

**HAMILTON COUNTY SOLID WASTE COMMISSION**

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

**JUNE 30, 2009**

## CONTENTS

|  | <u>Page</u>  |
|--|--------------|
| <b>OFFICIALS</b>   | <b>3</b>     |
| <b>INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS</b>  | <b>4-5</b>   |
| <b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>  | <b>6-8</b>   |
| <b>FINANCIAL STATEMENTS</b>  |              |
| Statement of Net Assets-Cash Basis   | <b>9</b>     |
| Statement of Cash Receipts, Cash Disbursements and<br>Changes in Cash Balances-Cash Basis  | <b>10-12</b> |
| Notes to Financial Statements  | <b>13-17</b> |
| <b>REQUIRED SUPPLEMENTARY INFORMATION</b>  |              |
| Statement of Cash Receipts, Cash Disbursements and<br>Changes in Cash Balances-Comparison to Budget  | <b>18-19</b> |
| <b>OTHER SUPPLEMENTARY INFORMATION</b>   |              |
| Summary of Cash and Investment Balances  | <b>20</b>    |
| Schedule of Investment Transactions  | <b>21</b>    |
| <b>INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER<br/>FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS<br/>BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN<br/>ACCORDANCE WITH <u>GOVERNMENT AUDITING STANDARDS</u></b> | <b>22-23</b> |
| <b>SCHEDULE OF FINDINGS</b>  | <b>24-25</b> |

## Hamilton County Solid Waste Commission

### OFFICIALS

| <u>Name</u>        | <u>Title</u>        | <u>Representing</u>  |
|--------------------|---------------------|----------------------|
| Troy Hassebrock    | Chairperson         | City of Blairsburg   |
| Gregg Wright       | Vice Chairperson    | City of Randall      |
| Wes Sweedler       | Member              | Hamilton County      |
| Dale Graham        | Member              | City of Ellsworth    |
| Mickey Walker      | Member              | City of Jewell       |
| Lendall Mechaelson | Member              | City of Kamrar       |
| Ronnie McKenzie    | Member              | City of Stanhope     |
| Mike Nepereny      | Member              | City of Stratford    |
| Eugene Gray        | Member              | City of Webster City |
| Roy Ronnfelt       | Member              | City of Williams     |
| Lori Isvik         | Secretary-Treasurer |                      |

**INDEPENDENT AUDITOR'S REPORT**

The Board of Trustees  
Hamilton County Solid Waste Commission

We have audited the accompanying financial statements of the Hamilton County Solid Waste Commission as of and for the year ended June 30, 2009. These financial statements are the responsibility of the Commission'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 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. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, these financial statements were 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 our opinion, the financial statements referred to above present fairly, in all material respects, the cash basis financial position of the Hamilton County Solid Waste Commission as of June 30, 2009, and the changes in its cash basis financial position for the year then ended in conformity with the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated October 20, 2009 on our consideration of the Hamilton County Solid Waste Commission'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 6 through 8 and the budgetary comparison information on pages 18 through 19 are not required parts of the financial statements, but are 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 required supplementary information. We did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The other supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Potter & Brant, P.L.C.

Potter & Brant, P.L.C.  
Certified Public Accountants  
Webster City, Iowa  
October 20, 2009

**Hamilton County Solid Waste Commission  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2009**

The Hamilton County Solid Waste Commission provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities of Hamilton County Solid Waste Commission is for the fiscal year ended June 30, 2009. Please read it in conjunction with the Commission's financial statements, which follows.

**2009 FINANCIAL HIGHLIGHTS**

Receipts increased 21.7%, or approximately \$180,800, from fiscal 2008 to fiscal 2009.

Disbursements increased 72.1%, or approximately \$632,400, from fiscal 2008 to fiscal 2009.

Cash basis net assets decreased 25.6%, or approximately \$495,600, from June 30, 2008 to June 30, 2009.

**USING THIS ANNUAL REPORT**

The Commission has elected to present its financial statements on the 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 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 the 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, readers 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 Governmental Accounting Standards Board (GASB) Statement No. 34, as applicable to the cash basis of accounting.

This discussion and analysis are intended to serve as an introduction to the financial statements. The annual report consists of the financial statements and other information, as follows:

- Management's Discussion and Analysis introduces the basic financial statements and provides analytical overview of the Commission's financial activities.
- The Statement of Net Assets - Cash Basis reports the balances of cash and investments as of June 30, 2009.
- The Statement of Cash Receipts, Cash Disbursements and Changes in Cash Balances – Cash Basis presents information on the Commission's operating receipts and disbursements, non-operating receipts and disbursements and whether the Commission's cash basis financial position has improved or deteriorated as a result of the year's activities.
- Notes to the Financial Statements provide additional information essential to a full understanding of the data provided in the financial statements.

