

**TOWN OF COLUMBIA, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1997**

The MPERS issues an annual, publicly-available financial report that includes financial statements and required supplementary information for the retirement system. The report may be obtained by writing the Municipal Police Employer's Retirement System, 8401 United Plaza Boulevard, Room 303, Baton Rouge, Louisiana 70808 or by calling (504) 928-7411.

**Note 7 - Long-Term Debt**

The following is a summary of long-term debt transactions of the Town for the year ended June 30, 1997:

	Revenue Bonds
Balance at Beginning of Year	\$ 571,679
Additions	541,000
Retirements	(15,850)
<b>BALANCE AT END OF YEAR</b> (Including Current Portion)	<b>\$1,056,789</b>

Long-term debt is comprised of the following individual issues:

Revenue Bonds:

\$600,000 Water Revenue bonds dated January 12, 1988; due in annual installments through January 12, 2028; interest at 6.775%	\$ 568,566
\$541,000 Sewer Revenue bonds dated October 22, 1996; due in monthly installments through October 22, 2036; interest at 4.5%	541,000
<b>Total Revenue Bonds</b>	<b>\$1,109,566</b>

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of the supplemental plan only prior to October 1, 1978, the benefit is equal to 1% of final compensation plus \$2 per month for each year of supplemental-plan-only service earned prior to that date, plus 3% of final compensation for each year of service credited after October 1, 1978.

*Funding Policy:* Contributions to the MERS include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of the parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of members on which contributions were made for the previous fiscal year. State statutes require covered employees to contribute a percentage of their salaries to the system. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the previous year. The Town's contributions to the MERS for the years ended June 30, 1995, 1996 and 1997 were \$499, \$2,468, and \$2,785, respectively, equal to the statutorily required contributions for each year.

The MERS issues an annual, publicly-available financial report that includes financial statements and required supplementary information for the retirement system. The report may be obtained by writing the Municipal Employees' Retirement System, 6750 Van Gogh, Baton Rouge, Louisiana or by calling (504) 925-4810.

*Municipal Police Employees' Retirement System (MPERS)*

All full-time police officers engaged in law enforcement and earning at least \$275 per month excluding sick supplemental pay, elected chiefs of police with salaries of at least \$160 per month and secretary to the chief of police are eligible to participate in the MPERS. Members who retire at or after age 55 with 12 years of creditable service, at or after age 50 with 20 years of creditable service or at any age with 25 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3% of the member's average final compensation multiplied by his years of creditable service, not to exceed 100% of his average final compensation. The system also provides death and disability benefits. Benefits are established by state statute.

*Funding Policy:* State statute requires covered employees to contribute a percentage of their salaries to the system. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town's contributions to the MPERS for the years ended June 30, 1995, 1996 and 1997 were \$2,453, \$4,380, and \$4,239, respectively, equal to the statutorily required contributions for each year.

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2. Reserve - to accumulate monthly a sum equal to 5% of the monthly payments being made into the sinking account until \$42,294 has been accumulated therein. The reserve will be used solely for the purpose of paying principal and interest on such bonds as to which there would otherwise be a default.
3. Contingency - to accumulate a sum of \$165 per month until all principal and interest have been paid. The contingency will be used for the purpose of caring for depreciation, extensions, additions, improvements and replacements necessary to properly operate the water system of the Town.

*Schedule of Changes in Reserve Accounts:*

	<i>Sinking</i>	<i>Reserve</i>	<i>Contingency</i>
Beginning Balance at July 1, 1996	\$ 38,571	\$ 39,507	\$ 13,261
Add: Monthly Deposits	42,668	2,113	3,060
Interest Earned	760	526	331
Less: Disbursements	(42,294)	_____	(12,830)
<b>ENDING BALANCE AT JUNE 30, 1997</b>	<b>\$ 39,705</b>	<b>\$ 42,166</b>	<b>\$ 3,452</b>

Customers' deposit policies were established by resolution of the Board of Aldermen. Customers' deposits are to be refunded to the customer on final billing providing there is no unpaid balance due the Town. Cash in the amount of \$23,389 is included in Restricted Assets - Cash in the accompanying balance sheet for customer's deposits.

**Note 6 - Pension Plans**

*Municipal Employees' Retirement System (MERS)*

Substantially all Town employees, except policemen, are members of the MERS, a multiple-employer, cost-sharing public employee retirement system controlled and administered by a separate board of trustees. The MERS is composed of two distinct plans, Plan A and Plan B. Members participate in Plan A.

