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**REPORT OF
OZARK RIVERS SOLID WASTE
MANAGEMENT DISTRICT
JUNE 30, 2008 and 2007**

**VERKAMP & MALONE, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS
401 W. FIFTH STREET
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VERKAMP & MALONE, LLC

Certified Public Accountants

DAVE VERKAMP, CPA, CFP
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Accounting
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Tax Services
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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners of
Ozark Rivers Solid Waste Management District

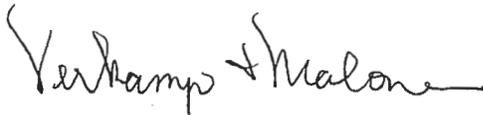
We have audited the accompanying financial statements of the governmental activities of the Ozark Rivers Solid Waste Management District, as of and for the years ended June 30, 2008 and 2007, which comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Ozark Rivers Solid Waste Management District's management. Our responsibility is to express opinions on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Ozark Rivers Solid Waste Management District, as of June 30, 2008 and 2007, and the respective changes in financial position, for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2008, on our consideration of the Ozark Rivers Solid Waste Management District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

The management's discussion and analysis and supplemental information on pages 3 through 7 and 16 through 26, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in cursive script that reads "Verkamp & Malone". The signature is written in dark ink and is positioned above the typed name of the firm.

Verkamp & Malone, LLC
Rolla, Missouri
December 1, 2008

OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT

Management's Discussion and Analysis

June 30, 2008

The management of the Ozark Rivers Solid Waste Management District offers readers of our financial statements the following narrative overview and analysis of our financial activities for the year ended June 30, 2008. Please read it in conjunction with the District's basic financial statements.

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 two components: 1) fund financial statements, and 2) notes to the financial statements.

Our basic financial statements are prepared using fund accounting that uses the same basis of accounting as private-sector business enterprises. Under this method of accounting, an economic resources measurement focus and a modified accrual basis of accounting is used. Under this basis, the District records revenues when susceptible to accrual i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. Expenses are recorded when the liability is incurred.

Government 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. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

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.

The District maintains one governmental fund – special revenue fund. The basic financial statements include a governmental balance sheet and a governmental statement of revenues, expenses and changes in net assets. These are followed by notes to the financial statements. In addition to the basic financial statements, this report also contains required supplementary information pertaining to compliance and internal control.

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.

OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT

Management's Discussion and Analysis

June 30, 2008

The governmental balance sheet presents information on the District's assets and liabilities, with the difference between the two reported as net assets of government funds. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The governmental statement of revenue, expenses and changes in net assets reports the operating revenues and expenses of the District for the fiscal year with the difference—the net income or loss—being combined with any capital grants to determine the net change in assets for the fiscal year. That change, combined with the net assets at the end of the previous year, total to the net assets at the end of the current fiscal year. The basic governmental fund statements can be found on pages 10-11 of this report.

The District adopts an annual budget for administration and operation of the District and includes the grant expenditures paid to the sub-grantees by the District. An annual budget is not required by state statute. Budgetary comparison schedules are provided as supplemental information.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the fund financial statements. The notes to the basic financial statements can be found on pages 12-15 of this report.

The following tables reflect the condensed financial information for the years ended June 30, 2008, 2007 and 2006:

Ozark Rivers Solid Waste Management District
Balance Sheet

	Governmental Funds		
	Special Revenue Fund		
	2008	2007	2006
Assets			
Cash	\$ 277,517	\$ 202,332	\$ 159,584
Prepaid grant expenses	-	-	468
Due from MRPC	22	-	-
Total Assets	<u>\$ 277,539</u>	<u>\$ 202,332</u>	<u>\$ 160,052</u>
Liabilities			
Grants Payable including retention	\$ 222,725	\$ 124,683	\$ 125,468
Accounts Payable	5,668	21,200	14,758
Deferred Revenue - program income	63	-	-
Total Liabilities	<u>228,456</u>	<u>145,883</u>	<u>140,226</u>
Fund Balances			
Unrestricted	6,214	6,177	6,129
Restricted	42,869	50,272	13,697
Total Fund Balances	<u>49,083</u>	<u>56,449</u>	<u>19,826</u>
Total Liabilities and Fund Balances	<u>\$ 277,539</u>	<u>\$ 202,332</u>	<u>\$ 160,052</u>

OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT

Management's Discussion and Analysis

June 30, 2008

Grants payable increased due to increased funding and the timing of sub-grantees' requests for reimbursement.