Required Supplementary Information: This Management's Discussion and Analysis and the Comparison to Budget Schedule (see page 18) represent financial information required by GASB to be presented. Such information provides users of this report with additional data that supplements the financial statements, and notes (referred to as "the basic financial statements").

Other Supplementary Information: This part of the annual report (starting on page 20) includes optional financial information. This other supplemental financial information is provided to address certain specific needs of various users of the Commission's annual report.

**Hamilton County Solid Waste Commission  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2009**

**FINANCIAL ANALYSIS OF THE COMMISSION**

*Statement of Cash Receipts, Cash Disbursements and Changes in Cash Balances – Cash Basis*

The purpose of the statement is to present the receipts received by the Commission and the disbursements paid by the Commission, both operating and non-operating. The statement also presents a fiscal snapshot of the cash balance at year end. Over time, readers of the financial statements are able to determine the Commission's cash basis financial position by analyzing the increase and decrease in cash basis net assets.

Operating receipts are received for gate fees from accepting solid waste and assessments from the members of the Commission. Operating disbursements are disbursements paid to operate the landfill. Non-operating receipts and disbursements are for interest on investments, equipment purchases and capital projects.

In fiscal 2009, operating receipts increased \$180,800, or 21.7%, over fiscal 2008. The increase was primarily due to assessments of \$181,100. In fiscal 2009, operating disbursements increased \$632,400, or 72.1%, over fiscal 2008. The increase in disbursements was primarily due to advance payments on the North Central IA Regional Solid Waste Agency contract of \$300,000.

A portion of the Commission's net assets, \$1,023,206 (70.7%), is restricted for closure care, postclosure care, DNR state retainage and recycling reserve funds. State and federal laws and regulations require the Commission 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, \$422,092 (29.3%), are unrestricted net assets that can be used to meet the Commission's obligations as they come due. Restricted net assets decreased \$183,110, or 15.1%, during the year. The decrease was due to increased disbursements for landfill closure. Unrestricted net assets decreased \$312,509, or 42.5%, during the year due to advance payments on the North Central IA Regional Solid Waste Agency contract.

In the financial statements we divide the Commission into ten funds:

- *Operations and Maintenance Fund* – This fund is used to pay all expenses of the normal operations of the Commission. Funds are transferred in from the Revenue Fund.
- *Equipment Reserve Fund* – This fund is utilized for future replacement of equipment.
- *Dirt Removal Fund* – This fund is utilized for dirt cover of the landfill.
- *Revenue Fund* – This fund is utilized to account for all revenues of the Commission. Funds are transferred out to other funds from the Revenue Fund.
- *Farm Account Fund* – This fund is utilized to account for the sale of farm land and disbursements of those monies.
- *Post Closure Reserve Fund* – This fund is utilized to meet federal and state regulations that require a post closure plan for the solid waste facility.
- *DNR State Retainage Fund* – This fund is required by the state for planning and for other related items to the DNR.
- *Recycling Reserve Fund* - This fund is required by the state for planning and for recycling purposes.
- *Landfill Closure Reserve Fund* - This fund is utilized to meet federal and state regulations that require a closure plan for the solid waste facility.
- *Transfer Station Closure Fund* - This fund is utilized to meet federal and state regulations that require a closure plan for the solid waste facility.

**Hamilton County Solid Waste Commission  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2009**

**LONG-TERM DEBT**

At June 30, 2009, the Commission had no long term debt outstanding.

**ECONOMIC FACTORS**

The financial position of the Commission did improve in the current fiscal year. The current condition of the economy in the state continues to be a concern for Commission officials. Some of the realities that may potentially become challenges for the Commission 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.

**BUDGETARY AMENDMENTS**

Over the course of the year, the Commission amended its budget twice. The amendments were approved on October 8, 2008 and February 11, 2009 and resulted in an increases in operating receipts and disbursements.

**CONTACTING THE COMMISSION'S FINANCIAL MANAGEMENT**

This report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the Commission's finances and to show its accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Hamilton County Solid Waste, Webster City, Iowa 50595.

