

**SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST**

**ANNUAL FINANCIAL REPORT**

**Year Ended June 30, 2018**

**SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
June 30, 2018  
TABLE OF CONTENTS**

INDEPENDENT AUDITOR’S REPORT	1
MANAGEMENT’S DISCUSSION AND ANALYSIS	3
BASIC FINANCIAL STATEMENTS	
Statement of Net Position	10
Statement of Activities	11
Fund Financial Statements	
Balance Sheet – Governmental Funds (GAAP Basis)	12
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds (GAAP Basis)	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	14
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual –SELFPA – W General Fund	15
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual West Jefferson Levee District Operations and Maintenance Special Revenue Fund	16
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Algiers Levee District Operations and Maintenance Special Revenue Fund	17
Notes to Financial Statements	18-48
INDIVIDUAL FUND STATEMENTS AND SCHEDULES	
Southeast Louisiana Flood Protection Authority-West (SELFPA-W)-General Fund Schedule of Expenditures-Budget to Actual	49
West Jefferson Levee District – Operations and Maintenance Special Revenue Fund Schedule of Revenues – Budget to Actual	50
Schedule of Expenditures – Budget to Actual	51
Algiers Levee District – Operations and Maintenance Special Revenue Fund Schedule of Revenues – Budget to Actual	52
Schedule of Expenditures – Budget to Actual	53
West Jefferson Levee District – Emergency Fund Special Revenue Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance	54
Algiers Levee District - Emergency Fund Special Revenue Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance	55
West Jefferson Levee District – Westbank Hurricane Protection Levee Capital Project Fund	56
West Closure Complex Fund	57
SUPPLEMENTARY INFORMATION	
Schedule of Commissioners’ Per Diems	58
Schedule of State Funding	59
Schedule of Compensation, Benefits and Other Payments to Agency Head	60
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Employer’s Share of Net Pension Liability	61
Schedule of Employer Contributions	62
Schedule of Employer’s Proportionate Share of the Total Collective OPEB Liability	63

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	64-65
Schedule of Findings and Responses	66-67
Division of Administration Reporting Package	68



INDEPENDENT AUDITOR'S REPORT

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

***Report on the Financial Statements***

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”), a component unit of the State of Louisiana, as of and for the year ended June 30, 2018, 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 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.

***Auditor’s Responsibility***

Our responsibility is to express opinions on these basic 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 of 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 opinion.

***Opinion***

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 the aggregate remaining fund information of the West Authority as of June 30, 2018 and the respective changes in financial position and the budgetary comparison for the West Authority’s General fund, the West Jefferson Levee District O&M Special Revenue Fund and the Algiers Levee District O&M Special Revenue Fund 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 required supplementary schedules as listed in the table of contents 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, 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 my 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 made for the purpose of forming an opinion on the financial statements that collectively comprise the West Authority's basic financial statements. The Individual Fund Statements and Schedules and the other Supplementary Information listed in the table of contents as well as the Division of Administration Reporting Package are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund statements, schedules and supplementary information are the responsibility of management and were 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 individual fund statements, schedules, and other supplementary information 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*, we have also issued a report dated September 28, 2018, on our consideration of the West Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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.

*Broussard and Company*

Lake Charles, Louisiana  
September 28, 2018

**SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST**

**MANAGEMENT’S DISCUSSION AND ANALYSIS  
June 30, 2018**

As management of the Southeast Louisiana Flood Protection Authority – West (the “West Authority”), we offer readers of the West Authority’s financial statements this narrative overview and analysis of the financial activities of the West Authority as of June 30, 2018 and for the fiscal year then ended. We encourage readers to consider the information presented here in conjunction with the financial statements. All amounts, unless otherwise noted, are expressed in thousands of dollars (\$1,000’s).

*FINANCIAL HIGHLIGHTS*

- The assets of the West Authority exceeded its liabilities at the close of the most recent fiscal year by \$2,161,024 (*net position*). Of this amount, \$2,145,788 or 99.3 percent reflects its investment in capital assets (e.g., land, buildings, equipment, vehicles and infrastructure), \$531 is *restricted* for capital projects, and \$14,705 (*unrestricted net position*) or 0.7 percent may be used to meet the government’s ongoing obligations to citizens and creditors.
- The West Authority’s total net position decreased by \$6,301 during fiscal year 2018.
- As of close of the current fiscal year, the West Authority’s governmental funds reported combined ending fund balance of \$26,467, a decrease of \$5,689 or 17.7 percent. Approximately \$7,926 (29.9 percent) is reported as committed fund balance, \$18,147 (68.6 percent) is assigned fund balance, and \$394 (1.5 percent) 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 \$394.
- The WJLD O&M Special Revenue Fund had fund balance of \$12,437 and increase of \$1,222 from last year.
- The ALD O&M Special Revenue Fund had fund balance of \$7,573, an increase of \$664 from last year.

*OVERVIEW OF THE FINANCIAL STATEMENTS*

This discussion and analysis are intended to serve as an introduction to the Southeast Louisiana Flood Protection Authority – West’s (the “West Authority”) basic financial statements. The West Authority’s basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**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.

The “statement of activities” present 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 expense 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 function 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 West Authority's Board serves as their oversight boards, 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 the General Fund, the WJLD O&M Special Revenue Fund, the ALD O&M Special Revenue fund, the WJLD Emergency Special Revenue Fund, the ALD Emergency Special Revenue Fund, the WJLD Westbank Hurricane Capital Projects Fund, and the West Closure Complex Fund. All of these funds are considered to be "major" funds.

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

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the West Authority, assets exceeded liabilities by \$2,161,024 at June 30, 2018.

A large portion of the West Authority's net position (99.3 percent) reflects its investment in capital assets (e.g., land, buildings, furniture and fixtures, vehicles and heavy equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The West Authority used these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the West Authority's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

	Governmental Activities			
	(Amounts in thousands)			
	2018	2017		
Current and other assets	\$ 28,129	\$ 32,290		
Capital assets	2,152,693	8,368		
Deferred outflows related to pension	1,923	3,024		
<b>Total assets</b>	<b>\$ 2,182,745</b>	<b>\$ 43,682</b>		
Long-term liabilities outstanding	\$ 19,289	\$ 18,184		
Other liabilities	1,958	499		
Deferred inflows related to pension	474	174		
<b>Total liabilities</b>	<b>\$ 21,721</b>	<b>\$ 18,857</b>		
<b>Net Position</b>				
Invested in capital assets, net of related debt	\$ 2,145,788	99.3%	\$ 8,289	33.4%
Restricted	531	0.0%	531	2.1%
Unrestricted	14,705	0.7%	16,005	64.5%
<b>Total net position</b>	<b>\$ 2,161,024</b>		<b>\$ 24,825</b>	

*Restricted net position* of \$531 are reported to show that funds are restricted for use on the projects that are funded through the capital project fund (in this case, the Westbank Hurricane Levee Protection project).

The remaining balance of *unrestricted net position* \$14,705 may be used to meet the government's ongoing obligations to citizens and creditors.

At June 30, 2018, the West Authority is able to report positive fund balances in all three categories of net position.

**Governmental Activities.** Governmental activities decreased the West Authority’s net position by \$6,157. Key elements of this increase are as follows:

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST  
CHANGES IN NET POSITION

Revenues increased \$684 or 7.7%. Ad Valorem revenues have increased slightly higher from the previous fiscal year. Interest increased as a result of higher interest rates. The governmental revenues include a reimbursement from Plaquemines Parish along with state capital outlay funding.

	Governmental Activities	
	(Amounts in thousands)	
	2018	2017
Revenues		
General revenues:		
Property taxes	\$ 8,004	\$ 7,927
State revenue sharing	473	477
Government revenues	627	-
Interest	389	345
Gain (Loss) on sale of equipment	9	(119)
Other	87	275
Total revenues	<u>9,589</u>	<u>8,905</u>
Expenses		
Public works		
Executive	292	849
Administrative	1,318	958
Maintenance	13,337	5,688
Non departmental	799	1,455
Total expenses	<u>15,746</u>	<u>8,950</u>
Increase in net position	(6,157)	(45)
Net position - beginning of year (restated)	<u>2,167,181</u>	<u>24,871</u>
Net position - end of year	<u>\$ 2,161,024</u>	<u>\$ 24,826</u>

Expenses increased \$6,796 or 75.9%. The bulk of the increase is related to levee lift expenditures.

*FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUNDS*

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, 2018, the West Authority's governmental funds reported a combined ending fund balance of \$26,467. This is a decrease of \$5,689 or 17.7% in comparison to the prior year. Of the total, \$394 is reported in the General Fund, \$20,010 is in Special Revenue Funds, and \$6,063 is in Capital Project Funds

The **General Fund** is the chief operating fund of the West Authority. At June 30, 2018, the unassigned fund balance of the General Fund totaled \$394. The fund balance of the West Authority's General fund decreased by \$81 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, 2018, the fund balance of this Special Revenue Fund totaled \$12,437, an increase of \$1,222 from the prior year. Of this amount \$1,517 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, 2018, the fund balance of this Special Revenue Fund totaled \$7,573, an increase of \$664 from the prior year. Of this amount \$827 is committed to funding emergency activities.

The **WJLD Westbank Hurricane Levee Capital Project fund** has a total fund balance of \$3,979 at year-end. The **West Closure Complex** has a fund balance of \$480 at year-end.

For budgetary purposes, the West Authority budgets the activities of the **WJLD Emergency Special Revenue fund** and the **ALD Emergency Special Revenue Fund** separately from the O&M funds of each district. At June 30, 2018, these funds had fund balances of \$1,516 and \$827, respectively. For GAAP purposes, these funds are merged into the applicable O&M Special Revenue Fund and the fund balances are shown as committed fund balance.

## **BUDGETARY HIGHLIGHTS**

### **Revenues**

The **West Authority's General Fund's** final budget called for revenues of \$25 which included bank interest and miscellaneous income. Overall, revenues came in over budget due to funding from Plaquemines Parish Government for operations & maintenance of the West Closure Complex.

The **WJLD O&M Special Revenue Fund's** final budget called for revenues of \$6,031. Overall, revenues came in slightly under budget due to more Ad Valorem revenue and Interest Income.

The **ALD O&M Special Revenue Fund's** final budget called for revenues of \$2,847. The largest increases were in ad valorem taxes. Overall, revenues came in slightly over budget.

### **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 \$2 less than the final budgeted amount of \$4,126. The difference is due to lack of funding from Plaquemines Parish as noted above.

The **WJLD O&M Special Revenue Fund** expenditures were \$303 less than the final budgeted amount of \$2,054. All functions were basically right at or slightly over or under budget.

The **ALD O&M Special Revenue Fund** expenditures were \$270 less than the final budgeted amount of \$751. All functions were basically right at or slightly over or under budget.

## CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital Assets.** The West Authority’s investment in capital assets for its governmental activities as of June 30, 2018 amounts to \$8,040 (net of accumulated depreciation). This investment in capital assets includes land, buildings, furniture and equipment, vehicles and heavy equipment. The West Authority’s investment in capital assets decreased by \$249.

### SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST CAPITAL ASSETS (NET OF DEPRECIATION)

	Governmental Activities	
	(Amounts in thousands)	
	2018	2017
Land	\$ 5,788	\$ 5,788
Buildings	1,151	1,225
Furniture and equipment	1,101	1,276
Infrastructure	2,144,653	-
Total	2,152,693	8,289
Related debt	(6,905)	-
Net Investment in Fixed Assets	\$ 2,145,788	\$ 8,289

The infrastructure assets (primarily levees) were a restatement from the prior year as the Corps of Engineers provided expenditure amounts for infrastructure assets conveyed through the Hurricane Storm Damage Risk Reduction System. This is described in greater detail in the below first paragraph under “*ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES*”.

