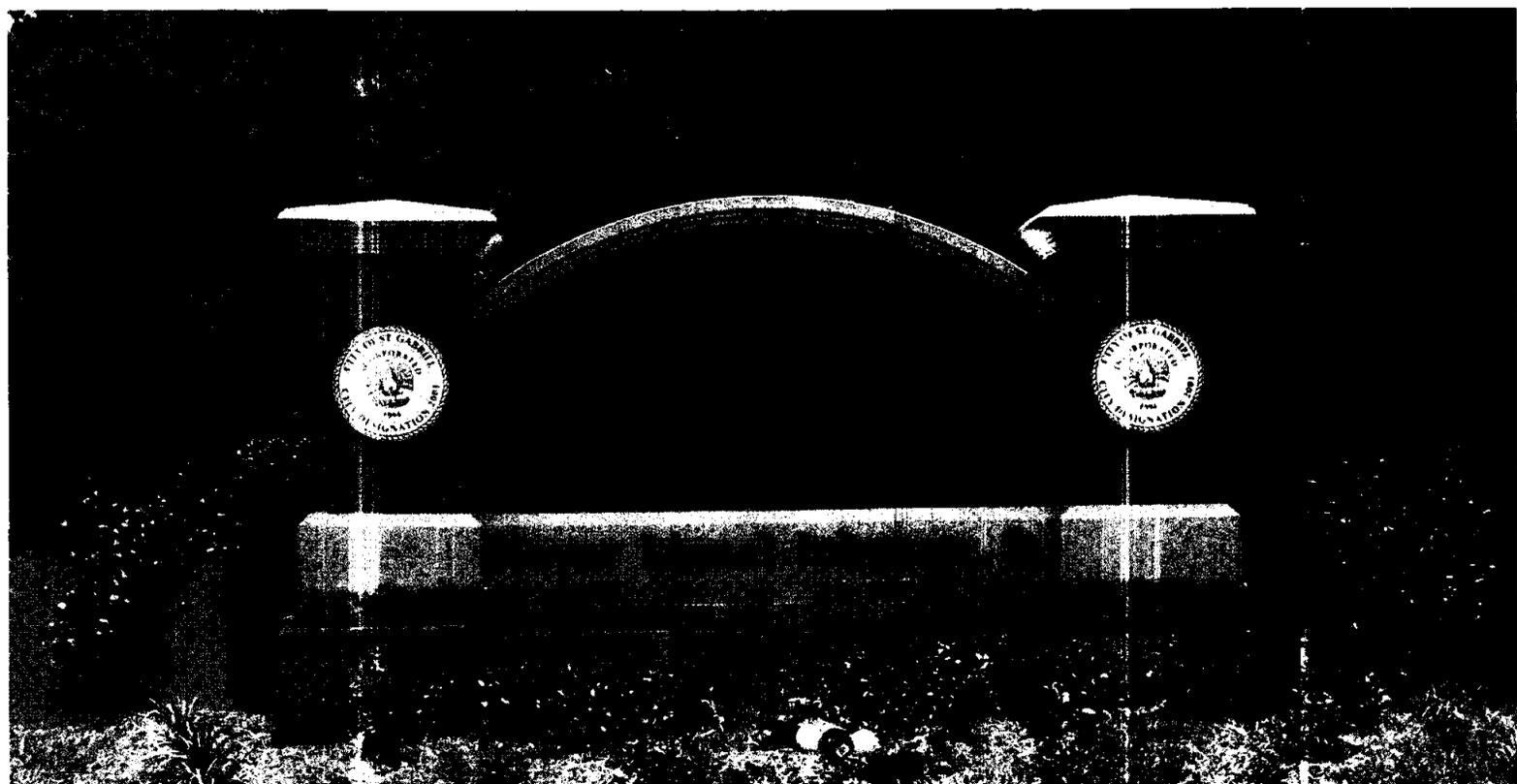
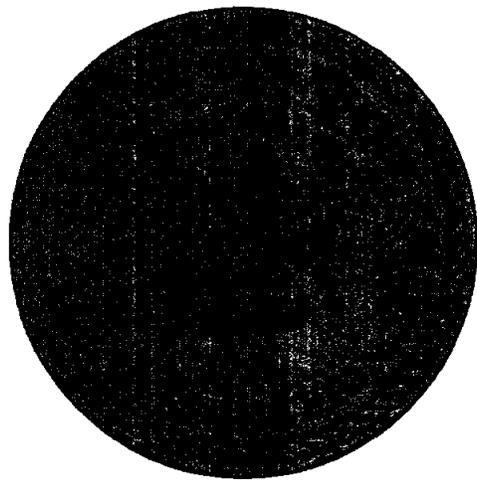


COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
ST. GABRIEL, LOUISIANA

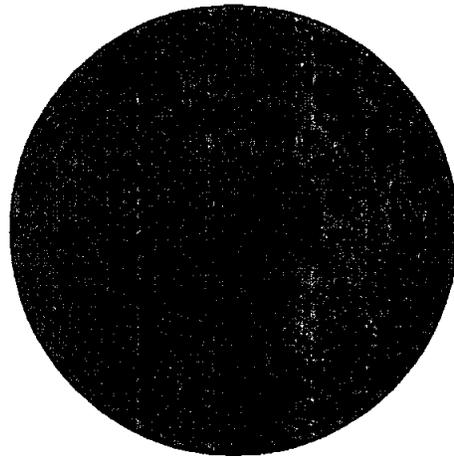




COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF ST. GABRIEL, LOUISIANA

For the fiscal year ended June 30, 2014



Prepared by

City of St. Gabriel
Finance Department

CITY OF ST. GABRIEL, LOUISIANA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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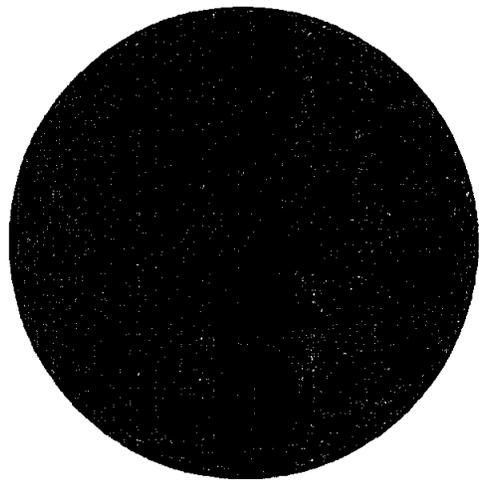
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INTRODUCTORY SECTION





City of St. Gabriel

Lionel Johnson, Jr.

Mayor

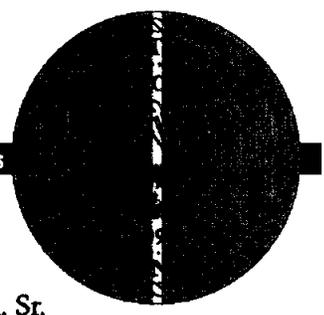
P.O. Box 597 • 5035 Iberville Street • St. Gabriel, LA 70776 • Tel.: (225) 642-9600 • Fax: (225) 642-0043 • Website: cityofstgabriel.us

Chief of Police:

Kevin Ambeau, Sr.

City Council:

Deborah Alexander • Flora Danielfield • Melvin Hasten, Sr. • Freddie Frazier • Ralph Johnson, Sr.



December 31, 2014

The Citizens, Mayor, and
Members of the City Council
City of St. Gabriel

Dear Citizens, Mayor, and Council Members:

Pursuant to Louisiana State Statutes, I hereby issue the Comprehensive Annual Financial Report (CAFR) for the City of St. Gabriel (the City) for the year ended June 30, 2014. The City Finance Department prepared this report in accordance with Generally Accepted Accounting Principles (GAAP). We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to set forth fairly the financial position and results of operations of the City as measured by the financial activities of its various funds and the government-wide presentation; and that disclosures necessary to enable readers to gain an understanding of City financial affairs have been included. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with management of the City.

The City financial statements have been audited by Postlethwaite & Netterville, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and the 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 auditors concluded, based upon the audit that there was a reasonable basis for rendering an unqualified opinion that the City of St. Gabriel's financial statements for the fiscal year ended June 30, 2014, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first document of the financial section of this 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 City's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of St. Gabriel was incorporated as a town in 1994, and received city designation in 2001. It is located in Iberville Parish, on the Mississippi River, with the historic Bayou Manchac serving as the official boundary between St. Gabriel, Ascension Parish, and East Baton Rouge Parish. The City currently occupies a land area of 29 square miles and serves an estimated population of 6,677 according to the U.S. Census as of 2010. The population reflects a growth of more than 20% from the 2000 U.S. Census.

The City follows the provisions of the Lawrason Act as provided by Louisiana Law. The City has seven elected officials comprised of a Mayor, five City Council members and one Chief of Police that serve four year terms. Policy making and legislative authority are vested in a governing council consisting of five council members. The Council is responsible, among other things, for passing ordinances, adopting the budget and appointing committees. The Mayor is the chief executive officer of the City. The Chief of Police is responsible for administration of the City's law enforcement services. Finally, the City Clerk is appointed by the Mayor and approved by the City Council.

The City provides a full range of services to the public including infrastructure maintenance and construction, public safety, social and recreational services, and general governmental and administrative services.

A determination of the financial reporting entity to be included in this CAFR is made through the application of criteria established by the Governmental Accounting Standards Board (GASB), Statement No. 14. A complete explanation of the financial reporting entity is included in the Summary of Significant Accounting Policies in the Notes to the Financial Statements.

An explanation of the accounting policies of the City is contained in the Notes to the Financial Statements. The basis of accounting, fund structure, and other significant information on financial policies are explained in detail in the Notes to the Financial Statements.

Budgetary Control

The annual budget serves as the foundation for the City's financial planning and control. The annual operating budget is proposed by the Mayor and enacted by the City Council. The City Council is required to adopt the final budgets no later than June 30th of each year. Budgets are adopted at the fund and department level. Budgetary transfers across department lines or between classes of lump sum appropriations require approval of the City Council. Additional details on the budget process are explained in the Notes to the Financial Statements.

Budget-to-actual comparisons are provided in this report for each individual governmental fund in Exhibits B through B-3.

The Finance Department is entrusted with maintaining accounting systems for the City in accordance with the best-recognized practices in governmental accounting. It keeps the records for, and exercises financial and budgetary control over, each City department, office, and agency.

In developing and evaluating the accounting system of the City, the Finance Department considers the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from an unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of control should not exceed benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the City government is responsible for ensuring that adequate internal controls are in effect. All internal control evaluations occur within the framework described. The Finance Department believes that the internal controls for the City adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions.

FACTORS AFFECTING FINANCIAL CONDITION

Economic Condition and Outlook

St. Gabriel is located in the Baton Rouge metropolitan area. The City of Baton Rouge is the state capital and the closest large Metropolitan Statistical Area (MSA) to New Orleans. Because of the proximity to New Orleans, the Baton Rouge MSA initially absorbed nearly a quarter million south Louisiana residents in the aftermath of Hurricane Katrina in 2005. Since then, traffic counts, sales tax collections, school enrollment and other factors indicate that the region's population is growing.

St. Gabriel is located on the Mississippi River in the southeast region of the state and is a major center for commerce and industry. The largest taxpayers in St. Gabriel are primarily companies involved in the petrochemical and energy sectors. Products range from refined chemicals, household products and plastic materials. The local industry provides the majority of the jobs within the City. The taxes paid by local industry are significant to the City's tax base and local economy. Because of an increase in capital acquisition and proposed construction in the petrochemical industry, the City expects to maintain a stable level of property and sales tax collections through 2015.

General sales and use tax revenues in 2014 for operations of the City were \$109,000 less than the 2013 revenues, representing a 3% decrease. The general sales and use tax plays a significant role in financing the operations of the General Fund, representing 46% of available resources in 2014.

During 2014 the City had employed labor of approximately 6,350 with an unemployment rate of 9.4% and a current per capita personal income of \$32,361 and age of 34.

The City provides some source of housing to the Baton Rouge MSA with 1,184 household units in the 2010 census with a median value of \$104,600. Other important industries include government, construction, transportation, real estate and retail trade.

Major Initiatives in 2015

The City has various capital outlay projects ongoing with an estimated cost of over \$30 million, to include municipal and recreational facility improvements, sewer system expansions and improvements, road repairs and improvements and drainage improvements. The City has budgeted approximately \$7.3 million for these projects in fiscal year 2015. These projects will be funded by various grants and public improvement bonds that were issued by the City in 2012.

LONG-TERM FINANCIAL PLANNING

As stated above, the City has planned capital initiatives in excess of \$30 million. These projects address immediate and anticipated needs of the City and its growing population. These projects range in nature and scope and the City's administration has ranked them to establish the priority for which they will be addressed.

Road and Drainage Improvements Projects

The City has the responsibility to maintain approximately 17 miles of roads and the related drainage. The City administration has identified 13 roadways in need of reconstruction or repair. These projects have an estimated construction cost of over \$17 million. Additionally, the City has identified several roads which would benefit from covered drainage and culverts. These projects have an estimated cost of more than \$7.5 million. Due to the significant amount of resources required to accomplish all of these projects, the City has elected to accomplish in phases. Both the highway improvements and sidewalks projects will be funded by the City's local resources and public improvement bonds issued by the City.

Sewer Improvements Project

Due to the increased population, the City's sewer utility systems are in need of expanded capacity. The total estimated cost to expand all sewer systems to their needed capacity is projected to be approximately \$7 million. The improvements will be funded by the City's local resources and public improvement bonds issued by the City in 2013.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Reporting to the City of St. Gabriel for its Comprehensive Annual Financial Report each year for the two three years through 2013. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government accounting principles and applicable legal requirements.

In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting by GFOA, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report with contents conforming to governmental accounting standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year. We believe our current report conforms to the Certificate of Achievement for Excellence in Financial Reporting Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report on a timely basis could not have been accomplished without the dedicated services of a highly qualified staff. I also acknowledge the thorough, professional, and timely manner in which the audit was conducted by our independent auditors, Postlethwaite & Netterville, LLC, and our financial and accounting consultants, Faulk & Winkler, LLC. We thank the Mayor and City Council for their support of excellence in financial reporting and fiscal integrity.

Respectfully submitted,

Tammy Phillips
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of St. Gabriel
Louisiana**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

**CITY OF ST. GABRIEL
PRINCIPAL OFFICIALS
JUNE 30, 2014**

MAYOR

Lionel Johnson, Jr.

COUNCIL MEMBERS

Melvin Hasten, Sr.

Freddie Frazier, Sr.

Ralph Johnson, Sr.

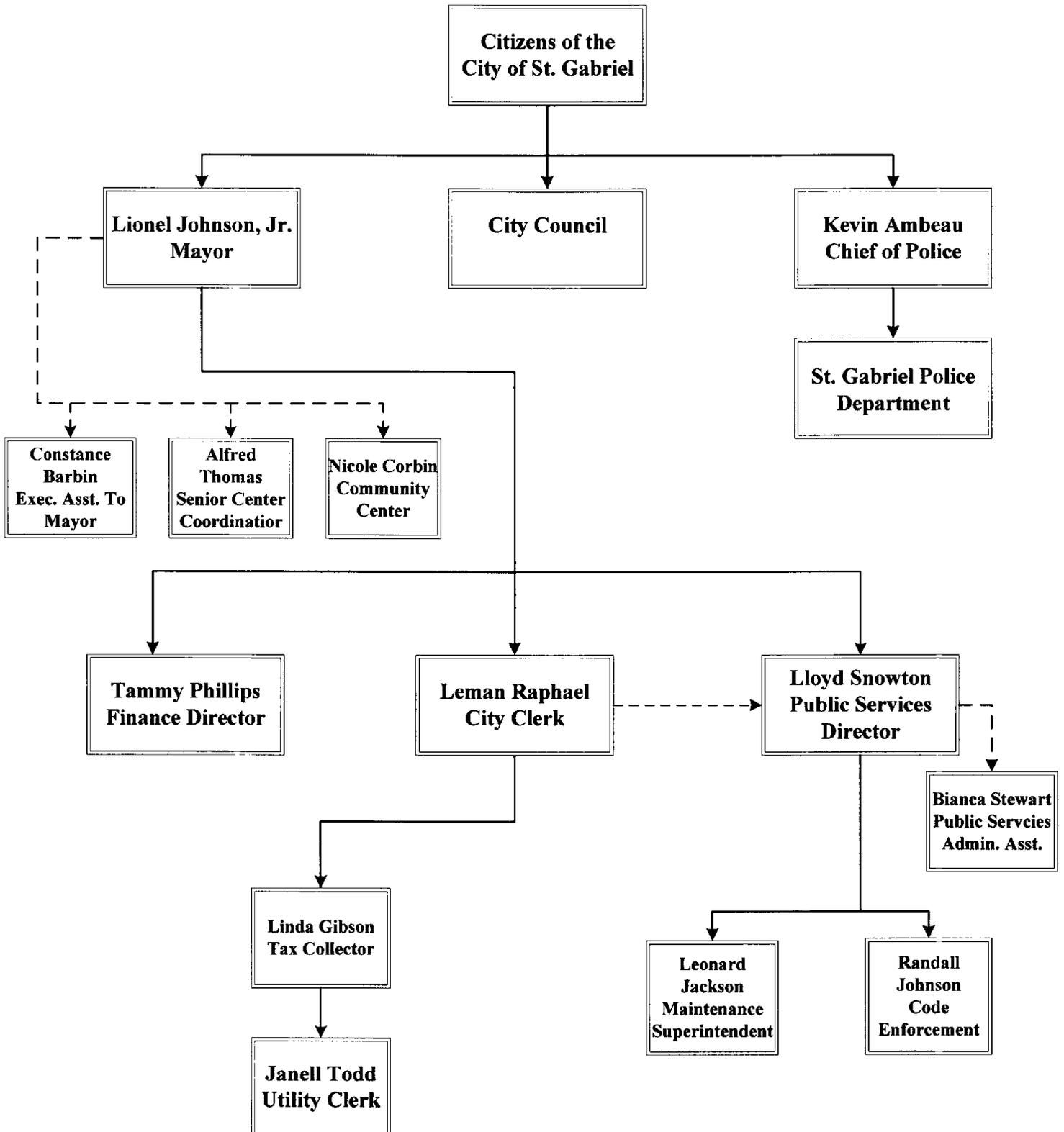
Deborah R. Alexander

Flora J. Danielfield

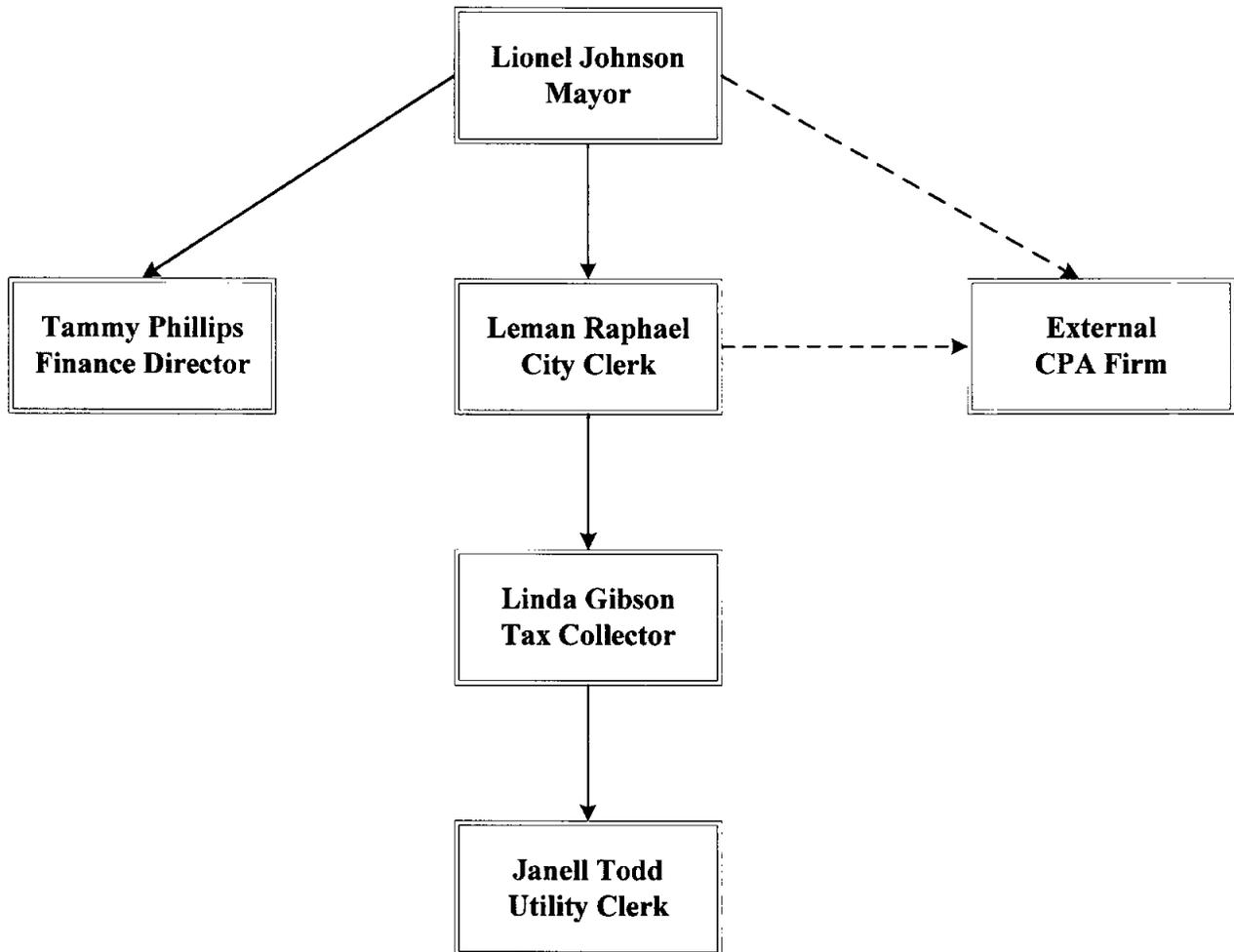
CHIEF OF POLICE

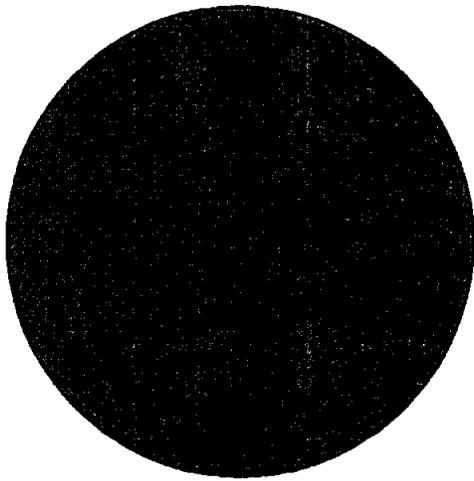
Kevin Ambeau

**CITY OF ST. GABRIEL
ORGANIZATIONAL CHART
PRIMARY GOVERNMENT**



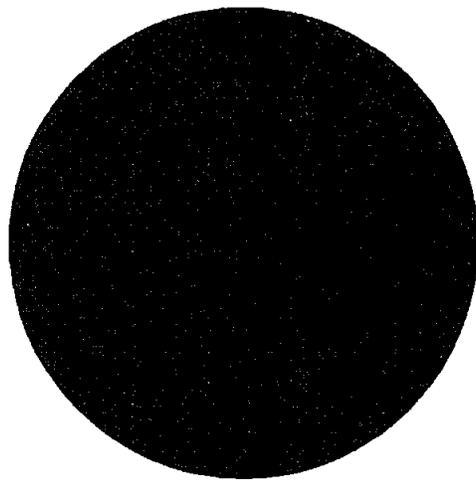
CITY OF ST. GABRIEL
ORGANIZATIONAL CHART
CITY CLERK'S OFFICE





FINANCIAL SECTION





INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and
City Council Members
City of St. Gabriel, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the City of St. Gabriel, Louisiana (the City), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the City of St. Gabriel, Louisiana, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 13 and 51 through 55 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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 inquires 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 information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of St. Gabriel, Louisiana's basic financial statements. The introductory section, combining 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 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 basic 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 basic financial statements taken 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2014, on our consideration of the City of St. Gabriel, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of St. Gabriel, Louisiana's internal control over financial reporting and compliance.

