RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE DISTRICT

A COMPONENT UNIT OF THE
STATE OF LOUISIANA

FINANCIAL STATEMENTS AUDIT

For the Year Ended June 30, 2018
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INDEPENDENT AUDITORS’ REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, and General Fund of the Red River, Atchafalaya and Bayou Boeuf Levee District (the “District”), a component unit of the State of Louisiana, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

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

Auditors’ Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.
**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and General Fund of the District as of June 30, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in notes 9 and 11 to the financial statements, the District implemented Governmental Accounting Standards Board (GASB) Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* – superseding portions of GASB Statement No. 45 and GASB Statement No. 57, for the year ended June 30, 2018. The adoption of these standards required the District to record its proportionate share of other postemployment benefits related to its participation in a defined-benefit, multiple-employer other postemployment benefit plan, restating the previous year. As a result of the implementation, the District’s net position decreased by $3,622,949. Our opinion is not modified with respect to this matter.

**Other Matters**

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that Management’s Discussion and Analysis, budgetary comparison schedule, schedule of the employer’s proportionate share of the total collective OPEB liability and schedule of employer’s share of net pension liability listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District’s basic financial statements. The schedule of per diem paid to the members of the board of commissioners, and the Division of Administration Reporting Package are presented for purposes of additional analysis and are not a required part of the basic financial statements.
The Supplementary Information and the Division of Administration Reporting Package listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information and the Division of Administration Reporting Package are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated September 7, 2018, on our consideration of the Red River, Atchafalaya and Bayou Boeuf Levee District, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Red River, Atchafalaya and Bayou Boeuf Levee District, internal control over financial reporting and compliance.

J. Walker & Company, APC
Lake Charles, Louisiana
September 7, 2018
The purpose of this section is to offer management’s discussion and analysis of the Red River, Atchafalaya and Bayou Boeuf Levee District of the State of Louisiana’s (hereafter referred to as the “District”) financial performance during the year ended June 30, 2018. It focuses on current year activities, resulting changes and currently known facts. It should be read in conjunction with the financial report taken as a whole.

The Management’s Discussion and Analysis (MD&A) for the District is designed to:

1. Assist the reader in focusing on significant financial issues;
2. Identify changes in the District’s overall financial position and results of operations and assist the user in determining whether financial position has improved or deteriorated as a result of the year’s operations;
3. Identify any significant variations from the original, amended, and final budget amounts and include any currently known reasons for those variations that are expected to have a significant effect on future services or liquidity; and
4. Identify individual fund issues or concerns.

As management of the District, we offer the readers of the District’s financial statements this narrative overview and analysis of the financial activities of the Town as of and for the year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with the District’s basic financial statements and supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

The MD&A is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements- and Management’s Discussion and Analysis for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

**Financial Highlights**

- The District’s liabilities exceeded its assets at the close of the fiscal year 2017 by $3,394,585.
- The District’s liabilities exceeded its assets at the close of the fiscal year 2018 by $5,184,553.
- The District’s increase in net activities for 2018 and 2017 was $356,804 and $52,534 respectively.
- Total expenditures for our governmental funds were $2,421,532, which is a 7.63% percent decrease from the prior period.
- Government-wide total assets increased by $426,705, which represents an increase of 9.89 percent from the prior period. This is primarily due to an increase in current assets.
- Government-wide total liabilities increased by $2,216,673, which is a 28.76 percent increase from the prior period.
Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the District’s basic financial statements. The District’s basic financial statements consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) the notes to the financial statements. This report also includes supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

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

The statement of net position presents information on all of the District’s assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District’s net position changed during the most recent fiscal year. Regardless of when cash is affected, all changes in net position are reported when the underlying transactions occur. As a result, transactions are included that will not affect cash until future periods.

The Government-wide financial statements can be found immediately following this management’s discussion and analysis.

Fund Financial Statements

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

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

Because of the view of government funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between the governmental fund and governmental activities.
**Governmental funds** are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains one governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, which is considered major, and the transportation fund, which is considered non-major.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund and the transportation fund to demonstrate compliance with these budgets.

The governmental funds financial statements can be found immediately following the government-wide financial statements.

**Notes to the financial statements**

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

**Required Supplementary Information and Supplementary Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the District’s Schedule of the Employer’s Proportionate Share of the Total Collective OPEB Liability, Schedule of Employer’s Share of Net Pension Liability, page 38 required by GASB. The Schedule of Per Diem and Salary Paid to Board Commissioners, page 32 presents the compensation received by the Board commissioners in accordance with Louisiana Revised Statute 38:308.

**Other Information**

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

As noted earlier, net position over time, may serve as a useful indicator of a government’s financial position. In the case of the District, liabilities exceeded assets by $5,184,553, at the close of the most recent fiscal year.

Comparative Statement of Net Position
As of June 30, 2018, and 2017

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<th></th>
<th>2018</th>
<th>2017</th>
<th>Variance</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current and other assets</td>
<td>$3,712,788</td>
<td>$3,337,688</td>
<td>$375,100</td>
<td>11.24%</td>
</tr>
<tr>
<td>Capital assets, net of dep.</td>
<td>1,026,737</td>
<td>975,132</td>
<td>51,605</td>
<td>5.29%</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>4,739,525</td>
<td>4,312,820</td>
<td>426,705</td>
<td>9.89%</td>
</tr>
<tr>
<td><strong>Deferred Outflows of Resources</strong></td>
<td>674,915</td>
<td>511,260</td>
<td>163,655</td>
<td>32.01%</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td>99,087</td>
<td>69,363</td>
<td>29,724</td>
<td>42.85%</td>
</tr>
<tr>
<td>Noncurrent liabilities</td>
<td>9,824,991</td>
<td>7,638,042</td>
<td>2,186,949</td>
<td>28.63%</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>9,924,078</td>
<td>7,707,405</td>
<td>2,216,673</td>
<td>28.76%</td>
</tr>
<tr>
<td><strong>Deferred Inflows of Resources</strong></td>
<td>1,657,312</td>
<td>17,480</td>
<td>1,639,832</td>
<td>9381.19%</td>
</tr>
<tr>
<td><strong>Net Position:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net investment in capital assets</td>
<td>1,026,737</td>
<td>975,132</td>
<td>51,605</td>
<td>5.29%</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>(7,193,687)</td>
<td>(3,613,248)</td>
<td>(3,580,439)</td>
<td>99.09%</td>
</tr>
<tr>
<td><strong>Total Net Position</strong></td>
<td>$(6,166,950)</td>
<td>$(2,638,116)</td>
<td>$(3,528,834)</td>
<td>133.76%</td>
</tr>
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The net position of the District’s governmental activities decreased by $6,166,950 during 2018. The unrestricted net position (the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements) was $(7,193,687) at the end of this year.
Table 2

Changes in Net Position

<table>
<thead>
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<th>Expenditures:</th>
<th>2018</th>
<th>2017</th>
<th>Variance</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal services</td>
<td>$1,897,695</td>
<td>$2,010,644</td>
<td>$(112,949)</td>
<td>-5.62%</td>
</tr>
<tr>
<td>Travel</td>
<td>8,913</td>
<td>9,314</td>
<td>(401)</td>
<td>-4.31%</td>
</tr>
<tr>
<td>Operating services</td>
<td>343,817</td>
<td>443,891</td>
<td>(100,074)</td>
<td>-22.54%</td>
</tr>
<tr>
<td>Professional services</td>
<td>35,200</td>
<td>30,230</td>
<td>4,970</td>
<td>16.44%</td>
</tr>
<tr>
<td>Depreciation/amortization</td>
<td>135,907</td>
<td>127,545</td>
<td>8,362</td>
<td>6.56%</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>$2,421,532</strong></td>
<td><strong>$2,621,624</strong></td>
<td><strong>$(200,092)</strong></td>
<td><strong>-7.63%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Revenues:</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxes</td>
<td>2,719,629</td>
<td>2,658,413</td>
<td>61,216</td>
<td>2.30%</td>
</tr>
<tr>
<td>Interest</td>
<td>7,704</td>
<td>6,520</td>
<td>1,184</td>
<td>18.16%</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>51,003</td>
<td>9,225</td>
<td>41,778</td>
<td>452.88%</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$2,778,336</strong></td>
<td><strong>$2,674,158</strong></td>
<td><strong>$104,178</strong></td>
<td><strong>3.90%</strong></td>
</tr>
</tbody>
</table>

| Change in Net Position        | 356,804    | 52,534     | 304,270    | 579.19%    |

| Net Position - Beginning, As Restated | (6,523,754) | (3,269,224) | (3,254,530) | 99.55%     |

| Net Position - Ending         | $ (6,166,950) | $ (3,216,690) | $ (2,950,260) | 91.72%     |

**Governmental Activities**

During the current fiscal year, net position for governmental activities decreased $2,950,260 from the prior fiscal year for an ending balance of $5,166,950 deficit. This represents a decrease of 91.72 percent approximately from the prior period.

