



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

COMPREHENSIVE ANNUAL FINANCIAL REPORT

DECEMBER 31, 2018



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

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2018

Prepared by:
Department of Finance

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 As of and for the Year Ended December 31, 2018**

TABLE OF CONTENTS

INTRODUCTORY SECTION

	Page
Letter of Transmittal.....	v
GFOA Certificate of Excellence.....	x
Principal Elected Officials.....	xi
Organization Chart.....	xii

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT.....	1
REQUIRED SUPPLEMENTARY INFORMATION:	
Management's Discussion and Analysis.....	4
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Position.....	17
Statement of Activities.....	18
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet.....	19
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position.....	20
Statement of Revenues, Expenditures, and Changes in Fund Balances.....	21
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Statement of Activities.....	22
Proprietary Funds:	
Statement of Net Position.....	23
Reconciliation of the Proprietary Funds Statement of Net Position to the Government-wide Statement of Net Position.....	25
Statement of Revenues, Expenditures, and Changes in Net Position.....	26
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Net Position of the Proprietary Funds to the Statement of Activities.....	27
Statement of Cash Flows.....	28
Component Units Financial Statements:	
Statement of Net Position.....	29
Statement of Activities.....	30
Notes to the Basic Financial Statements	31

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 As of and for the Year Ended December 31, 2018**

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS:	
Schedule of St. Bernard Parish Government's Proportionate Share of the Net Pension Liability.....	79
Schedule of St. Bernard Parish Government's Contributions.....	80
Notes to Required Supplementary Information – Pension Plan Schedules.....	81
Schedule of St. Bernard Parish Government's Changes in Total OPEB Liability and Related Ratios.....	82
Notes to Required Supplementary Information – Changes in Total OPEB Liability and Related Ratios.....	83
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund.....	84
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Disaster Recovery Fund.....	86
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Consolidated Fire Protection District No. 1-2.....	87
Notes to Required Supplementary Information – Budgetary Comparison.....	88
OTHER SUPPLEMENTARY INFORMATION	
Non-Major Governmental Funds:	
Non-major Governmental Fund Descriptions.....	89
Combining Balance Sheet.....	92
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances.....	96
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Criminal Court.....	100
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Council on Aging.....	101
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Recreation District.....	102
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Public Works.....	103
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Road Lighting District No. 1.....	104
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Workforce Investment Act.....	105
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Health.....	106
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Communications.....	107
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Housing and Redevelopment.....	108
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Urban Mass Transportation Administration.....	109

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 As of and for the Year Ended December 31, 2018**

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Garbage District No. 1.....	110
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Deputy Witness Fees.....	111
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Assessor’s Fund.....	112
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – CDBG Fund.....	113
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Federal & State Grants Fund.....	114
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Tree Fund.....	115
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Hazard Mitigation Grant Fund.....	116
 Non-Major Proprietary Funds:	
Non-Major Proprietary Fund Descriptions.....	117
Combining Statement of Net Position.....	118
Combining Statement of Revenues, Expenses, and Changes in Net Position.....	119
Combining Statement of Cash Flows.....	120
 Non-Major Internal Service Funds:	
Non-Major Internal Service Fund Descriptions.....	121
Combining Statement of Net Position.....	122
Combining Statement of Revenues, Expenditures, and Changes in Net Position.....	123
Combining Statement of Cash Flows.....	124
 Schedule of Council Members’ Compensation.....	 125
Schedule of Compensation, Benefits and Other Payments to the Agency Head.....	126
Financial Data Schedules.....	127

STATISTICAL SECTION (UNAUDITED)

Table of Contents.....	132
Table 1 – Net Position by Component.....	133
Table 2 – Changes in Net Position.....	134
Table 3 – General Government Tax Revenues by Source.....	136
Table 4 – Fund Balances of Governmental Funds.....	137
Table 5 – Changes in Fund Balances of Governmental Funds.....	138
Table 6 – Assessed Value and Estimated Actual Value of Taxable Property.....	139
Table 7 – Property Tax Rates Direct and Overlapping Governments.....	140
Table 8 – Principal Property Taxpayers.....	141
Table 9 – Property Tax Levies and Collections.....	142

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 As of and for the Year Ended December 31, 2018**

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
Table 10 – Principal Sale Taxpayers.....	143
Table 11 – Sales and Use Tax Rates – All Governments.....	144
Table 12 – Sales and Use Tax Collections – All Governments.....	145
Table 13 – Ratios of Outstanding Debt by Type.....	146
Table 14 – Ratios of General Debt Outstanding.....	147
Table 15 – Direct and Overlapping Governmental Activities Debt.....	148
Table 16 – Legal Debt Margin Information.....	149
Table 17 – Pledged – Revenue Coverage.....	150
Table 18 – Demographic and Economic Statistics.....	151
Table 19 – Principal Employers.....	152
Table 20 – Full-time Parish Employees by Function.....	153
Table 21 – Operating Indicators by Function.....	154
Table 22 – Capital Asset Statistics by Function.....	156

SINGLE AUDIT SECTION

REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS* AND UNIFORM GUIDANCE

Independent Auditors’ Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	158
Independent Auditors’ Report on Compliance for Each Major Program, and on Internal Control Over Compliance Required by the Uniform Guidance.....	160
Schedule of Expenditures of Federal Awards.....	163
Notes to Schedule of Expenditures of Federal Awards.....	165
Schedule of Findings and Questioned Costs.....	166
Summary Schedule of Prior Audit Findings.....	168



INTRODUCTORY SECTION



Guy McInnis
Parish President

St. Bernard Parish Government

8201 West Judge Perez Drive
Phone (504) 278 - 4200

Chalmette, Louisiana 70043
Fax (504) 278 - 4330
sbpg.net

June 28, 2019

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

State law requires that all general-purpose local governments publish, within six (6) months of the close of each fiscal year, a complete set of financial statements presented in conformity with U.S. generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of St. Bernard Parish Government for the year ended December 31, 2018.

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

Carr, Riggs and Ingram, LLC, a firm of licensed certified public accountants, has audited the Parish's financial statements and has issued an unmodified ("clean") opinion on Parish's financial statements for the year ended December 31, 2018. The independent auditors' report is located at the front of the financial section of this report.

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

Profile of the Government

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

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

St. Bernard Parish provides a full range of services, including fire protection, construction and maintenance of roads, canal crossings, drainage and other infrastructure, water and sewer services, permitting and inspections, code enforcement, planning and zoning, recreational activities, cultural events and other general governmental functions and administrative services. The financial reporting entity consists of a primary government and two (2) component units. These component units are comprised of the St. Bernard Parish Library and St. Bernard Parish Mortgage Authority. A more detailed discussion of the entire reporting entity is included in Note 1 in the Notes to the Financial Statements.

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

The appropriated budgets are prepared by fund and department in the General Fund, Public Works Fund, and Recreation. For all other funds, budgets are prepared by fund. Department heads may make transfers of appropriations within a department (or fund if no departments). Transfers between departments, however, require the approval of the Parish Council.

Budget-to-actual comparisons are provided in this report for each individual government fund for which an appropriated annual budget has been adopted. For the General Fund and all major funds, this comparison is presented on pages 84 to 85.

Factors Affecting Financial Condition

Local Economy

St. Bernard Parish has an estimated residential population of 46,202 people, which is approximately 65% of the population size since Hurricane Katrina in 2005. The Parish depends heavily on the oil and gas industry as its main source of revenues. The Parish saw an increase in 2018 revenues however the Parish has not fully recovered from the decline in drilling and leasing in the Gulf. Road royalties and severance tax increased 21.00% and 8.91% respectively, while sales tax revenue decreased 1.29%. The decrease in sales tax is primarily due to an audits performed and received in 2017 in the amount of \$950,774. The Parish's gas and oil dependent revenues increased \$105,542 and \$226,951 compared to 2017 and 2016. However, these revenues have decreased by \$149,937, \$1,021,599 and \$1,219,592 compared to 2016, 2015 and 2014, respectively. The Parish has been persistently monitoring these revenues and making adjustments to the budget as needed. We believe the declining revenues will slowly leveled off. The Parish is hopeful to see another slight increase in 2019 in these revenues. The Parish is determined to continually working towards the advancement of the Parish and provide the best services for its citizens. The Parish stands firm to do more with less.

Long-term Financial Planning

The five (5) year Capital Improvement Plan is being updated to present to the St. Bernard Parish Council. Currently, the Parish has several long-term projects financed through bond funding including: Jackson/Packenham, constructing and acquiring improvements, extensions and replacements to combined water and sewer system, welcome center, bike paths, and several coastal restoration projects.

The Parish received \$6.99 million in 2015 from the BP Oil Spill settlement, in which, \$1.24 million has been set aside in the 2019 budget for Coastal projects including: Lake Leary Phase III design, a sediment pipeline, canal debris removal, and a study for a barrier island creation.

The St. Bernard Parish Government Coastal Division has an approved Comprehensive Strategy Document (the "Strategy Document") for future coastal restoration efforts in St. Bernard Parish. The Strategy Document has served as the basis for identifying, scoping and prioritizing coastal restoration projects. Additionally, the Strategy Document will couple proposed coastal restoration projects with potential federal, state and local funding sources. Virtually every project included on the approved priority list is currently the subject of a pending request for program funding or grant application. Several projects have also been identified in the Strategy Document as advancing from the planning stage to engineering and design or construction and implementation.

Major Initiatives

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

- Violet – Dravo sewer improvements
- Lake Borgne pump engine upgrades
- Clear well/raw water
- Revitalization of Old Arabi
- Mississippi River Trail & Trailheads
- 40 Arpent Trail and pedestrian crossing
- East Bank Sediment Transportation Corridor
- Paris Road Streetscape
- Numerous canal crossing projects
- Waterline replacement projects
- Sewer Lift Station rehab
- Parish wide subsurface drainage improvements
- Three million gallon domestic water tank repair
- Welcome Center
- A comprehensive water resource plan
- Jean Lafitte Sidewalk
- Buccaneer Villa North Drainage Project

Acknowledgments

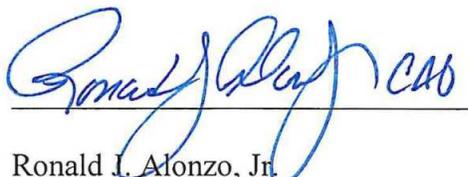
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to St. Bernard Parish Government for its CAFR for the fiscal year ended December 31, 2017. This was the second year that the Parish has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both U.S. 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 only. However, we believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Finance Department. We would like to thank the Parish Council for their unfailing support for elevating and maintaining the highest standards of professionalism in the management of the Parish's finances.

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

Respectfully submitted,



Ronald J. Alonzo, Jr.
Chief Administrator Officer



Blair Ellinwood
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**St. Bernard Parish Government
Louisiana**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morill

Executive Director/CEO

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
PRINCIPAL ELECTED OFFICIALS
DECEMBER 31, 2018**

PARISH PRESIDENT

Guy McInnis

PARISH COUNCIL MEMBER

Richard J. Lewis – Member at Large West

Kerri Callais – Member at Large East

Gillis McCloskey – District A

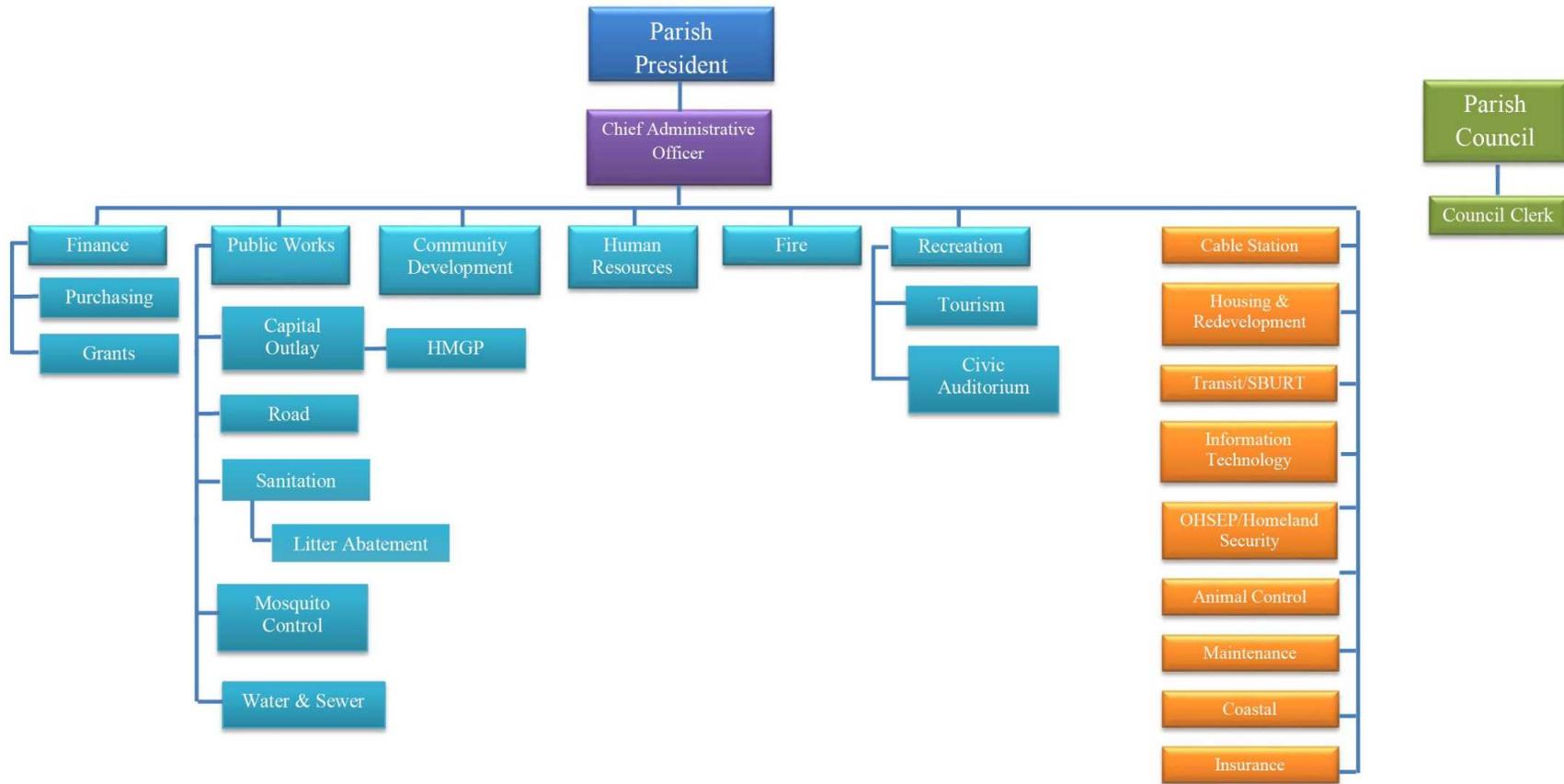
Nathan J. Gorbaty – District B

Howard Luna – District C

Wanda Alcon – District D

Manuel “Monty” Montelongo – District E

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
ORGANIZATIONAL CHART
December 31, 2018**





FINANCIAL SECTION



Carr, Riggs & Ingram, LLC
111 Veterans Blvd.

Suite 350
Metairie, Louisiana 70005

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

INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of St. Bernard Parish Government (the "Parish"), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Parish'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 did not audit the financial statements of St. Bernard Parish Library (the "Library") and St. Bernard Parish Home Mortgage Authority (the "Authority"), which are the Parish's discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Library and Authority, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Parish as of December 31, 2018, 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.

Emphasis of Matter

Adoption of New Accounting Pronouncement

As described in Note 1 to the financial statements, the Parish adopted Government Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, which resulted in a cumulative effect of change in accounting principle of (\$19,114,796) and (\$4,612,602) to the December 31, 2017 net position for governmental activities and business-type activities, respectively. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Parish's basic financial statements. The Introductory Section, Combining and Individual Nonmajor Fund Financial Statements and Schedules, Schedule of Compensation Paid to Council Members, Schedule of Compensation, Benefits and Other Payments to Agency Head, Financial Data Schedules and Statistical Section are presented for purposes of additional analysis and are not a required part of the basic

financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The Combining and Individual Non-major Fund Financial Statements and Schedules, Schedule of Compensation Paid to Council Members, Schedule of Compensation, Benefits and Other Payments to Agency Head, Financial Data Schedules, and Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. 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 combining and individual non-major fund financial statements and the schedule of expenditures of federal awards 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 June 28, 2019, on our consideration of the Parish's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Parish'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 Parish's internal control over financial reporting and compliance.

Cary Riggs & Ingram, L.L.C.

June 28, 2019

REQUIRED SUPPLEMENTARY INFORMATION

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2018

Management's Discussion and Analysis

The following Management's Discussion and Analysis (MD&A) of the St. Bernard Parish Government (the "Parish"), financial performance provides an overview of the Parish's financial activities for the fiscal year ended December 31, 2018. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in the Parish's basic financial statements and the notes to the basic financial statements.

Financial Highlights

- The Parish's net position balance on the government-wide basis was \$622,584,831 at December 31, 2018.
- The 2018 government-wide statement of activities reported a decrease in net position of \$8,040,931.
- Total government-wide assets decreased \$11,057,535 or 1.47% when compared to December 31, 2017.
- Deferred outflows on pension obligation totaled \$5,654,944 at December 31, 2018 which is a decrease from \$7,862,409 in 2017.
- Total Liabilities increased from \$100,806,893 in 2017 to \$112,924,165 in 2018.
- In 2018, the Parish implemented: GASB issued Statement No. 75 – GASB issued Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Deferred inflows increased by \$7,109,426 in 2018 due to this implementation.
- 2018 general fund tax revenues decreased by \$19,781 compared to 2017.
- The general fund reported a deficit of revenues and other financing sources over expenses and other financing uses of \$3,534,877 for a total ending fund balance at December 31, 2018 of \$12,974,247. \$4,433,017 of fund balance is restricted or non-spendable, \$1,935,023 is committed for coastal restoration, while \$6,552,404 is assigned for coastal restoration, capital outlay, and contingency, and \$83,803 is unassigned.
- Total governmental funds reported an excess of revenues and other financing sources over expenses and other financing uses of \$1,160,470 for the year ended December 31, 2018.
- Total cash and cash equivalents of governmental funds amounted to \$23,909,025 at December 31, 2018, a decrease of \$6,030,247 compared to December 31, 2017.
- In 2018, the Parish implemented: GASB issued Statement No. 75 – GASB issued Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Parish's primary government financial statements. The Parish's financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2018

report also contains required supplementary information and additional supplementary information to provide greater detail of data presented in the basic financial statements.

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

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

The statement of activities presents information showing how the Parish's net position changed during the year ended December 31, 2018. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g. earned but unused leave for vacations).

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

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

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

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

The Parish maintains 29 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balance for its three major funds: the General Fund, Disaster Recovery Fund and

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2018

Consolidated Fire Protection District No. 1-2 Fund. Data from the other governmental funds are combined under the heading "Non-major Governmental Funds."

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

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

The basic proprietary fund financial statements can be found on pages 23-28 of this report.

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

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

Other Supplemental Information. The combining statements referred to earlier in connection with non-major governmental, proprietary and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 89-124 of this report.

Government-wide Financial Analysis

As noted previously, net position may serve over time as a useful indicator of a government's financial position. The Parish's assets and deferred outflows exceeded liabilities and deferred inflows by \$622,584,831 at December 31, 2018.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2018

Table 1
Net Position
December 31, 2018 and 2017

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 85,739,281	\$ 97,102,325	\$ 21,076,268	\$ 21,048,122	\$ 106,815,549	\$ 118,150,447
Capital assets	394,447,934	402,263,447	238,684,939	230,592,063	633,132,873	632,855,510
Total assets	480,187,215	499,365,772	259,761,207	251,640,185	739,948,422	751,005,957
Deferred outflows	5,041,860	6,807,832	613,084	1,054,577	5,654,944	7,862,409
Other liabilities	23,896,193	23,049,562	7,886,834	5,912,181	31,783,027	28,961,743
Long-term liabilities	55,577,854	51,075,353	25,563,284	20,769,797	81,141,138	71,845,150
Total liabilities	79,474,047	74,124,915	33,450,118	26,681,978	112,924,165	100,806,893
Deferred inflows	8,385,694	2,563,775	1,708,676	421,169	10,094,370	2,984,944
Net position:						
Net investment of						
capital assets	371,016,818	375,168,727	215,119,125	210,759,675	586,135,943	585,928,402
Restricted	14,326,139	11,726,929	2,773,807	3,392,724	17,099,946	15,119,653
Unrestricted	12,026,377	42,589,258	7,322,565	11,439,216	19,348,942	54,028,474
Total net position	\$ 397,369,334	\$ 429,484,914	\$ 225,215,497	\$ 225,591,615	\$ 622,584,831	\$ 655,076,529

The Parish's statement of net position reflects its investment in capital assets, land, construction-in-progress, infrastructure, buildings and equipment, less any related debt outstanding used to acquire those assets, in the amount of \$586,135,943 at December 31, 2018. The Parish uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Parish's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided by other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Debt service funds have accumulated \$6,198,118 at December 31, 2018 to provide for the servicing of annual interest and principal payments on bonds and are classified in restricted net position. The unrestricted net position decreased by \$34,679,532, which is primarily due to the change in net position described on the next page.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2018

Government-wide Activities

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
<u>Revenues:</u>						
Program revenues:						
Charges for services	\$ 5,211,420	\$ 4,101,469	\$ 12,929,605	\$ 12,441,520	\$ 18,141,025	\$ 16,542,989
Operating grants and contributions	11,026,777	9,068,664	-	-	11,026,777	9,068,664
Capital grants and contributions	9,201,138	26,259,675	573,028	767,508	9,774,166	27,027,183
General revenues:						
Ad valorem taxes	14,423,795	12,885,666	-	-	14,423,795	12,885,666
Sales taxes	16,485,252	16,700,335	4,121,313	4,175,086	20,606,565	20,875,421
Other taxes	1,389,531	1,196,065	-	-	1,389,531	1,196,065
Unrestricted grants and investment earnings	406,648	260,371	136,977	59,375	543,625	319,746
Other general revenues	4,816,034	23,775,876	635,335	481,928	5,451,369	24,257,804
Total revenues	62,960,595	94,248,121	18,396,258	17,925,417	81,356,853	112,173,538
Program expenses:						
General government	27,534,269	42,411,442	-	-	27,534,269	42,411,442
Public safety	16,599,437	16,803,400	-	-	16,599,437	16,803,400
Public works	6,471,582	6,271,015	-	-	6,471,582	6,271,015
Sanitation	4,974,771	5,784,315	-	-	4,974,771	5,784,315
Culture and recreation	3,040,353	3,054,936	-	-	3,040,353	3,054,936
Health and welfare	12,463,545	11,656,125	-	-	12,463,545	11,656,125
Interest on long-term debt	942,905	1,073,650	415,337	390,529	1,358,242	1,464,179
Water and sewer	-	-	16,522,238	16,229,635	16,522,238	16,229,635
Events facilities	-	-	433,347	434,981	433,347	434,981
Total expenses	72,026,862	87,054,883	17,370,922	17,055,145	89,397,784	104,110,028
Net (expense) revenue before transfers	(9,066,267)	7,193,238	1,025,336	870,272	(8,040,931)	8,063,510
Transfers in (Out)	(3,211,148)	(2,262,721)	3,211,148	2,262,721	-	-
Change in Net Position	(12,277,415)	4,930,517	4,236,484	3,132,993	(8,040,931)	8,063,510
Net Position - beginning	429,484,914	424,554,397	225,591,615	222,458,622	655,076,529	647,013,019
Prior period adjustment	(19,838,165)	-	(4,612,602)	-	(24,450,767)	-
Net Position - beginning, as restated	409,646,749	424,554,397	220,979,013	222,458,622	630,625,762	647,013,019
Net Position - ending	\$ 397,369,334	\$ 429,484,914	\$ 225,215,497	\$ 225,591,615	\$ 622,584,831	\$ 655,076,529

Total revenue decreased by \$30,816,685, or 27.47%, from \$112,173,538 in 2017 to \$81,356,853 in 2018. Operating grants and contributions increased by \$1,958,113, or 21.59%, in 2018. The increase in operating grants and contributions of \$1,958,113 is primarily attributed to the Parish's one time funding in 2018 for the cultch shell deployment under the Louisiana Department of Wildlife and Fishery program in the amount of \$1,642,090. Capital grants and contributions have decreased by \$17,253,017 or 63.84%, from \$27,027,183 in 2017 to \$9,774,166 in 2018. The Parish expects to see a continuing decrease in capital contributions as FEMA projects began to enter close out. The Parish also saw a decline of \$14,320,522 or 79.25% in HMGP funding when compared to 2017. Other revenues decreased by \$18,806,435, or 77.53%, from \$24,257,804 2017 to \$5,451,369 2018. This large decrease is primarily due to one-time revenue received in 2017 through a litigation settlement.

Total expenses were \$89,397,784 in 2018, a decrease of \$14,712,244, or 14.13%, compared to \$104,110,028 in 2017. General government expense decreased \$14,877,173, or 35.08%, from \$42,411,442 in 2017 to \$27,534,269 in 2018 primarily due to one-time professional service expenditures in 2017 in the amount of \$14,141,541 due to legal fees related to a litigation settlement. Water and Sewer revenues increased by \$470,841, or 2.63%, from \$17,925,417 in 2017 to \$18,396,258 in 2018. Water and Sewer expenditures increased from \$16,229,635 in 2017 to \$16,522,238 in 2018 due to an annual increase in salaries and benefits.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2018

Financial Analysis of the Government's Funds

Governmental Funds

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

At December 31, 2018, the Parish's governmental funds reported a combined fund balance of \$23,619,321, an increase of \$1,160,470 in comparison with the prior year. Included in this amount is a deficit of \$4,235,460, which constitutes unassigned fund balance. The remainder of the fund balance is either nonspendable, restricted, committed or assigned to indicate that it is 1) not in spendable form (\$282,992), 2) restricted for particular purposes (\$14,326,139), 3) committed for particular purposes (\$2,800,266), or 4) assigned for particular purposes (\$10,445,424).

Proprietary Funds

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

Unrestricted net position of the Water and Sewer Division and the non-major business-type activities at the end of the year amounted to \$6,365,736.

General Fund

The General Fund is the chief operating fund of the Parish. During the year ended December 31, 2018, the general fund's fund balance decreased by \$3,534,877 from \$16,509,124 to \$12,974,247. Key factors relative to this change are as follows:

- Total revenues increased by \$641,552 or 3.41%, from \$18,791,710 in 2017 to \$19,433,262 in 2018. This is primarily the result of charges for services which increased from \$2,171,992 in 2017 to \$2,438,847 in 2018 resulting in an additional \$266,855 in revenues.
- Expenditures decreased in 2018 to \$15,363,504 compared to \$28,680,298 in 2017, a decrease of \$13,316,794, which represents a 46.43% decrease in expenditures. This decrease is primarily due to a decrease in outside legal counsel obtained in 2018. Legal expenditures decreased by \$13,509,291 from \$14,141,541 in 2017 to \$632,250 in 2018.
- Other financing sources (uses), net, totaled \$(7,604,635) in 2018, representing a decrease of \$21,600,296, or 154.34%, in comparison to 2017. This large increase is due to one-time proceeds from the litigation settlement received in 2017 in the amount of \$21,000,000. This increase is also contributed to fund balance set aside for coastal projects which increased transfers out in the amount \$588,223 during 2017.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2018

- Charges for Services increased by \$266,855, or 12.29%, from \$2,171,992 in 2017 to \$2,438,847 in 2018. This increase is due to the number of lots sold and the price per lot through the Louisiana Land Trust Program.
- Licenses and permits increased by \$173,165 from \$1,414,075 in 2017 to \$1,587,240 in 2018. This increase is due to the number of permits issued, which increased by 82 from 347 in 2017 to 429 in 2018.
- Use of money and property increased by \$113,525, or 171.93% from \$66,028 in 2017 to \$179,553 in 2018 due to an increase in interest rates.
- Miscellaneous and other revenues increased from \$904,963 in 2017 to \$1,068,259 in 2018, an increase of \$163,296, or 18.04%, due to an increase in adjudicated property sales from \$563,766 in 2017 to 636,636 in 2018.

The accompanying table shows the amount of General Fund revenues by source for 2018 and 2017:

Revenues	2018	% of	Increase	2017	% of
	Actual	Total	(Decrease) Over 2017	Actual	Total
Taxes	\$ 13,929,329	68.48%	\$ (19,781)	\$ 13,949,110	34.23%
Licenses and permits	1,587,240	7.80%	173,165	1,414,075	3.47%
Intergovernmental	115,960	0.57%	(129,657)	245,617	0.60%
Charges for services	2,438,847	11.99%	266,855	2,171,992	5.33%
Fines and forfeitures	114,074	0.56%	74,149	39,925	0.10%
Use of money and property	179,553	0.88%	113,525	66,028	0.16%
Other revenues	1,068,259	5.25%	163,296	904,963	2.23%
Other financing sources	910,455	4.48%	(21,012,073)	21,922,528	53.85%
	<u>\$ 20,343,717</u>	<u>100.00%</u>	<u>\$ (20,370,521)</u>	<u>\$ 40,714,238</u>	<u>100.00%</u>

The accompanying table shows the amount of general fund expenditures by source for 2018 and 2017:

Expenditures	2018	% of	Increase	2017	% of
	Actual	Total	(Decrease) Over 2017	Actual	Total
General government	\$ 12,861,122	53.86%	\$ (12,950,748)	\$ 25,811,870	70.51%
Public safety	1,659,623	6.95%	(214,210)	1,873,833	5.12%
Health and welfare	593,906	2.49%	11,544	582,362	1.59%
Capital outlay	248,853	1.04%	(163,380)	412,233	1.13%
Operating transfers out	8,515,090	35.66%	588,223	7,926,867	21.65%
	<u>\$ 23,878,594</u>	<u>100.00%</u>	<u>\$ (12,728,571)</u>	<u>\$ 36,607,165</u>	<u>100.00%</u>

Disaster Recovery Fund

The Disaster Recovery fund primarily accounts for grants received as a result of Hurricanes Katrina, Rita, Isaac and Gustav from the federal government. FEMA, as authorized by the Stafford Act, assists individuals, as well as state and local governments, with response to and recovery from disasters. The FEMA grants are reimbursement basis grants where expenditures and related revenues have been accrued. The deficit in the Disaster Recovery fund at December 31, 2018 of \$3,525,350 is partially attributable to \$4,538,748 of revenue that has been deferred and will be collected by the Parish in future years and cash

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2018

advances received for which expenditures will be incurred in future years. Revenue amounted to \$10,409,655 in 2018 compared to \$5,523,962 in 2017, while expenditures totaled \$6,809,602 in 2018 compared to \$4,558,837 in 2017. Revenues and expenditures for Hurricanes Katrina, Rita and Gustav in the FEMA fund are decreasing as funding for the emergencies comes to an end and projects are closed out.

Consolidated Fire Protection District No. 1-2

The Consolidated Fire Protection District No. 1-2 (the "Fire District") accounts for maintenance and daily operations of the fire protection facilities, along with training and continuing education. The Fire District is primarily funded by ad valorem taxes and 2% of the State of Louisiana distribution of fire insurance premium taxes. The Fire District's fund balance at December 31, 2018 amounted to \$2,105,490 which was an increase of \$997,189. Revenue amounted to \$10,509,719 in 2018 compared to \$9,580,547 in 2017, an increase of \$929,172 or 9.70%. Property taxes increased \$985,050, or 11.32% from \$8,701,270 in 2017 to \$9,686,320 in 2018. The Fire Department also signed into an agreement to provide fire protection services to a neighboring governmental entity which increased charges for services by \$481,367 in 2018. Federal funds decreased from \$486,591 in 2017 to \$39,713 due to a one-time federal grant, Assistance to Firefighters Grant, received in the amount of \$486,591 in 2017. Expenditures totaled \$9,848,877 in 2018 compared to \$10,875,497 in 2017, which is a decrease of \$1,026,610 or 9.44%. This decrease is due to Assistance to Firefighters Grant received to purchase equipment in 2017 in the amount of \$486,591. The Fire Department also lowered expenditures through restructuring which included closing two fire station and natural attrition.

Special Revenue Funds – Non-major

The Non-Major Special Revenue funds are used to account for the recording of special purpose revenues and grants. Total fund balance for the Non-Major Special Revenue funds was \$3,541,496 at December 31, 2018, which was a \$2,289,000 increase compared to the prior year fund balance, as restated of \$1,252,496. Revenues during the year ended December 31, 2018 increased by \$4,648,747 primarily due the Hazard Mitigation Grant Program, "HMGP" Fund changing from a major fund to a non-major fund in 2018. Federal funds increased from \$12,440,398 in 2017 to \$16,655,376 in 2018, which was an increase of \$4,214,978. HMGP's federal funding in 2018 was \$3,750,357. Property tax increased by \$388,022, or 11.30%, from \$3,434,347 in 2017 to \$3,822,369 in 2018. Charges for services decreased by \$171,890 or 17.92% from \$959,085 in 2017 to \$787,195 in 2018. This decrease is directly related the Parish's recreation department no longer handling registration fees for youth sports. Recreation saw a decline of \$162,521 in charges for services from \$720,412 in 2017 to 557,891 in 2018. This was done to keep all recreation activity in one location. Expenditures during the year ended December 31, 2018 increased by \$625,170 or 2.12%. The primarily reason for this is HMGP being re-classed to a non-major fund in 2018. Other financing sources and uses decreased by \$1,133,674 or 19.46% from \$5,824,691 in 2017 to \$4,691,017 in 2018. This decrease is due to the HMGP fund transferring out \$1,808,652 of capital outlay to Water & Sewer.

Debt Service Funds

The Debt Service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. Total fund balance for the Debt Service funds was \$3,735,215 at December 31, 2018, which was a \$95,474 increase compared to the prior year balance of \$3,639,741. The increase in fund balance is due to a decrease in sinking requirements which are satisfied via transfers in. Transfers, net were \$4,478,385 for the year ended December 31, 2018, which

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2018

was a \$16,010 decrease compared to prior year activity of \$4,494,395. Expenditures during the year ended December 31, 2018 decreased by \$15,745 as a result of interest and principal payments.

Capital Project Funds

The Capital Projects funds are used to account for all resources and expenditures in connection with the acquisition of capital facilities and repair and maintenance projects other than those accounted for in the recovery funds relating to FEMA, HMGP and CDBG. Total fund balance for the Capital Project funds was \$4,788,223 at December 31, 2018, a decrease of \$1,827,069 from the prior year. Capital Projects fund expenditures during 2018 totaled \$3,978,213, an increase of \$1,841,191 from the prior year primarily due to the increase of projects in the Hurricane Reconstruction fund. The Hurricane Reconstruction fund had expenditures of \$20,764 in 2017 and \$2,868,692 in 2018, an increase of \$2,866,628, or 138.06%, due to the number of projects that have begun, including the revitalization of Torres Park in the amount of \$1,139,239 in 2018.

