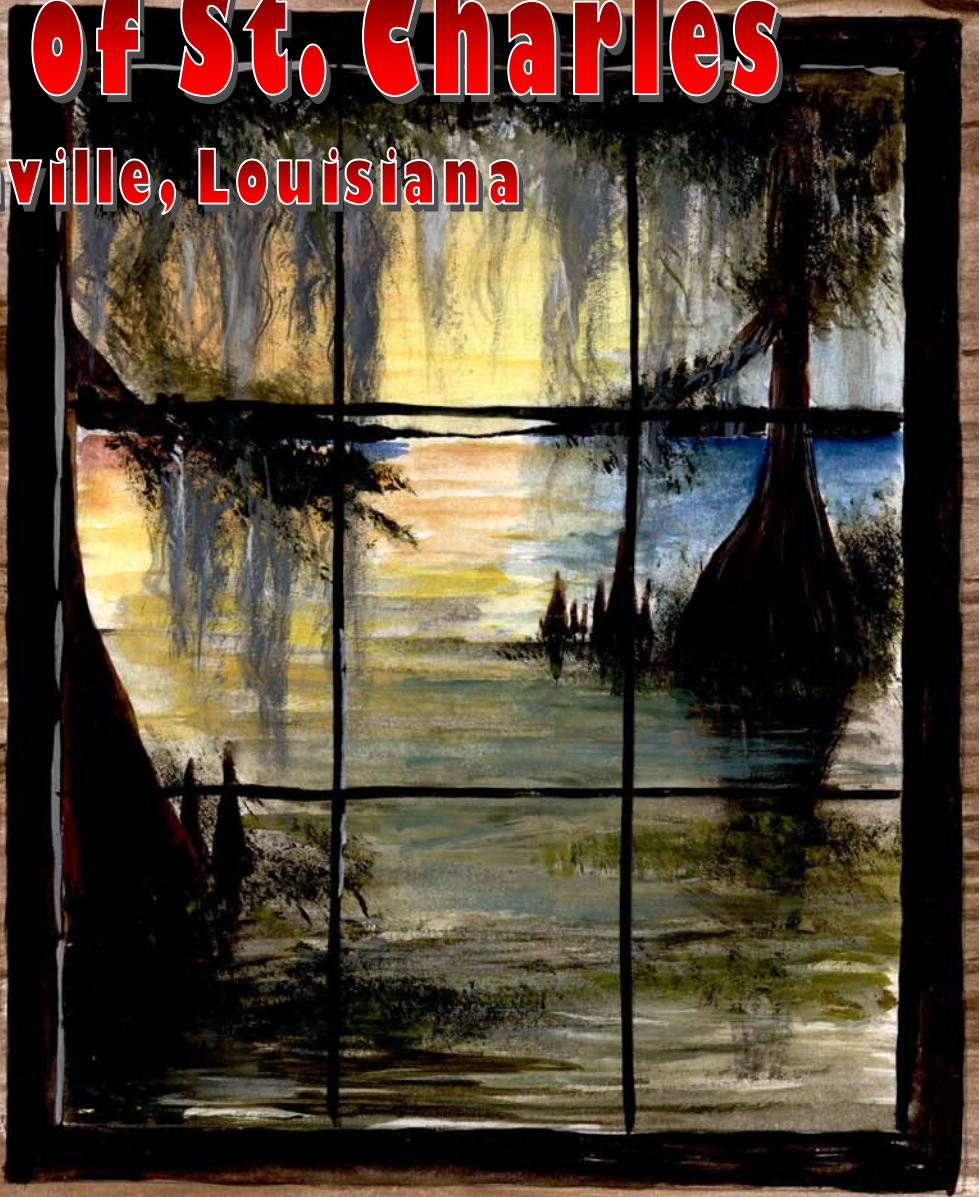


# Parish of St. Charles

Hahnville, Louisiana



## Comprehensive Annual Financial Report

For the Fiscal Year Ended December 31, 2011

*Morgan Hudson*

**PARISH OF  
ST. CHARLES**  
HAHNVILLE, LOUISIANA

**COMPREHENSIVE  
ANNUAL  
FINANCIAL  
REPORT**

**For the Fiscal Year Ended December 31, 2011**

**PREPARED BY:  
Department of Finance**



**Parish of St. Charles  
Comprehensive Annual Financial Report  
For The Year Ended December 31, 2011**

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# ST. CHARLES PARISH

## DEPARTMENT OF FINANCE

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(985) 783-5000 FAX (985) 783-2187  
E-mail Address: [finance@stcharlesgov.net](mailto:finance@stcharlesgov.net)

**V.J. ST. PIERRE**  
Parish President

**Grant M. Dussom, CPA**  
Director of Finance

June 13, 2012

To the Honorable Parish President, Council Members, and Citizens of the Parish of St. Charles:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Parish of St. Charles (the "Parish") for the fiscal year ended December 31, 2011.

This report consists of management's representations concerning the finances of the Parish. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Parish has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Parish's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Parish's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Parish's financial statements have been audited by Carr, Riggs & Ingram, LLC a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Parish for the fiscal year ended December 31, 2011, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the 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 Parish's financial statements for the fiscal year ended December 31, 2011, 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 financial statements of the Parish 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 financial statements, but also on the audited government's internal controls 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 this comprehensive annual financial report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Parish's MD&A can be found immediately following the report of the independent auditors.

### **Profile of the Parish of St. Charles**

The Parish is located approximately 25 miles up river from New Orleans. It has an estimated population of 52,791. The Parish is bisected by the Mississippi River, bordered by Lake Pontchartrain on the north, Lake Salvador on the south, Jefferson Parish on the east and by Lake Des Allemands, Lafourche Parish, and St. John the Baptist Parish on the west.

The Parish's present system of government was established by its Home Rule Charter, which became effective in 1978. The Parish operates under a president-council form of government with the Parish President, seven district Council Members and two at-large Council Members, each elected for a four-year term.

The Parish President is the chief executive officer of the Parish, responsible for carrying out policies adopted by the St. Charles Parish Council (the "Council") and for the administration, direction, and supervision of all parish departments, offices, agencies, and special districts, the heads of which are appointed by him.

The Council is the governing authority for the Parish, a political subdivision of the State of Louisiana as authorized by the Constitution of the State of Louisiana. The Council consists of nine members of which two members are elected parish wide to represent the entire parish and seven members are elected to represent each of the seven districts. The Council elects from among its members a chairman and a vice-chairman who serve at its pleasure. The Council may levy and collect taxes, special assessments, service charges, license charges, fees and other revenues, and borrow money subject to limitations provided by state law.

The Parish President submits an operating and capital budget to the Council for approval at least seventy-five days before the beginning of each fiscal year. Formal budgetary accounting is employed as a management control device during the year for the general fund, special revenue funds, debt service funds, capital projects funds, and proprietary funds.

The level of budgetary control is at the fund/department level and expenditures may not exceed budgeted appropriations. Appropriations which are not expended or encumbered lapse at year-end.

Budgets for the general, special revenue, debt services, and capital projects funds are adopted on a modified accrual basis of accounting. Budgets for the proprietary funds are adopted on an accrual basis.

### **Financial Review**

Expenditures increased from \$21,058,422 in 2010 to \$22,594,034 in 2011 in the General Fund, an increase of 7%. The revenues of the General Fund increased from \$22,114,414 in 2010 to \$26,870,377 representing an increase of 22%. This increase was primarily due to the increase in Sales Tax revenues as a result of major industry plant expansions taking place throughout the Parish. The General Fund closed the year with unassigned fund balance of \$4.8 million, but the

overall fund balance in the General Fund increased from \$37.3 million to \$40.1 million, which reflects an increase of 7% from the balance at December 31, 2010.

The Roads and Drainage Maintenance and Operation Fund is the Parish's largest Special Revenue Fund. It entails the largest Parish Department, Public Works. Expenditures increased from \$30,609,237 in 2010 to \$37,107,760 in 2011 in the Road and Drainage Maintenance and Operation Fund, an increase of 21%. This increase is due to the large number of capital projects undertaken throughout the Parish, many of which are completely grant funded. The Road and Drainage Maintenance and Operation Fund closed the year with an ending fund balance of \$29,341,005, which reflects a decrease of 7% from the \$31,671,429 balance at December 31, 2010.

Although operating expenditures decreased from \$11,130,316 in 2010 to \$10,414,255 in 2011 in the Parish's WasteWater Utility System Proprietary Fund, a net operating loss of \$3,127,973 was reported for 2011. The primary contributor to this is the fact that the service charges in place are not enough to cover the overall expenses of the department. The WasteWater department was able to acquire a 20 year, \$6.5 million, .95% loan with the Department of Environmental Quality in 2010 for the purpose of much needed capital outlay to several sewer lift stations as well as reconditioning to its two treatment plants.

Standard and Poor's bond rating service rates the Parish's general obligation and revenue bonds. Standard & Poor's currently maintains an 'A/Stable' rating on St. Charles Parish, LA's general obligation bonds.

### **Debt Administration**

All of the Parish's existing long-term debt is scheduled to be retired within 20 years.

### **Capital Assets**

The Capital assets of the Parish are those capital assets used in the performance of general governmental functions. As of December 31, 2011, the capital assets of the Parish amounted to \$300,351,303 net of accumulated depreciation. The amount represents the total historical cost or estimated historical, if historical cost is not available.

### **Independent Audit**

The Revised Statutes of the State of Louisiana require an audit of the book of accounts, financial records and transactions of all funds of the Parish. This year's audit was performed by Carr, Riggs & Ingram.

### **Financial Forecast**

St. Charles Parish experienced a slight decline in its ad valorem tax collections but witnessed large growth in sales tax collections in 2011, rebounding significantly from the dismal collections of 2010. Even with the increase witnessed in Sales Tax collection, which is attributed to Industry Plant expansions throughout the Parish thus providing temporary spikes in Sales Tax revenues, the Parish still holds true to its philosophy of maintaining a minimum fund balance in the General Fund as well as following strict budgeting practices thus placing St. Charles Parish in a sound financial position.

The assessed value of taxable property for 2011 fiscal year experienced a slight increase from 2010. Based on items coming off ten-year exemption we are expecting moderate growth over the next ten years. While there are numerous companies added to the tax rolls each year, the major revenues are still derived from the numerous petrochemical plants and the nuclear power plant located in the Parish.

The Parish's 2011 average annual Unemployment Rate was 7.1%, up .2% from 2010. It is the highest annual number posted since 1996. However the local Unemployment Rate continued to be lower than the statewide average of 7.5%.

The construction sector continued to show signs of revival in 2011. Forty-five (45) commercial construction permits were issued by the Department of Planning and Zoning, up 12.5% from 2010. Although improving, housing starts continued to lag historic averages. There were sixty-one (61) residential permits issued in 2011, four (4) more versus the previous year. Seventy-seven (77) Home Occupation permits were issued in 2011, down 2% from the total registered in 2010. Significantly more Change of Use/Occupancy (COU) permits were issued last year. There were 127 COU's issued in 2011, up nearly 55% from 2010.

The Sales/Use Tax Office recorded 156 new businesses in 2011, up 8%. Sixty-three (63) business closures were posted by the Sales Tax Office, an increase of one (1) from the previous year.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) was awarded a Distinguished Budget Presentation Award to the Parish of St. Charles for its 2011 Consolidated Capital and Operation Budget. This was the first year that the government has received this prestigious award. This award represents a significant achievement by the Parish. It reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting. In order to receive the budget award, the entity had to satisfy nationally recognized guidelines for effective budget presentation.

The Government Finance Officers Association of the United States and Canada (GFOA) also awarded a Certificate of Achievement for Excellence in Financial Reporting to the Parish of St. Charles for its comprehensive annual financial report for the fiscal year ended December 31, 2010. This was the fifteenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report 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.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. I would also like to thank the Parish President and Parish Council Members for their support and interest in the financial operations of the Parish. I sincerely appreciate their continuing support.

Respectfully submitted,

Grant M. Dussom, CPA  
Director of Finance

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Parish of St. Charles  
Louisiana

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2010

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.

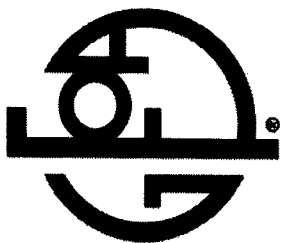


*Linda C. Danison*

President

*Jeffrey R. Emer*

Executive Director



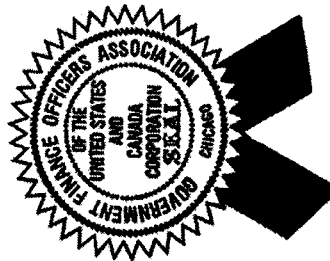
The Government Finance Officers Association  
of the United States and Canada

*presents this*

# AWARD OF FINANCIAL REPORTING ACHIEVEMENT

*to*

**Department of Finance**  
Parish of St. Charles, Louisiana



*The award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the individual(s) designated as instrumental in their government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.*

Executive Director

Date December 27, 2011





## **Parish of St. Charles**

December 31, 2011

### **PRINCIPAL OFFICIALS**

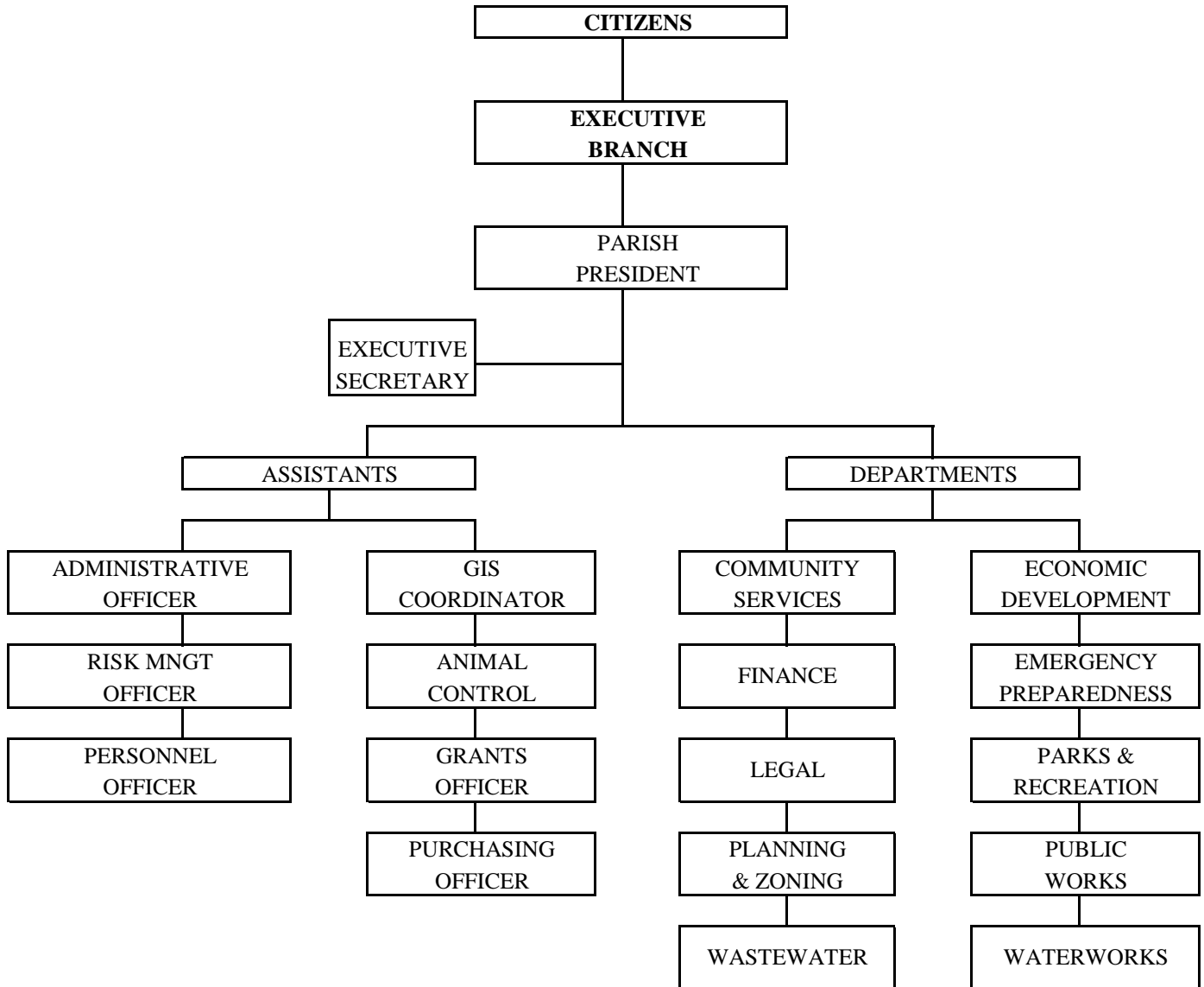
V.J. St. Pierre	Parish President
Dennis Nuss	Chairman
Wendy Benedetto	Vice-Chairman
Grant M. Dussom	Finance Director
Barbara Jacob-Tucker	Secretary
Timothy J. Vial	Chief Administrative Officer
Leon C. Vial III	Legal Services Director

### **COUNCIL MEMBERS**

Carolyn Schexnaydre	Division A (At Large)
Terry Authement	Division B (At Large)
Billy Raymond	District I
Shelly Tastet	District II
Wendy Benedetto	District III
Paul Hogan	District IV
Lawrence Cochran	District V
Marcus Lambert	District VI
Dennis Nuss	District VII

# Parish of St. Charles

## Organizational Chart







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3501 North Causeway Boulevard  
Suite 810  
Metairie, Louisiana 70002

(504) 837-9116  
(504) 837-0123 (fax)  
www.CRIcpa.com

## INDEPENDENT AUDITOR'S REPORT

To the Honorable President  
and Members of the Council  
**St. Charles Parish Council**  
Hahnville, 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 St. Charles Parish Council (the "Parish"), as of and for the year ended December 31, 2011, which collectively comprise the Parish's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Parish's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the discretely presented governmental component units Sunset Drainage District of St. Charles Parish ("Sunset Drainage"), whose report had a going concern, and St. Charles Parish Hospital Service District (the "Hospital"). Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Sunset Drainage and the Hospital, is based on the report 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. 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above 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 Parish, as of December 31, 2011, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As disclosed in Note 1q to the financial statements, the Parish adopted the Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions on December 31, 2011.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2011, on our consideration of the Parish's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedule of funding progress on pages 3 through 11 and 81 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Parish's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*Carr, Riggs & Ingram, LLC*

June 13, 2012



**PARISH OF ST. CHARLES  
HAHNVILLE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

As financial management of the Parish, we offer readers of this financial statement an overview and analysis of the financial activities of the Parish of St. Charles Consolidated Government. This narrative is designed to assist the reader in focusing on significant financial issues, identify changes in the government's financial position, identify any material deviations from the approved budget documents, and identify individual fund issues or concerns.

The Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts. It should be read in conjunction with the Letter of Transmittal and the financial statements that begin with Exhibit A-1.

**FINANCIAL HIGHLIGHTS**

- The assets of the Parish exceeded its liabilities at the close of 2011 by \$329 million. Of this amount, \$243 million is invested in capital assets including infrastructure. Infrastructure assets are only of value to the Parish and cannot be sold. Another \$41 million is considered unrestricted and may be used to meet government's ongoing needs. However, while these funds are described as unrestricted, the citizens have dedicated the revenues for very specific purposes. The unrestricted net assets of the Parish's business type activities are \$6 million and may be used to meet the ongoing obligations of the Parish's water, sewer, and solid waste business-type activities.
- In February 2009, the Governmental Accounting Standards Board (GASB) issued Statement No. 54, Fund Balance Reporting and the Governmental Fund Type Definitions (Statement). This Statement classifies fund balance into various categories. In addition, the Statement clarifies the definitions of the various types of governmental funds. The Parish thus implemented this standard for the year ending December 31, 2011.
- With the implementation of GASB 54 in 2011, the fund balance was divided into 5 new categories as opposed to the previous categories of Reserved and Unreserved. Therefore, at December 31, 2011, Unassigned fund balance for the General fund was \$4.8 million, 21% of total 2011 General Fund expenditures, while the other categories of Non-spendable, Restricted, Committed, and Assigned held balances of \$417 thousand, \$3.1 million, \$15 million and \$16.9 million respectively, providing an overall 7% increase from the prior year 2010 ending fund balance. This increase is directly attributable to the Sales tax windfall experienced in 2011 as a result of major industry plant expansions that began during the year.
- As of the close of the current year, the Parish's governmental funds reported a combined ending fund balance of \$80.1 million.
- For the year ended December 31, 2011, the Parish's Waterworks Utility System reported net income of \$1.1 million.
- For the fiscal year ended December 31, 2008, the Parish implemented Governmental Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other than Pensions* (GASB 45). The Parish is investigating the possibility of establishing a trust whose assets will be dedicated to providing post employment benefits to retired employees and their beneficiaries and which will be legally protected from creditors. It is the intent of the Parish, once the trust is established, to contribute its portion of post employment benefits to the trust on a monthly basis.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

Governmental Accounting Standards Board Statement No. 34 greatly changed a government's presentation of financial statement. The statements focus on the government as a whole (government-wide) and the major individual funds. Both perspectives (government-wide and major fund) allow the reader to address relevant questions, broaden a basis for comparison (year to year or government to government) and should enhance the Parish's accountability.

**PARISH OF ST. CHARLES  
HAHNVILLE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

**Government-Wide Financial Statements**

The *government-wide financial statements* are designed to provide readers with a broad overview of the Parish's finances, in a manner similar to private-sector business.

The *Statement of Net Assets* (Exhibit A-1) presents information on all of the government's assets and liabilities, with the difference between the two reported as net assets. Over time, changes in net assets may serve as a useful indicator of whether the financial position of the Parish is improving or deteriorating.

The *Statement of Activities* (Exhibit A-2) presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows only in future fiscal periods. For example, uncollected taxes result in cash flows for future periods. The focus of the Statement of Activities is on both the gross and net cost of various activities that are funded by the government's general tax and other revenues. This is intended to summarize information and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities and component units.

The government-wide financial statements include not only the Parish itself (known as the primary government), but also four component units: St. Charles Parish Communications District, St. Charles Parish Library Service District No. 1, Sunset Drainage District of St. Charles Parish and St. Charles Parish Hospital Service District. Financial information for the last two component units is reported separately from the financial information presented for the primary government itself.

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is now on major funds, rather than generic fund types.

**Governmental Funds** are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The Governmental Major Fund presentation (see Exhibits A-3 and A-5) is presented on a modified accrual basis of accounting. This is the manner in which the financial plan is typically developed excluding certain timing differences between the budget basis and the generally accepted accounting principle (GAAP) basis. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's current financing requirements. The Parish has presented the General Fund, Road and Drainage M&O Fund, Recreation M&O Fund, and Sewer General Obligation Bond Sinking Fund as major governmental funds. All other governmental funds are presented in one column, titled Nonmajor Governmental Funds. Combining financial statements of the non-major funds can be found in the Combining and Individual Fund Statements and Schedules that follow the basic financial statements.

**Proprietary Funds** encompass enterprise funds on the fund financial statements. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements.

While the total columns on the proprietary fund financial statements for enterprise funds (see Exhibits A-10 and A-11) is the same as the business-type activities columns on the government-wide financial statements, the governmental major funds total column requires a reconciliation because of the different measurement focus which is reflected on the page following each statement (see Exhibits A-4 and A-6).

The flow of current financial resources will reflect bond proceeds and interfund transfers as other financing sources and will show capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate

**PARISH OF ST. CHARLES  
HAHNVILLE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

these transactions and incorporate the capital assets and long-term obligations into the Governmental Activities column in the government-wide statements.

**Notes to the Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. Exhibit A-15 contains the notes to the financial statements. They are a required part of the basic financial statements.

**Other Information**

The combining statements referred to earlier in connection with the non-major governmental funds are presented immediately following the notes. Combining and individual fund statements and schedules include Exhibits B-1 through B-23 of this report.

Certain supplementary financial information can be found in Exhibits E-1 through E-20 of this report. These schedules in the Statistical Section are included for additional information and analysis and do not constitute a part of the audited financial statements.

Also included in the report are the auditors' reports, findings, and schedules that comply with the U. S. Office of Management and Budget Circular A-133. This information can be found under the Single Audit section.

The following table reflects the condensed Statement of Net Assets for 2011 with comparative figures from 2010:

**Parish of St. Charles  
Condensed Statement of Net Assets  
December 31, 2011 and 2010  
(in thousands of dollars)**

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
<b>Assets:</b>						
Current and other assets	\$ 111,321	\$ 114,686	\$ 7,497	\$ 6,874	\$ 118,817	\$ 121,560
Restricted assets	-	-	11,434	11,519	11,434	11,519
Capital assets	164,245	147,977	136,106	133,423	300,351	281,400
Total assets	<u>275,566</u>	<u>262,663</u>	<u>155,037</u>	<u>151,816</u>	<u>430,602</u>	<u>414,479</u>
<b>Liabilities:</b>						
Current liabilities	31,518	39,058	2,476	1,137	33,994	40,195
Long-term liabilities	34,805	31,716	33,277	30,030	68,082	61,746
Total liabilities	<u>66,323</u>	<u>70,774</u>	<u>35,753</u>	<u>31,167</u>	<u>102,076</u>	<u>101,941</u>
<b>Net assets:</b>						
Invested in capital assets, net of related debt	140,451	120,410	102,829	102,257	243,280	222,667
Restricted	33,692	10,382	10,438	9,448	44,130	19,830
Unrestricted	35,100	61,097	6,016	8,944	41,116	70,041
Total net assets	<u>\$ 209,243</u>	<u>\$ 191,889</u>	<u>\$ 119,283</u>	<u>\$ 120,649</u>	<u>\$ 328,526</u>	<u>\$ 312,538</u>

**PARISH OF ST. CHARLES**  
**HAHNVILLE, LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

For more detailed information see Exhibit A-1, the Statement of Net Assets.

The Parish continues to maintain a stable current ratio. The current ratio compares current assets to current liabilities and is an indication of the Parish's ability to pay current obligations. The current ratio for governmental activities is 3.53.

Approximately 74% (\$243 million) of the Parish's net assets as of December 31, 2011, reflects the government's investment in capital assets (land, buildings, infrastructure, machinery and equipment) less any related outstanding debt used to acquire those assets. The Parish uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Another 13% (\$44 million) of the Parish's net assets are subject to external restrictions on how those assets may be used, such as property tax approved by the electorate for specific purposes. The remaining 13% of net assets, referred to as unrestricted (\$41 million), may be used to meet ongoing obligations of the government to citizens and creditors.

At the end of the current fiscal year, the Parish is able to report positive balances in all three categories of net assets, both for the governmental as a whole, as well as for its separate governmental and business-type activities.

The following table provides a summary of the changes in net assets for the year ended December 31, 2011 with comparative figures from 2010:

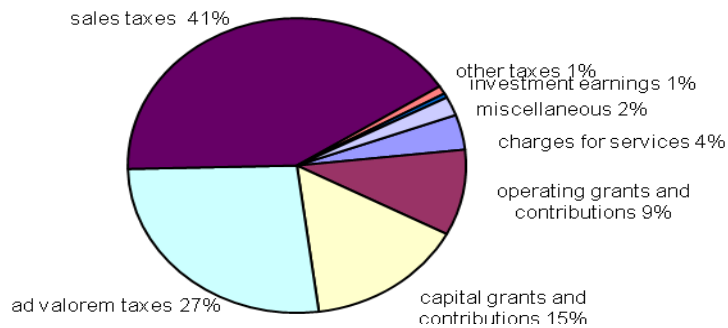
	<b>Parish of St. Charles</b> <b>Changes in Net Assets</b> <b>(in thousands of dollars)</b>					
	Governmental		Business-Type		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program Revenues:						
Charges for services	\$ 3,175	\$ 3,047	\$ 21,878	\$ 22,063	\$ 25,054	\$ 25,110
Operating grants & contributions	7,793	6,590	146	90	7,940	6,680
Capital grants & contributions	12,638	9,790	361	14	12,999	9,804
General Revenues:						
Ad valorem taxes	22,137	22,835			22,137	22,835
Sales taxes	34,268	28,289			34,268	28,289
Other taxes	741	717			741	717
Other	1,919	1,135	249	303	2,170	1,438
Total Revenues	<u>82,673</u>	<u>72,403</u>	<u>22,635</u>	<u>22,470</u>	<u>105,309</u>	<u>94,873</u>
Expenses:						
General government	15,314	14,405	-	-	15,314	14,405
Public safety	9,664	7,399	-	-	9,664	7,399
Public works	27,220	23,740	-	-	27,220	23,740
Health & welfare	6,022	5,286	-	-	6,022	5,286
Culture & recreation	4,137	4,413	-	-	4,137	4,413
Economic development & assistance	1,894	2,711	-	-	1,894	2,711
Interest & other charges on long-term debt	1,069	1,340	-	-	1,069	1,340
Waterworks	-	-	10,144	10,186	10,144	10,186
Wastewater	-	-	10,474	11,199	10,474	11,199
Solid Waste	-	-	3,383	3,751	3,383	3,751
Total Expenses	<u>65,320</u>	<u>59,294</u>	<u>24,001</u>	<u>25,136</u>	<u>89,321</u>	<u>84,430</u>
Increase/(decrease) in net assets before transfers	17,353	13,109	(1,366)	(2,666)	15,988	10,443
Transfers	(192)	121	192	(121)	-	-
Increase/(decrease) in net assets	<u>17,161</u>	<u>13,230</u>	<u>(1,174)</u>	<u>(2,787)</u>	<u>15,988</u>	<u>10,443</u>
Net assets, beginning	191,889	178,659	120,649	123,436	312,538	302,095
Net assets, ending	<u>\$ 209,050</u>	<u>\$ 191,889</u>	<u>\$ 119,475</u>	<u>\$ 120,649</u>	<u>\$ 328,526</u>	<u>\$ 312,538</u>

**PARISH OF ST. CHARLES  
 HAHNVILLE, LOUISIANA  
 MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

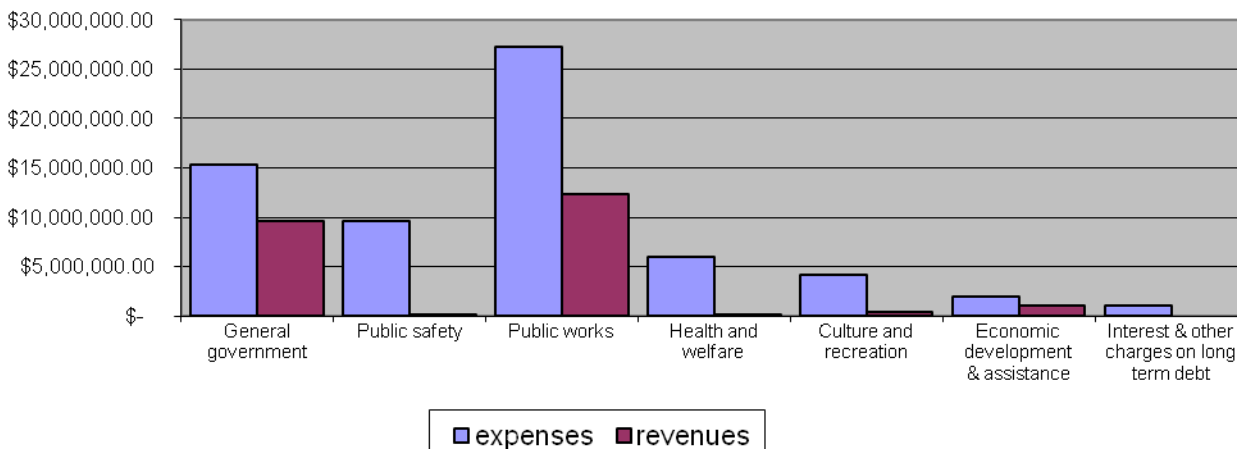
**Financial Analysis of the Government's Funds**

The Parish primarily relies on property and sales taxes to cover the cost of general governmental activities. Program revenues covered approximately 28% of these cost. However approximately 25% of program revenues was received in the form of capital asset contributions which is not spendable resources; therefore, the government's taxpayers funded approximately 75% of general governmental activities excluding capital grants and contributions.

**Revenues by Source - Governmental Activities**



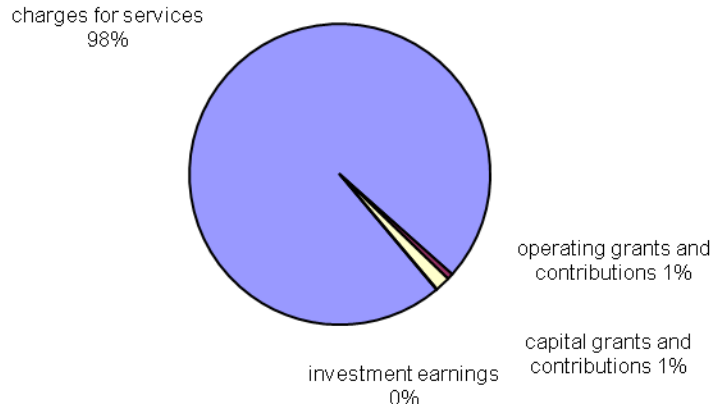
**Expenses and Program Revenues - Governmental Activities**



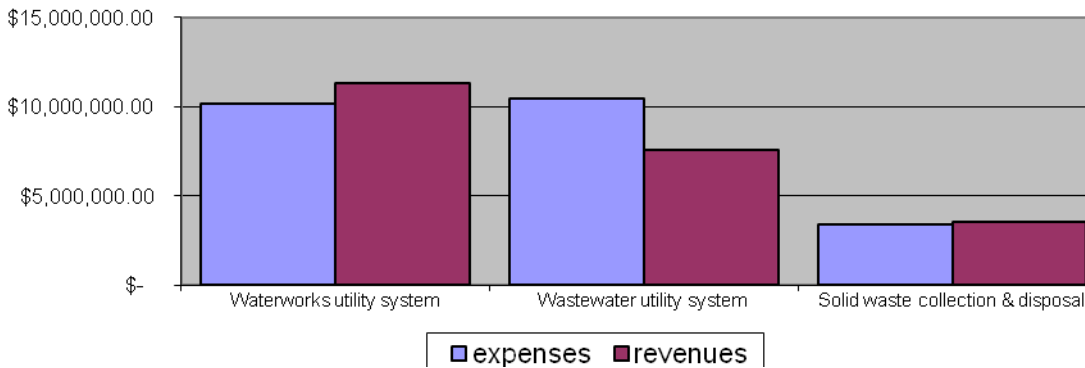
Program revenues for business-type activities covered 100% of the operating cost. While, the Waterworks utility system reported operating income of \$2.3 million, the Wastewater utility system reported an operating loss of \$3.1 million. This means that of the business-type funds, the Wastewater utility system was not self-sufficient and is operating at a loss each year. Unfortunately, because of restrictions placed on the business-type activities by their creditors, the income from the Waterworks system cannot be used to offset the losses in the Wastewater utility system. The Solid Waste Collection and Disposal fund, a small business-type activity, reported an operating income of \$154 thousand.

**PARISH OF ST. CHARLES  
 HAHNVILLE, LOUISIANA  
 MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

**Revenues by Source - Business Activities**



**Expenses and Program Revenues - Business Activities**



As noted earlier, the Parish uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

*Governmental Funds:* The focus of the Parish's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Parish's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the year.

As of the end of the current year, the primary government's governmental funds reported combined ending fund balances of \$80.1 million, an increase of \$362 thousand in comparison with the prior year. Approximately 6% of this total amount (\$4.7 million) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is broken down into the new categories of GASB 54, to indicate that is not available for new spending because it has already committed: (1) Non-spendable (\$508 thousand), (2) Restricted (\$33.6 million), (3) Committed (\$24 million), and (4) Assigned \$17.1 million.



**PARISH OF ST. CHARLES**  
**HAHNVILLE, LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

The General Fund is the chief operating fund of the Parish. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$4.7 million; in total however, the General Fund balance increased from \$37.3 million in 2010 to \$40.1 million for 2011. The increase in fund balance was due to the increase in Sales tax revenue from 2010 as a result of 3 large Industry Plant expansions within the Parish.

The Road & Drainage Maintenance & Operation Fund is the second largest governmental fund. At the end of the current fiscal year, total fund balance of the Road & Drainage M&O Fund was \$29.3 million. Compared with total fund balance of \$31.7 million at the end of 2010, fund balance decreased approximately \$2.3 million during 2011 which was attributed to daily operations and increased capital projects.

The Recreation Maintenance & Operation Fund is the third largest governmental fund. At the end of the current fiscal year, fund balance of the Recreation M&O Fund was \$329 thousand, with zero remaining unassigned. Compared with total fund balance of \$338 thousand at the end of 2010, fund balance decreased approximately \$9 thousand during 2011 which can be attributed to increase spending resulting in various park improvements made throughout the Parish during 2011.

*Proprietary Funds:* The Parish's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Solid Waste Collection and Disposal Fund at December 31, 2011, were \$1.2 million, an increase of approximately \$159 thousand from the previous year.

Unrestricted net assets of the Wastewater Utility System were \$1.1 million at December 31, 2011. This fund encompasses all assets associated with sewerage operations, maintenance, and capital improvements held by the Parish. Invested in capital assets, net of related debt totaled \$73.5 million reflecting the heavy investment in capital assets, while restricted net assets totaled \$3.7 million.

Unrestricted net assets of the Waterworks Utility System were \$3.7 million at December 31, 2011. This fund encompasses all assets associated with waterworks operations, maintenance, billing & collection, distribution, and capital improvements held by the Parish. Invested in capital assets, net of related debt totaled \$29.3 million, with restricted net assets totaling \$6.7 million.

**General Fund Budgetary Highlights**

The Parish's operating budget is prepared according to Louisiana law. During the course of the year, the Parish revises its budget to take into consideration significant changes in revenues and expenditures. Louisiana Revised Statute 39:1311 requires that the budget be revised if either expected revenues are less or anticipated expenditures are in excess of budgetary goals by five percent (5%) or more. The original budget for the Parish's operations was adopted as submitted and became effective January 1, 2011 and the Parish Council adopted the final revisions to the budget on December 19, 2011.

A summary showing the Parish's original and final budget is provided in the CAFR at Exhibit A-7. The Parish's year-end actual results were better than had been budgeted, as conservative budgetary practices are customary. Revenues are forecast conservatively and expenditures are budgeted in anticipation of all possible costs and projects. The General Fund actual revenues were greater than final budget projections by approximately \$1.1 million and expenditures were under final projections by \$1.8 million.

**PARISH OF ST. CHARLES**  
**HAHNVILLE, LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

Unfortunately, while classified as unrestricted, the net assets are earmarked by voter referendum to be used for specific activities within the Parish. Thus, while the Parish as a whole is financially healthy, there are individual funds which are financially strapped.

**Capital Asset and Debt Administration**

**Capital Assets**

The Parish's investment in capital assets for its governmental and business type activities as of December 31, 2011, amounts to approximately \$300 million (net of accumulated debt and depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, wastewater treatment facilities, waterworks facilities, roads, highways, bridges, and drainage systems. The total increase in the Parish's investment in capital assets for the current fiscal year was approximately \$19 million (a \$16.3 million increase for governmental activities and a \$2.7 million increase for business-type activities).

Additional information on the Parish's capital assets can be found in Note 7 of this report.

**Parish of St. Charles**  
**Capital Assets**  
**(net of depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
	Land	\$ 9,515,972	\$ 9,354,209	\$ 804,777	\$ 804,777	\$ 10,320,749
Buildings & improvements	48,276,683	47,630,388	98,017,145	101,233,662	146,293,828	148,864,050
Machinery & equipment	10,701,265	10,789,601	2,286,331	2,787,028	12,987,596	13,576,629
Infrastructure	63,006,070	65,672,805	-	-	63,006,070	65,672,805
Construction in progress	32,745,009	14,530,329	34,998,051	28,597,748	67,743,060	43,128,077
Total	\$ 164,244,999	\$ 147,977,332	\$ 136,106,304	\$ 133,423,215	\$ 300,351,303	\$ 281,400,547

**Long-term Debt**

At the end of the current fiscal year, St. Charles Parish had a total bonded debt of outstanding of \$56.8 million. Compared to last year, the Parish's total bonded debt decreased by approximately \$205 thousand.

The Parish's general obligation, public improvement, and revenue bonds all carry "AAA" ratings with Standard & Poor's, which is the highest possible rating.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for St. Charles Parish is \$119,742,719 which is significantly in excess of the Parish's outstanding general obligation debt.

Additional information on the Parish's long-term debt can be found in Note 11 of this report.

**Parish of St. Charles**  
**Outstanding Debt**

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
	General obligation bonds	\$ 19,265,000	\$ 21,380,000	\$ -	\$ -	\$ 19,265,000
Public improvement bonds	4,450,000	4,765,000	-	-	4,450,000	4,765,000
Revenue bonds	-	-	33,055,294	31,051,736	33,055,294	31,051,736
Total	\$ 23,715,000	\$ 26,145,000	\$ 33,055,294	\$ 31,051,736	\$ 56,770,294	\$ 57,196,736

**PARISH OF ST. CHARLES  
HAHNVILLE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

**Economic Factors and Next Year's Budget**

2011 began with ominous indicators. Unemployment was at a 16-year high and the Parish's primary economic drivers, the chemical and oil refineries, continued to delay major expansion plans and trim contract workforce. This caused many local vendors to reduce payroll, furthering local economic doldrums. The 2011 average annual unemployment rate for St. Charles Parish was 7.1%, which is a .2% increase from a year ago. This rate is lower than the state's average unemployment rate of 7.5% as well as the national average rate of 8.9%.

Approximately \$3 billion of capital investment projects were either underway or nearing completion, yielding hundreds of future job opportunities for local residents and substantial sales tax revenue in public coffers.

The Parish's sales tax collections for 2011 were \$34.2 million, which was an increase of 21% from last year's sales tax collections of \$28.2 million, a direct result of the approximate \$3 billion of capital investment projects taking place throughout the Parish.

Ad valorem tax collections were down in 2011 from last year by \$700 thousand, representing a 3% decrease, which is directly attributable to a large decrease in inventory value for some of the Parish's largest industrial taxpayers.

According to the US Census Bureau, the population of the Parish grew by approximately 10% since the 2000 census.

The Parish's elected and appointed officials considered these and many other factors when preparing and adopting the 2011 budget. The priorities are as follows:

All Parish employees will work in a safe environment where each department is adequately staffed, trained, and equipped to effectively carry out their missions.

Drainage, streets, road lighting, and other infrastructure will be well maintained.

The water and sewer system will meet the environmental needs of the Parish.

The Parish's Judicial System, prison and volunteer fire departments will be adequately supported to provide a safe community for our citizens.

Parish parks will be maintained to provide recreational opportunities for our citizens.

Development of business enterprises will be encouraged to provide economic opportunities for our citizens.

To the extent permitted by our remaining resources, quality-of-life projects will be pursued.

**Requests for Information**

For all those with an interest in the government's finances, this financial report is designed to provide a general overview of the finances of the Parish of St. Charles. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Finance Department, P.O. Box 302, Hahnville, LA 70057-0302.



