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CONCORDIA WATERWORKS DISTRICT #1  
CONCORDIA PARISH POLICE JURY  
Ferriday, Louisiana

Component Unit Financial Statements  
and Auditor's Reports

June 30, 1996  
and for the Year then Ended

(With comparative figures at June 30, 1995)

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date SEP 04 1996

JERI SUE TOSSPON  
Certified Public Accountant

CONCORDIA WATERWORKS DISTRICT #1  
CONCORDIA PARISH POLICE JURY  
Ferriday, Louisiana

Component Unit Financial Statements  
and Auditor's Reports

June 30, 1996  
and for the Year then Ended

(With comparative figures at June 30, 1995)

CONCORDIA WATERWORKS DISTRICT #1  
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SECTION I

COMPONENT UNIT FINANCIAL STATEMENTS

REPORT ON COMPONENT UNIT FINANCIAL STATEMENTS

**JERI SUE TOSSPON**

Certified Public Accountant  
P. O. Box 445  
Ferriday, Louisiana 71334-0445  
(318) 757-9393

INDEPENDENT AUDITOR'S REPORT

The Board of Commissioners  
Concordia Waterworks District #1  
Ferriday, Louisiana

I have audited the accompanying component unit financial statements of the Concordia Waterworks District #1, a component unit of the Concordia Parish Police Jury, State of Louisiana, as of June 30, 1996 and for the year then ended. These financial statements are the responsibility of the Waterworks District's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the component unit financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Concordia Waterworks District #1, as of June 30, 1996, and the results of its operations and the cash flows for the year then ended in conformity with generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The financial information listed as supplemental information in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of Concordia Waterworks District #1. Such information has been subjected to the auditing procedures applied in the audit of the component unit financial statements and, in my opinion, is fairly presented in all material respects in relation to the component unit financial statements taken as a whole.

Ferriday, Louisiana  
August 7, 1996

*Jeri Sue Tosspon*

CONCORDIA WATERWORKS DISTRICT #1  
BALANCE SHEET  
JUNE 30, 1996  
(With comparative figures from June 30, 1995)

<u>ASSETS</u>		1996	June 30, 1995			1996	June 30, 1995	
<b>Current Assets</b>								
Cash (Note 3)	\$	707,217	\$	415,618				34,615
Certificates of deposit (Note 3)		40,000		40,000				2,001
Accounts receivable, water sales (Note 5)		86,966		88,890				1,016
Accounts receivable, other (Note 6)		6,375		26,053				29,852
Accrued interest receivable		2,453		2,254				2,176
Prepaid expenses		1,285		1,361				1,739
Total current assets	\$	<u>844,296</u>	\$	<u>574,176</u>				<u>37,632</u>
<b>Restricted Assets (Notes 3 and 4)</b>								
Bond Debt Service Fund:								
Certificates of deposit	\$	63,218	\$	60,843				75,411
Bond Sinking Fund:								32,882
Certificates of deposit		29,610		30,235				11,420
Depreciation Fund:								11,896
Cash		59,001		48,867				119,713
Consumer deposits:								110,123
Cash		28,004		20,770				787,831
Certificates of deposit		39,570		39,570				820,713
Total restricted assets	\$	<u>219,403</u>	\$	<u>200,285</u>				<u>945,176</u>
<b>Property, Plant and Equipment (Note 7)</b>								
Property, Plant and equipment	\$	2,745,376	\$	2,725,982				239,180
Less accumulated depreciation		<u>1,119,193</u>		<u>1,060,117</u>				20,720
Net property, plant and equipment		<u>1,626,183</u>		<u>1,665,865</u>				695,000
<b>Other Assets</b>								
Utility deposits	\$	335	\$	335				954,900
Total Assets	\$	<u>2,690,217</u>	\$	<u>2,440,661</u>				<u>638,311</u>
<b>Current Liabilities (Payable from current assets)</b>								
Accounts payable								37,632
Sales tax payable								33,767
Payroll taxes payable								
Total current liabilities (payable from current assets)								
<b>Current Liabilities (Payable from restricted assets)</b>								
Tenant deposits								75,411
Notes payable, current portion (Note 8)								32,882
Accrued interest payable								11,420
Total current liabilities (Payable from restricted assets)								119,713
<b>Long-term Liabilities</b>								
Notes payable (Note 8)								119,713
Total Liabilities								787,831
<b>Reserves</b>								
Debt service and depreciation (Note 2)								945,176
Total Reserves								945,176
<b>Contributions</b>								
Contributions from members								151,830
Contributions from sub-dividers								139,945
Grant in aid of construction								239,180
Total Contributions								20,720
<b>Retained Earnings</b>								
Retained Earnings								695,000
Total Liabilities, Reserves Contributions and Retained Earnings								954,900
								945,975
								638,311
								390,138
								2,690,217
								2,440,661

See accompanying notes to financial statements.



