

STATE OF LOUISIANA
TENSAS BASIN LEVEE DISTRICT
SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
FOR THE YEAR ENDED JUNE 30, 1996

<u>Name</u>	
H. A. Boughton	\$675
Tom Bond	2,100
Douglas Keller	675
Jack Keahey	600
Rex G. Kervin	525
James P. Mayo	675
Shelton Ruffin	375
Scott Wiggers	75
Harlon Nobles	1,425
A. J. Chapman	900
Jimmy Don Hudson	<u>-</u>
TOTAL	<u>\$8,025</u>

Schedule 1

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that *errors and irregularities in financial statements being audited may occur and not be detected within a timely period* by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of the audit committee, management, and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Joe P. Meeks, CPA
September 9, 1996

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STATE OF LOUISIANA
TENSAS BASIN LEVEE DISTRICT
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1996

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date OCT 09 1996

STATE OF LOUISIANA
TENSAS BASIN LEVEE DISTRICT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 1996

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To the Board of Commissioners
Tensas Basin Levee District
Rayville, Louisiana

INDEPENDENT AUDITOR'S REPORT

I have audited the accompanying general purpose financial statements of the Tensas Basin Levee District as of and for the year ended June 30, 1996, as listed in the table of contents. These general purpose financial statements are the responsibility of the Levee District's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Tensas Basin Levee District as of June 30, 1996, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued a report dated September 9, 1996 on my consideration of the Tensas Basin Levee District's internal control structure and a report dated September 9, 1996 on its compliance with laws and regulations.

My audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying financial information listed as supplementary schedules in the table of contents is presented for purposes of additional analysis and is a required part of the financial statements of the Tensas Basin Levee District. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Zoe P. Meeks, CPA
September 9, 1996

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To the Board of Commissioners
Tensas Basin Levee District
Rayville, LA 71269

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

I have audited the general purpose financial statements of the Tensas Basin Levee District for the year ended June 30, 1996 and have issued my report thereon dated September 9, 1996.

I have conducted my audit in accordance with generally accepted auditing standards and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the Tensas Basin Levee District is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing my audit of the general purpose financial statements of the Tensas Basin Levee District for the year ended June 30, 1996, I obtained an understanding of the control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they had been placed in operation, and I assessed control risk in order to *determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal control structure.* Accordingly, I do not express such an opinion.

STATE OF LOUISIANA
TENSAS BASIN LEVEE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

10. OTHER REVENUES AND REIMBURSEMENTS

The Tensas Basin Levee District has an agreement with the Southeast Arkansas Levee District whereby certain levee maintenance expenditures are made by the Tensas Basin Levee District for the Southeast Arkansas Levee District. The Southeast Arkansas Levee District reimburses the Tensas Basin Levee District for 100% of the expenditures on a semi-annual basis. In addition to the reimbursement, an administrative fee of 1% of the total reimbursable expenditures is paid by the Southeast Arkansas Levee District. For the year ended June 30, 1996, the reimbursement amounted to \$321,762. Also included in "Other revenues and reimbursements" are amounts reimbursed by the U. S. Army Corps of Engineers for ongoing projects which are sponsored by the Tensas Basin Levee District. The reimbursements for the year ended June 30, 1996 was \$420,039.

10. LITIGATION AND CLAIMS

The levee district was a defendant in litigation as of the date of issuance of this report. The plaintiff in the suit alleges negligence of the Tensas Basin Levee District in building 100 feet or levee resulting in erosion. The damages claimed are in the amount of \$60,000. Although the attorney for the levee district estimated that the district will prevail in the litigation, the district has full coverage insurance to cover the claim.

11. SUBSEQUENT EVENTS

The Board of Commissioners at its regularly scheduled meeting on September 9, 1996 passed a resolution designating \$2,000,000 of the general fund balance for future expenditures on the Ouachita River Levee Project.

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To the Board of Commissioners
Tensas Basin Levee District
Rayville, Louisiana

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
BASED ON AN AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

I have audited the general purpose financial statements of the Tensas Basin Levee District as of and for the year ended June 30, 1996 and have issued my report thereon dated September 9, 1996.

