

**EVANGELINE PARISH SOLID WASTE
DISPOSAL COMMISSION, STATE OF LOUISIANA
ANNUAL FINANCIAL REPORT
JUNE 30, 2013**

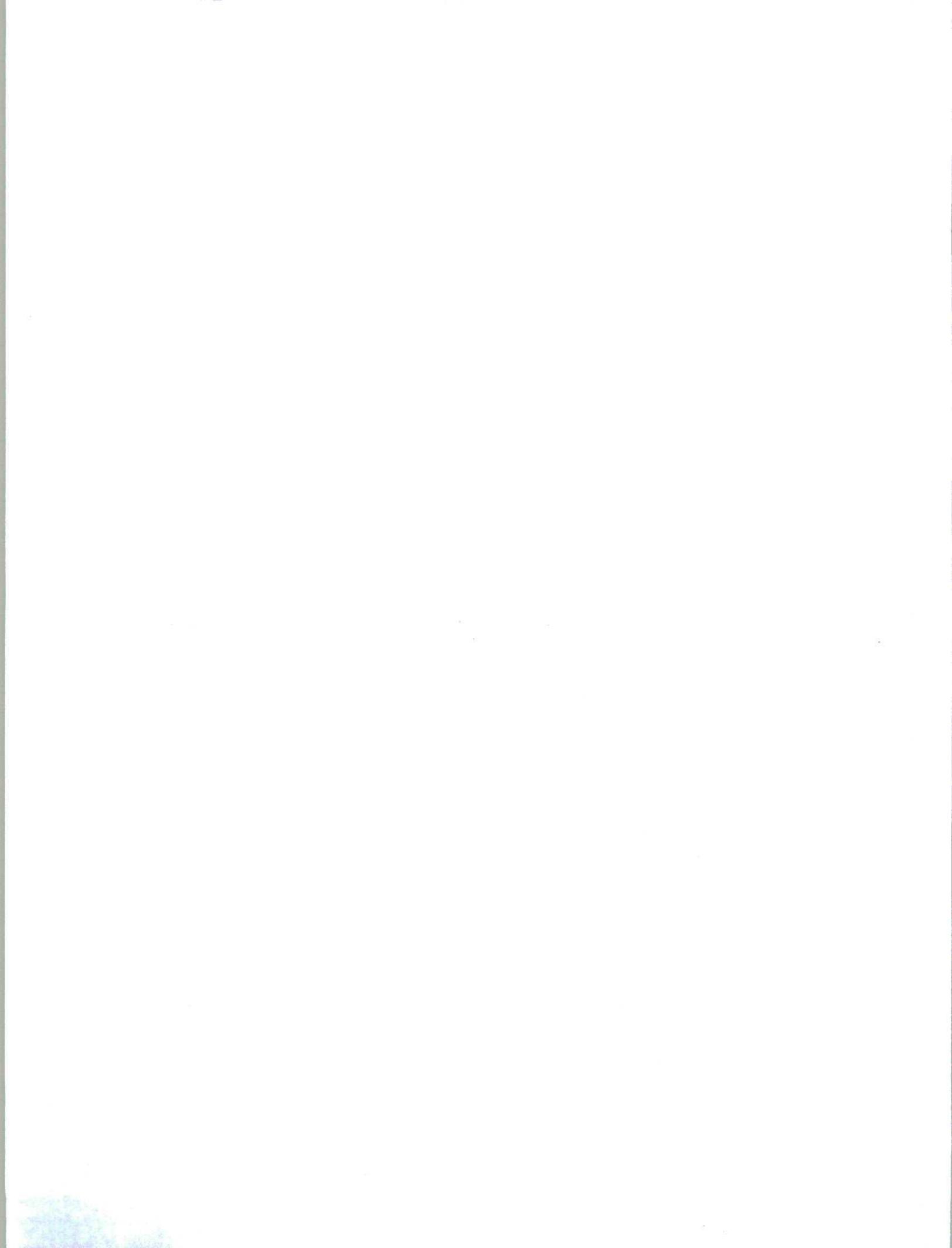


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VIGE, TUJAGUE NOEL

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

151 N. 2ND STREET
P. O. BOX 1006
EUNICE, LOUISIANA 70535

SHIRLEY VIGE, JR., C.P.A.
FRANK G. TUJAGUE, C.P.A.
DOMINIQUE M. NOEL, C.P.A.

