

CADDO LEVEE DISTRICT
A COMPONENT UNIT OF THE
STATE OF LOUISIANA
SHREVEPORT, LOUISIANA
FINANCIAL STATEMENT AUDIT
FOR THE YEAR ENDED
JUNE 30, 2023

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
SHREVEPORT, LOUISIANA
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JUNE 30, 2023

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners of
Caddo Levee District
State of Louisiana
Shreveport, Louisiana

Report on the Audit of the Financial Statements

Opinion

I have audited the accompanying financial statements of the governmental activities and the general fund of the CADDO LEVEE DISTRICT (the "District"), a component unit of the State of Louisiana, as of and for the year ended JUNE 30, 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.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position, of the governmental activities and the general fund of the District as of JUNE 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the District, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that I identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the information listed below be presented to supplement the basic financial statements.

- Management's Discussion and Analysis
- Budgetary Comparison Schedule
- Schedule of the District's Share of Net Pension Liability
- Schedule of the District's Pension Contributions
- Schedule of the District's Proportionate Share of Total Collective OPEB Liability and Related Ratios

Such information is the responsibility of management and, 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.

I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The accompanying information listed as other supplementary information in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

This other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued a report dated August 29, 2023, on my consideration of the District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Lenora B Krielow, CPA, LLC

Lenora Krielow, CPA LLC
Jennings, Louisiana
August 29, 2023

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2023

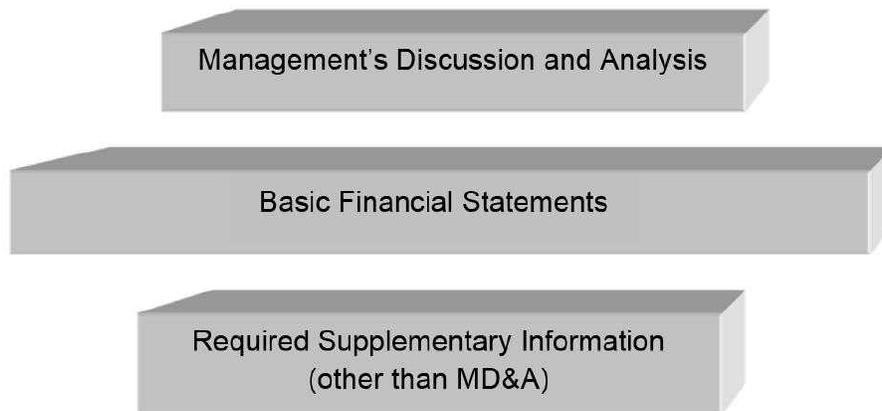
Management's Discussion and Analysis of the Caddo Levee District (District's) financial performance presents a narrative overview and analysis of the District's financial activities for the year ended June 30, 2023. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the transmittal letter and the District's financial statements.

FINANCIAL HIGHLIGHTS

- The District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2023 by \$48,724,452 which represents a 52.81% increase from last fiscal year.
- The District's revenue's totaled \$19,404,914 for the year ended June 30, 2023 and was an increase from last year of \$15,987,908. These revenues are comprised primarily of Royalties and Interest Income and represent a 467.9% increase from last fiscal year.
- The District's expenses totaled \$2,565,570 for the year ended June 30, 2023. These expenditures are comprised primarily of repairs and maintenance, operating services, and personnel expenses. Expenses increased \$1,220,633 from last fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following illustrates the minimum requirements established by Governmental Accounting Standards Board Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis- for State and Local Governments*.



These financial statements consist of three sections - Management' s Discussion and Analysis (this section), the Basic Financial Statements (including the notes to the financial statements) and Required Supplementary Information. The basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (2) notes to the financial statements. This report also contains additional information to supplement the basic financial statements, such as required supplemental information.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2023

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to private-sector business. The government-wide financial statements include two statements:

The *Statement of Net Position* presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The difference between assets plus deferred outflows of resources and liabilities and deferred inflows of resources is net position and may serve as a useful indicator of whether the District's financial position is improving or deteriorating.

The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal year. Regardless of when cash is affected, all changes in net position are reported when the underlying transactions occur. As a result, transactions are included that will not affect cash until future periods.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the District's General Fund.

The District uses only one fund type, the governmental fund. The governmental fund is used to account for essentially the same functions reported as governmental activities in the governmental-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the view of government funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between the governmental fund and governmental activities

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2023

Required Supplementary Information and Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the employer's share of the net pension liability, the employer's pension contributions, and the schedule of the employer's proportionate share of the total collective OPEB liability, per diem and salary paid to board of commissioners, the schedule of compensation, benefits, and other payments, in accordance with Louisiana Revised Statute 38:308.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. The District adopts annual budgets for the general fund. Budgetary comparison statements are provided for the general fund to demonstrate budgetary compliance.

FINANCIAL ANALYSIS OF GOVERNMENT-WIDE ACTIVITIES

The following presents condensed financial information on the operations of the District.

Condensed Comparative Statement of Net Position
As of June 30, 2023
(in thousands)

	TOTAL		Dollar Change	Total % Change
	2023	2022		
Current and other assets	\$ 48,080	\$ 31,242	\$ 16,838	53.9%
Capital assets	3,020	3,212	(192)	-6.0%
Total assets	51,100	34,453	16,647	48.3%
Deferred Outflows of Resources	479	348	131	37.8%
Total assets and deferred outflows of resources	51,579	34,801	16,778	48.2%
Current and other liabilities	162	132	30	22.7%
Long-term liabilities	2,334	2,006	328	16.3%
Total liabilities	2,496	2,139	357	16.7%
Deferred inflows of resources	359	777	(418)	-53.8%
Total liabilities and deferred inflows of resources	2,855	2,916	(61)	-2.1%
Net Position:				
Invested in capital assets, net of debt	3,020	3,212	(192)	-6.0%
Unrestricted	45,704	28,673	17,031	59.4%
Total Net Position	\$ 48,724	\$ 31,885	\$ 16,839	52.8%

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2023

FINANCIAL ANALYSIS OF GOVERNMENT-WIDE ACTIVITIES

The schedule is prepared from the District's Statement of Net Position which is presented on an accrual basis of accounting. Significant changes for 2023 include:

- Current assets increased by \$16,838,705 over the prior year, mainly from the increase in royalty revenues resulting in higher investments.

Net investment in capital assets consist of capital assets net of accumulated depreciation and reduced by any related debt. Unrestricted net position is the portion of net position that has no limitations on how these amounts may be spent.

The District's net position at the end of year increased \$16,839,344 which was a 52.8% increase from 2022.

Condensed Comparative Statement of Changes in Activities
for the Fiscal Years June 30, 2023, and June 30, 2022
(in thousands)

	<u>TOTAL</u>		<u>Dollar</u>	<u>Total %</u>
	<u>2023</u>	<u>2022</u>	<u>Change</u>	<u>Change</u>
Expenditures / Expenses				
Personnel services and related benefits	\$ 717	\$ 511	\$ 206	40.4%
Travel	22	13	9	65.6%
Operating services	338	270	68	25.3%
Supplies	63	31	32	104.5%
Professional services	39	30	9	32.1%
Repairs and maintenance	1,188	245	943	384.7%
Amortization	104	155	(51)	-33.1%
Depreciation	95	90	5	5.3%
Total Expenditure/Expenses	<u>2,566</u>	<u>1,345</u>	<u>1,221</u>	90.8%
Revenues				
Program Revenues				
Capital grants and contributions	<u>-</u>	<u>650</u>	<u>(650)</u>	100.0%
General Revenues				
Royalties, surface rentals, and permits	18,935	2,607	16,328	626.3%
Timber sales	-	-	-	0.0%
Interest Income	439	91	348	380.1%
Other revenues	31	69	(38)	-54.8%
Total general revenues	<u>19,405</u>	<u>2,767</u>	<u>16,638</u>	601.3%
Total revenues	<u>19,405</u>	<u>3,417</u>	<u>15,988</u>	467.9%
Net increase (decrease) in position	16,839	2,072	14,767	712.7%
Net position beginning of year	31,885	29,813	2,072	6.9%
Net position end of year	<u>\$ 48,724</u>	<u>\$ 31,885</u>	<u>\$ 16,839</u>	52.8%

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2023

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The District's investment in capital assets, net of accumulated depreciation as of June 30, 2023, totaled \$3,019,846. This amount represents a net decrease (including additions, net of depreciation) of \$88,285 or 2.8% under the previous fiscal year. More detailed information about the Districts' capital assets are presented in the notes to the financial statements.

Capital Assets, net of depreciation
(in thousands)

	TOTAL		Dollar Change	Total % Change
	2023	2022		
Land	\$ 1,707	\$ 1,707	\$ -	0.0%
Buildings and improvements	1,076	1,107	(31)	-2.8%
Automobiles and equipment	237	294	(57)	-19.3%
Total capital assets	<u>\$ 3,020</u>	<u>\$ 3,108</u>	<u>\$ (88)</u>	-2.8%

LONG-TERM LIABILITIES

The District had \$2,333,947 in long-term liabilities at year-end, compared to \$2,006,494 last year. This amount represents a net increase of \$327,453 or an increase of 16.3% from the previous fiscal year as shown in the accompanying table. The primary reason for the increase was the change in net pension liability of \$505,871.

