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JEFFERSON DAVIS PARISH SANITARY  
LANDFILL COMMISSION  
JEFFERSON, LOUISIANA

ANNUAL FINANCIAL REPORT

DECEMBER 31, 1966

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 11 1966

JEFFERSON DAVIS PARISH SANITARY LANDFILL COMMISSION  
JEFFERSON, LOUISIANA

ANNUAL FINANCIAL STATEMENTS  
DECEMBER 31, 1999

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**KRIELOW, GILLESPIE & CO.**

MEMBERSHIP IN CERTIFIED PUBLIC ACCOUNTANTS

1118 E. FLYING  
P. O. BRANDED  
BIRMINGHAM, TEXAS  
CIR 824-0887

**INDEPENDENT AUDITORS' REPORT**

To: The Jefferson Davis Parish Sanitary Landfill Commission  
Jennings, Louisiana

We have audited the accompanying general purpose financial statements of the Jefferson Davis Parish Sanitary Landfill Commission as of and for the year ended December 31, 1991. These general purpose financial statements are the responsibility of the Jefferson Davis Parish Sanitary Landfill Commission's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Jefferson Davis Parish Sanitary Landfill Commission as of December 31, 1991, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated June 18, 1990 on our examination of the Jefferson Davis Parish Sanitary Landfill Commission's internal control structure and a report dated June 18, 1990 on its compliance with laws and regulations.

*Krielow, Gillespie & Co.*

Certified Public Accountants

Jennings, Louisiana  
June 18, 1990

GENERAL PURPOSE FINANCIAL STATEMENTS

**JEFFERSON DAVIS PARISH SANITARY LANDFILL COMMISSION  
JEFFERSON, LOUISIANA**

**COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
DECEMBER 31, 1995**

	GOVERNMENTAL FUND TYPE	ACCOUNT GROUP	FOUN-
	GENERAL FUNDS	FUNDAL FUNDS ASSETS	DATION TOTAL (PARISH/LOCAL GOV) COUNTY
<b>ASSETS</b>			
Cash & cash equivalents	\$ 1,647,619	\$ -	\$ 1,647,619
Investments	1,647,092		1,647,092
Receivables			
Royalties	41,244	-	41,244
Accrued interest	29,471	-	29,471
Landfill operator	64,599	-	64,599
Other	1,134	-	1,134
Land, equipment and landfill facility	-	3,408,392	3,408,392
<b>TOTAL ASSETS</b>	<b>\$ 3,411,115</b>	<b>\$ 3,408,392</b>	<b>\$ 6,819,507</b>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Accounts payable	\$ 61,463	\$ -	\$ 61,463
Contract payable	60,001	-	60,001
Accrued liabilities			
Salaries and wages payable	3,608	-	3,608
Retirement benefits payable	2,438	-	2,438
Payroll taxes and withholdings	784	-	784
<b>Total Liabilities</b>	<b>\$ 127,394</b>	<b>\$ -</b>	<b>\$ 127,394</b>
<b>Fund Balance</b>			
Invested in general fund assets	\$ -	\$ 3,408,392	\$ 3,408,392
Unreserved			
Designated for postclosure contingencies	2,529,064		2,529,064
Undesignated	883,721	-	883,721
<b>Total Fund Balance</b>	<b>\$ 3,411,115</b>	<b>\$ 3,408,392</b>	<b>\$ 6,819,507</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 3,411,115</b>	<b>\$ 3,408,392</b>	<b>\$ 6,819,507</b>

The accompanying notes are an integral part of this statement.

