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EVANGELINE PARISH SOLID WASTE  
DISPOSAL COMMISSION, STATE OF LOUISIANA  
ANNUAL FINANCIAL REPORT  
JUNE 30, 1998

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 JAN 27 1999

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## INDEPENDENT AUDITORS' REPORT

To the President and Commission Members  
Evangeline Parish Solid Waste Disposal Commission  
Ville Platte, Louisiana

I have audited the accompanying component unit financial statements of the Evangeline Parish Solid Waste Disposal Commission, a component unit of the Evangeline Parish Police Jury, as of and for the year ended June 30, 1998, as listed in the table of contents. These component unit financial statements are the responsibility of the Evangeline Parish Solid Waste Disposal Commission's management. My responsibility is to express an opinion on these component unit financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in 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. 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 general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Evangeline Parish Solid Waste Disposal Commission, as of June 30, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued my report dated December 14, 1998 on my consideration of the Evangeline Parish Solid Waste Disposal Commission's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

My audit was performed for the purpose of forming an opinion on the component unit financial statements of the Evangeline Parish Solid Waste Disposal Commission, Louisiana, taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the component unit financial statements. 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.

*Michael W. Johnson*

Michael W. Johnson  
Certified Public Accountant

December 14, 1998

**COMPONENT UNIT FINANCIAL STATEMENTS**

(Combined Statements - Overview)

**EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION**  
**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**  
**JUNE 30, 1998**

	GOVERNMENTAL FUND TYPE	ACCOUNT GROUPS	
	GENERAL	GENERAL FIXED ASSETS	LONG-TERM DEBT
<b><u>ASSETS</u></b>			
Cash on Deposit	\$944,184	\$	\$
Accrued Interest	2,072		
Accounts Receivable	13,607		
Security Deposits	375		
Prepaid Expenses	6,996		
Fixed Assets		1,522,512	
Amount to be Provided from General Fund for Retirement of Note Principal to Evangeline Parish Police Jury			15,860
Amount to be Provided from General Fund for Retirement of Certificates of Indebtedness, Series 1997			<u>506,000</u>
<b>TOTAL ASSETS</b>	<b><u>\$967,234</u></b>	<b><u>\$1,522,512</u></b>	<b><u>\$521,860</u></b>
<b><u>LIABILITIES AND FUND EQUITY</u></b>			
Liabilities:			
Accounts Payable	\$147,566	\$	\$
Certificates of Indebtedness, Series 1997			506,000
Evangeline Parish Police Jury Note Payable			<u>15,860</u>
<b>TOTAL LIABILITIES</b>	<b><u>\$147,566</u></b>	<b><u>\$ -0-</u></b>	<b><u>\$521,860</u></b>
Fund Equity:			
Investments in General Fixed Assets	\$	\$1,522,512	\$
Fund Balance:			
Unreserved-Undesignated	<u>819,668</u>		
Total Fund Balance	<u>\$819,668</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Total Fund Equity	<u>\$819,668</u>	<u>\$1,522,512</u>	<u>\$ -0-</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b><u>\$967,234</u></b>	<b><u>\$1,522,512</u></b>	<b><u>\$521,860</u></b>

The accompanying notes are an integral part of this statement.

**EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - GOVERNMENTAL FUND TYPE**  
**FOR THE YEAR ENDED JUNE 30, 1998**

