

**PULASKI COUNTY REGIONAL SOLID WASTE
MANAGEMENT DISTRICT**

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

For the Year Ended June 30, 2023

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COBB AND SUSKIE, LTD.

CERTIFIED PUBLIC ACCOUNTANTS

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Michael L. Cobb

Anne Suskie Pinyan

Independent Auditors' Report

Board of Directors
Pulaski County Regional Solid
Waste Management District
Little Rock, Arkansas

Opinion

We have audited the accompanying financial statements of the governmental activities and each major function of the Pulaski County Regional Solid Waste Management District and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Pulaski County Waste Management District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of Pulaski County Regional Solid Waste Management District as of June 30, 2023, and the respective changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Pulaski County Regional Solid Waste Management District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Pulaski County Regional Solid's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Pulaski County Regional Solid's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in aggregate, that raise substantial doubt about Pulaski County Regional Solid's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4-6 and 26-28 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Pulaski County Regional Solid Waste Management District's basic financial statements. The schedules of other supplementary information referred in the accompany table of contents 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 and was derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit a of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Cobb and Suskie, Ltd.

Certified Public Accountants
April 18, 2024

**PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

The discussion and analysis of Pulaski County Regional Solid Waste Management District's financial report provides a review of the District's financial activities for the year ended June 30, 2023. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the basic financial statements and notes to enhance understanding of the District's financial performance.

OVERVIEW OF THE FINANCIAL STATEMENTS

The annual report consists of a series of financial statements and notes to those statements. The notes will explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements.

The Statement of Net Assets and Statement of Activities are considered District-Wide statements. These provide information about the overall or District-Wide activities including short-term and long-term information and overall financial status. The Statement of Net Assets includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

Fund financial statements provide the next level of detail and focus on individual parts of the District telling how services were financed in the short-term as well as what remains for future spending.

Governmental fund statements tell how basic services, such as recycling, were financed and what remains for future spending. A comparison can be made as to the amount of funds spent in each area.

Pulaski County Regional Solid Waste Management District adopted Government Accounting Standard Board (GASB) 68, Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement 27 during its fiscal year ended June 30, 2016. GASB Statement 68 established accounting and financial reporting standards for employers, including reporting of the net pension asset or liability on the statement of net position, and deferred inflows and outflows associated with investment, economic and demographic gains and losses associated with pension plans. GASB Statement 68 also provides guidance related to the calculation of pension expense.

The District is a special - purpose government engaged in a single governmental program.

**PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023**

FINANCIAL ANALYSIS OF THE DISTRICT

Statement of Net Position and Governmental Funds Balance Sheet

The Statement of Net Position and Governmental Funds Balance Sheet presents a picture of the District as of June 30, 2023. This document reports the District's assets, liabilities, and net assets/fund balance. The net position and fund balance are calculated by subtracting the liabilities from the assets. This change identifies whether the financial position of the District has improved or diminished.

Assets - The District's total assets at June 30, 2023 were \$2,018,868 and consisted of cash of \$1,822,864, accounts receivable of \$173,285, and net capital assets of \$ 22,719. At June 30, 2022, total assets were \$2,056,828, cash was \$1,899,254, accounts receivable were \$136,380, and net capital assets were \$21,194.

Liabilities - The District's total liabilities at June 30, 2023 were \$354,280. The liabilities consisted of accounts payable of \$2,411, payroll liabilities of \$6,151 and net pension liability of \$345,718. Additionally, there were deferred revenues of \$550,194 from recycling grants. The proceeds from the grants were received by the District, but at June 30, 2023, those funds had not been spent. At June 30, 2022, total liabilities amounted to \$100,858 which comprised of \$3,742 in payroll liabilities and \$96,843 in net pension liability.

Net Assets - The net assets at June 30, 2023, amounted to \$1,219,804 and at June 30, 2022, net assets were \$1,143,907.

Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance

The revenues and expenses for the year ended June 30, 2023, are accounted for in the Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance. All of the District's activities are reported as governmental activities. Recycling and tire recycling grants constitute approximately 29% of the general fund revenue. This document also reports the changes in net assets/fund balance that result from the current period's activities.

Program Revenues - Program Revenues for the year ended June 30, 2023, were \$3,464,618. These revenues consisted of \$3,075,209 from the Waste Tire Management Program, with the balance from collection and recycling. For the year ended June 30, 2022, Program Revenues were \$2,558,736, including \$2,245,495 from the Waste Tire Program.

**PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023**

FINANCIAL ANALYSIS OF THE DISTRICT (CONTINUED)

Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance (Continued)

General Revenues - General revenues, which were composed primarily of the tipping fees and landfill hosting, were \$743,373 for the year ended June 30, 2023, up from \$1,777,155 the prior year.

