> |
| Non-cash capital and related financing activities:                                      |                   |
| Trade-in value on equipment deleted was \$46,500.                                       |                   |

See notes to financial statements.

Rural Iowa Waste Management Association

Notes to Financial Statement

June 30, 2007

**(1) Summary of Significant Accounting Policies**

The Rural Iowa Waste Management Association was formed in 1994 pursuant to the provisions of Chapter 28E of the Code of Iowa. The purpose of the Association is to effectively provide for the sanitary disposal of solid waste within the boundaries of Butler and Hardin Counties through the joint operation of a landfill site and the initiation of such other solid waste reduction or recycling programs as the member Commissions deem necessary and beneficial to the citizens they serve.

The Association is composed of one member from each of the following two commissions: Butler County Solid Waste Commission and Hardin County Sanitary Solid Waste Disposal Commission. Each commission shall appoint one member and one alternate to serve in the absence of their respective representative. Representatives and alternates shall serve for one year or until the Association receives a new written notification from the respective Commission of the appointment of a new appointee.

The Association's financial statements are prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

A. Reporting Entity

For financial reporting purposes, the Rural Iowa Waste Management Association has included all funds, organizations, agencies, boards, commissions and authorities. The Association has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the Association are such that exclusion would cause the Association's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the Association to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the Association. The Association has no component units which meet the Governmental Accounting Standards Board criteria.

B. Basis of Presentation

The accounts of the Association are organized as an Enterprise Fund. Enterprise Funds are used to account for operations (a) financed and operated in a manner similar to private business enterprises, where the intent of the governing body is the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance public policy, management control, accountability or other purposes.

C. Measurement Focus and Basis of Accounting

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The Association applies all applicable GASB pronouncements, as well as the following pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedure.

The Association distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Association's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. Assets, Liabilities and Net Assets

The following accounting policies are followed in preparing the Statement of Net Assets:

Cash, Investments and Cash Equivalents – The Association considers all short-term investments that are highly liquid to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash and, at the day of purchase, have a maturity date no longer than three months. Cash investments not meeting the definition of cash equivalents at June 30, 2007 include certificates of deposit of \$ 1,124,477.

Restricted Investments – Funds set aside for revenue bond principal and interest payments and payment of closure and postclosure care costs are classified as restricted.

Capital Assets – Capital assets are accounted for at historical cost. Depreciation of all exhaustible capital assets is charged as an expense against operations. The cost of repair and maintenance is charged to expense, while the cost of renewals or substantial betterments is capitalized. The cost and accumulated depreciation of assets disposed of are deleted, with any gain or loss recorded in current operations.

Reportable capital assets are defined by the Association as assets with initial, individual costs in excess of the following thresholds and estimated useful lives in excess of two years.

| <u>Asset Class</u>     | <u>Amount</u> |
|------------------------|---------------|
| Buildings              | \$ 25,000     |
| Equipment and vehicles | 5,000         |
| Land improvements      | 5,000         |
| Land                   | 5,000         |

Capital assets of the Association are depreciated using the straight line method over the following estimated useful lives:

| Asset Class            | Estimated Useful lives (In Years) |
|------------------------|-----------------------------------|
| Buildings              | 39                                |
| Equipment and vehicles | 2 - 30                            |
| Land improvements      | 5 - 10                            |

Interest is capitalized on qualified assets acquired with certain tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. There were no qualifying assets acquired during the year ended June 30, 2007.

**(2) Cash and Investments**

The Association's deposits in banks at June 30, 2007 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against depositories to insure there will be no loss of public funds.

The Association is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Association; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

The Association had no investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 3, as amended by Statement No. 40.

**(3) Pension and Retirement Benefits**

The Association contributes to the Iowa Public Employees Retirement System (IPERS), which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits established by state statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa, 50306-9117.

Plan members are required to contribute 3.70% of their annual covered salary and the Association is required to contribute 5.75% of annual covered payroll for the years ended June 30, 2007, 2006 and 2005. Contribution requirements are established by state statute. The Association's contributions to IPERS for the years ended June 30, 2007, 2006 and 2005 were \$6,790, \$6,021 and \$11,442, respectively, equal to the required contribution for each year.