CONCORDIA WATERWORKS DISTRICT #1  
STATEMENT OF REVENUES AND EXPENSES  
YEAR ENDED JUNE 30, 1996  
(With comparative figures from June 30, 1995)

	Year ended <u>1996</u>	June 30, <u>1995</u>
Operating Revenues		
Water sales	\$675,297	\$546,413
Penalties for late payment	25,897	21,580
Reconnect fees	14,435	9,935
Other income	<u>17,412</u>	<u>15,198</u>
Total operating revenue	<u>\$733,041</u>	<u>\$593,126</u>
Operating Expenses		
Salaries	\$132,272	\$129,323
Commissioners' fees	4,930	3,950
Payroll taxes	11,595	11,390
Repairs and maintenance	40,828	26,415
Truck expense	11,121	11,780
Operating supplies	74,898	65,049
Utility expense	55,361	43,750
Office expense	15,530	13,966
Insurance	37,145	46,804
Bad debts	12,379	13,204
Well site rent	1,150	1,150
Depreciation	59,075	59,283
Other operating expense	1,167	1,388
Black Bayou Bridge Project	<u>-0-</u>	<u>60,673</u>
Total operating expense	<u>\$457,451</u>	<u>\$488,125</u>
Net income (loss) from operations	<u>\$275,590</u>	<u>\$105,001</u>
Other Revenue and (Expenses)		
Interest income	\$ 24,021	\$ 18,104
Interest expense	( 39,555)	( 40,885)
Gain on sales of assets	<u>          </u>	<u>540</u>
Total other revenue (expenses)	<u>(\$ 15,534)</u>	<u>(\$ 22,241)</u>
Net Income (Loss)	<u>\$260,056</u>	<u>\$ 82,760</u>

See accompanying notes to financial statements.

CONCORDIA WATERWORKS DISTRICT #1  
STATEMENT OF CHANGES IN RETAINED EARNINGS  
TWO YEARS ENDED JUNE 30, 1996

Retained earnings, July 1, 1994	\$321,545
Deduct:	
Increase in debt service and depreciation reserve	( 14,166)
Add:	
Net Income	<u>82,760</u>
Retained earnings, June 30, 1995	\$390,139
Deduct:	
Increase in debt service and depreciation reserve	(\$ 11,884)
Add:	
Net Income	<u>260,056</u>
	<u>\$638,311</u>

See accompanying notes to financial statements.



CONCORDIA WATERWORKS DISTRICT #1  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 1996

Cash flows from operating activities		
Cash received from water sales	\$734,965	
Interest income received	23,822	
Collections on theft recovery	29,859	
Cash paid to suppliers and employees	( 385,013)	
Interest expense paid	( 40,033)	
Cash shortage	( 10,181)	
Net cash provided by operating activities		\$353,419
Cash flows from financing activities		
Principal paid on notes payable	(\$ 32,233)	
Cash contributions by members	8,925	
Total cash used for financing activities		( 23,308)
Cash flows from investing activities		
Purchase of fixed assets		( 19,394)
Net increase (decrease) in cash		\$310,717
Cash at beginning of year		<u>655,903</u>
Cash at end of year		<u>\$966,620</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income		\$260,056
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	\$ 59,075	
Change in assets and liabilities:		
Decrease in accounts receivable	\$21,602	
Increase in interest receivable	( 199)	
Decrease in prepaid expenses	76	
Increase in accounts payable	4,763	
Decrease in taxes payable	( 898)	
Increase in tenant deposits	9,420	
Decrease in accrued interest payable	( 476)	
	<u>34,288</u>	<u>93,363</u>
Net cash provided by other activities		<u>\$353,419</u>

See accompanying notes to financial statements.