Total Revenues - Total revenues, consisting of program and general revenues were \$4,207,991 for the year ended June 30, 2023, up from \$4,335,891 in 2022.

Program Expenses - Total expenses, primarily by function, were \$4,132,094 in 2023, and \$4,055,538 in 2022, reflecting the increase in Waste Tire Management.

The net revenue, which is a comparison of expenses to program revenues, reflected an excess of \$75,897 for the year ended June 30, 2023. Net revenue for the year ended June 30, 2022, reflected an excess of \$280,353.

There were no special items to note.

The change in net assets for the year ended June 30, 2023, was an increase of \$75,897; and, on a budgetary basis, the District concluded with a positive budget variance of \$392,531 for the period.

SUMMARY AND ECONOMIC OUTLOOK

The Pulaski County Regional Solid Waste Management District is fiscally sound and solvent largely due to the close watch over the resources by the District's board.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and granting agencies with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If there are questions about this report or need for additional financial information arises, contact Pulaski County Regional Solid Waste Management District, The 300 Spring Building, Suite 200, Little Rock, Arkansas, 72201 or telephone (501) 340-8787.

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

Current Assets:

Cash	\$ 1,822,864
Accounts Receivable	<u>173,285</u>
Total Current Assets	<u>1,996,149</u>

Capital Assets

Furniture and Equipment	1,819,143
Trucks and Vehicles	<u>113,141</u>
	1,932,284
Less Accumulated Depreciation	<u>1,909,565</u>
Net Capital Assets	<u>22,719</u>

Total Assets	<u>2,018,868</u>
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DEFERRED OUTFLOWS OF RESOURCES

Pensions	<u>121,818</u>
Total Deferred Outflows of Resources	<u>121,818</u>

TOTAL ASSETS, DEFERRED OUTFLOWS
OF RESOURCES, AND NET POSITION

\$ 2,140,686

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

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

Current Liabilities:

Accounts Payable	\$ 2,411
Payroll Liabilities	<u>6,151</u>
Total Current Liabilities	<u>8,562</u>

Long Term Liabilities

Net Pension Liabilities	<u>345,718</u>
Total Liabilities	<u>354,280</u>

DEFERRED INFLOWS OF RESOURCES

Deferred Grant Revenue	550,194
Pensions	<u>16,408</u>
Total Deferred Inflows of Resources	<u>566,602</u>

Net Position

Invested in Capital Assets, Net of Related Liabilities	22,719
Restricted	354,304
Unrestricted	<u>842,781</u>
Total Net Position	<u>1,219,804</u>

TOTAL LIABILITIES, DEFERRED INFLOWS
OF RESOURCES, AND NET POSITION

\$ 2,140,686

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

<u>FUNCTIONS AND PROGRAMS</u>	<u>Expenses</u>	<u>Program Revenues</u>	Net (Expenses) Revenue and Changes <u>In Net Assets</u>
Governmental Activities:			
Waste Tire Management	\$ 2,416,329	\$ 3,075,209	\$ 658,880
Recycling	389,409	389,409	-
Electronic Recycling Program	131,133	-	(131,133)
C & D Feasibility Study	<u>120</u>	<u>-</u>	<u>(120)</u>
Total Governmental Activities	<u>2,936,991</u>	<u>3,464,618</u>	<u>527,627</u>
Support Services:			
General Administrative	1,199,363	-	(1,199,363)
Pension	(18,952)	-	18,952
Depreciation - Unallocated	<u>14,692</u>	<u>-</u>	<u>(14,692)</u>
Total Support Services	<u>1,195,103</u>	<u>-</u>	<u>(1,195,103)</u>
Total Governmental Activities	<u>\$ 4,132,094</u>	<u>\$ 3,464,618</u>	<u>(667,476)</u>
General Revenues:			
District Tipping Fee			603,004
Hauler Licenses			31,692
Interest and Investment Earnings			5,016
Administrative Set Aside			7,100
Grants			-
Grant Administration			<u>96,561</u>
Subtotal General Revenues			<u>743,373</u>
Excess (Deficiency) of Revenues and Expenses			75,897
Net Position, Beginning			<u>1,143,907</u>
Net Position, Ending			<u>\$ 1,219,804</u>

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

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

OPERATIONS

Net Increase (Decrease) in Net Position	\$ 75,897
Adjustments Required to Net Cash Provided by Operations:	
Depreciation	14,692
Net (Increase) Decrease in Assets:	
Accounts Receivable	(36,905)
Net Increase (Decrease) in Liabilities:	
Accounts Payable	2,411
Payroll Liabilities	2,409
Net Increase (Decrease) in Deferred Resources:	
Deferred Grant Revenue	(99,725)
Pension Liability	<u>(18,952)</u>
Net Cash Inflows from Operations	<u>(60,173)</u>

INVESTING ACTIVITIES

Inflows (Outflows):	
Purchase of Property and Equipment	<u>(16,217)</u>
Net Cash (Outflows) from Investments	<u>(16,217)</u>
INCREASE (DECREASE) IN CASH EQUIVALENTS	(76,390)
BEGINNING CASH AND CASH EQUIVALENTS	<u>1,899,254</u>
ENDING CASH AND CASH EQUIVALENTS	<u><u>\$ 1,822,864</u></u>

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Cash Paid During the Period for Interest	<u><u>\$ 0</u></u>
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The accompanying notes are an integral part of these financial statements.