All permanent employees working at least 35 hours per week and elected Town officials are eligible to participate in the MERS. Under the plan provisions, a member who retires at or after age 60 with at least 10 years of creditable service, at or after age 55 with 25 years of creditable service, or at any age with at least 30 years of creditable service is entitled to a retirement benefit, payable monthly for life, equal to 3% of the member's final compensation multiplied by his years of creditable service. However, for those members

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**Note 4 - Fixed Assets**

Changes in general fixed assets are categorized as follows:

	Balance		Retired	Balance	
	June 30, 1996	Added		June 30, 1997	
Land	\$ 22,419	\$ 36,900	0	\$ 59,319	
Buildings	51,376	2,467	0	53,843	
Equipment	285,102	3,132	0	288,234	
<b>TOTALS</b>	<b>\$ 368,897</b>	<b>\$ 42,500</b>	<b>0</b>	<b>\$ 411,397</b>	

As shown on the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Fund Type, capital outlay totaling \$1,437,871 includes acquisitions of infrastructure totaling \$74,319 and construction of sewer system improvements totaling \$1,321,755.

A summary of proprietary fund type property, plant and equipment at June 30, 1997, follows:

Gas System	\$ 482,121
Water Plant	1,152,122
Total	1,634,243
Less: Accumulated Depreciation	(678,204)
Net Depreciable Assets	956,039
Construction in Progress (Sewer System)	1,321,755
Land	7,855
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>\$2,285,699</b>

**Note 5 - Restricted Assets and Related Resources**

Under terms of the bond indenture and by resolution of the Board of Aldermen, the Water Fund is required to establish and maintain three restricted accounts.

They are as follows:

1. Sinking - to accumulate monthly an amount equal to 1/12th of the principal and interest falling due on the next annual payment date for the bonds.

**TOWN OF COLUMBIA, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
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**L. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires the Town 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 and expenditures during the reporting period. Actual results could differ from those estimates.

**Note 2 - Cash and Investments**

State statutes require the Town to make investments in obligations of the United States Treasury, time certificates of deposit, and any other Federally-insured investments. At June 30, 1997, the carrying amount and market value of investments, consisting of certificates of deposit, was \$183,819.

At June 30, 1997, the carrying amount of the Town's deposits was \$547,792 and the bank balances total \$246,542. All of the deposits of the Town at June 30, 1997 were either insured by Federal depositary insurance or collateralized by government securities held by the Town's agent in the Town's name (GAAP Category 1).

**Note 3 - Ad Valorem Taxes**

Property taxes are attached as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Town in October and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year.

The Town bills and collects its own property taxes using the assessed values determined by the tax assessor of Calibred Parish.

The ad valorem tax millage is as follows:

	<u>Mill</u>
General Ad Valorem Tax	7.37
Street Maintenance	.00
TOTAL	<u>7.37</u>

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NOTES TO FINANCIAL STATEMENTS  
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**G. Long-Term Liabilities**

Long-Term liabilities expected to be financed from governmental funds are accounted for in a separate, self-balancing set of accounts known as the General Long-Term Debt Account Group. The Town has no long-term liabilities financed by governmental funds. Long-term liabilities expected to be financed from enterprise fund operations are accounted for in those enterprise funds.

**H. Compensated Absence**

The Town has no provision for vesting of vacation and sick leave. Consequently, the financial statements of the Town reflect no liability for compensated absence.

**I. Bad Debt**

Uncollectible amounts for all sales tax and customers' utility receivables are generally not significant. As a result, the direct write-off method for recognizing bad debt is used. Under this method, the receivable is charged to expense when the account is deemed to be uncollectible and the result is substantially the same as that provided by use of the allowance method.

**J. Reserves and Designations of Fund Equity**

Some portions of fund balance and/or retained earnings are reserved to indicate that a portion of fund equity is legally restricted to a specific future use and is not available for appropriation or expenditure. Designated portions of fund balance indicate tentative future spending plans, which may be changed and are subject to subsequent authorization before expenditures can be made.

**K. Electrical System Operating Agreement**

On April 5, 1976, the Board of Aldermen of the Town authorized an operating agreement between the Town and Entergy (formerly Louisiana Power and Light) for Entergy to operate the electric system within the corporate limits of the Town for a period of twenty-five years. The agreement provides that Entergy will pay the Town two percent of total revenues collected from the sale of electric service to residential and commercial customers within the Town.

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- G. All legally-adopted budgets of the Town are adopted on a basis consistent with generally accepted accounting principles (GAAP). A budget is adopted for the General Fund.

***F. Investments***

Investments consist of certificates of deposit and are stated at cost, which approximates market. For purposes of the Statement of Cash Flows, the Town considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

***G. Fixed Assets***

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group rather than in governmental funds. Assets are recorded at cost on date purchased or, if donated, at fair market value on date of donation. Assets in the General Fixed Asset Account Group are not depreciated.

Fixed assets of the proprietary fund types are recorded at cost, if purchased, and at fair market value at date of gift, if donated. Major additions are capitalized while maintenance and repairs which do not improve or extend the life of the respective assets are charged to expense.

Contributions received in aid of construction are credited to contributions accounts and do not reduce the cost of the assets acquired with such contributions.