CONCORDIA WATERWORKS DISTRICT #1  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1996

NOTE 1 - INTRODUCTION

The Concordia Waterworks District #1 is a part of a financial reporting entity, the Concordia Parish Police Jury. It was created by the Police Jury by Ordinance 393, dated May 16, 1966 to serve the rural areas of eastern Concordia Parish, under R.S. 33:3811. As such, it is accounted for as a component unit.

The Concordia Waterworks District #1 is governed by a Board of Commissioners who are appointed by the members of the Police Jury. The Board consists of five members each serving five year terms. They are compensated at the rate of \$75 per meeting.

The District serves approximately 2,100 consumers with a staff of six employees. They maintain 160 miles of water lines, supplying over 150,000,000 gallons of water annually from two wells.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation - The accompanying financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. Reporting Entity - As the governing authority of the parish, for reporting purposes, the Concordia Parish Police Jury is the financial reporting entity for Concordia Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Concordia Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the police jury to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury appoints a voting majority of the Waterworks District's board and said board is fiscally dependent on the police jury, the district was determined to be a component unit of the Concordia Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the district and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. Fund Accounting - The accounts of Concordia Waterworks District #1 are organized on the basis of a single proprietary fund type, the enterprise fund. Enterprise funds are used to account for operations in a manner similar to private business enterprises where the costs (expense, including depreciation) of providing sewerage services to the general public on a continuing basis are financed through user charges.

D. Basis of Accounting - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of this fund are included on the balance sheet. Fund equity is segregated into contributed capital and retained earnings components.



NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The proprietary fund is accounted for using the accrual basis of accounting. Therefore, revenues are recognized when earned and expenses are recognized when incurred. Bad debts are recognized when they become collectible.

E. Cash and Certificates of Deposit - Cash includes amounts in demand deposits. The District conducts all its banking transactions with two state-chartered institutions in Concordia Parish.

At June 30, 1996, the Concordia Waterworks District #1 had \$975,240 (banks' balance) on deposit at these financial institutions.

All cash and certificates of deposit are deposited in financial institutions insured by an agency of the United States Government. Additionally, there is \$933,878 in additional collateral held by the bank in the District's name as required.

F. Inventories - Inventories of materials and supplies are considered to be expenditures at the time of purchase. Amounts on hand at the financial statement date are immaterial and, therefore, are not included in the balance sheet.

G. Property, Plant and Equipment - Additions to the utility plant in service are recognized at cost, or if contributed property, at their estimated fair market value at the time of contribution. The sale or disposal of fixed assets is recorded by removing cost and accumulated depreciation from the accounts and charging the resulting gain or loss to income.

Depreciation of fixed assets used by the Waterworks District is charged as an expense against their operations. Depreciation is calculated over the estimated useful life of the assets using the straight line method as follows:

Buildings	25 years
Distribution system	50 years
Equipment	3-25 years

H. Reserves of Fund Equity - The Waterworks District records reserves to represent those portions of fund equity legally segregated for a specific future use. The following lists such reserves used by the Waterworks District:

Debt service & Depreciation reserve	\$151,830
-------------------------------------	-----------

I. Income Taxes - Concordia Waterworks District #1 is a component unit of the Concordia Parish Police Jury, and, as such, is not subject to federal or state income taxes.

NOTE 3 - CASH AND CERTIFICATES OF DEPOSIT

At June 30, 1996, the Waterworks District had cash and certificates of deposit totalling \$966,620, as follows:

Demand deposits	\$793,922
Certificates of deposit	172,398
Cash on hand	300
	<u>\$966,620</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent banks. At June 30, 1996, the Waterworks District had \$975,240 in collected bank balances. These deposits are secured from risk by \$400,000 of federal deposit insurance and \$933,878 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

NOTE 4 - RESTRICTED ASSETS

Certain assets were restricted for debt service and consumer deposits. These assets consisted of and are restricted to the following:

Bond debt service	\$ 63,218
Bond sinking fund	29,610
Bond depreciation fund	59,001
Consumer deposits	67,574
	<u>\$219,403</u>

NOTE 5 - ACCOUNTS RECEIVABLE

The following is an aged analysis of accounts receivable due on June 30, 1996:

Current	\$65,950
31-60 days	18,674
61-90 days	1,788
Over 90 days	554
	<u>\$86,966</u>

NOTE 6 - THEFT RECOVERY INCOME AND RECEIVABLES

In 1992, the Legislative Auditor of the State of Louisiana performed a specific procedure examination focusing on amounts misappropriated during 1987 to 1990 totalling \$19,425. The part charged is continuing repayment of the above amount of \$300 per month.