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2023

	<u>General Fund</u>	<u>Waste Tire Program</u>	<u>Total</u>
<u>ASSETS</u>			
Cash	\$ 1,468,560	\$ 354,304	\$ 1,822,864
Accounts Receivable	<u>173,285</u>	<u>-</u>	<u>173,285</u>
 Total Assets	 <u>\$ 1,641,845</u>	 <u>\$ 354,304</u>	 <u>\$ 1,996,149</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts Payable	\$ 2,411	\$ -	\$ 2,411
Payroll Liabilities	<u>6,151</u>	<u>-</u>	<u>6,151</u>
 Total Liabilities	 <u>8,562</u>	 <u>-</u>	 <u>8,562</u>
Fund Balances:			
Restricted	-	354,304	354,304
Unrestricted	<u>1,633,283</u>	<u>-</u>	<u>1,633,283</u>
Total Fund Balances	<u>1,633,283</u>	<u>354,304</u>	<u>1,987,587</u>
 Total Liabilities and Fund Balances	 <u>\$ 1,641,845</u>	 <u>\$ 354,304</u>	 <u>\$ 1,996,149</u>

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

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
STATEMENT OF REVENUES AND EXPENDITURES AND CHANGES IN
FUND BALANCE - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2023

<u>REVENUE</u>	General <u>Fund</u>	Waste Tire <u>Program</u>	Memo <u>Totals</u>
ADEQ Grant	\$ 289,684	\$ 3,075,209	\$ 3,364,893
District Tipping Fees	603,004	-	603,004
Hauler Licenses	31,692	-	31,692
Interest Income	4,276	740	5,016
Grants	-	-	-
Grant Administration	96,561	-	96,561
Administrative Set Aside	-	-	-
Other	7,100	-	7,100
Total Revenue	<u>1,032,317</u>	<u>3,075,949</u>	<u>4,108,266</u>
<u>OPERATING EXPENSES</u>	<u>1,720,025</u>	<u>2,416,329</u>	<u>4,136,354</u>
Revenue in Excess of (Under) Operating Expenses	<u>(687,708)</u>	<u>659,620</u>	<u>(28,088)</u>
<u>CAPITAL EXPENSES</u>	<u>16,217</u>	<u>-</u>	<u>16,217</u>
Revenue in Excess of (Under) Expenses	<u>(703,925)</u>	<u>659,620</u>	<u>(44,305)</u>
<u>OTHER INCREASES (DECREASES)</u>			
Transfer Out	-	(505,233)	(505,233)
Transfers In	<u>505,233</u>	<u>-</u>	<u>505,233</u>
Total Other Increase (Decrease)	<u>505,233</u>	<u>(505,233)</u>	<u>-</u>
NET INCREASE (DECREASE)	(198,692)	154,387	(44,305)
Fund Balance, Beginning of Year	<u>1,831,975</u>	<u>199,917</u>	<u>2,031,892</u>
Fund Balance, End of Year	<u>\$ 1,633,283</u>	<u>\$ 354,304</u>	<u>\$ 1,987,587</u>

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

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
WITH THE STATEMENT OF NET POSITION
JUNE 30, 2023

Amounts reported for governmental activities in the statement
of net assets are different because:

Total Governmental Fund Balance	\$	1,987,587
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Capital assets used in governmental activities are not
financial resources and therefore are not reported as
assets in governmental funds

The Cost of Capital Assets	1,932,284	
Accumulated Depreciation	<u>1,909,565</u>	
Total Capital Assets		22,719

Deferred Outflows of Resources will not be amortized
into the Statement of Activities in the current period and
therefore are not current financial resources.

Deferred Outflows of Resources		
Pensions	<u>121,818</u>	
		121,818

Some liabilities and deferred inflows of revenues are
not due and payable in the current and therefore are
not reportable in the funds.

Those items consist of:

Net Pension Liability	(345,718)	
Deferred Inflows of Resources related to Pensions	(16,408)	
Deferred Grant Revenues	<u>(550,194)</u>	
Total Liabilities and Deferred Inflows		<u>(912,320)</u>
Net Position of Governmental Activities	\$	<u><u>1,219,804</u></u>

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

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
WITH THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Net Change in Fund Balances - Total Governmental Funds \$ (44,305)

Amounts Reported for governmental activities in the statement of
activities are different because:

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets
is allocated over their estimated useful lives as depreciation expense.

