

# PARISH OF ST. CHARLES

HAHNVILLE, LOUISIANA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2003

PREPARED BY:  
Department of Finance  
Lorrie R. Toups, CPA  
DIRECTOR OF FINANCE

COVER ART BY:  
JANIQUE CRENSHAW  
DESTREHAN HIGH SCHOOL

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-14-04

**Parish of St. Charles  
Comprehensive Annual Financial Report  
For The Year Ended December 31, 2003**

**TABLE OF CONTENTS**

	<u>Exhibit</u>	<u>Page</u>
<b><u>Introductory Section</u></b>		
Letter of Transmittal .....		v
Certificate of Achievement for Excellence in Financial Reporting .....		x
Principal Officials .....		xi
Organizational Chart .....		xii
<b><u>Financial Section</u></b>		
Independent Auditor's Report .....		1
Management's Discussion and Analysis .....		3
<b>Basic Financial Statements:</b>		
<b>Government-wide Financial Statements:</b>		
Statement of Net Assets .....	A-1	11
Statement of Activities .....	A-2	12
<b>Fund Financial Statements:</b>		
<b>Governmental Funds:</b>		
Balance Sheet .....	A-3	14
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets ..	A-4	16
Statement of Revenues, Expenditures, and Changes in Fund Balances .....	A-5	17
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	A-6	19
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund .....	A-7	20
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Roads and Drainage Maintenance and Operation Fund .....	A-8	25
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Recreation Maintenance & Operation Fund .....	A-9	27
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Sewer General Obligation Sinking Fund .....	A-10	28
<b>Proprietary Funds:</b>		
Combining Statement of Net Assets .....	A-11	29
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets.....	A-12	31
Combining Statement of Cash Flows .....	A-13	32
<b>Discretely Presented Component Units:</b>		
Combining Statement of Net Assets .....	A-14	33
Combining Statement of Activities .....	A-15	35
<b>Notes to the Financial Statements:</b>		
Note 1 Summary of Significant Accounting Policies .....	A-16	37
Note 2 Stewardship, Compliance, and Accountability .....	A-16	45
Note 3 Cash, Cash Equivalents, and Investments .....	A-16	48

**Parish of St. Charles  
Comprehensive Annual Financial Report  
For The Year Ended December 31, 2003**

**TABLE OF CONTENTS (CONTINUED)**

	<u>Exhibit</u>	<u>Page</u>
<b><u>Financial Section (Continued)</u></b>		
Notes to the Financial Statements Continued:		
Note 4 Receivables .....	A-16	49
Note 5 Due From Other Governments .....	A-16	49
Note 6 Restricted Assets .....	A-16	49
Note 7 Capital Assets .....	A-16	50
Note 8 Interfund Assets/Liabilities .....	A-16	53
Note 9 Interfund Transfers .....	A-16	54
Note 10 Operating Leases .....	A-16	54
Note 11 Long-Term Obligations .....	A-16	55
Note 12 Payable From Restricted Assets .....	A-16	57
Note 13 Reserved and Designated Fund Balances .....	A-16	58
Note 14 Property Taxes .....	A-16	58
Note 15 Sales and Use Tax .....	A-16	59
Note 16 Risk Management .....	A-16	59
Note 17 Commitments and Contingencies .....	A-16	60
Note 18 Conduit Debt Obligations .....	A-16	61
Note 19 Post Retirement Healthcare and Life Insurance Benefits .....	A-16	61
Note 20 Pensions .....	A-16	61
Note 21 Subsequent Events .....	A-16	62
Note 22 Selected Disclosures for Discretely Presented Component Units .....	A-16	62
Combining and Individual Fund Statements and Schedules:		
Nonmajor Governmental Funds:		
Combining Balance Sheet .....	B-1	71
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance .....	B-2	77
Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget & Actual:		
Fire Protection Special Revenue Fund .....	B-3	83
Governmental Buildings Maintenance & Operation Special Revenue Fund .....	B-4	84
Parish Transportation Special Revenue Fund .....	B-5	85
Road Lighting District No. 1 Special Revenue Fund .....	B-6	86
Mosquito Control Special Revenue Fund .....	B-7	87
Council on Aging Special Revenue Fund .....	B-8	88
Retired Senior Volunteer Program Special Revenue Fund .....	B-9	89
Public Health Unit Special Revenue Fund .....	B-10	90
Workforce Investment Act SDA 14 Special Revenue Fund .....	B-11	91
½% P.I. Sales Tax Sinking Debt Service Fund .....	B-12	92
P.I. 3/8% Sales Tax Sinking Debt Service Fund .....	B-13	93
½% P.I. Sales Tax Reserve Debt Service Fund .....	B-14	94
P.I. 3/8% Sales Tax Reserve Debt Service Fund .....	B-15	95
Emergency 911 Communication System G.O. Sinking Debt Service Fund .....	B-16	96
P.I. 1% Sales Tax Sinking Debt Service Fund .....	B-17	97
P.I. 1% Sales Tax Reserve Debt Service Fund .....	B-18	98
Fire Protection Sinking Debt Service Fund .....	B-19	99
Health Unit Sinking Debt Service Fund .....	B-20	100
Public Improvement Sales Tax Capital Project Fund .....	B-21	101

**Parish of St. Charles  
Comprehensive Annual Financial Report  
For The Year Ended December 31, 2003**

**TABLE OF CONTENTS (CONTINUED)**

	<u>Exhibit</u>	<u>Page</u>
<b><u>Financial Section (Continued)</u></b>		
Combining and Individual Fund Statements and Schedules continued:		
Nonmajor Governmental Funds continued:		
Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget & Actual:		
Recreational Facilities Capital Project Fund .....	B-22	102
ST-1996 Drainage Capital Project Fund .....	B-23	103
Front Foot Assessment Maintenance Capital Project Fund .....	B-24	104
Public Health Unit Capital Project Fund .....	B-25	105
Louisiana Community Development Block Grant Capital Project Fund .....	B-26	106
Bayou Trepagnier Pump Station Capital Project Fund .....	B-27	107
Schedule of Revenues, Expenditures, and Changes in fund Balance-Nonbudgeted Funds:		
Criminal Court Special Revenue Fund .....	B-28	108
Capital Assets Used in the Operations of Governmental Funds:		
Comparative Schedules By Source .....	C-1	109
Schedule By Function and Activity .....	C-2	110
Schedule of Changes By Function and Activity .....	C-3	111
Nonmajor Component Units:		
Balance Sheet .....	D-1	113
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Assets .....	D-2	114
Statement of Revenues, Expenditures, and Changes in Fund Balances .....	D-3	115
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	D-4	116
Schedules of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual:		
Communications District-Discretely Presented Component Unit .....	D-5	117
Library Service District-Discretely Presented Component Unit .....	D-6	118
Schedules (Supplementary Financial Information):		
Wireless E911 Service Charges (Unaudited) .....	E-1	119
Schedule of Council Members and Parish President Compensation .....	E-2	120
Consolidated Waterworks & Wastewater District No.1:		
Schedule of Insurance Policies in Force (Unaudited) .....	E-3	121
Schedule of Metered Customers (Unaudited) .....	E-4	121
<b><u>Statistical Section (Unaudited)</u></b>		
General Governmental Expenditures by Function – Governmental Fund Types .....	F-1	122
General Governmental Revenues By Source .....	F-2	123
General Governmental Tax Revenues By Source .....	F-2A	124
Property Tax Levies and Collections .....	F-3	125
Recap of Tax Millage per \$1,000 of Assessed Value .....	F-3A	126
Assessed Value of Taxable Property .....	F-4	127
Assessed and Estimated Actual Value of Taxable Property .....	F-5	128
Value of Exempt Industrial Property .....	F-6	129
Parishwide Property Tax Millage .....	F-7	130

**Parish of St. Charles  
Comprehensive Annual Financial Report  
For The Year Ended December 31, 2003**

**TABLE OF CONTENTS (CONTINUED)**

	<u>Exhibit</u>	<u>Page</u>
<b><u>Statistical Section (Unaudited-Continued)</u></b>		
Property Tax Bonded Debt-Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita .....	F-8	131
Sales Tax Bonds-Ratio of Net Bonded Debt to Total Sales .....	F-9	132
Legal Debt Margin .....	F-10	133
Ratio of Annual Debt Service for General Bonded Debt to Total General Governmental Expenditures .....	F-11	134
Computation of Direct and Overlapping Bonded Debt-General Obligations Bonds .....	F-12	135
Revenue Bond Coverage .....	F-13	136
Property Value, Construction and Bank Deposits .....	F-14	137
Principal Property Tax Payers .....	F-15	138
Demographic Statistics .....	F-16	139
<b><u>Single Audit Section</u></b>		
Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Basic Financial Statements Performed in Accordance With Government Auditing Standards .....		140
Schedule of Expenditures of Federal Awards .....		142
Notes to the Schedule of Expenditures of Federal Awards .....		144
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133 .....		145
Schedule of Findings and Questioned Costs .....		147
Schedule of Prior Year Findings .....		149
Management's Corrective Action Plan .....		150

June 1, 2004

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

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Parish of St. Charles (the Parish) for the fiscal year ended December 31, 2003.

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

The Parish's financial statements have been audited by Stagni & Company, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Parish for the fiscal year ended December 31, 2003, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a

reasonable basis for rendering an unqualified opinion that the Parish's financial statements for the fiscal year ended December 31, 2003, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Parish was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in this comprehensive annual financial report.

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

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

The Parish is located approximately 25 miles up river from New Orleans. It has an estimated population of 49,820. The Parish is bisected by the Mississippi River, bordered by Lake Pontchartrain on the north, Lake Salvador on the south, Jefferson Parish on the east and by Lake Des Allemands, Lafourche Parish, and St. John the Baptist Parish on the west.

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

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

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

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

The level of budgetary control is at the fund/department level and expenditures may not exceed budgeted appropriations. Appropriations which are not expended nor encumbered lapse at year-end.

Budget for the general, special revenue (except for the criminal court fund), debt services, and capital projects funds are adopted on a modified accrual basis of accounting. Budgets for the proprietary funds are adopted on an accrual basis.

### **Factors Affecting Financial Condition**

**Local Economy.** As the national and local economies exited the business downturn of 2002, St. Charles Parish's economic development opportunities increased. The East Bank was a popular relocation destination for metro area businesses. The Department of Economic Development & Tourism continued its successful collaboration with Sealy and Company to further establish James Business Park as the premier business campus in the New Orleans area. On the West Bank, the US Hwy. 90 corridor remained the focal point for commercial activity such as the opening of Super 8 Motel and La Casa Del Sol Mexican restaurant in Luling.

In 2003, 131 new businesses registered with the Sales Tax Office, an increase of approximately 15% from the previous year's total. Fifty-five (55) businesses closed or changed owners in 2003, the same as last year's total.

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

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

cooperative endeavor formed by an initiative of the state treasurer and organized under the laws of the State of Louisiana, which operates as an investment pool.

The investment law for local governments and political subdivisions of the State of Louisiana was amended by Acts 374 and 1126 during the 1995 Legislative Session. The Acts require local governments to establish formal written investment policies. St. Charles Parish's investment policy addresses such topics as investment objectives, *broker/dealer selection*, *internal controls*, *ethics and conflicts of interest*, authorized investments, prohibited transactions and reporting requirements. This policy goes well beyond the requirements of Acts 374 and 1126 and should serve the Parish well for many years to come. The Parish's portfolio as of December 31, 2003 consists of interest bearing checking accounts, treasury notes, certificates of deposit, U. S. Government Agency securities (FNMA, FHLMC and FHLB Bonds) and investment in the LAMP.

**Risk management.** The Parish is insured for automobile liability, general liability, property, worker's compensation and unemployment insurance. Group health, life and accident insurance is provided through an insured minimum premium program, with a preferred provider network. In addition, various risk control techniques, including an employee safety program, drug free workplace program with drug screening for new employees and employees involved in on-the-job accidents, pre-employment evaluations and the development of a risk management program have been implemented to minimize accident related losses.

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

The Parish also provides post retirement healthcare and life insurance benefits for its retired employees and elected officials. There were twenty-seven participants in the Parish's post retirement benefits program at December 31, 2003. GAAP do not require governments to report a liability in the financial statements in connection with an employer's obligation to provide these benefits.

Additional information on the Parish's pension arrangements and postemployment benefits can be found in Notes 18 & 19 in the notes to the financial statements.

#### **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Parish of St. Charles for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2002. This was the eighth consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government

must publish an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

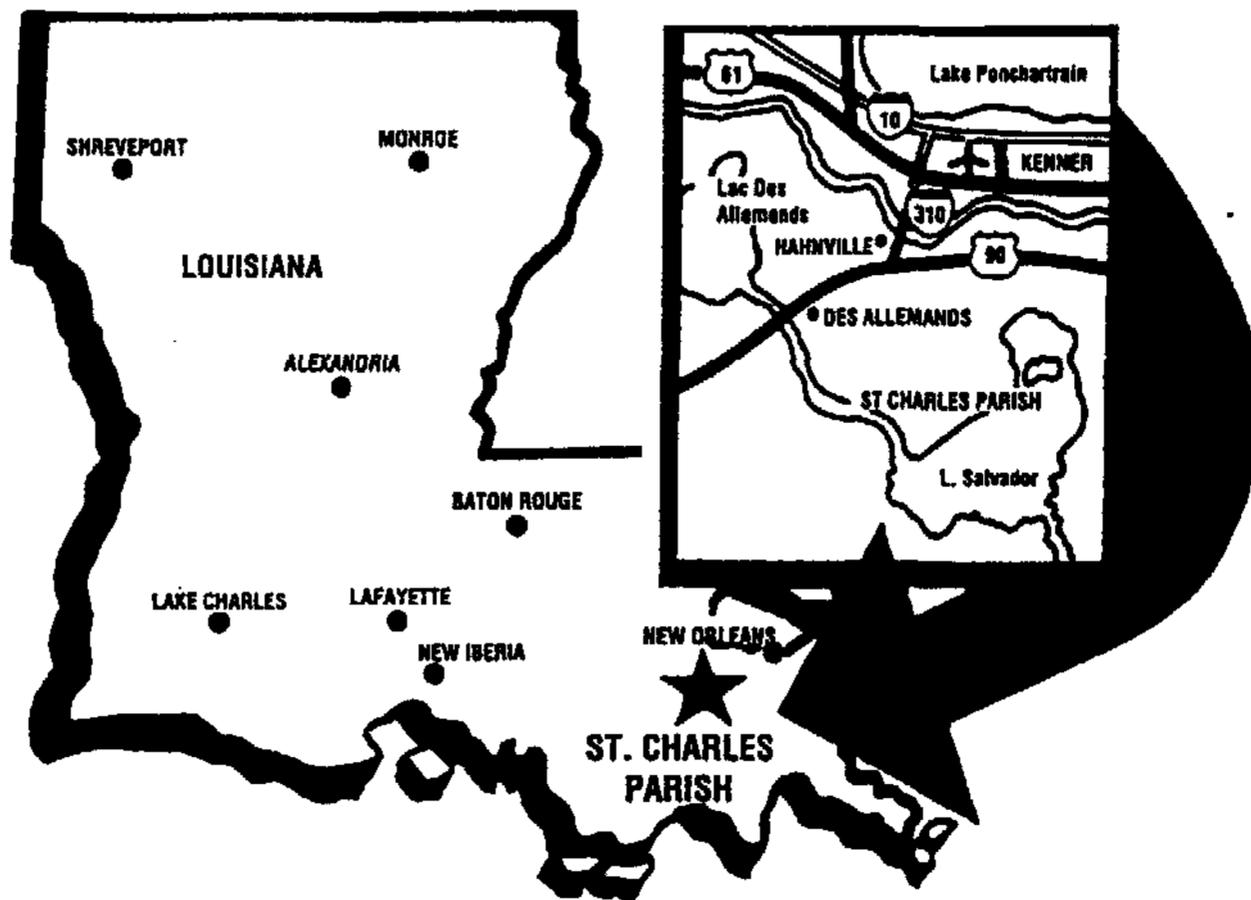
A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

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

Respectfully submitted,

A handwritten signature in cursive script that reads "Lorrie R. Toups".

Lorrie R. Toups, CPA  
Director of Finance



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Parish of St. Charles,  
Louisiana

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2002

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director



## **Parish of St. Charles**

December 31, 2003

### **PRINCIPAL OFFICIALS**

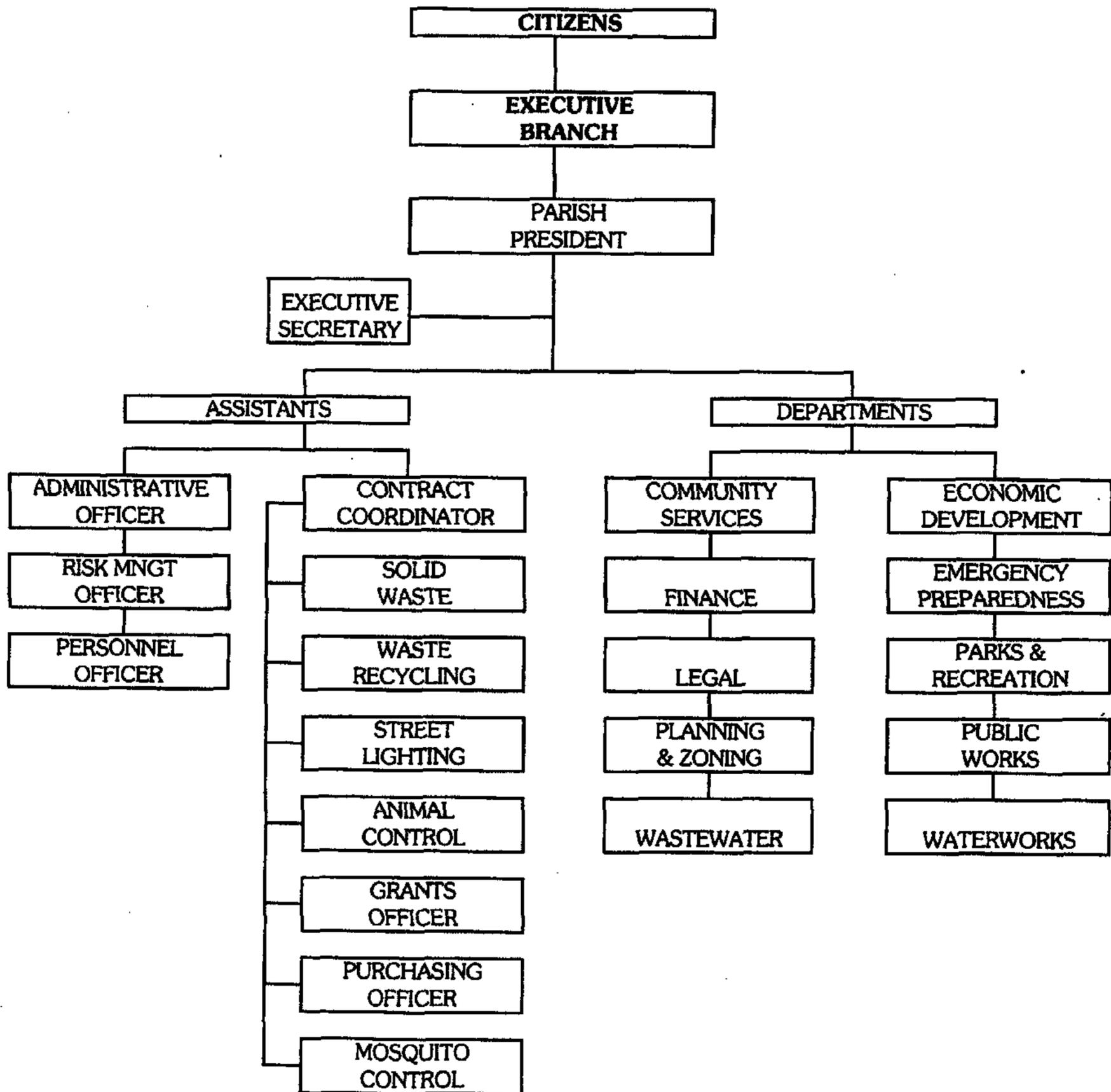
Lance Marino	Chairman
Desmond Hilaire	Vice-Chairman
Barbara Jacobs	Acting Secretary
Albert D. Laque	Parish President
Lorrie R. Toups, CPA	Finance Director

### **COUNCIL MEMBERS**

Ganesier "Ram" Ramachandram	Division A (At Large)
Clayton "Snookie" Fauchoux	Division B (At Large)
Desmond Hilaire	District I
Brian A. Fabre	District II
Darnell "Dee" Abadie	District III
Terry Authement	District IV
April Black	District V
Lance Marino	District VI
Barry Minnich	District VII

# PARISH OF ST. CHARLES

## ORGANIZATIONAL CHART





# STAGNI & COMPANY, LLC

## INDEPENDENT AUDITOR'S REPORT

To the President and Members of the  
St. Charles Parish Council  
Hahnville, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Parish of St. Charles, Louisiana (the "Parish"), as of and for the year ended December 31, 2003, which collectively comprise the Parish's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the Parish's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We did not audit the financial statements of two of the discretely presented component units. St. Charles Parish Hospital Service District's financial statements (proprietary fund type) reflect total assets and revenues of \$18,688,046 and \$20,161,050, respectively. Sunset Drainage District's financial statements (governmental fund type) reflect total assets and revenues of \$816,545 and \$300,571, respectively. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion on the basic financial statements, insofar as it relates to the amounts included for the discretely presented governmental or proprietary components units, is based 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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 St. Charles Parish Council as of December 31, 2003, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

207 LAFAYE AVENUE  
THIBODAUX, LA 70301  
PHONE (985) 447-7226  
FAX (985) 446-3032

11 JAMES BLVD., SUITE 210  
ST. ROSE, LA 70087  
PHONE (504) 468-2258  
FAX (504) 464-1473

A PROFESSIONAL SERVICE ORGANIZATION  
MEMBERS: AICPA • LCPA  
EMAIL: [stagni@stagni.com](mailto:stagni@stagni.com)  
INTERNET: <http://www.stagni.com>

To the President and Members of the  
St. Charles Parish Council  
Page 2 of 2

As described in Note 1, the Parish has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments, as of January 1, 2003.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 1, 2004 on our consideration of the Parish's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis and Budgetary Comparison Schedules marked as Required Supplementary Information, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The Introductory Section, Combining and Individual Fund Financial Statements and Schedules, Capital Assets Used in the Operations of Governmental Funds Schedules, Non-major Component Units Statements and Schedules, Supplementary Financial Information Schedules, and Statistical Tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the basic financial statements. The Combining and Individual Fund Financial Statements and Schedules, Capital Assets Used in the Operations of Governmental Funds Schedules, Non-major Component Units Statements and Schedules, Schedule of Council Members and Parish President Compensation and the Schedule of Expenditures of Federal Awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Introductory Section, Certain Supplemental Financial Information Schedules marked "Unaudited" and Statistical Tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

## **Stagni & Company**

St. Rose, Louisiana  
June 1, 2004



## PARISH OF ST. CHARLES

HAHNVILLE, LOUISIANA

### MANAGEMENT'S DISCUSSION AND ANALYSIS

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

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

#### FINANCIAL HIGHLIGHTS

- For the fiscal year ended December 31, 2003, the Parish implemented the following GASB standards: Statements Nos. 34, 36, 37, & 38 and Interpretation No. 6.
- During 2003, the Parish revised its policy for capitalizing assets by raising the capitalization threshold on movable capital assets to \$5,000. Items with an acquisition cost between \$1,500 and \$4,999 are safeguarded through an inventory control system. The Parish removed all items previously recorded with an historical cost between \$1,000 and \$4,999 effective January 1, 2003.
- The assets of the Parish exceeded its liabilities at the close of 2003 by \$211.1 million. Of this amount \$153.9 million is invested in capital assets including infrastructure. Infrastructure assets are only of value to the Parish and cannot be sold. Another \$40.1 million is considered unrestricted and may be used to meet government's ongoing needs. However, while these funds are described as unrestricted, the citizens have dedicated the revenues for very specific purposes. The unrestricted net assets of the Parish's business type activities are \$2.4 million and may be used to meet the ongoing obligations of the Parish's water, sewer and solid waste business-type activities.
- As of the close of the current year, the Parish's governmental funds reported a combined ending fund balance of \$53 million.
- In 2003, the Solid Waste Collection & Disposal Fund was reclassified from a Special Revenue Fund to a Proprietary Fund.
- At December 31, 2003, unreserved fund balance for the General fund was \$18.6 million, or 159% of total 2003 General Fund expenditures.

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

**OVERVIEW OF THE FINANCIAL STATEMENTS**

With the implementation of Governmental Accounting Standards Board Statement 34, a government's presentation of financial statements has been greatly changed. The new statements focus on the government as a whole (government-wide) and the major individual funds. Both perspectives (government-wide and major fund) allow the reader to address relevant questions, broaden a basis for comparison (year to year or government to government) and should enhance the Parish's accountability.

**Government-Wide Financial Statements**

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

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

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

The government-wide financial statements include not only the Parish itself (known as the primary government), but also four component units: St. Charles Parish Communications District, St. Charles Parish Library Service District No. 1, Sunset Drainage District of St. Charles Parish and St. Charles Parish Hospital Service District. Financial information for the last two component units is reported separately from the financial information presented for the primary government itself. Complete financial statements of these entities, which include separate MD&A's, may be obtained directly from their administrative offices.

The government-wide financial statements can be found on pages 11-12 of this report.

**Fund Financial Statements**

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

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

**Governmental Funds** are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The Governmental Major Fund (see Exhibits A-3 through A-10) presentation is presented on a modified accrual basis. This is the manner in which the financial plan is typically developed excluding certain timing differences between the budget basis and the generally accepted accounting principle (GAAP) basis. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's current financing requirements. The Parish has presented the General Fund, Road and Drainage M&O Fund, Recreation M&O Fund, and Sewer General Obligation Bond Sinking Fund as major governmental funds. All non-major governmental funds are presented in one column, titled Other Governmental Funds. Combining financial statements of the non-major funds can be found in the Combining and Individual Fund Statements and Schedules that follow the basic financial statements.

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

While the total column on the business-type fund financial statements for enterprise funds (see Exhibit A-11) is the same as the business-type column at the government-wide financial statement, the governmental major funds total column requires a reconciliation because of the different measurement focus which is reflected on the page following each statement (see Exhibits A-4 and A-6). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financing sources and will show capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the Governmental Activities column in the government-wide statements.

#### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are a required part of the basic financial statements and can be found on pages 37-67 of this report.

#### **Other Information**

The combining statements referred to earlier in connection with the non-major governmental funds are presented immediately following the notes. Combining and individual fund statements and schedules include Exhibits B-1 through B-28 of this report.

Certain supplementary financial information can be found in Exhibits E-1 through E-4 of this report. These schedules and the Statistical Section are included for additional information and analysis and do not constitute a part of the audited financial statements.

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

Also included in the report is the Office of Management and Budget A-133 Single Audit auditor reports, findings, and schedules. This information can be found under the Single Audit section.

The following table reflects the condensed Statement of Net Assets for 2003, (a comparative analysis of prior year is not presented in the implementation year but will be provided in future years when the information will be available):

**Parish of St. Charles**  
**Condensed Statement of Net Assets**  
**December 31, 2003**  
**(in thousands of dollars)**

	Governmental Activities <u>2003</u>	Business-Type Activities <u>2003</u>	Total <u>2003</u>
<b>Assets:</b>			
Current and other assets	\$ 73,694	\$ 6,170	\$ 79,864
Restricted assets	-	4,767	4,767
Capital assets	114,691	112,779	227,470
Total assets	<u>188,385</u>	<u>123,716</u>	<u>312,101</u>
<b>Liabilities:</b>			
Current liabilities	21,695	3,285	24,980
Long-term liabilities	62,590	13,455	76,045
Total liabilities	<u>84,285</u>	<u>16,740</u>	<u>101,025</u>
<b>Net assets:</b>			
Invested in capital assets net of debt	54,608	99,324	153,932
Restricted	11,858	5,207	17,065
Unrestricted	37,634	2,445	40,079
Total net assets	<u>\$ 104,100</u>	<u>\$ 106,976</u>	<u>\$ 211,076</u>

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

Approximately 73% (\$154 million) of the Parish's net assets as of December 31, 2003, reflects the government's investment in capital assets (land, buildings, infrastructure, machinery and equipment) less any related outstanding debt used to acquire those assets. The Parish uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Another 8% (\$17 million) of the Parish's net assets are subject to external restrictions on how those assets may be used, such as property tax approved by the electorate for specific purposes. The remaining 19% of net assets, referred to as unrestricted (\$40 million), may be used to meet ongoing obligations of the government to citizens and creditors.

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

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

The table below provides a summary of the changes in net assets for the year ended December 31, 2003, (a comparative analysis of prior year is not presented in the implementation year but will be provided in future years when the information will be available):

<b>Parish of St. Charles Changes in Net Assets (in thousands of dollars)</b>			
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
	<u>2003</u>	<u>2003</u>	<u>2003</u>
<b>Revenues:</b>			
<b>Program Revenues:</b>			
Charges for services	\$ 2,605	\$ 14,872	\$ 17,477
Operating grants & contributions	4,829	169	4,998
Capital grants & contributions	2,154	-	2,154
<b>General Revenues:</b>			
Ad valorem taxes	17,225	-	17,225
Sales taxes	18,044	-	18,044
Other taxes	820	-	820
Other	1,757	138	1,895
<b>Total Revenues</b>	<u>\$ 47,434</u>	<u>\$ 15,179</u>	<u>\$ 62,613</u>
<b>Expenses:</b>			
General government	\$ 9,047	\$ -	\$ 9,047
Public safety	4,755	-	4,755
Public works	10,476	-	10,476
Health & welfare	2,730	-	2,730
Culture & recreation	1,895	-	1,895
Economic development & assistance	2,803	-	2,803
Interest & other charges on long-term debt	2,410	-	2,410
Waterworks	-	6,803	6,803
Wastewater	-	10,061	10,061
Solid Waste	-	2,818	2,818
<b>Total Expenses</b>	<u>\$ 34,116</u>	<u>\$ 19,682</u>	<u>\$ 53,798</u>
Increase/(decrease) in net assets before transfers	13,318	(4,503)	8,815
Transfers	(913)	913	-
Increase/(decrease) in net assets	<u>12,405</u>	<u>(3,590)</u>	<u>8,815</u>
Net assets - January 1 (restated)	91,695	110,566	202,261
Net assets - December 31	<u>\$ 104,100</u>	<u>\$ 106,976</u>	<u>\$ 211,076</u>

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

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

*Governmental Funds:* The focus of the Parish's governmental funds is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in

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

assessing the Parish's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the primary government's governmental funds reported combined ending fund balances of \$53 million, a decrease of \$4.5 million in comparison with the prior year. Approximately 76% of this total amount (\$40.4 million) constitutes *unreserved fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *reserved* to indicate that is not available for new spending because it has already been committed to: (1) payment of debt service (\$8.8 million), (2) prepaid fees (\$232 thousand), (3) capital additions and improvements (\$1.4 million), or (4) sewerage and drainage projects (\$2.2 million).

The General Fund is the chief operating fund of the Parish. At the end of the current fiscal year, unreserved and undesignated fund balance of the General Fund was \$18.5 million, while total fund balance was \$18.6 million. Compared with total fund balance of \$18.1 million at the end of 2002, fund balance rose approximately \$.5 million during 2003. The increase in fund balance was primary a result of less expenditures than anticipated.

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

Unrestricted net assets of the Solid Waste Collection and Disposal Fund at December 31, 2003, reflected \$280 thousand.

Unrestricted net assets of the Wastewater Utility System were \$1.3 million at December 31, 2003. This fund encompasses all assets associated with sewerage operations, maintenance, and capital improvements held by the Parish. Restricted assets total over \$90.9 million, reflecting the heavy investment in capital assets.

Unrestricted net assets of the Waterworks Utility System were \$823 thousand at December 31, 2003. This fund encompasses all assets associated with waterworks operations, maintenance, billing & collection, distribution and capital improvements held by the Parish. Restricted assets total over \$13.5 million.

