SOUTHEAST IOWA MULTI-COUNTY SOLID WASTE MANAGEMENT AGENCY (SEMCO)

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

JUNE 30, 2005

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SOUTHEAST IOWA MULTI-COUNTY SOLID WASTE AGENCY (SEMCO)

Officials

Name	Title	Representing
Richard Reed	Chairperson	Jefferson County
Connie Boyer	Director	Jefferson County
Larry DeLong	Director	Washington County
Richard Denny	Director	Keokuk County
Joan Ferns	Director	Keokuk County
Ed Brown	Director	Washington County
Ray Griffin	Manager	

FREDRICK J. HENSEL, P.C.
Certified Public Accountant
1052 West Madison Suite B • P.O. Box 842 • Washington, IA 52353 • (319) 653-7617 • FAX (319) 653-5739

Independent Auditor's Report

To the Members of Southeast Iowa Multi-County
Solid Waste Management Agency (SEMCO):

I have audited the accompanying financial statements of Southeast Iowa Multi-County Solid Waste Management Agency (SEMCO) as of and for the year ended June 30, 2005. These financial statements are the responsibility of the Agency's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with U.S. generally accepted auditing standards, and the standards applicable to financial audits contained in Governmental Auditing Standards, issued by the Comptroller General of the United States. Those standards and provisions require that I 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 financial statements. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe my audit provides a reasonable basis for my opinion.

As described in Note 1, these financial statements are prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

In my opinion, the financial statements referred to above present fairly, in all material respects, the cash basis financial position of SEMCO as of and for the year ended June 30, 2005 and the changes in cash basis financial position for the year then ended in conformity with the basis of accounting described in Note 1.

In accordance with Government Accounting Standards, I have also issued my report dated October 31, 2005 on my consideration of SEMCO's internal control over financial reporting and my 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 my 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 my audit.

Management's Discussion and Analysis on pages 6 through 9 is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. I did not audit the information and express no opinion thereon.

Fredrick J. Hensel, PC
October 31, 2005

MANAGEMENT'S DISCUSSION AND ANALYSIS

Southeast Iowa Multi-County Solid Waste Management Agency provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities of the Southeast Iowa Multi-County Solid Waste Management Agency is for the fiscal year ended June 30, 2005. We encourage readers to consider this information in conjunction with the Agency's financial statements, which follow.

2005 FINANCIAL HIGHLIGHTS

- The Agency's operating receipts increased 17%, or approximately $124,969, from fiscal 2004 to fiscal 2005.
- The Agency's operating disbursements increased approximately $132,376, or 24% from fiscal 2004 to fiscal 2005.
- The Agency's net assets increased 8%, or approximately $301,839, from June 30, 2004 to June 30, 2005.

USING THIS ANNUAL REPORT

The Agency has elected to present its financial statements on a cash basis of accounting. The cash basis of accounting is a basis of accounting other than U.S. generally accepted accounting principles. Basis of accounting refers to when financial events are recorded, such as the timing for recognizing revenues, expenses and the related assets and liabilities. Under the Agency's cash basis of accounting, revenues and expenses and the related assets and liabilities are recorded when they result from cash transactions.

As a result of the use of this cash basis of accounting, certain assets and their related revenues and liabilities and their related expenses are not recorded in these financial statements. Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the cash basis of accounting.

The annual report is presented in a format consistent with the presentation of the Governmental Accounting Standards Board (GASB) Statement No. 34, as applicable to the Agency's cash basis of accounting.

This discussion and analysis are intended to serve as an introduction to the Southeast Iowa Multi-County Solid Waste Management Agency'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 analytical overview of the Agency's financial activities.
- The Statement of Net Assets - Cash Basis presents information on the Commission's net assets, including balances restricted for specific purposes and balances unrestricted and available for operating activities.
- The Statement of Cash Receipts, Disbursements and Changes in Net Assets - Cash Basis Presents information on the Agency's operating receipts and disbursements, non-operating receipts and disbursements and whether the Agency's financial position has improved or deteriorated as a result of the year's activities.
- The Notes to Financial Statements provide additional information essential to full understanding of the data providing the basic financial statements.

FINANCIAL ANALYSIS OF THE AGENCY

Statement of Net Assets - Cash Basis

The Statement of Net Assets - Cash Basis presents the assets and net assets of the Agency at the end of the fiscal year. The Statement of Net Assets - Cash Basis is a point-in-time financial statement. The purpose of this statement is to present a fiscal snapshot of the Agency to the readers of the financial statements.

Over time, readers of the financial statements are able to determine the Agency's financial position by analyzing the increases and decreases in net assets.

