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Independent Auditors' Report

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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 as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Mid-America Regional Council Solid Waste Management 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 Mid-America Regional Council Solid Waste Management District as of December 31, 2014, 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. ✓

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 Mid-America Regional Council Solid Waste Management District's basic financial statements. The accompanying supplemental information on pages 20 through 37 and the list of officers and executive board members on page 38 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 18, 2015, on our consideration of the Mid-America Regional Council Solid Waste Management 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 Mid-America Regional Council Solid Waste Management District's internal control over financial reporting and compliance.

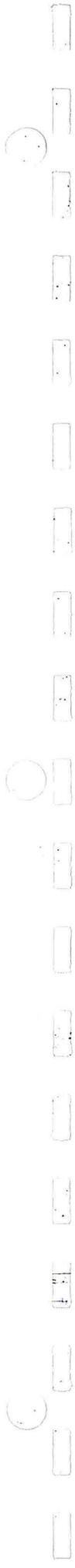
RubinBrown LLP

June 18, 2015

MID-AMERICA REGIONAL COUNCIL SOLID WASTE MANAGEMENT DISTRICT

Table of Contents

	Exhibit	Page
FINANCIAL SECTION:		
Independent Auditors' Report		1
Management's Discussion and Analysis		3
Basic Financial Statements:		
Government-wide Financial Statements:		
Statement of Net Position	A	10
Statement of Activities	B	11
Fund Financial Statements:		
Balance Sheet	C	12
Statement of Revenues, Expenditures and Changes in Fund Balances	D	13
Notes to Basic Financial Statements		14
Schedule		
SUPPLEMENTAL INFORMATION:		
Schedule of Revenues, Expenditures and Changes in Fund Balances –		
Special Revenue Fund – By Grant	1	20
Schedule of Subgrant Expenditures – Special Revenue Fund		
Missouri Department of Natural Resources Grants	2	21
Schedule of Grants Receivable and Deferred Revenue –		
Special Revenue Fund	3	28
Schedule of Revenues and Expenditures:		
2008 Grant Program – Grant Number 33600	4	29
2009 Grant Program – Grant Number 33610	5	30
2010 Grant Program – Grant Number 33620	6	31
2011 Grant Program – Grant Number 33630	7	32
2012 Grant Program – Grant Number 33640	8	33
2013 Grant Program – Grant Number 33650	9	34
2014 Grant Program – Grant Number 33660	10	35
Resource Recovery Fair – Grant Number 33648	11	36
Household Hazardous Waste Program	12	37
List of Officers and Executive Board Members (unaudited)	13	38
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 <i>Government Auditing Standards</i>		39



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

Management's Discussion and Analysis

December 31, 2014

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, 2014. Please read it in conjunction with the District's basic financial statements.

Financial Highlights

- The total assets for the District were \$816,264. The liabilities of the District were \$667,360, 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 \$816,264. 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, 2014

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 19 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 \$148,904 at December 31, 2014. The unrestricted net position of \$148,904 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, 2014

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		Governmental Activities	Increase (Decrease) From Fiscal Year 2013	Percent Increase (Decrease)
		2014	2013	
Assets				
Cash	\$	816,264	659,645	156,619
Total assets	\$	<u>816,264</u>	<u>659,645</u>	<u>156,619</u>
Liabilities				
Unearned revenue - state of Missouri	\$	274,515	210,180	64,335
Unearned revenue - Household Hazardous Waste program		392,845	302,100	90,745
Unearned revenue - Resource Recovery Fair		—	66	(66)
Total liabilities	\$	<u>667,360</u>	<u>512,346</u>	<u>155,014</u>
Net position				
Unrestricted	\$	148,904	147,299	1,605
Total net position	\$	<u>148,904</u>	<u>147,299</u>	<u>1,605</u>

As of December 31, 2013, there was \$210,180 in unearned revenue from the state of Missouri. Unearned revenue increased by \$64,335 to \$274,515 as of December 31, 2014 due to increased 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 increased by \$90,745, and the unearned revenue for the Resource Recovery Fair decreased by \$66 in fiscal year 2014. As a result, the amount of cash increased by \$156,619.

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

Management's Discussion and Analysis

December 31, 2014

The following table reflects the condensed Statement of Activities for the years ended December 31, 2014 and 2013.

Mid-America Regional Council Solid Waste Management District Statement of Activities				
	Governmental Activities		Increase (Decrease) From Fiscal Year 2013	Percent Increase (Decrease)
	2014	2013		
Program revenues:				
Charges for services	\$ 350,482	286,369	64,113	22 %
Operating grants & contributions	920,730	886,885	33,845	4
General revenues:				
Investment earnings	1,605	708	897	127
Total revenues	<u>1,272,817</u>	<u>1,173,962</u>	<u>98,855</u>	8
Expenses:				
Program and subgrant expenditures	<u>1,271,212</u>	<u>1,173,254</u>	<u>97,958</u>	8
Total expenses	<u>1,271,212</u>	<u>1,173,254</u>	<u>97,958</u>	8
Change in net position	1,605	708	897	127
Net position - beginning	<u>147,299</u>	<u>146,591</u>	<u>708</u>	—
Net position - ending	<u>\$ 148,904</u>	<u>147,299</u>	<u>1,605</u>	1 %

The net position of the governmental activities increased in 2014 by \$1,605 as compared to an increase of \$708 in 2013. 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.

