

C E R T I F I E D   ♦   P U B L I C   ♦   A C C O U N T A N T S

24 EAST MAIN STREET · MARSHALLTOWN, IOWA 50158 · 641-753-9337 · FAX 641-753-6366  
418 2ND STREET · GLADBROOK, IOWA 50635 · 641-473-2717 · FAX 641-753-6366

Elizabeth A. Miller, CPA · beth@bowmanandmillerpc.com  
Nathan P. Minkel, CPA · nathan@bowmanandmillerpc.com  
Taylor G. Johnson, CPA · taylor@bowmanandmillerpc.com

November 11, 2025

Iowa Department of Natural Resources  
Wallace State Office Building  
Des Moines, IA 50319

To Whom It May Concern:

We submit herewith an audit report of the examination of the Carroll County Solid Waste Management Commission, Carroll, Iowa, as provided in Chapter 11 of the Code of Iowa and Government Auditing Standards, issued by the Comptroller General of the United States of America.

This examination of the financial statements of the Carroll County Solid Waste Management Commission is for the years ended June 30, 2025 and 2024. The workpapers are on file at our office.

Sincerely,

BOWMAN & MILLER, P.C.

Nathan P. Minkel, CPA

Enclosures

**RECEIVED**

NOV 24 2025





C E R T I F I E D   ♦   P U B L I C   ♦   A C C O U N T A N T S



**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION**

Independent Auditors' Reports  
Basic Financial Statements and  
Required Supplementary Information  
Schedule of Findings

June 30, 2025 and 2024

**RECEIVED**

**NOV 24 2025**

# CARROLL COUNTY SOLID WASTE MANAGEMENT COMMISSION

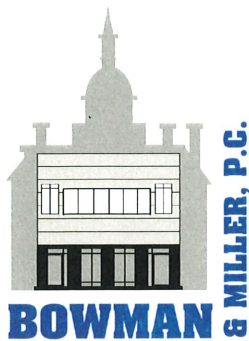
## Table of Contents

	<u>Exhibit</u>	<u>Page</u>
Officials		1
Independent Auditors' Report		2-4
Management's Discussion and Analysis		5-10
Basic Financial Statements:		
Statements of Net Position	A	11
Statements of Revenues, Expenses and Changes in Net Position	B	12
Statements of Cash Flows	C	13
Notes to Financial Statements		14-29
Required Supplementary Information:		
Schedule of the Commission's Proportionate Share of the Net Pension Liability		30-31
Schedule of Commission Contributions		32-33
Notes to Required Supplementary Information - Pension Liability		34
Schedule of Changes in the Commission's Total OPEB Liability, Related Ratios and Notes		35-36
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on Audits of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>		37-38
Schedule of Findings		39-41
Staff		42

# CARROLL COUNTY SOLID WASTE MANAGEMENT COMMISSION

## OFFICIALS

<u>Name</u>	<u>Title</u>	<u>Representing</u>
<u>Executive Board</u>		
Jeff Anthofer	Chairperson	City of Coon Rapids
Dan Snyder	Vice-Chairperson	City of Breda
Harvey Dales	Secretary/Treasurer	City of Manning
Jerry Fleshner	Member	City of Carroll
Scott Johnson	Member	Carroll County
<u>Members</u>		
John Liechti	Member	City of Arcadia
Tom Seidl	Member	City of Dedham
Roger Hartwigsen	Member	City of Glidden
Brian Wittrock	Member	City of Halbur
Jamie Hanlon	Member	City of Lanesboro
Max Wenck	Member	City of Lidderdale
Curt Hike	Member	City of Ralston
Ken Behrens	Member	City of Templeton
Kristin Nehring	Member	City of Willey
Mary Wittry	Director	
Cathy Toms (through December 2024)	Office Manager	
Peggy Hinnens (since February 2025)	Office Manager	



## C E R T I F I E D   ♦   P U B L I C   ♦   A C C O U N T A N T S

24 EAST MAIN STREET · MARSHALLTOWN, IOWA 50158 · 641-753-9337 · FAX 641-753-6366  
418 2ND STREET · GLADBROOK, IOWA 50635 · 641-473-2717 · FAX 641-753-6366

Elizabeth A. Miller, CPA · beth@bowmanandmillerpc.com  
Nathan P. Minkel, CPA · nathan@bowmanandmillerpc.com  
Taylor G. Johnson, CPA · taylor@bowmanandmillerpc.com

### Independent Auditors' Report

To the Members of the Carroll County Solid  
Waste Management Commission:

#### Report on the Audits of the Financial Statements

##### Opinion

We have audited the financial statements of the Carroll County Solid Waste Management Commission as of and for the years ended June 30, 2025 and 2024, and the related Notes to Financial Statements which collectively comprise the Carroll County Solid Waste Management Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Carroll County Solid Waste Management Commission as of June 30, 2025 and 2024, and the changes in its financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

##### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of Carroll County Solid Waste Management Commission, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

##### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Carroll County Solid Waste Management Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Carroll County Solid Waste Management Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Carroll County Solid Waste Management Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the Schedule of the Commission's Proportionate Share of the Net Pension Liability, the Schedule of Commission Contributions and the Schedule of Changes in the Commission's Total OPEB Liability, Related Ratios and Notes on pages 5 through 10 and 30 through 36 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 11, 2025 on our consideration of the Carroll County Solid Waste Management 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 solely 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 effectiveness of the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Carroll County Solid Waste Management's Commission's internal control over financial reporting and compliance.

*Bowman & Miller, P.C.*

November 11, 2025



---

## MANAGEMENT'S DISCUSSION AND ANALYSIS

---

The Carroll County Solid Waste Management Commission provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the years ended June 30, 2025 and 2024. We encourage readers to consider this information in conjunction with the Commission's financial statements, which follow.

### STATEMENT OF PURPOSE

The Carroll County Solid Waste Management Commission was formed in 1971 with the express intent of providing cost-effective and environmentally sound solid waste management options for the citizens of Carroll County. The goals of the Commission remain the same as they were in 1971:

- ◆ to operate a cost-effective solid waste facility;
- ◆ to operate an environmentally sound solid waste facility;
- ◆ to comply with federal and state solid waste management regulations for operating a solid waste management facility including compliance with the waste management hierarchy:
  - source reduction
  - recycling
  - energy recovery
  - volume reduction
  - state-of-the-art land filling
- ◆ to educate users of the Commission's facilities about proper waste management.