	<u>GENERAL</u>
<u>REVENUES:</u>	
Taxes	\$2,200,776
Site Charges	64,033
Rent	11,310
Intergovernmental Revenue	22,721
Interest	52,522
Miscellaneous	8,911
Total Revenues	<u>\$2,360,273</u>
<u>EXPENDITURES:</u>	
Current Operating	\$1,841,885
Capital Outlay	529,912
Debt Service	84,199
Total Expenditures	<u>\$2,455,996</u>
<u>EXCESS (Deficiency) OF REVENUES</u> <u>OVER EXPENDITURES</u>	<u>\$ ( 95,723)</u>
<u>OTHER FINANCING SOURCES (USES):</u>	
Sale of Assets	<u>\$ 302</u>
Total Other Financing Sources (Uses)	<u>\$ 302</u>
<u>EXCESS (Deficiency) OF REVENUES AND</u> <u>OTHER SOURCES OVER EXPENDITURES AND</u> <u>OTHER USES</u>	<u>\$ ( 95,421)</u>
<u>FUND BALANCE, BEGINNING OF YEAR</u>	<u>915,089</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 819,668</u>

The accompanying notes are an integral part of this statement.

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL--GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 1998

	<u>Budget</u>	<u>Actual</u>
<u>REVENUES:</u>		
Taxes	\$2,125,000	\$2,200,776
Site Charges	51,850	64,033
Rent	10,500	11,310
Intergovernmental Revenue	-0-	22,721
Interest	58,000	52,522
Miscellaneous	8,500	8,911
Total Revenues	<u>\$2,253,850</u>	<u>\$2,360,273</u>
<u>EXPENDITURES:</u>		
Current Operating	\$1,819,150	\$1,841,885
Debt Service	87,000	84,199
Capital Outlay	773,000	529,912
Total Expenditures	<u>\$2,679,150</u>	<u>\$2,455,996</u>
<u>EXCESS (Deficiency) OF REVENUES</u> <u>OVER EXPENDITURES</u>	<u>\$ ( 425,300)</u>	<u>\$ ( 95,723)</u>
<u>OTHER FINANCING SOURCES (USES):</u>		
Sale of Assets	\$ 300	\$ 302
Total Other Financing Sources (Uses)	<u>\$ 300</u>	<u>\$ 302</u>
<u>EXCESS (Deficiency) OF REVENUES</u> <u>AND OTHER SOURCES OVER EXPENDITURES</u> <u>AND OTHER USES</u>	<u>\$ ( 425,000)</u>	<u>\$ ( 95,421)</u>
<u>FUND BALANCE, BEGINNING OF YEAR</u>	<u>915,089</u>	<u>915,089</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 490,089</u>	<u>\$ 819,668</u>

The accompanying notes are an integral part of this statement.



**EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 1998**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

These financial statements are presented in conformity with generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies affecting their presentation.

1. Reporting Entity

This report includes all of the funds and account groups of the Commission. It includes all activities considered to be part of (controlled by or dependent on) the Commission.

2. Basis of Accounting

The accounts of the Evangeline Parish Solid Waste Disposal Commission are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operation of each fund is accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Sales taxes are recognized as revenue when in the hands of intermediary collecting governments.

Expenditures are recognized when the related fund liability is incurred.

GOVERNMENTAL FUNDS

General Fund - The General Fund is the General Operating Fund of the Commission. It is used to account for all Financial Resources except those required to be accounted for in another fund. The principal revenue of the commission comes from proceeds of a 1% sales and use tax election held on November 6, 1984.

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION  
NOTES TO FINANCIAL STATEMENTS, CONT'D.

3. Fixed Assets and Long-Term Liabilities

Fixed Assets used in governmental fund operations (General Fixed Assets) are accounted for in the general fixed assets account group, rather than in governmental funds. Public Domain ("Infrastructure") general fixed assets consisting of certain improvements other than buildings, including dumpster site improvements and ramps and facilities at dumpster sites, and leasehold improvements to the commission office, are capitalized along with other general fixed assets. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost. Long-term liabilities expected to be financed from governmental funds are accounted for in the general long-term debt account group, not in the governmental fund.

