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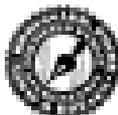
SABINE RIVER AUTHORITY
STATE OF LOUISIANA
FINANCIAL REPORT
JUNE 30, 2001

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

Release Date: 9-19-01

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INTERIM AUDITORS' REPORT

To the Board of Commissioners
Sabine River Authority,
State of Louisiana

We have audited the accompanying financial statements of Sabine River Authority, a component unit of the State of Louisiana, as of and for the year ended June 30, 1991, as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

Prior to July 1, 1994, the fixed assets of Sabine River Authority, State of Louisiana, were not reported in an enterprise fund. All opening balances of fixed assets could not be verified. See Note 4 for additional information.

In our opinion, except for my errors which might have been discovered had fixed assets been established and maintained prior to July 1, 1994, the financial statements referred to above present fairly, in all material respects, the financial position of Sabine River Authority, State of Louisiana, as of June 30, 1991, and the results of its operations and cash flows for the year then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental schedule listed in the table of contents is prepared for purposes of additional analysis and is not a required part of the financial statements of the Authority. Such information has been subjected to the auditing procedures applied in the audit of the financial statements, and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

The financial information for the 1996 fiscal year, which is included for comparative purposes, was taken from the financial report of Sabine River Authority, State of Louisiana, for that year in which we expressed a qualified opinion on the financial statements.

In accordance with Governmental Auditing Standards, we have also issued a report dated August 1, 1996, on our consideration of Sabine River Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations and contracts.

Ernst & Young, LLP

Lafayette, Louisiana
August 1, 1996

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**ORLINS RIVER AUTHORITY,
STATE OF LOUISIANA**

**BALANCE SHEET
(June 30, 2008) and 2007**

ASSETS	<u>2008</u>	<u>2007</u>
Current Assets:		
Cash and cash equivalents	\$ 3,395,848	\$ 3,000,576
Investments	2,282,323	3,488,028
Accounts receivable	874,893	660,780
Other current assets	<u>27,618</u>	<u>54,715</u>
TOTAL CURRENT ASSETS	<u>6,580,682</u>	<u>7,203,100</u>
Restricted Assets:		
Cash and cash equivalents	875,465	847,711
Investments	<u>242,327</u>	<u>812,389</u>
TOTAL RESTRICTED ASSETS	<u>1,117,792</u>	<u>1,660,100</u>
Property and Equipment:		
Land	5,227,495	5,227,495
Reservoirs and embankments	18,000,580	18,000,580
Dams and electric plant	17,000,850	17,000,382
Water and pumping plant	22,472,828	22,472,828
Recreation and conference center	12,000,000	12,000,000
Recreational site improvements	8,400,000	8,400,000
Buildings	2,204,128	2,200,344
Roads and parking lots	2,400,000	2,400,000
Yield positions	800,000	800,000
Gold reserves	5,000,000	5,000,000
Equipment	2,900,000	2,900,000
Construction in progress	1,700,000	1,770,000
Less accumulated depreciation	<u>(120,500,188)</u>	<u>(120,520,342)</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u>62,604,581</u>	<u>62,621,681</u>
TOTAL ASSETS	<u>\$ 70,293,055</u>	<u>\$ 71,484,881</u>

LIABILITIES AND EQUITY	2001	2000
Current liabilities:		
Current maturities of long-term debt	\$ 1,359,890	\$ 1,150,000
Accounts and retainage payable	369,370	669,574
Accrued expenses	122,540	162,385
Contract payable	548,846	448,898
Interest payable	139,593	166,049
Other current liabilities	<u>153,289</u>	<u>2,587</u>
TOTAL CURRENT LIABILITIES	<u>2,493,728</u>	<u>2,709,493</u>
Long-term liabilities:		
Contract payable	9,809,878	9,876,257
Trade payable	<u>18,415,898</u>	<u>21,625,880</u>
TOTAL LONG-TERM LIABILITIES	<u>28,225,776</u>	<u>31,492,137</u>
Other liabilities:		
Advance power payment	<u>18</u>	<u>261,658</u>
TOTAL LIABILITIES	<u>30,720,512</u>	<u>34,453,288</u>
Equity:		
Contributed capital	26,264,097	26,326,008
Retained earnings:		
Reserved for bond retirement and contingencies	1,709,662	1,800,000
Unreserved	<u>14,153,689</u>	<u>12,672,209</u>
TOTAL EQUITY	<u>42,127,458</u>	<u>40,808,217</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 72,847,970</u>	<u>\$ 75,261,505</u>

See Notes to Financial Statements.

HAIRIE KIRK AUTHORITY,
STATE OF MICHIGAN

STATEMENTS OF INCOME
Years Ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Operating Revenues:		
Power sales	\$ 3,210,438	\$ 3,088,420
Water sales	2,480,148	2,488,783
Park site rentals	329,028	342,450
Miscellaneous	853,188	538,391
TOTAL OPERATING REVENUES	<u>6,872,702</u>	<u>6,457,944</u>
Operating Expenses:		
Operating and maintenance	4,208,050	3,887,888
Depreciation	2,203,388	1,345,390
TOTAL OPERATING EXPENSES	<u>6,411,438</u>	<u>5,233,278</u>
OPERATING INCOME (LOSS)	<u>461,264</u>	<u>1,224,666</u>
Nonoperating Revenue (Expense):		
Interest income	621,378	728,780
Interest expense	(581,268)	(683,295)
Grant revenues	148,173	348,885
Other	8,642	349,470
Forgiveness of debt	343,658	341,658
NET NONOPERATING REVENUES	<u>339,583</u>	<u>345,498</u>
NET INCOME (LOSS)	<u>800,847</u>	<u>1,570,164</u>
Add depreciation and loss on assets contributed or funded by other funds that reduce contributed capital	<u>613,225</u>	<u>613,228</u>
INCREASE IN RETAINED EARNINGS	<u>1,414,072</u>	<u>2,183,392</u>
Retained earnings at beginning of year	<u>14,270,220</u>	<u>12,086,828</u>
Retained earnings at end of year	<u>\$ 15,684,292</u>	<u>\$ 14,270,220</u>

See Notes to Financial Statements.

JACKSON RIVER AUTHORITY,
STATE OF LOUISIANA

STATEMENTS OF CASH FLOWS
Years Ended June 30, 2001 and 2000

	2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 179,644	\$ 13,330,940
Adjustments to reconcile operating income (Loss) to net cash provided by (used in) operating activities:		
Depreciation	2,451,568	1,783,390
Other	(16,508)	149,843
Changes in assets and liabilities:		
Increase (Decrease) in assets -		
Accounts receivable	(33,000)	(121,260)
Other	27,390	588
Increase (Decrease) in liabilities:		
Accounts payable	(388,244)	(423,351)
ACCRUED EXPENSES	-	187,211
Interest payable	121,497	169,898
Other	185,829	(188,412)
Net cash provided by (used in) operating activities	\$ 1,764,813	\$15,037,117
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	(3,934,800)	(3,851,434)
Contribution to JRRF	-	121,255
Transfers from primary government	850,000	473,898
Principal paid on revenue bond maturities	(3,360,000)	(3,039,000)
Interest paid on revenue bonds	(561,204)	(553,215)
Net payments on contracts payable	(484,511)	(581,889)
Other	384,515	420,890
Net cash used in capital and related financing activities	\$ (3,827,000)	\$ (3,827,000)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of land	-	348,000
Net sales of investment securities	2,414,414	1,828,587
Interest on investments	513,379	726,799
Net cash provided by investing activities	\$ 2,927,793	\$ 2,903,386

Continued

BAYOU RIDGE AUTHORITY,
STATE OF LOUISIANA

STATEMENTS OF CASH FLOW (CONTINUED)
Years Ended June 30, 2021 and 2020

	2021	2020
Increase (decrease) in cash and cash equivalents	3,704,347	12,344,477
Cash and cash equivalents at beginning of year	6,456,285	6,421,810
Cash and cash equivalents at end of year	\$ 10,160,632	\$ 18,766,287
Cash and cash equivalents shown on balance sheet as:		
Current assets: Cash and cash equivalents	\$ 3,385,866	\$ 3,408,575
Restricted assets: Cash and cash equivalents	6,774,766	15,357,712
	\$ 10,160,632	\$ 18,766,287

See Notes to Financial Statements.

