

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Financial Statements with Supplementary Information**

**June 30, 2020**

**(With Independent Auditors' Report Thereon)**

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Table of Contents**

|  | <u>Page</u> |
|--|-------------|
| <b>Independent Auditors' Report</b>  | 1 - 2       |
| <b>Management's Discussion and Analysis</b>  | 3 - 9       |
| <b>Basic Financial Statements:</b>   |             |
| <b>Government Wide Financial Statements:</b>   |             |
| <b>Statement of Net Position</b>   | 10          |
| <b>Statement of Activities</b>   | 11          |
| <b>Fund Financial Statements:</b>  |             |
| <b>Balance Sheet - Governmental Funds</b>  | 12          |
| <b>Reconciliation of the Balance Sheet Fund Balances - Governmental Funds<br/>        to the Statement of Net Position</b>   | 13          |
| <b>Statement of Revenues, Expenditures, and Changes in Fund<br/>        Balances - Governmental Funds</b>  | 14          |
| <b>Reconciliation of the Statement of Revenues, Expenditures and<br/>        Changes in Fund Balance - Governmental Funds to the<br/>        Statement of Activities</b> | 15          |
| <b>Notes to Financial Statements</b>   | 16 - 42     |
| <b>Required Supplementary Information:</b>   |             |
| <b>Statement of Revenues, Expenditures, and Changes in Fund<br/>    Balance - Budget and Actual - General Fund</b>   | 43          |
| <b>Statement of Revenues, Expenditures, and Changes in Fund<br/>    Balance - Budget and Actual - West Jefferson Operations<br/>    and Maintenance Fund</b>             | 44          |
| <b>Statement of Revenues, Expenditures, and Changes in Fund<br/>    Balance - Budget and Actual - Algiers Operations and<br/>    Maintenance Fund</b>                    | 45          |
| <b>Statement of Revenues, Expenditures, and Changes in Fund<br/>    Balance - Budget and Actual - West Closure Complex Fund</b>  | 46          |
| <b>Schedule of Employer's Proportionate Share of Net Pension Liability</b>   | 47          |
| <b>Schedule of Employer's Pension Contributions</b>  | 48          |

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Table of Contents**

|   |                |
|---|----------------|
| <b>Notes to Required Supplementary Information - Schedule of Employer's Proportionate Share of Net Pension Liability and Schedule of Employer's Pension Contributions</b>   | <b>49-50</b>   |
| <b>Schedule of Changes in Net OPEB Liability and Related Ratios</b>   | <b>51</b>      |
| <b>Notes to Required Supplementary Information - Employer's Proportionate Share of Total Collective OPEB Liability</b>  | <b>52</b>      |
| <b>Other Supplementary Information:</b>   |                |
| <b>Annual Financial Report Required by Division of Administration</b>   | <b>53 – 62</b> |
| <b>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</b> | <b>63 - 64</b> |
| <b>Schedule of Findings and Management Corrective Action Plan</b>   | <b>65</b>      |
| <b>Status of Prior Year Findings</b>  | <b>66</b>      |



Stephen M. Griffin, CPA  
Robert J. Furman, CPA

Jessica S. Benjamin, Director

—  
Members

American Institute of  
Certified Public Accountants  
Society of LA CPA's

### Independent Auditors' Report

Board of Commissioners  
Southeast Louisiana Flood Protection Authority - West  
Marrero, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Southeast Louisiana Flood Protection Authority - West (the West Authority), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the West Authority's basic financial statements as listed in the table of contents.

#### Management's Responsibility for the Financial Statements

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

#### Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and aggregate remaining fund information of the West Authority as of June 30, 2020, 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.

Other Matters

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 to 9 and the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not 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. We 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 we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the West Authority'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.

The Division of Administration Reporting Package on pages 53 to 62 is the responsibility of management and was derived from and relate 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 statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our 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, we have also issued our report dated September 29, 2020, on our consideration of West Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our 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 West Authority's internal control over financial reporting and compliance.

*Griffin & Furman, LLC*

September 29, 2020

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Management's Discussion and Analysis**

**For the Year Ended June 30, 2020**

The management's discussion and analysis of the Southeast Louisiana Flood Protection Authority – West's (the West Authority) financial performance presents a narrative overview and analysis of the West Authority's financial activities for the year ended June 30, 2020. This document focused on the current year's activities, resulting changes and currently known facts. Please read this document in conjunction with the West Authority's financial statements.

**Financial Highlights**

- The assets of the West Authority exceeded its liabilities at the close of the most recent fiscal year by \$2,182,539,163 {net position}. Of this amount, \$2,168,643,106 or 99.3% reflects its investment in capital assets (e.g., land, buildings, equipment, vehicles and infrastructure) and \$13,896,057 {unrestricted net position} or 0.7% may be used to meet the government's ongoing obligations to citizens and creditors.
- The West Authority's total net position increased by \$6,308,473 during fiscal year 2020. Additionally, prior period adjustments were recorded that increased net position by \$15,624,508. These adjustments were the result of certain capital improvements not being capitalized in prior periods, bond issuance costs not being expensed when incurred, errors recording deferred inflows related to OPEB, and certain revenues not being recorded as a receivable at prior year end.
- As of close of the current fiscal year, the West Authority's governmental funds reported combined ending fund balance of \$26,052,183, a decrease of \$111,338 or 0.4%. Of this amount, \$15,354,217 (58.9%) is reported as committed fund balance, \$10,370,673 (39.8%) is assigned fund balance, and \$327,293 (1.3%) is unassigned fund balance and is available for spending at the government's discretion.
- At the end of the current fiscal year, unassigned fund balance for the West Authority's General Fund was \$327,293.
- The WJLD O&M Special Revenue Fund had fund balance of \$10,259,318 and an increase of \$572,894 from last year.
- The ALD O&M Special Revenue Fund had fund balance of \$2,285,519 and an increase of \$908,111 from last year.

**Overview of the Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to the West Authority's financial statements, which is comprised of government-wide financial statements, fund financial statements and notes to the financial statements.

**Government-Wide Financial Statements**

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

The "statement of net position" presents information on all of the West Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the West Authority is improving or deteriorating.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Management's Discussion and Analysis**

**For the Year Ended June 30, 2020**

The "statement of activities" presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the West Authority that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The West Authority only has governmental activities in the public works function. This function includes executive, administrative, and maintenance/construction activities.

The State of Louisiana (the primary government) issues financial statements that include the activity contained in these financial statements. The State's financial statements are issued by the Louisiana Division of Administration - Office of Statewide Reporting and Accounting Policy and are audited by the Louisiana Legislative Auditor. The West Authority is a "component unit" of the State of Louisiana.

The West Authority, in turn, has two component units of its own, the West Jefferson Levee District and the Algiers Levee District, that are included (i.e., "blended") in these financial statements. Both of these levee districts are separate legal entities from the West Authority, however, because the West Authority's Board serves as their oversight board, they are, in substance, part of the West Authority.

**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 West Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The West Authority's funds are classified as "governmental funds".

"Governmental funds" are used to account for essentially the same functions reports as "governmental activities" in the government-wide financial statements. However, unlike the 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 a government's near-term financing requirements.

Because the focus of governmental 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. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between "governmental fund" and "governmental activities".

The West Authority and its component units maintain various funds that are grouped for management purposes into various fund types. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Statement of Revenues, Expenditures, and Changes In Fund Balances for

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Management's Discussion and Analysis**

**For the Year Ended June 30, 2020**

the General Fund, the WJLD O&M Special Revenue Fund, the ALD O&M Special Revenue Fund, the WJLD Capital Projects Fund, and the West Closure Complex Fund. All of these funds are considered to be "major" funds. These statements also present the activity of the non-major West Closure Complex Emergency Fund.

The West Authority adopts annual budgets for its General Fund, the WJLD O&M Special Revenue Fund and the ALD O&M Special Revenue Fund. A budgetary comparison statement has been provided for each fund to demonstrate compliance with this budget.

**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.

**Government-Wide Financial Analysis**

The following presents condensed financial information on the operation of the West Authority:

|  | <u>2020</u>             | <u>(Restated)<br/>2019</u> | <u>Change</u>      |
|--|-------------------------|----------------------------|--------------------|
| Current assets   | \$ 26,186,802           | 26,330,072                 | (143,270)          |
| Capital assets, net of depreciation                    | <u>2,174,927,106</u>    | <u>2,168,400,564</u>       | <u>6,526,542</u>   |
| Total assets   | <u>2,201,113,908</u>    | <u>2,180,235,205</u>       | <u>6,383,272</u>   |
| Deferred outflows of resources                         | <u>3,355,355</u>        | <u>1,395,183</u>           | <u>1,960,172</u>   |
| Total assets and deferred outflows<br>of resources     | <u>\$ 2,204,469,263</u> | <u>2,196,125,819</u>       | <u>8,343,444</u>   |
| Current liabilities                                    | 707,529                 | 541,583                    | 165,946            |
| Long-term liabilities                                  | <u>19,719,679</u>       | <u>18,739,822</u>          | <u>979,857</u>     |
| Total liabilities                                      | <u>20,427,208</u>       | <u>19,281,405</u>          | <u>1,145,803</u>   |
| Deferred inflows of resources                          | <u>1,502,892</u>        | <u>613,724</u>             | <u>889,168</u>     |
| Total liabilities and deferred inflows<br>of resources | <u>21,930,100</u>       | <u>19,895,129</u>          | <u>2,034,971</u>   |
| Net position   |                         |                            |                    |
| Net investment in capital assets                       | 2,168,643,106           | 2,161,802,564              | 6,840,542          |
| Unrestricted   | <u>13,896,057</u>       | <u>14,428,126</u>          | <u>(532,069)</u>   |
| Total net position                                     | <u>2,182,539,163</u>    | <u>2,176,230,690</u>       | <u>6,308,473</u>   |
| Total liabilities and net position                     | <u>\$ 2,204,469,263</u> | <u>2,196,125,819</u>       | <u>8,343,444</u>   |
| General revenues                                       | \$ 14,823,308           | 15,096,222                 | (272,914)          |
| Expenditures   | <u>8,514,835</u>        | <u>7,047,086</u>           | <u>1,467,749</u>   |
| Change in net position                                 | <u>\$ 6,308,473</u>     | <u>8,049,136</u>           | <u>(1,740,663)</u> |

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Management's Discussion and Analysis**

**For the Year Ended June 30, 2020**

**Analysis of Individual Funds of the West Authority**

The activity in the individual funds is reflected in the Balance Sheet - Governmental Funds and the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds. The total net position and the change in net position as reflected in the government-wide financial statements (which are condensed above) are reconciled with the fund financial statements at schedules that follow each statement.

As noted earlier, the West Authority uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

**Governmental Funds**

The focus of the West Authority's "governmental funds" is to provide information on near term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the West Authority's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At June 30, 2020, the West Authority's governmental funds reported a combined ending fund balance of \$26,052,183. This is a decrease of \$111,338 in comparison to the prior year.

The General Fund is the chief operating fund of the West Authority. At June 30, 2020, the unassigned fund balance of the General Fund totaled \$327,293. The fund balance of the West Authority's General fund decreased by \$75,261 during the current fiscal year.

The WJLD O&M Special Revenue Fund is the chief operating fund of the West Jefferson Levee District. At June 30, 2020, the fund balance of this Special Revenue Fund totaled \$10,259,162, an increase of \$572,894 from the prior year. Of this amount \$1,375,028 is committed to funding emergency activities.

The ALD O&M Special Revenue Fund is the chief operating fund of the Algiers Levee District. At June 30, 2020, the fund balance of this Special Revenue Fund totaled \$2,285,519, an increase of \$908,111 from the prior year. Of this amount \$798,980 is committed to funding emergency activities.

The WJLD Capital Project Fund has a total fund balance of \$3,934,713 at year-end.

The West Closure Complex Fund has a fund balance of \$586,380 at year-end.

**Analysis of Budgeted Amounts**

**Revenues and Other Financing Sources**

The West Authority's General Fund's final budget called for revenues of \$206,000 which included bank reimbursements from Plaquemines Parish Government related to the costs of the West Closure Complex, interest, and miscellaneous income. Overall, revenues came in slightly under budget.

The WJLD O&M Special Revenue Fund's final budget called for revenues of \$6,171,860. Overall, revenues came in slightly over budget due to more revenue from property taxes.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Management's Discussion and Analysis**

**For the Year Ended June 30, 2020**

The ALD O&M Special Revenue Fund's final budget called for revenues of \$2,955,292. Overall, revenues came in slightly over budget due to more revenue from property taxes.

The West Closure Complex Special Revenue Fund's final budget has transfers from other funds of \$1,000,000. Both expenses and transfers from other funds were under budget due to costs being less than anticipated.

**Expenditures**

Overall, the expenditures of the West Authority and its major operating funds came in at or near budget. The West Authority's General Fund expenditures were \$82,521 less than the final budgeted amount of \$4,307,578. The difference is due to a decrease in payroll.

The WJLD O&M Special Revenue Fund expenditures were \$25,694 less than the final budgeted amount of \$1,943,064. The difference is due primarily to a decrease in benefits expense.

The ALD O&M Special Revenue Fund expenditures were \$48,409 more than the final budgeted amount of \$665,192. The difference is due to costs associated with assessors expense and sheriff's pension deductions related to property taxes not being budgeted.

**Capital Assets**

The West Authority's investment in capital assets for its governmental activities as of June 30, 2020 amounts to \$2,174,927,106 (net of accumulated depreciation). This investment in capital assets includes land, buildings, furniture and equipment, vehicles, infrastructure and heavy equipment. The West Authority's investment in capital assets increased by \$6,526,542.

|                                  | <u>2020</u>             | <u>2019</u>          |
|----------------------------------|-------------------------|----------------------|
| Land                             | \$ 5,787,724            | 5,787,724            |
| Buildings                        | 3,674,744               | 3,674,744            |
| Furniture and equipment          | 296,889                 | 296,889              |
| Furniture and equipment          | 3,354,653               | 3,065,927            |
| Infrastructure                   | 22,489,900              | 4,302,499            |
| Construction in progress         | <u>2,144,653,539</u>    | <u>2,156,261,296</u> |
| Total                            | 2,180,257,449           | 2,173,389,079        |
| Accumulated depreciation         | (5,330,343)             | (4,988,515)          |
| Related debt                     | <u>(6,284,000)</u>      | <u>(6,598,000)</u>   |
| Net investment in capital assets | <u>\$ 2,168,643,106</u> | <u>2,161,802,564</u> |

**Long-Term Debt**

At the end of the current fiscal year, the West Authority long-term debt totaled \$19,719,679. This amount is made up of \$255,409 in compensated absences, \$4,286,320 in Other Post-Employment Benefits (OPEB), \$5,963,000 in Limited Tax Certificate of Indebtedness which was issued in November 2016, and \$9,214,950 in Net Pension Liability. The \$4,286,320 in OPEB relates to the calculated amount of unfunded actuarial

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Management's Discussion and Analysis**

**For the Year Ended June 30, 2020**

contributions that have been accrued on the financial statements. The pension liability was actuarially calculated by the State Retirement System.