TELEPHONE:
337-457-9324
FAX:
337-457-8743

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities 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, 2013, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness

of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, of the Evangeline Parish Solid Waste Disposal Commission, as of June 30, 2013, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Evangeline Parish Solid Waste Disposal Commission has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Evangeline Parish Solid Waste Disposal Commission's basic financial statements. The individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2013, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Commission's internal control over financial reporting and compliance.



Vige, Tujague & Noël
Eunice, Louisiana
November 27, 2013

BASIC FINANCIAL STATEMENTS

GOVERNMENT- WIDE FINANCIAL STATEMENTS

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION
Statement of Net Position
June 30, 2013

ASSETS	<u>Governmental Activities</u>
Current assets:	
Petty cash	\$ 60
Cash and interest-bearing deposits	731,575
Sales tax receivable	348,051
Accounts receivable	21,039
Total current assets	<u>1,100,725</u>
Noncurrent assets:	
Security deposit	375
Cash and interest-bearing deposits (emergency fund)	1,183,953
Capital assets, net (Note C)	2,149,982
Total noncurrent assets	<u>3,334,310</u>
Total assets	<u>4,435,035</u>
LIABILITIES	
Current liabilities:	
Accounts payable	256,203
Retirement payable	44,400
Payroll taxes payable	12,551
Compensated absences payable	12,230
Total current liabilities	<u>325,384</u>
Total liabilities	<u>325,384</u>
NET POSITION	
Invested in capital assets, net of related debt	2,149,982
Unrestricted	1,959,669
Total net position	<u>\$ 4,109,651</u>

The accompanying notes are an integral part of the basic financial statements.

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION

Statement of Activities

For the Year Ended June 30, 2013

	<u>Governmental Activities</u>
EXPENSES:	
Solid waste collection and disposal:	
Operating	\$ 4,027,291
Depreciation	181,826
Total program expenses	<u>4,209,117</u>
PROGRAM REVENUES:	
Charges for collection and disposal	<u>63,200</u>
Net program expenses	<u>4,145,917</u>
GENERAL REVENUE:	
Sales tax	3,994,567
Interest	14,331
Rent	35,691
Miscellaneous	7,560
Intergovernmental	33,147
FEMA Reimbursement	35,896
Gain on disposition of assets	100
Total general revenues	<u>4,121,292</u>
Increase/(decrease) in net position	<u>(24,625)</u>
Net Position - beginning of the year	<u>4,134,276</u>
Net Position - end of the year	<u><u>\$ 4,109,651</u></u>

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION

Balance Sheet
Governmental Funds
June 30, 2013

ASSETS	<u>General Fund</u>
Petty cash	\$ 60
Cash and interest bearing deposits	1,915,528
Accounts receivable	21,039
Sales tax receivable	307,980
Security deposits	<u>375</u>
Total assets	<u><u>\$2,244,982</u></u>
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	\$ 256,203
Retirement payable	44,400
Payroll taxes payable	<u>12,551</u>
Total current liabilities	<u>313,154</u>
Total liabilities	<u>313,154</u>
Fund balance:	
Committed	1,183,953
Unassigned	<u>747,875</u>
Total fund balance	<u>1,931,828</u>
Total liabilities and fund balance	<u><u>\$2,244,982</u></u>

The accompanying notes are an integral part of the basic financial statements.

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2013

Total fund balances of governmental funds at June 30, 2013	\$ 1,931,828
Total net position reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	2,149,982
Sales tax which were not measurable at year end and not considered available as current financial resources at year end	40,071
Some liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.	
Compensated absences	<u>(12,230)</u>
Net Position of Governmental Activities	<u>\$ 4,109,651</u>

The accompanying notes are an integral part of the basic financial statements.

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION
Statement of Revenues, Expenditures, and
Changes in Fund Balance-Governmental Funds
For the Year Ended June 30, 2013

REVENUES	<u>General Fund</u>
Sales Tax	\$ 3,952,392
Interest	14,331
Rent	35,691
Site Charges	63,200
Miscellaneous	7,560
Intergovernmental	33,147
FEMA Reimbursement	35,896
Sale of Assets	100
Total Revenues	<u>4,142,317</u>
EXPENDITURES	
Current Operating	4,030,139
Capital Outlay	827,584
Total Expenditures	<u>4,857,723</u>
Net Change in Fund Balance	(715,406)
FUND BALANCE, BEGINNING OF THE YEAR	<u>2,647,234</u>
FUND BALANCE, END OF THE YEAR	<u>\$ 1,931,828</u>

The accompanying notes are an integral part of the basic financial statements.