Long-Term Liabilities at Year End
(in thousands)

	TOTAL		Dollar Change	Total % Change
	2023	2022		
Compensated absences payable	\$ 30	\$ 23	\$ 7	30.3%
Net pension liability	1,701	1,195	506	42.3%
Net OPEB liability	603	788	(185)	-23.5%
Total	<u>\$2,334</u>	<u>\$2,006</u>	<u>\$ 327</u>	16.3%

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2023

GENERAL FUND BUDGETARY

The District made one amendment to its original budget during the fiscal year June 30, 2023. The General Fund's actual revenues and expenditures varied from the final budget as follows:

- Revenues of the General Fund were budgeted at \$845,361 and actual was \$19,404,914, an increase of \$18,559,553 or 95.6 percent.
- Expenditures of the General Fund were budgeted at \$29,339,591 and actual was \$2,565,570, a decrease of \$26,774,021.

Condensed Budget (GAAP) Basis Versus Actual
For the year ended June 30, 2023
(in thousands)

	Budget Final	Actual Amounts	\$ Variance Increase (Decrease)	% change Increase (Decrease)
Total Revenues	\$ 845,361	\$ 19,404,914	\$ 18,559,553	95.6%
Total expenditures	<u>(29,339,591)</u>	<u>(2,565,570)</u>	<u>26,774,021</u>	-1043.6%
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (28,494,230)</u>	<u>\$ 16,839,344</u>	<u>\$ 45,333,574</u>	

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District's elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees:

- Ad valorem taxes
- Interest income
- Oil and gas royalties
- Projects under construction

The most important factors affecting the budget are the royalties and interest income which is approximately 99.8 percent of budgeted revenues while remaining miscellaneous revenues are .20 percent. The General Fund's budget for expenditures in 2023 was \$29,339,591 of which \$26,921,191 was allocated to capital outlay and levee maintenance.

CONTACTING THE DISTRICT'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Ali Mustapha, Administrator, Post Office Box 78282, Shreveport, Louisiana 71137-8282.

BASIC FINANCIAL STATEMENTS

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
GOVERNMENTAL FUNDS BALANCE SHEET AND STATEMENT OF NET POSITION
AS OF JUNE 30, 2023

	<u>General Fund</u>	<u>Adjustments (Statement B)</u>	<u>Statement of Net Position</u>
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 7,776,080	\$ -	\$ 7,776,080
Investments	39,850,000	-	39,850,000
Accounts receivable	450,207	-	450,207
Prepaid expenses	-	3,969	3,969
Total Current Assets	<u>48,076,287</u>	<u>3,969</u>	<u>48,080,256</u>
Noncurrent Assets			
Levee certification, net of accumulated amortization	-	-	-
Capital assets, net of accumulated depreciation	-	3,019,846	3,019,846
Total Noncurrent Assets	<u>-</u>	<u>3,019,846</u>	<u>3,019,846</u>
TOTAL ASSETS	<u>48,076,287</u>	<u>3,023,815</u>	<u>51,100,102</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pension	-	366,299	366,299
Deferred outflows related to OPEB	-	112,947	112,947
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>479,246</u>	<u>479,246</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 48,076,287</u>		
LIABILITIES			
Current Liabilities			
Accounts payable and accruals	\$ 37,020	\$ -	\$ 37,020
Unearned revenues	65,036	-	65,036
Compensated absences	-	38,813	38,813
OPEB payable	-	20,928	20,928
Total Current Liabilities	<u>102,056</u>	<u>59,741</u>	<u>161,797</u>
Noncurrent Liabilities:			
Compensated absences	-	29,923	29,923
Net pension liability	-	1,701,169	1,701,169
OPEB payable	-	602,855	602,855
Total Noncurrent Liabilities	<u>-</u>	<u>2,333,947</u>	<u>2,333,947</u>
TOTAL LIABILITIES	<u>102,056</u>	<u>2,393,688</u>	<u>2,495,744</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	-	68,584	68,584
Deferred inflows related to OPEB	-	290,568	290,568
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>359,152</u>	<u>359,152</u>
FUND BALANCE/NET POSITION			
Committed to: Capital outlay and flood fight	47,974,231	(47,974,231)	-
Unassigned	-	-	-
TOTAL FUND BALANCE	<u>47,974,231</u>	<u>(47,974,231)</u>	<u>-</u>
TOTAL LIABILITIES, TOTAL DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 48,076,287</u>		
Net investment in capital assets		3,019,846	3,019,846
Unrestricted		45,704,606	45,704,606
TOTAL NET POSITION		<u>\$ 48,724,452</u>	<u>\$ 48,724,452</u>

The accompanying notes are an integral part of this financial statement

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
AS OF JUNE 30, 2023

Total Fund Balances for Governmental Funds (Statement A)		\$ 47,974,231
Total Net Position reported for governmental activities in the statement of Net Position is different because:		
The non-allocation method of accounting for prepayments is used in the fund statements, since the prepayment does not provide expendable financial resources.		
		3,969
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Governmental capital assets	7,501,321	
Less accumulated depreciation	<u>(4,481,475)</u>	3,019,846
Deferred outflows of resources used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.		
Net deferred outflows related to pensions	366,299	
Net deferred outflows related to OPEB	<u>112,947</u>	479,246
Long-term liabilities are not due and payable in the current period and therefore are not reported in the fund liabilities.		
Compensated absences payable	(68,736)	
Net pension liability	(1,701,169)	
Other postemployment benefit payable	<u>(623,783)</u>	(2,393,688)
Deferred inflows of resources used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.		
Net deferred inflows related to pensions	(68,584)	
Net deferred inflows related to OPEB	<u>(290,568)</u>	(359,152)
Net Position of Governmental Activities (Statement A)		<u><u>\$ 48,724,452</u></u>

The accompanying notes are an integral part of this financial statement

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE AND STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

	<u>General Fund</u>	<u>Adjustments (Statement D)</u>	<u>Statement of Activities</u>
EXPENDITURES / EXPENSES			
Personnel services and related benefits	\$ 937,784	\$ (221,031)	\$ 716,753
Travel	22,195	-	22,195
Operating services	337,840	(17)	337,823
Supplies	63,540	-	63,540
Professional services	38,555	-	38,555
Repairs and maintenance	158,115	1,029,765	1,187,880
Capital outlay and levee certification	1,036,650	(1,036,650)	-
Amortization	-	103,655	103,655
Depreciation	-	95,169	95,169
Total Expenditure/Expenses	<u>2,594,679</u>	<u>(29,109)</u>	<u>2,565,570</u>
NET PROGRAM EXPENSES			<u>2,565,570</u>
GENERAL REVENUES			
Royalties, surface and other permits	18,934,765	-	18,934,765
Interest Income	439,362	-	439,362
Miscellaneous	30,787	-	30,787
Total General Revenues	<u>19,404,914</u>	<u>-</u>	<u>19,404,914</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	16,810,235	(16,810,235)	-
CHANGE IN NET POSITION	NONE	16,839,344	16,839,344
FUND BALANCE/NET POSITION			
Beginning of the year	<u>31,163,996</u>	<u>721,112</u>	<u>31,885,108</u>
End of the year	<u>\$ 47,974,231</u>	<u>\$ 750,221</u>	<u>\$ 48,724,452</u>

The accompanying notes are an integral part of this financial statement

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
RECONCILIATION OF THE STATEMENT OF GOVERNMENT FUNDS REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Net Change in Fund Balances - Governmental Fund (Statement C) \$ 16,810,235

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. The following is the amount by which payments for depreciation and amortization exceeds capital outlay.

Capital outlay	6,885	
Depreciation and amortization	<u>(198,824)</u>	(191,939)

The net effect of various miscellaneous transactions involving capital assets, such as sales proceeds, trade-ins and dispositions, decrease net position.

The non-allocation method of accounting for prepayments is used in fund statements, since the prepayment does not provide expendable financial resources.

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Some expenses such as compensated absences payable, net pension liability and other postemployment benefit payable that are reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

221,031

Change in Net Position of Governmental Activities (Statement C) \$ 16,839,344

The accompanying notes are an integral part of this financial statement

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

INTRODUCTION

The Caddo Levee District (the District), a component unit of the State of Louisiana, was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 38:291 (c). The District is domiciled in Shreveport, Louisiana and was created for the primary purpose of maintaining and operating the levee systems along the right descending bank of Red River, as well as the levee systems of Twelve Mile Bayou and Black Bayou. The District ensures the integrity of the levee system throughout the year and during times of emergency, responds with trained personnel and the necessary equipment to provide protection of lives and property. The Board of Commissioners administers the operations and responsibilities of the District in accordance with the provisions of the Louisiana statute. The seven members of the Board of Commissioners which governs the District are appointed by the governor of the State of Louisiana.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Caddo Levee District's financial statements are prepared in conformity with governmental accounting principles generally accepted in the United States of America (GAAP). 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. The more significant accounting policies established in GAAP and used by the Caddo Levee District are discussed below.

A. Reporting Entity

GASB Codification Section 2100 has defined the governmental reporting entity to be the State of Louisiana. The Levee District is considered a component unit of the State of Louisiana because the state exercises oversight responsibility in that the governor appoints the board members and can impose his will on the district. The accompanying general-purpose financial statements contain information only as to the transactions of the Caddo Levee District. Annually, the State of Louisiana issues general purpose financial statements, which include the activity contained in the accompanying financial statements.

B. Government-Wide and Fund Financial Statements

The District's basic financial statements include both government-wide (reporting the funds maintained by the District as a whole) and fund financial statements (reporting the District's major funds).

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The *Governmental Fund Balance Sheet/Statement of Net Position* is presented on a consolidated basis; however, the governmental funds include only current financial resources available to pay for current-period expenditures and liabilities payable in the current period. Noncurrent resources and liabilities (e.g., capital assets, net pension obligations, bonds payable, other postemployment benefits payable and compensated absences payable) are not reported in the governmental funds.

