

CITY OF ST. GABRIEL **LOUISIANA**



**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR FISCAL YEAR ENDED JUNE 30, 2021**

2021

ANNUAL COMPREHENSIVE FINANCIAL REPORT

CITY OF ST. GABRIEL, LOUISIANA

For the fiscal year ended June 30, 2021



Prepared by

City of St. Gabriel
Finance Department

CITY OF ST. GABRIEL, LOUISIANA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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Introductory Section



Lionel Johnson, Jr.
Mayor



City Council:
Ralph Johnson, Sr.
Jeffery Hayes, Sr.
Ronald Grace, Sr.
Melvin Hasten, Sr.
Kelvin York, Sr.

Police Chief:
Kevin Ambeau, Sr.

CITY OF ST. GABRIEL

"A City of Pride, Progress & Possibilities"

March 31, 2022

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

Dear Citizens, Mayor, and Council Members:

Pursuant to Louisiana State Statutes, I hereby issue the Annual Comprehensive Financial Report (ACFR) for the City of St. Gabriel (the City) for the year ended June 30, 2021. The City Finance Department prepared this report in accordance with Generally Accepted Accounting Principles (GAAP). We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to set forth fairly the financial position and results of operations of the City as measured by the financial activities of its various funds and the government-wide presentation; and that disclosures necessary to enable readers to gain an understanding of City financial affairs have been included. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with management of the City.

The City financial statements have been audited by Diez, Dupuy, and Ruiz, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit that there was a reasonable basis for rendering an unmodified opinion that the City of St. Gabriel's financial statements for the fiscal year ended June 30, 2021, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first document of the financial section of this report.

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

*P.O. Box 597 • 5035 Iberville Street • St. Gabriel, LA • Tel: (225) 642-9600 • Fax: (225) 642.9670 • Website:
www.cityofstgabriel.us*

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Profile of the Government

The City of St. Gabriel was incorporated as a town in 1994 and received city designation in 2001. It is located in Iberville Parish, on the Mississippi River, with the historic Bayou Manchac serving as the official boundary between St. Gabriel, Ascension Parish, and East Baton Rouge Parish. The City currently occupies a land area of 30 square miles and serves an estimated population of 6,433 according to the U.S. Census Bureau as of 2020. The population reflects a growth of more than 4% from the 2010 U.S. Census.

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

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

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

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

Budgetary Control

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

Budget-to-actual comparisons are provided in this report for each individual governmental fund in Exhibits B and C through C-4.

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

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

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

FACTORS AFFECTING FINANCIAL CONDITION

Economic Condition and Outlook

St. Gabriel is located in the Baton Rouge metropolitan area. The City of Baton Rouge is the state capital and the closest large Metropolitan Statistical Area (MSA) to New Orleans. St. Gabriel is located on the Mississippi River in the southeast region of the state and is a major center for commerce and industry. The largest taxpayers in St. Gabriel are primarily companies involved in the petrochemical and energy sectors. Products range from refined chemicals, household products and plastic materials. The local industry provides the majority of the jobs within the City. The taxes paid by local industry are significant to the City's tax base and local economy. Because of an increase in capital acquisition and proposed construction in the petrochemical industry, the City expects to maintain a stable level of property and sales tax collections through 2022.

General sales and use tax revenues in 2021 for operations of the City were \$417,000 less than the 2020 revenues, representing an 7% decrease. The general sales and use tax plays a significant role in financing the operations of the General Fund, representing 49% of available resources in 2021.

During 2021 the City had employed labor of approximately 5,591 with an unemployment rate of 9.2% and a current per capita personal income of \$46,461 and age of 38.

The City provides some source of housing to the Baton Rouge MSA with 1,563 household units with a median value of \$172,100. Other important industries include government, construction, transportation, real estate and retail trade.

Major Initiatives in 2022

The City has various capital outlay projects ongoing and future projects anticipated that have an estimated cost of over \$8.6 million, to include municipal and recreational facility improvements, sewer system expansions and improvements, and road repairs and improvements. The City has budgeted approximately \$8.6 million for these projects in fiscal year 2022. These projects will be funded by various grants and public improvement bonds that were issued by the City in 2015.

LONG-TERM FINANCIAL PLANNING

As stated above, the City has planned capital initiatives in excess of \$8.6 million which will be funded by Public Improvement Bonds, transfers from the special revenue fund, and various grants. These projects address immediate and anticipated needs of the community, including road improvements, sewer, transportation and recreational needs.

Road Improvements, General Government Improvements, and Recreation Projects

The City has the responsibility to maintain approximately 17 miles of roads and the related drainage. The City administration has identified multiple roadways in need of reconstruction or repair. These projects have an estimated construction cost of approximately \$1.3 million. The City's general government projects for the upcoming year include improvements to governmental facilities with estimated cost of approximately \$3 million. Additionally, the City has ongoing recreation projects in various parts of the community. These projects have an estimated cost of approximately \$875,000 collectively. Due to the significant amount of resources required to accomplish these projects, the City has elected to accomplish in phases. The highway improvements, general government and recreation projects will be funded by the City's local resources, governmental grants, and public improvement bonds issued by the City.

Sewer Improvements Project

As the City continues to grow in population, the City's sewer utility systems are in need of expanded capacity. In 2021 the City commenced various pump sewer system projects to support its expansion. These projects include waste water treatment plant renovations, sewer lift stations, and other improvements. The budgeted costs for these projects are approximately \$3.2 million dollars. The improvements will be funded by the City's local resources, federal resources, and public improvement bonds issued by the City in 2015.

RELEVANT FINANCIAL POLICIES

The City's fund balance and/or financial position continues to be an important factor in policy decision. The concept notes that the City will strive to maintain a General Fund unassigned fund balance to be used for unanticipated emergencies and future capital outlay spending. These monies will be used to avoid cash flow interruptions, generate interest income, reduce the need for short-term borrowing, and assist in maintaining an investment grade rating.

The City of St. Gabriel's legal level of budgetary control is established by the State of Louisiana Budget Law. Amendments to the budgets are required when: a) annual revenue is expected to fall below the annual budget by 5% or more, b) annual expenditures are expected to exceed the budget appropriation by 5% or more, c) actual fund balance within a fund fails to meet estimated beginning fund balance by 5% or more and fund balance is used to fund current year expenditures and d) it appears that a fund will have an accumulated deficit by year end. Such amendments require approval of the City Council as the governing authority.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Reporting to the City of St. Gabriel for its Annual Comprehensive Financial Report each year for the ten years through 2020. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government accounting principles and applicable legal requirements.

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

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

Respectfully submitted,

Constance Barbin

Constance Barbin, City Clerk



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of St. Gabriel
Louisiana**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

**CITY OF ST. GABRIEL
PRINCIPAL OFFICIALS
JULY 1, 2019 – JUNE 30, 2023**

MAYOR

Lionel Johnson, Jr.

COUNCIL MEMBERS

Ronald Grace, Sr.

Melvin Hasten, Sr.

Kelvin M. York, Sr.

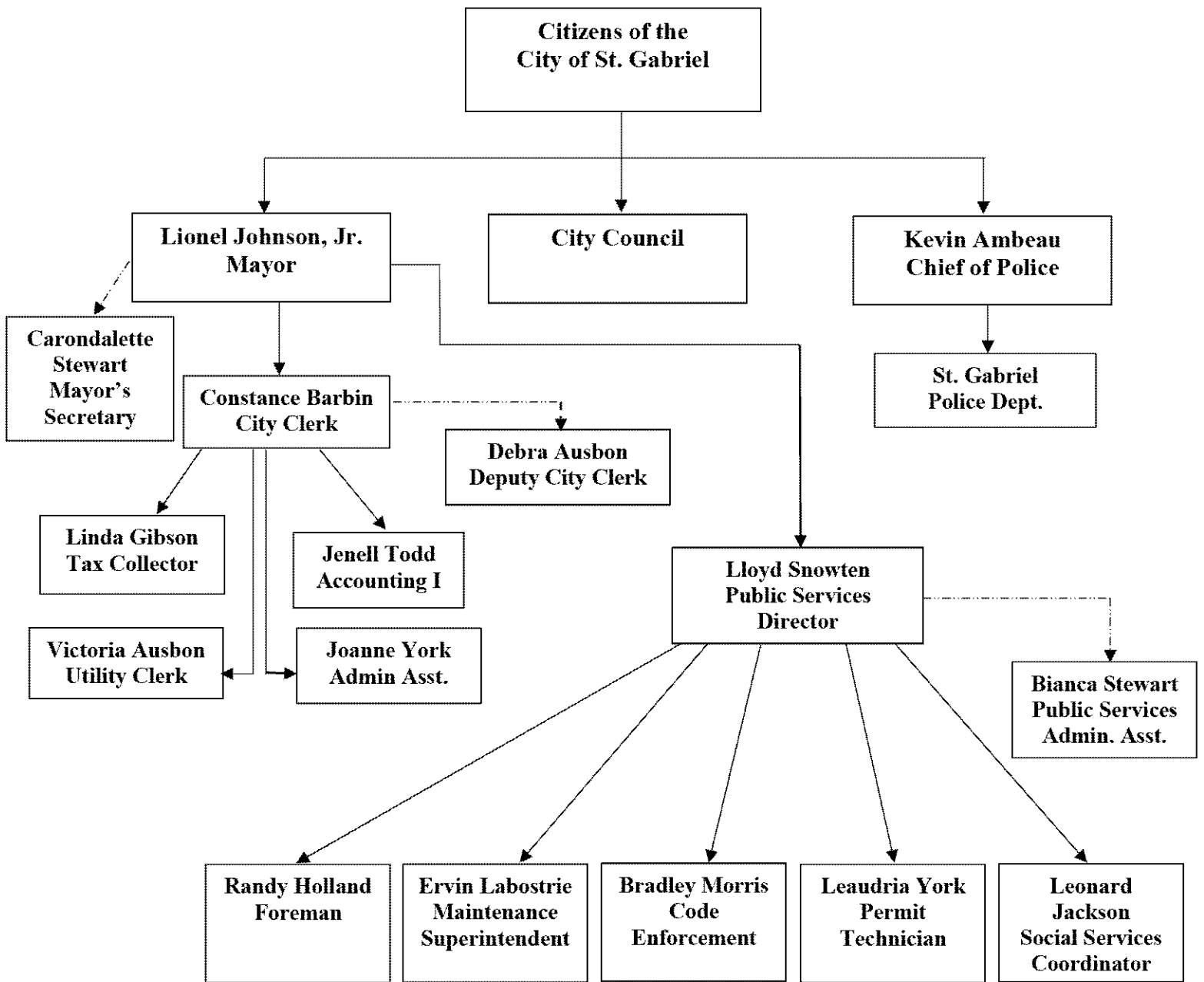
Jeffery Hayes, Sr.

Ralph Johnson, Sr.

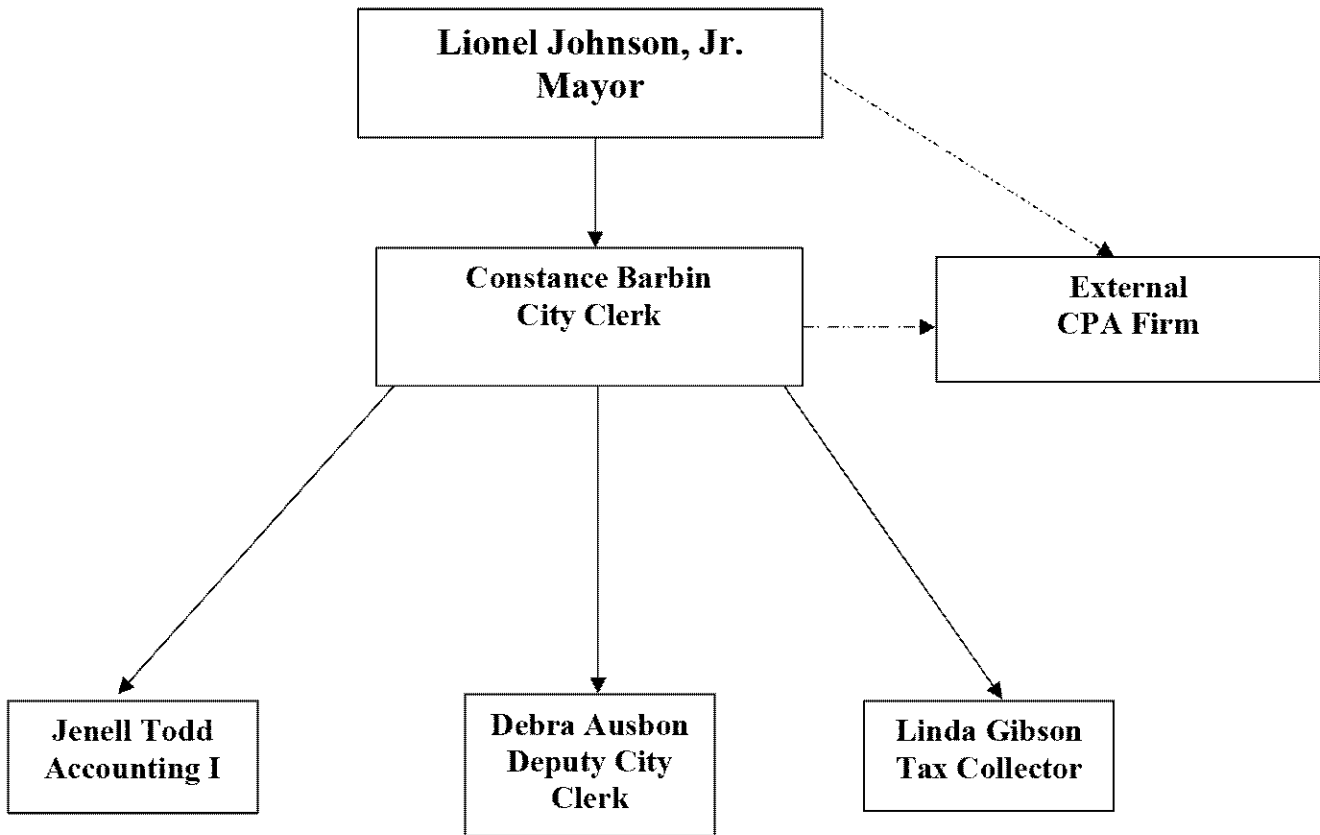
CHIEF OF POLICE

Kevin Ambeau

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



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





Financial Section





INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of St. Gabriel, Louisiana, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 auditors' 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 City of St. Gabriel, Louisiana, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, major fund budgetary comparison schedule, schedule of proportionate share of net pension liability, and schedule of pension contributions on pages 5 through 16 and 63 through 69 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of 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 information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of St Gabriel, Louisiana's basic financial statements. The introductory section, individual fund schedules, schedule of compensation, benefits and other payments to agency head, justice system funding schedule – collecting/disbursing entity and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund schedules, the schedule of compensation, benefits and other payments to agency head and justice system funding schedule – collecting/disbursing entity are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. 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 directly 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 individual fund schedules, schedule of compensation, and benefits and other payments to agency head, and justice system funding schedule – collecting/disbursing entity are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2022, on our consideration of the City of St Gabriel, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of St. Gabriel, Louisiana's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of St Gabriel, Louisiana's internal control over financial reporting and compliance.

Diego Dupuy + Ruiz

Gonzales, Louisiana

March 31, 2022



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

Our analysis of The City of St. Gabriel's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2021. Please read it in conjunction with the City's financial statements which begin on page 17. The Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts.

FINANCIAL HIGHLIGHTS

In 2021, the City of St. Gabriel had governmental revenues decrease relative to the prior year by approximately \$1.2 million which is attributable to decreases of sales tax collections and capital grants and contributions. Governmental expenses and transfers to business-type activities decreased in comparison to the prior year by approximately \$1.6 million which is attributable to decreases in net transfers to business-type activities and general government expenses. All City funds continue to be maintained with sufficient fund balance that represents adequate net worth. Although community demands have increased with the growing population, the City has been responsible with its available resources.

The major financial highlights for 2021 are as follows:

- Assets and deferred outflows of resources of the City's primary government exceeded its liabilities and deferred inflows of resources at the close of the year by approximately \$27.2 million (net position). Of this amount, approximately \$6 million (unrestricted net position) may be used without restrictions to meet the City's ongoing obligations to citizens and creditors.
- The primary government's total net position increased by approximately \$1.7 million during 2021.
- Governmental activities' net position increased by approximately \$2.8 million.
- Business-type activities' total net position decreased by approximately \$1.1 million.
- At the end of the year, the primary government's governmental funds reported combined fund balances of approximately \$13.6 million, an increase of \$725,000 in comparison to the prior year. A portion of the increase was the result of a total decrease in capital outlay expenditures decreasing from \$3.9 million in 2020 to \$3 million in 2021. The decrease in expenditures was mainly attributable to phase 1 of major sewer projects being completed during the year. Due to the sewer projects being funded primarily through grants, the City also experienced a decrease in capital grants and contributions of approximately \$900,000 in relation to the decrease of capital outlay expenditures. Additionally, the governmental funds experienced a net increase in other financing uses of \$523,000 in comparison to the prior year. The increase is primarily attributable to proceeds received from issuance of revenue bonds during the year.

Significant aspects of the City's financial well-being, as of and for the year ended June 30, 2021, are detailed throughout this analysis.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 17 and 18) provide information about the activities of the City as a whole and present a longer-term view of the City's finances.

Fund financial statements start on page 19. For governmental activities, these statements depict how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds.

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

Reporting on the City as a Whole

Our analysis of the City as a whole begins on page 17. The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way to determine if the City is in better condition as a result of the year's financial results. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to accounting methods used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods.

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

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

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

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

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

City of St. Gabriel, Louisiana
Statement of Net Position
June 30, 2021 and 2020
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$15,256	\$14,520	\$ 3,962	\$ 3,158	\$19,218	\$17,678
Capital assets	29,963	28,639	7,382	7,793	37,345	36,432
Total assets	<u>45,219</u>	<u>43,159</u>	<u>11,344</u>	<u>10,951</u>	<u>56,563</u>	<u>54,110</u>
Deferred outflows	<u>2,016</u>	<u>1,471</u>	<u>88</u>	<u>88</u>	<u>2,104</u>	<u>1,559</u>
Current and other liabilities	2,234	2,377	426	355	2,660	2,732
Long-term liabilities	22,121	22,140	6,396	4,954	28,517	27,094
Total liabilities	<u>24,355</u>	<u>24,517</u>	<u>6,822</u>	<u>5,309</u>	<u>31,177</u>	<u>29,826</u>
Deferred Inflows	<u>305</u>	<u>335</u>	<u>11</u>	<u>9</u>	<u>316</u>	<u>344</u>
Net position:						
Net investment in capital assets	12,770	10,911	1,025	2,870	13,795	13,781
Restricted	5,245	5,181	2,172	2,173	7,417	7,354
Unrestricted	<u>4,560</u>	<u>3,686</u>	<u>1,402</u>	<u>678</u>	<u>5,962</u>	<u>4,364</u>
Total net position	<u>\$22,575</u>	<u>\$19,778</u>	<u>\$ 4,599</u>	<u>\$ 5,721</u>	<u>\$27,174</u>	<u>\$25,499</u>

At June 30, 2021, the City's net position was \$27.2 million, of which \$6 million was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limits the City's ability to use that net position for day-to-day operations.

Net position of the City's governmental activities increased by approximately \$2.8 million during 2021. Governmental unrestricted net position, which increased by approximately \$874,000 represents the portion of the City's resources that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements. The \$4.6 million in governmental activities unrestricted net position at the completion of the 2021 fiscal year represents the accumulated results of operations. The increase in net position of governmental activities is attributable to the City's ongoing capital projects funded by grants awarded to the City.

The City operates wastewater treatment systems for its constituents. The principal focus of this activity is to operate on a profitable basis. For the current and past several years, the City has been required to subsidize these operations with sales and use tax collections to eliminate operating deficits. The subsidy incurred a net decrease by \$560,000 to zero in 2021. The net position of the City's business-type activities decreased by approximately \$1.1 million during 2021. The decrease in net position is primarily attributable to the net decrease subsidy being transferred from the governmental activities the City's business-type activities.