Postlethwait & Mettall

December 31, 2014
Gonzales, Louisiana



CITY OF ST. GABRIEL, LOUISIANA MANAGEMENT'S DISCUSSION AND ANALYSIS

Our analysis of The City of St. Gabriel's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2014. Please read it in conjunction with the City's financial statements which begin on page 15. The Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts.

FINANCIAL HIGHLIGHTS

In 2014, the City of St. Gabriel had governmental revenues increased relative to prior years by \$470,000, which is attributable to increases in sales and ad valorem tax revenue and capital grants. Governmental expenses increased by \$1 million with the largest increase in related to economic development initiative in the City. All City funds continue to be maintained with sufficient fund balance that represents adequate net worth. Although community demands have increased with the growing population, the City has been responsible with its available resources.

The major financial highlights for 2014 are as follows:

- Assets of the City's primary government exceeded its liabilities at the close of the year by approximately \$15.8 million (net position). Of this amount, approximately \$1.4 million (unrestricted net position) may be used without restrictions to meet the City's ongoing obligations to citizens and creditors.
- The primary government's total net position increased by approximately \$1.7 million during 2014.
- Governmental activities' net position increased by approximately \$1.6 million, primarily the result of an increase in ad valorem and sales tax revenue (\$234,000, collectively) and intergovernmental grants (\$99,000).
- Business type total net position increased by approximately \$122,000.
- As of the end of the year, the primary government's governmental funds reported combined fund balances of \$8.7 million, a decrease of \$2 million in comparison to the prior year. This decrease was the result of planned capital outlay expenditures that were funded through a bond issuance during 2013.

Significant aspects of the City's financial well being, as of and for the year ended June 30, 2014, are detailed throughout this analysis.

USING THIS ANNUAL REPORT

With the implementation of Governmental Accounting Standards Board Statement No. 34, a government's presentation of financial statements has greatly changed. The new statements focus on the government as a whole and on major individual funds. Both perspectives allow the reader to address relevant questions, broaden a basis for comparison from year to year and should enhance the City's accountability.

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 15 and 16) provide information about the activities of the City as a whole and present a longer-term view of the City's finances.

Fund financial statements start on page 18. For governmental activities, these statements depict how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds.

Our auditor has provided assurance in their independent auditors' report, located immediately preceding this MD&A, that the financial statements are fairly stated. Varying degrees of assurance are being provided by the auditors regarding the required supplemental information and the supplemental information. A user of this report should read the independent auditors' report carefully to ascertain the level of assurance being provided for each part of this report.

Reporting on the City as a Whole

Our analysis of the City as a whole begins on page 15. The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way to determine if the City is in better condition as a result of the year's financial results. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to accounting methods used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods.

These two statements report the City's net position and related changes. You can think of the City's net position—the difference between assets and liabilities—as one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position is one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the City's property and sales tax base and the condition of the City's roads and buildings, to assess the overall health of the City.

In the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

Governmental activities - Most of the City's basic services are reported here, including public safety, streets and sanitation, culture and recreation, economic development and general administration. Property and sales taxes, charges for services, and state and federal grants finance most of these activities.

Business-type activities - The City charges a fee to customers to help it cover the cost of certain services it provides. The City maintains a wastewater treatment system which is reported here. The shortfall of revenue from this activity has been funded from unrestricted sales tax collections.

The analysis below of the primary government focuses on the net position and change in net position of the City's governmental and business-type activities.

City of St. Gabriel, Louisiana
Statement of Net Position
June 30, 2014 and 2013
(in thousands)

| | Governmental Activities | | Business-type Activities | | Total | |
|----------------------------------|-------------------------|-----------------|--------------------------|-----------------|------------------|------------------|
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| Current and other assets | \$ 9,824 | \$ 12,206 | \$ 499 | \$ 265 | \$ 10,323 | \$ 12,471 |
| Capital assets | 13,416 | 10,121 | 8,587 | 8,740 | 22,003 | 18,861 |
| Total assets | <u>23,240</u> | <u>22,327</u> | <u>9,086</u> | <u>9,005</u> | <u>32,326</u> | <u>31,332</u> |
| Current and other liabilities | 1,325 | 1,539 | 117 | 55 | 1,442 | 1,594 |
| Long-term liabilities | 12,098 | 12,736 | 2,794 | 2,897 | 14,892 | 15,633 |
| Total liabilities | <u>13,423</u> | <u>14,275</u> | <u>2,911</u> | <u>2,952</u> | <u>16,334</u> | <u>17,227</u> |
| Net position: | | | | | | |
| Net investment in capital assets | 5,137 | 2,241 | 5,740 | 5,844 | 10,877 | 8,085 |
| Restricted | 3,361 | 2,583 | 189 | 153 | 3,550 | 2,736 |
| Unrestricted | 1,151 | 3,228 | 246 | 56 | 1,397 | 3,284 |
| Total net position | <u>\$ 9,649</u> | <u>\$ 8,052</u> | <u>\$ 6,175</u> | <u>\$ 6,053</u> | <u>\$ 15,824</u> | <u>\$ 14,105</u> |

At June 30, 2014, the City's net position was \$15.8 million, of which \$1.4 million was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limits the City's ability to use that net position for day-to-day operations.

Net position of the City's governmental activities increased by approximately \$1.6 million during 2014, ending the year with unrestricted net position of \$1.15 million. The increase in governmental net position was primarily due to an increase of approximately \$500,000 in taxes and grant revenues combined with a \$1.2 million increase in total governmental activity expenses. Unrestricted net position, which decreased by \$2 million, represents the portion of the City's resources that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements.

The \$1.2 million in governmental activities unrestricted net position at the completion of the 2014 fiscal year represents the accumulated results of operations. It means that if we had to pay off all of the debt, we would have \$1.2 million remaining. The change in net position is discussed later in this analysis.

The City operates wastewater treatment systems for its constituents. The principal focus of this activity is to operate on a profitable basis. For the current and past several years, the City has been required to subsidize these operations with sales and use tax collections to eliminate operating deficits. The subsidy was increased by approximately \$185,000 to \$800,000 in 2014. The net position of the City's business activities increased by approximately \$122,000 during 2014.

The results of this year's operations for the primary government as a whole as reported in the Statement of Activities, are as follows:

City of St. Gabriel, Louisiana
Changes in Net Position
For the years ended June 30, 2014 and 2013
(in thousands)

| | Governmental Activities | | Business-type Activities | | Total | |
|--|----------------------------|-----------------|-----------------------------|-----------------|------------------|------------------|
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$ 1,279 | \$ 1,114 | \$ 154 | \$ 128 | \$ 1,433 | \$ 1,242 |
| Operating grants | - | - | - | - | - | - |
| Capital grants/contributions | 1,305 | 1,125 | 88 | - | 1,393 | 1,125 |
| General revenues: | | | | | | |
| Ad valorem taxes | 3,169 | 3,045 | - | - | 3,169 | 3,045 |
| Sales taxes | 4,048 | 3,939 | - | - | 4,048 | 3,939 |
| Video poker taxes | 473 | 533 | - | - | 473 | 533 |
| Other general revenues | 102 | 128 | - | - | 102 | 128 |
| Total revenues | 10,376 | 9,884 | 242 | 128 | 10,618 | 10,012 |
| Functions/Program Expenses: | | | | | | |
| General government | 2,771 | 2,467 | - | - | 2,771 | 2,467 |
| Public safety | 1,709 | 1,841 | - | - | 1,709 | 1,841 |
| Streets and sanitation | 1,407 | 1,330 | - | - | 1,407 | 1,330 |
| Culture and recreation | 723 | 642 | - | - | 723 | 642 |
| Economic development | 872 | - | - | - | 872 | - |
| Wastewater treatment | - | - | 920 | 891 | 920 | 891 |
| Interest on long-term debt | 497 | 511 | - | - | 497 | 511 |
| Total expenses | 7,979 | 6,791 | 920 | 891 | 8,899 | 7,682 |
| Increase (decrease) in net position | | | | | | |
| before transfers | 2,397 | 3,093 | (678) | (763) | 1,719 | 2,330 |
| Transfers | (800) | (900) | 800 | 900 | - | - |
| Change in net position | 1,597 | 2,193 | 122 | 137 | 1,719 | 2,330 |
| Beginning net position, restated | 8,052 | 5,859 | 6,053 | 5,916 | 14,105 | 11,775 |
| Ending net position | \$ 9,649 | \$ 8,052 | \$ 6,175 | \$ 6,053 | \$ 15,824 | \$ 14,105 |

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.

Reporting the City's Most Significant Funds

An analysis of the City's major funds begins on page 18 with the fund financial statements that provide detailed information about the most significant funds and not the City as a whole. Some funds are required to be established by State law or by bond covenants. However, the City Council establishes other funds to control and manage financial resources for particular purposes or meeting legal responsibilities for using certain taxes, grants, and other assets. The City's two kinds of funds, governmental and proprietary, use different accounting bases.

Governmental funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Most of the City's basic services are reported in governmental funds. These funds use the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation to the financial statements. The governmental major funds (Exhibits A-2 and A-4) presentation is presented using modified accrual basis and focuses on the major funds of the City.

Proprietary funds - When the City charges customers for the services it provides—whether to outside customers or to other units of the City—these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund

financial statements. The notes to the financial statements are a required part of the basic financial statements and can be found in Exhibit A-9.

Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning original and final budgetary comparisons to actual results for the year for the City's major funds. See Exhibit B through B-3.

Certain supplementary financial information can be found in Exhibits C and C-3. These schedules are included for additional information and analysis and do not constitute a part of the basic financial statements.

Financial Analysis of the Government's Funds

The government operations of the City are accounted for in the General Fund, Special Revenue Funds, Capital Project Funds, and Debt Service Funds. The focus of these funds, as noted earlier, is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. The following is a summary of general governmental operations for 2013 by fund type:

| | (in thousands) | | | | |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2014 | | | | |
| | General | Special | Capital | Debt | |
| | Fund | Revenue | Projects | Service | Totals |
| | Fund | Funds | Fund | Fund | |
| Revenue & other financing sources | \$ 8,756 | \$ 2,166 | \$ 1,089 | \$ 1,633 | \$ 13,644 |
| Expenditures & other financing uses | 9,076 | 1,073 | 4,956 | 546 | 15,651 |
| Surplus (deficit) | (320) | 1,093 | (3,867) | 1,087 | (2,007) |
| Fund balance, | | | | | |
| June 30 2013 | 3,425 | 402 | 6,868 | 35 | 10,730 |
| Fund balance, | | | | | |
| June 30, 2014 | <u>\$ 3,105</u> | <u>\$ 1,495</u> | <u>\$ 3,001</u> | <u>\$ 1,122</u> | <u>\$ 8,723</u> |

(in thousands)

| | 2013 | | | | |
|------------------------------------|-----------------|-----------------------------|----------------------------|-------------------------|-----------|
| | General Fund | Special Revenue Funds | Capital Project Fund | Debt Service Fund | Totals |
| Revenue & other financing sources | \$ 8,320 | \$ 1,187 | \$ 1,128 | \$ 584 | \$ 11,219 |
| Special item | 108 | - | - | - | 108 |
| Expenditures & other financing use | 7,519 | 1,116 | 2,876 | 549 | 12,060 |
| Surplus (deficit) | 909 | 71 | (1,748) | 35 | (733) |
| Fund balance, June 30 2012 | 2,516 | 331 | 8,616 | - | 11,463 |
| Fund balance, June 30, 2013 | \$ 3,425 | \$ 402 | \$ 6,868 | \$ 35 | \$ 10,730 |

The City's governmental funds experienced a deficit of approximately \$2 million during 2014. At year end, fund balances were approximately \$8.7 million. Approximately \$965,000 is unassigned and available for utilization at the City's discretion. The remainder of the fund balance has been restricted, committed, or classified as nonspendable. These restrictions are for debt service, infrastructure and maintenance, public improvements. Commitments of fund balances are for code enforcement and civic center operations purposes.

The General Fund is the chief operating fund of the City. At the end of the fiscal year, fund balance of the General Fund was approximately \$3.1 million compared to the fund balance of \$3.4 million at 2013. The decrease in fund balance resulted from the deficit of \$320,000, which is a result of increased economic development spending.

The City's other major funds are the Civic Center Operating Fund, the Code Enforcement Grant Fund, the Capital Projects Fund and the Debt Service Fund. The Civic Center Operating Fund realized an operating deficit of approximately \$564,000, before transfers in of \$1.4 million from the General Fund. After transfers in, the Civic Center Operating Fund completed the year with a surplus of approximately \$856,000. The Code Enforcement Grant Fund experienced an increase in fund balance of \$236,000, which is an improvement over the prior year's surplus of approximately \$134,000.

(continued)

Sources of governmental revenues, excluding transfers, are summarized below.

| <u>Source of Revenue</u> | (in thousands) | | | |
|--------------------------|------------------|----------------|-----------------|----------------|
| | 2014 | | 2013 | |
| | <u>Revenue</u> | <u>Percent</u> | <u>Revenue</u> | <u>Percent</u> |
| Taxes | \$ 7,257 | 70% | \$ 7,023 | 71% |
| Intergovernmental | 1,800 | 17% | 1,729 | 18% |
| Licenses and permits | 449 | 4% | 406 | 4% |
| Fines | 681 | 7% | 597 | 6% |
| Miscellaneous | 155 | 1% | 125 | 1% |
| Total | \$ 10,342 | 99% | \$ 9,880 | 100% |

Revenues of the primary government for general governmental fund types for 2014 totaled \$10.3 million, compared with \$9.9 million for the previous year, representing nearly a \$462,000 or 5% increase. The increase in revenue is primarily due to increases in ad valorem and sales and use taxes, along with significant increases in intergovernmental and fine revenues. As noted above, the City's activities are largely supported by tax revenues, which represent 70% of total governmental resources.

Approximately \$4.3 million of the \$10.3 million of governmental revenues in 2014 were for dedicated purposes. The remaining \$6 million, generated in the General Fund, was available to fund a number of City services, such as the streets and sanitation department, public safety, social and recreational services and administrative functions.

The expenditures of the primary government increased by approximately \$1.8 million in 2014. General governmental expenditures for each major function are summarized in the following table.

| <u>Function</u> | (in thousands) | | | |
|----------------------------------|--------------------|----------------|--------------------|----------------|
| | 2014 | | 2013 | |
| | <u>Expenditure</u> | <u>Percent</u> | <u>Expenditure</u> | <u>Percent</u> |
| General government | \$ 2,144 | 19% | \$ 2,102 | 21% |
| Public safety | 1,622 | 14% | 1,747 | 18% |
| Streets and sanitation | 1,485 | 13% | 1,163 | 12% |
| Social and recreational services | 641 | 6% | 640 | 7% |
| Economic development | 713 | 6% | - | - |
| Debt service | 823 | 6% | 814 | 8% |
| Capital outlay | 4,157 | 36% | 3,360 | 34% |
| Total | \$ 11,585 | 100% | \$ 9,826 | 100% |

The largest increases in spending occurred in capital outlay due to infrastructure improvements of \$750,000 and economic development of \$713,000.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year the City's General Fund's budget was amended on several occasions. The amendment of the operating and capital budgets is a customary practice of the City and is reflective of the change that occurs with financial related matters throughout the fiscal year. The most significant change during 2014 was as follows:

- To increase tax revenues of \$290,000, or 4% of the City's original budget,
- To decrease intergovernmental grant revenues by \$4.2 million due to expected delays in capital grant related projects, with a associated decrease in capital expenditures of \$8.4 million,
- To increase in overall operational expenditures of \$218,000, primarily in the general governmental and streets and sanitation functions.

With these adjustments, the actual charges to appropriations (expenditures) were \$118,000 greater than the related final budget appropriations of \$6 million. The most significant positive variance occurred in the City's public safety and streets and sanitation functions, where expenditures were \$158,000 and \$383,000 respectively, less than appropriations.

The operating deficit in the General Fund for 2014 was \$320,000 and the related fund balance was \$3.1 million at year end.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2014, the City had approximately \$22 million invested in a broad range of capital assets, including vehicles, fire equipment, computer equipment, office furniture, land, buildings, park facilities, roads, and sewer treatment systems. This amount represents no change in overall capital investment balance from the prior year.

| | (in thousands) | | | | | |
|--------------------------------------|-------------------------|------------------|-----------------------------|-----------------|------------------|------------------|
| | Governmental Activities | | Business-type Activities | | Totals | |
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| Land | \$ 442 | \$ 442 | \$ 60 | \$ 60 | \$ 502 | \$ 502 |
| Construction in progress | 5,333 | 3,021 | 128 | 31 | 5,461 | 3,052 |
| Buildings | 4,329 | 4,524 | - | - | 4,329 | 4,524 |
| Equipment and vehicles | 777 | 776 | - | - | 777 | 776 |
| Sewer treatment plants | - | - | 8,398 | 8,649 | 8,398 | 8,649 |
| Infrastructure | 2,535 | 1,358 | - | - | 2,535 | 1,358 |
| Total assets, net of depreciation | <u>\$ 13,416</u> | <u>\$ 10,121</u> | <u>\$ 8,586</u> | <u>\$ 8,740</u> | <u>\$ 22,002</u> | <u>\$ 18,861</u> |

More detailed information about the City's capital assets as well as information on the City's capital projects is presented in Note 5 to the financial statements. The City had \$4.3 million in capital additions during 2014. These capital outlays were primarily related to improvements made to roads, recreation facilities and utility system infrastructure. Depreciation expense of the City's assets of \$1 million resulted in a net increase in capital assets of \$3.3 million.

The City is primarily responsible for approximately 17 miles of roads.

Debt

At year-end, the City had \$15.3 million in bonds and notes outstanding versus \$15.6 million last year—a decrease of \$358,000 — as shown below:

| | | | | |
|------------------------|------------------|-------------|---------------|------------------|
| Promissory Note - USDA | \$ 106 | \$ - | \$ 5 | \$ 101 |
| Capital Projects | | | | |
| Revenue Bond | 8,590 | - | 245 | 8,345 |
| Civic Center | | | | |
| Revenue Bond | 4,447 | - | 75 | 4,372 |
| Sewer Revenue Bonds | 2,896 | - | 50 | 2,846 |
| Bond discount | (409) | - | (18) | (391) |
| | <u>\$ 15,630</u> | <u>\$ -</u> | <u>\$ 357</u> | <u>\$ 15,273</u> |

The City remained current on all bonds and notes outstanding and retired approximately \$358,000 in debt during 2014.

The State of Louisiana limits the amount of general obligation debt that municipalities can issue to 35 percent of the assessed value of all taxable property within the City's corporate limits. The City's outstanding general obligation debt is significantly below this \$66 million state-imposed limit. More detailed information about the City's long-term liabilities is presented in Note 6 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The City's elected and appointed officials considered many factors when setting the fiscal-year 2015 budget and tax rates. One of those factors is the economy. The largest taxpayers in the City are primarily companies involved in the petrochemical processing sector. These companies are significantly impacted by the increasing cost of fuel, including natural gas. With the high price of fuel in recent years, these companies have experienced financial difficulty resulting in reduction of personnel staffing and the rate of plant expansion, if any. As a result, the local economy has been impacted by the financial concerns of this major industry in the City.

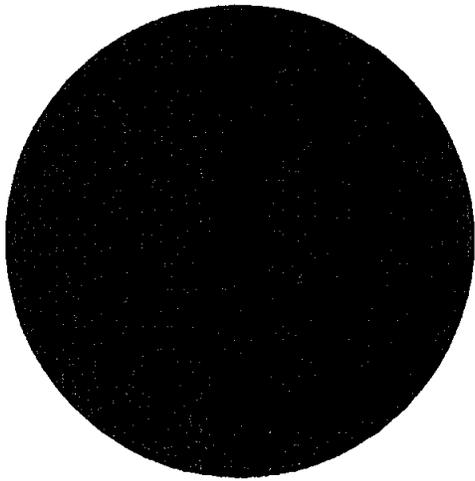
For 2015, revenues and other financing sources are budgeted at \$13.4 million while expenditures are expected to be \$15.7 million, including capital outlay of \$7.3 million. If these estimates are realized, the City's budgetary fund balances are expected to decrease by the close of 2014 by \$2.3 million.

An important factor affecting the budget is the City's ad valorem and sales tax collections that approximate 66% of 2015 budgeted operating revenue. The City budgeted an increase of approximately 4.5% in sales tax collections for 2015. Additionally, the 2015 operating budget expenditures provides for increases in capital outlay of 53% and reduction in community center related expenses of 20%. General government expenditures are budgeted to decrease by 6% while public safety expenditures are budgeted to decrease by 12%, primarily to decreases in expenditures of the fire department.

These indicators were taken into account when adopting the General Fund budget for 2015. Property taxes are budgeted to remain flat based to 2014 assessments for 2015. These taxes are expected to fund operations of the City's governmental operations, the code enforcement program, and assist in funding the City's sewer utility operations.

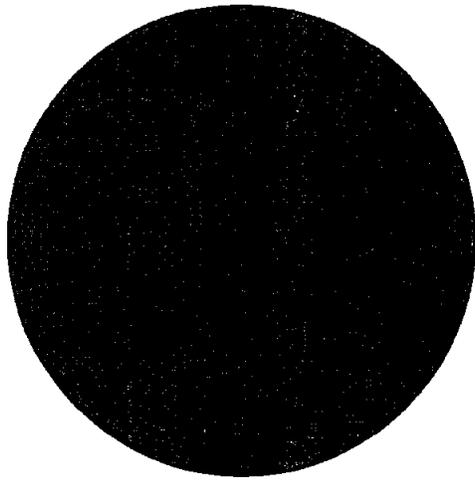
Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show accountability for the money it receives. If you have questions about this report or need additional financial information, contact Tammy Phillips with the City's Finance Department at (225) 642-9600 or 5035 Iberville Street, St. Gabriel, Louisiana, 70776. Additional information about the City can be found on the City's website: <http://cityofstgabriel.us/>



BASIC FINANCIAL STATEMENTS





CITY OF ST. GABRIEL, LOUISIANA
STATEMENT OF NET POSITION

June 30, 2014

| | Primary Government | | |
|---|----------------------------|-----------------------------|----------------------|
| | Governmental Activities | Business-Type Activities | Total |
| ASSETS | | | |
| Cash and cash equivalents | \$ 7,265,055 | \$ 243,707 | \$ 7,508,762 |
| Accounts receivable, net | 118,707 | 15,413 | 134,120 |
| Due from other governments | 1,337,696 | 51,844 | 1,389,540 |
| Prepaid items | 127,408 | - | 127,408 |
| Restricted assets | 975,936 | 188,931 | 1,164,867 |
| Capital assets: | | | |
| Non-depreciable | 5,775,789 | 188,463 | 5,964,252 |
| Depreciable, net | 7,640,311 | 8,398,185 | 16,038,496 |
| Total assets | \$ 23,240,902 | \$ 9,086,543 | \$ 32,327,445 |
| LIABILITIES | | | |
| Accounts payable | \$ 832,828 | \$ 58,432 | \$ 891,260 |
| Accrued expenses | 162,355 | 6,790 | 169,145 |
| Long-term payables: | | | |
| Due within one year | 329,457 | 52,038 | 381,495 |
| Due in more than one year | 12,098,405 | 2,793,868 | 14,892,273 |
| Total liabilities | 13,423,045 | 2,911,128 | 16,334,173 |
| DEFERRED INFLOW OF RESOURCES | | | |
| Unavailable revenues | 117,125 | - | 117,125 |
| Unearned revenues | 51,209 | - | 51,209 |
| Total deferred inflows of resources | 168,334 | - | 168,334 |
| NET POSITION | | | |
| Net investment in capital assets | 5,137,757 | 5,740,742 | 10,878,499 |
| Restricted for: | | | |
| Infrastructure and maintenance | 1,309,395 | - | 1,309,395 |
| Public improvements | 702,116 | - | 702,116 |
| Debt service | 1,348,917 | 188,931 | 1,537,848 |
| Unrestricted | 1,151,338 | 245,742 | 1,397,080 |
| Total net position | 9,649,523 | 6,175,415 | 15,824,938 |
| Total liabilities, deferred inflows of resources, and net position | \$ 23,240,902 | \$ 9,086,543 | \$ 32,327,445 |

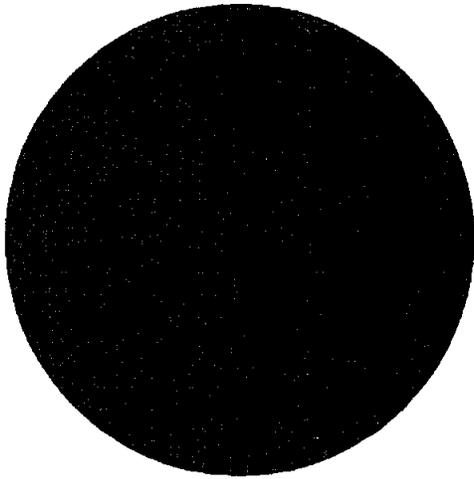
Notes on Exhibit A-9 are an integral part of this statement.