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION
 Reconciliation of the Statement of Revenues,
 Expenditures, and Changes in Fund Balances-Governmental Funds
 To the Statement of Activities
 For the Year Ended June 30, 2013

Total net change in fund balances for the year ended June 30, 2013 per the Statement of Revenues, Expenditures and Changes in Fund Balance	\$(715,406)
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The change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 827,584	
Depreciation expense	<u>(181,826)</u>	645,758

Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences	2,848
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds

	<u>42,175</u>
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Total change in net position for the year ended June 30, 2013 per the Statement of Activities	<u><u>\$ (24,625)</u></u>
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The accompanying notes are an integral part of the basic financial statements.

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION
Notes to Financial Statements
June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the Evangeline Parish Solid Waste Disposal Commission 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.

GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in the subsequent subsection of this note.

Financial Reporting Entity

The Commission is a specially-created commission responsible for the parish-wide collection and disposal of solid waste. The Commission's major funding is provided by sales tax collections.

This report includes all of the funds of the Commission. It includes all activities considered to be part of (controlled by or dependent on) the Commission. The Commission is a component unit of the Evangeline Parish Police Jury.

As the governing authority of the parish, for reporting purposes, the Evangeline Parish Government is the financial reporting entity for Evangeline Parish. The financial reporting entity consists of (a) the primary government (parish government), (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 statement 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 Evangeline Parish Government 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 parish government 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 parish government.
2. Organizations for which the parish government does not appoint a voting majority but are fiscally dependent on the parish government.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature of significance of the relationship.

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION
Notes to Financial Statements
June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

Government – Wide Financial Statements:

The Statement of Net Position and Statement of Activities display information on all of the nonfiduciary activities of the Evangeline Parish Solid Waste Disposal Commission, the primary government, as a whole. They include all funds of the reporting entity. These statements present governmental activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements:

Fund financial statements of the reporting entity are organized on the basis of funds, each of which is considered to be separate accounting entities. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Fund financial statements report detailed information about the Evangeline Parish Solid Waste Disposal Commission. As a general rule, interfund eliminations are not made in the fund financial statements.

Funds of the Commission are classified as governmental funds. Governmental funds account for 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. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Disposal Commission or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION
Notes to Financial Statements
June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- b. Total assets, liabilities, revenues, or expenditures/expense of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined

Governmental funds of the Commission include the General Fund. The General Fund is the primary operating fund of the Commission. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus:

In the fund financial statements, all governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. For this purpose, the Commission considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

The government-wide financial statements utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in Net Position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Fund balance is classified as Net Position.

Basis of Accounting:

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end.

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION
Notes to Financial Statements
June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on general long-term debt which are recognized when due.

Purchases of various operating supplies are regarded as expenditures at the time purchased, and inventories of such supplies (if any) are not recorded as assets at the close of the fiscal year.

Expenditures for insurance and similar services which extend over more than one accounting period are accounted for as expenditures of the period of acquisition.

Assets, Liabilities, and Equity

Cash and Interest-Bearing Deposits:

For the purpose of the Statement of Net Position, cash and interest-bearing deposits includes all demand, savings accounts, and certificates of deposits of the Commission.

Receivables:

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivables balances for the governmental activities include sales tax, dumpsite charges, roll-off charges, and limb crew salary reimbursements.

In the fund financial statements, material receivables in governmental funds include sales tax, dumpsite charges, roll-off charges, and limb crew salary reimbursements since they are both measurable and available. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available.

Capital Assets:

The accounting treatment over property, plant, and equipment (capital assets) depends on whether they are reported in the government-wide or fund financial statements.

Government-wide Statements

In the government-wide financial statements, capital assets are capitalized at historical cost or estimated historical cost if actual is unavailable, except for donated fixed assets, which are recorded at their estimated fair value at the date of donation. The Commission maintains a threshold level of \$5,000 or more for

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION
Notes to Financial Statements
June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

capitalizing assets. Estimated historical cost of \$275,709 was used to value the assets acquired prior to July 1, 1988.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position.

Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Equipment	10 years
Improvements	20 years
Buildings	40 years

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Fund Financial Statements

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Equity Classifications:

Government-wide Statements

Equity is classified as Net Position and displayed in three components:

- a. Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted Net Position – Consists of Net Position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted Net Position – All other Net Position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION
Notes to Financial Statements
June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Statements

In the fund financial statements, governmental funds report aggregate amount for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining for classifications: restricted, committed, assigned, and unassigned.