MISSISSIPPI RIVER AUTHORITY,
STATE OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

The financial statements of Sabine River Authority, State of Louisiana, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Authority's accounting policies are described below.

Reporting entity:

Sabine River Authority, a component unit of the State of Louisiana, was created under Article III, Chapter 3, of the Louisiana Revised Constitution of 1945, composed of R.S. 18:2020 through 18:2023. The Authority is charged with the development of the Sabine River Basin within the State of Louisiana. The Authority derives its revenues from the sale of hydroelectric power from the Toledo Bend Dam, water sales from the Toledo Bend Reservoir and Sabine River Diversion Canal, permit and recreation area fees and other miscellaneous revenues. At the 1981 Session of the Louisiana Legislature, Act 373 transferred the Authority to the Louisiana Department of Transportation and Development.

The Authority is an autonomous self-supporting governmental unit with an taxing power covering all or a portion of six parishes in the Sabine Basin and is administered by a thirteen member Board of Directors appointed by the Governor to four-year terms which are concurrent with the Governor.

Fund accounting:

In prior years, the Authority, for financial reporting purposes, consisted of a general fund, debt service fund and account groups. These funds and groups were designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

For the two-to fiscal year, the legislative auditor determined the Authority's accounting system should consist of an enterprise fund (proprietary fund type). This enterprise fund accounts for the acquisition, operation, and maintenance of Authority facilities and services. All enterprise funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned and their expenses are recognized when they are incurred.

NOTES TO FINANCIAL STATEMENTS

Proprietary funds are reported in accordance with GASB Statement No. 38, Accounting and Financial Reporting for Proprietary Funds and other Governmental Entities that use Proprietary Fund Accounting. This standard requires that all applicable GASB pronouncements, Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARL) issued on or before November 30, 1988 be applied to proprietary activities unless they (FASB Statements and Interpretations, APB Opinions, and ARL) conflict with or contradict GASB pronouncements.

GASB Statement No. 38 also states that for proprietary activities, management may elect to apply all FASB Statements and Interpretations issued after November 30, 1988, except for those that conflict with or contradict GASB pronouncements. Proprietary activities under the control of the Authority will not elect to apply FASB statements and Interpretations issued after November 30, 1988, unless they are adopted by GASB.

Compensated absences:

Classified employees of the Sabine River Authority accumulate annual and sick leave at various rates depending on their years of service. These employees may accumulate unlimited amounts of annual and sick leave. Upon termination or death, employees or their heirs are compensated for up to 380 hours of unused annual leave at the employee's hourly rate of pay. Upon retirement, unused annual leave in excess of 380 hours plus unused sick leave is used to compute retirement benefits.

Unpaid or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. In accordance with the provisions of Statement of Financial Accounting Standards No. 38, Accounting for Compensated Absences, (GASB Code Sec. 208) no liability is recorded for converting accumulating rights to receive sick pay benefits.

Cash and cash equivalents:

Cash and cash equivalents are short-term liquid investments that are readily convertible to known amounts of cash and so near maturity that there is no significant risk of changes in value due to changes in interest rates.

Investments:

Investments meeting the requirements of GASB Statement No. 31 are stated at fair value. Other investments are stated at cost and purchase premiums and discounts, if any, are amortized over the lives of the related investments on a straight-line basis.

NOTES TO FINANCIAL STATEMENTS

Accounts receivable:

The Authority considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operating expenses when that determination is made.

Property, plant and equipment:

Property, plant and equipment are stated at historical costs. Depreciation has been provided using the straight-line method at annual rates as follows:

Home and electric plants	3.00%
Water and pumping plant	3.00% - 5.00%
Buildings	3.00% - 5.00%
Equipment	4.00% - 20.00%
Roads and parking lots	3.33% - 5.00%
Ball courts	3.00%

Budgets and budgetary accounting:

The Authority prepares a budget for use in planning and controlling costs. The budget and any changes are approved by the Board of Commissioners.

Restricted assets:

The restricted assets consist of a bond reserve fund, bond operating reserve funds, and contingency and replacement reserve funds on revenue bonds that are specifically restricted by the Board of Commissioners. The bond operating reserve, and contingency and replacement reserve funds are segregated as required by the bond indenture.

Rates and regulations:

The Louisiana Public Service Commission (LPSC) has original jurisdiction over the electric rates charged by the Authority. In 1993, the LPSC granted a rate increase. The rate of 0.89 per kWh was for five years with an increase to 1.18 per kWh thereafter. The power companies affected by this increase have agreed to the rate increase. Water rates are established by the Authority's Board of Commissioners.

Reclassifications:

As of June 30, 2001, reclassifications were made in the presentation of the financial statements for the prior year. These changes in the presentation did not affect net income as previously reported.

NOTES TO FINANCIAL STATEMENTS

Note 2. Legal Compliance - Budgets

The Authority operates as an enterprise fund. Normally, enterprise funds are not subject to operating budgets. However, a modified annual main budget for Sabine River Authority Appropriations, a portion of the enterprise fund, is formally adopted by the State Legislature and the Governor prior to the beginning of the fiscal year. After its adoption, adjustments to the budget must be approved by the Joint Legislative Committee, a committee of the Louisiana Legislature; however, the Commissioner of Administration may approve them item by item within a budgetary unit subject to statutory limitations. Appropriations for operating expenditures lapse at fiscal year-end; capital appropriations lapse upon completion of the project, purchase of the capital item designated in the appropriation, or abandonment. Interim emergency appropriations may be granted by the Interim Emergency Board.

Note 3. Deposits and Investments

Deposits:

At year end, the carrying amount of the Authority's deposits was \$341,974 and the bank balance was \$429,256. Of the bank balance, \$393,148 was covered by Federal Depository Insurance. The remaining \$36,108 was covered by collateral held by a third party in the Authority's name.

Investments:

The monetary assets of the Authority are held in various forms and accounts. Investments are categorized below as an indicator of credit risk. Category 1 includes cash and investments that are insured by the FDIC or collateralized with securities held by the Authority or its agent and listing the Authority as owner. Category 2 includes cash and investments that are collateralized with securities held by the pledging financial institution's trust departments or its agent but listing the Authority as owner. Category 3 includes cash and investments that are either collateralized with securities not listing the Authority as owner or uncollateralized completely.

NOTES TO FINANCIAL STATEMENTS

	Categories		Carrying Amount	Fair Value
	1	2		
Money Market	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Investments not categorized:				
State			\$ 1,794,787	\$ 1,794,787
Treasury Bonds			2,828,308	2,828,308
			<u>\$ 4,823,102</u>	<u>\$ 4,823,102</u>

Note 4. Fixed Assets

Balance of fixed assets acquired through the Joint Operation between Sabine River Authority, State of Louisiana and Sabine River Authority of Texas in the amount of \$28,781,618 were obtained from audited financial statements. Balances from the capital project fund of \$28,881,500 as of June 30, 2001 were also audited. All other fixed asset balances were obtained from accounts that could not be audited. Unaudited fixed assets totaled \$14,148,038, net of accumulated depreciation of \$7,643,381. Fixed assets as of June 30, 2002 were as follows:

	Land	Reservoir and Water- ways	Dams and Electric Plant	Water and Pumping Plant	Improvements		All Others
					Improve- ments	Equipment	
Balance, June 30, 2000 composed of assets:							
Unaudited as of June 30, 2000	\$ -	\$ -	\$ -	\$ 22,288,802	\$ -	\$ -	\$ 65,713
Audited as of June 30, 2000	\$ 2,227,288	\$ 2,885,888	\$ 2,418,200	\$ 6,318	\$ 2,881,250	\$ 2,818,082	\$ 23,518,208
Balance, June 30, 2000	\$ 2,227,288	\$ 2,885,888	\$ 2,418,200	\$ 22,295,120	\$ 2,881,250	\$ 2,818,082	\$ 23,583,921
Additions	\$ 348	-	\$ 318,358	-	\$ 65,388	\$ 13,583	\$ 39,853
Deletions	-	-	-	-	\$ 25,181	\$ 25,181	-
Accumulated Depreciation	-	\$ 1,124,988	\$ 7,518,844	\$ 1,148,848	\$ 2,888,850	\$ 2,882,154	\$ 2,358,880
Contributions in progress							\$ 1,708,828
Balance, June 30, 2001	<u>\$ 2,227,636</u>	<u>\$ 1,760,900</u>	<u>\$ 1,699,352</u>	<u>\$ 21,146,372</u>	<u>\$ 2,946,438</u>	<u>\$ 2,931,236</u>	<u>\$ 25,690,629</u>