CITY OF ST. GABRIEL, LOUISIANA
STATEMENT OF ACTIVITIES

For the year ended June 30, 2014

| Functions/Programs | Program Revenues | | | Net (Expenses) Revenue and Changes in Net Position | | |
|---|---------------------|-------------------------|-----------------------------|---|-----------------------------|----------------------|
| | Expenses | Charges for Services | Capital | Governmental Activities | Business-type Activities | Total |
| | | | Grants and Contributions | | | |
| Primary government: | | | | | | |
| Governmental activities: | | | | | | |
| General government | \$ 2,770,989 | \$ 540,182 | \$ 36,700 | \$ (2,194,107) | \$ - | \$ (2,194,107) |
| Public safety | 1,709,280 | 683,820 | 896,107 | (129,353) | - | (129,353) |
| Streets and sanitation | 1,406,837 | - | - | (1,406,837) | - | (1,406,837) |
| Culture and recreation | 722,720 | 54,532 | 67,039 | (601,149) | - | (601,149) |
| Economic development | 871,712 | - | 304,758 | (566,954) | - | (566,954) |
| Interest on long-term debt | 497,458 | - | - | (497,458) | - | (497,458) |
| Total governmental activities | <u>7,978,996</u> | <u>1,278,534</u> | <u>1,304,604</u> | <u>(5,395,858)</u> | <u>-</u> | <u>(5,395,858)</u> |
| Business-type activities: | | | | | | |
| Waste water treatment facilities | 920,084 | 154,452 | 87,957 | - | (677,675) | (677,675) |
| Total business-type activities | <u>920,084</u> | <u>154,452</u> | <u>87,957</u> | <u>-</u> | <u>(677,675)</u> | <u>(677,675)</u> |
| Total primary government | <u>\$ 8,899,080</u> | <u>\$ 1,432,986</u> | <u>\$ 1,392,561</u> | <u>(5,395,858)</u> | <u>(677,675)</u> | <u>(6,073,533)</u> |
| General revenues: | | | | | | |
| Taxes: | | | | | | |
| Sales | | | | 4,048,437 | - | 4,048,437 |
| Ad valorem | | | | 3,168,817 | - | 3,168,817 |
| Video poker | | | | 473,641 | - | 473,641 |
| Other | | | | 40,096 | - | 40,096 |
| Grants and contributions not restricted to specific programs | | | | 25,318 | - | 25,318 |
| Investment earnings | | | | 2,586 | 91 | 2,677 |
| Gain on sale of capital assets | | | | 33,750 | - | 33,750 |
| Transfers | | | | (800,000) | 800,000 | - |
| Total general revenues and transfers | | | | <u>6,992,645</u> | <u>800,091</u> | <u>7,792,736</u> |
| Change in net position | | | | 1,596,787 | 122,416 | 1,719,203 |
| Net position - beginning of year | | | | <u>8,052,736</u> | <u>6,052,999</u> | <u>14,105,735</u> |
| Net position - end of year | | | | <u>\$ 9,649,523</u> | <u>\$ 6,175,415</u> | <u>\$ 15,824,938</u> |

Notes on Exhibit A-9 are an integral part of this statement.



CITY OF ST. GABRIEL, LOUISIANA

BALANCE SHEETS
GOVERNMENTAL FUNDS

June 30, 2014

| | General Fund | Civic Center Operating Fund | Code Enforcement Grant Fund | Capital Projects Fund | Debt Service Fund | Total Governmental Funds |
|--|---------------------|-----------------------------------|-----------------------------------|-----------------------------|-------------------------|--------------------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ 2,471,219 | \$ 721,250 | \$ 518,541 | \$ 3,093,942 | \$ 460,103 | \$ 7,265,055 |
| Accounts Receivables, net | 53,499 | - | - | 65,208 | - | 118,707 |
| Due from other governments | 914,803 | 28,841 | 25,411 | 368,641 | - | 1,337,696 |
| Prepaid assets | 127,408 | - | - | - | - | 127,408 |
| Restricted cash | 87,122 | 226,626 | - | - | 662,188 | 975,936 |
| Total assets | <u>\$ 3,654,051</u> | <u>\$ 976,717</u> | <u>\$ 543,952</u> | <u>\$ 3,527,791</u> | <u>\$ 1,122,291</u> | <u>\$ 9,824,802</u> |
| LIABILITIES | | | | | | |
| Accounts payable | \$ 346,309 | \$ 9,709 | \$ 495 | \$ 476,315 | \$ - | \$ 832,828 |
| Accrued expenses | 86,160 | 12,103 | 2,600 | - | - | 100,863 |
| Total liabilities | <u>432,469</u> | <u>21,812</u> | <u>3,095</u> | <u>476,315</u> | <u>-</u> | <u>933,691</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Unavailable revenues | 117,125 | - | - | - | - | 117,125 |
| Unearned revenues | - | - | - | 51,209 | - | 51,209 |
| Total deferred inflows of resources | <u>117,125</u> | <u>-</u> | <u>-</u> | <u>51,209</u> | <u>-</u> | <u>168,334</u> |
| FUND BALANCE | | | | | | |
| Nonspendable | 127,408 | - | - | - | - | 127,408 |
| Restricted for: | | | | | | |
| Infrastructure and maintenance | 1,309,395 | - | - | 3,000,267 | - | 4,309,662 |
| Public improvements | 702,116 | - | - | - | - | 702,116 |
| Debt service | - | 226,626 | - | - | 1,122,291 | 1,348,917 |
| Committed for: | | | | | | |
| Code enforcement | - | - | 540,857 | - | - | 540,857 |
| Civic center operations | - | 728,279 | - | - | - | 728,279 |
| Unassigned | 965,538 | - | - | - | - | 965,538 |
| Fund balance | <u>3,104,457</u> | <u>954,905</u> | <u>540,857</u> | <u>3,000,267</u> | <u>1,122,291</u> | <u>8,722,777</u> |
| Total liabilities, deferred inflows of resources and fund balance | <u>\$ 3,654,051</u> | <u>\$ 976,717</u> | <u>\$ 543,952</u> | <u>\$ 3,527,791</u> | <u>\$ 1,122,291</u> | <u>\$ 9,824,802</u> |

Notes on Exhibit A-9 are an integral part of this statement.

CITY OF ST. GABRIEL, LOUISIANA

**RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION**

June 30, 2014

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

| | | | |
|---|----|---------------------|----------------------|
| Total fund balances - governmental funds (Exhibit A-2) | \$ | 8,722,777 | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds | | | 13,416,100 |
| Long-term liabilities (e.g. bonds, leases), are not due and payable in the current period and, therefore, are not reported in the governmental funds. | | | |
| Accrued interest payable | \$ | (61,492) | |
| Bonds and capital lease payable | | <u>(12,427,862)</u> | <u>(12,489,354)</u> |
| Net position of governmental activities (Exhibit A) | \$ | | <u>9,649,523</u> |

Notes on Exhibit A-9 are an integral part of this statement.

CITY OF ST. GABRIEL, LOUISIANA

STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the year ended June 30, 2014

| | General Fund | Civic Center Operating Fund | Code Enforcement Grant Fund | Capital Projects Fund | Debt Service Fund | Total Governmental Funds |
|--|---------------------|-----------------------------------|-----------------------------------|-----------------------------|-------------------------|--------------------------------|
| REVENUES | | | | | | |
| Taxes: | | | | | | |
| Sales | \$ 4,048,437 | \$ - | \$ - | \$ - | \$ - | \$ 4,048,437 |
| Ad valorem | 3,168,817 | - | - | - | - | 3,168,817 |
| Other | 40,096 | - | - | - | - | 40,096 |
| Intergovernmental | 475,221 | 236,820 | - | 1,087,877 | - | 1,799,918 |
| Licenses and permits | 234,644 | - | 214,128 | - | - | 448,772 |
| Fines | 681,060 | - | - | - | - | 681,060 |
| Other | 107,848 | 45,090 | - | 1,238 | 757 | 154,933 |
| Total revenues | <u>8,756,123</u> | <u>281,910</u> | <u>214,128</u> | <u>1,089,115</u> | <u>757</u> | <u>10,342,033</u> |
| EXPENDITURES | | | | | | |
| Current function: | | | | | | |
| General government | 1,916,969 | - | 227,171 | - | - | 2,144,140 |
| Public safety | 1,621,798 | - | - | - | - | 1,621,798 |
| Streets and sanitation | 1,124,579 | - | - | 360,158 | - | 1,484,737 |
| Social and recreational services | 117,657 | 523,522 | - | - | - | 641,179 |
| Economic development | 712,904 | - | - | - | - | 712,904 |
| Debt service | 12,551 | 264,144 | - | - | 546,675 | 823,370 |
| Capital outlay | 589,838 | 58,139 | - | 3,509,396 | - | 4,157,373 |
| Total expenditures | <u>6,096,296</u> | <u>845,805</u> | <u>227,171</u> | <u>3,869,554</u> | <u>546,675</u> | <u>11,585,501</u> |
| Excess (deficiency) of revenues over expenditures | <u>2,659,827</u> | <u>(563,895)</u> | <u>(13,043)</u> | <u>(2,780,439)</u> | <u>(545,918)</u> | <u>(1,243,468)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | 1,420,000 | 250,000 | - | 1,633,096 | 3,303,096 |
| Proceeds from sale of capital assets | 33,750 | - | - | - | - | 33,750 |
| Proceeds from insurance | 2,969 | - | - | - | - | 2,969 |
| Transfers out | (3,017,000) | - | - | (1,086,096) | - | (4,103,096) |
| Total other financing sources (uses) | <u>(2,980,281)</u> | <u>1,420,000</u> | <u>250,000</u> | <u>(1,086,096)</u> | <u>1,633,096</u> | <u>(763,281)</u> |
| Net change in fund balance | (320,454) | 856,105 | 236,957 | (3,866,535) | 1,087,178 | (2,006,749) |
| FUND BALANCE | | | | | | |
| Beginning of year | <u>3,424,911</u> | <u>98,800</u> | <u>303,900</u> | <u>6,866,802</u> | <u>35,113</u> | <u>10,729,526</u> |
| End of year | <u>\$ 3,104,457</u> | <u>\$ 954,905</u> | <u>\$ 540,857</u> | <u>\$ 3,000,267</u> | <u>\$ 1,122,291</u> | <u>\$ 8,722,777</u> |

Notes on Exhibit A-9 are an integral part of this statement.

CITY OF ST. GABRIEL, LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the year ended June 30, 2014

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

| | | |
|---|------------------|---------------------|
| Net change in fund balances - total governmental funds (Exhibit A-4) | | \$ (2,006,749) |
| <p>Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation.</p> | | |
| Capital outlay | \$ 4,157,373 | |
| Depreciation expense | <u>(703,656)</u> | 3,453,717 |
| <p>The net effect of various transactions involving capital assets, trade-ins, donations, is to decrease net assets.</p> | | |
| | | (157,165) |
| <p>The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal and the effect of issuance costs and discounts when debt is first issued are expenditures in the governmental funds but reduces the liability in the statement of activities.</p> | | |
| Amortization on bond discount | (17,285) | |
| Principal payments on debt | <u>324,693</u> | 307,408 |
| <p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p> | | |
| Accrued interest payable, change during 2014 | | (424) |
| Change in net position of governmental activities (Exhibit A-1) | | <u>\$ 1,596,787</u> |

Notes on Exhibit A-9 are an integral part of this statement.

**CITY OF ST. GABRIEL, LOUISIANA
 PROPRIETARY FUND - SEWER FUND
 STATEMENT OF NET POSITION**

June 30, 2014

ASSETS

Current assets:

| | |
|---------------------------|----------------|
| Cash and cash equivalents | \$ 243,707 |
| Accounts receivable, net | 15,413 |
| Restricted cash | <u>188,931</u> |
| Total current assets | <u>499,895</u> |

Noncurrent assets:

Capital assets:

| | |
|-------------------------|------------------|
| Non-depreciable | 188,463 |
| Depreciable, net | <u>8,398,185</u> |
| Total noncurrent assets | <u>8,586,648</u> |

| | |
|--------------|---------------------|
| Total assets | <u>\$ 9,086,543</u> |
|--------------|---------------------|

LIABILITIES

Current liabilities:

| | |
|--------------------|---------------|
| Accounts payable | \$ 58,432 |
| Accrued expenses | 6,790 |
| Due to other funds | - |
| Bonds payable | <u>52,038</u> |

| | |
|---------------------------|---------|
| Total current liabilities | 117,260 |
|---------------------------|---------|

Noncurrent liabilities:

| | |
|-------------------|------------------|
| Bonds payable | <u>2,793,868</u> |
| Total liabilities | <u>2,911,128</u> |

NET POSITION

| | |
|----------------------------------|----------------|
| Net investment in capital assets | 5,740,742 |
| Restricted for debt service | 188,931 |
| Unrestricted | <u>245,742</u> |

| | |
|--------------------|------------------|
| Total net position | <u>6,175,415</u> |
|--------------------|------------------|

| | |
|------------------------------------|---------------------|
| Total liabilities and net position | <u>\$ 9,086,543</u> |
|------------------------------------|---------------------|

Notes on Exhibit A-9 are an integral part of this statement.

**CITY OF ST. GABRIEL, LOUISIANA
 PROPRIETARY FUND - SEWER FUND
 STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN NET POSITION**

For the year ended June 30, 2014

| | |
|---------------------------|---------------------|
| OPERATING REVENUES | |
| Charges for services | \$ 154,452 |
| OPERATING EXPENSES | |
| Depreciation | 295,102 |
| Personnel | 149,101 |
| Maintenance | 118,038 |
| Utilities | 110,572 |
| Supplies | 35,579 |
| Chemicals | 13,183 |
| Insurance | 54,873 |
| Professional services | 15,500 |
| Other | 1,740 |
| Total operating expenses | <u>793,752</u> |
| Operating loss | (639,300) |
| NON-OPERATING | |
| Capital grant | 87,957 |
| Interest income | 91 |
| Interest expense | <u>(126,332)</u> |
| Loss before transfers | (677,584) |
| Transfers in | <u>800,000</u> |
| Net income | 122,416 |
| NET POSITION | |
| Beginning of year | <u>6,052,999</u> |
| End of year | <u>\$ 6,175,415</u> |

Notes on Exhibit A-9 are an integral part of this statement.

**CITY OF ST. GABRIEL, LOUISIANA
PROPRIETARY FUND - SEWER FUND**

STATEMENT OF CASH FLOWS

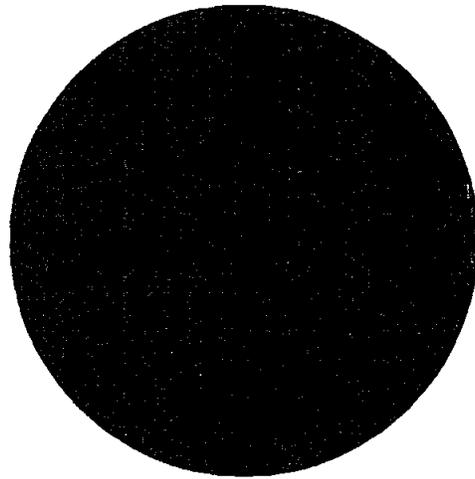
For the year ended June 30, 2014

| | |
|--|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Receipts from customers | \$ 150,987 |
| Payments to suppliers | (337,589) |
| Payments to employees | <u>(151,369)</u> |
| Net cash used for operating activities | <u>(337,971)</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | |
| Capital grants | 87,957 |
| Due from other government | (51,845) |
| Capital asset additions | (141,172) |
| Principal paid on capital debt | (51,014) |
| Interest paid on capital debt | <u>(126,332)</u> |
| Net cash used by capital and related financing activities | <u>(282,406)</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | |
| Transfers in from other funds | 800,000 |
| Decrease in due to other funds | <u>(63,815)</u> |
| Net cash provided by noncapital and related financing activities | <u>736,185</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Interest income | <u>91</u> |
| Net increase in cash | 115,899 |
| CASH | |
| Beginning of period | <u>316,739</u> |
| End of period | <u>\$ 432,638</u> |
| RECONCILIATION OF CASH | |
| Cash and cash equivalents | \$ 243,707 |
| Restricted cash | <u>188,931</u> |
| Total cash | <u>\$ 432,638</u> |
| RECONCILIATION OF OPERATING LOSS TO NET CASH USED FOR OPERATING ACTIVITIES: | |
| Operating loss | \$ (639,300) |
| Adjustments of operating loss: | |
| Depreciation | 295,102 |
| Provision for bad debt | 34,453 |
| Change in operating assets and liabilities: | |
| Accrued expenses | (2,268) |
| Accounts payable | 11,960 |
| Accounts receivable | <u>(37,918)</u> |
| Net cash used for operating activities | <u>\$ (337,971)</u> |

Notes on Exhibit A-9 are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS





CITY OF ST. GABRIEL, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement Presentation

The financial statements of the City of St. Gabriel, Louisiana (the City) have been prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Proprietary funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The more significant accounting policies established in GAAP and used by the City are described below.

The financial statements comply with GASB approved Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments* and include the following:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the City’s overall financial position and results of operations.
- Financial statements prepared using full accrual accounting for all of the City’s activities, including infrastructure (roads, bridges, etc.).
- A change in the fund financial statements to focus on the major funds.

Reporting Entity

These financial statements present the City as the primary government. For financial reporting purposes, the City is controlled by or dependent on the City’s executive or legislative branches (the Mayor or the City Council, respectively). Control by or dependence on the City is determined on the basis of budget adoption, taxing authority, outstanding debts secured by revenues or general obligations of the City, obligations of the City to finance any deficits that may occur, or receipt of significant subsidies from the City.

GASB Statement No. 65 introduced and defined the elements included in financial statements, including deferred outflows of resources and deferred inflows of resources. It also amends the financial statement element classification of certain items previously reported as assets and liabilities.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

As the municipal governing authority, for reporting purposes, the City is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary municipal government, and where applicable (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The criteria for determining which component units should be considered part of the City for financial reporting purposes are as follows:

- Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued, and the right to buy, sell and lease property in its own name;
- Whether the City governing authority (the Council and/or Mayor) appoints a majority of board members of the potential component unit;
- Fiscal interdependency between the City and the potential component unit;
- Imposition of will by the City on the potential component unit; and
- Financial benefit/burden relationship between the City and the potential component unit.

As required by generally accepted accounting principles, these financial statements present the City; there are no component units to be included either blended within the City's funds or discretely presented in these financial statements.

Basis of Presentation

The City's basic financial statements consist of the government-wide statements of the primary government (the City) and the fund financial statements (individual major funds and combined non-major funds). The City's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America and applied to governmental units. Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide financial statements and the proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The City has elected not to follow subsequent private-sector guidance.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Government-wide Financial Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for all non-fiduciary activities of the City. As a general rule, the effect of interfund activity has been removed from these statements. The government-wide presentation focuses primarily on the sustainability of the government as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. These statements distinguish between the governmental and business-type activities of the City.

Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

Business type activities are financed in whole or part by fees charged to external parties for utility services provided. The City's sewer services are classified as business-type activities.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or business-type activity, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

The fund financial statements are very similar to the traditional government fund statements as prepared by governments prior to the issuance of GASB No. 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 daily operations of the City continue to be organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures or expenses, as appropriate. Funds are organized into three major categories: governmental, proprietary and fiduciary. The City does not have any fiduciary funds. An emphasis is placed on major funds within the governmental and proprietary categories.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Fund Financial Statements (Continued)

A fund is considered major if it is the primary operating fund of the City (the general fund) or meets the following criteria:

- Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental fund or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be expended and the means by which spending activities are controlled. The various funds and account groups of the primary government presented in the financial statements are described as follows:

Governmental Fund Types

Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of expendable financial resources and related liabilities of the City are accounted for through governmental funds. Measurement is focused upon determining changes in financial position rather than net income. The following are the governmental fund types of the City:

General Fund - The general fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The general fund is always a major fund.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) such as intergovernmental revenues and charges for services that are legally restricted to expenditures for specified purposes. The special revenue funds that are considered major funds are the Civic Center Operating Fund and the Code Enforcement Grant Fund.

Debt Service Funds - Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. The City considers the 2012 Debt Service Fund a major fund.

Capital Projects Fund - Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Capital Projects Fund is considered a major fund and is used to account for infrastructure improvements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Proprietary Fund Types

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise 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 non-operating revenues and expenses.

Enterprise Funds - Enterprise funds are used to account for operations (1) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs and 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 (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City's enterprise fund has been considered a major fund.

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 the related cash flows. Ad Valorem taxes are recognized in the year for which they are assessed.

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 are generally included in the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other 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 collectible within the current period or within 60 days after year-end. Charges for services, fines and forfeitures, and most governmental miscellaneous revenues, are recorded as earned since they are measurable and available.

Non-exchange transactions, in which the City receives value without directly giving value in return, include sales tax, ad valorem tax, and federal and state aid and grants.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting and Measurement Focus (Continued)

Fund financial statements (Continued)

Ad valorem taxes are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15th of each year, and become delinquent after December 31st. The taxes are generally collected in December, January and February of the current fiscal year. Furthermore, the City budgets use of ad valorem taxes on a fiscal year basis. Sales taxes are recorded when in the possession of the intermediary collecting agent and are recognized as revenue at that time. Federal and state aid and grants are recorded as revenue when the City is entitled to the funds, generally corresponding to when grant-related costs are incurred by the City, but subject to the availability criteria.

Expenditures are recognized in the accounting period in which the related fund liability is incurred, if measurable, except (1) unmatured interest on general long-term debt, which is recognized when due, and (2) claims and judgments and compensated absences, which are recorded as expenditures in the governmental fund when paid with expendable financial resources. Allocations of costs such as depreciation and amortization are not recognized in the governmental funds.

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 party gives and receives. Revenues resulting from the exchange transactions, in which each party gives and receives essentially equal value, is reconciled on the accrual basis when the exchange takes place.

Cash and Cash Equivalents

Cash and cash equivalents for the City include the Louisiana Asset Management Pool (LAMP) account and each individual fund's share of the consolidated operating cash accounts.

Consolidated bank accounts have been established for the City into which substantially all monies are deposited and from which most disbursements are made. In addition, investment purchases are charged and maturities are deposited to the consolidated bank account. The purpose of the consolidation of bank accounts was to provide administrative efficiency and to maximize investment earnings. The accounts entitled "Cash and Cash Equivalents" is therefore composed of a fund's pro rata share of the cash balance in the consolidated cash account plus its' pro rata share of investments made through the investment of excess cash. Investment earnings are recorded in the general fund.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents (Continued)

For an investment, custodial credit risk is the risk that, in the event of the failure of the counter party, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The investment policy of the City is governed by state statutes that include depository and custodial contract provisions. The City invests funds in accordance with L.R.S. 39:1211-1245 and 33:2955 which include, but are not limited to, United States treasury bonds, treasury notes, treasury bills, and fully collateralized interest-bearing checking accounts and certificates of deposit. Other provisions require depositories to insure or collateralize all deposits in accordance with state law and require securities collateralizing deposits to be held by an independent third party with whom the City has a custodial agreement. The City primarily utilizes the Louisiana Asset Management Pool to invest idle funds and records amounts invested at fair value.

For purposes of the Statement of Cash Flows, liquid investments of the enterprise fund with a maturity of three months or less are considered to be cash equivalents. See Note 2.

