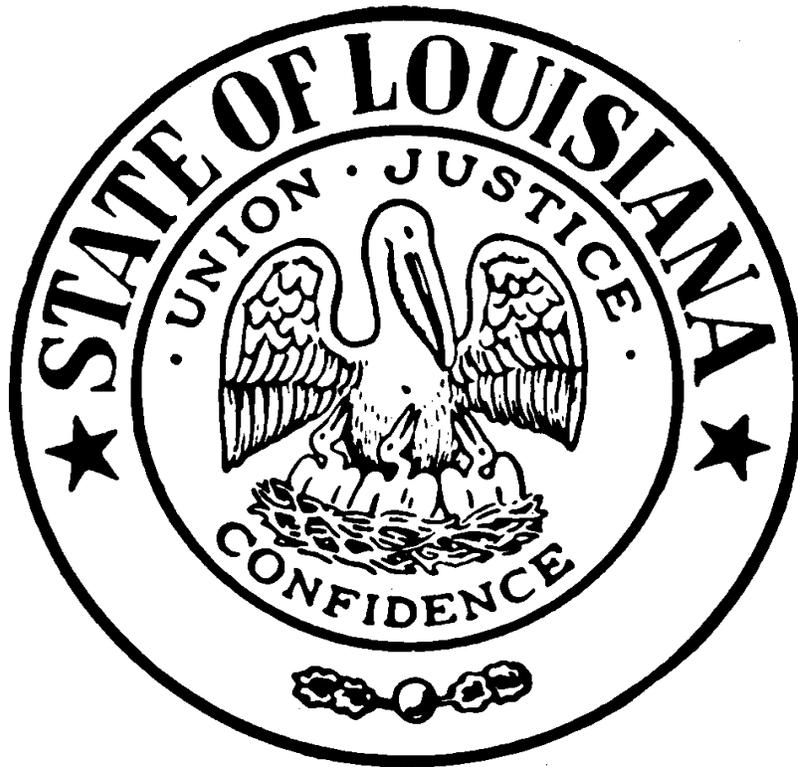


**State of Louisiana
Comprehensive Annual Financial Report
for the Year Ended June 30, 2004**

KATHLEEN BABINEAUX BLANCO
Governor



Prepared By
DIVISION OF ADMINISTRATION
JERRY LUKE LEBLANC
Commissioner

On the Cover

The Louisiana State Archives building is a white fortress-like structure built as one of the nation's most advanced archival repositories. Due to the highly technical nature of much of the facility's physical plant and supporting systems, construction of the building took two and a half years. Louisiana State Archives is

mandated "to collect, preserve, display, and make available those records essential to the reconstruction of Louisiana's colorful history and heritage." It contains many irreplaceable treasured records. Pictured are six documents from the collections in "Louisiana's historical jewelry box."

CREDITS

Courtesy of Secretary of State W. Fox McKeithen, Louisiana State Archives



Kathleen Babineaux Blanco

Governor

State of Louisiana

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State of Louisiana

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I. INTRODUCTORY SECTION



State of Louisiana

DIVISION OF ADMINISTRATION OFFICE OF THE COMMISSIONER

KATHLEEN BABINEAUX BLANCO
GOVERNOR

JERRY LUKE LEBLANC
COMMISSIONER OF ADMINISTRATION

December 16, 2004

To: The Honorable Kathleen Babineaux Blanco, Governor,
Members of the Legislature, and the
People of the State of Louisiana

It is my privilege to present the Comprehensive Annual Financial Report (CAFR) on the financial condition of the State of Louisiana for the fiscal year ended June 30, 2004. The report was prepared in conformity with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB) and Louisiana Revised Statutes.

The Division of Administration, Office of Statewide Reporting and Accounting Policy prepared the CAFR, with the objective of reporting the government's operations as a single unified entity, in addition to providing traditional fund-based financial statements.

The Division of Administration is responsible for the accuracy, completeness and fair presentation of the data, representations and disclosures presented in the CAFR. To the best of our knowledge and belief, the data presented are accurate in all material respects, reported in a manner designed to fairly present the financial position and results of operations and provide disclosures necessary to enable the reader to gain an understanding of the financial activities and condition of the State.

The reporting entity of the State includes all primary government funds, plus the activity of component units for which the State is financially accountable. Determination of the component units to be included in the CAFR was made in accordance with criteria established by GASB and is presented in Note 1A to the financial statements.

The CAFR is organized as follows:

- Introductory section containing background and organizational information on the State and summaries of some current initiatives
- Financial section including the independent auditor's report, Management's Discussion and Analysis (MD&A), Government-Wide Financial Statements, Fund Financial Statements, Notes to the Financial Statements and Required Supplementary Information. The financial section also includes the combining statements of the individual funds.
- Statistical section presenting financial, economic, and demographic data for Louisiana.

GASB requires that management provide a narrative introduction, overview and an analysis to accompany the basic financial statements in the form of MD&A. This letter of

transmittal is intended to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the independent auditor's report.

INDEPENDENT AUDIT

The State of Louisiana's basic financial statements have been audited by the Office of Legislative Auditor. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the State for the fiscal year ended June 30, 2004, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the basic financial statements of the State of Louisiana for the year ended June 30, 2004, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the basic financial statements of the State of Louisiana was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the audited internal controls of the government and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the separately issued Single Audit Report for the State of Louisiana.

ACCOUNTING AND BUDGETARY CONTROL

Management is responsible for establishing and maintaining internal controls designed to ensure that assets are protected from loss, theft, or misuse and that adequate accounting data are compiled to provide for the preparation of financial statements in conformity with GAAP. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within this framework. We believe that the internal accounting controls of the State adequately safeguard assets and provide reasonable assurance of proper recording and reporting of financial transactions.

Final financial control is exercised through the budgetary system. Financial statements are presented in conformity with GAAP and are also presented on a non-GAAP budgetary basis to demonstrate legal compliance. Variances between the GAAP and Non-GAAP budgetary presentations are caused by differences in reporting entity, accounting basis and timing. The budgetary process is further described in Note 1 to the financial statements and a reconciliation between GAAP and non-GAAP budgetary basis fund balances is presented as required supplemental information.

PROFILE OF THE GOVERNMENT

Located on the Gulf of Mexico and bounded by Arkansas, Texas and Mississippi, Louisiana occupies a land area of approximately 43,562 square miles and serves a population of 4,496,000. The Executive, Judicial and Legislative Branches govern the State as provided by the State Constitution of 1974.

The State provides a variety of services to citizens including education, health care, public safety, road and highway development and maintenance, and recreation. These services are financed primarily through taxes, fees, mineral royalties and federal revenues, which are accounted for by various funds (general fund, special revenue funds, capital project funds, etc.).

Major industries in Louisiana include fishing, petrochemical and agriculture. The State leads the nation in the production of salt, is the second largest refiner of petroleum, and a major producer of sulfur, lime, and silica sands as well as cotton, sugar cane, yams, rice, and pecan nuts. Four of the ten busiest U.S. ports are located along the lower Mississippi River (New Orleans, South Louisiana, Baton Rouge, and Plaquemines) conducting trade with 191 countries around the world.

The State financial reporting entity includes 55 active component units, which are reported discretely in the financial statements. These component units include colleges and universities, boards and commissions, ports, levee districts, and other special purpose authorities.

CASH MANAGEMENT

The State Treasurer is responsible for managing all cash and investments, with the exception of certain component units included in the reporting entity that have independent powers to manage and invest their funds. During fiscal year 2004, cash management and investment transactions managed by the State Treasurer included checking accounts, certificates of deposit, U.S. government and agency obligations, commercial paper, repurchase agreements, and security lending agreements. Legal requirements for the investment of funds maintained by the State Treasurer are discussed in Note 2 to the financial statements.

For fiscal year 2004, the Treasury earned \$85,308,039 on its fixed-income investments for the General Fund. The investments earned a cash rate of return of 3.02% during fiscal year 2004, which is a 24.5% decrease from the 4.00% rate that earned \$107,514,714 in the previous year. By comparison, the thirty-day Treasury bill averaged 0.90% and the two-year Treasury note averaged 0.38% during the same period.

The fixed income and equity investments of the Louisiana Education Quality Trust Fund earned a total rate of return of 7.10% for the 2004 fiscal year, which is a 41.32% decrease from the 12.1% rate of return reported for the 2003 fiscal year.

RISK MANAGEMENT

The primary government, through the Office of Risk Management, retains risk for property, casualty, and worker's compensation insurance, as well as coverage for all State property, with virtually no upper limits. Auto liability, comprehensive, and collision coverage is

provided for the State fleet and other coverage, such as bonds, crime, aviation, and marine insurance, is provided as needed.

PENSIONS

State employees may be eligible to participate in the Louisiana State Employees' Retirement System, the Teachers' Retirement System of Louisiana, the Louisiana School Employees' Retirement System, or the Louisiana State Police Retirement System, depending on their employing agency. Further information on the retirement systems can be found in Note 6 to the financial statements.

ECONOMIC OUTLOOK This economic discussion is an excerpt from the executive summary of The Louisiana Economic Outlook: 2005 and 2006 23rd Annual Edition, by Loren C. Scott, James A. Richardson and A.M.M. Jamal, published in October 2004.

Louisiana has come out of the recession it experienced over 2001-02, but the last two years have been ones of very weak growth. It is projected that Louisiana will operate in a recession-free environment over the next two years. The Louisiana Econometric Model (LEM) is projecting the State's growth rate will pick up over 2005-06, adding 40,100 new jobs. Performance across key sectors of the Louisiana economy will be decidedly mixed. For example:

- Despite relatively high oil and natural gas prices, the extraction industry is enjoying virtually no bump in rig count or employment due primarily from new tort issues in the industry. Approximately 400 new jobs are forecast for 2005-06.
- Under serious attack from high natural gas prices, Louisiana's chemical industry is expected to lose another 1,700 jobs by 2006.
- The bright light in Louisiana's immediate future is the transportation equipment sector. Additional hirings at Avondale and Bollinger Shipyards, the new Union Tank Car facility, and the likely addition of the Hummer 3 production line at GM's plant in Shreveport will drive a 2,200-job addition in this sector.
- Though extraction-related layoffs will be a drag on the fabricated metals industry, significant new additions at Beard Industries, CellXion, and the potential re-opening of American Iron Reduction (due to high steel prices) should boost employment in this sector by 300 jobs.
- Labor-saving technological advancements will stabilize employment in the food processing industry while driving employment down further in the paper and refining industries.
- Construction industry employment is expected to reverse recent trends and rise by 4,300 jobs, bolstered by work on at least 7 large LNG facilities, unusually large projects at the Citgo and ConocoPhillips refineries, and large capital expenditures planned by two of the State's utility companies.
- Because of the growth in the sectors mentioned above, several feeder sectors are predicted to enjoy improved growth over 2005-06: Trade/transportation/utilities - +6,800 jobs; professional and business services - +2,900 jobs; healthcare - +6,000 jobs; local government - +3,500 jobs; and state government - +2,200 jobs. The leisure/hospitality

sector should enjoy an even more significant boost because of the opening of the 15th riverboat casino (Pinnacle), the opening of several new hotels, and a booming restaurant industry.

Louisiana's population growth is expected to remain at a 0.3% growth; however, Louisiana's personal income is projected to rise by 3.8-3.9% over the next two years, which should be good news for Louisiana's retailers, service providers and government treasuries.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the State of Louisiana for its CAFR for the fiscal year ended June 30, 2003. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation in government financial reporting.

In order to be awarded a Certificate of Achievement, a government must publish a CAFR that is easily readable and efficiently organized, and whose contents conform to program standards. The CAFR must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

In conclusion, I wish to express my appreciation to the staff of the Office of Statewide Reporting and Accounting Policy for their professionalism, dedication, and expertise in preparing this report, as well as their commitment to maintaining the highest standards of accountability in financial reporting. I also wish to thank the agency fiscal officers and accountants whose contributions helped make this report possible.

Sincerely yours,



Jerry Luke LeBlanc
Commissioner of Administration

JLL:AA

CERTIFICATE OF
ACHIEVEMENT

Certificate of Achievement for Excellence in Financial Reporting

Presented to

State of Louisiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2003

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Nancy L. Zjelke

President

Jeffrey R. Enos

Executive Director

State of Louisiana

PRINCIPAL STATE OFFICIALS

Executive (Elected)

Kathleen Babineaux Blanco
Governor
Mitchell J. Landrieu
Lieutenant Governor
W. Fox McKeithen
Secretary of State
Charles C. Foti, Jr
Attorney General
John Neely Kennedy
Treasurer
Bob Odom
Commissioner of Agriculture and Forestry
J. Robert Wooley
Commissioner of Insurance
Lawrence C. St. Blanc
Secretary of Public Service Commission

Legislative (Elected)

Joe R. Salter
Speaker of the House of Representatives
Donald E. Hines
President of the Senate

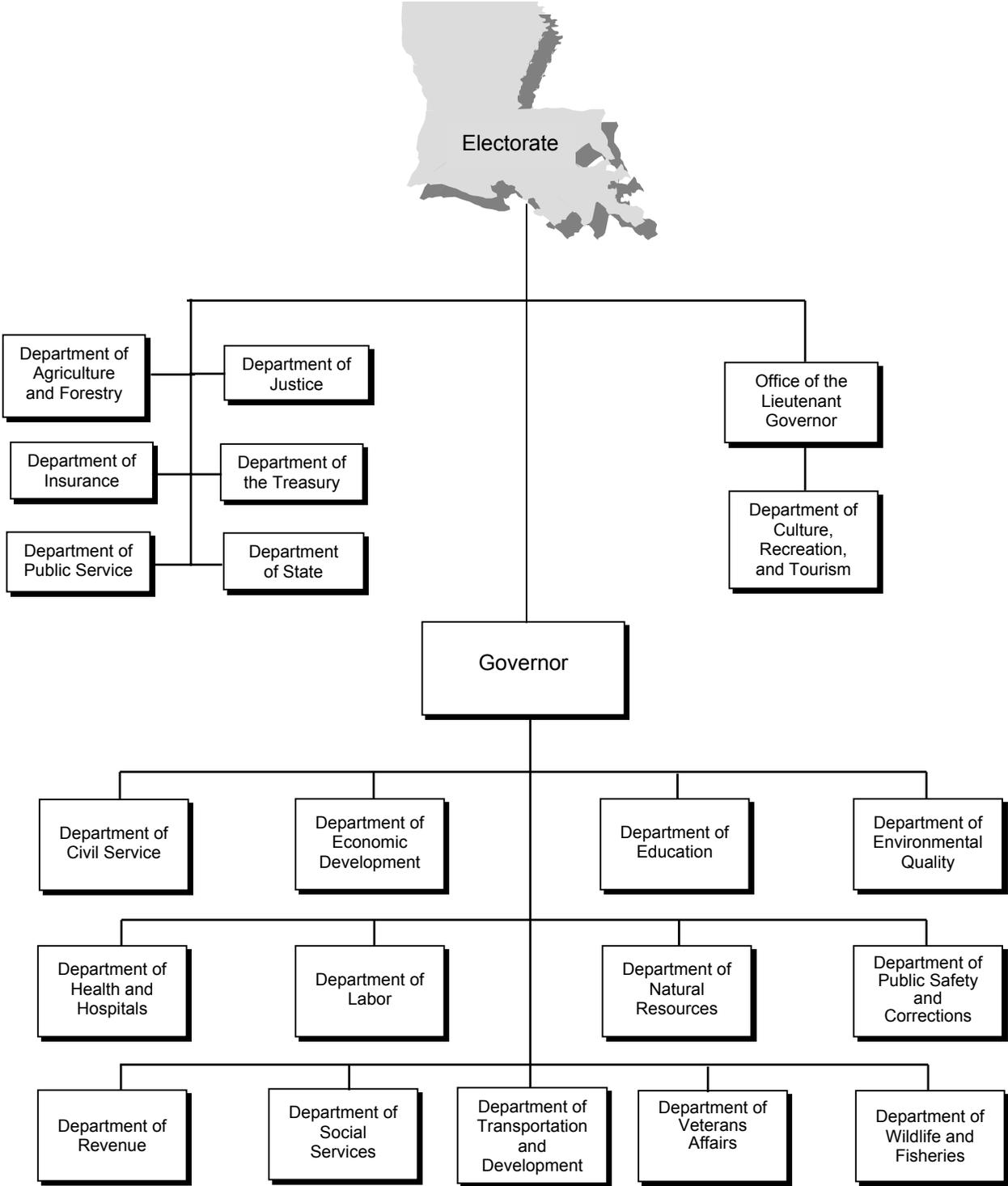
Judicial (Elected)

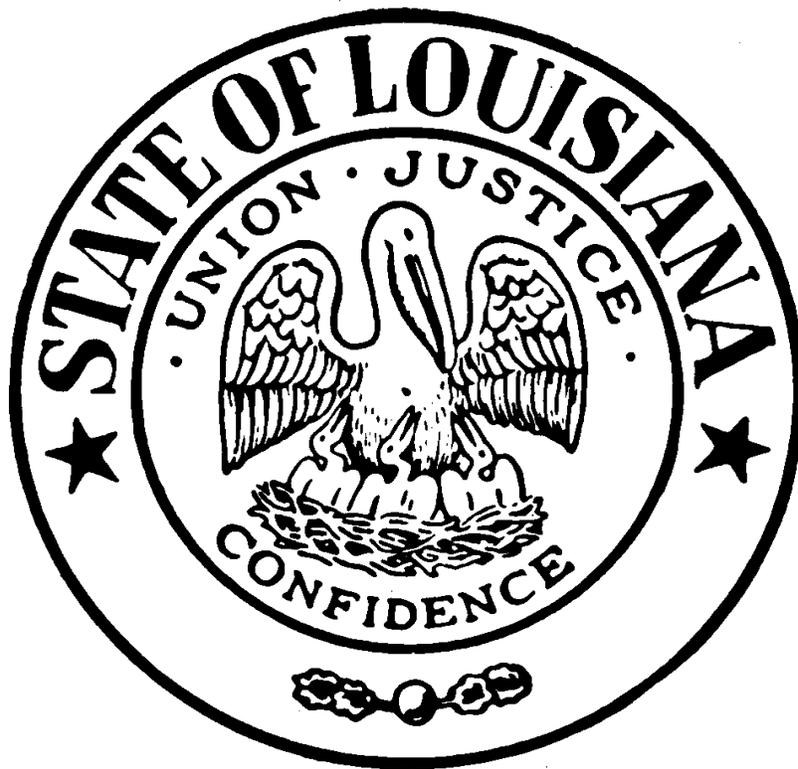
Pascal F. Calogero, Jr.
Chief Justice of the Supreme
Court of Louisiana

Executive (Appointed)

Cecil J. Picard
State Superintendent of Education
Michael J. Olivier
Secretary of Economic Development
Angele Davis
Secretary of Culture, Recreation, and Tourism
Dr. Mike McDaniel
Secretary of Environmental Quality
Frederick P. Cerise, MD, MPH
Secretary of Health and Hospitals
Ann S. Williamson
Secretary of Social Services
John Warner Smith
Secretary of Labor
Scott A. Angelle
Secretary of Natural Resources
Richard L. Stalder
Secretary of Public Safety and Corrections
Colonel Henry L. Whitehorn
Deputy Secretary Public Safety and Corrections
Superintendent, Office of State Police
Cynthia Bridges
Secretary of Revenue
Johnny B. Bradberry
Secretary of Transportation and Development
Hunt Downer, Brigadier General ARNG
Secretary of Veterans Affairs
Dwight Landreneau
Secretary of Wildlife and Fisheries
Allen H. Reynolds
Director of State Civil Service

STATE ORGANIZATIONAL CHART





II. FINANCIAL SECTION



STEVE J. THERIOT, CPA
LEGISLATIVE AUDITOR

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LEGISLATIVE AUDITOR
STATE OF LOUISIANA
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December 16, 2004

Independent Auditor's Report

Honorable Kathleen B. Blanco, Governor
Honorable Donald E. Hines, President, and
Members of the Senate
Honorable Joe R. Salter, Speaker, and
Members of the House of Representatives
State of Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Louisiana, as of and for the year ended June 30, 2004, which collectively comprise the state's basic financial statements as listed in the table of contents. These financial statements are the responsibility of management of the State of Louisiana. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of certain pension trust funds, enterprise funds, and component units of government included within the basic financial statements of the State of Louisiana, which represent the following percentages of their related opinion units:

<u>Opinion Unit</u>	<u>Percentage of Total Assets</u>	<u>Percentage of Net Assets or Fund Balance</u>	<u>Percentage of Revenues</u>
Business-Type Activities	1%	1%	2%
Aggregate Discretely Presented Component Units	22%	20%	6%
Aggregate Remaining Funds	78%	79%	64%

Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the previously mentioned pension trust funds, enterprise funds, and component units, are based solely upon the reports of the other auditors.

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 of material misstatement. The financial statements of the LSU Foundation and the Pennington

LEGISLATIVE AUDITOR

December 16, 2004

Page Two

Medical Foundation, both component units of the Louisiana State University System (major component unit); the University of Louisiana at Monroe Foundation and the McNeese State University Foundation, both component units of the University of Louisiana System (major component unit); and the Southern University System Foundation, a component unit of the Southern University System (major component unit) were not audited in accordance with *Government Auditing Standards*. 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 and the reports of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Louisiana, as of June 30, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in note 11H of the financial statements, the State of Louisiana implemented Governmental Accounting Standards Board (GASB) Statement No. 39, *Determining Whether Certain Organizations Are Component Units, an Amendment of GASB Statement No. 14*; GASB Statement No. 40, *Deposit and Investment Risk Disclosures*; and GASB Technical Bulletin 2004-1, *Tobacco Settlement Recognition and Financial Reporting Entity Issues*, for the year ended June 30, 2004. GASB Statement No. 39 requires certain affiliated organizations to be included in the reporting entity as discretely presented component units. GASB Statement No. 40 requires additional deposit and investment disclosures, but had no impact on the state's reported amounts of deposits, investments, net assets, or changes in net assets. As a result of implementing GASB Technical Bulletin 2004-1, the state now recognizes tobacco settlement revenue and the related receivable when the domestic shipment of cigarettes (sales) occurs. In addition, the Tobacco Settlement Financing Corporation, previously reported as a discrete component unit using the full accrual basis of accounting, is now reported as a blended component unit of the primary government using the modified accrual basis of accounting. The effect of these changes is disclosed in note 10 of the financial statements.

In accordance with *Government Auditing Standards*, a report on our consideration of the state's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants will be issued under separate cover. 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 the internal control over financial reporting or on compliance. That report, upon its issuance, is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

LEGISLATIVE AUDITOR

December 16, 2004

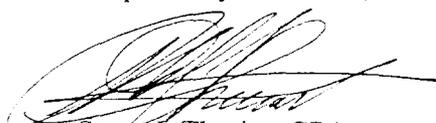
Page Three

Management's Discussion and Analysis and the budgetary comparison information presented on pages 15 through 26 and 89 through 90, respectively, are not required parts of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We and the other auditors have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with Louisiana Revised Statute 39:75 A(2), the Division of Administration must submit a budget status report to the Joint Legislative Committee on the Budget by October 15 following the end of each fiscal year. This report shall indicate the balance of the budget for the state general fund and dedicated funds by comparing the official forecast for these funds to the total authorized appropriations from each fund. The budget status report reflects the balance in funds for the previous year and represents the official budget status of the state. On October 22, 2004, the Division of Administration provided an amount of \$43.88 million to the Joint Legislative Committee on the Budget as the projected General Fund revenue less appropriations and requirements for 2003-2004, as required by this statute. However, a budgetary fund balance at the beginning and at the end of the year for the Governmental Funds was not reported by the Division of Administration on the budgetary comparison information and, therefore, a comparison of these two amounts to actual cannot be made.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of Louisiana's basic financial statements. The accompanying introductory section, the budgetary comparison schedule - major debt service fund, the combining and individual fund statements - nonmajor funds, and the statistical section listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The budgetary comparison schedule - major debt service fund and the combining and individual fund statements - nonmajor funds have been subjected to the auditing procedures applied in the audit of the basic financial statements, and, in our opinion, based on our audit and the reports of the other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and the statistical section listed in the table of contents have not been subjected to the procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on them.

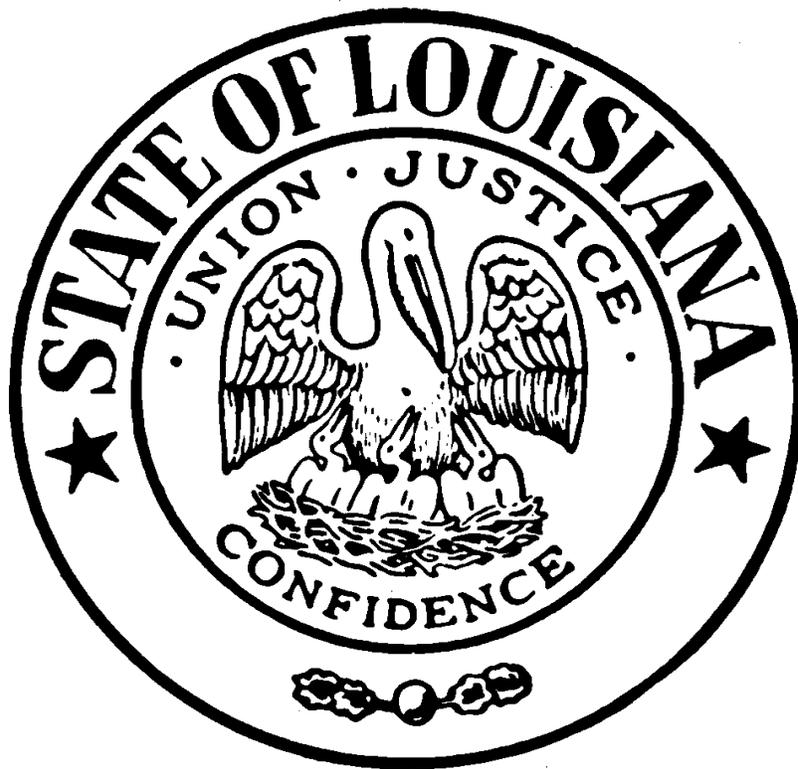
Respectfully submitted,



Steve J. Theriot, CPA
Legislative Auditor

JMR:THC:AJR:dl

{CAFR2004}



MANAGEMENT'S DISCUSSION AND ANALYSIS

State of Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) of the financial performance of the State of Louisiana presents a narrative overview and analysis of the financial activities of the State for the year ended June 30, 2004. This document focuses on the current year's activities, resulting changes, and currently known facts. Read this document in conjunction with the additional information contained in the transmittal letter presented on pages 1 - 5 and the financial statements of the State, which begin on page 27. All amounts included in the MD&A, unless otherwise indicated, are expressed in thousands of dollars.

FINANCIAL HIGHLIGHTS – PRIMARY GOVERNMENT

Net Assets - The assets of the State exceeded its liabilities at the close of the fiscal year by \$14.1 billion, a 4% increase from the prior fiscal year. This amount includes \$7.3 billion, which is restricted and not available to pay the general obligations of the State.

Changes in Net Assets – Net assets of governmental activities increased by \$542 million (4.7%), while net assets of the business-type activities decreased by \$4.4 million (less than 1%).

General Fund - In the fund statements, the unreserved undesignated fund balance for the General Fund (the primary operating fund of the State) reflects a decrease of nearly \$11 million from the previous fiscal year.

Long-term Obligations – The long-term obligations (as restated) for governmental activities decreased by \$150 million (4%).

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is an introduction to the basic financial statements of the State of Louisiana, which is comprised of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

This report also contains required supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the finances of the State of Louisiana in a manner similar to a private sector business. The statements provide both short-term and long-term information about the financial position of the State, which assist in assessing the economic condition of Louisiana at the end of the fiscal year. These reports are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. This basically means they follow methods that are similar to those used by most businesses by taking into account all revenues earned and expenses incurred in the fiscal year regardless of when cash is received or paid.

The government-wide financial statements include the following two statements:

The Statement of Net Assets (page 27) presents the current and long-term portions of the assets and liabilities of the State separately and is the basic government-wide statement of position at fiscal year end. Using the format of assets minus liabilities equal net assets, this statement reports the governmental activities separately from its business-type activities. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the State is improving or deteriorating.

The Statement of Activities (page 28) presents information showing how the net assets of the State changed as a result of current year operations and how those operations were financed. This statement presents expenses

State of Louisiana

before revenues to emphasize the fact that revenues are generated expressly for providing services, rather than as an end in themselves. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash flows until future fiscal periods (e.g., uncollected taxes and earned but unused leave).

Both government-wide statements report three types of activities:

Governmental Activities – The activities in this section are mostly supported by taxes and intergovernmental revenues (federal grants). Most services normally associated with State government fall into this section and they include general government; culture, recreation and tourism; transportation and development; public safety; health and welfare; corrections; conservation and environment; and education.

Business-type Activities – These activities normally are intended to recover all or a significant portion of their costs through user fees and charges to external users of goods and services. The business-type activities operated by the State include the Louisiana Lottery Corporation and the Unemployment Trust Fund, among others.

Component units – Certain component units are discretely presented as part of the State reporting entity in the government-wide financial statements due to the financial accountability of the State for these entities; however, they have certain independent qualities as well. Among the component units included are public colleges and universities, the Louisiana Stadium and Exposition District, Orleans Levee District, and the Greater New Orleans Expressway Commission. For a list of some of the discrete component units and blended component units included in the government-wide statements, see Note 1 of the notes to the basic financial statements.

Fund Financial Statements

The fund financial statements begin on page 29 and provide more detailed information than the government-wide statements by providing information about the most significant funds of the State. A fund is a grouping of related accounts used to maintain control over resources, which are segregated for specific activities or objectives. The State of Louisiana uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. For governmental activities, fund financial statements indicate how these services were financed in the short term as opposed to the government-wide statements, which present a long-term view of the State finances. The three categories into which the funds of the State can be classified are governmental funds, proprietary funds, and fiduciary funds.

Governmental funds account for most of the functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on near-term inflows and outflows of spendable resources and the balances of spendable resources available at fiscal year end. Such information may be useful in evaluating the current financing requirements of the State. Governmental funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash.

GASB Statement 34 has shifted the focus of governmental funds financial statements from fund types to major funds. Louisiana accounts for its activities in 222 funds (with activity); of this total, 187 are governmental funds, 20 are proprietary funds, and 15 are fiduciary in nature. Information is presented separately on the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balance for the funds determined to be major funds; the remaining governmental funds are presented in a single column on these statements. Combining statements for these funds are presented on pages 94-122 of this report.

Proprietary funds encompass enterprise funds and internal service funds. When the State charges customers for the services it provides, whether to outside customers (enterprise funds) or to other state agencies (internal service funds), the services are generally reported in the proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Proprietary funds apply the accrual basis of accounting utilized by private sector businesses. Internal service

State of Louisiana

funds are used to accumulate and allocate costs internally among the various functions of the State. Because the internal service funds mainly benefit governmental rather than business-type functions, they are included in the governmental activities in the government-wide financial statements.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support State programs. The State is responsible for ensuring that the assets reported in these funds are used for their intended purpose. The fiduciary fund category includes pension trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Notes to the Financial Statements

The notes provide 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 on pages 43-88 of this report.

Required Supplementary Information (RSI)

In addition to the basic financial statements and accompanying notes, this report also presents budgetary comparison schedules for the General Fund and the Medicaid Trust Fund for the Elderly (a major special revenue fund), which can be found on page 89 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The overall financial position of the primary government for the past two years is summarized in the following chart and is based on the information included in the government-wide financial statements:

Statement of Net Assets
(in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	(Restated)		(Restated)		(Restated)	
	2004	2003	2004	2003	2004	2003
Current and other assets	\$ 8,718,413	\$ 8,458,082	\$ 2,289,662	\$ 2,220,170	\$ 11,008,075	\$ 10,678,252
Capital assets	11,596,944	11,159,915	31,152	103,454	11,628,096	11,263,369
Total assets	20,315,357	19,617,997	2,320,814	2,323,624	22,636,171	21,941,621
Other liabilities	2,091,502	1,859,960	24,996	27,754	2,116,498	1,887,714
Long-term debt outstanding	6,100,638	6,177,280	303,087	298,776	6,403,725	6,476,056
Total liabilities	8,192,140	8,037,240	328,083	326,530	8,520,223	8,363,770
Invested in capital assets, net of related debt	10,438,398	9,979,532	21,512	22,036	10,459,910	10,001,568
Restricted	5,750,785	5,741,719	1,573,788	1,602,480	7,324,573	7,344,199
Unrestricted	(4,065,966)	(4,140,494)	397,431	372,578	(3,668,535)	(3,767,916)
Total net assets	\$ 12,123,217	\$ 11,580,757	\$ 1,992,731	\$ 1,997,094	\$ 14,115,948	\$ 13,577,851

Net Assets:

The overall financial position for the State improved from the previous year as reflected in the increase in net assets of \$538 million (4%). Net assets for governmental activities increased by \$542 million (4.7%), while net assets for business-type activities decreased by \$4.4 million or less than 1%. A major reason for this increase is due to the increase in capital assets (\$365 million) and the decrease in long-term debt outstanding (\$72 million).

State of Louisiana

The largest portion of the net assets of the State, \$10.5 billion (74%), reflects investment in capital assets (e.g., land, roads, buildings, machinery, and equipment). These assets are used to provide services to residents of the State, and consequently are not available for future spending. In contrast, current and other assets (e.g., cash, investments, receivables, and inventory) totaled \$11 billion (49% of total assets) at fiscal year end and the State uses some of these resources to repay debt associated with capital assets. The current and other assets of the state at June 30, 2004 represents an increase of 3.1% from the prior fiscal year. Receivables increased by \$351 million mainly due to increased income taxes and income tax rates. Capital assets increased by 3.2% due mainly to infrastructure improvements discussed in more detail in the capital asset section of the MD&A.

Restricted net assets represent those assets not available for spending as a result of legislative or constitutional requirements, donor agreements, or grant requirements. Restricted net assets increased by \$9 million (less than 1%), from the previous fiscal year for governmental activities and decreased by \$29 million (1.8%) for business-type activities.

Unrestricted net assets for the State were restated for the 2003 fiscal year because the Tobacco Settlement Financing Corporation (TSCF) was reclassified as governmental activity. Originally, TSFC was classified as a discrete component unit, but was reclassified in fiscal year 2004 to a debt service fund as discussed in section E of Note 10. As a result of the reclassification, the 2003 unrestricted net assets were restated to reflect a \$1.1 billion decrease. For fiscal year 2004, unrestricted net assets increased by \$75 million (1.8%) from the 2003 restated figures for governmental activities and increased by \$25 million (6.7%) for business-type activity.

The State of Louisiana, like many other state and local governments, issues general obligation debt and distributes the proceeds to local governments and component units. The proceeds are used to expand universities and colleges, fund capital maintenance, build local schools, and for various other projects. The balance sheets of the component units and local government recipients reflect ownership of the related constructed capital assets, but not the debt obligation. The State is able to receive more attractive financing arrangements to fund the projects of the local governments and component units; however, the State is left to reflect significant liabilities on its statement of net assets (balance sheet), which are reflected in the unrestricted net asset component since there are no offsetting capital assets.

Consistent with last year, the major reason for the deficit in the unrestricted net assets for governmental activities is that the State reports general obligation debt for capital assets, which are reported on the financial statements of local governments and component units, as mentioned above. Additionally, the State records the unreserved/undesignated fund balances of the special revenue funds as restricted net assets.

Change in Net Assets:

See the following page.

State of Louisiana

Changes in Net Assets (in thousands)

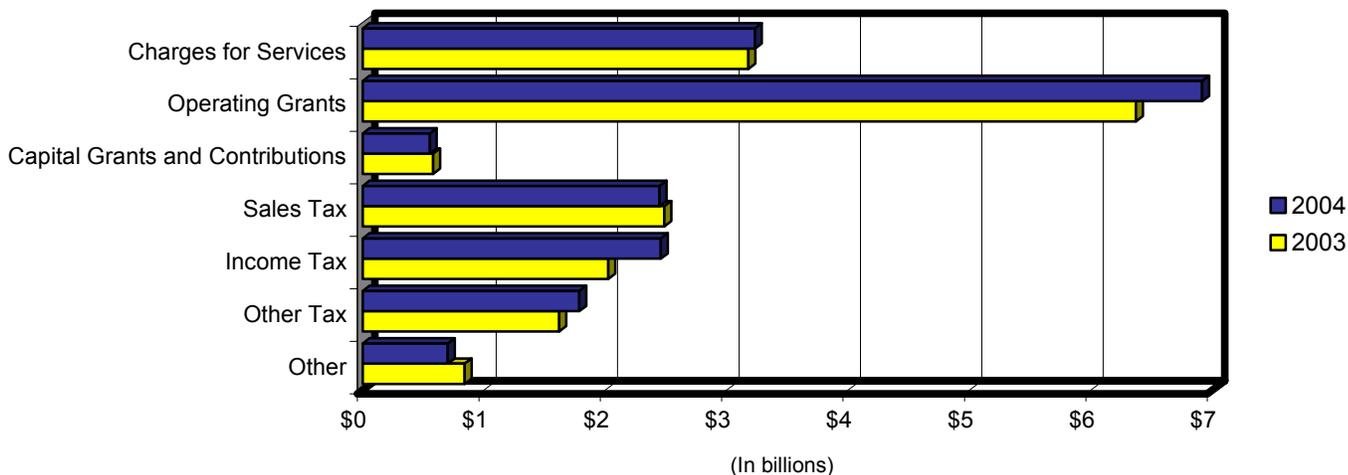
	Governmental Activities		Business-type Activities		Total Primary Government	
	(Restated)		(Restated)		(Restated)	
	2004	2003	2004	2003	2004	2003
Revenues:						
Program revenues:						
Charges for services	\$ 3,230,878	\$ 3,177,368	\$ 701,341	\$ 664,992	\$ 3,932,219	\$ 3,842,360
Operating grants and contributions	6,914,691	6,369,929	46,221	70,249	6,960,912	6,440,178
Capital grants & contributions	552,527	580,252	30,344	15,221	582,871	595,473
General revenues:						
Income taxes	2,457,114	2,022,765	-	-	2,457,114	2,022,765
Sales and use taxes	2,455,444	2,484,617	-	-	2,455,444	2,484,617
Other taxes	1,785,499	1,619,698	-	-	1,785,499	1,619,698
Other	702,880	839,105	4,824	10,896	707,704	850,001
Total revenues	<u>18,099,033</u>	<u>17,093,734</u>	<u>782,730</u>	<u>761,358</u>	<u>18,881,763</u>	<u>17,855,092</u>
Expenses:						
Governmental activities						
General government	2,620,442	2,714,785	-	-	2,620,442	2,714,785
Culture, recreation & tourism	63,512	69,659	-	-	63,512	69,659
Transportation and development	820,757	799,237	-	-	820,757	799,237
Public safety	225,307	291,283	-	-	225,307	291,283
Health and welfare	7,267,104	6,805,811	-	-	7,267,104	6,805,811
Corrections	640,371	665,118	-	-	640,371	665,118
Conservation and environment	289,712	274,926	-	-	289,712	274,926
Education	5,162,768	4,789,472	-	-	5,162,768	4,789,472
Other	16,048	4,793	-	-	16,048	4,793
Intergovernmental	354,846	362,099	-	-	354,846	362,099
Interest on long-term debt	216,514	149,798	-	-	216,514	149,798
Business-type activities:						
Louisiana Lottery Corporation	-	-	218,893	202,743	218,893	202,743
Unemployment Trust Fund	-	-	338,910	372,160	338,910	372,160
Other	-	-	108,482	94,991	108,482	94,991
Total expenses	<u>17,677,381</u>	<u>16,926,981</u>	<u>666,285</u>	<u>669,894</u>	<u>18,343,666</u>	<u>17,596,875</u>
Net Increase before transfers	421,652	166,753	116,445	91,464	538,097	258,217
Transfers	120,808	107,817	(120,808)	(108,596)	-	(779)
Net increase (decrease)	<u>542,460</u>	<u>274,570</u>	<u>(4,363)</u>	<u>(17,132)</u>	<u>538,097</u>	<u>257,438</u>
Net Assets—Beginning, as restated	<u>11,580,757</u>	<u>11,306,187</u>	<u>1,997,094</u>	<u>2,014,226</u>	<u>13,577,851</u>	<u>13,320,413</u>
Net Assets —Ending	<u>\$ 12,123,217</u>	<u>\$ 11,580,757</u>	<u>\$ 1,992,731</u>	<u>\$ 1,997,094</u>	<u>\$ 14,115,948</u>	<u>\$ 13,577,851</u>

State of Louisiana

Governmental Activities - Net assets increased by \$542 million. Approximately 41% of the total revenue came from grants and contributions, 18% from charges for goods and services, and 37% from taxes (see chart below). The governmental activities expenses cover a range of services. The largest expenses were for health and welfare (41%) and education (29%) as depicted in the second chart below.

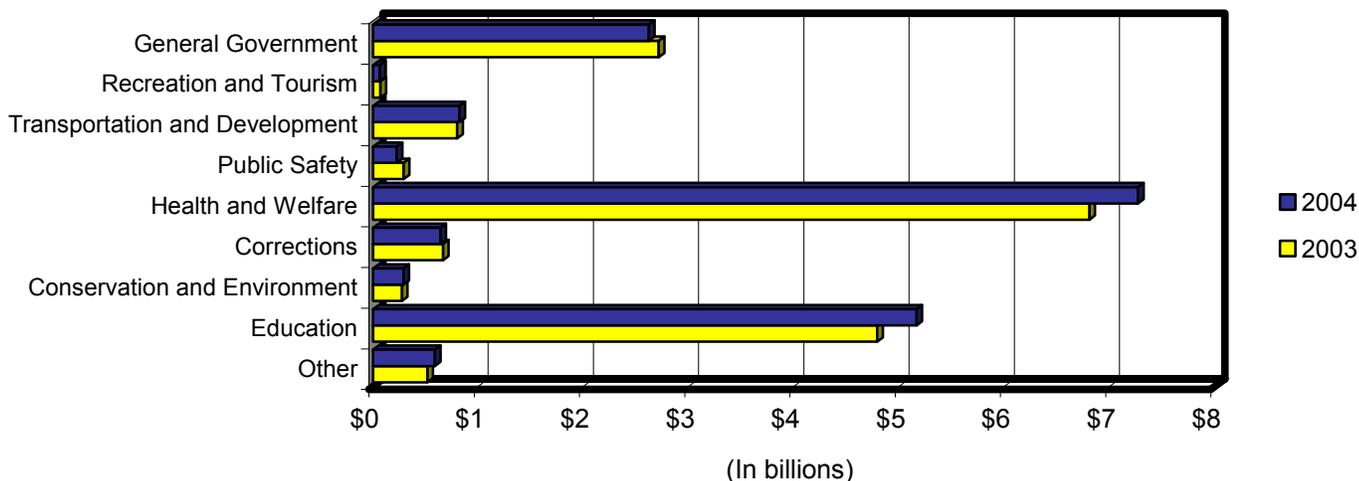
The following chart depicts the governmental activities' revenues for the 2004 and 2003 fiscal years:

2004 & 2003 Governmental Revenues



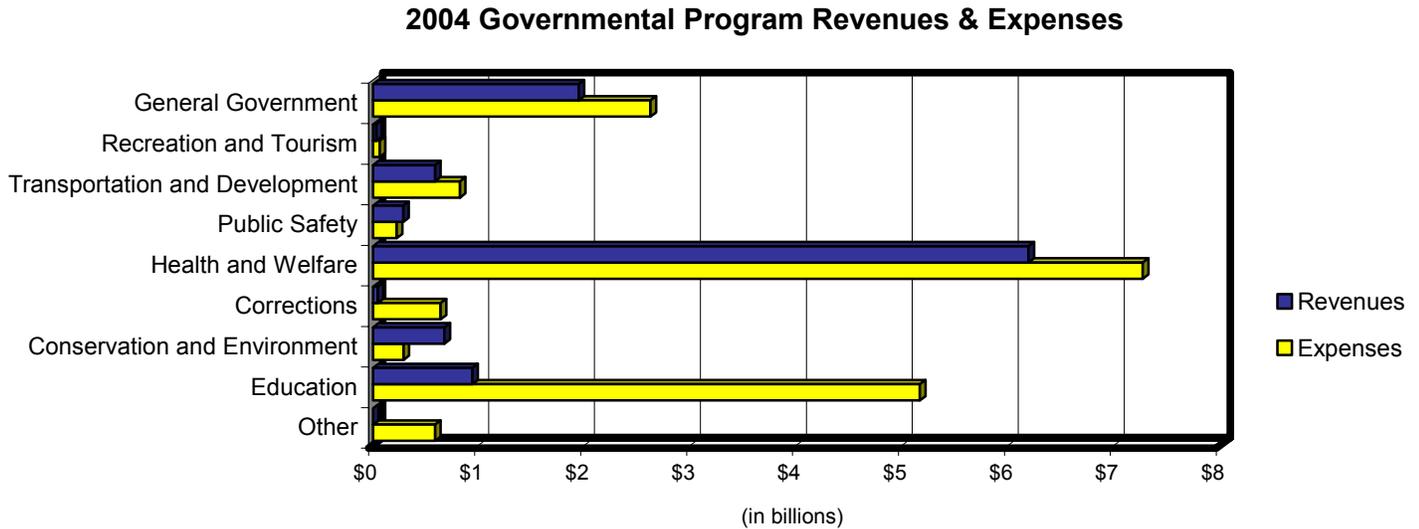
The following chart depicts the governmental activities' expenses for the 2004 and 2003 fiscal years:

2004 & 2003 Governmental Expenses



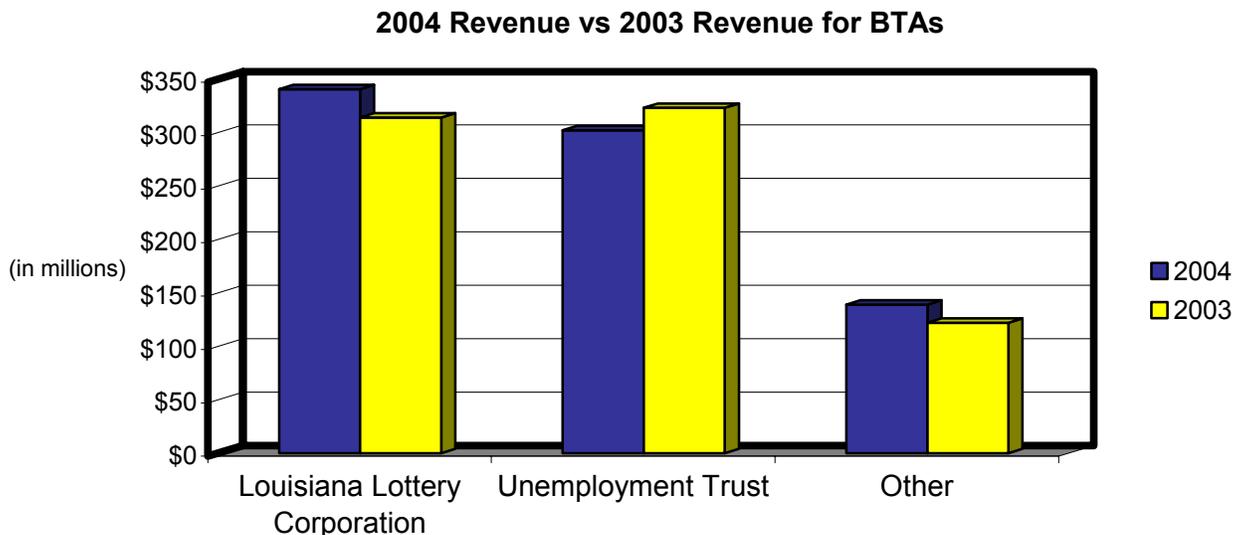
State of Louisiana

The following chart depicts the governmental activities' program revenues and expenses for the 2004 fiscal year:



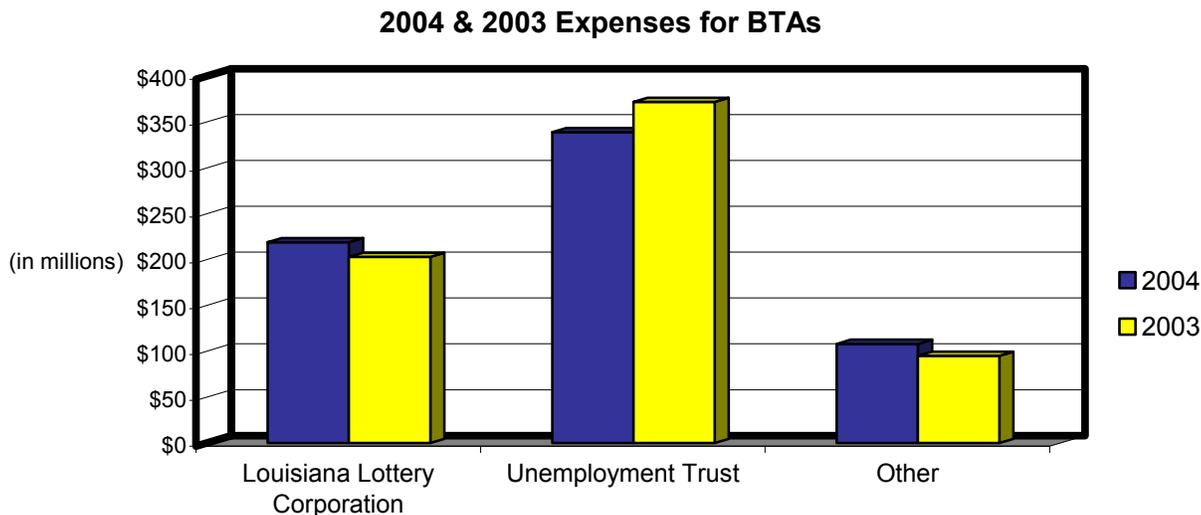
Business-Type Activities - Revenues exceeded expenses by \$116.5 million (a 27% increase from last year). Revenues increased by approximately \$21 million (3%) from the previous year while expenses decreased by \$3.6 million (less than 1%). Charges for Services provided for the bulk of the total revenue at \$701 million (90%), while Grants and Contributions (including federal aid) provided \$77 million (10%) of the revenues for the business-type activities. The increase in the business-type revenues is due mainly to increased revenue from the sale of instant tickets and on-line sales for the Louisiana Lottery Corporation in the fiscal year 2004. The slight decrease in expenditures for fiscal year 2004 can be attributed to a decline in expenditures in the Unemployment Trust Fund partially due the end of the Temporary Emergency Unemployment Compensation program. The increase in revenues and expenses are explained in more detail in the Proprietary Fund section (page 23).

The following chart depicts business-type activities' revenues for the 2004 and 2003 fiscal years:

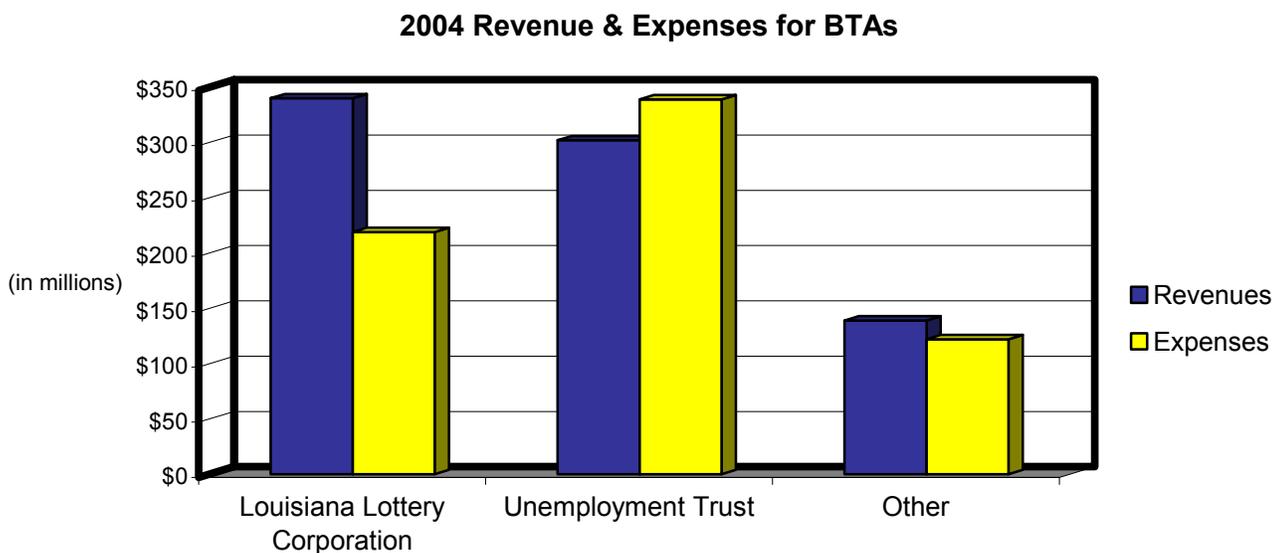


State of Louisiana

The following chart depicts business-type activities' expenses for the 2004 and 2003 fiscal years:



The following chart depicts the business-type activities' revenues and expenses for fiscal year 2004:



FINANCIAL ANALYSIS OF THE FUNDS OF THE STATE

As noted earlier, the State uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and to assist in the management of its budgetary operations.

Governmental Funds

As the State completed the year, its governmental funds (as presented in the balance sheet on page 29) reported a total fund balance of \$5.9 billion (1.7% decrease from the restated prior year balance).

State of Louisiana

Unreserved/undesignated fund balance constitutes 59% of this total, which is available for spending in the coming year. The remainder of this fund balance is reserved to indicate it is not available for spending because it has already been committed. The major governmental funds are the General Fund, Bond Security and Redemption Fund, Louisiana Education Quality Trust Fund, and Medicaid Trust for the Elderly.

The General Fund is the chief operating fund of the State. The overall liquidity of the General Fund declined by \$61 million due to expenditures outpacing revenues as shown by comparing the restated net change in fund balance in fiscal year 2003 to that of fiscal year 2004. Unreserved/undesignated fund balance declined to a deficit of \$11 million.

General Fund revenues and expenditures increased during the fiscal year by \$358 million and \$687 million, respectively. The General Fund realized increases in tax licenses and fees (\$413 million) and corporate tax (\$32 million) due to improvement in the economy. Individual income taxes increased by approximately \$325 million and sales taxes decreased by approximately \$111 million as result of the Stelly Plan, which phased out state sales tax on groceries and home utilities, compressed state income tax brackets, and eliminated the state deduction for excess itemized deductions, raising state income tax brackets for many. Mineral revenue increased by \$67 million and a new racetrack accounted for \$16 million in additional revenues. The State did not receive as much federal revenue this year as last because the State did not experience any major natural disasters in fiscal year 2004.

The increase in expenditures can be largely attributed to a \$436 million increase for health care cost. These increases include, but are not limited to, \$253 million for uncompensated care (care provided by hospitals or other providers that is not paid for directly by patients or insurers), \$80 million in pharmacy inflation, \$67 million for MR/DD waiver slots (provides services to persons who are mentally retarded and developmentally disabled) and other waiver expenditures, and \$61 million in upper payment limits (the maximum rates that can be paid under the Medicaid Program). The increase in expenditures can also be attributed to an \$86 million increase in education expenditures for the Minimum Foundation Program, which is the mechanism by which all students in public elementary and secondary schools are assured of a minimum program of education, and increased expenditures for the Temporary assistance for Needy Families (TANF) Program.

Revenues for the Bond Security and Redemption Fund increased by \$599 million (6.2%) in fiscal year 2004, which can mainly be attributed to the increase in tax revenue. The Louisiana Education Quality Trust Fund reported interest earnings of \$25.1 million (a 46.7% increase) and market gains of \$3.4 million. The fund balance for the Medicaid Trust for the Elderly decreased to \$872 million (3.8%).

Proprietary Funds

The major enterprise funds of the State are the Louisiana Lottery Corporation and the Unemployment Trust Fund. These two funds account for 78% of the net assets of the enterprise funds. Combined net assets for the enterprise funds decreased by \$4 million compared to the prior fiscal year as restated. In addition to the major funds, enterprise funds also include the Municipal Facilities Revolving Loan Fund, Office Facilities Corporation, and 10 other non-major enterprise funds.

The Louisiana Lottery Corporation produced over \$340 million in operating revenue, which was \$28.6 million higher than prior year amounts and represented the highest revenue generated since fiscal year 1994. Powerball on-line and instant ticket sales increased by \$19.8 and \$8.9 million, respectively. Powerball on-line sales of \$118.3 million were at the highest level since the introduction of this multi-state game in Louisiana. Several large jackpots during fiscal year 2004 contributed to the record sales for this game. Pick 3, Pick 4, and Cash Quest all increased while sales for the Lotto game decreased slightly. The increase in sales is attributed to improvements in inventory management and prize structure distribution. Operating expenses fluctuate directly with the level of sales. Expenses totaled approximately \$219 million.

Operating Revenue for the Unemployment Trust Fund decreased by over \$20.5 million (6%); however, expenses decreased by \$33 million (9%). The Unemployment Trust Fund accounts for the Unemployment

State of Louisiana

Insurance Program in the State. The decrease in revenues is mainly due to reduced trust fund interest earnings and the cessation of the Temporary Extended Unemployment Compensation program, which provided extra weeks of federally funded unemployment benefits to unemployed workers who have received all regular unemployment benefits available to them. Expenses for the Unemployment Trust Fund decreased by approximately \$33.2 million (8.9%) in fiscal year 2004 primarily due to reduction in the number of unemployed workers receiving benefits.

GENERAL FUND BUDGETARY HIGHLIGHTS

Supplemental appropriations are usually passed before the end of the fiscal year based on revisions to estimated revenues by the Revenue Estimating Conference and the needs of various departments and programs. These supplemental appropriations are included in the final budget, but are not in the original budget. Final budgeted revenues were approximately \$272 million greater than originally budgeted and final budgeted expenditures were approximately \$582 million greater than originally budgeted. Transfers in from other funds make up the difference between revenues and expenditures. Final budgeted expenditures in excess of original budgeted expenditures include \$198 million for Department of Health and Hospital mainly due to an increase in uncompensated care cost; \$101 million for Department of Social Services mainly due to carryover of Temporary Assistance for Needy Family (TANF) Program childcare; \$53 million for coastal restoration and management; \$57 million for Higher Education; and other expenditures for various other projects or services.