**(4) Compensated Absences**

Association employees accumulate a limited amount of earned but unused sick leave hours for subsequent use or for payment upon retirement or death. The Association's sick leave payout wage is \$2.00 per hour with a maximum payout of \$3,000 subject to Board approval. The Association did not compute the employees' sick leave balances as of June 30, 2007.

**(5) Land Contract Receivable and Payable**

On October 30, 2001, the Association entered into an agreement to sell real estate to the Hardin County Sanitary Solid Waste Disposal Commission (Commission) for \$100,000. The agreement requires monthly payments of \$1,000, interest-free, from July 1, 2001 to October 1, 2009. At June 30, 2007, the balance of \$29,000 owed to the Association, including a delinquent installment of \$1,000 received in July 2007, was due as follows:

| Year Ending<br>June 30, | Amount           |
|-------------------------|------------------|
| 2008                    | \$ 13,000        |
| 2009                    | 12,000           |
| 2010                    | 4,000            |
| Total                   | <u>\$ 29,000</u> |

The payments received from the Commission are to be paid to the remaining Association members quarterly. During the year, only one quarterly payment was made, resulting in a payable at June 30, 2007 of \$38,000.

**(6) Capital Assets**

A summary of capital assets activity for the year ended June 30, 2007 is as follows:

|                                             | Balance<br>Beginning<br>of Year | Additions      | Deletions        | Balance<br>End<br>of Year |
|---------------------------------------------|---------------------------------|----------------|------------------|---------------------------|
| Capital assets not being depreciated:       |                                 |                |                  |                           |
| Land                                        | \$ 152,445                      | -              | -                | 152,445                   |
| Capital assets being depreciated:           |                                 |                |                  |                           |
| Buildings                                   | 120,000                         | -              | -                | 120,000                   |
| Land improvements                           | 748,390                         | -              | -                | 748,390                   |
| Equipment and vehicles                      | 1,236,185                       | 781,317        | (401,614)        | 1,615,888                 |
| Total capital assets being depreciated      | <u>2,104,575</u>                | <u>781,317</u> | <u>(401,614)</u> | <u>2,484,278</u>          |
| Less accumulated depreciation for:          |                                 |                |                  |                           |
| Buildings                                   | 27,692                          | 3,077          | -                | 30,769                    |
| Land improvements                           | 438,110                         | 140,458        | -                | 578,568                   |
| Equipment and vehicles                      | 526,760                         | 73,449         | (148,731)        | 451,478                   |
| Total accumulated depreciation              | <u>992,562</u>                  | <u>216,984</u> | <u>(148,731)</u> | <u>1,060,815</u>          |
| Total capital assets being depreciated, net | <u>1,112,013</u>                | <u>564,333</u> | <u>(252,883)</u> | <u>1,423,463</u>          |
| Capital assets, net                         | <u>\$ 1,264,458</u>             | <u>564,333</u> | <u>(252,883)</u> | <u>1,575,908</u>          |

**(7) Solid Waste Revenue Bonds**

Annual debt service requirements to maturity for solid waste revenue bonds are as follows:

| Year<br>Ending<br>June 30, | Interest<br>Rates | Principal         | Interest       | Total          |
|----------------------------|-------------------|-------------------|----------------|----------------|
| 2008                       | 6.00%             | \$ 45,000         | 28,510         | 73,510         |
| 2009                       | 6.10              | 50,000            | 25,810         | 75,810         |
| 2010                       | 6.20              | 50,000            | 22,760         | 72,760         |
| 2011                       | 6.30              | 55,000            | 19,660         | 74,660         |
| 2012                       | 6.40              | 55,000            | 16,195         | 71,195         |
| 2013-2015                  | 6.50              | 195,000           | 26,000         | 221,000        |
| Total                      |                   | <u>\$ 450,000</u> | <u>138,935</u> | <u>588,935</u> |

The resolution providing for the issuance of the revenue bonds requires the Association to maintain a debt service fund of \$76,000. The Association had \$83,674 invested in a certificate of deposit as of June 30, 2007 which is included in restricted net assets on the Statement of Net Assets.

The Association also maintains a debt service fund savings account into which monthly transfers are made to accumulate sufficient funds to make the annual interest payment in December and the annual interest and principal payment in June. The savings account had a balance of \$18,852 at June 30, 2007, which is included in restricted net assets on the Statement of Net Assets.