A comparison of the operating grants and contributions follows:

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

Management's Discussion and Analysis

December 31, 2014

	Total Grant Award	FY 2014	FY 2013	Increase/ (Decrease)
2014 grant award	\$ 884,189	713,461	—	713,461
2013 grant award	744,112	48,083	632,032	(583,949)
2012 grant award	707,210	30,324	30,568	(244)
2011 grant award	760,135	2,117	40,015	(37,898)
2010 grant award	873,928	19,631	43,918	(24,287)
2009 grant award	935,599	5,972	25,000	(19,028)
2008 grant award	870,849	265	—	265
Subtotal	5,776,022	819,853	771,533	48,320
Local grants	—	66	441	(375)
MARC matching funds	—	15,673	10,447	5,226
Contributed services	—	85,138	104,464	(19,326)
Total	\$ 5,776,022	920,730	886,885	33,845

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 2014 and 2013 follows:

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

	2014	2013	Increase (Decrease) From Fiscal Year 2013	Percent Increase (Decrease)
Revenues:				
Investment earnings	\$ 1,605	708	897	127 %
Expenditures:				
Contractual services - subrecipients	—	—	—	—
Excess of revenues over expenditures	1,605	708	897	127
Fund balance - beginning	147,299	146,591	708	—
Fund balance - ending	\$ 148,904	147,299	1,605	1 %

Investment earnings were more in 2014 than in 2013 due to increased earnings on idle funds in the checking accounts.

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

Management's Discussion and Analysis

December 31, 2014

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 2014 and 2013 follows:

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

	2014	2013	Increase (Decrease) From Fiscal Year 2013	Percent Increase (Decrease)
Revenues:				
Grant revenues	\$ 819,919	771,974	47,945	6 %
Household Hazardous Waste program fees	350,482	286,369	64,113	22
MARC matching funds	15,673	10,447	5,226	50
Contributed services	85,138	104,464	(19,326)	(19)
Total revenues	1,271,212	1,173,254	97,958	8
Expenditures:				
Contractual services - subrecipients	1,271,212	1,173,254	97,958	8
Excess of revenues over expenditures	—	—	—	—
Fund balance - beginning	—	—	—	—
Fund balance - ending	\$ —	—	—	— %

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. The Mid-America Regional Council (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, 2014 (open or closed) for each subgrant.

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

Management's Discussion and Analysis

December 31, 2014

Budget Highlights

The District annually prepares a budget for its management and oversight activities but not for the subgrants as 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. Unencumbered funds still held at the state level for fiscal years 2013 and 2014 will be used to support the District's fiscal year 2015 budget.

For fiscal year 2015, the District budgeted funds of \$776,429 for subrecipients and another \$424,111 for the District's operations, outreach, planning and household hazardous waste program activities. A summary of projected revenues and expenditures for fiscal year 2015 is shown below.

Revenues:	
Grant revenues - new appropriation	\$ 771,494
Grant revenues - prior appropriation	394,908
MARC matching funds	17,076
Household Hazardous Waste - program fees	<u>17,062</u>
Total revenues	<u>1,200,540</u>
Expenditures:	
Contractual services - subrecipients	776,429
District programs	
Operations	213,390
Outreach	163,827
Planning	4,403
HHW program	<u>42,491</u>
Total expenditures	<u>1,200,540</u>
Excess of revenues over expenditures	\$ <u> —</u>

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 Position

December 31, 2014

	<u>Governmental Activities</u>
Assets	
Cash	\$ 816,264
Total assets	<u>\$ 816,264</u>
Liabilities	
Unearned revenue - state of Missouri	\$ 274,515
Unearned revenue - household hazardous waste program	<u>392,845</u>
Total liabilities	<u>\$ 667,360</u>
Net Position	
Unrestricted	<u>\$ 148,904</u>
Total net position	<u>\$ 148,904</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, 2014

<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>	
Governmental Activities:				
Program and subgrant expenditures	\$ <u>1,271,212</u>	<u>350,482</u>	<u>920,730</u>	—
	Investment earnings			1,605
	Change in net position			<u>1,605</u>
	Total net position, beginning of year			<u>147,299</u>
	Total net position, end of year			<u>\$ <u>✓ 148,904</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, 2014

Assets	General Fund	Special Revenue Fund	Total
Cash	\$ 148,904	667,360	816,264
 Liabilities and Fund Balances			
Liabilities:			
Unearned revenue - state of Missouri	—	274,515	274,515
Unearned revenue - household hazardous waste program	—	392,845	392,845
Total liabilities	—	667,360	667,360
 Fund balances:			
Unassigned	148,904	—	148,904
Total liabilities and fund balances	\$ 148,904	667,360	816,264

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, 2014

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
Revenues:			
Grant revenue	\$ —	819,919	819,919
Household hazardous waste program fees	—	350,482	350,482
MARC matching funds	—	15,673	15,673
Contributed services	—	85,138	85,138
Investment income	<u>1,605</u>	<u>—</u>	<u>1,605</u>
Total revenues	1,605	1,271,212	1,272,817
Expenditures:			
Contractual services - subrecipients	<u>—</u>	<u>1,271,212</u>	<u>1,271,212</u>
Excess of revenues over expenditures	1,605	—	1,605
Fund balance, beginning of year	<u>147,299</u>	<u>—</u>	<u>147,299</u>
Fund balance, end of year	<u>\$ 148,904</u>	<u>—</u>	<u>148,904</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, 2014

(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, 2014

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, 2014

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 “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, 2014.

