

**LAFOURCHE BASIN LEVEE DISTRICT**

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

VACHERIE, LOUISIANA

FINANCIAL STATEMENT AUDIT

FOR THE YEAR ENDED  
DECEMBER 31, 2021

**LAFOURCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
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**DECEMBER 31, 2021**

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To the Board of Commissioners  
LAFOURCHE BASIN LEVEE DISTRICT  
State of Louisiana  
Vacherie, Louisiana

## INDEPENDENT AUDITORS' REPORT

### **Opinions**

I have audited the accompanying financial statements of the governmental activities and each major fund of the Lafourche Basin Levee District (the "District"), a component unit of the State of Louisiana, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of December 31, 2021, and the respective changes in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

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

### **Responsibilities of Management for the Financial Statements**

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

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

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## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards, I:

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedule and the Schedule of the Employer's Proportionate Share of Total Collective OPEB liability, listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historic context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule of per diem paid board members and the schedule of compensation, benefits and other payments to district head are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedule of compensation paid to governing board and schedule of compensation, benefits and other payments to agency head or chief executive officer is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, I have also issued a report dated June 22, 2022, on my consideration of the District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, grants agreements and other matters. The purpose of that report is to solely describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Lenora B Krielow, CPA, LLC*

Certified Public Accountant  
Jennings, Louisiana  
June 22, 2022

REQUIRED SUPPLEMENTARY INFORMATION (PART A)  
MANAGEMENT'S DISCUSSION AND ANALYSIS

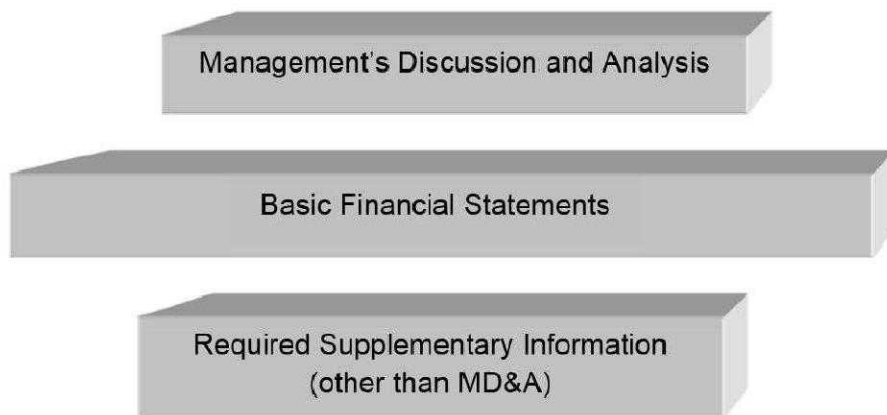
**LAFOURCHE BASIN LEVEE DISTRICT**  
STATE OF LOUISIANA  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
AS OF DECEMBER 31, 2021

Management's Discussion and Analysis of the Lafourche Basin Levee District (District)' s financial performance presents a narrative overview and analysis of the District's financial activities for the year ended December 31, 2021. This document focuses on the current year' s activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the transmittal letter and the District's financial statements.

**FINANCIAL HIGHLIGHTS**

- The District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2021 by \$9,686,152 which represents a 4.6% decrease from last fiscal year.
- The District's general revenue's totaled \$5,226,008 for the year ended December 31, 2021. These revenues are comprised primarily of ad valorem and interest income. Revenues declined by \$378,765 which represents a 6.8% decrease from last fiscal year.
- The District's expenses totaled \$4,797,114 for the year ended December 31, 2021. These expenditures are comprised primarily of operating services, and personnel expenses. Expenses decreased by \$908,913 which represents a decrease of 15.9% from the last fiscal year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**



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

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

**LAFOURCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF DECEMBER 31, 2021**

**Government-wide Financial Statements**

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

- The Statement of Net Position presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The difference between assets plus deferred outflows of resources and liabilities and deferred inflows of resources is net position and may serve as a useful indicator of whether the District's financial position is improving or deteriorating.
- The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. Regardless of when cash is affected, all changes in net position are reported when the underlying transactions occur. As a result, transactions are included that will not affect cash until future periods.

**Fund Financial Statements**

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

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

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

**Notes to the Financial Statements**

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

**Required Supplementary Information**

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



**LAFOURCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF DECEMBER 31, 2021**

**Other Information**

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

**FINANCIAL ANALYSIS OF GOVERNMENT-WIDE ACTIVITIES**

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

	<u>2021</u>	<u>2020</u>	<u>Variance</u>	<u>% Change</u>
<b>Assets</b>				
Current assets	\$12,792,872	\$12,238,869	\$ 554,003	4.5%
Capital assets, net	<u>980,059</u>	<u>1,091,319</u>	<u>(111,260)</u>	(10.2%)
Net Total Assets	<u>13,772,931</u>	<u>13,330,188</u>	<u>442,743</u>	
Deferred outflows of resources	<u>527,631</u>	<u>237,482</u>	<u>290,149</u>	122.2%
<b>Liabilities</b>				
Current liabilities	278,228	300,219	(21,991)	(7.3%)
Noncurrent liabilities	<u>3,899,373</u>	<u>3,375,194</u>	<u>524,179</u>	15.5%
Total Liabilities	<u>4,177,601</u>	<u>3,675,413</u>	<u>502,188</u>	
Deferred inflows of resources	<u>436,809</u>	<u>634,999</u>	<u>(198,190)</u>	(31.2%)
<b>Net Position:</b>				
Net Investment in capital asset	980,059	1,091,319	(111,260)	(10.2%)
Unrestricted	<u>8,706,093</u>	<u>8,165,939</u>	<u>540,154</u>	6.6%
Total net position	<u>\$ 9,686,152</u>	<u>\$ 9,257,258</u>	<u>\$ 428,894</u>	

The schedule is prepared from the District's Statement of Net Position which is presented on an accrual basis of accounting. Significant changes for 2021 include:

- Current assets increased by \$554,003 over the prior year, mainly from the increase in Ad Valorem receivable.
- Capital assets decreased \$111,260 over the prior year, mainly due to decrease in capital spending.

**LAFOURCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF DECEMBER 31, 2021**

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

**Comparative Statement of Changes in Net Position**  
**For the Fiscal Years December 31, 2021, and December 31, 2020**

	<u>2021</u>	<u>2020</u>	<u>Change</u>	<u>Percentage Change</u>
<b>Revenues</b>				
Program revenues				
Capital grants and contributions	\$ 452,976	\$ 820,712	\$ (367,736)	(44.8%)
General revenues				
Ad valorem taxes	4,716,396	4,569,158	147,238	3.2%
Interest earnings	39,940	139,781	(99,841)	(71.4%)
Licenses and permits	40,005	34,300	5,705	16.6%
Royalties	12,274	9,351	2,923	31.3%
Investment income (loss)	(36,935)	(24,824)	(12,111)	48.8%
Miscellaneous	1,352	56,117	(54,765)	(97.6%)
Total general revenues	<u>4,773,032</u>	<u>4,783,883</u>	<u>(10,851)</u>	<u>(0.2%)</u>
Total revenues	<u>5,226,008</u>	<u>5,604,595</u>	<u>(378,587)</u>	<u>(6.8%)</u>
<b>Expenses</b>				
Personnel Services and related benefits	2,524,938	2,350,533	174,405	7.4%
Travel	39,811	29,863	9,948	33.3%
Professional Services	177,614	95,293	82,321	86.4%
Supplies	194,405	153,581	40,824	26.6%
Operating Services	1,541,171	2,696,271	(1,155,100)	(42.8%)
Depreciation	319,175	380,486	(61,311)	(16.1%)
Total expenditure/expenses	<u>4,797,114</u>	<u>5,706,027</u>	<u>(908,913)</u>	<u>(15.9%)</u>
Change in net position	428,894	(101,432)	530,326	9.2%
Net position, beginning	<u>9,257,258</u>	<u>9,358,690</u>	<u>(101,432)</u>	<u>(1.1%)</u>
Net position, ending	<u>\$ 9,686,152</u>	<u>\$ 9,257,258</u>	<u>\$ 428,894</u>	<u>4.6%</u>

The District's net expenses decreased \$908,913 from the previous fiscal year. Majority of the decrease (\$1,155,100) was from less operating services, while personnel expenses slightly increased by \$174,405.

**LAFOURCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF DECEMBER 31, 2021**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**CAPITAL ASSETS**

The District's investment in capital assets, net of accumulated depreciation as of December 31, 2021, totaled \$980,059. This amount represents a net decrease (including additions and disposals, net of depreciation) of \$111,259 or 10.2% under the previous fiscal year. More detailed information about the Districts' capital assets are presented in the notes to the financial statements.

**Capital Assets, Net of Depreciation**  
**As of December 31, 2021 and December 31, 2020**

	<u>2021</u>	<u>2020</u>	<u>Variance</u>	<u>Percent Change</u>
Land	\$ 130,227	\$ 130,227	\$ -	0.0%
Building & Improvements	136,366	150,721	(14,355)	(9.5%)
Machinery and Equipment	653,263	810,371	(157,108)	(19.4%)
Construction in Progress	60,203	-	60,203	0.0%
Total	<u>\$ 980,059</u>	<u>\$ 1,091,319</u>	<u>\$ (111,260)</u>	<u>(10.2%)</u>

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

**LONG-TERM LIABILITIES**

The District's long-term liabilities on December 31, 2021, totaled \$3,899,373. This amount represents a net increase of \$524,179 over the previous fiscal year. The primary reason for the increase is the change in the valuation of the OPEB payable of \$514,640.

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

	<u>2021</u>	<u>2020</u>	<u>Variance</u>	<u>Percent Change</u>
Compensated absences payable	\$ 67,963	\$ 58,424	\$ 9,539	16.3%
OPEB payable	3,831,410	3,316,770	514,640	15.5%
Total	<u>\$ 3,899,373</u>	<u>\$ 3,375,194</u>	<u>\$ 524,179</u>	<u>15.5%</u>

**LAFOURCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF DECEMBER 31, 2021**

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

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

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

One of the most important factors affecting the budget is the tax collections which is approximately 75.71 percent of budgeted revenues while contributions and other revenues are 24.29 percent. The General Fund's budget for expenditures in 2021 was \$7,976,128 of which \$1,025,987 or 12.86 percent was allocated to operating services and \$2,868,611 or 35.96 percent was allocated to personnel and related benefits.