**Parish of St. Charles**  
Statement of Net Assets  
December 31, 2011

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,043,344	\$ 408,308	\$ 1,451,652	\$ 281,467
Investments	72,033,509	3,179,037	75,212,546	6,698,268
Receivables, net	27,475,781	2,656,385	30,132,166	11,657,603
Due from other governments	10,253,823	626,169	10,879,992	12,250
Due from primary government	-	-	-	45,854
Inventory	-	565,869	565,869	1,130,076
Prepaid fees	508,792	60,594	569,386	658,465
Other assets	5,383	182	5,565	88,480
Restricted assets:				
Cash and cash equivalents	-	29,043	29,043	2,115,635
Investments	-	11,404,646	11,404,646	-
Capital assets, net				
Land	9,515,972	804,777	10,320,749	2,114,508
Infrastructure	63,006,070	-	63,006,070	-
Plant and equipment	58,977,948	100,303,476	159,281,424	28,250,331
Construction in progress	32,745,009	34,998,051	67,743,060	1,975,729
Total assets	<u>275,565,631</u>	<u>155,036,537</u>	<u>430,602,168</u>	<u>55,028,666</u>
<b>LIABILITIES</b>				
Cash overdrafts	-	-	-	48,417
Accounts payable and other current liabilities	6,582,521	1,031,646	7,614,167	3,228,511
Internal balances	77,581	(77,581)	-	-
Due to component units	45,854	-	45,854	-
Due to other governments	359,176	-	359,176	-
Interest payable	336,158	-	336,158	-
Other liabilities and accruals	684,828	156,539	841,367	2,501,155
Unearned revenue	23,432,110	-	23,432,110	4,862,018
Liabilities payable from restricted assets	-	1,365,295	1,365,295	-
Non-current liabilities:				
Amounts due within one year	2,530,000	1,464,000	3,994,000	6,119,200
Amounts due beyond one year	32,275,071	31,812,886	64,087,957	32,521,040
Other non-current liabilities	-	-	-	17,452
Total liabilities	<u>66,323,299</u>	<u>35,752,785</u>	<u>102,076,084</u>	<u>49,297,793</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	140,450,577	102,829,417	243,279,994	886,108
Restricted for:				
Maintenance/Operations	25,056,534	-	25,056,534	-
Debt service	4,260,918	2,849,144	7,110,062	-
Capital projects	1,199,086	7,588,712	8,787,798	949,088
Special Revenue	3,175,359	-	3,175,359	-
Unrestricted	35,099,858	6,016,479	41,116,337	3,895,677
Total net assets	<u>\$ 209,242,332</u>	<u>\$ 119,283,752</u>	<u>\$ 328,526,084</u>	<u>\$ 5,730,873</u>

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

**Parish of St. Charles**  
**Statement of Activities**  
For the Year Ended December 31, 2011

<b>Functions/Programs</b>	<b>Program Revenues</b>			
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 15,314,299	\$ 2,926,954	\$ 5,119,625	\$ 1,647,824
Public safety	9,664,188	-	190,856	-
Public works	27,220,169	48,876	1,414,559	10,811,892
Health and welfare	6,021,742	-	83,505	-
Culture and recreation	4,136,517	199,330	-	178,508
Economic development and assistance	1,894,222	-	984,858	-
Interest & other charges on long-term debt	1,068,932	-	-	-
<b>Total governmental activities</b>	<b>65,320,069</b>	<b>3,175,160</b>	<b>7,793,403</b>	<b>12,638,224</b>
Business-type activities:				
Waterworks utility system	10,144,371	11,055,175	198,935	25,000
Wastewater utility system	10,473,738	7,286,282	42,208	233,951
Solid waste collection and disposal	3,382,763	3,536,887	7,500	-
<b>Total business-type activities</b>	<b>24,000,872</b>	<b>21,878,344</b>	<b>248,643</b>	<b>258,951</b>
<b>Total primary government</b>	<b>\$ 89,320,941</b>	<b>\$ 25,053,504</b>	<b>\$ 8,042,046</b>	<b>\$ 12,897,175</b>
<b>Component units:</b>				
Communications district	\$ 1,891,962	\$ 652,148	\$ 963,454	\$ -
Library service district no. 1	4,908,482	36,287	67,165	-
Sunset drainage district	440,597	-	-	-
Hospital service district	37,251,101	21,952,193	11,157,826	-
<b>Total component units</b>	<b>\$ 44,492,142</b>	<b>\$ 22,640,628</b>	<b>\$ 12,188,445</b>	<b>\$ -</b>

General revenues:  
Taxes:  
Ad valorem taxes  
Sales taxes  
Maintenance tax  
Alcoholic beverage tax  
Cable TV franchise tax  
Investment earnings  
Miscellaneous  
Transfers (to) from other funds  
Total general revenues and transfers  
Changes in net assets  
Net assets, beginning - restated  
Net assets, ending



<b>Net (Expense) Revenue and Changes in Net Assets</b>			
<b>Primary Government</b>			<b>Component Units</b>
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	
\$ (5,619,896)	\$ -	\$ (5,619,896)	\$ -
(9,473,332)	-	(9,473,332)	-
(14,944,842)	-	(14,944,842)	-
(5,938,237)	-	(5,938,237)	-
(3,758,679)	-	(3,758,679)	-
(909,364)	-	(909,364)	-
(1,068,932)	-	(1,068,932)	-
<u>(41,713,282)</u>	<u>-</u>	<u>(41,713,282)</u>	<u>-</u>
-	1,134,739	1,134,739	-
-	(2,911,297)	(2,911,297)	-
-	161,624	161,624	-
<u>-</u>	<u>(1,614,934)</u>	<u>(1,614,934)</u>	<u>-</u>
<u>\$ (41,713,282)</u>	<u>\$ (1,614,934)</u>	<u>\$ (43,328,216)</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ (276,360)
-	-	-	(4,805,030)
-	-	-	(440,597)
-	-	-	(4,141,082)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,663,069)</u>
\$ 22,137,484	\$ -	\$ 22,137,484	\$ 7,292,724
34,268,437	-	34,268,437	-
-	-	-	2,716,347
45,892	-	45,892	-
695,297	-	695,297	-
401,819	46,625	448,444	40,144
1,708,946	11,184	1,720,130	304,292
(191,553)	191,553	-	-
<u>\$59,066,322</u>	<u>249,362</u>	<u>59,315,684</u>	<u>10,353,507</u>
17,353,040	(1,365,572)	15,987,468	690,438
191,889,292	120,649,324	312,538,616	5,040,435
<u>\$ 209,242,332</u>	<u>\$ 119,283,752</u>	<u>\$ 328,526,084</u>	<u>\$ 5,730,873</u>

**Parish of St. Charles**  
 Balance Sheet  
 Governmental Funds  
 December 31, 2011

	General Fund	Road & Drainage Maintenance & Operation	Recreation Maintenance & Operation
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,021,251	\$ 8,433	\$ 316
Investments	38,501,897	22,891,660	75,000
Receivables, net:			
Ad valorem taxes	3,420,000	6,350,000	3,154,000
Sales taxes	1,719,785	1,965,468	-
Accounts	30,113	-	1,189
Other	260,387	30,561	2,910
Due from other funds	69,089	300	392,718
Due from other governments	1,588,695	7,848,447	96,020
Prepaid fees	417,043	75	6,000
Other assets	2,970	1,125	450
Total assets	\$ 47,031,230	\$ 39,096,069	\$ 3,728,603
 <b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 2,355,463	\$ 2,438,058	\$ 63,395
Contracts payable	68,227	651,365	146,401
Due to other funds	412,347	3,879	-
Due to component units	-	-	-
Due to other governments	87,076	91,429	-
Other liabilities	402,706	174,491	35,911
Unearned revenue	3,582,110	6,395,842	3,154,000
Total liabilities	6,907,929	9,755,064	3,399,707
 Fund balances:			
Nonspendable:	417,043	75	6,000
Restricted:	3,055,030	21,799,016	202,488
Committed:	15,012,261	7,351,796	88,925
Assigned:	16,880,927	190,118	31,483
Unassigned:	4,758,040	-	-
Total fund balances	40,123,301	29,341,005	328,896
 Total liabilities and fund balances	\$ 47,031,230	\$ 39,096,069	\$ 3,728,603

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

Sewer General Obligation Sinking	Nonmajor Governmental Funds	Total Governmental Funds
\$ 33	\$ 13,311	\$ 1,043,344
2,974,915	7,590,037	72,033,509
3,143,000	7,137,000	23,204,000
-	245,682	3,930,935
-	-	31,302
-	15,686	309,544
-	187	462,294
-	720,661	10,253,823
-	85,674	508,792
-	838	5,383
<u>\$ 6,117,948</u>	<u>\$ 15,809,076</u>	<u>\$ 111,782,926</u>
\$ -	\$ 854,025	\$ 5,710,941
-	5,587	871,580
705	122,944	539,875
-	45,854	45,854
-	180,671	359,176
-	71,720	684,828
3,143,000	7,157,158	23,432,110
<u>3,143,705</u>	<u>8,437,959</u>	<u>31,644,364</u>
-	85,674	508,792
2,974,243	5,661,120	33,691,897
-	1,565,506	24,018,488
-	82,663	17,185,191
-	(23,846)	4,734,194
<u>2,974,243</u>	<u>7,371,117</u>	<u>80,138,562</u>
<u>\$ 6,117,948</u>	<u>\$ 15,809,076</u>	<u>\$ 111,782,926</u>

**Parish of St. Charles**  
 Reconciliation of the Governmental Funds  
 Balance Sheet to the Statement of Net Assets  
 December 31, 2011

Fund Balances- total governmental funds \$ 80,138,562

Amounts reported for governmental activities in the Statement of Net Assets  
 are different because:

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

Governmental capital assets, non depreciable	\$ 57,116,428	
Governmental capital assets, depreciable	227,134,144	
Less accumulated depreciation	<u>(120,005,573)</u>	164,244,999

Assets used in governmental activities that are not financial resources  
 and, therefore, are not reported in the governmental funds.

Deferred bond issuance cost		(128,755)
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Long-term liabilities, including bonds payable, are not due and payable  
 in the current period and, therefore, are not reported in the  
 governmental funds.

Amount Due in One Year	\$ (2,530,000)	
General obligation bonds	(17,065,000)	
Public improvement bonds	(4,120,000)	
Deferred amount on refunding	49,333	
Net OPEB Obligation	(9,751,465)	
Judgements & Claims Payable	<u>(1,259,184)</u>	(34,676,316)

Interest Payable		<u>(336,158)</u>
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Net assets of governmental activities		<u><u>\$ 209,242,332</u></u>
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**Parish of St. Charles**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For The Year Ended December 31, 2011

	General	Road & Drainage Maintenance & Operation	Recreation Maintenance & Operation
<b>REVENUES</b>			
Taxes:			
Ad valorem taxes	\$ 3,266,088	\$ 6,063,894	\$ 3,011,609
Sales taxes	14,347,904	17,134,228	-
Other taxes	741,189	-	-
Licenses and permits	1,220,781	-	-
Intergovernmental revenues	5,119,625	11,742,082	178,508
Fees, charges, and commissions	430,822	48,876	199,330
Fines and forfeitures	146,248	-	-
Investment earnings	241,665	138,830	1,919
Miscellaneous	1,356,055	-	352,457
Total revenues	26,870,377	35,127,910	3,743,823
<b>EXPENDITURES</b>			
Current:			
General government	12,447,998	-	-
Public safety	4,251,128	403,102	-
Public works	282,307	17,458,310	-
Health and welfare	2,403,086	-	-
Culture and recreation	-	-	3,224,064
Economic development and assistance	895,928	-	-
Debt service:			
Principal	-	-	-
Interest and other charges	600	-	-
Capital outlay	2,312,987	19,246,348	921,923
Total expenditures	22,594,034	37,107,760	4,145,987
Excess (deficiency) of revenues over expenditures	4,276,343	(1,979,850)	(402,164)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	587,316	2,025	392,718
Transfers out	(2,125,229)	(352,757)	-
Compensation For Loss/Damaged Assets	196	158	-
Total other financing sources	(1,537,717)	(350,574)	392,718
Net change in fund balance	2,738,626	(2,330,424)	(9,446)
Fund balances—beginning	37,384,675	31,671,429	338,342
Fund balances—ending	\$ 40,123,301	\$ 29,341,005	\$ 328,896

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

Sewer GO Sinking	Nonmajor Governmental Funds	Total Governmental Funds
\$ 3,001,429	\$ 6,794,464	\$ 22,137,484
-	2,786,305	34,268,437
-	-	741,189
-	-	1,220,781
-	3,391,412	20,431,627
-	105,390	784,418
-	1,023,713	1,169,961
3,855	15,550	401,819
-	80	1,708,592
<u>3,005,284</u>	<u>14,116,914</u>	<u>82,864,308</u>
99	1,009,556	13,457,653
-	4,849,842	9,504,072
-	1,154,761	18,895,378
-	3,471,088	5,874,174
-	-	3,224,064
-	982,498	1,878,426
2,115,000	315,000	2,430,000
900,463	197,524	1,098,587
-	3,467,331	25,948,589
<u>3,015,562</u>	<u>15,447,600</u>	<u>82,310,943</u>
<u>(10,278)</u>	<u>(1,330,686)</u>	<u>553,365</u>
-	2,032,343	3,014,402
-	(727,969)	(3,205,955)
-	-	354
<u>-</u>	<u>1,304,374</u>	<u>(191,199)</u>
(10,278)	(26,312)	362,166
<u>2,984,521</u>	<u>7,397,429</u>	<u>79,776,396</u>
<u>\$ 2,974,243</u>	<u>\$ 7,371,117</u>	<u>\$ 80,138,562</u>

**Parish of St. Charles**  
 Reconciliation of The Statement of Revenues,  
 Expenditures, and Changes in Fund Balances  
 of Governmental Funds to The Statement of Activities  
 For The Year Ended December 31, 2011

Net change in fund balances - total governmental funds \$ 362,166

Amounts reported in governmental activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 25,948,589	
Depreciation expense		
General government	(474,657)	
Public safety	(160,116)	
Public works	(8,324,791)	
Health and welfare	(147,568)	
Culture and recreation	(912,453)	
Economic development and assistance	(15,796)	
	(10,035,381)	15,913,208

The net effect of various transactions involving capital assets, such as sales and donations, is to increase (decrease) net assets. 354,458

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

Amortization of loss on refunding	(24,668)	
Claims and judgments paid	1,841,180	
Postemployment Benefits Paid	424,972	
Increase in Post Employment Benefits Obligation	(3,514,663)	
Claims and judgments incurred	(487,936)	
Principal payments	2,430,000	668,885

Amortization in deferred bond issuance cost 19,971

Difference in interest expense on the modified accrual basis as reported in the fund statements versus interest expense on the full accrual basis. 34,352

Change in net assets of governmental activities \$ 17,353,040



**Parish of St. Charles**  
General Fund  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance-Budget and Actual  
For The Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
<b>Taxes:</b>				
Ad valorem taxes	\$ 3,129,000	\$ 3,266,100	\$ 3,266,088	\$ (12)
General sales tax (1/2%)	5,863,000	7,601,000	8,259,584	658,584
General sales tax (3/8%)	4,331,000	5,577,500	6,088,320	510,820
Alcoholic beverage tax	50,000	41,000	45,892	4,892
Airport expansion agreement	-	-	-	-
Cable TV franchise tax	625,000	686,000	695,297	9,297
<b>Total taxes</b>	<b>13,998,000</b>	<b>17,171,600</b>	<b>18,355,181</b>	<b>1,183,581</b>
<b>Licenses and permits:</b>				
Alcoholic beverage - low content	5,000	5,450	5,182	(268)
Alcoholic beverage - high content	8,500	9,300	8,903	(397)
License - occupational general	725,000	736,000	741,394	5,394
License - insurance	360,000	469,000	463,842	(5,158)
License - bingo	3,500	3,000	1,410	(1,590)
License - taxi cabs	100	100	50	(50)
<b>Total licenses and permits</b>	<b>1,102,100</b>	<b>1,222,850</b>	<b>1,220,781</b>	<b>(2,069)</b>
<b>Intergovernmental:</b>				
Federal grants:				
Civil Defense	44,000	17,500	23,074	5,574
Department of Homeland Security	750,000	-	-	-
Department of Housing&Urban Dev.	-	50,000	50,000	-
Department of Energy	-	-	56,292	56,292
Disaster Relief (FEMA)	-	3,000	40,287	37,287
Hazard Mitigation Grant	3,276,990	1,582,127	1,480,538	(101,589)
Emergency food & shelter program	10,000	-	-	-
LIHEAP-weatherization	-	20,677	20,302	(375)
CSBG-administration	15,455	15,656	15,656	-
CSBG-program activities	126,940	125,334	125,334	-
CSBG-ARRA Program Activities	-	-	-	-
CSBG-ARRA Direct Activities	-	-	-	-
Summer food service program	21,000	20,364	20,364	-
Energy assistance	517,000	517,000	439,931	(77,069)
Family Day Care Program	-	-	375	375
Home program	150,000	328,413	328,413	-
ARRA WAP Health & Safety Rehab.	-	-	-	-
ARRA WAP ADMIN	91,847	125,000	158,880	33,880
ARRA WAP T & TA	215	-	-	-
ARRA WAP PRG. OPS. B	1,764	-	-	-
ARRA WAP PRG. OPS. A	22,391	-	-	-
Land lease	18,000	18,608	18,608	-
Department of Interior Gulf of Mexico	-	-	815	815
National EMG Grant (NEG)	-	-	-	-
Department of Health & Human Serv.0	-	-	17,118	17,118
Department of Public Safety Grant	12,525	-	-	-
Department of Health & Hospitals	-	-	-	-
<b>Total federal grants</b>	<b>5,058,127</b>	<b>2,823,679</b>	<b>2,795,987</b>	<b>(27,692)</b>
State grants:				
Highway fund #2	50,000	50,000	50,000	-
Mass Transit Assistance	75,000	64,000	71,795	7,795
Dept. of culture, recr., & tourism	-	-	-	-
Dept. of State Treasury	400,000	300,000	300,000	-
Dept. of Natural Resources	-	-	-	-
Facility, Planning, & Control Grant	1,045,600	-	-	-
Office of Community Development	151,831	-	-	-
Economic development enterprise fd.	50,000	50,000	50,000	-
Medicaid interview	100	100	-	(100)
<b>Total state grants</b>	<b>1,772,531</b>	<b>464,100</b>	<b>471,795</b>	<b>7,695</b>

(Continued)

**Parish of St. Charles**  
General Fund  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance-Budget and Actual  
For The Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES (continued)</b>				
<b>Intergovernmental (continued):</b>				
State shared:				
Severance tax	\$ 750,000	\$ 981,000	\$ 922,529	\$ (58,471)
Parish royalty fund	250,000	290,000	413,441	123,441
Video poker	395,000	343,000	337,379	(5,621)
Total state shared	<u>1,395,000</u>	<u>1,614,000</u>	<u>1,673,349</u>	<u>59,349</u>
State payment in lieu of taxes	103,000	103,750	103,750	-
Local grants:				
LACAP -Client education	5,000	5,000	5,000	-
Local Corporate Grant	-	59,800	59,744	(56)
Other Grants	-	10,000	10,000	-
Total local grants	<u>5,000</u>	<u>74,800</u>	<u>74,744</u>	<u>(56)</u>
<b>Total intergovernmental</b>	<u>8,333,658</u>	<u>5,080,329</u>	<u>5,119,625</u>	<u>39,296</u>
<b>Fees, charges, &amp; commissions:</b>				
General government:				
Court costs, fees, and charges	16,000	15,600	16,620	1,020
Zoning & subdivision fees	150,000	123,000	113,609	(9,391)
Sale of maps & publications	750	925	954	29
Miscellaneous revenues	1,000	2,500	2,944	444
Motor vehicle transaction fees	36,000	40,800	39,795	(1,005)
Drivers license reinstatement fees	650	1,060	1,058	(2)
Bookkeeping & Adm. Services	-	-	-	-
Total general government	<u>204,400</u>	<u>183,885</u>	<u>174,980</u>	<u>(8,905)</u>
Public works:				
Inspection Fees	198,000	205,500	196,941	(8,559)
Weed & grass cutting charges	5,000	6,600	11,152	4,552
Weed & grass cutting - tax roll	15,000	11,350	11,325	(25)
Derelict structure charges	750	1,375	1,828	453
Total public works	<u>218,750</u>	<u>224,825</u>	<u>221,246</u>	<u>(3,579)</u>
Health and welfare:				
Animal control	3,500	5,000	6,221	1,221
Coroner	7,000	8,800	9,475	675
Institutional charges	20,000	16,100	18,900	2,800
Total health and welfare	<u>30,500</u>	<u>29,900</u>	<u>34,596</u>	<u>4,696</u>
<b>Total fees, charges, &amp; comm.</b>	<u>453,650</u>	<u>438,610</u>	<u>430,822</u>	<u>(7,788)</u>
<b>Fines and forfeitures:</b>				
Court fines:				
Boykins	3,500	4,200	4,267	67
Witness fees - deputies	800	1,350	1,325	(25)
Criminal jury fees	75,000	115,000	117,138	2,138
Juvenile fees	16,000	22,000	23,518	1,518
<b>Total fines and forfeitures</b>	<u>95,300</u>	<u>142,550</u>	<u>146,248</u>	<u>3,698</u>
<b>Uses of money and property:</b>				
Interest earnings	150,450	220,145	224,879	4,734
Royalties	13,000	13,300	16,786	3,486
<b>Total uses of money and property</b>	<u>163,450</u>	<u>233,445</u>	<u>241,665</u>	<u>8,220</u>

(Continued)

**Parish of St. Charles**  
General Fund  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance-Budget and Actual  
For The Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES (continued)</b>				
<b>Miscellaneous revenues:</b>				
Refunds-insurance	\$ -	\$ 807,733	\$ 807,733	-
Rents - Leases	8,175	6,720	6,720	-
Adjudicated property	-	-	-	-
Homeowner Road Home	-	30,000	30,000	-
Gifts & donations	110,000	305,100	306,448	1,348
Indirect Cost Alloc. - Comp Units	-	203,000	205,154	-
Proceeds from sale of assets	-	-	-	-
<b>Total miscellaneous revenues</b>	<b>118,175</b>	<b>1,352,553</b>	<b>1,356,055</b>	<b>1,348</b>
<b>Total revenues</b>	<b>24,264,333</b>	<b>25,641,937</b>	<b>26,870,377</b>	<b>1,226,286</b>
<b>EXPENDITURES</b>				
<b>General government:</b>				
<i>Legislative:</i>				
Parish Council	1,464,415	1,180,930	1,079,848	101,082
Ordinance and Proceedings	42,000	35,500	27,168	8,332
Public Information	244,725	229,970	219,413	10,557
Police Jury Association	46,250	38,500	37,724	776
<i>Judicial:</i>				
District Court	1,226,099	1,201,695	1,168,649	33,046
Grand Jury	17,000	15,000	9,407	5,593
District Attorney	1,857,636	1,758,554	1,697,788	60,766
Ward Courts	121,280	117,150	119,608	(2,458)
<i>Executive:</i>				
Parish President	469,835	472,345	455,573	16,772
<i>Elections:</i>				
Registrar of Voters	103,605	103,005	96,873	6,132
Elections	28,095	31,800	30,092	1,708
<i>Financial and Administration:</i>				
Finance	1,052,280	997,700	988,365	9,335
Purchasing	705,881	659,450	638,860	20,590
Personnel	551,100	493,210	476,221	16,989
Legal	355,948	323,326	313,120	10,206
Taxation-Assessor	3,000	1,500	-	1,500
Taxation-Collector	160,000	174,500	167,055	7,445
Indirect Cost Plan	(205,000)	-	-	-
<i>Other General Administration:</i>				
Planning and Zoning	1,625,416	1,244,698	1,146,489	98,209
Coastal Zone Management	474,958	400,648	321,208	79,440
ICC Building Codes	421,291	346,309	290,466	55,843
Data Processing	1,247,578	883,620	812,452	71,168
Research and Investigations	117,500	75,000	60,525	14,475
Cable TV	50,000	50,000	-	50,000
General Government Buildings	7,874,234	3,031,545	2,735,758	295,787
Retirement System Contribution	115,000	109,500	109,320	180
Retired Employees Insurance	54,750	51,100	47,338	3,762
Risk Management	219,455	188,065	200,791	(12,726)
Grants Administration	186,335	177,355	176,792	563
<b>Total general government</b>	<b>20,630,666</b>	<b>14,391,975</b>	<b>13,426,902</b>	<b>965,072</b>

(Continued)

**Parish of St. Charles**  
General Fund  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance-Budget and Actual  
For The Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>EXPENDITURES (continued):</b>				
<b>Public safety:</b>				
Sheriff	\$ 1,685,290	\$ 1,416,862	\$ 1,439,397	\$ (22,535)
Juvenile	157,005	203,385	167,152	36,233
Juvenile Account. Incentive Block Grant	-	-	-	-
Emergency Preparedness	377,005	369,535	368,998	537
Emergency Preparedness Subsidiary	8,195,787	2,628,721	1,911,079	717,642
EOC 24 Hour Coverage	432,855	461,365	454,675	6,690
Motor Vehicle	44,540	38,140	34,317	3,823
<b>Total public safety</b>	<b>10,892,482</b>	<b>5,118,008</b>	<b>4,375,618</b>	<b>742,390</b>
<b>Public works:</b>				
Drainage	282,307	282,307	282,307	-
<b>Total public works</b>	<b>282,307</b>	<b>282,307</b>	<b>282,307</b>	<b>-</b>
<b>Health and welfare:</b>				
Coroner	289,525	239,115	231,127	7,988
Animal Control	2,056,420	1,708,690	1,696,140	12,550
Job One	-	-	-	-
Health & Safety Rehabilitation	13,150	23,630	20,237	3,393
Community Action	471,650	528,885	487,699	41,186
Energy Assistance	501,200	537,685	423,208	114,477
Summer Feeding Program	82,330	68,442	68,297	145
FEMA	10,000	-	-	-
EITC Outreach	-	-	-	-
ARRA- Weatherization	112,263	145,065	163,298	(18,233)
ARRA-CSBG Program Activites	-	-	-	-
ARRA -CSBG Direct Activities	-	-	9	(9)
CSBG- Sub Grant	5,000	6,455	7,839	(1,384)
CSBG- Administration	15,255	15,656	15,655	1
CSBG- Program Support	176,830	125,334	125,334	-
LIHEAP - Weatherization / DOE	-	-	20,678	(20,678)
Home Program	360,099	363,307	353,113	10,194
<b>Total health and welfare</b>	<b>4,093,722</b>	<b>3,762,264</b>	<b>3,612,634</b>	<b>149,629</b>
<b>Economic development &amp; assistance:</b>				
Parish Farm Agent	83,372	80,447	77,576	2,871
Economic Development	932,630	720,382	758,593	(38,211)
Tourist Information Center	92,640	49,855	49,796	59
Veterans Service Officer	7,335	7,450	7,428	22
Public Housing	3,600	2,300	2,580	(280)
<b>Total economic development &amp; assistance</b>	<b>1,119,577</b>	<b>860,434</b>	<b>895,973</b>	<b>(35,539)</b>
<b>Debt Service:</b>				
Fiscal charges	5,000	2,500	600	1,900
<b>Total expenditures</b>	<b>37,023,754</b>	<b>24,417,488</b>	<b>22,594,034</b>	<b>1,823,454</b>
Excess (deficiency) of revenues over (under) expenditures	<b>(12,759,421)</b>	<b>1,224,449</b>	<b>4,276,343</b>	<b>3,051,894</b>

(Continued)

**Parish of St. Charles**  
General Fund  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance-Budget and Actual  
For The Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>OTHER FINANCING SOURCES (USES)</b>				
<b>Transfers in:</b>				
1/2% P.I. Sales Tax Reserve	\$ 900	\$ 500	\$ 543	\$ 43
LCDBG	-	-	-	-
Indirect cost allocation	605,500	607,000	585,697	(21,303)
Criminal Court	-	951	1,076	125
<b>Total transfers in</b>	<b>606,400</b>	<b>608,451</b>	<b>587,316</b>	<b>(21,135)</b>
<b>Transfers out:</b>				
Road & Drainage M&O	-	-	-	-
Road & Drainage capital	(12,500,000)	(1,588,500)	(1,588,500)	-
Solid Waste Collection & Disposal	(30,700)	(32,390)	(18,116)	14,274
RSVP	(200,000)	(175,000)	(125,895)	49,105
Recreation	(974,050)	(392,718)	(392,718)	-
Wastewater Utility System	-	-	-	-
<b>Total transfers out</b>	<b>(13,704,750)</b>	<b>(2,188,608)</b>	<b>(2,125,229)</b>	<b>63,379</b>
Compensation For Loss/Damaged Assets	-	-	196	(196)
Total other financing sources (uses)	<b>(13,098,350)</b>	<b>(1,580,157)</b>	<b>(1,537,717)</b>	<b>42,048</b>
Net change in fund balance	(25,857,771)	(355,708)	2,738,626	3,093,942
Fund balance-beginning	30,592,356	37,384,675	37,384,675	-
Fund balance-ending	<b>\$ 4,734,585</b>	<b>\$ 37,028,967</b>	<b>\$ 40,123,301</b>	<b>\$ 3,093,942</b>

**Parish of St. Charles**  
Road and Drainage Maintenance and Operation Fund  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance-Budget and Actual  
For The Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 5,811,000	\$ 6,063,894	\$ 6,063,894	\$ -
Sales taxes	12,450,000	15,439,885	17,134,228	1,694,343
Total taxes	<u>18,261,000</u>	<u>21,503,779</u>	<u>23,198,122</u>	<u>1,694,343</u>
Intergovernmental revenues:				
Federal grants:				
Disaster Relief	-	224,070	578,350	354,280
Hazard Mitigation	18,484,159	9,825,598	10,523,856	698,258
Department of Interior	4,000	3,981	3,981	-
Federal Highway Adm. Grant	2,404,471	284,055	284,055	-
State grants:				
Department of Natural Resources	260,000	292,966	304,587	11,621
Department of Culture, Tourism/Rec	-	-	-	-
Department of Trans. & Dev.	-	-	-	-
State payment in lieu of taxes	40,000	45,253	45,253	-
Local grants:				
Local Corporate Grant	-	2,000	2,000	-
Total intergovernmental revenues	<u>21,192,630</u>	<u>10,677,923</u>	<u>11,742,082</u>	<u>1,064,159</u>
Fees, charges, and commissions:				
Zoning & Subdivision Fees	-	-	-	-
Derelict Structure Charges	-	-	-	-
Culvert fees	640	2,860	3,360	500
Miscellaneous fees	2,000	6,342	45,516	39,174
Total fees, charges, and commissions	<u>2,640</u>	<u>9,202</u>	<u>48,876</u>	<u>39,674</u>
Investment earnings	<u>130,000</u>	<u>140,000</u>	<u>138,830</u>	<u>(1,170)</u>
Miscellaneous:				
Donations	-	-	-	-
Total Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>39,586,270</u>	<u>32,330,904</u>	<u>35,127,910</u>	<u>2,797,006</u>

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

**Parish of St. Charles**  
Road and Drainage Maintenance and Operation Fund  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance-Budget and Actual  
For The Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>EXPENDITURES</b>				
Current:				
Public safety	\$ 168,570	\$ 416,140	\$ 403,102	\$ 13,038
Public works	19,959,950	17,517,382	17,458,310	59,072
Capital outlay	34,166,006	34,284,604	19,246,348	15,038,256
Total expenditures	<u>54,294,526</u>	<u>52,218,126</u>	<u>37,107,760</u>	<u>15,110,366</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,708,256)</u>	<u>(19,887,222)</u>	<u>(1,979,850)</u>	<u>17,907,372</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
1% PIST Reserve fund	-	-	-	-
1% PIST Sinking fund	-	-	-	-
LCDBG	-	2,025	2,025	-
Total transfers in	<u>-</u>	<u>2,025</u>	<u>2,025</u>	<u>-</u>
Transfers out:				
Indirect cost allocation	-	-	(350,000)	(350,000)
Waterworks Utility System	-	(2,757)	(2,757)	-
Total transfers out	<u>-</u>	<u>(2,757)</u>	<u>(352,757)</u>	<u>(350,000)</u>
Proceeds From Sale of Assets	-	-	-	-
Compensation For Loss/Damaged Assets	-	158	158	-
Total other financing sources (uses)	<u>-</u>	<u>(574)</u>	<u>(350,574)</u>	<u>(350,000)</u>
Net change in fund balance	(14,708,256)	(19,887,796)	(2,330,424)	17,557,372
Fund balance - beginning	<u>22,860,141</u>	<u>31,671,429</u>	<u>31,671,429</u>	<u>-</u>
Fund balance - ending	<u>\$ 8,151,885</u>	<u>\$ 11,783,633</u>	<u>\$ 29,341,005</u>	<u>\$ 17,557,372</u>

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

**Parish of St. Charles**  
Recreation Maintenance and Operation Fund  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance-Budget and Actual  
For The Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive(Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 2,886,000	\$ 3,011,609	\$ 3,011,609	\$ -
Intergovernmental revenues:				
Federal grants:				
Disaster relief (FEMA)	-	-	17,870	17,870
State grants:				
National Park Service Grant	240,000	240,000	160,638	(79,362)
Total intergovernmental revenue	240,000	240,000	178,508	(61,492)
Fees, charges, and commissions:				
Rentals of parks and buildings	3,000	6,350	9,400	3,050
Admission fees	7,000	27,522	27,522	-
Registration fees-adult leagues	17,000	16,825	16,825	-
Registration fees-summer camp	50,000	110,632	110,632	-
Registration fees-youth tournaments	500	4,000	4,000	-
Special athlete fees	-	27,451	30,951	3,500
Sign advertising fees	2,000	-	-	-
Total fees, charges, & commissions	79,500	192,780	199,330	6,550
Investment earnings	4,000	1,900	1,919	19
Miscellaneous:				
Miscellaneous	-	1,156	1,207	51
Gifts and donations	-	351,250	351,250	-
Total miscellaneous	-	352,406	352,457	51
Total revenues	3,209,500	3,798,695	3,743,823	(54,872)
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	3,338,405	3,250,745	3,224,064	26,681
Capital outlay	1,144,550	998,798	921,923	76,875
Total expenditures	4,482,955	4,249,543	4,145,987	103,556
Excess (deficiency) of revenues over (under) expenditures	(1,273,455)	(450,848)	(402,164)	48,684
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
General fund	974,050	392,718	392,718	-
Total transfers in	974,050	392,718	392,718	-
Proceeds from sale of assets	-	-	-	-
Total other financing sources (uses)	974,050	392,718	392,718	-
Net change in fund balance	(299,405)	(58,130)	(9,446)	48,684
Fund balance - beginning	877,033	338,342	338,342	-
Fund balance - ending	\$ 577,628	\$ 280,212	\$ 328,896	\$ 48,684

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





**Parish of St. Charles**  
**Statement of Net Assets**  
 Proprietary Funds  
 December 31, 2011

<b>ASSETS</b>	Waterworks Utility System	Wastewater Utility System	Solid Waste Collection & Disposal Fund	Totals
<b>Current assets:</b>				
Cash and cash equivalents	\$ 407,055	\$ 1,253	\$ -	\$ 408,308
Investments	946,938	1,071,864	1,160,235	3,179,037
Accounts receivable, net	1,747,801	590,418	298,528	2,636,747
Other receivables, net	11,530	8,108	-	19,638
Due from other funds	58,647	1,360	18,116	78,123
Due from other governments	67,851	558,318	-	626,169
Inventory	565,869	-	-	565,869
Prepaid fees	22,964	37,630	-	60,594
Utility deposits	-	182	-	182
<b>Restricted assets:</b>				
Cash and cash equivalents	28,149	894	-	29,043
Investments	8,426,813	2,977,833	-	11,404,646
<b>Total current assets</b>	<b>12,283,617</b>	<b>5,247,860</b>	<b>1,476,879</b>	<b>19,008,356</b>
<b>Noncurrent assets:</b>				
<b>Capital assets:</b>				
Land	143,496	661,281	-	804,777
Buildings & improvements	51,052,006	119,338,108	-	170,390,114
Machinery & equipment	2,980,685	11,914,953	-	14,895,638
Construction in progress	29,804,174	5,193,877	-	34,998,051
<b>Total capital assets</b>	<b>83,980,361</b>	<b>137,108,219</b>	<b>-</b>	<b>221,088,580</b>
Accumulated depreciation	(26,141,393)	(58,840,883)	-	(84,982,276)
<b>Net capital assets</b>	<b>57,838,968</b>	<b>78,267,336</b>	<b>-</b>	<b>136,106,304</b>
<b>Total assets</b>	<b>70,122,585</b>	<b>83,515,196</b>	<b>1,476,879</b>	<b>155,114,660</b>
<b>LIABILITIES</b>				
<b>Current liabilities:</b>				
Accounts payable	224,415	408,310	262,315	895,040
Contracts payable	136,606	-	-	136,606
Due to other funds	542	-	-	542
Other payables and accruals	83,163	69,638	3,738	156,539
<b>Current liabilities payable from restricted assets:</b>				
Current maturities of long term debt	785,000	679,000	-	1,464,000
Accrued interest payable	-	-	-	-
Deposits	1,365,295	-	-	1,365,295
<b>Total current liabilities</b>	<b>2,595,021</b>	<b>1,156,948</b>	<b>266,053</b>	<b>4,018,022</b>
<b>Noncurrent liabilities:</b>				
Revenue bonds payable	27,701,592	4,111,294	-	31,812,886
<b>Total noncurrent liabilities</b>	<b>27,701,592</b>	<b>4,111,294</b>	<b>-</b>	<b>31,812,886</b>
<b>Total liabilities</b>	<b>30,296,613</b>	<b>5,268,242</b>	<b>266,053</b>	<b>35,830,908</b>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	29,352,376	73,477,041	-	102,829,417
Restricted for debt service	2,109,338	739,806	-	2,849,144
Restricted for capital projects	4,658,232	2,930,480	-	7,588,712
Unrestricted	3,706,026	1,099,627	1,210,826	6,016,479
<b>Total net assets</b>	<b>\$ 39,825,972</b>	<b>\$ 78,246,954</b>	<b>\$ 1,210,826</b>	<b>\$ 119,283,752</b>

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

**Parish of St. Charles**  
**Proprietary Funds**  
**Statement of Revenues, Expenses**  
**and Changes in Fund Net Assets**  
**For the year ended December 31, 2011**

	Waterworks Utility System	Wastewater Utility System	Solid Waste Collection & Disposal Fund	Totals
<b>OPERATING REVENUES</b>				
Charges for services	\$ 10,279,870	\$ 7,177,518	\$ 3,536,887	\$ 20,994,275
Connection and service fees	207,225	46,059	-	253,284
Sewer development revenues	-	59,705	-	59,705
Delinquent charges	475,777	-	-	475,777
Miscellaneous	92,303	3,000	-	95,303
Total operating revenues	<u>11,055,175</u>	<u>7,286,282</u>	<u>3,536,887</u>	<u>21,878,344</u>
<b>OPERATING EXPENSES</b>				
Personnel services	4,649,406	3,824,439	79,513	8,553,358
Operating services	1,479,203	2,044,499	3,248,518	6,772,220
Materials and supplies	1,171,276	861,864	-	2,033,140
Other services and charges	50,078	61,852	33,538	145,468
Depreciation	1,427,389	3,405,173	-	4,832,562
Intergovernmental	-	216,428	21,194	237,622
Total operating expenses	<u>8,777,352</u>	<u>10,414,255</u>	<u>3,382,763</u>	<u>22,574,370</u>
Operating income (loss)	<u>2,277,823</u>	<u>(3,127,973)</u>	<u>154,124</u>	<u>(696,026)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment earnings	39,609	6,036	980	46,625
Grants	198,935	42,208	7,500	248,643
Proceeds From Sale of Assets	2,867	8,317	-	11,184
Special Items- Assets	-	90,000	-	90,000
Amortization - issuance costs	(26,242)	-	-	(26,242)
Bond interest and paying agent fees	(1,340,777)	(59,483)	-	(1,400,260)
Total non-operating revenues (expenses)	<u>(1,125,608)</u>	<u>87,078</u>	<u>8,480</u>	<u>(1,030,050)</u>
Income (loss) before contributions and transfers	1,152,215	(3,040,895)	162,604	(1,726,076)
Capital contributions	25,000	143,951	-	168,951
Transfers in	37,495	313,376	18,116	368,987
Transfers out	(121,676)	(34,738)	(21,020)	(177,434)
Changes in net assets	1,093,034	(2,618,306)	159,700	(1,365,572)
Total net assets - beginning	<u>38,732,938</u>	<u>80,865,260</u>	<u>1,051,126</u>	<u>120,649,324</u>
Total net assets - ending	<u>\$ 39,825,972</u>	<u>\$ 78,246,954</u>	<u>\$ 1,210,826</u>	<u>\$ 119,283,752</u>

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

**Parish of St. Charles**  
Proprietary Funds  
Statement of Cash Flows  
For The Year Ended December 31, 2011

	<u>Waterworks Utility System</u>	<u>Wastewater Utility System</u>	<u>Solid Waste Collection &amp; Disposal Fund</u>	<u>Totals</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 11,113,783	\$ 6,889,538	\$ 3,635,575	\$ 21,638,896
Receipts from (Payments for) interfund services provided	\$ 3,780,717	\$ (1,360)	\$ (866)	\$ 3,778,491
Other receipts (payments)	92,303	3,000	-	\$ 95,303
Payments to suppliers	(4,105,497)	(2,924,328)	(3,336,175)	(10,366,000)
Payments to employees	(4,646,396)	(3,817,377)	(77,715)	(8,541,488)
Payments for interfund services used	(126,331)	(2,916)	(6,537)	(135,784)
Net cash provided (used) by operating activities	<u>6,108,579</u>	<u>146,557</u>	<u>214,282</u>	<u>6,469,418</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers to General Fund	(121,676)	(34,738)	(21,020)	(177,434)
Advances from Other Funds	37,495	313,376	18,116	368,987
Subsidy of Federal Grants	198,935	42,208	7,500	248,643
Net cash provided (used) by noncapital financing activities	<u>114,754</u>	<u>320,846</u>	<u>4,596</u>	<u>440,196</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchases of capital assets	(3,378,663)	(3,968,037)	-	(7,346,700)
Donation of capital assets	-	90,000	-	90,000
Principal paid on capital debt	(728,758)	(666,000)	-	(1,394,758)
Proceeds from debt issuance	-	3,424,558	-	3,424,558
Interest paid on capital debt	(1,327,410)	(53,447)	980	(1,379,877)
Proceeds from sales of capital assets	2,867	8,317	-	11,184
Net cash provided (used) by capital and related financing activities	<u>(5,431,964)</u>	<u>(1,164,609)</u>	<u>980</u>	<u>(6,595,593)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sales & maturities of investments	(676,234)	671,726	(220,142)	(224,650)
Net cash provided (used) by investing activities	<u>(676,234)</u>	<u>671,726</u>	<u>(220,142)</u>	<u>(224,650)</u>
Net Increase (decrease) in cash and cash equivalents	115,135	(25,480)	(284)	89,371
Cash and Cash Equivalents, Beginning of Year	<u>320,069</u>	<u>27,627</u>	<u>284</u>	<u>347,980</u>
Cash and Cash Equivalents, End of Year	<u>\$ 435,204</u>	<u>\$ 2,147</u>	<u>\$ -</u>	<u>\$ 437,351</u>

**Parish of St. Charles**  
Proprietary Funds  
Statement of Cash Flows  
For The Year Ended December 31, 2011

	Waterworks Utility System	Wastewater Utility System	Solid Waste Collection & Disposal Fund	Totals
<b>RECONCILIATION OF YEAR END BALANCES TO STATEMENT OF NET ASSETS EXHIBIT A-11</b>				
Cash and cash equivalents	\$ 407,055	\$ 1,253	\$ -	\$ 408,308
Restricted cash and cash equivalents	28,149	894	-	29,043
Total ending cash	<u>\$ 435,204</u>	<u>\$ 2,147</u>	<u>\$ -</u>	<u>\$ 437,351</u>

**RECONCILIATION OF OPERATING INCOME  
(LOSS) TO NET CASH PROVIDED**

Operating income (loss)	\$ 2,277,823	\$ (3,127,973)	\$ 154,124	\$ (696,026)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	1,427,389	3,405,173	-	4,832,562
(Increase) decrease in accounts receivable	151,730	128,606	98,688	379,024
(Increase) decrease in intergovernmental receivables	(819)	(522,350)	-	(523,169)
(Increase) decrease in due from other funds	378,071	(1,360)	(866)	3,778,491
(Increase) decrease in inventories	(113,346)	-	-	(113,346)
(Increase) decrease in prepaid items	30,180	4,840	-	35,020
(Increase) decrease in customer deposits	46,610	-	-	46,610
(Increase) decrease in accounts payable	(1,368,384)	255,475	(32,925)	(1,145,834)
(Increase) decrease in other liabilities	3,010	7,062	1,798	11,870
(Increase) decrease in due to other funds	(126,331)	(2,916)	(6,537)	(135,784)
Total adjustments	<u>3,830,756</u>	<u>3,274,530</u>	<u>60,158</u>	<u>7,165,444</u>
Net cash provided by operating activities	<u>\$ 6,108,579</u>	<u>\$ 146,557</u>	<u>\$ 214,282</u>	<u>\$ 6,469,418</u>

**SCHEDULE OF NONCASH NONCAPITAL  
FINANCING, CAPITAL & RELATED FINANCING,  
AND NONCASH INVESTING ACTIVITIES**

Contributed Capital Assets	\$ 25,000	\$ 143,951	\$ -	\$ 168,951
Change in fair value of investments	\$ (18,668)	\$ (250)	\$ -	\$ (18,918)

**Parish of St. Charles**  
Combining Statement of Net Assets  
All Discretely Presented Component Units  
December 31, 2011

	Governmental Fund Types		
	Communications District	Library Service District No. 1	Sunset Drainage District (1)
<b>ASSETS</b>			
Cash and cash equivalents	\$ 987	\$ 783	\$ 139,638
Investments	1,913,270	4,784,998	-
Receivables, net:			
Ad valorem taxes	-	4,795,000	-
Maintenance taxes	-	-	175,720
Accounts	-	-	-
Other	125,418	46,784	81,461
Due from other governments	12,250	-	-
Due from primary government	45,854	-	-
Inventory	-	-	-
Prepaid fees	-	-	-
Deposits and other assets	-	-	-
Restricted assets:			
Cash	-	-	-
Capital assets, net			
Land	-	-	251,728
Plant & equipment	423,974	1,666,469	204,614
Construction in progress	-	-	-
Total assets	<u>2,521,753</u>	<u>11,294,034</u>	<u>853,161</u>
<b>LIABILITIES</b>			
Cash overdrafts	-	-	-
Accounts payable	59,345	84,386	3,874
Contracts payable	-	-	-
Bonds and notes payable - current	-	-	-
Due to other governments	-	-	-
Due to primary government	-	-	-
Other liabilities	-	46,448	3,452
Deferred revenues - Ad valorem taxes	-	4,862,018	-
Non-current liabilities:			
Bonds and notes payable	-	-	-
Capital Leases Deposits	-	-	-
Total liabilities	<u>59,345</u>	<u>4,992,852</u>	<u>7,326</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	423,974	1,666,469	456,342
Restricted for:			
Capital projects	-	949,088	-
Unrestricted	2,038,434	3,685,625	389,493
Total net assets	<u>\$ 2,462,408</u>	<u>\$ 6,301,182</u>	<u>\$ 845,835</u>

(1) Audited by other auditors

(2) Audited by other auditors as of July 31, 2011.

