

management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities or instances of non-compliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, I have classified the significant internal control statute policies and procedures used in administering federal financial assistance programs in the following categories:

A. Activity cycles

- Treasury or financing.
- Revenues/collections.
- Purchases/disbursements.
- External financial reporting.
- Payroll/personnel.

B. Financial statement captions

- Cash and cash equivalents.
- Receivables.
- Property and equipment.
- Payables and accrued liabilities.
- Debt.
- Retained earnings.

C. Accounting applications

- Billings.
- Receivables.
- Cash receipts.
- Purchasing and receiving.
- Accounts disbursements.
- Payroll.
- Property and equipment.
- General ledger.

D. General requirements

- Political activity.
- Davis-Bacon Act.
- Civil rights.
- Cash management.
- Federal financial reports.
- Drug-Free Workplace Act.
- Administrative requirements.

E. Specific requirements

- Types of services.
- Eligibility.
- Reporting.
- Monitoring subrecipients.

F. Claims for advances and reimbursements

G. Amounts claimed or used for matching

For all the internal control structure categories listed above, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk.

COLUMBIA HEIGHTS WATER DISTRICT
CALIBRELLI PARISH POLICE JURY
ColumbIA, Louisiana

Supplemental Information Schedule
As Of And For The Year Ended December 31, 1996

COMPENSATION PAID TO BOARD MEMBERS

The following schedule of compensation paid to board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

*Schedule of Compensation Paid Board Members as of and for the Year Ended
December 31, 1996*

G H Childers	\$	750.00
Leon Benco		750.00
Roberto Gregory		750.00
Marshall Davis		750.00
J E Dupree		750.00
Total per item	\$	<u>3,600.00</u>

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**INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF
FEDERAL FINANCIAL ASSISTANCE**

Board of Commissioners
Columbia Heights Water District
Columbia, Louisiana

I have audited the accompanying general purpose financial statements of the Columbia Heights Water District, Columbia, Louisiana, a component unit of Caldwell Parish Police Jury, as of and for the year ended December 31, 1996, and have issued my report thereon dated April 18, 1997. These general purpose financial statements are the responsibility of the Columbia Heights Water District's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States and the provisions of Office of Management and Budget Circular A-128, *Standards of State and Local Governments*. Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

My audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the Columbia Heights Water District taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Jennie Self, CPA
Baton Rouge, Louisiana
April 18, 1997

JIMMIE SELL, CPA
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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN
AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT ACCOUNTING STANDARDS**

Board of Commissioners
Columbia Heights Water District
Columbia, Louisiana

I have audited the accompanying general purpose financial statements of the Columbia Heights Water District, a component unit of the Calcedonia Parish Police Jury, as of and for the year ended December 31, 1998 and have issued my report thereon dated April 18, 1997.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the Columbia Heights Water District is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of my evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing my audit of the general purpose financial statements of the Columbia Heights Water District for the year ended December 31, 1998, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk. In order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE GENERAL
REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

Board of Commissioners
Columbia Heights Water District
Columbia, Louisiana

I have audited the accompanying general purpose financial statements of the Columbia Heights Water District, a component unit of the Caldwell Parish Police Jury, as of and for the year then ended December 31, 1996, and have issued my report thereon dated April 18, 1997.

I have applied procedures to test the Columbia Heights Water District's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended December 31, 1996: political activity, civil rights, cash management, federal financial reports, allowable cost/cost principles, drug-free workplace act, eligibility and environmental certification and reviews.

My procedures were limited to the applicable procedures described in the Office of Management and Budget's *Compliance Supplement for Single Audit of State and Local Governments*. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Columbia Heights Water District's compliance with the requirements listed in the preceding paragraph. Accordingly, I do not express such an opinion.

With respect to the items tested, the results of these procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to my attention that caused me to believe that the Columbia Heights Water District had not complied, in all material respects, with these requirements. Also, the results of my procedures did not disclose any immaterial instances of noncompliance with these requirements.

This report is intended for the information of the management of the Columbia Heights Water District and the Legislative Auditor for the State of Louisiana. This restriction is not intended to limit the distribution of the report, which is a matter of public record.



Monroe, Louisiana
April 18, 1997

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE USED IN
ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

Board of Commissioners
Columbia Heights Water District
Columbia, Louisiana

I have audited the accompanying general purpose financial statements of the Columbia Heights Water District, Columbia, Louisiana, a component unit of Caldwell Parish Police Jury, as of and for the year ended December 31, 1996, and have issued my report thereon dated April 18, 1997.