### 2025 FINANCIAL HIGHLIGHTS

- ◆ The Commission's operating revenues increased 4.5%, or \$171,331, from fiscal year 2024 to fiscal year 2025. Gate fees and product sales increased while County and City assessments remained the same.
- ◆ The Commission's operating expenses increased 2.3%, or \$70,144, from fiscal year 2024 to fiscal year 2025.
- ◆ The Commission's net position increased 9.0%, or \$1,589,852 from June 30, 2024 to June 30, 2025.

### USING THIS ANNUAL REPORT

The Carroll County Solid Waste Management Commission is a 28E organization and presents its financial statements using the economic resources measurement focus and the accrual basis of accounting, which is the same measurement focus and basis of accounting employed by private sector business enterprises. This discussion and analysis is intended to serve as an introduction to the Carroll County Solid Waste Management Commission's basic financial statements. The annual report consists of a series of financial statements and other information, as follows:

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

The Statements of Net Position present information on the Commission's assets and deferred outflows of resources less the Commission's liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating.

The Statements of Revenues, Expenses and Changes in Net Position are the basic statements of activities for proprietary funds. These statements present information on the Commission's operating revenues and expenses, non-operating revenues and expenses and whether the Commission's financial position has improved or deteriorated as a result of the year's activities.

The Statements of Cash Flows present the change in the Commission's cash and cash equivalents during the year. This information can assist readers of the report in determining how the Commission financed its activities and how it met its cash requirements.

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

Required Supplementary Information further explains and supports the financial statements with the Commission's proportionate share of the net pension liability and related contributions as well as presenting the Schedule of Changes in the Commission's Total OPEB Liability, Related Ratios and Notes.

## FINANCIAL ANALYSIS OF THE COMMISSION

### *Statements of Net Position*

As noted earlier, net position may serve over time as a useful indicator of the Commission's financial position. The Commission's net position at the end of fiscal year 2025 totaled approximately \$19,296,000. This compares to approximately \$17,706,000 at the end of fiscal year 2024. A summary of the Commission's net position is presented below.

	Net Position	
	June 30,	
	2025	2024
Current assets	\$ 4,045,955	2,814,482
Investments	10,427,729	9,351,149
Restricted cash and investments	4,247,015	3,716,696
Capital assets at cost, less accumulated depreciation	4,420,933	5,232,966
Total assets	23,141,632	21,115,293
Deferred outflows of resources	104,730	137,722
Current liabilities	383,085	236,376
Noncurrent liabilities	3,558,943	3,298,072
Total liabilities	3,942,028	3,534,448
Deferred inflows of resources	7,859	11,944
Net position:		
Net investment in capital assets	4,420,933	5,232,966
Restricted	1,033,146	841,862
Unrestricted	13,842,396	11,631,795
Total net position	\$ 19,296,475	17,706,623

The unrestricted portion of the Commission's net position (71.7%) may be used to meet the Commission's obligations as they come due. Currently, the Commission has designated \$13,049,342 of those unrestricted funds for future capital improvements and expansion and other uses. The invested in capital assets (e.g. land, buildings, and equipment) portion of net position (22.9%) are resources allocated to capital assets. The remaining net position (5.4%) is restricted for closure and postclosure care. State and federal laws and regulations require the Commission to place a final cover on the landfill sites and perform certain maintenance and monitoring functions at the landfill sites for a minimum of thirty years after closure.

### *Statements of Revenues, Expenses and Changes in Net Position*

Operating revenues are received for gate fees from accepting solid waste, assessments from the residents of the County, recycling processing fees and product sales. Operating expenses are expenses paid to operate the landfill and recycling center as well as to provide household hazardous waste and education programs. Non-operating revenues typically include interest income, grant income, rental income, and gain on sale of capital assets. The utilization of capital assets is reflected in the financial statements as depreciation, which allocates the cost of an asset over its expected useful life. A summary of revenues, expenses and changes in net position for the years ended June 30, 2025 and 2024 is presented on the following page.

Changes in Net Position		
	Year ended June 30,	
	2025	2024
Operating revenues:		
Gate fees	\$ 3,090,204	3,051,608
County and city assessments	254,008	254,008
Product sales and processing fees	572,275	436,019
Other operating revenues	97,578	101,099
Total operating revenues	<u>4,014,065</u>	<u>3,842,734</u>
Operating expenses:		
Salaries	696,461	685,464
Employee benefits	220,444	211,187
Advertising	22,635	28,243
Depreciation	964,447	1,106,950
Closure and postclosure care	339,035	163,205
Education and training	4,610	10,223
Long range planning and engineering	187,915	156,772
Fuel	103,618	117,203
Insurance	82,236	73,723
Iowa Department of Natural Resources tonnage fees	247,179	247,872
Lab fees	-	8,010
Legal and accounting	39,892	16,325
Miscellaneous	10,186	13,320
Office supplies	14,188	20,918
Outside services	25,022	23,168
Repairs and improvements	123,270	119,298
Site maintenance	22,844	49,687
Supplies - general	26,589	14,344
Telephone	3,110	3,040
Toxic waste fees	21,175	14,675
Travel	2,462	3,574
Utilities	10,212	10,185
Total operating expenses	<u>3,167,530</u>	<u>3,097,386</u>
Operating income	<u>846,535</u>	<u>745,348</u>
Non-operating revenues:		
Grant income	15,027	51,355
Rental income	32,810	32,810
Interest income	687,980	582,110
Gain on sale of capital assets	7,500	51,500
Total non-operating revenues	<u>743,317</u>	<u>717,775</u>
Change in net position	1,589,852	1,463,123
Net position beginning of year	<u>17,706,623</u>	<u>16,243,500</u>
Net position end of year	<u>\$ 19,296,475</u>	<u>17,706,623</u>



The Statements of Revenues, Expenses and Changes in Net Position reflect a positive year financially with an increase in net position at the end of the current fiscal year. In fiscal year 2025, operating revenues increased \$171,331, or 4.5%, which was primarily a result of product sales and processing fees increasing by approximately \$136,000. Operating expenses increased by \$70,144, or 2.3%. The increase was mainly due to an increase in closure and postclosure care expected costs. Salaries and employee benefit expenses as well as long range planning and engineering costs also increased during the current fiscal year.

### *Statements of Cash Flows*

The Statements of Cash Flows present information related to cash inflows and outflows, summarized by operating, capital and related financing and investing activities. Cash provided by operating activities includes gate fees, assessments and recycling processing and product sales reduced by payments to employees and to suppliers. Cash used by capital and related financing activities includes the purchase and disposal of capital assets. Cash used by investing activities includes the purchase and redemption of certificates of deposit and rental and interest income.

