
**ST. BERNARD PARISH GOVERNMENT
CHALMETTE, LOUISIANA**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

DECEMBER 31, 2015



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**ST. BERNARD PARISH GOVERNMENT
CHALMETTE, LOUISIANA**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2015

Prepared by:
Department of Finance

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 As of and for the Year Ended December 31, 2015**

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Guy McInnis
Parish President

St. Bernard Parish Government

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Chalmette, Louisiana 70043
Fax (504) 278 - 4330

June 29, 2016

To the Honorable Parish President Guy McInnis, Members of the St. Bernard Parish Council and Citizens of St. Bernard Parish:

State law requires that all general-purpose local governments publish, within six (6) months of the close of each fiscal year, a complete set of financial statements presented in conformity with U.S. generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of St. Bernard Parish Government for the year ended December 31, 2015.

This report consists of the administration's representations concerning the finances of St. Bernard Parish Government (SBPG). Administration, hereinafter referred to as "Management", assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal control that it has established to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the financial statements in conformity with GAAP. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. As Management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Postlethwaite & Netterville, a firm of licensed certified public accountants, has audited the Parish's financial statements and has issued an unmodified ("clean") opinion on St. Bernard Parish's financial statements for the year ended December 31, 2015. The independent auditors' report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

St. Bernard Parish was settled in the 1720's by Spanish colonists from the Canary Islands. Named after Bernardo de Galvez, the Parish was carved out of New Orleans Territory and formally incorporated on March 31, 1807. St. Bernard Parish is located in the Southeastern part of Louisiana and encompasses approximately 378 square miles of land. St. Bernard houses the 34th Judicial District Court, also known as the St. Bernard Parish Courthouse.

St. Bernard Parish is a political subdivision of the State of Louisiana. The citizens of St. Bernard approved and adopted the Home-Rule Charter on November 8, 1988. The Parish operates a Presidential/Council system of government. Both the President and the Council are elected by the voters to serve a four-year term with a limit of two (2) consecutive terms. The President is the head of the executive branch. The President's responsibilities include, but are not limited to, administering policies that facilitate the adherence to ordinances created by the Council, effectuating the smooth daily operations of government, and appointing the department heads. The Council is the legislative branch of the Parish. The Council's responsibilities include, but are not limited to, passing ordinances and resolutions, as well as, adopting an annual budget. The Council consists of seven (7) members - five (5) of which are district members and two (2) of which are at-large members.

St. Bernard Parish provides a full range of services, including fire protection, construction and maintenance of roads, bridges, drainage and other infrastructure, water and sewer services, permitting and inspections, code enforcement, planning and zoning, recreational activities, cultural events and other general governmental functions and administrative services. The financial reporting entity consists of a primary government. A more detailed discussion of the reporting entity is included in Note 1 in the Notes to the Financial Statements.

The Annual Budget serves as the foundation for the Parish's financial planning and control. All departments of the Parish are required to submit detailed requests for appropriation to the Department of Finance by an established deadline. The Director of Finance, Parish President, and the Chief Administrative Officer review the proposed budgets to ensure that requested appropriations do not exceed projected revenues. In the event a Department's request exceeds its projected revenues, the affected Department is required to revise and resubmit its request. The Director of Finance and the Budget Specialist monitor this process, and assist the affected Departments when required. The Parish President then submits the proposed budgets to the Parish Council at least 90 days prior to the beginning of the fiscal year. The Council is required to hold a public hearing and publish the proposed budgets in the official journal at least ten days prior to the hearing.

Department heads may make transfers of appropriations within a department. The transfer of appropriations between departments requires the approval of the governing Parish Council.

Budget-to-actual comparisons are provided in this report for each individual government fund for which an appropriated annual budget has been adopted. For the General Fund and all major funds, this comparison is presented on pages 66 to 69.

Factors Affecting Financial Condition

Local Economy

St. Bernard Parish has a residential population of approximately 45,408 people, which is about half the population size since Hurricane Katrina. The Parish depends heavily on the oil and gas industry as its main source of revenues. The Parish has begun to see a decline in road royalties, severance tax, and sales tax due to the decline in drilling and leasing. Road royalties and

severance tax declined 54.37% and 36.81%, respectively while sales tax revenue decreased 10.49%. The Parish's gas and oil dependent revenues decreased \$2.98 million when compared to 2014. The Parish is persistently monitoring these revenues and believes the declining revenues will continue into the fiscal year 2016 as well.

Long-term Financial Planning

The five (5) year Capital Improvement Plan is currently being established. The Parish received \$6.99 million from the BP Oil Spill settlement, in which, \$5.42 has been set aside for Coastal Restoration Projects.

The St. Bernard Parish Government Coastal Division is in the process of devising a Comprehensive Strategy Document (Strategy Document) for future coastal restoration efforts in St. Bernard Parish. The Strategy Document will serve as the basis for identifying, scoping, and prioritizing coastal restoration projects. Additionally, the Strategy Document will couple proposed coastal restoration projects with potential federal, state, and local funding sources.

The Strategy Document will be completed and submitted to the St. Bernard Parish Coastal Zone Advisory Committee (the "CZAC") for review and approval in August 2016. The CZAC will subsequently submit the Strategy Document to the St. Bernard Parish Council for review, public comment, and official adoption. It is estimated that a final version of the Strategy Document will be adopted prior to the introduction of the 2017 St. Bernard Parish Government's Capital and Operating Budgets.

Major Initiatives

Over the next year, management of the Parish will be concentrating on the following major projects:

- Violet – Dravo sewer improvements
- Lake Borgne pump engine upgrades
- Palmisano drainage upgrades
- Submerged roads
- Several waterline projects
- Clear well/raw water
- Jean Lafitte storm drains
- Various sewer rehab projects
- Revitalization of Old Arabi
- Mississippi River Trail & Trailheads
- Water Meters (improved project)
- Numerous canal crossing projects
- Waterline replacement projects

Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting. In order to be awarded a

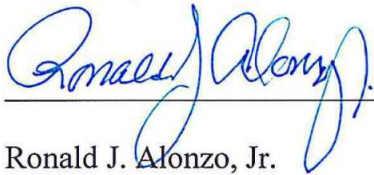
Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both U.S. generally accepted accounting principles and applicable legal requirements.

We believe that our current CAFR will meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for a certificate.

We would like to thank the Parish Council for their unfailing support for elevating and maintaining the highest standards of professionalism in the management of the Parish's finances.

Finally, and most importantly, we would like to thank Parish President Guy McInnis for his continued leadership and confidence in us. We look forward to continuing to assist him in accomplishing all of his goals as Parish President.

Respectfully submitted,



Ronald J. Alonzo, Jr.
Chief Administrator Officer



Blair Ellinwood
Director of Finance

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
PRINCIPAL ELECTED OFFICIALS
DECEMBER 31, 2015**

PARISH PRESIDENT

David Peralta

PARISH COUNCIL MEMBER

Guy McInnis – Member at Large East

George Cavnac – Member at Large West

Ray Lauga – District A

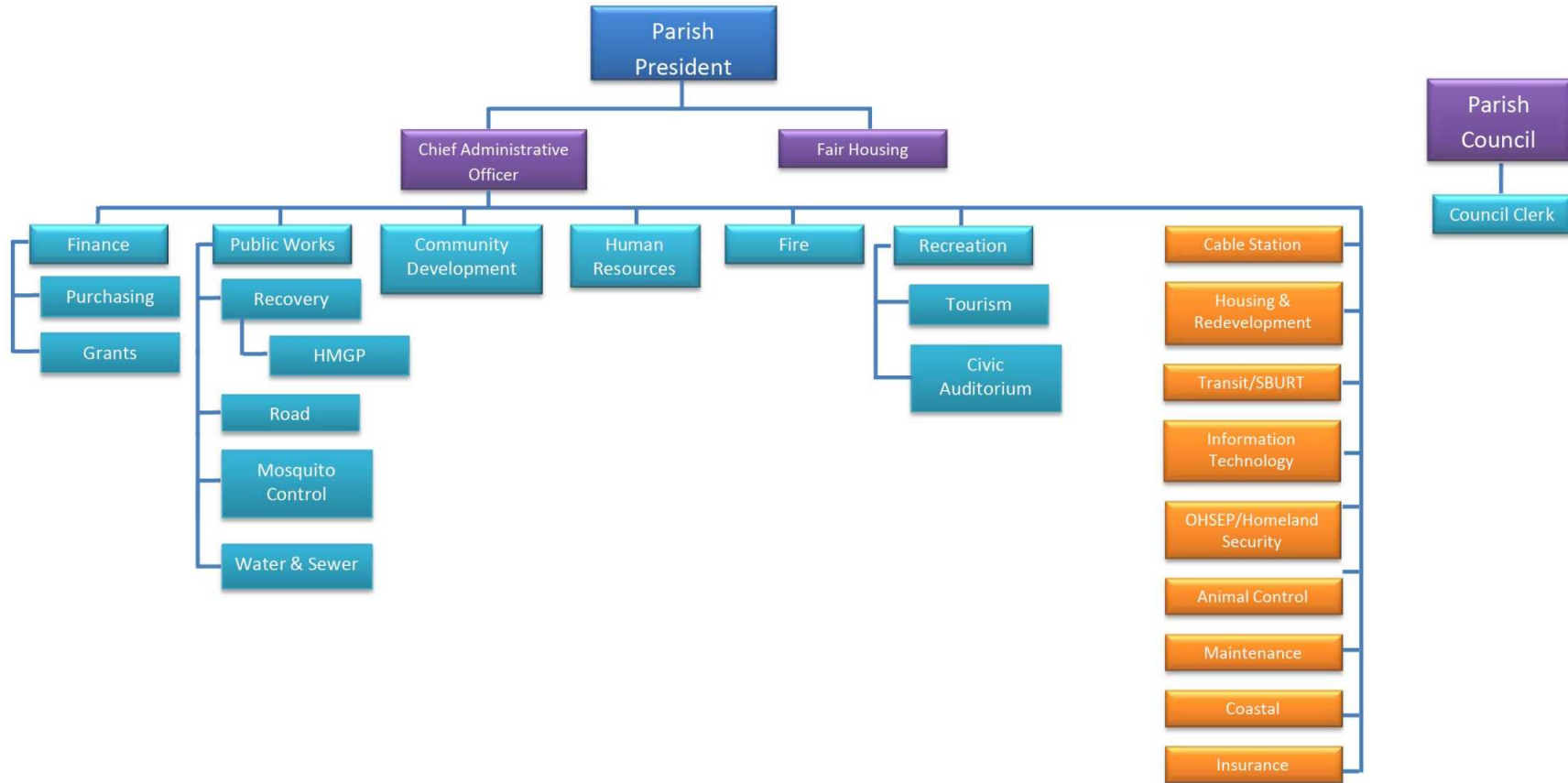
Nathan J. Gorbaty – District B

Richard J. Lewis – District C

Casey Hunnicutt – District D

Manuel “Monty” Montelongo – District E

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
ORGANIZATIONAL CHART
December 31, 2015**



Independent Auditors' Report

The Members of the St. Bernard Parish Council
Chalmette, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business –type activities, each major fund, and the aggregate remaining fund information of the St. Bernard Parish Government (the Parish) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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, each major fund, and the aggregate remaining fund information of the Parish as of December 31, 2015, 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.

Change in Accounting Principle

As described in Notes 1 and 19 to the financial statements, the Parish implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* for the year ended December 31, 2015. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*. The Parish also implemented GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*. Our opinion is not modified in respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 4 through 15), schedule of funding progress (page 62), schedule of proportionate share of the net pension liability (page 63), schedule of contributions (page 64), notes to required supplemental information – pension plan schedule (page 65), budgetary comparison information (pages 66 through 69), notes to required supplemental information – budgetary comparison (page 70), and reconciliation of the proprietary funds statement of net position to the government-wide statement of net position (page 71) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Parish's basic financial statements. The other supplemental information (pages 72 through 106) is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards (page 176) is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The other supplemental information, including the schedule of expenditures of federal awards, is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information, including the schedule of expenditures of federal awards, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section (pages v through x) and the statistical section (pages 107 through 129) 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 June 29, 2016, on our consideration of the Parish'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 and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Parish's internal control over financial reporting and compliance.

Postlethwaite + Nettenville

Metairie, Louisiana
June 29, 2016

REQUIRED SUPPLEMENTARY INFORMATION

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2015

Management's Discussion and Analysis

The following Management's Discussion and Analysis (MD&A) of the St. Bernard Parish Government (the "Parish"), financial performance provides an overview of the Parish's financial activities for the fiscal year ended December 31, 2015. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in the Parish's basic financial statements and the notes to the basic financial statements.

Financial Highlights

- The Parish's net position balance on the government-wide basis was \$613,078,018 at December 31, 2015.
- The government-wide statement of activities reported a decrease in net position of \$9,694,714.
- 2015 general fund tax revenues increased by \$1,505,625 compared to 2014.
- The general fund reported an excess of revenues and other financing sources over expenses and other financing uses of \$6,165,944 for a total ending fund balance at December 31, 2015 of \$10,256,654. \$4,102,083 of fund balance is restricted or non-spendable, while \$5,421,492 is assigned for coastal restoration.
- Total governmental funds reported an excess of revenues and other financing sources over expenses and other financing uses of \$5,753,179 for the year ended December 31, 2015.
- Total cash and cash equivalents of governmental funds amounted to \$35,635,925 at December 31, 2015, an increase of \$2,027,866 compared to December 31, 2014.
- The Parish implemented: GASB Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27, and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – An amendment of GASB Statement No. 68.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Parish's primary government financial statements. The Parish's financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplementary information and additional supplementary information to provide greater detail of data presented in the basic financial statements.

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

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2015

The statement of activities presents information showing how the Parish's net position changed during the year ended December 31, 2015. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g. earned but unused leave for vacations).

The government-wide financial statements distinguish functions of the Parish that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Parish include general government, public safety, public works, health and human services, culture and recreation, urban development and housing, and economic development. The business-type activity of the Parish includes the water and sewerage operations of the Water & Sewer Division and Water Districts (the Division) and the rental income, concession sales and operations of the events facilities.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Parish, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Parish can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as government activities in the government-wide financial statement. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources. Such information may be useful in evaluating government's financing requirements.

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

The Parish maintains 30 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balance for its four major funds: the General Fund, Hazard Mitigation Grant Fund, Disaster Recovery Fund and Consolidated Fire Protection District No. 1-2 Fund. Data from the other governmental funds are combined under the heading "Non-major Governmental Funds."

Proprietary Funds. The Parish maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Parish uses enterprise funds to account for its water and sewerage operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Parish's various functions. The Parish uses internal service funds to account for its self-insurance program. Separate funds are maintained for costs related to governmental and business-type functions and activity is split accordingly in the government-wide financial statements.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2015

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Division, which is considered to be a major fund of the Parish. All other Water and Sewer District funds and events facilities are combined into a single, aggregated presentation in the proprietary fund financial statements. The two internal services funds are also combined into a single, aggregated presentation. Individual fund data for the District funds and the internal service funds is provided in the form of combining statements elsewhere in the report.

The basic proprietary fund financial statements can be found on pages 22-24 of this report.

Notes to the Basic 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.

Required Supplementary Information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information to demonstrate legal budgetary compliance for each major fund for which an annual budget is adopted and to provide information concerning the Parish's progress in funding its obligation to provide pension benefits to its employees.

Other Supplemental Information. The combining statements referred to earlier in connection with non-major governmental, proprietary and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 72-104 of this report.

Government-wide Financial Analysis

As noted previously, net position may serve over time as a useful indicator of a government's financial position. The Parish's assets and deferred outflows exceeded liabilities and deferred inflows by \$613,078,018 at December 31, 2015.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2015

Table 1
Net Position
December 31, 2015 and 2014

	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2014 (Restated)	2015	2014 (Restated)	2015	2014 (Restated)
Current and other assets	\$ 78,322,826	\$ 77,414,669	\$ 20,797,590	\$ 18,765,642	\$ 99,120,416	\$ 96,180,311
Capital assets	391,125,797	384,857,910	207,008,127	217,482,729	598,133,924	602,340,639
Total assets	<u>469,448,623</u>	<u>462,272,579</u>	<u>227,805,717</u>	<u>236,248,371</u>	<u>697,254,340</u>	<u>698,520,950</u>
Deferred outflows	4,542,971	2,184,714	488,361	238,913	5,031,332	2,423,627
Other liabilities	26,698,770	36,044,198	3,813,207	2,447,928	30,511,977	38,492,126
Long-term liabilities	52,729,960	52,921,816	4,581,894	4,537,137	57,311,854	57,458,953
Total liabilities	<u>79,428,730</u>	<u>88,966,014</u>	<u>8,395,101</u>	<u>6,985,065</u>	<u>87,823,831</u>	<u>95,951,079</u>
Deferred inflows	1,282,878	1,610,194	100,945	-	1,383,823	1,610,194
Net position:						
Net investment of						
capital assets	357,038,864	347,417,372	196,619,074	213,189,989	553,657,938	560,607,361
Restricted	15,236,622	15,937,711	5,351,524	7,531,203	20,588,146	23,468,914
Unrestricted	21,004,500	10,526,002	17,827,434	8,781,027	38,831,934	19,307,029
Total net position	<u>\$ 393,279,986</u>	<u>\$ 373,881,085</u>	<u>\$ 219,798,032</u>	<u>\$ 229,502,219</u>	<u>\$ 613,078,018</u>	<u>\$ 603,383,304</u>

The Parish's statement of net position reflects its investment in capital assets, land, construction-in-progress, infrastructure, buildings, and equipment, less any related debt outstanding used to acquire those assets, in the amount of \$553,657,938 at December 31, 2015. The Parish uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Parish's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided by other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Debt service funds have accumulated \$6,024,868 at December 31, 2015 to provide for the servicing of annual interest and principal payments on bonds and are classified in restricted net position. The unrestricted net position increased by \$10,269,580, which is primarily due to the change in net position described below.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2015

Government-wide Activities

Table 2
Changes in Net Position
For the Years Ended December 31, 2015 and 2014

	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
<u>Revenues:</u>						
Program revenues:						
Charges for services	\$ 3,381,027	\$ 3,032,385	\$ 12,060,280	\$ 5,875,915	\$ 15,441,307	\$ 8,908,300
Operating grants and contributions	21,131,977	10,370,636	516,129	31,560	21,648,106	10,402,196
Capital grants and contributions	32,249,132	38,860,849	-	-	32,249,132	38,860,849
General revenues:						
Ad valorem taxes	13,241,834	13,387,595	-	-	13,241,834	13,387,595
Sales taxes	14,408,732	16,096,696	3,602,185	4,024,174	18,010,917	20,120,870
Other taxes	1,330,176	1,677,378	-	-	1,330,176	1,677,378
Unrestricted grants and investment earnings	188,079	187,198	51,670	39,188	239,749	226,386
Gain/(Loss) on disposal of assets	(415,762)	83,974	(10,149)	11,100	(425,911)	95,074
Other general revenues	11,958,219	2,429,117	238,289	262,529	12,196,508	2,691,646
Total revenues	97,473,414	86,125,828	16,458,404	10,244,466	113,931,818	96,370,294
Program expenses:						
General government	34,043,529	23,738,873	-	-	34,043,529	23,738,873
Public safety	10,872,392	10,242,189	-	-	10,872,392	10,242,189
Public works	16,398,444	15,580,221	-	-	16,398,444	15,580,221
Sanitation	5,596,379	4,769,494	-	-	5,596,379	4,769,494
Culture and recreation	3,010,246	3,787,646	-	-	3,010,246	3,787,646
Health and welfare	9,154,803	6,832,287	-	-	9,154,803	6,832,287
Interest on long-term debt	1,305,453	1,328,696	164,219	240,516	1,469,672	1,569,212
Water and sewer	-	-	22,753,572	11,165,143	22,753,572	11,165,143
Events facilities	-	-	938,067	2,079	938,067	2,079
Total expenses	80,381,246	66,279,406	23,855,858	11,407,738	104,237,104	77,687,144
Net (expense) revenue before transfers	17,092,168	19,846,422	(7,397,454)	(1,163,272)	9,694,714	18,683,150
Transfers in (Out)	2,306,733	(219,376)	(2,306,733)	219,376	-	-
Capital contributions	-	(13,215,123)	-	13,215,123	-	-
Change in Net Position	19,398,901	6,411,923	(9,704,187)	12,271,227	9,694,714	18,683,150
Net Position - beginning	384,811,818	378,399,895	229,288,537	217,017,310	614,100,355	595,417,205
Prior period adjustment	(10,930,733)	-	213,682	-	(10,717,051)	-
Net Position - beginning, as restated	373,881,085	378,399,895	229,502,219	217,017,310	603,383,304	595,417,205
Net Position - ending	\$ 393,279,986	\$ 384,811,818	\$ 219,798,032	\$ 229,288,537	\$ 613,078,018	\$ 614,100,355

Total revenue increased by \$17,561,524 or 18.22% from \$96,370,294 in 2014 to \$113,931,818 in 2015. Charges for services increased by \$6,533,007 in 2015 due to the increase of water and sewer fees implemented in March 2015. Other revenues increased by \$9,504,862 or 353.12% from \$2,691,646 in 2014 to \$12,196,508 2015. This large increase is primarily due to one-time revenue received through a litigation settlement. The increase in operating grants and contributions of \$11,245,910 is partly attributed to the Parish receiving the Coastal Impact Assistant Program. Capital grants and contributions of \$6,611,717 in 2015 is due to the decline of federal funding for the purpose of rebuilding the Parish after several hurricanes caused major damage to the Parish.

Total expenses were \$104,237,104 in 2015, an increase of \$26,549,960, or 34.18%, compared to \$77,687,144 in 2014. General government expense increased \$10,304,656 or 43.41% from \$23,738,873 in 2014 to \$34,043,529 in 2015 due to several one-time expenditures in 2015. The Parish had a change in estimate which increased expenditures by \$1,577,944. The Parish also had an increase in professional

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2015

services in the amount of \$6,462,028 due to litigation. Water and Sewer expenses increased by \$11,588,429 or 103.79% from \$11,165,143 in 2014 to \$22,753,572 in 2015 due to a change in estimate. The change in estimate increased expenses by \$9,271,957. For additional information regarding change in estimate, see Note 20 in the notes to the basic financial statements.

Financial Analysis of the Government's Funds

Governmental Funds

The focus of the Parish's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Parish's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited spending to use for a particular purpose by either an external party, the Parish itself, or group or individual that has been delegated authority to assign resources for use for particular purposes by the Parish's Council.

At December 31, 2015, the Parish's governmental funds reported a combined fund balance of \$25,407,169, an increase of \$5,753,179 in comparison with the prior year. Included in this amount is a deficit of \$1,352,721 which constitutes unassigned fund balance. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is 1) not in spendable form (\$243,224), 2) restricted for particular purposes (\$13,774,896), 3) committed for particular purposes (\$956,564), or 4) assigned for particular purposes (\$11,785,206).

Proprietary Funds

The St. Bernard Parish Government's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water and Sewer Division and the non-major business-type activities at the end of the year amounted to \$16,975,025.

General Fund

The general fund is the chief operating fund of the Parish. During the year ended December 31, 2015, the general fund's fund balance increased by \$6,165,944 from \$4,090,710 to \$10,256,654. Key factors relative to this change are as follows:

- Total revenues increased by \$4,529,247 from 2014 to 2015. Federal grant revenues increased by \$5,570,968 as compared to the prior year due to the one time revenue from FEMA for forced account labor and equipment as well as, the funding from the Coastal Impact Assistant Program, which began at the end of 2014 and was completed at the end of 2015. Sales tax revenues decreased by \$1,265,973 due to the decline in the oil and gas industry.
- Expenditures increased in 2015 to \$26,444,916 compared to \$17,632,384 in 2014, an increase of \$8,812,532, which represents a 49.98% increase in expenditures. This increase is a result of the increase in professional services directly related to litigation, which increased \$6,462,028 in 2015 when compared to 2014. The Parish also had an increase of \$593,789 in salaries and associated benefits.

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2015**

- Other financing sources (uses), net, totaled \$5,990,807 in 2015 representing an increase of \$9,216,873 or 285.70% in comparison to 2014. This large increase is due to proceeds from the litigation settlements.
- Charges for services increased by \$79,472 or 5.63% compared to 2014 due primarily to grass violation revenues which increased by \$57,918 and cable franchise fees which increased \$29,916 during year ended December 31, 2015.
- Licenses and permits increased by \$158,074 or 13.53% compared to 2014 due to an increase in building permits by \$45,682 and an increase of \$85,676 in occupational licenses.
- Sales taxes decreased in 2015 to \$10,806,549 compared to \$12,072,522 in 2014, a decrease of \$1,265,973 which represents a 10.49% in sales tax revenues.
- Federal funds increased \$5,570,968 or 109.21% due to Coastal Impact Assistant Program.
- Miscellaneous and other revenues increased from \$375,586 in 2014 to \$449,291 in 2015, an increase of \$73,705 or 19.62% due to increase of sales of adjudicated properties in 2015.

The accompanying table shows the amount of general fund revenues by source for 2015 and 2014.

Revenues	2015 Actual	% of Total	Increase (Decrease) Over 2014	2014 Actual	% of Total
Taxes	\$ 12,498,189	33.41%	\$ (1,505,625)	\$ 14,003,814	58.41%
Licenses and permits	1,326,190	3.54%	158,074	1,168,116	4.88%
Intergovernmental	10,795,643	28.85%	5,670,843	5,124,800	21.39%
Charges for services	1,492,232	3.99%	79,472	1,412,760	5.90%
Fines and forfeitures	57,477	0.15%	52,605	4,872	0.02%
Use of money and property	1,031	0.00%	173	858	0.00%
Other revenues	449,291	1.20%	73,705	375,586	1.58%
Other financing sources	10,799,266	28.86%	8,929,098	1,870,168	7.82%
	<u>\$ 37,419,319</u>	<u>100.00%</u>	<u>\$ 13,458,345</u>	<u>\$ 23,960,974</u>	<u>100.00%</u>

The accompanying table shows the amount of general fund expenditures by source for 2015 and 2014.

Expenditures	2015 Actual	% of Total	Increase (Decrease) Over 2014	2014 Actual	% of Total
General government	\$ 26,153,557	83.68%	\$ 9,259,984	\$ 16,893,573	74.33%
Capital outlay	291,359	0.93%	(447,452)	738,811	3.25%
Operating transfers out	4,808,459	15.39%	(287,775)	5,096,234	22.42%
	<u>\$ 31,253,375</u>	<u>100.00%</u>	<u>\$ 8,524,757</u>	<u>\$ 22,728,618</u>	<u>100.00%</u>

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2015

Hazard Mitigation Grant Fund

This special revenue fund is used to account for funding from the Department of Homeland Security, primarily Hazard Mitigation Grant (the "HMGP") funding is for construction projects associated with Hurricanes Katrina, Rita, and Gustav. The HMGP funding is a reimbursement basis grants where expenditures and related revenues have been accrued along with some advance funding for elevation of qualified homes. Revenues amounted to \$4,227,007 in 2015 compared to \$2,230,258 in 2014, while expenditures totaled \$3,607,724 in 2015 compared to \$2,230,258 in 2014. Revenues and expenditures are beginning to increase as the construction phases of the projects are beginning to take off.

Disaster Recovery Fund

The Disaster Recovery Fund primarily accounts for grants received as a result of Hurricanes Katrina, Rita and Gustav from the Federal government. FEMA, as authorized by the Stafford Act, assists individuals, as well as, state and local governments with response to and recovery from disasters. The FEMA grants are reimbursement basis grants where expenditures and related revenues have been accrued. The deficit in the Disaster Recovery fund at December 31, 2015 of \$1,962,775 is partially attributable to \$11,400,045 of revenue that has been deferred and will be collected by the Parish in 2015 and cash advances received for which expenditures will be incurred in future years. Revenue amounted to \$20,795,793 in 2015 compared to \$22,945,193 in 2014, while expenditures totaled \$18,721,847 in 2015 compared to \$18,233,579 in 2014. Revenues and expenditures for Hurricanes Katrina, Rita and Gustav in the FEMA fund are decreasing as funding for the emergencies comes to an end and projects are closed out.

Consolidated Fire Protection District No. 1-2

The Consolidated Fire Protection District No. 1-2 (the "Fire District") accounts for maintenance and daily operations of the fire protection facilities, along with training and continuing education. The Fire District is primarily funded by ad valorem taxes and 2% of the State of Louisiana distribution of fire insurance premium taxes. The Fire District's fund balance at December 31, 2015 amounted to \$3,412,656 which was a decrease of \$174,068. Revenue amounted to \$9,371,042 in 2015 compared to \$10,955,082 in 2014, a decrease of \$1,584,040. This decrease is directly related to a federal grant in the amount of \$1,744,864 which was received in 2014 and not received in 2015. Expenditures totaled \$9,490,034 in 2015 compared to \$9,052,136 in 2014, which is an increase of \$437,898. This increase is due to an increase and salary and related benefits from \$7,641,530 in 2014 to \$8,162,965 in 2015, a \$521,435 or 6.82% increase.

Special Revenue Funds – Non-major

The Non-Major Special Revenue funds are used to account for the recording of special purpose revenues and grants. Total fund balance for the Non-Major Special Revenue funds was \$2,820,402 at December 31, 2015, which was a \$1,649,577 decrease compared to the prior year fund balance of \$4,469,979. Revenues during the year ended December 31, 2015 increased by \$207,609 primarily due to an increase in federal grants by \$1,169,322 and the decrease in sales tax revenue of \$421,991 or 10.49% and the decrease in state funding by \$578,446. Expenditures during the year ended December 31, 2015 decreased by \$2,090,131 as a result of the major fund determination in which CDBG is a non-major fund and Hazard Mitigation Grant Program in major in 2015. There was also a decrease in expenditures in Recreation of \$1,741,963 or 48.15% due to Val Riess Park repairs and construction performed during 2014. Urban Mass Transportation Administration increased expenditures by \$718,350 due to the purchase of new buses. Workforce Investment Act, which is expenditure driven federal grant program, received an additional \$896,770 or 70.93% in funding.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2015

Debt Service Funds

The 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. Total fund balance for the Debt Service Funds was \$3,537,488 at December 31, 2015, which was a \$64,513 increase compared to the prior year balance of \$3,472,975. The increase in fund balance is due to an increase in sinking requirements which are satisfied via transfers in. Transfers, net were \$4,539,968 for the year ended December 31, 2015, which was a \$521,611 increase compared to prior year activity of \$4,018,357. Expenditures during the year ended December 31, 2015 increased by \$2,676,759 primarily as a result of interest and principal payments for the 2012 Sales Tax Refunding Bonds.

Capital Project Funds

The Capital Projects funds are used to account for all resources and expenditures in connection with the acquisition of capital facilities and repair and maintenance projects other than those accounted for in the recovery funds relating to FEMA and CDBG. Total fund balance for the Capital Project Funds was \$7,342,744, at December 31, 2015, a decrease of \$1,269,454 from the prior year. Capital projects fund expenditures during 2015 totaled \$2,805,028; a decrease of \$633,411 from the prior year.

Enterprise Funds

The Enterprise funds are used to account for operations of the water and sewer and events' facilities of the Parish. Total net position for the Enterprise Funds was \$218,945,623 at December 31, 2015, a decrease of \$10,009,419. Total operating revenues increased \$6,184,365 or 105.25% to \$12,060,280 for the year ended December 31, 2015. This increase is due primarily to the increase in water and sewer fees that began in March 2015. Total operating expenses increased \$12,230,724 or 110.69% to \$23,280,187 for the year ended December 31, 2015. This increase from the prior year is due to a change in estimate. The change in estimate increased expenditures by \$9,271,957. For additional information regarding change in estimate, see Note 20 in the notes to the basic financial statements. Other operating expenditures increased by \$568,618 or 75.60% primarily due to an increase in water and sewer lines, lift station pumps, or general repairs within the Parish as system components begin aging.

Non-operating revenues and expenses increased \$98,500 or 2.48% to \$4,065,567 for the year ended December 31, 2015. The increase is a result of sales tax revenue decreasing by \$421,989 or 10% and federal grant revenue increasing by \$484,569 or 1,535.39%.

Internal Service Funds

The internal service funds are used to account for the risk management services provided throughout the Parish. Total net position for the Internal Service Funds was \$1,113,950, at December 31, 2015, a decrease of \$533,773 from the prior year. Premium revenue decreased by \$2,526,318 from \$3,640,321 to \$1,114,003 during the year ended December 31, 2015 due to prior years over funding. Total operating expenses increased by \$891,655 from \$1,629,673 to \$2,521,328 during the year ended December 31, 2015 due to additional settlements.

