

**REGION F WEST CENTRAL
SOLID WASTE
MANAGEMENT DISTRICT**

Concordia, Missouri

INDEPENDENT AUDITORS' REPORT

For The Year Ended June 30, 2009

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT	1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3 - 7
BASIC FINANCIAL STATEMENTS:	
Statement of Net Assets – Cash Basis.....	8
Statement of Activities – Cash Basis.....	9
Balance Sheet – Cash Basis - Governmental Funds.....	10
Statement of Revenues, Expenditures, and Changes in Fund Balance – Cash Basis – Governmental Funds.....	11
Notes to the Financial Statements.....	12 - 17
SUPPLEMENTARY INFORMATION:	
Budgetary Comparison Schedule – Cash Basis – General Fund.....	18
Composition of Cash and Investments Balance.....	19
FEDERAL COMPLIANCE SECTION:	
Report on Compliance and On Internal Control Over Financial Reporting Based On An Audit of Financial Statements Performed In Accordance With Governmental Auditing Standards.....	20 – 21
Schedule of Findings and Responses.....	22 – 28



Evers & Company, CPA's, L.L.C.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Region F West Central Solid Waste Management District
Concordia, Missouri:

We have audited the accompanying financial statements of the governmental activities and each major fund of **Region F West Central Solid Waste Management District**, as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of **Region F West Central Solid Waste Management District's** management. Our responsibility is to express opinions on these financial statements 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 statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note 1, the **Region F West Central Solid Waste Management District** prepares its financial statements on the cash basis method of accounting, which is a comprehensive basis of accounting (OCBOA) other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position – cash basis of the governmental activities and each major fund, of the **Region F West Central Solid Waste Management District**, as of June 30, 2009, and the respective changes in cash basis financial position, thereof 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 March 24, 2010, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws and 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.

The management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by the Government Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise **Region F West Central Solid Waste Management District's** basic financial statements. The supplemental composition of cash and investments balance and the Budgetary Comparison Schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplemental composition of cash and investments balance has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The budgetary comparison schedule has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Evers & Company, CPA's, L.L.C.

EVERS & COMPANY, CPA's, L.L.C.
Jefferson City, Missouri

March 24, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

An objective and easily readable analysis of the District's financial activities.
The Management's Discussion and Analysis presents an analytical
overview of financial information.

REGION F WEST CENTRAL SOLID WASTE MANAGEMENT DISTRICT
Managements Discussion and Analysis
For the Fiscal Year ended June 30, 2009
(Unaudited)

Within this section of Region F West Central Solid Waste Management District's annual financial report, the District's management provides narrative discussion and analysis of the financial activities of the District for the fiscal year ended June 30, 2009. The District's performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights:

- The District's total revenues exceeded total expenditures, on the cash basis of accounting, by \$429,487 for the fiscal year ended June 30, 2009.
- The District's General Fund ended the year with a fund balance of \$714,625.

Using this Annual Report:

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

Overview of the Financial Statements

Management's Discussion and Analysis introduces the District's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

Government-wide Financial Statements

The District's annual report includes two government-wide financial statements. These statements provide information about the activities of the District and present a longer term view of the District's finances.

The first of these government-wide statements is the Statement of Net Assets. This is the District-wide statement of financial position presenting information that includes all of the District's assets and liabilities, with the difference reported as net assets.

The second government-wide statement is the Statement of Activities which reports how the District's net assets changed during the current fiscal year.

REGION F WEST CENTRAL SOLID WASTE MANAGEMENT DISTRICT

Managements Discussion and Analysis

For the Fiscal Year ended June 30, 2009

(Unaudited)

The District's financial reporting entity includes the general fund of the District.

Fund Financial Statements

Fund financial statements report the District's operations in more detail than the government-wide statements by providing information about the District's general fund. These statements tell how these services are financed in the short term as well as what remains for future spending.

Notes to the financial statements

The accompanying notes to the financials statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin immediately following the basic financial statements.

Required Supplementary Information:

This Management's Discussion and Analysis and the General Fund Budgetary Comparison Schedule represent financial information required by GASB to be presented. Such information provides users of this report with additional data that supplements the government-wide statements, fund financial statements, and notes (referred to as "the basic financial statements").

Basis of Accounting:

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

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenditures (such as accounts payable and expenditures for goods or services received but not yet paid, and accrued expenses and liabilities) *are not recorded* in these financial statements. Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the cash basis of accounting. Further information may be found in Note 1 of the notes to the financial statements.