### **General Fund Budgetary Highlights**

The Parish's operating budget is prepared according to Louisiana law. During the course of the year, the Parish revises its budget to take into consideration significant changes in revenues and expenditures. Louisiana Revised Statute 39:1311 requires that the budget be revised if either expected revenues are less or anticipated expenditures are in excess of budgetary goals by five percent (5%) or more. The original budget for the Parish's operations was adopted on October 24, 2002 and the Parish Council adopted the final revisions to the budget on December 15, 2003.

A statement showing the Parish's original and final budget is provided in the CAFR on page 47. The Parish's year-end actual results were better than had been budgeted, as conservative

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

budgetary practices are customary. Revenues are forecast conservatively and expenditures are budgeted in anticipation of all possible costs and projects. The General Fund actual revenues exceeded projections by approximately \$1.6 million and expenditures were under final projections by \$2.6 million. The undesignated General Fund Balance of \$18.5 million represents approximately 150% of budgeted and actual expenditures.

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

**Capital Asset and Debt Administration**

The Parish's investment in capital assets for its governmental and business type activities as of December 31, 2003, amounts to \$153.9 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, wastewater treatment facilities, waterworks facilities, roads, highways, bridges, and drainage systems. The total increase in the Parish's investment in capital assets for the current fiscal year was \$17.8 million.

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

**Long-term Debt**

On December 1, 2003, the Parish issued \$21,875,000 in General Obligation Bonds with an average interest rate of 3.96% to advance refund \$9,370,000 of outstanding 1997 series General Obligation Sewer Bonds, and \$12,710,000 of outstanding 1998 General Obligation Sewer Bonds. The Parish completed the advance refunding to reduce its total debt service payments over the next 16 years by \$575,746 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$501,730.

On May 1, 2003, the Parish refunded and defeased in substance its outstanding 1991 series of Utility Revenue Bonds of \$3,270,000, carrying an average interest rate of 7.08%, with new 2003 series bonds of \$3,340,000, issued at an average interest rate 2.46%. Both series require level annual debt service payments with final payments due July 1, 2010.

The Parish's general obligation bond rating continues to carry the highest rating possible.

Sales tax bonds were issued in 2003 to provide funding for the building of the Bayou Trepagnier Pump Station located in the East Bank hurricane protection levee. One-half (50%) of the funding is from contributions from Shell Oil Company and Motiva Enterprises, both located on the East Bank of the Parish.

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

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

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

2003 was a rebound year for business investment in St. Charles Parish. For the year, approximately \$443 million of new investment was approved in St. Charles Parish, a staggering 72% increase from the annual total in 2002. The annual total placed St. Charles Parish third (3<sup>rd</sup>) in Louisiana, behind Cameron and East Baton Rouge Parishes. However, the Parish's average annual unemployment rate was 5.6%, up .4% from the year prior.

The Parish's elected and appointed officials considered many factors when preparing and adopting the 2004 budget. The priorities are as follows:

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

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

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

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

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

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

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

**Requests for Information**

This financial report is designed to provide a general overview of the finances of the Parish of St. Charles, 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 information should be addressed to the Finance Department, P.O. Box 302, Hahnville, LA 70057-0302.

**Parish of St. Charles**  
**Statement of Net Assets**  
**December 31, 2003**

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 709,617	\$ 785,154	\$ 1,494,771	\$ 155,371
Investments	52,358,682	2,517,913	54,876,595	6,701,291
Receivables, net	18,777,655	1,998,171	20,775,826	6,394,056
Due from component units	27,179	-	27,179	-
Due from other governments	1,446,306	67,972	1,514,278	-
Due from primary government	-	-	-	160,583
Inventory	-	156,529	156,529	636,776
Prepaid fees	232,257	16,021	248,278	126,672
Other assets	5,997	182	6,179	400
Deferred bond issuance costs	136,656	627,950	764,606	-
Restricted assets:				
Cash and cash equivalents	-	218,669	218,669	1,273,029
Investments	-	4,548,533	4,548,533	-
Capital assets:				
Non-depreciable	39,702,093	6,519,983	46,222,076	379,597
Depreciable, net	74,988,416	106,259,387	181,247,803	17,336,891
Total assets	<u>188,384,858</u>	<u>123,716,464</u>	<u>312,101,322</u>	<u>33,164,666</u>
<b>LIABILITIES</b>				
Cash overdrafts	\$ -	\$ -	\$ -	\$ 414,338
Accounts payable and other current liabilities	2,180,295	1,003,306	3,183,601	9,073,360
Internal balances	(1,060,576)	1,060,576	-	-
Due to component units	62,218	-	62,218	-
Due to other governments	555,501	-	555,501	-
Due to primary government	-	-	-	27,179
Interest payable	569,103	-	569,103	-
Liability insurance claims payable	1,209,319	-	1,209,319	1,265,849
Other liabilities and accruals	875,902	175,925	1,051,827	-
Deferred revenue	16,776,736	-	16,776,736	3,478,806
Deferred amount on refunding	526,489	(127,847)	398,642	-
Liabilities payable from restricted assets	-	1,172,906	1,172,906	-
Non-current liabilities:				
Due within one year	6,860,000	835,000	7,695,000	-
Due in more than one year	55,730,000	12,620,000	68,350,000	5,680,000
Other non-current liabilities	-	-	-	952,025
Total liabilities	<u>84,284,987</u>	<u>16,739,866</u>	<u>101,024,853</u>	<u>20,891,557</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	54,608,406	99,324,370	153,932,776	5,425,057
Restricted for:				
Debt service	9,675,207	1,476,389	11,151,596	-
Capital projects	2,182,891	3,730,505	5,913,396	-
Other Purposes	-	-	-	24,740
Unrestricted	37,633,367	2,445,334	40,078,701	6,823,312
Total net assets	<u>\$ 104,099,871</u>	<u>\$ 106,976,598</u>	<u>\$ 211,076,469</u>	<u>\$ 12,273,109</u>

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

**Parish of St. Charles**  
**Statement of Activities**  
For the Year Ended December 31, 2003

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 9,047,181	\$ 2,503,272	\$ 2,143,071	\$ -
Public safety	4,754,617	-	115,771	-
Public works	10,476,106	52,201	172,269	2,015,053
Health and welfare	2,730,086	-	96,860	-
Culture and recreation	1,895,257	49,422	-	139,439
Economic development and assistance	2,802,533	-	2,300,553	-
Interest & other charges on long-term debt	2,410,284	-	-	-
<b>Total governmental activities</b>	<b>34,116,064</b>	<b>2,604,895</b>	<b>4,828,524</b>	<b>2,154,492</b>
Business-type activities:				
Waterworks utility system	6,803,241	5,459,475	5,919	-
Wastewater utility system	10,060,717	6,812,540	163,039	-
Solid waste collection and disposal	2,818,109	2,600,665	-	-
<b>Total business-type activities</b>	<b>19,682,067</b>	<b>14,872,680</b>	<b>168,958</b>	<b>-</b>
<b>Total primary government</b>	<b>\$ 53,798,131</b>	<b>\$ 17,477,575</b>	<b>\$ 4,997,482</b>	<b>\$ 2,154,492</b>
<b>Component units:</b>				
Communications district	\$ 1,003,863	\$ 452,515	\$ 647,114	\$ -
Library service district no. 1	2,575,350	28,269	68,144	-
Sunset drainage district	404,234	-	-	-
Hospital service district	24,117,879	15,004,437	5,833,067	-
<b>Total component units</b>	<b>\$ 28,101,326</b>	<b>\$ 15,485,221</b>	<b>\$ 6,548,325</b>	<b>\$ -</b>

General revenues:

Taxes:

Ad valorem taxes

Sales taxes

Maintenance tax

Alcoholic beverage tax

Airport expansion agreement

Cable TV franchise tax

Investment earnings

Miscellaneous

Gain (loss) on sale of capital assets

Transfers (to) from other funds

Total general revenues and transfers

Changes in net assets

Net assets—beginning as restated

Net assets—ending

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

**Net (Expense) Revenue and  
Changes in Net Assets**

<b>Primary Government</b>			
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Component Units</b>
\$ (4,400,838)	\$ -	\$ (4,400,838)	
(4,638,846)	-	(4,638,846)	
(8,236,583)	-	(8,236,583)	
(2,633,226)	-	(2,633,226)	
(1,706,396)	-	(1,706,396)	
(501,980)	-	(501,980)	
(2,410,284)	-	(2,410,284)	
<u>(24,528,153)</u>	<u>-</u>	<u>(24,528,153)</u>	<u>-</u>
-	(1,337,847)	(1,337,847)	
-	(3,085,138)	(3,085,138)	
-	(217,444)	(217,444)	
-	<u>(4,640,429)</u>	<u>(4,640,429)</u>	<u>-</u>
<u>\$ (24,528,153)</u>	<u>\$ (4,640,429)</u>	<u>\$ (29,168,582)</u>	<u>\$ -</u>
			95,766
			(2,478,937)
			(404,234)
			<u>(3,280,375)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,067,780)</u>
\$ 17,225,420	\$ -	\$ 17,225,420	\$ 6,585,155
18,043,803	-	18,043,803	-
-	-	-	210,127
57,616	-	57,616	-
279,991	-	279,991	-
482,355	-	482,355	-
885,459	137,953	1,023,412	125,023
871,533	-	871,533	82,442
-	-	-	1,262
(913,000)	913,000	-	-
<u>36,933,177</u>	<u>1,050,953</u>	<u>37,984,130</u>	<u>7,004,009</u>
12,405,024	(3,589,476)	8,815,548	936,229
91,694,847	110,566,074	202,260,921	11,336,880
<u>\$ 104,099,871</u>	<u>\$ 106,976,598</u>	<u>\$211,076,469</u>	<u>\$12,273,109</u>

**Parish of St. Charles**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2003**

	<u>General Fund</u>	<u>Road &amp; Drainage Maintenance &amp; Operation</u>	<u>Recreation Maintenance &amp; Operation</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 57,863	\$ 490,431	\$ 2,906
Investments	17,391,529	16,896,293	638,824
Receivables, net:			
Ad valorem taxes	2,353,585	4,178,497	2,067,041
Sales taxes	808,164	923,614	-
Accounts	13,733	26,185	1,796
Other	148,443	40,711	512
Due from other funds	1,468,181	-	-
Due from component units	27,179	-	-
Due from other governments	937,803	62,011	89,900
Prepaid fees	143,342	-	236
Other assets	2,220	1,125	450
<b>Total assets</b>	<u><u>\$ 23,352,042</u></u>	<u><u>\$ 22,618,867</u></u>	<u><u>\$ 2,801,665</u></u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	454,099	1,039,475	16,774
Contracts payable	-	108,036	5,532
Due to other funds	8,208	142,099	16,651
Due to component units	-	-	-
Due to other governments	84,092	201,174	-
Liability insurance claims payable	1,209,319	-	-
Other liabilities	609,912	141,151	31,267
Deferred revenues	2,388,989	4,193,755	2,067,041
<b>Total liabilities</b>	<u><u>4,754,619</u></u>	<u><u>5,825,690</u></u>	<u><u>2,137,265</u></u>
<b>Fund balances:</b>			
<b>Reserved for:</b>			
Debt service	-	-	-
Prepaid fees	143,342	-	236
Capital additions and improvements	-	1,409,996	-
Sewerage and drainage projects	-	-	-
<b>Unreserved, reported in:</b>			
General fund	18,454,081	-	-
Special revenue funds	-	15,383,181	664,164
Capital projects funds	-	-	-
<b>Total fund balances</b>	<u><u>18,597,423</u></u>	<u><u>16,793,177</u></u>	<u><u>664,400</u></u>
<b>Total liabilities and fund balances</b>	<u><u>\$ 23,352,042</u></u>	<u><u>\$ 22,618,867</u></u>	<u><u>\$ 2,801,665</u></u>

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

Sewer GO Sinking	Other Governmental Funds	Total Governmental Funds
\$ 145,214	\$ 13,203	\$ 709,617
3,548,422	13,883,614	52,358,682
3,347,613	4,856,622	16,803,358
-	-	1,731,778
-	-	41,714
-	11,139	200,805
-	70,210	1,538,391
-	-	27,179
-	356,592	1,446,306
-	88,679	232,257
-	2,202	5,997
<u>\$ 7,041,249</u>	<u>\$ 19,282,261</u>	<u>\$ 75,096,084</u>
115,361	283,692	1,909,401
-	157,326	270,894
16,580	294,277	477,815
-	62,218	62,218
-	270,235	555,501
-	-	1,209,319
-	93,572	875,902
<u>3,347,613</u>	<u>4,779,338</u>	<u>16,776,736</u>
<u>3,479,554</u>	<u>5,940,658</u>	<u>22,137,786</u>
3,561,695	5,219,547	8,781,242
-	88,679	232,257
-	-	1,409,996
-	2,165,951	2,165,951
-	-	18,454,081
-	2,147,470	18,194,815
-	3,719,956	3,719,956
<u>3,561,695</u>	<u>13,341,603</u>	<u>52,958,298</u>
<u>\$ 7,041,249</u>	<u>\$ 19,282,261</u>	<u>\$ 75,096,084</u>

**Parish of St. Charles**  
 Reconciliation of the Governmental Funds  
 Balance Sheet to the Statement of Net Assets  
 December 31, 2003

Fund Balances- total governmental funds		\$ 52,958,298
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Governmental capital assets	172,199,698	
Less accumulated depreciation	<u>(57,509,189)</u>	114,690,509
Assets used in governmental activities that are not financial resources and, therefore, are not reported in the governmental funds		
Deferred bond issuance cost		136,656
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
General obligation bonds	(38,410,000)	
Public improvement bonds	(24,180,000)	
Deferred amount on refunding	<u>(526,489)</u>	(63,116,489)
Interest Payable		<u>(569,103)</u>
Net assets of governmental activities		<u>\$ 104,099,871</u>



**ST. CHARLES PARISH**

*Where There's More To Life*

**Parish of St. Charles**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For The Year Ended December 31, 2003**

<b>REVENUES</b>	<u>General</u>	<u>Road &amp; Drainage Maintenance &amp; Operation</u>	<u>Recreation Maintenance &amp; Operation</u>
Taxes:			
Ad valorem taxes	\$ 2,196,157	\$ 3,989,007	\$ 1,987,128
Sales taxes	5,645,303	7,264,919	-
Other taxes	819,962	-	-
Licenses and permits	769,681	-	-
Intergovernmental revenues	2,143,071	1,723,823	92,000
Fees, charges and commissions	1,114,896	52,201	49,422
Fines and Forfeitures	16,796	-	-
Investment earnings	348,975	292,297	16,878
Miscellaneous	131,649	-	17,215
<b>Total revenues</b>	<u>13,186,490</u>	<u>13,322,247</u>	<u>2,162,643</u>
<b>EXPENDITURES</b>			
Current:			
General government	8,016,472	-	-
Public safety	1,669,620	147,985	-
Public works	143,184	3,751,264	-
Health and welfare	1,291,369	-	-
Culture and recreation	-	-	1,541,928
Economic development and assistance	460,419	-	-
Debt service:			
Principal	-	-	-
Interest and other charges	2,385	-	-
Capital outlay	102,504	15,577,939	601,574
<b>Total expenditures</b>	<u>11,685,953</u>	<u>19,477,188</u>	<u>2,143,502</u>
Excess (deficiency) of revenues over expenditures	<u>1,500,537</u>	<u>(6,154,941)</u>	<u>19,141</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds of refunding bonds	-	-	-
Payment to refunded bond escrow agent	-	-	-
Sale of assets-program earned	-	-	-
Transfers in	48,797	19,152	-
Transfers out	(1,018,936)	-	-
<b>Total other financing sources and uses</b>	<u>(970,139)</u>	<u>19,152</u>	<u>-</u>
Net change in fund balance	530,398	(6,135,789)	19,141
Fund balances—beginning	18,067,025	22,928,966	645,259
Fund balances—ending	<u>\$ 18,597,423</u>	<u>\$ 16,793,177</u>	<u>\$ 664,400</u>

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

Sewer GO Sinking	Other Governmental Funds	Total Governmental Funds
\$ 4,442,261	\$ 4,610,867	\$ 17,225,420
-	5,133,581	18,043,803
-	-	819,962
-	-	769,681
-	2,976,683	6,935,577
-	113,057	1,329,576
-	536,281	553,077
48,949	178,360	885,459
-	716,781	865,645
<u>4,491,210</u>	<u>14,265,610</u>	<u>47,428,200</u>
148,914	487,992	8,653,378
-	2,860,084	4,677,689
-	882,081	4,776,529
-	1,408,089	2,699,458
-	172,159	1,714,087
-	2,291,546	2,751,965
2,645,000	3,575,000	6,220,000
1,829,535	1,274,345	3,106,265
-	5,265,506	21,547,523
<u>4,623,449</u>	<u>18,216,802</u>	<u>56,146,894</u>
<u>(132,239)</u>	<u>(3,951,192)</u>	<u>(8,718,694)</u>
22,693,304	4,735,493	27,428,797
(22,351,339)	-	(22,351,339)
-	5,888	5,888
-	247,784	315,733
-	(209,797)	(1,228,733)
<u>341,965</u>	<u>4,779,368</u>	<u>4,170,346</u>
209,726	828,176	(4,548,348)
3,351,969	12,513,427	57,506,646
<u>\$ 3,561,695</u>	<u>\$ 13,341,603</u>	<u>\$ 52,958,298</u>

**Parish of St. Charles**  
**Reconciliation of The Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances**  
**to The Statement of Activities**  
**For The Year Ended December 31, 2003**

Net change in fund balances - total governmental funds \$ (4,548,348)

Amounts reported in governmental activities are different because:

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

Capital outlay	21,547,523	
Depreciation expense	<u>(6,432,674)</u>	15,114,849

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

Bond proceeds	(27,428,797)	
Payment to escrow agent	22,351,339	
Principal payments	<u>6,220,000</u>	1,142,542

Difference in interest expense on the modified accrual basis as reported in the fund statements versus interest expense on the full accrual basis.		126,877
--	--	---------

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Increase in accrued interest payable		<u>569,104</u>
--------------------------------------	--	----------------

Change in net assets of governmental activities		<u><u>\$ 12,405,024</u></u>
---	--	-----------------------------

**Parish of St. Charles**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance-Budget and Actual**  
**For The Year Ended December 31, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
<b>Taxes:</b>				
Ad valorem taxes	\$ 2,100,000	\$ 2,196,121	\$ 2,196,157	\$ 36
General sales tax (1/2%)	1,930,000	2,000,000	2,385,518	385,518
General sales tax (3/8%)	3,090,000	3,000,000	3,259,785	259,785
Alcoholic beverage tax	37,000	37,000	57,616	20,616
Airport expansion agreement	333,000	279,991	279,991	-
Cable TV franchise tax	420,250	420,250	482,355	62,105
<b>Total taxes</b>	<u>7,910,250</u>	<u>7,933,362</u>	<u>8,661,422</u>	<u>728,060</u>
<b>Licenses and permits:</b>				
Alcoholic beverage - low content	5,200	4,500	4,405	(95)
Alcoholic beverage - high content	9,000	7,500	7,279	(221)
License - occupational general	430,000	530,000	534,522	4,522
License - insurance	200,000	217,100	217,972	872
License - bingo	750	1,554	2,503	949
License - taxi cabs	1,200	1,950	3,000	1,050
<b>Total licenses and permits</b>	<u>646,150</u>	<u>762,604</u>	<u>769,681</u>	<u>7,077</u>
<b>Intergovernmental:</b>				
<b>Federal grants:</b>				
Civil defense	16,500	45,000	57,051	12,051
Department of transportation	-	-	4,989	4,989
Department of homeland security	-	-	2,516	2,516
JAIBG	63,936	68,436	86,120	17,684
NOAA-coastal impact assistance	-	289,221	289,221	-
Emergency food & shelter program	17,214	12,699	12,699	-
LIHEAP-Weatherization	20,000	10,000	15,096	5,096
CSBG-Administration	60,000	60,000	61,489	1,489
CSBG-Program activities	65,000	80,000	82,157	2,157
Summer food service program	28,000	23,458	23,458	-
Energy assistance	75,427	63,847	63,847	-
Home Program	140,000	179,221	179,221	-
Land lease	5,500	10,602	10,602	-
<b>Total federal grants</b>	<u>491,577</u>	<u>842,484</u>	<u>888,466</u>	<u>45,982</u>
<b>State grants:</b>				
Highway fund #2	50,000	50,000	50,000	-
Dept. of culture, recr., & tourism	-	7,500	7,500	-
Dept. of Natural Resources	18,000	17,432	17,432	-
Economic development enterprise fd.	10,000	32,419	43,511	11,092
Medicaid interview	3,500	4,298	4,298	-
<b>Total state grants</b>	<u>81,500</u>	<u>111,649</u>	<u>122,741</u>	<u>11,092</u>

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

(Continued)

**Parish of St. Charles**  
General Fund  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance-Budget and Actual  
For The Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES (continued)</b>				
<b>Intergovernmental (continued):</b>				
State shared:				
Severance tax	\$ 450,000	\$ 450,000	\$ 721,080	\$ 271,080
Parish royalty fund	40,000	30,000	25,982	(4,018)
Video poker	100,000	210,000	278,535	68,535
Total state shared	<u>590,000</u>	<u>690,000</u>	<u>1,025,597</u>	<u>335,597</u>
State payment in lieu of taxes	106,000	105,766	105,767	1
Local grants:				
Local match - JAIBG	-	500	500	-
<b>Total intergovernmental</b>	<u>1,269,077</u>	<u>1,750,399</u>	<u>2,143,071</u>	<u>392,672</u>
<b>Fees, charges &amp; commissions:</b>				
General government:				
Court costs, fees, charges	13,000	13,000	16,550	3,550
Zoning & subdivision fees	125,000	150,000	187,244	37,244
Sale of maps & publications	500	662	862	200
Miscellaneous revenues	200	268	404	136
Motor vehicle transaction fees	16,000	16,000	20,202	4,202
Drivers license reinstatement fees	600	843	779	(64)
Indirect cost allocation	300,000	500,000	841,504	341,504
Total general government	<u>455,300</u>	<u>680,773</u>	<u>1,067,545</u>	<u>386,772</u>
Public works:				
Weed & grass cutting charges	500	1,789	2,138	349
Weed & grass cutting - tax roll	3,000	9,059	9,059	-
Derelict structure charges	500	3,067	3,343	276
Total public works	<u>4,000</u>	<u>13,915</u>	<u>14,540</u>	<u>625</u>
Health and welfare:				
Animal control	2,500	2,500	2,961	461
Coroner	1,500	3,350	4,200	850
Institutional charges	10,000	17,500	25,650	8,150
Total health and welfare	<u>14,000</u>	<u>23,350</u>	<u>32,811</u>	<u>9,461</u>
<b>Total fees, charges &amp; commissions for services</b>	<u>473,300</u>	<u>718,038</u>	<u>1,114,896</u>	<u>396,858</u>
<b>Fines and forfeitures:</b>				
Court fines:				
Witness fees - deputies	300	525	575	50
Criminal jury fees	-	750	4,854	4,104
Juveniles fees	10,000	10,000	11,367	1,367
<b>Total fines and forfeitures</b>	<u>10,300</u>	<u>11,275</u>	<u>16,796</u>	<u>5,521</u>
<b>Uses of money and property:</b>				
Interest earnings	78,500	202,500	265,806	63,306
Royalties	10,000	62,000	83,169	21,169
<b>Total uses of money and property</b>	<u>88,500</u>	<u>264,500</u>	<u>348,975</u>	<u>84,475</u>

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

(Continued)

**Parish of St. Charles**  
General Fund  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance-Budget and Actual  
For The Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES (continued)</b>				
<b>Miscellaneous revenues:</b>				
Refunds-insurance	\$ -	\$ 29,598	\$ 29,598	\$ -
Gifts & donations	95,000	101,030	102,051	1,021
<b>Total miscellaneous revenues</b>	<u>95,000</u>	<u>130,628</u>	<u>131,649</u>	<u>1,021</u>
<b>Total revenues</b>	<u>10,492,577</u>	<u>11,570,806</u>	<u>13,186,490</u>	<u>1,615,684</u>
<b>EXPENDITURES</b>				
<b>General government:</b>				
<i>Legislative:</i>				
Parish Council	1,054,815	970,170	655,506	314,664
Ordinance and Proceedings	48,000	48,000	33,273	14,727
Public Information	182,797	179,273	147,483	31,790
Police Jury Association	39,300	39,300	38,305	995
<i>Judicial:</i>				
District Court	720,807	742,400	644,908	97,492
Grand Jury	15,000	17,010	12,178	4,832
District Attorney	1,030,299	1,083,593	1,088,543	(4,950)
Ward Courts	94,994	94,869	94,806	63
<i>Executive:</i>				
Parish President	334,478	330,966	312,535	18,431
<i>Elections:</i>				
Registrar of Voters	66,286	65,656	61,533	4,123
Elections	40,695	40,695	9,691	31,004
<i>Financial and Administration:</i>				
Finance	774,552	732,170	669,138	63,032
Purchasing	380,399	362,118	315,709	46,409
Personnel	290,014	286,740	269,608	17,132
Legal	321,155	261,113	208,334	52,779
Taxation-Collector	148,000	176,000	170,525	5,475
Indirect Cost Plan	-	(77,770)	(77,770)	-
<i>Other General Administration:</i>				
Planning and Zoning	1,161,171	809,007	724,005	85,002
Coastal Zone Management	248,787	556,915	515,008	41,907
Data Processing	1,518,621	1,793,436	707,395	1,086,041
Research and Investigations	104,500	104,500	71,359	33,141
Cable TV	50,000	550	510	40
General Government Buildings	1,902,482	1,342,512	1,191,366	151,146
Retirement System Contribution	76,700	72,372	72,372	-
Retired Employees Insurance	25,000	25,000	20,223	4,777
Risk Management	94,116	96,164	87,970	8,194
Grants Administration	75,649	75,509	74,463	1,046
<b>Total general government</b>	<u>10,798,617</u>	<u>10,228,268</u>	<u>8,118,976</u>	<u>2,109,292</u>

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

(Continued)

**Parish of St. Charles**  
General Fund  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance-Budget and Actual  
For The Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>EXPENDITURES (continued):</b>				
<b>Public safety:</b>				
Sheriff	\$ 1,590,722	\$ 1,124,739	\$ 833,619	\$ 291,120
Juvenile	243,716	103,739	77,601	26,138
Juvenile Accountability Incentive BG	63,926	97,967	105,833	(7,866)
Emergency Preparedness	242,770	234,774	237,715	(2,941)
Emergency Preparedness Subsidiary	236,580	229,038	167,555	61,483
EOC 24 Hour Coverage	224,867	225,331	223,267	2,064
Motor Vehicle	26,229	34,131	24,030	10,101
<b>Total public safety</b>	<u>2,628,810</u>	<u>2,049,719</u>	<u>1,669,620</u>	<u>380,099</u>
<b>Public works:</b>				
Drainage	77,725	77,725	77,725	-
Weed Control	78,370	74,021	65,459	8,562
<b>Total public works</b>	<u>156,095</u>	<u>151,746</u>	<u>143,184</u>	<u>8,562</u>
<b>Health and welfare:</b>				
Coroner	179,729	175,982	170,436	5,546
Animal Control	327,046	283,829	265,658	18,171
Community Action	433,286	407,599	388,528	19,071
Energy Assistance	83,790	64,430	64,704	(274)
Summer Feeding Program	59,725	55,829	56,028	(199)
FEMA	17,214	12,699	12,699	-
Doe-Weatherization	-	6,181	-	6,181
CSBG- Administration	60,290	61,253	61,490	(237)
CSBG- Program Support	64,042	81,214	82,156	(942)
LIHEAP - Weatherization / DOE	31,550	16,790	14,248	2,542
Home Program	213,456	182,082	175,422	6,660
<b>Total health and welfare</b>	<u>1,470,128</u>	<u>1,347,888</u>	<u>1,291,369</u>	<u>56,519</u>
<b>Economic development &amp; assistance:</b>				
Parish Farm Agent	70,854	72,706	60,821	11,885
Economic Development	626,711	366,660	337,499	29,161
Tourist Information Center	92,345	76,400	55,135	21,265
Veterans Service Officer	4,884	4,884	4,884	-
Public Housing	2,400	2,400	2,080	320
<b>Total economic development &amp; assistance</b>	<u>797,194</u>	<u>523,050</u>	<u>460,419</u>	<u>62,631</u>
<b>Debt Service:</b>				
Fiscal charges	10,000	10,000	2,385	7,615
<b>Total expenditures</b>	<u>15,860,844</u>	<u>14,310,671</u>	<u>11,685,953</u>	<u>2,624,718</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,368,267)</u>	<u>(2,739,865)</u>	<u>1,500,537</u>	<u>4,240,402</u>

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

(Continued)

**Parish of St. Charles**  
General Fund  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance-Budget and Actual  
For The Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>OTHER FINANCING SOURCES (USES)</b>				
<b>Transfers in:</b>				
1/2% P.I. Sales Tax Reserve	\$ 33,141	\$ 25,000	\$ 22,324	\$ (2,676)
Criminal court	-	-	26,473	26,473
<b>Total transfers in</b>	<u>33,141</u>	<u>25,000</u>	<u>48,797</u>	<u>23,797</u>
<b>Transfers out:</b>				
Criminal court fund	-	(94,000)	-	94,000
RSVP	(105,936)	(110,000)	(105,936)	4,064
Recreation	(30,500)	(30,500)	-	30,500
Solid Waste Collection & Disposal	-	(175,000)	(175,000)	-
Wastewater Utility System	(733,000)	(738,000)	(738,000)	-
<b>Total transfers out</b>	<u>(869,436)</u>	<u>(1,147,500)</u>	<u>(1,018,936)</u>	<u>128,564</u>
<b>Total other financing sources (uses)</b>	<u>(836,295)</u>	<u>(1,122,500)</u>	<u>(970,139)</u>	<u>152,361</u>
<b>Net change in fund balance</b>	<u>(6,204,562)</u>	<u>(3,862,365)</u>	<u>530,398</u>	<u>4,392,763</u>
<b>Fund balance-beginning</b>	<u>14,465,958</u>	<u>18,067,025</u>	<u>18,067,025</u>	<u>-</u>
<b>Fund balance-ending</b>	<u>\$ 8,261,396</u>	<u>\$ 14,204,660</u>	<u>\$ 18,597,423</u>	<u>\$ 4,392,763</u>

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

**Parish of St. Charles**  
**Road and Drainage Maintenance and Operation Fund**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance-Budget and Actual**  
**For The Year Ended December 31, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
<b>Taxes:</b>				
Ad valorem taxes	\$ 3,822,029	\$ 3,988,950	\$ 3,989,007	\$ 57
Sales taxes	6,386,167	6,386,167	7,264,919	878,752
Total taxes	<u>10,208,196</u>	<u>10,375,117</u>	<u>11,253,926</u>	<u>878,809</u>
<b>Intergovernmental revenues:</b>				
<b>Federal grants:</b>				
Hud-Economic Development Initiative	152,477	152,477	152,477	-
Disaster Relief	-	7,569	(80,554)	(88,123)
Hazard Mitigation	87,546	87,546	94,340	6,794
Federal Highway Administration	1,337,500	959,826	884,826	(75,000)
<b>State grants:</b>				
Department of Natural Resources	218,000	218,000	155,252	(62,748)
Rural Development	-	3,823	3,823	-
Disaster Relief	-	(143,268)	(55,145)	88,123
<b>State payment in lieu of taxes:</b>				
Division of Administration-facility planning	110,000	-	-	-
State payment in lieu of taxes	45,840	45,506	45,506	-
<b>Local grants:</b>				
Conservation of Natural Resources	500,000	523,298	523,298	-
Total intergovernmental revenues	<u>2,451,363</u>	<u>1,854,777</u>	<u>1,723,823</u>	<u>(130,954)</u>
<b>Fees, charges and commissions for services:</b>				
Derelect structure charges	-	9,427	9,428	1
Culvert fees	4,950	5,600	6,002	402
Miscellaneous fees	2,000	2,000	36,771	34,771
Total fees, charges, and commissions for services	<u>6,950</u>	<u>17,027</u>	<u>52,201</u>	<u>35,174</u>
<b>Uses of money and property:</b>				
Interest earnings	314,000	250,000	292,297	42,297
Total revenues	<u>12,980,509</u>	<u>12,496,921</u>	<u>13,322,247</u>	<u>825,326</u>