Actual revenues were \$505 million less than the final budgeted revenue and actual expenditures were \$957 million less than final budgeted expenditures. The difference between the final budgeted amounts and actual results can be attributed to an over estimation of final budgeted revenues and expenditures necessary for the operations of the general government and providing for health and welfare.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

(net of depreciation, in thousands)

	Governmental		Business-type		Total	
	Activities		Activities		Primary	
	2004	(Restated) 2003	2004	2003	2004	(Restated) 2003
Land	\$ 1,751,347	\$ 1,673,017	\$ 4,081	\$ 6,600	\$ 1,755,428	\$ 1,679,617
Buildings and Improvement	854,253	730,021	9,517	9,779	863,770	739,800
Equipment	144,939	154,430	7,020	7,885	151,959	162,315
Infrastructure	8,770,117	8,528,203	10	-	8,770,127	8,528,203
Construction-in-Progress	76,288	74,244	10,524	79,190	86,812	153,434
					-	
Total	\$ <u>11,596,944</u>	\$ <u>11,159,915</u>	\$ <u>31,152</u>	\$ <u>103,454</u>	\$ <u>11,628,096</u>	\$ <u>11,263,369</u>

Capital assets for governmental and business-type activities of the State as of June 30, 2004, totaled approximately \$11.6 billion and \$31.2 million (net of accumulated depreciation) respectively. Approximately, 91% of the capital assets are depreciable. Investment in capital assets includes land, buildings and improvements, machinery and equipment, park facilities, roads, highways, and bridges. The increase in

State of Louisiana

investment in governmental capital assets for the current fiscal year is \$437 million (3.9%). The majority of the increase in land and infrastructure can be attributed to the Louisiana Transportation Infrastructure Model for Economic Development (TIMED) Program. TIMED is the single largest transportation program in state history.

The \$4 billion improvement program includes 16 specific transportation projects that include four-laning 500 miles of state highways, widening and/or new construction on three major bridges and improvements to both the Port of New Orleans and Louis Armstrong International Airport in New Orleans.

The decrease in investment in capital assets for business-type activities is \$72 million (70%). The decline in capital assets in the BTA is due to the completion of multiple buildings in fiscal year 2004. The Office Facilities Corporation (OFC), which is accounted for in the proprietary funds or BTA, is a non-profit corporation authorized to finance and acquire, purchase, construct, renovate, improve, or expand public facilities for lease to the state or state agencies, boards, commissions, etc. OFC is used to facilitate construction in the state and reports construction and the debt associated with it in their financial statements, which is reflected in the business-type activity in the government wide statements. Upon completion of the construction of a building, the capital asset and the debt associated with it is transferred to governmental activities and is no longer reported as a capital asset and debt on OFC's financial statements or in the BTA government-wide statements. Three completed buildings and a parking garage constructed in Louisiana Capitol Park were transitioned from the account line "construction-in-progress" in OFC's financial statements and reported in governmental activities in the government-wide statements this fiscal year. The Capitol Park buildings house State agencies and contributed to the increase in governmental capital assets.

Refer to Note 5 – "Capital Assets" for more details concerning of the changes in capital assets.

Outstanding Debt
General Obligation and Revenue Bonds
(in thousands)

	Governmental		Business-type		Total	
	Activities		Activities		Primary	
	2004	(restated) 2003	2004	2003	2004	(restated) 2003
General obligation bonds	\$ 1,846,790	\$ 2,010,977	\$ -	\$ -	\$ 1,846,790	\$ 2,010,977
Revenue bonds and notes	1,754,667	1,740,677	115,000	102,685	1,869,667	1,843,362
Total	\$ 3,601,457	\$ 3,751,654	\$ 115,000	\$ 102,685	\$ 3,716,457	\$ 3,854,339

The State authorizes, issues, and sells debt obligations. General obligation bonds issued by the State are backed by the full faith and credit of the State. The State also issues revenue obligations, which are secured by a pledge of revenues or property derived from the operations of a program funded by the issuance of the obligations.

During the year, there were no new general obligation bonds issued, but \$115 million in revenue bonds were issued. The additional revenue bonds were issued for construction of public facilities for lease to the State as part of the downtown development. These new facilities will house the Department of Social Services and the Department of Health and Hospitals. Bonds payable in governmental activities reflected \$97 million in additional revenue bonds that were reported in the BTA last year, which were transferred to governmental activities in 2004 due to the completion of multiple buildings as reported in the previous section.

State of Louisiana

Debt authorization and limitations are discussed in Note 8. Bond ratings for general obligation debt remained stable and are as follows: "A+" from Standard and Poor's, "A1" from Moody's, and "A+" from Fitch. Refer to Note 8, Long-Term Obligations for more details on long-term debt.

ECONOMIC FACTORS

(The next two paragraphs are taken from the Louisiana Economic Outlook: 2005-2006, by Loren Scott, James A. Richardson and A.M.M. Jamal, published in October 2004.)

In 2004, the Louisiana economy began to grow again, though at a very modest rate. Employment rose only 0.4%. By far the biggest culprit behind Louisiana's slow growth has been the chemical industry. This sector has lost 3,800 jobs since 2001 including 1,100 jobs over the 12-month period ending July 2004. The chemical industry has been hammered by high natural gas prices. Retrenching in this sector has created problems in industrial construction and fabricated metal manufacturing, primarily due to shelved capital expansion plans and the postponement of maintenance activities.

A second culprit to Louisiana's slow growth has been the extraction sector. In a reversal of historical precedence, Louisiana's extraction sector has experienced almost no improvement in condition from the higher oil and natural gas prices. This has had a negative impact on the fabricated metals sector and shipbuilding. With a pummeled chemical industry and a moribund extraction sector it is hard for the feeder sectors, such as trade, services, and finance to muster much growth.

Northrop Grumman Ship Systems, Inc., Procter & Gamble Corporation, Union Tank Car, and General Motors Corporation have all announced or begun location and/or expansion in the state with total investment topping \$1 billion. Subsequently, plant construction employment and location of plant suppliers will provide further benefit to the State. As part of the Governor's economic development efforts, a rapid response fund of \$10 million has been authorized, which will enable the State to enhance its competitive position via incentives. In addition, legislative action taken during 2004 included the phasing out of two significant business taxes, which is expected to assist in the State's economic development efforts.

Requests for Information

This financial report is designed to provide a general overview of the State finances for interested parties. Questions concerning any of the information provided in this report or requests for additional financial information may be obtained by writing to the Office of Statewide Reporting and Accounting Policy, P.O. Box 94095, Baton Rouge, LA 70804-9095 or by telephoning (225) 342-0708. The component units of the State issue their own audited financial reports. Telephone numbers for these entities may be obtained from the same source as mentioned above. This report is available on our website at <http://www.state.la.us/osrap/cafr.htm>.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

State of Louisiana

STATEMENT OF NET ASSETS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	PRIMARY GOVERNMENT			COMPONENT UNITS
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL PRIMARY GOVERNMENT	
ASSETS				
CASH AND CASH EQUIVALENTS	\$ 2,534,209	\$ 1,701,403	\$ 4,235,612	\$ 968,798
INVESTMENTS	3,486,560	280,594	3,767,154	1,064,425
RECEIVABLES (NET)	1,870,301	64,178	1,934,479	371,288
AMOUNTS DUE FROM PRIMARY GOVERNMENT	--	--	--	59,361
AMOUNTS DUE FROM COMPONENT UNITS	2,835	--	2,835	--
DUE FROM FEDERAL GOVERNMENT	698,151	971	699,122	30,892
INTERNAL BALANCES	12,673	(12,673)	--	--
INVENTORIES	62,958	5,765	68,723	47,038
PREPAYMENTS	2	1,707	1,709	26,113
NOTES RECEIVABLE	--	233,129	233,129	155,305
OTHER ASSETS	50,724	14,588	65,312	83,106
CAPITAL ASSETS (NOTE 5)				
LAND	1,751,347	4,081	1,755,428	247,352
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	854,253	9,517	863,770	1,883,710
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	144,939	7,020	151,959	339,238
INFRASTRUCTURE (NET OF DEPRECIATION)	8,770,117	10	8,770,127	315,546
CONSTRUCTION IN PROGRESS	76,288	10,524	86,812	343,504
TOTAL ASSETS	20,315,357	2,320,814	22,636,171	5,935,676
LIABILITIES				
ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES	1,690,421	10,885	1,701,306	453,494
ACCRUED INTEREST ON BONDS	40,097	--	40,097	--
AMOUNTS DUE TO PRIMARY GOVERNMENT	--	--	--	2,835
AMOUNTS DUE TO COMPONENT UNITS	59,361	--	59,361	--
DUE TO FEDERAL GOVERNMENT	88,890	25	88,915	508
DUE TO LOCAL GOVERNMENTS	41,267	--	41,267	--
UNEARNED REVENUE	29,381	2,418	31,799	96,233
AMOUNTS HELD IN CUSTODY FOR OTHERS	--	97	97	--
OTHER LIABILITIES	142,085	11,571	153,656	1,003
CURRENT PORTION OF LONG-TERM LIABILITIES (NOTE 8):				
COMPENSATED ABSENCES	10,135	587	10,722	15,134
CAPITAL LEASE OBLIGATIONS	11,418	54	11,472	13,004
AMOUNTS HELD IN CUSTODY FOR OTHERS	--	--	--	13,172
NOTES PAYABLE	--	--	--	19,655
LIABILITIES PAYABLE FROM RESTRICTED ASSETS	--	--	--	12,097
BONDS PAYABLE	213,816	--	213,816	34,213
ESTIMATED LIABILITY FOR CLAIMS	83,725	--	83,725	--
UNAMORTIZED BOND PREMIUM	2,848	--	2,848	--
OTHER LONG-TERM LIABILITIES	--	33,908	33,908	8,142
NONCURRENT PORTION OF LONG-TERM LIABILITIES (NOTE 8):				
COMPENSATED ABSENCES	177,369	1,572	178,941	170,802
CAPITAL LEASE OBLIGATIONS	46,380	20	46,400	57,088
AMOUNTS HELD IN CUSTODY FOR OTHERS	--	--	--	10,529
NOTES PAYABLE	3,049	--	3,049	97,902
BONDS PAYABLE	3,387,641	115,000	3,502,641	1,002,465
ESTIMATED LIABILITY FOR CLAIMS	2,119,930	--	2,119,930	--
UNAMORTIZED BOND PREMIUM	44,327	--	44,327	--
OTHER LONG-TERM LIABILITIES	--	151,946	151,946	36,773
TOTAL LIABILITIES	8,192,140	328,083	8,520,223	2,045,049
NET ASSETS				
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	10,438,398	21,512	10,459,910	2,182,883
RESTRICTED FOR:				
CAPITAL PROJECTS	632,379	--	632,379	10,568
DEBT SERVICE	129,556	36,406	165,962	8,091
TRUST PRINCIPAL / BUILDING TRUST	909,540	--	909,540	--
UNEMPLOYMENT COMPENSATION	--	1,432,133	1,432,133	--
OTHER PURPOSES	2,965,064	105,249	3,070,313	1,171,683
FUNDS HELD AS PERMANENT INVESTMENTS:				
NONEXPENDABLE	1,114,246	--	1,114,246	--
UNRESTRICTED	(4,065,966)	397,431	(3,668,535)	517,402
TOTAL NET ASSETS	\$ 12,123,217	\$ 1,992,731	\$ 14,115,948	\$ 3,890,627

The notes to the financial statement are an integral part of this statement.

State of Louisiana

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

FUNCTIONS/PROGRAMS	NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS							
	EXPENSES	PROGRAM REVENUES			PRIMARY GOVERNMENT			COMPONENT UNITS
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
PRIMARY GOVERNMENT:								
GOVERNMENTAL ACTIVITIES:								
GENERAL GOVERNMENT	\$ 2,620,442	\$ 1,597,757	\$ 289,196	\$ 56,317	\$ (677,172)		\$ (677,172)	
CULTURE, RECREATION, AND TOURISM	63,512	27,435	5,563	--	(30,514)		(30,514)	
TRANSPORTATION AND DEVELOPMENT	820,757	65,507	50,788	469,735	(234,727)		(234,727)	
PUBLIC SAFETY	225,307	252,990	32,502	1,010	61,195		61,195	
HEALTH AND WELFARE	7,267,104	581,160	5,607,728	167	(1,078,049)		(1,078,049)	
CORRECTIONS	640,371	36,376	3,822	4,378	(595,795)		(595,795)	
CONSERVATION AND ENVIRONMENT	289,712	618,354	55,962	1,076	385,680		385,680	
EDUCATION	5,162,768	50,026	869,130	19,844	(4,223,768)		(4,223,768)	
OTHER	16,048	--	--	--	(16,048)		(16,048)	
INTERGOVERNMENTAL	354,846	1,273	--	--	(353,573)		(353,573)	
INTEREST ON LONG-TERM DEBT	216,514	--	--	--	(216,514)		(216,514)	
TOTAL GOVERNMENTAL ACTIVITIES	<u>17,677,381</u>	<u>3,230,878</u>	<u>6,914,691</u>	<u>552,527</u>	<u>(6,979,285)</u>		<u>(6,979,285)</u>	
BUSINESS-TYPE ACTIVITIES:								
LOUISIANA LOTTERY CORPORATION	218,893	340,118	--	--	\$ 121,225		121,225	
UNEMPLOYMENT TRUST FUND	338,910	255,914	46,221	--	(36,775)		(36,775)	
OTHER	108,482	105,309	--	30,344	27,171		27,171	
TOTAL BUSINESS-TYPE ACTIVITIES	<u>666,285</u>	<u>701,341</u>	<u>46,221</u>	<u>30,344</u>		<u>111,621</u>	<u>111,621</u>	
TOTAL PRIMARY GOVERNMENT	<u>\$ 18,343,666</u>	<u>\$ 3,932,219</u>	<u>\$ 6,960,912</u>	<u>\$ 582,871</u>	<u>(6,979,285)</u>	<u>111,621</u>	<u>(6,867,664)</u>	
COMPONENT UNITS:								
STATE UNIVERSITIES:								
LOUISIANA STATE UNIVERSITY SYSTEM	\$ 2,972,273	\$ 1,822,618	\$ 441,848	\$ 53,454				\$ (654,353)
UNIVERSITY OF LOUISIANA SYSTEM	796,419	294,034	194,217	24,067				(284,101)
SOUTHERN UNIVERSITY SYSTEM	203,611	43,758	66,669	3,670				(89,514)
LOUISIANA COMMUNITY AND TECHNICAL COLLEGE SYSTEM	326,752	45,218	123,590	10,436				(147,508)
BOARD OF REGENTS	76,325	488	5,915	--				(69,922)
AUTHORITIES:								
GREATER NEW ORLEANS EXPRESSWAY COMMISSION	17,387	15,934	520	--				(933)
LOUISIANA STADIUM AND EXPOSITION DISTRICT	88,405	30,597	--	2,584				(55,224)
ORLEANS LEVEE DISTRICT	37,125	13,250	--	250				(23,625)
OTHER COMPONENT UNITS	253,534	33,467	128,201	12,870				(78,996)
TOTAL COMPONENT UNITS	<u>\$ 4,771,831</u>	<u>\$ 2,299,364</u>	<u>\$ 960,960</u>	<u>\$ 107,331</u>				<u>(1,404,176)</u>
GENERAL REVENUES:								
INCOME TAXES					2,457,114		2,457,114	
SALES TAXES					2,455,444		2,455,444	
FRANCHISE TAXES					181,044		181,044	
GASOLINE TAXES, restricted for transportation					559,274		559,274	
TOBACCO TAXES					102,231		102,231	
MISCELLANEOUS TAXES					942,950		942,950	
TOBACCO SETTLEMENT, restricted for education, health and welfare					58,987		58,987	
GAMING					596,693		596,693	
UNRESTRICTED INVESTMENT EARNINGS					28,518		28,518	
MISCELLANEOUS					18,682		18,682	1,264,766
OTHER					--	4,824	4,824	357,194
TRANSFERS					120,808	(120,808)	--	--
TOTAL GENERAL REVENUES AND TRANSFERS					<u>7,521,745</u>	<u>(115,984)</u>	<u>7,405,761</u>	<u>1,621,960</u>
CHANGE IN NET ASSETS					542,460	(4,363)	538,097	217,784
NET ASSETS - BEGINNING, as restated					<u>11,580,757</u>	<u>1,997,094</u>	<u>13,577,851</u>	<u>3,672,843</u>
NET ASSETS - ENDING					<u>\$ 12,123,217</u>	<u>\$ 1,992,731</u>	<u>\$ 14,115,948</u>	<u>\$ 3,890,627</u>

The notes to the financial statements are an integral part of this statement.

GOVERNMENTAL FUND
FINANCIAL STATEMENTS

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Major Funds

GENERAL FUND

The General Fund, the principal operating fund of the State, was established administratively to provide for the distribution of funds appropriated by the State Legislature for the ordinary expenses of state government. Transactions related to resources that are not accounted for in other funds are accounted for in the General Fund. Revenues are provided from the direct deposit of federal grants and the transfer of state revenues from the Bond Security and Redemption Fund after debt service requirements have been met.

BOND SECURITY AND REDEMPTION FUND

This fund is used to provide for the collection of all money deposited into the State Treasury except federal funds, donations or other forms of assistance when the terms and conditions of the related agreements require otherwise. Each fiscal year, an amount is allocated from this fund sufficient to pay all obligations secured by the full faith and credit of the state, due and payable, within the current fiscal year, including principal, interest, premiums, and sinking or reserve funds. Except as otherwise provided by law, money remaining in the fund is credited to the General Fund.

LOUISIANA EDUCATION QUALITY TRUST FUND

Once requirements of the Bond Security and redemption Fund have been met, certain funds received from the federal government attributable to mineral production or leases on the outer continental shelf pending a settlement between the United States and Louisiana are deposited by the Treasurer in this fund. The funds are held in a trustee capacity to be used for various educational purposes.

MEDICAID TRUST FUND FOR THE ELDERLY

Act 143 of 1st Extraordinary Session 2000 established this fund at R.S. 46:2691 to receive all funds from the intergovernmental transfer program and all investment earnings on monies deposited to this fund. The principal provides for the nursing home program case mix reimbursement system, intergovernmental transfer programs, enhanced payments to local government-owned health care facilities or health care programs, and reimbursement to the DHH for the cost of developing the application for and implementing the intergovernmental transfer program.

State of Louisiana

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	GENERAL FUND	BOND SECURITY AND REDEMPTION FUND	LOUISIANA EDUCATION QUALITY TRUST FUND	MEDICAID TRUST FOR THE ELDERLY	NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS						
CASH AND CASH EQUIVALENTS	\$ 147,002	\$ 232,951	\$ --	\$ 34	\$ 2,139,864	\$ 2,519,851
INVESTMENTS	22,946	43,940	917,327	873,386	1,628,961	3,486,560
RECEIVABLES, NET	156,168	1,004,105	--	--	27,169	1,187,442
DUE FROM OTHER FUNDS	791,105	324,848	716	4,387	401,632	1,522,688
AMOUNTS DUE FROM COMPONENT UNITS	2,379	--	--	--	456	2,835
DUE FROM FEDERAL GOVERNMENT	653,661	--	--	--	44,490	698,151
INVENTORIES	58,747	--	--	--	--	58,747
OTHER ASSETS	4,057	--	--	--	3,359	7,416
TOTAL ASSETS	\$ 1,836,065	\$ 1,605,844	\$ 918,043	\$ 877,807	\$ 4,245,931	\$ 9,483,690
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
ACCOUNTS PAYABLE AND ACCRUALS	\$ 966,409	\$ 33	\$ --	\$ --	\$ 124,399	\$ 1,090,841
OTHER PAYABLES	1,721	297,677	--	--	--	299,398
DUE TO OTHER FUNDS	356,669	908,064	21,204	5,812	217,762	1,509,511
AMOUNTS DUE TO COMPONENT UNITS	22,130	--	--	--	37,231	59,361
DUE TO FEDERAL GOVERNMENT	88,890	--	--	--	--	88,890
DUE TO LOCAL GOVERNMENTS	--	--	--	--	41,267	41,267
DEFERRED REVENUES	29,381	298,260	--	--	--	327,641
ESTIMATED LIABILITY FOR CLAIMS	83,725	--	--	--	--	83,725
OTHER LIABILITIES	--	101,810	--	--	8,212	110,022
TOTAL LIABILITIES	1,548,925	1,605,844	21,204	5,812	428,871	3,610,656
FUND BALANCES:						
RESERVED FOR:						
DEBT SERVICE	--	--	--	--	129,556	129,556
INVENTORIES	58,747	--	--	--	--	58,747
ENCUMBRANCES	41,919	--	--	--	68,463	110,382
CONTINUING PROJECTS	--	--	--	--	207,451	207,451
CONSTRUCTION	--	--	--	--	632,379	632,379
BUILDING TRUST	--	--	--	--	707	707
TRUST PRINCIPAL	--	--	896,839	--	11,994	908,833
OTHER SPECIFIC PURPOSES	197,472	--	--	--	108,191	305,663
UNRESERVED / DESIGNATED, REPORTED IN:						
SPECIAL REVENUE FUNDS	--	--	--	19,552	20,362	39,914
CAPITAL PROJECTS FUNDS	--	--	--	--	204	204
PERMANENT FUNDS	--	--	--	--	26,490	26,490
UNRESERVED / UNDESIGNATED, REPORTED IN:						
GENERAL FUND	(10,998)	--	--	--	--	(10,998)
SPECIAL REVENUE FUNDS	--	--	--	852,443	1,497,017	2,349,460
PERMANENT FUNDS	--	--	--	--	1,114,246	1,114,246
TOTAL FUND BALANCES	287,140	--	896,839	871,995	3,817,060	5,873,034
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,836,065	\$ 1,605,844	\$ 918,043	\$ 877,807	\$ 4,245,931	\$ 9,483,690

The notes to the financial statements are an integral part of this statement

State of Louisiana

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets

(Expressed in Thousands)

Total Fund Balances - Governmental Funds \$ 5,873,034

Amounts reported for governmental activities in the Statement of Net Assets are different due to the following:

Capital assets used in governmental activities are not financial resources and are not reported in the fund financial statements. These assets consist of the following:

	Land	\$ 1,751,347	
	Buildings and Improvements	1,257,607	
	Machinery and Equipment	613,283	
	Infrastructure	16,239,859	
	Construction in Progress	76,288	
	Accumulated Depreciation	<u>(8,346,749)</u>	11,591,635

Net assets of the Internal Service Funds are reported separately in the proprietary funds, but are consolidated for the government-wide statements. 13,734

Commodities inventory is not reported in the funds. Ending inventory must be reported on the government-wide statements. 3,015

Bonds issued by the State have associated costs that are paid from current available financial resources in the funds. These costs are deferred on the Statement of Net Assets. 43,208

The annual required contributions of certain pension trust funds have been under-funded, creating a year-end liability, which is not reported in the funds. (32,063)

Some liabilities are not due and payable in the current period and are not reported in the funds. These liabilities consist of the following:

	Compensated Absences	(186,752)	
	Capital Lease Obligations	(57,798)	
	Bonds Payable	(3,593,088)	
	Estimated Liabilities for Claims	(2,119,930)	
	Unamortized Bond Premium	(47,175)	
	Accrued Interest Payable	<u>(40,097)</u>	(6,044,840)

Some of the State's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and are deferred or not reported in the funds. Those revenues consist of the following:

	Accounts Receivable	675,970	
	Deferred Revenues	<u>298,260</u>	974,230

Some payables do not meet the criteria for reporting under the modified accrual basis of accounting and are not reported in the fund level statements. (298,736)

Net Assets of Governmental Activities \$ 12,123,217

The notes to the financial statements are an integral part of this statement.

State of Louisiana

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	GENERAL FUND	BOND SECURITY AND REDEMPTION FUND	LOUISIANA EDUCATION QUALITY TRUST FUND	MEDICAID TRUST FOR THE ELDERLY	NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES						
INTERGOVERNMENTAL REVENUES	\$ 6,715,586	\$ 14,310	\$ --	\$ --	\$ 584,010	\$ 7,313,906
TAXES	--	6,594,585	--	--	124,958	6,719,543
GAMING	--	601,762	--	--	--	601,762
TOBACCO SETTLEMENT	--	56,680	--	--	84,973	141,653
USE OF MONEY AND PROPERTY	(38,246)	602,160	3,435	(34,185)	24,293	557,457
LICENSES, PERMITS, AND FEES	--	518,594	--	--	49,797	568,391
SALES OF COMMODITIES AND SERVICES	--	905,194	--	--	13	905,207
OTHER	13,798	841,126	--	--	34,765	889,689
TOTAL REVENUES	6,691,138	10,134,411	3,435	(34,185)	902,809	17,697,608
EXPENDITURES						
CURRENT:						
GENERAL GOVERNMENT	2,172,105	--	--	--	--	2,172,105
CULTURE, RECREATION, AND TOURISM	60,370	--	--	--	--	60,370
TRANSPORTATION AND DEVELOPMENT	330,164	--	--	--	--	330,164
PUBLIC SAFETY	256,403	--	--	--	--	256,403
HEALTH AND WELFARE	7,061,555	--	--	--	--	7,061,555
CORRECTIONS	623,629	--	--	--	--	623,629
CONSERVATION AND ENVIRONMENT	240,743	--	--	--	--	240,743
EDUCATION	4,929,255	--	--	--	--	4,929,255
OTHER	13,311	921	--	--	196,568	210,800
INTERGOVERNMENTAL	354,846	--	--	--	91,084	445,930
CAPITAL OUTLAY	--	--	--	--	1,126,958	1,126,958
DEBT SERVICE:						
PRINCIPAL RETIREMENT	20,605	164,187	--	--	62,486	247,278
INTEREST AND FISCAL CHARGES	19,190	106,395	--	--	81,405	206,990
TOTAL EXPENDITURES	16,082,176	271,503	--	--	1,558,501	17,912,180
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(9,391,038)	9,862,908	3,435	(34,185)	(655,692)	(214,572)
OTHER FINANCING SOURCES (USES)						
TRANSFERS IN	9,735,221	129,372	25,160	45,502	3,275,792	13,211,047
TRANSFERS OUT	(399,762)	(9,992,280)	--	(46,208)	(2,651,989)	(13,090,239)
OTHER	2,475	--	--	--	--	2,475
TOTAL OTHER FINANCING SOURCES (USES)	9,337,934	(9,862,908)	25,160	(706)	623,803	123,283
NET CHANGE IN FUND BALANCES	(53,104)	--	28,595	(34,891)	(31,889)	(91,289)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	347,737	--	868,244	906,886	3,848,949	5,971,816
DECREASE IN RESERVES FOR INVENTORIES	(7,493)	--	--	--	--	(7,493)
FUND BALANCES AT END OF YEAR	\$ 287,140	\$ --	\$ 896,839	\$ 871,995	\$ 3,817,060	\$ 5,873,034

The notes to the financial statements are an integral part of this statement.

State of Louisiana

Reconciliation of the Change in Fund Balances of Governmental Funds to the Statement of Activities

(Expressed in Thousands)

Net Change in Fund Balances - Total Governmental Funds \$ (91,289)

Amounts reported for governmental activities in the Statement of Activities are different due to the following:

Governmental funds report capital outlays as expenditures. In the Statements of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense. Those capital outlay expenditures consist of the following:

	Land	\$ 72,207	
	Buildings and Improvements	(9,738)	
	Machinery and Equipment	(10,221)	
	Infrastructure	241,914	
	Construction in Progress	<u>54,582</u>	348,744

Revenues and expenses in the Statement of Activities that do not provide current financial resources are not reported as revenues and expenditures in the funds. 134,253

The net results of current year operations of internal service funds is included in the net income of the proprietary funds, but is presented as part of the primary government for government-wide statements. 1,678

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Repayment of bond principal is an expenditure in governmental funds, but reduces long-term liabilities in the Statement of Net Assets.

Debt Service - Principal Retirement	247,197	
Deferred Issue Costs	<u>(1,786)</u>	245,411

Certain expenditures related to long-term liabilities are not reported in the funds. However, they are included in the Statement of Activities. Those expenditures consist of the following:

	Compensated Absences	(4,106)	
	Capital Lease Obligations	11,880	
	Accrued Interest Payable	(9,524)	
	Estimated Liabilities for Claims	(88,216)	
	Unamortized Bond Premium	<u>2,848</u>	(87,118)

Revenues and expenses relating to changes in inventory are not reported in the funds. Current year inventory activity must be reported on the government-wide statements. (9,219)

Change in Net Assets of Governmental Activities \$ 542,460

The notes to the financial statements are an integral part of this statement.

PROPRIETARY FUND
FINANCIAL STATEMENTS

PROPRIETARY FUND FINANCIAL STATEMENTS

Major Funds

LOUISIANA LOTTERY CORPORATION

The Louisiana Lottery Corporation is a nonprofit corporation which conducts and administers the state lottery to ensure the integrity of the lottery and maintain the dignity of the state and the general welfare of its people.

UNEMPLOYMENT TRUST FUND

This fund accounts primarily for the unemployment contributions from employers for the payment of unemployment benefits to eligible claimants.

State of Louisiana

BALANCE SHEET

PROPRIETARY FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	LOUISIANA LOTTERY CORPORATION	UNEMPLOYMENT TRUST FUND	OTHER ENTERPRISE FUNDS	TOTAL	
ASSETS					
CURRENT ASSETS:					
CASH AND CASH EQUIVALENTS	\$ 67	\$ 1,500,588	\$ 199,698	\$ 1,700,353	\$ 5,989
INVESTMENTS	37,811	--	84,780	122,591	--
RECEIVABLES, NET	10,904	42,415	10,804	64,123	6,889
DUE FROM FEDERAL GOVERNMENT	--	150	821	971	--
INVENTORIES	--	--	5,765	5,765	1,196
PREPAYMENTS	1,622	--	85	1,707	2
NOTES RECEIVABLE	--	--	12,037	12,037	--
OTHER CURRENT ASSETS	14	--	2,215	2,229	100
TOTAL CURRENT ASSETS	50,418	1,543,153	316,205	1,909,776	14,176
NONCURRENT ASSETS:					
RESTRICTED ASSETS					
CASH	--	--	1,050	1,050	--
INVESTMENTS	--	--	32,450	32,450	--
RECEIVABLES	--	--	55	55	--
NOTES RECEIVABLE	--	--	221,092	221,092	--
INVESTMENTS	125,553	--	--	125,553	--
CAPITAL ASSETS (NOTE 5)					
LAND	1,542	--	2,539	4,081	--
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	3,648	--	5,869	9,517	9
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	950	--	6,070	7,020	5,300
INFRASTRUCTURE	--	--	10	10	--
CONSTRUCTION IN PROGRESS	--	--	10,524	10,524	--
OTHER NONCURRENT ASSETS	8,833	--	3,526	12,359	--
TOTAL NONCURRENT ASSETS	140,526	--	283,185	423,711	5,309
TOTAL ASSETS	\$ 190,944	\$ 1,543,153	\$ 599,390	\$ 2,333,487	\$ 19,485
LIABILITIES					
CURRENT LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ 2,662	\$ --	\$ 8,223	\$ 10,885	\$ 1,419
DUE TO OTHER FUNDS	10,336	--	2,337	12,673	504
DUE TO FEDERAL GOVERNMENT	--	25	--	25	--
DEFERRED REVENUES	--	--	2,418	2,418	--
AMOUNTS HELD IN CUSTODY FOR OTHERS	--	--	97	97	--
OTHER CURRENT LIABILITIES	--	7,075	4,496	11,571	27
CURRENT PORTION OF LONG-TERM LIABILITIES:					
COMPENSATED ABSENCES PAYABLE	310	--	277	587	42
CAPITAL LEASE OBLIGATIONS	--	--	54	54	--
NOTES PAYABLE	--	--	--	--	1,145
OTHER LONG-TERM LIABILITIES	33,849	--	59	33,908	--
TOTAL CURRENT LIABILITIES	47,157	7,100	17,961	72,218	3,137
NONCURRENT LIABILITIES:					
NON-CURRENT PORTION OF LONG-TERM LIABILITIES:					
COMPENSATED ABSENCES PAYABLE	--	--	1,572	1,572	710
CAPITAL LEASE OBLIGATIONS	--	--	20	20	--
NOTES PAYABLE	--	--	--	--	1,904
BONDS PAYABLE	--	--	115,000	115,000	--
OTHER LONG-TERM LIABILITIES	118,477	--	33,469	151,946	--
TOTAL NONCURRENT LIABILITIES	118,477	--	150,061	268,538	2,614
TOTAL LIABILITIES	165,634	7,100	168,022	340,756	5,751
NET ASSETS					
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	6,141	--	15,371	21,512	2,260
RESTRICTED FOR DEBT SERVICE	--	--	36,406	36,406	--
RESTRICTED FOR UNEMPLOYMENT COMPENSATION	--	1,432,133	--	1,432,133	--
RESTRICTED FOR OTHER SPECIFIC PURPOSES	--	103,920	1,329	105,249	--
UNRESTRICTED	19,169	--	378,262	397,431	11,474
TOTAL NET ASSETS	25,310	1,536,053	431,368	1,992,731	13,734
TOTAL LIABILITIES AND NET ASSETS	\$ 190,944	\$ 1,543,153	\$ 599,390	\$ 2,333,487	\$ 19,485

The notes to the financial statements are an integral part of this statement.

State of Louisiana

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			TOTAL	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	LOUISIANA LOTTERY CORPORATION	UNEMPLOYMENT TRUST FUND	OTHER ENTERPRISE FUNDS		
OPERATING REVENUES:					
SALES OF COMMODITIES AND SERVICES	\$ 340,018	\$ --	\$ 41,753	\$ 381,771	\$ 66,217
INTERGOVERNMENTAL REVENUES	--	46,221	--	46,221	--
ASSESSMENTS	--	166,567	4,331	170,898	--
USE OF MONEY AND PROPERTY	--	89,347	26,432	115,779	--
LICENSES, PERMITS, AND FEES	13	--	17,162	17,175	--
OTHER	87	--	1,674	1,761	5
TOTAL OPERATING REVENUES	340,118	302,135	91,352	733,605	66,222
OPERATING EXPENSES:					
COST OF SALES AND SERVICES	201,284	--	26,893	228,177	50,327
ADMINISTRATIVE	16,971	--	60,665	77,636	12,655
DEPRECIATION	638	--	2,005	2,643	1,555
AMORTIZATION	--	--	262	262	--
UNEMPLOYMENT INSURANCE BENEFITS	--	338,910	--	338,910	--
TOTAL OPERATING EXPENSES	218,893	338,910	89,825	647,628	64,537
OPERATING INCOME (LOSS)	121,225	(36,775)	1,527	85,977	1,685
NONOPERATING REVENUES (EXPENSES):					
INTERGOVERNMENTAL EXPENSES	--	--	(2,459)	(2,459)	--
USE OF MONEY AND PROPERTY	353	--	17,636	17,989	48
GAIN ON DISPOSAL OF FIXED ASSETS	--	--	1	1	--
LOSS ON DISPOSAL OF FIXED ASSETS	17	--	(422)	(405)	(18)
FEDERAL GRANTS	--	--	3	3	--
INTEREST EXPENSES	--	--	(14,081)	(14,081)	(49)
OTHER REVENUES	--	--	774	774	12
OTHER EXPENSES	--	--	(1,695)	(1,695)	--
TOTAL NONOPERATING REVENUES (EXPENSES)	370	--	(243)	127	(7)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	121,595	(36,775)	1,284	86,104	1,678
CAPITAL CONTRIBUTIONS	--	--	30,341	30,341	--
TRANSFERS IN	--	--	1,272	1,272	--
TRANSFERS OUT	(121,197)	--	(883)	(122,080)	--
CHANGE IN NET ASSETS	398	(36,775)	32,014	(4,363)	1,678
TOTAL NET ASSETS - BEGINNING AS RESTATED	24,912	1,572,828	399,354	1,997,094	12,056
TOTAL NET ASSETS - ENDING	\$ 25,310	\$ 1,536,053	\$ 431,368	\$ 1,992,731	\$ 13,734

The notes to the financial statements are an integral part of this statement.

State of Louisiana

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	LOUISIANA LOTTERY CORPORATION	UNEMPLOYMENT TRUST FUND	OTHER ENTERPRISE FUNDS	TOTAL	
CASH FLOWS FROM OPERATING ACTIVITIES:					
CASH RECEIVED FROM CUSTOMERS	\$ 139,614	\$ 167,260	\$ 150,658	\$ 457,532	\$ 66,418
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(27,201)	--	(67,432)	(94,633)	(51,521)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(5,711)	--	(20,244)	(25,955)	(11,476)
INTERNAL ACTIVITY - PAYMENTS TO OTHER FUNDS	--	--	(1,459)	(1,459)	--
CLAIMS PAID TO OUTSIDERS	--	(338,047)	(50,489)	(388,536)	--
OTHER OPERATING REVENUES (EXPENSES)	--	133,180	(20)	133,160	(27)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>106,702</u>	<u>(37,607)</u>	<u>11,014</u>	<u>80,109</u>	<u>3,394</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
STATE APPROPRIATIONS	--	--	75	75	--
PRINCIPAL PAID ON BONDS	--	--	(685)	(685)	--
INTEREST PAID ON BOND MATURITIES	--	--	(30)	(30)	--
OTHER	--	--	(55)	(55)	4
TRANSFERS IN	--	--	8,481	8,481	--
TRANSFERS OUT	(121,646)	--	(878)	(122,524)	--
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>(121,646)</u>	<u>--</u>	<u>6,908</u>	<u>(114,738)</u>	<u>4</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
PROCEEDS FROM SALE OF BONDS	--	--	121,178	121,178	--
PRINCIPAL PAID ON BONDS	--	--	(22,610)	(22,610)	--
INTEREST PAID ON BOND MATURITIES	--	--	(16,882)	(16,882)	--
PRINCIPAL PAID ON NOTES PAYABLE	--	--	(40)	(40)	(1,081)
INTEREST PAID ON NOTES PAYABLE	--	--	(2)	(2)	(49)
ACQUISITION/CONSTRUCTION OF CAPITAL ASSETS	(262)	--	(19,133)	(19,395)	(225)
PROCEEDS FROM SALE OF CAPITAL ASSETS	17	--	429	446	1
CAPITAL CONTRIBUTIONS	--	--	30,272	30,272	--
OTHER	--	--	27,050	27,050	--
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(245)</u>	<u>--</u>	<u>120,262</u>	<u>120,017</u>	<u>(1,354)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
PURCHASES OF INVESTMENT SECURITIES	(5,624)	--	(140,648)	(146,272)	--
PROCEEDS FROM SALE OF INVESTMENT SECURITIES	19,520	--	56,884	76,404	--
INTEREST AND DIVIDENDS EARNED ON INVESTMENT SECURITIES	1,335	--	3,049	4,384	48
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>15,231</u>	<u>--</u>	<u>(80,715)</u>	<u>(65,484)</u>	<u>48</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	42	(37,607)	57,469	19,904	2,092
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>25</u>	<u>1,538,195</u>	<u>143,279</u>	<u>1,681,499</u>	<u>3,897</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 67</u>	<u>\$ 1,500,588</u>	<u>\$ 200,748</u>	<u>\$ 1,701,403</u>	<u>\$ 5,989</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
OPERATING INCOME (LOSS)	\$ 121,225	\$ (36,775)	\$ 1,527	\$ 85,977	\$ 1,685
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:					
DEPRECIATION	638	--	2,270	2,908	1,555
PROVISION FOR UNCOLLECTIBLE ACCOUNTS	79	--	49	128	--
OTHER	--	--	(2,862)	(2,862)	5
CHANGES IN ASSETS AND LIABILITIES:					
(INCREASE)DECREASE IN ACCOUNTS RECEIVABLE	1,357	795	(569)	1,583	175
(INCREASE)DECREASE IN DUE FROM OTHER FUNDS	--	1,697	(449)	1,248	--
(INCREASE)DECREASE IN PREPAYMENTS	(88)	--	(28)	(116)	--
(INCREASE)DECREASE IN INVENTORIES	--	--	(528)	(528)	11
(INCREASE)DECREASE IN OTHER ASSETS	33	--	12,799	12,832	(100)
INCREASE(DECREASE) IN ACCOUNTS PAYABLE	(212)	--	(7)	(219)	(42)
INCREASE(DECREASE) IN ACCRUED PAYROLL AND RELATED	--	--	127	127	--
INCREASE(DECREASE) IN COMPENSATED ABSENCES PAYABLE	16	--	128	144	9
INCREASE(DECREASE) IN DUE TO OTHER FUNDS	--	(272)	(1,455)	(1,727)	100
INCREASE(DECREASE) IN DEFERRED REVENUES	--	--	29	29	--
INCREASE(DECREASE) IN OTHER LIABILITIES	(16,346)	(3,052)	(17)	(19,415)	(4)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 106,702</u>	<u>\$ (37,607)</u>	<u>\$ 11,014</u>	<u>\$ 80,109</u>	<u>\$ 3,394</u>

(Continued)

The notes to the financial statements are an integral part of this statement

State of Louisiana

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

	2004
LA STATE RADIO AND TV TECHNICIANS BOARD ASSETS TRADED IN	1
LOUISIANA LOTTERY CORPORATION NET DECREASE IN FAIR VALUE OF INVESTMENTS	1,171
INTEREST ACCRUED ON DEPOSITS WITH MULTI STATE LOTTERY	167
OFFICE OF TELECOMMUNICATIONS MANAGEMENT ASSETS TRADED IN	35
DISPOSAL OF FIXED ASSETS	1

(Concluded)

FIDUCIARY FUND
FINANCIAL STATEMENTS

FIDUCIARY FUND FINANCIAL STATEMENTS

FIDUCIARY FUNDS

By definition, these funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds, and cannot be used to address activities or obligations of the government. There are four types of fiduciary funds:

- *Pension trust funds* account for resources held in trust for members and beneficiaries of the four employee pension plans.
- *Investment trust funds* account for the portion of the government's investment pools that belong to others. The Louisiana Asset Management Pool is the only investment trust fund of the State.
- *Private-purpose trust funds* report all other trust arrangements benefiting those outside the government. Currently, the Louisiana Education Tuition and Savings Fund is the only

private-purpose trust fund Louisiana maintains.

- *Agency funds* contain resources held by the government in a temporary, purely custodial capacity and do not involve measurement of results of operations. Among the largest of the agency funds are the Escrow Fund, Insurance Trusts, Payroll Clearing Fund, and the Miscellaneous Agency Funds.

Four separate pension trust funds are maintained for state government employees, teachers, and law enforcement officers. The pension funds are as follows:

- Louisiana School Employees' Retirement System
- Louisiana State Employees' Retirement System
- Louisiana State Police Retirement System
- Teachers' Retirement System of Louisiana

State of Louisiana

STATEMENT OF FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	PENSION TRUST FUNDS	INVESTMENT TRUST FUND	PRIVATE PURPOSE TRUST FUND	AGENCY FUNDS
ASSETS				
CASH AND CASH EQUIVALENTS	\$ 86,204	\$ 20	\$ 10,397	\$ 176,735
RECEIVABLES:				
EMPLOYER CONTRIBUTIONS	91,687	--	--	--
MEMBER CONTRIBUTIONS	63,364	--	--	--
INVESTMENT PROCEEDS	71,572	--	--	--
INTEREST AND DIVIDENDS	73,439	1,913	--	--
OTHER	4,539	45	--	132,399
TOTAL RECEIVABLES	304,601	1,958	--	132,399
INVESTMENTS (AT FAIR VALUE):				
SHORT TERM INVESTMENTS	1,420,810	262,970	--	--
U. S. GOVERNMENT OBLIGATIONS	1,426,988	605,650	21,922	--
BONDS - DOMESTIC	2,021,470	--	--	--
BONDS - INTERNATIONAL	996,094	--	--	--
MARKETABLE SECURITIES - DOMESTIC	8,752,109	5,790	--	--
MARKETABLE SECURITIES - INTERNATIONAL	2,670,763	--	--	--
COLLATERAL HELD UNDER SECURITIES LENDING PROGRAM	2,159,434	--	--	--
OTHER	2,768,209	169,114	15,745	101,845
TOTAL INVESTMENTS	22,215,877	1,043,524	37,667	101,845
OTHER ASSETS	--	--	--	281
PROPERTY, PLANT AND EQUIPMENT (NET)	14,119	48	--	--
TOTAL ASSETS	22,620,801	1,045,550	48,064	411,260
LIABILITIES				
ACCOUNTS PAYABLE	16,453	272	134	--
INVESTMENT COMMITMENTS PAYABLE	195,714	--	--	--
AMOUNTS HELD IN CUSTODY FOR OTHERS	--	--	--	297,941
OBLIGATIONS UNDER SECURITIES LENDING PROGRAM	2,159,434	--	--	--
REFUND PAYABLE AND OTHER	8,669	21	--	--
OTHER LIABILITIES	--	--	--	113,319
TOTAL LIABILITIES	2,380,270	293	134	411,260
NET ASSETS				
HELD IN TRUST FOR:				
EMPLOYEES' PENSION BENEFITS	20,240,531	--	--	--
INDIVIDUALS, PRIVATE ORGANIZATIONS, AND OTHER GOVERNMENTS	--	--	47,930	--
INVESTMENT POOL PARTICIPANTS	--	1,045,257	--	--
TOTAL NET ASSETS	\$ 20,240,531	\$ 1,045,257	\$ 47,930	\$ --

The notes to the financial statements are an integral part of this statement.

State of Louisiana

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	PENSION TRUST FUNDS	INVESTMENT TRUST FUND	PRIVATE PURPOSE TRUST FUND
<u>ADDITIONS</u>			
CONTRIBUTIONS:			
EMPLOYER	\$ 832,013	\$ --	\$ --
MEMBERS	452,042	--	--
POOL PARTICIPANTS (DEPOSITS)	--	1,353,079	--
TOTAL CONTRIBUTIONS	<u>1,284,055</u>	<u>1,353,079</u>	<u>--</u>
INVESTMENT INCOME:			
NET INCREASE (DECREASE) IN FAIR VALUE OF INVESTMENTS	2,513,030	114	(804)
INTEREST AND DIVIDENDS	422,049	8,845	1,496
GAIN (LOSS) ON SALE OF INVESTMENT	--	107	(75)
OTHER INVESTMENT INCOME	102,522	5,168	--
LESS INVESTMENT EXPENSE	(113,764)	--	--
NET INVESTMENT INCOME	<u>2,923,837</u>	<u>14,234</u>	<u>617</u>
OTHER INCOME	<u>50,332</u>	<u>--</u>	<u>20,720</u>
TOTAL ADDITIONS	<u>4,258,224</u>	<u>1,367,313</u>	<u>21,337</u>
<u>DEDUCTIONS</u>			
RETIREMENT BENEFITS	1,774,816	--	--
REFUNDS OF CONTRIBUTIONS	65,795	--	--
ADMINISTRATIVE EXPENSES	26,459	1,934	--
DEPRECIATION EXPENSE	1,471	--	--
DISTRIBUTIONS TO POOL PARTICIPANTS	--	1,361,059	--
OTHER	--	--	1,555
TOTAL DEDUCTIONS	<u>1,868,541</u>	<u>1,362,993</u>	<u>1,555</u>
CHANGE IN NET ASSETS HELD IN TRUST FOR:			
EMPLOYEES' PENSION BENEFITS	2,389,683	--	--
INVESTMENT POOL PARTICIPANTS	--	4,320	--
INDIVIDUALS, ORGANIZATIONS, AND OTHER GOVERNMENTS	--	--	19,782
NET ASSETS - BEGINNING OF YEAR	<u>17,850,848</u>	<u>1,040,937</u>	<u>28,148</u>
NET ASSETS - END OF YEAR	<u>\$ 20,240,531</u>	<u>\$ 1,045,257</u>	<u>\$ 47,930</u>

The notes to the financial statements are an integral part of this statement.

COMPONENT UNIT
FINANCIAL STATEMENTS

COMPONENT UNIT FINANCIAL STATEMENTS

Major Funds

COLLEGES AND UNIVERSITIES

The College and University Funds are used to account for all transactions relating to public institutions of higher education. The public institutions of higher education are reported in the following systems:

- Louisiana State University System includes Louisiana State University and A&M College at Baton Rouge, Louisiana State University Agricultural Center at Baton Rouge, Louisiana State University at Alexandria, Louisiana State University at Eunice, Louisiana State University Medical Center at New Orleans, Louisiana State University Medical Center at Shreveport, University of New Orleans at New Orleans, Paul M. Hebert Law Center at Baton Rouge, and Pennington Biomedical Research Center at Baton Rouge. The Board of Supervisors of Louisiana State University also operates the general medical facilities in the state.
- Southern University System includes Southern University and A&M College at Baton Rouge, Southern University at New Orleans, and Southern University at Shreveport.
- University of Louisiana System includes the regional colleges and universities of Grambling State University at Grambling, Louisiana Tech University at Ruston, McNeese State University at Lake Charles, Nicholls State University at Thibodaux, University of Louisiana at Monroe, Northwestern State University at Natchitoches, Southeastern Louisiana University at Hammond, and University of Louisiana at Lafayette.
- Board of Regents is the policy making board for Louisiana State University Board of Supervisors, Louisiana State University Systems, Southern University Board of Supervisors, Southern University Systems, University of

Louisiana System Board of Supervisors, University of Louisiana Systems, Board of Supervisors of the Louisiana Community and Technical Colleges and Louisiana Community and Technical College System.

- Louisiana Community and Technical College System includes seven community colleges, two technical community colleges and one technical college with forty campuses.

GREATER NEW ORLEANS EXPRESSWAY COMMISSION

The Greater New Orleans Expressway Commission was formed on October 20, 1954 to construct, operate and maintain the Expressway which is a bridge causeway across Lake Pontchartrain connecting Jefferson and St. Tammany parishes. Responsibilities include construction of approaches, access roads, other structures, and traffic safety facilities.

LOUISIANA STADIUM AND EXPOSITION DISTRICT

The purpose of the district is to plan, finance, construct, develop, maintain, and operate an enclosed and covered stadium, as well as coliseums, sports arenas, sports pavilions, exposition sites, field houses, or other buildings or structures for holding sports events, athletic contests, contests of skill, exhibitions, spectacles, and other public meetings. The District is responsible for servicing and retiring the principal and interest on all bonds issued.

ORLEANS LEVEE DISTRICT

The Orleans Levee District is responsible for the location, construction, maintenance, and improvement of levees and related works for Lake Pontchartrain and the connecting canals in Orleans Parish.



State of Louisiana

COMBINING BALANCE SHEET

COMPONENT UNITS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	LOUISIANA STATE UNIVERSITY SYSTEM	UNIVERSITY OF LOUISIANA SYSTEM	SOUTHERN UNIVERSITY SYSTEM	LOUISIANA COMMUNITY AND TECHNICAL COLLEGE SYSTEM
ASSETS				
CURRENT ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 237,140	\$ 116,753	\$ 19,625	\$ 31,809
INVESTMENTS	223,674	14,197	2,922	--
RECEIVABLES (NET)	224,803	35,980	8,562	22,048
PLEDGES RECEIVABLE (NET)	5,570	787	313	--
AMOUNTS DUE FROM PRIMARY GOVERNMENT	10,992	505	632	1,180
DUE FROM FEDERAL GOVERNMENT	--	551	12,471	12,490
INVENTORIES	37,056	6,893	222	1,590
PREPAYMENTS	6,420	17,525	841	652
NOTES RECEIVABLE	6,696	3,735	429	--
OTHER CURRENT ASSETS	3,371	4,987	49	68
TOTAL CURRENT ASSETS	<u>755,722</u>	<u>201,913</u>	<u>46,066</u>	<u>69,837</u>
NONCURRENT ASSETS:				
RESTRICTED ASSETS:				
CASH	88,763	85,991	8,553	59,221
INVESTMENTS	312,651	167,677	816	33,771
RECEIVABLES (NET)	208	560	--	--
NOTES RECEIVABLE	24,290	16,491	--	22
OTHER	17,626	1,983	--	--
NOTES RECEIVABLE	558	9,634	--	--
INVESTMENTS	74,540	58,735	--	--
PLEDGES RECEIVABLE (NET)	17,632	3,321	--	--
CAPITAL ASSETS (NOTE 5)				
LAND	119,778	32,267	7,389	14,659
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	823,378	512,865	110,823	82,546
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	242,224	50,105	10,389	13,544
INFRASTRUCTURE (NET OF DEPRECIATION)	39,018	2,322	1,217	--
CONSTRUCTION IN PROGRESS	163,629	53,736	9,564	66,731
OTHER NONCURRENT ASSETS	5,440	4,105	--	5,275
TOTAL NONCURRENT ASSETS	<u>1,929,735</u>	<u>999,792</u>	<u>148,751</u>	<u>275,769</u>
TOTAL ASSETS	<u>\$ 2,685,457</u>	<u>\$ 1,201,705</u>	<u>\$ 194,817</u>	<u>\$ 345,606</u>
LIABILITIES				
CURRENT LIABILITIES:				
ACCOUNTS PAYABLE AND ACCRUALS	\$ 298,973	\$ 27,779	\$ 9,475	\$ 29,460
AMOUNTS DUE TO PRIMARY GOVERNMENT	--	5	--	--
DUE TO FEDERAL GOVERNMENT	--	--	--	--
DEFERRED REVENUES	52,105	18,254	6,241	12,240
OTHER CURRENT LIABILITIES	--	--	168	171
CURRENT PORTION OF LONG-TERM LIABILITIES				
CONTRACTS PAYABLE	--	28	--	--
COMPENSATED ABSENCES PAYABLE	8,460	2,486	478	2,127
CAPITAL LEASE OBLIGATIONS	9,370	402	--	3,020
AMOUNTS HELD IN CUSTODY FOR OTHERS	8,320	3,723	886	243
NOTES PAYABLE	7,013	779	124	--
LIABILITIES PAYABLE FROM RESTRICTED ASSETS	--	--	--	--
BONDS PAYABLE	13,633	4,424	215	--
OTHER LONG-TERM LIABILITIES	4,193	570	1,830	--
TOTAL CURRENT LIABILITIES	<u>402,067</u>	<u>58,450</u>	<u>19,417</u>	<u>47,261</u>
NONCURRENT LIABILITIES:				
NONCURRENT PORTION OF LONG-TERM LIABILITIES				
CONTRACTS PAYABLE	--	--	--	--
COMPENSATED ABSENCES PAYABLE	113,985	25,479	12,698	14,075
CAPITAL LEASE OBLIGATIONS	42,868	1,604	--	12,417
AMOUNTS HELD IN CUSTODY FOR OTHERS	6,430	4,099	--	--
NOTES PAYABLE	74,137	4,919	339	--
BONDS PAYABLE	240,827	153,169	1,715	139,372
OTHER LONG-TERM LIABILITIES	1,174	2,523	28	4
TOTAL NONCURRENT LIABILITIES	<u>479,421</u>	<u>191,793</u>	<u>14,780</u>	<u>165,868</u>
TOTAL LIABILITIES	<u>881,488</u>	<u>250,243</u>	<u>34,197</u>	<u>213,129</u>
NET ASSETS:				
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	1,026,367	524,762	136,084	107,555
RESTRICTED FOR:				
CAPITAL PROJECTS	--	--	--	--
DEBT SERVICE	--	--	--	--
NONEXPENDABLE	345,626	193,243	7,559	3,463
EXPENDABLE	337,098	167,471	18,543	3,939
OTHER PURPOSES	--	--	--	--
UNRESTRICTED	94,878	65,986	(1,566)	17,520
TOTAL NET ASSETS	<u>1,803,969</u>	<u>951,462</u>	<u>160,620</u>	<u>132,477</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,685,457</u>	<u>\$ 1,201,705</u>	<u>\$ 194,817</u>	<u>\$ 345,606</u>

* As of October 31, 2003.

The notes to the financial statements are an integral part of this statement.