**CONTACTING THE DISTRICT'S MANAGEMENT**

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

## **BASIC FINANCIAL STATEMENTS**

**LAFORCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**GOVERNMENTAL FUNDS BALANCE SHEET AND STATEMENT OF NET POSITION**  
**AS OF DECEMBER 31, 2021**

	<u>General Fund</u>	<u>Adjustments (Statement B)</u>	<u>Statement of Net Position</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash	\$ 3,028,994	\$ -	\$ 3,028,994
Investments	5,148,302	-	5,148,302
Accounts receivable	4,615,576	-	4,615,576
Total Current Assets	<u>12,792,872</u>	<u>-</u>	<u>12,792,872</u>
<b>Noncurrent Assets</b>			
Capital assests, net of accumulated depreciation	-	980,059	980,059
Total Noncurrent Assets	<u>-</u>	<u>980,059</u>	<u>980,059</u>
<b>TOTAL ASSETS</b>	<u>12,792,872</u>	<u>980,059</u>	<u>13,772,931</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to OPEB	-	527,631	527,631
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>-</u>	<u>527,631</u>	<u>527,631</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>12,792,872</u>	<u>1,507,690</u>	<u>14,300,562</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable and accruals	148,560	-	148,560
Accrued payroll and related liabilities	29,554	-	29,554
Compensated absence payable	-	100,114	100,114
Total Current Liabilities	<u>178,114</u>	<u>100,114</u>	<u>278,228</u>
<b>Noncurrent Liabilities</b>			
Compensated absence payable	-	67,963	67,963
OPEB payable	-	3,831,410	3,831,410
Total Noncurrent Liabilities	<u>-</u>	<u>3,899,373</u>	<u>3,899,373</u>
<b>TOTAL LIABILITIES</b>	<u>178,114</u>	<u>3,999,487</u>	<u>4,177,601</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to ad valorem taxes	1,985,427	(1,985,427)	-
Deferred inflows related to OPEB	-	436,809	436,809
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>1,985,427</u>	<u>(1,548,618)</u>	<u>436,809</u>
<b>FUND BALANCE/NET POSITION</b>			
Commitments	3,153,867	(3,153,867)	
Unassigned	7,475,464	(7,475,464)	
<b>TOTAL FUND BALANCE</b>	<u>10,629,331</u>	<u>(10,629,331)</u>	
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<u>\$12,792,872</u>		
Net investment in capital assests		980,059	980,059
Unrestricted		8,706,093	8,706,093
<b>TOTAL NET POSITION</b>		<u>\$ 9,686,152</u>	<u>\$ 9,686,152</u>

The accompanying notes are an integral part of this financial statement

**LAFOURCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**AS OF DECEMBER 31, 2021**

Total Fund Balances for Governmental Funds (Statement A)		\$ 10,629,331
Total Net Position reported for governmental activities in the statement of Net Position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Governmental capital assets	4,977,771	
Less accumulated depreciation	<u>(3,997,712)</u>	980,059
Deferred outflows of resources used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.		
Net deferred outflows related to OPEB	<u>527,631</u>	527,631
Long-term liabilities are not due and payable in the current period and therefore are not reported in the fund		
Compensated absences payable	(168,077)	
Other postemployment benefit payable	<u>(3,831,410)</u>	(3,999,487)
Deferred inflows of resources used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.		
Net deferred inflows related to ad valorem taxes	1,985,427	
Net deferred inflows related to OPEB	<u>(436,809)</u>	1,548,618
Net Position of Governmental Activities (Statement A)		<u>\$ 9,686,152</u>

The accompanying notes are an integral part of this financial statement

**LAFOURCHE BASIN LEVEE DISTRICT**  
STATE OF LOUISIANA

**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE AND STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>General Fund</u>	<u>Adjustments (Statement D)</u>	<u>Statement of Activities</u>
<b>EXPENDITURES / EXPENSES</b>			
Personnel services and related benefits	\$ 2,486,544	\$ 38,394	\$ 2,524,938
Travel	39,811	-	39,811
Professional services	177,614	-	177,614
Operating services	823,136	-	823,136
Supplies	194,405	-	194,405
Repairs & Maintenance	925,950	(207,915)	718,035
Depreciation	-	319,175	319,175
Total Expenditure/Expenses	<u>4,647,460</u>	<u>149,654</u>	<u>4,797,114</u>
<b>PROGRAM REVENUES</b>			
Capital grants and contributions	<u>452,976</u>		<u>452,976</u>
<b>NET PROGRAM EXPENSES</b>			<u>4,344,138</u>
<b>GENERAL REVENUES</b>			
Ad valorem taxes	2,888,502	1,827,894	4,716,396
Interest income	39,940	-	39,940
Licenses and permits	40,005	-	40,005
Royalties	12,274	-	12,274
Miscellaneous	1,352	-	1,352
Total General Revenues	<u>2,982,073</u>	<u>1,827,894</u>	<u>4,809,967</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Net increase (decrease) in the fair value of investments	<u>(36,935)</u>	<u>-</u>	<u>(36,935)</u>
Total other financing sources (uses)	<u>(36,935)</u>	<u>-</u>	<u>(36,935)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>			
	(1,249,346)	1,249,346	NONE
<b>CHANGE IN NET POSITION</b>			
	NONE	428,894	428,894
<b>FUND BALANCE/NET POSITION</b>			
Beginning of the year	<u>11,878,677</u>	<u>(2,621,419)</u>	<u>9,257,258</u>
End of the year	<u>\$10,629,331</u>	<u>\$ (943,179)</u>	<u>\$ 9,686,152</u>

The accompanying notes are an integral part of this financial statement



**LAFOURCHE BASIN LEVEE DISTRICT**  
STATE OF LOUISIANA

**RECONCILIATION OF THE STATEMENT OF GOVERNMENTAL FUND REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Net Change in Fund Balances - Governmental Fund (Statement C)		\$(1,249,346)
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Amounts reported for governmental activities in the statement of activities are different because:

However, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	207,915	
Less accumulated depreciation	<u>(319,175)</u>	(111,260)

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

(38,394)

Revenues that are considered available to provide current financial resources to governmental funds; however, in the statement of activities, revenues that are not considered available are reported.

