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

Annual Financial Statements

**As of and for the Year Ended
December 31, 2022**

COLUMBIA HEIGHTS SEWERAGE
DISTRICT NO.1
Columbia, Louisiana

Annual Financial Statements
As of and for the Year Ended December 31, 2022

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M. Carleen Dumas
CERTIFIED PUBLIC ACCOUNTANT

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Independent Accountant's Review Report

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

I have reviewed the accompanying financial statements of Columbia Heights Sewerage District No. 1 (the "District"), a component unit of Caldwell Parish Police Jury, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

My responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants, and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. I believe that the results of my procedures provide a reasonable basis for my conclusion.

I am required to be independent of Columbia Heights Sewerage District No. 1 and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my review.

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

Accountant's Conclusion

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Supplementary Information

The accompanying schedule of compensation, benefits, and other payments to agency head and board of commissioners and the schedule of prior year findings are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The information is the representation of management. I have reviewed the information and, based on my review, I am not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. I have not audited the supplementary information and, accordingly, do not express an opinion on such information.

Required Supplementary Information

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Report on Other Legal and Regulatory Requirements

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, I have issued a report dated April 19, 2023, on the results of my agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*. The purpose of that report is solely to describe the scope of testing performed on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, and the result of that testing, and not to provide an opinion on control or compliance.



Calhoun, Louisiana
April 19, 2023

BASIC FINANCIAL STATEMENTS

Statement A

COLUMBIA HEIGHTS SEWERAGE
DISTRICT NO.1
Columbia, Louisiana

STATEMENT OF NET POSITION
December 31, 2022

ASSETS

Current assets:

Cash	\$329,900
Investments	989,635
Accounts receivable - sewer fees	22,171
Total current assets	<u>1,341,706</u>

Noncurrent assets:

Restricted cash	349,481
Other assets	753
Property, plant and equipment (net of accumulated depreciation)	1,707,792
Total noncurrent assets	<u>2,058,026</u>
Total assets	<u>3,399,732</u>

LIABILITIES

Current liabilities:

Accounts payable	6,139
Payroll taxes payable	1,090
Accrued interest payable	1,408
Current portion of long-term debt	32,693
Customer meter deposits	23,380
Total current liabilities	<u>64,710</u>

Noncurrent liabilities - revenue bonds payable

<u>1,489,826</u>
<u>1,554,536</u>

Total liabilities

NET POSITION

Net investment in capital assets	185,273
Restricted for construction	204,566
Restricted by revenue bonds	144,915
Unrestricted	1,310,442
Total net position	<u>\$1,845,196</u>

See accompanying notes and independent accountant's review report.

Statement B

COLUMBIA HEIGHTS SEWERAGE
DISTRICT NO.1
Columbia, Louisiana

STATEMENT OF REVENUE, EXPENSES, AND
CHANGES IN NET POSITION
For the Year Ended December 31, 2022

OPERATING REVENUE	
Sewer service fees	\$275,555
Connection fees	1,750
Tap fees	1,100
Total operating revenue	<u>278,405</u>
OPERATING EXPENSES	
Commissioners fees	5,685
Accounting and audit	1,985
Repairs and maintenance	14,028
Materials and supplies	23,743
Office expense	5,732
Utilities and telephone	36,458
Insurance	13,593
Health insurance	12,988
Salaries	56,623
Payroll taxes	4,782
Contract labor	20,358
Collection expense	2,316
Lab tests	5,334
Licenses and permits	1,512
Gasoline and truck expense	6,390
Depreciation	93,363
Other operating expenses	792
Total operating expenses	<u>305,682</u>
OPERATING INCOME (Loss)	<u>(27,277)</u>
NON-OPERATING REVENUE (Expenses)	
Interest expense	(28,844)
Interest income	2,144
Property taxes and state revenue sharing	95,589
Total non-operating revenue (expenses)	<u>68,889</u>
CHANGE IN NET POSITION	41,612
NET POSITION - BEGINNING	<u>1,803,584</u>
NET POSITION - ENDING	<u><u>\$1,845,196</u></u>

See accompanying notes and independent accountant's review report.