State of Louisiana

BOARD OF REGENTS	GREATER NEW ORLEANS EXPRESSWAY COMMISSION *	LOUISIANA STADIUM AND EXPOSITION DISTRICT	ORLEANS LEVEE DISTRICT	NONMAJOR COMPONENT UNITS	TOTAL COMPONENT UNITS
\$ 4,954	\$ 2,150	\$ 32,779	\$ 23,439	\$ 199,010	\$ 667,659
--	7,278	--	8,888	79,822	336,781
17	5	6,989	1,664	27,742	327,810
--	--	--	--	--	6,670
24,635	--	1,491	--	19,926	59,361
1,568	--	--	--	3,812	30,892
--	329	119	479	350	47,038
5	107	34	--	529	26,113
--	--	--	--	524	11,384
--	--	--	16	2,383	10,874
<u>31,179</u>	<u>9,869</u>	<u>41,412</u>	<u>34,486</u>	<u>334,098</u>	<u>1,524,582</u>
--	--	1,954	3,186	53,471	301,139
--	39,589	--	--	8,963	563,467
--	2,043	483	--	12,561	15,855
--	--	--	--	91,399	132,202
--	--	--	--	--	19,609
--	--	--	--	1,527	11,719
--	--	--	--	30,902	164,177
--	--	--	--	--	20,953
--	--	13,944	31,684	27,631	247,352
--	1,044	203,917	34,567	114,570	1,883,710
170	1,336	5,628	3,065	12,777	339,238
--	81,790	--	107,903	83,296	315,546
--	--	1,849	3,252	44,743	343,504
--	1,643	--	437	35,723	52,623
<u>170</u>	<u>127,445</u>	<u>227,775</u>	<u>184,094</u>	<u>517,563</u>	<u>4,411,094</u>
<u>\$ 31,349</u>	<u>\$ 137,314</u>	<u>\$ 269,187</u>	<u>\$ 218,580</u>	<u>\$ 851,661</u>	<u>\$ 5,935,676</u>
\$ 30,771	\$ 819	\$ 26,715	\$ 908	\$ 19,196	\$ 444,096
1	--	1,826	--	1,003	2,835
--	--	--	--	508	508
--	576	5,329	687	801	96,233
--	--	--	--	664	1,003
--	--	--	412	868	1,308
26	--	250	41	1,266	15,134
--	--	--	--	212	13,004
--	--	--	--	--	13,172
--	--	--	--	11,739	19,655
--	3,338	--	699	8,060	12,097
--	1,255	4,545	4,455	5,686	34,213
--	--	500	13	1,036	8,142
<u>30,798</u>	<u>5,988</u>	<u>39,165</u>	<u>7,215</u>	<u>51,039</u>	<u>661,400</u>
--	--	--	--	8,090	8,090
580	858	--	965	2,162	170,802
--	--	--	--	199	57,088
--	--	--	--	--	10,529
--	--	7,500	--	11,007	97,902
--	67,443	189,080	69,615	141,244	1,002,465
--	1,338	1,247	20,808	9,851	36,773
<u>580</u>	<u>69,639</u>	<u>197,827</u>	<u>91,188</u>	<u>172,553</u>	<u>1,383,649</u>
<u>31,378</u>	<u>75,627</u>	<u>236,992</u>	<u>98,403</u>	<u>223,592</u>	<u>2,045,049</u>
170	15,471	31,713	106,400	234,361	2,182,883
--	25	737	--	9,806	10,568
--	--	6,996	--	1,095	8,091
--	--	--	--	--	549,891
--	--	--	--	--	527,051
--	38,294	2,346	3,175	50,926	94,741
(199)	7,897	(9,597)	10,602	331,881	517,402
<u>(29)</u>	<u>61,687</u>	<u>32,195</u>	<u>120,177</u>	<u>628,069</u>	<u>3,890,627</u>
<u>\$ 31,349</u>	<u>\$ 137,314</u>	<u>\$ 269,187</u>	<u>\$ 218,580</u>	<u>\$ 851,661</u>	<u>\$ 5,935,676</u>

State of Louisiana

COMBINING STATEMENT OF ACTIVITIES

COMPONENT UNITS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE	
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS		CAPITAL GRANTS AND CONTRIBUTIONS
COMPONENT UNITS:					
LOUISIANA STATE UNIVERSITY SYSTEM	\$ 2,972,273	1,822,618	441,848	53,454	(654,353)
UNIVERSITY OF LOUISIANA SYSTEM	796,419	294,034	194,217	24,067	(284,101)
SOUTHERN UNIVERSITY SYSTEM	203,611	43,758	66,669	3,670	(89,514)
LOUISIANA COMMUNITY AND TECHNICAL COLLEGE SYSTEM	326,752	45,218	123,590	10,436	(147,508)
BOARD OF REGENTS	76,325	488	5,915	--	(69,922)
GREATER N.O. EXPRESSWAY COMMISSION *	17,387	15,934	520	--	(933)
LOUISIANA STADIUM AND EXPOSITION DISTRICT	88,405	30,597	--	2,584	(55,224)
ORLEANS LEVEE DISTRICT	37,125	13,250	--	250	(23,625)
NONMAJOR COMPONENT UNITS	253,534	33,467	128,201	12,870	(78,996)
TOTAL COMPONENT UNITS	\$ 4,771,831	\$ 2,299,364	\$ 960,960	\$ 107,331	\$ (1,404,176)

	GENERAL REVENUES		CHANGE IN NET ASSETS	NET ASSETS BEGINNING OF YEAR AS RESTATED	NET ASSETS END OF YEAR
	PAYMENTS FROM PRIMARY GOVERNMENT	OTHER GENERAL REVENUES			
COMPONENT UNITS:					
LOUISIANA STATE UNIVERSITY SYSTEM	\$ 634,097	158,138	137,882	1,666,087	1,803,969
UNIVERSITY OF LOUISIANA SYSTEM	299,718	41,727	57,344	894,118	951,462
SOUTHERN UNIVERSITY SYSTEM	76,081	9,775	(3,658)	164,278	160,620
LOUISIANA COMMUNITY AND TECHNICAL COLLEGE SYSTEM	153,713	6,525	12,730	119,747	132,477
BOARD OF REGENTS	69,803	87	(32)	3	(29)
GREATER N.O. EXPRESSWAY COMMISSION *	89	4,807	3,963	57,724	61,687
LOUISIANA STADIUM AND EXPOSITION DISTRICT	--	38,163	(17,061)	49,256	32,195
ORLEANS LEVEE DISTRICT	1,495	23,542	1,412	118,765	120,177
NONMAJOR COMPONENT UNITS	29,770	74,430	25,204	602,865	628,069
TOTAL COMPONENT UNITS	\$ 1,264,766	\$ 357,194	\$ 217,784	\$ 3,672,843	\$ 3,890,627

* For the period ending October 31, 2003.

NOTES TO THE BASIC
FINANCIAL STATEMENTS

Note 1	Summary of Significant Accounting Policies
Note 2	Deposits and Investments
Note 3	Accounts Receivable and Accounts Payable
Note 4	Interfund Accounts and Transfers
Note 5	Capital Assets
Note 6	Employee Benefits
Note 7	Leases
Note 8	Long-Term Obligations
Note 9	Contingencies
Note 10	Fund Balance/Net Assets Disclosures
Note 11	Other Disclosures
Note 12	Subsequent Events

NOTES TO THE BASIC FINANCIAL STATEMENTS June 30, 2004

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the State of Louisiana (State) have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB).

The basic financial statements present the financial position and results of operations of the various funds of the State and the cash flows of the proprietary funds as of and for the year ended June 30, 2004.

A. REPORTING ENTITY

The State reporting entity consists of the various departments, agencies, activities, and organizational units that are within the control and authority of the Louisiana Legislature and/or constitutional officers of the State. The State, like that of the United States, has three branches of government – legislative (bicameral), executive and judicial.

As required by GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, as discussed in Note 11, a legally separate entity is considered to be a component unit of the State if at least one of the following criteria is met:

- The State appoints a voting majority of the organization's governing body and is either able to impose its will on the organization or there is a potential financial benefit/burden to the State.
- The entity is fiscally dependent on the State.
- The nature and significance of the relationship between the State and the entity is such that exclusion would cause the financial statements of the State to be misleading or incomplete.

Depending upon the closeness of their relationship with the State, some component units are blended with the State reporting entity, while others are discretely reported.

The following potential component units were evaluated to identify those entities whose financial activities should be blended with the primary government, discretely reported, disclosed in the Notes to the Basic Financial Statements as a related organization, or excluded from the State reporting entity:

Blended Component Units

A component unit is considered blended and therefore would be included in the reporting entity financial statements if the component unit's governing body is substantively the same as the governing body of the primary government or the component unit provides services entirely, or almost entirely, to the primary government.

The State appoints the voting majority of board members and is able to impose its will on the two entities listed below.

Louisiana Lottery Corporation, 555 Laurel Street, Baton Rouge, LA 70801, a nonprofit corporation, conducts and administers the State lottery to ensure the integrity of the lottery and maintain the dignity of the State and the general welfare of its people.

Tobacco Settlement Financing Corporation, P. O. Box 44154, Baton Rouge, LA 70804, a special purpose, public corporate entity, is responsible for financing, purchasing, owning, and managing 60% of the tobacco assets and related incidental activities for the state of Louisiana.

The voting majority of the following component units' board members are appointed by the State and have a financial benefit/burden relationship with the State.

Louisiana Correctional Facilities Corporation, P.O. Box 94095, Baton Rouge, LA 70804-9095, a nonprofit corporation, acquires and finances correctional facilities for lease to the State and is authorized to issue revenue bonds for its purposes.

Louisiana Office Building Corporation, P.O. Box 94095, Baton Rouge, LA 70804-9095, a nonprofit quasi-public corporation, was created to construct, acquire and lease buildings and facilities on behalf of and for the benefit of the State and may finance such acquisitions by issuing revenue bonds.

Office Facilities Corporation, P.O. Box 94095, Baton Rouge, LA 70804-9095, a nonprofit corporation, finances the acquisition or construction of public facilities for lease to the State through the issuance of revenue bonds.

The four statewide pension systems are fiscally dependent on the State since the legislature must approve the rates and charges of each system. The four systems are as follows:

- Louisiana School Employees' Retirement System, P.O. Box 44516, Baton Rouge, LA 70804-4516, was established in 1947 for the benefit of persons

State of Louisiana

employed as school bus drivers, school janitors, school custodians, and school maintenance employees.

- Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, LA 70804-4213, was established in 1947 to benefit all State employees except those excluded by statute.
- Louisiana State Police Retirement System, 3100 Brentwood Drive, Suite B, Baton Rouge, LA 70809, was established in 1938 for the benefit of commissioned law enforcement officers and the Superintendent of the Office of State Police.
- Teachers' Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, LA 70804-9123, was established in 1936 for the benefit of public school teachers.

Due to the nature and significance of the relationship between this entity and the State, the financial statements would be misleading if the following entity was excluded.

Louisiana Asset Management Pool (LAMP), 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130, is a cooperative endeavor to establish an external local government investment pool administered by the State Treasurer. LAMP has a December 31 fiscal year end.

Discretely Presented Component Units

Discretely presented component units are reported in separate columns to emphasize that they are legally separate from the State. The voting majority of the following major discretely presented component units' board members are appointed by the State and the State is able to impose its will on the organizations through budgetary oversight.

Board of Regents, Claiborne Building, Suite 6-180, Baton Rouge, LA 70802, is the policy making board for the four higher education systems of the State.

Board of Supervisors of Louisiana State University System, 3810 West Lakeshore Drive, Baton Rouge, LA 70808, is the managing and supervising board for the Louisiana State University System (LSU), which includes the following campuses:

- LSU and A&M College at Baton Rouge
- LSU Agricultural Center at Baton Rouge
- LSU at Alexandria
- LSU at Eunice
- LSU Health Sciences Center at New Orleans
- LSU Health Sciences Center at Shreveport
- LSU at Shreveport
- University of New Orleans at New Orleans
- Paul M. Hebert Law Center at Baton Rouge
- Pennington Biomedical Research Center at Baton Rouge

The Board of Supervisors of LSU also operates the following general medical facilities in the State:

- Dr. Walter O. Moss Regional Medical Center at Lake Charles
- Earl K. Long Medical Center at Baton Rouge
- Huey P. Long Medical Center at Pineville
- Lallie Kemp Regional Medical Center at Independence
- Medical Center of Louisiana (Charity Hospital) at New Orleans including University Hospital
- Leonard J. Chabert Medical Center at Houma
- University Medical Center at Lafayette
- Bogalusa Medical Center

Board of Supervisors - University of Louisiana System, 1201 North Third Street, Suite 7-300, Baton Rouge, LA 70802, is the managing and supervising board for the following regional universities:

- Grambling State University at Grambling
- Louisiana Tech University at Ruston
- McNeese State University at Lake Charles
- Nicholls State University at Thibodaux
- University of Louisiana at Monroe
- Northwestern State University at Natchitoches
- Southeastern Louisiana University at Hammond
- University of Louisiana at Lafayette

Board of Supervisors of the Southern University System, P.O. Box 10878, Baton Rouge, LA 70813, is the managing and supervising board of the Southern University System, which includes the following campuses:

- Southern University and A&M College at Baton Rouge
- Southern University at New Orleans
- Southern University at Shreveport

Board of Supervisors of the Louisiana Community and Technical Colleges, 822 Neosho Avenue, Baton Rouge, LA 70802, is the managing and supervising board of the nine community colleges and one Louisiana Technical College with 42 branch campuses.

Greater New Orleans Expressway Commission, P.O. Box 7656, Metairie, LA 70010, was created to construct, operate, and maintain the Greater New Orleans Expressway. The fiscal year end of the commission is October 31.

The boards of the remaining major discretely presented component units are appointed by and serve at the pleasure of the governor.

Louisiana Stadium and Exposition District, Sugar Bowl Drive, New Orleans, LA 70112, is responsible for financing

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and operating an enclosed covered stadium, as well as other related facilities and structures for holding sporting events, athletic contests, exhibitions, and other public meetings.

Orleans Levee District, 6001 Stars and Stripes Blvd., Suite 202, Admin. Bldg., New Orleans, LA 70126, primarily operates and maintains flood protection for the city of New Orleans, the southern shores of Lake Pontchartrain, and along the Mississippi River. It also operates and maintains public parks, beaches, the New Orleans and South Shore Harbors and Marinas, and the New Orleans Lakefront Airport.

The voting majority of the following nonmajor discretely presented component units' board members are appointed by the State and the State is able to impose its will on the organizations.

Capital Area Human Services District, 4615 Government Street, Bldg. 2, Baton Rouge, LA 70806, was established to direct the operation of community-based programs and services to public health, mental health, developmental disabilities, and substance abuse services.

Other Levee Districts provide services necessary to ensure adequate drainage control and to protect lands within their respective districts from damage by flood and include:

- Atchafalaya Basin, P.O. Box 170, Port Allen, LA 70767
- Amite River Basin Drainage and Water Conservation District, Suite 135, 3535 S. Sherwood Forest Blvd., Baton Rouge, LA 70816
- Bossier, P.O. Box 189, Benton, LA 71006
- Caddo, P.O. Box 78282, Shreveport, LA 71137
- East Jefferson, 203 Plauche Ct., Harahan, LA 70123
- Fifth Louisiana, 222 N. Cedar St., Tallulah, LA 71282
- Lafourche Basin, P.O. Box 670, Vacherie, LA 70090
The District has a December 31 fiscal year end.
- Lake Borgne Basin, P.O. Box 216, Violet, LA 70092
- Natchitoches Levee and Drainage District, P.O. Box 1209, Natchitoches, LA 71458
- Nineteenth Louisiana, P.O. Box 267, Colfax, LA 71417
- North Bossier, P.O. Box 338, Benton, LA 71006
- North Lafourche Conservation, Levee and Drainage District, P.O. Box 230, Raceland, LA 71006. The District has a December 31 fiscal year end.
- Pontchartrain, P.O. Box 426, Lutcher, LA 70071
- Red River, Atchafalaya, and Bayou Boeuf, P.O. Box 8235, Alexandria, LA 71306
- Red River Levee and Drainage District, P.O. Box 433, Coushatta, LA 71019
- South Lafourche, P.O. Box 426, Galliano, LA 70354
- Tensas Basin, P.O. Box 68, Rayville, LA 71269
- West Jefferson, 7001 River Road, Marrero, LA 70072

- Bayou D'Arbonne Lake Watershed District, P.O. Box 1613, Ruston, LA 71273-1613. The District has a December 31 fiscal year end.

Louisiana Agricultural Finance Authority, P.O. Box 3334, Baton Rouge, LA 70821-3334, was created to alleviate the severe shortage of capital and credit available for investment in agriculture in the State and to promote agriculture and forestry in Louisiana.

Louisiana Motor Vehicle Commission, 3519 12th Street, Metairie, LA 70002, regulates all areas of the new car industry, including motor vehicle sales finance companies in Louisiana.

Recreation and Used Motor Vehicle Commission (formerly the Louisiana Used Motor Vehicle and Parts Commission), 3132 Valley Creek Dr., Baton Rouge, LA 70808, administers and enforces statutory provisions regarding the sale of used motor vehicles and parts.

Sabine River Authority, 15091 Texas Highway, Many, LA 71449, is charged with the development of Toledo Bend resources within the State.

Although the State does not appoint a voting majority, these entities are fiscally dependent on the State.

Jefferson Parish Human Services Authority, 3101 W. Napoleon Avenue, Suite 229, Metairie, LA 70001, was established to provide the operations of mental health, developmental disabilities, and substance abuse services for the residents of Jefferson Parish.

Louisiana Economic Development Corporation, P.O. Box 94185, Baton Rouge, LA 70804-9185, is the financial assistance division of the Department of Economic Development and administers programs such as loan guarantees and venture capital for small- and medium-sized businesses.

Due to the nature and significance of the relationship between these entities and the State, the financial statements would be misleading if these were excluded.

Louisiana Housing Finance Agency, 2415 Quail Drive, Baton Rouge, LA 70808, is authorized to undertake various programs to assist in financing housing needs of persons of low and moderate incomes and may issue bonds or other evidence of indebtedness to accomplish its purposes.

Louisiana State Board of Private Investigator Examiners, 2051 Silverside Dr., Suite 190, Baton Rouge, LA 70808, regulates and licenses persons and businesses providing private investigative services.

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Poverty Point Reservoir District, P.O. Box 811, Delhi, LA 71232, was created to develop a multi-faceted water resource and recreation lake.

The voting majority of the following entity's board members are appointed by the state and it has a financial benefit/burden relationship with the State.

Greater Baton Rouge Port Commission, P.O. Box 380, Port Allen, LA 70767-0380, regulates commerce and traffic within the port area. The fiscal year end of the port commission is December 31.

Related Organizations

Organizations, for which a primary government is accountable because that government appoints a voting majority of the board, but is not financially accountable, are considered related organizations. These related organizations are not reported in the accompanying basic financial statements and include:

- Ascension-St. James Airport and Transportation Authority
- River Parishes Transit Authority
- Castor Creek Reservoir District
- Greater Ouachita Port Commission
- St. Bernard Harbor and Terminal District
- South Tangipahoa Parish Port Commission
- North Terrebonne Parish Tidewater Management and Conservation District
- South Terrebonne Parish Tidewater Management and Conservation District
- Grand Isle Independent Levee District
- River Region Cancer Screening and Early Detection District
- Louisiana Airport Authority
- Ernest N. Morial New Orleans Exhibition Hall Authority
- Chaplin Lake District
- Allen Parish Reservoir District
- Grand Bayou Reservoir
- Seventh Ward Neighborhood Development District
- Terrebonne Levee and Conservation District
- Twelfth and Thirteenth Wards Neighborhood Development District
- Fourteenth and Sixteenth Wards Neighborhood Development District.
- Associated Branch Pilots of the Port of Lake Charles
- Associated Branch Pilots of the Port of New Orleans
- Crescent River Port Pilots' Association
- New Orleans Steamship Pilots' Association
- Parish Hospital Service Districts
- River Region Cancer Screening and Early Detection District
- West Ouachita Parish Reservoir Commission
- Bayou Lafourche Freshwater District

Joint Ventures

A joint venture is a legal entity or other organization that results from a contractual arrangement and is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (1) an ongoing financial interest or (2) an ongoing financial responsibility. The purposes of a joint venture are to pool resources and share the costs, risks, and rewards of providing goods, or services to venture participants directly, or for the benefit of the general public or specific service recipients.

The Sabine River Authority of Louisiana participates equally with the Sabine River Authority of Texas in the Sabine River Compact Administration (Compact), 15091 Texas Highway, Many, LA 71449, and, through the Sabine River Authority, with the Sabine River Authority of Texas in the Toledo Bend Joint Operation (Joint Operation), Rt. 1, Box 270, Burkeville, TX 75932. Separate financial statements are prepared for the operations of both the Compact and the Joint Operation and may be obtained by contacting the entities at the addresses above. The Compact was created under authority granted by an act of the Congress of the United States to provide equitable apportionment of the waters of the Sabine River and its tributaries. A five-member board composed of two members appointed by the governors of each state and one non-voting, ex-officio member appointed by the President of the United States administers the Compact. The Joint Operation was established by joint resolution of the Sabine River Authorities of Texas and Louisiana for the construction and operation of the Toledo Bend Dam and Reservoir project administered by a board composed of three members appointed by the Texas Authority and three members appointed by the Louisiana Authority. Costs of the Compact not paid by the federal government are to be paid equally by the two states, which share equally in the costs of the Joint Operation. Each state owns an undivided one-half share of all lands acquired for the project and each state owns and is entitled to 50% of the water produced and 50% of the power generated by the Joint Operation and may sell, use, or otherwise dispose of its share without consent and permission of the other Authority.

The Sabine River Authority of Louisiana's share of the joint ventures is reported as a discrete component unit in the accompanying basic financial statements. For fiscal year 2004, the Sabine River Authority of Louisiana reported a decrease in net assets of \$117,000 from fiscal year 2003.

Jointly Governed Organizations

A jointly governed organization is one governed by representatives from each of the governments creating it

and in which the participants do not retain an ongoing financial interest or financial burden, therefore, they are not reported in the accompanying basic financial statements. These organizations include the Gulf States Marine Fisheries Commission and the Southern Rapid Rail Transit Commission, Interstate Commission for Adult Supervision and Interstate Commission for Juveniles.

B. BASIS OF PRESENTATION

The financial report consists of Management Discussion and Analysis (MD&A), basic financial statements, notes to the basic financial statements and required supplementary information other than the MD&A. The MD&A provides an analytical overview of the financial activities of the State. The basic financial statements include the **government-wide financial statements, fund financial statements, and notes to the basic financial statements.**

The government-wide statements consist of a Statement of Net Assets and a Statement of Activities. These statements are prepared using the economic resources measurement focus and accrual basis of accounting, with revenues recognized in the period earned and expenses recognized in the accounting period in which the associated liability is incurred. Major revenues such as sales tax, general severance tax, gasoline tax, inspection fees, and tobacco tax are assessed and collected so they can be accrued accordingly. Assets, liabilities, revenues, and expenses of the government are reported. The statements distinguish between the governmental and business-type activities of the primary government and between the total primary government and its component units by reporting each in separate columns. Fiduciary activities and component units that are fiduciary in nature, whose resources are not available to finance the government's programs, are excluded from the government-wide statements.

All capital (long-lived) assets, receivables and long-term obligations are reported in the Statement of Net Assets. The Statement of Activities reports revenues and expenses in a format that allows the reader to focus on the net cost of each function of the State. Both the gross and net cost per function, which are otherwise being supported by general government revenues, are compared to the revenues generated directly by the function. In the Statement of Activities, gross expenses, including depreciation, are reduced by related program revenues, operating and capital grants. Direct and indirect expenses are reported as program expenses for individual functions and activities. The program revenues must be directly associated with the function or a business-type activity. The types of transactions included in program revenues are sales of commodities, licenses, permits and fees. The operating grants include operating-specific and

discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The fund financial statements report the State as a collection of major and nonmajor funds presented on separate schedules by fund category – governmental, proprietary and fiduciary funds.

- The governmental fund statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances, with one column for the general fund, one for each of the other major funds, and one column combining all the nonmajor governmental funds. The statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current period, generally considered 45 days after the end of the fiscal year. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest payments on general long-term liabilities, which are recognized when due.
- The proprietary fund statements include a balance sheet, statement of revenues, expenses and changes in fund net assets and a statement of cash flows. Each statement has one column for each of the major enterprise funds, one that combines all the nonmajor enterprise funds and one column that reports all internal service funds. The proprietary fund statements are prepared using the economic resources measurement focus and the accrual basis of accounting, in order to make a determination of net income, financial position, and cash flows. Internal service funds are included in governmental activities for government-wide reporting purposes and the excess revenues or expenses from the funds are allocated to the appropriate functional activity.
- The fiduciary fund statements include a statement of fiduciary net assets and a statement of changes in fiduciary net assets with one column for each of the four types of fiduciary funds. The statements are prepared using the economic resources measurement focus and the accrual basis of accounting, except agency fund statements which do use the accrual basis but do not have a measurement focus as they report only assets and liabilities.

Although the financial statements presented in each of these three schedules contain "total" columns, they merely combine rather than consolidate the funds. Hence, interfund transactions that generate receivables and

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payables or transfers from one fund to another are not eliminated.

Major funds are those whose revenues, expenditures/expenses, assets, or liabilities are at least 10 percent of the total for their fund category or type (governmental or enterprise) and at least 5 percent of the corresponding element total for all governmental and enterprise funds combined.

The data on the face of the three sets of financial statements must be accompanied by certain disclosures to ensure accurate information is presented in the financial report. This additional information is presented in the form of a single set of **notes to the basic financial statements**.

Governmental Funds

The major governmental funds of the State are the General Fund, Medicaid Trust Fund for the Elderly, Bond Security and Redemption Fund, and the Louisiana Education Quality Trust Fund.

General Fund The General Fund is the principal operating fund of the State, and was established administratively to provide for the distribution of funds appropriated by the state legislature for the ordinary expenses of state government. Transactions related to resources that are not accounted for in other funds are recorded in the General Fund. Revenues originate from the direct deposit of federal grants and the transfer of state revenues from the Bond Security and Redemption Fund after debt requirements and obligations to other funds are met.

Medicaid Trust Fund for the Elderly This fund was created to act as a trust fund for revenues received from the intergovernmental transfer programs. Monies in the fund may be used as the source of State matching funds for Medicaid funds to make enhanced payments to local government owned health care facilities. Spending from this fund is limited to the amount of earnings on investments of the fund.

Bond Security and Redemption Fund This fund is used to provide for the collection of all money deposited into the State Treasury except federal funds, donations, or other forms of assistance when the terms and conditions of the related agreements require otherwise. Each fiscal year, an amount is allocated from this fund sufficient to pay all obligations secured by the full faith and credit of the State that are due and payable within the current fiscal year, including debt principal, interest, premiums, and sinking or reserve funds. Except as otherwise provided by law, money remaining in the fund is credited to the General Fund at year-end.

Louisiana Education Quality Trust Fund Once requirements of the Bond Security and Redemption Fund have been met, certain funds received from the federal government attributable to mineral production or leases on the outer continental shelf pending a settlement between the United States and State of Louisiana are deposited by the State Treasurer in this fund. The money is held in a trustee capacity to be used for various educational purposes.

Proprietary Funds

In accordance with GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the State has elected to follow GASB statements issued after November 30, 1989, rather than the Financial Accounting Standards Board statements, in accounting for enterprise funds and business type activities. These funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing goods and services as their principal operation. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. There are two types of proprietary funds for the State:

- *Internal service funds* account for the provision of services, primarily to internal customers, on a cost reimbursement basis. The activities accounted for in internal service funds include copy and mail services, flight maintenance, regional laundry service and telecommunications.
- *Enterprise funds* account for the activities for which fees are charged to external users for goods or services.

The major enterprise funds of the State are the Louisiana Lottery Corporation (discussed previously in the Blended Component Units section) and Unemployment Trust Fund described below.

Unemployment Trust Fund This fund accounts primarily for the unemployment tax payments from employers for the payment of unemployment benefits to eligible claimants.

Fiduciary Funds

By definition, these funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds, and cannot be used to address activities or obligations of the government. These funds are presented in the fund financial statements, but are not

incorporated into the government-wide statements. There are four types of fiduciary funds:

- *Pension trust funds* account for resources held in trust for members and beneficiaries of the four employee pension plans.
- *Investment trust funds* account for the portion of the government's investment pools that belong to others.
- *Private-purpose trust funds* report all other trust arrangements benefiting those outside the government.
- *Agency funds* contain resources held by the government in a temporary, purely custodial capacity for others (excluding agencies of the State) and do not involve measurement of results of operations. This is consistent with GASB 34, paragraph 111.

C. ASSETS, LIABILITIES, AND NET ASSETS, EQUITY, OR NET FUND BALANCES

Cash and Investments

The State Treasurer pools those cash resources for which he is responsible and invests them accordingly. State policy describes cash equivalents as all highly liquid investments with a maturity date of three months or less when purchased and all negotiable certificates of deposit, regardless of maturity date. These highly liquid investments (including restricted assets) are reported as cash equivalents in the accompanying basic financial statements.

Investments are reported at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Cash and investment earnings are recorded in the General Fund unless statutorily dedicated to specific funds. Cash and investment limitations are discussed in Note 2.

In accordance with bond resolution requirements, the trustee for Transportation Trust Fund debt service invests in principal-only strips. These are included in the disclosure of custodial credit risk as U.S. Government Obligations. (See Note 2 on Deposits and Investments.)

Receivables and Payables

Activity between funds that are outstanding at the end of the fiscal year are referred to as either "due to or due from other funds" or "advances to or advances from other funds." Any residual balances outstanding between the governmental activities and business-type activities are

reported in the government-wide financial statements as "internal balances." Amounts reported in the funds as receivable from or payable to fiduciary funds are included in the statement of net assets as receivable from and payable to external parties rather than as "internal balances." All internal balances are eliminated in the total primary government column. Receivables of the primary government and its component units or between those components include all amounts susceptible to accrual that have not been collected at June 30, but will be collected soon enough after the end of the year to pay liabilities of that year. They include all amounts earned, but not collected, at June 30. Receivables, net of any uncollectible amounts, and payables are reported on separate lines.

Inventories and Prepaid Items

Inventories consisting primarily of materials and supplies held for consumption, merchandise and livestock held for resale, and expendable medical supplies are valued primarily using the average cost method. The consumption method is used for financial reporting.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Derivatives

In accordance with their investment authority, certain blended component units invest in derivative financial instruments. These derivatives are held in part to maximize yields on investments and in part to hedge against changes in interest rates. Risks associated with derivative instruments are the potential for credit loss in the event of nonperformance by other parties to the contracts, market risk as a result of possible future changes in market prices, and legal risk that a transaction will be prohibited by law.

Restricted Assets

Restricted assets represent primarily cash, investments, and receivables held separately and restricted according to applicable bond indenture agreements.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Infrastructure is reported retroactively to 1960.

For reporting purposes, the State has defined capital assets as follows:

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- Movable property is defined by the State as assets with an initial, individual cost of more than \$5,000. When purchased, movable property is recorded as an expenditure in the governmental fund and capitalized in the government-wide financial statements. At the government-wide level, they are depreciated using the straight-line method, which divides the historical cost by the estimated useful life of the asset, generally 5 to 10 years.
- The Buildings and improvements capitalization threshold of \$100,000 was established in 2001. Land, buildings, improvements, and construction in progress are recorded as expenditures in the Capital Outlay Escrow Fund at the fund level and capitalized at the government-wide level; fixed assets of enterprise, internal service, and permanent trust funds are reported in the respective funds. These assets are depreciated principally using the straight-line method and their estimated useful lives, generally 40 years for structures and improvements, 20 years for depreciable land improvements and 6 years for machinery and equipment.
- Infrastructure assets such as roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems are recorded as expenditures in the Capital Outlay Escrow Fund at the fund level and capitalized at the government-wide level. These assets have a capitalization threshold of \$3,000,000 and are depreciated using the straight-line method and an estimated useful life of 40 years.
- Purchased computer software has a capitalization threshold of \$1,000,000 and is depreciated using the straight-line method over an estimated useful life of three years.
- Leasehold improvements have a capitalization threshold of \$100,000 and are depreciated using the straight-line method with an estimated useful life depending on the term of the lease.
- Historical treasures and works of art are items held for public exhibition, educational purposes, or research in enhancement of public service instead of financial gain, and therefore are not capitalized or depreciated.
- Donated fixed assets are valued at their estimated fair market value at the time of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

Compensated Absences

Classified and unclassified State employees earn annual leave and sick leave at various rates depending on the number of years of service. The amount of annual and sick leave that may be accrued by each employee is unlimited. 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. LRS 17:425 provides for payment for up to 25 days of unused sick leave for all employees under the supervision of the Board of Elementary and Secondary Education, or other boards of control of publicly supported educational institutions.

Upon a member's retirement, annual leave balances in excess of 300 hours, and the number of hours of unused sick leave, are converted to years or fractions of years and added to the number of years of service earned by the retiree. Unused annual and sick leave are applied to the number of years of service only for computing the rate of pay due to the retiree and do not count toward the number of years necessary for retirement. Act 343 of 1993 allows members retiring after August 15, 1993, to elect to receive an actuarially determined lump-sum payment for unused leave that would have been converted for retirement credit.

An employee who is required to work overtime may, at the option of the appointing authority, be credited with compensatory leave for the hours required to work. Certain employees earn this leave at time and one-half, whereas others earn on an hour-for-hour basis. Generally, employees in positions at or below a certain pay level may be paid upon separation or transfer, based on the employee's final regular rate of pay. Compensatory leave for all other employees is canceled upon separation or transfer from the department in which it was earned.

Long-Term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental or business-type activities. Also, in the fund financial statements, proprietary fund long-term obligations are reported as liabilities in the proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds.

Fund Balances and Net Assets

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. Proprietary funds report an all-inclusive change in fund net assets that include capital contributions, contributions to term and permanent endowments, special and extraordinary items, and transfers. Net assets are segregated into three categories on the government-wide statement of net assets: 1) invested in capital assets, net of related debt; 2) restricted; and 3) unrestricted. Net assets are restricted

when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net assets. The State first uses restricted assets for expenses incurred for which both restricted and unrestricted assets are available. It may defer the use of restricted assets based on a review of the specific transaction.

D. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental fund balance sheet includes a reconciliation, which reconciles the government-wide statements to the governmental fund financial statements. This reconciliation is necessary to bring the financial statements from the current financial resources measurement focus and modified accrual basis of accounting to the economic resources measurement focus and full accrual basis of accounting. Major items included in the reconciliation are capital assets, inventories and prepaids, long-term debt, accrued interest, long-term liabilities, assets and liabilities of internal service funds, and deferred revenue, which are shown on the government-wide but not the governmental fund statements.

E. BUDGETS AND BUDGETARY ACCOUNTING

Legislation requires that, on or before November 15, the head of each spending agency submit to the Governor, the Joint Legislative Committee on the Budget, and the Legislative Fiscal Office an estimate of the financial requirements and receipts of the budget unit for the upcoming fiscal year [Louisiana Revised Statutes (LRS) 39:33]. The Governor is required to prepare an executive budget and transmit a copy to each member of the Legislature on the first day of the regular session (LRS 39:37). The budget is enacted into law by the Legislature and sent to the Governor for signature. The State Constitution prohibits the passage of an unbalanced budget (Article VII, Section 10). The Governor may veto any line item appropriation, subject to legislative override.

LRS 39:73 authorizes the transfer of funds. However, by unilateral action, the Commissioner of Administration is authorized to approve the transfer of funds from one expenditure category to another and transfers between programs if the request is supported by sufficient evidence and does not exceed certain limits. The Commissioner of Administration may approve a transfer of funds between expenditure categories when in aggregate the transfers do not exceed the budget by more than \$50,000. The Commissioner may approve transfer of funds between programs within a budget unit when in aggregate the transfers are not more than 1% of the total appropriation to

the budget unit and sufficient evidence is presented. Finally, the Commissioner of Administration, with the approval of the Joint Legislative Committee on the Budget, may approve the transfer of funds between expenditure categories when transfers exceed \$50,000, and between programs within the budget unit when in aggregate the transfers do not exceed 25% of the total appropriation to the budget unit and sufficient evidence is presented. These and other requests for transfers are to be submitted by the budget unit to the Legislative Fiscal Office.

The Governor is required to submit to the Legislature, no later than the eighth day of the regular session, a proposed five-year capital outlay program. The Legislature enacts into law a bill incorporating the first year of the five-year capital outlay program. The Legislature adopts a concurrent resolution for the remaining four years of the five-year capital outlay program, itemizing the capital projects and the amount and source of funding for each of the subsequent four years.

According to LRS 39:77, in no event shall any budget unit commit to an expenditure in excess of the unencumbered balance of the allotment to which the resulting expenditure would be charged, without prior approval of the Interim Emergency Board and two-thirds of the Legislature. The Revenue Estimating Conference has been established to provide an official estimate of anticipated State revenues for each fiscal year. Appropriations by the Legislature from the State General Fund and dedicated funds for any fiscal year shall not exceed the official forecast in effect at the time the appropriations are made. If a cash deficit exists or may occur, the Governor may direct the Commissioner of Administration to reduce or disapprove warrants preventing a cash deficit.

In accordance with LRS 39:82(A), agencies are allowed 45 days for closing out prior year activities. This statute limits the use of appropriation balances after the June 30 close to true liabilities, delineates those items eligible for roll forward treatment, and establishes a 45-day period to request such carry-forwards. After that time, all appropriations lapse except permanent capital outlay appropriations that remain active until the projects are complete. Additionally, upon approval by the Commissioner of Administration, any federal funds and any state funds appropriated during a fiscal year specifically for matching federal grants may be carried forward into the upcoming year's appropriation.

Governments are required to disclose the *original*, *final* and *actual* budgetary basis of the General Fund and each individual major special revenue fund that has a legally adopted budget. For fiscal year 2004, the Medicaid Trust Fund for the Elderly is the only major special revenue fund with a legally adopted budget. The accompanying RSI

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includes notes and a schedule making this comparison for the General Fund and the Medicaid Trust Fund for the Elderly. Individual fund reporting is included in the Supplementary Information to the Comprehensive Annual Financial Report available on request from the Louisiana Division of Administration, Office of Statewide Reporting and Accounting Policy.

Each year, the Legislature enacts an appropriation bill to establish and re-establish ancillary funds to include the following enterprise and internal service funds: Administrative Service, Louisiana Property Assistance Agency, Louisiana Federal Property Assistance Agency, Office of Telecommunications Management, Administrative Support, Flight Maintenance Operations, Donald J. Thibodeaux Training Complex, Public Safety Services Cafeteria, Jackson Regional Laundry, Central Regional Laundry, Prison Enterprises, and the Municipal Facilities

Revolving Loan Fund. Re-established funds are allowed to retain any fund equity resulting from prior year operations. These and all monies from self-generated revenues are available for expenditure in the amounts appropriated. The Commissioner of Administration may approve increases from self-generated revenues, not exceeding in aggregate 5% of appropriated self-generated revenues. Only with the approval of the Division of Administration and the Joint Legislative Committee on the Budget will any larger increase in self-generated revenue over the amount appropriated be available to agencies for expenditures.

F. FUNDS WITH DEFICIT NET ASSETS

The Louisiana Economic Development Fund reported a deficit in net assets in the amount of \$4,439 million. This fund is reported as a special revenue fund of the State.

NOTE 2: DEPOSITS AND INVESTMENTS

A. DEPOSITS

Included as deposits are bank accounts and short-term investments, especially certificates of deposit. In accordance with LRS 49:321, state depositing authorities shall require as security for deposit of state funds authorized bonds or other interest-bearing notes; authorized promissory notes, warrants, or certificates of indebtedness unmaturing or payable on demand; or notes representing loans to students guaranteed by the Louisiana Student Financial Assistance Commission. Fair value, excluding interest, of such securities held by the depositing authority shall be equal to 100% of the amount on deposit to the credit of the depositing authority except that portion appropriately insured. Designated

depositories may be granted a period not to exceed five days from the date of any deposit to post the necessary security.

The following chart presents bank deposit balances for the primary government and its component units as of June 30, 2004. Deposits are listed in terms of whether they are exposed to custodial credit risk, the risk that in the event of a bank failure, the state's deposits may not be returned. Deposits are exposed to custodial credit risk if they are either a) uninsured and uncollateralized, b) uninsured and collateralized with securities held by the pledging financial institution, or c) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the name of the State.

Bank Deposit Balances (Expressed in Thousands)
Deposits Exposed to Custodial Credit Risk

	Uninsured and Uncollateralized	Uninsured and collateralized with securities held by pledging institution	Uninsured and collateralized with securities held by pledging institution's trust dept. or agent but not in state's name	Total Bank Balances - All Deposits	Total Carrying Value - All Deposits
Primary Government:					
Cash	\$ 174	\$ 1,867	\$ 9,041	\$ 1,729,499	\$ 1,519,508
Certificates of Deposit		70	3,269	320,265	320,467
Other	40,930	2,919	438	49,109	99,782
Total Primary Government	\$ 41,104	\$ 4,856	\$ 12,748	\$ 2,098,873	\$ 1,939,757
Component Units:					
Cash	26,236	34,374	5,075	491,907	382,600
Certificates of Deposit	1,116	19	23,394	203,882	207,052
Other	101,280	1,662	1,401	225,760	211,842
Total Component Units	\$ 128,632	\$ 36,055	\$ 29,870	\$ 921,549	\$ 801,494
Total Bank Balances	\$ 169,736	\$ 40,911	\$ 42,618	\$ 3,020,422	\$ 2,741,251

B. INVESTMENTS

LRS 49:327 authorizes the State Treasurer to invest available monies in direct Treasury obligations, government agency obligations, corporate bonds, perfected repurchase agreements, and reverse repurchase agreements, time certificates of deposit in specified banks, savings accounts or shares of certain savings and loan associations and savings banks, or in share accounts and share certificate accounts of certain credit unions. Such securities shall not have maturity dates in excess of five years from the purchase date, except monies invested from special funds (those not considered general funds) which shall not exceed 10 years from the date of purchase. In each case, all funds must be fully insured or collateralized by the pledge of securities. Funds not on deposit in the State Treasury are authorized to be invested in time certificates of deposit of specified banks, in savings accounts or shares of specified savings and loan associations and savings banks, or in share accounts and share certificate accounts of specified credit unions. Funds determined to be available for investment for less than 30 days are authorized to be invested in direct United States Treasury obligations that mature in not more than 29 days after the date of purchase. These funds are also required to be fully insured or collateralized.

Because of limited maturity dates, availability of securities, and yield, perfected repurchase agreements are entered into for short-term management purposes. LRS 49:341 - 343 grants defined public entities the authority to invest bond proceeds and monies held in any fund established in connection with bonds in any direct obligation of, or obligation guaranteed by, the United States and in tax-exempt bonds until proceeds are required to be expended for the purpose of the issue.

LRS 11:263 directs Louisiana's pension systems to invest in accordance with the prudent man rule. As used in this statute, the rule means that the systems ". . . act with the care, skill, prudence, and diligence under the circumstances prevailing that a prudent institutional investor acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims." Notwithstanding the prudent man rule, no governing authority of any system shall invest more than 55% of the total portfolio in equities.

Generally, investment of funds by colleges and universities are subject to the same provisions of LRS 49:327 that govern the State Treasurer and State agencies. However, investment of funds of state colleges and universities derived from private sources such as gifts, grants, and endowments are governed by the "Uniform Management of Institutional Funds Act," LRS 9:2337.1 - 2337.8.

Authorized investments include "mortgages, stocks, bonds, debentures, and other securities of profit or nonprofit corporations, shares in or obligations of associations, partnerships, or individuals, and obligations of any government or subdivision or instrumentality thereof." In investing funds, the governing board of the college or university must exercise ordinary business care and prudence under the facts and circumstances prevailing at the time of the investment action or decision.

Management of the cash and investments held by the State Treasurer is independent of the automated accounting system of the state. The vast majority of the cash reported on the financial statements within all fund types is reported by the State Treasurer as investments for this note disclosure. In order to accurately compare the cash and investments shown on the accompanying financial statements with the carrying values of deposits and investments in the schedules presented as part of this note disclosure, the following reconciliation is provided (amounts expressed in thousands):

Carrying Value of Deposits per Note	\$ 2,741,251	
Carrying Value of Investments per Note	30,464,043	
		<u>\$ 33,205,294</u>
Cash per Financial Statements	\$ 5,292,761	
Investments per Financial Statements	27,530,391	
Restricted Cash per Financial Statements	302,189	
Restricted Investments per Financial Statements	595,917	
Reconciling Items between Note and Financial Statements	(515,964)	
		<u>\$ 33,205,294</u>

C. INVESTMENTS - CUSTODIAL CREDIT RISK

The chart beginning on the following page presents the investment position of the State at June 30, 2004, unless otherwise noted. The various types of investments are listed and presented by whether they are exposed to custodial credit risk by the State. Custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, the State will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Investments are exposed to custodial credit risk if the securities are uninsured and unregistered and are either held by the counterparty, or by the counterparty's trust department or agent but not in the name of the State.

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Schedule of Investments Carrying Amount (Expressed in Thousands)

Investments Exposed to Custodial Credit Risk

	<u>Uninsured, Unregistered, and Held by Counterparty</u>	<u>Uninsured, Unregistered, and Held by Counterparty's Trust Dept. or Agent but not in the State's Name</u>	<u>All Investments Reported Amount</u>	<u>All Investments Fair Value</u>
General Government:				
Repurchase Agreements		\$99,754	\$747,714	\$747,714
U.S. Government Obligations:				
Not on Securities Loan	\$7,789	52,086	824,266	824,267
On Securities Loan			2,359,655	2,359,655
Common & Preferred Stock	7,075		278,208	278,208
Domestic & Foreign Bonds			1,916,382	1,916,382
Mortgages, Notes and Other		105,823	105,823	105,823
Mutual Funds			106,449	106,449
Bond Issue Trustee Accounts			32,064	32,064
Investments held by Broker-Dealers				
Under Securities Loan Contracts:				
U.S. Government Obligations			90,422	90,422
Domestic & Foreign Bonds			77,949	77,949
Total General Government	14,864	257,663	6,538,932	6,538,933
Retirement Systems and Other Trusts:				
Repurchase Agreements	12,782		181,896	181,896
U.S. Government Obligations:				
Not on Securities Loan	1,151		1,749,844	1,749,844
On Securities Loan			145,712	145,712
Common & Preferred Stock:				
Not on Securities Loan	32		9,539,845	9,539,845
On Securities Loan			570,767	570,767
Domestic & Foreign Bonds:				
Not on Securities Loan	285		2,128,322	2,128,322
On Securities Loan			145,272	145,272
Mortgages, Notes and Other	5,729		681,223	681,223
Mutual Funds	64,300		992,857	992,857
Miscellaneous Short Term			501,549	501,549
Real Estate	595		533,197	533,197
Private Equity Investments	28		1,899,934	1,899,934
Investments held by Broker-Dealers				
Under Securities Loan Contracts:				
U.S. Government Obligations			72,484	72,484
Domestic & Foreign Bonds			733,180	733,180
Domestic Common & Pref. Stock			1,120,640	1,120,640
International Common Stock			197,443	197,443
Collateral Held Under Securities				
Lending Program			2,159,433	2,159,433
Total Retirement Systems and Other Trusts	84,902		23,353,598	23,353,598
Total Primary Government	99,766	257,663	29,892,530	29,892,531

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Schedule of Investments Carrying Amount (Expressed in Thousands)

Investments Exposed to Custodial Credit Risk

	<u>Uninsured, Unregistered, and Held by Counterparty</u>	<u>Uninsured, Unregistered, and Held by Counterparty's Trust Dept. or Agent but not in the State's Name</u>	<u>All Investments Reported Amount</u>	<u>All Investments Fair Value</u>
Component Units:				
Repurchase Agreements	11,302	1,279	44,411	44,411
U.S. Government Obligations	2,536	86,731	266,077	266,082
Common & Preferred Stock		4,136	56,008	56,008
Domestic & Foreign Bonds			2,509	2,509
Mortgages, Notes & Other			8,608	8,608
Miscellaneous Other			4,986	4,986
Mutual Funds	9,417	11,777	40,167	40,167
External Investment Pool			57,189	57,189
Bond Trustee Accounts			10,227	10,227
Investments Held in Private Foundations			81,331	81,331
Total Component Units	23,255	103,923	571,513	571,518
TOTAL INVESTMENTS	\$123,021	\$361,586	\$30,464,043	\$30,464,049

D. INVESTMENTS - INTEREST RATE RISK

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of investments. Also, investments can be highly sensitive to changes in interest rates due to their terms or characteristics.

State Treasury

The State Treasury limits the interest rate risk of the General Fund by limiting maturities of its investments to five years or less. The interest rate risk of certain special funds within the State Treasury is limited by restricting maturities of their investments to ten years or less. The

interest rate risks of the Louisiana Education Quality Trust Fund (LEQTF), Millennium Trust Funds, and the Medicaid Trust Fund portfolios are limited by managing their duration using fixed income indices as benchmarks to gauge and limit such risk. Further, these portfolio's durations are limited by policy to 15 years or less for LEQTF, and 10 years or less for the Millennium Trust Funds and the Medicaid Trust Fund to minimize interest rate risk. The State Treasury has no investments with fair values that are highly sensitive to changes in interest rates due to their terms or characteristics.

As of June 30, 2004, the State Treasury had the following debt investments and maturities (amounts expressed in thousands).

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater Than 10
U.S. Government Obligations	\$1,259,225	\$324,802	\$906,529	\$3,873	\$24,021
U.S. Agency Obligations	1,846,220	789,946	506,634	261,287	288,353
Corporate Bonds	1,115,425	5,234	342,884	240,822	526,485
Municipal Bonds	878,906			186,020	692,886
Total	\$5,099,776	\$1,119,982	\$1,756,047	\$692,002	\$1,531,745

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Retirement Systems and Other Trusts

At June 30, 2004, the Louisiana School Employees' Retirement System (LSERS) held \$564,303,168 in long-term debt investments, \$1,030,140 with maturities of less than 1 year, \$96,437,896 with maturities of 1 to 5 years, \$164,462,453 with maturities of 6 to 10 years, and \$302,372,679 with maturities of more than 10 years. No more than 3% of the plan's investments have stated maturities in excess of 30 years. The Louisiana State Employees' Retirement System (LASERS) held \$1,500,254,906 in long-term debt investments, \$32,412,266 with maturities of less than 1 year, \$295,442,072 with maturities of 1 to 5 years, \$689,369,214 with maturities of 6 to 10 years, and \$483,031,354 with maturities of more than 10 years. In addition, LASERS held investments in floaters and inverse floaters with a fair

value of \$77,854,637 that, due to their characteristics, are sensitive to changes in interest rates. The Teachers' Retirement System of Louisiana (TRSLA) held \$2,224,502,267 in total debt investments, \$106,864,818 with maturities of less than 1 year, \$657,879,855 with maturities of 1 to 5 years, \$855,825,886 with maturities of 6 to 10 years, and \$603,931,708 with maturities of more than 10 years. The Louisiana State Police Retirement System (LASPRS) held \$89,471,372 in total debt investments, \$8,758,017 with maturities of less than 1 year, \$21,057,657 with maturities of 1 to 5 years, \$29,637,722 with maturities of 6 to 10 years, and \$30,017,976 with maturities of more than 10 years.

The following table displays the state retirement systems' debt investments by type and maturities (amounts expressed in thousands) as of June 30, 2004.

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater Than 10
U.S. Government obligations	\$465,582		\$58,549	\$44,538	\$362,495
U.S. Agency obligations	643,383	\$49,638	213,455	28,278	352,012
U.S. Treasury obligations	42,200	7,196	26,890	8,114	
Mortgage backed securities	182,314		1,988	15,257	165,069
Collateralized mortgage obligations	206,023		21,403	36,013	148,607
Corporate bonds	1,545,490	19,345	390,320	961,197	174,628
Foreign bonds	881,602	62,512	302,493	440,232	76,365
Yankee bonds	95,370		14,711	66,410	14,249
Other bonds	1,214,455	912,874	41,008	168,567	92,006
Mutual funds	8,542	8,542			
Total	\$5,284,961	\$1,060,107	\$1,070,817	\$1,768,606	\$1,385,431

E. INVESTMENTS - CREDIT RISK & CONCENTRATION OF CREDIT RISK

The credit risk of investments is the risk that the issuer or other counterparty will not meet its obligations. This credit risk is measured by the credit quality ratings of investments in debt securities as described by nationally recognized statistical rating organizations (rating agencies) such as Standard & Poor's (S&P) and Moody's. The concentration of credit risk is the risk of loss that may occur due to the amount of investments in a single issuer (not including investments issued or guaranteed by the U.S. government, investments in mutual funds, or external investment pools).

State Treasury

State statutes and investment policies limit the State Treasury investments to government securities with explicit guarantees by the U.S. government, agency securities with implicit U.S. government guarantees, and corporate securities with investment grade ratings by Moody's and Standard & Poor's. The State Treasury has no limit on the

amount it may invest in any one issuer. Of the State Treasury's total investments, 16.24% are issues of the Federal National Mortgage Association (FannieMae) and 9.56% of the Federal Home Loan Mortgage Corporation (FreddieMac).

The following table illustrates the State Treasury's investments exposure to credit risk as of June, 30, 2004 (expressed in thousands):

Rating	Fair Value
AAA	\$2,593,319
AA	308,278
A	469,375
BBB	465,856
B	360
Not Rated	3,363
Total	\$3,840,551

State of Louisiana

Retirement Systems and Other Trusts

The investment policies of the state's retirement systems prescribe the level of credit risk to which the respective system's investments in debt securities are exposed. The table below details the total fair market value of investments in debt securities exposed to credit risk at June 30, 2004 for each of the state's retirement systems.

None of the state's retirement systems had investments in any one issuer (other than those issued or guaranteed by the U.S. government) that represented more than 5% of it's total investments.

Rating	Fair Value (in thousands)			
	LSERS	LASERS	TRSLA	LASPRS
AAA	\$67,816	\$680,889	\$445,517	\$3,207
AA-	308			2,023
AA				963
A+	39,198			12,379
A	25,151			10,487
A-	32,997	2,817		9,071
A-1		26,560	13,792	
A-2		65,502	35,941	
A-3		27,227	22,673	
AA1		6,434	26,992	
AA2		19,518	32,532	
AA3		14,164	11,940	
AGY Mortg			568,098	
BBB+	37,644			6,420
BBB	44,581			6,512
BBB-	24,914			4,118
BB+	241			1,162
BB-				769
BB	698			
B		3,275		
B+	1,015			
B1		53,874	111,439	
B2		99,277	197,810	
B3		68,757	181,943	
BA1		53,459	35,718	
BA2		62,197	44,222	
BA3		101,462	131,219	
BAA1		29,827	23,498	
BAA2		51,751	11,071	
BAA3		46,018	13,331	
CA		16,861	1,908	
CAA1		12,575	42,183	
CAA2		15,526	6,047	
CAA3			2,017	
CA3		10,919		
NA			9,888	
NR			2,210	
USTR			132,644	
VMIG1			1,511	
WR			10,459	
Not Rated	202,214		1,014,328	
Total	\$476,777	\$1,468,889	\$3,130,931	\$57,111

F. FOREIGN CURRENCY RISK

State Treasury

The State Treasury limits the foreign currency risk of the State's investments by prohibiting investing in instruments denominated in foreign currencies. Also, the State has no deposits held by the State Treasury denominated in foreign currencies.

Retirement Systems and Other Trusts

Louisiana School Employees' Retirement System's (LSERS) investment policy allows the Plan to invest in foreign marketable securities up to a target of 7% of total investments which totals \$101,319,844 at June 30, 2004. The Louisiana State Employees' Retirement System (LASERS) held foreign stocks and bonds with a fair value of \$620,598,510 at June 30, 2004, the Teachers' Retirement System of Louisiana (TRSLA) held \$1,797,627,075, and the Louisiana State Police Retirement System (LASPRS), \$22,223,022. LASPRS's investment policy allows no more than 12.5% of the system's portfolio to be international equities. The following table illustrates the total exposure to foreign currency risk at June 30, 2004 of \$2,541,768,451 by currency denomination and investment type:

Currency	Fair Value (U.S. dollars) (in thousands)	
	Bonds	Stocks
Australian dollar	\$56,477	\$26,290
Bahamas dollar		93
Bermudian dollar		919
British pound sterling	79,128	343,958
Brazilian real		1,756
Canadian dollar	14,760	22,106
Cayman Islands dollar		58
Chinese yuan renminbi		608
Danish krone		23,219
European euro	311,332	567,995
Hong Kong dollar		58,702
Indonesian rupiah		2,393
International pooled funds		15,467
Japanese yen	144,945	369,014
Malaysian ringgit		2,542
Mexican new peso	13,188	4,023
Netherlands Antillan guilder		79
New Zealand dollar	30,744	2,948
Norwegian krone	21,105	13,385
Peruvian sol		54
Polish zloty	62,841	
Puerto Rican dollar		264
Singapore dollar		36,251
South African rand	3,630	1,494
South Korean won		23,775
Swedish krona	80,226	42,408
Swiss franc		152,170
Thailand baht		11,421
Total	\$818,376	\$1,723,392

State of Louisiana

G. SECURITIES LENDING

State Treasury

The State Treasurer operated two separate securities lending programs during the 2004 fiscal year. One arrangement, authorized by LRS 49:327(c), entails the lending of its pooled assets comprising treasury and agency securities. In return for the lending transaction, the broker/dealer provides cash or securities of a similar nature and maturity to those lent valued at 102% of the securities involved. The State agrees to hold as collateral securities for which it has no negotiation rights but for which it does have ownership. The State Treasurer has neither actual nor constructive receipt of the collateral. The State Treasurer has the right to receive or sell the collateral only upon a default of the borrower as defined in the contracts. The cash collateral is invested in an overnight investment pool of the safekeeping agent. Securities lent are not considered to have been sold nor have the securities received as collateral considered to have been purchased. The safekeeping agent has agreed to indemnify the State Treasurer for certain conditions, the two most important of which are default on the part of the borrower and failure to maintain the daily market to market on the pledged collateral. The State had no credit risk at the balance sheet date. No losses on securities lending transactions occurred during the 2004 fiscal year.

The Louisiana Education Quality Trust Fund (LEQTF) also participates in a securities lending program as authorized by LRS 17:3803(E)(1). In return, the State receives cash or securities as collateral equal to the market value plus interest of the securities lent or collateral of a similar type and maturity to those lent, collateralized at 102%. Securities purchased with cash collateral are included in an overnight repurchase investment pool, which is not categorized, and generally match loan maturities. The State Treasurer agrees to transfer lendable LEQTF securities (lendable securities are defined in the contract, but generally consist of treasury and agency fixed-income instruments) to the agent bank. The broker/dealer agrees to utilize securities as market opportunities arise, with the income from the transaction resulting in a split of 60/40, the 60% accruing directly to the LEQTF. The State Treasurer has the right to sell the pledged collateral only upon default of the borrower as defined in the contract. The securities lending agent has agreed to indemnify the State Treasurer as agent for the LEQTF for broker default and failure to maintain the market value on the collateral. LEQTF had no credit risk at the balance sheet date; nor were there any losses on securities lending transactions occurring in fiscal year 2004.

At June 30, 2004, the value of securities on loan was \$2,359,654,975 for the Treasurer's pooled investments and \$168,371,383 for LEQTF.

Retirement Systems and Other Trusts

The Teachers' Retirement System of Louisiana (TRSLA), the Louisiana State Police Retirement System (LASPRS), the Louisiana School Employees' Retirement System (LSERS), and the Louisiana State Employees' Retirement System (LASERS) are authorized by their respective boards of trustees to operate securities lending programs. These programs are designed to produce supplemental income on investments with little or no additional risk. All securities are available for loan to pre-approved securities dealers. Securities dealers must meet specific criteria to be approved. The TRSLA lends its securities for cash. The LASPRS, LSERS and LASERS lend their securities for cash, U.S. government securities, and irrevocable letters of credit. Collateral held under the programs, which may be reinvested by the systems under the terms of the agreement with the broker/ dealer, is recorded as an asset with a corresponding liability; otherwise, the collateral is not recorded on the Statement of Net Assets. Because the LASERS does not trade or sell the collateral received in its program, such collateral is not considered an asset of the System and a corresponding liability is not required on its Statement of Net Assets. The LASPRS, LSERS and LASERS cannot pledge or sell securities unless the borrower defaults.

