

STATE OF LOUISIANA LEGISLATIVE AUDITOR

Board of Levee Commissioners
of Red River, Atchafalaya and
Bayou Boeuf Levee District
State of Louisiana
Alexandria, Louisiana

September 15, 1995

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Financial and Compliance Audit Division

Daniel G. Kyle, Ph.D., CPA, CFE
Legislative Auditor

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**BOARD OF LEVEE COMMISSIONERS
OF RED RIVER, ATCHAFALAYA AND
BAYOU BOEUF LEVEE DISTRICT
STATE OF LOUISIANA**
Alexandria, Louisiana

**General Purpose Financial Statements
and Independent Auditor's Reports
As of and for the Year Ended June 30, 1968
With Supplemental Information Schedules**

Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report has been made available for public inspection at the Baton Rouge and Shreveport offices of the Legislative Auditor and at the office of the parish clerk of court.

September 10, 1968

RED RIVER, ATCHAFALAYA AND
RAYOU BOEUF LEVEE DISTRICT
STATE OF LOUISIANA

General Purpose Financial Statements
and Independent Auditor's Reports
As of and for the Year Ended June 30, 1999
With Supplemental Information Schedule

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OFFICE OF
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August 5, 1998

Independent Auditor's Report on
the Financial Statements

**BOARD OF LEVEE COMMISSIONERS
OF RED RIVER, ATCHAFALAYA, AND
BAYOU BOEUF LEVEE DISTRICT
STATE OF LOUISIANA
Alexandria, Louisiana**

We have audited the accompanying general purpose financial statements of the Red River, Atchafalaya and Bayou Boeuf Levee District, a component unit of the State of Louisiana, as of and for the year ended June 30, 1998, as listed in the foregoing table of contents. These financial statements are the responsibility of management of the Red River, Atchafalaya and Bayou Boeuf Levee District. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our 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 we 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 general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accompanying general purpose financial statements present fairly, in all material respects, the financial position of the Red River, Atchafalaya and Bayou Boeuf Levee District as of June 30, 1998, and the results of operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated August 5, 1998, on our consideration of the Red River, Atchafalaya and Bayou Boeuf Levee District's internal control structure and a report dated August 5, 1998, on its compliance with laws and regulations.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying supplemental information schedule listed in the table of contents is presented for the purpose of additional analysis and is not a required

LEGISLATIVE AUDITOR

BOARD OF LEVEE COMMISSIONERS
OF RED RIVER, ATCHAFALAYA AND
BAYOU BOULLE LEVEE DISTRICT
STATE OF LOUISIANA

Audit Report, June 30, 1993

part of the general purpose financial statements of the Red River, Atchafalaya and Bayou Boeul Levee District. Such information has been subjected to the procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Respectfully submitted,



Daniel G. Kyle, CPA, CFE
Legislative Auditor

PYMAN:2

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**RED RIVER, ATCHAFALAYA AND
BAYOU BOULEV LEVEE DISTRICT
STATE OF LOUISIANA
ALL FUND TYPES AND ACCOUNT GROUPS**

Balance Sheet, June 30, 2008

	ACCOUNT GROUPS			TOTAL (GENERAL FUND) (MAY 2008)
	GOVERNMENTAL FUNDS - GENERAL FUND	GENERAL FUND ASSETS	GENERAL FUND LIABILITIES	
ASSETS AND OTHER DEBITS				
Cash and cash equivalents	\$942,104			\$942,104
Receivables	2,010			2,010
Advance to Town of Bogalusa	60,000			60,000
Materials and supplies inventory	25,188			25,188
Land, buildings, and equipment		\$2,200,400		2,200,400
Amount to be provided for retirement of general long-term obligations			\$90,000	90,000
TOTAL ASSETS AND OTHER DEBITS	\$1,074,302	\$2,200,400	90,000	\$3,374,702
LIABILITIES, EQUITY, AND OTHER CREDITS				
LIABILITIES				
Accounts payable	\$90,043			\$90,043
Payroll deductions payable	0			0
Deferred revenue	60,200			60,200
Accrued interest			\$50,000	\$50,000
Retainage	67,414	\$0	\$0	134,828
Equity and Other Credits				
Investment in general fund assets		\$2,200,400		2,200,400
Fund balance:				
Reserve for Contingency	24,188			24,188
Unreserved - undesignated	\$97,000			\$97,000
Total Equity and Other Credits	\$121,188	2,200,400	\$0	\$3,321,588
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	\$1,044,331	\$2,200,400	\$50,000	\$3,324,731

The accompanying notes are an integral part of this statement.