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

City of St. Gabriel Changes in Net Position For the years ended June 30, 2021 and 2020 (in thousands)						
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues						
Charges for services	\$ 1,175	\$ 1,387	\$ 293	\$ 270	\$ 1,468	\$ 1,657
Operating grants/contributions	-	11	-	-	-	11
Capital grants/contributions	338	1,102	-	-	338	1,102
General revenues:						
Ad valorem taxes	3,717	3,469	-	-	3,717	3,469
Sales taxes	5,505	5,914	-	-	5,505	5,914
Video poker taxes	570	451	-	-	570	451
Other general revenues	<u>220</u>	<u>382</u>	<u>1</u>	<u>26</u>	<u>221</u>	<u>408</u>
Total revenues	<u>11,525</u>	<u>12,716</u>	<u>294</u>	<u>296</u>	<u>11,819</u>	<u>13,012</u>
Functions/Program Expenses:						
General government	3,047	3,550	-	-	3,047	3,550
Public safety	2,663	3,034	-	-	2,663	3,034
Streets and sanitation	1,886	1,843	-	-	1,886	1,843
Culture and recreation	603	720	-	-	603	720
Wastewater treatment	-	-	1,416	1,285	1,416	1,285
Interest on long-term debt	<u>529</u>	<u>577</u>	<u>-</u>	<u>-</u>	<u>529</u>	<u>577</u>
Total expenses	<u>8,728</u>	<u>9,724</u>	<u>1,416</u>	<u>1,285</u>	<u>10,144</u>	<u>11,009</u>
Increase (decrease) in net position						
before transfers	2,797	2,992	(1,122)	(989)	1,675	2,003
Transfers, net	<u>-</u>	<u>(560)</u>	<u>-</u>	<u>560</u>	<u>-</u>	<u>-</u>
Change in net position	2,797	2,432	(1,122)	(429)	1,675	2,003
Beginning net position	<u>19,778</u>	<u>17,346</u>	<u>5,721</u>	<u>6,150</u>	<u>25,499</u>	<u>23,496</u>
Ending net position	<u>\$ 22,575</u>	<u>\$ 19,778</u>	<u>\$ 4,599</u>	<u>\$ 5,721</u>	<u>\$ 27,174</u>	<u>\$ 25,499</u>

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is now fund type by category.

Reporting the City's Most Significant Funds

An analysis of the City's major funds begins on page 19 with the fund financial statements that provide detailed information about the most significant funds and not the City as a whole. Some funds are required to be established by State law or by bond covenants. However, the City Council establishes other funds to control and manage financial resources for particular purposes or meeting legal responsibilities for using certain taxes, grants, and other assets. The City's two kinds of funds, governmental and proprietary, use different accounting bases.

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

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

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are a required part of the basic financial statements and can be found in Exhibit A-9.

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

Certain supplementary financial information can be found in Exhibits C through C-6. These schedules are included for additional information and analysis and do not constitute a part of the basic financial statements.

Financial Analysis of the Government's Funds

The government operations of the City are accounted for in the General Fund, Capital Project Fund, Debt Service Fund, and Nonmajor Special Revenue Fund. The focus of these funds, as noted earlier, is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements.

In 2020, the University Club Center (UCC) Economic Development District Fund was established as a nonmajor special revenue fund, additional detail on this fund is provided at Exhibit A-9. The following is a summary of general governmental operations for 2021 by fund type:

	(in thousands)				
	2021				
	General Fund	Capital Project Fund	Debt Service Fund	Nonmajor Governmental Special Revenue Fund	Totals
Revenues & other financing sources	\$ 17,666	\$ 3,147	\$ 1,010	\$ 58	\$ 21,881
Expenditures & other financing uses	17,322	2,976	858	-	21,156
Surplus	344	171	152	58	725
Fund balance, June 30, 2020	10,963	49	1,849	49	12,910
Fund balance, June 30, 2021	<u>\$ 11,307</u>	<u>\$ 220</u>	<u>\$ 2,001</u>	<u>\$ 107</u>	<u>\$ 13,635</u>

The following is a summary of general governmental operations for 2020 by fund type:

	(in thousands)				
	2020				
	General Fund	Capital Project Fund	Debt Service Fund	Nonmajor Governmental Special Revenue Fund	Totals
Revenue & other financing sources	\$ 11,669	\$ 3,164	\$ 1,010	\$ 49	\$ 15,892
Expenditures & other financing uses	11,260	4,045	854	-	16,159
(Deficit) surplus	409	(881)	156	49	(267)
Fund balance, June 30, 2019	10,554	930	1,693	-	13,177
Fund balance, June 30, 2020	\$ 10,963	\$ 49	\$ 1,849	\$ 49	\$ 12,910

The City's governmental funds experienced a surplus of approximately \$725,000 in 2021. At year end, fund balances were approximately \$13.6 million. Approximately \$8.2 million is unassigned and available for utilization at the City's discretion. The remainder of the fund balance has been restricted or classified as nonspendable. These restrictions are for debt service, infrastructure and maintenance, public improvements, and economic development.

The General Fund is the chief operating fund of the City. At the end of the fiscal year, fund balance of the General Fund was approximately \$11.3 million compared to the fund balance of \$11 million at 2020. The increase of approximately \$344,000 in fund balance is a result of an increase in ad valorem tax collections and decreases in general government expenditures.

The City's other major funds are the Capital Projects Fund and the Debt Service Fund. The Capital Projects Fund and Debt Service Fund realized an operating deficit of approximately \$2.8 million and \$858,000, respectively, before transfers in from the General Fund. The City's Capital Projects Fund expenditures were related to ongoing road and pump station improvements, street and infrastructure improvements, and additions to the City's recreational facilities. The Capital Project Fund experienced a decrease in revenues and other financing sources of \$17,000 compared to 2020 as a result of decreases in sewer wastewater plant additions which qualified for federal grant funding offset by an increase of transfers in from the General Fund.

Sources of governmental revenues, excluding transfers and other financing sources, are summarized below.

Source of Revenue	(in thousands)			
	2021		2020	
	Revenue	Percent	Revenue	Percent
Taxes	\$ 9,832	87	\$ 9,872	78
Intergovernmental	170	2	1,126	9
Licenses and permits	535	5	384	3
Fines	605	5	924	7
Miscellaneous	155	1	318	3
Total	<u>\$ 11,297</u>	<u>100</u>	<u>\$ 12,624</u>	<u>100</u>

Revenues of the primary government for general governmental fund types for 2021 totaled \$11.3 million, compared with \$12.6 million for the previous year, representing nearly a \$1.3 million or 10% decrease. The decrease in revenue is primarily due to intergovernmental revenues that were received in 2020 for ongoing drainage and capital projects and sales and use taxes. As noted above, the City's activities are largely supported by tax revenues, which represent 87% of total governmental resources.

Approximately \$9.3 million of the \$11.3 million of governmental revenues in 2021 were for dedicated purposes. The remaining \$2 million, generated in the General Fund, was available to fund a number of city services, such as the streets and sanitation department, public safety, social and recreational services and administrative functions.

The expenditures of the primary government for the general government fund types decreased by approximately \$1.7 million in 2021. General governmental expenditures for each major function are summarized in the following table.

Function	(in thousands)			
	2021		2020	
	Expenditure	Percent	Expenditure	Percent
General government	\$ 2,079	19	\$ 2,665	21
Public safety	2,125	20	2,381	19
Streets and sanitation	1,479	14	1,381	11
Social and recreational services	391	3	549	5
Debt service	1,453	14	1,303	10
Capital outlay	3,213	30	4,257	34
Total	<u>\$ 10,740</u>	<u>100</u>	<u>\$ 12,536</u>	<u>100</u>

The largest decrease in spending occurred in capital outlay of \$1 million. Additionally, debt service expenditures experienced an increase of approximately \$150,000.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year the City's General Fund's budget was amended. The amendment of the operating and capital budgets is a customary practice of the City and is reflective of the change that occurs with financial related matters throughout the fiscal year. The most significant change during 2021 was as follows:

- To increase ad valorem revenues by \$364,000, or 11% of the City's original budget.
- To decrease fines and forfeitures revenues by \$250,000, or 31% of the City's original budget.
- To decrease public safety expenditures by \$152,000, or 6% of the City's original budget.
- To decrease capital outlay expenditures by \$200,000 or 53% of the City's original budget.

With these adjustments, the actual charges to appropriations (expenditures) were \$1.4 million less than the related final budget appropriations of \$8.3 million. The most significant variances occurred in the City's general government and public safety, where expenditures were \$798,000 and \$139,000 less than appropriations for both functions, respectively. Additionally, the City's streets and sanitation expenditures were approximately \$366,000 less than appropriations. The net change in fund balance for the General Fund for 2021 was \$344,000 and the related fund balance was \$11.3 million at year end.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2021, the City had approximately \$37.3 million invested in a broad range of capital assets, including vehicles, fire equipment, computer equipment, office furniture, land, buildings, park facilities, roads, and sewer treatment systems. This amount represents a \$913,000 net increase compared to the prior year.

	(in thousands)					
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 917	\$ 917	\$ 60	\$ 60	\$ 977	\$ 977
Construction in progress	3,097	2,831	-	-	3,097	2,831
Buildings	6,908	7,017	-	-	6,908	7,017
Equipment and vehicles	966	1,181	-	-	966	1,181
Sewer treatment plants	-	-	7,322	7,733	7,322	7,733
Infrastructure	18,075	16,693	-	-	18,075	16,693
Total assets, net of depreciation	<u>\$ 29,963</u>	<u>\$ 28,639</u>	<u>\$ 7,382</u>	<u>\$ 7,793</u>	<u>\$ 37,345</u>	<u>\$ 36,432</u>

More detailed information about the City's capital assets as well as information on the City's capital projects is presented in Note 5 to the financial statements. The City had \$3.2 million in capital additions during 2021. These additions were primarily related to road improvements, recreation facilities, and sewer system infrastructure. In 2021, the City incurred depreciation expense of the City's assets of \$1.8 million resulted in a net increase in capital assets of approximately \$913,000.

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

Long-term Liabilities

At year-end, the City had \$29.5 million in bonds and long-term liabilities outstanding versus \$28 million last year, an increase of \$1.5 million, as shown below:

	(in thousands)			
	<u>June 30, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2021</u>
<u>Governmental activities:</u>				
Net pension liability	\$ 5,068	\$ 659	\$ 601	\$ 5,125
Capital Projects				
Revenue Bond- 2012	6,730	-	6,425	305
Revenue Bond- 2015	7,140	-	200	6,940
Revenue Bond- 2021	-	6,510	-	6,510
Civic Center				
Revenue Bond	4,095	-	105	3,990
Capital lease obligation	159	-	56	103
Bond discount, net	(396)	(45)	(294)	(147)
<u>Business-type activities:</u>				
Net pension liability	290	30	35	285
Revenue Bond - 2016	4,450	-	120	4,330
Revenue Bond - DEQ	427	1,625	56	1,996
Bond premium, net	46	-	2	44
	<u>\$ 28,009</u>	<u>\$ 8,779</u>	<u>\$ 7,306</u>	<u>\$ 29,481</u>

The City remained current on all bonds and notes outstanding and retired approximately \$6.9 million of debt during 2021. Additionally, the City issued revenue bonds of \$6.5 million and received approximately \$1.6 million in DEQ proceeds totaling \$8.1 million of debt added during the year.

The State of Louisiana limits the amount of general obligation debt that municipalities can issue to 35 percent of the assessed value of all taxable property within the City's corporate limits. The City's outstanding general obligation debt is significantly below this \$79 million state-imposed limit. More detailed information about the City's long-term liabilities is presented in Note 6 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The City's elected and appointed officials considered many factors when setting the fiscal-year 2022 budget and tax rates. One of those factors is the economy. The largest taxpayers in the City are primarily companies involved in the petrochemical processing sector. These companies are significantly impacted by the increasing cost of fuel, including natural gas. With the high price of fuel in recent years, these companies have experienced financial difficulty resulting in reduction of personnel staffing and the rate of plant expansion, if any. As a result, the local economy has been impacted by the financial concerns of this major industry in the City.

For 2022, revenues and other financing sources are budgeted at \$12 million while expenditures are expected to be \$11 million, including capital outlay of \$2.6 million. If these estimates are realized, the City's budgetary fund balances are expected to decrease by the close of 2022 by \$1 million.

An important factor affecting the budget is the City's ad valorem and sales tax collections that approximate 81% of 2022 budgeted operating revenue. The City budgeted a decrease of approximately \$300,000 in federal and state grants for 2022. Additionally, the 2022 operating budget expenditures provides for increases of \$1.4 million in capital outlay. General government and streets and sanitation are budgeted to increase by \$208,000 and \$417,000, respectively. All other expenditures are budgeted to remain consistent throughout the year.

These indicators were considered when adopting the General Fund budget for 2022. Property taxes are budgeted to remain relatively flat based to 2021 assessments for 2022. These taxes are expected to fund operations of the City's governmental operations and assist in funding the City's sewer utility operations.

Contacting the City's Financial Management

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

Basic Financial Statements





CITY OF ST. GABRIEL, LOUISIANA
STATEMENT OF NET POSITION

June 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 10,364,138	\$ 1,770,512	\$ 12,134,650
Accounts receivable, net	55,637	19,233	74,870
Due from other governments, net	1,130,010	-	1,130,010
Prepaid assets	140,532	-	140,532
Restricted cash	3,565,506	2,172,314	5,737,820
Capital assets:			
Non-depreciable	4,013,804	60,000	4,073,804
Depreciable, net	25,949,537	7,322,195	33,271,732
Total assets	45,219,164	11,344,254	56,563,418
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amount on refunding	507,776	13,997	521,773
Pension liability	1,508,230	74,352	1,582,582
Total deferred outflows of resources	2,016,006	88,349	2,104,355
Total assets and deferred outflows of resources	\$ 47,235,170	\$ 11,432,603	\$ 58,667,773
LIABILITIES			
Accounts payable	\$ 1,029,608	\$ 104,477	\$ 1,134,085
Accrued liabilities	329,195	61,600	390,795
Due to other governments	118,972	-	118,972
Unearned revenues	51,209	-	51,209
Long-term liabilities:			
Due within one year	705,403	260,000	965,403
Due in more than one year	16,995,421	6,110,876	23,106,297
Pension liability due in more than one year	5,125,357	284,663	5,410,020
Total liabilities	24,355,165	6,821,616	31,176,781
DEFERRED INFLOWS OF RESOURCES			
Pension liability	304,668	11,256	315,924
NET POSITION			
Net investment in capital assets	12,770,293	1,025,316	13,795,609
Restricted for:			
Infrastructure and maintenance	2,917,500	-	2,917,500
Capital projects	220,687	1,810,941	2,031,628
Economic development	106,828	-	106,828
Debt service	1,999,909	361,373	2,361,282
Unrestricted	4,560,120	1,402,101	5,962,221
Total net position	22,575,337	4,599,731	27,175,068
Total liabilities, deferred inflows of resources, and net position	\$ 47,235,170	\$ 11,432,603	\$ 58,667,773

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

CITY OF ST. GABRIEL, LOUISIANA

STATEMENT OF ACTIVITIES

For the year ended June 30, 2021

	Program Revenues			Net (Expenses) Revenue and Changes in Net Position		Total
	Expenses	Charges for Services	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Functions/Programs						
Primary government:						
Governmental activities:						
General government	\$ 3,047,395	\$ 557,259	\$ -	\$ (2,490,136)	\$ -	\$ (2,490,136)
Public safety	2,662,547	605,268	-	(2,057,279)	-	(2,057,279)
Streets and sanitation	1,886,145	-	242,020	(1,644,125)	-	(1,644,125)
Culture and recreation	603,366	12,604	95,869	(494,893)	-	(494,893)
Interest on long-term debt	529,278	-	-	(529,278)	-	(529,278)
Total governmental activities	<u>8,728,731</u>	<u>1,175,131</u>	<u>337,889</u>	<u>(7,215,711)</u>	<u>-</u>	<u>(7,215,711)</u>
Business-type activities:						
Waste water treatment facilities	1,415,400	293,003	-	-	(1,122,397)	(1,122,397)
Total business-type activities	<u>1,415,400</u>	<u>293,003</u>	<u>-</u>	<u>-</u>	<u>(1,122,397)</u>	<u>(1,122,397)</u>
Total primary government	<u>\$ 10,144,131</u>	<u>\$ 1,468,134</u>	<u>\$ 337,889</u>	<u>(7,215,711)</u>	<u>(1,122,397)</u>	<u>(8,338,108)</u>
General revenues:						
Taxes:						
Sales				5,505,109	-	5,505,109
Ad valorem				3,716,687	-	3,716,687
Video poker				569,743	-	569,743
Franchise and other				40,724	-	40,724
Grants and contributions not restricted to specific programs				170,972	-	170,972
Investment earnings				3,922	647	4,569
Miscellaneous				5,532	-	5,532
Total general revenues				<u>10,012,689</u>	<u>647</u>	<u>10,013,336</u>
Change in net position				2,796,978	(1,121,750)	1,675,228
Net position - beginning of year				<u>19,778,359</u>	<u>5,721,481</u>	<u>25,499,840</u>
Net position - end of year				<u>\$ 22,575,337</u>	<u>\$ 4,599,731</u>	<u>\$ 27,175,068</u>

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

CITY OF ST. GABRIEL, LOUISIANA

BALANCE SHEETS
GOVERNMENTAL FUNDS

June 30, 2021

	General Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Governmental Special Revenue Fund	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 8,748,161	\$ 977,264	\$ 536,128	\$ 102,585	\$ 10,364,138
Accounts receivables, net	45,912	9,725	-	-	55,637
Due from other governments, net	859,166	266,601	-	4,243	1,130,010
Due from other funds	2,130,000	-	-	-	2,130,000
Prepaid assets	140,532	-	-	-	140,532
Restricted cash	120,828	1,980,897	1,463,781	-	3,565,506
	<u>12,044,599</u>	<u>3,234,487</u>	<u>1,999,909</u>	<u>106,828</u>	<u>17,385,823</u>
Total assets	<u>\$ 12,044,599</u>	<u>\$ 3,234,487</u>	<u>\$ 1,999,909</u>	<u>\$ 106,828</u>	<u>\$ 17,385,823</u>
LIABILITIES					
Accounts payable	\$ 387,622	\$ 641,986	\$ -	\$ -	\$ 1,029,608
Accrued liabilities	230,040	-	-	-	230,040
Due to other funds	-	2,130,000	-	-	2,130,000
Due to other governments	118,972	-	-	-	118,972
Unearned revenues	-	51,209	-	-	51,209
	<u>736,634</u>	<u>2,823,195</u>	<u>-</u>	<u>-</u>	<u>3,559,829</u>
Total liabilities	<u>736,634</u>	<u>2,823,195</u>	<u>-</u>	<u>-</u>	<u>3,559,829</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues	-	190,605	-	-	190,605
	<u>-</u>	<u>190,605</u>	<u>-</u>	<u>-</u>	<u>190,605</u>
FUND BALANCE					
Nonspendable	140,532	-	-	-	140,532
Restricted for:					
Infrastructure and maintenance	2,917,500	-	-	-	2,917,500
Capital projects	-	220,687	-	-	220,687
Economic development	-	-	-	106,828	106,828
Debt service	-	-	1,999,909	-	1,999,909
Unassigned	8,249,933	-	-	-	8,249,933
	<u>11,307,965</u>	<u>220,687</u>	<u>1,999,909</u>	<u>106,828</u>	<u>13,635,389</u>
Total fund balance	<u>11,307,965</u>	<u>220,687</u>	<u>1,999,909</u>	<u>106,828</u>	<u>13,635,389</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 12,044,599</u>	<u>\$ 3,234,487</u>	<u>\$ 1,999,909</u>	<u>\$ 106,828</u>	<u>\$ 17,385,823</u>