NOTES TO FINANCIAL STATEMENTS

Note 5. Construction in Progress

The Authority has constructed a golf course and convention center on Toledo Bend Lake. Total projected costs through Phase 2 of the Project are expected to be \$68,000,000. The State of Louisiana will provide funding of \$38,500,000 and private developers are expected to fund approximately \$29,500,000 of the projected cost of the Project. The remaining \$29,500,000 will be provided by a combination of funding from the State of Louisiana, private developers, and self-generated funds of the Authority. As of June 30, 2001, expenditures for the Project include land in the amount of \$80,814, fixed assets of \$25,517,828 and construction work in progress of \$3,948,259. Construction work in progress consists of work done in plant related to the conference center. Below are the changes in construction work in progress for the year ended June 30, 2001.

Balance, June 30, 2000	\$ 2,378,980
Current year disbursements	3,627,837
Construction completed and capitalized in the current year	<u> 133,271</u>
Balance, June 30, 2001	\$ <u>3,350,259</u>

Note 6. Long-Term Debt

Outstanding long-term debt of Redwood River Authority, State of Louisiana for the year ended June 30, 2001 consists of the following:

	Date of Issuance	Date of Maturity	Interest Rate	Original Amount
Hydroelectric Revenue Bonds:				
Series 1994	1994	2004	5.50% - 3.75%	\$ 15,000
Public Improvement Revenue Bonds:				
Series 1999	1999	2014	4.00%	\$ 38,000

NOTES TO FINANCIAL STATEMENTS

	Out-		Out-	
	standing 06/30/80 (1981)	Added	Retired	standing 06/30/81 (1982)
Hydroelectric Revenue Bonds:				
Series 1964	\$ 2,775	\$ -	\$ 455	\$ 2,320
Public Improvements Revenue Bonds:				
Series 1979	18,885	-	428	18,457
Total long-term debt	\$ 21,660	\$ -	\$ 883	\$ 20,777

The annual debt service requirements to maturity of all bonds outstanding at June 30, 1981 follows:

	Principal	Interest	Total
1982	\$ 1,218,000	\$ 323,280	\$ 1,541,280
1983	1,268,000	472,880	1,740,880
1984	1,318,000	481,360	1,799,360
1985	615,000	355,800	970,800
1986	445,000	347,280	792,280
1987 - 1995	5,508,000	1,941,200	7,449,200
	\$ 11,372,000	\$ 2,481,800	\$ 13,853,800

NOTE 9. State of Louisiana General Obligation Bonds

The State of Louisiana issued general obligation bonds to provide funds for the construction of a major capital facility, the Sabine River Diversion Canal.

By contract with the State Bond Commission dated September 4, 1975, the Department of Public Works agreed to service \$10,800,000 of State of Louisiana General Obligation Bonds through any excess revenues derived from the sale of water from the Diversion Canal with first call on revenues to pay for maintenance and operational costs. Subsequently, by act R.S. 28:2424 the operation of the Sabine River Diversion Canal System was transferred to the Sabine River Authority. Excess funds derived from the sale of water from the Sabine River Diversion Canal System must be used to retire \$10,800,000 of general obligation bonds.

The \$10,800,000 general obligation bonds are dated September 1, 1975 and sold as part of \$21,800,000 State of Louisiana General Obligation Bonds. Series 1975-B bears interest rates ranging from 8.25% to 8.50%. The bonds mature serially on September 1 of each year with interest payable semi-annually on March 1 and September 1 of each year commencing March 1, 1976.

NOTES TO FINANCIAL STATEMENTS

The total unamortized principal and interest at June 30, 2001 is \$8,918,724. The liability is included in the liability section of the balance sheet as contract payable.

Note 4. Advance Power Payments

Strategy 200, Inc., Strategy 10, Inc., Cloco Power, S.A.C., and the Authority have agreed that the payments made in advance of power production, and the accrued interest, shall be forgiven over the ten year period beginning April 1, 1993. Advance power payments forgiven was \$261,668 and interest forgiven was \$186,548 for the year ended June 30, 2001. The entire balance has been forgiven as of June 30, 2001.

Note 5. Revenues

Under the terms of the Indenture of Trust, revenue from power sales to electric companies is paid directly to the Trustee on the first day of each August, November, February and May. The money is administered by the Trustee as follows:

From the power payments received in February and August, the Trustee deposits into the Bond Fund an amount sufficient for payment of the principal and interest due on the next succeeding interest payment date. The Bond Fund is used solely for the purpose of paying the principal and interest on the bonds as each payment becomes due.

The power payments received in May and November are deposited in the Revenue Fund. The money in the Revenue Fund is applied to any deficiencies existing in the Bond Fund, Operating Reserve Fund, and the Contingency and Replacement Reserve Fund, in that order. The Operating Reserve Fund is to be maintained at \$10,000, to be used to prevent a pending or threatened default in the payment of bonds or the related interest coupons. The Contingency and Reserve Replacement Fund was established with an initial deposit of \$245,000 by the Trustee, with a provision for an additional deposit not to exceed \$100,000. Under the terms of the power agreement, the total of \$345,000 represents the Authority's one-half of the aggregate amount to be held in the Contingency and Reserve Replacement Fund to be used for extraordinary repairs and replacements of the Project as outlined in the power sales agreement.

NOTES TO FINANCIAL STATEMENTS

After all deficiencies have been remedied and the required payments made, all money remaining in the Revenue Fund on or after each March 1 and September 1 are to be applied by the Trustee, at the request of the Authority, for any one or more of the following purposes, at the discretion of the Authority with such priority as the Authority may determine:

- (1) Accelerated payments to the Companies to repay advance payments for power.
- (2) The retirement of bonds in advance of maturity.
- (3) The payment of principal and interest, or both, on any subordinate bonds which may have been issued by the Authority.
- (4) The accumulation of money in the Operating Reserve Fund - Louisiana Account and the Contingency and Replacement Reserve Fund - Louisiana Account.
- (5) To the Authority for any other lawful purpose of the Authority.

In the absence of any such request of the Authority to the Trustee with respect to such remaining money, the money shall remain in the Revenue Fund.

NOTE 18. PAY DUES PAID COMMISSION MEMBERS

The Authority is comprised of thirteen members who are appointed by the Governor. Pay dues payments to members for the year ended June 30, 2003 were as follows:

William B. Siegler	\$ -
Daniel Vogel	3,750
John A. DeBarge, Sr.	750
Hubert McPherson	300
Douglas Edwards	3,000
Joseph Williams	800
Thomas Nash	5,100
Johnny Temple	450
Carlton Gibson	800
Norman Fournell	3,300
Richard Proulx	-
Ray Fykes, Jr.	500
Stanley Vidrine	1,800
	<u>\$ 19,150</u>

NOTES TO FINANCIAL STATEMENTS

Note 12. Employee Retirement System

Plan Description

Substantially all employees of Sabine River Authority, State of Louisiana participate in the Louisiana State Employee's Retirement System (LSERSRS), a multiple-employer, cost-sharing pension plan established by the Louisiana Legislature. All employees who work at least 30 hours a week and are under 60 years of age are members of the plan. Members of the plan may retire with thirty years of creditable service regardless of age, with twenty-five years of service at age 55, and with ten years of service at age 60. The retirement allowance is equal to 3.5% of the member's average annual earned compensation for the thirty-six highest months of successive employment multiplied by his years of creditable service plus three, with certain provisions made for those employees who were members of the supplemental pay plan prior to the revision date. Their retirement allowance may not exceed the greater of 10% of a member's final salary or compensation. The System also provides disability and survivor benefits. Benefits are established by State statute. LSERSRS issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to Louisiana State Employees' Retirement System, P.O. Box 4411, Baton Rouge, Louisiana 70803.