**Hamilton County Solid Waste Commission**  
**STATEMENT OF NET ASSETS --- CASH BASIS**  
**June 30, 2009**

**ASSETS**

|                        |    |                  |
|------------------------|----|------------------|
| Cash                   | \$ | 461,598          |
| Certificate of Deposit |    | 983,700          |
|                        |    | 983,700          |
| <br>TOTAL ASSETS       |    | <br>\$ 1,445,298 |

**NET ASSETS**

|                                   |    |                  |
|-----------------------------------|----|------------------|
| Unrestricted:                     |    |                  |
| Operations & Maintenance Fund     | \$ | (72,332)         |
| Equipment Reserve Fund            |    | 133,565          |
| Revenue Fund                      |    | 360,859          |
|                                   |    | 360,859          |
| <br>Total unrestricted net assets |    | <br>422,092      |
| Restricted:                       |    |                  |
| Post Closure Reserve Fund         |    | 937,812          |
| DNR State Retainage Fund          |    | 8,082            |
| Recycling Reserve Fund            |    | 38,503           |
| Landfill Closure Reserve Fund     |    | 24,783           |
| Transfer Station Closure Fund     |    | 14,026           |
|                                   |    | 14,026           |
| <br>Total restricted net assets   |    | <br>1,023,206    |
| <br>TOTAL NET ASSETS              |    | <br>\$ 1,445,298 |

See accompanying notes to financial statements.

**Hamilton County Solid Waste Commission**  
**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS**  
**AND CHANGES IN CASH BALANCES --- CASH BASIS**  
**For the Year Ended June 30, 2009**

|  | Operations<br>and<br>Maintenance<br>Fund | Equipment<br>Reserve<br>Fund | Dirt Removal<br>Fund | Revenue<br>Fund   |
|--|--|------------------------------|----------------------|-------------------|
| <b>RECEIPTS</b>                                    |  |                              |                      |                   |
| Gate charges                                       | \$ -                                     | \$ -                         | \$ -                 | \$ 772,504        |
| Farm income  | -  | -                            | -                    | 620               |
| Interest income                                    | -  | -                            | -                    | 10,885            |
| Insurance claims                                   | -  | -                            | -                    | -                 |
| Assessments  | -  | -                            | -                    | 181,074           |
| Scrap sales  | -  | -                            | -                    | 2,431             |
| Other  | -  | -                            | -                    | 833               |
| Total receipts                                     | <u>-</u>                                 | <u>-</u>                     | <u>-</u>             | <u>968,347</u>    |
| Transfers  | <u>1,222,641</u>                         | <u>20,000</u>                | <u>-</u>             | <u>38,550</u>     |
| Total transfers and receipts                       | <u>1,222,641</u>                         | <u>20,000</u>                | <u>-</u>             | <u>1,006,897</u>  |
| <b>DISBURSEMENTS</b>                               |  |                              |                      |                   |
| General and administrative                         | 225,965                                  | -                            | -                    | -                 |
| Operations and maintenance                         | 1,010,976                                | 36,583                       | -                    | -                 |
| Capital outlay                                     | -  | -                            | -                    | -                 |
| Other  | -  | -                            | -                    | 7,853             |
| Total disbursements                                | <u>1,236,941</u>                         | <u>36,583</u>                | <u>-</u>             | <u>7,853</u>      |
| Transfers  | <u>-</u>                                 | <u>-</u>                     | <u>-</u>             | <u>1,242,641</u>  |
| Total transfers and disbursements                  | <u>1,236,941</u>                         | <u>36,583</u>                | <u>-</u>             | <u>1,250,494</u>  |
| Excess (deficiency) of receipts over disbursements | (14,300)                                 | (16,583)                     | -                    | (243,597)         |
| <b>CASH BALANCES, beginning of year</b>            | <u>(58,032)</u>                          | <u>150,148</u>               | <u>-</u>             | <u>604,456</u>    |
| <b>CASH BALANCES, end of year</b>                  | <u>\$ (72,332)</u>                       | <u>\$ 133,565</u>            | <u>\$ -</u>          | <u>\$ 360,859</u> |

See accompanying notes to financial statements.

**Hamilton County Solid Waste Commission**  
**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS**  
**AND CHANGES IN CASH BALANCES --- CASH BASIS**  
**For the Year Ended June 30, 2009**