REGION F WEST CENTRAL SOLID WASTE MANAGEMENT DISTRICT
Managements Discussion and Analysis
For the Fiscal Year ended June 30, 2009
(Unaudited)

Financial Analysis of the District as a Whole

The District's net assets at fiscal year-end are \$714,625. This is a \$429,487 increase over last year's net assets which shows an overall incline in financial position. The following table provides a summary of the District's net assets at June 30, 2009 and 2008.

Table 1:

SUMMARY OF NET ASSETS

	2009	2008
Current assets	\$ 714,625	\$ 285,138
Total Assets	714,625	285,138
Net assets:		
Restricted	714,625	285,138
Total net assets	\$ 714,625	\$ 285,138

REGION F WEST CENTRAL SOLID WASTE MANAGEMENT DISTRICT
Managements Discussion and Analysis
For the Fiscal Year ended June 30, 2009
(Unaudited)

Table 2:
SUMMARY OF CHANGE IN NET ASSETS

	<u>2009</u>	<u>2008</u>
Program Revenues		
Grant Administration	\$ 671,228	\$ 117,000
General Revenues		
Interest	6,487	3,908
Total General Revenues	<u>6,487</u>	<u>3,908</u>
Total Revenues	<u>677,715</u>	<u>120,908</u>
Expenses		
Grant Administration	248,228	353,183
Total Expenses	<u>248,228</u>	<u>353,183</u>
Increase (decrease) in net assets	429,487	(232,275)
Net Assets - beginning of year	<u>285,138</u>	<u>517,413</u>
Net Assets - end of year	<u>\$ 714,625</u>	<u>\$ 285,138</u>

Revenues increased \$556,807 to \$677,715 for the year ended June 30, 2009 compared to the prior year. The District received \$671,228 from Missouri Department of Natural Resources for educational and administrative activities.

Total expenses were \$248,228 for the year resulting in an increase in net assets of \$429,487. With the increase in Net Assets, the fund balance increased from \$285,138 to \$714,625 for the year ended June 30, 2009.

REGION F WEST CENTRAL SOLID WASTE MANAGEMENT DISTRICT
Managements Discussion and Analysis
For the Fiscal Year ended June 30, 2009
(Unaudited)

Economic Factors and Next Year's Budget and Rates

For the upcoming year ended June 30, 2009 the District budget is expected to increase. This is due to the release of SWMP monies to subgrantees.

Contacting the District's Management:

This report is designed to provide users with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the District's office at 802 S. Gordon St., Room 102, Concordia, MO 64020 or telephone (660) 463-7934.

BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-wide financial statements
- Fund financial statements:
 - Governmental Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**REGION F WEST CENTRAL SOLID WASTE MANAGEMENT DISTRICT
CONCORDIA, MISSOURI**

STATEMENT OF NET ASSETS - CASH BASIS

JUNE 30, 2009

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 714,625.25
TOTAL ASSETS	<u>\$ 714,625.25</u>
NET ASSETS	
Restricted	\$ 714,625.25
TOTAL NET ASSETS	<u>\$ 714,625.25</u>

See accompanying Notes to Financial Statements.

**REGION F WEST CENTRAL SOLID WASTE MANAGEMENT DISTRICT
CONCORDIA, MISSOURI**

**STATEMENT OF ACTIVITIES - CASH BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Primary Government</u>	<u>Program cash receipts</u>	<u>Net (Disbursements) Receipts & Changes in Net Assets</u>
	<u>Cash Disbursements</u>	<u>Operating Grants and Contributions</u>	<u>Primary Government</u>
			<u>Total Governmental Activities</u>
Primary Government:			
Governmental activities:			
Grant Administration	\$ 248,227.75	\$ 671,227.79	\$ 423,000.04
Total governmental activities	<u>\$ 248,227.75</u>	<u>\$ 671,227.79</u>	<u>423,000.04</u>
General revenues:			
Interest Income			6,486.85
Total general revenue			<u>6,486.85</u>
Increase (Decrease) in Net Assets			429,486.89
Net Assets, Beginning of Year			<u>285,138.36</u>
Net Assets, End of Year			<u>\$ 714,625.25</u>

See accompanying Notes to Financial Statements.

