

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

**Annual Financial Report  
For the Year Ended December 31, 2013**

**Chair and Officers of Mid-America Regional Council  
Solid Waste Management District**

Chair                      Chris Bussen, City of Lee's Summit, Missouri  
Vice Chair                Michael Shaw, City of Kansas City, Missouri

**Prepared by:**

Department of Financial Affairs, Mid-America Regional Council  
Dorothy Pope, Director

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# 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

### Report On The Financial Statements

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 (the District) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

### *Management's Responsibility For The Financial Statements*

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

### *Auditors' Responsibility*

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### *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, 2013, 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.

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***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 9 to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our 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.

*Other Information*

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplemental information on pages 19 through 32 and the list of officers and executive board members on page 33 are presented for purposes of additional analysis and are 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. The list of officers and executive board members have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on that list.

**Other Reporting Required By *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2014, on our consideration of the District's internal control over financial reporting and on 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* in considering the District's internal control over financial reporting and compliance.

*RubinBrown LLP*

June 25, 2014

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

Management's Discussion and Analysis

December 31, 2013

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, 2013. Please read it in conjunction with the District's basic financial statements.

**Financial Highlights**

- The total assets for the District were \$659,645. The liabilities of the District were \$512,346, which are unearned revenue from state of Missouri grants, the household hazardous waste program, and the resource recovery fair grant. The unearned 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 cash balance of \$659,645. The District has no other assets such as receivables or capital assets.
- The District receives essentially all of its revenues from grants from the state of Missouri. Revenues are earned as expenditures are incurred which 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 Position reports all of the District's assets, deferred outflows, liabilities and deferred inflows. Net position (assets and deferred outflows less liabilities and deferred inflows) is an important measure of the District's overall financial health. Over time, the increases and decreases in net position can be monitored to determine whether the District's financial position is improving or deteriorating.

The Statement of Activities shows how the net position has changed during the fiscal year. All changes in net position 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 10 and 11 of this report.

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

Management's Discussion and Analysis

December 31, 2013

*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 12 and 13 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 14 to 18 of this report.

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$147,299 at December 31, 2013. The unrestricted net position of \$147,299 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, 2013

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

Mid-America Regional Council Solid Waste Management District Statement of Net Position		Increase (Decrease) From Fiscal Year 2012	Percent Increase (Decrease)
		<u>Governmental Activities</u>	
		<u>2013</u>	<u>2012</u>
<b>Assets</b>			
Cash	\$	<u>659,645</u>	<u>694,887</u>
		<u>(35,242)</u>	(5) %
Total assets	\$	<u><u>659,645</u></u>	<u><u>694,887</u></u>
		<u><u>(35,242)</u></u>	(5)
<b>Liabilities</b>			
Unearned revenue - state of Missouri	\$	210,180	237,601
		(27,421)	(12)
Unearned revenue - Household Hazardous Waste program		302,100	310,188
		(8,088)	(3)
Unearned revenue - Resource Recovery Fair		<u>66</u>	<u>507</u>
		<u>(441)</u>	(87)
Total liabilities	\$	<u><u>512,346</u></u>	<u><u>548,296</u></u>
		<u><u>(35,509)</u></u>	(6)
<b>Net position</b>			
Unrestricted	\$	<u>147,299</u>	<u>146,591</u>
		708	—
Total net position	\$	<u><u>147,299</u></u>	<u><u>146,591</u></u>
		<u><u>708</u></u>	— %

As of December 31, 2012, there was \$237,601 in unearned revenue from the state of Missouri. Unearned revenue decreased by \$27,421 to \$210,180 as of December 31, 2013 due to decreased grants from the state of Missouri during the year and the expenditure of unearned revenues from grants awarded in prior years. Additionally, the unearned revenue for the Household Hazardous Waste program decreased by \$8,088, and the unearned revenue for the Resource Recovery Fair decreased by \$441 in fiscal year 2013. As a result, the amount of cash changed slightly and decreased by \$35,242.

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

Management's Discussion and Analysis

December 31, 2013

The following table reflects the condensed Statement of Activities for the years ended December 31, 2013 and 2012.