**Economic Factors and Next Year's Budgets**

The West Authority serves as a local agent of the Louisiana Coastal Protection and Restoration Authority (CPRA), the local project sponsor for the West Bank and Vicinity (WBV) portion of U.S. Army Corps of Engineers (USACE) area-wide Hurricane Storm Damage Risk Reduction System (HSDRRS) public works projects. These public works projects were turned over to the West Authority by CPRA as stipulated in R.S. 38:101 as early as 2014. The West Authority, through its included levee districts, is responsible for the Operation, Maintenance, Repair, Rehabilitation and Replacement (OMRR&R) of WBV-HSDRRS infrastructure, as well as emergency operations within its territorial jurisdiction. The West Authority also maintains the Mississippi River levees and performs daily inspections during high water incidents to monitor seepage or any other potential issues affecting the integrity of the levees.

The WJLD is funded by a millage of 5.03 mills for levee district constitutional general tax that presently generates approximately \$5.5 million in revenue annually. This funding mechanism, which has been in place since 1980, is the primary source of funding for the OMRR&R of:

- 28 miles of FEMA accredited earthen HSDRRS levees
- 8.5 miles of T-wall
- 0.5 mile of I-Wall
- 19 miles of Mississippi River levees
- 50 floodgates
- The West Closure Complex, with the largest drainage pump station in the world and the largest sector gate in North America
- The Bayou Segnette Complex with a pump station and sector gate
- The Harvey Canal complex with a pump station and sector gate
- 35 valves

The West Authority has been concerned with the long-term funding of the OMRR&R of these facilities. In November of 2015, West Jefferson parish voters rejected a 5.5 millage proposition over 30 years. To keep levee lifts building apace. Commissioners were obliged to seek alternative sources of funding for immediate construction and flood defense needs. As a result, in December 2016, WJLD bonded (borrowed) \$7.5 million to fund the impending levee lifts prior to armoring projects.

Based on the outcome of the 2015 millage election, WJLD re-analyzed the near future funding needs and reduced the millage request from 5.5 mills over thirty years to 4.75 mills over ten years. The reduction extends some of the maintenance cycles and reduces other contingencies. In April of 2018, West Jefferson parish voters passed the requested 4.75 mills for a period of ten years. Beginning in 2019, WJLD will have sufficient funds to continue raising and armoring levees for the next ten years to keep pace with ongoing natural settlement and subsidence of the system. WJLD will also have sufficient funds to perform the long-term maintenance and repairs of its three pump stations and sector gate complexes.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Management's Discussion and Analysis**

**For the Year Ended June 30, 2020**

The Algiers Levee District (ALD) generates \$2.8 million in revenue from 5.46 mills for Levee District Constitutional General Tax, 0.75 mills for Levee District Maintenance Tax and 6.35 mills for Special Levee Improvement Tax. The Special Levee Improvement Tax, which currently generates \$1.2 million of the \$2.7 million, was renewed by the voters of Algiers during the November 2015 election, for a period of 30 years. The revenue generated is anticipated to be sufficient to OMRR&R the upgraded flood protection system in Algiers, including:

- 14 miles of river levee
- 10 miles of Donner Canal levees
- 20% of the cost to operate and maintain the West Closure Complex

The Algiers Levee District consists of portions of the Orleans Levee District west of the Mississippi River. Consequently, the successor Algiers Levee District retained the same taxing millage rates as the Orleans Levee District.

**Requests for Information**

This financial report is designed to provide a general overview of the West Authority's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Board President, Southeast Louisiana Flood Protection Authority - West, 7001 River Road, Marrero, LA 70072.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Statement of Net Position**

June 30, 2020

Assets and Deferred Outflows of Resources

Assets:

Current assets:

|                             |    |                   |                   |
|-----------------------------|----|-------------------|-------------------|
| Cash and cash equivalents   | \$ | 25,975,749        |                   |
| Receivables, net            |    | 211,053           |                   |
| <b>Total current assets</b> |    | <b>26,186,802</b> | <b>26,186,802</b> |

Noncurrent assets:

|                     |  |                      |                      |
|---------------------|--|----------------------|----------------------|
| Capital assets, net |  | 2,174,927,106        |                      |
| <b>Total assets</b> |  | <b>2,201,113,908</b> | <b>2,201,113,908</b> |

Deferred outflows of resources:

|   |  |                  |                  |
|---|--|------------------|------------------|
| Deferred outflows related to pensions       |  | 2,273,559        |                  |
| Deferred outflows related to OPEB liability |  | 1,081,796        |                  |
| <b>Total deferred outflows of resources</b> |  | <b>3,355,355</b> | <b>3,355,355</b> |

|  |           |                      |  |
|--|-----------|----------------------|--|
| <b>Total assets and deferred outflows of resources</b> | <b>\$</b> | <b>2,204,469,263</b> |  |
|--|-----------|----------------------|--|

Liabilities, Deferred Inflows of Resources, and Net Position

Liabilities:

Current liabilities:

|                                  |    |                |                |
|----------------------------------|----|----------------|----------------|
| Accounts payable                 | \$ | 17,343         |                |
| Bonds payable - current          |    | 321,000        |                |
| OPEB liability - current         |    | 193,233        |                |
| Interest payable                 |    | 58,677         |                |
| Accrued payroll and deductions   |    | 117,276        |                |
| <b>Total current liabilities</b> |    | <b>707,529</b> | <b>707,529</b> |

Noncurrent liabilities:

|                                     |  |                   |                   |
|-------------------------------------|--|-------------------|-------------------|
| Compensated absences payable        |  | 255,409           |                   |
| Bonds payable - long-term           |  | 5,963,000         |                   |
| OPEB liability                      |  | 4,286,320         |                   |
| Net pension liability               |  | 9,214,950         |                   |
| <b>Total noncurrent liabilities</b> |  | <b>19,719,679</b> | <b>19,719,679</b> |

|                          |  |                   |  |
|--------------------------|--|-------------------|--|
| <b>Total liabilities</b> |  | <b>20,427,208</b> |  |
|--------------------------|--|-------------------|--|

Deferred inflows of resources:

|  |  |                  |                  |
|--|--|------------------|------------------|
| Deferred inflows related to pensions       |  | 581,054          |                  |
| Deferred inflows related to OPEB liability |  | 921,838          |                  |
| <b>Total deferred inflows of resources</b> |  | <b>1,502,892</b> | <b>1,502,892</b> |

Net Position:

|                                  |  |               |  |
|----------------------------------|--|---------------|--|
| Net investment in capital assets |  | 2,168,643,106 |  |
| Unrestricted                     |  | 13,896,057    |  |

|                           |  |                      |  |
|---------------------------|--|----------------------|--|
| <b>Total net position</b> |  | <b>2,182,539,163</b> |  |
|---------------------------|--|----------------------|--|

|   |           |                      |  |
|---|-----------|----------------------|--|
| <b>Total liabilities, deferred inflows of resources, and net position</b> | <b>\$</b> | <b>2,204,469,263</b> |  |
|---|-----------|----------------------|--|

See accompanying notes to the financial statements.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Statement of Activities**

**For the Year Ended June 30, 2020**

| <b>Functions/Programs</b>                            | <b>Program Revenues</b> |                      | <b>Net (Expense)</b>    |
|--|-------------------------|----------------------|-------------------------|
| <b>Governmental activities:</b>                      | <b>Operating</b>        | <b>Capital</b>       | <b>Revenue &amp;</b>    |
| <b>Public works:</b>                                 | <b>Grants &amp;</b>     | <b>Grants &amp;</b>  | <b>Changes in</b>       |
| <b>Expenses</b>                                      | <b>Contributions</b>    | <b>Contributions</b> | <b>Net Position</b>     |
| Executive  | \$ 381,161              | -                    | (381,161)               |
| Administrative                                       | 807,443                 | -                    | (807,443)               |
| Maintenance  | 6,600,815               | -                    | (6,600,815)             |
| Non-departmental                                     | 725,416                 | -                    | (725,416)               |
| <b>Total general government</b>                      | <b>\$ 8,514,835</b>     | <b>-</b>             | <b>(8,514,835)</b>      |
| <b>General Revenues:</b>                             |                         |                      |                         |
| Property taxes                                       |                         |                      | 13,514,469              |
| State revenue sharing                                |                         |                      | 796,389                 |
| Governmental revenues                                |                         |                      | 171,370                 |
| Interest income                                      |                         |                      | 223,724                 |
| Gain (loss) on sale of capital assets                |                         |                      | 66,758                  |
| Other  |                         |                      | 50,598                  |
| <b>Total general revenues</b>                        |                         |                      | <b>14,823,308</b>       |
| <b>Change in net position</b>                        |                         |                      | <b>6,308,473</b>        |
| <b>Net position - beginning of the year</b>          |                         |                      | <b>2,160,606,182</b>    |
| <b>Prior period adjustment</b>                       |                         |                      | <b>15,624,508</b>       |
| <b>Net position - beginning of year, as restated</b> |                         |                      | <b>2,176,230,690</b>    |
| <b>Net position - end of year</b>                    |                         |                      | <b>\$ 2,182,539,163</b> |

See accompanying notes to the financial statements.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Governmental Funds**

**Balance Sheet**

**June 30, 2020**

|  | <u>SLFPA-W<br/>General</u> | <u>WJLD<br/>Operations &amp;<br/>Maintenance</u> | <u>ALD<br/>Operations &amp;<br/>Maintenance</u> | <u>WJLD<br/>Capital<br/>Project</u> | <u>ALD<br/>Capital<br/>Project</u> | <u>West<br/>Closure<br/>Complex</u> | <u>West<br/>Closure<br/>Complex<br/>Emergency</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|--|----------------------------|--|---|-------------------------------------|------------------------------------|-------------------------------------|---|---|
| <b>Assets:</b>                                 |                            |  |   |                                     |                                    |                                     |   |   |
| Cash in banks                                  | \$ 413,514                 | 4,730,952  | 4,645,365                                       | 5,827,302                           | 7,055,798                          | 1,699,500                           | 1,603,318   | 25,975,749                              |
| Receivables, net                               | 26,463                     | 64,221   | 61,675  | 58,694                              | -                                  | -                                   | -   | 211,053                                 |
| Due from other funds                           | -                          | 5,500,145  | 304,898   | -                                   | -                                  | -                                   | -   | 5,805,043                               |
| <b>Total assets</b>                            | <b>\$ 439,977</b>          | <b>10,295,318</b>                                | <b>5,011,938</b>                                | <b>5,885,996</b>                    | <b>7,055,798</b>                   | <b>1,699,500</b>                    | <b>1,603,318</b>                                  | <b>31,991,845</b>                       |
| <b>Liabilities and Fund Balances:</b>          |                            |  |   |                                     |                                    |                                     |   |   |
| <b>Liabilities:</b>                            |                            |  |   |                                     |                                    |                                     |   |   |
| Accounts payable                               | \$ -                       | -  | -   | 13,142                              | -                                  | 4,201                               | -   | 17,343                                  |
| Accrued payroll and<br>and deductions          | 106,922                    | -  | -   | -                                   | -                                  | 10,354                              | -   | 117,276                                 |
| Due to other funds                             | 5,762                      | 36,156   | 2,726,419                                       | 1,938,141                           | -                                  | 1,098,565                           | -   | 5,805,043                               |
| <b>Total liabilities</b>                       | <b>112,684</b>             | <b>36,156</b>                                    | <b>2,726,419</b>                                | <b>1,951,283</b>                    | <b>-</b>                           | <b>1,113,120</b>                    | <b>-</b>  | <b>5,939,662</b>                        |
| <b>Fund Balances:</b>                          |                            |  |   |                                     |                                    |                                     |   |   |
| Nonspendable                                   | -                          | -  | -   | -                                   | -                                  | -                                   | -   | -                                       |
| Restricted                                     | -                          | -  | -   | -                                   | -                                  | -                                   | -   | -                                       |
| Committed                                      | -                          | 1,375,028  | 798,980   | 3,934,713                           | 7,055,798                          | 586,380                             | 1,603,318   | 15,354,217                              |
| Assigned                                       | -                          | 8,884,134  | 1,486,539                                       | -                                   | -                                  | -                                   | -   | 10,370,673                              |
| Unassigned                                     | 327,293                    | -  | -   | -                                   | -                                  | -                                   | -   | 327,293                                 |
| <b>Total fund balances</b>                     | <b>327,293</b>             | <b>10,259,162</b>                                | <b>2,285,519</b>                                | <b>3,934,713</b>                    | <b>7,055,798</b>                   | <b>586,380</b>                      | <b>1,603,318</b>                                  | <b>26,052,183</b>                       |
| <b>Total liabilities and<br/>fund balances</b> | <b>\$ 439,977</b>          | <b>10,295,318</b>                                | <b>5,011,938</b>                                | <b>5,885,996</b>                    | <b>7,055,798</b>                   | <b>1,699,500</b>                    | <b>1,603,318</b>                                  | <b>31,991,845</b>                       |

See accompanying notes to the financial statements.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Reconciliation of the Balance Sheet Fund Balances - Governmental Funds  
to the Statement of Net Position**

**June 30, 2020**

|   |           |                   |
|---|-----------|-------------------|
| <b>Total Governmental Fund Balances</b> | <b>\$</b> | <b>26,052,183</b> |
|---|-----------|-------------------|

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

**The purchase of capital assets are reported as expenditures as they  
are incurred in the governmental funds. The statement of net position  
reports capital outlays as an asset of the West Authority. These  
capital assets are depreciated over their estimated useful lives in  
the statement of activities and are not reported in the governmental  
funds.**

**2,174,927,106**

**Long-term liabilities that are not due and payable in the current  
period are not reported as a liability in the governmental funds.  
All liabilities - both current and long term - are reported in the  
statement of net position.**

|  |                    |
|--|--------------------|
| Compensated absences payable   | (255,409)          |
| Interest payable   | (58,677)           |
| Bonds payable  | (6,284,000)        |
| OPEB liability including deferred outflows and deferred<br>inflows related to OPEB liability | (4,319,595)        |
| Net pension liability including deferred outflows and deferred<br>inflows related to pension | <u>(7,522,445)</u> |

|  |           |                                    |
|--|-----------|------------------------------------|
| <b>Total Net Position of Governmental Activities</b> | <b>\$</b> | <b><u><u>2,182,539,163</u></u></b> |
|--|-----------|------------------------------------|

See accompanying notes to the financial statements.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Governmental Funds**