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

CITY OF ST. GABRIEL, LOUISIANA

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

June 30, 2021

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

Total fund balances - governmental funds (Exhibit A-2)		\$	13,635,389
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds			29,963,341
Deferred inflows and outflows of resources for pension plans and debt refundings are not due and payable in the current period, and therefore, are not reported in the governmental funds.			
Deferred outflows related to pension liability	\$	1,508,230	
Deferred outflows related to loss on refunding		507,776	
Deferred inflows related to pension liability		<u>(304,668)</u>	1,711,338
Because some revenues are not collected for sixty days after year end, they are not considered "available" revenues in the governmental funds.			
Grant revenues			190,605
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.			
Accrued interest payable		(99,155)	
Bonds payable and capital lease obligation, net of discounts		(17,700,824)	
Net pension liability		<u>(5,125,357)</u>	<u>(22,925,336)</u>
Net position of governmental activities (Exhibit A)		\$	<u>22,575,337</u>

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

CITY OF ST. GABRIEL, LOUISIANA

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

For the year ended June 30, 2021

	General Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Governmental Special Revenue Fund	Total Governmental Funds
REVENUES					
Taxes:					
Sales	\$ 5,447,592	\$ -	\$ -	\$ 57,517	\$ 5,505,109
Ad valorem	3,716,687	-	-	-	3,716,687
Video poker	569,743	-	-	-	569,743
Franchise and other	40,724	-	-	-	40,724
Intergovernmental	22,674	147,284	-	-	169,958
Licenses and permits	534,407	-	-	-	534,407
Fines	605,268	-	-	-	605,268
Other	155,315	81	-	-	155,396
	<u>11,092,410</u>	<u>147,365</u>	<u>-</u>	<u>57,517</u>	<u>11,297,292</u>
Total revenues					
EXPENDITURES					
Current function:					
General government	2,079,252	-	-	-	2,079,252
Public safety	2,125,301	-	-	-	2,125,301
Streets and sanitation	1,472,075	6,965	-	-	1,479,040
Social and recreational services	390,853	-	-	-	390,853
Debt service:					
Principal	235,544	-	420,000	-	655,544
Interest	234,314	-	438,419	-	672,733
Bond issuance cost	124,909	-	-	-	124,909
Capital outlay	244,219	2,968,591	-	-	3,212,810
	<u>6,906,467</u>	<u>2,975,556</u>	<u>858,419</u>	<u>-</u>	<u>10,740,442</u>
Total expenditures					
Excess (deficiency) of revenues over expenditures	<u>4,185,943</u>	<u>(2,828,191)</u>	<u>(858,419)</u>	<u>57,517</u>	<u>556,850</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	3,000,000	1,010,000	-	4,010,000
Proceeds from issuance of debt	6,510,000	-	-	-	6,510,000
Proceeds from sale of capital assets	33,129	-	-	-	33,129
Proceeds from insurance	30,128	-	-	-	30,128
Discounts on bonds issued	(45,570)	-	-	-	(45,570)
Payments to refunded bond escrow agent	(6,359,624)	-	-	-	(6,359,624)
Transfers out	(4,010,000)	-	-	-	(4,010,000)
	<u>(3,841,937)</u>	<u>3,000,000</u>	<u>1,010,000</u>	<u>-</u>	<u>168,063</u>
Total other financing sources (uses)					
Net change in fund balance	344,006	171,809	151,581	57,517	724,913
FUND BALANCE					
Beginning of year	<u>10,963,959</u>	<u>48,878</u>	<u>1,848,328</u>	<u>49,311</u>	<u>12,910,476</u>
End of year	<u>\$ 11,307,965</u>	<u>\$ 220,687</u>	<u>\$ 1,999,909</u>	<u>\$ 106,828</u>	<u>\$ 13,635,389</u>

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

CITY OF ST. GABRIEL, LOUISIANA

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

For the year ended June 30, 2021

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

Net change in fund balances - total governmental funds (Exhibit A-4)	\$	724,913
<p>Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation.</p>		
Capital outlay	\$ 3,212,810	
Depreciation expense	<u>(1,762,396)</u>	1,450,414
<p>In the Statement of Activities only the gain or loss on the disposal of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources.</p>		
Loss on the disposal of assets	(97,400)	
Proceeds from the sale of assets	(28,700)	(126,100)
<p>Because some revenues are not collected for sixty days after year end, they are not considered "available" revenues in the governmental funds.</p>		
Grant revenues		190,605
<p>The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal and the effect of issuance costs and discounts when debt is first issued are expenditures in the governmental funds but reduces the liability in the statement of activities.</p>		
Proceeds from the issuance of long-term debt	(6,510,000)	
Payments to escrow agent on refunded debt	6,359,624	
Discount on bond issuance	45,570	
Amortization of bond discount	(18,774)	
Amortization of deferred loss on refunding of bonds	(8,361)	
Principal payments on debt	<u>655,544</u>	523,603
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Net change in accrued interest payable		12,911
Changes in net pension liabilities are reported only in the Statement of Activities		<u>20,632</u>
Change in net position of governmental activities (Exhibit A-1)	\$	<u>2,796,978</u>

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

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

STATEMENT OF NET POSITION

June 30, 2021

ASSETS

Current assets:

Cash and cash equivalents	\$	1,770,512
Accounts receivable, net		19,233
Restricted cash		<u>2,172,314</u>
Total current assets		<u>3,962,059</u>

Noncurrent assets:

Capital assets:

Non-depreciable		60,000
Depreciable, net		<u>7,322,195</u>
Total noncurrent assets		<u>7,382,195</u>

Total assets		11,344,254
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DEFERRED OUTFLOWS OF RESOURCES

Deferred amount on refunding		13,997
Pension liability		<u>74,352</u>
Total deferred outflows of resources		<u>88,349</u>

Total assets and deferred inflows of resources	\$	<u>11,432,603</u>
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LIABILITIES

Current liabilities:

Accounts payable	\$	104,477
Accrued liabilities		61,600
Bonds payable		<u>260,000</u>
Total current liabilities		<u>426,077</u>

Long-term liabilities:

Bonds payable		6,110,876
Pension liability due in more than one year		<u>284,663</u>
Total long-term liabilities		<u>6,395,539</u>

Total liabilities		6,821,616
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DEFERRED INFLOWS OF RESOURCES

Pension liability		<u>11,256</u>
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Total liabilities and deferred

inflows of resources		<u>6,832,872</u>
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NET POSITION

Net investment in capital assets		1,025,316
Restricted for debt service		361,373
Restricted for capital projects		1,810,941
Unrestricted		<u>1,402,101</u>

Total net position		<u>4,599,731</u>
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Total liabilities, deferred inflows of resources and net position	\$	<u>11,432,603</u>
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Notes on Exhibit A-9 are an integral part of this statement.

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

For the year ended June 30, 2021

OPERATING REVENUES	
Charges for services	\$ 293,003
OPERATING EXPENSES	
Depreciation	438,207
Personnel	242,186
Utilities	201,542
Maintenance	135,232
Supplies	46,695
Professional services	21,719
Insurance	79,743
Chemicals	82,901
Other	8,800
Total operating expenses	<u>1,257,025</u>
Operating loss	(964,022)
NON-OPERATING	
Interest income	647
Bond premium amortization	1,832
Interest expense	<u>(160,207)</u>
Total nonoperating	<u>(157,728)</u>
Loss before transfers	(1,121,750)
Transfers in	1,000,000
Transfers out	<u>(1,000,000)</u>
Change in net position	(1,121,750)
NET POSITION	
Beginning of year	<u>5,721,481</u>
End of year	<u>\$ 4,599,731</u>

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

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

STATEMENT OF CASH FLOWS

For the year ended June 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$	291,669
Payments to suppliers		(509,321)
Payments to employees		(243,663)
		(461,315)
Net cash used for operating activities		(461,315)

CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES

Transfers in from other funds		1,000,000
Transfers out to other funds		(1,000,000)
		(1,000,000)

**CASH FLOWS FROM CAPITAL AND
RELATED FINANCING ACTIVITIES**

Capital contributions		1,000,000
Capital asset additions		(26,616)
Proceeds from issuance of bonds		1,624,638
Principal paid on capital debt		(177,832)
Interest paid on capital debt		(156,679)
		(156,679)
Net cash provided by capital and related financing activities		2,263,511

CASH FLOWS FROM INVESTING ACTIVITIES

Interest income		647
		647
Net increase in cash		802,843

CASH

Beginning of period		3,139,983
		3,139,983
End of period	\$	3,942,826

RECONCILIATION OF CASH

Cash and cash equivalents	\$	1,770,512
Restricted cash		2,172,314
		2,172,314
Total cash	\$	3,942,826

**RECONCILIATION OF OPERATING LOSS TO
NET CASH USED FOR OPERATING ACTIVITIES:**

Operating loss	\$	(627,248)
Adjustments of operating loss:		
Depreciation		438,207
Change in operating assets and liabilities:		
Accounts receivable		(1,334)
Accounts payable		67,311
Accrued liabilities		1,655
Net pension liability and related deferred inflows and outflows		(3,132)
		(3,132)
Net cash used for operating activities	\$	(124,541)

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



Notes To Financial Statements





CITY OF ST. GABRIEL, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement Presentation

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

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

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

Reporting Entity

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

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

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

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

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

Basis of Presentation

The City's basic financial statements consist of the government-wide statements of the primary government (the City) and the fund financial statements. The City's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America and applied to governmental units.

Government-wide Financial Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for all activities of the City. As a general rule, the effect of interfund activity has been removed from these statements. Exceptions to the general rule are payments between the City's Sewer Fund and various functions of the government for charges such as sewer fees. The government-wide presentation focuses primarily on the sustainability of the government as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. These statements distinguish between the governmental and business-type activities of the City.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Government-wide Financial Statements (Continued)

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

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

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

Fund Financial Statements

The fund financial statements are very similar to the traditional government fund statements as prepared by governments prior to the issuance of GASB No. 34. Emphasis is now on the major funds in either the governmental or business-type categories. Non-major funds by category or fund type are summarized into a single column.

The daily operations of the City continue to be organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures or expenses, as appropriate. Funds are organized into three major categories: governmental, proprietary and fiduciary. The City does not have any fiduciary funds. An emphasis is placed on major funds within the governmental and proprietary categories.

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Fund Financial Statements (Continued)

Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be expended and the means by which spending activities are controlled.

The various funds and account groups of the primary government presented in the financial statements are described as follows:

Governmental Fund Types

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

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

Special Revenue Funds – Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The special revenue fund that is considered a non-major fund is the University Club Center (UCC) Economic Development District fund. The primary source of revenue for this fund is sales tax collections that are dedicated to repayment of construction of the City's major facility addition in the development district.

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

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

Proprietary Fund Types

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Proprietary Fund Types (Continued)

Enterprise Funds – Enterprise funds are used to account for operations (1) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs and expenses, including depreciation, of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City’s enterprise fund has been considered a major fund.

Basis of Accounting and Measurement Focus

Government-wide financial statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Ad Valorem taxes are recognized in the year for which they are assessed.

Fund financial statements

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

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government’s availability criteria (susceptible to accrual). “Available” means collectible within the current period or within 60 days after year-end. Charges for services, fines and forfeitures, and most governmental miscellaneous revenues, are recorded as earned since they are measurable and available.

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund financial statements (Continued)

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

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

Cash and Cash Equivalents

Cash and cash equivalents for the City include cash on hand, amounts due from banks, interest bearing deposits at various financial institutions and short-term investments with an original maturity of three months or less.

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

For an investment, custodial credit risk is the risk that, in the event of the failure of the counter party, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The investment policy of the City is governed by state statutes that include depository and custodial contract provisions.

The City invests funds in accordance with L.R.S. 39:1211-1245 and 33:2955 which include, but are not limited to, United States treasury bonds, treasury notes, treasury bills, and fully collateralized interest-bearing checking accounts and certificates of deposit. Other provisions require depositories to insure or collateralize all deposits in accordance with state law and require securities collateralizing deposits to be held by an independent third party with whom the City has a custodial agreement. The City primarily utilizes the Louisiana Asset Management Pool to invest idle funds and records amounts invested at fair value.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable and Bad Debts

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. For governmental activities, uncollectible amounts due for receivables are recognized as bad debts directly charged off at the time information becomes available which indicates that the particular receivable is not collectible. In governmental fund types, the uncollectible amount is charged directly to the revenue or deferred revenue reported. In business-type activities, uncollectible amounts due from sewer billing receivables are recognized as bad debts through the use of an allowance account or are directly charged off at the time information becomes available which indicates that the particular receivable is not collectible. An allowance for doubtful accounts of \$3,239 was recorded at June 30, 2021.

Interfund Receivables/Payables

During the course of operations numerous transactions occur between individual funds. Those related to short-term borrowings are classified as “due from other funds” or “due to other funds” on the balance sheet and result primarily from participation in the consolidated cash account. Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.” There were no “due from other funds” or “due to other funds” reported between the City’s governmental activities and business-type activities as of June 30, 2021.

Restricted Cash

Restricted cash represents amounts which have been designated for debt services, capital projects, and contingencies for property repairs and replacements were \$1,842,265, \$3,791,848, and \$103,715, respectively. Restricted cash consisted of \$5,737,828 as June 30, 2021.

Prepaid Assets

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are recorded as expenditures when consumed, rather than when purchased.

Capital Assets

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

All capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their fair value at the date of donation. Donated capital assets, donated works of art and similar items, and capital assets received in a concession arrangement are reported at their acquisition value rather than fair value. Major outlays for capital assets and improvements are capitalized at completion of the construction projects. The City’s capitalization policy stipulates a capitalization threshold of \$5,500.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-wide Statements

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

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

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

Buildings	25-40 years
Improvements	7-30 years
Machinery and equipment	3-20 years
Utility system	5-40 years
Infrastructure	15-40 years

Fund Financial Statements

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

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

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

Interest incurred during construction in the enterprise funds is reflected in the capitalized value of the asset constructed, net of investment earnings on invested loan proceeds during the same period. There was no interest expense capitalized during the year ended June 30, 2021.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-term Debt

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

In the government-wide Statement of Net Position and in the proprietary fund types' financial statements, long-term debt is reported as a liability. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the bond. The long-term debt consists primarily of public improvement bonds and certificates of indebtedness for public improvements.

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

Compensated Absences

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

Government-wide and Business-type Net Position

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

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

Use of Restricted Net Position

The City considers restricted amounts to be spent first when both restricted and unrestricted net position is available.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Fund Balances

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

- **Nonspendable**—Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- **Restricted**—Amounts that can be spent only for specific purposes because of the City Charter, the City Code, state or federal laws, or externally imposed conditions by grantors or creditors.
- **Committed**—Amounts that can be used only for specific purposes determined by a formal action by City Council ordinance.
- **Assigned**—Amounts that are designated by the Mayor for a particular purpose but are not spendable until a budget ordinance is passed or there is a majority vote approval (for capital projects or debt service) by City Council.
- **Unassigned**—All amounts not included in other spendable classifications. The General Fund is the only fund that reports a positive unassigned fund balance amount. However, in other governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that particular fund.

Use of Restricted Resources

When an expense is incurred that can be paid using either restricted or unrestricted resources (fund balance), the City's policy is to apply the expenditure in the following priority: 1) restricted fund balance, 2) committed fund balance, 3) assigned fund balance, and 4) unassigned fund balance.

Interfund Transfers

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

Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position or Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until then. The City has two items that qualify for this category; pension liability and bond refunding, which is reported in the government-wide statement.

In addition to liabilities, the Statement of Net Position, or Balance Sheet, will sometimes report separate sections for deferred inflows of resources. This separate financial element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) at that time. The City's only item that qualifies for this category is pension liability and unearned revenues. The amounts deferred and recognized as an inflow of resources in the period that the amounts become available.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budget Policy and Budgetary Accounting

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

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

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

Estimates

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

Subsequent Events

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through the date of the independent auditors' report, March 31, 2022, which is the date the financial statements were available to be issued.

NOTE 2 - CASH AND INVESTMENTS

The City may invest in United States bonds, treasury notes, certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the State of Louisiana or other investments as authorized by LA R.S. 39:1211-1245 and 33:2955.

Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned to them. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. As of June 30, 2021, of the City's deposits were not exposed to custodial risk.

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pools of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA – R.S. 33:2955. The value of the portfolio is carried at amortized cost. As of June 30, 2021, the City had a balance of \$3,284,095 invested in LAMP.

GASB Statement No. 40 Deposit and Investment Risk Disclosure, 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 an investment pool that, to the extent practical, invest in manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

- Credit risk: LAMP is rated AAAM by Standard & Poor's.
- Custodial risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- 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 disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 47 days from LAMP's monthly Portfolio Holdings as of June 30, 2021.
- Foreign currency risk: Not applicable.

The investments in LAMP are stated at fair value. 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.

NOTE 3 - DUE FROM OTHER GOVERNMENTS

Due from other governments at June 30, 2021, consists of the following:

Primary Government	Governmental Activities	Business-Type Activities	Total
Parish of Iberville, Louisiana - Sales tax	\$ 850,328	\$ -	\$ 850,328
Federal Emergency Management Agency - Grants	317,756	-	317,756
Louisiana Office of State Parks - Grants	95,868	-	95,868
State of Louisiana - Video poker	13,081	-	13,081
Allowance for doubtful accounts - Grants	<u>(147,023)</u>	<u>-</u>	<u>(147,023)</u>
Total primary government	<u>\$ 1,130,010</u>	<u>\$ -</u>	<u>\$ 1,130,010</u>

NOTE 4 - AD VALOREM TAXES

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

All property taxes are recorded in governmental funds as explained in Note 1 above. Revenues in governmental funds are recognized in the accounting period in which they become available and measurable. Property taxes are considered measurable in the calendar year of the tax levy.

Accordingly, the taxes assessed for the calendar year falling within the current fiscal year are recorded as revenue. Property taxes are considered available because they are substantially collected during the fiscal year and are therefore available to liquidate liabilities of the current period.

The property tax calendar is as follows:

Millage rates adopted	July 21, 2020
Levy date	July 21, 2020
Due date	December 31, 2020
Lien date	January 1, 2021
Collection dates	December 1, 2020 to January 1, 2021

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

NOTE 4 - AD VALOREM TAXES (CONTINUED)

For the year ended June 30, 2021, taxes of 16.79 mills were levied for general government and public purposes on property with assessed valuations totaling \$226,842,505. Total taxes levied were \$3,808,686. Property tax millage rates are adopted in the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before December 31 of the current year and become delinquent thereafter.

The City collected ad valorem taxes of \$2,702,201 from the top ten property owners during the year ended June 30, 2021. Tax collections from five of the ten taxpayers amounted to \$2,073,691.

NOTE 5 - CAPITAL ASSETS

A summary of changes in general capital assets for the year ended June 30, 2021, is as follows:

	Beginning			Ending
	Balance	Increases	Decreases	Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 917,168	\$ -	\$ -	\$ 917,168
Construction in progress	<u>2,830,790</u>	<u>2,950,416</u>	<u>(2,684,570)</u>	<u>3,096,636</u>
Total capital assets, not being depreciated	<u>3,747,958</u>	<u>2,950,416</u>	<u>(2,684,570)</u>	<u>4,013,804</u>
Capital assets being depreciated:				
Buildings and improvements	10,002,879	206,100	-	10,208,979
Equipment and vehicles	6,141,764	218,907	(223,274)	6,137,397
Infrastructure	<u>22,610,593</u>	<u>2,417,734</u>	<u>-</u>	<u>25,028,327</u>
Total capital assets being depreciated	<u>38,755,236</u>	<u>2,842,741</u>	<u>(223,274)</u>	<u>41,374,703</u>
Less accumulated depreciation for:				
Buildings and improvements	2,986,105	314,893	-	3,300,998
Equipment and vehicles	4,960,950	411,626	(201,397)	5,171,179
Infrastructure	<u>5,917,112</u>	<u>1,035,877</u>	<u>-</u>	<u>6,952,989</u>
Total accumulated depreciation	<u>13,864,167</u>	<u>1,762,396</u>	<u>(201,397)</u>	<u>15,425,166</u>
Total capital assets being depreciated, net	<u>24,891,069</u>	<u>1,080,345</u>	<u>(21,877)</u>	<u>25,949,537</u>
Governmental activities capital assets, net	<u>\$ 28,639,027</u>	<u>\$ 4,030,761</u>	<u>\$ (2,706,447)</u>	<u>\$ 29,963,341</u>

(continued)

NOTE 5 - CAPITAL ASSETS (CONTINUED)

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

Government Activities

General government	\$ 791,266
Streets and sanitation	438,885
Public safety	319,180
Recreation	<u>213,065</u>
Total depreciation expense - governmental activities	<u>\$ 1,762,396</u>

Lease Obligations

As of June 30, 2021, the City has capitalized equipment acquired through capital leases with a cost of \$258,584 and corresponding accumulated depreciation of \$118,090. Depreciation for these assets was \$51,717 in 2021.

