

**LAFOURCHE BASIN LEVEE DISTRICT**

**A COMPONENT UNIT OF THE  
STATE OF LOUISIANA**

VACHERIE, LOUISIANA

FINANCIAL STATEMENT AUDIT

FOR THE YEAR ENDED  
DECEMBER 31, 2018

STATE OF LOUISIANA  
**LAFOURCHE BASIN LEVEE DISTRICT**  
 VACHERIE, LOUISIANA  
**TABLE OF CONTENTS**  
 DECEMBER 31, 2018

	<u>Statement</u>	<u>Page</u>
Independent Auditors' Report		1-2
Management's Discussion and Analysis		3-8
<u>Basic Financial Statements:</u>		
Government Fund Balance Sheet / Statement of Net Position	A	10
Reconciliation of the Government Fund Balance Sheet to the Statement of Net Position	B	11
Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance / Statement of Activities	C	12
Reconciliation of the Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	D	13
Notes to the Financial Statements		14-31
<u>Required Supplementary Schedules:</u>		
Budgetary Comparison Schedule (General Fund)	1	33
Schedule of the Employer's Proportionate Share of Total Collective OPEB Liability	2	34
<u>Supplementary Schedules:</u>		
Schedule of Per Diem Paid Board Members	3	36
Schedule of Compensation, Benefits and Other Payments to District Head	4	37
<u>Other Reports of Certified Public Accountants:</u>		
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		39-40
Schedule of Findings and Responses		41-42
Division Administrative Reporting Package		44



*Lenora Krielow, CPA*

To the Board of Commissioners  
LAFOURCHE BASIN LEVEE DISTRICT  
STATE OF LOUISIANA  
Vacherie, Louisiana

## INDEPENDENT AUDITORS' REPORT

### Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities and the General Fund of the Lafourche Basin Levee District (the "District"), a component unit of the State of Louisiana, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District'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

My responsibility is to express opinions on these financial statements based on my audit. I have conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I 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 auditors' 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

### Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Lafourche Basin Levee District, as of December 31, 2018, and the respective changes in financial position for the year ended in conformity with accounting principles generally accepted in the United States of America.

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## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### Other Matters

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison schedule, and the schedule of the employer's proportionate share of total collective OPEB liability, listed in the table of contents to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during the audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

#### *Supplementary Information*

My audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The schedule of compensation, benefits, and other payments to agency head, schedule of per diem paid to the members of the board of commissioners, and the Division of Administrative Reporting Package are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplementary Information and the Division of Administrative Reporting Package listed in the table of contents are the responsibility of management and was derived from and related 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 my opinion, the Supplementary Information and the Division of Administrative Reporting Package are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

### Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued a report dated August 29, 2019, on my consideration of the District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, grants and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Lafourche Basin Levee District's internal control over financial reporting and compliance.

*Lenora B Krielow*

Certified Public Accountant  
Jennings, Louisiana  
August 29, 2019

STATE OF LOUISIANA  
LAFORCHE BASIN LEVEE DISTRICT  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
AS OF DECEMBER 31, 2018

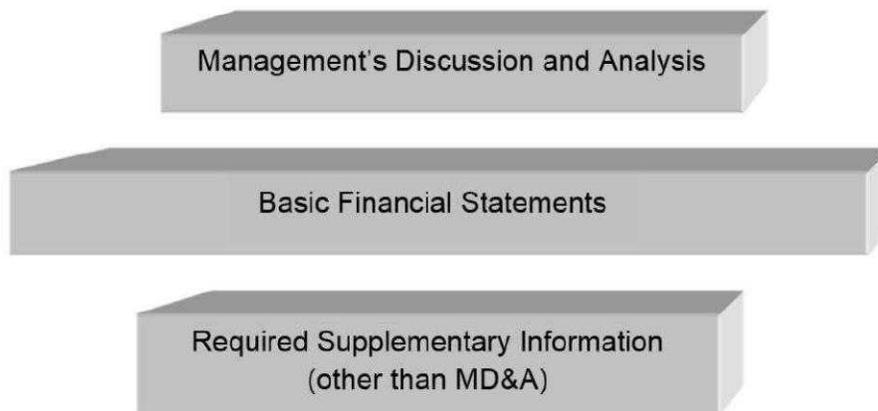
Management's Discussion and Analysis of the Lafourche Basin Levee District (District)' s financial performance presents a narrative overview and analysis of the District's financial activities for the year ended December 31, 2018. This document focuses on the current year' s activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the transmittal letter and the District' s financial statements.

**FINANCIAL HIGHLIGHTS**

- The District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2018 by \$10,181,871 which represents a 16.1% decrease from last fiscal year.
- The District's general revenue's totaled \$4,460,307 for the year ended December 31, 2018. These revenues are comprised primarily of ad valorem and interest income. Revenues remained relatively consistent with amounts reported in the last fiscal year.
- The District's expenses totaled \$6,487,429 for the year ended December 31, 2018. These expenditures are comprised primarily of operating services, and personnel expenses. Expenses increased \$2,551,395 from the last fiscal year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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



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

STATE OF LOUISIANA  
LAFORCHE BASIN LEVEE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF DECEMBER 31, 2018

**Government-wide Financial Statements**

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

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

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

**Fund Financial Statements**

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

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

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

**Notes to the Financial Statements**

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

**Required Supplementary Information**

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

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF DECEMBER 31, 2018

**Other Information**

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

**FINANCIAL ANALYSIS OF GOVERNMENT-WIDE ACTIVITIES**

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

**Comparative Statement of Net Position  
As of December 31, 2018, and December 31, 2017**

	<u>2018</u>	<u>2017</u>	<u>Variance</u>	<u>Percentage Change</u>
<b>Assets</b>				
Current assets	\$ 13,179,484	\$ 14,644,623	\$ (1,465,139)	(10.0%)
Capital assets, net	1,311,907	1,507,642	(195,735)	(13.0%)
Net Total Assets	<u>14,491,391</u>	<u>16,152,265</u>	<u>(1,660,874)</u>	
Deferred outflows of resources	<u>34,096</u>	<u>25,254</u>	<u>8,842</u>	35.0%
<b>Liabilities</b>				
Current liabilities	326,691	31,332	295,359	942.7%
Noncurrent liabilities	<u>3,669,576</u>	<u>3,759,403</u>	<u>(89,827)</u>	(2.4%)
Total Liabilities	<u>3,996,267</u>	<u>3,790,735</u>	<u>205,532</u>	
Deferred inflows of resources	<u>347,349</u>	<u>244,905</u>	<u>102,444</u>	41.8%
<b>Net Position:</b>				
Net Investment in capital assets	1,311,907	1,507,642	(195,735)	(13.0%)
Unrestricted	<u>8,869,964</u>	<u>10,634,237</u>	<u>(1,764,273)</u>	(16.6%)
Total net position	<u>\$ 10,181,871</u>	<u>\$ 12,141,879</u>	<u>\$ (1,960,008)</u>	(16.1%)

The schedule is prepared from the District's Statement of Net Position which is presented on an accrual basis of accounting. Significant changes for 2018 include:

- Current assets decreased by \$1,465,139 over the prior year, mainly from the increase in expenditures.
- Capital assets decreased \$195,735 over the prior year, mainly due decreased in capital spending.