**Long-term Debt.** At the end of the current fiscal year, the West Authority long-term debt totaled \$19,289. This amount is made up of \$222 in compensated absences, \$4,138 in Other Post-Employment Benefits (OPEB), \$6,598 in Limited Tax Certificate of Indebtedness which was issued in November 2016, and **\$8,331 in Net Pension Liability**.

The \$4,138 in OPEB relates to the calculated amount of unfunded actuarial contributions that have been accrued on the financial statements. The West Authority implemented GASB 75 during fiscal year 2018. The result of this implementation caused a restatement of the beginning OPEB liability balance and unrestricted net position by \$2,298.

The pension liability was actuarially calculated by the State Retirement System.

### *ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES*

The Southeast Louisiana Flood Protection Authority-West (SLFPA-W) 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 SLFPA-W by CPRA as stipulated in R.S. 38:101 as early as 2014. SLFPA-W, 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. SLFPA-W 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 \$5.2 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

SLFPA-W 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.

The **Algiers Levee District** (ALD) generates \$2.7 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 (OLD) west of the Mississippi River. Consequently, the successor Algiers Levee District retained the same taxing millage rates as the OLD.

#### *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  
AS OF JUNE 30, 2018

ASSETS:

Current Assets

Cash and cash equivalents	\$	27,844,555
Receivables (net of allowance for uncollectibles)		210,350
Total current assets		<u>28,054,905</u>

Noncurrent Assets

Capital assets (net of accumulated depreciation)		2,152,693,457
Bond issuance costs		74,250

Deferred Outflows of Resources

Deferred outflows related to pensions and OPEB Liability		1,923,245
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TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES \$ 2,182,745,857

LIABILITIES AND NET POSITION:

Current Liabilities

Accounts payable	\$	1,500,113
Current portion of long-term debt		307,000
Interest payable		63,283
Accrued payroll and deductions		87,973
Total current liabilities		<u>1,958,369</u>

Noncurrent Liabilities

Compensated absences payable		221,779
OPEB liability		4,138,212
Long-term debt		6,598,000
Net pension liability		8,331,229
Total noncurrent liabilities		<u>19,289,220</u>

TOTAL LIABILITIES 21,247,589

Deferred Inflows of Resources

Deferred inflows related to OPEB liability		283,846
Deferred inflows related to pensions		189,592
Total deferred inflows		<u>473,438</u>

NET POSITION

Invested in capital assets, net of related debt		2,145,788,457
Restricted for:		
Capital Projects		531,169
Unrestricted		14,705,204
TOTAL NET POSITION		<u>2,161,024,830</u>

TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION \$ 2,182,745,857

The accompanying notes are an integral part of this statement.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-WEST  
STATE OF LOUISIANA

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2018

FUNCTION/BUREAU	EXPENSES	PROGRAM REVENUES			NET (EXPENSES) REVENUE AND CHANGES IN NET ASSETS
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES
Primary Government					
Governmental Activities:					
Public Works					
Executive	\$ 292,157	\$ -	\$ -	\$ -	\$ (292,157)
Administrative	1,317,788	-	-	-	(1,317,788)
Maintenance	13,336,156	-	-	-	(13,336,156)
Nondepartmental	799,720	-	-	-	(799,720)
Total governmental activities	<u>\$ 15,745,821</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(15,745,821)</u>
		GENERAL REVENUES:			
					8,003,844
					472,747
					626,845
					389,345
					8,869
					87,340
					<u>9,588,990</u>
					(6,156,831)
		CHANGE IN NET ASSETS			
		NET POSITON			
					2,167,181,661
					<u>\$ 2,161,024,830</u>

The accompanying notes are an integral part of this statement.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-WEST  
STATE OF LOUISIANA

GOVERNMENTAL FUNDS  
BALANCE SHEET (GAAP BASIS)  
June 30, 2018

	SELFPA-W GENERAL FUND	WJLD OPERATIONS AND MAINTENANCE	ALD OPERATIONS AND MAINTENANCE	WJLD EMERGENCY FUND	ALD EMERGENCY FUND	WJLD WESTBANK HURRICANE PROTECTION LEVEE	WEST CLOSURE COMPLEX	WEST CLOSURE COMPLEX EMERGENCY	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>									
Cash and cash equivalents	\$ 363,287	\$ 7,311,244	\$ 9,448,294	\$ -	\$ -	\$ 7,418,912	\$ 1,699,500	\$ 1,603,318	\$ 27,844,555
Receivables (net of allowance for uncollectibles)	-	40,183	117,402	-	-	52,765	-	-	210,350
Due from other funds	136,024	5,092,851	-	-	-	-	-	-	5,228,875
<b>TOTAL ASSETS</b>	<b>\$ 499,311</b>	<b>\$ 12,444,278</b>	<b>\$ 9,565,696</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,471,677</b>	<b>\$ 1,699,500</b>	<b>\$ 1,603,318</b>	<b>\$ 33,283,780</b>
<b>LIABILITIES AND FUND BALANCES</b>									
<b>Liabilities</b>									
Accounts payable	\$ 17,435	\$ 6,806	\$ -	\$ -	\$ -	\$ 1,446,011	\$ 29,861	\$ -	\$ 1,500,113
Accrued payroll and deductions	87,973	-	-	-	-	-	-	-	87,973
Due to other funds	-	-	1,992,945	-	-	2,046,205	1,189,725	-	5,228,875
<b>TOTAL LIABILITIES</b>	<b>105,408</b>	<b>6,806</b>	<b>1,992,945</b>	<b>-</b>	<b>-</b>	<b>3,492,216</b>	<b>1,219,586</b>	<b>-</b>	<b>6,816,961</b>
<b>FUND BALANCES</b>									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-
Committed	-	1,516,584	826,741	-	-	3,979,461	-	1,603,318	7,926,104
Assigned	-	10,920,888	6,746,010	-	-	-	479,914	-	18,146,812
Unassigned	393,903	-	-	-	-	-	-	-	393,903
<b>TOTAL FUND BALANCES</b>	<b>393,903</b>	<b>12,437,472</b>	<b>7,572,751</b>	<b>-</b>	<b>-</b>	<b>3,979,461</b>	<b>479,914</b>	<b>1,603,318</b>	<b>26,466,819</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 499,311</b>	<b>\$ 12,444,278</b>	<b>\$ 9,565,696</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,471,677</b>	<b>\$ 1,699,500</b>	<b>\$ 1,603,318</b>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds as well as bond issuance costs and deferred outflows related to pensions	2,154,546,469
Long-term liabilities, including compensated absences payable, other post employment benefits liability, bonds payable and net pension liability as well as deferred inflows related to pensions and OPEB	(19,988,458)
	<u>\$ 2,161,024,830</u>

The accompanying notes are an integral part of this statement.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-WEST  
STATE OF LOUISIANA

GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2018

	SELFPA-W GENERAL FUND	WJLD OPERATIONS AND MAINTENANCE	ALD OPERATIONS AND MAINTENANCE	WJLD EMERGENCY FUND	ALD EMERGENCY FUND	WLJD WESTBANK HURRICANE PROTECTION LEVEE	WEST CLOSURE COMPLEX	WEST CLOSURE COMPLEX EMERGENCY	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES</b>									
Taxes									
Property taxes	\$ -	\$ 5,291,070	\$ 2,712,774	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,003,844
Intergovernmental									
Federal	-	-	-	-	-	-	-	-	-
State	349,725	377,624	95,123	-	-	277,119	-	-	1,099,591
Parish Local	-	-	-	-	-	-	-	-	-
Service charges, fees, and commissions	272	27,450	9,950	-	-	-	-	-	37,672
Interest	3,298	272,251	113,796	-	-	-	-	-	389,345
Miscellaneous	20,284	4,385	-	-	-	-	25,000	-	49,669
<b>TOTAL REVENUES</b>	<b>373,579</b>	<b>5,972,780</b>	<b>2,931,643</b>	<b>-</b>	<b>-</b>	<b>277,119</b>	<b>25,000</b>	<b>-</b>	<b>9,580,121</b>
<b>EXPENDITURES</b>									
Current									
Public Works									
Executive	35,233	153,140	72,621	-	-	-	31,163	-	292,157
Administrative	774,701	88,151	37,959	-	-	285,928	-	-	1,186,739
Maintenance	3,314,350	943,049	210,376	-	-	-	351,239	-	4,819,014
Non-departmental	-	483,614	117,831	-	-	-	-	-	601,445
Capital outlay									
Property, plant and equipment	-	83,751	41,995	-	-	-	-	-	125,746
Levee construction projects	-	-	-	-	-	7,774,677	-	-	7,774,677
<b>TOTAL EXPENDITURES</b>	<b>4,124,284</b>	<b>1,751,705</b>	<b>480,782</b>	<b>-</b>	<b>-</b>	<b>8,060,605</b>	<b>382,402</b>	<b>-</b>	<b>14,799,778</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(3,750,705)</b>	<b>4,221,075</b>	<b>2,450,861</b>	<b>-</b>	<b>-</b>	<b>(7,783,486)</b>	<b>(357,402)</b>	<b>-</b>	<b>(5,219,657)</b>
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers in	4,018,876	426,876	-	-	-	-	647,046	-	5,092,798
Transfers out	(349,726)	(2,955,823)	(1,787,249)	-	-	-	-	-	(5,092,798)
Sale of capital assets	-	26,253	-	-	-	-	-	-	26,253
Bond Payment	-	(496,300)	-	-	-	-	-	-	(496,300)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>3,669,150</b>	<b>(2,998,994)</b>	<b>(1,787,249)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>647,046</b>	<b>-</b>	<b>(470,047)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)</b>	<b>(81,555)</b>	<b>1,222,081</b>	<b>663,612</b>	<b>-</b>	<b>-</b>	<b>(7,783,486)</b>	<b>289,644</b>	<b>-</b>	<b>(5,689,704)</b>
<b>FUND BALANCE</b>									
Beginning of year	475,458	11,215,391	6,909,139	-	-	11,762,947	190,270	1,603,318	32,156,523
End of year	\$ 393,903	\$ 12,437,472	\$ 7,572,751	\$ -	\$ -	\$ 3,979,461	\$ 479,914	\$ 1,603,318	\$ 26,466,819

The accompanying notes are an integral part of this statement.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-WEST  
STATE OF LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO  
THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2018

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

Net change in fund balances - total governmental funds	\$ (5,689,704)
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. This is the amount by which depreciation exceeds capital outlays in the current period less the net gain on disposal of assets	(256,908)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the payment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas, these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Decrease in compensated absences	(1,996)
Payments on long-term debt	496,300
Interest expense on long-term debt	194,150
Amortization expense on bond issuance costs	4,125
Some expenses 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, including expense of annual required contribution for OPEB and the net pension liability including deferred outflows and inflows	<u>(902,798)</u>
Net change in net position of governmental activities plus extraordinary item	<u><u>\$ (6,156,831)</u></u>

The accompanying notes are an integral part of this statement.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-WEST  
STATE OF LOUISIANA

GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALNCES -BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2018