General Fund Budgetary Highlights

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2015

Variiances between general fund amended budget and actual are delineated in the schedule below. Total revenues are \$26,620,053 or 0.56% over budgeted amounts. Actual expenditures were 6.08% less than budgeted.

	2015		Variance with Final Budget Over/(Under)
	Budget	Actual	
Revenues			
Taxes	\$ 12,498,248	\$ 12,498,189	\$ (59)
Licenses and permits	1,321,524	1,326,190	4,666
Intergovernmental	10,652,538	10,795,643	143,105
Charges for services	1,511,518	1,492,232	(19,286)
Fines and forfeitures	34,130	57,477	23,347
Use of money and property	-	1,031	1,031
Other revenues	453,422	449,291	(4,131)
Total Revenues	26,471,380	26,620,053	148,673
Expenditures	28,156,913	26,444,916	1,711,997
Other Financing Sources (Uses), net	5,968,823	5,990,807	21,984
Net Change in Fund Balance	<u>\$ 4,283,290</u>	<u>\$ 6,165,944</u>	<u>\$ 1,882,654</u>

Capital Assets

Capital assets at December 31, 2015 and 2014 are as follows (net of depreciation):

The Parish's net investment in capital assets as of December 31, 2015, amounts to \$598,133,924 (net of accumulated depreciation). This net investment in capital assets includes land, buildings, building and land improvements, furniture, fixtures and equipment, machinery and equipment, and infrastructure.

	<u>2015</u>	<u>2014</u>
Land	\$ 20,368,190	\$ 20,047,075
Construction in progress	94,273,646	71,848,807
Buildings and improvements	221,685,955	220,232,292
Furniture, machinery and equipment	21,248,216	21,263,668
Infrastructure	452,067,845	450,215,191
Accumulated depreciation	(211,509,928)	(181,266,394)
	<u>\$ 598,133,924</u>	<u>\$ 602,340,639</u>

Major capital asset events during the fiscal year included the following:

- The Fire Department purchased three fire apparatuses in the amount of \$1,236,417 and transit department purchased five new buses in the amount of \$792,713.
- Construction in progress was completed on a few of the Parish's canal crossing which is funded via FEMA. Design has begun on the water and sewer line projects. Several fire stations have been completed as well.
- Depreciation expense for the year amounted to \$32,345,575.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2015

For additional information regarding capital assets, see Note 7 in the notes to the basic financial statements.

Debt Administration

Total outstanding debt at December 31, 2015 totaled \$38,829,508, which is secured by specific revenue sources (property or sales taxes).

	Outstanding Debt	
	<u>2015</u>	<u>2014</u>
2012 Sales Tax Refunding bonds	\$ 30,460,000	\$ 33,415,000
2004 Sales Tax bonds	475,000	520,000
2008 Sales Tax Refunding bonds	2,990,000	3,665,000
Total bonds	<u>33,925,000</u>	<u>37,600,000</u>
Limited Tax Certificates of Indebtedness, Series 2014	1,985,000	2,200,000
Limited Tax Certificates of Indebtedness, Series 2015	2,215,662	6,760,932
Total certificates of indebtedness	<u>4,200,662</u>	<u>8,960,932</u>
LDHH - Drinking Water Revolving Loan	249,272	-
LDEQ - Clean Water Revolving Loan	454,574	-
Total revolving loans	<u>703,846</u>	<u>-</u>
Total outstanding debt	<u>\$ 38,829,508</u>	<u>\$ 46,560,932</u>

The following is a summary of debt transactions:

Balance at January 1, 2014	\$ 46,560,932
New issues	2,919,508
Payments	(10,650,932)
Balance at December 31, 2014	<u>\$ 38,829,508</u>

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for general obligation debt for the Parish is in excess of the Parish's outstanding general obligation debt.

Major long-term debt transactions for the year ended December 31, 2015 include the following:

- Total Other Post-Employment benefits increased \$502,049 during the fiscal year.
- During the year ended December 31, 2015, the Parish issued the Drinking Water Revolving Loan not to exceed \$11,000,000. The balance at December 31, 2015 was \$249,272. The Parish also issued the Clean Water State Revolving Loan not to exceed \$10,000,000. The balance at December 31, 2015 was \$454,574.
- The Parish paid in full the 2014 certificates of indebtedness in the amount of \$6,760,932 in March 2015. The Parish issued 2015 certificates of indebtedness in the amount of \$2,215,662 in August 2015 and paid the certificates in full January 2016.
- At December 31, 2015, the Parish record a net pension liability of \$14,095,429 in the governmental activities and \$96,049 in business-type activities.

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2015**

For additional information regarding long-term debt, see Note 8 in the notes to the basic financial statements.

Economic Factors and Next Year's Budget and Rates

The Parish's primary recurring funding sources are Sales Tax and Ad Valorem Tax. In 2015, actual Sales Tax collections were \$18,010,917 which was a decrease of \$2,109,953 or 10.49% when compared to prior year. The Parish projects an 8.77% decrease in Sales Tax revenues in 2016 over 2015 primarily due to oil and gas industry. In 2015, actual Ad Valorem Tax collections were \$13,241,834 and the Parish estimates a 3.00% decrease in Ad Valorem revenues in 2016. The Parish is projecting a 12.77% decrease in its primary funding sources in 2016, which the Parish is currently addressing.

Expectation is such that by the end of 2015, it is estimated that the Parish will be substantially complete in its storm related recovery efforts that will total in excess of \$1 billion. Significant Parish-wide infrastructure repairs, hazard mitigation measures, aggressive marketing of lots made vacant by Hurricane Katrina, an exceptionally rated public school system, state of the art recreational facilities, low crime rate, and other factors will continue to make the Parish an attractive community that should bolster its population which should help increase the taxable population. A new state of the art Hospital has continued to grow the area's medical care services and offer competitive job opportunities. Real estate values are increasing as evident by the auctions of Parish owned vacant lots. The average lot price is up significantly when compared to the previous auctions. The Parish continues to apply for federal and state grants in order to improve the quality of life for its residents. The Parish has developed a Grant Department to head and oversee from the application phase to construction. Examples of this include federal and state grants that will fund a bike trail along the Mississippi River levee, a new playground for Parish children, the federal loans to improve the waterline systems throughout the Parish, and the anticipation of new bike paths connecting the current paths together throughout the Parish.

Over the last two years, the Parish has seen a significant increase in the number of movies being filmed.

The Parish hosts many fairs and festivals with the annual Knights of Columbus Crawfish Festival itself bringing in over 100,000 patrons. The Parish has introduced an annual fishing rodeo. The Recreation Department has developed a leisure program to for citizens of St. Bernard Parish as well as they have begun holding Soc Hops for local children. The eastern end of the Parish is a favorite saltwater fishing destination for the entire Greater New Orleans metropolitan area.

Based on the factors stated above and the continued growth in population, Parish management believes the next year will be financially difficult but will continue moving forward by providing the significant services to its' residents.

Requests for Information

This financial report is designed to provide a general overview of the Parish's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information may be addressed to the Department of Finance, St. Bernard Parish, 8201 W. Judge Perez Drive, Chalmette, Louisiana 70043.

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BASIC FINANCIAL STATEMENTS

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
STATEMENT OF NET POSITION
December 31, 2015

	Governmental Activities	Business Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 36,775,410	\$ 6,883,481	\$ 43,658,891
Investments	1,068,813	-	1,068,813
Investments - land held for sale	3,650,500	-	3,650,500
Receivables:			
Sales and use taxes	2,177,956	545,374	2,723,330
Property taxes	12,806,109	-	12,806,109
Cable franchise fees	123,670	-	123,670
Customer	-	1,010,725	1,010,725
Intergovernmental	25,146,438	-	25,146,438
Other	790,300	15,236	805,536
Unbilled charges	-	674,500	674,500
Internal balances	(4,467,781)	4,467,781	-
Prepaid expenditures	251,411	126,239	377,650
Inventory	-	336,677	336,677
Restricted assets - cash and cash equivalents	-	5,921,577	5,921,577
Loan and interest receivable	-	816,000	816,000
Capital assets:			
Land, improvements and construction in progress	54,653,576	59,767,224	114,420,800
Other capital assets, net of depreciation	336,472,221	147,240,903	483,713,124
Total assets	\$ 469,448,623	\$ 227,805,717	\$ 697,254,340
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows on pension obligation	\$ 4,542,971	\$ 488,361	\$ 5,031,332
Total deferred outflows of resources	\$ 4,542,971	\$ 488,361	\$ 5,031,332
LIABILITIES			
Accounts payables	\$ 17,765,212	\$ 1,586,052	\$ 19,351,264
Claims payable	2,443,606	527,050	2,970,656
Retainage payable	2,434,458	-	2,434,458
Salaries and payroll deductions payable	1,350,447	143,647	1,494,094
Customer deposits	-	1,269,903	1,269,903
Accrued interest payable	420,197	134,642	554,839
Advance collections	69,188	151,913	221,101
Certificates of indebtedness	2,215,662	-	2,215,662
Long-term non-current liabilities:			
Due within one year	4,044,111	1,132,511	5,176,622
Due in more than one year	48,685,849	3,449,383	52,135,232
Total liabilities	\$ 79,428,730	\$ 8,395,101	\$ 87,823,831
DEFERRED INFLOWS			
Deferred inflows on pension obligation	\$ 1,282,878	\$ 100,945	\$ 1,383,823
Total deferred inflows of resources	\$ 1,282,878	\$ 100,945	\$ 1,383,823
NET POSITION			
Net investment in capital assets	\$ 357,038,864	\$ 196,619,074	\$ 553,657,938
Restricted for:			
Capital projects	313,966	2,888,617	3,202,583
Debt service	3,561,965	2,462,903	6,024,868
Federal programs	5,815,731	-	5,815,731
Public safety	3,099,269	-	3,099,269
Other purposes	2,445,691	4	2,445,695
Unrestricted	21,004,500	17,827,434	38,831,934
Total net position	\$ 393,279,986	\$ 219,798,032	\$ 613,078,018

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2015

Function/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
General government							
Judicial	\$ 885,726	\$ 35,465	\$ -	\$ -	\$ (850,261)	\$ -	\$ (850,261)
Other general government	33,157,803	2,914,690	13,977,885	32,218,381	15,953,153	-	15,953,153
Public safety	10,872,392	123,655	-	-	(10,748,737)	-	(10,748,737)
Public works	16,398,444	93,295	523,801	-	(15,781,348)	-	(15,781,348)
Sanitation	5,596,379	-	-	-	(5,596,379)	-	(5,596,379)
Culture and recreation	3,010,246	213,922	140,474	30,751	(2,625,099)	-	(2,625,099)
Health and welfare	9,154,803	-	6,489,817	-	(2,664,986)	-	(2,664,986)
Interest on long-term debt	1,305,453	-	-	-	(1,305,453)	-	(1,305,453)
Total governmental activities	80,381,246	3,381,027	21,131,977	32,249,132	(23,619,110)	-	(23,619,110)
Business-Type Activities							
Water and sewer	22,753,572	11,134,361	516,129	-	-	(11,103,082)	(11,103,082)
Events facilities	938,067	925,919	-	-	-	(12,148)	(12,148)
Interest on long-term debt	164,219	-	-	-	-	(164,219)	(164,219)
Total business-type activities	23,855,858	12,060,280	516,129	-	-	(11,279,449)	(11,279,449)
Total	\$ 104,237,104	\$ 15,441,307	\$ 21,648,106	\$ 32,249,132	(23,619,110)	(11,279,449)	(34,898,559)
General Revenues							
Taxes							
Property taxes					13,241,834	-	13,241,834
Sales and use taxes					14,408,732	3,602,185	18,010,917
Severance					622,785	-	622,785
E telephone					379,001	-	379,001
Other					328,390	-	328,390
Fines and forfeitures					210,550	-	210,550
State revenue sharing (unrestricted)					72,560	-	72,560
Parish road royalty					426,803	-	426,803
Other general revenues (expenses)					705,028	203,078	908,106
Interest and investment earnings					188,079	51,670	239,749
Loss on sale/disposal of capital assets					(415,762)	(10,149)	(425,911)
Gain on sale of investments land held for sale					282,702	-	282,702
Proceeds from insurance settlement					128,930	35,211	164,141
Proceeds from litigation settlement					9,359,306	-	9,359,306
Transfers					2,306,733	(2,306,733)	-
Miscellaneous revenues					772,340	-	772,340
Total general revenues and transfers					43,018,011	1,575,262	44,593,273
Change in net position							
Change in net position					19,398,901	(9,704,187)	9,694,714
Net position - beginning of year					384,811,818	229,288,537	614,100,355
Prior period adjustment (Note 19)					(10,930,733)	213,682	(10,717,051)
Net position - beginning of year, As Restated					373,881,085	229,502,219	603,383,304
Net position - end of year					\$ 393,279,986	\$ 219,798,032	\$ 613,078,018

The accompanying notes are an integral part of this statement

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2015

	Special Revenue Funds					Total
	General Fund	Hazard Mitigation Grant Program	Disaster Recovery Fund	Consolidated Fire Protection District No. 1 - 2	Non-Major Governmental Funds	
ASSETS						
Cash and cash equivalents	\$ 9,448,931	\$ 5,866,225	\$ 4,920,930	\$ 626,745	\$ 14,773,094	\$ 35,635,925
Investments - land held for sale	3,650,500	-	-	-	-	3,650,500
Receivables						
Sales and use taxes	1,632,582	-	-	-	545,374	2,177,956
Property taxes	853,113	-	-	8,527,076	3,425,920	12,806,109
Cable franchise fees	123,670	-	-	-	-	123,670
Intergovernmental	2,911,489	3,814,259	14,987,892	8,798	3,424,000	25,146,438
Other	355,611	-	-	800	433,295	789,706
Due from other funds	6,068,350	475,000	12,450,962	-	3,123,788	22,118,100
Prepaid	109,215	-	-	21,887	112,122	243,224
Total assets	<u>\$ 25,153,461</u>	<u>\$ 10,155,484</u>	<u>\$ 32,359,784</u>	<u>\$ 9,185,306</u>	<u>\$ 25,837,593</u>	<u>\$ 102,691,628</u>
LIABILITIES						
Accounts payable	\$ 3,612,256	\$ 1,226,983	\$ 8,290,609	\$ 325,543	\$ 4,007,538	\$ 17,462,929
Retainage payable	21,091	-	1,910,685	-	502,682	2,434,458
Salaries and payroll deductions payable	287,740	10,618	-	539,220	229,888	1,067,466
Due to other funds	6,346,958	662,370	12,721,220	3,354,755	4,573,910	27,659,213
Advance collections	69,188	-	-	-	-	69,188
Short-term certificates of indebtedness	771,048	-	-	1,444,614	-	2,215,662
Total liabilities	<u>11,108,281</u>	<u>1,899,971</u>	<u>22,922,514</u>	<u>5,664,132</u>	<u>9,314,018</u>	<u>50,908,916</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenues	3,788,526	8,255,513	11,400,045	108,518	2,822,941	26,375,543
Total deferred inflows of resources	<u>3,788,526</u>	<u>8,255,513</u>	<u>11,400,045</u>	<u>108,518</u>	<u>2,822,941</u>	<u>26,375,543</u>
FUND BALANCE						
Nonspendable						
Prepaid items	109,215	-	-	21,887	112,122	243,224
Restricted						
Mortgage refunding	91,185	-	-	-	-	91,185
Debt service	-	-	-	-	3,561,965	3,561,965
Federal programs	3,658,868	-	-	-	2,156,863	5,815,731
Council on aging	-	-	-	-	332,098	332,098
Road lighting	-	-	-	-	124,127	124,127
Health	-	-	-	-	818,972	818,972
Communication	-	-	-	-	558,059	558,059
Garbage	-	-	-	-	262,616	262,616
Court operations	-	-	-	-	15,819	15,819
Public safety	-	-	-	3,099,269	-	3,099,269
Capital outlay	-	-	-	-	313,966	313,966
BP oil spill	242,815	-	-	-	-	242,815
Committed						
Capital outlay	-	-	-	-	956,564	956,564
Assigned						
Coastal restoration	5,421,492	-	-	-	-	5,421,492
Capital outlay	-	-	-	291,500	294,025	585,525
Recovery	-	-	-	-	5,778,189	5,778,189
Unassigned	733,079	-	(1,962,775)	-	(1,584,751)	(2,814,447)
Total fund balance	<u>10,256,654</u>	<u>-</u>	<u>(1,962,775)</u>	<u>3,412,656</u>	<u>13,700,634</u>	<u>25,407,169</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 25,153,461</u>	<u>\$ 10,155,484</u>	<u>\$ 32,359,784</u>	<u>\$ 9,185,306</u>	<u>\$ 25,837,593</u>	<u>\$ 102,691,628</u>

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
December 31, 2015

Fund balances - total governmental funds \$ 25,407,169

The cost of capital assets (land, building, furniture and equipment) purchased or constructed is reported as an expenditures in governmental funds. The Statement of Net Position includes those capital assets among the assets of the Parish as a whole. The cost of those assets is allocated over their estimated useful lives (as depreciation expense) to the various programs and reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Cost of capital assets	\$ 472,255,333	
Accumulated depreciation	<u>(81,129,536)</u>	391,125,797

Revenues in the Statement of Activities that do not provide current financial resources and are not reported as revenues in the funds. 26,375,543

Interest expense is accrued at year-end in the government-wide financial statements, but is recorded only if due and payable on the governmental fund financial statements. (420,197)

Long-term liabilities consist of:

Bonds payable, net of premium/discount	\$ (34,086,932)	
Net other post-employment benefit obligation	(2,829,018)	
Net pension liability	(14,095,429)	
Compensated absences	<u>(1,718,581)</u>	(52,729,960)

Internal service fund is used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service fund is included in the governmental activities in the Statement of Net Position.

261,541

In 2015, the Parish implemented the requirements of GASB Statement No. 68, which provides for the recognition of pension obligations. This includes recognition of related deferred outflows and inflows.

Deferred outflows on pension obligation	\$ 4,542,971	
Deferred inflows on pension obligation	<u>(1,282,878)</u>	<u>3,260,093</u>

Net position - governmental activities \$ 393,279,986

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2015

	Special Revenue Funds					Total
	General Fund	Hazard Mitigation Grant Program	Disaster Recovery Fund	Consolidated Fire Protection District No. 1 - 2	Non-major Governmental Funds	
REVENUES						
Taxes						
Property taxes	\$ 962,864	\$ -	\$ -	\$ 8,859,578	\$ 3,560,335	\$ 13,382,777
Sales and use taxes	10,806,549	-	-	-	3,602,183	14,408,732
Other	728,776	-	-	15,988	385,714	1,130,478
Licenses and permits	1,326,190	-	-	23,450	6,785	1,356,425
Intergovernmental						
Federal funds	10,672,010	4,227,007	20,795,793	-	10,692,487	46,387,297
State revenue sharing (unrestricted)	11,310	-	-	11,761	41,579	64,650
Other state funding	112,323	-	-	199,698	1,202,251	1,514,272
Charges for services	1,492,232	-	-	100,205	408,818	2,001,255
Fines and forfeitures	57,477	-	-	-	165,316	222,793
Use of money and property	1,031	-	-	-	111	1,142
Other revenues	449,291	-	-	160,362	176,709	786,362
Total revenues	<u>26,620,053</u>	<u>4,227,007</u>	<u>20,795,793</u>	<u>9,371,042</u>	<u>20,242,288</u>	<u>81,256,183</u>
EXPENDITURES						
Current						
General government						
Judicial	-	-	-	-	195,647	195,647
Other general government	26,153,557	1,799,437	1,151,362	-	1,176,325	30,280,681
Public safety	-	-	-	9,490,034	338,896	9,828,930
Public works	-	-	-	-	4,338,347	4,338,347
Sanitation	-	-	-	-	4,776,040	4,776,040
Culture and recreation	-	-	-	-	1,782,990	1,782,990
Health and welfare	-	-	-	-	9,070,216	9,070,216
Capital outlay	291,359	1,808,287	17,570,485	-	3,710,365	23,380,496
Debt service						
Principal	-	-	-	-	3,170,000	3,170,000
Interest	-	-	-	-	1,305,453	1,305,453
Total expenditures	<u>26,444,916</u>	<u>3,607,724</u>	<u>18,721,847</u>	<u>9,490,034</u>	<u>29,864,279</u>	<u>88,128,800</u>
Excess (Deficiency) of Revenues						
Over Expenditures	175,137	619,283	2,073,946	(118,992)	(9,621,991)	(6,872,617)
OTHER FINANCING SOURCES (USES)						
Proceeds from the sale of capital assets	-	-	-	291,500	-	291,500
Proceeds from the sale of investments - land held for sale	861,202	-	-	-	-	861,202
Proceeds from insurance settlements	103,930	-	-	-	25,000	128,930
Proceeds from the litigation settlements	9,359,306	-	-	-	-	9,359,306
Transfer in	474,828	-	-	-	9,803,033	10,277,861
Transfer out	(4,808,459)	(619,283)	(1,936,126)	(346,576)	(582,559)	(8,293,003)
Total other financing sources (uses)	<u>5,990,807</u>	<u>(619,283)</u>	<u>(1,936,126)</u>	<u>(55,076)</u>	<u>9,245,474</u>	<u>12,625,796</u>
Changes in fund balance	6,165,944	-	137,820	(174,068)	(376,517)	5,753,179
Fund balance (deficit) - beginning of year	4,090,710	-	(2,100,595)	3,586,724	14,077,151	19,653,990
Fund balance (deficit) - end of year	<u>\$ 10,256,654</u>	<u>\$ -</u>	<u>\$ (1,962,775)</u>	<u>\$ 3,412,656</u>	<u>\$ 13,700,634</u>	<u>\$ 25,407,169</u>

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2015

Total net changes in fund balances - governmental funds \$ 5,753,179

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

Governmental funds report capital outlays as expenditures; however, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives and are reported as depreciation expense. This represents the amount that capital outlays exceeded depreciation expense in the current period.

Capital outlay	\$ 23,380,496	
Depreciation expense	(16,406,778)	6,973,718

The net effect of various miscellaneous transactions involving capital assets (i.e. sales) is to decrease net position (705,831)

Some activity reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Decrease in accrued interest	\$ 15,133	
Increase in post-employment benefit obligation	(502,049)	
Increase in compensated absences	(69,525)	
Decrease in deferred inflows in unavailable revenues	5,324,278	4,767,837

The Parish implemented GASB 68 in 2015. GASB 68 requires a prescribed method of pension expenditure recognition within the Parish's government-wide financial statements. The difference between yearly pension expenditures and actual employer contributions in the current year. 95,397

Repayment of debt principal is an expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Principal portion made on outstanding debt		3,170,000
Amortization of bond premium		183,606

The net effect or revenue/(loss) of certain activities of internal service funds is reported with governmental activities. (839,005)

Change in net position - governmental activities \$ 19,398,901

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
December 31, 2015

	Enterprise Funds			Internal Service Fund
	Water and Sewer Division	Other Enterprise Funds	Total	Self-Insurance Fund
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 5,841,952	\$ 384,734	\$ 6,226,686	\$ 1,796,280
Investments	-	-	-	1,068,813
Customer receivable, net of allowance	1,010,725	-	1,010,725	-
Unbilled charges	674,500	-	674,500	-
Due from other funds	13,026,319	-	13,026,319	2,415,025
Prepays	122,496	3,743	126,239	8,187
Inventory	319,122	17,555	336,677	-
Loan receivable	600,000	-	600,000	-
Interest receivable	216,000	-	216,000	-
Other receivable	-	4,130	4,130	11,700
Restricted assets				
Cash and cash equivalents				
Revenue bond debt service account	184,515	-	184,515	-
Capital renewal and replacement and systems improvement account	388,646	-	388,646	-
Sales tax bond debt service reserve	981,148	-	981,148	-
Sales tax bond debt service account	3,142,480	-	3,142,480	-
Construction fund	1,034,050	-	1,034,050	-
Inflow and infiltration	2	-	2	-
Other debt service accounts	156,607	-	156,607	-
Customer meter deposits	34,129	-	34,129	-
Sales tax receivable	545,374	-	545,374	-
Total current assets	28,278,065	410,162	28,688,227	5,300,005
Capital assets, net of accumulated depreciation	207,008,127	-	207,008,127	-
Total assets	\$ 235,286,192	\$ 410,162	\$ 235,696,354	\$ 5,300,005
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows on pension obligation	\$ 488,361	\$ -	\$ 488,361	\$ -
Total deferred outflows of resources	\$ 488,361	\$ -	\$ 488,361	\$ -
LIABILITIES				
Current liabilities				
Accounts and other payables	\$ 1,512,311	\$ 59,320	\$ 1,571,631	\$ 316,704
Self insurance claims payable	-	-	-	2,970,656
Salaries payable	125,942	17,705	143,647	282,981
Advance collections	63,035	88,878	151,913	-
Due to other funds	9,108,277	176,240	9,284,517	615,714
Total current liabilities	10,809,565	342,143	11,151,708	4,186,055
Current liabilities payable from restricted assets				
Bonds payable, net of amortization	994,272	-	994,272	-
Accrued vacation leave	138,239	-	138,239	-
Accrued interest payable	134,642	-	134,642	-
Customer deposits	1,269,903	-	1,269,903	-
Total current liabilities payable from restricted assets	2,537,056	-	2,537,056	-
Noncurrent liabilities				
Accrued vacation leave	81,794	-	81,794	-
Net pension liability	96,049	-	96,049	-
Bonds payable, net of premium	3,271,540	-	3,271,540	-
Total noncurrent liabilities	3,449,383	-	3,449,383	-
Total liabilities	\$ 16,796,004	\$ 342,143	\$ 17,138,147	\$ 4,186,055
DEFERRED INFLOWS				
Deferred inflows on pension obligation	\$ 100,945	\$ -	\$ 100,945	\$ -
Total deferred inflows of resources	\$ 100,945	\$ -	\$ 100,945	\$ -
NET POSITION				
Net investment in capital assets	\$ 196,619,074	\$ -	\$ 196,619,074	\$ -
Restricted				
Capital renewal and replacement and system improvements	2,888,617	-	2,888,617	-
Debt service	2,462,903	-	2,462,903	-
Inflow and infiltration	4	-	4	-
Unrestricted	16,907,006	68,019	16,975,025	1,113,950
Total net position	\$ 218,877,604	\$ 68,019	\$ 218,945,623	\$ 1,113,950

The accompanying notes are an integral part of this financial statement

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN NET POSITION
For the Year Ended December 31, 2015**

	Enterprise Funds			Internal Service Fund
	Other		Total	Self-Insurance Fund
	Water and Sewer Division	Enterprise Funds		
OPERATING REVENUES				
Charges for service	\$ 11,035,999	\$ 883,669	\$ 11,919,668	\$ 1,114,003
Other operating revenues	98,362	42,250	140,612	-
Total operating revenues	<u>11,134,361</u>	<u>925,919</u>	<u>12,060,280</u>	<u>1,114,003</u>
OPERATING EXPENDITURES				
Personnel services and related benefits	2,316,912	324,205	2,641,117	209,141
Utilities	1,009,967	259,672	1,269,639	-
Contractual services, supplies, and materials	566,268	244,597	810,865	-
Professional services	205,944	31,080	237,024	60,622
Insurance premiums	-	14,991	14,991	2,212,485
Insurance and claims	1,046,995	-	1,046,995	-
Depreciation and amortization	15,938,797	-	15,938,797	-
Other expenditures	1,257,237	63,522	1,320,759	39,080
Total operating expenditures	<u>22,342,120</u>	<u>938,067</u>	<u>23,280,187</u>	<u>2,521,328</u>
Operating loss	(11,207,759)	(12,148)	(11,219,907)	(1,407,325)
NON-OPERATING REVENUES (EXPENDITURES)				
Sales tax	3,602,185	-	3,602,185	-
Interest earnings				
Restricted assets	830	-	830	-
Current assets	50,840	-	50,840	3,331
Interest expenditures and bank fees	(160,128)	(4,091)	(164,219)	-
Federal grants	516,129	-	516,129	-
Other nonoperating revenues	123,988	79,090	203,078	-
Deductions from taxes	(168,338)	-	(168,338)	-
Proceeds from insurance settlements	35,211	-	35,211	-
Loss on disposal of capital assets	(10,149)	-	(10,149)	-
Total non-operating revenues (expenditures)	<u>3,990,568</u>	<u>74,999</u>	<u>4,065,567</u>	<u>3,331</u>
CHANGE IN NET POSITION BEFORE TRANSFERS	(7,217,191)	62,851	(7,154,340)	(1,403,994)
Transfer in	2,944,527	-	2,944,527	870,221
Transfer out	(5,446,441)	(353,165)	(5,799,606)	-
Transfers, net	<u>(2,501,914)</u>	<u>(353,165)</u>	<u>(2,855,079)</u>	<u>870,221</u>
CHANGE IN NET POSITION	(9,719,105)	(290,314)	(10,009,419)	(533,773)
NET POSITION - BEGINNING OF YEAR	228,383,027	358,333	228,741,360	1,647,723
PRIOR PERIOD ADJUSTMENT (NOTE 19)	213,682	-	213,682	-
NET POSITION - BEGINNING OF YEAR, AS RESTATED	<u>228,596,709</u>	<u>358,333</u>	<u>228,955,042</u>	<u>1,647,723</u>
NET POSITION - END OF YEAR	<u>\$ 218,877,604</u>	<u>\$ 68,019</u>	<u>\$ 218,945,623</u>	<u>\$ 1,113,950</u>

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 For the Year Ended December 31, 2015

	Enterprise Funds			Internal Service Fund
	Water and Sewer Division	Other Enterprise Funds	Total	Self-Insurance Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers and users	\$ 10,362,920	\$ 1,012,355	\$ 11,375,275	\$ -
Cash paid to suppliers of goods or services	(2,792,231)	(575,840)	(3,368,071)	-
Cash paid to employees and related benefits	(2,739,796)	(306,500)	(3,046,296)	(219,514)
Receipts from interfund services provided	-	-	-	1,486,183
Payments for claims	-	-	-	(1,753,467)
Net cash provided by (used in) operating activities	4,830,893	130,015	4,960,908	(486,798)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers out, net	(2,501,914)	(353,165)	(2,855,079)	-
Other non-operating revenue	204,543	79,090	283,633	-
Net payments to (receipts from) other funds	(1,835,832)	76,623	(1,759,209)	339,123
Net cash provided by (used in) non-capital financing activities	(4,133,203)	(197,452)	(4,330,655)	339,123
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital grants	409,298	-	409,298	-
Loss forgiveness	106,831	-	106,831	-
Sales tax receipts	3,714,193	-	3,714,193	-
Principal payments on outstanding bonds	(730,774)	-	(730,774)	-
Proceeds from issuance of debt	703,846	-	703,846	-
Interest expense on outstanding bonds	(186,423)	(4,091)	(190,514)	-
Purchase of capital assets	(5,474,344)	-	(5,474,344)	-
Net cash used in capital and related financing activities	(1,457,373)	(4,091)	(1,461,464)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	15,670	-	15,670	179
Net cash provided by investing activities	15,670	-	15,670	179
NET DECREASE IN CASH AND CASH EQUIVALENTS	(744,013)	(71,528)	(815,541)	(147,496)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	12,507,542	456,262	12,963,804	1,943,776
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 11,763,529</u>	<u>\$ 384,734</u>	<u>\$ 12,148,263</u>	<u>\$ 1,796,280</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating loss	\$ (11,207,759)	\$ (12,148)	\$ (11,219,907)	\$ (1,407,325)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities				
Depreciation	15,938,797	-	15,938,797	-
Change in operating assets and liabilities:				
(Increase) decrease in customer receivable	(708,359)	1,688	(706,671)	-
Increase in unbilled charges	(92,704)	-	(92,704)	-
Increase in prepaid	(33,121)	(3,743)	(36,864)	(2,453)
Increase in inventory	(1,875)	(17,555)	(19,430)	-
(Increase) decrease in other receivables	-	(4,130)	(4,130)	372,180
Increase in deferred outflows on pension obligation	(488,361)	-	(488,361)	-
Increase in accounts payable and accrued expenditures	1,330,043	59,320	1,389,363	246,291
Increase (decrease) in salaries payable	(132,384)	17,705	(114,679)	(10,373)
Increase in customer deposits	51,466	-	51,466	-
Increase in self-insurance claims payable	-	-	-	314,882
Increase net pension liability	96,049	-	96,049	-
Increase deferred inflows on pension obligation	100,945	-	100,945	-
Increase (decrease) in advance collections	(21,844)	88,878	67,034	-
Net cash provided by (used in) operating activities	<u>\$ 4,830,893</u>	<u>\$ 130,015</u>	<u>\$ 4,960,908</u>	<u>\$ (486,798)</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Parish of St. Bernard is a local governmental subdivision which operates under a home rule charter, under the authority of the Louisiana revised Statutes 33:1395 through 33:1395.6. The Home Rule Charter provides for a “president-council” form of government which consists of an elected council representing the legislative branch of the government and an elected president heading the executive branch.