Funding Policy

Plan members are required to contribute 7.5% of their earnings to the plan and the Authority is required to contribute at an actuarially determined rate. The Authority contributed 10.5% of the employees' annual covered payroll through June 30, 1990. Beginning July 1, 1990, the contribution rate increased to 11.0%. The contribution requirements of plan members and the Authority are established by statute. The Authority's contribution to LSERSRS for the years ended June 30, 1991, 1990, and 1989 were \$177,882, \$179,650, and \$207,047, respectively, equal to the required contributions.

Note 13. Post-Retirement Health Care and Life Insurance Benefits

The State of Louisiana provides certain continuing health care and life insurance benefits for Sabine River Authority's retired employees. Substantially all of the Authority's employees become eligible for these benefits if they reach normal retirement age while working for the Authority. These benefits for retirees are provided through Group Benefits whose monthly premiums are paid jointly by the employee and the State. The cost of providing these benefits is reflected as an expenditure in the year it is paid. For the year ended June 30, 1991, there were seventeen retirees and the costs of their benefits totaled \$97,104.

NOTES TO FINANCIAL STATEMENTS

Note 10. Litigation

The Authority is subject to various claims and lawsuits which may arise in the ordinary course of business. After consulting with counsel representing the Authority in connection with such claims and lawsuits, it is the opinion of management and counsel that the disposition or ultimate determination of such claims and lawsuits will not have a material effect on the financial position of the Authority.

Note 11. Contingent Liability

Public Law 94-571 directed the Federal Energy Regulatory Commission (FERC) to waive annual administration charges for the use of United States lands during the remaining term of the license to operate the Toledo Bend Joint Project (Project). The license expires fifty years from October 1, 1943. The waiver is contingent upon FERC determining that the power from the Project is sold to the public without profit. All exceptions applied for through June 30, 1981 have been approved.

Note 12. Bond Indenture

The Sabine River Authority has been authorized and empowered to issue water facility revenue bonds in the aggregate principal amount of \$13,000,000. The bonds, including interest thereon, are not general obligations of Sabine River Authority but are limited obligations payable solely from the bond service fees provided by a private corporation and shall be a valid claim of the registered holders only against the Bond Fund and other monies held by the trustee under the bond indenture and the bond service fees derived. The bonds and the attached coupons shall not constitute an indebtedness of Sabine River Authority, the State, or any political subdivision of the State within the meaning of any constitutional or statutory provisions.

Note 13. Related Transactions

Based on an agreement with Energy ONE, Inc., Energy 2a, Inc., and Clinch Power, L.L.C. (See Note 8), debt of the Authority in the amount of \$41,558 was forgiven.

INDEX TO FINANCIAL STATEMENTS

Note 13. Lease of Recreational Facility

The Authority leased property and facilities, including the conference center, golf course, club house, such storage building, service center buildings, parking complex at parksite 13, restaurants, stores, tennis courts, activity center, pool and other commercial property, if and when constructed on the leased property for 75 years beginning on May 1, 2000 to M&M Properties No. Five, Inc. M&M will pay rent to the Authority as follows:

Opening date through December 31, 2001 - 1% of annual gross revenue.

Calendar year 2002 through 2004 - 1.5% of annual gross revenue.

Calendar year 2005 and thereafter - 2.0% of annual gross revenue up to \$5,000,000, 4.0% of annual gross revenue between \$5,000,000 and \$6,000,000, 5.0% of annual gross revenue between \$6,000,000 and \$7,000,000, 6.0% of annual gross revenue between \$7,000,000 and \$8,000,000, 7.0% of annual gross revenue between \$8,000,000 and \$9,000,000, 8.5% of annual gross revenue between \$9,000,000 and \$10,000,000, and 9.0% of annual gross revenue over \$10,000,000.

AAA has entered into an assignment and subordination Agreement (the "Agreement") with Sabine State Bank a Trust Company ("Bank"). It provides for M&M to subordinate any and all liens, privileges, pledges or other rights granted to M&M by Louisiana Civil Code Article 2785, et seq., or Louisiana Civil Code Article 3328, et. seq., with respect to all of M&M's inventory, goods, equipment, and other movable property ("Collateral") situated on property M&M leased to AAA to the rights of Bank. M&M also agreed that in the event of any foreclosure, sale or other disposition of any of the collateral, the rights of Bank in said Collateral shall in all respects prime those of M&M and Bank shall be paid by preference and priority to and over any claim of M&M.

Note 14. Public Improvement Revenue Bonds - Series 1999

The Authority issued revenue bonds in the principal amount of \$10,000,000 dated March 1, 1999, for the purpose of paying all or a portion of the costs of (i) acquiring, constructing and improving the public parks and recreational facilities of the AAA, (ii) completing the construction of a continuing education conference center and related facilities at Cypress Bend, including the infrastructure necessary and related recreation facilities in connection therewith, (iii) funding studies for providing water and sewerage to the developing areas of the AAA, (iv) funding fishery improvements if determined feasible, (v) funding studies, planning and land acquisition, if feasible, for a golf resort adjacent to South Toledo State Park, (vi) acquiring the necessary land, equipment and furnishings required in connection with making the improvements heretofore described, (vii) funding a reserve for the security and payment of the Bonds, and (viii) paying the costs

NOTES TO FINANCIAL STATEMENTS

incurred in connection with the issuance of the bonds. Unexpended proceeds from the issue, in the amount of \$1,281,813 and \$781,877, are included in cash and investments, and restricted cash and investments, respectively, as of June 30, 2007.

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Loren K. Baker, CPA 1984
James H. Boyce, CPA 1987
Fiona B. Rubin, CPA 1988
George A. Latta, CPA 1991
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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Commissioners
Sabine River Authority
State of Louisiana

We have audited the financial statements of Sabine River Authority, a component unit of the State of Louisiana, as of and for the year ended June 30, 1991, and have issued our report thereon dated August 3, 1991. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts 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 no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operations that we consider to be reportable conditions. Reportable conditions involve matters

coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Authority's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable conditions are described in the accompanying schedule of findings and questioned costs as items #1-1 and #1-2.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in accounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable conditions described above are not material weaknesses.

This report is intended for the information of management. However, this report in a matter of public record and its distribution is not limited.

Bourgeois, Potho, Lewis & Brummett LLP

Lafayette, Louisiana
August 1, 2011

MAKINE RIVER AUTHORITY,
STATE OF LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2001

We have audited the financial statements of Makine River Authority, State of Louisiana, as of and for the year ended June 30, 2001, and have issued our report thereon dated August 1, 2001. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2001 resulted in a qualified opinion.

Section I - Summary of Auditor's Reports

A. Report on Internal Control and Compliance Material to the Financial Statements

1. Internal Control

Material Weaknesses ___ Yes X No
Reportable Conditions X Yes ___ No

Compliance

Compliance Material to Financial Statements ___ Yes X No

2. Federal Awards

Internal Control

Material Weaknesses ___ Yes X No
Reportable Conditions ___ Yes X No

Section II - Financial Statement Findings

21-1 MA Properties No. Five, Inc. (MARF1) 10000

Finding: The lease agreement requires certain reports and actions that had not been complied with. The following are the applicable articles:

1. Article 4.2 provides that rent shall be paid monthly in arrears. The rent for the months of August, October, November, and December 2000, and June 2001 were not received by the end of the month following the rent period. All rent, except for June 20, 2001 in the amount of \$3,518.43, was collected by July 31, 2001.
2. Article 10.1.4 requires MA to furnish evidence of workman's compensation insurance coverage. A policy has not been forwarded to IRS.

Recommendation: We recommend that IRS require MA Properties No. Five, Inc. to comply with the lease agreement.

45-3 Final Replenished, Rejected, SBA and SMI Proposals Re. Fines, Inc.

Finding: AHS has not reimbursed SBA for the balance of the pre-shop and 1000 inventory of \$61,181 transferred to AHS on April 11, 1990.