Current year deferred inflows	1,985,427	
Prior year deferred inflows	<u>(157,533)</u>	1,827,894

Change in Net Position of Governmental Activities (Statement C)		<u>\$ 428,894</u>
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The accompanying notes are an integral part of this financial statement

**LAFOURCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**INTRODUCTION**

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

The Board President receives compensation of \$1,000 per month, and other commissioners, as authorized by R.S. 38:308, receive a per diem to attend meetings or conduct Board-approved business not to exceed \$113.75 per day up to 36 days per year.

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

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

**A. Reporting Entity**

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

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

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

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

**LAFORCHE BASIN LEVEE DISTRICT**  
STATE OF LOUISIANA  
**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED DECEMBER 31, 2021

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

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

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

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

**Program Revenues:** The Statement of Activities presents two categories of program revenues: operating grants and contributions and capital grants and contributions. Grants and contributions, whether operating or capital in nature, are revenues arising from receipts that are reserved for specific use.

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

C. **Fund Accounting**

The District uses its General Fund to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

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

**LAFORCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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

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

The fund financial statements are reported using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included in the balance sheet. Operating statements present increases and decreases in net current assets. Revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectable within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers property taxes as available if they are collected within 60 days after year end. Expenditures for capital assets are reported as current expenses and such assets are not depreciated.

**E. Budgetary Accounting**

As required by the Louisiana Revised Statutes 39:1303, the District adopts an annual budget. Formal budgetary accounting is employed as a management control. The District prepares and adopts a budget prior to October 1 of each year for its General Fund.

The budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, where certain transactions are recorded on a basis other than GAAP. The District amends its budget when projected revenues are expected to be less than budgeted revenues by 5% or more and/or projected expenditures are expected to be more than budgeted amounts by 5% or more. The Budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year.

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

**LAFORCHE BASIN LEVEE DISTRICT**  
STATE OF LOUISIANA  
**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED DECEMBER 31, 2021

**F. Cash and Cash Equivalents**

Cash and cash equivalents include not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty. Cash equivalents include demand deposits, investments in the Louisiana Asset Management Pool (LAMP) which is stated at fair value, amounts in time deposits and those investments with original maturities of 90 days or less.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term high-quality investments.

The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with R.S. 33:2955. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. LAMP investment guidelines and historical information are available on its website: [www.lamppool.com](http://www.lamppool.com) or can be obtained by phoning (504) 525-LAMP.

Louisiana state statutes, as stipulated in R.S.: 39:1271, authorize the District to invest in United States bonds, treasury notes or certificates, or time certificates of deposit of state banks organized under the laws of Louisiana and nation banks having the principal office in the State of Louisiana. The state statutes also authorize the District to invest in any other federally insured investment, or in mutual trust fund institutions, which are registered with the Securities and Exchange Commission under the Security Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the United States government or its agencies. Investing is performed in accordance with investment policies complying with state statutes and those adopted by the Board of Commissioners.

Investments are stated at market value. Increases or decreases in the market value of invests are included as a component of investment income.

**LAFOURCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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

**G. Receivables**

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

**H. Capital Assets**

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

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

**I. Compensated Absences**

Employees earn annual and sick leave at varying rates, depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon determination, an employee is compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination.

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

**J. Estimates**

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

**LAFORCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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

**K. Long-Term Obligations**

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

**L. Fund Balance - Governmental Funds**

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

- a) *Non-spendable* - amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.
- b) *Restricted* - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by ordinances or resolutions approved by the Board of the District.
- c) *Committed*- amounts that can be used only for specific purposes determined by a formal action of the Board. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board of the District.
- d) *Assigned* – amounts that are constrained by the government’s board of commissioner’s intent to be used for specific purposes but are neither restricted or committed. Intent is expressed by the District’s Board.
- e) *Unassigned* - all other spendable amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General Fund.

Category	Governmental Fund
Unassigned	\$ 10,629,331
Total fund balance	\$ 10,629,331

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

**LAFOURCHE BASIN LEVEE DISTRICT**  
STATE OF LOUISIANA  
**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED DECEMBER 31, 2021

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

**M. Net Position**

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

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

**N. Ad Valorem Taxes**

Article 6, Section 39 of the Louisiana Constitution of 1974 provides that for the purpose of constructing and maintaining levees, levee drainage, flood protection, hurricane flood protection, and all other purposes incidental thereto, the District may levy annually a tax. Ad valorem taxes are assessed on a calendar year basis and become due November 1<sup>st</sup> and are billed in December 31<sup>st</sup>. Taxes become delinquent on January 1<sup>st</sup>.

The sheriff tax assessor's office determines non payments and after becoming delinquent, will proceed to collection. At December 31, 2021 the District does not anticipate reduction due to bad debts.

**O. Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Financial Position and Governmental Fund Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses/expenditures) until then.



**LAFORCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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

**O. Deferred Outflows/Inflows of Resources (continued)**

In addition to liabilities, the Statement of Financial Position and Governmental Fund Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenues) until then.

**P. Recent Accounting Pronouncements**

In June 2017, GASB issued Statement No. 87, *Leases*. The purpose of this statement was to increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for fiscal years beginning after June 15, 2021. Earlier application is encouraged. Management has determined GASB 87 has no impact on the District's financials.