I conducted my audit in accordance with generally accepted auditing standards and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Tensas Basin Levee District is the responsibility of the management of the levee district. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, I performed tests of the levee district's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of my audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of the audit committee, management, and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is matter of public record.

Zoe P. Meeks, CPA
September 9, 1996

STATE OF LOUISIANA
 TENSAS BASIN LEVEE DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1996

<u>Type of Investment</u>	<u>Category Risk</u>			<u>Carrying Amount</u>	<u>Market Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>		
Repurchase Agreements	\$ -	\$ -	\$ -	\$ -	\$ -
U. S. Government Securities	4,913,611	-	-	4,913,611	4,606,549
Common & Preferred Stock	-	-	-	-	-
Commercial Paper	-	-	-	-	-
Corporate Bonds	-	-	-	-	-
TOTAL	<u>\$4,913,611</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$4,913,611</u>	<u>\$4,606,549</u>

5. RECEIVABLES

The following is a summary of receivables at June 30, 1996:

<u>Class of Receivable</u>	
Ad Valorem Taxes	\$ 7,860
Reimbursements - S. E. Arkansas Levee District	166,568
Reimbursements - U. S. Army Corps of Engineers	172,700
Other	<u>88,806</u>
TOTAL	<u>\$ 435,934</u>

6. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	<u>Land</u>	<u>Buildings</u>	<u>Vehicles & Equipment</u>	<u>Total</u>
Balance 6-30-95	\$18,820	\$623,629	\$2,020,262	\$2,662,711
Additions	39,312	-	101,114	140,426
Deductions	-	-	<u>(9,751)</u>	<u>(9,751)</u>
Balance 6-30-96	<u>\$58,132</u>	<u>\$623,629</u>	<u>\$2,111,625</u>	<u>\$2,793,386</u>

STATE OF LOUISIANA
 TENSAS BASIN LEVEE DISTRICT
 CASH BASIS
 SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
 FOR THE YEAR ENDED JUNE 30, 1996

DEPARTMENT: GENERAL FUND

<u>PROGRAM NAME</u>	<u>CFDA NUMBER</u>	<u>GRANTOR</u>	<u>PROJECT NAME</u>	<u>RECIPIENT PASS ID NUMBER</u>	<u>DISBURSEMENTS/ EXPENDITURES</u>
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YEAR ENDED JUNE 30, 1996

NONE

STATE OF LOUISIANA
TENSAS BASIN LEVEE DISTRICT
SCHEDULE OF STATE FUNDING
FOR THE YEAR ENDED JUNE 30, 1996

DESCRIPTION OF FUNDING

State Revenue Sharing

\$187,568

Schedule 2

STATE OF LOUISIANA
TENSAS BASIN LEVEE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

The deposits at June 30, 1996 were secured as follows:

	Demand Deposit Cash	Certificates of Deposit	Total
Carrying Amount on Balance Sheet	\$1,140,098	\$	\$1,140,098
Bank Balances:			
a. Insured (FDIC) or collateralized with securities held by the entity on its agent <u>in the entity's name</u>	110,910	-	110,910
b. Collateralized with securities held by pledging financial institution's trust department or agent <u>in the entity's name</u>	1,029,188	-	1,029,188
c. Uncollateralized, including any securities held for the entity but <u>not in the entity's name</u>	-	-	-
TOTAL Bank Balances	<u>\$1,140,098</u>	<u>\$ -</u>	<u>\$1,140,098</u>

4. INVESTMENTS

At June 30, 1996, the Tensas Basin Levee District had investments in Federal National Mortgage Association REMIC's in the amount of \$2,670,169 and in Federal Home Loan Mortgage Corp. REMIC's in the amount of \$2,057,447 and Federal Home Loan Banks and Federal National Mortgage Association notes and debentures in the amount of \$165,000 and miscellaneous government securities in the amount of \$20,995. The investments are carried at the amortized cost less the principal which has been returned during the holding period.

Investments can be classified according to the level of risk to the entity. Investments made by the Tensas Basin Levee District as of June 30, 1996 are summarized below by the category of risk.

Category 1 - Insured or registered in the entity's name, or securities held by the entity or its agent in the entity's name

Category 2 - Uninsured or registered with securities held by the counterparty's trust department or agent in the entity's name

Category 3 - Unsecured and unregistered with securities held by the counterparty, or by its trust department or agent but not in the entity's name

STATE OF LOUISIANA
TENSAS BASIN LEVEE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

Designated Fund Balances

Designated fund balances represent tentative plans for future use of financial resources.