The TRSLA lends domestic securities for cash collateral of 100% and international securities for cash collateral of 105%. The LASPRS, LSERS and LASERS lend U.S. securities for collateral valued at 102% of the market value of the securities plus any accrued interest. Non-U.S. securities are loaned for collateral valued at 105% of the market value of the securities plus any accrued interest. Where LASPRS, TRSLA and LSERS loans are for term, the reinvestment of the cash is matched to the maturity of the loan. LASERS loans are terminable at will. Therefore, their duration will not generally match the duration of the investments made with cash collateral.

At June 30, 2004, LASERS had no credit risk exposure to borrowers. Neither the LASPRS, TRSLA nor the LSERS had any credit risk exposure to borrowers at year end because the cash collateral held reflected the market value of securities on loan, and the amounts owed to borrowers exceeded amounts owed by borrowers. Securities loans of both systems may be terminated on demand by either party within a period specified in the related agreement. There were neither significant violations of legal or contractual provisions, nor borrower or lending agent default losses known to the securities lending agents of either system. The LASPRS, LASERS and LSERS have indemnification agreements with their securities lending agents in case of borrower default. Securities on loan at June 30, 2004 totaled \$555,839,061 for LASERS, \$14,221,311 for LASPRS, \$73,737,867 for TRSLA, and \$217,952,172 for LSERS.

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H. INVESTMENTS IN DERIVATIVES

As of June 30, 2004, LASERS, TRSLA, and LSERS held investments in various derivative financial instruments (derivatives) including interest-only strips, principal-only strips, collateralized mortgage obligations, options, forward contracts, and futures contracts. LASERS and TRSLA invest in interest-only strips and principal-only strips which are mortgage-backed securities that involve the separation of the interest and principal components of a security. These derivatives are held in part to maximize yields and in part to hedge against changes in interest rates. Interest-only strips are based on cash flows from interest payments on mortgages, whereas principal-only strips are based on

cash flows from principal payments on mortgages. The return on these investments is related to changes in interest rates. Additionally, LASERS and TRSLA invest in option and forward contracts which bear the risks of changes in market values, interest rates, and counterparties failing to meet the terms of the contracts. LASERS, TRSLA, and LSERS invest in futures contracts to maintain market exposure for excess cash or for security hedging. The risks associated with futures contracts are the potential for credit loss in the event of nonperformance by other parties to the contracts and market risk as a result of possible future changes in market prices.

NOTE 3: ACCOUNTS RECEIVABLE AND ACCOUNTS PAYABLE

Balances receivable and payable have been aggregated for presentation in the accompanying financial statements. Therefore, the following schedules provide additional detail information concerning balances receivable and payable by category and fund type.

A. Receivables

Receivable balances at June 30, 2004, are as follows (expressed in thousands):

	Governmental Funds				
	General	Bond Security	Nonmajor	Total	
	Fund	and Redemption	Funds	Governmental	
	Fund	Fund	Funds	Funds	
Corporate/Individual Tax	\$	\$	281,833	\$	281,833
Excise Tax			34,051		34,051
Federal Revenues	149,226				149,226
Gaming			14,024		14,024
Mineral Resources			44,834		44,834
Motor Fuel Tax			99,362	9,155	108,517
Tobacco Products Tax			12,682		12,682
Tobacco Settlement				123	123
Sales Tax			288,311		288,311
Severance Tax			67,948		67,948
Other	6,942	172,373	17,891		197,206
Total Receivables	156,168	1,015,418	27,169		1,198,755
Allowance for Uncollectibles	--	(11,313)	--		(11,313)
Receivables, Net	\$ 156,168	\$ 1,004,105	\$ 27,169	\$	1,187,442
Amounts Not Expected to be Collected Within One Year	\$ 20	\$ 193,351	\$ --	\$	193,371

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	Proprietary Funds				Governmental
	Business-Type Activities - Enterprise Funds				Activities -
	Louisiana	Unemployment	Nonmajor	Total	Internal
	Lottery	Trust	Enterprise	Enterprise	Service
Corporation	Fund	Funds	Funds	Funds	
Employer Contributions	\$	\$ 62,965	\$	\$ 62,965	\$
Gaming	10,904			10,904	
Other			10,804	10,804	6,889
Total Receivables	10,904	62,965	10,804	84,673	6,889
Allowance for Uncollectibles		(20,550)		(20,550)	
Receivables, Net	\$ 10,904	\$ 42,415	\$ 10,804	\$ 64,123	\$ 6,889
Amounts Not Expected to be Collected Within One Year	\$ --	\$ --	\$ 55	\$ 55	\$ --

B. Accounts Payable and Accruals

Accounts Payable and Accruals at June 30, 2004, are as follows (expressed in thousands):

	Governmental Funds			
	General	Bond Security	Nonmajor	Total
	Fund	and Redemption	Funds	Governmental
		Fund	Funds	Funds
Aid to Local Governments	\$ 21,040	\$	\$	21,040
Disadvantaged Student Support	76,802			76,802
Engineering and Operations	12,479			12,479
Highway Operation and Maintenance			104,071	104,071
Inmate Housing	12,539			12,539
Job Training and Placement Programs	18,350			18,350
Medicaid	409,143			409,143
Personal Health	15,768			15,768
Public Assistance	68,914			68,914
School and Community Educational Support	27,320			27,320
School, Student, and Educator Performance	58,779			58,779
Other	245,275	33	20,328	265,636
Total Accounts Payable and Accruals	\$ 966,409	\$ 33	\$ 124,399	\$ 1,090,841

	Proprietary Funds			
	Business-Type Activities - Enterprise Funds			Governmental
	Louisiana	Nonmajor	Total	Internal
	Lottery	Enterprise	Enterprise	Service
Corporation	Funds	Funds	Funds	
Gaming	\$ 2,662	\$	\$ 2,662	\$
Other		8,223	8,223	1,419
Total Accounts Payable and Accruals	\$ 2,662	\$ 8,223	\$ 10,885	\$ 1,419

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NOTE 4: INTERFUND ACCOUNTS AND TRANSFERS

A. RECEIVABLES AND PAYABLES A summary of interfund receivables and payables at June 30, 2004 is shown below (expressed in thousands):

	Primary Government	
	<u>Due From</u>	<u>Due To</u>
GOVERNMENTAL FUNDS:		
General Fund	\$ 791,105	\$ 356,669
Bond Security and Redemption	324,848	908,064
Louisiana Educational Quality Trust	716	21,204
Medicaid Trust Fund for the Elderly	4,387	5,812
Nonmajor Funds	401,632	217,762
Total Governmental Funds	<u>1,522,688</u>	<u>1,509,511</u>
PROPRIETARY FUNDS:		
Louisiana Lottery Corporation	--	10,336
Nonmajor Funds	--	2,337
Internal Service Funds	--	504
Total Proprietary Funds	<u>--</u>	<u>13,177</u>
GRAND TOTALS	<u>\$ 1,522,688</u>	<u>\$ 1,522,688</u>

B. TRANSFERS IN AND OUT A summary of transfers in and out at June 30, 2004, is shown below (expressed in thousands):

	Primary Government	
	<u>Transfers In</u>	<u>Transfers Out</u>
GOVERNMENTAL FUNDS:		
General Fund	\$ 9,735,221	\$ 399,762
Bond Security and Redemption	129,372	9,992,280
Louisiana Educational Quality Trust	25,160	--
Medicaid Trust Fund for the Elderly	45,502	46,208
Nonmajor Funds	3,275,792	2,651,989
Total Governmental Funds	<u>13,211,047</u>	<u>13,090,239</u>
PROPRIETARY FUNDS:		
Louisiana Lottery Corporation	--	121,197
Nonmajor Funds	1,272	883
Total Proprietary Funds	<u>1,272</u>	<u>122,080</u>
GRAND TOTALS	<u>\$ 13,212,319</u>	<u>\$ 13,212,319</u>

C. DETAILS OF INTERFUND BALANCES AND TRANSFERS

Per the Louisiana Constitution, most State revenues are deposited into the Bond Security and Redemption Fund (BSRF). The major exception is federal revenues, which are deposited directly into the General Fund. The BSRF was designed to protect the bond holders, so general obligation debt is paid from the BSRF. This set up results in an extremely large number of transfers in and out of BSRF from and to a majority of the other funds, including the General Fund. At the end of the accrual period, a transfer is made to move the remaining monies in BSRF to the General Fund. Louisiana is unique in the way its debt service fund operates and parts A and B of this note provide the total amounts flowing through the BSRF.

The General Fund receives a large number of transfers from statutorily dedicated (special) funds. Since the special funds do not report expenditures, monies warranted in these funds are reclassified as transfers to the General Fund and the General Fund reports all expenditures for the special funds. This reclassification of warrants along with the transfers reported in the BSRF account for the large volume of transfers from reported in the General Fund. The interfund balances and transfers, all are due to the regular functions of government in the Louisiana environment and, in general, all interfund balances are paid within the statutorily required close period.

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Below is a discussion of the larger, more significant interfund transfers of the nonmajor funds.

- Capital Outlay Escrow Fund – This fund was established in 1974 to provide for the capital outlay expenditures of the State as appropriated in the annual capital outlay appropriations act. Because of the volume of on-going and new construction, and routine maintenance and repairs that are included in the capital outlay appropriations act, the fund reported transfers in of \$808 million and transfers out of \$24 million.
- Lottery Proceeds Fund — This fund was created in 1990 to receive the surplus revenues from the Louisiana Lottery Corporation. In fiscal year 2004, transfers in amounted to \$122 million and transfers out were \$113 million.
- Louisiana Medical Assistance Trust Fund — This fund was established in 1992 to assist in the operation and maintenance of the Medicaid program in the state. In fiscal year 2004, transfers in amounted to \$315 million and transfers out were \$95 million.
- Patient's Compensation Fund — Established in 1988, this fund is used to assist medical malpractice claimants and had transfers in of \$135 million and transfers out of \$79 million during fiscal year 2004.
- Support Education in Louisiana First Fund – This fund was created in 2001 to increase salaries of public school teachers. During fiscal year 2004, this fund had transfers in of \$131 million and transfers out of \$97 million.
- Transportation Infrastructure Model for Economic Development (TIMED) — This fund was established in 1989 to be used exclusively for specific road and bridge projects with portions designated for the Port of New Orleans and the New Orleans International Airport. During fiscal year 2004, this fund had transfers in of \$65 million and transfers out totaled \$155 million.
- Transportation Trust Fund – This fund, established in 1989, was created to receive the excess revenues on gasoline, motor fuels, and special fuels taxes. Purposes of the fund include highway construction and maintenance, statewide flood control, ports and airports priority programs, among others. During fiscal year 2004, transfers in amounted to \$515 million and transfers out were \$1 billion.
- Video Draw Poker Device Fund --- This fund was created in 1991 to receive an allocation of the revenues collected by the Gaming Division of the Office of State Police for fees, fines, penalties, and all other monies collected. During fiscal year 2004, this fund had transfers in and transfers out totaling \$175 million.

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NOTE 5: CAPITAL ASSETS

A. PRIMARY GOVERNMENT (in thousands)

	Capital Assets July 1, 2003 *	Additions	Deletions	Capital Assets June 30, 2004
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ *1,673,017	\$ 80,046	\$ 1,716	\$ 1,751,347
Construction in progress	<u>*74,244</u>	<u>56,451</u>	<u>54,407</u>	<u>76,288</u>
Total capital assets not being depreciated	<u>1,747,261</u>	<u>136,497</u>	<u>56,123</u>	<u>1,827,635</u>
Other capital assets historical cost:				
Buildings and improvements	*1,117,559	162,549	22,382	1,257,726
Machinery and equipment	*616,877	63,236	53,499	626,614
Infrastructure	<u>*15,624,067</u>	<u>615,858</u>	<u>--</u>	<u>16,239,925</u>
Total other capital assets historical cost	<u>17,358,503</u>	<u>841,643</u>	<u>75,881</u>	<u>18,124,265</u>
Less accumulated depreciation:				
Buildings and improvements	*387,537	30,650	14,714	403,473
Machinery and equipment	*462,447	72,694	53,466	481,675
Infrastructure	<u>*7,095,864</u>	<u>373,944</u>	<u>--</u>	<u>7,469,808</u>
Total accumulated depreciation	<u>7,945,848</u>	<u>477,288</u>	<u>68,180</u>	<u>8,354,956</u>
Other capital assets, net of depreciation	<u>9,412,655</u>	<u>364,355</u>	<u>7,701</u>	<u>9,769,309</u>
Governmental activities capital assets, net	<u>\$ 11,159,916</u>	<u>\$ 500,852</u>	<u>\$ 63,824</u>	<u>\$ 11,596,944</u>
Business-type Activities:				
Capital assets not being depreciated:				
Land	\$ 6,600	\$ --	\$ 2,519	\$ 4,081
Construction in progress	<u>79,190</u>	<u>15,942</u>	<u>84,608</u>	<u>10,524</u>
Total capital assets not being depreciated	<u>85,790</u>	<u>15,942</u>	<u>87,127</u>	<u>14,605</u>
Other capital assets historical cost:				
Buildings and improvements	22,662	168	410	22,420
Machinery and equipment	27,501	2,289	4,581	25,209
Infrastructure	<u>--</u>	<u>47</u>	<u>--</u>	<u>47</u>
Total other capital assets historical cost	<u>50,163</u>	<u>2,504</u>	<u>4,991</u>	<u>47,676</u>
Less accumulated depreciation:				
Buildings and improvements	12,883	430	410	12,903
Machinery and equipment	19,616	2,295	3,722	18,189
Infrastructure	<u>--</u>	<u>37</u>	<u>--</u>	<u>37</u>
Total accumulated depreciation	<u>32,499</u>	<u>2,762</u>	<u>4,132</u>	<u>31,129</u>
Other capital assets, net of depreciation	<u>17,664</u>	<u>(258)</u>	<u>859</u>	<u>16,547</u>
Business-type activities capital assets, net	<u>\$ 103,454</u>	<u>\$ 15,684</u>	<u>\$ 87,986</u>	<u>\$ 31,152</u>

* Restated beginning balances

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Depreciation expense was charged to functions as follows:

Governmental activities:

General government	\$	30,726
Culture, recreation, and tourism		2,771
Transportation and development		395,271
Public safety		15,004
Health and welfare		8,784
Corrections		12,923
Conservation		6,791
Education		5,018
Total governmental activities depreciation expense	\$	<u>477,288</u>

B. COMPONENT UNITS (in thousands)

	Capital Assets			Capital Assets
	July 1, 2003	Additions	Deletions	June 30, 2004
Capital assets not being depreciated:				
Land	\$ 237,111	\$ 23,629	\$ 13,388	\$ 247,352
Construction in progress	268,198	242,960	167,654	343,504
Total capital assets not being depreciated	<u>505,309</u>	<u>266,589</u>	<u>181,042</u>	<u>590,856</u>
Other capital assets historical cost:				
Buildings and improvements	3,156,345	468,929	16,174	3,609,100
Machinery and equipment	1,391,825	180,709	99,120	1,473,414
Infrastructure	485,460	38,705	3,077	521,088
Total other capital assets historical cost	<u>5,033,630</u>	<u>688,343</u>	<u>118,371</u>	<u>5,603,602</u>
Less accumulated depreciation:				
Buildings and improvements	1,580,465	173,773	28,848	1,725,390
Machinery and equipment	1,063,758	143,965	73,547	1,134,176
Infrastructure	191,682	14,037	177	205,542
Total accumulated depreciation	<u>2,835,905</u>	<u>331,775</u>	<u>102,572</u>	<u>3,065,108</u>
Other capital assets, net of depreciation	<u>2,197,725</u>	<u>356,568</u>	<u>15,799</u>	<u>2,538,494</u>
Component units capital assets, net	\$ <u>2,703,034</u>	\$ <u>623,157</u>	\$ <u>196,841</u>	\$ <u>3,129,350</u>

NOTE 6: EMPLOYEE BENEFITS

A. RETIREMENT SYSTEMS

Background

The State of Louisiana maintains four defined benefit pension plans that are considered component units of the State and are included in the Comprehensive Annual Financial Report as a part of the primary government. Those plans are administered by four public employee retirement systems. The Louisiana State Employees' Retirement System (LASERS), established July 1, 1947, includes classified and unclassified employees of the State. The Teachers' Retirement System of Louisiana (TRSLA) was established August 1, 1936, for the benefit of public school teachers and, effective July 1, 1983, includes school lunch employees. TRSLA offers a defined contribution plan to a relatively small, select group of employees in higher education. The Louisiana School Employees' Retirement System (LSERS) was established on July 1, 1947 for persons employed as school bus drivers, school janitors, school custodians, and school maintenance employees. The Louisiana State Police Retirement System (LSPRS) was established by Act 293 of 1938. Its members include commissioned law enforcement officers of the Office of State Police and the Superintendent of the Office of State Police.

In 1987, a constitutional amendment was ratified by the electorate that added subsection (E) to Article 10, Section 29, mandating the actuarial soundness of state and statewide retirement systems. In compliance with that amendment, the Legislature enacted LRS 11:1-127 in its 1988 regular session to consolidate the public retirement law. LASERS and TRSLA must use the projected unit credit cost method to determine their actuarially required contributions; LSERS and LSPRS use the entry age normal cost method for this determination.

LRS 11: 42B(4), (5), and (11) establish requirements for the amortization of unfunded accrued liabilities of these Public Employees Retirement Systems (PERS). The LSERS, LASERS, and TRSLA are as follows:

The unfunded liability as of June 30, 1988, determined under the projected unit credit funding method "...shall be amortized over a forty year period, commencing with the fiscal year 1989-1990 with the series of forty annual payments forming an increasing annuity, increasing initially at 4% per annum for the first five years, with the percent of increase reduced one-half of one percent over each successive five year period, so that the payments are increasing at the rate of one-half of one percent over the last five year period."

This section was amended in 1992 to require that the outstanding balance of the unfunded accrued liability as of June 30, 1992, "...shall be amortized over the remaining thirty-seven year period with payments forming an annuity at four and one half percent annually."

LRS 11: 42B(10) specifies that the unfunded accrued liability of the State Police Retirement System as of June 30, 1988, be amortized over a twenty year period, beginning in fiscal year 1989-1990, with level dollar payments annually.

LRS 11:62 specifies employee contribution rates effective July 1, 1989, while LRS 11:102 details the calculation of the employer contribution rate each year for each system.

Act 588 of the 2004 Regular Session made significant changes to prospective funding for LASERS, TRSL, and LSRS. As a result of the Act, the outstanding balances of changes in liabilities prior to 1999 were re-amortized using level dollar method until 2029. The remaining amortization periods for changes in liabilities beginning with 1999 through 2003 were extended to a thirty year period from the date of occurrence and amortized as a level percentage of projected payroll. Bases established after June 30, 2004 are amortized over a thirty year period as level dollar payments. In addition, the Act authorizes the Legislature to set employer contribution rates based on specific criteria but no less than fifteen and one-half percent for LASERS and TRSLA. TRSLA has early implemented Act 588 for inclusion in the FY 2004 CAFR.

Readers requiring pension information not included in this report may request a copy of the separately issued financial reports by writing to each retirement system individually at the addresses listed in Note 1.

Plan Description

Louisiana State Employees' Retirement System. Although there are 347 contributing employers in this system, LASERS is considered a single employer plan because the material portion of its activity was with one employer - the State of Louisiana. The system was established and provided for within Title 11, Subtitle II, Chapter 1, of the Louisiana Revised Statutes. Benefit provisions are authorized within LRS 11:441-501.

Those employees considered eligible for membership in LASERS include all employees of the State except those specifically excluded by statute and are eligible immediately upon employment. Members are vested after 10 years of service.

A member is eligible to retire after at least 10 years of service at age 60, 25 years at age 55, or after 30 years at any age.

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Effective January 1, 1996, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. The system does provide for deferred benefits for vested members who terminate before being eligible for retirement. Once the member reaches retirement age, benefits are payable at 2.5% of the average of the highest three consecutive years of compensation, multiplied by the number of years of creditable service. Once an employee has accumulated 10 years of service, disability benefits apply based on the regular benefit formula without age restrictions.

In 1990, the Legislature created the Deferred Retirement Option Plan (DROP) with Act 14. When members enter DROP, they continue to work at their regular job and draw their regular salary for a period of up to three years. While on DROP, the retiree's retirement benefits are paid into a special account. The election is irrevocable once participation begins. Interest is credited after participation ends; at which time, the member must choose a distribution option for benefits that have accumulated in the DROP account. The DROP program was designed to have no actuarial effect on LASERS' unfunded liability. Currently, there are 2,835 members in the program.

Teachers' Retirement System of Louisiana. The TRSLA is the administrator of a cost-sharing multiple employer plan. The system was established and provided for within Title 11, Subtitle II, Chapter 2, of the Louisiana Revised Statutes. Benefit provisions are authorized within LRS 11:761-813.

The word "plan" as used below does not carry the same definition as referred to in GASB Statements 25, 26, and 27. Our use of the word "plan" in this context refers to individual benefit options. Those employees considered eligible for membership in TRSLA include teachers and eligible school lunch employees and are eligible immediately upon employment. Under the Teachers' Regular Plan, as amended by Act 1055 of 2001, members are vested after 5 years of service. A teacher member who becomes a member prior to July 1, 1999, is eligible to retire after at least 5 years of service at age 60, or after 20 years at any age, and will receive benefits based on a formula of 2%; a teacher member who retires with 25 years of service at age 55, 20 years at age 65, or 30 years at any age will receive benefits based on a formula of 2.5%. A teacher member who becomes a member on or after July 1, 1999, is eligible to retire after at least 5 years of service at age 60, or after 20 years at any age. Benefits are based on a formula of 2.5% with actuarially reduced benefits; a teacher member who retires with 25 years of service at age 55, or 30 years at any age will receive benefits based on a formula of 2.5%. In 1983 the Louisiana School Lunch Employees' Retirement System was merged into this system. The Louisiana School Lunch Employees' Retirement System contained two plans that were acquired by Teachers' Retirement: Plan A for

members who are employed by the school system and are not covered by the Social Security system, and Plan B for members who are employed by the school system and are covered by Social Security. Plan A members are eligible to receive benefits based on a 3% benefit formula after 5 years of service at age 60, 25 years at age 55, or after 30 years service at any age. A 2% benefit formula accrues to Plan B members after 5 years service at age 60 and after 30 years service at age 55.

The system does provide for deferred benefits for vested members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable. After an employee has accumulated five years of service, he becomes eligible for disability benefits based on the regular benefit formula without age restrictions if determined eligible by the medical board. The member must also be in active service at the time of filing the application for disability retirement. Otherwise, reduced benefits are available based on varying percentage formulas for each plan.

The Optional Retirement Plan (ORP), in LRS 11:921-931, provides a defined contribution program for academic employees in higher education. Eligible members have the option of making an irrevocable election to participate in the ORP rather than the TRSLA and purchase annuity contracts for benefits payable at retirement. Monthly contributions based on percentages of salary are made by the employee and the employer to companies selected as providers of the plan. ORP provides for portability of assets and full and immediate vesting of all contributions submitted to the participating companies on behalf of the employees. In accordance with LRS 11:927(B), the system retains 7.090% of the 13.8% ORP employer contributions to be applied to the unfunded accrued liability of the system. Thus, the amount transferred to the carrier is the employer's portion of the normal cost contribution, which has been determined by the Public Retirement Systems' Actuarial Committee to be 6.71%. The number of employers participating in the ORP program is currently 90. Current membership in the program is 17,631. The ORP is not an obligation of the State or Teachers' Retirement System, and is therefore not included in the CAFR.

Members of TRSLA also have the option of participating in a three-year DROP program. Although Act 1055 of 2001 changes the vesting requirements, members must still have ten years of service credit to participate in DROP. The election is irrevocable once participation begins.

The Initial Lump-Sum Benefit (ILSB) became effective January 1, 1996. Under this program, a retiring member who did not participate in DROP could select an ILSB alternative. This alternative provides the retiree with a one-time payment of up to 36 months of a regular maximum monthly retirement

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benefit with a reduced regular monthly retirement benefit for life.

On January 1, 2000, TRSLA established the Excess Benefit Plan. This plan is an unfunded, non-qualified plan intended to be a qualified excess benefit arrangement. It is designed to pay excess benefits to those members who retire on July 1, 1988, or later. The excess benefit is the portion of the TRSLA benefit that exceeds the maximum benefit allowed under Section 415 of the Internal Revenue Code.

Louisiana School Employees' Retirement System. Although the LSERS is considered part of the State of Louisiana financial reporting entity, it is not a part of the State payroll. LSERS is the administrator of a cost-sharing, multiple-employer, defined-benefit pension plan. The system was established and provided for by LRS 11:1001-1206. LRS 11:1116 mandates that specified employees become members of the system as a condition of employment. Benefit provisions are authorized in LRS 11:1141-1153.

Membership is mandatory for all employees under age 60 employed by a Louisiana parish or city school board, who work more than 20 hours per week as a school bus driver, school janitor, school custodian, school maintenance employee, or school bus aide. Members are vested after 10 years of service time.

A member is eligible to retire after at least 10 years of service at age 60, 25 years at age 55, or after 30 years at any age. The system does provide for deferred benefits for vested members who terminate before being eligible for retirement. Benefits become payable once the member reaches retirement age. The maximum retirement benefit is an amount equal to $3\frac{1}{3}\%$ of the average compensation for the 3 highest consecutive years of membership service, multiplied by the number of years of service limited to 100% of final average compensation, plus a supplementary allowance of \$2 per month for each year of service. Once an employee has accumulated 5 years of service, disability benefits apply based on the normal benefit formula without age restrictions. Other benefits have resulted from legislative changes and include cost-of-living benefits.

Effective July 1, 1992, members of the LSERS may elect to participate in the Deferred Retirement Option Plan (DROP) and defer receipt of benefits. The election may be made one time only and is limited to three years. Monthly retirement benefits are paid into the plan and credited to a subaccount for that individual. All amounts that remain credited to the individual's subaccount shall be credited with interest at the end of each plan year at a rate equal to the realized return of the system's portfolio for that plan year, less one-half of one percent. Upon termination of participation in both the plan and employment, a participant may receive either a lump sum payment or systematic disbursement. All employers are

eligible to participate in DROP. The number of employers currently having plan members participating in the DROP program is 64. As of June 30, 2004, there were 784 members participating in the program.

Effective January 1, 1996, the Legislature authorized the Plan to establish the Initial Benefit Retirement Plan (formerly called Option 5 program). IBRP is available to members who have not participated in DROP and who select the maximum benefit, Option 2 benefit, Option 3 benefit or Option 4 benefit. Thereafter, these members are ineligible to participate in DROP. IBRP provides both a one-time single sum payment of up to 36 months of a regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest credited and payments from the IBRP account are made in accordance with the DROP account, Louisiana Revised Statutes 11:1152(F)(3).

Louisiana State Police Retirement System. The LSPRS was established by Act 293 of 1938 and is the administrator of a single employer plan. Benefit provisions are authorized within LRS 11:1307-1322.

Those employees considered eligible for membership in LSPRS include commissioned law enforcement officers of the Office of State Police and the Superintendent of State Police, and are eligible immediately upon employment.

After 10 years of service at age 50, benefits are determined by multiplying the years of service credit by $3\frac{1}{3}\%$ to compute a retirement percentage factor (not to exceed 100%), which is then multiplied by the member's average salary. For those plan members employed before September 8, 1978, with 20 years of service at any age, benefits are determined by multiplying the years of service by $3\frac{1}{3}\%$ to compute retirement percentage factor (not to exceed 100%), which is then multiplied by the member's average salary. For those plan members employed on or after September 8, 1978, with 25 years of service at any age, benefits are determined by multiplying the years of service by $3\frac{1}{3}\%$ to compute retirement percentage factor (not to exceed 100%), which is then multiplied by the member's average salary.

The following Acts of the 2003 Regular Legislative Session affected LSPRS as described. Act 211 provided a retroactive (to January 1, 1999) benefit to a surviving spouse of less than two years of any member who died of terminal cancer diagnosed prior to April 1, 2003. As a result of Act 211, the actuarial accrued liability (AAL) increased by \$341,300. Act 538 provides a benefit of 100% of final average compensation or \$36,000 annually, whichever is greater, for certain catastrophic disability retirees as of June 30, 2003. As a result of Act 538, the AAL will increase by \$1,479,267. Act 748 provides a 20% longevity bonus or benefits as provided by R.S. 11:1307.1, whichever is greater, for members who participated in DROP on or before June 30,

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2003 and who continued in employment after DROP. As a result of Act 748, the AAL will increase by \$4,992,772. Disability benefits equal 50% of average salary plus one and one-half percent of average salary for each year in excess of 10 years. Disability benefits shall be modified whenever a non-service disability retiree is engaged in gainful employment. Non-duty disability rates vary depending on length of service, but begin after 5 years of service credit. Death benefits vary whether cause was in the line of duty and whether there is a surviving spouse and/or number of minor children. The system does provide for deferred benefits for vested members who terminate before being eligible for retirement.

Any active member who is eligible to receive a service retirement allowance is eligible to participate in the Deferred Retirement Option Plan (DROP) and defer receipt of benefits. The participation period shall not exceed 3 years. Upon termination of employment at the end of the DROP period, a participant may receive benefits in a lump sum payment, by a true annuity or in any other manner approved by the Board. Current membership in the program is 36.

A summary of government employers participating in the plans at June 30, 2004, is as follows:

		<u>Number of Employers</u>
<u>LASERS</u>	State Agencies	216
	Other Public Employers	<u>131</u>
	Total	<u>347</u>
<u>TRSLA</u>	School Boards	68
	Colleges and Universities	24
	State Agencies	57
	Charter Schools	6
	Other	<u>17</u>
	Total	<u>172</u>
<u>LSERS</u>	School Boards	67
	Other Agencies	<u>23</u>
	Total	<u>90</u>
<u>LSPRS</u>		<u>1</u>

Summary of Significant Accounting Policies

All four systems use the accrual basis of accounting for operating income and operating expenses. Within this context, interest income is recognized when earned, as are employer and employee contributions. Dividends are recognized when declared. State fund appropriations are recognized when earned by LASERS, TRSLA, and LSPRS. LASERS, LSERS, and TRSLA use the trade date basis to record investment purchases and sales. In addition, contributions are recognized in the period in which the amounts are due pursuant to formal commitments. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

As required by GASB 25, "Financial Reporting for Defined Benefit Pension Plans and Note Disclosure for Defined Contribution Plans," investments are reported at fair value. Investments are reported as follows:

LASERS. Short-term investments are reported at market value when published prices are available, or at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Corporate bonds are valued based on yields currently available on comparable securities from issuers of similar credit ratings. Mortgage securities are valued on the basis of estimated future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair value. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Land, building, equipment, and furniture are carried at historical cost. Depreciation is computed using the straight-line method based on useful lives of 40 years for the building and 3 to 15 years for equipment and furniture.

Besides investments in the U.S. Government and U.S. Government obligations, LASERS has no investments in any one organization that represents more than 5% of the net assets available for benefits.

TRSLA. Fair value is based on the market value on the last business day of the fiscal year. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rate. Dividend income is recorded on the ex-dividend date. Interest income is recorded as earned on an accrual basis. Securities purchased pursuant to agreements to resell are carried at the contract price, exclusive of interest, at which the securities will be resold. Benefits and refunds are recognized when due and payable in accordance with the terms of the system.

Land, building, equipment, and furniture are carried at historical cost. The building and related land are jointly owned by Teachers' Retirement System of Louisiana and Louisiana State Employees' Retirement System. Depreciation is computed by the straight-line method based on useful lives of 40 years for the building and 3 to 10 years for equipment and furniture.

Besides investments in the U.S. Government and U.S. Government obligations, TRSLA has no investments of more than 5% of the portfolio invested in any one corporation nor does TRSLA hold more than 5% of any corporation's outstanding stock.

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LSERS. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value. Benefits and refunds paid are recognized when due and payable in accordance with the terms of the plan.

Land, building, equipment, and furniture are carried at historical cost. Depreciation is computed by the straight-line method based on useful lives of 40 years for the building and 3 to 10 years for equipment and furniture.

Besides investments in the U.S. Government and U.S. Government obligations, LSERS has no investments in any one organization that represents 5% or more of the net assets available for pension benefits. There are no investments in loans to or leases with parties related to the pension plan. The investment activity of LSERS is subject to an investment policy adopted by the Board of Trustees and to oversight by the Board of Trustees.

LSPRS. Investments are reported at fair value. Fair value is determined by the last reported sales price. Benefits and refunds paid are recognized when due and payable in accordance with the terms of the Plan.

Furniture, fixtures, and equipment are stated at cost and are being depreciated on the straight-line basis over their estimated useful lives. The estimated useful lives range from 3 to 10 years.

Besides investments in the U.S. Government and U.S. Government obligations, LSPRS has no investments representing more than 5% of the net assets available for benefits.

Contributions

A system's funding policy refers to the amounts and timing of contributions to be made by employers, participants, and any other sources to provide the benefits a pension plan specifies. Employee and employer contributions for all systems are provided for in Chapter 2 of Title 11 of the Louisiana Revised Statutes. Each system is described separately in the following paragraphs.

LASERS. The vast majority of employees of the State contribute 7.5% of their salaries. Exceptions include judges, court officers, the governor, lieutenant governor, and legislators, who contribute 11.5% of their respective salaries; the Clerk of the House of Representatives, and the Secretary of the Senate who contribute 9.5% of their salaries; certain Department of Corrections employees, who contribute 9.0%; and certain employees of the Department of Wildlife and Fisheries and Bridge Police employees, who contribute 8.5%

of their salaries. The employers of each group listed contributed 15.8% of the employees' salaries toward future benefits for fiscal year 2004.

TRSLA. Contributions required of TRSLA members and their employers are based on the plan in which the employee participates. During the year ended June 30, 2004, members of the system's Regular Plan contributed 8.0% of their earned compensation, with the employer contributing 13.8%. Members of the TRSLA Plan A contributed 9.1% of their salary and the employer contributed 13.8%. Members of TRSLA Plan B contributed 5.0% of their compensation and the employer made a 13.8% contribution. The sources of employer contributions are appropriated state funds and tax proceeds collected in the parishes and remitted by the respective parishes' sheriff's office.

LSERS. Member contributions are established by statute and are currently 7.5% of earned compensation. Employer contributions, provided by the Board of Trustees, were increased to 11.2% for fiscal year 2004.

Act 278 of the 1999 regular session provided for the establishment of an Employer Credit Account consisting of the accumulated excess employer contributions that exceeded the actuarially required employer rate. The rate increase was paid from this account for participating School Boards which reduced the account balance from \$36.3 million to \$5.9 million as of June 30, 2003, which was available to offset future unfunded employer contributions. During the year the account funded 2.7% of the required employer contributions. As of June 30, 2004, the account had a balance of \$0.

LSPRS. Member contributions are 8.0% of earned compensation and are deducted from the member's salary. The employer's contributions consist of various permits and fees collected by the Office of Motor Vehicle, and appropriations from the State.

As required by GASB Statement 27, paragraph 20b(3), the LSERS and the TRSLA, both cost-sharing employers, disclose the following information:

<u>Fiscal Year Ending</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
<u>LSERS</u>		
6/30/02	\$15,616,982	100.0%
6/30/03	\$16,440,025	100.0%
6/30/04	\$47,980,745	58.7%
<u>TRSLA</u>		
6/30/02	\$421,195,131	104.9%
6/30/03	\$479,077,364	98.0%
6/30/04	\$535,786,346	93.0%

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As required by GASB Statement 27, paragraph 21, the LASERS and LSPRS, both single employers, disclose the following information.

The state's annual pension cost and net pension obligation to LASERS and LSPRS for the current year are as follows:

	<u>LASERS</u>	<u>LSPRS</u>
Annual required contribution	\$ 367,881,226	\$ 30,288,239
Interest on net pension obligation	1,751,076	(810,919)
Adjustment to annual required contribution	(4,702,134)	4,378,471
Annual pension cost	364,930,168	33,855,791
Contributions made	(350,787,845)	(26,347,773)
Increase in net pension obligation	14,142,323	7,508,018
Net pension obligation beginning of year	21,225,164	(10,812,252)
Net pension obligation end of year	\$ 35,367,487	\$ (3,304,234)

In accordance with GASB 27, paragraph 21(b), the LASERS and LSPRS disclose the following:

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
<u>LASERS</u>			
6/30/02	\$281,791,315	96.3 %	\$2,047,670
6/30/03	\$328,772,738	94.1 %	\$21,225,164
6/30/04	\$364,930,168	96.1 %	\$35,367,487
<u>LSPRS</u>			
6/30/02	\$24,483,266	107.7 %	\$(12,958,661)
6/30/03	\$28,272,466	92.4 %	\$(10,812,252)
6/30/04	\$33,855,791	77.8 %	\$(3,304,234)

Actuarial Methods and Assumptions

The following table provides information concerning actuarial methods and assumptions.

	<u>LASERS</u>	<u>TRSLA</u>	<u>LSERS</u>	<u>LSPRS</u>
Actuarial Cost Method	Projected Unit Credit	Projected Unit Credit	Entry Age	Entry Age
Amortization Method***	Level Percentage of Projected Payroll	Level Dollar	Level Percentage of Projected Payroll	Level Dollar
Remaining Amortization*** Period (Open or Closed Period)	25 years Closed	30 years Closed	25 years Closed	5 years Closed
Asset Valuation Method	All assets valued at 4-year weighted market average	All assets valued at 4-year weighted market average	All assets valued at 4-year weighted market average	All assets valued at 4-year weighted market average
Actuarial Assumptions:				
Investment Rate of Return*	8.25%	8.25%	7.5%	7.5%
Projected Salary Increases*	4.25 - 14%**	3.2 – 7.8%	4.5 - 8.0%	4.5 –15%
Cost of Living Adjustment	None	None	None	None
*Includes inflation at:	3%	3%	3%	3%

**The listed rates do not include those for judges, correction officers and wildlife agents.

***TRSLA reflects early implementation of Act 588 of 2004.

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Funding Status and Progress

Because the purpose of each system is to provide specific benefits to groups of employees at various times in the future, actuarial valuations and assumptions are made regularly. The most recent actuarial valuation for the four statewide retirement systems is as of June 30, 2004. The Schedule of Funding Progress for the six* most recent actuarial valuations are as follows:

Schedule of Funding Progress (Expressed in Thousands)

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
<u>LASERS</u>						
Actuarial Valuation Date	6/30/04	6/30/03	6/30/02	6/30/01	6/30/00	6/30/99
Actuarial Value of Assets	\$6,097,815	\$6,487,538	\$6,460,594	\$6,418,296	\$6,170,978	\$5,574,958
Actuarial Accrued Liability	\$10,237,574	\$9,796,306	\$9,206,734	\$8,652,591	\$8,257,313	\$7,582,856
Unfunded AAL	\$4,139,759	\$3,308,738	\$2,746,140	\$2,234,295	\$2,086,335	\$2,007,898
Funded Ratio	59.6%	66.2%	70.2%	74.2%	74.7%	73.5%
Annual Covered Payroll	\$2,017,726	\$1,924,680	\$1,861,887	\$1,782,884	\$1,820,132	\$1,736,963
UAAL as a Percentage of Covered Payroll	205.2%	171.9%	147.5%	125.3%	114.6%	115.6%
<u>TRSLA</u>						
Actuarial Valuation Date	6/30/04	6/30/03	6/30/02	6/30/01	6/30/00	6/30/99
Actuarial Value of Assets	\$11,409,404	\$11,826,926	\$12,019,552	\$12,062,136	\$11,368,692	\$10,092,093
Actuarial Accrued Liability	\$18,067,486	\$17,196,812	\$16,263,239	\$15,390,417	\$14,596,441	\$13,913,416
Unfunded AAL	\$6,658,082	\$5,369,886	\$4,243,687	\$3,328,281	\$3,227,749	\$3,821,323
Funded Ratio	63.1%	68.8%	73.9%	78.4%	77.9%	72.5%
Annual Covered Payroll	\$3,017,087	\$2,977,885	\$2,777,667	\$2,582,831	\$2,563,634	\$2,569,479
UAAL as a Percentage of Covered Payroll	220.7%	180.3%	152.8%	128.9%	125.9%	148.7%
<u>LSERS</u>						
Actuarial Valuation Date	6/30/04	6/30/03	6/30/02	6/30/01	6/30/00	6/30/99
Actuarial Value of Assets	\$1,381,154	\$1,369,601	\$1,433,859	\$1,516,236	\$1,556,270	\$1,464,041
Actuarial Accrued Liability	\$1,820,958	\$1,730,796	\$1,582,071	\$1,472,423	\$1,291,823	\$1,213,230
Unfunded AAL	\$439,804	\$361,195	\$148,212	\$(43,814)	\$(264,447)	\$(250,811)
Funded Ratio	75.8%	79.1%	90.6%	103.0%	120.5%	120.7%
Annual Covered Payroll	\$259,698	\$268,656	\$258,876	\$249,674	\$241,128	\$236,001
UAAL as a Percentage of Covered Payroll	169.4%	134.4%	57.3%	(17.5)%	(109.7)%	(106.3)%
<u>LSPRS</u>						
Actuarial Valuation Date	6/30/04	6/30/03	6/30/02	6/30/01	6/30/00	6/30/99
Actuarial Value of Assets	\$288,865	\$271,062	\$271,694	\$261,576	\$244,015	\$216,954
Actuarial Accrued Liability	\$477,085	\$447,694	\$386,698	\$355,629	\$337,701	\$340,299
Unfunded AAL	\$188,220	\$176,631	\$115,004	\$94,053	\$93,686	\$123,345
Funded Ratio	60.6%	60.6%	70.3%	73.6%	72.3%	63.8%
Annual Covered Payroll	\$47,923	\$44,148	\$31,695	\$32,157	\$33,603	\$35,312
UAAL as a Percentage of Covered Payroll	392.8%	400.1%	362.8%	292.5%	278.8%	349.3%

(* GASB 25, paragraph 34, requires only three years of valuations for single employer plans. We chose to show six years for all statewide retirement systems.)

Unfunded Actuarial Accrued Liability (UAAL) differs from the Unfunded Funding Actuarial Liability (UFAL) for funding purposes. UFAL for funding purposes excludes the Texaco Settlement Fund Assets. The UFAL reported for LASERS, TRSLA and LSPRS on June 30, 2004 are \$4,165,942,753, \$6,836,079,694 and \$228,975,901 respectively. The UFAL dollar amount for FY 2004 is the same amount as the UAAL for LASERS.

The Actuarial Value of Assets for TRSLA also has a deficit in the LSU Agriculture and Extension Service Fund of \$368,974 which is not included. Considering this deficit, TRSLA's funded ratio would be reduced to 62.2%. Act 588 of the 2004 Regular Legislative Session reset the Employee Experience Account balance to zero. The Experience account can only be used to fund retiree cost-of-living adjustments.

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B. LOUISIANA LOTTERY CORPORATION RETIREMENT PLANS

Pursuant to LRS 47:9015, the Louisiana Lottery Corporation provides two defined contribution retirement plans for its employees.

1. Basic Retirement

The Basic Retirement Plan was established effective September 1, 1993, with all employees eligible except those who elect coverage under a State retirement plan and those who are either independent contractors or leased employees. Eligible employees may participate in the Plan immediately upon employment. Employer contributions for fiscal year 2004 were 5% of the participant's compensation. Employee contributions were 6.2% of their compensation. Participants are fully vested immediately. Plan assets do not revert for the benefit of the employer. Benefit distributions commence as of the date designated by the participant (annuity starting date) after termination of employment, but not later than April 1st of the year following the calendar year in which the participant attains age seventy and one half. The participant must make a qualified election to receive the distribution in the form of a single-sum payment or in the form of a qualified joint and survivor annuity or single life annuity contract. Employee and employer contributions for fiscal year 2004 were \$311,649 and \$253,796, respectively.

2. Supplemental Retirement

Substantially all full-time employees are eligible to participate in the Supplemental Retirement Plan. The Louisiana Lottery Corporation contributed 4.5% of each participant's compensation for fiscal year 2004. Generally, participants are not permitted to contribute to the Plan; however, participants may contribute proceeds from a qualified rollover distribution as allowed by IRS Section 402. Effective July 1, 1991, all eligible employees employed by the Corporation on or before that date participate in the Plan. Effective for the January 1, 1992, entry date, all eligible employees employed prior to such date automatically participate in the Plan as of that date. Thereafter, an eligible employee participates in the Plan as of the entry date that coincides with or immediately follows the date on which the eligible employee completes 90 consecutive calendar days of employment with the Corporation. Each plan year, the board of directors of the Corporation may determine the amount of a discretionary contribution not to exceed 2% of each participant's compensation for any plan year. Plan participants are fully vested and amounts are nonforfeitable upon the participant's death, disability, or attainment of the normal

retirement date or upon the completion of three years of service. Any forfeiture of nonvested amounts is reallocated to the accounts of all the remaining participants. Plan assets do not revert for the benefit of the employer. The distribution of a participant's vested and nonforfeitable portion of his or her account is made in the form of a single-sum payment after the participant terminates employment with the employer, attains the normal retirement age (65 years of age), or dies. Employer contributions for fiscal year 2004 were \$312,258.

C. OTHER POSTEMPLOYMENT BENEFITS

Health Care and Life Insurance Benefits

In accordance with LRS 42:821-880, the State provides health care and life insurance benefits to its active and retired employees and their eligible dependents through either self-insured and self-funded Office of Group Benefits (OGB) programs or, in the case of certain boards and commissions, through private insurance companies. All benefits and premium structures are reviewed by the OGB Policy and Planning Board. A written recommendation from this Board is forwarded to the House Appropriations Committee and Senate Finance Committee for oversight. The Office of Group Benefits provides health care and life insurance to substantially all of employees of the State, employees of school boards of 43 out of the 66 school systems, and employees of eligible political subdivisions of the State. The health care insurance or HMO coverage for both active and retired employees is financed by contributions from the State and the participating employee. Life insurance for the individual employee is financed by equal contributions from the State and the employee; insurance for eligible dependents and voluntary optional life products are funded totally through employees' contributions. Upon retirement, substantially all employees become eligible for continuing health care and life insurance benefits if they reach normal retirement age while working for the State. Other post-employment benefits (OPEB) administered through the OGB are financed on a pay-as-you-go basis. Expenses are recognized by the OGB as retirees report claims and include provisions for health claims reported but unpaid, and health claims incurred but unreported. Computed under the requirements of GASB Statement 12 as reported by state agencies, the cost to the State of providing insurance benefits to retirees and their eligible dependents for the year ended June 30, 2004, was \$150,982,940 and the number of retirees meeting eligibility requirements was 30,228. Actual claims expense incurred by the OGB for other postemployment benefits cannot readily be separated from the expenses of similar types of benefits provided to active employees and their dependents.

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NOTE 7: LEASES

A. LEASE AGREEMENTS

The State of Louisiana has entered into numerous operating and capital lease agreements for equipment, land, and buildings. Most leases contain non-appropriation exculpatory clauses that allow lease cancellation if the Louisiana Legislature does not make an appropriation for its continuation during any future fiscal period. Because legislative appropriation is reasonably assured, all leases contracted by the state are included in subsequent schedules.

B. OPERATING LEASES

Operating lease payments are recorded as expenditures or expenses of the applicable fund when the related liability is incurred and totaled \$74,830,054 (component units totaled \$21,510,474) for the fiscal year ended June 30, 2004. Commitments of the primary government under operating lease agreements for equipment, land, and buildings provide for future annual rental payments as follows (expressed in thousands):

<u>Fiscal Year</u>	<u>Office Space</u>	<u>Equipment</u>	<u>Land</u>	<u>Other</u>	<u>Total</u>
2005	\$ 41,430	\$ 2,337	\$ 408	\$ 1,297	\$ 45,472
2006	32,074	1,343	390	1,060	34,867
2007	25,281	1,214	390	591	27,476
2008	15,691	1,010	392	315	17,408
2009	10,245	1,007	392	244	11,888
2010-2014	15,480	1,249	629	654	18,012
Total	<u>\$ 140,201</u>	<u>\$ 8,160</u>	<u>\$ 2,601</u>	<u>\$ 4,161</u>	<u>\$ 155,123</u>

Operating leases for component units are as follows (expressed in thousands):

Office space - \$58,522; Equipment - \$14,098; Land - \$465; and Other - \$17,592 for a total of \$90,677.

C. CAPITAL LEASES AND INSTALLMENT PURCHASE AGREEMENTS

Capital lease obligations are payable from resources of the governmental and proprietary funds. The following is a schedule of future minimum payments remaining under contracts in existence at June 30, 2004 (expressed in thousands):

<u>Fiscal Year</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Component Units</u>
2005	\$ 11,418	\$ 54	\$ 15,980
2006	7,565	21	15,389
2007	6,270		13,372
2008	5,219		8,186
2009	4,937		5,490
2010-2014	23,374		14,530
2015-2019	21,672		16,542
2020-2024	1,785		
Subtotal	82,240	75	89,489
Less interest and executory costs	24,442	1	19,397
Present value of minimum lease payments	<u>\$ 57,798</u>	<u>\$ 74</u>	<u>\$ 70,092</u>

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Total capital leases by asset classes include the following (expressed in thousands):

	Governmental Activities	Business- Type Activities	Component Units
Buildings	\$ 70,684	\$	\$
Office Space	359		8,484
Equipment	10,736	75	80,534
Land	461		471
Total Capital Leases	<u>\$ 82,240</u>	<u>\$ 75</u>	<u>\$ 89,489</u>

The gross amount of the leased assets at June 30, 2004 (expressed in thousands) for governmental activities is \$9,464 for office space and \$40,619 for equipment; business-type activities is \$130 for equipment; and component units is \$5,051 for office space, \$85,747 for equipment, and \$606 for land.

D. LESSOR LEASES

Various property and facilities are leased to outside parties as leases from port authorities, levee districts, universities, and various other entities. The current amount of lease revenues for the primary government for the fiscal year ending June 30, 2004, is \$5,141,332 (component units \$14,528,672).

The value of the property carried on the financial reports for the entities included below (expressed in thousands) is \$27,939 for land; \$553,031 for buildings; and \$1,323 for equipment; accumulated depreciation on the buildings and other totaled \$277,526.

1. OPERATING LEASES

The following is a schedule by years of minimum future rentals on operating leases as of June 30, 2004 (expressed in thousands):

Fiscal Year	Governmental Activities	Business- Type Activities	Component Units
2005	\$ 3	\$ 3,452	\$ 16,797
2006	2	2,581	14,368
2007	2	2,584	13,290
2008	2	2,509	12,749
2009	2	2,351	11,109
2010-2014	2	4,506	52,172
Total	<u>\$ 13</u>	<u>\$ 17,983</u>	<u>\$ 120,485</u>

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2. CAPITAL LEASES

The following is a schedule by years of minimum future rentals on capital leases as of June 30, 2004 of which \$7,794 is unearned (expressed in thousands):

Fiscal Year	Business- Type Activities	Component Units
2005	\$ 12	\$ 1,109
2006	11	1,164
2007		1,147
2008		1,130
2009		1,045
2010-2014		2,842
Total	\$ 23	\$ 8,437

NOTE 8: LONG-TERM OBLIGATIONS

A. DEBT AUTHORIZATION AND LIMITATIONS

The Louisiana Constitution of 1974 provides that the State shall have no power, directly or indirectly, through any board, agency, commission, or otherwise, to incur debt or issue bonds except by law enacted by two-thirds of the elected members of each house of the Legislature. LRS 39:1365(25) limits the legislative authorization of general obligation bonds and other general obligations secured by the full faith and credit of the State by prohibiting total authorized bonds from exceeding an amount equal to two times the average annual revenues of the Bond Security and Redemption Fund for the last three fiscal years prior to such authorization. The bond authorization limitation is \$20,742,360,000. The total general obligation bonds authorized are \$1,846,790,000 at June 30, 2004, or 8.90% of the bond authorization limit.

LRS 39:1402(D) limits issuance by the Louisiana State Bond Commission of general obligation bonds or other general obligations secured by the full faith and credit of the State. The highest annual debt service requirement for the current or any subsequent fiscal years for general obligation debt, including the debt service on any bonds or other obligations that are proposed to be sold by the Louisiana State Bond Commission, may not exceed 10% of the average annual revenues of the Bond Security and Redemption Fund for the last three fiscal years completed prior to the issuance being proposed. The general obligation debt issuance limitation is \$1,037,180,000. At June 30, 2004, the highest current or future annual general obligation debt service requirement is \$264,601,000, which represents 25.51% of the debt issuance limitation.

LRS 39:1367, enacted pursuant to a constitutional amendment, provides that the State Bond Commission establish annually a limit on the net State tax-supported

debt issued subject to certain percentages established in the statutes and based on General Fund and dedicated funds revenues forecast by the Revenue Estimating Conference. The maximum amount of net State tax-supported debt allowed by statute for fiscal year 2003-2004 is 6.00% of estimated General Fund and dedicated funds revenues established by the Revenue Estimating Conference. During the fiscal year 2003-2004, the total net State tax-supported debt paid was \$373,134,273 or 4.73% of the estimated General Fund and dedicated funds to revenues established by the Revenue Estimating Conference.

B. AUTHORIZED BUT UNISSUED DEBT

The Omnibus Bond Authorization Act of 2004 provides for the repeal of all acts, except any Act authorizing issuance of refunding bonds for the issuance of general obligation bond authorizations which are no longer found feasible or desirable, and to reauthorize general obligation bonds for projects deemed to be essential, and to authorize new projects. As a result, there were no authorized but unissued bonds outstanding at June 30, 2004.

C. PURPOSE AND RETIREMENT OF GENERAL OBLIGATION BONDS

General obligation bonds are authorized and issued primarily to provide funds for constructing and improving State-owned facilities including ports, university facilities, public schools, parks, bridges, roads, and charity hospitals. General obligation bonds are backed by the full faith, credit, and taxing power of the State. Although certain general obligation debt is being retired from the resources of the enterprise funds and discretely presented component units and is therefore recorded in these funds, the State remains contingently liable for its payment. General obligation debt issued to finance the construction and equipping of education buildings and other facilities for colleges and universities and not secured by a pledge of

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revenues from the related facilities is a direct obligation of the State and is reported in the government-wide financial statements. Other general obligation debt of the college and university funds, which is being retired from pledged resources of those funds, is reported as a liability of the component units although the State remains contingently liable for its retirement.

In order to facilitate the funding of capital improvements by certain governmental units and political subdivisions of the State, the Omnibus Bond Authorization Act of 2004 authorized the issuance of general obligation bonds contingent upon executing a reimbursement contract with the State Bond Commission pertaining to the reimbursement payments and reimbursement reserve account payments for such projects. A reimbursement contract is a contract between the State, as bond issuer, and an entity, through which the entity receives a portion of bond money for its project. The entity repays or

reimburses the State at the same interest rate and the same maturity dates as the bond issue. Entities utilize reimbursement contracts to attempt to obtain a better interest rate.

Reimbursement contracts include colleges and universities in the amount of \$2,161,662 and miscellaneous contracts in the amount of \$3,494,330. Applicable interest to maturity is \$564,810 and \$1,197,457, respectively. In the accompanying financial statements, reimbursement contracts are shown as accounts receivable and the debt shown is not reduced for these items. In addition, the Sabine River Authority (Sabine), a component unit, was the recipient of \$10 million in proceeds of General Obligation Issue 1975-B. Sabine pledged to designate its annual surplus derived from the operations of the diversion canal project to the repayment of this debt. To date, \$9 million, including interest, remains to be paid to the State by Sabine and it is reported in the financial statements.