Interest cost incurred during construction on major capital projects is capitalized.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives of the assets using the straight-line method. The estimated useful lives are as follows:

Buildings	33-40 years
Improvements	40 years
Equipment	3-10 years

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Revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed ad valorem taxes and sales taxes are considered "measurable" when in the hands of the intermediary collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain. Ad valorem taxes, grants, fees, and charges and commissions for services have been treated as measurable to annual.

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

**B. Budgets and Budgetary Accounting**

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

1. The Town Clerk prepares a proposed budget and submits it to the Mayor and Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After holding the public hearing and completing all action necessary to finalize and implement the budget, the budget is adopted by passing an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program or function to another, or involving increases in expenditures resulting from revenues exceeding amounts estimated, require the approval of the Board of Aldermen.



**TOWN OF COLUMBIA, LOUISIANA**  
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Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type 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 roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, have not been capitalized and are not included in general fixed assets. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost, or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

**B. Total columns on Combined Statements - Overview**

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

**C. Basis of Accounting**

Basis of accounting refers to the point at which expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied. The governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available).

"Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Town uses the following practices in recognizing and reporting revenues and expenditures in the governmental fund types:

**TOWN OF COLUMBIA, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
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*A. Fund Accounting*

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. 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. The various funds are grouped, in the financial statements in this report, into fund types and account groups as follows:

**GOVERNMENTAL FUNDS**

**General Fund** - The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

**Capital Project Fund** - The Capital Project Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

**PROPRIETARY FUNDS**

**Enterprise Fund** - Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises—where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

**ACCOUNT GROUP**

**General Fixed Assets Account Group**

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets.

**TOWN OF COLUMBIA, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
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**Note 1 - Summary of Significant Accounting Policies**

**FINANCIAL REPORTING ENTITY**

The accompanying financial statements include all funds and account groups of the Town of Columbia, Louisiana (the Town). The accompanying general purpose financial statements of the Town have been prepared in accordance 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.

The Town consists of an executive branch of government headed by a mayor and a legislative branch of government consisting of five aldermen. The Town's combined balance sheet includes the accounts of all Town operations. The Town's major operations include police and fire protection, street and drain maintenance, and administrative services. In addition, the Town operates a Gas Enterprise Fund to provide gas services and a Water Enterprise Fund to provide water services and is in the process of completing a sanitary sewer system.

As the governing authority for the municipality, the Town is the reporting entity for the municipality. The financial reporting entity consists of (a) the primary government (the Town), (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 Town are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Statement No. 14 established criteria for determining which component units should be considered part of the Town for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. Financial accountability encompasses:

1. Appointing a voting majority of an organization's governing body and the ability of the Town to impose its will on that organization or the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Town.
2. Organizations for which the Town does not appoint a voting majority but are fiscally dependent on the Town.
3. Organizations for which exclusion would render the reporting entity's financial statements incomplete or misleading.

**TOWN OF COLIBRERA, LOUISIANA  
ALL PROPRIETARY FUND TYPES  
COMBINED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 1997**

<b>Cash Flows From Operating Activities</b>		
Operating (Loss)	\$	(15,708)
<b>Adjustments to Reconcile Operating (Loss) to</b>		
<b>Net Cash Provided by Operating Activities:</b>		
Depreciation	48,989	
Increase in Accounts Receivable	(1,791)	
Increase in Due From Other Funds	(889)	
Increase in Accounts Payable	194	
Increase in Due To Other Funds	50,873	
Fund Adjustments	<u>19,826</u>	
Net Cash Provided by Operating Activities	<u>12,748</u>	
<b>Cash Flows From Municipal Financing Activities</b>		
Increase in Government Deposits	<u>1,280</u>	
Net Cash Provided by Municipal Financing Activities	<u>1,280</u>	
<b>Cash Flows From Capital and Related Financing Activities</b>		
Principal Paid on Bonds	(5,000)	
Interest Paid on Bonds	<u>(35,680)</u>	
Net Cash Used by Capital and Related Financing Activities	<u>(40,680)</u>	
<b>Cash Flows From Investing Activities</b>		
Purchases of Investments	(31,580)	
Interest Earned	<u>4,013</u>	
Net Cash Used by Investing Activities	<u>(27,567)</u>	
<b>Net Decrease in Cash and Cash Equivalents</b>	<u>(18,197)</u>	
<b>Cash and Cash Equivalents at Beginning of Year</b>	<u>140,750</u>	
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$</b>	<b><u>122,553</u></b>
<b>CASH AND CASH EQUIVALENTS SHOWN ON BALANCE SHEET AS:</b>		
Current Assets:		
Cash and Cash Equivalents	\$	57,148
Restricted Assets:		
Cash	<u>65,405</u>	
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>\$</b>	<b><u>122,553</u></b>

The accompanying notes are an integral part of this statement.