**REGION F WEST CENTRAL SOLID WASTE MANAGEMENT DISTRICT
CONCORDIA, MISSOURI**

**BALANCE SHEET- CASH BASIS
GOVERNMENTAL FUND**

JUNE 30, 2009

	<u>GOVERNMENTAL FUND</u>
ASSETS	
Cash and cash equivalents	\$ 714,625.25
TOTAL ASSETS	<u>\$ 714,625.25</u>
FUND BALANCE	
Restricted	\$ 714,625.25
TOTAL FUND BALANCE	<u>\$ 714,625.25</u>

See accompanying Notes to Financial Statements.

**REGION F WEST CENTRAL SOLID WASTE MANAGEMENT DISTRICT
CONCORDIA, MISSOURI**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
CASH BASIS
GOVERNMENTAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	GOVERNMENTAL FUND
Revenues	
Grant awards	\$ 671,227.79
Interest income	6,486.85
Total revenues	677,714.64
Expenditures	
Bank Service Charge	10.00
Fiscal year 2006 Subgrantee Award expense	16,364.85
Fiscal year 2007 Administrative Award expense:	16,730.97
Fiscal year 2008	8,622.00
Fiscal year 2009	61,669.04
PTRPC - Admin	61,445.56
PTRPC - Education	10,960.28
Lafayette County Ent, Inc	7,193.33
City of Marshall	7,066.05
Herrilson Recycling Center	13,387.50
Johnson Co Sheltered Workshop - 7	2,549.15
Johnson Co Sheltered Workshop	1,207.17
Johnson County Missouri HHW	794.75
Marshall Municipal Utilities	21,250.00
City of Higginsville Park & Rec	18,977.10
Total expenditures	248,227.75
Excess (deficiency) of revenues over (under) expenditures	429,486.89
Fund balance, beginning of year	285,138.36
Fund balance, end of year	\$ 714,625.25

See accompanying Notes to Financial Statements.

**REGION F WEST CENTRAL SOLID WASTE MANAGEMENT DISTRICT
CONCORDIA, MISSOURI**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The West Central Missouri Solid Waste Management District (the District) was formed in Region F, pursuant to RSMo., Section 260.305, and was officially recognized by the Missouri Department of Natural Resources in 1991. The District includes the counties of Johnson, Lafayette, Pettis, Morgan, and Saline and their participating cities with a population of 500 or more. Participation in the District is voluntary and is formally established through a resolution of adoption filed with the District office by the member governments. The purpose of the District is to promote cooperation in solving solid waste management problems and to promote resource recovery and recycling. The District's responsibilities include planning requirements as established by the Solid Waste Management Program, and the administration of grant funds made available to the District from the Solid Waste Management Fund, in accordance with RSMo. Section 260.335.2.

- Except for the use of the cash basis of accounting as discussed below, the District complies with accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles (GAAP) include all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, Financial Accounting Standard Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

A. Financial Reporting Entity

In determining the financial reporting entity, the District complies with the provisions of Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity".

**REGION F WEST CENTRAL SOLID WASTE MANAGEMENT DISTRICT
CONCORDIA, MISSOURI**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Cont'd.)

A. Financial Reporting Entity (Cont'd.)

In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying criteria set forth in GAAP. The basic--but not the only--criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities. Based upon the application of these criteria, the District does not have a potential component unit.

The District's financial reporting entity is comprised of the following:

Primary Government: Region F West Central Solid Waste Management District

B. Basis of Presentation

Government-Wide Financial Statements

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The District is comprised only of governmental activities.

Fund Financial Statements

Financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into two major categories, governmental and proprietary. The District presently has no proprietary funds.

**REGION F WEST CENTRAL SOLID WASTE MANAGEMENT DISTRICT
CONCORDIA, MISSOURI**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Cont'd.)

B. Basis of Presentation (Cont'd.)

Fund Financial Statements (Cont'd.)

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund – Accounts for the activities of the Region F West Central Solid District.

C. Measurement and Basis of Accounting

In the government-wide Statement of Net Assets and Statement of Activities and the fund financial statements, governmental activities are presented using a cash basis of accounting. This basis recognizes assets, net assets/fund equity, revenues, and expenditures/expenses when they result from cash transactions. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

If the District utilized the basis of accounting recognized as generally accepted, the fund financial statements for the governmental fund would use the modified accrual basis of accounting and the government-wide financial statements would be presented on the accrual basis of accounting.