**NOTE 2: CASH AND CASH EQUIVALENTS**

At December 31, 2021, the District has cash (book balance) of \$3,028,944 in demand deposits.

	Book Balance	Bank Balance
Cash and demand deposits	235,436	350,623
Units in Louisiana Asset Management Pool	<u>2,793,508</u>	<u>2,793,508</u>
Total cash and cash equivalents	<u><u>3,028,944</u></u>	<u><u>3,144,131</u></u>

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

**LAFORCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**NOTE 2: CASH AND CASH EQUIVALENTS (continued)**

Louisiana Asset Management Pool (LAMP)

GASB Statement No 40, Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments. LAMP is an investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No 79.

*Credit Risk:* LAMP is rated AAAM by Standard & Poor's.

*Custodial Credit Risk:* LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

*Concentration of Credit Risk:* Pooled investments are excluded from the 5 percent disclosure requirement;

*Interest Rate Risk:* LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days and consist of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investment is 58 days as December 31, 2021.

*Foreign Current Risk:* Not applicable.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares. LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company. If you have any questions, contact the LAMP administrative office at 800-249-5267.

**NOTE 3: INVESTMENTS**

Investments are carried at market value and include investments with original maturities of 90 days or more. At December 31, 2021 the District held investments totaling \$5,148,302 as follows:

	Reported Amount	Market Value
BNY Mellon	5,148,302	5,148,302
	<u>\$ 5,148,302</u>	<u>\$5,148,302</u>

**LAFORCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**NOTE 3: INVESTMENTS (continued)**

**BNY Mellon:** At December 31, 2021, the District has investments held totaling \$5,148,302. A summary of the District's investment held are as follows:

Type of Investment	Percentage of Investments	Credit Quality Rating	Fair Value December 31, 2021
U.S. Treasury Notes <sup>1</sup>	24.3%	Aaa	\$ 1,248,808.00
U.S. Treasury Bills	7.8%	Not Rated	399,709
General Obligation bonds:			
Federal Home Loan Mortgage Corp <sup>1</sup>	1.9%	Aaa	99,347
Federal Home Loan Banks <sup>2</sup>	27.0%	AA+	1,391,264
City of Windom, MN <sup>2</sup>	1.8%	AAA	90,192
City of Lubbock, Texas <sup>2</sup>	2.9%	AA+	150,457
City of Port Huron, MI <sup>2</sup>	3.9%	AA	200,282
University of Oklahoma <sup>2</sup>	3.1%	AA-	157,818
Harris County Municipal <sup>1</sup>	2.2%	Aaa	115,506
Metropolitan Council <sup>2</sup>	1.9%	AAA	100,006
City of Wilmington NC <sup>1</sup>	2.9%	Aa1	149,977
Dickerson ND Pub Sch <sup>1</sup>	4.9%	Aa2	249,800
Federal Farm Credit Banks Funding <sup>2</sup>	15.4%	AA+	795,136
<b>Total</b>	<b>100.0%</b>		<b>\$ 5,148,302.00</b>

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

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

Type of Investment	December 31, 2021				
	Fair Value	Less Than 1 Year	1 to 5 Years	6 to 10 Years	+10 Years
U.S. Treasury Notes	\$ 1,248,808.00	\$ 1,248,808	\$ -	\$ -	\$ -
U.S. Treasury Bills	399,709	399,709	-	-	-
General Obligation bonds:					
Federal Home Loan Mortgage Corp	99,347	-	99,347	-	-
Federal Home Loan Banks <sup>2</sup>	1,391,264	-	1,391,264	-	-
City of Windom, MN	90,192	90,192	-	-	-
City of Lubbock, Texas	150,457	150,457	-	-	-
City of Port Huron, MI	200,282	200,282	-	-	-
University of Oklahoma	157,818	-	157,818	-	-
Harris County Municipal <sup>1</sup>	115,506	115,506	-	-	-
Metropolitan Council <sup>2</sup>	100,006	100,006	-	-	-
City of Wilmington NC <sup>1</sup>	149,977	149,977	-	-	-
Dickerson ND Pub Sch <sup>1</sup>	249,800	249,800	-	-	-
Federal Farm Credit Banks Funding <sup>2</sup>	795,136	99,854	695,282	-	-
	<b>\$ 5,148,302</b>	<b>\$2,804,591</b>	<b>\$2,343,711</b>	<b>NONE</b>	<b>NONE</b>

**LAFOURCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**NOTE 3: INVESTMENTS (continued)**

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

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

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

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

**INVESTMENTS – FAIR VALUE MEASUREMENT**

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

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

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

**LAFORCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**NOTE 3: INVESTMENTS (continued)**

**INVESTMENTS – FAIR VALUE MEASUREMENT**

Fair values of assets measured on a recurring basis at December 31, 2021, are as follows:

Type of Investment	Fair Value 2021	Fair Value Hierarchy		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Treasury Notes	\$ 1,248,808	\$ -	\$ 1,248,808	\$ -
U.S. Treasury Bills	399,709	-	399,709	-
General Obligation bonds:				
Federal Home Loan Mortgage Corp <sup>1</sup>	99,347	-	99,347	-
Federal Home Loan Banks <sup>2</sup>	1,391,264	-	1,391,264	-
City of Windom, MN <sup>2</sup>	90,192	-	90,192	-
City of Lubbock, Texas <sup>2</sup>	150,457	-	150,457	-
City of Port Huron, MI <sup>2</sup>	200,282	-	200,282	-
University of Oklahoma <sup>2</sup>	157,818	-	157,818	-
Harris County Municipal <sup>1</sup>	115,506	-	115,506	-
Metropolitan Council <sup>2</sup>	100,006	-	100,006	-
City of Wilmington NC <sup>1</sup>	149,977	-	149,977	-
Dickerson ND Pub Sch <sup>1</sup>	249,800	-	249,800	-
Federal Farm Credit Banks Funding <sup>2</sup>	795,136	-	795,136	-
<b>Total</b>	<b>\$ 5,148,302</b>	<b>NONE</b>	<b>\$ 5,148,302</b>	<b>NONE</b>

Fair values for the District's investments categorized in Level 2 have been provided by the District's investment advisors or other sources and are based on other observable inputs. The District has no investments categorized in Level 1 or Level 3.