Recommendation: We recommend that SBA require AHS Proposals Re. Fines, Inc. to reimburse SBA for the inventory received through the final accounting.

Section III - Federal Award Findings and Questioned Costs

There are no SBAII findings related to major Federal award programs for the year ended June 30, 2001.

MISSISSIPPI RIVER AUTHORITY
STATE OF MISSISSIPPI

SCHEDULE OF PRIOR YEAR FINDINGS
Year Ended June 30, 2001

- Section I. Internal Control and Compliance Material to the Financial Statements
- 2000 Finding No. 00-1 A&A Properties No. Five, Inc. Lease
- Recommendation: A&A Properties No. Five, Inc. comply with the original lease dated February 3, 1997.
- Current status: The finding is unresolved and is included in the audit report for the year ended June 30, 2000 and is described in finding 000-1.
- 2000 Finding No. 00-2 Payroll Allocation
- Recommendation: Proper authorization for allocations be obtained.
- Current status: Authorization was obtained.
- 2000 Finding No. 00-3 Operation of Golf Course
- Recommendation: The final accounting addresses the completion of the interim lease period.
- Current status: The completion of the interim lease period was addressed except for inventory and is described in finding 001-2.
- Section II. Internal Control and Compliance Material to Federal Awards
- Not applicable.
- Section III. Management Letter
- The prior year's report did not include a management letter.

SENATE STATE APPROPRIATE,
STATE OF MISSISSIPPI

COMPARISON OF REVENUES AND EXPENDITURES
AS APPROPRIATED BY STATE OF MISSISSIPPI -
BUDGET (NON-CAMP BUDGET) AND ACTUAL
Year ended June 30, 1951

With Comparative Actual Amounts for Year ended June 30, 1950

	1951			1950 Actual
	Budget	Actual	Variance - Favorable (Unfavorable)	
Revenues:				
Sale of water	\$1,512,000	\$1,506,948	\$5,052,000	\$1,503,036
Interest	-	18,000	18,000	22,000
Grants	-	-	-	20,000
Intergovernmental -				
Appropriation from Debt				
Service Funds	3,500,000	3,500,000	100,000	3,500,000
Total revenues	5,012,000	5,013,948	19,948	5,035,036
Expenditures:				
Current - general government -				
Salaries	1,700,000	1,853,000	153,000	1,800,400
Board compensation	10,000	20,000	10,000	5,000
Employee benefits	200,000	272,000	72,000	227,000
Travel	20,000	17,000	3,000	20,000
Operating supplies	600,000	612,000	12,000	700,000
Supplies	600,000	600,000	0	600,000
Professional services	400,000	500,000	100,000	400,000
Other charges	600,000	600,000	0	550,000
Major repairs	1,000,000	80,000	920,000	500,000
Capital outlay	200,000	200,000	0	200,000
Insurance expense		8,000	8,000	20,000
Total expenditures	5,100,000	5,135,000	35,000	5,200,000
Excess (deficiency) of revenues over expenditures	\$82,000	\$78,948	\$53,948	\$35,036

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STATE OF LOUISIANA
Catahoula River Authority

Annual Financial Statement
For the Year Ended June 30, 2009

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Schedule Aa

STATE OF LOUISIANA
Annual Financial Statement
Fiscal Year Ending June 30, 2011
Bakine River Authority
(Agency Name)

Division of Administration
Office of Statewide Reporting
and Accounting Policy
P. O. Box 94088
Baton Rouge, Louisiana 70804-9088

Legislative Auditor
P. O. Box 94087
Baton Rouge, Louisiana 70804-9087

AFFIDAVIT

Personally came and appeared before the undersigned authority, Leola Curtis-Sparks
(Name) Executive Director (Title) of Bakine River Authority
(agency) who duly sworn, deposes and says, that the financial statement herewith given presents
truly the financial position of Bakine River Authority (agency) as
of June 30, 2011 and the results of operations for the year then 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.
Sworn and subscribed before me, this 20th day of August, 2011.

Leola Curtis-Sparks
Signature of Agency Official

Kerrie Ferguson
Notary Public

Prepared by: Kerrie Ferguson

Title: Accountant 3

Telephone No.: 318-556-4112

Date: August 20, 2011

STATE OF LOUISIANA

SABINE RIVER AUTHORITY
COMBINED BALANCE SHEET -- ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 2001

GOVERNMENTAL FUND TYPE

	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE
ASSETS AND OTHER DEBITS				
Cash and cash equivalents				
Investments				
Receivables				
Due from primary government				
Due from component units				
Due from other funds				
Due from federal government				
Notes receivable				
Prepayments				
Inventory				
Other assets				
Restricted assets:				
Cash				
Investments				
Receivables				
Direct financing lease payments receivable				
Property, plant, and equipment (net of accumulated depreciation)				
Other debts:				
Amount available for debt service				
Amount to be provided for retirement of general long-term debt				
Total assets and other debits				
LIABILITIES, EQUITY, AND OTHER CREDITS				
Liabilities:				
Accounts payable and accruals				
Bank fees and charges payable				
Compensated absences payable				
Due to primary government				
Due to component units				
Due to other funds				
Due to federal government				
Deferred revenues				
Amounts held in custody for others				
Liabilities payable from restricted assets				
Obligations under capital leases				
Fines payable				
Fines payable				
Unallocated liabilities for others				
Other liabilities:				
Total liabilities				

The accompanying notes are an integral part of this statement.

(continued)

Statement A

PROPRIETARY FUND TYPE		PROPRIETARY FUND TYPE		ACCOUNT GROUPS		TOTAL BALANCE/RESERVE (CASH)
EXPENSE	INTERNAL SERVICE	EXPENSEABLE TRUST	NON- EXPENSEABLE TRUST	GENERAL (FACILITIES)	GENERAL LONG TERM DEBT	
\$ 1,180,888						\$ 7,890,888
1,790,329						1,790,329
674,051						674,051
	27,939					27,939
	670,685					670,685
	733,277					733,277
	67,064,303					67,064,303
<u>\$ 33,663,200</u>						\$ 73,400,200
	181,258					181,258
	8,018,724					8,018,724
	61,625,000					11,825,000
	158,388					158,388
\$22,052,315						\$ 22,052,315

STATE OF LOUISIANA

SABINE RIVER AUTHORITY
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 2001

GOVERNMENTAL FUND TYPE

	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE
Equity and other credits:				
Investment in fixed assets				
Contributed capital				
Retained earnings:				
Retained				
Unreserved				
Fund balances:				
Reserved for debt service				
Reserved for inventories				
Reserved for pension benefits				
Reserved for encumbrances				
Reserved for construction				
Other reserves:				
Unassigned				
Equipment				
Undesignated (initial)				
Total equity and other credits				
Total liabilities, equity, other credits				

(Continued)

† See accompanying notes and an integral part of this statement.

Statement A

PROPRIETARY FUND TYPE		EDUCATION FUND TYPE		ACCOUNT GROUPS		TOTAL BALANCE/SALDAM (GR. 7)
ENTERPRISE	INTERNAL SERVICE	EXPENDABLE TRUST	NON- EXPENDABLE TRUST	GENERAL FUND ASSETS	GENERAL LONG TERM DEBT	
						830,704,087
						1,780,042
						832,484,129
						51,420,828
						51,420,828

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STATE OF LOUISIANA

SABINE RIVER AUTHORITY
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS

For the year ended June 30, 2001

	GOVERNMENTAL FUND TYPE				FIDUCIARY FUND TYPE EXPENDABLE FUNDS	TOTAL (All INFORMATION ONLY)
	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE		
REVENUES						
Intergovernmental revenues						
Taxes						
Use of money and property						
Licenses, permits, and fees						
Other						
Total revenues						
EXPENDITURES						
Current:						
General government						
Health and welfare						
Other						
Intergovernmental						
Capital outlay						
Political benefits						
Debt service:						
Principal retirement						
Interest and fiscal charges						
Total expenditures						
Excess (deficiency) of revenues over expenditures						
OTHER FINANCING SOURCES (USES):						
Payments to related local government						
Bond proceeds						
Operating transfers in - primary government						
Operating transfers out - primary government						
Operating transfers in - component units						
Operating transfers out - component units						
Operating transfers in - other funds						
Operating transfers out - other funds						
Other						
Total other financing sources (uses)						
Excess (deficiency) of revenues and other sources over expenditures and other uses						
Fund balances at beginning of year						
Increase (decrease) in excess to investment						
Fund balances at end of year						

The accompanying notes are an integral part of this statement.