The *Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance/Statement of Activities* is presented on a consolidated basis. Expenses on long- term obligations do not require the use of current financial resources and are not reported as expenditures in the governmental funds. In addition, the cost of capital outlays is allocated over their estimated useful lives as depreciation expense. The amount of capital outlays not meeting the capitalization threshold is reported as an expense (i.e., repairs and maintenance).

Policies specific to the government-wide statements are as follows:

C. Basic Financial Statements- Fund Financial Statements

The financial transactions of the District are recorded in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the District:

- I. *Governmental Funds*- the focus of the governmental funds' measurement (in the fund statements) upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:
 - a. General funds are the general operating funds of the District. They are used to account for all financial resources except those required to be accounted for by another fund.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

1. *Accrual*- The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. *Modified Accrual* - The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

E. Budgetary Accounting

Formal budgetary accounting is employed as a management control. The District prepares and adopts a budget prior to July 1 of each year for its general fund in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year. The District amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more and/or projected expenditures are expected to be more than budgeted amounts by five percent or more. All budget appropriations lapse at year end

1. The budgetary process is an annual appropriation valid for one year.
2. The District is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Budget Committee, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements includes the original appropriation.

The budget is prepared on the modified accrual basis of accounting, where certain transactions are recorded on a basis other than GAAP. The basic differences arise through the accounting for budgetary purposes which differs from basis of accounting applicable to the fund type when reporting on the operations in accordance with GAAP.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Cash and Cash Equivalents

Cash includes amounts in interest-bearing demand deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owed by the fiscal agent bank. The fair market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

G. Receivables

All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible.

H. Bad Debts

Uncollectible accounts receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the un-collectability of the particular receivable. At June 30, 2023, there were no amounts considered to be uncollectible.

I. Capital Assets

Capital assets, which include property, equipment, and infrastructure are carried at historical costs. Depreciation of all exhaustible fixed assets used by the District is charged as an expense against operations in the Statements of Activities. Capital assets net of accumulated depreciation are reported on the statement of Net Position. Depreciation is computed using the straight-line method over the useful lives of the assets, generally 10 to 45 years for buildings and building improvements and 3 to 10 years for movable property. Expenditures for maintenance, repairs, and minor renewals are charged to earnings as incurred. Major expenditures for renewal and betterments are capitalized. The District's policy is to capitalize items with a unit cost of \$1,000 or greater.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In accordance with Office of Statewide Reporting and Accounting Policy (OSRAP) guidelines, infrastructure assets are to be capitalized and depreciated over a useful life of 40 years. OSRAP has set a threshold for infrastructure assets are to be capitalized at \$3,000,000 spent per entity per year. The Caddo Levee District did not have expenditures relating to infrastructure assets which met this threshold. Therefore, no infrastructure assets are recognized in the accompanying financial statements

J. Compensated Absences

Employees accrue and accumulate annual and sick leave in accordance with state law and administrative regulations. The leave is accumulated without limitation. Upon separation of employment (classified personnel or their heirs) are compensated for accumulated annual leave not to exceed 300 hours.

Act 343 of 1993 allows members of LASERS, upon application for retirement, the option of receiving an actuarially- determined lump sum payment for annual and sick leave which would otherwise have been used to compute years of service for retirement. Unused annual leave in excess of 300 hours plus unused sick leave are used to compute retirement benefits for LASERS.

K. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

L. Long-Term Obligations

In the government-wide financial statements, debt principal payments of government activities are reported as decreases in the balance of the liability on the statement of Net Position. In the fund financial statements, however, debt principal payments of governmental funds are recognized as expenditures when paid. The District recognizes other post-employment benefits liability in the government-wide financial statements based on actuarially determined obligations under GASB No. 75 and net pension liability under GASB No. 68.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Balance - Governmental Funds

Fund Financial Statements: The governmental fund equity is classified as fund balance. The fund balances are classified as follows:

- a) *Nonspendable* - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b) *Restricted* - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by ordinances or resolutions approved by the Board of the District.
- c) *Committed*- amounts that can be used only for specific purposes determined by a formal action of the Board. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board of the District.
- d) *Assigned*- Includes amounts that are constrained by the District's intent to be used for specific purposes but are neither restricted nor committed.
- e) *Unassigned*- all other spendable amounts.

For the classification of governmental fund balances, the District considers an expenditure to be made from the most restrictive first when more than one classification is available.

N. Net Position

Government-wide Statement: Net position represents the difference between assets and liabilities. Net position is reported in three categories, as follows:

- a) *Investment in capital assets*- consists of the District's total investment in capital assets, net of accumulated depreciation, reduced by outstanding debt that are attributable to those assets.
- b) *Restricted net position*- consists of net position items with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or legislation.
- c) *Unrestricted net position* consists of net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of investment in capital assets. Unrestricted net position is used for transactions relating to the general operations of the District and may be used at its discretion to meet current expenses and for any purpose.

When an expenditure is incurred for purposes for which both restricted and unrestricted net position is available, the District applies restricted net position first.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Revenues

Article 6, Section 39 of the Louisiana Constitution of 1974 provides that for the purpose of constructing and maintaining levees, levee drainage, flood protection, hurricane flood protection, and all other purposes incidental thereto, the District may levy annually a tax. Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. They are levied in November, billed in December, and become delinquent on January 1 of the following year. For the fiscal year ended June 30, 2023 the District has chosen not to levy an annual Ad Valorem tax.

State revenue sharing and self-generated fees are recorded when the district is entitled to the funds from the various parishes.

Program Revenues: The Statement of Activities presents three categories of program revenues – (1) charges for services, (2) operating grants and contributions, and (3) capital grants and contributions. Charges for services – are revenues from exchanges or exchange like transactions with external parties that purchase, use or directly benefit from the program’s goods, services, or privileges. These revenues include fees charged for specific services, and operating special assessments, and include payments from exchange transactions with other governments. Grants and contributions – whether operating or capital in nature, are revenues arising from receipts that are reserved for a specific use.

P. Deferred Outflows/Inflows of Resources

The statement of net position reports in a separate section deferred inflows and outflows of resources. Deferred outflow of resources is a consumption of net assets by the government that is applicable to a future reporting period while deferred inflows of resources is an acquisition of net assets by the government that is applicable to future reporting period. As of June 30, 2023, the District has reported no resources related to unavailable ad valorem tax revenues.

Q. Other Financing Sources (Uses)

Proceeds from the sale of fixed assets and debt acquired for the construction and purchase of fixed assets are accounted for as other financing sources and are recognized when received.

R. Eliminating Internal Activity

Interfund receivables and payables are eliminated in the Statement of Net Position except for the net residual amounts due between government and business-type activities. There are no internal activities.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Pension and Other Post-Employment Benefits (“OPEB”) Liabilities

Pension and OPEB liabilities consist of amounts for the District's proportionate share of the actuarially accrued net pension and OPEB liabilities. For purposes of measuring the net pension and OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to pensions, OPEB, pension expense and OPEB expense, information about the fiduciary net position of the benefit provider, and additions to/deductions from the benefit provider's fiduciary net position have been determined on the same basis as they are reported by the benefit provider. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

T. Recent Accounting Pronouncements

In June 2017, GASB issued Statement No. 87, *Leases*. The purpose of this statement was to increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after July 1, 2021. Earlier application is encouraged. The District has surface permits that allow cattle grazing and other allowable uses. Agreements are cancelable by either party. Management has determined GASB 87 has no impact on the District's financials.

NOTE 2- CASH AND CASH EQUIVALENTS

At June 30, 2023, the District has cash (book balance) of \$7,776,080 in demand deposits.

Custodial credit risk is the risk that in the event of a bank failure the District's deposits may not be recovered. 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. These securities are held in the name of the District or the pledging bank by a holding or custodial bank that is mutually acceptable to both parties. The District has not established a policy.

At June 30, 2023, the District had \$7,845,836 in deposits (collective bank balances), which are secured from risk by federal deposit insurance plus pledged securities in the amount of \$7,845,836.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 3 -ACCOUNTS RECEIVABLE

The following is a summary of accounts receivable at June 30, 2023:

<u>Class of Receivable</u>	
Royalties and permits	<u>\$ 450,208</u>
Total Receivable	<u>\$ 450,208</u>

NOTE 4 - INVESTMENTS

The Caddo Levee District maintains investment accounts as authorized by LSA-RS 33:2955. Although the District has no written formal policy for custodial credit risk, they do require compliance with state law.

Credit Risk – Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District does not have a written investment policy but does adhere to state laws regarding allowable investments. The certificates of deposit to follow are not rated.

Custodial Credit Risk – custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that in the possession of an outside party. The District’s funds are not with any pool.

At June 30, 2023, the District had investments of \$39,850,000 held in certificates of deposits. All investments held are uninsured, unregistered and held by counterparty’s trust department or agent not in the entity’s name. The District has investment concentrations larger than 5% in five of the six financial institutions.