## **CAPITAL ASSETS**

At June 30, 2025, the Commission had approximately \$4,421,000 invested in capital assets, net of accumulated depreciation of approximately \$15,111,000. Depreciation expense totaled \$964,447 for fiscal year 2025. More detailed information about the Commission's capital assets is presented in Note 3 to the financial statements.

## **LONG-TERM LIABILITIES**

At June 30, 2025, the Commission had \$3,558,943 in long-term liabilities, an increase of \$260,871 from June 30, 2024. Additional information about the Commission's long-term liabilities is presented in Note 4, Note 5 and Note 6 to the financial statements.

## **ECONOMIC FACTORS**

The Carroll County Solid Waste Management Commission continued to maintain its strong financial position during the current fiscal year. However, the current condition of the economy in the state continues to be a concern for Commission officials. Some of the realities which may potentially become challenges for the Commission to meet are:

- ◆ Facilities and equipment owned and operated by the Commission require constant maintenance, upkeep and upgrades. The Commission continues to designate funds for future equipment upgrades and replacement.
- ◆ Technology continues to expand and current technology becomes outdated presenting an ongoing challenge to maintain up to date technology at a reasonable cost.
- ◆ Mandatory annual deposits to be made to closure and postclosure care accounts are based on constantly changing cost estimates and the number of tons of solid waste received at the facility.
- ◆ Volatile market prices for processed recyclable materials continue to present a budgeting challenge. Fluctuating tonnage delivered for processing due to outside organizations, companies and individuals marketing the products directly presents staffing and budgeting challenges.
- ◆ Federal and State solid waste legislation and rule revisions particularly from the Environmental Protection Agency and the Iowa Department of Natural Resources Air Quality Division continue to effect current operating costs and long-term closure and postclosure care costs.

# CARROLL COUNTY SOLID WASTE MANAGEMENT COMMISSION

## Statements of Net Position

June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 844,934	644,281
Investments	2,621,614	1,627,130
Receivables:		
Trade accounts	294,670	275,493
Interest	189,054	173,231
Grant	16,842	20,356
Inventory	42,381	39,360
Prepaid expenses	36,460	34,631
Total current assets	<u>4,045,955</u>	<u>2,814,482</u>
Noncurrent assets:		
Investments	10,427,729	9,351,149
Restricted cash and cash equivalents	56,242	53,209
Restricted investments	4,190,773	3,663,487
Capital assets, net of accumulated depreciation	4,420,933	5,232,966
Total noncurrent assets	<u>19,095,677</u>	<u>18,300,811</u>
<b>Total assets</b>	<u>23,141,632</u>	<u>21,115,293</u>
<b>Deferred Outflows of Resources</b>		
Pension related deferred outflows	<u>104,730</u>	<u>137,722</u>
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	251,888	108,896
Accrued compensated absences	123,068	116,224
Deferred revenue	8,129	11,256
Total current liabilities	<u>383,085</u>	<u>236,376</u>
Noncurrent liabilities:		
Landfill closure and postclosure care	3,213,869	2,874,834
Net pension liability	265,419	320,391
Total OPEB liability	79,655	102,847
Total noncurrent liabilities	<u>3,558,943</u>	<u>3,298,072</u>
<b>Total liabilities</b>	<u>3,942,028</u>	<u>3,534,448</u>
<b>Deferred Inflows of Resources</b>		
Pension related deferred inflows	<u>7,859</u>	<u>11,944</u>
<b>Net position</b>		
Net investment in capital assets	4,420,933	5,232,966
Restricted for:		
Closure and postclosure care	1,033,146	841,862
Unrestricted	<u>13,842,396</u>	<u>11,631,795</u>
<b>Total net position</b>	<u>\$ 19,296,475</u>	<u>17,706,623</u>

**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION  
Statements of Revenues, Expenses and  
Changes in Net Position  
Years ended June 30, 2025 and 2024**

Exhibit B

	<u>2025</u>	<u>2024</u>
Operating revenues:		
Gate fees	\$ 3,090,204	3,051,608
County and city assessments	254,008	254,008
Product sales	518,302	400,223
Outside county processing fees	53,973	35,796
Iowa Department of Natural Resources fees retained	94,561	94,068
Other operating revenues	3,017	7,031
Total operating revenues	<u>4,014,065</u>	<u>3,842,734</u>
Operating expenses:		
Salaries	696,461	685,464
Employee benefits	220,444	211,187
Advertising	22,635	28,243
Depreciation	964,447	1,106,950
Closure and postclosure care	339,035	163,205
Education and training	4,610	10,223
Long range planning and engineering	187,915	156,772
Fuel	103,618	117,203
Insurance	82,236	73,723
Iowa Department of Natural Resources tonnage fees	247,179	247,872
Lab fees	-	8,010
Legal and accounting	39,892	16,325
Miscellaneous	10,186	13,320
Office supplies	14,188	20,918
Outside services	25,022	23,168
Repairs and improvements	123,270	119,298
Site maintenance	22,844	49,687
Supplies - general	26,589	14,344
Telephone	3,110	3,040
Toxic waste fees	21,175	14,675
Travel	2,462	3,574
Utilities	10,212	10,185
Total operating expenses	<u>3,167,530</u>	<u>3,097,386</u>
Operating income	<u>846,535</u>	<u>745,348</u>
Non-operating revenues:		
Grant income	15,027	51,355
Rental income	32,810	32,810
Interest income	687,980	582,110
Gain on sale of capital assets	7,500	51,500
Total non-operating revenues	<u>743,317</u>	<u>717,775</u>
Change in net position	1,589,852	1,463,123
Net position beginning of year	<u>17,706,623</u>	<u>16,243,500</u>
Net position end of year	<u>\$ 19,296,475</u>	<u>17,706,623</u>

**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION**  
**Statements of Cash Flows**  
**Years ended June 30, 2025 and 2024**