I have also audited the compliance of the Columbia Heights Water District with requirements applicable to major federal financial assistance programs and have issued my report thereon dated April 18, 1997.

I conducted my audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller General of the United States, and Office of Management and Budget Circular A-128, *Audit of State and Local Governments*. These standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement, and about whether the Columbia Heights Water District complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing my audit for the year ended December 31, 1996, I considered the internal control structure of the Columbia Heights Water District in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and on the compliance of the Columbia Heights Water District with requirements applicable to major programs, and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses my consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. I have addressed internal control structure policies and procedures relevant to my audit of the general purpose financial statements in a separate report dated April 18, 1997.

The management of the Columbia Heights Water District is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with

During the year ended December 31, 1996, the Columbia Heights Water District had one major federal financial assistance program and expended 100% of its total federal financial assistance under the following major federal financial assistance program(s): United States Department of Agriculture and Community Development.

I performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that I considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the aforementioned major federal financial assistance program which is identified in the accompanying Schedule of Federal Financial Assistance. My procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

My consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operations that I consider to be material weaknesses as defined above.

This report is intended for the information of the management of the Columbia Heights Water District and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.



Monroe, Louisiana
April 18, 1997

SUPPLEMENTARY INFORMATION

STATEMENT C

COLUMBIA HEIGHTS WATER DISTRICT
 COLUMBIA HEIGHTS POLICE JURY
 COLUMBIA, LOUISIANA
 PROPRIETARY FUND - ENTERPRISE FUND
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 1996

CASH FLOWS FROM OPERATING ACTIVITIES:

NET INCOME FROM OPERATIONS	23,891
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH EXPENDITURES	38,179
CHANGES IN ASSETS AND LIABILITIES:	
INCREASE/DECREASE ON ACCOUNTS RECEIVABLE	11,923
INCREASE/DECREASE IN PAYABLES	<u>3,114</u>
TOTAL ADJUSTMENTS	53,216

NET CASH FLOWS PROVIDED (USED) BY FINANCING ACTIVITIES:

CASH FLOWS FROM FINANCING ACTIVITIES:	
PAYMENT OF LONG-TERM DEBT	(11,647)
INCREASE/DECREASE IN DEPOSITS PAYABLE	6,889
INCREASE (DECREASE) IN ACCRUED INTEREST	<u>(2,275)</u>
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES:	(6,833)

CASH FLOWS FROM INVESTING ACTIVITIES:

CAPITAL EXPENDITURES	<u>(24,171)</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES:	(24,171)
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	<u>25,287</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR:	<u>383,183</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR:	<u>408,470</u>

INTEREST PAID

28,208

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

C/10/96

In my opinion, Columbia Heights Water District, Columbia, Louisiana, complied, in all material respects, with the requirements governing types of services allowed or unallowed, eligibility, matching, level of effort, cost accounting, reporting, claims for advances and reimbursements, and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs for the year ended December 31, 1996.

This report is intended for the information of management, and the Louisiana Legislative Auditor of the State of Louisiana.

Thermonice Kelly, CPA
Shreve, Louisiana
April 18, 1997

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR
FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

Board of Commissioners
Columbia Heights Water District
Columbia, Louisiana

I have audited the accompanying general purpose financial statements of Columbia Heights Water District, Columbia, Louisiana, a component unit of Caldwell Parish Police Jury, as of and for the year ended December 31, 1996, and have issued my report thereon dated April 18, 1997.

I have also audited Columbia Heights Water District, Columbia, Louisiana's, compliance with the requirements governing types of services allowed or unallowed, eligibility, matching, level of effort, or cost-sharing, reporting, claims for advances and reimbursements, and amounts claimed or used for matching that are applicable to each of its major financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance, for the year ended December 31, 1996. The management of Columbia Heights Water District, Columbia, Louisiana, is responsible for the Columbia Heights Water District, Columbia, Louisiana's compliance with these requirements. My responsibility is to express an opinion on compliance with those requirements based on my audit.

I conducted my audit of compliance with those requirements in accordance with generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller General of the United States, and Office of Management and Budget Circular A-128, *Audit of State and Local Governments*. Those standards and OMB Circular A-128 require that I plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about Columbia Heights Water District, Columbia, Louisiana's compliance with those requirements. I believe that my audit provides a reasonable basis for my opinion.

The results of my audit procedures did not disclose any immaterial instances of noncompliance with the requirements referred to above.