<u>Type of Investment:</u>	Reported Amount per Statement of	Fair Value	Maturity Date	Interest Rate
Negotiable CD's	Net Position			
Cross Keys Bank	1,000,000	1,000,000	6/22/2024	4.65%
Home Federal Bank	2,000,000	2,000,000	5/20/2024	4.50%
Home Federal Bank	2,000,000	2,000,000	5/20/2024	4.50%
Home Federal Bank	250,000	250,000	6/14/2024	4.50%
Home Federal Bank	250,000	250,000	6/14/2024	4.50%
Home Federal Bank	250,000	250,000	7/13/2025	4.25%
Home Federal Bank	3,000,000	3,000,000	1/17/2024	3.50%
Home Federal Bank	2,000,000	2,000,000	1/17/2024	3.50%
Home Federal Bank	2,000,000	2,000,000	10/17/2023	3.50%
Home Federal Bank	3,000,000	3,000,000	11/17/2023	3.25%
Red River Bank	2,000,000	2,000,000	6/20/2024	1.00%
First Horizon	2,500,000	2,500,000	3/17/2024	3.50%
First Horizon	7,600,000	7,600,000	5/26/2025	4.50%
First Horizon	1,000,000	1,000,000	6/2/2025	4.50%
Hancock Whitney	3,000,000	3,000,000	11/23/2023	3.00%
Hancock Whitney	5,000,000	5,000,000	1/17/2024	3.00%
Cadence	3,000,000	3,000,000	7/24/2024	4.43%
Total Negotiable CD's	<u>\$ 39,850,000</u>	<u>\$ 39,850,000</u>		

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 5- FAIR VALUE MEASUREMENTS

The Caddo Levee District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are unadjusted quoted prices in active markets for identical assets that the District has the ability to access. Level 2 inputs are based primarily on quoted prices for similar assets in active or inactive markets and/or based on inputs that are derived principally from or corroborated by observable market data. Level 3 inputs are unobservable and are based on assumptions that market participants would utilize in pricing the asset.

The District uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. The asset's fair value measurement level with the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. When available, valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

For the negotiable certificates of deposit described in Note 4 Investments, management categorizes these investments as Level 2 based on quoted prices for similar instruments with consideration of actively quoted interest rates, credit ratings and spreads, prepayment models and collateral data.

NOTE 6 - CAPITAL ASSETS

A summary of Caddo Levee District's capital assets at June 30, 2023 follows

	Balance June 30, 2022	Additions	Retirements	Balance June 30, 2023
Non-depreciable:				
Land	\$ 1,706,989	\$ -	\$ -	\$ 1,706,989
Construction in progress	-	-	-	-
Total Non-depreciable	<u>1,706,989</u>	<u>-</u>	<u>-</u>	<u>1,706,989</u>
Depreciable:				
Buildings and improvements	921,039	5,884	-	926,923
Warehouse	750,591	-	-	750,591
Less accumulated depreciation	<u>(564,312)</u>	<u>(37,478)</u>	<u>-</u>	<u>(601,790)</u>
Total building and improvements	1,107,318	(31,594)	-	1,075,724
Movable equipment	2,560,988	1,000	-	2,561,988
Less accumulated depreciation	<u>(2,267,164)</u>	<u>(57,691)</u>	<u>-</u>	<u>(2,324,855)</u>
Total movable equipment	293,824	(56,691)	-	237,133
Total Depreciable	<u>1,401,142</u>	<u>(88,285)</u>	<u>-</u>	<u>1,312,857</u>
Total Capital Assets, net	<u>\$ 3,108,131</u>	<u>\$ (88,285)</u>	<u>\$ -</u>	<u>\$ 3,019,846</u>

Depreciation expense for the year ended June 30, 2023 was \$95,169.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 7-ACCOUNTS PAYABLE

The following is a summary of accounts payable at June 30, 2023:

Class of Payables

General vendors	<u>\$ 28,924</u>
Accrued payroll & benefits	<u>8,096</u>
Total accounts payable	<u>\$ 37,020</u>

NOTE 8- UNEARNED REVENUES

Deferred revenues as of June 30, 2023, consisted of \$65,036 in prepaid amounts associated with surface permits.

NOTE 9 - LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 2023:

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balances</u>	<u>Amounts Due Within One Year</u>
Compensated Absences	\$ 61,769	\$ 42,322	\$ (35,355)	\$ 68,736	\$ 38,813
Net Pension Liability	1,195,298	505,871	-	1,701,169	-
Net OPEB Liability	<u>807,844</u>	<u>-</u>	<u>(184,061)</u>	<u>623,783</u>	<u>20,928</u>
	<u>\$ 2,064,911</u>	<u>\$ 548,193</u>	<u>\$ (219,416)</u>	<u>\$ 2,393,688</u>	<u>\$ 59,741</u>
Total long-term liabilities government-wide statements:				<u>\$ 2,393,688</u>	<u>\$ 59,741</u>

NOTE 10 - RETIREMENT SYSTEM

Pensions

For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Louisiana State Employees' Retirement System (LASERS) and additions to/deductions from LASERS' fiduciary net position have been determined on the same basis as they are reported by LASERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 10 - RETIREMENT SYSTEM (continued)

General Information about the Pension Plan

Plan Description

Employees of Caddo Levee District are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Louisiana State Employees' Retirement System (LASERS). Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants to LASERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LASERS issues a publicly available financial report that can be obtained at www.lasersonline.org.

Benefits Provided

LASERS provides retirement, deferred retirement option ("DROP"), disability and survivor's benefit. The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement Benefits

The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. Our rank and file members hired prior to July 1, 2006, may either retire with full benefits at any age upon completing 30 years of creditable service or at age 60 upon completing ten years of creditable service depending on their plan. Those members hired between July 1, 2006 and June 30, 2015, may retire at age 60 upon completing five years of creditable service and those hired on or after July 1, 2015 may retire at age 62 upon completing five years of creditable service. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit.

Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement throughout their life, with certain benefits being paid to their designated beneficiary after their death.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 10 - RETIREMENT SYSTEM (continued)

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with twelve years of creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

Act 226 of the 2014 Louisiana Regular Legislative Session established new retirement eligibility for members of LASERS hired on or after July 1, 2015, excluding hazardous duty plan members. Regular members and judges under the new plan are eligible to retire at age 62 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment. Members in the regular plan will receive a 2.5% accrual rate, and judges a 3.5% accrual rate, with the extra 1.0% accrual rate based on all years of service as a judge.

Members of the Harbor Police Retirement System who were members prior to July 1, 2014, may retire after 25 years of creditable service at any age, 12 years of creditable service at age 55, 20 years of creditable service at age 45, and 10 years of creditable service at age 60. Average compensation for the plan is the member's average annual earned compensation for the highest 36 consecutive months of employment, with a 3.33% accrual rate.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member's employer and service classification.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 10 - RETIREMENT SYSTEM (CONTINUED)

1. Deferred Retirement Benefits

The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors.

Members eligible to retire and who do not choose to participate in DROP may elect to receive at the time of retirement an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. For members who selected the IBO option prior to January 1, 2004, such amount may be withdrawn or remain in the IBO account earning interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero). Those members who select the IBO on or after January 1, 2004, are required to enter the SDP as described above.

For members who are in the Harbor Police Plan, the annual DROP Interest Rate is the three-year average (calculated as the compound average of 36 months) investment return of the plan assets for the period ending the June 30th immediately preceding that given date. The average rate so determined is to be reduced by a "contingency" adjustment of 0.5%, but not to below zero. DROP interest is forfeited if member does not cease employment after DROP participation.

2. Disability Benefits

Generally, active members with ten or more years of credited service who become disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age.

Upon reaching age 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees.

For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation if the injury was the result of an intentional act of violence.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 10 - RETIREMENT SYSTEM (CONTINUED)

Members of the Harbor Police Retirement System who become disabled may receive a non-line of duty disability benefit after five years or more of credited service. Members age 55 or older may receive a disability benefit equivalent to the regular retirement benefit. Under age 55, the disability benefit is equal to 40% of final average compensation. Line of duty disability benefits are equal to 60% of final average compensation, regardless of years of credited service. If the disability benefit retiree is permanently confined to a wheelchair, or, is an amputee incapable of serving as a law enforcement officer, or the benefit is permanently legally binding, there is no reduction to the benefit if the retiree becomes gainfully employed.

3. Survivor's Benefits

Certain eligible surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased regular member hired before January 1, 2011 who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

The deceased regular member hired on or after January 1, 2011, must have a minimum of five years of service credit regardless of when earned in order for a benefit to be paid to a minor child. The aforementioned minimum service credit requirements for a surviving spouse are 10 years, 2 years being earned immediately prior to death, and active state service at the time of death, or a minimum of 20 years of service credit regardless of when earned. A deceased member's spouse must have been married for at least one year before death.

A Hazardous Duty Services Plan member's surviving spouse and minor or handicapped or mentally incapacitated child or children are entitled to survivor benefits of 80% of the member's final average compensation if the member was killed in the line of duty. If the member dies in the line of duty as a result of an intentional act of violence, survivor benefits may be increased to 100% of the members final average compensation.

Non-line of duty survivor benefits of the Harbor Police Retirement System may be received after a minimum of five years of credited service. Survivor benefits paid to a surviving spouse without children are equal to 40% of final average compensation and cease upon remarriage. Surviving spouse with children under 18 benefits are equal to 60% of final average compensation, and cease upon remarriage, and children turning 18. No minimum service credit is required for line of duty survivor benefits which are equal to 60% of final average compensation to surviving spouse, or 100% of final average compensation if the injury was the result of an intentional act of violence regardless of children. Line of duty survivor benefits cease upon remarriage, and then benefit is paid to children under 18.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

4. Permanent Benefit Increases/Cost-of-Living Adjustments

As fully described in Title 11 of the Louisiana Revised Statutes, the System allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs), that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

Contributions

Contribution requirements of active employees are governed by Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) and may be amended by the Louisiana Legislature. Employee and employer contributions are deducted from a member's salary and remitted to LASERS by participating employers. The rates in effect during the year ended June 30, 2022 for the various plans follow:

<u>Plan</u>	<u>Plan Status</u>	<u>Employer Contribution Rate</u>
Regular Employees		
Hired before 07/01/06	Closed	39.50%
Hired on or after 07/01/06	Closed	39.50%
Hired on or after 01/01/11	Closed	39.50%
Hired on or after 07/01/15	Open	39.50%

The District's contractually required composite contribution rate for the year ended June 30, 2023, was 39.50% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the District were \$209,201 for the year ended June 30, 2023.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, the Employer reported a liability of \$1,701,169 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2022 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The District's proportion of the Net Pension Liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the District's proportion was 0.02250% which was a decrease of 0.00078% from its proportion measured as of June 30, 2022.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 10 - RETIREMENT SYSTEM (CONTINUED)

For the year ended June 30, 2023, the District recognized pension expense of \$209,201 less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$131,168. The total pension expense for the year ended June 30, 2023, was \$78,033.