Enterprise Funds

The Enterprise funds are used to account for operations of the water and sewer and events facilities of the Parish. Total net position for the Enterprise funds was \$224,258,668 at December 31, 2018, an increase of \$4,123,670. Total operating revenues increased \$488,085, or 3.92%, to \$12,929,605 for the year ended December 31, 2018. This increase is due primarily to the increase in new accounts. Total operating expenses increased \$737,857, or 4.62%, to \$16,693,656 for the year ended December 31, 2018. This increase is due to increased depreciation expense from \$6,714,055 in 2017 to 7,236,871 in 2018, a \$522,816 or 7.79% increase. The additional depreciation is related to the sewer sanitary system and SCADA system both placed into service during 2018. Other operating expense increased by \$140,817 or 3.56% when compared to prior year. The primary reason for this increase is due to an increase in other non-operating revenues of \$151,591 from \$481,928 in 2017 to \$635,335 in 2018.

Internal Service Funds

The Internal Service funds are used to account for the risk management services provided throughout the Parish. Total net position for the Internal Service funds was \$956,829 at December 31, 2018, a decrease of \$50,131 from the prior year. Charges for services increased by \$559,964 from \$1,853,065 in 2017 to \$2,413,029 during the year ended December 31, 2018 due to the belief that larger claims will exist in the future. Total operating expenses decreased by \$89,268 from \$2,564,183 to \$2,474,915 during the year ended December 31, 2018.

General Fund Budgetary Highlights

Total revenues are \$19,433,262, or 0.002%, over budgeted amounts. Actual expenditures were 0.02% above budgeted.

The general fund final budget revenue were \$19,432,963 which was a \$94,899, or 0.49% decrease when compared to the original budget. General fund final budget expenditures were \$15,360,768 or a decrease of \$556,383, or 3.50%. This decrease is directly related to the Louisiana Land Trust ("LLT") Program. Within this program, the Parish cuts grass on all LLT properties. The Parish original budgeted grass cutting at \$860,000 however lowered the budget to \$458,592 for a \$401,408 decrease.

Variances between general fund amended budget and actual are delineated in the schedule on the next page.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2018

	2018		Variance with Final Budget Over/(Under)
	Budget	Actual	
Revenues			
Taxes	\$ 13,929,030	\$ 13,929,329	\$ 299
Licenses and permits	1,587,240	1,587,240	-
Intergovernmental	115,960	115,960	-
Charges for services	2,438,847	2,438,847	-
Fines and forfeitures	114,074	114,074	-
Use of money and property	179,553	179,553	-
Other revenues	1,068,259	1,068,259	-
Total Revenues	<u>19,432,963</u>	<u>19,433,262</u>	299
Expenditures	15,360,768	15,363,504	(2,736)
Other Financing Sources (Uses), net	<u>(7,604,637)</u>	<u>(7,604,635)</u>	2
Net Change in Fund Balance	<u>\$ (3,532,442)</u>	<u>\$ (3,534,877)</u>	<u>\$ (2,435)</u>

Capital Assets

Capital assets at December 31, 2018 and 2017 are as follows (net of depreciation):

The Parish's net investment in capital assets as of December 31, 2018 amounts to \$633,132,873 (net of accumulated depreciation). This net investment in capital assets includes land, buildings, building and land improvements, furniture, fixtures and equipment, machinery and equipment and infrastructure.

	2018	2017
Land	\$ 20,536,058	\$ 20,408,058
Construction in progress	91,876,307	155,483,894
Buildings and improvements	229,237,813	223,142,403
Furniture, machinery and equipment	31,148,538	23,528,496
Infrastructure	532,964,668	460,707,030
Accumulated depreciation	<u>(272,630,511)</u>	<u>(250,414,371)</u>
	<u>\$ 633,132,873</u>	<u>\$ 632,855,510</u>

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

- Construction in progress has begun on the Parish's canal crossing which is funded via FEMA.
- Design and construction has begun on the water and sewer line projects throughout the Parish.
- Construction is underway with the new bike paths, Jackson/Packenham, and several other projects throughout the Parish.
- Construction was completed on the Delacroix Pier and Boat Lift.
- Construction was completed on the revitalization of Torres Park which included a state of the art skate park, outdoor fitness center and new playground equipment.
- Depreciation expense for 2018 amounted to \$22,495,876.

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2018

Debt Administration

Outstanding debt at December 31, 2018 totaled \$50,261,170, which is secured by specific revenue sources (property, sales taxes or charges for services).

	<u>2018</u>	<u>2017</u>
2012 Sales Tax Refunding bonds	\$ 21,045,000	\$ 24,290,000
2004 Sales Tax bonds	335,000	385,000
2008 Sales Tax Refunding bonds	<u>795,000</u>	<u>1,560,000</u>
Total bonds	22,175,000	26,235,000
Limited Tax Certificates of Indebtedness, Series 2014	<u>1,295,000</u>	<u>1,530,000</u>
Total certificates of indebtedness	1,295,000	1,530,000
LDHH - Drinking Water Revolving Loan #1	9,301,000	8,935,993
LDHH - Drinking Water Revolving Loan #2	3,644,897	1,135,838
LDEQ - Clean Water Revolving Loan	<u>9,425,273</u>	<u>7,740,141</u>
Total revolving loans	22,371,170	17,811,972
Total outstanding debt	<u>\$ 45,841,170</u>	<u>\$ 45,576,972</u>

The following is a summary of debt transactions:

Balance at January 1, 2018	\$ 45,576,972
New issues	5,381,198
Payments	<u>(5,117,000)</u>
Balance at December 31, 2018	<u>\$ 45,841,170</u>

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

Major long-term debt transactions for the year ended December 31, 2018 include the following:

- Total Other Post-Employment benefits decreased \$3,066,651 during the fiscal year from \$29,280,395, as restated in 2017 to \$26,213,744.
- During the year ended December 31, 2018, the Parish completely drew down all of the Drinking Water Revolving Loan #1 not to exceed \$10,000,000. The balance at December 31, 2018 was \$9,301,000. The Parish drew down substantial amounts on the Drinking Water Revolving Loan #2 and the Clean Water State Revolving Loan not to exceed \$13,000,000 and \$10,000,000. The balance at December 31, 2018 was \$3,644,897 and \$9,425,273.
- At December 31, 2018, the Parish recorded a decrease to net pension liability of \$3,906,318 in the governmental activities and \$689,154 decrease in the business-type activities.

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

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2018**

Short Term Certificates of Indebtedness

Outstanding short term certificates of indebtedness at December 31, 2018 totaled \$4,420,000, which is secured by property taxes.

	<u>2018</u>	<u>2017</u>
Limited Tax Certificates of Indebtedness, Series 2017	-	4,100,000
Limited Tax Certificates of Indebtedness, Series 2018	4,420,000	-
Total certificates of indebtedness	<u>4,420,000</u>	<u>4,100,000</u>
Total outstanding short term debt	<u>\$ 4,420,000</u>	<u>\$ 4,100,000</u>

Major short-term debt transactions for the year ended December 31, 2018 include the following:

- The Parish paid in full the 2017 certificates of indebtedness in the amount of \$4,100,000, in March 2018. The Parish issued 2018 certificates of indebtedness in the amount of \$4,420,000 in July 2018 and paid the certificates in full February 2019.

For additional information regarding short-term debt, see Note 20 in the notes to the basic financial statements.

Economic Factors and Next Year's Budget and Rates

The Parish's primary recurring funding sources are Sales Tax and Ad Valorem Tax. In 2018, actual Sales Tax collections were \$20,606,565, which was a decrease of \$268,856, or 1.29%, when compared to prior year. The Parish projects no significant changes in Sales Tax revenues in 2019 over 2018 primarily due to the oil and gas industries within the Parish performing large scale construction projects in both 2018 and 2019 and the overall economy is steady in St. Bernard. In 2018, actual Ad Valorem Tax collections were \$14,423,795, which is an increase of \$1,538,129 or 11.94%. This increase is directly related to the oil and gas industries increase in the inventory tax within the Parish. The Parish is projecting no major changes in its primary funding sources in 2019. Due to the economic climate, primarily oil and gas industry has begun to level out within the Parish.

Expectation is such that by the end of 2019 it is estimated that the Parish will be substantially complete in its storm-related recovery efforts that will total in excess of \$1 billion. Significant Parish-wide infrastructure repairs, hazard mitigation measures, aggressive marketing of lots made vacant by Hurricane Katrina, an exceptionally rated public school system, state of the art recreational facilities, low crime rate and other factors will continue to make the Parish an attractive community that should bolster its population and help increase the taxable population. A new state of the art hospital has continued to grow the area's medical care services and offer competitive job opportunities. Real estate values are increasing as evident by the builder bundle program of Parish owned vacant lots, which is producing beautiful new construction in the western side of the Parish at a premium price. The average lot price is up significantly when compared to the previous years. The Parish continues to apply for federal and state grants in order to improve the quality of life for its residents. The Parish has developed a Grants Department to head and oversee from the application phase to construction then passing it off to the newly developed Capital Outlay Division to handle program management. Examples of this include federal and state grants that will fund a bike trail along the Mississippi River levee and 40 Arpent Canal, two new playgrounds for Parish children, federal loans to improve the waterline and sewer systems throughout the Parish and the anticipation of new bike paths connecting the current paths together throughout the Parish. The Parish

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2018

also finished construction on the Delacroix pier and pavilion for citizens to enjoy, along with a new boat lift for fisherman to remove their boats from the water for repairs and maintenance.

While the Parish has seen a substantial amount of film production and significant revenues from such over recent years, 2018 was no different. With the implemented and advertised Film Incentive Program, the Parish is expecting to see additional revenues in 2019.

The Parish hosts many fairs and festivals with the annual Knights of Columbus Crawfish Festival itself bringing in over 100,000 patrons. The Bayou Road Balloon Festival has been established in the Parish for the first time in 2017. The Parish has introduced Jazz in June. The Recreation Department has developed a leisure program offering activities such as yoga, line dancing and crafting projects for the citizens of St. Bernard Parish, as well as holding several Sock Hops a year, Trunk or Treat and Donuts with Santa for local children. The Parish President holds an annual Easter egg hunt. The Parish held its first Delacroix seafood market in 2018 for local fisherman to sell their products right off the boats. The eastern end of the Parish continues to be a favorite saltwater fishing destination for the entire Greater New Orleans metropolitan area.

Based on the factors stated above, Parish management believes next year will be financially similar to the current year but the Parish will continue providing and expanding the significant services to its residents. The continued growth in population and the rebound in the oil and gas industry will lead to additional funding in future years.

Requests for Information

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

BASIC FINANCIAL STATEMENTS

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
STATEMENT OF NET POSITION
December 31, 2018

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 24,857,284	\$ 11,220,793	\$ 36,078,077	\$ 8,431,916
Investments	1,091,838	-	1,091,838	6,035,884
Investments - land held for sale	2,332,500	-	2,332,500	-
Receivables:				
Sales and use taxes	2,778,045	694,508	3,472,553	-
Property taxes	13,179,115	-	13,179,115	1,130,348
Customer	-	1,139,021	1,139,021	-
Intergovernmental	10,797,324	10,955	10,808,279	485,273
Other	536,295	11,107	547,402	-
Unbilled charges	-	579,058	579,058	-
Internal balances	(4,067,729)	4,067,729	-	-
Prepaid expenditures	296,770	85,984	382,754	-
Inventory	6,492	434,943	441,435	-
Restricted assets - cash and cash equivalents	-	1,394,525	1,394,525	370
Other current assets	-	-	-	592,642
Loan and interest receivable	33,028,779	924,578	33,953,357	-
Net pension asset	902,568	513,067	1,415,635	20,390
Capital assets:				
Land and construction in progress	70,715,701	41,696,664	112,412,365	-
Other capital assets, net of depreciation	323,732,233	196,988,275	520,720,508	1,704,780
Total assets	\$ 480,187,215	\$ 259,761,207	\$ 739,948,422	\$ 18,401,603
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows on pension benefits	\$ 5,041,860	\$ 613,084	\$ 5,654,944	\$ 45,571
Total deferred outflows of resources	\$ 5,041,860	\$ 613,084	\$ 5,654,944	\$ 45,571
LIABILITIES				
Accounts payables	\$ 9,446,133	\$ 3,013,871	\$ 12,460,004	\$ -
Claims payable	2,527,632	383,665	2,911,297	-
Retainage payable	1,580,938	360,973	1,941,911	-
Salaries and payroll deductions payable	914,185	176,107	1,090,292	28,386
Customer deposits	-	1,344,573	1,344,573	-
Accrued interest payable	292,042	8,154	300,196	-
Advance collections	174,394	212,648	387,042	-
Certificates of indebtedness	4,420,000	-	4,420,000	-
Long-term non-current liabilities:				
Due within one year	4,540,869	2,386,843	6,927,712	-
Due in more than one year	55,577,854	25,563,284	81,141,138	-
Total liabilities	\$ 79,474,047	\$ 33,450,118	\$ 112,924,165	\$ 28,386
DEFERRED INFLOWS				
Deferred inflows on pension benefits	\$ 5,719,933	\$ 1,210,208	\$ 6,930,141	\$ 60,480
Deferred inflows on other post-employment benefits	2,665,761	498,468	3,164,229	-
Total deferred inflows of resources	\$ 8,385,694	\$ 1,708,676	\$ 10,094,370	\$ 60,480
NET POSITION				
Net investment in capital assets	\$ 371,016,818	\$ 215,119,125	\$ 586,135,943	\$ 1,704,780
Restricted for:				
Capital projects	-	245,536	245,536	-
Debt service	3,735,215	2,462,903	6,198,118	-
Federal programs	4,367,729	-	4,367,729	-
Public safety	2,088,162	-	2,088,162	-
Other purposes	4,135,033	65,368	4,200,401	370
Unrestricted	12,026,377	7,322,565	19,348,942	16,653,158
Total net position	\$ 397,369,334	\$ 225,215,497	\$ 622,584,831	\$ 18,358,308

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2018

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Governmental Activities								
General government								
Judicial	\$ 4,773,368	\$ 50,079	\$ -	\$ -	\$ (4,723,289)	\$ -	\$ (4,723,289)	
Other general government	22,760,901	3,879,835	2,453,159	8,817,338	(7,610,569)	-	(7,610,569)	
Public safety	16,599,437	660,650	27,655	-	(15,911,132)	-	(15,911,132)	
Public works	6,471,582	52,081	649,337	-	(5,770,164)	-	(5,770,164)	
Sanitation	4,974,771	-	-	-	(4,974,771)	-	(4,974,771)	
Culture and recreation	3,040,353	568,198	215,235	280,000	(1,976,920)	-	(1,976,920)	
Health and welfare	12,463,545	577	7,681,391	103,800	(4,677,777)	-	(4,677,777)	
Interest on long-term debt	942,905	-	-	-	(942,905)	-	(942,905)	
Total governmental activities	72,026,862	5,211,420	11,026,777	9,201,138	(46,587,527)	-	(46,587,527)	
Business-Type Activities								
Water and sewer	16,522,238	12,649,934	-	573,028	-	(3,299,276)	(3,299,276)	
Events facilities	433,347	279,671	-	-	-	(153,676)	(153,676)	
Interest on long-term debt	415,337	-	-	-	-	(415,337)	(415,337)	
Total business-type activities	17,370,922	12,929,605	-	573,028	-	(3,868,289)	(3,868,289)	
Total	\$ 89,397,784	\$ 18,141,025	\$ 11,026,777	\$ 9,774,166	(46,587,527)	(3,868,289)	(50,455,816)	
Component Units								
Total Component Units	\$ 1,370,116	\$ 16,574	\$ 3,023	\$ -				\$ (1,350,519)
General Revenues								
Taxes:								
Property taxes					14,423,795	-	14,423,795	1,295,720
Sales and use taxes					16,485,252	4,121,313	20,606,565	-
Severance					551,340	-	551,340	-
E telephone					588,430	-	588,430	-
Other					249,761	-	249,761	-
Fines and forfeitures					195,347	-	195,347	-
State revenue sharing (unrestricted)					81,741	-	81,741	19,102
Parish road royalty					348,311	-	348,311	-
Other general revenues (expenses)					3,124,268	635,335	3,759,603	-
Interest and investment earnings					406,648	136,977	543,625	192,247
Miscellaneous revenues					1,066,367	-	1,066,367	4,008
Transfers					(3,211,148)	3,211,148	-	-
Total general revenues and transfers					34,310,112	8,104,773	42,414,885	1,511,077
Change in net position					(12,277,415)	4,236,484	(8,040,931)	160,558
Net position - beginning of year					429,484,914	225,591,615	655,076,529	18,197,750
Prior period adjustment (Note 22)					(19,838,165)	(4,612,602)	(24,450,767)	-
Net position - beginning of year, As Restated					409,646,749	220,979,013	630,625,762	18,197,750
Net position - end of year					\$ 397,369,334	\$ 225,215,497	\$ 622,584,831	\$ 18,358,308

The accompanying notes are an integral part of this statement.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2018

	Special Revenue Funds				Total
	General Fund	Disaster Recovery Fund	Consolidated Fire Protection District No. 1 - 2	Non-Major Governmental Funds	
ASSETS					
Cash and cash equivalents	\$ 6,458,736	\$ 4,351,245	\$ 220,003	\$ 12,319,402	\$ 23,349,386
Investments - land held for sale	2,332,500	-	-	-	2,332,500
Receivables:					
Sales and use taxes	2,083,534	-	-	694,511	2,778,045
Property taxes	884,657	-	8,815,759	3,478,699	13,179,115
Intergovernmental	43,293	7,404,319	499,432	2,850,280	10,797,324
Other	430,699	-	405	104,907	536,011
Due from other funds	7,742,437	8,104,956	-	3,193,739	19,041,132
Prepaid	157,412	-	17,328	101,760	276,500
Inventory	-	-	-	6,492	6,492
Total assets	<u>\$ 20,133,268</u>	<u>\$ 19,860,520</u>	<u>\$ 9,552,927</u>	<u>\$ 22,749,790</u>	<u>\$ 72,296,505</u>
LIABILITIES					
Accounts payable	\$ 847,459	\$ 4,831,339	\$ 381,699	\$ 3,253,154	\$ 9,313,651
Retainage payable	3,238	691,631	-	886,069	1,580,938
Salaries and payroll deductions payable	294,649	-	387,280	222,080	904,009
Due to other funds	3,533,923	13,324,152	2,157,232	4,143,554	23,158,861
Advance collections	69,188	-	-	105,206	174,394
Short-term certificates of indebtedness	20,000	-	4,400,000	-	4,420,000
Total liabilities	<u>4,768,457</u>	<u>18,847,122</u>	<u>7,326,211</u>	<u>8,610,063</u>	<u>39,551,853</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues	2,390,564	4,538,748	121,226	2,074,793	9,125,331
Total deferred inflows of resources	<u>2,390,564</u>	<u>4,538,748</u>	<u>121,226</u>	<u>2,074,793</u>	<u>9,125,331</u>
FUND BALANCE					
Nonspendable:					
Prepaid items	157,412	-	17,328	101,760	276,500
Inventory	-	-	-	6,492	6,492
Restricted:					
Mortgage refunding	91,734	-	-	-	91,734
Debt service	-	-	-	3,735,215	3,735,215
Federal programs	4,183,871	-	-	183,858	4,367,729
Council on aging	-	-	-	281,486	281,486
Road lighting	-	-	-	131,594	131,594
Health	-	-	-	686,529	686,529
Communication	-	-	-	971,016	971,016
Sanitation	-	-	-	1,215,160	1,215,160
Culture and recreation	-	-	-	571,658	571,658
Court operations	-	-	-	59,080	59,080
Public safety	-	-	2,088,162	-	2,088,162
Public works	-	-	-	126,776	126,776
Committed:					
Coastal restoration	1,935,023	-	-	865,203	2,800,226
Assigned:					
Contingency	4,687,907	-	-	-	4,687,907
Coastal restoration	1,236,530	-	-	-	1,236,530
Capital outlay	597,967	-	-	3,923,020	4,520,987
Unassigned	83,803	(3,525,350)	-	(793,913)	(4,235,460)
Total fund balance	<u>12,974,247</u>	<u>(3,525,350)</u>	<u>2,105,490</u>	<u>12,064,934</u>	<u>23,619,321</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 20,133,268</u>	<u>\$ 19,860,520</u>	<u>\$ 9,552,927</u>	<u>\$ 22,749,790</u>	<u>\$ 72,296,505</u>

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
December 31, 2018

Fund balances - total governmental funds \$ 23,619,321

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

Cost of capital assets	\$ 516,438,322	
Accumulated depreciation	<u>(121,990,388)</u>	394,447,934

Long-term assets consist of:

Loan receivable	\$ 33,028,779	
Net pension asset	<u>902,568</u>	33,931,347

Revenues in the Statement of Activities that do not provide current financial resources and are not reported as revenues in the funds. 9,125,331

Interest expense is accrued at year-end in the government-wide financial statements, but is recorded only if due and payable on the governmental fund financial statements. (292,042)

Long-term liabilities consist of:

Bonds payable, net of premium/discount	\$ (23,431,116)	
Net other post-employment benefit liability	(22,084,238)	
Net pension liability	(12,561,527)	
Compensated absences	<u>(2,041,842)</u>	(60,118,723)

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

Deferred outflows on pension benefits	\$ 5,041,860	
Deferred inflows on pension benefits	<u>(5,719,933)</u>	(678,073)

In 2018, the Parish implemented the requirements of GASB Statement No. 75, which provides for the recognition of other post-employment benefits. This includes recognition of related deferred outflows and inflows.

Deferred inflows on pension benefits		<u>(2,665,761)</u>
--------------------------------------	--	--------------------

Net position - governmental activities		<u>\$ 397,369,334</u>
--	--	-----------------------

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2018

	Special Revenue Funds				Total
	General Fund	Disaster Recovery Fund	Consolidated Fire Protection District No. 1 - 2	Non-major Governmental Funds	
REVENUES					
Taxes:					
Property taxes	\$ 972,522	\$ -	\$ 9,686,320	\$ 3,822,369	\$ 14,481,211
Sales and use taxes	12,363,939	-	-	4,121,313	16,485,252
Other	592,868	-	20,737	599,943	1,213,548
Licenses and permits	1,587,240	-	23,660	35,195	1,646,095
Intergovernmental:					
Federal funds	101,646	10,409,655	39,713	17,174,764	27,725,778
State revenue sharing (unrestricted)	14,314	-	14,619	51,498	80,431
Other state funding	-	-	175,983	1,244,828	1,420,811
Charges for services	2,438,847	-	509,637	787,195	3,735,679
Fines and forfeitures	114,074	-	-	182,597	296,671
Use of money and property	179,553	-	551	31,183	211,287
Other revenues	1,068,259	-	38,499	568,005	1,674,763
Total revenues	19,433,262	10,409,655	10,509,719	28,618,890	68,971,526
EXPENDITURES					
Current					
General government:					
Judicial	2,881,826	-	-	743,534	3,625,360
Other general government	9,979,296	1,057,150	-	6,474,862	17,511,308
Public safety	1,659,623	-	9,848,887	351,405	11,859,915
Public works	-	-	-	4,959,807	4,959,807
Sanitation	-	-	-	3,852,456	3,852,456
Culture and recreation	-	-	-	2,347,240	2,347,240
Health and welfare	593,906	-	-	9,071,381	9,665,287
Capital outlay	248,853	5,752,452	-	6,253,074	12,254,379
Debt service:					
Principal	-	-	-	3,480,000	3,480,000
Interest	-	-	-	942,905	942,905
Total expenditures	15,363,504	6,809,602	9,848,887	38,476,664	70,498,657
Excess (Deficiency) of Revenues Over Expenditures	4,069,758	3,600,053	660,832	(9,857,774)	(1,527,131)
OTHER FINANCING SOURCES (USES)					
Proceeds from the sale of capital assets	-	-	127,353	-	127,353
Proceeds from insurance settlements	-	-	25,000	7,509	32,509
Transfer in	910,455	-	471,414	13,315,608	14,697,477
Transfer out	(8,515,090)	(459,300)	(287,410)	(2,907,938)	(12,169,738)
Total other financing sources (uses)	(7,604,635)	(459,300)	336,357	10,415,179	2,687,601
Changes in fund balance	(3,534,877)	3,140,753	997,189	557,405	1,160,470
Fund balance (deficit) - beginning of year	16,509,124	(6,666,103)	1,108,301	12,230,898	23,182,220
Prior period adjustment (Note 22)	-	-	-	(723,369)	(723,369)
Fund balance (deficit) - beginning, as restated	16,509,124	(6,666,103)	1,108,301	11,507,529	22,458,851
	\$ 12,974,247	\$ (3,525,350)	\$ 2,105,490	\$ 12,064,934	\$ 23,619,321

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2018

Total net changes in fund balances - governmental funds \$ 1,160,470

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

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

Capital outlay	\$ 12,254,379	
Transfer of capital asset to business-type activities	(5,738,887)	
Depreciation expense	<u>(15,259,005)</u>	(8,743,513)

The net effect of various miscellaneous transactions involving capital assets (i.e. sales) is to increase net position 928,000

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

Decrease in accrued interest	\$ 44,522	
Increase in compensated absences	(82,051)	
Decrease in deferred inflows in unavailable revenues	<u>(8,890,052)</u>	(8,927,581)

The Parish implemented GASB 68 in 2015. GASB 68 requires a prescribed method of pension expenditure recognition within the Parish's government-wide financial statements. The difference between yearly pension expenditures and actual employer contributions in the current year. (113,244)

The Parish implemented GASB 75 in 2018. GASB 75 requires that an obligation for other post-employment benefits be accrued within the Parish's government-wide financial statements. The difference between actual employer contributions and yearly OPEB expenditures in the current year. (82,206)

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

Principal portion made on outstanding debt		3,480,000
Amortization of bond premium		183,604

The net effect or revenue/(loss) of certain activities of internal service funds is reported with governmental activities. (162,945)

Change in net position - governmental activities \$ (12,277,415)

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
December 31, 2018

	Enterprise Funds			Internal Service Fund
	Water and Sewer Division	Other Enterprise Funds	Total	Self-Insurance Fund
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 10,565,751	\$ 35,825	\$ 10,601,576	\$ 2,127,115
Investments	-	-	-	1,091,838
Customer receivable, net of allowance	1,139,021	-	1,139,021	-
Intergovernmental receivable	10,955	-	10,955	-
Unbilled charges	579,058	-	579,058	-
Due from other funds	13,108,431	-	13,108,431	1,324,325
Prepays	85,984	-	85,984	20,270
Inventory	430,475	4,468	434,943	-
Loan receivable	600,000	-	600,000	-
Interest receivable	324,578	-	324,578	-
Other receivable	-	-	-	11,391
Restricted assets:				
Cash and cash equivalents				
Revenue bond debt service account	84,816	-	84,816	-
Capital renewal and replacement and systems improvement account	245,536	-	245,536	-
Sales tax bond debt service reserve	998,805	-	998,805	-
Sales tax bond debt service account	-	-	-	-
Construction fund	-	-	-	-
Inflow and infiltration	-	-	-	-
Other debt service accounts	-	-	-	-
Customer meter deposits	65,368	-	65,368	-
Sales tax receivable	694,508	-	694,508	-
Total current assets	<u>28,933,286</u>	<u>40,293</u>	<u>28,973,579</u>	<u>4,574,939</u>
Non-current assets:				
Net pension asset	513,067	-	513,067	-
Land and construction in progress	41,696,664	-	41,696,664	-
Other capital assets, net of accumulated depreciation	196,988,275	-	196,988,275	-
Total non-current assets	<u>239,198,006</u>	<u>-</u>	<u>239,198,006</u>	<u>-</u>
Total assets	<u>\$ 268,131,292</u>	<u>\$ 40,293</u>	<u>\$ 268,171,585</u>	<u>\$ 4,574,939</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows on pension benefits	<u>\$ 613,084</u>	<u>\$ -</u>	<u>\$ 613,084</u>	<u>\$ -</u>
Total deferred outflows of resources	<u>\$ 613,084</u>	<u>\$ -</u>	<u>\$ 613,084</u>	<u>\$ -</u>
LIABILITIES				
Current liabilities				
Accounts and other payables	\$ 2,985,671	\$ 12,391	\$ 2,998,062	\$ 148,291
Self insurance claims payable	-	-	-	2,911,297
Retainage payable	360,973	-	360,973	-
Salaries payable	170,061	6,046	176,107	10,176
Advance collections	61,760	150,888	212,648	-
Due to other funds	9,464,767	301,914	9,766,681	548,346
Total current liabilities	<u>13,043,232</u>	<u>471,239</u>	<u>13,514,471</u>	<u>3,618,110</u>
Current liabilities payable from restricted assets				
Bonds payable, net of amortization	2,208,000	-	2,208,000	-
Accrued vacation leave	178,843	-	178,843	-
Accrued interest payable	8,154	-	8,154	-
Customer deposits	1,344,573	-	1,344,573	-
Total current liabilities payable from restricted assets	<u>3,739,570</u>	<u>-</u>	<u>3,739,570</u>	<u>-</u>
Total current liabilities	<u>16,782,802</u>	<u>471,239</u>	<u>17,254,041</u>	<u>3,618,110</u>
Noncurrent liabilities				
Accrued vacation leave	75,974	-	75,974	-
Net pension liability	-	-	-	-
OPEB liability	4,129,506	-	4,129,506	-
Bonds payable, net of premium	21,357,804	-	21,357,804	-
Total noncurrent liabilities	<u>25,563,284</u>	<u>-</u>	<u>25,563,284</u>	<u>-</u>
Total liabilities	<u>\$ 42,346,086</u>	<u>\$ 471,239</u>	<u>\$ 42,817,325</u>	<u>\$ 3,618,110</u>

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION (CONTINUED)
 December 31, 2018

	Enterprise Funds		Internal Service Fund	
	Water and Sewer Division	Other Enterprise Funds	Total	Self-Insurance Fund
DEFERRED INFLOWS				
Deferred inflows on pension benefits	\$ 1,210,208	\$ -	\$ 1,210,208	\$ -
Deferred inflows on other post-employment benefits	498,468	-	498,468	-
Total deferred inflows of resources	<u>\$ 1,708,676</u>	<u>\$ -</u>	<u>\$ 1,708,676</u>	<u>\$ -</u>
NET POSITION				
Net investment in capital assets	\$ 215,119,125	\$ -	\$ 215,119,125	\$ -
Restricted				
Capital renewal and replacement and system improvements	245,536	-	245,536	-
Debt service	2,462,903	-	2,462,903	-
Other purposes	65,368	-	65,368	-
Unrestricted (deficit)	<u>6,796,682</u>	<u>(430,946)</u>	<u>6,365,736</u>	<u>956,829</u>
Total net position (deficit)	<u>\$ 224,689,614</u>	<u>\$ (430,946)</u>	<u>\$ 224,258,668</u>	<u>\$ 956,829</u>

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
RECONCILIATION OF THE PROPRIETARY FUNDS
STATEMENT OF NET POSITION TO THE GOVERNMENT-WIDE
STATEMENT OF NET POSITION
December 31, 2018

Net position - total proprietary funds	\$ 224,258,668
Water and Sewer internal service fund is used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the Water and Sewer internal service fund is included in the business type activities in the Statement of Net Position	<u>956,829</u>
Net position - business-type activities	<u><u>\$ 225,215,497</u></u>

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN NET POSITION
For the Year Ended December 31, 2018

	Enterprise Funds			Internal Service Fund
	Water and Sewer Division	Other Enterprise Funds	Total	Self-Insurance Fund
OPERATING REVENUES				
Charges for service	\$ 12,523,105	\$ 279,671	\$ 12,802,776	\$ 2,413,029
Other operating revenues	126,829	-	126,829	-
Total operating revenues	<u>12,649,934</u>	<u>279,671</u>	<u>12,929,605</u>	<u>2,413,029</u>
OPERATING EXPENSES				
Personnel services and related benefits	4,340,916	176,208	4,517,124	235,768
Utilities	1,083,682	136,989	1,220,671	-
Contractual services, supplies, and materials	813,151	42,801	855,952	-
Professional services	233,977	43,492	277,469	62,378
Insurance premiums	-	1,802	1,802	-
Insurance and claims	784,013	-	784,013	2,167,705
Depreciation	7,236,871	-	7,236,871	-
Other expenditures	1,767,699	32,055	1,799,754	9,064
Total operating expenses	<u>16,260,309</u>	<u>433,347</u>	<u>16,693,656</u>	<u>2,474,915</u>
Operating loss	(3,610,375)	(153,676)	(3,764,051)	(61,886)
NON-OPERATING REVENUES (EXPENSES)				
Sales tax	4,121,313	-	4,121,313	-
Interest earnings				
Restricted assets	27,507	-	27,507	-
Current assets	109,470	-	109,470	11,755
Interest expenses and bank fees	(415,337)	-	(415,337)	-
Other non-operating revenues	633,519	1,816	635,335	-
Deductions from taxes	(374,743)	-	(374,743)	-
Total non-operating revenues (expenses)	<u>4,101,729</u>	<u>1,816</u>	<u>4,103,545</u>	<u>11,755</u>
CHANGE IN NET POSITION BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS				
	491,354	(151,860)	339,494	(50,131)
Transfer in	8,000,756	1,160	8,001,916	-
Transfer out	(4,790,768)	-	(4,790,768)	-
Capital contributions	573,028	-	573,028	-
Transfers and capital contributions, net	<u>3,783,016</u>	<u>1,160</u>	<u>3,784,176</u>	<u>-</u>
CHANGE IN NET POSITION	4,274,370	(150,700)	4,123,670	(50,131)
NET POSITION - BEGINNING OF YEAR	225,027,846	(280,246)	224,747,600	1,006,960
PRIOR PERIOD ADJUSTMENT (NOTE 22)	(4,612,602)	-	(4,612,602)	-
NET POSITION - BEGINNING OF YEAR, AS RESTATED	<u>220,415,244</u>	<u>(280,246)</u>	<u>220,134,998</u>	<u>1,006,960</u>
NET POSITION - END OF YEAR	<u>\$ 224,689,614</u>	<u>\$ (430,946)</u>	<u>\$ 224,258,668</u>	<u>\$ 956,829</u>

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN NET POSITION OF PROPRIETARY FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2018

Total net changes in net position - proprietary funds	\$ 4,123,670
Water and Sewer internal service fund is used by management to charge the costs of certain activities to individual funds. The net effect of revenue of the Water and Sewer internal service fund is included in the business type activities in the Statement of Net Position	<u>112,814</u>
Change in net position - business activities	<u><u>\$ 4,236,484</u></u>

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2018

	Enterprise Funds			Internal Service Fund
	Water and Sewer Division	Other Enterprise Funds	Total	Self-Insurance Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers and users	\$ 13,001,466	\$ 345,601	\$ 13,347,067	\$ -
Cash paid to suppliers of goods or services	(4,825,812)	(246,310)	(5,072,122)	-
Cash paid to employees and related benefits	(4,284,515)	(186,448)	(4,470,963)	(234,480)
Receipts from interfund services provided	-	-	-	2,413,028
Payments for claims	-	-	-	(2,003,404)
Net cash provided by (used in) operating activities	<u>3,891,139</u>	<u>(87,157)</u>	<u>3,803,982</u>	<u>175,144</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers, net	3,209,988	1,160	3,211,148	-
Net payments to other funds	17,859	-	17,859	-
Net cash provided by non-capital financing activities	<u>3,227,847</u>	<u>2,976</u>	<u>3,230,823</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions	573,028	-	573,028	-
Proceeds from insurance	633,519	-	633,519	-
Sales tax receipts, net tax deductions	3,825,558	-	3,825,558	-
Principal payments on outstanding bonds	(1,647,774)	-	(1,647,774)	-
Proceeds from issuance of debt	5,381,188	-	5,381,188	-
Interest expense on outstanding bonds	(418,644)	-	(418,644)	-
Purchase of capital assets	(15,329,747)	-	(15,329,747)	-
Net cash used in capital and related financing activities	<u>(6,982,872)</u>	<u>-</u>	<u>(6,982,872)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	100,641	-	100,641	-
Net cash provided by investing activities	<u>100,641</u>	<u>-</u>	<u>100,641</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	236,755	(84,181)	152,574	175,144
CASH AND CASH EQUIVALENTS (INCLUDING \$2,663,719 INCLUDED IN RESTRICTED ASSETS), BEGINNING OF YEAR	11,723,521	120,006	11,843,527	1,951,971
CASH AND CASH EQUIVALENTS (INCLUDING \$1,394,525 INCLUDED IN RESTRICTED ASSETS), END OF YEAR	\$ 11,960,276	\$ 35,825	\$ 11,996,101	\$ 2,127,115
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating loss	\$ (3,610,375)	\$ (153,676)	\$ (3,764,051)	\$ (61,886)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities				
Depreciation	7,236,871	-	7,236,871	-
Change in operating assets and liabilities:				
Customer receivable	(153,989)	-	(153,989)	-
Intergovernmental receivable	220,170	-	220,170	-
Unbilled charges	247,025	-	247,025	-
Prepaid items	11,162	12,073	23,235	(6,377)
Inventory	(86,303)	169	(86,134)	-
Other receivables	-	11,254	11,254	(1)
Net pension asset	(513,067)	-	(513,067)	-
Deferred outflows on pension benefits	441,493	-	441,493	-
Accounts payable and accrued expenditures	218,926	(1,413)	217,513	144,758
Retainage payable	(280,511)	-	(280,511)	-
Salaries payable	6,154	(10,240)	(4,086)	1,288
Customer deposits	37,422	-	37,422	-
Self-insurance claims payable	-	-	-	97,362
Net pension liability	(689,154)	-	(689,154)	-
OPEB liability	(483,096)	-	(483,096)	-
Deferred inflows on pension benefits	789,039	-	789,039	-
Deferred inflows on other post-employment benefits	498,468	-	498,468	-
Advance collections	904	54,676	55,580	-
Net cash provided by (used in) operating activities	<u>\$ 3,891,139</u>	<u>\$ (87,157)</u>	<u>\$ 3,803,982</u>	<u>\$ 175,144</u>

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
STATEMENT OF NET POSITION
COMPONENT UNITS, DISCRETELY PRESENTED
December 31, 2018

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total Component Units</u>
	<u>St. Bernard Parish Library</u>	<u>St. Bernard Home Mortgage Authority *</u>	
ASSETS			
Cash and cash equivalents	\$ 8,318,444	\$ 113,472	\$ 8,431,916
Investments	6,035,884	-	6,035,884
Receivables:			
Property taxes	1,130,348	-	1,130,348
Intergovernmental	485,273	-	485,273
Restricted assets - cash and cash equivalents		370	370
Other current assets	592,642	-	592,642
Net pension asset	20,390	-	20,390
Capital assets:			
Other capital assets, net of depreciation	1,704,780	-	1,704,780
 Total assets	 <u>\$ 18,287,761</u>	 <u>\$ 113,842</u>	 <u>\$ 18,401,603</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows on pension benefits	\$ 45,571	\$ -	\$ 45,571
 Total deferred outflows of resources	 <u>\$ 45,571</u>	 <u>\$ -</u>	 <u>\$ 45,571</u>
LIABILITIES			
Salaries and payroll deductions payable	\$ 28,386	\$ -	\$ 28,386
 Total liabilities	 <u>\$ 28,386</u>	 <u>\$ -</u>	 <u>\$ 28,386</u>
DEFERRED INFLOWS			
Deferred inflows on pension benefits	\$ 60,480	\$ -	\$ 60,480
 Total deferred inflows of resources	 <u>\$ 60,480</u>	 <u>\$ -</u>	 <u>\$ 60,480</u>
NET POSITION			
Net investment in capital assets	\$ 1,704,780	\$ -	\$ 1,704,780
Restricted for:			
Other purposes	-	370	370
Unrestricted	16,539,686	113,472	16,653,158
 Total net position	 <u>\$ 18,244,466</u>	 <u>\$ 113,842</u>	 <u>\$ 18,358,308</u>

* As of March 31, 2018

All component units are audited by other auditors.