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, 2014, 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 Board 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, 2014

- 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 2014 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 2015.

(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, 2014. 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:

	Grants Receivable	Unearned Revenue
Special Revenue Fund:		
FY 2010	\$ —	2,406
FY 2011	—	4,402
FY 2012	—	32,982
FY 2013	—	63,997
FY 2014	—	170,728
Household hazardous waste program	—	392,845
Total	\$ —	667,360

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

Notes to Basic Financial Statements

December 31, 2014

(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.

MARC has the following types of insurance coverages and deductibles through MPR for the period July 1, 2014 through June 30, 2015:

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

The District has purchased liability coverage from MOPERM in addition to the coverage offered by MARC through MPR.

The District has the following types of insurance coverages and deductibles through MOPERM for the period March 20, 2014 through January 1, 2015:

Coverage:	<u>Deductible</u>
General liability	\$ 1,000
Hired and Non-Owned Vehicles	1,000
Employment Practices Liability	1,000
Errors & Omissions Liability	1,000

Losses have not been in excess of premiums in any of the past three fiscal years.

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

Notes to Basic Financial Statements

December 31, 2014

B. 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, 2014

	Grant from FY 2008 #33600	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	Grant from FY 2014 #33660	Resource Recovery Fair #33648	Household Hazardous Waste (HHW) Program #31998	Total
Revenues:										
Grant revenue	\$ 265	5,972	19,631	2,117	30,324	48,083	713,461	—	—	819,853
Household hazardous waste program fees	—	—	—	—	—	106,392	—	—	350,482	350,482
Local grants	—	—	—	—	—	—	—	66	—	66
MARC matching funds	—	—	—	—	—	—	15,673	—	—	15,673
Contributed services	—	—	—	—	—	8,717	76,421	—	—	85,138
Total revenues	265	5,972	19,631	2,117	30,324	56,800	805,555	66	350,482	1,271,212
Expenditures:										
Contractual services - subrecipient's expenditures:										
Advertising	—	—	—	—	—	—	3,122	—	—	3,122
Contractual services	265	5,972	19,631	2,117	30,324	48,083	349,194	—	350,482	806,068
Contributed services	—	—	—	—	—	8,717	76,421	—	—	85,138
Indirect costs	—	—	—	—	—	—	84,307	—	—	84,307
Insurance	—	—	—	—	—	—	2,000	—	—	2,000
Meetings/travel/registration fees	—	—	—	—	—	—	6,789	66	—	6,855
Memberships/periodicals	—	—	—	—	—	—	1,059	—	—	1,059
Other	—	—	—	—	—	—	15	—	—	15
Postage	—	—	—	—	—	—	88	—	—	88
Rent/utilities/maintenance	—	—	—	—	—	—	14,375	—	—	14,375
Salaries and fringe benefits	—	—	—	—	—	—	261,345	—	—	261,345
Supplies/promotional materials	—	—	—	—	—	—	6,840	—	—	6,840
Total expenditures	265	5,972	19,631	2,117	30,324	56,800	805,555	66	350,482	1,271,212
Excess of revenues over expenditures	\$ —	—	—	—	—	—	—	—	—	—

**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, 2014

	Year Ended December 31, 2014	Prior Year(s)	Cumulative Earned to Date	State Grant Received to Date	State Grant Balance	Grant Status
FY 2008 #33600						
E2014-006 - Jackson County Yard Waste						
State revenue	\$ 265	—	265	265	—	Closed
	<u>265</u>	<u>—</u>	<u>265</u>			
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			
	<u>—</u>	<u>1,415,843</u>	<u>1,415,843</u>			
Total FY 2008 #33600	<u>\$ 265</u>	<u>1,415,843</u>	<u>1,416,108</u>			
Recap - state revenue	\$ 265	870,584	870,849	<u>870,849</u>	<u>—</u>	Closed
Recap - contributed services	—	521,280	521,280			
Recap - MARC matching funds	—	23,979	23,979			
Recap - Total FY 2008 #33600	<u>\$ 265</u>	<u>1,415,843</u>	<u>1,416,108</u>			
FY 2009 #33610						
E2012-004 Kansas City Parks and Recreation						
State revenue	\$ —	12,836	12,836	12,836	—	Closed
Contributed services	—	2,499	2,499			
	<u>—</u>	<u>15,335</u>	<u>15,335</u>			
E2014-006 - Jackson County Yard Waste						
State revenue	5,972	—	5,972	5,972	—	Closed
	<u>5,972</u>	<u>—</u>	<u>5,972</u>			
FY 2009 Subgrants Closed in Prior Years						
State revenue	—	916,791	916,791	916,791	—	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			
	<u>—</u>	<u>1,055,161</u>	<u>1,055,161</u>			
Total FY 2009 #33610	<u>\$ 5,972</u>	<u>1,070,496</u>	<u>1,076,468</u>			
Recap - state revenue	\$ 5,972	929,627	935,599	<u>935,599</u>	<u>—</u>	Closed
Recap - contributed services	—	125,569	125,569			
Recap - MARC matching funds	—	9,424	9,424			
Recap - local grants	—	5,275	5,275			
Recap - charges for services	—	601	601			
Recap - Total FY 2009 #33610	<u>\$ 5,972</u>	<u>1,070,496</u>	<u>1,076,468</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, 2014