JEFFERSON DAVIS PARISH SANITARY LANDFILL-COMMISSION  
JENNINGS, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
ALL GOVERNMENTAL FUNDS TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1993

	GOVERNMENTAL FUND TYPE OTHER FUNDS
<b>REVENUES</b>	
Use of money and property:	
Landfill usage revenues	\$ 508,370
Industrial waste disposal fee	2,888,000
Interest income	167,523
Miscellaneous revenues:	
Expenditure reimbursements other	203,521
Other revenues	2,588
<b>Total Revenues</b>	<u>\$ 3,667,102</u>
<b>EXPENDITURES</b>	
Landfill operations:	
Personnel services	\$ 68,240
Operating services	75,420
Materials and supplies	203
Travel and other charges	2,863
Capital outlay	547,276
Total landfill operations	<u>\$ 694,002</u>
Economic development:	
Personnel services	\$ 48,288
Operating services	76,674
Travel and other charges	2,433
Total economic development	<u>\$ 127,395</u>
Intergovernmental:	
Distributions to similar governments	\$ 1,805,000
<b>Total Expenditures</b>	<u>\$ 2,626,697</u>
Excess (deficiency) of revenues over expenditures	\$ 1,040,405
Fund balance, beginning of year	1,665,285
Prior period adjustment	1,428
<b>Fund balance, end of year</b>	<u>\$ 2,707,118</u>

The accompanying notes are an integral part of this statement.

JEFFERSON DAVIS PARISH SANITARY LANDFILL-COMMISSION  
 MONROE, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUNDS BY LANCE BUDGET (CLASS) AND ACTUAL  
 ALL OPERATIONAL FUND TYPES  
 FOR THE YEAR ENDING DECEMBER 31, 1995

	ORIGINAL FUND		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
<b>REVENUES</b>			
Use of money and property			
Landfill usage credits	\$ 308,888	\$ 388,320	\$ 279,432
Interest waste disposed fee	2,888,000	2,888,000	-
Interest income	140,000	147,520	26,520
Miscellaneous revenues			
Expenditure reimbursements-other	-	225,167	225,167
Other revenues	29,000	3,000	(26,000)
<b>Total Revenues</b>	<b>\$ 3,465,888</b>	<b>\$ 3,652,027</b>	<b>\$ 186,139</b>
<b>EXPENDITURES</b>			
Landfill operations			
Personnel services	\$ 68,828	\$ 68,248	\$ (580)
Operating services	87,428	77,224	20,204
Materials and supplies	1,500	125	1,375
Taxes and other charges	2,000	2,000	-
Capital outlay	358,000	347,175	10,825
Total landfill operations	\$ 517,756	\$ 504,876	\$ 12,880
Economic development			
Personnel services	\$ 22,500	\$ 40,508	\$ 18,008
Operating services	88,508	76,828	11,680
Taxes and other charges	6,000	2,432	3,568
Total economic development	\$ 117,008	\$ 119,768	\$ (2,760)
Intergovernmental			
Distributions to-munity governments	\$ 1,500,000	\$ 1,500,000	\$ -
<b>Total Expenditures</b>	<b>\$ 2,134,868</b>	<b>\$ 2,805,448</b>	<b>\$ (668,700)</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>\$ 1,331,020</b>	<b>\$ 846,579</b>	<b>\$ 484,441</b>
Fund balance, beginning of year	1,645,200	1,645,200	-
Price period adjustment	-	1,400	1,400
<b>Fund balance, end of year</b>	<b>\$ 2,976,220</b>	<b>\$ 3,504,115</b>	<b>\$ 527,895</b>

The accompanying notes are an integral part of this statement.

JEFFERSON DAVIS PARISH SANITARY LANDFILL COMMISSION  
JEFFERSON, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1993

**INTRODUCTION**

The Jefferson Davis Parish Sanitary Landfill Commission was chartered February 17, 1984. The Commission was created by the joint action of the following political subdivisions: the City of Jennings, the Town of Michoud, the Town of Lake Arthur, and the Jefferson Davis Parish Police Jury. These governing bodies joined efforts for the purpose of establishing a long term plan for disposal of solid wastes in Jefferson Davis Parish. According to the charter, the operations of the Commission are not to be financed by user charges but by direct assessment of the member governing bodies. Each member governing body is assessed directly in the proportion of the number of households within each member unit to the total number of households within all member units. These proportions were determined by the figures obtained from the 1980 U. S. Census. Based upon the information available from the 1980 U. S. Census, the following percentages for each member governing body were determined:

