

**Southeast Arkansas Regional
Solid Waste Management District**

Accountant's Compilation Report and Financial Statements

June 30, 2020

**Southeast Arkansas Regional
Solid Waste Management District**
June 30, 2020

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Management is responsible for the accompanying financial statements of Southeast Arkansas Regional Solid Waste Management District (the District), which comprise the statement of financial position as of June 30, 2020, and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's assets, liabilities, net position, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The accompanying statement of financial position by program and statement of revenues, expenses and changes in net position by program are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context.

BKD, LLP

Little Rock, Arkansas
January 25, 2021

**Southeast Arkansas Regional
Solid Waste Management District**
Statement of Financial Position
June 30, 2020

Assets

Assets	
Cash	\$ 2,535,418
Accounts receivable	<u>38,788</u>
Total assets	<u><u>\$ 2,574,206</u></u>

Liabilities and Net Position

Liabilities	
Accounts payable	<u>\$ 16,575</u>
Total liabilities	<u>16,575</u>

Net Position

Restricted expendable for program activities	1,664,389
Unrestricted	<u>893,242</u>
Total net position	<u>2,557,631</u>
Total liabilities and net position	<u><u>\$ 2,574,206</u></u>

Southeast Arkansas Regional Solid Waste Management District

Statement of Revenues, Expenses and Changes in Net Position Year Ended June 30, 2020

Operating Revenues

Arkansas Department of Environmental Quality	\$	624,312
State of Arkansas		345,036
Solid waste fee		213,649
Other source income		<u>4,091</u>
Total operating revenues		<u>1,187,088</u>

Operating Expenses

Program costs		717,323
Repairs and maintenance		122,820
General expenses		<u>31,978</u>
Total operating expenses		<u>872,121</u>

Operating Income

314,967

Nonoperating Revenues

Investment earnings		<u>3,668</u>
Total nonoperating revenues		<u>3,668</u>

Increase in Net Position

318,635

Net Position, Beginning of Year

2,238,996

Net Position, End of Year

\$ 2,557,631

Southeast Arkansas Regional Solid Waste Management District

Statement of Cash Flows Year Ended June 30, 2020

Operating Activities

Receipts from customers	\$ 230,478
Tire grant receipts	376,406
Recycling grant receipts	345,036
E-Waste grant receipts	247,906
Payment to suppliers and contractors	(704,968)
Payment to employees	(155,780)
Other receipts (payments), net	<u>(27,887)</u>

Net cash provided by operating activities	<u>311,191</u>
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Investing Activities

Interest received on cash deposits	<u>3,668</u>
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Net cash provided by investing activities	<u>3,668</u>
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Increase in Cash	314,859
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Cash, Beginning of Year	<u>2,220,559</u>
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Cash, End of Year	<u><u>\$ 2,535,418</u></u>
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Reconciliation of Operating Income to Net Cash Provided by

Operating Activities

Operating income	\$ 314,967
Changes in assets and liabilities:	
Accounts receivable	16,829
Accounts payable	<u>(20,605)</u>

Net cash provided by operating activities	<u><u>\$ 311,191</u></u>
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Southeast Arkansas Regional Solid Waste Management District

**Selected Information – Substantially All Disclosures Required By Accounting
Principles Generally Accepted in the United States of America Are Not Included
June 30, 2020**

Note 1: Basis of Accounting and Financial Reporting

The financial statements consist of a single-purpose business-type activity, which is reported on the accrual basis of accounting using the economic resources measurement focus.

Southeast Arkansas Regional Solid Waste Management District (the District) prepares its financial statements in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Supplementary Information

**Southeast Arkansas Regional
Solid Waste Management District
Statement of Financial Position by Program
June 30, 2020**

	Solid Waste Program	Solid Waste Tire Program	Recycling Program	E-Waste Program	Total
Assets					
Cash	\$ 826,697	\$ 121,171	\$ 584,879	\$ 1,002,671	\$ 2,535,418
Accounts receivable	38,788	-	-	-	38,788
Total assets	<u>\$ 865,485</u>	<u>\$ 121,171</u>	<u>\$ 584,879</u>	<u>\$ 1,002,671</u>	<u>\$ 2,574,206</u>
Liabilities					
Accounts payable	\$ -	\$ 16,575	\$ -	\$ -	\$ 16,575
Total liabilities	<u>-</u>	<u>16,575</u>	<u>-</u>	<u>-</u>	<u>16,575</u>
Net Position					
Restricted expendable for program activities	-	87,246	584,879	992,264	1,664,389
Unrestricted	865,485	17,350	-	10,407	893,242
Total net position	<u>865,485</u>	<u>104,596</u>	<u>584,879</u>	<u>1,002,671</u>	<u>2,557,631</u>
Total liabilities and net position	<u>\$ 865,485</u>	<u>\$ 121,171</u>	<u>\$ 584,879</u>	<u>\$ 1,002,671</u>	<u>\$ 2,574,206</u>

Southeast Arkansas Regional Solid Waste Management District

Statement of Revenues, Expenses and Changes in Net Position by Program Year Ended June 30, 2020

	Solid Waste Program	Solid Waste Tire Program	Recycling Program	E-Waste Program	Total	Eliminations	Total
Operating Revenues							
Arkansas Department of Environmental Quality	\$ -	\$ 376,406	\$ -	\$ 247,906	\$ 624,312	\$ -	\$ 624,312
State of Arkansas – recycling program	-	-	345,036	-	345,036	-	345,036
Solid waste fees	213,649	-	-	-	213,649	-	213,649
Program administration	135,992	-	-	-	135,992	(135,992)	-
Other source income	2,020	2,071	-	-	4,091	-	4,091
Total operating revenues	351,661	378,477	345,036	247,906	1,323,080	(135,992)	1,187,088
Operating Expenses							
Program costs	181,490	308,701	90,306	136,826	717,323	-	717,323
Administrative costs	-	47,051	51,755	37,186	135,992	(135,992)	-
Repairs and maintenance	104,720	18,100	-	-	122,820	-	122,820
General expenses	31,978	-	-	-	31,978	-	31,978
Total operating expenses	318,188	373,852	142,061	174,012	1,008,113	(135,992)	872,121
Operating Income	33,473	4,625	202,975	73,894	314,967	-	314,967
Nonoperating Revenues							
Interest income	1,252	171	-	2,245	3,668	-	3,668
Total nonoperating revenues	1,252	171	-	2,245	3,668	-	3,668
Change in Net Position	34,725	4,796	202,975	76,139	318,635	-	318,635
Net Position, Beginning of Year	830,760	99,800	381,904	926,532	2,238,996	-	2,238,996
Net Position, End of Year	\$ 865,485	\$ 104,596	\$ 584,879	\$ 1,002,671	\$ 2,557,631	\$ -	\$ 2,557,631