Statement 8

NOT APPLICABLE

STATE OF LOUISIANA

SABINE RIVER AUTHORITY

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
For the year ended June 30, 2001**

	GENERAL FUND		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
Intergovernmental revenues			
Taxes			
Use of money and property			
Licenses, permits, and fees			
Other			
Total revenues			
EXPENDITURES			
•			
•			
•			
•			
•			
•			
•			
•			
Total expenditures			
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
OTHER FINANCING SOURCES (USES)			

Total other financing sources (uses)			
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES			
Fixed liabilities (debit) at beginning of year			
Adjustment			
Fixed liabilities (debit) at end of year			
The accompanying notes are an integral part of this statement.			
STATEMENT C			
NOT APPLICABLE			

* Categories expenditures according to Commission/Trustee's chart of accounts.

SPECIAL REVENUE FUNDS

BUDGET

ACTUAL

VARIANCE
FAVORABLE
(UNFAVORABLE)

STATE OF LOUISIANA

SABINE RIVER AUTHORITY

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
ALL PROPRIETARY AND NON-EXPENDABLE TRUST FUNDS

For the year ended June 30, 2007

	PROPRIETARY FUND TYPE		HEALTH CARE	TOTAL
	(HYDROLOGIC)	INTERNAL SERVICE	PROFESSOR FUND TYPE NON-EXPENDABLE TRUST	(BALANCE SHEET) (DOLLARS)
OPERATING REVENUES				
Intergovernmental revenues				
Fees				
Use of money and property				
(Licenses, permits, and fees)	\$	6,820,000		6,820,000
Other		451,187		451,187
Total operating revenues		7,271,187		7,271,187
OPERATING EXPENSES				
Personnel services		1,563,678		1,563,678
Contractual services				
Travel		17,241		17,241
Operating services		812,717		812,717
Supplies		148,163		148,163
Professional services		128,007		128,007
Administration				
Depreciation		2,051,388		2,051,388
Bad debt expense				
Postmarks (benefits)		272,238		272,238
Postmarks				
Other		1,232,362		1,232,362
Total operating expenses		6,218,243		6,218,243
OPERATING INCOME (LOSS)		1,052,944		1,052,944
NON-OPERATING REVENUES (EXPENSES)				
Disposal of fixed assets				
Federal grants		136,115		136,115
Interest revenue		373,278		373,278
Interest expense		(281,263)		(281,263)
Other (schedule 1)		280,880		280,880
Total non-operating revenues (expenses)		458,910		458,910
Net income (loss)		594,034		594,034
Accrual depreciation and loss on assets expended or funded by other funds that reduce contributed capital		609,000		609,000
Balance in retained earnings		1,084,034		1,084,034
Retained earnings (deficit) at beginning of year less account		14,272,208		14,272,208
Retained earnings (deficit) at end of year		15,356,242		15,356,242

The accompanying notes are an integral part of this statement.
Statement 2

STATE OF LOUISIANA

SABINE RIVER AUTHORITY
STATEMENT OF CASH FLOWS
For the year ended June 30, 2001

Cash flows from operating activities:		
Cash received from customers	\$6,454,000	
Cash payments to taxpayers for public bus services	(1,521,204)	
Cash payments to employees for services	(1,583,570)	
Payments in lieu of taxes	(1,000)	
Interest activity payments to other funds		
Charges paid to utilities		
Other operating revenues		
Net cash provided (used) for operating activities		\$ 1,764,819
Cash flows from capital financing activities:		
Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Repayment of notes payable		
Interest paid on notes payable		
Operating grants received		
Donations received		
Operating transfers in - from other funds		
Operating transfers out - to other funds		
Net cash provided (used) for capital financing activities		
Cash flows from capital and related financing activities:		
Proceeds from sale of bonds		
Principal paid on bonds	(1,150,000)	
Interest paid on bond maturities	(501,200)	
Proceeds from issuance of notes payable		
Repayment of notes payable	(400,000)	
Interest paid on notes payable		
Acquisition/construction of capital assets	(1,834,200)	
Proceeds from sale of capital assets		
Transfers from primary government	850,000	
Capital contributions		
Other	1,764,819	
Net cash provided (used) for capital and related financing activities		(2,017,500)
Cash flows from investing activities:		
Purchase of investment securities		
Proceeds from sale of investment securities	2,874,014	
Interest and dividends earned on investment securities	573,378	
Net cash provided (used) for investing activities		\$ 3,447,392
Net increase (decrease) in cash and cash equivalents		1,791,241
Cash and cash equivalents at beginning of year		6,480,280
Cash and cash equivalents at end of year		\$ 8,271,521

The accompanying notes are an integral part of this statement.
 (Continued)
 Statement C

STATE OF LOUISIANA

IBARRI RIVER AUTHORITY
 STATEMENT OF CASH FLOWS
 For the year ended June 30, 2001

Reconciliation of Operating Income (Loss) to Net cash provided (used) by operating activities:

Operating Income (Loss)		\$ 170,044
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	\$2,201,000	
Other	(90,000)	
Provision for uncollectible accounts		
Changes in assets and liabilities:		
Increased decrease in accounts receivable	(13,700)	
Increased decrease in due from other funds		
Increased decrease in prepayments		
Increased decrease in inventories		
Increased decrease in other assets	23,000	
Increase (decrease) in accounts payable	(600,000)	
Increase (decrease) in accrued payroll and related benefits		
Increase (decrease) in accrued taxes payable		
Increase (decrease) in due to other funds		
Increase (decrease) in deferred revenues		
Increase (decrease) in other liabilities	124,000	3,000,130
Net cash provided (used) by operating activities		\$ 3,104,810

Schedule of Noncash Investing, Capital and Financing Activities:

- Issuance under capital lease
- Contributions of fixed assets
- Purchase of equipment on account
- Asset trade-in
- Other (liquidity)

(Continued)

The accompanying notes are an integral part of this financial statement.

Statement 2

STATE OF LOUISIANA
SABINE RIVER AUTHORITY
Notes to the Financial Statements
For the Year Ended June 30, 2021

INTRODUCTION

The Sabine River Authority was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 38:2371-2377. The following is a brief description of the operations of Sabine River Authority which includes the parishes in which the District is located:

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Presentation

In April of 1964, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued its Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

2. Reporting Entity

GASB Codification Section 2106 establishes criteria for determining the governmental reporting entity and has defined the governmental reporting entity of the District to be the State of Louisiana because the state exercises oversight responsibility in that the governor appoints the commissioners, and public service is rendered within the state's boundaries. The accompanying statement presents only transactions of the Sabine River Authority, a component unit of the State of Louisiana. Actually the State of Louisiana issues a general purpose financial report which includes the activity contained in the accompanying financial statements. The general purpose financial report is issued by the Louisiana Division of Administration-Office of Statewide Reporting and Accounting Policy and audited by the Louisiana Legislative Auditor.

3. Fund Accounting

The accounts of the District are organized on the basis of an enterprise fund.

Enterprise Funds

An Enterprise Fund is used to account for operations (a) that are financed and operated in a manner similar to a private business enterprise - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

4. Basis of Accounting

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

**STATE OF LOUISIANA
SABINE RIVER AUTHORITY
Notes to the Financial Statements
For the Year Ended June 30, 2001**

Revenues – Revenues are recognized when earned.

Expenditures – Expenditures are recognized when incurred.

I. Total Columns in Combined Statements

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

B. BUDGETARY PRACTICES

The Sabine River Authority utilizes the following budgetary practices:

The District prepares its budget in accordance with Louisiana Revised Statute 39:1285. The budget is prepared on a cash basis for the Enterprise Fund. The budget for the fiscal year ended June 30, 2001 was adopted on July 14, 2000, and subsequent amendments were adopted on August 14, 2000, January 10, 2001, April 30, 2001, May 3, 2001 and June 21, 2001. Formal budget integration is employed as a management control device during the year for the Enterprise Fund.