	Beginning Balance	Increases	Decreases	Ending Balance
Business Activities:				
Capital assets not being depreciated:				
Land	\$ 60,000	\$ -	\$ -	\$ 60,000
Total capital assets, not being depreciated	<u>60,000</u>	<u>-</u>	<u>-</u>	<u>60,000</u>
Capital assets being depreciated:				
Sewer treatment plants	12,382,038	-	-	12,382,038
Sewer pump station	<u>642,254</u>	<u>26,616</u>	<u>-</u>	<u>668,870</u>
Total capital assets being depreciated	<u>13,024,292</u>	<u>26,616</u>	<u>-</u>	<u>13,050,908</u>
Less accumulated depreciation for:				
Sewer treatment plants	5,048,108	332,471	-	5,380,579
Sewer pump station	<u>242,398</u>	<u>105,736</u>	<u>-</u>	<u>348,134</u>
Total accumulated depreciation	<u>5,290,506</u>	<u>438,207</u>	<u>-</u>	<u>5,728,713</u>
Total capital assets being depreciated, net	<u>7,733,786</u>	<u>(411,591)</u>	<u>-</u>	<u>7,322,195</u>
Business-type activities capital assets, net	<u>\$ 7,793,786</u>	<u>\$ (411,591)</u>	<u>\$ -</u>	<u>\$ 7,382,195</u>

NOTE 6 - LONG-TERM LIABILITIES

Debt Outstanding

The following is a summary of debt transactions of the City for the year ended June 30, 2021:

	<u>June 30, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2021</u>	<u>Due Within One Year</u>
Governmental activities:					
Net pension liability	\$ 5,067,562	\$ 659,125	\$ 601,330	\$ 5,125,357	\$ -
Capital projects					
Revenue Bond - 2012	6,730,000	-	6,425,000	305,000	305,000
Revenue Bond - 2015	7,140,000	-	200,000	6,940,000	205,000
Revenue Bond - 2021	-	6,510,000	-	6,510,000	55,000
Civic Center					
Revenue Bond	4,095,000	-	105,000	3,990,000	105,000
Capital lease obligation	158,606	-	55,544	103,062	35,403
Bond discounts	<u>(395,554)</u>	<u>(45,570)</u>	<u>(293,886)</u>	<u>(147,238)</u>	<u>-</u>
Total	<u>\$ 22,795,614</u>	<u>\$ 7,123,555</u>	<u>\$ 7,092,988</u>	<u>\$ 22,826,181</u>	<u>\$ 705,403</u>
Business-type activities:					
Net pension liability	\$ 289,797	\$ 30,286	\$ 35,420	\$ 284,663	\$ -
Revenue Bond - 2016	4,450,000	-	120,000	4,330,000	120,000
Revenue Bond - DEQ	427,366	1,624,638	56,000	1,996,004	140,000
Bond premium	<u>46,704</u>	<u>-</u>	<u>1,832</u>	<u>44,872</u>	<u>-</u>
Total	<u>\$ 5,213,867</u>	<u>\$ 1,654,924</u>	<u>\$ 213,252</u>	<u>\$ 6,655,539</u>	<u>\$ 260,000</u>

(continued)

NOTE 6 - LONG-TERM LIABILITIES (CONTINUED)

Long-term debt obligations for the primary government at June 30, 2021, are comprised of the following:

Governmental Activities

<p>\$8,830,000 Certificate of indebtedness - secured by a pledge of general revenues, principal due annually in August and interest due semiannually at 3%, maturing on May 1, 2037. \$1,100,000 is dedicated for road improvements and \$200,000 is dedicated for sewer improvements. Combined annual installments of principal and interest vary from \$545,111 to \$549,800.</p>	<p>\$ 305,000</p>
<p>\$8,065,000 Sales Tax Revenue Bonds consisting of \$3,165,000 in serial bonds bearing varying interest rates from 2.0% - 3.75% and maturing on May 1, 2030 and \$4,900,000 in term bonds bearing an interest rate of 4% and maturing on May 1, 2040. Combined annual installments of principal and interest vary from \$283,225 to \$1,008,000.</p>	<p>6,940,000</p>
<p>\$6,510,000 Partial Sales Tax Revenue Refunding Bonds bearing varying interest rates from 0.45% - 3.25% and maturing on May 1, 2037. and maturing on May 1, 2030 and \$2,915,000 in term bonds Combined annual installments of principal and interest vary from \$55,000 to \$515,000.</p>	<p>6,510,000</p>
<p>\$4,590,000 Sales Tax Revenue Bonds consisting of \$1,675,000 in serial bonds bearing varying interest rates from 2.0% - 3.75% and maturing on May 1, 2030 and \$2,915,000 in term bonds bearing an interest rate of 4% and maturing on May 1, 2046. Combined annual installments of principal and interest vary from \$85,000 to \$260,400.</p>	<p>3,990,000</p>
<p>\$143,077 in proceeds for the purchase of equipment, due in monthly installments of \$3,162 through April 2024, interest at 3%. the lease is secured by equipment.</p>	<p>103,062</p>
<p><i>Bond discount, net of accumulated amortization</i></p>	<p>(147,238)</p>
<p><i>Net pension liability</i></p>	<p><u>5,125,357</u></p>
<p style="padding-left: 40px;">Total long-term liabilities from governmental activities</p>	<p><u>\$ 22,826,181</u></p>

NOTE 6 - LONG-TERM LIABILITIES (CONTINUED)

Long-term debt obligations for the primary government at June 30, 2021, are comprised of the following:

Business-Type Activities

\$4,900,000 Limited Tax Revenue Refunding Bonds, secured by the sewer system revenues and 2 mills of Ad Valorem tax, consisting of \$1,790,000 in serial bonds bearing varying interest rates from 2.0% - 4.0% and maturing on March 1, 2030 and \$3,110,000 in term bonds bearing interest rates varying from 3.375% - 3.750%, maturing on March 1, 2045. Combined annual installments of principal and interest vary from \$110,000 to \$265,000.	\$ 4,330,000
\$3,000,000 Louisiana Department of Environmental Quality Revenue Bonds, secured by the sewer system revenues bearing an interest rate of 0.45% and administrative fees of 0.50%, maturing on March 1, 2039. Combined annual installments of principal and interest vary from \$140,000 to \$160,000.	1,996,004
<i>Bond premium, net of accumulated amortization</i>	44,872
<i>Net pension liability</i>	<u>284,663</u>
Total long-term liabilities from business type activities	<u>\$ 6,655,539</u>

Debt Service Requirements to Maturity

The annual requirements to amortize debt outstanding at June 30, 2021, are as follows:

Governmental activities:

Year	2015A Sales Tax Revenue Bond		2021 Sales Tax Revenue Refunding Bond		Capital Projects Revenue Bond	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 205,000	\$ 260,725	\$ 55,000	\$ 160,676	\$ 305,000	\$ 9,150
2023	205,000	256,112	380,000	150,780	-	-
2024	215,000	250,987	380,000	148,690	-	-
2025	220,000	244,537	385,000	145,650	-	-
2026	220,000	237,937	390,000	140,837	-	-
2027-2031	1,245,000	1,070,000	2,060,000	585,057	-	-
2032-2036	1,495,000	811,600	2,345,000	299,979	-	-
2037-2041	3,135,000	352,200	515,000	16,737	-	-
2042-2046	-	-	-	-	-	-
	<u>\$ 6,940,000</u>	<u>\$ 3,484,098</u>	<u>\$ 6,510,000</u>	<u>\$ 1,648,406</u>	<u>\$ 305,000</u>	<u>\$ 9,150</u>

NOTE 6 - LONG-TERM LIABILITIES (CONTINUED)

Governmental activities (Continued):

Year	Civic Center Revenue Bond		Capital Leases Obligations		Total Governmental Long-term debt	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 105,000	\$ 150,731	\$ 35,403	\$ 2,547	\$ 705,403	\$ 583,829
2023	110,000	148,369	36,454	1,595	731,454	556,856
2024	110,000	145,619	31,205	420	736,205	545,716
2025	115,000	142,319	-	-	720,000	532,506
2026	120,000	138,869	-	-	730,000	517,643
2027-2031	655,000	630,356	-	-	3,960,000	2,285,413
2032-2036	795,000	493,800	-	-	4,635,000	1,605,379
2037-2041	970,000	321,400	-	-	4,620,000	690,337
2042-2046	1,010,000	111,200	-	-	1,010,000	111,200
	<u>\$ 3,990,000</u>	<u>\$ 2,282,663</u>	<u>\$ 103,062</u>	<u>\$ 4,562</u>	<u>\$ 17,848,062</u>	<u>\$ 7,428,879</u>

Business-type activities:

Year	2016 Limited Tax Revenue and Refunding Bond		Department of Environmental Quality		Total Business-type Long-term debt	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 120,000	\$ 150,875	\$ 140,000	\$ 8,884	\$ 260,000	\$ 159,759
2023	125,000	148,475	140,000	8,979	265,000	157,454
2024	125,000	145,975	140,000	8,349	265,000	154,324
2025	130,000	143,475	145,000	7,719	275,000	151,194
2026	135,000	139,575	145,000	7,067	280,000	146,642
2027-2031	745,000	620,425	745,000	25,411	1,490,000	645,836
2032-2036	890,000	475,744	505,000	8,986	1,395,000	484,730
2037-2041	1,060,000	307,294	36,004	2,504	1,096,004	309,798
2042-2046	1,000,000	95,625	-	-	1,000,000	95,625
	<u>\$ 4,330,000</u>	<u>\$ 2,227,463</u>	<u>\$ 1,996,004</u>	<u>\$ 77,899</u>	<u>\$ 6,326,004</u>	<u>\$ 2,305,362</u>

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

In 2019, the City issued \$3 million in sewer revenue bonds for the purpose of funding the construction of a wastewater treatment facility. The bonds are secured by sewer revenue through 2029. The city draws on the related proceeds as contractors present authorization for payment similar to a construction loan. Phase one of the project was completed during the current year is. Phase 2 began shortly after and is currently ongoing. Repayment of the principal is estimated to begin upon completion of the second phase of the project. The outstanding balance as of June 30, 2021 was \$1,996,004.

(continued)

NOTE 6 - LONG-TERM LIABILITIES (CONTINUED)

Business-type activities (Continued):

The estimated annual debt service requirements to amortize the bond issuance obligation, based on an interest rate of 0.45% and administrative fees payable to the Louisiana Department of Environmental Quality (DEQ) of 0.50%, are as follows:

Sewer Revenue Bonds				
Year	Principal	Interest	DEQ Fees	Total
2022	\$ 140,000	\$ 12,195	\$ 13,550	\$ 165,744
2023	140,000	11,565	12,850	164,414
2024	140,000	10,935	12,150	163,084
2025	145,000	10,282	11,425	166,707
2026	145,000	9,630	10,700	165,329
2027-2031	745,000	38,136	42,374	825,510
2032-2036	785,000	20,856	23,174	829,030
2037-2041	609,947	3,330	3,699	616,976
	\$ 2,849,947	\$ 116,928	\$ 129,921	\$ 3,096,796

Bond Restrictions:

Sewer System Project Revenue Bonds

In accordance with the indentures governing Sewer System Project, Series 2017, cash deposits relating to the Sewer System Project are administered by a trustee bank. These bonds are a direct liability of the City to be serviced by 2 mills of ad valorem tax revenues and revenues derived by the City from the operation of the wastewater collection and treatment system (sewer system).

The Sewer System Project Debt Service Reserve fund is a cash account maintained by the trustee bank. This fund is restricted to payment of principal and interest in case of a default. At June 30, 2021, \$283,706 was held in this account.

Capital Projects Revenue Bonds

In accordance with the indentures governing Capital Projects Revenue Bonds, Series 2012 and 2015, cash is periodically deposited into accounts administered by a trustee bank. These bonds are a direct liability of the City to be serviced by the proceeds from sales tax revenue. Deposits are made to these trust accounts in accordance with the requirements of each.

1. The 2012 and 2015 Capital Projects Revenue Bonds Debt Service Reserve Funds are cash accounts maintained by the trustee bank. These funds are restricted to payment of principal and interest in case of default. At June 30, 2021, \$531,908, and \$667,024, were held in these accounts, respectively.
2. The 2012 Capital Projects Revenue Bonds Debt Service Fund requires monthly transfers of \$45,500. This fund is restricted to payment of principal and interest on an annual and semi-annual basis, respectively. At June 30, 2021, \$788 was held in this debt service account.

NOTE 6 - LONG-TERM LIABILITIES (CONTINUED)

Bond Restrictions (Continued):

Civic Center Revenue Bonds

In accordance with the indentures governing Civic Center Revenue Bonds, Series 2015B, cash is periodically deposited into accounts administered by a trustee bank. These bonds are a direct liability of the General Fund to be serviced by the earnings from the fund. Deposits are made to these trust accounts in accordance with the requirements of each.

1. The Civic Center Revenue bonds require all revenue derived from its operations to be deposited in a bank that is a member of the Federal Deposit Insurance Corporation as long as any of the bonds are outstanding. Required transfers are made on a monthly basis to designated trust accounts.
2. The Civic Center Revenue Bond Reserve fund requires monthly transfers ranging from \$1,100 until a sum equal to the highest combined principal and interest falling due in any year has been accumulated. This fund is restricted to payment of principal and interest in case of default. At June 30, 2021, \$264,052 was held in this reserve account.

The Civic Center Revenue bonds are secured from a pledge of the City's 1% sales and use tax. During 2021, the City collected \$2,472,284 in sales and use tax proceeds with \$264,052 used to fund current debt service until retirement through 2046. The debt was issued for the purpose of funding the construction of a community center. Excess sales tax revenues over debt service requirements are available for use as stipulated by the tax dedication and determined by the City. See Note 7.

Legal Debt Margin

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

Ad valorem taxes – assessed valuation	<u>\$ 226,842,505</u>
Debt limit: 10% of assessed valuation (for any one purpose)	<u>\$ 22,684,251</u>
Debt limit: 35% of assessed valuation (aggregate, all purposes)	<u>\$ 79,394,877</u>

NOTE 7 - DEFEASED DEBT

During 2015, the City issued refunding bonds of \$4,590,000 to defease its 2012 Civic Center Revenue Bonds. The proceeds were deposited in an escrow account to provide all future debt service on the 2012 revenue bonds until they are called on May 1, 2046. As a result, the 2012 revenue bonds are considered defeased, and the City has removed the liability from its accounts.

As of June 30, 2021, the amount of defeased debt outstanding but removed from the government-wide financial statements related to the 2012 Civic Center Revenue Bonds is \$3,774,681.

(continued)

NOTE 7 - DEFEASED DEBT (CONTINUED)

During 2021, the City issued refunding bonds of \$6,510,000 to defease its 2012 Public Improvement Sales Tax Revenue Bonds. The proceeds were deposited in an escrow account to provide all future debt service on the 2012 revenue bonds until they are called on June 30, 2037. As a result, the 2012 revenue bonds are considered defeased in substance, and the City has removed the liability from its accounts.

As of June 30, 2021, the amount of defeased debt outstanding but removed from the government-wide financial statements related to the 2012 Public Improvement Sales Tax Revenue Bonds is \$6,130,000.

The advanced refunding decreased total future debt service payments by approximately \$259,978, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of approximately \$347,421.

NOTE 8 - DEDICATED REVENUES

Ad Valorem Tax

A 10.00 mills ad valorem tax was levied in July 2013. In 2021, it decreased to 9.97 mills. The tax is dedicated for public improvements including, but not limited to, housing, economic development, and funding for a Civic Center. Dedicated ad valorem taxes of \$2,198,006 were recognized during the year ended June 30, 2021.

Sales and Use Tax

A one-third of one percent sales and use tax is dedicated for public purposes, including, but not limited to, wastewater facilities, water and fire protection, streets, sidewalks, bridges and drainage and other capital expenditures, including operating and maintenance costs related thereto. The City recognized \$2,472,284 from sales and use tax during the year ended June 30, 2021.

Parish-wide Sales Tax

A two percent parish-wide sales tax is dedicated for public infrastructure and maintenance. The City recognized \$2,975,308 from parish-wide sales tax during the year ended June 30, 2021. The tax is collected on a parish-wide basis in Iberville Parish and shared with certain municipalities in the Parish on a pro-rata basis based on populations.

University Club Center Economic Development District Sales Tax

A two percent parish sales tax was dedicated for the development of new residential and commercial property that will be called University Club Center. This sales tax took effect on April 1, 2015 and will affect anyone within the district's boundaries, which is located along Highway 30 in the City. The city recognized \$57,517 of UCC-EDD sales tax for the year ended June 30, 2021.

NOTE 9 - PENSION AND RETIREMENT PLANS

The City of St. Gabriel (the City) is a participating employer in several cost-sharing defined benefit pension plans. These plans are administered by three public employee retirement systems, the Municipal Employees' Retirement System of Louisiana (MERS), the Municipal Police Employees' Retirement System (MPERS) and the Firefighters' Retirement System (FRS). The City participated in FRS through June 30, 2015 and had no employee participants during fiscal year ending June 30, 2021. Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of these plans to the State Legislature. Each system is administered by a separate board of trustees.

Each of the Systems issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. These reports may be obtained by writing, calling or downloading the reports as follows:

MERS:	MPERS:	FRS
7937 Office Park Boulevard Baton Rouge, LA 70809 (225) 925-4810 www.mersla.com	7722 Office Park Boulevard, Suite 200. Baton Rouge, LA 70809 (225) 929-7411 www.lampers.org	3100 Brentwood Drive Baton Rouge, Louisiana 70809 (225) 925-4060 www.lafirefightersret.com

The City implemented Government Accounting Standards Board (GASB) Statement 68 on Accounting and Financial Reporting for Pensions and Statement 71 on Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB 68. These standards require the City to record its proportional share of each of the pension plans Net Pension Liability and report the following disclosures:

Plan Descriptions:

Municipal Employees' Retirement System of Louisiana (MERS)

The Municipal Employees' Retirement System of Louisiana (MERS) is the administrator of a cost-sharing multiple-employer defined benefit pension plan. The System was originally established by Act 356 of the 1954 regular session of the Legislature of the State of Louisiana. The System provides retirement benefits to employees of all incorporated villages, towns and cities within the State which do not have their own retirement system and which elect to become members of the System. The City of St. Gabriel is a participant in Plan A only.

Municipal Police Employees' Retirement System (MPERS)

The Municipal Police Employees' Retirement System (MPERS) is the administrator of a cost-sharing multiple-employer plan. Membership in the System is mandatory for any full-time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests, providing he or she does not have to pay social security and providing he or she meets the statutory criteria. The System provides retirement benefits for municipal police officers.

(continued)

NOTE 9 - PENSION AND RETIREMENT PLANS (CONTINUED)

Firefighters' Retirement System (FRS)

The Firefighters' Retirement System (FRS) is a cost-sharing multiple-employer defined benefit pension plan established by Act 434 of 1979 to provide retirement, disability, and survivor benefits to firefighters in Louisiana.

Article X, Section 29(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee (PR SAC).

