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STATE OF LOUISIANA
TERRAS BASIN LEVEE DISTRICT
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 1997

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.

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STATE OF LOUISIANA
TENNESSEE BASIN LEASE DISTRICT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 1997

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To the Board of Commissioners
Texas Basin Levee District
Bayville, Louisiana

INDEPENDENT AUDITORS' REPORT

I have audited the accompanying general purpose financial statements of the Texas Basin Levee District, as of and for the year ended June 30, 1991, 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. These 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 statements 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 Texas Basin Levee District as of June 30, 1991, 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 21, 1991 on my consideration of the Texas Basin Levee District's internal control structure and a report dated September 21, 1991 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 Texas 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. Meers CPA
September 22, 1991

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

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

I have audited the general purpose financial statements of the Texas Basin Levee District for the year ended June 30, 1997 and have issued my report thereon dated September 22, 1997.

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 Texas 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, projections 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 Texas Basin Levee District for the year ended June 30, 1997, 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.

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 opinion is not intended to limit the distribution of this report, which is a matter of public record.


September 22, 1987

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

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

I have audited the general purpose financial statements of the Tensas Basin Levee District as of and for the year ended June 30, 1997 and have issued my report thereon dated September 22, 1997.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States. These 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 a matter of public record.

Zoe P. Meers, CPA
September 22, 1997

STATE OF LOUISIANA
 TROOP BASIS LEVY DISTRICT
 COMBINED BILLS AND DEBIT - ALL FUND TYPES AND ACCOUNT GROUPS
 (FISCAL YEAR 2010)

	CONVENTIONAL FUND TYPE		PROPERTY FUND TYPE		SPECIAL OBLIGATION		TOTAL INFORMATION SYSTEMS
	General Fund	Special Service Fund	General Fund	Special Term Obligations	General Fund	Special Term Obligations	
ASSETS							
Cash and cash equivalents	11,411,000	100,000	9	9	9	9	11,422,100
Investments (net)	5,211,500						5,211,500
Amounts to be provided for retirement of bonded loans					14,000	14,000	14,000
Receivable for tax of otherwise non-residents	270,000						270,000
Fixed assets	1,000		1,000,000				1,001,000
Other assets	1,000,000						1,000,000
Total assets	18,693,500	100,000	1,000,009	14,000	14,000	14,000	19,835,509
LIABILITIES AND EQUITY							
LIABILITIES							
Accounts payable	100,000	1,000	9	9	9	9	102,000
Salaries & wages payable	10,000						10,000
Payroll deductions payable							
Deposit account - parent bonds	1,000						1,000
Retained bond issue liability		10,000					10,000
Retained liability for claims							
Total liabilities	11,000	11,000	9	9	9	9	22,000
FUND EQUITY							
Investment in general fund assets			1,000,000				1,000,000
Retained earnings							
Fund balance:							
Unreserved (available)	4,914,000						4,914,000
Reserved	1,000,000						1,000,000
Total fund equity	5,914,000		1,000,000				6,914,000
Total liabilities and fund equity	16,914,000	11,000	1,000,009	14,000	14,000	14,000	19,835,509

12/31/2009

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, 1997

REVENUES	
Taxes	\$1,528,538
Intergovernmental receipts	178,917
Use of money and property	494,786
Sales of obsolete equipment	3,200
Other revenues and reimbursements	<u>712,287</u>
Total revenues	2,937,728
EXPENDITURES	
Personal services	865,436
Retired benefits	293,485
Taxes	26,548
Supplies	318,143
Operating services	113,805
Professional services	93,868
Deductions from Ad Valorem taxes for Retirement systems	46,903
Special Projects	10,000
Capital outlay - equipment & buildings	177,343
Capital outlay - flood control projects	15,688
Acquisition of right of ways	571,491
Emergency expenditures - flood fight	<u>18,153</u>
Total expenditures	2,474,863
Excess of revenue over expenditures	<u>462,865</u>
Other financing sources (uses)	
Interfund transfers in	-
Interfund transfers out	-
Other	<u> </u>
Total other financing sources (uses)	<u> </u>
Excess of revenues and other sources over expenditures and other uses	508,360
Fund balance at beginning of year	3,415,749
Fund balance at end of year	<u>\$3,924,109</u>

STATEMENT B

The accompanying notes are an integral part of this statement.