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

<u>Proprietary Fund Type</u>	<u>Total all Component Units</u>
<u>Hospital Service District <sup>(2)</sup></u>	
\$ 140,059	\$ 281,467
-	6,698,268
-	4,795,000
-	175,720
4,996,537	4,996,537
1,436,683	1,690,346
-	12,250
-	45,854
1,130,076	1,130,076
658,465	658,465
88,480	88,480
2,115,635	2,115,635
1,862,780	2,114,508
25,955,274	28,250,331
1,975,729	1,975,729
<u>40,359,718</u>	<u>55,028,666</u>
48,417	48,417
3,080,906	3,228,511
-	-
6,119,200	6,119,200
-	-
-	-
2,451,255	2,501,155
-	4,862,018
32,521,040	32,521,040
17,452	17,452
<u>44,238,270</u>	<u>49,297,793</u>
(1,660,677)	886,108
-	949,088
<u>(2,217,875)</u>	<u>3,895,677</u>
<u>\$ (3,878,552)</u>	<u>\$ 5,730,873</u>

**Parish of St. Charles**  
 Combing Statement of Activities  
 All Discretely Presented Component Units  
 For The Year Ended December 31, 2011

	Communications District	Library Service District No. 1	Sunset Drainage District <sup>(1)</sup>
<b>EXPENSES</b>	\$ 1,891,962	\$ 4,908,482	\$ 440,597
<b>PROGRAM REVENUES:</b>			
Charges for services	652,148	36,287	-
Operating grants and contributions	963,454	67,165	-
Net program (expenses) revenue	<u>(276,360)</u>	<u>(4,805,030)</u>	<u>(440,597)</u>
<b>GENERAL REVENUES:</b>			
Taxes:			
Ad Valorem	-	4,873,500	-
Maintenance	-	-	204,314
Investment earnings	4,599	22,080	110
Proceeds from sale of assets	-	-	-
Compensation For Loss/Damaged Assets	-	-	-
Miscellaneous	-	3,446	307,317
Total general revenues	<u>4,599</u>	<u>4,899,026</u>	<u>511,741</u>
Change in net assets	(271,761)	93,996	71,144
Net assets, beginning	<u>2,734,169</u>	<u>6,207,186</u>	<u>774,691</u>
Net assets, ending	<u>\$ 2,462,408</u>	<u>\$ 6,301,182</u>	<u>\$ 845,835</u>

(1) Audited by other auditors

(2) Audited by other auditors as of July 31, 2011.

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



Hospital Service District <sup>(2)</sup>	Total all Component Units
<u>\$ 37,251,101</u>	<u>\$ 44,492,142</u>
21,952,193	22,640,628
11,157,826	12,188,445
<u>(4,141,082)</u>	<u>(9,663,069)</u>
2,419,224	7,292,724
2,512,033	2,716,347
13,355	40,144
-	-
-	-
<u>(6,471)</u>	<u>304,292</u>
<u>4,938,141</u>	<u>10,353,507</u>
797,059	690,438
<u>(4,675,611)</u>	<u>5,040,435</u>
<u>\$ (3,878,552)</u>	<u>\$ 5,730,873</u>



**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Parish of St. Charles (the “Parish”) have been prepared in conformity with generally accepted accounting principles (“GAAP”) as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The government’s significant accounting policies are described below.

**a. Financial Reporting Entity**

St. Charles Parish Council (the Council) is the governing authority for the Parish, a political subdivision of the State of Louisiana, as authorized by the Constitution of the State of Louisiana. The Council consists of nine members of which two members are elected parish wide to represent the entire parish and seven members are elected to represent each of the seven districts. The Parish President, elected by the voters of the Parish, is the chief executive officer of the Parish and is responsible for carrying out the policies adopted by the Council and for administering all Parish departments, offices, agencies, and special districts.

The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit’s reporting entity for basic financial statements is financial accountability. Financial accountability includes appointment of a voting majority of the organization’s governing body and the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship between the primary government and the other organization. In addition, an organization that is fiscally dependent on the primary government or has a potential to provide specific financial benefits to the primary government should be included in the reporting entity.

As required by generally accepted accounting principles, the financial statements of the reporting entity present the primary government (the Parish) and its component units. The component units discussed below are included in the Parish’s reporting entity because of the significance of their operational or financial relationships with the Parish.

**Blended Component Unit**

Based on the previous criteria, the Parish has determined that the following component units should be included in the reporting entity of the Parish. For financial reporting purposes, these entities are reported as if they were part of the Parish’s operations:

**Consolidated Waterworks and Wastewater District No. 1**

On March 4, 1991, in accordance with the provisions of Chapters 22 and 22A of Title 33 of the Louisiana Revised Statutes of 1950, as amended, the Consolidated Waterworks and Wastewater District No. 1 was created by Parish ordinance No. 91-3-2. The District was created to operate, maintain, and administer a combined wastewater and waterworks system within the parish-wide boundaries. The District separates financial reporting of its operations into two funds, the Waterworks Utility System fund and the Wastewater Utility System fund. The district is governed by the same elected Council that governs the Parish and is therefore included in the Parish’s financial report as a blended component unit. Both funds of the District are reported as blended proprietary funds. The District does not issue separate financial statements. The District has a fiscal year ending December 31.

**Discretely Presented Component Units**

The component units’ column in the government-wide financial statements includes the financial data of the Parish’s discretely presented component units. These units are reported in separate columns apart from the primary governments to emphasize that they are all legally separate from the Parish.

**1. St. Charles Parish Communications District**

The Communications District was established by parish ordinance on August 4, 1986, under the provisions of Louisiana Revised Statute 33:9101-9106. The district was established to maintain and operate a 911 emergency telephone system for St. Charles Parish. Funding is provided by local grants and an emergency telephone service charge not to exceed five percent (5%) of the highest tariff rate for local telephone service supplied within the District. A seven-member board of control governs the district. Only one elected Parish Council member serves on this board. The district’s board is not the same as the elected Parish Council, and it does not provide services only to the Parish government. It is fiscally dependent because it cannot levy taxes, set rates or charges, or issue bonded debt without approval of the primary government. It is reported as a discretely presented component unit. The Communications District does not issue separate financial statements. It has a fiscal year ending December 31.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Discretely Presented Component Units (continued)**

**2. St. Charles Parish Library Service District No. 1**

The Library Service District was established by parish ordinance on November 9, 1948, under the provisions of Louisiana Revised Statute 25:211. Funding is provided from ad valorem taxes, state aid, state grants, and book fines. Expenditures are restricted to library services. A five-member board of control, appointed by the same elected Council that governs the Parish, governs the library. The district's board is not the same as the elected Parish Council, and it does not provide services only to the Parish government. The district is fiscally dependent upon the Parish Council because it cannot levy taxes or issue bonded debt without approval by the Parish Council. It is reported as a discretely presented component unit. The library does not issue separate financial statements. It has a fiscal year ending December 31.

**3. Sunset Drainage District of St. Charles Parish**

This is a special district located in St. Charles Parish that provides service to a limited number of parish citizens. The appointment of commissioners of the Sunset Drainage District of St. Charles Parish is made upon the recommendations of twenty-five of the landowners of the district. When there is a contest over the appointment of commissioners, the Council must give the appointment to the commissioner who is recommended by a majority in number of landowners in the district. The commissioners serve until their successors are appointed and qualified. While this district is responsible for obtaining voter approval for the levy of taxes or debt issuance, all related Louisiana State Bond Commission approvals must be obtained through the Parish. The District has a financial benefit from the Parish because the Parish has assumed the obligation to finance the deficits of and provide substantial financial support to the District. It is reported as a discretely presented component unit.

The Sunset Drainage District of St. Charles Parish has a fiscal year ending December 31. Separate audited financial reports, which include additional information that may be required of the District, are prepared by *T. S. Kearns & Co.* and can be obtained by contacting their office directly at 501 Canal Boulevard, Thibodaux, LA, 70301. More detailed information regarding operational results is available from the Parish for the period ending December 31, 2011.

**4. St. Charles Parish Hospital Service District**

This special district provides hospital services to St. Charles Parish citizens. The Council appoints the board members of the Hospital Service District and can remove them at will. While the District is responsible for obtaining voter approval for the levy of taxes or debt issuance, all related Louisiana State Bond Commission approvals must be obtained through the Parish. For these reasons, the Parish has the ability to impose its will on the District.

St. Charles Parish Hospital Service District has a fiscal year ending on July 31. Separate audited financial reports containing additional information that may be required of the District, can be obtained from *LaPorte 111* Veterans Boulevard, Suite 600, Metairie, LA 70005. More detailed information regarding operational results is available from the Parish for the period ending July 31, 2011.

**Other Related Organizations**

The Council is also responsible for appointing the members of the boards of other organizations, including the board members of the St. Charles Parish Housing Authority, however, the Parish's accountability for these organizations does not extend beyond making the appointments. The St. Charles Parish Housing Authority did not receive any financial support from the Parish during 2011.

**b. Basis of Presentation**

In accordance with Statement No. 34 of the GASB, "Basic Financial Statements and Management's Discussion and Analysis for State and local Governments", included in the Parish's Comprehensive Annual Financial Report for the year ended December 31, 2011 we have incorporated the Management's Discussion and Analysis ("MD&A") and government-wide financial statements which include the Statement of Net Assets and the Statement of Activities.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**b. Basis of Presentation (continued)**

GOVERNMENT-WIDE FINANCIAL STATEMENTS:

The Statement of Net Assets and the Statement of Activities include the governmental and business-type activities of the Parish and the discretely presented component units. These government-wide statements focus on the change in aggregate financial position resulting from the activities of the fiscal period and the ability of the Parish to maintain as an entity. The government-wide statements for governmental activities begin with the governmental funds' financial statement balances and adjust them to incorporate the Parish's capital assets and long-term debt. Details of these adjustments can be found in the Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets and the Reconciliation of the Governmental Funds Changes in Revenues, Expenditures, and Fund Balances to the Statement of Activities. As a general rule, the effect of interfund activity has been removed from these statements. Additional explanations for these adjustments are included in the following section on measurement focus. The Statement of Activities presents financial information in a manner that shows the income and expenses generated by each governmental function. Taxes are reported as general revenues along with other items that cannot be properly included in program revenues. Program revenues of the government-wide financial statements include licenses and permits; intergovernmental revenues; fees, charges and commissions; and fines and forfeitures.

FUND FINANCIAL STATEMENTS:

The fund financial statements are very similar to the traditional government fund statements as presented by governments prior to the issuance of GASB 34. Emphasis is now on the major funds in either the governmental or business-type categories. Non-major funds (by category) or fund type are summarized into a single column. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The major governmental funds of the primary government are as follows:

General Fund -- The General Fund is the general operating fund of the Parish. It accounts for all financial resources except those required to be accounted for in other funds. The General Fund is always a major fund.

Road and Drainage Maintenance and Operation Fund – This fund is dedicated for the purpose of constructing, acquiring, imposing, operating, and maintaining drains, drainage canals, pumps, and pumping plants, dykes and levees, and related machinery and equipment; and opening, constructing, maintaining, and improving roads, streets, and bridges and purchasing road machinery and equipment within the Parish.

Recreation Maintenance and Operation Fund – The Recreation Maintenance and Operation Fund is dedicated to the maintenance, operation, construction, and acquisition of recreational facilities in the Parish. Ad valorem taxes, recreation user fees, and interest earnings provide major financing.

Sewer G.O. Sinking Fund – The Sewer General Obligations Bond Sinking Fund accounts for the retirement of General Obligation Sewer Bonds. A specific ad valorem tax and interest earnings provide financing.

The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector.

Proprietary funds account for operations: that are financed and operated similarly to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Proprietary funds are presented in the business-type activities column in government-wide financial statements and the major funds section of the basic financial statements. All three proprietary funds of the Parish are reported as major funds.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**b. Basis of Presentation (continued)**

FUND FINANCIAL STATEMENTS (CONTINUED):

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The following is a description of the proprietary funds of the Parish:

Waterworks Utility System Fund – Reports all activities necessary to provide water services to residents in the Consolidated Waterworks and Wastewater District No. 1 including but not limited to, administration, operations, maintenance, financing, and related debt service. The major source of funding is fees charged for services.

Wastewater Utility System Fund – Reports all activities necessary to provide wastewater services to residents in the Consolidated Waterworks and Wastewater District No. 1 including but not limited to, administration, operations, maintenance, financing, and related debt service. The major source of funding is fees charged for services.

Solid Waste Collection & Disposal Fund – This fund accounts for the collection and disposal of solid waste in the Parish. The Parish does not own or operate a solid waste landfill. Financing is provided by a parish wide user charge dedicated for collection and disposal of solid waste.

**c. Basis of Accounting and Measurement Focus**

GOVERNMENT-WIDE FINANCIAL STATEMENTS:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the year for which they are levied. Grants and other similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

FUND FINANCIAL STATEMENTS

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Governmental funds are maintained on the modified accrual basis of accounting.

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Charges for services, fines and forfeitures, and most governmental miscellaneous revenues, including investment earnings are recorded as earned since they are measurable and available. The Parish's definition of available means expected to be received within sixty days of the end of the fiscal year.

Nonexchange transactions, in which the Parish receives value without directly giving value in return, includes sales tax, property tax, special assessments, grants, entitlements, and donations. Property taxes are considered measurable in the calendar year of the tax levy if collected soon enough to meet the availability criteria. Sales taxes and gross receipts business taxes are considered "measurable" when the underlying transaction occurs and meets the availability criteria. Anticipated refunds of such taxes are recorded as fund liabilities and reductions of revenue when they are measurable and valid. Special Assessments are recognized as revenues only to the extent that individual installments are considered current assets in the governmental fund types. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources can be used.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**c. Basis of Accounting and Measurement Focus (Continued)**

FUND FINANCIAL STATEMENTS (CONTINUED):

Expenditures are recognized in the accounting period in which the related fund liability is incurred, if measurable, except for the following: principal and interest on long-term debt are recorded when due, and claims and judgments, group health claims, arbitrage payable, net pension obligation, and compensated absences are recorded as expenditures in the governmental fund type when paid with expendable available financial resources. Allocations of cost such as depreciation and amortization are not recognized in the governmental funds.

In accordance with Statement No. 20 of the GASB, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting" it is the policy of the Parish's proprietary funds to apply only Financial Accounting Standard Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee on Accounting Procedures issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

All proprietary funds are accounted for on a flow of economic resources measurement focus. Proprietary funds are maintained on the accrual basis of accounting wherein revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recognized in the period incurred, if measurable. Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place.

**d. Budgetary Data**

Formal budgetary accounting is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, and Proprietary Funds.

The level of budgetary control is at the fund/department level and expenditures may not exceed budgeted appropriations. Appropriations that are not expended or encumbered lapse at year-end.

Budgets for the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Project Funds are adopted on a modified accrual basis of accounting. Proprietary funds are adopted on a basis consistent with GAAP.

**e. Encumbrances**

The Parish does not use an encumbrance accounting system.

**f. Cash, Cash Equivalents and Investments**

The Parish's cash and cash equivalents are considered to be cash on hand, demand deposits, money market accounts, certificates of deposit, and short-term investments with a maturity date within three months of the date of purchase. For purposes of the Statement of Cash Flows, the Proprietary Funds consider the same items to be cash and cash equivalents.

Under state law, the Parish may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. Certain pledged securities are held by the Parish's agent in the Parish's name.

State laws permit the Parish to invest in United States bonds, treasury notes or certificates, or other obligations of the U. S. Government and agencies of the U. S. Government that are federally insured, and certificates of deposit of state banks and national banks having their principal office in the state of Louisiana, or in mutual or trust fund institutions which are registered and which have underlying investments limited to securities of the U. S. Government or its agencies. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a cooperative endeavor formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates as an investment pool.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**f. Cash, Cash Equivalents and Investments (Continued)**

Cash and cash equivalents are stated at cost, which approximates market. Investments are stated at fair value except for short-term and money market investments; consisting primarily of U. S. treasury obligations with a maturity of one year or less at the time of purchase, and LAMP investments which are reported at amortized cost.

Securities traded in a national exchange (with maturities greater than one year at the time of purchase) are valued at the last reported sales price. Investments (with maturities greater than one year at the time of purchase) that do not have an established market price are reported at estimated fair value. Realized gains and losses on investments recorded at fair value are included in investment income.

The Parish uses a clearing account to make disbursements for all funds of the Parish. Funds with a "Due to Clearing Account" report the advance as an interfund payable and the General fund, which has been determined to be the receivable fund by management, reports an off-setting interfund receivable.

**g. Short-Term Interfund Receivables/Payables**

Short-term cash borrowing between funds are reported as "due to/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."

**h. Inventories**

Inventories reported by governmental funds are stated at cost using the specific identification method. Proprietary fund type inventories are stated at the lower of cost or market, determined by the first-in, first-out method. Inventoried items are recorded as expenditures at the time of purchase, with ending inventories recorded as assets, offset by a reservation of fund balance, since such assets are not available for future appropriations.

**i. Prepaid Items**

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.

**j. Restricted Assets – Proprietary Funds**

Included in restricted assets are the "Customer Deposits" account and the "Connection Fees" account. The "Customer Deposits" account is used to segregate water meter deposits used to pay any outstanding water bills when customers discontinue service. The "Connection Fees" account is used to segregate those resources accumulated by collection of sewer connection fees for capital improvements and renovations.

Certain proceeds of proprietary fund revenue bonds, as well as certain resources set aside for their repayment are also classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. The "Revenue Bond Sinking" account is used to segregate resources accumulated for debt service payments over the next twelve months. The "Revenue Bond Reserve" account is used to report resources set aside to make up potential future deficiencies in the "Revenue Bond Sinking" account. The "Capital Additions and Contingencies" account is used to report resources set aside to meet unexpected contingencies or to fund asset renewals and replacements. The "Cash with Fiscal Agent" account is used to report resources that have been transferred to a trustee, which are designated for repayment of bonds in January.

**k. Capital Assets**

Capital assets; which include land, buildings, improvements other than buildings, machinery and equipment, and infrastructure assets (roads, bridges, canals, levees, curbs, fire hydrants, and sewer and drainage systems) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Parish as having an initial, individual cost of \$5,000 or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the time of donation.



**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**k. Capital Assets (Continued)**

The Parish does not capitalize the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life. Capital asset improvements are capitalized and depreciated over the remaining useful lives of the related capital asset, if applicable.

Major outlays for capital assets and improvements are capitalized at completion of construction projects. For capitalization purposes, projects are considered substantially complete when 100% of the project has been constructed. At this point the project costs are moved out of construction work in progress and capitalized.

Depreciation on all capital assets, excluding land, is calculated on the straight-line method over the following estimated useful lives:

<u>Type of Capital Asset</u>	<u>Number of Years</u>
Buildings	10-40
Improvements Other Than Buildings	10-40
Machinery and Equipment	4-12
Infrastructure	25-70

Infrastructure assets purchased by the primary government are recorded as capital assets and have been depreciated accordingly. Depreciable infrastructure assets include roads, bridges, underground pipe (other than related utilities), traffic signals, etc. Non-depreciable infrastructure assets include canals and Levees. These infrastructure assets are likely to be the largest asset class of the Parish. Neither their historical cost nor related depreciation has been reported in the financial statements prior to the implementation of GASB 34 in 2003.

The Parish capitalizes interest cost (net of interest earned) during the construction phase of major capital projects of proprietary funds in accordance with FASB Statements No. 34, *Capitalization of Interest Cost*, and No. 62, *Capitalization of Interest Cost in Situations Involving Certain Tax-Exempt Borrowings and Certain Gifts and Grants*. The objectives of capitalizing interest are: to obtain a measure of acquisition cost that more closely reflects the enterprise's total investment in the asset, and to charge a cost that relates to the acquisition of a resource that will benefit future periods against the revenues of the period benefited. The amount of interest cost capitalized on major capital projects acquired/constructed with proceeds of restricted tax-exempt debt includes all interest cost of the borrowing less any interest earned on related interest-bearing investments acquired with proceeds of the related tax-exempt borrowings from the date of the borrowing until the assets are ready for their intended use.

**l. Compensated Absences**

Full time employees of the Parish and Consolidated Waterworks and Wastewater District No. 1 hired prior to January 1, 1995 earn annual leave on an annual basis and sick leave on a quarterly basis at various rates based on years of service. Full time employees hired after December 31, 1995 earn annual leave and sick leave on a quarterly basis at various rates based on years of service. Civil service employees cannot accrue vacation leave. Appointed employees can accumulate vacation leave at the end of the year, which must be used during the first six months of the following year or the benefits are lost. Sick leave benefits are allowed to accumulate but do not vest.

**m. Long-Term Obligations**

In the government-wide statement of net assets and in the proprietary fund types' financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums, discounts, issuance costs, and gains (losses) on refunding are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable costs are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements governmental fund types recognize bond premiums, discounts, and bond issuance costs during the current period. The face amount of the debt issue is reported as "other financing sources." Premiums received on debt issuances are reported as "other financing sources" and discounts on debt are reported as "other financing uses."

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**n. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any debt proceeds used for the acquisition, construction, or improvements of those assets. Net assets are reported as restricted when there are limitations imposed on their use by external parties such as creditors, grantors, laws or regulations of other governments.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources, as they are needed.

**o. Interfund Transactions**

On fund financial statements, long-term interfund loans are classified as "due to/from other funds" on the balance sheet and are equally offset by a fund balance reserve account which indicates that they do not constitute available expendable resources. These amounts are eliminated in the governmental and business-type activities columns of the Statement of Net Assets, except for any residual amounts due between governmental and business-type activities, which are presented as internal balances.

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

**p. Use of estimates**

The Parish uses estimates and assumptions in preparing the financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, and the reported revenues and expenditures. Actual results could vary from the estimates that were used.

**q. Fund Balance**

On December 31, 2011, St. Charles Parish adopted GASB 54, Fund Balance Reporting and Governmental Fund Type Definitions, which significantly changes the reporting of fund balance in the balance sheets of governmental type funds.

In the fund financials, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Parish is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund Balance is reported in five components- nonspendable, restricted, committed, assigned and unassigned.

Nonspendable- This component includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted- This component consist of amount that have constraints placed on them either externally by third-parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the Parish to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled) by external parties) that those resources be used only for specific purposes stipulated in the legislation.

**r. The parish has evaluated subsequent events through June 13, 2012, the date the financial statements were available to be issued.**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**q. Fund Balance (Continued)**

Committed- This component consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Parish's highest level of decision making authority which includes the ordinances and resolutions of the Parish. Those committed amounts cannot be used for any other purpose unless the Parish removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed previously to commit those amounts.

Assigned- This component consists of amounts that are constrained by the Parish's intent to be used for specific purposes, but are neither restricted nor committed. The authority for assigning fund balance is expressed by the Parish, Parish President, or the Parish Council.

Unassigned- This classification represents amounts that have not been restricted, committed, or assigned to specific purposes within the general fund. When both restricted and unrestricted resources are available for use, it is the Parish's policy to use restricted resources first, then unrestricted resources (committed, assigned, and unassigned) as they are needed. When unrestricted resources (committed, assigned, and unassigned) are available for use it is the Parish's policy to use committed resources first, then assigned, and then unassigned as they are needed.

During the fiscal year 2010, the Parish passed a policy (Ordinance 10-11-15) to maintain a General Fund Balance that represents at least 5% of all parish expenditures excluding Enterprise Funds and in no case shall the minimum General Fund balance be less than \$7,000,000 upon enactment of the balanced budget ordinance or at any time during the fiscal year. As of December 31, 2011 the General Fund Balance was \$40,111,393, which is 49% of all expenditures excluding the Enterprise funds.

**NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**a. Budgets**

The procedures used by the Parish in establishing the budgetary data reflected in the financial statements are as follows:

At least 75 days before the beginning of each fiscal year, the Parish President submits a balanced consolidated line item operating and capital budget on a modified accrual basis of accounting, in accordance with the Louisiana Local Government Budget Act and in a format established by the Parish. The Parish President also submits, with the budget, a budget message containing recommendations concerning the fiscal policy of the Parish, a description of the important factors of the budget, and an explanation of all major increases and decreases of budget as compared with expenditures of prior years. After the ordinance has been introduced, the council shall cause the ordinance, or a summary thereof to be published in the official Parish journal at least once together with a notice of the date, time, and place, when and where it will be given a public hearing and be considered for final passage. The publication shall be at least one week prior to the time advertised for the hearing. The Council is required to hold three public hearings and to adopt the budget not less than 30 days before commencement of the coming year. The Council may amend the budget before adoption, except that in no event shall the Council cause the total proposed expenditures to exceed means of financing. Budgets shall be amended only during the public hearings before adoption. If the Council fails to act on the budget within the time limit provided, it shall be adopted as submitted by the Parish President. The budget constitutes an appropriation of funds for all purposes contained therein. The budget ordinance becomes effective on the first day of the fiscal year unless otherwise provided therein.

If during the fiscal year the Parish President certifies that there are available revenues in excess of those estimated in the budget, he shall present a supplemental budget for the disposition of such revenues to the Council. The Council by ordinance may make supplemental appropriations up to the amount of the excess. To meet a public emergency affecting life, health, property, or the public peace, the Council may make emergency appropriations. The appropriations may be made by emergency ordinance in accordance with the provisions of Article IV, Section E of the Home Rule Charter. To the extent that there are no available unappropriated revenues, the governing authority may borrow money to meet the emergency. The repayment shall be a fixed charge upon the revenue of the following year and shall be included in the operating budget for that year. If during the fiscal year it appears that revenues available will be insufficient to meet the amount appropriated, the Parish President shall indicate the estimated amount of the deficit and recommend to the Council steps to be taken. The Council shall take action as it deems necessary to prevent any deficit.

**NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**a. Budgets (Continued)**

The Parish President may transfer part or all of any unencumbered appropriation balance among programs within a department or office of the Parish. Before the Council may transfer part or all of any unencumbered appropriation balance from one department or office to another, a written request is required from the Parish President. No appropriation for debt service may be reduced or transferred, and no appropriation may be reduced below any amount required by law to be appropriated or by more than the amount of the unencumbered balance thereof. The ordinance authorizing a supplemental appropriation, or a reduction or transfer of appropriations may be made effective immediately upon adoption but may not be adopted at the same meeting as introduced.

The Council adopted budgets on all of its funds. Governmental funds are adopted on a modified accrual basis of accounting and proprietary fund budgets are adopted on an accrual basis.

**b. Supplemental Budgetary Appropriations**

A reconciliation summary of the originally adopted budget to the final revised budget, including supplemental appropriations through December 31, 2011 follows:

	Original	Final	Positive (Negative)
<b>General Fund</b>			
Revenues and other financing sources	\$ 24,870,733	\$ 26,250,388	\$ 1,379,655
Expenditures and other financing uses	<u>50,728,504</u>	<u>26,606,096</u>	<u>24,122,408</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>\$ (25,857,771)</u>	<u>\$ (355,708)</u>	<u>\$ 25,502,063</u>
<b>Special Revenue Funds</b>			
Revenues and other financing sources	\$ 54,927,524	\$ 48,380,921	\$ (6,546,603)
Expenditures and other financing uses	<u>70,981,438</u>	<u>69,062,992</u>	<u>1,918,446</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>\$ (16,053,914)</u>	<u>\$ (20,682,071)</u>	<u>\$ (4,628,157)</u>
<b>Debt Service Funds</b>			
Revenues and other financing sources	\$ 3,756,813	\$ 4,024,805	\$ 267,992
Expenditures and other financing uses	<u>3,894,428</u>	<u>4,036,575</u>	<u>(142,147)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>\$ (137,615)</u>	<u>\$ (11,770)</u>	<u>\$ 125,845</u>
<b>Capital Projects Funds</b>			
Revenues and other financing sources	\$ 21,668,984	\$ 3,020,749	\$ (18,648,235)
Expenditures and other financing uses	<u>22,306,084</u>	<u>2,732,549</u>	<u>19,573,535</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>\$ (637,100)</u>	<u>\$ 288,200</u>	<u>\$ 925,300</u>
<b>Enterprise Funds</b>			
Operating and non-operating revenues	\$ 27,379,350	\$ 25,855,586	\$ (1,523,764)
Operating and non-operating expenses	<u>29,530,890</u>	<u>27,230,215</u>	<u>2,300,675</u>
Revenues over (under) expenses	<u>\$ (2,151,540)</u>	<u>\$ (1,374,629)</u>	<u>\$ 776,911</u>

**NOTE 3 – CASH, CASH EQUIVALENTS, AND INVESTMENTS**

The Parish maintains a consolidated cash management pool that is available for use by all funds except those specifically prohibited by law. Each fund type's portion of the consolidated cash pool is displayed on the Statement of Net Assets as "Cash and cash equivalents" or "Investments". The Parish's primary government and all discretely presented component units adopted Governmental Accounting Standards Board Statement No. 40, *Deposit and Investment Risk Disclosures*, during 2010.

**a. Cash and Cash Equivalents**

Deposits (including demand deposit accounts and certificates of deposits) at December 31, 2011, for the Parish's primary government are summarized as follows:

<u>Carrying Amount</u>	<u>Bank Balance</u>
\$ 1,480,695	\$ 5,971,002

All deposits are either insured by FDIC or collateralized with securities held by the Parish or its agent in the Parish's name. The Parish does not have a written policy for custodial credit risk for deposits.

**b. Investments**

*Credit Risk:* Local governments in Louisiana are restricted to investment types authorized by Louisiana Revised Statutes 39:1211-1245 and 33:2955. The Parish's investment policy further limits its investment choices by not allowing investment grade commercial paper. Accordingly the Parish may invest in the following:

1. United States Treasury Bonds
2. United States Treasury Notes
3. United States Treasury Bills
4. United States Treasury Strips
5. Obligations of the U.S. Government Agencies, including such instruments as Federal Home Loan Bank bonds, Government National Mortgage Association bonds, or a variety of "Federal Farm Credit" bonds.
6. Fully collateralized certificates of deposit issued by qualified commercial banks and savings and loan associations located within the State of Louisiana.
7. Fully collateralized repurchase agreements.
8. Fully collateralized interest-bearing checking accounts.
9. Mutual or Trust Fund institutions which are registered with the Securities and Exchange Commission under the Security Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the United States Government or its agencies.
10. Louisiana Asset Management Pool (LAMP).

*Credit risk* is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Parish's investment policy limits investments to those discussed above, obtained under the "Prudent Person" rule, exercising judgment and care, under circumstances then prevailing, which people of prudence, discretion and intelligence exercise in the management of their own affairs – not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The Parish's investments in U.S. Agency Securities were rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. LAMP has a Standard & Poor's Rating of AAAm.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Parish will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments in external investment pools, mutual funds and other pooled investments are not exposed to custodial credit risk because of their natural diversification and the diversification required by the Securities and Exchange Commission. All other Parish investments are insured or registered, with securities held by the Parish or its agent in the Parish's name. The Parish's Investment policy requires that securities purchased from any bank or broker/dealer including appropriate collateral should be placed with an independent third party fiduciary for custodial safekeeping as evidenced by safekeeping receipts.

**NOTE 3 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**b. Investments (continued)**

LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

Parish investments for the primary government at December 31, 2011, are itemized as follows:

<u>Investment Type</u>	<u>Carrying Amount</u>	<u>Fair Value</u>
U.S. Agency Securities	\$ 46,504,972	\$46,575,109
Louisiana Asset Management Pool (LAMP)	40,112,220	40,112,220
Total	<u>\$ 86,617,192</u>	<u>\$86,687,329</u>

<u>Investment Type</u>	<u>Investment Maturities (in Years)</u>	
	<u>Less than 1</u>	<u>1 - 5</u>
U.S. Agency Securities	\$11,245,625	\$35,259,347

*Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.*

*Interest Rate Risk:* The Parish's investment policy limits investments to three years as a means of managing its exposure to fair value losses arising from increasing interest rates.

LAMP, a local government investment pool, is administered by a non-profit corporation, Louisiana Asset Management Pool, Inc., which was organized under the laws of the State of Louisiana and is not required to be a registered investment company under the Investment Company act of 1940; however, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP is governed by a board of fifteen members elected by the pool's participants each year, and is not subject to additional oversight. LAMP's primary objective is to maintain a stable net asset value while increasing its participant's liquidity and yield. To provide for this liquidity, all investments at the time of purchase have a maximum remaining maturity of 397 days and the dollar weighted average maturity of LAMP does not generally exceed 90 days. The fair values of LAMP's investments are determined on a weekly basis in order to monitor the variances between amortized cost and fair value. For purposes of determining participants' shares, investments are valued at amortized cost. Amortized cost approximates fair value. The fair value of the Parish's portion in LAMP is the same as the value of the pool shares.

LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP's total investments is 80 (from LAMP's monthly Statement of Net Assets) as of December 31, 2011.

**NOTE 3 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)**

**b. Investments (continued)**

The following is a reconciliation of the carrying amount of deposits and investments to restricted and unrestricted "Cash and cash equivalents" and "Investments" on the Statement of Net Assets:

Cash and cash equivalents:	
Deposits	<u>\$ 1,480,695</u>
Investments:	
LAMP	40,112,220
Investments	<u>46,504,972</u>
Total investments	<u>86,617,192</u>
Cash, cash equivalents, and investments, December 31, 2011	<u>\$ 88,097,887</u>
Current Assets - Cash and cash equivalents	\$ 1,451,652
Restricted Assets - Cash and cash equivalents	<u>29,043</u>
Total cash and cash equivalents	<u>1,480,695</u>
Current Assets - Investments	75,212,546
Restricted Assets - Investments	<u>11,404,646</u>
Total investments	<u>86,617,192</u>
Cash, cash equivalents, and investments	<u>\$ 88,097,887</u>

**NOTE 4 – RECEIVABLES**

All receivables, except for ad valorem taxes are considered collectible as of December 31, 2011; accordingly, an allowance for uncollectible is not considered necessary. Ad valorem taxes receivable are recorded net of an estimated uncollectible of three percent (3%) of gross taxes listed on the assessment roll. Of the total \$23,204,000 ad valorem taxes receivable, \$21,207,205 was collected by the Sheriff in December 2011 and remitted to the Parish in January 2012.

The Consolidated Waterworks and Wastewater District, along with the Solid Waste Collection and Disposal Fund, considers unbilled receivables at year-end to be those amounts for services received by customers in the current year, but not actually billed by the District until the following year. Unbilled receivables amounted to \$768,928 for the Waterworks Utility System, \$590,418 for the Wastewater Utility System, and \$298,528 for the Solid Waste Collection and Disposal Fund.