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Experience Gain/Loss	\$ 4,639	\$ -
Changes of assumptions	30,930	-
Net difference between projected and actual investment gain/loss	137,023	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	(13,704)	(68,584)
Employer contributions subsequent to the measurement date	207,411	-
Total	<u>\$ 366,299</u>	<u>\$ (68,584)</u>

\$207,411 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2024	\$	54,058
2025	\$	57,564
2026	\$	(34,649)
2027	\$	93,934

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 10 - RETIREMENT SYSTEM (CONTINUED)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2023 are as follows:

Valuation Date	June 30, 2022	
Actuarial Cost Method	Entry Age Normal	
Actuarial Assumptions:		
Expected Remaining Service Lives	2 years	
Investment Rate of Return	7.25% per annum, net of investment expenses*	
Inflation Rate	2.3% per annum	
Mortality	<p>Non-disabled members – The RP-2014 Blue Collar (males/females) and White Collar (females) Healthy Annuitant Tables projected on a fully generational basis by Mortality Improvement Scale MP-2018.</p> <p>Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.</p>	
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2014-2018) experience study of the System's members.	
Salary Increases	Salary increases were projected based on a 2009-2018 experience study of the System's members. The salary increase ranges for specific types of members are:	
	Lower	Upper
	Range	Range
	Member Type	
	Regular	3.0% 12.8%
	Judges	2.6% 5.1%
	Corrections	3.6% 13.8%
	Hazardous Duty	3.6% 13.8%
	Wildlife	3.6% 13.8%
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.	

*The investment rate of return used in the actuarial valuation for funding purposes was 7.60%, recognizing an additional 35 basis points for gain-sharing. The net return available to fund regular plan benefits is 7.25%, which is the same as the discount rate. Therefore, we conclude that the 7.25% discount is reasonable.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 10 - RETIREMENT SYSTEM (CONTINUED)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.3% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 8.34% for 2022. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Expected Long Term Real Rates of Return</u>	
Cash	0.39%
Domestic equity	4.57%
International equity	5.76%
Domestic fixed income	1.48%
International fixed income	5.04%
Alternative investments	<u>8.30%</u>
Total Fund	5.91%

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the pension plan's actuary. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 10 - RETIREMENT SYSTEM (CONTINUED)

Sensitivity of the Employer’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Employer’s proportionate share of the Net Pension Liability using the discount rate of 7.25%, as well as what the Employer’s proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	<u>1.0% Decrease Rate (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1.0% Increase Rate (8.25%)</u>
Employer's proportionate share of the net pension liability	\$ 2,140,567	\$ 1,701,169	\$ 1,300,502

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued current LASERS Comprehensive Annual Financial Report at www.lasersonline.org.

At June 30, 2023 the District owed LASERS \$-0- for employee and employer legally-required contributions.

NOTE 11 – EMPLOYEE BENEFITS - OTHER POST EMPLOYMENT BENEFITS (OPEB)

General Information about the Pension Plan

The District may provide certain continuing health care and life insurance benefits for its retired employees through the Louisiana Office of Group Benefits. Substantially all employees become eligible for those benefits if they reach normal retirement age while working for the District and were covered by the District’s active medical plan immediately prior to retirement. Those benefits include joint payment of monthly premiums for the coverage provided.

Plan Description and Benefits Provided

The Office of Group Benefits (OGB) administers the State of Louisiana Post-Retirement Benefits Plan – a defined-benefit, multiple-employer other postemployment benefit plan. The plan provides medical, prescription drug, and life insurance benefits to retirees, disabled retirees, and their eligible beneficiaries through premium subsidies. Current employees, who participate in an OGB health plan while active, are eligible for plan benefits if they are enrolled in the OGB health plan immediately before the date of retirement and retire under one of the state sponsored retirement

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 11 – EMPLOYEE BENEFITS – OPEB (continued)

systems (Louisiana State Employees’ Retirement System, Teachers’ Retirement System of Louisiana, Louisiana School Employees’ Retirement System, or Louisiana State Police Retirement System,) or they retire from a participating employer that meets the qualifications in the Louisiana Administrative Code 32:3.303. Benefit provisions are established under R.S. 42:851 for health insurance benefits and R.S. 42:821 for life insurance benefits. The obligations of the plan members, employer(s), and other contributing entities to contribute to the plan are established or may be amended under the authority of R.S. 42:802.

There are no assets accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement 75. Effective July 1, 2008, an OPEB trust fund was statutorily established; however, this plan is not administered as a trust and no plan assets have been accumulated as of June 30, 2023. The plan is funded on a “pay-as-you-go basis” under which the contributions to the plan are generally made at about the same time and in about the same amount as benefit payments become due.

Employer contributions are based on plan premiums and the employer contribution percentage. Premium amounts vary depending on the health plan selected and if the retired member has Medicare coverage. OGB offers retirees four self-insured healthcare plans and one fully insured plan. Retired employees who have Medicare Part A and Part B coverage also have access to four fully insured Medicare Advantage plans.

The employer contribution percentage is based on the date of participation in an OGB plan and employee years of service at retirement. Employees who begin participation or rejoin the plan before January 1, 2002, pay approximately 25% of the cost of coverage (except single retirees under age 65, who pay approximately 25% of the active employee cost). For those beginning participation or rejoining on or after January 1, 2002, the percentage of premiums contributed by the employer and retiree is based on the following schedule:

<u>OGB Participation</u>	<u>Employer Contribution_ Percentage</u>	<u>Retiree Contribution_ Percentage</u>
Under 10 years	33%	67%
10-14 years	60%	40%
15-19 years	80%	20%
20+ years	88%	12%

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Plan Description (continued)

In addition to healthcare benefits, retirees may elect to receive life insurance benefits. Basic and supplemental life insurance is available for the individual retiree and spouses of retirees' subject to maximum values. Employers pay approximately 50% of monthly premiums for individuals. The retiree is responsible for 100% of the premium for dependents. Effective January 1, 2018, the total monthly premium for retirees varies according to age group.

Total Collective OPEB Liability and Changes in Total Collective OPEB Liability

At June 30, 2023, the District reported a liability of \$623,783 for its proportionate share of the total collective OPEB liability. The total collective OPEB liability was measured as of July 1, 2022 and was determined by an actuarial valuation as of that date.

The District's proportionate share percentage is based on the employer's individual OPEB actuarial accrued liability in relation to the total OPEB actuarial accrued liability for all participating entities included in the State of Louisiana reporting entity. At June 30, 2023 the District's proportion was 0.0092%.and the change in proportion from the prior measurement date was 0.0088% or an increase of 0.0004%.

Actuarial assumptions and other inputs. The total collective OPEB liability in the July 1, 2022 actuarial valuation was determined using the following actuarial methods, assumptions, and other inputs, applied to all periods included in the measurement, unless otherwise specified:

- Actuarial Cost Method – Entry Age Normal, Level percentage of pay
- Estimated Remaining Service Lives – 4.5
- Inflation rate – Consumer Price Index (CPI) 2.40%
- Salary increase rate – consistent with the pension plan
- Discount rate – decreased from 2.18% to 4.09% based on S&P 20-year municipal bond index rate
- Mortality rates – updated from the RP-2014 Healthy Annuitant and Employee tables for males and females with generational projections using projection scale MP-2017 to the RP-2014 Healthy Annuitant and Employee tables for males and females using projection scale MP-2018.
- Healthcare cost trend rates - 7% for pre-Medicare eligible employees grading down by .25% each year, beginning in 2020-2021, to an ultimate rate of 4.5% in 2029; 5.5% for post-Medicare eligible employees grading down by .25% each year beginning in 2020-2021, to an ultimate rate of 4.5% in 2023-2024 and thereafter; the initial trend was developed using the National Health Care Trend Survey; the ultimate trend was developed using a building block approach which considers Consumer Price Index, Gross Domestic Product, and technology growth

Changes of the assumptions and other inputs reflect a change in the discount rate from 2.18% as of July 1, 2021, to 4.09% as of July 1, 2022.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Sensitivity of the proportionate share of the total collective OPEB liability to changes in the discount rate. The following presents the District's proportionate share of the total collective OPEB liability using the current discount rate as well as what the District's proportionate share of the total collective OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (3.09%)	Discount Rate (4.09%)	1% Increase (5.09%)
Proportionate Share of Total Collective OPEB Liability	\$ 722,179	\$ 623,783	\$ 544,370

Sensitivity of the proportionate share of the total collective OPEB liability to changes in the healthcare cost trend rates. The following presents the District's proportionate share of the total collective OPEB liability using the current healthcare cost trend rates, as well as what the District's proportionate share of the total collective OPEB liability would be if it were calculated using health care cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rates:

	1.0% Decrease	Healthcare cost Trend Rates	1.0% Increase
Proportionate Share of Total Collective OPEB Liability	\$ 549,022	\$ 623,783	\$ 717,946

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended, June 30, 2023, the District recognized OPEB expense of \$19,604. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 18,976	\$ -
Changes in employer's proportionate share (dollars)	28,515	77,357
Difference in Employers proportionate share of benefit payments and actual payments	1,746	-
Change in assumptions	42,782	204,980
Difference between contributions allocated and actual contributions (dollars)	-	8,231
Employers contributions subsequent to the measurement date	20,928	
Total	\$ 112,947	\$ 290,568

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Deferred outflows of resources related to OPEB resulting from the District’s benefit payments subsequent to the measurement date will be recognized as a reduction of the total collective OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	Net Amount Recognized in OPEB Expense	
Year ended June 30:		
2024	\$	(80,134)
2025	\$	(47,183)
2026	\$	(48,121)
2027	\$	(23,113)

NOTE 12- FUND BALANCES

A board resolution was made that designated a portion of the District's unrestricted net position for \$41,974,231 for the capital outlay and \$6,000,000 for flood fight contingencies for the fiscal year ended June 30, 2023. As of the year end, the fund balance was limited to \$47,974,231.