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
STATEMENT OF ACTIVITIES
COMPONENT UNITS, DISCRETELY PRESENTED
For the Year Ended December 31, 2018

Function/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position - Component Units		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	St. Bernard Parish Library	St. Bernard Home Mortgage Authority *	Total
Governmental Activities							
St. Bernard Parish Library	\$ 1,358,718	\$ 14,105	\$ 3,023	\$ -	\$ (1,341,590)	\$ -	\$ (1,341,590)
Total governmental activities	1,358,718	14,105	3,023	-	(1,341,590)	-	(1,341,590)
Business-Type Activities							
St. Bernard Parish Home Mortgage Authority *	11,398	2,469	-	-	-	(8,929)	(8,929)
Total business-type activities	11,398	2,469	-	-	-	(8,929)	(8,929)
Total	\$ 1,370,116	\$ 16,574	\$ 3,023	\$ -			
General Revenues							
Taxes:							
Property taxes					1,295,720	-	1,295,720
State revenue sharing (unrestricted)					19,102	-	19,102
Interest and investment earnings					188,062	4,185	192,247
Miscellaneous revenues					4,008	-	4,008
Total general revenues and transfers					1,506,892	4,185	1,511,077
Change in net position					165,302	(4,744)	160,558
Net position - beginning of year					18,079,164	118,586	18,197,750
Net position - end of year					\$ 18,244,466	\$ 113,842	\$ 18,358,308

* As of March 31, 2018

All component units are audited by other auditors.

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



NOTES TO THE BASIC FINANCIAL STATEMENTS

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Basis of Presentation – Financial Reporting Entity

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

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

As the governing authority of the Parish, for financial reporting purposes, the Parish is the reporting entity for St. Bernard Parish. Generally accepted accounting principles require the financial statements of the reporting entity to present the primary government (the Parish) and its component units. Component units are defined as legally separate organizations for which the elected officials of the primary government (the Parish) are financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization’s governing board, the ability of the primary government to impose its will on that organization or whether there is a potential for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability.

In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

The component units discussed below are included in the Parish’s basic financial statements either as blended component units or as discretely presented component units because of the significance of its operational or financial relationship with the Parish.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- ***Blended Component Unit***

Criminal Court Fund: The Criminal Court Fund accounts for a portion of the annual cost of the courts. The annual revenues are derived from fines, forfeitures, court fees, etc. The Criminal Court Fund is a legally separate entity from the Council. However, the Criminal Court Fund provides services entirely, or almost entirely, to the Council. The Criminal Court Fund is governed by the same elected Council that governs the Parish and is therefore included in the Parish's financial report as a blended component unit.

- ***Discretely Presented Component Unit***

St. Bernard Parish Library - The St. Bernard Parish Library (the "Library") was established by the parish governing authority, under the provisions of the Louisiana Revised Statute (LRS) 25:211. The Library provides citizens of St. Bernard Parish access to library materials, books, magazines, and audio visuals. The Library is governed by a Board of Control consisting of seven members in accordance with the provisions of the Louisiana Revised Statute 25:214. The Library is considered a discretely presented component unit as the Parish appoints all members to the board. The Library is considered to be fiscally dependent on the Parish because it cannot levy taxes or issue bonded debt without approval by the Parish Council. Complete financial statements may be obtained directly from the Director of the Library, 2600 Palmisano Blvd., Chalmette, Louisiana, 70043.

St. Bernard Parish Home Mortgage Authority - The St. Bernard Parish Home Mortgage Authority (the "Authority") was created through a Trust Indenture dated May 9, 1979 pursuant to provisions of Chapter 2-A of Title 9 of the Louisiana Revised Statutes of 1950, as amended, as a public trust authority with the Parish of St. Bernard, State of Louisiana as its beneficiary. The purposes for which the Authority was created were, among others, (i) to provide a means of financing the cost of residential home ownership, development and rehabilitation that will provide adequate housing for residents of St. Bernard Parish who are persons of low and moderate income, and (ii) to expand the supply of funds in St. Bernard Parish available for mortgage loans. The Authority issues separate financial statements and have a year end of March 31. The Authority is considered a discretely presented component unit as the Parish appoints all members to the board may impose its will on the Authority. Complete financial statements may be obtained directly from the administrative office of the Authority, 3201 Bayou Road, St. Bernard, Louisiana, 70085.

B. Basis of Presentation – Government-Wide Financial Statements

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

C. Basis of Presentation – Fund Financial Statements

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

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

D. Governmental Funds

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

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- ***Special Revenue Funds*** – Special revenue funds are used to account for the proceeds of specific revenue sources which by law are designated to finance particular functions or activities of the Parish. The two special revenue funds reported as major funds in the fund financial statements are as follows:
 - Disaster Recovery Fund – This special revenue fund accounts for grants received from the Federal Emergency Management Agency (FEMA) for natural disasters.
 - Consolidated Fire Protection District No. 1-2 – This special revenue fund accounts for maintenance and operations of the fire protection facilities. Revenues are derived from ad valorem taxes, contractual agreement to provide fire protection services to a government entity, state revenue sharing, and 2% of the State of Louisiana distribution of fire insurance premium taxes.
- ***Debt Service Funds*** – Debt service funds are established to meet requirements of bond ordinances and to account for the accumulation of resources for, and payment of, long-term debt principal, interest, and related costs. There are no debt service funds that are major funds.
- ***Capital Projects Funds*** – Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by the proprietary fund). In addition, the funds are used to account for major street repairs and the acquisition of movable fixed assets. There are no capital projects funds that are major funds.

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

E. Proprietary Funds

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

- ***Enterprise Funds*** – Enterprise funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity is financed with debt that is solely secured by a pledge of net revenues. The activities reported in these funds are reported as business-type activities in the government-wide financial statements. The one enterprise fund reported as major fund:
 - Water and Sewer Fund – This funds operate the Parish’s water distribution system and its sewer system which primarily services the Parish’s residents.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- **Internal Service Funds** – Internal service funds are used to account for the financing of goods or services provided by an activity to other departments or funds of the Parish on a cost reimbursement basis. Because the principal users of the internal services are the Parish’s governmental activities, the financial statement of the internal service fund is consolidated into the governmental column when presented in the government-wide financial statements.
 - Self-Insurance Fund – This fund accounts for monies accumulated to provide automobile, property damage, and worker’s compensation for which the Parish is self-insured.
 - Water & Sewer Self-Insurance Fund – This fund accounts for monies accumulated to provide automobile, property damage, and worker’s compensation for which the Division is self-insured.

F. Basis of Accounting-Measurement Focus

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

G. Accrual

Both governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements are presented on the accrual basis of accounting. Property taxes are reported in the period for which levied. Other non-exchange revenues, including intergovernmental revenues and grants are reported when all eligibility requirements have been met. Fees and charges and other exchange revenues are recognized when earned and expenses are recognized when incurred.

H. Modified Accrual

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

I. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Actual results could differ from those estimates. The current economic environment has increased the degree of uncertainty inherent in those estimates and assumptions.

J. Cash and Cash Equivalents

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

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

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

K. Investments

Investments are stated at amortized cost.

L. Investments – Land Held for Sale

The Parish has property that is being actively marketed for sale at year end. Accordingly, the property is recorded at acquisition cost of \$2,332,500 and is reported as investments – land held for sale in the accompanying statement of net position.

M. Accounts Receivable

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

N. Inventories and Prepaid Items

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

O. Capital Assets

Capital assets (i.e., land, buildings, equipment, and improvements other than buildings), which include the Parish's infrastructure and construction in progress, are stated at historical cost or estimated historical cost if historical cost is not known. Donated capital assets, donated works of art and similar

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value. An item is classified as an asset if the initial individual cost is \$5,000 or greater. Capital assets of the Parish are reported in the government – wide financial statements but not in the governmental fund financial statements. Assets subject to depreciation are depreciated using the straight-line method over estimated useful lives. Additions and improvements that significantly extend the useful life of an asset are capitalized. Repairs and maintenance costs are expensed as incurred.

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

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

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

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

P. Deferred Outflows/Inflows of Resources

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

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

Q. Liability for Claims and Judgments

The Insurance Fund was established to account for the self-insurance of workers' compensation, general, and automobile liability by the Parish Government. The Parish Government is self-insured for

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

workers' compensation claims from \$250,000 to \$1,250,000, per occurrence and \$250,000 to fully self-insured for auto and general liability claims.

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

An annual analysis of all open policy years for workers' compensation and automobile and general liability is completed by the risk manager and legal counsel to determine the exposure in each policy year. When it is determined that losses on outstanding and current claims can be reasonably estimated, an evaluation on the policy year is performed. The evaluation determines if a dividend can be declared by the self-insurance fund for that policy year. Once it is determined that a dividend can be declared, the findings are reviewed by the administration and presented before the Parish Council. The Parish Council then must pass an ordinance declaring a dividend from the self-insurance fund and dedicating the dividend to a project. There were no dividends paid for the year ended December 31, 2018.

R. Annual and Sick Leave

Substantially all employees of the Parish Government earn from 10 to 25 days of annual leave each year depending on length of service. Annual leave accumulated in one year must be used by December 31st of the following year except for 5 days may roll into the New Year. Accumulated annual leave may be used only after 26 weeks of service. Substantially all employees of the Parish Government accrue one day of sick leave for each month of continuous employment. Sick leave may be accumulated to a maximum of 90 days.

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

At December 31, 2018, accrued vacation and sick leave was \$2,041,842 for governmental activities.

At December 31, 2018, the accrued vacation and sick leave was \$254,817 for business type activities. In the government-wide financial statements and the proprietary fund types fund statements, the total compensated absences liability is recorded as an expense and a long-term obligation and allocated on a functional basis.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Long-term Obligations

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

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

T. Net Position Classifications

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

- ***Net investment in capital assets*** – consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflow of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflow of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.
- ***Restricted net position*** - consists of assets that are restricted by the Parish's creditors (for example through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
- ***Unrestricted net position*** - all other net position that does not meet the definition of "restricted" or "net investment in capital assets".

U. Fund Balances

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

- ***Non-Spendable Fund Balance*** - amounts that cannot be spent either because they are in a nonspendable form (such as prepaid expenses) or because they are legally or contractually required to be maintained intact.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- ***Restricted Fund Balance*** - amounts that can be spent only for specific purposes because of the Parish Charter, state or federal laws, or externally imposed conditions by grantors or creditors.
- ***Committed Fund Balance*** - amounts constrained to specific purposes by a government itself, using its highest level of decision making authority which include the ordinances of the Parish Council; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action, ordinance, to remove or change the constraint.
- ***Assigned Fund Balance*** - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governmental body delegates the authority such as the Parish and its management.
- ***Unassigned Fund Balance*** - all amounts that have not been restricted committed or assigned to specific purposes. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount however, in 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 fund.

When both restricted and unrestricted resources are available for use, it is the Parish's intention to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed. When unrestricted resources (committed, assigned and unassigned) are available for use, it is the Parish's intention to use committed resources first, then assigned, and then unassigned as they are needed.

V. Interfund Activity

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

W. Operating Revenues and Expenses

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

X. Budgets

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

At least ninety (90) days before the beginning of each fiscal year, the Parish President submits a balanced consolidated line item operating and capital budget on a modified accrual basis of accounting in accordance with the Louisiana Local Government Budget Act and in a format established by the

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Y. Adoption of New Financial Accounting Standards

In June 2015, the GASB issued Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This Statement replaces the requirements of Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB.

In March 2017, the GASB issued Statement No. 85 – Omnibus 2017 the objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]).

Z. Future Accounting Pronouncements

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements address:

- Asset retirement obligations;
- Fiduciary activities;
- Leases;
- Disclosures related to debt; and
- Accounting for interest costs incurred before the end of a construction period.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Parish is currently evaluating the effects that these statements will have on its financial statements.

NOTE 2 – DEPOSITS AND INVESTMENTS

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

At December 31, 2018, the carrying amount of the Parish’s deposits was \$37,472,602.

Demand Deposits	\$	36,078,077
Demand Deposits, Restricted		1,394,525
Total Cash and Cash Equivalents	\$	<u>37,472,602</u>

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it under state law. At December 31, 2018, the Parish’s bank balances totaled \$39,719,876. These bank deposits were completely secured by federal depository insurance or the pledge of securities held by the pledging banks agent in the Parish’s name at December 31, 2018.

Investments Louisiana Asset Management Pool - At December 31, 2018, the Parish had an investment of \$300,613 with the Louisiana Asset Management Pool (LAMP), which is included in investments. LAMP is administered by LAMP, Inc., a non-profit Authority, organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets.

The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955. LAMP is rated AAA by Standard & Poor’s.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to the account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the 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 U.S. Securities and Exchange Commission (SEC) as an investment company. If you have any questions, please feel free to contact the LAMP administrative office at (800) 249-5267.

Investments consist of LAMP deposits and Certificate of Deposits held at a local bank with maturities greater than 90 days totaling \$791,225 at December 31, 2018.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Custodial credit risk for investments is the risk that, in the event of a failure, the Parish will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments are exposed to custodial credit risk if they are uninsured, are not registered in the Parish's name, and are held by either the counterparty to the investment purchase or the counterparty's trust department or agent but not held in the Parish's name. The investments of the Parish at December 31, 2018 were not subject to custodial credit risk.

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

NOTE 3 - INVESTMENTS LAND HELD FOR SALE

During the year ended December 31, 2013, the Parish entered into a cooperative endeavor agreement with the State of Louisiana Office of Community Development and the Louisiana Road Home Corporation d/b/a Louisiana Land Trust (LLT), to transfer all the properties within St. Bernard Parish that were being held by LLT to St. Bernard Parish. Included on the statement of net position at December 31, 2018 is \$2,332,500 in land held for sale representing lots throughout St. Bernard Parish. No depreciation is being recorded on the properties being held for sale. During the year ended December 31, 2018, 72 properties were sold by the Parish for \$1,030,100 with a gain of \$709,600.

NOTE 4 – SALES TAX REVENUES

At December 31, 2018, the total sales tax levied in the Parish is 9%, of which 4% is state sales tax, 2% is levied by the St. Bernard Parish School Board (the School Board), and .5% is dedicated to the St. Bernard Parish Sheriff. The remaining 2.5% is used to fund the general operations of the Parish. The 2.5% sales tax revenue dedicated to the Parish is recorded in the financial statements as follows: 1.5% is general government operations of the Parish (general fund), .5% is for sanitation (non-major special revenue fund), and .5% is for water & sewerage (proprietary funds). The sales tax for water and sewer is dedicated for improvements to the sewer and water system including authority to fund bonds with the tax, provided that at least 25% of the annual revenues of the sales tax must be expended to correct inflow and infiltration in sewerage collection lines, or to repair damages caused thereby, unless required for debt services on bonds or otherwise approved by at least two-thirds of the Parish Council. The St. Bernard Parish Sheriff is authorized to collect and remit this tax to the Parish government and School Board for a stipulated fee.

NOTE 5 – AD VALOREM TAX

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

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 5 – AD VALOREM TAX (CONTINUED)

taxes in unlimited amounts for the payment of principal and interest on general obligation bonds of the Parish.

Property tax levies per \$1,000 of assessed valuation accounted for within the funds of the Parish (primary government only) for the year ended December 31, 2018 are as follows:

General:	
General governmental services	2.81
Special revenue:	
Fire Protection District No. 1	7.42
Fire Protection District No. 2	8.31
St. Bernard Council on Aging	0.94
Recreation	2.17
Public Works (Road District No. 1)	3.05
Road Lighting District No. 1	1.22
Public health	0.62
Garbage District No. 1	3.05
Parishwide fire protection facilities	20.41
	50.00
	50.00

Property taxes levied on November 15, collected during 2018, or expected to be collected within the first 60 days of the following year, are recognized as revenues in the statement of revenues, expenditures, and changes in fund balances – governmental funds. The entire estimated collectible amount of the tax levy for the fiscal year is recorded as revenue in the government-wide financial statements. Property taxes paid under protest are held in escrow until resolution of the dispute. Amounts collected for other governmental entities are accounted for in the agency funds.

NOTE 6 – ALLOWANCE FOR UNCOLLECTIBLE RECEIVABLES

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

<u>Governmental funds:</u>	
General Fund	\$ 90,742
Consolidated Fire Protection District No. 1 - 2	291,486
Non-major governmental funds	115,001
 <u>Business-type funds:</u>	
Water and Sewer Division	1,120,997
Total allowance for uncollectibles	\$ 1,618,226

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 7 – CAPITAL ASSETS

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

Governmental Activities:	Balance January 1, 2018	Additions	Deletions and adjustments	Balance December 31, 2018
Nondepreciable capital assets:				
Land	\$ 20,179,522	\$ 128,000	\$ -	\$ 20,307,522
Construction in progress	62,896,384	13,921,318	(26,409,523)	50,408,179
Total nondepreciable capital assets	<u>83,075,906</u>	<u>14,049,318</u>	<u>(26,409,523)</u>	<u>70,715,701</u>
Depreciable capital assets:				
Land improvements	862,954	-	-	862,954
Buildings and improvements	134,694,589	4,956,664	-	139,651,253
Machinery and equipment	19,126,750	1,359,407	(279,736)	20,206,421
Road system	271,514,367	13,487,626	-	285,001,993
Total depreciable capital assets	<u>426,198,660</u>	<u>19,803,697</u>	<u>(279,736)</u>	<u>445,722,621</u>
Less: accumulated depreciation				
Land improvements	(91,587)	(3,469,849)	-	(3,561,436)
Buildings and improvements	(20,121,454)	(25,360)	-	(20,146,814)
Machinery and equipment	(15,932,770)	(1,388,110)	279,736	(17,041,144)
Road system	(70,865,308)	(10,375,686)	-	(81,240,994)
Total accumulated depreciation	<u>(107,011,119)</u>	<u>(15,259,005)</u>	<u>279,736</u>	<u>(121,990,388)</u>
Total depreciable capital assets, net	<u>319,187,541</u>	<u>4,544,692</u>	<u>-</u>	<u>323,732,233</u>
Total governmental activities capital assets, net	<u>\$ 402,263,447</u>	<u>\$ 18,594,010</u>	<u>\$ (26,409,523)</u>	<u>\$ 394,447,934</u>
Business-type Activities:				
Nondepreciable capital assets:				
Land	\$ 228,536	\$ -	\$ -	\$ 228,536
Construction in progress	92,587,510	14,546,098	(65,665,480)	41,468,128
Total nondepreciable capital assets	<u>92,816,046</u>	<u>14,546,098</u>	<u>(65,665,480)</u>	<u>41,696,664</u>
Depreciable capital assets:				
Buildings	87,584,860	1,138,746	-	88,723,606
Machinery and equipment	4,401,746	6,540,371	-	10,942,117
Infrastructure	189,192,663	58,770,012	-	247,962,675
Total depreciable capital assets	<u>281,179,269</u>	<u>66,449,129</u>	<u>-</u>	<u>347,628,398</u>
Less: accumulated depreciation				
Buildings	(11,375,272)	(2,210,608)	-	(13,585,880)
Machinery and equipment	(1,807,452)	(494,474)	-	(2,301,926)
Infrastructure	(130,220,528)	(4,531,789)	-	(134,752,317)
Total accumulated depreciation	<u>(143,403,252)</u>	<u>(7,236,871)</u>	<u>-</u>	<u>(150,640,123)</u>
Total depreciable capital assets, net	<u>137,776,017</u>	<u>59,212,258</u>	<u>-</u>	<u>196,988,275</u>
Total business-type activities capital assets, net	<u>\$ 230,592,063</u>	<u>\$ 73,758,356</u>	<u>\$ (65,665,480)</u>	<u>\$ 238,684,939</u>

At December 31, 2018, construction in progress in the government-type activities primarily consists of improvements to canal crossings, construction of bike paths, and road improvements. Construction in progress in the business-type activities primarily consists of constructing and acquiring improvements, extensions and replacements to the sewerage and water systems.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 7 – CAPITAL ASSETS (CONTINUED)

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

General government	
Judicial	\$ 1,038,613
Other general government	4,856,407
Public safety	3,397,693
Public works	1,420,913
Sanitation	1,103,673
Culture and recreation	672,742
Health and welfare	2,768,964
Total depreciation expense - governmental activities	\$ 15,259,005
<u>Business-type Activities:</u>	
Water and sewer	\$ 7,236,871

NOTE 8 – LONG-TERM DEBT

Bond Transactions – Governmental Activities

The Parish issues bonds to provide for the acquisition and construction of major capital facilities. Bonds payable, at December 31, 2018 comprise the following page:

Description	Original issue	Range of average interest rates	Amount outstanding	Due in one year
2012 Sales Tax Refunding Bonds, due in annual installments ranging from \$470,000 to \$3,515,000 commencing March 2014 through March 2024	\$33,885,000	0.9 - 4.0%	\$ 21,045,000	\$ 3,355,000
2014 Limited Tax Certificates of Indebtedness, Series 2014 commencing March 2015 through March 2023	2,200,000	0.5 - 3.3%	1,295,000	245,000
			22,340,000	\$ 3,600,000
		Bond premium at December 31, 2018	1,091,116	
			\$ 23,431,116	

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 8 – LONG-TERM DEBT (CONTINUED)

Bond Transactions – Business-type Activities

<u>Description</u>	<u>Original issue</u>	<u>Range of average interest rates</u>	<u>Amount outstanding</u>	<u>Due in one year</u>
2004 Sales Tax Bonds due in annual installments ranging from \$45,000 to \$2,415,000 commencing August 2004 through March 2024	\$ 50,000,000	4.0-5.0%	\$ 335,000	\$ 50,000
2008 Sales Tax Refunding Bonds, due in annual installments ranging from \$615,000 to \$795,000 commencing March 2008 through March 2019	6,715,000	3.88%	795,000	795,000
LDHH - Drinking Water Revolving Loan, due in annual installments ranging from \$351,000 to \$668,000 commencing June 2017 through June 2036	10,000,000	2.95%	9,301,000	376,000
LDEQ - Clean Water State Revolving Loan, due in annual installments ranging from \$456,000 to \$546,000 commencing June 2018 through June 2037	10,000,000	0.45%	9,425,273	463,000
LDHH - Drinking Water #2 Revolving Loan, due in annual installments ranging from \$511,000 to \$810,000 commencing June 2018 through June 2037	13,000,000	1.95%	3,644,897	524,000
			<u>23,501,170</u>	<u>2,208,000</u>
		Bond premium at December 31, 2018	<u>64,644</u>	
			<u>\$ 23,565,814</u>	

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 8 – LONG-TERM DEBT (CONTINUED)

The payment requirements for all bonds and certificates outstanding, as of December 31, 2018, are as follows:

	Principal	Interest
Year ending December 31:		
2019	\$ 5,808,000	\$ 1,550,855
2020	5,167,000	1,345,318
2021	5,323,000	1,163,746
2022	5,490,000	975,268
2023	5,228,000	788,377
2024 - 2028	9,324,897	1,837,998
2029 - 2033	5,415,000	749,742
2034 - 2036	4,085,273	143,242
	\$ 45,841,170	\$ 8,554,546

The Parish's legal debt limit for General Obligation Bonds is \$144,498,274. At December 31, 2018, Parish's outstanding debt is funded through sales tax receipts. At December 31, 2018, the Parish has \$144,498,274 available for general obligation debt.

The various bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance of and flow of moneys through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverage. At December 31, 2018, the Parish believes it is in compliance with all financial related covenants.

Limited Tax Certificates of Indebtedness

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

State Revolving Loans

Drinking Water Revolving Loans

On June 1, 2015, the Parish entered into an agreement with the Louisiana Department of Health and Hospitals relating to the issuance of, not to exceed, \$11,000,000 Taxable Utilities Revenue Bond, Series 2015 secured by revenues from the Water and Sewer Fund. The low interest loan is payable annually beginning June 1, 2017 and maturing on June 1, 2036, with an interest rate of 2.95% and an administrative fee of 0.50%. The Parish will be eligible to receive loan forgiveness in the amount of \$1,125,000. At December 31, 2018, the loan balance was \$9,301,000 and \$1,125,000 has been forgiven.

On May 18, 2017, the Parish entered into an agreement with the Louisiana Department of Health and Hospitals relating to the issuance of, not to exceed, \$13,000,000 Taxable Utilities Revenue Bond, Series 2017 secured by revenues from the Water and Sewer Fund. The low interest loan is payable annually beginning June 1, 2018 and maturing on June 1, 2037, with an interest rate of 1.95% and an administrative fee of 0.50%. At December 31, 2018, the loan balance was \$3,644,897.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 8 – LONG-TERM DEBT (CONTINUED)

Clean Water State Revolving Loan

On December 1, 2015, the Parish entered into an agreement with the Louisiana Department of Environmental Quality relating to the issuance of, not to exceed \$10,000,000 Taxable Utilities Revenue Bond, Series 2015 secured by revenues from the Water and Sewer Fund. The low interest loan is payable annually beginning June 1, 2018 and maturing on June 1, 2037, with an interest rate of 0.45% and an administrative fee of 0.50%. At December 31, 2018, the loan balance is \$9,425,273.

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2018 was as follows:

	January 1, 2018	Additions	Deletions	December 31, 2018	Due in one year
<u>Governmental Activities:</u>					
Accrued annual and sick leave (note 1)	\$ 1,959,791	\$ 1,009,509	\$ (927,458)	\$ 2,041,842	\$ 940,869
Sales tax bonds	24,290,000	-	(3,245,000)	21,045,000	3,355,000
Premium on sales tax bonds payable	1,274,720	-	(183,604)	1,091,116	-
Limited tax certificates of indebtedness, Series 2014	1,530,000	-	(235,000)	1,295,000	245,000
Net pension liability (note 11)	16,467,845	-	(3,906,318)	12,561,527	-
Post-employment benefits, as restated (note 12)	24,667,793	-	(2,583,555)	22,084,238	-
	<u>\$ 56,885,401</u>	<u>\$ 1,009,509</u>	<u>\$ (11,080,935)</u>	<u>\$ 60,118,723</u>	<u>\$ 4,540,869</u>
<u>Business-type Activities:</u>					
Accrued annual and sick leave (note 1)	\$ 248,253	\$ 178,843	\$ (172,279)	\$ 254,817	\$ 178,843
State revolving loans	17,811,972	5,381,198	(822,000)	22,371,170	1,363,000
Net pension liability (note 11)	689,154	-	(689,154)	-	-
Sales tax bonds	1,945,000	-	(815,000)	1,130,000	845,000
Premium on sales tax bonds payable	75,418	-	(10,774)	64,644	-
Post-employment benefits, as restated (note 12)	4,612,602	-	(483,096)	4,129,506	-
	<u>\$ 25,382,399</u>	<u>\$ 5,560,041</u>	<u>\$ (2,992,303)</u>	<u>\$ 27,950,137</u>	<u>\$ 2,386,843</u>

The long-term liabilities will be repaid from the General Fund, and the Sales Tax Bonds which will be repaid from the Debt Service Funds and the Sewer and Water Funds. At December 31, 2018, the debt service funds had \$3,735,215 in fund balance reserved to service debt.

NOTE 9 – OPERATING LEASE INCOME

The Parish's governmental activities recorded lease income of \$151,591 from eight lease agreements in effect during the year ended December 31, 2018. The Parish's business-type activities recorded lease income of \$70,504 from five lease agreements in effect during the year ended December 31, 2018. The

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 9 – OPERATING LEASE INCOME (CONTINUED)

Parish has granted the St. Bernard Parish School Board the use of property at St. Bernard Highway and Palmisano Boulevard free of rent for a period of thirty years. Parish has also granted Louisiana Community and Technical College, Nunez Community College the use of 100 West Virtue Street free of rent for a period of ninety-nine years.

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

Year Ending December 31,	Governmental Activities	Business-type Activities
2019	\$ 125,987	\$ 70,504
2020	104,687	70,504
2021	92,896	70,504
2022	69,188	42,229
2023	-	14,400
2024-2025	-	32,400
Total	<u>\$ 392,758</u>	<u>\$ 300,541</u>

NOTE 10 – INTERFUND PAYABLES, RECEIVABLES AND TRANSFERS

The primary purpose of interfund receivables and payables is to loan monies from the general fund to individual funds to cover current expenditures. Individual fund balances due from/to other funds at December 31, 2018, were as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Governmental Funds		
Major Funds		
General Fund	\$ 7,742,437	\$ 3,533,923
Disaster Recovery Fund	8,104,956	13,324,152
Consolidated Fire Protection		
District No. 1-2	-	2,157,232
Non-major Funds	3,193,739	4,143,554
Total governmental funds	<u>19,041,132</u>	<u>23,158,861</u>
Business-type Activities		
Water and Sewer Fund	13,108,431	9,464,767
Non-major Enterprise Funds	-	301,914
Self-Insurance Internal Service	50,000	-
Water and Sewer Self Insurance		
Internal Service	1,274,325	548,346
Total business-type activities	<u>14,432,756</u>	<u>10,315,027</u>
Total	<u>\$ 33,473,888</u>	<u>\$ 33,473,888</u>

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

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

Transfers between funds during the year ended December 31, 2018 are as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Funds		
Major Funds		
General Fund	\$ 910,455	\$ 8,515,090
Consolidated Fire Protection		
District No. 1-2	471,414	287,410
Disaster Recovery Fund	-	459,300
Non-major Funds	13,315,608	2,907,938
Total governmental funds	<u>14,697,477</u>	<u>12,169,738</u>
Business-type Activities		
Water and Sewer Fund	8,004,916	4,790,768
Self-Insurance Internal Service	1,160	-
Total business-type activities	<u>8,001,916</u>	<u>4,790,768</u>
Total Fund Transfers	22,699,393	16,960,506
GWFS		
Governmental Activities	-	5,738,887
Total GWFS Transfers	<u>-</u>	<u>5,738,887</u>
Total GWFS Transfers	<u>\$ 22,699,393</u>	<u>\$ 22,699,393</u>

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

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS

Substantially all employees of the Parish are members of one of the following statewide retirement systems: Firefighters' Retirement System of Louisiana ("FRS"), Parochial Employees' Retirement System of Louisiana ("PERS"), Registrar of Voters Employees' Retirement System of Louisiana ("RVERS"), or the District Attorneys' Retirement System ("DARS"). These systems are cost-sharing multiple-employer, defined benefit pension plans administered by separate boards of trustees.