**Statement of Revenues, Expenditures, and Changes in Fund Balances**

**For the Year Ended June 30, 2020**

|  | SLFPA-W<br>General | WJLD<br>Operations &<br>Maintenance | ALD<br>Operations &<br>Maintenance | WJLD<br>Capital<br>Project | ALD<br>Capital<br>Project | West<br>Closure<br>Complex | West<br>Closure<br>Complex<br>Emergency | Total<br>Governmental<br>Funds |
|--|--------------------|-------------------------------------|------------------------------------|----------------------------|---------------------------|----------------------------|---|--------------------------------|
| <b>Revenues:</b>   |                    |                                     |                                    |                            |                           |                            |   |                                |
| Property taxes   | \$ -               | 5,115,609                           | 2,691,080                          | 5,137,612                  | -                         | 570,168                    | -                                       | 13,514,469                     |
| <b>Intergovernmental:</b>                                    |                    |                                     |                                    |                            |                           |                            |   |                                |
| State  | -                  | 701,121                             | 95,268                             | 22,983                     | -                         | -                          | -                                       | 819,372                        |
| Local  | -                  | -                                   | -                                  | -                          | -                         | 148,387                    | -                                       | 148,387                        |
| Services charges, fees,<br>and commissions                   | -                  | 11,600                              | 9,700                              | -                          | -                         | -                          | -                                       | 21,300                         |
| Interest   | 5,917              | 61,554                              | 36,190                             | 53,999                     | 66,064                    | -                          | -                                       | 223,724                        |
| Miscellaneous  | 1,301              | 23,206                              | 4,791                              | -                          | -                         | -                          | -                                       | 29,298                         |
| <b>Total revenues</b>  | <u>7,218</u>       | <u>5,913,090</u>                    | <u>2,837,029</u>                   | <u>5,214,594</u>           | <u>66,064</u>             | <u>718,555</u>             | <u>-</u>                                | <u>14,756,550</u>              |
| <b>Expenditures:</b>   |                    |                                     |                                    |                            |                           |                            |   |                                |
| <b>Public works:</b>   |                    |                                     |                                    |                            |                           |                            |   |                                |
| Executive  | 37,518             | 248,756                             | 94,887                             | -                          | -                         | -                          | -                                       | 381,161                        |
| Administrative   | 555,605            | 113,845                             | 48,888                             | 3,464                      | -                         | -                          | -                                       | 721,802                        |
| Maintenance  | 3,631,934          | 998,105                             | 285,191                            | -                          | -                         | 714,931                    | -                                       | 5,630,161                      |
| Non-departmental   | -                  | 238,921                             | 88,064                             | 217,690                    | -                         | -                          | -                                       | 544,675                        |
| <b>Capital outlay:</b>                                       |                    |                                     |                                    |                            |                           |                            |   |                                |
| Property, plant, and equipment                               | -                  | 317,743                             | 196,571                            | -                          | -                         | -                          | -                                       | 514,314                        |
| Levee construction projects                                  | -                  | -                                   | -                                  | 6,602,925                  | 53,170                    | -                          | -                                       | 6,656,095                      |
| <b>Total expenditures</b>                                    | <u>4,225,057</u>   | <u>1,917,370</u>                    | <u>713,601</u>                     | <u>6,824,079</u>           | <u>53,170</u>             | <u>714,931</u>             | <u>-</u>                                | <u>14,448,208</u>              |
| <b>Excess (deficiency) of revenues<br/>over expenditures</b> | <u>(4,217,839)</u> | <u>3,995,720</u>                    | <u>2,123,428</u>                   | <u>(1,609,485)</u>         | <u>12,894</u>             | <u>3,624</u>               | <u>-</u>                                | <u>308,342</u>                 |
| <b>Other Financing Sources (Uses):</b>                       |                    |                                     |                                    |                            |                           |                            |   |                                |
| Operating transfers in                                       | 4,218,463          | 4,401                               | -                                  | -                          | -                         | 75,885                     | -                                       | 4,298,749                      |
| Operating transfers out                                      | (75,885)           | (2,952,923)                         | (1,269,941)                        | -                          | -                         | -                          | -                                       | (4,298,749)                    |
| Sale of capital assets                                       | -                  | 22,792                              | 54,624                             | -                          | -                         | -                          | -                                       | 77,416                         |
| Bond payment   | -                  | (497,096)                           | -                                  | -                          | -                         | -                          | -                                       | (497,096)                      |
| <b>Total other financing<br/>sources (uses)</b>              | <u>4,142,578</u>   | <u>(3,422,826)</u>                  | <u>(1,215,317)</u>                 | <u>-</u>                   | <u>-</u>                  | <u>75,885</u>              | <u>-</u>                                | <u>(419,680)</u>               |
| <b>Net change in fund balances</b>                           | <u>(75,261)</u>    | <u>572,894</u>                      | <u>908,111</u>                     | <u>(1,609,485)</u>         | <u>12,894</u>             | <u>79,509</u>              | <u>-</u>                                | <u>(111,338)</u>               |
| <b>Fund balances, beginning of year</b>                      | <u>300,206</u>     | <u>9,686,268</u>                    | <u>1,377,408</u>                   | <u>5,544,198</u>           | <u>7,042,904</u>          | <u>506,871</u>             | <u>1,603,318</u>                        | <u>26,061,173</u>              |
| <b>Prior period adjustment</b>                               | <u>102,348</u>     | <u>-</u>                            | <u>-</u>                           | <u>-</u>                   | <u>-</u>                  | <u>-</u>                   | <u>-</u>                                | <u>102,348</u>                 |
| <b>Fund balances, end of year</b>                            | <u>\$ 327,293</u>  | <u>10,259,162</u>                   | <u>2,285,519</u>                   | <u>3,934,713</u>           | <u>7,055,798</u>          | <u>586,380</u>             | <u>1,603,318</u>                        | <u>26,052,183</u>              |

See accompanying notes to the financial statements.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental  
Funds to the Statement of Activities**

**For the Year Ended June 30, 2020**

**Net Change in Fund Balances - Total Governmental Funds** **\$ (111,338)**

**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 is  
allocated over their estimated useful lives and reported as  
depreciation expense:**

|   |                  |
|---|------------------|
| <b>Capital asset additions</b>                      | <b>7,094,056</b> |
| <b>Depreciation expense</b>                         | <b>(556,857)</b> |
| <b>Difference in gain on sale of capital assets</b> | <b>(10,657)</b>  |

**Governmental funds report changes in certain liabilities in the  
General Long-Term Debt Account Group, however, the changes  
affect costs in the statement of activities:**

|   |                        |
|---|------------------------|
| <b>Personnel cost increase due to compensated absences</b>    | <b>(13,160)</b>        |
| <b>Payments on bonds payable less interest expense</b>        | <b>316,355</b>         |
| <b>Pension expense net of retirement contributions</b>        | <b>(361,342)</b>       |
| <b>Adjustment for other post retirement employee benefits</b> | <b><u>(48,584)</u></b> |

**Change in Net Assets of Governmental Activities** **\$ 6,308,473**

See accompanying notes to the financial statements.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

**(1) Introduction**

The Southeast Louisiana Flood Protection Authority - West (the West Authority) was created by Act 1 of the First Extraordinary Session of 2006. The governing board of commissioners administers the operations and responsibilities in accordance with the provision of Louisiana statutes. The West Authority is charged with overseeing the levee districts on the Westbank of the New Orleans Metropolitan area, which includes the West Jefferson Levee District and the Algiers Levee District. The members of the Board are appointed by the Governor of the State of Louisiana from a list of nominations submitted by a nominating committee as provided by statute.

The West Authority is charged with the responsibility of overseeing the West Jefferson Levee District (WJLD) and the Algiers Levee District (ALD). Both of these levee districts are separate legal entities from the West Authority, however, because the West Authority's Board serves as their oversight board, they are, in substance, part of the West Authority and are included (i.e., blended) within the West Authority's financial report.

The West Jefferson Levee District was incorporated on August 1, 1980, under the provision of Act 820 of the 1980 Legislative session, as amended. It was charged with providing flood protection for those areas contained within the Parish of Jefferson to the west of the Mississippi River. Act 475 of the 2007 Legislative session amended the West Jefferson Levee District by carving out a portion of the covered area and designating it the Lafitte Area Independent Levee District. All lands and other assets in the designated area were turned over by the West Jefferson Levee District to the new Lafitte Area Independent Levee District. The West Jefferson Levee District continues to cover those areas in Jefferson Parish to the west of the Mississippi River that are not within the boundaries of the Lafitte Area Independent Levee District.

The Algiers Levee District was also formed by Act 475 of the 2007 Legislative session. This Act carved a section out of the existing Orleans Levee District, specifically that portion of the Parish of Orleans on the west side of the Mississippi River.

**(2) Summary of Significant Accounting Policies**

**(a) Reporting Entity**

GASB Codification Section 2100 establishes criteria for determining the governmental reporting entity and its component units. Component units are defined as legally separate organizations for which the elected or appointed officials or a primary government are financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization's governing board, the ability of the primary government to impose its will on that organization or whether there is a potential for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

For financial reporting purposes, it has been determined that the West Authority is a component unit of the State of Louisiana. Annually, the State of Louisiana (the primary government) issues general purpose financial statements which include the activity contained in the accompanying financial statements. The State's general purpose financial statements are issued by the Louisiana Division of Administration – Office of Statewide Reporting and Accounting Policy and are audited by the Louisiana Legislative Auditor.

**(b) Basic Financial Statements - Government-Wide Financial Statements**

The government-wide financial statements (i.e., the statement of the net position and the statement of activities) report information on all of the non-fiduciary activities of the West Authority. For the most part, the effect of inter-fund activity has been removed from these statements. *Governmental activities*, which are normally supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Because of the nature of the West Authority's operations, the West Authority reports only governmental activities.

The statement of activities demonstrates the degree to which the direct expense of a given function of segment is offset by program revenue. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

**(c) Basic Financial Statements - Fund Financial Statements**

Funds are used by the West Authority to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. The funds of the West Authority are classified into the "governmental" category. The category, in turn, is divided into separate "fund types".

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital project funds), and the servicing of general long-term debt (debt service funds). The General Fund is used to account for all financial activities of the general government not accounted for in some other fund.

Major individual governmental funds are reported as separate columns in the fund financial statements. The West Authority reports the following major governmental funds:

The *SLFPA-W General Fund* is the general operating fund of the West Authority. It is used to account for all financial resources except those required to be accounted for in another fund.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

The *WJLD Operations and Maintenance Special Revenue Fund* is the general operating account for the West Jefferson Levee District. It is used to account for all financial resources dedicated to administration and maintenance costs of the District.

The *ALD Operations and Maintenance Special Revenue Fund* is the general operating account for the Algiers Levee District. It is used to account for all financial resources dedicated to administration and maintenance costs of the District.

The *WJLD Capital Project Fund* is used to account for financial resources dedicated by the West Jefferson Levee District to be used for acquisition or construction of major capital facilities and structures related to the Westbank Hurricane Levee system.

The *ALD Capital Project Fund* is used to account for financial resources dedicated by the Algiers Levee District to be used for acquisition or construction of major capital facilities and structures related to the Westbank Hurricane Levee system.

The *West Closure Complex Fund* is used for operations, maintenance and repairs for the West Closure Complex to be performed by the West Authority and Plaquemines Parish until such time as the provisions of Section 2013 of WRRDA 2014 are implemented by the United States Army Corp of Engineers.

The *West Closure Complex Emergency Operations Special Revenue Fund* accounts for monies that are restricted to expenditures in the West Jefferson Levee District and the Algiers Levee District related to emergencies of the West Closure Complex.

**(d) Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Governmental fund financial statements are reported using a current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The West Authority considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Property taxes, intergovernmental revenues, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

**(e) Cash and Investments**

For reporting purposes, cash and cash equivalents includes amounts in demand deposits, time deposits, and certificates of deposit. Louisiana Revised Statutes allow the West Authority to invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the State of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state-chartered credit unions.

State statutes authorize the West Authority to invest in obligations of the U. S. Treasury, commercial paper, corporate bonds and repurchase agreements. In accordance with GASB Statement No. 31, investments, if any, are generally stated at fair value. If the investment is in money market securities and has a maturity date of less than 90 days from the balance sheet date, the investment is stated at cost or amortized cost.

**(f) Interfund Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at year end are referred to as either "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund loans). As a general rule, all inter-fund balances are eliminated in the government-wide financial statements.

**(g) Inventories**

The cost of materials and supplies acquired by the West Authority are recorded as expenditures at the time of purchase. It is management's opinion that the inventory of such materials and supplies at June 30, 2020 would not be material to the financial statements.

**(h) Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2020, are recorded as expenditures when paid. It is management's opinion that the prepaid amount June 30, 2020, if any, would not be material to the financial statements.

**(i) Capital Assets**

Capital assets, which include property, plant equipment, and infrastructure assets (e.g., levees, floodwalls, sector gates and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the West Authority as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed and are included in construction in progress. The levees are

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

divided into "reaches" and are capitalized as such. Any major "lifts" or improvements to an existing levee/reach are capitalized as an addition to that levee/reach.

Property, plant, equipment, and infrastructure are depreciated using the straight-line method (with a midyear convention) over the following estimated useful lives:

| <u>Asset</u>                               | <u>Years</u> |
|--|--------------|
| Buildings                                  | 20           |
| Furniture and fixtures                     | 5            |
| Autos and trucks                           | 5            |
| Mowers                                     | 5            |
| Tractors                                   | 7-10         |
| Heavy equipment                            | 5            |
| Radios                                     | 3            |
| Infrastructure (levees, floodwalls, ,etc.) | 50           |

**(j) Compensated Absences**

It is the West Authority's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the West Authority does not have a policy to pay any amounts when employees separate from service to the West Authority. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations, terminations, and retirements. In accordance with GASB Statement No. 16, an additional liability is recorded for salary related payments associated with the future payments of compensated absences.

**(k) Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term debt obligations are recognized as liabilities in the applicable governmental activities statement of net position. Long-term obligations are reported at face value.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Payment of principal and interest are recorded as expenditures only when due.

**(l) Fund Balance**

In accordance with Government Accounting Standards Board (GASB) Statement No. 54 - Fund Balance Reporting and Governmental Fund Type Definitions, fund balances of the governmental fund types are categorized into one of five categories - Non-spendable, Restricted, Committed, Assigned, or Unassigned in the fund financial statements.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

For assigned fund balances, the President and/or Director may assign amounts to a specific purpose via internal memorandum, with the board's approval.

While the West Authority has not established a policy for its use of unrestricted fund balance, it does consider that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**(m) Net Position**

In accordance with GASB Codification, net position is classified into three components – net investment in capital assets, restricted, and unrestricted. These classifications are defined as follows:

1. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

When both restricted and unrestricted resources are available for use, it is the West Authority’s policy to use restricted resources first, then unrestricted resources as they are needed. As of June 30, 2020 and for the year then ended, the West Authority did not have or receive restricted net position.

**(n) Revenues – Exchange and Non-Exchange Transactions**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon thereafter to be used to pay the liabilities of the current fiscal year. For the West Authority, available means expected to be received within thirty-one days of the fiscal year-end. Under the modified accrual basis, only interest is considered to be both measurable and available at fiscal year-end.

Non-exchange transactions, in which the West Authority receives value without directly giving value in return, includes grants and donations. On an accrual basis, revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements including timing requirements, which specify the year when resources are required to be used, matching requirements, in which the West Authority must provide local

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the West Authority on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must be available before it can be recognized.

**(o) Revenues – Taxes**

Ad valorem taxes are assessed on a calendar year basis, become due on November 15th of each year, and become delinquent on December 31st. Ad valorem taxes are recorded in the year the taxes are received. If taxes were recorded when assessed the amount recorded would not be materially different from the amount actually recorded in the financial statements.