Mid-America Regional Council Solid Waste Management District Statement of Activities				
	<u>Governmental Activities</u>		Increase (Decrease) From Fiscal Year 2012	Percent Increase (Decrease)
	<u>2013</u>	<u>2012</u>		
Program revenues:				
Charges for services	\$ 286,369	300,424	(14,055)	(5) %
Operating grants & contributions	886,885	1,017,394	(130,509)	(13)
General revenues:				
Investment earnings	<u>708</u>	<u>1,240</u>	<u>(532)</u>	(43)
Total revenues	<u>1,173,962</u>	<u>1,319,058</u>	<u>(145,096)</u>	(11)
Expenses:				
Program and subgrant expenditures	<u>1,173,254</u>	<u>1,318,465</u>	<u>(145,211)</u>	(11)
Total expenses	<u>1,173,254</u>	<u>1,318,465</u>	<u>(145,211)</u>	(11)
Change in net position	708	593	115	19
Net position - beginning	<u>146,591</u>	<u>145,998</u>	<u>593</u>	—
Net position - ending	<u>\$ 147,299</u>	<u>146,591</u>	<u>708</u>	— %

The net position of the governmental activities increased in 2013 by \$708 as compared to an increase of \$593 in 2012. 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 position. However, there was a significant reduction in operating grants and contributions in 2013 as compared to 2012 due to reductions in the state grant awards which are expended over several years and contributed services as shown on the next page.

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

Management's Discussion and Analysis

December 31, 2013

	Total Grant Award	FY 2013	FY 2012	Increase/ (Decrease)
2013 grant award	\$ 744,112	632,032	—	632,032
2012 grant award	707,210	30,568	613,336	(582,768)
2011 grant award	760,135	40,015	54,614	(14,599)
2010 grant award	873,928	43,918	74,938	(31,020)
2009 grant award	935,599	25,000	45,230	(20,230)
2008 grant award	870,849	—	9,725	(9,725)
Subtotal	4,891,833	771,533	797,843	(26,310)
Local grants	—	441	5,733	(5,292)
MARC matching funds	—	10,447	—	10,447
Contributed services	—	104,464	213,818	(109,354)
Total	\$ 4,891,833	886,885	1,017,394	(130,509)

**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 2013 and 2012 follows:

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

	2013	2012	Increase (Decrease) From Fiscal Year 2012	Percent Increase (Decrease)
Revenues:				
Investment earnings	\$ 708	1,240	(532)	(43) %
Expenditures:				
Contractual services - subrecipients	—	647	(647)	—
Excess of revenues over expenditures	708	593	115	19
Fund balance - beginning	146,591	145,998	593	—
Fund balance - ending	\$ 147,299	146,591	708	— %

Investment earnings were less in 2013 than in 2012 because there were lower yields on investments due to the current investment environment.

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

Management's Discussion and Analysis

December 31, 2013

**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 2013 and 2012 follows:

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

	<u>2013</u>	<u>2012</u>	Increase (Decrease) From Fiscal Year 2012	Percent Increase (Decrease)
Revenues:				
Grant revenues	\$ 771,974	803,576	(31,602)	(4) %
Household Hazardous Waste program fees	286,369	300,424	(14,055)	(5)
MARC matching funds	10,447	—	10,447	—
Contributed services	<u>104,464</u>	<u>213,818</u>	<u>(109,354)</u>	(51)
Total revenues	1,173,254	1,317,818	(144,564)	(11)
Expenditures:				
Contractual services - subrecipients	<u>1,173,254</u>	<u>1,317,818</u>	<u>(144,564)</u>	(11)
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, 2013 (open or closed) for each subgrant.

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

Management's Discussion and Analysis

December 31, 2013

**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**

State revenues 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 fiscal year 2014, the District budgeted funds of \$540,844 for subrecipients and another \$468,071 for the District's operations, outreach, planning and household hazardous waste program activities. A summary of projected revenues and expenditures for fiscal year 2014 is shown below.

Revenues:	
Grant revenues - new appropriation	\$ 886,105
Grant revenues - prior appropriation	31,730
MARC matching funds	15,111
Transfer from general fund	<u>76,009</u>
Total revenues	<u>1,008,955</u>
Expenditures:	
Contractual services - subrecipients	540,884
District programs	
Operations	208,389
Outreach	172,162
Planning	38,295
HHW program	<u>49,225</u>
Total expenditures	<u>1,008,955</u>
Excess of revenues over expenditures	\$ <u><u>—</u></u>

In the current legislative session (state fiscal year 2014), the Missouri General Assembly provided the Missouri Department of Natural Resources (MDNR) \$6,761,673 in appropriation authority for disbursement of funds to the solid waste management districts, regardless of the amount of funds accrued by the districts. MDNR developed a formula to distribute the funds among the districts, which was approved by the Solid Waste Advisory Board. The District was given \$886,105 of the total appropriation authority for state fiscal year 2014. This allocation will support the District's fiscal year 2015 subgrant solicitation process, district operations and plan implementation projects.

