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**COLUMBIA HEIGHTS SEWERAGE
DISTRICT NO. 1
Columbia, Louisiana**

**General Purpose Financial Statements
With Accountant's Compilation Report
and Agreed-Upon Procedures Report
As of and for the Year Ended
December 31, 1999**

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 JUN 07 2000

COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1
Columbia, Louisiana

General Purpose Financial Statements
With Accountant's Compilation Report
and Agreed-Upon Procedures Report
As of and for the Year Ended
December 31, 1999

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M. Carleen Dumas
CERTIFIED PUBLIC ACCOUNTANT

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

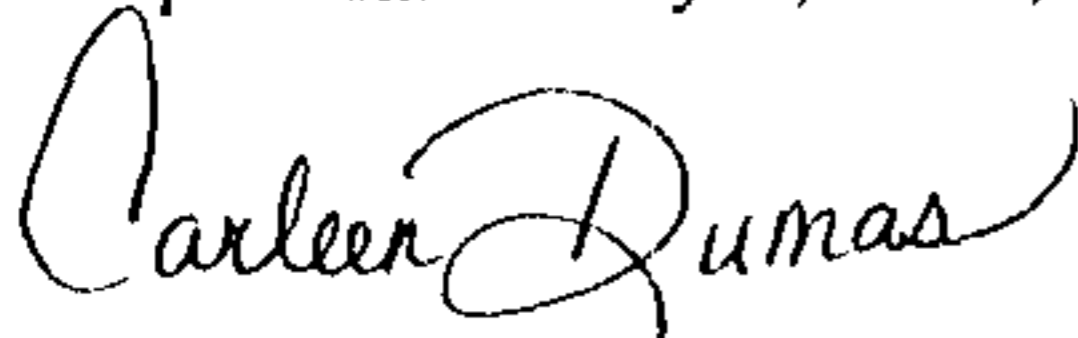
Accountant's Compilation Report

BOARD OF COMMISSIONERS
COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1
Columbia, Louisiana

I have compiled the accompanying general purpose financial statements and supplemental information schedules, as listed in the foregoing table of contents, of the Columbia Heights Sewerage District No. 1 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, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, I have issued a report dated May 1, 2000, on the results of my agreed-upon procedures.



Calhoun, Louisiana
May 1, 2000

**GENERAL PURPOSE FINANCIAL STATEMENTS
(OVERVIEW)**

COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1
Columbia, Louisiana
ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, December 31, 1999

	GOVERNMENTAL FUND TYPE - DEBT SERVICE FUND	PROPRIETARY FUND TYPE - ENTERPRISE FUND	ACCOUNT GROUP - GENERAL LONG-TERM DEBT	TOTAL (MEMORANDUM ONLY)
ASSETS AND OTHER DEBITS				
Current assets:				
Cash	\$3,976	\$3,303		\$7,279
Investments		\$11,853		11,853
Accounts receivable - sewer service fees		12,993		12,993
Total current assets	<u>3,976</u>	<u>28,149</u>	NONE	<u>32,125</u>
Other assets		753		753
Restricted assets - cash		60,248		60,248
Property, plant and equipment (net of accumulated depreciation)		1,287,681		1,287,681
Amount available for debt service			\$3,976	3,976
Amount to be provided for retirement of general long-term debt			<u>3,050</u>	<u>3,050</u>
TOTAL ASSETS AND AND OTHER DEBITS	<u><u>\$3,976</u></u>	<u><u>\$1,376,831</u></u>	<u><u>\$7,026</u></u>	<u><u>\$1,387,833</u></u>
LIABILITIES AND FUND EQUITY				
Current liabilities (payable from current assets) - accounts payable				
	<u>NONE</u>	<u>2,499</u>	<u>NONE</u>	<u>2,499</u>
Current liabilities (payable from restricted assets):				
Accrued interest payable		6,237		6,237
Revenue bonds payable		9,565		9,565
Total current liabilities (payable from restricted assets)	<u>NONE</u>	<u>15,802</u>	<u>NONE</u>	<u>15,802</u>
Long-term liabilities:				
General obligation bonds payable			\$7,026	7,026
Revenue bond payable		443,037		443,037
Total long-term liabilities	<u>NONE</u>	<u>443,037</u>	<u>7,026</u>	<u>450,063</u>
Total liabilities	<u>NONE</u>	<u>461,338</u>	<u>7,026</u>	<u>468,364</u>