The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

4. Budgets and Budgetary Accounting

The Commission follows these procedures in establishing the budgetary data reflected in these financial statements:

- a. The Commission manager meets with the Budget and Finance Committee to draw up the budget, before the beginning of the new year. At the Budget Committee meeting they recommend that the commission accept the budget presented to them. If there are no objections, it is then moved and seconded that they accept the recommendations of the Budget and Finance Committee. The Commission voted to accept the original budget at a special meeting held on June 16, 1997. The Commission voted to accept the amended budget as presented at their May 11, 1998 regular meeting.
- b. All Budgetary appropriations lapse at the end of each fiscal year.

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION  
 NOTES TO FINANCIAL STATEMENTS, CONT'D.

NOTE B - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance at 6/30/97	Additions	Deletions	Balance at 6/30/98
Land	\$ 54,385	\$ 17,295	\$ 3,000	\$ 68,680
Improvements Other Than Buildings	393,319	2,292	-0-	395,611
Buildings	208,451	22,293	-0-	230,744
Equipment	375,945	377,278	64,000	689,223
Construction-in- Progress	<u>-0-</u>	<u>138,254</u>	<u>-0-</u>	<u>138,254</u>
Total	<u>\$1,032,100</u>	<u>\$557,412</u>	<u>\$67,000</u>	<u>\$1,522,512</u>

NOTE C - CHANGES IN LONG-TERM DEBT

	General Obligation
Certificates of Indebtedness, Series 1997	
Balance July 1, 1997	\$550,000
Payments During Year	<u>44,000</u>
Balance, June 30, 1998	<u>\$506,000</u>
Note to Evangeline Parish Police Jury	
Balance, July 1, 1997	\$ 26,761
Payments During Year	<u>10,901</u>
Balance, June 30, 1998	<u>\$ 15,860</u>

Certificates of Indebtedness, Series 1997 is comprised of the following outstanding issues at June 30, 1998:

\$506,000 of Certificates of Indebtedness, Series 1997, of the Evangeline Parish Solid Waste Disposal Commission District, State of Louisiana dated June 10, 1997, bearing interest at the rate of 5.75% per annum payable semi-annually.

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION  
 NOTES TO FINANCIAL STATEMENTS, CONT'D.

The annual requirements to amortize this debt outstanding as of June 30, 1998 is as follows:

ANNUAL REQUIREMENTS TO AMORTIZE  
CERTIFICATES OF INDEBTEDNESS, SERIES, 1997  
FOR THE YEAR ENDED JUNE 30, 1998

<u>Year Ending</u> <u>June 30,</u>	<u>General</u> <u>Obligation</u>
1999	\$ 44,000
2000	47,000
2001	50,000
2002	53,000
2003	56,000
2004	59,000
2005	62,000
2006	66,000
2007	<u>69,000</u>
Total	<u>\$506,000</u>

Note Payable to the Evangeline Parish Police Jury is comprised of the following at June 30, 1998:

\$100,000 Note Payable dated January 6, 1989, maturing February 6, 1999 and bearing interest at the rate of 5% per annum. The balance outstanding at June 30, 1998 is \$15,860. The note is secured by collateral of a 5.377 acre tract of land with buildings and improvements.

The annual requirements to amortize debt outstanding as of June 30, 1998 are as follows:

ANNUAL REQUIREMENTS TO AMORTIZE NOTES PAYABLE TO  
EVANGELINE PARISH POLICE JURY  
JUNE 30, 1998

<u>Year Ending</u> <u>June 30,</u>	<u>General</u> <u>Obligation</u>
1999	\$11,459
2000	<u>4,401</u>
	<u>\$15,860</u>

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION  
 NOTES TO FINANCIAL STATEMENTS, CONT'D.

**NOTE D - RETIREMENT COMMITMENTS**

As of January 1, 1991, all eligible employees of the Solid Waste Commission became members of the State Parochial Employees Retirement System. Contributions to the system are made by both employees and the commission as a percentage of salaries. Future deficits in the system will be financed by the state and the commission will have no further liability to the system, except current contributions. Data concerning the actual status of the system is not available. The Commission contributed \$16,664.20 on wages of \$215,022.07 during the fiscal year ended June 30, 1998.