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF DECEMBER 31, 2018

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

**Comparative Statement of Changes in Net Position**  
**For the Fiscal Years December 31, 2018, and December 31, 2017**

	<u>2018</u>	<u>2017</u>	<u>Change</u>	<u>Percentage Change</u>
<b>Expenditures/Expenses</b>				
Personnel Services and related benefits	\$ 2,659,972	\$ 2,657,832	\$ 2,140	0.1%
Travel	7,599	7,640	(41)	(0.5%)
Professional Services	46,213	65,775	(19,562)	(29.7%)
Supplies	267,286	236,964	30,322	12.8%
Operating Services	3,131,705	599,465	2,532,240	422.4%
Depreciation	374,654	368,358	6,296	1.7%
Total expenditure/expenses	<u>6,487,429</u>	<u>3,936,034</u>	<u>2,551,395</u>	<u>64.8%</u>
<b>Revenues</b>				
General revenues				
Ad valorem taxes	4,170,618	3,812,993	357,625	9.4%
State Revenue Sharing	68,325	66,047	2,278	3.4%
Interest earnings	130,463	103,637	26,826	25.9%
Licenses and permits	41,100	30,000	11,100	37.0%
Royalties and leases	18,878	14,726	4,152	28.2%
Miscellaneous	30,923	107,409	(76,486)	(71.2%)
Total revenues	<u>4,460,307</u>	<u>4,134,812</u>	<u>325,495</u>	<u>7.9%</u>
<b>Other Financing Sources (Uses)</b>				
Net increase (decrease) in the fair value of investments	67,114	7,135	59,979	840.6%
Total other financing sources (uses)	<u>67,114</u>	<u>7,135</u>	<u>59,979</u>	<u>840.6%</u>
Change in net position	(1,960,008)	205,913	(2,165,921)	783.7%
Net position, beginning	<u>12,141,879</u>	<u>11,935,966</u>	<u>205,913</u>	<u>1.7%</u>
Net position, ending	<u>\$ 10,181,871</u>	<u>\$ 12,141,879</u>	<u>\$ (1,960,008)</u>	<u>(16.1%)</u>

The District's expenses increased by \$2,551,395 from the previous fiscal year. The majority of the increase is related to additional \$2,532,240 in operating expenses from the anticipated Upper Barataria Project.

STATE OF LOUISIANA  
 NORTH LAFOURCE CONSERVATION, LEVEE AND DRAINAGE DISTRICT  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
 AS OF DECEMBER 31, 2018

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**CAPITAL ASSETS**

The District's investment in capital assets, net of accumulated depreciation as of December 31, 2018, totaled \$1,311,907. This amount represents a net decrease (including additions and disposals, net of depreciation) of \$195,735 or 13.0% over the previous fiscal year. More detailed information about the Districts' capital assets are presented in the notes to the financial statements.

**Capital Assets, Net of Depreciation**  
**As of December 31, 2018 and December 31, 2017**

	<u>2018</u>	<u>2017</u>	<u>Variance</u>	<u>Percent Change</u>
Land	\$ 130,227	\$ 130,227	\$ -	0.0%
Building & Improvements	179,430	193,783	(14,353)	-7.4%
Machinery and Equipment	1,002,250	1,183,632	(181,382)	(15.3%)
Total	<u>\$ 1,311,907</u>	<u>\$ 1,507,642</u>	<u>\$ (195,735)</u>	

The District had no long-term debt related to its capital assets.

**LONG-TERM LIABILITIES**

The District's long-term liabilities at December 31, 2018 totaled \$3,810,026. This amount represents a net decrease of \$84,991 over the previous fiscal year. The primary reason for the decrease is the change in the OPEB payable of \$89,827.

**Long-Term Liabilities at Year-End**

	<u>2018</u>	<u>2017</u>	<u>Variance</u>	<u>Percent Change</u>
Compensated absences payable	\$ 140,450	\$ 135,614	\$ 4,836	3.6%
OPEB payable	3,669,576	3,759,403	(89,827)	-2.4%
Total	<u>\$ 3,810,026</u>	<u>\$ 3,895,017</u>	<u>\$ (84,991)</u>	<u>-2.2%</u>

STATE OF LOUISIANA  
LAFORCHE BASIN LEVEE DISTRICT  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
AS OF DECEMBER 31, 2018

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

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

- Ad valorem taxes
- Interest Income
- Oil & Gas Royalties
- Projects under construction

**CONTACTING THE DISTRICT'S MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Wayne Theall, external accountant, at 225-265-7547.

## **BASIC FINANCIAL STATEMENTS**

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
**GOVERNMENTAL FUNDS BALANCE SHEET AND STATEMENT OF NET POSITION**  
AS OF DECEMBER 31, 2018

	General Fund	Adjustments (Statement B)	Statement of Net Position
<b>ASSETS</b>			
Cash	\$ 109,699	\$ -	\$ 109,699
Investments	9,062,457	-	9,062,457
Accounts receivable	4,006,303	-	4,006,303
Capital assests, net of accumulated depreciation	-	1,311,907	1,311,907
Note receivable	1,025	-	1,025
<b>TOTAL ASSETS</b>	<u>13,179,484</u>	<u>1,311,907</u>	<u>14,491,391</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to OPEB	-	34,096	34,096
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>-</u>	<u>34,096</u>	<u>34,096</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>13,179,484</u>	<u>1,346,003</u>	<u>14,525,487</u>
<b>LIABILITIES</b>			
Accounts payable and accruals	124,738	-	124,738
Accrued payroll and related liabilities	61,503	-	61,503
Compensated absence payable	-	140,450	140,450
OPEB payable	-	3,669,576	3,669,576
<b>TOTAL LIABILITIES</b>	<u>186,241</u>	<u>3,810,026</u>	<u>3,996,267</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to ad valorem taxes	131,980	(131,980)	-
Deferred inflows related to OPEB	-	347,349	347,349
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>131,980</u>	<u>215,369</u>	<u>347,349</u>
<b>FUND BALANCE/NET POSITION</b>			
Nonspendable: notes receivable	1,025	(1,025)	
Unassigned	12,860,238	(12,860,238)	
<b>TOTAL FUND BALANCE</b>	<u>12,861,263</u>	<u>(12,861,263)</u>	
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<u>\$ 13,179,484</u>		
Net investment in capital assests		1,311,907	1,311,907
Unrestricted		8,869,964	8,869,964
<b>TOTAL NET POSITION</b>		<u>\$ 10,181,871</u>	<u>\$ 10,181,871</u>

The accompanying notes are an integral part of this financial statement

STATE OF LOUISIANA  
LAFORCHE BASIN LEVEE DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
AS OF DECEMBER 31, 2018

Total Fund Balances for Governmental Funds (Statement A)		\$ 12,861,263
Total Net Position reported for governmental activities in the statement of Net Position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Governmental capital assets	4,176,250	
Less accumulated depreciation	<u>(2,864,343)</u>	1,311,907
Deferred outflows of resources used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.		
Net deferred outflows related to OPEB	<u>34,096</u>	34,096
Long-term liabilities are not due and payable in the current period and therefore are not reported in the fund liabilities.		
Compensated absences payable	(140,450)	
Other postemployment benefit payable	<u>(3,669,576)</u>	(3,810,026)
Deferred inflows of resources used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.		
Net deferred inflows related to ad valorem taxes	131,980	
Net deferred inflows related to OPEB	<u>(347,349)</u>	(215,369)
Net Position of Governmental Activities (Statement A)		<u>\$ 10,181,871</u>