	GAAP ACTUAL	BUDGETARY TO GAAP DIFFERENCE	BUDGETARY ACTUAL	FINAL BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL
<b>REVENUES</b>						
Intergovernmental						
State	\$ 349,725	\$ -	\$ 349,725	\$ -	349,725	\$ -
Service charges, fees, and commissions	272	-	272	300	(28)	300
Interest	3,298	-	3,298	4,000	(702)	4,000
Miscellaneous	20,284	-	20,284	20,500	(216)	2,000
<b>TOTAL REVENUES</b>	<b>373,579</b>	<b>-</b>	<b>373,579</b>	<b>24,800</b>	<b>348,779</b>	<b>6,300</b>
<b>EXPENDITURES</b>						
Current						
Public Works						
Executive	35,233	-	35,233	60,000	24,767	60,000
Administrative	774,701	-	774,701	694,926	(79,775)	694,926
Maintenance	3,314,350	-	3,314,350	3,371,436	57,086	3,367,436
Non-departmental	-	-	-	-	-	-
Capital Outlay						
Property, plant and equipment	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>4,124,284</b>	<b>-</b>	<b>4,124,284</b>	<b>4,126,362</b>	<b>2,078</b>	<b>4,122,362</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(3,750,705)</b>	<b>-</b>	<b>(3,750,705)</b>	<b>(4,101,562)</b>	<b>350,857</b>	<b>(4,116,062)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	4,018,876	-	4,018,876	4,468,543	(449,667)	4,468,543
Transfers out	(349,726)	-	(349,726)	-	(349,726)	-
Sale of capital assets	-	-	-	-	-	-
Donation of equipment	-	-	-	-	-	-
Legal Settlement	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>3,669,150</b>	<b>-</b>	<b>3,669,150</b>	<b>4,468,543</b>	<b>(799,393)</b>	<b>4,468,543</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)</b>	<b>(81,555)</b>	<b>-</b>	<b>(81,555)</b>	<b>366,981</b>	<b>(448,536)</b>	<b>352,481</b>
<b>FUND BALANCE</b>						
Beginning of year	475,458	-	475,458	475,458	-	475,458
End of year	\$ 393,903	\$ -	\$ 393,903	\$ 842,439	\$ (448,536)	\$ 827,939

The accompanying notes are an integral part of this statement.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-WEST  
STATE OF LOUISIANA

WEST JFFERSON LEVES DISTRICT- OPERATIONS AND MAINTENANCE SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES -BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2018

	GAAP ACTUAL	BUDGETARY TO GAAP DIFFERENCE	BUDGETARY ACTUAL	FINAL BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL BUDGET
<b>REVENUES</b>						
Taxes						
Property Taxes	\$ 5,291,070	\$ -	\$ 5,291,070	\$ 5,343,485	\$ (52,415)	\$ 5,343,485
Intergovernmental						
Federal	-	-	-	-	-	-
State	377,624	-	377,624	381,972	(4,348)	381,972
Service charges, fees, and commissions	27,450	-	27,450	28,000	(550)	15,000
Interest	272,251	-	272,251	273,000	(749)	203,000
Miscellaneous	4,385	-	4,385	4,500	(115)	4,000
<b>TOTAL REVENUES</b>	<b>5,972,780</b>	<b>-</b>	<b>5,972,780</b>	<b>6,030,957</b>	<b>(58,177)</b>	<b>5,947,457</b>
<b>EXPENDITURES</b>						
Current						
Public Works						
Executive	153,140	-	153,140	221,410	68,270	220,660
Administrative	88,151	-	88,151	127,128	38,977	130,300
Maintenance	943,049	-	943,049	1,095,965	152,916	877,425
Non-departmental	483,614	-	483,614	504,924	21,310	474,154
Capital outlay						
Property, plant and equipment	83,751	-	83,751	104,800	21,049	115,000
Levee construction projects	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>1,751,705</b>	<b>-</b>	<b>1,751,705</b>	<b>2,054,227</b>	<b>302,522</b>	<b>1,817,539</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>4,221,075</b>	<b>-</b>	<b>4,221,075</b>	<b>3,976,730</b>	<b>244,345</b>	<b>4,129,918</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	426,876	-	426,876	400,000	26,876	-
Transfers out	(2,955,823)	-	(2,955,823)	(4,027,980)	1,072,157	(4,027,980)
Sale of capital assets	26,253	-	26,253	31,180	(4,927)	10,180
Bond Payment	(496,300)	-	(496,300)	-	(496,300)	-
Donation of equipment	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(2,998,994)</b>	<b>-</b>	<b>(2,998,994)</b>	<b>(3,596,800)</b>	<b>597,806</b>	<b>(4,017,800)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)</b>	<b>1,222,081</b>	<b>-</b>	<b>1,222,081</b>	<b>379,930</b>	<b>842,151</b>	<b>112,118</b>
<b>FUND BALANCE</b>						
Beginning of year	11,215,391	-	11,215,391	9,671,488	-	9,671,488
End of year	\$ 12,437,472	\$ -	\$ 12,437,472	\$ 10,051,418	\$ 842,151	\$ 9,783,606

The accompanying notes are an integral part of this statement.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-WEST  
STATE OF LOUISIANA

ALGIERS LEVEE DISTRICT- OPERATIONS AND MAINTENANCE SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES -BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2018

	GAAP ACTUAL	BUDGETARY TO GAAP DIFFERENCE	BUDGETARY ACTUAL	FINAL BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL BUDGET
<b>REVENUES</b>						
Taxes						
Property taxes	\$ 2,712,774	\$ -	\$ 2,712,774	\$ 2,627,855	\$ 84,919	\$ 2,627,855
Intergovernmental						
Federal	-	-	-	-	-	-
State	95,123	-	95,123	94,773	350	94,723
Service charges, fees, and commissions	9,950	-	9,950	10,000	(50)	15,000
Interest	113,796	-	113,796	114,000	(204)	95,000
Miscellaneous	-	-	-	-	-	4,000
<b>TOTAL REVENUES</b>	<b>2,931,643</b>	<b>-</b>	<b>2,931,643</b>	<b>2,846,628</b>	<b>85,015</b>	<b>2,836,578</b>
<b>EXPENDITURES</b>						
Current						
Public Works						
Executive	72,621	-	72,621	103,837	31,216	103,840
Administrative	37,959	-	37,959	64,972	27,013	66,700
Maintenance	210,376	-	210,376	392,900	182,524	289,940
Non-departmental	117,831	-	117,831	124,034	6,203	111,624
Capital outlay						
Property, plant and equipment	41,995	-	41,995	65,200	23,205	55,000
Levee construction projects	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>480,782</b>	<b>-</b>	<b>480,782</b>	<b>750,943</b>	<b>270,161</b>	<b>627,104</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>2,450,861</b>	<b>-</b>	<b>2,450,861</b>	<b>2,095,685</b>	<b>355,176</b>	<b>2,209,474</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	-	-
Transfers out	(1,787,249)	-	(1,787,249)	(2,040,563)	253,314	(1,640,563)
Sale of capital assets	-	-	-	-	-	-
Donation of equipment	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(1,787,249)</b>	<b>-</b>	<b>(1,787,249)</b>	<b>(2,040,563)</b>	<b>253,314</b>	<b>(1,640,563)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)</b>	<b>663,612</b>	<b>-</b>	<b>663,612</b>	<b>55,122</b>	<b>608,490</b>	<b>568,911</b>
<b>FUND BALANCE</b>						
Beginning of year	6,909,139	-	6,909,139	6,154,169	-	6,154,169
End of year	\$ 7,572,751	\$ -	\$ 7,572,751	\$ 6,209,291	\$ 608,490	\$ 6,723,080

The accompanying notes are an integral part of this statement.

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS<sup>1</sup>  
June 30, 2018

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Southeast Louisiana Flood Protection Authority – West (the “West Authority”) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the West Authority’s accounting policies are described below.

1. 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.

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.

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.

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

As noted above, the West Authority is charged with the responsibility of overseeing the West Jefferson Levee District and the Algiers Levee District. 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 (Civil Service code). 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 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. West Jeff 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. Government-wide and Fund Financial Statements

**Government-wide Financial Statements**

The government-wide financial statements (i.e., the statement of 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 normally are 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 or segment is offset by program revenues. *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*.

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**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.

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 Emergency Operations Special Revenue Fund*** accounts for monies that are restricted to expenditures in the West Jefferson Levee District related to emergencies. For GAAP purposes, this fund is now merged into the WJLD Operations and Maintenance Special Revenue Fund.

The ***ALD Emergency Operations Special Revenue Fund*** accounts for monies that are restricted to expenditures in the Algiers Levee District related to emergencies. For GAAP purposes, this fund is now merged into the ALD Operations and Maintenance Special Revenue Fund.

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The ***Westbank Hurricane Protection Levee 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 ***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 for a period of one year or 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.

3. Measurement Focus, Basis for 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, only when payment is due.

4. Assets, Liabilities, and Net position or Equity

A. *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

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

*B. 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.

*C. 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, 2016 would not be material to the financial statements.

*D. Prepaid Items*

Payments made to vendors for services that will benefit periods beyond June 30, 2018, are recorded as expenditures when paid. It is management’s opinion that the prepaid amount June 30, 2018, if any, would not be material to the financial statements.

*E. 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.

SOUTHEAST LOUISIANA  
 FLOOD PROTECTION AUTHORITY – WEST  
 STATE OF LOUISIANA  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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 mid-year convention) over the following estimated useful lives:

<u>Asset Category</u>	<u>Estimated Life in Years</u>
Buildings	40
Furniture and fixtures	5
Autos and trucks	5
Mowers	5
Tractors	7-10
Heavy Equipment	5
Radios	3
Infrastructure (levees, floodwalls, floodgates, etc.)	50

*F. 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 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.

*G. 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.

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

H. *Fund Equity*

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.

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.

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

1. Budget

Formal budgetary accounting is employed as a management control device during the year for the SELFPA-W General Fund, the WJLD Operations and Maintenance Special Revenue Fund, and the ALD Operations and Maintenance Special Revenue Fund. Budgetary data for the WJLD and ALD Emergency Special Revenue Funds are 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 that the WJLD and ALD Operations and Maintenance Special Revenue Funds do not include activity related to the two emergency funds. Thus, there is a perspective difference between Budgetary-Basis Actual and GAAP-Basis Actual.

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 2017. The amended budgets were adopted during fiscal year 2018. The budgeted amounts are included, respectively, as the original and final budgets in the accompanying statements.

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS

June 30, 2018

NOTE C – DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

1. Deposits with Financial Institutions

At June 30, 2018, deposits with financial institutions consisted of the following:

	Cash	Certificates of Deposits	Total
Deposits in Bank Accounts per Balance Sheet	\$ 27,844,555	\$ -	\$ 27,844,555
Bank Balances of Deposits Exposed to Custodial Credit Risk:			
A. Uninsured and uncollateralized	\$ -	\$ -	\$ -
B. Uninsured and collateralized with securities held by the pledging institution			
C. uninsured and collateralized with securities held by the pledging institutions trust department or agent but not in the Authority's name			
Total Bank Balances Exposed to Custodial Credit Risk	\$ -	\$ -	\$ -
Total Bank Balances - All Deposits	\$ 28,004,417	\$ -	\$ 28,004,417

2. Receivables

Receivables at year end for the West Authority's individual major funds, in the aggregate, total \$210,350 as follows:

Description	SELFPA-W General Fd	WJLD O&M Fd	ALD O&M Fd	WJLD Westbank Hurricane Protection Levee	Total
Ad Valorem taxes	\$ -	\$ 40,183	\$ 117,402	\$ -	\$ 157,586
State Coastal Protection and Restoration fund	-	-	-	-	-
Due from Paquemines Parish	-	-	-	-	-
Due from CPRA	-	-	-	52,764	52,764
	\$ -	\$ 40,183	\$ 117,402	\$ 52,764	\$ 210,350

The \$40,183 receivable in the WJLD O&M Special Revenue Fund relates to property taxes received in the month of July 2018 that relate to the current fiscal year's tax sale held by the Jefferson Parish Tax Collector Fund.

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS

June 30, 2018

NOTE C – DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

The \$117,402 receivable in the ALD O&M Special Revenue Fund relates to property taxes received in the month of July 2018 that relate to the current fiscal year's taxes held by the City of New Orleans Department of Revenue.