REGION F WEST CENTRAL SOLID WASTE MANAGEMENT DISTRICT
CONCORDIA, MISSOURI

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Cont'd.)

D. Assets and Equity

Deposits and Investments

The District considers all highly liquid debt instruments and certificates of deposits purchased with a maturity of three months or less to be cash equivalents. Certificates of deposit with a maturity greater than three months are not considered cash equivalents.

State statutes authorize the District to invest in obligations of the U.S. Treasury, U.S. Government Agency securities and instrumentalities of government sponsored corporations, repurchase agreements, certificates of deposit, Missouri local government investment pools and full faith and credit obligations of the United States, the state of Missouri or any Missouri local government unit.

Capital Assets

Property, plant and equipment (capital assets) acquired for use in governmental fund operations are accounted for as expenditures of the governmental fund upon acquisition.

Equity Classification

Government-Wide Statements:

Equity is classified as net assets and displayed in two components:

- Restricted net assets – consists of net assets with constraints placed on the use either by
 1. external groups such as creditors, grantors, contributors or laws and regulations of other governments, or
 2. law through constitutional provisions or enabling legislation

**REGION F WEST CENTRAL SOLID WASTE MANAGEMENT DISTRICT
CONCORDIA, MISSOURI**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Cont'd.)

D. Assets and Equity (Cont'd)

Equity Classification (Cont'd)

- Unrestricted net assets – all other net assets that do not meet the definition of “restricted”.

It is the District’s policy to first use restricted net assets prior to the use of unrestricted net assets when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. At June 30, 2009 the District had no unrestricted net assets.

Fund Financial Statements:

Governmental fund equity is classified as fund balance.

Program Revenues

In the Statement of Activities, cash basis revenues that are derived directly from each activity or from parties outside the District are reported as program revenue. The District has the following program revenues:

<i>Program Revenue</i>	<i>Examples</i>
Operating Grants and Contributions	State grant allocations

Expenditures/Expenses

In the government-wide financial statements, expenditures are reported on the cash basis and are classified by function for governmental activities.

In the fund financial statements, expenditures are reported by their account classification.

E. Subsequent Events

The District evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through March 24, 2010.

**REGION F WEST CENTRAL SOLID WASTE MANAGEMENT DISTRICT
CONCORDIA, MISSOURI**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

NOTE 2 – CASH AND INVESTMENTS

Deposits

Custodial Credit Risk-Deposits: Custodial credit risk for deposits is the risk that, in the event of a depository financial institution failure, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. All bank balances as of the balance sheet date are entirely insured or collateralized with securities held by the District's agents in the District's name.

NOTE 3 – RISK MANAGEMENT

The District is exposed to various risk of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has transferred its risk by obtaining coverage from commercial insurance companies.

NOTE 4 – CONTINGENCIES:

The District receives substantial funding from state governmental agencies. Expenditures financed by this funding are subject to audit by those state agencies. If expenditures are disallowed due to noncompliance with state regulations, the District may be required to reimburse the applicable government. As of June 30, 2009 expenditures are under audit by the Department of Natural Resources, but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the District.

**SUPPLEMENTARY
INFORMATION**

**REGION F WEST CENTRAL SOLID WASTE MANAGEMENT DISTRICT
CONCORIDA, MISSOURI**

**BUDGETARY COMPARISON SCHEDULE - CASH BASIS
GENERAL FUND**

FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Grant awards	-	-	671,227.79	671,227.79
Interest income	-	-	6,486.85	6,486.85
Total revenues	<u>-</u>	<u>-</u>	<u>677,714.64</u>	<u>677,714.64</u>
Expenditures				
Grant Administration	161,145.00	161,145.00	248,227.75	(87,082.75)
Total expenditures	<u>161,145.00</u>	<u>161,145.00</u>	<u>248,227.75</u>	<u>(87,082.75)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (161,145.00)</u>	<u>\$ (161,145.00)</u>	429,486.89	<u>\$ (590,631.89)</u>
Fund Balance, beginning of year			285,138.36	
Fund Balance, end of year			<u>\$ 714,625.25</u>	

REGION F - WEST CENTRAL MISSOURI SOLID WASTE MANAGEMENT DISTRICT
COMPOSITION OF CASH AND INVESTMENTS BALANCE
JUNE 30, 2009