L. TOTAL COLUMNS ON COMBINED STATEMENTS - OVERVIEW

The total column on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

2. LEVIED TAXES

The Tensas Basin Levee District has levied an ad valorem tax in all parishes which are included in the district: Catahoula, Caldwell, Franklin, Morehouse, Richland, Ouachita, LaSalle, and West Carroll. The levy is three mils which is the millage authorized by state statute.

3. CASH AND CASH EQUIVALENTS

As reflected on Statement A, the Tensas Basin Levee District had cash and cash equivalents totaling \$1,140,098 at June 30, 1996. Cash and cash equivalents are stated at cost, which approximates market. Under state law, these deposits 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 pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

STATE OF LOUISIANA
TENSAS BASIN LEVEE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

- d. Repurchase Agreements
- e. Certificate of Deposits of commercial banks
- f. Certificates of Deposits of savings and loan associations
- g. Local government investment pool

G. INVENTORIES

Inventories of the district are recorded at and cost and recognized as an expenditure when purchased.

H. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are reported in the general fixed assets account group. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available.

I. VACATION AND SICK LEAVE

Levee District employees, both classified and unclassified, earn annual and sick leave at various rates depending on the number of years in 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.

The liability for unused annual leave payable at June 30, 1996, computed in accordance with GASB Codification Section C60, is estimated to be \$87,780. This liability has been recorded within the General Long-Term Obligation Account Group.

J. LONG-TERM OBLIGATIONS

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group.

K. FUND EQUITY

Reserves

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.

STATE OF LOUISIANA
TENSAS BASIN LEVEE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the district are classified as governmental funds. Governmental funds account for the district's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds of the district include:

GENERAL FUND

The General Fund is the general operating fund of the Tensas Basin Levee District. It is used to account for all financial resources except those required to be accounted for in another fund.

INTERNAL SERVICE FUND

The Internal Service Fund is used to account for the financing of a self-insured health insurance plan for the employees and retirees of the Tensas Basin Levee District.

ACCOUNT GROUPS

The two account groups are not "funds." They are concerned only with the measurement of financial position, not with measurement of results of operations.

Fixed assets used in the governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated historical cost if historical cost is not available. If not available, asset values are estimated based on similar assets acquired during the approximate time period.

Long-term obligations expected to be financed from governmental funds are accounted for in the General Long-Term Obligations Account Group, not in the governmental funds.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds. The governmental funds use the following practices in the recording revenues and expenditures:

Revenues - Ad valorem taxes and the related State Revenue Sharing (which is based on population and homesteads in the parish) are recorded in the year the taxes are assessed. Ad valorem taxes are

STATE OF LOUISIANA
TENSAS BASIN LEVEE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

INTRODUCTION

The Tensas Basin Levee District was created by the Louisiana State Legislature under the provisions of the Louisiana Constitution of 1974; Article 6, Section 34. The levee district includes all or portions of the following parishes: Catahoula, Caldwell, Franklin, Morehouse, Richland, Ouachita, LaSalle and West Carroll. The levee district primarily provides flood protection for those areas contained in the district. The Board of Commissioners administers the operations and responsibilities of the levee district in accordance with the provisions of Louisiana statute. The eleven members of the board of commissioners which governs the District are appointed by the governor of the State of Louisiana.

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In June of 1987, the GASB issued a revised codification of governmental accounting and financial reporting standards. The codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local government.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Tensas Basin Levee District 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.

B. REPORTING ENTITY

The Tensas Basin Levee District prepares its financial statements in accordance with the standards established by the GASB. GASB Codification Section 211 establishes criteria for determining the governmental reporting entity and has defined the governmental reporting entity to be the State of Louisiana. The accompanying statements present only transactions of the Tensas Basin Levee District, a component unit of the State of Louisiana.

Annually, the State of Louisiana issues general purpose financial statements which include the activity contained in the accompanying financial statements. The general purpose financial statements are issued by the Louisiana Division of Administration-Statewide Reporting and Accounting Policy and audited by the Louisiana Legislative Auditor.