D. LONG-TERM OBLIGATIONS OUTSTANDING AT JUNE 30, 2004

Long-term obligations outstanding at June 30, 2004, principal only, are as follows (expressed in thousands):

Long-Term Obligations	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year	Interest Rates
GOVERNMENTAL ACTIVITIES:						
General obligation bonds payable						
	\$ 2,010,977	\$ --	\$ 164,187	\$ 1,846,790	\$ 159,090	2.25 – 7.75%
Other bonds payable by agency:						
Crescent City Connection	19,900	--	1,810	18,090	1,780	2.00 – 3.65%
Health Education Authority of Louisiana	9,055	--	195	8,860	210	5.70 – 8.30%
Louisiana Correctional Facilities Corporation	33,750	--	4,410	29,340	4,610	3.00 – 4.96%
Office Facilities Corporation	150,055	97,000	10,700	236,355	11,160	4.00 – 5.50%
Public Safety LPFA *	88,752	--	3,685	85,067	3,866	4.25 – 5.88%
Tobacco Settlement Financing**	1,135,345	--	25,035	1,110,310	28,145	5.50 - 6.36%
Transportation Infrastructure Model for Economic Development	303,820	--	37,175	266,645	4,955	3.00 – 5.37%
Total Other Bonds Payable by agency*	<u>1,740,677</u>	<u>97,000</u>	<u>83,010</u>	<u>1,754,667</u>	<u>54,726</u>	
Total bonded debt	<u>3,751,654</u>	<u>97,000</u>	<u>247,197</u>	<u>3,601,457</u>	<u>213,816</u>	
Other liabilities:						
Compensated absences	184,698	81,199	78,393	187,504	10,135	
Capital lease obligations	69,912	2,475	14,589	57,798	11,418	
Claims and judgments	2,110,034	146,494	52,873	2,203,655	83,725	
Unamortized bond premium*	50,060	--	2,885	47,175	2,848	
Other long-term liabilities*	<u>1,817</u>	<u>2,167</u>	<u>935</u>	<u>3,049</u>	<u>--</u>	
Total other liabilities	<u>2,416,521</u>	<u>232,335</u>	<u>149,675</u>	<u>2,499,181</u>	<u>108,126</u>	
Total long-term obligations						
Governmental Activities*	<u>\$ 6,168,175</u>	<u>\$ 329,335</u>	<u>\$ 396,872</u>	<u>\$ 6,100,638</u>	<u>\$ 321,942</u>	

*restated

**reclassified from discrete

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Long-Term Obligations	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year	Interest Rates
<u>BUSINESS-TYPE ACTIVITIES:</u>						
Bonds payable:						
Revenue bonds	\$ 102,685	\$ 115,000	\$ 102,685	\$ 115,000	\$ --	variable
Other liabilities:						
Compensated absences	2,080	470	391	2,159	587	
Capital lease obligations	140	--	66	74	54	
Notes payable	22	--	22	--	--	
Other long-term liabilities	193,849	12,629	20,624	185,854	33,908	
Total other liabilities	<u>196,091</u>	<u>13,099</u>	<u>21,103</u>	<u>188,087</u>	<u>34,549</u>	
Total long-term obligations						
Business-Type Activities	\$ <u>298,776</u>	\$ <u>128,099</u>	\$ <u>123,788</u>	\$ <u>303,087</u>	\$ <u>34,549</u>	

COMPONENT UNITS:

Bonds payable:

Revenue bonds*	\$ 865,502	\$ 282,865	\$ 111,689	\$ 1,036,678	\$ 34,213	variable
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Other liabilities:

Compensated absences	180,030	27,600	21,694	185,936	15,134	
Capital lease obligations	57,607	14,243	1,758	70,092	13,004	
Amounts Held in Custody for Others*	--	23,701	--	23,701	13,172	
Notes payable*	121,630	26,272	30,345	117,557	19,655	
Other long-term liabilities	27,113	29,957	12,155	44,915	8,142	
Total other liabilities	<u>386,380</u>	<u>121,773</u>	<u>65,952</u>	<u>442,201</u>	<u>69,107</u>	

Total long-term obligations

Component units	\$ <u>1,251,882</u>	\$ <u>404,638</u>	\$ <u>177,641</u>	\$ <u>1,478,879</u>	\$ <u>103,320</u>	
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*restated

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E. DEBT SERVICE REQUIREMENTS AT JUNE 30, 2004

Annual principal and interest payments for bonds and notes (expressed in thousands) are as follows:

Governmental Activities

Year:	General Obligation Bonds			Other Bonded Debt			Totals		
	Principal	Interest	Total	Principal	Interest	Total	Total Principal	Total Interest	Total
2005	\$ 159,090	\$ 106,686	\$ 265,776	\$ 54,726	\$ 90,618	\$ 145,344	\$ 213,816	\$ 197,304	\$ 411,120
2006	131,005	87,124	218,129	58,889	94,186	153,075	189,894	181,310	371,204
2007	123,700	80,531	204,231	63,271	91,016	154,287	186,971	171,547	358,518
2008	116,920	73,773	190,693	83,530	87,601	171,131	200,450	161,374	361,824
2009	122,855	67,460	190,315	91,710	82,695	174,405	214,565	150,155	364,720
2010-14	613,725	237,253	850,978	508,510	338,177	846,687	1,122,235	575,430	1,697,665
2015-19	393,605	98,420	492,025	694,583	175,553	870,136	1,088,188	273,973	1,362,161
2020-24	185,890	17,531	203,421	80,363	40,449	120,812	266,253	57,980	324,233
2025-29	--	--	--	69,225	23,389	92,614	69,225	23,389	92,614
2030-34	--	--	--	49,860	5,097	54,957	49,860	5,097	54,957
Total	\$ 1,846,790	\$ 768,778	\$ 2,615,568	\$ 1,754,667	\$ 1,028,781	\$ 2,783,448	\$ 3,601,457	\$ 1,797,559	\$ 5,399,016

Business-Type Activities

Year:	Revenue Bonds			Component Units Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2005	\$ --	\$ 5,273	\$ 5,273	\$ 34,213	\$ 40,363	\$ 74,576
2006	--	5,273	5,273	41,111	43,638	84,749
2007	4,370	5,198	9,568	41,828	42,038	83,866
2008	4,530	5,040	9,570	42,697	40,538	83,235
2009	4,680	4,889	9,569	46,281	41,997	88,278
2010-14	26,040	21,802	47,842	245,240	170,286	415,526
2015-19	32,910	14,935	47,845	184,181	113,986	298,167
2020-24	42,470	5,366	47,836	172,179	74,738	246,917
2025-29	--	--	--	155,124	34,734	189,858
2030-34	--	--	--	66,374	9,665	76,039
2035	--	--	--	7,450	243	7,693
Total	\$ 115,000	\$ 67,776	\$ 182,776	\$ 1,036,678	\$ 612,226	\$ 1,648,904

Component Units

Year:	Notes Payable		
	Principal	Interest	Total
2005	\$ 19,655	\$ 1,910	\$ 21,565
2006	23,454	1,683	25,137
2007	7,449	1,383	8,832
2008	6,551	1,173	7,724
2009	6,066	997	7,063
2010-14	47,594	2,924	50,518
2015-19	2,599	1,776	4,375
2020-24	3,098	927	4,025
2025-29	1,091	79	1,170
	\$ 117,557	\$ 12,852	\$ 130,409

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F. DEFEASED BONDS

The following table enumerates the principal balances of previously outstanding bonds considered defeased at June 30, 2004 (expressed in thousands). The defeased bonds are not included in the accompanying financial statements.

<u>Bond Series</u>	<u>Date Defeased</u>	<u>Maturity Date</u>	<u>Amount Defeased</u>	<u>Outstanding at June 30, 2004</u>
Primary Government:				
1981-A	2/87	Various	\$ 60,085	\$ 460
1981-B	2/87	Various	37,580	1,000
1983-D	2/87	Various	70,450	--
1984-A	2/87	Various	84,215	--
1985-A	2/87	Various	124,300	18,100
1985-B	2/87	Various	113,980	16,150
1985-C	2/87	Various	127,690	35,000
1980-A	2/93	Various	43,570	65
1980-C	2/93	Various	70,725	390
1986-A	2/93	Various	94,620	25,190
1987-A	2/93	8/05	48,709	48,709
1987-B	2/93	Various	95,145	33,805
1990	2/93	Various	89,855	89,855
1990	5/96	9/04	11,610	--
1987-A	5/96	Various	347,005	--
1979-B	5/96	Various	19,170	--
1987-A	5/98	8/04	51,745	29,720
1978-C	5/98	Various	165	--
1990	5/98	Various	30,395	--
1992-A	5/98	Various	135,255	123,600
1994-A	5/98	Various	108,245	108,245
Louisiana Correctional Facilities Corporation	2/93	Various	132,460	--
Transportation Trust Fund	5/99	Various	92,235	63,615
Partially Defeased Bonds:				
1994-A	6/03	Various	16,540	6,990
1995-A	6/03	Various	28,210	19,345
1997-A	6/03	4/04	8,960	--
1998-B	6/03	4/04	3,150	--
2001-A	6/03	Various	10,750	10,325
2003-A	6/03	Various	21,100	10,665
Component Units:				
Louisiana Stadium and Exposition District:				
1994-A	12/98	Various	\$ 48,475	\$ 48,420
1995-A	12/98	7/24	10,500	10,500
1995-B	12/98	7/25	12,140	12,110
1996-A	12/98	Various	63,095	62,705
Greater New Orleans Expressway Commission				
	11/92	Various	54,920	44,005

G. CONDUIT DEBT

Revenue bonds were issued by the Louisiana Agricultural Finance Authority (LAFA), a component unit, which constituted conduit debt outstanding at year-end totaling \$94,266,547. Of this amount, \$94,196,962 is currently in default. The authority and the State have no responsibility for the repayment of this debt, and it is not reflected in the accompanying financial statements.

Revenue bonds were issued by the Louisiana Public Facilities Authority (LPFA), a component unit, which constituted conduit debt outstanding at year-end totaling \$3,326,799,741. The authority and the State have no responsibility for the repayment of this debt, and it is not reflected in the accompanying financial statements.

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H. OTHER GENERAL LONG-TERM OBLIGATIONS

The liability for compensated absences is described in detail in Note 1 Section C; the liability for capital leases is

described in more detail in Note 7; the liability for claims and litigation is described in more detail in Notes 9 and 11.

NOTE 9: CONTINGENCIES

A. CLAIMS AND LIABILITIES HANDLED BY THE OFFICE OF RISK MANAGEMENT

Pursuant to Act 448 of the 1988 Regular Session of the Louisiana Legislature, R.S. 39:1533 was re-enacted to create the "Self-Insurance Fund" within the Department of the Treasury. The Self-Insurance Fund consists of all premiums paid by agencies of the State participating in the risk management program, the investment earnings thereon, and commissions retained. The Self-Insurance Fund can be used only for the payment of losses incurred by participants of the self-insurance program, together with insurance premiums, legal expenses, and administrative costs. The Office of Risk Management is responsible for administration of the risk management program of the State. In that capacity, they negotiate, compromise, and settle all claims, including all tort claims, against the State and all agencies participating in the Self-Insurance Fund, as well as all tort claims against agencies not covered by the Self-Insurance Fund when funding is provided by the Legislature through the General Fund of the State. Because the Self-Insurance Fund is now in a deficit and is no longer a viable internal service fund, discounts are not applicable under Governmental Accounting Standards Board (GASB) Statement No. 10.

To satisfy claims, judgments, and expenses associated with the judgments for fiscal year 2003-2004, \$123,129,305 was paid from the Self-Insurance Fund. At June 30, 2004, outstanding non-discounted reserve valuations of the open claims within the programs total \$1,238,424,729. As of June 30, 2004, there was an adjusted cash balance in the Self-Insurance Fund of \$27,945,292. The Office of Risk Management advises that the non-discounted liability reserve valuation for the claims in litigation being handled by that office is \$339,556,962 as of June 30, 2004.

Since 2001 two lines of tort litigation against the State have been settled, leaving the State significantly exposed to damage claims. In the first, a suit against the State based on claims that the construction of Interstate 12 has caused extensive flood damage to homes along the highway has become final as to liability. The trial court, having previously bifurcated the trial on liability and damages, has received a master's recommendation that damages in excess of \$93,000,000 should be awarded for

several classifications of damages including property damage, loss of income, emotional injuries and devaluation of real estate. It is currently on appeal and counsel is hopeful that the principal amount of the judgment will be reduced to approximately \$55,000,000. If successful, the judgment with interest would approximate \$165,000,000. In the second tort matter, a collection of cases against the State involving claims alleging damages to oyster leases caused by coastal restoration efforts continued to be litigated. While not yet final, the judgments rendered to date award damages in excess of \$1,000,000,000 when judicial interest is included. The Legislature has passed a series of acts in the Regular Session of 2003, including proposed amendments of the Louisiana Constitution, which will significantly limit or reduce the liability of the State in the oyster lease cases. The amendment was approved by the voters in the Fall of 2003. (These oyster lease cases were reversed by the LA Supreme Court in October 2004. See Note 12 for additional information.)

B. CLAIMS AND LIABILITIES HANDLED OUTSIDE OF THE OFFICE OF RISK MANAGEMENT

The Attorney General has opined that only a small portion of the dollar amount of potential liability to the State resulting from pending litigation not being handled through the Office of Risk Management will ultimately be recovered by plaintiffs. It is his opinion that the estimated future liability for existing claims against the State is between \$64,695,044 (accrued on the accompanying financial statements) and \$99,695,064.

In September 1993, the Louisiana Supreme Court invalidated, on constitutional grounds, R.S. 13:5106, limiting the liability of the State for general damages to a maximum of \$500,000. Following the same reasoning, in January 1994, the Supreme Court invalidated R.S. 13:5112(C), limiting the liability of the State for pre-judgment interest to 6%. Subsequently, the voters approved a constitutional amendment curing the defect found by the Supreme Court in the two cases. This amendment, along with the re-enactment of the two cited statutes, as well as several other statutes intended to protect the State in tort claims, became effective in November 1995. The efforts of the State to have the amendment and the legislation made applicable to then pending claims to limit recovery in accordance with the statutes were unsuccessful. Consequently, any case

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pending in September 1993 will have no upper limit on general damages, any case pending in January 1994 will not be subject to 6% interest pre-judgment, and any claim arising as late as November 24, 1995, will not be limited by either statute. The financial impact of this court-imposed hiatus has been significant, but is declining, as cases are resolved. The State's Medical Malpractice Statute (R.S. 40:1299.39) was not impacted by the Supreme Court's decision vis a vis R.S. 13:5106.

In February 2004, the Louisiana Supreme Court held that the parents who brought a wrongful death action against the State of Louisiana were each entitled to the statutory cap of \$500,000 for wrongful death actions. Previously, it was the belief that the limit was \$500,000 per death victim. This could impose an adverse impact upon the State's liability for tort compensation.

In May 1999, the Louisiana Supreme Court invalidated R.S. 9:2800, which limited the circumstances under which the State could be held liable for damages caused by the condition of things under its care and custody. The Court's judgment was applied retroactively to November 23, 1995, the effective date of its implementation, thus imposing an adverse and severe impact upon the liability of the State for tort compensation.

Act 3 of the First Extraordinary Session of the Legislature of 1996 amended Article 2323 of the Louisiana Civil Code to require trial quantification of the degree of liability of known non-parties, unknown persons not made a party, and statutorily immune parties such as the employer of a plaintiff suing a third party tortfeasor. The same act also amended Article 2324 of the Civil Code to provide that a negligent defendant would pay compensation calculated solely on the degree of his liability under comparative fault, regardless of the ability of co-defendants to pay their respective shares. The Louisiana Supreme Court declared that the provisions of Act 3 were remedial in nature and, therefore, retroactive in application to pending cases. This ruling will result in some reduction of the ultimate liability of the State in pending and future cases.

In June 2000, the Louisiana Supreme Court refused to consider a lower court decision which held that the Medical Liability for State Services Act did not apply to blood transfusions received in hospitals operated by the State. The State has pending cases alleging serious or fatal infections linked to blood transfusions in hospitals operated by the State. The decision denies the State the benefits of the medical malpractice reforms in those cases.

In June 2001, the Louisiana Supreme Court held that the administrative remedy procedure for inmates in the custody of the Department of Corrections was

unconstitutional. Under the procedure, inmate complaints that reached the State court system did so as judicial review of agency decisions. Many of those complaints will now be lawsuits rather than administrative matters. The financial impact of this decision will be significant, both in the expense of defending these cases and in the potential judgments.

In the First Extraordinary Session of 2002 the Legislature passed Act 89 to address the impact of the Supreme Court's inmate administrative remedy decision. The legislation was signed into law on April 19, 2002 and affects suits filed thereafter. The Act may significantly limit litigation costs and the tort exposure of the State in inmate claims going forward from enactment, however, it does not significantly limit the hundreds of suits filed before enactment.

From the beginning of fiscal year 2002-2003 to the present, the self-insurance fund of the State has not been available as a source of funds to settle tort claims involving road defect allegations nor to pay final judgments in such matters. As a result, settlements and judgments in such road hazard tort claims have been and will continue to be funded and paid only through individual legislative appropriation. The sum appropriated for such matters totaled approximately \$16,742,000 since fiscal year 2002.

While not included in the dollar values set forth above, it should be noted that suits have been filed challenging the constitutionality of various provisions of state law, including challenges to state laws pertaining to elections, specialty license plates, the indigent defender system, campaign finance regulations, and tax exemptions for certain non-profit organizations. While these cases do not seek recovery for damages, rulings adverse to the State could result in liability for the plaintiffs' attorney fees.

A suit challenging the method of funding the Firefighter's Retirement System is pending before the Louisiana Supreme Court. An adverse decision could result in the State being required to provide additional funding to the retirement system. Another pending suit involves the issue of whether supplemental pay to the state coroners can be paid by a warrant drawn on the state treasury without legislation appropriating the funds from the treasury for that purpose. A decision that would allow the withdrawal of funds from the state treasury without an appropriation would immediately subject the state to releasing approximately \$1,000,000 to \$2,000,000 dollars from the treasury.

The Department of Transportation and Development (DOTD) reports that, as of June 30, 2004 there were 47 outstanding inverse condemnation suits with demands of

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\$5,698,991 and with an estimated exposure of \$1,424,748. Expropriation suits filed by levee boards and other expropriating entities, other than DOTD, have not been included in this number because the State does not appropriate the dollar amount due to the landowners. In addition to the amount reported as Fund Balance-Reserve for Construction in the Capital Outlay Escrow Fund, DOTD indicates that \$23,112,412 in flood control and construction contracts is outstanding and unfunded as of June 30, 2004.

As of June 30, 2004, the State is not aware of any pending suits concerning the ability of the State to issue bonds or other evidences of indebtedness.

The Department of Revenue (DOR) reports that the total amount of pending litigation affecting the department's right to tax, where there is a probable likelihood that an asset has been impaired or a liability has been incurred as of June 30, 2004, is \$77,778,591. This figure includes a large number of refund claims that were filed against the State as a result of a lower court decision that held that refunds under R.S. 47:1621 were to be granted only under very limited circumstances. In response to this ruling, Act 6 of the First Extraordinary Session of the Louisiana Legislature of 2001 was enacted. This legislation expanded the conditions under which the Department of Revenue is now authorized to make tax refunds. This figure also includes the "Act 690" claims against the State that the DOR believes could have an unfavorable result, which could also negatively impact the State Treasury.

Though the outcomes of these suits are unknown at present, if the court decisions are against the State, there is the potential for a negative impact on the unreserved/undesignated balance of the General Fund.

As to judgments rendered prior to June 30, 2004, but not appropriated in the 2004 Legislative Session, no entities have reported such judgments.

State agencies reported unasserted claims totaling \$500,000. These claims have been determined to be probable of assertion and subject to disclosure in accordance with the Statement of Financial Accounting Standards No. 5 (AC section C59), with "probable" being defined as "future event or events that are likely to occur."

The Injured Worker Reemployment Program encourages employers to hire physically handicapped employees who have a permanent partial disability, by reimbursing the employer or, if insured, his or her insurance carrier for part of the workers' compensation costs for on-the-job injuries. The estimated total future payments to be made for claims outstanding at June 30, 2004 were

\$162,903,697. Funds to make these payments will come from an annual assessment made against all insurance companies writing workers' compensation insurance in the State and all employers that are self-insured.

Discrete Component Units

It is the opinion of the Attorney General that the estimated future liability for the existing claims against the discrete component units of the State is approximately \$22,438,708 which include claims against Orleans Levee District for \$19,721,208, Southern University System for \$1,077,500, Louisiana Housing Finance Agency for \$1,075,000, and other component units for \$565,000.

C. DISALLOWANCES

A significant amount of federal grant dollars is received by the State subject to financial and compliance audits mandated by the grantors. Questioned costs resulting from these audits may be disallowed by the Federal grantor and may become a liability of the State. Disallowances are estimated to be \$314,159,253. This amount is not reflected in the accompanying financial statements.

D. LIABILITIES AS A RESULT OF ADMINISTRATIVE RESPONSIBILITY

The State is the recipient of food commodities from the federal government and is responsible for distribution to the agencies, institutions, etc., that will ultimately distribute the food. The value of surplus commodities on hand in State warehouses at June 30, 2004, is \$1,761,251. At this time, the State anticipates no material losses because of this federal program.

E. LOUISIANA'S INACTIVE AND ABANDONED SITES

On July 1, 1999, the Louisiana Department of Environmental Quality (LDEQ) initiated its reorganization effort. This resulted in the dissolution of the Inactive and Abandoned Sites Division and the creation of the Remediation Services Division (RSD). This new division oversees not only remediation of inactive and abandoned-type sites, but also remediation of hazardous waste sites, solid waste sites, and underground storage tank sites. This departmental reorganization also included development of a new electronic tracking system, TEMPO (Tools for Environmental Management and Protection Organizations). The RSD continues to enter historical information along with new programmatic information into TEMPO.

Currently, the RSD universe consists of 1,687 sites in some phase of remediation: confirmed sites-156; solid

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waste sites-236; hazardous waste sites-82; underground storage tank sites-964; ground water sites-204; voluntary remediation program sites-38; and undesignated sites in TEMPO-7. There are also 458 "potential" sites that have not currently been assessed to determine: (1) if there is a need for remediation, and (2) their regulatory jurisdiction.

The 156 confirmed sites are from the former Inactive and Abandoned Sites Division and are in remediation under CERCLA (Comprehensive Environmental Response, Compensation, and Liability Act), the Environmental Quality Act, and the Inactive and Abandoned Sites Regulations. Sites without financially viable responsible parties may be eligible for remediation with funding from the State Hazardous Waste Site Cleanup Fund or the U.S. Environmental Protection Agency (EPA) Superfund program.

Within the subset of confirmed sites, currently there are four government funded Superfund sites (Southern Shipbuilding, Bayou Bonfouca, Madisonville Wood Preserving and Delatte Metals) that are in the Operation and Maintenance (O&M) phase. The State is responsible for funding and implementing O&M at three of these four sites until determined to be no longer necessary through five-year reviews. The Southern Shipbuilding site is now privately owned; therefore, the State is not funding and implementing the O&M, but LDEQ oversees the O&M. In future years, the State will be responsible for O&M at additional Superfund sites. Prior to the O&M phase, the State is also responsible for 10% of all remediation expenses for sites that are funded by the U.S. EPA Superfund program. Currently, there are four government-funded Superfund sites in remediation in Louisiana: American Creosote Works, Inc.; Delatte Metals; Mallard Bay Landing Bulk Plant; and Old Inger Oil Refinery.

For FY 03-04, the LDEQ prepared 10% state match payments for the EPA-lead Superfund sites in the amount of \$62,583. State match is invoiced and paid in accordance with Superfund State Contracts (SSCs); payments are due in October each year. The LDEQ expenditures for Operation and Maintenance for FY 03-04 totaled \$416,686. For the Bayou Bonfouca and Madisonville Wood Preserving sites, LDEQ paid both state match for EPA-lead remediation work and state-lead O&M contract work during FY 03-04. To allow for budgeting, SSC invoices are billed one year in advance of the October payment due date. Due to post-term EPA contract audits, fee audit adjustments will result in continued state-match payments due for remediation work through the 2003-04 SSC billing period. These will be invoiced to the LDEQ and due for payment in October 2005.

The 236 solid waste sites are from the former Solid Waste Division and are remediated under Hazardous and Solid Waste Amendments (HSWA). These are active sites with existing parties that are responsible for site remediation.

The 82 hazardous waste sites are from the former Hazardous Waste Division and are remediated under RCRA (Resource Conservation and Recovery Act). These are active sites with existing parties that are responsible for site remediation.

The 964 underground storage tank (UST) sites are remediated under RCRA Subtitle I and may be eligible for funding through the Louisiana Motor Fuels Trust Fund or the U.S. EPA's Leaking Underground Storage Tank (LUST) Trust Fund. Additionally, as of July 1, 2001, a new State source of funding for LUST remediation is available to DEQ to address "orphan" LUST sites. RSD has identified and prioritized 40 "orphan" sites among the 964 known leaking UST sites.

Act 1121 of the 2001 Regular Session directed that beginning July 1, 2001, all interest monies earned by the Motor Fuels Underground Storage Tank Trust Fund shall be used for the closure of abandoned motor fuel USTs and assessment and remediation of property contaminated by abandoned motor fuel USTs. In order to implement this legislation, the Remediation Services Division has developed an identification and ranking process for abandoned UST sites and is developing the contracts necessary to utilize Trust Fund interest monies in accordance with State bid and contracting requirements to meet the requirements of the Act.

The Louisiana Voluntary Remediation Program (VRP) provides a mechanism by which property owners (or potential owners) or others can clean up contaminated properties and receive a release of liability for further clean up of historical contamination at a site. This release of liability flows to future owners as well.

The 7 sites without program designation are either new sites where the program determination has not been made or the site is in some phase of remediation, but the program designation has not been entered into TEMPO. At present, no reliable estimate of the total cleanup cost for the known and unknown waste sites is available. As a result, no amounts have been accrued in the accompanying financial statement related to liabilities involving inactive and abandoned waste site cleanup.

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F. COOPERATIVE ENDEAVORS

R.S. 33:9022 defines "cooperative endeavor" as any form of economic development assistance between and among the State, its local governmental subdivisions, political corporations, public benefit corporations, the United States government or its agencies, or any public or private association, corporation, or individual. The term cooperative endeavor includes cooperative financing, cooperative development, or any form of cooperative economic development activity. The State has entered into cooperative endeavor agreements with certain entities aimed at developing the economy of the State. The estimated amounts outstanding for governmental entities as of June 30, 2004, which are not reflected on the accompanying financial reports, are as follow:

• General Funds	\$474,066,720
• Self-Generated funds	15,004,223
• Statutorily Dedicated funds	81,956,839
• General Obligation Bonds	145,252,501
• Federal funds	20,932,743
• Interagency transfers	97,956
• Other funds	<u>10,764,537</u>
Total	\$748,075,519

NOTE 10: FUND BALANCE/NET ASSETS DISCLOSURES

A. Reservations of fund balance are those amounts either legally restricted to a specific future use or not available for appropriation or expenditure. Designations of fund balance represent self-imposed limitations on the use of otherwise available expendable financial resources. The following table enumerates the fund balance reservations and designations (expressed in thousands).

	General Fund	Louisiana Education Quality Trust Fund	Medicaid Trust for the Elderly	Nonmajor Funds	Component Units
Reserved for:					
Debt Service	\$ --	\$ --	\$ --	\$ 129,556	\$ 8,091
Inventories	58,747	--	--	--	--
Encumbrances	41,919	--	--	68,463	--
Continuing Projects	--	--	--	207,451	--
Building Trust	--	--	--	707	--
Construction	--	--	--	632,379	10,568
Trust Principal	--	896,839	--	11,994	--
Other Specific Purposes	197,472	--	--	108,191	94,741
Nonexpendable	--	--	--	--	549,891
Expendable	--	--	--	--	527,051
Total Reservations of Fund Balances	\$ 298,138	\$ 896,839	\$ --	\$ 1,158,741	\$ 1,190,342
Designated for:					
Total Net Unrealized Gains on Fair Value of Investments			\$ 19,552	\$ 47,056	

B. Total encumbrances amounted to \$159,196,188. Encumbrances relating to federal revenues not deferred totaling \$44,942,361 are not reported on the face of the General Fund balance sheet. Encumbered interagency transfers of \$2,715,468 and self-generated funds of \$1,156,460 are also not included in the reserve for encumbrances on the General Fund balance sheet because monies were not available at fiscal year end to cover these encumbrances. Encumbrances of statutory dedications totaling \$68,462,142 are reported in the appropriate fund types as reserve for encumbrances. The amount reserved for encumbrances on the General Fund balance sheet is \$41,919,757.

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C. NET ASSETS RESTATEMENT - GOVERNMENT-WIDE FINANCIAL STATEMENTS

The following table discloses restatements of net assets for governmental activities in the government-wide financial statements (expressed in thousands):

	Governmental Activities
Net Assets at June 30, 2003	\$ 12,494,800
Reclassification of Fund Types	(976,730)
Change in Accounting Principle	(23,426)
Prior Period Adjustments	86,113
Beginning Net Assets as Restated	\$ 11,580,757

D. FUND BALANCE/NET ASSETS RESTATEMENT – FUND FINANCIAL STATEMENTS

The following table discloses restatements of certain fund balance/net assets by fund type (expressed in thousands):

	General Fund	Major/Nonmajor Governmental Funds	Major/Nonmajor Enterprise Funds	Component Units
Fund Balances/Net Assets at June 30, 2003	\$ 346,208	\$ 5,487,030	\$ 1,994,327	\$ 1,992,024
Reclassification of Fund Types	--	(976,730)	--	976,730
Change in Accounting Principle	--	1,106,983	--	--
Change in Reporting Entity	--	--	--	654,018
Prior Period Adjustments	1,529	6,796	2,767	50,071
Beginning Fund Balances/Net Assets as Restated	\$ 347,737	\$ 5,624,079	\$ 1,997,094	\$ 3,672,843

E. ENTITY RECLASSIFICATIONS

For the year ended June 30, 2004, the State implemented Governmental Accounting Standards Board (GASB) Technical Bulletin 2004-1, *Tobacco Settlement Recognition and Financial Reporting Entity Issues*. As a result, the Tobacco Settlement Financing Corporation, previously reported as a discrete component unit, is now reported with the governmental funds as a Debt Service Fund. Further, the Tobacco Settlement Financing Corporation's basis of accounting changed from full accrual to modified accrual due to implementation of the Technical Bulletin. These changes account for the Reclassification of Fund Type of \$976,730 and the Change in Accounting Principle of \$1,106,983 in the fund financial statements and \$23,426 in the government-wide financial statements. The Change in Reporting Entity of \$654,018 is due to implementation of GASB 39 relative to college and university foundations.

NOTE 11: OTHER DISCLOSURES

A. FEDERAL FAMILY EDUCATION LOANS

The Louisiana Student Financial Assistance Commission (LASFAC) participates in the U.S. Department of Education Federal Family Education Loans program whereby student loans guaranteed by the State are reinsured by the federal government. Through participation agreements with various lending institutions, LASFAC guarantees 100%, 98%, or 95% of principal and interest of qualified student loans made by lenders and purchases all defaulted loans to the extent of their

guarantee. LASFAC then receives reinsurance reimbursements from the U.S. Department of Education for claims paid because of default, death, disability, and bankruptcy at rates varying from 75% to 100% of claims paid, depending on default rates in LASFAC's portfolio and the dates the loans were guaranteed. Under the Federal Family Education Loans program, LASFAC is obligated to repay the U.S. Department of Education 77% of subsequent collections on defaulted loans for which LASFAC has received reinsurance reimbursements. LASFAC is allowed to retain up to 23% for administrative expenses.

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B. PATIENTS' COMPENSATION FUND

The Patients' Compensation Fund acts primarily as an agent to facilitate payment of medical malpractice claims covering excess liability of private sector health care providers practicing in the State. The fund levies surcharges to private sector health care providers to pay settled claims and administrative expenses paid on behalf of health care providers during the prior year. Act 507 of 1988 amended RS 40:1299.44 to further define the fund by including language specifically stating that the fund and any income from it are not public monies. Therefore, obligations for payment of claims against the fund are not legal liabilities of the State. However, because of the provisions of GASB Codification Section 2100.108-112, the long-term obligations of the fund, \$580,286,000, are included in the accompanying financial statements. This balance of long-term obligations reported as of June 30, 2004, is based on projections contained in a draft actuarial report as of December 31, 2003.

C. LOUISIANA HOUSING FINANCE AGENCY

The Louisiana Housing Finance Agency has single and multifamily mortgage revenue bonds outstanding of \$731,513,000, which are not included in the accompanying financial statements. The obligations of the programs are not obligations of the State, and the State is not liable for such obligations. The ability of the programs to meet the debt service requirements on bonds issued to finance mortgage loans is dependent on the ability of the mortgagors in such programs to generate sufficient funds to meet their respective mortgage repayments.

D. OFFICE OF RISK MANAGEMENT

The Office of Risk Management purchases annuities to settle portions of certain claims. Third-party trustees then make payments to the claimants. Annuities totaling \$41,647,466 were purchased during the fiscal year ended June 30, 2004. At June 30, 2004, there were 107 active annuities valued at \$225,353,310. Of the 107 annuities, 94 annuities release the State from further liability on the related claims. The remaining 13 annuities do not contain the wording necessary to release the State from any possible future liability, although the probability of these becoming a liability is remote.

E. RECONCILIATION OF CLAIMS LIABILITY FOR STATE RISK PROGRAMS

In addition to risks related to the Office of Risk Management, the State is exposed to various risks of losses related to tort claims and the self-insured and self-funded State Employees' Group Benefits Program, which provides health and life insurance benefits to active and

retired employees. Beginning in 1989, the State stopped carrying commercial insurance because of the prohibitive cost, and began covering all claim settlements and judgments with the resources of the General Fund. Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Total claims and judgments expenditures were \$692,057,809. Changes in the reported liability since June 30, 2003, resulted from the following (expressed in thousands):

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claim Payments	Recoveries from Settled and Unsettled Claims	Balance at Fiscal Year End
2002-03	\$1,168,741	\$680,963	\$525,536	\$9,749	\$1,314,419
2003-04	\$1,314,419	\$680,915	\$664,616	\$8,109	\$1,322,609

F. RELATED PARTY TRANSACTIONS

The State Board of Elementary and Secondary Education (SBESE) serves as the governing board for the Department of Education. The State Superintendent of Education is appointed by the SBESE. The State Superintendent is responsible for the daily administration of the department and submits educational policy and funding issues and awards to the SBESE for implementation authority.

The SBESE consists of eleven members representing eight geographic regions of the State (SBESE districts). Eight members are elected by citizens in the representative SBESE districts and three members at large are appointed by the governor. Elected and appointed members serve a term of four years concurrent with the term of the governor.

The Department of Education presents funding awards and/or allocations to the Finance Committee of the SBESE for recommendation to the full board. A majority of the board constitutes department authority to award funds to sub-recipients.

The elected SBESE member for the fourth SBESE district is currently the Superintendent of DeSoto Parish School Board and a sub-recipient of funds authorized by SBESE. For the fiscal year ending June 30, 2004, DeSoto Parish School Board received amounts totaling \$26,220,931 in funding authorized by SBESE and released by the Department of Education.

Beginning June 30, 2003, the elected SBESE member for the second SBESE district began employment as the Director of Support Services for the City of Baker School District. For the fiscal year ending June 30, 2004, the City of Baker school district received \$12,510,067 in funding authorized by the SBESE.

Louisiana Educational Television Authority (LETA) leases space on their satellite to various universities and the

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monies are deposited into the Foundation for Excellence in Louisiana Public Broadcasting. At June 30, 2004, the net amount owed by the Foundation for these rentals is \$6,485,861, which includes \$1,648,600 of interest earnings.

In addition, the Foundation entered into contract with the Louisiana Lottery Corporation to provide production and nightly distribution services for the various lottery games. All equipment used in providing these services was purchased by the Foundation on behalf of LETA and were recorded on LETA's fixed asset listing in the prior years. Accordingly, the cumulative net of revenue earned less any expenses included for the services amounted to \$618,209 and is considered owed to LETA.

G. CONTINGENT RECEIVABLES AND PAYABLES FOR UNCOMPENSATED CARE COSTS

Section 13621 of the Omnibus Budget Reconciliation Act (OBRA) of 1993 amended Section 1923 of the Social Security Act to limit disproportionate share hospital (DSH) payments. For State fiscal years beginning after January 1, 1995, payments to all hospitals were limited to 100% of uncompensated costs. Uncompensated costs were defined as cost of services to Medicaid patients, less the amount paid by the State under the non-DSH payment provisions; plus cost of services to uninsured patients, less any cash payments made by them.

Estimates and draws for allowable costs requested from Health and Human Services by LSUHSC-HCSD through the Louisiana Department of Health and Hospitals were, after audit adjustments, found to be in excess of actual allowable expenditures of \$290,154,502, including \$210,603,336 in Federal Financial Participation (FFP). The Centers for Medicare and Medicaid Services (CMS) has requested in a letter dated December 2, 2002, the State establish

accounts receivable for these overpayments and refund the FFP within 60 days of receipt of the letter. The CMS letter further states "A disallowance will be issued if the State does not reflect the DHS overpayments as accounts receivable as requested."

The State has appealed the decision of the CMS based upon the advice of legal counsel. No receivable or payable has been reported in the accompanying financial statements for governmental activities due to its contingent nature as discussed in the Financial Accounting Standard Board Statement No. 5.

H. ADOPTION OF NEW ACCOUNTING PRINCIPLE

For the year ended June 30, 2004, the State of Louisiana implemented GASB Statement No. 39, *Determining Whether Certain Organization are Component Units*, an amendment of GASB 14 and GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, an amendment of GASB Statement No. 3. The implementation of GASB 39 requires certain organizations to be reported as discretely presented component units. The implementation of GASB 39 had no significant impact on those entities being reported within the primary government. The implementation of GASB 40 requires additional disclosures but had no impact on the reported amounts of investments, net assets, or changes in net assets.

The State of Louisiana implemented GASB Technical Bulletin 2004-1, *Tobacco Settlement Recognition and Financial Reporting Entity Issues*. As a result of adopting Technical Bulletin 2004-1, the financial statement presentation was changed from a discrete component unit to a debt service fund.

NOTE 12: SUBSEQUENT EVENTS

A. OYSTER LEASE LITIGATION

In October 2004, the LA Supreme Court reversed a \$1.3 billion judgment for south Louisiana oystermen who claimed a coastal restoration project damaged the underwater reefs they leased from the state for \$2 an acre. In the unanimous ruling, the LA Supreme Court said the vast majority of the oystermen involved in the overturned \$1.3 billion award are not entitled to compensation because their leases contain clauses holding the state harmless from any damage resulting from the Caernarvon Freshwater Diversion Project.

B. GENERAL OBLIGATION BOND ISSUE

On October 15, 2004, the State of Louisiana issued Series 2004-A general obligation bonds in the amount of \$500,000,000. The bonds will be used to finance certain capital projects described in the comprehensive capital budget of the State.

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C. TOBACCO SETTLEMENT FINANCING

Subsequent to June 30, 2004, Vibo Corporation of Miami, Florida, joined the Tobacco Master Settlement Agreement along with the other major United States tobacco product manufacturers. As a result, it is estimated that under current market conditions the state of Louisiana will receive approximately \$43 million over the next ten years. The first payment of \$944,150 was received in August 2004.

D. CONSTITUTIONAL AMENDMENT

In the November 2, 2004 election, the voters of Louisiana passed a constitutional amendment creating the Agricultural and Seafood Products Support Fund in the state treasury. The sources of monies in the fund will be from the licensing of trademarks or labels for use in promoting Louisiana agricultural and seafood products, grants, gifts, donations received by the state, other revenues as provided by law, and monies appropriated by the legislature to the fund. The funds may be used to provide programs of assistance to Louisiana farmers and fishermen.

REQUIRED SUPPLEMENTARY
INFORMATION OTHER THAN
MANAGEMENT'S DISCUSSION
AND ANALYSIS

State of Louisiana

BUDGETARY COMPARISON SCHEDULE

BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	GENERAL FUND			
	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH
	ORIGINAL	FINAL	BUDGETARY BASIS	FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
INTERGOVERNMENTAL	\$ 6,274,516	\$ 6,525,758	\$ 6,101,486	\$ (424,272)
USE OF MONEY AND PROPERTY	710	710	(38,246)	(38,956)
LICENSES, PERMITS, AND FEES	--	47	--	(47)
SALES OF COMMODITIES	638,591	634,410	613,063	(21,347)
OTHER	141,223	149,296	122,533	(26,763)
INTERAGENCY TRANSFERS	<u>304,578</u>	<u>321,273</u>	<u>327,697</u>	<u>6,424</u>
TOTAL REVENUES	<u>7,359,618</u>	<u>7,631,494</u>	<u>7,126,533</u>	<u>(504,961)</u>
EXPENDITURES:				
CURRENT:				
GENERAL GOVERNMENT	1,357,779	1,487,192	1,231,119	256,073
CULTURE, RECREATION, AND TOURISM	66,874	68,297	64,392	3,905
TRANSPORTATION AND DEVELOPMENT	396,385	414,484	381,331	33,153
PUBLIC SAFETY	329,038	338,577	287,339	51,238
HEALTH AND WELFARE	6,960,973	7,261,566	6,991,416	270,150
CORRECTIONS	680,598	682,582	666,898	15,684
CONSERVATION	369,004	424,422	281,408	143,014
EDUCATION	6,208,638	6,280,299	6,114,265	166,034
OTHER	--	14,301	13,311	990
INTERGOVERNMENTAL	382,356	376,335	354,959	21,376
DEBT SERVICE	<u>49,321</u>	<u>35,020</u>	<u>39,795</u>	<u>(4,775)</u>
TOTAL EXPENDITURES	<u>16,800,966</u>	<u>17,383,075</u>	<u>16,426,233</u>	<u>956,842</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(9,441,348)</u>	<u>(9,751,581)</u>	<u>(9,299,700)</u>	<u>451,881</u>
OTHER FINANCING SOURCES (USES):				
TRANSFERS IN	9,026,380	9,426,655	9,657,679	231,024
TRANSFERS OUT	<u>(148,960)</u>	<u>(155,847)</u>	<u>(399,762)</u>	<u>(243,915)</u>
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>8,877,420</u>	<u>9,270,808</u>	<u>9,257,917</u>	<u>(12,891)</u>
NET CHANGES IN FUND BALANCES	<u>\$ (563,928)</u>	<u>\$ (480,773)</u>	<u>\$ (41,783)</u>	<u>\$ 438,990</u>

MEDICAID TRUST FUND FOR THE ELDERLY

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH
	ORIGINAL	FINAL	BUDGETARY BASIS	FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
USE OF MONEY AND PROPERTY	\$ --	\$ --	\$ (34,185)	\$ (34,185)
TOTAL REVENUES	<u>--</u>	<u>--</u>	<u>(34,185)</u>	<u>(34,185)</u>
TOTAL EXPENDITURES	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>--</u>	<u>--</u>	<u>(34,185)</u>	<u>(34,185)</u>
OTHER FINANCING SOURCES (USES):				
TRANSFERS IN	30,314	30,314	45,502	15,188
TRANSFERS OUT	<u>(30,314)</u>	<u>(30,314)</u>	<u>(46,208)</u>	<u>(15,894)</u>
TOTAL OTHER FINANCING SOURCES	<u>--</u>	<u>--</u>	<u>(706)</u>	<u>(706)</u>
NET CHANGES IN FUND BALANCES	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (34,891)</u>	<u>\$ (34,891)</u>

The notes to required supplementary information are an integral part of this schedule.

State of Louisiana

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY REPORTING

FOR THE YEAR ENDED JUNE 30, 2004

The Budgetary Comparison Schedule - Budget to Actual (Non-GAAP Budgetary Basis) presents comparisons of the original and final legally adopted budget with actual data on a budgetary basis.

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resulting basis, perspective, and entity differences in the revenues in excess of (less than) expenditures and other financing sources (uses) between budgetary and GAAP presentations for the year ended June 30, 2004, is presented below (expressed in thousands) for the General Fund.

Net Change in Fund Balances (GAAP)	\$	(53,104)
Reconciling Adjustments:		
Basis Differences:		
To Adjust for Revenue Accruals and Deferrals		1,153,856
To Adjust for Capital Leases		2,475
To Adjust for Expenditure Accruals		(1,145,010)
To Delete IAT Related Transfers In		957,263
To Delete IAT Expenditures		<u>(957,263)</u>
Net Change in Fund Balances (Budgetary Basis)	\$	<u><u>(41,783)</u></u>

Generally, revenues and expenditures are budgeted using the modified accrual basis of accounting. The budget is prepared for each budget unit at the appropriated program level which is the lowest level at which appropriations are adopted. This level of control also applies to the special revenue funds.

**BUDGETARY COMPARISON
SCHEDULE
MAJOR DEBT SERVICE FUND**

State of Louisiana

BUDGETARY COMPARISON SCHEDULE

BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS)

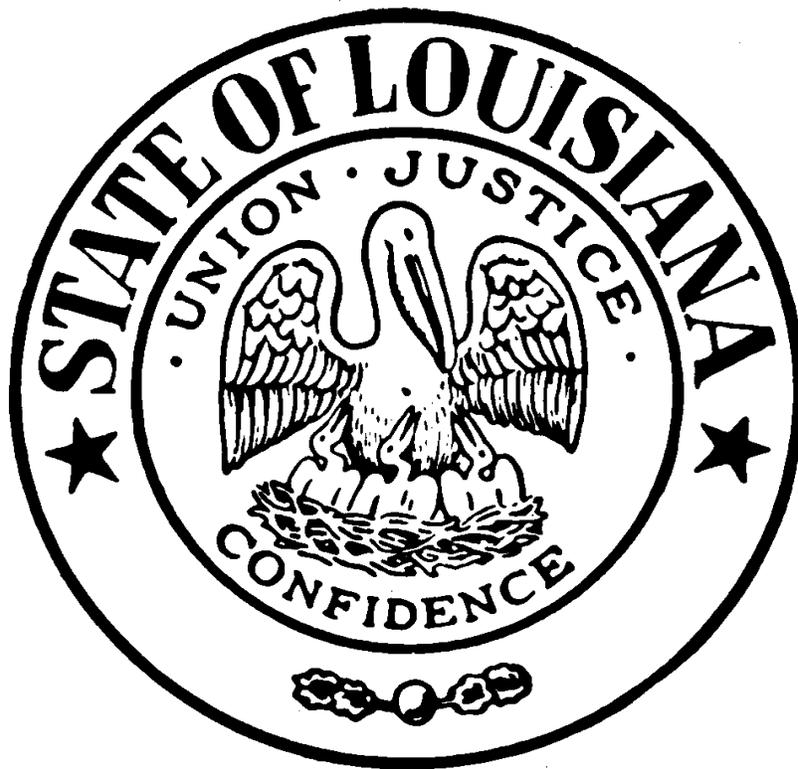
FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

BOND SECURITY AND REDEMPTION FUND

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES:				
INTERGOVERNMENTAL	\$ 21,296	\$ 24,519	\$ 14,581	\$ (9,938)
TAXES	6,337,700	6,527,800	6,571,081	43,281
GAMING	702,450	733,350	724,599	(8,751)
TOBACCO SETTLEMENT	63,700	53,600	56,680	3,080
USE OF MONEY AND PROPERTY	376,002	516,102	459,691	(56,411)
LICENSES, PERMITS, AND FEES	245,365	306,452	348,317	41,865
SALES OF COMMODITIES	27,749	29,609	49,613	20,004
OTHER	739,949	665,121	680,511	15,390
INTERAGENCY TRANSFERS	817,439	957,765	835,989	(121,776)
TOTAL REVENUES	9,331,650	9,814,318	9,741,062	(73,256)
EXPENDITURES:				
CURRENT:				
DEBT SERVICE	270,604	270,604	271,503	(899)
TOTAL EXPENDITURES	270,604	270,604	271,503	(899)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	9,061,046	9,543,714	9,469,559	(74,155)
OTHER FINANCING SOURCES (USES):				
TRANSFERS IN			7,726	7,726
TRANSFERS OUT	(9,061,046)	(9,543,714)	(9,477,285)	66,429
TOTAL OTHER FINANCING SOURCES AND (USES)	(9,061,046)	(9,543,714)	(9,469,559)	74,155
NET CHANGES IN FUND BALANCES	\$ --	\$ --	\$ --	\$ --

The notes to required supplementary information are an integral part of this schedule.



COMBINING AND INDIVIDUAL
FUND STATEMENTS –
NONMAJOR FUNDS



State of Louisiana

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	ACADEMIC IMPROVEMENT FUND	ADMINISTRATIVE FUND OF THE DEPARTMENT OF INSURANCE	AGRICULTURAL COMMODITIES COMMISSION SELF INSURANCE FUND	AGRICULTURAL COMMODITY DEALERS & WAREHOUSE FUND	AGRICULTURAL PRODUCTS PROCESSING DEVELOPMENT FUND
ASSETS					
CASH AND CASH EQUIVALENTS	\$ 1,776	\$ --	\$ 372	\$ 2	\$ 23
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	--	742	112	44	--
AMOUNTS DUE FROM COMPONENT UNITS	--	--	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
TOTAL ASSETS	\$ 1,776	\$ 742	\$ 484	\$ 46	\$ 23
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	1,500	229	--	46	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	1,500	229	--	46	--
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	276	513	484	--	23
TOTAL FUND BALANCES	276	513	484	--	23
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,776	\$ 742	\$ 484	\$ 46	\$ 23

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	ACADEMIC IMPROVEMENT FUND	ADMINISTRATIVE FUND OF THE DEPARTMENT OF INSURANCE	AGRICULTURAL COMMODITIES COMMISSION SELF INSURANCE FUND	AGRICULTURAL COMMODITY DEALERS & WAREHOUSE FUND	AGRICULTURAL PRODUCTS PROCESSING DEVELOPMENT FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	--	--	--	--	--
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	273	747	51	1,041	--
TRANSFERS OUT	(1,500)	(530)	(88)	(1,041)	--
TOTAL OTHER FINANCING SOURCES (USES)	(1,227)	217	(37)	--	--
NET CHANGE IN FUND BALANCES	(1,227)	217	(37)	--	--
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	1,503	296	521	--	23
FUND BALANCES AT END OF YEAR	\$ 276	\$ 513	\$ 484	\$ --	\$ 23

(Continued)

State of Louisiana

SPECIAL REVENUE FUNDS

APIARY FUND	AQUATIC PLANT CONTROL FUND	ARCHAEOLOGICAL CURATION FUND	ARTIFICIAL REEF DEVELOPMENT FUND	AVOYELLES PARISH LOCAL GOVERNMENT GAMING MITIGATION FUND	BATTERED WOMEN'S SHELTER FUND	BEAUTIFICATION & IMPROVEMENT OF THE NEW ORLEANS CITY PARK FUND	BLACK BEAR ACCOUNT
\$ 2	\$ 731	\$ 64	\$ 2,053	\$ --	\$ 144	\$ 401	\$ 105
--	--	--	24,272	--	--	--	--
--	15	5	--	459	14	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>\$ 2</u>	<u>\$ 746</u>	<u>\$ 69</u>	<u>\$ 26,325</u>	<u>\$ 459</u>	<u>\$ 158</u>	<u>\$ 401</u>	<u>\$ 105</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
2	20	--	116	459	3	--	--
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--	--	--	457	--	--	--	--
--	726	69	25,752	--	155	401	105
--	726	69	26,209	--	155	401	105
<u>\$ 2</u>	<u>\$ 746</u>	<u>\$ 69</u>	<u>\$ 26,325</u>	<u>\$ 459</u>	<u>\$ 158</u>	<u>\$ 401</u>	<u>\$ 105</u>

APIARY FUND	AQUATIC PLANT CONTROL FUND	ARCHAEOLOGICAL CURATION FUND	ARTIFICIAL REEF DEVELOPMENT FUND	AVOYELLES PARISH LOCAL GOVERNMENT GAMING MITIGATION FUND	BATTERED WOMEN'S SHELTER FUND	BEAUTIFICATION & IMPROVEMENT OF THE NEW ORLEANS CITY PARK FUND	BLACK BEAR ACCOUNT
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--	--	--
--	--	--	(1,028)	--	--	--	--
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--	--	--	(1,028)	--	--	--	--
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--	--	--	(1,028)	--	--	--	--
2	649	30	6,526	1,824	94	401	24
(2)	(138)	--	(1,208)	(1,824)	(93)	--	(2)
--	511	30	5,318	--	1	401	22
--	511	30	4,290	--	1	401	22
--	215	39	21,919	--	154	--	83
<u>\$ --</u>	<u>\$ 726</u>	<u>\$ 69</u>	<u>\$ 26,209</u>	<u>\$ --</u>	<u>\$ 155</u>	<u>\$ 401</u>	<u>\$ 105</u>

State of Louisiana

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2004

SPECIAL REVENUE FUNDS

(EXPRESSED IN THOUSANDS)	BLIND VENDORS TRUST FUND	BOLL WEEVIL ERADICATION FUND	BUDGET STABILIZATION FUND	CASINO GAMING PROCEEDS FUND	CHILDREN'S TRUST FUND
ASSETS					
CASH AND CASH EQUIVALENTS	\$ 1,447	\$ 1,762	\$ 194,101	\$ 124	\$ 880
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	7	311	38,131	--	150
AMOUNTS DUE FROM COMPONENT UNITS	--	--	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
TOTAL ASSETS	\$ 1,454	\$ 2,073	\$ 232,232	\$ 124	\$ 1,030
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	--	2,000	--	124	457
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	2,000	--	124	457
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	526	--	--
UNDESIGNATED	1,454	73	231,706	--	573
TOTAL FUND BALANCES	1,454	73	232,232	--	573
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,454	\$ 2,073	\$ 232,232	\$ 124	\$ 1,030

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)	BLIND VENDORS TRUST FUND	BOLL WEEVIL ERADICATION FUND	BUDGET STABILIZATION FUND	CASINO GAMING PROCEEDS FUND	CHILDREN'S TRUST FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	(1,729)	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	(1,729)	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	--	--	(1,729)	--	--
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	376	10,918	40,233	124	807
TRANSFERS OUT	(380)	(12,741)	--	(1,666)	(923)
TOTAL OTHER FINANCING SOURCES (USES)	(4)	(1,823)	40,233	(1,542)	(116)
NET CHANGE IN FUND BALANCES	(4)	(1,823)	38,504	(1,542)	(116)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	1,458	1,896	193,728	1,542	689
FUND BALANCES AT END OF YEAR	\$ 1,454	\$ 73	\$ 232,232	\$ --	\$ 573

(Continued)

State of Louisiana

SPECIAL REVENUE FUNDS

CHOOSE LIFE FUND	COASTAL MITIGATION ACCOUNT	COASTAL RESOURCES TRUST FUND	COMMERCIAL FEED FUND	COMPULSIVE AND PROBLEM GAMING FUND	CONCEALED HANDGUN PERMIT FUND	CONSERVATION FUND	CRIME VICTIMS' REPARATION FUND
\$ 34	\$ 675	\$ 101	\$ --	\$ 754	\$ 13	\$ 4,560	\$ 1,898
--	--	--	--	--	--	--	--
--	--	10	--	627	74	4,800	290
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>\$ 34</u>	<u>\$ 675</u>	<u>\$ 111</u>	<u>\$ --</u>	<u>\$ 1,381</u>	<u>\$ 87</u>	<u>\$ 9,360</u>	<u>\$ 2,188</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	668	70	--	500	--	--	--
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State of Louisiana

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

SPECIAL REVENUE FUNDS

	CRIMINAL IDENTIFICATION AND INFORMATION FUND	CROP PESTS & DISEASES FUND	DEFICIT ELIMINATION/ CAPITAL OUTLAY ESCROW REPLENISHMENT FUND	DOTD RIGHT OF WAY PERMIT PROCESSING FUND	DIRECTOR OF WORKER'S COMPENSATION REVOLVING FUND
ASSETS					
CASH AND CASH EQUIVALENTS	\$ 3,701	\$ 3	\$ 6	\$ 501	\$ 204
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	111	--	--	14	3
AMOUNTS DUE FROM COMPONENT UNITS	--	--	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
TOTAL ASSETS	\$ 3,812	\$ 3	\$ 6	\$ 515	\$ 207
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	--	3	6	--	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	3	6	--	--
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	3,812	--	--	515	207
TOTAL FUND BALANCES	3,812	--	--	515	207
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,812	\$ 3	\$ 6	\$ 515	\$ 207

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	CRIMINAL IDENTIFICATION AND INFORMATION FUND	CROP PESTS & DISEASES FUND	DEFICIT ELIMINATION/ CAPITAL OUTLAY ESCROW REPLENISHMENT FUND	DOTD RIGHT OF WAY PERMIT PROCESSING FUND	DIRECTOR OF WORKER'S COMPENSATION REVOLVING FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	(1,014)	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	(1,014)	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	--	--	(1,014)	--	--
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	6,157	78	6	354	59
TRANSFERS OUT	(2,627)	(78)	(2,716)	(427)	--
TOTAL OTHER FINANCING SOURCES (USES)	3,530	--	(2,710)	(73)	59
NET CHANGE IN FUND BALANCES	3,530	--	(3,724)	(73)	59
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	282	--	3,724	588	148
FUND BALANCES AT END OF YEAR	\$ 3,812	\$ --	\$ --	\$ 515	\$ 207

(Continued)

State of Louisiana

SPECIAL REVENUE FUNDS

DISABILITY AFFAIRS TRUST FUND	DNA TESTING POST- CONVICTION RELIEF FOR INDIGENTS FUND	DRUG ABUSE EDUCATION AND TREATMENT FUND	ECONOMICS AND RATE ANALYSIS DIVISION AND HEARING EXAMINERS SUPPLEMENTAL FEE FUND	EMERGENCY MEDICAL TECHNICAL FUND	EMPLOYMENT SECURITY ADMINISTRATIVE ACCOUNT	ENFORCEMENT EMERGENCY SITUATION RESPONSE ACCOUNT	ENVIRONMENTAL TRUST FUND
\$ 66	\$ 38	\$ 789	\$ 17	\$ 20	\$ 8,172	\$ 74	\$ 17,369
--	--	--	--	--	713	--	--
9	--	10	162	--	--	3	7,396
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>\$ 75</u>	<u>\$ 38</u>	<u>\$ 799</u>	<u>\$ 179</u>	<u>\$ 20</u>	<u>\$ 8,885</u>	<u>\$ 77</u>	<u>\$ 24,765</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
6	2	4	36	--	4,437	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
6	2	4	36	--	4,437	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	729
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
69	36	795	143	20	4,448	77	24,036
69	36	795	143	20	4,448	77	24,765
<u>\$ 75</u>	<u>\$ 38</u>	<u>\$ 799</u>	<u>\$ 179</u>	<u>\$ 20</u>	<u>\$ 8,885</u>	<u>\$ 77</u>	<u>\$ 24,765</u>

DISABILITY AFFAIRS TRUST FUND	DNA TESTING POST- CONVICTION RELIEF FOR INDIGENTS FUND	DRUG ABUSE EDUCATION AND TREATMENT FUND	ECONOMICS AND RATE ANALYSIS DIVISION AND HEARING EXAMINERS SUPPLEMENTAL FEE FUND	EMERGENCY MEDICAL TECHNICAL FUND	EMPLOYMENT SECURITY ADMINISTRATIVE ACCOUNT	ENFORCEMENT EMERGENCY SITUATION RESPONSE ACCOUNT	ENVIRONMENTAL TRUST FUND
\$ --	\$ --	\$ --	\$ --	\$ --	\$ 3,598	\$ --	\$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	67	--	(254)
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	3,665	--	(254)
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	622
--	--	--	--	--	--	--	622
--	--	--	--	--	3,665	--	(876)
137	38	175	636	4	--	77	64,184
(233)	(2)	(51)	(708)	--	(5,000)	--	(56,743)
(96)	36	124	(72)	4	(5,000)	77	7,441
(96)	36	124	(72)	4	(1,335)	77	6,565
165	--	671	215	16	5,783	--	18,200
<u>\$ 69</u>	<u>\$ 36</u>	<u>\$ 795</u>	<u>\$ 143</u>	<u>\$ 20</u>	<u>\$ 4,448</u>	<u>\$ 77</u>	<u>\$ 24,765</u>

State of Louisiana

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2004

SPECIAL REVENUE FUNDS

(EXPRESSED IN THOUSANDS)

	EQUINE HEALTH STUDIES PROGRAM FUND	EXPLOSIVES TRUST FUND	FEDERAL ENERGY SETTLEMENT FUND	FEDERAL STATE FISCAL ASSISTANCE TRUST FUND	FEED COMMISSION FUND
ASSETS					
CASH AND CASH EQUIVALENTS	\$ --	\$ 120	\$ 37,807	\$ --	\$ 300
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	217
DUE FROM OTHER FUNDS	--	7	204	--	--
AMOUNTS DUE FROM COMPONENT UNITS	--	--	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
TOTAL ASSETS	\$ --	\$ 127	\$ 38,011	\$ --	\$ 517
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ 2
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	--	--	--	--	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	--	--	--	2
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	515
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	161	--	--
UNDESIGNATED	--	127	37,850	--	--
TOTAL FUND BALANCES	--	127	38,011	--	515
TOTAL LIABILITIES AND FUND BALANCES	\$ --	\$ 127	\$ 38,011	\$ --	\$ 517