(Continued)

See accompanying notes and accountant's compilation report.

COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1
 Columbia, Louisiana
 ALL FUND TYPES AND ACCOUNT GROUPS
 Combined Balance Sheet, etc.

	GOVERNMENTAL FUND TYPE - DEBT SERVICE FUND	PROPRIETARY FUND TYPE - ENTERPRISE FUND	ACCOUNT GROUP - GENERAL LONG-TERM DEBT	TOTAL (MEMORANDUM ONLY)
Fund Equity:				
Contributed capital	NONE	\$1,432,896	NONE	\$1,432,896
Retained earnings:				
Reserved for revenue bonds		44,445		44,445
Unreserved - undesignated (deficit)		(561,848)		(561,848)
Total retained earnings (deficit)	NONE	(517,403)	NONE	(517,403)
Fund balance - reserved for debt service	\$3,976	NONE	NONE	3,976
Total Fund Equity	3,976	915,493	NONE	919,469
TOTAL LIABILITIES AND FUND EQUITY	\$3,976	\$1,376,831	\$7,026	\$1,387,833

(Concluded)

See accompanying notes and accountant's compilation report.

COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1
Columbia, Louisiana
GOVERNMENTAL FUND TYPE - DEBT SERVICE FUND

Statement of Revenues, Expenditures, and
Changes in Fund Balance
For the Year Ended December 31, 1999

REVENUES	
Ad valorem taxes	\$6,527
Use of money and property - interest earnings	<u>1,281</u>
Total revenues	<u>7,808</u>
EXPENDITURES	
Debt service:	
Principal	43,974
Interest	<u>5,366</u>
Total expenditures	<u>49,340</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(41,532)
FUND BALANCES AT BEGINNING OF YEAR	<u>45,508</u>
FUND BALANCES AT END OF YEAR	<u><u>\$3,976</u></u>

See accompanying notes and accountant's compilation report.

COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1
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	
Sewer service fees	\$109,760
Tap fees	1,725
Other operating income	730
Total revenues	<u>112,215</u>
OPERATING EXPENSES	
Office expense	847
Commissioners fees	4,020
Repairs and maintenance	20,364
Utilities and telephone	12,954
Insurance	6,435
Contract labor	2,770
Accounting and audit	1,707
Collection expense	1,650
Laboratory tests	1,721
Salaries and related benefits	27,332
Engineering/consulting	900
Truck expense	1,892
Depreciation	60,132
Other operating expenses	956
Total operating expenses	<u>143,680</u>
OPERATING INCOME (Loss)	<u>(31,465)</u>
NON-OPERATING REVENUES (EXPENSES)	
Interest earned on deposits	1,971
Ad valorem taxes	15,046
State revenue sharing	1,908
Interest expense	<u>(23,417)</u>
Total non-operating revenues (expenses)	<u>(4,492)</u>
NET INCOME (Loss)	(35,957)
RETAINED EARNINGS (Deficit) AT BEGINNING OF YEAR	<u>(481,446)</u>
RETAINED EARNINGS (Deficit) AT END OF YEAR	<u><u>(\$517,403)</u></u>

See accompanying notes and accountant's compilation report.

COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1
Columbia, Louisiana
PROPRIETARY FUND TYPE - ENTERPRISE FUND

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

CASH FLOWS FROM OPERATING ACTIVITIES

Operating Income (Loss)	<u>(\$31,465)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:	
Depreciation	60,132
Increase in accounts receivable	(3,550)
Decrease in interest receivable	82
Increase in accounts payable	970
Total adjustments	<u>57,634</u>
Net cash provided by operating activities	<u>26,169</u>

**CASH FLOWS FROM CAPITAL
FINANCING ACTIVITIES**

Principal on revenue bonds	(9,494)
Interest on revenue bonds	(23,590)
Purchase of equipment	<u>(3,251)</u>
Net cash used by capital financing activities	<u>(36,335)</u>

**CASH FLOWS FROM NONCAPITAL
FINANCING ACTIVITIES**

Ad valorem tax receipts	15,046
State revenue sharing receipts	<u>1,908</u>
Net cash provided by noncapital financing activities	<u>16,954</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest earnings on bank deposits	1,971
Decrease in investments	<u>4,417</u>
Net cash provided by investing activities	<u>6,388</u>

NET INCREASE IN CASH 13,176

CASH AT BEGINNING OF YEAR 50,375

CASH AT END OF YEAR \$63,551

See accountant's compilation report and accompanying notes.

COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1
Columbia, Louisiana

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Columbia Heights Sewerage District No. 1 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, the Columbia Heights Sewerage District No. 1 commissioners receive \$60 per meeting attended. The district is responsible for maintaining and operating a sewerage collection and disposal system within the boundaries of the district.

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Columbia Heights Sewerage District No. 1 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 established criteria for determining which component units should be considered part of the Caldwell Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body,
and;

See accountant's compilation report.

COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1

Columbia, Louisiana

Notes to the financial statements (Continued)

- 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 governing body of the district and has the ability to impose its will on the district, the 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 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 district uses funds and account groups to report on its financial position and the results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fixed assets and general long-term debt) that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate fund types. The fund classifications and

See accountant's compilation report.

COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1

Columbia, Louisiana

Notes to the financial statements (Continued)

a description of each existing fund type follows:

Governmental Funds

Governmental funds are used to account for all or most of the district's general activities, including the collection and disbursement of legally restricted monies and the servicing of general long-term debt. Governmental funds of the district include:

Debt Service Fund

The debt service fund accounts for the collection of ad valorem tax revenue levied to pay principal and interest on general obligation bonds issued for the purpose of constructing the sewerage system.

Proprietary Funds

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary funds include:

Enterprise Fund

The enterprise fund is used to account for operations of the district, where the intent of the governing body is that the cost (expenses, including depreciation) of providing services to customers in the district 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 by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets

See accountant's compilation report.

COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1

Columbia, Louisiana

Notes to the financial statements (Continued)

and current liabilities generally are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for reporting the debt service governmental fund type. The district uses the following practices in recording revenues and expenditures of the debt service fund:

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Interest on demand deposits is recognized when it has been earned and credited to the fund's account.

Interest on time deposits is recognized when it has been earned.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term debt, which are recognized when due.

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. Sewer service fees and tap fees are recognized in the period they are collected by the Columbia Heights Water District, which is the collecting agency for the district. Salaries

See accountant's compilation report.

COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1
Columbia, Louisiana
Notes to the financial statements (Continued)

and other expenses are recognized when incurred.

E. RESTRICTED ASSETS

Certain resources of the Enterprise Fund set aside for the repayment of revenue bonds are classified as restricted assets on the balance sheet because their use is limited.

F. CASH

Cash includes amounts in demand deposits and interest-bearing 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 and the laws of any other state in the union, or the laws of the United States.

G. INVESTMENTS

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. At December 31, 1999, the district's investments consist of nonnegotiable certificates of deposits with original maturities that exceed 90 days that are reported in the accompanying financial statements at cost. The bank balances of the deposits are fully secured from risk by federal deposit insurance.