	Year Ended December 31, 2014	Prior Year(s)	Cumulative Earned to Date	State Grant Received to Date	State Grant Balance	Grant Status
FY 2010 #33620						
E2012-020 MARC SWMD PI - Methodology						
State revenue	\$ 17,862	4,732	22,594	22,594	—	Closed
	<u>17,862</u>	<u>4,732</u>	<u>22,594</u>			
E2013-007 - Platte City						
State revenue	—	21,872	21,872	21,872	—	Closed
	<u>—</u>	<u>21,872</u>	<u>21,872</u>			
E2013-016 - Truman Heritage						
State revenue	—	2,933	2,933	2,933	—	Closed
Contributed services	—	440	440			
	<u>—</u>	<u>3,373</u>	<u>3,373</u>			
E2013-017 - Jackson County Yard Waste						
State revenue	1,769	—	1,769	1,769	—	Closed
	<u>1,769</u>	<u>—</u>	<u>1,769</u>			
FY 2010 Subgrants Closed in Prior Years						
State revenue	—	822,354	822,354	822,354		Closed
Contributed services	—	259,626	259,626			
MARC matching funds	—	14,397	14,397			
Charges for services	—	125	125			
Unallocated state funds	—	—	—	2,406	2,406	FY15
	<u>—</u>	<u>1,096,502</u>	<u>1,096,502</u>			
Total FY 2010 #33620	\$ 19,631	1,126,479	1,146,110			
Recap - state revenue	\$ 19,631	851,891	871,522	<u>873,928</u>	<u>2,406</u>	FY15
Recap - contributed services	—	260,066	260,066			
Recap - MARC matching funds	—	14,397	14,397			
Recap - charges for services	—	125	125			
Recap - Total FY 2010 #33620	\$ 19,631	1,126,479	1,146,110			
FY 2011 #33630						
E2013-003 MARC SWMD PI - Economic Development						
State revenue	\$ 2,117	3,122	5,239	9,641	4,402	Open
	<u>2,117</u>	<u>3,122</u>	<u>5,239</u>			
FY 2011 Subgrants Closed in Prior Years						
State revenue	—	750,494	750,494	750,494	—	Closed
Contributed services	—	109,767	109,767			
	<u>—</u>	<u>860,261</u>	<u>860,261</u>			
Total FY 2011 #33630	\$ 2,117	863,383	865,500			
Recap - state revenue	\$ 2,117	753,616	755,733	<u>760,135</u>	<u>4,402</u>	FY15
Recap - contributed services	—	109,767	109,767			
Recap - Total FY 2011 #33630	\$ 2,117	863,383	865,500			

(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, 2014

	Year Ended December 31, 2014	Prior Year(s)	Cumulative Earned to Date	State Grant Received to Date	State Grant Balance	Grant Status
FY 2012 #33640						
#E2012-013 City of Sugar Creek						
State revenue	\$ 4,274	4,832	9,106	9,106	—	Closed
Contributed services	—	1,244	1,244			
	<u>4,274</u>	<u>6,076</u>	<u>10,350</u>			
#E2012-019 MARC SWMD Outreach						
State revenue	745	18,363	19,108	19,108	—	Closed
	<u>745</u>	<u>18,363</u>	<u>19,108</u>			
#E2012-021 Jackson County Yard Waste						
State revenue	18,705	—	18,705	18,705	—	Closed
	<u>18,705</u>	<u>—</u>	<u>18,705</u>			
#E2015-003 MARC SWMD PI - Carryover						
State revenue	6,600	—	6,600	39,582	32,982	Open
	<u>6,600</u>	<u>—</u>	<u>6,600</u>			
FY 2012 Subgrants Closed in Prior Years						
State revenue	—	620,709	620,709	620,709	—	Closed
Contributed services	—	149,817	149,817			
	<u>—</u>	<u>770,526</u>	<u>770,526</u>			
Total FY 2012 #33640	\$ 30,324	794,965	825,289			
Recap - state revenue	\$ 30,324	643,904	674,228	<u>707,210</u>	<u>32,982</u>	FY15
Recap - contributed services	—	151,061	151,061			
Recap - Total FY 2012 #33640	\$ 30,324	794,965	825,289			
FY 2013 #33650						
#E2013-001 MARC SWMD PI District Operations						
State revenue	\$ —	389,156	389,156	389,156	—	Closed
MARC matching funds	—	10,447	10,447			
	<u>—</u>	<u>399,603</u>	<u>399,603</u>			
#E2013-002 MARC SWMD PI Outreach						
State revenue	—	2,824	2,824	2,824	—	Closed
	<u>—</u>	<u>2,824</u>	<u>2,824</u>			
#E2013-003 MARC SWMD PI Planning						
State revenue	10	1,444	1,454	1,454	—	Closed
	<u>10</u>	<u>1,444</u>	<u>1,454</u>			
#E2013-005 Atlas Glass						
State revenue	13,080	7,633	20,713	30,240	9,527	Open
Contributed services	1,480	3,745	5,225			
	<u>14,560</u>	<u>11,378</u>	<u>25,938</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, 2014					
	Year Ended December 31, 2014	Prior Year(s)	Cumulative Earned to Date	State Grant Received to Date	State Grant Balance	Grant Status
#E2013-006 Sleepyhead Beds						
State revenue	\$ —	28,276	28,276	30,252	1,976	Open
Contributed services	—	7,336	7,336			
	<u>—</u>	<u>35,612</u>	<u>35,612</u>			
#E2013-008 Southeast Enterprises						
State revenue	9,028	20,972	30,000	30,000	—	Closed
Contributed services	—	12,000	12,000			
	<u>9,028</u>	<u>32,972</u>	<u>42,000</u>			
#E2013-009 Cass County Sustainability Committee						
State revenue	—	9,820	9,820	16,800	6,980	Open
Contributed services	—	6,140	6,140			
	<u>—</u>	<u>15,960</u>	<u>15,960</u>			
#E2013-010 Park University						
State revenue	—	4,064	4,064	11,700	7,636	Open
Contributed services	—	1,080	1,080			
	<u>—</u>	<u>5,144</u>	<u>5,144</u>			
#E2013-011 Nelson Atkins Museum of Art						
State revenue	—	10,790	10,790	14,819	4,029	Open
Contributed services	1,404	1,719	3,123			
	<u>1,404</u>	<u>12,509</u>	<u>13,913</u>			
#E2013-012 The Rehabilitation Institute						
State revenue	13,916	40,264	54,180	55,145	965	Open
Contributed services	—	16,061	16,061			
	<u>13,916</u>	<u>56,325</u>	<u>70,241</u>			
#E2013-013 Missouri Organic						
State revenue	9,167	28,931	38,098	44,785	6,687	Open
Contributed services	1,246	9,251	10,497			
	<u>10,413</u>	<u>38,182</u>	<u>48,595</u>			
#E2013-014 Job One						
State revenue	725	4,298	5,023	11,782	6,759	Open
Contributed services	1,438	—	1,438			
	<u>2,163</u>	<u>4,298</u>	<u>6,461</u>			
#E2013-015 St. Teresa's Academy						
State revenue	—	3,844	3,844	4,000	156	Open
Contributed services	—	961	961			
	<u>—</u>	<u>4,805</u>	<u>4,805</u>			
#E2013-017 Bridging the Gap						
State revenue	—	36,100	36,100	36,760	660	Open
Contributed services	—	9,036	9,036			
	<u>—</u>	<u>45,136</u>	<u>45,136</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, 2014

