

WEST RIVER VALLEY REGIONAL  
SOLID WASTE MANAGEMENT DISTRICT  
DECEMBER 31, 2022 AND 2021

**WEST RIVER VALLEY REGIONAL**  
**SOLID WASTE MANAGEMENT DISTRICT**  
**DECEMBER 31, 2022 AND 2021**

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors and Management  
West River Valley Regional Solid Waste Management District  
Clarksville, Arkansas

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the West River Valley Regional Solid Waste Management District, as of and for the year ended December 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the West River Valley Regional Solid 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, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the West River Valley Regional Solid Waste Management District, as of December 31, 2022 and 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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. 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 the West River Valley 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 opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the 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 the West River Valley Regional Solid Waste Management District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's 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 material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 and *Government 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 are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government 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 the West River Valley Regional Solid Waste Management District'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 the aggregate, that raise substantial doubt about the West River Valley Regional Solid Waste Management District'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 on pages 12-13 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 inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the West River Valley Regional Solid Waste Management District's basic financial statements. The accompanying combining and individual nonmajor fund financial statements as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 relates 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 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 combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 11, 2023, on our consideration of the West River Valley Regional 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 solely 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 effectiveness of the West River Valley Regional Solid Waste Management District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering West River Valley Regional Solid Waste Management District's internal control over financial reporting and compliance.

Jones and Lawton, CPAs, P.A.

Russellville, Arkansas  
October 11, 2023



**WEST RIVER VALLEY REGIONAL SOLID WASTE MANAGEMENT DISTRICT**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2022 AND 2021**

**ASSETS**

	<u>2022</u>	<u>2021</u>
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 661,994	\$ 937,968
Investments	35,067	34,971
Accounts Receivable	48,960	57,806
Deposits and Prepaid Expenses	1,500	90,709
<b>Total Current Assets</b>	<u>747,521</u>	<u>1,121,454</u>
 <b>PROPERTY AND EQUIPMENT</b>		
Purchased with Local Funds	3,701,726	3,411,611
Purchased with State Funds	1,098,450	1,098,450
Purchased by Recycle Works	680,565	680,565
	<u>5,480,741</u>	<u>5,190,626</u>
Less: Accumulated Depreciation	3,243,132	3,028,924
	<u>2,237,609</u>	<u>2,161,702</u>
	<u>2,985,130</u>	<u>3,283,156</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Current Maturities of Long-term Debt (Note 2)	261,829	278,487
Accounts Payable	57,183	86,757
Accrued Payroll Taxes Payable	2,156	2,156
	<u>321,168</u>	<u>367,400</u>
Deferred Revenues - State		
State Recycling Funds	901,790	945,916
Deferred Revenues - Local		
Local Assessments	1,410,170	1,352,344
<b>Total Current Liabilities</b>	<u>2,633,128</u>	<u>2,665,660</u>
 <b>LONG-TERM DEBT (NOTE 2)</b>	<u>349,497</u>	<u>614,991</u>
 <b>NET ASSETS</b>		
Temporarily Restricted Net Assets	(30,097)	(106,004)
Unrestricted Net Assets	32,602	108,509
	<u>2,505</u>	<u>2,505</u>
	<u>\$ 2,985,130</u>	<u>\$ 3,283,156</u>

See Independent Auditors' Report and Notes to Financial Statements

**WEST RIVER VALLEY REGIONAL SOLID WASTE MANAGEMENT DISTRICT**

**STATEMENTS OF ACTIVITIES**

**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>REVENUE</b>		
<b>Local Revenue:</b>		
Solid Waste Assessments	\$ 326,785	\$ 280,694
Hauling Fees, Rents & Permits	239,579	212,692
Sale of Recyclables	215,344	214,729
Mulch Sales	357,115	368,295
Tipping Fees	9,884	5,074
Local Tire	118,457	200,581
Interest and Other	196,926	(29,186)
Local Revenues Carried Forward - 2021 and 2020	1,352,344	1,353,753
<b>Total Local Revenue Available</b>	<u>2,816,434</u>	<u>2,606,632</u>
<b>State Revenue</b>		
State Tire Grants		
State Tire Grant - Received	819,323	821,808
<b>Total State Tire Grant Funds Available</b>	<u>819,323</u>	<u>821,808</u>
State Recycling Grants		
State Recycling Grant - Carried Forward - 2021 and 2020	945,916	1,005,836
State Recycling Grant - Received	381,410	367,265
<b>Total State Recycling Funds Available</b>	<u>1,327,326</u>	<u>1,373,101</u>
<b>Total State Revenue Available</b>	4,963,083	4,801,541
Less: Revenue Deferred to Year 2021 and 2020		
State Recycling Grant Administration	(901,790)	(945,916)
Local Assessment	(1,410,120)	(1,352,344)
	<u>(2,311,910)</u>	<u>(2,298,260)</u>
<b>TOTAL REVENUES</b>	<u>2,651,173</u>	<u>2,503,281</u>
<b>EXPENDITURES</b>		
Waste Tire Grant Expenditures	1,217,882	1,049,675
Recycling Grant Expenditures	425,536	427,185
E-Waste Grant Expenditures	80,049	86,911
Local Fund Expenses		
Tire Facility	521,949	488,518
Recycling	161,410	214,729
Administrative Expenses	223,332	217,819
Travel and Meetings	1,534	3,550
Auditing	6,500	6,500
Depreciation Expense	12,981	8,394
<b>TOTAL EXPENDITURES</b>	<u>2,651,173</u>	<u>2,503,281</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ 0</u>	<u>\$ 0</u>