RED RIVER, ATCHAFALAYA AND
 BAYOU BOEUF LEVEE DISTRICT
 STATE OF LOUISIANA
 GOVERNMENTAL FUNDS - GENERAL FUND

Statement of Revenues, Expenditures,
 and Changes in Fund Balance
 For the Year Ended June 30, 1995

REVENUES

Ad valorem taxes	\$1,040,571
Intergovernmental revenue - state revenue sharing	100,400
Use of money and property	303,201
Other revenues	58
Total revenues	<u>1,444,230</u>

EXPENDITURES

Public works:	
Personal services	504,679
Employee related benefits	188,090
Travel	820
Operating services	250,740
Supplies	43,636
Debt service	297,900
Capital outlay	153,400
Other charges - statutory deductions	30,568
Total expenditures	<u>1,493,033</u>

**EXCESS (Deficiency) OF REVENUES OVER
 EXPENDITURES**

143,197

OTHER FINANCING SOURCES

Sale of assets	<u>31,281</u>
----------------	---------------

**EXCESS (Deficiency) OF REVENUES AND
 OTHER SOURCES OVER EXPENDITURES**

(12,433)

FUND BALANCE AT BEGINNING OF YEAR

942,917

Increase in reserve for inventory

1,704

FUND BALANCE AT END OF YEAR

\$932,218

The accompanying notes are an integral part of this statement.

RED RIVER, ATCHAFALAYA AND
 BAYOU BOEUF LEVEE DISTRICT
 STATE OF LOUISIANA
 GOVERNMENTAL FUND - GENERAL FUND

Statement of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual
 For the Year Ended June 30, 1996

	BUDGET	ACTUAL	VARIANCE (EXCESS/DEFICIENCY) (DEFICIENCY/EXCESS)
REVENUES			
Taxes			
Intergovernmental revenue - state	\$1,071,000	\$1,048,371	\$22,629
Vehicle titling	180,400	180,400	0
Use of money and property	200,000	200,200	200
Other revenues	20,000	66	(19,934)
Total revenues	<u>1,471,400</u>	<u>1,449,237</u>	<u>22,163</u>
EXPENDITURES			
Public works			
Salaries	680,700	664,899	15,801
Administrative and office	48,800	79,154	(30,354)
Insurance	80,000	81,638	(1,638)
Lease and storage-maintenance	100,400	101,363	(963)
Capital outlay	150,000	150,403	(403)
Employee's portion of:			
Retirement	80,000	88,911	(8,911)
Group insurance	150,000	178,883	(28,883)
Other services	343,000	357,000	(14,000)
Total expenditures	<u>1,985,700</u>	<u>1,993,951</u>	<u>(8,251)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	485,700	(49,714)	535,414
OTHER FINANCING SOURCES			
See attached	<u>28,600</u>	<u>24,204</u>	<u>4,396</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	514,300	(25,510)	539,810
FUND BALANCE AT BEGINNING OF YEAR	642,917	642,917	0.000
Increase in reserve for inventory	<u>None</u>	<u>1,764</u>	<u>1,764</u>
FUND BALANCE AT END OF YEAR	\$642,917	\$637,171	\$55,746

The accompanying notes are an integral part of this statement.