	Year Ended December 31, 2014	Prior Year(s)	Cumulative Earned to Date	State Grant Received to Date	State Grant Balance	Grant Status
#E2013-018 Jerusalem Farm						
State revenue	\$ 2,157	5,479	7,636	11,646	4,010	Open
Contributed services	3,149	4,038	7,187			
	<u>5,306</u>	<u>9,517</u>	<u>14,823</u>			
#E2013-019 Revolve						
State revenue	—	18,190	18,190	18,300	110	Open
Contributed services	—	4,775	4,775			
	<u>—</u>	<u>22,965</u>	<u>22,965</u>			
#E2015-003 MARC SMWD HHW						
State revenue	—	—	—	14,502	14,502	Open
	<u>—</u>	<u>—</u>	<u>—</u>			
FY 2013 Subgrants Closed in Prior Years						
State revenue	—	19,947	19,947	19,947	—	Closed
Contributed services	—	5,280	5,280			
	<u>—</u>	<u>25,227</u>	<u>25,227</u>			
Total FY 2013 #33650	\$ 56,800	723,901	780,701			
Recap - state revenue	\$ 48,083	632,032	680,115	744,112	63,997	FY15
Recap - contributed services	8,717	81,422	90,139			
Recap - MARC matching funds	—	10,447	10,447			
Recap - Total FY 2013 #33650	\$ 56,800	723,901	780,701			
* FY 2014 #33660						
#E2014-001 MARC SWMD PI District Operations						
State revenue	\$ 177,783	—	177,783	193,278	15,495	Open
MARC matching funds	15,673	—	15,673			
	<u>193,456</u>	<u>—</u>	<u>193,456</u>			
#E2014-002 MARC SWMD PI Outreach						
State revenue	146,133	—	146,133	172,162	26,029	Open
	<u>146,133</u>	<u>—</u>	<u>146,133</u>			
#E2014-003 MARC SWMD PI Planning						
State revenue	5,479	—	5,479	28,295	22,816	Open
	<u>5,479</u>	<u>—</u>	<u>5,479</u>			
#E2014-004 City of Riverside						
State revenue	2,906	—	2,906	3,210	304	Open
Contributed services	811	—	811			
	<u>3,717</u>	<u>—</u>	<u>3,717</u>			
#E2014-005 The Rehabilitation Institute						
State revenue	31,000	—	31,000	31,000	—	Closed
Contributed services	7,986	—	7,986			
	<u>38,986</u>	<u>—</u>	<u>38,986</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, 2014