Funding Policy

The City's net pension liabilities are typically liquidated through the General Fund and Utility Fund. Contributions to the plans are required and determined by State statute (which may be amended) and are expressed as a percentage of covered payroll. The contribution rates in effect for the year ended June 30, 2021, for the City and covered employees were as follows:

	City	Employees
Municipal Employees' Retirement System Plan A		
Members hired prior to 01/01/2013	29.50%	10.00%
Members hired after 01/01/2013	29.50%	10.00%
Municipal Police Employees' Retirement System		
All employees hired prior to 01/01/2013 and all Hazardous Duty employees hired after 01/01/2013	33.75%	10.00%
Non-Hazardous Duty (hired after 01/01/2013)	33.75%	8.00%
Employees receiving compensation below poverty guidelines of US Department of Health	36.25%	7.50%
Firefighters' Retirement System		
Employees receiving compensation above poverty guidelines of US Department of Health	32.25%	10.00%
Employees receiving compensation below poverty guidelines of US Department of Health	34.25%	8.00%

(continued)

NOTE 9 - PENSION AND RETIREMENT PLANS (CONTINUED)

Funding Policy (Continued)

The contributions made to the Systems for the past three fiscal years, which equaled the required contributions for each of these years, were as follows:

Plan	2021	2020	2019
Municipal Employees' Retirement System (Plan A)	\$ 410,236	\$ 354,198	\$ 333,731
Municipal Police Employees' Retirement System	279,568	284,352	254,790
Firefighters' Retirement System	-	-	-
	<u>\$ 689,804</u>	<u>\$ 638,550</u>	<u>\$ 588,521</u>

Non-employer contributions to MERS and MPERS for the plan year ended June 30, 2020 were \$44,667 and \$60,455, respectively and are reflected in the Statement of Activities.

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

The following schedule lists the City's proportionate share of the Net Pension Liability allocated by each of the pension plans based on the June 30, 2020 measurement date. The City uses this measurement to record its Net Pension Liability and associated amounts as of June 30, 2021 in accordance with GASB Statement 68. The schedule also includes the proportionate share allocation rate used at June 30, 2021 along with the change compared to the June 30, 2020 rate. The City's proportion of the Net Pension Liability was based on a projection of the Agency'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 June 30, 2021	Current Measurement Rate	Previous Measurement Rate	Increase (Decrease)
MERS	\$ 2,846,623	0.66%	0.69%	-0.04%
MPERS	2,563,397	0.28%	0.27%	0.01%
FRS	-	0.00%	0.00%	0.00%
Total	<u>\$ 5,410,020</u>			

(continued)

NOTE 9 - PENSION AND RETIREMENT PLANS (CONTINUED)

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

The following schedule list each pension plan's recognized pension expense (benefit) of the City for the year ended June 30, 2021:

	Total
Municipal Employees' Retirement	\$ 543,534
Municipal Police Employees' Retirement	449,706
Firefighters Retirement System	-
Total	\$ 993,240

Summary totals of deferred outflows of resources for the primary government by pension plan:

	MERS	MPERS
Deferred Outflows of Resources:		
Differences between expected and actual experience	\$ 1,319	\$ -
Changes of assumptions	47,890	60,912
Net difference between projected and actual earnings on pension plan investments	284,063	307,531
Changes in proportion and differences between Employer contributions and proportionate share of contributions	-	191,063
Differences between allocated and actual contributions	-	-
Employer contributions subsequent to the measurement date	410,236	279,568
Total	\$ 743,508	\$ 839,074

	FRS	Total
Deferred Outflows of Resources:		
Differences between expected and actual experience	\$ -	\$ 1,319
Changes of assumptions	-	108,802
Net difference between projected and actual earnings on pension plan investments	-	591,594
Changes in proportion and differences between Employer contributions and proportionate share of contributions	-	191,063
Differences between allocated and actual contributions	-	-
Employer contributions subsequent to the measurement date	-	689,804
Total	\$ -	\$ 1,582,582

(continued)

NOTE 9 - PENSION AND RETIREMENT PLANS (CONTINUED)

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

Summary totals of deferred inflows of resources for the primary government by pension plan:

Deferred Inflows of Resources:	MERS	MPERS
Differences between expected and actual experience	\$ 16,138	\$ 100,970
Changes of assumptions	-	63,261
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	95,423	38,590
Differences between allocated and actual contributions	996	546
Employer contributions subsequent to the measurement date	-	-
Total	\$ 112,557	\$ 203,367

Deferred Inflows of Resources:	FRS	Total
Differences between expected and actual experience	\$ -	\$ 117,108
Changes of assumptions	-	63,261
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	-	134,013
Differences between allocated and actual contributions	-	1,542
Employer contributions subsequent to the measurement date	-	-
Total	\$ -	\$ 315,924

(continued)

NOTE 9 - PENSION AND RETIREMENT PLANS (CONTINUED)

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

The City reported a total of \$689,804 as deferred outflow of resources related to pension contributions made subsequent to the measurement date of the net pension liability but before the end of the City's fiscal year end will be recognized as a reduction in Net Pension Liability in the subsequent fiscal period rather than in the current fiscal period. The following schedule list the pension contributions made subsequent to the measurement period for each pension plan:

	Subsequent Contributions
Municipal Employees' Retirement Fund	\$ 410,236
Municipal Police Employees' Retirement Fund	279,568
Firefighters' Retirement System	-
	\$ 689,804

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	MERS	MPERS	FRS	Total
2022	\$ 66,979	\$ 60,386	\$ -	\$ 127,365
2023	47,553	168,256	-	215,809
2024	64,545	67,774	-	132,319
2025	41,638	59,723	-	101,361
	\$ 220,715	\$ 356,139	\$ -	\$ 576,854

Actuarial Assumptions

MERS

The actuarial assumptions used in the June 30, 2020 valuation was based on the results of an experienced study, for the period July 1, 2013 through June 30, 2018.

MPERS

The actuarial assumptions used in the June 30, 2020 valuation were based on the assumptions used in the June 30, 2019 actuarial finding valuation and were based on the results of an actuarial experience study for the period of July 1, 2014 through June 30, 2019.

FRS

The actuarial assumptions used in the June 30, 2020, valuation were based on the assumptions used in the June 30, 2019, actuarial funding valuation, and were based on results of an actuarial experience study for the period July 1, 2014 through June 30, 2019.

NOTE 9 - PENSION AND RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions (Continued)

A summary of the actuarial methods and assumptions used in determining the total pension liability for each pension plan as of June 30, 2020 are as follows:

	<u>Measurement/ Valuation Date</u>	<u>Expected Remaining Service Lives</u>	<u>Investment Rate of Return</u>
MERS	June 30, 2020	3 years	6.95%; net of investment expense, including inflation
MPERS	June 30, 2020	4 years	6.95%; net of investment expense
FRS	June 30, 2020	7 years	7.00%; net of investment expense, including inflation

Mortality:

MERS

Mortality rates for non-disabled are based on PubG-2010(B) Healthy Retiree Table set and PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.

Mortality rates for disabled are based on PubNS-2010(B) Disabled Retiree Table set equal to 120% for male and females with full generational MP2018 scale.

MPERS

Mortality rates for non-disabled are based on the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale was used.

Mortality rates for disabled are based on the Pub-2010 Public Retirement Plans Mortality Table for Safety Disable Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019 scale was used.

FRS

Mortality rates for non-disabled are set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees.

Mortality rates for disabled are set equal to the Pub-2010 Public Retirement Plans Morality Table for Safety Disabled Retirees.

NOTE 9 - PENSION AND RETIREMENT PLANS (CONTINUED)

Salary Increases:

MERS

<u>Years of Service</u>	<u>Salary Growth Rate</u>
1-4	6.4%
Over 4	4.5%

MPERS

<u>Years of Service</u>	<u>Salary Growth Rate</u>
1-2	12.30%
Over 2	4.70%

FRS

Vary from 14.10% in the first two years of service to 5.20% after 25 years.

Cost of Living Adjustments:

MERS

The System is authorized under state law to grant a cost of living increase to members who have been retired for at least one year. 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. State law allows the System to grant an additional cost of living increase to all retirees and beneficiaries who are age sixty-five and above equal to 2% of the benefit being received on October 1, 1977, or the original benefit, if retirement commenced after that date.

MPERS

The system is authorized to provide annual cost-of-living adjustments computed on the amount of the current regular retirement, disability, beneficiary, or survivor's benefit, not to exceed 3% in any given year. The system is authorized to provide an additional 2% cost of living adjustment, computed on the member's original benefit, to all regular retirees, disability survivors and beneficiaries who are 65 years age or older on the cut-off date which determines eligibility.

FRS

Only those previously granted.

(continued)

NOTE 9 - PENSION AND RETIREMENT PLANS (CONTINUED)

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

MERS

The 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 and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.00% for the year ended June 30, 2020.

MPERS

The forecasted 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 and an adjustment for the effect of rebalancing/diversification. The resulting forecasted long-term rate of return is 7.19% for the year ended June 30, 2020.

FRS

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 arithmetic nominal expected rate of return was 7.00% as of June 30, 2020.

(continued)

NOTE 9 - PENSION AND RETIREMENT PLANS (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, 2020:

Asset Class	Target Allocation			Long - Term Expected Real Rate of Return		
	MERS	MPERS	FRS	MERS	MPERS	FRS
Public Equity	53.00%	-	-	2.33%	-	-
Equity	-	48.50%	54.00%		3.08%	2.61%
Public Fixed Income	38.00%	-	-	1.67%	-	-
Fixed Income	-	33.50%	31.00%	-	0.54%	0.43%
Alternatives	9.00%	18.00%	15.00%	0.40%	1.02%	1.46%
Other	-	-	-	-	-	-
Total	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	4.40%	4.64%	4.50%
Inflation				<u>2.60%</u>	<u>2.55%</u>	<u>2.50%</u>
Expected Arithmetic Nominal Return				<u>7.00%</u>	<u>7.19%</u>	<u>7.00%</u>

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 MERS, MPERS and FRS was 6.95%, 6.95% and 7.00%, respectively for the year ended June 30, 2020.

(continued)

NOTE 9 - PENSION AND RETIREMENT PLANS (CONTINUED)

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

The following table presents the City's proportionate share of the Net Pension Liability (NPL) using the discount rate of each Retirement System as well as what the City'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>
MERS			
Discount Rates	5.95%	6.95%	7.95%
Shares of Net Pension Liability	\$ 3,703,145	\$ 2,846,623	\$ 1,552,222
MPERS			
Discount Rates	5.95%	6.95%	7.95%
Shares of Net Pension Liability	\$ 3,601,300	\$ 2,563,397	\$ 1,695,754
FRS			
Discount Rates	6.00%	7.00%	8.00%
Shares of Net Pension Liability	\$ -	\$ -	\$ -

NOTE 10 - INTERFUND TRANSACTIONS

Interfund Transfers

Transfers for the year ended June 30, 2021, were as follows:

	Transfers	
	In	Out
Governmental activities:		
General Fund		
Debt Service Fund	\$ -	\$ 1,010,000
Sewer Fund	-	1,000,000
Capital Projects Fund	-	2,000,000
Total General Fund	-	4,010,000
Capital Projects Fund		
General Fund	2,000,000	-
Sewer Fund	1,000,000	-
Total Capital Projects Fund	3,000,000	-
Debt Service Fund		
General Fund	1,010,000	-
Total governmental activities	4,010,000	4,010,000
Business-type Activities:		
Sewer Fund		
General Fund	1,000,000	-
Capital Projects Fund	-	1,000,000
Total business-type activities	1,000,000	1,000,000
Total primary government	\$ 5,010,000	\$ 5,010,000

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

(continued)

NOTE 10 - INTERFUND TRANSACTIONS (CONTINUED)

Interfund Receivable and Payable Balances

Interfund receivable and payable balances generally represents short-term borrowing between funds and pooled cash activity across funds.

	Interfund	
	Receivable	Payable
Governmental Funds:		
General Fund		
Capital Project Fund	\$ 2,130,000	\$ -
Capital Project Fund		
General Fund	-	2,130,000
Total primary government	\$ 2,130,000	\$ 2,130,000

NOTE 11 - COMPENSATION TO THE GOVERNING BODY

The City's elected officials' terms expire on June 30, 2023. The City compensated the members of the City Council as follows:

	Amount
Ralph Johnson, Sr.	\$ 18,144
Jeffery Hayes, Sr.	18,144
Melvin Hasten, Sr.	18,144
Kelvin York, Sr.	17,280
Ronald Grace, Sr.	17,280
Total	\$ 88,992

NOTE 12 - COMMITMENTS AND CONTINGENCIES

Suits and Claims

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

Risk Management

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

Grants

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

NOTE 12 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Environment Contingencies

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

Cash and Cash Equivalents

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

Construction Contracts

At June 30, 2021, the City had outstanding commitments resulting from the construction contracts in progress of \$1,333,633.

NOTE 13 - TAX REVENUE ABATED

The Louisiana Industrial Ad Valorem Exemption Program (Program) (Louisiana Administrative Code, Title 13, Chapter 5) is a state incentive program which abates, up to ten years, local ad valorem taxes on manufacturer's new investment and annual capitalized additions related to the manufacturing site. Applications to exempt qualified property for five years are approved by the Board of Commerce and Industry. The exemption may be renewed for an additional five years. For the fiscal year ending June 30, 2021, approximately \$977,834 in ad valorem tax revenues were abated by the State of Louisiana through the Program.

Required Supplementary Information





CITY OF ST. GABRIEL, LOUISIANA
GENERAL FUND

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

For the year ended June 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - positive (negative)</u>
REVENUES				
Taxes:				
Sales	\$ 5,800,000	\$ 5,800,000	\$ 5,447,592	\$ (352,408)
Ad valorem	3,441,000	3,805,000	3,716,687	(88,313)
Video poker	350,000	475,000	569,743	94,743
Franchise and other	34,800	34,800	40,724	5,924
Intergovernmental	-	-	22,674	22,674
Licenses and permits	282,500	382,500	534,407	151,907
Fines	800,000	550,000	605,268	55,268
Other	<u>308,700</u>	<u>140,000</u>	<u>155,315</u>	<u>15,315</u>
Total revenues	<u>11,017,000</u>	<u>11,187,300</u>	<u>11,092,410</u>	<u>(94,890)</u>
EXPENDITURES				
Current function:				
General government	2,875,000	2,877,500	2,079,252	798,248
Public safety	2,416,000	2,264,000	2,125,301	138,699
Streets and sanitation	1,730,000	1,838,000	1,472,075	365,925
Social and recreational services	740,000	741,000	390,853	350,147
Debt service	443,900	443,900	594,767	(150,867)
Capital outlay	<u>380,000</u>	<u>180,000</u>	<u>244,219</u>	<u>(64,219)</u>
Total expenditures	<u>8,584,900</u>	<u>8,344,400</u>	<u>6,906,467</u>	<u>1,437,933</u>
Excess of revenues over expenditures	<u>2,432,100</u>	<u>2,842,900</u>	<u>4,185,943</u>	<u>1,343,043</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of debt	-	-	6,510,000	6,510,000
Proceeds from sale of capital assets	50,000	-	33,129	33,129
Proceeds from insurance	-	-	30,128	30,128
Discount on ibonds issued	-	-	(45,570)	(45,570)
Payments to refunded bond escrow agent	-	-	(6,359,624)	(6,359,624)
Transfers out:				
Debt Service Fund	(1,010,000)	(1,010,000)	(1,010,000)	-
Capital Projects Fund	(7,250,000)	(2,250,000)	(2,000,000)	250,000
Sewer Fund	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>-</u>
Total other financing uses	<u>(9,210,000)</u>	<u>(4,260,000)</u>	<u>(3,841,937)</u>	<u>418,063</u>
Net change in fund balance	<u>(6,777,900)</u>	<u>(1,417,100)</u>	<u>344,006</u>	<u>\$ 1,761,106</u>
FUND BALANCE				
Beginning of year	<u>10,963,959</u>	<u>10,963,959</u>	<u>10,963,959</u>	
End of year	<u>\$ 4,186,059</u>	<u>\$ 9,546,859</u>	<u>\$ 11,307,965</u>	

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

CITY OF ST. GABRIEL, LOUISIANA
SCHEDULE OF PROPORTIONATE SHARE
OF NET PENSION LIABILITY
LAST TEN FISCAL YEARS (1)

As of the fiscal year ended (2):	2021		
	MERS (Plan A)	MPERS	FRSL
Employer's Proportion of the Net Pension Liability (Asset)	0.6584%	0.2774%	0.0000%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 2,846,623	\$ 2,563,397	\$ -
Employer's Covered Payroll	\$ 1,276,391	\$ 874,930	\$ -
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	223.0%	293.0%	0.0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65%	71%	73%

As of the fiscal year ended (2):	2020		
	MERS (Plan A)	MPERS	FRSL
Employer's Proportion of the Net Pension Liability (Asset)	0.6935%	0.2708%	0.0000%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 2,897,960	\$ 2,459,399	\$ -
Employer's Covered Payroll	\$ 1,283,790	\$ 785,990	\$ -
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	225.7%	312.9%	0.0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	64%	72%	75%

As of the fiscal year ended (2):	2019		
	MERS (Plan A)	MPERS	FRSL
Employer's Proportion of the Net Pension Liability (Asset)	0.6998%	0.2326%	0.0000%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 2,897,820	\$ 1,966,711	\$ -
Employer's Covered Payroll	\$ 1,277,673	\$ 744,867	\$ -
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	226.8%	264.0%	0.0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	64%	72%	75%

(1) Schedule is intended to show information for 10 years. Additional years will be displayed as available.

(2) The amounts presented have a measurement date of MERS's prior June 30th fiscal year end.

The three Retirement Systems reported in this schedule are as follows:

MERS (Plan A) = Municipal Employees' Retirement System

MPERS = Municipal Police Employees' Retirement System

FRSL = Firefighters Retirement System of Louisiana

See accompanying notes to required supplementary information.

CITY OF ST. GABRIEL, LOUISIANA
SCHEDULE OF PROPORTIONATE SHARE
OF NET PENSION LIABILITY
LAST TEN FISCAL YEARS (1)

As of the fiscal year ended (2):	2018		
	MERS (Plan A)	MPERS	FRSL
Employer's Proportion of the Net Pension Liability (Asset)	0.6963%	0.2353%	0.0000%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 2,912,841	\$ 2,205,183	\$ -
Employer's Covered Payroll	\$ 1,262,311	\$ 749,874	\$ -
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	230.8%	294.1%	0.0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62%	70%	74%

As of the fiscal year ended (2):	2017		
	MERS (Plan A)	MPERS	FRSL
Employer's Proportion of the Net Pension Liability (Asset)	0.7513%	0.2847%	0.0000%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 3,079,173	\$ 2,668,785	\$ -
Employer's Covered Payroll	\$ 1,346,278	\$ 732,804	\$ -
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	228.7%	364.2%	0.0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62%	66%	68%

As of the fiscal year ended (2):	2016		
	MERS (Plan A)	MPERS	FRSL
Employer's Proportion of the Net Pension Liability (Asset)	0.7475%	0.2136%	0.0000%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 2,670,181	\$ 1,673,897	\$ -
Employer's Covered Payroll	\$ 1,275,803	\$ 678,355	\$ -
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	209.3%	246.8%	0.0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66%	71%	72%

(1) Schedule is intended to show information for 10 years. Additional years will be displayed as available.

(2) The amounts presented have a measurement date of MERS's prior June 30th fiscal year end.

The three Retirement Systems reported in this schedule are as follows:

MERS (Plan A) = Municipal Employees' Retirement System

MPERS = Municipal Police Employees' Retirement System

FRSL = Firefighters Retirement System of Louisiana

See accompanying notes to required supplementary information.

CITY OF ST. GABRIEL, LOUISIANA
SCHEDULE OF PROPORTIONATE SHARE
OF NET PENSION LIABILITY
LAST TEN FISCAL YEARS (1)

As of the fiscal year ended (2):	2015		
	MERS (Plan A)	MPERS	FRSL
Employer's Proportion of the Net Pension Liability (Asset)	0.7444%	0.2770%	0.0000%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 1,910,392	\$ 1,732,803	
Employer's Covered Payroll	\$ 1,130,528	\$ 662,271	\$ -
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	169.0%	261.6%	0.0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74%	75%	76%

(1) Schedule is intended to show information for 10 years. Additional years will be displayed as available.

(2) The amounts presented have a measurement date of MERS's prior June 30th fiscal year end.