TOWN OF COLUMBIA, LOUISIANA  
 ALL PROPRIETARY FUND TYPES  
 COMBINED STATEMENT OF REVENUES, EXPENSES,  
 AND CHANGES IN RETAINED EARNINGS  
 FOR THE YEAR ENDED JUNE 30, 1997

<b>Operating Revenues</b>	
Charges for Services	\$ 209,244
Other Income	4,788
Total Operating Revenues	<u>214,032</u>
<b>Operating Expenses</b>	
Salaries and Related Benefits	62,648
Gas Purchases	68,824
Maintenance, Repairs & Supplies	30,198
Depreciation	48,585
Inventory Expense	5,718
Miscellaneous Expense	2,625
Professional Fees	5,776
Office Expenses	8,663
Utilities	5,281
Travel	77
Drug Testing	476
Total Operating Expenses	<u>233,791</u>
<b>Operating (Loss)</b>	(19,759)
<b>Nonoperating Revenue (Expense)</b>	
Interest Earned	4,043
Interest Expense	<u>(36,280)</u>
Total Nonoperating Revenue (Expense)	<u>(32,237)</u>
<b>Net Loss</b>	(52,000)
<b>Depreciation on Fixed Assets Acquired by Grants</b>	<u>13,248</u>
<b>Increase in Retained Earnings</b>	(38,752)
<b>Retained Earnings at Beginning of Year</b>	<u>82,018</u>
<b>RETAINED EARNINGS AT END OF YEAR</b>	<u>\$ 43,266</u>

The accompanying notes are an integral part of this statement.

**TOWN OF COLUMBIA, LOUISIANA**  
**GOVERNMENTAL FUND TYPE**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 1997**

	<u>General</u> <u>Fund</u>	<u>Capital</u> <u>Projects</u>	<u>Total</u> <u>(Memorandum</u> <u>Only)</u>
<b>Revenues</b>			
All Valuations Taxes	\$ 34,943	\$ 0	\$ 34,943
Interest and Other Taxes	773,399	0	773,399
Licenses and Permits	84,623	0	84,623
Intergovernmental Revenues	41,273	0	41,273
State Salary Supplement - Police	6,672	0	6,672
Fees and Penalties	2,907	0	2,907
Interest Income	11,387	0	11,387
Grant Revenues - Federal	1,808	799,700	799,621
Grant Revenues - State	80,949	10,000	90,949
Miscellaneous	31,086	27,385	58,471
<b>Total Revenues</b>	<u>944,377</u>	<u>836,675</u>	<u>1,781,052</u>
<b>Expenditures</b>			
<b>Current:</b>			
General Government	140,555	0	140,555
Public Safety:			
Police Department	79,724	0	79,724
Fire Department	60,887	0	60,887
Public Works:			
Street Department	1,820	0	1,820
Main Street Department	41,046	0	41,046
Street Department	11,679	0	11,679
Capital Outlay:			
General Government	40,040	0	40,040
Public Safety - Fire Department	880	0	880
Water System	0	1,320,793	1,320,793
Historic Preservation	0	42,844	42,844
Economic Development	0	70,275	70,275
<b>Total Expenditures</b>	<u>323,982</u>	<u>1,433,612</u>	<u>1,757,594</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>620,395</b>	<b>(596,937)</b>	<b>23,458</b>
<b>Other Financing Sources</b>			
Proceeds From Bonds	0	241,000	241,000
<b>Excess of Revenues and Other Sources</b> <b>Over Expenditures</b>	<b>620,395</b>	<b>0</b>	<b>620,395</b>
<b>Fund Balance at Beginning of Year</b>	<u>170,611</u>	<u>0</u>	<u>170,611</u>
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 790,990</b>	<b>\$ 0</b>	<b>\$ 790,990</b>

The accompanying notes are an integral part of this statement.

**TOWN OF COLUMBIA, LOUISIANA  
 GOVERNMENTAL FUND TYPE - GENERAL FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 1997**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Ad Valorem Taxes	\$ 32,800	\$ 34,940	\$ (17)
Sales and Other Taxes	167,580	175,299	7,719
Licenses and Permits	74,897	84,420	9,523
Intergovernmental Revenue	12,817	35,339	40,500
State Salary Supplement - Police	4,648	6,872	2,224
Fees and Fines/Forfeits	1,680	2,507	887
Interest Income	7,080	11,387	4,307
Miscellaneous	34,080	25,896	(8,184)
Total Revenues	<u>340,582</u>	<u>398,712</u>	<u>58,130</u>
<b>Expenditures</b>			
Current:			
General Government	162,310	140,565	21,745
Public Safety:			
Police Department	81,298	79,711	1,587
Fire Department	18,280	30,887	(12,607)
Public Works:			
Street Department	2,108	1,820	288
Main Street Department	40,358	41,816	(1,458)
Sewer Department	9,663	10,574	(911)
Capital Outlay:			
General Government	0	40,000	(40,000)
Public Safety - Fire Department	0	880	(880)
Total Expenditures	<u>300,288</u>	<u>325,882</u>	<u>(25,614)</u>
Excess of Revenues Over Expenditures	39,294	62,830	23,536
Fund Balance at Beginning of Year	<u>379,312</u>	<u>379,312</u>	<u>0</u>
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 418,586</b>	<b>\$ 442,142</b>	<b>\$ 23,556</b>

The accompanying notes are an integral part of this statement.