**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.

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

Statement of Net Position

December 31, 2013

	<b>Governmental Activities</b>
<b>Assets</b>	
Cash	\$ 659,645
Total assets	\$ 659,645
<b>Liabilities</b>	
Unearned revenue - state of Missouri	\$ 210,180
Unearned revenue - household hazardous waste program	302,100
Unearned revenue - resource recovery fair	66
Total liabilities	\$ 512,346
<b>Net Position</b>	
Unrestricted	\$ 147,299
Total net position	\$ 147,299

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

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

Statement of Activites

Year Ended December 31, 2013

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position Governmental Activities</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
<b>Governmental Activities:</b>				
Program and subgrant expenditures	\$ 1,173,254	286,369	886,885	—
	Investment earnings			708
	Change in net position			708
	Total net position, beginning of year			146,591
	Total net position, end of year			\$ 147,299

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, 2013

<b>Assets</b>	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Total</b>
Cash	\$ <u>147,299</u>	<u>512,346</u>	<u>659,645</u>
 <b>Liabilities and Fund Balances</b>			
Liabilities:			
Unearned revenue - state of Missouri	—	210,180	210,180
Unearned revenue - household hazardous waste program	—	302,100	302,100
Unearned revenue - resource recovery fair	—	66	66
Total liabilities	—	512,346	512,346
Fund balances:			
Unassigned	<u>147,299</u>	—	<u>147,299</u>
Total liabilities and fund balances	<u>\$ 147,299</u>	<u>512,346</u>	<u>659,645</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, 2013

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
<b>Revenues:</b>			
Grant revenue	\$ —	771,974	771,974
Household hazardous waste program fees	—	286,369	286,369
MARC matching funds	—	10,447	10,447
Contributed services	—	104,464	104,464
Investment income	708	—	708
	<hr/>	<hr/>	<hr/>
Total revenues	708	1,173,254	1,173,962
<b>Expenditures:</b>			
Contractual services - subrecipients	—	1,173,254	1,173,254
	<hr/>	<hr/>	<hr/>
Excess of revenues over expenditures	708	—	708
Fund balance, beginning of year	146,591	—	146,591
	<hr/>	<hr/>	<hr/>
Fund balance, end of year	\$ <u>147,299</u>	<u>—</u>	<u>147,299</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, 2013

**(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. 61, *The Financial Reporting Entity: Omnibus* - an amendment of GASB Statements No. 14 and No. 34 (GASB 61). 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 Position* 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, 2013

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 annual 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, 2013

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

**Cash and Cash Equivalents** – Interest bearing deposit accounts are reported at cost plus accrued interest. The District considers demand deposit and investments purchased with an original maturity of three months or less to be cash and cash equivalents.

**Accounts Receivable and Unearned 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 unearned revenue balances, which are calculated on a grant-by-grant basis.

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

Unrestricted Net Position – is the balance of net position that does not meet the definition of “restricted” or “net investment in capital assets.” Restricted net position consists of balances 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, 2013.

**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, 2013, 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. Restricted Fund Balance – may be spent only for the specific purposes stipulated by external resources providers, constitutionally or through enabling legislation. Restrictions may be changed or lifted only with the consent of resource providers.
- c. 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.
- d. 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.

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

Notes to Basic Financial Statements

December 31, 2013

- e. 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** – There were no GASB statements implemented during fiscal year 2013 for which there was a significant impact on the District’s financial statements and there are none that will need to be implemented in fiscal year 2014.

**(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. Cash and Investments**

The District had no investments as of December 31, 2013. The District does not have a formal investment policy, although the District’s deposit and investment activity is conducted in accordance with MARC’s deposit and investment policy.

*Custodial Credit Risk* – Custodial credit risk represents the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. The District collateralizes bank deposits and repurchase agreements sufficient to provide a level of security such that the market value of collateral should be at least 100 percent of the fair value of deposits.

**B. Grants Receivable and Unearned Revenue**

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

	<u>Grants Receivable</u>	<u>Unearned Revenue</u>
Special Revenue Fund:		
FY 2008	\$ —	265
FY 2009	—	5,972
FY 2010	—	22,038
FY 2011	—	6,519
FY 2012	—	63,306
FY 2013	—	112,080
Resource recovery fair	—	66
Household hazardous waste program	—	302,100
Total	<u>\$ —</u>	<u>512,346</u>

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

Notes to Basic Financial Statements

December 31, 2013

**(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. 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, 2013 through June 30, 2014:

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.