The cost of all governmental activities this year was $2,421,532. These expenditures were primarily financed through the District’s taxes and intergovernmental revenues. These revenue sources accounted for approximately 97.89 percent of the District’s total revenues.
Capital Assets

At June 30, the District had invested in the following capital assets; net of depreciation:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
<th>Variance</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$412,005</td>
<td>$412,005</td>
<td>$ -</td>
<td>0.00%</td>
</tr>
<tr>
<td>Building and Improvements</td>
<td>653,244</td>
<td>638,744</td>
<td>14,500</td>
<td>2.27%</td>
</tr>
<tr>
<td>Machinery and Equipment</td>
<td>2,470,344</td>
<td>2,297,332</td>
<td>173,012</td>
<td>7.53%</td>
</tr>
<tr>
<td><strong>Total Cost</strong></td>
<td>3,535,593</td>
<td>3,348,081</td>
<td>187,512</td>
<td>5.60%</td>
</tr>
<tr>
<td>Accu. Dep. On Building</td>
<td>536,517</td>
<td>519,098</td>
<td>17,419</td>
<td>3.36%</td>
</tr>
<tr>
<td>Accu. Dep. On Machinery</td>
<td>1,972,339</td>
<td>1,853,851</td>
<td>118,488</td>
<td>6.39%</td>
</tr>
<tr>
<td><strong>Total Accumulated Depreciation</strong></td>
<td>2,508,856</td>
<td>2,372,949</td>
<td>135,907</td>
<td>5.73%</td>
</tr>
<tr>
<td><strong>Total Capital Assets, net</strong></td>
<td>$1,026,737</td>
<td>$975,132</td>
<td>$51,605</td>
<td>5.29%</td>
</tr>
</tbody>
</table>

Government-wide capital assets, net of depreciation increased by 5.29 percent to $1,026,737 during the current year.

See Note 6 for more information on capital assets.

Non-Current Liabilities

Non-Current liabilities at June 30, 2018, excluding OPEB, are shown in table below:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
<th>Variance</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensated Absences Payable</td>
<td>$115,732</td>
<td>$115,732</td>
<td>$ -</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$115,732</td>
<td>$115,732</td>
<td>$ -</td>
<td>-</td>
</tr>
</tbody>
</table>

Economic Factors and Next Year's Budgets

Our board of commissioners considers many factors when setting the District’s budget. Total budgeted revenues and other sources in the General Fund for 2018 are $2,834,500, a 2.02 percent increase from 2018 actual.

One of the most important factors affecting the budget is our tax collections which is approximately 90.84 percent of budgeted revenues in the Governmental funds. The General Fund’s budget for expenditures in 2018 is $2,834,500, a 17.05 percent increase from the 2018 actual.
Contacting the District’s Management

Our financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with a general overview of the District’s finances and to show the District’s accountability for the money it receives. If you have questions about this report, or wish to request additional financial information, contact Warren Byrd, Executive Director, at (318) 443 - 9646.
BASIC FINANCIAL STATEMENTS
## Statement of Net Position

**As of June 30, 2018**

### Assets
#### Current Assets
- Cash and cash equivalents: $2,125,289
- Investments: 1,560,953
- Receivable: 26,546
- **Total current assets:** 3,712,788

#### Noncurrent Assets
- Capital assets, net of depreciation: 1,026,737
- **Total assets:** 4,739,525

### Deferred Outflows of Resources
- Deferred outflows of resources related to pensions: 506,199
- Deferred outflows of resources related to OPEB: 168,716
- **Total deferred outflows of resources:** 674,915

### Liabilities
#### Current Liabilities
- Accounts payable: 45,121
- Accrued expenses: 33,043
- Compensated absences payable: 20,923
- **Total current liabilities:** 99,087

#### Noncurrent Liabilities
- Compensated absences payable: 94,809
- Net pension liability: 3,756,835
- OPEB payable: 5,973,347
- **Total noncurrent liabilities:** 9,824,991

### Deferred Inflows of Resources
- Deferred inflows of resources related to pensions: 1,306,319
- Deferred inflows of resources related to OPEB: 350,993
- **Total deferred inflows of resources:** 1,657,312

### Net Position
- Net investment in capital assets: 1,026,737
- Unrestricted: (7,193,687)
- **Total net position:** (6,166,950)

The accompanying notes are an integral part of this financial statement.
## Statement of Activities
For the Year Ended June 30, 2018

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Charges for Services</th>
<th>Operating Grants and Contributions</th>
<th>Capital Grants and Contribution</th>
<th>Net (Expense) Revenue and Changes in Net Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>General government</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal services</td>
<td>$1,897,695</td>
<td>$ -</td>
<td>$ -</td>
<td>$ (1,897,695)</td>
</tr>
<tr>
<td>Travel</td>
<td>8,913</td>
<td>-</td>
<td>-</td>
<td>(8,913)</td>
</tr>
<tr>
<td>Operating services</td>
<td>565,340</td>
<td>138,525</td>
<td>82,998</td>
<td>(343,817)</td>
</tr>
<tr>
<td>Professional services</td>
<td>35,200</td>
<td>-</td>
<td>-</td>
<td>(35,200)</td>
</tr>
<tr>
<td>Depreciation/amortization</td>
<td>135,907</td>
<td>-</td>
<td>-</td>
<td>(135,907)</td>
</tr>
<tr>
<td>Total General Government</td>
<td>$2,643,055</td>
<td>$138,525</td>
<td>$82,998</td>
<td>$ (2,421,532)</td>
</tr>
</tbody>
</table>

General revenues:
- Taxes          | 2,719,629          |
- Interest       | 7,704              |
- Miscellaneous  | 51,003             |

Total General Revenues | $2,778,336 |

Change in net position | 356,804 |

Net position - July 01, 2017, Originally Stated | (2,900,805) |
Restatement - Change in accounting principle | (3,622,949) |

Net position - July 01, 2017, As Restated | (6,523,754) |

Net position - June 30, 2018 | $ (6,166,950) |

The accompanying notes are an integral part of this financial statement
**RED RIVER, ATCHAFAYALA AND BAYOU BOEUF LEVEE DISTRICT**

Balance Sheet - Governmental Fund  
As of June 30, 2018

<table>
<thead>
<tr>
<th>ASSETS</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$2,125,289</td>
<td></td>
</tr>
<tr>
<td>Receivable</td>
<td>26,546</td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>1,560,953</td>
<td></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>3,712,788</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>45,121</td>
<td></td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>33,043</td>
<td></td>
</tr>
<tr>
<td>Unearned revenue</td>
<td>26,546</td>
<td></td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>104,710</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FUND BALANCES</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Unassigned</td>
<td>3,608,078</td>
<td></td>
</tr>
<tr>
<td><strong>Total fund balances</strong></td>
<td><strong>3,608,078</strong></td>
<td></td>
</tr>
</tbody>
</table>

| **Total liabilities and fund balances** | $3,712,788 |       |
Total fund balances for governmental funds $ 3,608,078

Total net assets reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:

<table>
<thead>
<tr>
<th>Asset Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>412,005</td>
</tr>
<tr>
<td>Buildings and improvements, net of $536,517 accumulated depreciation</td>
<td>116,727</td>
</tr>
<tr>
<td>Equipment and vehicles, net of $1,972,339 accumulated depreciation</td>
<td>498,005</td>
</tr>
</tbody>
</table>

Total capital and other assets 1,026,737

Deferred outflows of resources used in governmental activities are not financial resources and therefore are not reported in these funds. This is the reported amount of deferred outflows of resources. 674,915

Long-term liabilities, including compensated absences payable, net pension liability and post-employment benefits payable are not due and payable in the current period and therefore are not reported in the fund liabilities. (9,845,914)

Deferred inflows of resources used in governmental activities are not due and payable in the current period and, therefore, are not reported in these funds. (1,657,312)

Some revenues (ad valorem taxes) were collected more than 60 days after year end and, therefore, were not available to pay for current period expenditures in the General Fund 26,546

Total net position of governmental activities $ (6,166,950)

The accompanying notes are an integral part of this financial statement.
RED RIVER, ATCHAFAYALA AND BAYOU BOEUF LEVEE DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
As of June 30, 2018