Accounts Receivable and Bad Debts

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. For governmental activities, uncollectible amounts due for receivables are recognized as bad debts directly charged off at the time information becomes available which indicates that the particular receivable is not collectible. In governmental fund types, the uncollectible amount is charged directly to the revenue or deferred revenue reported. In business-type activities, uncollectible amounts due from sewer billing receivables are recognized as bad debts through the use of an allowance account or are directly charged off at the time information becomes available which indicates that the particular receivable is not collectible. An allowance for doubtful accounts of \$249,900 was recorded at June 30, 2014.

Interfund Receivables/Payables

During the course of operations numerous transactions occur between individual funds. Those related to short-term borrowings are classified as "due from other funds" or "due to other funds" on the balance sheet and result primarily from participation in the consolidated cash account. Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. There were no interfund receivable/payable balances as of June 30, 2014. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Restricted Cash

Restricted cash represents amounts which have been designated for debt service reserves and to meet unexpected contingencies for property repairs and replacements. Restricted cash consisted of \$1,164,867 as of June 30, 2014.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepaid Assets

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.

Capital Assets

The accounting treatment of property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-wide Statements

All capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their estimated fair value at the date of donation. Major outlays for capital assets and improvements are capitalized at completion of the construction projects. The City's capitalization policy stipulates a capitalization threshold of \$1,000.

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

Prior to the implementation of GASB No. 34, governmental funds' infrastructure assets were not capitalized. These assets are comprised of the streets maintained by the City and have been valued at estimated historical cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

| | |
|-------------------------|-------------|
| Buildings | 25-40 years |
| Improvements | 7-30 years |
| Machinery and equipment | 5-20 years |
| Utility system | 5-40 years |
| Infrastructure | 15-40 years |

Fund Financial Statements

In the fund financial statements capital assets used in governmental fund operations are not capitalized. Instead, capital acquisition and construction are reflected as expenditures in the governmental funds.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

Fund Financial Statements (Continued)

Property, plant and equipment used by the proprietary funds are stated at cost. Interest costs incurred during construction periods are capitalized. Depreciation has been provided over the estimated useful lives of the assets using the straight-line method. The estimated useful lives are as follows:

| | |
|-------------------------|------------|
| Sewer treatment systems | 5-40 years |
| Sewer pump station | 20 years |

Long-term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

In the government-wide Statement of Net Position and in the proprietary fund types' financial statements, long-term debt is reported as a liability. Bonds payable 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 bond. The long-term debt consists primarily of public improvement bonds and certificates of indebtedness for public improvements.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The face amount of the debt proceeds are reported as other financing sources and payment of principal and interest are reported as expenditures. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs in the period incurred. The accounting for proprietary fund debt is the same in the fund financial statements as it is in the government-wide financial statements. The City is not obligated for any special assessment debt.

Compensated Absences

All full-time employees of the City are entitled to annual paid vacation and sick leave. Accumulated unused vacation leave earned but not taken is forfeited at the end of the City's fiscal year. Additionally, sick leave may be accumulated up to 60 days. However, unused sick leave is forfeited upon retirement or termination and has not been reflected in these financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-wide and Proprietary Fund Net Position

Government-wide and proprietary fund net position is divided into three components:

- Net investment in capital assets—consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.
- Restricted net position —consist of net position that is restricted by the City's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
- Unrestricted—all other net position is reported in this category.

Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified as follows:

- Nonspendable—Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- Restricted—Amounts that can be spent only for specific purposes because of the City Charter, the City Code, state or federal laws, or externally imposed conditions by grantors or creditors.
- Committed—Amounts that can be used only for specific purposes determined by a formal action by City Council ordinance. This includes the budget reserves.
- Assigned—Amounts that are designated by the Mayor for a particular purpose but are not spendable until a budget ordinance is passed or there is a majority vote approval (for capital projects or debt service) by City Council.
- Unassigned—All amounts not included in other spendable classifications.

Use of Restricted Resources

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the City's policy is to apply the expenditure in the following priority:

1. Restricted fund balance,
2. Committed fund balance,
3. Assigned fund balance, and
4. Unassigned fund balance.

Interfund Transfers

Transfers between funds are included in the budgets of such funds. In those cases where repayment is expected, the advances are accounted for through the various interfund accounts.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budget Policy and Budgetary Accounting

A proposed budget is prepared and submitted by the Mayor to the City Council prior to the beginning of each fiscal year. A budget summary and notice of a public hearing is published with the public hearing being conducted prior to the adoption of the budget. The City follows the requirements of Louisiana Budget Law. The City is required to adopt its budget prior to June 30. Once adopted, the Mayor is able to transfer part or all of any appropriation within a department of a fund; however, the authority for other budget amendments resides with the City Council.

The annual operating budget, prepared on the accrual basis, covers the general, special revenue, debt service, capital projects, and enterprise funds. At the end of the fiscal year unexpended appropriations automatically lapse. Budget amendments are approved by the City Council and are included in the financial statements.

In connection with budget preparation, a portion of the unreserved fund balance of an individual fund may be designated for expenditures of the subsequent year by formal action of the City Council. Such designation represents the extent to which the fund balance is used to balance the subsequent year's operating budget of that fund as reflected in the legally adopted budget.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. They may also affect the reported amounts of revenues and expenses of proprietary funds and the government-wide financial statements during the reporting period. Actual results could differ from those estimates. Estimates are used primarily when accounting for depreciation, prepaid insurance, and deferred revenue.

Subsequent events

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through the date of the independent auditors' report, which is the date the financial statements were available to be issued.

NOTE 2 - CASH AND INVESTMENTS

The City may invest in United States bonds, treasury notes, or certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the State of Louisiana or other qualifying federally insured investments.

Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned to them. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. As of June 30, 2014, the City's deposits were not exposed to any custodial risk.

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pools of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA – R.S. 33:2955. The value of the portfolio is carried at amortized cost. As of June 30, 2014, the City had a balance of \$741,142 invested in LAMP.

LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools:

- Credit risk: LAMP is rated AAAM by Standard & Poor’s.
- Custodial risk: 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 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.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value. For purposes of determining participants’ shares, investments are valued at amortized cost. The fair value of the participant’s position 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.

NOTE 3 - DUE FROM OTHER GOVERNMENTS

Due from other governments at June 30, 2014, consists of the following:

| | |
|--|-------------------------|
| Primary Government: | |
| Parish of Iberville, Louisiana - Sales tax | \$ 684,262 |
| State of Louisiana - Grants | 647,596 |
| State of Louisiana - Video poker | <u>57,682</u> |
| Total primary government | <u>\$ 1,389,540</u> |

NOTE 4 - AD VALOREM TAXES

The 1974 Louisiana Constitution (Article 7 Section 18) provided that land and improvements for residential purposes be assessed at 10% of fair market value; other property and electric cooperative properties, excluding land, are to be assessed at 15%; and public service properties, excluding land, are to be assessed at 25% of fair market value. Fair market value is determined by the elected assessor of the parish on all property subject to taxation except public service properties, which are valued by the Louisiana Tax Commission (L.R.S. 47:1957). The correctness of assessments by the assessor is subject to review and certification by the Louisiana Tax Commission. The assessor is required to reappraise all property subject to taxation at intervals of not more than four years.

All property taxes are recorded in governmental funds as explained in Note 1 above. Revenues in governmental funds are recognized in the accounting period in which they become available and measurable. Property taxes are considered measurable in the calendar year of the tax levy. Accordingly, the taxes assessed for the calendar year falling within the current fiscal year are recorded as revenue. Property taxes are considered available because they are substantially collected during the fiscal year and are therefore available to liquidate liabilities of the current period.

The property tax calendar is as follows:

| | |
|-----------------------|---------------------------------------|
| Millage rates adopted | July 21, 2013 |
| Levy date | July 21, 2013 |
| Due date | December 31, 2013 |
| Lien date | January 1, 2014 |
| Collection dates | December 1, 2013 to February 28, 2014 |

Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of one and one-fourth percent per month until the taxes are paid (La.R.S. 47:2101). After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed (La.R.S. 47:2181). Therefore, there are no delinquent taxes at year end.

For the year ended June 30, 2014, taxes of 16.84 mills were levied for general government and public purposes on property with assessed valuations totaling \$1,882,678. Total taxes levied were \$3,170,430. Property tax millage rates are adopted in the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before December 31 of the current year, and become delinquent thereafter.

The City collected ad valorem taxes of \$2,283,189 from ten property owners during the year ended June 30, 2014. Tax collections from five of the ten taxpayers amounted to \$1,887,067.

NOTE 5 - CAPITAL ASSETS

General Capital Assets

A summary of changes in general capital assets for the year ended June 30, 2014, is as follows:

| | Beginning | | | Ending |
|--|----------------------|---------------------|-----------------------|----------------------|
| | Balance | Increases | Decreases | Balance |
| Governmental activities: | | | | |
| Capital assets not being depreciated: | | | | |
| Land | \$ 442,324 | \$ - | \$ - | \$ 442,324 |
| Construction in progress | <u>3,020,435</u> | <u>3,841,681</u> | <u>(1,528,651)</u> | <u>5,333,465</u> |
| Total capital assets, not being depreciated | <u>3,462,759</u> | <u>3,841,681</u> | <u>(1,528,651)</u> | <u>5,775,789</u> |
| Capital assets being depreciated: | | | | |
| Buildings and improvements | 5,713,868 | 20,795 | - | 5,734,663 |
| Equipment and vehicles | 3,896,193 | 258,770 | - | 4,154,963 |
| Infrastructure | <u>2,674,420</u> | <u>1,405,970</u> | <u>-</u> | <u>4,080,390</u> |
| Total capital assets being depreciated | <u>12,284,481</u> | <u>1,685,535</u> | <u>-</u> | <u>13,970,016</u> |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | 1,236,753 | 168,900 | - | 1,405,653 |
| Equipment and vehicles | 3,089,570 | 288,262 | - | 3,377,832 |
| Infrastructure | <u>1,299,726</u> | <u>246,494</u> | <u>-</u> | <u>1,546,220</u> |
| Total accumulated depreciation | <u>5,626,049</u> | <u>703,656</u> | <u>-</u> | <u>6,329,705</u> |
| Total capital assets, being depreciated, net | <u>6,658,432</u> | <u>981,879</u> | <u>-</u> | <u>7,640,311</u> |
| Governmental activities capital assets, net | <u>\$ 10,121,191</u> | <u>\$ 4,823,560</u> | <u>\$ (1,528,651)</u> | <u>\$ 13,416,100</u> |
| Business Activities: | | | | |
| Capital assets not being depreciated: | | | | |
| Land | \$ 60,000 | \$ - | \$ - | \$ 60,000 |
| Construction in progress | <u>31,438</u> | <u>97,025</u> | <u>-</u> | <u>128,463</u> |
| Total capital assets, not being depreciated | <u>91,438</u> | <u>97,025</u> | <u>-</u> | <u>188,463</u> |
| Capital assets being depreciated: | | | | |
| Sewer treatment plants | 11,128,859 | 44,147 | - | 11,173,006 |
| Sewer pump station | <u>189,961</u> | <u>-</u> | <u>-</u> | <u>189,961</u> |
| Total capital assets being depreciated | <u>11,318,820</u> | <u>44,147</u> | <u>-</u> | <u>11,362,967</u> |
| Less accumulated depreciation for: | | | | |
| Sewer treatment plants | 2,597,145 | 290,353 | - | 2,887,498 |
| Sewer pump station | <u>72,535</u> | <u>4,749</u> | <u>-</u> | <u>77,284</u> |
| Total accumulated depreciation | <u>2,669,680</u> | <u>295,102</u> | <u>-</u> | <u>2,964,782</u> |
| Total capital assets being depreciated, net | <u>8,649,140</u> | <u>(250,955)</u> | <u>-</u> | <u>8,398,185</u> |
| Business-type activities capital assets, net | <u>\$ 8,740,578</u> | <u>\$ (153,930)</u> | <u>\$ -</u> | <u>\$ 8,586,648</u> |

NOTE 5 - CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions/programs of the primary government as follows:

| | | |
|--|----|---------|
| Governmental activities | | |
| General government | \$ | 247,080 |
| Streets and sanitation | | 235,510 |
| Recreation | | 133,586 |
| Public Safety | | 87,480 |
| Total depreciation expense-governmental activities | \$ | 703,656 |

NOTE 6 - LONG-TERM DEBT

Debt Outstanding

The following is a summary of debt transactions of the City for the year ended June 30, 2014:

| | Beginning of Year | Additions | Reductions | End of Year | Due Within One Year |
|--------------------------------|----------------------|-----------|------------|----------------|------------------------|
| Governmental activities: | | | | | |
| Promissory note payable - USDA | \$ 106,673 | \$ - | \$ 5,016 | \$ 101,657 | \$ 5,318 |
| Civic Center Revenue Bond | 4,447,665 | - | 74,677 | 4,372,988 | 74,139 |
| Capital projects Revenue Bond | 8,590,000 | - | 245,000 | 8,345,000 | 250,000 |
| Bond discount | (409,068) | - | (17,285) | (391,783) | (17,285) |
| Total | \$ 12,735,270 | \$ - | \$ 307,408 | \$ 12,427,862 | \$ 312,172 |
| Business-type activities: | | | | | |
| Revenue bonds | \$ 2,896,920 | \$ - | \$ 51,014 | \$ 2,845,906 | \$ 52,038 |

(Continued)

NOTE 6 - LONG-TERM DEBT (CONTINUED)

Long-term debt obligations for the primary government at June 30, 2014, are comprised of the following:

Governmental Activities

| | |
|---|----------------------|
| \$8,830,000 Capital Projects Revenue Bond secured by a pledge and dedication of sales tax revenues, due in annual installments of \$240,000-\$525,000 through May 2037; interest at 2.500% - 4.00%. | \$ 8,345,000 |
| Bond discount, net of accumulated amortization | <u>(391,783)</u> |
| | <u>7,953,217</u> |
| \$108,209 promissory note payable to USDA due in Monthly installments of \$865 through February 1, 2028; Interest at 5.10% | 101,657 |
| \$4,980,000 Civic Center Revenue Bond secured by a pledge and dedication of sales tax revenues, due in monthly installments of \$22,012 through October 7, 2045; interest at 4.375%. | <u>4,372,988</u> |
| Total long-term debt from governmental activities | <u>\$ 12,427,862</u> |

Business-Type Activities

Revenue Bonds:

| | |
|---|--------------|
| \$1,237,000 Sewer Revenue Bonds secured by a pledge and dedication of sewer revenues, due in monthly installments of \$5,617 through December 15, 2040 interest at 4.500% | \$ 1,040,436 |
| \$532,000 Sewer Revenue Bonds secured by a pledge and dedication of sewer revenues, due in monthly installments of \$2,416 through June 6, 2041; interest at 4.500% | 451,886 |
| \$1,064,000 Sewer Revenue Bonds secured by a pledge and dedication of sewer revenues, initial annual interest payments of \$47,880 due on December 18, 2004 and 2005, thereafter in monthly installments of \$4,884 through December 18, 2043; interest at 4.5% | 953,084 |

NOTE 6 - LONG-TERM DEBT (CONTINUED)

\$444,000 Sewer Revenue Bonds secured by a pledge and dedication of sewer revenues, due in monthly installments of \$1,980 through February 23, 2045; interest at 4.375% 400,500

Total long-term debt from business-type activities \$ 2,845,906

Debt Service Requirements to Maturity

The annual requirements to amortize debt outstanding at June 30, 2014, are as follows:

Governmental activities:

| Year | Promissory Note Payable - USDA | | Capital Projects Revenue Bond | | Civic Center Revenue Bond | | Total Governmental Long-term Debt | |
|-----------|--------------------------------|------------------|-------------------------------|---------------------|---------------------------|---------------------|-----------------------------------|---------------------|
| | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest |
| 2015 | 5,318 | 5,061 | 250,000 | 295,550 | 74,139 | 190,005 | 329,457 | 490,616 |
| 2016 | 5,596 | 4,783 | 260,000 | 289,300 | 77,448 | 186,696 | 343,044 | 480,779 |
| 2017 | 5,888 | 4,491 | 265,000 | 282,800 | 80,905 | 183,239 | 351,793 | 470,530 |
| 2018 | 6,195 | 4,184 | 270,000 | 276,175 | 84,516 | 179,628 | 360,711 | 459,987 |
| 2019 | 6,519 | 3,860 | 280,000 | 268,075 | 88,289 | 175,855 | 374,808 | 447,790 |
| 2020-2024 | 38,068 | 13,827 | 1,530,000 | 1,207,700 | 504,200 | 816,520 | 2,072,268 | 2,038,047 |
| 2025-2029 | 34,073 | 3,294 | 1,805,000 | 930,900 | 627,238 | 693,482 | 2,466,311 | 1,627,676 |
| 2030-2034 | - | - | 2,170,000 | 570,400 | 780,299 | 540,421 | 2,950,299 | 1,110,821 |
| 2035-2039 | - | - | 1,515,000 | 122,800 | 970,689 | 350,031 | 2,485,689 | 472,831 |
| 2040-2044 | - | - | - | - | 1,085,265 | 114,004 | 1,085,265 | 114,004 |
| | <u>\$ 101,657</u> | <u>\$ 39,500</u> | <u>\$ 8,345,000</u> | <u>\$ 4,243,700</u> | <u>\$ 4,372,988</u> | <u>\$ 3,429,881</u> | <u>\$ 12,819,645</u> | <u>\$ 7,713,081</u> |

Business-type activities:

| Year | Sewer Revenue Bonds | |
|-----------|---------------------|---------------------|
| | Principal | Interest |
| 2015 | 52,038 | 126,726 |
| 2016 | 54,422 | 124,342 |
| 2017 | 56,917 | 121,947 |
| 2018 | 59,525 | 119,239 |
| 2019 | 62,253 | 116,510 |
| 2020-2024 | 356,769 | 537,061 |
| 2025-2029 | 445,852 | 447,430 |
| 2030-2034 | 558,472 | 335,341 |
| 2035-2039 | 698,471 | 195,076 |
| 2040-2044 | 485,738 | 46,405 |
| | <u>\$ 2,845,906</u> | <u>\$ 2,170,338</u> |

NOTE 6 - LONG-TERM DEBT (CONTINUED)

Normally debt issues are not retired prior to their maturity. For accounting purposes, interest coupons issued in connection with the sale of various bond issues become obligations/expenditures of the City only with the passage of time and they represent fixed and determinable obligations which must be retired from future revenues.

There are no outstanding bonds secured by ad valorem taxes of the City at this time.

Bond Restrictions

Sewer Revenue Bonds – Phase I, II, III, and IV

In accordance with the indenture governing Sewerage Utility Fund Revenue Bonds, Series 2000, 2001, 2002, and 2003 cash is periodically deposited into accounts administered by a trustee bank. These bonds are a direct liability of the Sewerage Enterprise fund to be serviced by the earnings from the fund. Deposits are made to these trust accounts in accordance with the requirements of each debt issue.

1. The Sewer System Revenue fund requires all revenue derived from its operations to be deposited in a bank that is a member of the Federal Deposit Insurance Corporation as long as any of the bonds are outstanding. Required transfers are made on a monthly basis to designated trust accounts. In addition, the series 2000, 2001, 2002, and 2003 bonds require the use of a separate construction account.
2. The Sewer Revenue Bond and Interest Sinking funds require monthly fund transfers from the Sewer System Revenue fund to provide payment of the next maturing interest and principal of the revenue bonds.
3. The Sewer Revenue Bond Reserve funds require monthly transfers until a sum equal to the highest combined principal and interest falling due in any year has been accumulated. These funds are restricted to payment of principal and interest in case of default. Monthly transfers are \$281, \$121, \$244, and \$99. At June 30, 2014, \$42,151, \$24,889, \$17,425, and \$10,000 was held in these reserve accounts.
4. The Sewer Depreciation and Contingency funds require monthly transfers of \$281, \$121, \$244, and \$99. The funds are restricted to payments for unusual or extraordinary maintenance, repairs, replacement, and extensions and improvements that will either enhance its revenue producing capacity or provide improved service. The funds will also be used to pay principal and interest if there are not sufficient funds in the Sewer Revenue Bond and Interest Sinking funds, or Sewer Revenue Bond Reserve funds. At June 30, 2014, \$42,151, \$24,889, \$17,425, and \$10,000 was held in these reserve accounts.

Sewer revenue bonds are secured by a pledge of sewer revenues through 2045. The bonds were issued for the construction of wastewater treatment facilities. During 2014, the City received \$150,987 in sewer revenues. The bonds debt service for 2014 was \$177,346. The shortfall was funded by transfers from the City's General Fund.

NOTE 6 - LONG-TERM DEBT (CONTINUED)

Capital Projects Revenue Bonds

In accordance with the indentures governing Capital Projects Revenue bonds, Series 2013, cash is periodically deposited into accounts administered by a trustee bank. These bonds are a direct liability of the City to be serviced by the proceeds from sales tax revenue. Deposits are made to these trust accounts in accordance with the requirements of each.

1. The Capital Projects Revenue Bonds Debt Service Reserve Fund is a cash account maintained by the trustee bank. This fund is restricted to payment of principal and interest in case of default. At June 30, 2014, \$549,800 was held in this account.
2. The Capital Projects Revenue Bonds Debt Service Fund requires monthly transfers ranging from \$52,073 to \$45,500. This fund is restricted to payment of principal and interest on an annual and semi-annual basis, respectively. At June 30, 2014, \$112,388 was held in this debt service account.

Civic Center Revenue Bonds

In accordance with the indentures governing Civic Center Revenue bonds, Series 2003, cash is periodically deposited into accounts administered by a trustee bank. These bonds are a direct liability of the Civic Center Special Revenue fund to be serviced by the earnings from the fund. Deposits are made to these trust accounts in accordance with the requirements of each.

1. The Civic Center Revenue bonds require all revenue derived from its operations to be deposited in a bank that is a member of the Federal Deposit Insurance Corporation as long as any of the bonds are outstanding. Required transfers are made on a monthly basis to designated trust accounts.
2. The Civic Center Revenue Bond Reserve fund requires monthly transfers ranging from \$1,100 until a sum equal to the highest combined principal and interest falling due in any year has been accumulated. This fund is restricted to payment of principal and interest in case of default. At June 30, 2014, \$113,300 was held in this reserve accounts.
3. The Civic Center Depreciation and Contingency funds require monthly transfers of \$1,100. The funds are restricted to payments for unusual or extraordinary maintenance, repairs, replacement, and extensions and improvements that will either enhance its revenue producing capacity or provide improved service. It will also be used to pay principal and interest if there are not sufficient funds in the Civic Center Revenue fund. At June 30, 2014, \$113,300 was held in this reserve accounts.

NOTE 6 - LONG-TERM DEBT (CONTINUED)

Civic Center Revenue Bonds (Continued)

The Civic Center Revenue bonds are secured from a pledge of the City's 1% sales and use tax. During 2014, the City collected \$1,620,760 in sales and use tax proceeds with \$547,000 used to fund current debt service until retirement through 2045. The debt was issued for the purpose of funding the construction of a community center. Excess sales tax revenues over debt service requirements are available for use as stipulated by the tax dedication and determined by the City. See Note 7.

Legal Debt Margin

Computation for legal debt margin for general obligation bonds is as follows:

| | |
|---|-----------------------|
| Ad Valorem taxes – assessed valuation | <u>\$ 188,267,805</u> |
| Debt limit: 10% of assessed valuation (for any one purpose) | <u>\$ 18,826,781</u> |
| Debt limit: 35% of assessed valuation (aggregate, all purposes) | <u>\$ 65,893,732</u> |

NOTE 7 - DEDICATED REVENUES

Ad Valorem Tax

A 10.00 mills ad valorem tax was levied in July 2013. The tax is dedicated for public improvements including, but not limited to, housing, economic development, and funding for a community center. Dedicated ad valorem taxes of \$1,881,720 were collected during the year ended June 30, 2014.

Sales and Use Tax

A one-third of one percent sales and use tax is dedicated for public purposes, including, but not limited to, sewer and wastewater facilities, water and fire protection, streets, sidewalks, bridges and drainage and other capital expenditures, including operating and maintenance costs related thereto. The City received \$1,620,760 from sales and use tax during the year ended June 30, 2014.

Parish-wide Sales Tax

A two percent parish-wide sales tax is dedicated for public infrastructure and maintenance. The City received \$2,427,677 from parish-wide sales tax during the year ended June 30, 2014. The tax is collected on a parish-wide basis in Iberville Parish and shared with certain municipalities in the Parish on a pro-rata basis based on populations.