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	EQUINE HEALTH STUDIES PROGRAM FUND	EXPLOSIVES TRUST FUND	FEDERAL ENERGY SETTLEMENT FUND	FEDERAL STATE FISCAL ASSISTANCE TRUST FUND	FEED COMMISSION FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	77	--	4
LICENSES, PERMITS, AND FEES	--	--	--	--	563
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	2	--	--
TOTAL REVENUES	--	--	79	--	567
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	152
INTEREST AND FISCAL CHARGES	--	--	--	--	44
OTHER	750	--	--	--	178
TOTAL EXPENDITURES	750	--	--	--	374
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(750)	--	79	--	193
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	750	60	--	--	254
TRANSFERS OUT	--	(26)	(7,299)	(688)	(254)
TOTAL OTHER FINANCING SOURCES (USES)	750	34	(7,299)	(688)	--
NET CHANGE IN FUND BALANCES	--	34	(7,220)	(688)	193
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	--	93	45,231	688	322
FUND BALANCES AT END OF YEAR	\$ --	\$ 127	\$ 38,011	\$ --	\$ 515

(Continued)

State of Louisiana

SPECIAL REVENUE FUNDS

FERTILIZER FUND	FIRE INSURANCE FUND	FIRE PROTECTION TRUST FUND	FIRE SPRINKLER TRUST FUND	FISHERMEN'S GEAR COMPENSATION FUND	FOREST PROTECTION FUND	FORESTRY PRODUCTIVITY FUND	FORMOSAN TERMITE INITIATIVE FUND
\$ 115	\$ 737	\$ 190	\$ 21	\$ 910	\$ 2	\$ 14	\$ 1,027
--	--	--	--	--	--	--	--
428	--	--	--	--	--	--	--
200	--	28	5	26	1	625	--
--	--	--	--	--	--	--	--
<u>743</u>	<u>737</u>	<u>218</u>	<u>26</u>	<u>936</u>	<u>3</u>	<u>639</u>	<u>1,027</u>
\$ 5	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--	--	--
241	--	--	23	--	3	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>246</u>	<u>--</u>	<u>--</u>	<u>23</u>	<u>--</u>	<u>3</u>	<u>--</u>	<u>--</u>
497	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	737	218	3	936	--	639	1,027
<u>497</u>	<u>737</u>	<u>218</u>	<u>3</u>	<u>936</u>	<u>--</u>	<u>639</u>	<u>1,027</u>
<u>\$ 743</u>	<u>\$ 737</u>	<u>\$ 218</u>	<u>\$ 26</u>	<u>\$ 936</u>	<u>\$ 3</u>	<u>\$ 639</u>	<u>\$ 1,027</u>

FERTILIZER FUND	FIRE INSURANCE FUND	FIRE PROTECTION TRUST FUND	FIRE SPRINKLER TRUST FUND	FISHERMEN'S GEAR COMPENSATION FUND	FOREST PROTECTION FUND	FORESTRY PRODUCTIVITY FUND	FORMOSAN TERMITE INITIATIVE FUND
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--	--	--
3	--	--	--	--	--	--	--
373	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>376</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
--	--	--	--	--	--	--	--
124	--	--	--	--	--	--	--
36	1,812	--	--	--	--	--	--
41	--	--	--	--	--	--	--
<u>201</u>	<u>1,812</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
175	(1,812)	--	--	--	--	--	--
407	13,810	218	42	1,004	792	2,931	15
(407)	(11,866)	--	(39)	(892)	(792)	(2,787)	--
--	1,944	218	3	112	--	144	15
175	132	218	3	112	--	144	15
<u>322</u>	<u>605</u>	<u>--</u>	<u>--</u>	<u>824</u>	<u>--</u>	<u>495</u>	<u>1,012</u>
<u>\$ 497</u>	<u>\$ 737</u>	<u>\$ 218</u>	<u>\$ 3</u>	<u>\$ 936</u>	<u>\$ --</u>	<u>\$ 639</u>	<u>\$ 1,027</u>

State of Louisiana

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	FRAUD DETECTION FUND	GENERAL AVIATION AND RELIEVER AIRPORT MAINTENANCE GRANT PROGRAM FUND	GREATER NEW ORLEANS EXPRESSWAY COMMISSION ADDITIONAL COST FUND	HAZARDOUS MATERIALS EMERGENCY RESPONSE FUND	HAZARDOUS WASTE SITE CLEANUP FUND
ASSETS					
CASH AND CASH EQUIVALENTS	\$ 4,354	\$ 74	\$ 5	\$ 139	\$ 5,899
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	64	--	--	13	2,179
AMOUNTS DUE FROM COMPONENT UNITS	--	--	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
TOTAL ASSETS	\$ 4,418	\$ 74	\$ 5	\$ 152	\$ 8,078
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	3,107	--	5	--	2,366
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	3,107	--	5	--	2,366
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	1,311	74	--	152	5,712
TOTAL FUND BALANCES	1,311	74	--	152	5,712
TOTAL LIABILITIES AND FUND BALANCES	\$ 4,418	\$ 74	\$ 5	\$ 152	\$ 8,078

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	FRAUD DETECTION FUND	GENERAL AVIATION AND RELIEVER AIRPORT MAINTENANCE GRANT PROGRAM FUND	GREATER NEW ORLEANS EXPRESSWAY COMMISSION ADDITIONAL COST FUND	HAZARDOUS MATERIALS EMERGENCY RESPONSE FUND	HAZARDOUS WASTE SITE CLEANUP FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	--	--	--	--	--
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	429	1	11	177	12,700
TRANSFERS OUT	(4,161)	--	(11)	(115)	(12,988)
TOTAL OTHER FINANCING SOURCES (USES)	(3,732)	1	--	62	(288)
NET CHANGE IN FUND BALANCES	(3,732)	1	--	62	(288)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	5,043	73	--	90	6,000
FUND BALANCES AT END OF YEAR	\$ 1,311	\$ 74	\$ --	\$ 152	\$ 5,712

(Continued)

State of Louisiana

SPECIAL REVENUE FUNDS

HEALTH TRUST FUND	HELP LOUISIANA VOTE FUND	HIGHER EDUCATION INTATIVES FUND	HORTICULTURE COMMISSION FUND	INCENTIVE FUND	INSURANCE FRAUD INVESTIGATION FUND	JUDGES' SUPPLEMENTAL COMPENSATION FUND	KEEP LOUISIANA BEAUTIFUL FUND
\$ 3,703	\$ 24,833	\$ 8,603	\$ 3	\$ 3,290	\$ 1,796	\$ 50	\$ 1
--	--	--	--	--	--	--	--
1,462	--	--	--	--	136	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>\$ 5,165</u>	<u>\$ 24,833</u>	<u>\$ 8,603</u>	<u>\$ 3</u>	<u>\$ 3,290</u>	<u>\$ 1,932</u>	<u>\$ 50</u>	<u>\$ 1</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	3,220	1,932	--	1
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	3,220	1,932	--	1
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
5,165	24,833	8,603	3	70	--	50	--
<u>5,165</u>	<u>24,833</u>	<u>8,603</u>	<u>3</u>	<u>70</u>	<u>--</u>	<u>50</u>	<u>--</u>
<u>\$ 5,165</u>	<u>\$ 24,833</u>	<u>\$ 8,603</u>	<u>\$ 3</u>	<u>\$ 3,290</u>	<u>\$ 1,932</u>	<u>\$ 50</u>	<u>\$ 1</u>

HEALTH TRUST FUND	HELP LOUISIANA VOTE FUND	HIGHER EDUCATION INTATIVES FUND	HORTICULTURE COMMISSION FUND	INCENTIVE FUND	INSURANCE FRAUD INVESTIGATION FUND	JUDGES' SUPPLEMENTAL COMPENSATION FUND	KEEP LOUISIANA BEAUTIFUL FUND
\$ --	\$ 12,685	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--	--	--
--	(96)	(120)	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	12,589	(120)	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	420	--	--	--	--	--
--	--	420	--	--	--	--	--
--	12,589	(540)	--	--	--	--	--
16,698	--	8,293	767	42	2,720	4,005	1
(14,100)	(19)	--	(764)	(3,286)	(5,046)	(4,000)	(1)
<u>2,598</u>	<u>(19)</u>	<u>8,293</u>	<u>3</u>	<u>(3,244)</u>	<u>(2,326)</u>	<u>5</u>	<u>--</u>
2,598	12,570	7,753	3	(3,244)	(2,326)	5	--
<u>2,567</u>	<u>12,263</u>	<u>850</u>	<u>--</u>	<u>3,314</u>	<u>2,326</u>	<u>45</u>	<u>--</u>
<u>\$ 5,165</u>	<u>\$ 24,833</u>	<u>\$ 8,603</u>	<u>\$ 3</u>	<u>\$ 70</u>	<u>\$ --</u>	<u>\$ 50</u>	<u>\$ --</u>

State of Louisiana

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	LABOR PENALTY AND INTEREST ACCOUNT	LABOR WORKFORCE DEVELOPMENT TRAINING ACCOUNT	LEAD HAZARD REDUCTION FUND	LIQUIFIED PETROLEUM GAS COMMISSION RAINY DAY FUND	LIVESTOCK BRAND COMMISSION FUND
ASSETS					
CASH AND CASH EQUIVALENTS	\$ 6,340	\$ 156,146	\$ 161	\$ 380	\$ --
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	21	6,252	--	--	--
DUE FROM OTHER FUNDS	24	174	--	--	--
AMOUNTS DUE FROM COMPONENT UNITS	--	--	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
TOTAL ASSETS	\$ 6,385	\$ 162,572	\$ 161	\$ 380	\$ --
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	161	5,778	67	130	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	161	5,778	67	130	--
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	6,224	156,794	94	250	--
TOTAL FUND BALANCES	6,224	156,794	94	250	--
TOTAL LIABILITIES AND FUND BALANCES	\$ 6,385	\$ 162,572	\$ 161	\$ 380	\$ --

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	LABOR PENALTY AND INTEREST ACCOUNT	LABOR WORKFORCE DEVELOPMENT TRAINING ACCOUNT	LEAD HAZARD REDUCTION FUND	LIQUIFIED PETROLEUM GAS COMMISSION RAINY DAY FUND	LIVESTOCK BRAND COMMISSION FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	6,042	43,199	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	61	508	--	--	--
LICENSES, PERMITS, AND FEES	187	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	6,290	43,707	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	6,290	43,707	--	--	--
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	--	--	84	529	10
TRANSFERS OUT	(2,698)	(35,177)	(67)	(629)	(10)
TOTAL OTHER FINANCING SOURCES (USES)	(2,698)	(35,177)	17	(100)	--
NET CHANGE IN FUND BALANCES	3,592	8,530	17	(100)	--
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	2,632	148,264	77	350	--
FUND BALANCES AT END OF YEAR	\$ 6,224	\$ 156,794	\$ 94	\$ 250	\$ --

(Continued)

State of Louisiana

SPECIAL REVENUE FUNDS

LOTTERY PROCEEDS FUND	LOUISIANA AGRICULTURAL FINANCE AUTHORITY FUND	LOUISIANA ALARM REGULATORY TRUST FUND	LOUISIANA ALLIGATOR MARKET DEVELOPMENT FUND	LOUISIANA ALLIGATOR RESOURCE FUND	LOUISIANA CHARTER SCHOOL START-UP LOAN FUND	LOUISIANA DUCK LICENSE, STAMP, AND PRINT FUND	LOUISIANA ECONOMIC DEVELOPMENT FUND
\$ 55,657	\$ 431	\$ 175	\$ --	\$ 1,747	\$ 2,535	\$ 1,505	\$ 140
--	--	--	--	--	--	--	--
11,196	--	33	--	--	33	2	5,374
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>\$ 66,853</u>	<u>\$ 431</u>	<u>\$ 208</u>	<u>\$ --</u>	<u>\$ 1,747</u>	<u>\$ 2,568</u>	<u>\$ 1,507</u>	<u>\$ 5,514</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	178	--	74	70	54	9,953
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	51	23,497
--	--	--	--	--	--	--	--
214	--	--	--	--	--	--	--
<u>66,639</u>	<u>431</u>	<u>30</u>	<u>--</u>	<u>1,673</u>	<u>2,498</u>	<u>1,402</u>	<u>(27,936)</u>
<u>66,853</u>	<u>431</u>	<u>30</u>	<u>--</u>	<u>1,673</u>	<u>2,498</u>	<u>1,453</u>	<u>(4,439)</u>
<u>\$ 66,853</u>	<u>\$ 431</u>	<u>\$ 208</u>	<u>\$ --</u>	<u>\$ 1,747</u>	<u>\$ 2,568</u>	<u>\$ 1,507</u>	<u>\$ 5,514</u>

LOTTERY PROCEEDS FUND	LOUISIANA AGRICULTURAL FINANCE AUTHORITY FUND	LOUISIANA ALARM REGULATORY TRUST FUND	LOUISIANA ALLIGATOR MARKET DEVELOPMENT FUND	LOUISIANA ALLIGATOR RESOURCE FUND	LOUISIANA CHARTER SCHOOL START-UP LOAN FUND	LOUISIANA DUCK LICENSE, STAMP, AND PRINT FUND	LOUISIANA ECONOMIC DEVELOPMENT FUND
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--	--	--
(512)	--	--	--	--	--	--	(485)
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>(512)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(485)</u>
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>(512)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(485)</u>
121,819	12,005	286	19	712	104	759	31,591
(113,239)	(12,154)	(256)	(19)	(1,076)	(870)	(385)	(51,408)
<u>8,580</u>	<u>(149)</u>	<u>30</u>	<u>--</u>	<u>(364)</u>	<u>(766)</u>	<u>374</u>	<u>(19,817)</u>
8,068	(149)	30	--	(364)	(766)	374	(20,302)
<u>58,785</u>	<u>580</u>	<u>--</u>	<u>--</u>	<u>2,037</u>	<u>3,264</u>	<u>1,079</u>	<u>15,863</u>
<u>\$ 66,853</u>	<u>\$ 431</u>	<u>\$ 30</u>	<u>\$ --</u>	<u>\$ 1,673</u>	<u>\$ 2,498</u>	<u>\$ 1,453</u>	<u>\$ (4,439)</u>

State of Louisiana

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	LOUISIANA ENVIRONMENTAL EDUCATION FUND	LOUISIANA FIRE MARSHAL FUND	LOUISIANA FUND	LOUISIANA FUR AND ALLIGATOR PUBLIC EDUCATION AND MARKETING FUND	LOUISIANA HELP OUR WILDLIFE FUND
ASSETS					
CASH AND CASH EQUIVALENTS	\$ 881	\$ 722	\$ 4,360	\$ 428	\$ 144
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	18	368	--	--	--
AMOUNTS DUE FROM COMPONENT UNITS	--	--	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
TOTAL ASSETS	\$ 899	\$ 1,090	\$ 4,360	\$ 428	\$ 144
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	--	--	28	16	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	3,432	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	--	--	3,460	16	--
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	371	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	899	719	900	412	144
TOTAL FUND BALANCES	899	1,090	900	412	144
TOTAL LIABILITIES AND FUND BALANCES	\$ 899	\$ 1,090	\$ 4,360	\$ 428	\$ 144

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	LOUISIANA ENVIRONMENTAL EDUCATION FUND	LOUISIANA FIRE MARSHAL FUND	LOUISIANA FUND	LOUISIANA FUR AND ALLIGATOR PUBLIC EDUCATION AND MARKETING FUND	LOUISIANA HELP OUR WILDLIFE FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	(162)	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	(162)	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	4,691	--	--
TOTAL EXPENDITURES	--	--	4,691	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	--	--	(4,853)	--	--
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	671	9,022	14,191	76	12
TRANSFERS OUT	(70)	(10,731)	(9,462)	(91)	--
TOTAL OTHER FINANCING SOURCES (USES)	601	(1,709)	4,729	(15)	12
NET CHANGE IN FUND BALANCES	601	(1,709)	(124)	(15)	12
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	298	2,799	1,024	427	132
FUND BALANCES AT END OF YEAR	\$ 899	\$ 1,090	\$ 900	\$ 412	\$ 144

(Continued)

State of Louisiana

SPECIAL REVENUE FUNDS

LOUISIANA INVESTMENT FUND FOR ENHANCEMENT	LOUISIANA MANUFACTURED HOUSING COMMISSION FUND	LOUISIANA MEDICAL ASSISTANCE TRUST FUND	LOUISIANA QUALITY EDUCATION SUPPORT FUND	LOUISIANA STATE PARKS IMPROVEMENT AND REPAIR FUND	LOUISIANA STATE POLICE SALARY FUND	LOUISIANA TECHNOLOGY INNOVATIONS FUND	LOUISIANA TOURISM PROMOTION DISTRICT
\$ --	\$ 31	\$ 225,842	\$ 301	\$ 5,206	\$ 27	\$ 2,159	\$ 2,046
--	--	--	77,517	--	--	--	--
--	4	34,597	38	623	2,873	--	3,357
--	--	--	23,352	--	--	--	2,001
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>\$ --</u>	<u>\$ 35</u>	<u>\$ 260,439</u>	<u>\$ 101,208</u>	<u>\$ 5,829</u>	<u>\$ 2,900</u>	<u>\$ 2,159</u>	<u>\$ 7,404</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	8,127	--	27	39	2,918
--	--	--	18,579	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	26,706	--	27	39	2,918
--	--	--	--	--	--	--	--
--	--	--	--	--	--	2,120	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	476	17,546	--	--	--	--
--	35	259,963	56,956	5,829	2,873	--	4,486
--	35	260,439	74,502	5,829	2,873	2,120	4,486
<u>\$ --</u>	<u>\$ 35</u>	<u>\$ 260,439</u>	<u>\$ 101,208</u>	<u>\$ 5,829</u>	<u>\$ 2,900</u>	<u>\$ 2,159</u>	<u>\$ 7,404</u>

LOUISIANA INVESTMENT FUND FOR ENHANCEMENT	LOUISIANA MANUFACTURED HOUSING COMMISSION FUND	LOUISIANA MEDICAL ASSISTANCE TRUST FUND	LOUISIANA QUALITY EDUCATION SUPPORT FUND	LOUISIANA STATE PARKS IMPROVEMENT AND REPAIR FUND	LOUISIANA STATE POLICE SALARY FUND	LOUISIANA TECHNOLOGY INNOVATIONS FUND	LOUISIANA TOURISM PROMOTION DISTRICT
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--	--	20,419
--	--	(307)	13,813	--	--	--	7
--	--	--	--	--	--	--	--
--	--	--	1,158	--	--	--	6
--	--	(307)	14,971	--	--	--	20,432
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	28,631	--	--	--	--
--	--	--	28,631	--	--	--	--
--	--	(307)	(13,660)	--	--	--	20,432
--	319	314,783	65,074	5,715	15,600	1,042	2,001
(361)	(311)	(94,739)	(28,466)	(4,900)	(14,658)	(3,169)	(19,056)
(361)	8	220,044	36,608	815	942	(2,127)	(17,055)
(361)	8	219,737	22,948	815	942	(2,127)	3,377
361	27	40,702	51,554	5,014	1,931	4,247	1,109
<u>\$ --</u>	<u>\$ 35</u>	<u>\$ 260,439</u>	<u>\$ 74,502</u>	<u>\$ 5,829</u>	<u>\$ 2,873</u>	<u>\$ 2,120</u>	<u>\$ 4,486</u>

State of Louisiana

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	LOUISIANA TOWING AND STORAGE FUND	LOUISIANA UNDERWATER OBSTRUCTION REMOVAL FUND	LOUISIANA WILD TURKEY STAMP FUND	LOUISIANA WORKER'S COMPENSATION SECOND INJURY FUND	MARKETING FUND
ASSETS					
CASH AND CASH EQUIVALENTS	\$ 43	\$ 154	\$ 283	\$ 19,960	\$ 1,617
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	154	--	--	52	--
AMOUNTS DUE FROM COMPONENT UNITS	--	--	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
TOTAL ASSETS	\$ 197	\$ 154	\$ 283	\$ 20,012	\$ 1,617
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	197	--	--	--	734
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	197	--	--	--	734
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	129	--	--	263
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	--	25	283	20,012	620
TOTAL FUND BALANCES	--	154	283	20,012	883
TOTAL LIABILITIES AND FUND BALANCES	\$ 197	\$ 154	\$ 283	\$ 20,012	\$ 1,617

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	LOUISIANA TOWING AND STORAGE FUND	LOUISIANA UNDERWATER OBSTRUCTION REMOVAL FUND	LOUISIANA WILD TURKEY STAMP FUND	LOUISIANA WORKER'S COMPENSATION SECOND INJURY FUND	MARKETING FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	--	--	--	--	--
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	414	251	62	35,614	2,000
TRANSFERS OUT	(414)	(122)	(25)	(35,162)	(2,027)
TOTAL OTHER FINANCING SOURCES (USES)	--	129	37	452	(27)
NET CHANGE IN FUND BALANCES	--	129	37	452	(27)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	--	25	246	19,560	910
FUND BALANCES AT END OF YEAR	\$ --	\$ 154	\$ 283	\$ 20,012	\$ 883

(Continued)

State of Louisiana

SPECIAL REVENUE FUNDS

MARSH ISLAND OPERATING FUND	MEDICAID SCHOOL-BASED ADMINISTRATIVE CLAIMING TRUST FUND	MEDICAL ASSISTANCE PROGRAMS FRAUD DETECTION FUND	MINERAL RESOURCES OPERATION FUND	MINERAL REVENUE AUDIT AND SETTLEMENT FUND	MOTOR CARRIER REGULATION FUND	MOTOR FUELS UNDERGROUND STORAGE TANK TRUST FUND	MOTORCYCLE SAFETY AWARE- NESS AND OPERATOR TRAINING PROGRAM FUND
\$ 1,352	\$ 142	\$ 3,395	\$ 11,698	\$ 1,084	\$ 570	\$ 17,944	\$ 17
25	--	--	--	--	--	--	--
--	377	1	83	--	56	1,721	3
--	--	--	--	--	--	--	--
<u>1,377</u>	<u>519</u>	<u>3,396</u>	<u>11,781</u>	<u>1,084</u>	<u>626</u>	<u>19,665</u>	<u>20</u>
\$ 23	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
1,354	519	--	2,090	--	43	2,461	20
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>1,377</u>	<u>519</u>	<u>--</u>	<u>2,090</u>	<u>--</u>	<u>43</u>	<u>2,461</u>	<u>20</u>
--	--	--	--	--	--	--	--
--	--	--	306	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	76	--
--	--	3,396	9,385	1,084	583	17,128	--
--	--	3,396	9,691	1,084	583	17,204	--
<u>1,377</u>	<u>519</u>	<u>3,396</u>	<u>11,781</u>	<u>1,084</u>	<u>626</u>	<u>19,665</u>	<u>20</u>
MARSH ISLAND OPERATING FUND	MEDICAID SCHOOL-BASED ADMINISTRATIVE CLAIMING TRUST FUND	MEDICAL ASSISTANCE PROGRAMS FRAUD DETECTION FUND	MINERAL RESOURCES OPERATION FUND	MINERAL REVENUE AUDIT AND SETTLEMENT FUND	MOTOR CARRIER REGULATION FUND	MOTOR FUELS UNDERGROUND STORAGE TANK TRUST FUND	MOTORCYCLE SAFETY AWARE- NESS AND OPERATOR TRAINING PROGRAM FUND
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--	--	--
1,327	--	--	--	--	--	(146)	--
--	--	--	--	--	--	--	--
<u>1,327</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(146)</u>	<u>--</u>
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>1,327</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(146)</u>	<u>--</u>
562	1,891	3,389	12,772	64	5,935	21,591	141
(1,889)	(1,891)	--	(9,746)	--	(6,347)	(20,576)	(141)
<u>(1,327)</u>	<u>--</u>	<u>3,389</u>	<u>3,026</u>	<u>64</u>	<u>(412)</u>	<u>1,015</u>	<u>--</u>
--	--	3,389	3,026	64	(412)	869	--
--	--	7	6,665	1,020	995	16,335	--
<u>--</u>	<u>--</u>	<u>3,396</u>	<u>9,691</u>	<u>1,084</u>	<u>583</u>	<u>17,204</u>	<u>--</u>

State of Louisiana

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	MUNICIPAL FIRE AND POLICE CIVIL SERVICE OPERATING FUND	NATURAL HERITAGE ACCOUNT	NURSING HOME RESIDENTS' TRUST FUND	OFFICE OF MOTOR VEHICLES CUSTOMER SERVICE AND TECHNOLOGY FUND	OFFICE OF WORKER'S COMPENSATION ADMINISTRATIVE FUND
ASSETS					
CASH AND CASH EQUIVALENTS	\$ --	\$ 330	\$ 1,285	\$ 9,944	\$ 1,698
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	27	--	--	127	625
AMOUNTS DUE FROM COMPONENT UNITS	--	--	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
TOTAL ASSETS	\$ 27	\$ 330	\$ 1,285	\$ 10,071	\$ 2,323
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	27	--	--	1,130	314
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	27	--	--	1,130	314
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	4,110	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	--	330	1,285	4,831	2,009
TOTAL FUND BALANCES	--	330	1,285	8,941	2,009
TOTAL LIABILITIES AND FUND BALANCES	\$ 27	\$ 330	\$ 1,285	\$ 10,071	\$ 2,323

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	MUNICIPAL FIRE AND POLICE CIVIL SERVICE OPERATING FUND	NATURAL HERITAGE ACCOUNT	NURSING HOME RESIDENTS' TRUST FUND	OFFICE OF MOTOR VEHICLES CUSTOMER SERVICE AND TECHNOLOGY FUND	OFFICE OF WORKER'S COMPENSATION ADMINISTRATIVE FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	3
TOTAL EXPENDITURES	--	--	--	--	3
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	--	--	--	--	(3)
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	1,283	20	331	6,144	11,444
TRANSFERS OUT	(1,291)	--	--	(8,112)	(10,333)
TOTAL OTHER FINANCING SOURCES (USES)	(8)	20	331	(1,968)	1,111
NET CHANGE IN FUND BALANCES	(8)	20	331	(1,968)	1,108
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	8	310	954	10,909	901
FUND BALANCES AT END OF YEAR	\$ --	\$ 330	\$ 1,285	\$ 8,941	\$ 2,009

(Continued)

State of Louisiana

SPECIAL REVENUE FUNDS

OIL AND GAS REGULATORY FUND	OIL SPILL CONTINGENCY FUND	OILFIELD SITE RESTORATION FUND	OYSTER DEVELOPMENT ACCOUNT	OYSTER SANITATION FUND	PARI-MUTUEL LIVE RACING FACILITY GAMING CONTROL FUND	PARISH AND MUNICIPALITIES EXCELLENCE FUND	PARISH AND MUNICIPALITIES FUND
\$ 873	\$ 8,801	\$ 3,630	\$ 46	\$ 33	\$ 134	\$ 1,212	\$ 4,924
--	--	--	--	--	--	--	--
239	2	53	3	--	2,263	113	6,147
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>\$ 1,112</u>	<u>\$ 8,803</u>	<u>\$ 3,683</u>	<u>\$ 49</u>	<u>\$ 33</u>	<u>\$ 2,397</u>	<u>\$ 1,325</u>	<u>\$ 11,071</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
6	157	--	12	33	2,388	198	7,841
--	--	--	--	--	--	--	1,491
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>6</u>	<u>157</u>	<u>--</u>	<u>12</u>	<u>33</u>	<u>2,388</u>	<u>198</u>	<u>9,332</u>
--	--	--	--	--	--	--	--
102	--	--	--	--	9	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>1,004</u>	<u>8,646</u>	<u>3,683</u>	<u>37</u>	<u>--</u>	<u>--</u>	<u>1,127</u>	<u>1,739</u>
<u>1,106</u>	<u>8,646</u>	<u>3,683</u>	<u>37</u>	<u>--</u>	<u>9</u>	<u>1,127</u>	<u>1,739</u>
<u>\$ 1,112</u>	<u>\$ 8,803</u>	<u>\$ 3,683</u>	<u>\$ 49</u>	<u>\$ 33</u>	<u>\$ 2,397</u>	<u>\$ 1,325</u>	<u>\$ 11,071</u>

OIL AND GAS REGULATORY FUND	OIL SPILL CONTINGENCY FUND	OILFIELD SITE RESTORATION FUND	OYSTER DEVELOPMENT ACCOUNT	OYSTER SANITATION FUND	PARI-MUTUEL LIVE RACING FACILITY GAMING CONTROL FUND	PARISH AND MUNICIPALITIES EXCELLENCE FUND	PARISH AND MUNICIPALITIES FUND
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--	--	--
--	(124)	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	(124)	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	720	5,155
--	--	--	--	--	--	720	5,155
--	(124)	--	--	--	--	(720)	(5,155)
9,276	--	3,306	153	203	35,306	2,040	32,388
(8,380)	(6,154)	(4,385)	(262)	(204)	(35,297)	(1,590)	(26,739)
<u>896</u>	<u>(6,154)</u>	<u>(1,079)</u>	<u>(109)</u>	<u>(1)</u>	<u>9</u>	<u>450</u>	<u>5,649</u>
896	(6,278)	(1,079)	(109)	(1)	9	(270)	494
<u>210</u>	<u>14,924</u>	<u>4,762</u>	<u>146</u>	<u>1</u>	<u>--</u>	<u>1,397</u>	<u>1,245</u>
<u>\$ 1,106</u>	<u>\$ 8,646</u>	<u>\$ 3,683</u>	<u>\$ 37</u>	<u>\$ --</u>	<u>\$ 9</u>	<u>\$ 1,127</u>	<u>\$ 1,739</u>

State of Louisiana

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	PARISH ROYALTY FUND	PATIENT'S COMPENSATION FUND	PESTICIDE FUND	PETROLEUM PRODUCTS FUND	PROPRIETARY SCHOOL STUDENTS PROTECTION FUND
ASSETS					
CASH AND CASH EQUIVALENTS	\$ 14,687	\$ 144,082	\$ 246	\$ 396	\$ 1,333
INVESTMENTS	--	81,713	--	--	--
RECEIVABLES (NET)	4,374	--	37	--	--
DUE FROM OTHER FUNDS	--	4,394	--	882	1
AMOUNTS DUE FROM COMPONENT UNITS	--	--	200	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
TOTAL ASSETS	\$ 19,061	\$ 230,189	\$ 483	\$ 1,278	\$ 1,334
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	--	1,241	--	--	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	200	--	--
DUE TO LOCAL GOVERNMENTS	19,061	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	19,061	1,241	200	--	--
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	283	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	507
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	--	228,948	--	1,278	827
TOTAL FUND BALANCES	--	228,948	283	1,278	1,334
TOTAL LIABILITIES AND FUND BALANCES	\$ 19,061	\$ 230,189	\$ 483	\$ 1,278	\$ 1,334

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	PARISH ROYALTY FUND	PATIENT'S COMPENSATION FUND	PESTICIDE FUND	PETROLEUM PRODUCTS FUND	PROPRIETARY SCHOOL STUDENTS PROTECTION FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	42,029	(3,452)	14	--	--
LICENSES, PERMITS, AND FEES	--	--	987	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	42,029	(3,452)	1,001	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	42,029	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	763	--	64
TOTAL EXPENDITURES	42,029	--	763	--	64
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	--	(3,452)	238	--	(64)
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	--	134,921	3,697	5,229	--
TRANSFERS OUT	--	(79,064)	(3,697)	(4,025)	(3)
TOTAL OTHER FINANCING SOURCES (USES)	--	55,857	--	1,204	(3)
NET CHANGE IN FUND BALANCES	--	52,405	238	1,204	(67)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	--	176,543	45	74	1,401
FUND BALANCES AT END OF YEAR	\$ --	\$ 228,948	\$ 283	\$ 1,278	\$ 1,334

(Continued)

State of Louisiana

SPECIAL REVENUE FUNDS

PUBLIC OYSTER SEED GROUND DEVELOPMENT ACCOUNT	PUBLIC SAFETY COMPLEX FUND	PUBLIC SAFETY DWI TESTING, MAINTENANCE, AND TRAINING FUND	QUAIL ACCOUNT	REHABILITATION FOR THE BLIND AND VISUALLY IMPAIRED FUND	REPTILE AND AMPHIBIAN RESEARCH FUND	RETIREMENT SYSTEMS INSURANCE PROCEEDS FUND	RIGHT TO KNOW FUND
\$ 75	\$ 526	\$ 670	\$ 20	\$ 1,750	\$ 14	\$ 36,385	\$ 7
--	--	--	--	--	--	--	--
--	--	3	--	--	--	--	29
--	--	--	--	--	--	--	--
<u>75</u>	<u>526</u>	<u>673</u>	<u>20</u>	<u>1,750</u>	<u>14</u>	<u>36,385</u>	<u>36</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 20,270	\$ --
--	--	--	--	750	--	--	1
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	750	--	20,270	1
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	16,115	--
--	--	--	--	--	--	--	--
<u>75</u>	<u>526</u>	<u>673</u>	<u>20</u>	<u>1,000</u>	<u>14</u>	<u>--</u>	<u>35</u>
<u>75</u>	<u>526</u>	<u>673</u>	<u>20</u>	<u>1,000</u>	<u>14</u>	<u>16,115</u>	<u>35</u>
<u>\$ 75</u>	<u>\$ 526</u>	<u>\$ 673</u>	<u>\$ 20</u>	<u>\$ 1,750</u>	<u>\$ 14</u>	<u>\$ 36,385</u>	<u>\$ 36</u>

PUBLIC OYSTER SEED GROUND DEVELOPMENT ACCOUNT	PUBLIC SAFETY COMPLEX FUND	PUBLIC SAFETY DWI TESTING, MAINTENANCE, AND TRAINING FUND	QUAIL ACCOUNT	REHABILITATION FOR THE BLIND AND VISUALLY IMPAIRED FUND	REPTILE AND AMPHIBIAN RESEARCH FUND	RETIREMENT SYSTEMS INSURANCE PROCEEDS FUND	RIGHT TO KNOW FUND
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--	--	--
--	--	--	--	--	--	37,885	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	37,885	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	21,770	--
--	--	--	--	--	--	21,770	--
--	--	--	--	--	--	16,115	--
121	--	508	2	1,500	8	--	235
(46)	(6,015)	(575)	--	(1,500)	(8)	--	(200)
<u>75</u>	<u>(6,015)</u>	<u>(67)</u>	<u>2</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>35</u>
75	(6,015)	(67)	2	--	--	16,115	35
--	6,541	740	18	1,000	14	--	--
<u>\$ 75</u>	<u>\$ 526</u>	<u>\$ 673</u>	<u>\$ 20</u>	<u>\$ 1,000</u>	<u>\$ 14</u>	<u>\$ 16,115</u>	<u>\$ 35</u>

State of Louisiana

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	RIVERBOAT GAMING ENFORCEMENT FUND	ROCKEFELLER REFUGE FUND	ROCKEFELLER WILDLIFE REFUGE TRUST AND PROTECTION FUND	RURAL DEVELOPMENT FUND	RUSSELL SAGE OR MARSH ISLAND CAPITAL IMPROVEMENT FUND
ASSETS					
CASH AND CASH EQUIVALENTS	\$ 2,886	\$ 12,090	\$ 1,061	\$ 7,084	\$ 1,380
INVESTMENTS	--	--	47,048	--	--
RECEIVABLES (NET)	--	428	--	--	--
DUE FROM OTHER FUNDS	1,676	--	40	--	--
AMOUNTS DUE FROM COMPONENT UNITS	--	--	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
TOTAL ASSETS	\$ 4,562	\$ 12,518	\$ 48,149	\$ 7,084	\$ 1,380
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	392	106	--	1,142	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	392	106	--	1,142	--
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	20	--	--	5,942	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	1	--	--	--
UNDESIGNATED	4,150	12,411	48,149	--	1,380
TOTAL FUND BALANCES	4,170	12,412	48,149	5,942	1,380
TOTAL LIABILITIES AND FUND BALANCES	\$ 4,562	\$ 12,518	\$ 48,149	\$ 7,084	\$ 1,380

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	RIVERBOAT GAMING ENFORCEMENT FUND	ROCKEFELLER REFUGE FUND	ROCKEFELLER WILDLIFE REFUGE TRUST AND PROTECTION FUND	RURAL DEVELOPMENT FUND	RUSSELL SAGE OR MARSH ISLAND CAPITAL IMPROVEMENT FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	2,271	2,402	(83)	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	1,456	--	--	--
TOTAL REVENUES	--	3,727	2,402	(83)	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	--	3,727	2,402	(83)	--
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	56,848	--	185	7,687	17
TRANSFERS OUT	(54,408)	(3,730)	(204)	(8,864)	--
TOTAL OTHER FINANCING SOURCES (USES)	2,440	(3,730)	(19)	(1,177)	17
NET CHANGE IN FUND BALANCES	2,440	(3)	2,383	(1,260)	17
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	1,730	12,415	45,766	7,202	1,363
FUND BALANCES AT END OF YEAR	\$ 4,170	\$ 12,412	\$ 48,149	\$ 5,942	\$ 1,380

(Continued)

State of Louisiana

SPECIAL REVENUE FUNDS

RUSSELL SAGE OR MARSH ISLAND REFUGE FUND	RUSSELL SAGE SPECIAL FUND NO. 2	SALTWATER FISHERY ENFORCEMENT FUND	SAVINGS ENHANCEMENT FUND	SCENIC RIVERS FUND	SCHOOL AND DISTRICT ACCOUNTABILITY REWARDS FUND	SEAFOOD PROMOTION AND MARKETING FUND	SEED COMMISSION FUND
\$ 739	\$ 1,960	\$ 77	\$ 96	\$ 16	\$ 271	\$ 23	\$ 4
11,309	--	--	2,449	--	--	--	--
552	775	--	--	--	--	1	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
<u>\$ 12,600</u>	<u>\$ 2,735</u>	<u>\$ 77</u>	<u>\$ 2,545</u>	<u>\$ 16</u>	<u>\$ 271</u>	<u>\$ 24</u>	<u>\$ 4</u>
\$ --	\$ --	\$ --	\$ 6	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	265	24	3
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	6	--	265	24	3
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
174	--	--	3	--	--	--	--
<u>12,426</u>	<u>2,735</u>	<u>77</u>	<u>2,536</u>	<u>16</u>	<u>6</u>	<u>--</u>	<u>1</u>
<u>12,600</u>	<u>2,735</u>	<u>77</u>	<u>2,539</u>	<u>16</u>	<u>6</u>	<u>--</u>	<u>1</u>
<u>\$ 12,600</u>	<u>\$ 2,735</u>	<u>\$ 77</u>	<u>\$ 2,545</u>	<u>\$ 16</u>	<u>\$ 271</u>	<u>\$ 24</u>	<u>\$ 4</u>

RUSSELL SAGE OR MARSH ISLAND REFUGE FUND	RUSSELL SAGE SPECIAL FUND NO. 2	SALTWATER FISHERY ENFORCEMENT FUND	SAVINGS ENHANCEMENT FUND	SCENIC RIVERS FUND	SCHOOL AND DISTRICT ACCOUNTABILITY REWARDS FUND	SEAFOOD PROMOTION AND MARKETING FUND	SEED COMMISSION FUND
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--	--	--
515	24	--	(98)	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	372	--	--	--	--
<u>515</u>	<u>24</u>	<u>--</u>	<u>274</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	68	--	--	--	--
--	--	--	68	--	--	--	--
<u>515</u>	<u>24</u>	<u>--</u>	<u>206</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
552	775	18	120	1	3	342	229
(562)	--	(747)	--	(1)	(265)	(410)	(228)
<u>(10)</u>	<u>775</u>	<u>(729)</u>	<u>120</u>	<u>--</u>	<u>(262)</u>	<u>(68)</u>	<u>1</u>
505	799	(729)	326	--	(262)	(68)	1
<u>12,095</u>	<u>1,936</u>	<u>806</u>	<u>2,213</u>	<u>16</u>	<u>268</u>	<u>68</u>	<u>--</u>
<u>\$ 12,600</u>	<u>\$ 2,735</u>	<u>\$ 77</u>	<u>\$ 2,539</u>	<u>\$ 16</u>	<u>\$ 6</u>	<u>\$ --</u>	<u>\$ 1</u>

State of Louisiana

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2004

SPECIAL REVENUE FUNDS

(EXPRESSED IN THOUSANDS)

	SEVERANCE TAX FUND	SEX OFFENDER REGISTRY TECHNOLOGY FUND	SHRIMP MARKETING AND PROMOTION ACCOUNT	SMALL BUSINESS SURETY BONDING FUND	SOUTHERN UNIVERSITY AGCENTER PROGRAM FUND
ASSETS					
CASH AND CASH EQUIVALENTS	\$ --	\$ 511	\$ 445	\$ 134	\$ 750
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	67	--	--	--	--
DUE FROM OTHER FUNDS	11,242	12	--	--	--
AMOUNTS DUE FROM COMPONENT UNITS	--	--	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
TOTAL ASSETS	\$ 11,309	\$ 523	\$ 445	\$ 134	\$ 750
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	79	--	72	1	--
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	11,230	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	11,309	--	72	1	--
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	--	--
UNDESIGNATED	--	523	373	133	750
TOTAL FUND BALANCES	--	523	373	133	750
TOTAL LIABILITIES AND FUND BALANCES	\$ 11,309	\$ 523	\$ 445	\$ 134	\$ 750

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	SEVERANCE TAX FUND	SEX OFFENDER REGISTRY TECHNOLOGY FUND	SHRIMP MARKETING AND PROMOTION ACCOUNT	SMALL BUSINESS SURETY BONDING FUND	SOUTHERN UNIVERSITY AGCENTER PROGRAM FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	--	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	39,253	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	39,253	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(39,253)	--	--	--	--
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	39,253	352	108	408	750
TRANSFERS OUT	--	--	(120)	(1,167)	--
TOTAL OTHER FINANCING SOURCES (USES)	39,253	352	(12)	(759)	750
NET CHANGE IN FUND BALANCES	--	352	(12)	(759)	750
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	--	171	385	892	--
FUND BALANCES AT END OF YEAR	\$ --	\$ 523	\$ 373	\$ 133	\$ 750

(Continued)

State of Louisiana

SPECIAL REVENUE FUNDS

SPORTS FACILITY ASSISTANCE FUND	STATE HIGHWAY FUND #2	STATE REVENUE SHARING FUND	STRUCTURAL PEST CONTROL COMMISSION FUND	SUPPORT EDUCATION IN LOUISIANA FIRST FUND	SWEET POTATO PESTS & DISEASES FUND	TAX COMMISSION EXPENSE FUND	TELECOMMUN- ICATIONS FOR THE DEAF FUND
\$ --	\$ 10,330	\$ --	\$ 87	\$ 2,111	\$ 4	\$ 255	\$ 7,034
--	646	--	--	--	--	--	--
56	--	--	109	2,433	--	--	299
--	--	--	--	--	--	--	--
<u>56</u>	<u>10,976</u>	<u>--</u>	<u>196</u>	<u>4,544</u>	<u>4</u>	<u>255</u>	<u>7,333</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
56	--	--	--	1,738	4	--	453
--	10,976	--	--	2,870	--	--	--
--	--	--	--	--	--	--	--
56	10,976	--	--	4,608	4	--	453
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--
--	--	--	196	(64)	--	255	6,880
--	--	--	196	(64)	--	255	6,880
<u>56</u>	<u>10,976</u>	<u>--</u>	<u>196</u>	<u>4,544</u>	<u>4</u>	<u>255</u>	<u>7,333</u>

SPORTS FACILITY ASSISTANCE FUND	STATE HIGHWAY FUND #2	STATE REVENUE SHARING FUND	STRUCTURAL PEST CONTROL COMMISSION FUND	SUPPORT EDUCATION IN LOUISIANA FIRST FUND	SWEET POTATO PESTS & DISEASES FUND	TAX COMMISSION EXPENSE FUND	TELECOMMUN- ICATIONS FOR THE DEAF FUND
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--	--	--
--	9,802	--	--	(494)	--	--	--
--	--	--	--	--	--	--	--
--	9,802	--	--	(494)	--	--	--
--	9,802	--	--	--	--	--	--
--	--	--	--	--	--	--	--
844	--	--	--	38,614	--	--	--
844	9,802	--	--	38,614	--	--	--
(844)	--	--	--	(39,108)	--	--	--
900	--	90,000	791	130,886	286	548	1,828
(56)	--	(90,000)	(702)	(96,693)	(286)	(443)	(1,566)
844	--	--	89	34,193	--	105	262
--	--	--	89	(4,915)	--	105	262
--	--	--	107	4,851	--	150	6,618
<u>--</u>	<u>--</u>	<u>--</u>	<u>196</u>	<u>(64)</u>	<u>--</u>	<u>255</u>	<u>6,880</u>

State of Louisiana

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	TELEPHONE COMPANY PROPERTY ASSESSMENT RELIEF FUND	TIDELANDS FUND	TOBACCO TAX HEALTH CARE FUND	TRANSPORTATION TRUST FUND	TRAUMATIC HEAD AND SPINAL CORD INJURY TRUST FUND
ASSETS					
CASH AND CASH EQUIVALENTS	\$ 48,645	\$ 4	\$ 6,664	\$ 193,374	\$ 6,090
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	2,046	--	7,770	81,687	--
AMOUNTS DUE FROM COMPONENT UNITS	--	--	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	44,490	--
OTHER ASSETS	--	--	--	--	--
TOTAL ASSETS	\$ 50,691	\$ 4	\$ 14,434	\$ 319,551	\$ 6,090
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	26,034	--	2,311	80,688	273
AMOUNTS DUE TO COMPONENT UNITS	--	--	10,380	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	26,034	--	12,691	80,688	273
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	--	--	13,828	--
CONTINUING PROJECTS	--	--	--	207,451	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	--	--	528	--
UNDESIGNATED	24,657	4	1,743	17,056	5,817
TOTAL FUND BALANCES	24,657	4	1,743	238,863	5,817
TOTAL LIABILITIES AND FUND BALANCES	\$ 50,691	\$ 4	\$ 14,434	\$ 319,551	\$ 6,090

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	TELEPHONE COMPANY PROPERTY ASSESSMENT RELIEF FUND	TIDELANDS FUND	TOBACCO TAX HEALTH CARE FUND	TRANSPORTATION TRUST FUND	TRAUMATIC HEAD AND SPINAL CORD INJURY TRUST FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ 487,993	\$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	(341)	--	--	(1,471)	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	(341)	--	--	486,522	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	32,997	--	--
TOTAL EXPENDITURES	--	--	32,997	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(341)	--	(32,997)	486,522	--
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	16,058	--	43,619	515,357	1,555
TRANSFERS OUT	(26,034)	--	(15,458)	(1,001,883)	(1,262)
TOTAL OTHER FINANCING SOURCES (USES)	(9,976)	--	28,161	(486,526)	293
NET CHANGE IN FUND BALANCES	(10,317)	--	(4,836)	(4)	293
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	34,974	4	6,579	238,867	5,524
FUND BALANCES AT END OF YEAR	\$ 24,657	\$ 4	\$ 1,743	\$ 238,863	\$ 5,817

(Continued)

State of Louisiana

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2004

SPECIAL REVENUE FUNDS

(EXPRESSED IN THOUSANDS)

	WEIGHTS AND MEASURES FUND	WETLANDS CONSERVATION AND RESTORATION FUND	WHITE TAIL DEER ACCOUNT	WILDLIFE HABITAT AND NATURAL HERITAGE TRUST FUND	YOUTHFUL OFFENDER MANAGEMENT FUND
ASSETS					
CASH AND CASH EQUIVALENTS	\$ 21	\$ 79,585	\$ 8	\$ 3,080	\$ 3,000
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
DUE FROM OTHER FUNDS	22	24,080	--	3	5
AMOUNTS DUE FROM COMPONENT UNITS	--	--	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
OTHER ASSETS	--	--	--	--	--
TOTAL ASSETS	\$ 43	\$ 103,665	\$ 8	\$ 3,083	\$ 3,005
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ --	\$ --	\$ --	\$ --
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--
DUE TO OTHER FUNDS	43	--	--	--	5
AMOUNTS DUE TO COMPONENT UNITS	--	--	--	--	--
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--
OTHER LIABILITIES	--	--	--	--	--
TOTAL LIABILITIES	43	--	--	--	5
FUND BALANCES:					
RESERVED FOR:					
DEBT SERVICE	--	--	--	--	--
ENCUMBRANCES	--	16,899	--	--	--
CONTINUING PROJECTS	--	--	--	--	--
CONSTRUCTION	--	--	--	--	--
BUILDING TRUST	--	--	--	--	--
TRUST PRINCIPAL	--	--	--	--	--
OTHER	--	--	--	--	--
UNRESERVED:					
DESIGNATED FOR:					
OTHER	--	200	--	--	--
UNDESIGNATED	--	86,566	8	3,083	3,000
TOTAL FUND BALANCES	--	103,665	8	3,083	3,000
TOTAL LIABILITIES AND FUND BALANCES	\$ 43	\$ 103,665	\$ 8	\$ 3,083	\$ 3,005

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	WEIGHTS AND MEASURES FUND	WETLANDS CONSERVATION AND RESTORATION FUND	WHITE TAIL DEER ACCOUNT	WILDLIFE HABITAT AND NATURAL HERITAGE TRUST FUND	YOUTHFUL OFFENDER MANAGEMENT FUND
REVENUES:					
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--
TOBACCO SETTLEMENT	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	(785)	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--
SALES OF COMMODITIES AND SERVICES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL REVENUES	--	(785)	--	--	--
EXPENDITURES:					
INTERGOVERNMENTAL	--	--	--	--	--
CAPITAL OUTLAY	--	--	--	--	--
DEBT SERVICE:					
PRINCIPAL RETIREMENT	--	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--	--
OTHER	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	--	(785)	--	--	--
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	1,683	28,635	2	2,316	2,352
TRANSFERS OUT	(1,683)	(31,244)	--	(248)	(854)
TOTAL OTHER FINANCING SOURCES (USES)	--	(2,609)	2	2,068	1,498
NET CHANGE IN FUND BALANCES	--	(3,394)	2	2,068	1,498
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	--	107,059	6	1,015	1,502
FUND BALANCES AT END OF YEAR	\$ --	\$ 103,665	\$ 8	\$ 3,083	\$ 3,000

(Continued)

State of Louisiana

DEBT SERVICE FUNDS				CAPITAL PROJECTS FUND		PERMANENT FUNDS	
TOTAL SPECIAL REVENUE FUNDS JUNE 30, 2004	TOBACCO SETTLEMENT FINANCING CORPORATION	TRANSPORTATION INFRASTRUCTURE MODEL FOR ECONOMIC DEVELOPMENT	TOTAL DEBT SERVICE FUNDS JUNE 30, 2004	CAPITAL OUTLAY ESCROW FUND	EDUCATION EXCELLENCE FUND	FULLER-EDWARDS ARBORETUM TRUST FUND	
\$ 1,504,424	\$ 194	\$ 404,848	\$ 405,042	\$ 160,564	\$ 58,243	\$ 183	
244,308	136,123	3,018	139,141	71,550	410,530	--	
16,603	123	--	123	9,155	1,288	--	
299,656	--	19,873	19,873	82,070	--	--	
456	--	--	--	--	--	--	
44,490	--	--	--	--	--	--	
--	--	--	--	3,359	--	--	
<u>\$ 2,109,937</u>	<u>\$ 136,440</u>	<u>\$ 427,739</u>	<u>\$ 564,179</u>	<u>\$ 326,698</u>	<u>\$ 470,061</u>	<u>\$ 183</u>	
\$ 20,306	\$ 18	\$ --	\$ 18	\$ --	\$ --	\$ --	
--	--	--	--	104,071	--	--	
199,961	--	12,226	12,226	5,557	--	--	
37,193	--	--	--	--	--	--	
41,267	--	--	--	--	--	--	
--	8,161	--	8,161	--	--	--	
--	--	--	--	--	--	--	
<u>298,727</u>	<u>8,179</u>	<u>12,226</u>	<u>20,405</u>	<u>109,628</u>	<u>--</u>	<u>--</u>	
1,295	128,261	--	128,261	--	--	--	
68,463	--	--	--	--	--	--	
207,451	--	--	--	--	--	--	
--	--	415,513	415,513	216,866	--	--	
--	--	--	--	--	--	--	
16,622	--	--	--	--	91,386	100	
--	--	--	--	--	--	--	
20,362	--	--	--	204	8,830	--	
<u>1,497,017</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>369,845</u>	<u>83</u>	
<u>1,811,210</u>	<u>128,261</u>	<u>415,513</u>	<u>543,774</u>	<u>217,070</u>	<u>470,061</u>	<u>183</u>	
<u>\$ 2,109,937</u>	<u>\$ 136,440</u>	<u>\$ 427,739</u>	<u>\$ 564,179</u>	<u>\$ 326,698</u>	<u>\$ 470,061</u>	<u>\$ 183</u>	

TOTAL SPECIAL REVENUE FUNDS JUNE 30, 2004	TOBACCO SETTLEMENT FINANCING CORPORATION	TRANSPORTATION INFRASTRUCTURE MODEL FOR ECONOMIC DEVELOPMENT	TOTAL DEBT SERVICE FUNDS JUNE 30, 2004	CAPITAL OUTLAY ESCROW FUND	EDUCATION EXCELLENCE FUND	FULLER-EDWARDS ARBORETUM TRUST FUND	
\$ 500,678	\$ --	\$ --	\$ --	\$ 83,332	\$ --	\$ --	
73,258	--	51,700	51,700	--	--	--	
--	84,973	--	84,973	--	--	--	
50,421	5,127	(1,489)	3,638	1,326	(11,541)	2	
49,797	--	--	--	--	--	--	
--	--	--	--	--	--	--	
3,052	--	--	--	--	31,713	--	
<u>677,206</u>	<u>90,100</u>	<u>50,211</u>	<u>140,311</u>	<u>84,658</u>	<u>20,172</u>	<u>2</u>	
91,084	--	--	--	--	--	--	
--	--	--	--	1,126,958	--	--	
276	25,035	37,175	62,210	--	--	--	
80	66,800	14,525	81,325	--	--	--	
138,143	257	1	258	--	52,513	1	
<u>229,583</u>	<u>92,092</u>	<u>51,701</u>	<u>143,793</u>	<u>1,126,958</u>	<u>52,513</u>	<u>1</u>	
447,623	(1,992)	(1,490)	(3,482)	(1,042,300)	(32,341)	1	
2,320,022	--	64,765	64,765	807,981	27,114	--	
(2,421,542)	--	(155,044)	(155,044)	(24,393)	(30,493)	--	
<u>(101,520)</u>	<u>--</u>	<u>(90,279)</u>	<u>(90,279)</u>	<u>783,588</u>	<u>(3,379)</u>	<u>--</u>	
346,103	(1,992)	(91,769)	(93,761)	(258,712)	(35,720)	1	
<u>1,465,107</u>	<u>130,253</u>	<u>507,282</u>	<u>637,535</u>	<u>475,782</u>	<u>505,781</u>	<u>182</u>	
<u>\$ 1,811,210</u>	<u>\$ 128,261</u>	<u>\$ 415,513</u>	<u>\$ 543,774</u>	<u>\$ 217,070</u>	<u>\$ 470,061</u>	<u>\$ 183</u>	

State of Louisiana

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS

PERMANENT FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	HEALTH EXCELLENCE FUND	W. R. IRBY BEQUEST FUND	LIFETIME LICENSE ENDOWMENT TRUST FUND	TOPS FUND	TOTAL PERMANENT FUNDS JUNE 30, 2004	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS						
CASH AND CASH EQUIVALENTS	\$ 3,591	\$ 2,631	\$ 3,145	\$ 2,041	\$ 69,834	\$ 2,139,864
INVESTMENTS	377,358	--	8,716	377,358	1,173,962	1,628,961
RECEIVABLES (NET)	--	--	--	--	1,288	27,169
DUE FROM OTHER FUNDS	--	--	33	--	33	401,632
AMOUNTS DUE FROM COMPONENT UNITS	--	--	--	--	--	456
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--	44,490
OTHER ASSETS	--	--	--	--	--	3,359
TOTAL ASSETS	\$ 380,949	\$ 2,631	\$ 11,894	\$ 379,399	\$ 1,245,117	\$ 4,245,931
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
ACCOUNTS PAYABLE AND ACCRUALS	\$ --	\$ 4	\$ --	\$ --	\$ 4	\$ 20,328
CONTRACTS AND RETAINAGE PAYABLE	--	--	--	--	--	104,071
DUE TO OTHER FUNDS	9	--	--	9	18	217,762
AMOUNTS DUE TO COMPONENT UNITS	38	--	--	--	38	37,231
DUE TO LOCAL GOVERNMENTS	--	--	--	--	--	41,267
MATURED BONDS AND INTEREST PAYABLE	--	--	--	--	--	8,161
OTHER LIABILITIES	--	51	--	--	51	51
TOTAL LIABILITIES	47	55	--	9	111	428,871
FUND BALANCES:						
RESERVED FOR:						
DEBT SERVICE	--	--	--	--	--	129,556
ENCUMBRANCES	--	--	--	--	--	68,463
CONTINUING PROJECTS	--	--	--	--	--	207,451
CONSTRUCTION	--	--	--	--	--	632,379
BUILDING TRUST	--	707	--	--	707	707
TRUST PRINCIPAL	--	--	11,894	--	11,994	11,994
OTHER	--	183	--	--	91,589	108,191
UNRESERVED:						
DESIGNATED FOR:						
OTHER	8,830	--	--	8,830	26,490	47,056
UNDESIGNATED	372,072	1,686	--	370,560	1,114,246	2,611,263
TOTAL FUND BALANCES	380,902	2,576	11,894	379,390	1,245,006	3,817,060
TOTAL LIABILITIES AND FUND BALANCES	\$ 380,949	\$ 2,631	\$ 11,894	\$ 379,399	\$ 1,245,117	\$ 4,245,931

