

**BUENA VISTA COUNTY
SOLID WASTE COMMISSION**

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

JUNE 30, 2012

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Buena Vista County Solid Waste Commission

Officials

<u>Name</u>	<u>Title</u>	<u>Representing</u>
David Wiley	Chairperson	City of Newell
Gary Wallburg	Vice Chair	City of Lakeside
Tom Huseman	Secretary	City of Alta
Mike Wilson	Treasurer	City of Storm Lake
Erik Mosbo	Member	City of Rembrandt
Andrew Hasley	Member	City of Sioux Rapids
Don Altena	Member	Buena Vista County
Barry Meyer	Member	City of Truesdale
Starr Abbas	Member	City of Marathon
Abe Falkena	Member	City of Albert City
City Clerk	Member	City of Linn Grove



T.P. ANDERSON & COMPANY, P.C.
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

Independent Auditor's Report

To the Members of the
Buena Vista County Solid Waste Commission:

We have audited the accompanying financial statement, listed as Exhibit A in the table of contents, of the Buena Vista County Solid Waste Commission as of and for the year ended June 30, 2012. This financial statement is the responsibility of the Buena Vista County Solid Waste Commission's management. Our responsibility is to express an opinion on the financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. 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 our audit provides a reasonable basis for our opinion.

As described in Note 1, this financial statement is prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash basis financial position of the Buena Vista County Solid Waste Commission as of June 30, 2012, 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 31, 2012, on our consideration of the Buena Vista 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.

T. P. Anderson & Company, P.C.

October 31, 2012

Buena Vista County Solid Waste Commission
Statement of Cash Receipts, Disbursements and
Changes in Cash Basis Net Assets
As of and for the Year Ended June 30, 2012

Operating receipts:

City and County assessments	\$ 918,495
User fees and gate receipts	757,090
Sale of recycled products	123,094
Rent	1,475
Miscellaneous	38,266
Total operating receipts	1,838,420

Operating disbursements:

Salaries and benefits	373,086
Solid waste exchange	446,910
Monthly meeting reimbursement	4,455
Equipment maintenance and repairs	37,446
Fuel, oil and lubricants	22,865
Operating supplies and repairs	3,809
Office expenses	11,683
Utilities	9,428
Travel and continuing education	2,627
Insurance	34,376
Engineering	23,928
Legal and accounting services	46,907
Garbage hauling	132,661
Real estate taxes	274
Solid waste fees and sales tax	1,950
Regional collection center	6,157
Tire disposal	1,687
Miscellaneous	1,134
Total operating disbursements	1,161,383

**Excess (Deficiency) of operating receipts
over (under) operating disbursements**

677,037

Non-operating receipts (disbursements)

Interest on investments	2,204
Closure costs	(51,898)
Sale of land and equipment	3,446
Grant income	4,198
Debt payments	(129,269)
Net non-operating receipts	(171,319)

See Notes to Financial Statement

**Buena Vista County Solid Waste Commission
Statement of Cash Receipts, Disbursements and
Changes in Cash Basis Net Assets
As of and for the Year Ended June 30, 2012**

Net change in cash basis net assets	505,718
Cash basis net assets, beginning of year	<u>382,057</u>
Cash basis net assets, end of year	<u><u>\$ 887,775</u></u>
Cash Basis Net Assets	
Restricted For:	
Closure and postclosure	\$ 262,683
Total restricted net assets	<u>262,683</u>
Unrestricted	<u>625,092</u>
Total cash basis net assets	<u><u>\$ 887,775</u></u>

BUENA VISTA COUNTY SOLID WASTE COMMISSION

NOTES TO FINANCIAL STATEMENT

June 30, 2012

(1) Summary of Significant Accounting Policies

The Buena Vista County Solid Waste Commission (the Commission) was formed 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 and recycling facilities in Buena Vista 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 of the nine member cities and one representative from Buena Vista County. The member cities are Albert City, Alta, Lakeside, Marathon, Newell, Rembrandt, Sioux Rapids, Storm Lake, Truesdale, and Linn Grove. The commissioners are appointed by the participating political subdivisions and each has one vote.

A. Reporting Entity

For financial reporting purposes, the Buena Vista 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. Jointly Governed Organization

The Commission also participates in a jointly governed organization, PCB Solid Waste Commission, whose purpose is to provide leadership in developing and preparing a joint comprehensive Solid Waste Management Plan and to assist in facilitating the disposal of any type of solid waste within the geographic area of the Commission.

Cherokee and Buena Vista landfills are members of PCB Solid Waste Commission.

The Commission does not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating Commissions.

C. 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.

BUENA VISTA COUNTY SOLID WASTE COMMISSION

NOTES TO FINANCIAL STATEMENT

June 30, 2012

D. Basis of Accounting

The Buena Vista County Solid Waste Commission maintains its financial records on the basis of cash receipts and disbursements and the financial statement of the Commission is 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 statement does not present the financial position and results of operations of the Commission in accordance with accounting principles generally accepted in the United States of America.