- a. Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- b. Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Evangeline Solid Waste Commission. Those committed amounts cannot be used for any other purpose unless the city council removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
- c. Assigned fund balance. This classification reflects the amounts constrained by the commission's "intent" to be used for specific purposes, but are neither restricted nor committed. The Evangeline Parish Solid Waste Commission has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.
- d. Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the Commission's policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – in order as needed.

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION
Notes to Financial Statements
June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Committed Assets:

Committed assets include cash and interest-bearing deposits of the general fund that are set aside for emergency use. This takes a two-thirds vote of a quorum present to allow usage of these funds. The Commission has set aside \$1,183,953 for this purpose.

Revenues, Expenditures, and Expenses

Sales Tax:

The Commission presently levies a one-percent sales tax on taxable sales within the Commission's district. The sales tax is collected by the Evangeline Parish Tax Commission and is remitted to the Commission by the end of the month following receipt by the Tax Commission. The Tax Commission receives the sales tax approximately 20 days after the end of the month in which the sales occurred. The sales tax is recorded entirely in the General Fund. Sales taxes collected by the Tax Commission in July (which represents sales for June) and received by the Commission in July have been accrued and are included under the caption "Sales Tax Receivable" in the Statement of Net Position.

Operating Revenues and Expenses:

Operating revenues and expenses for governmental funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

Expenditures/Expenses:

In the government-wide financial statements, expenses are classified by function for governmental activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds – By Character:	Current
	Debt Service
	Capital Outlay

In the fund financial statements, governmental funds report expenditures of financial resources.

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION
Notes to Financial Statements
June 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budget and Budgetary Accounting

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

1. Prior to May 31, the Commission manager meets with the Budget and Finance Committee to draw up the budget.
2. A summary of the budget is published and made available for public inspection.
3. A public hearing is held during the regular June meeting of the Commission. The budget is then adopted by resolution of the Commission.
4. Amendments to any items of the budget must be approved by the Commission.
5. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles. Budgeted amounts are as originally adopted, or as amended during the year by the Commission.
6. Operating appropriations, to the extent not expended or encumbered, lapse at year-end. Capital appropriations continue in force until the project is completed or deemed abandoned.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 – 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. The current contribution rates are 9.5% of covered wages for employees and 16.75% of covered wages for the Commission. 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 \$116,835 on wages of \$719,050 during the fiscal year ended June 30, 2013.

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION
Notes to Financial Statements
June 30, 2013

NOTE 3 – CONTINGENT LIABILITY

The Commission is contingently liable for its pro rata share of the cost of defending any claims, causes of action, demands, suits or judgments and for its pro rata share of the payment of any judgments or costs of clean up due to the generation and disposal of waste at permitted landfill sites. The Commission currently has \$176,679 in a trust account on deposit with a financial institution to be used in the event that it is determined to be responsible for cleanup costs at a landfill site that it is no longer using. No estimate of the amount of liability (if any) can be made at this time.

NOTE 4 – COMPENSATION TO COMMISSIONERS

	<u>Convention</u>	<u>Travel</u>	<u>Salary</u>	<u>Total</u>
Bernice Ardoin	\$ -	\$ 488	\$ 2,400	\$ 2,888
Curley Dossman	2,321	195	2,400	4,916
Leon Estes	-	1,788	2,400	4,188
Dillard Fontenot	-	530	2,400	2,930
Ray Forman	-	642	2,400	3,042
Lee Bertman Ardoin	-	16	200	216
John Deshotel	-	1,182	2,400	3,582
Donald Thomas	2,302	195	2,400	4,897
Phillip Miller	-	321	2,300	2,621
Paul N. Berzas, Jr.	-	191	2,200	2,391
Cristal Messer	-	401	2,400	2,801
Jimmy Arvie	-	17	200	217
Wilda Chamberlain	1,356	335	2,400	4,091
Sarah Fontenot	2,535	383	2,200	5,118
Hillery Hill	-	153	2,200	2,353
Total	<u>\$ 8,514</u>	<u>\$ 6,837</u>	<u>\$ 30,900</u>	<u>\$ 46,251</u>

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION
Notes to Financial Statements
June 30, 2013

NOTE 5 – CAPITAL ASSETS

Capital Assets activity for the year ended June 30, 2013, was as follows:

