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**EAST COLUMBIA SEWERAGE DISTRICT**  
Columbia, Louisiana

**General Purpose Financial Statements  
With Accountant's Compilation Report  
As of and for the Year Ended  
December 31, 1999  
With Supplemental Information Schedules**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 MAR 29 2000

*M. Carleen Dumas*  
CERTIFIED PUBLIC ACCOUNTANT

EAST COLUMBIA SEWERAGE DISTRICT  
Columbia, Louisiana

General Purpose Financial Statements  
With Accountant's Compilation Report  
As of and for the Year Ended  
December 31, 1999  
With Supplemental Information Schedules

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*M. Carleen Dumas*  
CERTIFIED PUBLIC ACCOUNTANT

369 DONALDSON ROAD • CALHOUN, LOUISIANA 71225 • TELEPHONE 318/644-5726

**Accountant's Compilation Report**

BOARD OF COMMISSIONERS  
EAST COLUMBIA SEWERAGE DISTRICT  
Columbia, Louisiana

I have compiled the general purpose financial statements and supplemental information schedules, as listed in the foregoing table of contents, of the East Columbia Sewerage District, a component unit of the Caldwell Parish Police Jury, as of December 31, 1999, and for the year then ended, in accordance with standards established by *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants.

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

*Carleen Dumas*

Calhoun, Louisiana  
March 20, 2000

**GENERAL PURPOSE FINANCIAL STATEMENTS**

EAST COLUMBIA SEWERAGE DISTRICT  
Columbia, Louisiana  
PROPRIETARY FUND TYPE - ENTERPRISE FUND

Balance Sheet, December 31, 1999

**ASSETS**

Cash	\$6,042
Accounts receivable	1,120
Property, plant, and equipment (net of accumulated depreciation) - collection and treatment facilities	<u>366,461</u>
TOTAL ASSETS	<u><u>\$373,623</u></u>

**LIABILITIES AND FUND EQUITY**

## Liabilities:

Accounts and withholdings payable	\$853
Customer deposits	<u>4,392</u>
Total Liabilities	<u>5,245</u>

## Fund Equity:

Contributed capital (net of accumulated depreciation on fixed assets contributed by police jury)	366,461
Retained earnings - unreserved	<u>1,917</u>
Total Fund Equity	<u>368,378</u>

TOTAL LIABILITIES AND FUND EQUITY \$373,623

See accompanying notes and accountant's compilation report.

**EAST COLUMBIA SEWERAGE DISTRICT**  
**Columbia, Louisiana**  
**PROPRIETARY FUND TYPE - ENTERPRISE FUND**

Statement of Revenues, Expenses, and  
 Changes in Retained Earnings  
 For the Year Ended December 31, 1999

**OPERATING REVENUES**

Service fees	<u>\$15,070</u>
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**OPERATING EXPENSES**

Salaries and related benefits	6,704
Commissioners per diem	2,500
Utilities	2,702
Office expense	1,225
Depreciation	12,858
Labor	3,652
Insurance	100
Materials and supplies	4,763
Travel	<u>600</u>
Total operating expenses	<u>35,104</u>

NET INCOME (Loss)	(20,034)
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Add depreciation on fixed assets contributed by police jury	<u>12,858</u>
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DECREASE IN RETAINED EARNINGS	(7,176)
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RETAINED EARNINGS AT BEGINNING OF YEAR	<u>9,093</u>
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RETAINED EARNINGS AT END OF YEAR	<u><u>\$1,917</u></u>
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See accompanying notes and accountant's compilation report.

**EAST COLUMBIA SEWERAGE DISTRICT**  
**Columbia, Louisiana**  
**PROPRIETARY FUND TYPE - ENTERPRISE FUND**

Statement of Cash Flows  
For the Year Ended December 31, 1999

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net Income (Loss)	<u>(\$20,034)</u>
Adjustments to Reconcile Operating Income to Net Cash	
Provided by Operating Activities:	
Depreciation	12,858
Increase in accounts receivable	(170)
Increase in accounts payable	76
Increase in customer deposits	190
Total adjustments	<u>12,954</u>
Net cash used by operating activities	<u>(7,080)</u>
 <b>CASH AT BEGINNING OF YEAR</b>	 <u>13,122</u>
 <b>CASH AT END OF YEAR</b>	 <u><u>\$6,042</u></u>

See accompanying notes and accountant's compilation report.

