

# MID-AMERICA REGIONAL COUNCIL SOLID WASTE MANAGEMENT DISTRICT

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**FINANCIAL SECTION**



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## Independent Auditors' Report

Board of Directors  
Mid-America Regional Council  
Solid Waste Management District

We have audited the accompanying financial statements of the governmental activities and each major fund of the Mid-America Regional Council Solid Waste Management District (District) as of and for the year ended December 31, 2011, as listed in the table of contents. These financial statements are the responsibility of the 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 significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of December 31, 2011, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1 (B) to the financial statements, the District adopted the provisions of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, in 2011.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 11, 2012 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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.

Board of Directors  
Mid-America Regional Council  
Solid Waste Management District

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The management's discussion and analysis as listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted on 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 audit 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplemental information as listed on the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*RubinBrown LLP*

July 11, 2012  
Overland Park, Kansas

**MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT**

Management's Discussion and Analysis

December 31, 2011

Our discussion and analysis of the Mid-America Regional Council Solid Waste Management District's financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2011. Please read it in conjunction with the District's basic financial statements.

**Financial Highlights**

- The total assets for the District were \$714,670. The liabilities of the District were \$568,672, which are deferred revenues from state of Missouri grants and the household hazardous waste program. The deferred revenue consists of funds allocated for specific projects and programs to be completed in future years. The District has no long term debt.
- At the end of the fiscal year, there was a receivable of \$714,670 from the Mid-America Regional Council (MARC), fiscal agent for the District. MARC has \$714,670 in cash and investments to be allocated to District's programs and projects in future years.
- The District receives essentially all of its revenues from grants from the state of Missouri. Revenues are earned as expenditures are incurred that are funded by the state grants; therefore there is no surplus of revenue over expenditures in the Special Revenue Fund.

**The Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

*Government-wide Financial Statements*

The government-wide financial statements present the results of the District's governmental activities using the accrual basis of accounting, the basis of accounting used by private sector businesses. These statements focus on the long-term financial picture of the District as a whole.

The Statement of Net Assets reports all of the District's assets and liabilities. Net assets (the difference between assets and liabilities) are an important measure of the District's overall financial health. Over time, the increases and decreases in net assets can be monitored to determine whether the District's financial position is improving or deteriorating.

The Statement of Activities shows how the net assets have changed during the fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g. uncollected revenues and accrued expenses for payments to subcontractors).

The government-wide financial statements can be found on pages 9 and 10 of this report.

**MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT**

Management's Discussion and Analysis

December 31, 2011

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are categorized as governmental funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains one general fund and one special revenue fund. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for both funds. The basic governmental fund statements can be found on pages 11 and 12 of this report.

The District adopts an annual budget for administration and operation of the District, however, the annual budget does not include the subgrants paid by the District. An annual budget is not required by state statute. Budgetary comparison schedules are not provided.

Notes to Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 13 to 17 of this report.

**Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$145,998 at December 31, 2011. The unrestricted net assets of \$145,998 may be used to meet the government's ongoing obligations.

**MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT**

Management's Discussion and Analysis

December 31, 2011

The following table reflects the condensed Statement of Net Assets compared to the prior year.

Mid-America Regional Council  
Solid Waste Management District  
Statement of Net Assets

	<u>Governmental Activities</u>	
	<u>2011</u>	<u>2010</u>
Assets		
Accounts receivable:		
Due from Mid-America Regional Council	\$ <u>714,670</u>	<u>744,474</u>
Total assets	\$ <u><u>714,670</u></u>	<u><u>744,474</u></u>
Liabilities		
Deferred revenue - state of Missouri	\$ 328,234	400,108
Deferred revenue - Household Hazardous Waste program	<u>240,438</u>	<u>200,460</u>
Total liabilities	\$ <u><u>568,672</u></u>	<u><u>600,568</u></u>
Net assets		
Unrestricted	\$ <u>145,998</u>	<u>143,906</u>
Total net assets	\$ <u><u>145,998</u></u>	<u><u>143,906</u></u>

As of December 31, 2010 there was \$400,108 in deferred revenue. Due to decreased grants in fiscal year 2011, deferred revenue also decreased by \$71,874 to \$328,234 from the state of Missouri as of December 31, 2011. However, the deferred revenue for the Household Hazardous Waste program increased by \$39,978 in fiscal year 2011. As a result, the amount due from Mid-America Regional Council changed slightly and decreased by \$29,804.

**MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT**

Management's Discussion and Analysis

December 31, 2011

The following table reflects the condensed Statement of Activities for the years ended December 31, 2011 and 2010.

Mid-America Regional Council  
Solid Waste Management District  
Statement of Activities

	Governmental Activities	
	2011	2010
<b>Program revenues:</b>		
Charges for services	\$ 285,175	238,072
Operating grants & contributions	1,015,215	844,322
<b>General revenues:</b>		
Investment earnings	2,092	7,584
<b>Total revenues</b>	1,302,482	1,089,978
<b>Expenses:</b>		
Program and subgrant expenditures	1,300,390	1,082,394
<b>Total expenses</b>	1,300,390	1,082,394
Change in net assets	2,092	7,584
Net Assets - beginning	143,906	136,322
Net Assets - ending	\$ 145,998	143,906

The net assets of the governmental activities increased in 2011 by \$2,092 as compared to an increase of \$7,584 in 2010. Much of the change from 2010 is related to the decrease in investment earnings. Operating grant revenues are accrued as grant-allowable expenditures are incurred. Therefore, there is no surplus or deficiency recognized from the grant activities or impact on the change in net assets.

**MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT**

Management's Discussion and Analysis

December 31, 2011

**Financial Analysis of the District's Funds**

**Governmental Funds – General Fund**

The General Fund is the general operating fund for the District. It is used to account for all financial resources except those required to be accounted for in another fund. A comparison of the General Fund's activity for 2011 and 2010 follows:

Mid-America Regional Council  
Solid Waste Management District  
General Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance

	2011	2010	Increase (Decrease) From Fiscal Year 2010	Percent Increase (Decrease)
Investment earnings	\$ 2,092	7,584	(5,492)	(72) %
Fund balance - beginning	<u>143,906</u>	<u>136,322</u>	<u>7,584</u>	6
Fund balance - ending	<u>\$ 145,998</u>	<u>143,906</u>	<u>2,092</u>	1 %

Investment earnings were less in 2011 than in 2010 because there were lower yields on investments due to the current investment environment.

**Governmental Funds – Special Revenue Fund**

The Special Revenue Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes, such as waste reduction, educational outreach and household hazardous waste programs. Grant revenues are recorded only to the extent allowable grant expenditures have been incurred. Grant funds received in excess of revenues earned are recorded as deferred revenues. A comparison of the Special Revenue Fund's activity for 2011 and 2010 follows:

**MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT**

Management's Discussion and Analysis

December 31, 2011

Mid-America Regional Council  
Solid Waste Management District  
Special Revenue Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance

	2011	2010	Increase (Decrease) From Fiscal Year 2010	Percent Increase (Decrease)
Revenues:	\$			
Grant revenues	832,239	709,040	123,199	17 %
Household Hazardous Waste program fees	285,175	237,947	47,228	20
MARC matching funds	5	14,392	(14,387)	(100)
Charges for services	—	125	(125)	(100)
Contributed services	<u>182,971</u>	<u>120,890</u>	<u>62,081</u>	51
Total revenues	1,300,390	1,082,394	217,996	20
Expenditures				
Contractual services - subrecipients	<u>1,300,390</u>	<u>1,082,394</u>	<u>217,996</u>	20
Excess of revenues over expenditures	—	—	—	—
Fund balance - beginning	<u>—</u>	<u>—</u>	<u>—</u>	—
Fund balance - ending	<u>\$ —</u>	<u>—</u>	<u>—</u>	— %

Each year the District receives grant funds from the state of Missouri from a \$2.11 fee collected on each ton of solid waste disposed in Missouri landfills. Quarterly, the state receives tonnage fees collected by permitted facilities within the state pursuant to 260.325, RSMo. Currently, sixty-one percent of the tonnage fees collected through formula is allocated to the twenty solid waste management districts on a quarterly basis. The District is one of the twenty districts funded by the state. The Executive Board for the District annually awards subgrants to recipients throughout the five-county area. MARC serves as the fiscal agent for the District and receives and disburses funds under the direction of the Executive Board.

Schedule 2 in the Supplemental Information section provides a listing of the subgrants for each fiscal year grant program and reports the current year expenses, prior year(s) expenses, cumulative to date expenses and the status as of December 31, 2011 (open or closed) for each subgrant.

**MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT**

Management's Discussion and Analysis

December 31, 2011

**Budget Highlights**

The District annually prepares a budget for its management and oversight activities but not for the subgrants since the subgrants span multiple years. This budget should not be considered a legally adopted budget and a comparison is not included in this report.

**Economic Condition and Next Year's Programs**

Missouri state funds available to the District had a decrease of 2 percent from the state fiscal year 2010. The most likely factors are the slow economic recovery and more disposal tons shifted to facilities outside the District's boundary. State revenues accrue to the District on a quarterly basis and are accessible when the District formally requests the funds and submits budget plans. Generally, the District conducts a subgrant solicitation process for waste reduction, reuse and recycling projects during the summer for the following fiscal year. For example, the District appropriated funds accrued during the state fiscal year 2011 to support its activities planned and budgeted for the district's fiscal year 2012.

Approximately \$371,204, including \$91,602 in prior revenues, was approved for subgrants for fiscal year 2012. The District also prepares its annual work plan and budget at the same time. Fiscal year 2012 revenues will be approximately \$522,661 for the District's operations, outreach, planning and household hazardous waste disposal projects. Prior year district operation and outreach revenues in the amount of \$10,053 are reallocated to the 2012 outreach project to supplement new funds. The district also reassigned unused prior year allocations for planning projects to conduct similar activities in 2012.

The District has discretion to modify its budget and hold additional grant solicitations as more funds become available. The state's current fiscal year 2012 allocation estimated at \$850,000 will support the district's fiscal year 2013 subgrant solicitation process, district operations and plan implementation projects. The district also has plans to continue a separate target grant call for parks and special event recycling plus establish a new target for a public education campaign to promote curbside recycling education. Unencumbered funds still held at the state level from prior state fiscal years are sufficient to support the two proposed target grants.