**RED RIVER, ATCHAFALAYA AND
BAYOU BOEUF LEVEE DISTRICT
STATE OF LOUISIANA**

**Notes to the Financial Statements
As of and for the Year Ended June 30, 1996**

INTRODUCTION

The Red River, Atchafalaya and Bayou Boeuf Levee District was created by Louisiana Revised Statute (LSA-R.S.) 38:291(M). The levee district includes all or portions of Rapides, Avoyelles, and St. Landry parishes. The levee district primarily provides flood protection for those areas contained in the district. The governing board administers the operations and responsibilities of the levee district in accordance with Louisiana statutes. There are three board members appointed by the governor. The levee district employs two administrative personnel, a field staff of 28, and temporary employees as needed. The Louisiana Department of Transportation and Development provides certain engineering services to the levee district, and the United States Army Corps of Engineers serves as an advisory body, as well as periodically inspecting the integrity of the levee system.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements have been prepared in accordance 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 principles and financial reporting standards.

B. 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 public service is rendered within the state's boundaries. The accompanying general purpose financial statements present information only as to the transactions of the Red River, Atchafalaya and Bayou Boeuf 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.

**RED RIVER, ATCHAFALAYA AND
BAYOU BOULEVARD DISTRICT
STATE OF LOUISIANA**

Notes to the Financial Statements (Continued)

C. FUND ACCOUNTING

The levee 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. 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.

The levee district has one fund (General Fund) that is classified as a governmental fund. The General Fund accounts for the levee 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. The General Fund is the general operating fund of the levee district and accounts for all financial resources.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is 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. The operating statement of the General Fund presents increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. The General Fund uses the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

Interest income on time deposits is recorded when the time deposits have matured and the interest is available.

Substantially all other revenues are recorded when they become available.

**RED RIVER, ATCHAFALAYA AND
BAYOU BOEUF LEVEE DISTRICT
STATE OF LOUISIANA**

Notes to the Financial Statements (Continued)

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for accumulated annual leave, which is recognized when paid.

Other Financing Sources

The proceeds from the sale of assets are accounted for as other financing sources as the underlying events occur.

E. BUDGET PRACTICES

The proposed budget for the year ended June 30, 1995, was made available for public inspection at the levee district's main office on March 1, 1995. The budget, which included proposed expenditures and the means of financing them for the General Fund, was published in the official journal on February 13, 1995. The budget is prepared on the modified accrual basis of accounting. All unexpended appropriations lapse at year-end. The levee district does not recognize encumbrances; therefore, encumbrances are not reflected for budgeting or accounting purposes. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. Formal budget integration (within the accounting records) is not employed as a management control device during the year. Changes or amendments within various budget classifications are made upon the approval of the board of commissioners. The budget practices of the Red River, Atchafalaya and Bayou Boeuf Levee District are subject to the provisions of LSA-R.S. 38:319.

F. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include petty cash, interest-bearing demand deposits, and time deposits. Under state law, the Red River, Atchafalaya and Bayou Boeuf Levee District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. Furthermore, the levee district may invest in certificates of deposit of state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

G. INVENTORIES

Inventories are valued at the lower of cost or market, which approximates cost. The levee district uses a periodic inventory system and values its inventory using the first-in, first-out (FIFO) valuation method. Inventories in the General Fund are recorded as

**RED RIVER, ATCHAFALAYA AND
MAYOU MOBILE LEVEE DISTRICT
STATE OF LOUISIANA**

Notes to the Financial Statements (Continued)

expenditures at the time of purchase. Year-end balances are offset by a fund balance reserve that indicates this portion of the fund balance does not constitute available spendable resources.

H. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. Buildings and equipment, which represent approximately 53 percent of total fixed assets, are valued at actual historical cost. The majority of land was conveyed to the levee district before January 1, 1990. It represents approximately 17 percent of total fixed assets and is valued at estimated fair market value at date of conveyance.

I. 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. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave are used to compute retirement benefits.

The cost of current leave privileges, computed in accordance with GASB Codification Section 630, is recognized as a current-year expenditure in the General Fund when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group. The liability for unused annual leave payable at June 30, 1996, computed in accordance with GASB Codification Section 630.105, is estimated to be \$53,058. This amount is recorded in the general long-term obligations account group.