**TOWN OF COLUMBIA, LOUISIANA**  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
**COMBINED BALANCE SHEET**  
**AS OF JUNE 30, 1977**

	Governmental Fund Types			Responsible	Account Group	Total (Miscellaneous Only)
	General	Capital Projects	Enterprise	Fund Types	Fund Account	
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 290,891	\$ 4,075	\$ 11,044	4	0	\$ 306,010
Receivables	270,040	0	14,044	0	0	284,084
Accounts Receivable	19,212	280,075	11,789	0	0	411,076
Due From Other Funds	0	0	680	0	0	680
Prepaid Expenses	7,244	0	0	0	0	7,244
Investments	0	0	42,504	0	0	42,504
Cash	0	0	17,024	0	0	17,024
Securities	0	0	0	0	25,480	25,480
Land, Buildings and Equipment	0	0	0	0	0	0
Property, Plant and Equipment (Net of Accumulated Depreciation)	0	0	2,289,647	0	0	2,289,647
<b>TOTAL ASSETS</b>	<b>\$ 568,136</b>	<b>\$ 284,150</b>	<b>\$ 2,477,364</b>	<b>4</b>	<b>\$ 276,080</b>	<b>\$ 3,135,730</b>
<b>LIABILITIES AND FUND EQUITY</b>						
<b>Liabilities</b>						
Accounts Payable	\$ 2,843	\$ 100,770	\$ 4,000	3	0	\$ 107,613
Accounts Payable and Prepaid Payable	6,993	0	0	0	0	6,993
Due to or From Funds	0	470,440	0	0	0	470,440
Retainage Payable	0	80,000	0	0	0	80,000
Due to Other Funds	0	0	68,000	0	0	68,000
Current Liabilities Payable From Restricted Accounts	0	0	11,800	0	0	11,800
Accumulated Payable	0	0	6,200	0	0	6,200
Current Accruals of Unexpended Grants	0	0	5,600	0	0	5,600
Contractual Expense	0	0	56,000	0	0	56,000
Revenue Bonds Payable	0	0	1,280,000	0	0	1,280,000
Fund Liabilities	11,200	100,000	1,280,000	0	0	1,391,200
<b>Fund Equity</b>	0	0	1,290,000	0	1,280,000	2,570,000
Contributed Capital	0	0	0	0	276,080	276,080
Reversion to General Fund/Account	0	0	0	0	0	0
Retained Earnings:	0	0	24,000	0	0	24,000
Reserve for Debt Service and Expense	0	0	5,000	0	0	5,000
Reserve for Contingencies	0	0	19,000	0	0	19,000
Unexpended	0	0	15,000	0	0	15,000
Fund Advances	68,000	0	0	0	0	68,000
Reversion for Special Expenses	2,000	0	0	0	0	2,000
Fund Fund Equity	42,000	0	1,290,000	0	1,280,000	1,374,000
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 448,136</b>	<b>\$ 384,150</b>	<b>\$ 3,477,364</b>	<b>4</b>	<b>\$ 276,080</b>	<b>\$ 3,135,730</b>

The accompanying notes are an integral part of this statement.





Luffey  
Huffman  
& Monroe

CELESTED PUBLIC ACCOUNTANTS

JEFF L. LUFFEY, MBA, CPA  
THOMAS L. HUFFMAN, CPA  
L. ROBERT MONROE, CPA  
BRYAN ARNOLD, CPA  
COLUMBIA, LOUISIANA

## INDEPENDENT AUDITORS' REPORT

Board of Aldermen  
Town of Columbia  
Columbia, Louisiana

We have audited the general purpose financial statements of the Town of Columbia, Louisiana (the Town), as of and for the year ended June 30, 1997, as listed in the accompanying Table of Contents. These general purpose financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and the Louisiana Governmental Audit Guide, issued by the Louisiana Legislative Auditor and the Louisiana Society of Certified Public Accountants. Those standards and the audit guide require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town as of June 30, 1997, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated September 25, 1997 on our consideration of the Town's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Board of Aldermen  
Town of Columbia, Louisiana

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the Town taken as a whole. The accompanying information presented as schedules in the Table of Contents is not a required part of the general purpose financial statements of the Town. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.