Exhibit C

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Cash received from gate fees	\$ 3,067,900	3,087,007
Cash received from assessments	254,008	254,008
Cash received from product sales and processing fees	572,275	436,019
Cash received from other operating receipts	97,578	101,099
Cash paid to suppliers for goods and services	(802,157)	(801,839)
Cash paid to employees for services	(966,162)	(929,421)
Net cash provided by operating activities	<u>2,223,442</u>	<u>2,146,873</u>
Cash flows from capital and related financing activities:		
Purchase of capital assets	(152,414)	(214,150)
Proceeds from sale of capital asset	7,500	51,500
Grant proceeds	18,541	36,074
Net cash used by capital and related financing activities	<u>(126,373)</u>	<u>(126,576)</u>
Cash flows from investing activities:		
Proceeds from (purchase of) certificates of deposit, net - restricted	(527,286)	(395,971)
Proceeds from (purchase of) certificates of deposit, net - unrestricted	(2,071,064)	(2,520,212)
Rental income	32,810	32,810
Interest received	672,157	529,809
Net cash used by investing activities	<u>(1,893,383)</u>	<u>(2,353,564)</u>
Net increase in cash and cash equivalents	203,686	(333,267)
Cash and cash equivalents beginning of year	<u>697,490</u>	<u>1,030,757</u>
Cash and cash equivalents end of year	<u>\$ 901,176</u>	<u>697,490</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>		
Operating income	\$ 846,535	745,348
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	964,447	1,106,950
Closure and postclosure care	339,035	163,205
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(19,177)	39,800
(Increase) decrease in inventory	(3,021)	35,077
(Increase) decrease in prepaid insurance	(1,829)	82,486
Increase (decrease) in accounts payable	142,992	748
Increase (decrease) in accrued compensated absences	6,844	10,430
Increase (decrease) in deferred revenue	(3,127)	(4,401)
Increase (decrease) in net pension liability	(54,972)	35,627
Increase (decrease) in total OPEB liability	(23,192)	(4,207)
(Increase) decrease in deferred outflows of resources	32,992	(37,926)
Increase (decrease) in deferred inflows of resources	(4,085)	(26,264)
Total adjustments	<u>1,376,907</u>	<u>1,401,525</u>
Net cash provided by operating activities	<u>\$ 2,223,442</u>	<u>2,146,873</u>

See notes to financial statements.



**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION  
Notes to Financial Statements  
June 30, 2025 and 2024**

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

The Carroll County Solid Waste Management Commission (the Commission) is a joint undertaking of Carroll County and the municipalities of Carroll County organized pursuant to the provisions of Code Section 28E of the Iowa Code. The Commission was established for the purpose of developing, operating and maintaining solid waste facilities for and on behalf of the municipalities who are members. In 1990, construction was completed on a recycling plant for Carroll County. Since becoming operational in November 1990, the plant has become a regional center for recycling.

The Commission is composed of an elected representative from the governing body of each participating governmental jurisdiction. A five-member executive board is elected, consisting of a member from the City of Carroll, a representative from the Carroll County Board of Supervisors and three at-large members. Each member shall be entitled to one vote for each 1,000 people or fraction thereof as determined by the most recent general federal census.

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

**A. Reporting Entity**

For financial reporting purposes, the Carroll County Solid Waste Management 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 statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the 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.

The Statements of Net Position present the Carroll County Solid Waste Management Commission's nonfiduciary assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Net position is reported in the following categories:

**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION  
Notes to Financial Statements (Continued)  
June 30, 2025 and 2024**

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

**B. Basis of Presentation (Continued)**

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes and other debt attributable to the acquisition, construction, or improvement of those assets.

Restricted net position results when constraints placed on net position use are either externally imposed or are imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position consists of net position not meeting the definition of the preceding categories. Unrestricted net position is often subject to constraints imposed by management which can be removed or modified.

**C. Measurement Focus and Basis of Accounting**

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

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

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position**

The following accounting policies are followed in preparing the Statements of Net Position:

Cash, Cash Equivalents and Investments – The Commission considers all short-term investments that are highly liquid to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash and, at the day of purchase, have a maturity date no longer than three months. Cash investments not meeting the definition of cash equivalents at June 30, 2025 and 2024 include certificates of deposit of \$17,240,116 and \$14,641,766, respectively. The certificates of deposit represent both current and noncurrent assets based on their maturity dates.

Restricted Cash and Investments – Bank account and certificate of deposit funds set aside for payment of closure and postclosure care costs are classified as restricted as detailed in Note 6.

**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION  
Notes to Financial Statements (Continued)  
June 30, 2025 and 2024**

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

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position (Continued)**

Accounts Receivable – Accounts receivable represent amounts billed for waste disposal services at June 30, 2025 and 2024. The Commission grants credit to customers, many of who are local haulers or residents. Due to the Commission's policy to deny continued service to customers with past due bills, management believes uncollectible accounts are negligible. Therefore, no allowance for uncollectible accounts has been recorded.

Inventory – Inventory that is recorded on the books at June 30, 2025 and 2024 consists of recycling bags and bins which are carried at cost, principally on a first-in, first-out basis, but not in excess of market. The Commission also has on hand marketable processed recyclables which are carried at market value.

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

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Buildings are depreciated over fifteen to twenty-five years and equipment is depreciated over a five to fifteen year life. Reportable capital assets are defined by the Commission as assets with initial, individual costs in excess of \$1,000 and estimated useful lives in excess of one year.

In accordance with Governmental Accounting Standards, the lives of certain facilities and equipment may be adjusted to coincide with the remaining estimated useful life of the landfill. In addition, equipment and facilities included in the estimated total current cost of closure and post-closure care are not reported as capital assets, but will be reported as a reduction of the accrued liability when they are acquired.

Interest is capitalized on qualified assets acquired with certain tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. There were no qualifying assets acquired during the years ended June 30, 2025 and 2024.

Deferred Outflows of Resources – Deferred outflows of resources represent a consumption of net position applicable to a future year(s) which will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension expense and contributions from the Commission after the measurement date but before the end of the Commission's reporting period.

**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION  
Notes to Financial Statements (Continued)  
June 30, 2025 and 2024**

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

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position (Continued)**

Compensated Absences – Commission employees accumulate a limited amount of earned but unused vacation hours and personal time off (PTO) hours for subsequent use or for payment upon termination, death or retirement. A liability is recorded when each of the following have occurred: the leave is attributable to services already rendered, the leave accumulates and carries forward from one reporting period to the next and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The Commission's liability for accumulated vacation and PTO hours has been computed based on rates of pay in effect at June 30, 2025 and 2024, and is treated as a current payable at that date.

Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense (income), information about the fiduciary net position of the Iowa Public Employees' Retirement System (IPERS) and additions to/deductions from IPERS' fiduciary net position have been determined on the same basis as they are reported by IPERS. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Total OPEB Liability – For purposes of measuring the total OPEB liability and OPEB expense, information has been determined based on the Carroll County Solid Waste Management Commission's actuary report. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Deferred Inflows of Resources – Deferred inflows of resources represent an acquisition of net position applicable to a future year(s) which will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources in the Statements of Net Position consist of unrecognized items not yet charged to pension expense and the unamortized portion of the net difference between projected and actual earnings on pension plan assets.