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

(Continued)

**Parish of St. Charles**  
**Road and Drainage Maintenance and Operation Fund**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance-Budget and Actual**  
**For The Year Ended December 31, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES</b>				
Current:				
Public safety	487,845	488,620	147,985	340,635
Public works	11,375,897	11,436,536	3,751,264	7,685,272
Capital outlay	16,093,876	11,279,127	15,577,939	(4,298,812)
<b>Total expenditures</b>	<u>27,957,618</u>	<u>23,204,283</u>	<u>19,477,188</u>	<u>3,727,095</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(14,977,109)</u>	<u>(10,707,362)</u>	<u>(6,154,941)</u>	<u>4,552,421</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
1% PIST Reserve fund	\$ 28,431	\$ 21,163	\$ 19,152	\$ (2,011)
<b>Net change in fund balance</b>	<u>(14,948,678)</u>	<u>(10,686,199)</u>	<u>(6,135,789)</u>	<u>4,550,410</u>
<b>Fund balance - beginning</b>	<u>19,310,340</u>	<u>22,928,966</u>	<u>22,928,966</u>	<u>                    </u>
<b>Fund balance - ending</b>	<u>\$ 4,361,662</u>	<u>\$ 12,242,767</u>	<u>\$ 16,793,177</u>	<u>\$ 4,550,410</u>

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

**Parish of St. Charles**  
**Recreation Maintenance & Operation Fund**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance-Budget and Actual**  
**For The Year Ended December 31, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 1,904,602	\$ 1,988,000	\$ 1,987,128	\$ (872)
Intergovernmental revenues:				
State grants:				
Rural development	-	92,000	92,000	-
Fees, charges and commissions:				
Rentals of parks and buildings	1,500	4,550	4,700	150
Admission fees	6,000	6,000	3,643	(2,357)
Registration fees-adult leagues	11,000	15,000	15,600	600
Registration fees-ID pictures	500	2,050	2,021	(29)
Registration fees-summer camp	14,000	11,420	11,420	-
Registration fees-youth tournaments	1,000	4,700	4,838	138
Sign advertising fees	5,000	7,200	7,200	-
Total fees, charges, and commissions	39,000	50,920	49,422	(1,498)
Uses of money and property:				
Interest earnings	21,390	15,000	16,878	1,878
Miscellaneous:				
Miscellaneous	-	45	45	-
Gifts and donations	500	16,950	16,950	-
Compensation for loss of assets	-	200	220	20
Total miscellaneous	500	17,195	17,215	20
Total revenues	1,965,492	2,163,115	2,162,643	(472)
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	2,100,156	2,020,077	1,541,928	478,149
Capital outlay	325,150	341,150	601,574	(260,424)
Total expenditures	2,425,306	2,361,227	2,143,502	217,725
Excess (deficiency) of revenues over (under) expenditures	(459,814)	(198,112)	19,141	217,253
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
General fund	30,500	30,500	-	(30,500)
Net change in fund balance	(429,314)	(167,612)	19,141	186,753
Fund balance - beginning	437,408	645,259	645,259	-
Fund balance - ending	\$ 8,094	\$ 477,647	\$ 664,400	\$ 186,753

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

**Parish of St. Charles**  
**Sewer General Obligation Sinking Fund**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance-Budget and Actual**  
**For The Year Ended December 31, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 4,258,099	\$ 4,442,199	\$ 4,442,261	\$ 62
Uses of money and property:				
Interest earnings	61,900	46,710	48,949	2,239
Total revenues	4,319,999	4,488,909	4,491,210	2,301
<b>EXPENDITURES</b>				
Current:				
General government	155,843	148,110	148,914	(804)
Debt service:				
Principal	2,645,000	2,645,000	2,645,000	-
Interest and other charges	1,494,766	1,836,731	1,829,535	7,196
Total expenditures	4,295,609	4,629,841	4,623,449	6,392
Excess (deficiency) of revenues over (under) expenditures	24,390	(140,932)	(132,239)	8,693
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds of refunding bond	-	22,746,286	22,693,304	(52,982)
Payment to refunded bond escrow agent	-	(22,404,321)	(22,351,339)	52,982
Total other financing sources (uses)	-	341,965	341,965	-
Net change in fund balance	24,390	201,033	209,726	8,693
Fund balance - beginning	3,343,939	3,351,969	3,351,969	-
Fund balance - ending	<u>\$ 3,368,329</u>	<u>\$ 3,553,002</u>	<u>\$ 3,561,695</u>	<u>\$ 8,693</u>

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

**Parish of St. Charles**  
**Statement of Net Assets**  
**Proprietary Funds**  
**December 31, 2003**

	Waterworks Utility System	Wastewater Utility System	Solid Waste Collection & Disposal Fund	Totals
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 376,902	\$ 11,723	\$ 396,529	\$ 785,154
Investments	816,332	1,577,521	124,060	2,517,913
Accounts receivable, net	1,147,781	632,316	217,360	1,997,457
Other receivables, net	314	400	-	714
Due from other funds	97,771	565,525	225,568	888,864
Due from other governments	-	67,972	-	67,972
Inventory	156,529	-	-	156,529
Prepaid fees	5,375	10,646	-	16,021
Utility deposits	-	182	-	182
Total current assets	<u>2,601,004</u>	<u>2,866,285</u>	<u>963,517</u>	<u>6,430,806</u>
Deferred bond issuance costs	<u>627,950</u>	<u>-</u>	<u>-</u>	<u>627,950</u>
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	18,225	3,975	-	22,200
Cash with fiscal agent	134,371	62,098	-	196,469
Investments	1,728,558	2,819,975	-	4,548,533
Total restricted assets	<u>1,881,154</u>	<u>2,886,048</u>	<u>-</u>	<u>4,767,202</u>
Capital assets:				
Land	118,913	373,316	-	492,229
Buildings & Improvements	34,512,993	106,206,003	-	140,718,996
Machinery & Equipment	2,709,305	10,387,295	-	13,096,600
Construction in progress	923,161	5,104,593	-	6,027,754
Total capital assets	<u>38,264,372</u>	<u>122,071,207</u>	<u>-</u>	<u>160,335,579</u>
Accumulated depreciation	<u>(17,434,216)</u>	<u>(30,121,993)</u>	<u>-</u>	<u>(47,556,209)</u>
Net capital assets	<u>20,830,156</u>	<u>91,949,214</u>	<u>-</u>	<u>112,779,370</u>
Total assets	<u>25,940,264</u>	<u>97,701,547</u>	<u>963,517</u>	<u>124,605,328</u>

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

(Continued)

Parish of St. Charles  
Statement of Net Assets  
Proprietary Funds  
December 31, 2003

	Waterworks Utility System	Wastewater Utility System	Solid Waste Collection & Disposal Fund	Totals
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	\$ 71,426	\$ 300,117	\$ 87,372	\$ 458,915
Contracts payable	-	544,391	-	544,391
Due to other funds	913,541	189,018	594,892	1,697,451
Other payables and accruals	85,833	88,935	1,157	175,925
Total current liabilities	<u>1,070,800</u>	<u>1,122,461</u>	<u>683,421</u>	<u>2,876,682</u>
Current liabilities payable from restricted assets:				
Contracts payable	159,564	-	-	159,564
Current maturities of long term debt	540,000	295,000	-	835,000
Accrued interest payable	134,371	62,098	-	196,469
Deposits	799,460	-	-	799,460
Due to other funds	251,989	-	-	251,989
Accounts payable	17,413	-	-	17,413
Total current liabilities payable from restricted assets	<u>1,902,797</u>	<u>357,098</u>	<u>-</u>	<u>2,259,895</u>
Noncurrent liabilities:				
Revenue bonds payable	8,705,000	3,915,000	-	12,620,000
Deferred amount on refunding	(127,847)	-	-	(127,847)
Total noncurrent liabilities	<u>8,577,153</u>	<u>3,915,000</u>	<u>-</u>	<u>12,492,153</u>
Total liabilities	<u>11,550,750</u>	<u>5,394,559</u>	<u>683,421</u>	<u>17,628,730</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	11,585,156	87,739,214	-	99,324,370
Restricted for debt service	888,374	588,015	-	1,476,389
Restricted for capital projects	1,092,520	2,637,985	-	3,730,505
Unrestricted	823,464	1,341,774	280,096	2,445,334
Total net assets	<u>\$ 14,389,514</u>	<u>\$ 92,306,988</u>	<u>\$ 280,096</u>	<u>\$ 106,976,598</u>

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

**Parish of St. Charles**  
**Proprietary Funds**  
**Combining Statement of Revenues, Expenses**  
**and Changes in Fund Net Assets**  
**For the year ended December 31, 2003**

	Waterworks Utility System	Wastewater Utility System	Solid Waste Collection & Disposal Fund	Totals
<b>OPERATING REVENUES</b>				
Charges for services	\$ 4,894,442	\$ 6,467,160	\$ 2,600,665	\$ 13,962,267
Connection and service fees	216,730	139,675	-	356,405
Sewer development revenues	-	203,178	-	203,178
Delinquent charges	318,135	-	-	318,135
Miscellaneous	30,168	2,527	-	32,695
Total operating revenues	<u>5,459,475</u>	<u>6,812,540</u>	<u>2,600,665</u>	<u>14,872,680</u>
<b>OPERATING EXPENSES</b>				
Personal services	2,861,035	2,728,273	40,396	5,629,704
Operating services	1,466,338	1,955,829	2,740,064	6,162,231
Materials and supplies	820,043	638,628	-	1,458,671
Other services and charges	66,056	98,778	18,438	183,272
Depreciation	1,151,557	4,042,343	-	5,193,900
Intergovernmental	-	196,583	19,211	215,794
Indirect cost allocation	-	271,810	-	271,810
Total operating expenses	<u>6,365,029</u>	<u>9,932,244</u>	<u>2,818,109</u>	<u>19,115,382</u>
Operating income (loss)	<u>(905,554)</u>	<u>(3,119,704)</u>	<u>(217,444)</u>	<u>(4,242,702)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment earnings	62,268	71,299	4,386	137,953
Ad valorem taxes for operations	2,098	4	-	2,102
Intergovernmental	3,821	163,035	-	166,856
Amortization - issuance costs	(112,596)	-	-	(112,596)
Bond interest and paying agent fees	(325,616)	(128,473)	-	(454,089)
Total non-operating revenues (expenses)	<u>(370,025)</u>	<u>105,865</u>	<u>4,386</u>	<u>(259,774)</u>
Income (loss) before contributions and transfers	<u>(1,275,579)</u>	<u>(3,013,839)</u>	<u>(213,058)</u>	<u>(4,502,476)</u>
Transfers in	<u>738,000</u>	<u>-</u>	<u>175,000</u>	<u>913,000</u>
Changes in net assets	<u>(537,579)</u>	<u>(3,013,839)</u>	<u>(38,058)</u>	<u>(3,589,476)</u>
Total net assets - beginning as restated	<u>14,927,093</u>	<u>95,320,827</u>	<u>318,154</u>	<u>110,566,074</u>
Total net assets - ending	<u>\$ 14,389,514</u>	<u>\$ 92,306,988</u>	<u>\$ 280,096</u>	<u>\$ 106,976,598</u>

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

**Parish of St. Charles**  
**Proprietary Funds**  
**Combining Statement of Cash Flows**  
**For The Year Ended December 31, 2003**

	Waterworks Utility System	Wastewater Utility System	Solid Waste Collection & Disposal Fund	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 5,472,910	\$ 7,109,450	\$ 2,621,048	\$ 15,203,408
Payments to suppliers	(1,831,277)	(2,627,332)	(2,657,286)	(7,115,895)
Payments to employees	(2,857,657)	(2,711,618)	(39,239)	(5,608,514)
Internal activity - payments to other funds	-	(468,393)	-	(468,393)
Other receipts (payments)	43,144	(400)	-	42,744
Net cash provided (used) by operating activities	<u>827,120</u>	<u>1,301,707</u>	<u>(75,477)</u>	<u>2,053,350</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Ad Valorem	2,098	4	-	2,102
Transfers from General Fund	741,821	-	175,000	916,821
Net cash provided (used) by noncapital financing activities	<u>743,919</u>	<u>4</u>	<u>175,000</u>	<u>918,923</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Revenue bonds principal payments	(365,000)	(290,000)	-	(655,000)
Interest paid on bonds	(366,685)	(132,750)	-	(499,435)
Paying agent fees	(325,616)	-	-	(325,616)
Acquisition and construction of assets	(1,099,860)	(3,384,323)	-	(4,484,183)
Federal grants-capital	-	637,642	-	637,642
Net cash provided (used) by capital and related financing activities	<u>(2,157,161)</u>	<u>(3,169,431)</u>	<u>-</u>	<u>(5,326,592)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sales & maturities of investments	713,784	-	291,974	1,005,758
Interest received on investments	62,268	71,299	4,186	137,753
Purchase of investments	-	1,802,572	-	1,802,572
Net cash provided (used) by investing activities	<u>776,052</u>	<u>1,873,871</u>	<u>296,160</u>	<u>2,946,083</u>
Net change in cash and cash equivalents	189,930	6,151	395,683	591,764
Balances - beginning of the year	339,568	71,645	846	412,059
Balances - end of the year	<u>\$ 529,498</u>	<u>\$ 77,796</u>	<u>\$ 396,529</u>	<u>\$ 1,003,823</u>

**RECONCILIATION OF YEAR END BALANCES TO STATEMENT OF NET ASSETS EXHIBIT A-11**

Cash and cash equivalents	\$ 376,902	\$ 11,723	\$ 396,529	\$ 785,154
Restricted cash and cash equivalents	18,225	3,975	-	22,200
Cash with fiscal agent	134,371	62,098	-	196,469
Total ending cash	<u>\$ 529,498</u>	<u>\$ 77,796</u>	<u>\$ 396,529</u>	<u>\$ 1,003,823</u>

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

Operating income (loss)	\$ (905,554)	\$ (3,119,704)	\$ (217,444)	\$ (4,242,702)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation expense	1,151,557	4,042,343	-	5,193,900
Change in assets and other liabilities:				
Receivables, net	(17,755)	296,510	(312,157)	(33,402)
Inventories	1,295	-	-	1,295
Accounts and other payables	597,577	88,386	454,124	1,140,087
Accrued expenses	-	(5,828)	-	(5,828)
Net cash provided by operating activities	<u>\$ 827,120</u>	<u>\$ 1,301,707</u>	<u>\$ (75,477)</u>	<u>\$ 2,053,350</u>

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

**Parish of St. Charles**  
**Combining Statement of Net Assets**  
**All Discretely Presented Component Units**  
**December 31, 2003**

	Governmental Fund Types		
	Communications District	Library Service District No. 1	Sunset Drainage District <sup>(1)</sup>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,305	\$ 2,422	\$ 148,690
Investments	569,416	6,131,875	-
Receivables, net:			
Ad valorem taxes	-	3,455,958	-
Maintenance taxes	-	27	174,696
Accounts	-	1,854	-
Other	68,284	-	3,203
Due from primary government	62,218	-	-
Inventory	24,740	-	-
Prepaid fees	-	-	-
Deposits and other assets	-	-	-
Restricted assets:			
Cash	-	-	-
Capital assets, net			
Land	-	-	-
Plant & equipment	492,252	2,848,724	489,956
Total assets	<u>1,219,215</u>	<u>12,440,860</u>	<u>816,545</u>
<b>LIABILITIES</b>			
Cash overdrafts	-	-	-
Accounts payable	25,654	15,290	4,555
Contracts payable	-	134,250	-
Bonds and notes payable - current	-	-	-
Due to primary government	8,449	18,730	-
Other liabilities	-	38,147	4,014
Deferred revenues - Ad valorem taxes	-	3,478,806	-
Non-current liabilities:			
General obligation bonds	-	-	-
Compensated absences payable	-	-	9,935
Other	-	-	-
Total liabilities	<u>34,103</u>	<u>3,685,223</u>	<u>18,504</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	492,252	2,848,724	489,956
Restricted for:			
Inventory	24,740	-	-
Unrestricted	668,120	5,906,913	308,085
Total net assets	<u>\$ 1,185,112</u>	<u>\$ 8,755,637</u>	<u>\$ 798,041</u>

(1) Audited by other auditors

(2) Audited by other auditors as of July 31, 2003.

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

Proprietary Fund Type

<u>Hospital Service District <sup>(2)</sup></u>	<u>Totals</u>
\$ 1,954	\$ 155,371
-	6,701,291
-	3,455,958
-	174,723
2,379,869	2,381,723
310,165	381,652
98,365	160,583
612,036	636,776
126,672	126,672
400	400
1,273,029	1,273,029
379,597	379,597
13,505,959	17,336,891
<u>18,688,046</u>	<u>33,164,666</u>
414,338	\$ 414,338
2,423,111	2,468,610
-	134,250
6,470,500	6,470,500
-	27,179
1,223,688	1,265,849
-	3,478,806
5,680,000	5,680,000
-	9,935
942,090	942,090
<u>17,153,727</u>	<u>20,891,557</u>
1,594,125	5,425,057
-	24,740
(59,806)	6,823,312
<u>\$ 1,534,319</u>	<u>\$ 12,273,109</u>

**Parish of St. Charles**  
**Combing Statement of Activities**  
**All Discretely Presented Component Units**  
**For The Year Ended December 31, 2003**

	Communications District	Library Service District No. 1	Sunset Drainage District <sup>(1)</sup>
<b>EXPENSES</b>	<u>\$ 1,003,863</u>	<u>\$ 2,575,350</u>	<u>\$ 404,234</u>
<b>PROGRAM REVENUES:</b>			
Charges for services	452,515	28,269	-
Operating grants and contributions	<u>647,114</u>	<u>68,144</u>	<u>-</u>
Net program (expenses) revenue	<u>95,766</u>	<u>(2,478,937)</u>	<u>(404,234)</u>
<b>GENERAL REVENUES:</b>			
Taxes:			
Ad Valorem	-	3,277,800	-
Maintenance	-	-	210,127
Investment earnings	4,780	96,050	8,002
Proceeds from sale of assets	-	1,262	-
Miscellaneous	<u>-</u>	<u>-</u>	<u>82,442</u>
Total general revenues	<u>4,780</u>	<u>3,375,112</u>	<u>300,571</u>
Change in net assets	100,546	896,175	(103,663)
Net assets, beginning	<u>1,084,566</u>	<u>7,859,462</u>	<u>901,704</u>
Net assets, ending	<u>\$ 1,185,112</u>	<u>\$ 8,755,637</u>	<u>\$ 798,041</u>

(1) Audited by other auditors

(2) Audited by other auditors as of July 31, 2003.

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

Hospital Service District <sup>(2)</sup>	Total all Component Units
<u>\$ 24,117,879</u>	<u>\$ 28,101,326</u>
15,004,437	15,485,221
<u>5,833,067</u>	<u>6,548,325</u>
<u>(3,280,375)</u>	<u>(6,067,780)</u>
3,307,355	6,585,155
-	210,127
16,191	125,023
-	1,262
<u>-</u>	<u>82,442</u>
<u>3,323,546</u>	<u>7,004,009</u>
43,171	936,229
<u>1,491,148</u>	<u>11,336,880</u>
<u>\$ 1,534,319</u>	<u>\$ 12,273,109</u>



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

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

In June 1999, the Governmental Accounting Standards board (GASB) unanimously approved Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments. Some of the significant changes in the Statement include the following:

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

These and other changes are reflected in the accompanying financial statements (including notes to the financial statements). The Parish has elected to implement the general provisions of the Statement in the current year and plans to retroactively report infrastructure.

**a. Financial Reporting Entity**

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

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

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

**Blended Component Unit**

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

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

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

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

**a. Financial Reporting Entity (continued)**

**Discretely Presented Component Units**

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

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

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

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

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

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

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

The Sunset Drainage District of St. Charles Parish has a fiscal year ending December 31. Separate audited financial reports, which include additional information that may be required of the district, are prepared by *T. S. Kearns & Co.* and can be obtained by contacting their office directly at 501 Canal Boulevard, Thibodaux, LA, 70301. More detailed information regarding operational results is available from the Parish for the period ending December 31, 2003.

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

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

St. Charles Parish Hospital Service District has a fiscal year ending on July 31. Separate audited financial reports containing additional information that may be required of the District, can be obtained from *LaPorte, Sehr, Romig & Hand* at 110 Veterans Memorial Boulevard, Suite 200, Metairie, LA 70005-4958. More detailed information regarding operational results is available from the Parish for the period ending July 31, 2003.

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

**a. Financial Reporting Entity (continued)**

**Other Related Organizations**

The Council is also responsible for appointing the members of the boards of other organizations, including the board members of the St. Charles Parish Housing Authority, however, the Parish's accountability for these organizations does not extend beyond making the appointments. The St. Charles Parish Housing Authority did not receive any financial support from the Parish during 2003.

**b. Basis of Presentation**

In accordance with Statement No. 34 of the GASB, "Basic Financial Statements and Management's Discussion and Analysis for State and local Governments", included in the Parish's Comprehensive Annual Financial Report for the year ended December 31, 2003 we have incorporated the Management's Discussion and Analysis (MD&A) and government-wide financial statements which include the Statement of Net Assets and the Statement of Activities.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS:**

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

**FUND FINANCIAL STATEMENTS:**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**GOVERNMENT-WIDE FINANCIAL STATEMENTS:**

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

**FUND FINANCIAL STATEMENTS:**

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

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

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

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

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

Expenditures are recognized in the accounting period in which the related fund liability is incurred, if measurable, except for the following: (1) principal and interest on long-term debt are recorded when due, and (2) claims and judgments, group health claims, arbitrage payable, net pension obligation and compensated absences are recorded as expenditures in the governmental fund type when paid with expendable available financial resources. Allocations of cost such as depreciation and amortization are not recognized in the governmental funds.

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

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

**d. Budgetary Data**

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

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

Budgets for the General Fund, Special Revenue Funds (excluding the Criminal Court Fund), Debt Service Funds and Capital Project Funds are adopted on a modified accrual basis of accounting. Proprietary funds are adopted on a basis consistent with generally accepted accounting principals (GAAP).

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

**e. Encumbrances**

The Parish does not use an encumbrance accounting system.

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

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

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

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

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

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

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

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

Short-term cash borrowing between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business type activities are reported in the government-wide financial statements as "internal balances."

**h. Inventories**

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

**i. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

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

**j. Restricted Assets – Enterprise Funds**

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

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

**k. Capital Assets**

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

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

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

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

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

GASB No. 34 requires the Parish to report and depreciate new infrastructure assets effective with the beginning of the current year. Infrastructure assets include roads, bridges, underground pipe (other than related utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the Parish. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The Parish has elected to implement the general provisions of GASB No. 34 in the current year.

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

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

**l. Compensated Absences**

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

**m. Long-Term Obligations**

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

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

**n. Net Assets**

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

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

**o. Interfund Transactions**

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

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

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

**p. Use of estimates**

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

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

**q. Changes in Accounting Principles and Restatement of Prior Year Fund Equity**

For the fiscal year ended December 31, 2003, the Parish implemented the following GASB standards:

- Statement No. 34 – *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*
- Statement No. 36 – *Recipient Reporting for Certain Shared Nonexchange Revenues*
- Statement No. 37 – *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus*
- Statement No. 38 – *Certain Financial Statement Note Disclosures*
- Interpretation No. 6 – *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements.*

During 2003, the Parish revised its policy for capitalizing assets by raising the capitalization threshold on movable capital assets to \$5,000. Items with an acquisition cost between \$1,500 and \$4,999 are safeguarded through an inventory control system. The Parish removed all items previously recorded with a historical cost between \$1,000 and \$4,999 effective January 1, 2003.

The transition from governmental fund balances/proprietary fund equity to net assets for December 31, 2002 is presented below:

	Governmental Activities	Business-Type Activities	Total Primary Government
Total fund balance/fund equity, as previously reported	\$ 57,824,800	\$ 99,446,417	\$ 157,271,217
Capital assets, net of depreciation	44,998,979	-	44,998,979
Capital assets - capitalization threshold adjustment	(4,702,719)	(1,706,839)	(6,409,558)
Capital contributions from developers	-	12,826,496	12,826,496
Infrastructure additions, net	57,533,995	-	57,533,995
General long-term debt	(63,960,208)	-	(63,960,208)
<b>Restated net assets, December 31, 2002</b>	<b>\$ 91,694,847</b>	<b>\$ 110,566,074</b>	<b>\$ 202,260,921</b>

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

**a. Budgets**

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

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

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

**a. Budgets (continued)**

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

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

The Council adopted budgets on all of its funds, except for the Criminal Court Special Revenue Fund, which is specifically excluded from the budgetary requirements of the Louisiana Local Government Budget Act. Governmental funds are adopted on a modified accrual basis of accounting and proprietary fund budgets are adopted on an accrual basis.

(continued on next page)

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

**b. Supplemental Budgetary Appropriations**

A reconciliation summary of the originally adopted budget to the final revised budget, including supplemental appropriations through December 31, 2003 follows:

	Original	Final	Variance - Positive (Negative)
<b>General Fund</b>			
Revenues and other financing sources	\$ 10,525,718	\$ 11,595,806	\$ 1,070,088
Expenditures and other financing uses	16,730,280	15,458,171	1,272,109
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>\$ (6,204,562)</u>	<u>\$ (3,862,365)</u>	<u>\$ 2,342,197</u>
<b>Special Revenue Funds</b>			
Revenues and other financing sources	\$ 23,511,135	\$ 23,423,345	\$ (87,790)
Expenditures and other financing uses	40,039,834	35,448,679	4,591,155
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>\$ (16,528,699)</u>	<u>\$ (12,025,334)</u>	<u>\$ 4,503,365</u>
<b>Debt Service Funds</b>			
Revenues and other financing sources	\$ 4,828,741	\$ 5,429,256	\$ 600,515
Expenditures and other financing uses	4,852,415	4,916,531	(64,116)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>\$ (23,674)</u>	<u>\$ 512,725</u>	<u>\$ 536,399</u>
<b>Capital Projects Funds</b>			
Revenues and other financing sources	\$ 4,472,989	\$ 32,596,453	\$ 28,123,464
Expenditures and other financing uses	8,414,940	34,727,047	(26,312,107)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>\$ (3,941,951)</u>	<u>\$ (2,130,594)</u>	<u>\$ 1,811,357</u>
<b>Enterprise Funds</b>			
Operating and non-operating revenues	\$ 20,791,705	\$ 16,405,201	\$ (4,386,504)
Operating and non-operating expenditures	21,513,697	20,668,944	844,753
Revenues over (under) expenses	<u>\$ (721,992)</u>	<u>\$ (4,263,743)</u>	<u>\$ (3,541,751)</u>

**c. Individual Fund Disclosures**

The following individual funds had actual expenditures over budgeted expenditures for the year ended December 31, 2003:

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>Special Revenue Funds:</b>			
Governmental Buildings Maintenance & Operation	\$ 673,226	\$ 673,298	\$ (72)
Council on Aging	656,605	656,649	(44)
<b>Capital Projects Funds:</b>			
ST-1996 Drainage	2,176,918	2,176,957	(39)

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

**DEPOSITS**

The table presented below is designed to disclose levels of risk assumed by the Parish based upon how its deposits were insured or secured with collateral at December 31, 2003. The categories of credit risk are defined as follows:

- Category 1 - Insured by FDIC or collateralized with securities held by the Parish (or public trust) or by its agent in its name.
- Category 2 - Uninsured but collateralized with securities held by the pledging financial institution's trust department or agent in the Parish's name.
- Category 3 - Uninsured and uncollateralized; or collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the Parish's name; or collateralized with no written or approved collateral agreement.

Type of Deposit	Total Bank Balance	Custody Credit Risk Category			Total Carrying Value
		1	2	3	
Demand Deposits	\$ 4,347,848	\$ 100,000	\$ 4,247,848	\$ -	\$ 1,713,440
Time Deposits	100,000	100,000	-	-	100,000
	<u>\$ 4,447,848</u>	<u>\$ 200,000</u>	<u>\$ 4,247,848</u>	<u>\$ -</u>	<u>\$ 1,813,440</u>

Reconciliation to Government-Wide Statement of Net Assets:

Unrestricted cash and cash equivalents	\$ 1,494,771
Restricted cash and cash equivalents	218,669
Certificate of Deposit, included in Investments	100,000
	<u>\$ 1,813,440</u>

**INVESTMENTS**

Investments at year-end are categorized below to give an indication of the level of market risk and custody credit risk assumed by the Parish. The categories of credit risk are as follows:

- Category 1 - Insured or registered, or securities held by the Parish or its agent in the Parish's name.
- Category 2 - Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Parish's name.
- Category 3 - Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the Parish's name.

At year-end, all investments of the Parish were classified as Category 1, and all investments were carried at amortized cost, since no securities had maturities in excess of one year.

Carrying amounts and fair values of investments at December 31, 2003 are as follows:

	Carrying Amount	Fair Value
Investments subject to categorization:		
U.S. Instrumentality Securities	\$ 26,158,382	\$ 26,078,467
Certificate of Deposit	100,000	100,268
	<u>26,258,382</u>	<u>\$ 26,178,735</u>
Investments not subject to categorization:		
Louisiana Asset Management Pool	33,166,746	
Total investments	<u>\$ 59,425,128</u>	

The investments in LAMP, a local government investment pool, are not evidenced by securities that exist in physical or book entry form and are not categorized. LAMP is administered by a non-profit corporation, Louisiana Asset Management Pool, Inc., which was organized under the laws of the State of Louisiana and is not required to be a registered investment company under the Investment Company Act of 1940. LAMP is governed by a board of fifteen members elected by the

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

**INVESTMENTS (CONTINUED)**

pool's participants each year, and is not subject to additional oversight. LAMP's primary objective is to maintain a stable net asset value while increasing its participant's liquidity and yield. To provide for this liquidity, all investments at the time of purchase have a maximum remaining maturity of 397 days and the dollar weighted average maturity of LAMP does not generally exceed 90 days. The fair values of LAMP's investments are determined on a weekly basis in order to monitor the variances between amortized cost and fair value. For purposes of determining participants' shares, investments are valued at amortized cost. Amortized cost approximates fair value. The fair value of the Parish's portion in LAMP is the same as the value of the pool shares.

**NOTE 4 - RECEIVABLES**

All receivables, except for ad valorem taxes are considered collectible as of December 31, 2003; accordingly, an allowance for uncollectibles is not considered necessary. As valorem taxes receivable are recorded net of an estimated uncollectible of three percent (3%) of gross taxes listed on the assessment roll. Of the total \$16,723,905 ad valorem taxes receivable \$14,448,168 was collected by the Sheriff in December 2003 and remitted to the Parish in January 2004.

The Consolidated Waterworks and Wastewater District, along with the Solid Waste Collection and Disposal Fund, considers unbilled receivables at year-end to be those amounts for services received by customers in the current year, but not actually billed by the District until the following year. Unbilled receivables amounted to \$449,901 for the Waterworks Utility System, \$631,896 for the Wastewater Utility System, and \$217,360 for the Solid Waste Collection and Disposal Fund.