3. Capital Assets

The following is a summary of changes in capital assets during the fiscal year:

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018
Governmental Activities:				
Capital Assets, Not Being Depreciated				
Land	\$ 5,787,724	\$ -	\$ -	\$ 5,787,724
Construction in progress	2,144,653,539	-	-	2,144,653,539
Total Capital, Assets, not depreciated	<u>\$ 2,150,441,263</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,150,441,263</u>
Capital Assets, Being Depreciated				
Buildings	\$ 3,741,444	\$ -	\$ -	\$ 3,741,444
Furniture and Equipment	523,261	-	(8,621)	514,640
Machinery, Vehicles and Heavy Equip	3,180,664	124,109	(261,116)	3,043,657
Infrastructure	-	-	-	-
Total Capital Assets Being Depreciated	<u>7,445,369</u>	<u>124,109</u>	<u>(269,737)</u>	<u>7,299,741</u>
Less Accumulated Depreciation:				
Buildings	2,515,657	74,470	-	2,590,127
Furniture and Equipment	476,337	18,818	-	495,155
Machinery, Vehicles and Heavy Equip	1,951,505	263,113	(252,353)	1,962,265
Infrastructure	-	-	-	-
Total Accumulated Depreciation	<u>4,943,499</u>	<u>356,401</u>	<u>(252,353)</u>	<u>5,047,547</u>
Capital Assets Being Depreciated, Net	<u>\$ 2,501,870</u>	<u>\$ (232,292)</u>	<u>\$ (17,384)</u>	<u>\$ 2,252,194</u>
Total Governmental Activities Capital Assets, Net	<u>\$ 2,152,943,133</u>	<u>\$ (232,292)</u>	<u>\$ (17,384)</u>	<u>\$ 2,152,693,457</u>

Depreciation expense included in the Statement of Activities for the year ended June 30, 2018 amounted to \$356,401.

Infrastructure assets, including levees and floodgate structures amount to \$2,144,653,539 for 2018 As discussed in Note E, in the aftermath of Hurricane Katrina, the Corps of Engineers (COE) took over constructing and improving the Westbank Hurricane levee system. The beginning infrastructure assets were restated as the COE provided the cost amounts of \$2,144,653,539 for the property conveyed to the West Authority in June of 2018. As the overall project is still ongoing, no depreciation was taken on the conveyed infrastructure in fiscal year 2018.

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

NOTE C – DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

4. 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 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 \$221,779.

**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, 2018:

<u>Type of Debt</u>	<u>Balance 7/1/2017</u>	<u>Additions (Reductions)</u>	<u>Balance 6/30/2018</u>
Compensated Absences	\$ 223,775	\$ (1,996)	\$ 221,779
Other Post Employment Benefits (Note G)	4,218,211	(79,999)	4,138,212
Long-term Debt (Note I)	7,205,000	(300,000)	6,905,000
Net Pension Liability (Note H)	9,133,696	(802,467)	8,331,229
	<u>\$ 20,780,682</u>	<u>\$ (1,184,462)</u>	<u>\$ 19,596,220</u>

SOUTHEAST LOUISIANA  
 FLOOD PROTECTION AUTHORITY – WEST  
 STATE OF LOUISIANA  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2018

NOTE C – DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

5. Fund Balance Components

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

Fund Balance/Category	SELFPA-W General Fund	WJLD O&M Special Revenue	ALD O&M Special Revenue	WJLD		West Closure Complex Emergency	Total
				Westbank Hurricane Capital Project	West Closure Complex		
Committed to:							
Emergency Operations	\$ -	\$ 1,516,584	\$ 826,741	\$ -	\$ -	\$ 1,603,318	\$ 3,946,643
Westbank Hurricane	-	-	-	3,979,461	-	-	3,979,461
Assigned to:							
Levee Operations	-	10,920,888	6,746,010	-	-	-	17,666,898
Westbank Hurricane	-	-	-	-	479,914	-	479,914
Unassigned	393,903	-	-	-	-	-	393,903
<b>Total Fund Balance</b>	<b>\$ 393,903</b>	<b>\$ 12,437,472</b>	<b>\$ 7,572,751</b>	<b>\$ 3,979,461</b>	<b>\$ 479,914</b>	<b>\$ 1,603,318</b>	<b>\$ 26,466,819</b>

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 Westbank Hurricane Levee project reflects the balance in the capital project fund that is being used to provide ancillary services to the Corps of Engineers and the Coastal Protections and Restoration Authority in the construction of the Westbank Hurricane Protection Levee (See Note F).

6. 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 district 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, 2018

NOTE C – DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

The district levies an 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 2017 and the 2018 tax rolls were 5.03 for each year, with 2018 being a “non-roll forward” year. This millage rate generated revenues of \$5,291,070 in the current year.

**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 newly formed 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 newly created Algiers Levee District.

The actual millage rates levied for 2018 were 5.46 constitutional, 6.35 levee improvements, and 0.75 for general maintenance. These were exactly the same amounts levied last year.

The Algiers Levee District levies an ad valorem (property tax) on real property within the district 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

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

NOTE C – DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

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 Elected Board of Assessors (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 City's Revenue Department (a separate entity). The taxes are remitted by the City to the Algiers Levee District.

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 West Authority. For the current fiscal year, the following revenues were recognized in the amount of \$2,712,774.

NOTE D – COMMITMENT AND CONTINGENCIES

1. 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.

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

NOTE D – COMMITMENT AND CONTINGENCIES (CONTINUED)

2. 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 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.

NOTE E – JOINT VENTURE – WESTBANK HURRICANE PROTECTION LEVEE

Pursuant to project cooperative agreement (PCA) dated December 18, 1980, the West Jefferson Levee District (WJLD) and the U.S. Army Corps of Engineers (COE) began constructing a hurricane protection levee system within the District's boundaries under a "cost-sharing" agreement. Under the original agreement, the project was limited to the West of Harvey Canal and the District 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.

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

NOTE E – JOINT VENTURE – WESTBANK HURRICANE PROTECTION LEVEE (CONTINUED)

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 District to repair deficient flood-walls 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 Ponchartrain 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 flood-walls within the New Orleans Metropolitan area, including the Parishes of Orleans, St. Bernard, and Jefferson (which includes the area managed by the West Jefferson Levee District). The bill did not allocate the funding between agencies/jurisdictions.

The State amended the Project Cooperative Agreement (PCA) between the State DOTD, the COE, and the levee district 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.

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

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

NOTE E – JOINT VENTURE – WESTBANK HURRICANE PROTECTION LEVEE (CONTINUED)

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 Southeast Louisiana Flood Protection Authority – West (West Authority) through its West Jefferson Levee District accepted the responsibility of managing the duties of land acquisition and relocation of impacted utilities/facilities.

The cost of this activity is being borne by the LCPRA through the payment of reimbursable items as submitted by the West Jefferson Levee District. During fiscal year 2018, the WJLD expended \$224,385 on surveys, abstracts, appraisals and other legal costs associated with land acquisitions for this project in the WJLD Westbank Hurricane Protection Levee Capital Project Fund. Of this amount, \$171,610 was reimbursed through the LCPRA under State Project No. 750-99-0102. The remaining outstanding amount will be received after the end of fiscal year and therefore will be booked as a receivable.

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 West Authority in FY 2011. See Note C, 3. Capital Assets for current capitalized amounts.

NOTE F– POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

**General Information about the OPEB Plan**

Plan Description and Benefits provided

The Office of Group Benefits (OGB) administers the State of Louisiana Post-Retirement Benefits Plan – a defined-benefit, multi-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.

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.

SOUTHEAST LOUISIANA  
 FLOOD PROTECTION AUTHORITY – WEST  
 STATE OF LOUISIANA  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2018

NOTE F – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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:

OGB Participation	Employer Share	Retiree Share
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 retirees and spouses of retirees subject to maximum values. Employers pay approximately 50% of monthly premiums for individual retirees. The retiree is responsible for 100% of the premium for dependents. Effective January 1, 2018, the total monthly premium for retirees varies according to age group.

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

At June 30, 2018, the District reported a liability of \$4,138,212 for its proportionate share of the total collective OPEB liability. The total collective OPEB liability was measured as of July 1, 2017 and was determined by an actuarial valuation as of that date. The District’s proportionate share of the restated collective OPEB liability at June 30, 2016, totaling \$4,218,211, was determined using a rollback of the same valuation to July 1, 2016, using the discount rate applicable on that date, and assuming no experience gains or losses.

The District’s proportionate share percentage is based on the employer’s individual OPEB actuarial accrued liability in relation to the total OPEB actuarial accrued liability for all participating entities included in the State of Louisiana reporting entity. At June 30, 2018, the District’s proportion was .0563%. Because the beginning balance was restated using a rollback of the July 1, 2017 valuation assuming no experience gains or losses, there is no change to the proportion since the prior measurement date.

The total collective OPEB liability in the July 1, 2017 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 – 5

SOUTHEAST LOUISIANA  
 FLOOD PROTECTION AUTHORITY – WEST  
 STATE OF LOUISIANA  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2018

NOTE F – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

- Inflation rate – 2.50% annually
- Salary increase rate – 4.00% annually
- Discount rate – 3.50% based on the average of the Bond Buyers’ 20 Year General obligation municipal bond index over the 52 weeks immediately preceding the applicable measurement dates.
- Mortality rates – based on the RP-2000 Table without projection 50%/50% unisex blend has been used.
- Healthcare cost trend rates – The expected rate of increase in medical cost is based on a flat annual rate of 5.5% annually.

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 one percentage-point lower and one percentage-point higher than the current rate:

	<b>1.0% Decrease (2.5%)</b>	<b>Current Discount Rate (3.5%)</b>	<b>1.0% Increase (4.5%)</b>
Proportionate Share of Total Collective OPEB liability	\$ 4,806,337	\$ 4,138,212	\$ 3,606,392

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 healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current rates:

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

NOTE F – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

	1.0% Decrease	Current Healthcare Cost Trend Rates	1.0% Increase
	(4.5%)	(5.5%)	(6.5%)
Proportionate Share of Total Collective OPEB Liability	<u>\$ 3,603,565</u>	<u>\$ 4,138,212</u>	<u>\$ 4,801,637</u>

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

For the year ended June 30, 2018, the District recognized OPEB expense of \$203,847. At June 30, 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 assumptions or other inputs	\$ -	\$ -
Differences between expected and actual experience	-	283,846
Amounts paid by the employer for OPEB subsequent to the measurement date	144,483	-
Total	\$ 144,483	\$ 283,846

Deferred outflows of resources related to OPEB resulting from the District’s benefit payments subsequent to the measurement date will be recognized as a reduction of the total collective OPEB liability in the year ended June 30, 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:

SOUTHEAST LOUISIANA  
 FLOOD PROTECTION AUTHORITY – WEST  
 STATE OF LOUISIANA  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2018

NOTE F – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Year Ended	Net Amount Recognized in OPEB Expense
2019	(17,740)
2020	(17,740)
2021	(17,740)
2022	(17,740)
2023	(17,740)
Thereafter	(195,146)

NOTE G – Pensions

***Pensions***

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

**General Information about the Pension Plan**

***Plan Description***

Employees of the West Authority are provided with pensions through a cost-sharing multiple-employer defined benefit plan administered by the Louisiana State Employees’ Retirement System (LASERS). Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) grants to LASERS Board of Trustees and the Louisiana Legislature the authority to review administration, benefit terms, investments, and funding of the plan. LASERS issues a publicly available financial report that can be obtained at [www.lasersonline.org](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, 2018

NOTE G – Pensions (Continued)

**1. Retirement**

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

NOTE G – Pensions (Continued)

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% 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.

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

NOTE G – Pensions (Continued)

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.

**2. Deferred Retirement Benefits**

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

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

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

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

NOTE G – Pensions (Continued)

**3. Disability Benefits**

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

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

For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75% of final average compensation.