During the year ended June 30, 2007, \$40,000 of principal, \$30,870 of interest and bond register fees of \$300 were paid.

**(8) Note Payable and Installment Purchase Agreement Debt**

The Association financed the purchase of a compactor with a loan from Security State Bank evidenced by a note. Annual payment requirements to maturity for the note payable are as follows:

| Year<br>Ending<br>June 30, | Interest<br>Rates | Principal  | Interest | Total   |
|----------------------------|-------------------|------------|----------|---------|
| 2008                       | 3.25%             | \$ 81,162  | 3,017    | 84,179  |
| 2009                       | 3.25              | 41,578     | 513      | 42,091  |
| Total                      |                   | \$ 122,740 | 3,530    | 126,270 |

During the year ended June 30, 2007, \$78,584 of principal and \$5,596 of interest were paid on the note payable and \$126,435 of principal and \$5,199 of interest were paid to retire the installment purchase agreement debt outstanding at June 30, 2006.

**(9) Closure and Postclosure Care**

To comply with federal and state regulations, the Association is required to complete a monitoring system plan and a closure/postclosure plan and to provide funding necessary to effect closure and postclosure, including the proper monitoring and care of the landfill after closure. Environmental Protection Agency (EPA) requirements have established closure and thirty-year postclosure care requirements for all municipal solid waste landfills that receive waste after October 9, 1993. State governments are primarily responsible for implementation and enforcement of those requirements and have been given flexibility to tailor requirements to accommodate local conditions that exist. The effect of the EPA requirement is to commit landfill owners to perform certain closing functions and postclosure monitoring functions as a condition for the right to operate the landfill in the current period. The EPA requirements provide that when a landfill stops accepting waste, it must be covered with a minimum of twenty-four inches of earth to keep liquid away from the buried waste. Once the landfill is closed, the owner is responsible for maintaining the final cover, monitoring ground water and methane gas, and collecting and treating leachate (the liquid that drains out of waste) for thirty years.

Governmental Accounting Standards Board Statement No. 18 requires landfill owners to estimate total landfill closure and postclosure care costs and recognize a portion of these costs each year based on the percentage of estimated total landfill capacity used that period. Estimated total costs consist of four components: (1) the cost of equipment and facilities used in postclosure monitoring and care, (2) the cost of final cover (material and labor), (3) the cost of monitoring the landfill during the postclosure period and (4) the cost of any environmental cleanup required after closure. Estimated total cost is based on the cost to purchase those services and equipment currently and is required to be updated annually for changes due to inflation or deflation, technology, or applicable laws or regulations.

These costs for the Association have been estimated at \$28,800 and \$570,000 for closure and postclosure care, respectively, for the vertical expansion area, \$268,500 and \$237,000 for closure and postclosure care, respectively, for the horizontal expansion area – phase A and B and \$189,300 and \$165,000 for closure and postclosure care, respectively, for the horizontal expansion area – phase C, for a total of \$1,458,600 as of June 30, 2007, and the portion of the liability that has been recognized is \$1,370,577. These amounts are based on what it would cost to perform all closure and postclosure care during the year ended June 30, 2007. Actual costs may be higher due to inflation, changes in technology or changes in regulations. The estimated remaining life of the horizontal expansion area – phase A and B is 6 years and the estimated remaining life of the horizontal expansion area – phase C is 9 years. The capacity used at June 30, 2007 in the vertical expansion area is 100 percent, the horizontal expansion area – phase A and B is 88 percent and the horizontal expansion area – phase C is 68 percent.

Chapter 455B.306(8)(b) of the Code of Iowa requires permit holders of municipal solid waste landfills to maintain separate closure and postclosure care accounts to accumulate resources for the payment of closure and postclosure care costs. The Association has begun accumulating resources to fund these costs and, at June 30, 2007, assets of \$954,933 are restricted for these purposes. They are reported as restricted cash and investments on the Statement of Net Assets.

Also, pursuant to Chapter 567-111.3(3) of the Iowa Administrative Code (IAC), since the estimated closure and postclosure care costs are not fully funded, the Association is required to demonstrate financial assurance for the unfunded costs. The Association has adopted the dedicated fund mechanism.