General Information about the Pension Plans

Plan Descriptions

FRS

The Firefighters' Retirement System is the administrator of a cost-sharing multiple-employer plan. Membership in the system is a condition of employment for any full-time firefighters who earn at least \$375 per month and are employed by any municipality, parish, or fire protection district of the State of Louisiana in addition to employees of the FRS. The system provides retirement benefits for their members. The projections of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the system in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

PERS

Parochial Employees' Retirement System of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established and provided for by R.S.11:1901 of the Louisiana Revised Statute (LRS).

The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement system and which elects to become members of the System.

All permanent parish government employees (except those employed by Orleans, Lafourche and East Baton Rouge Parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join the Parochial System.

RVERS

The Registrar of Voters Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan established in accordance by Act 215 of 1954, under Revised Statute 11:2032 to provide retirement allowances and other benefits for registrars of voters, their deputies and their permanent employees in each parish of the State of Louisiana.

The System was established on January 1, 1955 for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. Title 11:2032, as amended, for registrars of voters, their deputies and their permanent employees in each parish. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

DARS

The District Attorneys' Retirement System, State of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established on April 1, 1956 and was placed under the management of the board of trustees for the purpose of providing retirement allowances and other benefits as stated under the provisions of R.S. 11, Chapter 3 for district attorneys and their assistants in each parish.

All persons who are district attorneys of the State of Louisiana, assistant district attorneys in any parish of the State of Louisiana, or employed by this retirement system and the Louisiana District Attorneys' Association except for elected or appointed officials who have retired from service under any publicly funded retirement system within the state and who are currently receiving benefits, shall become members as a condition of their employment; provided, however, that in the case of assistant district attorneys, they must be paid an amount not less than the minimum salary specified by the board for assistant district attorneys, currently \$18,000 per year. The projection of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Benefits Provided

FRS

Benefit provisions are authorized within Act 434 of 1979 and amended by LRS 11:2251-11:2272. The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Any person who becomes an employee as defined in LRS 11:2252 on and after January 1, 1980 shall become a member as a condition of employment. Members may retire 1) at any age with 25 years or more of creditable service, 2) at age 50 with at least 20 years of creditable service.

No person who has attained age fifty or over shall become a member of the system, unless the person becomes a member by reason of a merger or unless the System received an application for membership before the applicant attained the age of fifty. No person who has not attained the age of eighteen years shall become a member of the System.

Any person who has retired from service under any retirement system or pension fund maintained basically for public officers and employees of the state, its agencies or political subdivisions, and who is receiving retirement benefits therefrom may become a member of this System, provided the person meets all other requirements for membership. Service credit from the retirement system or pension plan from which the member is retired shall not be used for reciprocal recognition of service with this System, or for any other purpose in order to attain eligibility or increase the amount of service credit in this System.

PERS

Any member of Plan A can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

1. Any age with thirty (30) or more years of creditable service.
2. Age 55 with twenty-five (25) years of creditable service.
3. Age 60 with a minimum of ten (10) years of creditable service.
4. Age 65 with a minimum of seven (7) years of creditable service.

For employees hired after January 1, 2007:

1. Age 55 with 30 years of service.
2. Age 62 with 10 years of service.
3. Age 67 with 7 years of service.

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

RVERS

Any member hired prior to January 1, 2013 is eligible for normal retirement after he has 20 years of creditable service and is age 55 or has 10 years of creditable service and is age 60. Any member with 30 years of creditable service regardless of age may retire. Regular retirement benefits for members hired

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

prior to January 1, 2013 are calculated at 3.33% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

Any member hired on or after January 1, 2013 is eligible for normal retirement after he has attained 30 years of creditable service and is age 55; has attained 20 years of creditable service and is age 60; or has attained 10 years of creditable service and is age 62. Regular retirement benefits for members hired on or after January 1, 2013 are calculated at 3.00% of the average annual earned compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation. Retirement benefits for members hired on or after January 1, 2013 that have attained 30 years of creditable service with at least 20 years of creditable service in the System are calculated at 3.33% of the average annual compensation for the highest consecutive 60 months multiplied by the number of years of creditable service, not to exceed 100% of average annual compensation.

Any member whose withdrawal from service occurs prior to attaining the age of sixty years, who shall have completed ten or more years of creditable service and shall not have received a refund of his accumulated contributions, shall become eligible for a deferred allowance beginning upon his attaining the age of 60 years.

DARS

Members who joined the DARS before July 1, 1990, and who have elected not to be covered by the new provisions, are eligible to receive a normal retirement benefit if they have 10 or more years of creditable service and are at least age 62, or if they have 18 or more years of service and are at least age 60, or if they have 23 or more years of service and are at least age 55, or if they have 30 years of service regardless of age. The normal retirement benefit is equal to 3% of the member's average final compensation for each year of creditable service. Members are eligible for early retirement at age 60 if they have at least 10 years of creditable service or at age 55 with at least 18 years of creditable service. Members who retire prior to age 60 with, less than 23 year of service credit, receive a retirement benefit reduced 3% for each year of age below 60. Members who retire prior to age 62 who have less than 18 years of service receive a retirement benefit reduced 3% for each year of age below 62. Retirement benefits may not exceed 100% of final average compensation.

Members who joined the DARS after July 1, 1990, of who elected to be covered by the new provisions, are eligible to receive normal retirement benefits if they are age 60 and have 10 years of service credit, are age 55 and have 24 years of service credit, or have 30 years of service credit regardless of age. The normal retirement benefit is equal to 3.5% of the member's final average compensation multiplied by years of membership service. A member is eligible for an early retirement benefit if he is age 55 and has 18 years of service credit. The early retirement benefit is equal to the normal retirement benefit reduced 3% for each year the member retires in advance of normal retirement age. Benefits may not exceed 100% of average final compensation.

Disability Benefits

PERS

For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and has at least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Plan A shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age sixty.

RVERS

Disability benefits are provided to active contributing members with at least 10 years of service established in the System and who have been officially certified as disabled by the State Medical Disability Board. The disabled member who has attained the age of 60 years shall be entitled to a regular retirement allowance. The disabled member who has not yet attained age 60 shall be entitled to a disability benefit equal to the lesser of 3.00% of his average final compensation multiplied by the number of creditable years of service (not to be less than 15 years) or 3 1/3% of average final compensation multiplied by the years of service assuming continued service to age 60. Disability benefits may not exceed two-thirds of earnable compensation.

DARS

Disability benefits are awarded to active contributing members with at least 10 years of service who are found to be totally disabled as a result of injuries incurred while in active service. The member receives a benefit equal to three percent (three and, one-half percent for members covered under the new retirement benefit provisions) of his average final compensation multiplied by the lesser of his actual service (not to be less than fifteen years) or projected continued service to age sixty.

Survivor Benefits

PERS

Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes.

Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes.

A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married not less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

RVERS

If a member who has less than five years of credited service dies due to any cause other than injuries sustained in the performance of his official duties, his accumulated contributions are paid to his designated beneficiary. If the member has five or more years of credited service, and is not eligible to retire, automatic option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with option 2 factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse and the member has five or more years of creditable service, the surviving minor children under 18 or disabled children shall be paid 80% of the accrued retirement benefit in equal shares until the age of majority or for the duration of the handicap for a handicapped child. Upon the death of any former member with 10 or more years of service, automatic option 2 benefits are payable to the surviving spouse. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

DARS

Upon the death of a member with less than 5 years of creditable service, his accumulated contributions and interest thereon are paid to his surviving spouse, if he is married, or to his designated beneficiary, if he is not married. Upon the death of any active, contributing member with 5 or more years of service or any member with 23 years of service who has not retired, automatic option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with the option factors used as if the member had continued in service to earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under 18 or disabled children are paid 80% of the member's accrued retirement benefit divided into equal shares. If a member has no surviving spouse or children, his accumulated contributions and interest are paid to his designated beneficiary. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions with interest.

Upon withdrawal from service, members not entitled to a retirement allowance are paid a refund of accumulated contributions upon request. Receipt of such a refund cancels all accrued rights in DARS.

The Board of Trustees is authorized to grant retired members and widows of members who have retired an annual cost of living increase of 3% of their original benefit, (not to exceed sixty dollars per month) and all retired members and widows who are sixty-five years of age and older a 2% increase in their original benefit. In lieu of other cost of living increases the board may grant an increase to retirees in the form of "Xx(A&B)" where "A" is equal to the number of years of credited service accrued at retirement or death of the member or retiree and "B" is equal to the number of years since death of the member or retiree to June 30 of the initial year of increase and "X" is equal to any amount available for funding such increase up to a maximum of \$1.00. In order for the board to grant any of these increases, the System must meet certain criteria detailed in the statute related to funding status and interest earnings.

Deferred Retirement Option Plan benefits (DROP)

FRS

After completing 20 years of creditable service and age 50 or 25 years at any age, a member may elect to participate in the deferred retirement option plan (DROP) for up to 36 months.

Upon commencement of participation in the deferred retirement option plan, employer and employee contributions to the system cease. The monthly retirement benefit that would have been payable is paid into the deferred retirement option plan account. Upon termination of employment, a participant in the program shall receive, at his option, a lump-sum payment from the account or an annuity based on the deferred retirement option plan account balance in addition to his regular monthly benefit.

If employment is not terminated at the end of the 36 months, the participant resumes regular contributions to the system. No payments may be made from the deferred retirement option plan account until the participant retires.

PERS

Act 338 of 1990 established the DROP for the Retirement System. DROP is an option for that member who is eligible for normal retirement.

In lieu of terminating employment and accepting a service retirement, any member of Plan A who is eligible to retire may elect to participate in the DROP in which they are enrolled for three years and defer

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account.

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in the DROP on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in the Plan will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of this Plan must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of the Plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

RVERS

In lieu of terminating employment and accepting a service retirement allowance, any member with 10 or more years of service at age 60, 20 or more years of service at age 55, or 30 or more years of service at any age may elect to participate in the Deferred Retirement Option Plan (DROP) for up to three years and defer the receipt of benefits. Upon commencement of participation in the plan, membership in the System terminates. During participation in the plan, employer contributions are payable, but employee contributions cease. The monthly retirement benefits that would have been payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP fund. This fund does not earn interest. In addition, no cost of living increases are payable to participants until employment which made them eligible to become members of the System has been terminated for at least one full year.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the plan may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or any other method of payment if approved by the Board of Trustees. The monthly benefits that were being paid into the Deferred Retirement Option Plan fund will begin to be paid to the retiree. If the participant dies during participation in the plan, a lump sum equal to his account balance in the plan fund shall be paid to his named beneficiary or, if none, to his estate. If employment is not terminated at the end of the 3 years, payments into the plan fund cease and the person resumes active contributing membership in the System.

DARS

In lieu of receiving a service retirement allowance, any member who has more years of service than are required for a normal retirement may elect to receive a Back-Deferred Retirement Option Program (Back-DROP) benefit.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of three years or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. At retirement, the member's maximum monthly retirement benefit is based upon his service, final average compensation, and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to the monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back-DROP period. In lieu of receiving the lump-sum payment, the member may leave the funds on deposit with the system in an interest bearing account.

Prior to January 1, 2009, eligible members could elect to participate in the DROP for up to three years in lieu of terminating employment and accepting a service benefit. During participation in the DROP, employer contributions were payable and employee contributions were reduced to ½ of 1%. The monthly retirement benefits that would have been payable to the member were paid into a DROP account, which did not earn interest while the member was participating in the DROP. Upon termination of participation, the participant in the plan received, at his option, a lump sum from the account equal to the payments into the account or systematic disbursements from his account in any manner approved by the board of trustees. The monthly benefits that were being paid into the DROP would then be paid to the retiree. All amounts which remain credited to the individual's sub-account after termination of participation in the plan were invested in liquid money market funds. Interest was credited thereon as actually earned.

Initial Benefit Option Plan

FRS

Effective June 16, 1999, members eligible to retire and who do not choose to participate in DROP may elect to receive, at the time of retirement, an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. Such amounts may be withdrawn or remain in the IBO account earning interest at the same rate as the DROP account.

Cost of Living Adjustments

PERS

The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements.

In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older (LRS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

RVERS

Cost of living provisions for the System allows the board of trustees to provide an annual cost of living increase of 2.5% of the eligible retiree's original benefit if certain funding criteria are met. Members are eligible to receive a cost of living adjustment once they have reached the age of sixty and have been

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

retired at least one year. Funding criteria for granting cost of living adjustments is dependent on the funded ratio.

DARS

The Board of Trustees is authorized to grant retired members and widows of members who have retired an annual cost of living increase of 3% of their original benefit, (not to exceed sixty dollars per month) and all retired members and widows who are sixty-five years of age and older a 2% increase in their original benefit. In lieu of other cost of living increases the board may grant an increase to retirees in the form of "Xx(A&B)" where "A" is equal to the number of years of credited service accrued at retirement or death of the member or retiree and "B" is equal to the number of years since death of the member or retiree to June 30 of the initial year of increase and "X" is equal to any amount available for funding such increase up to a maximum of \$1.00. In order for the board to grant any of these increases, the DA System must meet certain criteria detailed in the statute related to funding status and interest earnings.

Contributions

FRS

Contributions for all members are established by statute at 10.0% for wages above poverty and 8.0% for wages below poverty for the years ending/ended June 30, 2019 and 2018. The contributions are deducted from the member's salary and remitted by the Parish.

According to state statute, employer contributions are actuarially determined each year. For the years ending/ended June 30, 2019 and 2018, the actuarially determined contribution rates were 28.32% and 28.67%, respectively, of member's compensation. However, for the years ending/ended June 30, 2019 and 2018, employer contributions were 26.50, respectively, of covered payroll above poverty and 28.50%, respectively, of covered payroll below poverty, respectively. The actual rates differ from the actuarially required rate due to state statutes that require the contribution rate be calculated and set two years prior to the year effective. Contributions to the pension plan from the Parish were \$1,313,621 for the year ended December 31, 2018.

The System also receives insurance premium tax monies as additional employer contributions. The tax is considered support from a non-contributing entity and appropriated by the legislature each year based on an actuarial study. Non-employer contributions are recognized as revenue during the year ended December 31, 2018, and were excluded from pension expense.

PERS

Contributions for all members are established by statute at 9.5% of compensation for the year ended December 31, 2018. The contributions are deducted from the member's salary and remitted by the Parish.

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2018, the actuarially determined contribution rate was 9.99% of member's compensation for Plan A. However, the actual rate for the year ended December 31, 2018 was 11.50% for Plan A. The actual rate differs from the actuarially required rate due to state statutes that require the contribution rate be calculated and set two years prior to the year effective. The Parish Government's contributions to the pension plan were \$1,024,694 for the year ended December 31, 2018. The Water and Sewer Division's contributions to the pension plan were \$309,448 for the year ended December 31, 2018.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

According to state statute, the System also receives ¼ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended December 31, 2018.

RVERS

Contributions for all members are established by statute at 7.0% of compensation for the years ending/ended June 30, 2019 and 2018. The contributions are deducted from the member's salary and remitted by the Parish.

According to state statute, contribution requirements for all employers are actuarially determined each year. For the years ending/ended June 30, 2019 and 2018, the actuarially determined contribution rates were 16.89% and 14.27%, respectively, of member's compensation. However, for the years ending/ended June 30, 2019 and 2018, the actual employer contribution rates were 17.00%. The actual rate differs from the actuarially required rate due to state statutes that require the contribution rate be calculated and set two years prior to the year effective. Contributions to the pension plan from the Parish were \$5,471 for the year ended December 31, 2018.

In accordance with state statute, the System also receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended December 31, 2018.

DARS

Contributions for all members are established by statute at 8.0% of compensation for the years ending/ended June 30, 2019 and 2018. The contributions are deducted from the member's salary and remitted by the Parish.

According to state statute, contribution requirements for all employers are actuarially determined each year. For the years ending/ended June 30, 2019 and 2018, the actuarially determined employer contribution rate were 3.83% and 1.20%, respectively, of member's compensation. However, for the years ending/ended June 30, 2019 and 2018, the actual employer contribution rates were 1.25% and 0.0%. The actual rate differs from the actuarially required rate due to state statutes that require the contribution rate be calculated and set two years prior to the year effective. Contributions to the pension plan from the District Attorney were \$3,499 for the year ended December 31, 2018.

In accordance with state statute, DARS receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities. Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended December 31, 2018.

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

At December 31, 2018, the Parish reported a combined liability of \$12,561,527 for its proportionate share of the Net Pension liabilities (NPL) and reported an asset of \$1,415,635 for its proportionate share of the Net Pension Assets (NPA). The NPL for FRS, PERS, RVERS, and DARS was measured as of June 30, 2018, December 31, 2017, June 30, 2018, and June 30, 2018, respectively, and the total pension liability and total pension asset used to calculate the NPL and NPA was determined based on an actuarial valuation as of those dates. The Parish's proportion of the NPL and NPA was based on a projection of the Parish's long-term share of contributions to the pension plan relative to the projected contribution of all participating employers, actuarially determined.

The following table reflects the Parish's proportionate share of the Net Pension Liability (Asset) for each of the pension plans, the proportion at June 30, 2018 and the change compared to the June 30, 2017 proportion.

	Net Pension Liability (Asset) at December 31, 2018	Proportion at Measurement Date	Increase (Decrease) to Prior Measurement Date
FRS	\$ 12,221,831	2.124768%	-0.116906%
RVERS	54,751	0.231955%	-0.002971%
DARS	284,945	0.885494%	0.051440%
	<u>\$ 12,561,527</u>		
PERS	\$ (1,415,635)	1.907230%	-0.050286%

The following table reflects the Parish's recognized pension expense plus the Parish's amortization of change in proportionate share and difference between employer contributions and proportionate share of contributions for each of the pension plans for the year ended December 31, 2018.

	Pension Expense	Amortization	Total
FRS	\$ 1,762,011	\$ (1,340,763)	\$ 421,248
PERS	1,765,794	(1,491,167)	274,627
RVERS	17,425	(5,160)	12,265
DARS	102,673	(444)	102,229
	<u>\$ 3,647,903</u>	<u>\$ (2,837,534)</u>	<u>\$ 810,369</u>

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

At December 31, 2018, the Parish reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>FRS</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 930,218
Changes in assumptions	852,594	1,936
Net difference between projected and actual earnings on pension plan investments	794,723	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,994	1,633,780
Employer contributions subsequent to the measurement date	635,980	-
Total FRS	<u>\$ 2,286,291</u>	<u>\$ 2,565,934</u>

<u>PERS</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 916,373
Changes in assumptions	1,786,741	-
Net difference between projected and actual earnings on pension plan investments	-	3,270,527
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	105,459
Employer contributions subsequent to the measurement date	1,334,142	-
Total PERS	<u>\$ 3,120,883</u>	<u>\$ 4,292,359</u>

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

RVERS

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 8,354
Changes in assumptions	8,968	823
Net difference between projected and actual earnings on pension plan investments	3,289	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	5,164	1,095
Employer contributions subsequent to the measurement date	2,736	-
Total RVERS	<u>\$ 20,157</u>	<u>\$ 10,272</u>

DARS

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,530	\$ 41,394
Changes in assumptions	172,838	18,791
Net difference between projected and actual earnings on pension plan investments	23,859	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	25,887	1,391
Employer contributions subsequent to the measurement date	3,499	-
Total DARS	<u>\$ 227,613</u>	<u>\$ 61,576</u>

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
FRS	\$ 2,286,291	\$ 2,565,934
PERS	3,120,883	4,292,359
RVERS	20,157	10,272
DARS	227,613	61,576
	<u>\$ 5,654,944</u>	<u>\$ 6,930,141</u>

Deferred outflows of resources related to pensions resulting from the Parish's contributions subsequent to the measurement date of the net pension liability but before the end of the governmental non-employer contribution reporting period will be recognized as a reduction of the net pension liability in the subsequent fiscal period rather than in the current period.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

The following table lists the pension contributions made subsequent to the measurement period for each pension plan:

	Subsequent Contributions
FRS	\$ 635,980
PERS	1,334,142
RVERS	2,736
DARS	3,499
	\$ 1,976,357

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 ending December 31:	FRS	PERS	RVERS	DARS	Total
2019	\$ 359,139	\$ 159,283	\$ 7,502	\$ 61,607	\$ 587,531
2020	(105,709)	(249,861)	753	34,114	(320,703)
2021	(637,638)	(1,118,789)	(1,784)	13,904	(1,744,307)
2022	(219,376)	(1,296,251)	678	18,325	(1,496,624)
2023	(227,869)	-	-	34,588	(193,281)
2024	(84,169)	-	-	-	(84,169)
Total	\$ (915,622)	\$ (2,505,618)	\$ 7,149	\$ 162,538	\$(3,251,553)

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2018 are as follows:

	FRS	PERS
Valuation Date	June 30, 2018	December 31, 2017
Actuarial Cost Method	Entry Age Normal Cost	Entry Age Normal Cost
Actuarial Assumptions:		
Expected Remaining Service Lives	7 years	4 years
Investment Rate of Return	7.300% per annum (net of investment expenses, including inflation) (decreased from 7.40% in 2017)	6.75%, net of investment expense, including inflation (decreased from 7.00% in 2016)
Inflation Rate	2.700% per annum (decreased from 2.775% in 2017)	2.50% per annum.
Salary Increases	Vary from 15.0% in the first two years of service to 4.75% after 25 years includes inflation and merit increases	5.25% (2.5% Inflation, 2.75% Merit)
Cost of Living Adjustments	For the purpose of determining the present value of benefits, COLAs were deemed not to be substantively automatic and only those previously granted were included.	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
Mortality	The pre and postmortality life expectancies of participants based on the RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2031 using Scale AA for employee, annuitant and beneficiary mortality. The RP-2000 Disabled Lives Mortality table set back 5 years for males and set back 3 years for females was selected for disabled annuitants.	The RP-2000 Healthy Annuitant Mortality Sex Distinct Tables (set forward two years for males and set forward one year for females) projected to 2031 using Scale AA was selected for annuitants and beneficiaries. For disabled annuitants, the RP-2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females was selected. For active employees, the RP-2000 Employee Sex Distinct Tables set back 4 years for males and 3 years for females was used.
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2009-2014) experience study on plan data.	Termination, disability, and retirement assumptions were projected based on a five-year (2010-2014) experience study on plan data.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

	RVERS	DARS
Valuation Date	June 30, 2018	June 30, 2018
Actuarial Cost Method	Entry Age Normal Cost	Entry Age Normal Cost
Actuarial Assumptions:		
Expected Remaining Service Lives	5 years	6 years (decreased from 7 years in 2017).
Investment Rate of Return	6.50%, net of investment expense (decreased from 6.75% in 2017).	6.50%, net of investment expense (decreased from 6.75% in 2017).
Inflation Rate	2.40% per annum (decreased from 2.50% in 2017).	2.50% per annum.
Salary Increases	6.0% (2.5% Inflation, 3.5% Merit).	5.50% (2.50% Inflation, 3.00% Merit).
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.	Only those previously granted.
Mortality	RP-2000 Combined Healthy Mortality Table for active members, healthy annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Table for disabled annuitants. The mortality was projected forward to a period equivalent to the estimated duration of the System's liabilities. The mortality tables selected were set forward or set back to approximate mortality improvement.	The RP 2000 Combined Healthy with White Collar Adjustment Sex Distinct Tables (setback 1 year for females) projected to 2032 using Scale AA were selected for employee, annuitant, and beneficiary mortality. The RP 2000 Disabled Lives Mortality Table set back 5 years for males and set back 3 years for females was selected for disable annuitants. Setbacks in these tables were used to approximate mortality improvement.
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2009-2014) experience study on plan data.	Termination, disability, and retirement assumptions were projected based on a five-year (2009-2014) experience study on plan data.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

The following table lists the methods used by each of the pension plans in determining the long term rate of return on pension plan investments:

FRS	PERS	RVERS	DARS
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, 2.75%	The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing diversification.	The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.	The long-term expected 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.

Best estimates of the arithmetic real rates of return for each major asset class included in the PERS' target asset allocation as of December 31, 2017 is summarized in the following table:

PERS		
Asset Class	Target Allocation	Long-Term Expected Rate of Return
Fixed Income	35%	1.24%
Equity	52%	3.57%
Alternatives	11%	0.69%
Real assets	2%	0.12%
Totals	100%	5.62%
Inflation		2.00%
Expected Arithmetic Nominal Return		7.62%

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Best estimates of the arithmetic real rates of return for each major asset class included in each of the pension plans' target asset allocations as of June 30, 2018 is summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>			<u>Long-Term Expected Portfolio Real Rate of Return</u>		
	<u>FRS</u>	<u>RVERS</u>	<u>DARS</u>	<u>FRS</u>	<u>RVERS</u>	<u>DARS</u>
Domestic equities	22.0%	40.0%	61.72%	6.14%	3.00%	10.82%
International equities	32.0%	20.0%	-	14.2%	1.70%	-
Domestic fixed income	26.0%	12.5%	28.95%	1.76%	0.31%	6.36%
International fixed income	-	10.0%	-	-	0.35%	-
Alternative investments	10.0%	10.0%	8.85%	13.11%	0.63%	10.50%
Global asset allocation	-	-	-	-	-	-
Real assets	-	7.5%	0.48%	-	0.34%	0.50%
Other	10.0%	-	-	9.20%	-	-
Total	100.0%	100.0%	100.0%	44.41%	6.33%	6.95%
Inflation				2.75%	2.50%	2.50%
Expected Arithmetic Nominal Return				8.09%	8.83%	9.45%

Discount Rate

The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of each of the system's actuary. Based on those assumptions, each of the system's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension liability for PERS was 6.75% for the year ended December 31, 2017. The discount rate used to measure the total pension liability for FRS was 7.30% and for DARS and RVERS was 6.50% for the year ended June 30, 2018.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Sensitivity of the Proportionate Share of the NPL and NPA to Changes in the Discount Rate.

The following presents the Parish’s proportionate share of the Net Pension Liability (Asset) using the discount rate, as well as what the Parish’s proportionate share of the Net Pension Liability (Asset) 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:

	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
FRS			
Discount rate	6.30%	7.30%	8.30%
Parish’s proportionate share of NPL	\$ 17,834,541	\$ 12,221,831	\$ 7,505,223
PERS			
Discount rate	5.75%	6.75%	7.75%
Parish’s proportionate share of NPA	\$ 6,979,594	\$ (1,415,635)	\$ (8,891,032)
RVERS			
Discount rate	5.50%	6.50%	7.50%
Parish’s proportionate share of NPL	\$ 83,972	\$ 54,751	\$ 29,686
DARS			
Discount rate	5.50%	6.50%	7.50%
Parish’s proportionate share of NPL	\$ 767,195	\$ 284,945	\$ (125,323)

Support of Non-employer Contributing Entities

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The Parish recognizes revenue in an amount equal to their proportionate share of the total contributions to the pension plan from these non-employer contributing entities.

During the year ended December 31, 2018, the Parish recognized revenue as a result of support received from non-employer contributing entities for the following amounts for each pension plan:

	<u>Non-employer Contributing Entity Revenue</u>
FRS	\$ 551,462
PERS	141,792
RVERS	6,800
DARS	77,387
	<u>\$ 777,441</u>

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 11 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Pension Plan Fiduciary Net Position

FRS, PERS, RVERS, and DARS issue publicly available financial reports that include financial statements and required supplementary information for the systems. Detailed information about each system’s fiduciary net position is available in these separately issued financial reports. These reports may be obtained by visiting the Louisiana Legislative Auditor’s website at www.la.gov and searching under the Reports section.

Payables to the Pension Plan

At December 31, 2018, the Parish had payables to the pension plans totaling \$- for the December 2018 employee and employer legally required contributions. Outstanding balances will be applied to the Parish’s required monthly contribution. The amounts due are included in liabilities under the amounts reported as salaries and payroll deductions payable. The balance due to each of the pension plans is as follows:

	Payables
FRS	\$ -
PERS	-
RVERS	-
DARS	-
	\$ -

NOTE 12 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

General Information about the OPEB Plan

Plan description – The St. Bernard Parish (the Parish) provides certain continuing health care and life insurance benefits for its retired employees. The St. Bernard Parish’s OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Parish. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Parish. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions—Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria—Defined Benefit*.

Benefits Provided – Medical benefits are provided to employees upon actual retirement. The retirement eligibility (D.R.O.P. entry) provisions (other than firefighters) are as follows for employees hired prior to January 1, 2007: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or, age 65 and 7 years of service. For employees hired on and after January 1, 2007 (other than firefighters), the provisions are as follows: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service. The retirement eligibility (D.R.O.P. entry) provisions for firefighters are as follows: age 55 and 12 years of service; age 50 and 20 years of service; 25 years of service at any age.

Life insurance coverage is available to retirees by election and based on a blended rate (active and retired).

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 12 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (CONTINUED)

Employees covered by benefit terms – At December 31, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	179
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	371
	550

Total OPEB Liability

The Parish’s total OPEB liability of \$26,213,744 was measured as of December 31, 2018 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs – The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0%, including inflation
Discount rate	3.44% annually (Beginning of Year to Determine ADC)
	4.10%, annually (As of End of Year Measurement Date)
Healthcare cost trend rates	Flat 5.5% annually

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of December 31, 2018, the end of the applicable measurement period.

Mortality rates were based on the RP-2000 Table without projection with 50%/50% unisex blend.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2009 to December 31, 2018.

Changes in the Total OPEB Liability:

Balance at December 31, 2017	\$ 29,280,395
Changes for the year:	
Service cost	553,933
Interest	987,361
Differences between expected and actual experience	(600,842)
Changes in assumptions	(2,851,044)
Benefit payments and net transfers	(1,156,059)
Net changes	(3,066,651)
Balance at December 31, 2018	\$ 26,213,744

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 12 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (CONTINUED)

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Parish, as well as what the Parish’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.10%) or 1-percentage-point higher (5.10%) than the current discount rate:

	1.0% Decrease (3.10%)	Current Discount Rate (4.10%)	1.0% Increase (5.10%)
Total OPEB liability	\$ 30,638,283	\$ 26,213,744	\$ 22,707,242

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the Parish, as well as what the Parish’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	1.0% Decrease (4.5%)	Current Trend (5.5%)	1.0% Increase (6.5%)
Total OPEB liability	\$ 22,652,458	\$ 26,213,744	\$ 30,663,170

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2018, the Parish recognized OPEB expense of \$1,253,637. At December 31, 2018, the Parish reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (550,772)
Changes in assumptions	-	(2,613,457)
Total	\$ -	\$ (3,164,229)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years ending December 31:	
2019	(287,657)
2020	(287,657)
2021	(287,657)
2022	(287,657)
2023	(287,657)
Thereafter	(1,725,944)

NOTE 13 – SELF-INSURANCE/RISK MANAGEMENT

The Parish Government is exposed to various risks of loss related to general liability, auto liability, workers' compensation, unemployment compensation, property, and group health benefits. Various suits

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 13 – SELF-INSURANCE/RISK MANAGEMENT (CONTINUED)

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

The following table represents the amounts recorded in the financial statements as of and for the year ended December 31, 2018.

	Balance 12/31/2017	New Claims and Changes in Estimates	Benefits/ Losses Paid	Balance 12/31/2018
<u>Governmental Activities:</u>				
Automobile/General Liability	\$ 1,273,217	\$ 327,257	\$ (302,263)	\$ 1,298,211
Workers Compensation	713,157	1,479,050	(962,786)	1,229,421
Total Governmental Activities	<u>\$ 1,986,374</u>	<u>\$ 1,806,307</u>	<u>\$ (1,265,049)</u>	<u>\$ 2,527,632</u>
<u>Business-type Activities:</u>				
Automobile/General Liability	\$ 589,034	\$ (125,242)	\$ (271,471)	\$ 192,321
Workers Compensation	238,527	267,399	(314,582)	191,344
Total Business-type Activities	<u>\$ 827,561</u>	<u>\$ 142,157</u>	<u>\$ (586,053)</u>	<u>\$ 383,665</u>

NOTE 14 – CRIMINAL COURT FUND

Louisiana Revised Statutes, at LSA-R.S. 15:571.11 require that one-half of any surplus remaining in the Criminal Court Fund at year-end shall be transmitted to the Parish's General Fund. However, there was no surplus for the year ended December 31, 2018.

NOTE 15 – COMMITMENTS AND CONTINGENCIES

Grant Programs

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

In August and September 2005, the Parish suffered significant damage from Hurricanes Katrina and Rita. The Parish recovered damages from Katrina and Rita from the Federal Emergency Management Agency (FEMA). The audits of these funds and claims recovered from FEMA are still subject to final audit and close out of the respective projects. Any costs that would be disallowed would be recognized in the

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 15 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

period agreed upon by the grantor agency and the Parish. These amounts are uncertain as of the report date and therefore no amounts are recorded in the financial statements.

Construction Contracts in Progress

The Parish had several construction contracts in progress during the year ended December 31, 2018.

	Governmental Activities	Business-type Activities
Total amount of contracts	\$ 54,426,512	\$ 67,156,566
Completed as of December 31, 2018	(25,010,424)	(32,001,330)
Outstanding contracts	\$ 29,416,088	\$ 35,155,236

NOTE 16 – LITIGATION

The Parish and Water and Sewer Division are named as defendants in a number of lawsuits arising principally from claims related to personal injury, negligence, wrongful demolition of property, and property damage. As discussed in Note 13, the Parish and Water and Sewer Division are primarily self-insured with respect to claims of these types. The Parish's insurance department and its attorneys have reviewed these claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the Parish and to arrive at an estimate, if possible, of the amount or range of potential loss to the Parish.

As a result of such a review, loss contingencies, which could be reasonably estimated, have been categorized as "probable", "reasonably possible", and "remote", as defined in Governmental Accounting Standards Board Codification Section C50 - Claims and Judgments. Loss contingencies for the Parish amounting to \$2,527,632 categorized as "probable" have been accrued in the Self-Insurance Internal Service Fund. Loss contingencies for the Water and Sewer Division for "probable" cases amounting to \$383,665 have been accrued in the Water and Sewer Internal Service Fund. The Parish is subject to several other lawsuits arising in the normal course of business which are adequately covered by insurance where a range of loss cannot be reasonably determined. These "reasonably possible" loss contingencies are not reflected in these financial statements.

The Parish had been named as defendant in three lawsuits alleging damage to properties (primarily removing mud, clay etc. from the properties) adjoining levees following Hurricane Katrina in 2005 for use in rebuilding levees. Two of the three lawsuits were resolved without the Parish paying any funds as a result of the Parish filing suits in the U.S. Court of Claims against the Corps and the Corps ultimately bore all costs. The Parish has filed a lawsuit in the U.S. Court of Claims for the last of the three lawsuits, seeking an order requiring the U.S. Army Corp of Engineers to pay all amounts that are owed to property owners, which was the result in the previous two cases. That suit is pending and the Parish and the Parish's attorney believe that this lawsuit will result in the Corps also bearing all costs and liability.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 17 – DEFICIT FUND BALANCES

The following funds have deficit fund balances at December 31, 2018.