In the current period, these amounts are:

Capital Outlay	\$ 16,217	
Depreciation Expense	<u>(14,692)</u>	
Capital Outlay Over (Less Than) Depreciation Expense		1,525
(Increase) Decrease in Deferred Outflows of Resources:		
(Increase) Decrease in Deferred Inflows of Revenues	<u>99,725</u>	
		99,725
(Increase) Decrease in Deferred Outflows of Pensions:	<u>18,952</u>	
		<u>18,952</u>
Change in Net Position of Governmental Activities		<u><u>\$ 75,897</u></u>

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

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Organization

On April 24, 1992, the Arkansas Pollution Control and Ecology Commission designated the formation of a single-county Regional Solid Waste Management District under the provisions of Act 752 of 1991. This district, designated as the Pulaski County Regional Solid Waste Management District, consisted of Pulaski County and six first class cities and municipalities within the county. The Pulaski County Regional Solid Waste Management District (the District) is administered by a seven person board, which is designated to conduct the solid waste planning and management responsibilities mandated by Act 752. The District also is authorized to adjudicate Certificates of Need, a necessary edict in the State's landfill permit procedure, and to assess landfill disposal fees. The District also administers the Inter-District Waste Tire Management Program.

(b) Basis of Presentation

The financial statements of the District have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the authoritative standard-setting body for the establishment of governmental accounting and financial reporting principles.

(1) Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the District as a whole. These statements include all the financial activities of the primary government.

The statement of net assets presents the financial condition of the governmental activities of the District at period-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function.

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of Presentation (Continued)

(1) Government-Wide Financial Statements (Continued)

Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program.

Revenues, which are not classified as program revenues, are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

(2) Fund Financial Statements

During the period, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. There are no non-major funds.

(c) Governmental Fund Types

The District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. These are two categories of funds:

1. General Fund - The General Fund is the operating fund of the District. It is used to account for all financial resources arising from activities authorized by Act 752 and authorized by the District's board.
2. Waste Tire Program - The Waste Tire Program, established in 1993, reports revenues and related operating expenses pertaining to grant funds and waste tire processing fees collected under the auspices of the Arkansas Waste Tire Management Program.

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Cash

Cash includes amounts on hand and deposited in banks. For the purposes of reporting cash flows, cash also includes all highly liquid investments with an initial maturity of three months or less.

(e) Accounts Receivable

Accounts receivable are reported as the amount management expects to collect on balances outstanding at period-end. Accounts receivable at June 30, 2023, consisted of balances due from current funding sources. Based on management's assessment of the credit history of the grantors, it has concluded that these balances outstanding at period-end will be fully collectible.

(f) Capital Assets

General capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost and updated for additions and retirements during the period. Donated fixed assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of five hundred dollars.

The District does not possess any infrastructures. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets, except for land and land improvements, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Furniture and Equipment	5 years
Trucks and Vehicles	5 years

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Deferred Inflows and Outflows of Resources

In accordance with Governmental Accounting Standards Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, outflows of resources that represent the consumption of a government's net assets that is applicable to a future period are reported as deferred inflows in the statement of net position. Inflows of resources that report the acquisition of net assets that are applicable to a future reporting period are reported as deferred outflows of resources. At June 30, 2023, deferred inflows of resources, which are reported separately from liabilities, consisted of deferred grant revenue and pensions. Deferred outflows consisted of pensions.

(h) Leases

In June of 2017, the Governmental Accounting Standards Board Issued GASB Statement No. 87, *Leases*. This Statement affects accounting and financial reporting by state and local governments for leases and is effective for fiscal years beginning after June 15, 2021. This Statement impacts governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset; and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The District's implementation of this pronouncement resulted in no impact on the current year or prior year financial statements.

(i) 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.

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- (j) Government Accounting Standards Board (GASB) Statement No. 68
The GASB issued the following three statements which became effective for the fiscal year ended June 30, 2016: Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, Statement No. 69, *Government Combinations and Disposals of Government Operations*, and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*. Management has determined that Statement No. 69 does not affect the Pulaski County Regional Solid Waste Management District. Statements No. 68 and No. 71 established standards of accounting and financial reporting for defined benefit pensions and defined contribution pensions. Details of the effect of these statements are discussed in detail in footnote 5.