The basic financial statements of the St. Bernard Parish Government (the Parish) have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) for local governmental units as prescribed by the Governmental Accounting Standards Board (GASB). The most significant accounting and reporting policies of the Parish are described in the following notes to the basic financial statements.

A. BASIS OF PRESENTATION – FINANCIAL REPORTING ENTITY

The accompanying financial statements include financial statements for the Parish and certain legally separate organizations in accordance with Governmental Accounting Standards Board (GASB) Codification Section 2100. Organizations are included if the Parish is financially accountable for them, or the nature and significance of their relationship with the Parish is such that exclusion would cause the Parish’s financial statements to be misleading or incomplete

The Parish is financially accountable for an organization if it appoints a voting majority of the organization’s governing body and is able to impose its will on that organization, or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Parish. In addition, an organization that is fiscally dependent on the primary government should be included in its reporting entity.

B. BASIS OF PRESENTATION – GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Parish’s basic financial statements include both government-wide (reporting the Parish as a whole) and fund financial statements (reporting the Parish’s major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Parish’s judicial, general government, public safety, public works, sanitation, cultural and recreation, and health and welfare services are classified as governmental activities. The Parish’s water and sewer services and events facilities are classified as business-type activities.

In the government-wide Statement of Net Position, both governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resources basis, which recognizes long-term assets and receivables, long-term debt and obligations, as well as deferred inflows/outflows of resources.

The government-wide Statement of Activities reports both the gross and net cost of each of the Parish’s functions and business-type activities. The functions are also supported by general government revenues, including property taxes, sales taxes, and other general revenues. Program revenues must be directly associated with the function (judicial, general government, public safety, public works, sanitation, culture and recreation, and health and welfare), or a business-type activity. Operating grants include operating specific and discretionary grants, while the capital grants column reports capital specific grants. The net costs (by function and business-type activity) are normally covered by general revenues of the Parish. Indirect costs are not allocated by function for financial reporting in this statement; however, certain indirect costs which can be specifically identified by function or segment are included in the direct expenses of that function or segment.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

This government-wide focus is more on the sustainability of the Parish as an entity and the changes in the Parish's net positions resulting from the current year's activities.

C. BASIS OF PRESENTATION – FUND FINANCIAL STATEMENTS

The financial transactions of the Parish are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, deferred inflows, fund balance, revenues and expenditures/expenses and other financing sources/uses.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non-major funds by category are summarized into a single column on the fund financial statements. GASBS No. 34 sets forth minimum criteria (percentage of assets, deferred outflows, liabilities, deferred inflows, revenues or expenditures/expenses of either fund category of the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements.

D. GOVERNMENTAL FUNDS

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The various funds of the primary government are grouped into generic fund types and broad fund categories as follows:

- **General Fund** – The General Fund is the general operating fund of the Parish. It is used to account for all financial resources except those required to be accounted for in other funds. 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 which by law are designated to finance particular functions or activities of the Parish. The three special revenue funds reported as major funds in the fund financial statements are as follows:
 - Hazard Mitigation Grant Fund – This fund is used to account for the proceeds and expenses associated with Hazard Mitigation Grant Program funds.
 - Disaster Recovery Fund – This special revenue fund accounts for grants received from the Federal Emergency Management Agency (FEMA) for natural disasters.
 - Consolidated Fire Protection District No. 1-2 – This special revenue fund accounts for maintenance and operations of the fire protection facilities. Revenues are derived from ad valorem taxes, state revenue sharing, and 2% of the State of Louisiana distribution of fire insurance premium taxes.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- ***Debt Service Funds*** – Debt service funds are established to meet requirements of bond ordinances and to account for the accumulation of resources for, and payment of, long-term debt principal, interest, and related costs. There are no debt service funds that are major funds.
- ***Capital Projects Funds*** – Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by the proprietary fund). In addition, the funds are used to account for major street repairs and the acquisition of movable fixed assets. There are no capital projects funds that are major funds.

The activities reported in these funds are reported as governmental activities in the government-wide financial statements.

E. Proprietary Funds

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

- ***Enterprise Funds*** – Enterprise funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity is financed with debt that is solely secured by a pledge of net revenues. The activities reported in these funds are reported as business-type activities in the government-wide financial statements. The one enterprise fund reported as major fund:
 - Water and Sewer Fund – This funds operate the Parish’s water distribution system and its sewer system which primarily services the Parish’s residents.
- ***Internal Service Funds*** – Internal service funds are used to account for the financing of goods or services provided by an activity to other departments or funds of the Parish on a cost reimbursement basis. Because the principal users of the internal services are the Parish’s governmental activities, the financial statement of the internal service fund is consolidated into the governmental column when presented in the government-wide financial statements.

F. Basis of Accounting-Measurement Focus

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

G. Accrual

Both governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements are presented on the accrual basis of accounting. Property taxes are reported in the period for which levied. Other non-exchange revenues, including intergovernmental

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

revenues and grants are reported when all eligibility requirements have been met. Fees and charges and other exchange revenues are recognized when earned and expenses are recognized when incurred.

H. Modified Accrual

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measureable and available. "Available" means collectible within the current period or within 60 days after year end. Property tax revenues are recognized in the period for which levied provided they are also available. Intergovernmental revenues and grants are recognized when all eligibility requirements are met and the revenues are available. Recognition of governmental fund type revenues represented by noncurrent receivables is deferred until they become available. Expenditures are recognized when the related liability is incurred. Exceptions to this general rule include principal and interest on general obligation long-term debt and employee vacation and sick leave, which are recognized when due and payable.

I. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The current economic environment has increased the degree of uncertainty inherent in those estimates and assumptions.

J. Cash and Cash Equivalents

The Parish's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

A single consolidated bank account has been established in a local bank into which monies are deposited and from which most disbursements are made. The purpose of this consolidation is to reduce administrative costs and provide a single cash balance available for the maximization of investment earnings. Each fund shares in the investment earnings according to its average cash balance, prorated between funds.

For purposes of the statement of cash flows, cash includes petty cash and demand deposits. Certain proceeds of the Enterprise funds revenue bonds and sales tax bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the Statement of Net Position because their use is limited by applicable bond covenants.

K. Investments

Investments are stated at fair value based on quoted market prices.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Investments – Land Held for Sale

The Parish has property that is being actively marketed for sale at year end. Accordingly, the property is recorded at the lower of cost or fair value and is reported as assets held for sale in the accompanying statement of net position.

M. Accounts Receivable

Major accounts receivable are recorded for: (1) sales and use taxes; (2) ad valorem taxes; (3) road royalty; (4) customer and unbilled receivables in the Water and Sewer Enterprise Fund; and (5) federal grants receivable. Accounts receivable are reported net of an allowance for uncollectibles. The allowances are based on management's best estimate of uncollectible amounts.

N. Inventories and Prepaid Items

The Water and Sewer Division Enterprise Fund maintains an inventory of parts and expendable supplies that is valued at the lower of cost or market. The inventory is recognized as an expense when consumed. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as paid items in both the government-wide and fund financial statements.

O. Capital Assets

Capital assets (i.e., land, buildings, equipment, and improvements other than buildings), which include the Parish's infrastructure and construction in progress, are stated at historical cost or estimated historical cost if historical cost is not known. Donated capital assets are recorded at their fair value on the date donated. An item is classified as an asset if the initial individual cost is \$5,000 or greater. Capital assets of the Parish are reported in the government – wide financial statements but not in the governmental fund financial statements. Assets subject to depreciation are depreciated using the straight-line method over estimated useful lives. Additions and improvements that significantly extend the useful life of an asset are capitalized. Repairs and maintenance costs are expensed as incurred.

The Parish reviews the carrying value of its capital assets to determine if circumstances exist indicating impairment in the carrying value of capital assets. If facts or circumstances support the possibility of impairment, management follows guidance in GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*. If impairment is indicated, an adjustment will be made to the carrying value of the capital assets.

The estimated useful lives (in years) of all depreciable assets are as follows:

Buildings and improvements	20 – 40
Furniture, fixtures, and equipment	5 – 10
Machinery and equipment	5 – 15
Bridges	40
Water and sewerage systems	25
Canals	30 – 50
Road system	20 – 40

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital assets are included in the capital asset accounts until their disposal. The cost of assets sold or retired and the related amounts of accumulated depreciation are eliminated from the accounts in the year of sale or retirement, and any resulting gain or loss is recorded in the financial statements.

P. Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. The Parish has only one item that qualifies for reporting in this category, a deferred outflow of resources related to the pension obligation.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Parish only has one type of item, which arises under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly the item, unavailable revenue, is reported only in the governmental funds balance sheet. The source of the unavailable revenue is primarily two items: receivable amounts not received within sixty days and the land held for sale not sold within sixty days within the governmental funds. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. The Parish also has one item that qualifies for reporting in this category at the government-wide level, a deferred inflow of resources related to the pension obligation.

Q. Liability for Claims and Judgments

The Insurance Fund was established to account for the self-insurance of workmen's compensation, unemployment compensation, general, and automobile liability by the Parish Government. The Parish Government is self-insured for claims up to \$750,000 and \$1,250,000, respectively, per occurrence.

The Parish Government has an insurance policy for claims between \$250,000 and \$5,000,000 per occurrence. One independent insurance service company administers the fund. The estimated claims liability related to prior years' workers compensation claims are computed by subtracting paid claims from the reserves previously set up to arrive at remaining reserves and then developing that number based on factors determined by the third party administrator using historical data. The estimated claims liability related to prior years' general liability and auto claims was estimated by the Parish Government's legal department based on a claim by claim evaluation to determine the potential loss. Estimated claims liability related to the current year's general liability, auto and workers' compensation was determined by using the average annual claims expense incurred for each type of coverage based on the fund's history.

An annual analysis of all open policy years for workers' compensation and automobile and general liability is completed by the risk manager and legal counsel to determine the exposure in each policy year. When it is determined that losses on outstanding and current claims can be reasonably estimated, an evaluation on the policy year is performed. The evaluation determines if a dividend can be declared by the self-insurance fund for that policy year. Once it is determined that a dividend can be declared, the findings are reviewed by the administration and presented before the Parish Council. The Parish Council then must pass an ordinance declaring a dividend from the self-insurance fund and dedicating the dividend to a project. There were no dividends paid for the year ended December 31, 2015.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Annual and Sick Leave

Substantially all employees of the Parish Government earn from 10 to 20 days of annual leave each year depending on length of service. Annual leave accumulated in one year must be used by December 31 of the following year. Accumulated annual leave may be used only after 26 weeks of service. Substantially all employees of the Parish Government accrue one day of sick leave for each month of continuous employment. Sick leave may be accumulated to a maximum of 90 days.

Fire department employees will be paid out for all accrued vacation upon retirement or termination. While sick leave will be paid out for the first 500 hours at a rate of one hour for every three hours accumulated, the next 500 hours (501 – 1,000 hours) will be paid at a rate of one hour for every two hours accumulated. Finally, firefighters will be paid at a rate of one hour to one hour accumulated for hours greater than 1,001 upon termination or retirement. According to L.R.S. 33:1995, firemen employed by the Parish Government are entitled to full pay during sickness or incapacity not brought about by the fireman's own negligence for a period of fifty-two weeks. At December 31, 2015, accrued vacation and sick leave was \$1,718,581 for governmental activities.

At December 31, 2015, the accrued vacation and sick leave was \$220,033 for business type activities. In the government-wide financial statements and the proprietary fund types fund statements, the total compensated absences liability is recorded as an expense and a long-term obligation and allocated on a functional basis.

S. Long-term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

T. Net Position Classifications

In the government-wide financial statements, net position is classified as net position and displayed in three components:

- ***Net investment in capital assets*** – consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflow

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflow of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.

- ***Restricted net position*** - consists of assets that are restricted by the Parish'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 net position*** - all other net position that does not meet the definition of "restricted" or "net investment in capital assets".

U. Fund Balances

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

- ***Non-Spendable Fund Balance*** - amounts that cannot be spent either because they are in a non-spendable form (such as prepaid expenses) or because they are legally or contractually required to be maintained intact.
- ***Restricted Fund Balance*** - amounts that can be spent only for specific purposes because of the Parish Charter, state or federal laws, or externally imposed conditions by grantors or creditors.
- ***Committed Fund Balance*** - amounts constrained to specific purposes by a government itself, using its highest level of decision making authority which include the ordinances of the Parish Council; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action, ordinance, to remove or change the constraint.
- ***Assigned Fund Balance*** - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governmental body delegates the authority such as the Parish and its management.
- ***Unassigned Fund Balance*** - all amounts that have not been restricted committed or assigned to specific purposes.

V. Interfund Activity

Interfund activity is reported as either loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are eliminated in the Statement of Net Position. Transfers between governmental or between proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

W. Operating Revenues and Expenses

The Parish's proprietary funds distinguish between operating and non-operating revenues and expenses. Operating revenues and expenses of the Parish's water and sewer and event facility funds consist of charges for services and the costs of providing those services, including depreciation and excluding interest cost. All other revenues and expenses are reported as non-operating.

X. Budgets

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

At least ninety (90) days before the beginning of each fiscal year, the Parish President submits a balanced consolidated line item operating and capital budget on a modified accrual basis of accounting in accordance with the Louisiana Local Government Budget Act and in a format established by the Parish. The Parish President submits, with the budget, a budget message containing recommendations concerning the fiscal policy of the Parish, a description of the important factors of the budget, and an explanation of all major increases or decreases of budget recommendations as compared with expenditures of prior years. The Parish Council publishes the proposed budget in the official journal at least ten (10) calendar days before the meeting at which the budget is to be adopted. The Council may amend the budget before adoption, except that in no event shall the Council cause the total proposed expenditures to exceed means of financing. If the Council fails to act on the budget within the time limit provided, it shall be adopted as submitted by the Parish President. The budget constitutes an appropriation of funds for all purposes contained therein. The budget ordinance becomes effective on the first day of the fiscal year unless otherwise provided therein.

If during the fiscal year the Parish President certifies that there are available revenues in excess of those estimated in the budget, he shall present a supplemental budget for the disposition of such revenues to the Council. The Council by ordinance may make supplemental appropriations up to the amount of the excess. To meet a public emergency affecting life, health, property, or the public peace, the Council may make emergency appropriations. The appropriations may be made by emergency ordinance in accordance with the provisions of Article II, Section 2 - 14 of the Home Rule Charter. To the extent that there are no available unappropriated revenues, the governing authority may borrow money to meet the emergency. The repayment shall be a fixed charge upon the revenue of the following year and shall be included in the operating budget for that year. If during the fiscal year it appears that revenues available will be insufficient to meet the amount appropriated, the Parish President shall indicate the estimated amount of the deficit and recommend to the Council steps to be taken. The Council shall take action as it deems necessary to prevent any deficit.

Y. ADOPTION OF NEW ACCOUNTING PRINCIPLES

For the year ended December 31, 2015, the following statements were implemented: GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An amendment of GASB Statement No. 68*. These statements changed the accounting and financial reporting for pensions that are provided to the employees of state and local government employees through pension plans that are administered through trusts. The impact of implementation is discussed in Note 19.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 2 – DEPOSITS AND INVESTMENTS

Deposits - The Parish’s deposits are subject to and maintained in accordance with the State of Louisiana’s Constitutional Revised Statutes (Revised Statutes). Under the Revised Statutes, all deposits exceeding the amount insured by the FDIC are to be fully collateralized with specific approved securities designated therein valued at 102% of the deposits. The eligible collateral pledged are held in custody by any Federal Reserve Bank, or branch thereof or an independent third party with whom the Parish has a current custodial agreement. All collateral held must be clearly marked, indicating evidence of ownership (safekeeping receipt). Deposits collateralized under the Revised Statutes are considered collateralized with securities held by the pledging financial institutions trust department or agent in the “Parish’s name.”

At December 31, 2015, the carrying amount of the Parish’s deposits was \$49,580,468.

Demand Deposits	\$	43,658,891
Demand Deposits, Restricted		5,921,577
Total Cash and Cash Equivalents	<u>\$</u>	<u>49,580,468</u>

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it under state law. At December 31, 2015, the Parish’s bank balances totaled \$51,588,374. These bank deposits were completely secured by federal depository insurance or the pledge of securities held by the pledging banks agent in the Parish’s name at December 31, 2015.

Investments - State statutes authorized the Parish Government to invest in obligations of the U.S. Treasury, agencies, and instrumentalities; commercial paper rated AAA 1, 2, or 3; repurchase agreements; and the Louisiana Asset management pool (LAMP).

The Parish invests monies with the Louisiana Asset Management Pool (LAMP). At December 31, 2015, the Parish held \$290,748 in LAMP in the internal service funds. LAMP is administered by LAMP Inc., a nonprofit 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 pool 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 LSA-R.S. 33:2955.

GASB standards requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments.

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 credit 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 in physical or book-entry form. The public entity’s investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- **Concentration of credit risk:** Pooled investments are excluded from the 5 percent disclosure requirement.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

- **Interest rate risk:** LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP’s total investments is 52 as of December 31, 2015.
- **Foreign currency risk:** Not applicable to 2a7 –like pools.

The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the State Treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

The Parish follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, which requires the adjustments of the carrying values of investments to fair value, which is based on available market values. The Local Government Investment Pool is a “2a-7-like” pool in accordance with GASB Statement No. 31; therefore, it is not presented at fair value but at its actual pooled share price, which approximates fair value.

GASB standards requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments.

Interest Rate Risk – Interest rate risk is the risk that changes in the financial market rates of interest will adversely affect the value of an investment. The Parish manages interest rate risk for investments under the control of the Parish by limiting the maximum maturity of investments in accordance with their investment policy. As stated in its investment policy, the Parish will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, cash will not be invested in securities maturing more than three years from the date of purchase.

At December 31, 2015, the governmental and fiduciary funds, investment balances and maturities for those investments were as follows (amounts in thousands):

	Investment maturity in years	
	Total	Less than one year
LAMP	\$ 290,748	\$ 290,748
Certificate of Deposit	778,065	778,065
Total investments	\$ 1,068,813	\$ 1,068,813

Credit Quality Risk – Credit quality risk is the risk that the issuer or other counterparty to a debt security will not fulfill its obligation to the Parish. The Parish does not have a policy statement concerning credit quality risk in its investment policy. National rating agencies assess this risk and assign a credit quality rating for most investments.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

Credit quality ratings are reported on obligations of U.S. government agencies not explicitly guaranteed by the U.S. government. LAMP has been rated AAAM by Standard & Poor's Corporation.

Custodial Credit Risk – Custodial credit risk for investments is the risk that, in the event of a failure, the Parish will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments are exposed to custodial credit risk if they are uninsured, are not registered in the Parish's name, and are held by either the counterparty to the investment purchase or the counterparty's trust department or agent but not held in the Parish's name. The investments of the Parish at December 31, 2015 were not subject to custodial credit risk.

The Parish has no formal investment policy regarding custodial credit risk or concentration of credit risk.

NOTE 3 - INVESTMENTS LAND HELD FOR SALE

During the year ended December 31, 2013, the Parish entered into a cooperative endeavor agreement with the State of Louisiana Office of Community Development and the Louisiana Road Home Corporation d/b/a Louisiana Land Trust (LLT), to transfer all the properties within St. Bernard Parish that were being held by LLT to St. Bernard Parish. Included on the statement of net position at December 31, 2015 is \$3,650,500 in land held for sale representing lots throughout St. Bernard Parish. No depreciation is being recorded on the properties being held for sale. During the year ended December 31, 2015, 150 properties were sold by the Parish for \$861,202 with a gain of \$282,702.

NOTE 4 – SALES TAX REVENUES

At December 31, 2015, the total sales tax levied in the Parish is 9%, of which 4% is state sales tax, 2% is levied by the St. Bernard Parish School Board (the School Board), and .5% is dedicated to the St. Bernard Parish Sheriff. The remaining 2.5% is used to fund the general operations of the Parish. The 2.5% sales tax revenue dedicated to the Parish is recorded in the financial statements as follows: 1.5% is general government operations of the Parish (general fund), .5% is for sanitation (non-major special revenue fund), and .5% is for water & sewerage (proprietary funds). The sales tax for water and sewer is dedicated for improvements to the sewer and water system including authority to fund bonds with the tax, provided that at least 25% of the annual revenues of the sales tax must be expended to correct inflow and infiltration in sewerage collection lines, or to repair damages caused thereby, unless required for debt services on bonds or otherwise approved by at least two-thirds of the Parish Council. The St. Bernard Parish Sheriff is authorized to collect and remit this tax to the Parish government and School Board for a stipulated fee.

NOTE 5 – AD VALOREM TAX

The Parish levies a tax on real and personal property. Portions of these property taxes are dedicated for fire and police protection services and the public library system. Taxes on real and personal property are levied on November 1 of the assessment year based upon the assessed value as of the prior January 1. However, before the tax can be levied, the tax rolls must be submitted to the State Tax Commission for approval. Taxes are due and payable on November 15, the date on which an enforceable lien attaches on the property, and are delinquent on December 31.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 5 – AD VALOREM TAX (CONTINUED)

The assessed value of property in the Parish for each year is determined by an elected Board of Assessors. It is then certified by the Louisiana Tax Commission as complying with the Louisiana Constitution of 1974. The Parish is permitted by the Louisiana statutes to levy taxes up to \$49.27 per \$1,000 of assessed valuation for general governmental services (including fire) other than the payment of principal and interest on long-term debt and other purposes specifically approved by the voters. It is permitted to levy taxes in unlimited amounts for the payment of principal and interest on general obligation bonds of the Parish.

Property tax levies per \$1,000 of assessed valuation accounted for within the funds of the Parish (primary government only) for the year ended December 31, 2015 are as follows:

General:	
General governmental services	\$ 2.75
Special revenue:	
Fire Protection District No. 1	7.33
Fire Protection District No. 2	8.14
St. Bernard Council on Aging	0.94
Recreation	2.17
Public Works (Road District No. 1)	3.05
Road Lighting District No. 1	1.22
Public health	0.62
Garbage District No. 1	3.05
Parishwide fire protection facilities	20.00
	\$ 49.27

Property taxes levied on November 15, 2015, collected during 2015, or expected to be collected within the first 60 days of 2015, are recognized as revenues in the statement of revenues, expenditures, and changes in fund balances – governmental funds. The entire estimated collectible amount of the tax levy for the fiscal year is recorded as revenue in the government-wide financial statements. Property taxes paid under protest are held in escrow until resolution of the dispute. Amounts collected for other governmental entities are accounted for in the agency funds.

NOTE 6 – ALLOWANCE FOR UNCOLLECTIBLE RECEIVABLES

The allowance for estimated uncollectible receivables is based on historical collection experience and other relevant circumstances. The allowance for estimated uncollectible amounts of the primary government consists of the following:

<u>Governmental funds:</u>	
General Fund	\$ 73,335
Consolidated Fire Protection District No. 1 - 2	263,724
Non-major governmental funds	105,957
<u>Business-type funds:</u>	
Water and Sewer Division	717,435
Total allowance for uncollectibles	\$ 1,160,451

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 7 – CAPITAL ASSETS

A summary of changes in capital assets of governmental activities and business-type activities is as follows:

	<u>January 1, 2015</u>	<u>Additions</u>	<u>Deletions and adjustments</u>	<u>December 31, 2015</u>
<u>Governmental Activities:</u>				
Nondepreciable capital assets:				
Land	\$ 19,826,039	\$ 321,115	\$ -	\$ 20,147,154
Construction in progress	16,929,777	20,736,569	(3,159,924)	34,506,422
Total nondepreciable capital assets	<u>36,755,816</u>	<u>21,057,684</u>	<u>(3,159,924)</u>	<u>54,653,576</u>
Depreciable capital assets:				
Land improvements	862,954	-	-	862,954
Buildings and improvements	132,127,057	1,453,663	-	133,580,720
Furniture, fixtures, and equipment	440,835	34,995	-	475,830
Machinery and equipment	19,119,119	2,229,746	(2,702,960)	18,645,905
Road system	260,907,225	1,765,763	-	262,672,988
Bridges	1,363,360	-	-	1,363,360
Total depreciable capital assets	<u>414,820,550</u>	<u>5,484,167</u>	<u>(2,702,960)</u>	<u>417,601,757</u>
Less: accumulated depreciation	<u>(66,718,456)</u>	<u>(16,406,778)</u>	<u>1,995,698</u>	<u>(81,129,536)</u>
Total depreciable capital assets, net	<u>348,102,094</u>	<u>(10,922,611)</u>	<u>(707,262)</u>	<u>336,472,221</u>
Total governmental activities capital assets, net	<u>\$ 384,857,910</u>	<u>\$ 10,135,073</u>	<u>\$ (3,867,186)</u>	<u>\$ 391,125,797</u>
<u>Business-type Activities:</u>				
Nondepreciable capital assets:				
Land	\$ 221,036	\$ -	\$ -	\$ 221,036
Construction in progress	54,919,030	4,848,194	-	59,767,224
Total nondepreciable capital assets	<u>55,140,066</u>	<u>4,848,194</u>	<u>-</u>	<u>59,988,260</u>
Depreciable capital assets:				
Buildings	87,242,281	-	-	87,242,281
Furniture, fixtures, and equipment	36,492	-	-	36,492
Machinery and equipment	1,667,222	539,259	(116,492)	2,089,989
Infrastructure	187,944,606	86,891	-	188,031,497
Total depreciable capital assets	<u>276,890,601</u>	<u>626,150</u>	<u>(116,492)</u>	<u>277,400,259</u>
Less: accumulated depreciation	<u>(114,547,938)</u>	<u>(15,938,797)</u>	<u>106,343</u>	<u>(130,380,392)</u>
Total depreciable capital assets, net	<u>162,342,663</u>	<u>(15,312,647)</u>	<u>(10,149)</u>	<u>147,019,867</u>
Total business-type activities capital assets, net	<u>\$ 217,482,729</u>	<u>\$ (10,464,453)</u>	<u>\$ (10,149)</u>	<u>\$ 207,008,127</u>

At December 31, 2015, construction in progress in the government-type activities primarily consists of improvements to canal crossings and road improvements. Construction in progress in the business-type activities primarily consists of improvements to the sewer sanitary system.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 7 – CAPITAL ASSETS (CONTINUED)

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

<u>Governmental Activities:</u>	
General government	
Judicial	\$ 690,079
Other general government	480,958
Public safety	1,043,462
Public works	12,060,097
Sanitation	820,339
Culture and recreation	1,227,256
Health and welfare	84,587
Total depreciation expense - governmental activities	\$ 16,406,778
 <u>Business-type Activities:</u>	
Water and sewer	\$ 15,938,797

NOTE 8 – LONG-TERM DEBT

Bond Transactions – Governmental Activities

The Parish issues bonds to provide for the acquisition and construction of major capital facilities. Bonds payable, at December 31, 2015 comprise the following page:

Description	Original issue	Range of average interest rates	Amount outstanding	Due in one year
2012 Sales Tax Refunding				
Bonds, due in annual installments ranging from \$470,000 to \$3,515,000 commencing March 2014 through March 2024	\$33,885,000	0.9 - 4.0%	\$ 30,460,000	\$ 3,035,000
2014 Limited Tax Certificates of Indebtedness, Series 2014 commencing March 2015 through March 2023	2,200,000	0.5 - 3.3%	1,985,000	225,000
2015 Limited Tax Certificates of Indebtedness, due in full in March 2016	7,200,000	0.85 - 1.00%	2,215,662	2,215,662
			34,660,662	\$ 5,475,662
		Bond premium at December 31, 2015	1,641,933	
			\$ 36,302,595	

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 8 – LONG-TERM DEBT (CONTINUED)

Bond Transactions – Business-type Activities

<u>Description</u>	<u>Original issue</u>	<u>Range of average interest rates</u>	<u>Amount outstanding</u>	<u>Due in one year</u>
2004 Sales Tax Bonds due in annual installments ranging from \$45,000 to \$2,415,000 commencing August 2004 through March 2024	\$ 50,000,000	4.0-5.0%	\$ 475,000	\$ 45,000
2008 Sales Tax Refunding Bonds, due in annual installments ranging from \$615,000 to \$795,000 commencing March 2008 through March 2019	6,715,000	3.88%	2,990,000	700,000
LDHH - Drinking Water Revolving Loan, due in annual installments ranging from \$351,000 to \$668,000 commencing June 2017 through June 2036	10,000,000	2.95%	249,272	249,272
LDEQ - Clean Water State Revolving Loan, due in annual installments ranging from \$456,000 to \$546,000 commencing June 2018 through June 2037	10,000,000	0.45%	454,574	-
			<u>4,168,846</u>	<u>\$ 994,272</u>
			Bond premium at December 31, 2015	96,966
			<u>\$ 4,265,812</u>	

The payment requirements for all bonds and certificates outstanding, as of December 31, 2015, are as follows:

	<u>Principal</u>	<u>Interest</u>
Year ending December 31:		
2016	\$ 6,469,934	\$ 1,337,740
2017	4,594,574	1,182,877
2018	4,295,000	1,021,433
2019	4,445,000	853,044
2020	3,775,000	677,933
2021 - 2024	15,250,000	1,188,823
	<u>\$ 38,829,508</u>	<u>\$ 6,261,850</u>

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 8 – LONG-TERM DEBT (CONTINUED)

The Parish's legal debt limit for General Obligation Bonds is \$134,016,835. At December 31, 2015, Parish's outstanding debt is funded through sales tax receipts. At December 31, 2015, the Parish has \$134,016,835 available for general obligation debt.

The various bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance of and flow of moneys through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverage. At December 31, 2015, the Parish believes it is in compliance with all financial related covenants.

Limited Tax Certificates of Indebtedness

On August 5, 2015, the Parish issued Limited Certificates of Indebtedness totaling \$5,400,000 for the purpose of advance funding in anticipation of the collection of parish wide ad valorem tax revenues. The certificates bear interest at 0.85 – 1.00% and mature on March 3, 2016. Thus, the entire amount of the certificates is included as a current liability in the statement of net position at December 31, 2015. At December 31, 2015, the certificates had a balance of \$2,215,662 which was paid in full in February 2016.

On March 18, 2014, the Limited Tax Certificates of Indebtedness, Series 2014 were issued for the purpose of acquiring, constructing and improving fire protection facilities and purchasing fire trucks and other firefighting equipment in the amount of \$2,200,000. The certificates bear interest at 0.5 – 3.3% and mature on March 1, 2023.

State Revolving Loans

Drinking Water Revolving Loan

On June 1, 2015, the Parish entered into an agreement with the Louisiana Department of Health and Hospitals relating to the issuance of, not to exceed, \$11,000,000 Taxable Utilities Revenue Bond, Series 2015 secured by revenues from the Water and Sewer Fund. The low interest loan is payable annually beginning June 1, 2017 and maturing on June 1, 2036, with an interest rate of 2.95% and an administrative fee of 0.50%. The Parish will be eligible to receive loan forgiveness in the amount of \$1,125,000. At December 31, 2015, the loan balance was \$249,272 and \$106,831 has been forgiven.