|  | Farm<br>Account<br>Fund | Post Closure<br>Reserve<br>Fund | DNR State<br>Retainage<br>Fund | Recycling<br>Reserve<br>Fund |
|--|-------------------------|---------------------------------|--------------------------------|------------------------------|
| <b>RECEIPTS</b>                                    |                         |                                 |                                |                              |
| Gate charges                                       | \$ -                    | \$ -                            | \$ -                           | \$ -                         |
| Farm income  | -                       | -                               | -                              | -                            |
| Interest income                                    | 521                     | 40,458                          | -                              | -                            |
| Insurance claims                                   | -                       | -                               | -                              | -                            |
| Assessments  | -                       | -                               | -                              | -                            |
| Scrap sales  | -                       | -                               | -                              | -                            |
| Other  | -                       | -                               | -                              | -                            |
| Total receipts                                     | <u>521</u>              | <u>40,458</u>                   | <u>-</u>                       | <u>-</u>                     |
| Transfers  | <u>-</u>                | <u>-</u>                        | <u>-</u>                       | <u>-</u>                     |
| Total transfers and receipts                       | <u>521</u>              | <u>40,458</u>                   | <u>-</u>                       | <u>-</u>                     |
| <b>DISBURSEMENTS</b>                               |                         |                                 |                                |                              |
| General and administrative                         | -                       | -                               | -                              | 1,196                        |
| Operations and maintenance                         | -                       | -                               | -                              | -                            |
| Capital outlay                                     | -                       | -                               | -                              | -                            |
| Other  | -                       | -                               | -                              | -                            |
| Total disbursements                                | <u>-</u>                | <u>-</u>                        | <u>-</u>                       | <u>1,196</u>                 |
| Transfers  | <u>38,550</u>           | <u>110,000</u>                  | <u>-</u>                       | <u>-</u>                     |
| Total transfers and disbursements                  | <u>38,550</u>           | <u>110,000</u>                  | <u>-</u>                       | <u>1,196</u>                 |
| Excess (deficiency) of receipts over disbursements | (38,029)                | (69,542)                        | -                              | (1,196)                      |
| <b>CASH BALANCES, beginning of year</b>            | <u>38,029</u>           | <u>1,007,354</u>                | <u>8,082</u>                   | <u>39,699</u>                |
| <b>CASH BALANCES, end of year</b>                  | <u>\$ -</u>             | <u>\$ 937,812</u>               | <u>\$ 8,082</u>                | <u>\$ 38,503</u>             |

See accompanying notes to financial statements.

**Hamilton County Solid Waste Commission**  
**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS**  
**AND CHANGES IN CASH BALANCES --- CASH BASIS**  
**For the Year Ended June 30, 2009**

|  | <b>Landfill<br/>Closure<br/>Reserve<br/>Fund</b> | <b>Transfer<br/>Station<br/>Closure<br/>Fund</b> | <b>Total<br/>(Memorandum<br/>Only)</b> |
|--|--|--|--|
| <b>RECEIPTS</b>                                    |  |  |  |
| Gate charges                                       | \$ -   | \$ -   | \$ 772,504                             |
| Farm income  | -  | -  | 620                                    |
| Interest income                                    | 1,113  | 291  | 53,268                                 |
| Insurance claims                                   | -  | -  | -                                      |
| Assessments  | -  | -  | 181,074                                |
| Scrap sales  | -  | -  | 2,431                                  |
| Other  | -  | -  | 833                                    |
| Total receipts                                     | <u>1,113</u>                                     | <u>291</u>                                       | <u>1,010,730</u>                       |
| Transfers  | <u>110,000</u>                                   | <u>-</u>   | <u>1,391,191</u>                       |
| Total transfers and receipts                       | <u>111,113</u>                                   | <u>291</u>                                       | <u>2,401,921</u>                       |
| <b>DISBURSEMENTS</b>                               |  |  |  |
| General and administrative                         | -  | -  | 227,161                                |
| Operations and maintenance                         | 223,776  | -  | 1,271,335                              |
| Capital outlay                                     | -  | -  | -                                      |
| Other  | -  | -  | 7,853                                  |
| Total disbursements                                | <u>223,776</u>                                   | <u>-</u>   | <u>1,506,349</u>                       |
| Transfers  | <u>-</u>   | <u>-</u>   | <u>1,391,191</u>                       |
| Total transfers and disbursements                  | <u>223,776</u>                                   | <u>-</u>   | <u>2,897,540</u>                       |
| Excess (deficiency) of receipts over disbursements | (112,663)  | 291  | (495,619)                              |
| <b>CASH BALANCES, beginning of year</b>            | <u>137,446</u>                                   | <u>13,735</u>                                    | <u>1,940,917</u>                       |
| <b>CASH BALANCES, end of year</b>                  | <u>\$ 24,783</u>                                 | <u>\$ 14,026</u>                                 | <u>\$ 1,445,298</u>                    |

See accompanying notes to financial statements.

**Hamilton County Solid Waste Commission**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2009**

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

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

The governing body of the Commission is composed of one representative from each member. The members of the Commission include Hamilton County and the cities of Blairsburg, Ellsworth, Jewell, Kamrar, Randall, Stanhope, Stratford, Webster City, and Williams. Each member of the Commission has one vote for each person residing within the jurisdiction of the governmental unit they represent.

A. Reporting Entity

For financial reporting purposes, the Hamilton County Solid Waste Commission has included all funds, organizations, agencies, boards, commissions and authorities. The Commission 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 Commission are such that exclusion would cause the Commission's financial statement 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 Commission 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 Commission. The Commission has no component units which meet the Governmental Accounting Standards Board criteria.

