

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

**Annual Financial Statements**

**As of and for the Year Ended  
December 31, 2023**

COLUMBIA HEIGHTS SEWERAGE  
DISTRICT NO.1  
Columbia, Louisiana

Annual Financial Statements  
As of and for the Year Ended December 31, 2023

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*M. Carleen Dumas*  
CERTIFIED PUBLIC ACCOUNTANT

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

**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, as of and for the year ended December 31, 2023, 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 the District 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 June 21, 2024, 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  
June 21, 2024

## **BASIC FINANCIAL STATEMENTS**

COLUMBIA HEIGHTS SEWERAGE  
DISTRICT NO.1  
Columbia, Louisiana

STATEMENT OF NET POSITION  
December 31, 2023

**ASSETS**

## Current assets:

Cash	\$634,039
Investments	994,820
Accounts receivable - sewer fees	22,778
Total current assets	1,651,637

## Noncurrent assets:

Restricted cash	151,072
Other assets	753
Property, plant and equipment (net of accumulated depreciation)	1,617,181
Total noncurrent assets	1,769,006
Total assets	3,420,643

**LIABILITIES**

## Current liabilities:

Accounts payable	4,188
Payroll taxes payable	1,163
Accrued interest payable	1,378
Current portion of long-term debt	33,312
Customer meter deposits	22,565
Total current liabilities	62,606

## Noncurrent liabilities - revenue bonds payable

Total liabilities	1,519,120
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**NET POSITION**

Net investment in capital assets	127,355
Restricted by revenue bonds	151,072
Unrestricted	1,623,096
Total net position	\$1,901,523

See accompanying notes and independent accountant's review report.

COLUMBIA HEIGHTS SEWERAGE  
DISTRICT NO.1  
Columbia, Louisiana

STATEMENT OF REVENUE, EXPENSES, AND  
CHANGES IN NET POSITION  
For the Year Ended December 31, 2023

<b>OPERATING REVENUE</b>	
Sewer service fees	\$300,736
Connection fees	1,575
Tap fees	550
Other	1,787
Total operating revenue	304,648
<b>OPERATING EXPENSES</b>	
Commissioners fees	5,600
Accounting and audit	1,862
Repairs and maintenance	14,438
Materials and supplies	24,130
Office expense	7,880
Utilities and telephone	33,056
Insurance	16,936
Health insurance	14,243
Salaries	59,693
Payroll taxes	5,015
Contract labor	21,622
Collection expense	2,316
Lab tests	4,955
Licenses and permits	1,512
Gasoline	3,893
Depreciation	93,614
Other operating expenses	640
Total operating expenses	311,405
<b>OPERATING INCOME (Loss)</b>	<b>(6,757)</b>
<b>NON-OPERATING REVENUE (Expenses)</b>	
Interest expense	(28,236)
Interest income	5,246
Property taxes and state revenue sharing	86,074
Total non-operating revenue (expenses)	63,084
<b>CHANGE IN NET POSITION</b>	<b>56,327</b>
<b>NET POSITION - BEGINNING</b>	<b>1,845,196</b>
<b>NET POSITION - ENDING</b>	<b>\$1,901,523</b>

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, 2023

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers	\$304,041
Customer deposit receipts, net	(814)
Payments to suppliers	(154,376)
Payments to employees and board members	<u>(65,293)</u>
Net cash provided by operating activities	<u>83,558</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>	
Principal payment on revenue bonds	(32,693)
Interest payment on revenue bonds	(28,267)
Increase in restricted cash	<u>(6,157)</u>
Net cash used by capital financing activities	<u>(67,117)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>	
Property tax receipts	84,862
State revenue sharing receipts	1,211
Decrease in restricted cash	<u>204,566</u>
Net cash provided by non-capital financing activities	<u>290,639</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest income	5,246
Increase in investments	(5,185)
Purchase of equipment	<u>(3,002)</u>
Net cash provided by investing activities	<u>(2,941)</u>
<b>NET INCREASE IN CASH</b>	304,139
<b>CASH AT BEGINNING OF YEAR</b>	<u>329,900</u>
<b>CASH AT END OF YEAR</b>	<u><u>\$634,039</u></u>

**Reconciliation of Operating Income (Loss) to Net Cash**

<b>Provided by Operating Activities</b>	
Operating Income (Loss)	<u>(\$6,757)</u>
Adjustments:	
Depreciation	93,614
Increase in accounts receivable	(607)
Decrease in accounts payable	(1,951)
Increase in payroll taxes payable	73
Decrease in customer deposits	<u>(814)</u>
Total adjustments	<u>90,315</u>
Net cash provided by operating activities	<u><u>\$83,558</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, 2023

## 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 574 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 and restricted cash includes amounts in interest and 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, 2023, 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, 2023, taxes of 4.52 mills were levied on property with assessed valuations totaling approximately \$14,923,836, 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, 2023, 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 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 is 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, 2023, the District has cash and restricted cash and investments (book balances) as follows:

Non-interest bearing checking accounts	\$724,053
Savings account	61,058
Investments - certificates of deposit	<u>994,820</u>
Total	<u>\$1,779,931</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, 2023, the District has \$1,792,253 in deposits (collected bank balances). These deposits are secured from risk by \$500,000 of federal deposit insurance and \$1,298,652 of pledged securities held by an unaffiliated bank in the name of the fiscal agent bank.