	<u>Balance</u> 6/30/2012	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> 6/30/2013
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 88,680	\$ -	\$ -	\$ 88,680
Capital assets being depreciated:				
Machinery and equipment	1,553,181	47,389	-	1,600,570
Improvements other than buildings	1,592,720	795	-	1,593,515
Buildings	432,223	779,400	-	1,211,623
Total capital assets:	<u>3,666,804</u>	<u>827,584</u>	<u>-</u>	<u>4,494,388</u>
Less accumulated depreciation				
Machinery and equipment	1,017,998	98,159	-	1,116,157
Improvements other than buildings	962,679	67,820	-	1,030,499
Buildings	181,903	15,847	-	197,750
Total accumulated depreciation	<u>2,162,580</u>	<u>181,826</u>	<u>-</u>	<u>2,344,406</u>
Governmental activities capital assets, net	<u>\$ 1,504,224</u>	<u>\$ 645,758</u>	<u>\$ -</u>	<u>\$ 2,149,982</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
Solid waste collection and disposal	<u>\$ 181,826</u>
Total governmental activities depreciation expense	<u>\$ 181,826</u>

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION
Notes to Financial Statements
June 30, 2013

NOTE 6 – CASH

Under state law, the Commission may deposit funds with any bank located within the state and organized under the laws of the State of Louisiana, any other state in the union, or under the laws of the United States. Further, the Commission may invest in time deposits or certificates of deposit of those banks.

Bank deposits must be secured by federal depository insurance or the pledge of securities owned by the bank. The market value of the pledged securities must at all times equal or exceed 100 percent of the uninsured amount on deposit with the bank.

The Evangeline Parish Solid Waste Disposal Commission's bank and book balances of cash and interest – bearing deposits totaled \$1,920,266 and \$1,915,318, respectively at June 30, 2013. These deposits were insured and collateralized at that date as follows:

FDIC Insurance	\$ 250,000
Collateral Pledged Securities	<u>2,514,929</u>
Total Insurance and Collateral	<u><u>\$2,764,929</u></u>

Cash was adequately collateralized at June 30, 2013.

NOTE 7 – LITIGATION

The Commission does not have any pending or threatened litigation as of June 30, 2013.

NOTE 8 – SUBSEQUENT EVENTS

Subsequent events were evaluated through November 27, 2013, which is the date the financial statements were available to be issued. As of November 27, 2013, there were no subsequent events noted.

NOTE 9 – COMPENSATED ABSENCES

Employees receive six days of sick leave upon employment. After one full year of employment, employees receive ten days of sick leave and five days of vacation. Employees receive ten days of vacation for years three through ten of employment and fifteen days of vacation for years eleven through twenty-five of employment. After twenty-five years employment, employees receive twenty days of vacation. Vacation time may be carried over no longer than one year. Sick leave may be carried over for an unlimited time period. The Commission changed its policy on compensated absences with the adoption of a new employee handbook on May 14, 2012. Under the new policy, unused sick leave will no longer be payable at time of termination,

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION

Notes to Financial Statements

June 30, 2013

NOTE 9 – COMPENSATED ABSENCES (continued)

resignation or retirement. The Commission will allow up to thirty days of accumulated sick leave to be accounted for in the time of service calculation, if time of service has already been met for purposes of meeting the retirement qualifications. The thirty days are credited to time of service in calculating the retirement benefit.

NOTE 10 – Concentration of Risk

The Evangeline Parish Solid Waste Commission is dependent on collections of a 1% general sales tax collected in Evangeline Parish and is geographically bound by the boundary of Evangeline Parish.