E. Net Assets

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

(2) **Cash and Investments**

The Commission's deposits in banks at June 30, 2012 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 ensure 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.

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) to instruments that mature within 397 days. Funds not identified as operating funds may be invested in investments with maturities longer than 397 days, but the maturities shall be consistent with the needs and use of the Commission.

(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 5.38% of their annual salary and the Commission is required to contribute 8.07% of annual covered payroll. Contribution requirements are established by state statute. The Commission's contributions to IPERS for the years ended June 30, 2012, 2011, and 2010 were \$22,761, \$38,747, and \$41,100, respectively, equal to the required contributions for each year.

BUENA VISTA COUNTY SOLID WASTE COMMISSION

NOTES TO FINANCIAL STATEMENT

June 30, 2012

(4) Other Postemployment Benefits (OPEB)

Plan Description – The Commission operates a single-employer retiree benefit plan which provides medical benefits for retirees and their spouses. There were 7 active members in the plan at June 30, 2012. Participants must be age 55 or older at retirement.

The medical benefits are provided through a fully-insured plan with Wellmark. Retirees under age 65 pay the same premium for the medical benefits as active employees.

Funding Policy – The contribution requirements of plan members are established and may be amended by the Commission. The Commission currently finances the retiree benefit plan on a pay-as-you-go basis. The most recent active member monthly premiums for the Commission and plan members are approximately \$458 for single coverage and \$1,158 for family coverage. The same monthly premiums apply to retirees. For the year ended June 30, 2012, the Commission contributed approximately \$38,492 and plan members eligible for benefits contributed approximately \$1,000 to the plan.

(5) 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 received 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 year. 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 \$875,205 for post-closure as of June 30, 2012. This liability has been guaranteed by Buena Vista County per Chapter 567-113.14(6f) of the Iowa Administrative Code. The landfill is no longer accepting solid waste and is operating as a transfer station and recycling center.

BUENA VISTA COUNTY SOLID WASTE COMMISSION

NOTES TO FINANCIAL STATEMENT

June 30, 2012

In addition to the Buena Vista County guarantee, the Commission has begun to accumulate resources to fund post closure costs, and at June 30, 2012, assets of \$236,397 are restricted for this purpose. They are reported as restricted cash basis net assets in the Statement of Cash Receipts, Disbursements and Changes in Cash Basis Net Assets.

Also, pursuant to Chapter 567-113.14 of the Iowa Administrative Code (IAC), since the estimated post-closure care costs are not fully funded, the Commission is required to demonstrate financial assurance for the unfunded costs. The Commission has adopted the dedicated fund financial assurance mechanism. Under this mechanism, the Commission must certify the following to the Iowa Department of Natural Resources:

- The fund is dedicated by local government statute as a reserve fund.
- Payments into the fund are made annually over a pay-in period of ten years or the permitted life of the landfill, whichever is shorter.
- Annual deposits to the fund are determined by the following formula:

$$NP = \frac{CE - CB}{Y}$$

NP = next payment

CE = total required financial assurance

CB = current balance of the fund

Y = number years remaining in the pay-in period

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.

(6) 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 which have come in contact with solid waste or washwater, cleaning of all solid waste transport vehicles which will remain on site, including the rinsing of all surfaces which have come in contact with solid waste, and the removal and proper management of all 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.

The total closure care costs for the Commission as of June 30, 2012 have been estimated at \$26,286. This amount is fully funded and is reported as restricted cash basis net assets in the Statement of Cash Receipts, Disbursements, and Changes in Cash Basis Net Assets.

BUENA VISTA COUNTY SOLID WASTE COMMISSION

NOTES TO FINANCIAL STATEMENT

June 30, 2012

(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 663 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 150 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, 2012 were \$23,037.

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. For members requiring specific coverage from \$3,000,000 to \$12,000,000, such excess coverage is also reinsured. Property and automobile physical damage risks are retained by the Pool up to \$150,000 each occurrence, each location, with excess coverage reinsured by the Travelers Insurance Company.

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, 2012, settled claims have not exceeded the risk pool or reinsurance coverage since the pool's inception.

Members agree to continue membership in the Pool for a period of not less than one full year. After such period, a member who has given 60 days' prior written notice may withdraw from the Pool. Upon withdrawal, payments for all claims and claims expenses become the sole responsibility of the withdrawing member, regardless of whether a claim was incurred or reported prior to the member's withdrawal. Members withdrawing within the first six years of membership may receive a partial refund

BUENA VISTA COUNTY SOLID WASTE COMMISSION

NOTES TO FINANCIAL STATEMENT

June 30, 2012

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

The Commission also carries commercial insurance purchased from other insurers for coverage associated with workers compensation and the employee blanket bond in the amount of \$1,000,000 and \$200,000 respectively. The Commission assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

(8) 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 payments at June 30, 2012 was \$19,205. This liability has been computed based on rates of pay in effect at June 30, 2012.