**NOTE 4: ACCOUNTS RECEIVABLE**

The following is a summary of accounts receivable at December 31, 2020:

Ad valorem taxes	\$ 4,452,433
Interest on investments	10,537
Due from other governmental agencies	141,223
Due from others	11,383
<b>Total accounts receivable</b>	<b>\$ 4,615,576</b>

**LAFOURCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**NOTE 5: CAPITAL ASSETS**

A summary of changes in capital assets for the fiscal year ended December 31, 2021, follows:

	Balance December 31, 2020	Additions	Retirements	Balance December 31, 2021
Capital assets not being depreciated:				
Land	\$ 130,227	\$ -	\$ -	\$ 130,227
Construction in progress	-	60,203	-	60,203
Total capital assets not being depreciated	<u>130,227</u>	<u>60,203</u>	<u>-</u>	<u>190,430</u>
Capital assets being depreciated:				
Building & improvements	574,167	-	-	574,167
Machinery & equipment	4,065,462	147,712	-	4,213,174
Total capital assets being depreciated	<u>4,639,629</u>	<u>147,712</u>	<u>-</u>	<u>4,787,341</u>
Less accumulated depreciation:				
Building & improvements	(423,447)	(14,354)	-	(437,801)
Machinery & equipment	(3,255,090)	(304,821)	-	(3,559,911)
Total accumulated depreciation	<u>(3,678,537)</u>	<u>(319,175)</u>	<u>-</u>	<u>(3,997,712)</u>
<b>Capital assets, net</b>	<u>\$ 1,091,319</u>	<u>\$ (111,260)</u>	<u>\$ -</u>	<u>\$ 980,059</u>

Depreciation expense for the year ended December 31, 2021, was \$319,175.

**NOTE 6: ACCOUNTS PAYABLE**

The following is a summary of accounts payable and accruals at December 31, 2021:

<u>Class of Payable</u>	<u>Government Fund</u>
Vendors	\$ 148,560
Total Payables	<u>\$ 148,560</u>

**NOTE 7: COMPENSATED ABSENCES**

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

**LAFOURCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**NOTE 7: COMPENSATED ABSENCES (continued)**

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

At December 31, 2021, employees of the District have accumulated and vested annual leave of \$168,077. The balance was computed in accordance with GASB Codification Section C60. The leave payable is recorded in the accompanying financial statements. The current portion of compensated absences payable (the amount estimated to be used during the period of availability) is recorded as a current liability and the excess amount is reported as a noncurrent liability in the government-wide statement of net position.

	Balance December 31, 2020	Additions	Reductions	Balance December 31, 2021	Portion Due Within One Year
Compensated absences	\$ 155,984	\$ 75,995	\$ 63,902	\$ 168,077	\$ 100,114
Total	<u>\$ 155,984</u>	<u>\$ 75,995</u>	<u>\$ 63,902</u>	<u>\$ 168,077</u>	<u>\$ 100,114</u>

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

**General Information about the Pension Plan**

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

***Plan Description and Benefits Provided***

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

**LAFORCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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

There are no assets accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement 75. Effective July 1, 2008, an OPEB trust fund was statutorily established; however, this plan is not administered as a trust and no plan assets have been accumulated as of June 30, 2021. The plan is funded on a “pay-as-you-go basis” under which the contributions to the plan are generally made at about the same time and in about the same amount as benefit payments become due.

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

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

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

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

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

At December 31, 2021, the District reported a liability of \$3,831,410 for its proportionate share of the total collective OPEB liability. The total collective OPEB liability was measured as of July 1, 2021 and was determined by an actuarial valuation as of that date.



**LAFORCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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

The District's proportionate share percentage is based on the employer's individual OPEB actuarial accrued liability in relation to the total OPEB actuarial accrued liability for all participating entities included in the State of Louisiana reporting entity. At December 31, 2021 the District's proportion was 0.0418% and the change in proportion from the prior measurement date was 0.0400% or an increase of 0.0018%.

*Actuarial assumptions and other inputs.* The total collective OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial methods, assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

- Actuarial Cost Method – Entry Age Normal, Level percentage of pay
- Estimated Remaining Service Lives – 4.5
- Inflation rate – Consumer Price Index (CPI) 2.40%
- Salary increase rate – consistent with the pension valuation assumptions
- Discount rate – decreased from 2.66% to 2.18% based on S&P 20-year municipal bond index rate
- Mortality rates - updated from the RP-2014 Healthy Annuitant and Employee tables for males and females with generational projections using projection scale MP-2017 to the RP-2014 Healthy Annuitant and Employee tables for males and females using projection scale MP-2018
- Healthcare cost trend rates - 7% for pre-Medicare eligible employees grading down by .25% each year, beginning in 2020-2021, to an ultimate rate of 4.5% in 2029; 5.5% for post-Medicare eligible employees grading down by .25% each year beginning in 2020-2021, to an ultimate rate of 4.5% in 2023-2024 and thereafter; the initial trend was developed using the National Health Care Trend Survey; the ultimate trend was developed using a building block approach which considers Consumer Price Index, Gross Domestic Product, and technology growth

Changes of the assumptions and other inputs reflect a change in the discount rate from 2.66% as of July 1, 2021, to 2.18% as of July 1, 2021.

**LAFOURCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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

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

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

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
	<u>(1.18%)</u>	<u>(2.18%)</u>	<u>(3.18%)</u>
Proportionate Share of Total Collective OPEB Liability	<u>\$ 4,658,067</u>	<u>\$ 3,831,410</u>	<u>\$ 3,195,672</u>

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

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

	<u>1.0% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1.0% Increase</u>
Proportionate Share of Total Collective OPEB Liability	<u>\$ 3,157,342</u>	<u>\$ 3,831,410</u>	<u>\$ 4,722,141</u>

**LAFOURCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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

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

For the year ended, December 31, 2021, the District recognized OPEB expense of \$69,315. At December 31, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumption or other inputs	\$ 281,495	\$ (171,279)
Differences between expected and actual experience	76,954	(2,224)
Changes in employer's proportionate share	135,284	(114,948)
Difference between proportionate share of employer benefit payments and actual benefit payments	-	(148,358)
Amounts paid by the employer for OPEB subsequent to the measurement date	33,898	-
Total	<u>\$ 527,631</u>	<u>\$ (436,809)</u>

Deferred outflows of resources related to OPEB resulting from the District's benefit payments subsequent to the measurement date will be recognized as a reduction of the total collective OPEB liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended December 31:</u>	
2023	\$ (75,271)
2024	7,994
2025	82,294
2026	<u>41,906</u>
	<u>\$ 56,923</u>

**LAFOURCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**NOTE 9: LONG-TERM LIABILITIES**

The following is a summary of long-term debt transactions of the entity for the year ended December 31, 2021:

	Balance December 31, 2020	Additions	Reductions	Balance December 31, 2021	Portion Due Within One Year
Compensated absenc	\$ 155,984	\$ 75,995	\$ 63,902	\$ 168,077	\$ 100,114
OPEB Payable	3,316,770	514,640	-	3,831,410	-
Total	<u>\$ 3,472,754</u>	<u>\$590,635</u>	<u>\$ 63,902</u>	<u>\$ 3,999,487</u>	<u>\$ 100,114</u>

**NOTE 10: DEFERRED COMPENSATION PLAN**

Effective July 17, 2000, the District established an Internal Revenue Code 457 (Section 457 Plan) with Travelers Insurance Company adopting Travelers Allocated Contracts which allows each participant to choose from four or more plans offered. The plan provides each participant their own account with the ability to administer their investment accounts. The District's contribution to the Section 457 Plan was \$260,781 for the year ended December 31, 2021.

**NOTE 11: CLAIMS AND LITIGATION**

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

**NOTE 12: COMMITMENTS**

The District is involved in numerous construction and engineering contracts relating to capital projects. As of December 31, 2021, the District's net commitment remaining is \$3,153,867 of which total \$3,727,458 with reimbursement commitments of \$101,338 and \$472,253 from North Lafourche Conservation, Levee and Drainage District and Coastal Restoration Protection Authority respectively.

**NOTE 13: RISK MANAGEMENT**

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

**LAFOURCHE BASIN LEVEE DISTRICT**  
STATE OF LOUISIANA  
**NOTES TO THE FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED DECEMBER 31, 2021

**NOTE 14: SUBSEQUENT EVENTS:**

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through June 22, 2022, the date the financial statements were available to be issues.

**NOTE 15: COVID-19 PANDEMIC:**

In December 2019, a novel strain of coronavirus (COVID 19) was reported to have surfaced in China. The World Health Organization has characterized COVID-10 as a pandemic. The COVID-19 outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of COVID-10 on our operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on our taxpayers, employees, and vendors, all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact our financial condition or results of operations is uncertain.

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**REQUIRED SUPPLEMENTAL INFORMATION (PART B)**

**LAFOURCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**BUDGETARY COMPARISON SCHEDULE – GAAP Basis**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		Final Budget Positive (Negative)
<b>REVENUES</b>				
Ad valorem taxes	\$ 4,511,000	\$ 4,511,000	\$4,716,396	\$ 205,396
Capital grants and contributions	1,356,500	1,356,500	452,976	(903,524)
Interest Income	65,381	65,381	39,940	(25,441)
Licenses and permits	25,000	25,000	40,005	15,005
Royalties and leases	-	-	12,274	12,274
Miscellaneous	-	-	1,352	1,352
Total general revenues	5,957,881	5,957,881	5,262,943	(694,938)
<b>EXPENDITURES / EXPENSES</b>				
General Government				
Personnel services and related benefits	2,868,611	2,868,611	2,524,938	343,673
Travel	98,200	98,200	39,811	58,389
Professional services	-	-	177,614	(177,614)
Operating services	1,025,987	1,025,987	823,136	202,851
Supplies	438,750	438,750	194,405	244,345
Capital outlay and levee maintenance	3,544,580	3,544,580	1,037,210	2,507,370
Total expenditures / expenses	7,976,128	7,976,128	4,797,114	3,179,014
<b>OTHER FINANCING SOURCES (USES)</b>				
Net increase (decrease) in the fair value of investments	-	-	(36,935)	(36,935)
Total other financing sources (uses)	-	-	(36,935)	(36,935)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>				
	\$ (2,018,247)	\$ (2,018,247)	\$ 428,894	\$ (2,521,011)
<b>FUND BALANCE</b>				
Beginning of the year	9,257,258	9,257,258	9,257,258	
End of the year	\$ 7,239,011	\$ 7,239,011	\$9,686,152	

See independent auditor's report and accompanying note to the required supplementary information.