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

**4. Survivor's Benefits**

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

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

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

SOUTHEAST LOUISIANA  
 FLOOD PROTECTION AUTHORITY – WEST  
 STATE OF LOUISIANA  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2018

NOTE G – Pensions (Continued)

**5. Permanent Benefit Increases/Cost-of-Living Adjustments**

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

*Contributions*

Contribution requirements of active employees are governed by Section 401 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:401) and may be amended by the Louisiana Legislature. Employee and employer contributions are deducted from a member’s salary and remitted to LASERS by participating employers. The rates in effect during the year ended June 30, 2018 for the various plans follow:

<u>Plan</u>	<u>Plan Status</u>	<u>Employee Contribution Rate</u>	<u>Employer Contribution Rate</u>
Regular Employees and Appellate Law Clerks			
Pre Act 75 (hired before 7/1/2006)	Closed	7.5%	37.9%
Post Act 75 (hired after 6/30/2006)	Open	8.0%	37.9%
Optional Retirement Plan (ORP)			
Pre Act 75 (hired before 7/1/2006)	Closed	7.5%	37.9%
Post Act 75 (hired after 6/30/2006)	Closed	8.0%	37.9%

The agency’s contractually required composite contribution rate for the year ended June 30, 2018 was 37.90% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the Agency were \$869,580 for the year ended June 30, 2018.

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

NOTE G – Pensions (Continued)

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

At June 30, 2018, the Employer reported a liability of \$8,331,229 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2017 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Agency’s proportion of the Net Pension Liability was based on a projection of the Agency’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the Agency’s proportion was 0.11836%, which was an increase of 0.00205% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2017, the Agency recognized pension expense of \$762,344 plus employer’s amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$565,345.

At June 30, 2018, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 152,868
Changes of assumptions	32,914	-
Net difference between projected and actual earnings on pension plan investments	270,916	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	605,352	36,724
Employer contributions subsequent to the measurement date	869,580	-
<b>Total</b>	<b>\$ 1,778,762</b>	<b>\$ 189,592</b>

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

NOTE G – Pensions (Continued)

\$869,580 reported as deferred outflows of resources related to pensions resulting from Agency contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year ended June 30:**

2019	\$	474,822
2020	\$	304,079
2021	\$	108,415
2022	\$	(167,726)

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

NOTE G – Pensions (Continued)

**Actuarial Assumptions**

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2017 are as follows:

<b>Valuation Date</b>	June 30, 2017
<b>Actuarial Cost Method</b>	Entry Age Normal
<b>Actuarial Assumptions:</b>	
<b>Expected Remaining Service Lives</b>	3 years
<b>Investment Rate of Return</b>	7.70% per annum, net of investment expenses*
<b>Inflation Rate</b>	2.75% per annum
<b>Mortality</b>	<b>Non-disabled members</b> - Mortality rates based on the RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015.  <b>Disabled members</b> – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.
<b>Termination, Disability, and Retirement</b>	Termination, disability, and retirement assumptions were projected based on a five-year (2009-2013) experience study of the System's members.
<b>Salary Increases</b>	Salary increases were projected based on a 2009-2013 experience study of the System's members. The salary increase ranges for specific types of members are:

<u>Member Type</u>	<u>Lower Range</u>	<u>Upper Range</u>
Regular	3.8%	12.8%
Judges	2.8%	5.3%
Corrections	3.4%	14.3%
Hazardous Duty	3.4%	14.3%
Wildlife	3.4%	14.3%

**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.

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
STATE OF LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2018

NOTE G – Pensions (Continued)

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 3.25% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 8.69% for 2017. 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, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation<sup>1</sup></u>	<u>Long-Term Expected Real Rate of Return<sup>1</sup></u>
Cash	0%	-0.24%
Domestic Equity	25%	4.31%
International Equity	32%	5.35%
Domestic Fixed Income	8%	1.73%
International Fixed Income	6%	2.49%
Alternative Investments	22%	7.41%
Global Tactical Asset Allocation	7%	2.84%
	<u>100%</u>	<u>5.26%</u>

**Discount Rate**

The discount rate used to measure the total pension liability was 7.70%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the pension plan’s actuary. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**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 7.70%, as well as what the Employer’s proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	<u>1.0% Decrease (6.70%)</u>	<u>Current Discount Rate (7.70%)</u>	<u>1.0% Increase (8.70%)</u>
Employer's proportionate share of the net pension liability	\$ 10,458,914	\$ 8,331,229	\$ 6,522,193

SOUTHEAST LOUISIANA  
 FLOOD PROTECTION AUTHORITY – WEST  
 STATE OF LOUISIANA  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2018

NOTE G – Pensions (Continued)

***Pension Plan Fiduciary Net Position***

Detailed information about the pension plan’s fiduciary net position is available in the separately issued LASERS 2016 Comprehensive Annual Financial Report at [www.lasersonline.org](http://www.lasersonline.org).

NOTE H - LONG-TERM DEBT:

The West Authority issued \$7,500,000 of Limited Tax Certificate of Indebtedness (Series 2016) during the year ended June 30, 2018. The proceeds from the bonds is for constructing and maintaining necessary levees, levee drainage, flood protection, hurricane flood protection and all other purposes incidental thereto. The following is a summary of the levee improvement bond transactions for the West Authority for the year ended June 30, 2018:

2016 Series:

Date of Issue	November 16, 2016
Original Issue	\$ 7,500,000
Outstanding, June 30, 2018	\$ 6,905,000
Redeemed in 2017-18	\$ 300,000
Interest Rates	2.15% to 3.15%
Maturity Dates	2016 – 2036

The bonds are secured by and payable in principal and interest solely by a pledge and dedication of the excess of annual revenues of the issuer above statutory, necessary and usual charges in each of the fiscal years during which the bonds are outstanding.

Scheduled debt service payments as of June 30, including interest, on the bonds are as follows:

	Principal	Interest	Total
2019	\$ 307,000	\$ 186,473	\$ 493,473
2020	314,000	179,563	493,563
2021	321,000	172,260	493,260
2022	328,000	164,469	492,469
2023	336,000	156,252	492,252
Thereafter	5,299,000	1,084,375	6,383,375
	<u>\$ 6,905,000</u>	<u>\$ 1,943,392</u>	<u>\$8,848,392</u>

SOUTHEAST LOUISIANA  
 FLOOD PROTECTION AUTHORITY – WEST  
 STATE OF LOUISIANA  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2018

NOTE I – 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 District (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 \$46,391 for the year ended June 30, 2018.

NOTE J – SUBSEQUENT EVENTS

Management has evaluated events through August 31, 2018, the date which the financial statements were available for issue. There were no items to be reported as subsequent events.

NOTE K – RESTATEMENT OF BEGINNING NET POSITION

The beginning net position as of July 1, 2017 has been restated to reflect the following adjustments:

Net Position at June 30, 2017	\$	24,825,825
OPEB GASB 75 adjustment		(2,297,703)
Infrastructure adjustment		<u>2,144,653,539</u>
Net Position at June 30, 2017 as restated	\$	<u><u>2,167,181,661</u></u>

The OPEB restatement decreased the District’s beginning net position by \$2,297,703. The restatement was due to the implementation of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Had the standard been implemented in fiscal year 2017 and included in the June 30, 2017 Statement of Activities, the previously reported change in net position of (\$45,196) would have been (\$2,342,899).

The infrastructure adjustment increases capital assets and net investment in capital assets by \$2,144,653,539. See Note C, 3. Capital Assets and Note E for details of this adjustment.

SOUTHEAST LOUISIANA FLOOR PROTECTION AUTHORITY-WEST  
STATE OF LOUISIANA

GENERAL FUND  
SCHEDULE OF EXPENDITURES-BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2018

	GAAP Actual	Budgetary to GAAP Differences	Budgetary Actual	Final Budget	Variance With Final Budget Positive	Original Budget
<b>EXPENDITURES</b>						
<b>CURRENT</b>						
<b>PUBLIC WORKS</b>						
<b>EXECUTIVE</b>						
Commissioners' per diem	\$ 31,041	\$ -	\$ 31,041	\$ 40,000	\$ 8,959	\$ 40,000
Travel	4,192	-	4,192	20,000	15,808	20,000
Payroll taxes	-	-	-	-	-	-
Official journal	-	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-	-
Professional services	-	-	-	-	-	-
Legal	-	-	-	-	-	-
Accounting and auditing	-	-	-	-	-	-
IT	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Executive	35,233	-	35,233	60,000	24,767	60,000
<b>ADMINISTRATIVE</b>						
Salaries	482,539	-	482,539	384,638	(97,901)	384,638
Health and life insurance	77,241	-	77,241	105,966	28,725	105,966
Retirement	164,458	-	164,458	165,314	856	165,314
Deferred compensation match	15,339	-	15,339	10,638	(4,701)	10,638
Payroll taxes	17,972	-	17,972	8,169	(9,803)	8,169
Civil Service Fee	14,067	-	14,067	17,000	2,933	17,000
Travel	2,470	-	2,470	3,200	730	3,200
Employee Recognition	290	-	290	-	(290)	-
Certifications/Training	325	-	325	-	(325)	-
Postage	-	-	-	-	-	-
Office supplies	-	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-	-
Buildings	-	-	-	-	-	-
Equipment	-	-	-	-	-	-
Telephone	-	-	-	-	-	-
Internet	-	-	-	-	-	-
Equipmental rental	-	-	-	-	-	-
Total Administrative	774,701	-	774,701	694,926	(79,775)	694,926
<b>MAINTENANCE</b>						
Salaries	1,951,503	-	1,951,503	2,049,689	98,186	2,046,689
Health and life insurance	551,780	-	551,780	536,810	(14,970)	536,810
Retirement	705,121	-	705,121	670,285	(34,836)	670,285
Deferred compensation match	47,663	-	47,663	46,666	(997)	46,666
Payroll taxes	25,071	-	25,071	27,686	2,615	27,686
Employee physicals and testing	7,892	-	7,892	8,500	608	7,500
Employee Uniform	24,912	-	24,912	25,000	88	25,000
Travel	408	-	408	6,800	6,392	6,800
Utilities	-	-	-	-	-	-
General supplies	-	-	-	-	-	-
Total Maintenance	3,314,350	-	3,314,350	3,371,436	57,086	3,367,436
<b>NON-DEPARTMENTAL</b>						
Insurance premiums	-	-	-	-	-	-
<b>CAPITAL OUTLAY</b>						
Property, plans and equipment	-	-	-	-	-	-
Levee construction projects	-	-	-	-	-	-
Total Capital Outlay	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,124,284</b>	<b>\$ -</b>	<b>\$ 4,124,284</b>	<b>\$ 4,126,361</b>	<b>\$ 2,077</b>	<b>\$ 4,122,361</b>

The accompanying notes are an integral part of this schedule.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-WEST  
STATE OF LOUISIANA

WEST JEFFERSON LEVEE DISTRICT  
OPERATIONS AND MAINTENANCE-SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES-BUDGET AND ACTUAL (BUDGETARY BASIS)  
FOR THE YEAR ENDED JUNE 30, 2018

	Budgetary to		Variance With Final			
	GAAP Actual	GAAP Differences	Budgetary Actual	Final Budget	Budget Positive (Negative)	Original Budget
<b>REVENUES</b>						
Taxes						
Property taxes	\$ 5,244,679	\$ -	\$ 5,244,679	\$ 5,297,094	\$ (52,415)	\$ 5,297,094
Pilot Program	46,391	-	46,391	46,391	(0)	46,391
	<u>5,291,070</u>	<u>-</u>	<u>5,291,070</u>	<u>5,343,485</u>	<u>(52,415)</u>	<u>5,343,485</u>
Intergovernmental						
FEMA Reimbursements	-	-	-	-	-	-
State Revenue Sharing	377,624	-	377,624	381,972	(4,348)	381,972
SELFPA-W Admin Fee	-	-	-	-	-	-
	<u>377,624</u>	<u>-</u>	<u>377,624</u>	<u>381,972</u>	<u>(4,348)</u>	<u>381,972</u>
Service charges, fees and commissions						
Oil & gas royalties	-	-	-	-	-	500
Permit fees	27,450	-	27,450	28,000	(550)	15,000
	<u>27,450</u>	<u>-</u>	<u>27,450</u>	<u>28,000</u>	<u>(550)</u>	<u>15,500</u>
Interest						
Ad Valorem-Interest	2,811	-	2,811	3,000	(189)	3,000
Interest income	269,440	-	269,440	270,000	(560)	200,000
	<u>272,251</u>	<u>-</u>	<u>272,251</u>	<u>273,000</u>	<u>(749)</u>	<u>203,000</u>
Miscellaneous						
	<u>4,385</u>	<u>-</u>	<u>4,385</u>	<u>4,500</u>	<u>(115)</u>	<u>4,000</u>
<b>TOTAL REVENUES</b>	<u>\$ 5,972,780</u>	<u>\$ -</u>	<u>\$ 5,972,780</u>	<u>\$ 6,030,957</u>	<u>\$ (58,177)</u>	<u>\$ 5,947,957</u>

The accompanying notes are an integral part of this schedule.