The accompanying notes are an integral part of this financial statement

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE AND STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>General Fund</u>	<u>Adjustments (Statement D)</u>	<u>Statement of Activities</u>
<b>EXPENDITURES / EXPENSES</b>			
Personnel services and related benefits	\$ 2,515,747	\$ 144,225	\$ 2,659,972
Travel	7,599		7,599
Professional services	46,213	-	46,213
Operating services	3,131,705		3,131,705
Supplies	267,286		267,286
Capital outlay	178,919	(178,919)	-
Depreciation	-	374,654	374,654
Total Expenditure/Expenses	<u>6,147,469</u>	<u>339,960</u>	<u>6,487,429</u>
<b>GENERAL REVENUES</b>			
Ad valorem taxes	4,154,175	16,443	4,170,618
State revenue sharing	68,325	-	68,325
Interest income	130,463	-	130,463
Licenses and permits	41,100	-	41,100
Royalties and surface leases	18,878	-	18,878
Miscellaneous	30,923	-	30,923
Total General Revenues	<u>4,443,864</u>	<u>16,443</u>	<u>4,460,307</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Net increase (decrease) in the fair value of investments	67,114	-	67,114
Total other financing sources (uses)	<u>67,114</u>	<u>-</u>	<u>67,114</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>			
	(1,636,491)	1,636,491	NONE
<b>CHANGE IN NET POSITION</b>			
	NONE	(1,960,008)	(1,960,008)
<b>FUND BALANCE/NET POSITION</b>			
Beginning of the year	<u>14,497,754</u>	<u>(2,355,875)</u>	<u>12,141,879</u>
End of the year	<u>\$ 12,861,263</u>	<u>\$ (2,679,392)</u>	<u>\$ 10,181,871</u>

The accompanying notes are an integral part of this financial statement

## STATEMENT D

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
**RECONCILIATION OF THE STATEMENT OF GOVERNMENTAL FUND REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2018**

Net Change in Fund Balances - Governmental Fund (Statement C) \$ (1,636,491)

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

Governmental funds report capital outlays as expenditures. However, in  
the statement of activities the cost of those assets are allocated over their  
estimated useful lives and reported as depreciation expense.

Capital outlay	178,919	
Less accumulated depreciation	<u>(374,654)</u>	(195,735)

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

(144,225)

Some revenues were collected more than sixty days after year end and,  
therefore, were not available to pay current period expenditures in  
governmental funds.

16,443

Change in Net Position of Governmental Activities (Statement C) \$ (1,960,008)

The accompanying notes are an integral part of this financial statement

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018

**INTRODUCTION**

Lafourche Basin Levee District (District), a component unit of the State of Louisiana, was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute (R.S.) 38:291(F). The District is domiciled in Vacherie, Louisiana, and was created for the primary purpose of maintaining and operating the levee systems of all or portions of the following parishes: Ascension, Assumption, St. Charles, St. James, and St. John the Baptist. The District ensures the integrity of the levee system throughout the year and during times of emergency, responds with trained personnel and the necessary equipment to provide protection of lives and property. The Board of Commissioners administers the operations and responsibilities of the District in accordance with the provisions of Louisiana statute. The 11 members of the Board of Commissioners, which governs the District, are appointed by the governor of the State of Louisiana.

The Board President receives compensation of \$1,000 per month, and other commissioners, as authorized by R.S. 38:308, receive a per diem to attend meetings or conduct Board-approved business not to exceed \$105 per day up to 36 days per year.

**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Governmental Accounting Standards Board (GASB) promulgates accounting principles generally accepted in the United States of America and reporting standards for state and local governments. These principles are found in the *Codification of Governmental Accounting and Financial Reporting Standards*, published by GASB. The accompanying financial statements have been prepared in accordance with such principles.

**A. Reporting Entity**

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

**B. Government-Wide and Fund Financial Statements**

The District's basic financial statements consist of the government-wide statements on all activities of the District and the governmental fund financial statements (individual major funds). The government-wide and fund financial statements categorize primary activities as either governmental or business-type. The District's General Fund is classified as governmental activities.

STATE OF LOUISIANA  
LAFORCHE BASIN LEVEE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018

**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

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

**Capitalizing Assets:** Tangible and/or intangible assets used in operations with an initial useful life that extends beyond two years and exceeds \$1,000 in cost are capitalized. Infrastructure assets such as levees, roads, and bridges are also capitalized along with interest on debt incurred during construction. Capital assets are recorded at their historical cost and are depreciated using the straight-line method of depreciation over their estimated useful lives. They are reported net of accumulated depreciation on the Statement of Net Position.

**Indirect Expenses:** Expenses are reported according to function except for those that meet the definition of special or extraordinary items. Direct expenses are specifically associated with a service or program. Indirect expenses include general government or administration that cannot be specifically traced to a service or program. Governments are not required to allocate indirect expenses to other functions, and the District has chosen not to do so.

**C. Fund Accounting**

The District uses its General Fund 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 relating to certain government functions or activities.

A fund is a separate entity with a self-balancing set of accounts. Funds of the District are classified under one category, governmental. Governmental funds account for all or most of the District's general activities, including the collection and disbursement of specific or legally reserved monies, the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds include the General Fund, which accounts for all activities not required to be reported in another fund.

STATE OF LOUISIANA  
LAFORCHE BASIN LEVEE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018

C. **Measurement Focus and Basis of Accounting**

The accompanying government-wide financial statements are reported using an economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and liabilities associated with the operating of governmental and business-type activities are included in the Statement of Net Position. Revenues are recognized when earned, and expenses are recognized at the time the liabilities are incurred in the Statement of Activities. In these statements, capital assets are reported and depreciated, and long-term obligations are reported.

The fund financial statements are reported using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included in the balance sheet. Operating statements present increases and decreases in net current assets. 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 collectable within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers property taxes as available if they are collected within 60 days after year end. Expenditures for capital assets are reported as current expenses and such assets are not depreciated.

D. **Budgetary Accounting**

As required by the Louisiana Revised Statutes 39:1303, the District adopts an annual budget. Formal budgetary accounting is employed as a management control. The District prepares and adopts a budget prior to October 1 of each year for its General Fund. The operating budget is prepared based on prior year’s revenues and expenditures and the estimated increase therein for the current year, using the full accrual basis of accounting. The District amends its budget when projected revenues are expected to be less than budgeted revenues by 5% or more and/or projected expenditures are expected to be more than budgeted amounts by 5% or more. The Budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year.

The budgetary practices include public notice of the proposed budget, public inspection of the proposed budget and a public hearing on the budget prior to adoption. All budgeted amounts which are not expended, or obligated through contracts, lapse at year end.

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018

**E. Cash and Cash Equivalents**

Cash includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Currently, the District has no investments with maturities less than 90 days.

In accordance with R.S. 33:2955, the District, as a political subdivision, is authorized to invest funds in direct U.S. Treasury obligations, bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies backed by the full faith and credit of the United States of America, direct security repurchase agreements, time certificates of deposits, mutual or equity trusts fund institutions, guaranteed investment contracts, investment grade commercial paper, and bonds, debentures, notes or other indebtedness issued by a state of the United States or any such state's political subdivision that meet stated conditions.