NOTE 8 - PENSION AND RETIREMENT PLANS

State of Louisiana Municipal Employees' Retirement System

Plan Description – Substantially all employees of the City are members of the State of Louisiana Municipal Employees' Retirement System (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, each with separate assets and benefit provisions. All employees of the City are members of Plan A.

All permanent employees working at least 35 hours per week who are paid wholly or in part from City funds are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service or at any age with at least 25 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary multiplied for each year of creditable service. Monthly retirement benefits paid under Plan A cannot exceed the lesser of 100 percent of final-average salary or \$70 multiplied by total years of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average.

Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination.

The System also provides death and disability benefits. Benefits are established or amended 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 Municipal Employees' Retirement System, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 925-4810. Their web site is www.mersla.com.

Funding Policy – Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the City is required to contribute at an actuarially determined rate. The current rate is 18.75 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent of the ad valorem taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the City are established and may be amended by state statute. As provided by L.R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

The City's contributions to the system under Plan A for the years ended June 30, 2014, 2013 and 2012 were \$211,974, \$205,639, and \$246,781, respectively, and were equal to the statutorily required contributions for each year.

NOTE 8 - PENSION AND RETIREMENT PLANS (CONTINUED)

Municipal Police Employees' Retirement System

Plan Description – Police department employees of the City are members of the Municipal Police Employees Retirement System (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All permanent full-time police officers who are paid wholly or in part from City police department funds are required to participate in the System.

Under the plan, officers who retire at or after age 55 with at least 12 years of creditable service, or at or after age 50 with at least 20 years of creditable service, or any age with at least 25 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 and 1/3 percent of their final-average salary multiplied for each year of creditable service not to exceed 100 percent of final salary. The System also provides death and disability benefits. Benefits are established or amended 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 Municipal Police Employees Retirement System, 7722 Office Park Boulevard, Suite 200, Baton Rouge, Louisiana 70809-7601, or by calling (225) 929-7411. Their web site is www.lampers.org.

Funding Policy – Under the plan, members are required to contribute 10.0 percent of their annual covered salary and the City is required to contribute at an actuarially determined rate. The current rate is 31 percent of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by state statute. The employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

The City's contributions to the system under the plan for the years ended June 30, 2014, 2013 and 2012 were \$205,304, \$188,223, and \$170,832, respectively, and were equal to the statutorily required contributions for each year.

Firefighters' Retirement System

Plan Description – Fire department employees of the City are members of the Firefighters' Retirement System (System), a state-wide cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All permanent full-time fire department employees who are paid wholly or in part from the City's fire department funds are eligible to participate in the System.

NOTE 8 - PENSION AND RETIREMENT PLANS (CONTINUED)

Firefighters' Retirement System (Continued)

Under the plan, employees who retire at or after age 55 with at least 12 years of creditable service, or at or after age 50 with at least 20 years of creditable service, or at any age with at least 25 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average compensation based on 36 consecutive months of highest pay multiplied for each year of creditable service not to exceed 100 percent of their final salary. The System also provides death and disability benefits. Benefits are established or amended 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 Firefighters' Retirement System, 3100 Brentwood Drive, Baton Rouge, Louisiana 70809-1752, or by calling (225) 925-4060. Their web site is www.lafirefightersret.com.

Funding Policy – Under the plan, members are required by state statute to contribute 8 percent of their annual covered salary and the City is required to contribute at an actuarially determined rate. The current rate is 26 percent of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by state statute. The employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

The City's contributions to the System under the plan for the years ended June 30, 2014, 2013 and 2012, were \$3,067, \$38,105, and \$46,127, respectively, and were equal to the statutorily required contributions for each year.

(Continued)

NOTE 9 - INTERFUND TRANSFERS

Interfund Transfers

Transfers for the year ended June 30, 2014, were as follows:

| | Transfer | |
|----------------------------------|---------------------|---------------------|
| | In | Out |
| Governmental Activities: | | |
| General Fund | | |
| Sewer Fund | \$ - | \$ 800,000 |
| Civic Center Operating Fund | - | 1,420,000 |
| Debt Service Fund | | 547,000 |
| Code Enforcement Grant Fund | - | 250,000 |
| Total General Fund | <u>-</u> | <u>3,017,000</u> |
| Capital Projects Fund | | |
| Debt Service Fund | - | 1,086,096 |
| Debt Service Fund | | |
| General Fund | 547,000 | - |
| Capital Projects Fund | 1,086,096 | - |
| Civic Center Operating Fund | | |
| General Fund | 1,420,000 | - |
| Code Enforcement Grant Fund | | |
| General Fund | 250,000 | - |
| Total governmental activities | <u>3,303,096</u> | <u>4,103,096</u> |
| Business-type activities: | | |
| Sewer Fund | | |
| General Fund | 800,000 | - |
| Total primary government | <u>\$ 4,103,096</u> | <u>\$ 4,103,096</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 the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

(Continued)

NOTE 10- COMPENSATION TO THE GOVERNING BODY

The City's elected officials' terms expire on June 30, 2015. The City compensated its Mayor and members of the City Council as follows:

| | |
|-------------------------|-------------------|
| Mayor: | |
| Lionel Johnson, Jr. | \$ 74,458 |
| City Council: | |
| Deborah R. Alexander | 14,700 |
| Flora J. Danielfield | 14,700 |
| Freddie C. Frazier, Sr. | 14,700 |
| Melvin Hasten, Sr. | 14,700 |
| Ralph Johnson, Sr. | <u>14,700</u> |
| Total | <u>\$ 147,958</u> |

NOTE 11 - COMMITMENTS AND CONTINGENCIES

Suits and Claims

Various suits and claims arising in the ordinary course of operations are pending against the City. The majority of the cases are either covered by insurance or other defenses; however, the ultimate effect of such litigation cannot be ascertained at this time. It is the opinion of the City's management that the ultimate resolution of such litigation will not have a material effect on the financial position of the City.

Risk Management

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the City carries commercial insurance. In addition, various risk control techniques including a drug free workplace program, employee drug screening, and employee safety programs have been implemented to minimize accident-related losses. There were no major changes in insurance coverage from the prior year and settlements have not exceeded coverage in the past four years.

Grants

The City receives state and local grants for specific purposes that are subject to audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. It is the opinion of City management that its compliance with the terms of grants will result in negligible, if any, disallowed costs.

Environment Contingencies

Management of the City is not aware of any unrecorded material commitments or contingent environmental liabilities. Environmental contingencies have been mitigated by testing of the sewer systems on a regular basis and providing test results to the proper environmental authorities.

NOTE 12 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Cash and Cash Equivalents

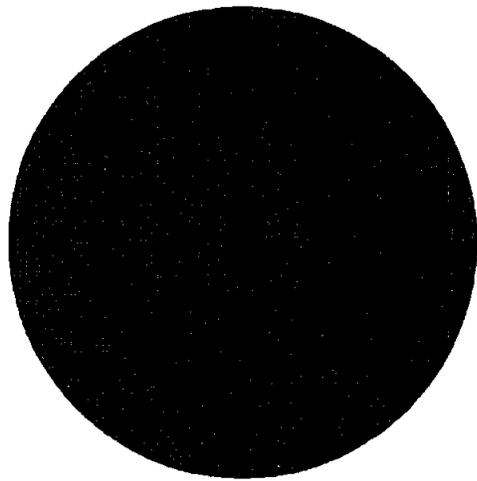
The City typically maintains cash and temporary investments in local banks that may, at times, exceed the FDIC insured limits of \$250,000. Amounts in excess of the FDIC limits are required by law to be collateralized by securities pledged by the bank. See Note 2.

Construction Contracts

At June 30, 2014, the City had outstanding commitments resulting from the construction contracts in progress of \$8,859,200 and engineering contracts in progress of \$459,400.

REQUIRED SUPPLEMENTARY INFORMATION





CITY OF ST. GABRIEL, LOUISIANA
GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

For the year ended June 30, 2014

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance - positive (negative)</u> |
|---|----------------------------|-------------------------|---------------------|---|
| REVENUES | | | | |
| Taxes: | | | | |
| Sales | \$ 3,525,000 | \$ 3,840,000 | \$ 4,048,437 | \$ 208,437 |
| Ad valorem | 3,150,000 | 3,125,000 | 3,168,817 | 43,817 |
| Other | 50,500 | 50,500 | 40,096 | (10,404) |
| Intergovernmental | 302,400 | 323,400 | 475,221 | 151,821 |
| Licenses and permits | 215,000 | 215,000 | 234,644 | 19,644 |
| Fines | 600,000 | 600,000 | 681,060 | 81,060 |
| Other | <u>102,600</u> | <u>115,400</u> | <u>107,848</u> | <u>(7,552)</u> |
| Total revenues | <u>7,945,500</u> | <u>8,269,300</u> | <u>8,756,123</u> | <u>486,823</u> |
| EXPENDITURES | | | | |
| Current function: | | | | |
| General government | 1,878,950 | 2,020,300 | 1,916,969 | 103,331 |
| Public safety | 1,886,820 | 1,779,850 | 1,621,798 | 158,052 |
| Streets and sanitation | 1,460,580 | 1,507,180 | 1,124,579 | 382,601 |
| Social and recreational services | 164,700 | 140,200 | 117,657 | 22,543 |
| Economic development | - | - | 712,904 | (712,904) |
| Debt service | 11,000 | 11,000 | 12,551 | (1,551) |
| Capital outlay | <u>297,500</u> | <u>520,000</u> | <u>589,838</u> | <u>(69,838)</u> |
| Total expenditures | <u>5,699,550</u> | <u>5,978,530</u> | <u>6,096,296</u> | <u>(117,766)</u> |
| Excess of revenues over expenditures | <u>2,245,950</u> | <u>2,290,770</u> | <u>2,659,827</u> | <u>369,057</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from sale of capital assets | - | - | 33,750 | 33,750 |
| Proceeds from insurance | - | - | 2,969 | 2,969 |
| Transfers out: | | | | |
| Civic Center Operating Fund | (1,420,000) | (1,420,000) | (1,420,000) | - |
| Debt Service Fund | (547,000) | (547,000) | (547,000) | - |
| Code Enforcement Grant Fund | (250,000) | (200,000) | (250,000) | (50,000) |
| Sewer Fund | <u>(800,000)</u> | <u>(824,850)</u> | <u>(800,000)</u> | <u>24,850</u> |
| Total other financing sources (uses) | <u>(3,017,000)</u> | <u>(2,991,850)</u> | <u>(2,980,281)</u> | <u>11,569</u> |
| Net change in fund balance | <u>\$ (771,050)</u> | <u>\$ (701,080)</u> | (320,454) | <u>\$ 380,626</u> |
| FUND BALANCE | | | | |
| Beginning of year | | | <u>3,424,911</u> | |
| End of year | | | <u>\$ 3,104,457</u> | |

Notes on Exhibits A-9 and B-3 are an integral part of this statement.

**CITY OF ST. GABRIEL, LOUISIANA
CIVIC CENTER OPERATING FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

For the year ended June 30, 2014

| | Original Budget | Final Budget | Actual | Variance - positive (negative) |
|---|--------------------|------------------|-------------------|--------------------------------------|
| REVENUES | | | | |
| Intergovernmental | \$ 300,000 | \$ 312,500 | \$ 236,820 | \$ (75,680) |
| Other - user fees | <u>41,100</u> | <u>400</u> | <u>45,090</u> | <u>44,690</u> |
| Total revenues | <u>341,100</u> | <u>312,900</u> | <u>281,910</u> | <u>(30,990)</u> |
| EXPENDITURES | | | | |
| Current function: | | | | |
| Social and recreational services | 576,100 | 590,100 | 523,522 | 66,578 |
| Debt service | 265,000 | 265,000 | 264,144 | 856 |
| Capital outlay | <u>920,000</u> | <u>820,000</u> | <u>58,139</u> | <u>761,861</u> |
| Total expenditures | <u>1,761,100</u> | <u>1,675,100</u> | <u>845,805</u> | <u>829,295</u> |
| Deficiency of revenues over expenditures | (1,420,000) | (1,362,200) | (563,895) | 798,305 |
| Transfers in | | | | |
| General Fund | <u>1,420,000</u> | <u>1,420,000</u> | <u>1,420,000</u> | <u>-</u> |
| Net change in fund balance | <u>\$ -</u> | <u>\$ 57,800</u> | 856,105 | <u>\$ 798,305</u> |
| FUND BALANCE | | | | |
| Beginning of year | | | <u>98,800</u> | |
| End of year | | | <u>\$ 954,905</u> | |

Notes on Exhibit A-9 and B-3 are an integral part of this statement.

**CITY OF ST. GABRIEL, LOUISIANA
CODE ENFORCEMENT GRANT FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

For the year ended June 30, 2014

| | Original Budget | Final Budget | Actual | Variance - positive (negative) |
|--|----------------------------|-------------------------|-------------------|---|
| REVENUES | | | | |
| Licenses and permits | \$ 115,000 | \$ 140,000 | \$ 214,128 | \$ 74,128 |
| EXPENDITURES | | | | |
| Current function: | | | | |
| General government | <u>294,720</u> | <u>294,720</u> | <u>227,171</u> | <u>67,549</u> |
| Deficiency of revenues over expenditures | (179,720) | (154,720) | (13,043) | 141,677 |
| OTHER FINANCING SOURCES | | | | |
| Transfers in | | | | |
| General fund | <u>250,000</u> | <u>200,000</u> | <u>250,000</u> | <u>50,000</u> |
| Net change in fund balance | <u>\$ 70,280</u> | <u>\$ 45,280</u> | 236,957 | <u>\$ 191,677</u> |
| FUND BALANCE | | | | |
| Beginning of year | | | <u>303,900</u> | |
| End of year | | | <u>\$ 540,857</u> | |

Notes on Exhibits A-9 and B-3 are an integral part of this statement.

CITY OF ST. GABRIEL, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For the year ended June 30, 2014

NOTE 1 - BUDGETS

Budget Policy and Budgetary Accounting

A proposed budget is prepared and submitted by the Mayor to the City Council prior to the beginning of each fiscal year. A budget summary and notice of a public hearing is published with the public hearing being conducted prior to the adoption of the budget. The City follows the requirements of Louisiana Budget Law. The City is required to adopt its budget prior to June 30. Once adopted, the Mayor is able to transfer part or all of any appropriation within a department of a fund; however, the authority for other budget amendments resides with the City Council.

The annual operating budget, prepared on the accrual basis, covers the general, special revenue, debt service and enterprise funds. At the end of the fiscal year, unexpended appropriations automatically lapse. Budget amendments are approved by the Town Council and are included in the financial statements.

In connection with budget preparation, a portion of the unreserved fund balance of an individual fund may be designated for expenditures of the subsequent year. Such designation represents the extent to which the fund balance is used to balance the subsequent year's operating budget of that fund, as reflected in the legally adopted budget.

Basis of Accounting

All of the City's budgets are prepared on the accrual basis of accounting, which is described in Note 1 to the City's financial statements for the year ended June 30, 2014.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Expenditures Exceeding Appropriations

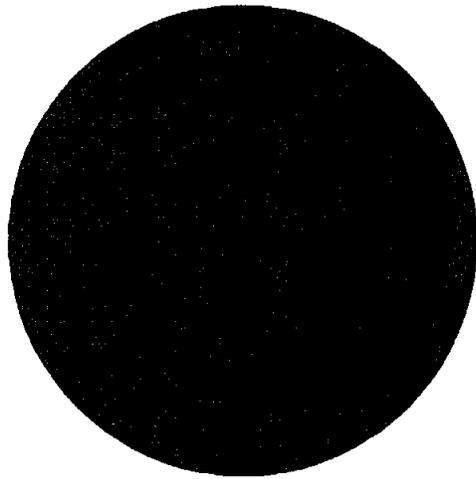
Excess of expenditures over appropriations in individual funds or departments within the fund occurred as follows:

| | <u>Revised Budget</u> | <u>Actual (GAAP Basis)</u> | <u>Excess over Budget</u> |
|---------------------------|---------------------------|--------------------------------|-------------------------------|
| Governmental Fund: | | | |
| General Fund | | | |
| Capital outlay | 520,000 | 589,838 | (69,838) |
| General Fund | | | |
| Economic development | - | 712,904 | (712,904) |

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

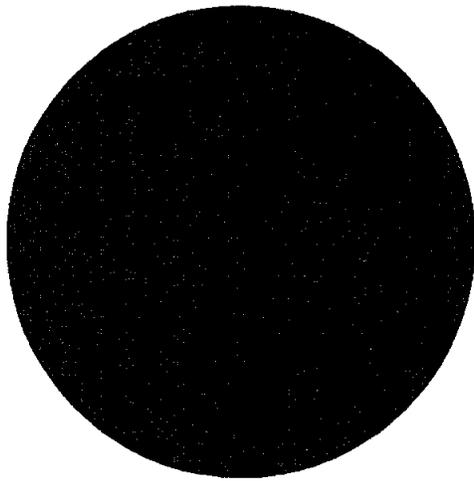
Expenditures Exceeding Appropriations

| | <u>Revised Budget</u> | <u>Actual (GAAP Basis)</u> | <u>Excess over Budget</u> |
|---------------------------|---------------------------|--------------------------------|-------------------------------|
| Governmental Fund: | | | |
| Capital Projects Fund | | | |
| Capital outlay | 3,390,758 | 3,509,396 | (118,638) |
| Capital Projects Fund | | | |
| Economic development | - | 360,158 | (360,158) |



INDIVIDUAL FUND STATEMENTS





CITY OF ST. GABRIEL, LOUISIANA

Supplementary Information

**CITY OF ST. GABRIEL, LOUISIANA
GENERAL FUND**

SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL

For the year ended June 30, 2014

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance - positive (negative)</u> |
|----------------------|----------------------------|-------------------------|-------------------------|---|
| REVENUES | | | | |
| Taxes: | | | | |
| Sales | \$ 3,525,000 | \$ 3,840,000 | \$ 4,048,437 | \$ 208,437 |
| Ad valorem | 3,150,000 | 3,125,000 | 3,168,817 | 43,817 |
| Telephone | 27,800 | 27,800 | 19,408 | (8,392) |
| Cable TV | 22,000 | 22,000 | 20,688 | (1,312) |
| Franchise | 700 | 700 | - | (700) |
| Intergovernmental: | | | | |
| State grants | - | 21,000 | 238,400 | 217,400 |
| Local grants | 2,400 | 2,400 | - | (2,400) |
| Video draw poker | 300,000 | 300,000 | 236,821 | (63,179) |
| Licenses and permits | 215,000 | 215,000 | 234,644 | 19,644 |
| Fines | 600,000 | 600,000 | 681,060 | 81,060 |
| Other: | | | | |
| Rental | 50,000 | 50,000 | 59,758 | 9,758 |
| Contract services | 2,200 | 25,000 | 43,473 | 18,473 |
| Interest | 400 | 400 | 471 | 71 |
| Miscellaneous | 50,000 | 40,000 | 4,146 | (35,854) |
| Total revenues | <u>\$ 7,945,500</u> | <u>\$ 8,269,300</u> | <u>\$ 8,756,123</u> | <u>\$ 486,823</u> |

**CITY OF ST. GABRIEL, LOUISIANA
GENERAL FUND**

**SCHEDULE OF DEPARTMENTAL EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL**

For the year ended June 30, 2014

| | Original Budget | Final Budget | Actual | Variance - positive (negative) |
|---------------------------------|--------------------|------------------|------------------|--------------------------------------|
| GENERAL GOVERNMENT | | | | |
| Salaries | \$ 543,010 | \$ 543,010 | \$ 461,293 | \$ 81,717 |
| Payroll taxes | 21,800 | 21,800 | 17,907 | 3,893 |
| Municipal retirement | 41,000 | 53,850 | 67,291 | (13,441) |
| Travel | 25,000 | 35,000 | 24,485 | 10,515 |
| Dues and subscriptions | 8,000 | 8,000 | 4,100 | 3,900 |
| Legal and professional | 260,000 | 319,000 | 404,058 | (85,058) |
| Contract labor | 25,000 | 42,000 | 45,798 | (3,798) |
| Insurance | 490,300 | 490,300 | 424,991 | 65,309 |
| Vehicle fuel | 24,000 | 24,000 | 23,542 | 458 |
| Office supplies | 52,500 | 100,000 | 97,841 | 2,159 |
| Telephone | 53,040 | 53,040 | 43,624 | 9,416 |
| Utilities | 65,000 | 65,000 | 65,796 | (796) |
| Council projects | 45,000 | 45,000 | 64,020 | (19,020) |
| Other | 225,300 | 220,300 | 172,223 | 48,077 |
| | <u>1,878,950</u> | <u>2,020,300</u> | <u>1,916,969</u> | <u>103,331</u> |
| STREETS AND SANITATION | | | | |
| Salaries | 750,000 | 750,000 | 558,663 | 191,337 |
| Payroll taxes | 24,000 | 24,000 | 16,985 | 7,015 |
| Municipal retirement | 107,000 | 107,000 | 77,109 | 29,891 |
| Insurance | 177,380 | 196,680 | 136,749 | 59,931 |
| Contract labor | 30,000 | 30,000 | 26,350 | 3,650 |
| Equipment maintenance | 61,500 | 76,500 | 43,870 | 32,630 |
| Street and building maintenance | 71,500 | 71,500 | 9,737 | 61,763 |
| Utilities | 3,900 | 5,500 | 6,392 | (892) |
| Vehicle fuel | 50,000 | 50,000 | 47,642 | 2,358 |
| Supplies | 65,000 | 95,000 | 123,369 | (28,369) |
| Training | 3,500 | 3,500 | 1,430 | 2,070 |
| Other | 116,800 | 97,500 | 76,283 | 21,217 |
| | <u>1,460,580</u> | <u>1,507,180</u> | <u>1,124,579</u> | <u>382,601</u> |

**CITY OF ST. GABRIEL, LOUISIANA
GENERAL FUND**

**SCHEDULE OF DEPARTMENTAL EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL**

For the year ended June 30, 2014

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance - favorable (unfavorable)</u> |
|----------------------------|----------------------------|-------------------------|------------------|---|
| PUBLIC SAFETY | | | | |
| Police | | | | |
| Salaries | \$ 908,450 | \$ 908,450 | \$ 877,093 | \$ 31,357 |
| Payroll taxes | 33,600 | 33,600 | 29,048 | 4,552 |
| Police retirement | 216,400 | 222,800 | 210,819 | 11,981 |
| Insurance | 191,000 | 206,000 | 130,137 | 75,863 |
| Travel | 13,000 | 16,000 | 17,342 | (1,342) |
| Uniforms | 7,000 | 10,000 | 10,327 | (327) |
| Training | 2,000 | 8,500 | 8,803 | (303) |
| Office supplies | 20,000 | 20,000 | 19,720 | 280 |
| Telephone | 17,000 | 35,000 | 37,270 | (2,270) |
| Vehicle fuel | 90,000 | 90,000 | 83,881 | 6,119 |
| Vehicle maintenance | 50,000 | 50,000 | 39,357 | 10,643 |
| Equipment maintenance | 6,000 | 6,000 | 4,723 | 1,277 |
| Field supplies | 12,500 | 12,500 | 5,128 | 7,372 |
| Printing | 500 | 500 | 113 | 387 |
| Rent and utilities | 50,000 | 46,000 | 44,362 | 1,638 |
| Other | 67,900 | 66,500 | 57,892 | 8,608 |
| | <u>1,685,350</u> | <u>1,731,850</u> | <u>1,576,015</u> | <u>155,835</u> |
| Total police | | | | |
| Fire | | | | |
| Salaries | 134,518 | 30,000 | 29,672 | 328 |
| Payroll taxes | 5,250 | 2,000 | 1,903 | 97 |
| Fire fighters retirement | 34,630 | 2,000 | 3,067 | (1,067) |
| Insurance | 19,722 | 10,000 | 8,731 | 1,269 |
| Other | 7,350 | 4,000 | 2,410 | 1,590 |
| | <u>201,470</u> | <u>48,000</u> | <u>45,783</u> | <u>2,217</u> |
| Total fire | | | | |
| Total public safety | | | | |
| | <u>1,886,820</u> | <u>1,779,850</u> | <u>1,621,798</u> | <u>158,052</u> |