SOUTHEAST LOUISIANA FLOOD PROTECTION-WEST  
STATE OF LOUISIANA  
WEST JEFFERSON LEVEE DISTRICT  
OPERATIONS AND MAINTENANCE-SPECIAL REVENUE FUND  
SCHEDULE OF EXPENDITURES-BUDGET AND ACTUAL (BUDGETARY BASIS)  
FOR THE YEAR ENDED JUNE 30, 2018

	GAAP Actual	Budgetary to GAAP Differences	Budgetary Actual	Final Budget	Variance With Final Budget Positive (Negative)	Original Budget
<b>EXPENDITURES</b>						
<b>CURRENT</b>						
<b>PUBLIC WORKS</b>						
<b>EXECUTIVE</b>						
Dues and subscriptions	\$ 9,949	\$ -	\$ 9,949	\$ 10,200	\$ 251	\$ 10,200
Official Journal	1,475	-	1,475	6,800	5,325	6,800
Professional services						
Legal	71,978	-	71,978	102,000	30,022	102,000
Governmental Affairs	28,560	-	28,560	28,560	-	28,560
Public Information	20,344	-	20,344	34,000	13,656	34,000
Human Resources	1,696	-	1,696	17,000	15,304	17,000
Accounting and auditing	19,138	-	19,138	22,100	2,962	22,100
IT Consultants	-	-	-	750	750	-
Total Executive	<u>153,140</u>	<u>-</u>	<u>153,140</u>	<u>221,410</u>	<u>68,270</u>	<u>220,660</u>
<b>ADMINISTRATIVE</b>						
Salaries	-	-	-	-	-	-
Health and life insurance	-	-	-	-	-	-
Retirement	-	-	-	-	-	-
Deferred compensation match	-	-	-	-	-	-
Payroll taxes	-	-	-	-	-	-
Worker's compensation	4,992	-	4,992	5,000	8	4,500
Travel	62	-	62	-	(62)	-
Employee certifications	9,195	-	9,195	13,600	4,405	13,600
IT Software, licenses, accessories	19,359	-	19,359	40,800	21,441	40,800
Office supplies	13,184	-	13,184	14,960	1,776	14,960
Repairs and maintenance						
Buildings	8,632	-	8,632	-	(8,632)	-
Small Furniture Equipment	310	-	310	3,128	2,818	6,800
Internet and Maintenance Services	27,179	-	27,179	42,840	15,661	42,840
Wireless Services	5,238	-	5,238	6,800	1,562	6,800
Property and equipment rental	-	-	-	-	-	-
Total Administrative	<u>88,151</u>	<u>-</u>	<u>88,151</u>	<u>127,128</u>	<u>38,977</u>	<u>130,300</u>
<b>MAINTENANCE</b>						
Salaries	-	-	-	-	-	-
Health and life insurance	105,901	-	105,901	105,865	(36)	105,865
Retirement	-	-	-	-	-	-
Deferred compensation match	-	-	-	-	-	-
Payroll taxes	-	-	-	-	-	-
Worker's compensation	44,929	-	44,929	45,000	71	40,500
Unemployment insurance	-	-	-	-	-	-
Uniforms	-	-	-	-	-	-
Employee physicals and testing	-	-	-	-	-	-
Travel	190	-	190	-	(190)	-
Repairs and maintenance						
Buildings	72,075	-	72,075	170,000	97,925	68,000
Work Order System	18,987	-	18,987	20,400	1,413	20,400
Real Estate Support	51,807	-	51,807	51,000	(807)	51,000
Utilities	29,757	-	29,757	43,520	13,763	43,520
Surveying Fees	-	-	-	-	-	-
Property and equipment rental	10,110	-	10,110	13,600	3,490	13,600
Parts and supplies	93,793	-	93,793	98,600	4,807	71,400
Outside repairs/Inspections	51,886	-	51,886	34,000	(17,886)	34,000
Small tools and equipment	3,561	-	3,561	10,200	6,639	10,200
Fuel Purchases/Oil	80,276	-	80,276	81,940	1,664	81,940
Millage Election	275,599	-	275,599	277,000	1,401	150,000
Flood Protection Repair, Inspections, and Materials & Supplies	91,304	-	91,304	127,840	36,536	170,000
Custodial & Safety Supplies	12,874	-	12,874	17,000	4,126	17,000
Total Maintenance	<u>943,049</u>	<u>-</u>	<u>943,049</u>	<u>1,095,965</u>	<u>152,916</u>	<u>877,425</u>
<b>NON-DEPARTMENTAL</b>						
Insurance premiums	250,390	-	250,390	269,947	19,557	243,576
Ad valorem tax withholdings and commissions						
Assessor	68,465	-	68,465	69,142	677	69,142
Sheriff	2,481	-	2,481	3,551	1,070	3,551
State retirement systems	162,278	-	162,278	162,285	7	157,885
Total Non-Departmental	<u>483,614</u>	<u>-</u>	<u>483,614</u>	<u>504,924</u>	<u>21,310</u>	<u>474,154</u>
<b>CAPITAL OUTLAY</b>						
Property, plant and equipment	83,751	-	83,751	104,800	21,049	115,000
Levee construction projects	-	-	-	-	-	-
Total Capital Outlay	<u>83,751</u>	<u>-</u>	<u>83,751</u>	<u>104,800</u>	<u>21,049</u>	<u>115,000</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 1,751,705</u>	<u>\$ -</u>	<u>\$ 1,751,705</u>	<u>\$ 2,054,227</u>	<u>\$ 302,521</u>	<u>\$ 1,817,538</u>

The accompanying notes are an integral part of this schedule.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-WEST  
STATE OF LOUISIANA

ALGIERS LEVEE DISTRICT  
OPERATIONS AND MAINTENANCE-SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES-BUDGET AND ACTUAL (BUDGETARY BASIS)  
FOR THE YEAR ENDED JUNE 30, 2018

	GAAP Actual	Budgetary to GAAP Differences	Budgetary Actual	Final Budget	Variance With Final Budget Positive (Negative)	Original Budget
<b>REVENUES</b>						
Taxes						
Property taxes	\$ 2,712,774	\$ -	\$ 2,712,774	\$ 2,627,855	\$ 84,919	\$ 2,627,855
Intergovernmental						
State Revenue Sharing	95,123	-	95,123	94,773	-	94,723
SELFPA-W Admin Fee	-	-	-	-	-	-
Federal or State Grants	-	-	-	-	-	-
	<u>95,123</u>	<u>-</u>	<u>95,123</u>	<u>94,773</u>	<u>-</u>	<u>94,723</u>
Service charges, fees and commissions						
Oil & gas royalties	-	-	-	-	-	-
Permit fees	9,950	-	9,950	10,000	(50)	15,000
	<u>9,950</u>	<u>-</u>	<u>9,950</u>	<u>10,000</u>	<u>(50)</u>	<u>15,000</u>
Interest						
Interest income	113,796	-	113,796	114,000	(204)	95,000
Miscellaneous						
	-	-	-	-	-	4,000
<b>TOTAL REVENUES</b>	<u>\$ 2,931,643</u>	<u>\$ -</u>	<u>\$ 2,931,643</u>	<u>\$ 2,846,628</u>	<u>\$ 84,665</u>	<u>\$ 2,836,578</u>

The accompanying notes are an integral part of this schedule.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-WEST  
STATE OF LOUISIANA

ALGIERS LEVEE DISTRICT  
OPERATIONS AND MAINTENANCE-SPECIAL REVENUE FUND  
SCHEDULE OF EXPENDITURES-BUDGET AND ACTUAL (BUDGETARY BASIS)  
FOR THE YEAR ENDED JUNE 30, 2018

	GAAP Actual	Budgetary to GAAP Differences	Budgetary Actual	Final Budget	Variance With Final Budget Positive (Negative)	Original Budget
<b>EXPENDITURES</b>						
<b>CURRENT</b>						
<b>PUBLIC WORKS</b>						
<b>EXECUTIVE</b>						
Official journal	\$ 694	\$ -	\$ 694	\$ 3,200	2,506	\$ 3,200
Dues and subscriptions	4,682	-	4,682	4,800	118	4,800
Professional services						
Legal	32,635	-	32,635	48,000	15,365	48,000
Governmental Affairs	13,440	-	13,440	13,440	-	13,440
Public Information	11,366	-	11,366	16,000	4,634	16,000
Human Resources	798	-	798	8,000	7,202	8,000
Accounting and auditing	9,006	-	9,006	10,397	1,391	10,400
IT Consultants	-	-	-	-	-	-
Total Executive	<u>72,621</u>	<u>-</u>	<u>72,621</u>	<u>103,837</u>	<u>31,216</u>	<u>103,840</u>
<b>ADMINISTRATIVE</b>						
Office supplies	4,579	-	4,579	7,040	2,461	7,040
Employee Certifications	4,327	-	4,327	6,400	2,073	6,400
IT Software, licenses, accessories	9,110	-	9,110	19,200	10,090	19,200
Repairs and maintenance				7,500	7,500	7,500
Buildings	4,542	-	4,542	-	(4,542)	-
Small Furniture Equipment	146	-	146	1,472	1,326	3,200
Internet and Maintenance Services	15,255	-	15,255	20,160	4,905	20,160
Total Administrative	<u>37,959</u>	<u>-</u>	<u>37,959</u>	<u>61,772</u>	<u>23,813</u>	<u>63,500</u>
<b>MAINTENANCE</b>						
Repairs and maintenance						
Buildings	31,519	-	31,519	170,000	138,481	68,000
Work Order System	8,935	-	8,935	9,600	665	9,600
Real Estate	16,645	-	16,645	24,000	7,355	24,000
Utilities	12,344	-	12,344	20,480	8,136	20,480
Property and equipment rental	7,984	-	7,984	6,400	(1,584)	6,400
Parts and supplies	44,134	-	44,134	46,400	2,266	33,600
Outside repairs/Inspections	22,868	-	22,868	4,800	(18,068)	4,800
Small tools and equipment	1,672	-	1,672	4,500	2,828	4,500
Fuel Purchases/Oil	40,601	-	40,601	38,560	(2,041)	38,560
Flood Protection Repair, Inspections, and						
Materials & Supplies	17,980	-	17,980	60,160	42,180	80,000
Custodial & Safety Supplies	5,694	-	5,694	8,000	2,306	8,000
Total Maintenance	<u>210,376</u>	<u>-</u>	<u>210,376</u>	<u>392,900</u>	<u>182,524</u>	<u>289,940</u>
<b>NON-DEPARTMENTAL</b>						
Insurance premiums	117,831	-	117,831	124,034	6,203	111,624
<b>CAPITAL OUTLAY</b>						
Property, plant and equipment	41,995	-	41,995	65,200	23,205	55,000
Levee construction projects	-	-	-	-	-	-
	<u>41,995</u>	<u>-</u>	<u>41,995</u>	<u>65,200</u>	<u>23,205</u>	<u>55,000</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 480,782</u>	<u>\$ -</u>	<u>\$ 480,782</u>	<u>\$ 747,743</u>	<u>\$ 266,961</u>	<u>\$ 623,904</u>

The accompanying notes are an integral part of this schedule.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-WEST  
STATE OF LOUISIANA

WEST JEFFERSON LEVEE DISTRICT EMERGENCY FUND-SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY AND GAAP)  
For The Year Ended June 30, 2018