As of June 30, 2023, fund balances are composed of the following:

Category	Governmental Fund
Committed to:	
Capital outlay & flood fight contingencies	\$ 47,974,231
Unassigned	-
Total fund balance	\$ 47,974,231

NOTE 13- RISK MANAGEMENT

The Caddo Levee District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 14 - LEVEE DISTRICT TAXES

Article 6, Section 39 of the Louisiana Constitution of 1974 provides that, for the purpose of constructing and maintaining levees, levee drainage, flood protection, hurricane flood protection, and for all other purpose's incidental thereto, the levee district may annually levy a lax not to exceed 3.64 mills. If the levee district needs to raise additional funds in excess of the amount collected constitutionally, the taxes in excess of 3.64 mills must be approved by the majority of the vote of the electors. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December of the current year and January of the ensuing year. The current millage rate is - 0-.

NOTE 15 -DEFERRED COMPENSATION PLAN

During 2002, the District began participating in a deferred compensation plan in accordance with the Internal Revenue Code 457 (Section 457 Plan). Under Governmental Accounting Standards Board No. 32, *Accounting and Financial Reporting/or Internal Revenue Code Section 457 Deferred Compensation Plans*, plans that meet the criteria in NCGA Statement 1, Governmental Accounting and Financial Reporting Principles, should be reported as an expendable trust fund in the financial statements of the government. Because the District's Section 457 Plan does not meet these criteria, the balances in assets and liabilities were not presented in the financial statements of the District. The District's contribution to the Section 457 Plan was \$17,972 for the year ended June 30, 2023.

NOTE 16 -COMPENSATED ABSENCES

At June 30, 2023, employees of the District had accumulated \$68,736 in annual leave benefits which were computed in accordance with GASB Codification Section C60. The following is a summary of the changes in compensated absences:

Beginning balance	\$61,769
Increase, net	<u>6,967</u>
Ending balance	<u>\$68,736</u>

NOTE 17 - SURFACE PERMITS

The District has entered into several surface permit agreements which provide income to the District. Payments on these permits are due annually. These agreements are considered short-term and are cancelable at any time by either party to the agreement. Income for the year ended June 30, 2023, was \$141,968.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 18- LEVEE CERTIFICATION

As a result of Hurricane Katrina, the Federal Emergency Management District (FEMA) implemented a program in which all levees in the United States must be certified by an independent engineer to remain on its mapping system. If the certification is not performed, then the levee is removed from FEMA's maps. The impacted area is considered a flood-prone area, resulting in significantly higher flood insurance rates for businesses and individuals. Management had its engineering study completed in March 2013. The total amounts expended on the certification as of June 30, 2013, total \$1,554,830. The certification is good for the next 10 years. The total amount expended was capitalized and amortized using the straight-line method over the next ten years. Amortization expense for the year ended June 30, 2023, was \$103,655.

NOTE 19 - SUBSEQUENT EVENTS

Management evaluates events occurring subsequent to the date of financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through August 29, 2023, the date the financial statements were available to be issued.

There were no items to be reported as subsequent events.

REQUIRED SUPPLEMENTAL INFORMATION (Part B)

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		Final Budget Postive (Negative)
REVENUES				
Taxes	\$ 11	\$ 11	\$ -	\$ (11)
Royalties	650,000	650,000	18,792,797	18,142,797
Timber	20,000	20,000	-	(20,000.00)
Surface rentals and permits	116,500	116,500	141,968	25,468
Interest Income	13,850	13,850	439,362	425,512
Other	45,000	45,000	30,787	(14,213)
Total revenues	<u>845,361</u>	<u>845,361</u>	<u>19,404,914</u>	<u>18,559,553</u>
EXPENDITURES				
General Government				
Personnel services	1,327,500	1,327,500	937,784	389,716
Travel	28,000	28,000	22,195	5,805
Operating services	402,900	402,900	337,840	65,060
Supplies	210,000	210,000	63,540	146,460
Professional services	240,000	240,000	38,555	201,445
Equipment Purchase	210,000	210,000	158,115	51,885
Capital outlay and levee maintenance	27,785,691	26,921,191	1,036,650	25,884,541
Total expenditures	<u>30,204,091</u>	<u>29,339,591</u>	<u>2,594,679</u>	<u>26,744,912</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(29,358,730)</u>	<u>(28,494,230)</u>	<u>16,810,235</u>	<u>45,304,465</u>
FUND BALANCE				
BEGINNING OF YEAR	<u>31,163,996</u>	<u>31,163,996</u>	<u>31,163,996</u>	<u>-</u>
END OF YEAR	<u>\$ 1,805,266</u>	<u>\$ 2,669,766</u>	<u>\$ 47,974,231</u>	<u>\$ 90,608,930</u>
Reconcile budget to GAAP basis: (See Note 1E)				
			16,810,235	
			6,885	
			(103,655)	
			(95,169)	
			17	
			221,031	
			<u>\$ 16,839,344</u>	

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
SCHEDULE OF DISTRICT'S SHARE OF NET PENSION LIABILITY
FOR THE YEARS ENDED JUNE 30,

Year*	District's proportion of the net pension liability (asset)	District's proportionate share of the net pension liability	District's covered- employee payroll	District's proportionate share of the net pension liability (asset) as a percentage of its covered- employee payroll	Plan fiduciary net position as a percentage of the total pension liability
Louisiana State Employees' Retirement System					
2015	0.03195%	\$ 1,998,049	\$ 588,695	339.40%	65.00%
2016	0.03390%	\$ 2,305,848	\$ 643,451	358.36%	62.70%
2017	0.03662%	\$ 2,875,447	\$ 688,482	417.65%	57.70%
2018	0.03289%	\$ 2,314,930	\$ 613,186	377.52%	62.50%
2019	0.03258%	\$ 2,240,619	\$ 635,813	352.40%	64.30%
2020	0.02861%	\$ 2,072,697	\$ 569,058	364.23%	62.90%
2021	0.02365%	\$ 1,955,599	\$ 495,924	394.33%	58.00%
2022	0.02172%	\$ 1,195,298	\$ 459,004	260.41%	72.80%
2023	0.02250%	\$ 1,701,169	\$ 478,667	355.40%	63.70%

* Amounts presented were determined as of the measurement date (June 30)

**Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

The amounts presented have a measurement date of the previous fiscal year.

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2023

SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
(Statement 2)

This schedule reflects the participation of the District's employees in Louisiana State Employees' Retirement System (LASERS), and its proportionate share of the net pension liability as a percentage of its covered payroll, and the plan fiduciary net position as a percentage of the total pension liability. The employers' net pension liability is the liability of the District's employees for benefits provided through LASERS. Covered payroll is the payroll of all employees that are provided with benefits through the plan. The amounts in the schedule for each fiscal year were determined as the prior fiscal year ended.

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
SCHEDULE OF DISTRICT'S PENSION CONTRIBUTION
FOR THE YEARS ENDED JUNE 30,

Year*	(a) Contractually Required Contribution	(b) Contributions in relation to the contractually required contribution	(a-b) Contribution Deficiency (Excess)	Employer's covered employee payroll	Contributions as a % of covered employee payroll
Louisiana State Employees' Retirement System					
2015	\$ 218,994	\$ 223,427	\$ (4,433)	\$ 588,695	37.95%
2016	\$ 239,364	\$ 264,500	\$ (25,136)	\$ 643,451	41.11%
2017	\$ 246,477	\$ 231,183	\$ 15,294	\$ 688,482	33.58%
2018	\$ 232,397	\$ 230,107	\$ 2,290	\$ 613,186	37.53%
2019	\$ 240,973	\$ 209,500	\$ 31,473	\$ 635,813	32.95%
2020	\$ 231,607	\$ 205,632	\$ 25,975	\$ 569,058	36.14%
2021	\$ 198,866	\$ 202,087	\$ (3,221)	\$ 495,924	40.75%
2022	\$ 181,307	\$ 198,838	\$ (17,531)	\$ 459,004	43.32%
2023	\$ 193,381	\$ 209,201	\$ (15,820)	\$ 478,667	43.70%

* Amounts presented were determined as of the end of the fiscal year (June 30).

**Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PENSION CONTRIBUTION (Statement 3)

This schedule represents the District's contributions subsequent to the measurement date and recognized as a reduction of the net pension liability in future years. The difference between actuarially determined employer contributions and employer contributions received, and the percentage of employer contributions received to covered payroll, is presented in this schedule. The amounts presented in the schedule were determined as of the end of each fiscal year.

LASERS: CHANGES IN BENEFIT TERMS:

Effective for the reporting period 2017, LASERS was granted a 1.5% Cost of Living Adjustment (COLA). There were no changes in benefit terms for remaining years presented.