Use of Estimates – The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.



**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION**  
**Notes to Financial Statements (Continued)**  
**June 30, 2025 and 2024**

**(2) Cash, Cash Equivalents and Investments**

The Commission's deposits in banks at June 30, 2025 and 2024 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against depositories to 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. The Commission had no investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 72.

**(3) Capital Assets**

Capital assets activity for the year ended June 30, 2025 was as follows:

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Capital assets not being depreciated:				
Land	\$ 577,767	—	—	577,767
Capital assets being depreciated:				
Buildings	3,071,203	76,866	—	3,148,069
Landfill improvements	10,124,690	42,700	—	10,167,390
Landfill equipment	4,214,601	15,000	12,368	4,217,233
Recycling equipment	1,381,614	17,848	—	1,399,462
Office equipment	21,660	—	—	21,660
Total capital assets being depreciated	18,813,768	152,414	12,368	18,953,814
Less accumulated depreciation for:				
Buildings	1,601,164	84,853	—	1,686,017
Landfill improvements	9,394,614	329,171	—	9,723,785
Landfill equipment	2,395,092	467,484	12,368	2,850,208
Recycling equipment	746,269	82,709	—	828,978
Office equipment	21,430	230	—	21,660
Total accumulated depreciation	14,158,569	964,447	12,368	15,110,648
Total capital assets being depreciated, net	4,655,199	(812,033)	—	3,843,166
Total capital assets, net	\$ 5,232,966	(812,033)	—	4,420,933

**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION  
Notes to Financial Statements (Continued)  
June 30, 2025 and 2024**

**(4) Pension Plan**

Plan Description – IPERS membership is mandatory for employees of the Commission, except those covered by another retirement system. Employees of the Commission are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by the Iowa Public Employees' Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at P.O. Box 9117, Des Moines, Iowa 50306-9117 or at [www.ipers.org](http://www.ipers.org).

IPERS benefits are established under Iowa Code Chapter 97B and the administrative rules thereunder. Chapter 97B and the administrative rules are the official plan documents. The following brief description is provided for general informational purposes only. Refer to the plan documents for more information.

Pension Benefits – A Regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, any time after reaching age 62 with 20 or more years of covered employment, or when the member's years of service plus the member's age at the last birthday equals or exceeds 88, whichever comes first. These qualifications must be met on the member's first month of entitlement to benefits. Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a Regular member's monthly IPERS benefit includes:

- A multiplier based on years of service.
- The member's highest five-year average salary, except members with service before June 30, 2012 will use the highest three-year average salary as of that date if it is greater than the highest five-year average salary.

If a member retires before normal retirement age, the member's monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25% for each month that the member receives benefits before the member's earliest normal retirement age. For service earned on or after July 1, 2012, the reduction is 0.50% for each month the member receives benefits before age 65.

Generally, once a member selects a benefit option, a monthly benefit is calculated and remains the same for the rest of the member's lifetime. However, to combat the effects of inflation, retirees who began receiving benefits prior to July 1990 receive a guaranteed dividend with their regular November benefit payments.

Disability and Death Benefits – A vested member who is awarded federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member's beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member's accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION**  
**Notes to Financial Statements (Continued)**  
**June 30, 2025 and 2024**

**(4) Pension Plan (Continued)**

Contributions – Contribution rates are established by IPERS following the annual actuarial valuation which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. State statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2025, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the Commission contributed 9.44% of covered payroll, for a total rate of 15.73%. The Commission's contributions to IPERS for the year ended June 30, 2025 totaled \$64,943.

Net Pension Liability, Pension Expense (Income), Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2025, the Commission reported a liability of \$265,419 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Commission's proportion of the net pension liability was based on the Commission's share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2024, the Commission's proportion was 0.0070982%, which was an increase of 0.0001905% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the Commission recognized pension expense (income) of \$(26,065). At June 30, 2025, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 21,120	165
Changes of assumptions	-	4
Net difference between projected and actual earnings on IPERS investments	3,319	-
Changes in proportion and differences between Commission contributions and the Commission's proportionate share of contributions	15,348	7,690
Commission's contributions subsequent to the measurement date	64,943	-
Total	<u>\$ 104,730</u>	<u>7,859</u>

**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION  
Notes to Financial Statements (Continued)  
June 30, 2025 and 2024**

**(4) Pension Plan (Continued)**

\$64,943 reported as deferred outflows of resources related to pensions resulting from Commission contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2026	\$ (30,590)
2027	66,048
2028	3,440
2029	(7,635)
2030	665
Total	\$ <u>31,928</u>

There were no non-employer contributing entities to IPERS.

Actuarial Assumptions – The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Rate of inflation	
(effective June 30, 2017)	2.60% per annum.
Rates of salary increase	3.25 to 16.25% average, including inflation.
(effective June 30, 2017)	Rates vary by membership group.
Long-term investment rate of return	7.00% compounded annually, net of investment
(effective June 30, 2017)	expense, including inflation.
Wage growth	3.25% per annum, based on 2.60% inflation and
(effective June 30, 2017)	0.65% real wage inflation.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of a quadrennial experience study covering the period of July 1, 2017 through June 30, 2021. Mortality rates used in the 2024 valuation were based on the PubG-2010 mortality tables with future mortality improvements modeled using Scale MP-2021.

The long-term expected rate of return on IPERS' investments was determined using a building block method in which best-estimate ranges of expected future real rates (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.



**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION**  
**Notes to Financial Statements (Continued)**  
**June 30, 2025 and 2024**

**(4) Pension Plan (Continued)**

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity	21.0 %	3.52 %
International equity	13.0	5.18
Global smart beta equity	5.0	4.12
Core plus fixed income	25.5	3.04
Public credit	3.0	4.53
Cash	1.0	1.69
Private equity	17.0	8.89
Private real assets	9.0	4.25
Private credit	5.5	6.62
Total	<u>100.0 %</u>	

Discount Rate – The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed employee contributions will be made at the contractually required rate and contributions from the Commission will be made at contractually required rates, actuarially determined. Based on those assumptions, IPERS' fiduciary net position was projected to be available to make all projected future benefit payments to current active and inactive employees. Therefore, the long-term expected rate of return on IPERS' investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Commission's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the Commission's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Commission's proportionate share of the net pension liability would be if it were calculated using a discount rate 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Commission's proportionate share of the net pension liability (asset)	\$ 651,333	\$ 265,419	\$ (57,786)

IPERS' Fiduciary Net Position – Detailed information about IPERS' fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at [www.ipers.org](http://www.ipers.org).