**NOTE 5 – DUE FROM OTHER GOVERNMENTS**

Due from other governments by governmental agencies for the primary government at December 31, 2011, consists of the following:

	<u>Federal</u>	<u>State</u>	<u>Local</u>	<u>Other</u>	<u>Total</u>
<u>Governmental Activities:</u>					
General Fund	\$ 1,258,377	\$ 292,756	\$ 11,397	\$ 26,165	\$ 1,588,695
Road & Drainage Maintenance & Operation	7,789,434	9,405	49,608	-	7,848,447
Recreation Maintenance & Operation	96,020	-	-	-	96,020
Nonmajor governmental funds	15,077	693,007	11,102	1,475	720,661
<u>Business-type Activities:</u>					
Wastewater Utility System	558,318	-	-	-	558,318
Waterworks Utility System	23,812	44,039	-	-	67,851
Totals	<u>\$ 9,741,038</u>	<u>\$ 1,039,207</u>	<u>\$ 72,107</u>	<u>\$ 27,640</u>	<u>\$ 10,879,992</u>

**NOTE 6 – RESTRICTED ASSETS**

A breakdown by account of restricted and designated assets for year ended December 31, 2011 is as follows:

	<u>Waterworks Utility System</u>	<u>Wastewater Utility System</u>	<u>Total</u>
Customer Deposits	\$ 26,738	\$ -	\$ 26,738
Connection Fees	288	2,977,899	2,978,187
Revenue Bond Sinking	459	449	908
Revenue Bond Reserve	650	4	654
Construction	8,426,813	3	8,426,816
Capital Additions & Contingencies	14	372	386
Totals	<u>\$ 8,454,962</u>	<u>\$ 2,978,727</u>	<u>\$ 11,433,689</u>



**NOTE 7 – CAPITAL ASSETS**

**a. Primary government capital asset activity for the year ended December 31, 2011, was as follows:**

	Balance at December 31, 2010	Additions	Deletions	Adjustments	Balance at December 31, 2011
<b>Governmental Activities:</b>					
Capital assets not being depreciated:					
Land	\$ 9,354,209	\$ 166,506	\$ -	\$ (4,743)	\$ 9,515,972
Infrastructure	14,855,447	-	-	-	14,855,447
Construction in Progress	14,530,329	24,019,177	(5,796,977)	(7,520)	32,745,009
Total capital assets not being depreciated	<u>38,739,985</u>	<u>24,185,683</u>	<u>(5,796,977)</u>	<u>(12,263)</u>	<u>57,116,428</u>
Capital assets being depreciated:					
Buildings	27,582,445	383,793	-	88,094	28,054,332
Improvements other than buildings	52,902,915	3,703,556	-	44,185	56,650,656
Machinery & Equipment	33,017,048	2,232,478	(6,493)	(55,536)	35,187,497
Infrastructure	105,732,476	-	(611,709)	2,120,892	107,241,659
Total capital assets being depreciated	<u>219,234,884</u>	<u>6,319,827</u>	<u>(618,202)</u>	<u>2,197,635</u>	<u>227,134,144</u>
Less accumulated depreciation for:					
Buildings	(9,740,122)	(760,283)	-	(8,629)	(10,509,034)
Improvements other than buildings	(23,114,850)	(2,804,421)	-	-	(25,919,271)
Machinery & Equipment	(22,227,447)	(2,294,759)	36,054	(80)	(24,486,232)
Infrastructure	(54,915,118)	(4,175,918)	-	-	(59,091,036)
Total accumulated depreciation	<u>(109,997,537)</u>	<u>(10,035,381)</u>	<u>36,054</u>	<u>(8,709)</u>	<u>(120,005,573)</u>
Total capital assets being depreciated, net	<u>109,237,347</u>	<u>(3,715,554)</u>	<u>(582,148)</u>	<u>2,188,926</u>	<u>107,128,571</u>
Total governmental activities capital assets, net	<u>\$ 147,977,332</u>	<u>\$ 20,470,129</u>	<u>\$ (6,379,125)</u>	<u>\$ 2,176,663</u>	<u>\$ 164,244,999</u>
<b>Business-type Activities:</b>					
Capital assets not being depreciated:					
Land	\$ 804,777	\$ -	\$ -	\$ -	\$ 804,777
Construction in Progress	28,597,748	6,464,473	(64,170)	-	34,998,051
Total capital assets not being depreciated	<u>29,402,525</u>	<u>6,464,473</u>	<u>(64,170)</u>	<u>-</u>	<u>35,802,828</u>
Capital assets being depreciated:					
Buildings & improvements	169,539,735	372,978	(23,692)	501,093	170,390,114
Machinery & Equipment	14,773,963	235,540	(126,424)	12,559	14,895,638
Total capital assets being depreciated	<u>184,313,698</u>	<u>608,518</u>	<u>(150,116)</u>	<u>513,652</u>	<u>185,285,752</u>
Less accumulated depreciation for:					
Buildings & improvements	(68,306,073)	(4,171,142)	104,246	-	(72,372,969)
Machinery & Equipment	(11,986,935)	(661,420)	108,472	(69,424)	(12,609,307)
Total accumulated depreciation	<u>(80,293,008)</u>	<u>(4,832,562)</u>	<u>212,718</u>	<u>(69,424)</u>	<u>(84,982,276)</u>
Total capital assets being depreciated, net	<u>104,020,690</u>	<u>(4,224,044)</u>	<u>62,602</u>	<u>444,228</u>	<u>100,303,476</u>
Total business-type activities capital assets, net	<u>\$ 133,423,215</u>	<u>\$ 2,240,429</u>	<u>\$ (1,568)</u>	<u>\$ 444,228</u>	<u>\$ 136,106,304</u>

**NOTE 7 – CAPITAL ASSETS (Continued)**

**a. Depreciation expense was charged to functions of the primary government as follows:**

Governmental Activities:	
General government	\$ 474,657
Public safety	160,116
Public works	8,324,791
Health & welfare	147,568
Culture & recreation	912,453
Economic development & assistance	15,796
	<u>\$ 10,035,381</u>
Business-type Activities:	
Waterworks Utility System	\$ 1,424,796
Wastewater Utility System	3,407,766
	<u>\$ 4,832,562</u>

**b. Construction work in progress for the governmental activities of the primary government is composed of the following:**

	Project Authorization	Expended to 12/31/2011	Committed Financing
Coastal Zone Management	\$ 181,841	\$ 105,652	\$ 76,189
Government Buildings	3,000,510	1,416,153	1,584,357
Emergency Operations Center	6,190,736	294,148	5,896,588
Animal Control	1,715,738	1,238,663	477,075
Parish Transportation Fund	1,108,064	550,000	558,064
Road Lighting	144,873	56,773	88,100
Roads & Drainage Maintenance & Operation Fund:			
Roads	2,857,308	1,113,797	1,743,511
Sidewalks	3,090,012	2,728,605	361,407
Drainage	28,125,228	18,948,081	9,177,147
Recreation Fund	1,474,777	1,122,234	352,543
Public Improvement Sales Tax Bond Construction Fund	101,610	95,589	6,021
Recreation Construction Fund	269,314	269,314	-
WBHPL Fund	1,724,933	1,722,853	2,080
LCDBG Paved Streets	12,079,210	1,574,408	10,504,802
Library (Land & Bldgs)	2,457,887	1,508,739	949,148
Total Construction Commitments	<u>\$ 64,522,041</u>	<u>\$ 32,745,009</u>	<u>\$ 31,777,032</u>

**NOTE 7 – CAPITAL ASSETS (Continued)**

**c. Construction work in progress for the proprietary funds is composed of the following:**

Project Description	Project Authorization	Expended to 12/31/2011	Committed Financing
LA18 Luling to Taft Water Main Improvement	\$ 141,985	\$ 78,380	\$ 63,605
EB/WB Plant Upgrade	29,027,555	29,014,834	12,721
Lakewood to Beaupre 10" Water Main Loop	7,131	7,131	-
New WW Field Supervisors Office	95,884	95,884	-
Generator Elevation	4,648	4,648	-
WB D Plant Filter Control Automation	218	218	-
WB Water Storage Tank	130,301	107,673	22,628
Remove/Replace WB Underground Electric Feed	15,522	15,522	-
2011 Incomplete (EB RVR Dock Sec Cam/Sec Sys/Phone Sys)	33,969	33,969	-
Evangeline Road Waterline Upgrade	39,115	38,434	681
EB C Plant Clarifier Refurbishment	104,854	58,055	46,799
LCDBG- LA 631 12" WA Main	165,536	165,536	-
Shutters EB & WB Plants	183,899	183,889	10
6 in Force Main Thoroughbred Lift Station	205,701	189,691	16,010
Acorn St Sewer Improvements	164,902	144,237	20,665
Destrehan WWTP Rehab Phases I-IV	2,664,106	2,295,247	368,859
Hahnville Wastewater Treatment Plant Rehab	1,904,681	1,644,758	259,923
High Priority Sewer Lift Stations	1,821,583	830,686	990,897
LS# 6031 @ Old Montz Treatment Plant	48,500	26,000	22,500
Mitigation & Review Services	22,000	2,302	19,698
FY-2010 LCDBG Sewer System	49	49	-
Sharon St Sewer Improvements	18,288	15,138	3,150
Upgrade Ashton Sewer PS and Force Main	45,770	45,770	-
<b>Total Construction Commitments</b>	<b><u>\$ 36,846,197</u></b>	<b><u>\$ 34,998,051</u></b>	<b><u>\$ 1,848,146</u></b>

**NOTE 8 – INTERFUND ASSETS/LIABILITIES**

**a. Balances due to/from other funds at December 31, 2011, consist of the following:**

\$	1,076	Due to the General Fund from the Criminal Court Fund representing half the ending fund balance.
	3,719	Due to the General Fund from the Road & Drainage M&O Fund representing the expenses related to an ongoing lawsuit.
	705	Due to the General Fund from Sewer General Obligation Sinking Fund representing the April 2011 Tax Settlement.
	28	Due to the General Fund from the Retired Senior Volunteer Program Fund representing the expenses for Decemeber 2011 insurance expense.
	63,006	Due to the General Fund from Louisiana Community Development Block Grant Fund Representing the 2011 expenses for Community Center Project.
	542	Due to the General Fund from Waterworks Utility System representing the expenses for 2011 flood insurance expenses for Eastbank building.
	13	Due to the General Fund from Parish Payroll Fund representing the 2011 Interest earned for that account which is consolidated in the General Fund.
	300	Due to the Road and Drainage M&O Fund from the General Fund representing the expenses for repairs to Parish signs through Insurance monies.
	392,718	Due to the Recreation M&O Fund from the General Fund representing the transfer of funds related to the projects at Montz and Ama Recreational Parks.
	58,647	Due to the Waterworks Utility System from the Louisiana Community Development Block Grant Fund representing the 2011 expenses for the current Waterwork's East Bank Treatment Plant project.
	1,200	Due to the Wastewater Utility System from the General Fund representing the expenses related to an NSF check for sewer permits.
	160	Due to the Wastewater Utility System from the Road & Drainage M & O Fund representing the expenses to GCR for a current Public Works's project.
	18,116	Due to the Solid Waste Collection & Disposal Fund from the General Fund representing expenses incurred from 2011 Trash Bash/Recycling Event.
	187	Due to the 1/8% P. I. Sales Tax Sinking Fund from 1/8% P.I. Sales Tax Reserve Fund representing the amount of the fund balance in excess of the reserve requirement.
	<u>\$ 540,417</u>	

**NOTE 8 – INTERFUND ASSETS/LIABILITIES (Continued)**

a. **Balances due to/from other funds at December 31, 2011, consist of the following (continued)**

A summary of balances due from (to) other funds reported in fund financial statements and net internal balances as reported on the Statement of Net Assets follows:

	Due From Other Funds	Due To Other Funds	Net Internal Balances
Balance Sheet - Governmental Funds	\$ 462,294	\$ (539,875)	\$ (77,581)
Statement of Net Assets - Proprietary Funds	78,123	(542)	77,581
	<u>\$ 540,417</u>	<u>\$ (540,417)</u>	<u>\$ -</u>

**NOTE 9 – INTERFUND TRANSFERS**

Interfund transfers for the year ended December 31, 2011, consisted of the following:

		Transfers From						
		General Fund	Road & Drainage M & O Fund	Waterworks Utility System	Wastewater Utility Fund	Solid Waste Collection & Disposal Fund	Nonmajor Governmental Funds	TOTAL
Transfers To	General Fund	\$ -	\$ 350,000	\$ 121,676	\$ -	\$ 21,020	\$ 94,620	\$ 587,316
	Road & Drainage M & O Fund	-	-	-	-	-	2,025	2,025
	Recreation M & O	392,718	-	-	-	-	-	392,718
	Nonmajor Governmental Funds	1,714,395	-	-	-	-	317,948	2,032,343
	Waterworks Utility System Fund	-	2,757	-	34,738	-	-	37,495
	Wastewater Utility System	-	-	-	-	-	313,376	313,376
	Solid Waste Collection Disposal Fund	18,116	-	-	-	-	-	18,116
		<u>\$ 2,125,229</u>	<u>\$ 352,757</u>	<u>\$ 121,676</u>	<u>\$ 34,738</u>	<u>\$ 21,020</u>	<u>\$ 727,969</u>	<u>\$ 3,383,389</u>

Transfers are used to 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, 2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and 3) use unrestricted revenues collected in general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

A summary of transfers in and (out) reported in fund financial statements and net transfers as reported in the Statement of Activities:

	Transfers In	Transfers Out	Net Transfers
Statement of Revenues, Expenditures & Changes in Fund Balances - Governmental Funds	\$ 3,014,402	\$ (3,205,955)	\$ (191,553)
Statement of Revenues, Expenditures & Changes in Fund Balances - Proprietary Funds	368,987	(177,434)	191,553
TOTAL	<u>\$ 3,383,389</u>	<u>\$ (3,383,389)</u>	<u>\$ -</u>

**NOTE 10 – OPERATING LEASES**

The Parish has various operating leases for various periods of time for right of ways and office space. The total cost for operating leases for 2011 was \$79,338. Minimum annual commitments under non-cancelable operating leases are as follows:

	Buildings	Other	Total
2012	\$ 67,223	\$ 1	\$ 67,224
2013	56,568	1	56,569
2014	43,176	1	43,177
2015	3,000	1	3,001
2016	3,000	1	3,001
2017-2021	3,000	5	3,005
2022-2026	-	5	5
2027-2031	-	1	1
<b>TOTALS</b>	<b>\$ 175,967</b>	<b>\$ 16</b>	<b>\$ 175,983</b>

**NOTE 11 – LONG-TERM OBLIGATIONS**

The following is a summary of the Parish's long-term debt transactions for the year ended December 31, 2011:

	Balance at 12/31/10	Additions	Retirements	Balance at 12/31/11	Due Within One Year
<b>Governmental Activities:</b>					
General obligation bonds	\$ 21,380,000	\$ -	\$ (2,115,000)	\$ 19,265,000	\$ 2,200,000
Public improvement bonds	4,765,000	-	(315,000)	4,450,000	330,000
Arbitrage payable	-	-	-	-	-
Net OPEB Obligation	6,661,774	3,514,663	(424,972)	9,751,465	-
Claims and judgments	2,612,428	487,936	(1,841,180)	1,259,184	-
Less bond amortization costs	148,726	-	(19,971)	128,755	-
Less deferred amount on refunding	(74,001)	-	24,668	(49,333)	-
Total governmental activities	<u>\$ 35,493,927</u>	<u>\$ 4,002,599</u>	<u>\$ (4,691,455)</u>	<u>\$ 34,805,071</u>	<u>\$ 2,530,000</u>
<b>Business-Type Activities:</b>					
Revenue bonds	\$ 31,051,736	\$ 3,424,558	\$ (1,421,000)	\$ 33,055,294	\$ 1,464,000
Less bond amortization costs	280,077	-	10,838	290,915	-
Less deferred amount on refunding	(84,727)	-	15,404	(69,323)	-
Total business-type activities	<u>\$ 31,247,086</u>	<u>\$ 3,424,558</u>	<u>\$ (1,394,758)</u>	<u>\$ 33,276,886</u>	<u>\$ 1,464,000</u>
Total Long-term Obligations	<u>\$ 66,741,013</u>	<u>\$ 7,427,157</u>	<u>\$ (6,086,213)</u>	<u>\$ 68,081,957</u>	<u>\$ 3,994,000</u>

**NOTE 11 – LONG-TERM OBLIGATIONS (CONTINUED)**

Long-term bonded debt outstanding as of December 31, 2011, consists of the following

	Date of Issuance	Authorized and Issued	Interest Rate	Maturity Date	Principal Outstanding	Interest to Maturity
<b>GENERAL OBLIGATION BONDS:</b>						
1997 DEQ Sewer	10/7/1997	\$17,000,000	3.95	3/1/2018	\$ 4,525,000	\$ 902,476
1998 DEQ Sewer	6/16/1998	24,000,000	3.95	3/1/2019	7,875,000	1,735,136
Sewer Ref - 2003	12/1/2003	21,875,000	3.65-4.0	3/1/2014	6,865,000	406,878
TOTAL GENERAL OBLIGATION BONDS					<u>19,265,000</u>	<u>3,044,490</u>
<b>PUBLIC IMPROVEMENT BONDS:</b>						
PIST Series 2003	7/1/2003	4,735,000	3.15-3.5	6/20/2023	3,345,000	910,870
Sales Tax Revenue (2004)	8/1/2004	790,000	3.85-5.0	8/1/2014	275,000	24,435
Sales Tax Revenue (2007)	6/1/2007	920,000	4.45-6.45	8/1/2031	830,000	499,710
TOTAL PUBLIC IMPROVEMENT BONDS					<u>4,450,000</u>	<u>1,435,015</u>
<b>REVENUE BONDS:</b>						
Consol. WW & Wstwr - Ref (2007A)	1/30/2007	23,975,000	4.0-5.0	7/1/2036	23,975,000	19,744,225
Consol. WW & Wstwr - Ref (2007B)	1/30/2007	5,780,000	4.00	7/1/2016	4,290,000	529,800
Sewer Revenue Bonds - 1994	6/24/1994	6,300,000	2.95	7/1/2015	1,570,000	117,558
PIST Revenue Bond, Series 2010 DEQ	8/25/2010	6,500,000	.95 %	11/1/2030	3,220,294	82,455
TOTAL REVENUE BONDS					<u>33,055,294</u>	<u>20,474,038</u>
<b>TOTALS</b>					<u>\$ 56,770,294</u>	<u>\$ 24,953,543</u>

Public improvement and general obligation bonds accounted for in the Debt Service Funds are serviced through the collection of parish ad valorem taxes and sales taxes. The revenue bonds accounted for in the Enterprise Funds are serviced by revenues from operations. In 2010 St Charles Parish was awarded a Public improvement Sales Tax Revenue bond which is to cover construction costs up to \$6,500,000. As of December 31, 2011 the Parish had only incurred \$3,521,294 of costs therefore, the parish has only drawn down on \$3,521,294 of the \$6, 500,000.

Long-term bonded debt totaling \$56,770,294 includes \$1,464,000 of bonds payable within one year, which is included in the payables from restricted assets for the Enterprise Funds on Exhibit A.

Wastewater (403)	\$ 375,000
Wastewater (406)	304,000
Waterworks (432)	<u>785,000</u>
	<u>\$1,464,000</u>

The outstanding bonds secured by ad valorem taxes consist of general obligation bonds. These bonds, presented in the previous table, totaled \$19,265,000 In accordance with Louisiana Revised Statute 39:562, the Parish is legally restricted from incurring long-term bonded debt secured by ad valorem taxes in excess of ten percent of the assessed value for taxable property in the Parish for any one purpose. The statutory debt limit for the Parish as reported at December 31, 2011 was \$119,742,720.

**NOTE 11 – LONG-TERM OBLIGATIONS (CONTINUED)**

The annual requirements to amortize all long-term obligations (including interest of \$24,953,543) outstanding at December 31, 2011 are as follows:

Maturity	General Obligation Bonds	Public Improvement Bonds	Total General Long-Term Obligations	Revenue Bonds	Total Bonds
2012	\$ 2,200,000	\$ 330,000	\$ 2,530,000	\$ 1,464,000	\$ 3,994,000
2013	2,290,000	335,000	2,625,000	1,511,000	4,136,000
2014	2,375,000	360,000	2,735,000	1,563,000	4,298,000
2015	2,520,000	275,000	2,795,000	1,616,000	4,411,000
2016	2,620,000	285,000	2,905,000	1,248,000	4,153,000
2017-2021	7,260,000	1,655,000	8,915,000	5,709,000	14,624,000
2022-2026	-	920,000	920,000	5,229,294	6,149,294
2027-2031	-	290,000	290,000	6,485,000	6,775,000
2032-2036	-	-	-	8,230,000	8,230,000
	<u>19,265,000</u>	<u>4,450,000</u>	<u>23,715,000</u>	<u>33,055,294</u>	<u>56,770,294</u>
Plus amounts representing interest:					
2012	\$ 712,386	\$ 176,941	\$ 889,327	\$ 1,385,144	\$ 2,274,471
2013	626,594	165,336	791,930	1,341,314	2,133,244
2014	537,301	153,116	690,417	1,295,779	1,986,196
2015	440,030	139,436	579,466	1,248,393	1,827,859
2016	338,516	129,456	467,972	1,199,099	1,667,071
2017-2021	389,663	473,806	863,469	5,404,526	6,267,995
2022-2026	-	150,772	150,772	4,332,036	4,482,808
2027-2031	-	46,152	46,152	3,005,500	3,051,652
2032-2036	-	-	-	1,262,247	1,262,247
	<u>3,044,490</u>	<u>1,435,015</u>	<u>4,479,505</u>	<u>20,474,038</u>	<u>24,953,543</u>
Totals	<u>\$ 22,309,490</u>	<u>\$ 5,885,015</u>	<u>\$ 28,194,505</u>	<u>\$ 53,529,332</u>	<u>\$ 81,723,837</u>

**Arbitrage Liability**

Section 148 of the Internal Revenue Code of 1986, as amended, requires that issuers of tax-exempt debt make arbitrage calculations annually on bonds issued after August 31, 1986, to determine whether an arbitrage rebate liability exists between the issuer and the U. S. Department of the Treasury. Arbitrage is the difference (or profit) earned from borrowing funds at tax-exempt rates and investing the proceeds in higher yielding taxable securities. Arbitrage rebate calculations made on December 31, 2011, for the Parish shows that there were no arbitrage rebate liabilities due the U. S. Department of Treasury.



**NOTE 12 – PAYABLE FROM RESTRICTED ASSETS**

A summary of the proprietary funds' payable from restricted assets by account is as follows:

	Waterworks Utility System	Wastewater Utility System	Total
Current Maturities of Long-Term Debt	\$ 785,000	\$ 679,000	\$ 1,464,000
Accrued Interest Payable	-	-	-
Customer Deposits	1,365,295	-	1,365,295
<b>Totals</b>	<b>\$ 2,150,295</b>	<b>\$ 679,000</b>	<b>\$ 2,829,295</b>

**NOTE 13 – FUND EQUITY**

The nature and purpose of designations of net assets are as follows:

**Net Assets Restricted for debt service**

This represents the amount restricted for paying principal and interest of the Waterworks and Wastewater proprietary funds.

**Net Assets Restricted for capital projects**

This represents the amount restricted for construction and improvements to the water and wastewater systems.

The following illustrates the specific purposes of each classification of fund balance in the financial statements:

2011	General Fund	Public Roads	Recreation	Sewer General Obligation Sinking	Nonmajor Governmental Funds	Total
Nonspendable:						
Prepaid Items	\$417,043	\$75	\$6,000	\$ -	\$85,674	\$508,792
<b>Total Nonspendable:</b>	<b>417,043</b>	<b>75</b>	<b>6,000</b>	<b>-</b>	<b>85,674</b>	<b>508,792</b>
Restricted:						
Maintenance/Operations		19,343,571	202,488	-	-	19,546,059
Capital Project					1,199,086	1,199,086
Debt Service	-	-		2,974,243	1,286,675	4,260,918
Special Revenue					3,175,359	3,175,359
Grant Programs	3,055,030	2,455,445	-	-	-	5,510,475
<b>Total Restricted:</b>	<b>3,055,030</b>	<b>21,799,016</b>	<b>202,488</b>	<b>2,974,243</b>	<b>5,661,120</b>	<b>33,691,897</b>
Committed:						
Capital Projects	8,012,261	7,351,796	88,925	-	1,565,506	17,018,488
Maintenance/Operations	7,000,000	-	-	-	-	7,000,000
<b>Total Committed:</b>	<b>15,012,261</b>	<b>7,351,796</b>	<b>88,925</b>	<b>-</b>	<b>1,565,506</b>	<b>24,018,488</b>
Assigned:						
Capital Projects	13,559,480	-	-	-	-	13,559,480
Maintenance/Operations	1,957,600	-	-	-	82,663	2,040,263
Insurance Claims	1,259,184	-	-	-	-	1,259,184
Purchase Orders	104,663	190,118	31,483	-	-	326,264
<b>Total Assigned:</b>	<b>16,880,927</b>	<b>190,118</b>	<b>31,483</b>	<b>-</b>	<b>82,663</b>	<b>17,185,191</b>
<b>Unassigned</b>	<b>4,758,040</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(23,846)</b>	<b>4,734,194</b>
<b>Totals</b>	<b>\$ 40,123,301</b>	<b>\$ 29,341,005</b>	<b>\$ 328,896</b>	<b>\$ 2,974,243</b>	<b>\$ 7,371,117</b>	<b>\$80,138,562</b>

**NOTE 14 – PROPERTY TAXES**

Ad valorem taxes are levied on real property as of November 15<sup>th</sup> of each year to finance the budget for the following year. The tax is due and becomes an enforceable lien on the property after being filed with the Louisiana Tax Commission by the St. Charles Parish Assessor's office (usually November 15<sup>th</sup>). The tax becomes delinquent on December 31<sup>st</sup>. Taxes are billed and collected by the St. Charles Parish Sheriff's office.

At the governmental fund level, property taxes that are measurable and available (receivable within the current period and collected within that period or within 60 days thereafter) are recognized as revenue in the year of the levy. Therefore, 2010 property tax that was levied to finance the budget for 2011 is recorded as revenue for the 2011 fiscal year. The property taxes that are measurable, but not available, are recorded net of estimated uncollectible amounts. The 2011 tax levy, which was levied to finance the budget for 2012, is recorded net of adjustments, as unearned revenue

Property taxes are levied each November 15<sup>th</sup> on the assessed value listed as of the prior January 1<sup>st</sup> for all real property, merchandise, and movable property located in the Parish. Assessed values are established by the St. Charles Parish Assessor's office and the Louisiana Tax Commission at percentages of actual value, as specified by the Louisiana law. An assessment of all property is required to be completed no less than every four years. The taxable assessed value, upon which the 2011 levies are based, was \$1,098,417,385 and the Homestead Exemption was \$99,009,811. The total 2011 assessed value was \$1,197,427,196.

**NOTE 15 – SALES AND USE TAXES**

The Parish levies one percent, one-half percent, three-eighth percent, and one-eighth percent sales and use taxes. The Parish and the St. Charles Parish School Board have entered into an agreement in which the School Board collects the Parish's sales and use taxes for a stipulated fee. The School Board remits the proceeds of the sales and use taxes to the Parish on a monthly basis. The amount due from the School Board at December 31, 2011 was \$3,930,935.

The one percent sales and use tax ordinance stipulates that the proceeds derived from the tax must be used for the purpose of constructing, acquiring, improving, operating, and maintaining drains, drainage canals, pumps, and pumping plants, dykes, and levees, and related machinery and equipment; and opening, constructing, maintaining, and improving roads, street, and bridges, and purchasing machinery and equipment in connection therewith. The proceeds are subject to funding negotiable bonds for any of the above described capital purposes and providing for reserves in connection therewith. The one-half percent and three-eighth percent sales and use taxes ordinances stipulate that the proceeds derived from the taxes must be used for any lawful public purpose and for funding of bonds for constructing, acquiring and developing capital improvements in the Parish and providing for reserves in connection therewith. The one-eighth percent sales and use tax is to be used for fire protection in the Parish, including but not limited to constructing, maintaining, and operating the Parish's fire protection facilities and for funding bonds for the purpose of acquiring buildings, machinery, and equipment for the Parish and for funding appropriate reserve requirements.

**NOTE 16 – RISK MANAGEMENT**

The Parish is exposed to various losses related to tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Parish purchases commercial insurance for claims in excess of \$50,000 per occurrence and \$500,000 in aggregate for property, employee, automobile and general liability coverage. To account for and finance these losses, the parish established a “Liability Insurance Claims Payable” account with in the General Fund. All Funds of the Parish, except for the capital projects and debt service funds participate in the account and make payments to it based on management’s estimates of the amounts needed to pay prior and current year claims. The Parish records the aggregate deductible in the General Fund and is reduced as claims are paid. The balance is approximately \$1,259,184 at December 31, 2011. There were no significant reductions in insurance coverage from that of the prior year. The amount of settlements did not exceed the commercial insurance coverage in any of the past three fiscal years.

The claims liability of \$1,259,184 (which includes an estimated liability for claims incurred but not reported of \$14,100) is reported in the General Fund at December 31, 2011. These liabilities are based on requirements of the Governmental Accounting Standards Board Statement No. 10, “Accounting and Financial Reporting for Risk Financing and Related Insurance Issues”, which require that a liability for claims be reported if information prior to the issuance of the financial statements and the amount of loss can be reasonably estimated. Governmental Accounting Standards Board Statement No. 30, “Risk Financing Omnibus- An Amendment of GASB Statement No. 10” requires that specific, incremental claim adjustment expense and estimated recoveries be considered in calculating the claims liability.

Changes in the balances of claims liabilities during years 2009 through 2011 were as follows:

	<u>2009</u>	<u>2010</u>	<u>2011</u>
Liability at beginning of year	\$ 1,436,279	\$ 1,374,700	\$ 1,264,575
Current year claims and changes in estimates	487,630	524,454	487,935
Less claims payments	(549,209)	(634,579)	(493,326)
Balance at year end	<u>\$ 1,374,700</u>	<u>\$ 1,264,575</u>	<u>\$ 1,259,184</u>

**NOTE 17 – COMMITMENTS AND CONTINGENCIES**

**a. Litigation**

The Parish is a defendant in a number of claims and lawsuits resulting principally from personal injury, property damage, and construction claims. These claims are outside of the insurance coverage discussed in the Risk Management note to the financial statements. The Parish Attorney has reviewed these claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the Parish and to arrive at an estimate, if any, of the amount or range of potential loss to the Parish. As a result of such review, the various claims and lawsuits have been categorized into “probable”, “reasonably possible”, and “remote” contingencies, as defined in National Council on Governmental Accounting Statement 4 for Claims and Judgments. There were no loss contingencies categorized as “probable”; therefore none have been accrued as liabilities on the Statement of Net Assets as claims payable.

The Parish is also a defendant in various lawsuits categorized as “reasonably possible”, for which the Parish Attorney has indicated that estimates of potential losses are unavailable. In the opinion of management, the ultimate liabilities, if any, resulting from these lawsuits will not have a material adverse effect on the Parish’s operations or financial condition.

**b. Federally Assisted Programs**

The Parish receives significant assistance from numerous federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specific to the grant agreements. The programs are audited in accordance with the Single Audit Act of 1996 Amendment. They are also subject to further examination by the grantor agency.

**NOTE 17 – COMMITMENTS AND CONTINGENCIES (CONTINUED)**

**c. Intergovernmental Agreements**

The Council adopted ordinance number 99-9-25 approving and authorizing the execution of an intergovernmental agreement between the Parish and the St. Charles Parish Law Enforcement District for funding the St. Charles Parish Correctional Center and ordinance number 04-12-3 amending the fee paid per day. The agreement provides for payment to the District for housing local pretrial prisoners sentenced to Parish time in the amount of \$24.39 per day.

The Council adopted ordinance number 10-4-13 to authorize a Cooperative Agreement between the Parish and the Louisiana Department of Natural Resources for operation, maintenance., repair, replacement, and rehabilitation of the Davis Pond Fresh Water Diversion Project from February 1, 2011 through January 31, 2016.

The Council adopted ordinance number 11-4-7 to approve and authorize the execution of Amendment No. 2 to ordinance Number 83-5-4, which approved a Joint use Agreement with the Department of Transportation and Development to allow for Construction of the West Bank Bridge Park Pavilion at 13825 River Road in Luling.

The Council adopted ordinance number 11-4-11 to approve and authorize the execution of the Reach 1A- Reach 1B Pump Stations Cooperative Endeavor Agreement between Ponchartrain and Vicinity Hurricane Protection Levee Pump Stations in St. Rose.

The Council adopted ordinance number 11-4-22 to approve and authorize the execution of an agreement with the Department of Education for a Summer Food Service Program from June 6, 2011 through July 14, 2011.

The Council adopted ordinance number 11-4-28 to approve and authorize the execution of an agreement with St. Charles Parish Community Services and the St. Charles Parish School Board for a Summer Food Service Program from June 6, 2011 through July 14, 2011.

The Council adopted ordinance number 11-4-32 to approve and authorize the execution of the Home Investment Partnership Act Consortium Cooperation Agreement for Fiscal Year 2012, 2013 and 2014 with the Parish of Jefferson and the City of Kenner.

The Council adopted ordinance number 11-4-39 to approve and authorize the execution of an Intergovernmental Agreement with the Sunset Drainage District to provide for an operating subsidy for fiscal year 2011 for the operation and maintenance of the District's drainage system in the amount of \$282,307.

The Council adopted ordinance number 11-9-1 to approve and authorize the execution of a Memorandum of Agreement between the Department of Army and the Parish of St. Charles for the relocation of an 8" Waterline in conjunction with the West Bank and Vicinity Louisiana Project in Luling.

The Council adopted ordinance number 11-12-5 to amend ordinance number 09-5-13, an agreement with the Louisiana Department of Transportation and Development for the St. Charles Parish Eastbank Multi-use Path, Phase IV State Project No. 744-45-0009, Federal Aid Project No. enh-4508(504), to provide and increase in Federal Funding.

The Council adopted resolution number 5821 to approve and authorize the execution of an Agreement between the State of Louisiana Division of Administration and St. Charles Parish for funding of a water line upgrade along Evangeline Road in Montz through the Louisiana Office of Community Development's FY 2010-2011 Community Water Enrichment Fund, CWEF File# 1011-CWEF-STC-0001.

The Council adopted resolution number 5838 to approve and authorize the execution of an Agreement between the State of Louisiana Department of Transportation and Development and St. Charles Parish for funding of St. Charles Parish Beautification and Parish Boundary Signage project, State Project No. H.009115, Federal Aid Project No. H009115.

**NOTE 17 – COMMITMENTS AND CONTINGENCIES (CONTINUED).**

**c. Intergovernmental Agreements (Continued)**

The Council adopted resolution number 5839 to authorize St. Charles Parish to enter into an agreement with the State of Louisiana, Department of Transportation and Development under the Louisiana Statewide Flood Control Program for assistance in the implementation of a flood control improvement project, the State Project No. H.009257; providing for the necessary documentation of the need for flood control improvement; and providing for other matters in connection therewith.

The Council adopted resolution number 5844 to authorize the execution of Second Amendment to Cooperative Endeavor Agreement between State of Louisiana, Division of Administration, Office of Community Development Disaster Recovery Unit and St. Charles Parish, CFMS# 684276, to secure additional Community Development Block Grant (CDBG) Disaster Recovery Program funds through the Economic Revitalization Program in the amount of \$3,000,000 for the purpose of funding recovery projects in St. Charles Parish.

The Council adopted resolution number 5851 to ratify the changes to the original Agreement between the State of Louisiana Department of Transportation and Development (DOTD) and the St. Charles Parish (Resolution No. 5838) for funding of the St. Charles Parish Beautification and Parish Boundary Signage project, State Project No. H.009115, Federal Aid Project No. H009115.

Lake Ponchartrain and Vicinity Hurricane Protection Project

The Federal government has agreed to finance 70 percent of the cost of the Lake Pontchartrain and Vicinity Hurricane Protection Project, and the Pontchartrain Levee District will pay the remaining 30 percent of the cost. This agreement is in accordance with the Flood Control Act of 1965 as modified by the Water Resources Development Act of 1974. Local non-federal sources are required to pay at least 30 percent of the total project costs to the St. Charles portion of the Lake Pontchartrain and Vicinity Hurricane Protection Project.

The local and non-federal portion of this project is estimated to be approximately \$31 million. The Pontchartrain Levee District has entered into an agreement with St. Charles Parish whereby the Pontchartrain Levee District will pay 80 percent of the non-federal portion of the project costs, and St. Charles Parish will provide the remaining 20 percent.

St. Charles Parish's 20 percent commitment will be paid in 25 annual installments due and payable before the 15<sup>th</sup> day of June of each year, commencing on June 15, 1991. In August 2007 Levee District requested approximately \$549,000 from St. Charles Parish.

St. Charles Parish Urban Flood Control Feasibility Study

The Pontchartrain Levee District has entered into an agreement with the U.S. Corps of Engineers whereby the Corps conduct a "Feasibility Phase Study" to assess the extent of Federal interest in participating in a solution to the problem of hurricane protection and flood control in St. Charles Parish. The Water Resources Act of 1996 requires local non-federal funding of 50 percent of the study.

The local non-federal portion of the study is estimated to be \$2,745,500. The Pontchartrain Levee District has entered into a cooperative agreement with St. Charles Parish whereby the Pontchartrain Levee District will pay \$1,800,000 of that amount and St. Charles Parish will pay the remaining \$945,500.

**d. Economic Development Agreements**

The Parish has entered into an agreement with Randa Corporation in 2002 set to end 2024 to promote economic development in the Parish. The agreement required the Parish to issue economic development revenue bonds to provide financial assistance to Randa Corp., which is not a part of the Parish's financial reporting entity. The bonds, used for the acquisition and construction of Randa's corporate headquarters and distribution facility, are included in the amount reported as conduit debt. As a part of the agreement to attract this project, the Parish has agreed to provide a cash incentive to Randa based on an average number of St. Charles Parish residents employed at the project on a full time basis. If certain conditions are met the Parish will be required to provide \$185,000 the sixth through tenth year and no annual credit years twelve through twenty-two. The project entered the ninth year in 2011.

**NOTE 18 – CONDUIT DEBT OBLIGATIONS**

From time to time, the Parish has issued environmental improvement and industrial development revenue bonds to provide financial assistance to private-sector entities that are not a part of the Parish's financial reporting entity. The bonds are used for the acquisition and construction of environmental improvement, industrial and commercial facilities deemed to be in the public interest. They are secured by the property financed, separate pledges of income and revenues, or monies derived from sale of the applicable projects. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the Parish, nor the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2011, there were two series of industrial development revenue bonds outstanding, with an aggregate amount payable of \$7,841,250.

**NOTE 19 – POST RETIREMENT HEALTHCARE AND LIFE INSURANCE BENEFITS**

The Parish's post retirement healthcare and life insurance benefits policy established by the Parish President, provides certain healthcare and life insurance benefits for its retired employees and elected officials. Any elected parish official that has served a minimum of seven and one-half years in office and was an active member of the Parish's health insurance program for at least three consecutive years prior to leaving office is eligible to continue receiving health insurance benefits upon retirement or separation. The election to carry health insurance must be made at the time of retirement or separation. At age 65, retirees' coverage continues as Medicare supplement if the retiree is Medicare eligible. The Parish pays the retirees with a minimum of 20 years service the same percentage as active employees. Retirees with 10 to 19 years of service pay 75% and the Parish pays 25% of the premium. In the government funds, the Parish's contributions are financed on a pay-as-you-go basis. Expenditures of \$378,997 were recognized for post retirement healthcare in 2011. Retired employees paid premiums of \$107,740 for post retirement healthcare in 2011. Substantially all of the Parish employees become eligible for these benefits if they reach normal retirement age while working for the Parish. These benefits are provided through an insurance company. There were fifty-six participants in the Parish's post retirement benefits program at December 31, 2011.

Plan Description. St. Charles Parish's medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement.

Employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions as follows: 30 years of service at any age; age 55 and 25 years of service; age 62 and 10 years of service; or, age 65 and 7 years of service. Complete plan provisions are included in the official plan documents.

Contribution Rates- Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

Fund Policy- Until 2008, St. Charles Parish recognized the cost of providing post-employment medical benefits (St. Charles Parish's portion of the retiree medical benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2011 and 2010, the Parish's portion of health care funding cost for retired employees totaled \$424,972 and \$424,972, respectively.

Effective January 1, 2008, St. Charles Parish implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions* (GASB 45). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

Annual Required Contribution- St. Charles Parish's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The Annual Required Contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

	<b><u>2011</u></b>	<b><u>2010</u></b>
Normal Cost	\$1,559,454	\$ 1,499,475
30-year UAL amortization amount	<u>2,073,989</u>	<u>1,994,220</u>
Annual required contribution (ARC)	<b><u>\$3,633,443</u></b>	<b><u>\$ 3,493,695</u></b>

**NOTE 19 – POST RETIREMENT HEALTHCARE AND LIFE INSURANCE BENEFITS (CONTINUED)**

Net Post-employment Benefit Obligation (Asset) - The table below shows St. Charles Parish's Net Other Post-employment Benefit (OPEB) Obligation for fiscal year ending December 31:

	2011	2010
Beginning Net OPEB Obligation	\$ 6,661,774	\$ 3,658,278
Annual required contribution	3,633,443	3,493,695
Interest on Net OPEB Obligation	+266,471	+146,331
ARC Adjustment	<u>-385,251</u>	<u>-211,558</u>
OPEB Cost	3,514,663	3,428,468
Contribution	0	0
Current year retiree premium	-424,972	<u>-424,972</u>
Change in Net OPEB Obligation	<u>+3,089,691</u>	<u>+3,003,496</u>
Ending Net OPEB Obligation	<u>\$ 9,751,465</u>	<u>\$ 6,661,774</u>

The following table shows St. Charles Parish's annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability for last year and this year:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net OPEB Liability (Asset)</u>
December 31, 2011	\$3,514,663	12.09%	\$9,751,465
December 31, 2010	\$3,428,468	12.40%	\$6,661,774

Funded Status and Funding Progress- In 2011 and 2010, St. Charles Parish made no contributions to its post employment benefits plan. The plan was not funded, has no assets, and hence has a funded ratio of zero. Based on January 1, 2010, actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) was \$37,297,953 which is defined as that portion, as determined by a particular actuarial cost method (St. Charles Parish uses the Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost.

	2011	2010
Actuarial Accrued Liability (AAL)	\$ 37,297,953	\$ 34,484,054
Actuarial Value of Plan Assets	<u>0</u>	<u>0</u>
Unfunded Act. Accrued Liability (UAAL)	<u>\$ 37,297,953</u>	<u>34,484,054</u>
Funded Ratio (Act. Val. Assets/AAL)	0.00%	0.00%
Covered Payroll (active plan members)	\$ 22,040,873	\$ 21,549,655
UAAL as a percentage of covered payroll	169.22%	160.00%

**NOTE 19 – POST RETIREMENT HEALTHCARE AND LIFE INSURANCE BENEFITS (CONTINUED)**

Actuarial Methods and Assumptions- Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Actuarial Cost Method- The ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

Actuarial Value of Plan Assets- There are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Statement 45.

Turnover Rate- An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 10%.

Post employment Benefit Plan Eligibility Requirements- Based on past experience, it has been assumed that entitlement to benefits will commence three years after eligibility to enter the D.R.O.P., and further that employees will enter retirement three years after the end of the D.R.O.P. period. Medical benefits are provided to employees upon actual retirement. Employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions as follows: 30 years of service at any age; age 55 and 25 years of service; age 62 and 10 years of service; or, age 65 and 7 years of service.

Investment Return Assumption (Discount Rate)- GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation.

Health Care Cost Trend Rate- The expected rate of increase in medical cost is based on projections performed by the Office of the Actuary at the Centers for Medicare & Medicaid Services as published in National Health Care Expenditures Projections: 2003 to 2013, Table 3: National Health Expenditures, Aggregate and per Capita amounts, Percent Distribution and Average Annual Percent Change by Source of Funds: Selected Calendar Years 1990-2013, released in January, 2004 by the Health Care Financing Administration ([www.cms.hhs.gov](http://www.cms.hhs.gov)). "State and Local" rates for 2008 through 2013 from this report were used, with rates beyond 2013 graduated down to an ultimate annual rate of 5.0% for 2016 and later.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by St. Charles Parish and its employee plan members) at the time of the valuation and on the pattern of sharing costs between St. Charles Parish and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between St. Charles Parish and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.



**NOTE 19 – POST RETIREMENT HEALTHCARE AND LIFE INSURANCE BENEFITS (CONTINUED)**

Mortality Rate- The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. This is the published mortality table which was designed to be used in determining the value of accrued benefits in defined benefit pension plans.

Method of Determining Value of Benefits- The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the Employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid.

For those employees retiring with at least 20 years of service, the employer pays the same percentage of the premium as for active employees (85% for HMO and 84% for PPO). For those employees retiring with at least 10 but less than 20 years of service, the employer pays 25% of the premium.

The rates provided are "blended" rates. Since GASB Statement 45 mandates the unblended rates be used, we have estimated the "unblended" rates for retirees before Medicare eligibility to be 130% of the blended rate. The rate after Medicare eligibility has been assumed to be unblended.

Inflation Rate- Included in both the Investment Return Assumption and the Healthcare Cost Trend rates above is an implicit inflations assumption of 2.50% annually.

Projected Salary Increases- This assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary.

Post-retirement Benefit Increases- The plan benefit provisions in effect for retirees as of the valuation date have been used and it has been assumed for valuation purposes that there will not be any changes in the future.

**OPEB Costs and Contributions**

	FY 2009	FY 2010	FY 2011
OPEB Cost	\$ 2,069,515	\$ 37,297,953	\$ 34,484,054
Contribution	-	-	-
Retiree Premium	289,783	424,972	424,972
Total Contribution and Premium	<u>289,783</u>	<u>424,972</u>	<u>424,972</u>
Covered Payroll (active plan members)	<u>\$ 1,779,732</u>	<u>\$3,003,496</u>	<u>\$ 3,089,691</u>
% of Contribution Plus Premium to Cost	14.00%	12.40%	12.09%

**NOTE 20 – PENSIONS**

Substantially all employees of the Parish are members of the Parochial Employees’ Retirement System of Louisiana (System), a multiple employer (cost sharing), defined benefit public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and separate benefits provisions. All employees of the Parish are members of Plan A.