NOTE 2: CASH

As of the year ended June 30, 2023, the District had total cash of \$1,822,864, which consisted of checking account deposits with a balance of \$1,845,033 in one local depository bank. The carrying amount of total deposits, amount of the total bank balances and the credit risk as to insured and/or collateralized position for cash and investments in certificates of deposit are summarized as follows:

	<u>Carrying Value</u>	<u>Bank Balance</u>
Insured (FDIC) and Collateralized:		
Centennial Bank	\$ 1,822,864	\$ 1,845,033
Total Insured (FDIC)		
and Collateralized	\$ 1,822,864	\$ 1,845,033
Uninsured, Uncollateralized	-	-
TOTAL	\$ 1,822,864	\$ 1,845,033

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 3: CAPITAL ASSETS

Capital assets balance and activity for the year ended June 30, 2023, was as follows:

	Balance <u>6/30/2022</u>	<u>Additions</u>	Balance <u>6/30/2023</u>
Furniture and Equipment	\$ 1,802,926	\$ 16,217	\$ 1,819,143
Trucks and Vehicles	<u>113,141</u>	<u>-</u>	<u>113,141</u>
	1,916,067	16,217	1,932,284
Accumulated Depreciation	<u>1,894,873</u>	<u>14,692</u>	<u>1,909,565</u>
Net Furniture and Equipment	<u>\$ 21,194</u>	<u>\$ 1,525</u>	<u>\$ 22,719</u>

All capital accounts are subject to depreciation.

NOTE 4: FUND BALANCES

Fund Balances per the Fund Financial Statements at June 30, 2023, consisted of the following:

	General <u>Fund</u>	<u>Waste Tire</u>	<u>Total</u>
Net Assets:			
(a) <u>Restricted</u>			
Waste Tire Management Program:			
Pulaski County Regional			
Solid Waste Management District	\$ -	\$ 354,304	\$ 354,304
Total Restricted	<u>\$ -</u>	<u>\$ 354,304</u>	<u>\$ 354,304</u>
(b) <u>Unrestricted</u>			
Unrestricted	\$ (1,455,383)	\$ -	\$ (1,455,383)
Recycling Grant	267,664	-	267,664
C & D Feasibility Study	1,888,317	-	1,888,317
Electronic Recycling	396,849	-	396,849
Waste Tire Admin Fund	582,765	-	582,765
Riverfest Recycling Fund	<u>(46,929)</u>	<u>-</u>	<u>(46,929)</u>
Total Unrestricted	<u>\$ 1,633,283</u>	<u>\$ -</u>	<u>\$ 1,633,283</u>

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 5: DEFINED BENEFIT PENSION PLAN

As described in Note 1 (i), GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* established standards of accounting and financial reporting for defined benefit pensions and defined contribution pensions. Details of the effect of these statements are discussed on the following page.

Arkansas Public Employees Retirement System (APERS) Plan Description

The District participates in a cost-sharing multiple-employer pension plan, administered by the Arkansas Public Employees Retirement System (APERS). APERS is a cost-sharing, multiple-employer, defined benefit plan which covers all State employees who are not covered by another authorized plan. The plan was established by the authority of the Arkansas General Assembly with the passage of Act 177 of 1957. The costs of administering the plan are paid out of investment earnings. The general administration and responsibility for the proper operation of the System is vested in the nine members of the Board of Trustees of the Arkansas Public Employees Retirement System (the Board). Membership includes three state and three non-state employees, all appointed by the Governor, and three ex-officio trustees, including the Auditor of the State, the Treasurer of the State and the Director of the Department of Finance and Administration.

Benefits Provided

Benefit provisions are set forth in Arkansas Code Annotated, Title 24, Chapters 5 and 6 and may only be amended by the Arkansas General Assembly. APERS provides retirement, disability, and death benefits. Retirement benefits are determined as a percentage of the member's highest 3 year average compensation times the member's years of service. The percentage used is based upon whether a member is contributory or non-contributory as follows:

Contributory, prior to 7/1/2005	2.07%
Contributory, on or after 7/1/2005	2.03%
Non – Contributory	1.72%

Members are eligible to retire with a full benefit under the following conditions:

- (a) At age 65 with 5 years of service,
- (b) At any age with 28 years actual service,
- (c) At age 60 with 20 years of actual service if under the old contributory plan (prior to July 1, 2005), or
- (d) At age 55 with 35 years of credited service for elected or public safety officials

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 5: DEFINED BENEFIT PENSION PLAN (CONTINUED)

Benefits Provided (Continued)

Members may retire with a reduced benefit at age 55 with at least 5 years of actual service at age 55 or at any age with 25 years of service. Members are eligible for disability benefits with 5 years of service. Disability benefits are computed as an age and service benefit, based on service and pay at disability. Death benefits are paid to a surviving spouse as if the member had 5 years of service and the monthly benefit is computed as if the member had retired and elected the Joint & 75% Survivor option. A cost - of - living adjustment of 3% of the current benefit is added each year.