**F. Receivables**

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

**G. Capital Assets**

Capital assets are carried at historical costs. Depreciation of all exhaustible fixed assets used by the District is charged as an expense against operations in the Statements of Activities. Capital assets net of accumulated depreciation are reported on the Statement of Net Position. Expenditures for maintenance, repairs, and minor renewals are charged to earnings as incurred. Major expenditures for renewal and betterments are capitalized. The District's practice is to capitalize items with a unit cost of \$1,000 or greater. Depreciation is recorded using the straight-line method over the useful lives of the assets as follows:

	<u>Years</u>
Buildings/improvements	15-45
Machinery/equipment	3-10

STATE OF LOUISIANA  
LAFORCHE BASIN LEVEE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. **Compensated Absences**

Employees earn annual and sick leave at varying rates, depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon determination, 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.

The current portion of compensated absences payable (the amount estimated to be used during the period of availability) is recorded as a liability in the fund financial statements. The entire balance of compensated absences payable is recognized as a liability in the government-wide financial statements. The noncurrent portion represents a reconciling item between the fund and government-wide statements.

I. **Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates.

J. **Long-Term Obligations**

Long-term liabilities consist of employee compensated absences and postretirement health care benefits. The District recognizes other postemployment benefits liability in the government-wide financial statements based on actuarially determined obligations under GASB No. 75.

K. **Fund Balance - Governmental Funds**

In the fund financial statements, fund balance for the governmental funds are classified as follows:

- a) *Nonspendable* - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b) *Unassigned* - all other spendable amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General Fund.
- c) *Restricted* - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by ordinances or resolutions approved by the Board of the District.

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018

**K. Fund Balance - Governmental Funds (continued)**

- d) *Committed*- amounts that can be used only for specific purposes determined by a formal action of the Board. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board of the District.

For the classification of governmental fund balances, the District considers an expenditure to be made from the most restrictive first when more than one classification is available. When components of unrestricted fund balance can be used for the same purpose, committed fund balance is used first followed by unassigned fund balance.

Category	Governmental Fund
Nonspendable	\$ 1,025
Unassigned	12,860,238
Total fund balance	\$ 12,861,263

**L. Net Position**

*Government-wide Statement:* Equity is classified as net position and comprises the various net earnings from revenues and expenses. Net position is classified in the following components:

- (a) *Investment in capital assets* consists of the District's total investment in capital assets, net of accumulated depreciation and reduced by the outstanding debt attributable to these assets. The District does not have any outstanding debt obligations related to capital assets.
- (b) *Restricted net position* reflects the portion of net position with limitations imposed on its use by external parties such as creditors, grantors, or laws or regulations of other governments. The District does not have any restricted net.
- (c) *Unrestricted net position* is the balance of all other elements in the Statement of Net Position remaining after net investment in capital assets and restricted net position. Unrestricted net position is used for transactions relating to the general operations of the District and may be used at its discretion to meet current expenses and for any purpose.

**M. Ad Valorem Taxes**

Article 6, Section 39 of the Louisiana Constitution of 1974 provides that for the purpose of constructing and maintaining levees, levee drainage, flood protection, hurricane flood protection, and all other purposes incidental thereto, the District may levy annually a tax. Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. They are levied in November, billed in December, and become delinquent on January 1 of the following year.

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018

N. **Recent Accounting Pronouncements**

In June 2015, GASB issued Statement No 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension*. The purpose of this statement is to improve financial reporting by state and local governments for postemployment benefits other than pensions and improve the information about financial support provided by other entities.

The statement replaces Statements No 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended; and No 57 *OPEB Measurements by Agent Employers and Agent Multi-Employer Plans*. This statement is effective for plan years beginning after June 15, 2017. The District adopted GASB Statement No 75 in the prior year ended December 31, 2017.

In June 2017, GASB issued Statement No. 87, *Leases*. The purpose of this statement was to increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. Management has determined GASB 87 has no impact on the District's financials.

**NOTE 2: CASH AND CASH EQUIVALENTS**

At December 31, 2018, the District has cash (book balance) of \$109,699 in demand deposits.

Custodial credit risk is the risk that in the event of a bank failure the District's deposits may not be recovered. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the District or the pledging bank by a holding or custodial bank that is mutually acceptable to both parties. The District does not have a custodial credit risk policy.

At December 31, 2018, the District had \$227,519 in deposits (collective bank balances), which are secured from risk by federal deposit insurance plus pledged securities in the amount of \$974,341.

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED DECEMBER 31, 2018

**NOTE 3: INVESTMENTS**

At December 31, 2018 the District held investments totaling \$9,062,457 as follows:

	Reported Amount	Market Value
Louisiana Asset Management Pool	\$ 1,681,693	\$ 1,681,693
BNY Mellon	7,380,764	7,380,764
	\$ 9,062,457	\$ 9,062,457

**Louisiana Asset Management Pool (LAMP)**

Investments held at December 31, 2018, including \$1,681,693 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. LAMP investment guidelines and historical information are available on its website [www.lamppool.com](http://www.lamppool.com) or can be obtained by phoning (504) 525-LAMP.

GASB Statement No 40, Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments. LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools: (1) credit risk: LAMP is rated AAAM by Standard & Poor's; (2) custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required; (3) concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement; (4) interest rate risk: GASB No 40 excludes 2a7-like investments pools from this disclosure requirement; and, (5) foreign currency risk: Not applicable to 2a7-like pools.

The dollar-weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days and consist of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pools is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018

**NOTE 3: INVESTMENTS (continued)**

**BNY Mellon**

At December 31, 2018, the District has investments held totaling \$7,380,764. A summary of the District's investment held are as follows:

Type of Investment	Percentage of Investments	Credit Quality Rating	Fair Value December 31, 2018
U.S. Treasury Notes <sup>1</sup>	7.6%	Aaa	563,412
U.S. Treasury Bills	83.6%	Not Rated	6,168,458
General Obligation bonds:			
State of Louisiana <sup>1</sup>	1.6%	Aa3	114,685
South Dakota State Building Authority <sup>1</sup>	2.7%	Aa1	201,208
Colorado Housing & Finance Authority <sup>1</sup>	1.2%	Aaa	84,963
City of Lubbock, Texas <sup>2</sup>	2.0%	AA+	149,912
JP Morgan U.S. Government <sup>1</sup>			
Money Market Fund	1.3%	Aaa-mf	98,126
Total	<u>100.0%</u>		<u>7,380,764</u>

<sup>1</sup> Credit quality ratings obtained from Moody

<sup>2</sup> Credit quality ratings obtained from S&P

Type of Investment	December 31, 2018				
	Fair Value	Less Than 1 Year	1 to 5 Years	6 to 10 Years	+10 Years
U.S. Treasury Notes	563,412	563,412			
U.S. Treasury Bills	6,168,458	6,168,458			
General Obligation bonds:					
State of Louisiana	114,685	114,685			
South Dakota State Building Authority	201,208	201,208			
Colorado Housing & Finance Authority	84,963		84,963		
City of Lubbock, Texas	149,912		149,912		
JP Morgan U.S. Government					
Money Market Fund *	98,126	98,126			
	<u>7,380,764</u>	<u>7,145,889</u>	<u>234,875</u>	<u>NONE</u>	<u>NONE</u>

\* For money market funds the cost of investments approximates fair value.

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018

**NOTE 3: INVESTMENTS (continued)**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits the District investments per R.S. 33:2955. The District does not have policies to further limit credit risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy states that the assets of the District shall be held in trust by the fiduciary (fiduciaries) designated by the District. For the U.S. Treasury obligations and U.S. Money Market funds, state law and District policy provides these are backed by the full faith and credit of the United States of America. Bonds issued by the State of Louisiana shall have a minimum investment grade rating of Baa3 or higher and have a final maturity of no more than three years.

