

SEWERAGE DISTRICT #1 OF THE PARISH OF CONCORDIA
SCHEDULE OF COMMISSIONERS' COMPENSATION
YEAR ENDED DECEMBER 31, 1996

Mr. Eddie Turner, President	\$ 600
Mr. Dan Mays	600
Mr. Harry Greer, Secretary/Treasurer	<u>600</u>
	<u>\$1,800</u>

NOTE 5 - CHANGES IN FIXED ASSETS

There were changes as follows in the fixed assets of Sewerage District #1 during the year ended December 31, 1996:

	January 1, <u>1996</u>	Additions	December 31, <u>1996</u>
Land and ponds	\$ 142,888	\$ -0-	\$ 142,888
Sewerage system	1,940,380	-0-	1,940,380
Other fixed assets	<u>6,851</u>	<u>-0-</u>	<u>6,851</u>
	\$2,090,099	\$ -0-	\$2,090,099
Less accumulated depreciation	<u>202,882</u>	<u>69,792</u>	<u>268,676</u>
Net property, plant and equipment	<u>\$1,887,216</u>	<u>(\$69,792)</u>	<u>\$1,817,424</u>

During 1992, the Concordia Parish Police Jury constructed a sanitary sewer system in the Levens Additions area, Ferriday, Louisiana, financed by a grant from Louisiana Community Development Block Grant to be operated by the Sewerage District. The system was complete and began operation in August, 1992. The Sewerage District operates the system and collected fees starting in September, 1992. The Concordia parish Police Jury transferred the system to the Sewerage District as of January, 1993.

During 1995, the Concordia Parish Police Jury constructed a sanitary sewer system in the Doughty Roads area, Ferriday, Louisiana, financed by a grant from Louisiana Community Development Block Grant to be operated by the Sewerage district. The system was complete and began operation in July, 1995. The Sewerage District operates the system and collected fees starting in August, 1995. The Concordia Parish Police Jury transferred the system to the Sewerage District as November, 1995.

NOTE 6 - LITIGATION

The District is not involved in any litigation at December 31, 1996.

NOTE 7 - RETIREMENT

The District does not participate in any retirement plan at December 31, 1996.

Sewerage system and equipment	30 years
Other assets	10 years

H. Income taxes - Sewerage 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 December 31, 1996, Sewerage District #1 had cash and certificates of deposits (book balances), totaling \$57,407, as follows:

Demand deposits	\$34,506
Certificates of deposit	<u>22,901</u>
Total	<u>\$57,407</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 bank. At December 31, 1996, the district has \$57,407 collected bank balances. These deposits are secured from risk by federal deposit insurance.

NOTE 4 - ACCOUNTS RECEIVABLE

Accounts receivable consists of the monthly billing at January 1, 1997 for sewerage services rendered during December, 1996. These fees are billed by Concordia Waterworks District #1 along with the water billings each month and are paid to the Sewerage District after the first of the next month. Only the current month billings are due at any time and no amount is past due.

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 in to contributed capital and retained earnings components.

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 uncollectible.

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 December 31, 1996, the Sewerage District #1 had \$57,407 (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.

F. Inventories - Inventories of materials and supplies are considered to be expenditures at the time of the 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 Sewerage District is charged as an expense against their operations. Depreciation on assets provided through grant funds (contributed capital) is charged against such capital as provided by Section 260.115 of the GASB Codification.

Depreciation is calculated over the estimated useful life of the assets using the straight line method as follows:

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. This criteria include:

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 Sewerage 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 governmental reporting entity.

C. Fund Accounting - The accounts of Sewerage 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.

SEWERAGE DISTRICT #1 OF THE PARISH OF CONCORDIA
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 1998

NOTE 1 - INTRODUCTION

Sewerage District #1 of the Parish of Concordia (Sewerage District #1) is a part of a financial reporting entity, the Concordia Parish Police Jury. It was created by the Police Jury by Ordinance 480, dated November 22, 1976, to provide public sewerage and waste treatment service to the rural areas of eastern Concordia Parish, in accordance with Louisiana Revised Statute 33:3801.

Sewerage District #1 is governed by a Board of Supervisors, made up of three members who are qualified voters and residents of the district. They are appointed by the members of the Concordia Parish Police Jury to serve at the will of the Police Jury until such time as their successors are appointed and have qualified. They are compensated at the rate of \$50 per meeting up to 24 regular meetings and up to 12 special meetings per year, with the secretary/treasurer receiving an additional \$25 per month for services rendered to the District.

The District serves over 400 consumers. They maintain the sewerage treatment facilities and sewer lines of the district. The district employs one full time employee.

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.

SEWERAGE DISTRICT #1 OF THE PARISH OF CONCORDIA
STATEMENT OF CASH FLOW
YEAR ENDED DECEMBER 31, 1999

Cash flows from operating activities:	
Cash received from sewerage fees	\$45,715
Cash received as sewer deposits	975
Interest income received	1,747
Cash paid to suppliers	<u>(33,781)</u>
Net cash provided by operating activities	<u>\$14,656</u>
Net increase in cash	\$14,656
Cash and certificates of deposit at beginning of year	<u>42,791</u>
Cash and certificates of deposit at end of year	<u>\$57,447</u>

See accompanying notes and accountant's compilation report.