See Independent Auditors' Report and Notes to Financial Statements

**WEST RIVER VALLEY REGIONAL SOLID WASTE MANAGEMENT DISTRICT**  
**STATEMENTS OF NET ASSETS**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	<b>Temporarily Restricted</b>	<b>Unrestricted</b>
<b>Beginning balance, December 31, 2020</b>	\$ 42,664	\$ (40,159)
Investment in Net Assets	60,511	(60,511)
Transfer of Current Year Depreciation	(209,179)	209,179
<b>Balance December 31, 2021</b>	(106,004)	108,509
Investment in Fixed Assets	290,115	(290,115)
Transfer of Current Year Depreciation	(214,208)	214,208
<b>Ending Balance December 31, 2022</b>	\$ (30,097)	\$ 32,602



**WEST RIVER VALLEY REGIONAL SOLID WASTE MANAGEMENT DISTRICT**

**STATEMENTS OF CASH FLOWS**

**DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Excess Revenues Over Expenditures	\$ 0	\$ 0
Depreciation	214,208	209,179
(Gain) Loss on Sale of Equipment	(3,500)	30,543
Adjustments to Reconcile Excess Revenues to Net Cash Provided by Operating Activities:		
(Increase) Decrease in:		
Accounts Receivable	8,846	(10,916)
Deposits	89,209	(89,209)
Increase (Decrease) in:		
Accounts Payable	(29,574)	32,916
Payroll Liabilities & Other	0	643
Deferred Revenues	13,700	(22,672)
Total Adjustments	<u>292,889</u>	<u>150,484</u>
<b>Net Cash Provided by Operations</b>	<u>292,889</u>	<u>150,484</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of Equipment	3,500	141,321
Increase in Property and Equipment	(290,115)	(232,375)
Decrease (Increase) in Investments	(96)	(183)
<b>Net Cash Used by Investing Activities</b>	<u>(286,711)</u>	<u>(91,237)</u>
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Note Payable	0	223,022
Repayment of Notes Payable	(282,152)	(457,614)
<b>Net Cash Used by Financing Activities</b>	<u>(282,152)</u>	<u>(234,592)</u>
 <b>NET INCREASE (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	(275,974)	(175,345)
 <b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>937,968</u>	<u>1,113,313</u>
 <b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 661,994</u>	<u>\$ 937,968</u>
 <b>Supplemental Disclosures of Cash Flow Information:</b>		
Cash Paid During the Year for Interest	<u>\$ 32,253</u>	<u>\$ 62,340</u>

See Independent Auditors' Report and Notes to Financial Statements

**WEST RIVER VALLEY REGIONAL SOLID WASTE MANAGEMENT DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2022 AND 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Organization***

West River Valley Regional Solid Waste Management District is chartered as a regional solid waste planning district by Arkansas State Statute 8-6-703 for the purpose of the disposal, treatment, or other handling of solid wastes for the counties of Crawford, Franklin, Johnson, Logan, Scott, Conway, Pope, Perry and Yell. A major source of funding is provided by grants from the State of Arkansas District of Pollution Control and Ecology.

***Financial Reporting***

The financial reporting policies of the District conform to generally accepted accounting principles. The District is a public corporation, legally separate and fiscally independent. As required by generally accepted accounting principles, these financial statements present the financial position and results of operations of West River Valley Regional Solid Waste Management District. There are no component units to be included herewith, but this report does include all funds, account groups, and programs which are controlled the District's governing body. The accounts of the District are organized on the basis of funds or account groups, each of which is considered to be a separate accounting unit. The operations of each fund are reported as a separate set of self-balancing accounts which are comprised of each fund's assets, liabilities, net assets, revenues, and expenditures or expenses, as appropriate. Resources are allocated to and for individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

***Basis of Accounting***

The accompanying financial statements were prepared on the accrual basis of accounting with revenues being recognized when earned and expenses being recognized when incurred.