# CARROLL COUNTY SOLID WASTE MANAGEMENT COMMISSION

## Notes to Financial Statements (Continued)

### June 30, 2025 and 2024

(4) **Pension Plan (Continued)**

Payables to IPERS – At June 30, 2025, the Commission reported no payables to IPERS for legally required Commission contributions and for legally required employee contributions withheld from employee wages which had not yet been remitted to IPERS.

(5) **Other Postemployment Benefits (OPEB)**

Plan Description – The Commission administers a single-employer benefit plan which provides medical, prescription drug and dental benefits for employees, retirees and their spouses. Group insurance benefits are established under Iowa Code Chapter 509A.13. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

OPEB Benefits – Individuals who are employed by the Carroll County Solid Waste Management Commission and are eligible to participate in the group health plan are eligible to continue healthcare benefits upon retirement. Retirees under age 65 pay the same premium for the medical, prescription drug and dental benefits as active employees, which results in an implicit rate subsidy and an OPEB liability.

Retired participants must be age 55 or older at retirement. At June 30, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	-
Active employees	11
Total	<u>11</u>

Total OPEB Liability – The Commission's total OPEB liability of \$79,655 was measured as of June 30, 2025 and was determined using the alternative measurement method (AMM) valuation report as of June 30, 2024.

Actuarial Assumptions – The total OPEB liability in the June 30, 2024 AMM valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods in the measurement.

Rate of inflation (effective June 30, 2024)	3.00% per annum.
Rates of salary increase (effective June 30, 2024)	3.00% per annum, including inflation.
Discount rate (effective June 30, 2024)	3.93% compounded annually, including inflation.
Healthcare cost trend rate (effective June 30, 2024)	5.00% per annum.

**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION  
Notes to Financial Statements (Continued)  
June 30, 2025 and 2024**

**(5) Other Postemployment Benefits (OPEB)**

Discount Rate – The discount rate used to measure the total OPEB liability was 3.93% which reflects the index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the measurement date.

Mortality rates are from the 2016 United States Life Tables. Annual retirement probabilities are based on varying rates by age and turnover probabilities which closely mirror those used by IPERS.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study with dates corresponding dates to those listed above.

Changes in the Total OPEB Liability

	Total OPEB Liability
Total OPEB liability beginning of year	\$ 102,847
Changes for the year:	
Service cost	5,074
Interest	3,249
Difference between expected and actual experience	(29,829)
Changes of assumptions	(1,686)
Benefit payments	-
Net changes	(23,192)
Total OPEB liability end of year	\$ 79,655

Sensitivity of the Commission's Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the Commission, as well as what the Commission's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.93%) or 1% higher (4.93%) than the current discount rate.

	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB liability	\$ 83,046	\$ 79,655	\$ 76,247

Sensitivity of the Commission's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the Commission, as well as what the Commission's total OPEB liability would be if it were calculated using the healthcare cost trend rates that are 1% lower (4.0%) or 1% higher (6.0%) than the current healthcare cost trend rates.

**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION  
Notes to Financial Statements (Continued)  
June 30, 2025 and 2024**

**(5) Other Postemployment Benefits (OPEB) (Continued)**

	1% Decrease (4.00%)	Healthcare Cost Trend Rate (5.00%)	1% Increase (6.00%)
Total OPEB liability	\$ 74,620	\$ 79,655	\$ 85,203

OPEB Expense – For the year ended June 30, 2025, the Commission recognized OPEB expense (income) of \$(23,192).

Since AMM procedures were used in the valuation, changes of assumptions and the difference between expected and actual experience with regard to economic and demographic factors are immediately recognized in OPEB expense resulting in no deferred inflows or deferred outflows.

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

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

**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION  
Notes to Financial Statements (Continued)  
June 30, 2025 and 2024**

**(8) Risk Management (Continued)**

The Pool's intergovernmental contract with its members provides that in the event a casualty claim, property loss or series of claims or losses exceeds the amount of risk-sharing protection provided by the Commission's risk-sharing certificate, or in the event of a casualty claim, property loss or series of claims or losses exhausts the Pool's funds and any excess risk-sharing recoveries, then payment of such claims shall be the obligation of the respective individual member against whom the claim was made or the loss was incurred.

The Commission does not report a liability for losses in excess of reinsurance or excess risk-sharing recoveries unless it is deemed probable such losses have occurred and the amount of such loss can be reasonably estimated. Accordingly, at June 30, 2025, no liability has been recorded in the Commission's financial statements. As of June 30, 2025, 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. Upon withdrawal, a formula set forth in the Pool's intergovernmental contract with its members is applied to determine the amount (if any) to be refunded to the withdrawing member.

The Commission also carries commercial insurance purchased from other insurers for coverage associated with worker's compensation in the amount of \$1,000,000. 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.

**(9) Agreements with Outside Counties**

The Commission has entered into a number of contracts with outside counties to provide landfill and/or recycling services. These agreements expire on various dates. Generally, while landfill usage affects the life of the current space available, recycling services are being offered without significantly increasing expenses.

**(10) Grants**

Since the Commission is part of the EMS program through the Iowa DNR, they typically receive grant funds to be used for specific purposes. During the years ended June 30, 2025 and 2024, the Commission was awarded EMS grants totaling \$14,027 and \$40,355, respectively to be used for a variety of projects including the purchase of a new baler for plastic bags, the purchase of an electric forklift and to complete a landfill feasibility study. During the years ended June 30, 2025 and 2024, the Commission also was awarded recycling partnership grants of \$-0- and \$10,000, respectively, to help with recycling education. During both the years ended June 30, 2025 and 2024, the Commission also received a \$1,000 ICAP Safety grant.

**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION  
Notes to Financial Statements (Continued)  
June 30, 2025 and 2024**

**(11) Designated Funds**

The Commission has adopted policies to establish designated accounts for future landfill expansion and future capital improvements to equipment and facilities. Of the Commission's total \$13,842,396 unrestricted net assets at June 30, 2025, the Commission has designated \$1,469,441, \$10,642,661 and \$937,240 for future capital improvements, landfill expansion and other needs, respectively.

**(12) Date of Management Evaluation**

Management has evaluated subsequent events through November 11, 2025, the date on which the financial statements were available to be issued.