Chapter 57-111.8(7) of the IAC allows the Association to choose the dedicated fund mechanism to demonstrate financial assurance and use the accounts established to satisfy the closure and postclosure care account requirements. Accordingly, the Association is not required to establish closure and postclosure accounts in addition to the accounts established to comply with the dedicated fund financial assurance mechanism.

#### **(10) Solid Waste Tonnage Fees Retained**

The Association has established an account for restricting and using solid waste tonnage fees retained by the Association in accordance with Chapter 455B.310 of the Code of Iowa.

At June 30, 2007, the unspent amounts retained by the Association and restricted for the required purposes totaled \$47,429.

#### **(11) Risk Management**

The Association is a member in the Iowa Communities Assurance Pool, as allowed by Chapter 670.7 of the Code of Iowa. The Iowa Communities Assurance Pool (Pool) is a local government risk-sharing pool whose 556 members include various governmental entities throughout the State of Iowa. The Pool was formed in August 1986 for the purpose of managing and funding third-party liability claims against its members. The Pool provides coverage and protection in the following categories: general liability, automobile liability, automobile physical damage, public officials liability, police professional liability, property, inland marine and boiler/machinery. There have been no reductions in insurance coverage from prior years.

Each member's annual casualty contributions to the Pool fund current operations and provide capital. Annual operating contributions are those amounts necessary to fund, on a cash basis, the Pool's general and administrative expenses, claims, claims expenses and reinsurance expenses due and payable in the current year, plus all or any portion of any deficiency in capital. Capital contributions are made during the first six years of membership and are maintained to equal 300 percent of the total current members' basis rates or to comply with the requirements of any applicable regulatory authority having jurisdiction over the Pool.

The Pool also provides property coverage. Members which elect such coverage make annual operating contributions which are necessary to fund, on a cash basis, the Pool's general and administrative expenses and reinsurance premiums, all of which are due and payable in the current year, plus all or any portion of any deficiency in capital. Any year-end operating surplus is transferred to capital. Deficiencies in operations are offset by transfers from capital and, if insufficient, by the subsequent year's member contributions.

The Association's property and casualty contributions to the Pool for the year ended June 30, 2007 were \$12,476.

The Pool uses reinsurance and excess risk-sharing agreements to reduce its exposure to large losses. The Pool retains general, automobile, police professional, and public officials' liability risks up to \$350,000 per claim. Claims exceeding \$350,000 are reinsured in an amount not to exceed \$2,650,000 per claim and \$5,000,000 in aggregate per year. For members requiring specific coverage from \$3,000,000 to \$10,000,000, such excess coverage is also reinsured. Property and automobile physical damage risks are retained by the Pool up to \$100,000 each occurrence, each location, with excess coverage reinsured on an individual-member basis.

The Pool's intergovernmental contract with its members provides that in the event a casualty claim or series of claims exceeds the amount of risk-sharing protection provided by the member's risk-sharing certificate, or in the event a series of casualty claims exhausts total members' equity plus any reinsurance and any excess risk-sharing recoveries, then payment of such claims shall be the obligation of the respective individual member. The Association does not report a liability for losses in excess of reinsurance or excess risk-sharing recoveries unless it is deemed probable such losses have occurred and the amount of such loss can be reasonably estimated. Accordingly, at June 30, 2007, no liability has been recorded in the Association's financial statements. As of June 30, 2007, settled claims have not exceeded the risk pool or reinsurance coverage since the Pool's inception.

Members agree to continue membership in the Pool for a period of not less than one full year. After such period, a member who has given 60 days prior written notice may withdraw from the Pool. Upon withdrawal, payments for all claims and claims expenses become the sole responsibility of the withdrawing member, regardless of whether a claim was incurred or reported prior to the member's withdrawal. Members withdrawing within the first six years of membership may receive a partial refund of their capital contributions. If a member withdraws after the sixth year, the member is refunded 100 percent of its capital contributions. However, the refund is reduced by an amount equal to the annual operating contribution which the withdrawing member would have made for the one-year period following withdrawal.

The Association also carries commercial insurance purchased from another insurer for coverage associated with worker's compensation. The Association assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**(12) Member Withdrawal**

The Wright County Area Landfill Authority (WCALA) withdrew from the Association, effective June 30, 2006, and is no longer a participating member of the Association. WCALA agreed to pay costs totaling \$289,264 for its withdrawal from the Association.