**NOTE E - SCHEDULE OF COMPENSATION PAID TO COMMISSIONERS:**

<u>NAME OF COMMISSIONER</u>	<u>Travel</u>	<u>Salary</u>	<u>Total</u>
Al Ardoin	\$ 223	\$ 2,500	\$ 2,723
Curley Dossman	78	1,900	1,978
Howard Dupre	104	2,300	2,404
Leon Estes	628	2,300	2,928
Dillard Fontenot	211	2,100	2,311
Roy Fontenot	71	2,200	2,271
Ray Forman	357	2,300	2,657
Gloria Frank	53	1,700	1,753
John Deshotel	512	2,300	2,812
Lionel Manuel	180	2,200	2,380
J. Dowell Deshotel	69	2,300	2,369
Roy L. Johnson	260	2,300	2,560
Jake Dupuis	104	2,200	2,304
Derutha Dossman	6	200	206
Margaret Frank	9	200	209
Total	<u>\$2,865</u>	<u>\$29,000</u>	<u>\$31,865</u>

**NOTE F - CASH**

The Evangeline Parish Solid Waste Disposal Commission's cash deposits with Citizens's Bank and Evangeline Bank & Trust Co. of Ville Platte, LA totaled \$944,184 per bank confirmation on the balance sheet date of June 30, 1998. These deposits were insured and collateralized at that date as follows:

FDIC Insurance	\$ 200,000
Cash Collateralized	<u>\$1,004,844</u>
Total Insurance and Collateral	<u>\$1,204,844</u>

Cash was adequately collateralized at June 30, 1998.

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION  
NOTES TO FINANCIAL STATEMENTS, CONT, D.

**NOTE G - LITIGATION**

The Commission does not have any pending or threatened litigation as of June 30, 1998.

**NOTE H - "YEAR 2000" ISSUE**

The "Year 2000" problem is the result of computer programs being written using two digits rather than four to define the applicable year. The Commission has begun the awareness stage of implementing a "Year 2000" compliant system. This stage involves establishing a budget and project plan for dealing with the "Year 2000" issue. The Commission has yet to enter the assessment, remediation, and validation/testing stages. The Commission has not estimated the cost of addressing the "Year 2000" issue nor has it committed a significant amount of resources to make computer systems and other electronic equipment "Year 2000" - compliant. The impact on the Commission's operations of failing to make its systems "Year 2000" - compliant in a timely manner cannot presently be determined.

**GENERAL FUND**

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION  
GENERAL FUND  
SCHEDULE OF OPERATING EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 1998, WITH COMPARATIVE ACTUAL AMOUNTS  
FOR THE YEAR ENDED JUNE 30, 1998

	<u>Budget</u>	<u>Actual</u>
<u>General and Administrative</u>		
Salaries and Wages	\$ 81,000	\$ 80,459
Commissioner Salaries	31,200	29,000
Advertising	2,000	2,105
Truck Allowance	7,200	7,344
Dues, Subscriptions and Registrations	4,000	3,847
Fringe Benefits	10,000	11,774
Legal and Accounting	25,000	23,388
Office Supplies	6,000	13,499
Professional Fees	4,300	2,520
Repairs and Maintenance	4,000	16,369
Operating Supplies	10,000	10,060
Telephone	9,000	7,657
Travel	12,000	11,590
Utilities	5,200	5,530
Insurance	76,000	31,734
Meals - Entertainment	3,000	3,291
Miscellaneous	6,000	10,275
Recycling Expense	15,600	12,029
Service Contract - Residential	935,000	889,831
Service Contract - Commercial	72,000	73,847
Closing of Dump Sites and Landfills	13,000	10,900
White Good Removal	9,000	7,419
Debt Service	87,000	84,199
Capital Outlay	36,000	27,488
Collection & Disposal	-0-	16,088
Bad Debt Expense	-0-	95
Payroll Tax Expense	-0-	12,800
Drug Testing Expense	4,000	3,445
Total	<u>\$1,467,500</u>	<u>\$1,408,583</u>
 <u>Ville Platte Site</u>		
Wages	\$ 55,000	\$ 76,434
Fringe Benefits	8,000	7,621
Service Contract - Collection and Roll-offs	84,000	94,866
Repairs and Maintenance	22,000	40,706
Operating Supplies	3,500	3,341
Tire Disposal	1,000	3
Telephone	1,000	691
Utilities	1,200	1,046
Capital Outlay	56,000	65,936
Rent	-0-	4,807
Total	<u>\$ 231,700</u>	<u>\$ 295,451</u>