Ozark Rivers Solid Waste Management District
Statements of Revenues, Expenditures and Changes in Fund Balances

	Governmental Funds		
	Special Revenue Fund		
	2008	2007	2006
Unrestricted Fund Balance			
Interest income	\$ -	\$ 48	\$ -
Other income	4,633	-	315
Contract service expense	(4,633)	-	-
Fund balance temporarily restricted	(6,177)	-	-
Increase (Decrease) in Unrestricted Fund Balance	<u>(6,177)</u>	<u>48</u>	<u>315</u>
Temporarily Restricted Fund Balance			
Grant revenue - State of Missouri	220,186	214,263	161,137
Interest income	6,481	5,888	3,999
Fund balance temporarily restricted	6,177	-	-
Reserves awarded to grant recipient	(20,823)	-	-
Fund balance released from restrictions			
Annual dinner	(286)	(242)	(565)
Audit	(1,500)	(1,000)	(1,000)
Contract services	(28,943)	(10,568)	(3,305)
Contracted administration services	(115,706)	(85,035)	(31,704)
Equipment Purchases and Rentals	(4,117)	-	-
Grants	(52,838)	(74,455)	(117,421)
Insurance	(1,539)	(1,471)	(1,371)
Supplies	(1,686)	(9,146)	(34)
Travel	(826)	(888)	-
Other	(5,769)	(771)	(441)
Increase (Decrease) in Temporarily Restricted Fund Balance	<u>(1,189)</u>	<u>36,575</u>	<u>9,295</u>
Increase (Decrease) in Fund Balance	(7,366)	36,623	9,610
Fund Balance at beginning of year	56,449	19,826	10,216
Fund Balance at end of year	<u>\$ 49,083</u>	<u>\$ 56,449</u>	<u>\$ 19,826</u>

OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT

Management's Discussion and Analysis

June 30, 2008

The net assets of the governmental activities decreased in 2008 by \$7,366 as compared to an increase in 2007 of \$36,623. Much of the change from 2007 is related to allocating out district grant roll-over from prior years to maintain the maximum level of reserves as outlined in 10 CSR 80-9.

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 sub-grants to recipients throughout the seven county areas. MRPC 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 sub-grants for each fiscal year grant program and reports the current year expenses and the status as of June 30, 2008 (open or closed) for each sub-grant. This is the first year the status of the sub-grants has been made a part of the supplemental information in the audit. As a result, no comparison information of prior year(s) is available.

The information contained in the condensed financial information tables shown above is used as the basis for the discussion presented on the following pages, surrounding the District's activities for the fiscal year ended June 30, 2008.

Financial Highlights

- The District ended the year June 30, 2008 with total assets for the district of \$277,539, all of which is temporarily restricted. The liabilities of the District were \$228,456, with \$200,457 of deferred revenues from state of Missouri grants. The deferred revenue consists of funds allocated for specific projects and programs to be completed in future years. The District has no long term debt.
- The District ended the year June 30, 2008 with cash of \$277,517 and accounts receivable of \$22.

Economic Condition and Next Year's Programs

Missouri state funds available to the District continue to be stable compared to previous fiscal years. However, tipping fees collected in the state have reduced since the fiscal year end. The state of Missouri has notified the District that there are licensed tipping fee collection sites that are non-compliant in their reporting. The state can only allocate funds it has actually received. The state has assured the District that measures are being taken to

OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT

Management's Discussion and Analysis

June 30, 2008

ensure the sites are compliant and, as a result, should not affect our funding except for timing of available funds for award.

State funds are accessible when the District formally requests the funds and submits budget plans. Generally, the District conducts a sub-grant solicitation process for waste reduction, reuse, and recycling projects each fall for the following calendar year. Approximately \$279,177 was approved for sub-grants for calendar year 2008. The District prepares its annual work plan and budget prior to the start of the fiscal year and fiscal year 2008-2009 total grant revenues are estimated at \$229,571. Fiscal year 2008-2009 administrative expenses are estimated at \$103,968 for District's operations and planning projects. The District has discretion to modify its budget and hold additional grant solicitations as more funds become available.

Requests for Information

This financial report is intended to provide an overview of the finances of the District for those with an interest in the organization. Questions concerning any information within this report may be directed to the Fiscal Officer and Executive Director as fiscal agents of the District at Meramec Regional Planning Commission, 4 Industrial Drive, St. James, Missouri 65559.

OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT
STATEMENTS OF NET ASSETS
JUNE 30, 2008 AND 2007

	Governmental Activities	
	2008	2007
ASSETS		
Current Assets		
Cash		
Unrestricted	\$ -	\$ 6,458
Restricted	277,517	195,874
Other receivables	22	-
Total Current Assets	277,539	202,332
Total Assets	\$ 277,539	\$ 202,332
 LIABILITIES		
Current Liabilities		
Due to MRPC	\$ 22,972	\$ 20,760
Accounts payable	4,964	440
Deferred revenue	200,520	123,520
Grants payable retention	-	1,163
Total Current Liabilities	228,456	145,883
 NET ASSETS		
Unrestricted	-	6,177
Restricted	49,083	50,272
Total Net Assets:	49,083	56,449
Total Liabilities and Net Assets	\$ 277,539	\$ 202,332

The accompanying notes are an integral part of these financial statements.

**OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u>	<u>2007</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Revenue and</u>	
		<u>Services</u>	<u>Grants and</u>	<u>Changes in</u>	
			<u>Contributions</u>	<u>Net Assets</u>	<u>Totals</u>
				<u>Governmental</u>	
				<u>Activities</u>	
Governmental Activities:					
Program and subgrant expenditures	\$ 217,843	\$ 4,633	\$ 220,186	\$ 6,976	\$ 30,687
Investment earnings				6,481	5,936
Changes in net assets				13,457	36,623
Reserves awarded to grant recipient				(20,823)	-
Net assets - beginning of year				56,449	19,826
Net assets - end of year				<u>\$ 49,083</u>	<u>\$ 56,449</u>

The accompanying notes are an integral part of these financial statements.

**OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT
BALANCE SHEETS
JUNE 30, 2008 AND 2007**

	Governmental Activities Special Revenue Fund	
	2008	2007
ASSETS		
Current Assets		
Cash		
Unrestricted	\$ -	\$ 6,458
Restricted	277,517	195,874
Other receivables	22	-
Total Current Assets	<u>277,539</u>	<u>202,332</u>
Total Assets	<u>\$ 277,539</u>	<u>\$ 202,332</u>
LIABILITIES AND FUND BALANCE		
Current Liabilities		
Due to MRPC	\$ 22,972	\$ 20,760
Accounts payable	4,964	440
Deferred revenue	200,520	123,520
Grants payable retention	-	1,163
Total Current Liabilities	<u>228,456</u>	<u>145,883</u>
Fund Balances		
Unreserved	-	6,177
Reserved	49,083	50,272
Total Fund Balances	<u>49,083</u>	<u>56,449</u>
Total Liabilities and Fund Balances	<u>\$ 277,539</u>	<u>\$ 202,332</u>

The accompanying notes are an integral part of these financial statements.

**OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT
STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007**

	Governmental Activities Special Revenue Fund	
	2008	2007
UNRESTRICTED FUND BALANCE		
Revenues		
Interest income	\$ -	\$ 48
Other income	4,633 ✓	-
	<u>4,633</u>	<u>-</u>
TOTAL UNRESTRICTED REVENUES	4,633	48
Expenses		
Contract services	(4,633)	-
	<u>(4,633)</u>	<u>-</u>
TOTAL UNRESTRICTED EXPENSES	(4,633)	-
Fund balance temporarily restricted	(6,177)	-
INCREASE (DECREASE) IN UNRESTRICTED FUND BALANCE	<u>(6,177)</u>	<u>48</u>
TEMPORARILY RESTRICTED FUND BALANCE		
Grant revenue - State of Missouri	220,186 ✓	214,263
Interest income	6,481 ✓	5,888
Fund balance temporarily restricted	6,177 ✓	-
Fund balance released from restrictions:		
Annual dinner	(286) ✓	(242)
Advertising	(3,212) ✓	-
Audit	(1,500) ✓	(1,000)
Contract services	(28,943) ✓	(10,568)
Contracted administration	(115,706) ✓	(85,035)
Grants	(52,838) ✓	(74,455)
Small equipment purchase	(4,042) ✓	-
Insurance	(1,539) ✓	(1,471)
Supplies	(1,686) ✓	(9,146)
Travel	(826) ✓	(888)
Other	(2,632) ✓	(771)
	<u>19,634</u>	<u>36,575</u>
Reserves awarded to grant recipient	(20,823) ✓	-
INCREASE (DECREASE) IN TEMPORARILY RESTRICTED FUND BALANCE	<u>(1,189) ✓</u>	<u>36,575</u>
CHANGE IN FUND BALANCE	(7,366)	36,623
FUND BALANCE AT BEGINNING OF YEAR	<u>56,449</u>	<u>19,826</u>
FUND BALANCE AT END OF YEAR	<u>\$ 49,083</u>	<u>\$ 56,449</u>

The accompanying notes are an integral part of these financial statements.

OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

Note 1 – Reporting Entity and Significant Accounting Policies

Reporting Entity

The Ozark Rivers Solid Waste Management District (the District) was formed pursuant to Section 260.305 of the Revised Statutes of Missouri on November 19, 1991. The District consists of Crawford, Gasconade, Maries, Phelps, Dent, Washington, and Pulaski Counties.

The District's purpose is to plan and provide for the safe and sanitary management of solid waste within all of the territory of the District. The District strives to fulfill this purpose by:

- Preparing and implementing a solid waste management plant that complies with the provision of Sections 260.220 and 260.325 of the Revised Statutes of the State of Missouri for the citizens of the participating cities and all of the incorporated and unincorporated territory of the District's counties.
- Establishing an educational program to inform the public.
- Establishing procedures to minimize the introduction of hazardous waste, including household hazardous waste, into the solid waste stream.
- Assuring adequate capacity to manage waste which is not otherwise removed from the solid waste stream.
- Promoting and assisting with resource recovery and recycling.

Significant Accounting Policies

The District's accounting policies conform to generally accepted accounting principles, which are appropriate to local government units of this type.

A. Principles Used to Determine Scope of Entity

The District has developed criteria to determine whether related organizations with activities which benefit the District should be included within its financial reporting entity. The criteria includes, but is not limited to, whether the District exercised oversight responsibility (which includes financial interdependence, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of service, and special financing relationships.

**OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007**

B. Government-wide and Fund Financial Statements

Government-wide Financial Statements

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

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. The District reports the following major governmental fund:

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

C. 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 focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available.

OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

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. Expenditures generally are recorded when a liability is incurred, as in accrual accounting.

Grant revenue and interest income associated with the current fiscal period are considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the District receives cash.

D. Budget and Budgetary Accounting

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Article X of the by-laws, an annual budget is prepared under the direction of the Executive Board, which submits this budget to the county commissioners and city governments within the District for review and comment.
2. The budget is approved by the full Council in June of each year.
3. If and when significant financial differences become apparent between the budget as adopted and the probable outcome of the year, the District's management submits to the Executive Board a revised budget. The Executive Board reviews such budget and, upon acceptance, submits it to the full Council for action.
4. The approved budget for 2008 is for the fiscal year beginning July 1, 2007 and the approved budget for 2007 is for the fiscal year beginning July 1, 2006.

E. Investments

The District may purchase any investment allowed by the state Treasurer of Missouri.

F. Cash

All deposits with financial institutions were fully insured and collateralized as of June 30, 2008.

G. Deferred Revenue

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 deferred revenue balances, which are calculated on a grant-by-grant basis.

OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007

H. Related Organization

The District contracts with Meramec Regional Planning Commission (MRPC) to provide for the District's administration. Some of the board members of the District are also board members of MRPC. The contracted services amounted to \$115,706 and \$85,035 for the years ended June 30, 2008 and 2007, respectively. Grants payable in the accompanying statements of financial position includes amounts payable to MRPC in the amount of \$11,785 for 2008 and \$26,655 for 2007.

I. Restricted Cash and Fund Balance

As of June 30, 2008 and 2007, the District has restricted cash balances in the amount of \$277,517 and \$195,874, respectively. The District's funds are all restricted for grant purposes, as of June 30, 2008.

J. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 2 – Reserves Awarded to Grant Recipient

During fiscal year 2008, the District's Board of Commissioners awarded \$20,823 of reserved net assets to a grant recipient. This award increased the total grant funds available for 2008 to \$300,000. As of June 30, 2008, \$2,877 of the reserves awarded has been disbursed and the remaining \$17,946 is included in grants payable in the financial statements.