**(p) Expenses/Expenditures**

On an accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable.

**(q) Other Financing Sources (Uses)**

In governmental fund accounting, transfers between funds, which are not expected to be repaid, are accounted for as other financing sources (uses). In those cases where repayment is expected, the advances are accounted for through the various “due from” and “due to” accounts. These amounts are eliminated in the government-wide financial statements.

Proceeds from the issuance of bonds are accounted for as other financing sources in the governmental funds. These amounts are recorded as liabilities in the government-wide financial statements.

**(r) Budget Policies**

Formal budgetary accounting is employed as a management control device during the year for the SLFPA-W General Fund, the WJLD Operations and Maintenance Special Revenue Fund, the ALD Operations and Maintenance Special Revenue Fund, and the West Closure Complex Fund. Budgetary data for the West Closure Complex Emergency Fund is not presented since these funds are restricted for emergency purposes only and are considered unpredictable. Budgetary data for the Capital Project funds are not presented since these funds are budgeted over the life of the respective project, not on an annual basis.

Expenditures may not exceed appropriations at the object level within the fund. All annual appropriations which are not expended lapse at year end.

The budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) except for certain revenues that are recognized in the West Closure Complex Fund for financial reporting purposes but are budgeted in the SLFPA-W General Fund, the WJLD Operations and Maintenance Special Revenue Fund, and the ALD Operations and Maintenance Special Revenue Fund.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

Encumbrances are not recorded for budgetary purposes.

The Board of Commissioners of the West Authority submits the annual budgets to the Joint Legislative Committee on the Budget and the Legislative Auditor for the succeeding fiscal year. The operating budgets include proposed expenditures and the means of financing them.

The original budgets were adopted March of 2019. The amended budgets were adopted during fiscal year 2020. The budgeted amounts are included, respectively, as the original and final budgets in the accompanying statements.

**(s) Use of Estimates**

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

When both restricted and unrestricted fund balances are available for use, it is the West Authority's policy to use restricted resources first, then unrestricted as needed. When committed, assigned, or unassigned fund balances are available for use, it is the West Authority's policy to use committed resources first, then assigned resources and unassigned resources as they are needed.

**(t) New Accounting Pronouncements**

The GASB issued Statement No. 87, *Leases*, in June 2017. The objective of GASB No. 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. Management is still evaluating the potential impact of adoption of the West Authority's financial statements. This Statement will be effective for the West Authority for the fiscal year ending June 30, 2021.

**(3) Cash and Cash Equivalents**

At June 30, 2020, the West Authority had cash and cash equivalents (book balances) totaling \$25,975,749 which were demand deposits at a local financial institution. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2020, the West Authority had \$26,505,785 in deposits (collected bank balances). These deposits were secured from risk by \$250,000 of federal deposit insurance and \$38,300,000 of Federal Home Loan Bank letters of credit.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

**(4) Receivables**

Receivables at year end for the West Authority's individual major funds, in the aggregate, total \$211,053 as follows:

| <u>Description</u>                        | <u>General<br/>Fund</u> | <u>WJLD O&amp;M<br/>Fund</u> | <u>ALD O&amp;M<br/>Fund</u> | <u>WJLD Capital<br/>Project Fund</u> | <u>Total</u>   |
|---|-------------------------|------------------------------|-----------------------------|--------------------------------------|----------------|
| Due from Plaquemines<br>Parish Government | \$ 26,463               | -                            | -                           | -                                    | 26,463         |
| Ad Valorem Taxes                          | <u>-</u>                | <u>64,221</u>                | <u>61,675</u>               | <u>58,694</u>                        | <u>184,590</u> |
|   | <u>\$ 26,463</u>        | <u>64,221</u>                | <u>61,675</u>               | <u>58,694</u>                        | <u>211,053</u> |

The \$26,463 receivable in the SLFPA-W General Fund relates to the amount due from Plaquemines Parish Government for their share of the costs related to the West Closure Complex.

The \$64,221 receivable in the WJLD O&M Special Revenue Fund relates to property taxes received in the month of July 2020 that relate to the current fiscal year's taxes held by the Jefferson Parish Tax Collector Fund.

The \$61,675 receivable in the ALD O&M Special Revenue Fund relates to property taxes received in the month of July 2020 that relate to the current fiscal year's taxes held by the City of New Orleans Department of Revenue.

The \$58,694 receivable in the WJLD Capital Project Fund relates to property taxes received in the month of July 2020 that relate to the current fiscal year's taxes held by the Jefferson Parish Tax Collector Fund.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

**(5) Capital Assets**

Capital assets and depreciation activity as of and for the year ended June 30, 2020 for the primary government is as follows:

|   | Balance<br>July 1,<br><u>2019</u> | <u>Increases</u>  | <u>Decreases</u>    | Balance<br>June 30,<br><u>2020</u> |
|---|-----------------------------------|-------------------|---------------------|------------------------------------|
| <b>Capital assets not being depreciated</b> |                                   |                   |                     |                                    |
| Land  | \$ 5,787,724                      | -                 | -                   | 5,787,724                          |
| Construction in progress                    | <u>2,156,261,296</u>              | -                 | (11,607,757)        | <u>2,144,653,539</u>               |
| Total capital assets not being depreciated  | 2,162,049,020                     | -                 | (11,607,757)        | 2,150,441,263                      |
| <b>Capital assets being depreciated</b>     |                                   |                   |                     |                                    |
| Buildings                                   | 3,674,744                         | -                 | -                   | 3,674,744                          |
| Furniture and equipment                     | 296,889                           | -                 | -                   | 296,889                            |
| Machinery, Vehicles, and Heave Equip.       | 3,065,927                         | 514,515           | (225,789)           | 3,354,653                          |
| Infrastructure                              | <u>4,302,499</u>                  | <u>18,187,401</u> | -                   | <u>22,489,900</u>                  |
| Total capital assets being depreciated      | 11,340,059                        | 18,701,916        | (225,789)           | 29,816,186                         |
| Less accumulated depreciation               | <u>(4,988,515)</u>                | <u>(556,857)</u>  | 215,029             | <u>(5,330,343)</u>                 |
| Total capital assets being depreciated, net | <u>6,351,544</u>                  | <u>18,145,059</u> | <u>(10,760)</u>     | <u>24,485,843</u>                  |
| Total capital assets, net                   | <u>\$ 2,168,400,564</u>           | <u>18,145,059</u> | <u>(11,618,517)</u> | <u>2,174,927,106</u>               |

The West Authority recorded \$556,857 of depreciation expense on its capital assets for the year ended June 30, 2020.

Construction in progress includes \$2,144,653,539 of levees and floodgate structures as of June 30, 2020. These levees and floodgate structures were conveyed to the West Authority by the Corps of Engineers (COE) in fiscal year ending June 30, 2018. As the project is still ongoing, no depreciation was taken on the conveyed assets in fiscal year 2020.

**(6) Long-Term Debt**

*Compensated Absences*

West Authority employees, primarily those of the West Jefferson Levee District, earn annual and sick leave at various rates depending on the number of years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited.

Upon termination, an employee is compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, the number of hours of unused sick leave is computed and considered in computing the years of service for retirement benefit purposes. Compensatory time is accrued up to a balance of 240 hours at rate of time and one-half. An employee who exceeds 240 hours receives either monetary consideration or compensatory time for the

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

amount of hours earned in excess of the 240 hour limit. Upon termination, an employee is paid for unused compensatory time. The amount outstanding at year end was \$255,409.

***Changes in Long-term Debt***

The following is a summary of changes in general long-term obligations of the West Authority for the fiscal year ended June 30, 2020:

| <u>Type of Debt</u>            | <u>Balance<br/>7/1/2019</u> | <u>Additions<br/>(Reductions)</u> | <u>Balance<br/>6/30/2020</u> | <u>Amounts Due<br/>Within One Year</u> |
|--------------------------------|-----------------------------|-----------------------------------|------------------------------|--|
| Compensated absences           | \$ 242,249                  | 13,160                            | 255,409                      | -                                      |
| Other post employment benefits | 3,940,797                   | 538,756                           | 4,479,553                    | 193,233                                |
| Bonds payable                  | 6,598,000                   | (314,000)                         | 6,284,000                    | 321,000                                |
| Net pension payable            | 8,272,776                   | 942,174                           | 9,214,950                    | -                                      |
|                                | <u>\$ 19,053,822</u>        | <u>1,180,090</u>                  | <u>20,233,912</u>            | <u>514,233</u>                         |

**(7) Fund Balance Components**

The specific purpose details of fund balance categories are as follows:

| <u>Fund Balance/Category:</u> | <u>General<br/>Fund</u> | <u>WJLD<br/>O&amp;M</u> | <u>ALD<br/>O&amp;M</u> | <u>WJLD<br/>Capital<br/>Project</u> | <u>ALD<br/>Capital<br/>Project</u> | <u>West<br/>Closure<br/>Complex</u> | <u>West<br/>Closure<br/>Complex<br/>Emergency</u> | <u>Total</u>      |
|-------------------------------|-------------------------|-------------------------|------------------------|-------------------------------------|------------------------------------|-------------------------------------|---|-------------------|
| Committed to:                 |                         |                         |                        |                                     |                                    |                                     |   |                   |
| Emergency Operations          | \$ -                    | 1,375,028               | 798,980                | -                                   | -                                  | -                                   | 1,603,318   | 3,776,326         |
| Westbank Hurricane            | -                       | -                       | -                      | 3,934,713                           | 7,055,798                          | 586,380                             | -   | 11,576,891        |
| Assigned to:                  |                         |                         |                        |                                     |                                    |                                     |   |                   |
| Levee Operations              | -                       | 8,884,134               | 1,486,539              | -                                   | -                                  | -                                   | -   | 10,370,673        |
| Westbank Hurricane            | -                       | -                       | -                      | -                                   | -                                  | -                                   | -   | -                 |
| Unassigned                    | <u>327,293</u>          | <u>-</u>                | <u>-</u>               | <u>-</u>                            | <u>-</u>                           | <u>-</u>                            | <u>-</u>  | <u>327,293</u>    |
|                               | <u>\$ 327,293</u>       | <u>10,259,162</u>       | <u>2,285,519</u>       | <u>3,934,713</u>                    | <u>7,055,798</u>                   | <u>586,380</u>                      | <u>1,603,318</u>                                  | <u>26,052,183</u> |

Under Policy and Procedures Memorandum 2010-101, the West Authority has created emergency reserve funds within the WJLD O&M and ALD O&M Special Revenue Funds. These committed reserves can only be spent when an emergency is declared by the Board. The fund balances assigned to Levee Operations & Maintenance reflect the designations placed on these funds by the ad valorem tax levies that fund these activities. The amount assigned to the Capital Project funds reflect the balance that is being used to provide ancillary services to the Corps of Engineers and the Coastal Protection and Restoration Authority in the construction of the Westbank Hurricane Protection Levee.

**(8) Ad Valorem Taxes**

***West Jefferson Levee District***

Article 6, § 39 of the 1974 Louisiana Constitution provides that for the purposes of constructing and maintaining levees, levee drainage, flood protection, hurricane flood protection, and for all other purposes incidental thereto, the West Jefferson Levee District may levy annually, a tax not to exceed 5.03 mills. If the West Authority needs to raise additional funds in excess of the amount collected constitutionally, the taxes in excess of 5.03 mills must be approved by a majority vote of the electorate.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

The District levies ad valorem (property tax) on real property within the District boundaries to finance operations and maintenance activities. The levy is generally made as of November 15 of each year. The tax is then due, and becomes an enforceable lien on the property, on the first day of the month following the filing of the tax roll by the Parish Assessor with the Louisiana Tax Commission (usually December 1). The tax is delinquent 30 days after its due date.

Ad valorem taxes are levied based on property values determined by the Jefferson Parish Assessor's Office (a separate entity). All land and residential improvements are assessed at 10 percent of its fair market value, and other property at 15 percent of its fair market value. Taxes are billed and collected by the Jefferson Parish Sheriff's Office and Ex-Officio Tax Collector (a separate entity), which receives a certain millage for its services. The taxes remitted by the Sheriff to the District are net of assessor's commission and pension fund contributions.

The number of mills levied for operations and maintenance on the 2019 and the 2020 tax rolls were 5.03 for each year, with 2020 being a "roll forward" year. However, WJLD chose not to roll forward but will do so at a later date. This millage rate generated revenues of \$5,542,866 in the current year. Of this amount, \$427,257 was recorded in the West Closure Complex Fund as these revenues were committed by the Board for that purpose.

*Algiers Levee District*

Article 6, § 39 of the 1974 Louisiana Constitution provides that for the purposes of constructing and maintaining levees, levee drainage, flood protection, hurricane flood protection, and for all other purposes incidental thereto, the Orleans Levee District may levy annually, a tax not to exceed 5.46 mills. If the District needs to raise additional funds in excess of the amount collected constitutionally, the taxes in excess of 5.46 mills must be approved by a majority vote of the electorate. The area covered by this tax includes the area included in the Algiers Levee District.

In 1983, the voters of the Parish of Orleans elected to continue a 6.35 mill tax on assessed property for a period of 30 years (1985 to 2015) to finance hurricane and flood protection projects and to fund the retirement of levee improvement bonds. An additional millage of 0.75 mills is levied pursuant to a special election held in 1974 to provide a "general maintenance" tax to finance the general maintenance expenditures of the Orleans Levee District. Again, the areas covered by these taxes include the area now governed by the Algiers Levee District.

The actual millage rates levied for 2020 were 5.33 constitutional, 6.20 levee improvements, and 0.73 for general maintenance. The Algiers Levee District levies an ad valorem (property tax) on real property within the District's boundaries to finance operations and maintenance activities based on the assessed values of the prior August 15. As provided by LRS 47:1997(b), ad valorem taxes are assessed for the calendar year, become due on January 1 of each year and delinquent on February 1 of each year. The taxes are generally collected between January and April of each year.

Ad valorem taxes are levied based on property values in the City of New Orleans determined by the Orleans Parish Assessor. All land and residential improvements are assessed at 10 percent of its fair market value, and other property at 15 percent of its fair market value. Taxes are billed and collected by the City's Revenue Department (a separate entity). The taxes are remitted by the City to the Algiers Levee District.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

As noted previously, the Algiers Levee District was formed by Act 475 of the 2010 Legislative session by carving an area out of the Orleans Levee District and placing it under the control of the District. For the current fiscal year revenues were recognized in the amount of \$2,833,991. Of this amount, \$142,911 was recorded in the West Closure Complex Fund as these revenues were committed by the Board for that purpose.

**(9) Joint Venture - Westbank Hurricane Protection Levee**

Pursuant to project cooperative agreement (PCA) dated December 18, 1980, the West Jefferson Levee District and the U.S. Army Corps of Engineers (COE) began constructing a hurricane protection levee system within the WJLD's boundaries under a "cost-sharing" agreement. Under the original agreement, the project was limited to the West of Harvey Canal and the WJLD was to provide 35 percent of the cost as a local match. The WJLD's share was to be made up of expropriations, easements, land acquisitions, relocation assistance and in kind construction work.