COLUMBIA HEIGHTS SEWERAGE
DISTRICT NO.1
Columbia, Louisiana

STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$279,790
Customer deposit receipts, net	2,810
Payments to suppliers	(148,699)
Payments to employees and board members	(62,308)
Net cash provided by operating activities	<u>71,593</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Principal payment on revenue bonds	(32,087)
Interest payment on revenue bonds	(28,873)
Increase in restricted cash	(6,133)
Net cash used by capital financing activities	<u>(67,093)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Property tax receipts	93,960
State revenue sharing receipts	1,629
Net cash provided by non-capital financing activities	<u>95,589</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	2,144
Increase in investments	(2,108)
Net cash provided by investing activities	<u>36</u>
NET INCREASE IN CASH	100,125
CASH AT BEGINNING OF YEAR	<u>229,775</u>
CASH AT END OF YEAR	<u><u>\$329,900</u></u>
 Reconciliation of Operating Income (Loss) to Net Cash	
 Provided by Operating Activities	
Operating Income (Loss)	<u>(\$27,277)</u>
Adjustments:	
Depreciation	93,363
Decrease in accounts receivable	1,385
Increase in accounts payable	1,260
Increase in payroll taxes payable	52
Increase in customer deposits	2,810
Total adjustments	<u>98,870</u>
Net cash provided by operating activities	<u><u>\$71,593</u></u>

See accompanying notes and independent accountant's review report.

COLUMBIA HEIGHTS SEWERAGE
DISTRICT NO.1
Columbia, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

INTRODUCTION

Columbia Heights Sewerage District No. 1 (the "District") was created by the Caldwell Parish Police Jury on August 21, 1977, as authorized by Louisiana Revised Statute 33:3881. The District is governed by a five member board appointed by the police jury. The District's commissioners receive \$100 per meeting attended. The District is responsible for maintaining and operating a sewerage collection and disposal system within the boundaries of the District. The District serves approximately 567 customers and has two part-time employees.

GASB Statement No. 14, *The Reporting Entity*, and No. 39, *Determining Whether Certain Organizations Are Component Units - an amendment of GASB Statement No. 14* established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of these statements, the District is considered a component unit of Caldwell Parish Police Jury. As a component unit, the accompanying financial statements may be included within the reporting of the primary government, either blended into those financial statements or separately reported as a discrete component unit.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Statements

Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, provides that special-purpose governments engaged only in business-type activities should present only the financial statements required for enterprise funds. For these governments, basic financial statements and required supplemental information (RSI) consist of :

- (1) Management's discussion and analysis (MD&A)
- (2) Statement of net position
- (3) Statement of revenue, expenses, and changes in net position
- (4) Statement of cash flows
- (5) Notes to the financial statements
- (6) RSI other than MD&A, if applicable

The District is a special-purpose government engaged only in business-type activities.

See independent accountant's review report.

COLUMBIA HEIGHTS SEWERAGE
DISTRICT NO.1
Notes to the Financial Statements

**B. Measurement Focus, Basis of Accounting, and
Financial Statement Presentation**

Enterprise fund statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Enterprise funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services in connection with the fund's principal ongoing operation. The operating revenue of the District is sewer service fees, tap fees, and connection fees. Operating expenses for enterprise funds include the costs of the services, administrative expenses, and depreciation of capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

C. Deposits and Investments

Cash includes amounts in non-interest bearing demand deposits. State law limits the District's credit risk by restricting the District's investments to collateralized certificates of deposits, government-backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government-backed securities. 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, 2022, the District's investments consist of nonnegotiable certificates of deposit with original maturities that exceed 90 days that are reported in the accompanying financial statements at cost. The District's interest rate risk is limited by the investment of funds for periods not to exceed 12 months.

D. Receivables

Accounts receivable consist of amounts due from customers for sewer service provided prior to year end. Receivables are generally shown net of an allowance for uncollectible amounts. These statements contain no provision for uncollectible accounts. The District is of the opinion that such an allowance would be immaterial in relation to the financial statements taken as a whole. Past due amounts are written off as bad debts when considered uncollectible by management.