**NOTE 5 - DUE FROM OTHER GOVERNMENTS**

Due from other governments by governmental agencies for the primary government at December 31, 2003, consists of the following:

	<u>Federal</u>	<u>State</u>	<u>Local</u>	<u>Other</u>	<u>Total</u>
<u>Governmental Activities:</u>					
General Fund	\$ 342,780	\$ 476,976	\$ 110,321	\$ 7,726	\$ 937,803
Road & Drainage Maintenance & Operation	16,508	5,503	40,000	-	62,011
Recreation Maintenance & Operation	-	89,900	-	-	89,900
Nonmajor governmental funds	274,141	69,564	-	12,888	356,593
<u>Business-type Activities:</u>					
Wastewater Utility System	67,971	-	-	-	67,971
<b>Totals</b>	<b>\$ 701,400</b>	<b>\$ 641,943</b>	<b>\$ 150,321</b>	<b>\$ 20,614</b>	<b>\$ 1,514,278</b>

**NOTE 6 - RESTRICTED ASSETS**

A breakdown by account of restricted and designated assets is as follows:

	<u>Waterworks Utility System</u>	<u>Wastewater Utility System</u>	<u>Total</u>
Customer Deposits	\$ 496,503	\$ -	\$ 496,503
Connection Fees	-	1,567,765	1,567,765
Revenue Bond Sinking	54,922	161,521	216,443
Revenue Bond Reserve	943,431	426,494	1,369,925
Capital Additions & Contingencies	251,927	668,170	920,097
Cash with Fiscal Agent	134,371	62,098	196,469
<b>Totals</b>	<b>\$ 1,881,154</b>	<b>\$ 2,886,048</b>	<b>\$ 4,767,202</b>

**NOTE 7 - CAPITAL ASSETS**

a. **Primary government capital asset activity for the year ended December 31, 2003, was as follows:**  
(See Note 1 - Summary of Significant Accounting Policies, section q for prior period adjustments shown in the adjustments column below.)

	Balance at December 31, 2002	Additions	Adjustments & Deletions	Balance at December 31, 2003
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 6,571,974	\$ -	\$ 9,769	\$ 6,581,743
Infrastructure	-	-	13,434,912	13,434,912
Construction in Progress	6,627,179	13,383,576	(325,317)	19,685,438
Total capital assets not being depreciated	<u>13,199,153</u>	<u>13,383,576</u>	<u>13,119,364</u>	<u>39,702,093</u>
Capital assets being depreciated:				
Buildings	12,223,805	28,722	(33,122)	12,219,405
Improvements other than buildings	25,435,061	3,316,817	(1,091,758)	27,660,120
Machinery & Equipment	19,486,506	1,810,056	(2,056,703)	19,239,859
Infrastructure	-	3,008,352	70,369,869	73,378,221
Total capital assets being depreciated	<u>57,145,372</u>	<u>8,163,947</u>	<u>67,188,286</u>	<u>132,497,605</u>
Less accumulated depreciation for:				
Buildings	\$ (6,111,146)	\$ (381,729)	\$ -	\$ (6,492,875)
Improvements other than buildings	(8,834,336)	(1,119,767)	-	(9,954,103)
Machinery & Equipment	(10,614,803)	(1,636,470)	58,575	(12,192,698)
Infrastructure	(25,574,805)	(3,294,708)	-	(28,869,513)
Total accumulated depreciation	<u>(51,135,090)</u>	<u>(6,432,674)</u>	<u>58,575</u>	<u>(57,509,189)</u>
Total capital assets being depreciated, net	<u>6,010,282</u>	<u>1,731,273</u>	<u>67,246,861</u>	<u>74,988,416</u>
Total governmental activities capital assets, net	<u>\$ 19,209,435</u>	<u>\$ 15,114,849</u>	<u>\$ 80,366,225</u>	<u>\$ 114,690,509</u>
<b>Business-type Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 492,229	\$ -	\$ -	\$ 492,229
Construction in Progress	1,880,689	5,076,379	(929,314)	6,027,754
Total capital assets not being depreciated	<u>2,372,918</u>	<u>5,076,379</u>	<u>(929,314)</u>	<u>6,519,983</u>
Capital assets being depreciated:				
Buildings & improvements	139,010,112	2,354,362	(645,478)	140,718,996
Machinery & Equipment	16,992,125	482,766	(4,378,291)	13,096,600
Total capital assets being depreciated	<u>156,002,237</u>	<u>2,837,128</u>	<u>(5,023,769)</u>	<u>153,815,596</u>
Less accumulated depreciation for:				
Buildings & improvements	\$ (37,589,940)	\$ (3,847,336)	\$ -	\$ (41,437,276)
Machinery & Equipment	(4,772,369)	(1,346,564)	-	(6,118,933)
Total accumulated depreciation	<u>(42,362,309)</u>	<u>(5,193,900)</u>	<u>-</u>	<u>(47,556,209)</u>
Total capital assets being depreciated, net	<u>113,639,928</u>	<u>(2,356,772)</u>	<u>(5,023,769)</u>	<u>106,259,387</u>
Total business-type activities capital assets, net	<u>\$ 116,012,846</u>	<u>\$ 2,719,607</u>	<u>\$ (5,953,083)</u>	<u>\$ 112,779,370</u>

**NOTE 7 - CAPITAL ASSETS (CONTINUED)**

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

Governmental Activities:	
General government	\$ 393,803
Public safety	76,928
Public works	5,699,577
Health & welfare	30,628
Culture & recreation	181,170
Economic development & assistance	50,568
Total depreciation expense - governmental activities	<u>\$ 6,432,674</u>
Business-type Activities:	
Waterworks Utility System	\$ 1,151,557
Wastewater Utility System	4,042,343
	<u>\$ 5,193,900</u>

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

Project Description	Project Authorization	Expended to December 31, 2003	Committed Financing	Required Financing
Roads & Drainage Maintenance & Operation	\$ 6,884,097	\$ 2,498,325	\$ 4,385,773	\$ -
Parishwide Wastewater Construction	642,364	642,364	-	-
ST-1996 Drainage	2,457,381	2,457,382	-	-
Bayou Trepagnier Construction	8,690,585	1,405,863	7,284,721	-
Public Health Unit Construction	-	1,827,578	-	-
Infrastructure	-	10,853,926	-	-
Total Construction Commitments	<u>\$ 18,674,427</u>	<u>\$ 19,685,438</u>	<u>\$ 11,670,494</u>	<u>\$ -</u>

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

Project Description	Project Authorization	Expended to December 31, 2003	Committed Financing
LA 18 Luling to Taft Water Main	\$ 965,763	\$ 596,416	\$ 369,347
Montz Water Tower Rehab	142,673	113,908	28,765
West Bank C Plant Clarifier Rehab	20,000	916	19,084
Water Systems Upgrades	822,517	147,193	675,324
Cajun Paradise Water Main	64,727	64,727	-
Acom Street Sewer Improvements	5,800	5,800	-
Beaupre Lift Station Rehabilitation	3,600	3,600	-
Bourg Street Lift Station Rehab	51,370	51,370	-
Force Main to Luling Oxidation Pond	6,117,365	4,919,619	1,197,746
Luling Oxidation Pond	124,205	124,205	-
Total Construction Commitments	<u>\$ 8,318,020</u>	<u>\$ 6,027,754</u>	<u>\$ 2,290,266</u>

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

e. **Infrastructure and maintenance commitments are as follows:**

<u>Project Description</u>	<u>Project Authorization</u>	<u>Expended to December 31, 2003</u>	<u>Committed Financing</u>
Three Year Road Maintenance (2000-2002)	\$ 3,154,726	\$ 3,099,915	\$ 54,811
Three Year Road Maintenance (2003-2005)	1,125,366	1,039,642	85,724
Bar None Drainage Outfall Study	7,500	7,319	181
Bar None East Ditch Jack & Bore	387,930	375,590	12,340
Bar None East Subsurface Drainage	258,223	244,098	14,125
Bar None East Subsurface Drainage (Phase II)	57,045	19,742	37,303
Bar None West Ditch Improvements (Phase I)	531,860	521,346	10,514
Bar None West Ditch Improvements (Phase II)	354,867	353,584	1,283
Barton Avenue Jack & Bore	135,449	135,449	-
Bayou Gauche Drainage Analysis	79,123	72,714	6,409
Bernice Drive Drainage Improvements	22,185	12,602	9,583
Boutte Drainage Project	404,901	400,184	4,717
Canal Maintenance Project	10,481	10,481	-
Dunlieth Canal Bank Stabilization (Phase V)	207,464	204,851	2,613
Dunlieth Canal Bank Stabilization (Phase VI)	207,552	200,088	7,464
Dunlieth Canal	581,569	545,310	36,259
East Bank Bridge Park Beautification	84,176	84,176	-
East Bank Bike Path	1,283,691	1,276,452	7,239
Evangeline Estates Jack & Bore	51,844	49,341	2,503
Fashion Plantation Estates Jack & Bore	32,069	24,034	8,035
Hahn Street Subsurface	80,614	36,143	44,471
Killona Drive Subsurface	48,301	48,301	-
Lakewood Drive Drainage Improvements	2,551,228	2,538,711	12,517
Monsanto Ditch Relocation Survey	19,294	13,506	5,788
Murray Hill Subsurface	50,235	39,357	10,878
New Sarpy Jack & Bore	206,113	201,469	4,644
Ormond Floodgate Project	20,000	17,000	3,000
Ormond Lake Culverts-Rosedown/Bocage Project	55,368	53,922	1,446
Ormond Lakes Drainage Analysis	52,210	49,686	2,524
Ormond Road Raising	865,133	851,870	13,263
Ormond Trace Canal	99,865	99,865	-
Parish Wide Canal Bank Stabilization	970,438	929,423	41,015
Paul Maillard Road/Boutte Canal Crossing	374,150	371,790	2,360
Paul Maillard Road Sidewalk Project	515,053	470,355	44,698
Permit Coordination & Preperation Services	100,955	100,955	-
Permits - Drainage Canals Cleaning	29,728	21,064	8,664
Primrose Box Culverts	54,057	29,406	24,651
South Destrehan Avenue Improvements	1,199,433	1,019,896	179,537
St. Rose Drainage Improvements	30,000	30,000	-
SugarHouse Road Jack & Bore	141,041	137,694	3,347
Talbot Drive Drainage Improvements	143,390	142,090	1,300
West Bank Hurricane Protection Levee	4,510,184	4,418,408	91,776
Willowdale Canal Bank Erosion Control Project	186,658	170,721	15,937
Miscellaneous	174,719	174,719	-
<b>Total</b>	<b>\$ 21,456,188</b>	<b>\$ 20,643,269</b>	<b>\$ 812,919</b>

**NOTE 8 - INTERFUND ASSETS/LIABILITIES**

**a. Balances due to/from other funds at December 31, 2003, consist of the following:**

\$ 399,400	Due to the General Fund from other governmental funds representing the 12/31/03 check batch.
1,068,783	Due to the General Fund from other proprietary funds representing the 12/31/03 check batch.
225,568	Due to the Solid Waste Collection & Disposal Fund from the Waterworks Utility System Fund representing December 2003 garbage and recycle billings.
70,210	Due to the Public Health Unit Construction Fund from the Public Health Unit Fund representing unpaid balances due on construction of the Community Care Center.
565,525	Due to the Wastewater Utility System Fund from the Waterworks Utility System Fund representing December 2003 sewer billings.
97,770	Due to the Waterworks Utility System Fund from the Solid Waste Collection & Disposal Fund and the Wastewater Utility System Fund representing December 2003 billing fees and 2003 bad debts.
<u>\$ 2,427,256</u>	

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

	Due From Other Funds	Due To Other Funds	Net Internal Balances
Balance Sheet - Governmental Funds	\$ 1,538,392	\$ (477,816)	\$ 1,060,576
Statement of Net Assets - Proprietary Funds	888,864	(1,949,440)	(1,060,576)
	<u>\$ 2,427,256</u>	<u>\$ (2,427,256)</u>	<u>\$ -</u>

**b. Receivable and payable balances at year-end between the Primary Government and Component Units were as follows:**

	Due (To)/From Primary Government	Due (To)/From Component Units
<u>Primary Government:</u>		
General Fund	\$ -	\$ 27,179
Special Revenue Funds:		
Governmental Buildings Maintenance & Operation	-	(62,218)
<u>Component Units:</u>		
Communications District	53,769	-
Library Service District	(18,730)	-
	<u>\$ 35,039</u>	<u>\$ (35,039)</u>

**NOTE 9 - INTERFUND TRANSFERS**

Interfund transfers for the year ended December 31, 2003, consisted of the following:

	Transfers From		
	General Fund	Nonmajor Governmental Funds	TOTAL
Transfers To General Fund	\$ -	\$ 48,797	\$ 48,797
Roads & Drainage M & O Fund	-	19,152	19,152
Nongovernmental Funds	105,936	141,848	247,784
Solid Waste Fund	175,000	-	175,000
Waterworks Utility Fund	738,000	-	738,000
<b>TOTAL</b>	<b>\$ 1,018,936</b>	<b>\$ 209,797</b>	<b>\$ 1,228,733</b>

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

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

	Transfers In	Transfers Out	Net Transfers
Statement of Revenues, Expenditures & Changes in Fund Balances - Governmental Funds	\$ 315,733	\$ (1,228,733)	\$ (913,000)
Statement of Revenues, Expenditures & Changes in Fund Balances - Proprietary Funds	913,000	-	913,000
<b>Totals</b>	<b>\$ 1,228,733</b>	<b>\$ (1,228,733)</b>	<b>\$ -</b>

**NOTE 10 - OPERATING LEASES**

The Parish has various operating leases for various periods of time for right of ways and office spaces. The total cost for operating leases for 2003 was \$107,031.

The minimum annual commitments under non-cancelable operating leases are as follows:

	Buildings	Other	Total
2004	\$ 79,209	\$ 300	\$ 79,509
2005	63,696	300	63,996
2006	14,040	300	14,340
<b>TOTALS</b>	<b>\$ 156,945</b>	<b>\$ 900</b>	<b>\$ 157,845</b>

**NOTE 11 - LONG-TERM OBLIGATIONS**

The following is a summary of the Parish's long-term debt transactions for the year ended December 31, 2003:

	Balance at 12/31/02	Additions	Retirements	Balance at 12/31/03	Due Within One Year
<b>Governmental Activities:</b>					
General obligation bonds	\$ 41,795,000	\$ 21,875,000	\$ (25,260,000)	\$ 38,410,000	\$ 3,520,000
Public improvement bonds	22,485,000	4,735,000	(3,040,000)	24,180,000	3,340,000
Less deferred amount on refunding	(319,792)	(271,338)	64,641	(526,489)	-
<b>Total governmental activities</b>	<b>\$ 63,960,208</b>	<b>\$ 26,338,662</b>	<b>\$ (28,235,359)</b>	<b>\$ 62,063,511</b>	<b>\$ 6,860,000</b>
<b>Business-Type Activities:</b>					
Revenue bonds	\$ 14,110,000	\$ 3,340,000	\$ (3,995,000)	\$ 13,455,000	\$ 835,000
Less deferred amount on refunding	-	(141,305)	13,458	(127,847)	-
<b>Total business-type activities</b>	<b>\$ 14,110,000</b>	<b>\$ 3,198,695</b>	<b>\$ (3,981,542)</b>	<b>\$ 13,327,153</b>	<b>\$ 835,000</b>

Long-term bonded debt outstanding as of December 31, 2003, consists of the following:

	Date of Issuance	Authorized and Issued	Interest Rate	Maturity Date	Principal Outstanding	Interest to Maturity
<b>GENERAL OBLIGATION BONDS:</b>						
Fire Protection Ref - 1999 (91)	06/01/92	\$ 1,920,000	3.9-4.1	03/01/06	\$ 900,000	\$ 55,845
Sewer Ref - 1992	06/01/92	8,890,000	6.00	03/01/04	1,150,000	34,500
Communications District No. 1 - 1993	05/01/93	1,350,000	4.8-5	03/01/08	610,000	80,395
Public Health Unit 2000	12/28/00	1,800,000	5.20-5.55	03/01/10	1,475,000	300,928
Sewer Series - 1997	10/07/97	17,000,000	3.95	03/01/18	4,525,000	2,332,376
Sewer Series - 1998	06/16/98	24,000,000	3.95	03/01/19	7,875,000	4,223,636
Sewer Ref - 2003	12/01/03	21,875,000	3.65-4.0	03/01/14	21,875,000	4,819,211
<b>Total general obligation bonds</b>					<b>38,410,000</b>	<b>11,846,891</b>
<b>PUBLIC IMPROVEMENT BONDS:</b>						
Sewer 1/2% Sales Tax Ref - 1993	11/01/93	4,260,000	4.3-4.5	11/01/05	985,000	66,570
Roads & Drainage 1% Sales Tax - 1996	01/01/96	19,375,000	4.85-5.3	12/01/10	10,805,000	2,360,773
PIST Refunding, Series 2002	03/06/02	9,545,000	3-4.25	11/01/10	7,655,000	1,200,012
PIST Series 2003	07/01/03	4,735,000	3.15-4.0	06/20/23	4,735,000	2,160,855
<b>Total public improvement bonds</b>					<b>24,180,000</b>	<b>5,788,210</b>
<b>REVENUE BONDS:</b>						
Consol. WW & Wstwr - Ref 2003 (91)	05/01/03	3,340,000	2.0-3.15	07/01/11	3,340,000	308,978
Consol. WW & Wstwr - Ref 1999 (91)	06/01/99	6,055,000	4.3-7	07/01/16	5,905,000	2,666,942
Sewer Revenue Bonds - 1994	06/24/94	6,300,000	2.95	07/01/15	4,210,000	850,927
<b>Total revenue bonds</b>					<b>13,455,000</b>	<b>3,826,847</b>
<b>TOTALS</b>					<b>\$ 76,045,000</b>	<b>\$ 21,461,948</b>

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

Public improvement and general obligation bonds accounted for in the debt service funds are serviced through the collection of parish ad valorem taxes and sales taxes. The revenue bonds accounted for in the enterprise funds are serviced by revenues from operations.

Long-term bonded debt totaling \$76,045,000 includes \$835,000 of bonds payable within one year, which is included in the payables from restricted assets for the proprietary funds on Exhibit A-11.

The outstanding bonds secured by ad valorem taxes consist of general obligation bonds. These bonds, presented above, totaled \$38,410,000. In accordance with Louisiana Revised Statute 39:562, the Parish is legally restricted from incurring long-term bonded debt secured by ad valorem taxes in excess of ten percent of the assessed value for taxable property in the parish for any one purpose. The statutory debt limit for the Parish as reported at December 31, 2003 was \$74,829,812.

**ADVANCE REFUNDING:** On December 1, 2003, the Parish issued \$21,875,000 in General Obligation Bonds with an average interest rate of 3.96% to advance refund \$9,370,000 of outstanding 1997 series General Obligation Sewer Bonds, maturing March 1, 2004 to March 1, 2014, inclusive and \$12,710,000 of outstanding 1998 General Obligation Sewer Bonds, maturing March 1, 2004 to March 1, 2014, inclusive and paying the costs of issuance of the bonds. The 1997 and 1998 series bonds had an average interest rate of 3.95%. The refunding bonds were issued at a premium of \$818,303.60 grossing up the bond proceeds to \$22.7 million. The net proceeds of \$22.4 million (after payment of \$338,758 in underwriting fees, insurance, and other issuance costs) were deposited into an irrevocable trust with an escrow agent to provide for the future debt service payments on the 1997 and 1998 series bonds. As a result, the 1997 and 1998 series bonds are considered defeased and the liability for those bonds have been removed from the government-wide statement of net assets.

The advance refunded resulted in a difference between the reacquisition price and the net carrying amount of old debt of \$271,339. This difference, reported in the accompanying financial statement as a deduction from bonds payable, is being charged to operations through the year 2014 using the straight-line method on the government-wide statements. The Parish completed the advance refunding to reduce its total debt service payments over the next 16 years by \$575,746 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$501,730.

**UTILITY REVENUE BOND REFUNDING:** On May 1, 2003, the Parish refunded and defeased in substance its outstanding 1991 series of Utility Revenue Bonds of \$3,270,000, carrying an average interest rate of 7.08%, with new 2003 series bonds of \$3,340,000, issued at an average interest rate of 2.46%. Both series require level annual debt service payments with final payments due July 1, 2010.

All issuance costs (\$99,218) of the transaction were paid from the bond proceeds. The net proceeds of \$3,806,305 were deposited with an escrow agent to provide for debt service on the 1991 debt to the call date of July 1, 2010. Unamortized 1991 bond issuance costs were \$147,024 at the date of the refunding.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$141,305. This difference, reported in the accompanying financial statements as a deduction of bonds payable, is being charged to operations through the year 2010 using the straight-line method. The Parish completed the advance refunding to reduce its total debt service payments over the next 14 years by \$966,050 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$445,868.

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

The annual requirements to amortize all long-term obligations outstanding at, except for capital leases, which are disclosed in the capital lease note at December 31, 2003, including interest of \$21,461,948 are as follows:

Maturity	General Obligation Bonds	Public Improvement Bonds	Total General Long-Term Obligations	Revenue Bonds	Total Bonds
2004	4,791,866	4,399,635	9,191,501	1,307,570	10,499,071
2005	3,628,207	3,952,663	7,580,870	1,319,817	8,900,687
2006	3,636,423	3,389,798	7,026,221	1,320,970	8,347,191
2007	3,311,795	3,391,922	6,703,717	1,328,345	8,032,062
2008	3,314,680	3,400,363	6,715,043	1,320,058	8,035,101
2009-2013	15,093,408	7,853,825	22,947,233	6,869,612	29,816,845
2014-2018	14,746,937	1,752,672	16,499,609	3,815,475	20,315,084
2019-2023	1,733,575	1,827,332	3,560,907	-	3,560,907
Totals	<u>\$ 50,256,891</u>	<u>\$ 29,968,210</u>	<u>\$ 80,225,101</u>	<u>\$ 17,281,847</u>	<u>\$ 97,506,948</u>

**Arbitrage Liability**

Section 148 of the Internal Revenue Code of 1986, as amended, requires that issuers of tax-exempt debt make arbitrage calculations annually on bonds issued after August 31, 1986, to determine whether an arbitrage rebate liability exists between the issuer and the U. S. Department of the Treasury. Arbitrage is the difference (or profit) earned from borrowing funds at tax-exempt rates and investing the proceeds in higher yielding taxable securities.

Arbitrage rebate calculations made on December 31, 2003, for the Parish show that there were no arbitrage rebate liabilities due the U. S. Department of Treasury.

**NOTE 12 - PAYABLE FROM RESTRICTED ASSETS**

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

	Waterworks Utility System	Wastewater Utility System	Total
Customer Deposits	\$ 799,460	\$ -	\$ 799,460
Current Maturities of Long-Term Debt	540,000	295,000	835,000
Contracts Payable	159,564	-	159,564
Accounts Payable	17,413	-	17,413
Accrued Interest Payable	134,371	62,098	196,469
Due To Other Funds	251,989	-	251,989
Totals	<u>\$ 1,902,797</u>	<u>\$ 357,098</u>	<u>\$ 2,259,895</u>

**NOTE 13 - FUND EQUITY**

The nature and purpose of the reserves of fund balances/retained earnings are as follows:

**Restricted for debt service**

This represents the amount of retained earnings restricted to paying principal and interest of the Wastewater and Waterworks enterprise funds.

**Restricted for capital projects**

This represents the amount of retained earnings reserved for construction and improvements to the water and wastewater systems.

**Fund balances-Reserved for debt service**

This represents the amount of fund balance available to pay the principal balances of the Parish's general long-term obligations.

**Fund balances-Reserved for prepaid fees and inventory**

This amount represents a portion of fund balance expended for fees and inventory that will be consumed in a future period.

**Fund balances-Reserved for capital additions and improvements and for sewerage and drainage projects**

This represents the amount of fund balance reserved for outstanding contracts.

**NOTE 14 - PROPERTY TAXES**

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

At the governmental fund level, property taxes that are measurable and available (receivable within the current period and collected within that period or within 60 days thereafter) are recognized as revenue in the year of the levy. Therefore, 2002 property tax that was levied to finance the budget for 2003 is recorded as revenue for the 2003 fiscal year. The property taxes that are measurable, but not available, are recorded net of estimated uncollectible amounts. The 2003 tax levy, which was levied to finance the budget for 2004, is recorded net of adjustments, as deferred revenue.

Property taxes are levied each November 15<sup>th</sup> on the assessed value listed as of the prior January 1<sup>st</sup> for all real property, merchandise, and movable property located in the Parish. Assessed values are established by the St. Charles Parish Assessor's office and the Louisiana Tax Commission at percentages of actual value, as specified by the Louisiana law. An assessment of all property is required to be completed no less than every four years. The taxable assessed value, upon which the 2003 levies are based, was \$669,393,323 and the Homestead Exemption was \$78,904,793. The total 2002 assessed value was \$748,298,116.

	<u>Authorized Millage</u>	<u>Levied Millage</u>
Parishwide taxes:		
Maintenance:		
General Parish	3.28	3.28
Fire Protection	1.58	1.58
Public Roads	5.96	5.96
Road Lighting District No. 1	2.69	1.38
Mosquito Control	1.13	0.61
Council on Aging	0.98	0.98
Recreation	2.97	2.97
Health Unit	0.65	0.65
Debt Service:		
Public Sewer	N/A	4.81
Emergency 911	N/A	0.20
Fire Protection	N/A	0.46

**NOTE 15 - SALES AND USE TAXES**

The Parish levies a one percent, one-half percent, three-eighths percent, and one-eight percent sales and use tax. The Parish and the St. Charles Parish School Board have entered into an agreement in which the School Board collects the Parish's sales and use taxes for a stipulated fee. The School Board remits the proceeds of the sales and use taxes to the Parish on a monthly basis. The amount due from the School Board at December 31, 2003 is \$1,731,778.

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

**NOTE 16 - RISK MANAGEMENT**

The Parish is exposed to various losses related to tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Parish purchases commercial insurance for claims in excess of \$50,000 per occurrence and \$500,000 in aggregate for property, employee, automobile and general liability coverage. To account for and finance these losses, the Parish established a "Liability Insurance Losses Payable" account within the General Fund. All funds of the Parish, except for the capital projects and debt service funds participate in the account and make payments to it based on management's estimates of the amounts needed to pay prior and current year claims. The Parish records the aggregate deductible in the General Fund and is reduced as claims are paid. The balance is approximately \$1,209,319 at December 31, 2003. There were no significant reductions in insurance coverage from that of the prior year. The amount of settlements did not exceed the commercial insurance coverage in any of the past three fiscal years.

The claims liability of \$1,209,319 (which includes claims incurred but not reported) reported in the general fund at December 31, 2003 is based on the requirements of the Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Governmental Accounting Standards Board Statement No. 30, "Risk Financing Omnibus-An Amendment of GASB Statement No. 10" requires that specific, incremental claim adjustment expenses and estimated recoveries be considered in calculating the claims liability.

Changes in the balances of claims liabilities during years 2001 through 2003 were as follows:

	<u>2001</u>	<u>2002</u>	<u>2003</u>
Liability at beginning of year	\$ 432,887	\$ 611,947	\$ 946,181
Current year claims and changes in estimates	289,000	466,667	500,000
Less claims payments	(109,940)	(132,433)	(236,862)
Balance at Year End	<u>\$ 611,947</u>	<u>\$ 946,181</u>	<u>\$ 1,209,319</u>

**NOTE 17 - COMMITMENTS AND CONTINGENCIES**

**a. Litigation**

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

On June 7, 1983, a judgment in the amount of \$702,571, plus interest and costs was rendered against St. Charles Parish Gravity District No. 2. The District does not have any funds appropriated to cover this debt and the Parish is not liable. The probability that the District will ever be in a position to appropriate the funds to cover this judgment is "remote". This judgment has not been accrued in the Parish's general long-term obligations accounts group.

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

**b. EPA Administrative Order**

On November 19, 2002, the United States Environmental Agency (EPA) issued a revised administrative order, docket number CWA-06-1758-Luling Oxidation Pond, to the Parish which stated that the Parish was in violation of its' National Pollution Discharge Elimination System permit and/or Clean Water Act by discharging "pollutants" into the waters of George Cousin Canal. The administrative order includes a schedule for construction through January 31, 2006 to bring the Wastewater System into compliance. The estimated cost of construction is \$20.3 million. The improvements will be funded through grants, sewerage revenues, revenue bonds, general parish revenues and/or obligation debt.

**c. Federally Assisted Programs**

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

**d. Intergovernmental Agreements**

The Council adopted ordinance number 98-3-11 approving and authorizing the execution of an intergovernmental agreement with St. John the Baptist Parish Sheriff's Office for the housing of St. Charles Parish inmates at the Sherman Walker Detention Center.

The Council adopted ordinance number 99-9-25 approving and authorizing the execution of an intergovernmental agreement between the Parish and the St. Charles Parish Law Enforcement District for funding the St. Charles Parish Correctional Center. The agreement provides for payment to the District for housing local pretrial prisoners for payment to the District for housing local pretrial prisoners sentenced to Parish time in the amount of \$20 per day.

**e. Economic Development Agreements**

The Parish has entered into an agreement with Randa Corp. to promote economic development in the Parish. The agreement requires the Parish to issue economic development revenue bonds to provide financial assistance to Randa Corp., which is not a part of the Parish's financial reporting entity. The bonds, used for the acquisition and construction of Randa's corporate headquarters and distribution facility, are included in the amount reported as conduit debt. As a part of the agreement to attract this project, the Parish has agreed to provide a cash incentive to Randa based on an average number of St. Charles Parish residents employed at the project on a full time basis. If conditions are met the Parish will be required to provide \$275,000 the second year of the project, \$225,000 the third, \$200,000 the fourth, \$190,000 the fifth and sixth, and \$185,000 the seventh through eleventh. The project entered the second year in 2003.

**NOTE 18 - CONDUIT DEBT OBLIGATIONS**

From time to time, the Parish has issued environmental improvement and industrial development revenue bonds to provide financial assistance to private-sector entities that are not a part of the Parish's financial reporting entity. The bonds are used for the acquisition and construction of environmental improvement, industrial and commercial facilities deemed to be in the public interest. They are secured by the property financed, separate pledges of income and revenues, or monies derived from sale of the applicable projects. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the Parish, nor the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2003, there were eighteen series of environmental improvement revenue bonds outstanding, with an aggregate amount payable of \$607,650,000.

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

The Parish's post retirement healthcare and life insurance benefits policy, established by the Parish Presidents, provides certain healthcare and life insurance benefits for its retired employees and elected officials. Any elected parish official that has served a minimum of seven and one-half years in office and was an active member of the Parish's health insurance program for at least three consecutive years prior to leaving office is eligible to continue receiving health insurance benefits upon retirement or separation. The election to carry health insurance must be made at the time of retirement or separation. At age 65, retiree's coverage continues a Medicare supplement, if the retiree is Medicare eligible. The Parish pays the retirees with a minimum of 20 years service the same percentage as active employees. Retirees with 10 to 19 years of service pay 75% and the Parish pays 25% of the premium. The Parish's contributions are financed on a pay-as-you-go basis. Expenditures of \$80,027 were recognized for post retirement healthcare in 2003. Retired employees paid premiums of \$44,007 for post retirement healthcare in 2003. Substantially all of the Parish employees become eligible for these benefits if they reach normal retirement age while working for the Parish. These benefits are provided through an insurance company. There were twenty-seven participants in the Parish's post retirement benefits program at December 31, 2003.

**NOTE 20 - PENSIONS**

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

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

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

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

**NOTE 20 - PENSIONS (CONTINUED)**

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

Fiscal Year	2001	2002	2003
Employer required contribution rate	7.75%	7.75%	7.75%
Covered payroll	\$ 12,119,846	\$ 13,286,102	\$ 14,730,594
Required employer contributions	939,288	1,029,672	1,141,621
Parish contributions	939,288	1,029,672	1,142,623

**NOTE 21 - SUBSEQUENT EVENTS**

On April 19, 2004, the Council adopted resolution number 5173 advertising for sealed bids for the purchase of \$790,000 of Sales Tax Revenue Bonds, Series 2004. The bonds will be issued for fire protection capital purchases.

**NOTE 22 - SELECTED DISCLOSURES FOR DISCRETELY PRESETNED 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. **Deposits and investments**

1. **Deposits**

Component Units' deposits are categorized below to give indication of the level of risk assumed by the Component Units and their respective year-ends. The categories are described as follows:

Category 1 Insured or collateralized with securities held by the Component Unit or its agent in the Component Unit's name.

Category 2 Collateralized by the securities held by the pledging financial institution's trust department or agent in the Component Unit's name.

Category 3 Uncollateralized.