In August 2005, Hurricane Katrina struck the area. In the aftermath of the storm, the Westbank and Vicinity Hurricane Levee project was modified and placed under the control of the COE.

In the wake of Hurricane Katrina, several changes were made/proposed to the project. In December 2006, the United States Congress passed the 3<sup>rd</sup> Supplemental Emergency Bill which provided approximately \$200.0 million to the WJLD to repair deficient floodwalls and to accelerate completion of those parts of the project not yet finished. 100 percent of the funding was to be provided by the Federal Government through the COE.

In June 2009, Congress passed the 4<sup>th</sup> Supplemental Emergency Bill which provided an additional \$495.0 million to raise the authorized elevation of levees in the area to meet the requirements of a 100-year event. Flood-wall construction was to be funded at 100 percent by the Federal Government, but levee construction was now funded at 65 percent Federal and 35 percent State/Local. This appropriation was to be spent on the Westbank Hurricane Protection levee and the Lake Pontchartrain Levee (managed by the East Jefferson Levee District). The bill did not allocate the funding between agencies/jurisdictions.

The 4<sup>th</sup> Supplemental Emergency Bill also provided \$1.584 billion to replace all floodwalls within the New Orleans Metropolitan area, including the Parishes of Orleans, St. Bernard, and Jefferson (which includes the area managed by the WJLD). The bill did not allocate the funding between agencies/jurisdictions.

The State amended the PCA between the State Department of Transportation and Development, the COE, and the WJLD to provide for these changes. Amendment No. 2 to the agreement defined the funding and responsibilities for the 3<sup>rd</sup> Supplemental Emergency Bill. Amendment No. 3 to the agreement addressed the funding and responsibilities for the 4<sup>th</sup> Supplemental Emergency Bill.

To provide for the continued construction of hurricane flood protection for coastal Louisiana, the State legislature amended existing legislations that created the Louisiana Coastal Protection and Restoration Authority (LCPRA) to add hurricane flood protection to its responsibility. This organization was charged with the duty of providing "one voice" from which to speak on all issues involving coastal restoration and hurricane protection for the State of Louisiana.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA

Notes to Financial Statements

June 30, 2020

It is in this regard the LCPRA executed a Project Partnership Agreement with the COE on November 6, 2008, to cover the relationship between non-federal interests and the COE for continued construction of the West Bank and Vicinity Hurricane Protection Project.

In this agreement, the State agreed to provide for the 35% required nonfederal match needed for the project. Thus, the COE (federal agent) and the LCPRA (state agent) are now responsible for all construction, repairs, and expropriations related to this levee system. The West Authority through its WJLD accepted the responsibility of managing the duties of land acquisition and relocation of impacted utilities/facilities.

It should be noted that since these post-Katrina projects essentially replaced or greatly improved upon the original Westbank Hurricane Levee System constructed by the COE and the WJLD, the original infrastructure assets capitalized by WJLD were removed from the books of the District in fiscal year end June 30, 2011.

(10) Post-Retirement Health Care and Life Insurance Benefits

*General Information about the OPEB Plan*

*Plan description* – The West Authority provides certain continuing health care and life insurance benefits for its retired employees. The West Authority's OPEB Plan (the OPEB Plan) is a multi-employer defined benefit OPEB plan administered by the West Authority. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the West Authority. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB) Statement No. 75.

*Benefits Provided* – Medical benefits are provided through the Louisiana Office of Group Benefits (OGB) and involve several statewide networks and one HMO with a premium structure by region. The OGB plan is a fully insured, multiple-employer arrangement and has been deemed to be an agent multiple-employer plan for financial reporting purposes and for this valuation. Medical benefits are provided to employees upon actual retirement. Employees are covered by the Louisiana State Employees' Retirement System (LASERS), whose retirement eligibility (D.R.O.P. entry) provisions as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 10 years of service. Employees hired on or after July 1, 2006 may not retire before age 60 and 10 years of service.

Life insurance coverage under the OGB program is available to retirees by election and is based on the OGB blended rate (active and retired). The employer pays 50% of the cost of the retiree life insurance. Since GASB 74/75 requires the use of "unblended" rates, we have used the RP 2000 mortality table to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance. Insurance coverage amounts are reduced at age 65 and again at age 70 according to the OGB plan provisions.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

Employees covered by benefit terms – At July 1, 2019, the following employees were covered by the benefit terms:

|  |                  |
|--|------------------|
| Inactive employees or beneficiaries currently receiving benefit payments | 15               |
| Inactive employees entitled to but not yet receiving benefit payments    | -                |
| Active employees   | <u>48</u>        |
|  | <u><u>63</u></u> |

*Total OPEB Liability*

The West Authority's total OPEB liability of \$4,479,553 was measured as of July 1, 2019 and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and other inputs* – The total OPEB liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

|                             |   |
|-----------------------------|---|
| Inflation                   | 2.5%  |
| Salary increases            | 4.0%, including inflation                           |
| Discount rate               | 3.50% annually (Beginning of Year to Determine ADC) |
|                             | 2.21% annually (As of End of Year Measurement Date) |
| Healthcare cost trend rates | Flat 5.5% annually                                  |
| Mortality                   | SOA RP-2000 Table                                   |

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index on the applicable measurement dates.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2007 to June 30, 2019.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

*Changes in the Total OPEB Liability*

|  |                         |
|--|-------------------------|
| Balance at June 30, 2019                             | \$ 3,940,797            |
| Changes for the year:                                |                         |
| Service cost   | 66,004                  |
| Interest   | 134,768                 |
| Differences between expected and actual experience   | (518,134)               |
| Changes of Assumptions                               | 1,036,657               |
| Benefit payments, net transfers, and direct expenses | (180,539)               |
| Net changes  | <u>538,756</u>          |
| <br>Balance at June 30, 2020                         | <br><u>\$ 4,479,553</u> |

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the West Authority, as well as what the West Authority’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21%) or 1-percentage-point higher (3.21%) than the current discount rate:

|                      | 1% Decrease<br>(1.21%) | Current<br>Discount<br>Rate (2.21%) | 1% Increase<br>(3.21%) |
|----------------------|------------------------|-------------------------------------|------------------------|
| Total OPEB liability | \$ <u>5,483,441</u>    | <u>4,479,553</u>                    | <u>4,047,663</u>       |

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the West Authority, as well as what the West Authority’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

|                      | 1% Decrease<br>(4.5%) | Current<br>Trend<br>Rate (5.5%) | 1% Increase<br>(6.5%) |
|----------------------|-----------------------|---------------------------------|-----------------------|
| Total OPEB liability | \$ <u>4,050,273</u>   | <u>4,479,553</u>                | <u>5,467,978</u>      |

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB*

For the year ended June 30, 2020, the West Authority recognized OPEB expense of \$241,817. At June 30, 2020, the West Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|   | <u>Deferred<br/>Outflows<br/>of Resources</u> | <u>Deferred<br/>Inflows<br/>of Resources</u> |
|---|---|--|
| Differences between expected and actual experience    | \$ -  | (921,838)                                    |
| Changes in assumptions                                | 888,563                                       |  |
| Employer contributions subsequent to measurement date | <u>193,233</u>                                | <u>-</u>                                     |
|   | <u>\$ 1,081,796</u>                           | <u>(921,838)</u>                             |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended:

|               |    |           |
|---------------|----|-----------|
| June 30, 2021 | \$ | 41,045    |
| June 30, 2022 | \$ | 41,045    |
| June 30, 2023 | \$ | 41,045    |
| June 30, 2024 | \$ | 41,045    |
| June 30, 2025 | \$ | 41,045    |
| Thereafter    | \$ | (238,485) |

**(11) Retirement System**

Plan Description

The System was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of La. R.S. 11:401, as amended, for eligible state officers, employees and their beneficiaries. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date. LASERS issues a publicly available financial report that can be obtained at [www.lasersonline.org](http://www.lasersonline.org).

Benefits Provided

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.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

*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 and 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.

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%

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

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.

*Deferred 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.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

*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 an 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 or 100% of final average compensation if the injury was the result of an intentional act of violence.

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 or 100% of final average compensation if the injury was the result of an intentional act of violence. If the disability benefit retiree is permanently confined to a wheelchair, or, is an amputee incapable of serving as a law enforcement officer, or is permanently or legally blind, there is no reduction to the benefit if the retiree becomes gainfully employed.

*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 in 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 member's final average compensation.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

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, or 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.

*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*

The employer contribution rate is established annually under La. R.S. 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the System's Actuary. Each plan pays a separate actuarially-determined employer contribution rate. However, all assets of LASERS are used for the payment of benefits for all classes of members, regardless of their plan membership.

Employer contributions for fiscal year 2020 were \$1,031,593 with active member contributions ranging from 7.5% to 8%. The West Authority's contractually required composite contribution rate 40.7% 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.

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

At June 30, 2020, the West Authority reported a liability of \$9,214,950 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2019 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The West Authority's proportion of the Net Pension Liability was based on a projection of the West Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2020, the West Authority's proportion was 0.1272%.

For the year ended June 30, 2020, the West Authority recognized pension expense of \$1,188,167 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$204,768.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

At June 30, 2020, the West Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | <u>Deferred<br/>Outflows<br/>of Resources</u> | <u>Deferred<br/>Inflows<br/>of Resources</u> |
|---|---|--|
| Differences between expected and actual experience  | \$ 56,582                                     | (19,148)                                     |
| Changes in assumptions  | 78,963  | -  |
| Net difference between projected and actual earnings on pension plan investments                              | 774,087                                       | (455,723)                                    |
| Changes in proportion and differences between Employer contributions and proportionate share of contributions | 332,334                                       | (106,183)                                    |
| Employer contributions subsequent to measurement date   | <u>1,031,593</u>                              | <u>-</u>                                     |
|   | <u>\$ 2,273,559</u>                           | <u>(581,054)</u>                             |

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, 2021 | \$ 464,905  |
| June 30, 2022 | \$ (10,917) |
| June 30, 2023 | \$ 87,589   |
| June 30, 2024 | \$ 119,335  |

*Actuarial Assumptions*

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2019 are as follows:

|                                  |  |
|----------------------------------|--|
| Valuation Date                   | June 30, 2019                              |
| Actuarial Cost Method            | Entry Age Normal                           |
| Actuarial Assumptions:           |  |
| Expected Remaining Service Lives | 2 years                                    |
| Investment Rate of Return        | 7.60% per anum, net of investment expenses |

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

**Inflation Rate** 2.50% per anum

**Mortality** Non-disabled members – Mortality rates based on the RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015.

Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.

**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 2014-2018 experience study of the System's members. The salary increase ranges for specific types of members at June 30, 2019 are:

| <u>Member Type</u> | <u>Lower Range</u> | <u>Upper Range</u> |
|--------------------|--------------------|--------------------|
| Regular            | 3.2%               | 13.0%              |
| Judges             | 2.8%               | 5.3%               |
| Corrections        | 3.8%               | 14.0%              |
| Hazardous Duty     | 3.8%               | 14.0%              |
| Wildlife           | 3.8%               | 14.0%              |

**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 8.00%, recognizing an additional 40 basis points for gain-sharing. The net return available to fund regular plan benefits is 7.60%, which is the same as the discount rate.*

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate 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 2.75% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 9.00% for 2019. Best estimates of geometric real rates of return for each major asset class included in the pension plan’s target asset allocation as of June 30, 2019 are summarized in the following table:

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

| <u>Asset Class</u>         | <u>Long-term<br/>Expected<br/>Real Rate<br/>of Return*</u> |
|----------------------------|--|
| Cash                       | 0.24%  |
| Domestic equity            | 4.83%  |
| International equity       | 5.83%  |
| Domestic Fixed Income      | 2.79%  |
| International Fixed Income | 4.46%  |
| Alternative Investments    | 8.32%  |
| Risk Parity                | 5.06%  |
|                            | 6.09%  |

\* The information above can be found in the current Employer Pension Audit Report located at <https://lasersonline.org/employers/gasb-68-resources/>. The data provided is sample data only.

*Discount Rate*

The discount rate used to measure the total pension liability was 7.60%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer 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.

*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 7.60%, 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 (6.60%) or one percentage-point higher (8.60%) than the current rate:

|  | 1% Decrease<br><u>(6.60%)</u> | Current<br>Discount<br>Rate (7.60%) | 1% Increase<br><u>(8.60%)</u> |
|--|-------------------------------|-------------------------------------|-------------------------------|
| Employer's proportionate share<br>of the net pension liability | \$ <u>11,630,442</u>          | <u>9,214,950</u>                    | <u>7,174,670</u>              |

The information above can be found in the current GASB 68 Schedules of Employer located at <https://lasersonline.org/employers/gasb-68-resources/>.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

*Change in Net Pension Liability*

The changes in the net pension liability for the year ended June 30, 2019 were recognized in the current reporting period except as follows:

**Differences between Expected and Actual Experience**

Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The difference between expected and actual experience resulted in a net deferred outflow of resources in the amount of \$15,891 for the year ended June 30, 2020. Net pension benefit and remaining net deferred outflow for the year ended June 30, 2020 was \$21,543 and \$37,434, respectively.

**Differences between Projected and Actual Investment Earnings**

Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The difference between projected and actual investment earnings resulted in a net deferred outflow of resources in the amount of \$709,155 for the year ended June 30, 2020. Net pension expense and remaining net deferred outflow for the year ended June 30, 2020 was \$390,791 and \$318,364, respectively.

**Changes in Assumptions or Other Inputs**

Changes in assumptions about future economic or demographic factors were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The changes in assumptions or other inputs resulted in a deferred outflow of resources of \$175,611 for the year ended June 30, 2020. Pension expense and remaining deferred outflow for the year ended June 30, 2020 was \$96,648 and \$78,963, respectively.

**Change in Proportion**

Changes in the employer's proportionate share of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan.

**Contributions - Proportionate Share**

Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

reflected in the schedule of employer amounts due to differences that could arise between contributions reported by the System and contributions reported by the participating employer.

*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](http://www.lasersonline.org).

*Payables to the Pension Plan*

As of June 30, 2020, the West Authority had no employee and employer contributions that were due to the pension plan.

**(12) Commitments and Contingencies**

*Risk Management*

The West Authority and its component units are exposed to various risks of loss resulting from personal injury; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To protect against these risks of loss, the West Authority purchases various types of insurance from commercial carriers.

Under these policies, general liability coverage is provided for up to a maximum of \$1,000,000 per occurrence (\$2,000,000 in the aggregate); automobile coverage is \$1,000,000 for combined single limits for all automobiles; \$2,000,000 for products/completed operations; and worker's compensation is provided at the statutory limits of \$1,000,000/\$1,000,000/\$1,000,000. In each policy, the West Authority or its component unit is responsible for the applicable deductible.

*Contingent Liabilities*

**Federal and State Financial Assistance**

Amounts received or receivable from grantor agencies are subject to audit and adjustments by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the West Authority expects such amounts, if any, to be immaterial.