**(13) Subsequent Event**

On November 9, 2007, the Association awarded a contract for a project described as Trench 1-3 excavation in the amount of \$639,354.

**Independent Auditor's Report on Internal Control  
over Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed in Accordance with  
Government Auditing Standards**

**Rural Iowa Waste Management Association**



**OFFICE OF AUDITOR OF STATE**  
**STATE OF IOWA**

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Independent Auditor's Report on Internal Control  
over Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed in Accordance with  
Government Auditing Standards

To the Members of the  
Rural Iowa Waste Management Association:

We have audited the accompanying financial statements of the Rural Iowa Waste Management Association as of and for the year ended June 30, 2007, and have issued our report thereon dated March 7, 2008. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Rural Iowa Waste Management Association's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing our opinion on the effectiveness of the Rural Iowa Waste Management Association's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Rural Iowa Waste Management Association's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies, including a deficiency we consider to be a material weakness.

A control deficiency exists when the design or operation of the control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Rural Iowa Waste Management Association's ability to initiate, authorize, record, process, or report financial data reliably in accordance with U.S. generally accepted accounting principles such that there is more than a remote likelihood a misstatement of the Rural Iowa Waste Management Association's financial statements that is more than inconsequential will not be prevented or detected by the Rural Iowa Waste Management Association's internal control. We consider the deficiencies in internal control described in the accompanying Schedule of Findings to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood a material misstatement of the financial statements will not be prevented or detected by the Rural Iowa Waste Management Association's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we believe item (A) is a material weakness.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Rural Iowa Waste Management Association's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of non-compliance or other matters that are described in the accompanying Schedule of Findings.

Comments involving statutory and other legal matters about the Association's operations for the year ended June 30, 2007 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the Association. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

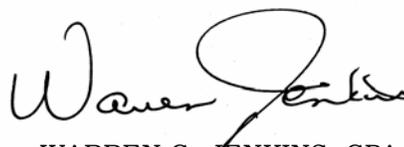
The Rural Iowa Waste Management Association's responses to findings identified in our audit are described in the accompanying Schedule of Findings. While we have expressed our conclusions on the Association's responses, we did not audit the Rural Iowa Waste Management Association's responses and, accordingly, we express no opinion on them.

This report, a public record by law, is intended solely for the information and use of the members and customers of the Rural Iowa Waste Management Association and other parties to whom the Association may report. This report is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the Rural Iowa Waste Management Association during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.



DAVID A. VAUDT, CPA  
Auditor of State



WARREN G. JENKINS, CPA  
Chief Deputy Auditor of State

March 7, 2008

Rural Iowa Waste Management Association

Schedule of Findings

Year ended June 30, 2007

**Findings Related to the Financial Statements:**

**SIGNIFICANT DEFICIENCIES:**

- (A) Financial Reporting – A material amount of accruals were not reported in the Association's financial statements. Adjustments were subsequently made by the Association to report the financial activity on an accrual basis.

Recommendation – The Association should implement procedures to ensure the financial activity is reported in the financial statements on the accrual basis of accounting.

Response – Nissly and Nissly will update their accounting practices.

Conclusion – Response accepted.

- (B) Capital Assets – A physical observation of capital assets is not performed periodically by an employee having no responsibility for capital assets. Additionally, the Association does not have a written capital asset policy, including capitalization thresholds and useful lives for classes of assets.

Recommendation – Capital assets should be observed periodically by an employee having no responsibility for the assets. This observation should include ensuring the listing of assets at year end is accurate and complete. The Association should develop a written capital asset policy to identify capitalization thresholds and useful lives for classes of assets.

Response – RIWMA Board will set depreciation schedules for assets. An inventory will be conducted yearly, but with such a limited number of employees everyone is responsible.

Conclusion – Response acknowledged. The observation could be performed by a Board Member.

- (C) Accounting Policies and Procedures Manual – The Association does not have an accounting policies and procedures manual.

Recommendation – An accounting policies and procedures manual should be developed to provide the following benefits:

- (1) Aid in training additional or replacement personnel.
- (2) Help achieve uniformity in accounting and in the application of policies and procedures.
- (3) Save supervisory time by recording decisions so they will not have to be made each time the same, or a similar, situation arises.