**Requests for Information**

This financial report is designed to provide a general overview of the District's financial activity. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Financial Affairs, Mid-America Regional Council, 600 Broadway, Suite 200, Kansas City, Missouri 64105-1659

**MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT**

Statement of Net Assets

December 31, 2011

	<u>Governmental Activities</u>
<b>Assets</b>	
Accounts receivable:	
Due from Mid-America Regional Council	\$ <u>714,670</u>
Total assets	\$ <u><u>714,670</u></u>
<b>Liabilities</b>	
Deferred revenue - state of Missouri	\$ 328,234
Deferred revenue - Household Hazardous Waste Program	<u>240,438</u>
Total liabilities	\$ <u><u>568,672</u></u>
<b>Net Assets</b>	
Unrestricted	\$ <u>145,998</u>
Total net assets	\$ <u><u>145,998</u></u>

The notes to the basic financial statements are an integral part of this statement

MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT

Statement of Activities

Year Ended December 31, 2011

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Assets Governmental Activities</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
<b>Governmental Activities:</b>				
Program and subgrant expenditures	\$ <u>1,300,390</u>	<u>285,175</u>	<u>1,015,215</u>	—
	Investment earnings			2,092
	Change in net assets			<u>2,092</u>
	Total net assets, beginning of year			<u>143,906</u>
	Total net assets, end of year			<u><u>\$ 145,998</u></u>

The notes to the basic financial statements are an integral part of this statement.

**MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT**

Balance Sheet

December 31, 2011

<b>Assets</b>	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Total</b>
Due from Mid-America Regional Council	\$ <u>145,998</u>	<u>568,672</u>	<u>714,670</u>
 <b>Liabilities and Fund Balances</b>			
Liabilities:			
Deferred revenue - state of Missouri	—	328,234	328,234
Deferred revenue - Household Hazardous Waste Program	<u>—</u>	<u>240,438</u>	<u>240,438</u>
Total liabilities	—	568,672	568,672
Fund balances:			
Unassigned	<u>145,998</u>	<u>—</u>	<u>145,998</u>
Total liabilities and fund balances	\$ <u>145,998</u>	<u>568,672</u>	<u>714,670</u>

The notes to the basic financial statements are an integral part of this statement.

**MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT**

Schedule of Revenues, Expenditures and Changes in Fund Balances

Year Ended December 31, 2011

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
<b>Revenues:</b>			
Grant revenue	\$ —	832,239	832,239
Household Hazardous Waste program fees	—	285,175	285,175
MARC matching funds	—	5	5
Contributed services	—	182,971	182,971
Investment income	2,092	—	2,092
	<u>2,092</u>	<u>1,300,390</u>	<u>1,302,482</u>
Total revenues	2,092	1,300,390	1,302,482
<b>Expenditures:</b>			
Contractual services - subrecipients	—	1,300,390	1,300,390
	<u>—</u>	<u>1,300,390</u>	<u>1,300,390</u>
Excess of revenues over expenditures	2,092	—	2,092
Fund balance, beginning of year	143,906	—	143,906
	<u>143,906</u>	<u>—</u>	<u>143,906</u>
Fund balance, end of year	\$ <u>145,998</u>	<u>—</u>	<u>145,998</u>

The notes to the basic financial statements are an integral part of this statement.

**MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT**

Notes to Basic Financial Statements

December 31, 2011

**(1) Reporting Entity and Significant Accounting Policies**

**A. The Reporting Entity**

The Mid-America Regional Council Solid Waste Management District (the District) was formed in 1991 by Cass, Clay, Jackson, Platte and Ray counties in Missouri. Authority for forming the District was based on Senate Bill 530 passed in 1990. SB 530 established a procedure allowing counties to form regional solid waste management districts to promote waste reduction and recycling. SB 530 set a goal of reducing the amount of solid waste generated statewide for disposal by 40 percent. The District serves as a resource to assist the public, private and not-for-profit sectors in establishing and expanding waste reduction, recycling and composting efforts in the Kansas City metropolitan area.

The District's activities and programs are managed by the Mid-America Regional Council (MARC), a regional council of governments that also serves the five counties that formed the District. The District's financial statements include only the accounts of District functions and activities.

The District defines its reporting entity in accordance with the provisions of GASB Statement No. 14, *The Financial Reporting Entity* (GASB 14), as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. The requirements for inclusion of component units are based primarily upon whether the District's governing body is considered financially accountable for potential component units. The District is financially accountable if it appoints a voting majority of a potential component unit's governing body and is able to impose its will on that component unit, or there is a potential for the potential component unit to provide specific benefits to, or to impose specific burdens on, the District.

Based on these criteria, the District's financial statements include the accounts of all District functions and activities. There are no component units that are required to be included in the District's financial statements.

**B. Significant Accounting Policies**

The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to governmental entities.

**Government-wide and Fund Financial Statements**

**Government-wide Financial Statements**

The government-wide financial statements (i.e. the *Statement of Net Assets* and the *Statement of Activities*) report information on all of the governmental activities (funds) of the District. The effect of interfund activity has been removed from these statements.

**MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT**

Notes to Basic Financial Statements

December 31, 2011

The *Statement of Activities* demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

**Fund Financial Statements**

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The District's funds are grouped into the governmental fund category for financial statement presentation purposes. Governmental funds include the general and special revenue funds.

The District reports the following major governmental funds:

The *general fund* is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

The *special revenue fund* is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The District receives a variety of grants from the state of Missouri.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide 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.

Governmental fund financial statements are reported using the *current financial resources measurement* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Interest income associated with the current fiscal period is considered susceptible to accrual and so has been recognized as revenue of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when the District receives cash.

**MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT**

Notes to Basic Financial Statements

December 31, 2011

**Assets, Liabilities and Net Assets or Equity**

**Accounts Receivable and Deferred Revenue – Granting Agencies** – The District’s programs and activities are funded by grants from the state of Missouri. Grant revenue is earned as expenditures are incurred and all eligibility requirements imposed by the provider have been met. The cash inflow from the granting agencies varies from the expenditures resulting in receivable or deferred revenue balances, which are calculated on a grant-by-grant basis.

**Equity Classifications** – In the government-wide financial statements, equity is classified as net assets and is displayed as:

Unrestricted assets – All net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.” Restricted net assets consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The District does not have any restricted assets as of December 31, 2011.

**Fund Balances** – As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of December 31, 2011, fund balances for government funds are made up of the following:

- a. Nonspendable Fund Balance – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.
- b. Committed Fund Balance – includes amounts that can only be used for the specific purposes determined by a formal action of the District’s highest level of decision-making authority, the District’s Executive Board Members. Commitments may be changed or lifted only by the District’s Executive Board Members taking the same formal action that imposed the constraint originally.
- c. Assigned Fund Balance – comprises amounts intended to be used by the District for specific purposes that are neither restricted nor committed. Intent is expressed by the District’s Executive Members, or a body or official to which the District’s Executive Board Members have delegated the authority to assign amounts to be used for specific purposes.
- d. Unassigned Fund Balance – is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose.

**Significant Accounting Pronouncements** – GASB Statement No. 63 “Deferred Outflows/Inflows of Resources and Net Position” was issued in June 2011 and is effective for financial statements for periods beginning after December 15, 2011. This statement provides a

**MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT**

Notes to Basic Financial Statements

December 31, 2011

new statement of net position format to report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. The Statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities.

GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities" was issued in April 2012 and is effective for financial statements for periods beginning after December 15, 2012. This Statement reclassifies certain items currently being reported as assets and liabilities as deferred outflows of resources and deferred inflows of resources. In addition, this Statement recognizes certain items currently being reported as assets and liabilities as outflows of resources and inflows of resources.

**(2) Stewardship, Compliance and Accountability**

**A. Budgetary Control**

The District was not legally required to prepare or adopt a budget and, therefore, a budgetary comparison is not presented.

**(3) Detailed Notes on All Funds**

**A. Grants Receivable and Deferred Revenue**

Grants receivable and deferred revenue are calculated on a grant-by-grant basis and are summarized by grant below:

	<b>Grants Receivable</b>	<b>Deferred Revenue</b>
Special Revenue Fund:		
FY 2008	\$ —	9,990
FY 2009	—	76,202
FY 2010	—	140,894
FY 2011	—	101,148
Household Hazardous Waste Program	—	240,438
Total	\$ —	568,672

**(4) Other Information**

**A. Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The District has entered into a financial arrangement with MARC to provide staff, office and financial accounting support services. MARC is a member of Midwest Public Risk of Missouri (MPR), a not-for-profit corporation consisting of local governments and political subdivisions.

**MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT**

Notes to Basic Financial Statements

December 31, 2011

MPR was formed as a public entity risk retention pool operating as a common risk management and insurance program to cover health and dental, workers compensation, and property and casualty claims for its members. MPR has been established as an assessable pool and accounting records are maintained for each line of coverage on a policy year (July to June) basis. MARC pays annual premiums to MPR for all coverages. The agreement with MPR provides that MPR will be self-sustaining through member premiums. MPR has the authority to assess members for any deficiencies of revenues under expenses for any single plan year. Likewise, MPR has the authority to declare refunds to members for the excess of revenues over expenses relating to any single plan year. Losses have not been in excess of premiums in any of the past three fiscal years.

MARC has the following types of insurance coverages and deductibles through MPR for the period July 1, 2010 through June 30, 2011:

Coverage:	<u>Deductible</u>
General liability	\$ 5,000
Public officials liability	5,000
Crime and fidelity	5,000
Workers compensation	Not applicable
Auto physical damage	500
Property	2,500

**C. Contingent Liabilities**

Use of federal, state, and local grant funds is subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grant. To the extent such disallowances involve expenditures under the subcontracted arrangements, the District generally has the right of recovery from such third parties. Based on prior experience, management believes the District will not incur significant losses on possible grant disallowances.

**MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT**

Schedule of Revenues, Expenditures and Changes in Fund Balances - Special Revenue Fund - By Grant

Year Ended December 31, 2011

	Grant from FY 2008 #33600	Grant from FY 2009 #33610	Grant from FY 2010 #33620	Grant from FY 2011 #33630	Household Hazardous Waste (HHW) Program	Total
<b>Revenues:</b>						
Grant revenue	\$ 10,331	28,523	134,398	658,987	—	832,239
Household Hazardous Waste program fees	—	—	—	—	285,175	285,175
MARC matching funds	—	—	5	—	—	5
Contributed services	—	2,700	84,069	96,202	—	182,971
<b>Total revenues</b>	<b>10,331</b>	<b>31,223</b>	<b>218,472</b>	<b>755,189</b>	<b>285,175</b>	<b>1,300,390</b>
<b>Expenditures:</b>						
Contractual services - subrecipient's expenditures:						
Advertising	—	—	3,100	3,854	—	6,954
Contractual services	10,331	30,369	110,085	321,301	285,175	757,261
Contributed services	—	2,700	84,069	96,202	—	182,971
Indirect costs	—	—	1,239	67,896	—	69,135
Meetings/travel/registration fees	—	—	1,133	9,080	—	10,213
Memberships/periodicals	—	—	—	1,003	—	1,003
Other	—	—	5,895	758	—	6,653
Postage	—	—	73	1,536	—	1,609
Printing/reproduction	—	230	6,239	3,514	—	9,983
Rent/utilities/maintenance	—	—	263	13,556	—	13,819
Salaries and fringe benefits	—	—	4,300	235,750	—	240,050
Supplies/promotional materials	—	(2,076)	2,076	739	—	739
<b>Total expenditures</b>	<b>10,331</b>	<b>31,223</b>	<b>218,472</b>	<b>755,189</b>	<b>285,175</b>	<b>1,300,390</b>
Excess of revenues over expenditures	\$ —	—	—	—	—	—

**MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT**

Schedule of Subgrant Expenditures - Special Revenue Fund

	Year Ended December 31, 2011			State Grant Received to Date	State Grant Balance	Grant Status
	Year Ended December 31, 2011	Prior Year(s)	Cumulative Earned to Date			
<b>FY 2008 #33600</b>						
E2011-015 MARC SWMD PI - HHW						
State Revenue	10,331	—	10,331	10,331	—	Closed
	<u>10,331</u>	<u>—</u>	<u>10,331</u>			
<b>FY 2008 Subgrants Closed in Prior Years</b>						
State Revenue	\$ —	850,528	850,528	850,528	—	Closed
Contributed Services	—	521,280	521,280			
MARC Matching Funds	—	23,979	23,979			
Unallocated State Funds	—	—	—	9,990	9,990	FY12
	<u>—</u>	<u>1,395,787</u>	<u>1,395,787</u>			
<b>Total FY 2008</b>	<u>\$ 10,331</u>	<u>1,395,787</u>	<u>1,406,118</u>			
Recap - State Revenue	10,331	850,528	860,859	<u>870,849</u>	<u>9,990</u>	FY12
Recap - Contributed Services	—	521,280	521,280			
Recap - MARC Matching Funds	—	23,979	23,979			
Recap - Total	<u>\$ 10,331</u>	<u>1,395,787</u>	<u>1,406,118</u>			
<b>FY 2009 #33610</b>						
#E2009-09 Bridging The Gap - KC Reg'l BPS Project						
State Revenue	4,000	10,000	14,000	48,000	34,000	Closed
Contributed Services	2,700	1,000	3,700			
	<u>6,700</u>	<u>11,000</u>	<u>17,700</u>			
E2009-13 MARC SWMD PI - Outreach						
State Revenue	6,675	68,325	75,000	75,000	—	Closed
Local Grants	230	5,005	5,235			
Charges for Services	—	601	601			
	<u>6,905</u>	<u>73,931</u>	<u>80,836</u>			
E2011-14 MARC SWMD PI - Planning						
State Revenue	—	—	—	25,000	25,000	FY 12
	<u>—</u>	<u>—</u>	<u>—</u>			
E2011-015 MARC SWMD PI - HHW						
State Revenue	17,618	—	17,618	17,618	—	Closed
	<u>17,618</u>	<u>—</u>	<u>17,618</u>			
<b>FY 2009 Subgrants Closed in Prior Years</b>						
State Revenue	\$ —	752,779	752,779	752,779	—	Closed
Contributed Services	—	111,272	111,272			
MARC Matching Funds	—	9,424	9,424			
Unallocated State Funds	—	—	—	17,202	17,202	FY12
	<u>—</u>	<u>873,475</u>	<u>873,475</u>			
<b>Total FY 2009</b>	<u>\$ 31,223</u>	<u>958,406</u>	<u>989,629</u>			

MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT

Schedule of Subgrant Expenditures - Special Revenue Fund

	Year Ended December 31, 2011					
	Year Ended December 31, 2011	Prior Year(s)	Cumulative Earned to Date	State Grant Received to Date	State Grant Balance	Grant Status
Recap - State Revenue	\$ 28,293	831,104	859,397	<u>935,599</u>	<u>76,202</u>	FY12
Recap - Contributed Services	2,700	112,272	114,972			
Recap - MARC Matching Funds	—	9,424	9,424			
Recap - Local Grants	230	5,005	5,235			
Recap - Charges for Services	—	601	601			
Recap - Total	<u>\$ 31,223</u>	<u>958,406</u>	<u>989,629</u>			
<b>FY 2010 #33620</b>						
<b>#E2010-01 Green Works - Shake Up Recycling Educ.</b>						
State Revenue	170	6,514	6,684	7,500	816	Closed
Contributed Services	<u>5,535</u>	<u>—</u>	<u>5,535</u>			
	<u>5,705</u>	<u>6,514</u>	<u>12,219</u>			
<b>#E2010-02 ReUse People of America - Green Bldg. Trng.</b>						
State Revenue	27,968	13,817	41,785	81,847	40,062	Open
Contributed Services	<u>8,214</u>	<u>2,020</u>	<u>10,234</u>			
	<u>36,182</u>	<u>15,837</u>	<u>52,019</u>			
<b>E2010-06 IBS Industries - Eco Care Community Recy.</b>						
State Revenue	(1,230)	6,150	4,920	26,000	21,080	Closed
Contributed Services	<u>1,230</u>	<u>—</u>	<u>1,230</u>			
	<u>—</u>	<u>6,150</u>	<u>6,150</u>			
<b>E2010-07 City of Kansas City - Deramus Recycling Ctr.</b>						
State Revenue	49,679	—	49,679	49,679	—	Closed
Contributed Services	<u>64,277</u>	<u>—</u>	<u>64,277</u>			
	<u>113,956</u>	<u>—</u>	<u>113,956</u>			
<b>E2010-10 Clay County - Recycling Improvements</b>						
State Revenue	(2,209)	14,453	12,244	14,453	2,209	Closed
Contributed Services	<u>4,813</u>	<u>—</u>	<u>4,813</u>			
	<u>2,604</u>	<u>14,453</u>	<u>17,057</u>			
<b>E2010-11 MARC SWMD PI - District Operations</b>						
State Revenue	5,808	344,630	350,438	350,500	62	Closed
MARC Matching Funds	<u>5</u>	<u>14,392</u>	<u>14,397</u>			
	<u>5,813</u>	<u>359,022</u>	<u>364,835</u>			
<b>E2010-12 MARC SWMD PI - Outreach</b>						
State Revenue	6,002	18,938	24,940	25,000	60	Open
Charges for Services	<u>—</u>	<u>125</u>	<u>125</u>			
	<u>6,002</u>	<u>19,063</u>	<u>25,065</u>			
<b>E2010-15 City of Blue Springs - Parks &amp; Special Events</b>						
State Revenue	490	2,935	3,425	3,453	28	Closed
Contributed Services	<u>—</u>	<u>3,699</u>	<u>3,699</u>			
	<u>490</u>	<u>6,634</u>	<u>7,124</u>			
<b>E2010-22 MARC SWMD - Parks Supplemental Funds</b>						
State Revenue	—	—	—	3,000	3,000	Open
Contributed Services	<u>—</u>	<u>—</u>	<u>—</u>			
	<u>—</u>	<u>—</u>	<u>—</u>			
<b>#E2011-004 KCPT - Little Green Steps</b>						
State Revenue	23,175	—	23,175	30,000	6,825	Open
Contributed Services	<u>—</u>	<u>—</u>	<u>—</u>			
	<u>23,175</u>	<u>—</u>	<u>23,175</u>			
<b>E2011-13 MARC SWMD PI - Outreach</b>						
State Revenue	24,545	—	24,545	50,000	25,455	Open
	<u>24,545</u>	<u>—</u>	<u>24,545</u>			

**MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT**

Schedule of Subgrant Expenditures - Special Revenue Fund

Year Ended December 31, 2011						
	Year Ended December 31, 2011	Prior Year(s)	Cumulative Earned to Date	State Grant Received to Date	State Grant Balance	Grant Status
E2011-14 MARC SWMD PI - Planning						
State Revenue	—	—	—	25,000	25,000	FY 12
	—	—	—			
FY 2010 Subgrants Closed in Prior Years						
State Revenue	\$ —	191,199	191,199	191,199	—	
Contributed Services	—	108,641	108,641			
Unallocated State Funds	—	—	—	16,297	16,297	FY 12
	—	299,840	299,840			
<b>Total FY 2010</b>	<b>\$ 218,472</b>	<b>727,513</b>	<b>945,985</b>			
Recap - State Revenue	\$ 134,398	598,636	733,034	<u>873,928</u>	<u>140,894</u>	
Recap - Contributed Services	84,069	114,360	198,429			
Recap - MARC Matching Funds	5	14,392	14,397			
Recap - Charges for Services	—	125	125			
Recap - Total	<b>\$ 218,472</b>	<b>727,513</b>	<b>945,985</b>			
<b>FY 2011 #33630</b>						
#E2011-001 Material Recovery & Transfer - Usable Wood						
State Revenue	35,729	—	35,729	38,000	2,271	Closed
Contributed Services	12,284	—	12,284			
	<u>48,013</u>	<u>—</u>	<u>48,013</u>			
#E2011-002 Hallmark Cards - Zero Waste to Landfill						
State Revenue	30,226	—	30,226	49,416	19,190	Open
Contributed Services	12,422	—	12,422			
	<u>42,648</u>	<u>—</u>	<u>42,648</u>			
E2011-003 Coalition for Independence						
State Revenue	—	—	—	—	—	Closed
Contributed Services	—	—	—			
	<u>—</u>	<u>—</u>	<u>—</u>			
E2011-005 Casco Area Workshop - OCC/Clothing Recy.						
State Revenue	28,228	—	28,228	28,228	—	Closed
Contributed Services	7,057	—	7,057			
	<u>35,285</u>	<u>—</u>	<u>35,285</u>			
E2011-006 Wildemess Retreat - Special Venue Recycling						
State Revenue	1,699	—	1,699	1,721	22	Closed
Contributed Services	594	—	594			
	<u>2,293</u>	<u>—</u>	<u>2,293</u>			
E2011-007 Ripple Glass - Containers & Outreach						
State Revenue	104,111	—	104,111	125,000	20,889	Open
Contributed Services	28,422	—	28,422			
	<u>132,533</u>	<u>—</u>	<u>132,533</u>			
E2011-008 BADSEED - Residential Composting						
State Revenue	28,838	—	28,838	43,200	14,362	Open
Contributed Services	12,490	—	12,490			
	<u>41,328</u>	<u>—</u>	<u>41,328</u>			
E2011-009 Habitat ReStore - Waldo Equipment						
State Revenue	17,571	—	17,571	17,571	—	Closed
Contributed Services	8,137	—	8,137			
	<u>25,708</u>	<u>—</u>	<u>25,708</u>			
E2011-010 Habitat Restore - Marketing						
State Revenue	49,962	—	49,962	49,962	—	Closed
Contributed Services	14,410	—	14,410			
	<u>64,372</u>	<u>—</u>	<u>64,372</u>			

**MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT**

Schedule of Subgrant Expenditures - Special Revenue Fund

	Year Ended December 31, 2011			State Grant Received to Date	State Grant Balance	Grant Status
	Year Ended December 31, 2011	Prior Year(s)	Cumulative Earned to Date			
<b>#E2011-011 City of Peculiar - Recycling Initiative</b>						
State Revenue	—	—	—	9,600	9,600	Closed
Contributed Services	—	—	—			
	<u>—</u>	<u>—</u>	<u>—</u>			
<b>E2011-12 MARC SWMD PI - District Operations</b>						
State Revenue	340,186	—	340,186	375,000	34,814	Closed
	<u>340,186</u>	<u>—</u>	<u>340,186</u>			
<b>E2011-14 MARC SWMD PI - HHW</b>						
State Revenue	22,051	—	22,051	22,051	—	Closed
	<u>22,051</u>	<u>—</u>	<u>22,051</u>			
<b>#E2011-016 City of Grain Valley - Parks Recycling</b>						
State Revenue	386	—	386	386	—	Closed
Contributed Services	386	—	386			
	<u>772</u>	<u>—</u>	<u>772</u>			
<b>Total FY 2011</b>	<u>\$ 414,231</u>	<u>—</u>	<u>414,231</u>			
Recap - State Revenue	\$ 658,987	—	658,987	<u>760,135</u>	<u>101,148</u>	
Recap - Contributed Services	96,202	—	96,202			
Recap - Total	<u>\$ 755,189</u>	<u>—</u>	<u>755,189</u>			
<b>Grand Total - All State Funded Programs</b>						
Recap - State Revenue	\$ 832,009	2,280,268	3,112,277			
Recap - Contributed Services	182,971	747,912	930,883			
Recap - MARC Matching Funds	5	47,795	47,800			
Recap - Local Grants	230	5,005	5,235			
Recap - Charges for Services	—	1,327	1,327			
Recap - Total	<u>\$ 1,015,215</u>	<u>3,080,980</u>	<u>4,096,195</u>			
<b>Total - State Funded Programs, All Years</b>	<u>\$ 1,015,215</u>	<u>3,080,980</u>	<u>4,096,195</u>			
<b>Household Hazardous Waste Program</b>	<u>\$ 285,175</u>	<u>46,491</u>	<u>331,666</u>			
<b>Grand Total</b>	<u>\$ 1,300,390</u>	<u>3,127,471</u>	<u>4,427,861</u>			

**MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT**

Statement of Grants Receivable and Deferred Revenue - Special Revenue Fund

Year Ended December 31, 2011

	Cumulative Earned	Cumulative Received	Receivable or (Deferred Revenue)
FY 2008 - Grant Number 33600	\$ 860,859	870,849	(9,990)
FY 2009 - Grant Number 33610	859,397	935,599	(76,202)
FY 2010 - Grant Number 33620	733,034	873,928	(140,894)
FY 2011 - Grant Number 33630	658,987	760,135	(101,148)
 Total - State of Missouri Funds	 3,112,277	 3,440,511	 (328,234)
 Household Hazardous Waste Program	 2,699,739	 2,940,177	 (240,438)
 Grand Total	 \$ 5,812,016	 6,380,688	 (568,672)

## MID-AMERICA REGIONAL COUNCIL

Schedule of Revenues and Expenditures  
 Missouri Department of Natural Resources  
 Mid-America Regional Council Solid Waste Management District –  
 2008 Grant Program  
 MARC Grant No. 33600

Grant Period From January 1, 2008 to Completion

	<u>Budget</u>	<u>Year Ended December 31, 2011</u>	<u>Prior Year(s)</u>	<u>Cumulative to Date</u>
Revenues:				
State grant	\$ 870,849	10,331	850,528	860,859
MARC matching funds	23,979	—	23,979	23,979
Contributed services	521,280	—	521,280	521,280
	<u>1,416,108</u>	<u>10,331</u>	<u>1,395,787</u>	<u>1,406,118</u>
Total revenues	1,416,108	10,331	1,395,787	1,406,118
Expenditures:				
Solid waste management district grants	1,416,108	10,331	1,395,787	1,406,118
	<u>1,416,108</u>	<u>10,331</u>	<u>1,395,787</u>	<u>1,406,118</u>
Revenues over expenditures	\$ <u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

**MID-AMERICA REGIONAL COUNCIL**

Schedule of Revenues and Expenditures  
 Missouri Department of Natural Resources  
 Mid-America Regional Council Solid Waste Management District –  
 2009 Grant Program  
 MARC Grant No. 33610

Grant Period From January 1, 2009 to Completion

	<u>Budget</u>	<u>Year Ended December 31, 2011</u>	<u>Prior Year(s)</u>	<u>Cumulative to Date</u>
Revenues:				
State grant	\$ 935,599	28,293	831,104	859,397
Local grants	5,275	230	5,005	5,235
MARC matching funds	16,991	—	9,424	9,424
Contributed services	125,818	2,700	112,272	114,972
Charges for services	566	—	601	601
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	1,084,249	31,223	958,406	989,629
Expenditures:				
Solid waste management district grants	1,084,249	31,223	958,406	989,629
	<hr/>	<hr/>	<hr/>	<hr/>
Revenues over expenditures	\$ <u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