## Required Supplementary Information



# CARROLL COUNTY SOLID WASTE MANAGEMENT COMMISSION

## Schedule of the Commission's Proportionate Share of the Net Pension Liability Iowa Public Employees' Retirement System For the Last Ten Years\* Required Supplementary Information

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Commission's proportion of the net pension liability (asset)	0.0072887 %	0.0070982 %	0.0075371 %
Commission's proportionate share of the net pension liability	\$ 265,419	320,391	284,764
Commission's covered payroll	\$ 672,563	623,370	607,041
Commission's proportionate share of the net pension liability as a percentage of its covered payroll	39.46 %	51.40 %	46.91 %
IPERS' net position as a percentage of the total pension liability	92.30 %	90.13 %	91.40 %

\* In accordance with GASB Statement No. 68, the amounts presented for each fiscal year were determined as of June 30 of the preceding year.

<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
(0.0028347) %	0.0070248 %	0.0064568 %	0.0063233 %	0.0060636 %	0.006495 %	0.006354 %
9,786	493,475	373,894	400,156	403,915	405,072	313,936
566,545	557,503	491,392	475,263	452,620	461,910	435,331
1.73 %	88.52 %	76.09 %	84.20 %	89.24 %	87.70 %	72.11 %
100.81 %	82.90 %	85.45 %	83.62 %	82.21 %	81.82 %	85.19 %

**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION**  
Schedule of Commission Contributions  
Iowa Public Employees' Retirement System  
For the Last Ten Years  
Required Supplementary Information

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Statutorily required contribution	\$ 64,943	63,490	58,846	57,305
Contributions in relation to the statutorily required contribution	<u>(64,943)</u>	<u>(63,490)</u>	<u>(58,846)</u>	<u>(57,305)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Commission's covered payroll	\$ 687,953	672,563	623,370	607,041
Contributions as a percentage of covered payroll	9.44%	9.44%	9.44%	9.44%

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
53,482	52,628	46,387	42,441	40,419	41,249
<u>(53,482)</u>	<u>(52,628)</u>	<u>(46,387)</u>	<u>(42,441)</u>	<u>(40,419)</u>	<u>(41,249)</u>
<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
566,545	557,503	491,392	475,263	452,620	461,910
9.44%	9.44%	9.44%	8.93%	8.93%	8.93%

**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION**  
**Notes to Required Supplementary Information - Pension Liability**  
**Year Ended June 30, 2025**

*Changes of benefit terms:*

There are no significant changes in benefit terms.

*Changes of assumptions:*

The 2022 valuation incorporated the following refinements after a quadrennial experience study:

- Changed mortality assumptions to the PubG-2010 mortality tables with mortality improvements modeled using Scale MP-2021.
- Adjusted retirement rates for Regular members.
- Lowered disability rates for Regular members.
- Adjusted termination rates for all membership groups.

The 2018 valuation implemented the following refinements as a result of a demographic assumption study dated June 28, 2018:

- Changed mortality assumptions to the RP-2014 mortality tables with mortality improvements modeled using Scale MP-2017.
- Adjusted retirement rates.
- Lowered disability rates.
- Adjusted the probability of a vested Regular member electing to receive a deferred benefit.
- Adjusted the merit component of the salary increase assumption.

The 2017 valuation implemented the following refinements as a result of an experience study dated March 24, 2017:

- Decreased the inflation assumption from 3.00% to 2.60%.
- Decreased the assumed rate of interest on member accounts from 3.75% to 3.50% per year.
- Decreased the discount rate from 7.50% to 7.00%.
- Decreased the wage growth assumption from 4.00% to 3.25%.
- Decreased the payroll growth assumption from 4.00% to 3.25%.

**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION**  
Schedule of Changes in the Commission's  
Total OPEB Liability, Related Ratios and Notes  
For the Last Seven Years  
Required Supplementary Information

	2025	2024
Service cost	\$ 5,074	7,541
Interest cost	3,249	3,782
Difference between expected and actual experience	(29,829)	(15,530)
Changes in assumptions	(1,686)	-
Benefit payments	-	-
Net change in total OPEB liability	(23,192)	(4,207)
Total OPEB liability beginning of year	102,847	107,054
Total OPEB liability end of year	\$ 79,655	102,847
Covered-employee payroll	\$ 687,953	672,563
Total OPEB liability as a percentage of covered-employee payroll	11.6%	15.3%

**Notes to Schedule of Changes in the Commission's Total OPEB Liability and  
Related Ratios**

*Changes in benefit terms:*

There were no significant changes in benefit terms.

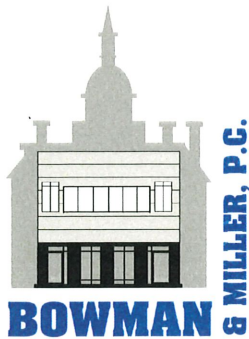
*Changes in assumptions:*

Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period.

Year ended June 30, 2025	3.93%
Year ended June 30, 2024	3.54%
Year ended June 30, 2023	3.54%
Year ended June 30, 2022	2.21%
Year ended June 30, 2021	2.21%
Year ended June 30, 2020	3.87%
Year ended June 30, 2019	3.87%

2023	2022	2021	2020	2019
7,321	7,479	7,261	6,133	5,954
3,911	2,717	2,639	4,371	4,114
(17,105)	(13,224)	(13,667)	(7,189)	-
(6,111)	-	12,104	-	-
-	-	-	-	-
(11,984)	(3,028)	8,337	3,315	10,068
119,038	122,066	113,729	110,414	100,346
107,054	119,038	122,066	113,729	110,414
623,370	607,041	566,545	557,503	491,392
17.2%	19.6%	21.5%	20.4%	22.5%





C E R T I F I E D   ♦   P U B L I C   ♦   A C C O U N T A N T S

24 EAST MAIN STREET • MARSHALLTOWN, IOWA 50158 • 641-753-9337 • FAX 641-753-6366  
418 2ND STREET • GLADBROOK, IOWA 50635 • 641-473-2717 • FAX 641-753-6366

Elizabeth A. Miller, CPA • beth@bowmanandmillerpc.com  
Nathan P. Minkel, CPA • nathan@bowmanandmillerpc.com  
Taylor G. Johnson, CPA • taylor@bowmanandmillerpc.com

Independent Auditors' Report on Internal Control  
over Financial Reporting and on Compliance and Other Matters  
Based on Audits of Financial Statements Performed in Accordance with  
Government Auditing Standards

To the Members of the Carroll County Solid  
Waste Management Commission:

We have audited, 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, the financial statements of the Carroll County Solid Waste Management Commission as of and for the years ended June 30, 2025 and 2024, and the related Notes to Financial Statements which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated November 11, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audits of the financial statements, we considered the Carroll County Solid Waste Management Commission's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Carroll County Solid Waste Management Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Carroll County Solid Waste Management Commission's internal control.