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	HEALTH EXCELLENCE FUND	W. R. IRBY BEQUEST FUND	LIFETIME LICENSE ENDOWMENT TRUST FUND	TOPS FUND	TOTAL PERMANENT FUNDS JUNE 30, 2004	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES:						
INTERGOVERNMENTAL REVENUES	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 584,010
TAXES	--	--	--	--	--	124,958
TOBACCO SETTLEMENT	--	--	--	--	--	84,973
USE OF MONEY AND PROPERTY	(10,357)	1,258	(98)	(10,356)	(31,092)	24,293
LICENSES, PERMITS, AND FEES	--	--	--	--	--	49,797
SALES OF COMMODITIES AND SERVICES	--	13	--	--	13	13
OTHER	--	--	--	--	31,713	34,765
TOTAL REVENUES	(10,357)	1,271	(98)	(10,356)	634	902,809
EXPENDITURES:						
INTERGOVERNMENTAL	--	--	--	--	--	91,084
CAPITAL OUTLAY	--	--	--	--	--	1,126,958
DEBT SERVICE:						
PRINCIPAL RETIREMENT	--	--	--	--	--	62,486
INTEREST AND FISCAL CHARGES	--	--	--	--	--	81,405
OTHER	4,526	1,127	--	--	58,167	196,568
TOTAL EXPENDITURES	4,526	1,127	--	--	58,167	1,558,501
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(14,883)	144	(98)	(10,356)	(57,533)	(655,692)
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	27,313	--	1,284	27,313	83,024	3,275,792
TRANSFERS OUT	(8,585)	--	--	(11,932)	(51,010)	(2,651,989)
TOTAL OTHER FINANCING SOURCES (USES)	18,728	--	1,284	15,381	32,014	623,803
NET CHANGE IN FUND BALANCES	3,845	144	1,186	5,025	(25,519)	(31,889)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	377,057	2,432	10,708	374,365	1,270,525	3,848,949
FUND BALANCES AT END OF YEAR	\$ 380,902	\$ 2,576	\$ 11,894	\$ 379,390	\$ 1,245,006	\$ 3,817,060

(Concluded)



State of Louisiana

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND

CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	FEDERAL ENERGY SETTLEMENT FUND			LABOR WORKFORCE DEVELOPMENT TRAINING ACCOUNT		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	41,290	43,199	1,909
USE OF MONEY AND PROPERTY	19,685	77	(19,608)	--	508	508
LICENSES, PERMITS, AND FEES	--	--	--	--	--	--
OTHER	--	2	2	--	--	--
TOTAL REVENUES	19,685	79	(19,606)	41,290	43,707	2,417
EXPENDITURES:						
INTERGOVERNMENTAL	--	--	--	--	--	--
OTHER	--	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	19,685	79	(19,606)	41,290	43,707	2,417
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	--	--	--	--	--	--
TRANSFERS OUT	(19,685)	(7,299)	12,386	(41,290)	(35,177)	6,113
TOTAL OTHER FINANCING SOURCES (USES)	(19,685)	(7,299)	12,386	(41,290)	(35,177)	6,113
NET CHANGES IN FUND BALANCES	\$ --	\$ (7,220)	\$ (7,220)	\$ --	\$ 8,530	\$ 8,530

	LOUISIANA TOURISM PROMOTION DISTRICT			MARSH ISLAND OPERATING FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	17,500	20,419	2,919	--	--	--
USE OF MONEY AND PROPERTY	--	7	7	988	1,327	339
LICENSES, PERMITS, AND FEES	--	--	--	--	--	--
OTHER	--	6	6	--	--	--
TOTAL REVENUES	17,500	20,432	2,932	988	1,327	339
EXPENDITURES:						
INTERGOVERNMENTAL	--	--	--	--	--	--
OTHER	--	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	17,500	20,432	2,932	988	1,327	339
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	--	2,001	2,001	--	562	562
TRANSFERS OUT	(17,500)	(19,056)	(1,556)	(988)	(1,889)	(901)
TOTAL OTHER FINANCING SOURCES (USES)	(17,500)	(17,055)	445	(988)	(1,327)	(339)
NET CHANGES IN FUND BALANCES	\$ --	\$ 3,377	\$ 3,377	\$ --	\$ --	\$ --

(Continued)

State of Louisiana

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND

CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	PARISH ROYALTY FUND			RETIREMENT SYSTEM INSURANCE PROCEEDS FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--	--
USE OF MONEY AND PROPERTY	39,800	42,029	2,229	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	39,200	37,885	(1,315)
OTHER	--	--	--	--	--	--
TOTAL REVENUES	39,800	42,029	2,229	39,200	37,885	(1,315)
EXPENDITURES:						
INTERGOVERNMENTAL	39,800	42,029	(2,229)	--	--	--
OTHER	--	--	--	39,200	21,770	17,430
TOTAL EXPENDITURES	39,800	42,029	(2,229)	39,200	21,770	17,430
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	--	--	--	16,115	16,115
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	--	--	--	--	--	--
TRANSFERS OUT	--	--	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	--	--	--	--	--	--
NET CHANGES IN FUND BALANCES	\$ --	\$ --	\$ --	\$ --	\$ 16,115	\$ 16,115

	ROCKEFELLER REFUGE FUND			SEVERANCE TAX FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
TAXES	--	--	--	--	--	--
USE OF MONEY AND PROPERTY	5,427	2,271	(3,156)	--	--	--
LICENSES, PERMITS, AND FEES	--	--	--	--	--	--
OTHER	--	1,456	1,456	--	--	--
TOTAL REVENUES	5,427	3,727	(1,700)	--	--	--
EXPENDITURES:						
INTERGOVERNMENTAL	--	--	--	42,600	39,253	3,347
OTHER	--	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	42,600	39,253	3,347
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	5,427	3,727	(1,700)	(42,600)	(39,253)	3,347
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	--	--	--	42,600	39,253	(3,347)
TRANSFERS OUT	(5,427)	(3,730)	1,697	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	(5,427)	(3,730)	1,697	42,600	39,253	(3,347)
NET CHANGES IN FUND BALANCES	\$ --	\$ (3)	\$ (3)	\$ --	\$ --	\$ --

State of Louisiana

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND

CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BASIS)

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	STATE HIGHWAY FUND NUMBER TWO			TRANSPORTATION TRUST FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL TAXES	\$ --	\$ --	\$ --	\$ 504,896	\$ 487,993	\$ (16,903)
USE OF MONEY AND PROPERTY LICENSES, PERMITS, AND FEES	10,100	9,802	(298)	--	(1,471)	(1,471)
OTHER	--	--	--	--	--	--
TOTAL REVENUES	10,100	9,802	(298)	504,896	486,522	(18,374)
EXPENDITURES:						
INTERGOVERNMENTAL OTHER	10,100	9,802	298	--	--	--
OTHER	--	--	--	--	--	--
TOTAL EXPENDITURES	10,100	9,802	298	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	--	--	504,896	486,522	(18,374)
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	--	--	--	495,220	515,357	20,137
TRANSFERS OUT	--	--	--	(1,000,116)	(1,001,883)	(1,767)
TOTAL OTHER FINANCING SOURCES (USES)	--	--	--	(504,896)	(486,526)	18,370
NET CHANGES IN FUND BALANCES	\$ --	\$ --	\$ --	\$ --	\$ (4)	\$ (4)

	WETLANDS CONSERVATION AND RESTORATION FUND			TOTAL BUDGETED SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL TAXES	\$ --	\$ --	\$ --	\$ 504,896	\$ 487,993	\$ (16,903)
USE OF MONEY AND PROPERTY LICENSES, PERMITS, AND FEES	--	(785)	(785)	58,790	63,618	4,828
OTHER	--	--	--	65,900	43,963	(21,937)
OTHER	--	--	--	49,300	47,687	(1,613)
OTHER	--	--	--	--	1,464	1,464
TOTAL REVENUES	--	(785)	(785)	678,886	644,725	(34,161)
EXPENDITURES:						
INTERGOVERNMENTAL OTHER	--	--	--	92,500	91,084	1,416
OTHER	--	--	--	39,200	21,770	17,430
TOTAL EXPENDITURES	--	--	--	131,700	112,854	18,846
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	(785)	(785)	547,186	531,871	(15,315)
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	25,000	28,635	3,635	562,820	585,808	22,988
TRANSFERS OUT	(25,000)	(31,244)	(6,244)	(1,110,006)	(1,100,278)	9,728
TOTAL OTHER FINANCING SOURCES (USES)	--	(2,609)	(2,609)	(547,186)	(514,470)	32,716
NET CHANGES IN FUND BALANCES	\$ --	\$ (3,394)	\$ (3,394)	\$ --	\$ 17,401	\$ 17,401

(Concluded)



State of Louisiana

COMBINING BALANCE SHEET

NONMAJOR ENTERPRISE FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	BOARDS AND COMMISSIONS	DRINKING WATER REVOLVING LOAN FUND	LOUISIANA CORRECTIONAL FACILITIES CORPORATION	LOUISIANA FEDERAL PROPERTY ASSISTANCE AGENCY	LOUISIANA OFFICE BUILDING CORPORATION
ASSETS					
CURRENT ASSETS:					
CASH AND CASH EQUIVALENTS	\$ 22,394	\$ 4,579	\$ 7,344	\$ 715	\$ 443
INVESTMENTS	1,883	--	--	--	--
RECEIVABLES (NET)	964	439	17	305	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--	--
INVENTORIES (AT COST)	13	--	--	142	--
PREPAYMENTS	34	--	--	--	--
NOTES RECEIVABLE	--	2,012	--	--	--
OTHER CURRENT ASSETS	12	--	2,048	--	--
TOTAL CURRENT ASSETS	25,300	7,030	9,409	1,162	443
NONCURRENT ASSETS:					
RESTRICTED ASSETS					
CASH	1,050	--	--	--	--
INVESTMENTS	--	--	--	--	--
RECEIVABLES	55	--	--	--	--
NOTES RECEIVABLE	--	40,648	--	--	--
CAPITAL ASSETS (NOTE 5)					
LAND	298	--	--	--	--
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	1,294	--	--	9	--
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	472	--	--	12	--
INFRASTRUCTURE	10	--	--	--	--
CONSTRUCTION IN PROGRESS	138	--	--	--	--
OTHER NONCURRENT ASSETS	50	--	--	--	--
TOTAL NONCURRENT ASSETS	3,367	40,648	--	21	--
TOTAL ASSETS	\$ 28,667	\$ 47,678	\$ 9,409	\$ 1,183	\$ 443
LIABILITIES					
CURRENT LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ 1,194	\$ --	\$ --	\$ 35	\$ --
DUE TO OTHER FUNDS	--	--	--	--	--
DEFERRED REVENUES	1,613	--	--	--	--
AMOUNTS HELD IN CUSTODY FOR OTHERS	97	--	--	--	--
OTHER CURRENT LIABILITIES	118	--	--	--	--
CURRENT PORTION OF LONG-TERM LIABILITIES:					
COMPENSATED ABSENCES PAYABLE	144	--	--	--	--
CAPITAL LEASE OBLIGATIONS	12	--	--	--	--
OTHER LONG-TERM LIABILITIES	--	--	59	--	--
TOTAL CURRENT LIABILITIES	3,178	--	59	35	--
NONCURRENT LIABILITIES:					
NONCURRENT PORTION OF LONG-TERM LIABILITIES:					
COMPENSATED ABSENCES PAYABLE	695	--	--	50	--
CAPITAL LEASE OBLIGATIONS	--	--	--	--	--
BONDS PAYABLE	--	--	--	--	--
OTHER LONG-TERM LIABILITIES	21	--	1,187	--	--
TOTAL NONCURRENT LIABILITIES	716	--	1,187	50	--
TOTAL LIABILITIES	3,894	--	1,246	85	--
NET ASSETS:					
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	2,198	--	--	21	--
RESTRICTED FOR DEBT SERVICE	--	--	3,853	--	--
RESTRICTED FOR OTHER SPECIFIC PURPOSES	1,329	--	--	--	--
UNRESTRICTED	21,246	47,678	4,310	1,077	443
TOTAL NET ASSETS	24,773	47,678	8,163	1,098	443
TOTAL LIABILITIES AND NET ASSETS	\$ 28,667	\$ 47,678	\$ 9,409	\$ 1,183	\$ 443

State of Louisiana

LOUISIANA OPPORTUNITY LOAN FUND	LOUISIANA PROPERTY ASSISTANCE AGENCY	MUNICIPAL FACILITIES REVOLVING LOAN FUND	OFFICE FACILITIES CORPORATION	PRISON ENTERPRISES	PUBLIC SAFETY SERVICES CAFETERIAS	DONALD J. THIBODEAUX TRAINING COMPLEX	TOTAL NONMAJOR ENTERPRISE FUNDS
\$ 943	\$ 2,330	\$ 117,782	\$ 40,835	\$ 1,143	\$ 574	\$ 616	\$ 199,698
285	--	--	82,612	--	--	--	84,780
29	109	1,436	4,951	2,119	30	405	10,804
--	--	66	--	--	--	755	821
--	--	--	--	5,351	24	235	5,765
--	--	--	29	22	--	--	85
734	--	9,291	--	--	--	--	12,037
117	--	--	37	1	--	--	2,215
<u>2,108</u>	<u>2,439</u>	<u>128,575</u>	<u>128,464</u>	<u>8,636</u>	<u>628</u>	<u>2,011</u>	<u>316,205</u>
--	--	--	--	--	--	--	1,050
--	--	--	32,450	--	--	--	32,450
--	--	--	--	--	--	--	55
382	--	180,062	--	--	--	--	221,092
--	695	--	301	--	--	1,245	2,539
--	3,249	--	--	595	--	722	5,869
--	513	--	639	3,619	27	788	6,070
--	--	--	--	--	--	--	10
--	--	--	9,565	821	--	--	10,524
--	--	--	3,476	--	--	--	3,526
<u>382</u>	<u>4,457</u>	<u>180,062</u>	<u>46,431</u>	<u>5,035</u>	<u>27</u>	<u>2,755</u>	<u>283,185</u>
<u>\$ 2,490</u>	<u>\$ 6,896</u>	<u>\$ 308,637</u>	<u>\$ 174,895</u>	<u>\$ 13,671</u>	<u>\$ 655</u>	<u>\$ 4,766</u>	<u>\$ 599,390</u>
\$ 3	\$ 331	\$ --	\$ 2,788	\$ 3,129	\$ 65	\$ 678	\$ 8,223
2,250	--	79	--	--	1	7	2,337
--	--	--	799	6	--	--	2,418
--	--	--	--	--	--	--	97
--	--	--	4,378	--	--	--	4,496
--	12	--	--	104	4	13	277
--	--	--	--	42	--	--	54
--	--	--	--	--	--	--	59
<u>2,253</u>	<u>343</u>	<u>79</u>	<u>7,965</u>	<u>3,281</u>	<u>70</u>	<u>698</u>	<u>17,961</u>
--	112	--	--	303	64	348	1,572
--	--	--	--	20	--	--	20
--	--	--	115,000	--	--	--	115,000
--	--	--	32,261	--	--	--	33,469
--	112	--	147,261	323	64	348	150,061
<u>2,253</u>	<u>455</u>	<u>79</u>	<u>155,226</u>	<u>3,604</u>	<u>134</u>	<u>1,046</u>	<u>168,022</u>
--	4,457	--	940	4,973	27	2,755	15,371
--	--	--	32,553	--	--	--	36,406
--	--	--	--	--	--	--	1,329
237	1,984	308,558	(13,824)	5,094	494	965	378,262
<u>237</u>	<u>6,441</u>	<u>308,558</u>	<u>19,669</u>	<u>10,067</u>	<u>521</u>	<u>3,720</u>	<u>431,368</u>
<u>\$ 2,490</u>	<u>\$ 6,896</u>	<u>\$ 308,637</u>	<u>\$ 174,895</u>	<u>\$ 13,671</u>	<u>\$ 655</u>	<u>\$ 4,766</u>	<u>\$ 599,390</u>

State of Louisiana

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS

NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	BOARDS AND COMMISSIONS	DRINKING WATER REVOLVING LOAN FUND	LOUISIANA CORRECTIONAL FACILITIES CORPORATION	LOUISIANA FEDERAL PROPERTY ASSISTANCE AGENCY	LOUISIANA OFFICE BUILDING CORPORATION
OPERATING REVENUES:					
SALES OF COMMODITIES AND SERVICES	\$ 2,790	\$ --	\$ --	\$ 3,072	\$ --
ASSESSMENTS	4,331	--	--	--	--
USE OF MONEY AND PROPERTY	13	1,356	15	--	--
LICENSES, PERMITS, AND FEES	17,162	--	--	--	--
OTHER	636	189	--	--	--
TOTAL OPERATING REVENUES	<u>24,932</u>	<u>1,545</u>	<u>15</u>	<u>3,072</u>	<u>--</u>
OPERATING EXPENSES:					
COST OF SALES AND SERVICES	11,475	--	--	2,200	--
ADMINISTRATIVE	12,345	--	904	826	2,107
DEPRECIATION	223	--	--	27	--
AMORTIZATION	--	--	184	--	--
TOTAL OPERATING EXPENSES	<u>24,043</u>	<u>--</u>	<u>1,088</u>	<u>3,053</u>	<u>2,107</u>
OPERATING INCOME (LOSS)	<u>889</u>	<u>1,545</u>	<u>(1,073)</u>	<u>19</u>	<u>(2,107)</u>
NONOPERATING REVENUES (EXPENSES):					
INTERGOVERNMENTAL EXPENSES	(1,459)	--	--	--	--
USE OF MONEY AND PROPERTY	132	--	3,398	9	5
GAIN ON DISPOSAL OF FIXED ASSETS	1	--	--	--	--
LOSS ON DISPOSAL OF FIXED ASSETS	--	--	(161)	--	--
FEDERAL GRANTS	3	--	--	--	--
INTEREST EXPENSE	(2)	--	(1,537)	--	--
OTHER REVENUES	152	--	--	--	--
OTHER EXPENSES	(52)	(79)	--	--	--
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(1,225)</u>	<u>(79)</u>	<u>1,700</u>	<u>9</u>	<u>5</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(336)	1,466	627	28	(2,102)
CAPITAL CONTRIBUTIONS					
TRANSFERS IN	--	9,530	--	--	--
TRANSFERS OUT	--	--	--	--	--
CHANGE IN NET ASSETS	(336)	10,996	627	28	(2,102)
TOTAL NET ASSETS - BEGINNING AS RESTATED	<u>25,109</u>	<u>36,682</u>	<u>7,536</u>	<u>1,070</u>	<u>2,545</u>
TOTAL NET ASSETS - ENDING	<u>\$ 24,773</u>	<u>\$ 47,678</u>	<u>\$ 8,163</u>	<u>\$ 1,098</u>	<u>\$ 443</u>

State of Louisiana

LOUISIANA OPPORTUNITY LOAN FUND	LOUISIANA PROPERTY ASSISTANCE AGENCY	MUNICIPAL FACILITIES REVOLVING LOAN FUND	OFFICE FACILITIES CORPORATION	PRISON ENTERPRISES	PUBLIC SAFETY SERVICES CAFETERIAS	DONALD J. THIBODEAUX TRAINING COMPLEX	TOTAL NONMAJOR ENTERPRISE FUNDS
\$ --	\$ 3,854	\$ --	\$ --	\$ 21,209	\$ 1,094	\$ 9,734	\$ 41,753
--	--	--	--	--	--	--	4,331
1,678	--	6,424	16,946	--	--	--	26,432
--	--	--	--	--	--	--	17,162
--	--	849	--	--	--	--	1,674
<u>1,678</u>	<u>3,854</u>	<u>7,273</u>	<u>16,946</u>	<u>21,209</u>	<u>1,094</u>	<u>9,734</u>	<u>91,352</u>
--	665	--	--	11,685	868	--	26,893
30	2,721	--	21,433	8,677	788	10,834	60,665
--	330	--	73	795	13	544	2,005
37	--	--	41	--	--	--	262
<u>67</u>	<u>3,716</u>	<u>--</u>	<u>21,547</u>	<u>21,157</u>	<u>1,669</u>	<u>11,378</u>	<u>89,825</u>
<u>1,611</u>	<u>138</u>	<u>7,273</u>	<u>(4,601)</u>	<u>52</u>	<u>(575)</u>	<u>(1,644)</u>	<u>1,527</u>
--	--	--	--	(1,000)	--	--	(2,459)
9	23	--	14,030	13	9	8	17,636
--	--	--	--	--	--	--	1
--	(16)	--	--	(164)	(6)	(75)	(422)
--	--	--	--	--	--	--	3
(30)	--	(14)	(12,497)	(1)	--	--	(14,081)
--	1	--	--	270	--	351	774
<u>(1,564)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(1,695)</u>
<u>(1,585)</u>	<u>8</u>	<u>(14)</u>	<u>1,533</u>	<u>(882)</u>	<u>3</u>	<u>284</u>	<u>(243)</u>
26	146	7,259	(3,068)	(830)	(572)	(1,360)	1,284
--	--	20,811	--	--	--	--	30,341
--	--	--	1,272	--	--	--	1,272
--	--	(883)	--	--	--	--	(883)
26	146	27,187	(1,796)	(830)	(572)	(1,360)	32,014
<u>211</u>	<u>6,295</u>	<u>281,371</u>	<u>21,465</u>	<u>10,897</u>	<u>1,093</u>	<u>5,080</u>	<u>399,354</u>
<u>\$ 237</u>	<u>\$ 6,441</u>	<u>\$ 308,558</u>	<u>\$ 19,669</u>	<u>\$ 10,067</u>	<u>\$ 521</u>	<u>\$ 3,720</u>	<u>\$ 431,368</u>

State of Louisiana

COMBINING STATEMENT OF CASH FLOWS

NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	BOARDS AND COMMISSIONS	DRINKING WATER REVOLVING LOAN FUND	LOUISIANA CORRECTIONAL FACILITIES CORPORATION	LOUISIANA FEDERAL PROPERTY ASSISTANCE AGENCY	LOUISIANA OFFICE BUILDING CORPORATION
CASH FLOWS FROM OPERATING ACTIVITIES:					
CASH RECEIVED FROM CUSTOMERS	\$ 24,314	\$ 3,135	\$ 21	\$ 2,972	\$ --
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(12,802)	--	(922)	(2,554)	(3,198)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(10,135)	--	--	(505)	--
INTERNAL ACTIVITY-PAYMENTS TO OTHER FUNDS	(1,459)	--	--	--	--
CLAIMS PAID TO OUTSIDERS	--	(11,936)	--	--	--
OTHER OPERATING REVENUES (EXPENSES)	(235)	52	--	--	--
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(317)</u>	<u>(8,749)</u>	<u>(901)</u>	<u>(87)</u>	<u>(3,198)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
STATE APPROPRIATIONS	75	--	--	--	--
PRINCIPAL PAID ON BONDS	--	--	--	--	--
INTEREST PAID ON BOND MATURITIES	--	--	--	--	--
OTHER	(62)	--	--	--	--
TRANSFERS IN	--	--	5,936	--	--
TRANSFERS OUT	--	--	--	--	--
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>13</u>	<u>--</u>	<u>5,936</u>	<u>--</u>	<u>--</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
PROCEEDS FROM SALE OF BONDS	--	2,422	--	--	--
PRINCIPAL PAID ON BONDS	--	(2,500)	(4,410)	--	--
INTEREST PAID ON BOND MATURITIES	--	--	(1,526)	--	--
PRINCIPAL PAID ON NOTES PAYABLE	--	--	--	--	--
INTEREST PAID ON NOTES PAYABLE	--	--	--	--	--
ACQUISITION/CONSTRUCTION OF CAPITAL ASSETS	(414)	--	--	--	--
PROCEEDS FROM SALE OF CAPITAL ASSETS	--	--	--	--	--
CAPITAL CONTRIBUTIONS	--	9,530	--	--	--
OTHER	(100)	--	2,357	--	--
NET CASH PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(514)</u>	<u>9,452</u>	<u>(3,579)</u>	<u>--</u>	<u>--</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
PURCHASES OF INVESTMENT SECURITIES	(1)	--	--	--	--
PROCEEDS FROM SALE OF INVESTMENT SECURITIES	98	--	--	--	--
INTEREST AND DIVIDENDS EARNED ON INVESTMENT SECURITIES	152	--	85	9	5
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>249</u>	<u>--</u>	<u>85</u>	<u>9</u>	<u>5</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(569)	703	1,541	(78)	(3,193)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	24,013	3,876	5,803	793	3,636
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 23,444</u>	<u>\$ 4,579</u>	<u>\$ 7,344</u>	<u>\$ 715</u>	<u>\$ 443</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
OPERATING INCOME (LOSS)	\$ 889	\$ 1,545	\$ (1,073)	\$ 19	\$ (2,107)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:					
DEPRECIATION	226	--	184	27	--
PROVISION FOR UNCOLLECTIBLE ACCOUNTS	26	--	--	--	--
OTHER	(5)	--	(412)	--	--
CHANGES IN ASSETS AND LIABILITIES:					
(INCREASE)DECREASE IN ACCOUNTS RECEIVABLE	(1)	(96)	(3)	(100)	--
(INCREASE)DECREASE IN DUE FROM OTHER FUNDS	--	(2)	--	--	--
(INCREASE)DECREASE IN PREPAYMENTS	(15)	--	--	--	--
(INCREASE)DECREASE IN INVENTORIES	(3)	--	--	(45)	--
(INCREASE)DECREASE IN OTHER ASSETS	3	(10,196)	469	--	--
INCREASE(DECREASE) IN ACCOUNTS PAYABLE	(256)	--	--	10	(1,091)
INCREASE(DECREASE) IN ACCRUED PAYROLL AND RELATED	127	--	--	--	--
INCREASE(DECREASE) IN COMPENSATED ABSENCES PAYABLE	72	--	--	2	--
INCREASE(DECREASE) IN DUE TO OTHER FUNDS	(1,454)	--	--	--	--
INCREASE(DECREASE) IN DEFERRED REVENUES	25	--	--	--	--
INCREASE(DECREASE) IN OTHER LIABILITIES	49	--	(66)	--	--
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (317)</u>	<u>\$ (8,749)</u>	<u>\$ (901)</u>	<u>\$ (87)</u>	<u>\$ (3,198)</u>

(Continued)

State of Louisiana

LOUISIANA OPPORTUNITY LOAN FUND	LOUISIANA PROPERTY ASSISTANCE AGENCY	MUNICIPAL FACILITIES REVOLVING LOAN FUND	OFFICE FACILITIES CORPORATION	PRISON ENTERPRISES	PUBLIC SAFETY SERVICES CAFETERIA	DONALD J. THIBODEAUX TRAINING COMPLEX	TOTAL NONMAJOR ENTERPRISE FUNDS
\$ 534	\$ 3,850	\$ 68,893	\$ 16,183	\$ 20,324	\$ 1,330	\$ 9,102	\$ 150,658
(34)	(1,683)	--	(21,364)	(15,430)	(1,066)	(8,379)	(67,432)
--	(1,545)	--	--	(4,376)	(632)	(3,051)	(20,244)
--	--	--	--	--	--	--	(1,459)
--	--	(38,553)	--	--	--	--	(50,489)
--	--	163	--	--	--	--	(20)
<u>500</u>	<u>622</u>	<u>30,503</u>	<u>(5,181)</u>	<u>518</u>	<u>(368)</u>	<u>(2,328)</u>	<u>11,014</u>
--	--	--	--	--	--	--	75
(685)	--	--	--	--	--	--	(685)
(30)	--	--	--	--	--	--	(30)
--	--	--	--	--	7	--	(55)
--	--	--	2,545	--	--	--	8,481
--	--	(878)	--	--	--	--	(878)
<u>(715)</u>	<u>--</u>	<u>(878)</u>	<u>2,545</u>	<u>--</u>	<u>7</u>	<u>--</u>	<u>6,908</u>
--	--	--	118,756	--	--	--	121,178
--	--	--	(15,700)	--	--	--	(22,610)
--	--	(14)	(15,342)	--	--	--	(16,882)
--	--	--	--	(40)	--	--	(40)
--	--	--	--	(2)	--	--	(2)
--	(74)	--	(17,171)	(1,230)	(15)	(229)	(19,133)
--	15	--	--	414	--	--	429
--	--	20,807	--	(65)	--	--	30,272
--	1	--	24,521	--	--	271	27,050
<u>--</u>	<u>(58)</u>	<u>20,793</u>	<u>95,064</u>	<u>(923)</u>	<u>(15)</u>	<u>42</u>	<u>120,262</u>
(312)	--	--	(140,335)	--	--	--	(140,648)
912	--	--	55,874	--	--	--	56,884
29	23	--	2,717	13	8	8	3,049
<u>629</u>	<u>23</u>	<u>--</u>	<u>(81,744)</u>	<u>13</u>	<u>8</u>	<u>8</u>	<u>(80,715)</u>
414	587	50,418	10,684	(392)	(368)	(2,278)	57,469
529	1,743	67,364	30,151	1,535	942	2,894	143,279
<u>\$ 943</u>	<u>\$ 2,330</u>	<u>\$ 117,782</u>	<u>\$ 40,835</u>	<u>\$ 1,143</u>	<u>\$ 574</u>	<u>\$ 616</u>	<u>\$ 200,748</u>
<u>\$ 1,611</u>	<u>\$ 138</u>	<u>\$ 7,273</u>	<u>\$ (4,601)</u>	<u>\$ 52</u>	<u>\$ (575)</u>	<u>\$ (1,644)</u>	<u>\$ 1,527</u>
37	330	--	114	795	13	544	2,270
35	--	--	--	(12)	--	--	49
(1,564)	--	--	--	(881)	--	--	(2,862)
351	37	830	(741)	(874)	236	(208)	(569)
--	--	(67)	--	--	--	(380)	(449)
--	--	--	(12)	(1)	--	--	(28)
--	--	--	--	(376)	(10)	(94)	(528)
57	--	22,467	--	(1)	--	--	12,799
(27)	108	--	57	1,794	(33)	(569)	(7)
--	--	--	--	--	--	--	127
--	9	--	--	20	2	23	128
--	--	--	--	--	(1)	--	(1,455)
--	--	--	2	2	--	--	29
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(17)</u>
<u>\$ 500</u>	<u>\$ 622</u>	<u>\$ 30,503</u>	<u>\$ (5,181)</u>	<u>\$ 518</u>	<u>\$ (368)</u>	<u>\$ (2,328)</u>	<u>\$ 11,014</u>

State of Louisiana

COMBINING STATEMENT OF CASH FLOWS

NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

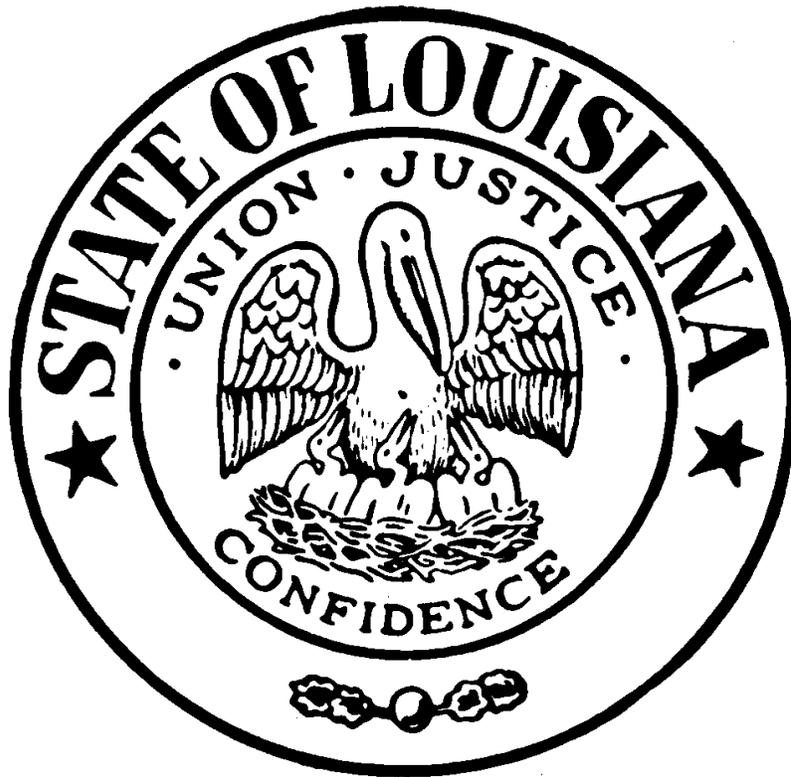
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

2004

LA STATE RADIO AND TV TECHNICIANS BOARD
ASSETS TRADED IN

1

(Concluded)



State of Louisiana

COMBINING BALANCE SHEET

INTERNAL SERVICE FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	ADMINISTRATIVE SERVICES	ADMINISTRATIVE SUPPORT	CENTRAL REGIONAL LAUNDRY
ASSETS			
CURRENT ASSETS:			
CASH AND CASH EQUIVALENTS	\$ 1,323	\$ 395	\$ 307
RECEIVABLES, NET	493	235	42
INVENTORIES	982	133	9
PREPAYMENTS	2	--	--
OTHER CURRENT ASSETS	--	--	--
TOTAL CURRENT ASSETS	2,800	763	358
NONCURRENT ASSETS:			
CAPITAL ASSETS (NOTE 5)			
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	--	--	9
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	819	8	155
TOTAL NONCURRENT ASSETS	819	8	164
TOTAL ASSETS	\$ 3,619	\$ 771	\$ 522
LIABILITIES			
CURRENT LIABILITIES:			
ACCOUNTS PAYABLE AND ACCRUALS	\$ 136	\$ 41	\$ 23
DUE TO OTHER FUNDS	400	--	--
OTHER CURRENT LIABILITIES	--	--	--
CURRENT PORTION OF LONG-TERM LIABILITIES:			
COMPENSATED ABSENCES PAYABLE	8	1	3
NOTES PAYABLE	130	--	--
TOTAL CURRENT LIABILITIES	674	42	26
NONCURRENT LIABILITIES:			
NONCURRENT PORTION OF LONG-TERM LIABILITIES:			
COMPENSATED ABSENCES PAYABLE	126	15	23
NOTES PAYABLE	245	--	--
TOTAL NONCURRENT LIABILITIES	371	15	23
TOTAL LIABILITIES	1,045	57	49
NET ASSETS			
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	444	8	164
UNRESTRICTED	2,130	706	309
TOTAL NET ASSETS	2,574	714	473
TOTAL LIABILITIES AND NET ASSETS	\$ 3,619	\$ 771	\$ 522

State of Louisiana

FLIGHT MAINTENANCE OPERATIONS	JACKSON REGIONAL LAUNDRY	OFFICE OF TELECOMMUNICATIONS MANAGEMENT	TOTAL INTERNAL SERVICE FUNDS
\$ 481	\$ --	\$ 3,483	\$ 5,989
120	66	5,933	6,889
70	2	--	1,196
--	--	--	2
--	100	--	100
671	168	9,416	14,176
--	--	--	9
6	250	4,062	5,300
6	250	4,062	5,309
\$ 677	\$ 418	\$ 13,478	\$ 19,485
\$ 52	\$ 8	\$ 1,159	\$ 1,419
--	100	4	504
--	27	--	27
2	6	22	42
--	--	1,015	1,145
54	141	2,200	3,137
12	55	479	710
--	--	1,659	1,904
12	55	2,138	2,614
66	196	4,338	5,751
6	250	1,388	2,260
605	(28)	7,752	11,474
611	222	9,140	13,734
\$ 677	\$ 418	\$ 13,478	\$ 19,485

State of Louisiana

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS

INTERNAL SERVICE FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	ADMINISTRATIVE SERVICES	ADMINISTRATIVE SUPPORT	CENTRAL REGIONAL LAUNDRY
OPERATING REVENUES:			
SALES OF COMMODITIES AND SERVICES	\$ 4,316	\$ 2,673	\$ 506
OTHER	--	1	--
TOTAL OPERATING REVENUES	<u>4,316</u>	<u>2,674</u>	<u>506</u>
OPERATING EXPENSES:			
COST OF SALES AND SERVICES	1,512	2,050	153
ADMINISTRATIVE	2,656	518	354
DEPRECIATION	<u>219</u>	<u>9</u>	<u>42</u>
TOTAL OPERATING EXPENSES	<u>4,387</u>	<u>2,577</u>	<u>549</u>
OPERATING INCOME (LOSS)	<u>(71)</u>	<u>97</u>	<u>(43)</u>
NONOPERATING REVENUES (EXPENSES):			
USE OF MONEY AND PROPERTY	12	5	3
LOSS ON DISPOSAL OF FIXED ASSETS	(17)	--	--
INTEREST EXPENSES	(5)	--	--
OTHER	<u>8</u>	<u>4</u>	<u>--</u>
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(2)</u>	<u>9</u>	<u>3</u>
CHANGE IN NET ASSETS	(73)	106	(40)
TOTAL NET ASSETS - BEGINNING	<u>2,647</u>	<u>608</u>	<u>513</u>
TOTAL NET ASSETS - ENDING	<u>\$ 2,574</u>	<u>\$ 714</u>	<u>\$ 473</u>

State of Louisiana

FLIGHT MAINTENANCE OPERATIONS	JACKSON REGIONAL LAUNDRY	OFFICE OF TELECOMMUNICATIONS MANAGEMENT	TOTAL INTERNAL SERVICE FUNDS
\$ 938	\$ 760	\$ 57,024	\$ 66,217
<u> --</u>	<u> --</u>	<u> 4</u>	<u> 5</u>
<u> 938</u>	<u> 760</u>	<u> 57,028</u>	<u> 66,222</u>
715	--	45,897	50,327
177	733	8,217	12,655
<u> 4</u>	<u> 50</u>	<u> 1,231</u>	<u> 1,555</u>
<u> 896</u>	<u> 783</u>	<u> 55,345</u>	<u> 64,537</u>
<u> 42</u>	<u> (23)</u>	<u> 1,683</u>	<u> 1,685</u>
5	1	22	48
--	--	(1)	(18)
--	--	(44)	(49)
<u> --</u>	<u> --</u>	<u> --</u>	<u> 12</u>
<u> 5</u>	<u> 1</u>	<u> (23)</u>	<u> (7)</u>
47	(22)	1,660	1,678
<u> 564</u>	<u> 244</u>	<u> 7,480</u>	<u> 12,056</u>
<u>\$ 611</u>	<u>\$ 222</u>	<u>\$ 9,140</u>	<u>\$ 13,734</u>

State of Louisiana

COMBINING STATEMENT OF CASH FLOWS

INTERNAL SERVICE FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	ADMINISTRATIVE SERVICES	ADMINISTRATIVE SUPPORT	CENTRAL REGIONAL LAUNDRY
CASH FLOWS FROM OPERATING ACTIVITIES:			
CASH RECEIVED FROM CUSTOMERS	\$ 4,262	\$ 2,636	\$ 506
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(2,344)	(2,191)	(154)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(1,859)	(322)	(364)
OTHER OPERATING REVENUES (EXPENSES)	--	--	(31)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>59</u>	<u>123</u>	<u>(43)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
OTHER	--	4	--
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>--</u>	<u>4</u>	<u>--</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
PRINCIPAL PAID ON NOTES PAYABLE	(139)	(6)	--
INTEREST PAID ON NOTES PAYABLE	(5)	--	--
ACQUISITION/CONSTRUCTION OF CAPITAL ASSETS	(53)	(2)	--
PROCEEDS FROM SALE OF CAPITAL ASSETS	--	--	--
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(197)</u>	<u>(8)</u>	<u>--</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
INTEREST AND DIVIDENDS EARNED ON INVESTMENT SECURITIES	12	5	3
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>12</u>	<u>5</u>	<u>3</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(126)	124	(40)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>1,449</u>	<u>271</u>	<u>347</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,323</u>	<u>\$ 395</u>	<u>\$ 307</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
OPERATING INCOME (LOSS)	<u>\$ (71)</u>	<u>\$ 97</u>	<u>\$ (43)</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
DEPRECIATION	219	9	42
OTHER	5	--	--
CHANGES IN ASSETS AND LIABILITIES:			
(INCREASE)DECREASE IN ACCOUNTS RECEIVABLE	(57)	(38)	(28)
(INCREASE)DECREASE IN INVENTORIES	(38)	48	(1)
(INCREASE)DECREASE IN OTHER ASSETS	--	--	--
INCREASE(DECREASE) IN ACCOUNTS PAYABLE	26	6	(9)
INCREASE(DECREASE) IN COMPENSATED ABSENCES PAYABLE	(25)	1	(4)
INCREASE(DECREASE) IN DUE TO OTHER FUNDS	--	--	--
INCREASE(DECREASE) IN OTHER LIABILITIES	--	--	--
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 59</u>	<u>\$ 123</u>	<u>\$ (43)</u>

(Continued)

State of Louisiana

FLIGHT MAINTENANCE OPERATIONS	JACKSON REGIONAL LAUNDRY	OFFICE OF TELECOMMUNICATIONS MANAGEMENT	TOTAL INTERNAL SERVICE FUNDS
\$ 1,012	\$ 768	\$ 57,234	\$ 66,418
(745)	(190)	(45,897)	(51,521)
(130)	(579)	(8,222)	(11,476)
<u> --</u>	<u> --</u>	<u> 4</u>	<u> (27)</u>
<u> 137</u>	<u> (1)</u>	<u> 3,119</u>	<u> 3,394</u>
<u> --</u>	<u> --</u>	<u> --</u>	<u> 4</u>
<u> --</u>	<u> --</u>	<u> --</u>	<u> 4</u>
<u> --</u>	<u> --</u>	<u> (936)</u>	<u> (1,081)</u>
<u> --</u>	<u> --</u>	<u> (44)</u>	<u> (49)</u>
<u> --</u>	<u> --</u>	<u> (170)</u>	<u> (225)</u>
<u> --</u>	<u> --</u>	<u> 1</u>	<u> 1</u>
<u> --</u>	<u> --</u>	<u> (1,149)</u>	<u> (1,354)</u>
<u> 5</u>	<u> 1</u>	<u> 22</u>	<u> 48</u>
<u> 5</u>	<u> 1</u>	<u> 22</u>	<u> 48</u>
<u> 142</u>	<u> --</u>	<u> 1,992</u>	<u> 2,092</u>
<u> 339</u>	<u> --</u>	<u> 1,491</u>	<u> 3,897</u>
<u>\$ 481</u>	<u>\$ --</u>	<u>\$ 3,483</u>	<u>\$ 5,989</u>
<u>\$ 42</u>	<u>\$ (23)</u>	<u>\$ 1,683</u>	<u>\$ 1,685</u>
<u> 4</u>	<u> 50</u>	<u> 1,231</u>	<u> 1,555</u>
<u> --</u>	<u> --</u>	<u> --</u>	<u> 5</u>
<u> 75</u>	<u> 13</u>	<u> 210</u>	<u> 175</u>
<u> 2</u>	<u> --</u>	<u> --</u>	<u> 11</u>
<u> --</u>	<u> (100)</u>	<u> --</u>	<u> (100)</u>
<u> 26</u>	<u> (30)</u>	<u> (61)</u>	<u> (42)</u>
<u> (12)</u>	<u> (7)</u>	<u> 56</u>	<u> 9</u>
<u> --</u>	<u> 100</u>	<u> --</u>	<u> 100</u>
<u> --</u>	<u> (4)</u>	<u> --</u>	<u> (4)</u>
<u>\$ 137</u>	<u>\$ (1)</u>	<u>\$ 3,119</u>	<u>\$ 3,394</u>

State of Louisiana

COMBINING STATEMENT OF CASH FLOWS

INTERNAL SERVICE FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

	2004
OFFICE OF TELECOMMUNICATIONS MANAGEMENT	
ASSETS TRADED IN	35
DISPOSAL OF FIXED ASSETS	1

(Concluded)



State of Louisiana

COMBINING STATEMENT OF FIDUCIARY NET ASSETS

PENSION TRUST FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM	LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM	LOUISIANA STATE POLICE RETIREMENT SYSTEM	TEACHERS' RETIREMENT SYSTEM OF LOUISIANA	TOTAL JUNE 30, 2004
ASSETS					
CASH AND CASH EQUIVALENTS	\$ 6,534	\$ 48,822	\$ 170	\$ 30,678	\$ 86,204
RECEIVABLES:					
EMPLOYER CONTRIBUTIONS	3,191	23,542	262	64,692	91,687
MEMBER CONTRIBUTIONS	2,930	11,440	109	48,885	63,364
INVESTMENT PROCEEDS	28,368	8,610	882	33,712	71,572
INTEREST AND DIVIDENDS	5,859	26,364	1,045	40,171	73,439
OTHER	--	684	18	3,837	4,539
TOTAL RECEIVABLES	40,348	70,640	2,316	191,297	304,601
INVESTMENTS (AT FAIR VALUE):					
SHORT TERM INVESTMENTS	94,889	406,659	8,542	910,720	1,420,810
U. S. GOVERNMENT OBLIGATIONS	335,590	453,184	23,818	614,396	1,426,988
BONDS - DOMESTIC	219,862	653,811	102,633	1,045,164	2,021,470
BONDS - INTERNATIONAL	8,851	425,667	924	560,652	996,094
MARKETABLE SECURITIES - DOMESTIC	681,965	2,997,721	145,677	4,926,746	8,752,109
MARKETABLE SECURITIES - INTERNATIONAL	101,320	1,094,008	21,299	1,454,136	2,670,763
COLLATERAL HELD UNDER SECURITIES LENDING PROGRAM	206,596	--	14,667	1,938,171	2,159,434
OTHER	1,700	503,324	--	2,263,185	2,768,209
TOTAL INVESTMENTS	1,650,773	6,534,374	317,560	13,713,170	22,215,877
PROPERTY, PLANT AND EQUIPMENT:					
LAND	977	858	--	858	2,693
BUILDINGS AND IMPROVEMENTS	3,553	5,149	--	5,149	13,851
FURNITURE AND EQUIPMENT	955	8,976	129	3,330	13,390
LESS ACCUMULATED DEPRECIATION	(1,628)	(9,666)	(106)	(4,415)	(15,815)
TOTAL PROPERTY, PLANT AND EQUIPMENT	3,857	5,317	23	4,922	14,119
TOTAL ASSETS	1,701,512	6,659,153	320,069	13,940,067	22,620,801
LIABILITIES					
ACCOUNTS PAYABLE	951	7,924	481	7,097	16,453
INVESTMENT COMMITMENTS PAYABLE	58,920	43,204	598	92,992	195,714
OBLIGATIONS UNDER SECURITIES LENDING PROGRAM	206,596	--	14,667	1,938,171	2,159,434
REFUNDS PAYABLE AND OTHER	259	--	--	8,410	8,669
TOTAL LIABILITIES	266,726	51,128	15,746	2,046,670	2,380,270
NET ASSETS HELD IN TRUST FOR EMPLOYEES' PENSION BENEFITS	\$ 1,434,786	\$ 6,608,025	\$ 304,323	\$ 11,893,397	\$ 20,240,531

(Schedule of Funding Progress - Note 6)

State of Louisiana

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

PENSION TRUST FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM	LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM	LOUISIANA STATE POLICE RETIREMENT SYSTEM	TEACHERS' RETIREMENT SYSTEM OF LOUISIANA	TOTAL JUNE 30, 2004
<u>ADDITIONS</u>					
CONTRIBUTIONS:					
EMPLOYER	\$ 28,005	\$ 335,992	\$ 23,912	\$ 444,104	\$ 832,013
MEMBERS	19,676	163,277	4,090	264,999	452,042
TOTAL CONTRIBUTIONS	47,681	499,269	28,002	709,103	1,284,055
INVESTMENT INCOME:					
NET INCREASE IN FAIR					
VALUE OF INVESTMENTS	119,494	879,934	25,549	1,488,053	2,513,030
INTEREST AND DIVIDENDS	41,014	133,201	6,771	241,063	422,049
OTHER INVESTMENT INCOME	2,548	3,156	189	96,629	102,522
LESS INVESTMENT EXPENSE	(5,158)	(20,267)	(1,146)	(87,193)	(113,764)
NET INVESTMENT INCOME	157,898	996,024	31,363	1,738,552	2,923,837
OTHER INCOME	204	9,325	2,341	38,462	50,332
TOTAL ADDITIONS	205,783	1,504,618	61,706	2,486,117	4,258,224
<u>DEDUCTIONS</u>					
RETIREMENT BENEFITS	102,474	573,153	23,890	1,075,299	1,774,816
REFUNDS OF CONTRIBUTIONS	9,931	28,760	299	26,805	65,795
ADMINISTRATIVE EXPENSES	2,633	12,624	416	10,786	26,459
DEPRECIATION EXPENSE	150	800	13	508	1,471
TOTAL DEDUCTIONS	115,188	615,337	24,618	1,113,398	1,868,541
NET INCREASE IN NET ASSETS	90,595	889,281	37,088	1,372,719	2,389,683
<u>NET ASSETS HELD IN TRUST FOR EMPLOYEES' PENSION BENEFITS</u>					
BEGINNING OF YEAR	1,344,191	5,718,744	267,235	10,520,678	17,850,848
END OF YEAR	\$ 1,434,786	\$ 6,608,025	\$ 304,323	\$ 11,893,397	\$ 20,240,531

State of Louisiana

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUNDS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	DEBT SERVICE RESERVE FUND	ESCROW FUND	FREE SCHOOL FUND	FUTURE MEDICAL CARE FUND	INSURANCE TRUSTS
ASSETS					
CASH AND CASH EQUIVALENTS	\$ 4,540	\$ 141,505	\$ 1,871	\$ 10,780	\$ 1,227
INVESTMENTS	--	--	16,944	--	84,901
RECEIVABLES	--	105,843	349	--	26,207
OTHER ASSETS	--	--	--	--	281
TOTAL ASSETS	<u>\$ 4,540</u>	<u>\$ 247,348</u>	<u>\$ 19,164</u>	<u>\$ 10,780</u>	<u>\$ 112,616</u>
LIABILITIES					
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 4,540	\$ 134,102	\$ 19,091	\$ 10,780	\$ 112,616
OTHER LIABILITIES	--	113,246	73	--	--
TOTAL LIABILITIES	<u>\$ 4,540</u>	<u>\$ 247,348</u>	<u>\$ 19,164</u>	<u>\$ 10,780</u>	<u>\$ 112,616</u>

	LOUISIANA MANUFACTURED AND MOBILE HOMES SETTLEMENT FUND	MISCEL- LANEOUS AGENCY FUNDS	PAYROLL CLEARING FUND	REVER- SIONARY MEDICAL TRUST FUND	TOTAL JUNE 30, 2004
ASSETS					
CASH AND CASH EQUIVALENTS	\$ 1	\$ 12,906	\$ 1,144	\$ 2,761	\$ 176,735
INVESTMENTS	--	--	--	--	101,845
RECEIVABLES	--	--	--	--	132,399
OTHER ASSETS	--	--	--	--	281
TOTAL ASSETS	<u>\$ 1</u>	<u>\$ 12,906</u>	<u>\$ 1,144</u>	<u>\$ 2,761</u>	<u>\$ 411,260</u>
LIABILITIES					
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 1	\$ 12,906	\$ 1,144	\$ 2,761	\$ 297,941
OTHER LIABILITIES	--	--	--	--	113,319
TOTAL LIABILITIES	<u>\$ 1</u>	<u>\$ 12,906</u>	<u>\$ 1,144</u>	<u>\$ 2,761</u>	<u>\$ 411,260</u>

State of Louisiana

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	BALANCE JULY 1, 2003	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2004
<u>DEBT SERVICE RESERVE FUND</u>				
ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 4,711	\$ 3	\$ 174	\$ 4,540
TOTAL ASSETS	\$ 4,711	\$ 3	\$ 174	\$ 4,540
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 4,711	\$ 3	\$ 174	\$ 4,540
TOTAL LIABILITIES	\$ 4,711	\$ 3	\$ 174	\$ 4,540
<u>ESCROW FUND *</u>				
ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 147,995	\$ 2,985,860	\$ 2,992,350	\$ 141,505
RECEIVABLES	81,155	105,843	81,155	105,843
TOTAL ASSETS	\$ 229,150	\$ 3,091,703	\$ 3,073,505	\$ 247,348
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 141,559	\$ 3,010,548	\$ 3,018,005	\$ 134,102
OTHER LIABILITIES	87,591	113,246	87,591	113,246
TOTAL LIABILITIES	\$ 229,150	\$ 3,123,794	\$ 3,105,596	\$ 247,348
* Balance July 1, 2003 as restated				
<u>FREE SCHOOL FUND</u>				
ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 2,807	\$ 7,186	\$ 8,122	\$ 1,871
INVESTMENTS	15,931	8,011	6,998	16,944
RECEIVABLES	349	349	349	349
TOTAL ASSETS	\$ 19,087	\$ 15,546	\$ 15,469	\$ 19,164
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 19,023	\$ 1,385	\$ 1,317	\$ 19,091
OTHER LIABILITIES	64	73	64	73
TOTAL LIABILITIES	\$ 19,087	\$ 1,458	\$ 1,381	\$ 19,164

(Continued)

State of Louisiana

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	BALANCE JULY 1, 2003	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2004
<u>FUTURE MEDICAL CARE FUND</u>				
ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 11,028	\$ 137	\$ 385	\$ 10,780
TOTAL ASSETS	\$ 11,028	\$ 137	\$ 385	\$ 10,780
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 11,028	\$ 137	\$ 385	\$ 10,780
TOTAL LIABILITIES	\$ 11,028	\$ 137	\$ 385	\$ 10,780

INSURANCE TRUSTS *

ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 12,558	\$ 13,060	\$ 24,391	\$ 1,227
INVESTMENTS	77,462	34,546	27,107	84,901
RECEIVABLES	15,163	23,545	12,501	26,207
OTHER ASSETS	228	341	288	281
TOTAL ASSETS	\$ 105,411	\$ 71,492	\$ 64,287	\$ 112,616
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 105,411	\$ 71,492	\$ 64,287	\$ 112,616
TOTAL LIABILITIES	\$ 105,411	\$ 71,492	\$ 64,287	\$ 112,616

* Balance July 1, 2003 as restated

LOUISIANA MANUFACTURED AND MOBILE HOMES SETTLEMENT FUND

ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 1,752	\$ --	\$ 1,751	\$ 1
TOTAL ASSETS	\$ 1,752	\$ --	\$ 1,751	\$ 1
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 1,752	\$ --	\$ 1,751	\$ 1
TOTAL LIABILITIES	\$ 1,752	\$ --	\$ 1,751	\$ 1

MISCELLANEOUS AGENCY FUNDS

ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 13,619	\$ 44,124	\$ 44,837	\$ 12,906
TOTAL ASSETS	\$ 13,619	\$ 44,124	\$ 44,837	\$ 12,906
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 13,619	\$ 44,124	\$ 44,837	\$ 12,906
TOTAL LIABILITIES	\$ 13,619	\$ 44,124	\$ 44,837	\$ 12,906

(Continued)

State of Louisiana

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUNDS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	BALANCE JULY 1, 2003	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2004
<u>PAYROLL CLEARING FUND</u>				
ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 1,119	\$ 1,876,871	\$ 1,876,846	\$ 1,144
TOTAL ASSETS	\$ 1,119	\$ 1,876,871	\$ 1,876,846	\$ 1,144
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 1,119	\$ 1,876,871	\$ 1,876,846	\$ 1,144
TOTAL LIABILITIES	\$ 1,119	\$ 1,876,871	\$ 1,876,846	\$ 1,144
<u>REVERSIONARY MEDICAL TRUST FUND</u>				
ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 2,761	\$ --	\$ --	\$ 2,761
TOTAL ASSETS	\$ 2,761	\$ --	\$ --	\$ 2,761
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 2,761	\$ --	\$ --	\$ 2,761
TOTAL LIABILITIES	\$ 2,761	\$ --	\$ --	\$ 2,761
<u>TOTAL ALL AGENCY FUNDS</u>				
ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 198,350	\$ 4,927,241	\$ 4,948,856	\$ 176,735
INVESTMENTS	93,393	42,557	34,105	101,845
RECEIVABLES	96,667	129,737	94,005	132,399
OTHER ASSETS	228	341	288	281
TOTAL ASSETS	\$ 388,638	\$ 5,099,876	\$ 5,077,254	\$ 411,260
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	\$ 300,983	\$ 5,004,560	\$ 5,007,602	\$ 297,941
OTHER LIABILITIES	87,655	113,319	87,655	113,319
TOTAL LIABILITIES	\$ 388,638	\$ 5,117,879	\$ 5,095,257	\$ 411,260

(Concluded)

State of Louisiana

COMBINING BALANCE SHEET

NONMAJOR COMPONENT UNITS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	BOARDS AND COMMISSIONS	CAPITAL AREA HUMAN SERVICES DISTRICT	GREATER BATON ROUGE PORT COMMISSION *	JEFFERSON PARISH HUMAN SERVICES AUTHORITY	KENNER NAVAL MUSEUM COMMISSION
ASSETS					
CURRENT ASSETS:					
CASH AND CASH EQUIVALENTS	\$ 5,173	\$ 2,445	\$ 1,049	\$ 428	\$ 1
INVESTMENTS	--	--	12,311	--	--
RECEIVABLES (NET)	301	1,887	628	1,320	--
AMOUNTS DUE FROM PRIMARY GOVERNMENT	--	--	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	355	1,403	96	--
INVENTORIES	--	77	--	187	--
PREPAYMENTS	4	--	112	--	--
NOTES RECEIVABLE	--	--	252	--	--
OTHER CURRENT ASSETS	4	--	--	--	--
TOTAL CURRENT ASSETS	<u>5,482</u>	<u>4,764</u>	<u>15,755</u>	<u>2,031</u>	<u>1</u>
NONCURRENT ASSETS:					
RESTRICTED ASSETS:					
CASH	--	--	70	--	--
INVESTMENTS	--	--	4,057	--	--
RECEIVABLES (NET)	--	--	11	--	--
NOTES RECEIVABLE	--	--	--	--	--
NOTES RECEIVABLE	--	--	1,527	--	--
INVESTMENTS	25,472	--	--	--	--
CAPITAL ASSETS (NOTE 5)					
LAND	251	--	3,742	--	--
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	771	--	33,628	859	--
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	170	179	1,116	332	--
INFRASTRUCTURE (NET OF DEPRECIATION)	--	--	7,217	--	--
CONSTRUCTION IN PROGRESS	--	--	6,298	--	--
OTHER NONCURRENT ASSETS	--	--	249	--	--
TOTAL NONCURRENT ASSETS	<u>26,664</u>	<u>179</u>	<u>57,915</u>	<u>1,191</u>	<u>--</u>
TOTAL ASSETS	<u>\$ 32,146</u>	<u>\$ 4,943</u>	<u>\$ 73,670</u>	<u>\$ 3,222</u>	<u>\$ 1</u>
LIABILITIES					
CURRENT LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	\$ 489	\$ 1,217	\$ 2,331	\$ 1,431	\$ --
AMOUNTS DUE TO PRIMARY GOVERNMENT	--	--	--	--	--
DUE TO FEDERAL GOVERNMENT	--	--	--	--	--
DEFERRED REVENUES	17	--	353	--	--
OTHER CURRENT LIABILITIES	--	8	218	--	--
CURRENT PORTION OF LONG-TERM LIABILITIES:					
CONTRACTS PAYABLE	--	--	--	--	--
COMPENSATED ABSENCES PAYABLE	13	370	--	544	--
CAPITAL LEASE OBLIGATIONS	--	--	--	4	--
NOTES PAYABLE	18	--	--	--	--
LIABILITIES PAYABLE FROM RESTRICTED ASSETS	--	--	--	--	--
BONDS PAYABLE	--	--	320	--	--
OTHER LONG-TERM LIABILITIES	--	--	--	--	--
TOTAL CURRENT LIABILITIES	<u>537</u>	<u>1,595</u>	<u>3,222</u>	<u>1,979</u>	<u>--</u>
LONG-TERM LIABILITIES:					
NONCURRENT PORTION OF LONG-TERM LIABILITIES:					
CONTRACTS PAYABLE	--	--	--	--	--
COMPENSATED ABSENCES PAYABLE	178	598	--	170	--
CAPITAL LEASE OBLIGATIONS	--	--	--	--	--
NOTES PAYABLE	172	--	--	--	--
BONDS PAYABLE	--	--	7,700	--	--
OTHER LONG-TERM LIABILITIES	--	--	--	--	--
TOTAL LONG-TERM LIABILITIES	<u>350</u>	<u>598</u>	<u>7,700</u>	<u>170</u>	<u>--</u>
TOTAL LIABILITIES	<u>887</u>	<u>2,193</u>	<u>10,922</u>	<u>2,149</u>	<u>--</u>
NET ASSETS:					
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	1,002	179	47,273	1,187	--
RESTRICTED FOR:					
CAPITAL PROJECTS	--	--	3,292	--	--
DEBT SERVICE	--	--	296	--	--
OTHER PURPOSES	--	--	--	--	--
UNRESTRICTED	30,257	2,571	11,887	(114)	1
TOTAL NET ASSETS	<u>31,259</u>	<u>2,750</u>	<u>62,748</u>	<u>1,073</u>	<u>1</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 32,146</u>	<u>\$ 4,943</u>	<u>\$ 73,670</u>	<u>\$ 3,222</u>	<u>\$ 1</u>

* As of December 31, 2003.