C. FUND ACCOUNTING

The district uses funds and account groups 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.

STATE OF LOUISIANA
TENSAS BASIN LEVEE DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED JUNE 30, 1996

INTERNAL
SERVICE FUND -
SELF INSURANCE PLAN

CASH FLOWS FROM OPERATING ACTIVITIES:	
Operating Income	\$ -
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Increase (decrease) in estimated claims liability	(28,679)
Increase (decrease) in payables	<u>6,972</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(21,707)
OTHER CASH FLOWS	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(21,707)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>50,926</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$29,219</u>

STATEMENT E

The accompanying notes are an integral part of these statements.

STATE OF LOUISIANA
TENSAS BASIN LEVEE DISTRICT
COMBINED BALANCE SHEET - ALL FUNDS TYPES AND ACCOUNT GROUPS
JUNE 30, 1996

	ACCOUNT GROUPS				TOTAL (MEMORANDUM ONLY)
	GOVERNMENTAL FUND TYPE	PROPRIETARY FUND TYPE	General Fixed Assets	General Long- Term Obligations	
ASSETS					
Cash and cash equivalents	\$1,110,879	\$29,219	\$	\$	\$1,140,098
Investments (cost)	4,877,558				4,877,558
Amount to be provided for retirement of annual leave debt				87,780	87,780
Receivables (net of allowance for uncollectibles)	435,934				435,934
Fixed assets			2,793,386		2,793,386
Other assets	<u>66,532</u>				<u>66,532</u>
Total assets	<u>\$6,490,910</u>	<u>\$29,219</u>	<u>\$2,793,386</u>	<u>\$87,780</u>	<u>\$9,401,295</u>
LIABILITIES AND FUND EQUITY					
LIABILITIES:					
Accounts payable	35,465	6,972			42,437
Salaries & wages payable	28,705				28,705
Payroll deductions payable					-
Deposit escrow - permit bonds	1,000			87,780	1,000
Estimated annual leave liability		<u>22,247</u>			<u>22,247</u>
Estimated liability for claims					
Total liabilities	<u>65,170</u>	<u>29,219</u>	<u>-</u>	<u>87,780</u>	<u>182,169</u>
FUND EQUITY:					
Investment in general fixed assets			2,793,386		2,793,386
Retained earnings					
Fund balance:					
Unreserved-undesignated	<u>6,425,740*</u>				<u>6,425,740</u>
Total fund equity	<u>6,425,740</u>	<u>-</u>	<u>2,793,386</u>	<u>-</u>	<u>9,219,126</u>
Total liabilities and fund equity	<u>\$6,490,910</u>	<u>\$29,219</u>	<u>\$2,793,386</u>	<u>\$87,780</u>	<u>\$9,401,295</u>

* On September 9, 1996, the Board of Commissioners designated \$2,000,000 of the general fund balance for future expenditures on the Ouachita River Levee Project.

STATEMENT A

The accompanying notes are an integral part of this statement.

STATE OF LOUISIANA
TENSAS BASIN LEVEE DISTRICT
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS
PROPRIETARY FUND TYPE
FOR THE YEAR ENDED JUNE 30, 1996

	<u>INTERNAL SERVICE FUND - SELF INSURANCE PLAN</u>
OPERATING REVENUES	
Insurance Premiums	\$62,924
Interest Earned	<u>2,460</u>
Total operating revenues	<u>65,384</u>
OPERATING EXPENSES	
Claims expense - paid	94,062
Claims expense - estimated	<u>(28,678)</u>
Total operating expenses	<u>65,384</u>
Net income	-
RETAINED EARNINGS, Beginning of Year	<u>-</u>
RETAINED EARNINGS, End of Year	<u>\$ -</u>

STATEMENT D

The accompanying notes are an integral part of these statements.