**EAST COLUMBIA SEWERAGE DISTRICT**  
Columbia, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended  
December 31, 1999

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The East Columbia Sewerage District was created by the Caldwell Parish Police Jury, as authorized by Louisiana Revised Statute 33:3881. The district is governed by a five member board appointed by the police jury. As provided by Louisiana Revised Statute 33:3887, East Columbia Sewerage District commissioners receive \$50 per meeting attended. The district is responsible for maintaining and operating a sewerage collection and disposal system within the boundaries of the district. The district has two part-time employees.

**A. BASIS OF PRESENTATION**

The accompanying general purpose financial statements of the East Columbia Sewerage District 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 established governmental accounting and financial reporting principles.

**B. REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the Caldwell Parish Police Jury is the financial reporting entity for Caldwell 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 the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 establishes criteria for determining which component units should be considered part of the Caldwell Parish Police Jury for financial reporting purposes. The basic criteria 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:

See accountant's compilation report.



EAST COLUMBIA SEWERAGE DISTRICT  
Columbia, Louisiana  
Notes to the Financial Statements (Continued)

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 the board of commissioners, the East Columbia Sewerage District was determined to be a component unit of the Caldwell Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the East Columbia Sewerage District and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

**C. FUND ACCOUNTING**

The East Columbia Sewerage District is organized and operated on a fund basis whereby a self-balancing set of accounts (Enterprise Fund) is maintained that comprises its assets, liabilities, fund equity, revenues, and expenses. The operations are financed and operated in a manner similar to a private business enterprise, where the intent of the governing body is that the cost (expenses, including depreciation) of providing services on a continuing basis be financed or recovered primarily through user charges.

**D. BASIS OF ACCOUNTING**

The accounting and financial reporting treatment applied to a fund is determined

See accountant's compilation report.

**EAST COLUMBIA SEWERAGE DISTRICT**  
Columbia, Louisiana  
Notes to the Financial Statements (Continued)

by its measurement focus. The Enterprise Fund is accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and liabilities associated with the operation of this fund are included on the balance sheet. The Enterprise Fund uses the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. Service fees are recognized in the period they are in the hands of the district's collection agency, the East Columbia Water District. Salaries and other expenses are recognized when incurred.

**E. CASH**

Cash includes amounts in demand deposits. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with banks organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States.

**F. FIXED ASSETS**

Fixed assets of the district are included on the balance sheet of the fund and are recorded at actual cost. Fixed assets reported on the balance sheet are net of accumulated depreciation. Depreciation of all exhaustible fixed assets is charged as an expense against operations. Depreciation is computed using the straight-line method over the estimated useful life of 40 years for the collection and treatment facilities.

**G. VACATION AND SICK LEAVE**

The district has no regular employees requiring the adoption of vacation and sick leave policies.

**II. CONTRIBUTED CAPITAL**

Grants, entitlements, or shared revenues that are restricted for the acquisition or construction of capital assets are recorded as contributed capital. Contributed capital is reduced each year by the amount of annual depreciation recognized on that portion of the assets acquired from such contributions.

See accountant's compilation report.

EAST COLUMBIA SEWERAGE DISTRICT  
 Columbia, Louisiana  
 Notes to the Financial Statements (Continued)

**I. UNCOLLECTIBLE ALLOWANCE**

The statements contain no provision for uncollectible accounts. The district is of the opinion that receivables are fully collectible.

**J. ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**2. CASH**

At December 31, 1999, the district has cash (book balance) totaling \$6,042. These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. Cash (bank balance) at December 31, 1999, is fully secured by federal deposit insurance.