B. Basis of Presentation

The accounts of the Commission are organized as an Enterprise Fund. Enterprise Funds are utilized to finance and account for the acquisition, operation and maintenance of governmental facilities and services supported by user charges.

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

The Hamilton County Solid Waste Commission maintains its financial records on the basis of cash receipts and disbursements and the financial statements of the Commission 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. Accordingly, the financial statements do not present the financial position and results of operations of the Commission in accordance with U. S. generally accepted accounting principles.

D. Net Assets

Funds set aside for payment of closure and postclosure care are classified as restricted.

**Hamilton County Solid Waste Commission**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2009**

**(2) Cash and Investments**

The Commission's deposits in banks at June 30, 2009 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 Commission 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 Commission; 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.

Investments are stated at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

At June 30, 2009 the Commission had the following investments:

| Type                   | Fair Value        | Maturity      |
|------------------------|-------------------|---------------|
| Certificate of Deposit | <u>\$ 983,700</u> | December 2009 |

Interest rate risk. The Commission's investment policy limits the investment of operating funds (funds expected to be expended in the current budget year or within 15 months of receipt) in instruments that mature within one year. Funds not identified as operating funds may be invested in investments with maturities longer than one year, but the maturities shall be consistent with the needs and use of the Commission.

Credit risk. The Commission's certificate of deposit at June 30, 2009 is covered by the Commission's depository resolution (see paragraph one).

Concentration of credit risk. The Commission places no limit on the amount that may be invested in any one issuer. The Commission's investment in the certificate of deposit is 100 percent of the Commission's total investments.

**(3) Pension and Retirement Benefits**

The Commission 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 4.10% of their annual salary and the Commission is required to contribute 6.35% of annual covered salary. Contribution requirements are established by state statute. The Commission's contributions to IPERS for the years ended June 30, 2009, 2008 and 2007 were \$8,186, \$7,686 and \$7,765, respectively, equal to the required contributions for each year.

**Hamilton County Solid Waste Commission**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2009**

**(4) Closure and Postclosure Care**

To comply with federal and state regulations, the Commission 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 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 due to the potential for changes due to inflation or deflation, technology, or applicable laws or regulations.

These costs for the Commission have been estimated to be \$24,783 for closure and \$937,812 for postclosure, for a total of \$962,595 as of June 30, 2009. The Commission entered into a contract on July 22, 2008 to begin the landfill closure project.

The additional closure costs for the Commission as of June 30, 2009 have been estimated at \$60,000, which will be transferred from the postclosure account as needed.

Chapter 455B.306 (8)(b) of the Code of Iowa requires permit holders of municipal solid waste landfills to maintain separate closure and postclosure accounts to accumulate resources for the payment of closure and postclosure care costs. The Commission has begun to accumulate resources to fund these costs and, at June 30, 2009, assets of \$962,595 are restricted for these purposes, of which \$24,783 is for closure and \$937,812 is for postclosure care. They are reported as restricted cash basis net assets on the Statement of Net Assets – Cash Basis. As of June 30, 2009 the closure and postclosure estimated costs are fully funded.

Chapter 567-113.14(8) 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 Commission is not required to establish closure and postclosure accounts in addition to the accounts established to comply with the dedicated fund financial assurance mechanism.

**(5) Transfer Station Closure Care**

To comply with state regulations, the Commission is required to complete a closure plan detailing how the transfer station will comply with proper disposal of all solid waste and litter at the site, cleaning the transfer station building, including the rinsing of all surfaces that have come in contact with solid waste or washwater, cleaning of all solid waste transport vehicles that will remain on the site, including the rinsing of all surfaces that have come in contact with solid

**Hamilton County Solid Waste Commission**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2009**

waste, and the removal and proper management of all washwater in the washwater management system.

To comply with state regulations, the Commission is required to maintain a closure account as financial assurance for the closure care costs. The effect of the state requirement is to commit landfill owners to perform certain closing functions as a condition for the right to operate the transfer station in the current period.

**(6) Solid Waste Tonnage Fees Retained**

The Commission has established an account for restricting and using solid waste tonnage fees retained by the Commission in accordance with Chapter 455B.310 of the Code of Iowa. At June 30, 2009, the Commission had \$8,082 in unspent tonnage fees.

**(7) Risk Management**

The Commission 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 577 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 200 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 who 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 Commission's property and casualty contributions to the risk pool are recorded as disbursements from its operating funds at the time of payment to the risk pool. The Commission's annual contributions to the Pool for the year ended June 30, 2009 were \$8,090.

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 \$10,000,000 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.

**Hamilton County Solid Waste Commission**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2009**

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 that 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. As of June 30, 2009, 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 casualty 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 casualty capital contributions. If a member withdraws after the sixth year, the member is refunded 100 percent of its casualty capital contributions. However, the refund is reduced by an amount equal to the annual casualty operating contribution which the withdrawing member would have made for the one-year period following withdrawal.