LOCALITY	NUMBER OF HOUSEHOLDS	PERCENTAGES
Jennings	4,161	.471796
Michoud	1,167	.131829
Lake Arthur	1,312	.152844
Parish (excluding Jennings, Michoud, Lake Arthur & Ilwaco)	<u>1,739</u>	<u>.197531</u>
Total	<u>8,379</u>	<u>1.000000</u>

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accounting and reporting policies of the Jefferson Davis Parish Sanitary Landfill Commission conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the Louisiana Governmental Audit Guide, and to the industry audit guide, *Guide of State and Local Governmental Finance*, published by the American Institute of Certified Public Accountants. Our examination was also made in accordance with the provisions of Government Auditing Standards, promulgated by the United States Comptroller General, as they pertain to financial and compliance audits.

**B. REPORTING ENTITY**

The financial statements of the Commission consist only of the funds and account groups of the Commission. The Commission has no financial accountability for any other governmental entity since no other entities are considered to be component units of the Commission. GASB Statement No. 14 established criteria for determining which component units should be considered part of the Jefferson Davis Parish Sanitary Landfill Commission 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. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the Commission to impose its will on the organization and/or



JEFFERSON DAVIS PARISH SANITARY LANDFILL COMMISSION  
JEYMONS, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999

- b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Commission.
2. Organizations for which the Commission does not appoint a voting majority but are financially dependent on the Commission.
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.

Based on the previous criteria, the Commission has determined that it has no component units.

C. FUND ACCOUNTING

The Commission uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the Commission are of only one category: governmental. In turn, the category has only one fund type. The fund classification and a description of the existing fund type follow:

**Governmental Funds**

Governmental funds are used to account for all or most of the Commission's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds include:

**General Fund**

The General Fund is the general operating fund of the Commission and accounts for all financial resources, except those required to be accounted for in other funds.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present revenues and disbursements in net current assets. The modified accrual basis of accounting is used by all governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues**

Revenues are recognized in the accounting period in which they become available and measurable.

JEFFERSON DAVIS PARISH SANITARY LANDFILL COMMISSION  
JEFFERSON, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1995

**Expenditures**

Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unaccrued interest on general long-term debt, which is recognized when due.

**L. BUDGETARY PRACTICES**

The Commission utilized the following budgetary practices:

For the year ended December 31, 1995, the Commission adopted a budget on December 21, 1994 at a public hearing for the general fund on a basis consistent with generally accepted accounting principles (GAAP). Periodic budget comparisons were made during the year and amendments were made when deemed necessary. All budgetary appropriations lapse at the end of each fiscal year. Formal encumbrance accounting is not utilized by the Commission.

**F. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and certificates of deposit. Under state law the Commission may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. Investments may include securities or obligations issued by the United States Government or its agencies, or any other federally issued investment.

**G. FIXED ASSETS**

Fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the General Fixed Assets Account Group. Public domain or infrastructure are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated historical cost if historical cost is not available. Of the fixed assets, those with estimated costs are: Land - \$225,000.

The account group mentioned above is not a "fund." It is concerned only with the measurement of financial position. It is not involved with measurement of results of operations.

**H. COMPENSATED ABSENCES**

The Commission adopted a personnel policy during 1994. The policy states that all full-time employees shall be allowed vacation time, provided they have been employed full-time for a period of at least six months. Vacation time allowed varies from five to twenty days per year depending on length of service. Under similar circumstances part-time employees will also be allowed vacation time but on a ratio of part-time hours scheduled and working to a normal forty hour work week. Vacation time may not be carried over to the following year.

Full-time employees shall be entitled to utilize one sick day for each month of active full-time employment up to a maximum sixty days. Regular part-time employees shall be entitled to utilize sick days at the same rate as full-time employees with a maximum accumulation of thirty days. This benefit for regular part-time employees applies only to absences lasting more than one week with the first week being an unpaid waiting period.