Contributions

Contribution requirements are set forth in Arkansas Code Annotated, Title 24, Chapter 4. The contributions are expected to be sufficient to finance the costs of benefits earned by members during the year and make a level payment that, if paid annually over a reasonable period of future years, will fully cover the unfunded costs of benefit commitments for services previously rendered (A.C.A. 24-2-701(a)). Members who began service prior to July 1, 2005 are not required to make contributions to APERS. Members who began service on or after July 1, 2005 are required to contribute 5% of their salary. Employers are required to contribute at a rate established by the Board of Trustees of APERS based on an actuary's determination of a rate required to fund the plan (A.C.A. 24-2-701(c)(3)). The District contributed 14.76% of compensation for the fiscal year ended June 30, 2023. The District's contributions for the year ended June 30, 2023 were \$33,653, equal to the required contribution for the year.

APERS Fiduciary Net Position

Detailed information about APERS' fiduciary net position is available in the separately issued APERS Financial Report available at <http://www.apers.org/annualreports>.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions

At June 30, 2023, the District reported a liability of \$345,718 for its proportionate share of the net pension liability. The collective Net Pension Liability was measured as of June 30, 2022, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The District's proportion of the Net Pension Liability was based on the employer's share of contributions to the pension plan relative to the total contributions of all participating employers. The District's proportion was .01282154%.

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 5: DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources to Pensions (Continued)

For the year ended June 30, 2023, the District recognized a pension expense of \$(18,952). At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 8,298	\$ (4,174)
Changes of Assumptions	-	-
Net difference between projected and Actual Investment Earnings on Pension Plan Investments	72,930	-
Change in Proportion and Differences between Employer Contributions and Share of Contributions	6,937	(12,234)
Contributions Made subsequent to the measurement date	33,653	-
Total	<u>\$ 121,818</u>	<u>\$ (16,408)</u>

\$33,653 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in the financial statements as follows:

2024	\$ 6,188
2025	\$ 13,063
2026	\$ 1,646
2027	\$ 50,860
2028	\$ -
Thereafter	\$ -

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 5: DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Assumptions

The total pension liability in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level of Percent of Payroll, Closed
Remaining Amortization Period	25 years
Asset Valuation Method	4-year smoothed market; 25% corridor
Actuarial Assumptions:	
Investment Rate of Return	7.15%
Inflation	3.25% wage inflation, 2.5% price inflation
Salary Increases	3.25 - 9.85% including inflation
Retirement Age	Experienced-based table of rates that are specific to the type of eligibility condition
Mortality Table	Based on RP-2006 Healthy Annuitant benefit weighted generational mortality tables for males and females. Mortality rates are multiplied by 135% for males and 125% for females and are adjusted for fully generational mortality improvements using Scale MP-2017.
Average Service Life of All Members	3.7989

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 5: DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates are rates of return for each major asset class included in the System's target asset allocation as of June 30, 2022, are summarized in the table below:

<u>ASSET CLASS</u>	<u>TARGET ALLOCATION</u>	<u>LONG-TERM EXPECTED REAL RATE OF RETURN</u>
Broad Domestic Equity	37%	6.22%
International Equity	24%	6.69%
Real Assets	16%	4.81%
Absolute Return	5%	3.05%
Domestic Fixed	18%	0.57%
Total	100%	

Total Real Rate of Return	4.93%
Plus: Price Inflation - Acuary Assumption	2.50%
Net Expected Return	7.43%

Discount Rate

A single discount rate of 7.15% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.15%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investment was applied to all periods of projected benefit payments to determine the total pension liability.

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 5: DEFINED BENEFIT PENSION PLAN (CONTINUED)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability using the discount rate of 7.15%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.15%) or 1-percentage-point higher (8.15%) than the current rate:

Sensitivity of Discount Rate		
1% Lower	Discount Rate	1% Increase
<u>(6.15%)</u>	<u>(7.15%)</u>	<u>(8.15%)</u>
<u>\$ 549,268</u>	<u>\$ 345,718</u>	<u>\$ 177,372</u>

NOTE 6: SUBSEQUENT EVENTS

Pulaski County Regional Solid Waste Management District did not have any recognized or nonrecognized subsequent events occur after June 30, 2023, the date of the statement of financial position. Subsequent events have been evaluated through April 18, 2024, the date the financial statements were available to be issued.