Clean Water State Revolving Loan

On December 1, 2015, the Parish entered into an agreement with the Louisiana Department of Environmental Quality relating to the issuance of, not to exceed \$10,000,000 Taxable Utilities Revenue Bond, Series 2015 secured by revenues from the Water and Sewer Fund. The low interest loan is payable annually beginning June 1, 2018 and maturing on June 1, 2037, with an interest rate of 0.45% and an administrative fee of 0.50%. At December 31, 2015, the loan balance is \$454,574.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 8 – LONG-TERM DEBT (CONTINUED)

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2015 was as follows:

	January 1, 2015	Additions	Deletions	December 31, 2015	Due in one year
Governmental Activities:					
Accrued annual and sick leave (note 1)	\$ 1,649,056	\$ 987,317	\$ (917,792)	\$ 1,718,581	\$ 784,111
Sales tax bonds	33,415,000	-	(2,955,000)	30,460,000	3,035,000
Premium on sales tax bonds payable	1,825,538	-	(183,606)	1,641,932	-
Limited tax certificates of indebtedness, Series 2014	2,200,000	-	(215,000)	1,985,000	225,000
Net pension liability (note 11)	11,505,253	7,097,920	(4,507,744)	14,095,429	-
Post-employment benefits (note 12)	2,326,969	502,049	-	2,829,018	-
	<u>\$ 52,921,816</u>	<u>\$ 8,587,286</u>	<u>\$ (8,779,142)</u>	<u>\$ 52,729,960</u>	<u>\$ 4,044,111</u>
Business-type Activities:					
Accrued annual and sick leave (note 1)	\$ 219,166	\$ 138,239	\$ (137,372)	\$ 220,033	\$ 138,239
State revolving loans	-	703,846	-	703,846	249,272
Net pension liability (note 11)	25,231	455,099	(384,281)	96,049	-
Sales tax bonds	4,185,000	-	(720,000)	3,465,000	745,000
Premium on sales tax bonds payable	107,740	-	(10,774)	96,966	-
	<u>\$ 4,537,137</u>	<u>\$ 1,297,184</u>	<u>\$ (1,252,427)</u>	<u>\$ 4,581,894</u>	<u>\$ 1,132,511</u>

The long-term liabilities will be repaid from the General Fund, and the Sales Tax Bonds which will be repaid from the Debt Service Funds and the Sewer and Water Funds. At December 31, 2015, the debt service funds had \$3,561,965 in fund balance reserved to service debt.

NOTE 9 – OPERATING LEASE INCOME

The Parish's governmental activities recorded lease income of \$110,250 from two lease agreements in effect during the year ended December 31, 2015. The Parish's business-type activities recorded lease income of \$89,632 from four lease agreements in effect during the year ended December 31, 2015. The Parish has also granted the St. Bernard Parish School Board the use of property at St. Bernard Highway and Palmisano Boulevard free of rent for a period of thirty years.

The future minimum rental for the next five years and in the aggregate are:

Year Ending December 31,	Governmental Activities	Business-type Activities
2016	\$ 110,250	\$ 80,030
2017	92,250	70,504
2018	92,250	70,504
2019	92,250	70,504
2020	92,250	70,504
2021-2022	161,438	92,029
Total	<u>\$ 640,688</u>	<u>\$ 454,075</u>

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 10 – INTERFUND PAYABLES, RECEIVABLES AND TRANSFERS

The primary purpose of interfund receivables and payables is to loan monies from the general fund to individual funds to cover current expenditures. Individual fund balances due from/to other funds at December 31, 2015, were as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Governmental Funds		
Major Funds		
General Fund	\$ 6,068,350	\$ 6,346,958
Hazard Mitigation Grant Fund	475,000	662,370
Disaster Recovery Fund	12,450,962	12,721,220
Consolidated Fire Protection District No. 1-2	-	3,354,755
Non-major Funds	<u>3,123,788</u>	<u>4,573,910</u>
Total governmental funds	22,118,100	27,659,213
Business-type Activities		
Water and Sewer Fund	13,026,319	9,108,277
Non-major Enterprise Funds	-	176,240
Self-Insurance Internal Service	1,140,700	67,368
Water and Sewer Self Insurance Internal Service	<u>1,274,325</u>	<u>548,346</u>
Total business-type activities	<u>15,441,344</u>	<u>9,900,231</u>
Total	<u>\$ 37,559,444</u>	<u>\$ 37,559,444</u>

Transfers between funds during the year ended December 31, 2015 are as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Funds		
Major Funds		
General Fund	\$ 474,828	\$ 4,808,459
Hazard Mitigation Grant Fund	-	619,283
Consolidated Fire Protection District No. 1-2	-	346,576
Disaster Recovery Fund	-	1,936,126
Non-major Funds	<u>9,803,033</u>	<u>582,559</u>
Total governmental funds	10,277,861	8,293,003
Business-type Activities		
Water and Sewer Fund	2,944,527	5,446,441
Non-major Enterprise Funds	-	353,165
Self-Insurance Internal Service	321,875	-
Water and Sewer Self-Insurance Internal Service	<u>548,346</u>	<u>-</u>
Total business-type activities	<u>3,814,748</u>	<u>5,799,606</u>
Total	<u>\$ 14,092,609</u>	<u>\$ 14,092,609</u>

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 10 – INTERFUND PAYABLES, RECEIVABLES AND TRANSFERS (CONTINUED)

Operating transfers between funds consist primarily of sales tax revenues transferred out of the General Fund to the particular funds for which the sales tax revenue is to be used and transfers between governmental funds and business type activities for capital outlay expenditures.

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS

The Parish Government contributes to the Parochial Employees Retirement System of Louisiana, the Firefighters' Retirement System, the District Attorneys' Retirement System of Louisiana, and the Registrar of Voters Retirement System. The Parish's payroll for employees covered by the retirement systems for the year ended December 31, 2015 was \$16,851,605 (which includes a Parish payroll of \$14,851,684 and Water and Sewer Division payroll of \$1,999,921).

Parochial Employees' Retirement System

Employees of the Parish and Water and Sewer Division are members of the Parochial Employees' Retirement System of Louisiana ("PERS"), a multiple-employer (cost sharing), public-employee retirement system. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions.

Plan Description - The Parish and Water and Sewer Division contribute to Plan A of the Parochial Employees' Retirement System of Louisiana ("PERS"), cost-sharing multiple-employer defined benefit public employee retirement system, which is controlled and administered by a separate Board of Trustees. PERS provides retirement, deferred and disability benefits, survivor's benefits and cost of living adjustments to plan members and beneficiaries. Act 205 of the 1952 Louisiana Legislative Session established the plan. PERS is governed by Louisiana Revised Statutes 11:1901 through 11:2015, specifically, and other general laws of the State of Louisiana. PERS issues a publicly available financial report that includes financial statements and required supplementary information for PERS. That report may be obtained by writing to Parochial Employees' Retirement System of Louisiana, P.O. Box 14619, Baton Rouge, Louisiana 70898-4619.

Funding Policy - Plan members are required to contribute 9.50% of their annual-covered salary. Employer contributions are actuarially determined every fiscal year according to statutory process. The current rate is 14.50% of annual payroll. The contribution requirements of plan members and the Parish and Water and Sewer Division are established and may be amended by state statute. The Parish Government's contributions to the System for the years ended December 31, 2015, 2014 and 2013 were \$1,299,319, \$1,314,153, and \$1,328,418, respectively, equal to the required contributions for each year. For the year ended December 31, 2015, the total payroll for Water and Sewer Division employees covered by the System under Plan A was \$1,999,921. The Water and Sewer Division's contributions to the System for the years ended December 31, 2015, 2014, and 2013 were \$289,989, \$322,522, and \$314,573, respectively, equal to the required contributions for each year.

Firefighters' Retirement System

Plan Description - The Parish contributes to the Firefighters' Retirement System of Louisiana ("FFRS"), a cost-sharing multiple-employer defined benefit public retirement system, which is controlled and administered by a separate Board of Trustees. FFRS provides retirement, deferred and disability benefits, survivor's benefits and cost of living adjustments to plan members and beneficiaries. Act 434 of the 1979 Louisiana Legislative Session established the plan. FFRS is governed by Louisiana Revised Statutes

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

11:2251 through 11:2269, specifically, and other general laws of the State of Louisiana. FFRS issues a publicly available financial report that includes financial statements and required supplementary information for FFRS. That report may be obtained by writing to Firefighters' Retirement System of Louisiana, 2051 Silverside Drive, Suite 210, Baton Rouge, Louisiana 70808-4136.

Funding Policy – During 2015 plan members are required to contribute 10.00% of their earnable compensation and the Parish is required to contribute at an actuarially determined rate. Beginning January 1, 2015, the Parish was paying a rate of 29.25% of annual covered payroll. Effective July 1, 2015, that rate decreased to 27.25%. The contribution requirements of plan members and the Parish are established and may be amended by state statute. The Parish's contributions to the System for the years ended December 31, 2015, 2014, and 2013 were \$1,545,427, \$1,518,005, and \$1,336,947, respectively, equal to the required contributions for each year.

District Attorney's Retirement System

Plan Description - The Parish contributes to the District Attorneys' Retirement System ("DARS"), a cost sharing multiple employer public employee retirement system, which is controlled and administered by a separate Board of Trustees. DARS provides retirement, deferred and disability benefits, survivor's benefits and cost of living adjustments to plan members and beneficiaries. Act 56 of the 1956 Louisiana Legislative Session established the plan. DARS is governed by Louisiana Revised Statutes 11:1581 through 11: 1702, specifically, and other general laws of the State of Louisiana. DARS issues a publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained by writing to District Attorney Retirement System, 2109 Decatur Street, New Orleans, Louisiana 70116.

Funding Policy - Plan members are required to contribute 8.00% of their compensation to the System. Beginning January 1, 2015, the Parish was paying a rate of 7.00% of annual covered payroll. On July 1, 2015, that rate decreased to 3.50%. The contribution requirements of plan members and the Parish are established and may be amended by state statute. The Parish's contributions to the System or the years ended December 31, 2015, 2014, and 2013 were \$18,530, \$22,486, and \$25,596, respectively, equal to the required contributions for each year.

Registrar of Voters Retirement System

Plan Description – The Parish contributes to the Registrar of Voters Retirement System ("ROVRS"), a cost sharing multiple-employer plan (Retirement System Trust Fund) and a Savings Plan (Members' Supplemental Savings Trust Fund) which is controlled and administered by a separate Board of Trustees. ROVRS provides normal retirement, early retirement, disability retirements and death benefits, as specified in the plan. The plan was established as of January 1, 1955 by Act 215 of 1954, under R.S. Title 11:2032, as amended, for the purpose of providing retirement allowances and other benefits for registrars of voters, their deputies and their permanent employees in each parish of the State of Louisiana. ROVRS issues a publicly available financial report that includes financial statements and required supplementary information for ROVRS. That report may be obtained by writing to Registrars of Voters Employees' Retirement System 300 State Street Room 107 Jennings, Louisiana 70546.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Funding Policy – Plan members are required to contribute 7.00% of their compensation to the System. Beginning January 1, 2015, the Parish was paying a rate of 24.25% of annual covered payroll. On July 1, 2015, that rate decreased to 22.50%. The contribution requirements of plan members and the Parish are established and may be amended by state statute. The Parish’s contributions to the System for the years ended December 31, 2015, 2014, and 2013 were \$7,224, \$7,610, and \$7,876, respectively, equal to the required contributions for each year.

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

The following schedule lists the Parish’s proportionate share of the Net Pension Liability allocated by each of the pension plans for based on the December 31, 2015 measurement date. The Parish uses this measurement to record its Net Pension Liability and associated amounts as of December 31, 2014 for PERS, and June 30, 2015 for FFRS, DARS, AND ROVRS in accordance with GASB Statement No. 68. The schedule also includes the proportionate share allocation rate used at the measurement date along with the change compared to the prior year measurement date rate. The Parish’s proportion of the Net Pension Liability was based on a projection of the Parish’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

	Net Pension Liability at December 31, 2015	Rate at Measurement Date	Increase (Decrease) to Prior Measurement Date
Parochial Employees’ Retirement System	\$ 528,314	1.9323%	-0.0206%
Firefighters' Retirement System	13,572,038	2.5502%	-0.0355%
District Attorneys’ Retirement System	33,331	0.6188%	0.0986%
Registrar of Voters’ Retirement System	57,795	0.2360%	0.0931%
	\$ 14,191,478		

The following schedule lists each pension plan’s recognized pension expense of the Parish for the year ended December 31, 2015:

	<u>Total</u>
Parochial Employees’ Retirement System	\$ 1,406,347
Firefighters' Retirement System	2,229,891
District Attorneys’ Retirement System	26,322
Registrar of Voters’ Retirement System	3,755
	\$ 3,666,315

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

At December 31, 2015, the Parish reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 34,295	\$ (938,754)
Changes of assumptions	170,184	(36,177)
Net difference between projected and actual earnings on pension plan investments	2,444,120	68,320
Changes in proportion and differences between Employer contributions and proportionate share of contributions	40,613	(477,212)
Employer contributions subsequent to the measurement date	<u>2,342,120</u>	<u>-</u>
Total	<u>\$ 5,031,332</u>	<u>\$ (1,383,823)</u>

Summary totals of deferred outflows of resources and deferred inflows of resources by pension plan:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Parochial Employees' Retirement System	\$ 2,686,253	\$ (555,258)
Firefighters' Retirement System	2,251,788	(694,242)
District Attorneys' Retirement System	56,314	(100,737)
Registrar of Voters' Retirement System	<u>36,977</u>	<u>(33,586)</u>
	<u>\$ 5,031,332</u>	<u>\$ (1,383,823)</u>

The Parish reported a total of \$2,342,120 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of December 31, 2014 which will be recognized as a reduction in Net Pension Liability in the year ended December 31, 2015. The following schedule list the pension contributions made subsequent to the measurement period for each pension plan:

	<u>Subsequent Contributions</u>
Parochial Employees' Retirement System	\$ 1,589,308
Firefighters' Retirement System	743,312
District Attorneys' Retirement System	6,177
Registrar of Voters' Retirement System	<u>3,323</u>
	<u>\$ 2,342,120</u>

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year	PERS	FFRS	DARS	ROVRS	Total
2015	\$ 89,150	\$ -	\$ -	\$ -	\$ 89,150
2016	89,150	171,251	(19,271)	(5,811)	235,319
2017	89,150	171,251	(19,271)	(5,811)	235,319
2018	274,236	171,251	(19,271)	4,916	431,132
2019	-	419,553	13,698	6,774	440,025
2020	-	(130,599)	(6,485)	-	(137,084)
2021	-	(62,480)	-	-	(62,480)
	<u>\$ 541,687</u>	<u>\$ 740,227</u>	<u>\$ (50,600)</u>	<u>\$ 68</u>	<u>\$ 1,231,381</u>

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability for each pension plan as of December 31, 2015 are as follows:

	<u>PERS</u>	<u>FFRS</u>
Valuation Date	December 31, 2014	June 30, 2015
Actuarial Cost Method	Entry Age Normal Cost	Entry Age Normal Cost
Actuarial Assumptions:		
Expected Remaining		
Service Lives	4 years	7 years
Investment Rate of Return	7.25% per annum	7.50% per annum
Inflation Rate	3.0%	2.9%
Mortality	Mortality rates based on RP-2000 Combined Healthy Mortality Table	Mortality assumptions were set after reviewing an experience study performed on plan data for the period July 1, 2009 through June 30, 2014. Per and post-mortality life expectancies of participants based on the RP-2000 Healthy Annuitant Mortality Table, set back on year, for healthy annuitants and beneficiaries. RP-2000 Employee Mortality Table set back on year, for active members. RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.
Salary Increases	5.75%	Vary from 15.0% in the first two years of service to 4.75% after 25 years.
Cost of Living Adjustments	The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (RS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.	Only those previously granted.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

	<u>DARS</u>	<u>ROVRS</u>
Valuation Date	June 30, 2015	June 30, 2015
Actuarial Cost Method	Entry Age Normal Cost	Entry Age Normal
Actuarial Assumptions:		
Expected Remaining Service Lives	6 years	5 years
Investment Rate of Return	7% per annum	7.00%, net of pension plan investment expenses, including inflation
Inflation Rate		2.50% per annum
Mortality	Mortality rates based on the RP-2000 Combined Healthy Mortality Table set back 3 years for males and 1 year for females. The RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.	In the case of mortality, the data from this plan was combined with three other statewide plans which have similar workforce composition in order to produce more credible experience. The aggregated data was collected over the period July 1, 2004 through June 30, 2009. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the fund's liabilities. The RP-2000 Healthy Annuitant Table set forward 1 year and projected to 2030 for males and the RP -2000 Healthy Annuitant Table projected to 2030 for females were selected for annuitant and beneficiary mortality. Projections were made using Scale AA as developed by the Society of Actuaries. For employees, the RP-2000 Employee table setback 4 years for males and setback 3 years for females were selected. The RP-2000 Disables Lives Mortality Table set back 5 years for males and set back 3 years for females was selected for disable annuitants.
Salary Increases	5.50%	6.00%
Cost of Living Adjustments	The Board of Trustees is authorized to grant retired members and widows of members who have retired an annual cost of living increase of 3% of their original benefit,(not to exceed sixty dollars per month) and all retired members and widows who are sixty-five years of age and older a 2% increase in their original benefit. In lieu of other cost of living increases the board may grant an increase to retirees in the form of "Xx(A&B)" where "A" is equal to the number of years of credited service accrued at retirement or death of the member or retiree and "B" is equal to the number of years since death of the member or retiree to June 30 of the initial year of increase and "X" is equal to any amount available for funding such increase up to a maximum of \$1.00. In order for the board to grant any of these increases, the System must meet certain criteria detailed in statute related to funding status and interest earnings.	The Board of Trustees is authorized to grant retired members and widows of members who have retired at least two years, an annual cost of living increase of up to 3% of their original benefit, and to retired members and widows who are sixty-five years of age and older a 2% increase in their original benefit (or the benefit being received on October 1, 1977 if they retired prior to that time). In order for the board to grant either of these increases the system must meet certain criteria detailed in the statute related to funding status and interest earnings. In lieu of other cost of living increases the board may grant an increase to retirees in the form "Xx(A&B)" where "A" is equal to the number of years of credited service accrued as retirement or death of the member or retiree and "B" is equal to the number of years since death of the member or retiree to June 30 of the initial year of increase and "X" is equal to any amount available for funding such increase up to a maximum of \$1.00.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

The following schedule list the methods used by each of the retirement systems in determining the long term rate of return on pension plan investments:

PERS	FFRS	DARS	ROVRS
<p>The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected return, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.30% and an adjustment for the effect of rebalancing/diversification. The resulting expected only-term rate of return is 8.11% for the year ended December 31, 2014.</p>	<p>The estimated long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The long-term expected real rate of return is 8.24% as of June 30, 2015.</p>	<p>The estimated long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The long term geometric expected rate of return was 7.50% as of June 30, 2015.</p>	<p>The estimated long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The long term geometric expected rate of return was 8.39% as of June 30, 2015.</p>

The following table provides a summary of the best estimates of arithmetic/geometric real rates of return for each major asset class included in each of the Retirement Systems target asset allocations as of December 31, 2014:

PERS		
Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed income	34.00%	1.30%
Equity	51.00%	3.55%
Alternatives	12.00%	0.77%
Real assets	3.00%	0.19%
Totals	100.00%	5.81%
Inflation		2.30%
Expected arithmetic nominal return		8.11%

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

The following table provides a summary of the best estimates of arithmetic/geometric real rates of return for each major asset class included in each of the Retirement Systems target asset allocations as of June 30, 2015:

<u>Asset Class</u>	<u>Target Asset Allocation</u>			<u>Long-Term Expected Real Rate of Return</u>		
	<u>FFRS</u>	<u>DARS</u>	<u>ROVRS</u>	<u>FFRS</u>	<u>DARS</u>	<u>ROVRS</u>
Fixed income	24.00%	50.00%	35.00%	1.84%	6.30%	0.99%
Equity	51.00%	40.00%	60.00%	6.50%	1.10%	4.67%
Alternatives	15.00%	5.00%	5.00%	6.96%	6.00%	0.23%
Real assets	10.00%	5.00%	-	4.36%	4.50%	-
Totals	24.00%	50.00%	35.00%			
Inflation				5.24%	4.50%	5.89%
Expected arithmetic nominal return				3.00%	3.00%	2.50%

Discount Rate

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension liability for PERS was 7.25% for the year ended December 31, 2014. The discount rate used to measure the total pension liability for FFRS, DARS, and ROVRS was 7.25%, 7.00% and 7.00%, respectively for the year ended June 30, 2015.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Sensitivity of the Employer’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the Parish’s proportionate share of the Net Pension Liability (NPL) using the discount rate of each Retirement System as well as what the Parish’s proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate used by each of the Retirement Systems:

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
<u>PERS</u>			
Rates	6.25%	7.25%	8.25%
St. Bernard Parish Share of NPL	\$ 7,637,557	\$ 528,314	\$ (54,945,280)
<u>FFRS</u>			
Rates	6.25%	7.25%	8.25%
St. Bernard Parish Share of NPL	\$ 8,796,365	\$ 13,572,038	\$ 19,253,271
<u>DARS</u>			
Rates	6.00%	7.00%	8.00%
St. Bernard Parish Share of NPL	\$ 305,407	\$ 33,331	\$ (197,710)
<u>ROVRS</u>			
Rates	6.00%	7.00%	8.00%
St. Bernard Parish Share of NPL	\$ 83,208	\$ 57,795	\$ 35,907

Payables to the Pension Plan

The Parish recorded accrued liabilities to each of the Retirement Systems for the year ended December 31, 2015 mainly due to the accrual for payroll at the end of each of the fiscal years. The amounts due are included in liabilities under the amounts reported as salaries and payroll deductions payable. The balance due to each for the retirement systems at December 31, 2015 is as follows:

	<u>December 31, 2015</u>	<u>December 31, 2014</u>
PERS	\$ 15,629	\$ 700,579
FFRS	29,076	29,076
DARS	-	-
ROVRS	-	-
Total	<u>\$ 44,705</u>	<u>\$ 729,655</u>

NOTE 12 – POST-EMPLOYMENT BENEFITS

Plan Description – The St. Bernard Parish Government’s medical benefits are provided to employees upon actual retirement.

The retirement eligibility (D.R.O.P. entry) provisions (other than firefighters) are as follows for employees hired prior to January 1, 2007: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or, age 65 and 7 years of service. For employees hired on and after

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 12 – POST-EMPLOYMENT BENEFITS (CONTINUED)

January 1, 2007 (other than firefighters), the provisions are as follows: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service. The retirement eligibility (D.R.O.P. entry) provisions for firefighters are as follows: age 55 and 12 years of service; age 50 and 20 years of service; 25 years of service at any age.

Life insurance coverage is available to retirees by election and based on a blended rate (active and retired). Since GASB Codification Section P50 requires the use of "unblended" rates, the 94GAR mortality table described below to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance.

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

Fund Policy – Until 2007, the St. Bernard Parish Government recognized the cost of providing post-employment medical and life insurance benefits (the St. Bernard Parish Government's portion of the retiree medical and life insurance benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2015 and 2014, the St. Bernard Parish Government's portion of health care and life insurance funding cost for retired employees totaled \$1,039,040 and \$962,074, respectively.

Effective January 1, 2007, the St. Bernard Parish Government implemented Government Accounting Standards Board Codification Section P50, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB Codification Section). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

Annual Required Contribution – The St. Bernard Parish Government's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB Codification Section P50. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB Codification Section P50) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

	<u>2015</u>	<u>2014</u>
Normal cost	\$ 501,515	\$ 482,226
30-year UAL amortization amount	<u>1,081,064</u>	<u>1,039,484</u>
Annual required contribution (ARC)	<u>\$ 1,582,579</u>	<u>\$ 1,521,710</u>

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 12 – POST-EMPLOYMENT BENEFITS (CONTINUED)

Net Post-employment Benefit Obligation (Asset) – The table below shows the St. Bernard Parish Government’s Net Other Post-employment Benefit (OPEB) Obligation for fiscal years ending December 31:

	<u>2015</u>	<u>2014</u>
Beginning Net OPEB Obligation	\$ 2,326,969	\$ 1,799,417
Annual required contribution	1,582,579	1,521,710
Interest on Net OPEB Obligation	93,079	71,977
ARC Adjustment	<u>(134,569)</u>	<u>(104,060)</u>
OPEB Cost	1,541,089	1,489,626
Contribution to Irrevocable Trust	-	-
Current year retiree premium	<u>(1,039,040)</u>	<u>(962,074)</u>
Change in Net OPEB Obligation	<u>502,049</u>	<u>527,552</u>
Ending Net OPEB Obligation	\$ <u>2,829,018</u>	\$ <u>2,326,969</u>

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

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net OPEB Liability (Asset)</u>
December 31, 2015	\$ 1,541,089	67.42%	\$ 2,829,018
December 31, 2014	\$ 1,489,626	64.58%	\$ 2,326,969

Funded Status and Funding Progress – In 2015 and 2014, the St. Bernard Parish Government made no contributions to its post-employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. Based on the January 1, 2014 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year December 31, 2015 was \$19,441,376 which is defined as that portion, as determined by a particular actuarial cost method (the St. Bernard Parish Government uses the Projected Unit Credit Cost Method), of the actuarial present value of post-employment plan benefits and expenses which is not provided by normal cost.

	<u>2015</u>	<u>2014</u>
Actuarial Accrued Liability (AAL)	\$ 19,441,376	\$ 18,693,631
Actuarial Value of Plan Assets (AVP)	-	-
Unfunded Act. Accrued Liability (UAAL)	<u>\$ 19,441,376</u>	<u>\$ 18,693,631</u>
Funded Ratio (AVP/AAL)	0.00%	0.00%
Covered Payroll (active plan members)	\$ 17,771,627	\$ 16,424,357
UAAL as a percentage of covered payroll	109.40%	113.82%

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 12 – POST-EMPLOYMENT BENEFITS (CONTINUED)

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

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

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

Actuarial Value of Plan Assets – There are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Codification Section P50.

Turnover Rate – An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 15%. Based on past history, it has been assumed that 16% of retirees decline coverage when first eligible and 21% decline at Medicare eligibility.

Post-employment Benefit Plan Eligibility Requirements – Based on past experience, it has been assumed that entitlement to benefits will commence four years after retirement eligibility (D.R.O.P. entry), as described above under "Plan Description". Medical benefits are provided to employees upon actual retirement.

Investment Return Assumption (Discount Rate) – GASB Codification Section P50 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation.

Health Care Cost Trend Rate – The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5.0% for ten years out and later.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 12 – POST-EMPLOYMENT BENEFITS (CONTINUED)

Mortality Rate - The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rates and 50% of the unloaded female mortality rates, is used. This is a recently published mortality table which has been used in determining the value of accrued benefits in defined benefit pension plans. Projected future mortality improvement has not been used since it is our opinion that this table contains sufficiently conservative margin for the population involved in this valuation.

Method of Determining Value of Benefits – The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The employer pays 100% of the cost of the medical benefits (for the retiree only), except firefighters. For retired firefighters, the employer pays 70% of the cost of medical benefits for both retiree and dependents. The medical rates provided are "blended" rates for active and retired prior to Medicare eligibility. We have therefore estimated the total "unblended" rates as required by GASB Codification Section P50 for valuation purposes to be 130% of the blended rates prior to Medicare eligibility. The unblended rates which were provided were used for after Medicare eligibility. It was assumed that 50% of post-age 65 retirees elected the Humana Medicare Advantage HMO program.

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

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

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

Below is a summary of OPEB cost and contributions for the last three fiscal calendar years.

	OPEB Costs and Contributions		
	2015	2014	2013
OPEB Cost	\$ 1,541,089	\$ 1,489,626	\$ 1,264,214
Contribution	-	-	-
Retiree premium	1,039,040	962,074	1,027,316
Total contribution and premium	1,039,040	962,074	1,027,316
Change in net OPEB obligation	\$ 502,049	\$ 527,552	\$ 236,898
% of contribution to cost	0.00%	0.00%	0.00%
% of contribution plus premium to cost	67.42%	64.58%	81.26%

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 13 – SELF-INSURANCE/RISK MANAGEMENT

The Parish Government is exposed to various risks of loss related to general liability, auto liability, workers' compensation, unemployment compensation, property, and group health benefits. Various suits and claims arising from personal injury and property damage, some for substantial amounts, are pending against the Parish Government, its insurers and others. In accordance with the in Governmental Accounting Standards Board Codification Section C50 - Claims and Judgments, the Parish Government's Internal Service Fund and the Division have provided for, in their financial statements, estimated losses from the aforementioned pending suits and claims based on the estimated ultimate cost of settling the claims, considering the effects of inflation, recent claim settlement trends and other social and economic factors, including the effects of specific incremental claim adjustment expense, salvage and subrogation. The Parish Government believes the ultimate settlement cost will not materially exceed the amounts provided for the claims.

The following table represents the amounts recorded in the financial statements as of and for the year ended December 31, 2015.

	Balance 12/31/2014	New Claims and Changes in Estimates	Benefits/ Losses Paid	Balance 12/31/2015
<u>Governmental Activities:</u>				
Automobile/General Liability	\$ 1,853,537	\$ 138,736	\$ (272,689)	\$ 1,719,584
Workers Compensation	260,023	1,327,774	(863,775)	724,022
Total Governmental Activities	<u>\$ 2,113,560</u>	<u>\$ 1,466,510</u>	<u>\$ (1,136,464)</u>	<u>\$ 2,443,606</u>
<u>Business-type Activities:</u>				
Automobile/General Liability	\$ 270,486	\$ 397,722	\$ (266,725)	\$ 401,483
Workers Compensation	271,728	120,950	(267,111)	125,567
Total Business-type Activities	<u>\$ 542,214</u>	<u>\$ 518,672</u>	<u>\$ (533,836)</u>	<u>\$ 527,050</u>

NOTE 14 – CRIMINAL COURT FUND

Louisiana Revised Statutes, at LSA-R.S. 15:571.11 require that one-half of any surplus remaining in the Criminal Court Fund at year-end shall be transmitted to the Parish's General Fund. The Parish Government transferred \$15,819 during the year ended December 31, 2015.

NOTE 15 – COMMITMENTS AND CONTINGENCIES

Grant Programs

The Parish participates in a number of state and federally-assisted grant programs. The programs are subject to compliance audits under the Uniform Guidance. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Parish management believes that the amount of disallowances, if any, which may arise from future audits, will not be material.

In August 2005, the Parish suffered significant damage from Hurricanes Katrina and Rita. The Parish recovered damages from Katrina and Rita from the Federal Emergency Management Agency (FEMA). The audits of these funds and claims recovered from FEMA are still subject to final audit and close out of

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 15 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

the respective projects. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and the Parish. These amounts are uncertain as of the report date and therefore no amounts are recorded in the financial statements.

Construction Contracts

The Parish had several construction contracts in progress during the year ended December 31, 2015.

	Governmental Activities	Business-type Activities
Total amount of contracts	\$ 116,406,066	\$ 107,200,327
Completed to date	(42,262,513)	(44,156,862)
Outstanding contracts	\$ 74,143,553	\$ 63,043,465

Water and Sewer

During 1996, the St. Bernard Parish Department of Public Works Water and Sewer Division received an administrative order from the United States Environmental Protection Agency (EPA). The order stated that the Division has violated its National Pollutant Discharge Permit and the Clean Water Act. The EPA has allowed the Division a reasonable period to take corrective action to eliminate and prevent recurrence of the noncompliant discharges cited in the findings or to submit a comprehensive plan to eliminate and prevent recurrence of violations cited in findings.

As of December 31, 2015, the Division has filed a response to the deficiencies cited in the order and has placed into operation all improvements necessary to obtain compliance. However, the EPA has not officially cleared the Division of the violations. The Division can be assessed up to \$27,500 per day in penalties for noncompliance with the order. There have been no assessments by the EPA or penalties accrued in these financial statements.

During 2003, the St. Bernard Parish Department of Public Works Water and Sewer Division received several administrative orders from the United States Environmental Protection Agency (EPA). The orders stated that the Division has violated its National Pollutant Discharge Permit and the Clean Water Act. The EPA has allowed the Division a reasonable period, for each administrative order, to take corrective action to eliminate and prevent recurrence of the noncompliant discharges cited in the findings or to submit a comprehensive plan to eliminate and prevent recurrence of violations cited in findings.

The Parish has filed a response to the deficiencies cited in the orders to obtain compliance. However, the EPA has not officially cleared the Division of the violations. There have been no assessments by the EPA or penalties accrued in these financial statements.

NOTE 16 – LITIGATION

The Parish and Water and Sewer Division are named as defendants in a number of lawsuits arising principally from claims related to personal injury, negligence, wrongful demolition of property, and property damage. As discussed in Note 13, the Parish and Water and Sewer Division are primarily self-insured with respect to claims of these types. The Parish's insurance department and its attorneys have

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 16 – LITIGATION (CONTINUED)

reviewed these claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the Parish and to arrive at an estimate, if possible, of the amount or range of potential loss to the Parish.