NOTE 6 - THEFT RECOVERY INCOME AND RECEIVABLES (CONTINUED)

During the time period beginning in August, 1994 and ending October 13, 1995, the District incurred cash shortages in the amount of \$16,828 during the fiscal year ended June 30, 1995 and \$6,931 in the period following the close of the fiscal year. The party involved has been charged, prosecuted and convicted by the Concordia Parish District Attorney. The shortage was covered by an employee fidelity bond insurance policy. Payment has been made in full.

NOTE 7 - CHANGES IN FIXED ASSETS

A summary of the Waterworks District's property, plant and equipment and changes thereto follows:

	Balance June 30, 1995	Additions	Deletions	Balance June 30, 1996
Land and right of way easements	\$ 23,049			\$ 23,049
Distribution system, wells, tanks and fixtures	2,443,948	\$ 4,519		2,448,467
Office building, furniture, fixtures and equip	258,985	14,875	-0-	273,860
	<u>\$2,725,982</u>	<u>\$19,394</u>	<u>\$ -0-</u>	<u>\$2,745,376</u>
Less accumulated depreciation	1,060,117	59,075	-0-	1,119,193
	<u>\$1,665,865</u>	<u>(\$39,681)</u>	<u>\$ -0-</u>	<u>\$1,626,183</u>

NOTE 8 - CHANGES IN LONG-TERM DEBT

The following is a summary of the notes payable for the year ended June 30, 1996:

	Note 91-01	Note 91-03	Total
Notes payable at June 30, 1995	\$202,949	\$650,000	\$852,949
Less principal paid	( 17,236)	( 15,000)	( 32,236)
Notes payable at June 30, 1996	<u>\$185,713</u>	<u>\$635,000</u>	<u>\$820,713</u>

Long-term debt at June 30, 1996 consists of:

Notes Payable #91-01 - Water Revenue Bonds due to General Electric Capital Corporation issued October 12, 1967 due in annual installments of \$24,769 thru January 1, 2004 including interest at a rate of 3.75%. The water plant and distribution system are pledged as collateral for this loan. \$185,713

Notes Payable #91-03 - Water Revenue Bond due to General Electric Capital Corporation issued March 31, 1980 in the original amount of \$745,000 at an interest rate of 5% due in annual installments of \$15,000 or more plus interest thru March 30, 2020. This loan is secured by a pledge of revenues from the sale of water by the District. 635,000

Total notes payable \$820,713



NOTE 8 - CHANGES IN LONG-TERM DEBT (CONTINUED)

The District's proprietary fund bonds are governed by bond indenture, the terms of which are summarized as follows:

- (1) Waterworks Operations and Maintenance Fund  
Funds are to be transferred to this fund from the Waterworks Revenue Fund on the first day of each month in sufficient amounts to pay all operating expenses and to make a reasonable provision for the repair and maintenance of the system.
- (2) Waterworks Note Reserve Funds (Debt Service and Sinking: Note #91-01)  
The minimum amount to be transferred to this fund each month from the Waterworks Revenue fund shall be not less than one-twelfth of the amount of principal and interest coming due on the next succeeding note payment date. An additional amount of \$165 per month is required to be transferred from the Waterworks Revenue Fund to the Note Reserve Fund until \$30,000 has been accumulated.
- (3) Waterworks Note Reserve Funds (Debt Service and Sinking: Note #91-03)  
The minimum amount to be transferred to this fund each month from the Waterworks Revenue Fund shall be not less than one-twelfth the amount of principal and interest coming due on the next succeeding bond payment date. An additional amount of 5% of the required minimum monthly amount is to be transferred from the Waterworks Revenue Fund to the Note Reserve Fund until \$49,500 has been accumulated.
- (4) Waterworks Depreciation Fund  
An amount equal to \$165 per month for Note #90-01 plus \$184 per month for Note #91-03 is to be transferred to this fund on the first day of each month from the Waterworks Revenue Fund. Monies in this fund shall be used solely for the purpose of paying the cost for major repairs of damages caused by unforeseen catastrophe and for the replacements made necessary by the depreciation of the system.