Property taxes are levied on a calendar year basis and become due on January 1 of each year. For the year ended December 31, 2022, taxes of 4.52 mills were levied on property with assessed valuations totaling approximately \$28,334,926, for maintenance and

See independent accountant's review report.

COLUMBIA HEIGHTS SEWERAGE

DISTRICT NO.1

Notes to the Financial Statements

operation of the sewerage district. On November 18, 2017, the voters of the District approved a renewal of the 4.40 mills tax for a period of twenty years, beginning with the year 2017 and ending with the year 2037, for the purpose of constructing, improving, maintaining, and operating the sewers and sewerage disposal works and system of the District. The property taxes are collected by the Caldwell Parish Sheriff and remitted to the District on a monthly basis. The Louisiana Industrial Ad Valorem Tax Exemption program (Louisiana Administrative Code, Title 13, Chapter 5) is a state incentive program which abates, up to ten years, local ad valorem taxes on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. Applications to exempt qualified property for five years are approved by the Louisiana Economic Development's Board of Commerce and Industry. The exemption may be renewed for an additional five years. For the year ended December 31, 2022, there were no such exemptions in effect that reduced the District's property tax revenue.

E. Restricted Assets

Certain resources set aside to meet requirements in connection with the 2016 Sewer Revenue Bonds and for construction of major system improvements are classified as restricted assets on the balance sheet because their use is limited. It is the policy of the District to first use the restricted assets for construction but otherwise to use nonrestricted assets when both restricted and nonrestricted assets are available.

F. Property, Plant, and Equipment

Property, plant, and equipment, which includes land, the sewerage system, buildings, and equipment are reported in the enterprise fund financial statements. All of the District's capital assets are capitalized at historical cost. The District maintains a threshold level of \$1,000 or more for capitalizing assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

All property, plant, and equipment, other than land, is depreciated using the straight-line method over the following useful lives:

	<u>Estimated Lives</u>
Infrastructure - Sewerage system	25 years
Buildings	25 years
Equipment	5- 10 years

See independent accountant's review report.

COLUMBIA HEIGHTS SEWERAGE
DISTRICT NO.1
Notes to the Financial Statements

G. Long-term Liabilities

Long-term debt such as revenue bonds payable are reported as noncurrent liabilities on the statement of net position.

H. Estimates

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

2. DEPOSITS IN FINANCIAL INSTITUTIONS

At December 31, 2022, the District has cash and restricted cash and investments (book balances) as follows:

Non-interest bearing checking accounts	\$618,384
Savings account	60,997
Investments -.certificates of deposit	<u>989,635</u>
Total	<u>\$1,669,016</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. 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. At December 31, 2022, the District has \$1,672,578 in deposits (collected bank balances). These deposits are secured from risk by \$500,000 of federal deposit insurance and \$1,197,328 of pledged securities held by an unaffiliated bank in the name of the fiscal agent bank.

3. ACCOUNTS RECEIVABLE

At December 31, 2022, the District has net receivables of \$22,171 as follows:

Sewer service fees	\$22,171
Allowance for uncollectible accounts	<u>NONE</u>
Net receivables	<u>\$22,171</u>

See independent accountant’s review report.

COLUMBIA HEIGHTS SEWERAGE
DISTRICT NO.1
Notes to the Financial Statements

4. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2022, is as follows:

	Balance at January 1, 2022	Increases	Decreases	Balance at December 31, 2022
Capital assets not being depreciated:				
Land	\$35,517	NONE	NONE	\$35,517
Capital assets being depreciated:				
Sewerage system	2,604,489			2,604,489
Buildings	23,160			23,160
Equipment	134,822			134,822
Total capital assets being depreciated	2,762,471	NONE	NONE	2,762,471
Less accumulated depreciation for:				
Sewerage system	901,260	\$83,765		985,025
Buildings	22,326	70		22,396
Equipment	73,247	9,528		82,775
Total accumulated depreciation	996,833	93,363	NONE	1,090,196
Total assets being depreciated, net	1,765,638	(93,363)	NONE	1,672,275
Total assets, net	<u>\$1,801,155</u>	<u>(\$93,363)</u>	<u>NONE</u>	<u>\$1,707,792</u>

Depreciation expense of \$93,363 for the year ended December 31, 2022 was reported in the statement of revenue, expenses, and changes in net position.