**MID-AMERICA REGIONAL COUNCIL**

Schedule of Revenues and Expenditures  
 Missouri Department of Natural Resources  
 Mid-America Regional Council Solid Waste Management District –  
 2010 Grant Program  
 MARC Grant No. 33620

Grant Period From January 1, 2010 to Completion

	<u>Budget</u>	<u>Year Ended December 31, 2011</u>	<u>Prior Year(s)</u>	<u>Cumulative to Date</u>
Revenues:				
State grant	\$ 873,928	134,398	598,636	733,034
MARC matching funds	29,090	5	14,392	14,397
Contributed services	365,973	84,069	114,360	198,429
Charges for services	<u>—</u>	<u>—</u>	<u>125</u>	<u>125</u>
Total revenues	1,268,991	218,472	727,513	945,985
Expenditures:				
Solid waste management district grants	<u>1,268,991</u>	<u>218,472</u>	<u>727,513</u>	<u>945,985</u>
Revenues over expenditures	<u>\$ —</u>	<u>—</u>	<u>—</u>	<u>—</u>

**MID-AMERICA REGIONAL COUNCIL**

Schedule of Revenues and Expenditures  
 Missouri Department of Natural Resources  
 Mid-America Regional Council Solid Waste Management District –  
 2011 Grant Program  
 MARC Grant No. 33630

Grant Period From January 1, 2011 to Completion

	<u>Budget</u>	<u>Year Ended December 31, 2011</u>	<u>Prior Year(s)</u>	<u>Cumulative to Date</u>
Revenues:				
State grant	\$ 760,135	658,987	—	658,987
MARC matching funds	15,000	—	—	—
Contributed services	<u>96,893</u>	<u>96,202</u>	<u>—</u>	<u>96,202</u>
Total revenues	872,028	755,189	—	755,189
Expenditures:				
Solid waste management district grants	<u>872,028</u>	<u>755,189</u>	<u>—</u>	<u>755,189</u>
Revenues over expenditures	<u>\$ —</u>	<u>—</u>	<u>—</u>	<u>—</u>

**MID-AMERICA REGIONAL COUNCIL**

Schedule of Revenues and Expenditures  
 Mid-America Regional Council Solid Waste Management District –  
 Household Hazardous Waste Program  
 MARC Grant No. 31995, 2011 Program

Grant Period: Open

	<u>Budget</u>	<u>Year Ended December 31, 2011</u>
Revenues:		
Local government grants	\$ <u>317,999</u>	<u>285,175</u>
Expenditures:		
Household hazardous waste program	<u>317,999</u>	<u>285,175</u>
Revenues over expenditures	\$ <u><u>—</u></u>	<u><u>—</u></u>

**SUPPLEMENTAL INFORMATION**

**LIST OF OFFICERS AND EXECUTIVE BOARD MEMBERS**  
(unaudited)  
December 31, 2011

**OFFICERS**

Michael Shaw Chair	Chris Bussen Vice Chair	Lisa Danbury Secretary/Treasurer
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**EXECUTIVE BOARD**

<i>Appointed Member</i>	<i>Representative</i>	<i>Alternate Representative</i>
Cass County, Missouri	Traey Lambertz Codes Director	Wayne Tiffany Public Health Department
Clay County, Missouri	Donna Koontz Director of Facilities Management	Katee Porter Eastern Commissioner
Jackson County, Missouri	Kirk Phillips Highway Maintenance Supervisor	Sandy Mayer Special Projects Coordinator
Platte County, Missouri	Daniel Erickson Planning Director	Greg Sager Public Works Director
Ray County, Missouri	Bob King Presiding Commissioner	Mike Twyman Western Commissioner
Kansas City, Missouri	Michael Shaw Solid Waste Manager/Assistant to the Public Works Director	Dennis Murphey Chief Environmental Officer
<i>Elected Member</i>	<i>Representative</i>	<i>Alternative Representative</i>
Belton, Missouri	Brad Foster Assistant City Administrator	Vacant
Independence, Missouri	Don Reimal Mayor	Vacant
Lake Waukomis, Missouri	Ann Dwyer Sanders Citizen	Charles Hinson Mayor
Lee's Summit, Missouri	Chris Bussen Solid Waste Superintendent	Kara Taylor Environmental Coordinator
Liberty, Missouri	Steven Hansen Public Works Director	Vacant
North Kansas City, Missouri	Pat Hawver Public Works Director	Chris Cooper Public Works
Riverside, Missouri	Kathy Rose Mayor	Vacant
Sugar Creek, Missouri	Stan Salva Mayor	Sue Mikula Public Works
<i>Ex Officio</i>		
District Planner	Lisa Danbury	



**Independent Auditors' 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***

Board of Directors  
Mid-America Regional Council  
Solid Waste Management District

We have audited the financial statements of the governmental activities and each major fund of the Mid-America Regional Council Solid Waste Management District (District), as of and for the year ended December 31, 2011, and have issued our report thereon dated July 11, 2012. 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 District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Board of Directors, 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.

*RubinBrown LLP*

July 11, 2012  
Overland Park, Kansas