Project #	Description	Allocation Funding Amount	Carryover	Total	Total Amounts Disbursed FY09	Unobligated carry-forward	Unspent funds obligated to Projects	Cash Balance Unobligated	Total cash Balance
July 1, 2008	unobligated cash balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 156,712.38	\$ 156,712.38
F2008-01	District Operation	-	14,789.38	14,789.38	14,155.60	633.78	-	633.78	633.78
F2008-02	Plan Implementation - Education	-	8,980.56	8,980.56	2575.37	6,405.19	-	6,405.19	6,405.19
F2008-01 & 02	Administration/Education	-	3,908.04	3,908.04	-	3,908.04	-	3,908.04	3,908.04
F-2008-04	Jo. Co. Sheltered Workshop	-	3,548.00	3,548.00	3,495.00	-	53.00	-	53.00
F-2008-05	Jo. Co. Sheltered Workshop	-	4,125.00	4,125.00	4,063.00	-	62.00	-	62.00
F-2008-07	Pettis County	-	71,850.00	71,850.00	-	-	71,850.00	-	71,850.00
F-2008-08	Jo. Co. Sheltered Workshop	-	1,080.00	1,080.00	1,064.00	-	16.00	-	16.00
F-2009-01	Administration	141,000.00	-	141,000.00	92,204.72	-	48,795.28	-	48,795.28
F-2009-02	Education	-	20,145.00	20,145.00	13,736.82	-	6,408.18	-	6,408.18
F-2009-03	Lafayette County HHW	32,880.00	-	32,880.00	-	-	32,880.00	-	32,880.00
F-2009-04	Lafayette Co Enterprises	31,662.00	-	31,662.00	8,565.25	-	23,096.75	-	23,096.75
F-2009-05	City of Marshall	9,569.30	-	9,569.30	7,066.05	-	2,503.25	-	2,503.25
F-2009-06	Herrelson Recycling Center	15,750.00	-	15,750.00	13,387.50	-	2,362.50	-	2,362.50
F-2009-07	Jo. Co. Sheltered Workshop	2,999.00	-	2,999.00	2,549.15	-	449.85	-	449.85
F-2009-08	Jo. Co. Sheltered Workshop	3,076.00	-	3,076.00	3,030.00	-	46.00	-	46.00
F-2009-09	Jo. Co. Sheltered Workshop	1,420.20	-	1,420.20	1,207.17	-	213.03	-	213.03
F-2009-10	Jo. Co. Sheltered Workshop	1,554.00	-	1,554.00	1,531.00	-	23.00	-	23.00
F-2009-11	Jo. Co. HHW collection	28,000.00	-	28,000.00	23,005.17	-	4,994.83	-	4,994.83
F-2009-13	City of Marshall	25,000.00	-	25,000.00	21,250.00	-	3,750.00	-	3,750.00
F-2009-14	Higginsville Park and Rec	22,995.00	-	22,995.00	18,977.10	-	4,017.90	-	4,017.90
F-2009-15	City of Marshall	25,000.00	-	25,000.00	-	-	25,000.00	-	25,000.00
F-2009-18	Morgan County HHW	15,990.00	-	15,990.00	-	-	15,990.00	-	15,990.00
F-2009-19	Lafayette County HHW & E Waste	33,530.50	-	33,530.50	-	-	33,530.50	-	33,530.50
F-2009-20	Johnson County HHW	28,000.00	-	28,000.00	-	-	28,000.00	-	28,000.00
F-2009-21	Pettis County HHW	30,850.00	-	30,850.00	-	-	30,850.00	-	30,850.00
F-2009-22	Johnson County Sheltered Workshop	20,000.00	-	20,000.00	-	-	20,000.00	-	20,000.00
F-2009-23	Versailles Recycling	10,016.00	-	10,016.00	-	-	10,016.00	-	10,016.00
F-2009-24	County Christian Center Recycled Prod	24,995.00	-	24,995.00	-	-	24,995.00	-	24,995.00
F-2009-25	Lafayette County Enterprise	31,625.00	-	31,625.00	-	-	31,625.00	-	31,625.00
F-2009-26	Higginsville Parks and Rec	19,852.00	-	19,852.00	-	-	19,852.00	-	19,852.00
F-2009-27	Kaob Noster School Dist	26,212.00	-	26,212.00	-	-	26,212.00	-	26,212.00
F-2009-28	City of Slater Main St Benches	6,480.00	-	6,480.00	-	-	6,480.00	-	6,480.00
F-2009-31	State Fair Community College	50,000.00	-	50,000.00	-	-	50,000.00	-	50,000.00
F-2009-33	Johnson County Sheltered Workshop	12,200.00	-	12,200.00	-	-	12,200.00	-	12,200.00
F-2009-34	Concordia Parks and Rec	20,571.79	-	20,571.79	-	-	20,571.79	-	20,571.79
	Subtotal Projects	\$ 671,227.79	\$ 128,425.98	\$ 799,653.77	231,862.90	10,947.01			
F-2006-17	Region F HHW Collections				30,312.85			(30,312.85)	(30,312.85)
	Total Disbursements				<u>\$ 262,175.75</u>				
F2006-15	City of Lexington Baler-repayment Interest-Unobligated							13,948.00 6,486.85	13,948.00 6,486.85
	Total Cash- June 30, 2009						<u>\$ 556,843.86</u>	<u>\$ 157,781.39</u>	<u>\$ 714,625.25</u>
	Total Cash Balances								
	First Community Operating								\$ 18,410.08
	First Community Transfer								696,215.17
	Balance								<u>\$ 714,625.25</u>