II. FIXED ASSETS

Fixed assets of the district are included on the balance sheet of the enterprise 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 estimated useful lives of 40 years for the sewerage system, 10 to 39.5 years for buildings and 5 to 10 years for equipment.

See accountant's compilation report.

COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1
Columbia, Louisiana
Notes to the financial statements (Continued)

I. LONG-TERM OBLIGATIONS

General obligation bonds financed from governmental funds by ad valorem taxes assessed against property owners in the district are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due. Revenue bonds financed from Enterprise Fund operations are accounted for in the Enterprise Fund.

J. CONTRIBUTED CAPITAL

Contributed capital is recorded in proprietary funds that have received capital grants or contributions when such resources are restricted for the acquisition or construction of capital assets. Contributed capital is not amortized based on the depreciation recognized on that portion of the assets acquired from such resources.

K. 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.

L. UNCOLLECTIBLE ALLOWANCE

The statements contain no provision for uncollectible accounts. The district is of the opinion that such allowance would be immaterial in relation to the financial statements taken as a whole.

**M. TOTAL COLUMN ON THE
COMBINED BALANCE SHEET**

The total column on the combined balance sheet is captioned Memorandum Only to indicate that it is presented only to facilitate financial analysis (overview). Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund

See accountant's compilation report.

COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1
 Columbia, Louisiana
 Notes to the financial statements (Continued)

eliminations have not been made in the aggregation of this data.

2. CASH

At December 31, 1999, the district has cash (book balances) totaling \$63,551 as follows:

Demand deposits:	
Non-interest bearing	\$3,303
Interest-bearing	<u>60,248</u>
Total	<u>\$63,551</u>

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 balances) at December 31, 1999, are \$80,625, and are fully secured from risk by federal deposit insurance.

3. LEVIED TAXES

For the year ended December 31, 1999, taxes of 7.00 mills were levied on property with assessed valuations totaling approximately \$3,977,645 and were dedicated as follows:

General obligation bonds debt service	2.00
Maintenance and operation	<u>5.00</u>
Total	<u>7.00</u>

4. FIXED ASSETS

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

Land	\$35,517
Buildings	23,335
Sewerage system	2,030,465
Equipment	<u>59,923</u>
	2,149,240
Less accumulated depreciation	<u>(861,559)</u>

See accountant's compilation report.

COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1
 Columbia, Louisiana
 Notes to the financial statements (Continued)

Property, plant and equipment, net \$1,287,681

5. LONG-TERM DEBT

The following is a summary of long-term debt transactions for the year ended December 31, 1999:

	General Obligation Bonds	Revenue Bonds	Total
	<u> </u>	<u> </u>	<u> </u>
Long-term obligations at January 1, 1999	\$51,000	\$462,096	\$513,096
Retirements	<u>(43,974)</u>	<u>(9,494)</u>	<u>(53,468)</u>
Long-term obligations at December 31, 1999	<u>\$7,026</u>	<u>\$452,602</u>	<u>\$459,628</u>

Bonds payable outstanding at December 31, 1999 are comprised of the following individual issues:

	General Obligation Bonds	Revenue Bonds	Total
	<u> </u>	<u> </u>	<u> </u>
\$130,000 1979 General Obligation Bonds due in annual installments of \$5,500 to \$7,500 through July 11, 2006; interest at 5.00 percent.	\$7,026		\$7,026
\$320,000 1979 Sewer Revenue Bonds due in annual installments of \$7,000 to \$19,000 through July 11, 2019; interest at 5.00 percent.		\$237,000	237,000
\$229,800 1993 Sewer Revenue Bonds due in annual installments of \$13,884 through May 11, 2033; interest at 5.25 percent.		<u>215,602</u>	<u>215,602</u>
Total	<u>\$7,026</u>	<u>\$452,602</u>	<u>\$459,628</u>

See accountant's compilation report.

COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1

Columbia, Louisiana

Notes to the financial statements (Continued)

The annual requirement to amortize all debt outstanding at December 31, 1999, including interest of \$401,205, is as follows:

<u>Year</u>	
2000	\$40,111
2001	32,384
2002	33,034
2003	32,634
2004	33,234
2005-2009	165,070
2010-2014	162,320
2015-2019	167,670
2020-2024	69,420
2025-2029	69,420
2030-2033	<u>55,536</u>
Total	<u>\$860,833</u>

6. RESERVED RETAINED EARNINGS

The bond covenant for the 1979 sewer revenue bonds discussed in note 5 above, requires the district to establish the following reserve accounts:

- A. A "Sewer Reserve Fund". The district must transfer into this fund each month an amount equal to 5 percent of the monthly sinking fund payment until a total of \$19,950 is accumulated. Such amounts may be used only for the payment of maturing bonds and interest coupons for which sufficient monthly sinking fund payments have not been made.
- B. A "Sewer and Depreciation Contingency Fund". The district must transfer \$103 into this fund each month. Money in this fund may be used for the purpose of paying the cost of extraordinary repairs or replacements which are necessary to keep the system in operating condition and for which money is not available in the maintenance and operation fund. Money in this fund may also be used to pay principal and interest on the bonds at any time there is not sufficient funds in the other bond funds.

The bond covenant for the 1993 sewer revenue bonds discussed in note 5 above, requires the district to establish the following reserve accounts:

See accountant's compilation report.

COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1

Columbia, Louisiana

Notes to the financial statements (Continued)

- A. A "Sinking Fund". The district must transfer into this fund each month, one-twelfth of the principal and interest falling due on the next payment date. Such transfers will be fully sufficient to assure the prompt payment of principal and interest installments as they become due and may be used only for such payments.
- B. A " Reserve Fund". The district must transfer into this fund \$58 each month until a total of \$13,871 has been accumulated. Such amounts may be used only for the payment of maturing bonds and interest coupons for which sufficient funds are not on deposit in the Sinking Fund and as to which there would otherwise be default.
- C. A "Contingency Fund". The district must transfer into this fund \$55 each month. Money in this fund may be used for the purpose of paying the cost of extraordinary repairs or replacements which are necessary to keep the system in operating condition and for which money is not available in the maintenance and operation fund. Money in this fund may also be used to pay principal and interest on the bonds at any time there is not sufficient funds in the other bond funds.

At December 31, 1999, the district has set aside \$60,248 to meet the reserve requirements. Of that amount, \$15,802 is offset by accrued interest payable and the current portion of long-term debt, with the remaining \$44,445, reported as a reserve of retained earnings on Statement A.

7. LITIGATION AND CLAIMS

The district is not involved in any litigation at December 31, 1999, nor is it aware of any unasserted claims. The district maintains insurance coverage to reduce the risk of loss resulting from property damage or liability claims.

See accountant's compilation report.

SUPPLEMENTAL INFORMATION SCHEDULES

See accountant's compilation report.

COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1
Columbia, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year Ended December 31, 1999

COMPENSATION PAID BOARD OF COMMISSIONERS

The schedule of per diem paid commissioners is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. The commissioners receive \$60 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.

COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1
Columbia, Louisiana

Schedule of Per Diem Paid Commissioners
For the Year Ended December 31, 1999

Monty Adams	\$840
Jackie Barrett	840
Tommy Basco	780
Marshal Davis, Jr.	780
Eddie Hearn	<u>780</u>
Total	<u>\$4,020</u>

See accountant's compilation report.

COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1
Columbia, Louisiana

Summary 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>	<u>Additional Explanation</u>
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There were no prior year findings.

See accountant's compilation report.

COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1
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>
-----------------------------	-------------------------------	--	-----------------------------------	--

There are no current year findings.

See accountant's compilation report.