Year-end bank balances and carrying amounts for Component Units are as follows:

	Category 1	Category 2	Total Bank Balance	Total Carrying Amount
St. Charles Parish Communications District	\$ 2,305	\$ -	\$ 2,305	\$ 2,305
St. Charles Parish Library Service District No. 1	2,422	-	2,422	2,422
Sunset Drainage District of St. Charles Parish	100,000	49,209	149,209	148,690
St. Charles Parish Hospital Service District	1,274,983	-	1,274,983	1,274,983
	<u>\$ 1,379,710</u>	<u>\$ 49,209</u>	<u>\$ 1,428,919</u>	<u>\$ 1,428,400</u>

**NOTE 22 - SELECTED DISCLOSURES FOR DISCRETELY PRESETNED COMPONENT UNITS (CONTINUED)**

**a. Deposits and investments (Continued)**

**1. Deposits (continued)**

The \$1,274,983 in carrying value for the St. Charles Parish Hospital Service District includes \$1,273,029 reported as restricted cash. These deposits are stated at cost, which approximates market. Under the state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities must be held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

**2. Investments**

Investments at year-end are categorized below to give an indication of the level of risk assumed by the Component Units. The categories of credit risk are as follows:

Category 1 Insured or registered with securities held by the Component Unit or its agent in the Component Unit's name.

Category 2 Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Component Unit's name.

Category 3 Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent in the Component Unit's name.

Year-end investment balances and fair values for the component units are as follows:

<u>Category</u>	<u>Investment Type</u>	<u>St. Charles Parish Communications District</u>	<u>St. Charles Parish Library Service District No. 1</u>
1	U.S. Instrumentality Securities	\$ 200,041	\$ 5,117,431
<b>Investments not subject to categorization:</b>			
	Louisiana Asset Management Pool	369,375	1,014,444
	<b>Total Investments</b>	<b>\$ 569,416</b>	<b>\$ 6,131,875</b>
	<b>Fair Value</b>	<b>\$ 569,416</b>	<b>\$ 6,131,875</b>

(continued on next page)

**NOTE 22 - SELECTED DISCLOSURES FOR DISCRETELY PRESETNED COMPONENT UNITS (CONTINUED)**

**b. Capital Assets**

A summary of changes in capital assets for component units is as follows:

	Beginning Balance	Additions	Adjustments and Deletions	Ending Balance
<b>St. Charles Parish</b>				
<b>Communications District</b>				
Improvements other than buildings	1,950	-	(1,950)	-
Equipment	753,269	249,925	(136,413)	866,781
CIP	178,625	(178,625)	-	-
Total	<u>933,844</u>	<u>71,300</u>	<u>(138,363)</u>	<u>866,781</u>
Less: Accumulated depreciation	<u>(273,053)</u>	<u>(101,475)</u>	-	<u>(374,528)</u>
Total St. Charles Parish Communications District	<u>\$ 660,791</u>	<u>\$ (30,175)</u>	<u>\$ (138,363)</u>	<u>\$ 492,253</u>
<b>St. Charles Parish Library</b>				
<b>Service District No. 1</b>				
Buildings	1,250	-	(1,250)	-
Equipment	1,401,228	356,847	595,923	2,353,998
CIP	1,332,393	196,779	-	1,529,172
Total	<u>2,734,871</u>	<u>553,626</u>	<u>594,673</u>	<u>3,883,170</u>
Less: Accumulated depreciation	<u>(755,470)</u>	<u>(293,239)</u>	<u>14,263</u>	<u>(1,034,446)</u>
Total St. Charles Parish Library Service District No. 1	<u>\$ 1,979,401</u>	<u>\$ 260,387</u>	<u>\$ 608,936</u>	<u>\$ 2,848,724</u>
<b>Sunset Drainage District of St. Charles Parish</b>				
Real Estate & improvements	\$ 1,145,307	\$ -	\$ -	\$ 1,145,307
Buildings	27,572	2,228	-	29,800
Equipment	621,016	3,107	-	624,123
Total	<u>1,793,895</u>	<u>5,335</u>	-	<u>1,799,230</u>
Less: Accumulated depreciation	<u>(1,262,188)</u>	<u>(47,086)</u>	-	<u>(1,309,274)</u>
Total Sunset Drainage District of St. Charles Parish	<u>\$ 531,707</u>	<u>\$ (41,751)</u>	<u>\$ -</u>	<u>\$ 489,956</u>
<b>St. Charles Parish Hospital</b>				
<b>Service District</b>				
Land	\$ 379,597	\$ -	\$ -	\$ 379,597
Building & improvements	14,767,732	-	-	14,767,732
Equipment	10,607,617	96,892	-	10,704,509
Vehicles	367,610	-	(5,975)	361,635
Total	<u>26,122,556</u>	<u>96,892</u>	<u>(5,975)</u>	<u>26,213,473</u>
Less: Accumulated depreciation	<u>(10,930,347)</u>	<u>(1,403,545)</u>	<u>5,975</u>	<u>(12,327,917)</u>
Total St. Charles Parish Hospital Service District	<u>\$ 15,192,209</u>	<u>\$ (1,306,653)</u>	<u>\$ -</u>	<u>\$ 13,885,556</u>

**NOTE 22 - SELECTED DISCLOSURES FOR DISCRETELY PRESETNED COMPONENT UNITS (CONTINUED)**

**c. Leases**

The Library Service District has an operating leased for one of its branches. The total 2003 cost for the operating lease was \$11,741. The minimum annual commitments under non-cancelable operating leases are as follows:

	<u>Building</u>	<u>Equipment</u>	<u>Total</u>
2004	\$ 6,900	\$ 2,421	\$ 9,321
2005	6,900	-	6,900
2006	6,900	-	6,900
2007	6,900	-	6,900
2008	1,438	-	1,438
2009	-	-	-
Totals	<u>\$ 29,038</u>	<u>\$ 2,421</u>	<u>\$ 31,459</u>

**d. Uncompensated Services**

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

For the years ended July 31, 2003 and 2002, the hospital wrote off a combined \$966,011 and \$951,995, respectively, of free care against gross revenue.

**e. Long-Term Obligations**

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Payments and Adjustments</u>	<u>Ending Balance</u>	<u>Less Current Obligation</u>	<u>Long-Term Obligation</u>
<b>Governmental Funds</b>						
Sunset Drainage District						
Compensated absences	\$ 8,803	\$ 5,220	\$ (4,088)	\$ 9,935	\$ -	\$ 9,935
<b>Proprietary Funds</b>						
Hospital Service District						
Bonds payable	6,865,000	-	(1,215,000)	5,650,000	(1,290,000)	4,360,000
Notes payable	249,800	-	(61,691)	188,109	(50,151)	137,958
Certificates of Indebtedness	6,005,000	5,000,000	(4,575,000)	6,430,000	(5,110,000)	1,320,000
Total Hospital Service District	<u>13,119,800</u>	<u>5,000,000</u>	<u>(5,851,691)</u>	<u>12,268,109</u>	<u>(6,450,151)</u>	<u>5,817,958</u>
Total Component Units	<u>\$ 13,128,603</u>	<u>\$ 5,005,220</u>	<u>\$ (5,855,779)</u>	<u>\$ 12,278,044</u>	<u>\$ (6,450,151)</u>	<u>\$ 5,827,893</u>

**NOTE 22 - SELECTED DISCLOSURES FOR DISCRETELY PRESETNED COMPONENT UNITS (CONTINUED)**

**e. Long-Term Obligations (continued)**

**BONDS PAYABLE**

Component Unit bonds payable are represented by the following individual issues of the Hospital Service District, at fiscal year ending July 31, 2003:

	Date of Issuance	Authorized and Issued	Interest Rate%	Maturity Date	Principal Outstanding
<b>General Obligation Bonds:</b>					
Hospital 1990A	12/1/1990	\$ 1,470,000	6.5-6.7	3/1/2005	\$ 380,000
Hospital 1990B	12/1/1990	280,000	9.0	3/1/2005	80,000
Hospital 1992A	8/1/1992	4,925,000	4.5-5.2	3/1/2007	2,245,000
Hospital 1992B	8/1/1992	1,200,000	8.0-9.0	3/1/2007	685,000
Hospital 1998	1/28/1998	4,565,000	4.125-5.125	3/1/2007	2,260,000
Total General Obligation Bonds					<u>5,650,000</u>
<b>Certificates of Indebtedness:</b>					
Hospital 1998	1/28/1998	2,550,000	4.45-4.75	3/1/2006	1,095,000
Hospital 2001	5/30/2001	1,300,000	6.0	3/1/2006	835,000
Hospital 2003	5/3/2003	4,500,000	6%	5/3/2004	4,500,000
Total Certificates of Indebtedness					<u>6,430,000</u>
<b>TOTAL</b>					<u><u>\$ 12,080,000</u></u>

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

<u>July 31,</u>	<u>Principal &amp; Interest</u>
2004	7,018,339
2005	2,389,390
2006	2,398,638
2007	1,640,195
2008	5,949
<b>TOTALS</b>	<u><u>\$ 13,452,511</u></u>

**f. Pensions**

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

Substantially all employees of the St. Charles Parish Library Service District No. 1 are members of the Parochial Employees' Retirement System of Louisiana. Employees of the Parish are also participating in this plan. For a detailed plan description, see the Parish's note on Pensions.

	<u>2001</u>	<u>2002</u>	<u>2003</u>
Employer required contribution rate	7.75%	7.75%	7.75%
Covered payroll	\$ 742,901	\$ 840,878	\$ 919,795
Required employer contributions	\$ 57,575	\$ 54,168	\$ 71,284
Parish contributions	\$ 57,575	\$ 54,168	\$ 71,285

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

**f. Pensions (continued)**

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

All employees of Sunset Drainage District of St. Charles Parish contribute to the Department of the Treasury, Division of Social Security. Contributions to the system are made by both employees and Sunset Drainage District as a percentage of salaries. For the year ended December 31, 2003, Sunset Drainage District contributed \$7,015 (7.65% of salaries) to the system as its share of the contributions. Other than annual contributions required by the system and recorded as expenditures annually, Sunset Drainage District does not guarantee any of the benefits granted by the retirement system.

**c. St. Charles Hospital Service District**

Substantially all employees of the St. Charles Hospital Service District are members of the Parochial Employee's Retirement System of Louisiana. Employees of the Parish are also participating in this plan. For a detailed plan description, see the Parish's note on Pensions. Retirement contributions for the St. Charles Hospital Service District totaled \$776,197, \$517,303 and \$425,337 for the years ended July 31, 2003, 2002 and 2001 respectively. The required rate of contribution was 9.50% for each year.

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

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

Substantially all employees of the St. Charles Parish Library Service District No. 1 are covered by the Parish's post retirement healthcare and life insurance benefits policy. For a detailed description, see the Parish's note on Post Retirement and Healthcare and Life Insurance Benefits. Expenditures of \$8,921 were recognized for post retirement healthcare in 2003. Retired employees paid premiums of \$5,823 for post retirement healthcare in 2003. There were four participants in the District's post retirement benefits program at December 31, 2003.

**h. Subsequent Events**

**St. Charles Parish Hospital Service District**

On April 19, 2004, the Council adopted resolution number 5172 approving the issuance of \$1,430,000 of Refunding Limited Tax Certificates of Indebtedness, Series 2004, of Hospital Service District No. 1 Bonds.



**ST. CHARLES PARISH**

---

*Where There's More To Life*

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

#### **Fire Protection Fund**

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

#### **Governmental Buildings Maintenance & Operation Fund**

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

#### **Parish Transportation Fund**

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

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

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

#### **Mosquito Control Fund**

The mosquito control fund is dedicated for the purpose of abatement, control, eradication and study of mosquitoes and other arthropods and all activity incidental thereto. Financing is provided by ad valorem taxes and interest earnings.

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

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

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

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

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

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

#### **Workforce Investment Act Fund**

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

#### **Criminal Court Fund**

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

(Continued)

## Debt Service Funds

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

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

### **Public Improvement Three Eights Percent Sales Tax Bond Sinking Fund**

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

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

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

### **Public Improvement Three Eights Percent Sales Tax Bond Reserve Fund**

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

### **Emergency 911 Communication System General Obligation Sinking Fund**

The Emergency 911 Communication System General Obligations Bond Sinking Fund accounts for the retirement of General Obligation Bonds, Series 1993, dated May 1, 1993. Financing is provided by a specific ad valorem tax and interest earnings.

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

The Public Improvement One Percent Sales Tax Bond Sinking Fund accounts for the retirement of Roads and Drainage one percent sales tax series 1996 bonds, dated January 1, 1996. Financing is provided by a one percent parish sales tax.

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

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

### **Fire Protection Sinking Fund**

The Fire Protection Sinking Fund accounts for the retirement of General Obligation Bonds in the amount of \$1,920,000 dated June 1, 1992. Financing is provided by a special ad valorem tax and interest earnings.

### **Health Unit Sinking Fund**

The Health Unit Sinking Fund accounts for the retirement of \$1,800,000 of Certificated of Indebtedness issued December 28, 2000. Financing is provided by ad valorem taxes and interest earnings.

(Continued)

## Capital Project Funds

### **Public Improvement Sales Tax Construction Fund**

The Public Improvement Sales Tax Construction Fund accounts for the construction cost of parish drainage and sewerage facilities. Financing is provided primarily by interest earnings.

### **Recreational Facilities Construction Fund**

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

### **ST-1996 Drainage Construction Fund**

The ST-1996 Drainage Construction Fund accounts for the construction cost of parish drainage improvements and facilities. Financing is provided primarily by proceeds from the sales of one percent sales tax bonds and interest earnings.

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

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

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

The Public Health Unit Construction Fund accounts for the cost of acquiring land and constructing a new public health unit. Financing is provided by \$1,800,000 Certificates of Indebtedness secured by the proceeds of ad valorem taxes.

### **Louisiana Community Development Block Grant Fund**

The Louisiana Community Development Block Grant Fund accounts for the cost of street improvements. Funding is provided by Louisiana Community Block Grant funds.

### **Bayou Trepagnier Pump Station Fund**

The Bayou Trepagnier Pump Station Fund accounts for the cost of building the pump station located in the East Bank hurricane protection levee. Funding is provided by the proceeds of sales tax bonds and contributions from Shell Oil Company and Motiva Enterprises, both located on the East Bank of the Parish.

**Parish of St. Charles**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2003**

	Special Revenue			
	Fire Protection	Governmental Buildings Maintenance & Operation	Parish Transportation	Road Lighting District No. 1
<b>ASSETS</b>				
Cash and cash equivalents	\$ 537	\$ 1,649	\$ 246	\$ 858
Investments	74,308	60,694	243,234	924,848
Receivables, net:				
Ad valorem taxes	1,179,087	695,975	-	963,223
Other	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	12,013	-	69,564	-
Prepaid fees	-	-	-	-
Other assets	-	-	-	-
<b>Total assets</b>	<b><u>\$ 1,265,945</u></b>	<b><u>\$ 758,318</u></b>	<b><u>\$ 313,044</u></b>	<b><u>\$ 1,888,929</u></b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 197	\$ 125	\$ -	\$ 58,770
Contracts payable	-	-	-	-
Due to other funds	48,787	-	-	8,014
Due to component units	-	62,218	-	-
Due to other governments	117,327	-	-	-
Other liabilities	-	-	-	54,947
Deferred revenues	1,099,634	695,975	-	965,392
<b>Total liabilities</b>	<b><u>1,265,945</u></b>	<b><u>758,318</u></b>	<b><u>-</u></b>	<b><u>1,087,123</u></b>
<b>Fund balances:</b>				
<b>Reserved for:</b>				
Debt service	-	-	-	-
Prepaid fees	-	-	-	-
Sewerage and drainage projects	-	-	-	-
<b>Unreserved, reported in:</b>				
Special revenue funds	-	-	313,044	801,806
Capital projects funds	-	-	-	-
<b>Total fund balances</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>313,044</u></b>	<b><u>801,806</u></b>
<b>Total liabilities and fund balances</b>	<b><u>\$ 1,265,945</u></b>	<b><u>\$ 758,318</u></b>	<b><u>\$ 313,044</u></b>	<b><u>\$ 1,888,929</u></b>

Special Revenue				
Mosquito Control	Council on Aging	Retired Senior Volunteer Program	Public Health Unit	Workforce Investment Act SDA 14
\$ 33	\$ 1,422	\$ 1,521	\$ 24	\$ 666
778,017	11,633	32,932	320,917	-
424,545	682,052	-	452,394	-
-	-	-	-	1,862
-	-	11,780	-	-
-	-	-	-	262,360
-	-	-	-	-
<u>\$ 1,202,595</u>	<u>\$ 695,107</u>	<u>\$ 46,233</u>	<u>\$ 773,335</u>	<u>\$ 266,525</u>
\$ 11,235	\$ 122	\$ 1,770	\$ 9,539	\$ 66,721
-	-	-	-	-
31,317	-	1,240	75,118	31,694
-	-	-	-	-
-	12,933	-	-	139,975
1,138	-	4,149	-	28,135
424,545	682,052	-	452,394	-
<u>468,235</u>	<u>695,107</u>	<u>7,159</u>	<u>537,051</u>	<u>266,525</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
734,360	-	39,074	236,284	-
-	-	-	-	-
<u>734,360</u>	<u>-</u>	<u>39,074</u>	<u>236,284</u>	<u>-</u>
<u>\$ 1,202,595</u>	<u>\$ 695,107</u>	<u>\$ 46,233</u>	<u>\$ 773,335</u>	<u>\$ 266,525</u>

(Continued)

**Parish of St. Charles**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2003**

	<u>Special Revenue Continued</u>	<u>Debt Service</u>		
	<u>Criminal Court</u>	<u>1/2% P.I. Sales Tax Sinking</u>	<u>P. I. 3/8% Sales Tax Sinking</u>	<u>1/2% P. I. Sales Tax Reserve</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,474	\$ 270	\$ 95	\$ 476
Investments	44,814	368,209	77,503	2,212,122
Receivables, net:				
Ad valorem taxes	-	-	-	-
Other	7,645	-	-	-
Due from other funds	-	-	-	-
Due from other governments	875	-	-	-
Prepaid fees	-	-	88,679	-
Other assets	-	-	-	-
<b>Total assets</b>	<b><u>\$ 54,808</u></b>	<b><u>\$ 368,479</u></b>	<b><u>\$ 166,277</u></b>	<b><u>\$ 2,212,598</u></b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 1,800	\$ -	\$ -	\$ -
Contracts payable	-	-	-	-
Due to other funds	26,535	-	-	-
Due to component units	-	-	-	-
Due to other governments	-	-	-	-
Other liabilities	3,571	-	-	-
Deferred revenues	-	-	-	-
<b>Total liabilities</b>	<b><u>31,906</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Fund balances:</b>				
<b>Reserved for:</b>				
Debt service	-	368,479	77,598	2,212,598
Prepaid fees	-	-	88,679	-
Sewerage and drainage projects	-	-	-	-
<b>Unreserved, reported in:</b>				
Special revenue funds	22,902	-	-	-
Capital projects funds	-	-	-	-
<b>Total fund balances</b>	<b><u>22,902</u></b>	<b><u>368,479</u></b>	<b><u>166,277</u></b>	<b><u>2,212,598</u></b>
<b>Total liabilities and fund balances</b>	<b><u>\$ 54,808</u></b>	<b><u>\$ 368,479</u></b>	<b><u>\$ 166,277</u></b>	<b><u>\$ 2,212,598</u></b>

Debt Service				
P. I. 3/8% Sales Tax Reserve	Emerg. 911 Communic. System G.O. Sinking	P. I. 1% Sales Tax Bond Sinking	P. I. 1% Sales Tax Bond Reserve	Fire Protection Sinking
\$ -	\$ 816	\$ 138	\$ 402	\$ 782
369,555	35,467	155,552	1,897,712	100,534
-	139,200	-	-	320,146
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 369,555</u>	<u>\$ 175,483</u>	<u>\$ 155,690</u>	<u>\$ 1,898,114</u>	<u>\$ 421,462</u>
\$ -	\$ 26	\$ -	\$ -	\$ 60
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	139,200	-	-	320,146
<u>-</u>	<u>139,226</u>	<u>-</u>	<u>-</u>	<u>320,206</u>
369,555	36,257	155,690	1,898,114	101,256
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>369,555</u>	<u>36,257</u>	<u>155,690</u>	<u>1,898,114</u>	<u>101,256</u>
<u>\$ 369,555</u>	<u>\$ 175,483</u>	<u>\$ 155,690</u>	<u>\$ 1,898,114</u>	<u>\$ 421,462</u>

**Parish of St. Charles**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2003**

Capital Projects

	<u>Public Impr. Sales Tax</u>	<u>Recreational Facilities Construction</u>	<u>ST-1996 Drainage Construction</u>	<u>Front Foot Assessment Maintenance</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 597	\$ 439	\$ -	\$ 434
Investments	827,905	593,509	208	849,207
Receivables, net:				
Ad valorem taxes	-	-	-	-
Other	-	-	-	1,632
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Prepaid fees	-	-	-	-
Other assets	565	-	-	-
<b>Total assets</b>	<u>\$ 829,067</u>	<u>\$ 593,948</u>	<u>\$ 208</u>	<u>\$ 851,273</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 18,130	\$ -	\$ 208	\$ -
Contracts payable	5,651	-	-	-
Due to other funds	-	-	-	-
Due to component units	-	-	-	-
Due to other governments	-	-	-	-
Other liabilities	-	-	-	1,632
Deferred revenues	-	-	-	-
<b>Total liabilities</b>	<u>23,781</u>	<u>-</u>	<u>208</u>	<u>1,632</u>
<b>Fund balances:</b>				
<b>Reserved for:</b>				
Debt service	-	-	-	-
Prepaid fees	-	-	-	-
Sewerage and drainage projects	-	-	2,165,951	-
<b>Unreserved, reported in:</b>				
Special revenue funds	-	-	-	-
Capital projects funds	805,286	593,948	(2,165,951)	849,641
<b>Total fund balances</b>	<u>805,286</u>	<u>593,948</u>	<u>-</u>	<u>849,641</u>
<b>Total liabilities and fund balances</b>	<u>\$ 829,067</u>	<u>\$ 593,948</u>	<u>\$ 208</u>	<u>\$ 851,273</u>

<u>Capital Projects</u>		
<u>Public Health Unit Construction</u>	<u>Bayou Trepagnier Pump Station</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 4	\$ 320	\$ 13,203
35	3,904,699	13,883,614
-	-	4,856,622
-	-	11,139
70,210	-	70,210
-	-	356,592
-	-	88,679
-	-	2,202
<u>\$ 70,249</u>	<u>\$ 3,905,019</u>	<u>\$ 19,282,261</u>
\$ 966	\$ 114,023	\$ 283,692
69,244	82,431	157,326
-	71,572	294,277
-	-	62,218
-	-	270,235
-	-	93,572
-	-	4,779,338
<u>70,210</u>	<u>268,026</u>	<u>5,940,658</u>
-	-	5,219,547
-	-	88,679
-	-	2,165,951
-	-	2,147,470
39	3,636,993	3,719,956
<u>39</u>	<u>3,636,993</u>	<u>13,341,603</u>
<u>\$ 70,249</u>	<u>\$ 3,905,019</u>	<u>\$ 19,282,261</u>

**Parish of St. Charles**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
**For The Year Ended December 31, 2003**

	Special Revenue			
	Fire Protection	Governmental Buildings Maintenance & Operation	Parish Transportation	Road Lighting District No. 1
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 1,057,450	\$ 668,735	\$ -	\$ 855,883
Sales taxes	940,247	-	-	-
Intergovernmental revenues	115,771	-	442,058	6,006
Fees, charges and commissions	-	-	-	-
Fines and Forfeitures	-	-	-	-
Investment earnings	1,563	4,563	5,447	16,890
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>2,115,031</b>	<b>673,298</b>	<b>447,505</b>	<b>878,779</b>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	-
Public safety	2,115,031	673,298	-	-
Public works	-	-	-	878,804
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Economic development and assistance	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	550,000	233,331
<b>Total expenditures</b>	<b>2,115,031</b>	<b>673,298</b>	<b>550,000</b>	<b>1,112,135</b>
Excess (deficiency) of revenues over expenditures	-	-	(102,495)	(233,356)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds of refunding bonds	-	-	-	-
Sale of assets-program earned	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total other financing sources and uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balance	-	-	(102,495)	(233,356)
Fund balances—beginning	-	-	415,539	1,035,162
<b>Fund balances—ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 313,044</b>	<b>\$ 801,806</b>

Special Revenue				
Mosquito Control	Council on Aging	Retired Senior Volunteer Program	Public Health Unit	Workforce Investment Act SDA 14
\$ 476,012	\$ 655,916	\$ -	\$ 184,883	\$ -
-	-	96,860	-	2,300,553
-	-	-	-	-
11,915	733	353	4,743	-
-	-	115	-	-
<u>487,927</u>	<u>656,649</u>	<u>97,328</u>	<u>189,626</u>	<u>2,300,553</u>
-	-	-	-	-
-	-	-	-	-
559,921	656,649	191,519	-	-
-	-	-	159,693	-
-	-	-	-	2,291,546
-	-	-	-	-
-	-	-	-	-
<u>559,921</u>	<u>656,649</u>	<u>191,519</u>	<u>159,693</u>	<u>14,895</u>
				<u>2,306,441</u>
<u>(71,994)</u>	<u>-</u>	<u>(94,191)</u>	<u>29,933</u>	<u>(5,888)</u>
-	-	-	-	-
-	-	-	-	5,888
-	-	105,936	-	-
-	-	-	(140,045)	-
-	-	<u>105,936</u>	<u>(140,045)</u>	<u>5,888</u>
(71,994)	-	11,745	(110,112)	-
806,354	-	27,329	346,396	-
<u>\$ 734,360</u>	<u>\$ -</u>	<u>\$ 39,074</u>	<u>\$ 236,284</u>	<u>\$ -</u>

(Continued)

**Parish of St. Charles**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
**For The Year Ended December 31, 2003**

	Special Revenue Continued	Debt Service		
	Criminal Court	1/2% P.I. Sales Tax Sinking	P. I. 3/8% Sales Tax Bond Sinking	1/2% P. I. Sales Tax Bond Reserve
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	2,175,435	160,933	-
Intergovernmental revenues	-	-	-	-
Fees, charges and commissions	65,618	-	-	-
Fines and Forfeitures	536,281	-	-	-
Uses of money and property	152	9,513	347	25,114
Miscellaneous	-	-	-	-
Total revenues	<u>602,051</u>	<u>2,184,948</u>	<u>161,280</u>	<u>25,114</u>
<b>EXPENDITURES</b>				
Current:				
General government	487,992	-	-	-
Public safety	71,755	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Economic development and assistance	-	-	-	-
Debt service:				
Principal	-	1,790,000	-	-
Interest and other charges	-	415,894	59,152	-
Capital outlay	-	-	-	-
Total expenditures	<u>559,747</u>	<u>2,205,894</u>	<u>59,152</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>42,304</u>	<u>(20,946)</u>	<u>102,128</u>	<u>25,114</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds of refunding bonds	-	-	62,346	-
Sale of assets-program earned	-	-	-	-
Transfers in	-	-	1,803	-
Transfers out	(26,473)	-	-	(22,324)
Total other financing sources and uses	<u>(26,473)</u>	<u>-</u>	<u>64,149</u>	<u>(22,324)</u>
Net change in fund balance	15,831	(20,946)	166,277	2,790
Fund balances—beginning	7,071	389,425	-	2,209,808
Fund balances—ending	<u>\$ 22,902</u>	<u>\$ 368,479</u>	<u>\$ 166,277</u>	<u>\$ 2,212,598</u>

Debt Service				
P. I. 3/8% Sales Tax Reserve	Emerg. 911 Communic. System G.O. Sinking	P. I. 1% Sales Tax Sinking	P. I. 1% Sales Tax Reserve	Fire Protection Sinking
\$ -	\$ 140,475	\$ -	\$ -	\$ 321,835
-	-	1,856,966	-	-
-	-	-	-	-
-	-	-	-	-
1,803	617	7,042	21,544	1,589
<u>1,803</u>	<u>141,092</u>	<u>1,864,008</u>	<u>21,544</u>	<u>323,424</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	100,000	1,250,000	-	270,000
-	41,687	613,663	-	56,291
-	-	-	-	-
-	<u>141,687</u>	<u>1,863,663</u>	-	<u>326,291</u>
1,803	(595)	345	21,544	(2,867)
369,555	-	-	-	-
-	-	-	-	-
-	-	-	-	-
(1,803)	-	-	(19,152)	-
<u>367,752</u>	-	-	<u>(19,152)</u>	-
369,555	(595)	345	2,392	(2,867)
-	36,852	155,345	1,895,722	104,123
<u>\$ 369,555</u>	<u>\$ 36,257</u>	<u>\$ 155,690</u>	<u>\$ 1,898,114</u>	<u>\$ 101,256</u>

(Continued)

**Parish of St. Charles**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
**For The Year Ended December 31, 2003**

	Debt Service Continued		Capital Projects	
	Health Unit Sinking	Public Impr. Sales Tax	Recreational Facilities Construction	ST-1996 Drainage Construction
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 249,678	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-
Intergovernmental revenues	-	-	-	-
Fees, charges and commissions	-	-	47,439	-
Fines and Forfeitures	-	-	-	-
Uses of money and property	703	9,942	7,379	11,006
Miscellaneous	-	-	-	-
Total revenues	<u>250,381</u>	<u>9,942</u>	<u>54,818</u>	<u>11,006</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	12,466	-
Economic development and assistance	-	-	-	-
Debt service:				
Principal	165,000	-	-	-
Interest and other charges	87,658	-	-	-
Capital outlay	-	129,719	-	2,176,957
Total expenditures	<u>252,658</u>	<u>129,719</u>	<u>12,466</u>	<u>2,176,957</u>
Excess (deficiency) of revenues over expenditures	<u>(2,277)</u>	<u>(119,777)</u>	<u>42,352</u>	<u>(2,165,951)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds of refunding bonds	-	-	-	-
Sale of assets-program earned	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(2,277)	(119,777)	42,352	(2,165,951)
Fund balances—beginning	2,277	925,063	551,596	2,165,951
Fund balances—ending	<u>\$ -</u>	<u>\$ 805,286</u>	<u>\$ 593,948</u>	<u>\$ -</u>

Capital Projects				
Front Foot Assessment Maintenance	Public Health Unit Construction	Louisiana Community Development Block Grant	Bayou Trepagnier Pump Station	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 4,610,867
-	-	-	-	5,133,581
-	-	15,435	-	2,976,683
-	-	-	-	113,057
-	-	-	-	536,281
10,336	2,468	-	22,598	178,360
-	-	-	716,666	716,781
<u>10,336</u>	<u>2,468</u>	<u>15,435</u>	<u>739,264</u>	<u>14,265,610</u>
-	-	-	-	487,992
-	-	-	-	2,860,084
3,277	-	-	-	882,081
-	-	-	-	1,408,089
-	-	-	-	172,159
-	-	-	-	2,291,546
-	-	-	-	3,575,000
-	-	-	-	1,274,345
-	739,306	15,435	1,405,863	5,265,506
<u>3,277</u>	<u>739,306</u>	<u>15,435</u>	<u>1,405,863</u>	<u>18,216,802</u>
<u>7,059</u>	<u>(736,838)</u>	-	<u>(666,599)</u>	<u>(3,951,192)</u>
-	-	-	4,303,592	4,735,493
-	-	-	-	5,888
-	140,045	-	-	247,784
-	-	-	-	(209,797)
-	<u>140,045</u>	-	<u>4,303,592</u>	<u>4,779,368</u>
7,059	(596,793)	-	3,636,993	828,176
842,582	596,832	-	-	12,513,427
<u>\$ 849,641</u>	<u>\$ 39</u>	<u>\$ -</u>	<u>\$ 3,636,993</u>	<u>\$ 13,341,603</u>