FEDERAL COMPLIANCE SECTION



Evers & Company, CPA's, L.L.C.

Certified Public Accountants and Consultants

Elmer L. Evers
Jerome L. Kauffman
Richard E. Elliott
Dale A. Siebeneck
Keith L. Taylor
Jo L. Moore

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 Board of Commissioners
Region F West Central Solid Waste Management District
Concordia, Missouri

We have audited the financial statements of the **Region F West Central Solid Waste Management District**, as of and for the year ended June 30, 2009, and have issued our report thereon dated March 24, 2010. 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

In planning and performing our audit, we considered the **Region F West Central Solid Waste Management District'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 an opinion on the effectiveness of the **Region F West Central Solid Waste Management District's** internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the **Region F West Central Solid Waste Management District's** internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and 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. However, as discussed in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

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 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. We consider the deficiencies described in the accompanying schedule of findings and responses, items 2009-1 through 2009-5, to be material weaknesses.

A *significant deficiency* is a deficiency, or a 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. We consider the deficiencies described in the accompanying schedule of findings and responses, items 2009-1 and 2009-5, to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the **Region F West Central Solid Waste Management District's** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2009-3 through 2009-5.

We noted certain matters that we reported to management of the **Region F West Central Solid Waste Management District**, in a separate letter dated March 24, 2010.

The **Region F West Central Solid Waste Management District's** response to the findings identified in our audit is described in the accompanying schedule of findings and responses. We did not audit the **Region F West Central Solid Waste Management District's** response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the management, Board of Directors, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Evrs & Company, CPA's, LLC
EVERS & COMPANY, CPA's, L.L.C.
Jefferson City, Missouri

March 24, 2010

REGION F – WEST CENTRAL MISSOURI SOLID WASTE MANGEMENT DISTRICT
CONCORDIA, MISSOURI

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2009

FINANCIAL STATEMENTS FINDINGS

Control Deficiencies

2009-1 Internal Control Over Preparation of Financial Statements

Condition: The District has historically relied on its independent external auditors to assist in the drafting of the financial statements and all required footnote disclosures in accordance with the modified cash basis method of accounting. Accordingly, the District's ability to prepare financial statements in accordance with the modified cash basis method of accounting is based, in part, on its reliance of the external auditors, who cannot by definition be considered part of the District's internal controls.

Criteria: Pursuant to SAS 115, *Communicating Internal Control Related Matters Identified in an Audit*, which effect the District for the year ended June 30, 2008, we are required to report on whether the government is able to prepare financial statements in accordance with the modified cash basis method of accounting. The preparation of financial statements in accordance with the modified cash basis method of accounting requires internal controls over: a) preventing, detecting and correcting misstatements of the accounting data, and b) drafting financial statements and all required footnote disclosures.

Effect: With respect to ensuring that there are no misstatements or omissions that would be considered to be significant to the financial statements, the District relies on its external auditors for assistance with the preparation of financial statements and all required footnote disclosures.

Cause of Condition: In evaluating the control environment of the District, we considered the abilities of the District's accounting staff, and though proficient in recording daily transactions, did not demonstrate abilities we considered necessary to prevent, detect and correct misstatements, or the ability to draft the financial statements and all related footnote disclosures in accordance with the modified cash basis method of accounting.