(Continued)

State of Louisiana

LOUISIANA AGRICULTURAL FINANCE AUTHORITY	LOUISIANA CANCER RESEARCH CENTER	LOUISIANA ECONOMIC DEVELOPMENT CORPORATION	LOUISIANA HOUSING FINANCE AGENCY	LOUISIANA NAVAL WAR MEMORIAL COMMISSION *	LOUISIANA PUBLIC FACILITIES AUTHORITY	MILLENNIUM PORT AUTHORITY
\$ 146	\$ 18,666	\$ 69,452	\$ 4,942	\$ 227	\$ 7,628	\$ 543
--	--	3,018	38,422	--	--	--
105	8,087	2,511	1,710	4	3,684	--
19,860	--	--	--	--	--	--
--	--	--	1,958	--	--	--
--	--	--	--	25	--	--
--	1	--	--	--	18	--
--	--	168	4	--	--	--
1,029	352	--	970	--	--	--
<u>21,140</u>	<u>27,106</u>	<u>75,149</u>	<u>48,006</u>	<u>256</u>	<u>11,330</u>	<u>543</u>
42,094	--	--	8,823	69	--	--
--	--	--	4,906	--	--	--
22	--	--	12,528	--	--	--
--	--	2,406	88,993	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	5,430	--
6,513	346	--	712	269	--	--
23,058	--	--	9,697	2,776	--	--
2,220	639	--	923	27	105	16
--	--	--	--	--	--	--
10,484	276	--	--	--	--	--
7,361	--	22,942	--	--	5,036	--
<u>91,752</u>	<u>1,261</u>	<u>25,348</u>	<u>126,582</u>	<u>3,141</u>	<u>10,571</u>	<u>16</u>
\$ <u>112,892</u>	\$ <u>28,367</u>	\$ <u>100,497</u>	\$ <u>174,588</u>	\$ <u>3,397</u>	\$ <u>21,901</u>	\$ <u>559</u>
\$ 79	\$ 1,419	\$ 5,238	\$ 1,699	\$ 15	\$ 117	\$ 18
1,003	--	--	--	--	--	--
1	--	--	507	--	--	--
--	19	--	230	1	--	--
387	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	205	--	--	--
130	--	--	--	--	--	--
11,713	--	--	--	--	8	--
401	--	--	7,643	--	--	--
841	--	--	2,745	--	--	--
967	--	69	--	--	--	--
<u>15,522</u>	<u>1,438</u>	<u>5,307</u>	<u>13,029</u>	<u>16</u>	<u>125</u>	<u>18</u>
--	--	--	--	--	--	--
--	--	--	142	20	--	--
68	--	--	--	--	--	--
10,178	--	--	--	--	657	--
51,384	--	--	69,360	--	--	--
6,827	--	2,524	--	--	--	--
<u>68,457</u>	<u>--</u>	<u>2,524</u>	<u>69,502</u>	<u>20</u>	<u>657</u>	<u>--</u>
<u>83,979</u>	<u>1,438</u>	<u>7,831</u>	<u>82,531</u>	<u>36</u>	<u>782</u>	<u>18</u>
31,055	1,261	--	2,782	3,072	105	16
--	--	--	--	--	--	--
--	--	--	--	--	--	--
511	--	7,574	42,772	69	--	--
(2,653)	25,668	85,092	46,503	220	21,014	525
<u>28,913</u>	<u>26,929</u>	<u>92,666</u>	<u>92,057</u>	<u>3,361</u>	<u>21,119</u>	<u>541</u>
\$ <u>112,892</u>	\$ <u>28,367</u>	\$ <u>100,497</u>	\$ <u>174,588</u>	\$ <u>3,397</u>	\$ <u>21,901</u>	\$ <u>559</u>

State of Louisiana

COMBINING BALANCE SHEET

NONMAJOR COMPONENT UNITS

JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	OTHER LEVEE DISTRICTS	SABINE RIVER AUTHORITY	WHITE LAKE PRESERVATION, INCORPORATED	TOTAL NONMAJOR COMPONENT UNITS
ASSETS				
CURRENT ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 85,017	\$ 2,888	\$ 405	\$ 199,010
INVESTMENTS	26,071	--	--	79,822
RECEIVABLES (NET)	6,151	1,354	--	27,742
AMOUNTS DUE FROM PRIMARY GOVERNMENT	--	66	--	19,926
DUE FROM FEDERAL GOVERNMENT	--	--	--	3,812
INVENTORIES	61	--	--	350
PREPAYMENTS	352	--	42	529
NOTES RECEIVABLE	100	--	--	524
OTHER CURRENT ASSETS	28	--	--	2,383
TOTAL CURRENT ASSETS	<u>117,780</u>	<u>4,308</u>	<u>447</u>	<u>334,098</u>
NONCURRENT ASSETS:				
RESTRICTED ASSETS:				
CASH	1,665	750	--	53,471
INVESTMENTS	--	--	--	8,963
RECEIVABLES (NET)	--	--	--	12,561
NOTES RECEIVABLE	--	--	--	91,399
NOTES RECEIVABLE	--	--	--	1,527
INVESTMENTS	--	--	--	30,902
CAPITAL ASSETS (NOTE 5)				
LAND	14,570	1,228	--	27,631
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	6,000	37,781	--	114,570
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	6,435	343	272	12,777
INFRASTRUCTURE (NET OF DEPRECIATION)	52,339	23,740	--	83,296
CONSTRUCTION IN PROGRESS	27,577	108	--	44,743
OTHER NONCURRENT ASSETS	14	121	--	35,723
TOTAL NONCURRENT ASSETS	<u>108,600</u>	<u>64,071</u>	<u>272</u>	<u>517,563</u>
TOTAL ASSETS	<u>\$ 226,380</u>	<u>\$ 68,379</u>	<u>\$ 719</u>	<u>\$ 851,661</u>
LIABILITIES				
CURRENT LIABILITIES:				
ACCOUNTS PAYABLE AND ACCRUALS	\$ 4,690	\$ 442	\$ 11	\$ 19,196
AMOUNTS DUE TO PRIMARY GOVERNMENT	--	--	--	1,003
DUE TO FEDERAL GOVERNMENT	--	--	--	508
DEFERRED REVENUES	168	--	13	801
OTHER CURRENT LIABILITIES	51	--	--	664
CURRENT PORTION OF LONG-TERM LIABILITIES:				
CONTRACTS PAYABLE	--	868	--	868
COMPENSATED ABSENCES PAYABLE	134	--	--	1,266
CAPITAL LEASE OBLIGATIONS	78	--	--	212
NOTES PAYABLE	--	--	--	11,739
LIABILITIES PAYABLE FROM RESTRICTED ASSETS	16	--	--	8,060
BONDS PAYABLE	1,150	630	--	5,686
OTHER LONG-TERM LIABILITIES	--	--	--	1,036
TOTAL CURRENT LIABILITIES	<u>6,287</u>	<u>1,940</u>	<u>24</u>	<u>51,039</u>
LONG-TERM LIABILITIES:				
NONCURRENT PORTION OF LONG-TERM LIABILITIES:				
CONTRACTS PAYABLE	--	8,090	--	8,090
COMPENSATED ABSENCES PAYABLE	1,054	--	--	2,162
CAPITAL LEASE OBLIGATIONS	131	--	--	199
NOTES PAYABLE	--	--	--	11,007
BONDS PAYABLE	5,445	7,355	--	141,244
OTHER LONG-TERM LIABILITIES	500	--	--	9,851
TOTAL LONG-TERM LIABILITIES	<u>7,130</u>	<u>15,445</u>	<u>--</u>	<u>172,553</u>
TOTAL LIABILITIES	<u>13,417</u>	<u>17,385</u>	<u>24</u>	<u>223,592</u>
NET ASSETS:				
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	100,117	46,040	272	234,361
RESTRICTED FOR:				
CAPITAL PROJECTS	6,514	--	--	9,806
DEBT SERVICE	778	21	--	1,095
OTHER PURPOSES	--	--	--	50,926
UNRESTRICTED	105,554	4,933	423	331,881
TOTAL NET ASSETS	<u>212,963</u>	<u>50,994</u>	<u>695</u>	<u>628,069</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 226,380</u>	<u>\$ 68,379</u>	<u>\$ 719</u>	<u>\$ 851,661</u>

* As of December 31, 2003.

(Concluded)

State of Louisiana

COMBINING STATEMENT OF ACTIVITIES

NONMAJOR COMPONENT UNITS

FOR THE YEAR ENDED JUNE 30, 2004

(EXPRESSED IN THOUSANDS)

	PROGRAM REVENUES				
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE
NONMAJOR COMPONENT UNITS:					
BOARDS AND COMMISSIONS	\$ 7,488	\$ 4,516	\$ --	\$ --	\$ (2,972)
CAPITAL AREA HUMAN SERVICES DISTRICT	24,403	1,618	45	--	(22,740)
GREATER BATON ROUGE PORT COMMISSION *	6,553	4,449	--	5,704	3,600
JEFFERSON PARISH HUMAN SERVICES AUTHORITY	23,449	1,453	2,601	--	(19,395)
KENNER NAVAL MUSEUM COMMISSION	1	--	--	--	(1)
LOUISIANA AGRICULTURAL FINANCE AUTHORITY	7,752	1,861	3,581	--	(2,310)
LOUISIANA CANCER RESEARCH CENTER	2,924	--	27,160	--	24,236
LOUISIANA ECONOMIC DEVELOPMENT CORPORATION	26,153	964	--	--	(25,189)
LOUISIANA HOUSING FINANCE AGENCY	104,634	7,429	91,402	--	(5,803)
LOUISIANA NAVAL WAR MEMORIAL COMMISSION*	918	561	169	--	(188)
LOUISIANA PUBLIC FACILITIES AUTHORITY	2,076	3,690	--	--	1,614
MILLENNIUM PORT AUTHORITY	318	--	548	--	230
OTHER LEVEE DISTRICTS	39,672	8	2,445	7,163	(30,056)
SABINE RIVER AUTHORITY	6,398	6,161	--	--	(237)
WHITE LAKE PRESERVATION, INCORPORATED	795	757	250	3	215
TOTAL NONMAJOR COMPONENT UNITS	\$ 253,534	\$ 33,467	\$ 128,201	\$ 12,870	\$ (78,996)

	GENERAL REVENUES				
	PAYMENTS FROM PRIMARY GOVERNMENT	OTHER GENERAL REVENUES	CHANGE IN NET ASSETS	NET ASSETS BEGINNING OF YEAR	NET ASSETS END OF YEAR
NONMAJOR COMPONENT UNITS:					
BOARDS AND COMMISSIONS	\$ 225	\$ 1,375	\$ (1,372)	\$ 32,631	\$ 31,259
CAPITAL AREA HUMAN SERVICES DISTRICT	6,379	17,486	1,125	1,625	2,750
GREATER BATON ROUGE PORT COMMISSION *	--	388	3,988	58,760	62,748
JEFFERSON PARISH HUMAN SERVICES AUTHORITY	16,619	1,526	(1,250)	2,323	1,073
KENNER NAVAL MUSEUM COMMISSION	--	--	(1)	2	1
LOUISIANA AGRICULTURAL FINANCE AUTHORITY	--	351	(1,959)	30,872	28,913
LOUISIANA CANCER RESEARCH CENTER	--	35	24,271	2,658	26,929
LOUISIANA ECONOMIC DEVELOPMENT CORPORATION	4,339	9,427	(11,423)	104,089	92,666
LOUISIANA HOUSING FINANCE AGENCY	--	5,587	(216)	92,273	92,057
LOUISIANA NAVAL WAR MEMORIAL COMMISSION*	13	11	(164)	3,525	3,361
LOUISIANA PUBLIC FACILITIES AUTHORITY	--	359	1,973	19,146	21,119
MILLENNIUM PORT AUTHORITY	188	--	418	123	541
OTHER LEVEE DISTRICTS	2,007	37,765	9,716	203,247	212,963
SABINE RIVER AUTHORITY	--	121	(116)	51,110	50,994
WHITE LAKE PRESERVATION, INCORPORATED	--	(1)	214	481	695
TOTAL NONMAJOR COMPONENT UNITS	\$ 29,770	\$ 74,430	\$ 25,204	\$ 602,865	\$ 628,069

* For the period ending December 31, 2003.



III. STATISTICAL SECTION

MISCELLANEOUS STATISTICS

Date Entered the Union (18th state)	April 30, 1812
Land Area	43,562 square miles (estimated) *
Number of Parishes	64
Capital	Baton Rouge
Form of Government	Legislative - Executive - Judicial
Number of State Representatives	104 (1 vacant)
Number of State Senators	39
State Symbols:	
Flower	Magnolia
Tree	Bald Cypress
Bird	Eastern Brown Pelican
Dog	Catahoula Leopard Dog
Insect	Honeybee
Fruit	Strawberry
Saltwater Fish	Speckled Trout
Miles of Roads and Streets Open to Traffic:	60,937
State Highways	16,694
Parish Roads	33,311
City Streets	10,932
Number of Bridges in Louisiana:	13,223
Bridges on State Highway System	7,887
Bridges off State Highway System	5,336
State Police Protection:	
Number of Troops	9
Number of State Police Employees	1,603
Number of State Employees:	
Classified	65,869
Unclassified	35,637
Recreation:	
Number of State Parks	24
Area of State Parks	30,984 acres
Number of State Historic Sites	21
Area of State Historic Sites	2,617 acres

- Sources:
- (1) Louisiana Department of Culture, Recreation, and Tourism, Office of Tourism and Office of State Parks
 - (2) Louisiana Department of Transportation and Development, Traffic and Planning Section and Bridge Maintenance Section
 - (3) Louisiana Department of Public Safety and Corrections
 - (4) Louisiana Department of State Civil Service
- * U.S. Census Bureau, 1999 Census

State of Louisiana

GENERAL GOVERNMENTAL REVENUES BY CATEGORY LAST TEN FISCAL YEARS

(EXPRESSED IN THOUSANDS)

REVENUES REFLECT INTERAGENCY TRANSFER ELIMINATION.

GOVERNMENTAL FUND TYPES	2003-2004	2002-2003	2001-2002	2000-2001
INTERGOVERNMENTAL REVENUES:				
FEDERAL GRANTS	\$ 6,794,864	\$ 6,271,393	\$ 5,767,877	\$ 5,042,996
TRANSPORTATION TRUST-FEDERAL	487,993	496,007	435,703	381,938
NON-FEDERAL REVENUES	<u>31,049</u>	<u>56,665</u>	<u>34,254</u>	<u>12,721</u>
TOTAL INTERGOVERNMENTAL REVENUES	<u>7,313,906</u>	<u>6,824,065</u>	<u>6,237,834</u>	<u>5,437,655</u>
TAXES:				
ALCOHOLIC BEVERAGE TAX	16,841	16,284	16,286	15,852
BEER TAX	36,584	36,431	35,074	36,523
CORPORATION FRANCHISE TAX	181,044	187,447	247,470	248,546
EXCISE LICENSE TAX	192,214	162,718	141,517	103,790
GIFT TAX	3,793	5,571	4,316	4,570
INHERITANCE TAX	42,189	53,522	64,679	78,360
INCOME TAX	2,438,784	1,985,248	2,051,630	2,062,021
LOUISIANA RECOVERY DISTRICT	--	--	--	--
LOUISIANA TOURISM PROMOTION	20,419	18,194	19,394	20,765
LOUISIANA SALES AND USE TAX	2,394,526	2,221,477	2,625,455	2,664,821
SEVERANCE TAX	527,115	425,511	496,498	445,004
TOBACCO TAX	102,056	82,071	128,521	96,583
TRANSPORTATION TRUST FUND	448,615	446,706	452,659	435,649
TIMED ACCOUNT	51,700	54,060	33,903	33,902
OTHER TAXES	<u>263,663</u>	<u>597,295</u>	<u>229,232</u>	<u>206,071</u>
TOTAL TAXES	<u>6,719,543</u>	<u>6,292,535</u>	<u>6,546,634</u>	<u>6,452,457</u>
GAMING:				
RIVERBOAT	335,366	335,582	335,821	285,895
VIDEO DRAW POKER	166,491	162,690	152,084	142,036
MISCELLANEOUS	<u>99,905</u>	<u>84,523</u>	<u>64,829</u>	<u>97,045</u>
TOTAL GAMING	<u>601,762</u>	<u>582,795</u>	<u>552,734</u>	<u>524,976</u>
TOBACCO SETTLEMENT	<u>141,653</u>	<u>66,234</u>	<u>1,135,519</u>	<u>141,262</u>
USE OF MONEY AND PROPERTY:				
INTEREST INCOME ON INVESTMENTS	149,789	226,593	167,261	134,924
INCOME - ROYALTIES ON LAND	312,903	261,172	258,654	408,531
INCOME - RENTALS AND BONUSES ON LAND	34,074	38,277	38,386	43,305
OTHER USE OF MONEY AND PROPERTY	<u>60,691</u>	<u>301,191</u>	<u>101,156</u>	<u>150,745</u>
TOTAL USE OF MONEY AND PROPERTY	<u>557,457</u>	<u>827,233</u>	<u>565,457</u>	<u>737,505</u>
LICENSES, PERMITS AND FEES	568,391	546,596	534,581	500,892
SALES OF COMMODITIES AND SERVICES	905,207	910,719	759,136	682,046
OTHER REVENUE SOURCES	<u>889,689</u>	<u>773,508</u>	<u>1,191,539</u>	<u>789,675</u>
TOTAL GOVERNMENTAL REVENUES	<u>\$ 17,697,608</u>	<u>\$ 16,823,685</u>	<u>\$ 17,523,434</u>	<u>\$ 15,266,468</u>

State of Louisiana

	1999-2000	1998-1999	1997-1998	1996-1997	1995-1996	1994-1995
\$	4,574,074	\$ 4,476,487	\$ 4,269,441	\$ 4,548,647	\$ 4,605,557	\$ 4,470,861
	410,920	328,895	278,244	241,876	266,481	237,948
	19,686	16,663	18,028	23,140	66,379	67,984
	<u>5,004,680</u>	<u>4,822,045</u>	<u>4,565,713</u>	<u>4,813,663</u>	<u>4,938,417</u>	<u>4,776,793</u>
	16,433	13,663	16,131	15,636	16,030	16,210
	38,490	36,481	36,173	34,406	36,926	37,594
	269,383	296,490	251,170	243,972	233,516	267,800
	95,919	128,505	117,728	123,248	149,244	149,280
	5,138	9,247	5,273	3,832	3,502	3,266
	90,439	86,726	84,513	73,903	54,805	57,966
	1,766,458	1,788,325	1,782,804	1,648,905	1,488,407	1,326,257
	--	--	--	145,429	558,569	485,290
	16,131	17,554	17,911	16,803	16,410	16,395
	2,313,475	2,257,334	2,240,099	2,051,822	1,622,589	1,490,235
	405,504	261,263	352,109	419,423	349,069	377,736
	89,644	85,441	87,198	88,249	87,935	88,856
	437,210	428,867	424,355	395,283	401,212	389,974
	33,906	35,008	106,089	35,310	100,303	35,310
	163,610	123,255	58,110	69,294	61,638	84,068
	<u>5,741,740</u>	<u>5,568,159</u>	<u>5,579,663</u>	<u>5,365,515</u>	<u>5,180,155</u>	<u>4,826,237</u>
	263,879	252,072	235,531	233,643	219,298	171,627
	130,102	188,678	182,695	170,826	174,487	141,488
	71,320	3,778	4,886	4,838	--	--
	<u>465,301</u>	<u>444,528</u>	<u>423,112</u>	<u>409,307</u>	<u>393,785</u>	<u>313,115</u>
	174,735	--	--	--	--	--
	118,944	127,897	168,946	148,372	122,033	129,054
	240,112	150,966	209,692	258,320	247,725	208,365
	33,398	41,041	68,840	70,818	50,873	30,126
	105,651	120,708	179,066	132,608	97,876	106,481
	<u>498,105</u>	<u>440,612</u>	<u>626,544</u>	<u>610,118</u>	<u>518,507</u>	<u>474,026</u>
	490,905	468,549	465,963	465,327	416,874	354,215
	614,899	574,718	573,539	497,386	547,326	539,052
	<u>378,233</u>	<u>331,270</u>	<u>273,917</u>	<u>325,313</u>	<u>252,282</u>	<u>298,411</u>
\$	<u>13,368,598</u>	\$ <u>12,649,881</u>	\$ <u>12,508,451</u>	\$ <u>12,486,629</u>	\$ <u>12,247,346</u>	\$ <u>11,581,849</u>

State of Louisiana

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION LAST TEN FISCAL YEARS

(EXPRESSED IN THOUSANDS)

EXPENDITURES REFLECT INTERAGENCY TRANSFER ELIMINATION.

	2003-2004	2002-2003	2001-2002	2000-2001
GENERAL GOVERNMENT	\$ 2,172,105	\$ 2,121,596	\$ 1,872,348	1,811,091
CULTURE, RECREATION AND TOURISM	60,370	60,647	59,745	52,033
TRANSPORTATION AND DEVELOPMENT	330,164	323,289	303,177	301,090
PUBLIC SAFETY	256,403	221,504	223,170	193,831
HEALTH & HOSPITALS	7,061,555	6,625,988	6,704,422	4,931,245
CORRECTIONS	623,629	611,685	594,467	569,342
CONSERVATION AND ENVIRONMENT	240,743	234,402	219,965	182,962
EDUCATION	4,929,255	4,674,987	4,335,452	3,241,000
OTHER	13,311	4,793	1,104	2,911
INTERGOVERNMENTAL	354,846	365,818	322,075	302,591
DEBT SERVICE	39,795	152,057	59,845	45,023
GENERAL FUND	<u>16,082,176</u>	<u>15,396,766</u>	<u>14,695,770</u>	<u>11,633,119</u>
SPECIAL REVENUE FUNDS	229,583	242,592	309,046	117,564
DEBT SERVICE FUNDS	415,296	353,120	304,966	284,692
CAPITAL OUTLAY FUNDS	1,126,958	1,159,534	1,009,660	845,563
PERMANENT FUNDS	<u>58,167</u>	<u>1,228</u>	<u>1,121</u>	<u>775</u>
TOTAL GOVERNMENTAL FUND TYPES	\$ <u>17,912,180</u> \$	<u>17,153,240</u> \$	<u>16,320,563</u> \$	<u>12,881,713</u>

State of Louisiana

	1999-2000	1998-1999	1997-1998	1996-1997	1995-1996	1994-1995
\$	1,641,857	\$ 1,560,067	\$ 1,379,171	\$ 1,336,118	\$ 1,304,935	\$ 1,300,814
	56,715	54,867	45,426	40,649	35,194	34,926
	289,538	279,518	276,679	244,976	236,536	235,452
	187,412	179,542	170,055	155,148	178,259	167,642
	4,382,625	4,195,980	4,092,231	4,626,809	4,868,926	4,733,069
	578,765	487,964	437,170	406,689	378,229	358,281
	203,230	187,032	193,317	166,337	143,282	132,133
	3,122,483	3,198,641	3,055,941	2,854,205	2,698,166	2,643,175
	3,321	2,746	2,863	2,696	--	--
	329,409	340,926	328,561	339,656	303,513	247,195
	17,639	68,992	167,010	382,392	184,625	145,120
	<u>10,812,994</u>	<u>10,556,275</u>	<u>10,148,424</u>	<u>10,555,675</u>	<u>10,331,665</u>	<u>9,997,807</u>
	124,834	81,537	95,458	99,420	96,404	98,190
	140,575	229,448	260,771	637,874	467,281	555,563
	1,050,433	923,521	833,602	641,547	664,984	635,504
	703	595	1,209	602	790	588
\$	<u><u>12,129,539</u></u>	<u><u>11,791,376</u></u>	<u><u>11,339,464</u></u>	<u><u>11,935,118</u></u>	<u><u>11,561,124</u></u>	<u><u>11,287,652</u></u>

State of Louisiana

TAX RATE BY MAJOR SOURCES OF REVENUE

TAX TYPE	COLLECTION UNIT	RATE/DESCRIPTION
<u>Alcoholic Beverage Taxes</u>		
Beer Tax	Department of Revenue	\$10 per 31-gallon barrel. This includes all alcoholic beverages with alcohol content of 6% or less.
Liquor and Wine Tax	Department of Revenue	\$0.66 per liter on liquor; \$0.42 per liter on sparkling wine; \$0.03 per liter on still wine with alcoholic content not over 14%; \$0.06 per liter on still wine with alcoholic content over 14% but not over 24%.
<u>Corporation Franchise Tax</u>		
	Department of Revenue	\$1.50 per \$1,000 of capital stock, surplus, undivided profits, and borrowed capital (taxable base) up to \$300,000 and \$3 for each \$1,000 of taxable base over \$300,000. The minimum amount of tax paid by a corporation is \$10 per year.
<u>Gasoline Tax</u>		
	Department of Revenue	\$0.20 per gallon. Petroleum Products Testing Fee – the fee for testing the quality and quantity of petroleum products is 1/32 cent per gallon, which was collected through August 31, 2003. Effective September 1, 2003, the fee was raised to 4/32 cents per gallon.
<u>Hazardous Liquid Pipeline Tax</u>		
	Department of Revenue	Annual tax of \$15 per mile, or fraction thereof, of hazardous liquids pipeline operated.
<u>Hazardous Waste Disposal Tax</u>		
	Department of Revenue	\$30 per dry-weight ton for waste disposed of on-site, \$40 per dry-weight ton for waste disposed of off-site from where generated, and \$100 per dry-weight ton on extremely hazardous waste disposed of in Louisiana.
<u>Income Tax</u>		
Corporate income tax	Department of Revenue	4% on the first \$25,000 of net taxable income; 5% on the next \$25,000; 6% on the next \$50,000; 7% on the next \$100,000; and 8% on all net taxable income in excess of \$200,000.
Individual income tax	Department of Revenue	For taxable periods beginning after December 31, 2002, the rate of tax for taxpayers filing as single, married filing separately, or head of household is: 2% on the first \$12,500; 4% on the next \$12,500, and 6% on the taxable income above \$25,000. Married persons filing a joint return or qualifying surviving spouse are taxed at the following rates: 2% on the first \$25,000; 4% on the next \$25,000; and 6% on the taxable income above \$50,000. The combined personal exemption and standard deduction is \$4,500 for single individuals and married persons filing separately; \$9,000 for married couples filing jointly, qualified surviving spouses, and heads of households. A dependency deduction of \$1,000 is allowed for each dependent, each taxpayer and/or spouse who is over 65 years of age or older, and for each taxpayer and/or spouse who is blind.
<u>Inheritance Tax</u>		
	Department of Revenue	Inheritances of a surviving spouse are totally exempt from the tax. Otherwise, inheritances are taxed on all amounts that exceed the following exemption per heir or legatee: Class A (lineal descendants and ascendants), \$25,000; Class B (collateral relationships such as brothers and sisters and their descendants), \$1,000; Class C (nonrelated), \$500. The tax rate for Class A is two percent of the first \$20,000 of taxable value and three percent of amounts over \$20,000 of taxable value. Class B is taxed at five percent of the first \$20,000 of taxable value and at seven percent of amounts over \$20,000 of taxable value. Class C is taxed at five percent of the first \$5,000 of taxable value and at 10 percent of amounts over \$5,000 of taxable value. For deaths occurring after June 30, 1998 and before July 1, 2001, the tax rates were reduced by eighteen percent; for deaths occurring after June 20, 2001, and before July 1, 2002, the tax rate shall be reduced by forty percent; for deaths occurring after June 30, 2002 and before July 1, 2003, the tax rates shall be reduced by sixty percent; for deaths occurring after June 30, 2003, and before July 1, 2004, the tax rates shall be reduced by eighty percent; and for deaths occurring after June 30, 2004, the tax shall not apply when judgment of possessions is rendered or when the succession is judicially opened no later than the last day of the ninth month following the death of the decedent.

(Continued)

State of Louisiana

TAX TYPE	COLLECTION UNIT	RATE/DESCRIPTION
<u>Insurance Excise License Tax</u>	Department of Insurance	<p>A. The tax rate for life, accident, health and service is \$140 for annual premiums up to \$7,000 and \$225 for each additional \$10,000 or fraction thereof.</p> <p>B. The rate for fire, marine, transportation and casualty and surety is \$185 for annual premiums up to \$6,000 and \$300 for each additional \$10,000 or fraction thereof.</p>
<u>Mineral Resources - Royalties and Bonuses</u>	Department of Natural Resources	These are not taxes. However, all oil and gas leases provide for a bonus, which is bid on at the time the lease is given. Leasehold payments contained within the lease form, such as "delay rentals," "in-lieu royalty," and deferred development" payments, and royalty which is bid on at the lease sale cannot, by statutory law, be less than 1/8 th of the value of production. Mineral leases for solid mineral, such as sulfur, potash, salt, or lignite, provide for a royalty based on tonnage production at a market price paid per ton.
<u>Motor Vehicle - Licenses and Fees</u>	Department of Public Safety	<p>A. The minimum vehicle registration license tax is \$20 biannually for private passenger vehicles purchased before January 1, 1990. If purchased after January 1, 1990, the registration is based on the value of the vehicle – .1% of the value of the vehicle per year; with a minimum base of \$10,000. The license plates are sold in two-year increments; therefore, the minimum price is \$20.00. The registration fee is \$40 (four-year increments) for trucks up to 6,000 pounds and the fees vary annually for trucks over 6,000 pounds depending on the use and the gross axle weight (usually from \$10 to \$480).</p> <p>B. Driver's license fees range from \$13.50 to \$36.00 for four years for drivers of private vehicles. Other driver's license fees may vary.</p> <p>C. A fee not to exceed \$3 per service or transaction, at a local field office, enacted by LRS 32:429, is used solely to defray cost of operations of that office not fully funded by the State.</p>
<u>Natural Gas Franchise</u>	Department of Revenue	1% of the gross receipts from the operation of franchises or charters in the State.
<u>Transportation and Communications Utilities Tax</u>	Department of Revenue	2% of the gross receipts from intrastate business.
<u>Sales Tax</u>	Department of Revenue	4% sales tax is collected on the sale, use, consumption, distribution, or storage for use or consumption of any tangible personal property, on retail sales, leases, and rentals, and on <u>certain</u> sales of services including repairs of tangible personal property; 3% aggregate sales tax is collected on intrastate telecommunications and certain prepaid telephone services; effective April 1, 2004, the sales tax rate on interstate telecommunication services was reduced to 2%. Most statutory exemptions have been partially and temporarily suspended from July 1, 1986, through June 30, 2009, and are currently taxed at the suspended rate of 4% except for sales of electricity, water, natural gas and steam for other than residential use. The tax rate on these items is 3.8% from July 1, 2003 through June 30, 2009. Effective July 1, 2003, purchases of food for home consumption, and electricity and natural gas for residential use are fully exempt from the state sales tax.
<u>Severance Tax</u>	Department of Revenue	<p>A. The tax on oil/condensate is based on the value. The full rate of oil/condensate is 12.5% of the value. The incapable oil rate is 6.25% of the value. The stripper oil rate is 3 1/8% of the value. Stripper oil is exempt as long as the average value is less than \$20 per barrel.</p> <p>B. The severance tax on natural gas is based on per thousand cubic feet. The full rate is adjusted annually on July 1, and may never be less than 7 cents per thousand cubic feet. As of July 1, 2004, the full rate is \$0.208 per thousand cubic feet at 15.025 pounds per square inch absolute. The rate on incapable oil well gas is \$0.03 per thousand cubic feet. The rate on incapable gas well gas is \$0.013 per thousand cubic feet.</p> <p>C. The tax rate on sulfur is \$1.03 per long-ton (2,240 pounds).</p> <p>D. The tax rate on salt is \$0.06 per ton.</p> <p>E. The tax rates on timber are 2.25% of stumpage value and 5% of stumpage value of pulpwood.</p> <p>F. The tax rate on shell and sand is \$0.06 per ton.</p> <p>G. The tax rate on stone is \$0.03 per ton.</p> <p>H. The tax rate on lignite is \$0.12 per ton.</p> <p>I. The tax rate on marble is \$0.20 per ton.</p>
<u>Special Fuels Tax</u>	Department of Revenue	The tax on special fuels is levied at a rate of \$0.20 per gallon on motor fuels other than gasoline.
<u>Surface Mining and Reclamation Fee</u>	Department of Revenue	The fee on coal and lignite mined in Louisiana is \$0.08 per ton.
<u>Tobacco Tax</u>	Department of Revenue	An excise tax is imposed on the first dealer who handles a tobacco product in the State. Cigars invoiced up to \$120 per thousand are taxed at 8% of the manufacturer's net invoice price, whereas cigars invoiced over \$120 per thousand are taxed at 20% on the net invoice price. The tax rate on smoking tobacco is computed at 33% of the invoice price to wholesalers. The tax rate on smokeless tobacco is 20% of the invoice price. The tax rate on cigarettes is \$0.018 per cigarette.

(Concluded)

State of Louisiana

RATIO OF GENERAL OBLIGATION ANNUAL DEBT SERVICE EXPENDITURES TO GENERAL GOVERNMENTAL EXPENDITURES – LAST TEN FISCAL YEARS

(EXPRESSED IN THOUSANDS)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL (1) DEBT SERVICE	GENERAL (2) GOVERNMENTAL EXPENDITURES	RATIO DEBT SERVICE TO TOTAL GOVERNMENTAL EXPENDITURES
2003-2004	\$ 201,638	\$ 121,000	\$ 322,638	\$ 16,727,054	1.93%
2002-2003	226,472	126,442	352,914	15,992,478	2.21%
2001-2002	201,319	102,709	304,028	15,309,782	1.99%
2000-2001	175,856	106,837	282,693	12,049,886	2.35%
1999-2000	34,566	104,129	138,695	11,112,274	1.25%
1998-1999	118,963	109,883	228,846	10,897,074	2.10%
1997-1998	136,221	121,664	257,885	10,528,662	2.45%
1996-1997	488,079	142,195	630,274	11,315,991	5.57%
1995-1996	275,017	183,380	458,397	10,919,795	4.20%
1994-1995	348,977	198,652	547,629	10,676,068	5.13%

(1) Totals do not include self-supporting issues.

(2) Expenditures do not include Capital Outlay and Permanent Funds of the State oversight unit.

The defeasement of certain General Obligation Bond payments (principal and interest) using the General Fund Undesignated Fund Balance are as follows: 2002-03, \$95,395; 2001-02, \$23,044; 2000-01, \$22,997; 1998-99, \$52,361; 1997-98, \$155,783; 1996-97, \$393,368; 1995-96, \$149,804; and 1994-95, \$110,552

The General Obligation Bonds had advance refunding in the following amounts (principal only): 2000-01, \$125,365; 1997-98, \$350,620; 1995-96, \$443,980; and 1992-93, \$479,270.

SOURCE: Office of Statewide Reporting and Accounting Policy

COLLEGE AND UNIVERSITY REVENUE BONDS FOR THE LAST TEN FISCAL YEARS

(EXPRESSED IN THOUSANDS)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL DEBT SERVICE	PRINCIPAL TO MATURITY	INTEREST TO MATURITY
2003-2004	\$ 39,844	\$ 21,634	\$ 61,478	\$ 551,822	\$ 347,088
2002-2003	51,851	13,611	65,462	391,386	304,936
2001-2002	12,494	12,435	24,929	224,257	141,720
2000-2001	22,637	10,415	33,052	189,770	138,227
1999-2000	12,603	7,955	20,558	194,353	146,991
1998-1999	16,408	7,748	24,156	164,047	103,070
1997-1998	13,713	6,993	20,706	137,759	78,877
1996-1997	10,237	6,258	16,495	133,232	76,328
1995-1996	11,736	5,137	16,873	93,210	34,475
1994-1995	12,763	5,491	18,254	101,256	39,598

SOURCE: Office of Statewide Reporting and Accounting Policy

State of Louisiana

BANK DEPOSITS AND INDIVIDUAL INTERNAL REVENUE SERVICE COLLECTIONS FOR THE LAST TEN CALENDAR YEARS

(EXPRESSED IN THOUSANDS)

	BANK DEPOSITS (1)	INDIVIDUAL IRS COLLECTIONS (2)
2003	\$19,420,744	\$18,293,627
2002	18,199,164	21,328,978
2001	16,989,583	17,775,613
2000	15,531,913	14,375,892
1999	15,158,462	13,560,698
1998	14,767,227	16,458,101
1997	16,044,284	*
1996	17,553,517	13,281,575
1995	17,103,093	12,725,191
1994	17,089,497	13,134,569

* Information is not available because the IRS only provided the total of individual income tax collections by district instead of by state.

SOURCES: (1) Office of Financial Institutions

(2) Internal Revenue Service

25 LARGEST PRIVATE EMPLOYERS IN LOUISIANA*

Wal-Mart Stores, Inc.
Winn Dixie Louisiana, Inc.
The Hibernia National Bank
Northrop Grumman Ship Systems
Exxon Mobil Corporation
Tulane University
BellSouth Telecommunications
Willis-Knighton Medical Center, Inc.
Alton Ochsner Foundation Hospital
Burger King, Corp.
Our Lady of the Lake Medical Center
The Home Depot
Sears Roebuck & Co
Dillard's Department Stores, Inc.
Entergy
Brookshire Grocery Co., Inc.
Oakdale Community Hospital
International Paper Co., Inc.
Albertsons
Walgreen LA Co., Inc.
General Health, Inc.
Ochsner Clinic
Halliburton Energy Services
Performance Contractors, Inc.
International Maintenance Corp.

* This table includes only those employers that voluntarily supplied information and is stated in descending order. Since current year information is not available, the table is as of the first quarter of 2003.

SOURCE: Louisiana Department of Labor

State of Louisiana

POPULATION AND EMPLOYMENT TRENDS FOR THE LAST TEN CALENDAR YEARS

YEAR	POPULATION (A) (B) (1)	MEDIAN AGE (1)	CIVILIAN LABOR FORCE (A) (2)	EMPLOYMENT (A) (2)	LOUISIANA UNEMPLOYMENT NUMBER (A) (2)	LOUISIANA UNEMPLOYMENT RATE (2)	U.S. UNEMPLOYMENT RATE (2)
2003	4,496	34.7	2,037	1,903	134	6.6 %	6.0 %
2002	4,483	34.5	2,006	1,883	123	6.1	5.8
2001	4,465	34.3	2,050	1,928	122	6.0	4.8
2000	4,469	34.0	2,030	1,917	113	5.5	4.0
1999	4,372	34.1	2,052	1,948	104	5.1	4.2
1998	4,369	33.9	2,063	1,945	118	5.7	4.5
1997	4,352	33.6	2,024	1,900	124	6.1	4.9
1996	4,351	33.0	1,997	1,863	134	6.7	5.4
1995	4,342	32.7	1,956	1,822	134	6.9	5.6
1994	4,315	32.4	1,941	1,785	156	8.0	6.1

(A) Expressed in thousands

(B) Population figures are estimated by the U.S. Census Bureau and are revised yearly; however, only the original estimates are reported here

SOURCES: (1) U.S. Census Bureau
(2) Louisiana Department of Labor

PERSONAL INCOME AND GROSS STATE PRODUCT IN CURRENT DOLLARS AND ADJUSTED FOR INFLATION FOR THE LAST TEN CALENDAR YEARS

YEAR	PER CAPITA PERSONAL INCOME (A) (1)	PER CAPITA PERSONAL INCOME (INFLATION ADJUSTED) (A)	PER CAPITA DISPOSABLE PERSONAL INCOME (A) (1)	PER CAPITA DISPOSABLE PERSONAL INCOME (INFLATION ADJUSTED) (A)	GROSS STATE PRODUCT (B) (C) (1)	GROSS STATE PRODUCT (INFLATION ADJUSTED) (B)	CONSUMER PRICE INDEX (2)
2003	\$26,038	\$14,151	\$23,796	\$12,933	*	*	184.0
2002	25,370	14,102	22,866	12,710	*	*	179.9
2001	24,084	13,599	21,286	12,019	148,697	83,962	177.1
2000	23,041	13,380	20,347	11,816	137,700	79,965	172.2
1999	22,847	13,705	20,171	12,100	128,959	77,359	166.7
1998	21,385	13,112	18,810	11,533	129,251	79,246	163.1
1997	20,473	12,748	18,138	11,294	124,350	77,428	160.6
1996	19,664	12,525	17,605	11,213	117,633	74,925	157.0
1995	18,891	12,388	17,088	11,205	112,497	73,769	152.5
1994	17,615	11,878	15,712	10,595	106,515	71,824	148.3

* The information for this year is not available.

(A) Expressed in dollars

(B) Expressed in millions

(C) Gross state product figures are estimated by the Bureau of Economic Analysis, U.S. Department of Commerce, and are revised yearly; however, only the original estimates are reported here.

SOURCES: (1) Survey of Current Business, United States Department of Commerce, Bureau of Economic Analysis
(2) U. S. Economic Outlook

State of Louisiana

REVENUE BOND COVERAGE FOR THE LAST TEN FISCAL YEARS

(EXPRESSED IN THOUSANDS EXCEPT COVERAGE RATIO)

	Fiscal Year Ended June 30	Gross Revenue	Direct Operating Expenses	Available for Debt Service	Principal	Interest	Annual Debt Service	Coverage Ratio
Primary Government								
Louisiana Office Building Corporation **								
	2004	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	--
	2003	--	--	--	--	--	--	--
	2002	--	--	--	--	--	--	--
	2001	--	--	--	--	--	--	--
	2000	274	89	185	130	6	136	1.36
	1999	360	60	300	585	34	619	0.48
	1998	346	77	269	485	57	542	0.50
	1997	261	191	70	550	83	633	0.11
	1996	277	625	(348)	495	107	602	(0.58)
	1995	364	2,100	(1,736)	110	112	222	(7.82)
Louisiana Correctional Facilities Corporation								
	2004	\$ 3,413	\$ 904	\$ 2,509	\$ 4,410	\$ 1,526	\$ 5,936	0.42
	2003	9,967	133	9,834	38,705	2,524	41,229	0.24
	2002	5,766	53	5,713	15,290	2,304	17,594	0.32
	2001	6,523	28	6,495	14,315	3,093	17,408	0.37
	2000	121	1,420	(1,299)	13,435	3,805	17,240	(0.08)
	1999	246	3,078	(2,832)	12,645	4,444	17,089	(0.17)
	1998	737	1,193	(456)	11,925	5,022	16,947	(0.03)
	1997	313	77	236	11,280	5,544	16,824	0.01
	1996	380	65	315	10,710	6,012	16,722	0.02
	1995	364	69	295	10,100	6,535	16,635	0.02
Louisiana Office Facilities Corporation								
	2004	\$ 30,975	\$ 21,433	\$ 9,542	\$ 10,700	\$ 15,415	\$ 26,115	0.37
	2003	22,844	11,952	10,892	6,775	13,001	19,776	0.55
	2002	19,592	7,267	12,325	6,500	14,360	20,860	0.59
	2001	11,421	3,267	8,154	1,075	8,444	9,519	0.86
	2000	9,024	3,250	5,774	820	5,651	6,471	0.89
	1999	3,278	3,634	(356)	670	1,025	1,695	(0.21)
	1998	4,961	2,451	2,510	625	1,071	1,696	1.48
	1997	4,846	2,078	2,768	585	1,114	1,699	1.63
	1996	4,197	1,984	2,213	550	1,153	1,703	1.30
	1995	3,920	2,034	1,886	515	1,189	1,704	1.11
Component Units:								
Orleans Levee District								
	2004	\$ 14,981	\$ 25,365	\$ (10,384)	\$ 1,495	\$ 1,711	\$ 3,206	(3.24)
	2003	15,158	22,833	(7,675)	1,395	1,786	3,181	(2.41)
	2002	16,098	22,600	(6,502)	1,310	1,866	3,176	(2.05)
	2001	13,143	10,559	2,584	1,230	1,941	3,171	0.81
	2000	11,306	7,976	3,330	1,183	3,053	4,236	0.79
	1999	9,883	5,684	4,199	1,118	3,109	4,227	0.99
	1998	10,523	6,290	4,233	1,066	3,167	4,233	1.00
	1997	11,467	7,364	4,103	33,898	5,955	39,853	0.10
	1996	13,411	6,864	6,547	912	5,282	6,194	1.06
	1995	14,559	8,909	5,650	4,500	5,585	10,085	0.56
Greater Baton Rouge Port Commission								
	2004	\$ 4,827	\$ 4,025	\$ 802	\$ 300	\$ 455	\$ 755	1.06
	2003	5,280	3,850	1,430	285	477	762	1.88
	2002	6,391	4,136	2,255	270	499	769	2.93
	2001	4,899	3,217	1,682	260	520	780	2.16
	2000	4,154	2,849	1,305	2,730	375	3,105	0.42
	1999	4,025	3,216	809	400	119	519	1.56
	1998	4,316	2,857	1,459	385	82	467	3.12
	1997	4,376	3,288	1,088	370	94	464	2.34
	1996	4,922	3,008	1,914	360	105	465	4.12
	1995	3,700	2,772	928	590	104	694	1.34

* College and University revenue bonds are shown in a separate schedule.

** Bonds paid off in fiscal year 2000.

Source: Office of Statewide Reporting and Accounting Policy

State of Louisiana

TOTAL PUBLIC EDUCATION ENROLLMENT IN PUBLIC SCHOOLS, COLLEGES, AND UNIVERSITIES FOR THE LAST TEN SCHOOL YEARS

EDUCATIONAL FACILITY	2003-2004	2002-2003	2001-2002	2000-2001	1999-2000	1998-99	1997-98	1996-97	1995-96	1994-95
GRADES K-12 (A)	705,534*	708,238	714,020	727,255	738,624	752,897	763,812	775,817	780,000	781,763
GRAMBLING STATE UNIVERSITY	4,669	4,464	4,500	4,716	4,671	5,070	5,864	6,700	6,800	7,609
LOUISIANA TECH UNIVERSITY	11,960	11,257	10,694	10,363	10,014	9,656	9,500	9,272	9,584	9,947
MCNEESE STATE UNIVERSITY	8,447	8,029	7,780	7,634	7,822	7,967	8,131	8,087	8,443	8,726
NICHOLLS STATE UNIVERSITY	7,260	7,332	7,206	7,345	7,367	7,402	7,187	7,210	7,366	7,205
NORTHWESTERN STATE UNIVERSITY	10,505	10,159	9,415	9,292	9,005	8,572	8,873	9,037	9,040	8,761
SOUTHEASTERN STATE UNIVERSITY	15,662	15,195	14,522	14,535	15,199	15,308	15,330	14,592	14,368	13,915
UNIVERSITY OF LOUISIANA AT LAFAYETTE	16,208	16,006	15,489	15,742	16,351	16,933	17,044	16,741	16,902	16,787
UNIVERSITY OF LOUISIANA AT MONROE	8,592	8,162	8,765	9,409	9,864	10,527	10,945	11,128	11,570	11,379
UNIVERSITY OF LOUISIANA SYSTEM (subtotal)	83,303	80,604	78,371	79,036	80,293	81,435	82,874	82,767	84,073	84,329
COMMUNITY & TECHNICAL COLLEGES (B)	49,296	46,447	47,252	38,315	38,315	**	**	**	**	**
LOUISIANA STATE UNIVERSITY (B)	62,884	62,878	61,391	59,690	59,899	58,409	56,796	55,239	54,670	53,984
SOUTHERN UNIVERSITY (B)	15,044	14,268	14,281	14,632	14,458	15,079	15,214	15,774	15,909	15,504
TOTAL COLLEGES & UNIVERSITIES	210,527	204,197	201,295	191,673	192,965	154,923	154,884	153,780	154,652	153,817
TOTAL ENROLLMENT IN PUBLIC SCHOOLS, COLLEGES, AND UNIVERSITIES	916,061	912,435	915,315	918,928	931,589	907,820	918,696	929,597	934,652	935,580

* Preliminary count subject to changes by Board of Elementary and Secondary Education

** Information not available

(A) Does not include enrollment at non-public schools receiving state funding

(B) Includes all campuses and programs

SOURCES: (1) Louisiana Board of Elementary and Secondary Education

(2) Louisiana Board of Regents

VALUE OF FIRST SALES OF AGRICULTURAL, FISHERIES, GAME, AND TIMBER PRODUCTS FOR THE LAST TEN CALENDAR YEARS

(EXPRESSED IN THOUSANDS)

YEAR	CROPS (1)	LIVESTOCK (1)	FISH AND SHELLFISH (A) (2)	ALLIGATOR AND GAME (B) (C) (3)	TIMBER (D) (4)	TOTAL
2003	\$1,296,021	\$697,345	\$271,113	*	\$605,357	\$2,869,836
2002	1,159,194	614,049	279,989	\$32,886	568,440	2,654,558
2001	1,115,793	701,131	345,091	25,614	559,383	2,747,012
2000	1,166,533	653,274	418,918	32,543	654,770	2,926,038
1999	1,227,563	620,036	336,963	24,031	680,314	2,888,907
1998	1,245,131	645,493	291,893	19,127	744,597	2,946,241
1997	1,453,848	655,210	306,528	23,872	610,314	3,049,772
1996	1,669,246	678,694	270,801	24,705	594,396	3,237,842
1995	1,396,783	629,837	315,724	21,139	635,285	2,998,768
1994	1,305,190	703,723	339,782	24,193	554,015	2,926,903

* Information not yet available

(A) All fresh and salt-water species including shrimp

(B) Values of meat and skins or pelts only

(C) Values included for alligator harvest for 2002 are reissued

(D) Estimated stumpage value of severed timber delivered to mills

SOURCES: (1) State Financial Summary, Economic Research Service, USDA

(2) U.S. Department of Commerce, National Oceanic and Atmospheric Administration, National Marine Fisheries Service

(3) Louisiana Department of Wildlife and Fisheries, Office of Wildlife, Game Division

(4) Louisiana Department of Agriculture and Forestry, Office of Forestry, Louisiana Forest Products, Quarterly Market Report

State of Louisiana

DEBT SERVICE REQUIREMENTS PER CAPITA AND GENERAL OBLIGATION DEBT PER CAPITA FOR THE LAST TEN YEARS

YEAR	POPULATION * (1)	GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS TO MATURITY * (2)	SELF- SUPPORTING DEBT SERVICE REQUIREMENTS TO MATURITY * (2)	STATE SUPPORTED DEBT SERVICE REQUIREMENTS TO MATURITY *(2)	STATE SUPPORTED DEBT SERVICE INTEREST TO MATURITY * (2)	STATE-SUPPORTED GENERAL OBLIGATION DEBT TO MATURITY * (2)	STATE SUPPORTED DEBT SERVICE PER CAPITA (2)	GENERAL OBLIGATION BONDED DEBT PER CAPITA (2)
2004	**	\$2,615,567	\$ 7,418	\$2,608,149	\$767,016	\$1,841,134	**	**
2003	4,496	2,885,313	40,632	2,844,681	864,050	1,980,631	\$633	\$441
2002	4,483	2,823,631	45,613	2,778,018	810,664	1,967,354	620	439
2001	4,465	2,712,848	51,362	2,661,487	757,069	1,904,418	596	427
2000	4,469	2,421,276	60,462	2,360,814	643,963	1,716,851	528	384
1999	4,372	2,521,989	68,513	2,453,476	739,571	1,713,905	561	392
1998	4,369	2,767,509	89,728	2,677,781	842,020	1,835,761	613	420
1997	4,352	2,823,306	100,075	2,723,231	859,644	1,863,587	626	428
1996	4,351	3,055,575	113,861	2,941,714	859,361	2,082,353	676	479
1995	4,342	3,505,955	128,010	3,377,945	1,037,085	2,340,860	778	539

* Expressed in thousands

** Current year information not yet available

SOURCES: (1) U.S. Census Bureau
(2) Office of Statewide Reporting and Accounting Policy

RATIO OF DEBT SERVICE REQUIREMENTS TO ASSESSED VALUE AND FAIR MARKET VALUE OF ALL TAXABLE PROPERTY FOR THE LAST TEN YEARS

GENERAL OBLIGATION BONDS	DEBT SERVICE REQUIREMENTS TO MATURITY (A) (1)	ASSESSED VALUE OF TAXABLE PROPERTY (A) (B) (2)	RATIO OF DEBT SERVICE TO ASSESSED VALUE OF TAXABLE PROPERTY	FAIR MARKET VALUE OF TAXABLE PROPERTY (A) (2)	RATIO OF DEBT SERVICE TO FAIR MARKET VALUE OF TAXABLE PROPERTY
2004	\$2,615,567	*	*	*	*
2003	2,885,313	\$19,493,574	14.8 %	\$224,295,297	1.3 %
2002	2,823,631	18,570,082	15.2	205,190,986	1.4
2001	2,712,848	17,937,541	15.1	198,404,561	1.4
2000	2,421,276	17,014,343	14.2	189,438,956	1.3
1999	2,521,989	15,959,286	15.8	176,841,475	1.4
1998	2,767,509	15,226,452	18.2	169,405,728	1.6
1997	2,823,306	14,711,026	19.2	162,173,058	1.7
1996	3,055,575	13,743,189	22.2	154,449,581	2.0
1995	3,505,955	12,567,779	27.9	135,343,917	2.6

* Information not yet available

(A) Expressed in thousands

(B) Does not include values for homestead exemption

SOURCES: (1) Office of Statewide Reporting and Accounting Policy
(2) Louisiana State Tax Commission

State of Louisiana

GENERAL FUND BALANCE FOR THE LAST TEN FISCAL YEARS

(EXPRESSED IN THOUSANDS)

	<u>2003-2004</u>	<u>2002-2003</u>	<u>2001-2002</u>	<u>2000-2001</u>	<u>1999-2000</u>
Reserved for inventory	\$ 58,747	\$ 66,240	\$ 59,563	\$ 52,541	\$ 52,906
Reserved for encumbrances	41,919	30,622	37,214	33,064	28,418
Reserved for other specific purposes	197,472	231,016	328,221	225,231	293,816
Unreserved - designated	--	18,330	--	660	--
- undesignated	<u>(10,998)</u>	<u>--</u>	<u>(33,953)</u>	<u>27,251</u>	<u>(80,645)</u>
Total Fund Balance *	\$ <u>287,140</u>	\$ <u>346,208</u>	\$ <u>391,045</u>	\$ <u>338,747</u>	\$ <u>294,495</u>
	<u>1998-1999</u>	<u>1997-1998</u>	<u>1996-1997</u>	<u>1995-1996</u>	<u>1994-1995</u>
Reserved for inventory	\$ 48,384	\$ 47,304	\$ 69,609	\$ 72,362	\$ 76,329
Reserved for encumbrances	27,622	27,034	47,474	18,415	23,641
Reserved for other specific purposes	280,726	260,742	305,215	175,907	181,500
Unreserved - designated	--	8,309	--	2,176	--
- undesignated	<u>(26,549)</u>	<u>94,163</u>	<u>135,014</u>	<u>318,039</u>	<u>145,689</u>
Total Fund Balance *	\$ <u>330,183</u>	\$ <u>437,552</u>	\$ <u>557,312</u>	\$ <u>586,899</u>	\$ <u>427,159</u>

* Shown as originally published in the respective CAFRs

ACKNOWLEDGMENTS

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Special thanks to the people in the other section of the Office of Statewide Reporting and Accounting Policy for their valued input into the Comprehensive Annual Financial Report:

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We gratefully acknowledge the contribution and dedication made by the late Clyde Buzzard, who was a manager for the Office of Statewide Reporting and Accounting Policy and passed away in the Spring of 2004. He is deeply missed.