Fund Description	Fund Balance (deficit)
Hazard Mitigation Grant Program	\$ (100,432)
Disaster Recovery Fund	(3,525,350)
CDBG Disaster Fund	(693,481)

At December, 31, 2018, Hazard Mitigation Grant Program, the Disaster Recovery Fund (FEMA), and the CDBG Disaster Fund had deficit fund balances. The deficit fund balances these funds results primarily from expenditures incurred for which the related revenue is deferred at December 31, 2018. The Parish is currently working on obtaining increased collections from FEMA. The deficit fund balances described above will be funded through future revenues of the Parish or through the release of deferred revenues.

NOTE 18 – LOAN RECEIVABLE

At December 31, 2018, the Parish has an outstanding note receivable of \$600,000 plus accrued interest of \$324,000 due from the St. Bernard Hospital Service District. The note was issued on January 13, 2009, has an interest rate of 6%, and matured on January 1, 2019.

In August 2011, the Parish entered into a leverage loan agreement with SBPH NMTC Investment Fund, LLC in the amounts of \$33,028,779 which was subsequently used by SBP Redevelopment II, LLC to make a loan to St. Bernard Hospital Foundation, Inc. for the purposes of funding a portion of the construction and development of a public hospital and related facilities. The loan has a 40 year term and pays interest semi-annually at 1.24%. The loan agreement calls for interest-only payments until 2019, at which point principal payments will be made semi-annually until the maturity date.

Pursuant to a Cooperative Endeavor Agreement entered into in August 2011 with the Hospital Service District of the Parish of St. Bernard (the “District”), the Parish agreed to execute the loan above using \$33,028,779 of Community Development Block Grant proceeds. The Parish also agreed to contribute the amount of the interest earned on the leverage loan to the District each year beginning with fiscal year 2012. Therefore, no interest income related to the loan receivable was recognized on the Parish’s financial statements.

NOTE 19 – TAX ABATEMENT

The St. Bernard Parish Assessor (the “Assessor”) negotiates property tax abatement agreements on the Parish’s behalf on an individual basis. Each agreement was negotiated for a variety of economic development purposes, including business relocation, retention, and expansion. The Assessor has tax abatement agreements with five entities as of December 31, 2018:

Five oil and gas companies, through an agreement negotiated with the Industrial Tax Exemption program has property assessed at \$87,385,685 with exempt property taxes of \$3,643,619.

The Industrial Tax Exemption program may be granted to manufacturers located within the Parish. The Industrial Tax Exemption program abates, up to ten years, local property taxes on a manufacturer’s new investment and annual capitalized additions related to the manufacturing sale.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 19 – TAX ABATEMENT (CONTINUED)

The Assessor has not made any commitments as part of the agreements other than to reduce taxes. The Parish is not subject to any tax abatement agreements entered into by other governmental entities other than the Assessor.

NOTE 20 – SHORT TERM CERTIFICATES OF INDEBTEDNESS

On July 20, 2018, the Parish issued Limited Certificates of Indebtedness totaling \$5,800,000, of which the \$4,420,000 was drawn down for the purpose of advance funding in anticipation of the collection of parish wide ad valorem tax revenues. The certificates bear interest at 2.87% and mature on March 1, 2019. Thus, the entire amount of the certificates is included as a current liability in the statement of net position at December 31, 2018. At December 31, 2018, the certificates had a balance of \$4,420,000 which was paid in full in February 2019.

Governmental Activities:	January 1, 2018	Additions	Deletions	December 31, 2018
2017 Limited Certificates of Indebtedness	\$ 4,100,000	\$ -	\$ 4,100,000	\$ -
2018 Limited Certificates of Indebtedness	-	4,420,000	-	4,420,000
	<u>\$ 4,100,000</u>	<u>\$ 4,420,000</u>	<u>\$ 4,100,000</u>	<u>\$ 4,420,000</u>

NOTE 21 – SELECTED DISCLOSURES FOR DISCRETELY PRESENTED COMPONENT UNITS

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

A. Cash, Cash Equivalents, and Investments

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

	Demand Deposits	Demand Deposits, Restricted	Total
St. Bernard Library	\$ 8,331,782	\$ -	\$ 8,318,444
St. Bernard Home Mortgage Authority	113,472	370	113,842
Total Cash and Cash Equivalents	<u>\$ 8,431,916</u>	<u>\$ 370</u>	<u>\$ 8,432,286</u>

At year end the Component Units' deposits were not exposed to any custodial credit risk.

Credit Risk and Concentration of Credit Risk

The Authority's deposit policy for custodial credit risk conforms to state law. At March 31, 2018, cash balances were entirely covered by federal deposit insurance.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

NOTE 21 – SELECTED DISCLOSURES FOR DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)

The Library’s investments in United States Treasury are not exposed to custodial credit risk because the principal and interest are fully guaranteed by the government of the United States.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 1</u>	<u>1 – 5</u>	<u>5 or more</u>
U.S. Treasury Securities	\$ 6,035,884	\$ 6,035,884	\$ -	\$ -

B. Capital Assets

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

Governmental Activities:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
St. Bernard Parish Library				
Non-depreciable capital assets:				
Land	\$ 1,084,398	\$ -	\$ -	\$ 1,084,398
Total Non-depreciable capital assets	1,084,398	-	-	1,084,398
Depreciable capital assets:				
Building	262,910	-	-	262,910
Furniture and equipment	1,728,272	13,772	-	1,742,044
Library collections	3,903,367	40,839	(4,423)	3,939,783
Total acquisition costs	5,894,549	54,611	(4,423)	5,944,737
Less: accumulated depreciation	(4,517,675)	(811,103)	4,423	(5,324,355)
Capital assets, net	\$ 2,461,272	\$ (756,492)	\$ -	\$ 1,704,780

NOTE 22 – CHANGE IN ACCOUNTING PRINCIPLE AND PRIOR PERIOD ADJUSTMENT

During the preparation of the financial statements for the year ended December 31, 2018, management of the Parish identified an error in the statement of revenues, expenditures, and changes in fund balance related to an overpayment. Accounts payable and corresponding expenditures were not recorded in prior years. The error had an impact on both the beginning fund balance and beginning net position at December 31, 2018.

During the preparation of the financial statements for the year ended December 31, 2018, the Parish adopted GASB 75 related to post-employment benefits other than pension, as described in Note 1 as adoption of new financial accounting standards.

	<u>General Fund</u>	<u>Disaster Recovery Fund</u>	<u>Consolidated Fire Protection District No. 1-2</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund Balance –					
December 31, 2017	\$ 16,509,124	\$ (6,666,103)	\$ 1,108,301	\$ 12,230,898	\$ 23,182,220
Prior period adjustments:					
Overpayment	-	-	-	(723,369)	(723,369)
Fund Balance, as restated	\$ 16,509,124	\$ (6,666,103)	\$ 1,108,301	\$ 11,507,529	\$ 22,458,851

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2018

**NOTE 22 – CHANGE IN ACCOUNTING PRINCIPLE AND PRIOR PERIOD ADJUSTMENT
(CONTINUED)**

	<u>Water and Sewer Division</u>	<u>Other Enterprise Funds</u>
Net Position – December 31, 2017	\$ 225,027,846	\$ (280,246)
Prior period adjustments:		
Change in accounting principle – No. GASB 75 OPEB	(4,612,602)	-
Net Position, as restated	<u>\$ 220,415,244</u>	<u>\$ (280,246)</u>
	<u>Governmental Activities</u>	<u>Business Type Activities</u>
Net Position – December 31, 2017	\$ 429,484,914	\$ 225,591,933
Prior period adjustments:		
Overpayment	(723,369)	-
Change in accounting principle – No. GASB 75 OPEB	(19,114,796)	(4,612,602)
Net Position, as restated	<u>\$ 409,646,749</u>	<u>\$ 220,979,331</u>

NOTE 23 – SUBSEQUENT EVENTS

The Parish has evaluated subsequent events through June 28, 2018, the date the financial statements were available to be issued, and no subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

On June 21, 2019 the Parish issued Taxable Utilities Revenues Bonds via a DEQ revolving loan in the amount of \$6,000,000 to be paid over a 20 year period, due June 1 for the purpose of establishing a water pollution control revolving fund for providing assistance for extensions and improvements to the Parish's sewerage system.



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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF ST. BERNARD PARISH GOVERNMENT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
For the Year Ended December 31, 2018

Fiscal Year Ended	St. Bernard's Proportion of the Net Pension Liability (asset)	St. Bernard's Proportionate Share of the Net Pension Liability (asset)	St. Bernard's Covered- Payroll	St. Bernard's Proportionate Share of the Net Pension Liability (asset) as a Percentage of its Covered- Payroll	Plan Fiduciary Net Pension as a Percentage of the Total Pension Liability
For the Year Ended June 30:					
<i><u>Firefighters' Retirement System:</u></i>					
2018	2.124768%	\$ 12,221,831	\$ 5,057,478	241.66%	74.76%
2017	2.246174%	12,848,937	5,033,035	255.29%	68.16%
2016	2.473977%	16,182,046	5,576,007	290.21%	68.16%
2015	2.514685%	13,572,038	5,343,468	253.99%	72.45%
2014	2.550226%	11,348,285	5,252,694	216.04%	76.02%
<i><u>Registrar of Voters Employees' Retirement System:</u></i>					
2018	0.231955%	54,751	29,708	184.30%	80.51%
2017	0.234926%	51,569	32,174	160.28%	80.51%
2016	0.234222%	66,461	32,174	206.57%	73.98%
2015	0.235990%	57,795	32,011	180.55%	76.80%
2014	0.142920%	33,043	33,359	99.05%	77.70%
<i><u>District Attorney's Retirement System:</u></i>					
2018	0.885494%	284,945	550,550	51.76%	92.92%
2017	0.834054%	224,963	506,853	44.38%	95.09%
2016	0.676158%	129,422	395,668	32.71%	95.09%
2015	0.618792%	33,331	316,501	10.53%	98.60%
2014	0.520183%	10,374	258,077	4.02%	99.40%
For the Year Ended December 31:					
<i><u>Parochial Employees' Retirement System:</u></i>					
2017	1.907230%	(1,415,635)	11,357,930	-12.46%	98.06%
2016	1.957516%	4,031,530	11,174,575	36.08%	94.15%
2015	1.983008%	5,219,847	10,999,376	47.46%	92.20%
2014	1.932327%	528,314	10,253,649	5.16%	99.15%
2013	1.952921%	138,782	9,808,904	1.41%	99.80%

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF ST. BERNARD PARISH GOVERNMENT'S CONTRIBUTIONS
For the Year Ended December 31, 2018

Year Ended December 31:	(a) Statutorily Required Contribution	(b) Contributions in relation to the statutorily Required Contribution	(a-b) Contribution Deficiency (Excess)	Agency's Covered- Payroll	Contributions as a Percentage of Covered- Payroll
<i>Firefighters' Retirement System:</i>					
2018	\$ 1,313,621	\$ 1,313,621	\$ -	\$ 4,957,309	26.50%
2017	1,326,433	1,326,433	-	4,927,629	26.92%
2016	1,433,895	1,433,895	-	5,453,732	26.29%
2015	1,519,450	1,519,450	-	5,469,568	27.78%
2014	1,563,013	1,563,013	-	5,281,367	29.59%
<i>Registrar of Voters Employees' Retirement System:</i>					
2018	5,471	5,471	-	32,184	17.00%
2017	5,532	5,532	-	29,703	18.62%
2016	6,837	6,837	-	32,174	21.25%
2015	7,521	7,521	-	32,174	23.38%
2014	7,610	7,610	-	31,382	24.25%
<i>District Attorney's Retirement System:</i>					
2018	3,499	3,499	-	557,046	0.63%
2017	-	-	-	541,094	0.00%
2016	7,672	7,672	-	458,398	1.67%
2015	18,530	18,530	-	352,980	5.25%
2014	22,486	22,486	-	270,121	8.32%
<i>Parochial Employees' Retirement System:</i>					
2018	1,334,142	1,334,142	-	11,701,135	11.40%
2017	1,419,746	1,419,746	-	11,357,930	12.50%
2016	1,452,695	1,452,695	-	11,174,575	13.00%
2015	1,589,308	1,589,308	-	10,999,376	14.45%
2014	1,637,704	1,637,704	-	10,235,649	16.00%

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION –
PENSION PLAN SCHEDULES
For the Year Ended December 31, 2018

NOTE A – PENSION PLAN SCHEDULES

Change of Benefit Terms Include:

Firefighters' Retirement System– No Changes

Parochial Employees' Retirement System – No Changes

Registrar of Voters Employees' Retirement System – No Changes

District Attorney's Retirement System – No Changes

Change of Assumptions Include:

For Firefighters' Retirement System for the valuation year ended June 30, 2018, the investment rate of return decreased from 7.40% to 7.30% and the inflation rate decreased from 2.775% to 2.700%. For the valuation year ended June 30, 2017, the investment rate of return decreased from 7.50% to 7.40% and the inflation rate decreased from 2.875% to 2.775%. For the valuation year ended June 30, 2015, the inflation rate decreased from 3% to 2.875%.

For the Parochial Employees' Retirement System for the valuation year ended December 31, 2017, the investment rate of return decreased from 7.00% to 6.75%. For the valuation year ended December 31, 2016, the investment rate of return decreased from 7.25% to 6.75%, for the valuation year ended December 31, 2015, the investment rate of return decreased from 7.25% to 7.00%, projected salary increases decreased from 5.75% to 5.25% and inflation decreased from 3.00% to 2.50%

For Registrar of Voters Employees' Retirement System for the valuation year ended June 30, 2018, the investment rate of return decreased from 6.75% to 6.50% and the inflation rate decreased from 2.50% to 2.40%. For the valuation year ended June 30, 2017, the investment rate of return decreased from 7.00% to 6.75%. The expected remaining service lives were increased from 4 years to 5 years for the year ended June 30, 2015.

For District Attorneys' Retirement System for the valuation year ended June 30, 2018, the expected remaining service lives were decreased from 7 years to 6 years and the investment rate of return decreased from 6.75% to 6.50%. For valuation year ended June 30, 2017, the investment rate of return was decreased from 7.00% to 6.75%. The expected remaining service lives were increased from 6 years to 7 years for the year ended June 30, 2016.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF ST. BERNARD PARISH GOVERNMENT'S CHANGES IN TOTAL
OPEB LIABILITY AND RELATED RATIOS
For the Year Ended December 31, 2018

Total OPEB Liability		
Service cost	\$	553,933
Interest		987,361
Changes of benefit terms		-
Differences between expected and actual experience		(600,842)
Changes of assumptions		(2,851,044)
Benefit payments		1,156,059
Net change in total OPEB liability		(3,066,651)
Total OPEB liability – beginning		29,280,395
Total OPEB liability – ending		26,213,744
Covered-employee payroll		15,486,077
Total OPEB liability as a percentage of covered-employee payroll		169.27%

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION –
CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
For the Year Ended December 31, 2018

NOTE A – OPEB LIABILITY SCHEDULE

Change of Benefit Terms Include:

There were no changes of benefit terms for the year ended December 31, 2018.

Change of Assumptions Include:

Changes in the discount rates used in each year are as follows:

2018	4.10%
2017	3.44%



ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance With</u> <u>Final Budget -</u> <u>Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property taxes	\$ 894,548	\$ 972,223	\$ 972,522	\$ 299
Sales and use taxes	12,382,400	12,363,939	12,363,939	-
Other	1,230,000	592,868	592,868	-
Licenses and permits	1,594,250	1,587,240	1,587,240	-
Intergovernmental:				
Federal funds	326,964	101,646	101,646	-
State revenue sharing (unrestricted)	13,900	14,314	14,314	-
Charges for services	1,208,250	2,438,847	2,438,847	-
Fines and forfeitures	228,400	114,074	114,074	-
Use of money and property	2,500	179,553	179,553	-
Other revenues	1,646,650	1,068,259	1,068,259	-
Total revenues	<u>19,527,862</u>	<u>19,432,963</u>	<u>19,433,262</u>	<u>299</u>
EXPENDITURES				
Current				
General government:				
Judicial				
34th judicial court	2,860,021	2,881,826	2,881,826	-
Other general government				
Parish council	879,016	733,564	733,564	-
Cabel station	112,573	128,749	128,749	-
JPs and constables	293,378	302,839	302,839	-
Office of motor vehicles	60,500	55,322	55,322	-
Registrar of voters	64,824	62,180	62,180	-
Administration	1,576,144	2,043,763	2,043,763	-
Purchasing	179,028	102,256	102,256	-
Public hearing officer	29,000	41,400	41,400	-
Information technology	375,728	363,266	363,266	-
Finance	1,385,100	1,221,651	1,224,387	(2,736)
Personnel department	228,882	227,395	227,395	-
Physical plant and maintenance	1,054,460	981,909	981,909	-
LA Department of Veteran Affairs	11,604	-	-	-
Parks and Parkways Commission	25,000	4,912	4,912	-
Economic development	150,000	150,000	150,000	-
Sales tax	990,592	1,124,228	1,124,228	-
Civic center	117,130	102,934	102,934	-
Community development	2,978,637	2,308,276	2,308,276	-
Public safety				
Jail	1,776,685	1,650,536	1,650,536	-
Health and welfare				
Coroner	190,659	164,600	164,600	-
Animal control	439,482	429,306	429,306	-
Capital outlay				
Parish council	-	22,290	22,290	-
Information technology	-	8,170	8,170	-
Jail	50,000	31,788	31,788	-
Animal control	-	53,076	53,076	-
Physical plant and maintenance	88,708	114,294	114,294	-
Community development	-	50,238	50,238	-
Total expenditures	<u>15,917,151</u>	<u>15,360,768</u>	<u>15,363,504</u>	<u>(2,736)</u>
Excess of Revenues Over Expenditures	3,610,711	4,072,195	4,069,758	(2,437)

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND (CONTINUED)
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Transfer in	\$ 14,146	\$ 910,454	\$ 910,455	\$ 1
Transfer out	(6,086,322)	(8,515,091)	(8,515,090)	1
Total other financing sources (uses)	<u>(6,072,176)</u>	<u>(7,604,637)</u>	<u>(7,604,635)</u>	<u>2</u>
Changes in fund balance	(2,461,465)	(3,532,442)	(3,534,877)	(2,435)
Fund balance	16,509,124	16,509,124	16,509,124	-
Fund balance - end of year	<u>\$ 14,047,659</u>	<u>\$ 12,976,682</u>	<u>\$ 12,974,247</u>	<u>\$ (2,435)</u>

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
DISASTER RECOVERY FUND
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance With</u> <u>Final Budget -</u> <u>Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Federal funds	\$ 91,534,035	\$ 10,401,645	\$ 10,409,655	\$ 8,010
Total revenues	91,534,035	10,401,645	10,409,655	8,010
EXPENDITURES				
Current				
General government:				
Other general government				
Katrina	-	1,057,150	1,057,150	-
Capital outlay				
Katrina	91,592,925	5,744,441	5,752,452	(8,011)
Gustav	200,000	-	-	-
Isaac	265,788	-	-	-
Ike	140,202	-	-	-
Total expenditures	92,198,915	6,801,591	6,809,602	(8,011)
Excess of Revenues				
Over Expenditures	(664,880)	3,600,054	3,600,053	(1)
OTHER FINANCING USES				
Transfer out	-	(453,217)	(459,300)	(6,083)
Total other financing uses	-	(453,217)	(459,300)	(6,083)
Changes in fund balance	(664,880)	3,146,837	3,140,753	(6,084)
Fund balance (deficit) - beginning of year	(6,666,103)	(6,666,103)	(6,666,103)	-
Fund balance (deficit) - end of year	<u>\$ (7,330,983)</u>	<u>\$ (3,519,266)</u>	<u>\$ (3,525,350)</u>	<u>\$ (6,084)</u>

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
CONSOLIDATED FIRE PROTECTION DISTRICT NO. 1-2
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance With</u> <u>Final Budget -</u> <u>Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property taxes	\$ 8,859,854	\$ 9,686,316	\$ 9,686,320	\$ 4
Other	22,000	20,737	20,737	-
Licenses and permits	26,000	23,660	23,660	-
Intergovernmental:				
Federal funds	-	39,713	39,713	-
State revenue sharing (unrestricted)	28,953	14,619	14,619	-
Other state funding	193,999	175,983	175,983	-
Charges for services	45,350	509,637	509,637	-
Use of money and property	-	551	551	-
Other revenues	200,000	38,499	38,499	-
Total revenues	<u>9,376,156</u>	<u>10,509,715</u>	<u>10,509,719</u>	<u>4</u>
EXPENDITURES				
Current				
Public safety	10,216,986	9,834,811	9,848,887	(14,076)
Capital outlay	70,000	14,076	-	14,076
Total expenditures	<u>10,286,986</u>	<u>9,848,887</u>	<u>9,848,887</u>	<u>-</u>
Deficiency of Revenues				
Over Expenditures	(910,830)	660,828	660,832	4
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	-	127,353	127,353	-
Proceeds from insurance settlement	-	25,000	25,000	-
Transfer in	600,000	471,414	471,414	-
Transfer out	(280,003)	(287,410)	(287,410)	-
Total other financing sources (uses)	<u>319,997</u>	<u>336,357</u>	<u>336,357</u>	<u>-</u>
Changes in fund balance	(590,833)	997,185	997,189	4
Fund balance - beginning of year	1,108,301	1,108,301	1,108,301	-
Fund balance - end of year	<u>\$ 517,468</u>	<u>\$ 2,105,486</u>	<u>\$ 2,105,490</u>	<u>\$ 4</u>

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION –
BUDGETARY COMPARISON
December 31, 2018

NOTE A – BUDGETARY BASIS OF ACCOUNTING

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

NOTE B – LEGAL LEVEL OF BUDGETARY CONTROL

Budgets are presented at the lowest level at which the Parish's management may not reallocate resources without special approval. For further details, the 2018 Adopted Budget may be viewed on the Parish's website.

OTHER SUPPLEMENTARY INFORMATION

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS
December 31, 2018

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

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

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS (CONTINUED)
December 31, 2018

SPECIAL REVENUE FUNDS (CONTINUED)

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

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

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

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

Federal & State Grants – This fund is used to account for the proceeds and expenditures associated with federal and state funds, along with the cost to administer the grant.

Tree Fund – This fund was established by Ordinance SBPC #1993-08-17 to account for all fees and fines involving tree cutting and or trimming as well as any donations collected. The proceeds from this fund can only be used on planting new trees or for the beautification of St. Bernard Parish by recommendation of the Parks and Parkways Commission and final approval of the Council.

Hazard Mitigation Grant Program – This fund is used to account for the proceeds and expenditures associated with Hazard Mitigation Grant Program funds.

DEBT SERVICE FUNDS

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

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

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

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS (CONTINUED)
December 31, 2018

DEBT SERVICE FUNDS (CONTINUED)

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

CAPITAL PROJECT FUNDS

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

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

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

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

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

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2018

Non-Major Special Revenue Funds

	Criminal Court	Council on Aging	Recreation Department	Public Works	Road Lighting District No. 1	Workforce Investment Act	Health	Communications	Housing and Redevelopment
ASSETS									
Cash and cash equivalents	\$ 74,138	\$ -	\$ 1,309	\$ 662,778	\$ -	\$ 111,810	\$ 666,958	\$ 967,660	\$ 763,199
Receivables									
Sales and use taxes	-	-	-	-	-	-	-	-	-
Property taxes	-	295,934	683,167	960,211	383,985	-	195,191	-	-
Intergovernmental	-	-	7,490	599,325	4,210	-	2,140	-	72,840
Other	6,849	-	-	-	-	-	-	96,191	-
Due from other funds	-	-	64,288	323,480	-	-	1,213	-	-
Prepaid	-	2,069	62,822	29,837	-	-	-	2,999	-
Inventory	-	-	6,492	-	-	-	-	-	-
Total assets	<u>\$ 80,987</u>	<u>\$ 298,003</u>	<u>\$ 825,568</u>	<u>\$ 2,575,631</u>	<u>\$ 388,195</u>	<u>\$ 111,810</u>	<u>\$ 865,502</u>	<u>\$ 1,066,850</u>	<u>\$ 836,039</u>
LIABILITIES									
Accounts payable	\$ 74,138 00	\$ 11,951	\$ 136,978	\$ 321,043	\$ 249,086	\$ 38,869	\$ 175,186	\$ 91,705	\$ 65,507
Retainage payable	-	-	-	-	-	-	-	-	-
Salaries and payroll deductions payable	-	-	35,870	99,498	-	529	-	-	19,258
Due to other funds	-	-	-	1,520,204	-	50,000	-	1,130	751,274
Advance collections	-	-	-	-	-	-	-	-	-
Total liabilities	<u>74,138</u>	<u>11,951</u>	<u>172,848</u>	<u>1,940,745</u>	<u>249,086</u>	<u>89,398</u>	<u>175,186</u>	<u>92,835</u>	<u>836,039</u>
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenues	-	2,497	13,854	478,273	7,515	-	3,787	-	-
Total deferred inflows of resources	<u>-</u>	<u>2,497</u>	<u>13,854</u>	<u>478,273</u>	<u>7,515</u>	<u>-</u>	<u>3,787</u>	<u>-</u>	<u>-</u>
FUND BALANCE									
Nonspendable									
Prepaid items	-	2,069	62,822	29,837	-	-	-	2,999	-
Inventory	-	-	6,492	-	-	-	-	-	-
Restricted									
Debt service	-	-	-	-	-	-	-	-	-
Federal programs	-	-	-	-	-	22,412	-	-	-
Council on aging	-	281,486	-	-	-	-	-	-	-
Road lighting	-	-	-	-	131,594	-	-	-	-
Health	-	-	-	-	-	-	686,529	-	-
Communication	-	-	-	-	-	-	-	971,016	-
Sanitation	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	569,552	-	-	-	-	-	-
Court operations	6,849	-	-	-	-	-	-	-	-
Public works	-	-	-	126,776	-	-	-	-	-
Committed									
Capital outlay	-	-	-	-	-	-	-	-	-
Assigned									
Capital outlay	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balance	<u>6,849</u>	<u>283,555</u>	<u>638,866</u>	<u>156,613</u>	<u>131,594</u>	<u>22,412</u>	<u>686,529</u>	<u>974,015</u>	<u>-</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 80,987</u>	<u>\$ 298,003</u>	<u>\$ 825,568</u>	<u>\$ 2,575,631</u>	<u>\$ 388,195</u>	<u>\$ 111,810</u>	<u>\$ 865,502</u>	<u>\$ 1,066,850</u>	<u>\$ 836,039</u>

See accompanying independent auditors' report

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
COMBINING BALANCE SHEET (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2018

Non-Major Special Revenue Funds

	Urban Mass Transportation Administration	Garbage District No. 1	Deputy Witness Fees	Assessor's Fund	CDBG Disaster Fund	Federal & State Grants	Tree Fund	Hazard Mitigation Grant Program	Total Non- Major Special Revenue Funds
ASSETS									
Cash and cash equivalents	\$ 172,912	\$ -	\$ 51,042	\$ 25,008	\$ 12,498	\$ 554,532	\$ 2,106	\$ 2,024,535	\$ 6,090,485
Receivables									
Sales and use taxes	-	694,511	-	-	-	-	-	-	694,511
Property taxes	-	960,211	-	-	-	-	-	-	3,478,699
Intergovernmental	145,076	12,100	-	43,559	230,872	260,022	-	1,121,446	2,499,080
Other	-	578	1,289	-	-	-	-	-	104,907
Due from other funds	-	-	-	-	-	-	-	-	388,981
Prepaid	2,842	1,191	-	-	-	-	-	-	101,760
Inventory	-	-	-	-	-	-	-	-	6,492
Total assets	<u>\$ 320,830</u>	<u>\$ 1,668,591</u>	<u>\$ 52,331</u>	<u>\$ 68,567</u>	<u>\$ 243,370</u>	<u>\$ 814,554</u>	<u>\$ 2,106</u>	<u>\$ 3,145,981</u>	<u>\$ 13,364,915</u>
LIABILITIES									
Accounts payable	\$ 44,930	\$ 412,820	\$ 100	\$ 27,242	\$ 172,361	\$ 529,468	\$ -	\$ 624,214	\$ 2,975,598
Retainage payable	-	-	-	-	26,667	15,394	-	763,452	805,513
Salaries and payroll deductions payable	11,455	18,225	-	-	-	30,793	-	6,452	222,080
Due to other funds	-	994	-	-	567,265	-	-	1,050,461	3,941,328
Advance collections	-	-	-	-	-	-	-	105,206	105,206
Total liabilities	<u>56,385</u>	<u>432,039</u>	<u>100</u>	<u>27,242</u>	<u>766,293</u>	<u>575,655</u>	<u>-</u>	<u>2,549,785</u>	<u>8,049,725</u>
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenues	135,452	20,201	-	41,325	170,558	203,604	-	696,628	1,773,694
Total deferred inflows of resources	<u>135,452</u>	<u>20,201</u>	<u>-</u>	<u>41,325</u>	<u>170,558</u>	<u>203,604</u>	<u>-</u>	<u>696,628</u>	<u>1,773,694</u>
FUND BALANCE									
Nonspendable									
Prepaid items	2,842	1,191	-	-	-	-	-	-	101,760
Inventory	-	-	-	-	-	-	-	-	6,492
Restricted									
Debt service	-	-	-	-	-	-	-	-	-
Federal programs	126,151	-	-	-	-	35,295	-	-	183,858
Council on aging	-	-	-	-	-	-	-	-	281,486
Road lighting	-	-	-	-	-	-	-	-	131,594
Health	-	-	-	-	-	-	-	-	686,529
Communication	-	-	-	-	-	-	-	-	971,016
Sanitation	-	1,215,160	-	-	-	-	-	-	1,215,160
Culture and recreation	-	-	-	-	-	-	2,106	-	571,658
Court operations	-	-	52,231	-	-	-	-	-	59,080
Assessor	-	-	-	-	-	-	-	-	126,776
Committed									
Capital outlay	-	-	-	-	-	-	-	-	-
Assigned									
Capital outlay	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	(693,481)	-	-	(100,432)	(793,913)
Total fund balance	<u>128,993</u>	<u>1,216,351</u>	<u>52,231</u>	<u>-</u>	<u>(693,481)</u>	<u>35,295</u>	<u>2,106</u>	<u>(100,432)</u>	<u>3,541,496</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 320,830</u>	<u>\$ 1,668,591</u>	<u>\$ 52,331</u>	<u>\$ 68,567</u>	<u>\$ 243,370</u>	<u>\$ 814,554</u>	<u>\$ 2,106</u>	<u>\$ 3,145,981</u>	<u>\$ 13,364,915</u>

See accompanying independent auditors' report

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
COMBINING BALANCE SHEET (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2018

	<i>Non-Major Debt Service Funds</i>					<i>Non-Major Capital Project Funds</i>			
	Versailles Industrial Park Sinking	2012 Sales Tax Reserve	2012 Sales Tax Refunding	2014 Fire Sinking Fund	Total Non- Major Debt Service Funds	Urban System Roadway	Hurricane Reconstruction	Courthouse Capital	Rebuild St. Bernard
ASSETS									
Cash and cash equivalents	\$ -	\$ 394,293	\$ 3,124,206	\$ 216,716	\$ 3,735,215	\$ 294,259	\$ 1,339,992	\$ 143,159	\$ -
Receivables									
Sales and use taxes	-	-	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	76,099	225,000	-	-
Other	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	2,804,758	-	-
Prepaid	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 394,293</u>	<u>\$ 3,124,206</u>	<u>\$ 216,716</u>	<u>\$ 3,735,215</u>	<u>\$ 370,358</u>	<u>\$ 4,369,750</u>	<u>\$ 143,159</u>	<u>\$ -</u>
LIABILITIES									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 99,085	\$ 59,357	\$ 22,750	\$ -
Retainage payable	-	-	-	-	-	-	80,556	-	-
Salaries and payroll deductions payable	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	202,226	-	-
Advance collections	-	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>99,085</u>	<u>342,139</u>	<u>22,750</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenues	-	-	-	-	-	76,099	225,000	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>76,099</u>	<u>225,000</u>	<u>-</u>	<u>-</u>
FUND BALANCE									
Nonspendable									
Prepaid items	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-
Restricted									
Debt service	-	394,293	3,124,206	216,716	3,735,215	-	-	-	-
Federal programs	-	-	-	-	-	-	-	-	-
Council on aging	-	-	-	-	-	-	-	-	-
Road lighting	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Communication	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Court operations	-	-	-	-	-	-	-	-	-
BP oil spill	-	-	-	-	-	-	-	-	-
Committed									
Capital outlay	-	-	-	-	-	195,174	-	-	-
Assigned									
Capital outlay	-	-	-	-	-	-	3,802,611	120,409	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balance	<u>-</u>	<u>394,293</u>	<u>3,124,206</u>	<u>216,716</u>	<u>3,735,215</u>	<u>195,174</u>	<u>3,802,611</u>	<u>120,409</u>	<u>-</u>
Total liabilities, deferred inflows and fund balance	<u>\$ -</u>	<u>\$ 394,293</u>	<u>\$ 3,124,206</u>	<u>\$ 216,716</u>	<u>\$ 3,735,215</u>	<u>\$ 370,358</u>	<u>\$ 4,369,750</u>	<u>\$ 143,159</u>	<u>\$ -</u>

See accompanying independent auditors' report

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
COMBINING BALANCE SHEET (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2018

	<u><i>Non-Major Capital Project Funds</i></u>		
	<u>Capital Projects</u>	<u>Total Non-Major</u>	<u>Total Non-Major</u>
	<u>Fund</u>	<u>Capital</u>	<u>Governmental Funds</u>
		<u>Project Funds</u>	
ASSETS			
Cash and cash equivalents	\$ 716,292	\$ 2,493,702	\$ 12,319,402
Receivables			
Sales and use taxes	-	-	694,511
Property taxes	-	-	3,478,699
Intergovernmental	50,101	351,200	2,850,280
Other	-	-	104,907
Due from other funds	-	2,804,758	3,193,739
Prepaid	-	-	101,760
Inventory	-	-	6,492
Total assets	<u>\$ 766,393</u>	<u>\$ 5,649,660</u>	<u>\$ 22,749,790</u>
LIABILITIES			
Accounts payable	\$ 96,364	\$ 277,556	\$ 3,253,154
Retainage payable	-	80,556	886,069
Salaries and payroll deductions payable	-	-	222,080
Due to other funds	-	202,226	4,143,554
Advance collections	-	-	105,206
Total liabilities	<u>96,364</u>	<u>560,338</u>	<u>8,610,063</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues	-	301,099	2,074,793
Total deferred inflows of resources	<u>-</u>	<u>301,099</u>	<u>2,074,793</u>
FUND BALANCE			
Nonspendable			
Prepaid items	-	-	101,760
Inventory	-	-	6,492
Restricted			
Debt service	-	-	3,735,215
Federal programs	-	-	183,858
Council on aging	-	-	281,486
Road lighting	-	-	131,594
Health	-	-	686,529
Communication	-	-	971,016
Sanitation	-	-	1,215,160
Culture and recreation	-	-	571,658
Court operations	-	-	59,080
BP oil spill	-	-	126,776
Committed			
Capital outlay	670,029	865,203	865,203
Assigned			
Capital outlay	-	3,923,020	3,923,020
Unassigned	-	-	(793,913)
Total fund balance	<u>670,029</u>	<u>4,788,223</u>	<u>12,064,934</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 766,393</u>	<u>\$ 5,649,660</u>	<u>\$ 22,749,790</u>