REGION F – WEST CENTRAL MISSOURI SOLID WASTE MANGEMENT DISTRICT
CONCORDIA, MISSOURI

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2009

FINANCIAL STATEMENT FINDINGS (Cont'd)

Control Deficiencies (Cont'd)

2009-1 Internal Control Over Preparation of Financial Statements (Cont'd)

Recommendation: We recommend that Executive Director and members of the Board of Directors be aware of the internal control deficiencies over financial reporting. And, if possible, implement procedures to ensure that the District has the expertise necessary to prevent, detect and correct misstatements and be capable of drafting the financial statements and all required footnote disclosures in accordance with the modified cash basis method of accounting.

Response: The District believes it has personnel who posses suitable skill, knowledge, or experience to oversee services the auditor provides in assisting with financial statement presentation which requires a lower level of technical knowledge than the competence required to prepare the statements and disclosures in accordance with generally accepted accounting principles.

2009-2 Segregation of Duties

Condition: The District has a lack of segregation of duties.

Criteria: Segregation of duties encompasses assigning the responsibility for authorizing transactions, recording transactions, and maintaining custody of assets to different people within the District. The basic premise is that no one employee should have access to both physical assets and the related accounting records or to all phases of a transaction.

Effect: There is an increased risk to the District of loss or errors in recording transactions, safeguarding assets and financial statement reporting.

Cause of Condition: There is limited staff available to fully segregate duties.

Recommendation: Although the small size of the District's accounting staff limits the extent of segregation of duties, we believe certain steps could be taken to separate incompatible duties.

REGION F – WEST CENTRAL MISSOURI SOLID WASTE MANGEMENT DISTRICT
CONCORDIA, MISSOURI

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2009

FINANCIAL STATEMENT FINDINGS (Cont'd)

Control Deficiencies (Cont'd)

Response: The District concurs with the recommendations that Region F- West Central Missouri Solid Waste Management District would be best served by segregating fiscal duties as outlined above. At the current time, the additional staff sufficient to implement the recommendation is not practical to move toward a level of activity which may allow us to fully implement the recommendation. The members of the Board of Directors will remain involved in the financial affairs of the District to provide oversight and independent review functions. In addition, Pioneer Trails' staff has further segregated duties of mail pick-up and bank deposit, thereby separating the staff receiving any revenue in the mail from the staff making banking deposits.

2009-3 Accounting Records

Condition: Accounting records were not maintained which adequately identify the source and application of funds provided for financially assisted activities.

Criteria: As required by the General Terms and Conditions of the MO DNR Solid Waste Management Program, section (I), subsection (I), paragraph (2): (The District shall) maintain records which adequately identify the source and application of funds provided for financially assisted activities. These records must contain information pertaining to sub grant awards and authorizations, restrictions on use of funds, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income, permit preparation of reports required by the SWMP, permit the tracing of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes.

Effect: There is an increased risk that the District is not in compliance with the general terms and conditions of the Solid Waste Management Program.

Cause of Condition: The District was unable to reconcile prior year cash balances it maintains to a specific funding year, therefore the District was unable to file quarterly project financial summary reports that accurately reconciled to cash balances. The District was unable to track interest received on deposits from prior unspent grant funding. The District was unable to track prior year grant expenditures in order to verify that expenditures were not made on projects that may have been expired.

**REGION F – WEST CENTRAL MISSOURI SOLID WASTE MANGEMENT DISTRICT
CONCORDIA, MISSOURI**

**SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2009**

FINANCIAL STATEMENT FINDINGS (Cont'd)

Control Deficiencies (Cont'd)

2009-3 Accounting Records (Cont'd)

Recommendation: We recommend the District implement control activities that will allow for maintaining an accounting system that accurately reflects all fiscal transactions, and allows for a reconciliation process between all revenue receipts and respective disbursements.

Response: The District concurs with the above recommendation. The District is in the process of drafting an accounting procedures manual which will serve as the foundation in the implementation of strong control activities that will allow for maintaining an accounting system that accurately reflects all fiscal transactions.

2009-4 Equipment Management

Condition: A fixed asset list for all equipment purchases over \$5,000 was not available for review.

Effect: There is an increased risk that the District is not in compliance with the general terms and conditions of the Solid Waste Management Program.