	Year Ended December 31, 2014	Prior Year(s)	Cumulative Earned to Date	State Grant Received to Date	State Grant Balance	Grant Status
#E2014-006 Jackson County Yard Waste						
State revenue	\$ 13,062	—	13,062	32,902 ✓	19,840 ✓	Open
Contributed services	13,604	—	13,604			
	<u>26,666</u>	<u>—</u>	<u>26,666</u>			
#E2014-007 Avenue of Life						
State revenue	130,451	—	130,451	173,371 ✓	42,920	Open
Contributed services	36,366	—	36,366			
	<u>166,817</u>	<u>—</u>	<u>166,817</u>			
#E2014-008 Grain Valley School District						
State revenue	5,564	—	5,564	7,800 ✓	2,236	Open
Contributed services	426	—	426			
	<u>5,990</u>	<u>—</u>	<u>5,990</u>			
#E2014-009 Ripple Glass						
State revenue	6,009	—	6,009	6,380 ✓	371 ✓	Open
Contributed services	1,502	—	1,502			
	<u>7,511</u>	<u>—</u>	<u>7,511</u>			
#E2014-010 Friends of the City Market						
State revenue	10,311	—	10,311	20,000 ✓	9,689 ✓	Open
Contributed services	2,582	—	2,582			
	<u>12,893</u>	<u>—</u>	<u>12,893</u>			
#E2014-011 Southeast Enterprises						
State revenue	8,063	—	8,063	8,500 ✓	437	Open
Contributed services	2,600	—	2,600			
	<u>10,663</u>	<u>—</u>	<u>10,663</u>			
#E2014-0012 City of Blue Springs						
State revenue	4,416	—	4,416	5,100 ✓	684 ✓	Open
Contributed services	1,605	—	1,605			
	<u>6,021</u>	<u>—</u>	<u>6,021</u>			
#E2014-0013 Bridging the Gap						
State revenue	23,090	—	23,090	23,900 ✓	810 ✓	Open
Contributed services	8,939	—	8,939			
	<u>32,029</u>	<u>—</u>	<u>32,029</u>			
#E2014-0014 MARC SMWD HHW						
State revenue	46,791	—	46,791	49,225 ✓	2,434 ✓	Open
	<u>46,791</u>	<u>—</u>	<u>46,791</u>			
#E2014-0015 Recycling Education Campaign						
State revenue	102,403	—	102,403	129,066 ✓	26,663	Open
	<u>102,403</u>	<u>—</u>	<u>102,403</u>			
Total FY 2014 #33660	\$ 805,555	—	703,152			

(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, 2014

	Year Ended December 31, 2014	Prior Year(s)	Cumulative Earned to Date	State Grant Received to Date	State Grant Balance	Grant Status
Recap - state revenue	\$ 713,461	—	713,461	884,189	170,728	FY16
Recap - contributed services	76,421	—	76,421			
Recap - MARC matching funds	15,673	—	15,673			
Recap - Total FY 2014 #33660	\$ 805,555	—	805,555			
Grand Total - All State-Funded Programs						
Recap - state revenue	\$ 819,853	4,681,654	5,501,507			
Recap - contributed services	85,138	1,249,165	1,334,303			
Recap - MARC matching funds	15,673	58,247	73,920			
Recap - local grants	—	5,275	5,275			
Recap - charges for services	—	726	726			
Recap - Total - All State-Funded Programs	\$ 920,664	5,995,067	6,915,731			

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

Statement of Grants Receivable and Unearned Revenue - Special Revenue Fund

Year Ended December 31, 2014

	Cumulative Earned	Cumulative Received	Receivable or (Unearned Revenue)
FY 2008 - grant number 33600	\$ 870,849	870,849	—
FY 2009 - grant number 33610	935,599	935,599	—
FY 2010 - grant number 33620	871,522	873,928	(2,406)
FY 2011 - grant number 33630	755,733	760,135	(4,402)
FY 2012 - grant number 33640	674,228	707,210	(32,982)
FY 2013 - grant number 33650	680,115	744,112	(63,997)
FY 2014 - grant number 33660	713,461	884,189	(170,728)
Total - state of Missouri Funds	5,501,507	5,776,022	(274,515)
Resource recovery fair	6,200	6,200	—
Household hazardous waste program	3,637,014	4,029,859	(392,845)
Grand total	\$ 9,144,721	9,812,081	(667,360)

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, 2014</u>	<u>Prior Year(s)</u>	<u>Cumulative to Date</u>
Revenues:				
State grant	\$ 870,849	265	870,584	870,849
MARC matching funds	23,979	—	23,979	23,979
Contributed services	521,280	—	521,280	521,280
	<u>1,416,108</u>	<u>265</u>	<u>1,415,843</u>	<u>1,416,108</u>
Total revenues				
Expenditures:				
Solid waste management district grants	1,416,108	265	1,415,843	1,416,108
	<u>1,416,108</u>	<u>265</u>	<u>1,415,843</u>	<u>1,416,108</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, 2014</u>	<u>Prior Year(s)</u>	<u>Cumulative to Date</u>
Revenues:				
State grant	\$ 935,599	5,972	929,627	935,599
Local grants	5,275	—	5,275	5,275
MARC matching funds	9,424	—	9,424	9,424
Contributed services	123,070	—	125,569	125,569
Charges for services	601	—	601	601
	<u>1,073,969</u>	<u>5,972</u>	<u>1,070,496</u>	<u>1,076,468</u>
Total revenues				
Expenditures:				
Solid waste management district grants	<u>1,073,969</u>	<u>5,972</u>	<u>1,070,496</u>	<u>1,076,468</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 –
 2010 Grant Program
 MARC Grant No. 33620