**Parish of St. Charles**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Fire Protection Special Revenue Fund**  
**For The Year Ended December 31, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 1,013,222	\$ 1,057,433	\$ 1,057,450	\$ 17
Sales taxes	1,031,250	1,000,000	940,247	(59,753)
Total taxes	<u>2,044,472</u>	<u>2,057,433</u>	<u>1,997,697</u>	<u>(59,736)</u>
Intergovernmental:				
State grants:				
2% Fire insurance rebate	90,000	115,771	115,771	-
Investment earnings	<u>500</u>	<u>1,419</u>	<u>1,563</u>	<u>144</u>
Total revenues	<u>2,134,972</u>	<u>2,174,623</u>	<u>2,115,031</u>	<u>(119,328)</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	<u>2,134,972</u>	<u>2,174,623</u>	<u>2,115,031</u>	<u>59,592</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
Fund balances—beginning	-	-	-	-
Fund balances—ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Budget and Actual  
 Governmental Buildings Maintenance & Operation Special Revenue Fund  
 For The Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 641,280	\$ 668,726	\$ 668,735	\$ 9
Investment earnings	1,000	4,500	4,563	63
Total revenues	<u>642,280</u>	<u>673,226</u>	<u>673,298</u>	<u>72</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	<u>642,280</u>	<u>673,226</u>	<u>673,298</u>	<u>(72)</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
Fund balances—beginning	-	-	-	-
Fund balances—ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Budget and Actual  
 Parish Transportation Special Revenue Fund  
 For The Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental:				
State grants:				
Parish road fund	\$ 397,400	\$ 420,000	\$ 442,058	\$ 22,058
Investment earnings	1,500	5,000	5,447	447
Total revenues	<u>398,900</u>	<u>425,000</u>	<u>447,505</u>	<u>22,505</u>
<b>EXPENDITURES</b>				
Current:				
Public works	250	250	-	250
Capital outlay	550,000	575,000	550,000	25,000
Total expenditures	<u>550,250</u>	<u>575,250</u>	<u>550,000</u>	<u>25,250</u>
Excess (deficiency) of revenues over expenditures	(151,350)	(150,250)	(102,495)	47,755
Fund balances—beginning	226,762	415,539	415,539	-
Fund balances—ending	<u>\$ 75,412</u>	<u>\$ 265,289</u>	<u>\$ 313,044</u>	<u>\$ 47,755</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Budget and Actual  
 Road Lighting Dist No. 1 Special Revenue Fund  
 For The Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 820,838	\$ 855,869	\$ 855,883	\$ 14
Intergovernmental:				
State payment in lieu of taxes	6,516	6,006	6,006	-
Investment earnings	10,731	13,594	16,890	3,296
Total revenues	<u>838,085</u>	<u>875,469</u>	<u>878,779</u>	<u>3,310</u>
<b>EXPENDITURES</b>				
Current:				
Public works	1,136,122	1,134,079	878,804	255,275
Capital outlay	310,000	310,000	233,331	76,669
Total expenditures	<u>1,446,122</u>	<u>1,444,079</u>	<u>1,112,135</u>	<u>331,944</u>
Excess (deficiency) of revenues over expenditures	(608,037)	(568,610)	(233,356)	335,254
Fund balances—beginning	639,161	1,035,162	1,035,162	-
Fund balances—ending	<u>\$ 31,124</u>	<u>\$ 466,552</u>	<u>\$ 801,806</u>	<u>\$ 335,254</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Budget and Actual  
 Mosquito Control Special Revenue Fund  
 For The Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 455,309	\$ 476,003	\$ 476,012	\$ 9
Investment earnings	14,893	9,090	11,915	2,825
Total revenues	<u>470,202</u>	<u>485,093</u>	<u>487,927</u>	<u>2,834</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare	593,551	604,605	559,921	44,684
Capital outlay	<u>180,000</u>	<u>180,000</u>	-	<u>180,000</u>
Total expenditures	<u>773,551</u>	<u>784,605</u>	<u>559,921</u>	<u>224,684</u>
Excess (deficiency) of revenues over expenditures	(303,349)	(299,512)	(71,994)	227,518
Fund balances—beginning	<u>770,893</u>	<u>806,354</u>	<u>806,354</u>	-
Fund balances—ending	<u>\$ 467,544</u>	<u>\$ 506,842</u>	<u>\$ 734,360</u>	<u>\$ 227,518</u>

**Parish of St. Charles**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Council on Aging Special Revenue Fund**  
**For The Year Ended December 31, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 628,454	\$ 655,906	\$ 655,916	\$ 10
Investment earnings	500	699	733	34
Total revenues	<u>628,954</u>	<u>656,605</u>	<u>656,649</u>	<u>44</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare	<u>628,954</u>	<u>656,605</u>	<u>656,649</u>	<u>(44)</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
Fund balances—beginning	-	-	-	-
Fund balances—ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Budget and Actual  
 Retired Senior Volunteer Program Special Revenue Fund  
 For The Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental revenues:				
Federal grant	\$ 62,851	\$ 66,357	\$ 66,357	\$ -
State grant	17,170	17,170	17,170	-
Local grants:				
Local grant	10,000	10,000	8,333	(1,667)
St. John	5,000	5,000	5,000	-
Total intergovernmental revenues	<u>95,021</u>	<u>98,527</u>	<u>96,860</u>	<u>(1,667)</u>
Investment earnings	<u>50</u>	<u>255</u>	<u>353</u>	<u>- 98</u>
Miscellaneous:				
Donations	<u>50</u>	<u>115</u>	<u>115</u>	<u>-</u>
Total revenues	<u>95,121</u>	<u>98,897</u>	<u>97,328</u>	<u>(1,569)</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare	199,457	198,705	191,519	7,186
Capital outlay	<u>1,500</u>	<u>1,500</u>	<u>-</u>	<u>1,500</u>
Total expenditures	<u>200,957</u>	<u>200,205</u>	<u>191,519</u>	<u>8,686</u>
Excess (deficiency) of revenues over expenditures	<u>(105,836)</u>	<u>(101,308)</u>	<u>(94,191)</u>	<u>7,117</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
General fund	<u>105,936</u>	<u>105,936</u>	<u>105,936</u>	<u>-</u>
Net change in fund balance	100	4,628	11,745	7,117
Fund balances—beginning	<u>5,468</u>	<u>27,329</u>	<u>27,329</u>	<u>-</u>
Fund balances—ending	<u>\$ 5,568</u>	<u>\$ 31,957</u>	<u>\$ 39,074</u>	<u>\$ 7,117</u>

**Parish of St. Charles**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Public Health Unit Special Revenue Fund**  
**For The Year Ended December 31, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 165,260	\$ 185,613	\$ 184,883	\$ (730)
Investment earnings	2,715	3,900	4,743	843
Total revenues	<u>167,975</u>	<u>189,513</u>	<u>189,626</u>	<u>113</u>
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	168,049	228,950	159,693	69,257
Capital outlay	-	5,000	-	5,000
Total expenditures	<u>168,049</u>	<u>233,950</u>	<u>159,693</u>	<u>74,257</u>
Excess (deficiency) of revenues over expenditures	<u>(74)</u>	<u>(44,437)</u>	<u>29,933</u>	<u>74,370</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				
Health unit capital fund	(183,018)	(211,869)	(140,045)	71,824
Total other financing sources and uses	<u>(183,018)</u>	<u>(211,869)</u>	<u>(140,045)</u>	<u>71,824</u>
Net change in fund balance	(183,092)	(256,306)	(110,112)	146,194
Fund balances—beginning	<u>322,836</u>	<u>346,396</u>	<u>346,396</u>	<u>-</u>
Fund balances—ending	<u>\$ 139,744</u>	<u>\$ 90,090</u>	<u>\$ 236,284</u>	<u>\$ 146,194</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Budget and Actual  
 Workforce Investment Act SDA 14 Special Revenue Fund  
 For The Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental revenues:				
Federal grants:				
Department of Labor IIA	\$ 810,308	\$ 810,308	\$ 873,572	\$ 63,264
Department of Labor III	1,169,606	1,169,606	508,052	(661,554)
Department of Labor IIC	948,843	948,843	689,692	(259,151)
Welfare to Work	-	-	28,135	28,135
WIA Administration	-	-	201,102	201,102
Total revenues	<u>2,928,757</u>	<u>2,928,757</u>	<u>2,300,553</u>	<u>(628,204)</u>
<b>EXPENDITURES</b>				
Current:				
Economic development and assistance	2,860,757	2,860,757	2,291,546	569,211
Capital outlay	68,000	68,000	14,895	53,105
Total expenditures	<u>2,928,757</u>	<u>2,928,757</u>	<u>2,306,441</u>	<u>622,316</u>
Excess (deficiency) of revenues over expenditures	-	-	(5,888)	(5,888)
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of assets-program earned	-	-	5,888	5,888
Net change in fund balance	-	-	-	-
Fund balances—beginning	-	-	-	-
Fund balances—ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Parish of St. Charles**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**1/2% P.I. Sales Tax Sinking Debt Service Fund**  
**For The Year Ended December 31, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Sales taxes	\$ 2,191,292	\$ 2,195,512	\$ 2,175,435	\$ (20,077)
Investment earnings	15,070	10,850	9,513	(1,337)
Total revenues	<u>2,206,362</u>	<u>2,206,362</u>	<u>2,184,948</u>	<u>(21,414)</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	1,790,000	1,790,000	1,790,000	-
Interest and other charges	416,148	416,148	415,894	254
Total expenditures	<u>2,206,148</u>	<u>2,206,148</u>	<u>2,205,894</u>	<u>254</u>
Excess (deficiency) of revenues over expenditures	214	214	(20,946)	(21,160)
Fund balances—beginning	<u>393,966</u>	<u>389,425</u>	<u>389,425</u>	<u>-</u>
Fund balances—ending	<u>\$ 394,180</u>	<u>\$ 389,639</u>	<u>\$ 368,479</u>	<u>\$ (21,160)</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Budget and Actual  
 P.I. 3/8% Sales Tax Bond Sinking Debt Service Fund  
 For The Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Sales taxes	\$ -	\$ 160,417	\$ 160,933	\$ 516
Investment earnings	-	515	347	(168)
Total revenues	-	160,932	161,280	348
<b>EXPENDITURES</b>				
Debt service:				
Interest and other charges	-	75,200	59,152	16,048
Excess (deficiency) of revenues over expenditures	-	85,732	102,128	16,396
<b>OTHER FINANCING SOURCES (USES)</b>				
F Proceeds of refunding bonds	-	62,346	62,346	-
Transfers in:				
3/8% PIST bond reserve	-	1,840	1,803	(37)
Total other financing sources and uses	-	64,186	64,149	(37)
Net change in fund balance	-	149,918	166,277	16,359
Fund balances—beginning	-	-	-	-
Fund balances—ending	\$ -	\$ 149,918	\$ 166,277	\$ 16,359

**Parish of St. Charles**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**1/2% P.I. Sales Tax Bond Reserve Debt Service Fund**  
**For The Year Ended December 31, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Investment earnings	\$ 33,141	\$ 25,105	\$ 25,114	\$ 9
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				
General fund	(33,141)	(25,480)	(22,324)	3,156
Net change in fund balance	-	(375)	2,790	3,165
Fund balances—beginning	2,209,433	2,209,808	2,209,808	-
Fund balances—ending	<u>\$ 2,209,433</u>	<u>\$ 2,209,433</u>	<u>\$ 2,212,598</u>	<u>\$ 3,165</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Budget and Actual  
 P.I. 3/8% Sales Tax Reserve Debt Service Fund  
 For The Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Investment earnings	\$ -	\$ 1,840	\$ 1,803	\$ (37)
<b>OTHER FINANCING SOURCES (USES)</b>				
F Proceeds of refunding bonds	-	369,555	369,555	-
Transfers out:				
3/8% PIST bond sinking	-	(1,840)	(1,803)	37
Total other financing sources and uses	-	367,715	367,752	- 37
Net change in fund balance	-	369,555	369,555	-
Fund balances—beginning	-	-	-	-
Fund balances—ending	\$ -	\$ 369,555	\$ 369,555	\$ -

**Parish of St. Charles**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Emergency 911 Communication System G.O. Sinking Debt Service Fund**  
**For The Year Ended December 31, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 134,669	\$ 140,473	\$ 140,475	\$ 2
Investment earnings	830	600	617	17
Total revenues	<u>135,499</u>	<u>141,073</u>	<u>141,092</u>	<u>19</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	100,000	100,000	100,000	-
Interest and other charges	41,500	41,919	41,687	232
Total expenditures	<u>141,500</u>	<u>141,919</u>	<u>141,687</u>	<u>232</u>
Excess (deficiency) of revenues over expenditures	(6,001)	(846)	(595)	251
Fund balances—beginning	<u>38,537</u>	<u>36,852</u>	<u>36,852</u>	<u>-</u>
Fund balances—ending	<u>\$ 32,536</u>	<u>\$ 36,006</u>	<u>\$ 36,257</u>	<u>\$ 251</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Budget and Actual  
 P.I. 1% Sales Tax Sinking Debt Service Fund  
 For The Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Sales taxes	\$ 1,850,962	\$ 1,854,980	\$ 1,856,966	\$ 1,986
Investment earnings	12,872	8,855	7,042	(1,813)
Total revenues	<u>1,863,834</u>	<u>1,863,835</u>	<u>1,864,008</u>	<u>173</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	1,250,000	1,250,000	1,250,000	-
Interest and other charges	613,870	613,870	613,663	207
Total expenditures	<u>1,863,870</u>	<u>1,863,870</u>	<u>1,863,663</u>	<u>207</u>
Excess (deficiency) of revenues over expenditures	(36)	(35)	345	380
Fund balances—beginning	<u>154,989</u>	<u>155,345</u>	<u>155,345</u>	<u>-</u>
Fund balances—ending	<u>\$ 154,953</u>	<u>\$ 155,310</u>	<u>\$ 155,690</u>	<u>\$ 380</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Budget and Actual  
 P.I. 1% Sales Tax Reserve Debt Service Fund  
 For The Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Investment earnings	\$ 28,431	\$ 21,163	\$ 21,544	\$ 381
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				
Roads & Drainage M & O fund	(28,431)	(21,485)	(19,152)	2,333
Net change in fund balance	-	(322)	2,392	2,714
Fund balances—beginning	1,895,400	1,895,722	1,895,722	-
Fund balances—ending	<u>\$ 1,895,400</u>	<u>\$ 1,895,400</u>	<u>\$ 1,898,114</u>	<u>\$ 2,714</u>

**Parish of St. Charles**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Fire Protection Sinking Debt Service Fund**  
**For The Year Ended December 31, 2003**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 307,814	\$ 321,829	\$ 321,835	\$ 6
Investment earnings	1,970	1,490	1,589	99
Total revenues	<u>309,784</u>	<u>323,319</u>	<u>323,424</u>	<u>105</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	270,000	270,000	270,000	-
Interest and other charges	56,382	56,426	56,291	135
Total expenditures	<u>326,382</u>	<u>326,426</u>	<u>326,291</u>	<u>135</u>
Excess (deficiency) of revenues over expenditures	(16,598)	(3,107)	(2,867)	240
Fund balances—beginning	<u>105,511</u>	<u>104,123</u>	<u>104,123</u>	-
Fund balances—ending	<u>\$ 88,913</u>	<u>\$ 101,016</u>	<u>\$ 101,256</u>	<u>\$ 240</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Budget and Actual  
 Health Unit Sinking Debt Service Fund  
 For The Year Ended December 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 251,572	\$ 251,186	\$ 249,678	\$ (1,508)
Investment earnings	118	700	703	3
Total revenues	<u>251,690</u>	<u>251,886</u>	<u>250,381</u>	<u>(1,505)</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	165,000	165,000	165,000	-
Interest and other charges	<u>87,943</u>	<u>89,163</u>	<u>87,658</u>	<u>1,505</u>
Total expenditures	<u>252,943</u>	<u>254,163</u>	<u>252,658</u>	<u>1,505</u>
Excess (deficiency) of revenues over expenditures	(1,253)	(2,277)	(2,277)	-
Fund balances—beginning	<u>1,253</u>	<u>2,277</u>	<u>2,277</u>	<u>-</u>
Fund balances—ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Budget and Actual  
 Public Improvement Sales Tax Capital Projects Fund  
 For The Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Investment earnings	\$ -	\$ 9,000	\$ 9,942	\$ 942
<b>EXPENDITURES</b>				
Capital outlay	610,000	839,110	129,719	709,391
Excess (deficiency) of revenues over expenditures	(610,000)	(830,110)	(119,777)	710,333
Fund balances—beginning	618,047	925,063	925,063	-
Fund balances—ending	\$ 8,047	\$ 94,953	\$ 805,286	\$ 710,333

**Parish of St. Charles**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Recreational Facilities Construction Capital Projects Fund**  
**For The Year Ended December 31, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Fees, charges and commissions:				
Zoning and subdivision	\$ -	\$ 47,439	\$ 47,439	\$ -
Investment earnings	7,700	10,195	7,379	(2,816)
Total revenues	7,700	57,634	54,818	(2,816)
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	224,250	224,250	12,466	211,784
Excess (deficiency) of revenues over expenditures	(216,550)	(166,616)	42,352	208,968
Fund balances—beginning	514,850	551,596	551,596	-
Fund balances—ending	\$ 298,300	\$ 384,980	\$ 593,948	\$ 208,968

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Budget and Actual  
 ST-1996 Drainage Construction Capital Projects Fund  
 For The Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Investment earnings	\$ -	\$ 10,967	\$ 11,006	\$ 39
<b>EXPENDITURES</b>				
Capital outlay	1,879,358	2,176,918	2,176,957	(39)
Excess (deficiency) of revenues over expenditures	(1,879,358)	(2,165,951)	(2,165,951)	-
Fund balances—beginning	1,879,358	2,165,951	2,165,951	-
Fund balances—ending	\$ -	\$ -	\$ -	\$ -

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Budget and Actual  
 Front Foot Assessment Maintenance Capital Projects Fund  
 For The Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Investment earnings	\$ 12,622	\$ 10,460	\$ 10,336	\$ (124)
<b>EXPENDITURES</b>				
Current:				
Public works	1,500	3,300	3,277	23
Capital outlay	150	49,581	-	49,581
Total expenditures	1,650	52,881	3,277	49,604
Excess (deficiency) of revenues over expenditures	10,972	(42,421)	7,059	49,480
Fund balances—beginning	841,435	842,582	842,582	-
Fund balances—ending	<u>\$ 852,407</u>	<u>\$ 800,161</u>	<u>\$ 849,641</u>	<u>\$ 49,480</u>

**Parish of St. Charles**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Public Health Unit Construction Capital Projects Fund**  
**For The Year Ended December 31, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Investment earnings	\$ 16,329	\$ 2,470	\$ 2,468	\$ (2)
<b>EXPENDITURES</b>				
Capital outlay	1,132,695	812,086	739,306	72,780
Excess (deficiency) of revenues over expenditures	(1,116,366)	(809,616)	(736,838)	72,778
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
Public health unit M & O fund	116,339	212,784	140,045	(72,739)
Net change in fund balance	(1,000,027)	(596,832)	(596,793)	39
Fund balances—beginning	1,000,027	596,832	596,832	-
Fund balances—ending	\$ -	\$ -	\$ 39	\$ 39

**Parish of St. Charles**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Louisiana Community Development Block Grant Capital Projects Fund**  
**For The Year Ended December 31, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental revenues:				
Federal grants:				
LCDBG	\$ -	\$ 15,435	\$ 15,435	\$ -
<b>EXPENDITURES</b>				
Capital outlay	271,378	15,435	15,435	-
Excess (deficiency) of revenues over expenditures	(271,378)	-	-	-
Fund balances—beginning	271,378	-	-	-
Fund balances—ending	\$ -	\$ -	\$ -	\$ -

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Budget and Actual  
 Bayou Trapagnier Pump Station Capital Projects Fund  
 For The Year Ended December 31, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Investment earnings	\$ -	\$ 22,250	\$ 22,598	\$ 348
Miscellaneous:				
Gifts and donations	-	716,666	716,666	-
Total revenues	-	738,916	739,264	348
<b>EXPENDITURES</b>				
Capital outlay	-	3,572,205	1,405,863	2,166,342
Excess (deficiency) of revenues over expenditures	-	(2,833,289)	(666,599)	2,166,690
<b>OTHER FINANCING SOURCES (USES)</b>				
F Proceeds of refunding bonds	-	4,303,592	4,303,592	-
Net change in fund balance	-	1,470,303	3,636,993	2,166,690
Fund balances—beginning	-	-	-	-
Fund balances—ending	<u>\$ -</u>	<u>\$ 1,470,303</u>	<u>\$ 3,636,993</u>	<u>\$ 2,166,690</u>

**Parish of St. Charles**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Nonbudgeted Funds**  
**Criminal Court Special Revenue Fund**  
**For The Year Ended December 31, 2003**

	<u>Actual Amounts</u>
<b>REVENUES</b>	
Fees, charges and commissions:	
Court costs, fees, and charges	<u>\$ 65,618</u>
Fines and forfeitures:	
Court fines	510,918
Interest on bonds and fines	7,222
AFF reinstatement court fines	17,150
Drug asset forfeitures	991
Total fines and forfeitures	<u>536,281</u>
Investment earnings	<u>152</u>
Total revenues	<u>602,051</u>
<b>EXPENDITURES</b>	
Current:	
General government	487,992
Public safety	<u>71,755</u>
Total expenditures	<u>559,747</u>
Excess (deficiency) of revenues over expenditures	<u>42,304</u>
<b>OTHER FINANCING SOURCES (USES)</b>	
Transfers out:	
General Fund	<u>(26,473)</u>
Net change in fund balance	15,831
Fund balances—beginning	<u>7,071</u>
Fund balances—ending	<u>\$ 22,902</u>



**ST. CHARLES PARISH**

*Where There's More To Life*

**Parish of St. Charles**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Comparative Schedules by Source**  
**December 31, 2003**

	2003
<b>Governmental funds capital assets:</b>	
Land	\$ 6,581,743
Buildings	12,219,405
Improvements other than buildings	27,660,120
Machinery & Equipment	19,239,859
Infrastructure	86,813,133
Construction work in progress	19,685,438
<b>Total governmental funds capital assets</b>	<b>\$ 172,199,698</b>
<b>Investments in governmental funds capital assets by source:</b>	
General fund	\$ 12,988,212
Special revenue funds	49,288,799
Capital project funds	24,698,733
Donations	85,223,954
	<b>\$ 172,199,698</b>

**Parish of St. Charles**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule by Function and Activity**  
**December 31, 2003**

Function and Activity	Land	Buildings	Improvements Other Than Buildings	Machinery and Equipment	Infrastructure	Construction in Progress	Total
<b>General Government:</b>							
Legislative	\$ -	\$ -	\$ -	\$ 266,458	\$ -	\$ -	\$ 266,458
Judicial	-	-	-	209,841	-	-	209,841
Executive	-	-	-	39,898	-	-	39,898
Elections	-	-	-	-	-	-	-
Financial & Administration	-	-	-	351,069	-	-	351,069
General Administration	2,493,801	7,093,088	356,775	376,944	-	-	10,320,608
<b>Total General Government</b>	<b>2,493,801</b>	<b>7,093,088</b>	<b>356,775</b>	<b>1,244,210</b>	<b>-</b>	<b>-</b>	<b>11,187,874</b>
Public Safety	158,116	2,128,737	182,150	574,865	-	-	3,043,868
Public Works	472,326	316,451	25,797,516	15,734,281	86,813,132	17,857,860	146,991,566
Health and Welfare	188,000	281,806	-	275,044	-	1,827,578	2,572,428
Culture and Recreation	2,205,994	2,399,324	1,323,679	791,766	-	-	6,720,763
Economic Development	1,063,507	-	-	619,692	-	-	1,683,199
<b>Total governmental funds capital assets</b>	<b>\$ 6,581,744</b>	<b>\$ 12,219,406</b>	<b>\$ 27,660,120</b>	<b>\$ 19,239,858</b>	<b>\$ 86,813,132</b>	<b>\$ 19,685,438</b>	<b>\$ 172,199,698</b>

**Parish of St. Charles**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule of Changes by Function and Activity**  
**For the Fiscal Year Ended December 31, 2003**

<u>Function &amp; Activity</u>	<u>Governmental Funds Capital Assets December 31, 2002</u>	<u>Additions</u>	<u>Adjustments &amp; Deletions</u>	<u>Governmental Funds Capital Assets December 31, 2003</u>
<b>General Government:</b>				
Legislative	\$ 530,554	\$ -	\$ (264,096)	\$ 266,458
Judicial	568,261	15,627	(374,048)	209,840
Executive	70,871	-	(30,973)	39,898
Elections	6,154	-	(6,154)	-
Financial & Administration	562,053	15,897	(226,881)	351,069
General Administration	10,611,698	15,131	(306,220)	10,320,609
<b>Total General Government</b>	<u>12,349,591</u>	<u>46,655</u>	<u>(1,208,372)</u>	<u>11,187,874</u>
Public Safety	3,355,931	31,205	(343,269)	3,043,867
Public Works	38,856,382	7,450,244	82,827,080	129,133,706
Health and Welfare	835,266	24,646	(115,062)	744,850
Culture and Recreation	6,529,410	596,303	(404,950)	6,720,763
Economic Development	1,790,765	14,895	(122,460)	1,683,200
Construction Work in Progress	6,627,179	13,383,576	(325,317)	19,685,438
<b>Total governmental funds</b>	<u>\$ 70,344,524</u>	<u>\$ 21,547,524</u>	<u>\$80,307,650</u>	<u>\$ 172,199,698</u>



## SELECTED NONMAJOR COMPONENT UNITS

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

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

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

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

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

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

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

**Parish of St. Charles**  
**Communications District-Discretely Presented Component Unit**  
**Library Service District No. 1-Discretely Presented Component Unit**  
**Balance Sheet**  
**December 31, 2003**

	Communications District	Library Service District No. 1
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,305	\$ 2,422
Investments	569,416	6,131,875
Receivables, net:		
Ad valorem taxes	-	3,455,958
Accounts	-	27
Other	68,284	1,854
Due from primary government	62,218	-
Inventory	24,740	-
Total assets	\$ 726,963	\$ 9,592,136
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Liabilities:</b>		
Accounts payable	\$ 25,654	\$ 15,290
Contracts payable	-	134,250
Due to primary government	8,449	18,730
Other liabilities	-	38,147
Deferred revenues - Ad valorem taxes	-	3,478,806
Total liabilities	34,103	3,685,223
<b>Fund balances:</b>		
<b>Reserved for:</b>		
Inventory	24,740	-
<b>Unreserved:</b>		
Undesignated	668,120	5,906,913
Total fund balances	692,860	5,906,913
<b>Total liabilities and fund balances</b>	<b>\$ 726,963</b>	<b>\$ 9,592,136</b>

**Parish of St. Charles**  
 Communications District-Discretely Presented Component Unit  
 Library Service District No. 1-Discretely Presented Component Unit  
 Reconciliation of the Governmental Funds Balance Sheet  
 To the Statement of Net Assets<sup>(1)</sup>  
 December 31, 2003

	<u>Communications District</u>	<u>Library Service District No. 1</u>
Fund balances - total governmental funds	\$ 692,860	\$ 5,906,913
Amounts reported for governmental activities in the statement of net assets differs because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds		
Governmental capital assets	866,780	3,883,170
Less accumulated depreciation	(374,528)	(1,034,446)
Net assets of governmental activities	<u>\$ 1,185,112</u>	<u>\$ 8,755,637</u>

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

**Parish of St. Charles**  
**Communications District-Discretely Presented Component Unit**  
**Library Service District No. 1-Discretely Presented Component Unit**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For The Year Ended December 31, 2003**

	<u>Communications District</u>	<u>Library Service District No. 1</u>
<b>REVENUES</b>		
Taxes:		
Ad valorem tax	\$ -	\$ 3,277,800
Intergovernmental revenues:		
State payment in lieu of taxes	-	68,144
Local grants	647,114	-
Fees, charges and commissions	452,515	18,259
Fines and forfeitures	-	6,448
Uses of money and property	4,780	96,050
Miscellaneous	-	3,562
	<u>1,104,409</u>	<u>3,470,263</u>
<b>EXPENDITURES</b>		
Current:		
Public safety	902,388	-
Culture and recreation	-	2,282,111
Capital Outlay	71,300	553,626
	<u>973,688</u>	<u>2,835,737</u>
Excess (deficiency) of revenues over (under) expenditures	<u>130,721</u>	<u>634,526</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Proceeds from sale of assets	-	1,262
Net change in fund balance	130,721	635,788
Fund balances- beginning	562,139	5,271,125
Fund balances-ending	<u>\$ 692,860</u>	<u>\$ 5,906,913</u>

**Parish of St. Charles**  
 Communications District-Discretely Presented component Unit  
 Library Service District No. 1-Discretely Presented Component Unit  
 Reconciliation of the Statement of Revenues, Expenditures,  
 and Changes in Fund Balances of Governmental Funds  
 To the Statement of Activities <sup>(1)</sup>  
 For the Year Ended December 31, 2003

	Communications District	Library Service District No. 1
Net change in fund balances - total governmental funds	\$ 130,721	\$ 635,788
Amounts reported for governmental activities in the statement of activities differs because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay	71,300	553,626
Depreciation expense	(101,475)	(293,239)
Change in net assets of governmental activities	\$ 100,546	\$ 896,175

<sup>(1)</sup> See Exhibit A-15 for The Combining Statement of Activities -All Discretely Presented Component Units.

**Parish of St. Charles**  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Budget and Actual  
 Communications District-Discretely Presented Component Unit  
 For The Year Ended December 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental revenues:				
Local grants	\$ 612,600	\$ 620,000	\$ 647,114	\$ 27,114
Fees, charges and commissions:				
Emergency telephone service charge	260,000	260,000	253,427	(6,573)
Emergency wireless service charge	175,000	160,000	199,088	39,088
Total fees, charges and commissions:	<u>435,000</u>	<u>420,000</u>	<u>452,515</u>	<u>32,515</u>
Uses of money and property:				
Interest earnings	25,000	1,400	4,780	3,380
Total revenues	<u>1,072,600</u>	<u>1,041,400</u>	<u>1,104,409</u>	<u>63,009</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	895,710	887,402	902,388	(14,986)
Capital Outlay	31,050	93,050	71,300	21,750
Total expenditures	<u>926,760</u>	<u>980,452</u>	<u>973,688</u>	<u>6,764</u>
Excess (deficiency) of revenues over (under) expenditures	145,840	60,948	130,721	56,245
Fund balances- beginning	562,139	562,139	562,139	-
Fund balances-ending	<u>\$ 707,979</u>	<u>\$ 623,087</u>	<u>\$ 692,860</u>	<u>\$ -</u>

**Parish of St. Charles**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Library Service District No. 1-Discretely Presented Component Unit**  
**For The Year Ended December 31, 2003**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Ad valorem taxes	\$ 3,142,272	\$ 3,142,272	\$ 3,277,800	\$ 135,528
Intergovernmental revenues:				
State funds:				
State aid to public libraries	9,000	9,000	-	(9,000)
State library grants	9,849	9,849	-	(9,849)
State payment in lieu of taxes	68,000	68,000	68,144	144
Total intergovernmental revenues	<u>86,849</u>	<u>86,849</u>	<u>68,144</u>	<u>(18,705)</u>
Fees, charges and commissions:				
Charges for photocopier	12,000	12,000	10,981	(1,019)
Miscellaneous fees	1,000	1,000	7,278	6,278
Total fees, charges and commissions:	<u>13,000</u>	<u>13,000</u>	<u>18,259</u>	<u>5,259</u>
Fines and forfeitures:				
Delinquent books	3,000	3,000	6,448	3,448
Uses of money and property:				
Interest earnings	80,000	80,000	96,050	16,050
Miscellaneous:				
Gifts & donations	-	-	3,562	3,562
Total revenues	<u>3,325,121</u>	<u>3,325,121</u>	<u>3,470,263</u>	<u>145,142</u>
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	2,461,779	2,461,779	2,282,111	179,668
Capital Outlay	5,125,000	5,125,000	553,626	4,571,374
Total expenditures	<u>7,586,779</u>	<u>7,586,779</u>	<u>2,835,737</u>	<u>4,751,042</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,261,658)</u>	<u>(4,261,658)</u>	<u>634,526</u>	<u>(4,896,184)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of assets	-	-	1,262	1,262
Net change in fund balance	(4,261,658)	(4,261,658)	635,788	(4,894,922)
Fund balances- beginning	5,271,125	5,271,125	5,271,125	-
Fund balances-ending	<u>\$ 1,009,467</u>	<u>\$ 1,009,467</u>	<u>\$ 5,906,913</u>	<u>\$ (4,894,922)</u>



**Parish of St. Charles  
Hahnville, Louisiana**

**REQUIRED SUPPLEMENTARY DISCLOSURE  
WIRELESS E911 SERVICE CHARGES  
For The Year Ended December 31, 2003  
(Unaudited)**

Act 1029 of the 1999 state legislative session amended the revised statutes relative to communications districts. The act authorizes the levy of an emergency telephone service charge on certain wireless communication systems to cover the costs associated with implementing the Federal Communications Commission (FCC) ordered enhancements to emergency 911 systems. Wireless service charges amounting to \$199,088 were recorded during 2003. The district implemented the first phase of the E911 Wireless Service. The district has entered into seven agreements with wireless vendors offering services to the Parish. The district expended \$19,441 during 2003.