JEFFERSON DAVIS PARISH SANITARY LANDFILL COMMISSION  
JEFFERSON, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1999

Although the policy states that the vacation not taken will not be paid for except as discussed in the Resignation/Termination's section, the policy does not contain such a section. Also, the policy does not address accumulated sick leave pay upon termination. Under previous practice unused leave was forfeited.

Based on the personnel policy adopted in 1994 and previous practice, the accompanying financial statements do not contain an accrued liability for unpaid compensated absences.

1. TOTAL COLUMNS ON COMBINED STATEMENTS

Total columns on the combined statements are captioned "Information Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. CASH AND CASH EQUIVALENTS

At December 31, 1999, the Commission has cash and cash equivalents totaling \$1,647,608. Cash equivalents include time deposits and those investments with original maturities of 90 days or less. These amounts are as follows:

Interest bearing demand deposits	\$	515,173
Time deposits		349,134
Repurchase agreement		203,080
U.S. Treasury Bill		579,221
Total	\$	<u>1,647,608</u>

These deposits are stated at cost or amortized cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank (GASB Category 7) in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at December 31, 1999, are stated as follows:

Bank balance	\$	<u>1,651,415</u>
Insured (FDIC)	\$	180,808
Uninsured, uncollateralized		
Pledged securities held by pledging Bank's Agent in Bank's name		<u>1,995,629</u>
Total	\$	<u>2,085,629</u>

Even though the pledged securities are considered uninsured-uncollateralized (Category 7) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1239 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Commission that the fiscal agent has failed to pay deposited funds upon demand.

JEFFERSON DAVIS PARISH SANITARY LANDFILL COMMISSION  
JEFFERSON, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1995

3. INVESTMENTS

At December 31, 1995, the District has investments totaling \$1,647,002. The carrying amount approximates the market value. These investments consist of U.S. Treasury Notes and are registered in the name of the Jeff Davis Parish Landfill and are held at Whitney Bank of New Orleans as custodian. In applying the credit risk of GASB Certification Section 150.164, these securities are considered Category 2 as they are held by the county's primary trust department or agent in the government's name.

4. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance At 12-31-94	Additions	Reductions	Reclassifications/ Adjustments	Balance At 12-31-95
Land	\$ 989,700	\$ 0-	\$ 0-	\$ 0-	\$ 989,700
Improvements	1,488,581	372,967	0-	102,360	1,963,811
Buildings	234,562	132,604	0-	0,292	416,778
Furniture & fixtures	4,867	0-	0-	0-	4,867
Equipment	52,783	0-	0-	0-	52,783
Landscaping	1,486	1,485	0-	0-	2,971
Marketing office-office equipment	16,645	0-	0-	0-	16,645
Construction-in-progress	161,855	0-	0-	1 161,650	0-
Total	\$ 2,921,133	\$ 547,176	\$ 0-	\$ 0-	\$ 3,468,309

5. EXPENDITURES - ACTUAL AND BUDGET

The general fund had an unfavorable budget variance in most of five periods for the year ended December 31, 1995 as follows:

	Category	Budget	Actual	Unfavorable Variance
General Fund	Expenditures	\$ 2,164,548	\$ 2,389,659	\$ 224,711*

\* The variance in expenditures was caused by the unbudgeted reimbursement of capital outlay costs for an expensive project. The Commission was reimbursed for costs related to an expansion and road project. These assets, however, remain the property of the Commission. The revenue resulting from the reimbursement as well as the expenditure were not reflected in the budget. This unfavorable expenditure variance is offset by the favorable variance in revenues and therefore has no effect on fund balance.

6. COMPENSATION PAID TO BOARD MEMBERS

The Commission paid no compensation to board members for the year ended December 31, 1995.

JEFFERSON DAVIS PARISH SANITARY LANDFILL, COMMISSION  
IRVING, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1990

**1. LITIGATION**

The Commission is the defendant in one lawsuit filed by its former landfill site operator. The former operator alleged that it was illegally removed from its interim and long-term contracts and forced to abandon operations at the landfill site. The former operator is seeking unjust enrichment damages from breach of contract of \$4,000,000 and approximately \$200,000 for other expenses. Additionally, if damages are awarded to the former operator, the Commission would have to pay interest on the claim from the date of filing. A motion for partial summary judgment has been filed seeking dismissal of all claims based on breach of contract, however, counsel is unable to determine the ultimate outcome of this suit at the date of this report. Therefore, no expense has been accrued at December 31, 1990 in connection with this suit.