(Continued)



EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION  
GENERAL FUND  
SCHEDULE OF OPERATING EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 1998  
(Continued)

	<u>Budget</u>	<u>Actual</u>
<u>Basile Site:</u>		
Wages	\$ 27,000	\$ 27,952
Fringe Benefits	3,400	2,936
Service Contract-Collection and Roll-Offs	7,500	7,101
Repairs and Maintenance	800	199
Operating Supplies	1,500	1,493
Telephone	750	546
Utilities	900	538
Total	<u>\$ 41,850</u>	<u>\$ 40,765</u>
 <u>Pine Prairie Site</u>		
Salaries and Wages	\$ 28,000	\$ 31,152
Fringe Benefits	3,500	4,100
Service Contract-Collection and Roll-Offs	24,000	26,100
Repairs and Maintenance	4,600	1,185
Operating Supplies	2,100	2,336
Telephone	750	603
Utilities	900	805
Rent	-0-	950
Capital Outlay	46,000	31,945
Total	<u>\$ 109,850</u>	<u>\$ 99,176</u>
 <u>Mamou Site</u>		
Utilities	\$ -0-	\$ 10
Capital Outlay	455,000	229,609
Total	<u>\$ 455,000</u>	<u>\$ 229,619</u>
 <u>Limb Crew</u>		
Wages	\$ 55,000	\$ 60,981
Truck, Gas and Maintenance	18,000	18,042
Fringe Benefits	6,250	7,393
Operating Supplies	9,000	10,991
Chipper Repairs and Maintenance	14,000	13,667
Telephone	1,200	1,126
Rent	-0-	950
Capital Outlay	50,000	45,170
Total	<u>\$ 153,450</u>	<u>\$ 158,320</u>

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION  
GENERAL FUND  
SCHEDULE OF OPERATING EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 1998  
(Continued)

	<u>Budget</u>	<u>Actual</u>
<u>Roll-Off Service</u>		
Salaries & Wages	\$ 27,050	\$ 26,360
Fringe Benefits	3,950	3,905
Repairs and Maintenance	7,500	7,415
Shop Expense	13,700	16,201
Truck, Fuel, Oil and Tires	36,400	38,788
Telephone	1,200	1,649
Capital Outlay	<u>130,000</u>	<u>129,764</u>
Total	<u>\$ 219,800</u>	<u>\$ 224,082</u>
Total Operating Expenditures	<u>\$2,679,150</u>	<u>\$2,455,996</u>

**GENERAL LONG-TERM DEBT ACCOUNT GROUP**

To account for unmatured principal amounts on General Long-Term debt expected to be financed from governmental type funds. Payment of maturing obligations including interest, are accounted for in the General Fund.

**EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION**  
**STATEMENT OF GENERAL LONG-TERM DEBT**  
**JUNE 30, 1998**

	<u>Mamou Dumpster Station</u>	<u>Evangeline Parish Police Jury Maintenance Facility</u>	<u>Total</u>
<u>Amount Available and to be Provided</u> <u>for the Retirement of General Long-Term Debt</u>			
Amount to be Provided from Excess Annual Revenues from General Fund for Retirement of Certificates of Indebtedness, Series 1997	\$506,000	\$	\$506,000
Amount to be Provided from General Revenue for Retirement of Note Principal to Evangeline Parish Police Jury	_____	<u>15,860</u>	<u>15,860</u>
Total Available and to be Provided	<u>\$506,000</u>	<u>\$15,860</u>	<u>\$521,860</u>
<u>General Long-Term Debt Payable</u>			
\$550,000 Certificates of Indebtedness, Series 1997, Dated June 10, 1997, Bearing Interest at the Rate of 5.75% Per Annum Payable Semi-Annually	\$506,000		\$506,000
\$100,000 Principal of Note to Evangeline Parish Police Jury, 10 Year Maturity, 5% Interest Rate, Dated January 6, 1989, to Mature February 6, 1999	\$ _____	<u>\$15,860</u>	<u>\$ 15,860</u>
Total General Long-Term Debt Payable	<u>\$506,000</u>	<u>\$15,860</u>	<u>\$521,860</u>

# MICHAEL W. JOHNSON

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## REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable President and Commission Members  
Evangeline Parish Solid Waste Disposal Commission  
Ville Platte, Louisiana

I have audited the financial statements of Evangeline Parish Solid Waste Disposal Commission as of and for the year ended June 30, 1998, and have issued my report thereon dated December 14, 1998. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether Evangeline Parish Solid Waste Disposal Commission's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying schedule of findings and questioned costs as item 1998-2.

### Internal Control Over Financial Reporting

In planning and performing my audit, I considered Evangeline Parish Solid Waste Disposal Commission's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control

over financial reporting that, in my judgment, could adversely affect Evangeline Parish Solid Waste Disposal Commission's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 1998-1 and 1998-2.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the 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. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions, and accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, I consider item 1998-2 to be a material weakness.

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

*Michael W. Johnson*

Michael W. Johnson  
Certified Public Accountant

December 14, 1998

# MICHAEL W. JOHNSON

*Certified Public Accountant*

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## EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended June 30, 1998

I have audited the financial statements of Evangeline Parish Solid Waste Disposal Commission as of and for the year ended June 30, 1998, and have issued my report thereon dated December 14, 1998. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. My audit of the financial statements as of June 30, 1998 resulted in an unqualified opinion.

### Section I Summary of Auditor's Reports

#### a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses Yes No Reportable Conditions Yes No

Compliance

Compliance Material to Financial Statements Yes No

### Section II Financial Statement Findings

#### 1998-1. Inadequate Segregation of Duties

Finding: The segregation of duties is inadequate to provide effective internal control.

Cause: The condition is due to economic and space limitations.

Recommendation: No action is recommended.

#### 1998-2. Violation of State Bid Law

Finding: The Commission purchased equipment in excess of the state's minimum bid requirement level without advertising and letting to the lowest bidder as required by the Louisiana Bid Law.

Cause: Management overlooked this requirement.

Recommendation: Management should comply with the Louisiana Bid Law by advertising and letting to the lowest bidder for all purchases of materials and supplies exceeding the state's minimum bid requirement level.



EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION  
MANAGEMENT'S CORRECTIVE ACTION PLAN  
For the Year Ended June 30, 1998

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENT

**1998-2 Violation of State Bid Law:**  
Management should comply with the Louisiana Bid Law by advertising and letting to the lowest bidder for all purchases of materials and supplies exceeding the state's minimum bid requirement level.

Management has begun consulting with the Commission's attorney before purchasing materials and supplies exceeding the state's minimum bid requirement level. The attorney then advises management as to whether or not it is necessary for the Commission to advertise and let to the lowest bidder before making such purchases.

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION  
SCHEDULE OF PRIOR YEAR FINDINGS  
For the Year Ended June 30, 1998

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

Inadequate Segregation of Duties.	Unresolved, See 1998-1 on Schedule of Findings and Questioned Costs.
Failure to make required sinking fund deposits.	Resolved.
Cash not adequately collateralized.	Resolved.