The three Retirement Systems reported in this schedule are as follows:

MERS (Plan A) = Municipal Employees' Retirement System

MPERS = Municipal Police Employees' Retirement System

FRSL = Firefighters Retirement System of Louisiana

CITY OF ST. GABRIEL, LOUISIANA
SCHEDULE OF PENSION CONTRIBUTIONS
LAST TEN FISCAL YEARS (1)

	2021		
	MERS (Plan A)	MPERS	FRSL
Contractually Required Contribution	\$ 410,236	\$ 279,568	\$ -
Contributions in Relation to Contractually Required Contribution	410,236	279,568	-
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
Employer's Covered Payroll	1,390,631	828,336	-
Contributions as a % of Covered Payroll	29.50%	33.75%	0%
	2020		
	MERS (Plan A)	MPERS	FRSL
Contractually Required Contribution	\$ 354,198	\$ 284,352	\$ -
Contributions in Relation to Contractually Required Contribution	354,198	284,352	-
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
Employer's Covered Payroll	1,276,391	874,930	-
Contributions as a % of Covered Payroll	27.75%	32.50%	0%
	2019		
	MERS (Plan A)	MPERS	FRSL
Contractually Required Contribution	\$ 333,731	\$ 254,790	\$ -
Contributions in Relation to Contractually Required Contribution	333,731	254,790	-
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
Employer's Covered Payroll	1,283,790	785,990	-
Contributions as a % of Covered Payroll	26.00%	32.42%	0%
	2018		
	MERS (Plan A)	MPERS	FRSL
Contractually Required Contribution	\$ 316,224	\$ 229,731	\$ -
Contributions in Relation to Contractually Required Contribution	316,224	229,731	-
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
Employer's Covered Payroll	1,277,673	744,867	-
Contributions as a % of Covered Payroll	24.75%	30.84%	0%
	2017		
	MERS (Plan A)	MPERS	FRSL
Contractually Required Contribution	\$ 287,176	\$ 239,340	\$ -
Contributions in Relation to Contractually Required Contribution	287,176	239,340	-
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
Employer's Covered Payroll	1,262,311	749,874	-
Contributions as a % of Covered Payroll	22.75%	31.92%	0%

(1) Schedule is intended to show information for 10 years. Additional years will be displayed as available.

The three Retirement Systems reported in this schedule are as follows:

MERS (Plan A) = Municipal Employees' Retirement System

MPERS = Municipal Police Employees' Retirement System

FRSL = Firefighters Retirement System of Louisiana

See accompanying notes to required supplementary information.

CITY OF ST. GABRIEL, LOUISIANA
SCHEDULE OF PENSION CONTRIBUTIONS
LAST TEN FISCAL YEARS (1)

	2016		
	MERS (Plan A)	MPERS	FRSL
Contractually Required Contribution	\$ 265,898	\$ 219,824	\$ -
Contributions in Relation to Contractually Required Contribution	265,898	219,824	-
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
Employer's Covered Payroll	1,346,278	732,804	-
Contributions as a % of Covered Payroll	19.75%	30.00%	0%
	2015		
	MERS (Plan A)	MPERS	FRSL
Contractually Required Contribution	\$ 251,971	\$ 214,337	\$ -
Contributions in Relation to Contractually Required Contribution	251,971	214,337	-
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
Employer's Covered Payroll	1,275,803	678,355	-
Contributions as a % of Covered Payroll	19.75%	31.60%	0%

(1) Schedule is intended to show information for 10 years. Additional years will be displayed as available.

The three Retirement Systems reported in this schedule are as follows:

MERS (Plan A) = Municipal Employees' Retirement System

MPERS = Municipal Police Employees' Retirement System

FRSL = Firefighters Retirement System of Louisiana

See accompanying notes to required supplementary information.

CITY OF ST. GABRIEL, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For the year ended June 30, 2021

NOTE 1 - BUDGETS

Budget Policy and Budgetary Accounting

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

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

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

Basis of Accounting

All of the City's budgets are prepared on the modified accrual basis of accounting, which is described in Note 1 to the City's financial statements for the year ended June 30, 2021.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Expenditures Exceeding Appropriations

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

	<u>Revised</u> <u>Budget</u>	<u>Actual</u> <u>(GAAP Basis)</u>	<u>Excess over</u> <u>Budget</u>
Governmental Funds:			
General Fund:			
Debt service	\$ 443,900	\$ 594,767	\$ (150,867)
Capital outlay	180,000	244,219	(64,219)

NOTE 3 - DEFINED BENEFIT PLANS

Change of Benefit Terms

Municipal Employees' Retirement System

No Changes.

Municipal Police Employees' Retirement System

No Changes.

Louisiana Firefighters' Retirement System

No Changes.

Changes of Assumptions

Municipal Employees' Retirement System

The investment rate of return decreased from 7.0% to 6.95%.

Municipal Police Employees' Retirement System

The investment rate of return decreased from 7.125% to 6.95%.

Louisiana Firefighters' Retirement System

The investment rate of return decreased from 7.15% to 7.00%.

Other Supplementary Information





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

SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL

For the year ended June 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - positive (negative)</u>
REVENUES				
Taxes:				
Sales	\$ 5,800,000	\$ 5,800,000	\$ 5,447,592	\$ (352,408)
Ad valorem	3,441,000	3,805,000	3,716,687	(88,313)
Video poker	350,000	475,000	569,743	94,743
Franchise				
Telephone	9,800	9,800	13,828	4,028
Cable TV	25,000	25,000	26,896	1,896
Intergovernmental:				
Local grants	-	-	22,674	22,674
Licenses and permits	282,500	382,500	534,407	151,907
Fines	800,000	550,000	605,268	55,268
Other:				
Interest	115,000	5,000	3,841	(1,159)
Miscellaneous	193,700	135,000	151,474	16,474
Total revenues	<u>\$ 11,017,000</u>	<u>\$ 11,187,300</u>	<u>\$ 11,092,410</u>	<u>\$ (94,890)</u>

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

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

For the year ended June 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - positive (negative)</u>
GENERAL GOVERNMENT				
Salaries	\$ 726,400	\$ 726,400	\$ 601,225	\$ 125,175
Payroll taxes	25,500	25,500	18,353	7,147
Municipal retirement	177,500	180,000	137,811	42,189
Travel	55,500	55,500	1,867	53,633
Dues and subscriptions	16,100	16,100	13,810	2,290
Legal and professional	675,000	675,000	432,643	242,357
Contract labor	64,000	64,000	16,800	47,200
Insurance	440,000	440,000	439,576	424
Building maintenance	1,500	1,500	7,864	(6,364)
Vehicle fuel	17,500	17,500	-	17,500
Office supplies	202,800	202,800	95,705	107,095
Vehicle maintenance	1,200	1,200	6,418	(5,218)
Telephone	37,500	37,500	19,006	18,494
Utilities	95,000	95,000	92,391	2,609
Council projects	50,000	50,000	13,595	36,405
Other	289,500	289,500	182,188	107,312
	<u>2,875,000</u>	<u>2,877,500</u>	<u>2,079,252</u>	<u>798,248</u>
Total general government				
PUBLIC SAFETY				
Police:				
Salaries	1,207,000	1,207,000	1,000,005	206,995
Payroll taxes	43,000	43,000	28,870	14,130
Police retirement	416,000	264,000	292,337	(28,337)
Insurance	330,000	330,000	328,288	1,712
Travel	8,000	8,000	11	7,989
Uniforms	10,000	10,000	7,754	2,246
Training	4,000	4,000	-	4,000
Office supplies	20,000	20,000	21,681	(1,681)
Telephone	25,000	25,000	17,678	7,322
Vehicle fuel	65,000	65,000	49,376	15,624
Vehicle maintenance	35,000	35,000	101,535	(66,535)
Equipment maintenance	32,500	32,500	21,251	11,249
Field supplies	5,000	5,000	2,126	2,874
Rent and utilities	30,000	30,000	35,306	(5,306)
Other	185,500	185,500	219,083	(33,583)
	<u>2,416,000</u>	<u>2,264,000</u>	<u>2,125,301</u>	<u>138,699</u>
Total public safety				

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

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

For the year ended June 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - positive (negative)</u>
STREETS AND SANITATION				
Salaries	\$ 780,000	\$ 780,000	\$ 725,060	\$ 54,940
Payroll taxes	23,000	23,000	18,701	4,299
Municipal retirement	142,500	185,000	184,453	547
Insurance	140,000	140,000	139,928	72
Contract labor	40,000	75,000	48,568	26,432
Equipment maintenance	60,000	55,000	43,427	11,573
Street and building maintenance	232,500	235,000	17,821	217,179
Utilities	22,000	20,000	17,624	2,376
Vehicle fuel	25,000	25,000	39,471	(14,471)
Supplies	156,000	181,000	167,497	13,503
Training	2,000	2,000	-	2,000
Other	107,000	117,000	69,525	47,475
	<u>1,730,000</u>	<u>1,838,000</u>	<u>1,472,075</u>	<u>365,925</u>
SOCIAL AND RECREATIONAL SERVICES				
Salaries	364,700	364,700	182,301	182,399
Payroll taxes	26,500	26,500	9,390	17,110
Municipal retirement	38,000	39,000	25,586	13,414
Insurance	15,100	15,100	14,979	121
Equipment maintenance	30,000	30,000	20,253	9,747
Building maintenance	40,000	40,000	23,123	16,877
Vehicle fuel	7,500	7,500	-	7,500
Supplies	63,500	63,500	32,200	31,300
Contract labor	27,500	27,500	1,226	26,274
Other	127,200	127,200	81,795	45,405
	<u>740,000</u>	<u>741,000</u>	<u>390,853</u>	<u>350,147</u>
DEBT SERVICE	<u>443,900</u>	<u>443,900</u>	<u>594,767</u>	<u>(150,867)</u>
CAPITAL OUTLAY	<u>380,000</u>	<u>180,000</u>	<u>244,219</u>	<u>(64,219)</u>
Total expenditures	<u>\$ 8,584,900</u>	<u>\$ 8,344,400</u>	<u>\$ 6,906,467</u>	<u>\$ 1,437,933</u>

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

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

For the year ended June 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - positive (negative)</u>
REVENUES				
Intergovernmental	\$ 3,512,500	\$ 771,000	\$ 147,284	\$ (623,716)
Other - interest income	12,000	16,500	81	(16,419)
Total revenues	<u>3,524,500</u>	<u>787,500</u>	<u>147,365</u>	<u>(640,135)</u>
EXPENDITURES				
Current function:				
Streets and sanitation	-	-	6,965	(6,965)
Capital outlay	12,745,000	2,625,000	2,968,591	(343,591)
Total expenditures	<u>12,745,000</u>	<u>2,625,000</u>	<u>2,975,556</u>	<u>(350,556)</u>
Excess of expenditures over revenues	(9,220,500)	(1,837,500)	(2,828,191)	(289,579)
OTHER FINANCING SOURCES				
Transfers in	<u>8,560,000</u>	<u>2,500,000</u>	<u>3,000,000</u>	<u>500,000</u>
Net change in fund balance	(660,500)	662,500	171,809	<u>\$ 210,421</u>
FUND BALANCE				
Beginning of year	<u>48,878</u>	<u>48,878</u>	<u>48,878</u>	
End of year	<u>\$ (611,622)</u>	<u>\$ 711,378</u>	<u>\$ 220,687</u>	

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

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

For the year ended June 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - positive (negative)</u>
EXPENDITURES				
Debt service	\$ 1,011,000	\$ 1,011,000	\$ 858,419	\$ 152,581
OTHER FINANCING SOURCES				
Transfers in:				
General Fund	<u>1,010,000</u>	<u>1,010,000</u>	<u>1,010,000</u>	<u>-</u>
Net change in fund balance	(1,000)	(1,000)	151,581	<u>\$ 152,581</u>
FUND BALANCE				
Beginning of year	<u>1,848,328</u>	<u>1,848,328</u>	<u>1,848,328</u>	
End of year	<u>\$ 1,847,328</u>	<u>\$ 1,847,328</u>	<u>\$ 1,999,909</u>	

**CITY OF ST. GABRIEL, LOUISIANA
SPECIAL REVENUE - NONMAJOR FUND**

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

For the year ended June 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - positive (negative)</u>
REVENUES				
Sales tax	\$ -	\$ 40,000	\$ 57,517	\$ 17,517
FUND BALANCE				
Beginning of year	<u>49,311</u>	<u>49,311</u>	<u>49,311</u>	
End of year	<u>\$ 49,311</u>	<u>\$ 89,311</u>	<u>\$ 106,828</u>	

CITY OF ST. GABRIEL, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO AGENCY HEAD

For the year ended June 30, 2021

Agency Head: Lionel Johnson, Jr. Mayor

Purpose	Amount
Salary	\$ 94,500
Benefits - insurance	19,014
Benefits - retirement	27,878
Reimbursements	704
Travel	139
Total	\$ 142,235

CITY OF ST. GABRIEL, LOUISIANA
ACT 87 JUSTICE SYSTEM FUNDING SCHEDULE
COLLECTING ENTITY

For the year ended June 30, 2021

<u>Primary Government</u>	<u>First Six Month Period Ending, December 31, 2020</u>	<u>Second Six Month Period Ending, June 30, 2021</u>
BEGINNING BALANCE OF AMOUNTS COLLECTED	\$ 13,475	\$ 3,083
COLLECTIONS:		
Civil Fees	292,464	297,382
DISBURSEMENTS TO GOVERNMENTS AND NON-PROFITS:		
Louisiana Commission on Law Enforcement, Traffic fines	24,973	2,711
Louisiana Trauma Head and Spinal Cord Injury Trust Fund, Traffic fines	13,980	6,835
Louisiana Supreme Court, Traffic fines	1,479	483
TOTAL DISBURSEMENTS	40,432	10,029
AMOUNTS "SELF-DISBURSED" TO COLLECTING AGENCY	262,423	287,315
DISBURSEMENTS/RETAINAGE	302,855	297,344
TOTAL ENDING BALANCE OF AMOUNTS COLLECTED AND NOT DISBURSED	\$ 3,083	\$ 3,121

Statistical Section





CITY OF ST. GABRIEL, LOUISIANA

STATISTICAL SECTION

June 30, 2021

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

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CITY OF ST. GABRIEL, LOUISIANA

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS(accrual basis of accounting)
(in thousands)

	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015 (1)	2014	2013	2012
Governmental activities										
Net investment in capital assets	\$ 12,770	\$ 109	\$ 7,987	\$ 10,756	\$ 8,361	\$ 4,059	\$ 3,052	\$ 5,137	\$ 2,241	\$ 2,850
Restricted	5,245	5,181	5,823	3,187	3,201	4,148	4,958	3,360	2,583	2,469
Unrestricted	4,560	3,686	3,536	2,136	2,401	1,738	1,544	(2,583)	3,228	705
Total governmental activities net position	<u>22,575</u>	<u>8,976</u>	<u>17,346</u>	<u>16,079</u>	<u>13,963</u>	<u>9,945</u>	<u>9,554</u>	<u>5,914</u>	<u>8,052</u>	<u>6,024</u>
Business-type activities										
Net investment in capital assets	1,025	2,870	3,602	3,769	4,016	3,855	5,926	5,741	5,844	6,024
Restricted	2,172	2,173	2,148	2,033	2,095	2,209	207	189	153	153
Unrestricted	1,402	678	400	274	102	39	14	30	56	(261)
Total business-type activities net position	<u>4,599</u>	<u>5,721</u>	<u>6,150</u>	<u>6,076</u>	<u>6,213</u>	<u>6,103</u>	<u>6,147</u>	<u>5,960</u>	<u>6,053</u>	<u>5,916</u>
Primary government										
Net investment in capital assets	13,795	13,781	11,589	14,525	12,377	7,914	8,978	10,878	8,085	8,874
Restricted	7,417	7,354	7,971	5,220	5,296	6,357	5,165	3,549	2,736	2,622
Unrestricted	5,962	4,364	3,936	2,410	2,503	1,777	1,558	(2,553)	3,284	444
Total primary government activities net position	<u>\$ 27,174</u>	<u>\$ 25,499</u>	<u>\$ 23,496</u>	<u>\$ 22,155</u>	<u>\$ 20,176</u>	<u>\$ 16,048</u>	<u>\$ 15,701</u>	<u>\$ 11,874</u>	<u>\$ 14,105</u>	<u>\$ 11,940</u>

(1) Net assets restated due to implementation of GASB 68.

CITY OF ST. GABRIEL, LOUISIANA

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

	FISCAL YEAR									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Expenses										
Governmental activities										
General government	\$ 3,047	\$ 3,550	\$ 3,657	\$ 2,893	\$ 2,550	\$ 1,304	\$ 2,753	\$ 2,771	\$ 2,467	\$ 2,213
Public safety	2,663	3,034	2,577	2,657	2,884	3,361	1,864	1,709	1,841	1,835
Streets and sanitation	1,886	1,843	1,765	1,825	1,934	1,806	1,889	1,407	1,330	1,358
Culture and recreation	603	720	917	967	1,227	841	899	723	642	655
Economic development	-	-	-	-	21	1,070	1,281	872	-	250
Interest on long-term debt	529	577	601	614	756	759	482	497	511	243
Total governmental activities	<u>8,728</u>	<u>9,724</u>	<u>9,517</u>	<u>8,956</u>	<u>9,372</u>	<u>9,141</u>	<u>9,168</u>	<u>7,979</u>	<u>6,791</u>	<u>6,554</u>
Business-type activities										
Waste water treatment facilities	1,416	1,285	1,164	1,222	1,420	1,337	849	920	891	906
Total primary government expenses	<u>10,144</u>	<u>11,009</u>	<u>10,681</u>	<u>10,178</u>	<u>10,792</u>	<u>10,478</u>	<u>10,017</u>	<u>8,899</u>	<u>7,682</u>	<u>7,460</u>
Program Revenues										
Governmental activities										
Charges for services:										
General government	557	422	564	372	329	299	392	540	462	413
Public safety	605	924	933	855	972	739	522	684	596	418
Culture and recreation	13	41	53	65	54	76	65	55	56	18
Operating grants and contributions	-	11	65	17	-	-	-	-	-	96
Capital grants and contributions	338	1,102	-	1,639	3,116	180	507	1,304	1,125	450
Total governmental activities program revenues	<u>1,513</u>	<u>2,500</u>	<u>1,615</u>	<u>2,948</u>	<u>4,471</u>	<u>1,294</u>	<u>1,486</u>	<u>2,583</u>	<u>2,239</u>	<u>1,395</u>
Business-type activities										
Charges for Services										
Waste water treatment facilities	293	270	285	250	243	274	195	154	128	126
Capital grants and contributions	-	-	-	-	126	207	17	88	-	850
Total business-type activities program revenues	<u>293</u>	<u>270</u>	<u>285</u>	<u>250</u>	<u>369</u>	<u>481</u>	<u>212</u>	<u>242</u>	<u>128</u>	<u>976</u>
Total primary government total revenues	<u>1,806</u>	<u>2,770</u>	<u>1,900</u>	<u>3,198</u>	<u>4,840</u>	<u>1,775</u>	<u>1,698</u>	<u>2,825</u>	<u>2,367</u>	<u>2,371</u>