**Litigation**

The West Authority and its component units are defendants in a number of claims and lawsuits. The West Authority's attorney has reviewed these claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the West Authority and to arrive at an estimate, if any, of the amount or range of potential loss to the West Authority.

As a result of such a review, the various claims and lawsuits have been categorized into "probable", "reasonably possible", and "remote" categories, as defined in GASB Codification Section C50 for Claims and Judgments. In the opinion of management, the West Authority has adequate legal defenses

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Financial Statements**

**June 30, 2020**

or insurance coverage with respect to each of these claims and lawsuits and does not believe that they will materially affect the West Authority's financial statements.

**(13) Tax Abatement**

As of December 31, 2016, Jefferson Parish provides tax abatements primarily through one program - the Payment in Lieu of Tax (PILOT) program. The Parish enters into ad valorem tax abatement agreements with local businesses through its economic development arm - the Jefferson Parish Economic Development and Port West Authority (JEDCO). During the year, JEDCO entered into an agreement with Dyno Nobel Louisiana Ammonia, LLC (Dyno) to rehabilitate a building for Dyno's manufacturing site. The agreement included the issuance of revenue bonds in the amount of \$850,000,000 payable by Dyno. In lieu of paying ad valorem taxes, Dyno is responsible for the principal and interest payments on the revenue bonds. The West Authority is one of six entities that are impacted by this agreement. In lieu of receiving its share of ad valorem taxes, the West Authority received \$87,331 for the year ended June 30, 2020.

**(14) Prior Period Adjustments**

The West Authority recorded the following prior period adjustments:

**Government-wide Financials:**

|  | <b>Increase (Decrease)<br/><u>In Net Position</u></b> |
|--|---|
| To record capital assets related to levee lift projects that were expensed as maintenance in prior periods | \$ 15,822,586   |
| To write off remaining bond issuance costs that should have been expensed when paid                        | (70,125)  |
| To correct prior year errors in deferred inflows and deferred outflows related to OPEB                     | (230,301)   |
| To record effect of WCC reimbursements that should have been recorded as receivable in prior year          | <u>102,348</u>  |
| <b>Total</b>   | <b><u>\$ 15,624,508</u></b>                           |

**Governmental Fund Financials – General Fund:**

|   | <b>Increase (Decrease)<br/><u>In Fund Balance</u></b> |
|---|---|
| To record effect of WCC reimbursements that should have been recorded as receivable in prior year | <u>\$ 102,348</u>                                     |

**(15) Subsequent Events**

The West Authority evaluated subsequent events through September 29, 2020, the date which the financial statements were available to be issued.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual (Budgetary Basis) - SLFPA-W General Fund**

For the Year Ended June 30, 2020

|   | <u>Original<br/>Budget</u> | <u>Final<br/>Budget</u> | <u>Actual</u>    | <u>Adjustments<br/>to Budgetary<br/>Basis)</u> | <u>Non-GAAP<br/>Budgetary<br/>Basis)</u> | <u>Variance With<br/>Final Budget<br/>Favorable<br/>(Unfavorable)</u> |
|---|----------------------------|-------------------------|------------------|--|--|---|
| <b>Revenues:</b>                                |                            |                         |                  |  |  |   |
| Property taxes                                  | \$ -                       | -                       | -                | -  | -  | -   |
| Intergovernmental:                              |                            |                         |                  |  |  |   |
| State   | -                          | -                       | -                | -  | -  | -   |
| Local   | 200,000                    | 265,000                 | -                | 250,735  | 250,735                                  | (14,265)  |
| Services charges, fees,<br>and commissions      | -                          | -                       | -                | -  | -  | -   |
| Interest  | 6,000                      | 6,000                   | 5,917            | -  | 5,917                                    | (83)  |
| Miscellaneous                                   | -                          | 1,000                   | 1,301            | -  | 1,301                                    | 301   |
| <b>Total revenues</b>                           | <u>206,000</u>             | <u>272,000</u>          | <u>7,218</u>     | <u>250,735</u>                                 | <u>257,953</u>                           | <u>(14,047)</u>   |
| <b>Expenditures:</b>                            |                            |                         |                  |  |  |   |
| Public works:                                   |                            |                         |                  |  |  |   |
| Executive                                       | 37,500                     | 39,000                  | 37,518           | -  | 37,518                                   | 1,482   |
| Administrative                                  | 585,548                    | 597,856                 | 555,605          | -  | 555,605                                  | 42,251  |
| Maintenance                                     | 3,566,564                  | 3,670,722               | 3,631,934        | -  | 3,631,934                                | 38,788  |
| Non-departmental                                | -                          | -                       | -                | -  | -  | -   |
| Capital outlay:                                 |                            |                         |                  |  |  |   |
| Property, plant, and<br>equipment               | -                          | -                       | -                | -  | -  | -   |
| Levee construction projects                     | -                          | -                       | -                | -  | -  | -   |
| <b>Total expenditures</b>                       | <u>4,189,612</u>           | <u>4,307,578</u>        | <u>4,225,057</u> | <u>-</u>                                       | <u>4,225,057</u>                         | <u>82,521</u>   |
| Excess of revenues over<br>expenditures         | (3,983,612)                | (4,035,578)             | (4,217,839)      | 250,735  | (3,967,104)                              | 68,474  |
| <b>Other Financing Sources (Uses):</b>          |                            |                         |                  |  |  |   |
| Operating transfers in                          | 4,209,612                  | 4,209,612               | 4,218,463        | -  | 4,218,463                                | 8,851   |
| Operating transfers out                         | -                          | -                       | (75,885)         | (148,387)                                      | (224,272)                                | (224,272)   |
| Sale of capital assets                          | -                          | -                       | -                | -  | -  | -   |
| Bond payment                                    | -                          | -                       | -                | -  | -  | -   |
| <b>Total other financing<br/>sources (uses)</b> | <u>4,209,612</u>           | <u>4,209,612</u>        | <u>4,142,578</u> | <u>(148,387)</u>                               | <u>3,994,191</u>                         | <u>(215,421)</u>  |
| <b>Net change in fund balance</b>               | <u>226,000</u>             | <u>174,034</u>          | <u>(75,261)</u>  | <u>102,348</u>                                 | <u>27,087</u>                            | <u>(146,947)</u>  |
| Fund balances, beginning of year                | 400,847                    | 400,847                 | 300,206          |  |  |   |
| Prior period adjustment                         | -                          | -                       | 102,348          |  |  |   |
| <b>Fund balances, end of year</b>               | <u>\$ 626,847</u>          | <u>574,881</u>          | <u>327,293</u>   |  |  |   |

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual (Budgetary Basis) - WJLD Operations & Maintenance Fund**

**For the Year Ended June 30, 2020**

|   | <u>Original<br/>Budget</u> | <u>Final<br/>Budget</u> | <u>Actual</u>      | <u>Adjustments<br/>to Budgetary<br/>Basis</u> | <u>Non-GAAP<br/>Budgetary<br/>Basis</u> | <u>Variance With<br/>Final Budget<br/>Favorable<br/>(Unfavorable)</u> |
|---|----------------------------|-------------------------|--------------------|---|---|---|
| <b>Revenues:</b>                                |                            |                         |                    |   |   |   |
| Property taxes                                  | \$ 5,343,517               | 5,384,457               | 5,115,609          | 427,257                                       | 5,542,866                               | 158,409   |
| Intergovernmental:                              |                            |                         |                    |   |   |   |
| State   | 704,403                    | 704,403                 | 701,121            | -   | 701,121                                 | (3,282)   |
| Local   | -                          | -                       | -                  | -   | -                                       | -   |
| Services charges, fees,<br>and commissions      | 20,000                     | 11,500                  | 11,600             | -   | 11,600                                  | 100   |
| Interest  | 78,000                     | 50,000                  | 61,554             | -   | 61,554                                  | 11,554  |
| Miscellaneous                                   | 8,000                      | 21,500                  | 23,206             | -   | 23,206                                  | 1,706   |
| <b>Total revenues</b>                           | <u>6,153,920</u>           | <u>6,171,860</u>        | <u>5,913,090</u>   | <u>427,257</u>                                | <u>6,340,347</u>                        | <u>168,487</u>  |
| <b>Expenditures:</b>                            |                            |                         |                    |   |   |   |
| Public works:                                   |                            |                         |                    |   |   |   |
| Executive                                       | 313,413                    | 279,559                 | 248,756            | -   | 248,756                                 | 30,803  |
| Administrative                                  | 121,368                    | 123,114                 | 113,845            | -   | 113,845                                 | 9,269   |
| Maintenance                                     | 888,833                    | 971,566                 | 998,105            | -   | 998,105                                 | (26,539)  |
| Non-departmental                                | 239,500                    | 239,500                 | 238,921            | -   | 238,921                                 | 579   |
| Capital outlay:                                 |                            |                         |                    |   |   |   |
| Property, plant, and<br>equipment               | 276,500                    | 329,325                 | 317,743            | -   | 317,743                                 | 11,582  |
| Levee construction projects                     | -                          | -                       | -                  | -   | -                                       | -   |
| <b>Total expenditures</b>                       | <u>1,839,614</u>           | <u>1,943,064</u>        | <u>1,917,370</u>   | <u>-</u>                                      | <u>1,917,370</u>                        | <u>25,694</u>   |
| Excess of revenues over<br>expenditures         | 4,314,306                  | 4,228,796               | 3,995,720          | 427,257                                       | 4,422,977                               | 194,181   |
| <b>Other Financing Sources (Uses):</b>          |                            |                         |                    |   |   |   |
| Operating transfers in                          | 100,000                    | 100,000                 | 4,401              | -   | 4,401                                   | (95,599)  |
| Operating transfers out                         | (3,546,728)                | (3,546,728)             | (2,952,923)        | (427,257)                                     | (3,380,180)                             | 166,548   |
| Sale of capital assets                          | 44,500                     | 26,800                  | 22,792             | -   | 22,792                                  | (4,008)   |
| Bond payment                                    | (497,096)                  | (497,096)               | (497,096)          | -   | (497,096)                               | -   |
| <b>Total other financing<br/>sources (uses)</b> | <u>(3,899,324)</u>         | <u>(3,917,024)</u>      | <u>(3,422,826)</u> | <u>(427,257)</u>                              | <u>(3,850,083)</u>                      | <u>66,941</u>   |
| <b>Net change in fund balance</b>               | 414,982                    | 311,772                 | 572,894            | <u>-</u>                                      | <u>572,894</u>                          | <u>261,122</u>  |
| <b>Fund balances, beginning of year</b>         | 8,171,464                  | 8,171,464               | 9,686,268          |   |   |   |
| <b>Prior period adjustment</b>                  | <u>-</u>                   | <u>-</u>                | <u>-</u>           |   |   |   |
| <b>Fund balances, end of year</b>               | <u>\$ 8,586,446</u>        | <u>8,483,236</u>        | <u>10,259,162</u>  |   |   |   |

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual (Budgetary Basis) - ALD Operations & Maintenance Fund**

**For the Year Ended June 30, 2020**

|   | <u>Original<br/>Budget</u> | <u>Final<br/>Budget</u> | <u>Actual</u>           | <u>Adjustments<br/>to Budgetary<br/>Basis)</u> | <u>Non-GAAP<br/>Budgetary<br/>Basis)</u> | <u>Variance With<br/>Final Budget<br/>Favorable<br/>(Unfavorable)</u> |
|---|----------------------------|-------------------------|-------------------------|--|--|---|
| <b>Revenues:</b>                                |                            |                         |                         |  |  |   |
| Property taxes                                  | \$ 2,814,165               | 2,814,165               | 2,691,080               | 142,911  | 2,833,991                                | 19,826  |
| Intergovernmental:                              |                            |                         |                         |  |  |   |
| State   | 95,127                     | 95,127                  | 95,268                  | -  | 95,268                                   | 141   |
| Local   | -                          | -                       | -                       | -  | -  | -   |
| Services charges, fees,<br>and commissions      | 10,000                     | 9,500                   | 9,700                   | -  | 9,700                                    | 200   |
| Interest  | 25,000                     | 32,500                  | 36,190                  | -  | 36,190                                   | 3,690   |
| Miscellaneous                                   | 2,000                      | 4,000                   | 4,791                   | -  | 4,791                                    | 791   |
| <b>Total revenues</b>                           | <u>2,946,292</u>           | <u>2,955,292</u>        | <u>2,837,029</u>        | <u>142,911</u>                                 | <u>2,979,940</u>                         | <u>24,648</u>   |
| <b>Expenditures:</b>                            |                            |                         |                         |  |  |   |
| Public works:                                   |                            |                         |                         |  |  |   |
| Executive                                       | 134,319                    | 117,433                 | 94,887                  | -  | 94,887                                   | 22,546  |
| Administrative                                  | 52,015                     | 52,763                  | 48,888                  | -  | 48,888                                   | 3,875   |
| Maintenance                                     | 297,740                    | 291,768                 | 285,191                 | -  | 285,191                                  | 6,577   |
| Non-departmental                                | -                          | -                       | 88,064                  | -  | 88,064                                   | (88,064)  |
| Capital outlay:                                 |                            |                         |                         |  |  |   |
| Property, plant, and<br>equipment               | 251,500                    | 203,228                 | 196,571                 | -  | 196,571                                  | 6,657   |
| Levee construction projects                     | -                          | -                       | -                       | -  | -  | -   |
| <b>Total expenditures</b>                       | <u>735,574</u>             | <u>665,192</u>          | <u>713,601</u>          | <u>-</u>                                       | <u>713,601</u>                           | <u>(48,409)</u>   |
| <b>Excess of revenues over<br/>expenditures</b> | <b>2,210,718</b>           | <b>2,290,100</b>        | <b>2,123,428</b>        | <b>142,911</b>                                 | <b>2,266,339</b>                         | <b>(23,761)</b>   |
| <b>Other Financing Sources (Uses):</b>          |                            |                         |                         |  |  |   |
| Operating transfers in                          | -                          | -                       | -                       | -  | -  | -   |
| Operating transfers out                         | (1,562,884)                | (1,562,884)             | (1,269,941)             | (142,911)                                      | (1,412,852)                              | 150,032   |
| Sale of capital assets                          | 45,500                     | 50,700                  | 54,624                  | -  | 54,624                                   | 3,924   |
| Bond payment                                    | -                          | -                       | -                       | -  | -  | -   |
| <b>Total other financing<br/>sources (uses)</b> | <u>(1,517,384)</u>         | <u>(1,512,184)</u>      | <u>(1,215,317)</u>      | <u>(142,911)</u>                               | <u>(1,358,228)</u>                       | <u>153,956</u>  |
| <b>Net change in fund balance</b>               | <b>693,334</b>             | <b>777,916</b>          | <b>908,111</b>          | <b>-</b>                                       | <b>908,111</b>                           | <b>130,195</b>  |
| <b>Fund balances, beginning of year</b>         | <b>489,020</b>             | <b>489,020</b>          | <b>1,377,408</b>        |  |  |   |
| <b>Prior period adjustment</b>                  | <b>-</b>                   | <b>-</b>                | <b>-</b>                |  |  |   |
| <b>Fund balances, end of year</b>               | <b>\$ <u>1,182,354</u></b> | <b><u>1,266,936</u></b> | <b><u>2,285,519</u></b> |  |  |   |