**SUPPLEMENTAL INFORMATION**

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**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, 2013

	Grant from FY 2009 #33610	Grant from FY 2010 #33620	Grant from FY 2011 #33630	Grant from FY 2012 #33640	Grant from FY 2013 #33650	Resource Recovery Fair #33648	Household Hazardous Waste (HHW) Program	Total
<b>Revenues:</b>								
Grant revenue	\$ 25,000	43,918	40,015	30,568	632,032	—	—	771,533
Household hazardous waste program fees	—	—	—	—	—	—	286,369	286,369
Local grants	—	—	—	—	—	441	—	441
MARC matching funds	—	—	—	—	10,447	—	—	10,447
Contributed services	2,499	440	8,441	11,662	81,422	—	—	104,464
<b>Total revenues</b>	<b>27,499</b>	<b>44,358</b>	<b>48,456</b>	<b>42,230</b>	<b>723,901</b>	<b>441</b>	<b>286,369</b>	<b>1,173,254</b>
<b>Expenditures:</b>								
Contractual services - subrecipient's expenditures:								
Advertising	—	10,002	—	409	5,848	—	—	16,259
Contractual services	25,000	31,916	40,015	25,215	266,052	—	286,369	674,567
Contributed services	2,499	440	8,441	11,662	81,422	—	—	104,464
Indirect costs	—	—	—	—	90,341	—	—	90,341
Meetings/travel/registration fees	—	—	—	1,678	5,437	178	—	7,293
Memberships/periodicals	—	—	—	—	1,896	—	—	1,896
Other	—	2,000	—	—	1,229	263	—	3,492
Postage	—	—	—	—	337	—	—	337
Printing/reproduction	—	—	—	3,173	2,394	—	—	5,567
Rent/utilities/maintenance	—	—	—	—	13,478	—	—	13,478
Salaries and fringe benefits	—	—	—	—	250,252	—	—	250,252
Supplies/promotional materials	—	—	—	93	3,610	—	—	3,703
Training	—	—	—	—	1,605	—	—	1,605
<b>Total expenditures</b>	<b>27,499</b>	<b>44,358</b>	<b>48,456</b>	<b>42,230</b>	<b>723,901</b>	<b>441</b>	<b>286,369</b>	<b>1,173,254</b>
<b>Excess of revenues over expenditures</b>	<b>\$ —</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

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

Schedule of Subgrant Expenditures - Special Revenue Fund  
Missouri Department of Natural Resources Grants

Year Ended December 31, 2013

	Year Ended December 31, 2013	Prior Year(s)	Cumulative Earned to Date	State Grant Received to Date	State Grant Balance	Grant Status
<b>FY 2008 #33600</b>						
FY 2008 Subgrants Closed in Prior Years						
State revenue	\$ —	870,584	870,584	870,584	—	Closed
Contributed services	—	521,280	521,280			
MARC matching funds	—	23,979	23,979			
Unallocated state funds	—	—	—	265	265	FY14
	<u>—</u>	<u>1,415,843</u>	<u>1,415,843</u>			
<b>Total FY 2008 #33600</b>	<u>\$ —</u>	<u>1,415,843</u>	<u>1,415,843</u>			
Recap - state revenue	\$ —	870,584	870,584	<u>870,849</u>	<u>265</u>	FY14
Recap - contributed services	—	521,280	521,280			
Recap - MARC matching funds	—	23,979	23,979			
<b>Recap - Total FY 2008 #33600</b>	<u>\$ —</u>	<u>1,415,843</u>	<u>1,415,843</u>			
<b>FY 2009 #33610</b>						
E2012-004 Kansas City Parks and Recreation						
State revenue	\$ —	12,836	12,836	12,836	—	Closed
Contributed services	2,499	—	2,499			
	<u>2,499</u>	<u>12,836</u>	<u>15,335</u>			
E2012-020 MARC SWMD PI - Methodology						
State revenue	25,000	—	25,000	25,000	—	Closed
	<u>25,000</u>	<u>—</u>	<u>25,000</u>			
FY 2009 Subgrants Closed in Prior Years						
State revenue	—	891,791	891,791	891,791	—	Closed
Local grants	—	5,275	5,275			
Contributed services	—	123,070	123,070			
MARC matching funds	—	9,424	9,424			
Charges for services	—	601	601			
Unallocated state funds	—	—	—	5,972	5,972	FY14
	<u>—</u>	<u>1,030,161</u>	<u>1,030,161</u>			
<b>Total FY 2009 #33610</b>	<u>\$ 27,499</u>	<u>1,042,997</u>	<u>1,070,496</u>			
Recap - state revenue	\$ 25,000	904,627	929,627	<u>935,599</u>	<u>5,972</u>	FY14
Recap - contributed services	2,499	123,070	125,569			
Recap - MARC matching funds	—	9,424	9,424			
Recap - local grants	—	5,275	5,275			
Recap - charges for services	—	601	601			
<b>Recap - Total FY 2009 #33610</b>	<u>\$ 27,499</u>	<u>1,042,997</u>	<u>1,070,496</u>			
<b>FY 2010 #33620</b>						
E2013-007 - Platte City						
State revenue	\$ 21,872	—	21,872	21,872	—	Open
Contributed services	—	—	—			
	<u>21,872</u>	<u>—</u>	<u>21,872</u>			