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**INDEPENDENT AUDITORS REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS
BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Commissioners
Columbia Heights Water District
Columbia, Louisiana

I have audited the accompanying general purpose financial statements of the Columbia Heights Water District, Columbia, La., a component unit of Caldwell Parish Police Jury, as of and for the year ended December 31, 1996, and have issued my report thereon dated April 18, 1997.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts and grants applicable to the Columbia Heights Water District is the responsibility of the Columbia Heights Water District's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of their compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of my audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of the Columbia Heights Water District's management and the Louisiana Legislative Auditor. This restriction is not intended to limit the distribution of the report, which is a matter of public record.


Monroe, Louisiana
April 18, 1997

COLUMBIA HEIGHTS WATER DISTRICT
 CALDWELL PARKWAY PLACE, SUITE
 COLUMBIA, LOUISIANA
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

The annual requirements to amortize all long-term debt outstanding as of December 31, 1995, are as follows:

	<u>Interest</u>	<u>Principal</u>
1997	19,821.00	16,338.00
1998	18,964.00	17,874.00
1999	18,094.00	16,024.00
2000	17,194.00	14,941.00
2001 and thereafter	161,983.00	341,123.00
TOTAL	<u>236,056.00</u>	<u>406,401.00</u>

7. OTHER POST - EMPLOYMENT BENEFITS

None.

8. RELATED PARTY TRANSACTIONS

None.

9. LITIGATION AND CLAIMS

None.

10. SUBSEQUENT EVENTS

None.

11. OTHER SUPPORT

None.

COLUMBIA HEIGHTS WATER DISTRICT
CALDWELL PARKER POLICE JURY
COLUMBIA, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 29:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the district that the fiscal agent has failed to pay deposited funds upon demand.

3. RECEIVABLES

The following is a summary of receivables at December 31, 1996:

<u>Class of Receivable</u>	<u>Current Assets</u>	<u>Total</u>
Accounts Receivable	14,687.00	14,687.00

Management has determined that the amounts of the receivables that are uncollectible are immaterial; therefore, no provision for uncollectible receivables has been included in these financial statements.

4. FIXED ASSETS

A summary of fixed assets at December 31, 1996, follows:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net</u>
Land	38,700.00	0.00	38,700.00
Equipment	1,840,367.00	488,146.00	1,352,221.00
TOTAL	<u>1,879,067.00</u>	<u>488,146.00</u>	<u>1,391,921.00</u>

5. PENSION PLAN

The district has no pension plan, except social security benefits resulting from salary withholding and employer mandated payments.

6. LONG-TERM LIABILITIES

The following is a summary of long-term transactions during the year:

Long-term liability payable at 12-31-95	422,800.00
Deductions	<u>18,500.00</u>
Long-term liability	406,400.00
Less current portion	<u>18,500.00</u>
Long-term liability payable at 12-31-96	<u>387,900.00</u>

Note payable, dated March 20, 1995, interest rate .0475, original amount of loan \$288,500 payable in monthly installments of \$1,422.34, including interest, due the first day of each month.

Note payable, dated June 11, 1990, interest rate .05, original amount of loan \$313,100, due in annual installments of \$5,000 principal plus applicable interest, due each June 11.

G. FIXED ASSETS

Fixed assets of the district are valued at historical cost and are included on the balance sheet of the fund, net of accumulated depreciation. Construction period interest is immaterial and is not capitalized. Depreciation of all exhaustible fixed assets is charged as an expense against operations. Depreciation is computed using the straight-line method over the estimated useful lives of periods from 5 to 40 years.

H. COMPENSATED ABSENCES

The district does not have a formal leave policy.

I. LONG-TERM LIABILITIES

Long-term liabilities are recognized within the enterprise fund.

J. FUND EQUITY

Contributed Capital

Grants, entitlements, or shared revenues received that are restricted for the acquisition or construction of capital assets are recorded as contributed capital. Contributed capital is not amortized.

Reserves

Reserves represent those portions of fund equity legally segregated for a specific future use.

K. CASH AND CASH EQUIVALENTS

At December 31, 1996, the district has cash and cash equivalents (bank balances) totaling \$420,185.00 as follows:

Demand Deposits	45,665.00
Time Deposits	374,519.00
TOTAL	<u>420,185.00</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 1996, the district has \$420,400.75 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance and \$320,000 of pledged securities held by the custodial bank in the name of Whitney National Bank.

E. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and other money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the district may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. The district has no investments.

F. RESTRICTED ASSETS

Certain proceeds of the enterprise fund resources are set aside for specific payments and are classified on the balance sheet as restricted assets because their use is limited by applicable requirements. Restricted assets include the "customer deposits" account, which is used to segregate water meter deposits used to pay any outstanding water bills when customers discontinue service.

Briefly, the funds and provisions relating thereto are as follows:

1. **Depreciation Reserve Fund.** Each month a transfer is to be made from revenue into this fund, \$170 for one note and \$154 for the other note. This fund was created to provide for repairs or replacements in case of break-down or other emergencies.
2. **Note Reserve Fund.** Each month from revenue, the sum of \$120 is to be transferred into this fund until a total amount of \$17,068 is reached. This amount is equivalent to one year of monthly installment payments on one of the notes payable. Also, a transfer from revenue in the amount of \$154 a month is to be made into this account until the sum of \$10,755 is reached. This is equivalent to an annual payment on one of the notes payable. This fund is, of course, for the protection of the lender.
3. **Sinking or Note Payment Fund.** A transfer is to be made from revenue into this fund each month in the amount of \$1,040.25. Since an annual payment, rather than a monthly payment, is to be made on one of the notes payable, the purpose of this fund is to accumulate on a monthly basis funds sufficient to make the annual payment.

3214

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PAGE NO. 11

LEWIS PROGRAM
SERIALS ACQUISITION
SERIALS ACQUISITION

COLUMBIA HEIGHTS WATER DISTRICT

*Cathedral Parish Water Jury
Columbia, Louisiana*

ALERT REPORT

Approved For the Year Ended December 31, 1986

Under provisions of state law, this report is a public document. A copy of the report has been transmitted to the auditor, or authorized 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.

APR 30 1987

Release Date: _____

Annex SAH, CPA

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**COLUMBIA HEIGHTS WATER DISTRICT
CALDWELL PARISH POLICE JURY**
Columbia, Louisiana

Notes To The Financial Statements
As of and For The Year Ended December 31, 1996

INTRODUCTION

The Columbia Heights Water District was created prior to 1949 as a public water supply. The district has a president and 5 board members who are compensated. It is a small district located in Caldwell Parish, and serves approximately 623 people, and has 2 employees.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying component unit financial statements of the Columbia Heights Water District of Caldwell Parish have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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 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 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
 - 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.

STATEMENT B

COLUMBIA WICREDS WATER DISTRICT
 CALDWELL PARISH POLICE JURY
 COLUMBIA, LOUISIANA
 PROPRIETARY FUND - ENTERPRISE FUND
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN RETAINED EARNINGS
 FOR THE YEAR ENDED DECEMBER 31, 2004

OPERATING REVENUES:

WATER REVENUE	\$ 77,844
TOTAL OPERATING REVENUE	<u>77,844</u>

OPERATING EXPENSES:

SEE SCHEDULE	(140,762)
TOTAL OPERATING EXPENSES	<u>(140,762)</u>

OPERATING INCOME (LOSS):

<u>37,082</u>

NONOPERATING REVENUES (EXPENSES):

INTEREST INCOME	14,628
INTEREST EXPENSE	(28,277)
TOTAL NONOPERATING REVENUES (EXPENSES):	<u>(13,649)</u>

NET INCOME (LOSS):

23,433

RETAINED EARNINGS AT BEGINNING OF YEAR:

200,114

RETAINED EARNINGS AT END OF YEAR:

<u>223,547</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

DP00888

STATEMENT 2

COLOMBIA REGIONAL WATER DISTRICT
 COLUMBIA PARKS PROJECT FUND
 COLOMBIA, LOUISIANA
 PROPRIETARY FUNDS - ENTERPRISE FUNDS
 (ALL FUND TYPES HAVE ACCOUNT ENDINGS)
 BALANCE SHEET (DECEMBER 31, 1994)

ASSETS

CURRENT ASSETS:	
CASH	28,128
ACCOUNTS RECEIVABLE	14,497
TOTAL CURRENT ASSETS	<u>42,625</u>
RESTRICTED ASSETS:	
METER DEPOSIT FUND	22,624
METER DEPOSIT CD	28,211
DEPR FUND - RESERVE	12,258
WATER RESERVE FUND	8,429
MF RESERVE FUND	26,282
TOTAL RESTRICTED ASSETS	<u>98,404</u>
PROPERTY, PLANT AND EQUIPMENT:	
LAND	28,751
PLANT EQUIPMENT	1,881,267
LESS: ACCUMULATED DEPRECIATION	(1,000,184)
NET PROPERTY, PLANT AND EQUIPMENT	<u>908,834</u>
TOTAL ASSETS	<u>1,079,861</u>