All permanent employees working at least 28 hours per week and who are paid wholly or in part from Parish funds are eligible to participate in the system. As of January 1, 1997, elected officials, excepting Parish Presidents, Coroners, and Justices of the Peace, may no longer join the retirement system. Under Plan A, employees hired prior to January 1, 2007 and who retire at or after age 65 with at least 7 years of credible service, at or after age 60 with at least 10 years of credible service, at or after age 55 with 25 years of credible service, or at any age with at least 30 years of service, are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final average salary for each year of credible service. Employees hired January 1, 2007 and later who retire at or after age 67 with at least 7 years of credible service, at or after age 62 with at least 10 years of credible service, at or after age 55 with 30 years of credible service are entitled to retirement benefits monthly for life, equal to 3 percent of their final average salary for each year of credible service. Beginning January 1, 2002, active members may be eligible to retire at age 65 with 7 years of service credit. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to one percent of the final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus 3 percent of the final average salary for each year of service credited after the revision date. For employees hired prior to January 1, 2007, final average salary is the employee’s average salary over 36 consecutive or joined months that produce the highest average. For employees hired January 1, 2007 and later the final average salary is the employee’s average salary over 60 consecutive months, etc. Employees who terminate with at least the amount of creditable service stated previously, and do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees’ Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504) 928-1361.

Contributions to the System include one-fourth of one percent of the taxes shown collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. The tax dollars are divided between Plan A and Plan B proportionately on the salaries of the active members of each plan. State statute requires covered employees to contribute 9.5 percent of their salaries to the System. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the valuation of the prior year.

The following provides certain disclosures for the Parish’s contributions to the System under Plan A

	<u>2009</u>	<u>2010</u>	<u>2011</u>
Employer required contribution rate	12.25%	15.75%	15.75%
Covered payroll	\$ 18,571,784	\$ 19,151,606	\$ 19,140,980
Required employer contributions	\$ 2,275,044	\$ 3,016,378	\$ 3,014,704
Parish contributions	\$ 2,275,047	\$ 3,016,376	\$ 3,014,705
Percentage of Required	100%	100%	100%

**NOTE 21 – SUBSEQUENT EVENTS**

On February 22, 2012, the U.S. Department of Homeland Security – Office of Inspector General (DHS-OIG) completed its audit of FEMA funds received as a result of Hurricanes Katrina and Rita and issued its report to the Federal Emergency Management Agency. The audit began in July of 2011 and ended in January of 2012. Although the DHS-OIG audit report contained eight findings, the Parish and its outside legal council strongly believes that all items will be resolved.

On April 10, 2012, the Parish refunded \$12.5 Million of General Obligation Refunding Bonds, Series 2012 for the Waste Water Department. The previous General Obligation Bonds, which were Series 1997 and 1998 Bonds were repaid based on a rate of 3.95%, while the new Series 2012 Bonds hold a rate of 1.84%, resulting in over \$1 million in savings to the residents of the Parish.

**NOTE 22 – SELECTED DISCLOSURES FOR DISCRETELY PRESENTED COMPONENT UNITS**

Financial reporting standards require footnote disclosures on discretely presented component units considering both the unit's significance relative to the total discretely presented component units and the nature and significance of the unit's relationship to the primary government (the Parish). As such, the following disclosures are presented

**a. Cash, Cash Equivalents, and Investments**

**1. Cash and Cash Equivalents**

The discretely presented component units are required to invest idle funds within the same state statute as the primary government. Component unit deposits at their respective year ends are categorized below:

	Total Carrying Amount	Bank Balance
St. Charles Parish Communications District	\$ 987	\$ 987
St. Charles Parish Library Service District No. 1	783	783
Sunset Drainage District of St. Charles Parish	139,638	138,376
St. Charles Parish Hospital Service District	2,255,694	2,976,808
	<u>\$ 2,397,102</u>	<u>\$ 3,116,954</u>

Under state law, these deposits must be secured by either Federal deposit insurance or by the pledge of securities owned by a fiscal agent bank. The market value of the pledged securities plus the Federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent bank.

All component unit deposits were either FDIC insured or collateralized by securities pledged by the bank and held for the benefit of the component unit thereby eliminating their custodial credit risk.

**2. Investments**

	Carrying Amount	Amortized Cost/ Fair Value
St. Charles Parish Communications District:		
U. S. Agency Securities	\$ 507,263	\$ 507,263
LAMP	1,406,007	1,406,007
Total	<u>\$ 1,913,270</u>	<u>\$ 1,913,270</u>
St. Charles Parish Library Service District No. 1		
U. S. Agency Securities	\$ 2,016,060	\$ 2,016,060
LAMP	2,768,938	2,768,938
Total	<u>\$ 4,784,998</u>	<u>\$ 4,784,998</u>

**NOTE 22 – SELECTED DISCLOSURES FOR DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)**

**a. Cash, Cash Equivalents, and Investments (continued)**

The St. Charles Parish Communications District and the St. Charles Parish Library Service District No. 1 follow the same investment policy as the primary government. All investments in U. S. Agency Securities are insured or registered with securities in the name of the government and are rated AAA by Standard & Poor's and AAA by Moody's. These investments are limited to a maximum of three years as a means of managing its exposure to fair value losses arising from increasing rates. LAMP has a Standard & Poor's rating of AAA.

**b. Capital Assets**

A summary of changes in capital assets for the Parish's component units is as follows:

	Beginning Balance	Additions	Deletions	Adjustments	Ending Balance
<b>St. Charles Parish Communications District</b>					
Equipment	\$ 1,110,204	\$ 175,134	\$ -	\$ 78,148	\$ 1,363,486
Total depreciable	1,110,204	175,134		78,148	1,363,486
Less: Accumulated depreciation	(872,753)	(66,759)	\$ -	\$ -	(939,512)
<b>Total St. Charles Parish Communications District</b>	<b>\$ 237,451</b>	<b>\$ 108,375</b>	<b>\$ -</b>	<b>\$ 78,148</b>	<b>\$ 423,974</b>
<b>St. Charles Parish Library Service District No. 1</b>					
CIP	\$ -	\$ 559,913		\$ (559,913)	\$ -
Equipment	4,593,021	343,230	-	-	4,936,251
Total	4,593,021	903,143	-	(559,913)	4,936,251
Less: Accumulated depreciation	(2,929,069)	(340,713)	-	-	(3,269,782)
<b>Total St. Charles Parish Library Service District No. 1</b>	<b>\$ 1,663,952</b>	<b>\$ 562,430</b>	<b>\$ -</b>	<b>\$ (559,913)</b>	<b>\$ 1,666,469</b>

**NOTE 22 – SELECTED DISCLOSURES FOR DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)**

**b. Capital Assets (continued)**

	Beginning Balance July 31,2010	Additions	Deletions	Adjustments	Ending Balance July 31, 2011
<b>Sunset Drainage District of SCP</b>					
Capital assets not being depreciated:					
Deposit on Equipment	\$ 12,370	\$ -	\$ (12,370)	\$ -	\$ -
Land	251,728	-	-	-	251,728
Total Capital Assets not being depreciated	264,098	-	(12,370)	-	251,728
Capital assets being depreciated:					
Equipment	828,820	38,389	(7,959)	-	859,250
Buildings	936,149	-	-	-	936,149
Total capital assets being depreciated:	1,764,969	38,389	(7,959)	-	1,795,399
Less: Accumulated depreciation	(1,549,747)	(48,143)	7,105	-	(1,590,785)
Total capital assets being depreciated, net:	215,222	(9,754)	(854)	-	204,614
<b>Total Sunset Drainage District of St. Charles Parish capital assets, net</b>	<b>\$ 479,320</b>	<b>\$ (9,754)</b>	<b>\$ (13,224)</b>	<b>\$ -</b>	<b>\$ 456,342</b>
<b>St. Charles Parish Hospital Service District</b>					
Capital assets, not being depreciated:					
Land	\$ 1,862,780	\$ -	\$ -	\$ -	\$ 1,862,780
CIP	674,071	1,743,264	(441,606)	-	1,975,729
Total Capital Assets not being depreciated	2,536,851	1,743,264	(441,606)	-	3,838,509
Capital assets being depreciated:					
Building & improvements	36,179,992	558,256	-	-	36,738,248
Equipment	19,657,625	679,969	(17,337)	-	20,320,257
Leasehold improvements	22,110	-	-	-	22,110
Vehicles	584,751	-	-	-	584,751
Total Capital Assets being depreciated	56,444,478	1,238,225	(17,337)	-	57,665,366
Less Accumulated depreciation for:					
Buildings & Improvements	(13,091,226)	(1,844,299)	-	-	(14,935,525)
Equipment	(15,229,762)	(1,177,369)	10,866	-	(16,396,265)
Leasehold Improvements	(10,652)	(3,637)	-	-	(14,289)
Vehicles	(249,473)	(114,540)	-	-	(364,013)
Total Accumulated Depreciation:	(28,581,113)	(3,139,845)	10,866	-	(31,710,092)
Total capital assets, being depreciated, net	27,863,365	(1,901,620)	(6,471)	-	25,955,274
<b>Total St. Charles Parish Hospital Service District capital assets, net</b>	<b>\$ 30,400,216</b>	<b>\$ (158,356)</b>	<b>\$ (448,077)</b>	<b>\$ -</b>	<b>\$ 29,793,783</b>

**NOTE 22 – SELECTED DISCLOSURES FOR DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)**

**c. Leases**

The Library Service District has an operating lease for one of its branches. The total 2011 cost for the operating lease was \$9,000. The minimum annual commitments under non-cancelable operating leases for buildings are as follows:

	<u>Building</u>
2012	\$ 9,000
2013	9,000
2014	1,500
2015	-
Totals	<u>\$ 19,500</u>

**d. Uncompensated Services**

The Hospital provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Hospital does not pursue collections of amounts determined to qualify as charity care, they are not reported as revenue. The Hospital maintains records to identify and monitor the level of charity care it provides to all of its qualifying patients. These records include the amounts of charges forgone for services and supplies furnished under its charity care policy

For the years ended July 31, 2011 and 2010, the Hospital wrote off a combined \$1,242,649 and \$2,536,510, respectively, of charity care against gross revenue.

**e. Long-Term Obligations**

Changes in long-term obligations of the Component Units are as follows:

	<u>Balance at July 31, 2010</u>	<u>Additions</u>	<u>Payments and Adjustments</u>	<u>Balance at July 31, 2011</u>	<u>Less Current Obligation</u>	<u>Long-Term Obligation</u>
Component Unit:						
Hospital Service District:						
Bonds payable	\$ 34,595,000	\$ 1,000,000	\$ (1,355,000)	\$ 34,240,000	\$ (1,630,000)	\$ 32,610,000
Certificates of Indebtedness	7,230,000		(2,930,000)	4,300,000	(4,300,000)	-
Capital Leases	671,967	-	(482,767)	189,200	(189,200)	-
Total Hospital Service District	<u>42,496,967</u>	<u>1,000,000</u>	<u>(4,767,767)</u>	<u>38,729,200</u>	<u>(6,119,200)</u>	<u>32,610,000</u>
Less: Unamortized Original Issue Discount	-	-	-	-	-	(88,960)
Total Unamortized Discount on B/P	<u>\$ 42,496,967</u>	<u>\$ 1,000,000</u>	<u>\$ (4,767,767)</u>	<u>\$ 38,729,200</u>	<u>\$ (6,119,200)</u>	<u>\$ 32,521,040</u>

**NOTE 22 – SELECTED DISCLOSURES FOR DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)**

**BONDS PAYABLE**

The following individual issues of the Hospital Service District, at fiscal year ending July 31, 2011, represent component Unit bonds payable and certificates of indebtedness:

	<u>Date of Issuance</u>	<u>Authorized and Issued</u>	<u>Interest Rate%</u>	<u>Maturity Date</u>	<u>Principal Outstanding</u>
General Obligation Bonds:					
Hospital 2003A	12/1/2003	\$ 2,745,000	3-4.5	3/1/2018	\$ 1,885,000
Hospital 2003B	12/1/2003	810,000	4.15-6	3/1/2018	570,000
Hospital 2004	3/1/2004	5,300,000	7.00	3/1/2024	3,775,000
Hospital 2005	4/1/2005	7,500,000	4.65	3/1/2025	5,290,000
Hospital 2006	4/1/2006	5,700,000	4.125-6.75	3/1/2026	4,205,000
Hospital 2007	4/1/2007	5,500,000	4-6.5	3/1/2027	5,410,000
Hospital 2009	4/1/2009	5,500,000	5.87-7.00	3/1/2029	5,415,000
Hospital 2009A	11/1/2009	1,000,000	4.25-5.00	3/1/2029	950,000
Hospital 2009B	8/1/2009	5,500,000	5.875-7.00	3/1/2029	4,760,000
Limited Tax Bond, Series 2008A	4/1/2008	6,300,000	4.979	3/1/2016	980,000
Limited Tax Bond, Series 2010	8/25/2010	1,000,000	5.50	3/1/2016	1,000,000
Total General Obligation Bonds					<u>34,240,000</u>
Certificates of Indebtedness:					
Series 2004B	9/2/2004	1,320,000	4.75	3/1/2011	-
Series 2010	11/18/2009		6.00	3/1/2011	4,000,000
Series 2010A	11/18/2009		6.00	3/1/2011	300,000
Total Certificates of Indebtedness					<u>4,300,000</u>
Capital Lease Obligations:					
Capital Lease Obligation- GE	7/31/2007				189,200
Capital Lease Obligation- Bellsouth	7/31/2006				-
Total Capital Lease Obligations					<u>189,200</u>
<b>TOTAL</b>					<u>\$ 38,729,200</u>

The annual requirements to amortize the Hospital Service District long-term obligations outstanding are as follows:

<u>July 31,</u>	<u>Principal &amp; Interest</u>
2012	\$ 7,942,123
2013	3,407,509
2014	3,390,572
2015	3,411,239
2016	3,543,994
2017-2021	14,737,460
2022-2026	13,961,170
2027-2029	5,225,700
TOTALS	<u>\$ 55,619,767</u>

**NOTE 22 – SELECTED DISCLOSURES FOR DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)**

**e. Pensions**

**1. St. Charles Parish Library Service District. No.1**

	<u>2009</u>	<u>2010</u>	<u>2011</u>
Employer required contribution rate	12.25%	15.75%	15.75%
Covered payroll	\$ 1,350,148	\$ 1,426,333	\$ 1,596,198
Required employer contributions	\$ 165,393	\$ 224,647	\$ 251,402
Parish contributions	\$ 165,393	\$ 224,647	\$ 251,402

**2. St. Charles Hospital Service District**

Substantially all employees of the St. Charles Hospital Service District are members of the Parochial Employees Retirement System of Louisiana. Employees of the Parish are also participating in this plan. For a detailed plan description, see the Parish's note on Pensions. Retirement contributions for the St. Charles Hospital Service District totaled \$1,915,479 and \$1,821,425 for the years ended July 31, 2011 and 2010 respectively. The required rate of contribution was 9.50% for each year. In June 2011, the Hospital adopted a resolution to terminate the Hospital's participation in the system effective June 30, 2013.

**g. Post Retirement Healthcare and Life Insurance Benefits**

**St. Charles Parish Library Service District No. 1**

Substantially all employees of the St. Charles Parish Library Service District No. 1 are covered by the Parish's post retirement healthcare and life insurance benefits policy. For a detailed description, see the Parish's note on Post Retirement and Healthcare and Life Insurance Benefits. Expenditures of \$10,700 were recognized for post retirement healthcare in 2011. Retired employees paid premiums of \$5,500 for post retirement healthcare in 2011. There were three participants in the District's post retirement benefits program at December 31, 2011.

**h. Operating Results and Liquidity**

**St. Charles Parish Hospital Service District**

The St. Charles Parish Service District ("Hospital") incurred an overall increase in net assets of \$797,059 during the year ended July 31, 2011, and as of July 31, 2011, the Hospital's current liabilities exceeded its current assets.

Subsequent to July 31, 2011, but prior to the date of its independent auditor's report, the Hospital has received of approximately \$53 million of Medicaid Disproportionate Share reimbursements.

A significant amount of Medicaid DSH uncompensated cost reimbursements has been denied to rural hospitals as a result of the restrictive federal definition of "uncompensated cost". As a result of this change, the Rural Hospital Coalition, in collaboration with the Governor's office, obtained legislation that mandates maximizing reimbursement to rural hospitals. This will be achieved using "Rural Hospital Grants" which will backfill the rural hospitals' Disproportionate Share Payments. Rural Hospital Grants of approximately \$1,416,193 have been received by St. Charles Parish Hospital during the 2012 fiscal year. The continued receipt of these Medicaid funds is protected under State statute.

The Hospital received approximately \$2.4 million of ad valorem taxes for maintenance in January 2012 of which \$355,000 was used to pay down the Taxable Limited Tax Bonds, Series 2008A, and 2010, as discussed in Note 9. New Taxable Limited Tax Refunding Bonds, Series 2011 were issued in October, 2011, so as to pay off the balance of the Certificate of Indebtedness, Series 2010. The first of five payments of \$1,140,000 on the Series 2011 bond was paid in January 2012.



**NOTE 22 – SELECTED DISCLOSURES FOR DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)**

**h. Operating Results and Liquidity (continued)**

During the year ended July 31, 2011, the Hospital met the meaningful use definition to receive the maximum Medicare and Medicaid Electronic Health Record Incentive Payments of \$1,454,986. It is anticipated that the Hospital will continue to meet the meaningful use definitions annually, as more fully described below.

Actions taken by, and planned by, Hospital management to affect future operations include:

- The Hospital is building a new state of the art Emergency Department with an anticipated opening in April 2012. This will enhance the Hospital's ability to provide more efficient services to the residents of St Charles Parish which should increase overall usage of the facility.
- The chief financial officer continues to identify and help with management of costs of the Hospital. He has also been assigned the task of identifying areas of potential revenue growth opportunities.
- During the fiscal year ended July 31, 2011, the Hospital continued to make efforts to cut costs including, but not limited to, reductions of personnel and supply costs throughout the facility. The impact of these cuts has been presented in trending reports for the first five months of fiscal year July 31, 2012.
- During fiscal year ending July 31, 2012, it is anticipated that the Hospital will receive approximately \$1,000,000 in Electronic Health Record Incentive Payments. These payments are received based on the level of meaningful use of electronic medical records within the Hospital. The Hospital will meet the meaningful use definition during 2012 to receive the maximum Medicare and Medicaid Incentive Payments. Continued payments will be received throughout years 2013-2015.
- The Cooperative Endeavor Agreement with Ochsner Clinic Foundation (Ochsner) has been extended. Pursuant to this agreement, Ochsner is required to provide, among other things: assistance in the recruitment of new physicians to the Hospital, at Ochsner's expense; access to Ochsner's group purchasing agreements which offer the Hospital superior pricing when compared to its pervious arrangements; and provision of administrative support, at Ochsner's expense, for the establishment of staffing levels, coding, billing, The Hospital continues its cooperative endeavor lease agreement with St. Charles Specialty Rehabilitation Hospital (formerly Luling Rehabilitation Hospital, Inc.) for the leasing of space and providing of food services for an inpatient rehabilitation hospital operated on the Luling campus in unused space.etc.

Management believes that its current cash flow from operations, Disproportionate Share and Tax Revenues, Rural Hospital Grants and Electronic Medical Records Incentive Payments, together with the enhancement to operations, will allow the Hospital to meet its operational expenses and debt service, and capital needs. However, there are no assurances that such results will be achieved.

**g. Going Concern**

**St. Charles Parish Sunset Drainage District**

St. Charles Parish has not budgeted to provide grant funds to the St. Charles Parish Sunset Drainage District ("District") in 2012. This lack of 2012 grant revenue will reduce the District's income by approximately 59%, greatly jeopardizing the operation of the District. This decrease causes substantial doubt about the District's ability to continue as a going concern. Management plans to compensate for this lack of income by subsidizing remaining operations with excess funds available in cash accounts at year end and also plans to drastically reduce its expenditures for 2012. This plan alleviates the District's going concern issue for the upcoming year.

**NOTE 23 – STATE REQUIRED DISCLOSURES**

**a. Council Members Compensation**

Compensation for the Council Members and the Parish President for the year ended December 31, 2011 is as follows:

Schedule of Council Members & Parish President Compensation  
For The Year Ended December 31, 2011

Terry Authement	\$	12,778
Wendy Benedetto		9,583
Lawrence Cochran		9,583
Paul Hogan		9,583
Marcus Lambert		9,583
Dennis Nuss		9,583
Billy Raymond		9,583
Carolyn Schexnaydre		12,778
V.J. St. Pierre, Parish President		93,096
Shelly Tastet		9,583
	<u>\$</u>	<u>185,733</u>

**b. Communications District Wireless E911 Service**

Act 1029 of the 1999 state legislative session amended the revised statutes relative to communications district. The act authorizes the levy of an emergency telephone service charge on certain wireless communication systems to cover the costs associated with implementing the Federal Communications Commission (FCC) ordered enhancements to emergency 911 systems. Wireless service charges amounting to \$384,113 were recorded during 2011. The district implemented the first phase of the E911 Wireless Service. The district has entered into seven agreements with wireless vendors offering services to the Parish. The district expended \$3,841 during 2011.

**NOTE 24 – New Reporting Standard**

In June 2011, the Governmental Accounting Standards Board (GASB) issued Statement No. 63, Financial Reporting of Deferred Inflows of Resources, and Net Position. This statement will improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their net effects on government's net position. It alleviates uncertainty about reporting those financial statement elements by providing guidance where none previously existed. The Parish is required to implement this standard in the year ending December 31, 2012. The Parish has not determined the impact that the adoption of GASB 63 will have on its financial statements.

**SCHEDULES OF FUNDING PROGRESS- OTHER POST EMPLOYMENT BENEFITS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of covered payroll ((b-a)/c)</b>
12/31/2011	-	37,297,953	37,297,953	0%	22,040,873	169.22%
12/31/2010	-	34,484,054	34,484,054	0%	21,549,655	160.02%
12/31/2009	-	20,237,085	20,237,085	0%	20,510,491	98.67%



## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

#### **Fire Protection Fund**

The Fire Protection Fund is dedicated for the purpose of acquiring, constructing, improving, maintaining, and/or operating fire protection facilities and equipment in and for St. Charles Parish. Financing is provided primarily by ad valorem, sales, and use taxes.

#### **Governmental Buildings Fund**

The Governmental Buildings Fund is dedicated for the purpose of improving, maintaining, and/or operating public buildings of the Parish and acquiring, constructing, improving, maintaining, and/or operating a 911 emergency telephone system, including the payment of necessary dispatch personnel.

#### **Parish Transportation Fund**

The Parish Transportation Fund accounts for the construction, maintenance, and operation of Parish roads and drainage, and assists in the cost of providing public transit. Financing is provided by the State Transportation Act.

#### **Road Lighting District No. 1 Fund**

The Road Lighting Fund accounts for the maintenance and operation of public lighting within the boundaries of District No. 1. Financing is provided by a specific ad valorem tax and state revenue sharing funds. In addition, the fund received miscellaneous revenues from fees and investment earnings.

#### **Mosquito Control Fund**

The Mosquito Control Fund is dedicated for the purpose of abatement, control, eradication, and study of mosquitoes and other anthropods and all activity incidental thereto. Financing is provided by ad valorem taxes and investment earnings.

#### **Council on Aging Fund**

The Council on Aging Fund is dedicated for the purpose of paying the cost of programs administered by the Council on Aging. Financing is provided by ad valorem taxes and investment earnings.

#### **Retired Senior Volunteer Program Fund**

The Retired Senior Volunteer Program Fund accounts for the financial activities of the program operating under the authority of Title II, Part A, Section 201 of the Domestic Volunteer Service Act of 1973. Financing is provided by transfers from the General Fund, federal, state, local, and United Way Grant funds.

#### **Public Health Unit Fund**

The Public Health Unit Fund accounts for the financial activities related to improving, maintaining, operating, and supporting public health unit facilities in the Parish. Financing is provided by ad valorem taxes and investment earnings.

#### **Workforce Investment Act SDA 14 Fund**

St. Charles Parish is the grant recipient and administrative entity for the Workforce Investment Act local service delivery area No. 14 which encompasses the Parishes of St. Charles, St. John The Baptist, and St. James. The Workforce Investment Act was established by Public Law 105-220 on August 7, 1998. Funding is provided by grants from the United States Department of Labor through the Louisiana Department of Labor.

#### **Criminal Court Fund**

The Criminal Court Fund was established under Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by district courts and district attorney's conviction fees in criminal cases be transferred to the parish treasurer and deposited into a special "Criminal Court Fund" account, to be used for the expenses of the criminal court of the Parish. The statutes also requires that one half of the fund balance remaining in the Criminal Court Fund at December 31, of each year be transferred to the Parish General Fund.

(Continued)

## **NONMAJOR GOVERNMENTAL FUNDS**

### **Debt Service Funds**

#### **One Half Percent Public Improvement Sales Tax Sinking Fund**

The One Half Percent Public Improvement Sales Tax Bond Sinking Fund accounts for the retirement of the Public Improvement Sales Tax Refunding Series 2002 bonds dated March 6, 2002 . Financing is provided by a one half percent Parish sales tax.

#### **Public Improvement Three-Eighth Percent Sales Tax Sinking Fund**

The Public Improvement Three-Eighth Percent Sales Tax Bond Sinking Fund accounts for the retirement of Public Improvement Sales Tax Series 2003 bonds dated July 1, 2003. Financing is provided by a three-eighth percent Parish sales tax

#### **One Half Percent Public Improvement Sales Tax Reserve Fund**

The One Half Percent Public Improvement Sales Tax Bond Reserve Fund was established pursuant to ordinances authorizing the issuance of One Half Percent Public Improvement Sales Tax Bonds. Monies in this fund will be used in the event sufficient sales tax revenues are not available for retirement of bonds in the One Half Percent Public Improvement Sales Tax Bond Sinking Fund.

#### **Public Improvement Three-Eighth Percent Sales Tax Reserve Fund**

Pursuant to ordinances authorizing the issuance of Three-Eighth Percent Public Improvement Sales Tax Bonds, the Public Improvement Three-Eighth Sales Tax Bond Reserve Fund was established. Monies in this fund will be used in the event sufficient sales tax revenues are not available for retirement of bonds in the Public Improvement Three-Eighth Percent Sales Tax Bond Sinking Fund.

#### **One-Eighth Percent Public Improvement Sales Tax Sinking Fund**

The One-Eighth Percent Public Improvement Sales Tax Sinking Fund accounts for the retirement of the public improvement sales tax revenue bonds dated June 1, 2007. Funding is provided by a One-Eighth percent Parish sales tax.

#### **One-Eighth Percent Public Improvement Sales Tax Reserve Fund**

The One-Eighth Percent Public Improvement Sales Tax Reserve Fund was established pursuant to ordinances authorizing the issuance of One-Eighth Percent Public Improvement Sales Tax Bonds for the purpose of paying the debt service on One-Eighth Percent Public Improvement Sales Tax Bonds in the event sufficient One-Eighth percent sales tax revenues are not available for the retirement of bonds in the Public Improvement One-Eighth Percent Sales Tax Bond Sinking Fund.

### **Capital Project Funds**

#### **LCDBG Public Facilities Construction Fund**

The LCDBG Public Facilities Construction Fund accounts for the portion of costs associated with improvements to and construction of new public infrastructure that are funded through the Louisiana Community Development Block Grant Program.

#### **Recreational Facilities Construction Fund**

The Recreational Facilities Construction Fund Accounts for the construction cost of acquiring land and improving and developing parish recreational facilities. Financing is provided by recreation fees as set forth in the Parish subdivision regulation ordinance.

(Continued)

## NONMAJOR GOVERNMENTAL FUNDS

### Capital Project Funds- Continued

#### **Front Foot Assessment Maintenance Fund**

The Front Foot Assessment Maintenance Fund accounts for the maintenance and repair of public improvements funded through various front foot assessment programs in the Parish.

#### **West Bank Hurricane Protection Levee Fund**

The West Bank Hurricane Protection Levee Fund accounts for the cost of mitigation, appraisals, surveying, land acquisition, geotechnical, grubbing and clearing, flowage easements, construction of infrastructure, and other related costs to complete the West Bank Hurricane Protection Levee. Financing is provided through transfers from the General Fund and Cooperative Endeavor Agreement with the State of Louisiana, Coastal Protection and Restoration Authority and an Intergovernmental Agreement with the State of Louisiana, Department of Transportation and Development.

**Parish of St. Charles**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2011**

Special Revenue

	Fire Protection	Governmental Buildings	Parish Transportation	Road Lighting District No. 1	Mosquito Control
<b>ASSETS</b>					
Cash and cash equivalents	\$ 99	\$ 86	\$ 587	\$ 899	\$ 166
Investments	226,256	45,768	832,633	2,071,199	444,211
Receivables, net:					
Ad valorem taxes	1,651,000	1,065,000	-	1,543,000	1,151,000
Sales taxes	245,682	-	-	-	-
Accounts					
Other	-	-	-	4,501	-
Due from other funds	-	-	-	-	-
Due from other governments	11,102	-	44,208	-	-
Taxes Receivable	-	-	-	-	-
Prepaid fees	11,775	-	-	-	-
Other assets	-	-	-	-	-
Total assets	<u>\$ 2,145,914</u>	<u>\$ 1,110,854</u>	<u>\$ 877,428</u>	<u>\$ 3,619,599</u>	<u>\$ 1,595,377</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ 382,647	\$ -	\$ 3,406	\$ 75,909	\$ 76,023
Contracts payable	-	-	-	5,587	-
Due to other funds	-	-	-	-	-
Due to component units	-	45,854	-	-	-
Due to other governments	100,492	-	-	-	-
Other liabilities	-	-	-	52,786	3,659
Unearned revenue	1,662,775	1,065,000	-	1,549,751	1,151,000
Total liabilities	<u>2,145,914</u>	<u>1,110,854</u>	<u>3,406</u>	<u>1,684,033</u>	<u>1,230,682</u>
Fund balances:					
Nonspendable:					
Restricted:	11,775	-	-	-	-
Committed:	-	-	874,022	1,935,566	364,695
Assigned:	-	-	-	-	-
Unassigned:	(11,775)	-	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>874,022</u>	<u>1,935,566</u>	<u>364,695</u>
Total liabilities and fund balances	<u>\$ 2,145,914</u>	<u>\$ 1,110,854</u>	<u>\$ 877,428</u>	<u>\$ 3,619,599</u>	<u>\$ 1,595,377</u>



Special Revenue					
Council on Aging	Retired Senior Volunteer Program	Public Health Unit	Workforce Investment Act SDA 14	Criminal Court	Total Nonmajor Special Revenue Funds
\$ 52	\$ 984	\$ 87	\$ 4,802	\$ 4,904	\$ 12,666
13,056	72,927	27,808	-	40,130	3,773,988
1,034,000	-	693,000	-	-	7,137,000
-	-	-	-	-	245,682
-	-	-	266	9,287	14,054
-	15,077	-	-	1,475	71,862
-	-	-	-	-	-
-	-	-	12,071	-	23,846
-	-	-	838	-	838
<u>\$ 1,047,108</u>	<u>\$ 88,988</u>	<u>\$ 720,895</u>	<u>\$ 17,977</u>	<u>\$ 55,796</u>	<u>\$ 11,279,936</u>
\$ -	\$ 2,965	\$ 1,157	\$ 3,543	\$ 15,802	\$ 561,452
-	-	-	-	-	5,587
-	28	-	-	1,076	1,104
-	-	-	-	-	45,854
13,108	-	26,738	5,333	35,000	180,671
-	3,332	-	9,101	2,842	71,720
<u>1,034,000</u>	<u>-</u>	<u>693,000</u>	<u>-</u>	<u>-</u>	<u>7,155,526</u>
<u>1,047,108</u>	<u>6,325</u>	<u>720,895</u>	<u>17,977</u>	<u>54,720</u>	<u>8,021,914</u>
-	-	-	12,071	-	23,846
-	-	-	-	1,076	3,175,359
-	-	-	-	-	-
-	82,663	-	-	-	82,663
-	-	-	(12,071)	-	(23,846)
-	<u>82,663</u>	<u>-</u>	<u>-</u>	<u>1,076</u>	<u>3,258,022</u>
<u>\$ 1,047,108</u>	<u>\$ 88,988</u>	<u>\$ 720,895</u>	<u>\$ 17,977</u>	<u>\$ 55,796</u>	<u>\$ 11,279,936</u>

**Parish of St. Charles**  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 December 31, 2011

	Debt Service				
	1/2% P.I. Sales Tax Sinking	P. I. 3/8% Sales Tax Sinking	1/2% P. I. Sales Tax Reserve	P. I. 3/8% Sales Tax Reserve	1/8% Public Improvement Sales Tax Sinking
<b>ASSETS</b>					
Cash and cash equivalents	\$ 28	\$ 46	\$ 29	\$ 32	\$ 102
Investments	208,217	107,598	362,861	369,523	69,770
Receivables, net:					
Ad valorem taxes	-	-	-	-	-
Sales taxes	-	-	-	-	-
Accounts					
Other	-	-	-	-	-
Due from other funds	-	-	-	-	187
Due from other governments	-	-	-	-	-
Tax Receivables	-	-	-	-	-
Prepaid fees	-	61,828	-	-	-
Other assets	-	-	-	-	-
Total assets	<u>\$ 208,245</u>	<u>\$ 169,472</u>	<u>\$ 362,890</u>	<u>\$ 369,555</u>	<u>\$ 70,059</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Contracts payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Due to component units	-	-	-	-	-
Due to other governments	-	-	-	-	-
Other liabilities	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:					
Nonspendable:		61,828	-	-	-
Restricted:	208,245	107,644	362,890	369,555	70,059
Committed:	-	-	-	-	-
Assigned:	-	-	-	-	-
Unassigned:	-	-	-	-	-
Total fund balances	<u>208,245</u>	<u>169,472</u>	<u>362,890</u>	<u>369,555</u>	<u>70,059</u>
Total liabilities and fund balances	<u>\$ 208,245</u>	<u>\$ 169,472</u>	<u>\$ 362,890</u>	<u>\$ 369,555</u>	<u>\$ 70,059</u>

Debt Service (Continued)		Capital Projects					
1/8% Public Improvement Sales Tax Reserve	Total Nonmajor Debt Service Funds	Louisiana Community Development Block Grant	Recreational Facilities Construction	Front Foot Assessment Maintenance	WBHPL-Grant	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
\$ 10 168,459	\$ 247 1,286,428	\$ -	\$ 100 600,444	\$ 168 964,795	\$ 130 964,382	\$ 398 2,529,621	\$ 13,311 7,590,037
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	7,137,000
-	-	-	-	-	-	-	245,682
-	-	-	-	1,632	-	1,632	15,686
-	187	-	-	-	-	-	187
-	-	407,425	-	-	241,374	648,799	720,661
-	-	-	-	-	-	-	-
-	61,828	-	-	-	-	-	85,674
-	-	-	-	-	-	-	838
<u>\$ 168,469</u>	<u>\$ 1,348,690</u>	<u>\$ 407,425</u>	<u>\$ 600,544</u>	<u>\$ 966,595</u>	<u>\$ 1,205,886</u>	<u>\$ 3,180,450</u>	<u>\$ 15,809,076</u>
\$ -	\$ -	\$ 285,772	\$ 1	\$ -	\$ 6,800	\$ 292,573	\$ 854,025
-	-	-	-	-	-	-	5,587
187	187	121,653	-	-	-	121,653	122,944
-	-	-	-	-	-	-	45,854
-	-	-	-	-	-	-	180,671
-	-	-	-	-	-	-	71,720
-	-	-	-	1,632	-	1,632	7,157,158
<u>187</u>	<u>187</u>	<u>407,425</u>	<u>1</u>	<u>1,632</u>	<u>6,800</u>	<u>415,858</u>	<u>8,437,959</u>
-	61,828	-	-	-	-	-	85,674
168,282	1,286,675	-	-	-	1,199,086	1,199,086	5,661,120
-	-	-	600,543	964,963	-	1,565,506	1,565,506
-	-	-	-	-	-	-	82,663
-	-	-	-	-	-	-	(23,846)
<u>168,282</u>	<u>1,348,503</u>	<u>-</u>	<u>600,543</u>	<u>964,963</u>	<u>1,199,086</u>	<u>2,764,592</u>	<u>7,371,117</u>
<u>\$ 168,469</u>	<u>\$ 1,348,690</u>	<u>\$ 407,425</u>	<u>\$ 600,544</u>	<u>\$ 966,595</u>	<u>\$ 1,205,886</u>	<u>\$ 3,180,450</u>	<u>\$ 15,809,076</u>

**Parish of St. Charles**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For The Year Ended December 31, 2011

	Special Revenue				
	Fire Protection	Governmental Buildings	Parish Transportation	Road Lighting District No. 1	Mosquito Control
<b>REVENUES</b>					
Taxes:					
Ad valorem taxes	\$ 1,577,024	\$ 997,084	\$ -	\$ 1,473,286	\$ 1,098,825
Sales taxes	2,141,760	-	-	-	-
Intergovernmental revenues	190,856	-	477,704	6,665	-
Fees, charges, and commissions	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Investment earnings	222	213	1,277	4,885	1,177
Miscellaneous	-	-	-	-	-
Total revenues	<u>3,909,862</u>	<u>997,297</u>	<u>478,981</u>	<u>1,484,836</u>	<u>1,100,002</u>
<b>EXPENDITURES</b>					
Current:					
General government	-	-	-	-	-
Public safety	3,735,185	997,065	-	-	-
Public works	-	-	-	1,154,761	-
Health and welfare	-	-	-	-	1,219,892
Culture and recreation	-	-	-	-	-
Economic development and assistance	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Capital outlay	-	-	550,000	55,873	-
Total expenditures	<u>3,735,185</u>	<u>997,065</u>	<u>550,000</u>	<u>1,210,634</u>	<u>1,219,892</u>
Excess (deficiency) of revenues over expenditures	<u>174,677</u>	<u>232</u>	<u>(71,019)</u>	<u>274,202</u>	<u>(119,890)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	-
Transfers out	(174,677)	(232)	-	(28,510)	(15,233)
Proceeds from sale of assets	-	-	-	-	-
Total other financing sources and uses	<u>(174,677)</u>	<u>(232)</u>	<u>-</u>	<u>(28,510)</u>	<u>(15,233)</u>
Net change in fund balance	-	-	(71,019)	245,692	(135,123)
Fund balances—beginning	-	-	945,041	1,689,874	499,818
Fund balances—ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 874,022</u>	<u>\$ 1,935,566</u>	<u>\$ 364,695</u>

Special Revenue (Continued)

Council on Aging	Retired Senior Volunteer Program	Public Health Unit	Workforce Investment Act SDA 14	Criminal Court	Total Nonmajor Special Revenue Funds
\$ 986,910	\$ -	\$ 661,335	\$ -	\$ -	\$ 6,794,464
-	-	-	-	-	2,141,760
-	83,505	-	984,858	-	1,743,588
-	-	-	-	105,390	105,390
-	-	-	-	1,023,713	1,023,713
68	105	297	-	25	8,269
-	80	-	-	-	80
<u>986,978</u>	<u>83,690</u>	<u>661,632</u>	<u>984,858</u>	<u>1,129,128</u>	<u>11,817,264</u>
-	-	-	-	1,009,453	1,009,453
-	-	-	-	117,592	4,849,842
-	-	-	-	-	1,154,761
986,131	249,530	1,015,535	-	-	3,471,088
-	-	-	-	-	-
-	-	-	982,498	-	982,498
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	2,360	-	608,233
<u>986,131</u>	<u>249,530</u>	<u>1,015,535</u>	<u>984,858</u>	<u>1,127,045</u>	<u>12,075,875</u>
<u>847</u>	<u>(165,840)</u>	<u>(353,903)</u>	<u>-</u>	<u>2,083</u>	<u>(258,611)</u>
-	125,895	-	-	-	125,895
(847)	-	(38,225)	-	(5,717)	(263,441)
-	-	-	-	-	-
<u>(847)</u>	<u>125,895</u>	<u>(38,225)</u>	<u>-</u>	<u>(5,717)</u>	<u>(137,546)</u>
-	(39,945)	(392,128)	-	(3,634)	(396,157)
-	122,608	392,128	-	4,710	3,654,179
<u>\$ -</u>	<u>\$ 82,663</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,076</u>	<u>\$ 3,258,022</u>

(Continued)

**Parish of St. Charles**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For The Year Ended December 31, 2011

	Debt Service				
	1/2% P.I. Sales Tax Sinking	P. I. 3/8% Sales Tax Sinking	1/2% P. I. Sales Tax Reserve	P. I. 3/8% Sales Tax Reserve	1/8% Public Improvement Sales Tax Sinking
<b>REVENUES</b>					
Taxes:					
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	307,530	337,015	-	-	-
Intergovernmental revenues	-	-	-	-	-
Fees, charges, and commissions	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Investment earnings	194	148	543	410	69
Miscellaneous	-	-	-	-	-
Total revenues	<u>307,724</u>	<u>337,163</u>	<u>543</u>	<u>410</u>	<u>69</u>
<b>EXPENDITURES</b>					
Current:					
General government	103	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Economic development and assistance	-	-	-	-	-
Debt service:					
Principal	-	205,000	-	-	110,000
Interest and other charges	6,555	131,961	-	-	59,008
Capital outlay	-	-	-	-	-
Total expenditures	<u>6,658</u>	<u>336,961</u>	<u>-</u>	<u>-</u>	<u>169,008</u>
Excess (deficiency) of revenues over expenditures	<u>301,066</u>	<u>202</u>	<u>543</u>	<u>410</u>	<u>(168,939)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	147,729	410	-	-	169,809
Transfers out	(301,000)	-	(148,272)	(410)	(258)
Proceeds from sale of assets	-	-	-	-	-
Total other financing sources and uses	<u>(153,271)</u>	<u>410</u>	<u>(148,272)</u>	<u>(410)</u>	<u>169,551</u>
Net change in fund balance	147,795	612	(147,729)	-	612
Fund balances—beginning	<u>60,450</u>	<u>168,860</u>	<u>510,619</u>	<u>369,555</u>	<u>69,447</u>
Fund balances—ending	<u>\$ 208,245</u>	<u>\$ 169,472</u>	<u>\$ 362,890</u>	<u>\$ 369,555</u>	<u>\$ 70,059</u>