**CITY OF ST. GABRIEL, LOUISIANA
GENERAL FUND**

**SCHEDULE OF DEPARTMENTAL EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL**

For the year ended June 30, 2014

| | Original Budget | Final Budget | Actual | Variance - favorable (unfavorable) |
|---|----------------------------|-------------------------|---------------------|---|
| SOCIAL AND RECREATIONAL SERVICES | | | | |
| Social services and recreation | | | | |
| Salaries | \$ 115,200 | \$ 90,500 | \$ 78,125 | \$ 12,375 |
| Payroll taxes | 5,700 | 5,700 | 5,844 | (144) |
| Municipal retirement | 12,100 | 8,000 | 3,507 | 4,493 |
| Insurance | 21,500 | 14,500 | 8,082 | 6,418 |
| Training | 1,000 | 500 | 75 | 425 |
| Vehicle fuel | 3,200 | 4,000 | 4,304 | (304) |
| Supplies | 2,000 | 3,000 | 3,519 | (519) |
| Contract labor | 1,000 | 500 | - | 500 |
| Other | 3,000 | 13,500 | 14,201 | (701) |
| | <u>164,700</u> | <u>140,200</u> | <u>117,657</u> | <u>22,543</u> |
| Total social and recreational services | | | | |
| ECONOMIC DEVELOPMENT | <u>-</u> | <u>-</u> | <u>712,904</u> | <u>(712,904)</u> |
| DEBT SERVICE | <u>11,000</u> | <u>11,000</u> | <u>12,551</u> | <u>(1,551)</u> |
| CAPITAL OUTLAY | <u>297,500</u> | <u>520,000</u> | <u>589,838</u> | <u>(69,838)</u> |
| Total expenditures | <u>\$ 5,699,550</u> | <u>\$ 5,978,530</u> | <u>\$ 6,096,296</u> | <u>\$ (117,766)</u> |

CITY OF ST. GABRIEL, LOUISIANA
CAPITAL PROJECTS FUND - MAJOR FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

For the year ended June 30, 2014

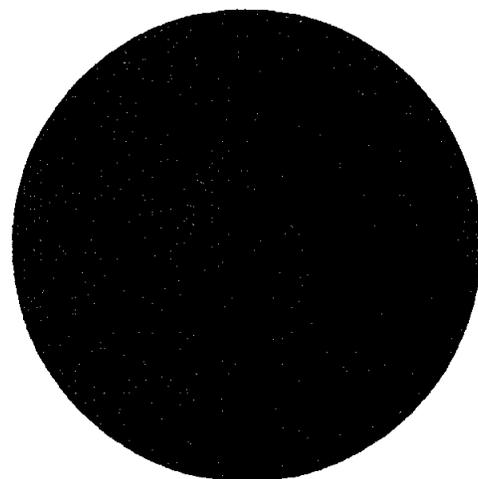
| | Original Budget | Final Budget | Actual | Variance - positive (negative) |
|--|----------------------------|-------------------------|---------------------|---|
| REVENUES | | | | |
| Intergovernmental | \$ 5,508,000 | \$ 1,227,000 | \$ 1,087,877 | \$ (139,123) |
| Other - interest income | - | 600 | 1,238 | 638 |
| Total revenues | <u>5,508,000</u> | <u>1,227,600</u> | <u>1,089,115</u> | <u>(138,485)</u> |
| EXPENDITURES | | | | |
| Current function: | | | | |
| Economic development | - | - | 360,158 | (360,158) |
| Capital outlay | <u>11,772,958</u> | <u>3,390,758</u> | <u>3,509,396</u> | <u>(118,638)</u> |
| Total expenditures | <u>11,772,958</u> | <u>3,390,758</u> | <u>3,869,554</u> | <u>(478,796)</u> |
| Excess (deficiency) of revenues over expenditures | <u>(6,264,958)</u> | <u>(2,163,158)</u> | <u>(2,780,439)</u> | <u>(617,281)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | <u>-</u> | <u>-</u> | <u>(1,086,096)</u> | <u>(1,086,096)</u> |
| Deficiency of revenues and other financing sources over expenditures | <u>\$ (6,264,958)</u> | <u>\$ (2,163,158)</u> | <u>(3,866,535)</u> | <u>\$ (1,703,377)</u> |
| FUND BALANCE | | | | |
| Beginning of year | | | <u>6,866,802</u> | |
| End of year | | | <u>\$ 3,000,267</u> | |

CITY OF ST. GABRIEL, LOUISIANA
DEBT SERVICE FUND - MAJOR FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

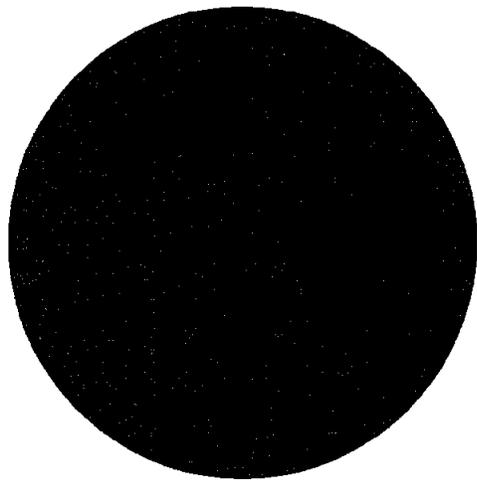
For the year ended June 30, 2014

| | Original Budget | Final Budget | Actual | Variance - positive (negative) |
|---|----------------------------|-------------------------|---------------------|---|
| REVENUES | | | | |
| Other - interest income | \$ 200 | \$ 750 | \$ 757 | \$ 7 |
| EXPENDITURES | | | | |
| Debt service | <u>547,000</u> | <u>547,000</u> | <u>546,675</u> | <u>325</u> |
| Deficiency of revenues over expenditures | <u>(546,800)</u> | <u>(546,250)</u> | <u>(545,918)</u> | <u>332</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in: | | | | |
| General Fund | <u>547,000</u> | <u>1,633,096</u> | <u>1,633,096</u> | <u>-</u> |
| Total other financing sources (uses) | <u>547,000</u> | <u>1,633,096</u> | <u>1,633,096</u> | <u>-</u> |
| Net change in fund balance | <u>\$ 200</u> | <u>\$ 1,086,846</u> | 1,087,178 | <u>\$ 332</u> |
| FUND BALANCE | | | | |
| Beginning of year | | | <u>35,113</u> | |
| End of year | | | <u>\$ 1,122,291</u> | |



STATISTICAL SECTION





CITY OF ST. GABRIEL, LOUISIANA

STATISTICAL SECTION

June 30, 2014

This section, which is composed of accounting and non-accounting data, is presented in order to provide the reader with additional information as an aid to understanding the financial activities of the governmental unit.

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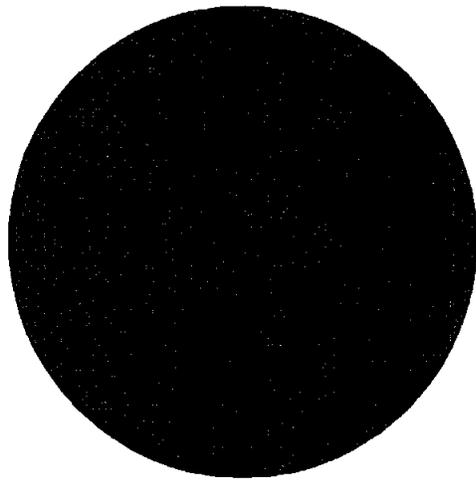
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| | | |
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CITY OF ST. GABRIEL, LOUISIANA
NET POSITION/ASSETS BY COMPONENT
LAST TEN FISCAL YEARS

(accrual basis of accounting)
(in thousands)

| | FISCAL YEAR | | | | | | | | | |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
| Governmental activities | | | | | | | | | | |
| Net investment in capital assets | \$ 5,137 | \$ 2,241 | \$ 2,850 | \$ 2,332 | \$ 2,465 | \$ 2,365 | \$ 2,452 | \$ 2,147 | \$ 1,886 | \$ 2,197 |
| Restricted | 3,360 | 2,583 | 2,469 | 1,699 | 402 | 315 | 140 | 90 | 243 | 140 |
| Unrestricted | 1,152 | 3,228 | 705 | 820 | 2,480 | 2,227 | 1,236 | 1,438 | 1,299 | 524 |
| Total governmental activities net position/assets | <u>9,649</u> | <u>8,052</u> | <u>6,024</u> | <u>4,851</u> | <u>5,347</u> | <u>4,907</u> | <u>3,828</u> | <u>3,675</u> | <u>3,428</u> | <u>2,861</u> |
| Business-type activities | | | | | | | | | | |
| Net investment in capital assets | 5,741 | 5,844 | 6,024 | 5,187 | 5,355 | 5,561 | 5,744 | 5,879 | 5,922 | 5,770 |
| Restricted | 189 | 153 | 153 | 142 | 144 | 63 | 31 | 31 | 29 | 29 |
| Unrestricted | 246 | 56 | (261) | (198) | (361) | (204) | (339) | (372) | (434) | (259) |
| Total governmental activities net position/assets | <u>6,176</u> | <u>6,053</u> | <u>5,916</u> | <u>5,131</u> | <u>5,138</u> | <u>5,420</u> | <u>5,436</u> | <u>5,538</u> | <u>5,517</u> | <u>5,540</u> |
| Primary government | | | | | | | | | | |
| Net investment in capital assets | 10,878 | 8,085 | 8,874 | 7,519 | 7,820 | 7,926 | 8,196 | 8,026 | 7,808 | 7,967 |
| Restricted | 3,549 | 2,736 | 2,622 | 1,841 | 546 | 378 | 171 | 121 | 272 | 169 |
| Unrestricted | 1,398 | 3,284 | 444 | 622 | 2,119 | 2,023 | 897 | 1,066 | 865 | 265 |
| Total governmental activities net position/assets | <u>\$15,825</u> | <u>\$14,105</u> | <u>\$11,940</u> | <u>\$ 9,982</u> | <u>\$10,485</u> | <u>\$10,327</u> | <u>\$ 9,264</u> | <u>\$ 9,213</u> | <u>\$ 8,945</u> | <u>\$ 8,401</u> |

CITY OF ST. GABRIEL, LOUISIANA

CHANGES IN NET POSITION/ASSETS
LAST TEN FISCAL YEARS(accrual basis of accounting)
(in thousands)

| | FISCAL YEAR | | | | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
| Expenses | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| General government | \$ 2,771 | \$ 2,467 | \$ 2,213 | \$ 2,570 | \$ 1,815 | \$ 1,892 | \$ 1,889 | \$ 1,139 | \$ 1,560 | \$ 1,060 |
| Public safety | 1,709 | 1,841 | 1,835 | 1,933 | 1,681 | 1,513 | 1,257 | 1,026 | 1,195 | 1,017 |
| Streets and sanitation | 1,407 | 1,330 | 1,358 | 1,717 | 2,098 | 1,265 | 1,291 | 1,046 | 1,314 | 917 |
| Culture and recreation | 723 | 642 | 655 | 783 | 890 | 712 | 855 | 1,105 | 913 | 653 |
| Economic development | 872 | - | 250 | - | - | - | - | - | - | - |
| Interest on long-term debt | 497 | 511 | 243 | 203 | 144 | 180 | 220 | 299 | 223 | 51 |
| Total governmental activities | <u>7,979</u> | <u>6,791</u> | <u>6,554</u> | <u>7,206</u> | <u>6,628</u> | <u>5,562</u> | <u>5,512</u> | <u>4,615</u> | <u>5,205</u> | <u>3,698</u> |
| Business-type activities | | | | | | | | | | |
| Waste water treatment facilities | 920 | 891 | 906 | 922 | 1,071 | 802 | 976 | 973 | 1,005 | 889 |
| Total business-type activities | <u>920</u> | <u>891</u> | <u>906</u> | <u>922</u> | <u>1,071</u> | <u>802</u> | <u>976</u> | <u>973</u> | <u>1,005</u> | <u>889</u> |
| Total primary government expenses | <u>8,899</u> | <u>7,682</u> | <u>7,460</u> | <u>8,128</u> | <u>7,699</u> | <u>6,364</u> | <u>6,488</u> | <u>5,588</u> | <u>6,210</u> | <u>4,587</u> |
| Program Revenues | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| General government | 540 | 462 | 413 | 361 | 371 | 254 | 350 | 467 | 2,108 | 177 |
| Public safety | 684 | 596 | 418 | 485 | 580 | 624 | 610 | 117 | 182 | 175 |
| Culture and recreation | 55 | 56 | 18 | 13 | 17 | 11 | 13 | 17 | 18 | 13 |
| Operating grants and contributions | - | - | 96 | 73 | 314 | 26 | 463 | 310 | 147 | - |
| Capital grants and contributions | 1,304 | 1,125 | 450 | 90 | - | - | - | 7 | - | 284 |
| Total governmental activities program revenues | <u>2,583</u> | <u>2,239</u> | <u>1,395</u> | <u>1,022</u> | <u>1,282</u> | <u>915</u> | <u>1,436</u> | <u>918</u> | <u>2,455</u> | <u>649</u> |
| Business-type activities | | | | | | | | | | |
| Charges for Services | | | | | | | | | | |
| Waste water treatment facilities | 154 | 128 | 126 | 115 | 128 | 126 | 117 | 131 | 127 | 103 |
| Capital grants and contributions | 88 | - | 850 | - | - | - | 28 | 81 | 154 | 612 |
| Total business-type activities program revenues | <u>242</u> | <u>128</u> | <u>976</u> | <u>115</u> | <u>128</u> | <u>126</u> | <u>145</u> | <u>212</u> | <u>281</u> | <u>715</u> |
| Total primary government total revenues | <u>2,825</u> | <u>2,367</u> | <u>2,371</u> | <u>1,137</u> | <u>1,410</u> | <u>1,041</u> | <u>1,581</u> | <u>1,130</u> | <u>2,736</u> | <u>1,364</u> |

CITY OF ST. GABRIEL, LOUISIANA

CHANGES IN NET POSITION/ASSETS
LAST TEN FISCAL YEARS

(accrual basis of accounting)
(in thousands)

| | FISCAL YEAR | | | | | | | | | |
|--|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
| Net (expense)/revenue: | | | | | | | | | | |
| Governmental activities | \$ (5,396) | \$ (4,552) | \$ (5,159) | \$ (6,184) | \$ (5,346) | \$ (4,647) | \$ (4,076) | \$ (3,697) | \$ (2,750) | \$ (3,049) |
| Business-type activities | (678) | (763) | 70 | (807) | (943) | (676) | (831) | (761) | (724) | (174) |
| Total primary government net revenue (expense) | (6,074) | (5,315) | (5,089) | (6,991) | (6,289) | (5,323) | (4,907) | (4,458) | (3,474) | (3,223) |
| General Revenues and Other Changes in Net Position/Assets | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Taxes: | | | | | | | | | | |
| Property | 4,048 | 3,045 | 2,708 | 2,500 | 2,388 | 2,357 | 2,359 | 2,058 | 2,487 | 2,404 |
| Sales | 3,169 | 3,939 | 3,704 | 2,871 | 2,851 | 2,480 | 1,676 | 1,730 | 697 | 835 |
| Video poker | 474 | 533 | 584 | 560 | 593 | 577 | 625 | 640 | 597 | 530 |
| Other | 39 | 39 | 40 | 48 | 40 | 44 | 54 | 45 | 43 | 85 |
| Unrestricted grants and contributions | 25 | 72 | 12 | 198 | 223 | 920 | 205 | 172 | 142 | 21 |
| Investment earnings | 3 | 2 | 1 | 2 | 1 | 4 | 26 | 49 | 11 | 5 |
| Donation | - | - | - | - | 350 | - | - | - | - | - |
| Proceeds from insurance | - | 5 | 15 | 310 | - | - | - | - | - | - |
| Gain on sale of capital assets | 34 | 10 | 29 | - | - | - | 100 | - | - | - |
| Transfers to other funds | (800) | (900) | (715) | (800) | (660) | (660) | (725) | (775) | (700) | (380) |
| Total governmental activities general revenues | 6,992 | 6,745 | 6,378 | 5,689 | 5,786 | 5,722 | 4,320 | 3,919 | 3,277 | 3,500 |
| Business-type activities | | | | | | | | | | |
| Unrestricted grants and contributions | - | - | - | - | - | - | 4 | 5 | 2 | - |
| Investment earnings | - | - | - | - | - | - | 1 | 1 | - | - |
| Special Item-loss | - | - | - | - | - | - | - | - | - | (60) |
| Transfers from other funds | 800 | 900 | 715 | 800 | 660 | 660 | 725 | 775 | 700 | 380 |
| Total business-type activities general revenues | 800 | 900 | 715 | 800 | 660 | 660 | 730 | 781 | 702 | 320 |
| Total primary government general revenues | 7,792 | 7,645 | 7,093 | 6,489 | 6,446 | 6,382 | 5,050 | 4,700 | 3,979 | 3,820 |
| Change in Net Position/Assets | | | | | | | | | | |
| Governmental activities | 1,596 | 2,193 | 1,219 | (495) | 440 | 1,075 | 244 | 222 | 527 | 451 |
| Business-type activities | 122 | 137 | 785 | (7) | (283) | (16) | (101) | 20 | (22) | 146 |

CITY OF ST. GABRIEL, LOUISIANA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS

(accrual basis of accounting)
(in thousands)

| Fiscal Year | Property Taxes | Sales Taxes | Video poker Taxes | Other Taxes | Total |
|----------------|-------------------|----------------|----------------------|----------------|----------|
| 2014 | \$ 3,169 | \$ 4,048 | \$ 474 | \$ 40 | \$ 7,731 |
| 2013 | 3,045 | 3,939 | 533 | 39 | 7,556 |
| 2012 | 2,708 | 3,704 | 585 | 40 | 7,037 |
| 2011 | 2,500 | 2,872 | 560 | 48 | 5,980 |
| 2010 | 2,388 | 2,851 | 593 | 40 | 5,872 |
| 2009 | 2,356 | 2,480 | 577 | 44 | 5,457 |
| 2008 | 2,358 | 1,676 | 625 | 54 | 4,713 |
| 2007 | 2,059 | 1,730 | 640 | 45 | 4,474 |
| 2006 | 2,485 | 697 | 597 | 43 | 3,822 |
| 2005 | 2,400 | 835 | 530 | 85 | 3,850 |

CITY OF ST. GABRIEL, LOUISIANA

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS(modified accrual basis of accounting)
(in thousands)

| Fiscal Year | GENERAL FUND | | | | ALL OTHER GOVERNMENTAL FUNDS | | | Total all other Governmental Funds |
|----------------|--------------|------------|------------|----------|------------------------------|------------|----------|---|
| | Nonspendable | Restricted | Unassigned | Total | Committed | Restricted | | |
| 2014 | \$ 127 | \$ 2,011 | \$ 966 | \$ 3,104 | \$ 1,269 | \$ 4,400 | \$ 5,669 | |
| 2013 | 107 | 1,513 | 1,805 | 3,425 | 304 | 7,001 | 7,305 | |
| 2012 | 109 | 1,618 | 789 | 2,516 | 170 | 8,777 | 8,947 | |
| 2011 | 85 | 1,552 | 588 | 2,225 | 172 | 134 | 306 | |

| Fiscal Year | GENERAL FUND | | | ALL OTHER GOVERNMENTAL FUNDS | | | |
|----------------|--------------|------------|-------|------------------------------|--|--|---|
| | Reserved | Unreserved | Total | Reserved* | Unreserved Reported in Special Revenue Funds | Unreserved Reported in Capital Project Funds | Total all other Governmental Funds |
| 2010 | \$ - | \$ 40 | \$ 40 | \$ - | \$ 2,813 | \$ 41 | \$ 2,854 |
| 2009 | - | 129 | 129 | 137 | 2,243 | 41 | 2,421 |
| 2008 | - | 90 | 90 | 139 | 1,172 | - | 1,311 |
| 2007 | - | 47 | 47 | 14 | 971 | 68 | 1,053 |
| 2006 | - | 560 | 560 | 6 | 700 | 139 | 845 |
| 2005 | - | 125 | 125 | 9 | 428 | 131 | 568 |

*Debt Service Funds.

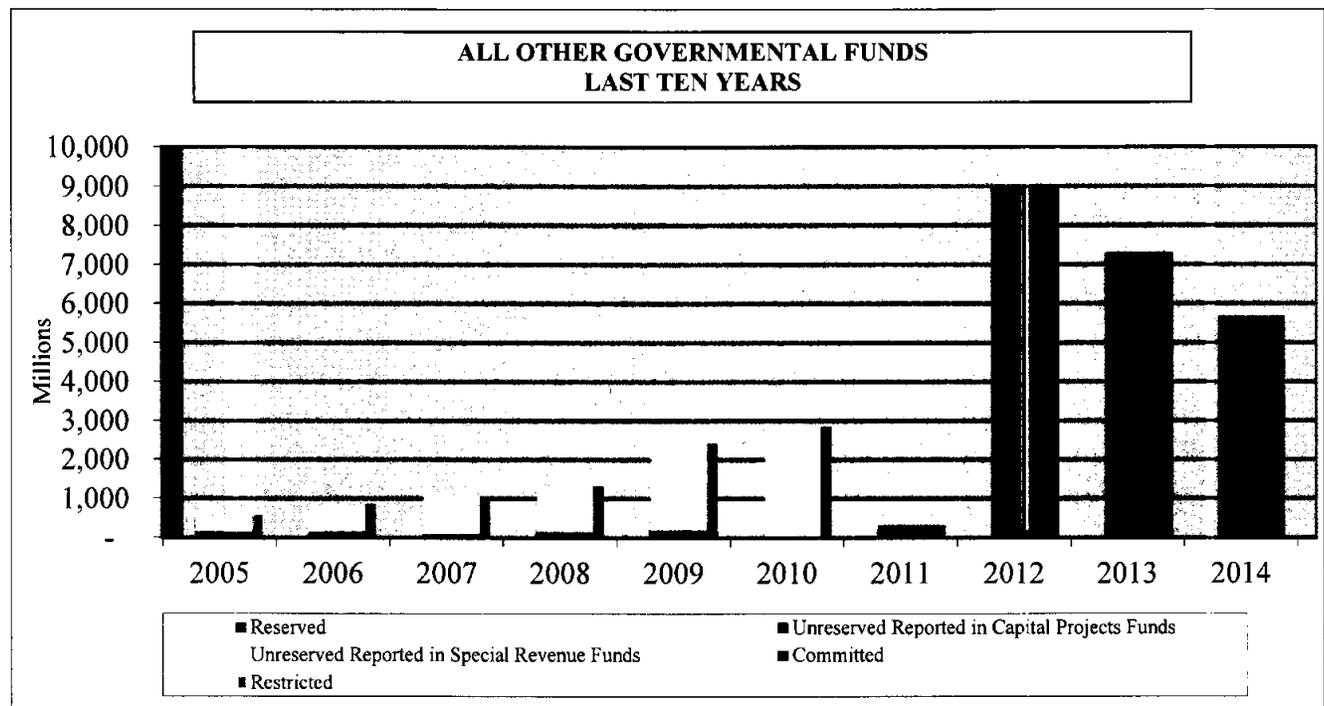
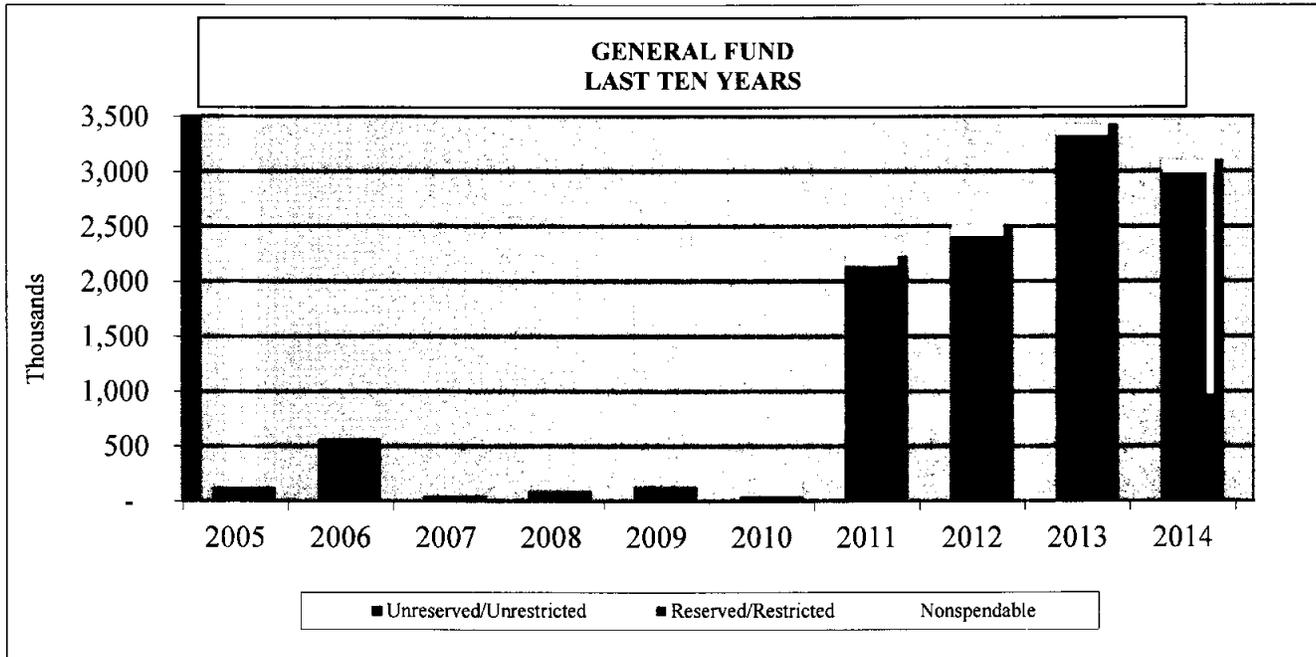
All fund balances in Debt Service Funds are reserved to pay future debt service

NOTE:

Due to the implementation of GASB 54 on a prospective basis in 2011 and increases to beginning restricted net asset resulting from the application of existing accounting principles, the illustrated comparisons of the City's prior year government wide net assets and governmental fund balances presented will not represent actual changes.