**Independent Accountant's Report on Applying
Agreed-Upon Procedures**

The following independent accountant's report on applying agreed upon procedures is presented in compliance with the requirements of the *Louisiana Governmental Audit Guide* and the *Louisiana Attestation Questionnaire*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

M. Carleen Dumas
CERTIFIED PUBLIC ACCOUNTANT

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

**Independent Accountant's Report
On Applying Agreed-Upon Procedures**

BOARD OF COMMISSIONERS
COLUMBIA HEIGHTS SEWERAGE DISTRICT NO. 1
Columbia, Louisiana

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the Columbia Heights Sewerage District No. 1 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Columbia Heights Sewerage District No. 1's compliance with certain laws and regulations during the year ended December 31, 1999, included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for materials and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

A review was made of all disbursements for the year. There were no disbursements for materials and supplies exceeding \$15,000 nor disbursements for public works exceeding \$100,000, made during the year.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided me with the required list including the noted information.

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3. Obtain from management a listing of all employees paid during the period under examination.

Management provided me with the required list.

4. Determine whether any of the employees included in the listing obtained from management in procedure number 3 above were also included in the listing obtained from management in procedure number 2 above as immediate family members.

One of the employees included on the list of employees provided by management in agreed-upon procedure (3) was also included on the listing obtained from management in agreed-upon procedure (2) as an immediate family member. However, the employee was hired by the district prior to 1980.

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

The district is not legally required to adopt a budget.

6. Trace the budget adoption and amendments to the minute book.

See procedure #5.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by 5% or more.

See procedure #5.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and;
 - (a) *trace payments to supporting documentation as to correct amount and payee;*

I examined supporting documentation for each of the six selected disbursements and found that the payment was for the proper amount and made to the correct payee.

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- (b) determine if payments were properly coded to the correct fund and general ledger account;

The six selected payments were properly coded to the correct fund and general ledger account.

- (c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approval from the proper authorities.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1-12 (the opening meetings law).

The district publishes a notice of each meeting in its official journal at least 24 hours prior to the meeting.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

I inspected copies of all deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

A reading of the minutes of the board meetings and an examination of payroll records indicated no payments which may constitute bonuses, advances, or gifts.

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I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of the Columbia Heights Sewerage District No. 1 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.



Calhoun, Louisiana
May 1, 2000

Louisiana Attestation Questionnaire

The accompanying *Louisiana Attestation Questionnaire* has been completed by management and is included in this report as required by the *Louisiana Governmental Audit Guide*.

M. Carleen Dumas
Certified Public Accountant
369 Donaldson Rd.
Calhoun, La 71225

Mrs. Dumas,

In connection with your compilation of our financial statements of the Columbia Heights Sewerage District No. 1 as of December 31, 1999 and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on information available to us as of _____.

PUBLIC BID LAW

1. The provisions of the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office have been complied with.

Yes [] No [] N/A []

CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

2. It is true that no employee or official has accepted anything of value, whether in the form of a service, loan, or promise, from anyone which would constitute a violation of LSA-RS 42:1101-1124.

Yes [] No [] N/A []

3. It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980 under circumstances which would constitute a violation of LSA-RS 42:1119.

Yes [] No [] N/A []

BUDGETING

4. We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:43.

Yes [] No [] N/A []

ACCOUNTING AND REPORTING

5. All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes [] No [] N/A []

6. We have filed our annual financial statements in accordance with LSA-RS 24:514, LSA-RS 33:463, and/or LSA-RS 39:92, as applicable.

Yes [] No [] N/A []

7. We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes [] No [] N/A []

MEETINGS

8. We have complied with the provisions of the Opening Meetings Law, LSA-RS 42:1-12.

Yes [] No [] N/A []

DEBT

9. We have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 47:1410.60.

Yes [] No [] N/A []

ADVANCES AND BONUSES

10. We have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes [] No [] N/A []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known non-compliance which may occur subsequent to the issuance of your report.

Jackie O. Barrett 4/19/00
President Date