See accompanying independent auditors' report



ST. BERNARD PARISH GOVERNMENT, LOUISIANA
COMBINING SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2018

Non-Major Special Revenue Funds

	Criminal Court	Council on Aging	Recreation Department	Public Works	Road Lighting District No. 1	Workforce Investment Act	Health	Communications	Housing and Redevelopment
REVENUES									
Taxes									
Property taxes	\$ -	\$ 325,344	\$ 751,060	\$ 1,055,635	\$ 420,110	\$ -	\$ 214,588	\$ -	\$ -
Sales and use taxes	-	-	-	-	-	-	-	-	-
Other	-	758	1,753	2,463	983	-	494	588,430	-
Licenses and permits	-	-	10,250	13,945	-	-	-	-	-
Intergovernmental									
Federal funds	-	-	-	28,480	-	1,734,111	-	-	6,210,120
State revenue sharing (unrestricted)	-	-	11,054	15,536	6,214	-	3,158	-	-
Other state funding	-	-	215,235	837,667	-	-	-	-	-
Charges for services	-	-	557,891	116,720	-	-	-	-	577
Fines and forfeitures	182,597	-	-	-	-	-	-	-	-
Use of money and property	369	-	-	-	-	-	-	-	12,080
Other revenues	-	746	92,478	135,359	386	-	6	8,840	-
Total revenues	182,966	326,848	1,639,721	2,205,805	427,693	1,734,111	218,246	597,270	6,222,777
EXPENDITURES									
Current									
General government									
Judicial	226,333	-	-	-	-	-	-	-	-
Other general government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	351,405	-
Public works	-	-	-	4,203,031	756,776	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	2,347,240	-	-	-	-	-	-
Health and welfare	-	336,102	-	-	-	1,743,990	231,889	-	6,759,400
Capital outlay	-	-	113,520	365,975	-	-	-	42,218	60,079
Debt service	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total expenditures	226,333	336,102	2,460,760	4,569,006	756,776	1,743,990	231,889	393,623	6,819,479
Excess (Deficiency) of Revenues									
Over Expenditures	(43,367)	(9,254)	(821,039)	(2,363,201)	(329,083)	(9,879)	(13,643)	203,647	(596,702)
OTHER FINANCING SOURCES (USES)									
Proceeds from insurance settlement	-	-	-	-	-	-	-	-	4,520
Transfer in	-	7,925	786,262	2,155,082	349,782	-	-	-	453,762
Transfer out	-	-	(1,019)	-	(35,000)	(23,721)	(202)	-	-
Total other financing sources (uses)	-	7,925	785,243	2,155,082	314,782	(23,721)	(202)	-	458,282
Changes in fund balance	(43,367)	(1,329)	(35,796)	(208,119)	(14,301)	(33,600)	(13,845)	203,647	(138,420)
Fund balance (deficit) - beginning of year	50,216	284,884	674,662	364,732	145,895	56,012	700,374	770,368	138,420
Prior period adjustment	-	-	-	-	-	-	-	-	-
Fund balance (deficit) - beginning, as restated	50,216	284,884	674,662	364,732	145,895	56,012	700,374	770,368	138,420
Fund balance (deficit) - end of year	\$ 6,849	\$ 283,555	\$ 638,866	\$ 156,613	\$ 131,594	\$ 22,412	\$ 686,529	\$ 974,015	\$ -

See accompanying independent auditors' report

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
COMBINING SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2018

	Urban Mass Transportation Administration	Garbage District No. 1	Deputy Witness Fees	Assessor's Fund	CDBG Disaster Fund	Federal & State Grants	Tree Fund	Hazard Mitigation Grant Program	Total Non- Major Special Revenue Funds
REVENUES									
Taxes									
Property taxes	\$ -	\$ 1,055,632	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,822,369
Sales and use taxes	-	4,121,313	-	-	-	-	-	-	4,121,313
Other	-	5,062	-	-	-	-	-	-	599,943
Licenses and permits	-	-	-	-	-	11,000	-	-	35,195
Intergovernmental									
Federal funds	230,736	-	-	-	937,115	3,764,457	-	3,750,357	16,655,376
State revenue sharing (unrestricted)	-	15,536	-	-	-	-	-	-	51,498
Other state funding	87,126	-	-	-	-	1,000	-	-	1,141,028
Charges for services	89,808	-	22,199	-	-	-	-	-	787,195
Fines and forfeitures	-	-	-	-	-	-	-	-	182,597
Use of money and property	925	-	-	-	-	111	-	-	13,485
Other revenues	-	-	-	12,218	-	13,397	100	-	263,530
Total revenues	408,595	5,197,543	22,199	12,218	937,115	3,789,965	100	3,750,357	27,673,529
EXPENDITURES									
Current									
General government									
Judicial	-	-	950	-	-	-	-	493,501	720,784
Other general government	486,673	-	-	54,548	54,723	5,117,602	-	-	5,713,546
Public safety	-	-	-	-	-	-	-	-	351,405
Public works	-	-	-	-	-	-	-	-	4,959,807
Sanitation	-	3,852,456	-	-	-	-	-	-	3,852,456
Culture and recreation	-	-	-	-	-	-	-	-	2,347,240
Health and welfare	-	-	-	-	-	-	-	-	9,071,381
Capital outlay	-	110,179	-	-	645,720	1,106,506	-	614,730	3,058,927
Debt service	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Total expenditures	486,673	3,962,635	950	54,548	700,443	6,224,108	-	1,108,231	30,075,546
Excess (Deficiency) of Revenues Over Expenditures	(78,078)	1,234,908	21,249	(42,330)	236,672	(2,434,143)	100	2,642,126	(2,402,017)
OTHER FINANCING SOURCES (USES)									
Proceeds from insurance settlement	2,989	-	-	-	-	-	-	-	7,509
Transfer in	-	127,739	-	40,015	-	2,826,421	-	-	6,746,988
Transfer out	-	(194,886)	-	-	-	-	-	(1,808,652)	(2,063,480)
Total other financing sources (uses)	2,989	(67,147)	-	40,015	-	2,826,421	-	(1,808,652)	4,691,017
Changes in fund balance	(75,089)	1,167,761	21,249	(2,315)	236,672	392,278	100	833,474	2,289,000
Fund balance (deficit) - beginning of year	204,082	48,590	30,982	2,315	(930,153)	(356,983)	2,006	(210,537)	1,975,865
Prior period adjustment	-	-	-	-	-	-	-	(723,369)	(723,369)
Fund balance (deficit) - beginning, as restated	204,082	48,590	30,982	2,315	(930,153)	(356,983)	2,006	(933,906)	1,252,496
Fund balance (deficit) - end of year	\$ 128,993	\$ 1,216,351	\$ 52,231	\$ -	\$ (693,481)	\$ 35,295	\$ 2,106	\$ (100,432)	\$ 3,541,496

See accompanying independent auditors' report

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
COMBINING SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2018

	<i>Non-Major Debt Service Funds</i>				<i>Non-Major Capital Project Funds</i>				
	Versailles Industrial Park Sinking	2012 Sales Tax Reserve	2012 Sales Tax Refunding	2014 Fire Sinking Fund	Total Non- Major Debt Service Funds	Urban System Roadway	Hurricane Reconstruction	Courthouse Capital	Rebuild St. Bernard
REVENUES									
Taxes									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and use taxes	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental									
Federal funds	-	-	-	-	-	469,287	-	-	-
State revenue sharing (unrestricted)	-	-	-	-	-	-	103,800	-	-
Other state funding	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-
Use of money and property	-	-	14,411	1,108	15,519	900	-	857	422
Other revenues	24,475	-	-	-	24,475	-	280,000	-	-
Total revenues	24,475	-	14,411	1,108	39,994	470,187	382,800	857	422
EXPENDITURES									
Current									
General government									
Judicial	-	-	-	-	-	-	-	22,750	-
Other general government	-	-	-	-	-	-	761,316	-	-
Public safety	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	833,511	2,107,376	-	-
Debt service	-	-	-	-	-	-	-	-	-
Principal	-	-	3,245,000	235,000	3,480,000	-	-	-	-
Interest	-	-	906,700	36,205	942,905	-	-	-	-
Total expenditures	-	-	4,151,700	271,205	4,422,905	833,511	2,868,692	22,750	-
Excess (Deficiency) of Revenues Over Expenditures	24,475	-	(4,137,289)	(270,097)	(4,382,911)	(363,324)	(2,484,892)	(21,893)	422
OTHER FINANCING SOURCES (USES)									
Proceeds from insurance settlement	-	-	-	-	-	-	-	-	-
Transfer in	-	-	4,200,100	278,285	4,478,385	-	1,406,959	-	-
Transfer out	-	-	-	-	-	-	(803,544)	-	(40,914)
Total other financing sources (uses)	-	-	4,200,100	278,285	4,478,385	-	603,415	-	(40,914)
Changes in fund balance	24,475	-	62,811	8,188	95,474	(363,324)	(1,881,477)	(21,893)	(40,492)
Fund balance (deficit) - beginning of year	(24,475)	394,293	3,061,395	208,528	3,639,741	558,498	5,684,088	142,302	40,492
Prior period adjustment	-	-	-	-	-	-	-	-	-
Fund balance (deficit) - beginning, as restated	(24,475)	394,293	3,061,395	208,528	3,639,741	558,498	5,684,088	142,302	40,492
Fund balance (deficit) - end of year	\$ -	\$ 394,293	\$ 3,124,206	\$ 216,716	\$ 3,735,215	\$ 195,174	\$ 3,802,611	\$ 120,409	\$ -

See accompanying independent auditors' report

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
COMBINING SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2018

	<i>Non-Major Capital Projects</i>		Total Non-Major Governmental Funds
	General Capital Projects Fund	Total Non-Major Capital Project Funds	
REVENUES			
Taxes			
Property taxes	\$ -	\$ -	\$ 3,822,369
Sales and use taxes	-	-	4,121,313
Other	-	-	599,943
Licenses and permits	-	-	35,195
Intergovernmental			
Federal funds	50,101	519,388	17,174,764
State revenue sharing (unrestricted)	-	-	51,498
Other state funding	-	103,800	1,244,828
Charges for services	-	-	787,195
Fines and forfeitures	-	-	182,597
Use of money and property	-	2,179	31,183
Other revenues	-	280,000	568,005
Total revenues	<u>50,101</u>	<u>905,367</u>	<u>28,618,890</u>
EXPENDITURES			
Current			
General government			
Judicial	-	22,750	743,534
Other general government	-	761,316	6,474,862
Public safety	-	-	351,405
Public works	-	-	4,959,807
Sanitation	-	-	3,852,456
Culture and recreation	-	-	2,347,240
Health and welfare	-	-	9,071,381
Capital outlay	253,260	3,194,147	6,253,074
Debt service			
Principal	-	-	3,480,000
Interest	-	-	942,905
Total expenditures	<u>253,260</u>	<u>3,978,213</u>	<u>38,476,664</u>
Excess (Deficiency) of Revenues Over Expenditures	(203,159)	(3,072,846)	(9,857,774)
OTHER FINANCING SOURCES (USES)			
Proceeds from insurance settlement	-	-	7,509
Transfer in	683,276	2,090,235	13,315,608
Transfer out	-	(844,458)	(2,907,938)
Total other financing sources (uses)	<u>683,276</u>	<u>1,245,777</u>	<u>10,415,179</u>
Changes in fund balance	480,117	(1,827,069)	557,405
Fund balance (deficit) - beginning of year	189,912	6,615,292	12,230,898
Prior period adjustment	-	-	(723,369)
Fund balance (deficit) - beginning, as restated	<u>189,912</u>	<u>6,615,292</u>	<u>11,507,529</u>
Fund balance (deficit) - end of year	<u>\$ 670,029</u>	<u>\$ 4,788,223</u>	<u>\$ 12,064,934</u>

See accompanying independent auditors' report

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
CRIMINAL COURT
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fines and forfeitures	\$ 205,000	\$ 182,597	\$ 182,597	\$ -
Use of money and property	-	369	369	-
Total revenues	<u>205,000</u>	<u>182,966</u>	<u>182,966</u>	<u>-</u>
EXPENDITURES				
Current				
General government:				
Judicial	<u>205,000</u>	<u>226,333</u>	<u>226,333</u>	<u>-</u>
Total expenditures	<u>205,000</u>	<u>226,333</u>	<u>226,333</u>	<u>-</u>
Deficiency of Revenues				
Over Expenditures	<u>-</u>	<u>(43,367)</u>	<u>(43,367)</u>	<u>-</u>
Changes in fund balance	-	(43,367)	(43,367)	-
Fund balance - beginning of year	<u>50,216</u>	<u>50,216</u>	<u>50,216</u>	<u>-</u>
Fund balance - end of year	<u>\$ 50,216</u>	<u>\$ 6,849</u>	<u>\$ 6,849</u>	<u>\$ -</u>

See accompanying independent auditors' report.

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

For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property taxes	\$ 300,945	\$ 325,344	\$ 325,344	\$ -
Use of money and property	600	758	758	-
Other revenues	-	746	746	-
Total revenues	<u>301,545</u>	<u>326,848</u>	<u>326,848</u>	<u>-</u>
EXPENDITURES				
Current				
Health and welfare	<u>331,545</u>	<u>336,102</u>	<u>336,102</u>	<u>-</u>
Total expenditures	<u>331,545</u>	<u>336,102</u>	<u>336,102</u>	<u>-</u>
Deficiency of Revenues Over Expenditures	(30,000)	(9,254)	(9,254)	-
OTHER FINANCING SOURCES				
Transfer in	<u>30,000</u>	<u>7,925</u>	<u>7,925</u>	<u>-</u>
Total other financing sources	<u>30,000</u>	<u>7,925</u>	<u>7,925</u>	<u>-</u>
Changes in fund balance	-	(1,329)	(1,329)	-
Fund balance - beginning of year	<u>284,884</u>	<u>284,884</u>	<u>284,884</u>	<u>-</u>
Fund balance - end of year	<u>\$ 284,884</u>	<u>\$ 283,555</u>	<u>\$ 283,555</u>	<u>\$ -</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
RECREATION DISTRICT
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property taxes	\$ 702,082	\$ 751,060	\$ 751,060	\$ -
Other	1,700	1,753	1,753	-
Licenses and permits		10,250	10,250	
Intergovernmental:				
State revenue sharing (unrestricted)	10,961	11,054	11,054	-
Other state funding	245,000	215,235	215,235	-
Charges for services	756,365	558,013	557,891	(122)
Other revenues	52,305	92,478	92,478	-
Total revenues	<u>1,768,413</u>	<u>1,639,843</u>	<u>1,639,721</u>	<u>(122)</u>
EXPENDITURES				
Current				
Culture and recreation	2,419,854	2,340,747	2,347,240	(6,493)
Capital outlay	118,805	121,032	113,520	7,512
Total expenditures	<u>2,538,659</u>	<u>2,461,779</u>	<u>2,460,760</u>	<u>1,019</u>
Deficiency of Revenues				
Over Expenditures	(770,246)	(821,936)	(821,039)	897
OTHER FINANCING SOURCES				
Transfer in	775,621	785,243	786,262	1,019
Total other financing sources	<u>775,621</u>	<u>785,243</u>	<u>785,243</u>	<u>-</u>
Changes in fund balance	5,375	(36,693)	(35,796)	897
Fund balance - beginning of year	674,662	674,662	674,662	-
Fund balance - end of year	<u>\$ 680,037</u>	<u>\$ 637,969</u>	<u>\$ 638,866</u>	<u>\$ 897</u>

See accompanying independent auditors' report.

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

For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property taxes	\$ 985,781	\$ 1,055,635	\$ 1,055,635	\$ -
Other	2,500	2,463	2,463	-
Licenses and permits	17,000	13,945	13,945	-
Intergovernmental:				
Federal funds	406,422	28,480	28,480	-
State revenue sharing (unrestricted)	15,423	15,536	15,536	-
Other state funding	970,500	837,668	837,667	(1)
Charges for services	25,200	116,720	116,720	-
Other revenues	77,350	135,359	135,359	-
Total revenues	<u>2,500,176</u>	<u>2,205,806</u>	<u>2,205,805</u>	<u>(1)</u>
EXPENDITURES				
Current				
Public works	4,516,728	4,206,529	4,203,031	3,498
Capital outlay	135,250	363,475	365,975	(2,500)
Total expenditures	<u>4,651,978</u>	<u>4,570,004</u>	<u>4,569,006</u>	<u>998</u>
Deficiency of Revenues				
Over Expenditures	(2,151,802)	(2,364,198)	(2,363,201)	997
OTHER FINANCING SOURCES				
Transfer in	2,055,867	2,155,083	2,155,082	(1)
Total other financing sources	<u>2,055,867</u>	<u>2,155,083</u>	<u>2,155,082</u>	<u>(1)</u>
Changes in fund balance	(95,935)	(209,115)	(208,119)	996
Fund balance - beginning of year	364,732	364,732	364,732	-
Fund balance - end of year	<u>\$ 268,797</u>	<u>\$ 155,617</u>	<u>\$ 156,613</u>	<u>\$ 996</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
ROAD LIGHTING DISTRICT NO. 1
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property taxes	\$ 392,596	\$ 420,110	\$ 420,110	\$ -
Other	1,500	983	983	-
State revenue sharing (unrestricted)	6,150	6,214	6,214	-
Use of money and property		386	386	-
Total revenues	<u>400,246</u>	<u>427,693</u>	<u>427,693</u>	<u>-</u>
EXPENDITURES				
Current				
Public works	<u>1,069,759</u>	<u>756,776</u>	<u>756,776</u>	<u>-</u>
Total expenditures	<u>1,069,759</u>	<u>756,776</u>	<u>756,776</u>	<u>-</u>
Deficiency of Revenues Over Expenditures	(669,513)	(329,083)	(329,083)	-
OTHER FINANCING SOURCES (USES)				
Transfer in	305,354	349,782	349,782	-
Transfer out	-	(35,000)	(35,000)	-
Total other financing sources (uses)	<u>305,354</u>	<u>314,782</u>	<u>314,782</u>	<u>-</u>
Changes in fund balance	(364,159)	(14,301)	(14,301)	-
Fund balance - beginning of year	145,895	145,895	145,895	-
Fund balance - end of year	<u>\$ (218,264)</u>	<u>\$ 131,594</u>	<u>\$ 131,594</u>	<u>\$ -</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
WORKFORCE INVESTMENT ACT
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Federal funds	\$ 1,740,000	\$ 1,734,108	\$ 1,734,111	\$ 3
Total revenues	<u>1,740,000</u>	<u>1,734,108</u>	<u>1,734,111</u>	<u>3</u>
EXPENDITURES				
Current				
Health and welfare	1,739,310	1,743,988	1,743,990	2
Total expenditures	<u>1,739,310</u>	<u>1,743,988</u>	<u>1,743,990</u>	<u>2</u>
Excess (Deficiency) of Revenues Over Expenditures	690	(9,880)	(9,879)	1
OTHER FINANCING USES				
Transfer out	-	(23,721)	(23,721)	-
Total other financing uses	<u>-</u>	<u>(23,721)</u>	<u>(23,721)</u>	<u>-</u>
Changes in fund balance	690	(33,601)	(33,600)	1
Fund balance - beginning of year	56,012	56,012	56,012	-
Fund balance - end of year	<u>\$ 56,702</u>	<u>\$ 22,411</u>	<u>\$ 22,412</u>	<u>\$ 1</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
HEALTH
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property taxes	\$ 199,589	\$ 214,588	\$ 214,588	\$ -
Other	550	494	494	-
Intergovernmental:				
State revenue sharing (unrestricted)	3,000	3,158	3,158	-
Other revenues	-	6	6	-
Total revenues	<u>203,139</u>	<u>218,246</u>	<u>218,246</u>	<u>-</u>
EXPENDITURES				
Current				
Health and welfare	<u>202,941</u>	<u>231,891</u>	<u>231,889</u>	<u>2</u>
Total expenditures	<u>202,941</u>	<u>231,891</u>	<u>231,889</u>	<u>2</u>
Excess (Deficiency) of Revenues Over Expenditures	198	(13,645)	(13,643)	2
OTHER FINANCING USES				
Transfer out	<u>(198)</u>	<u>(202)</u>	<u>(202)</u>	<u>-</u>
Total other financing uses	<u>(198)</u>	<u>(202)</u>	<u>(202)</u>	<u>-</u>
Changes in fund balance	-	(13,847)	(13,845)	2
Fund balance - beginning of year	<u>700,374</u>	<u>700,374</u>	<u>700,374</u>	<u>-</u>
Fund balance - end of year	<u>\$ 700,374</u>	<u>\$ 686,527</u>	<u>\$ 686,529</u>	<u>\$ 2</u>

See accompanying independent auditors' report.

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

For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Other	\$ 420,000	\$ 588,430	\$ 588,430	\$ -
Other revenues	-	8,840	8,840	-
Total revenues	<u>420,000</u>	<u>597,270</u>	<u>597,270</u>	<u>-</u>
EXPENDITURES				
Current				
Public safety	365,078	351,405	351,405	-
Capital outlay	15,000	42,218	42,218	-
Total expenditures	<u>380,078</u>	<u>393,623</u>	<u>393,623</u>	<u>-</u>
Excess of Revenues				
Over Expenditures	<u>39,922</u>	<u>203,647</u>	<u>203,647</u>	<u>-</u>
Changes in fund balance	39,922	203,647	203,647	-
Fund balance - beginning of year	<u>770,368</u>	<u>770,368</u>	<u>770,368</u>	<u>-</u>
Fund balance - end of year	<u>\$ 810,290</u>	<u>\$ 974,015</u>	<u>\$ 974,015</u>	<u>\$ -</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
HOUSING AND REDEVELOPMENT
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Federal funds	\$ 7,140,447	\$ 6,210,119	\$ 6,210,120	\$ 1
Charges for services	-	577	577	-
Use of money and property	-	12,080	12,080	-
Total revenues	<u>7,140,447</u>	<u>6,222,776</u>	<u>6,222,777</u>	<u>1</u>
EXPENDITURES				
Current				
Health and welfare	7,022,805	6,759,398	6,759,400	(2)
Capital outlay	-	60,079	60,079	-
Total expenditures	<u>7,022,805</u>	<u>6,819,477</u>	<u>6,819,479</u>	<u>(2)</u>
Excess (Deficiency) of Revenues Over Expenditures	117,642	(596,701)	(596,702)	(1)
OTHER FINANCING SOURCES				
Proceeds from insurance settlement	-	4,520	4,520	-
Transfer in	-	453,761	453,762	1
Total other financing sources	<u>-</u>	<u>458,281</u>	<u>458,282</u>	<u>1</u>
Changes in fund balance	117,642	(138,420)	(138,420)	-
Fund balance - beginning of year	<u>138,420</u>	<u>138,420</u>	<u>138,420</u>	<u>-</u>
Fund balance - end of year	<u>\$ 256,062</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
URBAN MASS TRANSPORTATION ADMINISTRATION
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Federal funds	\$ 365,000	\$ 230,732	\$ 230,736	\$ 4
Other state funding	80,000	87,126	87,126	-
Charges for services	90,000	89,808	89,808	-
Use of money and property	-	925	925	-
Total revenues	<u>535,000</u>	<u>408,591</u>	<u>408,595</u>	<u>4</u>
EXPENDITURES				
Current				
General government:				
Other general government	548,229	486,639	486,673	(34)
Capital outlay	-	1,898	-	1,898
Total expenditures	<u>548,229</u>	<u>488,537</u>	<u>486,673</u>	<u>1,864</u>
Deficiency of Revenues				
Over Expenditures	(13,229)	(79,946)	(78,078)	1,868
OTHER FINANCING SOURCES (USES)				
Proceeds from insurance settlement	-	2,989	2,989	-
Transfer out	(100,000)	-	-	-
Total other financing sources (uses)	<u>(100,000)</u>	<u>2,989</u>	<u>2,989</u>	<u>-</u>
Changes in fund balance	(113,229)	(76,957)	(75,089)	1,868
Fund balance - beginning of year	204,082	204,082	204,082	-
Fund balance - end of year	<u>\$ 90,853</u>	<u>\$ 127,125</u>	<u>\$ 128,993</u>	<u>\$ 1,868</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GARBAGE DISTRICT NO. 1
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property taxes	\$ 980,781	\$ 1,055,632	\$ 1,055,632	\$ -
Sales and use taxes	4,127,467	4,121,313	4,121,313	-
Other	2,500	5,062	5,062	-
Intergovernmental:				
State revenue sharing (unrestricted)	14,200	15,536	15,536	-
Total revenues	<u>5,124,948</u>	<u>5,197,543</u>	<u>5,197,543</u>	<u>-</u>
EXPENDITURES				
Current				
Sanitation	5,059,409	3,852,456	3,852,456	-
Capital outlay	-	110,179	110,179	-
Total expenditures	<u>5,059,409</u>	<u>3,962,635</u>	<u>3,962,635</u>	<u>-</u>
Excess of Revenues Over Expenditures	65,539	1,234,908	1,234,908	-
OTHER FINANCING SOURCES (USES)				
Transfer in	-	127,739	127,739	-
Transfer out	(975)	(194,886)	(194,886)	-
Total other financing sources (uses)	<u>(975)</u>	<u>(67,147)</u>	<u>(67,147)</u>	<u>-</u>
Changes in fund balance	64,564	1,167,761	1,167,761	-
Fund balance - beginning of year	48,590	48,590	48,590	-
Fund balance - end of year	<u>\$ 113,154</u>	<u>\$ 1,216,351</u>	<u>\$ 1,216,351</u>	<u>\$ -</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
DEPUTY WITNESS FEES
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 40,000	\$ 22,199	\$ 22,199	\$ -
Total revenues	40,000	22,199	22,199	-
EXPENDITURES				
Current				
General government:				
Judicial	40,000	950	950	-
Total expenditures	40,000	950	950	-
Excess of Revenues				
Over Expenditures	-	21,249	21,249	-
OTHER FINANCING SOURCES				
Transfer in				
Total other financing sources	-	-	-	-
Changes in fund balance				
Fund balance - beginning of year	30,982	30,982	30,982	-
Fund balance - end of year	\$ 30,982	\$ 52,231	\$ 52,231	\$ -

See accompanying independent auditors' report.

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

For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other revenues	\$ 32,093	\$ 12,218	\$ 12,218	\$ -
Total revenues	<u>32,093</u>	<u>12,218</u>	<u>12,218</u>	<u>-</u>
EXPENDITURES				
Current				
General government:				
Other general government	52,910	54,551	54,548	3
Total expenditures	<u>52,910</u>	<u>54,551</u>	<u>54,548</u>	<u>3</u>
Deficiency of Revenues				
Over Expenditures	(20,817)	(42,333)	(42,330)	3
OTHER FINANCING SOURCES				
Transfer in	20,817	40,018	40,015	(3)
Total other financing sources	<u>20,817</u>	<u>40,018</u>	<u>40,015</u>	<u>(3)</u>
Changes in fund balance	-	(2,315)	(2,315)	-
Fund balance - beginning of year	2,315	2,315	2,315	-
Fund balance - end of year	<u>\$ 2,315</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
CDBG DISASTER FUND
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Federal funds	\$ 2,515,000	\$ 937,115	\$ 937,115	\$ -
Total revenues	<u>2,515,000</u>	<u>937,115</u>	<u>937,115</u>	<u>-</u>
EXPENDITURES				
Current				
Other general government	170,000	54,721	54,723	(2)
Capital outlay	2,345,000	645,720	645,720	-
Total expenditures	<u>2,515,000</u>	<u>700,441</u>	<u>700,443</u>	<u>(2)</u>
Excess of Revenues Over Expenditures	-	236,674	236,672	(2)
OTHER FINANCING USES				
Transfer out	-	-	-	-
Total other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in fund balance	-	236,674	236,672	(2)
Fund balance - beginning of year	(930,153)	(930,153)	(930,153)	-
Fund balance - end of year	<u>\$ (930,153)</u>	<u>\$ (693,479)</u>	<u>\$ (693,481)</u>	<u>\$ (2)</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FEDERAL & STATE GRANTS
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Licenses and permits	\$ -	\$ 11,000	\$ 11,000	
Intergovernmental:				
Federal funds	9,431,238	3,764,457	3,764,457	-
Other state funding	1,023	1,000	1,000	-
Use of money and property	-	111	111	-
Other revenues	3,977	13,391	13,397	6
Total revenues	<u>9,436,238</u>	<u>3,789,959</u>	<u>3,789,965</u>	<u>6</u>
EXPENDITURES				
Current				
General government:				
Other general government	5,442,593	5,120,120	5,117,602	2,518
Capital outlay	5,253,450	1,103,982	1,106,506	(2,524)
Total expenditures	<u>10,696,043</u>	<u>6,224,102</u>	<u>6,224,108</u>	<u>(6)</u>
Deficiency of Revenues				
Over Expenditures	(1,259,805)	(2,434,143)	(2,434,143)	-
OTHER FINANCING SOURCES				
Transfer in	1,484,443	2,826,421	2,826,421	-
Total other financing sources	<u>1,484,443</u>	<u>2,826,421</u>	<u>2,826,421</u>	<u>-</u>
Changes in fund balance	224,638	392,278	392,278	-
Fund balance - beginning of year	(356,983)	(356,983)	(356,983)	-
Fund balance - end of year	<u>\$ (132,345)</u>	<u>\$ 35,295</u>	<u>\$ 35,295</u>	<u>\$ -</u>

See accompanying independent auditors' report.

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

For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fines and forfeitures	\$ 1,000	\$ -	\$ -	\$ -
Other revenues	-	100	100	-
Total revenues	<u>1,000</u>	<u>100</u>	<u>100</u>	<u>-</u>
EXPENDITURES				
Current				
General government:				
Other general government	1,000	-	-	-
Total expenditures	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues				
Over Expenditures	<u>-</u>	<u>100</u>	<u>100</u>	<u>-</u>
Changes in fund balance				
Fund balance - beginning of year	2,006	2,006	2,006	-
Fund balance - end of year	<u>\$ 2,006</u>	<u>\$ 2,106</u>	<u>\$ 2,106</u>	<u>\$ -</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
HAZARD MITIGATION GRANT FUND
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget - Over/ (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Federal funds	\$ 9,480,036	\$ 3,750,357	\$ 3,750,357	\$ -
Total revenues	9,480,036	3,750,357	3,750,357	-
EXPENDITURES				
Current				
General government:				
Other general government	1,323,240	493,501	493,501	-
Capital outlay	8,156,796	614,730	614,730	-
Total expenditures	9,480,036	1,108,231	1,108,231	-
Excess of Revenues Over Expenditures	-	2,642,126	2,642,126	-
OTHER FINANCING SOURCES (USES)				
Transfer in	-	-	-	-
Transfer out	-	(1,808,652)	(1,808,652)	-
Total other financing sources (uses)	-	(1,808,652)	(1,808,652)	-
Changes in fund balance	-	833,474	833,474	-
Fund balance (deficit) - beginning of year	(210,537)	(210,537)	(210,537)	-
Prior period adjustment	(723,369)	(723,369)	(723,369)	-
Fund balance (deficit) - beginning, as restated	(933,906)	(933,906)	(933,906)	-
Fund balance (deficit) - end of year	\$ (210,537)	\$ 622,937	\$ (100,432)	\$ -

See accompanying independent auditors' report.

**ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NON-MAJOR PROPRIETARY FUND DESCRIPTIONS
December 31, 2018**

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
COMBINING STATEMENT OF NET POSITION
NON-MAJOR PROPRIETARY FUNDS
December 31, 2018

	Events Facilities	Total Non- Major Enterprise Fund
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 35,825	\$ 35,825
Inventory	4,468	4,468
Total assets	\$ 40,293	\$ 40,293
 LIABILITIES		
Current liabilities		
Accounts and other payables	\$ 12,391	\$ 12,391
Salaries payable	6,046	6,046
Advance collections	150,888	150,888
Due to other funds	301,914	301,914
Total liabilities	\$ 471,239	\$ 471,239
 NET POSITION		
Unrestricted (deficit)	(430,946)	(430,946)
Total net position (deficit)	\$ (430,946)	\$ (430,946)

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
NON-MAJOR PROPRIETARY FUNDS
For the Year Ended December 31, 2018

	Events Facilities	Total Non- Major Enterprise Fund
OPERATING REVENUES		
Charges for service	\$ 279,671	\$ 279,671
Total operating revenues	279,671	279,671
OPERATING EXPENSES		
Personnel services and related benefits	176,208	176,208
Utilities	136,989	136,989
Contractual services, supplies, and materials	42,801	42,801
Professional services	43,492	43,492
Insurance premiums	1,802	1,802
Other expenses	32,055	32,055
Total operating expenses	433,347	433,347
Operating loss	(153,676)	(153,676)
NON-OPERATING REVENUES		
Other non-operating revenues	1,816	1,816
Total non-operating revenues	1,816	1,816
CHANGE IN NET POSITION BEFORE TRANSFERS	(151,860)	(151,860)
Transfer in	1,160	1,160
CHANGE IN NET POSITION	(150,700)	(150,700)
NET POSITION - BEGINNING OF YEAR	(280,246)	(280,246)
NET POSITION - END OF YEAR	\$ (430,946)	\$ (430,946)

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2018

	Events Facilities	Total Non- Major Enterprise Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers and users	\$ 345,601	\$ 345,601
Cash paid to suppliers of goods or services	(246,310)	(246,310)
Cash paid to employees	(186,448)	(186,448)
	(87,157)	(87,157)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Transfer in	1,160	1,160
Other non-operating revenue	1,816	1,816
	2,976	2,976
NET DECREASE IN CASH AND CASH EQUIVALENTS	(84,181)	(84,181)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	120,006	120,006
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 35,825	\$ 35,825
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Operating loss	\$ (153,676)	\$ (153,676)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Prepays items	12,073	12,073
Inventory	169	169
Other receivables	11,254	11,254
Accounts and other payables	(1,413)	(1,413)
Salaries payable	(10,240)	(10,240)
Advance collections	54,676	54,676
	(87,157)	(87,157)
Net cash used in operating activities	\$ (87,157)	\$ (87,157)

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NON-MAJOR INTERNAL SERVICE FUNDS DESCRIPTIONS
December 31, 2018

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

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

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

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
December 31, 2018

	<u>Self Insurance</u>	<u>Water and Sewer Self Insurance</u>	<u>Total Self Insurance</u>
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 1,507,898	\$ 619,217	\$ 2,127,115
Investments	1,091,838	-	1,091,838
Due from other funds	50,000	1,274,325	1,324,325
Prepays	20,270	-	20,270
Other receivable	284	11,107	11,391
Total assets	<u>\$ 2,670,290</u>	<u>\$ 1,904,649</u>	<u>\$ 4,574,939</u>
Accounts and other payables	\$ 132,482	\$ 15,809	\$ 148,291
Self insurance claims payable	2,527,632	383,665	2,911,297
Salaries and payroll deductions payable	10,176	-	10,176
Due to other funds	-	548,346	548,346
Total current liabilities	<u>2,670,290</u>	<u>947,820</u>	<u>3,618,110</u>
Total liabilities	2,670,290	947,820	3,618,110
NET POSITION			
Unrestricted	-	956,829	956,829
Total net position	<u>\$ -</u>	<u>\$ 956,829</u>	<u>\$ 956,829</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN NET POSITION
For the Year Ended December 31, 2018

	<u>Self Insurance</u>	<u>Water and Sewer Self Insurance</u>	<u>Total</u>
OPERATING REVENUES			
Charges for service	\$ 1,923,011	\$ 490,018	\$ 2,413,029
Total operating revenues	<u>1,923,011</u>	<u>490,018</u>	<u>2,413,029</u>
OPERATING EXPENSES			
Personnel services and related benefits	235,768	-	235,768
Professional services	45,147	17,231	62,378
Insurance and claims	1,807,732	359,973	2,167,705
Other expenses	9,064	-	9,064
Total operating expenses	<u>2,097,711</u>	<u>377,204</u>	<u>2,474,915</u>
Operating income	(174,700)	112,814	(61,886)
NON-OPERATING REVENUES			
Interest earnings	11,755	-	11,755
Total non-operating revenues	<u>11,755</u>	<u>-</u>	<u>11,755</u>
CHANGE IN NET POSITION BEFORE	(162,945)	112,814	(50,131)
NET POSITION - BEGINNING OF YEAR	<u>162,945</u>	<u>844,015</u>	<u>1,006,960</u>
NET POSITION - END OF YEAR	<u>\$ -</u>	<u>\$ 956,829</u>	<u>\$ 956,829</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2018

	<u>Self Insurance</u>	<u>Water and Sewer Self Insurance</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from interfund services provided	\$ 1,923,011	\$ 490,017	\$ 2,413,028
Payments for claims	(1,197,963)	(805,441)	(2,003,404)
Cash paid to employees	(234,480)	-	(234,480)
Net cash provided by (used in) operating activities	<u>490,568</u>	<u>(315,424)</u>	<u>175,144</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS			
	490,568	(315,424)	175,144
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR			
	<u>1,017,330</u>	<u>934,641</u>	<u>1,951,971</u>
CASH AND CASH EQUIVALENTS, END OF YEAR			
	<u>\$ 1,507,898</u>	<u>\$ 619,217</u>	<u>\$ 2,127,115</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating income (loss)	\$ (174,700)	\$ 112,814	\$ (61,886)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities			
Changes in operating assets and liabilities:			
Prepaid Items	(6,377)	-	(6,377)
Other receivables	-	(1)	(1)
Accounts and other payables	129,099	15,659	144,758
Self-insurance claims payable	541,258	(443,896)	97,362
Salaries payable	1,288	-	1,288
Net cash provided by (used in) operating activities	<u>\$ 490,568</u>	<u>\$ (315,424)</u>	<u>\$ 175,144</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF COUNCIL MEMBERS' COMPENSATION
For the Year Ended December 31, 2018

Council Member	Amount
Richard J. Lewis, Councilman at Large West	\$ 17,400
Kerri Callais, Councilman at Large East	19,800
Gillis McCloskey, Councilman District A	15,000
Nathan Gorbaty, Councilman District B	15,000
Howard Luna, Councilman District C	15,000
Wanda Alcon, Councilman District D	15,000
Manual "Monty" Montelongo, Councilman District E	15,000
	<u>\$ 112,200</u>

See accompanying independent auditors' report.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO THE AGENCY HEAD
For the Year Ended December 31, 2018

Agency Head - Guy McInnis, Parish President

Purpose	Amount
Salary	\$ 146,213
Benefits - health insurance	6,019
Benefits - retirement	16,814
Benefits - life insurance	118
Benefits-other (describe)	-
Benefits-other (describe)	-
Benefits-other (describe)	-
Car allowance	-
Vehicle provided by government	730
Cell phone	1,110
Air Card	-
Dues	1,514
Vehicle rental	-
Per diem	-
Reimbursements	-
Travel	2,032
Registration fees	-
Conference travel	7,015
Housing	-
Unvouchered expenses	-
Special meals	-
Gas	2,188
	<u>2,188</u>
	<u>\$ 183,753</u>

See accompanying independent auditors' report.

FINANCIAL DATA SCHEDULES

**St. Bernard Parish Government (LA187)
Chalmette, LA
Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	14 871 Housing Choice Vouchers	Subtotal	Total
111 Cash - Unrestricted			
112 Cash - Restricted - Modernization and Development			
113 Cash - Other Restricted			
114 Cash - Tenant Security Deposits			
115 Cash - Restricted for Payment of Current Liabilities	\$613,683	\$613,683	\$613,683
100 Total Cash	\$613,683	\$613,683	\$613,683
121 Accounts Receivable - PHA Projects	\$54,614	\$54,614	\$54,614
122 Accounts Receivable - HUD Other Projects			
124 Accounts Receivable - Other Government			
125 Accounts Receivable - Miscellaneous			
126 Accounts Receivable - Tenants			
126 1 Allowance for Doubtful Accounts - Tenants			
126 2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current			
128 Fraud Recovery			
128 1 Allowance for Doubtful Accounts - Fraud			
129 Accrued Interest Receivable			
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$54,614	\$54,614	\$54,614
131 Investments - Unrestricted			
132 Investments - Restricted			
135 Investments - Restricted for Payment of Current Liability			
142 Prepaid Expenses and Other Assets			
143 Inventories			
143 1 Allowance for Obsolete Inventories			
144 Inter Program Due From			
145 Assets Held for Sale			
150 Total Current Assets	\$668,297	\$668,297	\$668,297
161 Land			
162 Buildings			
163 Furniture, Equipment & Machinery - Dwellings			
164 Furniture, Equipment & Machinery - Administration			
165 Leasehold Improvements			
166 Accumulated Depreciation			
167 Construction in Progress			
168 Infrastructure			
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current			
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due			
173 Grants Receivable - Non Current			
174 Other Assets			
176 Investments in Joint Ventures			
180 Total Non-Current Assets	\$0	\$0	\$0
200 Deferred Outflow of Resources			
290 Total Assets and Deferred Outflow of Resources	\$668,297	\$668,297	\$668,297

311 Bank Overdraft			
312 Accounts Payable <= 90 Days	\$54,997	\$54,997	\$54,997
313 Accounts Payable >90 Days Past Due			
321 Accrued Wage/Payroll Taxes Payable	\$16,308	\$16,308	\$16,308
322 Accrued Compensated Absences - Current Portion			
324 Accrued Contingency Liability			
325 Accrued Interest Payable			
331 Accounts Payable - HUD PHA Programs			
332 Account Payable - PHA Projects			
333 Accounts Payable - Other Government			
341 Tenant Security Deposits			
342 Unearned Revenue			
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			
344 Current Portion of Long-term Debt - Operating Borrowings			
345 Other Current Liabilities	\$561,577	\$561,577	\$561,577
346 Accrued Liabilities - Other			
347 Inter Program - Due To			
348 Loan Liability - Current			
310 Total Current Liabilities	\$632,882	\$632,882	\$632,882
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			
352 Long-term Debt, Net of Current - Operating Borrowings			
353 Non-current Liabilities - Other			
354 Accrued Compensated Absences - Non Current			
355 Loan Liability - Non Current			
356 FASB 5 Liabilities			
357 Accrued Pension and OPEB Liabilities			
350 Total Non-Current Liabilities	\$0	\$0	\$0
300 Total Liabilities	\$632,882	\$632,882	\$632,882
400 Deferred Inflow of Resources			
508 3 Nonspendable Fund Balance			
509 3 Restricted Fund Balance	\$17,314	\$17,314	\$17,314
510 3 Committed Fund Balance			
511 3 Assigned Fund Balance			
512 3 Unassigned Fund Balance	\$18,101	\$18,101	\$18,101
513 Total Equity - Net Assets / Position	\$35,415	\$35,415	\$35,415
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$668,297	\$668,297	\$668,297

FINANCIAL DATA SCHEDULES

**St. Bernard Parish Government (LA187)
Chalmette, LA
Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2018

	14 871 Housing Choice Vouchers	Subtotal	Total
70300 Net Tenant Rental Revenue			
70400 Tenant Revenue - Other			
70500 Total Tenant Revenue	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$3,649,155	\$3,649,155	\$3,649,155
70610 Capital Grants			
70710 Management Fee			
70720 Asset Management Fee			
70730 Book Keeping Fee			
70740 Front Line Service Fee			
70750 Other Fees			
70700 Total Fee Revenue			
70800 Other Government Grants			
71100 Investment Income - Unrestricted	\$11,029	\$11,029	\$11,029
71200 Mortgage Interest Income			
71300 Proceeds from Disposition of Assets Held for Sale			
71310 Cost of Sale of Assets			
71400 Fraud Recovery	\$27,766	\$27,766	\$27,766
71500 Other Revenue	\$2,108,353	\$2,108,353	\$2,108,353
71600 Gain or Loss on Sale of Capital Assets			
72000 Investment Income - Restricted			
70000 Total Revenue	\$5,796,303	\$5,796,303	\$5,796,303
91100 Administrative Salaries	\$374,090	\$374,090	\$374,090
91200 Auditing Fees	\$3,490	\$3,490	\$3,490
91300 Management Fee			
91310 Book-keeping Fee			
91400 Advertising and Marketing			
91500 Employee Benefit contributions - Administrative	\$46,695	\$46,695	\$46,695
91600 Office Expenses	\$131,125	\$131,125	\$131,125
91700 Legal Expense			
91800 Travel	\$6,609	\$6,609	\$6,609
91810 Allocated Overhead			
91900 Other	\$4,396	\$4,396	\$4,396
91000 Total Operating - Administrative	\$566,405	\$566,405	\$566,405
92000 Asset Management Fee			
92100 Tenant Services - Salaries			
92200 Relocation Costs			
92300 Employee Benefit Contributions - Tenant Services			
92400 Tenant Services - Other			
92500 Total Tenant Services	\$0	\$0	\$0
93100 Water			
93200 Electricity			
93300 Gas	\$1,777	\$1,777	\$1,777
93400 Fuel			
93500 Labor			
93600 Sewer			
93700 Employee Benefit Contributions - Utilities			

93800 Other Utilities Expense	\$6,175	\$6,175	\$6,175
93000 Total Utilities	\$7,952	\$7,952	\$7,952
94100 Ordinary Maintenance and Operations - Labor			
94200 Ordinary Maintenance and Operations - Materials and Other	\$202	\$202	\$202
94300 Ordinary Maintenance and Operations Contracts			
94500 Employee Benefit Contributions - Ordinary Maintenance			
94000 Total Maintenance	\$202	\$202	\$202
95100 Protective Services - Labor			
95200 Protective Services - Other Contract Costs			
95300 Protective Services - Other			
95500 Employee Benefit Contributions - Protective Services			
95000 Total Protective Services	\$0	\$0	\$0
96110 Property Insurance			
96120 Liability Insurance			
96130 Workmen's Compensation			
96140 All Other Insurance	\$49,662	\$49,662	\$49,662
96100 Total Insurance Premiums	\$49,662	\$49,662	\$49,662
96200 Other General Expenses			
96210 Compensated Absences			
96300 Payments in Lieu of Taxes			
96400 Bad debt - Tenant Rents			
96500 Bad debt - Mortgages			
96600 Bad debt - Other			
96800 Severance Expense			
96000 Total Other General Expenses	\$0	\$0	\$0
96710 Interest of Mortgage (or Bonds) Payable			
96720 Interest on Notes Payable (Short and Long Term)			
96730 Amortization of Bond Issue Costs			
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0
96900 Total Operating Expenses	\$624,221	\$624,221	\$624,221
97000 Excess of Operating Revenue over Operating Expenses	\$5,172,082	\$5,172,082	\$5,172,082
97100 Extraordinary Maintenance			
97200 Casualty Losses - Non-capitalized			
97300 Housing Assistance Payments	\$3,751,862	\$3,751,862	\$3,751,862
97350 HAP Portability-In	\$1,999,839	\$1,999,839	\$1,999,839
97400 Depreciation Expense			
97500 Fraud Losses			
97600 Capital Outlays - Governmental Funds			
97700 Debt Principal Payment - Governmental Funds			
97800 Dwelling Units Rent Expense			
90000 Total Expenses	\$6,375,922	\$6,375,922	\$6,375,922
10010 Operating Transfer In			
10020 Operating transfer Out			
10030 Operating Transfers from/to Primary Government	\$453,762	\$453,762	\$453,762
10040 Operating Transfers from/to Component Unit			
10050 Proceeds from Notes, Loans and Bonds			
10060 Proceeds from Property Sales			
10070 Extraordinary Items, Net Gain/Loss			
10080 Special Items (Net Gain/Loss)			
10091 Inter Project Excess Cash Transfer In			
10092 Inter Project Excess Cash Transfer Out			
10093 Transfers between Program and Project - In			

11020	Required Annual Debt Principal Payments	\$0	\$0	\$0
10094	Transfers between Project and Program - Out			
10100	Total Other financing Sources (Uses)	\$453,762	\$453,762	\$453,762
10000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$125,857	-\$125,857	-\$125,857
11020	Required Annual Debt Principal Payments	\$0	\$0	\$0
11030	Beginning Equity	\$161,272	\$161,272	\$161,272
11040	Prior Period Adjustments, Equity Transfers and Correction of Errors			
11050	Changes in Compensated Absence Balance	\$0	\$0	\$0
11060	Changes in Contingent Liability Balance	\$0	\$0	\$0
11070	Changes in Unrecognized Pension Transition Liability	\$0	\$0	\$0
11080	Changes in Special Term/Severance Benefits Liability	\$0	\$0	\$0
11090	Changes in Allowance for Doubtful Accounts - Dwelling Rents	\$0	\$0	\$0
11100	Changes in Allowance for Doubtful Accounts - Other	\$0	\$0	\$0
11170	Administrative Fee Equity	\$18,101	\$18,101	\$18,101
11180	Housing Assistance Payments Equity	\$17,314	\$17,314	\$17,314
11190	Unit Months Available	6074	6074	6074
11210	Number of Unit Months Leased	6050	6050	6050
11270	Excess Cash			
11610	Land Purchases			
11620	Building Purchases			
11630	Furniture & Equipment - Dwelling Purchases			
11640	Furniture & Equipment - Administrative Purchases			
11650	Leasehold Improvements Purchases			
11660	Infrastructure Purchases			
13510	CFFP Debt Service Payments			
13901	Replacement Housing Factor Funds			



**STATISTICAL SECTION
(UNAUDITED)**

STATISTICAL SECTION

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

<u>Contents</u>	<u>Tables</u>
Financial Trends These schedules contain trend information to help the reader understand how the	1 - 5
Revenue Capacity These schedules contain information to help the reader assess the Parish's most significant local revenue sources.	6 - 12
Debt Capacity These schedules present information to help the reader assess the affordability of the Parish's current levels of outstanding debt and the Parish's ability to issue additional debt in the future.	13 - 17
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Parish's financial activities take place.	18 - 19
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Parish's financial report relates to the service the Parish provides and the activities it performs.	20 - 22

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

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

	Fiscal Year							
	2011	2012	2013	2014, restated	2015, restated	2016	2017, restated	2018
Governmental Activities								
Net investment in capital assets	\$ 352,867,806	\$ 344,112,498	\$ 350,256,061	\$ 347,417,372	\$ 357,038,864	\$ 367,215,411	\$ 375,168,727	\$ 371,016,818
Restricted	(14,520,899)	7,329,208	9,470,377	15,937,711	15,236,622	13,215,014	11,726,929	14,326,139
Unrestricted	7,855,068	(7,822,895)	18,673,457	10,526,002	47,873,423	44,123,972	22,751,093	12,026,377
Total Governmental Activities Net Position	<u>\$ 346,201,975</u>	<u>\$ 343,618,811</u>	<u>\$ 378,399,895</u>	<u>\$ 373,881,085</u>	<u>\$ 420,148,909</u>	<u>\$ 424,554,397</u>	<u>\$ 409,646,749</u>	<u>\$ 397,369,334</u>
Business Type Activities								
Net investment in capital assets	\$ 112,542,637	\$ 192,896,426	\$ 204,966,155	\$ 213,189,989	\$ 196,619,074	\$ 209,192,549	\$ 210,759,675	\$ 215,119,125
Restricted	8,745,110	748,861	857,133	7,531,203	5,351,524	4,735,936	3,392,724	2,773,807
Unrestricted	3,585,621	4,030,738	11,194,022	8,781,027	17,827,434	8,530,137	6,826,614	7,322,565
Total Business Type Activities Net Position	<u>\$ 124,873,368</u>	<u>\$ 197,676,025</u>	<u>\$ 217,017,310</u>	<u>\$ 229,502,219</u>	<u>\$ 219,798,032</u>	<u>\$ 222,458,622</u>	<u>\$ 220,979,013</u>	<u>\$ 225,215,497</u>
Primary Government								
Net investment in capital assets	\$ 465,410,443	\$ 537,008,921	\$ 555,222,216	\$ 560,607,361	\$ 553,657,938	\$ 576,407,960	\$ 585,928,402	\$ 586,135,943
Restricted	(5,775,789)	8,078,069	10,327,510	23,468,914	20,588,146	17,950,950	15,119,653	17,099,946
Unrestricted	11,440,689	(3,792,157)	29,867,479	30,024,080	65,700,857	52,654,109	29,577,707	19,348,942
Total Primary Government Net Position	<u>\$ 471,075,343</u>	<u>\$ 541,294,833</u>	<u>\$ 595,417,205</u>	<u>\$ 614,100,355</u>	<u>\$ 639,946,941</u>	<u>\$ 647,013,019</u>	<u>\$ 630,625,762</u>	<u>\$ 622,584,831</u>

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

Expenses	Fiscal Year							
	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities:								
General government								
Judicial	\$ 1,255,100	\$ 1,902,450	\$ 607,122	\$ 796,068	\$ 885,726	\$ 3,999,898	\$ 3,865,258	\$ 4,773,368
Other general government	71,245,678	50,301,853	29,878,021	22,942,805	33,157,803	25,705,408	38,546,184	22,760,901
Public safety	8,025,968	9,231,076	10,548,513	10,242,189	10,872,392	14,970,179	16,803,400	16,599,437
Public works	17,987,950	20,700,870	14,751,885	15,580,221	16,398,444	5,816,392	6,271,015	6,471,582
Sanitation	-	-	4,682,338	4,769,494	5,596,379	6,143,008	5,784,315	4,974,771
Culture and recreation	2,046,703	2,475,372	2,889,701	3,787,646	3,010,246	2,334,365	3,054,936	3,040,353
Health and welfare	6,943,880	6,322,104	6,692,893	6,832,287	9,154,803	11,491,363	11,656,125	12,463,545
Interest on long-term debt	256,336	580,332	1,860,282	1,328,696	1,305,453	1,199,102	1,073,650	942,905
Total Governmental Activities Expenses	<u>107,761,615</u>	<u>91,514,057</u>	<u>71,910,755</u>	<u>66,279,406</u>	<u>80,381,246</u>	<u>71,659,715</u>	<u>87,054,883</u>	<u>72,026,862</u>
Business-Type Activities:								
Water and sewer	9,024,042	10,195,851	10,153,902	11,165,143	22,753,572	13,993,556	16,229,635	16,522,238
Event Facilities	-	-	-	2,079	938,067	1,220,910	434,981	433,347
Interest on long-term debt	2,040,501	756,740	494,988	240,516	164,219	178,775	390,529	415,337
Total Business-Type Activities Expenses	<u>11,064,543</u>	<u>10,952,591</u>	<u>10,648,890</u>	<u>11,407,738</u>	<u>23,855,858</u>	<u>15,393,241</u>	<u>17,055,145</u>	<u>17,370,922</u>
Total Primary Government Expenses	<u>\$ 118,826,158</u>	<u>\$ 102,466,648</u>	<u>\$ 82,559,645</u>	<u>\$ 77,687,144</u>	<u>\$ 104,237,104</u>	<u>\$ 87,052,956</u>	<u>\$ 104,110,028</u>	<u>\$ 89,397,784</u>
Program Revenues								
Governmental Activities:								
Charges for services	\$ 4,774,785	\$ 3,886,902	\$ 4,799,254	\$ 3,032,385	\$ 3,381,027	\$ 3,346,854	\$ 4,101,469	\$ 5,211,420
Operating grants and contributions	178,346,532	17,562,703	23,905,810	10,370,636	21,131,977	10,870,638	9,068,664	11,026,777
Capital grants and contributions	52,848,455	84,179,047	55,330,827	38,860,849	32,249,132	28,211,921	26,259,675	9,201,138
Total Governmental Activities Program Revenues	<u>235,969,772</u>	<u>105,628,652</u>	<u>84,035,891</u>	<u>52,263,870</u>	<u>56,762,136</u>	<u>42,429,413</u>	<u>39,429,808</u>	<u>25,439,335</u>
Business-Type Activities:								
Charges for services	5,977,404	5,818,753	5,748,284	5,875,915	12,060,280	13,099,159	12,441,520	12,929,605
Operating grants and contributions	6,917,743	2,966,919	12,550	31,560	516,129	-	-	-
Capital grants and contributions	-	40,502,738	5,690,363	-	-	1,488,453	767,508	573,028
Total Business-Type Activities Program Revenues	<u>12,895,147</u>	<u>49,288,410</u>	<u>11,451,197</u>	<u>5,907,475</u>	<u>12,576,409</u>	<u>14,587,612</u>	<u>13,209,028</u>	<u>13,502,633</u>
Total Primary Government Program Revenues	<u>\$ 248,864,919</u>	<u>\$ 154,917,062</u>	<u>\$ 95,487,088</u>	<u>\$ 58,171,345</u>	<u>\$ 69,338,545</u>	<u>\$ 57,017,025</u>	<u>\$ 52,638,836</u>	<u>\$ 38,941,968</u>
Net (Expense)/Revenue								
Governmental activities	\$ 128,208,157	\$ 14,114,595	\$ 12,125,136	\$ (14,015,536)	\$ (23,619,110)	\$ (29,230,302)	\$ (47,625,075)	\$ (46,587,527)
Business-type Activity	1,830,604	38,335,819	802,307	(5,500,263)	(11,279,449)	(805,629)	(3,846,117)	(3,868,289)
Total Primary Government Net Expense	<u>\$ 130,038,761</u>	<u>\$ 52,450,414</u>	<u>\$ 12,927,443</u>	<u>\$ (19,515,799)</u>	<u>\$ (34,898,559)</u>	<u>\$ (30,035,931)</u>	<u>\$ (51,471,192)</u>	<u>\$ (50,455,816)</u>

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

General Revenues and Other Changes in Net Position	Fiscal Year							
	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities:								
Taxes:								
Ad valorem taxes	\$ 7,652,880	\$ 7,658,899	\$ 12,941,340	\$ 13,387,595	\$ 13,241,834	\$ 13,258,151	\$ 12,885,666	\$ 14,423,795
Sales taxes	15,901,969	13,446,184	15,844,744	16,096,696	14,408,732	14,387,437	16,700,335	16,485,252
Severance	922,529	951,475	971,328	985,553	622,785	431,377	506,257	551,340
E telephone	359,703	370,042	378,840	451,084	379,001	392,760	425,602	588,430
Other taxes	51,368	109,234	111,949	240,741	328,390	277,060	264,206	249,761
Fines and forfeitures	-	-	-	151,781	210,550	218,983	190,465	195,347
State revenue sharing (unrestricted)	-	-	-	92,912	72,560	76,589	79,774	81,741
Parish road royalty	-	-	-	935,697	426,803	241,323	287,852	348,311
Other general revenues (expenses)	4,479,623	647,605	1,168,627	640,021	705,028	1,085,110	1,282,052	3,124,268
Interest and investment earnings	2,816,336	108,213	195,208	187,198	188,079	191,898	260,371	406,648
(Loss)/Gain on Disposal of Assets	(6,215,108)	(6,539,142)	(149,742)	83,974	(415,762)	-	-	-
Gain on sale of investments land held for sale	-	-	-	546,240	282,702	-	-	-
Forgiveness of CD Loans	-	-	5,403,510	-	-	-	-	-
Proceeds from insurance settlement	-	-	-	62,466	128,930	273,541	-	-
Proceeds from litigation settlement	-	-	-	-	9,359,306	1,780,006	21,000,000	-
Transfers	-	-	-	(219,376)	2,306,733	458,703	(2,262,721)	(3,211,148)
Capital contributions	-	-	-	(13,215,123)	-	-	-	-
Miscellaneous revenues	-	-	-	-	772,340	423,268	935,733	1,066,367
Total Governmental Activities	25,969,300	16,752,510	36,865,804	20,427,459	43,018,011	33,496,206	52,555,592	34,310,112
Business-Type Activities:								
Sales taxes	3,774,778	3,338,375	3,961,184	4,024,174	3,602,185	3,596,859	4,175,086	4,121,313
Other general revenues (expenses)	357,186	(2,358,661)	330,835	262,529	203,078	275,318	481,928	635,335
Interest and investment earnings	36,706	36,852	37,106	39,188	51,670	58,245	59,375	136,977
(Loss)/Gain on Disposal of Assets	-	-	-	11,100	(10,149)	-	-	-
Proceeds from insurance settlement	-	-	-	-	35,211	(5,500)	-	-
Transfers	-	-	-	219,376	(2,306,733)	(458,703)	2,262,721	3,211,148
Capital contributions	-	-	-	13,215,123	-	-	-	-
Total Business-Type Activities	4,168,670	1,016,566	4,329,125	17,771,490	1,575,262	3,466,219	6,979,110	8,104,773
Total Primary Government	\$ 30,137,970	\$ 17,769,076	\$ 41,194,929	\$ 38,198,949	\$ 44,593,273	\$ 36,962,425	\$ 59,534,702	\$ 42,414,885
Changes in Net Position								
Governmental Activities	\$ 154,177,457	\$ 30,867,105	\$ 48,990,940	\$ 6,411,923	\$ 19,398,901	\$ 4,265,904	\$ 4,930,517	\$ (12,277,415)
Business-type activities	5,999,274	39,352,385	5,131,432	12,271,227	(9,704,187)	2,660,590	3,132,993	4,236,484
Total Primary Government	\$ 160,176,731	\$ 70,219,490	\$ 54,122,372	\$ 18,683,150	\$ 9,694,714	\$ 6,926,494	\$ 8,063,510	\$ (8,040,931)

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

Fiscal Year	Ad Valorem	Sales and Use	Severance	E Telephone	Other	Total
2009	\$ 7,073,024	\$ 11,042,025	\$ 907,576	\$ 307,310	\$ 55,387	\$ 19,385,322
2010	7,611,730	19,010,239	907,534	322,638	39,076	27,891,217
2011	7,652,880	15,901,969	922,529	359,703	51,368	24,888,449
2012	7,658,899	13,446,184	951,475	370,042	109,234	22,535,834
2013	12,941,340	15,844,744	971,328	378,840	111,949	30,248,201
2014	13,387,595	16,096,696	985,553	451,084	240,741	31,161,669
2015	13,382,777	14,408,732	622,785	379,001	328,390	29,121,685
2016	13,258,151	14,387,437	431,377	392,760	277,060	28,746,785
2017	12,885,666	16,700,335	506,257	425,602	264,206	30,782,066
2018	14,423,795	16,485,252	551,340	588,430	249,761	32,298,578

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

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Nonspendable	\$ -	\$ -	\$ 80,342	\$ 74,800	\$ 84,990	\$ 98,722	\$ 109,215	\$ 94,582	\$ 87,587	\$ 157,412
Restricted	-	-	161,345	91,185	91,185	3,404,667	3,992,868	3,970,789	3,941,952	4,275,605
Committed	-	-	3,944	-	-	-	-	-	343,784	1,935,023
Assigned	-	-	84,639	-	-	587,321	5,421,492	6,891,492	12,066,337	6,522,404
Unassigned	-	-	8,223,388	2,887,607	2,436,466	-	733,079	1,445,188	69,464	83,803
Reserved	50,587	20,474	-	-	-	-	-	-	-	-
Unreserved	759,068	8,310,748	-	-	-	-	-	-	-	-
Total general fund	\$ 809,655	\$ 8,331,222	\$ 8,553,658	\$ 3,053,592	\$ 2,612,641	\$ 4,090,710	\$ 10,256,654	\$ 12,402,051	\$ 16,509,124	\$ 12,974,247
All other governmental funds										
Nonspendable	\$ -	\$ -	\$ 121,171	\$ 96,690	\$ 113,744	\$ 89,552	\$ 134,009	\$ 97,018	\$ 118,382	\$ 125,580
Restricted	-	-	28,697,633	7,328,584	9,379,192	12,533,044	11,243,754	9,244,225	7,784,977	10,050,534
Committed	-	-	3,078,436	2,209,969	1,803,029	956,733	956,564	956,654	598,990	865,203
Assigned	-	-	7,235,508	7,749,171	7,097,625	6,665,667	6,363,714	6,009,953	5,950,431	3,923,020
Unassigned	-	-	229	(29,138,816)	(5,495,701)	(4,681,726)	(3,547,526)	(7,423,988)	(7,779,686)	(4,319,263)
Reserved	2,209,405	139,933	-	-	-	-	-	-	-	-
Unreserved, undesignated, reported in:										
Special revenue funds	23,366,879	25,210,058	-	-	-	-	-	-	-	-
Debt service funds	1,085,006	749,826	-	-	-	-	-	-	-	-
Capital projects funds	14,248,693	8,797,149	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 40,909,983	\$ 34,896,966	\$ 39,132,977	\$ (11,754,402)	\$ 12,897,889	\$ 15,563,270	\$ 15,150,515	\$ 8,883,862	\$ 6,673,094	\$ 10,645,074

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

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

REVENUES	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Taxes										
Ad valorem	\$ 7,073,024	\$ 7,611,730	\$ 7,652,880	\$ 7,481,374	\$ 12,824,501	\$ 13,391,771	\$ 13,382,777	\$ 13,113,135	\$ 13,011,043	\$ 14,481,211
Sales and use	11,042,025	19,010,239	15,901,969	13,446,184	15,844,744	16,096,696	14,408,732	14,387,436	16,700,336	16,485,252
Other taxes, penalties, interest, etc	1,451,523	1,472,534	1,404,946	1,430,751	1,462,117	1,509,091	1,130,478	921,198	1,002,071	1,213,548
Licenses and permits	1,469,853	1,229,352	1,331,151	1,160,616	1,243,407	1,197,920	1,356,425	1,353,158	1,442,888	1,646,095
Intergovernmental										
Federal grants	200,598,673	140,865,730	246,369,010	80,992,837	77,288,240	44,604,677	46,387,297	43,562,515	36,580,200	27,725,778
State revenue sharing (net)	97,611	13,642	18,307	14,084	39,068	52,448	64,650	71,967	79,592	80,431
Other state funding	18,424,710	3,749,865	4,332,734	3,034,249	2,257,549	2,228,740	1,514,272	1,182,680	1,275,993	1,420,811
Fees, charges, and commissions for services	1,111,659	3,400,246	1,724,358	2,726,286	3,555,847	1,811,480	2,001,255	2,764,342	3,159,347	3,735,679
Fines and forfeitures	386,834	396,925	349,220	237,132	181,524	152,370	222,793	198,657	216,202	296,671
Use of money and property	368,795	328,051	71,224	1,114	830	1,839	1,142	2,312	71,784	211,287
Special assessments	-	420	-	-	-	-	-	-	-	-
Public grants	42,308	6,515	30,000	-	-	-	-	-	-	-
Other revenues	8,268,034	9,191,163	1,599,078	410,474	987,103	550,334	786,362	1,598,339	1,473,557	1,674,763
Total revenues	250,335,049	187,276,412	280,784,877	110,935,101	115,684,930	81,597,366	81,256,183	79,155,739	75,013,013	68,971,526
EXPENDITURES										
Current										
General government										
Judicial	1,239,869	1,240,694	1,255,100	90,600	88,775	212,704	195,647	2,903,611	3,054,874	3,625,360
Finance and administration	13,780	20	-	-	-	-	-	-	-	-
Other general government	48,967,159	54,495,443	69,651,287	48,906,737	25,843,161	23,840,855	30,280,681	18,484,746	29,343,501	17,511,308
Public safety	8,572,283	14,724,975	8,025,968	8,424,249	9,718,598	9,360,090	9,828,930	11,601,962	12,518,053	11,859,915
Public works	11,881,959	12,951,757	11,579,754	10,728,553	9,189,794	4,691,641	4,338,347	4,557,047	4,979,685	4,959,807
Sanitation	-	-	-	-	-	4,769,494	4,776,040	4,812,945	4,593,206	3,852,456
Culture and recreation	6,933,377	16,486,993	2,046,703	1,746,805	1,913,604	2,750,175	1,782,990	1,828,936	2,425,862	2,347,240
Health and welfare	1,232,493	1,525,528	6,943,880	6,269,959	6,625,617	6,760,781	9,070,216	9,128,028	9,025,270	9,665,287
Capital outlay	110,035,464	72,894,729	155,875,749	47,475,550	22,281,619	25,802,144	23,380,496	21,902,370	21,513,948	12,254,379
Debt service										
Principal	565,000	595,000	260,000	270,000	280,000	470,000	3,170,000	3,260,000	3,365,000	3,480,000
Interest and service charges	199,176	181,143	166,134	88,860	1,322,566	1,328,696	1,305,453	1,199,102	1,073,650	942,905
Bond issuance costs	-	-	-	417,455	-	-	-	-	-	-
Total expenditures	189,640,560	175,096,282	255,804,575	124,418,768	77,263,734	79,986,580	88,128,800	79,678,747	91,893,049	70,498,657
Excess (deficiency) of revenues over (under) expenditures	60,694,489	12,180,130	24,980,302	(13,483,667)	38,421,196	1,610,786	(6,872,617)	(523,008)	(16,880,036)	(1,527,131)
OTHER FINANCING SOURCES (USES)										
Transfers in	27,227,120	34,301,482	6,594,635	14,131,402	11,691,952	11,238,213	10,277,861	12,376,168	14,353,111	14,697,477
Transfers out	(87,562,801)	(44,973,062)	(27,116,490)	(47,581,671)	(25,901,808)	(11,844,105)	(8,293,003)	(11,917,465)	(16,633,139)	(12,169,738)
Proceeds from long-term debt	5,000,000	-	-	-	-	2,200,000	-	-	-	-
Proceeds from bond issuance	-	-	-	33,885,000	-	-	-	-	-	-
Bond premium	-	-	-	2,433,041	-	-	-	-	-	-
Payment to escrow agent	-	-	-	(3,261,468)	-	-	-	-	-	-
Proceeds from the sales of capital assets	-	-	-	-	-	83,974	291,500	146,135	-	127,353
Proceeds from the sale of investments - land held for sale	-	-	-	-	-	1,643,740	861,202	-	-	-
Proceeds from insurance settlements	-	-	-	-	-	623,741	128,930	37,180	56,369	32,509
Proceeds from litigation settlements	-	-	-	-	-	-	9,359,306	1,780,006	21,000,000	-
Total other financing sources (uses)	(55,335,681)	(10,671,580)	(20,521,855)	(393,696)	(14,209,856)	3,945,563	12,625,796	2,422,024	18,776,341	2,687,601
Net change in fund balances	\$ 5,358,808	\$ 1,508,550	\$ 4,458,447	\$ (13,877,363)	\$ 24,211,340	\$ 5,556,349	\$ 5,753,179	\$ 1,899,016	\$ 1,896,305	\$ 1,160,470
Debt service as a percentage of noncapital expenditures	0.96%	0.76%	0.43%	1.01%	2.91%	3.32%	6.91%	7.72%	6.31%	7.59%