REQUIRED SUPPLEMENTARY INFORMATION

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended June 30, 2013

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance With Final Budget Positive (Negative)
Revenues:				
Sales Tax	\$3,700,000	\$4,126,000	\$3,952,392	\$ (173,608)
Interest	26,000	15,000	14,331	(669)
Rent	34,500	34,500	35,691	1,191
Site Charges	66,400	60,650	63,200	2,550
Miscellaneous	5,850	5,300	7,560	2,260
Intergovernmental	33,000	33,000	33,147	147
FEMA Reimbursement	-	35,896	35,896	-
Sale of Assets	1,000	100	100	-
 Total Revenues	 <u>3,866,750</u>	 <u>4,310,446</u>	 <u>4,142,317</u>	 <u>(168,129)</u>
Expenditures				
Current Operating	3,954,700	4,041,735	4,030,139	11,596
Capital Outlay	450,000	858,000	827,584	30,416
 Total Expenditures	 <u>4,404,700</u>	 <u>4,899,735</u>	 <u>4,857,723</u>	 <u>42,012</u>
 Excess (Deficiency) of Revenues Over Expenditures	 (537,950)	 (589,289)	 (715,406)	 (126,117)
 Fund Balance, Beginning of Year	 <u>2,647,234</u>	 <u>2,647,234</u>	 <u>2,647,234</u>	 <u>-</u>
 Fund Balance, End of Year	 <u>\$2,109,284</u>	 <u>\$2,057,945</u>	 <u>\$1,931,828</u>	 <u>\$ (126,117)</u>

See accompanying notes to Required Supplementary Information

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION
Required Supplementary Notes
June 30, 2013

Budget and Budgetary Accounting

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

1. Prior to May 31, the Commission manager meets with the Budget and Finance Committee to draw up the budget.
2. A summary of the budget is published and made available for public inspection.
3. A public hearing is held during the regular June meeting of the Commission. The budget is then adopted by resolution of the Commission.
4. Amendments to any items of the budget must be approved by the Commission.
5. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles. Budgeted amounts are as originally adopted, or as amended during the year by the Commission.
6. Operating appropriations, to the extent not expended or encumbered, lapse at year-end. Capital appropriations continue in force until the project is completed or deemed abandoned.

OTHER SUPPLEMENTARY INFORMATION

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION

General Fund

Budgetary Comparison Schedule - Expenditures

For the Year Ended June 30, 2013

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance With Final Budget Positive (Negative)
Administrative Expenditures:				
Salaries - Office Personnel	\$ 210,000	\$ 212,850	\$ 212,962	\$ (112)
Commissioner's Compensation	31,200	31,200	30,900	300
Advertisements	10,000	14,000	12,635	1,365
Dues & Subscriptions	10,000	11,000	12,641	(1,641)
Fringe Benefits	17,000	18,500	13,602	4,898
Retirement expense	32,000	32,000	34,608	(2,608)
Legal & Accounting	40,000	45,000	45,671	(671)
Meals & Entertainment	2,000	2,500	2,419	81
Office Supplies	10,000	10,000	11,751	(1,751)
Professional Fees	25,000	10,000	7,300	2,700
Repairs & Maintenance	10,000	10,000	6,189	3,811
Operating Supplies	12,000	17,000	19,924	(2,924)
Telephone	6,500	7,500	7,494	6
Travel	20,000	30,000	27,125	2,875
Utilities	12,000	16,000	15,782	218
Payroll Tax	5,400	7,700	4,940	2,760
Total Administrative Expenditures	<u>453,100</u>	<u>475,250</u>	<u>465,943</u>	<u>9,307</u>
Basile Site Expenditures:				
Salaries - Site Operators	41,000	37,000	37,655	(655)
Fringe Benefits	3,000	20,000	19,824	176
Collection & Disposal of Dumpsters	3,000	3,500	3,137	363
Repairs & Maintenance	500	4,000	1,974	2,026
Operating Supplies	500	300	146	154
Telephone	1,200	1,350	1,288	62
Utilities	1,000	1,100	1,082	18
Backhoe Repairs	1,500	1,800	1,674	126
Payroll Tax	3,200	3,000	2,997	3
Retirement	6,000	-	-	-
Total Basile Site Expenditures	<u>60,900</u>	<u>72,050</u>	<u>69,777</u>	<u>2,273</u>