**2. SIGNIFICANT CONTRACT PROVISIONS**

On July 25, 1988, the Commission contracted with Browning Ferris Industries, Inc. (BFI) for the daily operations of waste disposal at the landfill site. The most significant outstanding provisions of this contract are as follows:

- A. BFI shall be responsible for all law violations that are caused by BFI's performance of its tasks at the landfill.
- B. Unless this contract is or is terminated, BFI is responsible for closure in accordance with the permit and for appropriate regrading of the sanitary landfill for erosion control. BFI's post-closure care, maintenance and monitoring responsibility shall be 3 years, or as required by law, following closure. Afterwards, the Commission is responsible for all post-closure care.
- C. BFI shall take all necessary precautions to prevent receipt of and deposit into the landfill regulated "hazardous waste", wet sludges, and oilfield wastes.
- D. BFI will maintain all liability insurance as set forth in the contract.

**3. PENSION PLAN**

Substantially all landfill commission employees are members of the Parochial Employees Retirement System of Louisiana (System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the landfill commission are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only prior to January 1, 1988, the benefit is equal to one percent of final average salary plus \$24 for each year of supplemental plan-only service earned prior to January 1, 1988. Final average salary is the employee's average salary over the 36 consecutive or joint months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death

JEFFERSON DAVIS PARISH SANITARY LANDFILL COMMISSION  
JEFFERSON, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1995

and disability benefits. Benefits are established by state statute.

Contributions to the System include one-fourth (one percent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. State statute requires employees covered by Plan A to contribute a percentage of their salary to the System. As provided by Louisiana Revised Statute 11:183, the employer contributions are determined by the actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

The following provides certain disclosures for the landfill contribution and the retirement system that are required by GASB Codification Section 730.178.

**Jefferson Davis Parish Sanitary Landfill Commission**

Total current-year payroll \$ 80,674

Total current-year covered payroll \$ 58,491

	<u>Required by Statute</u>		<u>Actual</u>		<u>Actuarially Required</u>	
	<u>Per Cent</u>	<u>Amount</u>	<u>Per Cent</u>	<u>Amount</u>	<u>Per Cent</u>	<u>Amount</u>
<b>Contributions:</b>						
Employees	9.50%	\$ 5,557	9.50%	\$ 5,557	9.50%	\$ 5,557
Employer	8.00%	4,679	8.00%	4,679	7.25%	4,249
<b>Total</b>	<b>17.50%</b>	<b>\$ 10,236</b>	<b>17.50%</b>	<b>\$ 10,236</b>	<b>16.75%</b>	<b>\$ 9,797</b>

Per cent of employer's actuarially required contribution to all participating employees 9.57%

**Retirement System**

Net assets \$ 597,419,584

Pension benefit obligation (1,092,829,798)

Unfunded pension benefit obligation (\$ 495,410,214)

The pension benefit obligation is presented as of December 31, 1994, because the December 31, 1995 information is not available.

The pension benefit obligation is a smoothed measure of the present value of pension benefits, adjusted for the effects of projected salary increases and expected benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is actuarial present value of credited projected benefits, is intended to help assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among PERS and employees. The system does not make separate measure amounts of assets and pension benefit obligations for individual employees.

JEFFERSON DAVIS PARISH SANITARY LANDFILL COMMISSION  
JEFFERSON, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1995

Historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's December 31, 1994, annual financial report. The landfill commission system does not guarantee the benefits granted by the System.

**10. RELATED PARTY TRANSACTIONS**

The Commission voted to distribute \$1,500,000 to the four local government bodies that participate in the Landfill Commission and funded its construction and early operations. The distributions were made in the same proportions as the original investments by the governments (see Note 5). There are no amounts due to the member governments at December 31, 1995.