As a result of such a review, loss contingencies, which could be reasonably estimated, have been categorized as "probable", "reasonably possible", and "remote", as defined in Governmental Accounting Standards Board Codification Section C50 - Claims and Judgments. Loss contingencies for the Parish amounting to \$2,443,606 categorized as "probable" have been accrued in the Self-Insurance Internal Service Fund. Loss contingencies for the Water and Sewer Division for "probable" cases amounting to \$527,050 have been accrued in the Water and Sewer Internal Service Fund. The Parish is subject to several other lawsuits arising in the normal course of business which are adequately covered by insurance where a range of loss cannot be reasonably determined. These "reasonably possible" loss contingencies are not reflected in these financial statements.

The Parish has been named as defendant in lawsuits alleging damage to properties adjoining levees following Hurricane Katrina in 2005. The Parish and the Parish's attorney believe any compensation ordered by the Court will ultimately be paid by the U.S. Army Corp of Engineers. The Parish has filed a lawsuit in the U.S. Court of Claims, seeking an order requiring the U.S. Army Corp of Engineers to pay all amounts that are owed to property owners.

NOTE 17 – DEFICIT FUND BALANCES

The following funds have deficit fund balances at December 31, 2015.

Fund Description	Fund Balance (deficit)
CDBG Disaster Fund	\$ (1,461,726)
Disaster Recovery Fund	(1,962,775)

At December 31, 2015, the CDBG Disaster Fund and the Disaster Recovery Fund (FEMA) had deficit fund balances. The deficit fund balances in the CDBG Disaster Fund and Disaster Recovery Fund results primarily from expenditures incurred for which the related revenue is deferred at December 31, 2015. The Parish is currently working on obtaining increased funding from CDBG and FEMA. The deficit fund balances described above will be funded through future revenues of the Parish or through the release of deferred revenues.

NOTE 18 – NOTE RECEIVABLE

At December 31, 2015, the Parish has an outstanding note receivable of \$600,000 plus accrued interest of \$216,000 due from the St. Bernard Hospital Service District. The note was issued on January 13, 2009, has an interest rate of 6%, and matures on January 1, 2019.

NOTE 19 – PRIOR PERIOD ADJUSTMENT

Due to the implementation of GASB 68 and GASB 71, a prior period adjustment in the amount of \$10,717,051 was made to beginning net position to reflect the net pension liability at December 31, 2014.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2015

NOTE 20 –CHANGE IN ESTIMATE

During 2015, the Parish reviewed its estimate of applying a salvage value to depreciable assets. As a result of the review, the Parish has revised the estimated salvage value on its depreciable assets as of December 31, 2015. The effect of this change in estimate during 2015 is an increase to depreciation expense of \$1,577,944 in the governmental funds in the government-wide financial statements, and \$9,271,957 in the business-type activities.

NOTE 21 – SUBSEQUENT EVENTS

The Parish has evaluated subsequent events through June 29, 2015, the date the financial statements were available to be issued, and no subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

On January 27, 2016, the Parish paid in full the 2015 Limited Certificates of Indebtedness in the amount of \$2,215,662.

**REQUIRED SUPPLEMENTAL INFORMATION
OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS**

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF FUNDING PROGRESS – OTHER POST EMPLOYMENT BENEFITS
For the Year Ended December 31, 2015

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as of Percentage of Covered Payroll ((b-a)/c)
12/31/2015	-	\$19,441,376	\$19,441,376	0.0%	\$17,771,627	113.82%
12/31/2014	-	18,693,631	18,693,631	0.0%	16,424,357	113.82%
12/31/2013	-	25,280,827	25,280,827	0.0%	13,617,704	185.6%

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF ST. BERNARD PARISH GOVERNMENT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
For the Year Ended December 31, 2015

	2015			
	PERS	FFRS	DARS	ROVRS
Employer's Proportion of the Net Pension Liability (Asset)	1.93%	2.51%	0.69%	0.24%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 528,314	\$ 13,572,038	\$ 33,331	\$57,795
Employer's Covered-Employee Payroll	10,999,376	5,469,568	352,962	29,699
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	6.43%	245.28%	14.67%	182.40%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	99.15%	76.02%	98.56%	76.86%
	2014			
	PERS	FFRS	DARS	ROVRS
Employer's Proportion of the Net Pension Liability (Asset)	1.95%	2.55%	0.52%	0.14%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 138,782	\$ 11,348,285	\$ 10,374	\$ 33,043
Employer's Covered-Employee Payroll	10,229,553	5,533,349	227,231	31,686
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	1.36%	205.09%	4.57%	104.28%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	99.77%	76.02%	99.45%	77.68%

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF ST. BERNARD PARISH GOVERNMENT'S CONTRIBUTIONS
For the Year Ended December 31, 2015

	2015			
	PERS	FFRS	DARS	ROVRS
Contractually Required Contribution	\$ 1,589,308	\$ 743,312	\$ 6,177	\$ 3,323
Contributions in Relation to Contractually Required Contribution	1,589,308	743,312	6,177	3,323
Contribution Deficiency (Excess)	-	-	-	-
Employer's Covered Employee Payroll	10,999,376	5,469,568	352,962	29,699
Contributions as a % of Covered Employee Payroll	13.00%	29.25%	7.00%	24.25%

	2014			
	PERS	FFRS	DARS	ROVRS
Contractually Required Contribution	\$ 1,314,153	\$1,563,171	\$ 22,155	\$ 7,763
Contributions in Relation to Contractually Required Contribution	1,314,153	1,563,171	22,155	7,763
Contribution Deficiency (Excess)	-	-	-	-
Employer's Covered Employee Payroll	10,229,553	5,533,349	227,231	31,686
Contributions as a % of Covered Employee Payroll	16.00%	28.25%	9.75%	24.50%

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION –
PENSION PLAN SCHEDULES
For the Year Ended December 31, 2015

NOTE A – PENSION PLAN SCHEDULES

Change of Benefit Terms Include:

Parochial Employees' Retirement System – No Changes

Firefighters Retirement System– No Changes

District Attorneys Retirement System – No Changes

Registrar of Voters Retirement System – No Changes

Change of Assumptions Include:

Parochial Employees' Retirement System – No Changes

Firefighters Retirement System– No Changes

District Attorneys Retirement System – No Changes

Registrar of Voters Retirement System – No Changes

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the year ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property taxes	\$ 1,075,153	\$ 962,864	\$ 962,864	\$ -
Sales and use taxes	12,904,638	10,806,549	10,806,549	-
Other	1,278,316	728,835	728,776	(59)
Licenses and permits	1,325,790	1,321,524	1,326,190	4,666
Intergovernmental:				
Federal funds	9,896,181	10,455,755	10,672,010	216,255
State revenue sharing (unrestricted)	-	11,310	11,310	-
Other state funding	323,500	185,473	112,323	(73,150)
Charges for services	1,559,495	1,511,518	1,492,232	(19,286)
Fines and forfeitures	-	34,130	57,477	23,347
Use of money and property	-	-	1,031	1,031
Other revenues	967,179	453,422	449,291	(4,131)
Total revenues	<u>29,330,252</u>	<u>26,471,380</u>	<u>26,620,053</u>	<u>148,673</u>
EXPENDITURES				
Current				
General government:				
Other general government	25,277,282	27,899,297	26,153,557	1,745,740
Capital outlay	-	257,616	291,359	(33,743)
Total expenditures	<u>25,277,282</u>	<u>28,156,913</u>	<u>26,444,916</u>	<u>1,711,997</u>
Excess of Revenues Over Expenditures	4,052,970	(1,685,533)	175,137	1,860,670
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of investments	-	861,202	861,202	-
Proceeds from insurance settlements	-	103,930	103,930	-
Proceeds from the litigation settlements	-	9,359,306	9,359,306	-
Transfer in	250,000	474,828	474,828	-
Transfer out	(4,398,086)	(4,830,443)	(4,808,459)	21,984
Total other financing sources (uses)	<u>(4,148,086)</u>	<u>5,968,823</u>	<u>5,990,807</u>	<u>21,984</u>
Changes in fund balance	(95,116)	4,283,290	6,165,944	1,882,654
Fund balance	4,090,710	4,090,710	4,090,710	-
Fund balance - end of year	<u>\$ 3,995,594</u>	<u>\$ 8,374,000</u>	<u>\$ 10,256,654</u>	<u>\$ 1,882,654</u>

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
HAZARD MITIGATION GRANT FUND
For the year ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance With</u> <u>Final Budget -</u> <u>Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Federal funds	\$ 13,523,360	\$ 13,587,984	\$ 4,227,007	\$ (9,360,977)
Total revenues	<u>13,523,360</u>	<u>13,587,984</u>	<u>4,227,007</u>	<u>(9,360,977)</u>
EXPENDITURES				
Current				
General government:				
Other general government	1,186,217	2,102,683	1,799,437	303,246
Capital outlay	-	11,485,301	1,808,287	9,677,014
Total expenditures	<u>1,186,217</u>	<u>13,587,984</u>	<u>3,607,724</u>	<u>9,980,260</u>
Excess of Revenues Over Expenditures	<u>12,337,143</u>	<u>-</u>	<u>619,283</u>	<u>619,283</u>
OTHER FINANCING SOURCES (USES)				
Transfer out	-	-	(619,283)	(619,283)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(619,283)</u>	<u>(619,283)</u>
Changes in fund balance	12,337,143	-	-	-
Fund balance (deficit) - beginning of year	-	-	-	-
Fund balance (deficit) - end of year	<u>\$ 12,337,143</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
DISASTER RECOVERY FUND
For the year ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Federal funds	\$ 45,711,100	\$ 45,856,850	\$ 20,795,793	\$ (25,061,057)
Total revenues	45,711,100	45,856,850	20,795,793	(25,061,057)
EXPENDITURES				
Current				
General government:				
Other general government	10,252,800	7,384,282	1,151,362	6,232,920
Capital outlay	35,458,300	34,760,560	17,570,485	17,190,075
Total expenditures	45,711,100	42,144,842	18,721,847	23,422,995
Excess of Revenues				
Over Expenditures	-	3,712,008	2,073,946	(1,638,062)
OTHER FINANCING SOURCES (USES)				
Transfer out	-	-	(1,936,126)	(1,936,126)
Total other financing sources (uses)	-	-	(1,936,126)	(1,936,126)
Changes in fund balance				
Fund balance (deficit) - beginning of year	(2,100,595)	(2,100,595)	(2,100,595)	-
Fund balance (deficit) - end of year	<u>\$ (2,100,595)</u>	<u>\$ 1,611,413</u>	<u>\$ (1,962,775)</u>	<u>\$ (3,574,188)</u>

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
CONSOLIDATED FIRE PROTECTION DISTRICT NO. 1-2
For the year ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance With</u> <u>Final Budget -</u> <u>Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property taxes	\$ 8,864,716	\$ 8,859,578	\$ 8,859,578	\$ -
Other	-	15,988	15,988	-
Licenses and permits	27,000	23,450	23,450	-
Intergovernmental:				
State revenue sharing (unrestricted)	7,000	11,761	11,761	-
Other state funding	180,000	199,698	199,698	-
Charges for services	76,000	100,205	100,205	-
Other revenues	50,922	160,362	160,362	-
Total revenues	<u>9,205,638</u>	<u>9,371,042</u>	<u>9,371,042</u>	<u>-</u>
EXPENDITURES				
Current				
Public safety	<u>9,468,736</u>	<u>9,490,139</u>	<u>9,490,034</u>	<u>105</u>
Total expenditures	<u>9,468,736</u>	<u>9,490,139</u>	<u>9,490,034</u>	<u>105</u>
Deficiency of Revenues				
Over Expenditures	(263,098)	(119,097)	(118,992)	105
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	-	291,500	291,500
Transfer in	263,098	-	-	-
Transfer out	<u>(257,727)</u>	<u>(346,576)</u>	<u>(346,576)</u>	<u>-</u>
Total other financing sources (uses)	<u>5,371</u>	<u>(346,576)</u>	<u>(55,076)</u>	<u>291,500</u>
Changes in fund balance	(257,727)	(465,673)	(174,068)	291,605
Fund balance - beginning of year	<u>3,586,724</u>	<u>3,586,724</u>	<u>3,586,724</u>	<u>-</u>
Fund balance - end of year	<u>\$ 3,328,997</u>	<u>\$ 3,121,051</u>	<u>\$ 3,412,656</u>	<u>\$ 291,605</u>

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION –
BUDGETARY COMPARISON
December 31, 2015

NOTE A – BUDGETARY BASIS OF ACCOUNTING

Budgets for the General Fund and each major Special Revenue Fund are adopted on the modified accrual basis of accounting. Therefore, GAAP serves as the budgetary basis of accounting.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
RECONCILIATION OF THE PROPRIETARY FUNDS
STATEMENT OF NET POSITION TO THE GOVERNMENT-WIDE
STATEMENT OF NET POSITION
December 31, 2015

Net position - total proprietary funds	\$ 218,945,623
Water and Sewer Internal service fund are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the Water and Sewer internal service fund is included in the business type activities in the Statement of Net Position	<u>852,409</u>
Net position - business-type activities	<u><u>\$ 219,798,032</u></u>

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OTHER SUPPLEMENTAL INFORMATION

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS
December 31, 2015

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for revenues from specific taxes or other earmarked revenue sources, which by law are designated to finance particular functions or activities of government and which, therefore, cannot be diverted to other uses.

Criminal Court Fund – This fund was established under Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950. Fines and forfeitures imposed by the District Court and District Attorney’s conviction fees in criminal cases are transferred to the Parish treasurer and deposited into a special “Criminal Court Fund” account. These funds are used for expenses of the criminal court of the Parish Government. Expenditures are made from this fund on motion of the District Attorney and approval by the District Judges.

Council on Aging Fund – This fund is used to account for the receipt and disbursement of a one-mill property tax levy for the maintenance and operation of the Senior Citizens Center.

Recreation Fund – This fund is used to account for the maintenance and operations of the recreation facilities within the Parish. Revenues are derived from ad valorem taxes and state revenue sharing.

Public Works Fund – This fund is used to account for the operations and maintenance of all parish infrastructure (roads, bridges, rights of way, neutral grounds, including ditches and drainage, and operation of the mosquito control program). Revenues of this fund are substantially derived from the Parish Transportation Fund, Parish Road Royalty Fund, and a Parish ad valorem tax.

Road Lighting District No. 1 Fund – This fund is used to account for the maintenance of the lighting facilities of the roads, alleys, and public places within the Parish. Revenues are derived from ad valorem taxes and state revenue sharing.

Workforce Investment Act Fund – This fund, formerly known as the Jobs Training Partnership Act Fund (JTPA), is used to account for the collection and payment of Jobs Training Partnership Act funds and Workforce Investment Act funds on behalf of other agencies, governing bodies, and/or other funds.

Health Fund – This fund is used to account for the activities that contribute to the health monitoring services provided by the state health unit within the Parish. Revenues are derived from ad valorem taxes and state revenue sharing.

Communications Fund – This fund is used to account for the cost of the 911 Emergency Service number. Revenues are derived from a telephone tax.

Housing and Redevelopment Fund – This fund was established to administer St. Bernard Parish’s public housing assistance program.

Urban Mass Transportation Administration Fund – This fund is used to account for the operations of the public transit system. The system is partly funded by an operating grant received from the Federal Transit Authority.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS (CONTINUED)
December 31, 2015

SPECIAL REVENUE FUNDS (CONTINUED)

Garbage District #1 Fund – This fund is used to account for the Parish’s garbage collection and disposal system. These services are presently being contracted out to private firms. Revenues are derived from ad valorem taxes, state revenue sharing, and ½% dedicated sales tax for garbage collection.

Deputy Witness Fee Fund – This fund is used to account for the fees paid to deputies for court appearances. The fund is financed from court costs collected by the clerk of court and remitted to the Parish Government.

Assessor’s Fund – This fund was established under Louisiana Revised Statute 33:471, which requires that the Parish shall provide and bear the expense of such offices, furniture and equipment as may be needed by the Assessor of the Parish. This expense shall be proportionately divided by all tax recipient bodies with in the parish based on the proportion ad valorem taxes received.

CDBG Disaster Fund – This special revenue fund is used to track Community Development Block Grant revenues and expenditures.

DEBT SERVICE FUNDS

Debt service funds are used to account for the payment of interest and principal on all general obligation debt. They do not include debt issued by the Proprietary Funds.

Versailles Industrial Park Sinking Fund – This fund is used to accumulate monies for the payment of special assessment bonds. These bonds were used to finance public improvements deemed to benefit the properties against which the costs are assessed. The costs of the project are estimated and property owners are assessed their proportionate share. The property owner either pays the assessment within 60 days or over a 10-year period. Interest is charged on the unpaid assessments at the rate of 6.25%. Bond principal and interest are paid with the monies provided by payments on the assessments and related interest.

Bond Reserve 1996 Fund – This fund was established to comply with the bond resolutions of the Public Improvement Bonds Series 1996. This fund was used to account for a \$274,000 reserve as required by the 1996 issue.

2012 Sales Tax Reserve – This fund is used to accumulate monies for the payment of bonds dated March 2014 to March 2024. The 2012 Sales Tax Bonds were used for the purpose of general fund capital outlay projects. The bonds are secured by sales tax revenue.

2012 Sales Tax Refunding Fund – This fund is used to accumulate monies for the payment of bonds dated July 17, 2012, which were issued in part to refund the 2003 Sales Tax Refunding Bonds and 2004 Sales Tax Bonds. The bonds are secured from the proceeds of three separate special one-half of 1 percent sales and use taxes effective July 13, 1965, July 15, 1969, and December 7, 1976.

2014 Fire Sinking Fund – This fund is used to accumulate monies for the payment of the limited tax certificates of indebtedness, series 2014, dated March 18, 2014, which were issued for the purpose of acquiring, constructing and improving fire protection facilities and purchasing fire trucks and other firefighting equipment.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS (CONTINUED)
December 31, 2015

CAPITAL PROJECT FUNDS

The capital projects funds account for all resources used for the acquisition and/or construction of capital facilities of the Parish, including those financed by special assessments. These funds do not include acquisitions and/or construction for Proprietary Funds.

Urban System Roadway Reconstruction Fund – This fund is used to account for the costs associated with roadway reconstruction in various areas of the Parish. The transfers from the general fund financed the reconstruction.

Hurricane Reconstruction Fund – This fund is used to account for funds received thru insurance settlements to reconstruct the Parish due to Hurricane Katrina.

Courthouse Capital Fund – This fund is used to account and pay for the cost associated with improvements and maintenance to the Courthouse. The source of funding for the improvements will be from transfers from the Criminal Court Fund.

2003 Sales Tax Bond Fund – This fund is used to account for costs of construction for concrete street repairs, a new animal shelter, and other various improvements.

1990 General Obligation Bond Fund – This fund is used to account for the construction of a jail and juvenile detention facility and the acquisition of any necessary equipment and furnishings associated with the facility.

Rebuild St. Bernard Fund – This fund is used to account for funds received to rebuild the Parish after Hurricane Katrina.

General Capital Projects Fund – This fund is used to track and pay for costs of capital projects. The source of funding for the projects will be from federal and state grants and transfers from general fund, special revenue fund, or internal service operating fund.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2015

Non-Major Special Revenue Funds

	Criminal Court	Council on Aging	Recreation Department	Public Works	Road Lighting District No. 1	Workforce Investment Act	Health	Communications
ASSETS								
Cash and cash equivalents	\$ 29,053	\$ 53,989	\$ 77,093	\$ 939,038	\$ -	\$ 147,433	\$ 785,772	\$ 504,771
Receivables:								
Sales and use taxes	-	-	-	-	-	-	-	-
Property taxes	-	291,606	673,178	946,172	376,455	-	192,337	-
Intergovernmental	-	-	13,418	454,520	3,754	1,852	1,908	-
Other	9,883	-	-	134,407	-	-	-	62,415
Due from other funds	-	-	-	294,080	-	-	-	-
Prepaid	-	4,013	70,935	27,613	-	-	-	3,088
Total assets	<u>\$ 38,936</u>	<u>\$ 349,608</u>	<u>\$ 834,624</u>	<u>\$ 2,795,830</u>	<u>\$ 380,209</u>	<u>\$ 149,285</u>	<u>\$ 980,017</u>	<u>\$ 570,274</u>
LIABILITIES								
Accounts payable	\$ 22,537	\$ 9,440	\$ 91,952	\$ 573,848	\$ 71,707	\$ 73,938	\$ 156,583	\$ 7,997
Retainage payable	-	-	-	-	-	-	-	-
Salaries and payroll deductions payable	-	-	44,264	113,789	-	4,973	-	-
Due to other funds	580	946	683,891	1,689,926	176,168	50,000	323	1,130
Total liabilities	<u>23,117</u>	<u>10,386</u>	<u>820,107</u>	<u>2,377,563</u>	<u>247,875</u>	<u>128,911</u>	<u>156,906</u>	<u>9,127</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenues	-	3,111	14,517	418,267	8,207	-	4,139	-
Total deferred inflows of resources	<u>-</u>	<u>3,111</u>	<u>14,517</u>	<u>418,267</u>	<u>8,207</u>	<u>-</u>	<u>4,139</u>	<u>-</u>
FUND BALANCE								
Nonspendable:								
Prepaid items	-	4,013	70,935	27,613	-	-	-	3,088
Restricted:								
Debt service	-	-	-	-	-	-	-	-
Federal programs	-	-	-	-	-	20,374	-	-
Council on aging	-	332,098	-	-	-	-	-	-
Road lighting	-	-	-	-	124,127	-	-	-
Health	-	-	-	-	-	-	818,972	-
Communication	-	-	-	-	-	-	-	558,059
Sanitation	-	-	-	-	-	-	-	-
Court operations	15,819	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Committed:								
Capital outlay	-	-	-	-	-	-	-	-
Assigned:								
Capital outlay	-	-	-	-	-	-	-	-
Recovery	-	-	-	-	-	-	-	-
Unassigned	-	-	(70,935)	(27,613)	-	-	-	-
Total fund balance	<u>15,819</u>	<u>336,111</u>	<u>-</u>	<u>-</u>	<u>124,127</u>	<u>20,374</u>	<u>818,972</u>	<u>561,147</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 38,936</u>	<u>\$ 349,608</u>	<u>\$ 834,624</u>	<u>\$ 2,795,830</u>	<u>\$ 380,209</u>	<u>\$ 149,285</u>	<u>\$ 980,017</u>	<u>\$ 570,274</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
COMBINING BALANCE SHEET (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2015

	<i>Non-Major Special Revenue Funds</i>						<i>Non-Major Debt Service</i>	
	Housing and Redevelopment	Urban Mass Transportation Administration	Garbage District No. 1	Deputy Witness Fees	Assessor's Fund	CDBG Disaster Fund	Total Non-Major Special Revenue Funds	Versailles Industrial Park Sinking
ASSETS								
Cash and cash equivalents	\$ 497,137	\$ 1,418,331	\$ 1,518,168	\$ 610	\$ 34,505	\$ 232,065	\$ 6,237,965	\$ 421
Receivables:								
Sales and use taxes	-	-	545,374	-	-	-	545,374	-
Property taxes	-	-	946,172	-	-	-	3,425,920	-
Intergovernmental	412,748	355,247	9,386	-	177,773	1,869,879	3,300,485	-
Other	-	-	-	1,590	-	-	208,295	-
Due from other funds	52	-	-	-	-	-	294,132	-
Prepaid	2,478	2,783	1,212	-	-	-	112,122	-
Total assets	<u>\$ 912,415</u>	<u>\$ 1,776,361</u>	<u>\$ 3,020,312</u>	<u>\$ 2,200</u>	<u>\$ 212,278</u>	<u>\$ 2,101,944</u>	<u>\$ 14,124,293</u>	<u>\$ 421</u>
LIABILITIES								
Accounts payable	\$ 94,205	\$ 84,664	\$ 1,582,776	\$ 2,200	\$ 34,505	\$ 944,564	\$ 3,750,916	\$ -
Retainage payable	-	2,656	-	-	-	482,213	484,869	-
Salaries and payroll deductions payable	37,748	14,965	14,149	-	-	-	229,888	-
Due to other funds	32,843	9,177	1,139,197	-	-	268,096	4,052,277	24,898
Total liabilities	<u>164,796</u>	<u>111,462</u>	<u>2,736,122</u>	<u>2,200</u>	<u>34,505</u>	<u>1,694,873</u>	<u>8,517,950</u>	<u>24,898</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenues	-	270,768	20,362	-	177,773	1,868,797	2,785,941	-
Total deferred inflows of resources	<u>-</u>	<u>270,768</u>	<u>20,362</u>	<u>-</u>	<u>177,773</u>	<u>1,868,797</u>	<u>2,785,941</u>	<u>-</u>
FUND BALANCE								
Nonspendable:								
Prepaid items	2,478	2,783	1,212	-	-	-	112,122	-
Restricted:								
Debt service	-	-	-	-	-	-	-	-
Federal programs	745,141	1,391,348	-	-	-	-	2,156,863	-
Council on aging	-	-	-	-	-	-	332,098	-
Road lighting	-	-	-	-	-	-	124,127	-
Health	-	-	-	-	-	-	818,972	-
Communication	-	-	-	-	-	-	558,059	-
Sanitation	-	-	262,616	-	-	-	262,616	-
Court operations	-	-	-	-	-	-	15,819	-
Capital outlay	-	-	-	-	-	-	-	-
Committed:								
Capital outlay	-	-	-	-	-	-	-	-
Assigned:								
Capital outlay	-	-	-	-	-	-	-	-
Recovery	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(1,461,726)	(1,560,274)	(24,477)
Total fund balance	<u>747,619</u>	<u>1,394,131</u>	<u>263,828</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,820,402</u>	<u>(24,477)</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 912,415</u>	<u>\$ 1,776,361</u>	<u>\$ 3,020,312</u>	<u>\$ 2,200</u>	<u>\$ 212,278</u>	<u>\$ 3,563,670</u>	<u>\$ 14,124,293</u>	<u>\$ 421</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
COMBINING BALANCE SHEET (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2015

	<i>Non-Major Debt Service Funds</i>				<i>Non-Major Capital Project Funds</i>		
	Bond Reserve 1996	2012 Sales Tax Reserve	2012 Sales Tax Refunding	2014 Fire Sinking Fund	Total Non- Major Debt Service Funds	Urban System Roadway	Hurricane Reconstruction
ASSETS							
Cash and cash equivalents	\$ -	\$ 392,800	\$ 2,967,602	\$ 201,563	\$ 3,562,386	\$ 916,262	\$ 2,984,931
Receivables:							
Sales and use taxes	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	225,000
Due from other funds	-	-	-	-	-	-	2,829,656
Prepaid	-	-	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 392,800</u>	<u>\$ 2,967,602</u>	<u>\$ 201,563</u>	<u>\$ 3,562,386</u>	<u>\$ 916,262</u>	<u>\$ 6,039,587</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,359
Retainage payable	-	-	-	-	-	-	17,813
Salaries and payroll deductions payable	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	24,898	-	202,226
Total liabilities	-	-	-	-	24,898	-	261,398
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenues	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
FUND BALANCE							
Nonspendable:							
Prepaid items	-	-	-	-	-	-	-
Restricted:							
Debt service	-	392,800	2,967,602	201,563	3,561,965	-	-
Federal programs	-	-	-	-	-	-	-
Council on aging	-	-	-	-	-	-	-
Road lighting	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-
Communication	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-
Court operations	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Committed:							
Capital outlay	-	-	-	-	-	916,262	-
Assigned:							
Capital outlay	-	-	-	-	-	-	-
Recovery	-	-	-	-	-	-	5,778,189
Unassigned	-	-	-	-	(24,477)	-	-
Total fund balance	<u>-</u>	<u>392,800</u>	<u>2,967,602</u>	<u>201,563</u>	<u>3,537,488</u>	<u>916,262</u>	<u>5,778,189</u>
Total liabilities, deferred inflows and fund balance	<u>\$ -</u>	<u>\$ 392,800</u>	<u>\$ 2,967,602</u>	<u>\$ 201,563</u>	<u>\$ 3,562,386</u>	<u>\$ 916,262</u>	<u>\$ 6,039,587</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
COMBINING BALANCE SHEET (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2015

	<i>Non-Major Capital Project Funds</i>						
	Courthouse Capital	2003 Sales Tax Bonds	1990 GOB	Rebuild St. Bernard	Capital Projects Fund	Total Non- Major Capital Project Funds	Total Non-Major Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 294,025	\$ 433,466	\$ -	\$ 40,302	\$ 303,757	\$ 4,972,743	\$ 14,773,094
Receivables:							
Sales and use taxes	-	-	-	-	-	-	545,374
Property taxes	-	-	-	-	-	-	3,425,920
Intergovernmental	-	-	-	-	123,515	123,515	3,424,000
Other	-	-	-	-	-	225,000	433,295
Due from other funds	-	-	-	-	-	2,829,656	3,123,788
Prepaid	-	-	-	-	-	-	112,122
Total assets	<u>\$ 294,025</u>	<u>\$ 433,466</u>	<u>\$ -</u>	<u>\$ 40,302</u>	<u>\$ 427,272</u>	<u>\$ 8,150,914</u>	<u>\$ 25,837,593</u>
LIABILITIES							
Accounts payable	\$ -	\$ 119,500	\$ -	\$ -	\$ 95,763	\$ 256,622	\$ 4,007,538
Retainage payable	-	-	-	-	-	17,813	502,682
Salaries and payroll deductions payable	-	-	-	-	-	-	229,888
Due to other funds	-	-	-	-	294,509	496,735	4,573,910
Total liabilities	-	119,500	-	-	390,272	771,170	9,314,018
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenues	-	-	-	-	37,000	37,000	2,822,941
Total deferred inflows of resources	-	-	-	-	37,000	37,000	2,822,941
FUND BALANCE							
Nonspendable:							
Prepaid items	-	-	-	-	-	-	112,122
Restricted:							
Debt service	-	-	-	-	-	-	3,561,965
Federal programs	-	-	-	-	-	-	2,156,863
Council on aging	-	-	-	-	-	-	332,098
Road lighting	-	-	-	-	-	-	124,127
Health	-	-	-	-	-	-	818,972
Communication	-	-	-	-	-	-	558,059
Sanitation	-	-	-	-	-	-	262,616
Court operations	-	-	-	-	-	-	15,819
Capital outlay	-	313,966	-	-	-	313,966	313,966
Committed:							
Capital outlay	-	-	-	40,302	-	956,564	956,564
Assigned:							
Capital outlay	294,025	-	-	-	-	294,025	294,025
Recovery	-	-	-	-	-	5,778,189	5,778,189
Unassigned	-	-	-	-	-	-	(1,584,751)
Total fund balance	<u>294,025</u>	<u>313,966</u>	<u>-</u>	<u>40,302</u>	<u>-</u>	<u>7,342,744</u>	<u>13,700,634</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 294,025</u>	<u>\$ 433,466</u>	<u>\$ -</u>	<u>\$ 40,302</u>	<u>\$ 427,272</u>	<u>\$ 8,150,914</u>	<u>\$ 25,837,593</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
COMBINING SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2015

Non-Major Special Revenue Funds

	<u>Criminal Court</u>	<u>Council on Aging</u>	<u>Recreation Department</u>	<u>Public Works</u>	<u>Road Lighting District No. 1</u>	<u>Workforce Investment Act</u>	<u>Health</u>	<u>Communications</u>
REVENUES								
Taxes:								
Property taxes	\$ -	\$ 303,943	\$ 701,785	\$ 985,768	\$ 383,813	\$ -	\$ 200,250	\$ -
Sales and use taxes	-	-	-	-	-	-	-	-
Other	-	574	1,325	1,862	744	-	362	379,001
Licenses and permits	-	-	-	6,785	-	-	-	-
Intergovernmental:								
Federal funds	-	-	6,000	46,552	-	2,133,748	-	-
State revenue sharing (unrestricted)	-	-	8,924	12,544	5,017	-	2,550	-
Other state funding	-	-	134,474	904,052	-	-	-	-
Charges for services	-	-	213,922	86,510	-	-	-	-
Fines and forfeitures	165,316	-	-	-	-	-	-	-
Use of money and property	-	-	-	-	-	-	-	-
Other revenues	-	-	47,253	35,734	-	33,955	-	3,251
Total revenues	<u>165,316</u>	<u>304,517</u>	<u>1,113,683</u>	<u>2,079,807</u>	<u>389,574</u>	<u>2,167,703</u>	<u>203,162</u>	<u>382,252</u>
EXPENDITURES								
Current								
General government:								
Judicial	150,447	-	-	-	-	-	-	-
Other general government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	338,896
Public works	-	-	-	3,597,990	740,357	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Culture and recreation	-	-	1,782,990	-	-	-	-	-
Health and welfare	-	315,527	-	-	-	2,160,945	330,802	-
Capital outlay	-	-	92,506	39,829	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	<u>150,447</u>	<u>315,527</u>	<u>1,875,496</u>	<u>3,637,819</u>	<u>740,357</u>	<u>2,160,945</u>	<u>330,802</u>	<u>338,896</u>
Excess (Deficiency) of Revenues								
Over Expenditures	14,869	(11,010)	(761,813)	(1,558,012)	(350,783)	6,758	(127,640)	43,356
OTHER FINANCING SOURCES (USES)								
Proceeds from the sale of capital assets	-	-	-	-	-	-	-	-
Proceeds from insurance settlement	-	-	-	25,000	-	-	-	-
Transfer in	-	-	761,813	1,533,012	426,747	-	-	-
Transfer out	(40,819)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(40,819)</u>	<u>-</u>	<u>761,813</u>	<u>1,558,012</u>	<u>426,747</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in fund balance	(25,950)	(11,010)	-	-	75,964	6,758	(127,640)	43,356
Fund balance - beginning of year	<u>41,769</u>	<u>347,121</u>	<u>-</u>	<u>-</u>	<u>48,163</u>	<u>13,616</u>	<u>946,612</u>	<u>517,791</u>
Fund balance - end of year	<u>\$ 15,819</u>	<u>\$ 336,111</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 124,127</u>	<u>\$ 20,374</u>	<u>\$ 818,972</u>	<u>\$ 561,147</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
COMBINING SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2015