<table>
<thead>
<tr>
<th>Revenues:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxes</td>
<td>$2,719,629</td>
</tr>
<tr>
<td>State revenue sharing</td>
<td>82,998</td>
</tr>
<tr>
<td>Fees &amp; self generated</td>
<td>138,525</td>
</tr>
<tr>
<td>Interest</td>
<td>7,704</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>51,003</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td><strong>2,999,859</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditures:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>General government</td>
<td></td>
</tr>
<tr>
<td>Personal services</td>
<td>1,863,141</td>
</tr>
<tr>
<td>Travel</td>
<td>8,913</td>
</tr>
<tr>
<td>Operating services</td>
<td>565,340</td>
</tr>
<tr>
<td>Professional services</td>
<td>35,200</td>
</tr>
<tr>
<td>Capital outlay</td>
<td>187,512</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td><strong>2,660,106</strong></td>
</tr>
</tbody>
</table>

| Excess of revenues over expenditures | 339,753 |

| Fund balances, beginning of year | 3,268,325 |

| Fund balances, ending           | $3,608,078 |

The accompanying notes are an integral part of this financial statement
Net changes in fund balances - total governmental funds $339,753

The change in net assets reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay ($187,512) exceeded depreciation ($135,907) in the current period. 51,605

Some expenses reported in the statement of activities, such as compensated absences, pension expense and post-employment benefits payable, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. (34,554)

Total changes in net assets of governmental activities $356,804
Introduction

The Red River, Atchafalaya and Bayou Boeuf Levee District (the “District”) was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute R.S. 38:291(M). The following is a brief description of the operations of the District and includes the parish/parishes in which the District is located. The District includes all or portions of Avoyelles, Rapides and St. Landry parishes. The District provides flood protection for those areas contained in the District. The Board of Commissioners administers the operations and responsibilities of the District in accordance with the provisions of Louisiana Statutes. The three members of the Board of Commissioners which governs the District are appointed by the Governor of the State of Louisiana.

Note 1 – Summary of Significant Accounting Policies

The Red River, Atchafalaya and Bayou Boeuf Levee District's financial statements are prepared in conformity with governmental accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, Basic Financial Statements-and Management's Discussion and Analysis for State and Local Governments, issued in June 1999. The more significant accounting policies established in GAAP and used by the Red River, Atchafalaya and Bayou Boeuf Levee District are discussed below.

Reporting Entity

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

Basic Financial Statements – Government-Wide statements

The District's basic financial statements include both government-wide (reporting the funds maintained by the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's general fund is classified as governmental activities.

In the government-wide statement of Net Position, the governmental activities column is presented on a consolidated basis and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables. The District's net assets are reported in two parts-invested in capital assets and unrestricted net assets.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions. The functions are also supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which must be
directly associated with the function. The net costs (by function) are normally covered by general revenue.

This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position from the current year's activities.

Basic Financial Statements- Fund Financial Statements

The financial transactions of the District are recorded in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the District:

1. Governmental Funds – the focus of the governmental funds' measurement (in the fund statements) upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

   a. The General fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for by another fund.

Basis of Accounting

Basis of accounting refers to when revenues and expenses 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.

1. Accrual – The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual – The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Budgetary Accounting

Formal budgetary accounting is employed as a management control. The District prepares and adopts a budget prior to October 1 of each year for its general fund in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, using the modified accrual basis of accounting. The District amends its budget when projected revenues are expected to be less than budgeted revenues by
Notes to Financial statement  
As of and for the year ended June 30, 2018

five percent or more and/or projected expenditures are expected to be more than budgeted amounts by five percent or more. All budget appropriations lapse at year end.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Budget Committee, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements includes the original appropriation with no amendments.

**Cash and Cash Equivalents**

The District defines cash and cash equivalents as follows:

Cash – includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and effectively may withdraw funds at any time without prior notice or penalty.

Cash equivalents – include all short-term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. Generally, only investments which, at the day of purchase, have a maturity date no longer than three months qualify under this definition.

**Receivables**

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

**Bad Debts**

Uncollectible accounts receivable is recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectible of the particular receivable. At June 30, 2018, there were no amounts considered to be uncollectible.

**Capital Assets – Including Capital Lease assets**

The fixed assets used in the Special Purpose Government Engaged only in Business-Type Activities are included on the statement of net position of the entity and are capitalized at cost. Depreciation of the exhaustible fixed assets used by the entity is charged as an expense against operations. Depreciation for financial reporting purposes is computed by the straight-line method over the useful lives of the assets. The range of estimated useful lives by type of asset is as follows:

- Buildings and improvements: 10-40 Years
- Machinery and equipment: 5-10 Years
Compensated Absences

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 determination, an employee is compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. 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 entire balance of compensated absences payable is recognized as a liability in the government-wide financial statements.

Pensions

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

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District reported outflows related to pensions and Other Post Employment Benefit (OPEB).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District reported deferred inflows of resources related to pensions and OPEB. The District also reported deferred inflows of resources related to unavailable revenue of $26,546 in General Fund at June 30, 2018.

See Note 9 and 10 for additional information related to deferred outflows of resources and deferred inflows of resources related to pensions and OPEB.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets ruled liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
Long-Term Obligations

In the government-wide financial statements, debt principal payments of government activities are reported as decreases in the balance of the liability on the statement of net assets. In the fund financial statements, however, debt principal payments of governmental funds are recognized as expenditures when paid. The District recognizes other post-employment benefits liability in the government-wide financial statements based on actuarially determined obligations under GASB No. 45.

Fund Balance- Governmental Funds

The Red River, Atchafalaya and Bayou Boeuf Levee District elected to implement GASB 54, Fund Balance Reporting and Governmental Fund Type Definitions, in fiscal year 2011. In the fund financial statements, fund balance for the governmental funds are classified as follows:

Non-spendable - amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by ordinances or resolutions approved by the Board of the District.

Committed - amounts that can be used only for specific purposes determined by a formal action of the Board. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board of the District.

Unassigned - all other spendable amounts

As of June 30, 2018, fund balances are composed of the following:

<table>
<thead>
<tr>
<th>Category</th>
<th>Governmental fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unassigned</td>
<td>$ 3,608,078</td>
</tr>
</tbody>
</table>

Total fund balance $ 3,608,078

Note 2- Cash and Cash Equivalents

At June 30, 2018 the Red River, Atchafalaya and Bayou Boeuf Levee District had cash and cash equivalents (book balances) totaling $2,125,289 as detailed as follows:

1. Cash and Cash Equivalents

Under state law, the District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state of the Union, or the laws of the United States. The District may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2018, the District had cash and cash equivalents (book balances) totaling $2,125,289.
Note 2- Cash and Cash Equivalents (continued)

2. Credit Risk

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the District’s deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. 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 similar federal security 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 bank. These securities are held in the name of the District or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2018 are secured.

Note 3 - Investments

The District does maintain an investment account as authorized by Louisiana R.S. 33.2955 as of June 30, 2018 in the amount of $1,560,953.

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

- **Level 1 Inputs** – The valuation is based on quoted market prices for identical assets or liabilities traded in active markets;

- **Level 2 Inputs** – The valuation is based on quoted market prices for similar instruments traded in active markets, quoted prices for identical or similar instruments in markets that are not active, and inputs other than quoted prices that are observable for the asset or liability; and

- **Level 3 Inputs** – The valuation is determined by using the best information available under the circumstances and might include the government’s own data. In developing unobservable inputs, a government may begin with its own data but should adjust those data if (a) reasonably available information indicates that other market participants would use different data or (b) there is something particular to the government that is not available to other market participants.

The recorded values of cash and cash equivalents, certificates of deposit and accrued expenses approximate their fair values based on their short-term nature. The district recognizes transfers between levels in the fair values hierarchy at the end of the reporting period. All fair value measurements are considered Level 1 measurements as of June 30, 2018.

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

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the
RED RIVER, ATCHAFAYALA AND BAYOU BOEUF LEVEE DISTRICT

Notes to Financial statement
As of and for the year ended June 30, 2018

possession of an outside party. The District’s investment policy states that the assets of the District shall be held in trust by the fiduciary (fiduciaries) designated by the District. For the U.S. Treasury obligations and U.S. Money Market funds, state law and District policy provides these are backed by the full faith and credit of the United States of America. Bonds issued by the State of Louisiana shall have a minimum investment grade rating of Baa3 or higher and have a final maturity of no more than three years.

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

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

Note 4 – Accounts Receivable

At June 30, 2018, the Board had receivable balances for assessments totaling $26,546. The Board has not established an allowance for doubtful accounts.