SUPPLEMENTAL INFORMATION

**OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008**

	<u>Governmental Funds</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
Revenues			
Grants-State of Missouri	\$ 402,697	\$ 220,186	\$ (182,511)
Interest income	6,040	6,482	442
Other income	3,000	4,633	1,633
Total Revenues	<u>411,737</u>	<u>231,301</u>	<u>(180,436)</u>
 Expenditures			
Annual dinner	287	287	-
Advertising	3,565	3,212	353
Audit	1,500	1,500	-
Contract service	62,352	33,576	28,776
Contracted administration	114,890	115,706	(816)
Grants	218,445	52,838	165,607
Small equipment purchases	3,398	4,042	(644)
Supplies	3,236	1,686	1,550
Travel	2,058	826	1,232
Insurance	1,564	1,539	25
Other	8,244	2,632	5,612
Total Expenditures	<u>419,539</u>	<u>217,844</u>	<u>(201,695)</u>
 Excess of Revenues Over Expenditures	<u>\$ (7,802)</u>	13,457	<u>\$ 21,259</u>
 Reserves awarded to grant recipient		(20,823)	
 Beginning Fund Balance		<u>56,449</u>	
 Ending Fund Balance		<u>\$ 49,083</u>	

**OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007**

	Governmental Funds		
	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
Revenues			
Grants-State of Missouri	\$ 337,783	\$ 214,263	\$ (123,520)
Interest income	4,400	5,936	1,536
Total Revenues	<u>342,183</u>	<u>220,199</u>	<u>(121,984)</u>
Expenditures			
Annual dinner	650	243	407
Audit	1,200	1,000	200
Contract service	10,700	10,568	132
Contracted administration	67,766	85,035	(17,269)
Grants	252,946	74,455	178,491
Travel	250	887	(637)
Insurance	1,371	1,471	(100)
Supplies	1,150	9,146	(7,996)
Other	1,750	771	979
Total Expenditures	<u>337,783</u>	<u>183,576</u>	<u>(154,207)</u>
Excess of Revenues Over Expenditures	<u>\$ 4,400</u>	36,623	<u>\$ 32,223</u>
Beginning Fund Balance		<u>19,826</u>	
Ending Fund Balance		<u>\$ 56,449</u>	

OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
SPECIAL REVENUE FUND - BY GRANT
FOR THE YEAR ENDED JUNE 30, 2008

Schedule 1

	<u>Grant from FY 2006</u>	<u>Grant from FY 2007</u>	<u>Grant from FY 2008</u>	<u>Total</u>
Revenues:				
Grant revenue	\$ 12,989	\$ 97,495	\$ 109,702	\$ 220,186
Total revenues	<u>12,989</u>	<u>97,495</u>	<u>109,702</u>	<u>220,186</u>
Expenditures:				
Contractual services - subrecipient's expenditures:				
Annual dinner	-	-	287	287
Advertising	-	1,150	2,062	3,212
Audit	-	-	1,500	1,500
Contract services	-	27,330	4,490	31,820
Contracted administration	3,515	15,603	96,588	115,706
Grants	5,386	44,219	3,233	52,838
Small equipment purchase	3,937	-	105	4,042
Insurance	-	-	1,539	1,539
Supplies	21	613	1,046	1,680
Travel	-	-	826	826
Other	130	1,599	903	2,632
Total expenditures	<u>12,989</u>	<u>90,514</u>	<u>112,579</u>	<u>216,082</u>
Excess of expenditures over revenues	<u>\$ -</u>	<u>\$ 6,981</u>	<u>\$ (2,877)</u>	<u>\$ 4,104</u>

OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT
SCHEDULE OF SUBGRANT EXPENDITURES -
SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2008