	<i>Non-Major Special Revenue Funds</i>						<i>Non-Major Debt Service</i>	
	Housing and Redevelopment	Urban Mass Transportation Administration	Garbage District No. 1	Deputy Witness Fees	Assessor's Fund	CDBG Disaster Fund	Total Non- Major Special Revenue Funds	Versailles Industrial Park Sinking
REVENUES								
Taxes:								
Property taxes	\$ -	\$ -	\$ 984,776	\$ -	\$ -	\$ -	\$ 3,560,335	\$ -
Sales and use taxes	-	-	3,602,183	-	-	-	3,602,183	-
Other	-	-	1,846	-	-	-	385,714	-
Licenses and permits	-	-	-	-	-	-	6,785	-
Intergovernmental:								
Federal funds	6,489,817	859,897	-	-	-	996,799	10,532,813	-
State revenue sharing (unrestricted)	-	-	12,544	-	-	-	41,579	-
Other state funding	-	76,309	-	-	-	-	1,114,835	-
Charges for services	-	72,921	-	35,465	-	-	408,818	-
Fines and forfeitures	-	-	-	-	-	-	165,316	-
Use of money and property	51	-	-	-	-	-	51	-
Other revenues	14,692	870	11,104	-	-	-	146,859	-
Total revenues	<u>6,504,560</u>	<u>1,009,997</u>	<u>4,612,453</u>	<u>35,465</u>	<u>-</u>	<u>996,799</u>	<u>19,965,288</u>	<u>-</u>
EXPENDITURES								
Current								
General government:								
Judicial	-	-	-	45,200	-	-	195,647	-
Other general government	-	553,533	-	-	31,205	421,625	1,006,363	-
Public safety	-	-	-	-	-	-	338,896	-
Public works	-	-	-	-	-	-	4,338,347	-
Sanitation	-	-	4,776,040	-	-	-	4,776,040	-
Culture and recreation	-	-	-	-	-	-	1,782,990	-
Health and welfare	6,262,942	-	-	-	-	-	9,070,216	-
Capital outlay	-	801,629	-	-	-	141,333	1,075,297	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	<u>6,262,942</u>	<u>1,355,162</u>	<u>4,776,040</u>	<u>45,200</u>	<u>31,205</u>	<u>562,958</u>	<u>22,583,796</u>	<u>-</u>
Excess (Deficiency) of Revenues								
Over Expenditures	241,618	(345,165)	(163,587)	(9,735)	(31,205)	433,841	(2,618,508)	-
OTHER FINANCING SOURCES (USES)								
Proceeds from the sale of capital assets	-	-	-	-	-	-	-	-
Proceeds from insurance settlement	-	-	-	-	-	-	25,000	-
Transfer in	-	-	163,418	25,000	31,205	618,396	3,559,591	-
Transfer out	-	(45,613)	-	(15,265)	-	(35,962)	(137,659)	-
Total other financing sources (uses)	<u>-</u>	<u>(45,613)</u>	<u>163,418</u>	<u>9,735</u>	<u>31,205</u>	<u>582,434</u>	<u>3,446,932</u>	<u>-</u>
Changes in fund balance	241,618	(390,778)	(169)	-	-	1,016,275	828,424	-
Fund balance - beginning of year	<u>506,001</u>	<u>1,784,909</u>	<u>263,997</u>	<u>-</u>	<u>-</u>	<u>(2,478,001)</u>	<u>1,991,978</u>	<u>(24,477)</u>
Fund balance - end of year	<u>\$ 747,619</u>	<u>\$ 1,394,131</u>	<u>\$ 263,828</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,461,726)</u>	<u>\$ 2,820,402</u>	<u>\$ (24,477)</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
COMBINING SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2015

	<i>Non-Major Debt Service Funds</i>				<i>Non-Major Capital Project Funds</i>			
	Bond Reserve 1996	2012 Sales Tax Reserve	2012 Sales Tax Refunding	2014 Fire Sinking Fund	Total Non- Major Debt Service Funds	Urban System Roadway	Hurricane Reconstruction	Courthouse Capital
REVENUES								
Taxes:								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and use taxes	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental:								
Federal funds	-	-	-	-	-	-	-	-
State revenue sharing (unrestricted)	-	-	-	-	-	-	-	-
Other state funding	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Use of money and property	-	-	-	-	-	55	-	-
Other revenues	-	-	-	-	-	-	-	-
Total revenues	-	-	-	-	-	55	-	-
EXPENDITURES								
Current								
General government:								
Judicial	-	-	-	-	-	-	-	-
Other general government	2	-	-	-	2	-	-	149,719
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	2,955,000	215,000	3,170,000	-	-	-
Interest	-	-	1,262,725	42,728	1,305,453	-	-	-
Total expenditures	2	-	4,217,725	257,728	4,475,455	-	-	149,719
Excess (Deficiency) of Revenues Over Expenditures	(2)	-	(4,217,725)	(257,728)	(4,475,455)	55	-	(149,719)
OTHER FINANCING SOURCES (USES)								
Proceeds from the sale of capital assets	-	-	-	-	-	-	-	-
Proceeds from insurance settlement	-	-	-	-	-	-	-	-
Transfer in	-	-	4,254,842	286,053	4,540,895	-	-	-
Transfer out	(927)	-	-	-	(927)	-	-	(443,744)
Total other financing sources (uses)	(927)	-	4,254,842	286,053	4,539,968	-	-	(443,744)
Changes in fund balance	(929)	-	37,117	28,325	64,513	55	-	(593,463)
Fund balance - beginning of year	929	392,800	2,930,485	173,238	3,472,975	916,207	5,778,189	887,488
Fund balance - end of year	\$ -	\$ 392,800	\$ 2,967,602	\$ 201,563	\$ 3,537,488	\$ 916,262	\$ 5,778,189	\$ 294,025

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
COMBINING SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2015

	<i>Non-Major Capital Projects</i>					
	2003 Sales Tax Bonds	1990 GOB	Rebuild St. Bernard	General Capital Projects Fund	Total Non-Major Capital Project Funds	Total Non-Major Governmental Funds
REVENUES						
Taxes:						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,560,335
Sales and use taxes	-	-	-	-	-	3,602,183
Other	-	-	-	-	-	385,714
Licenses and permits	-	-	-	-	-	6,785
Intergovernmental:						
Federal funds	-	-	-	159,674	159,674	10,692,487
State revenue sharing (unrestricted)	-	-	-	-	-	41,579
Other state funding	-	-	-	87,416	87,416	1,202,251
Charges for services	-	-	-	-	-	408,818
Fines and forfeitures	-	-	-	-	-	165,316
Use of money and property	-	-	5	-	60	111
Other revenues	-	-	-	29,850	29,850	176,709
Total revenues	-	-	5	276,940	277,000	20,242,288
EXPENDITURES						
Current						
General government:						
Judicial	-	-	-	-	-	195,647
Other general government	-	-	-	20,241	169,960	1,176,325
Public safety	-	-	-	-	-	338,896
Public works	-	-	-	-	-	4,338,347
Sanitation	-	-	-	-	-	4,776,040
Culture and recreation	-	-	-	-	-	1,782,990
Health and welfare	-	-	-	-	-	9,070,216
Capital outlay	138,700	-	-	2,496,368	2,635,068	3,710,365
Debt service:						
Principal	-	-	-	-	-	3,170,000
Interest	-	-	-	-	-	1,305,453
Total expenditures	138,700	-	-	2,516,609	2,805,028	29,864,279
Excess (Deficiency) of Revenues Over Expenditures	(138,700)	-	5	(2,239,669)	(2,528,028)	(9,621,991)
OTHER FINANCING SOURCES (USES)						
Proceeds from the sale of capital assets	-	-	-	-	-	-
Proceeds from insurance settlement	-	-	-	-	-	25,000
Transfer in	-	-	-	1,702,547	1,702,547	9,803,033
Transfer out	-	(229)	-	-	(443,973)	(582,559)
Total other financing sources (uses)	-	(229)	-	1,702,547	1,258,574	9,245,474
Changes in fund balance	(138,700)	(229)	5	(537,122)	(1,269,454)	(376,517)
Fund balance - beginning of year	452,666	229	40,297	537,122	8,612,198	14,077,151
Fund balance - end of year	\$ 313,966	\$ -	\$ 40,302	\$ -	\$ 7,342,744	\$ 13,700,634

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
CRIMINAL COURT
For the year ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fines and forfeitures	\$ 215,000	\$ 165,316	\$ 165,316	\$ -
Other revenues	37,500	-	-	-
Total revenues	<u>252,500</u>	<u>165,316</u>	<u>165,316</u>	<u>-</u>
EXPENDITURES				
Current				
General government:				
Judicial	46,580	150,447	150,447	-
Total expenditures	<u>46,580</u>	<u>150,447</u>	<u>150,447</u>	<u>-</u>
Excess of Revenues Over Expenditures	205,920	14,869	14,869	-
OTHER FINANCING SOURCES (USES)				
Transfer out	-	(40,819)	(40,819)	-
Total other financing sources (uses)	<u>-</u>	<u>(40,819)</u>	<u>(40,819)</u>	<u>-</u>
Changes in fund balance	205,920	(25,950)	(25,950)	-
Fund balance - beginning of year	41,769	41,769	41,769	-
Fund balance - end of year	<u>\$ 247,689</u>	<u>\$ 15,819</u>	<u>\$ 15,819</u>	<u>\$ -</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
COUNCIL ON AGING
For the year ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property taxes	\$ 297,065	\$ 303,943	\$ 303,943	\$ -
Use of money and property	-	-	574	574
Total revenues	<u>297,065</u>	<u>303,943</u>	<u>304,517</u>	<u>574</u>
EXPENDITURES				
Current				
Health and welfare	297,065	315,528	315,527	1
Total expenditures	<u>297,065</u>	<u>315,528</u>	<u>315,527</u>	<u>1</u>
Deficiency of Revenues Over Expenditures	<u>-</u>	<u>(11,585)</u>	<u>(11,010)</u>	<u>575</u>
Changes in fund balance	-	(11,585)	(11,010)	575
Fund balance - beginning of year	347,121	347,121	347,121	-
Fund balance - end of year	<u>\$ 347,121</u>	<u>\$ 335,536</u>	<u>\$ 336,111</u>	<u>\$ 575</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
RECREATION DISTRICT
For the year ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property taxes	\$ 735,869	\$ 691,785	\$ 701,785	\$ 10,000
Other	-	1,325	1,325	-
Intergovernmental:				
Federal funds	-	6,000	6,000	-
State revenue sharing (unrestricted)	-	8,924	8,924	-
Other state funding	132,850	134,474	134,474	-
Charges for services	125,000	213,322	213,922	600
Other revenues	-	50,253	47,253	(3,000)
Total revenues	<u>993,719</u>	<u>1,106,083</u>	<u>1,113,683</u>	<u>7,600</u>
EXPENDITURES				
Current				
Culture and recreation	1,929,180	1,797,624	1,782,990	14,634
Capital outlay	-	92,256	92,506	(250)
Total expenditures	<u>1,929,180</u>	<u>1,889,880</u>	<u>1,875,496</u>	<u>14,384</u>
Deficiency of Revenues				
Over Expenditures	(935,461)	(783,797)	(761,813)	21,984
OTHER FINANCING SOURCES (USES)				
Transfer in	<u>935,461</u>	<u>783,797</u>	<u>761,813</u>	<u>(21,984)</u>
Total other financing sources (uses)	<u>935,461</u>	<u>783,797</u>	<u>761,813</u>	<u>(21,984)</u>
Changes in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
PUBLIC WORKS
For the year ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance With</u> <u>Final Budget -</u> <u>Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property taxes	\$ 1,035,504	\$ 1,008,750	\$ 985,768	\$ (22,982)
Other	-	1,862	1,862	-
Licenses and permits	-	7,026	6,785	(241)
Intergovernmental:				
Federal funds	-	46,552	46,552	-
State revenue sharing (unrestricted)	-	12,544	12,544	-
Other state funding	1,968,300	904,052	904,052	-
Charges for services	86,500	86,510	86,510	-
Other revenues	50,000	26,378	35,734	9,356
Total revenues	<u>3,140,304</u>	<u>2,093,674</u>	<u>2,079,807</u>	<u>(13,867)</u>
EXPENDITURES				
Current				
Public works	4,189,688	3,615,617	3,597,990	17,627
Capital outlay	-	-	39,829	(39,829)
Total expenditures	<u>4,189,688</u>	<u>3,615,617</u>	<u>3,637,819</u>	<u>(22,202)</u>
Deficiency of Revenues				
Over Expenditures	(1,049,384)	(1,521,943)	(1,558,012)	(36,069)
OTHER FINANCING SOURCES (USES)				
Proceeds from insurance settlement	-	25,000	25,000	-
Transfer in	1,049,384	1,533,012	1,533,012	-
Total other financing sources (uses)	<u>1,049,384</u>	<u>1,558,012</u>	<u>1,558,012</u>	<u>-</u>
Changes in fund balance	-	36,069	-	(36,069)
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	<u>\$ -</u>	<u>\$ 36,069</u>	<u>\$ -</u>	<u>\$ (36,069)</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
ROAD LIGHTING DISTRICT NO. 1
For the year ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property taxes	\$ 383,540	\$ 383,813	\$ 383,813	\$ -
Other	-	744	744	-
Intergovernmental:				
State revenue sharing (unrestricted)	-	5,017	5,017	-
Other revenues	-	-	-	-
Total revenues	<u>383,540</u>	<u>389,574</u>	<u>389,574</u>	<u>-</u>
EXPENDITURES				
Current				
Public works	<u>859,731</u>	<u>749,740</u>	<u>740,357</u>	<u>9,383</u>
Total expenditures	<u>859,731</u>	<u>749,740</u>	<u>740,357</u>	<u>9,383</u>
Deficiency of Revenues Over Expenditures	(476,191)	(360,166)	(350,783)	9,383
OTHER FINANCING SOURCES (USES)				
Transfer in	<u>476,191</u>	<u>426,747</u>	<u>426,747</u>	<u>-</u>
Total other financing sources (uses)	<u>476,191</u>	<u>426,747</u>	<u>426,747</u>	<u>-</u>
Changes in fund balance	-	66,581	75,964	9,383
Fund balance - beginning of year	<u>48,163</u>	<u>48,163</u>	<u>48,163</u>	<u>-</u>
Fund balance - end of year	<u>\$ 48,163.00</u>	<u>\$ 114,744</u>	<u>\$ 124,127</u>	<u>\$ 9,383</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
WORKFORCE INVESTMENT ACT
For the year ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Federal funds	\$ 3,337,301	\$ 2,133,748	\$ 2,133,748	\$ -
Other revenues	-	33,955	33,955	
Total revenues	<u>3,337,301</u>	<u>2,167,703</u>	<u>2,167,703</u>	<u>-</u>
EXPENDITURES				
Current				
Health and welfare	<u>3,306,300</u>	<u>2,160,945</u>	<u>2,160,945</u>	
Total expenditures	<u>3,306,300</u>	<u>2,160,945</u>	<u>2,160,945</u>	<u>-</u>
Excess of Revenues Over Expenditures	<u>31,001</u>	<u>6,758</u>	<u>6,758</u>	<u>-</u>
Changes in fund balance	31,001	6,758	6,758	-
Fund balance - beginning of year	<u>13,616</u>	<u>13,616</u>	<u>13,616</u>	<u>-</u>
Fund balance - end of year	<u>\$ 44,617</u>	<u>\$ 20,374</u>	<u>\$ 20,374</u>	<u>\$ -</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
HEALTH
For the year ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property taxes	\$ 195,840	\$ 200,250	\$ 200,250	\$ -
Other	-	362	362	-
Intergovernmental:				
State revenue sharing (unrestricted)	-	2,550	2,550	-
Total revenues	<u>195,840</u>	<u>203,162</u>	<u>203,162</u>	<u>-</u>
EXPENDITURES				
Current				
Health and welfare	<u>98,798</u>	<u>331,206</u>	<u>330,802</u>	<u>404</u>
Total expenditures	<u>98,798</u>	<u>331,206</u>	<u>330,802</u>	<u>404</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>97,042</u>	<u>(128,044)</u>	<u>(127,640)</u>	<u>404</u>
Changes in fund balance	97,042	(128,044)	(127,640)	404
Fund balance - beginning of year	<u>946,612</u>	<u>946,612</u>	<u>946,612</u>	<u>-</u>
Fund balance - end of year	<u>\$ 1,043,654</u>	<u>\$ 818,568</u>	<u>\$ 818,972</u>	<u>\$ 404</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
COMMUNICATIONS

For the year ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Other	\$ 365,000	\$ 375,000	\$ 379,001	\$ 4,001
Other revenues	-	1,543	3,251	1,708
Total revenues	<u>365,000</u>	<u>376,543</u>	<u>382,252</u>	<u>5,709</u>
EXPENDITURES				
Current				
Public safety	345,768	348,292	338,896	9,396
Capital outlay	-	-	-	-
Total expenditures	<u>345,768</u>	<u>348,292</u>	<u>338,896</u>	<u>9,396</u>
Excess of Revenues Over Expenditures	<u>19,232</u>	<u>28,251</u>	<u>43,356</u>	<u>15,105</u>
Changes in fund balance	19,232	28,251	43,356	15,105
Fund balance - beginning of year	<u>517,791</u>	<u>517,791</u>	<u>517,791</u>	<u>-</u>
Fund balance - end of year	<u>\$ 537,023</u>	<u>\$ 546,042</u>	<u>\$ 561,147</u>	<u>\$ 15,105</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
HOUSING AND REDEVELOPMENT
For the year ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Federal funds	\$ 5,960,019	\$ 6,489,817	\$ 6,489,817	\$ -
Use of money and property	-	-	51	51
Other revenues	-	100	14,692	14,592
Total revenues	<u>5,960,019</u>	<u>6,489,917</u>	<u>6,504,560</u>	<u>14,643</u>
EXPENDITURES				
Current				
Health and welfare	<u>6,270,531</u>	<u>6,262,945</u>	<u>6,262,942</u>	<u>3</u>
Total expenditures	<u>6,270,531</u>	<u>6,262,945</u>	<u>6,262,942</u>	<u>3</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(310,512)</u>	<u>226,972</u>	<u>241,618</u>	<u>14,646</u>
Changes in fund balance	(310,512)	226,972	241,618	14,646
Fund balance - beginning of year	506,001	506,001	506,001	-
Fund balance - end of year	<u>\$ 195,489</u>	<u>\$ 732,973</u>	<u>\$ 747,619</u>	<u>\$ 14,646</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
URBAN MASS TRANSPORTATION ADMINISTRATION
For the year ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Federal funds	\$ 300,000	\$ 859,897	\$ 859,897	\$ -
Other state funding	88,000	76,309	76,309	-
Charges for services	54,000	72,921	72,921	-
Other revenues	-	870	870	-
Total revenues	<u>442,000</u>	<u>1,009,997</u>	<u>1,009,997</u>	<u>-</u>
EXPENDITURES				
Current				
General government:				
Other general government	590,734	548,056	553,533	(5,477)
Capital outlay	-	801,629	801,629	-
Total expenditures	<u>590,734</u>	<u>1,349,685</u>	<u>1,355,162</u>	<u>(5,477)</u>
Deficiency of Revenues				
Over Expenditures	(148,734)	(339,688)	(345,165)	(5,477)
OTHER FINANCING SOURCES (USES)				
Transfer out	(1,133,200)	(45,613)	(45,613)	-
Total other financing sources (uses)	<u>(1,133,200)</u>	<u>(45,613)</u>	<u>(45,613)</u>	<u>-</u>
Changes in fund balance	(1,281,934)	(385,301)	(390,778)	(5,477)
Fund balance - beginning of year	1,784,909	1,784,909	1,784,909	-
Fund balance - end of year	<u>\$ 502,975</u>	<u>\$ 1,399,608</u>	<u>\$ 1,394,131</u>	<u>\$ (5,477)</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GARBAGE DISTRICT NO. 1
For the year ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property taxes	\$ 963,655	\$ 984,776	\$ 984,776	\$ -
Sales and use taxes	4,226,186	3,602,183	3,602,183	-
Other	-	1,846	1,846	-
Intergovernmental:				
State revenue sharing (unrestricted)	-	12,544	12,544	-
Other revenues	-	11,104	11,104	-
Total revenues	<u>5,189,841</u>	<u>4,612,453</u>	<u>4,612,453</u>	<u>-</u>
EXPENDITURES				
Current				
General government:				
Other general government	<u>5,071,908</u>	<u>4,778,909</u>	<u>4,776,040</u>	<u>2,869</u>
Total expenditures	<u>5,071,908</u>	<u>4,778,909</u>	<u>4,776,040</u>	<u>2,869</u>
Excess (Deficiency) of Revenues Over Expenditures	117,933	(166,456)	(163,587)	2,869
OTHER FINANCING SOURCES (USES)				
Transfer in	<u>-</u>	<u>163,418</u>	<u>163,418</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>163,418</u>	<u>163,418</u>	<u>-</u>
Changes in fund balance	117,933	(3,038)	(169)	2,869
Fund balance - beginning of year	<u>263,997</u>	<u>263,997</u>	<u>263,997</u>	<u>-</u>
Fund balance - end of year	<u>\$ 381,930</u>	<u>\$ 260,959</u>	<u>\$ 263,828</u>	<u>\$ 2,869</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
DEPUTY WITNESS FEES
For the year ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 62,000	\$ 35,465	\$ 35,465	\$ -
Total revenues	<u>62,000</u>	<u>35,465</u>	<u>35,465</u>	<u>-</u>
EXPENDITURES				
Current				
General government:				
Judicial	95,600	45,200	45,200	-
Total expenditures	<u>95,600</u>	<u>45,200</u>	<u>45,200</u>	<u>-</u>
Deficiency of Revenues				
Over Expenditures	(33,600)	(9,735)	(9,735)	-
OTHER FINANCING SOURCES (USES)				
Transfer in	-	25,000	25,000	-
Transfer out		(15,265)	(15,265)	
Total other financing sources (uses)	<u>-</u>	<u>9,735</u>	<u>9,735</u>	<u>-</u>
Changes in fund balance	(33,600)	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	<u>\$ (33,600)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
ASSESSOR'S FUND

For the year ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other revenues	\$ 85,000	\$ -	\$ -	\$ -
Total revenues	<u>85,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General government:				
Other general government	110,000	31,205	31,205	-
Total expenditures	<u>110,000</u>	<u>31,205</u>	<u>31,205</u>	<u>-</u>
Deficiency of Revenues				
Over Expenditures	(25,000)	(31,205)	(31,205)	-
OTHER FINANCING SOURCES (USES)				
Transfer in	-	31,205	31,205	-
Total other financing sources (uses)	<u>-</u>	<u>31,205</u>	<u>31,205</u>	<u>-</u>
Changes in fund balance	(25,000)	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	<u>\$ (25,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
CDBG DISASTER FUND
For the year ended December 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Federal funds	\$ 11,727,801	\$ 997,949	\$ 996,799	\$ (1,150)
Total revenues	<u>11,727,801</u>	<u>997,949</u>	<u>996,799</u>	<u>(1,150)</u>
EXPENDITURES				
Current				
Other general government	100,464	448,704	421,625	27,079
Capital outlay	-	150,236	141,333	8,903
Total expenditures	<u>100,464</u>	<u>598,940</u>	<u>562,958</u>	<u>35,982</u>
Excess of Revenues Over Expenditures	11,627,337	399,009	433,841	34,832
OTHER FINANCING SOURCES (USES)				
Transfer in	-	618,396	618,396	-
Transfer out	-	-	(35,962)	(35,962)
Total other financing sources (uses)	<u>-</u>	<u>618,396</u>	<u>582,434</u>	<u>(35,962)</u>
Changes in fund balance	11,627,337	1,017,405	1,016,275	(1,130)
Fund balance - beginning of year	(2,478,001)	(2,478,001)	(2,478,001)	-
Fund balance - end of year	<u>\$ 9,149,336</u>	<u>\$ (1,460,596)</u>	<u>\$ (1,461,726)</u>	<u>\$ (1,130)</u>

See accompanying independent auditors' report.

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NON-MAJOR PROPRIETARY FUND DESCRIPTIONS
December 31, 2015**

Events Facilities – This fund is used to account for the rental income, concession sales, and operational expenditures for the Fredrick J. Sigur Civic Center and Val Riess Complex.

Water District No. 1 – This fund is used to account for prior years collections of ad valorem taxes and state revenue sharing monies received for the maintenance, operations, and debt service of its district.

Water District No. 2 – This fund is used to account for prior years collections of ad valorem taxes and state revenue sharing monies received for the maintenance, operations, and debt service of its district.

Sewer District No. 1 – This fund is used to account for prior years collections of ad valorem taxes and state revenue sharing monies received for the maintenance, operations, and debt service of its district.

Sewer District No. 2 – This fund is used to account for prior years collections of ad valorem taxes and state revenue sharing monies received for the maintenance, operations, and debt service of its district.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
 COMBINING STATEMENT OF NET POSITION
 NON-MAJOR PROPRIETARY FUNDS
 December 31, 2015

	Events Facilities	Water District No. 1	Water District No. 2	Sewer District No. 1	Sewer District No. 2	Total Non- Major Enterprise Funds
ASSETS						
Current Assets:						
Cash and cash equivalents	\$ 384,734	\$ -	\$ -	\$ -	\$ -	\$ 384,734
Prepays	3,743	-	-	-	-	3,743
Inventory	17,555	-	-	-	-	17,555
Other receivable	4,130	-	-	-	-	4,130
Total assets	<u>\$ 410,162</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 410,162</u>
LIABILITIES						
Current liabilities						
Accounts and other payables	\$ 59,320	\$ -	\$ -	\$ -	\$ -	\$ 59,320
Salaries payable	17,705	-	-	-	-	17,705
Advance collections	88,878	-	-	-	-	88,878
Due to other funds	176,240	-	-	-	-	176,240
Total liabilities	<u>\$ 342,143</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 342,143</u>
NET POSITION						
Unrestricted	<u>68,019</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>68,019</u>
Total net position	<u>\$ 68,019</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 68,019</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
COMBING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
NON-MAJOR PROPRIETARY FUNDS
For the Year Ended December 31, 2015

	Events Facilities	Water District No. 1	Water District No. 2	Sewerage District No. 1	Sewerage District No. 2	Total
OPERATING REVENUES						
Charges for service	\$ 883,669	\$ -	\$ -	\$ -	\$ -	\$ 883,669
Other operating revenues	42,250	-	-	-	-	42,250
Total operating revenues	925,919	-	-	-	-	925,919
OPERATING EXPENSES						
Personnel services and related benefits	324,205	-	-	-	-	324,205
Utilities	259,672	-	-	-	-	259,672
Contractual services, supplies, and materials	244,597	-	-	-	-	244,597
Professional services	31,080	-	-	-	-	31,080
Insurance premiums	14,991	-	-	-	-	14,991
Other expenses	63,522	-	-	-	-	63,522
Total operating expenses	938,067	-	-	-	-	938,067
Operating loss	(12,148)	-	-	-	-	(12,148)
NON-OPERATING REVENUES (EXPENSES)						
Interest expenditures and bank fees	(4,091)	-	-	-	-	(4,091)
Other nonoperating revenues	79,090	-	-	-	-	79,090
Total non-operating revenues (expenses)	74,999	-	-	-	-	74,999
CHANGE IN NET POSITION BEFORE TRANSFERS	62,851	-	-	-	-	62,851
Transfer out	-	(96,977)	(133,528)	(11,164)	(111,496)	(353,165)
	-	(96,977)	(133,528)	(11,164)	(111,496)	(353,165)
CHANGE IN NET POSITION	62,851	(96,977)	(133,528)	(11,164)	(111,496)	(290,314)
NET POSITION - BEGINNING OF YEAR	5,168	96,977	133,528	11,164	111,496	358,333
NET POSITION - END OF YEAR	\$ 68,019	\$ -	\$ -	\$ -	\$ -	\$ 68,019

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2015

	Events Facilities	Water District No. 1	Water District No. 2	Sewerage District No. 1	Sewerage District No. 2	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from customers and users	\$ 1,012,355	\$ -	\$ -	\$ -	\$ -	\$ 1,012,355
Cash paid to suppliers of goods or services	(575,840)	-	-	-	-	(575,840)
Cash paid to employees	(306,500)	-	-	-	-	(306,500)
Net cash provided by operating activities	130,015	-	-	-	-	130,015
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES						
Transfers out, net	-	(96,977)	(133,528)	(11,164)	(111,496)	(353,165)
Other non-operating revenue	79,090	-	-	-	-	79,090
Net payments to (receipts from) other funds	76,623	-	-	-	-	76,623
Net cash provided by (used in) non-capital financing activities	155,713	(96,977)	(133,528)	(11,164)	(111,496)	(197,452)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Interest expense on outstanding bonds	(4,091)	-	-	-	-	(4,091)
Net used in capital and related financing activities	(4,091)	-	-	-	-	(4,091)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	281,637	(96,977)	(133,528)	(11,164)	(111,496)	(71,528)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	103,097	96,977	133,528	11,164	111,496	456,262
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 384,734</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 384,734</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES						
Operating loss	\$ (12,148)	\$ -	\$ -	\$ -	\$ -	\$ (12,148)
Adjustments to reconcile operating LOSS to net cash used in operating activities:						
Increase in prepaids	(3,743)	-	-	-	-	(3,743)
Increase in inventory	(17,555)	-	-	-	-	(17,555)
Increase in other receivables	(4,130)	-	-	-	-	(4,130)
Decrease in customer receivable, net of allowance	1,688	-	-	-	-	1,688
Increase in accounts and other payables	59,320	-	-	-	-	59,320
Increase in salaries payable	17,705	-	-	-	-	17,705
Increase in advance collections	88,878	-	-	-	-	88,878
Net cash provided by operating activities	<u>\$ 130,015</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 130,015</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NON-MAJOR INTERNAL SERVICE FUNDS DESCRIPTIONS
December 31, 2015

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Self-Insurance Fund – The Self-Insurance Fund accounts for monies accumulated to provide automobile, property damage, and worker’s compensation for which the Parish is self-insured.