Assets and Net Assets		
	June 30,	
	2005	2004
Assets		
Cash and cash equivalents:		
Restricted	$929,101	$970,504
Unrestricted	3,013,484	2,670,242
Total assets	$3,942,585	$3,640,746
Net Assets		
Net assets:		
Restricted	$929,101	$970,504
Unrestricted	3,013,484	2,670,242
Total net assets	$3,942,585	$3,640,746

The smallest portion of the Agency's net assets (24%) is the restricted. State and federal laws and regulations require the Agency to place a final cover on the landfill site and perform certain maintenance and monitoring functions at the landfill site for a minimum of thirty years after closure. The remaining net assets (76%) are the unrestricted net assets that can be used to meet the Agency's obligations as they come due. Restricted net assets decreased $41,403 or 4%, during the year. Unrestricted net assets increased $343,242 or 13% during the year due to increases in gate fees and member contributions.

Statement of Cash Receipts, Disbursements and Changes in Net Assets - Cash Basis

Changes in total net assets as presented on the Statement of Net Assets - Cash Basis are based on the activity presented in the statement of Cash Receipts, Disbursements and Changes in Net Assets - Cash Basis. The purpose of the statement is to present the receipts received by the Agency and the disbursements paid by the Agency, both operating and non-operating.

Operating receipts are received for gate fees from accepting solid waste and assessments from the members of the Agency. Operating disbursements are disbursements paid to operate the landfill. Non-operating receipts and disbursements are for interest on investments. A summary of cash receipts, disbursements and changes in net assets for the year ended June 30, 2005 and June 30, 2004 are presented below:

Changes in Cash Basis Net Assets		
	Year ended June 30,	
	2005	2004
Operating receipts:		
Tipping fees and gate charges	$854,998	$729,499
Miscellaneous	--	530
Total operating receipts	854,998	730,029
Operating disbursements:		
Salaries and benefits	321,211	315,387
Site management	111,797	120,224
HHW	5,535	4,280
Vehicle expense	12,849	3,605
Repairs and maintenance	6,770	5,696
Insurance	5,989	4,430
Education	4,498	3,734
Utilities	2,084	2,708
Postage	296	592
Scholarships and memorials	500	3,600
Equipment, scales and drive ways	26,408	52,724
New cell	119,335	
Office supplies and printing	3,474	4,617
Professional fees	44,152	18,802
Miscellaneous	22,581	14,754
Total operating disbursements	687,529	555,153
Excess of operating receipts over operating disbursements	167,469	174,876
Non-operating receipts (disbursements):		
Interest on investments	134,370	168,625
Change in cash basis net assets	301,839	343,501
Net assets beginning of year	3,640,746	3,297,245
Net assets end of year	$3,942,585	$3,640,746

In fiscal 2005, operating receipts increased by $124,969, or 17%. The increase was primarily a result of gate fees due to an increase in waste received. In fiscal 2005, operating disbursements increased by $132,376 or 24 %, from fiscal 2004.

ECONOMIC FACTORS

Southeast Iowa Multi-County Solid Waste Management Agency 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 Agency officials. Some of the realities that may potentially become challenges for the Agency to meet are:

- Facilities require constant maintenance and upkeep.

- Technology continues to expand and current technology becomes outdated presenting an on going challenge to maintain up to date technology at a reasonable cost.

- Annual deposits required to be made to closure and postclosure accounts are based on constantly changing cost estimates and the number of tons of solid waste received at the facility.

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

CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Agency's finances and to show the Agency's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Southeast Iowa Multi-County Solid Waste Management Agency, Richland, Iowa.

Basic Financial Statements

SOUTHEAST IOWA MULTI-COUNTY SOLID WASTE MANAGEMENT AGENCY (SEMCO)
Statement of Cash Receipts, Disbursements and
Changes in Cash Basis Net Assets

Year ended June 30, 2005

Operating receipts:	
Solid waste fees	$854,998
Total operating receipts	854,998
Operating disbursements:	
Salaries and benefits	75,045
Solid waste contractor	246,166
Iowa Department of Natural Resources tonnage fee	79,908
Engineering	23,658
HHW and disposal costs	11,851
Vehicle expense	12,899
Equipment maintenance	6,770
Groundwater monitoring / inspecting	14,789
Scales and driveways	26,408
Legal, accounting and auditing	6,125
Office equipment, supplies and printing	3,474
Utilities	2,084
New cell development	119,335
Insurance	5,989
Miscellaneous	53,028
Total operating disbursements	687,529
Excess of operating receipts over operating disbursements	167,469
Non-operating receipts (disbursements):	
Interest on investments	134,370
Change in cash basis net assets	301,839
Change basis net assets beginning of year	3,640,746
Cash basis net assets end of year	$3,942,585

Cash Basis Net Assets

Restricted for:	
Planning	$ 8,904
Closure	424,513
Postclosure care	495,684
Total restricted net assets	929,101
Unrestricted	3,013,484
Total cash basis net assets	$3,942,585

See notes to financial statements.