CITY OF ST. GABRIEL
FUND BALANCE BY COMPONENT
LAST TEN FISCAL YEARS

(modified accrual basis of accounting)



CITY OF ST. GABRIEL, LOUISIANA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

(in thousands)

| | FISCAL YEAR | | | |
|--|-------------------|-----------------|-----------------|-----------------|
| | 2014 | 2013 | 2012 | 2011 |
| REVENUES | | | | |
| Taxes | \$ 7,217 | \$ 7,023 | \$ 6,453 | \$ 5,413 |
| Intergovernmental | 1,840 | 1,729 | 1,130 | 655 |
| Licenses and permits | 449 | 406 | 327 | 265 |
| Fines | 681 | 596 | 418 | 485 |
| Other | 155 | 125 | 160 | 385 |
| Total revenues | <u>10,342</u> | <u>9,879</u> | <u>8,488</u> | <u>7,203</u> |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | 2,144 | 2,102 | 1,978 | 2,309 |
| Public safety | 1,622 | 1,747 | 1,717 | 1,842 |
| Streets and sanitation | 1,485 | 1,163 | 1,263 | 1,676 |
| Culture and recreation | 641 | 640 | 522 | 652 |
| Economic development | 713 | - | 250 | - |
| Debt service | | | | |
| Principal retirement | 325 | 310 | 65 | 78 |
| Interest | 499 | 504 | 199 | 195 |
| Capital outlay | <u>4,157</u> | <u>3,360</u> | <u>1,049</u> | <u>474</u> |
| Total expenditures | <u>11,586</u> | <u>9,826</u> | <u>7,043</u> | <u>7,226</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(1,244)</u> | <u>53</u> | <u>1,445</u> | <u>(23)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Sale of capital assets | 34 | - | - | - |
| Long-term debt proceeds | - | - | 8,830 | 151 |
| Bond issuance costs | - | - | (165) | - |
| Bond discount | - | - | (432) | - |
| Proceeds from insurance | 3 | 5 | 15 | 310 |
| Donation | - | - | - | - |
| Transfers in | 3,303 | 1,334 | 1,377 | 719 |
| Transfers out | <u>(4,103)</u> | <u>(2,233)</u> | <u>(2,092)</u> | <u>(1,519)</u> |
| Total other financing sources and uses | <u>(763)</u> | <u>(894)</u> | <u>7,533</u> | <u>(339)</u> |
| Special item | <u>-</u> | <u>108</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>\$ (2,007)</u> | <u>\$ (733)</u> | <u>\$ 8,978</u> | <u>\$ (362)</u> |
| Debt service as a percentage of noncapital expenditures | 11.1% | 12.6% | 4.4% | 4.0% |

Exhibit D-5
(Continued)

| FISCAL YEAR | | | | | | |
|----------------|-----------------|----------------|-----------------|----------------|----------------|--|
| 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | |
| \$ 5,279 | \$ 4,880 | \$ 4,088 | \$ 3,834 | \$ 3,225 | \$ 3,320 | |
| 1,067 | 1,411 | 1,262 | 1,300 | 2,566 | 828 | |
| 287 | 180 | 208 | 169 | 197 | 139 | |
| 580 | 624 | 610 | 117 | 181 | 174 | |
| 166 | 205 | 212 | 189 | 231 | 68 | |
| <u>7,379</u> | <u>7,300</u> | <u>6,380</u> | <u>5,609</u> | <u>6,400</u> | <u>4,529</u> | |
| 1,983 | 1,757 | 1,957 | 1,423 | 1,552 | 1,054 | |
| 1,657 | 1,555 | 1,380 | 1,117 | 1,092 | 1,240 | |
| 1,881 | 1,043 | 1,238 | 969 | 1,255 | 830 | |
| 753 | 530 | 687 | 819 | 706 | 603 | |
| - | - | - | - | - | - | |
| 213 | 246 | 168 | 490 | 245 | 134 | |
| 238 | 207 | 220 | 299 | 235 | 51 | |
| - | 153 | 6 | - | 160 | 1,254 | |
| <u>6,725</u> | <u>5,491</u> | <u>5,656</u> | <u>5,117</u> | <u>5,245</u> | <u>5,166</u> | |
| 654 | 1,809 | 724 | 492 | 1,155 | (637) | |
| - | - | 300 | - | - | - | |
| - | - | - | 65 | 401 | 1,167 | |
| - | - | - | - | - | - | |
| - | - | - | - | - | - | |
| 350 | - | - | - | - | - | |
| 2,995 | 2,411 | 2,311 | 1,909 | 1,462 | 2,107 | |
| <u>(3,655)</u> | <u>(3,071)</u> | <u>(3,036)</u> | <u>(2,684)</u> | <u>(2,162)</u> | <u>(2,487)</u> | |
| <u>(310)</u> | <u>(660)</u> | <u>(425)</u> | <u>(710)</u> | <u>(299)</u> | <u>787</u> | |
| - | - | - | - | - | - | |
| <u>\$ 344</u> | <u>\$ 1,149</u> | <u>\$ 299</u> | <u>\$ (218)</u> | <u>\$ 856</u> | <u>\$ 150</u> | |
| 6.7% | 8.5% | 6.9% | 15.4% | 9.4% | 4.7% | |

CITY OF ST. GABRIEL, LOUISIANA
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(modified accrual basis of accounting)
(in thousands)

| Fiscal Year | Property Taxes | Sales Taxes | Video poker Taxes | Other Taxes | Total |
|----------------|-------------------|----------------|----------------------|----------------|----------|
| 2014 | \$ 3,169 | \$ 4,048 | \$ 474 | \$ 40 | \$ 7,731 |
| 2013 | 3,045 | 3,939 | 533 | 39 | 7,556 |
| 2012 | 2,708 | 3,704 | 585 | 40 | 7,037 |
| 2011 | 2,500 | 2,872 | 560 | 48 | 5,980 |
| 2010 | 2,388 | 2,851 | 593 | 40 | 5,872 |
| 2009 | 2,356 | 2,480 | 577 | 44 | 5,457 |
| 2008 | 2,358 | 1,676 | 625 | 54 | 4,713 |
| 2007 | 2,059 | 1,730 | 640 | 45 | 4,474 |
| 2006 | 2,485 | 697 | 597 | 43 | 3,822 |
| 2005 | 2,400 | 835 | 530 | 85 | 3,850 |

CITY OF ST. GABRIEL, LOUISIANA
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

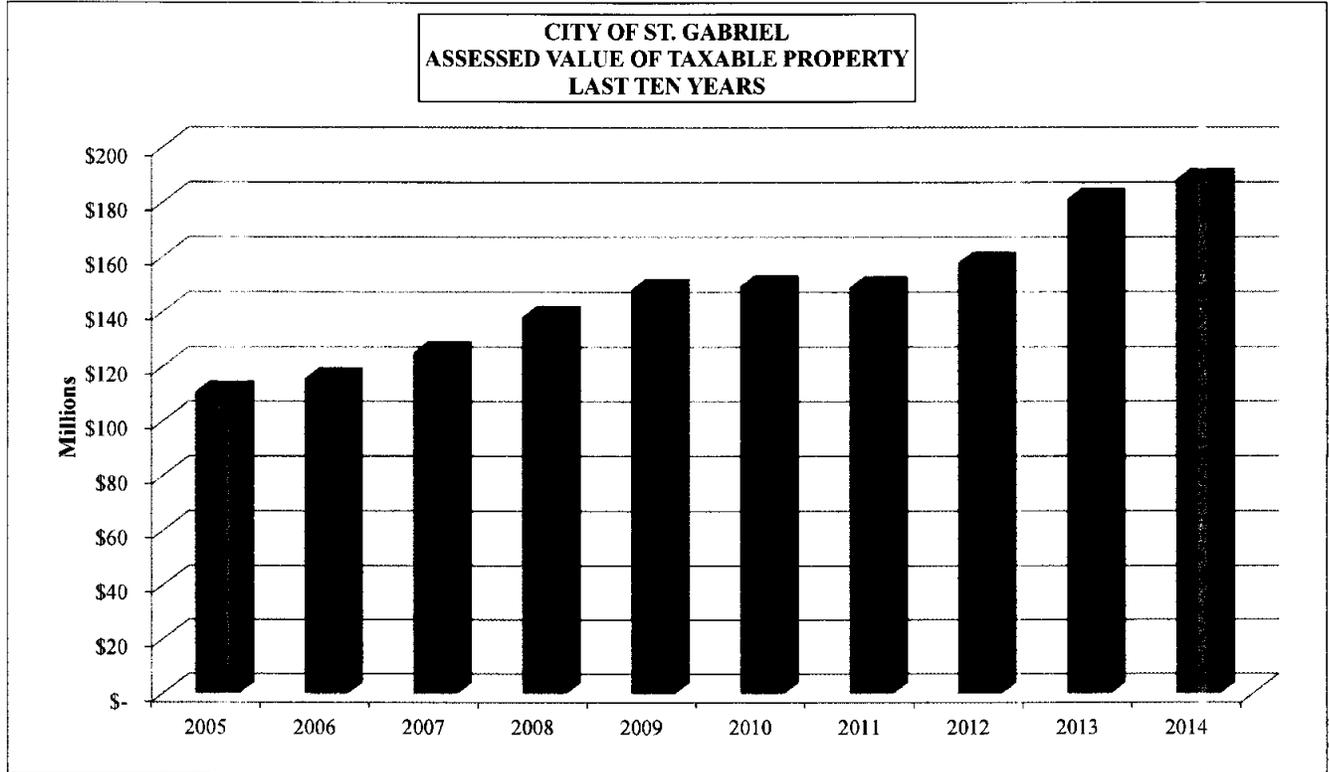
| <u>Fiscal Year</u> | <u>Real Property</u> | <u>Personal Property</u> | <u>Public Service Property</u> | <u>Total Taxable Assessed Value</u> | <u>Total Direct Tax Rate - Millages</u> | <u>Estimated Actual Value</u> | <u>Ratio of Total Taxable Assessed Value to Total Estimated Actual Value*</u> |
|--------------------|----------------------|--------------------------|--------------------------------|-------------------------------------|---|-------------------------------|---|
| 2014 | \$ 21,068,799 | \$ 112,938,951 | \$ 54,260,055 | \$ 188,267,805 | 16.84 | \$ 188,267,805 | 100% |
| 2013 | 20,271,444 | 108,664,744 | 52,206,568 | 181,142,755 | 16.84 | 181,142,755 | 100% |
| 2012 | 17,662,310 | 94,678,525 | 45,487,070 | 157,827,905 | 16.84 | 157,827,905 | 100% |
| 2011 | 17,330,640 | 91,579,460 | 39,893,520 | 148,803,620 | 16.84 | 148,803,620 | 100% |
| 2010 | 17,032,126 | 93,676,690 | 38,695,794 | 149,404,610 | 15.88 | 149,404,610 | 100% |
| 2009 | 16,895,260 | 92,958,025 | 38,314,350 | 148,167,635 | 15.88 | 148,167,635 | 100% |
| 2008 | 12,086,572 | 88,689,660 | 37,402,420 | 138,178,652 | 16.84 | 138,178,652 | 100% |
| 2007 | 10,920,522 | 78,886,150 | 35,344,300 | 125,150,972 | 16.84 | 125,150,972 | 100% |
| 2006 | 9,606,132 | 72,270,265 | 33,777,785 | 115,654,182 | 21.73 | 115,654,182 | 100% |
| 2005 | 9,205,452 | 70,287,085 | 31,359,220 | 110,851,757 | 21.73 | 110,851,757 | 100% |

Source: City of St. Gabriel

In Louisiana, the classification of property subject to ad valorem taxation and the percentage of fair market value applicable to each classification for the purpose of determining assessed value are as follows:

| | |
|--------------------------------------|-----|
| Land | 10% |
| Improvements for Residential | 10% |
| Improvements for Commercial | 15% |
| Business Movable Property (Personal) | 15% |
| Public Service (Excluding Land) | 25% |

CITY OF ST. GABRIEL, LOUISIANA
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN CALENDAR YEARS



CITY OF ST. GABRIEL, LOUISIANA
PROPERTY TAX RATES AND TAX LEVIES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN CALENDAR YEARS

| Fiscal Year | City of St. Gabriel | | Overlapping Rates | | | | Total Direct and Overlapping Rates |
|-------------|---------------------------------|-----------------|-------------------|-----------------------------|---------------------|----------------|------------------------------------|
| | Operating & Public Improvements | Law Enforcement | School Board | Iberville Parish Government | Assessment District | Levee District | |
| 2014 | 16.84 | 21.00 | 56.66 | 22.56 | 2.06 | 3.47 | 122.59 |
| 2013 | 16.84 | 22.00 | 56.66 | 22.56 | 2.06 | 3.47 | 123.59 |
| 2012 | 16.84 | 22.00 | 56.66 | 19.68 | 2.06 | 3.52 | 120.76 |
| 2011 | 16.84 | 22.00 | 56.66 | 21.18 | 2.06 | 3.67 | 122.41 |
| 2010 | 15.88 | 22.00 | 56.66 | 19.84 | 2.06 | 3.67 | 120.11 |
| 2009 | 15.88 | 22.00 | 56.66 | 19.84 | 2.06 | 3.67 | 120.11 |
| 2008 | 16.84 | 22.00 | 39.27 | 22.68 | 2.06 | 3.74 | 106.59 |
| 2007 | 16.84 | 22.00 | 39.27 | 22.68 | 2.06 | 3.74 | 106.59 |
| 2006 | 21.73 | 22.00 | 39.27 | 22.68 | 2.06 | 3.74 | 111.48 |
| 2005 | 21.73 | 22.00 | 39.27 | 22.68 | 2.06 | 3.74 | 111.48 |

The tax levies represent the original levy of the Assessor and exclude the homestead exemption amounts.

All taxes are billed when assessment rolls are filed during the month of November of the current tax year. Taxes become delinquent on January 1 of the following year. Penalty for delinquent taxes is 1% per month. No discounts are allowed for taxes, and there is no provision for partial payments.

Source: Audited financial statements of each governmental entity shown above.

CITY OF ST. GABRIEL, LOUISIANA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND TEN YEARS AGO

| Taxpayer | Type of Business | 2014 | | | 2004 | | |
|--------------------------|------------------|----------------------|------|--|-----------------------|------|--|
| | | Assessed Valuation | Rank | Percentage of Total Assessed Valuation | Assessed Valuation | Rank | Percentage of Total Assessed Valuation |
| Dow Chemical Company | Chemical | \$ 139,904,980 | 1 | 33.64% | \$ 61,410,640 | 1 | 19.53% |
| Entergy Gulf States | Energy | 52,984,850 | 2 | 12.74% | 40,216,400 | 2 | 12.79% |
| Acadian Gas | Energy | 34,186,660 | 3 | 8.22% | - | - | - |
| Georgia Gulf Corporation | Chemical | 31,566,130 | 4 | 7.59% | 16,724,380 | 4 | 5.32% |
| Syngenta Crop Protection | Chemical | 31,231,400 | 5 | 7.51% | 23,133,852 | 3 | 7.36% |
| CosMar Company | Chemical | 20,317,210 | 6 | 4.89% | 14,900,240 | 5 | 4.74% |
| Pioneer Americas, LLC | Chemical | 13,067,820 | 7 | 3.14% | 4,030,070 | 10 | 1.28% |
| INEOS | Chemical | 11,080,710 | 8 | 2.66% | - | 6 | 0.00% |
| Total Petrochemicals USA | Chemical | 10,448,850 | 9 | 2.51% | 4,132,200 | 9 | 1.31% |
| Marathon Petroleum | Oil/Gas | 10,258,210 | 10 | 2.47% | - | - | - |
| Shell Oil Company | Chemical | - | - | - | 4,029,730 | 7 | 1.28% |
| Big 3/ALAC | Chemical | - | - | - | 3,648,230 | - | 1.16% |
| Exxon | Chemical | - | - | - | 3,239,315 | 8 | 1.03% |
| | | 355,046,820 | | 85.38% | 175,465,057 | | 54.76% |
| Others | | 60,796,540 | | 14.62% | 139,047,274 | | 45.09% |
| | | <u>\$415,843,360</u> | | <u>100.00%</u> | <u>\$ 314,512,331</u> | | <u>100.00%</u> |

Source: Iberville Parish 2013 and 2003 Comprehensive Annual Financial Reports.

CITY OF ST. GABRIEL, LOUISIANA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

| <u>Year</u> | <u>Total Tax Levy</u> | <u>Collections</u> | <u>Percent of Levy Collected</u> | <u>Collections in Subsequent Years</u> | <u>Total Tax Collections</u> | <u>Ratio of Total Collections to Tax Levy</u> |
|-------------|-----------------------|--------------------|----------------------------------|--|------------------------------|---|
| 2014 | \$ 3,170,430 | \$ 3,168,817 | 99.95% | \$ - | \$ 3,168,817 | 99.95% |
| 2013 | 3,050,445 | 3,028,185 | 99.27% | - | 3,028,185 | 99.27% |
| 2012 | 2,657,822 | 2,615,673 | 98.41% | 42,149 | 2,657,822 | 100.00% |
| 2011 | 2,507,413 | 2,476,747 | 98.78% | 22,838 | 2,499,585 | 99.69% |
| 2010 | 2,387,528 | 2,381,105 | 99.73% | 6,423 | 2,387,528 | 100.00% |
| 2009 | 2,352,906 | 2,336,374 | 99.30% | 16,532 | 2,352,906 | 100.00% |
| 2008 | 2,326,928 | 2,321,256 | 99.76% | 5,672 | 2,326,928 | 100.00% |
| 2007 | 2,107,242 | 2,058,494 | 97.69% | 39,444 | 2,097,938 | 99.56% |
| 2006 | 2,489,824 | 2,486,589 | 99.87% | 3,235 | 2,489,824 | 100.00% |
| 2005 | 2,411,798 | 2,403,836 | 99.67% | 7,962 | 2,411,798 | 100.00% |

Source: City of St. Gabriel Finance Department

CITY OF ST. GABRIEL, LOUISIANA

**SALES TAX REVENUES
LAST TEN FISCAL YEARS**

(modified accrual basis of accounting)

| Fiscal Year | 1% City Public | 2% Public Infrastructure and Maintenance | Total |
|----------------|----------------------|--|-------------|
| 2014 | \$ 1,620,760 | \$ 2,427,677 | \$4,048,437 |
| 2013 | 1,634,502 | 2,304,808 | 3,939,310 |
| 2012 | 1,521,233 | 2,183,040 | 3,704,273 |
| 2011 | 1,059,487 | 1,812,069 | 2,871,556 |
| 2010 | 1,027,086 | 1,824,387 | 2,851,473 |
| 2009 | 814,745 | 1,665,155 | 2,479,900 |
| 2008 | 510,362 | 1,165,513 | 1,675,875 |
| 2007 | 497,608 | 1,232,889 | 1,730,497 |
| 2006 | 481,121 | 216,302 | 697,423 |
| 2005 | 555,562 | 281,094 | 836,656 |

The following is a summary of sales and use taxes being collected within the City of St. Gabriel as of June 30, 2014:

| | |
|-------------------------------|--------------|
| Iberville Parish School Board | 2.00% |
| Parish of Iberville | 2.67% |
| City of St. Gabriel | <u>1.00%</u> |
| Local Rate | 5.67% |
| State Rate | <u>4.00%</u> |
| Total Rate | <u>9.67%</u> |

The Parish of Iberville collects the 2.67% sales and use tax which is shared with certain municipalities on a pro-rata basis based on population. The City of St. Gabriel participates in the collection of 2% of this tax and is excluded from the .67% tax collected parishwide. The City began participating in the 2% sales and use tax in 2002.

Source: Iberville Parish Sales Tax Department

CITY OF ST. GABRIEL, LOUISIANA
TAXABLE SALES BY CATEGORY - GENERAL SALES AND USE TAX
LAST SEVEN FISCAL YEARS (1)

(modified accrual basis of accounting)

| Industry | FISCAL YEAR | | | | | | |
|-----------------------------------|-------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 |
| Manufacturer of chemicals | \$ 538,882,468 | \$ 398,210,177 | \$ 407,494,930 | \$ 555,260,810 | \$ 451,722,558 | \$ 63,896,513 | \$ 383,428,833 |
| Industrial equipment sales | 69,003,478 | 77,657,168 | 51,834,793 | 57,494,719 | 44,812,120 | 38,473,171 | 49,692,665 |
| Grocery stores | 38,401,257 | 37,586,350 | 37,089,615 | 37,314,861 | 36,151,634 | 33,179,640 | 30,518,673 |
| Department stores & dry goods | 36,620,897 | 37,594,616 | 37,965,471 | 37,657,428 | 39,397,302 | 35,155,751 | 38,075,149 |
| Lumber, building materials stores | 17,776,697 | 15,943,033 | 21,085,725 | 21,878,034 | 28,460,909 | 23,271,228 | 25,975,932 |
| Motor vehicle dealers | - | 30,447,867 | 56,985,901 | 47,570,749 | 49,300,031 | 43,511,789 | 55,019,311 |
| Miscellaneous - others | 331,731,806 | 267,992,844 | 181,563,931 | 90,009,390 | 99,475,828 | 105,688,605 | 136,057,691 |
| | <u>\$ 1,032,416,603</u> | <u>\$ 865,432,055</u> | <u>\$ 794,020,366</u> | <u>\$ 847,185,991</u> | <u>\$ 749,320,382</u> | <u>\$ 343,176,697</u> | <u>\$ 718,768,254</u> |

Source: Relevant information was not available for the City of St. Gabriel. Data presented is for the Iberville Parish Government

(1) Data not available for 2014 and 2006-2004.