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the Sabine River Authority may deposit funds within a fiscal agent bank selected and designated by the Interior Emergency Board. Further, the District may invest in time certificates of deposit at state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations, and savings banks and in share accounts and share-certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows, all highly liquid investments (including restricted assets with a maturity of three months or less when purchased) are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be insured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or collateral bank in the form of subordinated receivable held by the State Treasurer. The deposits at June 30, 2001 were secured as follows:

**STATE OF LOUISIANA
SABINE RIVER AUTHORITY
Notes to the Financial Statements
For the Year Ended June 30, 2007**

	Deposits in Bank Accounts		Total
	Cash	Certificates of Deposit Other (Resources)	
Deposits in Bank Accounts per Balance Sheet	<u>\$441,825</u>		<u>\$441,825</u>
Bank Balances:			
a. Insured (FDIC) or collateralized with securities held by the entity or its agent in the entity's name	420,258		420,258
b. Collateralized with securities held by pledging financial institution's trust department or agent in the entity's name			
c. Uninsured/unregistered, including any securities held in the entity's name, in the entity's name			
Total Bank Balances	<u>\$420,258</u>		<u>\$420,258</u>

The following is a breakdown by banking institution, program, account number, and amount of the balances shown above:

Banking Institution	Program	Amount
1. Sabine State Bank	HA	\$ 42,804
2. First National Bank	HA	380,758
Total		<u>\$423,562</u>

2. INVESTMENTS

Upon implementation of GASB Statement 31, reported amount and fair value will refer to the same number.

The Sabine River Authority does maintain investment accounts as authorized by Indenture of Trust. Investments are classified according to the level of risk to the entity.

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

Category 2 - Uninsured and unregistered with securities held by the county party's trust department or agent, in the entity's name.

STATE OF LOUISIANA
SABINE RIVER AUTHORITY
Notes to the Financial Statements
For the Year Ended June 30, 2001

Category 3 - Unsecured and unpledged with securities held by the counterparty, or by its trust department or agent (as set in the entity's terms).

Certain types of investments used or appropriately be categorized. These are to be listed separately at the end of the schedule in the space provided.

Type of Investment	1	Category of Risk 2	3	Reported Amount	Fair Value
Repurchase Agreements					
US Government Securities					
Common and Preferred Stock					
Commercial Paper					
Corporate Bonds					
Other	100,000		3,004,772	3,004,772	3,004,772
Total Categorized Investments	\$100,000		\$3,004,772	\$3,004,772	\$3,004,772
Investments not categorized (list separately):					
Bonds				\$ 2,825,760	\$ 2,825,760
State Treasury				1,704,787	1,704,787
TOTAL INVESTMENTS				\$ 3,825,887	\$ 3,825,887

D. RECEIVABLES

At June 30, 2001, the District had net receivable balances, totaling \$674,851, as follows:

Class of Receivability	Governmental Funds			Capital Projects	Proprietary	Total
	General	Special Purpose	Debt Service			
Grants:						
State						
Federal						
All veterans loans						
Bonds, leases, and other					674,851	674,851
Interest receivable						
Total receivables, net					<u>674,851</u>	<u>674,851</u>

**STATE OF LOUISIANA
 SABINE RIVER AUTHORITY
 Notes to the Financial Statements
 For the Year Ended June 30, 2001**

G. INVENTORIES

Governmental fund inventories of the District are reported at cost and recognized as an expenditure when purchased.

F. RESTRICTED ASSETS

Restricted assets in the District at June 30, 2001, reflected at \$1,708,042 on Statement A, consist of \$375,000 in cash with fiscal agent, \$-0- in receivables and \$733,071 in investments in bonds.

G. PAYABLES

At June 30, 2001, the District had payables totaling \$881,250, as follows:

Class of Payable	Governmental Funds			Proprietary Capital Projects	Proprietary	
	General	Special Revenue	Debt Service		Enterprise	Total
Accounts payable					\$ 280,270	\$ 280,270
Taxes payable						
Salaries payable					182,368	182,368
Payroll deductions payable						
Other payables (Identify)						
Interest payable					138,602	138,602
Total payables					\$ 601,240	\$ 601,240

H. LEAVE

1. COMPENSATED ABSENCES

The Sabine River Authority has the following policy on annual and sick leave:

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused compensatory in excess of 300 hours plus unused sick leave is used to complete retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section 650, is recognized in the enterprise funds when the leave is earned.

I. RETIREMENT SYSTEM

Substantially all of the employees of the District are members of the La State Employees Retirement System (System), a cost sharing multiple-employer, defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees.

**STATE OF LOUISIANA
 SABINE RIVER AUTHORITY
 Notes to the Financial Statements
 For the Year Ended June 30, 2001**

All full-time District employees are eligible to participate in the System. Benefits vest with 10 years of service. At retirement age, employees are entitled to annual benefits equal to \$600 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service.

Vested employees are entitled to a retirement benefit, payable monthly for life if (a) any age with 30 years of service, (b) age 55 with 20 years of service, or (c) age 60 with 10 years of service. In addition, vested employees have the option of reduced benefits at any age with 20 years of service. The System also provides death and disability benefits. Benefits are contributed or awarded by state statute. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 837-8608 or (800) 256-8608.

Members are required by state statute to contribute 7.5% of gross salary, and the District is required to contribute an actuarially determined rate as required by R.S. 11:102. The contribution rate for the fiscal year ended June 30, 2000, 2001, increased to 13.0% of annual covered payroll from the 12.4% and 13.8% required in fiscal years ended June 30, 2000 and 1999, respectively. The District contributions to the System for the years ending June 30, 2001, 2000, and 1999, were \$177,853, \$171,848, and \$152,847, respectively, equal to the required contributions for each year.

J. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

Substantially all district employees become eligible for post-employment health care, dental and life insurance benefits if they reach normal retirement age while working for the District. Those benefits for retirees and similar benefits for active employees are provided through an insurance company whose premiums are paid jointly by the employee and the District. For 2001, the cost of providing these benefits for the 17 retirees totaled \$67,184.

K. GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for June 30, 2001:

Long term obligations payable at June 30, 2000	\$29,688,250
Additions	
Retirements	1,500,001
Long term obligations payable at June 30, 2001	\$31,188,251

L. LITIGATION

1. The Sabine River Authority is a defendant in litigation seeking damages as follows:

Date of Action	Description of Litigation	Primary Attorney	Damages Claimed	Insurance Coverage
	Curtis Murren and Sarah Derrick County vs. Sabine River Authority	Attorney General	Unknown	
	Alford and Julie Downs vs. Sabine River Authority	General Attorney	Unknown	
	Christopher Jerome Jeffrey Davis vs. Sabine River Authority	General Attorney	\$50,000	
	Artin Dawn Fontenot vs. Sabine River Authority	Attorney General	Unknown	
	Expense Langley vs. Sabine River Authority	Attorney General	Unknown	

STATE OF LOUISIANA
MISSISSIPPI RIVER AUTHORITY
Notes to the Financial Statements
For the Year Ended June 30, 2001

The Sabine River Authority's legal advisor estimates that potential claims not covered by insurance would not materially affect the financial statements.

M. FUND BALANCE/RETAINED EARNINGS DISCLOSURES

The following is a breakdown of reserves and designations. Reservations of fund balances/retained earnings represent amounts either legally restricted to a specific future use or not available for appropriation or expenditures. Designations represent tentative management plans.

	General Fund	Special Revenue	Debt Service	Capital Projects	Enterprise	Fiduciary
Reserve for:						
Bond retirement and contingencies					1,700,040	
Total Reservations					\$1,700,040	

N. CONTRIBUTED CAPITAL

The following presents all changes that affected contributed capital during the fiscal year.