September 26, 1997

TOWN OF COLUMBIA  
GENERAL PURPOSE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1997

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**TOWN OF COLUMBIA  
GENERAL PURPOSE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1997**

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**TOWN OF COLUMBIA, LOUISIANA  
ALL CAPITAL PROJECT FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 1997**

	<u>Sewer Construction</u>	<u>Other Capital Projects</u>	<u>Total</u>
<b>Revenues</b>			
Grant Revenue - Federal	\$ 760,350	\$ 15,000	\$ 775,350
Grant Revenue - State	0	32,000	32,000
Miscellaneous	0	27,319	27,319
Total Revenues	<u>760,350</u>	<u>74,319</u>	<u>834,669</u>
<b>Expenditures</b>			
Capital Outlay:			
Sewer System	1,321,750	0	1,321,750
Historic Preservation	0	42,044	42,044
Economic Development	0	32,375	32,375
Total Expenditures	<u>1,321,750</u>	<u>74,319</u>	<u>1,396,069</u>
Excess (Deficiency) of Revenues Over Expenditures	(561,400)	0	(561,400)
<b>Other Financing Sources</b>			
Proceeds From Bonds	<u>561,400</u>	<u>0</u>	<u>561,400</u>
Excess of Revenues and Other Sources Over Expenditures	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ <u>0</u></b>	<b>\$ <u>0</u></b>	<b>\$ <u>0</u></b>

**SUPPLEMENTARY INFORMATION - GRANT ACTIVITY**

**TOWN OF COLUMBIA, LOUISIANA  
SCHEDULE OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 1997**

<u>FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>CFDA NUMBER</u>	<u>AWARD AMOUNT</u>	<u>REVENUES RECOGNIZED</u>	<u>EXPENDITURES</u>
<b>Department of Agriculture</b>				
Onion Program - Water and Waste (Local)	10-758	\$ 541,000	\$ 541,000	\$ 541,000 *
Onion Program - Water and Waste (State)	10-758	1,385,000	780,731	780,731 *
Disposal System for Rural Communities				
Passed through Louisiana Office of Rural Development - Louisiana Extension				
Truck-Grant	10-758	15,000	15,000	15,000
Total Department of Agriculture		<u>1,941,000</u>	<u>1,336,731</u>	<u>1,336,731</u>
<b>Department of Interior</b>				
Passed through Louisiana Department of Culture, Recreation, and Tourism - Historic Preservation Program	14-956	11,000	1,000	1,000
Total Department of Interior		<u>11,000</u>	<u>1,000</u>	<u>1,000</u>
<b>TOTAL FEDERAL AWARDS</b>		<b>\$ <u>1,952,000</u></b>	<b>\$ <u>1,347,731</u></b>	<b>\$ <u>1,347,731</u></b>

\* Certain (Type A) Major Federal Programs

See Notes to Statements of Federal Awards



**TOWN OF COLUMBIA, LOUISIANA  
NOTES TO SCHEDULE OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 1997**

**1. General**

The Schedule of Federal Awards presents the activity of all Federal awards programs of the Town of Columbia, Louisiana (the Town).

The Town reporting entity is defined in Note 1 to the Town's general purpose financial statements. All Federal awards received directly from Federal agencies, as well as Federal awards passed through other government agencies, is included on the schedule.

**2. Basis of Accounting**

The Schedule of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the Town's general purpose financial statements.

**3. Relationship to the Schedule of Federal Awards to the  
General Purpose Financial Statements of the Town**

Federal awards are reported on the Combined Statement Of Revenues, Expenditures, And Changes In Fund Balances, under Grant Revenue - Federal (General Fund - \$3,898), (Capital Projects Fund - \$795,753) and under Other Financing Sources - Proceeds From Bonds - \$541,000.



Luffey  
Huffman  
& Monroe

CERTIFIED PUBLIC ACCOUNTANTS

John A. Luffey, CPA, CMA  
Principal, Auditor-in-Chief  
L. Huffman, CPA  
Senior Accounting Clerk  
Cynthia A. Monroe, CPA

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON  
INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN  
AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**Board of Aldermen  
Town of Columbia, Louisiana**

We have audited the general purpose financial statements of the **Town of Columbia, Louisiana** (the Town), as of and for the year ended June 30, 1997, and have issued our report thereon dated September 26, 1997. We conducted our audit in accordance with generally accepted auditing standards; the standards for financial and compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Louisiana Governmental Audit Guide*, issued by the Louisiana Legislative Auditor and the Louisiana Society of Certified Public Accountants.

**Compliance**

As part of obtaining reasonable assurance about whether the Town's general purpose financial statements are free of material misstatement, we 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 general purpose 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted a certain immaterial instance of noncompliance that we have reported to management of the Town in a separate letter dated September 26, 1997.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Town's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. 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

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**Board of Aldermen  
Town of Columbia, Louisiana**

amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the use of management of the Town, its cognizant audit agency, other agencies granting funds to the Town and the Legislative Auditor for the state of Louisiana. However, this report is a matter of public record and its distribution is not limited.