CITY OF ST. GABRIEL, LOUISIANA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS(full accrual basis of accounting)
(in thousands, except per capita amount)

| Fiscal Year | Governmental Activities Debt | | | Business-Type Debt | | (1) | (2) | (2) |
|----------------|-----------------------------------|--------------------------------|------------------------------|--------------------|--------------------------------|-------------------------------------|-----------------------|-----|
| | Certificate of Indebtedness | Public Improvement Bonds | Capital Leases & Other | Revenue Bonds | Total Primary Government | Percentage of Personal Income | Debt Per Capita | |
| 2014 | \$ - | \$ 12,718 | \$ 102 | \$ 2,846 | \$ 15,666 | 1.37% | 2.28 | |
| 2013 | - | 12,630 | 108 | 2,896 | 15,634 | 1.41% | 2.31 | |
| 2012 | - | 12,914 | - | 2,944 | 15,858 | 1.49% | 2.41 | |
| 2011 | - | 4,581 | - | 2,990 | 7,571 | 0.69% | 1.13 | |
| 2010 | - | 4,501 | 8 | 3,041 | 7,550 | 0.73% | 1.13 | |
| 2009 | 183 | 4,556 | 61 | 3,126 | 7,926 | 0.77% | 1.43 | |
| 2008 | 357 | 4,628 | 109 | 3,177 | 8,271 | 0.96% | 1.48 | |
| 2007 | 773 | 4,679 | 173 | 3,250 | 8,875 | 1.24% | 1.59 | |
| 2006 | 675 | 4,737 | 263 | 3,315 | 8,990 | 1.26% | 1.60 | |
| 2005 | 828 | 4,559 | 284 | 3,368 | 9,039 | 1.21% | 1.63 | |

(1) City of St. Gabriel

(2) Bureau of Economic Analysis for Iberville Parish. Information for 2012 and 2011 are estimates based over year over year increase in personal income in prior years.

CITY OF ST. GABRIEL, LOUISIANA

COMPUTATION OF DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

June 30, 2014
(in thousands)

| Jurisdiction | Debt Outstanding | (2) Estimated Percentage Applicable | Estimated Share of Direct and Overlapping Debt |
|--|---------------------|--|--|
| City direct debt | \$ 12,718 | 100% | \$ 12,718 |
| <u>Overlapping -other government agencies (1):</u> | | | |
| Iberville Parish School Board (3) | \$ 40,201 | 35% | \$ 14,136 |
| Iberville Parish Government (4) | 18,951 | 35% | 6,664 |
| Total other government agencies | \$ 59,152 | | \$ 20,800 |
| Total direct and overlapping | | | \$ 33,518 |
| 2014 population estimate | | | 6,869 |
| Per capita | | | \$ 4.88 |

(1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. The schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of St. Gabriel. This process recognizes that, when considering the City'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.

(2) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the Parish's taxable assessed value that is within the City's boundaries and dividing it by the Parish's taxable assessed value.

(3) Source: 2013 general purpose financial statements

(4) Source: 2013 comprehensive annual financial report

CITY OF ST. GABRIEL, LOUISIANA
LEGAL DEBT MARGIN CALCULATION
LAST TEN FISCAL YEARS

| <u>Year</u> | <u>Assessed Value</u> | <u>Any One Purpose</u> | <u>Aggregate All Purposes (1)</u> | <u>Debt Outstanding (2)</u> | <u>Legal Debt Margin</u> | <u>Legal Debt Margin to Aggregate Debt Limit</u> |
|-------------|-----------------------|------------------------|-----------------------------------|-----------------------------|--------------------------|--|
| 2014 | \$ 188,267,805 | \$ 18,826,781 | \$ 65,893,732 | - | \$ 65,893,732 | 0.00% |
| 2013 | 181,142,755 | 18,114,276 | 63,399,964 | - | 63,399,964 | 0.00% |
| 2012 | 157,827,905 | 15,782,791 | 55,239,767 | - | 55,239,767 | 0.00% |
| 2011 | 148,896,250 | 14,889,625 | 52,113,688 | - | 52,113,688 | 0.00% |
| 2010 | 149,404,610 | 14,940,461 | 52,291,614 | - | 52,291,614 | 0.00% |
| 2009 | 148,167,635 | 14,816,764 | 51,858,672 | - | 51,858,672 | 0.00% |
| 2008 | 138,178,652 | 13,817,865 | 48,362,528 | - | 48,362,528 | 0.00% |
| 2007 | 125,150,972 | 12,515,097 | 43,802,840 | - | 43,802,840 | 0.00% |
| 2006 | 114,580,102 | 11,458,010 | 40,103,036 | - | 40,103,036 | 0.00% |
| 2005 | 110,989,362 | 11,098,936 | 38,846,277 | - | 38,846,277 | 0.00% |

Source: City of St. Gabriel

- (1) Legal debt limit is 35% of the total assessed value of taxable property (10% of the assessed value of taxable property for any one purpose)
- (2) There was no indebtedness secured by ad valorem taxes.

CITY OF ST. GABRIEL, LOUISIANA

PLEDGED REVENUE COVERAGE

LAST TEN FISCAL YEARS

(full accrual basis of accounting)

SCHEDULE A - REVENUE BONDS-SALES TAX-CIVIC CENTER OPERATING FUND

| Year | (1) | | Available for Debt Service | (4) Debt Service Requirements | | | Coverage |
|------|------------------|----------|-------------------------------|-------------------------------|------------|------------|----------|
| | Gross Revenue | Expenses | | Principal | Interest | Total | |
| 2014 | \$ 1,620,760 | \$ - | \$ 1,620,760 | \$ 70,971 | \$ 193,173 | \$ 264,144 | 6.14 |
| 2013 | 1,634,502 | - | 1,634,502 | 67,938 | 196,206 | 264,144 | 6.19 |
| 2012 | 1,521,233 | - | 1,521,233 | 65,035 | 199,194 | 264,229 | 5.76 |
| 2011 | 1,059,487 | - | 1,059,487 | 70,699 | 202,445 | 273,144 | 3.88 |
| 2010 | 978,468 | - | 978,468 | 55,406 | 208,738 | 264,144 | 3.70 |
| 2009 | 814,745 | - | 814,745 | 53,039 | 211,105 | 264,144 | 3.08 |
| 2008 | 510,362 | 230 | 510,132 | 50,772 | 213,372 | 264,144 | 1.93 |
| 2007 | 497,608 | - | 497,608 | 48,603 | 215,541 | 264,144 | 1.88 |
| 2006 | 481,121 | - | 481,121 | - | - | - | - |
| 2005 | 555,562 | - | 555,562 | - | - | - | - |

SCHEDULE B - REVENUE BONDS - SEWER REVENUES - SEWER FUND

| Year | (2) | | Available for Debt Service | (5) Debt Service Requirements | | | Coverage |
|------|------------------|-----------------|-------------------------------|-------------------------------|------------|------------|----------|
| | Gross Revenue | (3) Expenses | | Principal | Interest | Total | |
| 2014 | \$ 954,543 | \$ 498,650 | \$ 455,893 | \$ 49,442 | \$ 126,332 | \$ 175,774 | 2.59 |
| 2013 | 1,028,094 | 471,459 | 556,635 | 49,758 | 131,252 | 181,010 | 3.08 |
| 2012 | 975,842 | 494,989 | 480,853 | 45,492 | 132,376 | 177,868 | 2.70 |
| 2011 | 915,004 | 510,690 | 404,314 | 43,498 | 135,258 | 178,756 | 2.26 |
| 2010 | 788,437 | 655,286 | 133,151 | 73,842 | 135,392 | 209,234 | 0.64 |
| 2009 | 786,266 | 414,091 | 372,175 | 70,520 | 138,388 | 208,908 | 1.78 |
| 2008 | 846,364 | 571,902 | 274,462 | 72,277 | 136,018 | 208,295 | 1.32 |
| 2007 | 912,094 | 566,586 | 345,508 | 64,632 | 144,065 | 208,697 | 1.66 |
| 2006 | 828,665 | 588,526 | 240,139 | 53,714 | 167,466 | 221,180 | 1.09 |
| 2005 | 482,744 | 533,440 | (50,696) | 44,472 | 167,321 | 211,793 | (0.24) |

- (1) City of St. Gabriel 1% sales and use tax
- (2) Sewer revenues and transfers from other tax funds
- (3) Total expenses less payments toward debt service and depreciation
- (4) The City began retiring this debt in 2007
- (5) The City began retiring this debt in 2002

CITY OF ST. GABRIEL, LOUISIANA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

| Year | (1) Iberville Parish Population | (1) City of St. Gabriel Population | (2) Personal Income (In Thousands) | (2) Per Capita Personal Income | (3) Unemployment Rate | (4) Labor Market Area Unemployment Rate |
|------|--|---|---|---|-----------------------------|--|
| 2014 | 33,367 | 6,869 | 1,146,189 | 32,361 | 7.8 | 8.0 |
| 2013 | 33,228 | 6,755 | 1,108,196 | 33,351 | 9.4 | 7.0 |
| 2012 | 33,230 | 6,570 | 1,064,675 | 32,040 | 10.7 | 8.7 |
| 2011 | 33,362 | 6,700 | 1,102,353 | 33,042 | 11.6 | 8.4 |
| 2010 | 33,505 | 6,677 | 1,035,320 | 31,851 | 10.4 | 8.5 |
| 2009 | 32,545 | 5,546 | 1,028,138 | 31,251 | 9.8 | 7.4 |
| 2008 | 32,467 | 5,583 | 940,666 | 28,579 | 7.8 | 4.8 |
| 2007 | 32,974 | 5,572 | 860,764 | 26,175 | 5.3 | 4.6 |
| 2006 | 32,386 | 5,605 | 715,052 | 22,234 | 4.8 | 4.8 |
| 2005 | 32,497 | 5,534 | 749,304 | 23,186 | 7.9 | 6.2 |

Source:

- (1) U.S. Department of Commerce, Bureau of the Census. 2011 data not available.
- (2) Bureau of Economic Analysis, information is for Parish of Iberville, information for 2012 and 2011 not available. 2013 are estimates based on year over yearly trends of prior years.
- (3) Louisiana Workforce Commission, Research and Statistics Division, information is for Parish of Iberville.
- (4) U.S. Department of Labor, Bureau of Labor Statistics

CITY OF ST. GABRIEL, LOUISIANA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO

| Employer | 2014 (1) | |
|---|---------------------|------------------|
| | Number of Employees | Percent of Total |
| The Dow Chemical Co. | 2,200 | 34.35% |
| LA Dept. of Public Safety and Corrections | 1,200 | 18.74% |
| Syngenta Crop Protection, Inc. | 885 | 13.82% |
| Axiall, LLC | 393 | 6.14% |
| Maintenance Enterprise II, Inc. | 380 | 5.93% |
| Parish of Iberville (Police Protection) | 315 | 4.92% |
| Crown Enterprises, Inc. | 250 | 3.90% |
| LA Dept. of Military Affairs | 250 | 3.90% |
| Louisiana State University System | 205 | 3.20% |
| National Institutes of Health | 167 | 2.61% |
| Cora Texas Manufacturing Company, LLC | 160 | 2% |
| | <u>6,405</u> | <u>100.00%</u> |

Source: Baton Rouge Area Chamber (Brac.org)
 (1) Data for 2004, or ten years ago, was not available.

CITY OF ST. GABRIEL, LOUISIANA
FULL-TIME EQUIVALENT CITY EMPLOYEES
BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

| | Full-time Equivalent Employees Allotted in Annual Budget | | | | | | | | | |
|--------------------|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
| General Government | 13 | 7 | 12 | 12 | 13 | 12 | 12 | 11 | 13 | 13 |
| Police Department | 22 | 19 | 25 | 22 | 22 | 21 | 21 | 18 | 17 | 15 |
| Fire Department | 4 | 4 | 7 | 8 | 7 | 10 | 7 | 5 | 6 | 7 |
| Street Maintenance | 14 | 14 | 26 | 19 | 11 | 15 | 9 | 15 | 17 | 17 |
| Building | 3 | 3 | 6 | 3 | 3 | 4 | 6 | 1 | 1 | 1 |
| Social Services | 2 | 2 | 3 | 3 | 3 | 3 | 7 | 6 | 8 | 12 |
| Sewer | 2 | 4 | 4 | 7 | 7 | 9 | 9 | 9 | 8 | 7 |
| Civic Center | 5 | 3 | 4 | 6 | 8 | 8 | 5 | 8 | 8 | - |
| Code Enforcement | 3 | 4 | 4 | 7 | 4 | 4 | 2 | - | - | - |
| Total employees | <u>68</u> | <u>60</u> | <u>91</u> | <u>87</u> | <u>78</u> | <u>86</u> | <u>78</u> | <u>73</u> | <u>78</u> | <u>72</u> |

Source: City of St. Gabriel

CITY OF ST. GABRIEL, LOUISIANA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

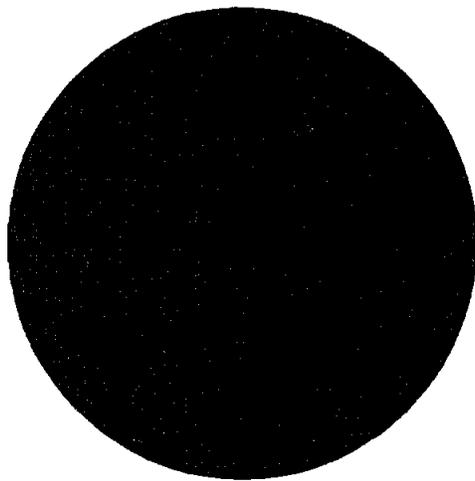
| | FISCAL YEAR | | | | | | | | | |
|--------------------------------------|-------------|-------|-------|-------|-------|-------|-------|------|-------|-------|
| | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
| Function: | | | | | | | | | | |
| Public Safety: | | | | | | | | | | |
| Police: | | | | | | | | | | |
| Physical arrests | 67 | 52 | 77 | 156 | 148 | 113 | 135 | 148 | 183 | 94 |
| Traffic violations | 4,327 | 4,458 | 2,253 | 4,144 | 3,867 | 4,160 | 4,067 | 780 | 1,213 | 1,167 |
| Public Works: | | | | | | | | | | |
| Building Permits: | | | | | | | | | | |
| Residential (new) | 57 | 61 | 161 | 50 | 34 | 17 | 26 | 78 | N/A | N/A |
| Commercial | 7 | 10 | 22 | 4 | 5 | 7 | 31 | 22 | N/A | N/A |
| Transportation: | | | | | | | | | | |
| Parish street maintenance program: | | | | | | | | | | |
| Number of miles maintained | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 |
| Number of bridges | 5 | 5 | 5 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Sanitation: | | | | | | | | | | |
| Wastewater: | | | | | | | | | | |
| Number of users | 972 | 833 | 793 | 789 | 751 | 690 | 688 | 348 | 343 | 339 |
| Monthly flat fee | \$15 | \$15 | \$15 | \$15 | \$15 | \$15 | \$15 | \$15 | \$15 | \$15 |
| Drainage: | | | | | | | | | | |
| Miles of drainage ditches maintained | 35 | 35 | 35 | 35 | 35 | 35 | 35 | 35 | 35 | 35 |
| Culture-Recreation: | | | | | | | | | | |
| Parks: | | | | | | | | | | |
| Number of parks maintained | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |

Source: City of St. Gabriel Government and www.city-data.com
Permit information not available for 2006 or 2005.

CITY OF ST. GABRIEL, LOUISIANA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

| Major Programs | FISCAL YEAR | | | | | | | | | |
|--|-------------|------|------|------|------|------|------|------|------|------|
| | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
| General Government: | | | | | | | | | | |
| Number of general government buildings | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 2 | 1 |
| Number of vehicles | 3 | 3 | 13 | 12 | 12 | 11 | 11 | 5 | 5 | 5 |
| Public Safety: | | | | | | | | | | |
| Police: | | | | | | | | | | |
| Number of vehicles | 32 | 29 | 28 | 25 | 21 | 19 | 15 | 15 | 17 | 17 |
| Number of stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Fire: | | | | | | | | | | |
| Number of stations | 0 | 0 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Number of vehicles | 0 | 0 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Streets and Sanitation: | | | | | | | | | | |
| Number of vehicles | 19 | 19 | 22 | 22 | 22 | 22 | 22 | 20 | 19 | 19 |
| Miles of streets | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 |
| Number of bridges | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Sewer: | | | | | | | | | | |
| Number of sanitary sewer systems | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Culture and Recreation | | | | | | | | | | |
| Number of parks | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Number of community centers | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Number of vehicles | 3 | 3 | 10 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |

Source: City of St. Gabriel



SPECIAL INDEPENDENT AUDITORS' REPORTS



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

To the Honorable Mayor and
City Council Members
City of St. Gabriel, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of the City of St. Gabriel, Louisiana as of and for the year ended June 30, 2014, and the related notes to the financial, which collectively comprise the City of St. Gabriel, Louisiana's basic financial statements, and have issued our report thereon dated December 31, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of St. Gabriel, Louisiana's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of St. Gabriel, Louisiana's internal control over. Accordingly, we do not express an opinion on the effectiveness of the City of St. Gabriel, Louisiana's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and thereof, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. [2014-1 and 2014-2].

Compliance and Other matters

As part of obtaining reasonable assurance about whether the City of St. Gabriel, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have had a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not the 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 are required to be reported under *Government Auditing Standards*.

City of St. Gabriel, Louisiana's Response to Findings

The City of St. Gabriel, Louisiana's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City of St. Gabriel, Louisiana's response was not subjected to auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Postthwaite & Nettorick

Gonzales, Louisiana
December 31, 2014

**INDEPENDENT AUDITORS' 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 OMB CIRCULAR A-133**

To the Honorable Mayor and Members
of the City Council
City of St. Gabriel, Louisiana

Report on Compliance for Each Major Federal Program

We have audited City of St. Gabriel, Louisiana's 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 City of St. Gabriel, Louisiana's major programs for the year ended June 30, 2013. The City of St. Gabriel's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City of St. Gabriel, Louisiana's major federal programs based on our audit of the types of compliance requirements referred to above. 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 City of St. Gabriel, Louisiana'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 on compliance for each major federal program. However, our audit does not provide a legal determination of City of St. Gabriel's compliance with those requirements.

Opinion on Each Major Program

In our opinion, City of St. Gabriel, Louisiana complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Report on Internal Control Over Compliance

Management of City of St. Gabriel, Louisiana is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered City of St. Gabriel, Louisiana's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 City of St. Gabriel, Louisiana's internal control over compliance.

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. *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.

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



Gonzales, Louisiana
December 31, 2014

CITY OF ST. GABRIEL
CITY OF ST. GABRIEL, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

| Federal Grantor/ Pass-Through Grantor Name/ Program Title | CFDA Number | Pass-Through Entity Identifying Number | Federal Expenditures |
|---|----------------|---|-------------------------|
| <u>United States Department of Homeland Security and Emergency Preparedness</u> | | | |
| Passed through the Louisiana Department of Homeland Security and Emergency Preparedness | | | |
| City Hall Complex, Retrofit - FEMA-1786-DR-LA | 97.039 | HMGP #1786-047-0001 | 386,202 |
| Drainage Improvements - FEMA-1786-DR-LA | 97.039 | HMGP #1786-047-0002 | 217,943 |
| Sewer Wastewater Treatment Project - FEMA-1786-DR-LA | 97.039 | HMGP #1786-047-0003 | 72,769 |
| Total United States Department of Homeland Security and Emergency Preparedness | | | <u>676,914</u> |
| <u>United States Department of Transportation - FHWA</u> | | | |
| Passed through the Louisiana Department of Transportation and Development: | | | |
| Louisiana Recreational Trails Program | 20.219 | H.010554 | 67,038 |
| Total United States Department of Transportation - FHWA | | | <u>67,038</u> |
| <u>United States Department of Housing and Urban Development</u> | | | |
| Passed through the Louisiana Community Development Block Program: | | | |
| Community Development Block Grant | 14.228 | B-10-DC-22-0001 | 294,658 |
| Total United States Department of Housing and Urban Development | | | <u>294,658</u> |
| Total Federal Assistance Expended | | | <u>\$1,038,610</u> |

See auditor's report.

CITY OF ST. GABRIEL, LOUISIANA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal award activity of City of St. Gabriel as is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Reconciliation of Federal Expenditures to the Financial Statement

| | |
|--|---------------------|
| Federal grant expenses are reported on the Capital Projects Fund of the Governmental Fund Statement | \$ 1,087,877 |
| Federal grant expenses are in the prior year | <u>(49,267)</u> |
| Federal assistance expended as reported on the Schedule of Expenditures of Federal Awards | <u>\$ 1,038,610</u> |

CITY OF ST. GABRIEL, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2014

A. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal Control over Financial Reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? yes none reported

Noncompliance material to financial statements noted?

yes no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes no
- Significant deficiency(s) identified that are not considered to be material weaknesses? yes none reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510 (a) of Circular A-133?

yes no

Identification of Major Program:

CFDA Number
97.039

Name of Federal Program
Hazard Mitigation Grant Program

- The threshold for distinguishing types A & B programs was program expenditures exceeding \$300,000.
- The City qualified as a low-risk auditee.

CITY OF ST. GABRIEL, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2014

B. FINDINGS – FINANCIAL STATEMENT FINDINGS

2014-1 Delinquent Sewer Accounts

Condition: As reported in previous audit findings, the City has a significant amount of unpaid and delinquent sewer utility service receivables. Additionally, certain delinquent balances were reported as owed by some City employees.

Criteria: Sewer Fees should be collected timely to avoid delinquent status.

Effect: Efforts in collecting fees for sewer services have not been successful.

Cause: The City does not have adequate controls in place to effectively monitor the billing and collections of unpaid accounts.

Recommendation: The City should consider implementing the Legislative Auditor's recommendations.

Management's corrective action plan: The City continues to be diligent with efforts associated with collecting fees for providing sewer services; however, the desired results have not been achieved, which is the ultimate collection of the delinquent receivables.

2014-2 Segregation of Duties

Condition: There is inadequate segregation of duties within the City's accounting department. The following was observed:

- Individuals who process bills are not independent of the collection function.
- An individual who prepares deposits also maintains the cash receipts ledger and posts entries to the general ledger.
- Individuals who has the ability to process bills, collect payments, edit the master file, approve invoices, prepare checks/deposits and post transactions to the general ledger possess to the authority to sign checks.

Criteria: Segregation of duties should be adequate within the City's accounting department to provide effective internal control.

Effect: The segregation of duties is inadequate to provide effective internal control over collections.

Cause: The City's staff is insufficient to properly segregate duties within the accounting department.

Recommendation: The City has an independent CPA firm to assist its accounting department. We found that duties are divided between the CPA firm and the City personnel so that internal controls are enhanced. However, it is still noted that the City's size may make it unfeasible to adequately staff an accounting department with sufficient segregation of duties.

Management's corrective action plan: Management concurs with this finding and continues to pursue adequate segregation of duties.

CITY OF ST. GABRIEL, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2014

NON COMPLIANCE WITH STATE LAWS AND REGULATIONS

None

C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

CITY OF ST. GABRIEL, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2014

A. FINDINGS – FINANCIAL STATEMENT AUDIT

2013-1 Delinquent Sewer Accounts

Observation: This matter has been reclassified to Item 2014-1.

2013-2 Segregation of Duties

Observation: This matter has been reclassified to Item 2014-2.

B. FINDINGS – COMPLIANCE

2013-3 Noncompliance with Bond Covenants

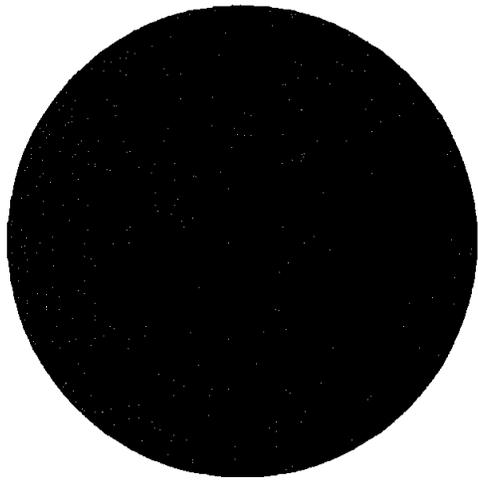
Observation: The City is not in compliance with the bond covenants requiring monthly deposits to be made into the Sinking Fund, Reserve Fund, and Contingency Fund from Net Revenues, no later than the 20th day of each month.

Current Status: No similar finding reported in current year.

2013-4 Public Bid Law

Condition: The City did not comply with public bid law for the purchase a vehicle.

Current Status: No similar finding reported in current year.



SPECIAL ACKNOWLEDGEMENTS

Leman Raphael
City Clerk

Tammy Phillips
Finance Director

Linda Gibson
Accountant

Janet Madison
Police Department Manager