***Income Taxes***

The District is not subject to federal or state income taxes.

***Cash and cash equivalents***

The District defines cash to include certificates of deposit, money market funds, savings accounts, and demand deposits and other short term securities with maturities or three months or less.

***Investments***

The District defines investments to include certificates of deposit with maturities greater than three months.

***Accounts Receivable***

The District uses the allowance method for bad debts by an evaluation of the net realizable value of all current receivables.

***Property and Equipment***

Property and Equipment is recorded at cost and depreciated over their estimated useful lives.

**WEST RIVER VALLEY REGIONAL SOLID WASTE MANAGEMENT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

***Property and Equipment (continued)***

Property and Equipment at December 31, 2022 consists of the following:

	<u>Balance</u> <u>12-31-2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12-31-2022</u>
Purchased with Local Funds	\$ 3,411,611	\$ 290,115		\$ 3,701,726
Purchased with State Funds	1,098,450			1,098,450
Purchased by Recycle Works	<u>680,565</u>			<u>680,565</u>
	<u>\$ 5,190,626</u>	<u>\$ 290,115</u>		<u>\$ 5,480,741</u>

\$1 Addition is a rounding adjustment reversal.

Property and Equipment at December 31, 2021 consists of the following:

	<u>Balance</u> <u>12-31-2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12-31-2021</u>
Purchased with Local Funds	\$ 3,383,059	\$ 28,552		\$ 3,411,611
Purchased with State Funds	1,066,491	31,959		1,098,450
Purchased by Recycle Works	<u>680,565</u>			<u>680,565</u>
	<u>\$ 5,130,115</u>	<u>\$ 60,511</u>		<u>\$ 5,190,626</u>

\$1 Deletion is a rounding adjustment.

**NOTE 2: LONG-TERM DEBT**

Long-term debt at December 31, 2022 consists of the following:

	<u>Balance</u> <u>12-31-2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12-31-2022</u>
4.75% note payable to Centennial Bank, due in monthly installments of \$2,346, including interest, secured by equipment.	\$ 216,799		<u>\$ 15,175</u>	\$ 201,624
4.75% note payable to Centennial Bank due in monthly installments of \$21,422, including interest, secured by building and equipment.	643,568		233,866	409,702
4.95% note payable Arvest Equipment Finance, due in monthly installments of \$2,479, including interest, secured by equipment.	<u>33,111</u>		<u>33,111</u>	<u>0</u>
	893,478		<u>\$ 282,152</u>	611,326
Less: Current maturities	<u>278,487</u>			<u>261,829</u>
	<u>\$ 614,991</u>			<u>\$ 349,497</u>

**WEST RIVER VALLEY REGIONAL SOLID WASTE MANAGEMENT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

**NOTE 2: LONG-TERM DEBT (continued)**

The aggregate maturities of long-term debt at December 31, 2022 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 261,829	\$ 23,387	\$ 285,216
2024	186,764	11,210	197,974
2025	20,873	7,279	28,152
2026	21,886	6,266	28,152
2027	22,949	5,203	28,152
Thereafter	<u>97,025</u>	<u>9,142</u>	<u>106,167</u>
	<u>\$ 611,326</u>	<u>\$ 62,487</u>	<u>\$ 673,813</u>

Long-term debt at December 31, 2021 consists of the following:

	Balance 12-31-2020	Additions	Reductions	Balance 12-31-2021
4.75% note payable to Centennial Bank, due in monthly installments of \$2,346, including interest, secured by equipment.	\$ 0	\$ 223,022	\$ 6,223	\$ 216,799
4.75% note payable to Centennial Bank due in monthly installments of \$21,422, including interest, secured by building and equipment.	850,387		206,819	643,568
4.95% note payable Arvest Equipment Finance, due in monthly installments of \$2,479, including interest, secured by equipment.	60,656		27,545	33,111
4.25% note payable to Centennial Bank, due in monthly installments of \$2,009, including interest, secured by equipment.	<u>178,360</u>	.	<u>178,360</u>	<u>0</u>
	1,089,403	<u>\$ 223,022</u>	<u>\$ 418,947</u>	893,478
Less: Current maturities	<u>274,301</u>			<u>278,487</u>
	<u>\$ 815,102</u>			<u>\$ 614,991</u>

