

COLUMBIA PORT COMMISSION
COLUMBIA, LOUISIANA

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2021**



**COLUMBIA PORT COMMISSION
COLUMBIA, LOUISIANA**

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AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2021**

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Independent Accountant's Review Report

To the Board
Columbia Port Commission
Columbia, Louisiana

We have reviewed the accompanying financial statements of the business-type activities of Columbia Port Commission (the Commission) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Commission'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, we 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

Our 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 AICPA, and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are 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. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Columbia Port Commission, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Budgetary Comparison Schedule on page 23 be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. Management has omitted Management's Discussion and Analysis that the Governmental Accounting Standards Board requires to be presented to supplement the basic financial statements. Such missing information, although not a required 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have not audited, reviewed, or compiled the required supplementary information and we do not express an opinion, a conclusion, nor provide any assurance on it.

Supplementary Information

The accompanying schedule of compensation, benefits, and other payments to or on behalf of the agency head is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are 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. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated October 25, 2022, on the results of our agreed-upon procedures.

BOSCH & STATHAM, LLC



Ruston, Louisiana
October 25, 2022



INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To Columbia Port Commission and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021, through December 31, 2021. Columbia Port Commission's (the Entity) management is responsible for those C/C areas identified in the SAUPs.

The Entity 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 C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2021, through December 31, 2021. Additionally, LLA 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.

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.) 39:1551-39:1755 (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.

We did not identify any such expenditures.

Conclusion: We noted no errors or exceptions.

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).

We obtained a listing from management.

Conclusion: We noted no errors or exceptions.

3. Obtain from management a listing of all employees paid during the fiscal year.

We noted no employees.

Conclusion: We noted no errors or exceptions.

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

Not applicable.

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.

We obtained a listing from management and noted no vendors appearing on both listings.

Conclusion: We noted no errors or exceptions.

Budgeting

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

We obtained the legally adopted budget. There were no amendments.

Conclusion: We noted no errors or exceptions.

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.

We traced the adoption of the budget to the February 2021 minutes.

Conclusion: We noted no errors or exceptions.

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 exceeded budgeted amounts by 5% or more.

We compared the final budget to actual. We noted the actual revenues exceeded final budget by 255%. We also noted actual expenses exceeded final budget by approximately 144%.

Conclusion: We noted the budget should have been amended prior to year-end.

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:

We obtained a listing of disbursements. We selected a sample and obtained the supporting documentation. We noted the following.

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

Management did not provide supporting documentation for three of the six disbursements. Of the remaining three, we noted no exceptions.

Conclusion: See above.

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

Of the three disbursements we could test, we noted no exceptions.

Conclusion: See above.

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

Management does not have written policies and procedures as of year-end.

Conclusion: The Entity does not have written policies.

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 through 42:28 (the open meetings law); and report whether there are any exceptions.

We obtained the entity's minutes and agendas. There appeared to be no meeting in one month. The agendas did not include documentation of the date and time of posting.

Conclusion: See above.

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.

We obtained the bank statements and attached deposit slips. We did not identify any deposits that appeared to be proceeds from debt.

Conclusion: We noted no errors or exceptions.

Advances and Bonuses

12. Obtain the 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.

We noted no payroll disbursements.

Conclusion: We noted no errors or exceptions.

State Audit Law

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

Due to delays resulting from the COVID-19 pandemic, we obtained an extension. The Commission's report will be submitted by December 31, 2022.

Conclusion: We noted no errors or exceptions.

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 Commission did not enter into any such contracts while the Commission was not in compliance with the budget act.

Conclusion: We noted no errors or exceptions.

Prior Comments

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

The 2020 report included management letter comments regarding segregation of duties, failure to obtain approval of the state bond commission, and failure to file the Entity's financial statements by the due date. The Entity has hired an outside CPA to assist with bookkeeping and paid off the debt that was outstanding at December 31, 2020.

We were engaged by the Entity to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. We were 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 those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Entity and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, 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 LLA as a public document.