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual (Budgetary Basis) - West Closure Complex Fund**

**For the Year Ended June 30, 2020**

|   | <u>Original<br/>Budget</u> | <u>Final<br/>Budget</u> | <u>Actual</u>  | <u>Adjustments<br/>to Budgetary<br/>Basis</u> | <u>Non-GAAP<br/>Budgetary<br/>Basis</u> | <u>Variance With<br/>Final Budget<br/>Favorable<br/>(Unfavorable)</u> |
|---|----------------------------|-------------------------|----------------|---|---|---|
| <b>Revenues:</b>                                |                            |                         |                |   |   |   |
| Property taxes                                  | \$ -                       | -                       | 570,168        | (570,168)                                     | -                                       | -   |
| <b>Intergovernmental:</b>                       |                            |                         |                |   |   |   |
| State   | -                          | -                       | -              | -   | -                                       | -   |
| Local   | -                          | -                       | 148,387        | (148,387)                                     | -                                       | -   |
| Services charges, fees,<br>and commissions      | -                          | -                       | -              | -   | -                                       | -   |
| Interest  | -                          | -                       | -              | -   | -                                       | -   |
| Miscellaneous                                   | -                          | -                       | -              | -   | -                                       | -   |
| <b>Total revenues</b>                           | <u>-</u>                   | <u>-</u>                | <u>718,555</u> | <u>(718,555)</u>                              | <u>-</u>                                | <u>-</u>  |
| <b>Expenditures:</b>                            |                            |                         |                |   |   |   |
| <b>Public works:</b>                            |                            |                         |                |   |   |   |
| Executive                                       | 60,000                     | 60,000                  | -              | -   | -                                       | 60,000  |
| Administrative                                  | -                          | -                       | -              | -   | -                                       | -   |
| Maintenance                                     | 940,000                    | 940,000                 | 714,931        | -   | 714,931                                 | 225,069   |
| Non-departmental                                | -                          | -                       | -              | -   | -                                       | -   |
| <b>Capital outlay:</b>                          |                            |                         |                |   |   |   |
| Property, plant, and<br>equipment               | -                          | -                       | -              | -   | -                                       | -   |
| Levee construction projects                     | -                          | -                       | -              | -   | -                                       | -   |
| <b>Total expenditures</b>                       | <u>1,000,000</u>           | <u>1,000,000</u>        | <u>714,931</u> | <u>-</u>                                      | <u>714,931</u>                          | <u>285,069</u>  |
| Excess of revenues over<br>expenditures         | (1,000,000)                | (1,000,000)             | 3,624          | (718,555)                                     | (714,931)                               | 285,069   |
| <b>Other Financing Sources (Uses):</b>          |                            |                         |                |   |   |   |
| Operating transfers in                          | 1,000,000                  | 1,000,000               | 75,885         | 718,555                                       | 794,440                                 | (205,560)   |
| Operating transfers out                         | -                          | -                       | -              | -   | -                                       | -   |
| Sale of capital assets                          | -                          | -                       | -              | -   | -                                       | -   |
| Bond payment                                    | -                          | -                       | -              | -   | -                                       | -   |
| <b>Total other financing<br/>sources (uses)</b> | <u>1,000,000</u>           | <u>1,000,000</u>        | <u>75,885</u>  | <u>718,555</u>                                | <u>794,440</u>                          | <u>(205,560)</u>  |
| <b>Net change in fund balance</b>               | <u>-</u>                   | <u>-</u>                | <u>79,509</u>  | <u>-</u>                                      | <u>79,509</u>                           | <u>79,509</u>   |
| <b>Fund balances, beginning of year</b>         | 515,826                    | 515,826                 | 506,871        |   |   |   |
| <b>Prior period adjustment</b>                  | <u>-</u>                   | <u>-</u>                | <u>-</u>       |   |   |   |
| <b>Fund balances, end of year</b>               | <u>\$ 515,826</u>          | <u>515,826</u>          | <u>586,380</u> |   |   |   |

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Schedule of Employer's Proportionate Share of Net Pension Liability**

Last 10 Fiscal Years\*

|   | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| Employer's proportion of net pension liability  | 0.09068%    | 0.09510%    | 0.11632%    | 0.11836%    | 0.12130%    | 0.12719%    |
| Employer's proportionate share of net pension liability   | 5,669,934   | 6,468,440   | 9,133,696   | 8,331,229   | 8,272,776   | 9,214,950   |
| Employer's covered-employee payroll   | 1,670,530   | 1,805,003   | 2,186,891   | 2,206,776   | 2,347,509   | 2,565,381   |
| Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 339%        | 358%        | 418%        | 378%        | 352%        | 359%        |
| Plan fiduciary net position as a percentage of the total pension liability                                  | 65%         | 63%         | 58%         | 63%         | 64%         | 63%         |

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

*This schedule reflects the participation of the Board's employees in LASERS and its proportionate share of the net pension liability as a percentage of its covered employee payroll, and the plan fiduciary net position as a percentage of the total pension liability*

See accompanying notes to required supplementary information.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Schedule of Employer's Pension Contributions**

Last 10 Fiscal Years\*

| <u>Date</u> | <u>Contractually<br/>Required<br/>Contribution</u> | <u>Contributions in<br/>Relation to<br/>Contractually<br/>Required<br/>Contribution</u> | <u>Contribution<br/>Deficiency<br/>(Excess)</u> | <u>Employer's<br/>Covered<br/>Employee<br/>Payroll</u> | <u>Contributions<br/>as a % of<br/>Covered<br/>Employee<br/>Payroll</u> |
|-------------|--|---|---|--|---|
| 2015        | 642,261  | 642,261   | -   | 1,737,910  | 37.0%   |
| 2016        | 725,674  | 725,674   | -   | 1,949,751  | 37.2%   |
| 2017        | 806,428  | 806,428   | -   | 2,252,588  | 35.8%   |
| 2018        | 869,580  | 869,580   | -   | 2,292,577  | 37.9%   |
| 2019        | 911,186  | 911,186   | -   | 2,407,249  | 37.9%   |
| 2020        | 1,031,593  | 1,031,593   | -   | 2,535,155  | 40.7%   |

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

*This schedule represents the employer contributions subsequent to the measurement date and recognized as a reduction of the net pension liability in future years.*

See accompanying notes to required supplementary information.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Required Supplementary Information - Schedule of Employer's Proportionate  
Share of Net Pension Liability and Schedule of Employer's Pension Contributions**

**Last Ten Fiscal Years \***

**Changes in Benefit Terms:**

**Measurement Date: June 30, 2014:**

1. A 1.5% COLA, effective July 1, 2014, provided by Act 102 of the Louisiana Regular Legislative System.
2. Improved benefits for certain members employed by the Office of Adult Probation and Parole within the Department of Public Safety and Corrections as established by Act 852 of 2014.

**Measurement Date: June 30, 2016:**

1. A 1.5% COLA, effective July 1, 2016, provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative Session.
2. Added benefits for members of the Harbor Police Retirement System which was merged with LASERS effective July 1, 2015 by Act 648 of 2014.

**Measurement Date: June 30, 2019:**

1. Act 595 of 2018 provides for a disability benefit equal to 100 percent of final average compensation for members of the Hazardous Duty, Corrections Primary and Secondary, Wildlife and Harbor Police plans who are totally and permanently disabled in the line of duty by an intentional act of violence.

**Changes in Assumptions:**

**Measurement Date: June 30, 2017:**

1. The Board adopted a plan to gradually reduce the discount rate from 7.75% to 7.50% in .05% annual increments, beginning July 1, 2017. Therefore, the discount rate was reduced from 7.75% to 7.70% for the June 30, 2017, valuation. A 7.65% discount rate was used to determine the projected contribution requirements for fiscal year 2018/2019.
2. The Board reduced the inflation assumption from 3.0% to 2.75%, effective July 1, 2017. Since the inflation assumption is a component of the salary increase assumption, all salary increase assumptions decreased by .25%.
3. The projected contribution requirement for fiscal year 2018/2019 includes direct funding of administrative expenses, rather than a reduction in the assumed rate of return, per Act 94 of 2016.

**Measurement Date: June 30, 2018:**

1. In accordance with the Board's adopted a plan to gradually reduce the discount rate beginning July 1, 2017, the discount rate was reduced from 7.70% to 7.65%.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Required Supplementary Information - Schedule of Employer's Proportionate  
Share of Net Pension Liability and Schedule of Employer's Pension Contributions**

**Last Ten Fiscal Years \***

**Measurement Date: June 30, 2019:**

- 1. In accordance with the Board's adopted a plan to gradually reduce the discount rate beginning July 1, 2017, the discount rate was reduced from 7.7% to 7.60.**
- 2. The Board reduced the inflation assumption from 2.75% to 2.50%, effective July 1, 2019. Since the inflation assumption is a component of the salary increase assumption, all salary increase assumptions decreased by .25%.**

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Schedule of Changes in Net OPEB Liability and Related Ratios**

**Last 10 Fiscal Years\***

|  | <u>2018</u>             | <u>2019</u>             | <u>2020</u>             |
|--|-------------------------|-------------------------|-------------------------|
| <b>Total OPEB Liability</b>                                  |                         |                         |                         |
| Service cost   | 73,950                  | 64,951                  | 66,004                  |
| Interest   | 147,637                 | 142,305                 | 134,768                 |
| Changes in benefit terms                                     | -                       | -                       | -                       |
| Differences between expected and actual experience           | (301,586)               | (259,937)               | (518,134)               |
| Changes in assumptions                                       | -                       | -                       | 1,036,657               |
| Benefit payments   | -                       | (144,734)               | (180,539)               |
| <b>Net change in OPEB liability</b>                          | <u>(79,999)</u>         | <u>(197,415)</u>        | <u>538,756</u>          |
| <b>Total OPEB liability - beginning</b>                      | <u>4,218,211</u>        | <u>4,138,212</u>        | <u>3,940,797</u>        |
| <b>Total OPEB liability - ending</b>                         | <u><u>4,138,212</u></u> | <u><u>3,940,797</u></u> | <u><u>4,479,553</u></u> |
| <b>Covered employee payroll</b>                              |                         |                         |                         |
|  | 2,397,824               | 2,429,024               | 2,500,893               |
| <b>Net OPEB liability as a percentage of covered payroll</b> | 173%                    | 162%                    | 179%                    |

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

*This schedule reflects the participation of the Board's employees in LASERS and its proportionate share of the net pension liability as a percentage of its covered employee payroll, and the plan fiduciary net position as a percentage of the total pension liability.*

See notes to required supplementary information.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Notes to Required Supplementary Information - Schedule of  
Changes in Net OPEB Liability and Related Ratios**

**Last Ten Fiscal Years \***

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

**Changes in Assumptions:**

**Measurement Date: June 30, 2019:**

1. The discount rate was decrease from 3.5% to 2.21%

**Changes in Benefit Terms:**

**There have been no changes in benefit terms.**

**ANNUAL FISCAL REPORT (AFR)  
FOR 2020**

AGENCY: 20-28-02 - Southeast Louisiana Flood Protection Authority - West

PREPARED BY: Robert Furman

PHONE NUMBER: 985-727-9924

EMAIL ADDRESS: rfurman@griffinandco.com

SUBMITTAL DATE: 09/29/2020 04:54 PM

**STATEMENT OF NET POSITION**

**ASSETS**

**CURRENT ASSETS:**

|                                      |                        |
|--------------------------------------|------------------------|
| CASH AND CASH EQUIVALENTS            | 25,975,749.00          |
| RESTRICTED CASH AND CASH EQUIVALENTS | 0.00                   |
| INVESTMENTS                          | 0.00                   |
| RESTRICTED INVESTMENTS               | 0.00                   |
| DERIVATIVE INSTRUMENTS               | 0.00                   |
| RECEIVABLES (NET)                    | 211,053.00             |
| PLEDGES RECEIVABLE (NET)             | 0.00                   |
| LEASES RECEIVABLE (NET)              | 0.00                   |
| AMOUNTS DUE FROM PRIMARY GOVERNMENT  | 0.00                   |
| DUE FROM FEDERAL GOVERNMENT          | 0.00                   |
| INVENTORIES                          | 0.00                   |
| PREPAYMENTS                          | 0.00                   |
| NOTES RECEIVABLE                     | 0.00                   |
| OTHER CURRENT ASSETS                 | 0.00                   |
| <b>TOTAL CURRENT ASSETS</b>          | <b>\$26,186,802.00</b> |

**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                      |
| <b>CAPITAL ASSETS (NET OF DEPRECIATION &amp; AMORTIZATION)</b> |                           |
| LAND   | 5,787,724.00              |
| BUILDINGS AND IMPROVEMENTS                                     | 978,511.00                |
| MACHINERY AND EQUIPMENT  | 1,319,437.00              |
| INFRASTRUCTURE   | 22,187,895.00             |
| INTANGIBLE ASSETS  | 0.00                      |
| CONSTRUCTION IN PROGRESS                                       | 2,144,653,539.00          |
| OTHER NONCURRENT ASSETS  | 0.00                      |
| <b>TOTAL NONCURRENT ASSETS</b>                                 | <b>\$2,174,927,106.00</b> |
| <b>TOTAL ASSETS</b>  | <b>\$2,201,113,908.00</b> |

**DEFERRED OUTFLOWS OF RESOURCES**

|  |              |
|--|--------------|
| ACCUMULATED DECREASE IN FAIR VALUE OF HEDGING DERIVATIVE INSTRUMENTS | 0.00         |
| DEFERRED AMOUNTS ON DEBT REFUNDING                                   | 0.00         |
| ADJUSTMENT OF CAPITAL LEASE OBLIGATIONS                              | 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 ORIGINATION COSTS FOR MORTGAGE LOANS HELD FOR SALE       | 0.00         |
| ASSET RETIREMENT OBLIGATIONS   | 0.00         |
| OPEB-RELATED DEFERRED OUTFLOWS OF RESOURCES                          | 1,081,796.00 |

**ANNUAL FISCAL REPORT (AFR)  
FOR 2020**

AGENCY: 20-28-02 - Southeast Louisiana Flood Protection Authority - West

PREPARED BY: Robert Furman

PHONE NUMBER: 985-727-9924

EMAIL ADDRESS: rfurman@griffinandco.com

SUBMITTAL DATE: 09/29/2020 04:54 PM

|  |                       |
|--|-----------------------|
| PENSION-RELATED DEFERRED OUTFLOWS OF RESOURCES | 2,273,559.00          |
| <b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>    | <b>\$3,355,355.00</b> |

|  |                           |
|--|---------------------------|
| <b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b> | <b>\$2,204,469,263.00</b> |
|--|---------------------------|

**LIABILITIES**

**CURRENT LIABILITIES:**

|                                    |            |
|------------------------------------|------------|
| ACCOUNTS PAYABLE AND ACCRUALS      | 134,619.00 |
| ACCRUED INTEREST                   | 58,677.00  |
| 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                  | 0.00       |
| OTHER CURRENT LIABILITIES          | 0.00       |