September 26, 1997



Luffey  
Huffman  
& Monroe

CERTIFIED PUBLIC ACCOUNTANTS

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Baton Rouge, Louisiana 70802  
1 First Monroe Drive  
Baton Rouge, Louisiana 70802  
COURT HOUSE BUILDING, SUITE 200

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR  
PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133**

**Board of Aldermen  
Town of Columbia, Louisiana  
Columbia, Louisiana**

Compliance

We have audited the compliance of the Town of Columbia, Louisiana, (the Town) with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the year ended June 30, 1997. The Town's major federal program is identified in the Schedule of Federal Awards. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the Town's management. Our responsibility is to express an opinion on the Town's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Town's compliance with those requirements.

In our opinion, the Town complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 1997.

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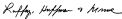
**Board of Aldermen  
Town of Columbia, Louisiana**

Internal Control Over Compliance

The management of the Town is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Town's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB (Circular A-133).

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might constitute material weaknesses. 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 noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the management of the Town, its cognizant audit agency, other agencies granting funds to the Town and the Legislative Auditor of the state of Louisiana. However, this report is a matter of public record and its distribution is not limited.



September 26, 1997

**OTHER SUPPLEMENTARY INFORMATION**

TOWN OF COLUMBIA, LOUISIANA  
SCHEDULE OF COMPENSATION PAID TO BOARD OF ALDERMEN  
For the Year Ended June 30, 1997

	<u>SALARY</u>
BROCKNER, KEN	\$ 850
FRAZIER, BRUCE	690
MCGUFFEE, DARRON	780
ROBINSON, MELVIN	828
SIMONS, CHARLES	<u>780</u>
TOTAL	<u>\$ 3,068</u>

**TOWN OF COLEBRIA, LOUISIANA  
STATUS OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED JUNE 30, 1997**

In connection with our audit of the Town as of and for the year ended June 30, 1997, in accordance with Government Auditing Standards we have also reviewed the status of material prior year findings included in our report dated September 26, 1996. The following table presents the status of these findings:

<u>Prior Year Finding</u>	<u>Current Year Status</u>
Time and Attendance Records	Cleared
Utility Billing and Payment Processing	Cleared
Back-Up of Computer Data	Cleared
Premature Payroll Distribution	Cleared
Medicare Portion of Social Security	Cleared
Unfavorable Budget-to-Actual Variances	See Management Letter
Maintenance of Time and Attendance Records	Cleared





Luffey  
Huffman  
& Monroe

CERTIFIED PUBLIC ACCOUNTANTS

John A. Luffey, CPA, CMA  
Francis A. Huffman, CPA  
L. Monroe, CPA  
L. Monroe, CPA  
Cody A. Clark, CPA

Mayor Jim Sherman  
and Members of the Board of Aldermen  
Town of Columbia  
Columbia, Louisiana

In planning and performing our audit of the general purpose financial statements of the Town of Columbia (the Town) as of June 30, 1997, and for the year then ended, a certain matter came to our attention which we believe should be conveyed to management of the Town. This letter will summarize our comments and suggestions regarding this matter. This letter does not affect our report dated September 25, 1997, on the general purpose financial statements of the Town.

#### *Unfavorable Actual-to-Budget Expenditure Variance*

The total of actual expenditures of the General Fund was above the total budgeted amount by more than five per cent in violation of the Local Government Budget Act. The cause of the overage was caused by unforeseen Capital Outlay expenditures.

We recommend that the Town make a budget amendment when actual operations differ significantly from budgeted operations.

September 25, 1997

**TOWN OF COLUMBIA, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1997**

The annual requirements to amortize all bonds outstanding as of June 30, 1997, including interest payments of \$1,378,170, are as follows:

Year Ended <u>June 30,</u>	Annual <u>Payments</u>
1998	\$ 86,388
1999	71,798
2000	71,798
2001	71,798
2002	71,798
2003-2007	358,839
2008-2012	358,839
2013-2017	358,839
2018-2022	358,839
2023-2027	358,839
2028-2032	189,662
2033-2037	<u>123,219</u>
<b>TOTAL</b>	<b>\$2,884,230</b>

**Note 8 - Contributed Capital - Grants**

The Water Fund received two grants from the State of Louisiana for improvements to the water system in the amounts of \$66,000 and \$150,000 in the years ended June 30, 1984 and 1988, respectively, and recorded these amounts as Contributed Capital. Also, the Water Fund received a grant from Farmers' Home Administration for the renovation of the water system in the years ended June 30, 1991 and 1990, for a total of \$314,000. The Water Fund elected to recognize the depreciation on assets constructed from these grants as a separate item after net income (loss) and the amortization of the grants is shown as a reduction of Contributed Capital.

**Note 9 - Segment Information for Enterprise Funds**

During the fiscal year ended June 30, 1997, the Town maintained two enterprise funds which provide gas and water services to the residents of the Town. During the year the Town began construction of a third Enterprise Fund to provide sanitary sewer services.