	GAAP	Actual	Budgetary to GAAP Differences	Budgetary Actual	Final	Budget	Variance With Final Budget Positive (Negative)	Original Budget
<b>REVENUES</b>								
Intergovernmental								
Federal	\$	-	\$	-	\$	-	\$	-
State		-		-		-		-
Interest		-		-		-		-
Miscellaneous		-		-		-		-
<b>TOTAL REVENUES</b>		<b>-</b>		<b>-</b>		<b>-</b>		<b>-</b>
<b>EXPENDITURES</b>								
<b>PERSONNEL</b>								
Administrative		-		-		-		-
Maintenance		-		-		-		-
<b>TOTAL PERSONNEL</b>		<b>-</b>		<b>-</b>		<b>-</b>		<b>-</b>
<b>PROFESSIONAL SERVICES</b>								
Other consultants		-		-		-		-
<b>TOTAL PROFESSIONAL SERVICES</b>		<b>-</b>		<b>-</b>		<b>-</b>		<b>-</b>
<b>REPAIRS AND MAINTENANCE</b>								
<b>Maintenance</b>								
Equipment rental		-		-		-		-
Levee materials		-		-		-		-
<b>TOTAL REPAIRS AND MAINTENANCE</b>		<b>-</b>		<b>-</b>		<b>-</b>		<b>-</b>
<b>SUBTOTAL-CURRENT EXPENDITURES</b>		<b>-</b>		<b>-</b>		<b>-</b>		<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In		-		-		-		-
Transfers Out		-		-		-		-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>		<b>-</b>		<b>-</b>		<b>-</b>		<b>-</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)</b>		<b>-</b>		<b>-</b>		<b>-</b>		<b>-</b>
<b>FUND BALANCE</b>								
Beginning of year		-		-		-		-
End of year	\$	-	\$	-	\$	-	\$	-

The accompanying notes are an integral part of this schedule.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-WEST  
STATE OF LOUISIANA

ALGIERS LEVEE DISTRICT EMERGENCY FUND-SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY AND GAAP)  
For The Year Ended June 30, 2018

	GAAP	Actual	Budgetary to GAAP Differences	Budgetary Actual	Final Budget	Variance With Final Budget Positive (Negative)	Original Budget
<b>REVENUES</b>							
Intergovernmental							
Federal	\$	-	\$	-	\$	-	\$
State		-		-		-	
Interest		-		-		-	
TOTAL REVENUES		-		-		-	
<b>EXPENDITURES</b>							
PERSONNEL							
Administrative		-		-		-	
Maintenance		-		-		-	
TOTAL PERSONNEL		-		-		-	
MAINTENANCE							
REPAIRS AND MAINTENANCE							
Maintenance							
Building		-		-		-	
Outside repairs		-		-		-	
Miscellaneous		-		-		-	
Parts and supplies		-		-		-	
Uniforms		-		-		-	
Tires		-		-		-	
TOTAL REPAIRS AND MAINTENANCE		-		-		-	
CAPITAL OUTLAY							
Equipment		-		-		-	
Vehicles and heavy equipment		-		-		-	
TOTAL CAPITAL OUTLAY		-		-		-	
TOTAL EXPENDITURES		-		-		-	
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in		-		-		-	
Transfers out		-		-		-	
TOTAL OTHER FINANCING SOURCES (USES)		-		-		-	
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)</b>							
		-		-		-	
<b>FUND BALANCE</b>							
Beginning of year		-		-		-	
End of year	\$	-	\$	-	\$	-	\$

The accompanying notes are an integral part of this schedule.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-WEST  
STATE OF LOUISIANA

WESTBANK HURRICANE PROTECTION LEVEE CAPITAL PROJECT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY AND GAAP)  
For The Year Ended June 30, 2018

	GAAP Actual	Budgetary GAAP Differences	to Budgetary Actual	Final Budget	Variance With Final Budget Positive (Negative)	Original	Budget
<b>REVENUES</b>							
Intergovernmental							
Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
State	277,119	-	277,119	-	277,119	-	-
Bond Proceeds	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
TOTAL REVENUES	<u>277,119</u>	<u>-</u>	<u>277,119</u>	<u>-</u>	<u>277,119</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>							
<b>ADMINISTRATIVE</b>							
Abstract and title	-	-	-	-	-	-	-
Appraisal fees	25,907	-	25,907	-	(25,907)	-	-
Attorney Fees	229,406	-	229,406	-	(229,406)	-	-
Engineering consultant	30,015	-	30,015	-	(30,015)	-	-
Surveying fees	600	-	600	-	(600)	-	-
TOTAL ADMINISTRATIVE	<u>285,928</u>	<u>-</u>	<u>285,928</u>	<u>-</u>	<u>(285,928)</u>	<u>-</u>	<u>-</u>
<b>LEVEE CONSTRUCTION PROJECTS</b>							
Levee construction	7,774,677	-	7,774,677	-	(7,774,677)	-	-
TOTAL MAINTENANCE	<u>7,774,677</u>	<u>-</u>	<u>7,774,677</u>	<u>-</u>	<u>(7,774,677)</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Net Bond Proceeds	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)</b>							
	(7,783,486)	-	(7,783,486)	-	(7,783,486)	-	-
<b>FUND BALANCE</b>							
Beginning of year	11,762,947	-	11,762,947	-	11,762,947	-	-
End of year	<u>\$ 3,979,461</u>	<u>\$ -</u>	<u>\$ 3,979,461</u>	<u>\$ -</u>	<u>\$ 3,979,461</u>	<u>\$ -</u>	<u>-</u>

The accompanying notes are an integral part of this schedule.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-WEST  
STATE OF LOUISIANA

WEST CLOSURE COMPLEX FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE (BUDGETARY AND GAAP)  
For The Year Ended June 30, 2018

	GAAP Actual	Budgetary to GAAP Differences	Budgetary Actual	Final Budget	Variance With Final Budget Positive (Negative)	Original Budget
<b>REVENUES</b>						
Intergovernmental						
Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-	-	-
Miscellaneous	25,000	-	25,000	-	-	-
Interest	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>25,000</b>	<b>-</b>	<b>25,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Executive						
Legal Counsel	31,163	-	31,163	-	(31,163)	-
<b>TOTAL Executive</b>	<b>31,163</b>	<b>-</b>	<b>31,163</b>	<b>-</b>	<b>(31,163)</b>	<b>-</b>
Maintenance						
Facility, maintenance and repairs	61,751	-	61,751	200,000	138,249	200,000
Small Tools Purchases	6,037	-	6,037	10,000	3,963	10,000
Operations & Maintenance Contractor	-	-	-	410,000	410,000	410,000
Electricity - utility	77,995	-	77,995	120,000	42,005	120,000
IT Licenses, Warranties, Software	-	-	-	-	-	-
Outside Repair/Inspection	83,576	-	83,576	100,000	16,424	100,000
Fuel purchases	121,880	-	121,880	300,000	178,120	300,000
<b>TOTAL MAINTENANCE</b>	<b>351,239</b>	<b>-</b>	<b>351,239</b>	<b>1,140,000</b>	<b>788,761</b>	<b>1,140,000</b>
Non-departmental						
Insurance	-	-	-	60,000	60,000	60,000
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)</b>	<b>(357,402)</b>	<b>-</b>	<b>(357,402)</b>	<b>(1,200,000)</b>	<b>842,598</b>	<b>(1,200,000)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	647,046	-	647,046	500,000	147,046	500,000
Transfers out	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>647,046</b>	<b>-</b>	<b>647,046</b>	<b>500,000</b>	<b>147,046</b>	<b>500,000</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)</b>	<b>289,644</b>	<b>-</b>	<b>289,644</b>	<b>(700,000)</b>	<b>989,644</b>	<b>-</b>
<b>FUND BALANCE</b>						
Beginning of year	190,270	-	190,270	238,990	(48,720)	-
End of year	\$ 479,914	\$ -	\$ 479,914	\$ (461,010)	\$ 940,924	\$ -

The accompanying notes are an integral part of this schedule.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-WEST  
STATE OF LOUISIANA

SCHEDULE OF COMISSIONERS' PER DIEMS  
For The Year Ended June 30, 2018

NAME	PER DIEM PAID
Burke, Scott	3,733
Gaddy, Kendall	3,478
Julien, Kerwin	1,479
Maclay, Susan (1)	12,000
Thomas, Robert	3,284
Valent, Philip	3,181
Wilkinson, Wesley	3,886
	<u>\$ 31,041</u>

1- the President of the Board is paid \$1,000 per month

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-WEST  
STATE OF LOUISIANA

SCHEDULE OF STATE FUNDING  
For The Year Ended June 30, 2018

<u>DESCRIPTION OF FUNDING</u>	<u>AMOUNT</u>
General Revenues:	
State Revenue Sharing	
West Jefferson Levee District	\$ 377,624
Algiers Levee District	95,123
	<u>\$ 472,747</u>

Southeast Louisiana Flood Protection Authority - West  
 Schedule of Compensation, Benefits, and Other Payments to Agency Head  
 For the Year Ended June 30, 2018

Agency Head Name: John Monzon

Purpose	Amount
Salary	\$ 143,218
Benefits - insurance	16,708
Benefits - retirement	53,100
Deferred compensation (contributions made by the agency)	1,768
Benefits - other (pair of shoes)	-
Benefits - other (fuel district vehicle)	-
Car allowance	-
Vehicle provided by government	-
Cell phone	840
Dues	280
Vehicle rental	-
Per diem	-
Reimbursements	289
Travel	708
Registration fees	-
Conference travel	-
Housing	-
Unvouchered expenses	-
Special meals	-
Other	-
	<u>\$ 216,911</u>

Southeast Louisiana Flood Protection Authority - West  
 Schedule of Employer's Share of Net Pension Liability  
 For the Years Ended June 30,

	2018	2017	2016	2015
Employer's Proportion of the Net Pension Liability (Asset)	0.11836%	0.11632%	0.09510%	0.09068%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 8,331,229	\$ 9,133,696	\$ 6,468,440	\$ 5,669,934
Employer's Covered-Employee Payroll	\$ 2,186,891	\$ 2,186,891	\$ 1,805,003	\$ 1,670,530
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	380.96%	417.66%	358.36%	339.41%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.5%	57.7%	62.7%	65.0%

Southeast Louisiana Flood Protection Authority - West  
Schedule of Employer Contributions  
For the Years Ended June 30,

Date	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2018	\$ 836,368	\$ 869,580	\$ (33,212)	\$ 2,206,776	39.40%
2017	\$ 782,907	\$ 806,428	\$ (23,521)	\$ 2,186,891	36.88%
2016	\$ 671,461	\$ 725,674	\$ (54,213)	\$ 1,805,003	40.20%
2015	\$ 621,437	\$ 642,261	\$ (20,824)	\$ 1,670,530	38.45%

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

Notes to Required Supplementary Information  
For the Year Ended June 30, 2017

**Changes of Benefit Terms include:**

- 2015 1) A 1.5% COLA, effective July 1, 2014, provided by Act 102 of the 2014 Louisiana Regular Legislative Session, and,
- 2015 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, and,
- 2017 3) A 1.5% COLA, effective July 1, 2016, provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative Session, and,
- 2017 4) Added benefits for members of the Harbor Police Retirement System which was merged with LASERS effective July 1, 2015 by Act 648 of 2014.
- 2018 No changes identified in the 2017 RSI template, GASB 68 Note B, LASERS CAFR Note A, & Actuarial Valuation. No additional disclosure required.

**Changes of Assumptions include:**

- 2018 There were several changes in assumptions for the June 30, 2017 valuation. 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. 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%. In addition, 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.