CITY OF ST. GABRIEL, LOUISIANA

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

	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Net (expense)/revenue:										
Governmental activities	\$ (7,215)	\$ (7,224)	\$ (7,902)	\$ (6,008)	\$ (7,846)	\$ (7,846)	\$ (5,396)	\$ (4,552)	\$ (5,159)	\$ (6,184)
Business-type activities	(1,123)	(1,015)	(879)	(972)	(1,051)	(856)	(678)	(763)	70	(807)
Total primary government net revenue (expense)	(8,338)	(8,239)	(8,781)	(6,980)	(8,897)	(8,702)	(6,074)	(5,315)	(5,089)	(6,991)
General Revenues and Other Changes in Net Position										
Governmental activities										
Taxes:										
Property	3,717	3,469	3,405	3,271	3,600	3,597	4,048	3,045	2,708	2,500
Sales	5,505	5,914	5,592	4,878	5,606	4,624	3,169	3,939	3,704	2,871
Video poker	570	451	479	449	522	446	474	533	584	560
Franchise and other	41	37	37	41	48	48	39	39	40	48
Unrestricted grants and contributions	171	200	418	218	214	215	25	72	12	198
Investment earnings	3	105	140	67	26	7	3	2	1	2
Proceeds from insurance	-	-	-	-	-	-	-	5	15	310
Gain on sale of capital assets	5	40	18	-	49	49	34	10	29	-
Transfers to other funds	-	(560)	(920)	(800)	(1,110)	(750)	(800)	(900)	(715)	(800)
Total governmental activities general revenues	10,012	9,656	9,169	8,124	8,955	8,236	6,992	6,745	6,378	5,689
Business-type activities										
Unrestricted grants and contributions	-	-	5	-	-	-	-	-	-	-
Investment earnings	1	26	-	-	-	-	-	-	-	-
Recovery of bad debt	-	-	28	36	50	63	-	-	-	-
Transfers from other funds	-	560	920	800	1,110	750	800	900	715	800
Total business-type activities general revenues	1	586	953	836	1,160	813	800	900	715	800
Total primary government general revenues	10,013	10,242	10,122	8,960	10,115	9,049	7,792	7,645	7,093	6,489
Change in Net Position										
Governmental activities	2,797	2,432	1,267	2,116	4,006	390	1,596	2,193	1,219	(495)
Business-type activities	(1,122)	(429)	74	(136)	109	(43)	122	137	785	(7)
Total change in net position	\$ 1,675	\$ 2,003	\$ 1,341	\$ 1,980	\$ 4,115	\$ 347	\$ 1,718	\$ 2,330	\$ 2,004	\$ (502)

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

(accrual basis of accounting)
(in thousands)

Fiscal Year	Sales Taxes	Property Taxes	Video poker Taxes	Franchise and other Taxes	Total
2021	\$ 5,505	\$ 3,717	\$ 570	\$ 41	\$ 9,833
2020	5,914	3,469	451	37	\$ 9,871
2019	5,592	3,405	479	37	9,513
2018	4,878	3,271	449	40	8,638
2017	5,606	3,600	522	49	9,777
2016	4,624	3,597	446	48	8,715
2015	8,083	3,528	433	41	12,085
2014	4,048	3,169	474	40	7,731
2013	3,939	3,045	533	39	7,556
2012	3,704	2,708	585	40	7,037

CITY OF ST. GABRIEL, LOUISIANA

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

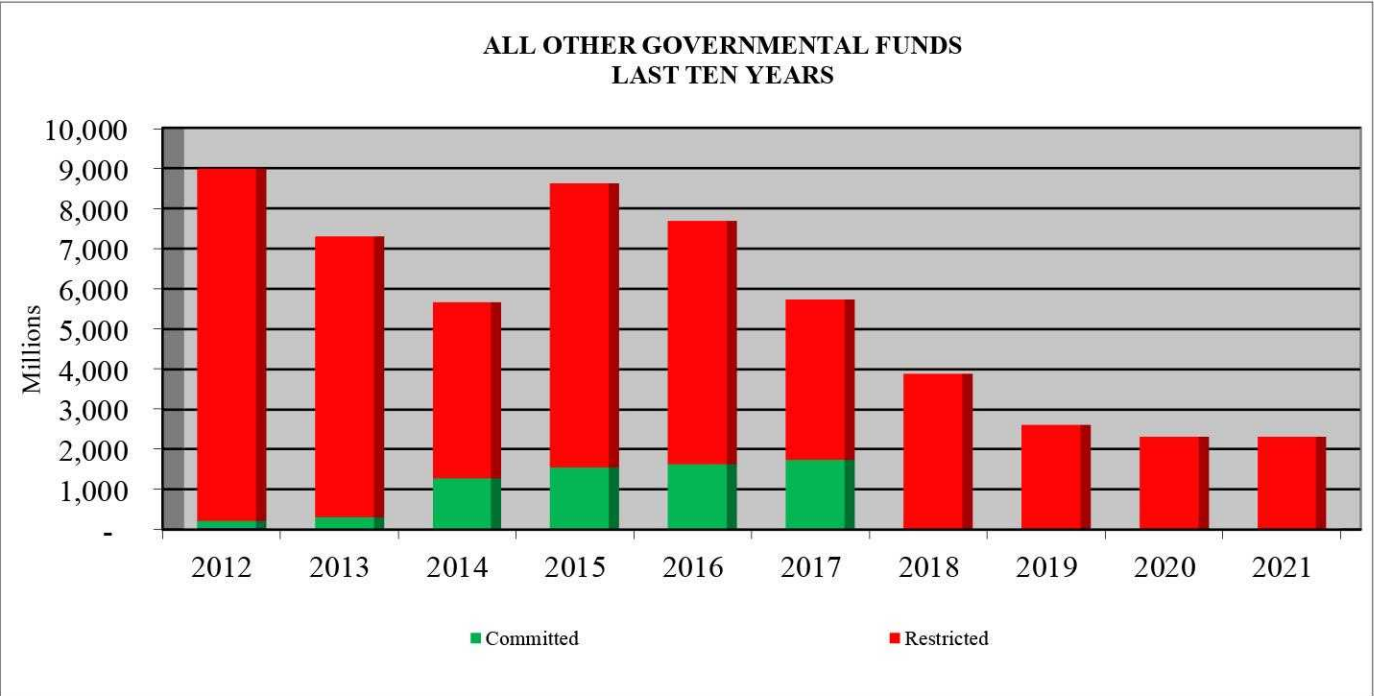
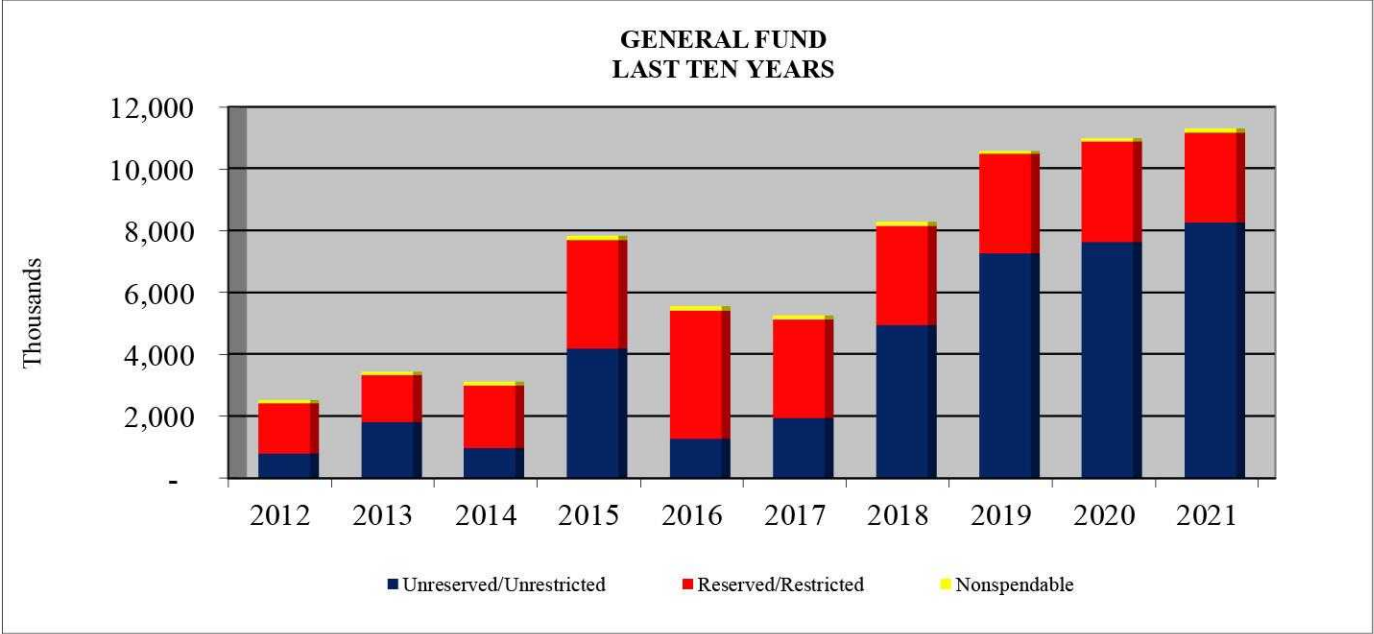
Fiscal Year	GENERAL FUND				ALL OTHER GOVERNMENTAL FUNDS		
	Nonspendable	Restricted	Unassigned	Total	Committed	Restricted	Total all other Governmental Funds
2021	\$ 141	\$ 2,918	\$ 8,250	\$ 11,309	\$ -	\$ 2,327	\$ 2,327
2020	107	3,235	7,621	10,963	-	1,947	1,947
2019	93	3,200	7,261	10,554	-	2,623	2,623
2018	141	3,187	4,951	8,279	-	3,893	3,893
2017	132	3,201	1,931	5,264	1,729	4,007	5,736
2016	143	4,148	1,269	5,560	1,620	6,069	7,689
2015	142	3,487	4,197	7,826	1,540	7,081	8,621
2014	127	2,011	966	3,104	1,269	4,400	5,669
2013	107	1,513	1,805	3,425	304	7,001	7,305
2012	109	1,618	789	2,516	170	8,777	8,947

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

CITY OF ST. GABRIEL

FUND BALANCE BY GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(modified accrual basis of accounting)



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

(modified accrual basis of accounting)
(in thousands)

	FISCAL YEAR			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
REVENUES				
Taxes	\$ 9,832	\$ 9,872	\$ 9,513	\$ 8,639
Intergovernmental	170	1,126	76	1,690
Licenses and permits	535	384	535	350
Fines	605	924	933	855
Miscellaneous	155	318	314	205
Total revenues	<u>11,297</u>	<u>12,624</u>	<u>11,371</u>	<u>11,739</u>
EXPENDITURES				
Current function:				
General government	2,079	2,665	2,680	2,368
Public safety	2,125	2,381	2,213	2,093
Streets and sanitation	1,479	1,381	1,459	1,402
Culture and recreation	391	549	740	662
Economic development	-	-	-	-
Debt service:				
Principal retirement	656	617	592	576
Bond issuance cost	125	-	-	-
Interest	673	686	701	719
Capital outlay	<u>3,213</u>	<u>4,257</u>	<u>1,352</u>	<u>3,077</u>
Total expenditures	<u>10,740</u>	<u>12,536</u>	<u>9,737</u>	<u>10,897</u>
Excess (deficiency) of revenues over (under) expenditures	<u>557</u>	<u>88</u>	<u>1,634</u>	<u>841</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	4,010	3,063	680	2,298
Proceeds from sale of capital assets	33	10	58	72
Proceeds from from issuance	6,510	143	-	91
Proceeds from insurance recoveries	30	52	233	-
Bond discount	(46)	-	-	-
Payment to refund debt escrow agent	(6,360)	-	-	-
Transfers out	<u>(4,010)</u>	<u>(3,623)</u>	<u>(1,600)</u>	<u>(3,098)</u>
Total other financing sources and uses	<u>168</u>	<u>(355)</u>	<u>(629)</u>	<u>(637)</u>
Net change in fund balances	<u>\$ 725</u>	<u>\$ (267)</u>	<u>\$ 1,005</u>	<u>\$ 204</u>
Debt service as a percentage of noncapital expenditures	<u>17.6%</u>	<u>15.7%</u>	<u>15.4%</u>	<u>16.6%</u>

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

(modified accrual basis of accounting)
(in thousands)

FISCAL YEAR					
<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 9,776	\$ 8,715	\$ 11,652	\$ 7,217	\$ 7,023	\$ 6,453
3,236	395	940	1,840	1,729	1,130
311	278	392	449	406	327
935	739	522	681	596	418
135	156	73	155	125	160
<u>14,393</u>	<u>10,283</u>	<u>13,579</u>	<u>10,342</u>	<u>9,879</u>	<u>8,488</u>
2,230	2,394	2,518	2,144	2,102	1,978
2,491	1,887	1,731	1,622	1,747	1,717
1,348	1,343	1,295	1,485	1,163	1,263
641	658	701	641	640	522
12	1,050	1,194	713	-	250
545	530	400	325	310	65
-	88	396	-	-	(165)
723	735	496	499	504	199
<u>6,766</u>	<u>4,047</u>	<u>4,534</u>	<u>4,157</u>	<u>3,360</u>	<u>1,049</u>
<u>14,756</u>	<u>12,732</u>	<u>13,265</u>	<u>11,586</u>	<u>9,826</u>	<u>6,878</u>
<u>(363)</u>	<u>(2,449)</u>	<u>314</u>	<u>(1,244)</u>	<u>53</u>	<u>1,610</u>
3,435	4,922	1,954	3,303	1,334	1,377
40	-	53	34	-	-
-	-	12,655	-	-	8,830
-	-	3	3	5	15
-	-	(137)	-	-	(432)
-	-	(4,338)	-	-	-
<u>(4,545)</u>	<u>(5,672)</u>	<u>(2,779)</u>	<u>(4,103)</u>	<u>(2,233)</u>	<u>(2,092)</u>
<u>(1,070)</u>	<u>(750)</u>	<u>7,411</u>	<u>(4,066)</u>	<u>(2,228)</u>	<u>6,321</u>
\$ <u>(1,433)</u>	\$ <u>(3,199)</u>	\$ <u>7,725</u>	\$ <u>(5,310)</u>	\$ <u>(2,067)</u>	\$ <u>7,931</u>
<u>15.9%</u>	<u>14.6%</u>	<u>10.3%</u>	<u>11.1%</u>	<u>12.6%</u>	<u>4.5%</u>

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

(modified accrual basis of accounting)
(in thousands)

Fiscal Year	Sales Taxes	Property Taxes	Video Poker Taxes	Franchise and Other Taxes	Total
2021	\$ 5,505	\$ 3,717	\$ 570	\$ 41	\$ 9,833
2020	5,914	3,469	451	37	9,871
2019	5,592	3,405	479	37	9,513
2018	4,878	3,271	449	40	8,638
2017	5,605	3,600	522	49	9,776
2016	4,624	3,598	446	48	8,716
2015	8,083	3,528	433	41	12,085
2014	4,048	3,169	474	40	7,731
2013	3,939	3,045	533	39	7,556
2012	3,704	2,708	585	40	7,037

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

Fiscal Year	Real Property	Personal Property	Public Service Property	Total Taxable Assessed Value	Total Direct Tax Rate - Millages	Estimated Actual Value	Ratio of Total Taxable Assessed Value to Total Estimated Actual Value*
2021	\$ 25,385,642	\$ 136,079,319	\$ 65,377,545	\$ 226,842,505	16.79	\$ 226,842,505	100%
2020	23,055,438	123,588,300	59,376,397	206,020,135	16.84	206,020,135	100%
2019	22,675,578	121,552,064	58,398,113	202,625,755	16.84	202,625,755	100%
2018	21,710,993	116,381,425	55,913,947	194,006,365	16.84	194,006,365	100%
2017	23,861,582	127,909,623	61,452,520	213,223,725	16.84	213,223,725	100%
2016	23,938,145	128,320,034	61,649,697	213,907,875	16.84	213,907,875	100%
2015	23,415,498	125,518,396	60,303,686	209,237,580	16.84	209,237,580	100%
2014	21,068,799	112,938,951	54,260,055	188,267,805	16.84	188,267,805	100%
2013	20,271,444	108,664,744	52,206,568	181,142,755	16.84	181,142,755	100%
2012	17,662,310	94,678,525	45,487,070	157,827,905	16.84	157,827,905	100%

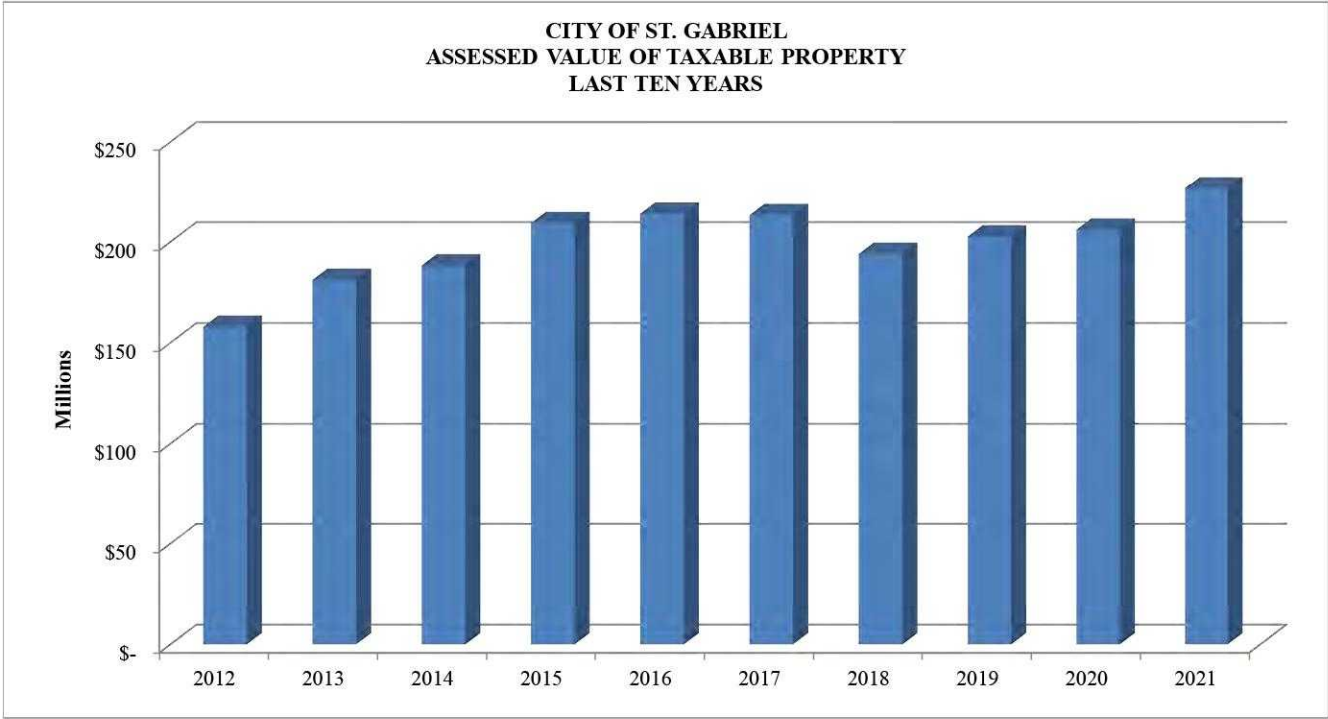
Source: City of St. Gabriel

*Actual Valuation (Market Value) as Compared to Assessed Valuation

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

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

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



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

Year	City of St. Gabriel		Overlapping Rates					Total Direct and Overlapping Rates
	Operating	Public Improvements	Law Enforcement	School Board	Iberville Parish Government	Assessment District	Levee District	
2021	6.82	9.97	22.00	57.83	25.62	2.06	3.19	127.49
2020	6.84	10.00	22.00	57.83	22.68	2.06	3.53	124.94
2019	6.84	10.00	22.00	57.83	22.68	2.06	3.52	124.93
2018	6.84	10.00	22.00	57.83	22.68	2.06	4.04	125.45
2017	6.84	10.00	22.00	57.83	22.68	2.06	3.52	124.93
2016	6.84	10.00	22.00	57.83	22.56	2.06	4.04	125.33
2015	6.84	10.00	22.00	57.83	22.56	2.06	3.47	124.76
2014	6.84	10.00	21.00	56.66	22.56	2.06	3.47	122.59
2013	6.84	10.00	22.00	56.66	22.56	2.06	3.47	123.59
2012	6.84	10.00	22.00	56.66	19.68	2.06	3.52	120.76

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

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

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

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

Taxpayer	2021			2012		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Syngenta Crop Protection	\$ 39,447,091	1	17.39%	\$ 29,708,850	4	8.19%
Cos Mar Company	31,371,010	2	13.83%	23,892,750	6	6.59%
Pioneer Americas LLC	20,254,160	3	8.93%	-		0.00%
Taminco, Inc	18,483,280	4	8.15%	-		0.00%
Mexichem Fluor, Inc	13,951,970	5	6.15%	9,405,820	8	2.59%
Total Petrochemicals An	11,719,790	6	5.17%	12,154,600	7	3.35%
Carville Energy LLC	11,646,550	7	5.13%	-		0.00%
PCS Nitrogen Fertilizer	5,913,110	8	2.61%	-		0.00%
Entergy Louisiana, LLC	5,604,840	9	2.47%	-		0.00%
Koch Supply & Trading LP	2,549,310	10	1.12%	-		0.00%
Dow Chemichal Company	-		-	111,562,080	1	30.75%
Georgia Gulf Corporation	-		-	31,006,640	3	8.55%
Entergy	-		-	55,869,930	2	15.40%
Southern Natural Gas	-		-	6,212,160	9	1.71%
Acadian Gas Pipeline Systems	-		-	25,918,610	5	7.14%
Shintec	-		-	5,929,490	10	1.63%
Total	160,941,111		70.95%	311,660,930		85.91%
Others	65,901,394		29.05%	51,094,840		14.09%
	<u>\$ 226,842,505</u>		<u>100.00%</u>	<u>\$ 362,755,770</u>		<u>100.00%</u>

Source: Iberville Parish Assessor's Office.