Balance at June 30, 2000	\$35,320,808
Additions (deductions):	
Transfers from primary government	870,000
Deductions:	
Depreciation and loss on assets contributed by other funds	520,300
Other	18,908
Balance at June 30, 2001	\$35,704,007

STATE OF LOUISIANA
 GAMING REVENUE AUTHORITY
 SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
 For the Year Ended June 30, 2001

Name	Amount
William R. Zoeger	\$ -
Daniel Cuyul	1,200
John A. DeBarge, Jr.	700
Flober Geoghegan	800
Donnie Sobers	1,000
Douglas McLaren	800
Thermon Nash	1,150
Audrey Temple	800
Carlton Gibson	800
Gordon Russell	1,100
Norman F. Cozman	-
Ray Pymms, Jr.	500
Stanley Vitins	1,000
TOTAL	\$10,150

SCHEDULE 1

STATE OF LOUISIANA
 GAMING REVENUE AUTHORITY
 SCHEDULE OF STATE FUNDING
 For the Year Ended June 30, 2004

Description of Funding	Amount
1. Transfer from primary government to general fund	\$870,000
2. _____	
3. _____	
4. _____	
5. _____	
6. _____	
7. _____	
8. _____	
9. _____	
10. _____	
TOTAL	\$ 870,000

SCHEDULE 2
STATE OF LOUISIANA
SABINE RIVER AUTHORITY
SCHEDULE OF EXPENDITURES BY OBJECT
For the Year Ended June 30, 2001

	<u>Amount</u>
Personal services	\$ 1,538,814
Travel	17,241
Operating services	812,777
Supplies	140,803
Professional services	120,807
Other charges	485,154
Capital outlay	330,819
Emergency transfer	-
Debt service	<u>6,347</u>
Total	<u>\$3,732,182</u>

SCHEDULE D

STATE OF LOUISIANA

SABRE RIVER AUTHORITY
SEGMENT INFORMATION
FOR THE YEAR ENDED JUNE 30, 2011

Account

Operating revenues

Depreciation, depletion, and amortization expense

Operating income (loss)

Operating grants, reimbursements, and shared revenues

Operating transfers:

In

Out

Tax revenues

Net income (loss)

Current capital

Contributions

Transfers

Property, plant, and equipment

Additions

Deletions

Net working capital

Total Assets

Bonds and other long-term liabilities:

Payable from operating revenues

Payable from other sources

Total Equity

NOT AVAILABLE AT JUNE 30, 2011

SCHEDULE 4

STATE OF LOUISIANA
 SABINE RIVER AUTHORITY
 SCHEDULE OF OTHER NON-OPERATING REVENUES
 For the Year Ended June 30, 2011

Forgiveness of debt	\$ 241,058
Liquidating damages 5,942
Total	\$ 247,000



LINDA CURTIS-SPRINK
Executive Director

Sabine River Authority



M. J. "MIKE" FORTNER, JR.
GOVERNOR
Sabine Authority
2000 Hwy. 101
Greenville, LA 71602

August 30, 2001

Dr. Daniel G. Kyle, CPA, CFF
Legislative Auditor
1400 North Third Street
Baton Rouge, Louisiana 70804

Re: Corrective Action Plan

Dear Dr. Kyle:

The following is a corrective action plan to your findings in the recent audit for Fiscal Year ending June 30, 2001:

66-1 FINDINGS: A111 Properties No. Five, Inc. ("A111") Lease - The lease agreement requires certain reports and actions that had not been complied with. The following are the applicable articles:

- 1) Article 4.2 provides that rent shall be paid monthly in arrears. The rent for the months of August, October, November, December, 2000 and June, 2001 were not received by the end of the month following the rent period. As of July 31, 2001 all rent except for the June, 2001, in the amount of \$3,519.63 were collected by June 30, 2001.
- 2) Article 10.1.4 requires A111 to furnish evidence of workman's compensation insurance coverage. A policy has not been forwarded to SRA.

RESPONSE:

- 1) SRA implemented an action plan after the Fiscal Year Audit 66 whereby if rent is not received by the end of the month following the rent period, a telephone call is made to A111 requesting the rent. August rent that was due by September 30, 2000 was collected on October 13, 2000, October rent that was due by November 30, 2000 was collected on December 5, 2000, November rent that was due by December 31, 2000 was collected on January 24, 2001, and

December rent that was due by January 31, 2001 was collected on February 5, 2001. On June 28, 2000, a settlement agreement was entered into between ALJI and SRA whereby SRA granted ALJI a \$150,000 credit "to be utilized by ALJI to satisfy, in whole or in part, any financial obligations that may be due and owing to SRA currently or in the future." It is our understanding from discussions with ALJI that they were holding the June check while they determined a procedure to utilize the credit. As of August 30, 2000, ALJI advised that they were not utilizing the credit for rent owed for the month of June 2001 and were mailing the check for the June 2001 rent. We have notified ALJI that in the future if they wish to utilize this credit for rent, written notification from them must be received by the last day of the following month rent was earned. SRA has maintained the rent due by ALJI closely and we have received all rent owed by ALJI with the exception of the June 2001 rent. SRA will continue with the original corrective plan for rent that was implemented in the fall of 2000 that includes making a telephone call if rent is not received when due and if it is more than 30 days delinquent a certified letter will be sent.

- 2) SRA requested copies of all insurance certificates that ALJI was to provide to be in compliance with the lease. SRA received property, balloon risk, comprehensive general liability and comprehensive motor vehicle liability certificates but did not receive a worker's compensation certificate. ALJI contracts with a staff leasing company to perform their payroll functions. We requested this certificate on numerous occasions throughout the year from ALJI and ALJI requested this certificate on numerous occasions from the leasing company. We received the insurance certificate on August 29, 2001.

90.2 FINDING: Final Settlement Between SRA and ALJI Properties No. Div, Inc. - ALJI has not reimbursed SRA for the balance of the pre-shop and food inventory of \$51,261.18 transferred to ALJI on April 30, 2000.

RESPONSE: SRA retained the legal services of Taylor, Foster, Brooks & Phillips, L.L.P (TFB&P) to negotiate settlement of all issues pertaining to the deficiencies in the lease agreement with ALJI. It was the understanding of TFB&P, SRA Staff, SRA Board of Commissioners, and ALJI that this agreement settled all issues relative to the lease agreement between SRA and ALJI except for the initial \$50,000 working capital. The final audit performed by Deconard, Poole, Lewis & Brumax (DPL&B) reflects that \$76,061.83 is owed by ALJI to SRA for inventory (chemicals of \$24,800.65 and food/clothing of \$51,261.18). This final audit settlement by DPL&B accounts for all advances made by SRA to ALJI including the initial \$50,000 working capital. The chemical inventory was addressed in the final settlement between SRA and ALJI dated June 28, 2000 and is not an issue. However, the initial \$50,000 for working capital advanced by SRA to ALJI that was addressed in the final settlement between SRA and ALJI dated June 28, 2000 and made part of the lease agreement states "The failure of ALJI to make payment to SRA of \$50,000.00 at lease end in dispute herein shall not

Dr. Daniel G. Kyle
August 30, 2004
Page 3

constitute an event of default of the lease or of any ancillary agreements thereto and shall not be considered or included in any compliance audit or determination of whether ALH is current on its obligation to SRA.² It is our understanding that if ALH paid the \$51,261.18 in question they would no longer be holding the initial \$50,000 working capital addressed in the lease agreement. It was SRA's understanding and stated in the settlement that ALH would continue to hold the \$50,000 working capital until it was resolved. TPIM&P have requested an attorney general's opinion to determine if ALH should be able to retain the initial working capital for the 75-year lease period. We have discussed this matter with Don Kelley of TPIM&P and determined that ALH should write SRA a check in the amount of \$51,261.18 for inventory and in turn SRA should write ALH a check for the initial \$50,000 working capital to create a proper paper trail. SRA has discussed this matter with ALH and they have no objections to issuing SRA a check in the amount of \$51,261.18 when SRA issues them a check for the original working capital of \$50,000. Once this is accomplished the only matter remaining would be the initial \$50,000 working capital in dispute and provided for in the final settlement dated June 28, 2004. Once a determination is made relative to this issue the proper transactions will follow.

Should you require additional information and/or discussion, please advise.

Sincerely yours,



LINDA CURTIS-SPARKS
EXECUTIVE DIRECTOR

LC-5007