**11. CONTINGENCIES**

The Landfill Commission as owner of a sanitary landfill is subject to recent Environmental Protection Agency (EPA) regulations that require monitoring the landfill site for 30 years following closure of the site in addition to other closure requirements. These regulations also mandate that landfill owners provide financial assurances that they will have the resources available to satisfy the postclosure standards. Those guarantees can be third-party trusts, surety bonds, letters of credit, insurance, or state sponsored plans. According to the Commission's contract with the site operator, "...the contractor shall be responsible for closure in accordance with the permit." Additionally, "...the contractor's post-closure care, maintenance and monitoring responsibility shall be three (3) years, or as required by law, ...". In the event the operator is for whatever reason unwilling or unable to fulfill this requirement, the responsibility for closure and post closure monitoring will revert back to the Commission.

Additionally, because of the industry the Commission participates in, certain potential liabilities are always present. These include, but are not limited to, environmental cleanup costs and EPA penalties for violation of its regulations. The EPA is empowered by law (through the Superfund legislation) to seek recovery from anyone who own, owned or operated a particular contaminated site, or anyone who own generated or transported hazardous materials to a site (those parties are commonly referred to as potentially responsible parties, or PRPs). Potentially, the liability can extend to subsequent owners or to the parent company of a PRP. While there are no asserted or unasserted potential costs or penalties at the date of this report that the Commission is aware of, the potential is present.

**12. SUBSEQUENT EVENTS**

At the January 13, 1996 meeting of the Commission, the Commission voted to distribute \$250,000 to the respective governmental bodies in accordance with the terms of the Commission Charter.

**13. PRIOR PERIOD ADJUSTMENT**

Adjustment to fund balance on the statement of revenues, expenditures and changes in fund balance reflects amounts paid for unemployment taxes in prior years for which the Commission was not required to pay. Consequently, as those expenditures relate to prior years, an adjustment for the refunds receivable was made to the fund balance.

#### OTHER REPORTS



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
BASED ON AN AUDIT OF GENERAL PURPOSE  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

Terrika Jefferson Davis Parish Sanitary Landfill Commission  
Bossier, Louisiana

We have audited the general purpose financial statements of the Jefferson Davis Parish Sanitary Landfill Commission, as of and for the year ended December 31, 1995, and have issued our report thereon dated June 18, 1996.

We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Jefferson Davis Parish Sanitary Landfill Commission is the responsibility of the Commission's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the Commission's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests indicate that, with respect to the items tested, the Jefferson Davis Parish Sanitary Landfill Commission complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the Commission had not complied, in all material respects, with those provisions.

This report is intended solely for the use of management, the Legislative Auditor and other state and federal audit agencies and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Jefferson Davis Parish Sanitary Landfill Commission, the Legislative Auditor and other state and federal audit agencies, is a matter of public record.

*Krislow, Gillespie & Co.*  
Certified Public Accountants

Bossier, Louisiana  
June 18, 1996

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
STRUCTURE BASED ON AN ASSESS OF GENERAL PURPOSE FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT ACCOUNTING STANDARDS

To the Jefferson Davis Parish Sanitary Landfill Commission,  
Jennings, Louisiana

We have audited the general purpose financial statements of the Jefferson Davis Parish Sanitary Landfill Commission, as of and for the year ended December 31, 1995, and have issued our report thereon dated June 18, 1996.

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

The management of the Jefferson Davis Parish Sanitary Landfill Commission 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 recorded in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal 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 our audit of the general purpose financial statements of the Jefferson Davis Parish Sanitary Landfill Commission, for the year ended December 31, 1995, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. 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 general purpose 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. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended solely for the use of management, the Legislative Auditor and other state and federal audit agencies and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Jefferson Davis Parish Sanitary Landfill Commission, the Legislative Auditor and other state and federal audit agencies, is a matter of public record.

*Krislow, Gillespie & Co.*  
Certified Public Accountants

Jennings, Louisiana  
June 18, 1996