CHANGES IN ASSUMPTIONS:

Pension Plan (LASERS): The amounts reported in the actuary valuation reflect adjustments in discount rate, inflation rate, and salary increases used to value the projected benefit payments attributed to past periods of services. The changes are as follows:

Valuation Date: JUNE 30,	Discount Rate	Inflation Rate	Project Salary Increases
2016	7.75%	3.00%	3.00% to 14.50%
2017	7.70%	2.75%	2.80% to 14.30%
2018	7.65%	2.75%	3.80% to 14.30%
2019	7.60%	2.75%	3.20% to 14.50%
2020	7.55%	2.30%	3.00% to 12.80%
2021	7.40%	2.30%	3.00% to 12.80%
2022	7.25%	2.30%	3.00% to 12.80%
2023	7.25%	2.30%	3.00% to 12.80%

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
SCHEDULE OF THE DISTRICT'S CHANGES
IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE YEARS ENDED JUNE 30,

Fiscal Year End*	District's Beginning Total OPEB Liability	Service Cost	Interest	Changes in Assumptions	Contributions	District's Ending Total OPEB Liability	District's covered- employee payroll	District's proportionate share of the total collective liability as a percentage of the covered-employee
2017	\$ 1,062,547	\$ 28,734	\$ 29,347	\$ 18,441	\$ (29,794)	\$ 1,109,275	\$ 688,482	161.12%
2018	\$ 1,109,275	\$ 30,104	\$ 30,407	\$ (59,262)	\$ (47,977)	\$ 1,062,547	\$ 613,186	173.28%
2019	\$ 1,062,547	\$ 28,273	\$ 34,038	\$ (27,472)	\$ (39,451)	\$ 1,057,935	\$ 535,837	197.44%
2020	\$ 1,057,935	\$ 22,041	\$ 25,562	\$ (314,306)	\$ (22,212)	\$ 769,020	\$ 485,159	158.51%
2021	\$ 769,020	\$ 18,795	\$ 21,338	\$ 29,500	\$ (23,478)	\$ 815,175	\$ 498,131	163.65%
2022	\$ 815,175	\$ 18,330	\$ 19,586	\$ 58,761	\$ (29,180)	\$ 807,844	\$ 510,745	158.17%
2023	\$ 807,844	\$ 23,045	\$ 18,657	\$ (248,733)	\$ (19,604)	\$ 623,783	\$ 457,182	136.44%

The amounts presented have a measurement date of the previous fiscal year

**This schedule is intended to show information for 10 years. Additional years will be presented as they become available.*

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CHANGES IN THE TOTAL OPEB LIABILITY (Statement 4)

This schedule reflects the participation of the District's employees in the State of Louisiana Postemployment Benefits Plan and changes in the total other postemployment liability. No assets are accumulated in a trust that meets the criteria in paragraph 4 of the Governmental Accounting Standards Board Statement No. 75 to pay related benefits.

There are no assets accumulated in a trust that meets the requirements in paragraph 4 of GASB Statement 75 to pay related benefits.

Changes in assumptions –

In the valuation for 2018, the discount rate increased from 2.71% to 3.13%
 In the valuation for 2019, the discount rate decreased from 3.13% to 2.98%
 In the valuation for 2020, the discount rate decreased from 2.98% to 2.79%
 In the valuation for 2021, the discount rate decreased from 2.79% to 2.66%
 In the valuation for 2022, the discount rate decreased from 2.66% to 2.18%
 In the valuation for 2023, the discount rate increased from 2.18% to 4.09%

Change in population –

There were no changes in the census data regarding participating employees.

SUPPLEMENTAL INFORMATION

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
SCHEDULE OF PER DIEM PAID BOARD MEMBERS
FOR THE YEAR ENDED JUNE 30, 2023

<u>Commissioners</u>	<u>2023</u>
Patrick Harrison	\$ 2,025
Kandi Moore	1,238
Gary Procell	2,025
James Sims	1,575
Carolyn Prator	1,125
Willie Walker	1,800
Jackie Baker	1,800
	<u>\$ 11,588</u>

The schedule of compensation paid board members was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Per Diem payments are authorized by Louisiana Revised Statute 38:308 and are included in the personal services expenses. Board members are paid \$113 per day to a maximum of 36 days per year for board meeting and/or official business. The board president may receive compensation not to exceed \$1,000 per month in lieu of per diem

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED JUNE 30, 2023

AGENCY HEAD: Ali M. Mustapha, P.E.

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 136,904
Benefits - Insurance	633
Benefits - Retirement	54,077
Deferred compensation	7,101
Vehicle provided by government	621
Cell phone	740
Dues	155
Registration fees	-
Conference travel	-
Total	<u>\$ 200,231</u>

DIVISION OF ADMINISTRATION REPORTING PACKAGE

**ANNUAL FISCAL REPORT (AFR)
FOR 2023**

AGENCY: 20-14-05 - Caddo Levee District

PREPARED BY: --

PHONE NUMBER: --

EMAIL ADDRESS: --

SUBMITTAL DATE: --

STATEMENT OF NET POSITION

ASSETS

CURRENT ASSETS:

CASH AND CASH EQUIVALENTS	7,776,080.00
RESTRICTED CASH AND CASH EQUIVALENTS	0.00
INVESTMENTS	39,850,000.00
RESTRICTED INVESTMENTS	0.00
DERIVATIVE INSTRUMENTS	0.00
RECEIVABLES (NET)	450,207.00
PLEDGES RECEIVABLE (NET)	0.00
LEASES RECEIVABLE (NET)	0.00
P3 RECEIVABLE (NET) (Only relates to Transferor)	0.00
AMOUNTS DUE FROM PRIMARY GOVERNMENT	0.00
DUE FROM FEDERAL GOVERNMENT	0.00
INVENTORIES	0.00
PREPAYMENTS	3,969.00
NOTES RECEIVABLE	0.00
OTHER CURRENT ASSETS	0.00
TOTAL CURRENT ASSETS	\$48,080,256.00

NONCURRENT ASSETS:

RESTRICTED ASSETS:

CASH	0.00
INVESTMENTS	0.00
RECEIVABLES (NET)	0.00
NOTES RECEIVABLE	0.00
OTHER	0.00
INVESTMENTS	0.00
RECEIVABLES (NET)	0.00
NOTES RECEIVABLE	0.00
PLEDGES RECEIVABLE (NET)	0.00
LEASES RECEIVABLE (NET)	0.00
P3 RECEIVABLE (NET) (Only relates to Transferor)	0.00
CAPITAL ASSETS (NET OF DEPRECIATION & AMORTIZATION)	
LAND	1,706,989.00
BUILDINGS AND IMPROVEMENTS	1,075,724.00
MACHINERY AND EQUIPMENT	237,133.00
INFRASTRUCTURE	0.00
OTHER INTANGIBLE ASSETS	0.00
CONSTRUCTION IN PROGRESS	0.00
INTANGIBLE RIGHT-TO-USE ASSETS:	
LEASED LAND	0.00
LEASED BUILDING & OFFICE SPACE	0.00
LEASED MACHINERY & EQUIPMENT	0.00
SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)	0.00
PUBLIC-PRIVATE AND PUBLIC-PUBLIC PARTNERSHIP ARRANGEMENTS (P3) (Only relates to Operator)	0.00
OTHER NONCURRENT ASSETS	0.00
TOTAL NONCURRENT ASSETS	\$3,019,846.00
TOTAL ASSETS	\$51,100,102.00

DEFERRED OUTFLOWS OF RESOURCES

ACCUMULATED DECREASE IN FAIR VALUE OF HEDGING DERIVATIVE INSTRUMENTS	0.00
DEFERRED AMOUNTS ON DEBT REFUNDING	0.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2023**

AGENCY: 20-14-05 - Caddo Levee District

PREPARED BY: --

PHONE NUMBER: --

EMAIL ADDRESS: --

SUBMITTAL DATE: --

LEASE RELATED	0.00
P3-RELATED (Only relates to Operator)	0.00
GRANTS PAID PRIOR TO MEETING TIME REQUIREMENTS	0.00
INTRA-ENTITY TRANSFER OF FUTURE REVENUES (TRANSFEREE)	0.00
LOSSES FROM SALE-LEASEBACK TRANSACTIONS	0.00
DIRECT LOAN ORIGATION COSTS FOR MORTGAGE LOANS HELD FOR SALE	0.00
ASSET RETIREMENT OBLIGATIONS	0.00
OPEB-RELATED	112,947.00
PENSION-RELATED	366,299.00
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$479,246.00
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$51,579,348.00

LIABILITIES

CURRENT LIABILITIES:

ACCOUNTS PAYABLE AND ACCRUALS	37,020.00
ACCRUED INTEREST	0.00
DERIVATIVE INSTRUMENTS	0.00
AMOUNTS DUE TO PRIMARY GOVERNMENT	0.00
DUE TO FEDERAL GOVERNMENT	0.00
AMOUNTS HELD IN CUSTODY FOR OTHERS	0.00
UNEARNED REVENUES	65,036.00
OTHER CURRENT LIABILITIES	0.00

CURRENT PORTION OF LONG-TERM LIABILITIES:

CONTRACTS PAYABLE	0.00
COMPENSATED ABSENCES PAYABLE	38,813.00
LEASE LIABILITY	0.00
SBITA LIABILITY	0.00
P3 LIABILITY (Only relates to Operator)	0.00
ESTIMATED LIABILITY FOR CLAIMS	0.00
NOTES PAYABLE	0.00
BONDS PAYABLE	0.00
OPEB LIABILITY	20,928.00
POLLUTION REMEDIATION OBLIGATIONS	0.00
OTHER LONG-TERM LIABILITIES	0.00
TOTAL CURRENT LIABILITIES	\$161,797.00