BOSCH & STATHAM, LLC

Bosch & Statham

Ruston, Louisiana
October 25, 2022

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

May 31, 2022

Bosch & Statham
P.O. Box 2377
Ruston, LA 71273-2377

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2021 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 [X]

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 [X] 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 [X] 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 [X] 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 [X] No [] N/A []

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

Yes [X] No [] N/A []

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

Yes [X] 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 [X] 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 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

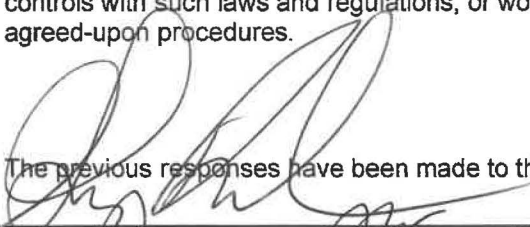
We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will disclose to you any such communication received between the end of the period under examination and the date of your report.

Yes No N/A

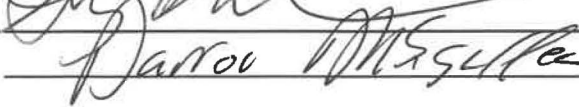
We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date of your report that could have a material effect on our compliance with laws and regulations and the internal 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.



Port Director 9-27-22 Date



President 9-27-22 Date

Basic Financial Statements

**COLUMBIA PORT COMMISSION
COLUMBIA, LOUISIANA**

**BALANCE SHEET AND STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2021**

ASSETS	
Cash and cash equivalents	\$ 169,955
Receivables, net of allowance	6,000
Purchase option	1,000
Capital assets, net of accumulated depreciation	<u>662,140</u>
TOTAL ASSETS	<u>839,095</u>
LIABILITIES	
Noncurrent liabilities:	
Due within one year	-
Due in more than one year	<u>-</u>
Total liabilities	<u>-</u>
NET POSITION	
Net investment in capital assets	662,140
Net position, unrestricted	<u>176,955</u>
TOTAL NET POSITION	<u>\$ 839,095</u>

See accompanying notes and independent accountant's review report.

**COLUMBIA PORT COMMISSION
COLUMBIA, LOUISIANA**

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES AND STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021**

OPERATING REVENUES	
Charges for services - leases	<u>\$ 223,467</u>
OPERATING EXPENSES	
Depreciation expense	63,726
Purchased professional and technical services	39,368
Purchased property services	4,800
Supplies	<u>370</u>
Total operating expenses	108,264
OPERATING INCOME (LOSS)	<u>115,203</u>
NONOPERATING REVENUES (EXPENSES)	
Interest expense	<u>(3,307)</u>
Change in fund balance/net position	111,896
Fund balance/net position at beginning of year	<u>727,199</u>
Fund balance/net position at end of year	<u><u>\$ 839,095</u></u>

See accompanying notes and independent accountant's review report.

**COLUMBIA PORT COMMISSION
COLUMBIA, LOUISIANA**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021**

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 223,467
Payments to suppliers	<u>(44,538)</u>
Net cash provided by operating activities	<u>178,929</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Principal paid on capital debt	(85,233)
Interest paid on capital debt	<u>(3,307)</u>
Net cash used in capital and related financing activities	<u>(88,540)</u>
Net increase (decrease) in cash and cash equivalents	90,389
Cash and cash equivalents, beginning of year	<u>79,566</u>
Cash and cash equivalents, end of year	<u>\$ 169,955</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income (loss)	<u>\$ 115,203</u>
Adjustments:	
Depreciation expense	<u>63,726</u>
Total adjustments	<u>63,726</u>
Net cash provided by operating activities	<u>\$ 178,929</u>
NONCASH INVESTING, CAPITAL, AND FINANCIAL ACTIVITIES	
None	

See accompanying notes and independent accountant's review report.

**COLUMBIA PORT COMMISSION
COLUMBIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Columbia Port Commission (Port) is a political subdivision of the State of Louisiana and was created by the Revised Statute 34:1901 by the Louisiana Legislature. The Port is governed by a five-member board of commissioners: two members appointed by the Caldwell Parish Police Jury, two members appointed by the Mayor and Council of the Town of Columbia, and one member by the other four members.

The Port exercises the powers conferred upon it within the entire Parish of Caldwell. The Port may authorize a reasonable travel allowance for its members in the performance of their duties, and it may employ such officers, or agents, and employees, as it may find necessary in the performance of its duties, and may prescribe the duties, powers and compensation of such officers, agents, and employees. The Port may, on such terms upon which it may agree, contract for legal, financial, engineering, and other professional services necessary or expedient in the conduct of its affairs, and may on terms and conditions mutually agreeable, utilize the services of the executive department of the state.