Debt Service (Continued)		Capital Projects					
1/8% Public Improvement Sales Tax Reserve	Total Nonmajor Debt Service Funds	Louisiana Community Development Block Grant	Recreational Facilities Construction	Front Foot Assessment Maintenance	WBHPL-Grant	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,794,464
-	644,545	-	-	-	-	-	2,786,305
-	-	1,045,007	-	-	602,817	1,647,824	3,391,412
-	-	-	-	-	-	-	105,390
-	-	-	-	-	-	-	1,023,713
187	1,551	-	721	4,626	383	5,730	15,550
-	-	-	-	-	-	-	80
<u>187</u>	<u>646,096</u>	<u>1,045,007</u>	<u>721</u>	<u>4,626</u>	<u>603,200</u>	<u>1,653,554</u>	<u>14,116,914</u>
-	103	-	-	-	-	-	1,009,556
-	-	-	-	-	-	-	4,849,842
-	-	-	-	-	-	-	1,154,761
-	-	-	-	-	-	-	3,471,088
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	982,498
-	315,000	-	-	-	-	-	315,000
-	197,524	-	-	-	-	-	197,524
-	-	1,030,606	110,889	-	1,717,603	2,859,098	3,467,331
-	<u>512,627</u>	<u>1,030,606</u>	<u>110,889</u>	<u>-</u>	<u>1,717,603</u>	<u>2,859,098</u>	<u>15,447,600</u>
<u>187</u>	<u>133,469</u>	<u>14,401</u>	<u>(110,168)</u>	<u>4,626</u>	<u>(1,114,403)</u>	<u>(1,205,544)</u>	<u>(1,330,686)</u>
-	317,948	-	-	-	1,588,500	1,588,500	2,032,343
(187)	(450,127)	(14,401)	-	-	-	(14,401)	(727,969)
-	-	-	-	-	-	-	-
<u>(187)</u>	<u>(132,179)</u>	<u>(14,401)</u>	<u>-</u>	<u>-</u>	<u>1,588,500</u>	<u>1,574,099</u>	<u>1,304,374</u>
-	1,290	-	(110,168)	4,626	474,097	368,555	(26,312)
<u>168,282</u>	<u>1,347,213</u>	<u>-</u>	<u>710,711</u>	<u>960,337</u>	<u>724,989</u>	<u>2,396,037</u>	<u>7,397,429</u>
<u>\$ 168,282</u>	<u>\$ 1,348,503</u>	<u>\$ -</u>	<u>\$ 600,543</u>	<u>\$ 964,963</u>	<u>\$ 1,199,086</u>	<u>\$ 2,764,592</u>	<u>\$ 7,371,117</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Fire Protection Special Revenue Fund  
 For The Year Ended December 31, 2011

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 1,540,000	\$ 1,577,025	\$ 1,577,024	\$ (1)
Sales taxes	1,556,533	2,002,468	2,141,760	139,292
Total taxes	<u>3,096,533</u>	<u>3,579,493</u>	<u>3,718,784</u>	<u>139,291</u>
State grants:				
2% Fire insurance rebate	150,000	190,856	190,856	-
Investment earnings	200	200	222	22
Total revenues	<u>3,246,733</u>	<u>3,770,549</u>	<u>3,909,862</u>	<u>139,313</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	3,078,613	3,600,926	3,735,185	(134,259)
Total expenditures	<u>3,078,613</u>	<u>3,600,926</u>	<u>3,735,185</u>	<u>(134,259)</u>
Excess (deficiency) of revenues over expenditures	<u>168,120</u>	<u>169,623</u>	<u>174,677</u>	<u>5,054</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
Fire Protection Sinking	-	-	-	-
Transfers out:				
Indirect cost allocation			(5,055)	(5,055)
1/8% PIST Sinking fund	(168,120)	(169,623)	(169,622)	1
Proceeds from sale of assets	-	-	-	-
Total other financing sources and uses	<u>(168,120)</u>	<u>(169,623)</u>	<u>(174,677)</u>	<u>(5,054)</u>
Net change in fund balance	-	-	-	-
Fund balances—beginning	-	-	-	-
Fund balances—ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Governmental Buildings Special Revenue Fund  
 For The Year Ended December 31, 2011

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 955,000	\$ 997,084	\$ 997,084	\$ -
Investment earnings	600	200	213	13
Total revenues	955,600	997,284	997,297	13
<b>EXPENDITURES</b>				
Current:				
Public safety	955,600	997,284	997,065	219
Total expenditures	955,600	997,284	997,065	219
Excess (deficiency) of revenues over expenditures	-	-	232	232
<b>OTHER FINANCING SOURCES (USES)</b>				
Indirect Cost Allocation	-	-	(232)	(232)
Total other financing sources and uses	-	-	(232)	(232)
Net change in fund balance	-	-	-	-
Fund balances—beginning	-	-	-	-
Fund balances—ending	\$ -	\$ -	\$ -	\$ -

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Parish Transportation Special Revenue Fund  
 For The Year Ended December 31, 2011

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental:				
State grants:				
Parish road fund	\$ 400,000	\$ 400,000	\$ 477,704	\$ 77,704
Investment earnings	<u>1,200</u>	<u>1,200</u>	<u>1,277</u>	<u>77</u>
Total revenues	<u>401,200</u>	<u>401,200</u>	<u>478,981</u>	<u>77,781</u>
<b>EXPENDITURES</b>				
Current:				
Public works	-	-	-	-
Capital outlay - Public works	<u>575,000</u>	<u>575,000</u>	<u>550,000</u>	<u>25,000</u>
Total expenditures	<u>575,000</u>	<u>575,000</u>	<u>550,000</u>	<u>25,000</u>
Excess (deficiency) of revenues over expenditures	(173,800)	(173,800)	(71,019)	102,781
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(173,800)	(173,800)	(71,019)	102,781
Fund balances—beginning	<u>339,706</u>	<u>945,041</u>	<u>945,041</u>	<u>-</u>
Fund balances—ending	<u>\$ 165,906</u>	<u>\$ 771,241</u>	<u>\$ 874,022</u>	<u>\$ 102,781</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Road Lighting District No. 1 Special Revenue Fund  
 For The Year Ended December 31, 2011

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 1,413,000	\$ 1,473,286	\$ 1,473,286	\$ -
Intergovernmental:				
State payment in lieu of taxes	6,650	6,665	6,665	-
Investment earnings	4,000	4,000	4,885	885
Total revenues	<u>1,423,650</u>	<u>1,483,951</u>	<u>1,484,836</u>	<u>885</u>
<b>EXPENDITURES</b>				
Current:				
Public works	1,527,680	1,302,115	1,154,761	147,354
Capital outlay	175,000	130,000	55,873	74,127
Total expenditures	<u>1,702,680</u>	<u>1,432,115</u>	<u>1,210,634</u>	<u>221,481</u>
Excess (deficiency) of revenues over expenditures	(279,030)	51,836	274,202	222,366
<b>OTHER FINANCING SOURCES (USES)</b>				
Indirect cost allocation	-	-	(28,510)	(28,510)
Proceeds from sale of assets	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>(28,510)</u>	<u>(28,510)</u>
Net change in fund balance	(279,030)	51,836	245,692	193,856
Fund balances—beginning	<u>570,170</u>	<u>1,689,874</u>	<u>1,689,874</u>	<u>-</u>
Fund balances—ending	<u>\$ 291,140</u>	<u>\$ 1,741,710</u>	<u>\$ 1,935,566</u>	<u>\$ 193,856</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Mosquito Control Special Revenue Fund  
 For The Year Ended December 31, 2011

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 1,053,000	\$ 1,098,825	\$ 1,098,825	\$ -
Intergovernmental	-	-	-	-
Investment earnings	1,500	1,095	1,177	82
Total revenues	<u>1,054,500</u>	<u>1,099,920</u>	<u>1,100,002</u>	<u>82</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare	<u>1,297,730</u>	<u>1,303,436</u>	<u>1,219,892</u>	<u>83,544</u>
Total expenditures	<u>1,297,730</u>	<u>1,303,436</u>	<u>1,219,892</u>	<u>83,544</u>
Excess (deficiency) of revenues over expenditures	(243,230)	(203,516)	(119,890)	83,626
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
Transfer from General Fund	-	-	-	-
Transfers out:				
Indirect cost allocation	-	-	(15,233)	(15,233)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>(15,233)</u>	<u>(15,233)</u>
Net change in fund balance	(243,230)	(203,516)	(135,123)	68,393
Fund balances—beginning	<u>316,475</u>	<u>499,818</u>	<u>499,818</u>	<u>-</u>
Fund balances—ending	<u>\$ 73,245</u>	<u>\$ 296,302</u>	<u>\$ 364,695</u>	<u>\$ 68,393</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Council on Aging Special Revenue Fund  
 For The Year Ended December 31, 2011

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 945,000	\$ 986,910	\$ 986,910	\$ -
Investment earnings	100	65	68	3
Total revenues	945,100	986,975	986,978	3
<b>EXPENDITURES</b>				
Current:				
Health and welfare	945,100	986,975	986,131	844
Total expenditures	945,100	986,975	986,131	844
Excess (deficiency) of revenues over expenditures	-	-	847	847
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				
Indirect cost allocation	-	-	(847)	(847)
Total other financing sources and uses	-	-	(847)	(847)
Net change in fund balance	-	-	-	-
Fund balances—beginning	-	-	-	-
Fund balances—ending	\$ -	\$ -	\$ -	\$ -

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Retired Senior Volunteer Program Special Revenue Fund  
 For The Year Ended December 31, 2011

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Intergovernmental:				
Federal grant	\$ 66,626	\$ 53,287	\$ 53,505	\$ 218
State grant	-	-	-	-
Local grants:				
Local grant	12,000	12,000	10,000	(2,000)
St. John	20,000	20,000	20,000	-
Total intergovernmental	<u>98,626</u>	<u>85,287</u>	<u>83,505</u>	<u>(1,782)</u>
Investment earnings	<u>75</u>	<u>77</u>	<u>105</u>	<u>28</u>
Miscellaneous:				
Donations	-	40	80	40
Total revenues	<u>98,701</u>	<u>85,404</u>	<u>83,690</u>	<u>(1,714)</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare	<u>378,246</u>	<u>277,939</u>	<u>249,530</u>	<u>28,409</u>
Total expenditures	<u>378,246</u>	<u>277,939</u>	<u>249,530</u>	<u>28,409</u>
Excess (deficiency) of revenues over expenditures	(279,545)	(192,535)	(165,840)	26,695
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
General fund	<u>200,000</u>	<u>175,000</u>	<u>125,895</u>	<u>(49,105)</u>
Total transfers in	<u>200,000</u>	<u>175,000</u>	<u>125,895</u>	<u>(49,105)</u>
Transfers out:				
Total transfers out	-	-	-	-
Proceeds from sale of assets	-	-	-	-
Total other financing sources and uses	<u>200,000</u>	<u>175,000</u>	<u>125,895</u>	<u>(49,105)</u>
Net change in fund balance	(79,545)	(17,535)	(39,945)	(22,410)
Fund balances—beginning	<u>9,263</u>	<u>122,608</u>	<u>122,608</u>	<u>-</u>
Fund balances—ending	<u>\$ (70,282)</u>	<u>\$ 105,073</u>	<u>\$ 82,663</u>	<u>\$ (22,410)</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Public Health Unit Special Revenue Fund  
 For The Year Ended December 31, 2011

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 633,000	\$ 661,335	\$ 661,335	\$ -
Investment earnings	500	290	297	7
Miscellaneous	-	-	-	-
Total revenues	<u>633,500</u>	<u>661,625</u>	<u>661,632</u>	<u>7</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare	<u>906,948</u>	<u>1,053,753</u>	<u>1,015,535</u>	<u>38,218</u>
Total expenditures	<u>906,948</u>	<u>1,053,753</u>	<u>1,015,535</u>	<u>38,218</u>
Excess (deficiency) of revenues over expenditures	(273,448)	(392,128)	(353,903)	38,225
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				
Indirect cost allocation	-	-	(38,225)	(38,225)
Total transfers out	-	-	(38,225)	(38,225)
Total other financing sources and uses	-	-	(38,225)	(38,225)
Net change in fund balance	(273,448)	(392,128)	(392,128)	-
Fund balances—beginning	<u>171,386</u>	<u>392,128</u>	<u>392,128</u>	<u>-</u>
Fund balances—ending	<u>\$ (102,062)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Workforce Investment Act SDA 14 Special Revenue Fund  
 For The Year Ended December 31, 2011

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Intergovernmental:				
Federal grants:				
Department of Labor - Adult	\$ 318,991	\$ 168,344	\$ 192,358	\$ 24,014
Department of Labor - Dislocated Worker	139,367	55,137	80,395	25,258
Department of Labor - Youth	440,362	341,316	356,233	14,917
Department of Labor - Incentive	-	3,397	714	(2,683)
Natural Emergency Grant (NEG)	1,300,000	328,472	-	(328,472)
NEG- Urban & Rural	-	70,000	103,382	33,382
BP Oil Spill	-	-	171,343	171,343
ARRA- 10%	-	66,000	66,000	-
ARRA Youth	-	45,388	13,142	(32,246)
ARRA Dislocated Worker	-	7,212	1,291	(5,921)
WIA Administration	-	-	-	-
Total intergovernmental	<u>2,198,720</u>	<u>1,085,266</u>	<u>984,858</u>	<u>(100,408)</u>
Total revenues	<u>2,198,720</u>	<u>1,085,266</u>	<u>984,858</u>	<u>(100,408)</u>
<b>EXPENDITURES</b>				
Current:				
Economic development and assistance	2,195,920	1,085,266	982,498	102,768
Capital outlay	-	-	2,360	(2,360)
Total expenditures	<u>2,195,920</u>	<u>1,085,266</u>	<u>984,858</u>	<u>100,408</u>
Excess (deficiency) of revenues over expenditures	2,800	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of assets	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	2,800	-	-	-
Fund balances—beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances—ending	<u>\$ 2,800</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Nonbudgeted Funds  
 Criminal Court Special Revenue Fund  
 For The Year Ended December 31, 2011

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Fees, charges, and commissions:				
Court costs, fees, and charges	\$ -	\$ 100,000	\$ 105,390	\$ 5,390
Fines and forfeitures:				
Court fines	-	970,000	983,817	13,817
Interest on bonds and fines	-	4,607	4,607	-
AFF reinstatement court fines	-	30,625	30,362	(263)
Drug asset forfeitures	-	4,000	4,927	927
Total fines and forfeitures	-	1,009,232	1,023,713	14,481
Investment earnings	-	15	25	10
Total revenues	-	1,109,247	1,129,128	19,881
<b>EXPENDITURES</b>				
Current:				
General government	-	977,390	1,009,453	(32,063)
Public safety	-	132,165	117,592	14,573
Total expenditures	-	1,109,555	1,127,045	(17,490)
Excess (deficiency) of revenues over expenditures	-	(308)	2,083	(2,391)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				
General Fund	-	(951)	(1,076)	(125)
Indirect cost allocation	-	(2,500)	(4,641)	(2,141)
Total transfers out	-	(3,451)	(5,717)	(2,266)
Proceeds from sale of assets	-	-	-	-
Total other financing sources and uses	-	(3,451)	(5,717)	(2,266)
Net change in fund balance	-	(3,759)	(3,634)	125
Fund balances—beginning	-	4,710	4,710	4,252
Fund balances—ending	\$ -	\$ 951	\$ 1,076	\$ 4,377

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 1/2% P.I. Sales Tax Sinking Debt Service Fund  
 For The Year Ended December 31, 2011

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Taxes:				
Sales taxes	\$ 362,774	\$ 362,774	\$ 307,530	\$ (55,244)
Investment earnings	430	145	194	49
Total revenues	<u>363,204</u>	<u>362,919</u>	<u>307,724</u>	<u>(55,195)</u>
<b>EXPENDITURES</b>				
<b>OPERATING SERVICES:</b>				
Debt Service- Professional Services	100	100	103	(3)
Debt service:				
Principal	301,000	301,000	-	301,000
Interest and other charges	61,750	61,750	6,555	55,195
Total expenditures	<u>362,850</u>	<u>362,850</u>	<u>6,658</u>	<u>356,192</u>
Excess (deficiency) of revenues over expenditures	354	69	301,066	300,997
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
1/2% PIST Reserve	-	147,729	147,729	-
Total transfers in	-	147,729	147,729	-
Transfers out:				
Wastewater Construction Fund	-	-	(301,000)	(301,000)
Total transfers out	-	-	(301,000)	(301,000)
Total other financing sources and uses	-	147,729	(153,271)	(301,000)
Net change in fund balance	354	147,798	147,795	(3)
Fund balances—beginning	<u>58,575</u>	<u>60,450</u>	<u>60,450</u>	<u>-</u>
Fund balances—ending	<u>\$ 58,929</u>	<u>\$ 208,248</u>	<u>\$ 208,245</u>	<u>\$ (3)</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Sewer General Obligation Sinking Major Debt Service Fund  
 For The Year Ended December 31, 2011

	<u>Original</u>	<u>Final</u>	Actual Amounts	Final Budget- Positive (Negative)
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 2,876,000	\$ 3,002,134	\$ 3,001,429	\$ (705)
Investment earnings	7,400	3,500	3,855	355
Total revenues	<u>2,883,400</u>	<u>3,005,634</u>	<u>3,005,284</u>	<u>(350)</u>
<b>EXPENDITURES</b>				
General government	600	600	99	501
Debt service:				
Principal	2,115,000	2,115,000	2,115,000	-
Interest and other charges	906,285	901,750	900,463	1,287
Total debt service	<u>3,021,285</u>	<u>3,016,750</u>	<u>3,015,463</u>	<u>1,287</u>
Total expenditures	<u>3,021,885</u>	<u>3,017,350</u>	<u>3,015,562</u>	<u>1,788</u>
Excess (deficiency) of revenues over (under) expenditures	(138,485)	(11,716)	(10,278)	1,438
Net change in fund balance	(138,485)	(11,716)	(10,278)	1,438
Fund balance - beginning	<u>2,982,766</u>	<u>2,984,521</u>	<u>2,984,521</u>	<u>-</u>
Fund balance - ending	<u>\$ 2,844,281</u>	<u>\$ 2,972,805</u>	<u>\$ 2,974,243</u>	<u>\$ 1,438</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 P.I. 3/8% Sales Tax Sinking Debt Service Fund  
 For The Year Ended December 31, 2011

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Taxes:				
Sales taxes	\$ 335,960	\$ 337,015	\$ 337,015	\$ -
Investment earnings	380	160	148	(12)
Total revenues	336,340	337,175	337,163	(12)
<b>EXPENDITURES</b>				
Debt service:				
Principal	205,000	205,000	205,000	-
Interest and other charges	132,258	132,258	131,961	297
Total expenditures	337,258	337,258	336,961	297
Excess (deficiency) of revenues over (under) expenditures	(918)	(83)	202	285
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
3/8% PIST bond reserve	925	400	410	10
Total other financing sources and uses	925	400	410	10
Net change in fund balance	7	317	612	295
Fund balances—beginning	168,824	168,860	168,860	-
Fund balances—ending	\$ 168,831	\$ 169,177	\$ 169,472	\$ 295

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 1/2% P.I. Sales Tax Reserve Debt Service Fund  
 For The Year Ended December 31, 2011

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
<b>REVENUES</b>				
Investment earnings	\$ 900	\$ 500	\$ 543	\$ 43
Total revenues	<u>900</u>	<u>500</u>	<u>543</u>	<u>43</u>
<b>EXPENDITURES</b>				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>900</u>	<u>500</u>	<u>543</u>	<u>43</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				-
1//2% PIST Sinking	-	(147,729)	(147,729)	-
General fund	(900)	(500)	(543)	(43)
Total transfers out	<u>(900)</u>	<u>(148,229)</u>	<u>(148,272)</u>	<u>(43)</u>
Total other financing sources (uses)	<u>(900)</u>	<u>(148,229)</u>	<u>(148,272)</u>	<u>(43)</u>
Net change in fund balance	-	(147,729)	(147,729)	-
Fund balances—beginning	<u>362,891</u>	<u>510,619</u>	<u>510,619</u>	<u>-</u>
Fund balances—ending	<u>\$ 362,891</u>	<u>\$ 362,890</u>	<u>\$ 362,890</u>	<u>\$ -</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 P.I. 3/8% Sales Tax Reserve Debt Service Fund  
 For The Year Ended December 31, 2011

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Investment earnings	\$ 925	\$ 400	\$ 410	\$ 10
Total revenues	925	400	410	10
<b>EXPENDITURES</b>				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	925	400	410	10
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				
1/2% Bond reserve	-	-	-	-
3/8% PIST bond sinking	(925)	(400)	(410)	(10)
Total transfers out	(925)	(400)	(410)	(10)
Total other financing sources (uses)	(925)	(400)	(410)	(10)
Net change in fund balance	-	-	-	-
Fund balances—beginning	369,555	369,555	369,555	-
Fund balances—ending	\$ 369,555	\$ 369,555	\$ 369,555	\$ -

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 1/8% Public Improvement Sales Tax Sinking Debt Service Fund  
 For The Year Ended December 31, 2011

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Investment earnings	\$ 90	\$ 65	\$ 69	\$ 4
Total revenues	90	65	69	4
<b>EXPENDITURES</b>				
Operating Services:				
Debt Servic- Professional Services	800	800	-	800
Debt service:				
Principal	110,000	110,000	110,000	-
Interest and other charges	58,920	59,008	59,008	-
Total expenditures	169,720	169,808	169,008	800
Excess (deficiency) of revenues over expenditures	(169,630)	(169,743)	(168,939)	804
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
Fire Protection fund	170,249	169,623	169,622	(1)
1/8% P. I. Sales Tax Reserve fund	390	180	187	7
Total transfers in	170,639	169,803	169,809	6
Transfers out:				
Indirect cost allocation	(500)	(500)	(258)	242
Total transfers out	(500)	(500)	(258)	242
Total other financing sources and uses	170,139	169,303	169,551	248
Net change in fund balance	509	(440)	612	1,052
Fund balances—beginning	70,302	69,447	69,447	-
Fund balances—ending	\$ 70,811	\$ 69,007	\$ 70,059	\$ 1,052

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 1/8% Public Improvement Sales Tax Reserve Debt Service Fund  
 For The Year Ended December 31, 2011

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Investment earnings	\$ 390	\$ 180	\$ 187	\$ 7
Total revenues	390	180	187	7
<b>EXPENDITURES</b>				
Current:				
General government			-	-
Economic development and assistance			-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	390	180	187	7
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
1/8% Public Impr. Sales Tax Sinking	(390)	(180)	(187)	(7)
Total other financing sources and uses	(390)	(180)	(187)	(7)
Net change in fund balance	-	-	-	-
Fund balances—beginning	168,282	168,282	168,282	-
Fund balances—ending	\$ 168,282	\$ 168,282	\$ 168,282	\$ -



**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Louisiana Community Development Block Grant  
 For The Year Ended December 31, 2011

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
LCDBG Grant- Sewer	\$ -	\$ 122,433	\$ 122,433	\$ -
LCDBG Grant- Gov't Bldgs	4,537,184	153,027	373,686	220,659
LCDBG Grant- Recreation	125,000	-	-	-
LCDBG Grant- WWKS	-	616,636	548,888	(67,748)
Total revenues	<u>4,662,184</u>	<u>892,096</u>	<u>1,045,007</u>	<u>152,911</u>
<b>EXPENDITURES</b>				
Capital outlay	<u>4,662,184</u>	<u>877,695</u>	<u>1,030,606</u>	<u>(152,911)</u>
Total expenditures	<u>4,662,184</u>	<u>877,695</u>	<u>1,030,606</u>	<u>(152,911)</u>
Excess (deficiency) of revenues over expenditures	-	14,401	14,401	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:			-	-
Roads & Drainage Fund	-	(2,025)	(2,025)	-
Wastewater Fund	-	(12,376)	(12,376)	-
Issuance of debt			-	-
Refunding bonds issued				
Premium (discount) on debt issued			-	-
Payment to refunded bond escrow agent				
Proceeds from sale of assets			-	-
Total other financing sources and uses	<u>-</u>	<u>(14,401)</u>	<u>(14,401)</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balances—beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances—ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Recreational Facilities Construction Capital Project Fund  
 For The Year Ended December 31, 2011

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Investment earnings	\$ 800	\$ 625	\$ 721	\$ 96
Total revenues	800	625	721	96
<b>EXPENDITURES</b>				
Capital outlay	638,400	111,000	110,889	111
Total expenditures	638,400	111,000	110,889	111
Excess (deficiency) of revenues over expenditures	(637,600)	(110,375)	(110,168)	207
Fund balances—beginning	639,867	710,711	710,711	-
Fund balances—ending	\$ 2,267	\$ 600,336	\$ 600,543	\$ 207

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 Front Foot Assessment Maintenance Capital Project Fund  
 For The Year Ended December 31, 2011

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Investment earnings	\$ 6,000	\$ 4,500	\$ 4,626	\$ 126
Total revenues	6,000	4,500	4,626	126
<b>EXPENDITURES</b>				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	6,000	4,500	4,626	126
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				
GF Indirect Cost Allocation	(5,500)	(2,500)	-	2,500
Total transfers out	(5,500)	(2,500)	-	2,500
Total other financing sources and uses	(5,500)	(2,500)	-	2,500
Net change in fund balance	500	2,000	4,626	2,626
Fund balances—beginning	954,472	960,337	960,337	-
Fund balances—ending	\$ 954,972	\$ 962,337	\$ 964,963	\$ 2,626

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balances - Budget and Actual  
 WBHPL Grant  
 For The Year Ended December 31, 2011

	Original	Final	Actual Amounts	Variance with Final Budget- Positive (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ 4,500,000	\$ 534,728	\$ 602,817	\$ 68,089
Investment earnings	-	300	383	83
Total revenues	<u>4,500,000</u>	<u>535,028</u>	<u>603,200</u>	<u>68,172</u>
<b>EXPENDITURES</b>				
Capital outlay	<u>17,000,000</u>	<u>1,726,953</u>	<u>1,717,603</u>	<u>9,350</u>
Total expenditures	<u>17,000,000</u>	<u>1,726,953</u>	<u>1,717,603</u>	<u>9,350</u>
Excess (deficiency) of revenues over expenditures	(12,500,000)	(1,191,925)	(1,114,403)	77,522
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
General Fund	<u>12,500,000</u>	<u>1,588,500</u>	<u>1,588,500</u>	<u>-</u>
Total transfers in	<u>12,500,000</u>	<u>1,588,500</u>	<u>1,588,500</u>	<u>-</u>
Total other financing sources and uses	<u>12,500,000</u>	<u>1,588,500</u>	<u>1,588,500</u>	<u>-</u>
Net change in fund balance	-	396,575	474,097	77,522
Fund balances—beginning	<u>-</u>	<u>724,989</u>	<u>724,989</u>	<u>-</u>
Fund balances—ending	<u>\$ -</u>	<u>\$ 1,121,564</u>	<u>\$ 1,199,086</u>	<u>\$ 77,522</u>



**Parish of St. Charles**  
 Capital Assets Used in the Operation of Governmental Funds  
 Comparative Schedules by Source  
 December 31, 2011

Governmental funds capital assets:	
Land	\$ 9,515,972
Buildings	28,054,332
Improvements other than buildings	56,650,656
Machinery & equipment	35,187,497
Infrastructure	122,097,106
Construction work in progress	32,745,009
Total governmental funds capital assets	<u>\$ 284,250,572</u>
Investments in governmental funds capital assets by source:	
General fund	\$ 19,209,582
Special revenue funds	122,609,601
Capital project funds	37,247,991
Donations	105,183,398
	<u>\$ 284,250,572</u>

**Parish of St. Charles**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule by Function and Activity**  
**December 31, 2011**

Function and Activity	Land	Buildings	Improvements Other Than Buildings	Machinery and Equipment	Infrastructure	Construction in Progress	Total
General government:							
Legislative	\$ -	\$ -	\$ -	\$ 277,598	\$ -	\$ -	\$ 277,598
Judicial	-	-	-	231,527	-	-	231,527
Executive	-	-	-	47,872	-	-	47,872
Financial & administration	-	-	-	306,010	-	-	306,010
General administration	2,117,858	8,219,581	451,048	2,025,264	-	1,521,804	14,335,555
Total general government	2,117,858	8,219,581	451,048	2,888,271	-	1,521,804	15,198,562
Public safety	457,688	2,117,063	190,250	1,275,268	-	294,148	4,334,417
Public works	1,720,020	1,003,772	50,934,738	28,615,518	122,097,106	26,790,107	231,161,261
Health and welfare	188,000	2,230,793	-	752,922	-	1,238,663	4,410,378
Culture and recreation	3,903,978	14,200,227	5,074,620	1,235,955	-	2,900,287	27,315,067
Economic development	1,128,428	282,896	-	419,563	-	-	1,830,887
Total governmental funds capital assets	\$ 9,515,972	\$ 28,054,332	\$ 56,650,656	\$ 35,187,497	\$ 122,097,106	\$ 32,745,009	\$ 284,250,572

**Parish of St. Charles**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule of Changes by Function and Activity**  
**For the Fiscal Year Ended December 31, 2011**

Function & Activity	Governmental Funds Capital Assets December 31, 2010	Additions	Deletions	Adjustments	Governmental Funds Capital Assets December 31, 2011
General government:					
Legislative	\$ 285,779		\$ -	\$ (8,181)	\$ 277,598
Judicial	231,527	-	-	-	231,527
Executive	47,872	-	-	-	47,872
Financial & administration	315,038	16,263	(6,493)	(18,798)	306,010
General administration	12,290,302	511,673	-	11,776	12,813,751
Total general government	<u>13,170,518</u>	<u>527,936</u>	<u>(6,493)</u>	<u>(15,203)</u>	<u>13,676,758</u>
Public safety	4,032,168		-	8,101	4,040,269
Public works	197,342,606	5,528,356	(611,709)	2,111,900	204,371,153
Health and welfare	3,159,172	12,543	-	-	3,171,715
Culture and recreation	24,065,661	349,119	-	-	24,414,780
Economic development	1,674,415	68,379	-	88,094	1,830,888
Construction work in progress	14,530,329	24,019,177	(5,796,977)	(7,520)	32,745,009
Total governmental funds	<u>\$ 257,974,869</u>	<u>\$ 30,505,510</u>	<u>\$ (6,415,179)</u>	<u>\$ 2,185,372</u>	<u>\$ 284,250,572</u>





## SELECTED NONMAJOR COMPONENT UNITS

### **St. Charles Parish Communications District**

The Communications District was established by parish ordinance on August 4, 1986 under the provision Louisiana Revised Statute 33:9101-9106. The district was established to maintain and operate a 911 emergency telephone system for St. Charles Parish. Funding is provided from an emergency telephone service charge that does not exceed five percent (5%) of the highest tariff rate for local telephone service supplied within the district. The district is governed by a seven-member board of control. Only one elected Parish council member serves on the board. Since the district's board is not the same as the elected Parish council, and it does not provide services only to the Parish government, it is reported as a discretely presented component unit. The Communications District does not issue separate financial statements. The district has a fiscal year ending on December 31.

### **St. Charles Parish Library Service District No. 1**

The Library Service District was established by parish ordinance on November 9, 1948, under the provision Louisiana Revised Statute 25:211. Funding is provided from ad valorem taxes, state aid, state grants, and fines. Expenditures are restricted to library services. The library is governed by a five-member board of control appointed by the same elected council that governs the Parish. Since the district's board is not the same as the elected Parish council, and it does not provide services only to the Parish government, it is reported as a discretely presented component unit. The library does not issue separate financial statements. The Library Service District has a fiscal year ending December 31.

*The Sunset Drainage District of St. Charles Parish and the St. Charles Hospital Service District are also discretely presented component units of the Parish. These two component units issue separate financial statements. Their combined financial statements may be obtained directly from their administrative offices listed below:*

*Sunset Drainage District of St. Charles Parish  
P. O. Box 3647  
Paradis, LA 70080*

*St. Charles Parish Hospital Service District  
P. O. Box 87  
Luling, LA 70070*

**Parish of St. Charles**  
 Communications District-Discretely Presented Component Unit  
 Library Service District No. 1-Discretely Presented Component Unit  
 Balance Sheet  
 December 31, 2011

	Communications District	Library Service District No. 1
<b>ASSETS</b>		
Cash and cash equivalents	\$ 987	\$ 783
Investments	1,913,270	4,784,998
Receivables, net:		
Ad valorem taxes	-	4,795,000
Other	125,418	46,784
Due from primary government	45,854	-
Due from other governments	12,250	-
Total assets	\$ 2,097,779	\$ 9,627,565
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accounts payable	\$ 59,345	\$ 84,386
Contracts payable	-	-
Due to primary government	-	-
Due to other governments	-	-
Other liabilities	-	46,448
Unearned revenues - Ad valorem taxes	-	4,862,018
Total liabilities	59,345	4,992,852
Fund balances:		
Nonspendable:	-	-
Restricted:	-	4,634,713
Committed:	-	-
Assigned:	2,038,434	-
Unassigned:	-	-
Total fund balances	2,038,434	4,634,713
Total liabilities and fund balances	\$ 2,097,779	\$ 9,627,565

**Parish of St. Charles**  
 Communications District-Discretely Presented Component Unit  
 Library Service District No. 1-Discretely Presented Component Unit  
 Reconciliation of the Governmental Funds Balance Sheet  
 To the Statement of Net Assets<sup>(1)</sup>  
 December 31, 2011

	<u>Communications District</u>	<u>Library Service District No. 1</u>
Fund balances - total governmental funds	\$ 2,038,434	\$ 4,634,713
Amounts reported for governmental activities in the statement of net assets differs because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds		
Governmental capital assets	1,363,486	4,936,251
Less accumulated depreciation	(939,512)	(3,269,782)
Net assets of governmental activities	<u>\$ 2,462,408</u>	<u>\$ 6,301,182</u>

(1) See Exhibit A-13 for The Combining Statement of Net Assets- Discretely Presented Component Units.

**Parish of St. Charles**  
Communications District-Discretely Presented Component Unit  
Library Service District No. 1-Discretely Presented Component Unit  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
For The Year Ended December 31, 2011

	Communications District	Library Service District No. 1
<b>REVENUES</b>		
Taxes:		
Ad valorem taxes	\$ -	\$ 4,873,500
Intergovernmental revenues:		
Federal funds:		
National Science Foundation Grant	-	1,000
State funds:		
State aid to public libraries	-	-
State library grants	-	-
State payment in lieu of taxes	-	66,165
Local grants	963,454	-
Fees, charges, and commissions	652,148	25,829
Fines and forfeitures	-	10,458
Investment earnings	4,599	22,080
Miscellaneous	-	3,446
Total revenues	1,620,201	5,002,478
<b>EXPENDITURES</b>		
Current:		
Public safety	1,590,735	-
Culture and recreation	-	3,795,776
Capital Outlay	487,750	1,115,223
Total expenditures	2,078,485	4,910,999
Excess (deficiency) of revenues over (under) expenditures	(458,284)	91,479
<b>OTHER FINANCING SOURCES (USES)</b>		
Proceeds from sale of assets	-	-
Operating transfers out	-	-
Compensation For Loss/Damaged Assets	-	-
Total other financing sources and uses	-	-
Net change in fund balance	(458,284)	91,479
Fund balances- beginning	2,496,718	4,543,234
Fund balances-ending	\$ 2,038,434	\$ 4,634,713

**Parish of St. Charles**  
 Communications District-Discretely Presented Component Unit  
 Library Service District No. 1-Discretely Presented Component Unit  
 Reconciliation of the Statement of Revenues, Expenditures,  
 and Changes in Fund Balances of Governmental Funds  
 To the Statement of Activities <sup>(1)</sup>  
 For the Year Ended December 31, 2011

	Communications District	Library Service District No. 1
Net change in fund balances - total governmental funds	\$ (458,284)	\$ 91,479
Amounts reported for governmental activities in the statement of activities differs because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay	175,134	903,143
Depreciation expense	(66,759)	(340,713)
Net effect of miscellaneous transactions involving capital assets	78,148	(559,913)
Change in net assets of governmental activities	\$ (271,761)	\$ 93,996

<sup>(1)</sup> See Exhibit A-14 for The Combining Statement of Activities -All Discretely Presented Component Units.

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Budget and Actual  
 Communications District-Discretely Presented Component Unit  
 For The Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental revenues:				
Local grants	\$ 913,600	\$ -	\$ 963,454	\$ -
Fees, charges, and commissions:				
Emergency telephone service charges	230,000	230,000	219,661	(10,339)
Emergency wireless service charges	350,000	350,000	384,113	34,113
Prepaid wireless service charges	-	-	48,374	48,374
Total fees, charges, and commissions:	<u>580,000</u>	<u>580,000</u>	<u>652,148</u>	<u>72,148</u>
Investment earnings	11,000	11,000	4,599	(6,401)
Total revenues	<u>1,504,600</u>	<u>591,000</u>	<u>1,620,201</u>	<u>65,747</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	1,453,880	1,628,880	1,590,735	38,145
Capital Outlay	126,000	446,000	487,750	(41,750)
Total expenditures	<u>1,579,880</u>	<u>2,074,880</u>	<u>2,078,485</u>	<u>(3,605)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(75,280)</u>	<u>(1,483,880)</u>	<u>(458,284)</u>	<u>1,025,596</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Net change in fund balance	(75,280)	(1,483,880)	(458,284)	1,025,596
Fund balances- beginning	2,496,718	2,496,718	2,496,718	-
Fund balances-ending	<u>\$ 2,421,438</u>	<u>\$ 1,012,838</u>	<u>\$ 2,038,434</u>	<u>\$ 1,025,596</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Budget and Actual  
 Library Service District No. 1-Discretely Presented Component Unit  
 For The Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 4,670,000	\$ 4,670,000	\$ 4,873,500	\$ 203,500
Intergovernmental revenues:				
Federal funds:				
National Science Found. Grant	-	-	1,000	1,000
State funds:				
State aid to public libraries	10,000	10,000	-	(10,000)
State library grants	3,656	3,656	-	(3,656)
State payment in lieu of taxes	66,400	66,400	66,165	(235)
Total intergovernmental revenues	<u>80,056</u>	<u>80,056</u>	<u>67,165</u>	<u>(12,891)</u>
Fees, charges, and commissions:				
Charges for photocopier	7,000	7,000	8,028	1,028
Miscellaneous fees	5,000	5,000	17,801	12,801
Total fees, charges, and commissions	<u>12,000</u>	<u>12,000</u>	<u>25,829</u>	<u>13,829</u>
Fines and forfeitures:				
Delinquent books	5,000	5,000	10,458	5,458
Investment earnings	48,000	48,000	22,080	(25,920)
Gifts & donations	-	-	3,446	3,446
Total revenues	<u>4,815,056</u>	<u>4,815,056</u>	<u>5,002,478</u>	<u>187,422</u>
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	4,443,863	4,443,863	3,795,776	648,087
Capital Outlay	4,040,000	4,040,000	1,115,223	2,924,777
Total expenditures	<u>8,483,863</u>	<u>8,483,863</u>	<u>4,910,999</u>	<u>3,572,864</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,668,807)</u>	<u>(3,668,807)</u>	<u>91,479</u>	<u>3,760,286</u>
Net change in fund balance	(3,668,807)	(3,668,807)	91,479	3,760,286
Fund balances- beginning	4,543,234	4,543,234	4,543,234	-
Fund balances-ending	<u>\$ 874,427</u>	<u>\$ 874,427</u>	<u>\$ 4,634,713</u>	<u>\$ 3,760,286</u>





**Parish of St. Charles  
Comprehensive Annual Financial Report  
For The Year Ended December 31, 2011**

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Exhibit Page

**Statistical Section (Unaudited)**

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**Parish of St. Charles  
Comprehensive Annual Financial Report  
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**Parish of St. Charles**  
**Net Assets by Component**  
**Last Nine Years**  
**(Unaudited)**

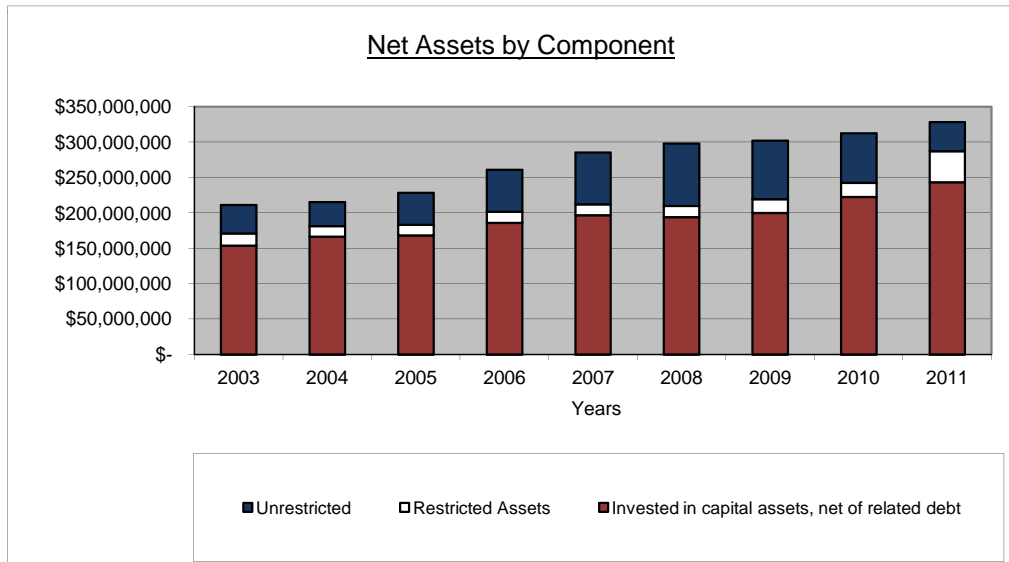
	2003	2004	2005	2006
<b>Governmental activities</b>				
Invested in capital assets, net of related debt	\$ 54,608,406	\$ 69,591,175	\$ 73,264,359	\$ 88,518,346
Restricted	11,858,098	9,918,330	8,994,356	8,164,263
Unrestricted	<u>37,633,367</u>	<u>31,521,752</u>	<u>42,608,063</u>	<u>54,768,676</u>
Total governmental activities net assets	<u>\$ 104,099,871</u>	<u>\$ 111,031,257</u>	<u>\$ 124,866,778</u>	<u>\$ 151,451,285</u>
<b>Business-type activities</b>				
Invested in capital assets, net of related debt	\$ 99,324,370	\$ 96,899,668	\$ 95,294,688	\$ 97,596,993
Restricted	5,206,894	4,958,811	5,597,147	7,417,357
Unrestricted	<u>2,445,334</u>	<u>2,659,978</u>	<u>2,933,159</u>	<u>4,759,642</u>
Total business-type activities net assets	<u>\$ 106,976,598</u>	<u>\$ 104,518,457</u>	<u>\$ 103,824,994</u>	<u>\$ 109,773,992</u>
<b>Primary government</b>				
Invested in capital assets, net of related debt	\$ 153,932,776	\$ 166,490,843	\$ 168,559,047	\$ 186,115,339
Restricted	17,064,992	14,877,141	14,591,503	15,581,620
Unrestricted	<u>40,078,701</u>	<u>34,181,730</u>	<u>45,541,222</u>	<u>59,528,318</u>
Total primary government net assets	<u>\$ 211,076,469</u>	<u>\$ 215,549,714</u>	<u>\$ 228,691,772</u>	<u>\$ 261,225,277</u>