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

Year	Total Tax Levy	Collections	Percent of Levy Collected	Collections in Subsequent Years	Total Tax Collections	Ratio of Total Collections to Tax Levy
2021	\$ 3,808,686	\$ 3,845,441	100.97%	-	3,845,441	100.97%
2020	3,469,002	3,462,670	99.82%	6,332	3,469,002	100.00%
2019	3,412,219	3,411,213	99.97%	1,006	3,412,219	100.00%
2018	3,267,068	3,267,068	100.00%	4,382	3,271,450	100.13%
2017	3,590,689	3,595,202	100.13%	4,429	3,599,631	100.25%
2016	3,602,106	3,583,283	99.48%	14,946	3,598,229	99.89%
2015	3,523,561	3,521,355	99.94%	-	3,521,355	99.94%
2014	3,170,430	3,157,630	99.60%	1,664	3,159,294	99.65%
2013	3,050,445	3,021,229	99.04%	2,731	3,023,960	99.13%
2012	2,657,822	2,615,673	98.41%	2,368	2,618,041	98.50%

Source: City of St. Gabriel Finance Department

CITY OF ST. GABRIEL, LOUISIANA

**SALES TAX REVENUES
LAST TEN FISCAL YEARS**

(modified accrual basis of accounting)

Fiscal Year	1% City Public	2% Public Infrastructure and Maintenance	Total
2021	\$ 2,529,801	\$ 2,975,308	\$ 5,505,109
2020	2,647,960	3,266,147	5,914,107
2019	2,580,386	3,031,655	5,612,041
2018	1,967,235	2,910,662	4,877,897
2017	2,286,773	3,318,791	5,605,564
2016	1,869,362	2,754,140	4,623,502
2015	5,323,300	2,759,654	8,082,954
2014	1,620,760	2,427,677	4,048,437
2013	1,634,502	2,304,808	3,939,310
2012	1,521,233	2,183,040	3,704,273

The following is a summary of sales and use taxes being collected within the City of St. Gabriel as of June 30, 2021:

Iberville Parish School Board	2.00%
Parish of Iberville	2.67%
City of St. Gabriel	<u>1.00%</u>
Local Rate	5.67%
State Rate	<u>4.45%</u>
Total Rate	<u>10.12%</u>

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

Source: Iberville Parish Sales Tax Department

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

(modified accrual basis of accounting)

Industry	FISCAL YEAR				
	2020 (1)	2019	2018	2017	2016
Manufacturer of chemicals	\$ 651,328,274	\$ 700,639,932	\$ 527,575,024	\$ 446,989,871	\$ 376,030,176
Industrial equipment sales	107,042,149	135,322,665	127,431,846	133,400,997	61,344,412
Grocery stores	31,215,733	38,753,384	39,029,970	39,953,199	20,642,349
Department stores & dry goods	50,256,374	47,699,597	49,826,833	46,419,442	21,677,465
Lumber, building materials stores	31,642,876	46,016,078	28,082,336	25,129,827	26,319,060
Miscellaneous - others	<u>421,247,449</u>	<u>431,082,634</u>	<u>341,603,799</u>	<u>421,656,472</u>	<u>239,067,217</u>
	<u>\$ 1,292,732,855</u>	<u>\$ 1,399,514,290</u>	<u>\$ 1,113,549,808</u>	<u>\$ 1,113,549,808</u>	<u>\$ 745,080,679</u>

Industry	2015	2014	2013	2012	2011
Manufacturer of chemicals	\$ 533,317,289	\$ 303,071,627	\$ 538,882,468	\$ 398,210,177	\$ 407,494,930
Industrial equipment sales	101,849,278	44,995,868	69,003,478	77,657,168	51,834,793
Grocery stores	41,348,422	20,631,183	38,401,257	37,586,350	37,089,615
Department stores & dry goods	38,817,913	18,893,416	36,620,897	37,594,616	37,965,471
Lumber, building materials stores	26,928,165	16,151,901	17,776,697	15,943,033	21,085,725
Miscellaneous - others	<u>342,596,431</u>	<u>182,206,513</u>	<u>331,731,806</u>	<u>298,440,711</u>	<u>238,549,832</u>
	<u>\$ 1,084,857,498</u>	<u>\$ 585,950,508</u>	<u>\$ 1,032,416,603</u>	<u>\$ 865,432,055</u>	<u>\$ 794,020,366</u>

Source: Relevant information was not available for the City of St. Gabriel. Data presented is for the Iberville Parish Government as of their fiscal year ending December 31. Data not available for fiscal year 2021.

CITY OF ST. GABRIEL, LOUISIANA

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

Fiscal Year	Governmental Activities Debt			Business- type Debt	(1) Total Primary Government	(2) Percentage of Personal Income	(2) Debt Per Capita
	Certificate of Indebtedness	Public Improvement Bonds	Capital Leases & Other	Revenue Bonds			
2021	\$ -	\$ 17,598	\$ 103	\$ 6,371	\$ 24,072	1.75%	3.23
2020	-	17,569	159	4,924	22,652	1.64%	3.04
2019	-	18,132	47	4,615	22,794	1.65%	3.06
2018	-	18,680	69	4,730	23,479	1.73%	3.21
2017	-	19,212	-	4,842	24,054	1.85%	3.34
2016	-	19,735	-	4,900	24,635	1.98%	3.47
2015	-	20,243	-	2,795	23,038	1.89%	3.29
2014	-	12,326	102	2,846	15,274	1.28%	2.22
2013	-	12,628	107	2,896	15,631	1.34%	2.31
2012	-	12,914	-	2,944	15,858	1.36%	2.41

(1) City of St. Gabriel

(2) Bureau of Economic Analysis, information is for Parish of Iberville.

CITY OF ST. GABRIEL, LOUISIANA

COMPUTATION OF DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

June 30, 2021
(in thousands)

Jurisdiction	Debt Outstanding	(2) Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
City direct debt	\$ 24,072	100%	\$ 24,072
<u>Overlapping -other government agencies (1):</u>			
Iberville Parish School Board (3)	\$ 29,733	26%	\$ 7,785
Iberville Parish Government (4)	17,409	26%	4,558
Total other government agencies	\$ 47,142		\$ 12,342
Total direct and overlapping			\$ 36,414
2021 population estimate			7,527
Per capita			\$ 4.84

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

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

(3) Source: 2020 Basic Financial Statements

(4) Source: 2020 Comprehensive Annual Financial Report

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

Year	Assessed Value	Any One Purpose	Aggregate All Purposes (1)	Debt Outstanding (2)	Legal Debt Margin	Legal Debt Margin to Aggregate Debt Limit
2021	\$ 226,842,505	\$ 22,684,251	\$ 79,394,877	\$ -	\$ 79,394,877	0.00%
2020	206,020,135	20,602,014	72,107,047	-	72,107,047	0.00%
2019	202,625,755	20,262,576	70,919,014	-	70,919,014	0.00%
2018	194,006,365	19,400,637	67,902,228	-	67,902,228	0.00%
2017	213,223,725	21,322,373	74,628,304	-	74,628,304	0.00%
2016	213,907,875	21,390,788	74,867,756	-	74,867,756	0.00%
2015	209,237,580	20,923,758	73,233,153	-	73,233,153	0.00%
2014	188,267,805	18,826,781	65,893,732	-	65,893,732	0.00%
2013	181,142,755	18,114,276	63,399,964	-	63,399,964	0.00%
2012	157,827,905	15,782,791	55,239,767	-	55,239,767	0.00%
2011	148,896,250	14,889,625	52,113,688	-	52,113,688	0.00%

Source: City of St. Gabriel

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

CITY OF ST. GABRIEL, LOUISIANA

PLEGDED REVENUE COVERAGE

LAST TEN FISCAL YEARS

(full accrual basis of accounting)

SCHEDULE A - REVENUE BONDS - SALES TAX - DEBT SERVICE FUND

Year	(1)		Available for Debt Service	Debt Service Requirements			Coverage
	Gross Revenue	Expenses		Principal	Interest	Total	
2021	\$ 2,472,284	\$ -	\$ 2,472,284	\$ 600,000	\$ 668,531	\$ 1,268,531	1.95
2020	2,647,960	-	2,647,960	585,000	686,039	1,271,039	2.08
2019	2,580,386	-	2,580,386	604,178	700,101	1,304,279	1.98
2018	1,967,235	-	1,967,235	555,000	711,129	1,266,129	1.55
2017	2,286,773	-	2,286,773	545,000	723,356	1,268,356	1.80
2016	1,869,361	-	1,869,361	540,000	735,241	1,275,241	1.47
2015	5,323,299	153,106	5,170,193	299,065	491,953	791,018	6.54
2014	1,620,760	-	1,620,760	315,971	494,848	810,819	2.00
2013	1,634,502	-	1,634,502	307,938	505,655	813,593	2.01
2012	1,521,233	183,138	1,338,095	65,035	199,194	264,229	5.06

SCHEDULE B - REVENUE BONDS - SEWER REVENUES - SEWER FUND

Year	(2)		Available for Debt Service	Debt Service Requirements			Coverage
	Gross Revenue	(3) Expenses		Principal	Interest	Total	
2021	\$ 293,650	\$ 818,908	\$ (525,258)	\$ 120,000	\$ 153,275	\$ 273,275	(1.92)
2020	855,979	834,083	21,896	115,000	155,575	270,575	0.08
2019	1,240,398	733,807	506,591	115,000	157,108	272,108	1.86
2018	1,032,128	658,528	373,600	110,000	159,342	269,342	1.39
2017	1,341,631	886,775	454,856	110,000	160,075	270,075	1.68
2016	1,730,116	809,955	920,161	110,000	178,052	288,052	3.19
2015	1,019,560	440,208	579,352	52,038	126,727	178,765	3.24
2014	954,543	498,650	455,893	49,442	126,332	175,774	2.59
2013	1,028,094	471,459	556,635	49,758	131,252	181,010	3.08
2012	975,842	494,989	480,853	45,492	132,376	177,868	2.70

(1) City of St. Gabriel 1% sales and use tax

(2) Sewer revenues and transfers from other funds

(3) Total expenses less payments toward debt service and depreciation

CITY OF ST. GABRIEL, LOUISIANA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS(*)

Year	(1) Iberville Parish Population	(1) City of St. Gabriel Population	(2) Personal Income (In Thousands)	(2) Per Capita Personal Income	(3) Unemployment Rate	(4) Labor Market Area Unemployment Rate
2020	30,241	6,433	\$ 1,490,014	\$ 46,461	9.2	9.4
2019	32,511	7,460	1,379,050	42,418	6.2	6.1
2018	33,027	7,304	1,355,408	41,423	7.1	7.3
2017	33,327	7,205	1,302,613	39,569	6.7	6.7
2016	32,290	7,095	1,242,701	37,808	7.6	6.4
2015	33,229	6,993	1,220,399	36,829	7.6	7.1
2014	33,367	6,869	1,191,632	35,963	8.6	8.0
2013	33,228	6,755	1,170,577	35,060	9.4	7.0
2012	33,230	6,570	1,163,588	34,914	10.7	8.7
2011	33,362	6,700	1,152,629	34,553	11.6	8.4
2010	33,505	6,677	1,088,263	32,592	10.4	8.5

Source:

- (1) U.S. Department of Commerce, Bureau of the Census.
- (2) alfred.stlouised.org; information is for the Parish of Iberville.
- (3) Baton Rouge Area Economic Summary - Bureau of Labor Statistics; information is for the Parish of Iberville.
- (4) U.S. Department of Labor, Bureau of Labor Statistics.

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

Employer	2020(1)		Employer	2011			
	Number of Employees	Percent of Total		Number of Employees	Percent of Total		
The Dow Chemical Co.	1	1,500	12.33%	The Dow Chemical Co.	1	1,500	11.97%
Iberville Parish School Board	2	750	6.17%	Iberville Parish School Board	2	675	5.39%
LA Dept. of Public Safety and Corrections	3	635	5.22%	Georgia Gulf	3	370	2.95%
Westlake	4	485	3.99%	Syngenta Crop Protection, Inc.	4	340	2.71%
Shintech	5	410	3.37%	HBT	5	300	2.39%
Syngenta Crop Protection, Inc.	6	334	2.75%	Iberville Parish Council	6	270	2.15%
Total Petrochemicals USA, Inc.	7	232	1.91%	Total Petrochemicals USA, Inc.	7	244	1.95%
Iberville Parish Council	8	230	1.89%	Wal-Mart	8	220	1.76%
Wal-Mart	9	180	1.48%	Olin Chlor Alkali Products	9	160	1.28%
Iberville Parish Sheriff Office	10	168	1.38%	Shintech	10	160	1.28%
		4,924	40.49%			4,239	33.82%
<i>Other</i>		7,237	53.73%	<i>Other</i>		8,295	66.18%
Total		<u>12,161</u>	<u>100.00%</u>	Total		<u>12,534</u>	<u>100.00%</u>

Source: Baton Rouge Area Chamber (BRAC.org)
(1) Data for 2021 was not available.

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

	Full-time Equivalent Employees Allotted in Annual Budget				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
General Government	7	7	7	16	9
Police Department	16	20	23	26	22
Fire Department	-	-	-	-	-
Street Maintenance	13	15	14	24	12
Building	-	-	-	-	-
Social Services	2	3	3	2	2
Sewer	4	2	2	2	2
Civic Center	2	5	3	8	5
Code Enforcement	3	3	2	2	1
Total employees	<u>47</u>	<u>55</u>	<u>54</u>	<u>80</u>	<u>53</u>
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Government	16	15	13	7	12
Police Department	26	22	22	19	25
Fire Department	-	-	4	4	7
Street Maintenance	19	20	14	14	26
Building	6	6	3	3	6
Social Services	2	2	2	2	3
Sewer	2	3	2	4	4
Civic Center	6	6	5	3	4
Code Enforcement	1	1	3	4	4
Total employees	<u>78</u>	<u>75</u>	<u>68</u>	<u>60</u>	<u>91</u>

Source: City of St. Gabriel

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

	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Function:										
Public Safety:										
Police:										
Physical arrests	122	143	88	171	87	101	107	67	52	77
Traffic violations	3,440	4,388	5,648	5,556	6,605	5,073	3,232	4,327	4,458	2,253
Public Works:										
Building Permits:										
Residential (new)	166	43	49	70	48	35	25	57	61	161
Commercial	2	9	6	8	4	6	7	7	10	22
Transportation:										
Parish street maintenance program:										
Number of miles maintained	17	17	17	17	17	17	17	17	17	17
Number of bridges	5	5	5	5	5	5	5	5	5	5
Sanitation:										
Wastewater:										
Commercial	58	58	57	68	50	48	45	38	28	25
Residential	1,040	1,034	1,011	965	989	985	952	934	817	767
Monthly flat fee:										
Residential	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15
Commercial (1)	\$85-\$300	\$85-\$300	\$85-\$300	\$85-\$300	\$85-\$300	\$85-\$300	\$85-\$300	\$85-\$300	\$85-\$300	\$85-\$300
Drainage:										
Miles of drainage ditches maintained	35	35	35	35	35	35	35	35	35	35
Culture-Recreation:										
Parks:										
Number of parks maintained	5	5	5	4	4	4	4	4	4	4

Source: City of St. Gabriel Government

(1) Commercial rates vary based on consumption

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

	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Function:										
General Government:										
Number of general government buildings	3	3	3	3	3	3	3	3	3	3
Number of vehicles	14	14	14	14	14	18	12	13	13	13
Public Safety:										
Police:										
Number of vehicles	37	44	41	38	35	34	33	32	29	28
Number of stations	1	1	1	1	1	1	1	1	1	1
Fire:										
Number of stations	-	-	-	-	-	-	-	-	-	3
Number of vehicles	-	-	-	-	-	-	-	-	-	3
Streets and Sanitation:										
Number of vehicles	24	20	20	20	20	18	17	19	19	22
Miles of streets	17	17	17	17	17	17	17	17	17	17
Number of bridges	4	4	4	4	4	4	4	4	4	4
Sewer:										
Number of sanitary sewer systems	3	3	3	3	3	3	3	3	3	3
Culture and Recreation										
Number of parks	9	9	9	8	5	4	4	4	4	4
Number of community centers	1	1	1	1	1	1	1	1	1	1
Number of vehicles	3	3	3	3	3	3	3	3	3	10

Source: City of St. Gabriel

Special Independent Auditors' Report





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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standard*, 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 the City of St. Gabriel, Louisiana as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City of St. Gabriel, Louisiana's basic financial statements, and have issued our report thereon dated March 31, 2022.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of St. Gabriel, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have had a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not the objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance 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 cost as item 2021-001.

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

City of St. Gabriel, Louisiana's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. City of St. Gabriel, Louisiana'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.

Diez, Dupuy + Ruiz

Gonzales, Louisiana

March 31, 2022

CITY OF ST. GABRIEL, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

1. The independent auditors’ report expresses an unmodified opinion on whether the financial statements of City of St. Gabriel were prepared in accordance with GAAP.
2. No significant deficiencies relating to the audit of the financial statements are reported in the 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*.
3. One instance of noncompliance material to the financial statements of City of St. Gabriel, which would be required to be reported in accordance with *Government Auditing Standards*, was disclosed during the audit.

SECTION II – FINDINGS – FINANCIAL STATEMENT FINDINGS

None noted.

SECTION III – NON-COMPLIANCE WITH STATE LAWS AND REGULATIONS

2021-001 Public Bid Law

Criteria: Contracts by local governmental entities for purchases of materials and supplies with a value of more than \$30,000 must be advertised and let for contract with the lowest responsible bidder. Purchases of \$10,000 or more, but less than \$30,000 dollars, local governmental entities must obtain no fewer than three telephone or facsimile quotations.

Condition: The City purchased a camera system and temperature kiosk during the year and was unable to provide supporting documentation to support that the City complied with public bid laws over the purchase.

Context: Asset additions were tested to determine whether assets were properly capitalized and acquired in compliance with public bid laws. The sample used was deemed to be statistically valid and noted that the material and supplies to convert new vehicles into law enforcement vehicles purchased was not in compliance with public bid law.

Effect: The City is non-compliant with the public bid law.

Cause: The City did not follow public bid laws prior to purchasing the camera system and temperature kiosk.

Recommendation: The City should comply with public bid laws for all purchases.

Views of responsible officials and planned corrective action: Management understands the context of this reportable item as well as the laws and regulations effective to comply with the Louisiana Public Bid Law and will ensure that compliance with the Public Bid Law is followed in future periods.

CITY OF ST. GABRIEL, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2021

FINDINGS – FINANCIAL STATEMENT AUDIT

None noted.

FINDINGS – NON-COMPLIANCE WITH STATE LAWS AND REGULATIONS

None noted.

FINDINGS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

Department of Homeland Security and Emergency Preparedness

2020-001 Reporting

Condition: Program requirements call for quarterly reports to be prepared and filed timely. The City did not comply with this requirement.

Current Status: No similar finding reported in current year.



SPECIAL ACKNOWLEDGEMENTS

Constance Barbin
City Clerk

Debra Ausborn
Deputy City Clerk

Jenell Todd
Accountant I

Linda Gibson
Tax Collector

Kalayn Brown
Police Department Clerk