**Parish of St. Charles**  
**Hahnville, Louisiana**

**Schedule of Council Members & Parish President Compensation**  
**For The Year Ended December 31, 2003**

Darnell C. Abadie	\$ 7,920
Terry Authement	7,920
April W. Black	7,920
Brian A. Fabre	7,920
Clayton M. Fauchoux, Jr.	10,560
Desmond J. Hillaire	7,920
Albert D. Laque, Parish President	77,391
Lance J. Marino	7,920
Barry Minnich	7,920
Ganesier Ramachandram	10,560
	<u>\$ 153,951</u>

**Parish of St. Charles  
Hahnville, Louisiana**

**Consolidated Waterworks and Wastewater District No. 1  
Schedule of Insurance Policies in Force  
December 31, 2003  
(Unaudited)**

<u>Kind of Insurance Coverage</u>	<u>Insurance Company</u>	<u>Policy Amount</u>	<u>Policy Expiration</u>
Excess Property	Westchester Surplus Lines	2,500,000	03/01/04
Excess Property	Essex	36,487,996	03/01/04
Automobile Liability and Collision	St. Paul Fire & Maintenance	1,000,000	03/01/04
General Liability	St. Paul Fire & Maintenance	2,000,000	03/01/04
Public Officials and Employees Liability	St. Paul Fire & Maintenance	1,000,000	03/01/04
Workers Compensation	Parish Government Risk Management Agency		12/31/03
Bodily Injury by:			
Accident each		100,000	
Disease each		100,000	
Disease limit		500,000	
Excess Umbrella	St. Paul Fire & Maintenance	4,000,000	03/01/04

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

**Parish of St. Charles  
Hahnville, Louisiana**

**Consolidated Waterworks and Wastewater District No. 1  
Schedule of Metered Customers  
December 31, 2003  
(Unaudited)**

Westbank	\$ 9,131
Eastbank	8,883
<b>TOTAL</b>	<b>\$ 18,014</b>



**ST. CHARLES PARISH**

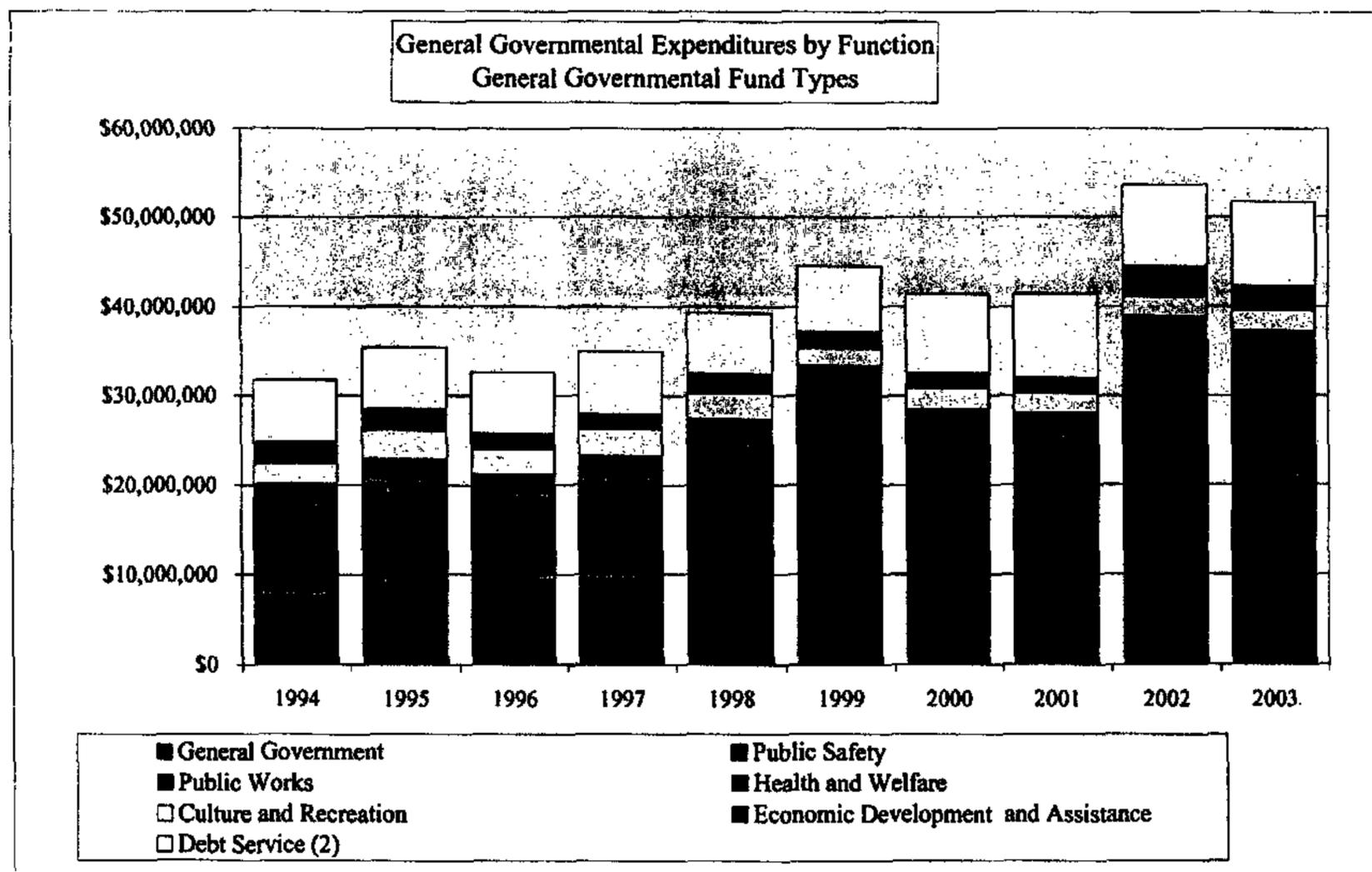
*Where There's More To Life*

**Parish of St. Charles**  
**General Governmental Expenditures by Function - Governmental Fund Types <sup>(1)</sup>**  
**Last Ten Years**  
**(Unaudited)**

Year	General Government	Public Safety	Public Works	Health and Welfare	Culture and Recreation	Economic Development and Assistance	Debt Service <sup>(2)</sup>	Total
1994	\$ 4,860,898	\$ 2,815,753	\$ 10,324,068	\$ 2,171,862	\$ 2,171,625	\$ 2,556,455	\$ 6,825,724	\$ 31,726,385
1995	4,708,960	4,305,552	11,675,306	2,238,440	3,164,578	2,466,961	6,795,229	35,355,026
1996	6,071,437	3,307,585	9,735,950	2,098,771	2,702,437	1,835,156	6,820,639	32,571,975
1997	5,566,693	3,982,039	11,394,417	2,326,299	2,935,130	1,813,460	6,865,818	34,883,856
1998	6,370,925	4,894,180	13,428,763	2,736,602	2,811,977	2,239,276	6,798,287	39,280,010
1999	6,747,483	8,419,501	15,852,330	2,347,839	1,865,151	1,944,860	7,362,749	44,539,913
2000	6,981,742	4,115,430	14,945,127	2,521,731	2,235,358	1,714,472	8,910,319	41,424,179
2001	6,871,734	4,756,868	13,968,637	2,524,596	2,115,914	1,830,884	9,381,438	41,450,071
2002	8,366,701	5,638,655	22,095,604	2,832,228	2,162,274	3,482,327	9,031,775	53,609,564
2003	8,755,882	4,677,689	21,134,522	2,699,458	2,303,195	2,766,860	9,326,265	51,663,871

(1) Includes General, Special Revenue, and Debt Service Funds.

(2) Includes all Debt Service except Enterprise Fund Revenue Bonds.

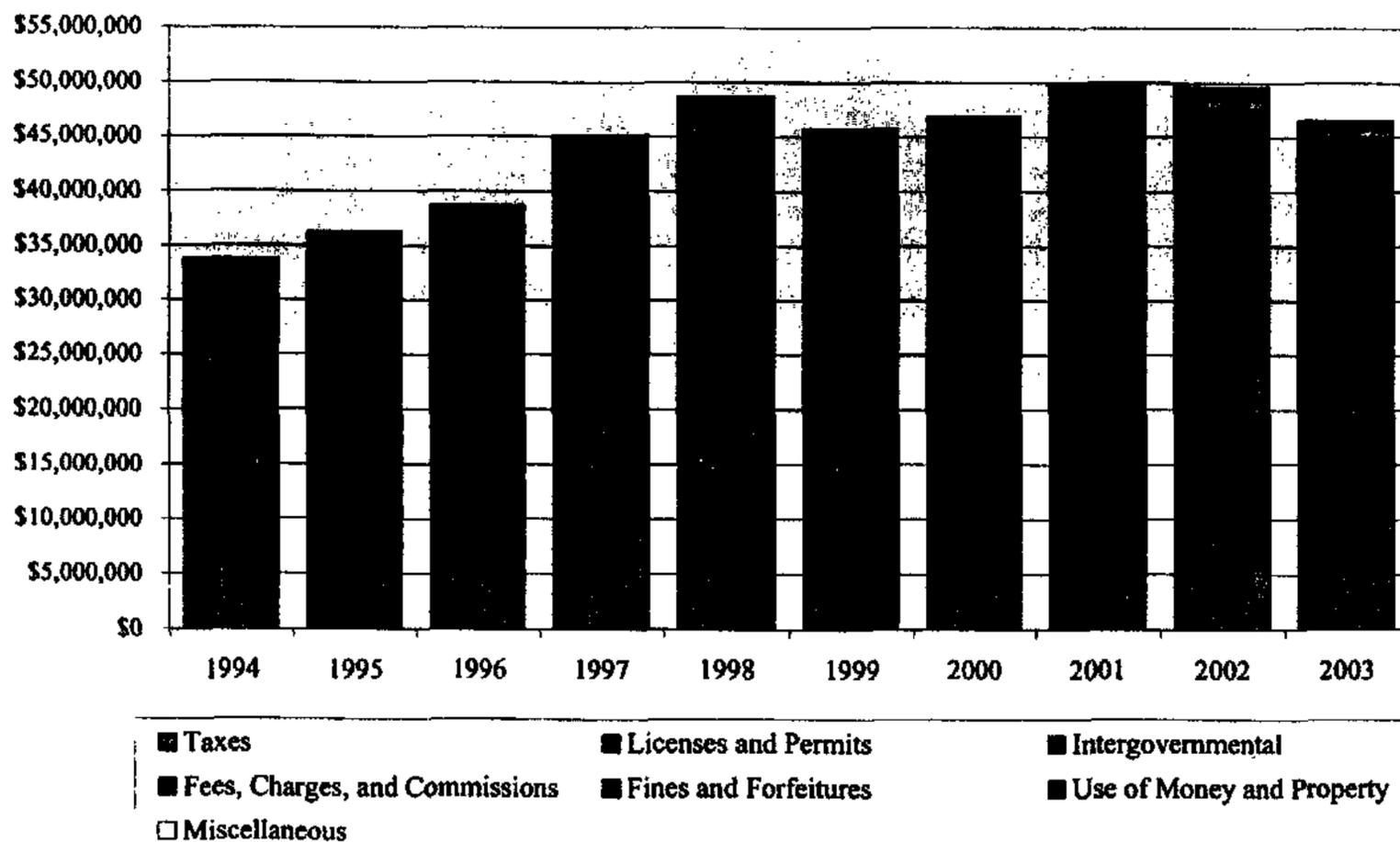


**Parish of St. Charles  
General Governmental Revenues by Source <sup>(1)</sup>  
Last Ten Years  
(Unaudited)**

Year	Taxes	Licenses and Permits	Intergovernmental	Fees, Charges, and Commissions	Fines and Forfeitures	Use of Money and Property	Miscellaneous	Total
1994	\$ 24,741,291	\$ 548,170	\$ 4,439,683	\$ 2,176,459	\$ 590,084	\$ 1,148,665	\$ 172,565	\$ 33,816,917
1995	25,832,216	604,322	5,272,092	2,243,998	481,178	1,724,302	178,112	36,336,220
1996	28,828,586	647,010	3,987,721	2,728,228	621,919	1,737,067	168,322	38,718,853
1997	34,524,354	649,088	3,884,491	2,820,755	785,418	2,310,985	193,862	45,168,953
1998	34,845,674	712,552	6,887,355	2,973,451	664,370	2,483,069	191,967	48,758,438
1999	33,621,819	731,385	4,850,985	3,027,790	693,636	2,636,716	226,657	45,788,988
2000	33,013,860	725,089	4,913,725	4,082,616	627,661	3,370,493	143,288	46,876,732
2001	37,305,913	735,868	5,060,810	3,361,153	687,509	2,807,310	122,788	50,081,351
2002	36,097,520	755,444	7,730,849	3,099,521	615,905	1,277,981	116,492	49,693,712
2003	36,089,185	769,681	6,920,142	1,282,137	553,077	821,730	148,979	46,584,931

(1) Includes General, Special Revenue, and Debt Service Funds.

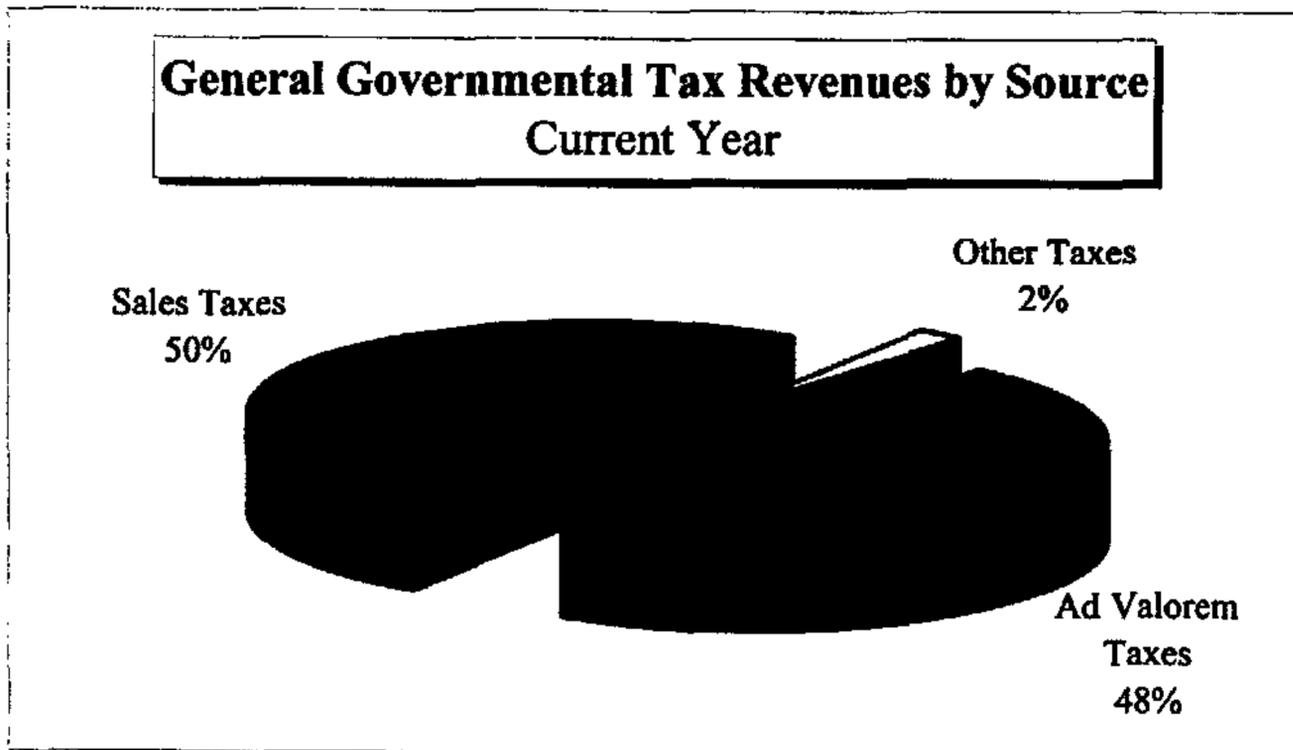
**General Governmental Revenues by Source**



**Parish of St. Charles**  
**General Governmental Tax Revenues by Source <sup>(1)</sup>**  
**Last Ten Years**  
**(Unaudited)**

Year	Ad Valorem Taxes	Sales Taxes	Other Taxes	Total
1994	\$ 10,475,428	\$ 13,680,841	\$ 585,022	\$ 24,741,291
1995	10,357,081	14,802,834	672,301	25,832,216
1996	10,986,656	17,117,549	724,381	28,828,586
1997	15,175,440	18,586,203	762,711	34,524,354
1998	12,647,740	21,392,383	805,551	34,845,674
1999	14,019,580	19,185,066	417,173	33,621,819
2000	15,861,644	16,328,444	823,772	33,013,860
2001	16,347,257	20,064,831	893,825	37,305,913
2002	17,169,308	18,046,778	881,434	36,097,520
2003	17,225,420	18,043,803	819,962	36,089,185

(1) Includes General, Special Revenue, and Debt Service.



**Parish of St. Charles**  
**Property Tax Levies and Collections<sup>(1)</sup>**  
**Last Ten Years**  
**(Unaudited)**

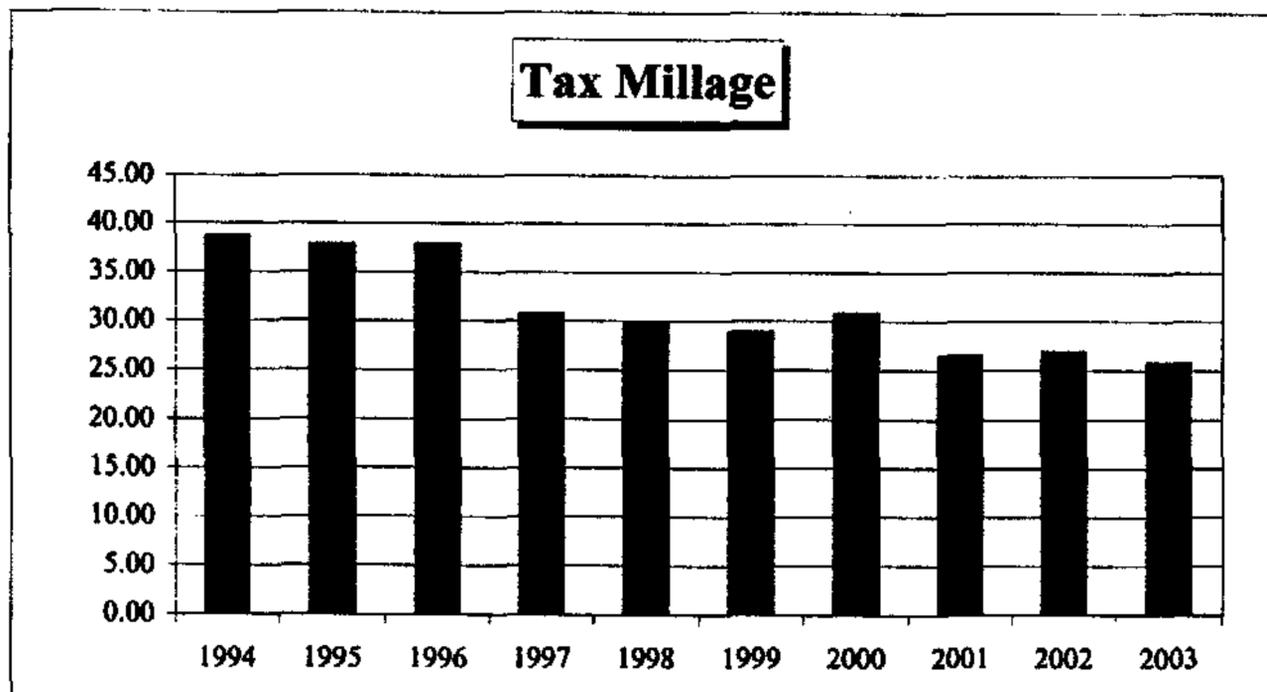
<u>Year</u>	<u>Tax Roll</u>	<u>Tax Millage</u>	<u>Assessed Value of Taxable Millage</u>	<u>Taxes Levied</u>	<u>Taxes Collected</u>	<u>Taxes not Collected</u>
1994	1993	38.62	\$ 406,033,349	\$ 11,029,013	\$ 10,475,428	\$ 553,585
1995	1994	37.77	422,729,066	11,201,944	10,357,081	844,863
1996	1995	37.86	428,189,070	11,408,571	10,986,656	421,915
1997	1996	30.70	618,573,599	14,264,101	15,175,440	(911,339) *
1998	1997	29.66	615,000,441	15,961,400	14,461,476	1,499,924
1999	1998	28.86	622,809,996	14,124,111	14,019,580	104,531
2000	1999	30.73	634,076,403	15,599,572	15,861,644	(262,072) *
2001	2000	26.49	636,372,445	16,457,492	16,347,257	110,235
2002	2001	26.9	653,177,813	17,013,756	17,169,308	(155,552) *
2003	2002	25.74	669,393,323	17,228,710	17,225,420	3,290

(1) Source: St. Charles Parish Tax Collector.

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

**Parish of St. Charles  
Recap of Tax Millage per \$1,000 of Assessed Value  
Last Ten Years  
(Unaudited)**

Year	Tax Roll	General Fund	Special Revenue Fund	Debt Service Fund	Total
1994	1993	3.33	24.32	10.97	38.62
1995	1994	3.33	24.36	10.08	37.77
1996	1995	3.33	24.36	10.17	37.86
1997	1996	3.28	21.89	5.53	30.70
1998	1997	3.28	21.58	4.8	29.66
1999	1998	3.28	19.47	6.11	28.86
2000	1999	3.28	18.76	8.69	30.73
2001	2000	3.28	14.72	8.49	26.49
2002	2001	3.28	15.23	8.39	26.90
2003	2002	3.28	15.13	7.33	25.74



**Parish of St. Charles**  
**Assessed Value of Taxable Property <sup>(1)</sup>**  
**Last Ten Years**  
**(Unaudited)**

<u>Year</u>	<u>Tax Roll</u>	<u>Number of Taxpayers</u>	<u>Value of Land and Improvements</u>	<u>Value of Other Property</u>	<u>Amount of Homestead Exemption</u>	<u>Assessed Value of Taxable Property</u>
1994	1993	20,792	\$ 116,472,628	\$ 351,080,719	\$ 61,519,998	\$ 406,033,349
1995	1994	20,941	119,821,897	366,565,415	63,658,246	422,729,066
1996	1995	21,115	122,826,511	371,005,698	65,643,139	428,189,070
1997	1996	21,447	134,267,285	553,137,200	68,830,886	618,573,599
1998	1997	21,620	137,821,683	548,064,454	70,885,696	615,000,441
1999	1998	21,988	144,101,986	550,514,592	71,806,582	622,809,996
2000	1999	22,164	150,075,671	557,854,024	73,853,292	634,076,403
2001	2000	22,378	160,098,719	550,804,234	74,530,508	636,372,445
2002	2001	22,630	167,850,395	563,040,140	77,712,722	653,177,813
2003	2002	22,797	178,002,798	570,295,318	78,904,793	669,393,323

(1) Source: St. Charles Parish Assessor.

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

Year	Tax Roll	Total Assessed Value	Estimated Assessment Ratio <sup>(1)</sup>	Estimated Actual Value
1994	1993	\$ 467,553,347	.141	\$ 3,315,981,184
1995	1994	486,387,312	.141	3,449,555,404
1996	1995	493,832,209	.143	3,453,372,091
1997	1996	687,404,485	.142	4,840,876,655
1998	1997	685,886,137	.142	4,830,184,063
1999	1998	694,616,578	.143	4,857,458,587
2000	1999	707,929,695	.145	4,882,273,759
2001	2000	710,902,953	.146	4,869,198,308
2002	2001	730,890,535	.145	5,040,624,379
2003	2002	748,298,116	.143	5,232,853,958

(1) Source: St. Charles Parish School Board Comprehensive Annual Financial Report - Statistical Section.

**Parish of St. Charles**  
**Value of Exempt Industrial Property<sup>(1)</sup>**  
**Under 10 Year Contracts**  
**Last Ten Years**  
**(Unaudited)**

<u>Year</u>	<u>Amount</u>
1993 - 03	\$ 754,377,000
1994 - 04	92,136,000
1995 - 05	115,777,000
1996 - 06	325,107,000
1997 - 07	338,844,000
1998 - 08	516,771,000
1999 - 09	720,349,000
2000-10	311,685,000
2001-11	791,484,000
2002-12	376,251,000
	<u>\$ 4,342,781,000</u>

(1) Source: St. Charles Parish School Board Comprehensive Annual Financial Report.

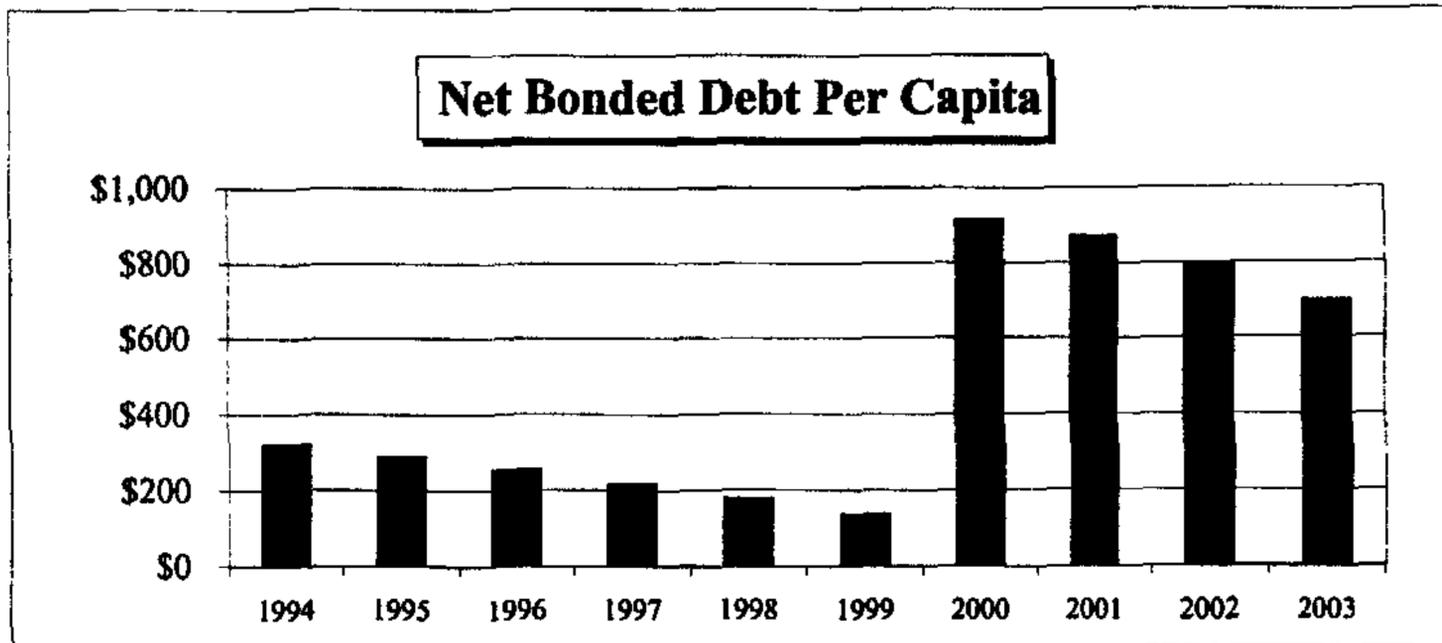
**Parish of St. Charles**  
**Parishwide Property Tax Millage**  
**(per \$1,000 of assessed value)**  
**Last Ten Years**  
**(Unaudited)**

Tax Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
<i>Tax Roll</i>	<i>1993</i>	<i>1994</i>	<i>1995</i>	<i>1996</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2001</i>	<i>2002</i>
<b><u>Taxing District</u></b>										
Road Lighting	1.70	1.70	1.70	1.18	1.16	1.00	1.00	1.38	1.38	1.28
Public Library Bonds	0.05	-	-	-	-	-	-	-	-	-
Public Library Maintenance & Operation	3.00	3.00	3.00	2.95	2.95	2.95	2.95	2.95	4.90	4.90
Public Courthouse Bonds	0.60	0.60	0.60	0.30	0.17	-	-	-	-	-
Mosquito Control	1.50	1.54	1.54	1.00	0.71	0.71	-	0.71	0.71	0.71
General Parish Tax	3.33	3.33	3.33	3.28	3.28	3.28	3.28	3.28	3.28	3.28
Public Sewerage Bonds	3.00	2.97	2.75	1.82	2.80	4.29	6.92	6.73	6.82	6.64
Public Roads	6.05	6.05	6.05	5.96	5.96	5.96	5.96	5.96	5.96	5.96
Parish Recreation	2.00	2.00	2.00	1.97	1.97	2.97	2.97	2.97	2.97	2.97
Parish Council on Aging	1.00	1.00	1.00	0.98	0.98	0.98	0.98	0.98	0.98	0.98
Fire Protection Maintenance & Operation	1.60	1.60	1.60	1.58	1.58	1.58	1.58	1.58	1.58	1.58
Fire Protection Bonds	0.90	0.52	0.83	0.50	0.52	0.52	0.52	0.51	0.50	0.48
E-911 Telephone Service - Bonds	0.40	0.29	0.29	0.21	0.22	0.21	0.22	0.22	0.22	0.21
E-911 Telephone Service - Maint.	0.50	0.50	0.50	0.49	0.49	0.49	0.49	0.49	1.00	1.00
Law Enforcement	17.93	17.93	17.93	16.93	16.93	17.66	17.66	17.66	17.66	17.66
Assessor	1.50	1.50	1.50	1.25	1.25	1.25	1.35	1.34	1.34	1.34
Hospital Bonds	3.50	3.50	2.65	1.55	1.55	1.55	2.37	2.40	2.46	2.46
Hospital Maintenance & Operation	2.79	2.79	2.79	2.75	2.75	2.75	2.75	2.73	2.60	2.60
Health Unit	-	-	-	-	-	-	-	0.65	0.65	0.65
School Constitutional	4.16	4.16	4.16	4.10	4.10	4.10	4.10	4.07	4.10	4.10
School Maintenance	39.64	43.64	43.64	39.69	39.69	39.64	39.64	39.30	42.97	42.97
School Construction and Improvement	5.00	5.00	5.00	4.90	4.90	4.90	4.90	4.86	4.90	4.90
School Bonds	9.84	8.70	8.70	6.81	6.81	6.86	6.86	6.86	6.86	6.86
<b>Total</b>	<b>109.99</b>	<b>112.32</b>	<b>111.56</b>	<b>100.20</b>	<b>100.77</b>	<b>103.65</b>	<b>106.50</b>	<b>107.63</b>	<b>113.84</b>	<b>113.53</b>

**Parish of St. Charles  
Property Tax Bonded Debt  
Ratio of Net General Bonded Debt to Assessed Value  
& Net Bonded Debt Per Capita  
Last Ten Years  
(Unaudited)**

Year	Estimated Population *	Assessed Value of Taxable Property	Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt	Ratio of Property Tax Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1994	45,236	\$ 406,033,349	\$ 16,405,000	\$ 1,917,075	\$ 14,487,925	3.6	\$ 320
1995	45,963	422,729,066	14,935,000	1,719,987	13,215,013	3.1	288
1996	46,275	428,189,070	13,380,000	1,684,236	11,695,764	2.7	253
1997	46,583	618,573,599	11,735,000	1,704,925	10,030,075	1.6	215
1998	46,730	615,000,441	10,105,000	1,877,651	8,227,349	1.3	176
1999	47,250	622,809,996	8,790,000	2,390,698	6,399,302	1.0	135
2000	47,650	634,076,403	46,649,213	3,215,267	43,433,946	6.8	912
2001	48,072	636,372,445	45,105,000	3,373,563	41,731,437	6.6	868
2002	48,130	653,177,813	41,795,000	3,495,221	38,299,779	5.9	796
2003	49,820	669,393,323	38,410,000	3,699,208	34,710,792	5.2	697

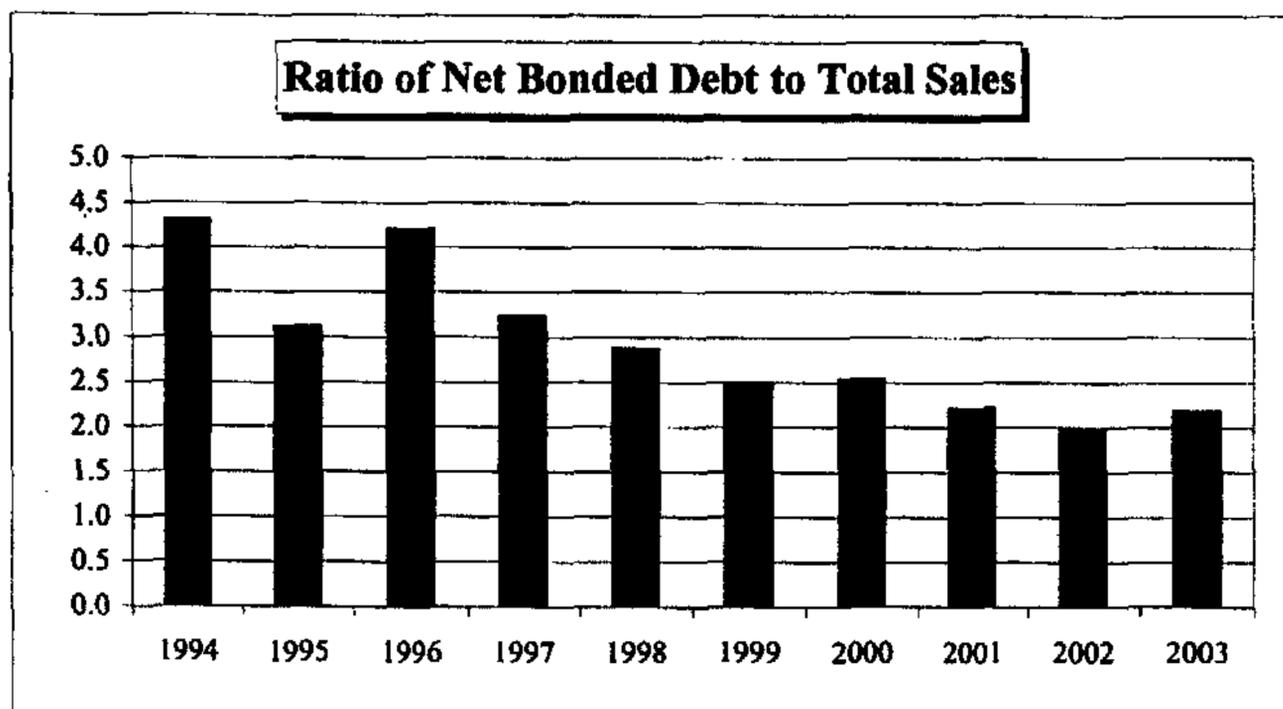
\* Source: St. Charles Parish School Board Comprehensive Annual Financial Report - Statistical Section



**Parish of St. Charles  
Sales Tax Bonds  
Ratio of Net Bonded Debt to Total Sales  
Last Ten Years  
(Unaudited)**

Year	Total Sales <sup>(1)</sup>	Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Total Sales
1994	\$ 593,650,800	\$ 29,980,000	\$ 4,377,540	\$ 25,602,460	4.3
1995	740,364,100	27,425,000	4,383,647	23,041,353	3.1
1996	772,167,000	37,545,000	5,080,265	32,464,735	4.2
1997	940,170,950	35,280,000	4,936,259	30,343,741	3.2
1998	973,682,000	32,900,000	4,933,906	27,966,094	2.9
1999	1,024,994,400	30,405,000	4,850,328	25,554,672	2.5
2000	896,073,800	27,780,000	5,026,027	22,753,973	2.5
2001	911,967,150	25,015,000	4,909,758	20,105,242	2.2
2002	901,138,550	22,485,000	4,650,300	17,834,700	2.0
2003	873,236,033	24,180,000	5,170,713	19,009,287	2.2

(1) Source: St. Charles Parish School Board Comprehensive Annual Financial Report - Statistical Section.