**Source:** Audited Comprehensive Annual Financial Report.

**Note:** The parish began to report accrual information when it implemented GASB Statement 34 in 2003.

Exhibit E-1

	2007	2008	2009	2010	2011
\$	97,956,951	\$ 99,123,500	\$ 103,427,078	\$ 120,409,754	\$ 140,450,577
	7,840,421	7,872,433	10,301,562	10,381,950	33,691,897
	64,562,997	77,137,128	64,931,061	61,097,588	35,099,858
<b>\$</b>	<b>170,360,369</b>	<b>\$ 184,133,061</b>	<b>\$ 178,659,700</b>	<b>\$ 191,889,292</b>	<b>\$ 209,242,332</b>
\$	99,051,543	\$ 94,825,477	\$ 96,566,346	\$ 102,256,875	\$ 102,829,417
	7,130,258	8,137,231	8,954,936	9,447,895	10,437,856
	8,675,669	10,892,319	17,914,946	8,944,554	6,016,479
<b>\$</b>	<b>114,857,470</b>	<b>\$ 113,855,027</b>	<b>\$ 123,436,228</b>	<b>\$ 120,649,324</b>	<b>\$ 119,283,752</b>
\$	197,008,494	\$ 193,948,977	\$ 199,993,424	\$ 222,666,629	\$ 243,279,994
	14,970,679	16,009,664	19,256,498	19,829,845	44,129,753
	73,238,666	88,029,447	82,846,007	70,042,142	41,116,337
<b>\$</b>	<b>285,217,839</b>	<b>\$ 297,988,088</b>	<b>\$ 302,095,929</b>	<b>\$ 312,538,616</b>	<b>\$ 328,526,084</b>



**Parish of St. Charles**  
**Changes in Net Assets**  
**Last Nine Years**  
**(Unaudited)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Expenses</b>									
Governmental activities:									
General government	\$ 9,047,181	\$ 9,190,975	\$ 9,482,176	\$ 10,234,268	\$ 14,131,681	\$ 10,755,610	\$ 20,824,397	\$ 14,405,243	\$ 15,314,299
Public safety	4,754,617	6,188,003	13,831,891	7,107,232	6,675,265	12,165,599	8,410,575	7,399,524	9,664,188
Public works	10,476,106	17,615,424	17,810,336	19,485,320	20,662,921	20,372,591	22,000,978	23,739,793	27,220,169
Health and welfare	2,730,086	2,916,691	3,817,755	3,648,387	4,208,703	4,424,586	5,098,084	5,286,588	6,021,742
Culture and recreation	1,895,257	2,497,697	2,492,969	2,482,841	2,724,819	3,130,278	4,661,002	4,412,734	4,136,517
Economic development and assistance	2,802,533	3,295,347	3,867,097	4,189,764	2,754,328	2,931,667	3,258,521	2,711,225	1,894,222
Interest & other charges on long-term debt	2,410,284	2,693,612	2,470,056	2,027,512	2,357,075	1,699,323	1,595,120	1,339,967	1,068,932
Total governmental activities expenses	34,116,064	44,397,749	53,772,280	49,175,324	53,514,792	55,479,654	65,848,677	59,295,074	65,320,069
Business-type activities:									
Waterworks utility system	6,803,241	7,201,101	6,732,560	7,582,875	9,140,058	9,671,422	10,005,765	10,186,293	10,144,371
Wastewater utility system	10,060,717	9,712,537	10,393,030	10,388,352	11,677,372	11,795,239	11,376,790	11,199,581	10,473,738
Solid waste collection and disposal	2,818,109	2,820,247	2,814,602	3,139,169	3,528,908	3,743,783	3,736,594	3,750,725	3,382,763
Total business-type activities expenses	19,682,067	19,733,885	19,940,192	21,110,396	24,346,338	25,210,444	25,119,149	25,136,599	24,000,872
Total primary government expenses	53,798,131	64,131,634	73,712,472	70,285,720	77,861,130	80,690,098	90,967,826	84,431,673	89,320,941
<b>Program Revenues</b>									
Governmental activities:									
Charges for services:									
General government	\$ 2,503,272	\$ 1,988,564	\$ 2,763,968	\$ 3,379,117	\$ 3,699,399	\$ 3,701,130	\$ 3,624,990	\$ 2,873,262	\$ 2,926,954
Public works	52,201	12,148	16,795	5,088	12,946	8,605	11,341	34,984	48,876
Culture and recreation	49,422	45,358	50,622	62,060	66,270	82,189	107,877	138,657	199,330
Operating grants and contributions	4,828,524	5,214,681	14,727,200	8,459,923	4,971,050	9,320,506	9,656,650	6,590,029	7,793,403
Capital grants and contributions	2,154,492	1,986,394	2,336,922	14,576,941	9,727,281	2,176,208	2,653,233	9,790,431	12,638,224
Total governmental activities program revenues	9,587,911	9,247,145	19,895,507	26,483,129	18,476,946	15,288,638	16,054,091	19,427,363	23,606,787
Business-type activities:									
Charges for services:									
Waterworks utility system	5,459,475	5,409,933	7,010,523	9,290,495	10,636,932	10,709,725	11,037,959	10,865,178	11,055,175
Wastewater utility system	6,812,540	6,661,740	7,036,979	8,584,119	7,717,179	7,283,534	7,365,461	7,199,368	7,286,282
Solid waste collection and disposal	2,600,665	2,651,656	2,381,887	3,386,105	3,696,745	3,711,229	3,965,403	3,998,917	3,536,887
Operating grants and contributions	168,958	125,965	296,671	-	2,543,557	980,396	143,186	89,784	248,643
Capital grants and contributions	-	1,247,247	1,437,791	4,400,226	3,120,601	558,703	40,125	14,111	258,951
Total business-type activities program revenues	15,041,638	16,096,541	18,163,851	25,660,945	27,715,014	23,243,587	22,552,134	22,167,358	22,385,938
Total primary government program revenues	\$ 24,629,549	\$ 25,343,686	\$ 38,059,358	\$ 52,144,074	\$ 46,191,960	\$ 38,532,225	\$ 38,606,225	\$ 41,594,721	\$ 45,992,725
Net (expenses)/revenue									
Governmental activities	\$ (24,528,153)	\$ (35,150,604)	\$ (33,876,773)	\$ (22,692,195)	\$ (35,037,846)	\$ (40,191,016)	\$ (49,794,586)	\$ (39,867,711)	\$ (41,713,282)
Business-type activities	(4,640,429)	(3,637,344)	(1,776,341)	4,550,549	3,368,676	(1,966,857)	(2,567,015)	(2,969,241)	(1,614,934)
Total primary government net expenses	\$ (29,168,582)	\$ (38,787,948)	\$ (35,653,114)	\$ (18,141,646)	\$ (31,669,170)	\$ (42,157,873)	\$ (52,361,601)	\$ (42,836,952)	\$ (43,328,216)

	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>General Revenues &amp; Other Changes in Net Assets</b>									
Governmental activities:									
Taxes									
Ad valorem taxes	\$ 17,225,420	\$ 17,011,703	\$ 17,619,869	\$ 17,789,328	\$ 19,003,307	\$ 20,524,233	\$ 21,457,700	\$ 22,835,369	\$ 22,137,484
Sales taxes	18,043,803	20,304,470	24,489,895	28,935,942	29,571,279	32,221,461	32,710,536	28,288,787	34,268,437
Alcoholic beverage tax	57,616	60,995	61,352	62,072	54,518	53,028	52,382	50,737	45,892
Airport expansion agreement	279,991	217,059	190,432	178,166	165,256	144,877	-	-	-
Cable TV franchise tax	482,355	500,816	393,388	549,090	615,232	633,810	638,467	666,451	695,297
Investment earnings	885,459	955,368	1,591,960	3,061,811	3,865,138	2,678,483	975,318	534,967	401,819
Additions to Claims & Judgments	-	-	-	-	-	(1,109,227)	-	-	-
Implementation of GASB 45	-	-	-	-	-	(2,103,010)	-	-	-
Miscellaneous	871,533	1,591,747	2,658,353	217,386	676,300	661,709	195,205	600,259	1,708,946
Gain (loss) on disposal of capital assets	-	99,118	1,587,045	(567,093)	-	143,598	-	-	-
Transfer (to) from other funds	(913,000)	(1,556,208)	(880,000)	(950,000)	(4,100)	(84,955)	(11,708,386)	120,733	(191,553)
Total governmental activities	36,933,177	39,185,068	47,712,294	49,276,702	53,946,930	53,764,007	44,321,222	53,097,303	59,066,322
Business-type activities:									
Taxes									
Ad valorem taxes	-	-	-	11	445	12	-	-	-
Investment earnings	137,953	84,261	202,878	448,438	1,533,868	879,447	439,830	54,906	46,625
Miscellaneous	-	-	-	-	-	-	-	248,164	11,184
Gain (loss) on disposal of capital assets	-	(461,266)	-	-	-	-	-	-	-
Transfer (to) from other funds	913,000	1,556,208	880,000	950,000	4,100	84,955	11,708,386	(120,733)	191,553
Total business-type activities	1,050,953	1,179,203	1,082,878	1,398,449	1,538,413	964,414	12,148,216	182,337	249,362
Total primary government	37,984,130	40,364,271	48,795,172	50,675,151	55,485,343	54,728,421	56,469,438	53,279,640	59,315,684
<b>Change in Net Assets</b>									
Governmental activities	\$ 12,405,024	\$ 4,034,464	\$ 13,835,521	\$ 26,584,507	\$ 18,909,084	\$ 13,572,991	\$ (5,473,364)	\$ 13,229,592	\$ 17,353,040
Business-type activities	(3,589,476)	(2,458,141)	(693,463)	5,948,998	4,907,089	(1,002,443)	9,581,201	(2,786,904)	(1,365,572)
Total primary government	\$ 8,815,548	\$ 1,576,323	\$ 13,142,058	\$ 32,533,505	\$ 23,816,173	\$ 12,570,548	\$ 4,107,837	\$ 10,442,688	\$ 15,987,468

Source: Audited Comprehensive Annual Financial Report.

Note: The parish began to report accrual information when it implemented GASB Statement 34 in 2003.



**Parish of St. Charles**  
**Fund Balance of Governmental Funds**  
**Last Nine Years**  
**(Unaudited)**

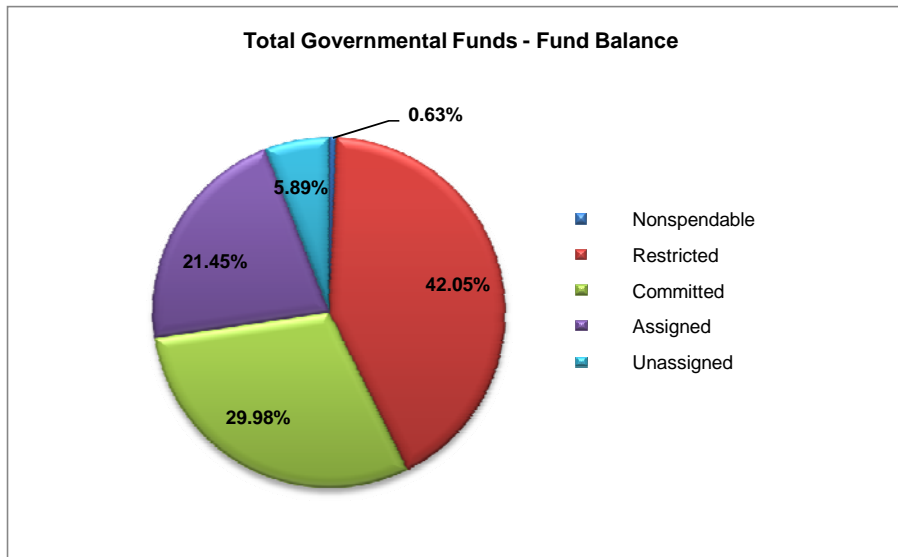
	2003	2004	2005
General Fund			
Reserved	\$ 143,342	\$ 130,549	\$ 43,824
Unreserved, reported in:			
General Fund	18,454,081	16,125,137	22,074,709
Designated for Insurance	-	-	-
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total General Fund	<u>\$ 18,597,423</u>	<u>\$ 16,255,686</u>	<u>\$ 22,118,533</u>
All other governmental funds			
Reserved	\$ 12,446,104	\$ 8,890,313	\$ 8,994,726
Unreserved, reported in:			
Special revenue funds	18,194,815	14,495,814	18,537,294
Capital projects funds	3,719,956	2,438,013	2,546,540
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total all other governmental funds	<u>\$ 34,360,875</u>	<u>\$ 25,824,140</u>	<u>\$ 30,078,560</u>

**Source:** Audited Comprehensive Annual Financial Report.

**Note:** The parish began to report accrual information when it implemented GASB Statement 34 in 2003.  
The parish began to report Fund Balance Reporting when it implemented GASB Statement 54 in 2011.

Exhibit E-3

2006	2007	2008	2009	2010	2011
\$ 175,141	\$ 234,239	\$ 81,050	\$ 291,322	\$ 303,998	\$ -
28,178,035	34,373,118	41,750,290	33,822,823	35,816,102	-
-	1,373,577	1,436,279	1,374,700	1,264,575	-
-	-	-	-	-	417,043
-	-	-	-	-	3,055,030
-	-	-	-	-	15,012,261
-	-	-	-	-	16,880,927
-	-	-	-	-	4,758,040
<u>\$ 28,353,176</u>	<u>\$ 35,980,934</u>	<u>\$ 43,267,619</u>	<u>\$ 35,488,845</u>	<u>\$ 37,384,675</u>	<u>\$ 40,123,301</u>
\$ 7,078,607	\$ 6,230,000	\$ 6,759,906	\$ 10,302,990	\$ 5,664,793	\$ -
25,761,273	30,797,386	36,346,746	34,379,718	34,330,891	-
2,279,133	1,744,101	1,850,417	1,862,172	2,396,037	-
-	-	-	-	-	91,749
-	-	-	-	-	30,636,867
-	-	-	-	-	9,006,227
-	-	-	-	-	304,264
-	-	-	-	-	(23,846)
<u>\$ 35,119,013</u>	<u>\$ 38,771,487</u>	<u>\$ 44,957,069</u>	<u>\$ 46,544,880</u>	<u>\$ 42,391,721</u>	<u>\$ 40,015,261</u>



**Parish of St. Charles**  
**Changes in Fund Balance of Governmental Funds**  
**Last Ten Years**  
**(Unaudited)**

	2002	2003	2004	2005
<b>Revenues</b>				
Taxes:				
Ad valorem taxes	\$ 17,169,308	\$ 17,225,420	\$ 17,011,703	\$ 17,619,869
Sales taxes	18,046,778	18,043,803	20,304,470	24,489,895
Other taxes	881,434	819,962	778,870	645,172
Licenses and permits	755,444	769,681	827,931	839,675
Intergovernmental revenues	8,069,234	6,935,577	7,163,825	16,953,679
Fees, charges, and commissions	3,130,262	1,329,576	703,083	1,373,984
Fines and forfeitures	615,905	553,077	552,306	728,169
Investment earnings	1,400,773	885,459	955,368	1,591,960
Miscellaneous	171,361	865,645	1,591,747	2,658,353
Total revenues	<u>50,240,499</u>	<u>47,428,200</u>	<u>49,889,303</u>	<u>66,900,756</u>
<b>Expenditures</b>				
Current:				
General government	8,366,701	8,653,378	8,752,033	9,124,143
Public safety	5,638,655	4,677,689	6,102,878	13,732,493
Public works	23,130,887	4,776,529	11,197,567	10,882,350
Health and welfare	3,809,428	2,699,458	2,834,907	3,714,756
Culture and recreation	2,369,045	1,714,087	2,281,202	2,256,210
Economic development & assistance	3,482,327	2,751,965	3,251,584	3,813,076
Debt service:				
Principal	5,495,000	6,220,000	6,860,000	3,975,000
Interest and other charges	3,536,775	3,106,265	2,608,305	2,311,855
Capital outlay	-	21,547,523	16,259,490	3,569,569
Total expenditures	<u>55,828,818</u>	<u>56,146,894</u>	<u>60,147,966</u>	<u>53,379,452</u>
Excess (deficiency) of revenues over expenditures	\$ (5,588,319)	\$ (8,718,694)	\$ (10,258,663)	\$ 13,521,304
<b>Other financing sources (uses)</b>				
Transfer in	1,274,491	315,733	3,480,424	1,819,393
Transfer out	(1,794,491)	(1,228,733)	(5,036,632)	(2,699,393)
Insurance Recoveries	-	-	-	-
Issuance of Debt	-	-	-	-
Bond proceeds	9,696,487	27,428,797	790,978	7,170,000
Premium (discount) on debt issued	-	-	-	53,018
Payment to refunded bond escrow agent	(9,958,593)	(22,351,339)	-	(9,747,055)
Proceeds from sale of assets	-	-	145,421	-
Compensation for Loss/Damaged Assets	15,209	5,888	-	-
Total other financing sources (uses)	<u>(766,897)</u>	<u>4,170,346</u>	<u>(619,809)</u>	<u>(3,404,037)</u>
Net change in fund balance	<u>\$ (6,355,216)</u>	<u>\$ (4,548,348)</u>	<u>\$ (10,878,472)</u>	<u>\$ 10,117,267</u>
Debt service as a percentage of noncapital expenditures	16.2%	27.0%	21.6%	12.6%

**Source:** Audited Comprehensive Annual Financial Report.

Exhibit E-4

	2006	2007	2008	2009	2010	2011
\$	17,789,328	\$ 19,003,307	\$ 20,524,233	\$ 21,457,700	\$ 22,835,369	\$ 22,137,484
	28,935,942	29,571,279	32,221,461	32,710,536	28,288,787	34,268,437
	789,328	835,006	831,715	690,849	717,188	741,189
	1,242,174	888,645	1,057,834	1,224,314	1,161,535	1,220,781
	8,650,916	5,630,392	10,429,886	12,309,883	16,380,460	20,431,627
	1,461,908	1,947,317	1,646,809	1,588,923	806,151	784,418
	835,566	990,057	1,150,017	930,971	1,079,217	1,169,961
	3,061,811	3,865,138	2,678,484	975,318	534,967	401,819
	217,386	676,300	800,780	195,205	505,998	1,708,592
	<u>62,984,359</u>	<u>63,407,441</u>	<u>71,341,219</u>	<u>72,083,699</u>	<u>72,309,672</u>	<u>82,864,308</u>
	9,878,954	11,083,755	11,878,304	12,728,576	13,398,419	13,457,653
	7,006,258	6,458,952	11,923,099	8,213,440	7,212,336	9,504,072
	12,101,696	13,011,540	12,581,356	14,010,111	14,964,380	18,895,378
	3,536,016	4,102,703	4,311,443	4,961,591	5,133,224	5,874,174
	2,237,601	2,442,864	2,826,658	3,471,293	3,814,620	3,224,064
	4,142,637	2,712,710	2,900,060	3,236,146	2,701,925	1,878,426
	4,905,000	4,765,000	4,990,000	5,060,000	5,280,000	2,430,000
	1,935,264	1,753,490	1,596,006	1,500,361	1,303,810	1,098,587
	6,455,670	8,036,457	4,972,114	13,384,662	20,973,281	25,948,589
	<u>52,199,096</u>	<u>54,367,471</u>	<u>57,979,040</u>	<u>66,566,180</u>	<u>74,781,995</u>	<u>82,310,943</u>
\$	10,785,263	\$ 9,039,970	\$ 13,362,179	\$ 5,517,519	\$ (2,472,323)	\$ 553,365
	992,998	735,729	687,339	627,029	4,049,795	3,014,402
	(1,942,998)	(739,829)	(781,478)	(12,335,512)	(3,929,062)	(3,205,955)
	1,439,833	-	4,527	-	-	-
	-	920,000	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	91,457	-
	-	-	-	-	2,804	354
	<u>489,833</u>	<u>915,900</u>	<u>(89,612)</u>	<u>(11,708,483)</u>	<u>214,994</u>	<u>(191,199)</u>
\$	<u>11,275,096</u>	<u>\$ 9,955,870</u>	<u>\$ 13,272,567</u>	<u>\$ (6,190,964)</u>	<u>\$ (2,257,329)</u>	<u>\$ 362,166</u>
	15.0%	14.1%	12.4%	12.3%	12.2%	6.3%

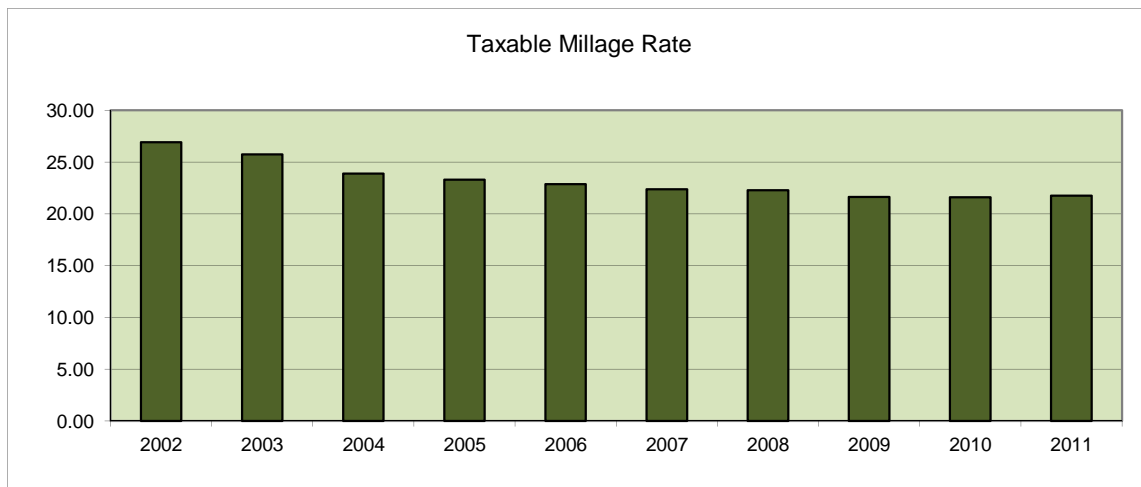
**Parish of St. Charles**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Years**  
**(Unaudited)**

Year Ended	Real Property		Other	Less:	Total Taxable	Total	Estimated	Assessed Value <sup>1</sup> as a Percentage of Actual Value
	Residential Property	Commercial Property	Public Utilities	Homestead Exemption	Assessed Value	Direct Tax Rate	Actual Taxable Value	
2002	\$ 126,758,217	\$ 361,423,458	\$ 242,708,860	\$ 77,712,722	\$ 653,177,813	26.90	\$ 6,531,778,130	0.11%
2003	132,558,312	383,943,464	231,796,340	78,904,793	669,393,323	25.74	6,693,933,230	0.11%
2004	137,764,899	435,865,585	225,066,890	81,202,746	717,494,628	23.88	7,174,946,280	0.11%
2005	166,911,478	456,320,073	224,844,170	87,570,698	760,505,023	23.30	7,605,050,230	0.11%
2006	178,109,193	472,543,810	221,985,090	90,270,665	782,367,428	22.85	7,823,674,280	0.11%
2007	189,266,443	529,530,663	223,842,200	92,088,489	850,550,817	22.38	8,505,508,170	0.11%
2008	208,301,915	584,940,947	224,620,630	94,652,223	923,211,269	22.28	9,232,112,690	0.11%
2009	227,792,803	645,781,488	223,139,430	96,921,335	999,792,386	21.64	9,997,923,860	0.11%
2010	231,964,163	696,197,177	223,173,070	98,326,155	1,053,008,255	21.61	10,530,082,550	0.11%
2011	233,568,556	662,374,477	222,954,530	99,064,440	1,019,833,123	21.76	10,198,331,230	0.11%

**Source:** St. Charles Parish Tax Collector, 2010 Tax Roll  
 St. Charles Parish School Board Comprehensive Annual Financial Report - Statistical Section.

**Note:** Property of St. Charles Parish is reassessed once every four years on average. The parish assesses property at approximately 10 percent of the actual value of all types of real and personal property. Estimated actual taxable value is calculated by dividing taxable assessed value by this percentage. Tax rates are per \$1,000 of assessed value.

<sup>1</sup> Includes tax-exempt property.

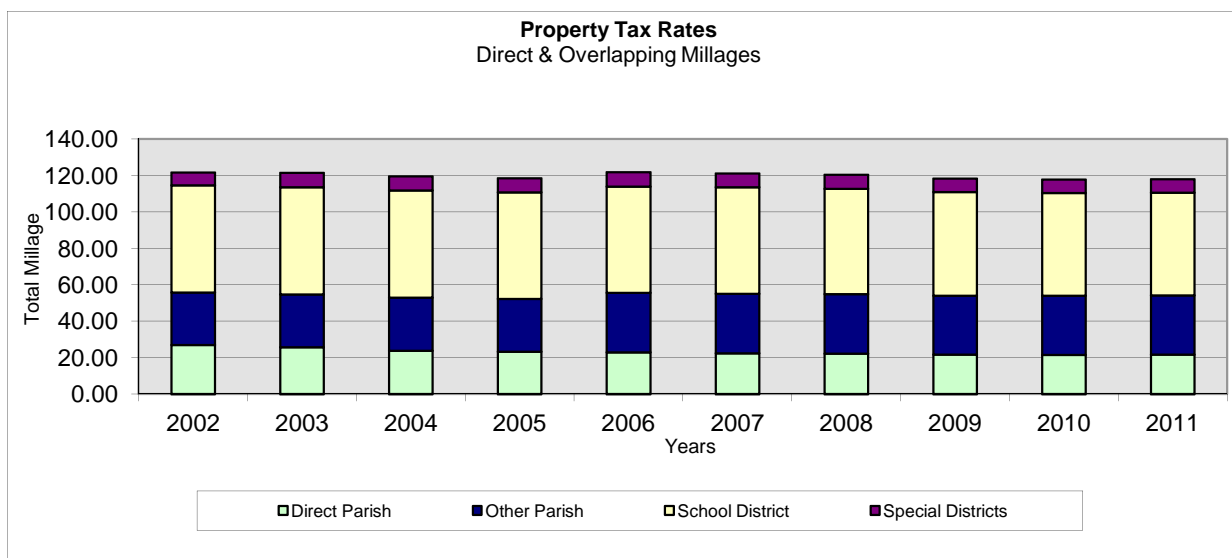


**Parish of St. Charles  
Property Tax Rates  
Direct and Overlapping Governments  
Last Ten Years  
(Unaudited)**

Year	St. Charles Parish			Overlapping Rates <sup>1</sup>							Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage	Total City Millage	Parish			School District			Special Districts	
				Operating Millage	Debt Service Millage	Total Parish Millage	Operating Millage	Debt Service Millage	Total School Millage		
2002	18.51	8.39	26.90	26.5	2.46	28.96	51.97	6.86	58.83	6.94	121.63
2003	18.41	7.33	25.74	26.5	2.46	28.96	51.97	6.86	58.83	7.91	121.44
2004	18.41	5.47	23.88	26.63	2.46	29.09	51.97	6.86	58.83	7.76	119.56
2005	18.51	4.79	23.30	26.59	2.46	29.05	51.97	6.36	58.33	7.76	118.44
2006	18.51	4.34	22.85	30.34	2.46	32.8	51.97	6.36	58.33	7.76	121.74
2007	18.81	3.57	22.38	30.31	2.46	32.77	51.97	6.36	58.33	7.72	121.20
2008	19.00	3.28	22.28	30.11	2.46	32.57	51.55	6.36	57.91	7.67	120.43
2009	18.66	2.98	21.64	29.95	2.46	32.41	50.51	6.36	56.87	7.43	118.35
2010	18.66	2.95	21.61	29.94	2.46	32.40	50.51	5.86	56.37	7.43	117.81
2011	18.81	2.95	21.76	29.94	2.46	32.40	50.51	5.86	56.37	7.42	117.95

Source: St. Charles Parish Tax Collector, 2010 Tax Roll

<sup>1</sup> Overlapping rates are those of local and parish governments that apply to property owners within St. Charles Parish. Not all overlapping rates apply to all St. Charles Parish property owners (e.g. the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district.)



**Parish of St. Charles  
Principal Property Taxpayers  
Current Year and Nine Years Ago  
(Unaudited)**

<u>Taxpayer</u>	<u>Industry Type</u>	<u>2011</u>		<u>2002</u>	
		<u>Taxable Assessed Value</u>	<u>Percentage of Total Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Percentage of Total Taxable Assessed Value</u>
Entergy Louisiana, Inc.	Public Utility	\$ 186,611,630	18.3%	\$ 198,846,700	30.4%
Union Carbide Corporation	Chemical Plant	143,818,590	14.1%	63,083,712	9.7%
Motiva Enterprises, LLC	Oil Refinery	82,522,718	8.1%	38,033,221 *	5.8%
Monsanto	Chemical Plant	51,825,036	5.1%	28,214,259	4.3%
Shell Oil Company	Oil Refinery	48,660,320	4.8%	39,327,388	6.0%
Valero Marketing & Supply	Oil Refinery	33,876,810	3.3%	4,292,219 **	0.7%
Occidental Chemical Corp.	Chemical Plant	22,854,741	2.2%	10,310,246	1.6%
Valero Refining - New Orleans	Oil Refinery	20,609,214	2.0%	-	0.0%
Motiva Enterprises, LLC	Chemical Plant	19,399,995	1.9%	2,865,692	0.4%
Occidental Chemical Company	Chemical Plant	7,717,800	0.1%	-	-
		<u>\$ 617,896,854</u>	<u>59.9%</u>	<u>\$ 384,973,437</u>	<u>58.9%</u>

**Source:** St. Charles Parish School Board Comprehensive Annual Financial Report - Statistical Section.  
St. Charles Parish Assessor.

\* Shell changed its name to Motiva

\*\* Valero bought Transamerica

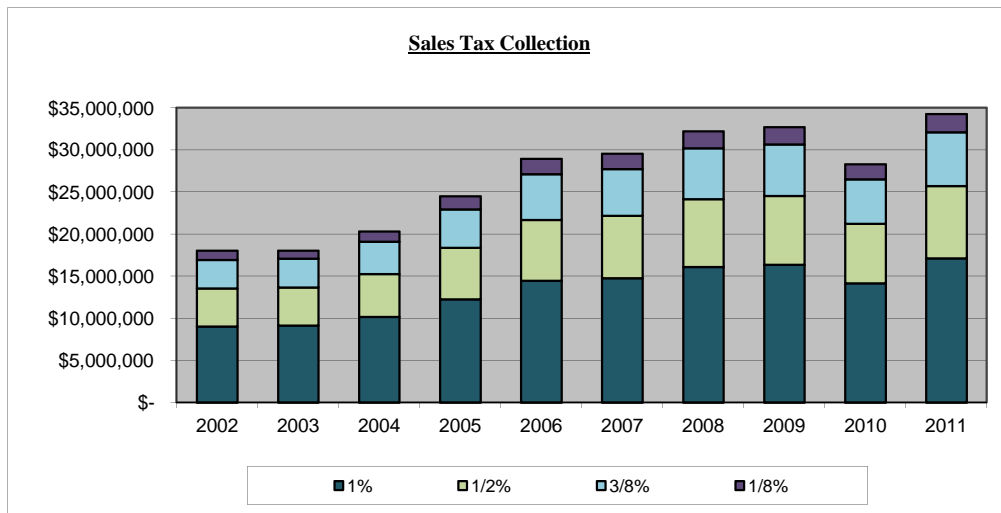
**Parish of St. Charles  
Sales Tax Collections  
Last Ten Years  
(Unaudited)**

<u>Year</u>	<u>1% Road and Drainage Maintenance</u>	<u>1/2% General Parish</u>	<u>3/8% General Parish</u>	<u>1/8% Fire Protection</u>	<u>Total Sales Tax</u>
2002	\$ 9,023,375	\$ 4,511,696	\$ 3,383,775	\$ 1,127,932	\$ 18,046,778
2003	9,121,885	4,560,953	3,420,717	940,248	18,043,803
2004	10,180,674	5,090,347	3,817,762	1,215,687	20,304,470
2005	12,245,421	6,122,240	4,591,681	1,530,553	24,489,895
2006	14,467,034	7,234,464	5,425,848	1,808,596	28,935,942
2007	14,785,650	7,392,825	5,544,618	1,848,186	29,571,279
2008	16,110,012	8,055,006	6,041,254	2,015,189	32,221,461
2009	16,356,823	8,178,411	6,133,808	2,041,494	32,710,536
2010	14,144,907	7,072,454	5,304,341	1,767,085	28,288,787
2011	17,134,228	8,567,114	6,425,335	2,141,760	34,268,437

The following is a summary by area of sales and use taxes being levied within the Parish of St. Charles as of December 31, 2011.

	<u>Parish</u>	<u>School Board</u>	<u>State</u>	<u>Total</u>
St. Charles	2.00%	3.00%	4.00%	9.00%

**Source:** St. Charles Parish School Board - Remittance Sheet



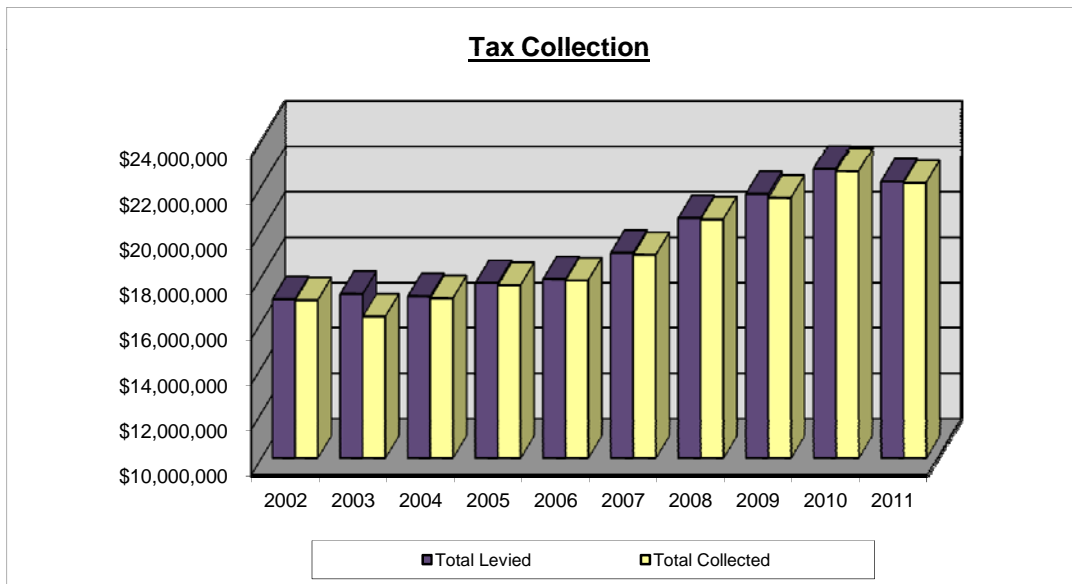


**Parish of St. Charles  
Property Tax Levies and Collections  
Last Ten Years  
(Unaudited)**

Year	Total Tax Levy	Collected within Year of the Levy		Collections from Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2002	\$ 17,013,756	\$ 15,952,680 *	93.8	\$ 1,000,817 *	\$ 16,953,497	99.6
2003	17,228,710	16,226,706	94.2	7,894	16,234,600	94.2
2004	17,132,216	17,003,843	99.3	34,549	17,038,392	99.5
2005	17,718,224	17,585,630	99.3	24,903	17,610,533	99.4
2006	17,875,653	17,764,436	99.4	59,713	17,824,149	99.7
2007	19,034,037	18,944,040	99.5	219	18,944,259	99.5
2008	20,567,684	20,524,026	99.8	-	20,524,026	99.8
2009	21,633,802	21,370,644	98.8	87,056	21,457,700	99.2
2010	22,753,618	22,506,970	98.9	128,399	22,635,369	99.5
2011	22,189,594	22,133,407	99.7	4,077	22,137,484	99.8

**Source:** St. Charles Parish Tax Collector.

\* Settlements of taxes paid in protest from prior years.



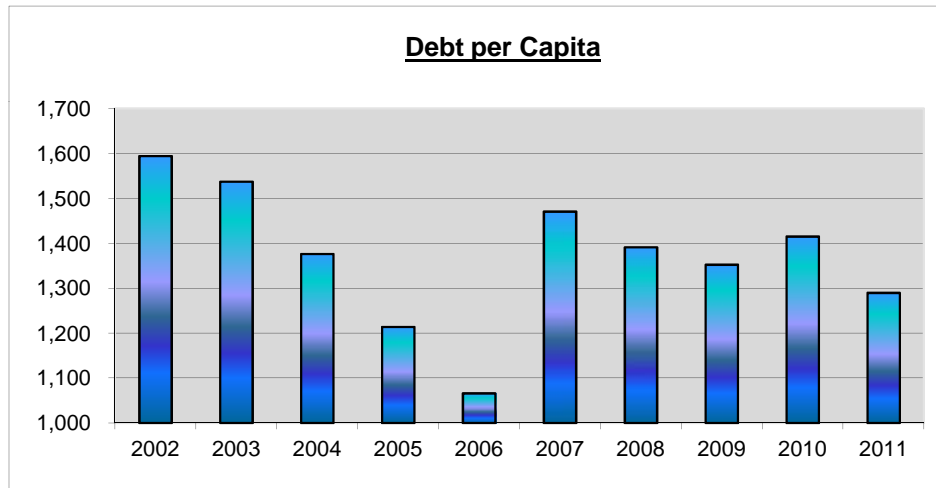


**Parish of St. Charles**  
**Ratio of Outstanding Debt by Type**  
**Last Ten Years**  
**(Unaudited)**

<u>Year</u>	<u>Governmental Activities</u>				
	<u>General Obligation Bonds</u>	<u>Public Improvement Bonds</u>	<u>Capital Leases</u>	<u>Less: Deferred Amount on Refunding</u>	<u>Less: Bond Amortization Costs</u>
2001	\$ 44,830,000	\$ 25,290,000	\$ 10,590	\$ -	\$ -
2002	41,795,000	22,485,000	-	(319,792)	-
2003	38,410,000	24,180,000	-	(526,489)	-
2004	34,890,000	21,630,000	-	(461,848)	131,599
2005	32,620,000	17,605,000	-	(639,267)	45,053
2006	30,245,000	15,075,000	-	(523,215)	76,673
2007	28,100,000	13,375,000	-	(407,163)	78,817
2008	25,860,000	10,625,000	-	(291,111)	108,358
2009	23,670,000	7,755,000	-	(175,059)	134,755
2010	21,380,000	11,265,000	-	(74,001)	88,164
2011	19,265,000	4,450,000	-	(49,333)	128,755

**Source:** Long-term debt note disclosure, Audited Comprehensive Annual Financial Report. See Note 11.  
See the schedule of Demographic and Economic Statistics for personal income and population data.

<b>Business-Type Activities</b>					
<b>Revenue Bonds</b>	<b>Less: Bond Amortization Costs</b>	<b>Less: Deferred Amount on Refunding</b>	<b>Total Primary Government</b>	<b>Percentage of Personal Income</b>	<b>Per Capita</b>
\$ 14,790,000	\$ -	\$ -	\$ 85,003,382	6.99%	\$ 1,756
14,110,000	-	-	78,070,208	6.30%	1,595
13,455,000	(127,847)	-	75,390,664	5.99%	1,537
12,620,000	(114,389)	(537,596)	68,157,766	5.00%	1,376
11,750,000	(100,932)	(442,850)	60,837,004	4.47%	1,214
10,855,000	(87,475)	(348,105)	55,292,879	3.30%	1,066
33,415,000	(165,171)	164,258	76,393,080	4.23%	1,471
32,660,000	(126,945)	230,633	71,812,565	3.82%	1,391
31,875,000	(100,131)	269,239	69,809,100	3.55%	1,353
30,955,000	(84,726)	280,077	73,083,716	3.78%	1,415
33,055,294	290,915	(69,323)	68,081,957	*	1,290



**Parish of St. Charles**  
**Ratio of General Bonded Debt Outstanding**  
**Last Ten Years**  
**(Unaudited)**

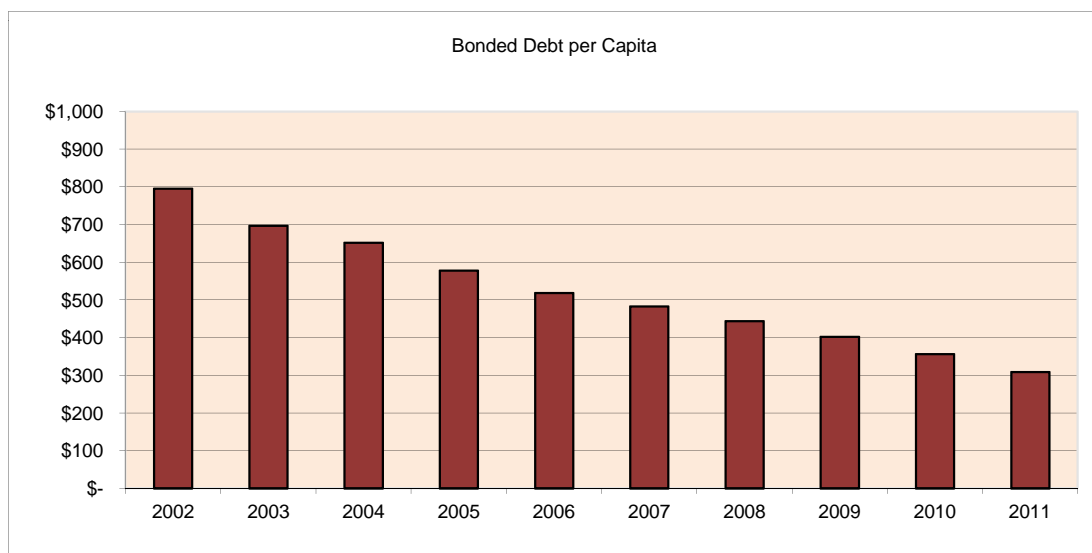
Year	General Obligation Bonds	Less: Amount Available In Debt Service Fund	Total	Percentage of Estimated Actual Value of Property <sup>1</sup>	Debt per Capita <sup>2</sup>
2002	\$ 41,795,000	\$ 3,495,221	\$ 38,299,779	0.59%	\$ 796
2003	38,410,000	3,699,208	34,710,792	0.52%	697
2004	34,890,000	2,711,353	32,178,647	0.45%	652
2005	32,620,000	2,935,282	29,684,718	0.39%	578
2006	30,245,000	2,953,023	27,291,977	0.35%	519
2007	28,100,000	3,016,864	25,083,136	0.29%	483
2008	25,860,000	2,943,579	22,916,421	0.25%	444
2009	23,670,000	2,896,611	20,773,389	0.21%	402
2010	21,380,000	2,984,521	18,395,479	0.17%	356
2011	19,265,000	2,974,243	16,290,757	0.16%	309

**Source:** Long-term debt note disclosure, Audited Comprehensive Annual Financial Reports. See Note 11.

**Note:** There is no general reserve fund requirement for excess revenue bonds in the State of Louisiana.

<sup>1</sup> See schedule of Assessed and Estimated Actual Value of Taxable Property. (Table E-5)

<sup>2</sup> Population data can be found in the Schedule of Demographic and Economic Statistics.



**Parish of St. Charles**  
**Direct and Overlapping Governmental Activities Debt**  
**December 31, 2011**  
**(Unaudited)**

<u>Jurisdiction</u>	<u>Net General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable To Government</u>	<u>Amount Applicable To Government</u>
Direct:			
St. Charles Parish Government <sup>1</sup>	\$ 19,265,000	100%	\$ 19,265,000
Total Direct debt	<u>\$ 19,265,000</u>		<u>\$ 19,265,000</u>
Overlapping:			
St. Charles Parish School Board <sup>3</sup>	\$ 28,990,000	100%	\$ 28,990,000
Total Overlapping debt	<u>\$ 28,990,000</u>		<u>\$ 28,990,000</u>
Total Direct and Overlapping debt	<u>\$ 48,255,000</u>		<u>\$ 48,255,000</u>
		2011 Population	52,791
		Per Capita	\$ 914

<sup>1</sup> All General Obligation Bonds are secured by Ad Valorem Taxes.