Water & Sewer Self-Insurance Fund – The Water & Sewer Self-Insurance Fund accounts for monies accumulated to provide automobile, property damage, and worker’s compensation for which the Division is self-insured.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
December 31, 2015

	<u>Self Insurance</u>	<u>Water and Sewer Self Insurance</u>	<u>Total Self Insurance</u>
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 1,139,485	\$ 656,795	\$ 1,796,280
Investments	1,068,813	-	1,068,813
Due from other funds	1,140,700	1,274,325	2,415,025
Prepays	8,187	-	8,187
Other receivable	594	11,106	11,700
Total assets	<u>\$ 3,357,779</u>	<u>\$ 1,942,226</u>	<u>\$ 5,300,005</u>
Accounts and other payables	\$ 302,283	\$ 14,421	\$ 316,704
Self insurance claims payable	2,443,606	527,050	2,970,656
Salaries and payroll deductions payable	282,981	-	282,981
Due to other funds	67,368	548,346	615,714
Total current liabilities	<u>3,096,238</u>	<u>1,089,817</u>	<u>4,186,055</u>
Total liabilities	3,096,238	1,089,817	4,186,055
NET POSITION			
Unrestricted	<u>261,541</u>	<u>852,409</u>	<u>1,113,950</u>
Total net position	<u>\$ 261,541</u>	<u>\$ 852,409</u>	<u>\$ 1,113,950</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN NET POSITION
For the Year Ended December 31, 2015

	<u>Self Insurance</u>	<u>Water and Sewer Self Insurance</u>	<u>Total</u>
OPERATING REVENUES			
Charges for service	\$ 888,350	\$ 225,653	\$ 1,114,003
Total operating revenues	<u>888,350</u>	<u>225,653</u>	<u>1,114,003</u>
OPERATING EXPENDITURES			
Personnel services and related benefits	209,141	-	209,141
Professional services	48,928	11,694	60,622
Insurance premiums	1,755,412	457,073	2,212,485
Other expenditures	39,080	-	39,080
Total operating expenditures	<u>2,052,561</u>	<u>468,767</u>	<u>2,521,328</u>
Operating loss	(1,164,211)	(243,114)	(1,407,325)
NON-OPERATING REVENUES			
Interest earnings	3,331	-	3,331
Total non-operating revenues	<u>3,331</u>	<u>-</u>	<u>3,331</u>
CHANGE IN NET POSITION BEFORE TRANSFERS			
	(1,160,880)	(243,114)	(1,403,994)
Transfer in	<u>321,875</u>	<u>548,346</u>	<u>870,221</u>
CHANGE IN NET POSITION	(839,005)	305,232	(533,773)
NET POSITION - BEGINNING OF YEAR	<u>1,100,546</u>	<u>547,177</u>	<u>1,647,723</u>
NET POSITION - END OF YEAR	<u>\$ 261,541</u>	<u>\$ 852,409</u>	<u>\$ 1,113,950</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2015

	Self Insurance	Water and Sewer Self Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from interfund services provided	\$ 1,260,630	\$ 225,553	\$ 1,486,183
Payments for claims	(1,283,957)	(469,510)	(1,753,467)
Cash paid to employees	(219,514)	-	(219,514)
Net cash used in operating activities	<u>(242,841)</u>	<u>(243,957)</u>	<u>(486,798)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Net payments from (to) other funds	(531,916)	871,039	339,123
Net cash provided by (used in) non-capital financing activities	<u>(531,916)</u>	<u>871,039</u>	<u>339,123</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	179	-	179
Net cash provided by investing activities	<u>179</u>	<u>-</u>	<u>179</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(774,578)	627,082	(147,496)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,914,063</u>	<u>29,713</u>	<u>1,943,776</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,139,485</u>	<u>\$ 656,795</u>	<u>\$ 1,796,280</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES			
Operating loss	\$ (1,164,211)	\$ (243,114)	\$ (1,407,325)
Adjustments to reconcile operating LOSS to net cash used in operating activities			
Changes in operating assets and liabilities:			
Increase in prepaid	(2,453)	-	(2,453)
(Increase) decrease in other receivables	372,280	(100)	372,180
Increase in accounts and other payables	231,870	14,421	246,291
Increase (decrease) in self-insurance claims payable	330,046	(15,164)	314,882
Decrease in salaries payable	(10,373)	-	(10,373)
Net cash used in operating activities	<u>\$ (242,841)</u>	<u>\$ (243,957)</u>	<u>\$ (486,798)</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF COUNCIL MEMBERS' COMPENSATION
For the Year Ended December 31, 2015

Council Member	Amount
George Cavnac, Councilman at Large West	\$ 8,400
Guy McInnis, Councilman at Large East	7,200
Ray Lauga, Councilman District A	7,200
Nathan Gorbaty, Councilman District B	7,200
Richard J. Lewis, Councilman District C	7,200
Casey Hunnicutt, Councilman District D	7,200
Manual "Monty" Montelongo, Councilman District E	7,200
	<u>\$ 51,600</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO THE AGENCY HEAD
For the Year Ended December 31, 2015

Agency Head - David Peralta, Parish President

Purpose	Amount
Salary	\$ 129,728
Benefits - health insurance	6,232
Benefits - retirement	18,810
Benefits - life insurance	113
Benefits-other (describe)	-
Benefits-other (describe)	-
Benefits-other (describe)	-
Car allowance	-
Vehicle provided by government	730
Cell phone	157
Air Card	890
Dues	-
Vehicle rental	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Housing	-
Unvouchered expenses	-
Special meals	-
Gas	3,347

See accompanying independent auditors' report.

STATISTICAL SECTION

This part of St. Bernard Parish Government's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the Parish's overall financial health.

<u>Contents</u>	<u>Tables</u>
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Source: Unless otherwise noted, the information in these tables came from St. Bernard Parish Government's Comprehensive Annual Financial Report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NET POSITION BY COMPONENT
LAST EIGHT FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year							
	2008	2009	2010	2011	2012	2013	2014, restated	2015
Governmental Activities								
Net investment in capital assets	\$ 38,106,538	\$ 144,476,194	\$ 211,346,057	\$ 352,867,806	\$ 344,112,498	\$ 350,256,061	\$ 347,417,372	\$ 357,038,864
Restricted	2,259,993	2,259,992	160,407	(14,520,899)	7,329,208	9,470,377	15,937,711	15,236,622
Unrestricted	8,704,506	8,479,642	32,062,996	7,855,068	(7,822,895)	18,673,457	10,526,002	21,004,500
Total Governmental Activities Net Position	\$ 49,071,037	\$ 155,215,828	\$ 243,569,460	\$ 346,201,975	\$ 343,618,811	\$ 378,399,895	\$ 373,881,085	\$ 393,279,986
Business Type Activities								
Net investment in capital assets	\$ (2,520,870)	\$ 55,848,964	\$ 88,588,906	\$ 112,542,637	\$ 192,896,426	\$ 204,966,155	\$ 213,189,989	\$ 196,619,074
Restricted	10,444,954	10,413,090	7,318,014	8,745,110	748,861	857,133	7,531,203	5,351,524
Unrestricted	25,086,370	23,555,360	2,570,477	3,585,621	4,030,738	11,194,022	8,781,027	17,827,434
Total Business Type Activities Net Position	\$ 33,010,454	\$ 89,817,414	\$ 98,477,397	\$ 124,873,368	\$ 197,676,025	\$ 217,017,310	\$ 229,502,219	\$ 219,798,032
Primary Government								
Net investment in capital assets	\$ 35,585,668	\$ 200,025,158	\$ 299,934,963	\$ 465,410,443	\$ 537,008,921	\$ 555,222,216	\$ 560,607,361	\$ 553,657,938
Restricted	12,704,947	12,673,082	7,478,421	(5,775,789)	8,078,069	10,327,510	23,468,914	20,588,146
Unrestricted	33,790,876	32,035,002	34,633,473	11,440,689	(3,792,157)	29,867,479	30,024,080	38,831,934
Total Primary Government Net Position	\$ 82,081,491	\$ 244,733,242	\$ 342,046,857	\$ 471,075,343	\$ 541,294,833	\$ 595,417,205	\$ 614,100,355	\$ 613,078,018

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
CHANGES IN NET POSITION
LAST EIGHT FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

Expenses	Fiscal Year							
	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities:								
General government								
Judicial	\$ 1,122,629	\$ 1,239,869	\$ 1,240,694	\$ 1,255,100	\$ 1,902,450	\$ 607,122	\$ 796,068	\$ 885,726
Other general government	102,095,372	51,490,276	54,558,813	71,245,678	50,301,853	29,878,021	22,942,805	33,157,803
Public safety	5,966,248	8,572,283	14,724,975	8,025,968	9,231,076	10,548,513	10,242,189	10,872,392
Public works	15,907,795	15,040,416	16,780,112	17,987,950	20,700,870	14,751,885	15,580,221	16,398,444
Sanitation	-	-	-	-	-	4,682,338	4,769,494	5,596,379
Culture and recreation	4,630,375	6,933,377	16,486,993	2,046,703	2,475,372	2,889,701	3,787,646	3,010,246
Health and welfare	1,035,787	1,232,493	1,525,528	6,943,880	6,322,104	6,692,893	6,832,287	9,154,803
Interest on long-term debt	910,582	720,139	794,589	256,336	580,332	1,860,282	1,328,696	1,305,453
Total Governmental Activities Expenses	<u>131,668,788</u>	<u>85,228,853</u>	<u>106,111,704</u>	<u>107,761,615</u>	<u>91,514,057</u>	<u>71,910,755</u>	<u>66,279,406</u>	<u>80,381,246</u>
Business-Type Activities:								
Water and sewer	8,365,425	9,018,989	9,789,934	9,024,042	10,195,851	10,153,902	11,165,143	22,753,572
Event Facilities	-	-	-	-	-	-	2,079	938,067
Interest on long-term debt	2,587,634	2,237,399	2,327,328	2,040,501	756,740	494,988	240,516	164,219
Total Business-Type Activities Expenses	<u>10,953,059</u>	<u>11,256,388</u>	<u>12,117,262</u>	<u>11,064,543</u>	<u>10,952,591</u>	<u>10,648,890</u>	<u>11,407,738</u>	<u>23,855,858</u>
Total Primary Government Expenses	<u>\$ 142,621,847</u>	<u>\$ 96,485,241</u>	<u>\$ 118,228,966</u>	<u>\$ 118,826,158</u>	<u>\$ 102,466,648</u>	<u>\$ 82,559,645</u>	<u>\$ 77,687,144</u>	<u>\$ 104,237,104</u>
Program Revenues								
Governmental Activities:								
Charges for services	\$ 3,818,988	\$ 4,110,351	\$ 6,593,177	\$ 4,774,785	\$ 3,886,902	\$ 4,799,254	\$ 3,032,385	\$ 3,381,027
Operating grants and contributions	120,854,988	211,448,246	136,356,968	178,346,532	17,562,703	23,905,810	10,370,636	21,131,977
Capital grants and contributions	8,903,982	5,306,348	9,993,697	52,848,455	84,179,047	55,330,827	38,860,849	32,249,132
Total Governmental Activities Program Revenues	<u>133,577,958</u>	<u>220,864,945</u>	<u>152,943,842</u>	<u>235,969,772</u>	<u>105,628,652</u>	<u>84,035,891</u>	<u>52,263,870</u>	<u>56,762,136</u>
Business-Type Activities:								
Charges for services	4,323,168	4,786,098	5,238,160	5,977,404	5,818,753	5,748,284	5,875,915	12,060,280
Operating grants and contributions	-	135,714	602,925	6,917,743	2,966,919	12,550	31,560	516,129
Capital grants and contributions	-	-	-	-	40,502,738	5,690,363	-	-
Total Business-Type Activities Program Revenues	<u>4,323,168</u>	<u>4,921,812</u>	<u>5,841,085</u>	<u>12,895,147</u>	<u>49,288,410</u>	<u>11,451,197</u>	<u>5,907,475</u>	<u>12,576,409</u>
Total Primary Government Program Revenues	<u>\$ 137,901,126</u>	<u>\$ 225,786,757</u>	<u>\$ 158,784,927</u>	<u>\$ 248,864,919</u>	<u>\$ 154,917,062</u>	<u>\$ 95,487,088</u>	<u>\$ 58,171,345</u>	<u>\$ 69,338,545</u>
Net (Expense)/Revenue								
Governmental activities	\$ 1,909,170	\$ 135,636,092	\$ 46,832,138	\$ 128,208,157	\$ 14,114,595	\$ 12,125,136	\$ (14,015,536)	\$ (23,619,110)
Business-type Activity	(6,629,891)	(6,334,576)	(6,276,177)	1,830,604	38,335,819	802,307	(5,500,263)	(11,279,449)
Total Primary Government Net Expense	<u>\$ (4,720,721)</u>	<u>\$ 129,301,516</u>	<u>\$ 40,555,961</u>	<u>\$ 130,038,761</u>	<u>\$ 52,450,414</u>	<u>\$ 12,927,443</u>	<u>\$ (19,515,799)</u>	<u>\$ (34,898,559)</u>

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
CHANGES IN NET POSITION (CONTINUED)
LAST EIGHT FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

General Revenues and Other Changes in Net Position	Fiscal Year							
	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities:								
Taxes:								
Ad valorem taxes	\$ 7,002,465	\$ 7,073,024	\$ 7,611,730	\$ 7,652,880	\$ 7,658,899	\$ 12,941,340	\$ 13,387,595	\$ 13,241,834
Sales taxes	13,001,658	11,042,025	19,010,239	15,901,969	13,446,184	15,844,744	16,096,696	14,408,732
Severance	850,027	907,576	907,534	922,529	951,475	971,328	985,553	622,785
E telephone	307,482	307,310	322,638	359,703	370,042	378,840	451,084	379,001
Other taxes	34,712	55,387	39,076	51,368	109,234	111,949	240,741	328,390
Fines and forfeitures	-	-	-	-	-	-	151,781	210,550
State revenue sharing (unrestricted)	-	-	-	-	-	-	92,912	72,560
Parish road royalty	-	-	-	-	-	-	935,697	426,803
Other general revenues (expenses)	511,234	9,263,736	4,836,771	4,479,623	647,605	1,168,627	640,021	705,028
Interest and investment earnings	7,988,190	1,765,948	3,030,683	2,816,336	108,213	195,208	187,198	188,079
(Loss)/Gain on Disposal of Assets	-	-	(3,741,297)	(6,215,108)	(6,539,142)	(149,742)	83,974	(415,762)
Gain on sale of investments land held for sale	-	-	-	-	-	-	546,240	282,702
Forgiveness of CD Loans	-	-	19,820,654	-	-	5,403,510	-	-
Proceeds from insurance settlement	-	-	-	-	-	-	62,466	128,930
Proceeds from litigation settlement	-	-	-	-	-	-	-	9,359,306
Transfers	-	-	-	-	-	-	(219,376)	2,306,733
Capital contributions	-	-	-	-	-	-	(13,215,123)	-
Miscellaneous revenues	-	-	-	-	-	-	-	772,340
Total Governmental Activities	29,695,768	30,415,006	51,838,028	25,969,300	16,752,510	36,865,804	20,427,459	43,018,011
Business-Type Activities:								
Sales taxes	3,245,832	2,757,908	4,591,379	3,774,778	3,338,375	3,961,184	4,024,174	3,602,185
Other general revenues (expenses)	378,941	213,485	123,575	357,186	(2,358,661)	330,835	262,529	203,078
Interest and investment earnings	717,088	228,247	204,672	36,706	36,852	37,106	39,188	51,670
(Loss)/Gain on Disposal of Assets	-	-	-	-	-	-	11,100	(10,149)
Proceeds from insurance settlement	-	-	-	-	-	-	-	35,211
Transfers	-	-	-	-	-	-	219,376	(2,306,733)
Capital contributions	-	-	-	-	-	-	13,215,123	-
Total Business-Type Activities	4,341,861	3,199,640	4,919,626	4,168,670	1,016,566	4,329,125	17,771,490	1,575,262
Total Primary Government	\$ 34,037,629	\$ 33,614,646	\$ 56,757,654	\$ 30,137,970	\$ 17,769,076	\$ 41,194,929	\$ 38,198,949	\$ 44,593,273
Changes in Net Position								
Governmental Activities	\$ 31,604,938	\$ 166,051,098	\$ 98,670,166	\$ 154,177,457	\$ 30,867,105	\$ 48,990,940	\$ 6,411,923	\$ 19,398,901
Business-type activities	(2,288,030)	(3,134,936)	(1,356,551)	5,999,274	39,352,385	5,131,432	12,271,227	(9,704,187)
Total Primary Government	\$ 29,316,908	\$ 162,916,162	\$ 97,313,615	\$ 160,176,731	\$ 70,219,490	\$ 54,122,372	\$ 18,683,150	\$ 9,694,714

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Ad Valorem	Sales and Use	Severance	E Telephone	Other	Total
2006	\$ 10,635,155	\$ 6,192,114	\$ 750,198	\$ 440,687	\$ 212,138	\$ 18,230,292
2007	6,163,170	12,027,140	850,015	228,375	258,941	19,527,641
2008	7,002,465	13,001,658	850,027	307,482	34,712	21,196,344
2009	7,073,024	11,042,025	907,576	307,310	55,387	19,385,322
2010	7,611,730	19,010,239	907,534	322,638	39,076	27,891,217
2011	7,652,880	15,901,969	922,529	359,703	51,368	24,888,449
2012	7,658,899	13,446,184	951,475	370,042	109,234	22,535,834
2013	12,941,340	15,844,744	971,328	378,840	111,949	30,248,201
2014	13,387,595	16,096,696	985,553	451,084	240,741	31,161,669
2015	13,382,777	14,408,732	622,785	379,001	328,390	29,121,685

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,342	\$ 74,800	\$ 84,990	\$ 98,722	\$ 109,215
Restricted	-	-	-	-	-	161,345	91,185	91,185	3,404,667	3,992,868
Committed	-	-	-	-	-	3,944	-	-	-	-
Assigned	-	-	-	-	-	84,639	-	-	587,321	5,421,492
Unassigned	-	-	-	-	-	8,223,388	2,887,607	2,436,466	-	733,079
Reserved	50,587	50,587	50,587	50,587	20,474	-	-	-	-	-
Unreserved	13,151,912	1,593,426	4,904,595	759,068	8,310,748	-	-	-	-	-
Total general fund	\$ 13,202,499	\$ 1,644,013	\$ 4,955,182	\$ 809,655	\$ 8,331,222	\$ 8,553,658	\$ 3,053,592	\$ 2,612,641	\$ 4,090,710	\$ 10,256,654
All other governmental funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 121,171	\$ 96,690	\$ 113,744	\$ 89,552	\$ 134,009
Restricted	-	-	-	-	-	28,697,633	7,328,584	9,379,192	12,533,044	11,243,754
Committed	-	-	-	-	-	3,078,436	2,209,969	1,803,029	956,733	956,564
Assigned	-	-	-	-	-	7,235,508	7,749,171	7,097,625	6,665,667	6,363,714
Unassigned	-	-	-	-	-	229	(29,138,816)	(5,495,701)	(4,681,726)	(3,547,526)
Reserved	2,499,715	2,498,953	2,209,406	2,209,405	139,933	-	-	-	-	-
Unreserved, undesignated, reported in:										
Special revenue funds	3,011,955	(21,435,666)	11,557,505	23,366,879	25,210,058	-	-	-	-	-
Debt service funds	903,808	1,465,272	1,049,283	1,085,006	749,826	-	-	-	-	-
Capital projects funds	2,811,663	19,816,780	16,589,454	14,248,693	8,797,149	-	-	-	-	-
Total all other governmental funds	\$ 9,227,141	\$ 2,345,339	\$ 31,405,648	\$ 40,909,983	\$ 34,896,966	\$ 39,132,977	\$ (11,754,402)	\$ 12,897,889	\$ 15,563,270	\$ 15,150,515

Note: In 2011, the Parish implemented GASB Statement No. 54 which changed the classification of fund balances. Amounts prior to 2011 have not been restated to reflect the new classifications.

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Fiscal Year									
REVENUES	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Taxes										
Ad valorem	\$ 10,634,224	\$ 6,163,170	\$ 7,002,465	\$ 7,073,024	\$ 7,611,730	\$ 7,652,880	\$ 7,481,374	\$ 12,824,501	\$ 13,391,771	\$ 13,382,777
Sales and use	6,192,114	12,027,140	13,001,658	11,042,025	19,010,239	15,901,969	13,446,184	15,844,744	16,096,696	14,408,732
Other taxes, penalties, interest, etc	1,274,169	1,454,498	1,549,464	1,451,523	1,472,534	1,404,946	1,430,751	1,462,117	1,509,091	1,130,478
Licenses and permits	701,164	820,973	1,443,791	1,469,853	1,229,352	1,331,151	1,160,616	1,243,407	1,197,920	1,356,425
Intergovernmental										
Federal grants	52,508,901	198,576,545	125,973,050	200,598,673	140,865,730	246,369,010	80,992,837	77,288,240	44,604,677	46,387,297
State revenue sharing (net)	172,368	393,761	31,001	97,611	13,642	18,307	14,084	39,068	52,448	64,650
Other state funding	4,470,893	4,985,205	4,588,003	18,424,710	3,749,865	4,332,734	3,034,249	2,257,549	2,228,740	1,514,272
Fees, charges, and commissions for services	479,201	822,664	1,114,508	1,111,659	3,400,246	1,724,358	2,726,286	3,555,847	1,811,480	2,001,255
Fines and forfeitures	195,321	236,354	260,359	386,834	396,925	349,220	237,132	181,524	152,370	222,793
Use of money and property	993,249	1,254,660	764,076	368,795	328,051	71,224	1,114	830	1,839	1,142
Special assessments	24,658	-	-	-	420	-	-	-	-	-
Public grants	1,450	47,958	395,505	42,308	6,515	30,000	-	-	-	-
Other revenues	15,134,062	3,219,637	6,442,562	8,268,034	9,191,163	1,599,078	410,474	987,103	550,334	786,362
Total revenues	92,781,774	230,002,565	162,566,442	250,335,049	187,276,412	280,784,877	110,935,101	115,684,930	81,597,366	81,256,183
EXPENDITURES										
Current										
General government										
Judicial	1,034,326	1,025,151	1,122,629	1,239,869	1,240,694	1,255,100	90,600	88,775	212,704	195,647
Finance and administration	13,283	14,110	-	13,780	20	-	-	-	-	-
Other general government	30,433,802	205,640,000	70,869,763	48,967,159	54,495,443	69,651,287	48,906,737	25,843,161	23,840,855	30,280,681
Public safety	8,571,976	6,656,084	5,966,248	8,572,283	14,724,975	8,025,968	8,424,249	9,718,598	9,360,090	9,828,930
Public works	10,080,565	12,905,403	13,661,024	11,881,959	12,951,757	11,579,754	10,728,553	9,189,794	4,691,641	4,338,347
Sanitation	-	-	-	-	-	-	-	-	4,769,494	4,776,040
Culture and recreation	2,434,935	2,082,579	4,630,375	6,933,377	16,486,993	2,046,703	1,746,805	1,913,604	2,750,175	1,782,990
Health and welfare	1,276,831	741,593	1,027,186	1,232,493	1,525,528	6,943,880	6,269,959	6,625,617	6,760,781	9,070,216
Economic development	-	-	8,601	-	-	-	-	-	-	-
Capital outlay	6,007,604	1,138,861	38,197,576	110,035,464	72,894,729	155,875,749	47,475,550	22,281,619	25,802,144	23,380,496
Debt service										
Principal	998,172	620,000	540,000	565,000	595,000	260,000	270,000	280,000	470,000	3,170,000
Interest and service charges	479,674	233,911	(26,278)	199,176	181,143	166,134	88,860	1,322,566	1,328,696	1,305,453
Bond issuance costs	-	-	-	-	-	-	417,455	-	-	-
Total expenditures	61,331,168	231,057,692	135,997,124	189,640,560	175,096,282	255,804,575	124,418,768	77,263,734	79,986,580	88,128,800
Excess (deficiency) of revenues over (under) expenditures	31,450,606	(1,055,127)	26,569,318	60,694,489	12,180,130	24,980,302	(13,483,667)	38,421,196	1,610,786	(6,872,617)
OTHER FINANCING SOURCES (USES)										
Transfers in	12,614,543	3,542,360	38,957,596	27,227,120	34,301,482	6,594,635	14,131,402	11,691,952	11,238,213	10,277,861
Transfers out	(30,571,470)	(5,042,360)	(43,186,608)	(87,562,801)	(44,973,062)	(27,116,490)	(47,581,671)	(25,901,808)	(11,844,105)	(8,293,003)
Proceeds from long-term debt	-	-	8,769,262	5,000,000	-	-	-	-	2,200,000	-
Proceeds from bond issuance	-	-	-	-	-	-	33,885,000	-	-	-
Bond premium	-	-	-	-	-	-	2,433,041	-	-	-
Payment to escrow agent	-	-	-	-	-	-	(3,261,468)	-	-	-
Proceeds from the sales of capital assets	-	-	-	-	-	-	-	-	83,974	291,500
Proceeds from the sale of investments - land held for sale	-	-	-	-	-	-	-	-	1,643,740	861,202
Proceeds from insurance settlements	-	-	-	-	-	-	-	-	623,741	128,930
Proceeds from insurance settlements	-	-	-	-	-	-	-	-	-	9,359,306
Total other financing sources (uses)	(17,956,927)	(1,500,000)	4,540,250	(55,335,681)	(10,671,580)	(20,521,855)	(393,696)	(14,209,856)	3,945,563	12,625,796
Net change in fund balances	\$ 13,493,679	\$ (2,555,127)	\$ 31,109,568	\$ 5,358,808	\$ 1,508,550	\$ 4,458,447	\$ (13,877,363)	\$ 24,211,340	\$ 5,556,349	\$ 5,753,179
Debt service as a percentage of noncapital expenditures	2.67%	0.37%	0.53%	0.96%	0.76%	0.43%	1.01%	2.91%	3.32%	6.91%

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Fiscal Year</u>	<u>Real Property Assessed Value</u>	<u>Other Property Assessed Value</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>
2006	\$ 102,525,465	\$ 174,734,920	\$ 277,260,385	31.72
2007	87,471,257	178,911,263	266,382,520	31.22
2008	124,850,048	200,837,534	325,687,582	30.11
2009	143,915,887	195,649,366	339,565,253	30.11
2010	152,336,273	195,854,906	348,191,179	28.61
2011	162,492,455	195,185,678	357,678,133	29.27
2012	164,635,938	207,766,965	372,402,903	29.03
2013	170,805,390	199,367,569	370,172,959	49.27
2014	169,463,272	220,936,376	390,399,648	49.27
2015	173,343,983	209,561,261	382,905,244	49.27

Sources: St. Bernard Parish Assessor's Office and St. Bernard Parish Council

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	St. Bernard Parish		Overlapping Rates				Total Direct & Overlapping Rates
	Operating Millage	Total Parish Millage	St. Bernard Parish School Board			Other Entities	
			Operating Millage	Debt Service Millage	Total School Millage		
2006	31.72	31.72	35.00	9.30	44.30	22.82	98.84
2007	31.22	31.22	35.00	14.00	49.00	23.32	103.54
2008	30.11	30.11	35.00	14.00	49.00	24.18	103.29
2009	30.11	30.11	33.55	12.50	46.05	22.11	98.27
2010	28.61	28.61	34.84	12.00	46.84	22.11	97.56
2011	29.27	29.27	35.00	11.00	46.00	28.49	103.76
2012	29.03	29.03	35.00	10.00	45.00	32.43	106.46
2013	49.27	49.27	35.00	10.00	45.00	8.38	102.65
2014	49.27	49.27	35.00	5.50	40.50	59.21	148.98
2015	49.27	49.27	50.25	3.75	54.00	59.21	162.48

Source: St. Bernard Assessor's Office

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

Taxpayer	Type of Business	2015			2006		
		Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
Chalmette Refining	Oil and Gas	\$ 54,027,994	1	14.11%	\$ 50,305,997	1	13.54%
Valero Refining-Meraux	Oil and Gas	44,885,459	2	11.72%	-	-	-
Colonial Pipeline Co.	Oil and Gas	21,766,910	3	5.68%	17,003,190	3	4.58%
Southern Natural Gas	Gas Utility	12,427,180	4	3.25%	4,289,720	9	1.15%
American Sugar/Domino	Sugar Refinery	6,440,263	5	1.68%	7,997,483	4	2.15%
American Sugar/Domino	Sugar Refinery	5,653,146	6	1.48%	-	-	-
Entergy Louisiana, Inc	Electric Utility	5,540,950	7	1.45%	6,716,010	6	1.81%
Moem Pipeline, LLC	Oil and Gas	4,096,650	8	1.07%	-	-	-
Tennessee Gas Pipeline Co	Oil and Gas	3,869,050	9	1.01%	-	-	-
CII Carbon, LLC	Refinery	3,830,055	10	1.00%	-	-	-
Shell Oil	Oil and Gas	-	-	-	5,475,860	7	1.47%
Murphy Oil	Oil and Gas	-	-	-	33,202,929	2	8.94%
Bellsouth	Telephone Utility	-	-	-	6,912,891	5	1.86%
Hibernia National Bank	Financial Services	-	-	-	4,866,514	8	1.31%
First National Bank of Commerce	Financial Services	-	-	-	3,607,725	10	0.97%
		<u>\$ 162,537,657</u>		<u>42.45%</u>	<u>\$ 140,378,319</u>		<u>37.78%</u>

Source: St. Bernard Assessor's Office

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Subsequent Year Collections	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	*	\$ 10,635,127	*	\$ 28	\$ 10,635,155	*
2007	*	5,996,526	*	166,644	6,163,170	*
2008	*	6,899,868	*	102,597	7,002,465	*
2009	*	6,935,325	*	137,699	7,073,024	*
2010	*	7,459,110	*	152,620	7,611,730	*
2011	*	7,484,779	*	168,101	7,652,880	*
2012	*	6,895,442	*	763,457	7,658,899	*
2013	12,886,735	12,869,675	99.87%	71,665	12,941,340	100.42%
2014	13,587,374	12,885,558	94.83%	502,037	13,387,595	98.53%
2015	13,202,176	12,656,857	95.87%	725,920	13,382,777	101.37%

*Information not available

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
PRINCIPAL SALES TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

<u>Taxpayer</u>	<u>2015</u>			<u>2006</u>		
	<u>Sales Tax Collections</u>	<u>Rank</u>	<u>Percentage of Total Sales Tax Collections</u>	<u>Sales Tax Collections</u>	<u>Rank</u>	<u>Percentage of Total Sales Tax Collections</u>
Refineries	\$ 7,739,101	1	21.44%	\$ 8,149,112	1	29.34%
Groceries	6,199,082	2	17.18%	503,435	4	1.81%
Motor Vehicles	3,692,254	3	10.23%	3,398,231	2	12.23%
Restaurants	1,130,290	4	3.13%	108,000	7	0.39%
Drugstore/Chain	773,938	5	2.14%	579,480	3	2.09%
Retail Stores	661,831	6	1.83%	207,050	5	0.75%
Pharmacies/Local	438,477	7	1.21%	174,079	6	0.63%
Gas/Conv Store	385,545	8	1.07%	336,913	9	0.12%
Hotels	188,715	9	0.52%	30,728	10	0.11%
Auto Retail Store	<u>175,386</u>	10	0.49%	<u>89,174</u>	8	<u>0.32%</u>
Total	<u>\$ 21,384,619</u>		<u>59.24%</u>	<u>\$ 13,576,202</u>		<u>47.79%</u>

Source: St. Bernard Parish Sheriff's Office

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SALES AND USE TAX RATES - ALL GOVERNMENTS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Parish Council	Water & Sewer	Law Enforcement	School Board	Total Rate
2006	2.00%	0.50%	0.50%	2.00%	5.00%
2007	2.00%	0.50%	0.50%	2.00%	5.00%
2008	2.00%	0.50%	0.50%	2.00%	5.00%
2009	2.00%	0.50%	0.50%	2.00%	5.00%
2010	2.00%	0.50%	0.50%	2.00%	5.00%
2011	2.00%	0.50%	0.50%	2.00%	5.00%
2012	2.00%	0.50%	0.50%	2.00%	5.00%
2013	2.00%	0.50%	0.50%	2.00%	5.00%
2014	2.00%	0.50%	0.50%	2.00%	5.00%
2015	2.00%	0.50%	0.50%	2.00%	5.00%

Source: St. Bernard Parish Sheriff's Office

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SALES AND USE TAX COLLECTIONS - ALL GOVERNMENTS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Parish Council	Water and Sewer	Law Enforcement (1)	School Board (1)	Total
2006	\$ 6,192,114	\$ 2,605,950	\$ 2,605,950	\$ 6,192,114	\$ 17,596,128
2007	12,027,140	3,006,765	3,006,765	12,027,140	30,067,810
2008	13,001,658	3,245,832	3,245,832	13,001,658	32,494,980
2009	11,042,025	2,757,908	2,757,908	11,042,025	27,599,866
2010	19,010,239	4,591,379	4,591,379	19,010,239	47,203,236
2011	15,901,969	3,774,778	3,774,778	15,901,969	39,353,494
2012	13,446,184	3,338,375	3,338,375	13,446,184	33,569,118
2013	15,844,744	3,961,184	3,961,184	15,844,744	39,611,856
2014	16,096,696	4,024,174	4,024,174	16,096,696	40,241,740
2015	14,408,732	3,602,185	3,602,185	14,408,732	36,021,834

(1) Estimated based on Parish/Water & Sewer taxes collected

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Sales Tax Bonds	General Obligation Bonds	Community Disaster Loan	Revolving Loans	Other	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
2006	\$ 4,945,000	\$ 1,280,000	\$ -	\$ -	\$ 105,000	\$ 6,330,000	*	248
2007	4,725,000	985,000	-	-	-	5,710,000	0.62%	223
2008	4,495,000	675,000	17,958,524	-	-	23,128,524	3.28%	692
2009	4,255,000	350,000	22,958,524	-	-	27,563,524	2.89%	732
2010	4,010,000	-	5,000,000	-	-	9,010,000	0.75%	222
2011	3,750,000	-	5,000,000	-	-	8,750,000	0.78%	244
2012	44,340,000	-	5,000,000	-	60,000	49,400,000	4.58%	1,249
2013	41,125,000	-	-	-	9,356,000	50,481,000	4.80%	1,212
2014	37,600,000	-	-	-	8,960,932	46,560,932	4.15%	1,048
2015	35,910,000	-	-	703,846	2,215,662	38,829,508	3.06%	855

(1) See the Schedule of Demographic and Economic Statistics, Table 18, for personal income and population data.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
RATIOS OF GENERAL DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable (1) Value of Property	Per Capita
2006	\$ 1,280,000	\$ 581,634	\$ 698,366	0.25%	27.40
2007	985,000	679,381	305,619	0.11%	11.94
2008	675,000	675,000	-	0.00%	-
2009	350,000	350,000	-	0.00%	-
2010	-	-	-	0.00%	-
2011	-	-	-	0.00%	-
2012	-	-	-	0.00%	-
2013	-	-	-	0.00%	-
2014	-	-	-	0.00%	-
2015	-	-	-	0.00%	-

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2015
(UNAUDITED)

Government Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
St. Bernard Parish School Board	\$ 5,180,000	100%	\$ 5,180,000
St. Bernard Hospital Service District	17,545,000	100%	<u>17,545,000</u>
			22,725,000
Subtotal, overlapping debt			
St. Bernard Parish Government direct debt	<u>2,215,662</u>	100%	<u>2,215,662</u>
Total direct and overlapping debt	<u>\$ 24,940,662</u>		<u>\$ 24,940,662</u>

Source: St. Bernard Parish School Board and St. Bernard Parish Hospital Service District Comprehensive Annual Financial Reports.