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

<u>Fiscal Year</u>	<u>Real Property Assessed Value</u>	<u>Other Property Assessed Value</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>
2009	\$ 143,915,887	\$ 195,649,366	\$ 339,565,253	30.11
2010	152,336,273	195,854,906	348,191,179	28.61
2011	162,492,455	195,185,678	357,678,133	29.27
2012	164,635,938	207,766,965	372,402,903	29.03
2013	170,805,390	199,367,569	370,172,959	49.27
2014	169,463,272	220,936,376	390,399,648	49.27
2015	173,343,983	209,561,261	382,905,244	49.27
2016	187,331,162	191,676,268	379,007,430	50.27
2017	195,580,993	181,614,308	377,195,301	50.00
2018	201,275,172	211,577,039	412,852,211	50.00

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

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

Fiscal Year	St. Bernard Parish		Overlapping Rates				Total Direct & Overlapping Rates
	Operating Millage	Total Parish Millage	St. Bernard Parish School Board			Other Entities	
			Operating Millage	Debt Service Millage	Total School Millage		
2009	30.11	30.11	33.55	12.50	46.05	22.11	98.27
2010	28.61	28.61	34.84	12.00	46.84	22.11	97.56
2011	29.27	29.27	35.00	11.00	46.00	28.49	103.76
2012	29.03	29.03	35.00	10.00	45.00	32.43	106.46
2013	49.27	49.27	35.00	10.00	45.00	8.38	102.65
2014	49.27	49.27	35.00	5.50	40.50	59.21	148.98
2015	49.27	49.27	35.00	5.50	40.50	59.21	148.98
2016	50.27	50.27	35.72	5.50	41.22	60.17	151.66
2017	50.00	50.00	41.22	0.00	41.22	60.14	151.36
2018	50.00	50.00	41.22	0.00	41.22	60.14	151.36

Source: St. Bernard Assessor's Office

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

Taxpayer	Type of Business	2018			2009		
		Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
Chalmette Refining	Oil and Gas	\$ 37,624,034	1	9.11%	\$ 68,934,463	1	20.30%
Valero Refining-Meraux	Oil and Gas	32,277,692	2	7.82%	-	-	-
Colonial Pipeline Co.	Oil and Gas	22,314,030	3	5.40%	17,357,960	3	5.11%
American Sugar/Domino	Sugar Refinery	14,856,676	4	3.60%	7,516,219	6	2.21%
Southern Natural Gas	Gas Utility	13,244,110	5	3.21%	8,567,980	5	2.52%
Entergy Louisiana, Inc	Electric Utility	12,340,860	6	2.99%	9,440,900	4	2.78%
Moem Pipeline, LLC	Oil and Gas	4,704,150	7	1.14%	-	-	-
Tennessee Gas Pipeline Co	Oil and Gas	4,662,780	8	1.13%	-	-	-
CII Carbon, LLC	Refinery	3,135,038	9	0.76%	3,960,890	7	1.17%
Bellsouth	Telephone Utility	2,529,040	10	0.61%	3,419,606	9	1.01%
Murphy Oil	Oil and Gas	-	-	-	37,031,507	2	10.91%
Capital One Bank	Financial Services	-	-	-	3,902,921	8	1.15%
Regions Bank	Financial Services	-	-	-	3,097,160	10	0.91%
		<u>\$ 147,688,410</u>		<u>35.77%</u>	<u>\$ 163,229,606</u>		<u>48.07%</u>

Source: St. Bernard Assessor's Office

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

Fiscal Year	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Subsequent Years Collections	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	*	\$ 6,935,325	*	\$ 137,699	\$ 7,073,024	*
2010	*	7,459,110	*	152,620	7,611,730	*
2011	*	7,484,779	*	168,101	7,652,880	*
2012	*	6,895,442	*	763,457	7,658,899	*
2013	12,886,735	12,869,675	99.87%	71,665	12,941,340	*
2014	13,587,374	12,885,558	94.83%	502,037	13,387,595	98.53%
2015	13,202,176	12,656,857	95.87%	525,920	13,182,777	99.85%
2016	13,225,814	12,748,443	96.39%	409,708	13,158,151	99.49%
2017	13,047,615	12,361,923	94.74%	523,743	12,885,666	98.76%
2018	14,525,011	13,920,381	95.84%	503,414	14,423,795	99.30%

*Information not available

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

Taxpayer	2018			2009		
	Sales Tax Collections	Rank	Percentage of Total Sales Tax Collections	Sales Tax Collections	Rank	Percentage of Total Sales Tax Collections
Refineries	\$ 10,124,169	1	24.48%	\$ 6,208,978	1	22.21%
Groceries	7,544,054	2	18.24%	2,159,215	3	7.72%
Motor Vehicles	3,382,200	3	8.18%	1,883,692	4	6.74%
Retail Stores	3,059,096	4	7.40%	2,399,602	2	8.58%
Restaurants	2,232,880	5	5.40%	1,098,426	5	3.93%
Drugstore/Chain	1,220,534	6	2.95%	792,570	6	2.84%
Gas/Conv Store	806,762	7	1.95%	438,683	7	1.57%
Auto Retail Store	349,629	8	0.85%	259,367	8	0.93%
Pharmacies/Local	218,586	9	0.53%	208,658	9	0.75%
Hotels	132,915	10	0.32%	40,950	10	0.15%
Total	\$ 29,070,825		70.30%	\$ 15,490,141		55.42%

Source: St. Bernard Parish Sheriff's Office

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

Fiscal Year	Parish Council	Water & Sewer	Law Enforcement	School Board	Total Rate
2009	2.00%	0.50%	0.50%	2.00%	5.00%
2010	2.00%	0.50%	0.50%	2.00%	5.00%
2011	2.00%	0.50%	0.50%	2.00%	5.00%
2012	2.00%	0.50%	0.50%	2.00%	5.00%
2013	2.00%	0.50%	0.50%	2.00%	5.00%
2014	2.00%	0.50%	0.50%	2.00%	5.00%
2015	2.00%	0.50%	0.50%	2.00%	5.00%
2016	2.00%	0.50%	0.50%	2.00%	5.00%
2017	2.00%	0.50%	0.50%	2.00%	5.00%
2018	2.00%	0.50%	0.50%	2.00%	5.00%

Source: St. Bernard Parish Sheriff's Office

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

Fiscal Year	Parish Council	Water and Sewer	Law Enforcement (1)	School Board (1)	Total
2009	\$ 11,042,025	\$ 3,245,832	\$ 3,245,832	\$ 11,042,025	\$ 28,575,714
2010	19,010,239	2,757,908	2,757,908	19,010,239	43,536,294
2011	15,901,969	3,774,778	3,774,778	15,901,969	39,353,494
2012	13,446,184	3,338,375	3,338,375	13,446,184	33,569,118
2013	15,844,744	3,961,184	3,961,184	15,844,744	39,611,856
2014	16,096,696	4,024,174	4,024,174	16,096,696	40,241,740
2015	14,408,732	3,602,185	3,602,185	14,408,732	36,021,834
2016	14,387,437	3,596,859	3,596,859	14,387,437	35,968,592
2017	16,700,335	4,175,086	4,175,086	16,700,335	41,750,842
2018	16,485,252	4,121,313	4,121,313	16,485,252	41,213,130

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

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

Fiscal Year	Governmental Activities					Business Type Activities				Total	Percentage of Personal Income (1)	Per Capita (1)
	Sales Tax Bonds	General Obligation Bonds	Community Disaster Loan	Other	Total Governmental Activities	Sales Tax Bonds	Revolving Loans	Other	Total Business Type Activities			
2009	\$ 4,217,057	\$ 350,000	\$ 22,958,524	\$ -	\$ 27,525,581	\$ 49,041,750	\$ -	\$ 250,000	\$ 49,291,750	\$ 76,817,331	6.39%	2,039
2010	3,975,231	-	5,000,000	-	8,975,231	46,552,685	-	130,000	46,682,685	55,657,916	4.96%	1,369
2011	3,718,128	-	5,000,000	-	8,718,128	43,688,009	-	-	43,688,009	52,406,137	4.86%	1,460
2012	36,368,269	-	5,000,000	60,000	41,428,269	10,304,288	-	-	10,304,288	51,732,557	4.92%	1,308
2013	35,894,144	-	-	9,356,000	45,250,144	7,358,514	-	-	7,358,514	52,608,658	4.69%	1,264
2014	35,240,538	-	-	8,960,932	44,201,470	4,292,740	-	-	4,292,740	48,494,210	4.28%	1,115
2015	32,101,932	-	-	4,200,662	36,302,594	3,561,966	703,846	-	4,265,812	40,568,406	3.60%	914
2016	28,883,326	-	-	6,260,000	35,143,326	2,806,192	6,858,195	-	9,664,387	44,807,713	3.53%	987
2017	25,564,720	-	-	5,630,000	31,194,720	2,020,418	17,811,970	-	19,832,388	51,027,108	4.54%	1,115
2018	22,136,116	-	-	1,295,000	23,431,116	1,194,644	22,371,170	-	23,565,814	46,996,930	3.72%	1,006

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

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

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amounts Available in Debt Service Fund</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable (1) Value of Property</u>	<u>Per Capita</u>
2009	-	\$ 675,000	\$ (675,000)	-0.19%	(17.92)
2010	-	350,000	(350,000)	-0.10%	(9)
2011	-	-	-	-	-
2012	-	-	-	-	-
2013	-	-	-	-	-
2014	-	-	-	-	-
2015	-	-	-	-	-
2016	-	-	-	-	-
2017	-	-	-	-	-
2018	-	-	-	-	-

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2018
(UNAUDITED)

<u>Government Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
St. Bernard Parish School Board	\$ -	100%	\$ -
Subtotal, overlapping debt			-
St. Bernard Parish Government direct debt	<u>23,431,116</u>	100%	23,431,116
Total direct and overlapping debt	<u>\$ 23,431,116</u>		<u>\$ 23,431,116</u>

Source: St. Bernard Parish School Board Comprehensive Annual Financial Report.

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

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

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

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limit	\$ 113,990,654	\$ 118,847,839	\$ 121,866,913	\$ 125,187,347	\$ 130,341,016	\$ 129,560,536	\$ 136,639,877	\$ 134,016,835	\$ 132,652,601	\$ 144,498,274
Total net debt applicable to limit	4,381	325,000	350,000	-	-	-	-	-	-	-
Legal debt margin	<u>113,995,035</u>	<u>119,172,839</u>	<u>122,216,913</u>	<u>125,187,347</u>	<u>130,341,016</u>	<u>129,560,536</u>	<u>136,639,877</u>	<u>134,016,835</u>	<u>132,652,601</u>	<u>144,498,274</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>0.00%</u>	<u>-0.27%</u>	<u>-0.29%</u>	<u>0.00%</u>						

Legal debt margin calculation for fiscal year 2018

Assessed Value	\$ 412,852,211
Debt Limit - 35% of Assessed Value (1)	144,498,274
Debt applicable to the limit:	
General obligation bonds	-
Less: Amount set aside for repayment of general obligation debt	<u>-</u>
Total net debt applicable to limit	<u>-</u>
Legal debt margin	<u>\$ 144,498,274</u>

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

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

Fiscal Year	Sales Tax Revenue	Sales Tax Bonds		TOTAL	Coverage
		Debt Service			
		Principal	Interest		
2009	13,799,933	4,222,453	2,434,009	6,656,462	2.07
2010	23,601,618	3,334,066	2,506,909	5,840,975	4.04
2011	19,676,747	3,163,692	2,205,379	5,369,071	3.66
2012	16,784,559	33,300,000	621,612	33,921,612	0.49
2013	19,805,928	3,215,000	1,708,619	4,923,619	4.02
2014	20,120,870	3,525,000	1,565,978	5,090,978	3.95
2015	18,010,917	3,675,000	1,296,337	4,971,337	3.62
2016	17,984,296	3,780,000	1,429,802	5,209,802	3.45
2017	20,875,421	3,910,000	1,143,527	5,053,527	4.13
2018	20,606,565	4,060,000	924,700	4,984,700	4.13

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

Fiscal Year	Population of St. Bernard (1)	St. Bernard Total Personal Income	St. Bernard Per Capita Personal Income	Unemployment Rate (2)	St. Bernard Parish School Enrollment (3)
2009	37,669	\$ 1,201,764,221	\$ 31,903	6.8	4,802
2010	40,655	1,121,346,210	27,582	8.1	5,424
2011	35,897	1,078,592,600	30,047	7.8	5,950
2012	39,558	1,051,530,756	26,582	8.4	6,377
2013	41,635	1,121,060,256	26,926	8.1	6,852
2014	43,482	1,132,270,859	26,040	5.6	7,132
2015	44,409	1,127,592,086	25,391	6.7	7,442
2016	45,408	1,269,300,000	27,953	5.8	7,464
2017	45,776	1,123,661,950	24,547	6.2	7,538
2018	46,721	1,264,892,652	27,073	6.9	7,695

*Information not available

Source (1): St. Bernard Economic Foundation

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

Source (3): St. Bernard Parish School Board

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

Employer	Location	2018			2009		
		Employees	Rank	% of Total St. Bernard Parish Employment	Employees	Rank	% of Total St. Bernard Parish Employment
St. Bernard Parish School Board	Chalmette	955	1	8.68%	765	2	8.36%
Chalmette Refinery	Chalmette	610	2	5.55%	1,100	1	12.02%
St. Bernard Parish Government	Chalmette	450	3	4.09%	450	3	4.92%
St. Bernard Parish Hospital	Chalmette	405	4	3.68%	*	*	*
Walmart	Chalmette	383	5	3.52%	*	*	*
Domino Sugar	Arabi	300	6	2.73%	375	4	4.10%
Valero Oil	Meraux	283	7	2.57%	*	*	*
St. Bernard Parish Sheriff	Chalmette	270	8	2.45%	*	*	*
Boasso America	Chalmette	215	9	1.95%	180	6	1.97%
Murphy Oil USA	Meraux	*	*	*	300	5	3.28%
SDT Waste and Disposal	Parish wide	*	*	*	145	7	1.58%
Associated Terminals	Chalmette	*	*	*	130	8	1.42%
TOTAL		<u>3,871</u>		<u>35.22%</u>	<u>3,445</u>		<u>37.65%</u>

* Information not available

Source: St. Bernard Chamber of Commerce

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

Function	December 31,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General government										
Judicial	29	31	33	30	30	38	38	41	38	38
Other general government	143	148	169	142	146	105	103	104	85	82
Public safety	96	109	117	107	110	112	117	116	115	110
Public works	95	90	102	65	62	78	76	71	62	60
Sanitation	-	-	7	5	4	4	4	8	10	10
Culture and recreation	13	23	27	20	25	22	21	21	17	12
Health and welfare	12	24	24	28	28	18	20	23	21	20
Water and sewer	53	48	52	55	55	60	59	73	73	75
Events facilities	-	-	-	-	-	3	3	2	2	3

Source: St. Bernard Parish Finance Department

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

	December 31,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Public Safety - Fire										
Total number of rolls	3,764	4,064	4,353	4,272	3,901	4,088	4,047	4,039	4,185	4,471
Number of fires	319	271	306	282	243	302	224	238	242	245
Number of rescue calls	2,756	3,120	3,297	3,128	2,849	3,031	2,913	2,818	2,881	3,100
Number of service calls	196	175	186	204	236	198	334	356	363	442
Public Works										
Potholes Repaired	*	*	9	39	19	41	28	24	60	117
Trees cut	*	*	156	208	141	98	91	83	298	1,126
Public Utility										
Water & Sewer										
Avg number of billed accounts	13,177	14,699	15,388	15,710	15,889	16,140	16,381	16,507	16,747	16,984
Number of billed accounts	13,845	15,135	15,475	15,742	15,966	16,298	16,366	16,568	16,813	17,028
New meter connections	66	51	57	47	60	42	58	57	64	215
Building Permits										
Residential Construction	*	16	60	45	96	57	96	136	132	211
Commercial Construction	*	11	17	71	58	45	30	42	51	30
Renovations	*	96	222	162	85	81	93	57	58	52
Pools	*	1	9	12	13	9	13	12	8	7
Tents	*	1	17	20	12	4	15	12	11	14
Accessory Structure	*	3	47	45	50	61	76	96	46	72
Elevate Residence	*	-	27	54	27	6	11	19	10	1
Additions	*	2	23	11	15	8	22	24	11	11
Electrical Permits	*	-	2	1	2	3	5	1	-	-
HVAC Permits	*	1	-	-	-	-	-	-	-	-
Gas Permits	*	1	-	-	-	-	-	-	-	-
Office Trailer Permits	*	1	6	-	-	-	-	1	-	-
Other	*	-	6	31	13	10	30	51	12	18
Mobile Homes	*	13	28	16	20	14	19	8	-	-
Signs	*	3	32	81	52	39	2	3	3	4
Boat Dock	*	1	5	-	3	9	4	1	3	8
Coastal Use	*	2	2	5	2	8	9	6	2	1
Slab Removal	*	4	47	2	2	9	1	4	-	-
Demolition	*	2	9	4	5	6	11	1	-	-

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

	December 31,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Recreation and Culture										
Number of players in baseball/softball league	*	540	850	937	1,223	1,180	1,135	1,116	1,069	959
Number of players in football league	*	320	346	451	484	376	380	212	141	225
Number of players in flag football league	*	*	*	*	*	*	*	87	71	320
Number of players in cheerleading	*	29	42	90	103	62	63	69	46	65
Number of players in basketball league	*	292	330	433	553	564	564	491	424	594
Number of players in volleyball league	*	*	40	72	88	80	81	77	97	128
Number of players in soccer league	*	*	406	423	624	697	676	704	707	745
Number of players in track and field	*	*	*	*	*	*	*	*	*	109

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

*Information not available

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

	December 31,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General government										
Vehicles	36	36	36	36	36	35	30	30	30	31
Utility Vehicles	2	2	2	2	2	3	3	3	3	3
Tractors	2	2	2	2	2	2	2	2	2	2
Trailers	1	1	1	1	1	1	1	1	2	2
Boats	7	7	7	7	6	6	6	6	6	6
Public safety- Fire										
Vehicles	10	10	10	10	10	11	11	11	11	11
Utility Vehicles	2	2	2	2	2	2	2	2	2	2
Fire Apparatus	15	16	16	16	16	15	16	17	17	16
Trailers	-	-	-	-	-	-	-	-	1	1
Public works										
Vehicles	50	50	50	50	50	50	39	39	39	43
Tractors	26	28	28	28	27	27	27	27	28	28
Trailers	2	2	2	2	2	2	2	2	1	2
Dump Trucks	6	6	6	6	6	6	6	6	6	6
Excavators	14	14	14	14	14	14	14	14	14	14
Airplanes	2	2	2	2	2	2	2	2	2	2
Sanitation										
Vehicles	-	-	-	-	-	-	-	-	2	2
Utility Vehicles	-	-	-	-	-	-	-	-	4	4
Dump Trucks	1	1	1	1	1	1	1	1	1	1
Excavators	2	2	2	3	3	3	3	3	3	3
Culture and recreation										
Vehicles	4	4	4	5	5	5	3	3	3	3
Utility Vehicles	5	5	5	5	5	5	5	5	5	5
Tractors	6	6	6	6	6	6	6	5	8	8
Trailers	-	-	-	-	-	-	-	1	1	1
Excavators	1	1	1	1	1	1	1	1	1	1
Health and welfare										
Vehicles	7	7	7	7	7	7	7	7	8	8

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
 CAPITAL ASSET STATISTICS BY FUNCTION
 LAST TEN FISCAL YEARS
 (UNAUDITED)

	December 31,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Water and Sewer										
Vehicles	37	36	37	37	38	35	34	33	35	37
Tractors	-	1	1	1	1	1	1	1	1	1
Trailers	12	12	12	12	12	12	12	12	12	12
Dump Trucks	1	1	1	1	1	1	1	1	1	1
Crane Trucks	1	1	1	1	1	1	1	1	1	1
Excavators	10	11	12	12	13	13	13	13	13	13
Total										
Vehicles	144	143	144	145	146	143	124	123	128	135
Utility Vehicles	9	9	9	9	9	10	10	10	14	14
Fire Apparatus	15	16	16	16	16	15	16	17	17	16
Tractors	34	37	37	37	36	36	36	35	39	39
Trailers	15	15	15	15	15	15	15	16	17	18
Boats	7	7	7	7	6	6	6	6	6	6
Dump Trucks	8	8	8	8	8	8	8	8	8	8
Crane Trucks	1	1	1	1	1	1	1	1	1	1
Excavators	27	28	29	30	31	31	31	31	31	31
Airplanes	2	2	2	2	2	2	2	2	2	2

Source: St. Bernard Parish Finance Department



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

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of St. Bernard Parish Government (the "Parish"), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Parish's basic financial statements and have issued our report thereon dated June 28, 2019.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 Parish's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.

Carly Riggs & Ingram, L.L.C.

Metairie, Louisiana
June 28, 2019

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

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

Report on Compliance for Each Major Federal Program

We have audited the St. Bernard Parish Government's (the "Parish") compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the Parish's major federal programs for the year ended December 31, 2018. The Parish's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Parish's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Parish's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the Parish complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2018.

Report on Internal Control over Compliance

Management of the Parish is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Parish's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Parish's internal control over compliance.

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

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

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

Cam, Riggs & Ingram, L.L.C.

Metairie, Louisiana
June 28, 2019

ST. BERNARD PARISH GOVERNMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018

Federal Grantor/Pass-Through or Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal Expenditures
U.S. Department of Homeland Security			
<i>Pass - Through Louisiana Military Department Office of Homeland Security and Emergency Preparedness</i>			
Disaster Grants - Public Assistance (presidentially Declared)			
Disaster Grants - Public Assistance (presidentially Declared) - Katrina	97.036	FEMA-LA-DR1603	\$ 6,789,205
Hazard Mitigation Grant	97.039	1603C-087-0007	2,916,883
State Homeland Security Program 2018	97.067	EMW-2018-SS-00016-S01	19,102
State Homeland Security Program 2017	97.067	EMW-2017-SS-00058-S01	8,800
State Homeland Security Program 2016	97.067	EMW-2016-SS-00018-S01	9,431
			<u>37,333</u>
Emergency Management Performance 2018	97.042	EMT-2018-EP-00001-S01	31,103
			<u>31,103</u>
Total U.S. Department of Homeland Security			9,774,524
U. S. Department of Health & Human Services			
<i>Pass - Through Louisiana State Department of Health and Hospitals Office of Public Health</i>			
Cities Readiness Initiative 2018	93.074	2000372414	10,821
Cities Readiness Initiative 2017	93.074	061605	5,775
			<u>16,596</u>
Low Income Home Energy Assistance	93.568		251,974
Community Services Block Grant	93.569	2010P0081	191,579
			<u>191,579</u>
Total U.S. Department of Health & Human Services			460,149
U. S. Department of Commerce			
<i>Pass - Through Louisiana State Department of Natural Resources</i>			
Coastal Zone Management	11.419	2000275620	31,890
			<u>31,890</u>
Total U.S. Department of Commerce			31,890
U.S. Department of Housing and Urban Development			
Housing Voucher Cluster			
Section 8 Housing Choice Vouchers	14.871		6,375,922
Total Housing Voucher Cluster			<u>6,375,922</u>
<i>Pass - Through State of Louisiana, Division of Administration Office of Community Development</i>			
CDBG Entitlement Grants Cluster			
Community Development Block Grant - Entitlement Grant	14.218		700,336
Total CDBG Entitlement Grants Cluster			<u>700,336</u>
LLT Program	14.228	H44P-00001	769,160
			<u>769,160</u>
Total U.S. Department of Housing and Urban Development			7,904,355
U. S. Department of the Interior			
Gulf of Mexico Security Act of 2006 (GoMESA)	15.435		781,611
Coastal Impact Assistance Program - Lake Lery Marsh Creation	15.668	F12AF01463	258,013
			<u>258,013</u>
Total U.S. Department of the Interior			1,039,624

ST. BERNARD PARISH GOVERNMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2018

Federal Grantor/Pass-Through or Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal Expenditures
U.S. Department of Labor			
<i>Pass - Through Louisiana Department of Labor</i>			
WIOA Cluster			
WIOA Adult Program FY	17.258	2000201088	\$ 596,806
WIOA Adult Program PY	17.258	2000201088	155,643
WIOA Youth Activities	17.259	2000201088	493,987
WIOA Dislocated Workers FY	17.278	2000201088	308,541
WIOA Dislocated Workers PY	17.278	2000201088	109,263
Total WIOA Cluster			<u>1,664,240</u>
Total U.S. Department of Labor			1,664,240
U.S. Department of Transportation			
<i>Pass - Through Louisiana Department of Transportation & Development</i>			
Highway Planning and Construction Cluster			
Federal Highway Administration - Submerged Roads	20.205	H.009834	6,676
Federal Highway Administration - Jackson/Pakenham Rdwy Restoration	20.205	H.007331	545,386
Total Highway Planning and Construction Cluster			<u>552,062</u>
Federal Transit Cluster			
Federal Transit Formula Grant	20.507	1521-2016-1	166,061
Total Federal Transit Cluster			<u>166,061</u>
Total U.S. Department of Transportation			718,123
U.S. Department of The Treasury			
Research and Development Cluster			
Paris Road Corridor Streetscape Enhancement	21.015	RDCGR3 70044	283
Nunez Community College Fisheries Workforce Development Program	21.015	RDCGR3 70047	44,013
Total Research and Development Cluster			<u>44,296</u>
Total U.S. Department of The Treasury			44,296
Environmental Protection Agency			
<i>Pass - Through Louisiana Department of Health and Hospitals</i>			
Drinking Water State Revolving Fund Cluster			
Drinking Water Revolving Loan Fund #1	66.468	1087001-01	365,007
Drinking Water Revolving Loan Fund #2	66.468	1087001-02	2,509,060
Total Drinking Water State Revolving Fund Cluster			<u>2,874,067</u>
<i>Pass - Through South Central Planning and Development Commission</i>			
River Region Water and Wastewater Improvement	66.202	XP-966246	100,327
<i>Pass - Through University of New Orleans Research and Technology Foundation, Inc.</i>			
Lake Pontchartrain Basin Restoration Program	66.125	BR-01F22601	1,167
<i>Pass - Through Louisiana Department of Environmental Quality</i>			
Clean Water State Revolving Fund Cluster			
Clean Water State Revolving Funds	66.458	CS 221310-04	21,537
Total Clean Water State Revolving Fund Cluster			<u>21,537</u>
Total Environmental Protection Agency			<u>2,997,098</u>
Total Expenditures of Federal Awards			<u>\$ 24,575,362</u>

* For the year ended December 31, 2018, the Parish did not provide any federal funding to a sub-recipient.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
December 31, 2018

NOTE 1 – GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of the federal awards of the St. Bernard Parish Government. The Parish's reporting entity is defined in Note 1 to the financial statements for the year-ended December 31, 2018. All federal awards received from federal agencies are included on the schedule.

NOTE 2 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the Parish's financial statements for the year-ended December 31, 2018.

NOTE 3 – RELATIONSHIP TO FINANCIAL STATEMENTS

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

NOTE 4 – NON-CASH ASSISTANCE

Community Development Block Grant

During the year ended December 31, 2013, the Parish entered into a cooperative endeavor agreement with the State of Louisiana Office of Community Development and the Louisiana Road Home Corporation d/b/a Louisiana Land Trust (LLT), to transfer all the properties within St. Bernard Parish that were being held by LLT to St. Bernard Parish. Included on the statement of net position at December 31, 2018 is \$2,332,500 in land held for sale representing lots throughout St. Bernard Parish. No depreciation is being recorded on the properties being held for sale. During the year ended December 31, 2018, 72 properties were sold by the Parish for \$1,030,100. As the remaining lots are sold, CDBG program income will be recognized in the financial statements of the Parish. The proceeds from sales of the properties are restricted for use for direct management costs of the properties and for recovery related activities in furtherance of the cooperative endeavor agreement and the eligibility requirements under CDBG guidelines.

NOTE 5 – DE MINIMIS COST RATE

During the year ended December 31, 2018, the Parish did not elect to use the 10% de minimis cost rate as covered in §200.414 of the Uniform Guidance.

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
December 31, 2018

(1) Summary of Auditors' Results

- (a) The type of report issued on the basic financial statements: Unmodified opinion
- (b) Significant deficiencies in internal control were disclosed by the audit of the financial statements: No;
Material Weaknesses: No;
- (c) Noncompliance which is material to the financial statements: No;
- (d) Significant deficiencies in internal control over major programs: No;
Material weakness: No;
- (e) The type of report issued on compliance for major programs: Unmodified opinion;
- (f) Any audit findings which are required to be reported under 2 CFR Section 200.516(a) of Uniform Guidance: No;
- (g) Major programs:

Name of Federal Program (or Cluster)	<u>CFDA No.</u>
WIOA Cluster	17.258, 17.259, 17.278
CDBG – LLT Program	14.228
Disaster Grants	97.036
GoMESA	15.435
- (h) Dollar threshold used to distinguish between Type A and Type B programs: \$750,000;
- (i) Auditee qualified as a low-risk auditee under Section 200.520 of Uniform Guidance: No;

(2) Findings relating to the financial statements reported in accordance with *Government Auditing Standards*

None noted

(3) Findings and questioned costs relating to the major federal award program audit:

None noted

ST. BERNARD PARISH GOVERNMENT, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended December 31, 2018

(1) Findings relating to the financial statements reported in accordance with *Government Auditing Standards*

None noted

(2) Findings and questioned costs relating to the major federal award program audit:

None noted



Carr, Riggs & Ingram, LLC
111 Veterans Blvd.
Suite 350
Metairie, Louisiana 70005

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

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Members of
St. Bernard Parish Council
Chalmette, Louisiana
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the Members of the Council of St. Bernard Parish Government (the "Parish") and the Louisiana Legislative Auditor ("LLA") on the control and compliance ("C/C") areas identified in the LLA's Statewide Agreed-Upon Procedures ("SAUPs") for the fiscal period January 1, 2018 through December 31, 2018. The Parish is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated results are as follows:

Board or Finance Committee

1. Obtained and inspected the board minutes for the fiscal period and the Board's charter in effect during the fiscal period, and:
 - a) Observed that the managing board met (with a quorum) at least twice monthly, in accordance with the Board's charter.
Results: No exceptions were found as a result of applying the procedure.
 - b) For those entities reporting on the governmental accounting model, observed that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds.

Results: No exceptions were found as a result of applying the procedure.

- c) For governmental entities, obtained the prior year audit report and observed the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observed that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

Results: No exceptions were found as a result of applying the procedure.

Collections

2. Obtained a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly selected 5 deposit sites.

Results: No exceptions were found as a result of applying the procedure.

3. For each deposit site selected, obtained a listing of collection locations and management's representation that the listing is complete. Randomly selected one collection location for each deposit site, obtained and inspected written policies and procedures related to employee job duties at each collection location, and observed that job duties are properly segregated at each collection location such that:

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

Results: No exceptions were found as a result of applying the procedure.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

Results: No exceptions were found as a result of applying the procedure.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

Results: No exceptions were found as a result of applying the procedure.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

Results: No exceptions were found as a result of applying the procedure.

4. Inquired of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

Results: No exceptions were found as a result of applying the procedure.

5. Randomly selected two deposit dates for 5 bank accounts and obtained supporting documentation for each of the 10 deposits and:

- a) Observed that receipts are sequentially pre-numbered.

Results: No exceptions were found as a result of applying the procedure.

- b) Traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Results: No exceptions were found as a result of applying the procedure.

- c) Traced the deposit slip total to the actual deposit per the bank statement.

Results: No exceptions were found as a result of applying the procedure.

- d) Observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

Results: No exceptions were found as a result of applying the procedure.

- e) Traced the actual deposit per the bank statement to the general ledger.

Results: No exceptions were found as a result of applying the procedure.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

- 6. Obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtained management's representation that the listing is complete.

- 7. Using the listing prepared by management, randomly selected 5 cards that were used during the fiscal period. Randomly selected one monthly statement or combined statement for each card, obtained supporting documentation, and:

- a) Observed that there is evidence that the monthly statement or combined statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.

Results: No exceptions were found as a result of applying the procedure.

- b) Observed that finance charges and late fees were not assessed on the selected statements.

Results: We noted that finance charges of \$85.02 and late fees of \$15 were assessed on one of the five cards selected for testing.

- 8. Using the monthly statements or combined statements selected under #5 above, excluding fuel cards, randomly selected 10 transactions from each statement, and obtained supporting documentation for the transactions. For each transaction, observed that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written

documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

Results: No exceptions were found as a result of applying the procedure.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of procedures performed on those C/C areas identified in the SAUPs, and the result of the procedures performed, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Carr, Riggs & Ingram, L.L.C.

June 28, 2019



St. Bernard Parish Government

8201 West Judge Perez Drive Chalmette, Louisiana, 70043
(504) 278-4227 Fax (504) 278-4330
www.sbpq.net

Guy McInnis
Parish President

June 28, 2019

Louisiana Legislative Auditor
1600 North 3rd Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

And

Carr, Riggs & Ingram, LLC
111 Veterans Blvd.
Suite 350
Metairie, LA 70005

RE: Management's Response to Statewide Agreed-Upon Procedures
St. Bernard Parish Government

Dear Sirs:

In response to exception 15b:

The Parish will continue to emphasize the importance of paying credit card invoices on time.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bl. Ellinwood".

Blair Ellinwood
Director of Finance
St. Bernard Parish Government