

**Southeast Arkansas Regional  
Solid Waste Management District**

Accountant's Compilation Report and Financial Statements

June 30, 2021

**Southeast Arkansas Regional  
Solid Waste Management District**  
June 30, 2021

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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, 2021, 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  
March 8, 2022

**Southeast Arkansas Regional  
Solid Waste Management District**  
**Statement of Financial Position**  
**June 30, 2021**

**Assets**

**Assets**

|                     |                            |
|---------------------|----------------------------|
| Cash                | \$ 2,329,997               |
| Accounts receivable | <u>41,295</u>              |
| Total assets        | <u><u>\$ 2,371,292</u></u> |

**Liabilities and Net Position**

**Liabilities**

|                   |                  |
|-------------------|------------------|
| Accounts payable  | <u>\$ 58,052</u> |
| Total liabilities | <u>58,052</u>    |

**Net Position**

|  |                            |
|--|----------------------------|
| Restricted expendable for program activities | 1,453,983                  |
| Unrestricted                                 | <u>859,257</u>             |
| Total net position                           | <u>2,313,240</u>           |
| Total liabilities and net position           | <u><u>\$ 2,371,292</u></u> |

# **Southeast Arkansas Regional Solid Waste Management District**

## **Statement of Revenues, Expenses and Changes in Net Position Year Ended June 30, 2021**

### **Operating Revenues**

|   |    |         |
|---|----|---------|
| Arkansas Department of Energy and Environment | \$ | 512,706 |
| State of Arkansas                             |    | 359,520 |
| Solid waste fee                               |    | 210,481 |
| Other source income                           |    | 14,463  |

|                          |  |                  |
|--------------------------|--|------------------|
| Total operating revenues |  | <u>1,097,170</u> |
|--------------------------|--|------------------|

### **Operating Expenses**

|                         |  |         |
|-------------------------|--|---------|
| Program costs           |  | 925,578 |
| Repairs and maintenance |  | 380,959 |
| General expenses        |  | 38,881  |

|                          |  |                  |
|--------------------------|--|------------------|
| Total operating expenses |  | <u>1,345,418</u> |
|--------------------------|--|------------------|

|                       |  |                  |
|-----------------------|--|------------------|
| <b>Operating Loss</b> |  | <u>(248,248)</u> |
|-----------------------|--|------------------|

### **Nonoperating Revenues**

|                     |  |              |
|---------------------|--|--------------|
| Investment earnings |  | <u>3,857</u> |
|---------------------|--|--------------|

|                             |  |              |
|-----------------------------|--|--------------|
| Total nonoperating revenues |  | <u>3,857</u> |
|-----------------------------|--|--------------|

|                                 |  |           |
|---------------------------------|--|-----------|
| <b>Decrease in Net Position</b> |  | (244,391) |
|---------------------------------|--|-----------|

|  |  |                  |
|--|--|------------------|
| <b>Net Position, Beginning of Year</b> |  | <u>2,557,631</u> |
|--|--|------------------|

|                                  |    |                         |
|----------------------------------|----|-------------------------|
| <b>Net Position, End of Year</b> | \$ | <u><u>2,313,240</u></u> |
|----------------------------------|----|-------------------------|

# Southeast Arkansas Regional Solid Waste Management District

## Statement of Cash Flows

Year Ended June 30, 2021

### Operating Activities

|                                      |                 |
|--------------------------------------|-----------------|
| Receipts from customers              | \$ 207,974      |
| Tire grant receipts                  | 417,065         |
| Recycling grant receipts             | 359,520         |
| E-Waste grant receipts               | 95,641          |
| Payment to suppliers and contractors | (1,109,280)     |
| Payment to employees                 | (155,780)       |
| Other receipts (payments), net       | <u>(24,418)</u> |

|                                       |                  |
|---------------------------------------|------------------|
| Net cash used in operating activities | <u>(209,278)</u> |
|---------------------------------------|------------------|

### Investing Activities

|                                    |              |
|------------------------------------|--------------|
| Interest received on cash deposits | <u>3,857</u> |
|------------------------------------|--------------|

|   |              |
|---|--------------|
| Net cash provided by investing activities | <u>3,857</u> |
|---|--------------|

|                  |           |
|------------------|-----------|
| Decrease in Cash | (205,421) |
|------------------|-----------|

|                         |                  |
|-------------------------|------------------|
| Cash, Beginning of Year | <u>2,535,418</u> |
|-------------------------|------------------|

|                   |                            |
|-------------------|----------------------------|
| Cash, End of Year | <u><u>\$ 2,329,997</u></u> |
|-------------------|----------------------------|

### Reconciliation of Operating Loss to Net Cash Used by

#### Operating Activities

|                                    |               |
|------------------------------------|---------------|
| Operating loss                     | \$ (248,248)  |
| Changes in assets and liabilities: |               |
| Accounts receivable                | (2,507)       |
| Accounts payable                   | <u>41,477</u> |

|                                       |                            |
|---------------------------------------|----------------------------|
| Net cash used in operating activities | <u><u>\$ (209,278)</u></u> |
|---------------------------------------|----------------------------|