5. REVENUE BONDS PAYABLE

On October 13, 2017, the District issued \$1,682,000 in Sewer Revenue Bonds, Series 2016. The bonds were issued in series R-1 in the amount of \$1,391,000 and R-2 in the amount of \$291,000. The bonds were purchased by the United States Department of Agriculture (USDA) and principal was advanced to the District in amounts needed to repay the principal and interest due on two different series

See independent accountant's review report.

COLUMBIA HEIGHTS SEWERAGE

DISTRICT NO.1

Notes to the Financial Statements

of Bond Anticipation Notes and to provide financing for a portion of the costs of constructing and acquiring improvements to the sewage system. Both series of bonds bear interest at 1.875% and are payable over a 40 year period in monthly installments of principal and interest through October 13, 2056. The bonds are secured by a pledge of the income and revenue of the District after the payment of all reasonable and necessary expenses of operating and maintaining the sewer system. USDA has the right to appoint a third party to take possession of the water system and operate, maintain, manage, and control the water system in the event that the District should default on the payment of interest on or principal of the bonds as they become due, or fail to fund the reserve accounts as established in the bond resolution.

The following is a summary of long-term debt transactions for the year ended December 31, 2022:

Direct Borrowings....		
	Sewer Revenue Bonds Series R-1	Sewer Revenue Bonds Series R-2	Total
Balance at January 1, 2022	\$1,285,652	\$268,954	\$1,554,606
Additions			NONE
Reductions	<u>(26,534)</u>	<u>(5,553)</u>	<u>(32,087)</u>
Balance at December 31, 2022	<u>\$1,259,118</u>	<u>\$263,401</u>	<u>\$1,522,519</u>

The following is a summary of the current (due in one year or less) and long-term (due in more than one year) portions of sewer revenue bonds as of December 31, 2022:

Current portion	\$32,693
Long-term portion	<u>1,489,826</u>
Total	<u>\$1,522,519</u>

The principal and interest payments on all debt outstanding are due as follows:

<u>Year Ending December 31,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2023	\$32,693	\$28,267	\$60,960
2024	33,312	27,648	60,960
2025	33,942	27,018	60,960
2026	34,583	26,377	60,960
2027	35,237	25,723	60,960
2028-2032	186,438	118,362	304,800
2033-2037	204,747	100,053	304,800

See independent accountant's review report.

COLUMBIA HEIGHTS SEWERAGE
DISTRICT NO.1
Notes to the Financial Statements

<u>Year Ending December 31,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2038-2042	\$224,854	\$79,946	\$304,800
2043-2047	246,935	57,865	304,800
2048-2052	271,186	33,614	304,800
2053-2056	<u>218,592</u>	<u>18,021</u>	<u>236,613</u>
Totals	<u>\$1,522,519</u>	<u>\$542,894</u>	<u>\$2,065,413</u>

6. RESTRICTED CASH

The letter of conditions issued by the United States Department of Agriculture in connection with the 2016 Sewer Revenue Bond requires the District to make monthly transfers of \$254 per month into a Reserve Fund until \$60,960 has been accumulated therein. The District is also required to deposit \$508 per month into a Contingency Fund. At December 31, 2022, the District had \$60,997 set aside in a Reserve Fund and \$83,918 set aside in the Contingency Fund. In addition, the letter of conditions also required that the District deposit all bond advances into a separate Construction Account to be used solely for the payment of costs incurred for the sewer improvement project. At December 31, 2022, there was \$204,566 in unexpended bond funds in the Construction Account.

7. RISK MANAGEMENT

The District purchases commercial insurance to reduce the risk of loss resulting from property damage or liability claims. There have been no significant reductions in insurance coverage from coverage in the prior year. Settlements have not exceeded insurance coverage in any of the past three fiscal years.