NONCURRENT PORTION OF LONG-TERM LIABILITIES:

CONTRACTS PAYABLE	0.00
COMPENSATED ABSENCES PAYABLE	29,923.00
LEASE LIABILITY	0.00
SBITA LIABILITY	0.00
P3 LIABILITY (Only relates to Operator)	0.00
ESTIMATED LIABILITY FOR CLAIMS	0.00
NOTES PAYABLE	0.00
BONDS PAYABLE	0.00
OPEB LIABILITY	602,855.00
NET PENSION LIABILITY	1,701,169.00
POLLUTION REMEDIATION OBLIGATIONS	0.00
OTHER LONG-TERM LIABILITIES	0.00
UNEARNED REVENUE	0.00
TOTAL NONCURRENT LIABILITIES	\$2,333,947.00
TOTAL LIABILITIES	\$2,495,744.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2023**

AGENCY: 20-14-05 - Caddo Levee District

PREPARED BY: --

PHONE NUMBER: --

EMAIL ADDRESS: --

SUBMITTAL DATE: --

DEFERRED INFLOWS OF RESOURCES

ACCUMULATED INCREASE IN FAIR VALUE OF HEDGING DERIVATIVE INSTRUMENTS	0.00
DEFERRED AMOUNTS ON DEBT REFUNDING	0.00
LEASE RELATED	0.00
P3-RELATED (Only relates to Transferor)	0.00
GRANTS RECEIVED PRIOR TO MEETING TIME REQUIREMENTS	0.00
SALES/INTRA-ENTITY TRANSFER OF FUTURE REVENUES (TRANSFEROR)	0.00
GAINS FROM SALE-LEASEBACK TRANSACTIONS	0.00
SPLIT INTEREST AGREEMENTS	0.00
POINTS RECEIVED ON LOAN ORIGINATION	0.00
LOAN ORIGINATION FEES RECEIVED FOR MORTGAGE LOANS HELD FOR SALE	0.00
OPEB-RELATED	290,568.00
PENSION-RELATED	68,584.00
TOTAL DEFERRED INFLOWS OF RESOURCES	\$359,152.00

NET POSITION:

NET INVESTMENT IN CAPITAL ASSETS	3,019,846.00
RESTRICTED FOR:	
CAPITAL PROJECTS	0.00
DEBT SERVICE	0.00
NONEXPENDABLE	0.00
EXPENDABLE	0.00
OTHER PURPOSES	45,704,606.00
UNRESTRICTED	\$0.00
TOTAL NET POSITION	\$48,724,452.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2023**

AGENCY: 20-14-05 - Caddo Levee District

PREPARED BY: --

PHONE NUMBER: --

EMAIL ADDRESS: --

SUBMITTAL DATE: --

STATEMENT OF ACTIVITIES

PROGRAM REVENUES

EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE
2,565,570.00	0.00	0.00	0.00	\$(2,565,570.00)

GENERAL REVENUES

PAYMENTS FROM PRIMARY GOVERNMENT	0.00
OTHER	19,404,914.00
ADDITIONS TO PERMANENT ENDOWMENTS	0.00
CHANGE IN NET POSITION	\$16,839,344.00
NET POSITION - BEGINNING	\$31,885,108.00
NET POSITION - RESTATEMENT	0.00
NET POSITION - ENDING	\$48,724,452.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2023**

AGENCY: 20-14-05 - Caddo Levee District

PREPARED BY: --

PHONE NUMBER: --

EMAIL ADDRESS: --

SUBMITTAL DATE: --

SCHEDULE OF BONDS PAYABLE

Series Issue	Date of Issue	Original Issue Amount	Principal Outstanding PFY	Issue (Redeemed)	Principal Outstanding CFY	Interest Outstanding CFY
		0.00	0.00	0.00	\$ 0.00	0.00
		Totals	\$0.00	\$0.00	\$0.00	\$0.00

Series - Unamortized Premiums:

Series Issue	Date of Issue	Principal Outstanding PFY	Issue (Redeemed)	Principal Outstanding CFY
		0.00	0.00	\$ 0.00
		Totals	\$0.00	\$0.00

Series - Unamortized Discounts:

Series Issue	Date of Issue	Principal Outstanding PFY	Issue (Redeemed)	Principal Outstanding CFY
		0.00	0.00	\$ 0.00
		Totals	\$0.00	\$0.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2023**

AGENCY: 20-14-05 - Caddo Levee District

PREPARED BY: --

PHONE NUMBER: --

EMAIL ADDRESS: --

SUBMITTAL DATE: --

SCHEDULE OF BONDS PAYABLE AMORTIZATION

Fiscal Year Ending:	Principal	Interest
2024	0.00	0.00
2025	0.00	0.00
2026	0.00	0.00
2027	0.00	0.00
2028	0.00	0.00
2029	0.00	0.00
2030	0.00	0.00
2031	0.00	0.00
2032	0.00	0.00
2033	0.00	0.00
2034	0.00	0.00
2035	0.00	0.00
2036	0.00	0.00
2037	0.00	0.00
2038	0.00	0.00
2039	0.00	0.00
2040	0.00	0.00
2041	0.00	0.00
2042	0.00	0.00
2043	0.00	0.00
2044	0.00	0.00
2045	0.00	0.00
2046	0.00	0.00
2047	0.00	0.00
2048	0.00	0.00
2049	0.00	0.00
2050	0.00	0.00
2051	0.00	0.00
2052	0.00	0.00
2053	0.00	0.00
2054	0.00	0.00
2055	0.00	0.00
2056	0.00	0.00
2057	0.00	0.00
2058	0.00	0.00
Premiums and Discounts	\$0.00	
Total	\$0.00	\$0.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2023**

AGENCY: 20-14-05 - Caddo Levee District

PREPARED BY: --

PHONE NUMBER: --

EMAIL ADDRESS: --

SUBMITTAL DATE: --

Other Postemployment Benefits (OPEB)

If your agency has active or retired employees who are members of the Office of Group Benefits (OGB) Health Plan, please provide the following information: (Note: OGB has a 6/30/2022 measurement date for their OPEB valuation)

Benefit payments made subsequent to the measurement date of the **OGB** Actuarial Valuation Report until the employer's fiscal year end. (Benefit payments are defined as the employer payments for retirees' health and life insurance premiums). For agencies with a 6/30 year end this covers the current fiscal year being reported. For calendar year end agencies, it covers the period 7/1 to 12/31 for the current year being reported. 20,928.00

Covered Employee Payroll for the **PRIOR** fiscal year (not including related benefits) 457,182.00

For calendar year-end agencies only: Benefit payments or employer payments for retirees' health and life insurance premiums made for the next year's valuation reporting period (7/1/2022 - 6/30/2023). This information will be provided to the actuary for the valuation report early next year. 20,928.00

For agencies that have employees that participate in the **LSU Health Plan**, provide the following information: (Note: The LSU Health Plan has a measurement date of 6/30/2023 for their OPEB valuation report.)

Covered Employee Payroll for the **CURRENT** fiscal year (not including related benefits) 0.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2023**

AGENCY: 20-14-05 - Caddo Levee District

PREPARED BY: --

PHONE NUMBER: --

EMAIL ADDRESS: --

SUBMITTAL DATE: --

FUND BALANCE/NET POSITION RESTATEMENT

Account Name/Description	Restatement Amount
	Total \$0.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2023**

AGENCY: 20-14-05 - Caddo Levee District

PREPARED BY: --

PHONE NUMBER: --

EMAIL ADDRESS: --

SUBMITTAL DATE: --

SUBMISSION

Before submitting, ensure that all data (statements, notes, schedules) have been entered for the agency.

Once submitted no changes can be made to any of the agency data for the specified year.

By clicking 'Submit' below you certify that the financial statements herewith given present fairly the financial position and the results of operations for the year ended in accordance with policies and practices established by the Division of Administration or in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board.

Reminder: You must send Louisiana Legislative Auditors an electronic copy of the AFR report in a pdf, tiff, or some other electronic format to the following e-mail address:
LLAFileroom@lla.la.gov.

OTHER REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners
Caddo Levee District
Shreveport, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of American and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the CADDO LEVEE DISTRICT (the District), a component unit of the State of Louisiana, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued my report thereon dated August 29, 2023.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, I do not express an opinion on the effectiveness of the District's internal controls.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

4865 Ihles Rd, Ste 15 Lake Charles PO Box 793
Lenora@My-CPAteam.com Jennings, LA 70546 Accounting, Audit & Tax
• 337-278-5144 • www.My-CPAteam.com

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement. I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests did not disclose any instances of noncompliance or other matters that are required to be reported under the *Governmental Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Lenora Krielow, CPA LLC

Lenora Krielow, CPA LLC
Jennings, Louisiana
August 29, 2023

CADDO LEVEE DISTRICT
STATE OF LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2023

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

1. Type of auditor's report issued
The auditor's report expresses an **unmodified opinion** on the financial statements of the Caddo Levee District's financial statements as of and for the year ended June 30, 2023.

2. Internal control over financial reporting
 1. Material weaknesses identified? No
 2. Significant Deficiencies identified? No

3. Noncompliance material to the financial statements noted? No

FEDERAL AWARDS

Not Applicable

MANAGEMENT LETTER

No management letter was issued in connection with the audit for the year ended June 30, 2023.

SECTION II – SUMMARY OF AUDIT FINDINGS AND RESPONSES

Current Year Findings: None

Prior Year Findings: None

SECTION III – INTERNAL CONTROL AND COMPLIANCE FINDINGS & RESPONSES

Current Year Findings: None

Prior Year Findings: None