LIABILITIES AND FUND EQUITY

LIABILITIES:	
CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS):	
ACCOUNTS PAYABLE	28,470
ACCRUED EXPENSE	792
TOTAL CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS):	<u>29,262</u>
CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS):	
METER DEPOSITS	21,887
CURRENT PORTION OF LONG-TERM NOTES	24,588
ACCRUED INTEREST	7,428
TOTAL CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS):	<u>53,903</u>
LONG TERM LIABILITIES (PAYABLE FROM RESTRICTED ASSETS):	
NOTE PAYABLE FARRIS-ROBEY 4.25%	12,288
NOTE PAYABLE FARRIS-ROBEY 5%	21,288
TOTAL LONG TERM LIABILITIES (PAYABLE FROM RESTRICTED ASSETS):	<u>33,576</u>
TOTAL LIABILITIES	<u>116,741</u>
FUND EQUITY:	
CONTRIBUTED CAPITAL	21,288
RETAINED EARNINGS (RESERVE)	11,258
RETAINED EARNINGS (RESERVE)	11,288
TOTAL FUND EQUITY	<u>43,844</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>1,079,861</u>

THE ACCOUNTING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

BALANCE

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Columbia Heights Water District
Columbia, Louisiana

I have audited the accompanying general purpose financial statements of Columbia Heights Water District, a component unit of The Caldwell Parish Police Jury, as of and for the year ended, December 31, 1996, as listed in the table of contents. These general purpose financial statements are the responsibility of the District's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I 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 general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Columbia Heights Water District as of December 31, 1996, 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.

My audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The financial information listed as supplemental information schedules in the table of contents is presented for purposes of additional analysis, and is not a required part of the financial statements of Columbia Heights Water District. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

In accordance with Government Auditing Standards, I have also issued a report dated April 18, 1997, on my consideration of Columbia Heights Water District's internal control structure and a report dated April 18, 1997, on its compliance with laws and regulations.


Jimmie Self, CPA
Monroe, Louisiana
April 18, 1997

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COLUMBIA HEIGHTS WATER DISTRICT
Columbia, Louisiana
Component Unit Financial Statements As of and For the Year Ended
December 31, 1996
With Supplemental Information Schedules

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Monroe, Louisiana 70501
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MANAGEMENT LETTER

April 18, 1997

To the Mayor and Board of Aldermen/Women
Columbia Heights Water District
Columbia, Louisiana

During the course of my audit of the financial statements of the Columbia Heights Water District, Columbia, Louisiana, as of and for the year ended December 31, 1996, and the completion of the System Survey and Compliance Questionnaire, please be advised:

ONE-YEAR PROBLEMS: These seem to have been resolved to your satisfaction, and substantially to mine as well.

FINDINGS: None.

Sincerely,


Jimmie Self,
Certified Public Accountant

JLS:m

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in 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. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of the Columbia Heights Water District's management and the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.



Monroe, Louisiana

April 18, 1997

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

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Enterprise Fund is accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of this fund is included on the balance sheet. The Enterprise Fund uses the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized as the fine liabilities are incurred. The Enterprise Fund uses the following practices in recording certain revenues and expenses:

Revenues

Revenues consist of income from users of the sewer line in the district. Billing is done monthly, and the payments are collected and deposited. Interest income is a result of bank accounts bearing interest.

Expenses

Expenses are reported when the liability occurs. Major expenses are:

Salaries	28,987.00
Materials & Supplies	24,963.58

COLUMBIA HEIGHTS WATER DISTRICT
 COLUMBIA, LOUISIANA
 SCHEDULE B OF FEDERAL FINANCIAL ASSISTANCE
 FOR THE YEAR ENDED DECEMBER 31, 1998

	<u>CFDA #</u>	<u>GRANT AMOUNT RECEIVED</u>	<u>TOTAL PROGRAM ASSISTANCE RECEIVED</u>	<u>TOTAL PROGRAM EXPENDITURES</u>
U S Department of Agriculture and Community Development	90.423	*		
	90.423	*		
(1) Total amount of loan outstanding @ 12-31-98		*	127,405.24	
(2) Total amount of loan outstanding @ 12-31-99		*	268,800.00	

* denotes major program

no other