**(8) North Central IA Regional Solid Waste Agency Contract**

The Commission has entered into a contract, effective July 1, 2005, with North Central IA Regional Solid Waste Agency to provide for the disposal of all solid waste and recyclable materials generated within the Commission's jurisdiction. The contract requires per capita assessments and buy-in payments of \$172,872 per year for 15 years. It is estimated that the Commission will make full use of the facility on or about January 1, 2008. Total costs incurred under the contract for the year ended June 30, 2009 were \$172,872.

Minimum future costs under the contract are as follows:

|            |                    |
|------------|--------------------|
| 6-30-10    | \$ 172,872         |
| 6-30-11    | 172,872            |
| 6-30-12    | 172,872            |
| 6-30-13    | 172,872            |
| 6-30-14    | 172,872            |
| Thereafter | <u>692,232</u>     |
|            | <u>\$1,556,592</u> |

**(9) Compensated Absences**

Commission employees accumulate a limited amount of earned but unused vacation leave hours for subsequent use or for payment upon termination, retirement or death. These accumulations are not recognized as disbursements by the Commission until used or paid. The Commission's approximate liability for earned vacation at June 30, 2009 was \$4,623. This liability has been computed based on rates of pay in effect at June 30, 2009.

Commission employees accumulate a limited amount of earned but unused sick leave hours for subsequent use. A percentage of unused hours is paid upon termination, retirement or death. These accumulations are not recognized as disbursements by the Commission until used or paid. The Commission's approximate liability for earned sick leave at June 30, 2009 was \$4,472. This liability has been computed based on rates of pay in effect at June 30, 2009.

**REQUIRED SUPPLEMENTARY INFORMATION**

**Hamilton County Solid Waste Commission**  
**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND**  
**CHANGES IN CASH BALANCES --- COMPARISON TO BUDGET**  
**For the Year Ended June 30, 2009**

|  | <u>Actual</u>    | <u>Amended<br/>Budget</u> | <u>Variance</u> |
|--|------------------|---------------------------|-----------------|
| <b>RECEIPTS</b>                        |                  |                           |                 |
| <b>Postclosure reserve fund</b>        |                  |                           |                 |
| Interest income                        | \$ 40,458        | \$ 40,000                 | \$ 458          |
| <b>Landfill closure reserve fund</b>   |                  |                           |                 |
| Interest income                        | 1,113            | -                         | 1,113           |
| <b>Transfer station closure fund</b>   |                  |                           |                 |
| Interest income                        | 291              | 160                       | 131             |
| <b>Revenue fund</b>                    |                  |                           |                 |
| Gate charges                           | 772,504          | 765,000                   | 7,504           |
| Assessments                            | 181,074          | 181,074                   | -               |
| Interest income                        | 10,885           | 20,000                    | (9,115)         |
| Scrap sales                            | 2,431            | 11,000                    | (8,569)         |
| Farm income                            | 620              | 3,000                     | (2,380)         |
| Other income                           | 833              | 495                       | 338             |
| <b>Farm account fund</b>               |                  |                           |                 |
| Interest income                        | 521              | 1,500                     | (979)           |
| Total receipts                         | <u>1,010,730</u> | <u>1,022,229</u>          | <u>(11,499)</u> |
| <b>DISBURSEMENTS</b>                   |                  |                           |                 |
| <b>Operations and maintenance fund</b> |                  |                           |                 |
| General and administrative             |                  |                           |                 |
| Salaries                               | 136,601          | 151,000                   | (14,399)        |
| Employer's share of FICA & IPERS       | 18,635           | 20,650                    | (2,015)         |
| Worker's compensation                  | 6,493            | 6,600                     | (107)           |
| Unemployment insurance                 | 1,029            | 1,200                     | (171)           |
| Health insurance                       | 17,028           | 20,000                    | (2,972)         |
| Office expenses                        | 8,642            | 4,915                     | 3,727           |
| Legal fees                             | 644              | 2,000                     | (1,356)         |
| Accounting fees                        | 6,350            | 6,500                     | (150)           |
| Licensing & sales tax                  | 116              | 175                       | (59)            |
| Engineering fees                       | 15,879           | 18,000                    | (2,121)         |
| Public notices and advertising         | 1,177            | 750                       | 427             |
| General and liability Insurance        | 8,090            | 13,000                    | (4,910)         |
| Dues & memberships                     | 171              | 400                       | (229)           |
| Medical expense                        | -                | 200                       | (200)           |
| Telephone expense                      | 1,487            | 1,500                     | (13)            |
| Commission fees                        | 2,808            | 2,500                     | 308             |
| Property tax - rented land             | -                | 100                       | (100)           |