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(continued)

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

Schedule of Subgrant Expenditures - Special Revenue Fund  
Missouri Department of Natural Resources Grants (Continued)

Year Ended December 31, 2013

	Year Ended December 31, 2013	Prior Year(s)	Cumulative Earned to Date	State Grant Received to Date	State Grant Balance	Grant Status
E2013-016 - Truman Heritage						
State revenue	\$ 2,932	—	2,932	2,932	—	Open
Contributed services	440	—	440			
	<u>3,372</u>	<u>—</u>	<u>3,372</u>			
E2011-013 MARC SWMD - Outreach						
State revenue	14,382	35,618	50,000	50,000	—	Closed
	<u>14,382</u>	<u>35,618</u>	<u>50,000</u>			
E2012-020 MARC SWMD PI - Methodology						
State revenue	4,732	—	4,732	25,000	20,268	Open
	<u>4,732</u>	<u>—</u>	<u>4,732</u>			
FY 2010 Subgrants Closed in Prior Years						
State revenue	—	772,354	772,354	772,354	—	
Contributed services	—	259,626	259,626			
MARC matching funds	—	14,397	14,397			
Charges for services	—	125	125			
Unallocated state funds	—	—	—	1,770	1,770	FY 14
	<u>—</u>	<u>1,046,502</u>	<u>1,046,502</u>			
<b>Total FY 2010 #33620</b>	<b>\$ 44,358</b>	<b>1,082,120</b>	<b>1,126,478</b>			
Recap - state revenue	\$ 43,918	807,972	851,890	<u>873,928</u>	<u>22,038</u>	
Recap - contributed services	440	259,626	260,066			
Recap - MARC matching funds	—	14,397	14,397			
Recap - charges for services	—	125	125			
<b>Recap - Total FY 2010 #33620</b>	<b>\$ 44,358</b>	<b>1,082,120</b>	<b>1,126,478</b>			
<b>FY 2011 #33630</b>						
E2013-003 MARC SWMD PI - Economic Development						
State revenue	\$ 3,122	—	3,122	9,641	6,519	Open
	<u>3,122</u>	<u>—</u>	<u>3,122</u>			
E2013-004 MARC SWMD HHW						
State revenue	25,000	—	25,000	25,000	—	Closed
	<u>25,000</u>	<u>—</u>	<u>25,000</u>			
E2013-007 - Platte City						
State revenue	11,893	—	11,893	11,893	—	Closed
Contributed services	8,441	—	8,441			
	<u>20,334</u>	<u>—</u>	<u>20,334</u>			
FY 2011 Subgrants Closed in Prior Years						
State revenue	—	713,601	713,601	713,601	—	Closed
Contributed services	—	101,326	101,326			
	<u>—</u>	<u>814,927</u>	<u>814,927</u>			
<b>Total FY 2011 #33630</b>	<b>\$ 48,456</b>	<b>814,927</b>	<b>863,383</b>			

(continued)

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

Schedule of Subgrant Expenditures - Special Revenue Fund  
Missouri Department of Natural Resources Grants (Continued)