Note 5 - Capital Assets

A summary of the District’s capital assets at June 30, 2018 follows:

<table>
<thead>
<tr>
<th>Class of Capital Asset</th>
<th>Balance</th>
<th>Net Change</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>July 01, 2017</td>
<td>June 30, 2018</td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>$ 412,005</td>
<td>$ 412,005</td>
<td></td>
</tr>
<tr>
<td>Buildings and improvements</td>
<td>638,744</td>
<td>14,500</td>
<td>653,244</td>
</tr>
<tr>
<td>Machinery and equipment</td>
<td>2,297,332</td>
<td>173,012</td>
<td>2,470,344</td>
</tr>
<tr>
<td>Total Cost</td>
<td>3,348,081</td>
<td>187,512</td>
<td>3,535,593</td>
</tr>
<tr>
<td>Accumulated Depreciation on Building</td>
<td>(519,098)</td>
<td>(17,419)</td>
<td>(536,517)</td>
</tr>
<tr>
<td>Accumulated Depreciation on Machinery</td>
<td>1,853,851</td>
<td>(118,488)</td>
<td>1,972,339</td>
</tr>
<tr>
<td>Total Capital Assets, Net</td>
<td>$ 975,132</td>
<td>$ 51,605</td>
<td>$ 1,026,737</td>
</tr>
</tbody>
</table>

Depreciation expense for the year ended June 30, 2018 was $135,907.

Note 6- Accrued Liabilities

The following is a summary of accrued liabilities at June 30, 2018:

<table>
<thead>
<tr>
<th>Class of Accrued Liabilities</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accrued Payroll</td>
<td>$ 29,392</td>
</tr>
<tr>
<td>State Withhold Tax</td>
<td>2,501</td>
</tr>
<tr>
<td>Colonial Life Insurance</td>
<td>197</td>
</tr>
<tr>
<td>Capital One Credit Card</td>
<td>953</td>
</tr>
<tr>
<td>Total accounts liabilities</td>
<td>$ 33,043</td>
</tr>
</tbody>
</table>
Note 7 – Non-Current Liabilities

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 2018:

<table>
<thead>
<tr>
<th></th>
<th>Beginning Balance</th>
<th>Net Change</th>
<th>Ending Balance</th>
<th>Due within One Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensated Absences</td>
<td>$115,732</td>
<td>-</td>
<td>$115,732</td>
<td>$20,923</td>
</tr>
<tr>
<td>Net Pension Liability</td>
<td>4,930,146</td>
<td>(1,173,311)</td>
<td>3,756,835</td>
<td></td>
</tr>
<tr>
<td>OPEB Payable</td>
<td>6,236,036</td>
<td>(262,689)</td>
<td>5,973,347</td>
<td></td>
</tr>
<tr>
<td>Total Long-term Liabilities</td>
<td>$11,281,914</td>
<td>$(1,436,000)</td>
<td>$9,845,914</td>
<td>$20,923</td>
</tr>
</tbody>
</table>

Note 8 – Defined Benefit Pension Plan

Plan Description

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

Benefits Provided

LASERS provides retirement, deferred retirement option (“DROP”), disability, and survivor’s benefits. The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Retirement Benefits

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

Average compensation is defined as the member’s average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to July 1, 2006. For members hired July 1, 2006 or later, average compensation is based on the member’s average annual earned compensation for
the highest 60 consecutive months of employment. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain specified dollar amount of actuarially determined monetary limits, which vary depending upon the member’s age at retirement. Judges, court officers, and certain elected officials receive an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their respective capacity. As an alternative to the basic retirement benefits, a member may elect to receive their retirement throughout their life, with certain benefits being paid to their designated beneficiary after their death.

Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with twelve years of creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member’s average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5% accrual rate, hazardous duty plan a 3.33% accrual rate, and judges a 3.5% accrual rate. The extra 1.0% accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, House clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011, was eliminated by Act 992. Specialty plan and regular members hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan.

Act 226 of the 2014 Louisiana Regular Legislative Session established new retirement eligibility for members of LASERS hired on or after July 1, 2015, excluding hazardous duty plan members. Regular members and judges under the new plan are eligible to retire at age 62 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service.

Average compensation will be based on the member’s average annual earned compensation for the highest 60 consecutive months of employment. Members in the regular plan will receive a 2.5% accrual rate, and judges a 3.5% accrual rate, with the extra 1.0% accrual rate based on all years of service as judge. Members of the Harbor Police Retirement System who were members prior to July 1, 2014, may retire after 25 years of creditable service at any age, 12 years of creditable service at age 45, 10 years of creditable service at age 45, 10 years of creditable service at age 45, 10 years of creditable service at age 45, 10 years of creditable service at age 45. Average compensation for the plan is the member’s average annual earned compensation for the highest 36 consecutive months of employment, with a 3.33% accrual rate.

A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement for benefits varies depending upon the member’s employer and service classification.
1. Deferred Retirement Benefits

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

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

For members who are in the Harbor Police Plan, the annual DROP Interest Rate is the three-year average (calculated as the compound average of 36 months) investment return of the plan assets for determined is to be reduced by a “contingency” adjustment of 0.5%, but not to below zero. DROP interest is forfeited if member does not cease employment after DROP participation.

2. Disability Benefits

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

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

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

Members of the Harbor Police Retirement System who become disabled may receive a non-line of duty disability benefit after 5 years or more of credited service. Members age 55 or older may receive a disability benefit equivalent to the regular retirement benefit. Under age 55, the disability benefit is equal to 40% of final average compensation. Line of duty disability benefits are equal to 60% of final average compensation, regardless of years of credited service. If the disability benefit retiree is permanently confined to a wheelchair, or, is an amputee incapable of serving as a law enforcement
officer, or the benefit is permanently legally binding, there is no reduction to the benefit if the retiree becomes gainfully employed.

3. Survivor’s Benefits

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

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

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

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

At June 30, 2018, the Employer reported a liability of $3,756,835 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2017 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Agency’s proportion of the Net Pension Liability was based on a projection of the Agency’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the Agency’s proportion was .05337% which was a decrease of .00941% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the Agency recognized pension expense of $369,192 plus employer’s amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, $242,907.

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


### Deferred Outflows of Resources vs. Deferred Inflows of Resources

<table>
<thead>
<tr>
<th></th>
<th>Deferred Outflows of Resources</th>
<th>Deferred Inflows of Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Changes in Assumptions</td>
<td>$14,842</td>
<td>$0</td>
</tr>
<tr>
<td>Net Difference Between Projected and Actual Earnings on Pension Plan Investments</td>
<td>122,165</td>
<td>-</td>
</tr>
<tr>
<td>Differences Between Expected and Actual Experience</td>
<td>-</td>
<td>68,933</td>
</tr>
<tr>
<td>Changes in proportion and differences between Employer contributions and Proportionate share of contributions</td>
<td>-</td>
<td>1,237,386</td>
</tr>
<tr>
<td>Employer Contribution Subsequent to the Measurement Date</td>
<td>369,192</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$506,199</strong></td>
<td><strong>$1,306,319</strong></td>
</tr>
</tbody>
</table>

$369,192 reported as deferred outflows of resources related to pensions resulting from Agency contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year Ending June 30:**

- 2018: $94,464
- 2019: 109,903
- 2020: 238,120
- 2021: (75,634)

**Total**: $430,927

### Actuarial Assumptions

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

<table>
<thead>
<tr>
<th>Valuation Date</th>
<th>June 30, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actuarial Cost Method</td>
<td>Entry Age Normal</td>
</tr>
<tr>
<td>Actuarial Assumptions: Expected Remaining Service Lives</td>
<td>3 Years</td>
</tr>
<tr>
<td>Investment Rate of Return</td>
<td>7.70% per annum</td>
</tr>
<tr>
<td>Inflation Rate</td>
<td>3.00% per annum</td>
</tr>
</tbody>
</table>

**Mortality**

- Non-disabled members - Mortality rates based on the RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015.
**RED RIVER, ATCHAFAYALA AND BAYOU BOEUF LEVEE DISTRICT**

Notes to Financial statement  
As of and for the year ended June 30, 2018

**Disabled members** – Mortality rates based on the RP - 2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.

**Termination, Disability, and Retirement**  
Termination, disability and retirement assumptions were projected based on a five-year (2009-2013) experience study of the system’s members.