Concentration of credit risk is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. The District does not have policies to further limit concentration of credit risk.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State law as applicable to political subdivisions does not address interest rate risk. In addition, the District does not have policies to limit interest rate risk.

**INVESTMENTS – FAIR VALUE MEASUREMENT**

GASB Statement No. 72, *Fair Value Measurement and Application*, requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels.

- *Level 1 inputs* – the valuation is based on quoted market prices for identical assets or liabilities traded in active markets;
- *Level 2 inputs* – the valuation is based on quoted market prices for similar instruments traded in active markets, quoted prices for identical or similar instruments in markets that are not active, and inputs other than quoted prices that are observable for the asset or liability; and
- *Level 3 inputs* – the valuation is determined by using the best information available under the circumstances and might include the government's own data.

In developing unobservable inputs, a government may begin with its own data but should adjust those data if (a) reasonably available information indicates that other market participants would use different data or (b) there is something particular to the government that is not available to other market participants.

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018

**NOTE 3: INVESTMENTS (continued)**

**INVESTMENTS – FAIR VALUE MEASUREMENT**

Fair values of assets measured on a recurring basis at December 31, 2018, are as follows:

Type of Investment	Fair Value December 31, 2018	Fair Value Hierarchy		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Treasury Notes	\$ 563,412		\$ 563,412	
U.S. Treasury Bills	6,168,458		6,168,458	
General Obligation bonds:				
State of Louisiana	114,685		114,685	
South Dakota State Building Authority	201,208		201,208	
Colorado Housing & Finance Authority	84,963		84,963	
City of Lubbock, Texas	149,912		149,912	
JP Morgan U.S. Government Money Market Fund	98,126		98,126	
<b>Total</b>	<b>\$ 7,380,764</b>	<b>NONE</b>	<b>\$ 7,380,764</b>	<b>NONE</b>

Fair values for the District’s investments categorized in Level 2 have been provided by the District’s investment advisors or other sources and are based on other observable inputs. The District has no investments categorized in Level 1 or Level 2.

**NOTE 4: ACCOUNTS RECEIVABLE**

The following is a summary of accounts receivable at December 31, 2018:

Ad valorem taxes	\$ 3,949,171
Interest on investments	6,034
Due from other governmental agencies	51,098
<b>Total accounts receivable</b>	<b>\$ 4,006,303</b>

STATE OF LOUISIANA  
LAFORCHE BASIN LEVEE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018

**NOTE 5: CAPITAL ASSETS**

A summary of changes in capital assets for the fiscal year ended December 31, 2018, follows:

	Balance December 31, 2017	Additions	Retirements	Balance December 31, 2018
	<u>2017</u>	<u>Additions</u>	<u>Retirements</u>	<u>2018</u>
Capital assets not being depreciated:				
Land	\$ 130,227	\$ -	\$ -	\$ 130,227
Total capital assets not being depreciated	<u>130,227</u>	<u>-</u>	<u>-</u>	<u>130,227</u>
Capital assets being depreciated:				
Building & improvements	574,167	-	-	574,167
Machinery & equipment	3,315,537	178,919	22,600	3,471,856
Total capital assets being depreciated	<u>3,889,704</u>	<u>178,919</u>	<u>22,600</u>	<u>4,046,023</u>
Less accumulated depreciation:				
Building & improvements	(380,384)	(14,354)	-	(394,738)
Machinery & equipment	(2,131,905)	(360,300)	(22,600)	(2,469,605)
Total accumulated depreciation	<u>(2,512,289)</u>	<u>(374,654)</u>	<u>(22,600)</u>	<u>(2,864,343)</u>
<b>Capital assets, net</b>	<u>\$ 1,507,642</u>	<u>\$ (195,735)</u>	<u>\$ -</u>	<u>\$ 1,311,907</u>

Depreciation expense for the year ended December 31, 2018 was \$374,654

**NOTE 6: ACCOUNTS PAYABLE**

The following is a summary of accounts payable and accruals at December 31, 2018:

<u>Class of Payable</u>	<u>Government Fund</u>
Vendors	\$ 124,738
Payroll and related benefits	<u>61,503</u>
Total Payables	<u>\$ 186,241</u>

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED DECEMBER 31, 2018

**NOTE 7: COMPENSATED ABSENCES**

Employees earn and accumulate annual and sick leave at various rates, depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. However, unused sick leave is not paid upon termination.

In the government-wide financial statements, the net change in accumulated annual leave liability is recorded as an expense and the total a long-term obligation. In accordance with GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*.

At December 31, 2018, employees of the District have accumulated and vested annual leave of \$140,450. The balance was computed in accordance with GASB Codification Section C60. The leave payable is recorded in the accompanying financial statements

**NOTE 8: EMPLOYEE BENEFITS - OTHER POST EMPLOYMENT BENEFITS (OPEB)**

**General Information about the Pension Plan**

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

***Plan Description and Benefits Provided***

The Office of Group Benefits (OGB) administers the State of Louisiana Post-Retirement Benefits Plan – a defined-benefit, multiple-employer other postemployment benefit plan. The plan provides medical, prescription drug, and life insurance benefits to retirees, disabled retirees, and their eligible beneficiaries through premium subsidies. Current employees, who participate in an OGB health plan while active, are eligible for plan benefits if they are enrolled in the OGB health plan immediately before the date of retirement and retire under one of the state sponsored retirement systems (Louisiana State Employees' Retirement System, Teachers' Retirement System of Louisiana, Louisiana School Employees' Retirement System, or Louisiana State Police Retirement System,) or they retire from a participating employer that meets the qualifications in the Louisiana Administrative Code 32:3.303. Benefit provisions are established under R.S. 42:851 for health insurance benefits and R.S. 42:821 for life insurance benefits. The obligations of the plan members, employer(s), and other contributing entities to contribute to the plan are established or may be amended under the authority of R.S. 42:802.

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED DECEMBER 31, 2018

**NOTE 8: EMPLOYEE BENEFITS – OPEB (continued)**

There are no assets accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement 75. Effective July 1, 2008, an OPEB trust fund was statutorily established; however, this plan is not administered as a trust and no plan assets have been accumulated as of June 30, 2018. The plan is funded on a “pay-as-you-go basis” under which the contributions to the plan are generally made at about the same time and in about the same amount as benefit payments become due.

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

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

<u>OGB Participation</u>	<u>Employer Contribution Percentage</u>	<u>Retiree Contribution Percentage</u>
Under 10 years	19%	81%
10-14 years	38%	62%
15-19 years	56%	44%
20+ years	75%	25%

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

**Total Collective OPEB Liability and Changes in Total Collective OPEB Liability**

At December 31, 2018, the District reported a liability of 3,669,576 for its proportionate share of the total collective OPEB liability. The total collective OPEB liability was measured as of July 1, 2018 and was determined by an actuarial valuation as of that date.

The District’s proportionate share percentage is based on the employer’s individual OPEB actuarial accrued liability in relation to the total OPEB actuarial accrued liability for all participating entities included in the State of Louisiana reporting entity. At December 31, 2018 the District’s proportion was 0.0430% and the change in proportion from the prior measurement date was 0.0417% or an increase in 0.0013%.