SOUTHEAST IOWA MULTI-COUNTY SOLID WASTE MANAGEMENT AGENCY (SEMCO)

Notes to Financial Statement

June 30, 2005

(1) Summary of Significant Accounting Policies

SEMCO was formed in 1974 pursuant to the provisions of Chapter 28E of the Code of Iowa. The purpose of the Agency is to develop, operate and maintain solid waste recycling facilities on behalf of the units of government which are members of the Agency.

The governing body of the Agency is composed of representatives from each of the member counties. The board is appointed by the participating members and each has one vote. Member counties are Washington, Jefferson, Keokuk.

A. Reporting Entity

For financial reporting purposes, SEMCO has included all funds, organizations, agencies, boards, commissions and authorities. The Agency 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 Agency are such that exclusion would cause the Agency'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 Agency 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 Agency. The Agency has no component units which meet the Governmental Accounting Standards Board criteria.

B. Basis of Presentation

The accounts of the Agency 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 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 receipts, disbursements, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Enterprise Funds distinguish operating receipts and disbursements from non-operating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with an Enterprise Fund's principal ongoing operations. All receipts and disbursements not meeting this definition are reported as non-operating receipts and disbursements.

C. Basis of Accounting

SEMCO maintains its financial records on the basis of cash receipts and disbursements and the financial statements of the Agency are prepared on that basis.

The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items including the estimated payables for closure and postclosure care costs. Accordingly, the financial statements do not present financial position and results of operations of the Agency in accordance with generally accepted accounting principles.

D. Assets and Net Assets

The following accounting policies are followed in preparing the Statement of Net Assets – Cash Basis.

Cash Equivalents – The Agency 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.

Restricted Assets and Net Assets – Funds set aside for payment of closure and postclosure care costs and unspent note proceeds are classified as restricted.

(2) Cash and Investments

The Agency's deposits in banks at June 30, 2005 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 the depositories to insure there will be no loss of public funds.

The Agency 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 Agency; 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.

SEMCO's investments at June 30, 2005 consisted of the following:

	Carrying Amount	Market Value
U.S. Treasury Bonds, stripped	$403,424	$508,843

(3) Pension and Retirement Benefits

The Agency 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 which are 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 Agency is required to contribute 5.75% of annual covered payroll. Contribution requirements are established by state statute. The Agency's contribution to IPERS for the years ended June 30, 2005, 2004 and 2003 were $3,372, $3,338 and $3,289 respectively, equal to the required contribution for each year.

(4) Closure and Postclosure Care Costs

To comply with federal and state regulations, the Agency is required to complete a monitoring system plan and a closure/post closure plan to provide funding necessary to effect closure and post/closure, including the proper monitoring and care of the landfill after closure. Environmental Protection Agency (EPA) requirements have established closure and thirty year 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 would consist of four components: (1) the cost of equipment and facilities used in postclosure monitoring 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 would be based on the cost to purchase those services and equipment currently and is required to be updated annually for changes to inflation or deflation, technology, or applicable laws or regulations.

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 Agency has begun to accumulate resources to fund these costs and, at June 30, 2005, assets of $920,197 are restricted for these purposes, of which $424,512 is for closure and $495,685 is for postclosure care. They are reported as restricted assets and restricted net assets on the Statement of Net Assets – Cash Basis.

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 Agency is required to demonstrate financial assurance for the unfunded costs. The Agency has adopted the local government financial test mechanism.

Chapter 567-111.8(7) of the IAC allows a government 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 Agency is not required to establish closure and postclosure care accounts in addition to the accounts established to comply with the Dedicated Fund financial assurance mechanism.

(5) Solid Waste Tonnage Fees Retained

The Agency has established an account for restricting and using those portions of solid waste tonnage fees retained by the Agency in accordance with Chapter 455B.310 of the Code of Iowa. As required by the Code of Iowa, fifty cents per ton of the solid waste tonnage fees must be used for the following: (1) development and implementation of an approved comprehensive plan, (2) development of a closure or postclosure cost plan, (3) development of a plan for the control and treatment of leachate which may include a facility plan or a detailed plans and specifications, and (4) preparation of a financial plan. Forty-five cents of the tonnage fee shall be disbursed to a city, county, or public agency using the sanitary disposal project for the purpose of implementation of waste volume reduction and recycling required by the Agency's approved comprehensive plan. The fees retained may also be used for other environmental protection and environmental compliance activities.