Grant Period From January 1, 2010 to Completion

	<u>Budget</u>	<u>Year Ended December 31, 2014</u>	<u>Prior Year(s)</u>	<u>Cumulative to Date</u>
Revenues:				
State grant	\$ 873,928	19,631	851,891	871,522
MARC matching funds	14,397	—	14,397	14,397
Contributed services	283,665	—	260,066	260,066
Charges for services	125	—	125	125
	<u>1,172,115</u>	<u>19,631</u>	<u>1,126,479</u>	<u>1,146,110</u>
Total revenues				
Expenditures:				
Solid waste management district grants	<u>1,172,115</u>	<u>19,631</u>	<u>1,126,479</u>	<u>1,146,110</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, 2014</u>	<u>Prior Year(s)</u>	<u>Cumulative to Date</u>
Revenues:				
State grant	\$ 760,135	2,117	753,616	755,733
Contributed services	104,279	—	109,767	109,767
	<u>864,414</u>	<u>2,117</u>	<u>863,383</u>	<u>865,500</u>
Total revenues	864,414	2,117	863,383	865,500
Expenditures:				
Solid waste management district grants	<u>864,414</u>	<u>2,117</u>	<u>863,383</u>	<u>865,500</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 –
 2012 Grant Program
 MARC Grant No. 33640

Grant Period From January 1, 2012 to Completion

	<u>Budget</u>	<u>Year Ended December 31, 2014</u>	<u>Prior Year(s)</u>	<u>Cumulative to Date</u>
Revenues:				
State grant	\$ 707,210	30,324	643,904	674,228
Contributed services	150,643	—	151,061	151,061
Total revenues	857,853	30,324	794,965	825,289
Expenditures:				
Solid waste management district grants	857,853	30,324	794,965	825,289
Revenues over expenditures	\$ —	—	—	—

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, 2014</u>	<u>Prior Year(s)</u>	<u>Cumulative to Date</u>
Revenues:				
State grant	\$ 744,112	48,083	632,032	680,115
MARC matching funds	10,447	—	10,447	10,447
Contributed services	99,935	8,717	81,422	90,139
	<u>854,494</u>	<u>56,800</u>	<u>723,901</u>	<u>780,701</u>
Total revenues	854,494	56,800	723,901	780,701
Expenditures:				
Solid waste management district grants	854,494	56,800	723,901	780,701
	<u>854,494</u>	<u>56,800</u>	<u>723,901</u>	<u>780,701</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 –
 2014 Grant Program
 MARC Grant No. 33660

Grant Period From January 1, 2014 to Completion

	<u>Budget</u>	<u>Year Ended December 31, 2014</u>	<u>Prior Year(s)</u>	<u>Cumulative to Date</u>
Revenues:				
State grant	\$ 884,189	713,461	—	713,461
MARC matching funds	15,111	15,673	—	15,673
Contributed services	90,253	76,421	—	76,421
	<u>989,553</u>	<u>805,555</u>	<u>—</u>	<u>805,555</u>
Expenditures:				
Solid waste management district grants	<u>989,553</u>	<u>805,555</u>	<u>—</u>	<u>805,555</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 –
 Resources Recovery Fair
 MARC Grant No. 33648

Grant Period From September 1, 2012 to Completion

	<u>Budget</u>	<u>Year Ended December 31, 2014</u>	<u>Prior Year(s)</u>	<u>Cumulative to Date</u>
Revenues:				
Local grants	\$ 6,200	66	6,134	6,200
Expenditures:				
Resource recovery fair	<u>6,200</u>	<u>66</u>	<u>6,134</u>	<u>6,200</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 31998, 2014 Program

Grant Period: Open

	<u>Budget</u>	<u>Year Ended December 31, 2014</u>
Revenues:		
Local government grants	\$ <u>354,572</u>	<u>350,482</u>
Expenditures:		
Household hazardous waste program	<u>354,572</u>	<u>350,482</u>
Revenues over expenditures	\$ <u><u>—</u></u>	<u><u>—</u></u>

LIST OF OFFICERS AND EXECUTIVE BOARD MEMBERS
(unaudited)
December 31, 2014

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
Blue Springs, Missouri	James Holley Community Development - Assistant Director	Vacant
Kearney, Missouri	Marie Steiner Alderman	Vacant
Parkville, Missouri	Kendall Welch Alderman	Vacant
Sugar Creek, Missouri	Matt Mallinson 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, 2014, 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 18, 2015.

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.

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 or 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 18, 2015

600 Broadway, Suite 200
Kansas City, Missouri 64105-1659

816/474-4240
816/421-7758 FAX
www.marc.org

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SWMP OPERATIONS



**MARC Solid Waste
Management District**

Serving local governments in
Cass, Clay, Jackson, Platte and
Ray Counties and working
cooperatively with Johnson,
Leavenworth, Miami and
Wyandotte Counties

Executive Board

Appointed:

Chris Bussen, Chair
City of Lee's Summit

Michael Shaw, Vice Chair
City of Kansas City

Traey Lambertz
Cass County

Gene Owen
Clay County

Kirk Phillips
Jackson County

Daniel Erickson
Platte County

Gary Wilhite
Ray County

Elected:

Brad Foster
City of Belton

Matthew Wright
City of Blue Springs

Marie Steiner
City of Kearney

Dan McGraw
City of Independence

Lauren Palmer
City of Parkville

Matt Mallinson
City of Sugar Creek

Ann Dwyer Sanders
City of Lake Waukomis

Ex Officio:

Lisa McDaniel, Planner
Secretary/Treasurer

June 29, 2015

Ms. Anita Stansfield
Operations Section
MDNR Solid Waste Management Program
P.O. Box 176
Jefferson City, MO 65102

Re: Annual Financial Report

Dear Anita:

The MARC Solid Waste Management District – Region E is submitting a copy of
its Annual Financial Report for the Year Ended December 31, 2014.