A deficiency in internal control exists when the design or operation of a 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 a material misstatement of the Carroll County Solid Waste Management Commission's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency in internal control, described in the accompanying Schedule of Findings as item 2025-001 that we consider to be a material weakness.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Carroll County Solid Waste Management 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of noncompliance or other matters which are described in the accompanying Schedule of Findings.

Comments involving statutory and other legal matters about the Commission's operations for the years ended June 30, 2025 and 2024 are based exclusively on knowledge obtained from procedures performed during our audits of the financial statements of the Commission. Since our audits were 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.

## Carroll County Solid Waste Management Commission's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Carroll County Solid Waste Management Commission's responses to the findings identified in our audits and described in the accompanying Schedule of Findings. The Carroll County Solid Waste Management Commission's response was not subjected to the auditing procedures applied in the audits of the financial statements and, accordingly, we express no opinion on the responses.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing on internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Commission's internal control or on compliance. This report is an integral part on an audit performed in accordance with Government Auditing Standards in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

*Bowman and Miller, P.C.*

November 11, 2025

**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION  
Schedule of Findings  
Years ended June 30, 2025 and 2024**

**Findings Related to the Financial Statements:**

**INTERNAL CONTROL DEFICIENCIES:**

2025-001 Segregation of Duties

Criteria – Management is responsible for establishing and maintaining internal control. A good system of internal control provides for adequate segregation of duties so no one individual handles a transaction from its inception to completion. In order to maintain proper internal control, duties should be segregated so the authorization, custody and recording of transactions are not under the control of the same employee. This segregation of duties helps prevent losses from employee error or dishonesty and maximizes the accuracy of the Commission's financial statements.

Condition – Generally, one individual has control over each of the following areas for the Commission:

1. Accounting system – record keeping for revenues and expenses, and related reporting
2. Receipts – collecting, depositing, journalizing and posting
3. Bank reconciliation – preparation and maintenance of accounting records
4. Payroll – changes to master list, preparation and distribution

Cause – The Commission has a limited number of employees and procedures have not been designed to adequately segregate duties or provide compensating controls through additional oversight of transactions and processes.

Effect – Inadequate segregation of duties could adversely affect the Commission's ability to prevent or detect and correct misstatements, errors, or misappropriation on a timely basis by employees in the normal course of performing their assigned functions.

Recommendation - We realize segregation of duties is difficult with a limited number of office employees. However, the Commission should review its operating procedures to obtain the maximum internal control possible under the circumstances utilizing currently available staff or Commission members.

Response – Due to the limited number of office employees, segregation of duties is very difficult; however, we will have the Director review receipts, postings and payroll on a test basis and bank reconciliations monthly. The Commission's Secretary/Treasurer will review invoices, checks written, bank reconciliations, and accounts receivable balances prior to the monthly executive board meetings.

Conclusion – Response accepted.

**INSTANCES OF NON-COMPLIANCE:**

No matters were noted.

**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION  
Schedule of Findings (Continued)  
Years ended June 30, 2025 and 2024**

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

2025-A Questionable Expenses – No expenses we believe may not meet the requirements of public purpose as defined in an Attorney General’s opinion dated April 25, 1979 were noted.

2025-B Travel Expense – No expenditures of money for travel expenses of spouses of Commission officials or employees were noted.

2025-C Restricted Donor Activity – No transactions were noted between the Commission, Commission officials, Commission employees and restricted donors in compliance with Chapter 65B of the Code of Iowa.

2025-D Deposits and Investments – No instances of non-compliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa were noted.

2025-E Solid Waste Tonnage Fees Retained – 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. However, the Quarterly Solid Waste Fee Schedule and Retained Fee Reports from January 1, 2025 through March 31, 2025 were not filed and paid until July 23, 2025. Quarterly reports are to be filed and paid no later than 90 days following the quarter during which the fees were collected.

Recommendation – Procedures should be established to ensure timely submission of the quarterly reports and payment of the respective fees.

Response – No penalty was assessed for the late quarterly report submitted on July 23, 2025. The Iowa Department of Natural Resources has established a 30-day grace period without penalty for a late report.

Conclusion – Response accepted.

2025-F Commission Minutes – No transactions were found that we believe should have been approved in the Commission’s minutes but were not.

However, the Commission is required to furnish on an annual basis the names and salaries of persons regularly employed by the entity as required by Chapter 28E.6(3)(a) of the Code of Iowa. While the Commission did publish annual salaries, it was not a complete listing. Three employees were inadvertent omitted from the publication.

Recommendation – The Commission should comply with Chapter 28E.6(3)(a) of the Code of Iowa.

Response – A complete listing of annual salaries will be submitted for publication to comply with Chapter 28E.6(3) of the Code of Iowa.

Conclusion – Response accepted.

**CARROLL COUNTY SOLID WASTE  
MANAGEMENT COMMISSION  
Schedule of Findings (Continued)  
Years ended June 30, 2025 and 2024**

2025-G Financial Assurance – The Commission has demonstrated financial assurance for closure and postclosure care by establishing a local government dedicated fund as provided in Chapter 567-113.14(8) of the Iowa Administrative Code. The calculation is made as follows:

		Cells 1A, 1B, 2A, 2B/3	Cells 4A, 4B, 5A	Cell 5B/6	Total
Total estimated costs for closure and postclosure care	\$	2,365,639	1,424,918	830,048	4,620,605
Less: Balance of funds held in the local dedicated fund at June 30, 2024		(2,365,639)	(1,351,057)	-	(3,716,696)
		-	73,861	830,048	903,909
Divided by the number of years remaining in the pay-in period		-	1	5	
Required payment into the local dedicated fund for the year ended June 30, 2025		-	73,861	166,010	239,871
Balance of funds held in the local dedicated fund at June 30, 2024,		2,365,639	1,351,057	-	3,716,696
Required balance of funds to be held in the local dedicated fund at June 30, 2025	\$	2,365,639	1,424,918	166,010	3,956,567
Amount Commission has restricted for closure and postclosure care at June 30, 2025	\$	2,365,639	1,424,918	456,458	4,247,015

# **CARROLL COUNTY SOLID WASTE MANAGEMENT COMMISSION**

## **Staff**

This audit was performed by:

BOWMAN & MILLER, P.C.  
Certified Public Accountants  
Marshalltown, Iowa

### **Personnel:**

Nathan P. Minkel, CPA, Partner  
Elizabeth A. Miller, CPA, Partner