**3. ACCOUNTS RECEIVABLE**

At December 31, 2023, the District has net receivables of \$22,778 as follows:

Sewer service fees	\$22,778
Allowance for uncollectible accounts	<u>NONE</u>
Net receivables	<u>\$22,778</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, 2023, is as follows:

	Balance at January 1, 2023	Increases	Decreases	Balance at December 31, 2023
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		(\$21,410)	1,750
Equipment	134,822	\$3,002		137,824
Total capital assets being depreciated	<u>2,762,471</u>	<u>3,002</u>	<u>(21,410)</u>	<u>2,744,063</u>
Less accumulated depreciation for:				
Sewerage system	985,024	\$83,766		1,068,790
Buildings	22,396	70	(21,410)	1,056
Equipment	82,775	9,778		92,553
Total accumulated depreciation	<u>1,090,195</u>	<u>93,614</u>	<u>(21,410)</u>	<u>1,162,399</u>
Total assets being depreciated, net	<u>1,672,276</u>	<u>(90,612)</u>	<u>NONE</u>	<u>1,581,664</u>
Total assets, net	<u>\$1,707,793</u>	<u>(\$90,612)</u>	<u>NONE</u>	<u>\$1,617,181</u>

Depreciation expense of \$93,614 for the year ended December 31, 2023 was reported in the statement of revenue, expenses, and changes in net position. The deletions in capital assets being depreciated resulted from removing fully depreciated assets from the accounting records.

**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 See independent accountant's review report.

COLUMBIA HEIGHTS SEWERAGE  
DISTRICT NO.1

Notes to the Financial Statements

advanced to the District in amounts needed to repay the principal and interest due on two different series 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, 2023:

	....Direct Borrowings....		
	Sewer Revenue Bonds Series R-1	Sewer Revenue Bonds Series R-2	Total
Balance at January 1, 2023	\$1,259,119	\$263,401	\$1,522,520
Additions			NONE
Reductions	<u>(27,036)</u>	<u>(5,658)</u>	<u>(32,694)</u>
Balance at December 31, 2023	<u>\$1,232,083</u>	<u>\$257,743</u>	<u>\$1,489,826</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, 2023:

Current portion	\$33,312
Long-term portion	<u>1,456,514</u>
Total	<u>\$1,489,826</u>

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

Year Ending December 31,	Principal Payments	Interest Payments	Total
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	35,904	25,056	60,960
2029-2033	189,964	114,836	304,800

See independent accountant's review report.

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

Year Ending December 31,	Principal Payments	Interest Payments	Total
2034-2038	\$208,619	\$96,181	\$304,800
2039-2043	229,106	75,694	304,800
2044-2048	251,606	53,194	304,800
2049-2053	276,314	28,486	304,800
2054-2056	161,239	14,415	175,654
Totals	\$1,489,826	\$514,628	\$2,004,454

**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, 2023, the District had \$61,058 set aside in a Reserve Fund and \$90,014 set aside in the Contingency Fund.

**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.

**8. SUBSEQUENT EVENTS**

The District has evaluated subsequent events through June 21, 2024, the date which the financial statements were available to be issued.

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, 2023

**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.

See independent accountant's review report.

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, 2023

**BOARD COMPENSATION**

Agency Head - Louis Champagne - President	\$1,200
Tommy Basco	1,200
Monty Adams, Sr.	1,200
Ronnie Darden	800
Laura Roquemore	<u>1,200</u>
Total	<u>\$5,600</u>

See independent accountant's review report.

COLUMBIA HEIGHTS SEWERAGE  
 DISTRICT NO.1  
 Columbia, Louisiana

SCHEDULE OF PRIOR YEAR FINDINGS  
 For the Year Ended December 31, 2023

Finding Number	Fiscal Year Finding Initially Occurred	Description of Finding	Status of Finding
2022-001	2000	Inadequate Segregation of Accounting Duties	Unresolved - see 2023-001 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, 2023

**2023-001. 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**

COLUMBIA HEIGHTS SEWERAGE  
DISTRICT NO. 1 and  
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, 2023, 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, 2023. 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 \$60,000, 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.

A review was made of all expenditures for the year. There were no expenditures for materials and supplies that exceeded \$60,000 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.

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.

### **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



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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, 2022, was submitted to the Louisiana Legislative Auditor prior to June 30, 2023.

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, 2022.

### **Prior Year Comments**

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

My prior year report, dated April 19, 2023, included one finding. That finding has not been resolved by management.

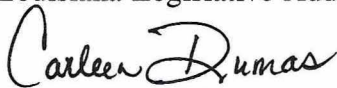
I was engaged by the District to perform this agreed-upon procedures engagement and conducted my engagement in accordance with attestation standards established by the American Institute of Certified

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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

June 21, 2024

## **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, 2023 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 [ ]

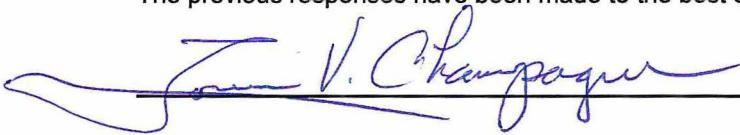
We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will disclose 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 \_\_\_\_\_ 3/11/24 \_\_\_\_\_ Date