**Salary Increases**  
Salary increase were projected based on a 2009-2013 experience study of the System’s members. The salary increase ranges for specific types of members are:

<table>
<thead>
<tr>
<th>Members Type</th>
<th>Lower Range</th>
<th>Upper Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular</td>
<td>3.8%</td>
<td>12.8%</td>
</tr>
<tr>
<td>Judges</td>
<td>2.8%</td>
<td>5.3%</td>
</tr>
<tr>
<td>Corrections</td>
<td>3.4%</td>
<td>14.3%</td>
</tr>
<tr>
<td>Hazardous Duty</td>
<td>3.4%</td>
<td>14.3%</td>
</tr>
<tr>
<td>Wildlife</td>
<td>3.4%</td>
<td>14.3%</td>
</tr>
</tbody>
</table>

**Cost of living Adjustments**  
The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increase not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period beginning July 1, 2008 and ending June 30, 2013.

The long-term expected rate of return on pension plan investment was determine using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long- term expected rate return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 3.25% and an adjustment for the effect or rebalancing/ diversification. The resulting expected long-term rate of return is 8.69% for 2017. Best estimates of geometric real rates of return for each major asset expected included in the pension plan’s target asset allocation as of June 30, 2017 are summarized in the following table:
Notes to Financial statement  
As of and for the year ended June 30, 2018

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

Discount Rate

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

Sensitivity of the Employer’s Proportionate share of the Net Pension Liability to changes in the Discount Rate

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

Pension Plan Fiduciary Net Position


Payables to the Pension Plan

Employer's proportionate share

<table>
<thead>
<tr>
<th>Current Discount Rate</th>
<th>1.0% Decrease</th>
<th>1.0% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>$4,716,280</td>
<td>$3,756,835</td>
<td>$2,941,079</td>
</tr>
</tbody>
</table>
As of June 30, 2018, the district reported a payable of $0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2018.

Note 9 – Employee Benefits – Other Postemployment Benefits (OPEB)

GASB statement 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans addresses accounting and financial reporting for OPEB trust and agency funds of the employer. GASB Statement 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions establishes standards of accounting and financial reporting for OPEB expense/expenditures and related OPEB liabilities or OPEB assets, note disclosures, and required supplementary information (RSI) in the financial reports of governmental employers.

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

Plan Description and Benefits Provided

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

There are no assets accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement 75. Effective July 1, 2008, an OPEB trust fund was statutorily established; however, this plan is not administered as a trust and no plan assets have been accumulated as of June 30, 2018. The plan is funded on a “pay-as-you-go” basis under which the contributions to the plan are generally made at about the same time and in about the same amount as benefit payment become due.

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

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

<table>
<thead>
<tr>
<th>OGB Participation</th>
<th>Employer Share</th>
<th>Retiree Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 10 years</td>
<td>19%</td>
<td>81%</td>
</tr>
<tr>
<td>10-14 years</td>
<td>38%</td>
<td>62%</td>
</tr>
<tr>
<td>15-19 years</td>
<td>56%</td>
<td>44%</td>
</tr>
<tr>
<td>20+ years</td>
<td>75%</td>
<td>25%</td>
</tr>
</tbody>
</table>

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

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

At June 30, 2018, the District reported a liability of $5,973,347 for its proportionate share of the total collective OPEB liability. The total collective OPEB liability was measured as of July 1, 2017 and was determined by an actuarial valuation as of that date. The District’s proportionate share of the restated total collective OPEB liability at June 30, 2017, totaling $6,236,036 was determined using a roll back of the same valuation to July 1, 2016, using the discount rate applicable on that date, and assuming no experience gains or losses.

The District’s proportionate share percentage is based on the employer’s individual OPEB actuarial accrued liability in relation to the total OPEB actuarial accrued liability for all participating entities included in the State of Louisiana reporting entity. At June 30, 2017, the District’s proportion was 0.0687%. Because the beginning balance was restated using a rollback of the July 1, 2017, valuation assuming no experience gains or losses, there is no change to the proportion since the prior measurement date.

The total collective OPEB liability in the July 1, 2017, actuarial valuation was determined using the following actuarial methods, assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

- **Actuarial Cost Method** – Entry Age Normal, level percentage of pay
- **Estimated Remaining Service Lives** – 4.48
- **Inflation rate** – Consumer Price Index (CPI) 2.8%
- **Salary increase rate** – 3.13% based on June 30, 2017 Standard & Poor’s 20-year municipal bond index rate
- **Mortality rates** – based on the RP-2014 Combined Healthy Mortality Table, or RP-2014 Disabled Retiree Mortality Table; both tables projected on a fully generational basis by Mortality Improvement Scale MP-2017.
Healthcare cost trend rates – 7% for pre-Medicare eligible employees grading down by .25% each year, beginning in 2020-2021, to an ultimate rate of 4.5% in 2029; 5.5% for post-Medicare eligible employees grading down by .25% each year, beginning in 2020-2021, to an ultimate rate of 4.5% in 2023-2024 and thereafter; the initial trend was developed using the National Health Care Trend Survey; the ultimate trend was developed using a building block approach which considers Consumer Price Index, Gross Domestic Product, and technology growth.

Changes of assumptions and other inputs reflects a change in the discount rate from 2.71% as of July 1, 2016, to 3.13% as of July 1, 2017.

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

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

<table>
<thead>
<tr>
<th>Proportionate Share of Total Collective OPEB Liability</th>
<th>Current Discount Rate (3.13%)</th>
<th>1.0% Decrease (2.13%)</th>
<th>1.0% Increase (4.13%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$7,013,911</td>
<td>$5,973,347</td>
<td>$5,512,454</td>
<td></td>
</tr>
</tbody>
</table>

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

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

<table>
<thead>
<tr>
<th>Proportionate Share of Total Collective OPEB Liability</th>
<th>Current Healthcare Cost Trend Rates (7.00% decreasing to 5.50%)</th>
<th>1.0% Decrease (6.00% decreasing to 4.50%)</th>
<th>1.0% Increase (8.00% decreasing to 6.50%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$5,148,419</td>
<td>$5,973,347</td>
<td>$7,030,269</td>
<td></td>
</tr>
</tbody>
</table>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Relate to OPEB
For the year ended June 30, 2018, the District recognized OPEB expense of $168,716. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<table>
<thead>
<tr>
<th>Deferred Outflows of Resources</th>
<th>Deferred Inflows of Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Changes of assumptions or other inputs</td>
<td>$ 315,655</td>
</tr>
<tr>
<td>Differences between benefit payments and proportionate share of benefit payments</td>
<td>35,338</td>
</tr>
<tr>
<td>Changes in proportion and differences between Employer contributions and Proportionate share of contributions</td>
<td>-</td>
</tr>
<tr>
<td>Amounts paid by the employer for OPEB after the measurement date</td>
<td>168,716</td>
</tr>
<tr>
<td>Total</td>
<td>$ 350,993</td>
</tr>
</tbody>
</table>

Deferred outflows of resources related to OPEB resulting from the District’s benefit payments subsequent to the measurement date of $168,716 will be recognized as a reduction of the total collective OPEB liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<table>
<thead>
<tr>
<th>Year Ended</th>
<th>Net Amount Recognized in OPEB Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$ (100,860)</td>
</tr>
<tr>
<td>2019</td>
<td>(100,860)</td>
</tr>
<tr>
<td>2020</td>
<td>(100,860)</td>
</tr>
<tr>
<td>2021</td>
<td>(48,413)</td>
</tr>
<tr>
<td>Total</td>
<td>$ (350,993)</td>
</tr>
</tbody>
</table>

### Payables to the OPEB Plan

As of June 30, 2018, the district reported a payable of $0 for the outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2018.

### Note 10 – Compensated Absences

At June 30, 2018, employees of the District had accumulated $115,732 in annual leave benefits which were computed in accordance with GASB Codification Section C60.
RED RIVER, ATCHAFAYALA AND BAYOU BOEUF LEVEE DISTRICT

Notes to Financial statement
As of and for the year ended June 30, 2018

Note 11 – Restatement of Beginning Net Position

The beginning net position as reflected on Statement of Activities has been restated to reflect the following adjustment:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Position as of June 30, 2017</td>
<td>$(2,900,805)</td>
</tr>
<tr>
<td>OPEB GASB 75 Adjustment</td>
<td>$(3,622,949)</td>
</tr>
<tr>
<td>Net Position at June 30, 2017 (Restated)</td>
<td>$(6,523,754)</td>
</tr>
</tbody>
</table>

The restatement decreased the District’s beginning net position by $3,622,949. The restatement was due to the implementation of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Had the standard been implemented in fiscal year 2017 and included in the June 30, 2017, Statement of Activities, the previously reported change in net position of $(2,900,805) would have been $(6,523,754).