When authorized by a vote of a majority of the property taxpayers of the port area qualified to vote at an election for this purpose, the Port has authority to levy annually on all property subject to taxation and situated within the port area, an ad valorem tax not to exceed two and one-half mills on the dollar. The Port may not acquire by expropriation any wharves, landing, or any other property in use by private interests.

The Port is reported as a stand-alone entity as defined by GASB Statement No. 14, The Reporting Entity. The Port is neither fiscally dependent on any other local government, nor does it provide specific financial benefits to or impose specific financial burdens on any other government. No other potential component units meet the criteria for inclusion in the financial statements of the Port.

The accompanying financial statements of the Columbia Port Commission. have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis for State and Local Governments*, issued in June 1999, as amended.

Basis of Accounting

The accompanying financial statements of the Port have been prepared in conformity with accounting principles generally accepted in the United States of America 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.

Basis of Presentation

The Port's operations are accounted for in a proprietary fund type - the enterprise fund. The proprietary fund type is accounted for using the flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operations are included on the balance sheet. The operating statement presents increases (revenues) and decreases (expenses) in net total assets.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

**COLUMBIA PORT COMMISSION
COLUMBIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Port's policy to use restricted resources first, then unrestricted resources as they are needed.

Cash and cash equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the Port's investment policy allow the Port to invest in collateralized certificates of deposits, government-backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

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 the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Budgets

The Port (Board of Commissioners) adopts an annual budget for the General Fund prior to December 31. The annual budget is prepared in accordance with the basis of accounting utilized by the fund. The budgetary comparison schedule, included as supplementary information in the accompanying financial statements, includes the original and amended budgeted amounts. All annual appropriations lapse at fiscal year-end.

Extraordinary and special items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the Columbia Port Commission, which are either unusual in nature or infrequent in occurrence.

Statement of Cash Flows

For the purposes of the Statement of Cash Flows, the Port considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

**COLUMBIA PORT COMMISSION
COLUMBIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital assets

Capital assets are recorded at either historical cost or estimated historical cost and depreciated over their estimated useful lives (excluding salvage value). Donated capital assets are recorded at their estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. The Port’s capitalization threshold is \$500. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives:

Buildings and building improvements	40 years
Machinery and equipment	3-20 years
Vehicles	5-20 years

NOTE 2 – CASH AND CASH EQUIVALENTS

Under state law, the Port may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Port may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. On December 31, 2021, the Port has cash and cash equivalents (book balances) totaling \$169,955.

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, the 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 always equal or exceed 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. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Port that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Port’s name. As of December 31, 2021, the Port had \$169,955 in deposits (collected bank balances). These deposits were secured from risk by federal deposit insurance and pledged securities.

Insured by FDIC	<u>\$ 169,955</u>
Uninsured and uncollateralized	
Collateralized by pledged securities not in the District's name	<u>-</u>
Total balances exposed to custodial credit risk	<u>-</u>
Total bank balances	<u>\$ 169,955</u>

**COLUMBIA PORT COMMISSION
COLUMBIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 3 – CAPITAL ASSETS

A schedule of changes in capital assets for the year ended December 31, 2021, follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 446,600	\$ -	\$ -	\$ 446,600
Total capital assets not being depreciated	<u>446,600</u>	<u>-</u>	<u>-</u>	<u>446,600</u>
Capital assets being depreciated:				
Buildings and improvements	1,481,451	-	-	1,481,451
Equipment	8,779	-	-	8,779
Total capital assets being depreciated	<u>1,490,230</u>	<u>-</u>	<u>-</u>	<u>1,490,230</u>
Less accumulated depreciation:				
Buildings and improvements	(1,202,330)	(63,581)	-	(1,265,911)
Equipment	(8,634)	(145)	-	(8,779)
Total accumulated depreciation	<u>(1,210,964)</u>	<u>(63,726)</u>	<u>-</u>	<u>(1,274,690)</u>
Total capital assets being depreciated, net	<u>279,266</u>	<u>(63,726)</u>	<u>-</u>	<u>215,540</u>
Net capital assets	<u>\$ 725,866</u>	<u>\$ (63,726)</u>	<u>\$ -</u>	<u>\$ 662,140</u>

Depreciation expense of the governmental activities for the function of economic development was \$63,726 for the year ended December 31, 2021.

NOTE 4 – LEASES

The Port is the lessor of certain property which consists of the use of the rock yard, acreage, the grain elevator, and a rail spur. The lease agreements also provide for loading and storage fees based on the quantity of product loaded or stored. For the year ended December 31, 2021, the port presented lease revenue of \$223,467.