J. COMPENSATORY LEAVE

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned. Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour for hour compensatory leave. Compensation paid will be based on the employee's hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at June 30, 1996, computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section 630.105 is estimated to be

**RED RIVER, ATCHAFALAYA AND
BAYOU BOULLE LEVEE DISTRICT
STATE OF LOUISIANA**

Notes to the Financial Statements (Continued)

\$3,748. The leave payable is recorded within the general long-term obligations account group.

K. TOTAL COLUMN ON BALANCE SHEET

The total column on the balance sheet is captioned Memorandum Only (overview) to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

2. CASH AND CASH EQUIVALENTS

At June 30, 1995, the levee district has cash and cash equivalents (book balances) totaling \$342,134 as follows:

petty cash	\$50
interest-bearing demand deposits	292,084
certificates of deposit	<u>850,000</u>
Total	<u>\$342,134</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 1995, the levee district has \$284,212 in deposits (collected bank balances). These deposits are secured from risk by \$200,000 of federal deposit insurance (GASB Risk Category 1) and \$754,212 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Risk Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, LSA-RS, 38-1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the levee district that the fiscal agent has failed to pay deposited funds upon demand.

**RED RIVER, ATCHAFALAYA AND
 BAYOU BOISUF LEVEE DISTRICT
 STATE OF LOUISIANA**
 Notes to the Financial Statements (Continued)

3. RECEIVABLES

At June 30, 1995, the levee district has receivables totaling \$2,310 as follows:

Ad valorem taxes	\$238
Use of money and property	1,021
Workers' compensation	<u>1,051</u>
Total	<u>\$2,310</u>

4. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance July 1, 1994	Additions	Deductions	Balance June 30, 1995
Land	\$375,863	\$1,076	\$1,867	\$375,072
Buildings	487,183			487,183
Equipment	1,268,128	159,389	168,838	1,258,739
Total	<u>\$2,141,174</u>	<u>\$180,465</u>	<u>\$180,695</u>	<u>\$2,140,944</u>

5. PENSION PLAN

Substantially all employees of the levee district are members of the Louisiana State Employees Retirement System (System), a cost-sharing multiple-employer public employee retirement system (PERS). The System is a statewide public retirement system which is organized for the purpose of providing retirement and other benefits for employees of the state and its various departments and agencies and their beneficiaries, and is administered and controlled by a separate board of trustees. Contributions of participating state agencies are pooled within the System to fund accrued benefits, with contribution rates approved by the Louisiana Legislature.

All full-time levee district employees are eligible to participate in the System. Benefits vest with 15 years of service. At retirement age, employees are entitled to annual benefits equal to \$300 plus 2.5 percent of their highest consecutive 36-month average salary multiplied by their years of credited service. Vested employees may retire at: (a) any age with 30 years of service, (b) age 60 with 25 years of service, or (c) age 60 with 15 years of service. The System also provides death and disability benefits. Benefits are established by state statute. The System issues an annual publicly available financial report that includes financial statements and

**RED RIVER, ATCHAFALAYA AND
BAYOU BOEUF LEVEE DISTRICT
STATE OF LOUISIANA**

Notes to the Financial Statements (Continued)

required supplementary information for the System. That report may be obtained by writing to the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70824, or by calling (504) 922-0600.

Covered employees are required by state statute to contribute 7.5 percent of gross salary and the levee district is required to contribute at an actuarially determined rate. The current rate is 12 percent of annual covered payroll. The contribution requirements of plan members and the levee district are established and may be amended by state statute. As provided by LSA-R.S. 11:132, the employer contributions are determined by an actuarial valuation and are subject to change each year based on the results of the valuation from the prior fiscal year. The Red River, Atchafalaya and Bayou Boeuf Levee District contributions to the System for the years ending June 30, 1995, 1996, and 1994, were \$68,377, \$63,748, and \$65,778, respectively, equal to the required contributions for each year.