(1) 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 Parish's boundaries and dividing it by the Parish's total taxable assessed value.

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt limit	\$ 97,041,135	\$ 93,233,882	\$ 113,990,654	\$ 118,847,839	\$ 121,866,913	\$ 125,187,347	\$ 130,341,016	\$ 129,560,536	\$ 136,639,877	\$ 134,016,835
Total net debt applicable to limit	(698,366)	(305,619)	-	-	-	-	-	-	-	-
Legal debt margin	<u>96,342,769</u>	<u>92,928,263</u>	<u>113,990,654</u>	<u>118,847,839</u>	<u>121,866,913</u>	<u>125,187,347</u>	<u>130,341,016</u>	<u>129,560,536</u>	<u>136,639,877</u>	<u>134,016,835</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>0.72%</u>	<u>0.33%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

Legal debt margin calculation for fiscal year 2015

Assessed Value	\$ 382,905,244
Debt Limit - 35% of Assessed Value (1)	134,016,835
Debt applicable to the limit:	
General obligation bonds	-
Less: Amount set aside for repayment of general obligation debt	<u>-</u>
Total net debt applicable to limit	<u>-</u>
Legal debt margin	<u>\$ 134,016,835</u>

(1) Louisiana R.S. 39.562 allows a maximum of 35% of assessed valuation for total bonded general obligation debt.

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
 PLEDGED - REVENUE COVERAGE
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Fiscal Year	Sales Tax Revenue	Sales Tax Bonds		TOTAL	Coverage
		Debt Service			
		Principal	Interest		
2006	\$ 8,798,064	\$ 998,172	\$ 3,064,446	\$ 4,062,618	2.17
2007	15,033,905	5,016,076	3,527,228	8,543,304	1.76
2008	16,247,490	2,614,978	2,801,301	5,416,279	3.00
2009	13,799,933	4,222,453	2,434,009	6,656,462	2.07
2010	23,601,618	3,334,066	2,506,909	5,840,975	4.04
2011	19,676,747	3,163,692	2,205,379	5,369,071	3.66
2012	16,784,559	33,300,000	621,612	33,921,612	0.49
2013	19,805,928	3,215,000	1,708,619	4,923,619	4.02
2014	20,120,870	3,525,000	1,565,978	5,090,978	3.95
2015	18,010,917	3,675,000	1,429,802	5,104,802	3.53

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Population of St. Bernard (1)	St. Bernard Total Personal Income	St. Bernard Per Capita Personal Income	Unemployment Rate (2)	St. Bernard Parish School Enrollment (3)
2006	25,489	*	*	3.9	2,460
2007	25,592	916,049,171	57,539	3.8	3,816
2008	33,439	705,878,544	55,408	4.5	4,405
2009	37,669	952,757,433	41,519	6.8	4,802
2010	40,655	1,201,764,221	31,616	8.1	5,424
2011	35,897	1,121,346,210	31,238	7.8	5,950
2012	39,558	1,078,592,600	27,266	8.4	6,377
2013	41,635	1,051,530,756	25,256	8.1	6,852
2014	44,409	1,121,060,256	25,244	5.6	7,132
2015	45,408	1,269,300,000	27,953	6.5	7,442

*Information not available

Source (1): St. Bernard Economic Foundation

Source (2): Bureau of Labor Statistics, Survey of Current Business

Source (3): St. Bernard Parish School Board

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

Employer	Location	2015			2006		
		Employees	Rank	% of Total St. Bernard Parish Employment	Employees	Rank	% of Total St. Bernard Parish Employment
St. Bernard Parish School Board	Chalmette	902	1	8.29%	*	*	*
Exxon Mobil	Chalmette	522	2	4.80%	*	*	*
St. Bernard Parish Government	Chalmette	435	3	4.00%	*	*	*
Domino Sugar	Arabi	375	4	3.45%	*	*	*
Valero Oil	Meraux	300	5	2.76%	*	*	*
SDT Waste and Disposal	Chalmette	300	6	2.76%	*	*	*
St. Bernard Parish Sheriff	Parish wide	270	7	2.48%	*	*	*
St. Bernard Parish Hospital	Chalmette	250	8	2.30%	*	*	*
Boasso America	Chalmette	201	9	1.85%	*	*	*
Associated Terminals	Arabi	<u>150</u>	10	<u>1.38%</u>	*	*	*
TOTAL		<u>3,705</u>		<u>34.07%</u>	<u>*</u>		<u>*</u>

* Information not available

Source: St. Bernard Chamber of Commerce

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
 FULL-TIME PARISH EMPLOYEES BY FUNCTION
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Function	December 31,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General government										
Judicial	29	29	29	29	31	33	30	30	34	36
Other general government	116	121	134	143	148	169	142	146	150	136
Public safety	96	96	95	96	109	117	107	110	109	111
Public works	43	55	70	95	90	102	65	62	58	55
Sanitation	6	-	-	-	-	7	5	4	4	4
Culture and recreation	14	12	14	13	23	27	20	25	22	26
Health and welfare	1	1	6	12	13	14	11	10	9	10
Water and sewer	50	46	44	53	48	47	46	52	51	54
Events facilities	-	-	-	-	-	-	-	-	3	3

Source: St. Bernard Parish Finance Department

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Public Safety - Fire										
Total number of rolls	3,372	3,693	4,171	3,764	4,064	4,353	4,272	3,901	3,949	4,047
Number of fires	500	337	392	319	271	306	282	243	331	224
Number of rescue calls	1,905	2,617	3,035	2,756	3,120	3,297	3,128	2,849	2,838	2,913
Number of service calls	320	197	189	196	175	186	204	236	213	334
Public Works										
Potholes Repaired	*	*	*	*	*	9	39	19	41	28
Trees cut	*	*	*	*	*	156	208	141	98	91
Public Utility										
Water & Sewer										
Avg number of billed accounts	*	*	*	13,177	14,699	15,388	15,710	15,889	16,140	16,381
Number of billed accounts	*	*	*	13,845	15,135	15,475	15,742	15,966	16,298	16,366
New meter connections	*	*	*	66	51	57	47	60	42	58
Building Permits										
Residential Construction	*	*	*	*	16	60	45	96	57	96
Commercial Construction	*	*	*	*	11	17	71	58	45	30
Renovations	*	*	*	*	96	222	162	85	81	93
Pools	*	*	*	*	1	9	12	13	9	13
Tents	*	*	*	*	1	17	20	12	4	15
Accessory Structure	*	*	*	*	3	47	45	50	61	76
Elevate Residence	*	*	*	*	-	27	54	27	6	11
Additions	*	*	*	*	2	23	11	15	8	22
Electrical Permits	*	*	*	*	-	2	1	2	3	5
HVAC Permits	*	*	*	*	1	-	-	-	-	-
Plumbing Permits	*	*	*	*	-	-	-	-	-	-
Gas Permits	*	*	*	*	1	-	-	-	-	-
Office Trailer Permits	*	*	*	*	1	6	-	-	-	-
Other	*	*	*	*	-	6	31	13	10	30
Mobile Homes	*	*	*	*	13	28	16	20	14	19
Signs	*	*	*	*	3	32	81	52	39	2
Boat Dock	*	*	*	*	1	5	-	3	9	4
Coastal Use	*	*	*	*	2	2	5	2	8	9

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
 OPERATING INDICATORS BY FUNCTION (CONTINUED)
 LAST TEN FISCAL YEARS
 (UNAUDITED)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Building Permits (continued)										
Slab Removal	*	*	*	*	4	47	2	2	9	1
Demolition	*	*	*	*	2	9	4	5	6	11
Recreation and Culture										
Number of players in baseball/softball league	*	*	*	*	540	850	937	1,223	1,180	1,135
Number of players in football league	*	*	*	*	320	346	451	484	376	380
Number of players in cheerleading	*	*	*	*	29	42	90	103	62	63
Number of players in basketball league	*	*	*	*	292	330	433	553	564	564
Number of players in volleyball league	*	*	*	*	*	40	72	88	80	81
Number of players in soccer league	*	*	*	*	*	406	423	624	697	676

Source: The following St. Bernard Parish Departments: Fire, Community Development, Recreation, Public Works, and Water and Sewer Department.

*Information not available

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**REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS AND
UNIFORM GUIDANCE**

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

The Members of the St. Bernard Parish Council
Chalmette, Louisiana

We were engaged to audit, 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, each major fund, and the aggregate remaining fund information of St. Bernard Parish Government (the Parish), as of and for the year-ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Parish's basic financial statements and have issued our report thereon dated June 29, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Parish'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 Parish's internal control. Accordingly, we do not express an opinion on the effectiveness of the Parish's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2015-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Parish's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2015-002 and 2015-0003.

The Parish's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Postlethwaite + Nettenville

Metairie, Louisiana
June 29, 2016

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

The Members of the St. Bernard Parish Council
Chalmette, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the St. Bernard Parish Government (the Parish)'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Parish's major federal programs for the year-ended December 31, 2015. The Parish's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Parish'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 the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Parish's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Parish's compliance.

Opinion on Each Major Federal Program

In our opinion, the Parish 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 December 31, 2015.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2015-002 and 2015-003. Our opinion on each major federal program is not modified with respect to these matters.

The Parish's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Parish's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the Parish 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 the Parish's internal control over compliance with the types of requirements that could have a direct and material effect on each 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 the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Parish's internal control over compliance.

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 what we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Postlethwaite + Netterville

Metairie, Louisiana
June 29, 2016

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

Federal Grantor/Pass-Through or Grantor/Program or Cluster Title	Federal CFDA Number	Loan Balance at December 31, 2014	Federal Expenditures	Loan Balance at December 31, 2015
U.S. DEPARTMENT OF HOMELAND SECURITY				
Pass - Through Louisiana Military Department Office of Homeland Security and Emergency Preparedness:				
Disaster Grants - Public Assistance (presidentially Declared)				
Disaster Grants - Public Assistance (presidentially Declared) - Katrina	97.036	\$ -	\$ 20,584,153	\$ -
Disaster Grants - Public Assistance (presidentially Declared) - Gustav	97.036	-	46,527	-
Disaster Grants - Public Assistance (presidentially Declared) - Isaac	97.036	-	54,084	-
Disaster Grants - Public Assistance (presidentially Declared) - Ike	97.036	-	16,143	-
		-	20,700,907	-
Severe Reptitive Loss Program	97.110	-	49,576	-
Emergency Food and Shelter National Board Program	97.024	-	7,106	-
Hazard Mitigation Grant	97.039	-	4,227,009	-
Hazard Mitigation Grant - Louisiana Statewide Generator Grant	97.039	-	20,000	-
		-	4,247,009	-
State Homeland Security Program 2013	97.067	-	4,200	-
State Homeland Security Program 2014	97.067	-	32,331	-
Urban Areas Security Initiative 2014	97.067	-	216,211	-
		-	252,742	-
Emergency Management Performance 2014	97.042	-	20,666	-
		-	20,666	-
Total U.S. Department of Homeland Security Grants		-	25,278,006	-
U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES				
Pass - Through Louisian State Department of Health and Hospitals Office of Public Health:				
Cities Readiness Initiative 2014	93.074	-	18,024	-
Low Income Home Energy Assistance	93.568	-	177,082	-
Community Services Block Grant	93.569	-	103,560	-
Total U.S. Department of Health & Human Services		-	298,666	-

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2015

Federal Grantor/Pass-Through or Grantor/Program or Cluster Title	Federal CFDA Number	Loan Balance at December 31, 2014	Federal Expenditures	Loan Balance at December 31, 2015
U.S. DEPARTMENT OF COMMERCE				
Pass - Through Louisiana Department of Natural Resources:				
Coastal Zone Management	11.419	\$ -	\$ 35,260	\$ -
Total U.S. Department of Commerce		-	35,260	-
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Section 8 Housing Choice Vouchers	14.871	-	5,975,197	-
Pass - Through State of Louisiana, Division of Administration Office of Community Development:				
Community Development Block Grant - Entitlement Grant	14.218	-	598,919	-
Community Development Capacity Grant	14.228	-	55,473	-
Integrated Water Resource Management Grant	14.228	-	73,150	-
LLT Program	14.228	-	878,164	-
		-	<u>1,006,787</u>	-
Total U.S. Department of Housing and Urban Development		-	7,580,903	-
U.S. DEPARTMENT OF LABOR				
Pass - Through Louisiana Department of Labor:				
WIA Adult Program	17.258	-	261,404	-
WIA Adult Program	17.258	-	196,261	-
		-	<u>457,665</u>	-
WIA Youth Activities	17.259	-	331,440	-
WIA Dislocated Workers	17.278	-	213,821	-
WIA Dislocated Workers	17.278	-	187,531	-
		-	<u>401,352</u>	-
	WIA Cluster		1,190,457	
WIA Dislocated Workers - Job Driven NEG	17.277	-	959,497	-
WIA Strategies to Empower People	93.558	-	29,441	-
Total U.S. Department of Labor		-	2,179,395	-

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2015

Federal Grantor/Pass-Through or Grantor/Program or Cluster Title	Federal CFDA Number	Loan Balance at December 31, 2014	Federal Expenditures	Loan Balance at December 31, 2015
U.S. DEPARTMENT OF TRANSPORTATION				
Federal Transit Formula Grant	20.507	\$ -	\$ 859,897	\$ -
Total U.S. Department of Transportation		-	859,897	-
U. S. Department of the Interior				
Coastal Impact Assistance Program (CIAP)	15.668	-	6,525,244	-
Total U.S. Department of the Interior		-	6,525,244	-
Environmental Protection Agency				
Pass - Through Louisiana Department of Health and Hospitals:				
Drinking Water Revolving Loan Fund	66.468	-	-	249,272
Clean Water Revolving Loan Fund	66.458	-	-	454,574
Total Environmental Protection Agency			-	
Total Expenditures of Federal Grants			42,757,371	
Loan Balance at December 31, 2014			-	
Federal Loan Expenditures in 2015 (CFDA 66.468)			356,103	
Federal Loan Expenditures in 2015 (CFDA 66.458)			454,574	
Total Federal Loan Expenditures			810,677	
Total Expenditures of Federal Awards			<u>\$ 43,568,048</u>	

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
December 31, 2015

NOTE 1 – GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of the federal awards of the St. Bernard Parish Government. The Parish's reporting entity is defined in Note 1 to the financial statements for the year-ended December 31, 2015. All federal awards received from federal agencies are included on the schedule.

NOTE 2 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the Parish's financial statements for the year-ended December 31, 2015.

NOTE 3 – RELATIONSHIP TO FINANCIAL STATEMENTS

Federal awards are included in the Statement of Activities of the Parish as operating and capital grant contributions.

NOTE 4 – NON-CASH ASSISTANCE

CDBG

During the year ended December 31, 2013, the Parish entered into a cooperative endeavor agreement with the State of Louisiana Office of Community Development and the Louisiana Road Home Corporation d/b/a Louisiana Land Trust (LLT) , to transfer all the properties within St. Bernard Parish that were being held by LLT to St. Bernard Parish. Included on the statement of net position at December 31, 2015 is \$3,650,500 in land held for sale representing lots throughout St. Bernard Parish. No depreciation is being recorded on the properties being held for sale. During the year ended December 31, 2015, 150 properties were sold by the Parish for \$861,202. As the remaining lots are sold, CDBG program income will be recognized in the financial statements of the Parish. The proceeds from sales of the properties are restricted for use for direct management costs of the properties and for recovery related activities in furtherance of the cooperative endeavor agreement and the eligibility requirements under CDBG guidelines.

NOTE 5 – LOAN ASSISTANCE

The Parish had an outstanding loan with continuing compliance requirements at December 31, 2015 with the State of Louisiana Drinking Water Revolving Loan fund, CFDA number 66.468. The Parish's net loan balance with continuing compliance requirements at December 31, 2015 was \$356,103. The amount of the loan forgiven in the fiscal year ended December 31, 2015 was \$106,831. Amounts included in the long term debt balance only include draws made as of December 31, 2015, which differs from the expenditures incurred by the Parish as of that date.

The Parish had an outstanding loan with continuing compliance requirements at December 31, 2015 with the State of Louisiana Clean Water Revolving Loan fund, CFDA number 66.458. The Parish's net loan balance with continuing compliance requirements at December 31, 2015 was \$454,574. Amounts included in the long term debt balance only include draws made as of December 31, 2015, which may differ from the expenditures incurred by the Parish as of that date.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS (CONTINUED)
December 31, 2015

NOTE 6 – DE MINIMIS COST RATE

During the year ended December 31, 2015, the Parish did not elect to use the 10% de minimis cost rate as covered in §200.414 of the Uniform Guidance.

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR-ENDED DECEMBER 31, 2015**

(A) Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
• Material weakness(es) identified:	<u>Yes</u>
• Significant deficiency(ies) identified that are not considered to be material weaknesses:	<u>No</u>
Noncompliance material to the financial statements:	<u>None reported</u>

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified:	<u>No</u>
• Significant deficiency(ies) identified that are not considered to be material weaknesses:	<u>No</u>
Type of auditor's report issued on compliance for major programs:	<u>Unmodified</u>
Any audit findings which are required to be reported in accordance With 2 CFR 200.516(a):	<u>Yes</u>
Identification of major programs:	
• Disaster Grants-Public Assistance-FEMA (CFDA No. 97.036)	
• Coastal Impact Assistance Program-CIAP (CFDA No. 15.668)	
• WIA Dislocated Workers – Job Driven NEG (CFDA No. 17.277)	
• Hazard Mitigation Grant (CFDA No. 97.039)	
Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$1,307,041</u>
Auditee qualified as a low-risk auditee:	<u>No</u>

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR-ENDED DECEMBER 31, 2015**

(B) Findings Relating to the Financial Statements Reported in Accordance with Government Auditing Standards

2015-001 Oversight and Management of Recovery-Driven Federal Expenditures

- Criteria: A sound system of internal controls over the recovery effort would assign the responsibility for the oversight and management of the effort, with timelines and benchmarks used for assessment.
- Condition: Beginning in late 2005 and continuing through 2015, the Parish has received significant federal financial assistance (including FEMA and Hazard Mitigation) to fund the massive recovery effort to rebuild and repopulate St. Bernard Parish following Hurricane Katrina and other similar disasters. The Parish has outsourced the oversight and management of the entire recovery process to a third party administrator that has acted with the authority of the Parish to approve recovery expenditures and file the required documents for reimbursement from the State of Louisiana Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP). As the recovery process has wound down, GOHSEP engaged an outside firm to perform a pre-closeout assessment of the recovery funding process. This assessment has raised questions regarding the process to approve and account for recovery expenditures and the application process for reimbursement. Additionally, the Parish has experienced a delay in the timing of expenses and the requests for reimbursement under these federal grants.
- Context: Projects have not been closed out in a timely manner.
- Cause: St. Bernard Parish personnel were not empowered to provide oversight or maintain accountability over the recovery effort. Disaster recovery accountability has largely been relinquished to the third party administrator.
- Effect: The Parish may face a shortfall of funding and potential liability as it closes out the recovery process. Additionally, the Parish's delayed requests for reimbursement may not be approved for payment by GOHSEP.
- Recommendation: The Parish should follow the Pre-Closeout Readiness Steps and other recommendations of the outside firm documented in its pre-closeout assessment. Additionally, the Parish should review outstanding requests for reimbursement and timeliness between the date of the expenditure and the subsequent request for reimbursement.

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR-ENDED DECEMBER 31, 2015**

(B) Findings Relating to the Financial Statements Reported in Accordance with Government Auditing Standards (continued)

2015-001 Oversight and Management of Recovery-Driven Federal Expenditures (continued)

Management

Response:

The oversight of federal related reimbursements and expenditures and the resulting project closeout has been an enormous undertaking that has spanned across three administrations. The Parish has contracted a third party consulting firm to administer the closeout procedures. Administration will continue to coordinate with the third party to ensure that all federal projects are closed out properly, accurately, and timely.

(C) Findings and Questioned Costs – Major Award Programs Audit

U.S. Department of Housing and Urban Development

14.871: Section 8 Housing Choice Vouchers

2015-002 Financial Management Review Performed by HUD

Criteria:

HUD regulations require the Public Housing Agency (PHA) to submit their year-end financial information to HUD through the Financial Assessment System (FASS).

Condition:

The St. Bernard Parish Housing Authority (SBPHA) failed to submit audited financial reports to HUD through FASS for the fiscal years ended 2007-2014.

Cause:

The Parish has had a government-wide audit conducted each year but has failed to submit the SBPHA component unit required audited Financial Data schedules through FASS.

Effect:

By failing to submit the fiscal year-end financial information to HUD through FASS, the SBPHA failed to provide HUD with information useful in determining annual funding, administrative expenses, NRA balance, and its actual financial position.

Recommendation:

We recommend the SBPHA complete the required filings through HUD's FASS system.

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR-ENDED DECEMBER 31, 2015**

(C) Findings and Questioned Costs – Major Award Programs Audit (continued)

U.S. Department of Housing and Urban Development

14.871: Section 8 Housing Choice Vouchers

2015-002 Financial Management Review Performed by HUD

Management's

Response:

The Parish has engaged a Certified Public Accounting firm, who is currently in the process of submitting all delinquent FASS reports.

U.S. Department of Homeland Security

97.036: Disaster Grants – Public Assistance - FEMA

2015-003 Property Records Missing Required Grant Information

Criteria:

Property records should contain description (including serial number or other identification number), source, who holds title, acquisition date and cost, percentage of federal participation in the cost, location, condition, and disposition data.

Condition:

The Parish failed to identify source, percentage of federal participation in the cost, location, and condition of property and equipment purchased with federal funds on the property records report.

Cause:

The Finance Department was unaware of this requirement.

Effect:

Assets purchased with federal funds are not tracked as such, therefore should the assets be disposed of, the proper disposal procedures for federally purchased assets would not be followed.

Recommendation:

The Finance Director or other qualified Finance Department personnel should retain all required information on the property records report for property and equipment purchased with federal funds.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR-ENDED DECEMBER 31, 2015

(C) Findings and Questioned Costs – Major Award Programs Audit (continued)

U.S. Department of Homeland Security

97.036: Disaster Grants – Public Assistance - FEMA

2015-003 Property Records Missing Required Grant Information

Management's

Response:

The Parish is in the process of devising a plan to identify assets purchased previously, where there were federally assisted funding involved in the asset's acquisition. The Parish is currently in the process of acquiring an Asset Tracking Program which will benefit several departments in the tracking of its assets. This process will be an integral part for the newly created position, fixed asset accountant, which will be responsible for the entire fixed asset management recording and tracking system.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR-ENDED DECEMBER 31, 2015

Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*

2014-01 Misappropriation of Assets

Condition: The Parish did not have appropriate policies and procedures in place for the proper recording and monitoring of cash receipts that are not received at the main Parish offices.

Current Status: Resolved.

2014-02 Oversight and Management of Recovery-Driven Federal Expenditures

Condition: Beginning in late 2005 and continuing through 2015, the Parish has received significant federal financial assistance in the form of Federal Emergency Management Agency (FEMA) grants to fund the massive recovery effort to rebuild and repopulate St. Bernard Parish following Hurricane Katrina. The Parish has outsourced the oversight and management of the entire recovery process to a third party administrator that has acted with the authority of the Parish to approve recovery expenditures and file the required documents for reimbursement from the State of Louisiana Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP). As the recovery process has wound down, GOHSEP engaged an outside firm to perform a pre-closeout assessment of the recovery funding process. This assessment has raised questions regarding the process to approve and account for recovery expenditures and the application process for reimbursement. Several projects had significant cost overruns beyond the federal obligated funding amounts. Numerous projects have not been closed out because of lingering questions surrounding the eligibility of costs submitted.

Several projects had significant cost overruns beyond the federal obligated funding amounts. Numerous projects have not been closed out because of lingering questions surrounding the eligibility of costs submitted.

Current Status: Not resolved. See item 2015-001.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR-ENDED DECEMBER 31, 2015

Findings and Questioned Costs – Major Award Programs Audit

2014-03 Financial Management Review Performed by HUD (14.871: Section 8 Housing Choice Vouchers)

Condition: The St. Bernard Parish Housing Authority (SBPHA) failed to submit audited financial reports to HUD through the Financial Assessment System for the fiscal years ended 2007-2013.

Current Status: Not resolved. See item 2015-002.

2014-04 Property Records Missing Required Grant Information (97.036: Disaster Grants – Public Assistance - FEMA)

Condition: The Parish failed to identify source, percentage of federal participation in the cost, location, and condition of property and equipment purchased with federal funds on the property records report.

Current Status: Not resolved. See item 2015-003.

To the Parish Council
St. Bernard Parish Government

In planning and performing our audit of the financial statements of St. Bernard Parish Government (the Parish) as of and for the year ended December 31, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered the Parish's internal control over financial reporting (internal control) as a basis for designing our audit procedures for the purpose of expressing an opinion on the financial statements. Accordingly, we do not express an opinion on the effectiveness of the Parish's internal control.

However, during our audit we became aware of several matters as listed in Attachment I that are opportunities for strengthening internal controls and operating efficiency. We previously reported on the Parish's internal control in our *Government Auditing Standards* letter dated June 29, 2016. This letter does not affect our report dated June 29, 2016 on the financial statements of the Parish.

We will review the status of these comments during our next audit engagement. We have discussed many of these comments and suggestions with management and we will be pleased to discuss them in further detail at your convenience.

The Parish's written responses to the comments identified in Attachment I and Attachment II have not been subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the Parish President, the Parish Council, the State of Louisiana and the Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties.



Metairie, Louisiana
June 29, 2016

ST. BERNARD PARISH GOVERNMENT
MANAGEMENT LETTER COMMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

2015-101 Information Technology Access controls

Observation: We observed the following items regarding information technology access during our general controls procedures.

- The Parish does not have a formal process to administer user access for new hires and removal of access for terminated employees.
- The Parish does monitor user access on an informal basis throughout the year.
- Non-Information Technology personnel have “Administrator” access to the accounting system.
- Information Technology personnel have access to make journal entries in the accounting system, as well as access to payroll data.

Recommendation: The Parish should consider the following recommendations relating to access controls over the information technology systems of the Parish

- Management should consider formalizing the user access administration process including new hires, transfers, and terminations to all information systems used.
- Management should adopt a policy for formal review of Parish employees access rights on a periodic basis throughout the year and document the review.
- Administrator access rights should be limited to Information Technology personnel who do not have end user access in the system. If this is not efficient, management should adopt monitoring controls in place over employees with “Administrator” access.
- Management should restrict access to the accounting system on an as-needed basis.

Management Response: The IT Department agrees with the comments and recommendations. The IT Department will be working with the Administration of the Parish to address the comments.

ST. BERNARD PARISH GOVERNMENT
MANAGEMENT LETTER COMMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

2015-102 Escheatment of Un-negotiated items

Observation: The Parish's policy and procedures do not provide for routine review of items for escheatment to the State of Louisiana. We noted a number of items on the Parish's bank reconciliation which should be reviewed for escheatment.

Recommendation: The Parish should implement processes and procedures so that outstanding un-negotiated checks are escheated to the State of Louisiana on a timely basis.

Management Response: The Finance Department is in agreement with this comment. The Parish is in the process of devising a plan to semi-annually evaluate and submit unclaimed payments to the proper trustees. The Finance Department evaluated the outstanding uncleared checks and made inquiries of the appropriate state agency regarding the procedures to rectify this situation. The Parish was informed of the necessary procedures which proved to not be cost beneficial because of the number of low denomination checks. We are continuing our planning in regard to Escheatment.

2015-103 Misappropriation of Assets

Condition: During the course of performance of audit procedures, P&N noted that an instance of fraud occurred during 2015 in the recreation department. An employee of the department was accused of taking lawn equipment. The Parish's internal procedures identified this occurrence. The Parish was able to recover the misappropriated equipment, and the employee is no longer employed with the Parish.

Recommendation: P&N recommends that the Parish review its internal procedures to ensure that instances of fraud are identified timely and reported to the appropriate agencies in accordance with State of Louisiana law.

Management Response: Management concurs and will implement the recommendation in 2016.

ST. BERNARD PARISH GOVERNMENT
MANAGEMENT LETTER COMMENTS - PRIOR YEAR
FOR THE YEAR ENDED DECEMBER 31, 2014

2014-101 Information Technology Access controls

Observation: We observed the following items regarding information technology access during our general controls procedures.

- The Parish does not have a formal process to administer user access for new hires and removal of access for terminated employees.
- The Parish does monitor user access on an informal basis throughout the year.
- Non-Information Technology personnel have “Administrator” access to the accounting system.
- Information Technology personnel have access to make journal entries in the accounting system, as well as access to payroll data.
- Password complexity requirements are not enabled on Windows
- There are no separate password controls established for Sage and users are not required to change their passwords on a periodic basis. In addition, if users forget their passwords, a new user account is created since the employee’s account cannot be reset when a password is forgotten.

Current Status: Not resolved. See 2015-101.

2014-102 Escheatment of Un-negotiated items

Observation: We noted a number of items on the Parish’s bank reconciliation which should be reviewed for escheatment. The Parish should implement processes and procedures so that outstanding un-negotiated checks are escheated to the State of Louisiana on a timely basis.

Current Status: Not resolved. See 2015-102.

2014-103 Fixed Asset Activity and Reconciliation

Observation: The Parish should have systems of internal accounting control, which provide for the timely tracking of fixed asset activity and reconciliation to the financial statements in accordance with U.S. generally accepted accounting principles. Current internal accounting controls provide for this tracking and reconciliation to be performed on an annual basis.

Current Status: Resolved.

ST. BERNARD PARISH GOVERNMENT
MANAGEMENT LETTER COMMENTS - PRIOR YEAR
FOR THE YEAR ENDED DECEMBER 31, 2014

2014-104 Oversight of Scrap Sold

Observation: In routine review of accounts, the Parish Finance Department noted declining revenue from the sale of “scrap” metal as compared to prior years. After further investigation, it was noted that “scrap” metal and the related proceeds may not have been appropriately remitted to the Parish by the vendor. The investigation is still ongoing, but the incident has been reported to the St. Bernard Parish Sheriff’s Department and the Louisiana Legislative Auditor’s Office (LLA). The Parish does not have adequate documented internal controls over the process to sell “scrap” metal.

Current Status: Resolved.