STATE OF LOUISIANA
 TENNESSEE BASIN LEVEE DISTRICT
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 (GENERAL FUNDS)
 FOR THE YEAR ENDED JUNE 30, 1997

	GENERAL FUNDS		Variance Favorable (Adverse)
	Budget	Actual	
REVENUES			
Taxes	\$1,515,000	\$1,518,505	\$3,505
Intergovernmental receipts	190,500	178,977	(11,523)
Use of money and property	408,100	494,780	86,680
Other revenues	908,000	788,987	(119,013)
Total revenues	3,021,600	2,981,249	(40,351)
EXPENDITURES			
General administration	270,000	247,965	22,035
Related benefits	301,458	292,605	8,853
Travel	29,300	38,540	9,240
Materials and supplies	382,000	316,145	65,855
Levee maintenance	845,001	828,144	16,857
Capital outlay & fixed control	1,800,000	231,093	1,568,907
Other	608,800	634,389	(25,589)
Total expenditures	4,325,300	2,434,881	1,890,419
Excess (deficiency) of revenues over expenditures	(1,303,700)	546,368	1,760,068
Other financing sources (uses)			
Interfund transfers in	-	-	-
Interfund transfers out	-	-	-
Other	-	-	-
Total other financing sources (uses)	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(1,303,700)	546,368	1,760,068
Fund balance at beginning of year	5,435,348	6,035,780	-
Fund balance at end of year	\$4,131,648	\$6,582,148	\$2,760,492

STATEMENT C

The accompanying notes are an integral part of this statement.

STATE OF LOUISIANA
 THIBAS BASIN LEVEE DISTRICT
 COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
 RETAINED EARNINGS
 PROPRIETARY FUND TYPE
 FOR THE YEAR ENDED JUNE 30, 1997

	<u>INTERNAL SERVICE FUND SELF INSURANCE PLAN</u>
OPERATING REVENUES	
Insurance Premiums	\$33,459
Interest Earned	1,414
Total operating revenues	<u>34,873</u>
OPERATING EXPENSES	
Claims expense - paid	85,146
Claims expense - estimated	112,879
Total operating expenses	<u>198,025</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
 TENNESSEE BASIN LEVEE DISTRICT
 STATEMENT OF CASH FLOWS
 PROPRIETARY FUND TYPE
 FOR THE YEAR ENDED JUNE 30, 1997

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	(11,873)
Increase (decrease) in payables	<u>20,694</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(8,694)
OTHER CASH FLOWS	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(8,694)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>29,218</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>20,524</u>

STATEMENT B

The accompanying notes are an integral part of these statements.

STATE OF LOUISIANA
TERRAS BASIN LEVEE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1997

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Terras Basin Levee District was created by the Louisiana State Legislature under the provisions of the Louisiana Constitution of 1874; Article 6, Section 34. The levee district includes all or portions of the following parishes: Calcasieu, Calhoun, Franklin, Morehouse, Richland, St. Charles, Lafitte 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 direct 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.

The Terras Basin Levee District prepares its financial statements in accordance with the standards established by the GASB. GASB Codification Section 2100 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 Terras 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.

B. FUND ACCOUNTING

The accounts of the levee district are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the accompanying financial statements are described as follows:

General Fund

The General Fund is the general operating fund of the Terras 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 Terras Basin Levee District.

STATE OF LOUISIANA
TENSAS BASIN LEVEE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1997

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.

C. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures, or expenses as appropriate, are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The records are maintained on the modified accrual basis of accounting utilizing the following practices in recording revenues and expenditures:

Revenues - Ad valorem taxes and the related State Revenue Sharing (which is based on population and landmass in the parish) 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 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 realized.

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

D. 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, 1997 which was also used for financial reporting purposes. The budget is prepared no later than sixty days prior to the end of the fiscal year. The budget was adopted March 11, 1996 for the year ending June 30, 1997. The budget was amended on May 13, 1997. The budget comparison (Statement C) reflects all amendments to the budget for the year. All unexpended appropriations lapse at year end.

STATE OF LOUISIANA
 TENSAS BASIN LEVEE DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1997

E. 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 law, the Tensas Basin Levee District may deposit funds within a fiscal agent bank selected and designated the Inaction 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.