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018

**NOTE 8: EMPLOYEE BENEFITS – OPEB (continued)**

*Actuarial assumptions and other inputs.* The total collective OPEB liability in the July 1, 2018 actuarial valuation was determined using the following actuarial methods, assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

- Actuarial Cost Method – Entry Age Normal, Level percentage of pay
- Estimated Remaining Service Lives – 4.5
- Inflation rate – Consumer Price Index (CPA) 2.80%
- Salary increase rate – consistent with the pension plan disclosed in note 7
- Discount rate – decreased from 3.13% to 2.98% based on S&P 20-year municipal bond index rate
- Mortality rates - updated from the RP-2014 Healthy Annuitant and Employee tables for males and females with generational projections using projection scale MP-2017 to the RP-2014 Healthy Annuitant and Employee tables for males and females using projection scale MP-2018
- Healthcare cost trend rates - 7% for pre-Medicare eligible employees grading down by .25% each year, beginning in 2020-2021, to an ultimate rate of 4.5% in 2029; 5.5% for post-Medicare eligible employees grading down by .25% each year beginning in 2020-2021, to an ultimate rate of 4.5% in 2023-2024 and thereafter; the initial trend was developed using the National Health Care Trend Survey; the ultimate trend was developed using a building block approach which considers Consumer Price Index, Gross Domestic Product, and technology growth

Changes of the assumptions and other inputs reflect a change in the discount rate from 3.13% as of July 1, 2017, to 2.98% as of July 1, 2018.

**Sensitivity of the proportionate share of the total collective OPEB liability to changes in the discount rate.**

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

	1.0% Decrease	Current Discount Rate	1.0% Increase
	(1.98%)	(2.98%)	(3.98%)
Proportionate Share of Total Collective OPEB Liability	\$ 4,417,127	\$ 3,669,576	\$ 3,090,420

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 8: EMPLOYEE BENEFITS – OPEB (continued)

**Sensitivity of the proportionate share of the total collective OPEB liability to changes in the healthcare cost trend rates.**

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

	1.0% Decrease (6% decreasing to 3.5%)	Current Healthcare Cost Trend Rates (7% decreasing to 4.5%)	1.0% Increase (8% decreasing to 5.5%)
Proportionate Share of Total Collective OPEB Liability	\$ 3,048,183	\$ 3,669,576	\$ 4,496,283

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

For the year ended, December 31, 2018, the District recognized OPEB expense of \$207,581. At December 31, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumption or other inputs	\$ -	\$ (263,225)
Differences between benefit payments and proportionate share of benefit payments	-	(84,124)
Amounts paid by the employer for OPEB subsequent to the measurement date	34,096	-
Total	<u>\$ 34,096</u>	<u>\$ (347,349)</u>

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018

**NOTE 8: EMPLOYEE BENEFITS – OPEB (continued)**

Deferred outflows of resources related to OPEB resulting from the District’s benefit payments subsequent to the measurement date will be recognized as a reduction of the total collective OPEB liability in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended December 31:</u>	
2019	\$ 93,981
2020	93,981
2021	56,499
2022	<u>10,950</u>
	<u>\$ 255,411</u>

**NOTE 9: LONG-TERM LIABILITIES**

The following is a summary of long-term debt transactions of the entity for the year ended December 31, 2018:

	Balance December 31, 2017	Additions	Reductions	Balance December 31, 2018	Portion Due Within One Year
Compensated absences	\$ 135,614	\$ 100,566	\$ 95,730	\$ 140,450	\$ 100,566
OPEB Payable	<u>3,623,789</u>	<u>45,787</u>	-	<u>3,669,576</u>	-
Total	<u>\$ 3,759,403</u>	<u>\$ 146,353</u>	<u>\$ 95,730</u>	<u>\$ 3,810,026</u>	<u>\$ 100,566</u>

**NOTE 10: DEFERRED COMPENSATION PLAN**

Effective July 17, 2000, the District established an Internal Revenue Code 457 (Section 457 Plan) with Travelers Insurance Company adopting Travelers Allocated Contracts which allows each participant to choose from four or more plans offered. The plan provides each participant their own account with the ability to administer their investment accounts. The District’s contribution to the Section 457 Plan was \$46,276 for the year ended December 31, 2018.

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018

**NOTE 11: CLAIMS AND LITIGATION**

The District is involved in several legal claims arising in the ordinary course of operations. In the opinion of management and the legal defense, an award is deemed to be less than likely and would not materially affect the financial statements of the District. Therefore, no loss contingency has been accrued.

**NOTE 12: RISK MANAGEMENT**

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

**NOTE 13: SUBSEQUENT EVENTS:**

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through August 29, 2019, the date the financial statements were available to be issued.

**REQUIRED SUPPLEMENTAL INFORMATION**

STATE OF LOUISIANA  
LAFORCHE BASIN LEVEE DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Budgeted Amounts</u>		Actual Amounts	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>REVENUES</b>				
Ad valorem taxes	\$ 3,777,000	\$ 3,777,000	\$ 4,154,175	\$ 377,175
State revenue sharing	82,350	82,350	68,325	(14,025)
Interest Income	127,500	127,500	130,463	2,963
Licenses and permits	25,000	25,000	41,100	16,100
Royalties and leases	-	-	18,878	18,878
Miscellaneous	75,000	75,000	30,923	(44,077)
Total general revenues	<u>4,086,850</u>	<u>4,086,850</u>	<u>4,443,864</u>	<u>357,014</u>
<b>EXPENDITURES / EXPENSES</b>				
General Government				
Personnal services and related benefits	2,708,643	2,708,642	2,515,747	192,895
Travel	99,200	99,200	7,599	91,601
Professional services	-	-	46,213	(46,213)
Operating services	1,178,085	3,532,086	3,131,705	400,381
Supplies	451,626	451,626	267,286	184,340
Capital outlay and levee maintenance	962,550	962,550	178,919	783,631
Total expenditures / expenses	<u>5,400,104</u>	<u>7,754,104</u>	<u>6,147,469</u>	<u>1,606,635</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Net increase (decrease) in the fair value of investments	2,165	2,165	67,114	67,114
Total other financing sources (uses)	<u>2,165</u>	<u>2,165</u>	<u>67,114</u>	<u>67,114</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>				
	<u>\$ (1,313,254)</u>	<u>\$ (3,665,089)</u>	<u>(1,636,491)</u>	
<b>FUND BALANCE</b>				
Beginning of the year	<u>14,497,754</u>	<u>14,497,754</u>	<u>14,497,754</u>	
End of the year	<u>\$ 13,184,500</u>	<u>\$ 10,832,665</u>	<u>\$ 12,861,263</u>	

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
**SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE  
OF THE TOTAL COLLECTIVE OPEB LIABILITY**  
FOR THE YEARS ENDED DECEMBER 31,

Fiscal Year End*	Employer's Portion of the total collective OPEB liability	Employer's proportionate share of the total collective OPEB liability	Employer's covered- employee payroll	Employer's proportionate share of the total collective liability as a percentage of the covered-employee payroll
2016	0.0417%	\$ 3,783,152	\$ 1,300,728	34.38%
2017	0.0417%	\$ 3,623,789	\$ 1,381,266	38.12%
2018	0.0430%	\$ 3,669,576	\$ 1,319,581	35.96%

\*The amounts presented for each fiscal year were determined as of the measurement date (July1).