Note 12 – Risk Management

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

Note 13 – Levee District Taxes

Article 6, Section 39 of the Louisiana Constitution of 1974 provides that, for the purpose of constructing and maintaining levees, levee drainage, flood protection, hurricane flood protection, and for all other purposes’ incidental thereto, the levee district may annually levy a tax not to exceed 3.90 mills. If the levee district needs to raise additional funds in excess of the amount collected constitutionally, the taxes in excess must be approved by the majority of the vote of the electors. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on January 1. The taxes are generally collected in December of the current year and January of the ensuing year. The current millage rate is 3.88 mills.
Required Supplemental Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2018

Revenues

<table>
<thead>
<tr>
<th></th>
<th>Budgeted</th>
<th></th>
<th></th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Original</td>
<td>Final</td>
<td>Actual</td>
<td>Favorable</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(Unfavorable)</td>
</tr>
<tr>
<td>Taxes</td>
<td>$2,575,000</td>
<td>$2,575,000</td>
<td>$2,719,629</td>
<td>$144,629</td>
</tr>
<tr>
<td>State revenue sharing</td>
<td>80,000</td>
<td>80,000</td>
<td>82,998</td>
<td>2,998</td>
</tr>
<tr>
<td>Fees &amp; self generated revenue</td>
<td>179,500</td>
<td>179,500</td>
<td>138,525</td>
<td>(40,975)</td>
</tr>
<tr>
<td>Interest</td>
<td>-</td>
<td>-</td>
<td>7,704</td>
<td>7,704</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>-</td>
<td>-</td>
<td>51,003</td>
<td>51,003</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>2,834,500</td>
<td>2,834,500</td>
<td>2,999,859</td>
<td>165,359</td>
</tr>
</tbody>
</table>

Expenditures

General government

<table>
<thead>
<tr>
<th></th>
<th>Budgeted</th>
<th></th>
<th></th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Original</td>
<td>Final</td>
<td>Actual</td>
<td>Favorable</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(Unfavorable)</td>
</tr>
<tr>
<td>Personal services</td>
<td>2,078,000</td>
<td>2,078,000</td>
<td>1,897,695</td>
<td>180,305</td>
</tr>
<tr>
<td>Travel</td>
<td>12,000</td>
<td>12,000</td>
<td>8,913</td>
<td>3,087</td>
</tr>
<tr>
<td>Operating services</td>
<td>527,900</td>
<td>527,900</td>
<td>565,340</td>
<td>(37,440)</td>
</tr>
<tr>
<td>Professional services</td>
<td>57,000</td>
<td>57,000</td>
<td>35,200</td>
<td>21,800</td>
</tr>
<tr>
<td>Depreciation/Amortization</td>
<td>159,600</td>
<td>159,600</td>
<td>135,907</td>
<td>23,693</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>2,834,500</td>
<td>2,834,500</td>
<td>2,643,055</td>
<td>191,445</td>
</tr>
</tbody>
</table>

Excess of Revenues Over Expenditures

<table>
<thead>
<tr>
<th></th>
<th>Budgeted</th>
<th></th>
<th></th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Original</td>
<td>Final</td>
<td>Actual</td>
<td>Favorable</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(Unfavorable)</td>
</tr>
<tr>
<td>Fund balance, ending</td>
<td>3,268,325</td>
<td>3,268,325</td>
<td>3,268,325</td>
<td>3,268,325</td>
</tr>
</tbody>
</table>

The Board of Commissioners is presented with the operating budget annually and votes on and adopts prior to the beginning of each fiscal year.
RED RIVER, ATCHAFAYALA AND BAYOU BOEUF LAEVEE DISTRICT

Schedule of Employer's Proportionate Share of Net Pension Liability
For the Year Ended June 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer's Proportion of the Net Pension Liability (Asset)</td>
<td>0.05337%</td>
<td>0.06278%</td>
</tr>
<tr>
<td>Employer's Proportionate Share of the Net Pension Liability</td>
<td>$ 3,756,835</td>
<td>$ 4,930,146</td>
</tr>
<tr>
<td>Employer's Covered-Employee Payroll</td>
<td>1,180,440</td>
<td>866,903</td>
</tr>
<tr>
<td>Employer's Proportionate share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll</td>
<td>318%</td>
<td>569%</td>
</tr>
<tr>
<td>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</td>
<td>62.5%</td>
<td>57.7%</td>
</tr>
</tbody>
</table>

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.
The amounts presented have a measurement date of the previous fiscal year end.
### Schedule of Employer's Proportionate Share of the Total Collective OPEB Liability

For the Year Ended June 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer's Proportion of the total</td>
<td>0.03130%</td>
<td>0.02710%</td>
</tr>
<tr>
<td>collective OPEB liability</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employer's Proportion share of the</td>
<td>$5,973,347</td>
<td>$6,236,036</td>
</tr>
<tr>
<td>total collective OPEB liability</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employer's Covered-Employee Payroll</td>
<td>1,180,440</td>
<td>866,903</td>
</tr>
<tr>
<td>Employer's Proportionate share of</td>
<td></td>
<td></td>
</tr>
<tr>
<td>the total collective OPEB Liability</td>
<td></td>
<td></td>
</tr>
<tr>
<td>as a percentage of the</td>
<td>506%</td>
<td>719%</td>
</tr>
<tr>
<td>Covered-Employee Payroll</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

### Notes to Required Supplementary Information

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

**Change in assumptions -**
In the valuation for 2017, the discount rate increase from 2.71% to 3.13%

**Change in population -**
Change in the Board's census data including an increase of the number of participating employees at July 1, 2017, from 24 employees to 25 employees.
RED RIVER, ATCHAFAYALA AND BAYOU BOEUF LAEVEE DISTRICT

Schedule of Employer Contributions
For the Year Ended June 30, 2018

<table>
<thead>
<tr>
<th>Date</th>
<th>Contractually Required Contribution</th>
<th>Contributions in Relation to Contractually Required Contribution</th>
<th>Contribution Deficiency (Excess)</th>
<th>Employer's Covered Employee Payroll</th>
<th>Contributions as a % of Covered Employee Payroll</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$377,147</td>
<td>$320,606</td>
<td>$56,541</td>
<td>$1,003,463</td>
<td>31.95%</td>
</tr>
<tr>
<td>2017</td>
<td>422,597</td>
<td>422,361</td>
<td>236</td>
<td>1,180,440</td>
<td>35.78%</td>
</tr>
<tr>
<td>2016</td>
<td>322,488</td>
<td>322,488</td>
<td>0</td>
<td>866,903</td>
<td>37.20%</td>
</tr>
</tbody>
</table>

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

For reference only:
(1) Employer contribution rate multiplied by employer's covered employee payroll.
(2) Actual employer contributions remitted to LASERS.
(3) Employer covered employee payroll amount for the fiscal years presented

Notes to Required Supplementary Information
For the Year Ended June 30, 2018

Changes of Benefit Terms include:

a. A 1.5% COLA, effective July 1, 2016, provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative Session, and,

b. Added benefits for members of the Harbor Police Retirement System which was merged with LASERS effective July 1, 2015 by Act 648 of 2014

c. 2018 No change identified in the 2017 RSI template, GASB 68 Note B, LASERS CAFR Note A, & Actuarial Valuation. No additional disclosure required.

Changes of Assumptions Include:

There were several change in assumptions for the June 30, 2017 valuation. The Board adopted a plan to gradually reduced the discount rate from 7.75% to 7.50% in 0.50% annual increments, beginning July 1, 2017. Therefore, the discount rate was reduced from 7.75% to 7.70% for the June 30, 2017 valuation. A 7.65% discount rate was used to determine the projected contribution requirements for fiscal year 2018/2019. The Board reduced the inflation assumption from 3.0% to 2.75%, effective July 1, 2017. Since the inflation assumption is a component of the salary increase assumption, all salary increase assumptions decreased by .25% in addition, the projected contribution requirement for fiscal year 2018/2019 includes direct funding of administrative expenses, rather than a reduction in the assumed rate of return, per Act 94 of 2016.
Supplementary Information
## Schedule of Per Diem Paid to Board Commissioners

**June 30, 2018**

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andrew C. Leon</td>
<td>Commissioner</td>
<td>$2,619</td>
</tr>
<tr>
<td>Chris Roy, Jr</td>
<td>President</td>
<td>$12,000</td>
</tr>
<tr>
<td>Keith Lacombe</td>
<td>Commissioner</td>
<td>$2,619</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$17,238</strong></td>
</tr>
</tbody>
</table>
INTERNAL CONTROL, COMPLIANCE, AND OTHER MATTERS
INDEPENDENT AUDITORS’ REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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

We have audited, in accordance with the auditing standards generally accepted in the
United States of America and the standards applicable to financial audits contained in
Government Auditing Standards issued by the Comptroller General of the United States,
the financial statements of the Red River, Atchafalaya and Bayou Boeuf Levee District, a
component unit of the State of Louisiana, which comprise the statement of financial
position as of June 30, 2018, and the related statements of activities and cash flows for
the year then ended, and the related notes to the financial statements, and have issued our

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Red
River, Atchafalaya and Bayou Boeuf Levee District’s internal control over financial
reporting (internal control) to determine the audit procedures that are appropriate in the
circumstances for the purpose of expressing our opinion on the financial statements, but
not for the purpose of expressing an opinion on the effectiveness of the Red River,
Atchafalaya and Bayou Boeuf Levee District’s internal control. Accordingly, we do not
express an opinion on the effectiveness of the Red River, Atchafalaya and Bayou Boeuf
Levee District’s internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Red River, Atchafalaya and Bayou Boeuf Levee District’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and responses as item [2018-001].