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION

General Fund

Budgetary Comparison Schedule - Expenditures

For the Year Ended June 30, 2013

	Original	Final	Actual	Variance With Final Budget Positive (Negative)
General Expenditures:				
Service Contract - Residential	\$ 1,758,000	\$ 1,762,500	\$ 1,762,481	\$ 19
White Good Removal Expense	5,000	5,000	4,549	451
Recycling Expenses	3,000	3,000	1,999	1,001
Insurance Premiums	210,000	220,000	239,842	(19,842)
Drug Testing & Safety Expense	12,000	12,000	12,508	(508)
Miscellaneous	3,000	5,000	3,535	1,465
Bad Debts	1,000	1,000	-	1,000
Salaries - Mechanic & Shop Help	100,000	90,000	89,036	964
Fringe Benefits	6,000	13,000	12,602	398
Retirement Expense	12,000	14,000	13,687	313
Maintenance Shop Supplies	35,000	48,000	51,978	(3,978)
Backhoe Repairs	1,500	1,500	184	1,316
Liter Abatement Program	18,000	18,000	16,306	1,694
Capital Outlay	-	9,500	15,360	(5,860)
Payroll Tax	2,000	2,000	1,605	395
Total General Expenditures	<u>2,166,500</u>	<u>2,204,500</u>	<u>2,225,672</u>	<u>(21,172)</u>
Mamou Site Expenditures:				
Salaries	43,000	40,000	39,973	27
Fringe Benefits	3,000	-	-	-
Collection and Disposal of Roll-offs	27,000	30,185	32,054	(1,869)
Repairs & Maintenance	1,000	2,500	1,405	1,095
Backhoe Repairs & Maintenance	1,500	1,500	1,664	(164)
Operating Supplies	1,000	1,500	1,080	420
Telephone	1,300	1,550	1,465	85
Utilities	2,400	2,100	2,110	(10)
Chip Removal	115,000	66,400	66,384	16
Payroll Tax	3,500	3,500	2,915	585
Retirement	5,500	-	-	-
Total Mamou Site Expenditures	<u>204,200</u>	<u>149,235</u>	<u>149,050</u>	<u>185</u>

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION

General Fund

Budgetary Comparison Schedule - Expenditures

For the Year Ended June 30, 2013

	Original	Final	Actual	Variance With Final Budget Positive (Negative)
Limb Crew Expenditures:				
Salaries	\$ 215,000	\$ 247,000	\$ 244,281	\$ 2,719
Truck Maintenance, III	3,000	3,000	993	2,007
Truck Maintenance, IV	3,000	6,000	6,530	(530)
Truck Maintenance, V	3,000	3,000	2,282	718
Fringe Benefits	14,000	24,000	20,634	3,366
Retirement Expense	28,000	34,000	34,081	(81)
Chipper Repairs & Maintenance	6,000	3,000	4,104	(1,104)
Operating Supplies	3,500	2,000	2,077	(77)
Telephone	3,600	4,000	3,036	964
Ford Van #6 Repairs	1,000	1,000	87	913
SWVII	1,000	1,000	560	440
Old Grapppler VPI	3,000	3,500	5,005	(1,505)
Payroll Tax	4,400	6,000	5,659	341
Total Limb Crew Expenditures	<u>288,500</u>	<u>337,500</u>	<u>329,329</u>	<u>8,171</u>
Pine Prairie Site Expenditures:				
Salaries - Site Operator	75,000	72,000	73,650	(1,650)
Fringe Benefits	5,000	8,500	8,123	377
Retirement expense	9,500	12,000	11,619	381
Collection & Disposal of Dumpsters	30,000	30,000	32,980	(2,980)
Repairs & Maintenance	-	1,500	1,395	105
Backhoe Repairs & Maintenance	1,500	1,500	542	958
Operating Supplies	400	400	748	(348)
Telephone	700	800	1,069	(269)
Utilities	1,500	1,800	2,187	(387)
Capital Outlay	450,000	842,000	805,429	36,571
Payroll Tax	2,000	2,000	1,267	733
Total Pine Prairie Expenditures	<u>575,600</u>	<u>972,500</u>	<u>939,009</u>	<u>33,491</u>