STATE OF LOUISIANA
 TENSAS BASIN LEVEE DISTRICT
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 GOVERNMENTAL FUND TYPE
 FOR THE YEAR ENDED JUNE 30, 1996

REVENUE	
Taxes	\$1,479,196
Intergovernmental receipts	187,568
Use of money and property	467,436
Sales of obsolete equipment	1,500
Other revenues and reimbursements	<u>758,677</u>
Total revenues	<u>2,894,377</u>
EXPENDITURES	
Personal services	820,435
Employees related benefits	273,740
Travel	29,249
Supplies	337,192
Operating services	174,296
Professional services	90,310
Deductions from Ad Valorem taxes for:	
Retirement systems	45,322
Capital outlay - equipment & buildings	101,114
Capital outlay - flood control projects	9,312
Acquisition of right of ways	447,841
Emergency expenditures - flood fight	<u>5,546</u>
Total expenditures	<u>2,334,357</u>
Excess (deficiency) of revenue over expenditures	<u>560,020</u>
Other financing sources (uses)	
Interfund transfers in	-
Interfund transfers out	-
Other	<u>-</u>
Total other financing sources (uses)	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	560,020
Fund balance at beginning of year	<u>5,865,720</u>
Fund balance at end of year	<u>\$6,425,740</u>

STATEMENT B

The accompanying notes are an integral part of this statement.

STATE OF LOUISIANA
 TENSAS BASIN LEVEE DISTRICT
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 1996

	GENERAL FUND		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUE			
Taxes	\$1,367,900	\$1,479,196	\$111,296
Intergovernmental receipts	190,500	187,568	(2,932)
Use of money and property	628,755	467,436	(161,319)
Other revenues	<u>450,000</u>	<u>760,177</u>	<u>310,177</u>
Total revenues	<u>2,637,155</u>	<u>2,894,377</u>	<u>257,222</u>
EXPENDITURES			
General administrative	245,828	239,785	6,043
Employees related benefits	285,400	273,740	11,660
Travel	29,300	29,249	51
Materials and supplies	351,500	337,192	14,308
Levee maintenance	933,322	845,256	88,066
Capital outlay & flood control	1,615,000	115,972	1,499,028
Other	<u>739,050</u>	<u>493,163</u>	<u>245,887</u>
Total expenditures	<u>4,199,400</u>	<u>2,334,357</u>	<u>1,865,043</u>
Excess (deficiency) of revenues over expenditures	<u>(1,562,245)</u>	<u>560,020</u>	<u>2,122,265</u>
Other financing sources (uses)			
Interfund transfers in	-	-	-
Interfund transfers out	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(1,562,245)</u>	<u>560,020</u>	<u>2,122,265</u>
Fund balance at beginning of year	<u>5,865,720</u>	<u>5,865,720</u>	<u>-</u>
Fund balance at end of year	<u>\$4,303,475</u>	<u>\$6,425,740</u>	<u>\$2,122,265</u>

STATEMENT C

The accompanying notes are an integral part of this statement.

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assessed on a calendar year basis, become due on November 15 of each years and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year. Interest, lease and royalty revenues are recorded when earned. Substantially all other revenues are recorded when received.

Expenditures - Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for the accumulated annual leave which is not accrued, but reflected in the General Long-Term Obligation Account Group.

E. BUDGETARY PRACTICES

The Tensas Basin Levee District utilizes the following budgetary practices: The budgets of the Tensas Basin Levee District were prepared and adopted based on the modified accrual basis of accounting for the year ended June 30, 1996 which was also used for financial reporting purposes. The budget is prepared no later than ninety days prior to the end of the fiscal year. The budget was adopted March 12, 1995 for the year ending June 30, 1996. The budget was amended on May 14, 1996. The budget comparison (Statement C) reflects all amendments to the budget for the year. All unexpended appropriations lapse at year end.

F. CASH AND INVESTMENTS

1. CASH AND CASH EQUIVALENTS

For reporting purposes, cash and cash equivalents include cash, demand deposits, time deposits, and certificates of deposit. Under state laws, the Tensas Basin Levee District may deposit funds within a fiscal agent bank selected and designated the Interim Emergency Board. Further, the Levee District may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

2. INVESTMENTS

The Tensas Basin Levee District does maintain investment accounts as authorized by the Louisiana Revised Statutes. Under state law, the district may invest in United States Bonds, Treasury notes, or certificates.

The Board of Commissioners of the Tensas Basin Levee District allows investments only in:

- a. U. S. Treasury Obligations (bills, notes and bonds)
- b. U. S. Government Agency Securities and Instrumentalities of Government Sponsored Corporations
- c. Bankers' Acceptances