**3. FIXED ASSETS**

A summary of fixed assets at December 31, 1999, follows:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net</u>
Collection and treatment facilities	<u>\$514,331</u>	<u>(\$147,870)</u>	<u>\$366,461</u>

**4. CONTRIBUTED CAPITAL**

On July 12, 1988, the East Columbia Sewerage District took over operation of the sewerage system for the district from the Caldwell Parish Police Jury. The police jury transferred all assets of the system in the amount of \$514,331 to the district on this date. The cost of the transferred assets, shown as contributed capital on the balance sheet, is reduced each year by the amount of depreciation expense recognized on the transferred assets. At December 31, 1999, accumulated depreciation on these assets

See accountant's compilation report.

EAST COLUMBIA SEWERAGE DISTRICT  
Columbia, Louisiana  
Notes to the Financial Statements (Continued)

is \$147,870.

**5. LITIGATION AND CLAIMS**

The district is not involved in any litigation at December 31, 1999, nor is it aware of any unasserted claims.

See accountant's compilation report.

**SUPPLEMENTAL INFORMATION SCHEDULES**

See accountant's compilation report.

EAST COLUMBIA SEWERAGE DISTRICT  
Columbia, Louisiana  
SUPPLEMENTAL INFORMATION SCHEDULES  
For the Year Ended December 31, 1999

**COMPENSATION PAID COMMISSIONERS**

The schedule of compensation paid to commissioners is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. As provided by Louisiana Revised Statute 33:3887, East Columbia Sewerage District commissioners receive \$50 per meeting attended.

**PRIOR YEAR FINDINGS**

The follow-up and corrective action taken on all prior year findings is presented in the summary schedule of prior year findings (Schedule 2).

**CURRENT YEAR FINDINGS**

The corrective action plan for current year findings is presented in Schedule 3.

See accountant's compilation report.

EAST COLUMBIA SEWERAGE DISTRICT  
Columbia, LouisianaSchedule of Compensation Paid Commissioners  
For the Year Ended December 31, 1999

Shelby Cruse	\$450
Kay Ellerbe	150
Nan Guerrero	600
Clayton Stapleton	250
John Wilkes	500
Mary Yell	<u>550</u>
Total	<u>\$2,500</u>

See accountant's compilation report.

EAST COLUMBIA SEWERAGE DISTRICT  
Columbia, LouisianaSummary Schedule of Prior Year Findings  
For the Year Ended December 31, 1999

<u>Reference Number</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>
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There were no prior year findings.

See accountant's compilation report.



EAST COLUMBIA SEWERAGE DISTRICT  
Columbia, Louisiana

Corrective Action Plan  
For Current Year Findings  
For the Year Ended December 31, 1999

<u>Reference Number</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completion Date</u>
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There are no current year findings.

See accountant's compilation report.

**EAST COLUMBIA SEWERAGE DISTRICT**  
**Columbia, Louisiana**  
**ANNUAL SWORN FINANCIAL STATEMENTS**  
**AND CERTIFICATION OF REVENUES \$50,000 OR LESS**  
**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1999**

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**A F F I D A V I T**

Personally came and appeared before the undersigned authority, Marva L. Gregory, who, duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of the East Columbia Sewerage District as of December 31, 1999, and the results of operations for the year then ended, in accordance with basis of accounting described within the accompanying financial statements.

In addition, Marva L. Gregory, who, duly sworn, deposes and says that the East Columbia Sewerage District received \$50,000 or less in revenues and other sources for the fiscal year ending December 31, 1999, and, accordingly, is not required to have an audit for the previously mentioned fiscal year-end.

*Marva L. Gregory*  
East Columbia Sewerage District

Sworn to and subscribed before me, this 24th day of March, 2000.

*Bethesda J. Meredith*  
NOTARY PUBLIC

Officer: Marva L. Gregory, Secretary  
Address: Post Office Box 308  
Columbia, Louisiana 71418  
Telephone: (318) 649-2788