**6. POSTRETIREMENT HEALTH CARE
AND LIFE INSURANCE BENEFITS**

The levee district provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the levee district's employees become eligible for these benefits if they reach normal retirement age while working for the levee district. These benefits for retirees and similar benefits for active employees are provided through the Louisiana State Employees Group Benefits Program. Retirees' monthly premiums are paid jointly by the retiree and the levee district. Monthly premiums for active employees are paid by the levee district. The levee district recognizes the cost of providing these benefits (levee district's portion of premiums) as an expenditure when paid during the year. For the year ended June 30, 1995, the costs of retiree benefits totaled \$34,708 for eight retirees.

7. LEASE OBLIGATIONS

The Red River, Atchafalaya and Bayou Boeuf Levee District does not have any leases at June 30, 1995.

**8. CHANGES IN GENERAL LONG-TERM
OBLIGATIONS**

The following is a summary of the long-term obligation transactions for the year ended June 30, 1995:

**RED RIVER, ATCHAFALAYA AND
BAYOU BOULLEVEE LEVEE DISTRICT
STATE OF LOUISIANA**

Notes to the Financial Statements (Continued)

	<u>Loan</u>	<u>Accrued Levies</u>	<u>Total</u>
Long-term obligations payable at July 1, 1995	\$248,780	\$80,628	\$329,408
Additions		4,177	4,177
Retirements	<u>248,780</u>		<u>248,780</u>
Long-term obligations payable at June 30, 1996	<u>None</u>	<u>\$80,605</u>	<u>\$80,605</u>

On March 26, 1990, the State of Louisiana Interim Emergency Board approved a loan to the levee district for repairs and replacement of components in the electrical system operating the Bayou Rapides Pumping Station. The funds were to be drawn as obligated up to an approved amount of \$254,390. As of December 1995, the levee district had drawn all funds that were needed for the project, which amounted to \$248,780. The terms of the loan agreement require the loan to be repaid, with legal interest, within three years. At June 30, 1996, the loan of \$248,780 plus \$666 accrued interest of \$84,494 has been repaid.

8. LITIGATION AND CLAIMS

At June 30, 1996, the levee district is involved in four lawsuits. In the opinion of the levee district's legal counsel, the ultimate resolution of these lawsuits will not represent a material liability to the levee district.

10. LEVEE DISTRICT TAXES

Article 8, Section 29 of the Louisiana Constitution of 1974 provides that, for the purpose of constructing and maintaining levees, levee drainage, flood protection, hurricane flood protection, and for all other purposes incidental thereto, the levee district may annually levy a tax not to exceed five mills. If the levee district needs to raise additional funds in excess of the amount collected constitutionally, the taxes in excess of five mills must be approved by the majority of the vote of the electors. The following is a summary of authorized and levied ad valorem taxes:

**RED RIVER, ATCHAFALAYA AND
BAYOU BOEUF LEVEE DISTRICT
STATE OF LOUISIANA**

Notes to the Financial Statements (Continued)

	<u>Authorized Millage</u>	<u>Levied Millage</u>
District taxes:		
Constitutional	5.00	3.57
Average	.25/acre	.05/acre
Rail	\$100/mile	\$60/mile

11. ADVANCE TO OTHER GOVERNMENTS

On May 3, 1968, the levee district pledged to contribute \$10,500 annually for a period of six years as one of the local sponsors in the Atcha-Nigollette Area Flood Control Project (State of Louisiana Project Number 578-22-0022). The levee district contributed the first \$12,900 installment on January 18, 1968, the second \$12,500 installment on February 5, 1969, and the third and fourth installments on June 24, 1969. The levee district has not contributed the last two installments of \$12,900 each. The levee district's contributions are held by the Town of Colfax in an interest-bearing escrow account. The Town of Colfax, Grand Parish Police Jury, Rapides Parish Police Jury, Red River, Atchafalaya and Bayou Boeuf Levee District, Louisiana Department of Transportation and Development, and the United States Army Corps of Engineers are the sponsors of the project and, when adequate local funds are contributed, will enter into a cooperative agreement to complete the project. No agreement has yet been signed by the various sponsors. If adequate funding is not obtained for the project, the levee district and the other sponsors' contributions will be refunded. According to the United States Army Corps of Engineers, the plans for the project are underway. As of June 30, 1996, the levee district has advanced \$50,000, which is recognized as an asset on the accompanying balance sheet, to the Town of Colfax on behalf of the Atcha-Nigollette Area Flood Control Project.