Red River, Atchafalaya and Bayou Boeuf Levee District’s Response to Findings

Red River, Atchafalaya and Bayou Boeuf Levee District’s response to the findings identified in our audit is described in the accompanying schedule of findings and responses. Red River, Atchafalaya and Bayou Boeuf Levee District’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization’s internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the organization’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by Louisiana Legislative Auditor as a public document.

J. Walker & Company, APC
Lake Charles, Louisiana
September 7, 2018
RED RIVER, ATCHAFAYALA AND BAYOU BOEUF LEVEE DISTRICT

Schedule of Findings and Responses
For the Year Ended June 30, 2018

I. Summary of Auditors’ Results

a. Financial Statements

1. The independent auditors’ report expresses an unmodified opinion on the financial statements of River, Atchafalaya and Bayou Boeuf Levee District.

2. There were no control deficiencies disclosed during the audit of the financial statements and reported in the Independent Auditors’ Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.

3. There is one instance of noncompliance that is reported in the Independent Auditors’ Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.

b. Federal Awards

N/A

c. Management Letter

1. No management letter was issued in connection with the audit for the year ended June 30, 2018.
II. Summary of Audit Findings

2018-001 Noncompliance with Ethics Training Requirements

Fiscal year Finding Originated: 2017

Condition:

District was unable to provide documentation for one of the three board commissioners that the commissioner completed the annual requirement of one hour of ethics training required.

Criteria:

La. R.S. 42:1170(3)(a)(i). The statute requires that all public servants receive a minimum of one hour of education and training on the Code of Governmental Ethics during each year of public employment or term of office.

Cause:

Monitoring requirements of ethics training appear to have not been followed.

Effect:

The District management may be unable to detect compliance with ethics training guidelines and to take appropriate actions when necessary.

Recommendation:

Management should establish procedures to monitor ethics course training for all elected and appointed officials.

Management’s Response:

Management will ensure that all commissioners complete ethics as required by law.
III. INTERNAL CONTROL & COMPLIANCE FINDING

2017-001 Noncompliance with Ethics Training Requirements

Condition:

District was unable to provide documentation for one of the three board commissioners that the commissioner completed the annual requirement of one hour of ethics training required.

Corrective Action Plan:

Management should ensure that all commissioners complete the annual requirement of one hour of ethics training required.

Current Status:

Unresolved - See current year finding 2018-001.
Division of Administration Annual Financial Reporting
**STATEMENT OF NET POSITION**

**ASSETS**

**CURRENT ASSETS:**

<table>
<thead>
<tr>
<th>Asset Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>2,125,289.00</td>
</tr>
<tr>
<td>Restricted Cash and Cash Equivalents</td>
<td>0.00</td>
</tr>
<tr>
<td>Investments</td>
<td>1,560,953.00</td>
</tr>
<tr>
<td>Restricted Investments</td>
<td>0.00</td>
</tr>
<tr>
<td>Derivative Instruments</td>
<td>0.00</td>
</tr>
<tr>
<td>Receivables (Net)</td>
<td>26,546.00</td>
</tr>
<tr>
<td>Pledges Receivable (Net)</td>
<td>0.00</td>
</tr>
<tr>
<td>Leases Receivable (Net)</td>
<td>0.00</td>
</tr>
<tr>
<td>Amounts Due From Primary Government</td>
<td>0.00</td>
</tr>
<tr>
<td>Due From Federal Government</td>
<td>0.00</td>
</tr>
<tr>
<td>Inventories</td>
<td>0.00</td>
</tr>
<tr>
<td>Prepayments</td>
<td>0.00</td>
</tr>
<tr>
<td>Notes Receivable</td>
<td>0.00</td>
</tr>
<tr>
<td>Other Current Assets</td>
<td>0.00</td>
</tr>
</tbody>
</table>

**TOTAL CURRENT ASSETS** $3,712,788.00

**NONCURRENT ASSETS:**

<table>
<thead>
<tr>
<th>Asset Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted Assets:</td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>0.00</td>
</tr>
<tr>
<td>Investments</td>
<td>0.00</td>
</tr>
<tr>
<td>Receivables (Net)</td>
<td>0.00</td>
</tr>
<tr>
<td>Notes Receivable</td>
<td>0.00</td>
</tr>
<tr>
<td>Other</td>
<td>0.00</td>
</tr>
<tr>
<td>Investments</td>
<td>0.00</td>
</tr>
<tr>
<td>Receivables (Net)</td>
<td>0.00</td>
</tr>
<tr>
<td>Notes Receivable</td>
<td>0.00</td>
</tr>
<tr>
<td>Pledges Receivable (Net)</td>
<td>0.00</td>
</tr>
<tr>
<td>Leases Receivable (Net)</td>
<td>0.00</td>
</tr>
<tr>
<td>Capital Assets (Net of Depreciation &amp; Amortization)</td>
<td>412,005.00</td>
</tr>
<tr>
<td>Land</td>
<td>412,005.00</td>
</tr>
<tr>
<td>Buildings and Improvements</td>
<td>116,727.00</td>
</tr>
<tr>
<td>Machinery and Equipment</td>
<td>498,005.00</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>0.00</td>
</tr>
<tr>
<td>Intangible Assets</td>
<td>0.00</td>
</tr>
<tr>
<td>Construction in Progress</td>
<td>0.00</td>
</tr>
<tr>
<td>Other Noncurrent Assets</td>
<td>0.00</td>
</tr>
</tbody>
</table>

**TOTAL NONCURRENT ASSETS** $1,026,737.00

**TOTAL ASSETS** $4,739,525.00

**DEFERRED OUTFLOWS OF RESOURCES**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accumulated Decrease in Fair Value of Hedging Derivatives</td>
<td>0.00</td>
</tr>
<tr>
<td>Deferred Amounts on Debt Refunding</td>
<td>0.00</td>
</tr>
<tr>
<td>Adjustment of Capital Lease Obligations</td>
<td>0.00</td>
</tr>
<tr>
<td>Grants Paid Prior to Meeting Time Requirements</td>
<td>0.00</td>
</tr>
<tr>
<td>Intra-Entity Transfer of Future Revenues (Transferee)</td>
<td>0.00</td>
</tr>
<tr>
<td>Losses from Sale-Leaseback Transactions</td>
<td>0.00</td>
</tr>
<tr>
<td>Direct Loan Origination Cost for Mortgage Loans Held for Sale</td>
<td>0.00</td>
</tr>
<tr>
<td>Fees Paid to Permanent Investors Prior to Sale of Mortgage Loans</td>
<td>0.00</td>
</tr>
<tr>
<td>OPEB-Related Deferred Outflows of Resources</td>
<td>506,199.00</td>
</tr>
<tr>
<td>Pension-Related Deferred Outflows of Resources</td>
<td>168,716.00</td>
</tr>
</tbody>
</table>
### TOTAL DEFERRED OUTFLOWS OF RESOURCES
$674,915.00

### TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES
$5,414,440.00

### LIABILITIES

#### CURRENT LIABILITIES:
- **ACCOUNTS PAYABLE AND ACCRUALS**: 78,164.00
- **ACCURED INTEREST**: 0.00
- **DERIVATIVE INSTRUMENTS**: 0.00
- **AMOUNTS DUE TO PRIMARY GOVERNMENT**: 0.00
- **DUE TO FEDERAL GOVERNMENT**: 0.00
- **AMOUNTS HELD IN CUSTODY FOR OTHERS**: 0.00
- **UNEARNED REVENUES**: 0.00
- **OTHER CURRENT LIABILITIES**: 0.00