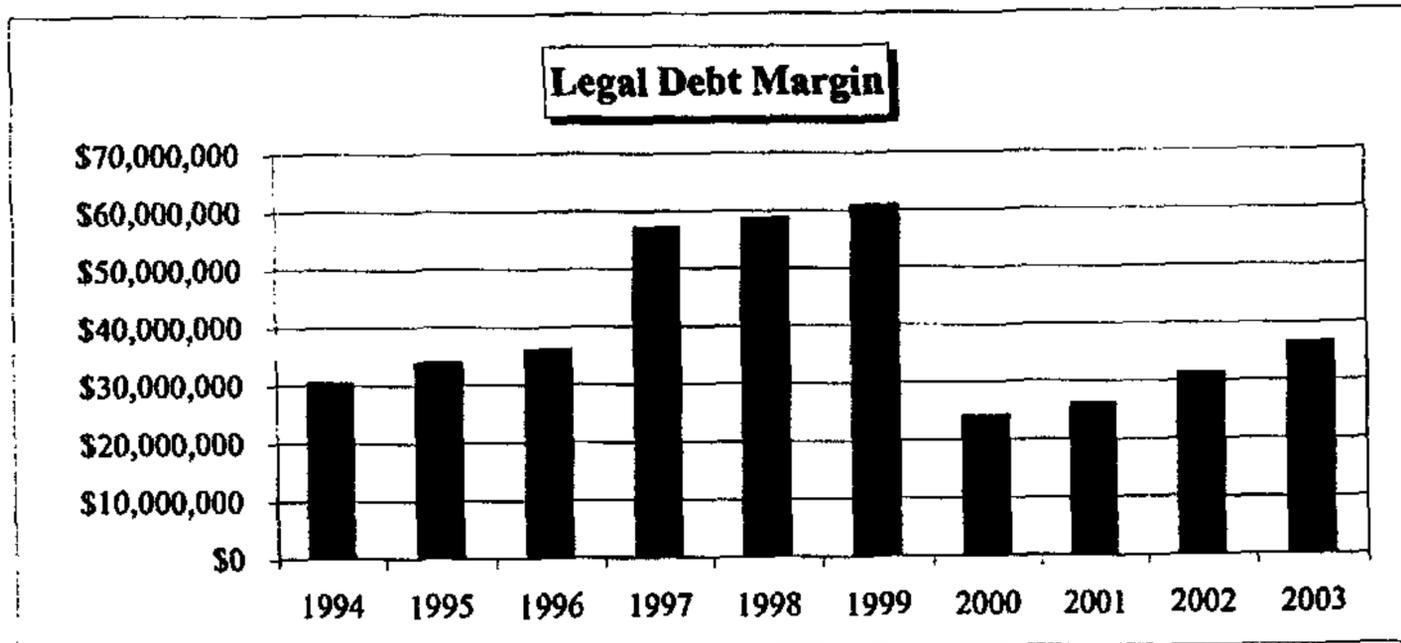


**Parish of St. Charles  
Legal Debt Margin  
Last Ten Years  
(Unaudited)**

Year	Tax Roll	Assessed Value	Legal Debt Limit *	Indebtedness **	Legal Debt Margin
1994	1993	\$ 467,553,347	\$ 46,755,335	\$ 16,405,000	\$ 30,350,335
1995	1994	486,387,312	48,638,731	14,935,000	33,703,731
1996	1995	493,832,209	49,383,221	13,380,000	36,003,221
1997	1996	687,404,485	68,740,449	11,735,000	57,005,449
1998	1997	685,886,137	68,588,614	10,105,000	58,483,614
1999	1998	694,616,578	69,461,658	8,790,000	60,671,658
2000	1999	707,929,695	70,792,970	46,649,213	24,143,757
2001	2000	710,902,953	71,090,295	45,105,000	25,985,295
2002	2001	730,890,535	73,089,054	41,795,000	31,294,054
2003	2002	748,298,116	74,829,812	38,410,000	36,419,812

\* Legal debt limit is 10% of the assessed value of taxable property for any one purpose.

\*\* Indebtedness for all purposes combined based on ad valorem taxes.



**Parish of St. Charles**  
**Ratio of Annual Debt Service for General**  
**Bonded Debt to Total General Governmental Expenditures <sup>(1)</sup>**  
**Last Ten Years**  
**(Unaudited)**

<u>Year</u>	<u>Debt Service Expenditures</u>	<u>Total General Governmental Expenditures</u>	<u>Ratio</u>
1994	\$ 6,813,414	\$ 31,726,385	0.215
1995	6,781,522	35,355,026	0.192
1996	6,807,709	32,571,975	0.209
1997	6,861,653	34,883,856	0.197
1998	6,793,920	39,280,010	0.173
1999	7,334,576	44,539,913	0.165
2000	8,907,418	41,424,179	0.215
2001	9,378,888	41,450,071	0.226
2002	9,029,382	53,609,564	0.168
2003	9,323,880	51,642,313	0.181

(1) Includes General, Special Revenue, and Debt Service Funds.

**Parish of St. Charles**  
**Computation of Direct and Overlapping Bonded Debt**  
**General Obligation Bonds <sup>(1)</sup>**  
**December 31, 2003**  
**(Unaudited)**

Exhibit F-12

<u>Jurisdiction</u>	<u>Net General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to Government</u>	<u>Amount Applicable to Government</u>
<b>Direct:</b>			
St. Charles Parish Government	\$ 38,410,000	100%	\$ 38,410,000
<b>Discretely Presented Component Unit:</b>			
St. Charles Parish Hospital Service District	5,650,000	100%	5,650,000
<b>Total direct</b>	<b><u>\$ 44,060,000</u></b>		<b><u>\$ 44,060,000</u></b>
<b>Overlapping:</b>			
St. Charles Parish School Board <sup>(2)</sup>	\$ 48,860,000	100%	\$ 48,860,000
<b>Total overlapping</b>	<b><u>\$ 48,860,000</u></b>		<b><u>\$ 48,860,000</u></b>
<b>Total direct and overlapping</b>	<b><u>\$ 92,920,000</u></b>		<b><u>\$ 92,920,000</u></b>

(1) All General Obligation Bonds are secured by Ad Valorem Taxes.

(2) Source: St. Charles Parish School Board Comprehensive Annual Financial Report - Statistical Section.

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

Exhibit F-13

Year	Gross Revenues <sup>(1)</sup>	Direct Operating Expenses <sup>(2)</sup>	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
<b>Waterworks Utility System Fund</b>							
1994	\$ 5,212,818	\$ 3,442,647	\$ 1,770,171	\$ 55,000	\$ 761,287	\$ 816,287	2.17
1995	5,591,627	3,858,614	1,733,013	65,000	757,759	822,759	2.11
1996	5,820,437	3,913,316	1,907,121	70,000	753,690	823,690	2.32
1997	5,731,221	3,920,250	1,810,971	80,000	749,055	829,055	2.18
1998	5,853,745	4,006,011	1,847,734	140,000	742,075	882,075	2.09
1999	5,935,039	4,318,995	1,616,044	235,000	494,594	729,594	2.21
2000	6,119,001	4,587,861	1,531,140	310,000	593,008	903,008	1.70
2001	5,797,678	4,545,396	1,252,282	370,000	570,260	940,260	1.33
2002	6,282,895	4,685,549	1,597,346	400,000	544,173	944,173	1.69
2003	6,265,662	5,326,068	939,594	40,000	323,231	363,231	2.59
<b>Wastewater Utility System Fund</b>							
1996	\$ 3,589,828	\$ 2,573,589	\$ 1,016,239	\$ 235,000	\$ 182,127	\$ 417,127	2.44
1997	3,574,895	2,455,508	1,119,387	245,000	175,304	420,304	2.66
1998	3,847,581	2,800,700	1,046,881	250,000	168,003	418,003	2.50
1999	4,323,664	2,724,467	1,599,197	255,000	160,554	415,554	3.85
2000	4,519,989	3,073,097	1,446,892	265,000	152,884	417,884	3.46
2001	6,552,543	3,899,406	2,653,137	270,000	144,993	414,993	6.39
2002	7,363,979	4,680,852	2,683,127	280,000	136,880	416,880	6.44
2003	7,046,878	5,889,901	1,156,977	290,000	128,473	418,473	2.76

(1) Source: Enterprise Funds - Combining Statement of Revenues, Expenses and Changes in Retained Earnings (Operating revenues and Non-operating revenues less sewer development revenues).

(2) Source: Enterprise Funds - Combining Statement of Revenues, Expenses and Changes in Retained Earnings (Operating expenses and other financing uses less depreciation, loss on fixed asset disposal and bond interest).

**St. Charles Parish Council**  
**Property Value, Construction and Bank Deposits**  
**Last Ten Years**  
**(Unaudited)**

Year	Property Value	Construction- Estimated Value <sup>(1)</sup>	St. Charles Commercial Bank Deposits <sup>(1)</sup>
1994	\$ 467,517,698	\$ 149,385,000	\$ 4,188,910,620
1995	486,481,103	558,803,000	10,800,467,103 *
1996	493,832,209	85,907,000	12,936,000,000
1997	687,404,485	123,781,000	13,457,000,000
1998	685,886,137	309,367,000	17,836,000,000
1999	694,616,578	356,356,000	19,852,000,000
2000	707,929,695	511,374,000	113,421,000,000 **
2001	710,902,953	642,426,000	118,339,000,000
2002	730,890,535	617,201,000	178,240,000,000
2003	748,298,116	376,251,000	239,268,000,000

(1) From St. Charles Parish School Board Comprehensive Annual Financial Report - Statistical Section.

\* In 1995 Hibernia National Bank opened branch offices in St. Charles Parish.

\*\* In 2000 Bank One opened branch offices in St. Charles Parish.

**Parish of St. Charles  
Principal Property Taxpayers  
December 31, 2003  
(Unaudited)**

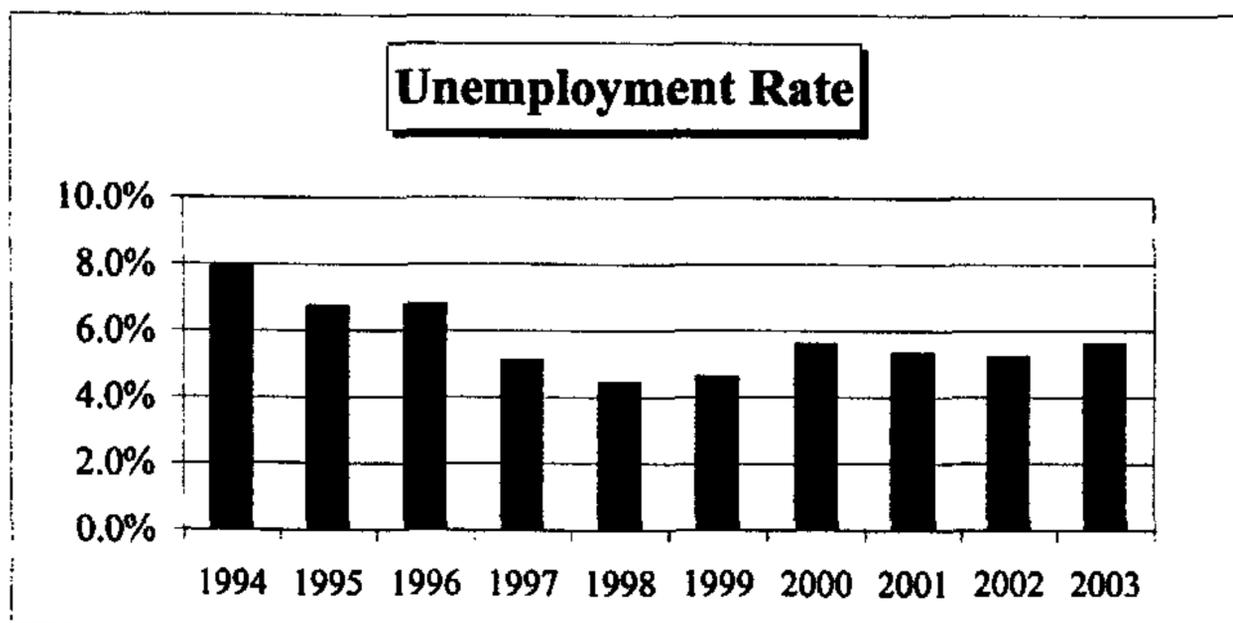
<u>Property Owner</u>	<u>2002 Assessed Valuation</u>	<u>2002 Percentage of Assessed Valuation</u>
Entergy Louisiana, Inc.	\$ 198,846,700	26.6%
Union Carbide Corporation	63,083,712	8.4%
Shell Oil Company	39,327,388	5.3%
Motiva Enterprises, LLC	38,033,221	5.1%
Orion Refining Corporation	34,778,412	4.6%
Monsanto Company	28,214,259	3.8%
Occidental Chemical Corp.	10,310,246	1.4%
Resolution Performance Prod.	8,338,610	1.1%
Union Carbide Corporation	7,001,340	0.9%
Shell Chemical Co., Division of Shell Oil	<u>5,836,840</u>	<u>0.8%</u>
<b>Total</b>	<b><u><u>\$ 433,770,728</u></u></b>	<b><u><u>58.0%</u></u></b>

Source: St. Charles Parish Assessor.

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

<u>Year</u>	<u>Population <sup>(1)</sup></u>	<u>Per Capita Income <sup>(1)</sup></u>	<u>Public School Enrollment <sup>(1)</sup></u>	<u>Unemployment</u>
1994	45,236	\$ 19,176	9,550	7.9%
1995	45,963	20,114	9,604	6.7%
1996	46,275	20,698	9,742	6.8%
1997	46,583	21,925	10,239	5.1%
1998	46,730	23,933	10,126	4.4%
1999	47,250	24,407	10,218	4.6%
2000	47,650	25,601	10,026	5.6%
2001	48,072	26,344	9,984	5.3%
2002	48,130	26,608	9,947	5.2%
2003	49,820	26,874	9,807	5.6%

- (1) Source: St. Charles Parish School Board Comprehensive Annual Financial Report - Statistical Section  
 (2) Information not yet available.





# STAGNI & COMPANY, LLC

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

To the President and Members of the  
St. Charles Parish Council  
Hahnville, Louisiana

We have audited the basic financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Parish of St. Charles, Louisiana (the "Parish"), as of and for the year ended December 31, 2003, which collectively comprise the basic financial statements and have issued our report thereon dated June 1, 2004. 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.

### *Compliance*

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 grants, 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 an instance of noncompliance that is required to be reported under *Government Auditing Standards*, which is described in the accompanying Schedule of Findings and Questioned Costs as item 0312-2 (Sunset Drainage District - a Component Unit).

### *Internal Control Over Financial Reporting*

In planning and performing our audit, we considered the Parish's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Parish's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

207 LAFAYE AVENUE  
THIBODAUX, LA 70301  
PHONE (985) 447-7226  
FAX (985) 446-3032

11 JAMES BLVD., SUITE 210  
ST. ROSE, LA 70087  
PHONE (504) 468-2258  
FAX (504) 464-1473

140

A PROFESSIONAL SERVICE ORGANIZATION  
MEMBERS: AICPA • LCPA  
EMAIL: [stagni@stagni.com](mailto:stagni@stagni.com)  
INTERNET: <http://www.stagni.com>

To the President and Members of the  
St. Charles Parish Council  
Page 2 of 2

The reportable condition is described in the accompanying Schedule of Findings and Questioned Costs as item 0312-1 (Sunset Drainage District – a Component Unit). A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness.

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

## **Stagni & Company**

St. Rose, Louisiana  
June 1, 2004



**Parish of St. Charles**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2003**

<u>Federal Grantor/Pass-Through Grantors/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Grant Year Ended</u>	<u>Revenue Recognized</u>	<u>Federal Expenditures</u>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>					
Passed through LA Dept. of Education: Summer Food Service Program	10.559	02SFSP-028	07/15/03	<u>\$ 23,458</u>	<u>\$ 23,458</u>
<b>U.S. DEPARTMENT OF COMMERCE</b>					
National Oceanic & Admospheric Admin. (NOAA) Coastal Impact Assistance Program	11.419	NA17OZ2158	12/31/03	<u>\$ 289,221</u>	<u>\$ 289,221</u>
<b>U.S. DEPARTMENT OF ENERGY</b>					
Passed through LA Dept. of Social Services: Weatherization Assistance Prog.	81.042	CFMS-557509	03/31/04	<u>\$ 15,096</u>	<u>\$ 14,249</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>					
Passed through LA Dept. of Labor: Community Services Block Grant	93.569	2003P0076-01	09/30/04	\$ 143,646	\$ 143,646
Passed through LA Dept. of Health and Hospitals: Low Income Home Energy Assistance Program (Energy)	93.568	CFMS-528400	12/31/03	63,847	63,847
Action-A Volunteer Agency (Retired Senior Vol. Program)	94.002	440-W022/12	12/31/03	66,357	66,293
<b>TOTAL U.S. DEPT. OF HEALTH AND HUMAN SERVICES</b>				<u>\$ 273,850</u>	<u>\$ 273,786</u>
<b>U.S. DEPT. OF HOMELAND SECURITY</b>					
Passed through LA Dept. of Military Affairs: Hazardous Materials Asst. Program	97.021		12/31/03	<u>\$ 7,505</u>	<u>\$ 7,505</u>
<b>U.S. DEPT. OF HOUSING AND URBAN DEVELOPMENT</b>					
CDBG/Economic Development Initiative	14.246	B-01-SP-LA-0236	12/31/03	\$ 85,811	\$ 85,811
	14.246	B-02-SP-LA-0261	12/31/03	66,666	66,666
Passed through Jefferson Parish Community Development Dept.: Home Program	14.239	--	--	179,221	175,423
<b>TOTAL U.S. DEPT. OF HOUSING AND URBAN DEVELOPMENT</b>				<u>\$ 331,698</u>	<u>\$ 327,900</u>
<b>U.S. DEPARTMENT OF THE ARMY</b>					
Direct Program - Pymt in Lieu of Taxes	12.112	--	--	<u>\$ 10,602</u>	<u>\$ -</u>

**Parish of St. Charles**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2003**

Federal Grantor/Pass-Through Grantors/Program Title	Federal CFDA Number	Grant Number	Grant Year Ended	Revenue Recognized	Federal Expenditures
<b>U.S. DEPARTMENT OF LABOR</b>					
Passed through LA Dept. of Labor:					
Workforce Investment Act IIA	17.253	02/03-SDA-32-IIA	06/30/04	873,572	873,572
Workforce Investment Act IIC	17.253	02/03-SDA-32-IIC	09/30/04	689,692	689,692
Workforce Investment Act III	17.253	02/03-SDA-32-IIIF	06/30/04	508,052	508,052
Workforce Investment Act	17.253	Admin	12/31/03	201,098	201,098
Workforce Investment Act	17.253	Program Income	12/31/03	5,888	5,888
Workforce Investment Act	17.253	Welfare to Work	12/31/03	28,135	28,135
<b>TOTAL U.S. DEPT. OF LABOR</b>				<b>\$ 2,306,437</b>	<b>\$ 2,306,437</b>
<b>U.S. FED. EMERGENCY MNGT. AGENCY</b>					
Passed through LA Dept of Public Safety:					
Civil Defense-State & Local Emerg.					
Mngt. Assistance	83.552	15-3680-00	07/30/03	\$ 57,051	\$ 57,051
Passed through LA Office of Emergency Preparedness:					
Emergency Food & Shelter National Board Program					
	83.523	-	9/30/03	12,699	12,699
FEMA-1049 - Hazard/Flood Mitigation	83.548	1049-089-0001	--	94,340	94,340
FEMA-1435/37 - Disaster Assistance	83.544	-	--	7,569	-
<b>TOTAL U.S. FED. EMERGENCY MANAGEMENT AGENCY</b>				<b>\$ 171,659</b>	<b>\$ 164,090</b>
<b>U.S. FED. HIGHWAY ADMINISTRATION</b>					
Passed through LA Dept of Trans. & Dev.:					
Recreational Trails Program	20.219	ENH-4500 (503)	12/31/01	\$ 884,826	\$ 884,826
<b>U.S. DEPARTMENT OF JUSTICE</b>					
Passed through LA Comm. on Law Enforcement & Adm. of Criminal Justice					
JAIBG	16.523	A02-8-002	--	\$ 86,120	\$ 86,120
<b>U.S. ARMY CORP OF ENGINEERS</b>					
Passed through LA Dept. of Natural Resources					
Davis Pond Freshwater Diversion Project		2512-99-05	--	\$ 116,439	\$ 116,439
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>					
Surveys, Studies, Investigations and Special Purpose Grants (Luling Oxidation Pond)					
	66.606			\$ 169,465	\$ 169,465
<b>TOTAL FEDERAL AWARDS</b>				<b>\$ 4,686,376</b>	<b>\$ 4,663,496</b>

\* Expenditures recorded in prior year.  
See accompanying Notes to Schedule of Expenditures of Federal Awards.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

PRIMARY GOVERNMENT OF  
Parish of St. Charles  
December 31, 2003

**NOTE 1. Scope of Audit Pursuant to Government Auditing Standards, OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" and the Single Audit Act of 1984 and 1996 Amendments.**

All Federal grant awards of the Primary Government of the Parish of St. Charles are included in the scope of the single audit. The cognizant Federal audit agency for the Parish is the U.S. Department of Labor. The following was the major program of the oversight entity for the year ended December 31, 2003:

CFDA No. 11.419	Coastal Impact Assistance Program
CFDA No. 20.219	Recreational Trails Program

**NOTE 2. Summary of Significant Accounting Policies**

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the modified accrual basis of accounting. Grant revenues consist of Federal Financial Assistance. Expenditures consist of all expenditures incurred in the operation of the program which would include state and parish portions.

**NOTE 3. Pass-Through Awards**

The Parish did not pass-through any of its federal awards to a subrecipient during the year ended December 31, 2003.



**ST. CHARLES PARISH**

---

*Where There's More To Life*



# STAGNI & COMPANY, LLC

## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the President and Members of the  
St. Charles Parish Council  
Hahnville, Louisiana

### *Compliance*

We have audited the compliance of the Parish of St. Charles, Louisiana (the Parish) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs as of and for the year ended December 31, 2003. The Parish's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Parish's management. Our responsibility is to express an opinion on the Parish's compliance based on our audit.

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

In our opinion, the Parish of St. Charles, Louisiana complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2003.

207 LAFAYE AVENUE  
THIBODAUX, LA 70301  
PHONE (985) 447-7226  
FAX (985) 446-3032

11 JAMES BLVD., SUITE 210  
ST. ROSE, LA 70087  
PHONE (504) 468-2258  
FAX (504) 464-1473

145

A PROFESSIONAL SERVICE ORGANIZATION  
MEMBERS: AICPA • LCPA  
EMAIL: [stagni@stagni.com](mailto:stagni@stagni.com)  
INTERNET: <http://www.stagni.com>

To the President and Members of  
St. Charles Parish Council  
Page 2

***Internal Control over Compliance***

The management of the Parish is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Parish's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level of risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. However, we noted a certain immaterial instance of noncompliance that we have reported to management of the Parish in a separate letter dated June 1, 2004.

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

**Stagni & Company**

St. Rose, Louisiana  
June 1, 2004



**PARISH OF ST. CHARLES, LOUISIANA**

*Schedule of Findings and Questioned Costs*

For the Year Ended December 31, 2003

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Parish of St. Charles, Louisiana as of and for the year ended December 31, 2003, which collectively comprise the basic financial statements and have issued our report thereon dated June 1, 2004. 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 and the provisions of OMB Circular A133. Our audit of the financial statements as of December 31, 2003 resulted in an unqualified opinion.

**Section I Summary of Auditor's Reports**

**a. Report on Internal Control and Compliance Material to the Financial Statements**

**Internal Control**

Material Weaknesses Yes  No Reportable Conditions  Yes  No  
(Sunset Drainage District- Component Unit)

**Compliance**

Compliance Material to Financial Statements  Yes No  
(Sunset Drainage District- Component Unit)

**b. Federal Awards**

**Internal Control**

Material Weaknesses  Yes  No Reportable Conditions  Yes  No

Type of Opinion On Compliance Unqualified  Qualified   
For Major Programs Disclaimer  Adverse

Are their findings required to be reported in accordance with Circular A-133, Section .510(a)?  Yes  No

**c. Identification of Major Programs:**

CFDA Number (s)	Name of Federal Program (or Cluster)
11.419	Coastal Impact Assistance Program
20.219	Recreational Trails Program

Dollar threshold used to distinguish between Type A and Type B Programs: \$300,000  
Is the auditee a 'low-risk' auditee, as defined by OMB Circular A-133?  Yes  No



**Section II Financial Statement Findings**

**Sunset Drainage District (Component Unit Audited by Other Auditors)**

**Internal Controls over Financial Reporting - Finding 0312-01**

*Description of Finding:* Internal Control Material Weakness. As a material weakness (and reportable condition), the size of the Sunset Drainage District's operations and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal control, although to employ such controls may not be cost beneficial.

**Compliance - Finding 0312-02**

*Description of Finding:* Local Government Budget Act LSA-RS39:1301-14 requires that the governing authority amend its budget when actual expenditures plus projected expenditures for year-end exceed budgeted expenditures by five percent or more. The budget was amended during the fiscal year to comply with this requirement. However, the actual expenditures still exceeded the budgeted expenditures by more than 5%.

**Section III Federal Award Findings and Questioned Costs**

**NO FINDINGS TO REPORT**



**PARISH OF ST. CHARLES, LOUISIANA**

Schedule of Prior Year Findings  
For the Year Ended December 31, 2003

<b>SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS</b>	
<p><b>Sunset Drainage District</b> ( Component Unit Audited by Other Auditor) 0212-01 As a material weakness (and reportable condition), the size of the Sunset Drainage District's operations and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal controls, although to employ such controls may not be cost beneficial.</p>	<b>Unresolved. See Corrective Action Plan.</b>
<p><b>St. Charles Parish Hospital Service District</b> ( Component Unit Audited by Other Auditor) 2002-1 Unable to file its annual audit in accordance with LSA-RS 24:514, 33:463, and/or 39:92.</p>	<b>Resolved.</b>
<p><b>2000-2</b> It was noted that the Hospital was not reconciling general ledger accounts on a timely and meaningful basis.</p>	
<p><b>2002-2</b> Investigative procedures indicates alleged fraud in the payroll department by an employee over the past seven years.</p>	<b>Resolved.</b>
<b>SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS</b>	
NONE	
<b>SECTION III - MANAGEMENT LETTER</b>	
NONE	

**PARISH OF ST. CHARLES, LOUISIANA**

**Management's Corrective Action Plan  
For the Year Ended December 31, 2003**

<b>SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS</b>	
<b>Sunset Drainage District (Component Unit Audited by Other Auditors)</b>	
<b>0312-01</b> Inadequate segregation of duties	No corrective action planned is taken because of the size of the entity.
<b>0312-02</b> Local Government Budget Act	When creating future budgets, the District's Board will include a budgeted amount for Maintenance Tax Expenditures which is a moderate expense that was not budgeted in the past.
<b>SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS</b>	
NONE NECESSARY	
<b>SECTION III - MANAGEMENT LETTER</b>	
<b>2003-1</b> Monitoring Compliance with Davis Bacon Act	In response to your management letter dated June 1, 2004, the Parish will implement a plan to insure that someone is monitoring compliance with requirements related to our federal assistance funds.