<sup>3</sup> **Source:** St. Charles Parish School Board Comprehensive Annual Financial Report - Statistical Section

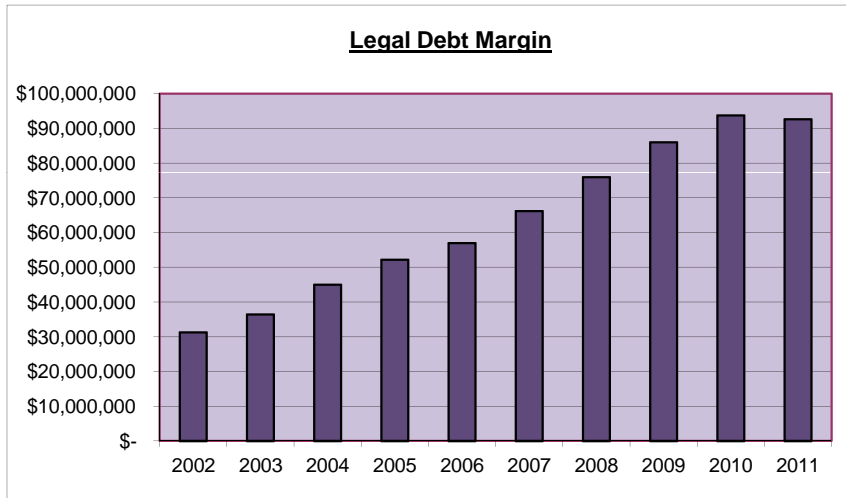
**Note:** Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the parish. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of St. Charles Parish. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

**Parish of St. Charles  
Legal Debt Margin  
Last Ten Years  
(Unaudited)**

	2002	2003	2004	2005
Debt Limit *	\$ 73,089,054	\$ 74,829,812	\$ 79,869,737	\$ 84,807,572
Total net debt applicable to limit **	41,795,000	38,410,000	34,890,000	32,620,000
Legal Debt Margin	<u>\$ 31,294,054</u>	<u>\$ 36,419,812</u>	<u>\$ 44,979,737</u>	<u>\$ 52,187,572</u>
Total net debt applicable to the limit as a percentage of debt limit	57.18%	51.33%	43.68%	38.46%

**Source:** Long-term debt note disclosure, Audited Comprehensive Annual Financial Reports. See Note 11.  
St. Charles Parish Tax Collector, 2009 Tax Roll

- \* Legal debt limit is 10% of the assessed value of property for any one purpose.
- \*\* Total net debt applicable to limit for all purposes combined is based on ad valorem taxes.



<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$ 87,263,809	\$ 94,263,931	\$ 101,786,349	\$ 109,671,372	\$ 115,133,441	\$ 111,889,756
<u>30,245,000</u>	<u>28,100,000</u>	<u>25,860,000</u>	<u>23,670,000</u>	<u>21,380,000</u>	<u>19,265,000</u>
<u>\$ 57,018,809</u>	<u>\$ 66,163,931</u>	<u>\$ 75,926,349</u>	<u>\$ 86,001,372</u>	<u>\$ 93,753,441</u>	<u>\$ 92,624,756</u>
34.66%	29.81%	25.41%	21.58%	18.57%	17.22%

**Legal Debt Margin Calculation for Year 2011**

Assessed value	\$ 1,019,833,123
Add back: homestead exemption	<u>99,064,440</u>
Total assessed value	\$ 1,118,897,563
Debt limit (10% of total assessed value)	111,889,756
Debt applicable to limit:	
General obligation bonds	19,265,000
Less: Amount set aside for repayment of general obligation bonds	<u>-</u>
Total net debt applicable to limit	<u>19,265,000</u>
Legal Debt Margin	<u>\$ 92,624,756</u>



**Parish of St. Charles**  
**Pledged Revenue Coverage**  
**Last Ten Years**  
**(Unaudited)**

Years	Gross Revenue <sup>1</sup>	Direct Operating Expenses <sup>2</sup>	Net Revenue Available for Debt Service	Debt Service Requirements			
				Principal	Interest	Total	Coverage
<b>Waterworks Utility System Fund</b>							
2002	\$ 6,282,895	\$ 4,685,549	\$ 1,597,346	\$ 400,000	\$ 544,173	\$ 944,173	1.69
2003	6,265,662	5,326,068	939,594	40,000	323,231	363,231	2.59
2004	7,289,141	5,679,345	1,609,796	540,000	341,350	881,350	1.83
2005	8,040,232	5,239,924	2,800,308	565,000	326,900	891,900	3.14
2006	10,932,314	6,106,271	4,826,043	580,000	312,809	892,809	5.41
2007	15,265,600	6,649,849	8,615,751	415,000	599,024	1,014,024	8.50
2008	12,240,356	6,889,841	5,350,515	420,000	1,403,138	1,823,138	2.93
2009	19,791,676	7,464,942	12,326,734	440,000	1,385,938	1,825,938	6.75
2010	11,250,873	7,659,060	3,591,813	565,000	1,365,838	1,930,838	1.86
2011	11,359,081	7,376,205	3,982,876	755,000	1,340,777	2,095,777	1.90
<b>Wastewater Utility System Fund</b>							
2002	\$ 7,363,979	\$ 4,680,852	\$ 2,683,127	\$ 280,000	\$ 136,880	\$ 416,880	6.44
2003	7,046,878	5,889,901	1,156,977	290,000	128,473	418,473	2.76
2004	7,707,831	5,553,402	2,154,429	295,000	119,844	414,844	5.19
2005	8,149,673	6,159,149	1,990,524	305,000	110,994	415,994	4.78
2006	12,344,287	6,358,656	5,985,631	315,000	101,849	416,849	14.36
2007	10,024,586	6,997,460	3,027,126	325,000	92,409	417,409	7.25
2008	8,044,876	7,440,048	604,828	335,000	82,674	417,674	1.45
2009	10,889,371	7,163,924	3,725,447	345,000	72,644	417,644	8.92
2010	7,254,612	6,975,563	279,049	355,000	33,778	388,778	0.72
2011	7,830,465	7,009,082	821,383	365,000	59,483	424,483	1.94

<sup>1</sup> **Source:** Proprietary Funds - Combining Statement of Revenues, Expenses and Changes in Net Assets  
(Operating revenues less sewer development revenues; non-operating revenues; capital contributions; and transfers in)

<sup>2</sup> **Source:** Proprietary Funds - Combining Statement of Revenues, Expenses and Changes in Net Assets  
(Operating expenses less depreciation; non-operating expenses less loss on disposition of fixed asset and bond interest)

**Parish of St. Charles  
Demographic and Economic Statistics  
Last Ten Years  
(Unaudited)**

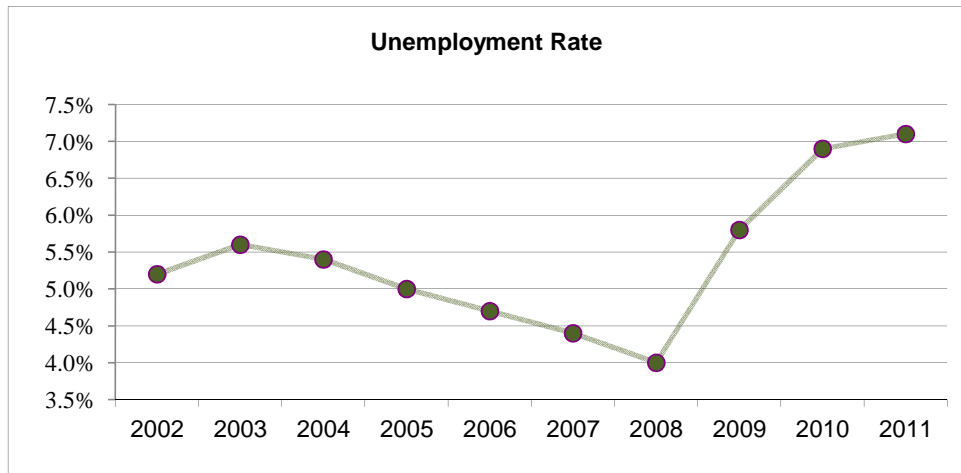
<b>Year</b>	<b>Population <sup>2</sup></b>	<b>Personal Income <sup>2</sup> (thousands of dollars)</b>	<b>Per Capita Personal Income <sup>2</sup></b>	<b>Median Age</b>	<b>School Enrollment <sup>1</sup></b>	<b>Unemployment Rate</b>
2002	48,960	\$ 1,306,726	\$ 26,690	35.0	9,947	5.2%
2003	49,039	1,323,937	26,998	35.4	9,807	5.6%
2004	49,524	1,385,607	27,978	35.7	9,746	5.4%
2005	50,116	1,531,585	30,561	35.9	9,797	5.0%
2006	51,759	1,700,824	32,860	36.2	9,761	4.7%
2007	51,946	1,809,878	34,842	36.3	9,719	4.4%
2008	51,619	1,879,133	36,404	36.7	9,547	4.0%
2009	51,611	1,969,173	38,154	36.5	9,556	5.8%
2010	51,642	1,933,536	36,626	36.9	9,721	6.9%
2011	52,791	*	*	*	9,851	7.1%

**Sources:**

<sup>1</sup> St. Charles Parish School Board Comprehensive Annual Financial Report - Statistical Section.  
Louisiana Department of Labor - Research & Statistics

<sup>2</sup> U.S. Department of Commerce - Bureau of Economic Analysis  
(Revisions for 2005-2008 personal income estimates were released April 22, 2010. Additionally population and per capita personal income estimates were revised back to the year 2000.)  
Per capita personal income is total personal income divided by total midyear population.

\* Data not available.



**Parish of St. Charles  
Principal Employers  
Current Year and Nine Years Ago  
(Unaudited)**

Employer	2011			2002		
	Employees	Rank	Percentage of Total Parish Employment	Employees	Rank	Percentage of Total Parish Employment
St. Charles Parish School Board	1,762	1	9.47%	1,630	1	9.31%
Dow St. Charles Operations	916	2	4.92%	1,241	2	7.09%
Motiva Norco Refining	816	3	4.39%	1,006	3	5.75%
Entergy	650	4	3.49%	875	4	5.00%
Monsanto	643	5	3.46%	649	5	3.71%
St. Charles Parish Council	566	6	3.04%	450	7	2.57%
Valero St. Charles	555	7	2.98%	-	-	-
St. Charles Hospital	461	8	2.48%	255	11	1.46%
St. Charles Sheriff's Office	435	9	2.34%	234	12	1.34%
Walmart	320	10	1.72%	-	-	-
Glazer's	309	11	1.66%	-	-	-
Rando Corporation	249	12	1.34%	-	-	-
Shell Chemical	243	13	1.31%	458	6	2.62%
Industrial Consultants	-	-	-	403	8	2.30%
Occidental Chemical	204	14	1.10%	279	9	1.59%
Zachry Construction	-	-	-	273	10	1.56%
	<u>8,129</u>		<u>43.70%</u>	<u>7,753</u>		<u>47.07%</u>

**Source:** St. Charles Parish School Board Comprehensive Annual Financial Report - Statistical Section.

**Parish of St. Charles**  
**Full-time Equivalent Parish Employees by Function/Program**  
**Last Ten Years**  
**(Unaudited)**

	Full-time Equivalent Employees Allotted in Annual Budget									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>GENERAL FUND</b>										
Animal Control	4.00	4.00	4.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00
Coastal Zone Management	2.00	1.00	0.89	1.00	1.00	2.00	1.00	2.00	2.00	2.00
Community Action	7.44	6.04	6.67	4.21	4.60	4.53	4.50	5.75	5.75	5.80
Community Serv. Block Grant	3.06	3.46	3.85	3.43	3.04	3.11	3.14	2.90	2.90	2.85
Constables & Justice of the Peace	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00
Coroner	4.00	4.00	4.00	4.00	4.00	5.00	5.00	5.00	2.00	2.00
Council and Administration	19.00	19.00	19.00	19.00	20.00	20.00	20.00	20.00	20.00	20.00
District Attorney	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
District Court	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Economic Development	4.00	4.00	4.00	4.00	4.00	4.00	4.00	3.00	3.00	3.00
Emergency Preparedness	8.00	8.00	8.00	9.00	9.00	9.00	9.00	10.00	10.00	9.00
Energy Assistance	0.50	0.50	0.48	0.36	0.36	0.36	0.36	0.35	0.35	0.35
Finance	12.50	12.50	12.50	13.00	13.00	13.50	12.51	12.51	12.50	12.50
General Government Buildings	18.00	16.00	17.00	16.00	17.00	15.00	16.00	17.00	17.00	17.00
Grants Administration	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00
Home Program	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
ICC Building Code	-	-	-	-	-	-	1.00	1.00	1.00	1.00
Information Technology	2.00	3.00	3.00	4.00	4.00	4.00	4.00	5.00	5.00	4.00
Legal Services	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00
Parish President	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Personnel	5.00	5.00	5.00	5.00	4.00	5.00	5.00	4.00	5.00	5.00
Planning and Zoning	14.00	15.00	15.11	15.00	14.00	17.00	17.00	15.00	17.00	17.00
Public Information Office	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Purchasing	7.00	7.00	7.00	7.00	7.00	7.00	7.00	8.00	8.00	8.00
Registrar of Voters	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Risk Management	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00
Weed Control	1.00	1.00	1.00	1.00	1.00	-	-	-	-	-
<b>TOTAL GENERAL FUND</b>	<b>155.50</b>	<b>153.50</b>	<b>155.50</b>	<b>155.00</b>	<b>155.00</b>	<b>158.50</b>	<b>158.51</b>	<b>163.51</b>	<b>164.50</b>	<b>162.50</b>
<b>SPECIAL REVENUE FUNDS</b>										
Mosquito Control	0.66	0.66	0.66	0.66	1.00	1.00	1.00	1.00	1.00	1.00
Parks and Recreation	30.00	30.00	32.00	29.00	31.00	30.00	30.00	38.25	38.25	40.25
RSVP - Federal	1.65	1.15	1.13	1.13	1.08	0.90	0.90	1.20	1.20	0.60
RSVP - Local	1.50	1.50	1.49	1.49	1.54	1.50	1.50	1.85	1.85	2.40
RSVP - Nonfederal	0.85	0.35	0.38	0.38	0.38	0.60	0.60	0.95	0.95	1.00
Road and Drainage	150.00	156.50	151.50	152.50	130.00	136.00	139.50	152.25	158.50	168.50
Road Lighting	0.67	0.67	0.67	0.67	1.00	1.00	1.00	1.00	1.00	1.00
Solid Waste	0.67	0.67	0.67	0.67	1.00	1.00	1.00	1.00	1.00	1.00
Workforce Investment Act	24.50	28.50	25.50	27.50	27.50	27.50	27.49	24.49	24.50	10.50
<b>TOTAL SPECIAL FUNDS</b>	<b>210.50</b>	<b>220.00</b>	<b>214.00</b>	<b>214.00</b>	<b>194.50</b>	<b>199.50</b>	<b>202.99</b>	<b>221.99</b>	<b>228.25</b>	<b>226.25</b>
<b>ENTERPRISE FUNDS</b>										
Wastewater Utility System	64.00	60.50	59.50	52.00	51.50	52.00	53.50	54.25	53.00	53.00
Waterworks Utility System	52.00	51.00	51.00	51.00	50.00	53.00	52.00	53.25	53.25	54.25
<b>TOTAL ENTERPRISE FUNDS</b>	<b>116.00</b>	<b>111.50</b>	<b>110.50</b>	<b>103.00</b>	<b>101.50</b>	<b>105.00</b>	<b>105.50</b>	<b>107.50</b>	<b>106.25</b>	<b>107.25</b>
<b>TOTAL ALL FUNDS</b>	<b>482.00</b>	<b>485.00</b>	<b>480.00</b>	<b>472.00</b>	<b>451.00</b>	<b>463.00</b>	<b>467.00</b>	<b>493.00</b>	<b>499.00</b>	<b>496.00</b>

Source: Various parish departments

Note: Elected employees are included in this table; since they are eligible for health, retirement and other benefits.

**Parish of St. Charles**  
**Operating Indicators by Function/Program**  
**Last Six Years**  
**(Unaudited)**

Function / Program	2006	2007	2008	2009	2010	2011
<b>Primary Government:</b>						
Governmental Activities:						
General Governmental						
Number of checks written yearly	22,360	18,539	18,988	18,374	27,183	26,457
Number of building permits issued	1,231	532	592	472	386	483
Number of purchase orders issued	8,797	8,832	9,513	9,831	9,528	9,257
Public Works						
Number of work orders issued	2,559	2,642	4,825	7,850	6,251	5,387
Number of street lights	73,075	73,345	73,348	78,984	84,534	94,587
Miles of Roads Maintained <sup>1</sup>	197.36	209.87	210.50	212.74	212.90	212.90
Health and Welfare						
Number of meals served - Summer Food Program	7,464	6,225	7,920	8,007	6,705	6,185
Number of participants in Workforce Investment Act	2,856	2,925	160	92	1,916	2,793
Number of graduates in Workforce Investment Act	33	63	59	61	66	49
Number of Retired Senior Volunteers	885	834	883	899	827	700
Culture and Recreation						
Number of participants in group sports						
Baseball -youth	1,701	1,665	1,562	1,549	1,398	1,389
Basketball -youth & adults	1,712	1,495	1,501	1,736	1,593	1,522
Cheerleading -youth	285	285	310	280	225	215
Football -youth & adults	786	872	956	820	836	782
Senior/Special Olympics	815	1,009	1,009	1,009	1,140	1,152
Softball -youth & adults	1,021	1,058	1,267	1,232	1,290	1,299
Soccer -youth	1,100	1,050	1,150	1,000	850	800
Track -youth	120	125	119	75	65	60
Volleyball - adults	*	*	100	220	287	218
Number of summer camp participants	119	150	352	459	445	468
Number of park rentals during year	26	47	**	20	-	-
Business-type Activities:						
Waterworks						
Number of metered customers	19,804	20,354	20,445	20,515	20,718	20,791
Water Consumption (million gallons per year)	2,541	2,541	2,333	2,373	2,388	2,464
Number of work orders issued	16,042	15,488	17,083	16,552	17,806	17,895
Wastewater						
Number of metered customers	17,369	17,707	17,824	17,887	18,056	18,080
Sewerage treatment (million gallons per year)	2,373	1,382	1,363	1,412	1,378	1,418
Number of work orders issued	3,741	3,008	3,055	2,784	2,400	2,833
Solid Waste Collection						
Waste collected (tons per year)	35,796	36,495	37,860	33,701	33,403	31,572
Residencies receiving services	17,395	17,326	17,340	17,427	18,070	18,187
<b>Component Unit:</b>						
Library Service District, No. 1						
Number of books owned	209,398	209,269	220,783	230,715	239,501	246,547
Number of registered borrowers	29,592	31,971	34,461	36,886	39,247	41,533
Number of items circulated	283,327	245,343	283,221	234,510	239,081	234,092

**Source:** Various Parish Departments

**Note:** Operating Indicators are not available for the public safety or economic development functions.

<sup>1</sup> Miles of streets include Parish owned and maintained streets only; major state highways are not included.

\* Data Not Available.

\*\* Park rentals are currently closed until matters are resolved.

**Parish of St. Charles**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**  
**(Unaudited)**

<b>Function / Program</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Primary Government:</b>										
Governmental Activities:										
Public Safety										
Fire Stations	*	*	*	*	22	22	22	22	22	22
Fire Hydrants	308	330	353	389	467	508	522	522	522	522
Public Works										
Drainage Lines (miles)	24.47	26.25	27.30	30.32	36.68	39.44	40.29	40.29	40.29	40.29
Number of Pump Stations	42	43	44	44	44	44	44	45	45	45
Sidewalks (miles)	7.89	10.28	18.21	18.21	20.29	20.67	20.67	20.67	20.67	20.67
Number of Streetlights	411	455	488	594	758	836	859	859	859	859
Culture and Recreation										
Parks owned	14	14	14	15	15	15	15	19	19	19
Parks maintained	35	35	36	37	37	37	37	41	41	41
Business-type Activities:										
Waterworks										
Plant Production Capacity (millions of gallons per day)	16	16	16	16	16	16	16	16	16	21
Water Mains (miles)	30.24	32.63	34.63	38.25	44.91	48.27	51.09	51.09	51.09	51.09
Water Storage Capacity (millions of gallons)	8.5	8.5	8.5	8.5	8.5	8.5	10.5	10.5	10.5	10.5
Wastewater										
Number of Lift Stations **	*	*	*	*	176	179	306	312	312	315
Sewer Lines (miles)	43.58	45.31	47.29	51.05	60.35	65.87	67.17	67.17	67.17	67.17
Maximum Daily Treatment Capacity (millions of gallons per day)	*	*	*	*	*	9.30	9.30	9.30	9.30	9.30
<b>Component Unit:</b>										
Library Service District, No. 1										
Number of Libraries	4	5	5	5	5	5	5	5	5	6

**Source:** Annual Road Maintenance Manual

Various Parish departments

**Note:** Capital asset indicators are not available for the general government, health and welfare, economic development, or solid waste functions.

\* Data not available

\*\* Prior to 2008, lift stations located on Bayou Gauche Island were not included in statistical information.

<sup>1</sup> Miles of streets include Parish owned and maintained streets only; major state highways are not included.

**Parish of St. Charles**  
**Schedule of Insurance Policies in Force**  
**December 31, 2011**  
**(Unaudited)**

<u>Kind of Insurance Coverage</u>	<u>Insurance Company</u>	<u>Policy Amount</u>	<u>Policy Expiration</u>
Excess Property	Continental Casualty Company	78,495,636	04/01/12
Flood Insurance	Fidelity National Property & Casualty Insurance	12,751,700	09/10/12
Automobile Liability and Collision	St. Paul Fire & Marine	1,000,000	03/01/12
General Liability	St. Paul Fire & Marine	3,000,000	03/01/12
Public Officials and Employees Liability	St. Paul Fire & Marine	1,000,000	03/01/12
Workers Compensation	Parish Government Risk Management Agency		01/01/12
Bodily Injury by:			
Accident each		1,000,000	
Disease each		1,000,000	
Disease limit		1,000,000	
Excess Umbrella	St. Paul Fire & Marine	10,000,000	03/01/12
Boiler & Machinery	Hartford Steam Boiler	50,000,000	03/01/12

The above policy amounts are the amounts of coverage for the Parish of St. Charles. The Consolidated Waterworks and Wastewater District No. 1 is covered by the Parish's policy.

**Source:** Various Parish Departments

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

St. Charles Parish Council  
Hahnville, Louisiana

We have audited the 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 Parish of St. Charles, Louisiana (the “Parish”) as of and for the year ended December 31, 2011, which collectively comprise the Parish’s basic financial statements and have issued our report thereon dated June 13, 2012. 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.

**Internal Control over Financial Reporting**

Management of the Parish, is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Parish’s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Parish’s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Parish’s internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies, or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and a deficiency that we consider to be a significant deficiency.



A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs, as items **2011-01** and **2011-02** to be material weaknesses

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompany schedule of findings and questioned costs, as item **2011-03** to be a significant deficiency.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Parish's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

We noted certain other matters that we reported to management of the Parish in a separate letter dated June 13, 2012.

The Parish's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Parish's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management of the Parish, the Legislative Auditor of the State of Louisiana, federal awarding agencies, state funding agencies, and pass through entities, and is not intended to be and should not be used by anyone other than these specified parties.

*Carr, Riggs & Ingram, LLC*

June 13, 2012

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH CIRCULAR A-133**

St. Charles Parish Council  
Hahnville, Louisiana

**Compliance**

We have audited Parish of St. Charles, Louisiana's (the "Parish") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Parish's major federal programs for the year ended December 31, 2011. The Parish's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Parish's management. Our responsibility is to express an opinion on the Parish's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Parish's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Parish's compliance with those requirements.

As described in item **2011-04** in the accompanying schedule of findings and questioned costs, the Parish did not comply with requirements regarding Special Tests that are applicable to its Weatherization Assistance Program. Compliance with such requirements is necessary, in our opinion, for the Parish to comply with the requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, the Parish complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011.

## Internal Control over Compliance

Management of the Parish is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Parish's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Parish's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items **2011-04** and **2011-05** to be material weaknesses.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We did not note any deficiencies in internal control over compliance that we consider to be a significant deficiency.

The Parish's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Parish's responses, and accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management of the Parish, the Legislative Auditor of the State of Louisiana, federal awarding agencies, state funding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Carr, Riggs & Ingram, LLC*  
June 13, 2012

**Parish of St. Charles**  
Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2011

Federal Grantor/Pass-Through Grantors/Program Title	Federal CFDA Number		Grant Number	Grant End Date	Federal Expenditures
<b>U.S. ARMY CORP OF ENGINEERS</b>					
Passed through Office of Coastal Protection and Restoration:					
Davis Pond Freshwater Diversion Project	--		CFMS #631916	01/31/11	\$ 15,530
Davis Pond Freshwater Diversion Project	--		CFMS #690546	01/31/16	289,057
TOTAL U.S.A.C.E.					<u>\$ 304,587</u>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>					
Passed through LA Dept. of Education:					
Summer Food Service Program	10.559		02-SFSP-028	7/14/11	\$ 20,364
<b>U.S. DEPARTMENT OF INTERIOR</b>					
Gulf of Mexico Energy Security Act of 2006					
	--		P.L. No. 109-432, 120 Stat. 3000	--	\$ 815
On behalf of U.S. Forest Service & USACE:					
Payments to States in Lieu of Real Estate Taxes (PILT Program)					
	12.112		--	--	18,608
Passed through State of LA Dept. of Culture, Recreation & Tourism:					
Outdoor Recreation - Acquisition, Development and Planning					
	15.916		Project #22-00910	12/31/14	82,488
Outdoor Recreation - Acquisition, Development and Planning					
	15.916		Project #22-00876	12/31/11	68,793
TOTAL U.S. DEPT. OF INTERIOR					<u>\$ 170,704</u>
<b>U.S. DEPT. OF HOUSING AND URBAN DEVELOPMENT</b>					
Passed through Jefferson Parish					
Dept. of Community Development:					
HOME Program	14.239		PROGRAM YEARS 2009 - 2011	12/31/11	\$ 210,640
Passed through State of Louisiana					
Office of Community Development:					
Community Development Block Grant					
	14.228	(1)	CFMS #644387 & 687990	11/30/12	108,032
Community Development Block Grant					
	14.228	(1)	CFMS: #687994	1/22/13	548,888
CDBG-DR-Hurricanes Gustav/Ike					
	14.228	(1)	CFMS #: 684276	--	362,554
TOTAL U.S. DEPT. OF HUD					<u>\$ 1,230,114</u>
<b>U.S. FED. HIGHWAY ADMINISTRATION</b>					
Passed through LA Dept of Trans. & Dev.:					
Highway Planning & Construction					
Transportation Enhancement Program	20.205		ENH-4503(513)	--	\$ 277,590
<b>U.S. DEPARTMENT OF LABOR</b>					
Passed through State of LA Louisiana Workforce Commission:					
WIA Adult Program					
	17.258		CFMS#689364	6/30/12	\$ 192,359
WIA Youth Program					
	17.259		CFMS#689364	6/30/12	355,562
WIA Youth Program - ARRA					
	17.259		CFMS-676931	6/30/11	13,674
WIA Dislocated Workers					
	17.260		CFMS#689364	6/30/12	80,395
WIA Dislocated Workers - ARRA					
	17.260		CFMS-676931	6/30/11	1,430
WIA Incentive					
	17.258/ 17.259/ 17.260		CFMS#689364	6/30/12	714
WIA Incentive - ARRA					
	17.258/ 17.259/ 17.260		CFMS-676931	6/30/11	66,000
BP Oil Spill					
	17.277		CFMS#696906	6/30/12	171,343
Passed through First Planning District:					
National Emergency Grant - Urban & Rural					
	17.277		MOU	12/31/11	103,382
TOTAL U.S. DEPT. OF LABOR					<u>\$ 984,859</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**Parish of St. Charles**  
Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2011

Federal Grantor/Pass-Through Grantors/Program Title	Federal CFDA Number		Grant Number	Grant End Date	Federal Expenditures
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>					
Passed through LA Dept. of Environmental Quality:					
Municipal Facilities Revolving Loan Fund	66.458	(1)	Loan #: CS 2211140-01	--	\$ 3,424,558
<b>U.S. DEPARTMENT OF ENERGY</b>					
Passed through St. John the Baptist Parish DHHS:					
Weatherization Assistance Program	81.042	(1)	WAP2010	06/30/11	\$ 20,677
Weatherization Assistance Program - ARRA	81.042	(1)	DE-EE0000122	3/12/12	159,379
Passed through LA Dept. of Natural Resources:					
Energy Efficiency and Conservation Block Grant - ARRA	81.128		EEA-1042	03/14/12	56,292
TOTAL U.S. DEPT. OF ENERGY					<u>\$ 236,349</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>					
Passed through State of LA Dept. of Health and Hospitals:					
Cities Readiness Initiative Planning Program	93.069		CFMS# 696695	10/10/11	\$ 17,118
Passed through Louisiana Assoc. of Community Action Partnerships:					
Low Income Home Energy Assistance Program	93.568		LIHEAP-FY2011	9/30/11	439,931
Passed through State of LA Louisiana Workforce Commission:					
Community Services Block Grant	93.569		2011P0076	9/30/12	140,990
TOTAL U.S. DEPT. OF HEALTH AND HUMAN RESOURCES					<u>\$ 598,039</u>
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>					
Retired and Senior Volunteer Program	94.002		11SRWLA001	03/31/14	<u>\$ 53,505</u>
<b>U.S. DEPT. OF HOMELAND SECURITY</b>					
Passed through State of LA Governor's Office of Homeland Security and Emergency Preparedness:					
FEMA-EM3322 - Public Assistance	97.036		--	--	\$ 31,634
Passed through City of Franklin:					
FEMA-EM3322 - Public Assistance Grant Program	97.036		--	--	708
FEMA-DR4041 - Public Assistance Grant Program	97.036		--	--	463,705
FEMA-1603 - Hazard Mitigation Grant Program	97.039	(1)	HMGP#1603-089-0007	12/10/11	6,467
FEMA-1603 - Hazard Mitigation Grant Program	97.039	(1)	HMGP#1603c-089-0030	9/1/12	1,582,123
FEMA-1603 - Hazard Mitigation Grant Program	97.039	(1)	HMGP#1603n-089-0026	12/2/12	247,288
FEMA-1603 - Hazard Mitigation Grant Program	97.039	(1)	HMGP#1603-089-0012	--	1,899,841
FEMA-1603 - Hazard Mitigation Grant Program	97.039	(1)	HMGP#1603n-089-0020	--	8,372,151
FEMA-1603 - Hazard Mitigation Grant Program	97.039	(1)	HMGP#1603-089-0005	11/21/11	76,544
Emergency Management Performance Grant	97.042		FY11 EMPG	5/31/12	23,074
TOTAL U.S. DEPT. OF HOMELAND SECURITY					<u>\$ 12,703,535</u>
TOTAL FEDERAL AWARDS					<u>\$ 20,004,203</u>

(1) Is tested as a major program  
See accompanying Notes to Schedule of Expenditures of Federal Awards.

**PARISH OF ST. CHARLES  
NOTES TO THE SCHEDULE OF EXPENDITURES  
OF FEDERAL AWARDS  
Year Ended December 31, 2011**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards has been prepared on the modified accrual basis of accounting. Federal expenditures consist of federal financial assistance and local expenditures consist of all local expenditures incurred in the operations of the program, which would include state and parish portions.

**NOTE 2: AMOUNT RECEIVED FOR EXPENDITURES IN CURRENT YEAR**

Revenue was received from the following grant program for amounts expended in prior years:

	<u>CFDA #</u>	<u>Amount Received</u>	<u>2011 Federal Expenditures</u>	<u>Prior Year Expenditures</u>
Community Development Block Grant	14.228	\$122,433	\$108,032	\$14,401

**PARISH OF ST. CHARLES**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended December 31, 2011**

**A. SUMMARY OF AUDIT RESULTS**

1. The independent auditors' report expresses an unqualified opinion on the financial statements of the Parish of St. Charles.
2. Three (3) control deficiencies were disclosed during the audit of the financial statements and is reported in the *Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*. Two of these deficiencies are considered to be material weaknesses (**2011-01** and **2011-02**) and the other deficiency is considered to be a significant deficiency (**2011-03**).
3. No instances of noncompliance material to the financial statements of the Parish of St. Charles as reported in the *Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
4. *The Independent Auditor's Report on Compliance with Requirements that Could have a Direct and Material Effect on Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133* dated June 13, 2012 states, in our opinion, except for the noncompliance noted as finding number **2011-04** the Parish complied, in all material respects, with the compliance requirements referred to above that could have a direct and material on the each of its major federal programs.
5. Two (2) control deficiencies were disclosed during the audit of the major federal award programs and are reported in *The Independent Auditor's Report on Compliance with Requirements that could have a Direct and Material Effect on Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133*. These control deficiencies are considered to be material weaknesses (**2011-04** and **2011-05**).
6. One (1) compliance finding was disclosed during the audit of the major federal award programs and is reported in *The Independent Auditor's Report on Compliance with Requirements that could have a Direct and Material Effect on Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133*. This compliance finding (**2011-04**) is required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. A management letter was issued for the year ended December 31, 2011.

**PARISH OF ST. CHARLES**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**Year Ended December 31, 2011**

8. The programs tested as major programs were:

	<u>CFDA No.</u>
Municipal Facilities Revolving Loan Fund	66.458
Hazard Mitigation Grant Program	97.039
Weatherization Assistance Program	81.042
Community Development Block Grant	14.228

9. The threshold for distinguishing between type A and type B programs was \$496,937.

10. The Parish of St. Charles was determined to be a high-risk auditee.

**B. FINDINGS RELATED TO THE FINANCIAL STATEMENTS**

2011-01: INTERNAL CONTROLS OVER RECEIVABLES

**Classification-** Material Weakness

**Observation-** During the audit, we noted that the Finance Department inadvertently excluded a recurring year end journal entry to record the 1% sales tax revenue for November and December that was received subsequent to year end.

**Background-** The Parish collects sales tax revenue twice a month from the St. Charles Parish School Board. The Parish receives taxes for 1/8%, 1/2%, 3/8% and 1% sales tax. The second November 2011 collection and both December 2011 tax collections were received in January 2012. The Parish properly recorded the revenue and related receivable for the 1/8%, 1/2% and 3/8% sales tax, but inadvertently did not record the revenue and receivable for the 1% sales tax collection in 2011. The 1% sales tax collection for the second half of November and all of December amounted to \$1,965,468. The year-end financials were not affected by this exclusion as this issue was discovered prior to the creation of the Comprehensive Annual Financial Report and appropriately corrected.

**Recommendation-** We recommend that management review all recurring journal entries and compare to prior year trends for accuracy and completeness.

2011-02: INTERNAL CONTROLS OVER SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Classification-** Material Weakness

**Observation-** During the audit, we noted that the Finance Department was not informed about two months of reimbursement requests that were made during the 2011 year and were still pending as of December 31, 2011 and as a result failed to record these receivables at year end.



**PARISH OF ST. CHARLES**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**Year Ended December 31, 2011**

**Background-** As of December 31, 2011, the Parish had not been reimbursed for two months of federal expenditures, which was approximately \$15,000 that was submitted for reimbursement during the year. These requests were still pending as of December 31, 2011; therefore, the related receivable and revenue should have been recorded. However, since the Parish Finance Department was not made aware of these requests by the Community Service Department, who submitted the reimbursement request, thus the Finance Department uninformed did not record this revenue.

In addition, these expenditures that were requested for reimbursement and still pending as of year-end, were improperly recorded on the general ledger as a result of the miscommunication by the Community Services Department to the Finance Department. This error in coding the expenses resulted in the Schedule of Expenditures of Federal Awards being misstated by approximately \$15,000.

**Recommendation-** We recommend that management ensure that the Schedule of Expenditures of Federal Awards is accurately presented by making sure the revenue match the expenditures and both agree to what has been requested during the year.

2011-03: CAPITALIZATION OF REPAIRS AND MAINTENANCE

**Classification-** Significant Deficiency

**Observation-** During the audit, we noted there were several expenditures that were incorrectly booked to repairs and maintenance rather than capital outlay expenditure codes for the Communication District Component Unit.

**Background-** The Communication District incurred costs associated with the installation, re-wiring, and testing of the 911 Operations Center. These costs were coded to repairs and maintenance rather than capital outlay. Due to this error, these costs of \$67,935 were expensed rather than capitalized.

**Recommendation-** We recommend that management implement a policy to review the repairs and maintenance expense general ledger for items that appear to be miscoded.

**C. FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL AWARD PROGRAMS**

2011-04: FAILURE TO TRACK ARRA and NON-ARRA EXPENDITURES SEPERATELY

**Classification-** Compliance Finding and Material Weakness

**Observation-** During the audit, we noted that the ARRA expenditures for the Weatherization Program, which is managed by the Parish's Department of Community Service, were not being separately tracked from the Weatherization Non-ARRA funding.

**PARISH OF ST. CHARLES**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**Year Ended December 31, 2011**

**Background-** The Parish set up a department account for the Weatherization ARRA expenditures and the Non-ARRA expenditures. Lack of communication from the Community Services Department to the Finance Department led to the Parish having ARRA expenditures in the Non-ARRA expenditures account and vice-versa. Since the Parish was not properly recording their expenditures, they were not separately tracking these expenditures.

**Recommendation-** We recommend that management follow the Compliance Requirements as set forth in Circular A-133 and separately track each federal award expenditures.

2011-05: INTERNAL CONTROLS OVER SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Classification-** Material Weakness

**Observation-** See Financial Statement Finding 2011-02.

**Background-** See Financial Statement Finding 2011-02.

**Recommendation-** See Financial Statement Finding 2011-02.

**PARISH OF ST. CHARLES**  
**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS**  
**Year Ended December 31, 2011**

**SECTION I - FINDINGS RELATED TO THE FINANCIAL STATEMENTS**

2010-01: INTERNAL CONTROLS OVER FINANCIAL REPORTING- RESOLVED

2010-02: INTERNAL CONTROLS OVER CASH- RESOLVED

2010-03: UNBUDGETED SPECIAL REVENUE FUND: CRIMINAL COURT FUND-  
RESOLVED

**SECTION II - FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR  
FEDERAL AWARD PROGRAMS**

None.

**SECTION III – MANAGEMENT LETTER**

Comment 1a: Library Service District No. 1 Annual and Sick Leave Policy- RESOLVED

Comment 1b: Comprehensive Annual Financial Report (CAFR) Preparation- RESOLVED

**PARISH OF ST. CHARLES  
CORRECTIVE ACTION PLAN  
Year Ended December 31, 2011**

**SECTION I - FINDINGS RELATED TO THE FINANCIAL STATEMENTS**

2011-01: INTERNAL CONTROLS OVER RECEIVABLES

**Classification-** Material Weakness

**Corrective Action Plan-** With the turnover of the position responsible for making this normal recurring entry and the time constraints imposed upon the department to complete the closeout of the Parish books prior to the audit team's arrival beginning in April, this normal journal entry that should have been made to record this receivable and revenue in 2011 for the collection in 2012 was mistakenly excluded prior to the Parish's submittal of the trial balances and correctly caught by the audit team in the first week of its field work. The mistake therefore was only present for less than a week and did not affect the Parish's financials in anyway. The Parish Finance department is confident that this error would have been brought to light in our own review of the financial statement report prior to submittal to the auditors for review, but given the time it takes to assemble the report, nearly two months, the audit team, in performing their analysis discovered the issue prior to Finance Department's final analysis of the draft financials.

Management will ensure the department receives proper training for all aspects of their position, paying specific attention to everyday functions such as this recurring journal entry so that issues such as this do not arise for future audits. In addition, management is working on revamping its year end procedures paying specific attention to prior year trends by adding percentage changes from year to year and requiring each accountant responsible for their respective fund analysis to analyze and explain any change in balances greater than 10% from the prior year. In addition, management will play a greater role in the review process challenging all explanations for changes and making sure all recurring entries are indeed booked prior to the audit team's arrival, paying specific attention to yearend sales tax entries. A check list will also be provided to each accountant responsible for yearend entries detailing what recurring year end entries they are responsible for, as well as a signature line at the bottom of the page signifying that once signed by the individual that all entries were properly made. This checklist along with copies of the actual entries will be provided to the Senior Accountant for his final review, which will then be passed on to the Finance Director for his final approval.

2011-02: INTERNAL CONTROLS OVER SCHEDULE OF FEDERAL AWARDS AND EXPENDITURES

**Classification-** Material Weakness

**Corrective Action Plan-** As the Parish's Grant's Office has grown and will continue to grow, the functions related to grant management for Community Services will be passed respectfully to the Grant's Department, thus consolidating all grants under one department

**PARISH OF ST. CHARLES  
CORRECTIVE ACTION PLAN (CONTINUED)  
Year Ended December 31, 2011**

and preventing any further miscommunication among several departments. Although the misstatement was immaterial as compared to the total funding the Parish receives, the purpose of any audit is to point out areas that need improvement or those that can be further improved. By consolidating all grants into one department, the Parish feels errors such as these, although minute, can be avoided given the tremendous accomplishments of the Grant's Department and its success in managing several high dollar grants. In addition, the Finance Department, along with the Grant's Department will ensure that the Schedule of Expenditures of Federal Awards is accurately presented.

**2011-03: CAPITALIZATION OF REPAIRS AND MAINTENANCE**

**Classification-** Significant Deficiency

**Corrective Action Plan-** Effective June 1, 2012, the Finance Department implemented a new policy to where all repairs and maintenance over \$5,000 will be capitalized as Major Repairs to prevent future miscoding and at the end of each year, the fixed asset accountants within the department will be charged with reviewing all repairs and maintenance expense prior to yearend close to ensure there are no miscoding and if any are indeed discovered, the appropriate entry will be made to properly record the expense.

**SECTION II - FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR  
FEDERAL AWARD PROGRAMS**

**2011-04: FAILURE TO TRACK ARRA and NON-ARRA EXPENDITURES  
SEPERATELY**

**Classification-** Compliance Finding and Material Weakness

**Corrective Action Plan-** As the Parish's Grant's Office has grown and will continue to grow, the functions related to grant management for Community Services will be passed respectfully to the Grant's Office, thus consolidating all grants under one department. With this change, Management believes the Compliance Requirements as set forth in Circular A-133 will be completely followed and all federal award expenditures will be separately and accurately tracked.

**2011-05: INTERNAL CONTROLS OVER SCHEDULE OF FEDERAL AWARDS AND  
EXPENDITURES**

**Classification-** Material Weakness

**Corrective Action Plan-** See Management's Corrective Action Plan for Financial Statement Finding 2011-02.