See Independent Auditor's Report

**Hamilton County Solid Waste Commission**  
**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND**  
**CHANGES IN CASH BALANCES --- COMPARISON TO BUDGET**  
**For the Year Ended June 30, 2009**

|   | <u>Actual</u>       | <u>Amended<br/>Budget</u> | <u>Variance</u>   |
|---|---------------------|---------------------------|-------------------|
| Travel                                  | 815                 | 800                       | 15                |
| Operations and maintenance              |                     |                           |                   |
| Building repairs                        | 7,702               | 1,500                     | 6,202             |
| Building supplies                       | 1,269               | 1,000                     | 269               |
| Equipment rental                        | 1,806               | 1,782                     | 24                |
| Electricity                             | 7,372               | 6,600                     | 772               |
| Water softner                           | 356                 | 550                       | (194)             |
| Propane gas                             | 5,001               | 6,000                     | (999)             |
| Diesel, gasoline and oil                | 37,470              | 27,000                    | 10,470            |
| Vehicle expense                         | 36,726              | 39,750                    | (3,024)           |
| Water quality annual report             | 2,031               | 2,950                     | (919)             |
| Leachate control testing and reports    | 1,050               | 1,400                     | (350)             |
| Appliance removal                       | 13,640              | 18,000                    | (4,360)           |
| North Central - Gate                    | 411,725             | 496,800                   | (85,075)          |
| North Central - Buy In                  | 472,872             | 481,104                   | (8,232)           |
| Consulting fees                         | -                   | 1,000                     | (1,000)           |
| Rock                                    | 853                 | 600                       | 253               |
| Laboratory testing                      | 7,339               | 7,000                     | 339               |
| Clothing allowance                      | 2,445               | 1,500                     | 945               |
| Safety Clothing and equipment           | 169                 | 500                       | (331)             |
| Weed chemicals                          | -                   | 100                       | (100)             |
| Medical supplies                        | 1,150               | 300                       | 850               |
| Capital outlay                          |                     |                           |                   |
| Capital improvements                    | -                   | 10,000                    | (10,000)          |
| <b>Equipment reserve fund</b>           |                     |                           |                   |
| Equipment repairs                       | 32,422              | -                         | 32,422            |
| Equipment purchase                      | 4,161               | 68,000                    | (63,840)          |
| <b>Recycling reserve fund</b>           |                     |                           |                   |
| Disbursements                           | 1,196               | -                         | 1,196             |
| <b>Landfill closure reserve fund</b>    |                     |                           |                   |
| Disbursements                           | 223,776             | 250,000                   | (26,224)          |
| <b>Revenue fund</b>                     |                     |                           |                   |
| Sales tax                               | 7,853               | 6,000                     | 1,853             |
| <br>                                    |                     |                           |                   |
| Total disbursements                     | <u>1,506,349</u>    | <u>1,679,726</u>          | <u>(173,379)</u>  |
| <br>                                    |                     |                           |                   |
| Net amounts                             | (495,619)           | (657,497)                 | 161,878           |
| <br>                                    |                     |                           |                   |
| <b>CASH BALANCES, beginning of year</b> | <u>1,940,917</u>    | <u>1,486,010</u>          | <u>454,907</u>    |
| <br>                                    |                     |                           |                   |
| <b>CASH BALANCES, end of year</b>       | <u>\$ 1,445,298</u> | <u>\$ 828,513</u>         | <u>\$ 616,785</u> |

See Independent Auditor's Report

**OTHER SUPPLEMENTARY INFORMATION**

**Hamilton County Solid Waste Commission**  
**SUMMARY OF CASH AND INVESTMENT BALANCES**  
**June 30, 2009**

**SUMMARY OF JUNE 30, 2009 BALANCE**

|                        |                                |
|------------------------|--------------------------------|
| First State Bank       |                                |
| Checking accounts      | \$ 59,598                      |
| Money market account   | 402,000                        |
| Certificate of deposit | <u>983,700</u>                 |
| <br>Total              | <br><u><u>\$ 1,445,298</u></u> |

See Independent Auditor's Report

**Hamilton County Solid Waste Commission**  
**SCHEDULE OF INVESTMENT TRANSACTIONS**  
**June 30, 2009**

|                        | <b>Balance<br/>July 1,<br/>2008</b> | <b>Purchased</b>  | <b>Redeemed</b>     | <b>Balance<br/>June 30,<br/>2009</b> | <b>Interest<br/>Received</b> |
|------------------------|-------------------------------------|-------------------|---------------------|--------------------------------------|------------------------------|
| Money market account   | \$ 912,000                          | \$ -              | \$ 510,000          | \$ 402,000                           | \$ 11,547                    |
| Certificate of deposit | 983,700                             | 983,700           | 983,700             | 983,700                              | 41,721                       |
| <b>Totals</b>          | <b>\$ 1,895,700</b>                 | <b>\$ 983,700</b> | <b>\$ 1,493,700</b> | <b>\$ 1,385,700</b>                  | <b>\$ 53,268</b>             |