**TOWN OF COLUMBIA, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED JUNE 30, 1997**

Segment information for the year ended June 30, 1997, is as follows:

	Gas Fund	Water Fund	Sewer Fund	Totals
Operating Revenues	\$ 121,312	\$ 92,198	\$ -	\$ 213,510
Depreciation	(29,256)	29,333	-	48,589
Operating Income (Loss)	(4,560)	(21,168)	-	(25,728)
Interest Earned	3,098	815	-	4,913
Interest Expense	-	(38,285)	-	(38,285)
Net Income (Loss)	(1,462)	(56,626)	-	(58,088)
Change in Contributed Capital:				
Additions:			780,253	780,253
Amortization of Grants	-	(13,280)	-	(13,280)
Net Working Capital	68,879	26,664	-	95,543
Total Assets	186,317	969,264	1,321,253	2,477,344
Bonds and Other Long-Term Liabilities	-	158,538	341,800	1,190,538
Total Equity	186,317	133,942	780,253	1,240,511

**Note 10 - Unfavorable Budget Variances - Expenditures**

Actual expenditures totaling \$120,082 exceeded budgeted expenditures totaling \$108,981 by more than 5% for the year ended June 30, 1997 in the General Fund. The unfavorable variance was caused by unforeseen capital outlay expenditures.

**Note 11 - Risk Financing Activities**

The Town is a participating member in the Louisiana Risk Management Agency's Group Self-Insurance Fund for Municipal Liability Risk Sharing and Group Self-Insurance Fund for Workmen's Compensation and Employer Liability (the Agency). The Agency functions as a Public Entity Risk Pool (PERP) formed to pool the risk of public liability exposure to its members. The Town insures its present operations, product and completed operations, general liability, vehicle, law enforcement officers comprehensive liability and errors and omissions through its participation in the Agency pools. The coverage provided by the pools is subject to \$1,000 deductibles for certain coverages and provides coverages

**TOWN OF COLUMBIA, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1997**

up to \$500,000 for each type of insured risk. Premiums for coverage are retroactively rated based on experience and premiums are calculated based on the ultimate cost of the experience to date of the pool participants.

**Note 12 - On-Behalf Payments**

Certain Town employees in the Police Department receive supplemental pay from the state of Louisiana. In accordance with GASB Statement No. 24 "Accounting and Financial Reporting for Certain Grants and Other Awards", the Town has recorded revenues and expenditures for these payments in the General Fund. Revenues under this arrangement totaled \$6,672 and the related expenditures were recorded to the Police Salaries Account.

**Note 13 - Sewer Construction**

The Town of Columbia was awarded a Federal grant totaling \$1,185,000 and a Federal loan totaling \$341,000 from the United States Department of Agriculture for improvements to the sewerage system. To repay the loan, the Town issued revenue bonds in the amount of \$341,000 which will be paid in monthly installments from sewerage fees upon completion of the construction.

**Note 14 - Contingencies**

There are two lawsuits in which the Town is involved. The Town's administration and attorneys are of the opinion that the potential claims against the Town, resulting from litigation, would not materially affect the financial position of the Town at June 30, 1997. The Town's administration and attorneys are of the opinion that all potential claims, resulting from litigation, are covered by insurance.

**SUPPLEMENTARY INFORMATION - COMBINING SCHEDULES FOR  
CAPITAL PROJECT FUNDS**

**SEWER CONSTRUCTION CAPITAL PROJECTS FUND -**

*This fund is used to account for the administration and expenditure of a \$1,385,000 grant and a \$541,000 loan from the United States Department of Agriculture for the acquisition and construction of improvements, extensions, and replacements to the Town's sewerage system.*

**OTHER CAPITAL PROJECTS FUND -**

*This fund is used to account for other Federal and state grants for construction of a scenic overlook on the Chockita River and for the repair, restoration or renovation of historic commercial buildings in the downtown area.*

**TOWN OF COLUMBIA, LOUISIANA**  
**ALL CAPITAL PROJECT FUNDS**  
**COMBINING BALANCE SHEET**  
**AS OF JUNE 30, 1997**

	<u>Street Construction</u>	<u>Other Capital Projects</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 436	\$ 6,479	\$ 6,915
Accounts Receivable	<u>586,275</u>	<u>0</u>	<u>586,275</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>586,711</u></b>	<b>\$ <u>6,479</u></b>	<b>\$ <u>593,190</u></b>
<b>LIABILITIES AND FUND EQUITY</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 24,860	\$ 6,879	\$ 31,739
Contracts Payable	473,440	0	473,440
Retention Payable	<u>89,811</u>	<u>0</u>	<u>89,811</u>
<b>Total Liabilities</b>	<b><u>588,111</u></b>	<b><u>6,879</u></b>	<b><u>595,000</u></b>
<b>Fund Equity</b>			
<b>Fund Balance:</b>			
Unreserved and Unassigned	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Fund Equity</b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ <u>588,111</u></b>	<b>\$ <u>6,879</u></b>	<b>\$ <u>595,000</u></b>