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

Fiscal Year End*	Employer's Portion of the total collective OPEB liability	Employer's proportionate share of the total collective OPEB liability	Employer's covered- employee payroll	Employer's proportionate share of the total collective liability as a percentage of the covered- employee payroll
2016	0.0417%	\$ 3,783,152	\$ 1,300,728	34.38%
2017	0.0417%	\$ 3,623,789	\$ 1,381,266	38.12%
2018	0.0430%	\$ 3,669,576	\$ 1,319,581	35.96%
2019	0.0413%	\$ 3,193,092	\$ 1,287,876	40.33%
2020	0.0400%	\$ 3,316,770	\$ 1,296,523	39.09%
2021	0.0418%	\$ 3,831,410	\$ 1,346,173	35.14%

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

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



**LAFOURCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE YEARS ENDED DECEMBER 31,**

**NOTE 1: BUDGETARY COMPARISON SCHEDULE- GENERAL (statement 1)**

While the District reports financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis has been presented based on GAAP. The Budgetary Comparison Schedule presented as RSI is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

**NOTE 2: SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE TOTAL COLLECTIVE OPEB LIABILITY (statement 2)**

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

Changes in assumptions –

In the valuation for 2017, the discount rate increased from 2.71% to 3.13%  
In the valuation for 2018, the discount rate decreased from 3.13% to 2.98%  
In the valuation for 2019, the discount rate decreased from 2.98% to 2.79%  
In the valuation for 2020, the discount rate decreased from 2.79% to 2.66%  
In the valuation for 2021, the discount rate decreased from 2.66% to 2.18%

Change in population – (changes in census data)

2017: Changes includes an increase in participating employees at July 1, 2017 from 36 to 38 employees.  
2018: Changes includes an increase in participating employees at July 1, 2018 from 38 to 42 employees.  
2019: Changes includes an increase in participating employees at July 1, 2019 from 42 to 44 employees.  
2020: Changes includes a decrease in participating employees at July 1, 2020 from 44 to 43 employees.  
2021: Changes includes a decrease in participating employees at July 1, 2021 from 43 to 38 employees.

**OTHER SUPPLEMENTAL INFORMATION**

**LAFORCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**SCHEDULE OF PER DIEM PAID BOARD MEMBERS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

<u>Name</u>	<u>Title</u>	<u>Amount</u>
Eric Matherne	President	12,389
Jeffery Henry	Vice-President	4,110
James Jasmin	Past - President	15,721
Arthur Bosworth	Commissioner	4,110
Craig Carter	Commissioner	4,110
Whitney Jasmin, Jr.	Commissioner	-
Kevin Hebert	Commissioner	3,996
Russell Loupe	Commissioner	4,110
Mike McKinney, Sr.	Commissioner	4,110
Marlin Rogers	Commissioner	3,766
Larry Sorapuru	Commissioner	4,108
Gary Watson	Commissioner	<u>4,110</u>
		<u>\$ 64,640</u>

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

The Board President receives compensation of \$1,000 per month, and the other commissioners, as authorized by Louisiana Revised Statute 38:308 receive a per diem to attend meetings or conduct board-approved business not to exceed \$113.75 per day up to 36 days per year.

See independent auditor's report.

**LAFOURCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS**  
**TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

AGENCY HEAD: Donald Ray Henry, Executive Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 133,842
Benefits-Insurance	20,615
Benefits - Retirement	26,768
Vehicle provided by government	567
Cell phone	1,184
Dues	77
Other	2,093
Total	<u>\$ 185,146</u>

See independent auditor's report.

**OTHER REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS**



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

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

I have audited, in accordance with the auditing standards generally accepted in the United States of 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-type activities, each major fund of the Lafourche Basin Levee District (the "District"), a component unit of the State of Louisiana, as of and for the year ended December 31, 2021 and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued my report thereon dated June 22, 2022.

**Internal Control Over Financial Reporting**

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

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

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

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### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my test did not disclose any 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 my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Lenora B Krielow  
Certified Public Accountant

Jennings, Louisiana  
June 22, 2022

**LAFOURCHE BASIN LEVEE DISTRICT**  
**STATE OF LOUISIANA**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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

**FINANCIAL STATEMENTS**

1. Type of auditor's report issued  
The auditor's report expresses an **unmodified opinion** on the financial statements of the Lafourche Basin Levee Districts' financial statements as of and for the year ended December 31, 2021
2. Internal control over financial reporting
  1. Material weaknesses identified? **NO**
  2. Significant Deficiencies identified? **None Reported**
3. Noncompliance material to the financial statements noted? **NO**

**FEDERAL AWARDS**

Not Applicable

**MANAGEMENT LETTER**

No management letter was issued in connection with the audit for the year ended December 31, 2021.

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

**CURRENT YEAR FINDINGS: NONE REPORTED**

**PRIOR YEAR FINDINGS: NONE REPORTED**

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

As December 31, 2021, the Lafourche Basin Levee District did not meet the requirements to have a single audit in accordance with OMB Circular A-133, therefore, this section is not applicable.