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Budget</u>	<u>Actual</u>	Variance Over <u>(Under) Budget</u>
<u>REVENUE</u>			
Recycling Grant Income	\$ 260,000	\$ 289,684	\$ 29,684
Electronic Recycling Grant	-	-	-
ADEQ Grant	2,787,817	3,075,209	287,392
XL Waste Tire Processing Fee	-	-	-
District Tipping Fee	540,000	603,004	63,004
Hauler Licenses	27,500	31,692	4,192
Interest Income	2,495	5,016	2,521
Grant Administration	87,000	96,561	9,561
Administrative Set Aside	235,000	-	(235,000)
Other	-	7,100	7,100
Total Revenue	<u>3,939,812</u>	<u>4,108,266</u>	<u>168,454</u>
<u>OPERATING EXPENSES</u>			
Audit	4,000	3,950	(50)
Accounting	11,000	53,152	42,152
Attorney Fees	10,000	19,855	9,855
Auto	30,000	36,866	6,866
Bank Service Charge	1,920	1,951	31
Collection Site	9,525	-	(9,525)
Computer Network	30,000	20,146	(9,854)
Contract Services	70,120	19,170	(50,950)
East Ark	-	550	550
Education	100,000	1,911	(98,089)
Electronics Special Projects	85,000	109,507	24,507
Equipment Lease & Maintenance	4,000	2,836	(1,164)
Green Stations	85,000	50,671	(34,329)
Illegal Dump Program	30,000	37,669	7,669
Insurance - Liability	8,000	7,215	(785)
Legal Notices	2,800	20	(2,780)
Miscellaneous	2,000	8,476	6,476
Subtotal	<u>483,365</u>	<u>373,945</u>	<u>(109,420)</u>

See independent auditors' report on required supplementary information.

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
BUDGETARY COMPARISON SCHEDULE (Continued)
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under) Budget</u>
Balance Forward	\$ 483,365	\$ 373,945	\$ (109,420)
Office Supplies	6,000	11,619	5,619
Postage	2,000	3,677	1,677
Printing and Copying	3,000	1,407	(1,593)
Professional Services	78,820	61,749	(17,071)
Promotion and Advertising	55,000	31,409	(23,591)
Recycling Education	130,000	15,369	(114,631)
Recycling Programs	75,000	260,551	185,551
Rent	39,000	36,103	(2,897)
Roll Off Container Service	23,000	18,304	(4,696)
Salaries and Benefits	512,652	462,578	(50,074)
Seminars and Dues	10,000	15,425	5,425
Special Projects	130,000	60,432	(69,568)
Telephone	11,000	16,239	5,239
Transportation	1,000	96	(904)
Travel	6,500	2,501	(3,999)
Waste Tire Contractor	2,717,772	2,411,910	(305,862)
XL Waste Tire Program	-	353,040	353,040
Total Operating Expenses	<u>4,284,109</u>	<u>4,136,354</u>	<u>(147,755)</u>
Revenue in Excess of (Under)			
Operating Expenses	(344,297)	(28,088)	316,209
<u>CAPITAL EXPENSES</u>	<u>10,000</u>	<u>16,217</u>	<u>(6,217)</u>
NET INCREASE (DECREASE)	(354,297)	(44,305)	309,992
Fund Balance, Beginning of Year	<u>(4,073,339)</u>	<u>2,031,892</u>	<u>6,105,231</u>
Fund Balance, End of Year	<u><u>\$ (4,427,636)</u></u>	<u><u>\$ 1,987,587</u></u>	<u><u>\$ 6,415,223</u></u>

See independent auditors' report on supplementary schedules.

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
NOTE TO BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2023

NOTE A - BUDGET-TO-ACTUAL RECONCILIATION

An explanation of the differences between budgetary inflows and outflows and revenues and expenditures determined in accordance with generally accepted accounting principles follows:

Uses / Outflows of Capital Resources:

Actual Revenue (budgetary basis) from the budgetary comparison schedule	\$ 4,108,266
Differences - Budget to GAAP:	
Deferred Revenue at June 30, 2022	649,919
Deferred Revenue at June 30, 2023	<u>(550,194)</u>
Total Revenue as reported on the Statement of Activities	<u>4,207,991</u>
Differences - Budget to GAAP:	
Actual Expenses (budgetary basis) from the budgetary comparison schedule	4,136,354
Budgets for capital expenditures as an outflow of budgetary resources	-
Deferred Inflows from Pensions	(18,952)
Depreciation of capital items for GAAP purposes.	<u>14,692</u>
Total Expenditures as reported on the Statement of Activities	<u>4,132,094</u>
Change in Net Assets as reported on the Statement of Activities	<u><u>\$ 75,897</u></u>

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
SCHEDULE OF REVENUE AND EXPENSES - COMBINED
GOVERNMENTAL FUND BY PROGRAM
FOR THE YEAR ENDED JUNE 30, 2023

REVENUE

General and Administrative	\$ 740,815
Waste Tire Management	3,075,949
Recycling Grant	290,580
C & D Feasibility Study	329
Electronic Recycling	593
Total Revenue	<u>4,108,266</u>

OPERATING EXPENSES

General and Administrative	1,199,363
Waste Tire Management	2,416,329
Recycling Grant	389,409
C & D Feasibility Study	120
Electronic Recycling	131,133
Total Operating Expenses	<u>4,136,354</u>

Revenue in Excess of (Under) Operating Expenses	(28,088)
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CAPITAL EXPENSES

16,217

Revenues in Excess of (Under) Expenses	<u>\$ (44,305)</u>
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See independent auditors' report on supplementary schedules.