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

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (Statement 2)**

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

Changes in assumptions –

In the valuation for 2017, the discount rate increased from 2.71% to 3.13%

In the valuation for 2018, the discount rate decreased from 3.13% to 2.98%

Change in population –

2017: Changes in census data includes an increase in participating employees from 36 to 38 employees.

2018: Changes in census data includes an increase in participating employees from 38 to 42 employees.

**SUPPLEMENTAL INFORMATION**

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
**SCHEDULE OF PER DIEM PAID BOARD MEMBERS**  
FOR THE YEAR ENDED DECEMBER 31, 2018

Name	Title	Amount
Craig Carter	Commissioner	\$ 3,624
Stanley Folse	Commissioner	3,736
Kevin Hebert	Commissioner	2,994
Jeffery Henry	Commissioner	3,526
James Jasmin	President	5,785
Whitney Jasmin	Commissioner	3,512
Russell Loupe	Commissioner	3,624
Mike McKinney, Sr.	Past President	9,321
Eric Matherne	Vice-President	2,967
Marlin Rogers	Commissioner	3,092
Gary Watson	Commissioner	3,197
		<u>\$ 45,378</u>

The schedule of compensation paid board members was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

The Board President receives compensation of \$1,000 per month, and the other commissioners, as authorized by Louisiana Revised Statute 38:308 receive a per diem to attend meetings or conduct board-approved business not to exceed \$105 per day up to 36 days per year.

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS  
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER  
FOR THE YEAR ENDED DECEMBER 31, 2018

AGENCY HEAD: Donald Ray Henry, Executive Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 111,076
Benefits-Insurance	18,475
Benefits - Retirement	9,614
Deferred compensation	-
Vehicle provided by government	510
Cell phone	1,258
Dues	154
Registration fees	1,920
Conference travel	1,748
Total	<u>\$ 144,755</u>

**OTHER REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS**



*Lenora Krielow, CPA*

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

Board of Commissioners  
Lafourche Basin Levee District  
State of Louisiana  
Vacherie, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of American and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental-type activities, and General Fund of the Lafourche Basin Levee District (District), a component unit of the State of Louisiana, as of and for the year ended December 31, 2018 and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued my report thereon dated August 29, 2019.

**Internal Control Over Financial Reporting**

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

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

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

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•      337-278-5144      •

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Lafourche Basin Levee District's financial statements are free of material misstatement. I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my test disclosed an instance of noncompliance or other matters that is required to be reported under Government Auditing Standards and which is described in the accompanying Schedule of Current Year Audit Findings as item 2018-001(C).

### **Lafourche Basin Levee District's Response to Finding**

Lafourche Basin Levee District's response to the findings identified in my audit is described in the accompany schedule of current year audit findings. Lafourche Basin Levee District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion of it.

### **Purpose of this Report**

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

*Lenora B Krielow*

Certified Public Accountant

Jennings, Louisiana  
August 29, 2019

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2018

**SECTION I - SUMMARY OF AUDITOR'S FINDING AND RESPONSES**

**FINANCIAL STATEMENTS**

1. Type of auditor's report issued  
The auditor's report expresses an **unmodified opinion** on the financial statements of the Lafourche Basin Levee Districts' financial statements as of and for the year ended December 31, 2018
2. Internal control over financial reporting
  1. Material weaknesses identified? **NO**
  2. Significant Deficiencies identified? **None Reported**
3. Noncompliance material to the financial statements noted? **YES**

**FEDERAL AWARDS**

Not Applicable

**MANAGEMENT LETTER**

No management letter was issued in connection with the audit for the year ended December 31, 2018.

**SECTION III – FINDINGS RELATING TO FINANCIAL REPORTING**

**CURRENT YEAR FINDINGS**

**2018-01 (C) – Compliance: Timely Submission of Report**

***Criteria:***

Louisiana Revised Statute 24:513 requires the District's audited financial statements to be submitted to the Louisiana Legislative Auditor no later than six months after the auditee's fiscal year-end.

***Condition***

The December 31, 2018 audited financial statements were submitted to the Louisiana Legislative Auditor after the June 30, 2019 due date.

***Cause***

The accounting records were not closed in a timely manner after year-end.

***Effect***

The District was not in compliance with Louisiana R.S. 24:513.

***Management Recommendation***

Obtain necessary information needed to close the accounting records within 60 day after year-end.

***Management Response:***

The District will monitor filing deadlines and comply with filing requirements.

STATE OF LOUISIANA  
LAFOURCHE BASIN LEVEE DISTRICT  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2018

**SECTION III – FINDINGS RELATING TO FINANCIAL REPORTING (continued)**

**PRIOR YEAR FINDINGS**

NONE REPORTED

**SECTION III – FINDINGS AND QUESTIONED COST RELATED TO FEDERAL PROGRAMS**

As December 31, 2018, the Lafourche Basin Levee District did not meet the requirements to have a single audit in accordance with OMB Circular A-133, therefore, this section is not applicable.

**DIVISION OF ADMINISTRATION REPORTING PACKAGE**

**ANNUAL FISCAL REPORT (AFR)  
FOR 2019**

AGENCY: 20-14-08 - Lafourche Basin Levee District

PREPARED BY: Lenora Krielow

PHONE NUMBER: 337-278-5144

EMAIL ADDRESS: lenora@my-cpateam.com

SUBMITTAL DATE: 09/03/2019 10:09 AM

**STATEMENT OF NET POSITION**

**ASSETS**

**CURRENT ASSETS:**

CASH AND CASH EQUIVALENTS	109,699.00
RESTRICTED CASH AND CASH EQUIVALENTS	0.00
INVESTMENTS	9,062,457.00
RESTRICTED INVESTMENTS	0.00
DERIVATIVE INSTRUMENTS	0.00
RECEIVABLES (NET)	4,006,303.00
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	1,025.00
OTHER CURRENT ASSETS	0.00
<b>TOTAL CURRENT ASSETS</b>	<b>\$13,179,484.00</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	130,227.00
BUILDINGS AND IMPROVEMENTS	179,429.00
MACHINERY AND EQUIPMENT	1,002,251.00
INFRASTRUCTURE	0.00
INTANGIBLE ASSETS	0.00
CONSTRUCTION IN PROGRESS	0.00
OTHER NONCURRENT ASSETS	0.00
<b>TOTAL NONCURRENT ASSETS</b>	<b>\$1,311,907.00</b>
<b>TOTAL ASSETS</b>	<b>\$14,491,391.00</b>

**DEFERRED OUTFLOWS OF RESOURCES**

ACCUMULATED DECREASE IN FAIR VALUE OF HEDGING DERIVATIVES	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	34,096.00
PENSION-RELATED DEFERRED OUTFLOWS OF RESOURCES	0.00

**ANNUAL FISCAL REPORT (AFR)  
FOR 2019**

AGENCY: 20-14-08 - Lafourche Basin Levee District

PREPARED BY: Lenora Krielow

PHONE NUMBER: 337-278-5144

EMAIL ADDRESS: lenora@my-cpateam.com

SUBMITTAL DATE: 09/03/2019 10:09 AM

**TOTAL DEFERRED OUTFLOWS OF RESOURCES** **\$34,096.00**

**TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES** **\$14,525,487.00**

**LIABILITIES**

**CURRENT LIABILITIES:**

ACCOUNTS PAYABLE AND ACCRUALS	186,241.00
ACCRUED INTEREST	0.00
DERIVATIVE INSTRUMENTS	0.00
AMOUNTS DUE TO PRIMARY GOVERNMENT	0.00
DUE TO FEDERAL GOVERNMENT	0.00
AMOUNTS HELD IN CUSTODY FOR OTHERS	0.00
UNEARNED REVENUES	0.00
OTHER CURRENT LIABILITIES	0.00