During the year ended December 31, 2021 revenue from three customers represented 99 percent of operating revenue.

**COLUMBIA PORT COMMISSION
COLUMBIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 4 – LEASES (CONTINUED)

Following is a schedule by year of future minimum rental income to be received under noncancelable operating leases in effect as of December 31, 2021:

Fiscal year:	
2022	\$ 175,000
2023	175,000
2024	175,000
2025	175,000
2026	175,000
2027-2031	800,000
2032	<u>160,000</u>
	<u>\$ 1,835,000</u>

NOTE 5 – LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended December 31, 2021:

	Beginning Balance	Additions	Deletions	Ending Balance
2015 Bank Note	\$ 85,233	\$ -	\$ (85,233)	\$ -

NOTE 6 – CONTINGENCIES

There was no litigation pending as of December 31, 2021.

NOTE 7– RISK MANAGEMENT

The Port is exposed to various risk of loss related to torts, and theft of, damage to, and destruction of assets. To handle such risk of loss, the Port requires all lessees to maintain commercial insurance policies covering property, general liability, employee fidelity, and workers' compensation.

No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended December 31, 2021.

**COLUMBIA PORT COMMISSION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 8 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 25, 2022, the date on which the financial statements were available to be released.

NOTE 9 – NEW ACCOUNTING STANDARDS

The following summaries of recently issued Statements include the Statements' original effective dates. In response to the COVID-19 global pandemic, GASB issued Statement Number 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, which changes effective dates for Statements 83 through 93 to June 15, 2019 through December 31, 2022.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, was issued June 2018. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged. The effective date of this statement was extended by GASB No. 95 becoming effective for periods beginning after December 15, 2021.

GASB Statement No. 91, *Conduit Debt Obligations*, was issued May 2019. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. Earlier application is encouraged. The effective date of this statement was extended by GASB No. 95 becoming effective for periods beginning after December 15, 2022.

**COLUMBIA PORT COMMISSION
COLUMBIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 9 – NEW ACCOUNTING STANDARDS (CONTINUED)

GASB Statement No. 92, *Omnibus 2020*, was issued January 2020. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the effective date of Statement No. 87, Leases, and Implementation Guide No. 2019-3, Leases, for interim financial reports, reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan, the applicability of Statements No. 73, 74, and 84, measurement of liabilities (and assets, if any) related to asset retirement obligations in a government acquisition, reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers, reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature, and terminology used to refer to derivative instruments. The requirements of this Statement are effective as follows: The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance. The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2021. The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2021. The requirements related to the measurement of liabilities (and assets, if any) associated with asset retirement obligations in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2021. Earlier application is encouraged and is permitted by topic. The effective date of this statement was extended by GASB No. 95 becoming effective for periods beginning after June 15, 2022.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, was issued March 2020. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The requirements of this Statement, except for paragraphs 11b, 13, and 14 are effective for reporting periods beginning after June 15, 2020. The requirement in paragraph 11b is effective for reporting periods ending after December 31, 2021. The requirements in paragraphs 13 and 14 are effective for fiscal years periods beginning after June 15, 2021, and all reporting periods thereafter. Earlier application is encouraged. The effective date of this statement was extended by GASB No. 95 becoming effective for periods beginning after June 15, 2021, December 31, 2022, and June 15, 2022, respectively.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, was issued March 2020. The requirements of this Statement will improve financial reporting by establishing the definitions of PPPs and APAs and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. That uniform guidance will provide more relevant and reliable information for financial statement users and create greater consistency in practice. This Statement will enhance the decision usefulness of a government's financial statements by requiring governments to report assets and liabilities related to PPPs consistently and disclose important information about PPP transactions. The required disclosures will allow users to understand the scale and important aspects of a government's PPPs and evaluate a government's future obligations and assets resulting from PPPs. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. PPPs should be recognized and measured using the facts and circumstances that exist at the beginning of the period of implementation (or if applicable to earlier periods, the beginning of the earliest period restated).

**COLUMBIA PORT COMMISSION
COLUMBIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 9 – NEW ACCOUNTING STANDARDS (CONTINUED)

GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, The primary objective of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which this Statement is implemented. Governments are permitted, but are not required, to include in the measurement of the subscription asset capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage incurred prior to the implementation of this Statement. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement are effective as follows: The requirements in (1) paragraph 4 of this Statement as it applies to defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans and (2) paragraph 5 of this Statement are effective immediately. The requirements in paragraphs 6–9 of this Statement are effective for fiscal years beginning after June 15, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 98, *The Annual Comprehensive Financial Report*, was issued October 2021. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. This Statement's introduction of the new term is founded on a commitment to promoting inclusiveness. The requirements of this Statement are effective for fiscal years ending after December 15, 2021. Earlier application is encouraged.