Response – A manual will be developed.

Conclusion – Response accepted.

Rural Iowa Waste Management Association

Schedule of Findings

Year ended June 30, 2007

(D) Information Systems – The Association does not have a written disaster recovery plan.

Recommendation – A written disaster recovery plan should be developed.

Response – A written plan will be developed for RIWMA. Nissly and Nissly are developing their own.

Conclusion – Response accepted.

(E) Payroll – The following were noted during our review:

(1) Compensated absence balances were not maintained.

(2) Personnel files do not include documentation of authorized salaries and wages.

Recommendation – The Association should establish procedures for maintaining compensated absence balances. Personnel files should include each employee's authorized salary or wage.

Response – A spreadsheet has already been developed for paid time off. Salaries will be published.

Conclusion – Response acknowledged. The authorized salary or wage should also be included in each employee's personnel file.

**INSTANCES OF NON-COMPLIANCE:**

No matters were reported.

Rural Iowa Waste Management Association

Schedule of Findings

Year ended June 30, 2007

**Other Findings Related to Required Statutory Reporting:**

- (1) Questionable Expenses – No expenses we believe may not meet the requirements of public purpose as defined in an Attorney General’s opinion dated April 25, 1979 were noted.
- (2) Travel Expense – No expenditures of money for travel expenses of spouses of Association officials or employees were noted.
- (3) Association Minutes – No transactions were found that we believe should have been approved in the Association minutes but were not. However, none of the Association minutes were signed by the Secretary.

Recommendation – The Association minutes should be signed.

Response – The Association minutes will be signed by the Director.

Conclusion – Response accepted.

- (4) Deposits and Investments – No instances of non-compliance with the deposit and investment provisions of Chapter 12B and Chapter 12C of the Code of Iowa and the Association’s investment policy were noted.
- (5) Solid Waste Tonnage Fees Retained – During the year ended June 30, 2007, the Association used or retained the solid waste fees in accordance with Chapter 455B.310 of the Code of Iowa.
- (6) Revenue Bonds – No instances of non-compliance with the solid waste revenue bond requirements for the year ended June 30, 2007 were noted.
- (7) Financial Assurance – The Association has elected to demonstrate financial assurance for closure and postclosure care by establishing a local government dedicated fund as provided in Chapter 111.6(8) of the Iowa Administrative Code. The calculation is made as follows:

|                                                                                     | Vertical<br>Expansion | Horizontal<br>Expansion -<br>Phase A and B | Horizontal<br>Expansion -<br>Phase C |
|-------------------------------------------------------------------------------------|-----------------------|--------------------------------------------|--------------------------------------|
| Total estimated costs for closure and postclosure care                              | \$ 598,800            | 505,500                                    | 354,300                              |
| Less: Balance of funds held in the local dedicated fund at June 30, 2006            | 598,800               | 256,627                                    | 60,870                               |
|                                                                                     | -                     | 248,873                                    | 293,430                              |
| Divided by the number of years remaining in the pay-in period                       | ÷                     | -                                          | 9                                    |
|                                                                                     |                       | 6                                          |                                      |
| Required payment into the local dedicated fund for the year ended June 30, 2007     | -                     | 41,479                                     | 32,603                               |
| Balance of funds held in the local dedicated fund at June 30, 2006                  | 598,800               | 256,627                                    | 60,870                               |
| Required balance of funds to be held in the local dedicated fund at June 30, 2007   | \$ 598,800            | 298,106                                    | 93,473                               |
| Amount Association has restricted for closure and postclosure care at June 30, 2007 | \$ 598,800            | 262,660                                    | 93,473                               |

Recommendation – The Association should demonstrate financial assurance by designating amounts sufficient to comply with Iowa Administrative Code requirements.

Response – RIWMA will designate the proper funds to ensure compliance.

Conclusion – Response accepted.

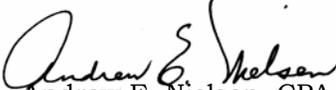
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Rural Iowa Waste Management Association

Staff

This audit was performed by:

Pamela J. Bormann, CPA, Manager  
Billie Jo Heth, Senior Auditor  
Janet K. Mortvedt, Assistant Auditor



Andrew E. Nielsen, CPA  
Deputy Auditor of State