Please let me know if you require additional information.

Sincerely,

Lisa McDaniel
District Planner

Cc: Chris Bussen, MARC SWMD Chair

Chair
Marge Vogt
Councilmember
Olathe, Kan.

1st Vice Chair
Jan Marcason
Councilmember
Kansas City, Mo.

2nd Vice Chair
Ed Peterson
Commissioner
Johnson County, Kan.

Treasurer
David Bower
Mayor
Raytown, Mo.

Secretary
Curt Skoog
Councilmember
Overland Park, Kan.

Executive Director
David A. Warm



MARC Solid Waste Management District Executive Board Members

Appointed Positions (Kansas City/Each County)

Michael Shaw, City of Kansas City
Traey Lambertz, Cass County
Gene Owen, Clay County
Kirk Phillips, Jackson County
Daniel Erickson, Platte County
Gary Wilhite, Ray County

Elected City Representatives (Over 10,000 population)

Chris Bussen, City of Lee's Summit
Brad Foster, City of Belton
Dan McGraw, City of Independence
Matthew Wright, City of Blue Springs

Elected City Representatives (Under 10,000 population)

Marie Steiner, City of Kearney
Lauren Palmer, City of Parkville
Matt Mallinson, City of Sugar Creek
Ann Dwyer Sanders, City of Lake Waukomis

Ex Officio:

Lisa McDaniel, District Planner

Management Council Representatives

Les Whiteside, City of Archie
Ray Portwood, City of Avondale
Brad Foster, City of Belton
Matthew Wright, City of Blue Springs
Jerry Shrout, City of Buckner
City of Camden Point (invited)
Traey Lambertz, Cass County
Wayne Tiffany, Cass County
Gene Owen, Clay County
Vacant, Clay County
Jim Stoufer, Village of Claycomo
Patricia Masterson, City of Cleveland
City of Dearborn (invited)
Terry Mayfield, City of Drexel
James Snook, City of Edgerton
Chad Birdsong, City of Excelsior Springs
Village of Ferrelview (invited)
Jim DeRemer, City of Freeman
Randy Jones, City of Garden City
Tim Nebergall, City of Gladstone
Pat Slusher, City of Glenaire

Ryan Hunt, City of Grain Valley
Dennis Randolph, City of Grandview
Marvin Megee, City of Greenwood
Bob McCorkendale, City of Hardin
Kevin Wood, City of Harrisonville
Dan McGraw, City of Independence
Kirk Phillips, Jackson County
Vacant, Jackson County
Dennis Murphey, City of Kansas City
Michael Shaw, City of Kansas City
Marleen Leonce, City of Kansas City
Vacant, City of Kansas City
Marie Steiner, City of Kearney
Howard Chamberlin, City of Lake Lotawana
Rocky Queen, City of Lake Tapawingo
Ann Dwyer Sanders, City of Lake Waukomis
Steve Besermin, City of Lake Winnebago
Bryan Richison, City of Lawson
Chris Bussen, City of Lee's Summit
Steve Hansen, City of Liberty
Ken Krawchuk, City of Lone Jack

Pat Hawver, City of North Kansas City
Mark Fulks, City of Oak Grove
Trish Wartenbee, City of Orrick
Lauren Palmer, City of Parkville
Carl Brooks, City of Peculiar
Leonard Hendricks, City of Platte City
Daniel Erickson, Platte County
Greg Sager, Platte County
John Smedley, City of Platte Woods
Mark Randall, City of Pleasant Hill
David Slater, City of Pleasant Valley
Gary Wilhite, Ray County
Mike Twyman, Ray County
Steve Welch, City of Raymore
David Bower, City of Raytown
Ron Brohammer, City of Richmond
Kathy Rose, City of Riverside
Steven Garrett, City of Smithville
Matt Mallinson, City of Sugar Creek
Tanya Finn, City of Weatherby Lake
Mike Large, City of Weston
George Bentley, City of Wood Heights

Management Council Representatives - Ex Officio

Julie Davis, Johnson County
Tammy Saldivar, Leavenworth County
JR McMahon, Miami County

Ken Mack, Unified Government
Vacant, City of Lenexa
Kent Seyfried, City of Olathe

Jim Twigg, City of Overland Park
Katie Killen, City of Shawnee
Ruth Hopkins, Johnson County,
Council of Mayors

Special Accommodations: Please notify the Mid-America Regional Council at (816) 474-4240 at least 48 hours in advance if you require special accommodations to attend this meeting (i.e., qualified interpreter, large print, reader, hearing assistance). We will make every effort to meet reasonable requests. MARC programs that receive federal funding may not discriminate against anyone on the basis of race, color or national origin, according to Title VI of the Civil Rights Act of 1964. For more information or to obtain a Title VI Complaint Form, see http://www.marc.org/transportation/title_vi.htm, or call 816-474-4240.