As reflected on Statement A, the Tensas Basin Levee District had cash and cash equivalents totaling \$1,422,593 at June 30, 1997. 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.

The deposits at June 30, 1997 were secured as follows:

	Demand Deposit Cash	Certificate of Deposit	Total
Carrying Amount on Balance Sheet	\$1,422,593	\$	\$1,422,593
Bank Balances:			
a. Insured (FDIC) or collateralized with securities held by the entity or its agent <i>in the entity's name</i>	113,387	-	113,387
b. Collateralized with securities held by pledging financial institution's trust department or agent <i>in the entity's name</i>	1,309,206	-	1,309,206
c. Uncollateralized, including any securities held for the entity but not <i>in the entity's name</i>	-	-	-
TOTAL Bank Balances	\$1,422,593	\$	\$1,422,593

STATE OF LOUISIANA
 TENNESSEE BASIN LIQUIDE DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1997

2. INVESTMENTS

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

As June 30, 1997, the Tennessee Basin Liquide District had investments in Federal National Mortgage Association REMIC's in the amount of \$3,848,389 and in Federal Home Loan Mortgage Corp. REMIC's in the amount of \$4,901,678 and Federal Home Loan Banks and Federal National Mortgage Association notes and debentures in the amount of \$165,808. 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 Tennessee Basin Liquide District as of June 30, 1997 are summarized below by the category of risk.

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

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

Category 3 - Unissued 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, 1997

Type of Investment	Original Cost			Carrying Amount	Market Value
	1	2	3		
Repurchase Agreements	\$ -	\$ -	\$ -	\$ -	\$ -
U. S. Government Securities	5,021,281	-	-	5,021,281	5,015,109
Common & Preferred Stock	-	-	-	-	-
Commercial Paper	-	-	-	-	-
Corporate Bonds	-	-	-	-	-
TOTAL	\$5,021,281	\$ -	\$ -	\$5,021,281	\$5,015,109

F. RECEIVABLES

The following is a summary of receivables at June 30, 1997:

Class of Receivable	
Ad Valorem Taxes	\$ 3,000
Reimbursements - S. E. Adams Levee District	109,524
Reimbursements - U. S. Army Corps of Engineers	72,847
Other	45,310
TOTAL	\$ 220,681

G. GENERAL 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.

A summary of changes in general fixed assets follows:

STATE OF LOUISIANA
 TENSAS BASIN LEVEE DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1997

	<u>Land</u>	<u>Buildings</u>	<u>Vehicles & Equipment</u>	<u>Total</u>
Balance 6-30-96	\$28,332	\$679,629	\$2,111,623	\$2,799,388
Additions	15,800	-	187,343	193,143
Deletions	-----	-----	(117,289)	(117,289)
Balance 6-30-97	<u>\$44,132</u>	<u>\$679,629</u>	<u>\$2,281,700</u>	<u>\$2,995,321</u>

H. INVENTORIES

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

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 360 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, 1997, computed in accordance with GASB Codification Section 608, is estimated to be \$58,628. This liability has been recorded within the General Long-Term Obligations 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 appropriate for expenditure or legally segregated for a specific future use.

Designated Fund Balances

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

STATE OF LOUISIANA
TERRAS BASIN LEVEE DISTRICT
NOTICE TO FINANCIAL STATEMENTS
JUNE 30, 1997

L. TOTAL COLUMNS ON COMBINED STATEMENTS - OVERVIEW

The total columns 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.

M. LEVIED TAXES

The Terras Basin Levee District has levied an ad valorem tax on all parcels which are included in the district: Calhoun, Caldwell, Franklin, Morehouse, Richland, St. Charles, LaSalle, and West Carroll. The levy is 2.93 mills which is within the millage of 3.0 which is authorized by state statute.

N. RETIREMENT SYSTEM

Plan Description. Substantially all employees of the Terras Basin Levee District are members of the Louisiana State Employees' Retirement System (LASERS), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The LASERS provides retirement benefits as well as disability and survivor benefits. Benefits are established and amended by state statute. Benefits granted by the LASERS are guaranteed by the State of Louisiana under provisions of the Louisiana Constitution of 1974. The LASERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Louisiana State Employees' Retirement, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (504) 922-0600.