SEWERAGE DISTRICT #1 OF THE PARISH OF CONCORDIA
STATEMENT OF CHANGES IN RETAINED EARNINGS
YEAR ENDED DECEMBER 31, 1996

Retained earnings, January 1	\$54,700
Add: Net income (Loss)	(52,250)
Depreciation on fixed assets acquired by grants externally restricted for capital acquisition and construction	<u>64,491</u>
Retained earnings, December 31	<u>\$66,941</u>

See accompanying notes and accountant's compilation report.

SEWERAGE DISTRICT #1 OF THE PARISH OF CONCORDIA
 STATEMENT OF REVENUE AND EXPENSES
 YEAR ENDED DECEMBER 31, 1995

Operating Revenues:	
Sewerage fees	\$45,580
Operating Expenses:	
Commissioners' fees	\$ 1,850
Utilities	5,281
Plant operator	13,706
Payroll tax	337
Repairs and maintenance	8,380
Insurance	2,850
Office expenses	928
Accounting fees	480
Depreciation	<u>65,792</u>
Total Operating Expense	\$99,583
Net Income (Loss) from Operations	(\$54,003)
Other Revenue	
Interest	<u>1,747</u>
Net Income (Loss)	(\$52,256)

See accompanying notes and accountant's compilation report.

SEWERAGE DISTRICT #1 OF THE PARISH OF CONCORDIA
BALANCE SHEET
DECEMBER 31, 1996

ASSETS

Current Assets

Cash (Note 3)	\$ 34,500
Certificates of deposit (Note 3)	22,001
Accounts receivable (Note 4)	3,345
Accrued interest receivable	<u>188</u>

Total Current Assets \$ 60,020

Property, Plant and Equipment (Note 5)

Property, plant and equipment	\$2,090,000
Less accumulated depreciation	<u>288,675</u>
Net Property, Plant and Equipment	<u>\$1,821,424</u>

Total Assets \$1,882,344

LIABILITIES, CONTRIBUTIONS AND RETAINED EARNINGS

Liabilities

Customer deposits	\$ <u>3,525</u>
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Contributions

Grant in aid of construction	\$1,011,804
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Retained earnings

87,015

Total Contributions and Retained Earnings \$1,078,819

Total Liabilities, Contributions and
Retained Earnings

\$1,882,344

See accompanying notes and accountant's compilation report.

JERI SUE TOSSPON

Certified Public Accountant
P. O. Box 443
Farrley, Louisiana 71334-0443
(516) 787-0900

ACCOUNTANT'S COMPILATION REPORT

**BOARD OF COMMISSIONERS
SEWERAGE DISTRICT #1 OF THE PARISH OF CONCORDIA**

The accompanying balance sheet of the Sewerage District #1 of the Parish of Concordia for December 31, 1988, and the related statements of income, changes in retained earnings, and cash flows for the period then ended have been compiled by me, in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements, information that is the representation of management. I have not audited or reviewed the accompanying financial statements, accordingly, do not express an opinion or any other form of assurance on them.



March 14, 1989

SEWERAGE DISTRICT #1 OF THE PARISH OF CONCORDIA
Ferryday, Louisiana

ANNUAL SWORN FINANCIAL STATEMENTS AND
CERTIFICATES OF REVENUES \$50,000 OR LESS

AFFIDAVIT

Personally came and appeared before the undersigned authority, Harry L. Greer, who is duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of the Sewerage District #1 of the Parish of Concordia as of December 31, 1996, and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

In addition, Harry L. Greer, who, duly sworn, deposes and says that the Sewerage District #1 of the Parish of Concordia received \$50,000 or less in revenues and other sources for the fiscal year ended December 31, 1996, and, accordingly, is not required to have an audit for the previously mentioned fiscal year end.


Signature

Sworn to and subscribed before me, this 17th day of March, 1997.


Notary Public

Officer: Secretary/Treasurer
Address: 284 Rabb Road
Ferryday, Louisiana 71334
Telephone: (318) 757-6781

SEWERAGE DISTRICT #1 OF THE PARISH OF CONCORDIA
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SEWERAGE DISTRICT #1 OF THE PARISH OF CONCORDIA
CONCORDIA PARISH POLICE JURY
Ferryday, Louisiana

Component Unit Financial Statements
and Accountant's Compilation Reports

December 31, 1996
and for the Year Then Ended

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SEWERAGE DISTRICT #1 OF THE PARISH OF CONCORDIA
CONCORDIA PARISH POLICE JURY
Ferrybay, Louisiana

Component Unit Financial Statements
and Accountant's Compilation Reports

December 31, 1996
and for the Year Then Ended

Under provisions of state law, this report is a public document. A copy of this report has been furnished to the Louisiana State Auditor, every local government public officials. This report is available for public inspection at the Office of the State Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date MAR 26 1997

JEN SUE TOSSPON
Certified Public Accountant