See Independent Auditor's Report

**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**

**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**

The Board of Trustees  
Hamilton County Solid Waste Commission  
Webster City, Iowa

We have audited the accompanying financial statements of Hamilton County Solid Waste Commission as of and for the year ended June 30, 2009, and have issued our report thereon dated October 20, 2009. Our report expressed an unqualified opinion on the financial statements which were prepared in conformity with an other comprehensive basis of accounting. 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 Hamilton County Solid Waste Commission'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 Hamilton County Solid Waste Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Hamilton County Solid Waste Commission'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 a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency, 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 Hamilton County Solid Waste Commission's ability to initiate, authorize, record, process, or report financial data reliably in accordance with an other comprehensive basis of accounting such that there is more than a remote likelihood a misstatement of Hamilton County Solid Waste Commission's financial statements that is more than inconsequential will not be prevented or detected by Hamilton County Solid Waste Commission's internal control. We consider the deficiency in internal control described in the accompanying Schedule of Findings to be a significant deficiency 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 Hamilton County Solid Waste Commission's internal control.

Clear Lake, IA  
641-357-5291

Mason City, IA  
641-423-3535

Webster City, IA  
515-832-4783

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, we believe the significant deficiency described above is a material weakness.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Hamilton County Solid Waste Commission'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 that are required to be reported under Government Auditing Standards.

Comments involving statutory and other legal matters about the Commission's operations for the year ended June 30, 2009 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the Commission. 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.

Hamilton County Solid Waste Commission's written response to the finding identified in our audit is described in the accompanying Schedule of Findings. While we have expressed our conclusion on the Commission's response, we did not audit Hamilton County Solid Waste Commission's response and, accordingly, we express no opinion on it.

This report, a public record by law, is intended solely for the information and use of the members and customers of the Hamilton County Solid Waste Commission and other parties to whom the Commission 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 Hamilton County Solid Waste Commission 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.

*Potter & Brant, P.L.C.*

Potter & Brant, P.L.C.  
Certified Public Accountants  
Webster City, Iowa  
October 20, 2009

**Hamilton County Solid Waste Commission  
SCHEDULE OF FINDINGS  
For the Year Ended June 30, 2009**

**Findings Related to the Financial Statements**

**SIGNIFICANT DEFICIENCIES:**

**Segregation of Duties** – During our review of internal controls, the existing control activities are evaluated in order to determine 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 Commission's financial statements. Generally, one individual has control over receipts and disbursements, including collecting, depositing, posting, check signing and reconciling, for which no compensating controls exist.

**Recommendation** – We realize segregation of duties is difficult with a limited number of employees. However, the operating procedures should be reviewed to obtain the maximum internal control possible under the circumstances. Current personnel should be utilized to provide additional control through review of financial transactions and reconciliations. Such reviews should be performed by independent persons, such as board members, to the extent possible and should be evidenced by initials or signature of the reviewer and the date of the review.

**Response** – The board will discuss with the Transfer Station Manager to review the deposits and disbursements with the Secretary/Treasurer. The Board also reviews all disbursements and receipts at the monthly Board meetings. These transactions are properly approved and if questioned, actual receipts are reviewed.

**Conclusion** – Response accepted.

**INSTANCES OF NON-COMPLIANCE**

No matters were noted.

**Other Findings Related to Required Statutory Reporting**

**QUESTIONABLE DISBURSEMENTS**

No disbursements we believe may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979 were noted.

**TRAVEL EXPENSE**

No disbursements of Commission money for travel expenses of spouses of Commission officials or employees were noted.

**COMMISSION MINUTES**

No transactions were found that we believe should have been approved in the Commission minutes but were not.

**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 Commission's investment policy were noted.

**Hamilton County Solid Waste Commission**  
**SCHEDULE OF FINDINGS**  
**For the Year Ended June 30, 2009**

**SOLID WASTE FEES RETAINAGE**

No instances of non-compliance with the solid waste fees used or retained in accordance with provisions of Chapter 455B.310 of the Code of Iowa were noted.

**FINANCIAL ASSURANCE**

The Commission has elected to demonstrate financial assurance for closure and postclosure care by establishing a local government dedicated fund as provided in Chapter 567-113.14(6) of the Iowa Administrative Code (IAC). As of June 30, 2009, the Commission has fully funded the estimated costs of closure and postclosure.