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION

General Fund

Budgetary Comparison Schedule - Expenditures

For the Year Ended June 30, 2013

	Original	Final	Actual	Variance With Final Budget Positive (Negative)
Roll - Off Expenditures:				
Roll- Off Salary	\$ 115,000	\$ 75,000	\$ 74,995	\$ 5
Fringe Benefits-Roll-Off Salary	7,000	12,000	11,658	342
Retirement Expense	14,000	14,000	12,057	1,943
Telephone	4,500	4,800	4,909	(109)
Maintenance SWVIII	3,500	15,000	12,946	2,054
Maintenance SW I Parts & Repairs	3,500	10,000	8,247	1,753
Maintenance SW II Parts & Repairs	3,000	2,000	549	1,451
Maintenance SW X Parts & Repairs	1,500	15,000	13,155	1,845
Roll - Off Motor & Hydraulic Oil	7,000	11,000	8,829	2,171
Roll-Off Containers & Repairs	1,000	6,500	6,751	(251)
Roll-Off Diesel	145,000	150,000	149,670	330
Roll-Off Tires	80,000	85,000	86,029	(1,029)
Capital Outlay	-	6,500	6,500	-
Payroll Tax	2,000	2,000	1,093	907
Total Roll - Off Expenditures	387,000	408,800	397,388	11,412
Ville Platte Site Expenditures:				
Salaries - Site Operators	105,000	95,000	96,392	(1,392)
Fringe Benefits	6,500	14,000	13,521	479
Retirement Expense	12,500	12,500	10,783	1,717
Collection & Disposal of Roll-Offs	130,000	140,000	143,908	(3,908)
Repairs & Maintenance	3,000	3,000	1,803	1,197
Backhoe Repairs & Maintenance	3,000	7,000	8,240	(1,240)
Operating Supplies	1,000	1,000	112	888
Telephone	900	900	844	56
Utilities	3,000	2,500	2,358	142
Capital Outlay	-	-	295	(295)
Payroll Tax	4,000	4,000	3,299	701
Total Ville Platte Expenditures	268,900	279,900	281,555	(1,655)
Total Expenditures	\$4,404,700	\$4,899,735	\$4,857,723	\$ 42,012

VIGE, TUJAGUE  NOEL

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

151 N. 2ND STREET
P. O. BOX 1006
EUNICE, LOUISIANA 70535

SHIRLEY VIGE, JR., C.P.A.
FRANK G. TUJAGUE, C.P.A.
DOMINIQUE M. NOEL, C.P.A.

TELEPHONE:
337-457-9324
FAX:
337-457-8743

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities of the Evangeline Parish Solid Waste Disposal Commission, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated November 27, 2013.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Evangeline Parish Solid Waste Disposal Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Evangeline Parish Solid Waste Disposal Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Evangeline Parish Solid Waste Disposal Commission's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item #2013-1 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Evangeline Parish Solid Waste Disposal Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item #2013-1.

Evangeline Parish Solid Waste Disposal Commission's Response to Findings

The Evangeline Parish Solid Waste Disposal Commission's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Evangeline Parish Solid Waste Disposal Commission's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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



Vige, Tujague & Noël, CPA's
Eunice, Louisiana
November 27, 2013

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION
 SCHEDULE OF FINDINGS AND RESPONSES
 For the Year Ended June 30, 2013

We have audited the basic financial statements of Evangeline Parish Solid Waste Disposal Commission as of and for the year ended June 30, 2013, and have issued our report thereon dated November 27, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2013, resulted in an unqualified opinion.

Section I. Summary of Auditor's Reports

- a. Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Material to the Financial Statements.

Internal Control			
Significant Deficiencies	<u> X </u>	Yes	<u> </u> No
Material Weaknesses	<u> </u>	Yes	<u> X </u> No
Compliance			
Compliance Material to Financial Statements	<u> </u>	Yes	<u> X </u> No

Section II. Financial Statement Findings

2013-1. Inadequate segregation of duties.

Condition: The Evangeline Parish Solid Waste Disposal Commission did not have adequate segregation of functions within the accounting system.

Criteria: SAS109, *Understanding the Entity and its Environment and Assessing the Risks of Material Misstatement*, AU314.43 defines internal control as follows:

“Internal control is a process, affected by those charged with governance, management, and other personnel, designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.”

Additionally, Statements on Standards for Attestation Engagements (SSAE) AT501.03 states:

“An entity’s internal control over financial reporting includes those policies and procedures that pertain to an entity’s ability to record, process, summarize, and report financial data consistent with the assertions embodied in either annual financial statements or interim financial statements, or both.”

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION
SCHEDULE OF FINDINGS AND RESPONSES
For the Year Ended June 30, 2013

Cause: The cause of the condition is the fact that the Commission does not have a sufficient number of staff performing administrative and financial duties so as to provide adequate segregation of accounting and financial duties.

Effect: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.

Recommendation: Due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

Response: It is not cost effective to achieve complete segregation of duties within the accounting function. No corrective action is considered necessary.

Section III Management Letter

None Issued.

EVANGELINE PARISH SOLID WASTE DISPOSAL COMMISSION
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
For the Year Ended June 30, 2013

Ref No: 2012-1

**Fiscal Year Finding
Initially Occurred:** Unknown

Description of Finding: The segregation of duties is inadequate to provide effective internal control. The condition is due to economic and space limitations.

Corrective Action Taken: N/A

Corrective Action Planned: No action is recommended.

Name of Contact Person: James Berthelot, Executive Director

**Anticipated Completion
Date:** N/A