See independent accountant's review report.

SUPPLEMENTAL INFORMATION SCHEDULES

See independent accountant's review report.

COLUMBIA HEIGHTS SEWERAGE
DISTRICT NO.1
Columbia, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULE
As of and For the Year Ended December 31, 2022

**SCHEDULE OF COMPENSATION, BENEFITS, AND
OTHER PAYMENTS TO AGENCY HEAD
AND BOARD OF COMMISSIONERS**

The Schedule of Compensation, Benefits, and Other payments to Agency Head and Board of Commissioners is presented in compliance with Louisiana Revised Statute 24:513 A (3) and House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. As provided by Louisiana Revised Statute 33:3819, Columbia Heights Sewerage District No. 1 commissioners receive \$100 per meeting attended.

SCHEDULE OF PRIOR YEAR FINDINGS

The follow-up and corrective action taken on all prior year findings is presented in Schedule 2.

COLUMBIA HEIGHTS SEWERAGE
DISTRICT NO.1
Columbia, Louisiana

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEAD AND BOARD OF COMMISSIONERS
For the Year Ended December 31, 2022

BOARD COMPENSATION

Agency Head - Louis Champagne - President	\$1,200
Tommy Basco	1,200
Monty Adams, Sr.	1,000
Ronnie Darden	1,185
Laura Roquemore	<u>1,100</u>
Total	<u>\$5,685</u>

COLUMBIA HEIGHTS SEWERAGE
 DISTRICT NO.1
 Columbia, Louisiana

SCHEDULE OF PRIOR YEAR FINDINGS
 For the Year Ended December 31, 2022

Finding Number	Fiscal Year Finding Initially Occurred	Description of Finding	Status of Finding
2021-001	2000	Inadequate Segregation of Accounting Duties	Unresolved - see 2022-001 in current year findings.

See independent accountant's review report.

COLUMBIA HEIGHTS SEWERAGE
DISTRICT NO.1
Columbia, Louisiana

CURRENT YEAR FINDINGS AND
CORRECTIVE ACTION PLAN
For the Year Ended December 31, 2022

2022-001. Inadequate Segregation of Accounting Duties

Criteria: Proper internal controls require that accounting duties be performed by separate individuals so that one individual could not perpetrate and conceal errors or irregularities without them being detected by another individual who was performing his or her assigned duties.

Condition: The accounting duties of billing, collecting, depositing, and posting customer payments to customers accounts' is performed by one individual who the District contracts with to provide accounting services.

Cause: Limited number of accounting personnel due to the small size of the District.

Effect: Errors or irregularities may not be detected within a timely period.

Recommendation: None.

Management's Response: It is not economically feasible to correct this deficiency based on the size of the District and its limited revenues.

**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

Louisiana Legislative Auditor

I have performed the procedures enumerated below on Columbia Heights Sewerage District No. 1's (the "District"), compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2022, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The District's management is responsible for its financial records and compliance with applicable laws and regulations.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the District's compliance with the laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2022. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Public Bid Law

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$30,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.), R.S. 39:1551-39:1775 (the state procurement code); R.S. 38:2211-2296 (the public bid law), or the regulations of the Division of Administration and the State Purchasing Office, whichever is applicable; and report whether the expenditures were made in accordance with these laws.

Columbia Heights Sewerage District No. 1
Columbia, Louisiana
Independent Accountant's Report on
Applying Agreed-Upon Procedures
December 31, 2022

A review was made of all expenditures for the year. There were no expenditures for materials and supplies that exceeded \$30,000 nor any expenditures for public works that exceeded \$250,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the ethics law).

Management provided the requested information.

3. Obtain a list of all employees paid during the fiscal year.

Management provided the requested information.

4. Report whether any employees' names appear on both lists obtained in Procedures 2 and 3.

None of the employees included on the list of employees provided by management for agreed-upon Procedure 3 appeared on the list provided by management in agreed-upon Procedure 2.

5. Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

Management provided the requested information. None of the businesses of board members, employees, and board members' and employees' immediate families appeared as vendors on the list of disbursements.