**Schedule of the Employer's Proportionate Share  
 of the Total Collective OPEB Liability  
 For the Year Ended June 30, 2018**

	Fiscal Year	
	2018	2017
Employer's proportion of the total collective OPEB liability	0.0563%	0.0563%
Employer's proportionate share of the total collective OPEB liability	\$ 4,138,212	\$ 4,218,211
Employer's covered-employee payroll	\$ 2,397,824	\$ 2,186,891
Employer's proportionate share of the total collective OPEB liability as a percentage of the covered-employee payroll	172.58%	192.89%

\*The amounts presented were determined as of the measurement date (July 1).

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

**Notes to Required Supplementary Information (Schedule 1)**

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

Changes in assumptions -

In the valuation for 2017, the discount rate decreased from 4.0% to 3.5%

Changes in population -

Changes in the Authority's census data including an increase of the number of participating employees at July 1, 2017, from 46 to 48 employees.



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

We have audited, in accordance with the 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 and the major fund of Southeast Louisiana Flood Protection Authority - West (the Authority), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated September 28, 2018.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the 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 the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a 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. 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 Authority's financial statements are free from 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 *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Broussard and Company*

Lake Charles, Louisiana  
September 28, 2018

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
State of Louisiana

SCHEDULE OF FINDINGS AND RESPONSES  
For the Fiscal Year Ended June 30, 2018

We have audited the financial statements of the Southeast Louisiana Flood Protection Authority – West (the “West Authority”), a component unit of the State of Louisiana, as of and for the year ended June 30, 2018, and have issued my report thereon dated September 28, 2018. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**A. Summary of Auditor’s Results**

1. The auditor’s report expresses an unmodified opinion on the financial statements of the Southeast Louisiana Flood Protection Authority – West (the “West Authority”) for the year ended June 30, 2018.
2. Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit Performed in Accordance with *Government Auditing Standards*.
  - No significant deficiencies were noted.
  - No material weaknesses were noted.
  - No instances of noncompliance material to the financial statements were noted.
3. The West Authority was not subject to a Single Audit under the Uniform Guidance.
4. No separate written management letter was issued for the year ended June 30, 2018.

SOUTHEAST LOUISIANA  
FLOOD PROTECTION AUTHORITY – WEST  
State of Louisiana

SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)  
For the Fiscal Year Ended June 30, 2018

**B. Financial Statement Findings**

There were no findings for the year ended June 30, 2018.

**C. Federal Award Findings and Questioned Costs**

Not Applicable

**D. Status of Prior Year Findings and Questioned Costs**

There were no findings for the year ended June 30, 2017.

Findings and Questioned Costs – Major Federal Award Programs Audit

Not Applicable

**E. Status of Prior Year Management Letter Comments**

Not Applicable

DIVISION OF ADMINISTRATION REPORTING PACKAGE

**ANNUAL FISCAL REPORT (AFR)  
FOR 2018**

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

PREPARED BY: Michael DeFalco

PHONE NUMBER: 337-439-6600

EMAIL ADDRESS: Mike.defalco@bc-cpa.com

SUBMITTAL DATE: 09/28/2018 01:14 PM

**STATEMENT OF NET POSITION**

**ASSETS**

**CURRENT ASSETS:**

CASH AND CASH EQUIVALENTS	27,844,554.78
RESTRICTED CASH AND CASH EQUIVALENTS	0.00
INVESTMENTS	0.00
RESTRICTED INVESTMENTS	0.00
DERIVATIVE INSTRUMENTS	0.00
RECEIVABLES (NET)	210,349.99
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>\$28,054,904.77</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
CAPITAL ASSETS (NET OF DEPRECIATION & AMORTIZATION)	
LAND	5,787,724.00
BUILDINGS AND IMPROVEMENTS	1,151,317.00
MACHINERY AND EQUIPMENT	1,100,877.00
INFRASTRUCTURE	0.00
INTANGIBLE ASSETS	0.00
CONSTRUCTION IN PROGRESS	2,144,653,539.00
OTHER NONCURRENT ASSETS	74,250.00
<b>TOTAL NONCURRENT ASSETS</b>	<b>\$2,152,767,707.00</b>
<b>TOTAL ASSETS</b>	<b>\$2,180,822,611.77</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
FEES PAID TO PERMANENT INVESTORS PRIOR TO SALE OF MORTGAGE LOANS	0.00
OPEB-RELATED DEFERRED OUTFLOWS OF RESOURCES	144,483.34
PENSION-RELATED DEFERRED OUTFLOWS OF RESOURCES	1,778,762.00

**ANNUAL FISCAL REPORT (AFR)  
FOR 2018**

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

PREPARED BY: Michael DeFalco

PHONE NUMBER: 337-439-6600

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SUBMITTAL DATE: 09/28/2018 01:14 PM

**TOTAL DEFERRED OUTFLOWS OF RESOURCES** **\$1,923,245.34**

**TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES** **\$2,182,745,857.11**

**LIABILITIES**

**CURRENT LIABILITIES:**

ACCOUNTS PAYABLE AND ACCRUALS	1,588,086.21
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	0.00
CAPITAL LEASE OBLIGATIONS	0.00
ESTIMATED LIABILITY FOR CLAIMS	0.00
NOTES PAYABLE	0.00
BONDS PAYABLE	307,000.00
POLLUTION REMEDIATION OBLIGATIONS	0.00
OTHER LONG-TERM LIABILITIES	63,283.33
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$1,958,369.54</b>

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

CONTRACTS PAYABLE	0.00
COMPENSATED ABSENCES PAYABLE	221,778.72
CAPITAL LEASE OBLIGATIONS	0.00
ESTIMATED LIABILITY FOR CLAIMS	0.00
NOTES PAYABLE	0.00
BONDS PAYABLE	6,598,000.00
TOTAL OPEB LIABILITY	4,138,212.00
NET PENSION LIABILITY	8,331,229.00
POLLUTION REMEDIATION OBLIGATIONS	0.00
OTHER LONG-TERM LIABILITIES	0.00
UNEARNED REVENUE	0.00
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>\$19,289,219.72</b>
<b>TOTAL LIABILITIES</b>	<b>\$21,247,589.26</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 ORIGATION	0.00
LOAN ORIGATION FEES RECEIVED FOR MORTGAGE LOANS HELD FOR SALE	0.00
OPEB-RELATED DEFERRED INFLOWS OF RESOURCES	283,846.00
PENSION-RELATED DEFERRED INFLOWS OF RESOURCES	189,592.00
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$473,438.00</b>

**ANNUAL FISCAL REPORT (AFR)  
FOR 2018**

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

**PREPARED BY:** Michael DeFalco

**PHONE NUMBER:** 337-439-6600

**EMAIL ADDRESS:** Mike.defalco@bc-cpa.com

**SUBMITTAL DATE:** 09/28/2018 01:14 PM

**NET POSITION:**

NET INVESTMENT IN CAPITAL ASSETS	2,145,788,457.00
RESTRICTED FOR:	
CAPITAL PROJECTS	531,169.00
DEBT SERVICE	0.00
NONEXPENDABLE	0.00
EXPENDABLE	0.00
OTHER PURPOSES	0.00
UNRESTRICTED	<b>\$14,705,203.85</b>
<b>TOTAL NET POSITION</b>	<b>\$2,161,024,829.85</b>

**ANNUAL FISCAL REPORT (AFR)  
FOR 2018**

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

PREPARED BY: Michael DeFalco

PHONE NUMBER: 337-439-6600

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SUBMITTAL DATE: 09/28/2018 01:14 PM

**STATEMENT OF ACTIVITIES**

**PROGRAM REVENUES**

EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE
15,745,821.70	0.00	0.00	0.00	<b>\$(15,745,821.70)</b>

**GENERAL REVENUES**

PAYMENTS FROM PRIMARY GOVERNMENT	472,747.02
OTHER	9,116,243.53
ADDITIONS TO PERMANENT ENDOWMENTS	0.00
<b>CHANGE IN NET POSITION</b>	<b>\$(6,156,831.15)</b>
NET POSITION - BEGINNING	<b>\$24,825,825.00</b>
NET POSITION - RESTATEMENT	2,142,355,836.00
<b>NET POSITION - ENDING</b>	<b>\$2,161,024,829.85</b>



**ANNUAL FISCAL REPORT (AFR)  
FOR 2018**

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

PREPARED BY: Michael DeFalco

PHONE NUMBER: 337-439-6600

EMAIL ADDRESS: Mike.defalco@bc-cpa.com

SUBMITTAL DATE: 09/28/2018 01:14 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	6,905,000.00	300,000.00	\$ 7,205,000.00	63,283.33
		<b>Totals</b>	<b>\$6,905,000.00</b>	<b>\$300,000.00</b>	<b>\$7,205,000.00</b>	<b>\$63,283.33</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 2018**

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

PREPARED BY: Michael DeFalco

PHONE NUMBER: 337-439-6600

EMAIL ADDRESS: Mike.defalco@bc-cpa.com

SUBMITTAL DATE: 09/28/2018 01:14 PM

**SCHEDULE OF BONDS PAYABLE AMORTIZATION**

<b>Fiscal Year Ending:</b>	<b>Principal</b>	<b>Interest</b>
2019	307,000.00	189,850.00
2020	314,000.00	183,096.00
2021	321,000.00	176,031.00
2022	328,000.00	168,487.50
2023	336,000.00	160,451.50
2024	345,000.00	152,051.50
2025	353,000.00	143,254.00
2026	363,000.00	134,076.00
2027	373,000.00	124,456.50
2028	383,000.00	114,385.50
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	29,628.50
2036	481,000.00	15,151.50
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
Premiums and Discounts	<b>\$0.00</b>	
<b>Total</b>	<b>\$6,905,000.00</b>	<b>\$2,038,317.50</b>

**ANNUAL FISCAL REPORT (AFR)  
FOR 2018**

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

**PREPARED BY:** Michael DeFalco

**PHONE NUMBER:** 337-439-6600

**EMAIL ADDRESS:** Mike.defalco@bc-cpa.com

**SUBMITTAL DATE:** 09/28/2018 01:14 PM

**Other Postemployment Benefits (OPEB)**

If your agency has active or retired employees who are members of the OGB Health Plan, please provide the following information:

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. For calendar year end agencies, it covers the period 6/30 to 12/31 for the current year being reported. 144,483.34

**For calendar year-end agencies only:** Benefit payments or employer payments for health and life insurance premiums made for the next year's valuation reporting period (7/1/17 - 6/30/18). 0.00

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FOR 2018**

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**SUBMITTAL DATE:** 09/28/2018 01:14 PM

**FUND BALANCE/NET POSITION RESTATEMENT**

<b>Account Name/Description</b>	<b>Restatement Amount</b>
<b>NONCURRENT LIABILITIES - NET OPEB OBLIGATION</b>	
Description: The restatement was a result of the implementation of GASB 75.	(2,297,703.00)
<b>NONCURRENT ASSETS - CONSTRUCTION IN PROGRESS</b>	
Description: After Hurricane Katrina, the United States Army Corps of Engineers (USACE) received funding from congress to re-build the hurricane protection system in the Greater New Orleans (GNO) area. The initial effort was to repair the levees that were damaged and to provide interim protection from hurricane storm surge. This interim measure took place between 2005 and 2007. After the levees were re-designed, with new and more stringent engineering design standards, the USACE began to re-build the levees to the new 100 year elevations. The new hurricane protection system is referred to as the Hurricane and Storm Damage Risk Reduction System (HSDRRS). In many cases the construction of the HSDRRS took place in 2 or more phases. The 100 year level of protection was functionally complete by 2011. However, certain portions of the HSDRRS were turned over to the levee districts or other local entities for Operation and Maintenance (O&M) prior to 2011. The Southeast Louisiana Flood Protection Authority West (SLFPAW) is only responsible for levees, floodwalls, floodgates, valves and hurricane pump stations and sector gates. The USACE provided costs for property conveyed to the West Authority in June of 2018 which represents the restatement amount. The project is still ongoing and is shown as Construction in Progress on the Statement of Net Position.	2,144,653,539.00
<b>Total</b>	<b>\$2,142,355,836.00</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).