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

CONTRACTS PAYABLE	0.00
COMPENSATED ABSENCES PAYABLE	100,566.00
CAPITAL LEASE OBLIGATIONS	0.00
ESTIMATED LIABILITY FOR CLAIMS	0.00
NOTES PAYABLE	0.00
BONDS PAYABLE	0.00
OPEB LIABILITY	0.00
POLLUTION REMEDIATION OBLIGATIONS	0.00
OTHER LONG-TERM LIABILITIES	0.00
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$286,807.00</b>

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

CONTRACTS PAYABLE	0.00
COMPENSATED ABSENCES PAYABLE	39,884.00
CAPITAL LEASE OBLIGATIONS	0.00
ESTIMATED LIABILITY FOR CLAIMS	0.00
NOTES PAYABLE	0.00
BONDS PAYABLE	0.00
TOTAL OPEB LIABILITY	3,669,576.00
NET PENSION LIABILITY	0.00
POLLUTION REMEDIATION OBLIGATIONS	0.00
OTHER LONG-TERM LIABILITIES	0.00
UNEARNED REVENUE	0.00
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>\$3,709,460.00</b>
<b>TOTAL LIABILITIES</b>	<b>\$3,996,267.00</b>

**DEFERRED INFLOWS OF RESOURCES**

ACCUMULATED INCREASE IN FAIR VALUE OF HEDGING DERIVATIVES	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 ORIGINATION	0.00
LOAN ORIGINATION FEES RECEIVED FOR MORTGAGE LOANS HELD FOR SALE	0.00
OPEB-RELATED DEFERRED INFLOWS OF RESOURCES	347,349.00
PENSION-RELATED DEFERRED INFLOWS OF RESOURCES	0.00
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$347,349.00</b>

**ANNUAL FISCAL REPORT (AFR)  
FOR 2019**

**AGENCY:** 20-14-08 - Lafourche Basin Levee District

**PREPARED BY:** Lenora Krielow

**PHONE NUMBER:** 337-278-5144

**EMAIL ADDRESS:** lenora@my-cpsteam.com

**SUBMITTAL DATE:** 09/03/2019 10:09 AM

**NET POSITION:**

NET INVESTMENT IN CAPITAL ASSETS	1,311,907.00
RESTRICTED FOR:	
CAPITAL PROJECTS	0.00
DEBT SERVICE	0.00
NONEXPENDABLE	0.00
EXPENDABLE	0.00
OTHER PURPOSES	0.00
UNRESTRICTED	<b>\$8,869,964.00</b>
<b>TOTAL NET POSITION</b>	<b>\$10,181,871.00</b>

**ANNUAL FISCAL REPORT (AFR)  
FOR 2019**

**AGENCY:** 20-14-08 - Lafourche Basin Levee District

**PREPARED BY:** Lenora Krielow

**PHONE NUMBER:** 337-278-5144

**EMAIL ADDRESS:** lenora@my-cpateam.com

**SUBMITTAL DATE:** 09/03/2019 10:09 AM

**STATEMENT OF ACTIVITIES**

**PROGRAM REVENUES**

<b>EXPENSES</b>	<b>CHARGES FOR SERVICES</b>	<b>OPERATING GRANTS AND CONTRIBUTIONS</b>	<b>CAPITAL GRANTS AND CONTRIBUTIONS</b>	<b>NET (EXPENSE) REVENUE</b>
6,487,429.00	0.00	0.00	0.00	<b>\$(6,487,429.00)</b>

**GENERAL REVENUES**

<b>PAYMENTS FROM PRIMARY GOVERNMENT</b>	68,325.00
<b>OTHER</b>	4,459,096.00
<b>ADDITIONS TO PERMANENT ENDOWMENTS</b>	0.00
<b>CHANGE IN NET POSITION</b>	<b>\$(1,960,008.00)</b>
<b>NET POSITION - BEGINNING</b>	<b>\$12,141,879.00</b>
<b>NET POSITION - RESTATEMENT</b>	0.00
<b>NET POSITION - ENDING</b>	<b>\$10,181,871.00</b>

**ANNUAL FISCAL REPORT (AFR)  
FOR 2019**

**AGENCY:** 20-14-08 - Lafourche Basin Levee District

**PREPARED BY:** Lenora Krielow

**PHONE NUMBER:** 337-278-5144

**EMAIL ADDRESS:** lenora@my-cpsteam.com

**SUBMITTAL DATE:** 09/03/2019 10:09 AM

**DUES AND TRANSFERS**

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

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

**ANNUAL FISCAL REPORT (AFR)  
FOR 2019**

AGENCY: 20-14-08 - Lafourche Basin Levee District  
 PREPARED BY: Lenora Krielow  
 PHONE NUMBER: 337-278-5144  
 EMAIL ADDRESS: lenora@my-cpateam.com  
 SUBMITTAL DATE: 09/03/2019 10:09 AM

**SCHEDULE OF BONDS PAYABLE**

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

**Series - Unamortized Premiums:**

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

**Series - Unamortized Discounts:**

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

**ANNUAL FISCAL REPORT (AFR)  
FOR 2019**

**AGENCY:** 20-14-08 - Lafourche Basin Levee District

**PREPARED BY:** Lenora Krielow

**PHONE NUMBER:** 337-278-5144

**EMAIL ADDRESS:** lenora@my-cpsteam.com

**SUBMITTAL DATE:** 09/03/2019 10:09 AM

**SCHEDULE OF BONDS PAYABLE AMORTIZATION**

<b>Fiscal Year Ending:</b>	<b>Principal</b>	<b>Interest</b>
2020	0.00	0.00
2021	0.00	0.00
2022	0.00	0.00
2023	0.00	0.00
2024	0.00	0.00
2025	0.00	0.00
2026	0.00	0.00
2027	0.00	0.00
2028	0.00	0.00
2029	0.00	0.00
2030	0.00	0.00
2031	0.00	0.00
2032	0.00	0.00
2033	0.00	0.00
2034	0.00	0.00
2035	0.00	0.00
2036	0.00	0.00
2037	0.00	0.00
2038	0.00	0.00
2039	0.00	0.00
2040	0.00	0.00
2041	0.00	0.00
2042	0.00	0.00
2043	0.00	0.00
2044	0.00	0.00
2045	0.00	0.00
2046	0.00	0.00
2047	0.00	0.00
2048	0.00	0.00
2049	0.00	0.00
2050	0.00	0.00
2051	0.00	0.00
2052	0.00	0.00
2053	0.00	0.00
2054	0.00	0.00
Premiums and Discounts	<b>\$0.00</b>	
<b>Total</b>	<b>\$0.00</b>	<b>\$0.00</b>

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**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 6/30/2018 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. 34,096.00

Covered Employee Payroll for the **PRIOR** fiscal year (not including related benefits) 1,319,581.00

**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 (7/1/2018 - 6/30/2019). This information will be provided to the actuary for the valuation report early next year. 5,064.00

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 6/30/2019 for their OPEB valuation report.)

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

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**FUND BALANCE/NET POSITION RESTATEMENT**

<b>Account Name/Description</b>	<b>Restatement Amount</b>
	<b>Total</b> <b>\$0.00</b>

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**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).