Budgeting

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

The District is not legally required to adopt a budget.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

See agreed-upon Procedure 6.

Columbia Heights Sewerage District No. 1
Columbia, Louisiana
Independent Accountant's Report on
Applying Agreed-Upon Procedures
December 31, 2022

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceed budgeted amounts by 5% or more.

See agreed-upon Procedure 6.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation and:

- (a) Report whether the six disbursements agree to the amount and the payee in the supporting documentation.

Each of the six selected disbursements agreed with the amount and payee in the supporting documentation.

- (b) Report whether the six disbursements are coded to the correct fund and general ledger account.

Each of the six selected disbursements were coded to the correct fund and general ledger account.

- (c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

Each of the six selected disbursements were approved in accordance with management's policies and procedures.

Meetings

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11 - 42:28 (the opening meetings law); and report whether there are any exceptions.

Management provided evidence that a notice of each meeting is posted at the District's office building as required by the open meetings law.

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Debt

11. Obtain bank deposit slips for the fiscal year, and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

I scanned all bank deposits for the fiscal year and noted no deposits which appeared to be proceeds from bank loans, bonds, or like indebtedness.

Advances and Bonuses

12. Obtain a list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

I scanned payroll disbursements and read the meeting minutes of the District's board of commissioners for the fiscal year. I found no payments or approval for payments to employees that may constitute bonuses, advances, or gifts.

State Audit Law

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

The District's report for the year ended December 31, 2021, was submitted prior to June 30, 2022.

14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1.A (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

The District was in compliance with R.S. 24:513 for the year ended December 31, 2021.

Prior Year Comments

15. Obtain and report management's representation as to whether any prior year suggestions, recommendations, and/or comments have been resolved.

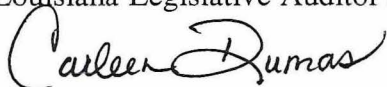
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My prior year report, dated May 4, 2022, included one finding. That finding has not been resolved by management.

I was engaged by the District to perform this agreed-upon procedures engagement and conducted my engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. I was not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's compliance with the foregoing matters. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

I am required to be independent of the District and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



Calhoun, Louisiana
April 19, 2023

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*.

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

_____ (Date Transmitted)

M. Carleen Dumas, CPA
369 Donaldson Road
Calhoun, LA 71225

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2022 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the state procurement code (R.S. 39:1551 – 39:1755); the public bid law (R.S. 38:2211-2296), and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes No N/A

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes No N/A

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 that would constitute a violation of R.S. 42:1119.

Yes No N/A

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes No N/A

Accounting and Reporting

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

Yes No N/A

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes No N/A

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes No N/A

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes No N/A

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes No N/A

We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes [] No [] N/A []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes [] No [] N/A []

Debt

It is true 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 R.S. 39:1410.60-1410.65.

Yes [] No [] N/A []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes [] No [] N/A []

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [] No [] N/A []

General

We acknowledge that we are responsible for the Agency's compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [] No [] N/A []

We acknowledge that we are responsible for determining that that the procedures performed are appropriate for the purposes of this engagement.

Yes [] No [] N/A []

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes [] No [] N/A []

We have provided you with all relevant information and access under the terms of our agreement.

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.

Yes [] No [] N/A []

We are not aware of any material misstatements in the information we have provided to you.

Yes [] No [] N/A []

We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will

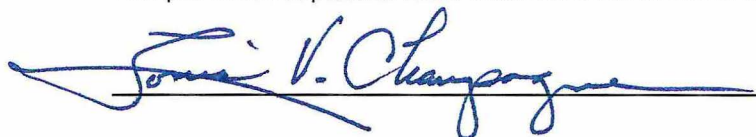
disclose to you any such communication received between the end of the period under examination and the date of your report.

Yes No N/A

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date of your report that could have a material effect on our compliance with laws and regulations and the internal controls with such laws and regulations, or would require adjustment or modification to the results of the agreed-upon procedures.

Yes No N/A

The previous responses have been made to the best of our belief and knowledge.

 President 1/10/23 Date