Cause of Condition: The District did not maintain an inventory of the equipment purchased with project funds. Without the inventory, the District is unable to accurately monitor sub grantee's compliance with project contracts and SWMP general terms and conditions.

Recommendation: We recommend the District develop a comprehensive equipment listing and implement formal equipment management procedures to be in compliance with SWMP.

Response: The District concurs with the above recommendation and is in the process of implementing fixed asset inventory control procedures which will include a comprehensive equipment listing and formal equipment management procedures. The District is further refining the fixed asset inventory listing and formal equipment management procedures by adding two additional data fields: date of actual acquisition, and actual cost at the time of acquisition.

**REGION F – WEST CENTRAL MISSOURI SOLID WASTE MANGEMENT DISTRICT
CONCORDIA, MISSOURI**

**SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2009**

FINANCIAL STATEMENT FINDINGS (Cont'd)

Control Deficiencies (Cont'd)

2009-5 Document retention

Condition: Supporting documentation of accounting records for prior years were unavailable for review.

Criteria: As required by the General Terms and Conditions of the MO DNR Solid Waste Management Program, section (I), subsection (E), paragraph (1): The district or district subgrantee shall retain financial records, supporting documents, and other records pertinent to the subgrant for a period of three years starting from the date of submission of the final financial status report.

Effect: There is an increased risk that the District is not in compliance with the general terms and conditions of the Solid Waste Management Program.

Cause of Condition: The District was unable to accurately monitor grant expenditures without the proper source documents.

Recommendation: We recommend the District implement a document retention schedule pursuant to Code of State Regulations 10 CSR 80-9.050-Solid Waste Management Fund-District Grants, section (7), subsection (E).

Response: The District concurs with the above recommendation. The District is in the process of drafting an accounting procedures manual which will include a document retention schedule. Presently, the draft Accounting Procedures manual denotes three categories document retention. Audits kept for 20 years, supporting audit documents kept for 7 years, and general documentation kept for 5 years.

PRIOR PERIOD FINANCIAL STATEMENT FINDINGS AND QUESTIONED COSTS

2008-1 The discussion for finding 2009-1 also applies to this finding.

2008-2 The discussion for finding 2009-2 also applies to this finding.

2008-3 The discussion for finding 2009-3 also applies to this finding.

**REGION F – WEST CENTRAL MISSOURI SOLID WASTE MANGEMENT DISTRICT
CONCORDIA, MISSOURI**

**SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2009**

PRIOR PERIOD FINANCIAL STATEMENT FINDINGS AND QUESTIONED COSTS

2008-1 The discussion for finding 2009-1 also applies to this finding.

2008-2 The discussion for finding 2009-2 also applies to this finding.

2008-3 The discussion for finding 2009-3 also applies to this finding.

2008-4 Source Documentation

Condition: Supporting documentation of accounting records were unavailable for review during the testing of allowable and unallowable costs of subgrant expenditures.

Criteria: As required by the General Terms and Conditions of the MO DNR Solid Waste Management Program, section (I), subsection (I), paragraph (7): Accounting records must be supported by such source documentation as canceled checks, paid bills, payrolls, time and attendance records, contract and subgrant award documents.

Recommendation: We recommended the District implement a document retention schedule pursuant to Code of State Regulations 10 CSR 80-9.050-Solid Waste Management Fund-District Grants, section (7), subsection (E).

Current Status: The finding does not warrant further action. Supporting documentation of current year expenditures were available for review during testing.

2008-5 Board Meeting Minutes

Condition: Board minutes were not properly maintained. Board meetings between the dates of July 1, 2007 and October 24, 2007 were not available for review.

Criteria: Pursuant to RSMo 610.020, a journal or minutes of open and closed meetings shall be taken and retained by the public governmental body, including, but not limited to, a record of any votes taken at such meeting. The minutes shall include the date, time, place, members present, members absent and a record of any votes taken.

Recommendation: We recommended the District keep a journal or minutes of all board meetings.

REGION F – WEST CENTRAL MISSOURI SOLID WASTE MANGEMENT DISTRICT
CONCORDIA, MISSOURI

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2009

PRIOR PERIOD FINANCIAL STATEMENT FINDINGS AND QUESTIONED COSTS
(Cont'd)

2008-5 Board Meeting Minutes (Cont'd)

Current Status: The finding does not warrant further action. Supporting documentation of board minutes was available for review during current year testing.

2008-6 The discussion for finding 2009-4 also applies to this finding.