(9) Notes and Loans

A summary of changes in long-term debt for the year ended June 30, 2012 is as follows:

	Balance Beginning <u>of Year</u>	<u>Issued</u>	<u>Paid</u>	Balance End <u>of Year</u>	Interest <u>Paid</u>
Citizens First National Bank loan	58,800	-	58,800	-	1,701
Citizens First National Bank loan	175,000	-	53,230	121,770	7,759
Iowa Dept of Natural Resources loan	<u>54,453</u>	-	<u>7,779</u>	<u>46,674</u>	-
	<u>\$ 288,253</u>	<u>-</u>	<u>119,809</u>	<u>168,444</u>	<u>9,460</u>

On October 31, 2008, the Commission obtained a promissory note in the amount of \$98,000 from Citizens First National Bank to finance the purchase of a 2009 Caterpillar end-loader. The terms of the note stipulate five annual payments of \$19,600 due each November 1, beginning in 2009, with interest (4.2%) due each May and November 1. The note was paid in full in the year ended June 30, 2012.

The Commission has an outstanding bank loan with a local financial institution. As of June 30, 2012, the note had a balance of \$121,770. The note calls for monthly payments of \$1,857 and accrues interest at a rate of 5%. Subsequent to June 30, 2012 this note was paid in full as reflected in the annual debt service requirements listed at the top of the next page.

The Commission has obtained an interest-free loan from the Iowa Department of Natural Resources to fund the construction of a municipal solid waste sorting building. The maximum amount available under this loan is \$108,435. Repayment of this interest-free loan began January 15, 2009, with quarterly payments of \$5,422 due over a five-year period. At June 30, 2012 this note has an outstanding balance of \$46,674.

Annual debt service requirements to maturity for Commission's notes and loans are as follows:

BUENA VISTA COUNTY SOLID WASTE COMMISSION

NOTES TO FINANCIAL STATEMENT

June 30, 2012

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 132,142	1,808	133,950
2014	10,372	-	10,372
2015	10,372	-	10,372
2016	10,372	-	10,372
2017	<u>5,186</u>	<u>-</u>	<u>5,186</u>
	<u>\$ 168,444</u>	<u>1,808</u>	<u>170,252</u>

(10) Economic Dependency

For the year ended June 30, 2012, two customers accounted for approximately 44% of the gate receipts for the Commission.

(11) Subsequent Events

Management has evaluated events and transactions for potential recognition or disclosure through October 31, 2012, the date these financial statements were issued.



T.P. ANDERSON & COMPANY, P.C.
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

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

To the Members of the Buena Vista County Solid Waste Commission:

We have audited the accompanying financial statement of the Buena Vista County Solid Waste Commission as of and for the year ended June 30, 2012, and have issued our report thereon dated October 31, 2012. Our report expressed an unqualified opinion on the financial statement which was prepared in conformity with another comprehensive basis of accounting. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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

Management of the Buena Vista County Solid Waste Commission (the Commission) is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Buena Vista 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 the Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over financial reporting.

A deficiency in internal control 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 and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses, and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statement is 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 noncompliance 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, 2012, are based exclusively on knowledge obtained from procedures performed during our audit of the financial statement 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.

This report, a public record by law, is intended solely for the information and use of the members and customers of the Buena Vista 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 and representatives of the Buena Vista 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.

T.P. Anderson & Company, P.C.

October 31, 2012

BUENA VISTA COUNTY SOLID WASTE COMMISSION

SCHEDULE OF FINDINGS

Year Ended June 30, 2012

Part I: Other Findings Related to Required Statutory Reporting:

- I-A-12 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.
- I-B-12 Travel Expense – No disbursements of Commission money for travel expenses of spouses of Commission officials or employees were noted.
- I-C-12 Commission Minutes – No transactions were found that we believe should have been approved in the commission minutes but were not.
- I-D-12 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 written investment policy.
- I-E-12 Financial Assurance – The Commission has demonstrated financial assurance for closure and post closure care by obtaining a local government guarantee as provided in Chapter 113.14(6f) of the Iowa Administrative Code (IAC) Section 567 and by requesting a variance to IAC Section 567, which requires fully funding closure and post closure accounts before the closure of the landfill. The variance has been approved and provides as follows:
- a. Use the remaining life of the Buena Vista County landfill to set aside funds in the closure account for costs to close the landfill consistent with the landfill engineer’s closure estimate; and,
 - b. Within nine (9) years after close of the landfill or by June 30, 2018, whichever is shorter, set aside funds in the post closure accounts for costs to maintain the site for the remainder of the post closure period consistent with the landfill engineer’s post closure cost estimate.

The landfill has stopped accepting solid waste and the site is closed except for recycling and transfer station operations. The total identified costs for post closure care is \$875,205. Buena Vista County has guaranteed this liability. In addition to this guarantee, the Commission has begun to accumulate resources to fund post-closure costs, and at June 30, 2012, assets of \$236,397 are restricted for this purpose.

Iowa Department of Natural Resources rules and regulations require deposits into the closure and post closure care accounts be made at least yearly, and the deposits shall be made within 30 days of the close of each fiscal year. The Commission had made all required deposits as of June 30, 2012.