(6) Risk Management

The Agency is exposed to various risks of loss related to torts; theft, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The Agency assumes liability for any deductibles and claims in excess of coverage limitations.

(7) Operator Contract

SEMCO entered into an operator contract commencing July 1, 2003. Under the contract, the contractor is to operate the landfill site in compliance with all applicable laws, rules and regulations. The contractor is to furnish all labor, tools, and equipment necessary for operation, except for recycling responsibilities. For these services, the Operator was paid $20,277 per month for 5 months and $20,683 for 7 months during the year ended June 30, 2005.

Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting

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Certified Public Accountant
1052 West Madison Suite B • P.O. Box 842 • Washington, IA 52353 • (319) 653-7617 • FAX (319) 653-5739

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 Southeast Iowa
Multi-County Solid Waste Management Agency (SEMCO)

I have audited the accompanying financial statement of SEMCO as of and for the year ended June 30, 2005, and have issued my report thereon, dated October 31, 2005. My report expressed an unqualified opinion on the financial statements which were prepared in conformity with an other comprehensive basis of accounting. I conducted my audit in accordance with US 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 my audit, I considered SEMCO's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statement and not to provide an opinion on the internal control over financial reporting. However, I noted a matter involving the internal control over financial reporting and its operation that I consider to be a reportable condition. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect SEMCO's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statement. The reportable condition is described in the accompanying Schedule of Findings.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statement being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I do not believe the reportable condition described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether SEMCO's financial statement is free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of non-compliance or other matters that are required to be reported under Government Auditing Standards.

Comments involving statutory and other legal matters about SEMCO's operations for the year ended June 30, 2005 are based exclusively on knowledge obtained from procedures performed during my audit of the financial statement of SEMCO. Since my 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 statues.

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

I would like to acknowledge the many courtesies and assistance extended to me by personnel of SEMCO during the course of my audit. Should you have any questions concerning any of the above matters, I shall be pleased to discuss them with you at your convenience.

Fredrick J. Hensel, P.C.

October 31, 2005

SOUTHEAST IOWA MULTI-COUNTY SOLID WASTE AGENCY (SEMCO)

Schedule of Findings

Year ended June 30, 2005

Findings Related to the Financial Statements:

INSTANCE OF NON-COMPLIANCE:

No matters were reported.

REPORTABLE CONDITIONS:

A Segregation of Duties - During our review of internal controls, the existing control activities are evaluated in order to determine that incompatible duties, from a control standpoint, are not performed by the same employee. This segregation of duties helps to prevent losses from employee error or dishonesty and therefore maximizes the accuracy of the Agency's financial statements.

Recommendation - I realize that with a limited number of employees, segregation of duties is difficult. However, the operating procedures should be reviewed to obtain the maximum internal control possible under the circumstances.

Response - We will continue to investigate available alternatives and implement as we consider appropriate.

Conclusion - Response accepted.

Other Findings Related to Statutory Reporting:

1 Official Depositories - A resolution naming official depositories has been approved by the Agency. The maximum deposit amounts stated in the resolution were not exceeded during the year ended June 30, 2005.

2 Questionable Disbursements - No disbursements that may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979 were noted.

3 Travel Expense - No disbursements of Agency money for travel expenses of spouses of Agency officials or employees were noted.

4 Agency Minutes - No transactions were found that I believe should have been approved in the Agency minutes but were not.

5 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 Agency's investment policy were noted.

6 Solid Waste Fees Retainage - During the year ended June 30, 2005 the Agency used or retained the solid waste fees in accordance with Chapter 455B.310 of the Code of Iowa.

SOUTHEAST IOWA MULTI-COUNTY SOLID WASTE AGENCY (SEMCO)

Schedule of Findings

Year ended June 30, 2005

7 Financial Assurance - The Agency has demonstrated financial assurance for closure and postclosure care costs by establishing a dedicated fund as provided in Chapter 111.6(9) of the Iowa Administrative Code. The calculation is made as follows:

Total estimated costs for closure and postclosure care		$882,562
Less: Balance of funds held in the local dedicated fund at June 30, 2004		(904,358)
		(21,796)
Divided by the lesser of years remaining in the pay-in period	÷	13
Required payment into the local dedicated fund for the year ended June 30, 2004		n/a
Balance of funds held in the local dedicated fund at June 30, 2004		$904,358
Required balance of funds held in the local dedicated fund at June 30, 2005		904,358
Amount Agency has restricted and reserved for closure and postclosure care at June 30, 2005		$920,197