**CURRENT PORTION OF LONG-TERM LIABILITIES:**

|                                   |                     |
|-----------------------------------|---------------------|
| CONTRACTS PAYABLE                 | 0.00                |
| COMPENSATED ABSENCES PAYABLE      | 0.00                |
| CAPITAL LEASE OBLIGATIONS         | 0.00                |
| ESTIMATED LIABILITY FOR CLAIMS    | 0.00                |
| NOTES PAYABLE                     | 0.00                |
| BONDS PAYABLE                     | 321,000.00          |
| OPEB LIABILITY                    | 193,233.00          |
| POLLUTION REMEDIATION OBLIGATIONS | 0.00                |
| OTHER LONG-TERM LIABILITIES       | 0.00                |
| <b>TOTAL CURRENT LIABILITIES</b>  | <b>\$707,529.00</b> |

**NONCURRENT PORTION OF LONG-TERM LIABILITIES:**

|                                    |                        |
|------------------------------------|------------------------|
| CONTRACTS PAYABLE                  | 0.00                   |
| COMPENSATED ABSENCES PAYABLE       | 255,409.00             |
| CAPITAL LEASE OBLIGATIONS          | 0.00                   |
| ESTIMATED LIABILITY FOR CLAIMS     | 0.00                   |
| NOTES PAYABLE                      | 0.00                   |
| BONDS PAYABLE                      | 5,963,000.00           |
| TOTAL OPEB LIABILITY               | 4,286,320.00           |
| NET PENSION LIABILITY              | 9,214,950.00           |
| POLLUTION REMEDIATION OBLIGATIONS  | 0.00                   |
| OTHER LONG-TERM LIABILITIES        | 0.00                   |
| UNEARNED REVENUE                   | 0.00                   |
| <b>TOTAL LONG-TERM LIABILITIES</b> | <b>\$19,719,679.00</b> |
| <b>TOTAL LIABILITIES</b>           | <b>\$20,427,208.00</b> |

**DEFERRED INFLOWS OF RESOURCES**

|  |            |
|--|------------|
| ACCUMULATED INCREASE IN FAIR VALUE OF HEDGING DERIVATIVE INSTRUMENTS | 0.00       |
| DEFERRED AMOUNTS ON DEBT REFUNDING                                   | 0.00       |
| ADJUSTMENT OF CAPITAL LEASE OBLIGATIONS                              | 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 ORIGATION                                    | 0.00       |
| LOAN ORIGATION FEES RECEIVED FOR MORTGAGE LOANS HELD FOR SALE        | 0.00       |
| OPEB-RELATED DEFERRED INFLOWS OF RESOURCES                           | 921,838.00 |

**ANNUAL FISCAL REPORT (AFR)  
FOR 2020**

**AGENCY:** 20-28-02 - Southeast Louisiana Flood Protection Authority - West

**PREPARED BY:** Robert Furman

**PHONE NUMBER:** 985-727-9924

**EMAIL ADDRESS:** rfurman@griffinandco.com

**SUBMITTAL DATE:** 09/29/2020 04:54 PM

|   |                           |
|---|---------------------------|
| PENSION-RELATED DEFERRED INFLOWS OF RESOURCES | 581,054.00                |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>    | <b>\$1,502,892.00</b>     |
| <b>NET POSITION:</b>                          |                           |
| NET INVESTMENT IN CAPITAL ASSETS              | 2,168,643,106.00          |
| <b>RESTRICTED FOR:</b>                        |                           |
| CAPITAL PROJECTS                              | 0.00                      |
| DEBT SERVICE                                  | 0.00                      |
| NONEXPENDABLE                                 | 0.00                      |
| EXPENDABLE                                    | 0.00                      |
| OTHER PURPOSES                                | 0.00                      |
| UNRESTRICTED                                  | \$13,896,057.00           |
| <b>TOTAL NET POSITION</b>                     | <b>\$2,182,539,163.00</b> |

**ANNUAL FISCAL REPORT (AFR)  
FOR 2020**

AGENCY: 20-28-02 - Southeast Louisiana Flood Protection Authority - West

PREPARED BY: Robert Furman

PHONE NUMBER: 985-727-9924

EMAIL ADDRESS: rfurman@griffinandco.com

SUBMITTAL DATE: 09/29/2020 04:54 PM

**STATEMENT OF ACTIVITIES**

**PROGRAM REVENUES**

| EXPENSES     | CHARGES FOR SERVICES | OPERATING GRANTS<br>AND CONTRIBUTIONS | CAPITAL GRANTS<br>AND CONTRIBUTIONS | NET (EXPENSE) REVENUE |
|--------------|----------------------|---------------------------------------|-------------------------------------|-----------------------|
| 8,514,835.00 | 0.00                 | 0.00                                  | 0.00                                | \$(8,514,835.00)      |

**GENERAL REVENUES**

|                                   |                           |
|-----------------------------------|---------------------------|
| PAYMENTS FROM PRIMARY GOVERNMENT  | 14,482,228.00             |
| OTHER                             | 341,080.00                |
| ADDITIONS TO PERMANENT ENDOWMENTS | 0.00                      |
| <b>CHANGE IN NET POSITION</b>     | <b>\$6,308,473.00</b>     |
| NET POSITION - BEGINNING          | \$2,157,278,874.23        |
| NET POSITION - RESTATEMENT        | 18,951,815.77             |
| <b>NET POSITION - ENDING</b>      | <b>\$2,182,539,163.00</b> |

**ANNUAL FISCAL REPORT (AFR)  
FOR 2020**

**AGENCY:** 20-28-02 - Southeast Louisiana Flood Protection Authority - West

**PREPARED BY:** Robert Furman

**PHONE NUMBER:** 985-727-9924

**EMAIL ADDRESS:** rfurman@griffinandco.com

**SUBMITTAL DATE:** 09/29/2020 04:54 PM

**DUES AND TRANSFERS**

| <b>Account Type</b>             |                            | <b>Amount</b> |
|---------------------------------|----------------------------|---------------|
| <b>Amounts due from Primary</b> |                            |               |
| <b>Government</b>               | <b>Intercompany (Fund)</b> |               |
| <hr/>                           |                            |               |
|                                 | <b>Total</b>               | <b>\$0.00</b> |

| <b>Account Type</b>           |                            | <b>Amount</b> |
|-------------------------------|----------------------------|---------------|
| <b>Amounts due to Primary</b> |                            |               |
| <b>Government</b>             | <b>Intercompany (Fund)</b> |               |
| <hr/>                         |                            |               |
|                               | <b>Total</b>               | <b>\$0.00</b> |

**ANNUAL FISCAL REPORT (AFR)  
FOR 2020**

AGENCY: 20-28-02 - Southeast Louisiana Flood Protection Authority - West

PREPARED BY: Robert Furman

PHONE NUMBER: 985-727-9924

EMAIL ADDRESS: rfurman@griffinandco.com

SUBMITTAL DATE: 09/29/2020 04:54 PM

**SCHEDULE OF BONDS PAYABLE**

| <b>Series Issue</b> | <b>Date of Issue</b> | <b>Original Issue Amount</b> | <b>Principal Outstanding PFY</b> | <b>Issue (Redeemed)</b> | <b>Principal Outstanding CFY</b> | <b>Interest Outstanding CFY</b> |
|---------------------|----------------------|------------------------------|----------------------------------|-------------------------|----------------------------------|---------------------------------|
| 2016 Series         | 11/16/2016           | 7,500,000.00                 | 6,598,000.00                     | (314,000.00)            | \$ 6,284,000.00                  | 58,677.00                       |
|                     |                      | <b>Totals</b>                | <b>\$6,598,000.00</b>            | <b>\$(314,000.00)</b>   | <b>\$6,284,000.00</b>            | <b>\$58,677.00</b>              |

**Series - Unamortized Premiums:**

| <b>Series Issue</b> | <b>Date of Issue</b> | <b>Principal Outstanding PFY</b> | <b>Issue (Redeemed)</b> | <b>Principal Outstanding CFY</b> |
|---------------------|----------------------|----------------------------------|-------------------------|----------------------------------|
|                     |                      | 0.00                             | 0.00                    | \$ 0.00                          |
|                     |                      | <b>Totals</b>                    | <b>\$0.00</b>           | <b>\$0.00</b>                    |

**Series - Unamortized Discounts:**

| <b>Series Issue</b> | <b>Date of Issue</b> | <b>Principal Outstanding PFY</b> | <b>Issue (Redeemed)</b> | <b>Principal Outstanding CFY</b> |
|---------------------|----------------------|----------------------------------|-------------------------|----------------------------------|
|                     |                      | 0.00                             | 0.00                    | \$ 0.00                          |
|                     |                      | <b>Totals</b>                    | <b>\$0.00</b>           | <b>\$0.00</b>                    |

**ANNUAL FISCAL REPORT (AFR)  
FOR 2020**

AGENCY: 20-28-02 - Southeast Louisiana Flood Protection Authority - West

PREPARED BY: Robert Furman

PHONE NUMBER: 985-727-9924

EMAIL ADDRESS: rfurman@griffinandco.com

SUBMITTAL DATE: 09/29/2020 04:54 PM

**SCHEDULE OF BONDS PAYABLE AMORTIZATION**

| <b>Fiscal Year Ending:</b> | <b>Principal</b>      | <b>Interest</b>       |
|----------------------------|-----------------------|-----------------------|
| 2021                       | 321,000.00            | 176,031.00            |
| 2022                       | 328,000.00            | 168,488.00            |
| 2023                       | 336,000.00            | 160,452.00            |
| 2024                       | 345,000.00            | 152,052.00            |
| 2025                       | 353,000.00            | 143,254.00            |
| 2026                       | 363,000.00            | 134,076.00            |
| 2027                       | 373,000.00            | 124,457.00            |
| 2028                       | 383,000.00            | 114,386.00            |
| 2029                       | 393,000.00            | 103,853.00            |
| 2030                       | 404,000.00            | 92,849.00             |
| 2031                       | 416,000.00            | 81,335.00             |
| 2032                       | 428,000.00            | 69,271.00             |
| 2033                       | 440,000.00            | 56,645.00             |
| 2034                       | 453,000.00            | 43,445.00             |
| 2035                       | 467,000.00            | 29,629.00             |
| 2036                       | 481,000.00            | 15,152.00             |
| 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                  |
| Premiums and Discounts     | \$0.00                |                       |
| <b>Total</b>               | <b>\$6,284,000.00</b> | <b>\$1,665,375.00</b> |

**ANNUAL FISCAL REPORT (AFR)  
FOR 2020**

**AGENCY:** 20-28-02 - Southeast Louisiana Flood Protection Authority - West

**PREPARED BY:** Robert Furman

**PHONE NUMBER:** 985-727-9924

**EMAIL ADDRESS:** rfurman@griffinandco.com

**SUBMITTAL DATE:** 09/29/2020 04:54 PM

**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 6/30/2019 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. 193,233.00

Covered Employee Payroll for the **PRIOR** fiscal year (not including related benefits) 2,500,893.00

**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 (7/1/2019 - 6/30/2020). This information will be provided to the actuary for the valuation report early next year. 0.00

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 6/30/2020 for their OPEB valuation report.)

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

**ANNUAL FISCAL REPORT (AFR)  
FOR 2020**

**AGENCY:** 20-28-02 - Southeast Louisiana Flood Protection Authority - West

**PREPARED BY:** Robert Furman

**PHONE NUMBER:** 985-727-9924

**EMAIL ADDRESS:** rfurman@griffinandco.com

**SUBMITTAL DATE:** 09/29/2020 04:54 PM

**FUND BALANCE/NET POSITION RESTATEMENT**

| <b>Account Name/Description</b>   | <b>Restatement Amount</b> |
|---|---------------------------|
| <b>CURRENT ASSETS - RECEIVABLES (NET)</b>   |                           |
| Description:<br>To adjust net position for revenues earned in June 2019 but not recorded as a receivable at June 30, 2019.              | 102,348.00                |
| <b>NONCURRENT ASSETS - INFRASTRUCTURE</b>   |                           |
| Description:<br>To adjust net position for infrastructure improvements (levee lifts) that were not capitalized in prior years.          | 15,822,586.00             |
| <b>NONCURRENT ASSETS - OTHER NONCURRENT ASSETS</b>  |                           |
| Description:<br>To write of bond issuance costs that were capitalized when incurred but should have been expensed at that time.         | (70,125.00)               |
| <b>DEFERRED OUTFLOWS OF RESOURCES - OPEB-RELATED DEFERRED OUTFLOWS OF RESOURCES</b>   |                           |
| Description:<br>To correct for error in prior year adjustment to deferred outflows related to OPEB                                      | 35,805.00                 |
| <b>DEFERRED INFLOWS OF RESOURCES - OPEB-RELATED DEFERRED INFLOWS OF RESOURCES</b>   |                           |
| Description:<br>To correct for error in prior year adjustment to deferred inflows related to OPEB                                       | (266,106.00)              |
| <b>NONCURRENT LIABILITIES - NET OPEB OBLIGATION</b>   |                           |
| Description:<br>To adjust AFR beginning net position to net position per financial statements due to OSRAP adjustments to OPEB amounts. | 3,327,307.77              |
| <b>Total</b>  | <b>\$18,951,815.77</b>    |

**ANNUAL FISCAL REPORT (AFR)  
FOR 2020**

**AGENCY:** 20-28-02 - Southeast Louisiana Flood Protection Authority - West

**PREPARED BY:** Robert Furman

**PHONE NUMBER:** 985-727-9924

**EMAIL ADDRESS:** rfurman@griffinandco.com

**SUBMITTAL DATE:** 09/29/2020 04:54 PM

**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](mailto:LLAFileroom@lla.la.gov).



Stephen M. Griffin, CPA  
Robert J. Furman, CPA

Jessica S. Benjamin, Director  
—  
Members  
American Institute of  
Certified Public Accountants  
Society of LA CPA's

**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***

To the Board of Commissioners  
Southeast Louisiana Flood Protection Authority - West  
State of Louisiana  
Marrero, Louisiana

We have audited, 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, the financial statements of the governmental activities, major funds, and aggregate remaining fund information of the Southeast Louisiana Flood Protection Authority - West, (the West Authority), as of and for the year then ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the West Authority's basic financial statements and have issued our report thereon dated September 29, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the West Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for their purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the West Authority's internal control.

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 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.

Our 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 our audit we 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 West Authority's financial statements are free of material misstatement, we 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 our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Griffin & Furman, LLC*

September 29, 2020

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Schedule of Findings and Management Corrective Action Plan**

**June 30, 2020**

**Summary of Audit Results:**

- 1. Type of Report Issued – Unqualified**
- 2. Internal Control Over Financial Reporting**
  - a. Significant Deficiencies – No**
  - b. Material Weaknesses - No**
- 3. Compliance and Other Matters – No**
- 4. Management Letter - No**

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST  
STATE OF LOUISIANA**

**Status of Prior Findings**

**June 30, 2020**

**Not applicable**