Schedule 2

	<u>Year Ended</u> <u>June 30, 2008</u>	<u>Prior</u> <u>Year(s)</u>	<u>Cumulative</u> <u>to Date</u>	<u>State Grant</u> <u>Award</u>	<u>State Grant</u> <u>Balance</u>	<u>Grant</u> <u>Status</u>
FY 2006						
#2006-8 Meramec RPC - illegal dump education State Revenue	\$ 5,385	5,815	11,200	11,200	-	Closed
#2006-10 Ozark Rivers SWMD - camera State Revenue	7,604	9,740	17,344	17,344	-	Closed
Past Year State Revenue	-	131,455	131,455	131,455	-	Closed
Total FY 2006	<u>\$ 12,989</u>	<u>147,010</u>	<u>159,999</u>	<u>159,999</u>	<u>-</u>	
FY 2007						
#2007-5 Ozark Rivers SWMD - education State Revenue	\$ 9,613	589	10,202	10,202	-	Closed
#2007-6 Ozark Rivers SWMD - special waste collection State Revenue	14,175	731	14,906	14,906	-	Closed
#2007-7 Ozark Rivers SWMD - tire collections State Revenue	4,950	3,799	8,749	10,000	1,251	Open
#2007-8 Ozark Rivers SWMD - HHW collections State Revenue	17,556	1,499	19,055	19,055	-	Closed
#2007-9 Phelps County - Tough on Trash program State Revenue	10,242	5,044	15,286	15,286	-	Closed
#2007-10 Maries County - clean road & waterways State Revenue	6,010	-	6,010	6,010	-	Closed
#2007-11 Meramec RPC - school lab clean-up State Revenue	-	8,000	8,000	8,000	-	Closed
#2007-12 Meramec RPC - illegal dump clean-up project State Revenue	9,485	430	9,915	21,700	11,785	Open
#2007-13 City of Cuba - recycling improvement State Revenue	9,210	-	9,210	9,210	-	Closed
#2007-14 Rolla High School - Talking Trash program State Revenue	9,273	-	9,273	9,273	-	Closed
#2007-16 Resource Recycling - workshop State Revenue	-	7,755	7,755	7,755	-	Closed
Past Year State Revenue	-	73,937	73,937	73,937	-	Closed
Total FY 2007	<u>\$ 90,514</u>	<u>101,784</u>	<u>192,298</u>	<u>205,334</u>	<u>13,036</u>	

OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT
SCHEDULE OF SUBGRANT EXPENDITURES -
SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2008

Schedule 2

	Year Ended June 30, 2008	Prior Year(s)	Cumulative to Date	State Grant Award	State Grant Balance	Grant Status
FY 2008						
#2008-1 Ozark Rivers SWMD - Reg K operations						
State Revenue	\$ 85,286	-	85,286	85,286	-	Closed
#2008-2 Phelps County - Tough on Trash program						
State Revenue	3,233	-	3,233	14,720	11,487	Open
#2008-3 City of St. Roberts - shredder						
State Revenue	-	-	-	16,625	16,625	Open
#2008-4 Crawford County - resource recovery						
State Revenue	-	-	-	7,500	7,500	Open
#2008-5 Enhancements, Inc. - sustainable paper recycling						
State Revenue	-	-	-	17,600	17,600	Open
#2008-6 City of Rolla - recycled exhibits						
State Revenue	-	-	-	2,000	2,000	Open
#2008-7 Ozark Rivers SWMD - waste tire collection						
State Revenue	-	-	-	12,000	12,000	Open
#2008-8 Ozark Rivers SWMD - school lab clean-up						
State Revenue	-	-	-	22,440	22,440	Open
#2008-9 Ozark Rivers SWMD - special waste						
State Revenue	6,454	-	6,454	29,160	22,706	Open
#2008-10 Ozark Rivers SWMD - environmental educator						
State Revenue	584	-	584	9,388	8,804	Open
#2008-11 Ozark Rivers SWMD - HHW collections						
State Revenue	2,672	-	2,672	2,672	-	Closed
Match	2,877	-	2,877			
	5,549	-	5,549			
#2008-12 Ozark Rivers SWMD - illegal dump clean-up						
State Revenue	9,352	-	9,352	31,215	21,863	Open
#2008-13 Ozark Rivers SWMD - surveillance camera						
State Revenue	2,121	-	2,121	3,126	1,005	Open
#2008-14 Maries County - clean-up						
State Revenue	-	-	-	16,395	16,395	Open
#2008-15 Rolla High School - Talking Trash program						
State Revenue	-	-	-	9,050	9,050	Open
Total FY 2008	\$ 112,579	-	112,579	279,177	169,475	

OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT
SCHEDULE OF SUBGRANT EXPENDITURES -
SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2008

Schedule 2

	Year Ended June 30, 2008	Prior Year(s)	Cumulative to Date	State Grant Award	State Grant Balance	Grant Status
Total - State Funded Programs	<u>\$ 213,205</u>	<u>248,794</u>	<u>461,999</u>			
Total - Match	<u>\$ 2,877</u>	<u>-</u>	<u>2,877</u>			
Grand Total	<u>\$ 216,082</u>	<u>248,794</u>	<u>464,876</u>			

OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT
STATEMENT OF DEFERRED REVENUE -
SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2008

Schedule 3

	<u>Cumulative Earned</u>	<u>Cumulative Received</u>	<u>Deferred Revenue</u>
FY 2006	\$ 159,999	\$ 159,999	\$ -
FY 2007	192,298	205,334	13,036
FY 2008	109,702	279,177	169,475
FY 2008 - District match	<u>2,877</u>	<u>20,823</u>	<u>17,946</u>
 Total	 <u>\$ 464,876</u>	 <u>\$ 665,333</u>	 <u>\$ 200,457</u>

OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT
SCHEDULE OF REVENUES AND EXPENDITURES
MISSOURI DEPARTMENT OF NATURAL RESOURCES
2006 GRANT PROGRAM
GRANT PERIOD FROM JANUARY 1, 2006 TO CLOSED

Schedule 4

	<u>Budget</u>	<u>Year Ended June 30, 2008</u>	<u>Prior Year(s)</u>	<u>Cumulative to Date</u>
Revenues:				
State grant	\$ 159,999	\$ 12,989	\$ 147,010	\$ 159,999
Total revenues	<u>159,999</u>	<u>12,989</u>	<u>147,010</u>	<u>159,999</u>
Expenditures:				
Solid waste management district grants	<u>159,999</u>	<u>12,989</u>	<u>147,010</u>	<u>159,999</u>
Revenues over expenditures	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT
SCHEDULE OF REVENUES AND EXPENDITURES
MISSOURI DEPARTMENT OF NATURAL RESOURCES
2007 GRANT PROGRAM
GRANT PERIOD FROM JANUARY 1, 2007 TO OPEN

Schedule 5

	<u>Budget</u>	<u>Year Ended June 30, 2008</u>	<u>Prior Year(s)</u>	<u>Cumulative to Date</u>
Revenues:				
State grant	\$ 205,334	\$ 97,495	\$ 101,784	\$ 199,279
Total revenues	<u>205,334</u>	<u>97,495</u>	<u>101,784</u>	<u>199,279</u>
Expenditures:				
Solid waste management district grants	<u>205,334</u>	<u>90,514</u>	<u>101,784</u>	<u>192,298</u>
Revenues over expenditures	<u>\$ -</u>	<u>\$ 6,981</u>	<u>\$ -</u>	<u>\$ 6,981</u>

OZARK RIVERS SOLID WASTE MANAGEMENT DISTRICT
SCHEDULE OF REVENUES AND EXPENDITURES
MISSOURI DEPARTMENT OF NATURAL RESOURCES
2008 GRANT PROGRAM
GRANT PERIOD FROM JANUARY 1, 2008 TO OPEN

Schedule 6

	<u>Budget</u>	<u>Year Ended June 30, 2008</u>	<u>Prior Year(s)</u>	<u>Cumulative to Date</u>
Revenues:				
State grant	\$ 279,177	\$ 109,702	\$ -	\$ 109,702
Total revenues	<u>279,177</u>	<u>109,702</u>	<u>-</u>	<u>109,702</u>
Expenditures:				
Solid waste management district grants	<u>279,177</u>	<u>112,579</u>	<u>-</u>	<u>112,579</u>
Expenditures over revenues	<u>\$ -</u>	<u>\$ (2,877)</u>	<u>\$ -</u>	<u>\$ (2,877)</u>



VERKAMP & MALONE, LLC

Certified Public Accountants

DAVE VERKAMP, CPA, CFP
MOLLY MALONE, CPA

Accounting
Auditing
Tax Services
Management Services

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Commissioners
Ozark Rivers Solid Waste Management District
St. James, Missouri

We have audited the financial statements of the Ozark Rivers Solid Waste Management District as of and for the years ended June 30, 2008 and 2007, and have issued our report thereon dated December 1, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Ozark Rivers Solid Waste Management District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

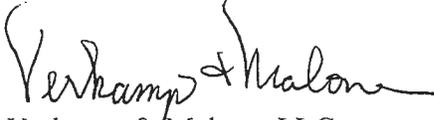
Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily disclose

all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Ozark Rivers Solid Waste Management District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management and the Board of Commissioners and is not intended to be and should not be used by anyone other than these specified parties.



Verkamp & Malone, LLC
Certified Public Accountants
December 1, 2008