Year Ended December 31, 2013

	Year Ended December 31, 2013	Prior Year(s)	Cumulative Earned to Date	State Grant Received to Date	State Grant Balance	Grant Status
Recap - state revenue	\$ 40,015	713,601	753,616	<u>760,135</u>	<u>6,519</u>	
Recap - contributed services	8,441	101,326	109,767			
<b>Recap - Total FY 2011 #33630</b>	<u>\$ 48,456</u>	<u>814,927</u>	<u>863,383</u>			
<b>FY 2012 #33640</b>						
#E2012-001 MARC SWMD PI District Operations						
State revenue	\$ 5,353	363,565	368,918	368,918	—	Closed
	<u>5,353</u>	<u>363,565</u>	<u>368,918</u>			
#E2012-005 City of Gladstone						
State revenue	—	6,034	6,034	6,034	—	Closed
Contributed services	418	831	1,249			
	<u>418</u>	<u>6,865</u>	<u>7,283</u>			
#E2012-006 Truman Heritage Habitat for Humanity						
State revenue	9,822	51,386	61,208	61,208 ✓	—	Closed
Contributed services	—	21,153	21,153			
	<u>9,822</u>	<u>72,539</u>	<u>82,361</u>			
E2012-010 Central Industrial District Association						
State revenue	10,561	20,861	31,422	31,422	—	Closed
Contributed services	10,000	13,442	23,442			
	<u>20,561</u>	<u>34,303</u>	<u>54,864</u>			
#E2012-013 City of Sugar Creek						
State revenue	4,832	—	4,832	9,106 ✓	4,274	Open
Contributed services	1,244	—	1,244			
	<u>6,076</u>	<u>—</u>	<u>6,076</u>			
#E2012-019 MARC SWMD Outreach						
State revenue	—	18,363	18,363	19,108 ✓	745	Open
#E2013-003 MARC SWMD PI - Carryover						
State revenue	—	—	—	39,582	39,582	Open
	<u>—</u>	<u>—</u>	<u>—</u>			
FY 2012 Subgrants Closed in Prior Years						
State revenue	—	153,127	153,127	153,127	—	Closed
Contributed services	—	103,973	103,973			
Unallocated state funds	—	—	—	18,705	18,705	
	<u>—</u>	<u>257,100</u>	<u>257,100</u>			
<b>Total FY 2012 #33640</b>	<u>\$ 42,230</u>	<u>752,735</u>	<u>794,965</u>			
Recap - state revenue	\$ 30,568	613,336	643,904	<u>707,210</u>	<u>63,306</u>	
Recap - contributed services	11,662	139,399	151,061			
<b>Recap - Total FY 2012 #33640</b>	<u>\$ 42,230</u>	<u>752,735</u>	<u>794,965</u>	✓	✓	

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Schedule of Subgrant Expenditures - Special Revenue Fund  
Missouri Department of Natural Resources Grants (Continued)

Year Ended December 31, 2013

	Year Ended December 31, 2013	Prior Year(s)	Cumulative Earned to Date	State Grant Received to Date	State Grant Balance	Grant Status
<b>FY 2013 #33650</b>						
#E2013-001 MARC SWMD PI District Operations						
State revenue	\$ 389,156	—	389,156	394,936 ✓	5,780	Open
MARC matching funds	10,447	—	10,447			
	<u>399,603</u>	<u>—</u>	<u>399,603</u>			
#E2013-002 MARC SWMD PI Outreach						
State revenue	2,824	—	2,824	10,000 ✓	7,176 ✓	Open
	<u>2,824</u>	<u>—</u>	<u>2,824</u>			
#E2013-003 MARC SWMD PI Planning						
State revenue	1,444	—	1,444	3,000 ✓	1,556	Open
	<u>1,444</u>	<u>—</u>	<u>1,444</u>			
#E2013-005 Atlas Glass						
State revenue	7,633	—	7,633	30,240 ✓	22,607 ✓	Open
Contributed services	3,745	—	3,745			
	<u>11,378</u>	<u>—</u>	<u>11,378</u>			
#E2013-006 Sleepyhead Beds						
State revenue	28,276	—	28,276	30,252 ✓	1,976 ✓	Open
Contributed services	7,336	—	7,336			
	<u>35,612</u>	<u>—</u>	<u>35,612</u>			
#E2013-008 Southeast Enterprises						
State revenue	20,972	—	20,972	30,000 ✓	9,028	Open
Contributed services	12,000	—	12,000			
	<u>32,972</u>	<u>—</u>	<u>32,972</u>			
#E2013-09 Cass County Sustainability Committee						
State revenue	9,820	—	9,820	16,800 ✓	6,980 ✓	Open
Contributed services	6,140	—	6,140			
	<u>15,960</u>	<u>—</u>	<u>15,960</u>			
#E2013-10 Park University						
State revenue	4,064	—	4,064	11,700 ✓	7,636 ✓	Open
Contributed services	1,080	—	1,080			
	<u>5,144</u>	<u>—</u>	<u>5,144</u>			
#E2013-11 Nelson Atkins Museum of Art						
State revenue	10,790	—	10,790	14,819 ✓	4,029 ✓	Open
Contributed services	1,719	—	1,719			
	<u>12,509</u>	<u>—</u>	<u>12,509</u>			
#E2013-12 The Rehabilitation Institute						
State revenue	40,264	—	40,264	55,145 ✓	14,881	Open
Contributed services	16,061	—	16,061			
	<u>56,325</u>	<u>—</u>	<u>56,325</u>			
#E2013-13 Missouri Organic						
State revenue	28,931	—	28,931	44,785 ✓	15,854 ✓	Open
Contributed services	9,251	—	9,251			
	<u>38,182</u>	<u>—</u>	<u>38,182</u>			