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
SCHEDULE OF GENERAL AND ADMINISTRATIVE REVENUE AND EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023

REVENUE

District Tipping Fee	\$ 603,004
Hauler Licenses	31,692
Grant	-
Grant Administration	96,561
Interest Income	7,100
Other	2,458
Total Revenue	<u>740,815</u>

OPERATING EXPENSES

Annual Audit	3,950
Accounting	53,152
Attorney Fees	19,855
Auto	36,866
Bank Service Charge	756
Charitable Contributions	20,146
Computer Network	550
East Ark	2,836
Equipment Lease	37,669
Illegal Dump	7,215
Insurance	20
Miscellaneous	4,497
Office Supplies	11,619
Postage	3,677
Printing and Copying	1,407
Professional Services	59,249
Promotion and Advertising	31,409
Recycling Programs	204
Rent	36,103
Roll Off Container Service	18,304
Salaries and Benefits	462,578
Seminars and Dues	15,425
Telephone	16,239
Transportation	96
Travel	2,501
XL Waste Tire Program	353,040
Total Operating Expenses	<u>1,199,363</u>

Revenue in Excess of (Under) Operating Expenses	(458,548)
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CAPITAL EXPENSES

Revenue in Excess of (Under) Expenses	<u><u>\$ (474,765)</u></u>
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See independent auditors' report on supplementary schedules.

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
SCHEDULE OF WASTE TIRE MANAGEMENT PROGRAM REVENUE AND EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023

REVENUE

ADEQ - Grant	\$ 3,075,209
Waste Tire Processing Fee	-
Lease Income	-
Other	-
Interest Income	740
Total Revenue	<u>3,075,949</u>

OPERATING EXPENSES

Bank Service Charge	440
Miscellaneous	3,979
Waste Tire Contractor	2,411,910
Total Operating Expenses	<u>2,416,329</u>

Revenue in Excess of (Under) Operating Expenses	659,620
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CAPITAL EXPENSES

Revenue in Excess of (Under) Expenses	<u>\$ 659,620</u>
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See independent auditors' report on supplementary schedules.

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
SCHEDULE OF RECYCLING GRANT REVENUE AND EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023

REVENUE

ADEQ	\$ 289,684
Interest Income	896
Administrative Set Aside	-
Total Revenue	<u>290,580</u>

OPERATING EXPENSES

Bank Charge	215
Professional Services	2,375
Recycling Education	15,369
Recycling Programs	260,347
Green Stations	50,671
Special Projects	<u>60,432</u>
Total Operating Expenses	<u>389,409</u>

Revenue in Excess of (Under) Operating Expenses (98,829)

CAPITAL EXPENSES

Revenue in Excess of (Under) Expenses \$ (98,829)

See independent auditors' report on supplementary schedules.

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
SCHEDULE OF C & D FEASIBILITY STUDY REVENUE AND EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023

REVENUE

Interest Income	\$ 329
Total Revenue	<u>329</u>

OPERATING EXPENSES

Bank Charge	<u>120</u>
Total Operating Expenses	<u>120</u>

Revenue in Excess of (Under) Operating Expenses	209
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CAPITAL EXPENSES

	<u>-</u>
Revenue in Excess of (Under) Expenses	<u>\$ 209</u>

See independent auditors' report on supplementary schedules.

PULASKI COUNTY REGIONAL SOLID WASTE MANAGEMENT DISTRICT
SCHEDULE OF ELECTRONIC RECYCLING GRANT REVENUE AND EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023

REVENUE

Interest Income	\$ 593
Total Revenue	<u>593</u>

OPERATING EXPENSES

Bank Charge	420
Contract Services	19,170
Education	1,911
Professional Services	125
Special Project	<u>109,507</u>
Total Operating Expenses	<u>131,133</u>

Revenue in Excess of (Under) Operating Expenses	(130,540)
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CAPITAL EXPENSES

Revenue in Excess of (Under) Expenses	<u>\$ (130,540)</u>
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See independent auditors' report on supplementary schedules.

COBB AND SUSKIE, LTD.

CERTIFIED PUBLIC ACCOUNTANTS

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Michael L. Cobb

Anne Suskie Pinyan

Independent Auditors' Report on Internal Control

Board of Directors
Pulaski County Regional Solid
Waste Management District
Little Rock, Arkansas

In planning and performing our audit of the financial statements of Pulaski County Regional Solid Waste Management District (the District) as of and for the year ended June 30, 2023, we considered its internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the District's internal control.

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 deficiency, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. 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 or significant deficiencies may exist that have not been identified.

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



Certified Public Accountants
April 18, 2024