**RED RIVER, ATCHAFALAYA AND
BAYOU BOEUF LEVEE DISTRICT
STATE OF LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULE
As of and for the Year Ended June 30, 1996**

COMPENSATION PAID BOARD MEMBERS

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. Per diem payments are authorized by Louisiana Revised Statute 38:308 and are included in the personal services expenditures of the General Fund. Board members are paid \$75 per day to a maximum of 36 days per year for board meetings and/or official business. The board president may receive compensation not to exceed \$1,000 per month in lieu of per diem.

**RED RIVER, ATCHAFALAYA AND
BAYOU BOEUF LEVEE DISTRICT
STATE OF LOUISIANA**

**Schedule of Compensation Paid Board Members
For the Year Ended June 30, 1998**

	NUMBER OF MEETINGS	PER DIEM	SALARY	AGGREGATE
Joseph Arbal, President (May 1998)	50	\$2,000	\$1,000	\$3,000
Andrew Lott, President (June 1998)			1,000	1,000
Archie Leachney	8	400		400
J. W. Gossett	36	2,000		7,200
Robert Smith, President (July 1997 - April 1998)			10,000	10,000
Total		<u>\$2,400</u>	<u>\$11,000</u>	<u>\$21,600</u>



OFFICE OF
LEGISLATIVE AUDITOR
STATE OF LOUISIANA
BAYOU BOEUF, LOUISIANA 70006-9001

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August 6, 2008

Independent Auditor's Report on Internal Control Structure Based
Solely on an Audit of the General Purpose Financial Statements

**BOARD OF LEVEE COMMISSIONERS
OF RED RIVER, ATCHAFALAYA AND
BAYOU BOEUF LEVEE DISTRICT
STATE OF LOUISIANA**

Alexandria, Louisiana

We have audited the general purpose financial statements of the Red River, Atchafalaya and Bayou Boeuf Levee District as of and for the year ended June 30, 2008, and have issued our report thereon dated August 6, 2008.

We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Management of the Red River, Atchafalaya and Bayou Boeuf 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 general purpose 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 our audit of the general purpose financial statements of the Red River, Atchafalaya and Bayou Boeuf Levee District for the year ended June 30, 2008, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial

EXHIBIT A

LEGISLATIVE AUDITOR

BOARD OF LEVEE COMMISSIONERS
OF RED RIVER, ATCHAFALAYA AND
RAYMON MOORE LEVEE DISTRICT
STATE OF LOUISIANA
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statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our 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 amounts that would be material in relation to the general purpose 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. We noted no matters involving the internal control structure and its operations that we consider to be material weaknesses as defined previously.

Our comments on internal control structure are intended for the information and use of the levee district. By provisions of state law, this report is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,



Daniel G. Kyle, CPA, CFE
Legislative Auditor

IMY:MAN/ll

8/9/96/ll

EXHIBIT A



DANIEL G. KYLE, PH.D., CPA, CFE
LEGISLATIVE AUDITOR

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August 6, 1995

**Independent Auditor's Report on Compliance With Laws and Regulations
Material to the General Purpose Financial Statements**

**BOARD OF LEVEE COMMISSIONERS
OF RED RIVER, ATCHAFALAYA AND
BAYOU BOEUF LEVEE DISTRICT
STATE OF LOUISIANA**
Alexandria, Louisiana

We have audited the general purpose financial statements of the Red River, Atchafalaya and Bayou Boeuf Levee District as of and for the year ended June 30, 1995, and have issued our report thereon dated August 8, 1995.

We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

This report is intended for the information and use of the levee district and its management. By provisions of state law, this report is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,


DANIEL G. KYLE, CPA, CFE
Legislative Auditor

BY:MAN:2

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EXHIBIT B