(continued)

MID-AMERICA REGIONAL COUNCIL  
SOLID WASTE MANAGEMENT DISTRICT

Schedule of Subgrant Expenditures - Special Revenue Fund  
Missouri Department of Natural Resources Grants (Continued)

Year Ended December 31, 2013

	Year Ended December 31, 2013	Prior Year(s)	Cumulative Earned to Date	State Grant Received to Date	State Grant Balance	Grant Status
<b>#E2013-14 Job One</b>						
State revenue	\$ 4,298	—	4,298	11,782 ✓	7,484 ✓	Open
Contributed services	—	—	—			
	<u>4,298</u>	<u>—</u>	<u>4,298</u>			
<b>#E2013-15 St. Teresa's Academy</b>						
State revenue	3,844	—	3,844	4,000 ✓	156 ✓	Open
Contributed services	961	—	961			
	<u>4,805</u>	<u>—</u>	<u>4,805</u>			
<b>#E2013-16 Truman Heritage Habitat for Humanity</b>						
State revenue	19,947	—	19,947	19,947 ✓	—	Closed
Contributed services	5,280	—	5,280			
	<u>25,227</u>	<u>—</u>	<u>25,227</u>			
<b>#E2013-17 Bridging the Gap</b>						
State revenue	36,100	—	36,100	36,760 ✓	660 ✓	Open
Contributed services	9,036	—	9,036			
	<u>45,136</u>	<u>—</u>	<u>45,136</u>			
<b>#E2013-18 Jerusalem Farm</b>						
State revenue	5,479	—	5,479	11,646 ✓	6,167	Open
Contributed services	4,038	—	4,038			
	<u>9,517</u>	<u>—</u>	<u>9,517</u>			
<b>#E2013-19 Revolve</b>						
State revenue	18,190	—	18,190	18,300 ✓	110 ✓	Open
Contributed services	4,775	—	4,775			
	<u>22,965</u>	<u>—</u>	<u>22,965</u>			
<b>Total FY 2013 #33650</b>	\$ <u>723,901</u>	<u>—</u>	<u>723,901</u>			
Recap - state revenue	\$ 632,032	—	632,032	744,112	112,080	- off to grtrvl
Recap - contributed services	81,422	—	81,422			
Recap - MARC matching funds	10,447	—	10,447			
<b>Recap - Total FY 2013 #33650</b>	\$ <u>723,901</u>	<u>—</u>	<u>723,901</u>			
<b>Grand Total - All State-Funded Programs</b>						
Recap - state revenue	\$ 771,533	3,910,120	4,681,653			
Recap - contributed services	104,464	1,144,701	1,249,165			
Recap - MARC matching funds	10,447	47,800	58,247			
Recap - local grants	—	5,275	5,275			
Recap - charges for services	—	726	726			
<b>Recap - Total - All State-Funded Programs</b>	\$ <u>886,444</u>	<u>5,108,622</u>	<u>5,995,066</u>			

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

Statement of Grants Receivable and Unearned Revenue - Special Revenue Fund

Year Ended December 31, 2013

	Cumulative Earned	Cumulative Received	Receivable or (Unearned Revenue)
FY 2008 - grant number 33600	\$ 870,584	870,849	(265)
FY 2009 - grant number 33610	929,627	935,599	(5,972)
FY 2010 - grant number 33620	851,890	873,928	(22,038)
FY 2011 - grant number 33630	753,616	760,135	(6,519)
FY 2012 - grant number 33640	643,904	707,210	(63,306)
FY 2013 - grant number 33650	632,032	744,112	(112,080)
Total - state of Missouri Funds	4,681,653	4,891,833	(210,180)
Resource recovery fair	6,134	6,200	(66)
Household hazardous waste program	3,286,532	3,588,632	(302,100)
Grand total	\$ 7,974,319	8,486,665	(512,346)

## 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, 2013</u>	<u>Prior Year(s)</u>	<u>Cumulative to Date</u>
Revenues:				
State grant	\$ 935,599	25,000	904,627	929,627
Local grants	5,275	—	5,275	5,275
MARC matching funds	9,424	—	9,424	9,424
Contributed services	123,070	2,499	123,070	125,569
Charges for services	601	—	601	601
	<u>1,073,969</u>	<u>27,499</u>	<u>1,042,997</u>	<u>1,070,496</u>
Total revenues				
Expenditures:				
Solid waste management district grants	<u>1,073,969</u>	<u>27,499</u>	<u>1,042,997</u>	<u>1,070,496</u>
Revenues over expenditures	<u>\$ —</u>	<u>—</u>	<u>—</u>	<u>—</u>