**COLUMBIA PORT COMMISSION
COLUMBIA, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE 9 – NEW ACCOUNTING STANDARDS (CONTINUED)

GASB Statement No. 99, *Omnibus 2022*, was issued April 2022. The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to more easily locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements. The requirements of this Statement are effective as follows: The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The Board considered the effective dates for the requirements of this Statement in light of the COVID-19 pandemic and in concert with Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*.

GASB Statement No. 100, *Accounting Changes And Error Corrections—An Amendment Of GASB Statement No. 62* - The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 101, *Compensated Absences* - The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

REQUIRED SUPPLEMENTAL INFORMATION

**COLUMBIA PORT COMMISSION
COLUMBIA, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>WITH FINAL BUDGET</u>
Revenues:				
Fees, charges, and commission for services	<u>\$ 63,000</u>	<u>\$ 63,000</u>	<u>\$ 223,467</u>	<u>\$ 160,467</u>
Expenditures:				
Current:				
Public works:				
Purchased professional and technical services	40,905	40,905	39,368	1,537
Purchased property services	4,800	4,800	4,800	-
Supplies	-	-	370	(370)
Interest expense	-	-	3,307	(3,307)
Depreciation expense	-	-	63,726	(63,726)
Total expenditures	<u>45,705</u>	<u>45,705</u>	<u>111,571</u>	<u>(65,866)</u>
Excess (deficiency) of revenues over expenditures	<u>17,295</u>	<u>17,295</u>	<u>111,896</u>	<u>94,601</u>
Net change in fund balance	<u>17,295</u>	<u>17,295</u>	<u>111,896</u>	<u>94,601</u>
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>727,199</u>	<u>727,199</u>
Fund balance at end of year	<u>\$ 17,295</u>	<u>\$ 17,295</u>	<u>\$ 839,095</u>	<u>\$ 821,800</u>

See accompanying accountant's report.

OTHER SUPPLEMENTARY INFORMATION

**COLUMBIA PORT COMMISSION
COLUMBIA, LOUISIANA**

SUPPLEMENTARY INFORMATION

**SCHEDULE OF COMPENSATION, BENEFITS, REIMBURSEMENTS,
AND OTHER PAYMENTS TO AGENCY HEAD (BOARD CHAIRMAN)
FOR THE YEAR ENDED DECEMBER 31, 2021**

Darron McGuffee, Chairman

Salary	\$ -
Benefits	-
Reimbursements:	
Mileage	-
Other items paid on behalf of chairman:	
Dues	-
Registration fees	-
	<hr/>
	\$ -

See accompanying accountant's report.

OTHER REPORTS

**COLUMBIA PORT COMMISSION
COLUMBIA, LOUISIANA**

**MANAGEMENT LETTER
FOR THE YEAR ENDED DECEMBER 31, 2021**

2021-001 Segregation of Duties

Condition/Criteria/Effect

During 2021, a board member of the Port performed the following functions with occasional assistance from another board member:

- Opened mail
- Prepared deposits
- Prepared checks
- Signed checks
- Issued checks

Lack of proper segregation of duties increases the risk that assets could be misappropriated and that such action could be undetected.

Cause

It is not economically feasible for the Port to hire personnel to affect the proper segregation of duties.

Recommendation

We understand that the Port has concluded that it is not feasible to correct this deficiency by hiring employees at this time. We recommend that the Board review bank statements and the general ledger on a regular basis.

Management's Response

The Board has contracted with a CPA to assist with bookkeeping in preparation for growth of the entity. The Board has also hired a manager. Duties will be assigned with segregation of duties in mind.

**COLUMBIA PORT COMMISSION
COLUMBIA, LOUISIANA**

**SUMMARY SCHEDULE OF PRIOR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2021**

2020-001 Segregation of Duties

This finding is repeated. See 2021-001.

2020-002 Failure to Obtain State Bond Commission Approval

This finding was resolved by paying the debt.

2020-003 Failure to File the Commission's Financial Statements by Due Date

Management obtained an extension for the 2021 financial statements.