Funding Policy. Plan members of this office are required by state statute to contribute 7.3 percent of their annual covered salary and the Terras Basin Levee District is required to contribute at an actuarially determined rate. The current employer rate is 12.4 percent of annual covered payroll. The contribution requirements of plan members and the office are established and may be amended by state statute. As provided by state statute, the employer contributions are determined by actuarial valuations and are subject to change each year based on the results of the valuation for the prior fiscal year. The district's employer contribution to the LASERS for the year ending June 30, 1997 was \$77,408, equal to the required contributions for that year.

STATE OF LOUISIANA
 TEXAS BASIN LEVEE DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1997

G. POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Texas Basin Levee District currently provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the levee district employees become eligible for these benefits if they reach normal retirement age while working for the levee district. The levee district pays one-half of the premium cost for its retirees and all of the premium cost for its active employees. These benefits for retirees and similar benefits for active employees are provided through a self-insurance fund which is reinsured by an insurance company. The levee district recognizes the cost of providing the benefits (levee district's portion of premiums) as an expenditure when paid during the year, which was \$183,817 for the year ended June 30, 1997. The cost of providing these benefits for the retirees was \$10,694 for the year ended June 30, 1997.

H. HEALTH CARE PLAN - SELF INSURED

On February 1, 1996, the Texas Basin Levee District instituted a self-insurance plan for the purpose of providing health insurance coverage for its employees and retirees. The plan is funded through premiums paid by the General Fund of the Texas Basin Levee District which are deposited in an escrow account. The levee district is responsible for a deductible amount of \$27,500 per covered employee per year to be paid out of the escrowed funds. Any claims in excess of the \$27,500 deductible are reinsured by an excess insurance policy purchased by the levee district. This policy pays up to \$1,000,000 per person and has a plan limit of \$2,000,000. As of June 30, 1997, the levee district had 46 employees and retirees participating in the plan and a cash escrow balance of \$18,325 for payment of future claims. The plan is accounted for in the Internal Service Fund.

I. OTHER REVENUES AND REIMBURSEMENTS

The Texas Basin Levee District has an agreement with the Southeast Arkansas Levee District whereby certain levee maintenance expenditures are made by the Texas Basin Levee District for the Southeast Arkansas Levee District. The Southeast Arkansas Levee District reimburses the Texas 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, 1997, the reimbursement amounted to \$109,455. 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 Texas Basin Levee District. The reimbursement for the year ended June 30, 1997 was \$352,848. The levee district also received \$106,233 from FEMA for reimbursement of expenses incurred jointly with the City of West Monroe during the 1991 flood.

STATE OF LOUISIANA
TEXAS BASIN LEVEE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1997

4. 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 Texas Basin Levee District in building 180 feet of 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.

5. DESIGNATED FUND EQUITY

Designations of fund equity are used to show the amounts within unreserved equity which are intended to be used for specific purposes, but are not legally restricted. In the General Fund, \$7,000.00 is designated for future expenditures on the Ouachita River Levee Project and \$20,000 is designated to assist with channelization of Grand River.

SUPPLEMENTARY INFORMATION SCHEDULES

STATE OF LOUISIANA
 Tensas Basin Levee District
 SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
 FOR THE YEAR ENDED JUNE 30, 1997

Name _____	
W. A. Broughton	1900
Tom Bond	1,200
Jeary B. Peters	915
Jack Kralby	1,200
Rea O. Kerwin	915
James P. Mays	600
Shelton Ruffin	480
Vance Kinnard	675
Harlan Nobles	900
A. J. Chapman	825
Henry Don Hudson	-----
TOTAL	<u>\$8,790</u>

STATE OF LOUISIANA
TENSAS BASIN LEVEE DISTRICT
SCHEDULE OF STATE FUNDING
FOR THE YEAR ENDED JUNE 30, 1997

DESCRIPTION OF FUNDING

State Revenue Sharing

11,028,317

Schedule 2

STATE OF LOUISIANA
 TENNESSEE LAYERS DISTRICT
 CASH BASIS
 SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
 FOR THE YEAR ENDED JUNE 30, 1997

DEPARTMENT GENERAL FUND

PROGRAM NAME	CDL NUMBER	GRANTOR	PROJECT NAME	RECIPIENT FUND NUMBER	DISBURSMENTS/ EXPENDITURES
					NONE

YEAR ENDED JUNE 30, 1997