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## 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, 2013</u>	<u>Prior Year(s)</u>	<u>Cumulative to Date</u>
Revenues:				
State grant	\$ 873,928	43,918	807,972	851,890
MARC matching funds	14,397	—	14,397	14,397
Contributed services	283,665	440	259,626	260,066
Charges for services	125	—	125	125
	<u>1,172,115</u>	<u>44,358</u>	<u>1,082,120</u>	<u>1,126,478</u>
Total revenues	1,172,115	44,358	1,082,120	1,126,478
Expenditures:				
Solid waste management district grants	<u>1,172,115</u>	<u>44,358</u>	<u>1,082,120</u>	<u>1,126,478</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, 2013</u>	<u>Prior Year(s)</u>	<u>Cumulative to Date</u>
Revenues:				
State grant	\$ 760,135	40,015	713,601	753,616
Contributed services	104,279	8,441	101,326	109,767
Total revenues	864,414	48,456	814,927	863,383
Expenditures:				
Solid waste management district grants	864,414	48,456	814,927	863,383
Revenues over expenditures	\$ —	—	—	—

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## MID-AMERICA REGIONAL COUNCIL

Schedule of Revenues and Expenditures  
 Missouri Department of Natural Resources  
 Mid-America Regional Council Solid Waste Management District –  
 2012 Grant Program  
 MARC Grant No. 33640

Grant Period From January 1, 2012 to Completion

	<u>Budget</u>	<u>Year Ended December 31, 2013</u>	<u>Prior Year(s)</u>	<u>Cumulative to Date</u>
Revenues:				
State grant	\$ 707,210	30,568	613,336	643,904
Contributed services	<u>150,643</u>	<u>11,662</u>	<u>139,399</u>	<u>151,061</u>
Total revenues	857,853	42,230	752,735	794,965
Expenditures:				
Solid waste management district grants	<u>857,853</u>	<u>42,230</u>	<u>752,735</u>	<u>794,965</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 –  
 2013 Grant Program  
 MARC Grant No. 33650

Grant Period From January 1, 2013 to Completion

	<u>Budget</u>	<u>Year Ended December 31, 2013</u>	<u>Prior Year(s)</u>	<u>Cumulative to Date</u>
Revenues:				
State grant	\$ 744,112	632,032	—	632,032
MARC matching funds	16,828	10,447	—	10,447
Contributed services	99,935	81,422	—	81,422
Total revenues	860,875	723,901	—	723,901
Expenditures:				
Solid waste management district grants	860,875	723,901	—	723,901
Revenues over expenditures	\$ —	—	—	—

## MID-AMERICA REGIONAL COUNCIL

Schedule of Revenues and Expenditures  
 Mid-America Regional Council Solid Waste Management District –  
 Resources Recovery Fair  
 MARC Grant No. 33648

Grant Period From September 1, 2012 to Completion

	<u>Budget</u>	<u>Year Ended December 31, 2013</u>	<u>Prior Year(s)</u>	<u>Cumulative to Date</u>
Revenues:				
Local grants	\$ 6,200	441	5,693	6,134
Expenditures:				
Resource recovery fair	<u>6,200</u>	<u>441</u>	<u>5,693</u>	<u>6,134</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. 31810 and 31997, 2013 Program

Grant Period: Open

	<u>Budget</u>	<u>Year Ended December 31, 2013</u>
Revenues:		
Local government grants	\$ <u>313,732</u>	<u>286,369</u>
Expenditures:		
Household hazardous waste program	<u>313,732</u>	<u>286,369</u>
Revenues over expenditures	\$ <u><u>—</u></u>	<u><u>—</u></u>

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**LIST OF OFFICERS AND EXECUTIVE BOARD MEMBERS**  
(unaudited)  
December 31, 2013

**OFFICERS**

Chris Bussen Chair	Michael Shaw Vice Chair	Lisa McDaniel 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	Linda Sadler Clay County Parks & Recreation
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	Marlene Leonce Public Works
<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	Crystal Doss Public Works
Parkville, Missouri	Kendall Welch Alderman	Vacant
Sugar Creek, Missouri	Stan Salva Mayor	Sue Mikula Public Works
<i>Ex Officio</i>		
District Planner	Lisa McDaniel	



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**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, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Mid-America Regional Council Solid Waste Management District (the District) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 25, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances 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 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. 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.

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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 material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### **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*.

#### **Purpose Of This Report**

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

*RubinBrown LLP*

June 25, 2014