The aggregate maturities of long-term debt at December 31, 2021 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 278,487	\$ 35,659	\$ 314,146
2023	266,210	23,379	289,589
2024	189,418	11,139	200,557
2025	21,034	7,116	28,150
2026	22,055	6,095	28,150
Thereafter	<u>116,274</u>	<u>16,226</u>	<u>132,500</u>
	<u>\$ 893,478</u>	<u>\$ 99,614</u>	<u>\$ 993,092</u>

**WEST RIVER VALLEY REGIONAL SOLID WASTE MANAGEMENT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

**NOTE 3: RETIREMENT PLAN**

The District maintains a qualified deferred compensation plan under Section 401(k) of the Internal Revenue Code. Under the plan, employees may elect to defer up to 15% of their salary subject to Internal Revenue limits. The District contributes a matching 5% of an employee's salary. The District's contributions to the plan amounted to \$39,249 and \$44,342 for the years ended December 31, 2022 and 2021 respectively.

**NOTE 4: CONCENTRATION OF CREDIT RISK**

The District has concentrated its credit risk for cash by maintaining balances in excess of amounts covered by federal insurance. The amounts at risk on December 31, 2022 and 2021 were \$294,193 and \$642,014 respectively. The Bank has pledged marketable securities to mitigate this risk.

**NOTE 5: USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE 6: SUBSEQUENT EVENTS**

Management has evaluated subsequent events through October 11, 2023, which is the date the financial statements were available to be issued.

**WEST RIVER VALLEY REGIONAL SOLID WASTE MANAGEMENT DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**YEAR ENDED DECEMBER 31, 2022**

West River Valley Regional Solid Waste Management District's discussion and analysis is designed to:

- Assist the reader in focusing on significant financial issues
- Provide an overview of the District's financial activity
- Identify changes in the District's financial position
- Identify individual fund issues or concerns

**Overview of the Financial Statements**

The Financial Statements of the District, reports information about the District using accounting methods similar to those used by private business enterprises. These statements provide both long-term and short-term information about the District's overall financial status. Following the financial statements are the Notes to the Financial Statements which provide explanations and additional detailed information.

The Statements of Net Position present information on all the District's assets and liabilities with the difference between the two reported as net position. The statements provide one way to measure the financial health of the District by providing the basis for evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District.

The Statements of Revenues, Expenses, and Changes in Net Position present information showing how the District's net position changed during the most recent and current years. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows.

The Statements of Cash Flows report cash receipts and expenditures that result from operations, financing, and investing activities. These statements provide information regarding sources of cash and use of cash.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

**Financial Analysis of the District**

The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$2,505 (net position).

Total assets amounted to \$ 2,985,130 consisting of net capital assets of \$2,237,609 and other assets of \$747,521. Total assets decreased 9.08% or \$298,026 during the current fiscal year. This decrease was the result of an increase in the current year net property and equipment of \$75,907 (increase in property and equipment of \$290,115 offset by current depreciation of \$214,208), and a net decrease in other assets of \$373,933.

Total liabilities amounted to \$2,982,625 consisting of long-term liabilities of \$349,497, other liabilities of \$321,168 and deferred revenues of \$2,311,960. Total liabilities decreased 9.8% or \$298,026 during the current fiscal year. This net decrease was the result of a decrease in other liabilities of \$46,232, an increase in deferred revenues of \$13,700, and decrease in long term debt of \$265,494.

The District experienced a decrease in total cash in the amount of \$275,974 during the current year. This decrease was the net result of funds from operations in the amount of \$292,889 being offset by funds used from investing activities of \$286,711 and funds used from financing activities of \$282,152.

**Economic Factors**

The District indicated no changes related to current economic factors.

**See Independent Auditors' Report**

**WEST RIVER VALLEY REGIONAL SOLID WASTE MANAGEMENT DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**YEAR ENDED DECEMBER 31, 2022**

**Request for Information**

This report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the West River Valley Regional Solid Waste Management District, 24087 Hwy. 164, Clarksville, Arkansas 72830.

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

Board of Directors and Management  
West River Valley Regional Solid Waste Management District  
Clarksville, Arkansas

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of West River Valley Regional Solid Waste Management District, as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise West River Valley Regional Solid Waste Management District's basic financial statements, and have issued our report thereon dated October 11, 2023.

### Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered West River Valley Regional Solid Waste Management District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of West River Valley Regional Solid Waste Management District's internal control. Accordingly, we do not express an opinion on the effectiveness of West River Valley Regional Solid Waste Management 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 deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.



## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether West River Valley Regional Solid Waste Management District's financial statements are free from 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Jones and Lawton, CPAs, P.A.

Russellville, Arkansas

October 11, 2023

A handwritten signature in black ink that reads "Jones and Lawton". The signature is written in a cursive, flowing style.