# **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, 2021**

## **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, 2021**

|  | <b>Solid Waste<br/>Program</b> | <b>Solid Waste<br/>Tire<br/>Program</b> | <b>Recycling<br/>Program</b> | <b>E-Waste<br/>Program</b> | <b>Total</b>        |
|--|--------------------------------|---|------------------------------|----------------------------|---------------------|
| <b>Assets</b>                                |                                |   |                              |                            |                     |
| Cash   | \$ 760,990                     | \$ 132,550                              | \$ 448,472                   | \$ 987,985                 | \$ 2,329,997        |
| Accounts receivable                          | 41,295                         | -                                       | -                            | -                          | 41,295              |
| Total assets                                 | <u>\$ 802,285</u>              | <u>\$ 132,550</u>                       | <u>\$ 448,472</u>            | <u>\$ 987,985</u>          | <u>\$ 2,371,292</u> |
| <b>Liabilities</b>                           |                                |   |                              |                            |                     |
| Accounts payable                             | \$ 10,343                      | \$ 47,709                               | -                            | -                          | \$ 58,052           |
| Total liabilities                            | <u>10,343</u>                  | <u>47,709</u>                           | <u>-</u>                     | <u>-</u>                   | <u>58,052</u>       |
| <b>Net Position</b>                          |                                |   |                              |                            |                     |
| Restricted expendable for program activities | -                              | 30,616                                  | 448,472                      | 974,895                    | 1,453,983           |
| Unrestricted                                 | <u>791,942</u>                 | <u>54,225</u>                           | <u>-</u>                     | <u>13,090</u>              | <u>859,257</u>      |
| Total net position                           | <u>791,942</u>                 | <u>84,841</u>                           | <u>448,472</u>               | <u>987,985</u>             | <u>2,313,240</u>    |
| Total liabilities and net position           | <u>\$ 802,285</u>              | <u>\$ 132,550</u>                       | <u>\$ 448,472</u>            | <u>\$ 987,985</u>          | <u>\$ 2,371,292</u> |

# Southeast Arkansas Regional Solid Waste Management District

## Statement of Revenues, Expenses and Changes in Net Position by Program Year Ended June 30, 2021

|  | Solid Waste<br>Program | Solid Waste<br>Tire<br>Program | Recycling<br>Program | E-Waste<br>Program | Total        | Eliminations | Total        |
|--|------------------------|--------------------------------|----------------------|--------------------|--------------|--------------|--------------|
| <b>Operating Revenues</b>                    |                        |                                |                      |                    |              |              |              |
| Arkansas Department of Environmental Quality | \$ -                   | \$ 417,065                     | \$ -                 | \$ 95,641          | \$ 512,706   | \$ -         | \$ 512,706   |
| State of Arkansas – recycling program        | -                      | -                              | 359,520              | -                  | 359,520      | -            | 359,520      |
| Solid waste fees                             | 210,481                | -                              | -                    | -                  | 210,481      | -            | 210,481      |
| Program administration                       | 109,980                | -                              | -                    | -                  | 109,980      | (109,980)    | -            |
| Other source income                          | -                      | 14,463                         | -                    | -                  | 14,463       | -            | 14,463       |
| Total operating revenues                     | 320,461                | 431,528                        | 359,520              | 95,641             | 1,207,150    | (109,980)    | 1,097,170    |
| <b>Operating Expenses</b>                    |                        |                                |                      |                    |              |              |              |
| Program costs                                | 157,208                | 228,010                        | 441,999              | 98,361             | 925,578      | -            | 925,578      |
| Administrative costs                         | -                      | 41,706                         | 53,928               | 14,346             | 109,980      | (109,980)    | -            |
| Repairs and maintenance                      | 199,285                | 181,674                        | -                    | -                  | 380,959      | -            | 380,959      |
| General expenses                             | 38,881                 | -                              | -                    | -                  | 38,881       | -            | 38,881       |
| Total operating expenses                     | 395,374                | 451,390                        | 495,927              | 112,707            | 1,455,398    | (109,980)    | 1,345,418    |
| <b>Operating Loss</b>                        | (74,913)               | (19,862)                       | (136,407)            | (17,066)           | (248,248)    | -            | (248,248)    |
| <b>Nonoperating Revenues</b>                 |                        |                                |                      |                    |              |              |              |
| Interest income                              | 1,370                  | 107                            | -                    | 2,380              | 3,857        | -            | 3,857        |
| Total nonoperating revenues                  | 1,370                  | 107                            | -                    | 2,380              | 3,857        | -            | 3,857        |
| <b>Change in Net Position</b>                | (73,543)               | (19,755)                       | (136,407)            | (14,686)           | (244,391)    | -            | (244,391)    |
| <b>Net Position, Beginning of Year</b>       | 865,485                | 104,596                        | 584,879              | 1,002,671          | 2,557,631    | -            | 2,557,631    |
| <b>Net Position, End of Year</b>             | \$ 791,942             | \$ 84,841                      | \$ 448,472           | \$ 987,985         | \$ 2,313,240 | \$ -         | \$ 2,313,240 |