The District is in compliance with all of this covenants.



NOTE 8 - CHANGES IN LONG-TERM DEBT (CONTINUED)

The annual requirements to retire general long-term debt as of June 30, 1995 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
1997	\$ 32,236	\$ 39,283	\$ 71,519
1998	33,553	37,216	70,769
1999	34,248	35,771	70,019
2000	34,970	34,299	69,269
2001	35,692	32,827	68,519
Thereafter	650,014	318,960	968,974
	<u>\$820,713</u>	<u>\$498,356</u>	<u>\$1,319,069</u>

NOTE 9 - BAD DEBTS EXPENSE

The District uses the direct write-off method to account for bad debts.

NOTE 10 - EMPLOYEE BENEFITS

The District does not have a retirement plan other than those benefits provided by Social Security. The accrual of sick leave and vacation benefits are estimated to be of an immaterial amount.

NOTE 11 - LITIGATION

The District is not involved in any litigation at June 30, 1996.

SECTION II  
REPORT ON INTERNAL CONTROL

# JERI SUE TOSSPON

Certified Public Accountant  
P. O. Box 445  
Ferriday, Louisiana 71334-0445  
(318) 757-9393

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE AND RELATED MATTERS NOTED IN A FINANCIAL STATEMENT AUDIT CONDUCTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Commissioners  
Concordia Waterworks District #1

I have audited the component unit financial statements of Concordia Waterworks District #1, a component unit of the Concordia Parish Police Jury, State of Louisiana, for the year ended June 30, 1996, and have issued my report thereon dated August 8, 1996.

I have conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the component unit financial statements are free of materials misstatement.

The management of Concordia Waterworks District #1 is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of component unit financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing my audit of the component unit financial statements of Concordia Waterworks District #1, for the year ended June 30, 1996, I obtained an understanding of the internal control structure. With

respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the component unit financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined as follows. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the component unit financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of management, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record, and its distribution is not limited.

*Jen Sue Josspon*

Ferriday, Louisiana  
August 8, 1996

SECTION III

REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS



# JERI SUE TOSSPON

Certified Public Accountant  
P. O. Box 445  
Ferriday, Louisiana 71334-0445  
(318) 757-9393

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Commissioners  
Concordia Waterworks District #1

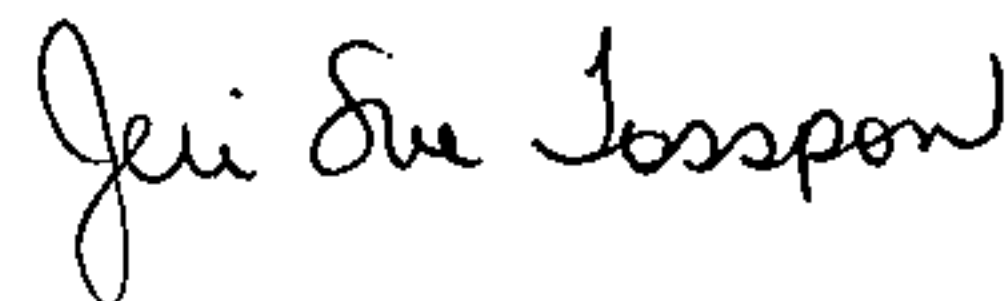
I have audited the accompanying component unit financial statements of Concordia Waterworks District #1, a component unit of the Concordia Parish Police Jury, State of Louisiana, as of and for the year ended June 30, 1996, and issued my report thereon dated August 8, 1996.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Concordia Waterworks District #1, is the responsibility of the Waterworks District's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the Waterworks District's compliance with certain provisions of laws, regulations, contracts, and grants. However, my objective was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of management, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.



Ferriday, Louisiana  
August 8, 1996

SECTION IV  
SUPPLEMENTAL INFORMATION



CONCORDIA WATERWORKS DISTRICT #1  
SCHEDULE OF COMMISSIONERS COMPENSATION  
YEAR ENDED JUNE 30, 1996

Mr. Edgar W. Jones, President	\$ 975
Mrs. Jean Fairbanks	1,030
Mrs. Helen Lyles	975
Mr. John Morgan	975
Mr. Wilson Palmer	<u>975</u>
	<u>\$4,930</u>