#### CURRENT PORTION OF LONG-TERM LIABILITIES:
- **CONTRACTS PAYABLE**: 0.00
- **COMPENSATED ABSENCES PAYABLE**: 20,923.00
- **CAPITAL LEASE OBLIGATIONS**: 0.00
- **ESTIMATED LIABILITY FOR CLAIMS**: 0.00
- **NOTES PAYABLE**: 0.00
- **BONDS PAYABLE**: 0.00
- **POLLUTION REMEDIATION OBLIGATIONS**: 0.00
- **OTHER LONG-TERM LIABILITIES**: 0.00

### TOTAL CURRENT LIABILITIES
$99,087.00

#### NONCURRENT PORTION OF LONG-TERM LIABILITIES:
- **CONTRACTS PAYABLE**: 0.00
- **COMPENSATED ABSENCES PAYABLE**: 94,809.00
- **CAPITAL LEASE OBLIGATIONS**: 0.00
- **ESTIMATED LIABILITY FOR CLAIMS**: 0.00
- **NOTES PAYABLE**: 0.00
- **BONDS PAYABLE**: 0.00
- **TOTAL OPEB LIABILITY**: 5,973,347.00
- **NET PENSION LIABILITY**: 3,756,835.00
- **POLLUTION REMEDIATION OBLIGATIONS**: 0.00
- **OTHER LONG-TERM LIABILITIES**: 0.00
- **UNEARNED REVENUE**: 0.00

### TOTAL LONG-TERM LIABILITIES
$9,824,991.00

### TOTAL LIABILITIES
$9,924,078.00

### DEFERRED INFLOWS OF RESOURCES
- **ACCUMULATED INCREASE IN FAIR VALUE OF HEDGING DERIVATIVES**: 0.00
- **DEFERRED AMOUNTS ON DEBT REFUNDING**: 0.00
- **ADJUSTMENT OF CAPITAL LEASE OBLIGATIONS**: 0.00
- **GRANTS RECEIVED PRIOR TO MEETING TIME REQUIREMENTS**: 0.00
- **SALES/INTRA-ENTITY TRANSFER OF FUTURE REVENUES (TRANSFEROR)**: 0.00
- **GAINS FROM SALE-LEASEBACK TRANSACTIONS**: 0.00
- **SPLIT INTEREST AGREEMENTS**: 0.00
- **POINTS RECEIVED ON LOAN ORIGINATION**: 0.00
- **LOAN ORIGINATION FEES RECEIVED FOR MORTGAGE LOANS HELD FOR SALE**: 0.00
- **OPEB-RELATED DEFERRED INFLOWS OF RESOURCES**: 350,993.00
- **PENSION-RELATED DEFERRED INFLOWS OF RESOURCES**: 1,306,319.00

### TOTAL DEFERRED INFLOWS OF RESOURCES
$1,657,312.00
ANNUAL FISCAL REPORT (AFR)
FOR 2018

AGENCY: 20-14-16 - Red River, Atchafalaya and Bayou Bouef Levee District
PREPARED BY: Jonald Walker III
PHONE NUMBER: 337-478-7902
EMAIL ADDRESS: jonald@jwalkerco.com
SUBMITTAL DATE: 11/09/2018 08:53 AM

NET POSITION:

<table>
<thead>
<tr>
<th>NET INVESTMENT IN CAPITAL ASSETS</th>
<th>1,026,737.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>RESTRICTED FOR:</td>
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</tr>
<tr>
<td>CAPITAL PROJECTS</td>
<td>0.00</td>
</tr>
<tr>
<td>DEBT SERVICE</td>
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<tr>
<td>NONEXPENDABLE</td>
<td>0.00</td>
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<tr>
<td>EXPENDABLE</td>
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<tr>
<td>OTHER PURPOSES</td>
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<tr>
<td>UNRESTRICTED</td>
<td>$(-7,193,687.00)</td>
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<tr>
<td>TOTAL NET POSITION</td>
<td>$(-6,166,950.00)</td>
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## Statement of Activities

### Program Revenues

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th>CHARGES FOR SERVICES</th>
<th>OPERATING GRANTS AND CONTRIBUTIONS</th>
<th>CAPITAL GRANTS AND CONTRIBUTIONS</th>
<th>NET (EXPENSE) REVENUE</th>
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<tbody>
<tr>
<td>2,643,055.00</td>
<td>138,525.00</td>
<td>82,998.00</td>
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### General Revenues

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<tr>
<th>DESCRIPTION</th>
<th>AMOUNT</th>
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<tr>
<td>Payments from Primary Government</td>
<td>2,778,336.00</td>
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<tr>
<td>Other</td>
<td>0.00</td>
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<tr>
<td>Additions to Permanent Endowments</td>
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</tr>
<tr>
<td><strong>Change in Net Position</strong></td>
<td><strong>$356,804.00</strong></td>
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<tr>
<td>Net Position - Beginning</td>
<td>$(1,036,087.00)</td>
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<tr>
<td>Net Position - Restatement</td>
<td>(5,487,667.00)</td>
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<tr>
<td>Net Position - Ending</td>
<td>$(6,166,950.00)</td>
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## DUES AND TRANSFERS

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<th>Account Type</th>
<th>Amount</th>
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<tr>
<td>Amounts due from Primary</td>
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<tr>
<td>Government</td>
<td>Intercompany (Fund)</td>
</tr>
<tr>
<td>Amount</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Account Type</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Amounts due to Primary</td>
<td></td>
</tr>
<tr>
<td>Government</td>
<td>Intercompany (Fund)</td>
</tr>
<tr>
<td>Amount</td>
<td></td>
</tr>
<tr>
<td>Series Issue</td>
<td>Date of Issue</td>
</tr>
<tr>
<td>--------------</td>
<td>---------------</td>
</tr>
<tr>
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</tr>
<tr>
<td>Totals</td>
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</tbody>
</table>

Series - Unamortized Premiums:

<table>
<thead>
<tr>
<th>Series Issue</th>
<th>Date of Issue</th>
<th>Principal Outstanding PFY</th>
<th>Issue (Redeemed)</th>
<th>Principal Outstanding CFY</th>
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</thead>
<tbody>
<tr>
<td></td>
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<td>0.00</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>Totals</td>
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<td>$0.00</td>
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</table>

Series - Unamortized Discounts:

<table>
<thead>
<tr>
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<th>Date of Issue</th>
<th>Principal Outstanding PFY</th>
<th>Issue (Redeemed)</th>
<th>Principal Outstanding CFY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td>0.00</td>
<td>0.00</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>Totals</td>
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<td>$0.00</td>
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### SCHEDULE OF BONDS PAYABLE AMORTIZATION

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<th>Fiscal Year Ending</th>
<th>Principal</th>
<th>Interest</th>
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<tr>
<td>2021</td>
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<tr>
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<td>0.00</td>
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<tr>
<td>2053</td>
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</tr>
</tbody>
</table>

**Premiums and Discounts** $0.00

**Total** $0.00 $0.00
Other Postemployment Benefits (OPEB)

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

Benefit payments made subsequent to the measurement date of the OGB Actuarial Valuation Report until the employer's fiscal year end. (Benefit payments are defined as the employer payments for retirees' health and life insurance premiums). For agencies with a 6/30 year end this covers the current fiscal year. For calendar year end agencies, it covers the period 6/30 to 12/31 for the current year being reported.

0.00

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

0.00
<table>
<thead>
<tr>
<th>Account Name/Description</th>
<th>Restatement Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEFERRED INFLOWS OF RESOURCES - OPEB-RELATED DEFERRED INFLOWS OF RESOURCES</td>
<td>(5,487,667.00)</td>
</tr>
<tr>
<td>Description: The restatement was due to the implementation of GASB NO. 75. To show the</td>
<td></td>
</tr>
<tr>
<td>correct beginning and ending net position for current year.</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$(5,487,667.00)</td>
</tr>
</tbody>
</table>
SUBMISSION

Before submitting, ensure that all data (statements, notes, schedules) have been entered for the agency.

Once submitted no changes can be made to any of the agency data for the specified year.

By clicking 'Submit' below you certify that the financial statements herewith given present fairly the financial position and the results of operations for the year ended in accordance with policies and practices established by the Division of Administration or in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board.

Reminder: You must send Louisiana Legislative Auditors an electronic copy of the AFR report in a pdf, tiff, or some other electronic format to the following e-mail address: LLAFileroom@lla.la.gov.